UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 101st CONGRESS

FIRST SESSION

VOLUME 135—PART 20

NOVEMBER 8, 1989 TO NOVEMBER 15, 1989

(PAGES 27827 TO 29307)

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PROCEEDINGS AND DEBATES OF THE 101st CONGRESS, FIRST SESSION

SENATE—*Wednesday, November 8, 1989*

(Legislative day of Monday, November 6, 1989)

The Senate met at 10:15 a.m., on the expiration of the recess, and was called to order by the Honorable WYCHE FOWLER, JR., a Senator from the State of Georgia.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Have not I commanded thee? Be strong and of a good courage; be not afraid, neither be thou dismayed: for the Lord thy God is with thee whithersoever thou goest.—Joshua 1:9.

Gracious God, our Father in Heaven, full of mercy and love, we were reminded at breakfast this morning by Senator THURMOND that Thou dost never leave us nor forsake us. We thank Thee for Your abiding and unceasing presence with us, whatever our circumstances, whatever our condition, in pleasure and in pain, in joy and in sorrow, in strength and in weakness, in triumph and in tragedy, You never leave us.

Forgive us for our indifference. Forgive us that we so seldom take You seriously. Forgive us for the loneliness and frustration we bring upon ourselves because we fail to trust You.

Mighty Lord, as You know the needs of every person who labors in the Senate, help us to go through this day, confident in Your faithfulness and Your love. In Jesus' name, whose love is unconditional, universal, and eternal. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, November 8, 1989.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable WYCHE FOWLER, JR., a Senator from the State of Georgia, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. FOWLER thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, this morning following the time reserved for the two leaders there will be a period for morning business until 10:45 a.m., with Senators permitted to speak therein for up to 5 minutes each. At 10:45, the Senate will resume consideration of the minimum wage bill, H.R. 2710, with votes likely relative to that measure this morning and during the day.

RESERVATION OF LEADERSHIP TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time and I reserve the entire leader time of the distinguished Republican leader.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for morning business to extend until the hour of 10:45 a.m., with Senators permitted to speak therein for up to 5 minutes each.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE WHITE HOUSE EFFECT ON GLOBAL WARMING

Mr. WIRTH. Thank you, Mr. President.

Mr. President, yesterday a number of us, the majority leader, the distinguished Senator from Tennessee [Mr. GORE] and others, took the floor and spoke about the regrettable position taken by this administration at the ministerial level global warming meeting in The Netherlands.

For several weeks, we urged the White House to send EPA Administrator Reilly to The Netherlands with a strong policy to assert United States leadership on this important issue. We heard that there are those in the White House who said we only need to study this issue more and no action should be taken.

I can imagine that those individuals who do not want to take any action are feeling very successful this morning. As was reported this morning across the Nation, the United States has now successfully blocked a meaningful agreement that would have set us on a course to protect the global environment.

The United States has blocked action. The United States prevailed, a watered-down communique was issued, and the conference is over. It is a bit like the Senate passing a sense-of-the-Senate resolution; the rhetoric sounds very nice, but it does not mean much.

● This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

On this issue, that fairly characterizes this so-called White House effect on the urgent problem of global warming. This was not a White House effect; this was a whitewash and nonaction.

I do not want to belabor this issue, Mr. President, but we should. This is the most important issue that mankind is going to face for the remainder of this century and well into the 21st century. It is not going to go away.

I was interested in reading the transcript of the President's press conference yesterday in which he was attempting to explain the U.S. position. In his response to a question about the global warming issue, I could not help but notice the irony of the President's statement.

The President remarked about the quality of the U.S. scientific community. He said, "I can tell you that U.S. science is the best in terms of global warming." I could not agree with the President more.

Our best scientists are telling us that it is not a question of whether the Earth will warm, but by how much and how fast. If the President wants to boast about the quality of our science, why does he not pay attention to our scientists?

Yesterday when I spoke, Mr. President, I asked, what is wrong with these people? Why is it that the White House has dug in its heels? Why is it that in the face of overwhelming evidence, they insist on doing nothing and now proudly have blocked an international effort to start to deal with the global warming issue?

I have been thinking since then, Mr. President, why is that? What has happened? Maybe this issue is new. Maybe the global warming issue is something that has come upon us so rapidly that they have not had a chance to adopt any policy.

It is not new, Mr. President. This issue has been around for more than a century. We fully understand the theory of the greenhouse effect. For well over 20 years, we have had good measurements of the increase of greenhouse gases. For the last decade, we have seen increases in the temperature of the globe. The evidence is not new. So we dismiss that.

Maybe there is a conflict of evidence in this. Maybe some scientists are saying some things and some are saying the other. But that is not the case either, Mr. President. The evidence is very clear that there is a very broad consensus in the scientific community. This is not a question of if the globe will get warmer, but how much, how fast. So we can dismiss a conflict-of-evidence argument.

Maybe there is an enormous economic cost, and this is what they are worried about, Mr. President. But the economics of this issue would play for us. We use twice as much energy in the United States per unit of capital as our competitors in Japan and Germany do.

Why not embark upon an aggressive program of energy conservation? Why not embark upon an aggressive program of alternative energy at a time when we are now 50-percent dependent upon imported oil? These kinds of measures which happen to be good for global warming are also good for our economy and good for our national security. So clearly the rationale for White House inaction should not be economic cost.

Maybe they are suggesting, Mr. President, the U.S. role in this is just too small. After all, we are only 6 percent of the world's population, and we should not worry; we are a very small percentage of what is going on in terms of human activity in the world.

But that 6 percent of that population is creating about 25 percent of the carbon dioxide and over 30 percent of the chlorofluorocarbons that are going into the atmosphere. Clearly that cannot be a reason.

Maybe it is a cynical reason that the White House has backed off, Mr. President. Maybe they are just waiting in some way for 1992. Maybe they are going to embark upon a major breakthrough program in early 1992, and then go out and try to fool the American electorate and say to the American electorate, "Look, we discovered the problem and now we are going to solve it."

I hope that kind of cynicism does not characterize this administration. It might characterize Mr. Atwater and Mr. Ailes, but I certainly do not think it characterizes the attitude of the President of the United States on the environment.

This is not new evidence, Mr. President; this is not a conflict of evidence; this is not an economic cost issue; it is not an area where the U.S. role is too small; I would not think there is this kind of political cynicism. So why are the people in the White House resisting so thoroughly?

The only conclusion I can come to, Mr. President, is simply ignorance. They do not know. So why do they not take it upon themselves to find out? Mrs. Thatcher has had a high-level briefing; Chancellor Kohl has had a high-level briefing; in 10 days. President Gorbachev is going to have a briefing at the highest level. Why does not this President learn something about this issue and call in experts at the highest level?

Let us get rid of this kind of foot-dragging, Mr. President. The responsibility of the United States to lead is overwhelming. It is time that we do so. Let us stop being proud of being obstructionist. Let us start being proud once again of a leadership role that we should confirm once more for this country.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 8, 1989]

UNITED STATES, JAPAN AND SOVIETS PREVENT ACCORD TO LIMIT CARBON DIOXIDE

(By Paul Montgomery)

NOORDWIJK AAN ZEE, THE NETHERLANDS, November 7.—Objections by the United States, Japan and the Soviet Union at an international conference here thwarted endorsement today of a specific timetable for curbs on emissions of carbon dioxide.

The dissidents among the 68 nations participating agreed, however, that stabilizing carbon dioxide emissions in industrialized countries would have to be enforced at some point. William K. Reilly, the head of the Environmental Protection Agency, who led the American delegation, said it was the first time the United States had embraced the principle.

Excess carbon dioxide, produced largely by burning coal, petroleum and natural gas, is responsible for at least half the atmospheric pollution that traps solar heat like a greenhouse and contributes to atmospheric warming.

ISSUE OF CLIMATE CHANGE

The conference, bringing together environment officials for two days of non-binding discussions, was called to consider the problem of climate change. Western European nations had hoped for a final declaration that would commit the participants to limiting carbon dioxide emissions to an agreed level by the year 2000. Most countries wanted to set the level at the carbon dioxide produced in the industrial world in 1988, and many wanted consideration of cuts up to 20 percent in the agreed level by 2005.

In Washington, President Bush was sharply criticized by members of Congress from both parties, including the Senate majority leader, George J. Mitchell, Democrat of Maine, and Senator John Heinz, Republican of Pennsylvania, for resisting the action on global warming that other countries wanted. The President said today in a news conference that the United States cannot be driven by "the extremes" of a policy that calls for a carbon dioxide stabilization or reduction timetable.

Mr. Reilly made clear yesterday that the Bush Administration's policy was to avoid specifics at least until the United Nations-sponsored Intergovernmental Panel on Climate Change makes its final report next November.

In the debate about carbon dioxide levels, Japan has generally sided with the United States in calling for further study before decisive action. The Soviet Union and other East European nations have opposed limits on the grounds that they do not have the money to spend on meeting them.

In the United States, the adoption of carbon dioxide limits would probably means laws requiring more fuel-efficient automobiles, use of fluorescent rather than incandescent light bulbs and extensive tree planting.

Most of the debate was over one paragraph stating the conference's view on curbing carbon dioxide emissions in industrialized countries. In the end the declaration stated that stabilization should be achieved at levels to be considered at the meeting next November.

Environmentalists attending as observers said they were "very disappointed" by the

declaration. "Less than six months ago in Paris, President Bush talked of the urgent need to reduce carbon dioxide emissions," said Brooks Yeager of the National Audubon Society. "Now the White House has sabotaged the first international effort to make good on the President's words. This is not the way to lead the world."

[From the Washington Post, Nov. 8, 1989]

NATIONS PASS RESOLUTION ON ENVIRONMENT—UNITED STATES, JAPAN ACCUSED OF BLOCKING PROGRESS

(By Glenn Frankel)

NOORDWIJK, THE NETHERLANDS, November 7.—Under pressure from the United States and Japan, an international conference on global warming today unanimously passed a compromise resolution that refrains from setting firm goals for reducing carbon dioxide emissions, the major cause of the so-called "greenhouse effect."

American environmental groups attending as observers accused the Bush administration of sabotaging the conference. "The president made a commitment to the American people to deal with global warming, and he hasn't followed it up here," said Rafe Pomerance of the World Resources Institute, a policy research center.

After a long night of back-room negotiations, conference leaders acceded to U.S. and Japanese demands that they drop a paragraph committing the industrialized nations to hold emissions to the present level and eventually cut them by 20 percent.

Instead, the final draft merely acknowledges "the need to stabilize" emissions and notes that "many industrialized nations" believe such a goal should be reached by the year 2000. It does not stipulate the level of emissions it wants stabilized, saying that setting this goal should be put off until a world climatological conference scheduled for November 1990.

"A large group of countries said yes to stabilization and some others have yet to make a decision," said Ed H. Nijpels, the Dutch environment minister, who named the United States, Japan and the Soviet Union as the three main dissenters. The Soviet Union supported the U.S. and Japanese position but was not active in the negotiations. Seventy-one countries attended the ministerial-level meeting, the first to deal solely with global warming.

Environmental groups said the compromise statement amounted to a step backward in international efforts to counter global warming, considered by many scientists as the most serious ecological issue facing Earth. Scientists believe that a build-up of carbon dioxide emissions is contributing to the current rise in the temperature of the planet's lower atmosphere. Some scientists fear the phenomenon could lead to the flooding of coastal areas and an expansion of deserts.

"The concept of stabilizing CO_2 emissions, without any commitment to the level at which stabilization will occur, must be regarded either as a failure of nerve or a cynical ploy," said Brooks Yeager of the National Audubon Society.

But William K. Reilly, administrator of the Environmental Protection Agency and leader of the American delegation here, insisted that the U.S. position did not contradict President Bush's public commitment to "lead the world" toward solving the problem.

"We did not come here prepared to make a commitment to stabilize emissions by the year 2000," said Reilly. "We regard this conference as a very important event but we don't regard it as the main event."

[In Washington, The White House released a statement saying the United States agreed with other industrialized nations at the conference that stabilization of carbon dioxide should be achieved as "soon as possible."]

Reilly told a press conference that the United States was not prepared to commit itself to deep cuts in emissions of carbon dioxide until it had developed further research on the scientific causes of global warming and the economic consequences of reducing emissions.

The nine-page declaration did contain several important advances, according to environmental activists here, including a commitment to 30 million acres of annual reforestation and a pledge that governments would work to adopt an international treaty on global warming by 1992. "There are some good building blocks here," said Pomerance.

The declaration also includes a commitment to explore methods of funding for Third World countries to help them lower emissions, but no specific pledge of money.

Some European ministers, who had pressed for the tougher draft resolution that the United States opposed, joined environmentalists in expressing disappointment.

Britain had originally supported the U.S. position but backed away this morning and endorsed the majority position that targets should be set.

[From the Washington Post, Nov. 8, 1989]

TRANSCRIPT OF PRESIDENT BUSH'S NEWS CONFERENCE

GLOBAL WARMING

You're probably ready for this one, but you campaigned as an environmentalist and said you were a strong environmentalist. Yet on the issue of global warming, it seems that the U.S. is being dragged kicking and screaming into trying to address this problem. How do you respond to that?

I respond to it by saying it's not true.

Why are you resisting the moves in this international conference now?

We're just standing off against extremes. We have a unanimous communique out of that global conference. We have an outstanding environmentalist in [EPA Administrator] Bill Reilly. We have an outstanding scientist in [presidential science adviser] Dr. [D. Allan] Bromley. They agree that our approach to all of this is right. And I think we cannot be—this policy of the environment cannot be driven by the extremes.

But I would like to take your question to challenge the United States Congress to go forward on the revisions to the Clean Air Act, on other initiatives that we have supported, instead of sitting back there and carping about it. And if they don't like our way, go ahead and try it and then add to it in later years. But they sit there and argue back and forth with each other, and nothing happens.

In this global conference, I can tell you United States' science is the best in terms of global warming. And we will be in the lead as we are now with our science on global warming. But you can't take a policy and drive it to the extreme and say to every country around the world, "You aren't going to grow at all." We've got to use our science to help solve this problem.

[From Time magazine, Nov. 6, 1989]

WHY BUSH SHOULD SWEAT

(By Strobe Talbott)

When George Bush proclaimed himself the environmentalist candidate in an outdoor campaign speech on Aug. 31, 1988, he had to mop his brow several times as he spoke. Last year was the hottest ever recorded, spurring a debate among scientists as to whether the mercury was registering proof of the "green-house effect." Carbon dioxide and other chemicals are spewed into the atmosphere by the burning of fossil fuels like coal and gasoline: the gases trap radiation that has come from the sun and that would otherwise escape into space. The result is global warming: over time, sea levels will rise, droughts and floods could become more extreme, and tropical storms may rage more destructively.

But Bush's message was reassuring: "Those who think we're powerless to do anything about the greenhouse effect are forgetting about the White House effect. As President, I intend to do something about it." He should be held to that promise not just by his own countrymen but by the whole world. The U.S. with 5% of the earth's population, produces nearly 25% of all the CO_2 from fossil fuels.

Reducing those emissions by any meaningful degree will require tough new federal standards for automobile fuel economy: government-sponsored inducements to make production of electricity by utilities—as well as consumption by homes and businesses—more efficient: and a major research-and-development program for alternative sources of energy. So far, the Bush Administration has not pushed for any of those measures. Nor has it proposed or endorsed any legislation mandating cuts in CO_2 emissions.

Energy and transportation policies control what comes out of a nation's smokestacks and exhaust pipes. Yet there has been little coordination among the Environmental Protection Agency and the U.S. Departments of Energy and Transportation.

In the '88 campaign and in some of his presidential statements earlier this year, Bush accepted the proposition that the time to act is now. But the Commerce and Interior departments have waged constant guerrilla warfare against any effort to make good on the President's prior commitments. Meanwhile, the President's chief of staff John Sununu has taken to questioning aspects of the greenhouse theory. There is room for debate over the exact magnitude of climate change that will result from CO_2 emissions, but no respectable scientist denies that if humanity keeps pouring gases into the atmosphere, the earth will heat up. The U.S. has spent several trillion dollars over the past 40 years buying insurance against Soviet nuclear attack. Global warming, by contrast, is not just a risk but a certainty. It would be a shame if quibbling and ambivalence on the part of some Bush aides were to play into the hands of those who are looking for an excuse to do nothing.

Next week environmental officials from around the world will meet in the Netherlands to discuss concerted steps on CO_2 emissions. The U.S. will be there, but probably without a policy. In February the U.S. will be host to an international conference on climate change in Washington. Bush is expected to address the conference. The temperature in the hall will probably be more comfortable than it was when he gave his "I am an environmentalist" speech in the hot summer of 1988. But unless he has

more to show on the greenhouse effect than rhetoric, the President should be mopping his brow anyway—at least in embarrassment, and perhaps in anxiety for the future of the planet.

[From the New York Times, Nov. 8, 1989]

GLOBAL LUKEWARMING

George Bush's campaign pledge to pay more attention to the environment was good news coming after eight years of Reagan indifference. His early appointments were generally sound, his proposals challenging, his words bullish. "Those who think we're powerless to do anything about the greenhouse effect," he trumpeted, "are forgetting about the White House effect."

Where has this ardor gone? In a pattern distressingly like the Administration's disarray over Soviet policy, infighting and conflicting signals now obscure the clarity of Mr. Bush's original commitment on at least two priority issues.

GLOBAL WARMING

Environmental questions are dauntingly complex, and solving them requires painful trade-offs between conservation and economic growth. The so-called greenhouse effect is no exception: experts disagree on just how serious it already is. But no respectable scientist denies that pouring gases like carbon dioxide into the atmosphere will eventually cause the earth to warm up, with consequences that are potentially catastrophic.

The U.S. produces 25 percent of the world's carbon dioxide emissions. To William Reilly, director of the Environmental Protection Agency, this imposes a special obligation on Washington to develop a timetable and strategy.

Mr. Reilly had hoped to carry at least the outline of a policy to an international conference on global warming that begins tomorrow in the Netherlands. He's going, but without a policy. Powerful voices in the Administration—including the Department of Energy and the White House chief of staff, John Sununu—insist on further study, even though 14 months have passed since Mr. Bush's ringing declaration of war on global warming.

CLEAN FUELS

A tough new clean-air bill is slowly winding its way through Congress, thanks in part to Mr. Bush's original bill and the efforts of clean-air advocates like California's Henry Waxman to strengthen it. But one of the bill's most important provisions has been weakened beyond recognition—and Mr. Bush is largely to blame. The provision would have required Detroit to produce one million cars designed to run on alternative fuels by 1997.

There's disagreement among experts on which alternative fuels would be cleanest or cheapest. But Mr. Bush's original proposal would at least have encouraged aggressive investment in new technology by reluctant auto makers and oil companies.

At a critical moment in the deliberations of Mr. Waxman's subcommittee, however, Mr. Sununu sent word that the White House would accept a weaker provision. Mr. Reilly sent the opposite message. The confusion was fatal: Mr. Bush's cherished alternative-fuels provision was gutted. By allowing two key aides to send conflicting signals, the President had sandbagged himself.

There are now fears of vacillation on a third environmental concern: acid rain. The Bush bill would attack acid rain by requiring utilities to halve their discharges of sulfur dioxide by the year 2000. Mr. Sununu said in a letter to Mr. Waxman that the White House still wants a tough plan. But there is no evidence of aggressive White House lobbying. That's because the White House's chief lobbyist—the man who would be the Environmental President—has forgotten that legislation, like horseshoes, requires follow-through.

Mr. BOSCHWITZ. Mr. President, I say to my friend from Colorado that while I do not agree with every element of his speech, nevertheless, I agree that we need to move forward quickly on global warming.

I agree, too, the President is not cynical about the issue; that he, indeed, wants to be an environmental President, and I think evidence of that is the clean air bill that he has sent us, the first in about a dozen years.

As the Senator from Colorado knows, I share his thoughts and feelings on global warming, and indeed spoke on the floor yesterday morning in the same vein as he has now.

GLOBAL ENVIRONMENTAL PROTECTION

Mr. DODD. Mr. President, I note with dismay the efforts of the Bush administration to block efforts to commit the world's industrialized nations to cutting back their carbon dioxide emissions so that global warming can be countered.

The United States should be taking a leadership role in the fight to protect our global environment through the development of energy, commercial, agricultural, and environmental policies which reduce the release of carbon dioxide and other trace gases into the atmosphere.

Instead, the President's continued inaction and ambivalence on the single most important environmental issue of the century sends a dangerous signal to the rest of the world that the United States no longer can be counted as leaders in the effort to establish an international dialog on global environment.

President Bush has proclaimed himself "an environmental President." During the campaign and again in May 1989, the President made a commitment to convene an international conference in Washington to identify the potential effects of global climate change. In January, his Secretary of State, James Baker, issued a challenge to the nations of the world to work on this issue. Furthermore, President Bush has said "* * * those who think we—the United States—can do nothing about the greenhouse effect are ignoring the White House effect."

Unfortunately, the President's actions do not match his rhetoric. At the meeting of 70 environmental ministers taking place currently in The Netherlands, the administration says that it is not ready to commit itself to specific carbon dioxide target levels and dates for reduction until it has done more research on the extent of the problem and the economic consequences of reducing emissions.

Mr. President, we don't need more research—we need action. Speaking to the Senate Energy Committee in June 1988, Dr. Jim Hansen of NASA's Goddard Institute for Space Studies and one of the world's leading authorities on climate, said that this decade has seen the 4 hottest years of the last century. The first 5 months of 1988 were the warmest on record.

Dr. Hansen and others are 99 percent certain that the trend in rising temperatures is not random, but part of the greenhouse effect—a gradual warming of the Earth's climate. We are no longer talking about theory—the greenhouse effect is upon us and global warming has begun.

Over the next several decades, scientists tell us, the temperature of the Earth as a whole might rise by 3° to 9°. This compares to a rise of only 3 percent in the last 10,000 years.

The implications of these dramatic climatic changes are devastating. Scientists believe the sea level may rise as much as 7 feet due to the thermal expansion of the oceans and the melting of the polar ice caps. Meteorological models suggest that the world's major food producing regions are likely to become dryer and dryer, while future farmlands shift northward. For developed and underdeveloped regions of the world alike, the impacts could be catastrophic for future generations.

Global warming is an environmental problem of such magnitude that it is unprecedented in the history of man. Combating the causes of global warming must be a top priority of diplomatic efforts as we head into the decade of the 1990's.

I call upon President Bush to live up to his rhetoric and commit the United States to a leadership role at the forefront of global environmental protection.

THE 1990 FARM BILL

Mr. BOSCHWITZ. Mr. President, this morning I want to talk about the 1990 farm bill. It is a debate that is going to begin in earnest fairly soon. In deciding the course we are to take in 1990, we should consider the impact of the 1985 farm bill and use that experience to craft our future policy.

To be sure, we had a somewhat different environment back in 1985 when we were considering that farm bill. The high inflation and interest rates of the late seventies and early eighties, combined with other factors—strong dollar, foreign competition, weaker international demand because of a recession—all those things dealt a very heavy blow to American agriculture.

Farm income was very low. Surplus stocks of grain were building, and our share of the international market was coming down. Those problem were our focus when we wrote the 1985 farm bill, and that is why that bill has three principal goals: First, to stabilize farm income; second, to regain the U.S. share of world markets; and third, to reduce burdensome surpluses of grain stocks.

Senator BILL BRADLEY and I asked the General Accounting Office [GAO] to study the 1985 bill to see if we had met those three goals. In a report issued earlier this year, the GAO stated that, indeed, these three goals had been largely attained. Farm income was on the rise, our share of international grain trade had increased, and grain stocks were no longer a price-depressing factor in the marketplace.

As we move to the 1990 farm bill, this Senator is coming from a view that the 1985 farm bill is working pretty well.

On the morning of July 5, I started a tour of Minnesota, going to 62 counties. I was on farms and held hearings in 58 counties, in towns in four counties. We talked about the 1985 farm bill, how it was doing, and what should happen in 1990. The vast majority of the farmers told me they wanted more flexibility.

I read with interest the statement of my colleague, Senator LUGAR, in the October 12 CONGRESSIONAL RECORD discussing a Purdue University poll of Indiana farmers. Their responses were that they also prefer a farm policy that closely parallels what I heard in those 62 counties. Both groups reported the need for farm programs to be less rigid, to better allow farmers to run their operation in response to market signals, not to run their farms in response to Government dictates.

I have been discussing the framework of the next farm bill with several of my colleagues. At this time we are in agreement in quite a broad number of programs and policies. When Congress reconvenes in January for the second session of this Congress, we will introduce a 1990 farm bill. Major provisions of that bill will include the following:

First. Farm acreage base: A farm acreage base [FAB] will be determined for each farm. It will consist of the sum of the bases for feed grains, wheat, cotton and rice. A base will be created for oilseeds—soybeans, sunflowers, canola, safflower—which will be included in the FAB. Only program crops and oilseeds will be allowed to be planted on the FAB. Program crops will not be allowed on acreage in excess of the FAB on a farm. However, there will be no restriction on the mix of program crops planted on the FAB. So if a farmer has 100 acres of wheat, 100 acres of corn, and 100 acres of beans this year, he could plant 300 acres of beans or 300 acres of corn. Within the farm acreage base you would have a great deal of flexibility.

Second. Base acreage and program yields: Both base acreage and the program crop yield level will be frozen at 1989 levels. The oilseed base will be the sum of highest planted acreage in any of the 5 years from 1985-89 for each oilseed crop grown by the farmer.

Third. Target prices and loan rates: Target prices would be frozen at current levels. We would also offer farmers an optional recourse loan, which we'd call a "harvest loan," in addition to the widely used nonrecourse commodity loan. The harvest loan would be offered at the basic loan rate and the nonrecourse loan would be at the Findley loan rate. For example, with a corn target price of $2.75, the basic loan rate would be $1.96 per bushel, and that would be the rate that farmers could obtain a harvest loan. At maturity of the loan, that total amount borrowed, plus interest would need to be repaid. With the corn target at $2.75, the Findley loan rate would be $1.57 per bushel. Farmers could opt for this lower rate and retain the option as they now do to either repay the loan plus interest at maturity, or to forfeit the crop under loan to the Government.

Fourth. Deficiency payments: Deficiency payments will be paid on historical program crop base used to create the FAB. They would be paid regardless of crops grown, provided total acreage planted to program crops does not exceed the FAB. The payment rate will be determined as it is now—the difference between the target price and market or loan price—whichever is less. We'll add a new option for farmers to lock in their payment similar to the way it is used in the 0/92 program. This is a way for farmers to predetermine their payment and further assist their planning efforts.

Fifth. Soybeans: We visualize the soybean loan rate at a level which provides an income safety net which is important to farmers. We'd also create an unlimited marketing loan to keep the United States competitive internationally. This would allow the United States to take advantage of growth opportunities in the world market.

Sixth. Paid land diversion: A multiple year—1 to 5—paid land diversion would be created, targeted to erodible or otherwise fragile land, and enrolled on a bid basis.

Seventh. Conservation reserve program: Eligibility would be expanded beyond highly erodible acres to include areas of strategic environmental concerns. The total acres in the paid land diversion and CRP could be as high as 50 million acres.

Eighth. Nonprogram crops: Nonprogram crops would be allowed to be planted on the FAB only if the farmer forfeits deficiency payment coverage on a composite acreage basis. This should remove the concern of nonprogram crop producers that program crop producers receiving deficiency payments on their FAB receive a subsidy to grow nonprogram crops.

Ninth. Environment: This proposal has a positive environmental bias. It does not discourage crop rotation, as certain portions of the current program do. A multiple year paid land diversion, and enhanced CRP can strengthen rural environmental quality. Conservation compliance would be continued.

Flexibility is the central theme of our proposal for the 1990 farm bill. We've seen how the current bill stops farmers from responding to makret signals by locking them into program crops and punishing them with loss of crop base if they don't plant all allowable acres to those same program crops. At the same time, we've seen the U.S. share of the world soybean market fall from 81 percent in 1970 to less than 37 percent in 1989. Critical to an expanding and prospering agriculture is the ability for farmers to compete for world market share.

Flexibility will allow our farmers to respond to the market signals, and enhance our ability to compete for that growing world market. Being competitive means having the ability to grow. Growth potential means a strong and prosperous agriculture. If agriculture is to grow and prosper into the next century, farmers must not be bound by inflexible farm policy, but must have the ability to adapt to new and growing markets.

It is to be expected that our debate on the farm bill will be a long and contentious one, as all farm bill debates have been in the past. But we firmly believe that the concept of flexibility—giving farmers a chance to respond to the marketplace—is an idea whose time has come.

The 1985 farm bill was a step in that direction—a step that most farmers welcomed and now appreciate. It will be up to us to keep farm policy moving in that direction. We want to give the American farmer a policy that is fair, that gives him the opportunity to compete on the world market, and that helps him continue to be the greatest producer of food and fiber in the world.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina.

Mr. SANFORD. Mr. President, once again, last night we acted out the familiar pageant we have performed so dutifully and diligently for almost a decade. Unlike some plays, this one does not get better with experience. The title might well be "No Time For Truth." Once again, we went along with the White House preparations to

send us yet another dishonest budget. The theme and the script were the same. Pauline is tied to the tracks and the train, engine blowing clouds of smoke, is bearing down. We could have cut her loose in September, but that would have removed the suspense and would also have given us time to find who keeps tying her to the tracks.

Last night we took up the legislation to increase the debt limit once again. This time we were asked to increase the limit to $3.1 trillion. In all the years, in all the Presidencies, in all the history, and in all the wars we had accumulated a national debt of less than $1 trillion by the time Ronald Reagan took office. Now, as we complete work on the last budget prepared by President Reagan's office, we have a debt three times as large, over $3 trillion.

Did we stop, as we raised the debt limit, to ask why we have permitted ourselves to become a debtor nation for the first time in our history, and the biggest debtor in the world at that? Of course not. We did not have time. The train was bearing down. We had to cut and grab and run.

As always, debt increases are brought up at night on the last day possible. We were told we would put the Government in default if we did not raise the debt limit right then. I do not doubt the truth of this, but neither do I doubt that we could have considered this legislation 2 or 3 months ago if the White House had been willing for us to take a careful look at their borrow, borrow, spend, spend fiscal policy that has marked the Reagan years and pockmarked the future of America.

If we had examined and debated the reason for this frightening debt, we would have been able to talk about what we already know: The deficits have been increasing year by year in spite of assurances by President Reagan first and now by President Bush that they were decreasing deficits.

The deficits have been almost a quarter of a trillion dollars a year and constantly rising. Now the deficits will be more than a quarter of a trillion dollars a year, and, by 1993, we will owe $4 trillion, 80 percent of the present GNP. We now owe 60 percent of the GNP.

How did we get so deeply in debt? By hiding the truth, concealing the true size of the annual accumulation of debt, covering up the deficits by false and dishonest bookkeeping.

In the fiscal year budget, the one for which the President Bush says he has reduced the deficit to about $100 billion, the deficit is $270 billion, and that cannot be denied. It is pure deceit.

What can we do about our debt and deficits? I do not know the answer, but I do know what the first step must be. I do know what step we could have taken last night as a condition to raising the debt once again. We could have stripped away the deceit and the shoddy bookkeeping techniques and manipulation. We could have stopped the coverup. We could have required an honest budget. Until we do require an honest budget, Mr. President, we will continue a mad drive toward national bankruptcy, becoming a second-class economic power in the world.

I yield the floor.

Several Senators addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Alaska is recognized.

Mr. MURKOWSKI. I thank the Chair.

(The remarks of Mr. MURKOWSKI, pertaining to the submission of Senate Resolution 204 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

Mr. BREAUX addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana [Mr. BREAUX] is recognized.

Mr. BREAUX. Mr. President, parliamentary inquiry: Might I inquire how much time is left for morning business? Am I correct that it extends until 10:45 a.m., and that then the Senate is scheduled to resume consideration of the minimum wage legislation?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. BREAUX. Mr. President, I ask unanimous consent that at that time, since the managers on the bill are not yet here and ready to speak, that we may begin with permission to speak as if in morning business.

Mr. BOSCHWITZ. I object.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota objects.

Mr. BREAUX. Mr. President, have we concluded morning business?

The ACTING PRESIDENT pro tempore. The Senator has 1 minute.

Mr. BREAUX. I need more than that.

I yield the floor.

Mr. BOSCHWITZ. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, is it the intention of the Senator to proceed when there are others who have already been here, and have been waiting——

The ACTING PRESIDENT pro tempore. The Chair thinks that the Senator from New Hampshire should state the reason he seeks recognition.

Mr. HUMPHREY. Will the Chair repreat that?

The ACTING PRESIDENT pro tempore. For what reason does the Senator from New Hampshire seek recognition?

Mr. HUMPHREY. I ask unanimous consent that further proceedings under the quorum call be rescinded, or has the Chair ruled on that?

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. CONRAD. I register objection, so that we can have a chance to allow the Senator from New Hampshire to understand what is occurring here because he is kind of walking into the middle of a bit of a conflict.

The ACTING PRESIDENT pro tempore. Objection is heard.

The clerk will resume the call of the roll.

The assistant legislative clerk resumed the call of the roll.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Is there objection? Hearing none, it is so ordered.

EXTENSION OF MORNING BUSINESS

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that morning business be extended for 15 minutes.

The ACTING PRESIDENT pro tempore. Hearing no objection, it is so ordered.

Mr. BREAUX addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana [Mr. BREAUX] is recognized.

Mr. BREAUX. I thank my colleague from Minnesota for working the situation out.

SECRET SETTLEMENT AGREEMENTS INVOLVING NUCLEAR UTILITIES

Mr. BREAUX. Mr. President, I take the floor this morning to say to my colleagues in the Senate that they need to be aware of what I can only term a coverup, a denial of facts that is now on the record and has been issued by the Nuclear Management and Resources Council, which is an organization of the nuclear power industries that is responsible for coordinating all of their efforts in lobbying before the Nuclear Regulatory Commission on behalf of all of the nuclear utilities in this country that operate nuclear power plants.

Mr. President, as chairman of the Subcommmittee on Nuclear Regulatory Matters of the Environment and Public Works Committee, we had hearings this year, along with our dis-

tinguished ranking member, ALAN SIMPSON, looking into the question of secret settlement agreements that nuclear utility companies and contractors were negotiating with various employees in which these employees were paid to settle their grievances against the utility companies, and in return the utility companies were requiring that these employees refrain or prohibit them from appearing before the Nuclear Regulatory Commission or any of the agencies to express their concerns about safety matters dealing with nuclear power companies in this country.

The hearings were very clear that these settlement agreements between the utilities and these employees were illegal, improper, contrary to public policy, and should be terminated immediately.

We investigated one particular settlement agreement which on its face was illegal and void and contrary to public policy. We asked the Nuclear Regulatory Commission to look and see if there were other such like agreements around the country. The Nuclear Regulatory Commission has now completed their investigation, and it found very clearly that there are at least 14 such secret settlement agreements between employees and nuclear utility companies and contractors in this country that are contrary to public policy and should be immediately terminated.

We requested that the Nuclear Regulatory Commission proceed with a public rule outlawing such secret settlement agreements. Lo and behold, the agency, the organization, the lobbying arm of the nuclear utilities themselves, sends a written statement to the Nuclear Regulatory Commission objecting to the NRC promulgating this law, outlawing these secret settlement agreements. Guess what they give as their basic reason for doing so? There is no need for such a rule in the NRC, because there has only been a single incident of violation of the principle that there should be no secret settlement agreements.

The Nuclear Management and Resource Council absolutely knows that they are not telling the truth, that they are misleading the public, and thereby perpetuating and participating in a coverage and a denial of the facts in this case. They know, they should know, and in fact they do know, that there are at least 14 of these secret settlement agreements that are illegal and void on their face. That is why a rule to be issued by the Nuclear Regulatory Commission is absolutely essential, because of not one, but as many as 14, and possibly more, secret settlement agreements that have been uncovered by the Nuclear Regulatory Commission, and utility companies know it, and certainly their lobbying arm that represents them also knows the facts of the matter.

So I found it absolutely astounding, alarming, that the agency that represents the utilities would participate in what can clearly be termed by no other phrase other than being a coverup of the facts, important facts, which go directly to the point of whether the Nuclear Regulatory Commission should in fact issue a rule outlawing secret settlement agreements by which employees are paid to, among other things, not appear before the Nuclear Regulatory Commission to express concerns about safety of nuclear power in this country.

I support nuclear power; the technology is good. The problems have been people problems, and apparently the people problems are not only in the utilities, but the people problems also are in the organizations that represent the utility companies before the agencies here in Washington.

I am deeply disturbed and alarmed. I hope that they will immediately rescind this document and admit that there are, in fact, many other secret settlement agreements and give cause to the need for a rule by the NRC, outlawing this type of practice.

Mr. President, I have a number of documents, including a statement, a letter from the general counsel of the Nuclear Regulatory Commission, saying that the settlement agreements are illegal. I have other documents, including a letter from Mr. Vic Stello, who is Executive Director of Operations for NRC, confirming that it is illegal, as well as material from the Secretary of Labor in which she ruled on this matter, saying that these settlement agreements were illegal, as well as a copy of the law which clearly says that these types of activities are illegal and cannot be tolerated.

Thank goodness some utilities recognize their responsibilities and have agreed to take a different course of action. Northeast Utilities is one of these organizations, and I also include a letter from Northeast Utilities to myself stating their practices.

Mr. President, I ask unanimous consent that this material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON ENVIRONMENT
AND PUBLIC WORKS,
Washington, DC, November 8, 1989.

Mr. JOE F. COLVIN,
Executive Vice President and Chief Executive Officer, Nuclear Management and Resources Council, Washington, DC.

DEAR MR. COLVIN: I am writing to you to express my alarm over the position taken by the Nuclear Management and Resources Council, Inc. (NUMARC) in response to the Nuclear Regulatory Commission's (NRC) request for comments on the proposed rule entitled "Preserving the Free Flow of Information to the Commission."

As you must be aware, the Subcommittee on Nuclear Regulation conducted an investigation into secret settlement agreements at the Comanche Peak nuclear power plant. These agreements restricted the free flow of information to the NRC. In my opinion, the Subcommittee's investigation and subsequent public hearing clearly demonstrated the need for the NRC to unambiguously declare illegal any settlement agreement which in any way restricts the communication of information to NRC.

The NRC's efforts in response to the Subcommittee's investigation revealed that utilities other than Texas Utilities have entered into illegal settlement agreements. On April 27, 1989, the NRC requested that all nuclear power plant licensees notify the NRC no later than July 31, 1989, of any employment or settlement agreements that contained a restrictive clause. Pursuant to this request, the NRC has obtained more than a dozen agreements with restrictive clauses. The NRC has not placed these additional agreements in the public record, at the request of the nuclear utilities involved, in order to respect the confidentiality of the parties to these settlement agreements.

Given this background, I find it incredible that the nuclear industry denies that a rule is necessary. I find it particularly disturbing that NUMARC has criticized the proposed rule on the grounds that it is based upon "a single case" and therefore is "by definition . . . ineffective and unjustified."

This criticism is particularly inappropriate in light of the fact that there are a significant number of additional restrictive agreements, and the industry knows it. It is disingenuous to comment upon the public record that the rulemaking does not have sufficient support in the record when industry members, themselves, have requested that the NRC not place such information upon the public record. Should the industry continue to maintain that the record in support of the rule is deficient, one cure will be to place the additional agreements upon the public record.

Another NUMARC comment that is of great concern is the recommendation that "the Commission should state affirmatively in any future action that limited restrictions are acceptable, so long as they do not restrict an individual's freedom in such a way as to preclude him or her from bringing matters pertinent to health and safety to the attention of the NRC."

This interpretation of section 210 of the Energy Reorganization Act—that it allows restrictions upon employee communications with the NRC, so long as they do not preclude those communications—has been specifically rejected by the Subcommittee on the grounds that it is contrary to a plain reading of the statute. The NRC, in CLI-89-06, withdrew its prior endorsement of the contrived interpretation of section 210 now advocated by NUMARC. Moreover, the Secretary of Labor, in *Polizzi* v. *Gibbs & Hill, Inc.*, ruled as follows:

"Paragraph 7 of the Settlement Agreement significantly *restricts* access by the Department of Labor, as well as other agencies, to information Complainant may be able to provide relevant to the administration and enforcement of the ERA and many other laws. Its effect, to a large degree, would be to 'dry up' channels of communication which are essential for government agencies to carry out their responsibilities. *NLRB* v. *Scrivener*, 405 U.S. 117, 122 (1972). *As such, I find it against public policy.*" *Id.*, at 5-6 (emphasis added).

I am astonished that the nuclear industry is now advocating to the NRC that it allow restrictions upon whistleblowers that the Department of Labor already has ruled are illegal, that this Subcommittee finds are illegal, and that the NRC staff says are illegal. To me, this is yet further proof that a strong NRC rule is needed.

I am distressed that NUMARC, representing the nuclear industry, does not understand the employee protection laws of this country. It is disturbing that NUMARC continues to resist the application of existing law. I intend to take whatever actions are necessary and appropriate to make the nuclear industry understand and conform to the requirements of the employee protection laws.

Sincerely,

JOHN B. BREAUX,
Chairman,
Subcommittee on Nuclear Regulation.

NUCLEAR MANAGEMENT
AND RESOURCES COUNCIL,
Washington, DC, September 19, 1989.

Attention: Docketing and Service Branch.

Re Proposed Rule—Preserving the Free Flow of Information to the Commission, 54 Fed. Reg. 30049 (July 18, 1989). Request for Comments.

Mr. SAMUEL J. CHILK,
Secretary, U.S. Nuclear Regulatory Commission, Washington, DC.

DEAR MR. CHILK: These comments are submitted on behalf of the Nuclear Management and Resources Council, Inc. ("NUMARC") in response to the request of the U.S. Nuclear Regulatory Commission ("NRC") for comments on the NRC's proposed rule entitled "Preserving the Free Flow of Information to the Commission" (54 Fed. Reg. 30049—July 18, 1989).

NUMARC is the organization of the nuclear power industry that is responsible for coordinating the combined efforts of all utilities licensed by the NRC to construct or operate nuclear power plants, and of other nuclear industry organizations, in all matters involving generic regulatory policy issues and on the regulatory aspects of generic operational and technical issues affecting the nuclear power industry. Every utility responsible for constructing or operating a commercial nuclear power plant in the United States is a member of NUMARC. In addition, NUMARC's members include major architect-engineering firms and all of the major nuclear steam supply system vendors.

The nuclear industry supports the concept of full, and timely, disclosure to the NRC of safety concerns. As described below, we believe present statutory and regulatory requirements appropriately provide for safety concerns that arise in any context to be brought to the attention of the licensee or the NRC so that they can be evaluated and resolved. This includes those that might have been associated with a complaint of discrimination against an employee who might have raised safety concerns. We do not believe that additional regulation is necessary or that the proposed rule is an effective way to satisfy the NRC's concerns. Moreover, the proposed rule as written is unreasonable and unworkable. However, if the NRC determines that it is necessary to develop a final rule, we have suggested ways in which the NRC's goals can be attained in a reasonable and workable manner. These recommendations are designed to effectuate the policy underlying the rulemaking, a policy which we support, without imposing unreasonable and unworkable burdens and procedures on persons subject to Commission authority.

CURRENT STATUTORY AND REGULATORY REQUIREMENTS

Section 210 of the Energy Reorganization Act of 1974, as amended, and the embodiment of those requirements by the NRC in 10 C.F.R. § 50.7, prohibits discrimination against any employee for bringing safety concerns to the NRC. Any employee of a Commission licensee, or a contractor or a subcontractor of a Commission license or license applicant, who believes he or she has been discriminated against for raising safety issues, has the right to file a complaint with the U.S. Department of Labor to seek redress for such discriminatory action.

A variety of other regulatory requirements encourage safety concerns to be brought to the attention of the NRC. For example, 10 C.F.R. Part 19 requires that Form NRC-3, "Notice to Employees," be posted in conspicuous locations to inform workers at nuclear facilities, whether employees of licensees or contractors, of their opportunities to confidentially inform the NRC of nuclear safety concerns. Part 19 also requires that workers be informed of their responsibility to report promptly to the licensee any condition which may lead to or cause a violation of Commission regulations or unnecessary exposure to radiation or radioactive materials.

Further, 10 C.F.R. Part 21, adopted by the NRC pursuant to the requirements of Section 206 of the Energy Reorganization Act, establishes additional requirements for directors or responsible officers of licensees or suppliers of safety-related components to nuclear facilities to report promptly to the NRC any matters that could create a substantial safety hazard. All licensees are required to develop procedures to implement these requirements and must post information about these requirements in a conspicuous location in any premises where nuclear safety-related activities are performed, including identifying the individual to whom reports of safety concerns may be made.

In addition, 10 C.F.R. 50.55(e) requires the holder of a construction permit for a nuclear power plant to promptly notify the Commission of specified significant deficiencies found in plant design and construction which, if uncorrected, could adversely affect the safety of plant operations at anytime throughout the expected lifetime of the plant.

Thus, there are already in effect comprehensive statutory and regulatory requirements that collectively provide many ways in which employees of licensees and contractors are informed of their ability to raise safety concerns and the protection they are afforded if they raise safety concerns.

CURRENT SITUATION

Under current practice, the U.S. Department of Labor informs the NRC of any complaints brought under Section 210, reviews all proposed settlement agreements of Section 210 proceedings, and informs the NRC of the resolution of those proceedings. Under 10 C.F.R § 50.7, the NRC has the regulatory authority to take enforcement action, which may include revocation of the facility's license and the imposition of civil penalties or other enforcement action.

Relating to the particular matter that is the fundamental focus of the proposed rule, the NRC Executive Director for Operations sent a letter dated April 27, 1989, to, among others, a senior executive of each commercial nuclear power plant licensee expressing concern that agreements entered into between licensees and their employees or former employees to settle Section 210 proceedings might include clauses which could, or could be interpreted to, restrict the ability of employees or former employees to provide information about potential safety issues to the NRC. Licensees were requested to report not later than July 31, 1989, if any restrictive clauses had been identified by licensees in current or previous Section 210 settlement agreements or in other agreements affecting compensation, terms, conditions and privileges of employment. If any such restrictive clauses were identified, licensees were to promptly inform the employee or former employee that he or she may raise any safety concern to the NRC without fear of retribution and that any such restriction in a settlement agreement should be disregarded. Responses by licensees indicating any such restrictive clauses that were identified were to be provided to the NRC by July 31, 1989. Without waiting for the responses, on July 18, 1989 the NRC issued its proposed rule on exactly the same subject. We believe it would have been appropriate for the NRC to have evaluated licensee responses to the April 27, 1989 letter to ascertain the nature and scope of any restrictive clauses identified and then to determine what, if any, additional regulation might be warranted to address the NRC's concerns.

THE PROPOSED RULE

The only basis cited by the NRC in support of the proposed rule is a single case involving a worker at a commercial nuclear power plant under construction. That worker alleged that he believed that a Section 210 settlement agreement that he had entered into, with the advice of counsel, had restricted his ability to bring safety concerns to the attention of the NRC, notwithstanding the fact that he had been given many opportunities to raise additional safety concerns, and failed to do so, prior to executing the settlement agreement. Even though there may have been other cases in which an employee alleged he or she had been prevented from bringing safety concerns to the NRC because of a restriction contained in a settlement agreement, the record supporting the proposed rule consists of the citation to that single case. If the rulemaking is premised, as it appears to be, on the basis of that single case, no reasonable basis exists for proceeding with a rulemaking; any rulemaking proceeding that is premised on but a single instance of a perceived problem is, by definition, an ineffective and unjustified use of the limited resources of both the NRC and the industry.

Assuming, however, that the NRC concludes that additional regulation is warranted, even though the basis for that conclusion is not disclosed in the notice of proposed rulemaking, the nature and scope of the proposed rule is unreasonable and unworkable:

(1) The proposed rule is not limited to contractors or subcontractors involved in nuclear safety related activities (i.e., those regulated by the NRC under the authority of the Atomic Energy Act to protect public health and safety). As drafted, the proposed rule would apply to all contractors and their subcontractors who provide any goods or services to a licensee. Such an unlimited requirement would affect thousands of companies, just for Part 50 licensees alone;

(2) The proposed rule is not limited to settlement agreements that involve issues related to the identification of nuclear safety concerns. The proposed rule would thus involve dispute settlements under collective bargaining agreements, worker's compensation cases, arbitrations, equal employment opportunity cases—in fact, the whole range of labor relation contracts, without limit;

(3) The proposed rule is not limited to agreements in which the licensee, or goods and services provided to a licensee, may be involved (e.g., the proposed rule would reach into the contractual relationship that a licensee's contractor might have with any of its non-nuclear suppliers or customers, even if that relationship had nothing to do with the licensee or the goods and services provided to the licensee). The proposed rule also would extend to all contracts entered into by non-nuclear divisions of a licensee or contractor;

(4) The proposed rule would require licensees to interpose themselves in any and all employee agreements that each and every contractor and subcontractor of any tier might make, the vast majority of which are not associated with licensed activities and thus could not involve any questions of nuclear safety;

(5) The proposed rule has the potential of abrogating proprietary information agreements entered into by various companies with their employees or with third parties. As presently drafted, the proposed rule could negate those proprietary agreements which require that certain procedures be undertaken by employees so as to maintain the confidentiality of information with which they have been entrusted;

(6) The proposed rule would even require a contractor who supplies goods and services to more than one licensee to obtain the approval of *each* licensee with which they do business to any settlement agreement that the contractor or its subcontractor might enter into; and

(7) The proposed rule could be interpreted, albeit improperly, as precluding any kind of settlement, including one involving an NRC licensing proceeding.

The Supplementary Information accompanying the proposed rule states that no substantial costs would be imposed by the proposed rule. This is simply not true, as even the NRC's own analysis demonstrates. In the NRC's notice to the Office of Management and Budget (OMB) under the provisions of the Paperwork Reduction Act, the NRC provided its estimate of the time required for licensees to establish procedures (1) to ensure that contractors and subcontractors are informed of the prohibition contained in the proposed rule against restrictive clauses in settlement agreements, (2) to require that licensees are notified of any complaints of discrimination brought by an employee of a contractor or a subcontractor, and (3) to review any settlement agreements related to any employee complaints. (The abstract provided in the FEDERAL REGISTER notice (54 Fed. Reg. 30962—July 25, 1989) regarding the submittal to OMB states that the rule is limited to complaints of discrimination associated with work performed for the licensee or license applicant, yet the proposed rule is not so limited—neither the notice to the Office of Management and Budget nor the proposed rule suggest any limitation on settlement agreements to those involving nuclear safety issues.)

The estimated time to develop the required procedures, which apparently does not include the time required to implement those procedures, was estimated by the NRC at 2.2 hours per NRC licensee; for Part 50 licensees, the annual burden was estimated to be 8 hours per licensee. No information was provided to explain the basis of this estimate, but one utility has determined that it has over 10,500 open nuclear-related procurement contracts in place, and that does not include any subcontractors of those contractors. Developing the procedures required by the NRC's proposed rule, as drafted, for an undertaking of that magnitude would clearly require the expenditure of significant resources. To implement the procedures, once developed, would require a massive expenditure of licensee resources.

Thus, the proposed rule would levy a significant burden on licensees, yet the NRC has concluded that no backfit analysis is required pursuant to 10 C.F.R. § 50.109 "because these amendments do not involve any provisions which would impose backfit as defined in 10 C.F.R. § 50.109(a)(1)." No justification is given for that conclusion. The proposed rule would clearly impose additional procedural requirements resulting solely from adding a new provision to the Commission's rules and that would be a backfit under § 50.109. The proposed rule does not suggest that a backfit analysis is not required under § 50.19(a)(4), as well it should not, because there is no evidence that would substantiate that conclusion. Therefore, in accordance with 10 C.F.R. § 50.109(a)(2), a systematic and documented analysis must be provided that demonstrates that the proposed rule will result in a substantial increase in the overall protection of the public health and safety to be derived from the backfit and that the direct and indirect costs of implementation are justified in view of that increased protection.

The proposed rule—unlimited as it is to nuclear safety related activities and the identification of nuclear safety concerns, and levying requirements on licensees to police their contractors and subcontractors, ostensibly all the way back to the suppliers of the raw materials used in any product purchased by the licensee—sets an impossible task to complete, and the substantial cost of attempting to comply far outweighs any supposed benefit to public health and safety.

RECOMMENDATIONS

Notwithstanding the serious flaws contained in the proposed rule, the industry does understand and appreciate the NRC's concern that clauses might be contained in Section 210 settlement agreements that could be interpreted by an employee or a former employee to restrict his or her ability to contact the NRC with additional safety concerns. Although we do not believe that a rule is necessary, we believe that the NRC's concern can be addressed in a rulemaking context that is reasonable. In addition to the following specific recommendations, the scope of the proposed rule as written is such that it could be interpreted as precluding any kind of settlement, including one involving NRC licensing proceedings. Accordingly, and consistent with both the language and legislative history of Section 210 of the Energy Reorganization Act, and the Separate Views of Commissioner Roberts (54 *Fed. Reg.* 30,050), the Commission should state affirmatively in any future action addressing this matter that limited restrictions are acceptable, so long as they do not restrict an individual's freedom in such a way as to preclude him or her from bringing matters pertinent to public health and safety to the attention of the NRC. As the Commission acknowledged in the *Federal Register* notice, settlements provide remedies to employees which obviate the need for litigation in appropriate circumstances.

First, the NRC should limit the scope of its proposed action to Section 210 settlement agreements. Section 210 complaints are founded on an allegation of a safety concern and resultant discrimination. To broaden the NRC's inquiry into "any agreement affecting the compensation, terms, conditions and privileges of employment," as the proposed rule would do, will dilute the need for attention to the area of major concern and may interpose the NRC inappropriately into areas where Congress has provided jurisdiction to other agencies (e.g., the National Labor Relations Board, the Equal Employment Opportunity Commission).

Second, 10 C.F.R. Part 21, in accordance with Section 206 of the Energy Reorganization Act, imposes obligations upon contractors involved in licensed activities to post certain documents in conspicuous locations and to establish procedures to ensure that the NRC is notified promptly of any licensed activities which could cause a significant safety hazard. Rather than establish an independent obligation on licensees to police contractors involved in licensed activities to accomplish the requirements of Section 210 of the Energy Reorganization Act, the NRC should deal directly with contractors under Section 210 as it currently does under Section 206. Establishing posting and notification requirements concerning the NRC's policy on restrictive clauses in Section 210 settlement agreements directly on contractors, similar to those imposed upon licensees and to those imposed upon contractors under 10 C.F.R. Part 21, would be the most direct and effective manner in which the NRC could achieve its stated goal.

Third, the NRC should review the current practice and, if necessary, revise the current Memorandum of Understanding with the U.S. Department of Labor to ensure that the NRC is notified promptly of any proceedings brought under Section 210 and of the disposition of each of those proceedings so that the NRC can conduct its own investigation regarding the potential impact on public health and safety in order to determine if enforcement action for a violation of NRC regulations can be pursued in a timely fashion. In addition to establishing the procedural interagency exchange of information, the MOU should provide that the U.S. Department of Labor would inform all parties to a Section 210 complaint, and the affected licensee(s) if they are not a party to that complaint, of the Department of Labor's conclusion that clauses in a settlement agreement that restrict a person's perceived ability to raise safety concerns are void as a matter of public policy. (See *In the Matter of Lorenzo Mario Polizzi*, U.S. Department of Labor Case No. 87-ERA-38). This would, of course, be the most direct way of ensuring that a complainant in a Section 210 proceeding, and the respondent, are directly informed that any settlement agreement that they might subsequently enter into should not contain a restrictive provision with respect to bringing safety concerns to the attention of the NRC. Litigation over jurisdictional authority is not an efficient use of regulatory resources.

Fourth, licensees and license applicants should notify current contractors involved

in nuclear-related activities of the NRC's concerns about this matter. With respect to future contracts, licensees could incorporate provisions in contracts associated with nuclear safety related activities to direct contractors to notify all contractor employees of their rights and opportunities to raise safety concerns without fear of retribution and to request that contractors notify their subcontractors in a similar fashion. We would strongly oppose any requirement that licensees renegotiate existing contracts or that contractors be required to renegotiate their existing contracts with subcontractors to add contractual provisions requiring licensee approval of settlement agreements negotiated under Section 210. This requirement is commercially unreasonable and in many contexts may be legally impossible (e.g., a collective bargaining agreement). To levy additional requirements by that means would be unduly burdensome and—in light of the other notice and enforcement means in place—would result in at most, an incremental benefit that would not offset the attendant costs.

Fifth, the Commission should establish procedures in connection with any rule of the type contemplated which assure that proprietary information relative to the alleged safety concern will remain confidential until such time as the material is either returned to the owner of the proprietary information or the owner is given an opportunity to establish that the information is entitled to proprietary protection under 10 C.F.R. Section 2.790.

Finally, the NRC should also consider revising Form NRC-3 to include an appropriate provision relating to Section 210 settlement agreements.

RESPONSE TO REQUEST FOR SPECIFIC COMMENTS

First, the Commission asked whether the rule should prohibit all restrictions on providing information to the Commission or whether limitations on individuals appearing before a Commission adjudicatory board should be permissible because other avenues for providing information to the Commission are available. We think that the two alternatives stated by the Commission are not the appropriate alternatives. We do not believe any rule should "prohibit all restrictions on providing information to the Commission." There is no basis in the record to demonstrate that any such rule is needed, and such a broad prohibition would affect many rights, including rights to proprietary information, rights of privacy, and other due process rights of licensees and contractors and their employees. Limitations on an individual appearing before a Commission adjudicatory board under certain circumstances is appropriate to maintain a viable adjudicatory process.

Second, the Commission asked for comments on whether the rule should impose an additional requirement that licensees and license applicants must ensure that all agreements affecting employment, including those of their contractors and subcontractors, contain a provision stating that the agreement in no way restricts the employee from providing safety information to the Commission. As described above, such a requirement would constitute an unreasonable, unnecessary and undue restriction by the Commission on contractual relationships, many of which are far removed from the nuclear safety concerns. Such a provision is not needed to ensure adequate protection of public health and safety of a "whistleblower's" freedom to bring safety concerns to the attention of the Commission, and its imposition would be arbitrary and capricious.

CONCLUSION

We believe that adoption of the above recommendations will achieve the NRC's aims without imposing an onerous burden on the industry that is not compensated for by an increase in public health and safety. We are prepared to work with the NRC to address its concerns and we would appreciate an opportunity to discuss this matter further with the Commission and NRC Staff at its earliest convenience."

Sincerely,

JOE F. COLVIN.

NUCLEAR REGULATORY COMMISSION,
Washington, DC, May 9, 1989.

Memorandum for: Chairman Zech, Commissioner Roberts, Commissioner Carr, Commissioner Rogers, Commissioner Curtiss.

From: William C. Parler, General Counsel.

Subject: Legality of section 210 settlement agreement (SRM COMLZ-89-20; COMJC-89-4).

It appears that I will be asked the following question: Whether a Section 210 settlement agreement wherein an individual protected by Section 210 "voluntarily (i.e., without any evidence of harassment, discrimination, or intimidation) gives up his right to initiate an adjudicatory proceeding or to testify in such proceeding in exchange for financial consideration" violates applicable laws.

My April 24, 1989 memorandum (which is attached and is incorporated herein by reference, without repetition) did not address any specific factual circumstances. Specific factual circumstances are needed before anyone can rationally evaluate whether or not applicable laws have been violated.

In two prolonged meetings with legal assistants (requested by one of them) subsequent to my April 24, 1989 Memorandum, the question now being raised which stresses the voluntary nature of the hypothetical restrictive agreement, never came up explicitly. Nevertheless, the language in my April 24, 1989, memorandum is unqualified: ". . . for purposes of the Nuclear Regulatory's Commission's licensing and regulatory responsibilities, any such provisions should be unenforceable and prohibited." The "any such provisions" are provisions in Section 210 settlement agreements which "impose restrictions upon the freedom of employees or former employees protected by Section 210 to testify or participate in licensing and regulatory proceedings under the Atomic Energy Act of 1954, as amended."

There should have been no doubt left in anyone's mind as to my legal position on this matter. I informed the assistants that the generic issue of what restrictions on communication channels might be consistent with Section 210(a) is not necessarily foreclosed at the outset as matter of law. There is possible room for interpretations of Section 210 in that regard based on policy considerations. Of course, any policy choice which would appear to restrict protected activities (e.g., making communications to a presiding licensing board) would have to have a rational basis which comports with the policy objectives of Section 210; if not, that in itself would raise legal questions. Although policy options on communication channels were not precluded outright as a matter of law, no rational basis for restraints precluding or restricting a protected whistleblower from communication on safety issues to a presiding licensing board occurred to me at the tme of the two meetings, nor subsequently.

The introduction of the "voluntarily" concept does not change my analysis and conclusions, at all, for the reasons which I provide hereafter.

Here is the essence of the matter:

I am talking only about Section 210 settlement agreements, although similar legal policy considerations may arise in a broader context in circumstances not covered by Section 210.

Section 210, as a matter of national policy provides special protection to employees or former employees who engage in the activities protected by Section 210(a).

The protected activities are broad in scope. They explicitly include commencing a proceeding under the Atomic Energy Act or testifying in one. Interestingly enough, the protected activities do not explicitly include simply bringing safety concerns to the NRC staff. Nevertheless, Section 210 and similar statutory provisions have been broadly interpreted by a majority of the federal courts. Doubtless, they would be read to protect whistleblowers who come directly to the staff or the Commission, whether or not a "proceeding" is involved.

Section 210 clearly provides for private remedies in response to a Section 210 complaint filed with the Department of Labor by an employee or former employee.

I have no legal problem with a Section 210 settlement agreement which provides for the settlement of the private matters (i.e. remedies for the alleged discharge or other discrimination because the employee engaged in Section 210 protected activity), alleged in the Section 210 complaint.

Underlying the private remedies which are provided for by Section 210, is its broader public policy purpose—to assure that nuclear safety whistleblowers have the freedom to engage in Section 210(a) protected activities without fear of discharge or discrimination, thereby providing some assurance that important safety information will not be withheld from the NRC because of fears of retaliation.

My legal problems with Section 210 settlement agreements is with restrictions in them which go further than the private remedies associated with the settlement of the complaint and impose future restrictions on Section 210(a) protected activity. The latter restrictions have implications for the broader statutory purpose of Section 210. I do not believe that these broader public policy objectives of Section 210 (freedom to engage in Section 210(a) protected activities) can be relinquished in a Section 210 Settlement Agreement. *Cf. EEOC* v. *Cosmair, Inc.*, 821 F.2d 1085, 1090 (5th Cir. 1987).

I really do not know how much clearer I can state my legal position. Again, my position concerns only Section 210 settlement agreements.

BACKGROUND

1. Section 210 of the Energy Reorganization Act of 1954, as amended, provides, in part, as follows:

II. Sec. 210(a) No employer, including a Commission licensee, an applicant for a Commission license, or a contractor or a subcontractor of a Commission licensee or applicant, may discharge any employee or otherwise discriminate against any employee with respect to his compensation, terms, conditions, or privileges of employment be-

cause the employee (or any person acting pursuant to a request of the employee)—

"(1) commenced, caused to be commenced, or is about to commence or cause to be commenced a proceeding under this Act or the Atomic Energy Act of 1954, as amended, or a proceeding for the administration or enforcement of any requirement imposed under this Act or the Atomic Energy Act of 1954, as amended;

(2) testified or is about to testify in any such proceeding or;

(3) assisted or participated or is about to assist or participate in any manner in such a proceeding or in any other action to carry out the purposes of this Act or the Atomic Energy Act of 1954, as amended. (emphasis supplied).

(b)(1) Any employee who believes that he has been discharged or otherwise discriminated against by any person in violation of subsection (a) may * * * file * * * a complaint with the Secretary of Labor * * *. Within ninety days of the receipt of such complaint the Secretary shall, unless the proceeding on the complaint is terminated by the Secretary on the basis of a settlement entered into by the Secretary and the person alleged to have committed such violation issue an order either providing the relief prescribed by subparagraph (b) or denying the complaint. * * * The Secretary may not enter into a settlement terminating a proceeding on a complaint without the participation and consent of the complainant."

* * * * *

(2) * * *

(B) If, in response to a complaint filed * * *, the Secretary determines that a violation of subsection (a) has occurred, the Secretary shall order the person who committed such violation to (i) take affirmative action to abate the violation, and (ii) reinstate the complainant to his former position together with the compensation, including back pay), terms, conditions, and privileges of his employment, and the Secretary may order such person to provide compensatory damages to the complainant.

2. In the statement of considerations publishing the final rule (e.g., 10 CFR § 50.7) implementing Section 210, the Commission said (47 F.R. 30452 at 30453, July 14, 1982): "The organization subject to the rule should understand that the Commission will not permit any interference with communications between the Commission's representatives and employees of such organization. In addition to redress being available to the individual employee, the Commission, may, upon learning of any adverse finding against an employer by the Department of Labor, take enforcement action against the employer because the employer engaged in illegal discrimination."

3. The Secretary of Labor has argued that the language and the legislative history of Section 210 require an expansive reading of protected activity to facilitate its remedial purposes. A narrow reading would frustrate its aims. Section 50.7 of the Commission's regulations echo the broad readings intended. See generally *Kansas Gas and Electric Company* v. *Brock*, 780 F.2d 1505, 1510-1512 (10th Cir. 1985).

THE QUESTION

With this background, I consider the question presented.

I would be very skeptical of any so-called "voluntary relinquishment," by an employee or former employee in a Section 210 settlement agreement of his rights to engage in certain kinds of future Section 210(a) protected activity for the following reasons:

A Section 210 complaint involves allegations of discharge or discrimination by an employer against the complainant.

Even without the prior history of allegations of discharge or discrimination, it is unlikely that an employer and employee would be anywhere close to being matched in bargaining power.

This power would be even more disparate if the complaint is by a former employee.

The employee would be relinquishing a right to engage in activities which are statutorily protected under Section 210(a).

Thus, I would at least start with the presumption that a future relinquishment of the right to engage in statutorily-protected activity by an employee or former employee in a Section 210 settlement agreement of a wrongful discharge or discrimination complaint against his employer or former employer is not truly voluntary.

Even assuming, however, that a credible case could be made that such relinquishment of the right to engage in the future in Section 210(a) protected activity is voluntary (a proposition with which I would have great difficulty), I would still have a legal problem.

It is my judgment that even though such a relinquishment is denominated as "voluntary" and all circumstances support that characterization, such relinquishment would be illegal. This would be so for reasons I have previously given and repeat for emphasis:

Such a relinquishment would be contrary to the public policy objectives of the freedom to engage in the Section 210(a) protected activities.

These public policy objectives cannot be compromised as a part of a Section 210 settlement agreement on the private remedies sought in a Section 210 complaint. The denigration of Section 210's public policy objectives is not legally permissible consideration for such a settlement.

There is no legitimate necessity of which I am aware to mix private remedial and public policy matters in what should be the remedial settlement of a private Section 210 claim.

In any event, the future relinquishment of a right to engage in future Section 210(a) protected activity in my judgment is contrary to the public interest. This is so because it may in fact give, or appear to give, monetary consideration the predominant role at the expense of the future freedom to engage in the statutorily-protected activity. At what price would something which otherwise would not be viewed by the employee or former employee as involuntary become voluntary? If money becomes a factor in the legal permissibility of contracting away the right to engage in protected Section 210(a) activity, we could have the 210 settlement equivalency of a bidding war. Quite aside from the provisions in the federal criminal law statutes which might be implicated, and Section 210 itself, this would create a situation which should neither be condoned or tolerated. It is antithetical to my concept of the public interest.

I would add that in my view an agreement to waive the right to initiate an action or testify before a licensing board is unacceptable even if it leaves intact the employee's right to contact the staff or the Commission directly. Initiating and testifying in NRC proceedings are explicitly identified as protected activities in Section 210, as I have already noted, and that section does not suggest that these activities may be infringed so long as other, unspecified activities remain unrestricted. It would be anomalous to read Section 210 as allowing licensees, applicants, or contractors to "buy out" of the NRC hearing process by contracting with employees who are potenial intervenors or witnesses. Therefore I read Section 210 as largely, if not entirely, prohibiting agreements not to initiate or testify in adjudicatory proceedings, even when there remains a right to go directly to the staff. I believe most courts would do the same.

CONCLUSION

In view of the foregoing, I conclude that for Section 210 settlement agreement purposes, an agreement by an employee or former employee to relinquish voluntarily his right to engage in future Section 210(a) protected activities is not legally permissible.

Even if a court would subsequently disagree with my conclusion, and I am confident that this should not happen, I strongly counsel on policy grounds that the Commission not venture into these troublesome areas. This counsel is based on the following observations:

Provisions in Section 210 settlement agreements which in any way restrict future communications about Section 210(a) protected activities with the NRC certainly give the appearance that money is being paid at least in part for something less than full cooperation with the NRC.

Therefore, any such provision in and of itself will require further careful scrutiny on a case-by-case basis to assure that there are no restrictions on future Section 210(a) protected activity.

The purpose of a Section 210 settlement agreement should be to provide an acceptable remedy to the employee or former employee for his Section 210 complaint alleging discharge or discrimination for engaging in Section 210(a) protected activity. The settlement terms for the private claim need not, and legally cannot, invoke as consideration the forsaking of the future right to engage in Section 210(a) protected activity.

Considering all of the foregoing, the preferred policy, in my judgment, is to make it as clear as we can in our regulations that any provisions in a Section 210 settlement agreement which restrict future 210(a) protected activity are prohibited and are unenforceable. Although the Commission is not legally precluded from amplifying as a matter of policy on the channel of communications for the Section 210(a) protected activities, I am not personally aware of any convincing rationale which would restrict the option of communications with a presiding licensing board.

NUCLEAR REGULATORY COMMISSION,
Washington, DC, April 24, 1989.

Memorandum for: Chairman Zech, Commissioner Roberts, Commissioner Carr, Commissioner Rogers, Commissioner Curtiss.

From: William C. Parler, General Counsel.

Subject: Settlement agreements under section 210 of the Energy Reorganization Act of 1974, as amended.

Section 210 of the Energy Reorganization Act of 1974, as amended, was added as a new section to that Act in 1978 (Public Law 95-601). Section 210 offers certain protection to employees of a Commission licensee, or of a contractor or a subcontractor of a Commission licensee or applicant. The protection afforded is to those who believe they have

been fired or discriminated against as a result of the fact that they have testified, given evidence, or brought suit under Section 210 of the Atomic Energy Act. The protection is by the employee's application to the Secretary of Labor for review of his case. The Secretary of labor can issue an order for the employee to be rehired, or otherwise compensated if the employee's case is justified.

A question has arisen regarding the permissible scope of the provisions of settlement agreements entered into under Section 210. Specifically, the question relates to whether such settlements may impose restrictions upon the freedom of employees or former employees protected by Section 210 to testify or participate in licensing and regulatory proceedings under the Atomic Energy Act of 1954, as amended. It has been strongly argued that such restrictions are void both as a matter of policy and as contrary to Section 210 itself.

I have personally reviewed this matter. I have concluded that a Section 210 settlement agreement which imposes such restrictions is both clearly contrary to the policy objectives of the Atomic Energy Act of 1954, as amended, and the overarching objective of Section 210 of the Energy Reorganization Act of 1974, as amended. Accordingly, for purposes of the Nuclear Regulatory Commission's licensing and regulatory responsibilities, any such provision should be unenforceable and prohibited. The bases for my conclusions are attached.

The agency should promptly publish needed clarifications in this area which are consistent with this position. Responsible staff should be directed promptly to inform the Department of Labor of the Agency's views on settlement agreements containing such provisions. Approximate arrangements should be made with the Department of Labor to assure that such provisions are not included in any future Section 210 settlement agreements. Staff should also attempt to identify the extent to which, if at all, prior Section 210 settlement agreements contain such provisions. if any are identified, appropriate steps should be taken to follow-up and remove any continuing uncertainty caused by their possible restrictions on communications about nuclear safety matters.

WILLIAM C. PARLER,
General Counsel.

LEGAL AND POLICY IMPLICATIONS OF CERTAIN PROVISIONS IN SETTLEMENT AGREEMENTS UNDER SECTION 210 OF THE ENERGY REORGANIZATION ACT OF 1974, AS AMENDED

BACKGROUND

Section 210 was added as a new section to the Energy Reorganization Act of 1974, as amended, by Section 10 of Public Law 95-601 in 1978.[1] (It is codified at 42 U.S.C. § 5851).

Section 210 of the Energy Reorganization Act offers protection to employees who believe they have been fired or discriminated against as a result of the fact that they have testified, given evidence, or brought suit under that Act or the Atomic Energy Act. (S. Rep. No. 848, 95th Cong. 2nd Sess. 29 (1978)).[2]

An employee who believes that he has been discriminated against in violation of Section 210 may apply to the Secretary of Labor for review of his case. The Secretary of Labor can issue an order for the employee to be rehired, or otherwise compensated if the employee's case is justified. Under this section, employees and union officials could help assure that employers do not violate requirements of the Atomic Energy Act. S. Rep. No. 848 at 29. *See Kansas City Gas and Electric Company v. Brock*, 780 F.2d 1505, 1512 (10th Cir. 1985).

Any worker who is called upon to testify or who gives information with respect to an alleged violation of the Atomic Energy Act or a related law by his employer or who files or institutes any proceeding to enforce such law against an employer is protected from discrimination because of such activity.

The section prohibits any firing or discrimination based on the employee's activities specified therein and provides an administrative procedure under which the employee or his representative could seek redress for any violation of its provisions.

The Secretary of Labor investigates such charges and issues findings and a decision which are subject to judicial review.

If the Secretary should find a violation, he would issue orders to abate it, including, where appropriate, the rehiring of the employee to his former position with back pay. Also, the person committing the violation could be assessed the costs incurred by the employee to obtain redress.

The Conference Committee report describes the purposes of Section 210 as follows: The Senate bill amended the Energy Reorganization Act of 1974 to provide protection to employees of Commission licensees, applicants, contractors, or subcontractors from discharges or discrimination for taking part or assisting in administrative or legal proceedings of the [Nuclear Regulatory] Commission. H. Rep. No. 1796, 95th Cong., 2nd Sess., 16-17 (1978).

DISCUSSION

From the foregoing, the following conclusions are apparent:

First, Section 210 is an employee protection statute and it vests jurisdiction over employee discrimination matters in the Secretary of Labor.

Second, the Nuclear Regulatory Commission is the body with the authority and responsibility on nuclear issues. It and the public it serves are the ultimate beneficiaries of Section 210. This is so because its overarching public policy purpose is to assure that employees are in a position, without having to jeopardize their own employment, to help assure that their employers do not violate the requirements of the Atomic Energy Act of 1954, as amended, and if they do, that such violations are disclosed.[3]

It is manifestly clear to me that any provision in a Section 210 settlement agreement which restricts the freedom of an employee or a former employee who is subject to its provisions, to freely and fully communicate with the Nuclear Regulatory Commission about nuclear safety matters is incompatible with the objectives of that section. Such provisions in a settlement agreement would turn the section on its head by using statutory provisions designed to encourage communications about nuclear safety matters into one which (in the circumstances of the particular settlement agreement containing such provisions) restricts, impedes, or frustrates full and candid disclosures to the Nuclear Regulatory Commission about nuclear safety matters. Accordingly, such provisions should be unenforceable and prohibited to the extent their effect is in direct conflict with the public policy objectives of Section 210 of the Energy Reorganization Act of 1974, as amended.

Having reached this legally-grounded conclusion solely in the context of the objectives of Section 210, there is no need for present purposes to inquire further in this memorandum as to whether the Atomic Energy Act of 1954, as amended, and regulations published thereunder, would be specifically incompatible with such provisions. It is sufficient to note that the Nuclear Regulatory Commission's licensing and regulatory processes depend on complete and forthright disclosures about all nuclear safety matters from its applicants, licensees, contractors, and subcontractors.[4]

Moving from legal to policy considerations, any agreement which restricts any person coming to the NRC with nuclear safety problems or, without prior NRC review and approval, any person's voluntary participation in NRC matters dealing with public health and safety, is certainly contrary to the policies underlying the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974, as amended. This is so because any agreement under which any person contracts to withhold safety-significant information or testimony from the Nuclear Regulatory Commission could itself be a threat to safety and therefore jeopardize the execution of the Agency's overall statutory duties. Accordingly, in my judgment, even in the absence of a direct conflict with any statute or regulation, such agreements would be void as contrary to public policy, and should be so treated by the Nuclear Regulatory Commission.

NUCLEAR REGULATORY COMMISSION,
Washington, DC, April 27, 1989.

NOTIFICATION OF THE NRC OF EMPLOYEES' POTENTIAL SAFETY ISSUES

DEAR ——: The purpose of this letter is to reemphasize to licensees their responsi-

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[1] The provision originated in the Senate. (S. 2554; S. Rep. No. 95-848, 95th Cong. 2nd Sess., May 15, 1978). It was agreed to in Conference. (H. Conf. Rep. No. 95-1796, 95th Cong., 2nd Sess., October 14, 1978).

[2] According to the legislative history (S. Rep. No. 848, at 29), Section 210 is substantially identical to provisions in the Clean Air Act and the Federal Water Pollution Control Act. The legislative history of these Acts indicates that such provisions were patterned after the National Labor Management Act and a similar provision in Pub. L. 91-173 relating to the health and safety of the Nation's coal miners. *See, Kansas Gas and Electric Company v. Brock*, 780 F.2d 1505, 1511 (10th Cir. 1985).

[3] *See, Brown and Root, Inc. v. Donovan*, 747 F.2d 1029, 1034-35 (5th Cir. 1984). A memorandum of understanding exists between the Department of Labor and the Nuclear Regulatory Commission in view of their respective interests and responsibilities under Section 210. (See 47 Fed. Reg. 54585, December 3, 1982). The memorandum recognizes that the Department is to investigate and conduct hearings on employee complaints under Section 210 and can order a violator to abate the violation. The NRC does not have direct authority to provide the employee with a remedy. The Department is to notify NRC of any hearing on the Section 210 complaint. Each agrees to exchange information concerning any particular allegation. Among other things, this would enable technical advice to be given to the Department in the event technical considerations form part of a Section 210 complaint.

Neither Section 210 nor, apparently, the memorandum of understanding call for the NRC to review proposed agreements to settle Section 210 complaints. In view of NRC's licensing and regulatory responsibilities, which could be adversely affected by the terms of the agreement, this is a deficiency which should be corrected promptly.

[4] See 10 CFR §§ 50.7 and 50.9

bilities to assure that they, and their contractors and subcontractors permit their employees to contact, without restrictions, the NRC with concerns about potential safety issues. In particular, this letter notifies licensees that it is not acceptable to include in settlement agreements for discrimination matters arising under Section 210 of the Energy Reorganization Act of 1974, as amended, or in any labor agreements or other agreement affecting compensation terms, conditions and privileges of employment, any restrictions on employees or former employees providing information to any members of the NRC including the staff, inspectors, investigators, Administrative Law Judges, Boards, or the Commission.

Information Notice 84-08 (February 14, 1984) reminded licensees that the public health and safety requires that employees be free to raise safety issues to licensee management and to the NRC. Failure to permit employees to do so violates 10 CFR 30.7, 10 CFR 40.7, 10 CFR 50.7, 10, CFR 70.7 and 10 CFR 72.10 regarding "Employee Protection" and may subject licensees to significant enforcement action by the NRC.

In addition to NRC action, employees who have been discriminated against for raising safety issues have the right to file complaints with the Department of Labor pursuant to Section 210 of the Energy Reorganization Act of 1974, as amended, for the purpose of remedying the harm caused by the discrimination. Following the filing of a complaint, the Department of Labor performs an investigation. If either the employee or the employer is not satisfied with the outcome of the investigation a hearing can be held before an Administrative Law Judge with review by the Secretary of Labor.

In many cases the employee and the employer reach settlement of the issues raised in the DOL proceeding before completion of the formal process and a finding by the Secretary of labor. NRC supports settlements as they provide remedies to employees without the need for litigation. Settlement agreements in Section 210 proceedings are matters within the jurisdiction of the Department of Labor. Licensees and their contractors must not include clauses in these settlements which in any way restrict the ability of employees to provide information about potential safety issues to NRC. Examples of restrictive clauses include but are not limited to prohibiting or in any way limiting an employee, or an attorney for such employee, from coming to and providing safety information to an NRC staff member.

Licensees should examine their current and previous agreements to assure that restrictive clauses are not present. If restrictive clauses are found, licensees should promptly inform the employee or former employee that the restriction should be disregarded, that he or she may freely come to NRC at any time without fear of any form of retribution, and that such a restriction will not be enforced.

Please notify us no later than July 31, 1989 if any such restrictive clauses have been identified. Your response should be provided to your licensing contact in headquarters.

This request for information was approved by the Office of Management and Budget under clearance number 3150-0011 which expires December 31, 1989. Comments on burden and duplication may be directed to the Office of Management and Budget, Reports Management Room 3208, New Executive Office Building, Washington, D.C. 20503.

Questions concerning this letter should be directed to the Director of the Office of Enforcement.

Sincerely,

VICTOR STELLO, Jr.,
Executive Director for Operations.

[NRC Whistleblower Protection Statute]

ENERGY REORGANIZATION ACT OF 1974,
SECTION 210

"EMPLOYEE PROTECTION

"SEC. 210. (a) No employer, including a Commission licensee, an applicant for a Commission license, or a contractor or a subcontractor of a Commission licensee or applicant, may discharge any employee or otherwise discriminate against any employee with respect to his compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to a request of the employee)—

"(1) commenced, caused to be commenced, or is about to commence or cause to be commenced a proceeding under this Act or the Atomic Energy Act of 1954, as amended, or a proceeding for the administration or enforcement of any requirement imposed under this Act or the Atomic Energy Act of 1954, as amended;

"(2) testified or is about to testify in any such proceeding or;

"(3) assisted or participated or is about to assist or participate in any manner in such a proceeding or in any other manner in such a proceeding or in any other action to carry out the purposes of this Act or the Atomic Energy Act of 1954, as amended.

"(b)(1) Any employee who believes that he has been discharged or otherwise discriminated against by any person in violation of subsection (a) may, within thirty days after such violation occurs, file (or have any person file on his behalf) a complaint with the Secretary of Labor (hereinafter in this subsection referred to as the 'Secretary') alleging such discharge or discrimination. Upon receipt of such a complaint, the Secretary shall notify the person named in the complaint of the filing of the complaint and the Commission.

"(2)(A) Upon receipt of a complaint filed under paragraph (1), the Secretary shall conduct an investigation of the violation alleged in the complaint. Within thirty days of the receipt of such complaint, the Secretary shall complete such investigation and shall notify in writing the complainant (and any person acting in his behalf) and the person alleged to have committed such violation of the results of the investigation conducted pursuant to this subparagraph. Within ninety days of the receipt of such complaint the Secretary shall, unless the proceeding on the complaint is terminated by the Secretary on the basis of a settlement entered into by the Secretary and the person alleged to have committed such violation, issue an order either providing the relief prescribed by subparagraph (B) or denying the complaint. An order of the Secretary shall be made on the record after notice and opportunity for public hearing. The Secretary may not enter into a settlement terminating a proceeding on a complaint without the participation and consent of the complainant.

"(B) If, in response to a complaint filed under paragraph (1), the Secretary determines that a violation of subsection (a) has occurred, the Secretary shall order the person who committed such violation to (i) take affirmative action to abate the violation, and (ii) reinstate the complainant to his former position together with the compensation (including back pay), terms, conditions, and privileges of his employment, and the Secretary may order such person to provide compensatory damages to the complainant. If an order is issued under this paragraph, the Secretary, at the request of the complainant shall assess against the person against whom the order is issued a sum equal to the aggregate amount of all costs and expenses (including attorneys' and expert witness fees) reasonably incurred, as determined by the Secretary, by the complainant for, or in connection with, the bringing of the complaint upon which the order was issued.

"(c)(1) Any person adversely affected or aggrieved by an order issued under subsection (b) may obtain review of the order in the United States court of appeals for the circuit in which the violation, with respect to which the order was issued, allegedly occurred. The petition for review must be filed within sixty days from the issuance of the Secretary's order. Review shall conform to chapter 7 of title 5 of the United States Code. The commencement of proceedings under this subparagraph shall not, unless ordered by the court, operate as a stay of the Secretary's order.

"(2) An order of the Secretary with respect to which review could have been obtained under paragraph (1) shall not be subject to judicial review in any criminal or other civil proceeding.

"(d) Whenever a person has failed to comply with an order issued under subsection (b)(2), the Secretary may file a civil action in the United States district court for the district in which the violation was found to occur to enforce such order. In actions brought under this subsection, the district courts shall have jurisdiction to grant all appropriate relief including, but not limited to, injunctive relief, compensatory, and exemplary damages.

"(e)(1) Any person on whose behalf an order was issued under paragraph (2) of subsection (b) may commence a civil action against the person to whom such order was issued to require compliance with such order. The appropriate United States district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such order.

"(2) The court, in issuing any final order under this subsection, may award costs of litigation (including reasonable attorney and expert witness fees) to any party whenever the court determines such award is appropriate.

"(f) Any nondiscretionary duty imposed by this section shall be enforceable in a mandamus proceeding brought under section 1361 of title 28 of the United States Code.

"(g) Subsection (a) shall not apply with respect to any employee who, acting without direction from his or her employer (or the employer's agent), deliberately causes a violation of any requirement of this Act or of the Atomic Energy Act of 1954, as amended.

U.S. DEPARTMENT OF LABOR,
Washington, DC, August 6, 1989.

Hon. KENNETH M. CARR,
Chairman, Nuclear Regulatory Commission, Washington, DC.

DEAR MR. CARR: This is in response to former Chairman Zech's letter expressing concerns of the Nuclear Regulatory Commission (NRC) regarding the Department of Labor's review of settlement agreements in

whistleblower cases arising under the Energy Reorganization Act (ERA).

Your letter and the enclosed materials expressed objections to provisions of settlement agreements which impeded avenues of communication between employees of NRC licensees and NRC. I addressed this question in a recent ERA case, *Polizzi* v. *Gibbs & Hill, Inc.*, 87-ERA-38, in which I concluded that the effect of the settlement provision under review there "would be to 'dry up' channels of communication which are essential for Government agencies to carry out their responsibilities." I am enclosing a copy of my order.

I will be reviewing any further such settlement agreements on a case-by-case basis. I share NRC's concern that ERA be administered to assure the highest of health and safety standards and practices at nuclear facilities.

Sincerely,

ELIZABETH DOLE.
Secretary of Labor.

U.S. DEPARTMENT OF LABOR,
Washington, DC, July 18, 1989.

(Case No. 87-ERA-38)

IN THE MATTER OF LORENZO MARIO POLIZZI, COMPLAINANT, *v.* GIBBS & HILL, INC., RESPONDENT BEFORE THE SECRETARY OF LABOR

ORDER REJECTING IN PART AND APPROVING IN PART SETTLEMENT SUBMITTED BY THE PARTIES AND DISMISSING CASE

On July 13, 1988, the Administrative Law Judge (ALJ) in this case arising under the employee protection provision of the Energy Reorganization Act of 1974, as amended (ERA), 42 U.S.C. § 5851 (1982), issued a Recommended Decision and Order (R.D. and O.) dismissing this matter with prejudice on the grounds that the parties had resolved the issues between them. The parties had made a joint motion to the ALJ requesting the entry of an order of dismissal on the grounds that the parties and entered into a settlement agreement.

The record submitted to the Secretary with the ALJ's R.D. and O. did not include a copy of the settlement agreement. Accordingly, on October 3, 1988, the Secretary issued an Order to Submit Settlement Agreement ordering the parties to submit a copy of the settlement agreement for review by the Secretary. On November 3, 1988, the parties submitted a copy of the settlement agreement to the Secretary.

The ERA requires the Secretary to issue an order resolving the case "unless the proceeding on the complaint is terminated by the Secretary on the basis of a settlement entered into by the Secretary and the person alleged to have committed such violation . . . ." 42 U.S.C. § 5851(b)(2)(A). The Secretary has held a number of times in ERA cases that the case cannot be dismissed on the basis of a settlement "unless the Secretary finds that the settlement is fair, adequate and reasonable." *Fuchko and Yunker* v. *Georgia Power Co.*, Case Nos. 89-ERA-9, 10, Secretary's Order to Submit Settlement Agreement issued March 23, 1989, at 2, and cases cited therein. Furthermore, the Secretary held that "it is error for the ALJ to dismiss a case without reviewing the settlement and making a recommendation of whether the settlement is fair, adequate and reasonable" *Id.* at 1-2.

The Department of Labor does not simply provide a forum for private parties to litigate their private employment discrimination suits.[1] Protected whistleblowing under the ERA may expose not just private harms, but health and safety hazards to the public. The Secretary represents the public interest in keeping channels of information open by assuring that settlements adequately protect whistleblowers. *Cf., Virginia Electric and Power Co.*, 19 FERC ¶ 61,333 (Federal Energy Regulatory Commission 1982) ("[B]efore approving a settlement, regardless of whether it is contested or enjoys the unanimous support of the parties, the Commission is obliged to make an independent determination that the settlement is just and reasonable and in the public interest.")

The settlement agreement in this case has been carefully reviewed. With the exception of two provisions, I find it fair, adequate and reasonable.

Paragraph 7 of the Settlement Agreement provides:

"Polizzi agrees that he will not voluntarily cooperate with or testify on behalf of any entity or individual who has or may file charges of discrimination or wrongful employment practices against Gibbs & Hill or TUGCO, or their respective parents, affiliates, subsidiaries, successors or assigns, under the Energy Reorganization Act, the Atomic Energy Act of 1954 as amended, or any other federal or state law, rule, regulation or theory, nor will he voluntarily testify in or otherwise participate in any proceeding or investigation involving the Comanche Peak Steam Electric Station, before any state or federal court or administrative agency, including, but not limited to, licensing or safety proceedings or investigations before the Nuclear Regulatory Commission and/or regulatory or rate proceedings or investigations before the Public Utility Commission of the State of Texas, except as required by lawful subpoena; provided, however, that nothing in the foregoing paragraph shall in any manner be interpreted to prevent Polizzi from informing the Nuclear Regulatory Commission of any and all safety concerns he may have relating to the Comanche Peak Steam Electric Station."

This provision prohibits Complainant, among other things, from providing information to, or assisting or cooperating with, the Department of Labor in investigations of complaints against Respondent, the Texas Utilities Generating Company, or any related company under the ERA or any other environmental whistleblower protection statute. 29 C.F.R. § 24.1 (1988). Paragraph 7 also would prohibit Complainant from providing information or assisting or cooperating with the Department of Labor or any other federal or state agency in the investigation or prosecution of any charge of discrimination or wrongful employment practices, in violation of any federal or state law, rule, or regulation. This could include, for example, the Fair Labor Standards Act, the Occupational Safety and Health Act, Executive Order No. 11,246, Section 503 of the Rehabilitation Act of 1973, and Title VII of the Civil Rights Act of 1964. This provision also prohibits complainant from voluntarily testifying or otherwise participating in any proceeding or investigation involving the Comanche Peak Steam Electric Station, including Nuclear Regulatory Commission licensing or safety proceedings or investigations, and state regulatory or rate proceedings or investigations. This prohibition could include investigation or enforcement proceedings by the United States Environmental Protection Agency. The only exception to these restrictions would be where Complainant is under lawful subpoena.

On May 4, 1989, Complainant's counsel provided the Department's Office of Administrative Appeals a copy of a letter to him from Respondent's counsel dated May 3, 1989, by which Respondent "waives now and forever any rights it may have to enforce any restrictions that may be construed to be imposed upon [Complainant] under paragraph 7 of the settlement agreement . . . [Complainant] may freely go to the Nuclear Regulatory Commission at any time without fear of any form of retribution from [Respondent]." Although the first sentence of this letter appears to nullify paragraph 7 in its entirety, the second sentence could be interpreted as limiting Respondent's waiver to the restriction on Complainant's right to go to the NRC. For that reason, I have fully reviewed paragraph 7, as well as all other provisions of the settlement.

Paragraph 7 of the Settlement Agreement significantly restricts access by the Department of Labor, as well as other agencies, to information Complainant may be able to provide relevant to the administration and enforcement of the ERA and many other laws. Its effect, to a large degree, would be to "dry up" channels of communication which are essential for government agencies to carry out their responsibilities. *NLRB* v. *Scrivener*, 405 U.S. 117, 122 (1972). As such, I find it against public policy.[2]

In *EEOC* v. *Cosmair, Inc.*, 821 F.2d 1085 (5th Cir. 1987), the court held that waiver of the right to file a charge with EEOC was void as against public policy. The court distinguished between waiver of the right to file a charge and waiver of the right to recover personally on a cause of action. The court explained:

"Allowing the filing of charges to be obstructed by enforcing a waiver of the right to file a charge could impede EEOC enforcement of the civil rights laws. . . . A charge not only informs the EEOC of discrimination against the employee who files the charge . . . but also may identify other unlawful company actions. When the EEOC

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[1] I note that in ordinary lawsuits brought by one private party against another private party, where the rights of other persons will not be affected, "settlement of the dispute is solely in the hands of the parties." *United States* v. *City of Miami*, 614 F.2d 1322, 1330 (5th Cir. 1980) *aff'd in part and reversed in part on rehearing en banc*, 664 F.2d 435 (1981). Thus, under Fed. R. Civ. P. 41(a)(1)(ii), a stipulation signed by all parties who have appeared in the court action is effective automatically, without judicial involvement. *Gardiner* v. *A.H. Robins Co, Inc.* 747 F.2d 1180, 1189 (8th Cir. 1984). The trial court judge must " 'stand[] indifferent,' " and not interfere with the parties' "unconditional right" to a dismissal by stipulation. *Id.* at 1189-1190 (citation omitted). *See also Janus Films, Inc.* v. *Miller* 801 F.2d 578, 582, 585 (2d Cir. 1986; *City of Miami*, 614 F.2d at 1332.

[2] A settlement is a contract, and its construction and enforcement are governed by principles of contract law. *United States* v. *ITT Continental Baking Co.*, 420 U.S. 223, 238 (1975); *Schwartz* v. *Florida Bd. of Regents*, 807 F.2d 901, 905 (11th Cir. 1987); *Orr* v. *Brown & Root, Inc.*, Case No. 85-ERA-6, Secretary's Decision and Order issued October 2, 1985, at 2. The doctrine that a promise or term of an agreement is unenforceable if against public policy encompasses more than illegality; it includes promises which are injurious to the public interest. *Shadis* v. *Beal*, 685 F.2d 824, 833, n.15 (3d Cir. 1982), *cert. denied* 459 U.S. 970 (1982). "Contracts contrary to public policy, that is those which tend to be injurious to the public or against the public good, are illegal and void, even though actual injury does not result therefrom." 17 C.J.S. *Contracts* § 211, p. 1013 (1963).

acts on this information, "albeit at the behest of and for the benefit of specific individuals, it also acts to vindicate the public interest in preventing employment discrimination." . . . We hold that an employer and an employee cannot agree to deny to EEOC the information it needs to advance the public interest."

821 F.2d at 1090 (citations omitted.) Following the Supreme Court's guidelines that "[a] promise is unenforceable if the interest in its enforcement is outweighed by a public policy harmed by enforcement of the agreement," *Town of Newton* v. *Rumery*, 480 U.S. 386, 392 (1987), the court in *EEOC* v. *Cosmair, Inc.*, held that a "waiver of a right to file a charge is void as against public policy." 821 F.2d at 1090. The restriction on access by government agencies to Complainant's information here is, if anything, greater than in *EEOC* v. *Cosmair Inc.*, and I find that it is unenforceable as against public policy.

In addition, the settlement appears to encompass the settlement of matters arising under various laws, only one of which is the ERA. As stated in *Poulos* v. *Ambassador Fuel Oil Co., Inc.*, Case No. 86-CAA-1, Secretary's Order, issued November 2, 1987, slip op. at 2:

"[The Secretary's] authority over settlement agreements is limited to such statutes as are within [the Secretary's] jurisdiction and is defined by the applicable statutes. *See Aurich* v. *Consolidated Edison Company of New York, Inc.*, Case No. CAA-2, Secretary's Order Approving Settlement, issued July 29, 1987, *Chase* v. *Buncombe County, N.C.*, Case No. 85-SWD-4, Secretary's Decision and Order on Remand, issued November 3, 1986."

I have, therefore, limited my review of the agreement to determining whether the terms thereof are a fair, adequate and reasonable settlement of Complianant's allegation that Respondent violated the ERA.

Although I have found that one provision of the Settlement Agreement, paragraph 7, is unenforceable as against public policy, the remainder of the agreement may be enforceable when "performance as to which the agreement is unenforceable is not an essential part of the agreed exchange." *EEOC* v. *Cosmair, Inc.*, 821 F.2d at 1091 (quoting the Restatement (Second) of Contracts, § 184(1) (1981).) *See also Nichols* v. *Anderson*, 837 F.2d 1372, 1375 (5th Cir. 1988) ("[I]f less than all of a contract violates public policy, the rest of the contract may be enforced unless the unenforceable term is an essential part of the contract.") Thus, in *McCall* v. *United States Postal Service*, 839 F.2d 664 (Fed. Cir. 1988), an employee had settled an action challenging his removal by agreeing that, upon reinstatement for a one year probationary period, he would not appeal any disciplinary action taken against him and also waived his right to file a charge with EEOC. The court held that "even if [the employee's] attempted waiver of his right to file EEOC charges is void, that would not affect the validity of other portions of the agreement." 839 F.2d 664, 666 at * * *.

Here, the provisions of paragraph 7 of the Settlement Agreement appear to be collateral to the central dispute which the agreement purported to settle, alleged retaliation by Respondent against Complainant for protected activities, in violation of the ERA. I have attached primary significance in reaching this conclusion to the fact that Respondent has expressly waived any right to enforce the restrictions in paragraph 7. In addition, most, if not all, of the restrictions placed on Complainant by paragraph 7 would apply in matters only remotely related, if at all, to their dispute under the ERA.

I also note that paragraph 2 of the agreement could be construed as a wavier by Complainant of any causes of action he may have which arise in the future. As the Secretary has held in prior cases, *see Johnson* v. *Transco Products, Inc.*, Case No. 85-ERA-7, Secretary's Order Approving Settlement issued August 8, 1985, such a provision must be interpreted as limited to the right to sue in the future on claims or causes of action arising out of facts or any set of facts occurring before the date of the agreement. *See also Alexander* v. *Gardner-Denver Co.*, 415 U.S. 36, 51-52 (1974); *Rogers* v. *General Electric Co.*, 781 F.2d 452, 454 (5th Cir. 1986).

With the exception of paragraph 7, and with the limitations discussed above, I find the terms of the agreement within the scope of my authority under the ERA to be fair, adequate and reasonable, and to that extent I approve it.

Accordingly, the complaint in this case is dismissed.

So ordered.

ELIZABETH DOLE.
Secretary of Labor.

WASHINGTON, DC.

CERTIFICATE OF SERVICE

Case Name: *In the Matter of Lorenzo Mario Polizzi* v. *Gibbs & Hill, Inc.*

Case No.: 87-ERA-38.

Document: Order Approving Settlement and Dismissing Case.

A copy of the above-referenced document was sent to the following persons on July 18, 1989.

KATHLEEN GORHAM.

CERTIFIED MAIL

Lorenzo M. Polizzi, 100 Spring Street, Metuchen, NJ 08840.

Elizabeth St. Clair, Esq., Rabinowitz, Boudin, Standard, Krinsky & Liberman, P.C., 740 Broadway at Astor Place, New York, NY 10003-9518.

Craig Kaplan, Esq., Levinson, Kaplan & Mogulescu, 220 Fifth Avenue, New York, NY 10001.

James Puhala, Dravo Corporation, One Oliver Plaza, Pittsburgh, PA 15222.

Eugene D. Ulterino, Esq., Nixon, Hargrave, Devans & Doyle, P.O. Box 1051, Lincoln First Tower, Rochester, NY 14603.

Michael G. Davies, Esq., Nixon, Hargrave, Devans & Doyle, 30 Rockefeller Plaza, Suite 3755, New York, NY 10112.

REGULAR MAIL

Phil McKee, Deputy Director for Comanche, Peak Project, Office of Special Projects, Nuclear Regulatory Commission, Washington, DC 20555.

Thomas Kelly, Area Director, Wage and Hour Division, U.S. Department of Labor/ESA, 26 Federal Plaza, Room 2251, New York, NY 10278.

Monica Gallagher, Associate Solicitor, Office of the Solicitor, U.S. Department of Labor, Room N-2716, 200 Constitution Avenue, N.W., Washington, DC 20210.

Paula V. Smith, Administrator, Wage and Hour Division, U.S. Department of Labor, Room S-3502, 200 Constitution Avenue, N.W., Washington, DC 20210.

Hon. Nahum Litt, Chief Administrative Law Judge, Office of Administrative Law Judges, 1111 20th Street, N.W., Washington, DC 20036.

Hon. Michael H. Schoenfeld, Administrative Law Judge, Office of Administrative Law Judges, 1111 20th Street, N.W., Washington, DC 20036.

Director, Office of Enforcement, Nuclear Regulatory Commission, Washington, DC 20555.

Assistant General Counsel for Enforcement, Nuclear Regulatory Commission, Washington, DC 20555.

NORTHEAST UTILITIES,
Hartford, CT, September 8, 1989.

Hon. JOHN B. BREAUX,
Chairman, Senate Subcommittee on Nuclear Regulation, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR SENATOR BREAUX: I regret that circumstances did not permit us to meet on August 3. In your absence, however, I had the opportunity to discuss with Carolyn Jourdan the issues you and the Subcommittee on Nuclear Regulation have addressed in recent hearings, especially as they might apply to my company's proposed settlement agreement with John Delcore. Since meeting with Ms. Jourdan on August 3, I have personally reviewed the background of this matter and have decided on a course of action for Northeast Utilities that I'd like to tell you about in this letter.

As an initial matter, I must reemphasize that, in offering the proposed settlement agreement to Mr. Delcore, the Company was motivated solely by a good faith desire to resolve fully Mr. Delcore's claims of wrongful termination, retaliation and contractual interference, all of which we believe are entirely unfounded, and to prevent the relitigation of those claims in other forums. It was never our intent or our understanding that, by entering into the agreement, Mr. Delcore would in any way relinquish his right to report safety concerns to the NRC or that he would ever have to refrain from cooperating with the NRC or other governmental agencies in the investigation and resolution of issues concerning nuclear safety, workplace safety or public safety in general. As you recall, we included a provision in the proposed agreement that pointedly underscored Mr. Delcore's continued right to report safety concerns to the NRC.

We at Northeast Utilities have always recognized that our company's most fundamental interests demand the prompt identification, investigation and resolution of all safety concerns as a matter of the highest priority. We believe that this approach has contributed significantly to our record of safe nuclear operations, a record of which we are proud. In furtherance of the Company's unyielding safety ethic, our attorneys advised Mr. Delcore's counsel early on in the settlement negotiations that a prerequisite to settlement would be Mr. Delcore's full cooperation with our Company in the identification of safety issues of which Mr. Delcore became aware during his tenure as a contractor employee at our Millstone Nuclear Plant. (I have enclosed a copy of the letter to Mr. Delcore's attorney, in which that aspect of the settlement proposal was outlined.) Had any such issue been identified, Northeast Utilities, as a matter of Company policy, would have reviewed it and reported the matter to the NRC or other agencies consistent with regulatory requirements.

In retrospect, and with benefit of the helpful and enlightening discussion with Ms. Jourdan, I must acknowledge that certain langauge of the proposed agreement, especially when read out of context, might

lend itself to a more sweeping and restrictive interpretation than we intended. I continue to feel that the proposed agreement and our motives in proposing the agreement were legal and ethical in all respects. At the same time, I believe that the settlement language could have been and should have been more precise.

In commenting on the proposed agreement's legality, I should also point out that merely living within the letter of the law has never been our approach in making decisions at Northeast Utilities. Public policy considerations are an equally essential element of our deliberations concerning any issue. In that respect, I fully agree with both you and the Secretary of Labor that the need for open lines of communications and unfettered access to governmental agencies that are charged with the responsibility of securing the public safety is paramount. To be sure that this principle is fully reflected in any future settlement agreements relating to claims of wrongful termination or retaliation, we have instructed our outside counsel to include a provision in any such agreement that would clearly preserve the individual's right to bring any concerns, nuclear or other, to any state or federal governmental agency and to participate fully in any state or federal administrative, judicial or legislative proceeding or investigation. I have enclosed a copy of the draft language for such a provision. Although the language obviously may need to be modified somewhat to reflect the particular circumstances of any given situation, I assure you that the spirit and basic substance of the draft language will remain intact.

I am confident that such a provision will thoroughly safeguard the public interest, while preserving the Company's right to take reasonable measures toward protecting itself from repetitive legal actions and unwarranted denigration of both the Company and its employees in the public media.

We constantly seek ways to improve our activities under NRC licenses, and think that the changes we have made regarding proposed settlement agreements is indeed an improvement. I would be pleased to meet with you at your convenience to discuss this matter and Northeast Utilities' safety program in greater detail.

Very truly yours,

BILL ELLIS,
Chairman and Chief Executive Officer.

BISHOP, COOK, PURCELL & REYNOLDS,
Washington, DC, December 23, 1988.

[Confidential for Settlement Purposes only]

Re John DelCore v. W.J. Barney Corporation, Case No. H88-752 (AHN).

ROBERT A. SOLOMON, Esquire,
Pittman, Sheehan, Soloman & Swaine, 105 Court Street, Suite 400, New Haven, CT.

DEAR BOB: After careful consideration of the points that you have raised in our recent conversations and consultations with both my client and Jim Royster, counsel for W.J. Barney Co., I have been authorized to offer settlement of the above-captioned matter on the following terms:

1. As a precondition to the settlement, Mr. DelCore would meet with a representative of my client, and a representative of W.J. Barney if Barney wishes to be represented at the meeting, for the purpose of providing complete and detailed information regarding any safety problems or potential safety problems at the Millstone Nuclear Power Station of which he has any knowledge. We will want him at that time to provide any documents in his possession or control that in any way relate to or shed light in the information provided in the meeting. In addition, we would require that Mr. DelCore sign a statement to the effect that he has provided all information regarding real or potential safety problems about when he has any knowledge.

2. Mr. DelCore would move in federal district court pursuant to Fed. R. Civ. P. 41(a)(2) for dismissal with prejudice of his pending action. Barney and CL&P would notify the court that they have no objection to the entry of an order of dismissal with prejudice.

3. Mr. DelCore would execute a broad waiver and release of any claims that he has or might have against W.J. Barney, against Connecticut Light & Power and all related entities, or against any employees, agents, representatives, etc. of either Barney or CL&P.

4. Mr. DelCore would agree that neither the settlement agreement nor any communications made in the context of settlement negotiations would constitute an admission or be admissable in evidence to prove any violation of any legal obligation of the defendants, related entities, or any of their employees, agents, representatives, etc.

5. Mr. DelCore would be paid $9,000.00 in a lump sum upon satisfaction of all settlement conditions.

6. Mr. DelCore and your firm would agree to keep the fact and terms of the settlement and any communications relating to the negotiation of the settlement agreement strictly confidential. Any breach of the confidentiality provision would create in the co-defendants the right to recover one half of the amount paid to Mr. DelCore in settlement, of actual damages plus reasonable attorney's fees, whichever amount were higher. To help maintain the confidentiality of the agreement and to keep litigation costs of all parties down in the event of a dispute over compliance, the parties would be limited solely to private, binding arbitration as a remedy in the event of an alleged breach of any provision of the settlement agreement.

We believe that this offer represents a very reasonable basis from Mr. DelCore's perspective on which to compromise his claims. While we understand that he would prefer what would effectively be a full recovery settlement, I have had great difficulty seeing, on the facts as we know them, that Mr. DelCore's claims present a very serious threat as a legal matter. Consequently, I have been unable to recommend settlement to my client on the basis that I see substantial risk of Mr. DelCore prevailing if the case is litigated.

It is important that you and your client understand that the interest in settling this case is solely a product of a desire to avoid if reasonably possible the expense and inconvenience of litigation. While that interest is strong enough to move my client to make what must be viewed as a generous nuisance-value offer, it is not seen as sufficient to justify offering an amount that at least equals, and probably exceeds, the amount that Mr. DelCore could recover if he were much more successful on his claims than we believe he can be.

Please give me a call if you would like to discuss any aspect of this offer. If your client is agreeable to the terms that we have proposed, I would undertake to have a settlement agreement and related documents drafted and available for signature when you return from your vacation in early January.

Sincerely,

RICHARD K. WALKER.

PROPOSED SETTLEMENT AGREEMENT LANGUAGE

[For inclusion in settlement agreements relating to claims of wrongful termination, retaliation, etc.]

The purpose of this agreement is to fully resolve and prohibit the assertion, re-assertion, litigation or re-litigation of any and all claims and actions that have been or could have asserted, initiated or commenced through the date of this agreement by _____ against _____ for the recovery of back or future wages, other employment benefits, compensatory damages, punitive damages, or legal or equitable relief of any kind or nature, under any statute, regulation or common law theory, in any way relating to or arising out of _____'s employment with _____ at _____ or the termination of that employment.

Nothing in this agreement shall be construed to prohibit _____ from reporting any suspected instance of illegal activity of any nature, any nuclear safety concern, any workplace safety concern or any public safety concern to the United States Nuclear Regulatory Commission, the United States Department of Labor or any other federal or state governmental agency, and shall not be construed to prohibit _____ from participating in any way in any state or federal administrative, judicial or legislative proceeding or investigation with respect to any claims and matters not resolved and terminated by the preceding paragraphs.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota is recognized.

Mr. CONRAD. I thank the Chair.

(The remarks of Mr. CONRAD pertaining to the introduction of S. 1850 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The ACTING PRESIDENT pro tempore. The Senator from Florida [Mr. MACK] is recognized.

CUBAN POLITICAL PRISONERS

Mr. MACK. Mr. President, yesterday I spoke in this Chamber about the plight of Alfredo Mustelier, a Cuban political prisoner who is on a thirst strike.

Alfredo Mustelier is dying. Today is the 10th day he has refused to take any water and the 13th day he has refused all food. We are told by former prisoners with experience in thirst strikes that most people cannot survive for more than 12 or 13 days.

Alfredo has suffered for 20 years in Cuban prisons. Now he is vowing to continue his thirst strike until he dies or is freed.

We have just received word by telegram from his wife in Havana that Alfredo is in critical condition.

Yesterday I met with a group of former Cuban prisoners. They had suffered from 16 to 26 years in Castro's jails—a number of them in the same prison in which Alfredo Muste-

lier is being held. They said that Castro's jailers could let Alfredo lose consciousness and then try to keep him alive by feeding him intravenously. Or Castro, whom we can assume is personally handling this matter, is simply going to let him die.

Mr. President, we cannot let this man die in silence. Does no one care about this man's sacrifice? Where is the Secretary General of the United Nations, who pledged to monitor human rights in Cuba? Where are the television networks? Is it not news when a man is sacrificing his life to be free?

I would like to particularly emphasize the responsibility of the U.N. Secretary General in this case. Last year, the U.N. Human Rights Commission sent a team to Cuba to investigate human rights there. They came back with a 300-page report detailing human rights abuses.

The United Nations team received 137 complaints of torture, and other serious human rights abuses, and countless instances of missing people, murders, lack of freedom of religion, lack of freedom of expression or thought, lack of all fundamental liberties.

In March of this year the U.N. Human Rights Commission, in the wake of reports that the Cuban Government had arrested and beaten numerous people who had testified before the commission, again passed a resolution on Cuba. This resolution committed the Secretary General to personally continue to monitor human rights in Cuba and to intercede if necessary on humanitarian grounds.

Now is the time, Mr. President. Now is the time for the Secretary General to publicly call for the release of these brave and long-suffering Cuban prisoners.

Yesterday I read from Alfredo's letter announcing his hunger strike. I read it again today "I am well aware that I place my life and limb in exchange for my freedom," Alfredo wrote. "All I have left is freedom or death, but I will live or die trusting men and Divine Justice, as well as human solidarity."

We must stand in solidarity with Alfredo Mustelier, and his fellow plantados Ernesto Diaz Rodriguez and Mario Chanes. All three have vowed to go on sequential hunger strikes until they die or are free.

I would like to thank Senator CLAIBORNE PELL, the distinguished chairman of the Senate Foreign Relations Committee for joining me in sending telegrams to Fidel Castro and to the Secretary General of the United Nations urging the immediate release of these three political prisoners.

Thirty-two Members of the Senate—16 Democrats and 16 Republicans—and 5 Members of the House joined in sending these telegrams.

Mr. President, the lives of these men are in our hands. We must not fail them.

Mr. President, I ask unanimous consent to print in the RECORD the text of the telegrams, the final list of signers, and an article from Insight magazine called "Lasting Misery of Castro's Prisons."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TEXT OF TELEGRAMS URGING THE RELEASE OF CUBAN POLITICAL PRISONERS, NOVEMBER 7, 1989

TELEGRAM TO FIDEL CASTRO

We urge you to immediately release three "plantados" who have served over 20 years in Cuban prisons. Alfredo Mustelier is now on a hunger strike which could take his life. Ernesto Diaz Rodriguez and Mario Chanes de Armas vow to continue the hunger strike. Their continued imprisonment is in violation of Cuban law, which limits prison terms to 20 years.

TELEGRAM TO UNITED NATIONS SECRETARY GENERAL PEREZ DE CUELLAR

We urge you, pursuant to Resolution 1989/113 of the U.N. Human Rights Commission committing you to continue to monitor human rights in Cuba, to request that the Cuban Government immediately release three Cuban political prisoners: Alfredo Mustelier, Ernesto Diaz Rodriguez and Mario Chanes de Armas. All three vow to enter hunger strikes until they die or are released. We urge you to personally intercede with Fidel Castro to request their immediate release. We appreciate your concern and efforts to promote human rights in Cuba and around the world.

U.S. SENATORS

Connie Mack, Robert Dole, John McCain, Steve Symms, Rudy Boschwitz, John Chafee, Charles Grassley, Pete Wilson, James McClure, Dan Coats, Slade Gorton, Ted Stevens, Mitch McConnell, James Jeffords, Larry Pressler, William Armstrong, Claiborne Pell, Bob Graham, Tom Harkin, John Kerry, Jeff Bingaman, Quentin Burdick, Dennis DeConcini, Patrick Leahy, Joseph Lieberman, Spark Matsunaga, Paul Simon, John Glenn, Daniel Inouye, Brock Adams, Bill Bradley, Howell Heflin.

U.S. REPRESENTATIVES

Dan Burton, Robert Lagomarsino, Michael Bilirakis, Porter Goss, Bill Nelson.

LASTING MISERY OF CASTRO'S PRISONS

(Summary: Despite recent signs of reform in human rights, the hundreds of political prisoners locked away in the notorious keeps maintained by Fidel Castro endure conditions that conjure the cruelty of the camps of Hitler and Stalin. Ironically, Castro's own confinement in the early 1950s was comfortable by comparison.)

During Mikhail Gorbachev's first visit to Cuba in April, Elizardo Sanchez Santa Cruz was optimistic. A former professor of economics at Havana University, Sanchez, 45, had been working for human rights since the late 1970's and said he now felt there were signs of some improvement. He expressed hope that Gorbachev's reform policies, which Fidel Castro has resisted, would rub off on the Cuban leader.

Imprisoned in 1980 for six years for his "ideas against the government," Sanchez was speaking late one night in his conference-room-style garage in Havana. Castro, he said, "has freed about 100,000 political prisoners, and he is showing a greater tolerance with our contacts with the media. * * * Last year, for example, I was put in jail for eight months for giving an interview just like this one. The journalists were deported the same night.

After his initial release in May 1987, Sanchez formed the Cuban Commission for Human Rights and National Reconciliation. The organization of two other human rights groups followed: the Party for Human Rights in Cuba (now headed by Hiram Abi Cobas) and the Marti Committee for the Rights of Man (led by Hubert Jerez Marino).

A few hours after the interview, Dr. Samuel Martinez Lara, then secretary-general of the Party for Human Rights in Cuba, was arrested along with a number of other activists. Martinez Lara was the chief architect of plans announced a day earlier for a demonstration in front of the Soviet Embassy to show support for Gorbachev's reforms.

On the morning of the arrest, at a news conference in his garage, hastily arranged by word of mouth, a shaken Sanchez called the detentions "a flagrant violation of human rights [that] clearly illustrate what the situation is here."

Worse was to come for the human rights' leader. After the drug trafficking scandal that rocked the government in July, Sanchez, Abi Cobas and Jerez met with foreign journalists and said the trial of four high-ranking military officers violated the officers' right to due process. The defendants, including war hero Maj. Gen. Arnaldo Ochoa Sanchez, were charged with drug trafficking and executed July 13. The three human rights' leaders said they feared an increase in abuses.

At 5 a.m. Aug. 6, some 20 state security agents arrived at Sanchez's home and confiscated documents and office equipment that belonged to the commission, along with a photograph of Sanchez and Sen. Edward M. Kennedy. Within a few hours, Sanchez, Abi Cobas and Jerez were arrested on charges of propagating false information. Both Sanchez and Jerez were thrown into the Combinado del Este prison just outside Havana to await trial, tentatively scheduled for Oct. 18. Abi Cobas, being held at a military hospital in the capital, has a heart condition and is reportedly seriously ill.

Prosecutors say they are seeking a four-year sentence for Sanchez and three years each for Abi Cobas and Jerez. Martinez Lara, meanwhile, is serving a nine-month sentence in Aguica prison, about 125 miles from Havana, where his asthmatic condition is reportedly aggravated by the humidity.

Sanchez and his colleagues are among an estimated 500 political prisoners in Cuban jails. Human rights groups say their fate depends on international pressure on Castro, which has slackened after an investigation by the U.N. Human Rights Commission last year. Mary Jane Camejo, a specialist on Cuba for Americas Watch, a New York-based human rights organization, says abuses have increased since the commission's visit because "Castro feels he's off the hook." She says the arrests of the three leaders were a "terrible blow" to the human rights movement in Cuba but adds: "There will always be people continuing to work for human rights even under the worst possible conditions. Repression in Cuba is nothing new."

But repression has taken on a different form in the three decades of Castro's rule. When the revolutionary leader himself was imprisoned after his raid on the Moncada Barracks July 26, 1953, he received and read such diverse books as Thackeray's "Vanity Fair," Hugo's "Les Miserables" and four volumes of the "Complete Works of Sigmund Freud." Though in solitary confinement, he was fed, had mail privileges and enjoyed conjugal visits. Toward the end of his imprisonment, he wrote: "We don't have to get up until we want to * * *. We have plenty of water, electric light, food and clean clothes—all free * * *. We don't even pay rent."

Conditions have changed since he seized power in January 1959. Thousands of citizens were charged with "counterrevolutionary activities" or arrested on no charge at all and tried by revoluntionary tribunals, often with no right to defense. Many have been convicted of crimes against "the security of the state" and sentenced to as many as 90 years in prison. Hundreds have been tortured and executed by firing squads.

When Carlos Franqui, then editor of the communist daily Revolucion, questioned Castro about the need for such brutal tactics, Castro told him that such methods "annihilate the enemy."

Castro has since enacted some prison reforms (limiting terms to 30 years instead of 90) and freed many political prisoners. But human rights groups maintain that Cuba is still one of the world's worst violators. Americas Watch says it believes Cuba has had more political prisoners per capita for longer periods than any other country. The group says only South Africa, Indonesia and possibly China come close.

Castro's stock response has been to invoke the regime's commitment to deliver free health care, education and subsidized food and housing for its population as the proper definition of "human rights." But in a recent although rare visit, investigators, including the team sent for the first time by the United Nations, noted continuing abuses.

While prison conditions reportedly have improved for some, they still remain extremely harsh for those political prisoners known as *plantados* (those who stand firm), who refuse to participate in political rehabilitation programs. Mercedes Para, 37, who was part of a clandestine communications network between political prisoners and the outside world and now lives in Miami, compares Cuba's prisons to concentration camps. "Castro's prisons," she says, "are no different from the concentration camps of Hitler or Stalin. There is no other way to describe them." Former prisoners who now live in Miami have their own harrowing tales to tell.

Eleno Oviedo, 52, who was released in January after 26 years, many in solitary confinement, describes the facts of his prison life in a calm and detached manner. One prison, he says, had only two bathrooms for 300 inmates. Food—which was scarce—was used as a "political tool," distributed on the whim of the guards. Some prisoners got a little bit more; others were denied food altogether. Senseless beatings were not uncommon. "I was beaten for the amusement of the prison guards," he says. "If you didn't eat fast enough or if you didn't bathe fast enough, you would be beaten. No reason was needed."

The stories of prison life do not vary much from one former inmate to the next. Eugenio Zaldivar, now working with the U.S. Catholic Conference in Miami as a resettlement officer for former political prisoners, says, "The food was bad and there wasn't much of it. We would get sugar with warm water and old bread for breakfast, [wheat gruel] with fish oil for lunch and a rotten cup of rice with cold, oily fish for dinner. The fish sometimes would be substituted by a boiled egg or canned Russian meat which we called bear meat. It was so disgusting, you couldn't keep it down.

"Water would come once a day for one hour from the communal shower. In some cells we had as many as 36 prisoners pushing to get at the water with little tin cans that were supposed to last them for the entire day to do with it what they wanted—brush teeth, shave or drink."

Zaldivar, 44, was released in 1979 after 13 years in prison. The first part of his sentence was spent in a cell 6 feet by 5 feet without toilet or light, where he was to recuperate from a gunshot wound in the leg, acquired in a scuffle during his arrest. He had to get the guards' attention when he needed to use a toilet and often would be taunted and ignored.

Zaldivar also spent three months in Combinado del Este's infamous Rectangel of Death—99 cells used for solitary confinement. Temperatures in the prison cells are extreme: ovenlike in the summer months and cold in the winter. "There was no window, and a bulb burned 24 hours a day, so you never knew if it was night or day," he says. "The cell was a simple 4-by-6-foot concrete slab with no bed, a hole for a toilet, and it was infested with mosquitoes."

To keep his sanity, says Zaldivar, "I built boats. I built them over and over again in my mind. You had to think concretely of something, or you would just lose it."

Armando Valladares, chief U.S. delegate to the U.N. Commission on Human Rights, who spent 22 years as a political prisoner, contrasts Castro's experience under the dictatorship of Fulgencio Batista with the present treatment of political opponents. "Castro killed," Valladares says, "he assaulted military barracks, he has blood on his hands. These people didn't kill anybody."

Released from Cuba in 1982, Valladares, 53, carries with him reminders of his years in prison: His hands were left scarred by hungry rats, and bones broken during beatings have not healed quite right.

Castro was not so mistreated, says Valladares. He "enjoyed all the benefits of human rights despite a most repressive dictatorship."

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

EXTENSION OF MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that the morning business period be extended for 10 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Mississippi is recognized.

Mr. LOTT. I thank the Chair.

(The remarks of Mr. LOTT pertaining to the introduction of S. 1851 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

OVERALL BENEFITS OF THE U.S. SUGAR PROGRAM

Mr. DASCHLE. Mr. President, it is said with more and more frequency that the U.S. sugar program is designed to benefit a small group of large-scale sugar beet and cane farmers. Undoubtedly these growers benefit from the program, but the aim of the program is considerably broader: It provides protection against heavily subsidized foreign sugar exports, and this benefits the U.S. corn industry in addition to the domestic sugar industry.

I have long supported efforts to find new and alternative markets for our basic agricultural products, and believe that the growth of the corn sweetner industry is one of the finest success stories in this field. At a time of increasingly low commodity prices, the demand created by the sweetener industry has raised corn prices to all corn farmers by about 25 cents per bushel.

This boost in corn prices has had a major effect on individual producers and those parts of the agricultural community heavily dependent on corn. For example, a 400 acre corn farmer in South Dakota with a 85 bushel yield has seen gross income increase $8,500 because of sweetener demand. For my State as a whole this represents an increase in farm income of approximately $60 million annually. For some of the larger corn-producing States the impact is even larger.

Without the sugar program offering protection, both U.S. sugar and corn producers and processors would be undermined by the dumping of subsidized sugar on the world market. Any reduction that occurs in domestic beet and cane acreage will put greater pressure on the other crop programs, depressing prices and increasing government costs. One study has shown that U.S. corn producers and the Treasury would have lost $11.5 billion from 1982 to 1985 in the absence of the U.S. sugar program.

Changing the U.S. sugar program will only ever make sense if there is universal agreement for international reform of sugar policies around the world. Until that time, the U.S. sugar program will continue to be critically important to the 1.3 million corn producers across this country, in addition to beet and cane producers, and deserves Congress' support.

THE DEBT LIMIT

Mr. SYMMS. Mr. President, I rise before you today as I have done on many previous occasions to oppose the

increase in the debt ceiling. It has become somewhat of a regular exercise for the Congress to raise the debt ceiling so that the Government can fulfill its financial obligations.

This new money for the national debt is not being borrowed to pay for debts already incurred, but to pay for what the Government thinks it wants to commit to spending over the next fiscal year. The new proposed debt limit is over $3 trillion, up from the current $2.8 trillion. Surely this continual upward trend in deficit spending cannot go on if we are to achieve our goal of a balanced Federal budget.

I am a strong supporter of Senator COATS' proposal for a legislative line item veto. If we can't adopt some form of budgetary reform that gives the President the power to manage the Federal Government—and to use his mandate from the American people to balance the budget with no new taxes—we should all just go home and let the automatic sequester take over.

I have said here before, and I will say it again, I would rather see a continuation of the automatic sequester than to accept some wishy-washing compromise that ends up increasing total spending, and increasing taxes. This Senator is not persuaded that some kind of compromise, such as is being discussed to resolve the current budget stalemate, would be worth voting for.

I have said on previous occasions that debt is the driving force in our economy. This remains true today. This year, total public and private U.S. debt will stand at its highest level in history. The economic impact of that debt and the future debt obligations of this country will determine the future of our economic system.

In the United States, the sum of all debt held by the public and by Federal agencies is referred to as the gross Federal debt. Twelve years ago, such debt totaled $706.4 billion—today it is $3 trillion.

The Depression and World War II, saw the first big upsurge in the modern trend of deficit spending for its own sake. But under the Republican Congress in the late 1940's, and briefly under President Eisenhower in the 1950's, there was a repayment on the national debt. When public debt is repaid, there is a release of capital from a sterile use—the capitalization of future taxation—to a productive use, as bondholders can reinvest the proceeds of their Treasury security redemptions in private sector bonds. The bonds issued by private companies go to finance productive capital formation, since those companies have to earn a real economic yield in order to issue bonds of investment grade.

In the 1960's, America's engagement in Vietnam caused a further surge in the debt spiral. By the mid-1970's, the national debt figure had reached the $500 billion mark. It took over 40 years to build up a debt of $500 billion, and less than 7 years to triple that figure.

The only solution to the ever-increasing debt spiral is to reduce current expenditures and the future debt obligations of this economy. The private sector has been in the process of reducing their demand for credit over the past several years. However, governments at every level have increased their demand for credit because they have failed in their responsibility to reduce their spending.

This process has had a deflationary impact on the economy, but that deflationary trend will be reversed if our capital markets become so short that the Government cannot use those markets to finance the periodic rollover of the debt. At that point our debt would have to be repaid by a direct inflation of our currency—just as the Federal Government did during the Civil War.

Long-term capital markets are the key to a sustained and robust economic system. Those markets can only be restored by a real and continued effort to pay off our debts and keep our currency sound. Without that commitment to a sound fiscal policy, we will simply condemn our children and their children to follow the example of every other nation throughout history by paying off our debts with a debased currency.

Mr. President, I can tell you from my experiences in meeting with the people in my State and around the country that the American people wish we could go on a cash basis with the Federal budget. I know there are sophisticated arguments that what we really need is a capital budget, so that these increases in the national debt could be classified as "investment financing"; and I know that the current crazy system of Federal Government accounting is some kind of compromise between that and pure cash accounting. But the reason why so many of my friends ask me to put the Federal Government on a cash basis is because that is the most strict form of accounting anyone can have.

This Government must learn to be prudent with our spending, live within our means and work out of what we have. I for one would be happy to see the President take command of the financial problems of this country and act as any Chief Executive Officer would do to get his books in order. What is needed is to determine and establish priorities for the Federal Government and run this country on a cash basis.

Of course I believe it is Congress' prerogative to hold the power of the purse, under our Constitution; but I believe the "power of the purse" is a negative power—one that means the Congress should act to restrain taxes and to restrain spending by an Executive that might try to be too aggressive. That is the original sense of the concept in Magna Carta and in the English Parliament. Unfortunately, today, my colleagues use the concept of "the power of the purse" affirmatively, to compel excessive spending the executive branch would actually like to curtail.

I believe it is time for us to make a commitment to reducing the debt that we have been building up in this country. We need the balanced budget constitutional amendment; we need the enhanced rescission authority that Vice President DAN QUAYLE championed when he was a Member of the Senate; and we need, most of all, to come to our senses in Congress and carry out the will of the people to eliminate the deficit.

ARCHBISHOP IAKOVOS' 30 YEARS OF LEADERSHIP

Mr. PELL. Mr. President, it is with particular pleasure that I bring to the attention of my colleagues today a man who for three decades has provided distinguished spiritual leadership to more than 2 million members of the Greek Orthodox Church in North and South America and to all religious people, His Eminence Archbishop Iakovos.

In the years since he became archbishop in 1959, His Eminence has been a leading figure in the worldwide movement toward the unity of all christian denominations. One of his first acts as archbishop was to call upon Pope John XXIII, the first time a Greek orthodox bishop had visited a Pope in over 350 years. He has sought to heal rifts among the Eastern Orthodox churches and his pressed the cause of ecumenism. He was founder of the Standing Conference of Canonical Orthodox Bishops, a joint Orthodox body, and has been active in the National and World Councils of Churches.

Archbishop Iakovos has long been an advocate of human rights. He fought racial segregation and marched beside the Reverend Martin Luther King, Jr., in Selma. He is the recipient of our Nation's highest civilian award, the Presidential Medal of Freedom, awarded by President Carter in 1980.

This year Archbishop Iakovos is celebrating his 30th anniversary as leader of the Greek Orthodox Church. I wish to join in that celebration of a man who has provided the world a model of wisdom, dignity, humility, and strength. I look forward to many more years of his spiritual guidance and moral leadership.

Mr. DOLE. Mr. President, do I have any leader time remaining?

The PRESIDING OFFICER. The Senator has 9½ minutes of leader time remaining.

THREE STRIKES ON FOREIGN OPERATIONS APPROPRIATIONS

Mr. DOLE. Mr. President, within the next day or two, the foreign operations appropriations conference will wind up. I hope all of its work will not have been in vain.

Right now, there are three strikes against the bill—three problems which could lead to a Presidential veto:

The Mikulski provision on funding of the UNFPA—the U.N.'s population office.

The so-called leveraging provision—the Obey amendment, to make it illegal for administration officials to encourage foreign governments to undertake actions prohibited under U.S. law.

And the elimination of $50 million in replenishment money for the World Bank.

I wonder whether the proponents of those provisions really believe they are important enough to scuttle the entire bill?

The fact is, there are probably enough votes in the House to kill the Mikulski proposal. One way or another—by the action of the House, or a Presidential veto—it will not be enacted during this session of Congress.

The leveraging provision ought to be one where reasonable people can come up with an acceptable understanding of what action should be allowed to the executive branch. I would be happy to work with Senator MOYNIHAN—who was the originator of the leveraging concept—and other interested Senators, to see if we can work this out.

As a letter I recently received from the President's National Security Adviser, General Scowcroft makes clear, the leveraging provision would have the effect of wiping out some of the activities the Executive now routinely carries out—with strong support in the Congress. I ask unanimous consent to have printed in the RECORD the text of General Scowcroft's letter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, DC, November 7, 1989.

Hon. ROBERT DOLE,
Minority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: I am writing to express my deep concern about section 111 of H.R. 1487, the State Authorization bill. This provision, which would subject diplomacy to detailed and unreasonable regulation, in my view threatens to lead to seriously detrimental, though clearly unintended, consequences for the conduct of our Nation's foreign affairs. A few examples may serve to illustrate my concerns.

As you know, section 620(f) of the Foreign Assistance Act prohibits assistance to Communist countries. Under the regulated diplomacy provision, re-enactment of this prohibition would subject our diplomats to criminal prosecution for encouraging other governments or private parties to provide assistance for economic development in Poland or Hungary. Just this year, we undertook exactly such encouragement with wide congressional support. I am sure that none of us would want such activities to be illegal if similar opportunities arise again.

Last year, the government was confronted with a law that prohibited assistance to Panama, and which therefore raised extremely serious questions about its ability to aid those elements loyal to Delvalle in their struggle against the unlawful Noriega regime. Had the regulated diplomacy provision been in effect, the government might also have been prohibited from soliciting outside assistance for those elements as well. As we saw last year, the circumstances that provoke a ban on assistance can sometimes change much more quickly than the law.

Various statutory provisions prohibit government assistance to countries that are in arrears of U.S. loans, that have expropriated the property of our nationals, and the like. Under the regulated diplomacy provision, the enactment of such prohibitions might lead to criminal prosecutions of our officials for soliciting other governments (or international relief organizations) to provide humanitarian assistance when the people of such countries are afflicted by famine, natural disasters, or armed conflicts. It seems to me that our government's effort to advance humanitarian goals should not be hindered by the threat of criminal prosecutions.

Additional examples are attached as an appendix, but I find these particularly striking.

I know that ways can be found to narrow the regulated diplomacy provision to avoid unintended consequences that are identified in advance. I am afraid, however, that this will simply result in ever more intricate regulatory regimes, drawing the lawyers more deeply into day-to-day diplomacy, and leading to timidity and disarray in the conduct of our foreign affairs. The problem that so concerns me, in short, is not with draftsmanship but with the enterprise itself.

The need to assure obedience to the law is as important to me and to the President as to anyone, and I hope we can work together to find a means other than a regulated diplomacy statute to affirm our commitment to this principle.

Sincerely,

BRENT SCOWCROFT.

APPENDIX

1. Poland and Hungary: Section 620(f) of the Foreign Assistance Act prohibits assistance to Communist countries. Under the Moynihan proposal, US officials would therefore be subject to criminal sanctions if they solicit other governments (or private parties) to provide assistance to encourage economic development in Poland or Hungary. We would have to distance ourselves completely from efforts to promote development in those countries, or any other Eastern Bloc country whose situation might develop along similar lines. This, of course, is contrary to the course of action which the President has undertaken this year with widespread approval in Congress.

2. Countries involved in armed conflict: Various provisions of US law prohibit assistance to listed countries, to countries which appear on the anti-terrorist list, or the like. Under the Moynihan proposal, US officials would be subject to criminal penalties if they solicit other governments to provide assistance to any of the listed countries. This may be strongly contrary to US interests in cases where one of these countries becomes the victim of armed force by another country. (As in the case of Iran and Iraq, both might be subject to such prohibitions.) In such a case, it may be essential to encourage third parties to assist the beleaguered country to prevent total victory by its opponent and a possible adverse shift in the regional balance of power.

3. Countries whose populations are in severe distress: Similarly, various provisions of US law prohibit assistance to countries which are in arrears on US loans, or which have expropriated property of US nationals, or the like. Under the Moynihan proposal, US officials might be subject to criminal penalties if they solicit third parties (such as other governments or international relief organizations) to provide assistance to such a country whose population is threatened by famine, natural disasters, or the effects of armed conflicts. This is certainly the case if the assistance solicited could not be provided directly by the US Government (such as most forms of basic development or balance of payments assistance); and the Moynihan proposal can be read to apply even to forms of assistance which the US can give pursuant to specific statutory exceptions (such as disaster relief).

4. Countries needing assistance from third parties to fulfill obligations to the US: By the same token, the Moynihan proposal might subject US officials to criminal penalties for encouraging third countries to provide assistance to a country subject to the Brooke or Hickenlooper Amendments, if one of the purposes of that assistance would be to enable the recipient country to fulfill its obligations toward the US Government or US nationals. (Section 620(g) of the Foreign Assistance Act specifically prohibits the use of US assistance to provide compensation for expropriated property.) This would be directly contrary to the purpose of the statutory provisions themselves, let alone the interests of the United States. It might, for example, prevent us from working out useful means of enabling a close friend to extricate itself from difficult financial circumstances without defaulting on its obligations to us.

5. Countries whose populations are under internal oppression: On occasion, the US may find it essential to encourage assistance for elements which are fighting against dictatorial regimes. Prohibitions in US law may, however, apply to assistance to elements within a country as well as to its government. In such a case, the Moynihan proposal might subject US officials to criminal penalties if they solicited other governments or groups to provide such assistance. For example:

Panama: As of a year ago, US law prohibited assistance to Panama, which raised serious doubts about our ability to provide assistance to elements loyal to Delvalle in their struggle against the unlawful Noriega regime. Had the Moynihan proposal then been in effect, we might also have been prohibited from soliciting outside assistance for those elements as well.

Afghanistan and Cambodia: The same sort of difficulty might arise in cases like Afghanistan and Cambodia, where general statutory prohibitions on assistance exist, but where Congress presumably was concerned about the actions of the regimes in power rather than groups opposing them.

6. Assistance to countries for law enforcement purposes: Section 660 of the Foreign Assistance Act generally prohibits US assistance to foreign law enforcement authorities.

The Moynihan Amendment might be read to subject US officials to criminal penalties if they solicit foreign countries to use their own resources, or to provide assistance to another country, for law enforcement purposes. For example:

Anti-terrorism: The US has a strong interest in encouraging other governments to use their own resources for efforts against terrorism, or to assist other governments in such efforts. To the extent that these efforts are carried out by law enforcement forces, the Moynihan proposal might make it impossible for us to do so. [It might be argued that the exception in Section 573 of the Foreign Assistance Act for anti-terrorism assistance mitigates this problem, but even that Section precludes numerous forms of assistance which foreign authorities might find important.]

Anti-narcotics: Likewise, the US has a strong interest in encouraging assistance from other sources for the suppression of narcotics trafficking, even in cases where US anti-narcotics assistance is not possible. [Again, it might be argued that the exception in Section 481 of the Foreign Assistance Act for anti-narcotics assistance mitigates this problem, but even that authority has numerous limitations, such as prohibition on procurement of weapons or ammunition—which foreign law enforcement authorities would certainly find essential, and a requirement that the local country provide at least 25% of the cost of anti-narcotics control programs.]

Protection of US personnel: The US obviously has a strong interest in encouraging local authorities to devote adequate resources to enabling their police to protect US diplomats, military personnel and other nationals who may be present in that country. The Moynihan proposal, however, might be read to preclude us from encouraging them to do so because of the prohibition in Section 660.

7. Assistance to countries in special situations where required by US interests: Special circumstances may require that we encourage other governments to provide assistance to a country that may be under a statutory prohibition. For example, action by a government under a statutory prohibition may be essential to deal with important narcotics traffickers or to forestall a serious terrorist incident. In such cases, the President should have the flexibility, where he deems it essential for US national interests, to encourage a third country to provide the assistance necessary to bring about the desired result. The Moynihan proposal would subject the President to criminal penalties if he did so.

8. Assistance affecting countries under statutory prohibitions: The Moynihan proposal would preclude all US assistance which has the direct effect of furthering activities similar to those for which US assistance is prohibited. As a result, it could hamper programs for a number of important recipients because of the possible effect on other countries that are subject to statutory prohibitions. For example:

Neighboring countries: The annual foreign assistance appropriations acts typically include a prohibition (for example, Section 550 of the 1989 Act) on all assistance to a series of countries, including Angola and Cambodia. Significant economic aid to a country bordering any of these could well have a direct stimulating effect on economic activity in the named country, and accordingly could be seen as violating the Moynihan proposal. Thus the Moynihan proposal might be read to preclude at least some forms of US assistance to Thailand or Zaire.

Large aid recipients: Certain of our largest aid recipients are from time to time accused of involvement in activities for which the US could not provide assistance. Because of the volume and importance of our aid to these countries, the Moynihan proposal could cause serious doubts about the lawfulness of various US assistance programs which might be seen as facilitating those activities.

Mr. DOLE. I should add, for clarity, that the Scowcroft letter specifically refers to the State Department authorization bill version of the leveraging language. But the administration regards the version in foreign operations as equally unacceptable—a fact that has been reaffirmed to me by the administration today, and I might add by the highest voice in the administration. The President of the United States made this very clear at a leadership meeting this morning at the White House.

Finally, the decision on striking the World Bank money—which most thought was not in jeopardy—takes a swipe at the World Bank just when we are counting on it to take a lead role in Poland and any number of other countries around the world. I believe the decision to strike this funding is unwise; at the very least, it is untimely and worthy of further consideration.

Mr. President, I think everyone would prefer a freestanding foreign operations appropriations bill.

I assume the Senate managers—Senators LEAHY and KASTEN—would.

I suspect the President pro tempore, the chairman of the Appropriations Committee, would, too—especially in this, his first year as committee chairman.

And I know the President would, too.

That is the way we ought to run the appropriations process—the way all of us say we are determined to run it.

The fact is, the only way we will end up with a freestanding bill is if these veto bait provisions are reversed.

Right now, the bill has three strikes against it. The conferees can still make changes—there is still plenty of time—and I trust they will, because I can assure my colleagues that if I read correctly the President's message to us this morning, he feels strongly about these provisions. He feels it is another interference by Congress on the executive, not a Republican executive, but the executive branch, and he would like some way to resolve these differences with the Congress before any final action is taken.

Mr. President, I reserve the remainder of my time.

ELLIOT RICHARDSON: CONFLICT OF INTEREST?

Mr. HELMS. Mr. President, the appointment of Mr. Elliot Richardson as special assistant to the President for the Philippine multilateral aid initiative [MAI] has raised serious conflict of interest issues. He is currently chairman of the Hitachi Foundation and the Association for International Investment, a lobbying group of foreign investors, primarily Japanese, in the United States.

It is vital that he should sever ties with these and all other foreign interests which have similar investments in the Philippines. After all, the American interest is not identical with Japanese interests in the Philippines.

Moreover, Mr. President, Mr. Richardson was the registered lobbyist in 1986 for the MPLA, the Communist government of Angola. One of the prime functions of the multilateral aid initiative is to improve the Philippine economy so that the Communist New People's army cannot have popular dissatisfaction as a recruiting tool. I do not believe that a former lobbyist for the Communist government of Angola is the appropriate person to lead our efforts under the multilateral aid initiative.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 1,698th day that Terry Anderson has been held captive in Beirut.

On this matter, a petition which invokes international law and calls for the release of Terry Anderson and other hostages was recently presented to the United Nations.

I ask unanimous consent that a press release announcing and describing the petition be printed in the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

PRESS RELEASE

On behalf of Terry Anderson and over a dozen other foreigners held hostage in Lebanon a petition was presented to the U.N. Secretary General, and Members of U.N. General Assembly and its Commission on Human Rights in New York and Geneva on November 2, 1989, 12 noon. The petition seeks a U.N. writ of world habeas corpus and calls upon the United Nations to provide the plaintiffs declaratory relief. Petitioners pray for "release from their various places of captivity; safe passage from their captivity to their homelands; cessation of torture and arbitrary executions and threats thereof."

The petition claims the existence of "a consistent pattern of gross violations of human rights regarding the taking of hostages in Lebanon and parts of the Middle East." It identifies Syria and Iran as the two countries having "considerable influence" over the groups which have participated in hostage taking.

The petition invokes the U.N. Charter, the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the Convention Against Tor-

ture, and the International Convention Against the Taking of Hostages to claim that the United Nations has jurisdiction to hear the petition and that the petitioners are proper parties to invoke such jurisdiction "in requesting a writ of world habeas corpus on their own behalf in order to be released from their illegal captivity." The petition claims that since Syria and Iran are parties to the U.N. Charter and the International Covenant on Civil and Political Rights, they are obligated to comply with the terms of these instruments and with accepted norms of international law.

The petition argues that Syria and Iran have "willfully and maliciously violated their international obligations under international law by promoting and assisting in the abduction of petitioners, and in their continued refusal to unconditionally release petitioners and guarantee their safe passage to their homelands." As an alternate, the U.N. Secretary General "may convene the Security Council to order the establishment of a commission which may either issue a writ of World Habeas Corpus or report back to the Security Council, which may then act by issuing a writ through a Security Council resoultion or provide for other remedial and declaratory action." Also, the U.N. Security Council and the General Assembly may "be called upon not to recognize the credentials of [Iran's and Syria's] delegates."

The petition calls upon, the United Nations to "take constructive notice of the control that [Iran and Syria] have exercised over the groups such as Hizbollah, as well as the influence respondents have had on specific events, such as the taking, release and treatment of hostages. The United Nations is obligated to look behind formal legal structures when human rights and international security are threatened by acts taken by groups that have been constituted informally to carry out national foreign policy goals." It prays that proper sanctions be taken against Iran and Syria for "any refusal to comply with any of the orders or decisions that the tribunal or any organ makes in relation to this matter."

The petition was submitted by Luis Kutner, Attorney, Nobel nominee, a human rights advocate in Chicago and Chairman, Commission for International Due Process of Law.

THE BETRAYAL OF LEBANON

Mr. HELMS. Mr. President, many times during the past 4 years, I have spoken about the Syrian occupation of Lebanon and the failure of the Department of State's policy in the region. We today confront a particularly grave and explosive situation done to the betrayal of Lebanese interests at the recent Taif Conference and to the election on November 5 of the new President at a Syrian-sponsored session of a dissolved Parliament.

In the past few days, more than 200,000 Lebanese have poured into the streets demanding the independence of Lebanon from Syrian tyranny.

The conference at the Saudi Arabian resort town of Taif resulted in a document which contained provisions allowing the Syrian occupation of Lebanon to continue for at least another 2 years. After allowing for Syrian occupation forces to remain where they are today for a period of 2 full years, these clauses merely call for a Syrian redeployment of its occupation forces inside Lebanon to positions in the Bekka and elsewhere inside Lebanon. The Taif document is a capitulation of Lebanese sovereignty to a foreign power.

In short, the Taif agreement legitimizes the Syrian occupation of Lebanon. The fact that these provisions of the document were agreed to by Lebanese Parliamentarians who had participated in the conference has caused a major political crisis in Lebanon.

Prime Minister Michel Aoun denounced these clauses of the agreement as a direct violation of Lebanese sovereignty. Prime Minister Aoun also declared that the Lebanese Parliamentarians who met at Taif were not authorized, instructed, or empowered to treat on matters touching the fundamental sovereignty of Lebanon.

Under the 1943 Constitution, the Parliament consists of a single House of 99 seats. Because there have been no Parliamentary elections for 17 years due to Syrian sabotage of the democratic process, there are only 73 surviving deputies. A quorum of 49 is required for a two-thirds majority under the Constitution.

Upon receiving intelligence that Lebanese Parliamentarians were converging in northern Lebanon to elect a new President and to ratify the Taif agreement, Prime Minister Aoun dissolved by decree the Parliament at 5 a.m. Lebanon time.

Although Prime Minister Aoun did not object to the Taif Conference, he dissolved the Parliament because the Parliamentarians had exceded their constitutional powers by agreeing to provisions in the conference document which allowed continued Syrian military occupation of Lebanon for at least 2 more years. The Parliamentarians had, therefore, acted to abandon Lebanon's sovereignty to Syria.

In addition, Prime Minister Aoun and his legal advisors hold the view that the Constitution does not allow the consideration of any matter but the election of a President at a special session convened for the purpose of electing a President. Consideration of the Taif document would therefore be out of order at such a session.

Legal authorities I have consulted are of the opinion that Prime Minister Aoun was acting within his consitutional authority.

The parliamentarians did assemble later in the day at the Qlaiaat Airbase in the north of Lebanon along the Syrian border. Under Syrian duress, they ratified the Taif agreement and they selected Mr. Rene Moawad as the New President of Lebanon. Prime Minister Aoun's position is that the results of the meeting of the dissolved Parliament are not constitutionally valid.

Mr. President, the situation with respect to the legitimate governance of Lebanon urgently needs to be clearly understood.

Prime Minister Michel Aoun was designated by Presidential decree to be the acting Prime Minister with full Presidential powers at the close of President Gemayel's term on September 22, 1988. This Presidential decree was in full compliance with provisions in the 1943 Constitution providing for emergency situations in which a Presidential term expired without the election of a successor President having taken place.

The reason that President Gemayel had to resort to emergency provisions in the 1943 Constitution was for the simple reason that Syria had blocked proper elections for a new Lebanese President and was attempting to impose its own puppet Presidential candidate. The State Department fully supported the Syrian plan to control Lebanon through a puppet regime.

Mr. President, when Prime Minister Aoun was duly declared to be the acting Prime Minister in full conformity with the 1943 Constitution, Syria then arranged to create a puppet government led by Salim el-Hoss. This Syrian puppet government was endorsed by the Department of State which took the public position that there were two governments.

The Department of State, rather than recognizing and endorsing the legitimate constitutionally formed government of Prime Minister Aoun denied that it was the legitimate government and granted legitimate status to the Syrian puppet government under the pretext that it was for the Lebanese to sort out. The Department of State knew full well that the Syrian puppet government had no standing under the 1943 Constitution.

The Department of State was opposed to Prime Minister Aoun because he stands for Lebanese sovereignty in the face of Syrian occupation. He wants the Syrians out of Lebanon and out of Lebanese politics. The State Department, on the other hand, for over 15 years has allied itself with the Soviet Union's ally Syria. This policy was created by Henry Kissinger as part of a process toward a United States-Soviet condominium over the Middle East. For the Department of State, Prime Minister Aoun's crime is that he stands for a free and sovereign Lebanon.

Mr. President, it is my understanding that the State Department engineered the Taif agreement from behind the scenes. Put another way, the State Department imposed the Taif agreement on Lebanon under the guise of an Arab supported and sponsored initiative. In addition, the State Department and the Soviet Union im-

posed Rene Moawad on Lebanon through the Soviet's puppet Syria.

Mr. President, I pray that the Lebanese can find their way out of the current crisis. I support, and the American people support, the Lebanese people—both Christian and Moslem—in their struggle for freedom and independence. I am confident that Prime Minister Aoun has the support of the broad mass of Lebanese who yearn for honest constitutional government. I pray that Prime Minister Aoun can persevere in his valiant struggle to save the Lebanese nation from Syrian-Soviet tyranny.

NATIONAL ALZHEIMER'S DISEASE MONTH

Mr. PRESSLER. Mr. President, November is "National Alzheimer's Disease Month." During this month, public attention is focused on a disease that affects more than 4 million Americans. Alzheimer's disease is a tragedy. It disables productive men and women, rendering them incapable of human action, such as thinking, remembering, loving, caring, receiving, working, and giving.

The number of people affected by Alzheimer's continues to increase each year. Why? Alzheimer's is primarily a disease of the aged. Alzheimer's could have the effect of a demographic time bomb. For those age 80 and older, 20 to 25 percent have Alzheimer's. One out of every three American families is now thought to have an Alzheimer's victim in its midst.

The tragedy of Alzheimer's disease is that it materially, financially, socially and emotionally costs families, relatives and others who provide care to the victims. Caregivers not only sacrifice wages and salaries but face burnout when they become physically and mentally depleted.

Mr. President, I call on our colleagues to join in promoting a major Alzheimer's research initiative similar to the one that conquered polio in the 1950's. Research is on the edge of a breakthrough in discovering the causes of Alzheimer's. What is needed are more dedicated researchers and funding to support their efforts. Caregiver relief and education are critical needs. Caregivers need the relief that is available through respite care services and support groups. Volunteer organizations need more willing hands to reach out through education and service.

During the month of November, Mr. President, I invite all Americans to take a few minutes to become more familiar with Alzheimer's disease, or spend some time with someone who is a victim or a caregiver. Every State has an organized chapter of the Alzheimer's Disease Association. The staff of such an organization would be pleased to provide information and welcome participation in their efforts to support those who care for someone with Alzheimer's.

Earlier this year, the National Alzheimer's Disease and Related Disorders Association sent a letter and a copy of its national program to every Member of Congress. I commend the board of directors, the staff of the Alzheimer's Association and its 200 chapters, as well as members of the 1,500 Alzheimer's support groups and more than 30,000 volunteers for their tireless efforts and initiative in establishing this national program. This policy can assist efforts to find a cure for and alleviate the tremendous burden of Alzheimer's disease.

I thank all those who made special efforts to ensure the passage of Senate Joint Resolution 16, "November as National Alzheimer's Disease Month." The time and dedication of many Members of Congress helped to obtain a sufficient number of cosponsors. In addition to the Alzheimer's Association and the staff of its chapters, I recognize the work of the American Health Assistance Foundation [AHAF]. I thank all my colleagues who supported Senate Joint Resolution 16 and continue to work on behalf of Alzheimer's victims and their families.

WHOOPING CRANES

Mr. KASTEN. Mr. President, Baraboo, WI, is today kicking off a major conservation initiative—the creation of a brandnew population of captive breeding whooping cranes.

Whooping cranes have come to symbolize man's benevolent intervention to promote the recovery of endangered species. They are a symbol of hope.

This is America's second flock of whooping cranes—and by creating it, we are improving the odds for the recovery of the species. With two flocks, there is less chance that a disease or other catastrophic event will wipe out the captive breeding program.

In their new Wisconsin home, the International Crane Foundation headquarters in Baraboo, these eight birds will open a new era in the history of the species. They are going to one of the best facilities in the world.

Since the early 1940's, when only 16 whooping cranes were left in the wild, the species has been struggling back. Now, there are almost 200 birds in the wild or captive flocks.

I want to commend the National Fish and Wildlife Foundation for helping catalyze this event, the National Wildlife Federation, and the Marine Corps for carrying this precious cargo on a routine training mission. And most especially, I want to congratulate the International Crane Foundation for taking on this new challenge.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. ROBB). The period for morning business is now closed.

EXTENSION OF MORNING BUSINESS

The PRESIDING OFFICER. The Senate will now resume consideration of H.R. 2710, which the clerk will report.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Senate resume morning business until the hour of 11:45.

The PRESIDING OFFICER. Is there objection? Without objection, morning business is extended until 11:45.

Who seeks recognition?

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. Mr. President, I ask unanimous consent to proceed as in morning business, and I further ask unanimous consent that the hour for morning business be extended until 12 noon.

The PRESIDING OFFICER. Does the Senator voice an objection?

Mr. HUMPHREY. Inquiry first. Is not morning business now ordered until 11:45?

The PRESIDING OFFICER. The Senator is correct. Under a previous order, the period for morning business currently closes at 11:45.

Mr. DIXON. I have asked unanimous consent to extend it, may I say to my friend, until noon.

Mr. HUMPHREY. Reserving the right to object, I have no objection to the request. Frankly, I think the majority leader and the Republican leader might. They are preparing to come to the floor momentarily.

Mr. DIXON. I withdraw the last part of my request, Mr. President, and will be satisfied to proceed as in morning business until the designated hour.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

THE 175TH ANNIVERSARY OF BELLEVILLE, IL

Mr. DIXON. Mr. President, I would like to take this opportunity to salute my dear friend, Mayor Richard Brauer, and the city of Belleville, on the occasion of my hometown's 175th anniversary. As a proud native of

Belleville, I am happy to say that in its 175 years my hometown has prospered as one of the premier cities in Illinois.

Please allow me to take a moment to muse a bit about my hometown. Belleville, a French name, means "beautiful town." It is, indeed, a beautiful city that has played a prominent role in the history of Illinois. Mr. President, Belleville nurtured three Illinois Governors before the Civil War—Ninian Edwards, John Reynolds, and William H. Bissell. The first free circulating library in Illinois was established in this fine city, as was the second kindergarten in the Nation.

One of our country's oldest, continuous-service Air Force installations is located in this community—Scott Air Force Base—christened on July 17, 1917, as Scott Field. This base was named after the first enlisted man to die in an aircraft accident. Cpl. Frank S. Scott was flying as a passenger in a Wright type B biplane when he was killed in the Army's fourth fatal crash.

Scott Air Force Base is one of Illinois' strongest industries and major employers—pumping more than $1 billion a year into the local economy. It has grown from just a square mile to 3,000 acres, provides jobs for 7,000 military and 4,000 civilian employees, and is headquarters to the Air Rescue Coordination Center, the Military Airlift Command, the Air Force Communications Command, the Aerospace Rescue and Recovery Service, the Air Weather Service, the Defense Commercial Communications Office, and the U.S. Transportation Command.

Another of Belleville's attractions is the Shrine of Our Lady of the Snows. Built in 1958 by the Oblate Fathers, the shrine is a place of great beauty, and is a meaningful source of spiritual support and guidance.

Mr. President, I am proud to say, I was bred, born, and raised in Belleville, and I can say first hand there are no friendlier folks than those in my hometown. My wife, Jody, and I raised our family in Belleville. My three children and I are products of its fine public schools. In fact, my two daughters, Stephanie and Liz, my son, Jeff, and I all graduated from Belleville Township High School.

Growing up in Belleville, I remember the days when all the children in my neighborhood enjoyed playing in the parks and vacant lots. There was a particular open field that ran along Forest Avenue, known as "West Pasture." I lived at 616 Forest Avenue, and "West Pasture" was a big attraction for us youngsters in those days. It had a large creek in it which was usually empty. However, during heavy rain periods in the spring, the creek would fill up until it was almost to the top of the bank, and all the neighborhood kids would swim in it. Mr. President, as you can see, Belleville, IL, is a town rich with history, traditions, and many fond memories for me.

So, I tip my hat to Mayor Brauer, my fellow Bellevillians, and to all of our families on this grand occasion. All of us look forward with keen anticipation to the next 175 years of eventful and meaningful life in Belleville.

Mr. President, in view of the fact that no one else is asking for additional time right now, I will simply conclude by saying that last year an important group of people in my town, who formed the Belleville Historical Society, asked me to contribute a piece on my recollections of my life in Belleville to be reproduced in a book put out by the Belleville Historical Society.

It is too lengthy for me to read in the allotted time remaining, which I know will disappoint my friends from New Hampshire and Texas who would like to hear all about my childhood in Belleville, IL.

Mr. GRAMM. Will the distinguished Senator yield.

Mr. DIXON. I will reluctantly yield, yes.

Mr. GRAMM. Mr. President, I heard the comments of our distinguished colleague from Illinois talking about his hometown and about the three Governors prior to the Civil War who came from Belleville. I did not know any of those obviously, ancient though I am, but I have known the distinguished Senator from Illinois. He is a credit to his State and to his hometown and to the country. I do not know of anybody in the Senate who is more effective in getting the bottom line job done they set out to do as is the Senator from Illinois. I figured since the Senator was talking about his hometown, this would be a good opportunity for me to come out here and say that.

Mr. DIXON. I thank my dear friend from Texas, who I greatly admire. I am going to ask unanimous consent to put this article I wrote about my hometown and my recollection of the 62 years in the RECORD. I would hope that everybody will read about Belleville.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Alan J. Dixon, of Belleville, was first elected U.S. Senator from Illinois November 4, 1980, capping a 30-year public career that has included service in all three branches of government. Senator Dixon has never lost an election. He was re-elected Senator in 1986, wth his winning margin of 980,133 votes constituting the greatest margin in any off-year Senate election in Illinois history.

His string of 29 victories date from 1949 when, while attending law school, he was elected police magistrate in Belleville. In 1951, he began the first of six terms in the Illinois House of Representatives.

In 1963, he moved to the state Senate for the first of two 4-year terms. Senator Dixon was elected State Treasurer in 1970. In 1976 he was elected Illinois Secretary of State. He was re-elected to this office in 1978 by a record plurality, and, in so doing, became the first candidate of either political party ever to carry all 102 counties in an election.

Alan Dixon attended Belleville Township High School West, the University of Illinois and Washington University Law School. He served in the United States Navy, 1945-46.

He is married to the former Joan Fox. They have three children—Stephanie, Jeffrey, and Elizabeth—and seven grandchildren.

It is a particular pleasure for me to be asked to contribute a few words for inclusion with other reminiscences by Belleville residents.

In terms of years, my life has spanned roughly a third of the history of Belleville. From the day of my birth on July 7, 1927, to the present, Belleville has been my home. I have been privileged to serve its people in the Illinois General Assembly in Springfield, in the offices of Illinois State Treasurer and Illinois Secretary of State, and now as United States Senator.

As I began to gather my recollections for this essay, it occurred to me again that Belleville was a wonderful place to grow up.

I hope my friends and neighbors in Belleville will indulge me this brief reminiscence—not because I am a historical figure (or even old, for that matter), but because it is always useful for us to remember where we came from, and where we've been.

I came from the east end of Belleville. I lived the first few years of my life at 1034 Forest Avenue, and then through high school at 616 Forest Avenue.

The east end was a great place for youngsters, with parks and vacant lots to play ball in, to roam in, to be a boy in.

In those days, there was an open field in the 500 and 600 blocks of Forest Avenue, which, for some peculiar reason, was known as "West Pasture," even though it was in east Belleville.

We would swim there when the creek had enough water, and we would sled down the pasture's hills in winter, both of which I found to be at least as much fun as going to my classes at the old Douglas school at Douglas and East Main.

Oliver Muser was the principal. He was a great educator and a wonderful man. I remember being a boy in the 6th grade, and Mr. Muser predicting that somebody named Adolf Hitler would plunge the world into war.

By the time I became a senior at Belleville High, that war was still raging. I recall going to the home of John Karsh to take extra courses in summer so I could graduate early and join the service.

Belleville was always a working town. Its people worked hard for what they had. When I was growing up, some folks didn't have much, but they still enjoyed life.

All the kids worked, too. At various times, I worked for my dad's delivery service and later for the Rock Meat Market on East Main. There I made hamburger from a recipe, as I recall, which called for about one-third hearts, one-third fat, and one-third beef. It was cheap, but it was what the average worker could afford in those days.

While in high school, I sold shoes at Lerner's, earning four dollars for a Saturday and a commission on shoe polish and ribbons. I worked at J.C. Penney's for Clarence Manring and as a "card boy" at the Elks Club, bringing the men their drinks. At Christmas time, Mel Price got me a job at the post office delivering holiday mail.

Well, times have changed since then, of course. You aren't a kid forever. I haven't picked peaches in the summer at Waterloo in a while, haven't packed tomatoes for the Brooks Company, haven't trucked freight on weekends for the Terminal Railroad.

Since I weighed only 125 or 130 pounds, it was quite a trick to acquire an understanding of the fulcrum principle, so even I could truck refrigerators and other large household appliances into the railroad cars. The pay was quite good, though, for those days, when we worked Saturdays and Sundays.

I remember all of us as pre-teens and then as teenagers would go to what was then called Turner Park—it's now the Belleville Playgrounds—to swim. I'd walk from my house at 616 Forest Avenue, and we'd wind along somehow on the railroad tracks that came out there at Lebanon Avenue. We kids would buy season tickets that would allow you to go swimming for the whole summer. I think it cost only $4 or $5 for the summer. We'd go swimming every day, walking over there with just our swimming trunks rolled in a towel.

After swimming all day and then showering prior to the walk home, we would spend the nickel our mothers had given us for a frozen Powerhouse candy bar. I'm sure it really wasn't that big, but it seems in my memory that that candy bar must have been a foot long, because the Powerhouse would last for the whole trip as we walked along the railroad track back to our homes.

That was a formative time, though. I remember the day they let us out of school to go hear Wendell Willkie talk from the back end of a train at the Lebanon Avenue overpass. He was so good I took off my Roosevelt button for a few days, until my dad converted me again.

When we finished grade school in those days, we all went to junior high school, which was on South Illinois Street—in the second or third block—right across the street from the Belleville News-Democrat. Junior high school had classes called highest, second highest, third highest, second lowest and lowest. At least it's my recollection there were five different types of classes. Every class had its ball team, and you played one another, of course. We were sort of trained to go into high school with the idea of taking pre-college courses. While I was a small boy and even as a boy growing up in high school, the kinds of advantages we pretty much take for granted nowadays were not readily available to me and my friends in the Belleville of those days.

Belleville is, by history and tradition, a very Germanic city. My mother was a Tebbenhoff, and her mother before her was a Washhausen. All of my family on my mother's side, as a matter of fact, was Germanic in origin.

My grandparents Tebbenhoffs lived at 502 Wabash Avenue, which was only a block and a half walk through the alley. I would go there for a visit every evening. In those days, they didn't have electricity, central heating, or indoor plumbing. They had gas lights. They burned wood in the "coal stove." They had an outside facility at the back of the lot.

I remember quite vividly in those days there were a great many outdoor activities that were community activities. The men built a bunch of horseshoe pits in West Pasture, and pitching horseshoes was, for a time, a great sport in Belleville. I recall my grandfather threw the horseshoes very high, and would just kind of let them float down or drop onto the peg. My father, on the other hand, was a pretty good ballplayer, and he would throw a low horseshoe and zing it at the post. When my father made a ringer, it would just zip through the air and then ring and ring and ring around the post. At least that's how I remember it.

Mine was a boyhood of feather beds and coal stoves at my grandparents' house, and white radish sandwiches that my grandmother would spread thick with country butter pulled up in a bucket from out of the well in back. It was also a boyhood of running down to Meyers tavern on Mascoutah Avenue to bring back beer for the men, and listening to Art Reinbolt from the hardware store play the banjo and sing with my father.

That kind of childhood is special. It makes a person secure and not afraid to try things out in adult life. How else could a 21-year old kid still in law school have the nerve to run for police magistrate on a "reform" ticket with H. V. Calhoun at the top?

How else would a 23-year old kid working for the state's attorney's office decide to run for the state legislature against an experienced, highly-favored legislator such as Jack Wellinghoff?

I don't want it to sound as if my life story might have been written by a combination of Booth Tarkington and Horatio Alger, but I do not think I am idealizing Belleville as I recall growing up there.

We all live in the present and, happily enough, the present still centers for me on Belleville and Saint Clair County and my family, as it has for 62 years.

Some things in Belleville and Saint Clair County have changed for the better in those 62 years, and some haven't. It does us all good, I think, to try to figure out which things fall into which category.

That is the way we must go about improving the quality of life in Belleville for the greatest number of people—if it's possible to improve on icicle radish sandwiches on homemade bread spread thick with country butter.

Mr. DIXON. As long as I have a minute or two before the time runs out, Mr. President, I will just brag a little further on Belleville. I remind the President and my colleagues that when I ran for the U.S. Senate in 1980, both candidates in my State of 11½ million people came from Belleville. The Republican candidate was Lt. Gov. Dave O'Neal. Dave now has an important post in this administration, I have supported him and he is my friend. The Democratic candidate that year was the then-Secretary of State, ALAN DIXON.

In Belleville we have the great tennis champion Jimmy Connors. Jimmy Connors is a Bellevillian, Mr. President. Bob Golby, the great Masters champion in golf is from Belleville. Jay Haas, the great touring pro, is from Belleville; Frank Connor is from Belleville.

So Belleville has good water that produces these extraordinary athletes. The President has played golf with me. He knows that did not rub off on me. I must not have consumed any of that water.

But I am proud of Belleville. I am proud of the things Belleville has produced over the years and I thank the President for indulging me by letting me put the history of Belleville in the RECORD.

In conclusion, Mr. President, Belleville is a great town. I have spent 62 years there and someday when six of my friends carry me out in the box they will bury me, Mr. President, in Belleville, IL.

The PRESIDING OFFICER. Does any Senator seek recognition?

Mr. KENNEDY. Mr. President, what is the business before the Senate?

The PRESIDING OFFICER. The Senate has about 1 more minute of morning business.

Mr. KENNEDY. I ask unanimous consent to yield back the time.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The period for morning business has closed.

MINIMUM WAGE

The PRESIDING OFFICER. The clerk will report the pending business, which is H.R. 2710.

The legislative clerk read as follows:

A bill (H.R. 2710) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage, and for other purposes.

The Senate resumed consideration of the bill.

Mr. KENNEDY. Mr. President, this is our 13th day of debating the minimum wage legislation. We were able to debate it on Monday, Monday afternoon, yesterday morning, and we are looking forward to having amendments. Hopefully, we will be able to conclude this in a timely way during the early part of today. I am quite prepared to move ahead and consider these amendments. I know there are several amendments which are to be considered. I had hoped that we would be able to move forward on those.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, in due course I intend to offer an amendment. I shall not offer it now out of deference to the wishes of the leadership, but it is my intent to offer it as an amendment to the minimum wage bill now pending. It is an amendment that deals with the pay raise mechanism. It is not a pay raise amendment

as such. It does not propose a pay raise, rather deals with the various statutes which in turn bear on the matter of pay raise. It is the pay raise mechanism, if you will.

Mr. President, in recent days and weeks the proposal for a pay raise, a rather vague proposal, at this point has begun to surface. Frankly, I think it is timely. I think such a proposal is timely. I think, indeed, a pay raise is in order and under certain conditions, which for my part I shall lay out, I would be prepared to support a pay raise.

The conditions being, namely: The Senate and the House respectively secure such a pay raise or vote for such a pay raise by a recorded rollcall vote, that we not resort to any backdoor mechanism as was the case earlier this year, that we not resort to burying a pay raise proposal in, let us say, a conference report or any other large measure such that the pay raise element is almost indistinguishable of the body of whatever is inserted;

In other words, that we have before the Senate and the House respectively the one issue, and the one issue only, and that is a pay raise of some amount to be ascertained by a rollcall vote in each body. Under those issues for whatever it is worth this Senator would be prepared to support a pay raise, indeed to speak in its favor for this reason: The situation regarding honoraria is growing ever more troublesome.

It is true of course that the practice of accepting honoraria is fully within the law. No one suggests otherwise. It is fully within the rules of both the Senate and the House. Yet, at the same time, this practice at the very least presents a very bad appearance. I have been here 11 years and I have never seen a quid pro quo; that is to say, I have never seen a Member of either House pull his punches or indeed vote for something on the basis of having received an honoraria for some organization which has an interest in the vote. I have never seen that. But the potential for that kind of scandal is there, and at the very least even if that is not happening the practice presents a bad appearance.

So in due course I intend to offer the amendment to this legislation.

I ask unanimous consent, Mr. President, that following the rescinding of a quorum call which I shall propose in a moment that the Senator from New Hampshire have the right to the floor.

Mr. KENNEDY. Reserving the right to object, under the same conditions as was mentioned earlier. Am I correct?

No objection.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the Senator from New Hampshire is recognized.

Mr. HUMPHREY. Mr. President, having had a fruitful discussion with the Republican leader and the majority leader, I have agreed for the moment not to offer the amendment. I reserve the right to offer it sometime during the debate on the Social Security bill.

In the meantime, the Senate is going to examine a proposal that is in draft form now that relates to, specifically, a pay raise, which whose basis would be to offset honoraria dollar for dollar, and which will apparently come to the floor of the House and the Senate sometime within the next several days. I will examine that with the possibility of forbearing offering my amendment to the minimum wage bill, and instead, offering it to this proposal, which we would expect to come before the Senate within a few days.

I have been assured by the leadership that they would support my amendment, somewhat modified, if offered to this ethics pay raise package, and we expect that the leaders will speak for themselves on that point subsequently, sometime during the debate on the minimum wage bill.

Having said all of that, I will yield the floor, still intent on offering the amendment, possibly, but reserving that right.

I yield the floor now so that other Senators can offer amendments.

The PRESIDING OFFICER. Does any Senator seek recognition?

Mr. SYMMS. Mr. President, I would like to speak on the bill.

The PRESIDING OFFICER. The Chair recognizes the Senator from Idaho [Mr. SYMMS].

Mr. SYMMS. I thank the Presiding Officer.

Mr. President, as the debate over the minimum wage increase drags on, I continue to hear the proponents of this legislation making claims that, in my opinion, are false—I am sure, in their opinion, they are not false—about what this legislation really will do for America. The fact is that this legislation will not help the people it is supposed to help, those people at the bottom rung of the economic ladder, those people that are underprivileged, underskilled, and undereducated and, in some cases, undermotivated. These people need the opportunity to make that first step into that entry level job, to learn the dignity of work and the opportunity that can come before them if they can have a life of gainful employment.

My colleagues continue to implore the Senate to pass this bill based simply on the fact that it has been 8 years since the minimum wage has increased. I do not remember what the local fast food restaurants were paying at entry level jobs 8 years ago, but I notice now that there are signs in this region of the country upwards to $6 an hour for entry level jobs in the fast food restaurants. I understand that in some parts of the country it has even been higher than that—way above anything that we are talking about with respect to this legislation.

Moreover, our colleagues further claim that the lowest paid workers in America have not received economic justice during the past 8 years. I just think, Mr. President, that these kinds of claims—though I respect the sincerity of my colleagues—point to a very strong misunderstanding of the cornerstone of the American economy, the free market system. This economy is founded on a basic principle to be guided and governed, economically speaking, by choices and the wisdom of each individual through his or her participation in an open economy; in other words, free people through free institutions in a voluntary marketplace to make the decisions.

It has worked out, and it has been the most humanitarian experiment in the history of mankind, the American system. It has been followed and patterned in many other parts of the world, and it has been more humanitarian there.

I note, in the countries where we have the government setting the price level, behind the Iron Curtain, that they are absolutely flooding the gates to leave those countries. They are clamoring to come here and get these jobs and get this opportunity.

I have come to the floor before with statistics and studies, as many of my colleagues have, and I continue to maintain that a minimum wage, and all the arguments that accompany such a proposal, are flawed at the fundamental level. Even from across the aisle we have heard testimony that an increase in the minimum wage will bring about a decrease in jobs, no improvement in the position of those who are the poorest, and increased costs for certain products and services. What all this means is quite simple: Minimum wages, like other governmental intervention in the marketplace, disrupt America's economic well-being and end up harming those most in need of assistance.

Much of the debate, Mr. President, until now, has centered around the Nation's lowest paid workers. As I previously stated, there is no question that a minimum wage will directly

affect these individuals negatively; that is, it will shut the door of opportunity to entry level jobs for those at the very bottom of the economic ladder.

I suggest, Mr. President, that many other facets of our economy will be weakened by this anti-capitalistic action. Consider the impact this legislation will have on America's small business. Most individuals, at some time in their lives, work for small businesses for minimum wages, where they obtain their first job experience and advance on to a higher paying job as their skills improve. If minimum wages were to be increased, the hiring capabilities of small businesses would either be curtailed or costs shoved off to the consumer.

Mr. President, there is no question that the proposal which has come from the House of Representatives will burden the economic backbone of America. Jack Clark, a small business owner in Pullman, WA, which is just across the border from my State, wrote to me, saying, "The Government should quit trying to kill the small business goose that is laying the golden egg by regulating it into an endangered species."

The budget deficit is yet another area that would be marred by an increase in the minimum wage. One can cite various figures. Beryl Sprinkel, the former Chairman of the Council of Economic Advisers, says that the direct impact on the budget deficit would be about $2 billion. It seems to me the American people have sent this message to Capitol Hill and that message unequivocally calls for Congress to reduce the Federal deficit and not increase taxes.

The majority party has passionately tried to mislead on this, and in my view, they have tried to mislead America into believing that a minimum wage would have a minimum effect on unemployment and the economy. If as $2 billion increase in the Federal deficit, a loss of between 80,000 to 2 million jobs, and an increase of $13 billion more in higher costs for products that minimum wage workers help produce falls below the criteria set for minimum effect, I suppose they are right. However, I think that most thinking Americans know better, know that this is just a political sham being thrown out there so some people can claim that somehow there has been a major victory here.

This legislative is another job-thwarting, unproductive, inhumane band-aid on a cut that really requires stitches. America is not in need of proposals such as this; rather, we need maximum work and production which will only come about through a healthy economy that is not overshadowed by a fierce gale of hot air and regulations out of Washington.

What we need to do is develop our resources to harvest some of the old overmature trees that sit on Government-owned land in the Pacific Northwest that stopped growing and are falling and dying, burning, a la Yellowstone Park last summer. What we need to do is to develop those resources, restore some credible conservation techniques in some of the lands that we have, and push forward to give people a better opportunity for a better job, better skilled training. Those things all cost money. Let these young people who are underskilled and undereducated and in some cases have had no opportunity to work in the workplace, let them have that first entry level job at whatever they can get from the employer and work their way up the economic ladder where they can be productive members of our society and have the opportunity that we want all Americans to have.

Mr. President, the entire debate surrounding minimum wage sidesteps the fundamental American free market system. As we once again embark on an undoubtedly lengthy discussion of this topic, I can't help but comment that the father of history was absolutely correct in his observation, "The more things change, the more they stay the same."

The advocates of this legislation continue to send us this legislative nightmare that would once again overextend the arm of the Federal Government into areas that it does not belong. It is downright pathetic that some are unable to accept the fact that economic success of the past 8 years is reason enough to believe that there is no necessity for the Federal Government to intervene in this area.

Mr. President, I will just say in closing, I have a couple of articles I wish to read from. I hope my colleagues will once again vote in favor of an economically strong America and vote against this bill.

Mr. President, I ask unanimous consent that an article by Walter Williams from George Mason University be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. KERREY). Without objection, it is so ordered.

(See exhibit 1.)

Mr. SYMMS. Mr. Williams says in the Washington Times:

The first undertaking by any new administration is the attempt to appease enemies by sacrificing friends. Nine times out of 10, they fail to appease enemies and wind up losing friends.

The second order of business is to compromise principles, if they had any in the first place, to the pressures of pragmatism and political expediency.

The only recent exception to these general rules of political behavior was the first Reagan administration.

The Bush administration knows that increases in the minimum wage cause unemployment, yet they initiated a Republican version of an increase. Their reasoning is that the Democrats were going to push for an increase, so why not beat them to the punch with a "benign" version? That way the Bush people can curry favor with some enemies and possibly eliminate at least one confrontation with Congress. Moreover, taking a principled stance against the minimum wage law wouldn't bring in that many votes.

Then he goes on and talks about other attempts to compromise and where it may lead. He is affiliated with George Mason University. I urge my colleagues to read the entire text of his remarks.

Another message that I think is worthy of mention here is the White House veto message by President Bush.

I will quote a few sentences from it, and I ask unanimous consent that it be printed in the RECORD immediately following the article by Walter Williams.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. SYMMS. I am quoting from the President.

To the House of Representatives:

I am returning herewith without my approval H.R. 2, the "Fair Labor Standards Amendments of 1989."

This bill would increase the minimum wage by an excessive amount and thus stifle the creation of new job opportunities. It would damage the employment prospects of our young people and least advantaged citizens. It would accelerate inflation. It would not help those in poverty. And thus it would fail to properly reflect the thought behind this measure: to help our lowest paid workers.

Mr. President, Senators will note on their desks that there is a letter from the American Farm Bureau. I think it will be addressed later today. I just call attention of Senators and at the appropriate place I will put that letter to me from John C. Datt in the RECORD.

I ask unanimous consent now that preceding the amendment dealing with that subject that this letter be a part of the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXHIBIT 1

RISING ABOVE PRINCIPLE

(By Walter Williams)

The first undertaking by any new administration is the attempt to appease enemies by sacrificing friends. Nine times out of 10, they fail to appease enemies and wind up losing friends.

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that the Democrats were going to push for an increase, so why not beat them to the punch with a "benign" version? That way the Bush people can curry favor with some enemies and possibly eliminate at least one confrontation with Congress. Moreover, taking a principled stance against the minimum wage law wouldn't bring in that many votes.

Any economist worth his salt recognizes that there are trade-offs in the political, as well as the economic, arena, but nonetheless you'd like people to sacrifice principles only for the highest of prices.

Some compromises in principles can be deadly. The Bush administration's Department of Transportation is going ahead with a mandate calling for higher gasoline mileage for autos (27.5 miles per gallon). The fight for higher mileage is being led by the environmentalists' lobby and Mr. Bush wants to be known as the environmental president and thereby also avoid trouble with the fanatics.

We all like the benefit of cleaner air, but what's the cost?

Forcing Detroit to produce cars that get more mileage also forces automakers to turn out lighter, less crashworthy cars. According to studies done at Brookings Institution and Harvard University, mandating 27.5 mpg will result in 20,000 excess highway fatalities over the next decade. According to the Washington-based Competitive Enterprise Institute, which has brought suit, the DOT has deliberately concealed and falsified the safety hazard of more-fuel-efficient cars.

Then there's U.S. Civil Rights Commission Chairman William B. Allen, who's against busing, quotas and preferences, and equal treatment by race. Mr. Allen recently became involved in the case of a 14-year-old Indian girl who was legally adopted and raised by a white couple. The Apache Tribal Council felt that white people shouldn't be adopting Indian babies and a Texas court agreed, ordering the girl turned over to tribal officials.

Mr. Allen went to the Indian reservation to talk to the girl, who informed him that the tribal council had not sought her opinion. According to The Wall Street Journal, Mr. Allen said the attitude of the civil rights establishment in this matter is that "Lalita must be sacrificed for the glory of her tribe."

Here we have it: The centuries' old story where individual rights and feelings are to be cruelly suppressed whenever they conflict with the elitists' view of the good society.

The Wall Street Journal reports that the Bush people would like Bill Allen to resign. Possibly so they might attempt a Civil Rights Commission chairman more in tune with the thinking of the administration's enemies.

I've always said that the art of politics is to rise above principle and do the "right" thing. That observation says a whole lot more about the character of the American people than that of the politicians.

(Walter Williams, an economics professor at George Mason University, is a nationally syndicated columnist.)

EXHIBIT 2

BUSH SENDS CONGRESS VETO OF MINIMUM-WAGE BILL

(On June 13, President Bush vetoed a measure (HR 2) that would have increased the minimum wage from its current $3.35 an hour to $4.25 over the next three years and provided for a 60-day "training wage"—equal to 85 percent of the minimum—for workers who have not worked a total of 60 days. The president had requested an increase in the wage to no more than $4.25 an hour and a training wage that would allow employers to pay newly hired workers a lower wage—80 percent of the minimum—during their first six months on the job, regardless of previous work experience.

(The president vetoed the measure aboard Air Force One at 2:38 p.m.—less than an hour after the Senate sent the legislation to the White House. Following is the White House memorandum of disapproval:)

To the House of Representatives:

I am returning herewith without my approval HR 2, the "Fair Labor Standards Amendments of 1989."

This bill would increase the minimum wage by an excessive amount and thus stifle the creation of new job opportunities. It would damage the employment prospects of our young people and least advantaged citizens. It would accelerate inflation. It would not help those in poverty. And thus it would fail to properly reflect the thought behind this measure: to help our lowest paid workers.

HR 2 would increase the minimum wage to $4.25 an hour and would provide a training wage only for 60 days and only for a temporary period. Economists universally agree that such an increase in the minimum wage will result in the loss of job opportunities. This is because, as the minimum wage rises, employers in today's highly competitive marketplace must respond. Some close their doors. Some automate. Others reduce their work force or cut the services they provide to their customers.

That is why I made it clear that I could accept an increase only if it were a modest one, and only if it were accompanied by a meaningful training wage for new employees of a firm, to help offset the job loss. As I have said many times, I could sign into law an increase in the hourly minimum wage to $4.25, phased in over 3 years, which preserves job opportunities through a 60-month training wage for all new hires. The bill the Congress has sent to me fails to meet these standards.

The increase in the minimum wage I said I could accept amounts to 27 percent—totaling 90 cents an hour in three equal amount increments of 30 cents. The increase in HR 2 exceeds that amount by a full one-third. In the interest of preserving job opportunity, I cannot approve this legislation.

I wish to be clear about this. My difference with the Congress is not just about 30 cents an hour. It is about hundreds of thousands of jobs that would be preserved by my administration's approach, as opposed to those that would be sacrificed under the excessive increase included in this legislation.

The "training wage" included in HR 2 is ineffective. Its 60-day limitation is too short and unrealistically restrictive. The principal justification for a training wage is preservation of opportunity—for jobs and for training. This can be accomplished only through a permanent trainee differential. HR 2 provides only temporary training wage authority that would expire in 3 years. This means that within 4 years the minimum wage for trainees would rise to the regular minimum wage. That defeats the job-saving purpose of the training wage. This provision of HR 2 would do little to save jobs. I cannot support it.

Minimum-wage jobs are, for the most part, entry-level jobs—those jobs that give our workers the valuable work experience and basic training they will need for advancement to future opportunities. When those jobs are lost, the losers are the young and disadvantaged, grasping for the first rung on the ladder of economic opportunity.

I am also deeply concerned that an excessive increase in the minimum wage will increase inflation, which has rightly been called the cruelest tax. Inflation is hardest on those living on fixed incomes, many of whom are poor and elderly. As the minimum wage increases, employers' costs rise, and they must charge the consumer more for goods and services just to break even.

The federal budget deficit also would increase. The jobs lost due to a large minimum-wage increase would have generated tax revenues for the federal government. Certain government programs are tied directly to the minimum wage; other government expenditures are indexed to inflation. As the minimum wage and inflation increase, those expenditures will increase, and so will the budget deficit.

HR 2 provides for a Minimum Wage Review Board, which threatens to compound the bill's inflationary effect. The board would be permanent; it would be required to make annual recommendations to the Congress for increasing the minimum wage in light of increases in wages and prices since any previous minimum-wage adjustment. This has been termed, accurately, a "back-door" indexing provision. It is unacceptable.

Contrary to what proponents of HR 2 have been saying, increasing the minimum wage is not an effective way to help the poor. The poverty population and the minimum-wage earners are, by and large, different people. Most minimum-wage earners are young, they are single, they live in households with other workers, and most importantly, they are not poor.

We must never forget that a healthy and growing private economy is essential to remedying proverty. We are now in the 78 month of an unprecedented economic expansion. Over the last few months, the unemployment rate has been lower than at any time since 1974. Since the beginning of this economic expansion at the end of 1982, our economy has created nearly 20 million new jobs. Since 1981, the number of workers earning no more than the federal minimum wage has been cut in half—from 7.8 million to 3.9 million last year. Now is not the time to turn back or halt the progress we have made.

In the contemporary American market, wages rise—not because of mandated increases, but because of market forces and the changing nature of America's work place, which demand higher skills and offer better pay to the workers who possess them. An excessive increase in the minimum wage would reduce any chance for hundreds of thousands of less-skilled workers to get entry-level employment and experience the on-the-job training and advancement opportunities that go with it.

Most, though not all, of those denied the opportunity would be young people. I remain, as I have said before, haunted by the fact that by the thousands, young Americans in inner cities believe they have no stake in our system, no future, no hope. Believing they have nothing to lose, they act as if they have nothing to gain. We cannot let this continue. Work can give them something to gain—and we cannot sit by, destroying opportunity with well-intentioned but misguided policies—jinxing an-

other generation—and live easily within ourselves.

It is regrettable that this debate must end with a veto; once the majority in the Congress determined to reject my offer of compromise on minimum-wage legislation, however, it also became inevitable.

In the discussions of this issue, my objectives have been and remain twofold: first, to preserve job opportunities for entry-level workers seeking to get their feet on the ladder of economic opportunity; and second, to increase the take-home pay of the heads of low-income households. My proposal was designed to accomplish those twin objectives.

If the Congress remains unwilling to support this job-saving approach. I am prepared to examine with the Congress, within the confines of our fiscal limitations, changes in the Earned Income Tax Credit, which could better help the heads of low-income households.

I renew my invitation to the Congress to work with the administration, in a cooperative and bipartisan way, on what I believe is the compelling work-force challenge. We need to improve American education so Americans of all ages can prepare for the more demanding jobs that this economy is creating. Growth offers opportunity for those prepared to seize it. For those not now prepared and lacking the basic skills of language and literacy, computation skills and the like, we need to provide or refine our training programs.

I have proposed a package of educational reforms to enhance our federal approach reforms to enhance our federal approach to elementary and secondary education. We can offer a better quality of education to our children than we do and a wider degree of educational choice to them and their parents.

My administration has also proposed a package of reforms in vocational education that can improve this system, so vital to training and retraining our nation's work force. We should move quickly to improve the quality of vocational education, to simplify it, to expand choice, to make the system more accountable and, importantly, to integrate it better with other job-training efforts.

We will be proposing significant improvements in the Job Training Partnership Act. These will include a package of youth initiatives to increase the targeting of critical training resources on those in need of help. These initiatives will also offer improvements in the quality of training made available to "at-risk" youth and incorporate higher standards for achievement and competency after training.

* * * * *

The Congress this year has the opportunity to move these legislative proposals in a concerted way. We need to refine our basic-skills training, literacy, and remedial education, not just job training, to prepare youth for a lifetime of productive work, not just a job. Let us approach these separate statutes and programs not separately but as parts of a whole, as components of an integrated federal policy on real work place needs.

As I said in my inaugural address, I wish to proceed together with both parties in both houses of Congress. For those of us whose legislative priorities include the real needs of America's work force, there can be no more important items on that agenda than education and skills preparation.

During this year, and this Congress, even with limited budget resources—we can make a difference. Let us get started.

GEORGE BUSH.

THE WHITE HOUSE, *June 13, 1989.*

AMENDMENT NO. 1087

Mr. SYMMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. SYMMS] proposes an amendment numbered 1087.

Mr. SYMMS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

Mr. HATCH. Mr. President, I send an amendment to the desk——

Mr. KENNEDY. Mr. President, we have not heard the clerk.

The PRESIDING OFFICER. Is there objection to the clerk reading?

Mr. KENNEDY. I object.

The PRESIDING OFFICER. Objection is heard. The clerk will read the amendment.

The assistant legislative clerk continued with the reading of the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

Mr. HATCH addressed the Chair.

Mr. SYMMS. I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will read.

The assistant legislative clerk continued with the reading of the amendment.

Mr. HATCH. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER: Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new section:

SEC. . RELATING TO LEGISLATION AFFECTING SMALL BUSINESS.

The Senate finds that American small business firms account for 38 percent of the Nation's economic output;

That more than 50 percent of the Nation's total private sector work force is employed by small business;

That small businesses account for 51.5 percent of total United States business revenues;

That the Nation's very smallest companies constitute some 88 percent of the total number of business enterprises in the United States;

That between the years 1981 and 1986 small business created some 90 percent of the net new jobs in America;

That in 1988, small business continued to lead in job generation, with employment increases of 4.9 percent versus employment increases in large companies of 3.3 percent;

That small businesses are more likely than larger companies to hire workers who have been unemployed or out of the labor force for long periods of time:

That women who have left their jobs for personal or family reasons and have been out of the work force for 5 or more years are more likely to be hired upon reentry to the work force by smaller businesses;

That the small business work force has a larger proportion of new labor force entrants, and small businesses are more likely to hire from groups having above-average turnover rates and a weak attachment to the labor market;

That employees of small business enterprises are more likely than workers in larger firms to accumulate general skills and training, which make them more attractive to other employers, while the specific training and skills provided in larger firms tend to inhibit transferability to other firms;

That the hiring practices of small businesses help the economy achieve a lower rate of unemployment that would be possible in the absence of such small firms;

That small businesses have limited administrative capabilities and are more likely to be heavily burdened than large firms by regulatory changes that increase paperwork and compliance costs:

That Congress has failed to address systematically the economic impact on small business of the requirements imposed by the Federal Govenrment;

That Congress must recognize that regardless of the merit of the new legislation, Federal requirements are often prohibitively costly to small business;

That Congress has failed to consider the cumulative economic impact of new legislative proposals and existing Federal requirements;

That Congress should consider providing small businesses assistance and tax credits to offset the cost of new requirements imposed by the Federal Government;

That Congress must recognize it cannot continue to impose new costs on small businesses without jeopardizing the vitality of small enterprises and the Nation's economic flexibility and growth; and

That Congress already has significantly increased the business costs of small business this year due to legislation that has been enacted into law:

For the balance of the 101st Congress, the Congress shall not increase the business costs for any small business that is engaged in an industry affecting commerce, and that has (1) 50 or fewer employees, or (2) gross annual receipts of $1,000,000 or less, by enacting legislation that requires additional paperwork, capital expenditures, compliance costs, or taxes.

AMENDMENT NO. 1088 TO AMENDMENT NO. 1087

(Purpose: To provide consideration for the costs imposed on small business)

Mr. HATCH. Mr. President, I call up my amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] proposes an amendment numbered 1088 to an amendment numbered 1087.

Mr. HATCH. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the pending amendment, strike all after the first word and insert the following:

—. RELATING TO LEGISLATION AFFECTING SMALL BUSINESS.

The Senate finds that American small business firms account for 38 percent of the Nation's economic output;

That more than 50 percent of the Nation's total private sector work force is employed by small business;

That small businesses account for 51.5 percent of total United States business revenues;

That the Nation's very smallest companies constitute some 88 percent of the total number of business enterprises in the United States;

That between the years 1981 and 1986 small business created some 90 percent of the net new jobs in America;

That in 1988, small business continued to lead in job generation, with employment increases of 4.9 percent versus employment increases in large companies of 3.3 percent;

That small businesses are more likely than larger companies to hire workers who have been unemployed or out of the labor force for long periods of time;

That women who have left their jobs for personal or family reasons and have been out of the work force for 5 or more years are more likely to be hired upon reentry to the work force by smaller businesses;

That the small business work force has a larger proportion of new labor force entrants, and small businesses are more likely to hire from groups having above-average turnover rates and a weak attachment to the labor market;

That employees of small business enterprises are more likely than workers in larger firms to accumulate general skills and training, which make them more attractive to other employers, while the specific training and skills provided in larger firms tend to inhibit transferability to other firms;

That the hiring practices of small businesses help the economy achieve a lower rate of unemployment that would be possible in the absence of such small firms;

That small businesses have limited administrative capabilities and are more likely to be heavily burdened than large firms by regulatory changes that increase paperwork and compliance costs;

That Congress has failed to systematically address the economic impact on small business of the requirements imposed by the Federal Government;

That Congress must recognize that regardless of the merit of the new legislation, Federal requirements are often prohibitively costly to small business;

That Congress has failed to consider the cumulative economic impact of new legislative proposals and existing Federal requirements;

That Congress should consider providing small businesses assistance and tax credits to offset the cost of new requirements imposed by the Federal Government;

That Congress must recognize it cannot continue to impose new costs on small businesses without jeopardizing the vitality of small enterprises and the Nation's economic flexibility and growth; and

That Congress already has significantly increased the business costs of small business this year due to legislation that has been enacted into law:

For the balance of the 101st Congress, the Congress shall not increase the business costs for any small business that is engaged in an industry affecting interstate commerce, and that has (1) 50 or fewer employees, or (2) gross annual receipts of $1,000,000 or less, by enacting legislation that requires additional paperwork, capital expenditures, compliance costs, or taxes.

Mr. HATCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order of the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION AGREEMENT

Mr. HATCH. Mr. President, I understand the distinguished Senator from North Carolina would like to address the Senate for a number of minutes. Before he does I ask unanimous consent that we have a time agreement on my amendment of a half hour equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. I yield the floor.

Mr. KENNEDY. Mr. President, as I understand, we will not start the time on the amendment of the Senator from Utah until the conclusion of the remarks of the Senator from North Carolina.

The PRESIDING OFFICER. The Senator is correct.

Mr. HATCH. Mr. President, if I could add, I would like the time not to start until he completes his remarks and I begin mine and so ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the Chair and I thank the distinguished managers of the bill.

Let me make myself clear at the outset. I am going to vote against this minimum wage bill for a very simple reason. An increase in the minimum wage will hurt primarily the working poor and black teenagers of America. In North Carolina we have a distinguished economist, L.H. Zincone. He is at East Carolina University and he correctly concludes, and I quote him: "Minimum wage increases always hurt the very people the politicians say it is going to help." Even the New York Times acknowledged that a higher minimum wage will probably price many working poor people out of their jobs.

Mr. President, I guess it is fair to say that economists are known for their inability to agree on anything, but in this case, 90 percent of the economists nationwide agree that a minimum wage increase causes more unemployment among young and unskilled workers.

A report by the Carter-appointed Minimum Wage Study Commission found that for every 10 percent increase in the minimum wage, there is a 1 to 3 percent job loss among teenagers. This bill before the Senate requires a 27-percent increase. So as many as 8 percent of all teenage jobs could be lost as a result of this legislation.

Economists McKenzie and Simon of Clemson University found that over 60 percent of the loss in jobs would be among teenage workers.

The Council of Economic Advisers concur that the loss of jobs will be concentated among the young and the less skilled and the nonwhite workers, the very people we want to help. Professor Walter Williams of Temple University concluded that the loss of jobs caused by the increase in minimum wage will be felt most by nonwhites.

There is general agreement, except among the politicians, that this is not the thing to do. So what do the politicians do? They go ahead and do it anyway.

Even the Department of Labor projects that an increase in the minimum wage of $4.25 will cause the loss of 227,000 jobs, even with the so-called training wage. The bottom line is that increasing the minimum wage will inevitably cause jobs to be lost among young people and nonwhite workers.

Mr. President, there was a rather telling exchange in the House Labor Committee during discussions of the minimum wage bill. Chairman HAWKINS offered an amendment to include Congress under the minimum wage laws. Congressman FORD replied that these laws should not apply to Congress because the employees work such long hours. Then he made a logical statement. He said:

I do not know where the devil to get the money to pay the higher minimum wage and overtime. There is no pot into which we can reach to meet the overtime requirement.

Well, if that is true of this august Congress, how about those small businesses out there across America, thousands upon thousands of them?

Mr. President, small businesses do not have any magic pot either. They do not have million-dollar funds lying around to pay higher minimum wages.

Employers will probably deal with this increase in labor cost by: One, passing the cost on to the consumers in the form of higher prices; or, two, firing employees or reducing benefits. Neither of these is a very pleasant option.

In 1977, small businesses were asked how they dealt with the prior increase in the minimum wage. The survey revealed 47 percent fired employees and 81 percent put a freeze on the hiring. Obviously, many companies did both.

So, Mr. President, as I said earlier, most economists agree that an increase in the minimum wage will hurt, do harm to, young people and nonwhites, in the majority.

Let us take a look at a few numbers. From 1955 to 1983, the minimum wage increased from $1 an hour to $3.35 an hour. During that same time frame, the unemployment rate of nonwhite teenagers increased from 15 percent to 44.8 percent. And as the numbers show, unemployment among nonwhite teenagers increased sharply after the increases in the minimum wages of 1974 and 1979, 1980, and 1981.

Mr. President, there is an even more compelling case when you look at the unemployment level of black teenagers. From 1974 to 1976, the minimum wage was increased from $1.60 an hour to $2.30 an hour. During that same period, black teenage unemployment increased from 31.5 percent to 39.5 percent.

This chart shows what I am talking about.

Then from 1978 to 1982, the minimum wage was increased from $2.30 to $3.35. What happens? During that same period, teenage unemployment increased again from 41.1 percent to an all time high of 48 percent. That means that 48 out of every 100 black teenagers were unemployed.

Mr. President, now look at what happened from 1982 to 1988, when there was no increase in the minimum wage. Surprise, surprise. The unemployment rate among black teenagers dropped from 48 percent down to 32.4 percent.

These facts and numbers, Mr. President, confirm what economists have been saying for years, and what employers and unemployed workers have been saying; if Congress increases the minimum wage, there will be a loss of jobs especially among young blacks, Hispanics, and others. These are not just cold statistics. These are people that we are talking about, young people who need the jobs the most.

Mr. President, I have discussed this issue at length with a distinguished gentleman with whom I work. He probably knows as much about the problems of the black citizens of this country, particularly the black teenagers, as anybody certainly in this Chamber. He has helped me assemble these statistics. We have checked and doublechecked them. I can assure you that they are accurate.

Mr. President, some say, well, the training wage will save all these jobs for teenagers because businesses are allowed to pay teenagers 85 percent of the minimum wage. But the Department of Labor itself acknowledges that even with a 6-month training wage, 227,000 jobs will be lost.

The last time I looked, 85 percent of zero was still zero. If a teenager loses a job or cannot get a job, the training wage of 85 percent does not help very much.

Mr. President, I note the increases in the minimum wage will take effect on April 1, 1990, and April 1, 1991.

April 1 is April Fool's Day.

As my associate, Dr. James H. Meredith, said, "This is a cruel April Fool's joke on black teenagers."

He said sure, we will increase wages, but the black teenagers are going to find out that they do not have any wage at all because they cannot get jobs. This will happen because many small businesses will not be able to afford to pay the higher wages for unskilled workers—so they will do what they always do—they will cut back on the jobs. Once again, the politicians will have gotten the headlines. But in short, the politicians will hurt the very people, again, that they profess to be trying to help.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1088

Mr. HATCH. Mr. President, in just a little while, the Senate will be voting on the leadership's compromise legislation to increase the minimum wage by 27 percent by 1991. I happen to believe those who will be hurt the most by the increase of the minimum wage are those unskilled and inexperienced people in our society whose entry level job opportunities are going to simply disappear. They are the same people who can least afford price increases at the gas station or the supermarket. This is the great irony. These are the citizens this measure purports to help. That is, the underlying measure, the increase in the minimum wage.

There is another group of Americans who will also suffer as a result of this legislation, and they are the hundreds of thousands of small business people. I myself will argue the natural reaction to the automatic increase and the cost of labor will be for small businesses in particular to hire fewer skilled workers and raise prices.

It is important to remember, however, that some small businesses do not have these options. They will bear the brunt of this significant mandatory increase in wages. For these businesses, the minimum wage bill is tantamount to a tax increase and some will not be able to absorb it.

Let us also understand the importance of small business to American workers. America's job generating machine happens to be small business. Small business has been responsible for between 70 and 90 percent of the newly created jobs during the expansion. American small business has created more jobs over the past 5 years than the total number of jobs created in Japan and the Western European countries combined. In total, more than 50 percent of the Nation's private sector work force are employed by small business.

Additionally, small businesses are more likely than larger companies to hire workers who have been unemployed or out of the workplace for long periods of time. Small businesses are also more likely to hire older workers, women, teenagers or low-skilled entry level workers. All of these are groups which are characterized by above average turnover and a weak attachment to the labor force.

Small business, in addition to creating the most jobs, also serves as the Nation's training ground. Employees of smaller firms seem to accumulate general skills that make them more attractive to other employers and permit these employees to progress up the ladder of success. In contrast, large employers tend to provide very narrow skills that do not transfer to other firms.

Mr. President, it is time that we started to consider the impact that the legislation we pass has on small business. While the intent of legislation may be to address the pressing national issues, we can no longer afford to ignore the fact that our efforts to solve one problem may impose a myriad of new regulations and compliance costs on small business. The ancillary effects of "doing good" can be harmful.

Before we go patting ourselves on the back for acting on our own good intentions, we better start considering who pays for those good intentions. We better consider the long-range ramifications for small business. For example, many of us supported passage of Americans With Disabilities Act. I managed the bill on our side and voted for the bill because it provides equal opportunity, employment, and access to public accommodations for the disabled. That is an objective of great importance to me as well as everyone else in this Chamber.

But, we cannot kid ourselves by thinking that the legislation is not going to involve major costs for small business owners. Today we are going to pass a bill that will raise the minimum wage 27 percent in 2 years. Moreover, Congress is still considering other measures that would impose tremendous costs on small business, and clearly the cumulative impact of these initiatives will strangle small business.

This amendment will impose some discipline on Congress. The amendment says that for the balance of the 101st Congress, the Congress shall not increase the business costs for any

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small business enterprise with 50 or fewer employees, or gross annual receipts of $1 million or less, by requiring additional paperwork, capital expenditures, compliance costs, or taxes.

This amendment is not intended to tie the hands of Congress. Rather, it is intended to reflect simple economic reality. The amendment simply expresses the view that enough is enough and that, at least for now, we have imposed enough additional burden on small business. With the passage of this legislation today, we will impose additional burdens on top of those.

The amendment affirms our commitment to small business as a major segment of our economy, a segment making contributions from which all Americans benefit. I want to emphasize that voting for this amendment will not preclude any Senator from voting for the compromise on the minimum wage. This amendment is drafted to take effect after the minimum wage legislation is enacted. What this amendment says is that combined compliance costs of the legislation we have passed to date is all we will impose on small business for the balance of this Congress. Such assurances are reasonable for us to give. Such assurances for small business men and women all over America are necessary for them to plan, to invest, to create jobs, and to grow.

Mr. President, before I conclude, let me read from part of a letter from the National Federation of Businesses in which they raise concerns about this bill.

H.R. 2710 is a bad bill. It does not take into account the realities of small business. Opposition to this disastrous legislation will be considered a key small business vote.

I think that is important for all of us to understand that my amendment will help to alleviate many of these fears. I hope it will. But I have a better motive than that. The real motive is to make sure that for the rest of this Congress we recognize the costs we impose on small business. Unbelievable additional costs have already been imposed or small businesses. Most of these costs are certainly well intended, but good intentions do not help small businesses with compliance costs.

Certainly, this minimum wage compromise is well intended. There are obviously two sides to it. But, I believe that people are starting to think twice about what we have to say about the minimum wage. I think the word is out there, and that word is that we are contributing to inflation without much benefit to the working poor. It would be a lot better to attack this problem directly than to do it through a minimum wage increase.

The distinguished Senator from Massachusetts and other supporters are certainly sincere in their arguments. I am not going to denigrate those arguments today. I just want to make sure we have something in this RECORD that notes the costs and says this is enough, let us not do any more to hurt small businesses.

With that I yield the floor and reserve the remainder of my time.

Mr. KENNEDY. Mr. President, for the information of the membership, as was pointed out earlier in the discussion, we have a half-hour time limit equally divided.

First of all, I know how my good friend from Utah has agonized about his own decision on the increase in the minimum wage since he voted for the President's $4.25 on two different occasions previously. This amount is only $4.25. The impact in terms of our economy is 9 months' difference between the $4.25 in this amendment and the $4.25 of the President's. So I know he is closely caught on whether he would support this particular measure or not.

Second, Mr. President, we have really bent over in our committee to try to consider the impact of the increase of the minimum wage on small business. That is why, when we initially considered the $4.65 minimum wage, we increased the threshold exemption for small business from $362,000 to $500,000. That was a 38-percent increase in the threshold for small business when we had a 38-percent increase in the minimum wage—a balance between the increase in the minimum wage and the threshold.

Then we considered on the floor a $4.55 minimum wage, which was a 36-percent increase, but we maintained the 38-percent increase in the threshold for small business. Now we have only a 27-percent increase in the minimum wage, and we did not lower the threshold. We maintained it at the same level.

Even though we have reduced the increase in the minimum wage, we have maintained the threshold; we have been responsive, we believe, to the concerns of the small business community.

Mr. President, the language which we just received this morning quite frankly, with all due respect, is vague and imprecise. It talks about additional paperwork, capital expenditures, compliance costs.

Were we to enact President Bush's Clean Air Act, there would be compliance costs associatied with that. There would also be increased paperwork. Does this mean that we cannot even consider or support the President's own proposal?

Next January we are changing section 127, that relates to employers paying for the education of employees, currently considered to be income for the employees. We are changing that back to the expense of employers. That will result in a change in the paperwork, and yet it is going to benefit businesses across the country.

If the Senate of the United States, the House, and the President actually adopt the capital gains suggestion of the President, there is going to be additional paperwork under the definition in this amendment. What exactly is the additional paperwork?

Mr. President, I believe the amendment is imprecise and that we have been fair to small business.

How much time have I used, Mr. President?

The PRESIDING OFFICER. The Senator has 10 minutes 45 seconds remaining.

Mr. KENNEDY. I yield myself 3 more minutes.

Mr. President, I hope Members would examine the excellent article in the Wall Street Journal today, "Effects of Minimum Wage Increase Seen as Manageable." I will put the whole document in the RECORD. I will read three paragraphs.

The expected 27 percent jump in the Federal minimum wage won't harm small business as much as the last boost in 1981, small business owners and consultants say.

The Small Business Administration estimates that the number of exempted businesses could rise by 400,000 to 2.3 million.

Those 400,000 businesses would actually not be covered. That is what the Small Business Administration has actually suggested. And then it concludes:

In Dallas, where the jobless rate exceeds the national average of 5.3 percent, cleaning-service operator Jane Slayter says she is willing to pay more to get better workers. "You don't get good quality at cheaper rates," she says.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Nov. 8, 1989]

EFFECTS OF MINIMUM WAGE INCREASE SEEN AS MANAGEABLE

(By Barbara Marsh)

The expected 27% jump in the federal minimum wage won't harm small business as much as the last boost in 1981, small-business owners and consultants say.

For one thing, the proposed rules exempt thousands of companies that don't even know it. For another, the number of workers being paid the minimum wage has shrunk by half since 1981, to an estimated 3.9 million, the government says. Nonetheless, many small businesses fear the effects of a minimum wage increase.

Last week, the Bush administration and congressional leaders reached agreement on the wage issue, boosting the pay floor in stages from $3.35 an hour to $4.25 an hour by April 1991. The first 45-cent-an-hour rise would occur next April 3.

A sub-minimum wage, to be paid for up to six months to workers under 20 years old, is also part of the package. But it will do little to assist small concerns that are already

paying much more to attract teenagers in tight labor markets, say experts.

A 40-hour-a-week employee earning the new minimum wage would make $8,500 a year, which is $2,483 above the current poverty level for an individual but $3,591 below the level for a family of four.

INCREASES ACROSS THE BOARD

The minimum wage increase is expected to push up low-end wages in general and serve as a touchstone for salary negotiations for higher paid workers.

The increase probably will hinder small businesses more than large ones because they typically run on tighter margins. To cope, they may trim work forces, cut hiring, shave benefits, or modernize. They may boost prices when possible. And aspiring entrepreneurs may think twice about starting companies.

Nancy Thatcher, owner of a Mister Donut franchise in Denver, says the higher wage may prompt her to sack one of her seven employees. She now works the graveyard shift herself with a baker and a doughnut finisher. But she figures she may have to fire the finisher and take on his work as well.

Many businesses are bracing for a profit squeeze. Gary Barnes, who owns a janitorial service in Clemson, SC, says it will take several years before he can increase his prices enough to cover the wage boost. In the meantime, he expects the 25% pretax margin on his best accounts to dip as much as 10 percentage points.

Richard McKenzie, a professor of economics and finance at the University of Mississippi, says that because increasing numbers of small companies are competing with lower-wage foreign rivals, it will be tougher than ever for them to pass on higher costs by raising prices.

Not every business will be hit by the new minimum. Currently, certain retail and service businesses with sales of less than $362,500 a year and gas stations generating less than $250,000 don't have to comply. The House bill would raise those ceilings, exempting such businesses with sales of less than $500,000. Laundry, dry cleaning, fabric care, and construction businesses would qualify for the exemption, too.

The Small Business Administration estimates that the number of exempted businesses could rise by 400,000 to 2.3 million.

MODERNIZATION

Harley Shaiken, a workplace expert at the University of California, says the wage rise will prompt many small businesses to spend money on better technology and methods. "Most small businesses aren't going to like it," he says, "though they'll be better off in the long run."

William Stone, owner of Louisville Plate Glass Co., intends to double the size of his plant within two years. But with the wage increase coming, he now says he will cut his anticipated hiring by as many as 10 workers. Instead, he will invest in automated fabricating, cutting, and handling equipment.

He says he also will expect his new employees to perform better than before. He now pays 15 cents an hour above the current minimum for new workers being trained—and says he gives marginal performers several months to shape up. Once he's paying the new minimum, he says, he will fire trainees who haven't caught on after several weeks. He says that he rarely hires teen-agers, so the training wage rule wouldn't help him.

In tight labor markets, business owners think ripple effects of the wage increase will affect labor costs across the board. In New York, for instance, labor shortages have bid up starting pay for teen-agers working at fast-food outlets to $5 or $6 an hour. Michael O'Neal, owner of the Ginger Man and other Manhattan restaurants, says he pays a dishwasher $9.25 an hour, plus benefits.

Mr. O'Neal expects the federal boost to prompt both his union workers and higher-paid managers to demand pay increases, too. He will have to comply to keep them, he says. Furthermore, his options for coping with the higher costs are limited. For example, he says he can't make his waiters handle more customers because service would suffer.

Economists say the new increase shouldn't sting nearly as much as the 1977-81 rise in stages to $3.35 an hour from $2.30. Even with the pending boost, labor costs haven't kept pace with inflation, notes Mr. McKenzie of the University of Mississippi. To keep up, the minimum would have to jump another 46 cents an hour to $4.81, according to the U.S. Department of Labor.

What's more, the effect of the minimum-wage increase will be indirect for the many companies already paying above the minimum wage. In fact, many entrepreneurs are trying to get out of the minimum wage area entirely.

In Dallas, where the jobless rate exceeds the national average of 5.3%, cleaning-service operator Jane Slayter says she is willing to pay more to get better workers. "You don't get good quality at cheaper rates," she says.

MINIMUM WAGE

	Amount		Amount
Oct. 24, 1938	$.25	May 1, 1974	$2.00
Oct. 24, 1939	.30	Jan. 1, 1975	2.10
Oct. 24, 1945	.40	Jan. 1, 1976	2.30
Jan. 25, 1950	.75	Jan. 1, 1978	2.65
Mar. 1, 1956	1.00	Jan. 1, 1979	2.90
Sept. 3, 1961	1.15	Jan. 1, 1980	3.10
Sept. 3, 1963	1.25	Jan. 1, 1981	3.35
Feb. 1, 1967	1.40	April 1990 [1]	3.80
Feb. 1, 1968	1.60	April 1991 [1]	4.25

[1] Rise approved by House.
Source: U.S. Department of Labor.

Mr. KENNEDY. The sum and thrust of this, Mr. President, is that the impact on the smaller businesses is minor and certainly manageable.

I hope while we are considering the burden on the smaller businesses we would be considering what this means to men and women on the lowest level of the economic ladder who are working men and women wanting to provide for their familes seeking assurance that they are going to be able to live with some degree of respect and dignity.

They have some interest in this as well. For 8 long years their interests have been ignored.

Mr. President, I reserve the balance of my time.

Mr. HATCH. Mr. President, I do not want to delay things any longer, but I do want to point out what my amendment would do for small business. Let me read the conclusion, which is really the guts of the amendment. There is much language in here stating important economic facts about small business. But what the law says is this:

For the balance of the 101st Congress, the Congress shall not increase the business costs for any small business that is engaged in an industry affecting interstate commerce, and that has (1) 50 or fewer employees, or (2) gross annual receipts of $1,000,000 or less, by enacting legislation that requires additional paperwork, capital expenditures, compliance costs, or taxes.

That is all it says. I think it is a good amendment. I think it is something everybody should be for.

Having said that, let me just say I want to compliment the distinguished Senator from Massachusetts. I want to compliment him because he has won this debate on minimum wage. He has won because he convinced the President to come his way.

The $4.25 rate is one that would have been agreed on last time the Senate considered this issue, but only with a true training wage. This is where the Senator from Massachusetts has really won, on the training wage, because most small business people who looked at the training wage, negotiated between the White House and the distinguished Senator from Massachusetts, have concluded that you might has well not have it because it is unworkable. The potential of regulation, the potential of Government intrusion, interference and difficulty, is just too great in this training wage.

As a matter of fact, if you do not meet all of the requirements that have been negotiated on this, a $10,000 fine or imprisonment for not more than 6 months, or both, is at stake for a small business owner. And, injunctive proceedings can also be instituted.

If you look at this training wage, it is applicable only if the employee is under the age of 20 years. Additionally, the employee must not have been previously employed at such wage for a total of 90 days. Additionally, the employee must not be a migrant or seasonal agricultural worker. Additionally, no other individual can have been laid off from the position or a substantially equivalent position. Additionally, no regular employee can have been terminated, or have had hours, wages or benefits reduced for the purpose of hiring a training wage employee Additionally, not more than one-fourth of the total hours of employment of all employees may be paid at the training wage in any month. Additionally, a written notice must be provided to the trainee before employment begins, stating the requirements of the law and the penalties for violation of the law.

That is only part of it. But, only if all these conditions are met may the training wage be used.

With all these conditions, this training wage is so complex, and so difficult to implement that I do not believe there is a small business in the country that is going to try to use it. And,

with the potential penalties that exists, the disincentive to use it is well built-in to this provision.

So, I want to compliment my friend. He has won this battle. He has in effect negotiated a 27-percent increase, implemented over 2 years. Reluctantly, I voted with the President, last time, and I would support the President today if it was a $4.25 rate, implemented over a 3-year period with a meaningful training wage.

The President said he wanted a real training wage. That was the whole purpose of his veto. This is hardly going to be a real training wage. That is precisely the real reason why I cannot support it.

Moreover, I think it is wrong to make the argument that this is really going to help the working poor. It is not. It is going to exclude a lot of them from the workplace.

What we ought to do is, someday in the future, just bite that bullet and get the working poor out of poverty not by artificially increasing wages, and calling it a minimum wage increase, but, by doing it through an earned income tax credit, or some other method similar thereto.

We can go on and on. We debated these issues before. But I want to say that there is no reason for me to find any fault at all with my colleague from Massachusetts. He is carrying the day. He has won this battle. He will win today. I am certainly not going to stand in his way.

But this amendment on small business is a reasonable amendment. It is tied specifically to the very, very small businesses in our country. It means something. It will be some solace to those small business people out there, and it will continually remind us as we continue to pile on costs—that we should recognize what we are doing. And, we will recognize the financial impacts on small business because of this amendment.

With that, I am prepared to vote. I think we said everything that needs to be said.

I reserve the remainder of my time.

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER (Mr. WIRTH). The Senator from Massachusetts has remaining 8 minutes and 35 seconds.

Mr. KENNEDY. I yield 5 minutes to the Senator from Arkansas.

Mr. BUMPERS. I thank the Senator from Massachusetts. I will give part of the time back.

Mr. President, I most reluctantly oppose this amendment for a number of reasons, not the least of which is I think it really is ill-conceived and poorly crafted.

I know the hearts of the sponsors are in the right place, and certainly the distinguished Senator from Utah will recall that I supported him when we were debating the Americans with Disabilities Act, trying to provide tax credit for small business that would be forced to comply with the ADA bill.

I am now a cosponsor of an additional bill that would accomplish the same thing the Senator's amendment would accomplish.

There are all kinds of provisions in the law now, and those might be amended or changed or new laws might be adopted that would benefit small business, and if it costs them a lot of money or some money just to take advantage of those exemptions, technically under this amendment we could not pass such a bill that would give them that benefit.

Take capital gains. You might have to hire a CPA which would increase your cost in order to take advantage of the capital gains. That would be an increased business cost. Under this, it would be prohibited.

I am just afraid that if this thing became law—think of all the laws we might pass during the remainder of this Congress. We are talking about today through December 31, 1990.

The Senator from Massachusetts has mentioned the Clean Air Act. I do not know what other bills might come through. But I yield to nobody in my concern for small business in this country, and their plight in trying to keep up with Government regulations. I am trying to do something right now about the hazardous communication standard which I think is deadly for small subcontractors especially.

But a carte blanche provision like this could just wind up in endless litigation. The bureaucrats would go berserk, and small business would probably be forced to litigate every single exemption they sought under this provision.

I would say to the managers, as chairman of the Small Business Committee, I would be delighted to hold a hearing—I do not think we have time in this session—but I would be delighted to commit to hold a hearing on something akin to this, so we can all sit down and thoughtfully draft and craft in a mature way something that would actually help small business. In the effort to help small business in this amendment, we might be doing them in. The results might be perverse, indeed.

On its face it looks like you are doing something for small business, but the truth of the matter is you might be doing irreparable damage to small business, so I must, as I say, reluctantly oppose this amendment. I suggest to the sponsors—I do not guess they would be interested in pulling it down—but if they are interested in entertaining such an idea, I would be happy to hold a hearing and try to get something crafted that would actually do what the intent is here.

I yield the floor, Mr. President.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. I yield the remainder of my time to the distinguished minority leader.

Mr. DOLE. Mr. President, I thank the distinguished ranking member. I have read the amendment carefully. I thought it was going to be a sense-of-the-Senate amendment. I see the word "shall," and I share some of the concerns expressed by the Senator from Arkansas.

We had a White House meeting this morning, and the President asked about minimum wage and the progress it was making. I said that we hope to have it passed as nearly as noon or 1 o'clock. I agree with a lot of the statements. This is more of a speech than an amendment. I do not quarrel with many of the statements made therein, except giving tax credits to offset costs of new requirements imposed by the Federal Government, to me might be safe for health and things of that kind.

Government has the obligation to subsidize anyone, including business, large or small, or agriculture or whatever it is. Of course, tax credits are another way of saying subsidies. Is it outright subsidy. It might be some way to increase deductions or expenses of that kind. But tax credits are the same as an appropriation, just out of the back door instead of the front door.

But, more troubling, as I find it, is the fact that if this amendment is adopted, it is going to go back to conference. The President made an agreement. The Secretary of Labor made an agreement. The President won. He held at $4.25. It would seem to me that Republicans ought to be proclaiming victory and not trying to clutter up the bill at the last minute with any amendments.

But for the balance, it says the Congress "shall." I hope they do not increase the cost of any business, large or small, because of any regulation. But this is not a sense-of-the-Senate amendment.

It seems to me that notwithstanding the motives of the Senator from Utah, which are always pure, that it would be better not to have this amendment on this bill. So I reluctantly indicate, not that one vote will make any difference, that I do not believe it belongs on this bill. I think we have had negotiated settlement. It was in good faith. It involved the highest levels of White House, including the chief of staff, Mr. Sununu, and others, who negotiated for and on behalf of the President. They had said they had a bill they wanted. They got it; now they ought to keep it. It ought to be adopted without change. I would hope that this amendment would be rejected.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. BUMPERS. Parliamentary inquiry. How much time does the Senator from Massachusetts have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes and 20 seconds.

Mr. KENNEDY addressed the Chair.

Mr. BUMPERS. Will the Senator yield for 30 seconds?

Mr. KENNEDY. Yes.

Mr. BUMPERS. Mr. President, I know the Senator from Utah has been in the forefront of trying to help small business. He and I share the same concerns on this. I would hope, especially in light of the remarks of the distinguished minority leader, that the authors of this amendment would consider laying the amendment aside or withdrawing the amendment and not force a vote on it. As the minority leader said, an agreement was made; we ought to stick with it. It was not to my liking and was not to the liking of the Senator from Massachusetts, but it was an agreement, and it ought to be honored.

This amendment can only fuzz up the works. It can only assist in torpedoing it. I do not think that is the intent of the authors to torpedo an agreement reached in good faith, which is not before this Senate. So I implore them—if they want hearings on something similar to this, I will be glad to hold those hearings shortly after the second session convenes. We will discuss it at length. But I implore them to withdraw this amendment and let us get our heads together and see if there is something we can do. I do not think this amendment will pass. If it did, it would be an empty victory, because it could not possibly survive conference. The agreement was made in good faith.

Mr. HATCH. Mr. President, I yield myself 30 seconds.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. I really admire my colleague from Arkansas, but I do not think I should withdraw this amendment. Personally, I do not think it makes one hill of beans worth of difference as to the agreement. It does not interfere with the agreement between the President and the Democratic leaders, including the distinguished Senator from Massachusetts. I think it is something that ought to be voted upon. I think the amendment speaks for itself. Let us vote on it, and if I lose, I lose; if I win, I win. I do not think it will cause any disruption or problem with the agreement.

The PRESIDING OFFICER. The Senator from Massachusetts has remaining 2 minutes 45 seconds.

Mr. KENNEDY. Mr. President, the majority leader wanted to be able to make brief comments. I would like to suggest the absence of a quorum, the time not to be charged to either side, and I understand the majority leader will make a brief comment, and we will move to a rollcall vote.

The PRESIDING OFFICER. Is there objection?

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate considers the catastrophic health legislation referred to in last night's consent agreement, that immediately upon the completion or yielding back of time, the Senate proceed to vote on the amendment and, immediately thereafter, proceed to third reading and final passage of the bill and that all the preceding actions be accomplished without any intervening action or debate.

I am advised by staff that this has the approval of the Republican leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I understand all the amendments to the minimum wage bill are probably coming from the Republican side. It is our hope we can dispose of this bill early afternoon. I will encourage my colleagues, if there are any amendments, to come forward. I know my colleague, the Senator from Texas [Mr. GRAMM] has an amendment. That is the only one I am aware of. Senator HATCH's amendment is pending and there will be a motion to table by the majority leader.

It will be our hope after disposition of these two amendments we can go to final passage of this legislation. If there are amendments, I know both leaders and the managers on each side would appreciate having that information. Otherwise I assume the majority leader will make a request here momentarily, a unanimous-consent request. If there is any objection to that request, then that Member should be on the floor.

Mr. MITCHELL. I thank the distinguished Republican leader. That is my intention, to attempt to establish a procedure by which we can handle whatever amendments do remain and set a time for the remaining votes so Senators can plan their schedules accordingly, and attempt to stack the votes in a way that the votes will occur within a short timeframe.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the vote on the tabling motion I am about to make on the underlying Symms amendment occur no earlier than 4 p.m. today; that the pending amendments be set aside so that, following my motion to table, Senator GRAMM of Texas be recognized to offer his amendment, and that time on the Gramm amendment be divided as follows: 30 minutes under the control of Senator GRAMM, 10 minutes under the control of Senator HELMS, 10 minutes under the control of Senator SYMMS, 30 minutes under the control of Senator KENNEDY; that upon the completion of the debate on Senator GRAMM's amendment Senator COCHRAN be recognized, if he wishes to be recognized, to offer amendment No. 1083 on which there shall be 10 minutes of debate in the usual form; and that no other amendments or motion to the bill be in order except for Senator HUMPHREY's amendment relative to a pay raise mechanism on which there shall be no time limitation.

I further ask unanimous consent that the votes in relation to these amendments occur in the order in which they are offered following the disposition of the Symms amendment.

I further ask unanimous consent that immediately upon the disposition of these amendments the Senate proceed to third reading and final passage of the bill without any intervening action or motion or debate.

The PRESIDING OFFICER. Is there objection? Hearing no objection, it is so ordered.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader.

Mr. DOLE. I have no objection, Mr. President. I think this will accommodate, and Senator HUMPHREY has reservation there. We think we can work that out in colloquy. But beyond that, we have one Member that is necessarily absent and others would be kind to him if they, as in some cases, accept a voice vote. It certainly would be appreciated. And, second, I am advised that the House-passed catastrophic illness

bill has now been received by the Senate. Hopefully very soon we might do what we need to do on that and appoint conferees this afternoon.

Mr. MITCHELL. Mr. President, responding to both points, with respect to the number of votes, I will make every effort to minimize the number of votes to accommodate the Senator who must necessarily be absent, and will discuss that with the managers in the course of the upcoming debate.

It is my intention to proceed to the catastrophic matter and hopefully we can get that done this afternoon at an appropriate time.

I thank the distinguished Republican leader and all of my colleagues for their cooperation in enabling us to put together this ageement.

Mr. President, as I indicated at the outset of my request for unanimous consent, I am about to make a tabling motion with respect to the underlying Symms amendment. I would like to address that subject just briefly.

AMENDMENT NO. 1087

The distinguished Republican leader has already spoken in opposition to the amendment, and I associate myself with his remarks in oppostion to the amendment.

I remaind all of my colleagues that, in behalf of the President and the administration, the Secretary of Labor has just yesterday written to me, to the manager, and to others urging enactment of the bill without amendment.

I would like to read from the relevant portion of the Secretary's statement in behalf of the President and the administration. I quote:

The administration supported enactment of H.R. 2710 which passed the House last Wednesday, November 1. Accordingly, I ask for your support of this same bill now before the Senate with no amendments attached.

So I hope those who wish to support the President on this matter will do so by joinging in tabling the pending amendment.

There are substantive reasons for doing so as well. As the distinguished chairman of the committee and manager of the bill has pointed out, adoption of this amendment would effectively negate the clean air bill.

A Senator who votes for this amendment is making it very clear that that Senator opposes the President's clean air bill cannot be implemented, cannot meet the test which this amendment purports to create. The same is true with a host of other legislative matters.

So I hope Senators who have made clear their desire for strong clean air legislation and have supported the President in that regard will join in moving to table this amendment.

Accordingly, Mr. President, I move to table the amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized under the previous order.

AMENDMENT NO. 1089

(Purpose: To strike the exclusion from the training wage for employers of migrant and seasonal agricultural workers)

Mr. GRAMM. Mr. President, I send an amendment to the desk on behalf of Mr. SYMMS, Mr. HELMS, Mr. THURMOND, and Mr. HEFLIN and myself, and ask for the its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM], for himself, Mr. SYMMS, Mr. HELMS, Mr. THURMOND, and Mr. HEFLIN, proposes an amendment numbered 1089.

Mr. GRAMM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 13 of the bill strike lines 1 through 10.

Mr. GRAMM. Mr. President, the amendment I have sent forward is very simple. I want to try to define it very precisely because I would guess that during this debate there will be an effort to relate it to a bunch of the other labor laws which, while interesting, are largely irrelevant to this particular amendment.

I know this train is moving. I understand an agreement has been made between the Secretary of Labor, and the majority leader and minority leader on behalf of the bill.

But, Mr. President, I have offered this amendment because a mistake has been made in this bill. It is not a mistake that I believe was intended. It is a mistake that will produce inequity and discrimination.

I believe this amendment should be adopted. I think if it is adopted the House will accept it, and the bill will become law with this amendment part of it.

Let me explain where the mistake came from. First of all, a big point is made out of the fact that 75 percent of all agricultural employers, that is farmers and ranchers, are exempt from the Fair Labor Standards Act. They are exempt because they do not hire at least 500 man-days per calendar quarter, which is roughly seven full-time people.

So the argument has been made that, since 75 percent of the farmers and ranchers are exempt, this is not a relevant issue for agriculture, and is irrelevant as far as farmers and ranchers are concerned, and, might I say, as far as the people who work on farms and ranches are concerned.

Mr. President, the problem with that is while only 25 percent of the farmers and ranchers are covered by the Fair Labor Standards Act and, therefore, are affected by this bill, they employ 56 percent of the entire work force that is employed in agriculture.

So we are not talking about some minute amount here. We are talking about 56 percent of the labor force. What is wrong with the bill? What is the mistake in the bill?

The mistake in the bill is that seasonal and migrant workers in every other area of the American economy, except agriculture, have a training wage for seasonal and migratory workers that are between the ages of 16 and 19.

Now, I am sure somebody will stand up and say that agriculture is about the only seasonal and migrant area. I submit, Mr. President, that is not true. You have the fishing, crabbing, and lobstering industries, hotels, motels, you have resorts, amusement parks, the timber industry and the construction industry which all employ seasonal and migrant workers.

So the plain truth is that you have a lot of seasonal and migrant workers that are going to be eligible in the fishing industry for a training wage, that are going to be eligible in the construction industry for a training wage, that are going to be eligible in working in summer camps. If that is not seasonal, I do not know what it is.

Young people working in summer camps are going to be eligible for a training wage, but young people working in agriculture are not going to be eligible for a training wage because this bill discriminates against seasonal and migrant workers who work in agriculture.

Mr. President, some might say, well, what difference does this make? I mean, this is a relatively small number of people. Let me remind my colleagues that 87 percent of all hired farm workers work less than 180 days per year. So we are talking about a huge number of people who work on our farms and on our ranches.

Finally, Mr. President, maybe somebody will get up and say, well, when you are talking about stoop labor, unskilled work, you are talking about farms and ranches.

Mr. President, let me say that anybody who talks about agriculture as if somehow it is less skill-oriented than manufacturing or tourism, simply has not been on a farm, except perhaps on some rural resort that they run.

The plain truth is, of all major segments of the American economy, if you lump manufacturing into one category and mining into another and services into another and agriculture

into another, agriculture is more mechanized and more capitalized than any of the other major segments of the economy. Anybody who thinks that we are hiring people on farms and ranches in America to go out and use a hoe has not been on a farm or ranch, other than a dude ranch, in this country in a very long tme.

Let me also remind my colleagues that farm tools are dangerous. You are talking about tremendous capital equipment and people that run farm machinery, that work on farms and ranches, are just as in need of training as anybody else.

Finally, let me remind my colleagues that we are not talking about a loophole here that is going to allow farmers and ranchers to cheat on the intent of this law. We are talking about a precisely defined group of people.

I hope people will listen to these numbers. We are talking about only people that are between the ages of 16 and 19. I ask my colleagues, is it not feasible that people that are 16 years old, that are going to be working on a farm or ranch, are in need of some training? Why should they not be eligible for a training wage in agriculture when they are eligible for a training wage in other seasonal and migratory activities?

Mr. President, I know the objective of the denial of this training wage, but, first of all, it is in part an effort to benefit a greedy special-interest group that cares not one twit about the people of this country that are between 16 and 19 years of age, who would like to get that first foot off of the lower rung of the economic ladder. If that rung is sawed off, and that means they never get up to the top, that is one less person with which to compete.

Mr. President, I do not think most working Americans look at it this way. How can we justify having a training wage for people that are working in hotels, motels, and resorts on a seasonal basis, and not allow a training wage in agriculture?

I submit, Mr. President, that there is absolutely no justification whatsoever for that position.

Finally, I am sure one of the arguments you will hear is that these employers will cheat; they will not keep records.

Well, Mr. President, that argument may sound good, but it does not make any sense. First of all, people who are going to cheat, or not keep records, are not going to pay the minimum wage. If they are going to violate one law, they will violate another law, and they will not be affected by this amendment.

I am talking about the people that comply with the law. They will be affected. If you look at U.S. labor and employment laws and you look on page 387 of the Migrant and Seasonal Agricultural Worker Act, you find that what is required by law of the employer in this area is that they keep records for each farm worker, that they provide these records to the employee, showing the amount of time the employee works and the number of hours he works. Also, under the very bill we are debating, all that a young person has to do to qualify for ther full wage is simply declare that in fact they have worked 180 days in their life at the training wage. They do not have to be able to prove it. All they have to do is make the declaration.

So, Mr. President, the argument that because they are seasonal and migrant workers, that employers might cheat, is not an argument. If they are going to cheat, they will not pay the minimum wage anyway. Who I am protecting are the people that are complying with the law. The laws says exactly what you should do. If they do that, then the employer cannot cheat.

Finally, the bill that we are debating now says that a declaration by the employee that he or she has gone through a training period of 180 days entitles that employee, if that employee works, to the full minimum wage. So I submit to my colleagues that the following points cannot be denied.

No. 1, there is only one occupational category where people are employed seasonally or on a migratory basis that is excluded from the training wage, and that is agriculture. There is no logic for this exclusion. Agriculture is not the only seasonal industry in America. There are a lot of seasonal industries. Agriculture is more capital-intensive than any of the other major sectors of our economy. So the argument that they do not need training to work on a farm can only be made by somebody who has not been on a farm in 20 years or who has only been on dude ranches.

Finally, regarding the idea that employers are going to cheat unless you do not have a training wage, Mr. President, if employers are going to cheat, they are going to cheat. That is not an argument relevant to this debate at all.

I understand that deals are made and that agreements are worked out, but this amendment is reasonable. It eliminates clear discrimination against America's farmers and ranchers.

Let me conclude by reading from a letter from the American Farm Bureau federation:

> Given these restrictions, Farm Bureau is mystified why farm employers are prohibited from paying the training wage. Farmers should be treated no differently than other employers of temporary and seasonal workers.
>
> We are gravely concerned about this unfair and discriminatory attack on the Nation's farmers.

Mr. President, there is only one thing in this paragraph that I disagree with. This is not just an attack on the farmers. It is an attack on young people 16 to 19 years old who would like to learn how to run a combine, who would like to learn how to run a tractor, so that they can then get a job, save their money, someday own their own farm, and, like our own great apple farmer from Idaho, be elected to the Senate. That is who we are discriminating against here. Let us put this bottom rung back on the ladder and treat seasonal workers in agriculture just like we treat the seasonal workers everyplace else.

I urge my colleagues to adopt this amendment.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, the basic theme of my good friend from Texas is that, seasonal and migrant workers are treated differently in agriculture than otherwise they might be treated in other seasonal industries, and asks why agricultural workers should be different from industrial workers.

Mr. President, there is a very basic and fundamental reason for that. Since the passage of the Minimum Wage Act, we have treated agricultural workers differently than industrial workers. There are 1,800,000 farmers or farmworkers. One million of them are not covered by the minimum wage whatsoever. They can pay them anything, zero cents, 30 cents, 50 cents, 75 cents an hour. They are not even covered, completely different from the other recipients of the minimum wage. Even concerning those covered by the minimum wage, there is no requirement that employers pay overtime. Agriculture and agricultural workers are treated differently, and have been for 50 years.

We did not basically change that degree of coverage. The administration insisted on a training wage. We did not want or choose that training wage. The administration then insisted on how it should be crafted in different areas. This language represents the administration position, and it seems to be a reasonable position.

It simply excludes from the training wage limited areas of migrant and seasonal workers.

I accept the knowledge the Senator from Texas has about farms and ranches. Of course, the minimum wage does not apply to anyone who works on the ranch; it particularly excludes them. Maybe he can speak about farmers, but when he talks about lobstermen up in our part of the country, he will have to come up to meet with some of them. Basically, we know what we are talking about, concerning seasonal and migrant workers. It is basically stoop labor, picking the crops

and going from Florida to New Jersey, and sometimes up as North as Massachusetts. We know what this is all about. It is all about individuals who are probably the most exploited group in the labor force. We have tried to address those exploitations over the period of years. We passed legislation in the mid-1980's to try to provide protection for these people. I suggest anybody who did not see the excellent show Ted Koppel did talking about exploitation on July 17, 1989, "ABC New Nightline" aired the program "American Migrant Workers Continuing the Harvest of Shame," examining the most exploited group of individuals in our society. We know who they are. It is the group that follows the crops—the migrants. What we have crafted in this legislation puts the burden of proof on the worker to demonstrate that they have actually worked the 90 days. Otherwise they will get the training wage indefinitely. Here we have migrant workers, seasonal workers, who may work 1 week for one employer, another week moving up the group of States. It was recognized by the Department of Labor, and I think rightfully so, that to put that kind of burden on the migrant workers is going to provide increased possibilities for exploitation and harassment. Some say, if you are going to have cheaters as employers, they are going to cheat at this, too. What they recognize in the Department of Labor is that applying the burden requirements on migrants, is virtually, unenforceable, and subject to abuse.

The Senator from Texas says they ought to enforce it. They ought to get better management down on the farm. That is all well, fine and good in a perfect world. But we are talking about the harshly realistic conditions that exist today.

So, Mr. President, agricultural workers have been treated differently right from the very beginning. We understand that. If the good Senator from Texas wants to take a position that all areas be treated equally, I would like to hear that we are then going to have overtime for those workers. Is he prepared to subscribe to overtime for farm workers? That would put them under the same kind of requirements we have with others. Does he want to do that? Does he want to see the kind of coverage we have for other areas outside of agriculture?

I do not hear him saying we want to make the requirements uniform and equitable. We can include these workers under the other provisions of the act so they will get overtime. The other side does not hear that. It is only with this very narrow area of individuals who, as I have mentioned, have been the subject of exploitation, Mr. President, and I would just hope that for those reasons and others that the amendment would be defeated.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, let me first point out that agriculture is not the only area of our economy that is partially exempt from the Fair Labor Standards Act. Fishing, seafarers, small newspapers, switchboard operators, amusement parks. We have a lot of areas of the economy that are partially exempt. But none of those areas are singled out here as saying they do not need or deserve the training wage.

So, I think that argument just will not hold water.

Mr. President, let me get down to the bottom line here. Our dear colleague from Massachusetts talks about stoop labor. Mr. President, I would like every American to have an opportunity to learn a skill. I do not know how you pass a law and create skills. In the world, people acquire skills sometimes by going to college, sometimes they acquire skills in high school, but more often than not out in the real world people acquire skills by doing jobs. On-the-job training is the most effective training program in the history of mankind.

I ask my colleagues, you know you can debate the exemptions in the Fair Labor Standards Act all you want to. If our colleague wants to debate those issues, I am willing to debate them. That is not what is at stake in this debate.

What is at stake in this debate is, should we have a training wage in agriculture for seasonal and migrant workers when we have a training wage in every other area of the economy for seasonal and migrant workers?

What is the training wage for? And I know there are people here who are not for a training wage. I remind my colleagues that we are adopting a training wage so that we do not cut the bottom rung off the economic ladder. If minimum wage laws really work, we would ask for $1 million an hour minimum wage and we could all be rich. But the minimum wage laws do not work because of this quirk we all learned in the third grade, and that is that anything times zero is zero; $1 million an hour times zero hours equals zero.

If a training wage makes sense for people to work in a hotel or a summer camp or resort, why does it not make sense for people to work on a farm or a ranch? It does make sense.

There is no logic to this exemption. A training wage is no more an exploitation of people working on a farm than it is of people who are working in a factory. In fact, a training wage serves the same purpose, and that is to give people an opportunity to get on the playing field and use their God-given talents.

Mr. President, I am not for this amendment for what it does for the farmers and ranchers. Most people who are farming and ranching have already received fairly moderate degrees of success.

I am for this amendment for what it does for young people 16 to 19 years old who would like an opportunity to be part of the American dream and when the farmers and ranchers are told you cannot hire a 16-year-old child at less than than $4.25 an hour, we know what is going to happen. When they have to pay that kind of wage to teach that child how to run the tractor or the combine or to teach him basic skills of animal husbandry, what is going to happen is that young man or that young woman is not going to get the job.

And they are not going to learn how to run that machinery or learn the talents needed to engage in that business and America is going to be denied a lot of farmers and ranchers and national leaders and perhaps a President or two that we could desperately use.

So again, Mr. President, I go back to the fact that these arguments are not relevant. Agriculture is not the only area with some limited exemption. Clearly, a lot of farm labor is affected. I urge my colleagues not to be caught up in the rhetoric of stoop labor and exploitation, but to simply ask yourselves: Do we want to let a 16-year-old qualify for training in agriculture just as they qualify for training in industry?

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Twenty-four minutes and sixteen seconds.

Mr. KENNEDY. I yield myself 3 minutes and then I will yield to the Senator from Florida.

Mr. President, I will put in the RECORD the various coverages for the minimum wage. I think any reading of this particular table could indicate, just as we said, that agriculture is treated uniquely. Industrial workers, for example. There are 19,726,000 and 17 million are covered. Some are not covered because of the small business exemption which applies to these other categories. But the fact is agriculture has traditionally been treated very, very differently.

I ask unanimous consent that the table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—ESTIMATED NUMBER OF EMPLOYED WAGE AND SALARY WORKERS IN THE CIVILIAN LABOR FORCE CLASSIFIED BY THE STATUS UNDER THE MINIMUM WAGE PROVISIONS OF THE FAIR LABOR STANDARDS ACT, BY INDUSTRY, UNITED STATES, SEPTEMBER 1988

[In thousands]

Industry division	Number of employed wage and salary workers in the civilian labor force				Number of supervisory employees subject to the minimum wage provisions of the FLSA			
	Total	Activities generally exempt under section 13(a)(1) of FLSA [1]		Nonsupervisory employees excluding outside sales workers	Total	Subject prior to the 1966 amendments [2]	Subject as a result of the 1966 and later amendments [2]	Number of nonsupervisory employees not subject to the minimum wage provisions of FLSA
		Executive, administrative and professional personnel	Outside salesworkers					
All industries	110,986	20,793	2,865	87,328	79,150	50,372	28,778	11,043
Private sector	93,186	13,691	2,865	76,630	68,452	50,372	18,080	11,043
Agriculture [3]	1,724	89	.....	1,635	628	.....	628	1,007
Mining	740	94	.....	646	642	642	.....	4
Contract construction	5,660	568	6	5,086	5,069	4,221	848	23
Manufacturing	19,726	2,300	399	17,027	16,945	16,841	104	481
Transportation and public utilities	5,665	645	7	5,013	4,988	4,912	76	32
Wholesale trade	6,241	888	1,059	4,294	4,270	4,011	259	1,083
Retail trade	19,387	1,939	177	17,271	15,157	7,659	7,498	2,291
Finance, insurance and real estate	6,706	971	1,166	4,569	4,349	4,179	170	1,386
Service industries (except private households) [4]	25,951	6,197	51	19,703	15,474	7,907	7,567	4,280
Private households	1,386	.....	.....	1,386	930	.....	930	456
Public sector	17,800	7,102	.....	10,698	10,698	.....	10,698	.....
Federal Government	2,968	556	.....	2,412	2,412	.....	2,412	.....
State and local government	14,832	6,546	.....	8,286	[5] 8,286	.....	8,286	.....

[1] Section 13(a)(1) exempts from the minimum wage and overtime provisions of the Fair Labor Standards Act ". . . an employee employed in a bona fide executive, administrative, or professional capacity (including any employee in the capacity of academic administrative personnel, or teacher in elementary or secondary schools), or in the capacity of outside salesman . . ." Included are all employees in the specified activities whether employed in covered or noncovered establishments.

[2] Relates to currently employed workers who would have been subject under criteria in effect prior to the 1966 amendments.

[3] Estimates for agriculture are based on average employment for the 10-month active season. For July 1988, a peak employment period, the estimate for total hired farm labor was 2,037,000; for nonsupervisory employment, 1,937,000; for subject employment, 729,000.

[4] Estimates for educational services relate to October 1988.

[5] Estimated employment subject to the minimum wage reflects the February 1985 Supreme Court decision in Garcia.

Source: U.S. Department of Labor, Employment Standards Administration, Office of Management, Administration and Planning, Division of Program Development and Research, Mar. 8, 1989.

Mr. KENNEDY. Second, Mr. President, with regard to the American Farm Bureau Federation, it just is wrong in so much of its recommendations. For example, "Under H.R. 2710, all employers except farmers are permitted to hire young first-time entrants." That is a wrong statement. That is a wrong statement. It only excludes the migrant and seasonal workers from the training wage as we have represented before. Not all farmers. It is a misleading and incorrect statement.

In the third paragraph: "Given these restrictions, the Farm Bureau is mystified why farm employers are prohibited from paying the training wage." Again, this is incorrect. Except for migrant and seasonal workers they can pay less than the training wage. The quote is completely disingenuous. Farm employers are not basically covered. By and large they can pay less. So they are mystified why farm employers are prohibited from paying the training wage. In most circumstances, they can pay just about what they want to, what the market will bear, with the sole exemption for seasonal and migrant workers.

"All we say is farmers should be treated no differently than other employers of temporary and seasonal workers." Fine. The Senator from Texas is not saying advocating the application of this whole legislation right across the board to agriculture, and that they would then all be treated the same. All be treated the same—concerning overtime and other provisions. No, he is not saying that. He is just saying the migrant and seasonal workers should be included in the training wage. Of course he would not represent across-the-board application of the same standards because he recognizes agriculture is different. We have understood it and have treated it that way for 50 years.

So, Mr. President, for those reasons, I hope that the amendment would be rejected.

I yield 5 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. GRAHAM. Mr. President, I am pleased today to express my support for this legislation to adjust the minimum wage. It is long overdue. I was disappointed when the President vetoed the original minimum wage bill that passed the Congress. I am pleased that he is now supporting the reestablishment of the American principle, that Americans can and should, through his or her work, be able to live a life of dignity with a decent income. This has been a basic premise of the minimum wage law since the time that the Senator who served in the same seat that I now serve, Senator Claude Pepper, introduced that proposal in 1937.

Mr. President, I would like to talk particularly about the training wage which was included in H.R. 2710. This is an issue which has been of particular concern to me going back to the original debates on this matter.

I believe in the concept of a training wage because it not only provides the opportunity for a young person to acquire lifetime skills and lifetime cultural habits that will assist in assuring their long-term economic independence, but it also gives encouragement to an employer to take a chance on the young and inexperienced, to reach out and provide a job that might not otherwise have been available.

Mr. President, for the last 15 or so years, I have taken a number of different jobs, mainly for 1 day at a time, to experience the many different occupations of the people of Florida. I have now done that on more than 300 occasions. I have had some experience with that first day on the job. I can state from that experience that, on that first day on the job, you need to be able to give the employer some sense of optimism that the employer will be able to earn a productive return from labor. I know from that and other personal experiences that the inducement which the training wage will provide will be a significant one. It will allow an effective entry point to provide the foundation for future economic potential for many of our young people.

This provision that we are now debating has been supported by the President, the leaders in his administration, and by the leadership in the Congress.

Concern is being expressed today about the provision which would exempt from the training wage migrant or seasonal agricultural workers. In my opinion, that exemption is appropriate.

First, I would like to point out that the bill does not exempt agriculture workers who otherwise met the standards of this law from their eligibility for a training wage. Many of the people described by the Senator from Texas would be excluded from the definition of a seasonal or a migrant worker. A migrant worker has to be one who works away from his normal home. A seasonal worker is one who works for a prescribed period of time on a temporary basis.

If in agriculture, as in any other covered area, a person is employed as a permanent employee where the expectation is that this employment will be an ongoing one, where the very skills that are going to be provided through the training program will have a sustained application, then the training wage would be applicable to them as it would to anyone else.

I believe that this exception is appropriate because oftentimes the nature of the work which is being performed is not applicable to the kind of training which this bill contemplates as a necessary component of eligibility for the training wage.

I want to underscore one important thing. There should be no demeaning of the value of agriculture work or the commitment made by the vast majority of agriculture employers to treat their employees in a fair manner. In my State, there has been a sustained effort to assure that the working conditions of agriculture labor has been at a standard which meets the expectations of other areas of American employment.

I am pleased with the commitment which our agriculture employers have made in terms of increasing both direct compensation and the working conditions of Florida agriculture workers.

I believe that, when an agricultural employer employs a young person with the expectation that this will be ongoing employment, and where the employer determines it would be appropriate to provide the training this legislation requires, then that employer should be allowed to pay the training wage.

I do not believe this would be applicable for the character of employment which is generally associated with migrant or seasonal labor. Therefore, Mr. President, I support the training wage provision in this legislation. It is fair and balanced. I ask my colleagues to support it and to support the minimum wage bill before us today.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, for those Senators who have not had the opportunity to look at this yet, this amendment will strike the provision in the bill which specifically prohibits farmers and ranchers who employ seasonal and migrant workers from using the training wage.

Mr. President, it is my understanding this provision has never been debated in the full House or the Senate, it has not been included in bills originally reported early in the 101st Congress, and was not offered as an amendment in either the full committee or subcommittee markups.

The training wage provision contains a cap on total employment which may be paid to any worker, by all employers, of 180 days. Once a worker has earned pay at a training wage rate level for 180 days, he may never again be paid at a training wage level.

I guess the question is, and our distinguished colleague from Texas has made the case very well, Why should agricultural workers and employers be singled out and prohibited from using this important training tool for the young, inexperienced farm workers? Why single out agriculture?

Migrant and seasonal workers, usually harvest and planting employees, make up a significant portion of the agricultural work force in many of the major crops in the country: In the fruits and vegetables, cotton, cane and beet sugar production, livestock activities and other similar employment situations. This prohibition applies to migrant workers, but more importantly, it also applies to the kid next door. It applies to the neighborhood young person who might want to work for the neighboring farmer during the summer.

If you tell that farmer that he must pay the 16-, the 17-, the 18-year-old neighbor's child the minimum wage, even though this young person, this teenager, has never worked on a farm before, the farmer may decide to hire someone with the experience, because it is just based on economics.

I think the Senator from Texas touched on it but I think it goes over a lot of nonfarm American's heads. In many ways, modern agriculture is the single most sophisticated of the industries in the United States. It requires more management. It requires a manager for every 40 acres, in the highly sophisticated regions, for example in the distinguished Presiding Officer's State in the Yakima Valley and Wenatchee Valley; very, very sophisticated areas of farming.

In areas of my State where a wide range of crops requiring specialized training are grown, including seed crops, hops, and all kinds of fruit and vegetable crops, we require a highly specialized kind of farming. It requires a great deal of skill—art, in many cases—to handle these jobs. A great deal of capital for each worker is tied up in the process. Farmers simply need to have highly skilled workers to employ that capital so they can get some kind of a return on investment.

There is another factor, Mr. President. Farmwork, as I said, is not as simple as it may seem to some of those who are not from the farm. OSHA statistics reveal it is the single most hazardous occupation in America. Farm machinery is complicated and it is expensive. Harvest activities are physically demanding. It is only fair to the farmer and to the teenager that he or she be adequately trained before being employed regularly in these settings.

I believe it is unfair, Mr. President, to the children, and discriminatory against the farmers, to eliminate the possibility of employment in a training program. Why should farmers be treated any differently than the other employers with respect to the training wage? And why should Congress turn thumbs down on this economic incentive to give work experience in agriculture to inexperienced teenagers?

I do not know how this provision got in the bill, but apparently it was offered without explanation as a portion of the initial House substitute offered on the floor, to H.R. 2, in March. Excluding agricultural employees from the training wage rate has never been justified or even adequately explained by the majority.

The American Farm Bureau Federation advises me they have communicated to the White House their strong dismay that this provision was included in this package. This amendment to strike the agricultural training wage prohibition is a top priority for the Farm Bureau in 1989.

I urge my colleagues to join with the Senator from Texas and others to eliminate this unfair discriminatory provision from H.R. 2710.

Mr. President, I ask unanimous consent the letter to me from Mr. John Datt, the executive director of the Farm Bureau be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FARM
BUREAU FEDERATION,
Washington, DC, November 7, 1989.

Hon. STEVE SYMMS,
U.S. Senate,
Washington, DC.

DEAR SENATOR SYMMS: Farm Bureau is pleased that you intend to offer an amendment to strike the provision in H.R. 2710, the minimum wage increase bill, which prohibits employers of migrant and seasonal agricultural workers from using the training wage.

Under H.R. 2710, all employers except farmers are permitted to hire young, first-time entrants into the workforce and pay them 85 percent of the federal minimum wage, in order to help counter the disemployment effects of the increase in the fed-

eral minimum wage to $4.25/hour. Strong protections are built into the package so that the training wage is not abused: the wage rate may be paid only to 16- to 19-year old workers, employers must offer an organized training program, no more than three months may be paid at a training wage rate by any one employer and no worker may earn the training wage for more than 180 days—over his or her working lifetime.

Given these restrictions, Farm Bureau is mystified why farm employers are prohibited from paying the training wage. Farmers should be treated no differently than other employers of temporary and seasonal workers. We are gravely concerned about this unfair and discriminatory attack on the nation's farmers.

U.S. Department of Agriculture statistics show that 46 percent of all farmworkers are under the age of 25; and that 44 percent of all hired farmworkers attend school, keep house or perform other non-farmwork as a major activity. Further, 87 percent of all hired farmworkers work less than 180 days per year. Prohibiting agricultural employers from using the training wage will discriminate against these agricultural workers.

Farm Bureau urges all Senators to support your amendment striking Sec. 6 (g)(1)(A)(i) from H.R. 2710, and commends you for your support on this issue.

Sincerely,

JOHN C. DATT,
Executive Director, Washington Office.

Mr. SYMMS. Mr. President, I reserve the remainder of my time and I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 11 minutes and 46 seconds.

Mr. GRAMM. Mr. President, I know a lot of people are waiting on the floor, in many cases to simply replow the same ground. I want to give my answers to the remarks made by the distinguished Senator from Massachusetts. The, after he has had his opportunity to respond, if he is ready to yield back his time, I would be ready to yield back mine to let the Senator from Ohio and the Senator from Illinois have an opportunity to get on with their business.

Mr. President, the facts here are simple. I think we are seeing a lot of confusion created in the debate. But the facts are very simple. There are a lot of areas of the American economy that are treated differently with different exemptions and rules, under the Fair Labor Standards Act. That is a fact, We are not debating that act here today. But it is a fact, whether we are talking about small newspapers or whether we are talking about agriculture or whether we are talking about amusement parks. And I am not proposing that we amend that. That is not the subject of this debate. It is interesting but it is irrelevant.

Mr. President, also, continually, those who oppose this amendment want to say that it is covered in some other area. For example, a reference was made to the 13-week exemption. But, Mr. President, the 13-week exemption in no way addresses this problem because to get the 13-week exemption, No. 1, you have to commute daily from your permanent place of work; you have to be paid on a piece rate basis which almost never exists in agriculture.

In some areas you use piece rates. But today, piece rates virtually never exist. In fact, the third requirement is that you be engaged in hand-harvesting of some crop.

So, Mr. President, that is not an exemption that is relevant here. The Senator from Massachusetts and I have some dispute about what the numbers are. The facts I have suggest that 56 percent of the people who work in agriculture are not exempt under the seven full-time worker exemption. That is a big percentage.

The Senator from Massachusetts says, in seasonal and migratory work, you are talking about these people who are following crops around the country.

I guess my answer is twofold. Do they not need training? But, second, Mr. President, let me remind my colleagues that 87 percent of all the people who work on American's farms ranches work 180 days or less. Eighty-seven percent of all people that are hired as farm or ranch workers work 180 days or less.

So we have a huge group of people that fall into this category who do seasonal work because, in fact, very little of agriculture in America is not seasonal. The bottom line, Mr. President—and I will be through with the argument—is that every other seasonal and migratory occupation in America is given a training wage except agriculture. Every other single seasonal occupation except agriculture is given a training wage.

Mr. President, I do not think that makes sense. I do not think most people thought it was intentional. Let me tell you why it is important. There are a lot of children 16 to 19 years of age who are going to be affected by this, and if we do not fix this inequity, there are going to be a lot of those people who are not going to get a job at $4.25 an hour. They are not going to get the training. We are talking about allowing them a training wage for a period of time to acquire enough skill to produce $4.25 an hour.

I urge my colleagues not to shut the door on these young people because we may not be able to open it again for them. I do not understand why people who work seasonally in agriculture should not have a training wage, whereas people who work seasonally in resorts do. That makes absolutely no sense to me. You can quote all the irrelevant statistics you want to quote but it in no way papers over the fundamental error in this bill.

So I urge my colleagues to adopt this amendment and to oppose what I believe will be a motion to table.

Mr. President, I ask unanimous consent to add Mr. COATS, Mr. NICKLES, Mr. WALLOP, and Mr. MCCLURE as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I will be glad to yield 10 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 10 minutes.

Mr. METZENBAUM. Mr. President, I rise with an ambivalent thought in mind; ambivalent because I do not think this is a great minimum wage bill. In fact, I think this bill may be something less than that. I thought the minimum wage bill that we sent to the President and that he vetoed was not much of a minimum wage bill; $3.85 the first year, $4.25 the second year, $4.55 the third year and a 60-day subminimum training wage. I did not think that was great in today's world. People cannot live, cannot exist on that kind of money, and the President saw fit to veto it. I thought he was wrong, terribly wrong; terribly wrong to be asking us to reduce the capital gains tax and at the same time vetoing a minimum wage bill with such paltry standards. But he vetoed it.

Then there was a hiatus when nothing really happened and, finally, an agreement was reached between the White House, the Congress and some representatives of labor. The compromise agreed to provide for a rate of $3.80, not $3.85—the agreement shaved off a nickel from the previous bill; $4.25 the second year; no specified amount the third year and a subminimum training wage of up to 180 days, not 60 days.

My ambivalence arises from the fact that I am tempted to offer a second-degree amendment to make this into a better bill, not a worse bill as is being proposed by the Senator from Texas. What bothers me about this is that I am not going to offer a second-degree amendment, and I am not going to oppose the bill. I am not going to offer a first-degree amendment after the amendment of the Senator from Texas is disposed of because I feel a sense of obligation to those who negotiated the deal.

Maybe they did not get all that I wanted. Maybe it should have been something more or less. But the fact is they worked out an arrangement.

The Secretary of Labor writes us: "Accordingly, I ask for your support of this same bill now before the Senate with no amendments attached." That

is the Secretary of Labor speaking for the President of the United States of the party from which the Senator from Texas comes. But I respect that, and I do not intend to offer any amendment.

Then the chairman of the Labor Committee in the House, the respected GUS HAWKINS, wrote a letter and said:

As such, these provisions should remain intact. We should not accept and I will oppose any modifications to these or any other provisions of the bill.

There is no secret about the fact that given his own inclinations, the chairman of the Labor Committee of the House would be anxious to get more, eliminate the subminimum wage, the training wage, but he accepts the fact that a deal was made and lives with it.

What bothers me is that members of the President's party are here in force—Senators GRAMM, MCCLURE, WALLOP, SYMMS, and I do not know who else—all saying let us amend the President's proposal. If we on this side of the aisle, came here on the floor and said let us break the agreement, let us try to go beyond it, we would be criticized. I say I think it is inappropriate. I think the Senator from Texas ought to withdraw his amendment, forgetting the merits of it, just as I am forgetting the merits and overlooking the fact that this is not much of a bill, but it is the bill that has been agreed upon.

Talking to the amendment itself, I do not know how much more you want to do to these poor people who work on farms. You have all the exceptions you can possibly think of in the current laws. That has already been referred to. But, no, we did not get the farm workers a subminimum wage. The fact is, as has already been spoken to, most of them are exempt under the Fair Labor Standards Act. This is just another mean-spirited attempt to deny poor workers a raise.

I do not believe in a subminimum training wage, and I do not think it will work, but it makes absolutely no sense as applies to seasonal farmworkers. Employers are not interested in training these workers. There is no training. Who are you kidding? By definition, they are hired for a very short period of time to pick the crops with no training or commitment to training. The latest statistics indicate that 37 percent of all farmworkers work less than 25 days per year on the farm and more than two-thirds work less than 150 days per year.

Under this amendment, teenage farmworkers could work season after season and never reach the minimum wage. It is absurd to argue that the Department of Labor will force employers to comply with training requirements. Come on, who are you kidding? No way will that occur. ABC News and their "Nightline" program recently had a program called "American Migrant Workers: Continuing the Harvest of Shame." In that program they pointed out that the Department of Labor has only 42 staffers to enforce migrant protection laws in the United States. That is not even one inspector per State.

Moreover, there has been lax enforcement even when violations are uncovered. Let me give an example. Minimum wage violations were discovered on a farm in a southern State against an employer who had previously been convicted and served time for peonage, that is tantamount to slavery, holding farmworkers in slavery. As documented on that ABC News Nightline program, according to an internal department memo, the Department of Labor did not even enforce the minimum wage law in that case.

Given the bleak enforcement picture, extending the training wage to farmworkers will mean imposing a permanent subminimum wage for their toil. These workers deserve better than that. They deserve to be treated fairly. They should receive the full 90-cent increase.

Finally, the amendment adds insult to injury. The majority of farmworkers currently are exempt, as I previously stated, from minimum wage and overtime protections. They do back-breaking work for hours in the fields, but they are not eligible for overtime pay.

To further weaken wage protections for the farmworkers who do have the benefit of the minimum wage law is grossly unfair. Supporters of this amendment argue we should treat these farmworkers like all other poor workers. Parity is not a one-way street. If the subminimum wage is to apply to farm workers, then they should receive the complete protection of the act which they do not receive now.

Let us be a little fair. If we want to apply the subminimum to farmworkers, then we should also apply the minimum wage and overtime protection to the over 1 million farmworkers who are currently exempt. If we are not prepared to do that, then we should not be hypocrites. Farmworkers deserve the full 90-cent increase without further restrictions.

I want to return to what I said originally. A deal was made at the White House, and many of us were less than enthused about it, but the deal was made. And for members of the President's party to be here on the floor now offering amendments to break that deal means it opens a Pandora's box.

If we adopt this amendment, then I would urge GUS HAWKINS, when the bill comes over to the Labor Committee of the House to change it. If they are going to make one change to weaken the protections of the bill, then we ought to make changes in the other direction. I think once you cut a deal, you ought to live with the deal. I call upon the White House to prevail upon Members on that side to withdraw the amendment and not to support it.

Mr. GRAMM. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Texas has 6 minutes, 50 seconds.

Mr. GRAMM. Mr. President, a fellow who held this seat before I did named Lyndon Johnson said, "I hate a deal I am not a part of."

I will not repeat that quote on my own behalf, but I am not here to represent the distinguished Secretary of Labor, though I admire her. I am not here in the Senate to represent the President of the United States, even though he is my friend and I nominated him for President of the United States at the national convention. I am here to represent the people of Texas. I offer this amendment on behalf of young people in my State who will be denied an opportunity to ever use their God-given talents because of a flaw in this bill.

I am not going to try, Mr. President, to convince our dear colleague from Ohio. Our dear colleague from Ohio is one of those people who does not believe in perestroika. Our dear colleague from Ohio really believes that we can pass laws that just completely override the laws of economics and that the only thing we need for every American to make $10 an hour or $20 an hour or $50 an hour or $100 an hour is simply a law passed by this Congress and miraculously it would happen and we would all be rich. They used to believe that in the Soviet Union and Eastern Europe and in other planned economies and it failed, but the word of that failure has not permeated the thick walls of the U.S. Capitol yet. Perhaps someday it will.

Mr. President, this amendment is an amendment for the people, 16 to 19, who in all probability have relatively little skill or they would not be seeking these jobs in the first place. They are people who are in danger of having the bottom rung of the economic ladder cut off before they can take the first step. Why we should not have a training wage for seasonal employees in agriculture when we have a training wage for seasonal employees in every other area of the economy clearly is unjustifiable, unreasonable, and to say agriculture is different because we treat it in other areas differently simply does not hold water. People will be denied an opportunity to acquire skills because we do not have this training wage.

Now, as the distinguished Senator from Ohio views the training wage as a compromise, I view it as a compro-

mise coming in the other direction. I am deeply concerned that hundreds of thousands of people will never get a job because we raised the minimum wage. The compromise that makes it possible I think to try to minimize that impact is the training wage. I offered the amendment because I want the training wage to apply to agriculture.

Mr. President, as soon as the Senator from Massachusetts has his final say, I will be ready to yield back the remainder of my time.

Mr. KENNEDY. Mr. President, these are the statistics and figures provided by the Department of Labor, that there are 1,700,000 workers in agriculture, and of the 1,700,000, only 628,000 are actually covered. The rest are exempt. No other industry in the country is treated that way, for sound reasons which we have debated earlier today.

So the fact remains that the 16-, 17-, 18-, 19-year-old person that the Senator from Texas is worried about can be hired at the training wage today if it is not seasonal or migrant work, they can be given their first job at less than that. If the farmer wants to give them training programs, they can. Give that young person a chance. We all agree with that. We are supporting that provision.

The only area that is given the full minimum wage protection is the migrant and seasonal workers. Their income is annually about $6,000–$7,000. Now, what the Senator from Texas wants to do, after we have excluded the great number of agricultural workers, is to exclude these others as well because they are being treated differently. We say if you want to treat all of agriculture the same as we treat other industries, fine. But he says no, he does not want that. He does not want the requirements in there for overtime. No way. He does not want the other kinds of protections for those workers. No way. And he is complaining about equity and about jsutice when you are talking about individuals who are really at the lowest level of the employment roster.

Quite frankly, that farmer, who sees the young; that 17-, 18-, 19-year-old, seasonal, migrant worker, and wants to pay him that training wage, can go ahead if he wants to hire him permanently. But not if he is just saying that for the seasonal worker. We know what we are talking about, Mr. President; we have had agricultural and migrant worker legislation here that has been before our committee.

I yield to the Senator in his knowledge about agriculture, but I will not yield about knowing who these people are, what their challenges are, what their needs are. We know basically what we are talking about, those individuals throughout the Southwest who follow the crops north into California, Oregon, and Washington, the ones who follow the crops through Florida, Georgia, South and North Carolina, New Jersey, and even New England. We know the challenges they are facing, By and large, they are individuals who are working because they want to work and provide for their families. I respect that. We know of horrible instances of exploitation. But make no mistake where I am coming from. I have respect for those individuals, but I do think those 17-, 18-, 19-year-old individuals who are prepared to go from Florida all the way through New England for 1, 2, 3 weeks to provide for their families and avoid being on welfare should be entitled to this minimum wage. That is the issue. I think the membership has had the opportunity to hear it.

I welcome very much the statements that have been made by Senator GRAHAM of Florida, a major agricultural State, who has been very much involved in the early debates in developing the training wage concept. I was opposed to the training wage. I think you have a subminimum now, quite frankly, even with this. But nonetheless, we have adopted the concept of the training wage in this limited area. He has been the individual we have looked to in developing the training wage proposals and working with the administration. For the reasons he has suggested, as well as the Senator from Ohio and others, I hope this amendment is rejected.

Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Massachusetts has 54 seconds; the Senator from Texas has 3 minutes 33 seconds.

Mr. KENNEDY. I ask unanimous consent to suggest the absence of a quorum, the time not to be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I support the amendment offered by my friend, Senator GRAMM, which would strike the exclusion of agricultural workers from the training wage program. I find it discriminatory to single out the farmers and ranchers of this country, and to not allow them to employ workers like every other small employer in America.

We have all heard the arguments against raising the minimum wage, but I think it holds especially true on the farm. Our agricultural community is in a constant fight with foreign producers—producers who may only pay pennies a day for their farm work. By forcing our farmers to pay minimum wages without allowing for a training wage, we will slowly see an increase in all farm wages. And we all know who will end up paying for these increases—the consumers. Prices of agricultural products will increase to consumers, and U.S. commodities will suffer another blow and make them less competitive with foreign commodities.

Mr. President, another fact which should be considered in this debate is that OSHA statistics tell us farm work is the single most hazardous occupation in the United States. This alone should tell us that training is essential on the farm. The machinery involved in farming is complicated and dangerous, and the work is physically demanding. It would be unwise and unfair to both the farmer and the employee to place someone in such a work environment who is not properly trained.

Mr. President, North Carolina agriculture and the Nation's agriculture depend greatly on migrant and seasonal workers. And included in these seasonal workers are the "kids next door" who are hired in the summers when they are not in school. Since the training wage does not apply to farmworkers, the kid next door will compete with experienced seasonal workers. This will virtually eliminate the hiring of the neighbor's kids. If the Government tells a farmer he must pay a minimum wage, a farmer will most likely hire someone with experience rather than train a young person. While urban youths can work at a McDonald's or other service related jobs, rural youths usually work on the farm. For many rural youths, seasonal farmwork is the only summer job available. These rural youths—many between 16 and 20 years old—will essentially be discriminated against in obtaining summer jobs—jobs which give them money for college.

Currently, small farmers are exempt from the Fair Labor Standards Act if they hire less than 500 man-days of labor during a quarter of the calendar year. However, harvest time can use up 500 man-days very quickly and these farms will not have the opportunity to offer the kid down the street a training wage job. I am very concerned that a young person looking for summer work—to earn money to continue his education—will ask a neighbor if he can work on his small farm, but the Government will step in and say, "you are different than other employers and cannot give the training wage simply because you are a farmer." It is not fair to the farmer and it is not fair to rural youths.

Mr. President, my farmers are very concerned about this issue and confused as to why they are singled out

among the Nation's small employers, and I share their thoughts on this matter. I hope my colleagues will join me in eliminating this unfair, discriminatory provision from H.R. 2710.

Mr. KENNEDY. Mr. President, I yield back the remainder of my time.

Mr. GRAMM. Mr. President, I yield back the remainder of my time.

Mr. KENNEDY. Mr. President, I am informed by staff that the Senator from North Carolina is authorizing us to yield back his time as well.

The PRESIDING OFFICER. Without objection, it is so ordered. all time is yielded back.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KERRY). Without objection, it is so ordered.

THE CATASTROPHIC HEALTH INSURANCE PROGRAM

Mr. MITCHELL. Mr. President, pursuant to the order entered yesterday and following discussions with the Republican leader, I now call up H.R. 3607, a bill relating to the catastrophic health insurance program, just received from the House.

The PRESIDING OFFICER. The clerk will report the bill.

The legislative clerk read as follows:

A bill (H.R. 3607) To repeal medicare provisions in the Medicare Catastrophic Coverage Act of 1988.

AMENDMENT NO. 1090

(Purpose: To provide for reform of the Medicare Catastrophic Coverage Act of 1988)

Mr. MITCHELL. Mr. President, on behalf of Senator BENTSEN, I send an amendment to the desk that is the text of S. 1726, as passed by the Senate, with certain technical amendments.

I now yield back any remaining time on the amendment and the bill under my control.

Mr. PACKWOOD. Mr. President, I yield back the time under our control.

The PRESIDING OFFICER. All time is yielded back. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL], for Mr. BENTSEN (for himself, Mr. PACKWOOD, Mr. MCCAIN, and Mr. DOLE), proposes an amendment numbered 1090.

Mr. MITCHELL. Mr. President, I ask unanimnous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the amendment is printed in today's RECORD under "Amendments Submitted."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas.

The amendment (No. 1090) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the committee amendment and third reading of the bill. The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

So the bill (H.R. 3607), as amended, was passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill as amended, was passed.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I move that the Senate insist on its amendment; request a conference with the House; and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BENTSEN, Mr. MATSUNAGA, Mr. MOYNIHAN, Mr. BAUCUS, Mr. MITCHELL, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. BRADLEY, Mr. PACKWOOD, Mr. DOLE, Mr. ROTH, Mr. DANFORTH, Mr. CHAFEE, Mr. HEINZ, and Mr. DURENBERGER conferees on the part of the Senate.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MINIMUM WAGE

The Senate continued with the consideration of the bill.

AMENDMENT NO. 1089

Mr. DOLE. Mr. President, I would like to say a few words about the amendment offered by my distinguished colleague from Texas [Mr. GRAMM].

I can think of no legitimate reason why our farmers should be singled out when it comes to the training wage. There is no reason why every employer in this country—except farmers—will be allowed to pay the training wage. And there is simply no credible evidence that our farmers will somehow use the training wage as a tool to abuse our Nation's agricultural employees.

In fact, the training wage contained in the minimum wage compromise package has built-in protections. It has been crafted in a way that will limit opportunities for abuse. The training wage applies only to teenagers. It can be paid only for a 3-month period. And the training wage sunsets in 1993.

So there is no potential for abuse here—a training wage will not—and cannot—be used to keep our agricultural workers "down on the farm"—so to speak.

Mr. President, a training wage will give our young people the opportunity to learn the basic skills that are so necessary to become productive members of our Nation's work force. This is true for our service industries. It is true for our manufacturing industries. And it is true for the teenager who works on the farm.

So I commend President Bush for insisting that a training wage be included in this compromise package.

But the President has also urged the passage of the compromise package without amendments. At a White House meeting earlier this morning, the President's Chief of Staff, Governor Sununu, specifically requested my help in ensuring that no amendments are added to the package.

I intend to comply with this request. And regretfully, I will have to support a motion to table the Gramm amendment—despite the amendment's underlying merits.

Mr. President, I suggest the absence of a quorum.

Mr. DOMENICI. Mr. President, I wonder if the distinguished minority leader will not have the quorum call and let the Senator from New Mexico speak for 2 minutes.

Mr. DOLE. Yes.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. I thank the distinguished minority leader.

Mr. President, I join the Republican leader in support of this measure and urge that we pass it expeditiously and send it to the President for his signature.

Obviously the Senator from New Mexico is not on the committee of jurisdiction, so I was not part of putting

together the first training wage package, or the original minimum wage bill that was vetoed by the President, and which was sustained in the U.S. House of Representatives. But after that event it did come to the attention of the Senator from New Mexico that the White House, and those who were proponents of the minimum wage earlier in the year, were interested in resolving this issue and that the resolution was beginning to focus on the issue of raising the minimum wage to $4.25, which was consistent with what the President had been advocating.

At that point in time I was asked by a Senator from the Democratic side and a Senator from the Republican side to get involved to see if we could resolve the issue because the basic underlying premise of what should the minimum wage be was clearly resolved. While I did not have an intimate role in fashioning the youth training wage, that is in this bill, I support it. I think it is a fair compromise and, frankly, it does focus attention of the training wage on that part of the American population which is most in need of the training wage in order to get into mainstream America, hold a job and get ahead in private sector employment in this Nation.

So I believe we have a fair compromise here. The President is to be commended for it and those who worked on it are to be lauded for getting it done in a manner that is consistent with our President's ideas and ideals, and having included some youth training wage component in it, that everyone sees as workable.

Some of us who were interested in the training wage were concerned about previous efforts because some Americans could remain on it forever since there was no cumulative limit to the time one could be on the training wage. I see the chairman here, and I think we started talking about that issue early on. A 6-month training wage that could be renewed at each new job could go on almost indefinitely. We have solved that problem here, and while it might be slightly difficult to manage this for some employees in the United States, I think it is a fair compromise. I join the minority leader in urging that we pass it without any amendments. It will be signed quickly and we will have a new minimum wage law that is a credit to everyone.

This bill would raise the minimum wage from its current level of $3.35 an hour to $3.80 on April 1, 1990, and to $4.25 an hour on April 1, 1991.

I support increasing the minumum wage as this bill would.

It has been 8 years since the minimum was last raised, and this compromise will enable us to give our poorest paid workers a needed boost, and take an important step toward helping move low-paid workers out of poverty.

This new wage law could help upwards of 100,000 workers in my State, involving maybe 10–15 percent of New Mexico's work force.

The very important part of this compromise I mentioned are provisions providing for a training wage for teenagers. Those aged 16–19 could be paid 85 percent of the minimum for their first 3 months in the workforce.

Teenage workers could also get an additional 3 months on the training wage for necessary, job-specific training.

Let me point out, however, that workers could not be kept at the minimum forever—6 months total is the most that anyone can be kept at the training wage.

It is very important to include these training wage provisions.

The training wage will keep job opportunities open for our most vulnerable workers—the young and unskilled workers just trying to enter the workforce.

This is very important in my home State where nearly half of our lower wage earners are 21 years old or younger.

I have worked hard in recent months to help bring about a compromise on this legislation, and I am glad I was able to contribute in some way to bringing this together.

But, Madam President, let me point out that while this bill will take an important step to help the working poor in this country, it is limited and we must keep in mind the broader picture of how we can help the working poor.

We should not overlook our Nation's best way to help the working people of America—a strong and growing economy that keeps opening job opportunities, and gives all our workers the chance to improve their skills, their work experience, and their earnings.

As we look at all the other mandates this Congress is considering placing on employers—from mandated health and parental leave benefits to the regulatory hassles of section 89—we must keep in mind the cumulative effect these will have on American business' ability to respond to economic demands and continue the growth.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I appreciate the support of the Senator from New Mexico but most of all, I think working men and women across this country should appreciate his indispensable efforts in bringing us to the point now where the Senate will pass this increase in the minimum wage.

At the time that we announced the accord with the White House, I mentioned the work of the Senator from New Mexico, Senator DOMENICI, who worked with those of us who had supported a higher minimum wage and preferred to have no training wage at all.

Over a long period of many weeks, Senator DOMENICI counseled with us, worked very closely with the White House and was an indispensable figure in moving this process forward. I stated that at the opening of this debate on minimum wage a few days ago. I stated that at the time we made the announcement and joined with the majority leader, I welcome the opportunity to state it again in the final moments of this debate and discussion. I very much appreciate the Senator's efforts and the efforts of others, and I am very hopeful we will move very shortly to final passage.

I again thank the majority leader for his perseverance in ensuring that we were going to see this issue through a favorable conclusion. We have talked at other times about what this minimum wage bill did do and what it did not do. That discussion is already passed. But quite frankly we would not be here at this time facing the real prospect of an improvement in the wages for some 10 million working men and women and their children who will be affected by this legislation, in terms of an improvement in their quality of life. I think it is an issue which has been around for a long time but it is always a difficult area for one reason or another to make progress.

We had an improved attitude by this President on this issue and we have had very strong continuing and persevering leadership by the majority leader. I am grateful to him and to our committee members who worked very closely with us to bring us to the point where we will be able to see this much needed increase.

The PRESIDING OFFICER. The Senator from Maine, the majority leader.

Mr. MITCHELL. Mr. President, for the information of Senators, I am about to propound a unanimous-consent request that the vote scheduled for 4 o'clock commence at approximately 3:50. So the first in a series of votes will begin momentarily and Senators should be aware of that and staff and offices who are watching should contact their Senators to alert them to that fact, as we are attempting to accommodate the schedule of as many Senators as possible.

Mr. President, I commend Senator KENNEDY, the chairman of the committee, for the leadership he has demonstrated in this area and his persistence and perseverance to bring us to this point. He has worked long and hard and all working persons in our Nation, those who work at the minimum wage, owe him a great debt of gratitude.

I think he also has been the first to acknowledge this is the product of the

efforts of many other people to bring us to this stage not least of which is the Senator from New Mexico, Senator DOMENICI, who at a critical stage in this process stepped in and took the initiative and brought about the compromise that is before us today and I hope will be enacted by an overwhelming margin.

Finally, Mr. President, I think we all owe a debt of gratitude to the President of the United States who was willing to stand up and support a minimum wage increase, thereby reversing the policy of the prior administration which had consistently opposed such an increase.

It is true that we disagreed and still do disagree with the President over the amount by which the increase should be and the time in which the increase should occur.

Both sides have compromised now. The President has accepted an increase in a shorter time period than he wished and a training wage different from that which he proposed. On our side, we have accepted an increase that is to a lesser amount than we would have preferred, and we have accepted some training wage, although we would have preferred none. So it is in every respect a true compromise.

I commend all of those who, although we are all disappointed in some aspect of it, are prepared to reach this agreement to go forward.

Mr. THURMOND. Mr. President, I am pleased to cosponsor this amendment with the Senator of Texas. It will put farmers who hire seasonal and migrant workers on an equal basis with other industries.

Farmers are concerned that they have been singled out by not being allowed to pay a training wage to migrant and seasonal agriculture workers. Other businesses are allowed to pay employees who have not accumulated 3 months employment and are under 20 years of age this training wage. This is unfair treatment to the agricultural sector. Further, it can also cause hardships on young people seeking first-time employment in the agriculture industry.

In South Carolina migrant and seasonal workers are used in the planting and harvesting of labor intensive crops. Anyone who has ever worked on a farm, as I have done, knows that you cannot just show up for a job on a farm and know what you are doing.

Furthermore, agriculture equipment is very expensive. It is not uncommon for a tractor and disc harrow to cost more than $100,000. With agricultural equipment being this expensive, farmers need to be able to properly train these individuals at a training wage before putting them on this equipment.

The agricultural sector has suffered many hardships over the last several years. Farmers have suffered through droughts, floods, earthquakes, hurricanes, and general difficult economic times. By not allowing this industry to pay a training wage the farmers will suffer another financial hardship.

Mr. President, I urge my colleagues to treat farmers fair in this issue and urge passage of this amendment.

Mr. President, I move to table the Gramm amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MITCHELL. Mr. President, I ask that the previous unanimous-consent request be modified only as to the time of the first vote and that the first vote occur immediately.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

VOTE ON MOTION TO TABLE AMENDMENT NO. 1087

The PRESIDING OFFICER. The underlying amendment, the Symms amendment, is now the pending business before the Senate. The question is on agreeing to the motion of the Senate from Maine [Mr. MITCHELL] to table the amendment of the Senator from Idaho [Mr. SYMMS]. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Montana [Mr. BAUCUS] and the Senator from Hawaii [Mr. MATSUNAGA], are necessarily absent.

The PRESIDING OFFICER (Ms. MIKULSKI). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 64, nays 34, as follows:

[Rollcall Vote No. 290 Leg.]

YEAS—64

Adams	Ford	Metzenbaum
Bentsen	Fowler	Mikulski
Biden	Glenn	Mitchell
Bingaman	Gore	Moynihan
Boren	Graham	Nunn
Bradley	Harkin	Packwood
Breaux	Hatfield	Pell
Bryan	Heinz	Pryor
Bumpers	Hollings	Reid
Burdick	Inouye	Riegle
Byrd	Jeffords	Robb
Chafee	Johnston	Rockefeller
Cohen	Kassebaum	Roth
Cranston	Kennedy	Rudman
Danforth	Kerrey	Sanford
Daschle	Kerry	Sarbanes
DeConcini	Kohl	Sasser
Dixon	Lautenberg	Shelby
Dodd	Leahy	Simon
Dole	Levin	Wirth
Domenici	Lieberman	
Durenberger	Lugar	

NAYS—34

Armstrong	Exon	Humphrey
Bond	Garn	Kasten
Boschwitz	Gorton	Lott
Burns	Gramm	Mack
Coats	Grassley	McCain
Cochran	Hatch	McClure
Conrad	Heflin	McConnell
D'Amato	Helms	Murkowski
Nickles	Stevens	Warner
Pressler	Symms	Wilson
Simpson	Thurmond	
Specter	Wallop	

NOT VOTING—2

Baucus Matsunaga

So, the motion to lay on the table amendment No. 1087 was agreed to.

The PRESIDING OFFICER. Under the previous order, we will now move to the motion to table the Gramm amendment No. 1089. The question is on agreeing to the motion.

Mr. FORD. Madam President, I make a point of order that the Senate is not in order.

The PRESIDING OFFICER. The Senator from Kentucky makes a point of order that is correct. The Senate is not in order. Will Senators either take their seats or withhold their conversations?

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Montana [Mr. BAUCUS] and the Senator from Hawaii [Mr. MATSUNAGA] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 63, nays 35, as follows:

[Rollcall Vote No. 291 Leg.]

YEAS—63

Adams	Durenberger	Lugar
Biden	Exon	Metzenbaum
Bingaman	Ford	Mikulski
Bradley	Fowler	Mitchell
Breaux	Glenn	Moynihan
Bryan	Gore	Nunn
Bumpers	Graham	Packwood
Burdick	Harkin	Pell
Byrd	Hatfield	Pryor
Chafee	Heinz	Reid
Cohen	Hollings	Riegle
Conrad	Inouye	Robb
Cranston	Jeffords	Rockefeller
D'Amato	Kennedy	Rudman
Danforth	Kerrey	Sanford
Daschle	Kerry	Sarbanes
DeConcini	Kohl	Sasser
Dixon	Lautenberg	Simon
Dodd	Leahy	Stevens
Dole	Levin	Wilson
Domenici	Lieberman	Wirth

NAYS—35

Armstrong	Hatch	Murkowski
Bentsen	Heflin	Nickles
Bond	Helms	Pressler
Boren	Humphrey	Roth
Boschwitz	Johnston	Shelby
Burns	Kassebaum	Simpson
Coats	Kasten	Specter
Cochran	Lott	Symms
Garn	Mack	Thurmond
Gorton	McCain	Wallop
Gramm	McClure	Warner
Grassley	McConnell	

NOT VOTING—2

Baucus Matsunaga

So the motion to lay on the table amendment No. 1089 was agreed to.

Mr. KENNEDY. Madam President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. PELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. If there are no further amendments to be offered, the bill will be read the third time.

The bill was read the third time.

Mr. DOLE. Madam President, I would like to bring to the attention of my colleagues and the floor managers of H.R. 2710 the ramifications that a minimum wage increase will have on the Medicaid Program. Almost one-half of Medicaid dollars are spent on long-term care, mostly for the elderly, and an increase in the minimum wage will affect all health care providers.

Nursing homes, in particular, employ a large number of minimum wage workers, most of whom are nurse aides who provide direct, hands-on care to nursing home patients. These salaries are the largest component of Medicaid reimbursement—in fact, labor costs account for about 72 percent of all nursing home costs. Should the Congress agree to any mandated increase in the minimum wage, a corresponding modification in Medicaid rates should be considered by the States to account for those increased labor costs.

Mr. MITCHELL. As a member and former chairman of the Senate Finance Committee on Health, I share the Senator's concern about the impact on the nursing home industry. Rates for reimbursement for nursing home care are set by the States and the Federal Government. Each individual State determines its own Medicaid payment policies, with limited supervision from the Department of Health and Human Services and its Health Care Financing Administration [HCFA]. Any increase in the Federal minimum wage may affect the nursing home industry in different ways, depending on the State involved. Therefore, it is important that the added costs of the minimum wage increase be taken into account by States when determining an appropriate Medicaid reimbursement rate for nursing homes.

Mr. HATCH. I believe that increasing the minimum wage will impact many Federal health programs, including Medicare and Medicaid. In fact, the Senate Labor and Human Resources Committee recognized in its committee report on S. 4, the previous minimum wage measure, that a minimum wage increase will have an impact on Medicaid costs and rates paid to long-term care providers. The committee report clarifies that under title XIX, States are required to provide assurances to the Secretary of Health and Human Services that their rates are reasonable and adequate. Section 1902(a)(13) of the Social Security Act requires that States take into account the costs that nursing homes must incur to provide care and services in conformity with all applicable State and Federal laws. Although the Fair Labor Standards Act is not referred to specifically in that provision, the committee wishes to emphasize that the wage levels required by the Fair Labor Standards Act are among the provisions of Federal law which must be taken into account by the States in setting their Medicaid rates.

Mr. DOLE. The nursing home industry is on record as supporting an increase in the minimum wage, but they have requested that we recognize the special cost burden imposed by any such increase in this industry, where reimbursable costs are extensively regulated. Major nursing home reform was passed by Congress in 1987 as a part of the Omnibus Budget Reconciliation Act [OBRA], Public Law 100-203. This act required significant changes in staffing and training requirements, quality of care, patient services, and enforcement of new nursing home standards, at an estimated cost of $1.73 billion over 5 years. Because Congress was concerned about the ability of the nursing home industry to absorb costs of this magnitude, special language was included to ensure that the Medicaid reimbursement system adequately accommodated the OBRA 1987 costs increases.

Mr. MITCHELL. The special language adopted in OBRA served to emphasize continuing congressional concern with adequate nursing home reimbursement. As my colleague from Utah notes, the payment standard that States must provide for an appropriate adjustment in Medicaid nursing home rates to take into account the new costs that will result from this legislation is already contained in section 1902(a)(13). These cost increases are costs which will be incurred by facilities in the provision of care and services to Medicaid beneficiaries. Therefore, it is important that any increase in the minimum wage be taken into account by States when determining an appropriate Medicaid reimbursement rate.

Mr. DODD. Madam President, after months of deliberation, the Congress and the administration have finally reached an agreement on a minimum wage increase. While I support the compromise, I am disappointed that the increase will only go to $4.25 an hour by April 1991.

While the administration and Congress have acted relatively speedily, it is important to remember that the last increase in the minimum wage was 9 long years ago. During this time, the Congress has regularly supported increases in Social Security payments, and cost-of-living increases for veterans and Federal employees.

In the meantime, hardworking Americans have struggled to stretch their unchanging minimum wage dollars to afford basic necessities—housing, food and clothing. As the years have passed without an increase, the number of homeless families with young children has increased and the number of families with at least one full-time working parent living in poverty has increased. These circumstances are not coincidental.

The American dream is to have job opportunities and to be self-sufficient. However, by keeping the wage at $3.35 an hour for 9 years, we have prevented millions of Americans from reaching this dream. Today, that wage is worth only $2.40 in 1981 dollars. We want Americans to work, yet the current minimum wage does not even get a person with one or more dependents to the poverty line. Thus, in 1987, close to 5 million Americans who worked full-time lived in poverty. This is an unacceptable situation.

While I am pleased that we are finally raising the minimum wage, we must remember that this change is not even enough to keep pace with the inflation of the past 9 years. That would require a wage of $4.65 an hour immediately. Madam President, each and every American working full-time deserves a livable wage. For this reason, I will support the compromise, but I want hardworking citizens to know that they deserve more and they deserve a commitment from us that we will never again wait so long to increase the minimum wage.

With respect to the training wage, I am pleased that it will apply only to 16- to 19-year-olds and will be limited to 3 months, unless the employer can guarantee the Secretary of Labor that actual training is taking place for 6 months. I can understand that training is needed for youths entering the work force for the first time. It is also important that teenagers are not priced out of the job market due to a long needed wage increase. Therefore, I believe that such a narrow exception is an acceptable compromise.

Madam President, despite my frustration that it has taken so long for us to give hardworking Americans an increase in the minimum wage, I would like to congratulate my colleague Senator KENNEDY for his determination and perseverence on this matter. Senator KENNEDY deserves much of the credit for bringing the administration to the table and breaking the deadlock. Without his efforts, it unquestionably would have taken us even longer to reach this point.

I urge my colleagues to support the wage increase for all of our constituents.

Mr. JEFFORDS. Madam President, the bill before us represents a good compromise. I am just sorry that the route we took to get here was more meander than beeline.

The adjustments in the wage rate are long overdue. Without question, they will help the millions of mini-

mum wage workers. At the same time, I think they are sufficiently modest so as to not cause substantial disruptions in our economy, including job losses.

The training wage provisions are likewise reasonable. I have long thought that a hybrid training wage—with formal training following an initial tryout period—made the most practical and political sense. With the training wage in place, I hope the next few years will give us an opportunity to validate or debunk our varying views on this issue.

This bill makes additional changes which I think are positive. Section 3 will update and hopefully simplify the enterprise coverage test for most small businesses. Section 7 will provide employers with a modest incentive to provide their employees with remedial education in basic skills.

I think we have a reasonable agreement to move forward to finally apply the principles of the Fair Labor Standards Act to Senate employees.

But despite the positive features of this bill, it is deficient in one major respect.

According to its critics, this bill fails on several counts. The wage rate does not keep pace with inflation or poverty levels, for example. While this is true, it may be expecting too much of the minimum wage and the economy to harbor such expectations.

As I have argued in the past on this issue, the minimum wage is a poorly targeted mechanism for attacking poverty. While many of the poor earn the minimum wage, a minority of minimum wage earners are poor.

By contrast, the earned income tax credit, or EITC, is exactly targeted to the people who need the most help. Over a year ago, Representative PETRI and I and others suggested that we set the minimum wage at $4.25 in 1991 with a family adjusted EITC. At the time, I think some people may have dismissed this as Republican mischief. It was not, and perhaps now it is worth a second look.

I know there are costs to reforming the EITC, and those costs cannot be ignored. But I think we must address those costs and move forward. While there may not be an opportunity in this session, I certainly think it should be a high priority for the coming year.

Madam President, I urge adoption of H.R. 2710.

Madam President, during its consideration of amendments to the Fair Labor Standards Act this past spring, the Senate adopted a provision, contained in section 108 of the Senate amendment to H.R. 2, that would start in motion the process of applying the protections of the Fair Labor Standards Act to employees of the Senate.

Out of deference to the Senate, the House in its adoption of H.R. 2710 did not include this provision. So as to expedite the business of the Senate, I will not offer the text of section 108 again.

I will not do so because I understand that the agreement embodied in section 108 remains in force, that is, that the Rules Committee will act within 180 days of an increase in the minimum wage to report to the Senate a measure to effect this extension.

I would ask of the distinguished chairman of the Rules Committee, who was instrumental in crafting this provision this past spring, if this is indeed his understanding as well?

Mr. FORD. I assure the junior Senator from Vermont, as I did when H.R. 2 was being considered by the Senate, that the Committee on Rules and Administration would consider this issue within 180 days after the bill becomes effective.

As I did previously, let me state that there will be a serious precedent if we establish executive branch enforcement of legislative branch agencies.

While I support the principles embodied in the Fair Labor Standards Act, I also support the principle of separation of powers. Thus, if the legislative branch is to adopt fair labor standards for its employers, it should also adopt its own enforcement mechanism.

With those comments, I assure my colleague from Vermont that I will place this issue on the Committee Calendar for consideration within the 180 days. I am reluctant to promise that the committee will report because the members of this committee are rather strong-willed. The ranking member and I can urge them, but can't vote for them.

As the first step, I suggest that my colleague submit his recommendation in the form of a Senate resolution. That resolution will then be referred to the Committee on Rules and Administration for consideration.

Mr. JEFFORDS. I thank the distinguished Senator for his comments but hope he has been overly modest in assessing his powers of persuasion. I agree that we must establish a separate enforcement mechanism and would be happy to introduce my recommendation in the form of a Senate resolution for the consideration of the Rules Committee.

A SENSIBLE MINIMUM WAGE COMPROMISE

Mr. COATS. Madam President, for some time I have supported a sensible, compassionate increase in the minimum wage. To me, that means raising the minimum wage to a level consistent with helping those working Americans and their families whose sole source of income is the minimum wage, while at the same time providing a meaningful boost for those unskilled, youthful, minority, and entry-level workers in the form of a training wage to offset any negative economic impact of a minimum wage increase.

That was my criterion at the time the Senator first considered raising the minimum wage earlier this year. At that time I stated that I believed an increase in the minimum wage was justified to help the working poor and their families who are dependent on entry-level jobs. The minimum wage was last raised in January 1981, and since then has lost about 20 percent of its value due to inflation. Today a person who works full time at the minimum wage of $3.35 earns roughly $7,000 a year—hardly enough to keep a family of three above the poverty line in Indiana. So for those 3.9 million Americans in the work force of 116 million who earn the minimum wage—especially those estimated 326,000 households relying on the minimum wage as their sole source of income and living in poverty—an increase will come as welcome news.

That is why I am pleased to support the compromise that has been reached between the administration and the congressional leadership on raising the minimum wage. The bipartisan substitute which passed the House and is now before the Senate would increase the minimum wage from its present level of $3.35 an hour to $4.25 an hour over a 2½-year period in two increments of 45 cents each—it would rise to $3.80 on April 1, 1990, and finally to $4.25 an hour effective April 1, 1991. This is the same level that the President had originally committed himself to support and which the Democratic-led House and Senate had rejected earlier.

Most significantly, the compromise package would institute a youth training wage—the very issue that the Democrats had so strongly objected to in the President's proposal. This training wage, equal to 85 percent of the minimum wage, would apply to teenage workers during their first 3 months of employment. Then if after 90 days the employee still requires additional training for a specific job the employer can continue to pay him or her the training wage for an additional 3 months, provided the employee participates in an on-the-job training program approved by the Labor Department. The employer must institute a training plan for that job pursuant to Department of Labor criteria, post notice of the jobs covered by the plan and so notify DOL, and provide the employee with a copy of the plan.

I am pleased that the compromise retains the amendment which I offered in committee raising the tip credit to 50 percent by April 1, 1991, as well as an increase in the small business exemption from $362,000 to $500,000. The top credit adjustment will provide assistance to the 600,000 small businesses and their over 8 million employees who constitute the food service industry, America's larg-

est retail employer. Also the package does not include the Minimum Wage Review Board provided in the original House-passed bill, which was a political device for providing automatic inflationary pay raises without congressional approval.

I am gratified that, after many months of partisan bickering, the Congress has been able to settle on a reasonable wage package endorsed by the administration which will provide relief for those working heads of households with children who are dependent on the minimum wage, while avoiding the inflationary and disemployment side effects that would have resulted from the $4.55 an hour minimum wage originally sought by the Democrats.

The White House has remained constant and firm in its position on the minimum wage. President Bush originally promised to raise the minimum wage to $4.25 an hour provided it was coupled with a meaningful training wage for all newly hired workers. He vetoed the higher minimum wage increase passed by the Congress as inflationary, as he had promised, and the Congress wisely sustained that veto. The President has delivered on his commitment to the American worker.

One of the concerns I expressed earlier during consideration of the Democratic proposal was that an excessive boost in the minimum wage could lead to a loss of thousands of jobs and job opportunities for many Americans, especially teenage, minority, and unskilled workers—the truly disadvantaged members of our society that an increase is supposed to help. I believe that this compromise satisfies my concerns, principally due to the youth training wage.

The youth training wage will offer a meaningful incentive for employers and workers alike. This 85-percent subminimum wage will mitigate the effects of a minimum wage increase. It will enable young and inexperienced workers to find work and receive valuable planned on-the-job training and good work experience for at least 3 months and, if necessary, up to 6 months. Employers are understandably reluctant to hire individuals lacking in training or experience, especially when wages rise rapidly. New hires can be justified only if they are more productive. With this training wage, employers will be more receptive to giving young, inexperienced workers a chance. In other words, it provides an incentive to employers to offer entry-level employment to those most in need—the unskilled, teenage, and minority workers.

This training wage is a Godsend, in my opinion. It offers disadvantaged youths hope that they can find a job and stay off welfare and off the streets. Through gainful employment, work experience, and job training, they will learn the demands of the workplace and the skills required by employers, acquire good working habits, and earn needed income for self-support, school expenses, and other family needs. They can soon gain pride in themselves and their work. They become useful, productive, better skilled, contributing, and more marketable members of society. In time, they will prepare themselves for the changing, challenging jobs of tomorrow's workplace.

For employers, this training wage will give them an opportunity to train new workers for their jobs and evaluate their performance. At the end of 3 or possibly 6 months, employers will have better trained young workers who are more committed to their jobs and their employers and do not need extensive retraining.

Our society and our economy will gain from the training wage, in the long run. America is rapidly facing a shortage of qualified workers, and the jobs of the future will have to be filled increasingly by youths, women, and minorities, many of whom are untrained and unskilled. By providing a meaningful training wage and a first job opportunity for teenagers today, we are taking an important step toward ending the skills gap and worker shortage facing us.

Moreover, teenage unemployment has been unacceptably high; among black youths, it is even worse. In Indiana last year teenage joblessness averaged almost 19 percent. The training wage will not give these young people the education and qualifications they need for permanent employment, but it will save thousands of entry-level jobs and part-time positions for young workers. According to Labor Department estimates, this training wage may save close to 170,000 jobs overall.

As I have stated before, if we are really serious about helping the working poor, we should consider enacting the earned income tax credit adjusted to family size. We must also do more to improve education and vocational training so that we can eliminate the skills gap that keeps many low-income workers poor. At the same time we must keep our economy strong and vibrant. A healthy, expanding economy will provide the employment opportunities that young, minority, and disadvantaged Americans need most of all. That is the surest way out of poverty. Now that the minimum wage issue is settled, let's get on to the more important business of keeping the American economy strong.

Mr. KERRY. Madam President, I am pleased to support this compromise which will institute a long-overdue increase in the Federal minimum wage.

I also want to congratulate and applaud the senior Senator from Massachusetts and chairman of the Labor and Human Resources Committee, Senator KENNEDY, for his tireless crusade to raise the minimum wage. Once again, Senator KENNEDY has demonstrated that he is today, as he has been for decades, the leading and most effective advocate for economic justice in this Nation. Despite the odds, Senator KENNEDY never let up, never took the pressure off this administration to take an action that was so clearly just and fair.

I am sorry that it has taken this administration so long to realize how vitally important this increase is to the millions who earn the minimum wage and who depend on that wage for food, clothing, and shelter.

Madam President, the Federal minimum wage has not increased since 1981; it has not increased at all while consumer prices have increased 40 percent. If the minimum wage had been increased to maintain its 1981 value, it would now be $4.68 an hour, not the $3.35 an hour it is today.

So I am pleased that Members of Congress and the administration have seen fit to set-aside their differences and act to increase the minimum wage to $4.25 an hour effective in 1991. We can take comfort in the fact that today we are setting policy that will make a significant and welcome difference in the lives of those at the lowest end of the wage scale. In an age where million-dollar salaries are increasingly common and the most successful entertainers and financiers can make over $100 million a year, it behooves us to consider the situation of those who depend on $3.35 an hour to support a family. Such a situation is unacceptable, Madam President, because it is fundamentally un-American that someone should work hard and still be impoverished.

It is also unacceptable that the Federal Government has taken nearly a decade to accomplish this action which is so vitally important to so many. While Members of Congress have hemmed and hawed over the merits of a minimum wage increase, and while this and the previous administration have consistently opposed such an increase, millions of Americans who earn this wage have, in real terms, become poorer.

Most workers and retirees, including Social Security recipients, enjoy an annual adjustment of their earnings and benefits through annual cost-of-living-adjustments [COLA's]. But minimum wage earners, those workers at the lowest end of the wage scale, have not had their earnings adjusted 1 penny for inflation since 1981. In fact, inflation has given them a real wage cut of about 40 percent. This is completely unacceptable.

A full-time worker earning the Federal minimum wage today stands to earn $6,968 in a year, just about $1,000

above the poverty level for a single wage earner and over $5,000 below the poverty level for a family of four. Between 1959, when statistics on poverty were first collected, and 1981, the minimum wage was a living wage. That is to say, that, in those years, a full-time worker earning the minimum wage earned, on average, just over the poverty threshold for a three-person household.

Given the rhetoric that has clouded this issue, it is important to remind ourselves who it is among us who are earning wages at or below the Federal minimum. In 1986, nearly two-thirds of those workers were women, and over 70 percent were over 20 years of age. Currently, 10 million female heads of households earn the minimum wage. How can we expect these women to feed, shelter, and educate themselves and their children on $3.35 an hour? It is my sincere hope that today's action will give these hard-working mothers, and their families, better lives and hope for the future.

The growing gap between the rich and the poor, and the shocking increase in the number of those who hold jobs and yet cannot afford housing, represents a national crisis. An increase in the Federal minimum wage alone is certainly not going to eradicate this crisis but it is an important step in the right direction and one that has been unconscionably delayed for much too long.

Madam President, the eighties are a decade in which multimillionaires can throw million-dollar parties and ex-Presidents can earn $1 million a speech. Well the eighties are about over and it's time to focus much more on those in America that have been left behind.

Madam President, I would like to take a moment to comment on another issue. I regret that what had been section 10 of this bill before us was deleted on the floor of the House. Section 10 was a provision added in the Senate by Senators DURENBERGER, KENNEDY, and myself. This provision simply provided that highly paid computer specialists be considered by the Department of Labor as "professionals" for purposes of considering their coverage under the overtime provisions of the Fair Labor Standards Act.

Madam President, this provision hurt no one. It increased the employment opportunities for sophisticated computer specialists. And, it made the flexible use of such personnel by U.S. business more feasible. Frankly, I saw it as a small step to improve the flexibility of U.S. businesses while improving employment prospects.

Unfortunately, 11th hour confusion and questions about this amendment resulted in its being stripped from the House bill. And, the need to move this legislation directly to the President for his signature prevents us from adding this provision and sending it to conference, even though I believe any misunderstandings have now been cleared up.

Therefore, I can only repeat the remarks made by the senior Senator from Massachusetts yesterday. I urge the Secretary of Labor to immediately review and modify the current treatment of computer specialists under the FLSA to bring them into the 20th century and into consistency with what is clearly the view of the Congress. I also agree with Senator KENNEDY that, should the Department of Labor not act expeditiously, we should attach this provision to the first appropriate legislative vehicle for this purpose.

MINIMUM WAGE INCREASE COMPROMISE LEGISLATION

Mr. MITCHELL. Madam President, I urge the Senate's adoption of this legislation containing the compromise on the Federal minimum wage increase, negotiated with the White House.

This legislation is long overdue. Legislation to increase the minimum wage was blocked in 1988, and then vetoed by the President earlier this year.

Today's legislation represents a compromise between the President and the majority in Congress who have supported an increase in the Federal minimum wage. But it also represents a victory—for the working men and women of America at the bottom of the economic scale.

The compromise provides for an increase of the Federal minimum wage to $4.25 over 2 years, effective April 1, 1990 and 1991. That is an acceleration of the increase over 3 years earlier proposed by the President. However, the increase is less than the $4.55 level earlier passed by Congress.

The compromise also provides for a 90-day training wage for teenagers. That is substantially less than the unlimited 6-month training wage proposed by the President. Because it is limited to teenagers, it is also narrower than the 60-day training wage passed by Congress.

The compromise training wage is for teenagers only. It does not apply to the 65 percent of all minimum wage workers who are age 20 or older.

The compromise training wage is for 90 days. There is also the opportunity to apply the training wage for an additional 90 days, if a subsequent employer provides a formal training program certified by the Department of Labor. This is an important safeguard.

The training wage provision also will expire after 3 years. It is experimental in nature. The compromise rejects any unreasonable, prolonged, or indefinite subminimum wage structure.

Increasing the minimum wage is a top priority for this Congress. The compromise does not increase the wage as high as some might have hoped, but it is an improvement. It is a step forward that will clearly benefit those Americans who struggle on the margin of our national prosperity.

The last increase in the Federal minimum wage occurred in 1981—8 years ago, according to a schedule of increases enacted in 1977. Twelve years have passed since that legislation.

Whatever economic recovery has been achieved since 1981, the American people have expected that sacrifices made in the national interest must be fairly shared. And after sacrifice, when economic gains are achieved, they too must be fairly shared.

Since 1981, the Nation's average hourly wage has risen 35.9 percent—and the cost of living has increased 39.8 percent. In contrast, the current minimum wage of $3.35 an hour represents the lowest percentage of average hourly earnings since 1949—equal to only 34.4 percent of the national average.

The purchasing power of the Federal minimum wage is at its lowest level since 1955. An increase is urgently needed. The compromise legislation does not increase the minimum wage as much as many of us had hoped—but it does provide an increase that will benefit millions of Americans.

In the State of Maine, the State minimum wage already is higher than the Federal minimum wage. Yet Maine minimum wage earners still have experienced a 17-percent decline in purchasing power since 1981. Since 1986, Maine has debated not whether to increase the minimum wage, but whether the State could do so unilaterally—and thereby risk being put at a competitive disadvantage to other States in attracting new business and investment.

In 1988, Gov. John McKernan of Maine wrote the Maine congressional delegation and asked for an increase in the Federal minimum wage. "The current national rate of $3.35, which was established in 1981, has clearly not kept pace with inflation and general cost of living increases," the Governor wrote. "Thus, it is extremely difficult for an individual to take care of his or her family while earning minimum wage."

In Maine, as well as the rest of the Nation, sentiment is strong that the Federal minimum wage needs to be increased. In 1988, a Gallup Poll revealed that 76 percent of the American people favored increasing the Federal minimum wage to $5.05—well beyond the level that either the administration or Congress has proposed.

Opponents of the compromise legislation raise arguments of potential job loss and inflation. The same arguments have been raised in opposition to every increase in the Federal minimum wage that has been proposed

since 1949. They already have been rejected by a majority in Congress, in passing the earlier legislation vetoed by the President.

But even after vetoing earlier legislation, the President himself has rejected arguments in opposition—and supports the compromise. The President supports increasing the minimum wage. He has compromised with a clear majority in Congress, and together, on a bipartisan basis, we are seeking now to pass legislation that will benefit those Americans who are most vulnerable; who toil at the margin of our national prosperity.

The legislation is reasonable.

It is moderate.

It is urgently needed.

I urge its adoption.

Mr. DURENBERGER. Madam President I rise today to voice my overall support for the minimum wage bill. We rarely pass out a bill that I think is flawless, and unfortunately, while this bill is an improvement over current law, it is definitely flawed.

After 8 years with no change in the minimum wage, I believe that it is clearly time for Congress to raise that wage for the millions of working poor in America. Every person who works hard deserves a livable wage. Today we take a step forward in returning the national minimum wage to a level that is livable. I continue to support higher minimum wage levels and hope that, in the future, Congress will be more responsive in adjusting the wage to meet the evolving needs of our lowest paid workers.

I have deep concerns with the concept of the "training wage" for workers under 20. I have opposed the subminimum wage since I first came to the Senate. The subminimum wage is a flawed concept, and will hurt many students who are trying to save money for college and those launching a young marriage. Why should a 19-year-old get paid only 85 percent of a 20-year-old's salary for doing the same job? The U.S. Government should not be in the business of promoting age discrimination.

In the future, we must look beyond direct compensation of minimum wage workers and look at the total compensation package for these employees. Health insurance rates are rising at a rate that is quickly making health insurance a luxury that low-waged workers simply cannot afford. We need to consider ways to encourage employers to broaden their package of benefits to low-wage employees.

Today we take a step in the right direction toward bettering the living conditions of America's low-wage workers. I commend the leadership's work in breaking the longstanding impasse on this issue. I hope that we can continue to cooperate on other issues so we may quickly dispose of budget reconciliation and the debt limit. The time has come to stop playing politics with these crucial issues, and start making responsible public policy.

Mr. HUMPHREY. Madam President, if the leaders are prepared we can now have a colloquy that we postponed so that other Members could make a commitment in Philadelphia.

Madam President, earlier in the day I announced my intention to offer an amendment to the minimum wage bill which amendment would require that pay raises for Members of Congress be secured only by rollcall vote in each body.

Madam President, this is the selfsame amendment which was adopted by the Senate back in February by a vote of 95 to 5. Unfortunately at that time the House chose not to act on it and the proposal never became law.

The purpose of the amendment is, as I have said, very simply to require a rollcall vote in each House on the measure to raise the salary of Members of Congress.

Madam President, having discussed the matter with the majority leader and the Republican leader, I am inclined that I need to amend this. Since things changes since I wrote this. I chose not to offer the amendment based on certain assurance on part of the leadership.

The leadership have expressed commitment to supporting that amendment when offered to the pay raise ethics bill which is expected from the House in the near future and furthermore on their commitment to secure a rollcall vote on that amendment when I offer it to that bill.

Madam President, I have agreed to modify the amendment to make a distinction between pay raises and COLA adjustments. Thus, the modified amendment would not apply to annual cost-of-living adjustments, consistent with those provided to other Government employees.

Regarding the pay raise bill expected shortly from the House, I have been assured by the leadership that the leaders in both Houses on both sides anticipate that the House bill will not contain any provisions extraneous to matters of the COLA's, honoraria, gifts, travel expenses, financial disclosure, and things of that narrow nature.

It is, further, their expectation that the House bill will be approved or disapproved by a rollcall vote in the House and that the Senate version if it is different; the Senate version in any event will be approved or be disapproved by rollcall vote in the Senate.

I will ask at this point if I have accurately stated the assurances and the understanding.

The PRESIDING OFFICER. The distinguished majority leader.

Mr. MITCHELL. Madam President, in our earlier discussion I stated to the distinguished Senator from New Hampshire and I repeat now that I support the view that any congressional pay raise over and above the governmentwide cost-of-living adjustment that is annually provided to all Government employees be permitted to take effect only if there has been an affirmative rollcall vote in both Houses of Congress.

If it is merely a cost-of-living adjustment I do not support that requirement. If however it increases compensation in any amount over and above that, I will.

The PRESIDING OFFICER. Would the majority leader withhold? There are too many conversations going on. It is difficult to hear the leader as he discusses the rollcall vote on pay raises. If Senators will cooperate, I think all are quite keenly interested in this as are all people.

Mr. MITCHELL. Indeed, Madam President, I stated to the Senator from New Hampshire that my position goes beyond that which he has requested. I believe that not only should such an increase in compensation over and above a cost-of-living adjustment require affirmative rollcall vote in both Houses but I also believe that any such increase approved in that manner should not take effect until after an election intervenes and the commencement of a new Congress. He did not request that.

The amendment to which he refers includes that provision and others, and I expressed to him then and express no view now with respect to the provisions of the amendment other than the subject which I have just described.

I want to make clear to the distinguished Senator from New Hampshire that I support that provision, will support that provision, if and when he proposes it on the legislation that is on its way if such legislation comes over from the House.

If I could make one final minor clarification, in describing the legislation in the anticipated House bill, the Senator said it would not contain any provisions extraneous for matters of COLA's, honoraria, gifts, travel expenses, and financial disclosures, and things of that narrow natrure, is I believe the phrase he used. As I indicated to the Senator, it is my expectation that such legislation in the House and in the Senate will also include an ethics provision governing employment of Members of Congress and staff after leaving office similar to that now applicable to the executive branch.

If the Senator from New Hampshire will just ask for the yeas and nays he will accomplish the same so we will not have to do both; we will have one vote if necessary. So I understand, I think, what the Senator from New

Hampshire requests and I have discussed it with him. I have no problem.

Mr. HUMPHREY. I wish to make it clear that I want to at least reserve the right to seek a rollcall vote, to emphasize to the conferees who report to the Senate that provision which I will seek to enact. It is my understanding from our earlier discussion with the leadership, providing I forbear offering the amendment to the cost-of-living bill and instead offer it to the pay raise bill, they will have their support for a separate rollcall vote on their amendment. That was my understanding.

Mr. DOLE. I have no problem with that. If in fact there is a pay raise, which I do not think there will be in the Senate version, a cost-of-living adjustment, one way to achieve the Senator's purpose is just to have a rollcall. So I think that may not be there so you will offer the amendment which I will support.

Mr. HUMPHREY. Madam President, I thank the leaders for their cooperation and very much look forward to working with them on this occasion which will presume evidently to repeal the automatic pay raise provisions which are now before the House and thus requiring in the case of pay raises as opposed to cost-of-living allowances, providing an affirmative rollcall vote in each Chamber.

I thank the leaders and I yield the floor.

Mr. MITCHELL. I thank the Senator from New Hampshire.

Mr. KENNEDY. Madam President, I welcome the Senate's action. The 9-year logjam on the minimum wage is finally broken. The working poor are about to receive an increase, although it is not as much as they deserve.

In all honesty, this is a back-door, back-of-the-hand increase. The compromise we are enacting is a modest victory for the working poor, but it owes more to the ideological embarrassment of those seeking tax relief for capital gains than it does to any real commitment to the minimum wage. But those of us who believe in the minimum wage take our victories where and when we can—and we will continue to do so.

Because of our action, the minimum wage will go up to $3.80 an hour on April 1, 1990, and to $4.25 an hour on April 1, 1991. That is all the increase this legislation offers—and it is not enough.

The minimum wage should go up again on April 1, 1992—and I intend to do my best to see that a significant additional increase is enacted as we head into that Presidential election year.

The War on Poverty may be out of fashion in Congress and the White House. But we cannot ignore the widening gap between rich and poor in our neighborhoods, or the gathering storm clouds it poses for our society.

As yesterday's election returns make clear, the rest of the country understands the problem and is moving to address it. And I am proud to be a member of a party that wants to address it and intends to address it.

Neither Congress nor the White House can continue to stick its head in the sand. That cannot be our only response to the worsening problem of poverty in America. If that is all we do, we will reap the whirlwind of our ignorance, our affluence, and our injustice.

The minimum wage was one of the first—and is still one of the best—anti-poverty programs we have. It is easy to understand the politics of the opposition to the minimum wage in the past decade. Poor workers do not have political action committees, but their employers do.

But it is harder to understand the logic behind the partisan opposition. I would have thought we could all agree, Democrats and Republicans alike, that the fundamental principle of the minimum wage is sound—those who work for a living should not have to live in poverty.

Congress needs to do more, not less, to make work more attractive than welfare. The minimum wage is one of the few practical means we have to achieve that goal. So long as America is serious about reducing poverty, we must continue our effort to make the minimum wage a living wage.

Mr. KENNEDY. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall the bill pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. CRANSTON. I announce that the Senator from Montana [Mr. BAUCUS] and the Senator from Hawaii [Mr. MATSUNAGA] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Wyoming [Mr. WALLOP] is necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. WALLOP] would vote "no."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 89, nays 8, as follows:

[Rollcall Vote No. 292 Leg.]

YEAS—89

Adams	Ford	McConnell
Bentsen	Fowler	Metzenbaum
Biden	Glenn	Mikulski
Bingaman	Gore	Mitchell
Bond	Gorton	Moynihan
Boren	Graham	Murkowski
Boschwitz	Gramm	Nunn
Bradley	Grassley	Packwood
Breaux	Harkin	Pell
Bryan	Hatfield	Pressler
Bumpers	Heflin	Pryor
Burdick	Heinz	Reid
Burns	Hollings	Riegle
Byrd	Inouye	Robb
Chafee	Jeffords	Rockefeller
Coats	Johnston	Roth
Cochran	Kassebaum	Rudman
Cohen	Kasten	Sanford
Conrad	Kennedy	Sarbanes
Cranston	Kerrey	Sasser
D'Amato	Kerry	Shelby
Danforth	Kohl	Simon
Daschle	Lautenberg	Simpson
DeConcini	Leahy	Specter
Dixon	Levin	Stevens
Dodd	Lieberman	Thurmond
Dole	Lott	Warner
Domenici	Lugar	Wilson
Durenberger	McCain	Wirth
Exon	McClure	

NAYS—8

Armstrong	Helms	Nickles
Garn	Humphrey	Symms
Hatch	Mack	

NOT VOTING—3

Baucus	Matsunaga	Wallop

So the bill (H.R. 2710) was passed.

Mr. KENNEDY. Madam President, I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Massachusetts.

CORRECTING TECHNICAL ERRORS

Mr. KENNEDY. Madam President, I have a concurrent resolution to correct errors made in H.R. 2710, which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the concurrent resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 80) to correct technical errors in the enrollment of the bill H.R. 2710.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 80) was agreed to, as follows:

S. CON. RES. 80

Resolved by the Senate (the House of Representatives concurring), That, in the enrollment of the bill (H.R. 2710) to amend

the Fair Labor Standards Act of 1938 to increase the minimum wage, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

(1) Amend section 6(g)(1)(A)(ii) to read as follows:

"(ii) has not attained the age of 20 years; and".

(2) In section 6(g)(1)(B)(i) insert before the period "at such wage".

(3) In section 6(g)(1)(B)(ii) strike out "if a certificate is issued under subsection (h) by the Secretary for the employment of such employee" and insert in lieu thereof "if the employer meets the requirements of subsection (h)".

(4) Amend subsection (h) to read as follows:

"(h) EMPLOYER REQUIREMENTS.—An employer who wants to employ employees at the wage authorized by subsection (a) for the period authorized by subsection (g)(1)(B)(ii) shall—

"(1) notify the Secretary annually of the positions at which such employees are to be employed at such wage.

"(2) provide on-the-job training to such employees which meets general criteria of the Secretary issued by regulation after consultation with the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives and other interested persons,

"(3) keep on file a copy of the training program which the employer will provide such employees,

"(4) provide a copy of the training program to the employees,

"(5) post in a conspicuous place in places of employment a notice of the types of jobs for which the employer is providing on-the-job training, and

"(6) send to the Secretary on an annual basis a copy of such notice.

The Secretary shall make available to the public upon request notices provided to the Secretary by employers in accordance with paragraph (6).".

(5) In sections 8(a)(1) and 8(b), strike out "section 2(a)" and insert in lieu thereof "section 2".

(6) In section 2 strike out "December 31, 1989" and insert in lieu thereof "March 31, 1990".

Mr. KENNEDY. Madam President, I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

(Later the following occurred:)

Mr. SPECTER. Madam President, I have cleared this with both the Democratic and Republican sides.

Madam President, on rollcall vote No. 291, I am recorded in the affirmative. I ask unanimous consent that I may change my vote to "nay." It will not affect the outcome of the vote in any way.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(The foregoing tally has been changed to reflect the above order.)

The PRESIDING OFFICER. Who seeks recognition?

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS—CONFERENCE REPORT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the conference report on H.R. 2991, the Commerce, State, Justice appropriations conference report.

The PRESIDING OFFICER (Mr. CONRAD). The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the amendments of the House to the amendments of the Senate numbered 53, 171, and 191 to the bill (H.R. 2991) entitled "An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1990, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 7, 1989.)

Mr. MITCHELL. Mr. President, I have discussed this with the distinguished Republican leader and with the chairman of the committee, the manager of the bill. It is not my intention or that of either of them to seek a rollcall vote on final passage of this legislation. This is a matter which we have had before us and which the Senate enacted unanimously just recently. Therefore, if any Senator wishes a rollcall vote—and I am not encouraging one—they should communicate that view immediately to the Republican leader or myself.

In the event no such request is received—and I hope none is—then there will be no further rollcall votes this evening. We will complete action on this measure and then we will proceed to the legislative appropriations bill tomorrow morning when we come in.

So, Mr. President, I hope no one will make that request. We will make an announcement shortly either that we do or that we do not, and I hope that it is the latter.

Mr. President, I yield the floor. I know the manager is here and prepared to deal with this legislation.

Mr. WILSON. Will the majority leader yield for a question?

Mr. MITCHELL. Certainly.

Mr. WILSON. In the scheduling, I did not hear the time that he is anticipating to move to the legislative branch appropriations.

Mr. MITCHELL. As the Senator from California knows, it was my intention to proceed to the bill at 10:30 tomorrow morning, but he advises me that he has a conflict. To accommodate him, I was going to later ask that we proceed to the bill at 10:45 to give him an opportunity to attend an earlier hearing and be present when we go to the bill. I hope that is acceptable to the Senator from California. I would like to accommodate his schedule if I can.

Mr. WILSON. I will be grateful for any generosity that the distinguished majority leader will be able to show me. The problem is one that I think you will be able to appreciate, through no one's fault obviously. Through the unhappy coincidence of events, I am required tomorrow to be at a hearing on a judicial nomination that has been some 2 years pending. It will be a matter that will not be pro forma and it will take a long time. And there is yet another event that briefly requires me to be off the floor for about 10 minutes. Is there a possibility that it could be later?

It is, again, no one's fault. I have been waiting more or less patiently to take up the matter of the legislative branch appropriations for some time. I am just eager to be able to do justice to two matters that I think are of importance. So if it is in any way possible to do it later, I would be grateful.

Mr. MITCHELL. I would like very much to accommodate the Senator. I made the original change in an effort to do so.

Of course, the problem he describes is, as he knows, common to Senators almost every day in which we each have three or four events at the same time and must choose which one is or is not of the highest priority. I would like very much to help the Senator. We have, of course, the business of the Senate and we are trying to complete legislation in time to adjourn sine die by Thanksgiving.

Let me discuss this with the distinguished Republican leader and the Senator from California and I will make every effort to accommodate the Senator. But it is, of course, the Senator who has chosen to offer the amendment. I want to accommodate him, but we have 99 other Senators that we are trying to accommodate as well.

Mr. WILSON. I understand the difficulty. The matter is a very complex situation. I would be grateful for the effort that the majority leader has said he is willing to make. I will be happy to talk with him and the Republican leader. I thank the Senator.

Mr. MITCHELL. Since the matter has been discussed at some length previously, at least in similar form, if we can delay it so as not to delay the ultimate disposition of the matter, would

the Senator be disposed to agree to a time limitation on the deliberation of the amendment so we can dispose of it and, therefore, starting late would not result in any time lost?

Mr. WILSON. I would.

Mr. MITCHELL. The manager of that bill is not present and I would want to discuss that with him. If the Senator would be willing to do that, then I think perhaps we could work it out and that he could be accommodated and there would be no delay in the disposition of the matter.

I thank the Senator and I will be pleased to do everything possible to accommodate him.

Mr. WILSON. I thank the majority leader.

Mr. HOLLINGS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The conference report on State, Justice, and Commerce.

Mr. HOLLINGS. I thank the Chair.

Mr. President, as the Senate will recall, the original conference report on this bill was before the Senate on October 31 and November 1. During the Senate's consideration, the Senate amended three of the amendments of the House to the amendments of the Senate. Thus, a further conference was required.

Amendment No. 53: The House agreed to the amendment that I offered on behalf of Senator BIDEN and myself to provide that the minimum allocation to the States of State and local drug grant funds would be 0.25 percent or $500,000, whichever is greater to look out for the small States of the distinguished Chair and this humble speaker.

Amendment No. 171: The House agreed to the amendment of Senator HELMS that repeals section 725 of the International Security and Development Act of 1981 which imposed economic sanctions on Argentina. This section has not had any impact on military sales to Argentina since President Reagan determined on December 10, 1983, that the human rights situation in Argentina had improved, rendering, of course, section 725 inoperable.

The third amendment, Mr. President, No. 191, was an amendment that was amended by our distinguished chairman of the Foreign Relations Committee, the Senator from Rhode Island, who struck from the original conference agreement the part that if the State-USIA authorization bill was not enacted by the end of this month, then the amounts and terms and conditions of the appropriation bill would kick in and be controlling for the fiscal year 1990.

We had proposed that action due to the unique provisions of section 15 of the State Department's Basic Authorities Act as well as section 701 of the U.S. Information and Educational Exchange Act of 1948, that both stipulate that appropriations are not available unless first authorized.

Well, we tried to accommodate the needs of our colleagues on the Foreign Relations Committee, and we adhered absolutely to their Senate-enacted foreign relations authorization bill, save and excepting one instance which was an exception requested by the distinguished chairman of the Senate Foreign Relations Committee. However, since the distinguished Senator from Rhode Island prevailed in his motion to amend. Yesterday, at the further conference, we did only what was left to be done, and that is put State and USIA on a continuing resolution basis.

The conference on the authorization bill was concluded, I understand, on yesterday. We are going to watch its progress and watch it go to the White House. I understand there are two reports about it being noncontroversial. It is not controversial to this particular Senator. I would vote for that conference report from what I have heard. However, we did not get a copy of it and I'll reserve final judgement when I have a chance to read it fully.

But mind you me, we must move on the 1990 decennial census. We are behind schedule right now and there are 350,000 temporary people to be hired before we commence the census beginning in April of next year. We must move on the desperate circumstances of prison facilities, and their is some $400 million additional in the bill for that. All year long we have been hearing about the need for increased SBA guaranteed general business loans, and this bill increases these loans from $2.6 million to $3.2 million.

So we met with, not only the subcommittee on the House side, but the full chairman, Representative WHITTEN, as well as Representative NEAL SMITH. We did the only thing we could do. It is obvious, now. It was unanimously approved over on the House side yesterday.

We are preparing, I take it now, on a voice vote, to approve this particular conference report. In so doing I am going to follow that authorization bill because it has cut back important matters in the Department of State, important matters of the USIA. We will be discussing that with the distinguished chairman on the House side, the gentleman from Iowa, who momentarily is in Iowa due to a death in his family. We will meet with him as soon as we can, but probably not until the beginning of next week. We will follow that authorization bill and take the best course we possibly can, then, to update both State and USIA appropriations with the 1990 conference report, if we can possibly conform it, as we enacted it in both bodies.

My thanks for the leadership of the distinguished Senator from New Hampshire and to the staffs on both sides. We have been working long and hard. It is now into November and I appreciate the cooperation of all the Members here. I think we have really a fine appropriations bill with these three additional amendements as agreed to by our House colleagues.

I yield to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. RUDMAN. Mr. President, this conference report addresses the three remaining amendments in disagreement on the appropriations act for the Departments of Commerce, Justice, and State, the judiciary, and related agencies. First, the House conferees receded to the Senate amendment which provides for a minimum funding level for each State under the State and local drug grant program of the Department of Justice. Second, the House has accepted the Senate amendment which repeals economic sanctions previously imposed against Argentina.

Finally, the conference agreement provides for funding for the State Department and the U.S. Information Agency at a continuing appropriations level. If an authorization of approriations is enacted into law later this session, it is our intention to attempt to waive or repeal this provision in order to restore funding to the levels proposed in the first conference report.

It is my understanding that the authorizing committees have reached an agreement on an authorization of appropriations for the State Department and the USIA. A conference report has not been filed, so I have not had the opportunity to review this legislation. In addition, I do not know whether it is acceptable to the White House. However, we need to release funds for other agencies and programs under the jurisdiction of the subcommittee, especially for the Justice Department and the Federal Judiciary. Every day we fail to act means our law enforcement officials are further handicapped in the war on drugs. They should not be held hostage due to the inability of the authorizing committees to complete their work in a timely fashion.

Mr. President, I thank my chairman for his leadership in bringing our conference to a successful conclusion. I regret we have unfinished business regarding the State Department and the USIA, but that is certainly not his fault or the fault of the Appropriations Committee.

The distinguished chairman, the Senator from South Carolina, has set out precisely the circumstances why we are here and what we have done. I want to make very clear a situation that results here because it ought to be in the RECORD.

We have done exactly what the Foreign Relations Committee has asked

us to do. The State Department and the U.S. Information Agency, as opposed to all other agencies and Cabinet-level departments within our bill, are at continuing appropriations levels until such time as the law is fully complied with; that is, an authorization bill is passed by both bodies, sent to the President and signed by the President.

Mr. President, I make the observation there is some discussion that there are things within that authorization bill which may in fact be unsatisfactory to the President, and which well may result in a veto. I do not know whether that is true or not.

If that should happen, and I am not predicting it will, but it may—if that should happen, I will point out to my friends in the Foreign Relations Committee, they will have what I would call a Pyrrhic victory. Because, you see, if that happens, Mr. President, and we are now into, let us say, December or January, then the Foreign Relations Committee is going to have to come back to the chairman of this committee, and ranking Member of this committee, and ask us now to put the waiver in, which of course we had in originally, and would not be here again today if it were not for that action on the floor.

So I hope there is a foreign relations authorization bill. I hope it is signed by the President. But if it is not, the State Department and U.S. Information Agency will continue on at fiscal 1989 rates, which are considerably below, both in amount and in substance, what we did in this bill, which is what the Foreign Relations Committee asked us to do in this bill.

I think the committee of jurisdiction was playing some high-risk politics when they took the action they took. I hope that we are able to get the State Department on its true appropriation within a few weeks. If we do not, it will not be the fault of the Senator from South Carolina, or the Senator from New Hampshire, or the Appropriations Committee.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, when the Federal Government withdrew abruptly from its longstanding Pribilof Island Program, is provided two trust funds, one for each island, to ameliorate the hardships that would be created for the two islands communities. Both communities have made great strides toward becoming the self-sustaining economies contemplated by Congress. Despite their efforts, a gap remains before the fishing industry fully utilizes the boat harbors that are near completion and generates the employment and income stream necessary to sustain the villages.

In recognition of the great strides made by the communities and critical needs remaining, Congress approved in fiscal year 1989 a 2-year supplement for the St. Paul Island trust, the second installment of which is included the fiscal year 1990 appropriations bill. The fiscal year 1990 bill also includes a supplement for $1.1 million to the St. George Island trust.

In both cases the committee reviewed documentation provided by the villages and has approved funding to them for the upcoming year. The money is to be used for such purposes as acquisition of fuel, maintenance of utilities, operations of the municipalities and related functions.

It is my hope that both harbor projects will be completed this year, so the islands can develop a new economy, not based on sealing, but based on their strategic location in the middle of one of the world's richest and most productive fisheries. I wish them the best in that endeavor and thank Senators HOLLINGS and RUDMAN for their support during this transition period.

Mr. INOUYE. Mr. President, although the matter I wish to address is unrelated to the pending amendments to the conference report of fiscal year 1990 Commerce, Justice, State appropriations bill (H.R. 2991), my remarks are within the jurisdiction of the Department of Commerce that has been funded under the conference agreement.

I am dismayed by NOAA's continued failure to comply with an blatant disregard of the House and Senate directives, specifically in securing the release of appropriated funds for the following initiatives: The sub-Arctic fisheries research—APPRISE, the Hawaii stock management plan, the Mahi Mahi technology research, and the Asian aquaculture exchanges. At my request, the committee included report language (Senate Rept. 101-144, page 27), directing NOAA to expedite the obligation of funds for these initiatives. Under committee procedures, report language, and as reflected on page 10 of the Senate report, the directive on page 27 was not contradicted in the House report nor specifically denied in the conference report, and is considered as having been approved by both Houses of Congress.

Further, on September 20, 1989, Congressman DANIEL AKAKA, and I sent a letter to NOAA Under Secretary John Knauss requesting a status report on NOAA's review of the proposals submitted by the Oceanic Institute in Hawaii, the primary sponsor for these projects, by October 15. Unfortuantely, NOAA has failed to meet our requested deadline. We have yet to hear fron NOAA. Due to the reoccurring problems that Congressman AKAKA and I have encountered with NOAA, the purpose of my remarks is to establish further legislative history on these programs with the intent that continuity will remain when administering the fiscal year 1990 funding for these projects.

The House conference report 101-299, pages 13 through 17, includes funding for these initiatives at fiscal year 1989 levels. It is Congress' intent that the fiscal year 1990 funding continue the projects as previously funded in fiscal year 1988 and fiscal year 1989. Consequently, there should be no question that NOAA should treat these as continuing grant activities for the Ocean Institute.

Mr. HOLLINGS. Mr. President, our colleague from New Hampshire has raised a question which is appropriate. That is this section 15, an archaic kind of section.

I heard my distinguished chairman of the Senate Foreign Relations Committee make the statement, and it appears in written record, that "I think we all believe it should be repealed."

There is a statement further—I read it but I never heard it—saying differently, that he did not want it repealed.

I can tell my colleagues here and now, if I have anything to do with it—I do not know that I will—but if I have anything to do with the further appropriations for the Department of State and the U.S. Information Agency, it will never appear on this floor unless and until we have that repeal so we can put these particular entities of Government in step with all the other bureaus, all the other departments and agencies of the U.S. Government.

"Equal justice under law?" No, that is over the Supreme Court. Maybe we ought to get it inscribed in this Chamber, too. We can get a little Latin, may a little more, and maybe we can make a motion to change the rules to get that one. But I want to give State and USIA equal justice under law. I do not like discrimination, coming from South Carolina. I just want the Committee on Foreign Relations to be on notice of that at this particular time.

With that said, I appreciate the cooperation of all the colleagues and leadership on both sides, particularly the Senator from New Hampshire.

I urge the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS. I thank the distinguished Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I ask unanimous consent to be able to proceed as if in morning business for a period of 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

PRESIDENT BUSH AND THE EXTENSION OF THE DEBT CEILING

Mr. KERREY. Mr. President, there are many surprises for a freshman Senator. Yesterday morning I did not expect as a consequence of what I consider to be an honor, at 10 in the morning, to be named the acting President pro tempore of the Senate, to get the dubious distinction, at 12:30 this morning, of signing a $3.1 trillion check that we authorized with the resolution here on this floor.

I must tell my colleagues, I have no idea what President Bush thought when he signed it, because he signed after I did. But it frightened me, to be signing a check of $3.1 trillion. I confess to my colleagues that, in my short and happy lifetime, I have borrowed a fair amount of money. But never in my life have I borrowed anything approaching $3.1 trillion.

We have authorized Secretary Brady to borrow an additional $250 billion, which is difficult enough for me to get my arms around, in order to pay the bills in this next year.

I was troubled by the signing of this resolution. Not sufficiently troubled that I was unable to get to sleep, but I was surprised this morning and disturbed this morning when I read in the paper the account of President Bush's press conference yesterday wherein he said he would have accomplished a lot more this year except Congress has been holding him back. Then he went on specifically to blame Congress for the deficit, blaming Democrats and Republicans in Congress for the deficit.

I must say, Mr. President, I do not disagree with the President on the point that Congress does spend the money. The Constitution clearly gives us that authority. We, as Representatives, listen to the people. They make requests of us and we, as a consequence of those requests, make decisions to make expenditures in a variety of ways.

I am also, Mr. President, not unmindful, even as the lowest-ranking member of the Senate Appropriations Committee, of our capacity still in Congress, even in the face of tough budget times, to generate a considerable amount of hometown expenditures.

I have jokingly said recently that, even after only 10 months, I have been made a honorary member of the Nebraska Pork Producers as a consequence of my service on the Appropriations Committee.

However, Mr. President, we are also spending in accordance with the President's requests. His capacity both to listen to people and to request Presidential pork, is substantially greater than any of the congressional Representatives.

If he decides we are going to spend money and sends a directive down to Congress that we will spend money, rest assured there is a very good chance we will at least spend the amount of money the President requests.

I believe President Bush has squandered an enormous opportunity to attack the budget deficit this year. I believe he was poorly advised. I believe significant deficit reduction, beyond the requirements of Gramm-Rudman-Hollings, was possible this year and it is still possible for next.

Dramatic action like this, Mr. President, will enable the Federal Reserve to actually lower interest rates in America, continuing our recovery at even higher growth levels than we currently have. It will be the first step of a multifaceted effort to reduce America's cost of capital. It would also give our trade representative negotiators a valuable argument as they work to try to open markets abroad.

In short, substantial deficit reduction is the most important effort our leaders can make to ensure the economic security of the United States of America. Unfortunately, the President of the United States has simply not made it a priority. From the opening bell, his State of the Union message, the word has gone forth: Let us go along to get along and get by 1 more year.

The President's action this year on the budget deficit has been weak and ineffective. Beginning with a willingness to ignore the true size of the deficit and a desire to make everybody happy, he has not asked us to spend less; he has encouraged us to spend more.

Here is my view of the President's accomplishments this year on the deficit: First, last fall he began with a flexible freeze which was endorsed by the Republicans on the National Economic Commission, but by the time of the President's State of the Union, that phrase had disappeared from public use and has not been heard from since.

Second, in his State of the Union address, he gave Congress the unmistakable impression that an easy time lay ahead of us for deficit reduction. We could take half the new $70 billion that the economy is going to generate to reduce the deficit, and we would still have almost, gleefully he said, $35 billion to spend on new stuff.

Third, his own budget recommendations in January bypass his first real opportunity to do something serious about deficits.

Fourth, in April the President agreed to a budget which postponed almost every difficult decision. It was widely reported at the time that he hoped to get into 1991's budget before making the tough choices that we all know need to be made.

Fifth, and perhaps most important, the President set a bad example with his own budget gimmicks. We will save $1 billion by moving farm deficiency payments into 1989. We will save $2.4 billion by pushing back the payroll for the Department of Defense a few days. We will move the Postal Service and S&L bailout off budget and save another few billion dollars.

Mr. President, the President of the United States leads by example. This President has become the small business equivalent to the boss, removing a few dollars from the cash register for personal use and thus encouraging employees to do the same thing by example.

Sixth, the President has accepted the go-slow approach on the Strategic Arms Reduction Treaty. We almost do not have the money at home to build either the rail garrison MX or the Midgetman, but the President resolves the conflict by deciding to build both of the systems.

Ten months after he mentioned the deficit, finally brings it up again, just as we are about to increase the debt ceiling from $2.87 trilion to $3.1 trillion. Then he urges the American people: "Call Congress," he says. "Help me with this debt reduction bill," which is, I might say, of relatively minor significance.

Ten days ago, the President was so concerned about reducing the rate of taxation on the gain of short-term capital sales that he was willing to have his Treasury Secretary sell itself $15 billion in Treasury bonds to tide the Government over a few days, thus costing the American people for this little gimmick about $2 million a day and the additional cost of Federal financing.

In the past 10 months, the message to Congress and the message to the American people has not been one of an urgent need to reduce the need to borrow from our future. Instead, it has been almost a steady stream of new items that the President wants to buy: $160 billion the President wants for the savings and loans; $400 billion to go to Mars; $2 billion for a war on crime; $7 billion for the war on drugs; and a whole bushel basket full of new education programs.

Each time the President encouraged the American people to call their Congress to ask for more spending, and then he expresses shock when Congress wants to spend more. This is the President who cannot say no. He has

encouraged us to behave badly. He has been blind to the borrowing and spending this Nation committed itself to under President Reagan.

The President's actions speak for themselves. Cutting the budget is simply not a priority. It ranks behind increasing defense expenditures. Even though the changing nature of our relationship with the Soviet Union and Eastern Europe should dictate changes in our national security policy and our defense spending projections, it ranks behind his "read my lips" pledge not to increase taxes. It ranks behind his desire to open up a new tax loophole through the capital gains cut that would benefit the wealthiest Americans.

So it should not be a surprise to Members of Congress or to the people of the United States of America that the President has done so little to make a real impact on the deficit. I still believe, Mr. President, that a substantial reduction of the deficit will enable America to stimulate real growth in our economy without a resurgence of inflation.

I believe, as well, it would enable America to build a meaningful and comprehensive trade policy, and I believe it will enable us to put together a domestic agenda that is consistent with the President's own stated objectives.

It will enable us to improve our schools. It will enable us to clean up our environment. It will enable us to develop a national health care plan. It will enable us to reach out compassionately and unselfishly to help America's poor, and it will enable us to rebuild our infrastructure.

It will also, Mr. President, enable the United States of America to fulfill its responsibilities in the world community. It is still not too late. The President should discard the constraints of the timid budget agreement that he accepted last year, and he should look at the real numbers of the debt ceiling resolution that he signed early this morning.

Most important, he should ask the leaders of Congress to join him in making certain that it does not happen again this year.

I yield the floor.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. WILSON. I thank the Chair.

(The remarks of Mr. WILSON pertaining to the introduction of S. 1857 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

MORNING BUSINESS

Mr. PRYOR Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. PRYOR. Mr. President, I noted the appearance of my very good friend and distinguished Senator from Kansas [Mrs. KASSEBAUM] who I believe was on the floor before me. I will be happy to yield should she like to make her remarks now.

Mrs. KASSEBAUM. Mr. President, I certainly appreciate the kind consideration of the Senator from Arkansas. I am happy to wait my turn and want to speak in morning business when it is appropriate.

Mr. PRYOR. Mr. President, I thank the distinguished Senator from Kansas.

THE AIRBORNE SELF-PROJECTION JAMMER

Mr. PRYOR. Mr. President, shortly, I will ask unanimous consent to place in the RECORD what I think is a very excellent story from yesterday's Washington Post. This story is entitled "Electronic Warfare Project Seriously Flawed," and it was written by staff reporter Molly North. The article cites a very troubled program that I have been looking into for some time. It is called the airborne self-projection jammer, or the ASPJ. Despite failed test after failed test, unanimous Senate action to slow the program, investigations by the inspector general in the General Accounting Office regarding the decision to produce the ASPJ, the Pentagon recently awarded almost one-half billion dollars to begin immediate ASPJ production.

Mr. President, the Post article contains even more damning information on the ASPJ than had come to the floor debate earlier on this program. For example, during debate earlier this fall, I cited a conservative ASPJ program cost estimate of $4.8 billion. The Washington Post, however, says the ASPJ will cost $9 billion—$4 billion more than I had previously stated. I also said that each individual ASPJ would cost roughly $2 million a copy. The Post says that number is more like $3.5 million per copy. And, finally, the Post indicates that the ASPJ program is now expected to be $1 billion over budget and is still a long way from working properly.

Nine billion dollars for this program, Mr. President. Nine billion dollars could fund the entire Federal drug war this year. For $9 billion we could fund all of the National Institutes of Health and the Head Start Program. With $9 billion, the Education Department could fund the entire Student Aid Program, the Vocational and Adult Education Program, and the Education for the Handicapped Program.

In the Pentagon we could use $9 billion to buy 9 new attack submarines or 500 F-16 fighters or over 3,200 M-1 Abrams tanks.

My point, Mr. President, is that this country has many high spending priorities, domestic and military. We ought to keep that in mind before we commit to making $9-billion radar jammers that do not yet work.

The Post article also states that at Navy test facilities in California, the ASPJ had problems detecting and jamming some enemy radars that have already been around for two decades. "Moreover," the story says, "the ASPJ cannot meet many of the threats projected * * * for the coming decade."

This was backed up by a memo by then Defense acquisition chief, Michael P.W. Stone, who said, "Despite a program that now goes back almost 13 years, system progress has been extremely slow and many enemy threats cannot be satisfactorily handled."

Mr. President, the Secretary of Defense has spoken out on the need to enforce so-called exit criteria. This is a new term meaning weapons that do not meet minimum standards have no business going into production.

Not unlike the DIVAD antiaircraft gun, the ASPJ has not passed tests, it has not met the Secretary's exit criteria, and yet, today it is going straight into production.

When will fielding effective weapons take precedent over political expedience? When will our military decisionmakers demonstrate the courage of their stated convictions? How can we end this mentality of building now and testing later?

Mr. President, I am disappointed in the Pentagon's leadership and expressed my concern in a letter with Senator GRASSLEY to the Secretary of Defense a month ago.

We asked why $419 million had been awarded in October to produce the ASPJ despite evidence that it was a bad decision and that it had failed its tests.

Mr. President, to date we have not received a response to that letter. I hope this is because our good Defense Secretary is reconsidering the program.

One last comment, Mr. President. The Post article made one slip when it said I am opposed to the ASPJ. In fact, I am 100 percent behind developing a radar jammer that protects our fighter pilots in high-technology combat. Clearly this is needed. I hope we all agree to this.

However, I am 100 percent opposed to spending tight budget dollars to build and field weapons that do not work, and have not passed the tests.

The ASPJ has not proven itself and should not be produced until it does.

Mr. President, I ask unanimous consent that a copy of the Washington

Post article and the letter to the Defense Secretary be placed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 7, 1989]

ELECTRONIC WARFARE PROJECTS SERIOUSLY FLAWED

(By Molly Moore)

The U.S. military, after spending billions of dollars on a new generation of sophisticated electronic equipment to protect its fighter and bomber pilots on the battlefields of the 1990s, is approaching the decade with systems that are years behind schedule, hundreds of millions of dollars over budget and unable even to meet threats of years past, according to Defense Department and congressional documents.

New electronic defensive systems designed to be carried aboard virtually every major warplane, from the Navy's F-14 Tomcat fighter and Advanced Tactical Aircraft to the Air Force's strategic B-2 "stealth" and B-1B bombers, have serious technological flaws that threaten the military's ability to rely on them as planned in combat, records show.

The Pentagon has built many of its combat tactics around these high-technology black boxes, which are designed to confuse or block enemy radars and trick deadly antiaircraft missiles, giving pilots and expensive planes a vastly greater chance of survival in today's combat zones, where the most dangerous enemy is likely to be an invisible electronic beam or pulse.

One of the most costly and controversial of those programs is a joint Navy-Air Force electronic jamming system scheduled to be installed in more than 2,000 new fighters and attack planes. But, after 13 years of development, the latest flight tests showed the system, costing an estimated $9 billion, was "marginally operationally effective and marginally operationally suitable," according to a secret, recently declassified Navy report.

This system, called the Airborne Self-Protection Jammer (ASPJ), was lauded by the world's top electronic experts in the 1988-89 edition of "Jane's Avionics" as possibly "the most significant U.S. electronic warfare system in the current decade."

Now, the Defense Department, under pressure from Congress, says it will kill the program next year unless the services made major strides in correcting its deficiencies. The electronic jammer program is at least four years behind schedule and may cost at least $1 billion more than originally estimated, according to one Pentagon report. Possible irregularities are also under investigation by the Defense Department inspector general and the General Accounting Office, the congressional watchdog agency, according to congressional officials.

In attempting to correct problems with the ASPJ and other such complex systems, the military has discovered an equally troubling problem: Some of its critical test methods and equipment are flawed and cannot accurately measure the capabilities of the electronic systems they are testing.

"Frankly, we don't do a good job of evaluating jammer performance," said Navy Capt. Matt Small, manager of the ASPJ program, who said he believes the problems can be corrected. The deputy program manager, Air Force Lt. Col. Mike O'Neill, said that in some cases the military was testing the ASPJ using procedures designed to test threats that are now almost 20 years old rather than current threats. "They never updated the test procedure or architecture," O'Neill said.

Electronic warfare experts blame many of the problems of the systems and the test programs on a military that "took on too much too soon" in a field of "new and unproven technologies," according to an outside study commissioned by the Air Force three years ago. Small and other military officials say the problems also stem from the sometimes sketchy intelligence information about Soviet air defenses on which development of the countermeasure systems is based.

"The whole process is very complex," said retired Navy rear admiral Julian Lake, who headed the naval agency that began developing the ASPJ system and is now president of the Association of Old Crows, an organization that monitors electronic warfare issues. "You're not dropping bombs, you're playing with electrons."

Many electronic countermeasure systems currently in use on military aircraft work satisfactorily against known existing threats, military officials say. But experts note that the new systems under development will be critical to survival on future battlefields where electronic threats are expected to become increasingly dangerous.

Because electronic warfare systems are among the most secret programs in the military it is difficult to determine exactly how much the Pentagon spends on them. But according to experts and numerous military documents, many major electronic warfare systems now under development have encountered significant—and costly—technical problems. Among them:

The intercontinental B-1B bomber's electronic countermeasure system, cited by President Ronald Reagan as one of the plane's strongest selling points, will never have the full capabilities planned. Because of the shortcomings, the Air Force has had to change some of its war plans for the bomber and may have to spend an extra $1 billion to correct the problems, according to congressional reports.

Development of the avionics system for the B-2 bomber is at least two years behind schedule and the system may not be fully developed by the time the aircraft is expected to be deployed into the bomber force in the mid-1990s, according to sources.

The newest generation of avionics equipment being developed for the stealthy aircraft of the future—the Air Force Advanced Tactical Fighter and Navy A-12 Advanced Tactical Aircraft—is also behind schedule and encountering development problems that may mean the sophisticated equipment won't be ready to be installed in the planes on time, according to a recent report in the trade journal Defense Electronics.

The ASPJ program, if it works properly, is expected to double the chances of survival for pilots and planes on future battlefields. The Navy and Air Force have predicted that with the system, 44 percent of all planes would survive a 30-day conflict. With current systems, experts predict all aircraft may be lost within the first 20 days of battle under some conditions.

"The ASPJ is a critically important program affecting the capability of virtually all tactical Air Force aircraft," the commander of the Tactical Air Command wrote in a 1986 memorandum. "Until it is fielded, we face sending air crews and aircraft into combat without self-protection jamming."

But with the system now at least four years behind schedule, tests at the Navy's secret Echo test range at China Lake Naval Weapon Center in California have revealed the system has problems detecting, identifying or jamming some enemy radars that have been in existence for the past two decades. Moreover, it cannot meet many of the threats intelligence officials project for the coming decade when it is to be installed on new models of the F-18, F-16 and F-14 fighters, the A-6E attack plane and the AV-8B Harrier, according to military and congressional reports.

The jammers, which will cost up to $3.5 million per plane, are supposed to identify a barrage of oncoming radars, determine which ones are most threatening to the aircraft and then transmit electronic signals to deceive or interfere with ("jam") the radars of the hostile air defense weapons.

"Despite a program that now goes back almost 13 years, system progress has been extremely slow and many enemy threats cannot be satisfactorily handled," Michael P.W. Stone, then the Defense Department's acquisition chief, wrote in a July 29 memo after reviewing the most recent test results. Stone added, "The contrary argument is that ASPJ nevertheless does more than any other system that we have in the inventory or that we have under development."

The poor test results have ignited a vitriolic internal Pentagon debate, pitting military program chiefs against civilian Defense Department budget officials. The Navy and Air Force are trying to salvage a system they consider essential and that already has cost them at least $1 billion. But budget officials say they are wary of pumping even more money into a program so troubled it may never perform as promised.

Despite the problems with the testing models, the Pentagon recently awarded $419 million in contracts to Westinghouse Corp. and ITT Avionics Division, which have developed the system, to build the first 100 production models to be installed in aircraft. That action outraged some members of Congress who have tried to restrict production of the system in the fiscal 1990 appropriations bill pending in Congress.

"I believe that we have discovered another Pentagon embarrassment—a potential waste of billions of dollars," said Sen. David Pryor (D-Ark.), who has become one of the most outspoken opponents of the system. He added that the ASPJ "would also give a false sense of security to those pilots who fly the planes."

ASPJ program manager Small said he believes many of the problems will be corrected with the new production models that he said will be superior to the test models being used. He cautioned, however, that "We don't run risk-free programs."

U.S. SENATE,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, DC, October 12, 1989.

Hon. RICHARD B. CHENEY,
Secretary of Defense,
The Pentagon, Washington, DC

DEAR SECRETARY CHENEY: Last Friday, contrary to the Senate's action regarding the FY90 Defense Appropriations bill, the Navy awarded two contracts totalling $420 million to begin production of the $4.8 billion Airborne Self Protection Jammer (ASPJ). Signing these contracts before the Senate-House appropriations conference had begun seems to be an attempt by the Navy to end run the appropriations process.

These awards occurred despite exit criteria not being met, failed operational tests, Senate report language directing that pro-

duction not begin until further tests are passed, unanimous action by the full Senate fencing FY 90 ASPJ production funds, and a request by the DoD Inspector General that contract awards be delayed until a "quick reaction" audit of the decision to begin ASPJ production could be completed.

We believe that awarding the contracts was an impolitic action that demonstrated bad procurement policy and could weaken relations with the committees of jurisdiction and the Congress. We urge you to review these awards and to take appropriate actions to slow action on the ASPJ and give Congress and your Inspector General time to act on this issue.

Sincerely,

CHARLES GRASSLEY.
DAVID PRYOR.

Mr. PRYOR. Mr. President, I thank the Chair. I yield the floor.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

(The remarks of Mrs. KASSEBAUM pertaining to the introduction of S. 1858 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

MONTANA'S CENTENNIAL CELEBRATION

Mr. BURNS. Mr. President, it was 100 years ago today that Montana was signed into statehood, and we want to recognize that at this time. Yesterday we accepted some items from the Archives, and there was quite a nice ceremony here in the Capitol. At 12:40, 100 years ago today the President signed us into statehood. We say congratulations to the home State on this day. There will be quite a gathering in Helena tonight, and I am sorry we will be missing some of that.

Mr. President, if you will allow me, I will read the official proclamation by the President for Montana Centennial Day, 1989:

On November 8, 1889, Montana was admitted to the Union as the 41st State. In the Century that has followed, the people of Montana have built upon their frontier heritage and made substantial contributions to our Nation's economic and social well-being.

During their famous expedition early in the 19th century, Captains Meriwether Lewis and William Clark introduced this "Big Sky Country" to the world. By wagon train and later by railroad, a rush of homesteaders seized the opportunity to cultivate this new land and enjoy its abundant natural resources. Our Nation's fourth largest State is now home to a number of important industries—such as farming, ranching mining, and tourism—that utilize its spectacular wealth of forests, prairies, wildlife, minerals, and natural beauty. Montanans are a proud, hardworking, and community-minded people who have added strength and color to the character of America.

In recognition of these contributions, the Congress, by Senate Joint Resolution 19, has designated November 8, 1989, as "Montana Centennial Day" and has authorized and requested the President to issue a proclamation in observance of this day.

Now, therefore, I, George Bush, President of the United States of America, do hereby proclaim November 8, 1989, as Montana Centennial Day.

In witness whereof, I have hereunto set my hand this eighth day of November, in the year of our Lord nineteen hundred and eighty-nine, and of the Independence of the United States of America the two hundred and fourteenth.

And, of course, it is signed by the President of the United States and we appreciate that very much.

So I will just say, happy birthday Montana.

Mr. President, I yield the floor.

REPEAL OF SECTION 89

Mr. BURNS. Mr. President, I want to make a comment about yesterday's activities, as we were successful, and I am pleased that Congress finally repealed section 89 of the IRS Code. From the very first day when I entered the U.S. Senate, I have continually sought to repeal section 89. I am very pleased to have a part in relieving some of the burden that is placed on small business owners, not only in Montana, but across this Nation.

We are a Nation of small business people, and this was one of those things that is probably well-intended, but nonetheless, the administrative rules got this completely out of hand, and it had become quite a burden. Everyone now accepts that section 89 was a regulatory nightmare which only burdened small business with excessive paperwork. In fact, we had testimonials from people across the country that say they were paying a lot of fees for consultants just to see if they complied with the law.

Businesses incurred high costs in the tests of their plans, and many companies decided they were going to forgo that cost and drop their retirement and health plans altogether. And for a small company, where they have just a limited amount of employees, that would only add to the problem that we already face in this Nation: A lot of people do not have health insurance.

So to me the latter was the No. 1 reason to support the repeal of section 89 because of that.

With all the news about the number of uninsured workers and the rising cost of health insurance, it is clear that 89 was a step in the wrong direction. Although I believe, like many Members of this body, that the repeal should have taken place long ago, I must commend the Senate for finally taking the right course of action.

Mr. President, it is a great victory on the part of small business across the country and I am proud we played some minor role in that and that the Senate have finally seen fit to rectify that.

THE RURAL TOURISM FOUNDATION CONCEPT

Mr. BURNS. Mr. President, I have some comments here regarding a bill that Senator ROCKEFELLER and I spent a little time together crafting on rural tourism.

Mr. President, on Wednesday, October 25, 1989, Senator ROCKEFELLER and I, along with all of the members of the Senate Commerce, Science, and Transportation Committee, introduced S. 1791, the Tourism Policy and Export Promotion Act of 1989. The purpose of that legislation is to help the United States become more competitive in the international tourism market.

One of the key provisions of the bill is section 8, which calls for the creation of a Rural Tourism Foundation. The introductory statement I made Wednesday gave a less than complete picture of what we have in mind for such a foundation, that is the Rural Tourism Foundation. Therefore, I would like to take this opportunity to make a few further remarks about the idea which to my estimation is an idea whose time has come.

A nonprofit Rural Tourism Foundation would be formed for the sole purpose of making sure that rural America gets its fair slice of the travel and tourism pie. Of course, attracting foreign visitors to rural areas would be an important part of that picture.

S. 1791 does not spell out just how the Rural Tourism Foundation would work, it provides only the skeletal framework required to create and fund a tax-exempt organization that can help USTTA promote rural tourism. Over the next few weeks, Senator Rockefeller and I will be working with USTTA and the Commerce Committee's Travel and Tourism Industry Advisory Council to get their ideas. In the meantime, let me tell you something about where we're coming from and where we think we're headed.

As I said on Wednesday, one of the first things on the agenda of a Rural Tourism Foundation would be to put together a rural tourism trade development plan with specific objectives and deadlines for accomplishing those objectives.

We know that one of the most important of those objectives would be incorporating our national scenic and recreational destinations into the USTTA's regional marketing activities. A closely related objective would be to ensure that comprehensive foreign language materials on our national scenic and recreational areas—including brochures, maps, guidebooks, and interpretive materials—are available to our foreign visitors.

Another objective might be the development of educational programs aimed at improving visitor services provided by businesses in rural communities and concessionaires near na-

tional scenic and recreational areas as they prepare for increasing numbers of foreign visitors.

Why are we focusing so much attention on national scenic and recreational areas? It is a natural. Let me explain. As we started working on legislation to boost tourism in rural areas, we came across a USTTA study that said that the majority of foreign visitors want to visit an area of natural scenic beauty when they travel to the United States. However, they only know about the most popular national parks in the United States such as the Grand Canyon, Yosemite, Yellowstone, and the like. What those potential foreign visitors do not know about are the hundreds of other national parks and forests, and other Federal recreational lands all over the United States.

Most of those Federal parks are located in rural areas. Only one of the Bureau of Land Management's 460 recreational areas is located within a half hour's drive of a major city. Only 10 of the 156 National Forests is located that close to an urban area. Of the National Park Service's 355 parks, parkways, recreation areas, historical parks and sites, monuments, and seashores, only 61 are located in or near metropolitan areas. All but about 10 percent of the Corps of Engineer's 4,300 recreation areas located on 472 manmade lakes across the country are in rural America.

We asked the National Park Service, the National Forest Service, the Bureau of Land Management, and the Corps of Engineers to tell us what they did to see that foreign visitors knew about and could enjoy national scenic and recreational areas throughout the country. They told us our government just doesn't have the resources to make information available to foreign visitors in their own languages. Furthermore, while each of those organizations has maps and materials showing its own parks, no single map of the country shows all U.S. scenic and recreational lands.

The situation we have discovered is that people overseas cannot get information they need to discover the full range of our country's national beauty. They cannot find out which popular national parks and forests are apt to be so crowded that they won't be able to get in, nor where they might go instead. In addition, foreign tourists who come to our national parks and recreation areas cannot get information in their own languages so they can get the most out of their visit. Nor do they receive important information about safety and conservation concerns.

We think we can and should do better and that the Rural Tourism Foundation can help. We have talked about our ideas with concessionaires located near national parks, forests and recreational areas; public-spirited representatives of major corporations; county and local government officials; small business owners in rural areas; and other individual citizens who simply have an interest in getting people to see more of our great country. They know more can be done, and they are excited about this idea.

Mr. President, I urge my colleagues to join us in making S. 1791 our idea of Rural Tourism Foundation a reality. There is a lot of work to be done. I think it is worthwhile.

Out of the enormous amount of money that is spent every year in tourism around the world, we are only attracting about 10 percent of the world tourism dollar to the United States. I just think it is a tremendous tool and can help us out here in this country. It is a great export. It is clean and it is good for business all the way around.

Mr. BURNS. I think that is all I have for the day.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. ROBB). The Chair notes the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

GLOBAL WARMING

Mr. SIMPSON. Mr. President, my remarks will be brief and then we will conclude the day's activity.

I just wanted to state that yesterday and today several Members of the body seemed to have a high old time of it roundly criticizing the administration for a lack of Presidential leadership on the global warming issue because the United States has declined to hastily and in an ill-considered way endorse a ceiling on CO_2 emissions by the year 2000.

I think it is unfortunate to hear that stream of accusations coming from largely those on the other side of the aisle as if this were some partisan activity. Completely overlooked were the actions the administration has already undertaken to address the global warming phenomenon. And we have done more than any other nation in the world.

In the first 10 months of this administration, the United States has taken several actions unilaterally—they did not have to do it; nobody pressured them—under this President, which, in addition to being remarkably meritorious on their own right, will reduce CO_2 emissions and address the global warming problem.

We have the administration's proposed Clean Air Act which is languishing. And we are ready. There were 25 of us on both sides of the aisle who sponsored that. It is laboring along. We always say, "well, I guess we are close on acid rain, so if we could resolve that, we are just an ace away from doing that." But, meanwhile, why do we not just resolve that then and move on? But we do not.

We have that presented to the Congress by the President of the United States. Tht is a pretty remarkable piece of legislation, reducing pollution from coal-fired powerplants and placing a permanent cap—and I have to swallow hard on that, myself. I think that can hurt the West, growth in the West. There are things in it I do not like, but it is a powerful incentive for conservation. That alone would reduce CO_2 emissions by several percent a year.

No other nation has adopted that kind of ambitious clean air strategy, including Canada. And they whacked on us pretty hard, our fine neighbor to the north. And I cannot tell you how much I enjoy their leaders and their Ambassador. But they do not have a law as good and as tough as ours.

Then we have the President's bill which allows total flexibility to choose all the means of achieving reductions which also helps reduce CO_2 emissions. Plants which use current scrubber technology are required to use additional energy, thereby adding approximately 3 percent to greenhouse gas production per plant.

The President's alternative fuels program, I have not heard anybody give him a little credit there. It is a good one and it got hung up yesterday on a total partisan vote of 7 to 6. I have never seen that in my 11 years on the Environment and Public Works Committee.

If that is going to be the lay of the land, why, we are in a deep hole. We will be here a long time next year. We cannot bring it up this year. It was a total partisan vote twice yesterday in subcommittee on the administration versus some ephemeral thing which is being concocted by the staff of the Environment and Public Works Committee. And they are quite a crew. You cannot tell the Democrats from the Republicans, but they are still quite a crew. They just keep cranking it out down there, and that is why we never get anything passed here.

So, hopefully, we will get something passed here which will somehow pass the test of the Environment and Public Works Committee staff. I hope that can be done. But if that is the way it is going to be, it is going to be a long haul.

I am ready to try to work with Senator MAX BAUCUS of Montana. He has a tough job. He is a national Senator, but he is a Senator from Montana, and they are watching him like a hawk. They want to be sure that he remem-

bers that he is a Senator from Montana when we get to these tough question issues. I would hate to be in his position, but that is the way it is. We do not get to play the cards we get dealt in this place.

This is the President's alternative fuels program that would substantially reduce CO_2 emissions yearly, especially if automobiles were to run on natural gas, CNG, or natural gas-based ethanol or methanol.

The administration's actions to increase required corporate average fuel efficiency—CAFE—standards to 27.5 miles per gallon will cut CO_2 emissions from automobiles.

The administration has not only called for a worldwide phaseout of CFC's by the year 2000, but the administration's February 9 budget included a unilateral fee on CFC emissions, which will sharply reduce U.S. production and emissions of CFC's. The CFC fee has been adopted by both the House and the Senate in their respective reconciliation bills. Scientists believe that CFC's are responsible for 20 percent of the greenhouse problem.

The administration has sharply increased funding for global climate change research. They did that. The fiscal year 1990 budget contains almost a half a billion dollars for that effort, and they expect to increase it in their fiscal year 1991 budget. No other nation is spending nearly this much on research.

The administration is now developing a national energy strategy, to be released in April. We have never done that. We always foundered on that because the Northeast does not like what the Southwest is doing and the West does not like what the East is doing and the low sulfur does not like what the high sulfur is doing. But one of the clear goals in developing the strategy is to increase energy conservation.

Some of my colleagues are calling for CO_2 emissions reduction, either as a part of the Clean Air Act or separately. So I just want to leave with my colleagues the caution against hasty and rash calls for further CO_2 reductions in the year 2000 when the industrialized countries of the world will not be able to know whether they can get there or not, with modeling which is erroneous, modeling based on emotion, modeling based on modeling, which is bad enough, and synergistic analyses and white papers and all the stuff that goes with that. And now scientists tell us that they do not even know if the greenhouse effect is really an issue or is warming the Earth. I do not know.

I think it is a serious problem. So does George Bush, our fine President. You just cannot ignore the uncertainties of the magnitude and timing and the regional variations of global warming. And who is? Nobody is ignoring that. We have a science adviser to the President.

While the United States pursues the courses of action I mentioned—with the help of my colleagues, we will get clean air enacted—the Intergovernmental Panel on Climate Change will provide a solid foundation for international action.

It is much more than talk that President George Bush has been involved in.

It is a little bit hysterical, I think, to hear some of the commentary. The only greenhouse effect here, I think, is that they have heated up the Chamber a little with the talk, but have not done a thing to getting the issue honestly addressed. We have a lot to do, all of us. Let us try to deal in facts instead of emotion. Emotion will always triumph over reason, but reason will always persist eventually.

So I just wanted to put that in as chapter 2, knowing that chapter 3 will follow, and then we will go to chapter 4 the next day.

I thank the Chair for his courtesy.

Now, I await our leader.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BRYAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CASON NOMINATION

Mr. KASTEN. Mr. President, it is always unpleasant to have to reject a Presidential nominee—especially when the President is our distinguished friend and Republican leader, George Bush.

It is just such an unpleasant task that brings me to the floor today. A good man—Jim Cason—has been nominated for the wrong job, and I therefore intend to oppose his nomination. Indeed, I would much prefer that the President withdraw this nomination and send us a more appropriate one. I have asked the President to do just that. If, however, the Senate does vote on the nomination of Jim Cason to be Assistant Secretary of Agriculture, I will vote against him.

The position of Assistant Secretary of Agriculture requires a record of proven commitment to land conservation. During his tenure at the Department of the Interior, Mr. Cason failed to establish such a record. In responding to a series of questions I asked him about the 1990 farm bill, he concentrated on the cost of conservation programs without even mentioning the fact that they are cost effective over the long term.

America's wetlands and other threatened lands are far too valuable to be entrusted to a custodian whose commitment to protecting them is, at best, questionable.

In response to queries from my office about why he wanted this particular job—as opposed to others for which I would be more than delighted to support him—Mr. Cason could not identify any unique mission or skills he could bring to the position.

Let me stress that Mr. Cason is a good man, and the kind of public servant our Government really needs. I hope an appropriate position can be found for him. But I cannot support this particular nomination. I hope we can get to work on approving a genuinely proconservation nominee for Assistant Secretary of Agriculture.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a treaty which were referred to the appropriate committees.

(The nominations and treaty received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 3, 1989, the Secretary of the Senate, on November 8, 1989, during the recess of the Senate, received a message from the House of Representatives announcing that the House agrees to the amendment of the Senate to the joint resolution (H.J. Res. 280) increasing the statutory limit on the public debt.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker has signed the following enrolled bills and joint resolutions:

H.R. 3287. An act to waive the period of congressional review for certain District of Columbia acts authorizing the issuance of District of Columbia revenue bonds;

H.R. 3318. An act to redesignate the Federal building in Houston, Texas, known as the Concorde Tower, as the "George Thomas 'Mickey' Leland Federal Building";

H.R. Res. 280. Joint resolution increasing the statutory limit on the public debt; and

H.J. Res. 425. Joint resolution designating November 12 through 18, 1989, as "Community Foundation Week."

Under the authority of the order of the Senate of January 3, 1989, House Joint Resolution 280 was subsequently signed on November 9, 1989, during the recess of the Senate, by the Acting President pro tempore (Mr. KERREY).

MESSAGES FROM THE HOUSE

At 2:19 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the bill (H.R. 1231) to direct the President to establish an emergency board to investigate and report respecting the dispute between Eastern Airlines and its collective bargaining units.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3067. An act to repeal Medicare provisions in the Medicare Catastrophic Coverage Act of 1988.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Under the authority of the order of the Senate of January 3, 1989, the following enrolled joint resolution, previously signed by the Speaker of the House, was signed on November 9, 1989, during the recess of the Senate, by the Acting President pro tempore [Mr. KERREY].

The ACTING PRESIDENT pro tempore [Mr. FOWLER] reported that he had signed the following enrolled bills and joint resolution, previously signed by the Speaker of the House:

H.R. 3287. An act to waive the period of congressional review for certain District of Columbia acts authorizing the issuance of District of Columbia revenue bonds;

H.R. 3318. An act to redesignate the Federal building in Houston, Texas, known as the Concorde Tower, as the "George Thomas 'Mickey' Leland Federal Building"; and

H.J. Res. 425. Joint resolution designating November 12, through 18, 1989, as "Community Foundation Week."

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-373. A resolution adopted by the City Council of Lakewood, OH, supporting amendments to the Clean Air Act providing for a general reduction in sulphur dioxide emissions by placing a permanent cap on emissions from individual generating units; to the Committee on Environment and Public Works.

POM-374. A resolution adopted by the City Council of Lakewood, OH, supporting the proposed Americans With Disabilities Act; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, without amendment:

S. 1391. A bill to amend the Public Health Service Act to establish a Foundation for Biomedical Research, and for other purposes (Rept. No. 101-193).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources:

Melva G. Wray, of Connecticut, to be Director of the Office of Minority Economic Impact;

William H. Young, of New Jersey, to be an Assistant Secretary of Energy (Nuclear Energy); and

Martin Lewis Allday, of Texas, to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1993.

(The above nominations from the Committee on Energy and Natural Resources were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SHELBY:

S. 1849. A bill to amend the Securities Exchange Act of 1934 to provide a private right of action for violations of the margin requirements under section 7 of the act; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CONRAD (for himself, Mr. KOHL, Mr. ROBB, Mr. DASCHLE, Mr. WIRTH, and Mr. BOSCHWITZ):

S. 1850. A bill to require sequestration for a fiscal year if the actual deficit for the preceding fiscal year exceeds the target by more than $10,000,000,000; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee have 30 days of continuous session to report or be discharged.

By Mr. LOTT:

S. 1851. A bill to supplement the impeachment remedy for removing Federal judges for misbehavior; to the Committee on the Judiciary.

By Mr. SARBANES (for himself and Ms. MIKULSKI):

S. 1852. A bill to amend the Chesapeake and Ohio Canal Development Act to make certain changes relating to the Chesapeake and Ohio Canal National Historical Park Commission; to the Committee on Energy and Natural Resources.

By Mr. CHAFEE (for himself, Mr. MITCHELL, Mr. BURDICK, Mr. MOYNIHAN, Mr. D'AMATO, Mr. BAUCUS, Mr. LIEBERMAN, Mr. DURENBERGER, Mr. WARNER, and Mr. JEFFORDS):

S. 1853. A bill to award a Congressional Gold Medal to Laurence Spelman Rockefeller; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. METZENBAUM (for himself and Mr. BYRD):

S. 1854. A bill establishing the Aviation Policy Board for the purpose of setting airfares and routes, and requiring the Secretary of transportation to take certain actions to improve service and promote safety in airline travel; to the Committee on Commerce, Science, and Transportation.

By Mr. STEVENS:

S. 1855. A bill to authorize a certificate of documentation for the vessel *Camelot*; to the Committee on Commerce, Science, and Transportation.

S. 1856. A bill to authorize a certificate of documentation for the vessel *Sinbad*; to the Committee on Commerce, Science, and Transportation.

By Mr. WILSON:

S. 1857. A bill to establish an Upper Sacramento River fishery resources restoration program; to the Committee on Commerce, Science, and Transportation.

By Mrs. KASSEBAUM (for herself, Mr. DOLE, Mr. DANFORTH, and Mr. BOND):

S. 1858. A bill to amend the Federal Aviation Act of 1958 relating to bankruptcy transportation plans; to the Committee on Commerce, Science, and Transportation.

By Mr. WARNER (for himself, Mr. ROBB, Mr. JOHNSTON, and Mr. MCCLURE):

S. 1859. A bill to restructure repayment terms and conditions for loans by the Secretary of the Interior to the Wolf Trap Foundation for the Performing Arts for the reconstruction of the Filene Center in Wolf Trap Farm Park in Fairfax County, VA, and for other purposes; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MURKOWSKI:

S. Res. 204. Resolution to express the Senate's concern over bid rigging activities at United States military bases in Japan, and to encourage the Departments of Defense, State, and Justice to continue their efforts to end these pursuits; to the Committee on Foreign Relations.

By Mr. BUMPERS (for himself and Mr. CHAFEE):

S. Res. 205. Resolution to establish a student tree planting program; considered and agreed to.

By Mr. KENNEDY:

S. Con. Res. 80. Concurrent resolution to correct technical errors in the enrollment of the bill H.R. 2710; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SHELBY:

S. 1849. A bill to amend the Securities Exchange Act of 1934 to provide for a private right of action for violations of the margin requirements under section 7 of the act; to the Com-

mittee on Banking, Housing, and Urban Affairs.

PRIVATE RIGHT OF ACTION LEGISLATION

● Mr. SHELBY. Mr. President, I have always subscribed to the philosophy that our capital markets should be allowed to react freely, generally unhindered. The capital markets will, given time, make the adjustments necessary to reflect changing economic circumstances and should be permitted to do so without government interference save for the existence of a basic regulatory structure to ensure fundamental soundness and integrity. I have never perceived corporate acquisitions, hostile or otherwise, as evil per se. However, I have become increasingly concerned about our domestic corporate debt levels and the prevailing attitude that it is better to owe than to own.

I believe that the most serious problem that confronts our economy today is debt—debt owed by our Government, debt owed by our businesses, and debt owed by our citizens. The levels are staggering. The national debt will soon be over $3 trillion; the household debt is over $3 trillion; and the business debt is over $4 trillion. Soon interest on the Federal debt will become the single largest component of the Federal budget, diverting money to pay for past expenditures and preventing the use of these resources on problems facing us today. Similarly, too much corporate debt means too much cash flow is diverted into debt service from research and development and from other new capital investment. Further, too much corporate debt is driving up the cost of capital thereby impeding sound long term corporate planning.

Unfortunately, the key to a corporate takeover is frequently debt. The bidder secures loans from a bank in order to purchase the shares of the target company. To repay these loans, the newly acquired company issues new debt and usually sells off assets to generate cash. Similarly, in defending against a bidder, a corporation may itself issue new debt using the proceeds to purchase its own stock in order to fend off potential acquirers.

While a takeover is often part of a legitimate business plan of a corporation to enter a new business or to acquire a going concern and thereby increase the corporation's ability to efficiently provide products and services, there is no doubt that there exist abuses associated with hostile takeovers. Some of these abuses have recently manifested themselves in the form of default in the payment of high yield bonds. Obviously too much subordinate debt is present, and more pundits except to see more such defaults occur in the future.

Certain corporate situations should be defined and addresed to insure that the vast amount of corporate debt our businesses are accumulating is being accumulated in an environment that minimizes the potential for takeover abuse. Many of today's corporate takeover transactions may be saddling American corporations with a dangerous level of debt which will restrict their ability to modernize and weather economic downturns.

I have previously attempted to partially address the problem of growing corporate debt by leveling the incentives for issuing debt versus issuing equity. During June of this year, I introduced a bill providing a deduction to companies for dividends paid to its shareholders to correspond with the deduction already permitted to companies for the interest it paid on corporate debt. During September of this year, I introduced another bill, the Investor Equality Act, which I hope will serve as another positive step toward what I believe is a series of legislative remedies necessary to curtail our increasing corporate debt and the dangers attendant thereto.

Today I am introducing legislation to clarify a confusing state of affairs which is presently occurring in the securities law area, particularly with respect to corporate takeovers. Section 7 of the Securities Exchange Act of 1934, among other things, authorizes the Board of Governors of the Federal Reserve System to prescribe rules and regulations with respect to the amount of credit that may be initially extended and subsequently maintained on any security. Legislation for this authority was enacted for the purpose of preventing the excessive use of credit for the purchase or carrying of securities—certainly a noble goal in today's present corporate debt ridden environment.

The FED has promulgated a complex array of margin regulations pursuant to this grant of authority, many of which apply in the corporate tender offer area. The FED's margin regulations generally prohibit more than 50 percent of the cost of acquiring stock in a tender offer from being secured, directly or indirectly, by the stock of the acquired company. Many of the hostile corporate takeovers launched in the last few years have been so highly leveraged that the existence of margin regulation violations would appear likely.

With these myraid margin regulations in place, one would assume that while complex questions of interpretation will arise periodically, the regulations would be enforced. Increadibly enough at least with respect to hostile corporate tender offers, that may not be the case. The Securities and Exchange Commission is the agency charged by statute with enforcing the FED's margin requirements. However, the SEC has recently shown no inclination to initiate an enforcement action against potential margin regulation violatators in the corporate tender offer area. Hopefully, under the new leadership of Richard Breeden, the SEC will become more assertive in investigating potential margin violators and vigorously pursuing those individuals and entities responsible for the violations in the most appropriate legal manner.

In the absence of action by the SEC, the next logical place to turn for enforcement would be the courts. Sadly, while in the past there was a split of authority on the issue, the most recent court pronouncements on the subject overwhelmingly conclude that no standing exists for a private cause of action. Thus, without becoming mired in the legal jargon, even if the financing for a corporate acquisition is substantially suspect and potentially violates the margin requirements, the court holds that no one can bring a private right of action to challenge the acquisition because there exists no standing to bring such an action.

One does not have to be a Wall Street wizard to suspect that much of the takeover activity over the past few years has been transacted with margin lending violations. However, no one appears to be interested in policing the requirements. The FED claims it is required by law to look to the SEC for enforcement; the SEC is apparently dropping the ball; and the courts state that no one else has the standing to become involved. The solution would be to pass legislation that provides for a private right of action for violations of the margin requirements. This is the simple purpose of the legislation that I am introducing today.

My bill would amend the Securities Exchange Act of 1934 by adding a provision which would permit an issuer of securities to bring a suit for damages against a purchaser of 5 percent or more of any class of such securities if the purchase of the securities violates the margin lending requirements. Further, the bill would be essentially retroactive for 3 years to allow the courts the opportunity to scrutinize many of the recent takeovers to ensure that margin lending violators do not remain unpunished.

Without legislative action, margin violators will continue to roam across our capital markets with total disregard for the financial safeguards designed for, among other purposes, the protection of the small equity investor and small bondholder. I urge my colleagues to join me in supporting the measure and look forward to examining in more detail the private right of action issue during the Banking Committee's takeover hearings.

I ask unanimous consent that the bill be printed in full in the RECORD following the completion of my statement.

29-059 O-90-3 (Pt. 20)

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1849

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 7 of the Securities Exchange Act of 1934 (15 U.S.C. 78g) is amended by adding at the end the following:

"(h) The issuer of securities purchased or carried in violation of this section or the rules or regulations thereunder in connection with the financing of a tender offer for, a request or invitation for tenders of, or other acquisition of, 5 percent or more of any class of equity securities of such issuer, or any shareholder of such issuer, may bring suit in any court of competent jurisdiction to recover actual damages sustained by that person, and the cost of the suit, including reasonable attorney's fees, and to seek such equitable relief as the court deems proper to carry out the purposes of this section and the rules and regulations thereunder. Such relief may include an order enjoining any person violating any provision of this section and the rules and regulations thereunder from voting securities, an order to compel divestiture of securities, or an order enjoining the making of any tender offer for such period of time as the court may order. The provisions of subsection (b) of section 18 of this title shall apply to any such action seeking monetary damages. No action shall be maintained to enforce any liability created under this subsection unless brought within 3 years after such cause of action accrued.".

(b) The amendment made by subsection (a) shall take effect on the date of enactment of this Act and shall apply to any tender offer, request, or invitation for tenders that commenced, or other acquisition of securities that was made, on or after the beginning of the 3-year period preceding such date of enactment.●

By Mr. CONRAD (for himself, Mr. KOHL, Mr. ROBB, Mr. DASCHLE, Mr. WIRTH, and Mr. BOSCHWITZ):

S. 1850. A bill to require sequestration for a fiscal year of the actual deficit for the preceding fiscal year exceeds the target by more than $10 billion; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

REQUIRING SEQUESTRATION TO COVER DEFICIT SPENDING IN EXCESSS OF $10 BILLION

Mr. CONRAD. Mr. President, after the events of last evening to extend the debt limit, perhaps this morning is a good time to discuss additional methods for deficit reductions.

That is my purpose this morning as I rise to introduce a bill on behalf of myself, Senators KOHL, ROBB, DASCHLE, WIRTH, and BOSCHWITZ.

The need for action is clear. Over the last decade we have engaged in a policy of debt, deficit, and decline. The evidence is overwhelming. We've tripled the national debt. We have multiplied the trade deficit fourfold. We have gone from being the largest creditor nation in the world to being the largest debtor nation. Our national savings rate has declined and continues to be lower than our economic competitors. This is not a policy that can be sustained.

It is clear that we must do something to get the Nation headed in the correct fiscal direction. We've been operating under the Gramm-Rudman law for several years and with each year, we learn more ways around it. I am a cosponsor of several process reform proposals. None of them will solve our problem; the President and Congress will have to make the decisions to reduce the deficit. However, I believe that if we can reduce the number of loopholes in the budget process and focus on the real problem, we will be closer to a solution.

I rise today to introduce a proposal to help us gain that focus.

THE LOOK BACK PROPOSAL

This bill would amend Gramm-Rudman to close one of the loopholes that Congress and the administration have taken full advantage of recently—increasing funding in the current fiscal year because it doesn't "cost" anything. We have done it through payroll shifts; we did it with the savings and loan bailout; we'll do it at the next opportunity unless there is a tangible consequence for our action.

The Gramm-Rudman law as it is structured, keeps Congress and the administration focused on the upcoming fiscal year. We attempt to meet one target at a time. We'll do almost anything to satisfy that one target—at the expense of making lasting policy choices. We continue to create new accounting gimmicks. Once OMB decides that we've satisfied the requirement and we'll meet the deficit target for the next fiscal year Congress then proceeds to shift costs into that fiscal year because it doesn't count against Gramm-Rudman. We've already met the target. Well, no matter how we try to fool ourselves, it does count.

This bill would reduce the incentive to shift funding into the current year by providing a real consequence for that action: If legislation is enacted during the fiscal year that increased the deficit—and did not provide an offset—that action runs the risk of causing sequestration.

For example, this August, OMB determined that the deficit for fiscal year 1990 would be $126 billion. The way we operate now, once Congress passes the legislation necessary to get back to the target, the work of meeting Gramm-Rudman is completed for the year. This year, for example, the budget reconciliation bill will bring us back to the necessary range to meet Gramm-Rudman requirements. Under this bill, however, if future legislative action pushed the deficit over the target—by more than the $10 billion cushion—again, a sequestration would be required to bring the deficit back down to the cushion level.

This bill would not add another sequestration date—all the changes tie into our current process timetable. It wouldn't extend the time we have for budget deliberation. If we actually made lasting policy choices—as painful as they would be—we may actually reduce the time necessary to formulate budget policy.

Also, under this bill Congress would be required to use CBO economic and technical assumptions throughout the process. I believe that will go a long way to bring some honesty to our work.

I have consulted with the Congressional Budget Office in drafting this bill and have incorporated its suggestions. On CBO advice, for example, all action would be scored according to the same forecast throughout the year. All changes to the budget for fiscal year 1991 would be scored—for Gramm-Rudman purposes—on the forecast that OMB used in August when it determined that the deficit level for fiscal year 1990. Congress would be working under the same set of rules the entire time. There would be no shifting ground to deter us—or to hide behind.

I offer this proposal as a constructive modification on the budget process, not as a panacea. Former CBO Director Rudy Penner once said, "The process isn't the problem. The problem is the problem." If we can tighten the process to force Congress to look at the problem rather than evade it, I believe we'll be closer to a solution. I urge my Senate colleagues to take a serious look at the proposal.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1850

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SEQUESTRATION TO COVER DEFICIT SPENDING IN A PRECEDING FISCAL YEAR IN EXCESS OF $10,000,000,000.

(a) DETERMINATION OF DEFICIT SPENDING.—Section 251(a)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(a)(1)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (E) and (F), respectively; and

(2) by inserting immediately after subparagraph (B) the following new subparagraphs:

"(C) estimate the budget levels of total revenues and outlays that may be anticipated for the preceding fiscal year as of August 15 of the preceding fiscal year, such estimates to be based on the same economic and technical assumptions on which the estimates for that fiscal year pursuant to subparagraph (A) were made the previous year,

"(D) determine whether the projected deficit for the preceding fiscal year will exceed the maximum deficit amount for the preceding fiscal year and whether such deficit

excess will be greater than $10,000,000,000 (zero in the case of fiscal year 1993), such determination to be based on the same economic and technical assumptions on which the determination for that fiscal year pursuant to subparagraph (B) was made the previous year,".

(b) REPORTS.—Section 251(a)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(a)(2)) is amended—

(1) in subparagraph (A) by striking "1993), estimating" and inserting "1993), identifying the amount of any deficit excess for the preceding fiscal year, stating whether such excess is greater than $10,000,000,000 (zero in the case of fiscal year 1993), estimating";

(2) by redesignating subparagraph (C) as subparagraph (D);

(3) by inserting the following new subparagraph after subparagraph (B):

"(C) The budget of the United States submitted by the President pursuant to section 1105, United States Code, and the supplemental budget submitted pursuant to section 1106, United States Code, shall include a determination whether the projected deficit for the fiscal year preceding the fiscal year for which the budget and supplemental budget are submitted will exceed the maximum deficit amount for the preceding fiscal year (such determination to be made using the same technical and economic assumptions that the Director of OMB used in making the initial determination of the deficit excess for that fiscal year in the report made pursuant to subparagraph (B)) and whether such deficit excess will be greater than $10,000,000,000 (zero in the case of fiscal year 1993).''; and

(4) by adding the following new clauses at the end of subparagraph (D) (as redesignated by paragraph (2));

"(v) The Director of CBO, in making the determination of the deficit excess of a fiscal year in the revised report made pursuant to section (c)(1), shall use the same technical and economic assumptions that were used in making the initial determination of the deficit excess for that fiscal year in the report made pursuant to subparagraph (A).

"(vi) The Director of OMB, in making the determination of deficit excess of a fiscal year in the revised report made pursuant to section (c)(2), shall use the same technical and economic assumptions that were used in making the initial determination of the deficit excess for that fiscal year in the report made pursuant to subparagraph (B).".

(c) DETERMINATION OF REDUCTIONS.—Section 251(a)(3)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(a)(3)(A)) is amended—

(1) in subclause (II) by striking "or" at the end thereof;

(2) in subclause (III) by—

(A) striking "1991, 1992, or 1993,"; and

(B) striking the period and inserting "; or" at the end thereof; and

(3) by adding the following new subclause at the end thereof:

"(IV) for fiscal year 1991, 1992, or 1993—

"(aa) zero if the deficit excess for such fiscal year and the preceding fiscal year is equal to or less than the amount of the margin for each such fiscal year, respectively, specified in paragraph (10) of section 257; or

"(bb)(aaa) if the deficit excess for such fiscal year is greater than the amount of the margin for such fiscal year specified in paragraph (10) of section 257, the amount of the deficit excess for such fiscal year; and

"(bbb) if the deficit excess for the preceding fiscal year is greater than the amount of the margin for the preceding fiscal year specified in paragraph (10) of section 257, the amount of the deficit excess for the preceding fiscal year minus the amount of the margin for the preceding fiscal year.".

(d) USE OF CBO ECONOMIC ASSUMPTIONS.—Section 301(g) of the Congressional Budget Act of 1974 (2 U.S.C. 632(g)) is amended to read as follows:

"(g) ECONOMIC ASSUMPTIONS.—

"(1) Determinations under titles III and IV for any fiscal year shall be based upon the economic and technical assumptions of the Congressional Budget Office.

"(2) It shall not be in order in the Senate or the House of Representatives to consider any concurrent resolution on the budget for a fiscal year, or any amendment thereto, or any conference report thereon, that sets forth amounts and levels that are not determined in accordance with paragraph (1). A point of order under this paragraph may be waived or suspended in the Senate or the House of Representatives only by the affirmative vote of three-fifths of the Members of the Senate or the House of Representatives duly chosen and sworn.

"(3) The joint explanatory statement accompanying a conference report on a concurrent resolution on the budget shall clearly set forth the economic assumptions upon which such joint statement and conference report are based.".

By Mr. LOTT:

S. 1851. A bill to supplement the impeachment remedy for removing Federal judges for misbehavior; to the Committee on the Judiciary.

JUDICIAL INTEGRITY AND INDEPENDENCE ACT

Mr. LOTT. Mr. President, I rise today to introduce legislation that would provide an alternative to impeachment for removing Federal judges from office.

The Judicial Integrity and Independence Act of 1989 would authorize the appointment of a special three-judge court, which would have the power to remove a member of the Federal Judiciary for misbehavior. Under this measure, a Federal judge would have to step down from the bench if the Attorney General of the United States alleged and was able to prove before a three-judge court that the judge had violated the constitutional standard of good behavior by committing a felony.

Article II, section 4 of the Constitution states that: "The President, Vice President and all civil Officers of the United States, shall be removed from Office on Impeachment for, and Conviction of, Treason, Bribery, or other high Crimes and Misdemeanors." Federal judges are included among civil officers.

Article I, section 3, grants the Senate the sole power to convict and remove such officials from office, by a two-thirds vote.

However, Federal judges also are subject to article III, section 1, which provides that judges shall hold their office during good behavior. But the article does not set forth procedures under which judges who violate the condition of their tenure can be removed.

Under the Judicial Integrity and Independence Act of 1989, the Chief Justice of the United States, upon petition of the Attorney General, would be required within 30 days of receipt of such a petition, to appoint three Federal judges to try charges of misbehavior.

The Federal Rules of Civil Procedure would apply but special procedural safeguards utilized in criminal prosecutions—proof beyond a reasonable doubt, right to confront all adverse testimony, the exclusionary rule, the right to silence—would not since the removal panel would not have any power to dispense additional punishment. A unanimous verdict would be required for removal, and the decision would be final.

This proposal is similar to a measure approved by the House of Representatives in 1941. At the time, both the Department of Justice and the American Bar Association propounded the view that impeachment is not the only means authorized by the Constitution for the removal of a judge who has failed to comply with the constitutional requirement of good behavior.

And in 1970, the Department of Justice again endorsed this view. In testimony before the Senate Judiciary Committee, the assistant attorney general in charge of the Office of Legal Counsel stated that "impeachment is not the only constitutionally permissible method for the removal of judges."

He also said that "there is nothing on the face of article II, section 4, "to indicate that it was designed to constitute the exclusive method for the removal of judges." Today, that former Justice Department official serves as Chief Justice of the Supreme Court of the United States.

Now that the Hastings and Nixon cases are behind us, I believe it is an appropriate time to examine the impeachment process as it applies to Federal Judges to see whether it can be improved.

I, for one, have serious concerns about the process. And many of my colleagues have expressed similar misgivings. For example, why does it take so long to initiate proceedings against Federal Judges who misbehave? And why is it taking the Congress so much longer than it did during earlier impeachments in our Nation's history to complete action on these cases once a decision is made to move ahead?

In the 200 years following the adoption of our Constitution, only seven Federal judges have been convicted by the U.S. Senate and removed from office. Until the 1986 conviction of Judge Harry T. Claiborne of Nevada, there had not been an impeachment trial in 50 years.

But in the space of 2 weeks, the Senate has just voted to convict and remove two Federal judges—Alcee L. Hastings of Florida and Walter L. Nixon, Jr., of Mississippi.

Each of these cases involved charges that had been considered earlier by a jury in a criminal trial. In the Claiborne and Nixon cases, the judges were convicted and served time in prison, during which they continued to draw their salary, currently $89,500, for more than 2 years.

Something is wrong with the process when Federal judges are convicted of a felony in a criminal trail, sent to prison, and continue to receive their salary, even though they are not doing anything to earn it.

The trial of Judge Hastings resulted in his acquittal in 1983. But something is wrong with the process and unfair to the accused when 8 years passes between the time of the alleged offenses and impeachment by the House and trail by the Senate.

It took Congress a record 31 months from the date the Judicial Conference recommended that impeachment proceedings against Judge Hastings be initiated in the House of Representatives until the Senate rendered its verdict. The Hastings case was before the Senate longer than any impeachment trial in history, lasting 14½ months.

In 1935, recognizing the burdens that impeachment trials were imposing on the institution, the Senate adopted rule 11, which provides that the Senate shall appoint a committee to receive evidence and take testimony before an impeachment trail, if the Senate so orders. The Senate actually utilized select committees three times prior to 1935. But the first time it was used following adoption of rule 11 was in 1986 for the Claiborne case. It also was used in the recent Hastings and Nixon cases.

As our Nation has expanded, our legal system has grown in complexity. The Federal judiciary also has grown in numbers, and unfortunately, we may well be faced with more impeachments in the future. Recent experience bears this out.

For example, a criminal indictment against a Federal judge is now pending in California and, while I do not prejudge this matter in any way, these criminal proceedings could eventually lead to the initiation of impeachment proceedings in the House of Representatives.

The existing process of impeachment is cumbersome, time-consuming and unproductive for the Senate, for Senators, and for the Nation's business. In fact, impeachment might be compared to using a machinegun against an army of ants when an insect spray might do. And it is ill-suited today for the purpose of removing Federal judges whose conduct is open to question.

Most Members of Congress are busy with their numerous legislative and political responsibilities, and are unable to take the time required to focus on, listen to, and analyze the voluminous testimony in determining whether the constitutional standard of "high crimes and misdemeanors" for conviction on impeachment charges has been reached.

When the framers of our Constitution assembled in Philadelphia 202 years ago, the U.S. Senate was comprised of 26 Senators—one-fourth the size of today's Senate—just three fewer Members than our largest committee, the Appropriations Committee. Today, the Senate is an unwieldy body to have to sit as a court and jury in impeachment trials.

To be sure, the Senate contains the finest group of men and women anywhere, including a number of distinguished jurists. Many of us are attorneys by training. When I first was elected to Congress, I served on the House Judiciary Committee, and participated in the impeachment proceedings involving former President Richard Nixon.

But all of us are here because we are legislators first and foremost, not jurists. We were not elected to be legal experts in the administration of justice. And I do not believe that, except in situations involving the highest public officials, the U.S. Senate should be required to lay aside its legislative duties and don the robes of a judicial tribunal. Rather, it seems to me that the responsibility for determining whether Federal judges have misbehaved can be handled best by the judicial branch itself.

The bill I am introducing today is based upon additional procedures that most States have for removal of State judges. The States have created special commissions, whose members are appointed by the Governor, the State judiciary or the State bar, to investigate complaints against judges. After concluding an investigation, the commission can make recommendations directly to the State supreme court, which has the authority to discipline, suspend or remove a judge.

In my own State of Mississippi, for example, a State judge can be impeached, but we also have an alternate procedure that operates as follows. Upon the recommendation of a Commission on Judicial Performance, the State supreme court may remove, suspend, fine, publicly censure or reprimand a judge for various kinds of misconduct, including conviction of a felony in a court outside the State.

Most States have such a procedure. Isn't it about time the Federal Government also had a faster way than impeachment to remove Federal judges who misbehave?

The Judicial Integrity and Independence Act of 1989 is a modest proposal that would be used sparingly, since its provisions would be triggered only by allegations that a Federal judge had committed a felony. And it would not limit the ability of the Congress to initiate impeachment proceedings if it wished to do so.

Nor would it threaten the independence of the judiciary because neither the legislative nor the executive branch could compel the removal of a judge for alleged misconduct, other than through an impeachment proceeding. Only the judiciary would possess that authority.

There are two ways to remove officials of the Executive Branch. Either the President can seek their resignation or they can be impeached. And there are also two ways to remove Federal judges—through impeachment and through the procedures that would be triggered under this legislation. And we could do so without violating the Constitution since we would just be giving meaning to one of its sections, which is something Congress does all the time.

In 1936, following the conviction of Judge Halsted Ritter, Senator William McAdoo of California stated that "the nature of the process is such that * * * it seriously interrupts for long periods the necessary transaction of important legislative business, places an almost intolerable burden or hearings and weighing testimony upon Senators already charged heavily with other responsibilities * * *."

In 1941, Representative Hatton Sumners of Texas, who as chairman of the House Judiciary Committee participated in two judicial impeachments, warned his colleagues that "public opinion and public necessity cannot much longer tolerate this sort of ponderous, unfair, inadequate, farcical procedure—unfair to the judge on trial, to the Senate, to the people, and dangerous to the independence of the judiciary."

More recently, following the impeachment trial of Judge Harry Claiborne, our esteemed colleague, Senator HOWELL HEFLIN of Alabama, called for an alternative to impeachment, charging that the current procedure for impeaching Federal judges is "unworkable," "cumbersome and out of date." And our distinguished Republican leader, Senator BOB DOLE, also called for consideration of alternative remedies, describing the impeachment process as "time-consuming, expensive and elaborate."

The framers of the Constitution set forth a series of rules to govern the separation of the executive, legislative, and judicial branches. Among them was the intent that members of the Federal judiciary be free of all outside influences. Federal judges are the only civil officers who can hold their positions for life, provided they behave

themselves. Their salary cannot be reduced. And they are beholden to no one.

All that is required of them when they take their oath is that they assume office with the understanding that they will conduct themselves in accord with good behavior. If they misbehave, they violate their contract and may be compelled to give up their life tenure.

This legislation is premised upon the foundation that judges are to hold office only during good behavior. And the question is whether a judge has forfeited his right to continue in office is one that a court is fully qualified to determine if granted the authority to do so. This legislation will provide that needed authority.

It was a good idea in 1941, good enough to be approved by the House of Representatives. And it is an idea worth considering today. I ask my colleagues to support the Judicial Integrity and Independence Act of 1989 and invite them to join me in cosponsoring this measure.

I ask unanimous consent that a copy of the legislation, along with supporting materials, be printed in the RECORD. These include an article by Bruce Fein and William Bradford Reynolds, which was published in the October 30 issue of the Legal Times, and a copy of the testimony of William H. Rehnquist in 1970 before the Senate Judiciary Committee.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1851

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Judicial Integrity and Independence Act of 1989".

SEC. 2. PETITION.

The Attorney General is authorized, in his discretion, to petition the Chief Justice of the United States to appoint 3 judges within the Federal judiciary to determine whether a Federal judge (other than the Chief Justice of the United States or an Associate Justice of the Supreme Court of the United States) has engaged in conduct constituting a felony under the laws of the United States, and should be removed from office for lack of good behavior. The Chief Justice shall make the requested appointments within 30 days after receipt of the petition.

SEC. 3. CIVIL ACTION.

After appointment of the 3-judge court under section 2, the Attorney General, within 30 days after receiving notification of such appointment from the Chief Justice, may file a civil action to remove the accused judge before the 3-judge court in conformity with the Federal Rules of Civil Procedure, consistent with this Act.

SEC. 4. REMOVAL.

A Federal judge is removable under this Act only by the unanimous vote of the 3-judge court that he has engaged in conduct constituting a felony under the laws of the United States and should be removed from office for lack of good behavior. The decision of the 3-judge court shall be final and unreviewable in any other judicial forum.

SEC. 5. PROCEEDING ABATE.

Any civil removal action filed under section 3 shall be permanently ended if, at any time during its pendency, the House of Representatives votes an article of impeachment against the accused judge.

SEC. 6. NOT APPLICABLE TO JUSTICES OF THE UNITED STATES SUPREME COURT.

The civil removal powers of this Act are not applicable to Justices of the United States Supreme Court.

[From the Legal Times, Oct. 30, 1989]

JUDGES ON TRIAL: IMPROVING IMPEACHMENT

(By Bruce Fein and William Bradford Reynolds)

The recent trilogy of impeachment proceedings initiated against federal judges—Harry Claiborne, Walter Nixon Jr., and Alcee Hastings—spotlights the need to consider an alternative method for removing jurists for misbehavior. Most members of Congress are too busy to absorb all the impeachment testimony and deliberate meticulously on refined legal questions raised in determining whether misconduct rises to the level of a "high crime and misdemeanor," the constitutional standard for conviction on impeachment charges.

The heavy responsibility of deciding the grave question of removing a federal judge deserves a more informed deliberative process. This would not be difficult to structure: A new statute could empower a panel of three federal judges, on a unanimous vote, to remove one of their own for misbehavior. The removal would be made at the behest of the U.S. attorney general, if he alleges and proves facts constituting a federal felony on a special civil removal trial.

Article II, § 4 of the Constitution states that all "civil Officers of the United States shall be removed from Office on Impeachment for, and Conviction of, Treason, Bribery, or other high Crimes and Misdemeanor." Article I, § 3 grants the Senate the sole power to try all such impeachment, and to convict—that is, remove from office—by a two-thirds vote.

There is no question that the impeachment provisions apply to federal judges. But federal judges are also subject to Article III, § 4, which stipulates that judges shall serve only during "good Behaviour." This is a stricter standard of conduct than the impeachment standard—and provides the basis for the legislation we advocate here.

The good-behavior standard is rooted in ancient British law; it was enforceable in England through judicial proceedings seeking to forfeit a judicial office by a writ of scire facias, subsequently replaced by the writ of quo warranto.

In the 200 years since the adoption of the Constitution, only 12 judges have been impeached; only six, convicted and ousted. Some 60 judges have been investigated by the House for high crimes and misdemeanors, eight have been censured, but not impeached, and the rest have either resigned during the House investigation or left office in anticipation of possible impeachment inquiries.

"DOCTRINAIRE REVERENCE"

Limited judicial misconduct and a doctrinaire reverence for judicial independence have discouraged Congress for two centuries from legislating removal procedures for misbehaving federal judges. This prolonged inaction has persisted despite Congress' acknowledgment that impeachment, as the sole method of removal, is sorely lacking.

For example, as early as 1936, after the impeachment conviction of Judge Halsted Ritter, Sen. William McAdoo complained: "[T]he nature of the process . . . seriously disrupts for long periods the necessary transaction of important legislative business, places an almost intolerable burden of hearing and weighing testimony upon Senators already charged heavily with other responsibities, and for this reason alone is always resorted to with extreme reluctance, even in cases of flagrant misconduct." The "practical certainty," as McAdoo put it, that misconduct will rarely lead to impeachment "is a standing invitation for judges to abuse their authority with inpunity and without fear of removal."

Of course, today, a half-century later, members of Congress are even more preoccupied with legislative and constituent duties. Moreover, the number of federal judgeships has mushroomed to 761, which creates at least the possibility of some increase in the incidence of judicial misbehavior.

Plainly, impeachment trials suffer from shortcomings in the quest for truth. After the conviction of Judge Ritter, Rep. John Robinson lamented: "[I]t is humanly impossible to have all the Senators present all the time for a period of 10 days, 2 weeks or more, sitting as a jury." Rep. Chauncey Reed agreed that Senators "cannot and will not divest themselves of the time they must necessarily devote to their lawmaking activities and concentrate, analyze and digest the intricate testimony."

These unsettling remarks are even more pertinent to the contemporary impeachment proceedings against Claiborne (1986). Hastings (convicted on Oct. 20) and Nixon (in progress). Pursuant to Senate Rule XI, a select 12-member Senate committee was entrusted with the task of hearing testimony on behalf of the full Senate in each of these cases. Even with this streamlined procedure. Sen. Howell Hellin (D-Ala.) declared after the Claiborne case that "the Senate is no longer structurally able to conduct a long and complicated impeachment trial." He added: "[I]t is unrealistic to expect 100 Senators to act as both judge and jury during such a trial." Historically, the average impeachment trial has lasted about 16 days: the longest extended to six weeks.

Our proposed statute better addresses contemporary realities. Under our proposal, the chief justice of the United States would be empowered to appoint three federal judges to try charges of misbehavior initiated by the attorney general. Only allegations of conduct amounting to a federal felony (whether or not previously presented to a grant jury or trial jury) could trigger a removal proceeding. That strict criminal standard would reduce the likelihood of partisan accusations that might more easily be contrived by the executive branch under the broader and more nebulous standard of "misbehavior."

The attorney general would prosecute the case according to the Federal Rules of Civil Procedure. Special procedural safe-guards pertinent in criminal prosecutions—proof beyond a reasonable doubt, right to confront all adverse testimony, the exclusionary rule, the right to silence—would be inapplicable because removal proceedings inflict no punishment. (Convicted Judge Hastings, for instance, announced plans to resume law practice and has entered the race for governor of Florida.) A unanimous verdict by the

three presiding judges would be required to remove, and their decision would be unreviewable.

The recommended statutory removal procedures are unthreatening to judicial indepence. Neither the legislative nor executive branch could compel removal of a judge for alleged misconduct; that authority would be lodged solely within the federal judiciary itself. Nor will conoclastic judges need fear the ire of their brethren, for two reasons: Initiation of charges would be in the hands of the attorney general, and the felony standard would sharly circumscribe the discretion of both the prosecutor and the presiding judges in a removal proceeding.

Our idea is not entirely novel: The House passed a similar bill on Oct. 22, 1941, by a vote of 124 to 122, but it died in the Senate.

That Congress has left unexercised for 200 years its power to enact removal legislation is no argument against its constitutionality. There is no statute of limitations on the assertion of wisdom or legislative authority.

(Bruce Fein is a lawyer in private practice in Great Falls, Va., specializing in constitutional and telecommunications law. William Bradford Reynolds, a lawyer in private practice in Washington, D.C., is also a fellow at the National Legal Center in the Public Interest and a scholar at the Free Congress Foundation. "In All Candor" appears every other week in Legal Times.)

STATEMENT OF ASSISTANT ATTORNEY GENERAL WILLIAM H. REHNQUIST, OFFICE OF LEGAL COUNSEL, ON S. 1506, THE JUDICIAL REFORM ACT BEFORE SUBCOMMITTEE ON IMPROVEMENTS IN JUDICIAL MACHINERY OF THE COMMITTEE ON THE JUDICIARY, U.S. SENATE, 91ST CONGRESS, APRIL 9, 1970

Mr. Chairman: I welcome this opportunity to appear before this Subcommittee as the representative of the Department of Justice to testify on S. 1506, the proposed Judicial Reform Act.

S. 1506 covers many different areas, many of which are the direct concern of the legislative and judicial branches, rather than the executive. I therefore propose to limit my testimony to the constitutionality of the provisions of the bill relating to the removal of judges by methods other than impeachment, and to the involuntary retirement of judges for disability.

My conclusions on those two points are, in brief: First, impeachment is not the only constitutionally permissible method for the removal of judges; hence, judicial procedures for removal of the type provided for in S. 1506 are permissible. Second, a forceful argument can be made that a compulsory retirement system complies with the requirements of the Constitutional provision for tenure during good behavior, if it provides, as does S. 1506, for the continuation of the judge's salary and for an enforceable right to perform such judicial functions as the retired judge is willing and able to perform.

The Constitutional problems here involved obviously are far too complex to be handled adequately by way of testimony, which must necessarily be brief and cannot adequately document the historical and legal background. The Committee's own memorandum on the subject deals thoroughly with the English common law background of the problem, and with the arguments flowing from the Constitutional language itself. I shall advert only briefly to these, and concentrate on several historical precedents from the early history of our own nation.

I.

I shall first deal with the question whether impeachment is the only method authorized by the Constitution for the removal of a judge who has failed to comply with the Constitutional requirement of good behavior.

The various materials printed in the Appendix to your Hearings indicate that the Subcommittee is fully cognizant of the historical background of the good behavior clause. I therefore need give only such brief outline of the historical background as is absolutely required for a logical exposition of the Constitutional problems presented by Titles I and II of S. 1506.

Tenure of an office during good behavior has its roots in the England of the Middle Ages. It constitutes a grant of an office for life terminable upon breach of the condition that the incumbent behave himself well. The condition was breached by malfeasance in office or failure to perform the duties of the office. The question whether the condition was breached and the office forfeited was traditionally determined in judicial proceedings in the nature of the scire facias.

Originally tenure during good behavior was conferred on what we would now call administrative officers and on some judges of the lower courts. Thus, since the end of the XVth century, the Barons of the Exchequer who were primarily financial officers held office during good behavior.

The judges of the Courts of the King's Bench and Common Pleas, who are the closest to our federal judiciary, however, were granted commissions at the King's pleasure until the middle of the XVIIth century. From 1641 until 1669 the judges of all three Royal Courts were appointed to hold office during good behavior. From 1669 on, Charles II again began to appoint judges to hold office during the King's pleasure. The interference of the late Stuarts with the administration of justice was notorious. One of the principal reforms of the Glorious Revolution of 1688-1689 was the reinstitution of the judicial good behavior tenure, first as a matter of grace, and, as the result of the Act of Settlement of 1701, as a matter of law, beginning with the accession of the House of Hanover in 1714.

Article III, section 1 of the Constitution provides that the judges of the federal courts shall hold office during good behavior. The Article, however, does not specify the procedure for the removal of a judge who violates that condition of his tenure. Article II, section 4 of the Constitution, of course, provides that—"The President, Vice President and all civil Officers of the United States, shall be removed from Office on Impeachment for, and Conviction of, Treason, Bribery, or other High Crimes and Misdemeanors."

There is nothing on the face of that section to indicate that it was designed to constitute the exclusive method for the removal of judges. It certainly is not the exclusive method for the removal of nonjudicial civil officers, other than the President and Vice President, who have been found guilty of treason, bribery, and other high crimes and misdemeanors. Moreover, the terms "treason," "bribery," "and other high crimes and misdemeanors" are narrower than the malfeasance in office and failure to perform the duties of the office, which may be grounds for forfeiture of office held during good behavior.

Nevertheless the question whether impeachment is the only method envisaged by the Constitution for the removal of judges has been debated ever since the Federal Convention completed its draft of the Constitution. The basis for the controversy is presumably Alexander Hamilton's statement in The Federalist No. 79 that impeachment was the only provision for removal "which we find in our own Constitution in respect to our own judges." Alexander Hamilton is, of course, rightly respected as an interpreter of the Constitution. It appears, however, that in the particular area of power to remove federal officers Hamilton has not been infallible. Thus, in The Federalist No. 77, he expressed the view that officers appointed by and with the advice and consent of the Senate could be removed only with the consent of that body. The Great Debate of 1789 proved that he was wrong on this score and that such officers could be removed by the President alone. And, as a letter written by James Madison in 1829 indicates, Hamilton changed his view of the Constitution on this point.

During the first formative years following adoption of the Constitution there occurred at least three incidents which indicated that Hamilton's views as to the exclusive nature of impeachment were not shared by his contemporaries. The First Congress not only rendered the decision of 1789 with respect to the removal of Presidential appointees. It also provided in section 21 of the Act of April 30, 1790, that a judge convicted of accepting a bribe "shall forever be disqualified to hold any office of honour, trust or profit under the United States." This statute thus has the effect of removing a judge upon a criminal conviction and without impeachment proceedings. It was passed by a Congress many members of which had attended the Constitutional Convention, as had President Washington who approved it. Alexander Hamilton, then serving as Secretary of the Treasury, apparently raised no objection to the bill.

The second pertinent incident occurred in 1796. A petition presented to Congress by inhabitants of the Northwest Territory lodged serious charges against a territorial judge, who held office during good behavior. The House of Representatives asked Attorney General Lee for his advice on the proper method of proceeding against the judge. The Attorney General responded that the charges were so serious that if the judge were convicted, "a removal may and ought to be a part of punishment." He continued that since judges held office during good behavior, they could not be removed until lawfully convicted of some official misconduct. Such conviction could be obtained in three ways: upon information, upon indictment, or upon impeachment before the Senate. He considered impeachment to be generally the best suited, but not the exclusive, method of trying judges. Here, he felt that impeachment was not advisable since the witnesses resided about 1500 miles from the seat of Government, and therefore recommended that the trial be held before the Supreme Court of the Territory upon either information or indictment. The House Committee in charge of the matter submitted a report concurring in that recommendation.

The third pertinent incident relates to President Adams' Circuit Court Act of 1801 and its repeal under the Jefferson Administration in 1802. The Judiciary Act of 1789 established circuit courts, but did not provide for circuit judges. Instead, the circuit courts were held by panels composed of Su-

preme Court Justices and district judges. President Adams' Circuit Court Act of 1801 provided for the appointment of specific circuit judges. However, in view of the unpopularity of that statute with President Jefferson's Republican Party, the 1801 Act was repealed in 1802 with the intended effect that the circuit judges' commissions terminated when their judicial offices were abolished.

During the debates, the Federalists argued that judges could be removed from their judicial positions only by way of impeachment and that no other method was constitutionally permissible. On that occasion Senator Stone carefully analyzed the pertinent provisions of the Constitution and concluded to the satisfaction of the Senate that under the Constitutional plan impeachment was not the only method for terminating judicial tenure held during good behavior. As a result of the repeal, the commissions of the circuit judges appointed under the 1801 Act were terminated when the 1802 repeal legislation went into effect, and the circuit courts were again comprised of Supreme Court Justices and district judges until the Circuit Courts of Appeals were established in 1891.

During the first thirteen years under the Constitution there were thus three instances in which the impeachment provisions of the Constitution were not considered to be the exclusive method for ending a judicial tenure. Admittedly during the following 158 years, Congress took no new action in this field. * * *

I therefore conclude that in our Constitutional plan impeachment was not intended to constitute the exclusive method for the removal of judges who violate the good behavior requirement.

I have mentioned before that historically the forfeiture of an office held during good behavior was determined in judicial proceedings. Nothing indicates that the Constitution intended to change this rule of law. The argument has been made that the forfeiture of an office held during good behavior by way of scire facias was an obscure common-law procedure of which the Founding Fathers were unaware. A perusal of the papers of John Adams, however, indicates that American lawyers of the second half of the XVIIIth century were well informed of the intricacies of common-law procedure. Indeed, Blackstone states that the writ of scire facias was the remedy to revoke a royal patent where the patentee had committed an act that constituted a forfeiture of the grant.

Attorney General Lee's opinion indicates that he was fully aware of this legal background. He regarded impeachment as a "most solemn" trial before the Senate, but essentially a judicial proceeding.

The Department of Justice therefore agrees with the theory underlying Title I of S. 1506, viz., that under the Constitution impeachment is not the exclusive method for the removal of judges, and that judicial proceedings may be utilized to determine whether a judge has violated the requirement of good behavior. We do have minor doubts as to several aspects of the plan, but these are matters which arise out of the mechanics of this particular plan, rather than out of the idea itself.

Proposed 28 U.S.C. 378(d) (p. 5, line 5-8) would provide that if the Commission on Judicial Disabilities and Tenure should recommend to the Judicial Conference the removal of a judge, the Commission should in effect suspend that judge. It might be fairly questioned whether a basically investigatory body, even if composed of judges, can be given power to suspend an Article III judge prior to his removal. I realize, of course, that the Administration's Court Reorganization bill for the District provides both suspension and removal by a Commission, rather than by a court. However, that bill also expressly states the Article I origin of the local court, thus placing the judges in an entirely different status than federal judges.

The second question relates to the issue of whether the Supreme Court can review a determination of the Judicial Conference certifying a judge for removal. I do not believe it is possible to state categorically whether or not the Court has the power to do so, especially since some facets of this question are now before the Supreme Court in the Chandler case. I believe, however, that I should mention the existence of this Constitutional problem. *Marbury* v. *Madison* pointed out that the Supreme Court can exercise its jurisdiction only, originally, in those cases enumerated in the Constitution, or, on appeal, from the decision of inferior courts. The review of determinations of the Judicial Conference is not included in the Constitutional grant of original jurisdiction, and the Judicial Conference, as it is now constituted, is not a court.

As I indicated previously, the Chandler case involves the analogous issue whether the Supreme Court can review rulings of a Judicial Council of the Circuit. An amicus curiae brief submitted by the United States in that case argues for the jurisdiction of the Supreme Court based on the fact that the Council was acting as a court. That position, however, is based at least in part on the fact that the Judicial Council of the Circuit is actually the Court of Appeals sitting en banc. That line of reasoning does not extend to the Judicial Conference.

These potential difficulties and some others resulting from the somewhat involved procedure envisaged by the bill could be obviated by a slight modification. Provision could be made for an investigation by a commission composed of judges, for actual decision on the removal by the Judicial Conference, or a committee thereof, designated for that purpose as a court of the United States, and finally for review by the Supreme Court. Consideration might be also given to an alternative plan which would provide (1) for the investigation and presentation of charges by a single officer, who could be appointed for a given case, perhaps by the Director of the Administrative Office of the United States Courts; (2) for trial before a standing panel of federal judges, which the statute would constitute as a court of the United States; and (3) for review by the Supreme Court on writ of certiorari.

Precedents for such a special court of the United States staffed with judges of other federal courts are the former Commerce Court and the Emergency Court of Appeals. Moreover, it was established in *Glidden Co.* v. *Zdanok*, 370 U.S. 530 (1962), that the tenure requirements of Article III, section 1 of the Constitution are met if a court of the United States is staffed with judges serving during good behavior; it is not required that their appointment to the particular court be for service during good behavior.

These, however, are matters of detail and do not go to the fundamental plan of Title I of S. 1506. With that, the Department of Justice has no quarrel.

II.

I shall now discuss the provisions of S. 1506 dealing with the involuntary retirement of judges for disability.

Existing law deals with two aspects of judicial disability. A disabled judge may retire voluntarily. In that event he becomes a senior judge and can perform judicial duties only by designation and assignment. If a disabled judge does not retire voluntarily, the proper dispatch of business may suffer and require the appointment of an additional judge. In that event, 28 U.S.C. 372(b) now authorizes the Judicial Council of the Circuit to certify these facts to the President, who thereupon may appoint an additional judge. 28 U.S.C. 372(b) suffers from two infirmities: first, the Judicial Councils have been relucant to certify the disability of their colleagues, and second, the disabled judge does not become a senior judge; hence, he retains the power to perform judicial duties without special designation and assignment. There are obvious dangers in having a mentally incapacitated judge signing orders ex parte.

S. 1506 would provide in effect that a disabled judge could be involuntarily given the status of a senior judge. In that event he would retain the salary of his office and would have an enforceable right to be assigned to such judicial duties as he is willing and able to perform.

These provisions of the bill manifestly touch on an extremely delicate area. We believe, however, that they reconcile in a constitutionally permissible manner the divergent interests of the public in an efficient and at the same time independent judiciary and those of the judiciary in protection against unwarranted interference with its activities as well as against the vicissitudes of illness and old age.

For a number of reasons which I shall discuss briefly, the problem of disabled judges holding office during good behavior assumed serious proportions only at the time of the Constitutional Convention. Hence, there is no historical experience and no precedent which could indicate to us whether the procedures set forth in compulsory retirement provisions conform with the general Constitutional plan.

I have mentioned earlier that tenure during good behavior was by no means rare in England and that it goes back to the Middle Ages. Hence, it could be assumed that there would be a large body of law and experience dealing with the problem of superannuated officeholders under that tenure. Astonishingly enough, this is not the case. This is probably due to the deputy system pursuant to which officers other than judges of courts of record could appoint deputies for the performance of their official duties. Hence, if the officeholder became incapacitated he could appoint a deputy, and if the latter became disabled another one could be substituted for him.

I have also mentioned before that non-attendance of an office held during good behavior resulted in its forfeiture. This, however, was the case only if the non-attendance was the result of voluntary negligence, or willful. Hence, there are a few cases suggesting that nonperformance of the duties of an office due to illness did not result in its forfeiture, and that old age was an honor and not a reason for the removal of an officer. Another interesting case in this area may be found in Coke's reports where Queen Elizabeth authorized a Sergeant at Arms in Chancery to absent himself from

his office on the basis of what appears to have been a doctor's certificate.

These cases, of course, merely hold that disability was no ground for the removal of a person holding office during good behavior. They have no bearing on the practical problems arising from the disability of such officers, especially of those who could not appoint deputies. Again for historical reasons this problem arose only slowly and came to the fore only at the time of the Constitutional Convention.

While the judges of the Courts of King's Bench and Common Pleas held good behavior commissions during the middle of the XVII century and again since 1689, those commissions expired upon the death of the authority which had issued them. This rule was abrogated only in 1763. Until then a new King upon his accession always had the option of not renewing the commissions of incapacitated judges.

Dr. Johnson was aware of the potential impact of the 1763 statute on the superannuation of the Bench. He felt that it was a mistake because: "A judge may become forward from age. A judge may grow unfit for his office in many ways. It was desirable that there should be a possibility of being delivered from him by a new King."

A survey of the biographies of judges who served from 1689 until 1789 tends to indicate that the problem of judicial disability became serious only about 1770, at a time when the colonies began to loosen their ties with Great Britain. The most serious case which occurred at the time of the Constitutional Convention, was that of Lord Mansfield. As a result of illness he did not sit on the bench for the two years which preceded his retirement in 1788. About ten years later Parliament considered the problem sufficiently serious to provide for a permanent judicial pension system.

This limited British experience with the problem of the incapacitation of judges serving during good behavior is the background against which we must gauge Alexander Hamilton's statement in The Federalist No. 79. There he explains why the Constitution fails to provide for the removal of judges on the ground of disability. It will be noted that Mr. Hamilton speaks of the removal, not the retirement of judges. Hamilton lists three grounds for this omission: First, the evaluation of a person's mental facilities is so vague a science that it would easily be abused to undermine the independence of the judiciary. Second, persons rarely "outline the season of their intellectual vigor." Third, the young republic was not likely to pay any pensions, and it would be inhumane to remove judges from their position on account of the infirmities of old age on the basis of an imaginary danger of a superannuated bench.

Hamilton's reasoning, of course, is in full agreement with the then prevailing law, that non-performance of an office due to illness or old age was no ground for removal. It is interesting, however, to note that he felt that insanity was a ground for removal and the first judge to be impeached, Judge Pickering, probably was insane.

Circumstances and attitudes have changed since Hamilton's times. We would no longer impeach a judge for insanity. Moreover, psychiatric and medical development have made the diagnosis of mental disabilities more certain. At the same time they have increased the instances in which persons outlive the season of their intelligence vigor. The proposed legislation would not seek to remove the judge and expose him to an uncertain financial fate. It would rather continue the payment of his emoluments and permit him to perform such judicial duties as he is willing and able to perform.

In our view this solution is within the framework of the good behavior clause. It preserves the judicial independence which the good behavior clause guarantees. At the same time it serves the humanitarian common law principles underlying Hamilton's argument that the infirmities of old age shall not result in the forfeiture of an office.

By Mr. SARBANES (for himself and Ms. MIKULSKI):

S. 1852. A bill to amend the Chesapeake and Ohio Canal Development Act to make certain changes relating to the Chesapeake and Ohio Canal National Historical Park Commission; to the Committee on Energy and Natural Resources.

EXTENDING THE LIFE OF THE CHESAPEAKE AND OHIO CANAL NATIONAL HISTORICAL PARK COMMISSION

● Mr. SARBANES. Mr. President, I am introducing in the Senate today a bill which extends the life of the Chesapeake and Ohio Canal National Historical Park Commission for 10 years. The current authority for the Commission expires in January of 1991, and this bill, identical to one introduced in the House of Representatives last month by Representative BEVERLY BYRON of Maryland's Sixth District, would extend that authority for another 10 years. Joining me in introducing this legislation is my colleague from Maryland, Senator BARBARA MIKULSKI.

Mr. President, the C&O Canal National Historical Park is one of the most unique in this Nation and one of the most heavily visited. It begins in this great city, the Nation's Capital and extends for 184 miles to its original terminus in Cumberland, MD. As you can imagine, the development of plans for the preservation and use of this park is a major undertaking. It is no easy task to protect and preserve a park which averages 100 yards in width but is 184 miles long.

The work of the Commission is not finished. The Commission is composed of representatives of the State of Maryland, the Commonwealth of Virginia, the State of West Virginia, the District of Columbia, the counties in Maryland through which the park runs, and members at large. The passage of this bill will permit the Commission to complete the rational process begun so many years ago to ensure that this unique part of America's natural and historical heritage is properly preserved.

I would encourage those who are interested in the C&O Canal to join in sponsoring this legislation, and it is my hope that it can be enacted in this Congress.●

By Mr. CHAFEE (for himself, Mr. MITCHELL, Mr. BURDICK, Mr. MOYNIHAN, Mr. D'AMATO, Mr. BAUCUS, Mr. LIEBERMAN, Mr. DURENBERGER, Mr. WARNER, and Mr. JEFFORDS):

S. 1853. A bill to award a congressional gold medal to Laurance Spelman Rockefeller; to the Committee on Banking, Housing, and Urban Affairs.

AWARDING A CONGRESSIONAL GOLD MEDAL

● Mr. CHAFEE. Mr. President, today the distinguished majority leader, Senator MITCHELL, and I are introducing legislation to award a gold medal to Laurance Spelman Rockefeller in recognition of the tremendous efforts he has made on behalf of natural resource conservation in this country.

When one thinks of America's majestic wide-open spaces, outdoor recreation, and historic preservation, one cannot help but to think of Laurance Rockefeller. His lifelong dedication and involvement in shaping public policy on behalf of the environment has left us a legacy of programs and projects that will benefit all Americans for generations to come.

Although Laurance's contributions are too numerous to cite here, I would like to touch on several key Federal, State, and local efforts in which he has been or remains actively involved.

Serving four U.S. Presidents, Laurance acted as chairman of the White House Conference on Natural Beauty, the National Park Foundation, the Public Land Law Review Commission, and numerous Presidential advisory groups.

One of his greatest achievements is the Land and Water Conservation Fund, which he developed as Chairman of President Eisenhower's Outdoor Recreation Resources Review Commission in the early 1960's. This program, now in its 25th year, has made available to the States and Federal agencies $6 billion for the acquisition of parks, wildlife refuges, recreational facilities and other worthwhile outdoor projects. At a time when greater and greater pressure is being put on open space by development, the Land and Water Conservation Fund has proved to be the Federal Government's primary program to set aside parklands and scenic areas for the enjoyment of the general public.

Anyone who has enjoyed the magnificent beauty of the Virgin Islands National Park on St. John's Island, has much to thank the Rockefeller family for. Building on the efforts of his father, John D. Rockefeller, Laurance helped to expand that park by donating 5,000 acres to it, thus assuring its tropical forests and lush wildlife habitat will be preserved forever. Laurance was also deeply involved in the establishment of the Grand Tetons National Park through the Jackson Hole Preserve, Inc.

In his home State of New York, Laurance has played a pivotal role in the creation and enhancement of parklands. He served as a member of the New York State Council of Parks for 30 years and, as its chairman, expanded and modernized the State park system through an innovative bond program which has been replicated by other States. As member and a president of the Palisades Park Commission for over 40 years, he worked to expand its park system. He also helped create the Adirondack Park Agency, the Hudson River Valley Commission and the Nation's first comprehensive State environmental and conservation agency.

At the local level of government, he boosted the environmental quality of life in New York City through his efforts on behalf of the New York Zoological Society and its Bronx Zoo, the New York Aquarium, Central Park, and other city parks.

Mr. President, I know of no other citizen who has a record of achievement and selfless commitment to the environment which is equal to that of Laurance Rockefeller's. This legislation would authorize the President to present, on behalf of the Congress, to Laurance Spelman Rockefeller a gold medal in recognition of his seminal role in fostering a new era of natural resource conservation and historic preservation in the United States. I ask my colleagues to join with me to enact this legislation as a tribute to a man who has given so much to his country.●

By Mr. METZENBAUM (for himself and Mr. BYRD):

S. 1854. A bill establishing the Aviation Policy Board for the purpose of setting air fares and routes, and requiring the Secretary of Transportation to take certain actions to improve service and promote safety in airline travel; to the Committee on Commerce, Science, and Transportation.

AIRLINE REREGULATION ACT

Mr. METZENBAUM. Mr. President, today I am introducing legislation, cosponsored by Senator BYRD, to reregulate the domestic airline industry with respect to fares, routes, service, and safety. The time has come to face the fact that deregulation has not lived up to our expectations and that Congress must take action.

I say with all candor that I am not certain that reregulation is the right solution. But I am sure that deregulation was the wrong solution. I believe it is important to put the idea of reregulation on the table so it can be discussed as one alternative for dealing with the current scandalous state of airline competition. I expect that not everyone will like the idea. But it is a proposal that should be debated.

When Congress passed legislation in 1978 to sunset the Civil Aeronautics Board, we did so on the premise that airlines are not natural monopolies. We believed the airlines when they said that it was Government regulation that was holding back expansion and keeping fares above competitive levels. Congress bought that bill of goods. So we all got on board and deregulated the airline industry.

At first, the promises of deregulation came true. New airlines sprung up; fares went down and more people than ever were flying. Some might call the period right after deregulation—the time of People Express and New York Air and Laker Airlines—the time of the friendly skies. Competition was vigorous and consumers benefited from lower fares

But then the Reagan administration betrayed the whole notion of deregulation. The Reagan administration interpreted deregulation to mean no regulation. During the 1980's the Department of Transportation had authority to oversee airline mergers—and it approved every single merger that was proposed. DOT even approved two mergers that the Department of Justice Antitrust Division opposed—the mergers of TWA/Ozark and Northwest-Republic. As a result, eight airlines now control 90 percent of the air travel in this country.

We are only beginning to see what the future holds if Congress does not act. Discount fares—when available—come with more restrictions and higher penalties. Direct flights are no longer available to many cities. Delays and cancellations are often the rule, not the exception. And while air travel is generally safe, the rash of air disasters since deregulation has underscored that all is not well in this area either.

The bill we are introducing today would establish a new independent airline policy board to regulate rates and routes of domestic carriers. In addition, the bill contains specific requirements to improve the quality and safety of air service. It would, for example, require DOT to establish a 24-hour hotline for air passengers to call for information and to help in resolving disputes with the airlines. The bill would also prevent airlines from canceling flights for purely economic reasons without giving passengers prior notice. And in the area of safety, the bill would, among other things, require airlines to provide infant safety seats, and require DOT to address the problem of aging aircraft.

Complete reregulation may not be the answer. But it's time we owned up to the fact that airline deregulation was a mistake. While this legislation is far reaching, particularly with respect to reregulating air fares and air routes, I believe that the flight of American air passengers leaves us little choice. Unless Congress steps in, airlines will continue to pilot the industry toward disaster.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1854

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AVIATION POLICY BOARD

SEC. 101. SHORT TITLE.

This Act may be cited as the "Airline Reregulation Act of 1989".

SEC. 102. AVIATION POLICY BOARD; ESTABLISHMENT.

There is established in the executive branch of the Federal Government as an independent agency the Aviation Policy Board (hereinafter referred to as the "Board").

SEC. 103. COMPOSITION OF BOARD.

(a) The Board shall be composed of 5 members appointed by the President, by and with the advice and consent of the Senate, for terms of 6 years. Any person appointed to fill a vacancy occurring prior to the expiration of the term for which his or her predecessor was appointed shall be appointed only for the remainder of such term. Upon the expiration of his or her term of office, a member shall continue to serve until his or her successor is appointed and shall have qualified.

(b) The members of the Board may be removed by the President for inefficiency, neglect of duty, or malfeasance in office. No more than three of the members shall be appointed from the same political party. The President shall designate annually one of the members of the Board to serve as chairperson and one of the members to serve as vice chairperson, who shall act as chairperson in the absence or incapacity of the chairperson.

(c) The members of the Board shall be appointed with due regard to their fitness for the efficient dispatch of the powers and duties vested in and imposed upon the Board by this title. Each member of the Board shall be a citizen of the United States and no member of the Board shall have any pecuniary interest in or own any stock in or bonds of any civil aeronautics enterprise. No member of the Board shall engage in any other business, vocation, or employment.

(d) Three of the members shall constitute a quorum of the Board. The principal office of the Board shall be in the District of Columbia where its general sessions shall be held, but whenever the convenience of the public or of the parties may be promoted, or delay or expense may be prevented, the Board may hold hearings or other proceedings at any other place. The Board shall have an official seal which shall be judicially noticed and which shall be preserved in the custody of the secretary of the Board.

SEC. 104. OFFICERS AND EMPLOYEES.

(a) The Board is authorized, without regard to the civil-service and classification laws, to appoint and prescribe the duties and fix the compensation of a secretary of the Board, and to fix the compensation of a secretary and an administrative assistant for each member, and subject to the civil-service and classification laws, to select, employ, appoint, and fix the compensation of such officers, employees, attorneys, and agents as shall be necessary to carry out the

provisions of this title, and to define their authority and duties.

(b) The Board may, from time to time, without regard to the provisions of the civil-service laws, engage for temporary service such duly qualified consulting engineers or agencies, or other qualified persons as are necessary in the exercise and performance of the powers and duties of each, and fix the compensation of such engineers, agencies, or persons without regard to chapter 51 and subchapter III of chapter 53 of title 5, and the expenses of such employment shall be paid out of sums appropriated for the expenses of the Board.

(c) The Board is authorized to use, with their consent, the available services, equipment, personnel, and facilities of other agencies and instrumentalities of the Federal Government, on a reimbursable basis when appropriate, and on a similar basis to cooperate with such other agencies and instrumentalities in the establishment and use of services, equipment, and facilities of the Board.

SEC. 105. AUTHORIZATION OF EXPENDITURES AND TRAVEL.

The Board is empowered to make such expenditures at the seat of government and elsewhere as may be necessary for the exercise and performance of the powers and duties vested in and imposed upon the Board by law, and as from time to time may be appropriated for by Congress, including expenditures for (1) rent and personal services at the seat of government and elsewhere; (2) travel expenses; (3) office furniture, equipment and supplies, law books, newspapers, periodicals, and books of reference (including the exchange thereof); (4) printing and binding; (5) membership in and cooperation with such organizations as are related to, or are part of, the civil-aeronautics industry or the art of aeronautics in the United States or in any foreign country; (6) making investigations and conducting studies in matters pertaining to aeronautics; and (7) acquisition (including exchange), operation, and maintenance of passenger-carrying automobiles and aircraft, and such other property as is necessary in the exercise and performance of the powers and duties of the Board: *Provided*, That no aircraft or motor vehicle purchased under the provisions of this section, shall be used otherwise than for official business.

SEC. 106. GENERAL POWERS AND DUTIES OF BOARD.

(a) The Board is empowered to perform such acts, to conduct such investigations, to issue and amend such orders, and to make and amend such general or special rules, regulations, and procedure, pursuant to and consistent with the provisions of this title, as it shall deem necessary to carry out the provisions of, and to exercise and perform its powers and duties under, this title.

(b) The Board is empowered to confer with or to hold joint hearings with any State aeronautical agency, or other State agency, in connection with any matter arising under this title within its jurisdiction, and to avail itself of the cooperation, services, records, and facilities of such State agencies as fully as may be practicable in the administration and enforcement of this title.

SEC. 107. FUNCTIONS.

In order to protect the public interest, it shall be the function of the Board to regulate the air fares and air routes of United States air carriers.

SEC. 108. AUTHORIZATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

SEC. 109. EFFECTIVE DATE.

The foregoing provisions of this title shall take effect upon the expiration of the 180-day period following the date of the enactment of this Act.

TITLE II—CONSUMER RIGHTS

SEC. 201. IMPROVING AIR SERVICE.

(a) Within 90 days following the date of the enactment of this Act, the Secretary of Transportation, by regulation, shall require each United States air carrier to disclose on each ticket jacket a statement that the individual receiving such jacket can obtain the on-time performance record of the flight or flights on which a passenger has secured a reservation by calling the air carrier's reservation number or the travel agent of such individual.

(b) The Secretary, within 90 days following the date of the enactment of this Act, shall establish a 24-hour toll-free consumer hotline to provide consumer information on air carrier performance records, information as to the rights of consumers and responsibilities of air carriers, and assistance in resolving disputes between consumers and air carriers. Information with respect to the availability of such hotline and its purposes, together with the telephone number of such hotline, shall be printed on each ticket jacket, and shall be prominently displayed in appropriate locations at airports.

(c)(1) Within 90 days following the date of the enactment of this Act, the Secretary, by regulation, shall prohibit any air carrier from cancelling, on the basis of any economic reason, any flight unless such carrier—

(A) made a reasonable effort to notify each passenger of such cancellation at least 24 hours prior to the scheduled departure time for such flight; and

(B) makes available to each such passenger similar services within a reasonable time as determined by the Secretary.

(2) For purposes of this subsection, the term "economic reason" does not refer to the cancellation of a flight in order to use the equipment assigned to that flight to replace other equipment, or the timely departure of which has been prevented due to mechanical failure or other factors related to safety.

(d)(1) Within 90 days following the date of the enactment of this Act, the Secretary, by regulation, shall prohibit any United States air carrier from advertising a fare for any flight at a particular price, unless the air carrier offers at least one-third of the seats for such flight at such advertised price, or makes a general disclosure in the advertisement that fewer than one-third of the seats for such flight at such advertised price are available on a particular day, time of day, or destination.

(2) Such regulation shall require any advertisement referred to in paragraph (1) to disclose all restrictions with respect to advanced purchases of tickets, refundability of money, minimum stay requirements, and all other restrictions and conditions with respect thereto.

TITLE III—AIR SAFETY

SEC. 301. SAFETY.

Within 90 days following the date of the enactment of this Act, the Secretary of Transportation, by regulation, shall—

(1) prohibit United States air carriers from pairing inexperienced captains and co-pilots;

(2) require United States air carriers to improve training of cockpit and cabin crew personnel;

(3) require United States air carriers to provide infant safety seats on all aircraft; and

(4) take all necessary steps to better identify and remedy aging aircraft problems, including, but not limited to, improving certification requirements, maintenance programs, and data gathering and analysis systems.

Mr. BYRD. Mr. President, I am pleased to be an original cosponsor of S. 1854, the Airline Reregulation Act of 1989. I commend the distinguished Senator from Ohio [Mr. METZENBAUM] for initiating this legislation. It is my hope that this bill will start us on the road toward correcting the many serious shortcomings which have arisen in our domestic airline service since that industry was deregulated beginning in the late 1970's.

Just over a decade ago, I voted for the Airline Deregulation Act of 1978. As many of my constituents, as well as many of my colleagues, know, if I had the opportunity to recast my vote on that bill, I would now vote against deregulation. The bill being introduced by Senator METZENBAUM today provides me, in essence, with just such an opportunity.

In 1978, I accepted the arguments of those who assured us that deregulation would bring with it a myriad of benefits for air travelers. We were told that ending Government regulation of fares and routes would reduce barriers to entry, thereby giving rise to new, healthy competition. This increased competition would, in turn, lead to lower fares, increased accessibility, and better service. In addition, we were assured safeguards were to be built in to protect smaller communities which might otherwise suffer in a freely competitive market.

Since deregulation has taken effect, however, we have witnessed increased concentration, not increased competition in the domestic airline industry. In 1978, the top six domestic air carriers accounted for 71 percent of all industry traffic. By 1987, less than a decade later, the leading six carriers had increased their share of total revenue passenger miles to 79 percent.

The trend toward greater concentration is even more pronounced when measured in terms of operations at hub airports. In 1987, US Air carried 82 percent of all passengers flying through Pittsburgh, while TWA accounted for 83 percent of all traffic at St. Louis-Lambert. In the 10 years between 1977 and 1987, Continental Airlines' share of traffic at Houston's Intercontinental Airport soared from 20 percent to 82 percent.

As to the multitude of other benefits deregulation was supposed to have bestowed upon the traveling public, while some airfares have declined,

such reductions have been highly uneven. At the same time, many of our Nation's cities have suffered substantial reductions in air service, and, in some cases, have lost service altogether. This has been a particular problem within my home State of West Virginia, where, for example, there have been significant reductions in both direct and connecting service to points within and outside the State.

In addition, the quality of service for those to whom it is still available appears not to have improved since deregulation took effect, but seems to have, in many cases, deteriorated markedly. A 1988 Consumer Reports survey found that nearly half of all respondents said the quality of air service has declined under deregulation. Finally, concerns about air safety have risen in recent years to probably their highest level since the early days of commercial aviation.

Why has airline deregulation failed to deliver so many of the benefits promised when we debated this issue in 1978? Although I now support reregulation, I do not necessarily believe that deregulation had to have failed as it has.

When I voted for deregulation in 1978, I did not vote to exempt the airline industry from our Nation's antitrust laws. Nor did I vote to abdicate the Government's responsibility to protect consumer rights and ensure air safety. Yet, looking back now, I regret that these things that I did not vote for have, in fact, occurred.

In the airline industry, as in any industry, for a free and competitive market to function efficiently, consumers must be afforded access to accurate information which they can then use to make rational choices. If consumers are confronted by complicated price structures, less than forthright advertising, a lack of information about the quality of service, the advantages of a competitive market can be lost. I believe, as a result, the Government has a responsibility to protect consumer rights. We must ensure that consumers have access to accurate and trustworthy information on which to base their air travel decisions. Title II of this legislation moves us in that direction.

I also believe that while we might wish to allow airlines the freedom to make their own decisions as to what routes they will fly and what fares they will charge, we would never want to extend deregulation so far as to abdicate our responsibility to ensure air safety. The Government has a critical role to play in regulating air safety, irrespective of whether or not it chooses to regulate fares and routes.

The discipline of a free and competitive market forces market participants, it they wish to remain competitive, to provide an optimal level of goods or services at minimum cost. The freedom of the marketplace allows participants to do this in ways they find most effective. When dealing with the airline industry, however, the Government cannot simply allow airlines the freedom to cut corners on safety in response to the cost-minimizing demands of the marketplace.

While no airline would remain competitive over the long run if it were to develop a reputation as being unsafe, there have been reports of cost-conscience airlines attempting to control costs by reducing the share of operating expenses devoted to aircraft maintenance, employing less-experienced and lower-wage cockpit and cabin crews, and keeping older aircraft in service longer. Title III of this legislation addresses these issues and moves toward the goal of ensuring safety in our skies.

Title I of the bill provides for the creation of an Aviation Policy Board, and charges the Board with responsibility for regulating air fares and air routes. While I might believe that regulation of fares and routes may not be necessary in a truly competitive market, as long as adequate assistance is provided to smaller communities, I do not believe the airline industry is truly competitive. The lack of any real antitrust enforcement in the airline industry in recent years has undermined the original promises of deregulation.

Given the lack of antitrust enforcement, how can we now go back and best respond to the problems and shortcomings present in the airline industry? One solution would be to attempt to undo the damage done by the regulatory neglect of the last few years. Such a solution, however, would be extremely difficult. Forced divestiture would take years and would be highly complicated. The practicality of such a solution is extremely questionable.

Another solution is to reregulate air fares and routes. That is the direction in which this legislation moves, and it is the only solution I believe possible at present. That is why I am supporting my colleague from Ohio, Senator METZENBAUM, in his effort and why I am pleased to be a cosponsor of S. 1854. I commend my friend for the excellent work he has done in putting together this bill, and I hope the Senate will take up this legislation in a timely manner.

By Mr. STEVENS:

S. 1855. A bill to authorize a certificate of documentation for the vessel *Camelot;* to the Committee on Commerce, Science, and Transportation.

DOCUMENTATION OF VESSEL "CAMELOT"

● Mr. STEVENS. Mr. President, this legislation would allow the Coast Guard to issue a valid certificate of documentation for the 34-foot vessel *Camelot,* official number 923202, which is currently owned by Dennis J. Rogers of Sitka, AK.

The *Camelot* was built by Tollycraft Yachts Corp. at Kelso, WA, in 1971. The vessel was operated out of Washington State by various owners from 1971 to 1975, at which time it was moved by new owners to Wrangell, AK. The *Camelot* had a succession of owners in Wrangell until 1987, when it was purchased by Mr. Rogers.

Mr. Rogers had obtained pleasure boat documentation from the Coast Guard, number 923202, for the *Camelot,* but he would now like to use the vessel for a charter fishing operation. To do this he needs a valid certificate of documentation, which Mr. Rogers is unable to obtain because he is unable to document the nationality of all of the vessel's previous owners. U.S. law requires that a vessel be U.S.-built, and continuously U.S.-owned and U.S.-documented, before a certificate may be issued.

Mr. Rogers has had a marine documentation service investigate the vessel's history, and they were able to locate and document all but one of the previous owners. The service has established the name of the missing owner, but they have not been able to locate him to document U.S. ownership.

This legislation is needed in order to allow Mr. Rogers to obtain a valid certificate of documentation so that he can use the *Camelot* for charter fishing.●

By Mr. STEVENS:

S. 1856. A bill to authorize a certificate of documentation for the vessel *Sinbad;* to the Committee on Commerce, Science, and Transportation.

DOCUMENTATION OF VESSEL "SINBAD"

● Mr. STEVENS. Mr. President, this legislation would allow the Coast Guard to issue a valid certificate of documentation for the 38-foot fiberglass fishing boat *Sinbad,* formerly the *Sangria,* hull No. 15846, which is currently owned by Richard Lott of Nikiski, AK.

The vessel was built by Owens, a subsidiary of the Brunswick Corp. in Baltimore, MD, in 1965. The boat has had numerous owners since that time, and has been used for a number of years in the commercial salmon and halibut fisheries around Cook Inlet, AK. The *Sinbad* engaged in commercial fishing under Alaska State registration No. AK 3650.

When Mr. Lott filed a change of ownership request with the Coast Guard, it was determined that the *Sinbad* could not be issued a valid certificate of documentation for lack of a builder's certificate which proves that the vessel was constructed in the United States. Mr. Lott has tried to obtain such a certificate, but the effort has proved impossible because

Owens has been out of business for 16 years. Company records are not available, and attempts to locate persons associated with Owens have been unsuccessful.

This legislation is needed in order to allow Mr. Lott to obtain a valid certificate of documentation so that he can continue to use the *Sinbad* for commercial fishing.●

By Mr. WILSON:

S. 1857. A bill to establish a Upper Sacramento River fishery resources restoration program; to the Committee on Commerce, Science, and Transportation.

UPPER SACRAMENTO RIVER FISHERY RESOURCES RESTORATION ACT

Mr. WILSON. Mr. President, I rise today to introduce a bill which will restore the upper Sacramento River from environmental degradation that has resulted from a generation or more of neglect.

I commend my colleague, Congressman Bosco, who has introduced this same legislation in the House of Representatives. Let me say that it has been a pleasure working with him on this, as on past efforts, to try to restore the fisheries of northern California.

Mr. President, the Sacramento River system, which is the specific focus of this legislation, provides over 70 percent of all of the salmon caught off the California coast. These fisheries generate an estimated $100 million in annual economic benefits in an area that substantially gains from this activity and one that is suffering a decline in some of its other economic efforts.

The Sacramento is the major spawning ground of the California salmon fishery, and yet today the fall chinook salmon runs have declined by 50 percent, and the winter run by 99 percent from their 1950's levels. The winter salmon has been listed as a threatened species under the Endangered Species Act. In addition, steelhead trout have also declined more than 90 percent from their 1950's levels.

In 1986, State Senator Jim Nielsen introduced a bill in the California legislature, later signed into law by Governor Deukmejian, which authorized a comprehensive analysis of the severe decline in the salmon populations in the Upper Sacramento River system.

Senator Nielsen's bill created an advisory council made up of local State and Federal resource representatives, as well as commercial and recreational interests.

Mr. President, a wag once said that Californians fight far fiercer fights among themselves and that those fights are caused more by water than by whiskey. These fights among water users have gone on for generations. The pioneering approach of Senator Nielsen in the formation of the council has led to an almost unprecedented agreement between fishing interests, both commercial and sport fishing, agricultural and other competing water users. It is notable that the environmental and water development communities came to agreement on a comprehensive action plan to restore the Sacramento River.

Forty years have gone by since the beginning of efforts at flood control, at diversion of water from the river for both municipal consumption and for agricultural irrigation. The result has been that we have suffered a decline in the gravels that are a necessary part of the spawning ground. We have adversely affected temperature for spawning. There is a need to provide for more certain fish ladders around those dams to allow the returning salmon to reach their spawning grounds. The construction of the dams has resulted in the diminution of the natural flow and, with it, the sediments. The gravels that are required, fish streams that have been placed at points of diversion, have proved insufficient to catch those smaller fish that have in many instances wound up in the irrigation system, never finding their way to sea.

So, in short, those Senator Nielsen put together in the broad membership of this advisory council decided the time had come not to assess blame but, instead, to devise an action plan designed to restore the river to the status that it enjoyed before these necessary manmade activities had resulted, without intention, in serious environmental degradation.

In January of this year, the council submitted its report, which detailed both problems as well as a comprehensive list of action steps which proposed improvements to offset the environmental degradation of that resource.

Mr. President, there will be a task force chartered by this legislation as broad in its membership as that which created the action plan. There will be specific steps taken.

First, develop an effective fish passage at the Red Bluff Diversion Dam and the Anderson-Cottonwood Irrigation District Dam;

Second, increase the quantity and quality of spawning and rearing gravels between Keswick Dam and Red Bluff Diversion Dam;

Third, rehabilitate, update and expand the 40-year-old and greatly debilitated Coleman National Fish Hatchery;

Fourth, minimize downstream migrant salmonoid mortality that results from improperly screened and unscreened diversions;

Fifth, modernization of fish hatcheries to increase fish populations;

Sixth, construct a temperature control device at the Shasta Dam;

Seventh, decrease turbidity in the River; and

Eighth, improve fish screening at the Glenn-Colusa Irrigation District diversion headworks.

Mr. President, let me just say that the 2 years that it took the broad membership of this advisory council to devise this specific action plan has resulted in a very good plan, one that gives every promise of actually restoring to the river the quality that it achieved in nature before, 40 years ago, man began tampering with it.

I again salute the bill's author, Congressman DOUG BOSCO, whose leadership has sought to cast this bill in bipartisan terms. He has been joined in that effort by Congressman FAZIO and Congressman HERGER. And, indeed, what we are looking forward to is a return of the river to its former state, a return of that fish hatchery. The funding that will be required to achieve this will be one-quarter provided by the State of California; the remaining 75 percent will be equally divided between the Federal Government and those who are the beneficiaries of the existing uses of the Sacramento River.

I think this can provide a model, Mr. President, for the restoration of fisheries, the restoration of rivers. It is easily worth the investment that the different parties will be making in it. The Sacramento River is a historic treasure. Its currents run deep and rich. They run through the history of our State. They have provided water for power and fisheries, for employment, for recreation, for the natural beauty that is a part of the great heritage of the West and specifically of the great Golden State.

Our natural bounty is something that we must safeguard as still new populations migrate to expand California, already a nation-state. And this effort is one that deserves not only support in our State, but, I submit, support as a model for the others who have found themselves impacted necessarily by the onrush of civilization. It is possible for man to devise ways to repair the damage that he has unintentionally done and still retain the benefits of manmade acitivities in structures. We are engaged not in preservation but in restoration.

So I ask my colleagues for their support in restoring one of the great national treasures of the North American river system, the great Sacramento, as it rushes to empty into the San Francisco Bay. We may all then have the satisfaction of meeting an environmental challenge as great as the heritage that we derive from it.

By Mrs. KASSEBAUM (for herself, Mr. DOLE, Mr. DANFORTH, and Mr. BOND):

S. 1858. A bill to amend the Federal Aviation Act of 1958 relating to bankruptcy transportation plans; to the

Committee on Commerce, Science, and Transportation.

AIRLINE BANKRUPTCY PASSENGER PROTECTION ACT

Mrs. KASSEBAUM. Mr. President, I rise today on behalf of passengers, ticket holders, and employees of Braniff Airlines. Yesterday evening Braniff announced it was immediately suspending operations. The announcement left passengers stranded, ticket holders holding hundreds if not thousands of dollars in worthless tickets, and employees scrambling to determine how they are going to pay next month's mortgage. The collective impact of this announcement is beyond disturbing. It reflects a fundamental flaw regarding the integrity of both corporate and regulatory accountability and public transportation.

I believe it should be Braniff Airlines and its parent BIA-COR Holdings Inc., and not its passengers, ticket holders, and employees that should shoulder responsibility for the failure of Braniff. Braniff represents precisely the type of corporate irresponsibility and short-term mentality which is becoming increasingly fashionable on Wall Street.

We should be disturbed by reports in Forbes magazine regarding excessive salaries, quarter million dollar bonuses, sweetheart consulting contracts, and leasing agreements with the company's management and principal shareholders. We should be concerned about reports of junk-bond financing by an investment banking firm in which little of the offering found its way into Braniff's working capital. We should be concerned about reports of a billion dollar expansion program when the company had a deteriorating balance sheet. We should be concerned about public announcements that the company would be profitable in the face of mounting evidence that the company was about to go into bankruptcy. I think these reports should be fully investigated to determine the presence of any wrong doing or inside dealing by the company's management and investment bankers.

As disturbing as this all is, the most upsetting aspect of this fiasco is its impact on the innocent parties. Under our public transportation system, passengers should not be left stranded in distant airports. Consumers who purchased tickets from licensed carriers should not be left holding worthless paper when the licensed carrier decides to throw in the towel. Until the moment Braniff halted operations, it continued selling tickets to innocent consumers who did not think that a licensed carrier could simply take their money and then unilaterally suspend its flights. Until recently, Braniff's management publicly stated they would enjoy a profitable year. Thousands of now jobless employees relied on those statements in planning their financial future.

We can all sympathize with the father who arrived at the Kansas City Airport yesterday with his four little children on their way to visit their grandmother in California and Disney World only to find that their flight had been canceled. We can sympathize with all the ticket holders who purchased tickets months in advance of the Thanskgiving holiday and now find their Braniff tickets worthless and flights to their destination either unavailable or at substantially increased prices.

The purchase of airlines tickets is a significant consumer expense. The airlines, through their early-purchase programs, encourage consumers to purchase the tickets far in advance. Consumers are willing to make these purchases with the understanding that licensed carriers are obligated to fulfill their responsibilities under the license. It is this delayed cash flow that has attracted so much turmoil and interest by Wall Street in airline stocks. As more and more airlines become highly leveraged through hostile raids, corporate restructuring, special dividends, and other Wall Street shenanigans, the problem is likely to increase.

To address this problem, I believe that some sort of insurance fund should be established by the airline industry to ensure that ticketed passengers will not lose their money. This concept is not unique. The benefits of such a fund were discussed in a recent editorial by Stan Rose in the Johnson County Sun. In my home State of Kansas, the insurance industry has a private fund which reimburses policyholders of bankrupt insurance companies up to a statutory limit. The fund is financed by a portion of each insurance policy sold in the State and does not use State revenues. Given the turmoil of the airline industry, such a fund would ensure the integrity of the licensed carrier to stand behind their obligations to provide public transportation or at least hold harmless those consumers who rely on this representation. Likewise, I think the airline industry should be required to devise a reasonable plan to prevent the stranding of passengers.

Airlines are a vital part of our national transportation system. The integrity of the airlines is directly related to the integrity and reliability of our public transportation. Airlines are licensed to carry travelers. This license should carry with it the responsibility that the airline is financially capable of fulfilling this function. To the extent legislation is necessary to maintain integrity and financial responsibility in our public carrier, I believe it should be pursued.

Accordingly, Senators DOLE, DANFORTH, BOND, and myself are introducing today the Airline Bankruptcy Passenger Protection Act of 1989, which has been introduced in the House by Representative SHERWOOD BOEHLERT of New York. Under this legislation, the airline industry would be required to develop a plan which protects airline ticket holders in the event the airline declares bankruptcy after the purchase date. if a satisfactory plan is not submitted by a specified deadline, the bill requires the Secretary of Transportation to issue regulations requiring all covered air carriers to provide air transportation for such ticket holders. This legislation will help restore the public confidence necessary to maintain the integrity and reliability of such a vital component of our public transportation system.

By Mr. WARNER (for himself, Mr. ROBB, Mr. JOHNSTON, and Mr. MCCLURE):

S. 1859. A bill to restructure repayment terms and conditions for loans made by the Secretary of the Interior to the Wolf Trap Foundation for the Performing Arts for the reconstruction of the Filene Center in Wolf Trap Farm Park in Fairfax County, VA, and for other purposes; to the Committee on Energy and Natural Resources.

REPAYMENT OF CERTAIN LOANS BY THE WOLF TRAP FOUNDATION

● Mr. WARNER. Mr. President, today I am introducing legislation designed to assist a national treasure located in the Commonwealth of Virginia—Wolf Trap Farm Park. Unfortunately, through a series of misfortunes, Wolf Trap now finds itself unable to repay debts owed to the United States. The legislation I introduce today would address Wolf Trap's problems.

Mr. President, I would like to recount for Members of the Senate the history of Wolf Trap Farm Park's creation and the source of its financial difficulties. In 1966, Mrs. Catherine Filene Shouse donated approximately 100 acres of her northern Virginia farmland and provided $1.7 million to the U.S. Government for the construction of an original outdoor amphitheater and related structures. These gifts, accepted by the 89th Congress—Public Law 89-671—created America's only national park dedicated to the performing arts, Wolf Trap Farm Park.

Under the terms of a cooperative agreement, the Wolf Trap Foundation—a private 501(C)(3) Foundation—provided the programming, fundraising, marketing, and related education programs for 10 successful years in partnership with the National Park Service. The Foundation's educational programs have expanded nationally, reaching substantial numbers of preschool children through the arts.

In April 1982, the Filene Center, Wolf Trap's outdoor amphitheater, burned to the ground. The exact cause

was never determined. At the time, like all Government buildings, the Center was self-insured by the U.S. Government.

Mindful of the lengthy process normally associated with the rebuilding of a Government facility, the Foundation worked closely with the administration and Congress to reach an agreement, which was codified in Public Law 97-310, to share equally in the reconstruction effort. At the time, the cost of reconstructing the facility was estimated to be $18 million.

During the reconstruction effort, representatives from the National Park Service and the Foundation approved necessary change orders for structural enhancements, safety and fire protection that escalated the original estimated cost to $26.4 million. Moneys raised by the Foundation, totaling almost $7.4 million, which were to be used to retire the debt, were channeled into the reconstruction effort.

In January 1985, near the end of the reconstruction, a main girder fractured. To repair the fractured girder, the Foundation raised an additional $4 million in advances from contractors, an insurance carrier, and additional borrowing from the National Park Service, as well as $0.7 million contributed by the Foundation. The Foundation instituted litigation against the contractor, subsequently receiving a partial settlement on advanced moneys.

Reconstruction and repair of the Filene Center has spanned approximately 5 years. During that time the Foundation has consumed significant time, energy and resources to assist in providing construction and repair administration for a government facility.

The Filene Center has reopened and is once again providing high quality programs and a truly unique "park" experience for hundreds of thousands of visitors.

Mr. President, at this point three facts are clear:

For a variety of reasons, rebuilding the facility cost more than the original estimates;

The Wolf Trap Foundation raised almost $7.5 million of private funds which have been used to rebuild the facility; and

The U.S. Government and the American people have a first-class and truly unique facility for the performing arts.

Mr. President, the legislation I am introducing today acknowledges the significant contribution that the Wolf Trap Foundation has made to the public and acknowledges the unforeseen difficulties it has encountered by restructuring the debt obligation to the U.S. Government in a manner that contributes to its education programs which serve the public interest throughout the Nation.

Mr. President, this legislation waives repayment obligations for one-half of ~~the total amount owed by the~~ Foundation in principal and interest as of the date of enactment of this act and stops the running of interest upon the date of enactment of this act. In addition, the legislation provides that the remaining obligations shall be repaid in 10 years with cash, property or credits—including credits for the continuing educational programs for the Wolf Trap Opera Company, Wolf Trap Institutes for Early Learning Through the Arts, and the programs and activities of the Education Division.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1859

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of subsection (b) of Public Law 99-310, as amended (16 U.S.C. 284c) the terms and conditions of any unpaid obligations of the Wolf Trap Foundation for the Performing Arts (hereinafter referred to as the "Foundation") resulting from loans made by the Secretary of the Interior (hereinafter referred to as the "Secretary") to the Foundation to complete reconstruction of the Filene Center of the Wolf Trap Farm Park in Fairfax County, Virginia are hereby restructured as follows:

(a) The Secretary shall waive repayment obligations for one-half of the total amount owed by the Foundation in principal and interest as of the date of enactment of this Act.

(b) The Secretary shall not assess interest on any remaining unpaid obligations owed by the Foundation after the date of enactment of this Act.

(c) Any remaining unpaid obligations shall be repaid in full by the Foundation with 10 years after the date of enactment of this Act with cash, property, or credits. Such credits are to be jointly determined by the Foundation and the Secretary, and may be derived and created by the Foundation in its continuing educational programs for the Wolf Trap Opera Company, Wolf Trap Institute for Early Learning through the Arts, and the programs and activities of the Education Division.●

ADDITIONAL COSPONSORS

S. 421

At the request of Mr. FORD, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 421, a bill to amend the Petroleum Marketing Practices Act.

S. 511

At the request of Mr. INOUYE, the names of the Senator from Maine [Mr. COHEN] and the Senator from Connecticut [Mr. DODD] were added as cosponsors of S. 511, a bill to recognize the organization known as the National Academies of Practice.

S. 619

At the request of Mr. SARBANES, the ~~names of the Senator from~~ Arkansas [Mr. BUMPERS] and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of S. 619, a bill to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr., in the District of Columbia.

S. 1393

At the request of Mr. REID, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1393, a bill to direct the Secretary of Defense to give priority to the Federal Bureau of Prisons in transferring any surplus real property or facility that is being closed or realigned.

S. 1560

At the request of Mr. BURNS, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 1560, a bill to suspend the enforcement of certain regulations relating to underground storage tanks, and for other purposes.

S. 1591

At the request of Mr. MOYNIHAN, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 1591, a bill to amend title XVIII of the Social Security Act to provide coverage of clinical workers, psychiatric nurses, and marriage and family therapists when provided onsite at a community mental health center or offsite as part of a treatment plan.

S. 1653

At the request of Mr. BAUCUS, the names of the Senator from Wisconsin [Mr. KOHL], the Senator from Massachusetts [Mr. KERRY], the Senator from North Dakota [Mr. CONRAD], and the Senator from Nebraska [Mr. KERREY] were added as cosponsors of S. 1653, a bill to preserve the solvency of the railroad retirement system.

S. 1783

At the request of Mr. MCCAIN, the names of the Senator from South Dakota [Mr. DASCHLE] and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of S. 1783, a bill to regulate Indian child protection and prevent child abuse on Indian reservations.

SENATE JOINT RESOLUTION 205

At the request of Mr. BIDEN, the names of the Senator from Washington [Mr. ADAMS], the Senator from North Dakota [Mr. BURDICK], the Senator from Oklahoma [Mr. BOREN], and the Senator from Indiana [Mr. COATS] were added as cosponsors of Senate Joint Resolution 205, a joint resolution designating December 3 through 9, 1989, as "National Cities Fight Back Against Drugs Week."

SENATE JOINT RESOLUTION 218

At the request of Mr. INOUYE, the names of the Senator from New York [Mr. D'AMATO], the Senator from Wy-

oming [Mr. SIMPSON], and the Senator from Maine [Mr. MITCHELL] were added as cosponsors of Senate Joint Resolution 218, a joint resolution to designate the week of December 3, 1989 through December 9, 1989, as "National American Indian Heritage Week."

SENATE JOINT RESOLUTION 224

At the request of Mr. BYRD, the names of the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from North Dakota [Mr. BURDICK], the Senator from North Dakota [Mr. CONRAD], the Senator from New York [Mr. D'AMATO], the Senator from Ohio [Mr. GLENN], the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of Senate Joint Resolution 224, a joint resolution to designate the month of May 1990 as "National Trauma Awareness Month."

SENATE CONCURRENT RESOLUTION 80—CORRECTING TECHNICAL ERRORS IN THE ENROLLMENT OF H.R. 2710

Mr. KENNEDY submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 80

Resolved by the Senate (the House of Representatives concurring), That, in the enrollment of the bill (H.R. 2710) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

(1) Amend section 6(g)(1)(A)(ii) to read as follows:

(ii) has not attained the age of 20 years; and

(2) In section 6(g)(1)(B)(i) insert before the period "at such wage".

(3) In section 6(g)(1)(B)(ii) strike out "if a certificate is issued under subsection (h) by the Secretary for the employment of such employee" and insert in lieu thereof "if the employer meets the requirements of subsection (h)".

(4) Amend subsection (h) to read as follows:

(h) EMPLOYER REQUIREMENTS.—An employer who wants to employ employees at the wage authorized by subsection (a) for the period authorized by subsection (g)(1)(B)(ii) shall—

(1) notify the Secretary annually of the positions at which such employees are to be employed at such wage.

(2) provide on-the-job training to such employees which meets general criteria of the Secretary issued by regulation after consultation with the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives and other interested persons,

(3) keep on file a copy of the training program which the employer will provide such employees.

(4) provide a copy of the training program to the employees,

(5) post in a conspicuous place in places of employment a notice of the types of jobs for which the employer is providing on-the-job training, and

(6) send to the Secretary on an annual basis a copy of such notice.

The Secretary shall make available to the public upon request notices provided to the Secretary by employers in accordance with paragraph (6).

(5) In sections 8(a)(1) and 8(b), strike out "section 2(a)" and insert in lieu thereof "section 2".

(6) In section 2 strike out "December 31, 1989" and insert in lieu thereof "March 31, 1990".

SENATE RESOLUTION 204—RELATIVE TO CERTAIN BID RIGGING ACTIVITY

Mr. MURKOWSKI submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 204

Whereas in 1984, one hundred forty Japanese construction firms formed an association known as the "U.S. Military Construction Safety Technical Research Association" which engaged in widespread bid rigging activity on contracts funded by the United States Government at the United States naval facility in Yokosuka, Japan from 1984 through 1987.

Whereas in December 1988, these 140 Japanese construction companies received warnings from the Japan Fair Trade Commission for bid rigging activities at the United States naval facility in Yokosuka, Japan.

Whereas seventy of these construction firms were fined by the Japan Fair Trade Commission for serious bid rigging activities at the United States naval facility in Yokosuka, Japan.

Whereas the U.S. Department of Defense has thus far proposed for debarment only eight companies, twenty corporate officials and four subsidiary firms involved in bid rigging activities at the United States naval facility in Yokosuka, Japan.

Whereas the aforementioned bid rigging activities have seriously undermined the procurement process at the United States naval facility in Yokosuka, Japan.

Whereas bid rigging at the United States naval facility in Yokosuka, Japan, from 1984 through 1987, contributed to increased construction costs at the facility, and hindered efforts to insure the efficient use of funds appropriated for military construction associated with United States security commitments in the Pacific.

Whereas the United States Department of Justice has formally requested full compensation from the one hundred forty firms involved in bid rigging activities at the United States naval facility in Yokosuka, Japan.

Whereas new allegations of bid rigging activities at other United States military facilities in Japan have been presented to the Department of Defense.

Whereas many of the Japanese firms alleged to be involved in bid rigging activities at the United States military bases in Japan are also engaged in business activities in the United States: Therefore, be it

Resolved, That it is the sense of the Senate:

That the United States Department of Defense and the United States Department of Justice be commended for their efforts to eliminate bid rigging activities at United States military facilities in Japan;

That the U.S. Department of Defense should conduct a full investigation of all bid rigging allegations at United States military facilities in Japan and seek debarment of all suppliers found to be involved in bid rigging activities at United States military facilities in Japan;

That the United States Department of Justice and the United States Department of State should work with the Japanese Government to insure that the United States Government receives full compensation for overpayments for construction services and goods at Yokosuka Naval base in Japan that occurred as a result of anticompetitive bidding practices that have been formally documented by the Government of Japan.

That the United States Department of Justice should investigate the United States activities of Japanese firms engaged in bid rigging at United States military facilities in Japan to determine whether or not these firms are also engaging in anticompetitive activities in the United States.

Mr. MURKOWSKI. Mr. President, today I am submitting a resolution to express the Senate's concern over bid rigging activities at U.S. military bases in Japan, and to encourage the Departments of Defense, State and Justice to continue their efforts to end these practices. Yesterday, the United States concluded the second rounds of talks with Japan regarding structural impediments to trade. By all accounts the results were disappointing. Tomorrow, the U.S. negotiators will begin bilateral consultations on construction. Mr. President, in light of these events, it is appropriate at this time to focus our attention on this matter.

Mr. President, earlier this month the Senate adopted a resolution similar to the one I am submitting today as an amendment to the State, Justice, Commerce appropriations bill. Unfortunately, this amendment was removed in conference. It is my understanding that the provision was removed at the request of members of other committees in the House that felt the amendment infringed on their jurisdiction. Mr. President, it is unfortunate that the conferees did not stand firm in retaining this language. It sends the wrong signal to our friends in Japan regarding our commitment to addressing anticollusive business practices in general, and bid rigging at United States bases in Japan in particular.

Mr. President, eliminating price fixing practices in Japan is one of six major barriers the United States has identified in the United States-Japan structural impediments talks. We have found concrete examples of this type of activity in sectors such as construction, where bid rigging is taking place even at United States military bases in Japan, and in Japan's banking industry where allegations have been made that the major banks, with the support of the Ministry of Finance, are engaging in collusive activities to set deposit and interest rates.

Since the Senate adopted my resolution expressing concern over evidence that 140 Japanese construction firms

had been engaged in bid rigging activities at Yokosuka Naval base in Japan, I have heard from other United States firms who have stated that they have evidence that bid rigging is occurring at other United States bases in Japan. Recently, I received information from a major United States firm bringing to my attention the existence of a "price fixing" group that has been operating for several years at the United States Air Force base at Yokota, Japan. The Japanese company alleged to be the head of the price fixing group, NECOM, is a subsidiary of NEC. Mr. President, NEC, has been contacted by the U.S. Department of Justice for bid rigging activities at Yokosuka. NEC was also mentioned in an article which appeared in the Thursday, November 2 edition of the Washington Post indicating that Japanese firms were submitting one yen bids for public works projects in Japan.

Mr. President, the information I have received regarding contracting practices at Yokota Air Base has revealed a situation very similar to the situation at Yokosuka Naval Base where almost every contract let over a 4-year period was rigged. It is my understanding that U.S. Air Force investigators have estimated that bid rigging at Yokota, on telecommunications contracts alone, has cost the U.S. Government over $100 million over the last 10 years.

Several United States companies and the United States Chamber of Commerce in Okinawa have expressed concern that at Yokota, and at other United States bases, Japanese contractors have very significant influence over the contracting offices. This makes it difficult for United States firms to get a fair shake at contracts at the United States bases. For example, all bidding conferences at Yokota are conducted in Japanese, creating the need for United States firms to hire Japanese interpreters in order to obtain the information needed to do business with the United States Government. Think about that—a United States base where information regarding procurement opportunities is solely aimed at foreign suppliers. In addition, contracts are bid in yen meaning that the United States has to carry the risk of dollar devaluation. In many cases, the international balance-of-payments plans and United States Government specs have been waived by the base procurement officers to the benefit of Japanese manufacturers. I am aware of one instance where a U.S. product was specifically identified in the United States Government's procurement spec. However, when the United States manufacturer of the product attempted to submit a bid for a job, much to their surprise they found that the spec requirements had been waived by the procurement office. What is of greatest concern to me is that some of these United States firms have said that they have been approached by their Japanese competitors and asked to join in the price fixing cartel so prices can be restored to pre-United States participation levels.

As I did when I first heard of bid rigging allegations at Yokosuka Naval Base, I have again contacted the Secretary of Defense to request that he look into the bid rigging allegations at Yokota. I have also proposed that the Department of Defense hold procurement seminars for United States firms interested in doing business with the United States Government at our military facilities overseas. In addition, I have asked the Secretary of the Air Force to provide me with information regarding the actions the Air Force has taken to investigate allegations of bid rigging at Yokota and other Air Force bases in Japan. I have also asked the Secretary to inform me of what actions, if any, the Air Force is taking to debar firms found to be involved in price fixing activities.

Mr. President, I am submitting this resolution because the Senate needs to send a clear signal that we are committed to ending bid rigging at our bases in Japan, and that we will take action against firms that are engaging in such activities. We must indicate to the Japanese construction firms that have been engaging in these activities that we support the United States Justice department's efforts to recover overpayments made by the United States Government as a result of bid rigging. Lastly, we must demonstrate our desire to see greater cooperation from our friends in Japan to end anti-competitive pricing practices across the board. I hope my colleagues will join me in supporting this resolution.

SENATE RESOLUTION 205—TO ESTABLISH A STUDENT TREE PLANTING PROGRAM

Mr. BUMPERS (for himself and Mr. CHAFEE) submitted the following resolution; which was considered and agreed to:

S. RES. 205

Resolved, That it is the sense of the Senate that the United States Forest Service should establish a program that utilizes elementary and high school student volunteers to perform tree planting and reforestation projects.

AMENDMENTS SUBMITTED

MINIMUM WAGE LEGISLATION

SYMMS AMENDMENT NO. 1087

Mr. SYMMS proposed an amendment to the bill (H.R. 2710) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage, and for other purposes, as follows:

At the end of the bill, add the following new section:

"SEC. . RELATING TO LEGISLATION AFFECTING SMALL BUSINESS.

The Senate finds that American small business firms account for 38 percent of the Nation's economic output;

That more than 50 percent of the Nation's total private sector work force is employed by small business;

That small businesses account for 51.5 percent of total United States business revenues;

That the Nation's very smallest companies constitute some 88 percent of the total number of business enterprises in the United States;

That between the years 1981 and 1986 small business created some 90 percent of the net new jobs in America;

That in 1988, small business continued to lead in job generation, with employment increases of 4.9 percent versus employment increases in large companies of 3.3 percent;

That small businesses are more likely than larger companies to hire workers who have been unemployed or out of the labor force for long periods of time:

That women who have left their jobs for personal or family reasons and have been out of the work force for five or more years are more likely to be hired upon reentry to the work force by smaller businesses;

That the small business work force has a larger proportion of new labor force entrants, and small businesses are more likely to hire from groups having above-average turnover rates and a weak attachment to the labor market;

That employees of small business enterprises are more likely than workers in larger firms to accumulate general skills and training, which make them more attractive to other employers, while the specific training and skills provided in larger firms tend to inhibit transferability to other firms;

That the hiring practices of small businesses help the economy achieve a lower rate of unemployment that would be possible in the absence of such small firms;

That small businesses have limited administrative capabilities and are more likely to be heavily burdened than large firms by regulatory changes that increase paperwork and compliance costs:

That Congress has failed to address systematically the economic impact on small business of the requirements imposed by the Federal Government;

That Congress must recognize that regardless of the merit of the new legislation, Federal requirements are often prohibitively costly to small business;

That Congress has failed to consider the cumulative economic impact of new legislative proposals and existing Federal requirements;

That Congress should consider providing small businesses assistance and tax credits to offset the cost of new requirements imposed by the Federal Government;

That Congress must recognize it cannot continue to impose new costs on small businesses without jeopardizing the vitality of small enterprises and the Nation's economic flexibility and growth; and

That Congress already has significantly increased the business costs of small business this year due to legislation that has been enacted into law:

For the balance of the 101st Congress, the Congress shall not increase the business costs for any small business that is engaged in an industry affecting commerce, and that has (1) 50 or fewer employees, or (2) gross annual receipts of $1,000,000 or less, by enacting legislation that requires additional paperwork, capital expenditures, compliance costs, or taxes.

HATCH (AND OTHERS) AMENDMENT NO. 1088

Mr. HATCH (for himself, Mr. MCCAIN, and Mr. MCCONNELL) proposed an amendment to amendment No. 1087 proposed by Mr. SYMMS to the bill H.R. 2710, supra, as follows:

In the pending amendment, strike all after the first word and insert the following:

—. RELATING TO LEGISLATION AFFECTING SMALL BUSINESS.

The Senate finds that American small business firms account for 38 percent of the Nation's economic output:

That more than 50 percent of the Nation's total private sector work force is employed by small business;

That small business account for 51.5 percent of total United States business revenues;

That the Nation's very smallest companies constitute some 88 percent of the total number of business enterprises in the United States;

That between the years 1981 and 1986 small business created some 90 percent of the net new jobs in America;

That in 1988, small business continued to lead in job generation, with employment increases of 4.9 percent versus employment increases in large companies of 3.3 percent:

That small businesses are more likely than larger companies to hire workers who have been unemployed or out of the labor force for long periods of time:

That women who have left their jobs for personal or family reasons and have been out of the work force for five or more years are more likely to be hired upon reentry to the work force by smaller businesses;

That the small business work force has a larger proportion of new labor force entrants, and small businesses are more likely to hire from groups having above-average turnover rates and a weak attachment to the labor market;

That employees of small business enterprises are more likely than workers in larger firms to accumulate general skills and training, which make them more attractive to other employers, while the specific training and skills provided in larger firms tend to inhibit transferability to other firms;

That the hiring practices of small businesses help the economy achieve a lower rate of unemployment that would be possible in the absence of such small firms;

That small businesses have limited administrative capabilities and are more likely to be heavily burdened than large firms by regulatory changes that increase paperwork and compliance costs:

That Congress has failed to systematically address the economic impact on small business of the requirements imposed by the Federal Government;

That Congress must recognize that regardless of the merit of the new legislation, Federal requirements are often prohibitively costly to small business;

That Congress has failed to consider the cumulative economic impact of new legislative proposals and existing Federal requirements;

That Congress should consider providing small businesses assistance and tax credits to offset the cost of new requirements imposed by the Federal Government;

That Congress must recognize it cannot continue to impose new costs on small businesses without jeopardizing the vitality of small enterprises and the Nation's economic flexibility and growth; and

That Congress already has significantly increased the business costs of small business this year due to legislation that has been enacted into law:

For the balance of the 101st Congress, the Congress shall not increase the business costs for any small business that is engaged in an industry affecting interstate commerce, and that has (1) 50 or fewer employees, or (2) gross annual receipts of $1,000,000 or less, by enacting legislation that requires additional paperwork, capital expenditures, compliance costs, or taxes.

GRAMM (AND OTHERS) AMENDMENT NO. 1089

Mr. GRAMM (for himself, Mr. THURMOND, Mr. SYMMS, Mr. HELMS, Mr. HEFLIN, Mr. COATS, Mr. NICKLES, Mr. WALLOP, and Mr. MCCLURE) proposed an amendment to the bill H.R. 2710, supra, as follows:

On page 13 of the bill strike lines 1 through 10.

CATASTROPHIC HEALTH COVERAGE

BENTSEN (AND OTHERS) AMENDMENT NO. 1090

Mr. MITCHELL (for Mr. BENTSEN, for himself, Mr. PACKWOOD, Mr. MCCAIN, and Mr. DOLE) proposed an amendment to the bill (H.R. 3607) to repeal Medicare provisions in the Medicare Catastrophic Coverage Act of 1988, as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This title may be cited as the "Medicare Catastrophic Coverage Reform Amendments of 1989".

TITLE I—PROVISIONS RELATING TO PART A OF MEDICARE PROGRAM AND SUPPLEMENTAL MEDICARE PREMIUM

SEC. 101. REVISION OF EXTENDED CARE SERVICES BENEFITS.

(a) 100 DAYS DURING EACH SPELL OF SNF CARE.—Section 1812 of the Social Security Act (42 U.S.C. 1395d) is amended—

(1) by amending paragraph (2) of subsection (a) to read as follows:

"(2)(A) post-hospital extended care services for up to 100 days during any spell of snf care, and (B) to the extent provided in subsection (f), extended care services that are not post-hospital extended care services;";

(2) by amending paragraph (1) of subsection (b) to read as follows:

"(1) post-hospital extended care services furnished to the individual during a spell of snf care after such services have been furnished to the individual for 100 days during such spell, or";

(3) in subsection (e), by inserting "post-hospital" before "extended care"; and

(4) by adding at the end the following new subsection:

"(f)(1) The Secretary shall provide for coverage, under clause (B) of subsection (a)(2) of this section, of extended care services which are not post-hospital extended care services at such time and for so long as the Secretary determines, under such terms and conditions (described in paragraph (2)) as the Secretary finds appropriate, that the inclusion of such services will not result in any increase in the total of payments made under this title and will not alter the acute care nature of the benefit described in subsection (a)(2).

"(2) The Secretary may provide—

"(A) for such limitations on the scope and extent of such services described in subsection (a)(2)(B), and on the categories of individuals who may be eligible to receive such services, and

"(B) notwithstanding sections 1814, 1861(v), and 1886 for such restrictions and alternatives on the amount and methods of payment for services described in such subsection,

as may be necessary to carry out paragraph (1).".

(b) COINSURANCE.—Paragraph (3) of section 1813(a) of such Act (42 U.S.C. 1395e(a)) is amended to read as follows:

"(3) The amount payable for post-hospital extended care services furnished an individual during any spell of snf care shall be reduced by a coinsurance amount equal to one-eighth of the inpatient hospital deductible for each day (before the 101st day) on which the individual is furnished such services after such services have been furnished to the individual for 20 days during such spell.".

(c) CONFORMING AMENDMENTS AND RESTORATION OF LAW.—

(1) SPELL OF SNF CARE DEFINED.—Section 1861 of such Act (42 U.S.C. 1395x) is amended by inserting before subsection (b) the following new subsection:

"Spell of SNF Care

"(a) The term 'spell of snf care' with respect to any individual means a period of consecutive days—

"(1) beginning with the first day (not included in a previous spell of snf care) (A) on which such individual is furnished extended care services, and (B) which occurs in a month for which the individual is entitled to benefits under part A, and

"(2) ending with the close of the first period of 60 consecutive days thereafter on each of which the individual is not an inpatient of a skilled nursing facility.".

(2) CONFORMING AMENDMENTS.—(A) Except as provided in subparagraph (B)—

(i) the amendments made by subsection (d) of section 104 of the Medicare Catastrophic Coverage Act of 1988 are repealed, and

(ii) the provisions of the Social Security Act amended by such subsection shall be restored and revived as if such amendments had not been made.

(B) Subparagraph (A) shall not apply to the amendments made by paragraphs (2)(C), (2)(D), (3), (4)(A), (4)(B)(iii), (4)(B)(iv), and (7) of section 104(d) of the Medicare Catastrophic Coverage Act of 1988.

(3) ADDITIONAL CONFORMING AMENDMENT.—Title XVIII of the Social Security Act is amended by striking "spell of illness" and "spells of illness" each place either appears

and inserting "spell of snf care" and "spells of snf care", respectively.

(d) EFFECTIVE DATE AND TRANSITION.—

(1) EFFECTIVE DATE.—Except as provided in this subsection, the amendments made by this section shall apply to extended care services furnished in a spell of snf care (as defined in paragraph (4)) beginning on or after December 1, 1989.

(2) TRANSITION FOR INDIVIDUALS IN CURRENT SPELL OF SNF CARE.—In the case of an individual who is in a current spell of snf care—

(A) the number of days of coverage of extended care services (furnished during such spell and on or after December 1, 1989) to which the individual is entitled under part A of title XVIII of the Social Security Act shall not exceed 150 less the number of days for which benefits for extended care services were payable under such part for the individual in 1989 before December 1, and

(B) in applying section 1813(a)(3) of such Act (as in effect before the enactment of this Act), extended care services furnished during such spell during 1990 shall be considered to have been furnished in 1989.

In this paragraph, the term "current spell of snf care" means a spell of snf care which began before December 1, 1989, which includes such date, and for which benefits for extended care services under part A of title XVIII of the Social Security Act were payable before such date.

(3) LIMITATION ON OVERLAPPING BENEFITS.—

(A) In no case shall paragraph (1) result in an individual being entitled to benefits for extended care services under part A of title XVIII of the Social Security Act for more than 150 days during 1989.

(B) If an individual, but for subparagraph (A), would be entitled to benefits for extended care services under such part for more than 150 days in 1989, in determining the number of days of benefits for such services in 1990 during a spell of snf care and the days on which coinsurance applies under section 1813(a)(1) of the Social Security Act, those days in 1989 in the spell of snf care on which benefits would have been provided but for subparagraph (A) shall not be counted.

(4) SPELL OF SNF CARE DEFINED.—In this subsection, the term "spell of snf care" has the meaning given such term in section 1861(a) of the Social Security Act, as amended by subsection (c)(1) of this section. Days before December 1, 1989, are included in the determination of spells of snf care.

(e) STUDY.—The Comptroller General shall study the reasons for the unexpected increase in cost estimates of the extended care services benefit under title XVIII of the Social Security Act. Not later than February 1, 1990, the Comptroller General shall submit a report to Congress describing the results of the study.

SEC. 102. REPEAL OF SUPPLEMENTAL MEDICARE PREMIUM AND FEDERAL HOSPITAL INSURANCE CATASTROPHIC COVERAGE RESERVE FUND.

(a) IN GENERAL.—Sections 111 and 112 of the Medicare Catastrophic Coverage Act of 1988 are repealed and the provisions of the Internal Revenue Code of 1986 and the Social Security Act amended by such sections shall be restored and revived as if such sections had not been enacted.

(b) DISPOSAL OF FUNDS IN FEDERAL HOSPITAL INSURANCE CATASTROPHIC COVERAGE RESERVE FUND.—Any balance in the Federal Hospital Insurance Catastrophic Coverage Reserve Fund as of the date of the enactment of this Act shall be transferred into the Federal Hospital Insurance Trust Fund and any amounts payable due to overpayments into such Trust Fund shall be payable from the Federal Hospital Insurance Trust Fund.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in this subsection, the provisions of this section shall take effect on the date of the enactment of this Act.

(2) REPEAL OF SUPPLEMENTAL MEDICARE PREMIUM.—The repeal of section 111 of the Medicare Catastrophic Coverage Act of 1988 shall apply to taxable years beginning after December 31, 1988.

TITLE II—PROVISIONS RELATING TO PART B OF THE MEDICARE PROGRAM

SEC. 201. REPEAL OF LIMITATION ON MEDICARE PART B COST-SHARING.

Subsections (a)(4), (b), and (c) of section 201 of the Medicare Catastrophic Coverage Act of 1988 are repealed and the provisions of the Social Security Act amended by such subsections shall be restored and revived as if such subsections had not been enacted.

SEC. 202. LIMITATION ON COVERED OUTPATIENT DRUGS AND DELAY IN DRUG-RELATED BENEFITS.

(a) LIMITATION OF DRUG BENEFITS TO IMMUNOSUPPRESSANTS AND HOME IV DRUGS.—Section 1861(t) of the Social Security Act (42 U.S.C. 1395x(t)) is amended—

(1) in paragraph (3)(B), by striking "in 1990" and inserting "in years after 1990", and

(2) in paragraph (4)(B), by striking "1990" and inserting "1991".

(b) DELAY IN DRUG-RELATED BENEFITS.—

(1) COVERED OUTPATIENT DRUGS.—Section 202(m)(1) of the Medicare Catastrophic Coverage Act of 1988 is amended by striking "1990" and inserting "1991".

(2) HOME INTRAVENOUS DRUG THERAPY SERVICES.—Section 203(g) of the Medicare Catastrophic Coverage Act of 1988 is amended by striking "1990" and inserting "1991".

(c) CONFORMING AND MISCELLANEOUS AMENDMENTS TO PAYMENT PROVISIONS.—

(1) CATASTROPHIC DRUG DEDUCTIBLE AMOUNT.—Section 1834(c)(1)(C) of the Social Security Act, as added by section 202(b)(4) of the Medicare Catastrophic Coverage Act of 1988, is amended—

(A) by amending clause (i) to read as follows:

"(i) IN GENERAL.—The catastrophic drug deductible specified in this subparagraph for—

"(I) 1991 is $550, and

"(II) any succeeding year, is the catastrophic drug deductible for the previous year increased by the percentage increase in the MEI (as defined in section 1842(i)(3)) applicable to physicians' services furnished in that succeeding year."; and

(B) in clause (iii), by striking "1992" and inserting "1991".

(2) COINSURANCE PERCENT.—Section 1834(c)(2) of such Act is amended—

(A) in subparagraph (B), by striking "100 percent" and all that follows and inserting "80 percent", and

(B) by striking subparagraphs (C) and (D).

(3) MISCELLANEOUS DELAYS.—Section 1834(c) of such Act is further amended—

(A) in paragraph (3)(A), by striking "1992" and inserting "1993", and

(B) in paragraphs (3)(C)(i) and (3)(C)(ii)(I), by striking "1990" and inserting "1991".

(4) ADMINISTRATIVE DISPENSING ALLOWANCE.—Clause (i) of section 1834(c)(4)(A) of such Act is amended to read as follows:

"(i) in 1991, the administrative allowance under this paragraph is $4.50; or".

(5) REPEAL OF SPECIAL TREATMENT OF PREPAID ORGANIZATIONS AND PHYSICIAN GUIDE.—Section 1834(c) of such Act is further amended by striking paragraphs (6) and (7).

(6) CHANGE IN REPORTING REQUIREMENTS.—Section 1834(c)(8) of such Act is amended—

(A) in subparagraph (B), by striking "in May and November of 1989 and 1990 and in May of each succeeding year" and inserting "in May of each year (beginning with 1990)", and

(B) by striking subparagraphs (C) through (F).

(7) DELETION OF EXTRANEOUS DEFINITION.—Section 1834(c)(9) of such Act is further amended by striking subparagraph (D).

(d) DELETION OF PROVISIONS RELATING TO PARTICIPATING PHARMACIES, SPECIAL ADMINISTRATIVE PROVISIONS, AND MODIFICATION OF HMO/CMP CONTRACTS.—Subsections (c), (e), and (f) of section 202 of the Medicare Catastrophic Coverage Act of 1988 is repealed and the provisions of the Social Security Act amended by such subsections shall be restored and revived as if such subsections had not been enacted.

(e) REPEAL OF REQUIREMENT FOR REESTIMATION OF COSTS, ADDITIONAL STUDIES, AND DEVELOPMENT OF STANDARD CLAIMS FORM.—Paragraph (2) of subsection (i), subsection (k), and subsection (l) of section 202 of the Medicare Catastrophic Coverage Act of 1988 are repealed.

(f) REPEAL OF PRESCRIPTION DRUG PAYMENT REVIEW COMMISSION.—

(1) IN GENERAL.—Section 1847 of the Social Security Act (42 U.S.C. 1395w-3), as added by section 202(j) of the Medicare Catastrophic Coverage Act of 1988, is repealed.

(2) TRANSITION.—The amendment made by subparagraph (A) shall take effect on the date of the enactment of this Act, but the Prescription Drug Payment Review Commission is authorized to continue its activities for 30 days after such date to conclude its business.

(g) CONFORMING DELAYS TO PROVISIONS RELATING TO HOME INTRAVENOUS DRUG THERAPY SERVICES.—

(1) Section 1834(d)(2) of the Social Security Act, as added by section 203(c)(1)(F) of the Medicare Catastrophic Coverage Act of 1988, is amended by striking "1990" and inserting "1991".

(2) Section 203(c)(2) of the Medicare Catastrophic Coverage Act of 1988 is amended by striking "1991" and inserting "1992".

(3) Section 1835(a)(2)(G) of the Social Security Act, as inserted by section 203(d)(1)(C) of the Medicare Catastrophic Coverage Act of 1988, is amended by striking "1993" and inserting "1994".

(4) Section 1154(a)(16) of the Social Security Act, as added by section 203(d)(2) of the Medicare Catastrophic Coverage Act of 1988, is amended by striking "1993" and inserting "1994".

(h) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 203. DELAY IN COVERAGE OF SCREENING MAMMOGRAPHY.

(a) IN GENERAL.—Section 204(e) of the Medicare Catastrophic Coverage Act of 1988 is amended by striking "1990" and inserting "1991".

(b) CONFORMING AMENDMENTS.—Section 1834(e) of the Social Security Act (42 U.S.C. 1395m(e)), as added by section 204(b)(2) of the Medicare Catastrophic Coverage Act of 1988, is amended—

(1) in paragraph (2)(B)(ii), by striking "1992" and inserting "1993",

(2) in paragraph (4)(A)(i), by striking "1990" and inserting "1991",

(3) in paragraph (4)(B), by striking "1991" and inserting "1992", and

(4) in paragraph (5), by striking "1990" and "1991" each place each appears and inserting "1991" and "1992", respectively.

SEC. 204. DELAY IN COVERAGE OF IN-HOME CARE.

(a) IN GENERAL.—Section 205(f) of the Medicare Catastrophic Coverage Act of 1988 is amended by striking "1990" and inserting "1991".

(b) CONFORMING AMENDMENTS.—Section 1861(ll) of the Social Security Act (42 U.S.C. 1395x(ll)), as added by section 205(b) of the Medicare Catastrophic Coverage Act of 1988, is amended—

(1) by amending subparagraph (A) of paragraph (4) to read as follows:

"(A) has incurred out-of-pocket part B cost sharing (as defined in paragraph (5)(A)) in an amount equal to part B catastrophic limit (as determined under paragraph (5)(B)) for the year, or"; and

(2) by adding at the end the following new paragraph:

"(5) For purposes of this subsection:

"(A) The term 'out-of-pocket part B cost sharing' means, with respect to an individual covered under part B, the amounts of expenses that the individual incurs that are attributable to—

"(i) the deductions established under section 1833(b), and

"(ii) the difference between the payment amount provided under part B and the payment amount that would be provided under part B if '100 percent' and '0 percent' were substituted for '80 percent' and '20 percent', respectively, each place either appears in sections 1833(a), 1833(i)(2), 1834(e)(1)(C), 1835(b)(2), 1866(a)(2)(A), 1881(b)(2), and 1881(b)(3).

"(B)(i) The part B catastrophic limit for 1991 is $1,780. The part B catastrophic limit for any succeeding year shall be such an amount (rounded to the nearest multiple of $1) as the Secretary estimates, for that succeeding year, will reflect a level of out-of-pocket part B expenses that only 5.5 percent of the average number of individuals enrolled under part B (other than individuals enrolled with an eligible organization under section 1876 or an organization described in section 1833(a)(1)(A)) will equal or exceed in that succeeding year.

"(ii) Not later than September 1 of each year (beginning with 1991), the Secretary shall promulgate the part B catastrophic limit under this subparagraph for the succeeding year.".

(c) REPORT ON ALTERNATIVE ELIGIBILITY STANDARDS.—The Secretary of Health and Human Services shall submit to the Congress by June 1, 1990, a report describing alternatives to the standards for determining the eligibility of individuals for in-home care services contained in section 1861(ll) of the Social Security Act (as amended by subsection (b)).

SEC. 205. CHANGES IN PART B MONTHLY PREMIUM FINANCING.

(a) CONSOLIDATION OF CATASTROPHIC MONTHLY PREMIUM.—

(1) IN GENERAL.—Section 1839(g)(1) of the Social Security Act (42 U.S.C. 1395r(g)(1)) is amended—

(A) in subparagraph (A)—

(i) by striking "paragraphs (4) and (5)" and inserting "paragraphs (3) and (4)",

(ii) by striking "the sum of the catastrophic coverage monthly premium and the prescription drug monthly premium" and inserting "the catastrophic coverage ~~monthly premium~~",

(iii) by striking "paragraphs (2) and (3)" and inserting "paragraph (2)",

(iv) in the column in the table relating to the catastrophic coverage monthly premium, by striking "$5.46", "$6.75", and "$7.18" and inserting "$7.40", "$9.20", and "$10.20", respectively, and

(v) by striking the column in the table relating to the prescription drug monthly premium; and

(B) by striking subparagraphs (B) through (D) and inserting the following:

"(B) The Secretary shall determine during September of 1990, 1991, and 1992, the monthly actuarial rate for months in the succeeding year which, if substituted for the catastrophic coverage monthly premium specified in subparagraph (A) for such months, would assure (taking into account potential contingencies) a positive balance in the Medicare Catastrophic Coverage Account at the end of the succeeding year.

"(C) If the monthly actuarial rate determined under subparagraph (B) for months in a year is less than the catastrophic coverage monthly premium otherwise specified in the table in subparagraph (A), such monthly actuarial rate shall be substituted for the catastrophic coverage monthly premium under subparagraph (A) for months in the year.".

(2) MONTHLY PREMIUM AFTER 1993.—Paragraph (2) of section 1839(g) of such Act is amended to read as follows:

"(2)(A) The Secretary shall determine during September of each year (beginning with 1993) the monthly actuarial rate for months in the succeeding year which, if substituted for the catastrophic coverage monthly premium specified in subparagraph (A) for such months, would assure a balance in the Medicare Catastrophic Coverage Account at the end of the succeeding year equal to 20 percent of the estimated total debits to the Account during the year.

"(B) In the case of months in a year after 1993, the catastrophic coverage monthly premium is the monthly actuarial rate determined under subparagraph (A) for months in the year.".

(3) ELIMINATION OF SEPARATE PRESCRIPTION DRUG MONTHLY PREMIUM.—Section 1839(g) of such Act is further amended by striking paragraph (3).

(4) TREATMENT OF RESIDENTS OF PUERTO RICO AND TERRITORIES.—Section 1839(g)(4) of such Act is amended to read as follows:

"(3)(A) In the case of an individual who is a resident of Puerto Rico or who is a resident of another U.S. commonwealth or territory during a month, instead of the premium increase provided under paragraph (1), subject to subsection (b), the monthly premium for each individual enrolled under this part (otherwise determined without regard to this subsection) shall be increased—

"(i) for months in 1989 by $1.30 for residents of Puerto Rico and $2.10 for residents of another U.S. commonwealth or territory,

"(ii) for months in 1990 by $1.40 for residents of Puerto Rico and $2.30 for residents of another U.S. commonwealth or territory, and

"(iii) for months in a succeeding year by a fraction (determined under subparagraph (B)) of the premium increase determined under paragraph (1) for residents of Puerto Rico and for residents of the other U.S. commonwealths and territories, respectively.

"(B) The Secretary shall from time to time establish, separately for Puerto Rico and for the other U.S. commonwealths and territories, a fraction that reflects the relative per capita outlays which are accounted for under the Medicare Catastrophic Coverage Account for residents in such respective areas compared to such per capita outlays for individuals who are resident in the 50 States and the District of Columbia.".

(5) PART B ONLY INDIVIDUALS.—Section 1839(g)(5) of such Act is amended to read as follows:

"(4)(A) In the case of a part B only individual during a month, instead of any premium increase otherwise provided under paragraph (1), subject to subsection (b), the monthly premium for each individual enrolled under this part (otherwise determined without regard to this subsection) shall be increased for months (beginning with January 1991) by a fraction (determined under subparagraph (B)) of the premium increase determined under paragraph (1).

"(B) The Secretary shall from time to time establish a fraction that reflects the relative per capita outlays which are accounted for under the Medicare Catastrophic Coverage Account for part B only individuals compared to such per capita outlays for individuals entitled to benefits under both part A and this part.".

(6) CONFORMING AMENDMENTS.—Section 1839 of such Act is further amended—

(A) in subsection (b), by striking "(g)(6)" and inserting "(g)(5)",

(B) in subsection (g)(6), by striking "(6)(A)" and inserting "(5)" and by striking subparagraph (B),

(C) in subsection (g)(7), by striking "(7)(A) The Secretary and the Secretary of the Treasury" and inserting "(5)(A) The Secretary", and

(D) in subsection (g)(8)—

(i) by striking subparagraphs (A), (B), and (C), and

(ii) by redesignating subparagraphs (D), (E), and (F) as subparagraphs (A), (B), and (C), respectively.

(b) PAYMENT OF PART OF PREMIUM TO COVER PART A OUTLAYS.—Section 1841(a) of the Social Security Act (42 U.S.C. 1395t(a)), as amended through the operation of subsection (c), is amended by adding at the end the following: "There is appropriated from the Trust Fund to the Federal Hospital Insurance Trust Fund, from such amounts in the Trust Fund as are attributable to premium increases imposed under section 1839(g) for months after December 1989, amounts equal to the amount by which (1) the amount of outlays made, from the Federal Hospital Insurance Trust Fund, that are attributable to the amendments made by the Medicare Catastrophic Coverage Act of 1988 (as amended), exceeds (2) amounts transferred under section 205(e) of the Medicare Catastrophic Coverage Reform Amendments of 1989. The amounts appropriated by the preceding sentence shall be transferred from time to time (not less frequently than monthly), such amounts to be based on estimates by the Secretary of premiums and outlays described in such sentence, and proper adjustments shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or were less than appropriate amounts.".

(c) REPEAL OF FEDERAL CATASTROPHIC DRUG INSURANCE TRUST FUND.—Section 212 (other than paragraphs (3) and (4) of subsection (c)) of the Medicare Catastrophic Coverage Act of 1988 is repealed and the provisions of

the Social Security Act amended by such section (other than such paragraphs) shall be restored and revived as if such amendments had not been made.

(d) AMENDMENTS TO MEDICARE CATASTROPHIC COVERAGE ACCOUNT.—Section 1841B of the Social Security Act (42 U.S.C. 1395t-2) is amended—

(1) in subsection (a), by striking ", and section 59B of the Internal Revenue Code of 1986," and by striking "and for purposes of section 59B of the Internal Revenue Code of 1986";

(2) by amending paragraph (1) of subsection (b) to read as follows:

"(1) The Account shall be—

"(A) credited for receipts of the Federal Supplementary Medical Insurance Trust Fund attributable to premiums under section 1839(g), and

"(B) debited for outlays under this title that are attributable to the amendments made by the Medicare Catastrophic Coverage Act of 1988 (as amended) and to the provisions of section 101(d)(2) of the Medicare Catastrophic Coverage Reform Amendments of 1989.";

(3) in subsection (b)(3), by striking "and the Secretary of the Treasury";

(4) in subsection (b)(4), by striking ", receipts that are also" and all that follows through "Reserve Fund"; and

(5) in subsection (c)(2), by striking "and under section 59B of the Internal Revenue Code of 1986".

(e) 1-TIME TRANSFER OF NET ADDITIONAL PREMIUMS IN 1989.—There shall be transferred, as of January 1, 1990, from the Federal Supplementary Medical Insurance Trust Fund to the Federal Hospital Insurance Trust Fund an amount equal to—

(1) the amount of the premiums collected pursuant to section 1839(g) of the Social Security Act for months in 1989, minus

(2) the amount of administrative expenses incurred under part B of title XVIII of such Act relating to implementation of the amendments made by the Medicare Catastrophic Coverage Act of 1988, plus

(3) the amount of interest accrued to the Federal Supplementary Medical Insurance Trust Fund attributable to balance described in paragraphs (1) and (2).

(f) CONFORMING AMENDMENTS.—

(1) Section 1844(a) of the Social Security Act (42 U.S.C. 1395w(a)) is amended by striking "or section 59B of the Internal Revenue Code of 1986".

(2) Section 1876(a)(5) of such Act (42 U.S.C. 1395ff(a)(5)) is amended by striking ", the Federal Supplementary Medical Insurance Trust Fund, and the Federal Catastrophic Drug Insurance Trust Fund" and inserting "and the Federal Supplementary Medical Insurance Trust Fund".

(g) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 206. CONTINUATION OF RISK-SHARING CONTRACTS WITH HEALTH MAINTENANCE ORGANIZATIONS.

Notwithstanding any other provision of this title, the amendments made by this title shall not apply to risk-sharing contracts, for contract year 1990—

(1) with eligible organizations under section 1876 of the Social Security Act, or

(2) with health maintenance organizations under section 1876(i)(2)(A) of such Act (as in effect before February 1, 1985), under section 402(a) of the Social Security Amendments of 1967, or under section 222(a) of the Social Security Amendments of 1972.".

SEC. 207. CLARIFICATION OF TRANSITION FOR PPS-EXEMPT HOSPITALS.

Effective as if included in the Medicare Catastrophic Coverage Act of 1988, section 104(c)(2) of such Act is amended by striking the period at the end and inserting the following: ", without regard to whether any of such beneficiaries exhausted medicare inpatient hospital benefits before January 1, 1989.".

TITLE III—MISCELLANEOUS

SEC. 301. TRANSITION IN MEDIGAP REGULATIONS.

(a) IN GENERAL.—Section 1882 of the Social Security Act (42 U.S.C. 1395ss), as amended by section 221(d) of the Medicare Catastrophic Coverage Act of 1988, is amended—

(1) in the third sentence of subsection (a) and in subsection (b)(1), by striking "subsection (k)(3)" and inserting "subsections (k)(3), (m), and (n)";

(2) in subsection (k)—

(A) in paragraph (1)(A), by inserting "except as provided in subsection (m)," before "subsection (g)(2)(A)", and

(B) in paragraph (3), by striking "subsection (l)" and inserting "subsections (l), (m), and (n)"; and

(3) by adding at the end the following new subsections:

"(m)(1)(A) If, within the 90-day period beginning on the date of the enactment of this subsection, the National Association of Insurance Commissioners (in this subsection and subsection (n) referred to as the 'Association') revises the amended NAIC Model Regulation (referred to in subsection (k)(1)(A) and adopted on September 20, 1988) to reflect the changes in law made by the Medicare Catastrophic Coverage Reform Amendments of 1989, subsection (g)(2)(A) shall be applied in a State, effective on and after the date specified in subparagraph (B), as if the reference to the Model Regulation adopted on June 6, 1979, were a reference to the amended NAIC Model Regulation (referred to in subsection (k)(1)(A)) as revised by the Association in accordance with this paragraph (in this subsection and subsection (n) referred to as the 'revised NAIC Model Regulation').

"(B) The date specified in this subparagraph for a State is the earlier of the date the State adopts standards equal to or more stringent than the revised NAIC Model Regulation or 1 year after the date the Association first adopts such revised Regulation.

"(2)(A) If the Association does not revise the amended NAIC Model Regulation, within the 90-day period specified in paragraph (1)(A), the Secretary shall promulgate, not later than 60 days after the end of such period, revised Federal model standards (in this subsection and subsection (n) referred to as 'revised Federal model standards') for medicare supplemental policies to reflect the changes in law made by the Medicare Catastrophic Coverage Reform Amendments of 1989, subsection (g)(2)(A) shall be applied in a State, effective on and after the date specified in subparagraph (B), as if the reference to the Model Regulation adopted on June 6, 1979, were a reference to the revised Federal model standards.

"(B) The date specified in this subparagraph for a State is the earlier of the date the State adopts standards equal to or more stringent than the revised Federal model standards or 1 year after the date the Secretary first promulgates such standards.

"(3) Notwithstanding any other provision of this section (except as provided in subsection (n))—

"(A) no medicare supplemental policy may be certified by the Secretary pursuant to subsection (a),

"(B) no certification made pursuant to subsection (a) shall remain in effect, and

"(C) no State regulatory program shall be found to meet (or to continue to meet) the requirements of subsection (b)(1)(A),

unless such policy meets (or such program provides for the application of standards equal to or more stringent than) the standards set forth in the revised NAIC Model Regulation or the revised Federal model standards (as the case may be) by the date specified in paragraph (1)(B) or (2)(B) (as the case may be).

"(n)(1) Until the date specified in paragraph (4), in the case of a qualifying medicare supplemental policy described in paragraph (3) issued in a State—

"(A) before the transition deadline, the policy is deemed to remain in compliance with the standards described in subsection (b)(1)(A) only if the insurer issuing the policy complies with the transition provision described in paragraph (2), or

"(B) on or after the transition deadline, the policy is deemed to be in compliance with the standards described in subsection (b)(1)(A) only if the insurer issuing the policy complies with the revised NAIC Model Regulation or the revised Federal model standards (as the case may be) before the date of the sale of the policy.

In this paragraph, the term 'transition deadline' means 1 year after the date the Association adopts the revised NAIC Model Regulation or 1 year after the date the Secretary promulgates revised Federal model standards (as the case may be).

"(2) The transition provision described in this paragraph is—

"(A) such transition provision as the Association provides, by not later than December 15, 1989, so as to provide for an appropriate transition (i) to restore benefit provisions which are no longer duplicative as a result of the changes in benefits under this title made by the Medicare Catastrophic Coverage Reform Amendments of 1989 and (ii) to eliminate the requirement of payment for the first 8 days of coinsurance for extended care services, or

"(B) if the Association does not provide for a transition provision by the date described in subparagraph (A), such transition provision as the Secretary shall provide, by January 1, 1990, so as to provide for an appropriate transition described in subparagraph (A).

"(3) In paragraph (1), the term 'qualifying medicare supplemental policy' means a medicare supplemental policy which has been issued in compliance with this section as in effect on the date before the date of the enactment of this subsection.

"(4)(A) The date specified in this paragraph for a policy issued in a State is—

"(i) the first date a State adopts, after the date of the enactment of this subsection, standards equal to or more stringent than the revised NAIC Model Regulation (or revised Federal model standards), as the case may be, or

"(ii) the date specified in subparagraph (B),

whichever is earlier.

"(B) In the case of a State which the Secretary identifies, in consultation with the Association, as—

"(i) requiring State legislation (other than legislation appropriating funds) in order for medicare supplemental policies to meet

standards described in subparagraph (A)(i), but

"(ii) having a legislature which is not scheduled to meet in 1990 in a legislative session in which such legislation may be considered,

the date specified in this subparagraph is the first day of the first calendar quarter beginning after the close of the first legislative session of the State legislature that begins on or after January 1, 1990. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

"(5) In the case of a medicare supplemental policy in effect on January 1, 1990, the policy shall not be deemed to meet the standards in subsection (c) unless each individual who is entitled to benefits under this title and is a policyholder or certificate holder under such policy on such date is sent a notice in an appropriate form by not later than January 31, 1990, that explains—

"(A) the changes in benefits under this title effected by the Medicare Catastrophic Coverage Reform Amendments of 1989, and

"(B) how these changes may affect the benefits contained in such policy and the premium for the policy.

"(6)(A) Except as provided in subparagraph (B), in the case of an individual who had in effect, as of December 31, 1988, a medicare supplemental policy with an insurer (as a policyholder or, in the case of a group policy, as a certificate holder) and the individual terminated coverage under such policy before the date of the enactment of this subsection, no medicare supplemental policy of the insurer shall be deemed to meet the standards in subsection (c) unless the insurer—

"(i) provides written notice, no earlier than December 15, 1989, and no later than January 30, 1990, to the policyholder or certificate holder (at the most recent available address) of the offer described in clause (ii), and

"(ii) offers the individual, during a period of at least 60 days beginning not later than February 1, 1990, reinstitution of coverage (with coverage effective as of January 1, 1990), under the terms which (I) do not provide for any waiting period with respect to treatment of pre-existing conditions, (II) provides for coverage which is substantially equivalent to coverage in effect before the date of such termination, and (III) provides for classification of premiums on which terms are at least as favorable to the policyholder or certificate holder as the premium classification terms that would have applied to the policyholder or certificate holder had the coverage never terminated.

"(B) An insurer is not required to make the offer under subparagraph (A)(ii) in the case of an individual who is a policyholder or certificate holder in another medicare supplemental policy as of the date of the enactment of this subsection, if (as of January 1, 1990) the policy under which the individual was provided coverage provides for no waiting period with respect to treatment of a pre-existing condition.".

(b) SENSE OF CONGRESS.—It is the sense of Congress that States should respond, at the earliest practicable date after the date of enactment of this Act, to requests by insurers for review and approval of riders and premium adjustments for medicare supplemental policies in order to comply with the amendments made by subsection (a) and that all such premium adjustments be effective January 1, 1990.

SEC. 302. NOTICE OF CHANGES.

The Secretary of Health and Human Services shall provide, in the notice of medicare benefits provided under section 1804 of the Social Security Act of 1990, for a description of the changes in benefits under title XVIII of such Act made by the amendments made by this title.

SEC. 303. MISCELLANEOUS AMENDMENTS AND TECHNICAL CORRECTIONS.

(a) CORRECTIONS RELATING TO CATASTROPHIC DRUG BENEFIT.—

(1) DEFINITION OF COVERED OUTPATIENT DRUGS.—Section 1861(t)(3)(A) of the Social Security Act, as added by section 202(a)(2)(C) of the Medicare Catastrophic Coverage Act of 1988 (in this section referred to as "MCCA"), is amended—

(A) by redesignating clauses (iv) through (xiii) as clauses (vi), (vii), (viii), (ix), (x), (xii), (xiii), (xiv), (xvi), and (xviii), respectively;

(B) by inserting after clause (iii) the following:

"(iv) Diagnostic services under subsections (s)(2)(C) and (s)(3).

"(v) X-ray, radium, and radioactive isotope therapy under subsection (s)(4).";

(C) by inserting after clause (x), as so redesignated, the following:

"(xi) Parenteral nutrition nutrients under subsection (s)(8).";

(D) by inserting after clause (xvi), as so redesignated, the following:

"(xv) Partial hospitalization services (as defined in subsection (ff)).''; and

(E) by inserting after clause (xvi), as so redesignated, the following:

"(xvii) Qualified psychologist services (as defined in subsection (ii)).".

(2) COVERED HOME IV DRUGS.—Section 1861(t)(4)(A) of such Act (42 U.S.C 1395x(t)(4)(A)) is amended by striking "dispensed" and inserting "furnished by a qualified home intravenous drug therapy provider".

(3) REFERENCES TO CATASTROPHIC DRUG DEDUCTIBLE AMOUNT.—Section 1834(c) of the Social Security Act, as added by section 202(b)(4) of MCCA, is amended—

(A) in paragraph (2)(A), by striking "under paragraph (1)(A) and except as provided in subparagraph (C)" and inserting "under paragraph (1)", and

(B) in paragraph (8)(E), by striking "paragraph (1)(A)" each place it appears and inserting "paragraph (1)".

(b) SCREENING MAMMOGRAPHY.—

(1) APPLICATION OF PARTICIPATING PHYSICIAN DIFFERENTIAL.—Section 1834(e)(4) of the Social Security Act, as added by section 204(b)(2) of MCCA, is amended by adding at the end the following new subparagraph:

"(D) APPLICATION OF PARTICIPATING PHYSICIAN DIFFERENTIAL.—In applying the limit under subparagraph (A) with respect to a nonparticipating physician, the limit applied shall be the applicable percent (as defined in the second sentence of section 1842(b)(4)(A)(iv)) of the limit otherwise established in that subparagraph.".

(2) FREQUENCY OF SCREENING.—Section 1834(e)(2)(A) of the Social Security Act, as added by section 204(b)(2) of MCCA, is amended—

(A) in clause (iii)(I), by striking "the 11 months of a previous screening mammography" and inserting "11 months following the month in which a previous screening mammography was performed",

(B) in clause (iii)(II), by striking "the 23 months of a previous screening mammography" and inserting "23 months following the month in which a previous screening mammography was performed",

(C) in clause (iv), by striking "11 months of a previous screening mammography" and inserting "11 months following the month in which a previous screening mammography was performed", and

(D) in clause (v), by striking "23 months of a previous screening mammography" and inserting "23 months following the month in which a previous screening mammography was performed".

(c) ROUNDING OF PART B PREMIUM.—Section 1839 of the Social Security Act, as amended by section 211(c)(1)(E) of MCCA, is amended—

(1) in the first sentence of subsection (b), by striking "subsections (f) and (g)(5)" and inserting "subsection (f)",

(2) in subsection (b), by inserting after the first sentence the following new sentence: "If the resulting monthly premium is not a multiple of 10 cents, such premium shall be rounded to the nearest multiple of 10 cents.", and

(3) in subsection (c), by striking "the foregoing provisions of this section" and inserting "subsection (a)(3) or (e)".

(d) MISCELLANEOUS.—

(1) Clause (iii) of section 1814(a)(7)(A) of the Social Security Act, as added by section 104(d)(2)(C)(iii) of MCCA, is amended by moving its alignment 2 ems to the left so its alignment is the same as that of clause (ii) of such section.

(2) Section 1842(p)(3)(B) of the Social Security Act, as added by section 202(g) of MCCA, is amended by striking "section 1842(j)(2)(A)" and inserting "subsection (j)(2)(A)".

(3) Section 221(g)(3) of MCCA is amended by striking "subsection (f)" and inserting "subsection (e)".

(4) Section 1842(h)(5)(B)(iv) of the Social Security Act, as added by section 223(b)(4) of MCCA, is amended by striking "paragraph (2)(A)" and inserting "paragraph (2)".

(e) MISCELLANEOUS CORRECTIONS RELATING TO THE OMNIBUS BUDGET RECONCILIATION ACT OF 1987.—

(1) Effective as if included in the enactment of the Omnibus Budget Reconciliation Act of 1987, section 1834(b)(4)(A) of the Social Security Act, as added by section 4049(a)(2) of the Omnibus Budget Reconciliation Act of 1987, is amended by striking "insurance and deductibles under section 1835(a)(1)(I)" and inserting "coinsurance and deductibles under sections 1833(a)(1)(J)".

(2) Section 1842(j)(1)(C)(vii) of the Social Security Act, as added by section 4085(i)(7)(C) of the Omnibus Budget Reconciliation Act of 1987, is amended by striking "accordingly" and inserting "according".

(3) Section 1886(g)(3)(A)(iv) of the Social Security Act, as added by section 4006(a)(2) of the Omnibus Budget Reconciliation Act of 1987, is amended by striking "may) be" and inserting "may be)".

(f) OTHER CORRECTIONS.—

(1) Section 1866(a)(1)(F)(i)(III) of the Social Security Act is amended by striking "fiscal year))" and inserting "fiscal year)".

(2) Section 1875(c)(7) of the Social Security Act, as added by section 9316(a) of the Omnibus Budget Reconciliation Act of 1986, is amended by striking "date of the enactment of this Act" and inserting "date of the enactment of this section".

(3) Section 1842(j)(2)(B) of the Social Security Act, as amended by section 8(c)(2)(A)

of the Medicare and Medicaid Fraud and Abuse Patient Protection Act of 1987, is amended by striking "paragraphs" and inserting "subsections".

TITLE IV—MISCELLANEOUS SOCIAL SECURITY PROVISIONS

SEC. 401. EXCLUSION FROM WAGES AND COMPENSATION OF REFUNDS REQUIRED FROM EMPLOYERS TO COMPENSATE FOR DUPLICATION OF MEDICARE BENEFITS BY HEALTHCARE BENEFITS PROVIDED BY THE EMPLOYERS.

(a) OLD-AGE SURVIVORS, AND DISABILITY, AND HOSPITAL INSURANCE PROGRAMS.—For purposes of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1986, the term "wages" shall not include the amount of any refund required under section 421 of the Medicare Catastrophic Coverage Act of 1988.

(b) RAILROAD RETIREMENT PROGRAM.—For purposes of chapter 22 of the Internal Revenue Code of 1986, the term "compensation" shall not include the amount of any refund required under section 421 of the Medicare Catastrophic Coverage Act of 1988.

(c) FEDERAL UNEMPLOYMENT PROGRAMS.—

(1) FEDERAL UNEMPLOYMENT TAX.—For purposes of chapter 23 of the Internal Revenue Code of 1986, the term "wages" shall not include the amount of any refund required under section 421 of the Medicare Catastrophic Coverage Act of 1988.

(2) RAILROAD UNEMPLOYMENT CONTRIBUTIONS.—For purposes of the Railroad Unemployment Insurance Act, the term "compensation" shall not include the amount of any refund required under section 421 of the Medicare Catastrophic Coverage Act of 1988.

(3) RAILROAD UNEMPLOYMENT REPAYMENT TAX.—For purposes of chapter 23A of the Internal Revenue Code of 1986, the term "rail wages: shall not include the amount of any refund required under section 421 of the Medicare Catastrophic Coverage Act of 1988.

(d) EFFECTIVE DATE.—This section shall apply with respect to refunds provided on or after January 1, 1989.

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry will hold a hearing on pending nominations, on Wednesday, November 15, at 10 a.m., in SR-332.

COMMITTEE ON VETERANS' AFFAIRS

Mr. CRANSTON. Mr. President, I announce, for the information of Senators, that the Committee on Veterans' Affairs, which I am privileged to chair, is scheduled to hold a hearing Wednesday, November 15, 1989, in SR-418 at 9:30 a.m. to consider Department of Veterans Affairs health care for rural veterans.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. BRYAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Wednesday, November 8, 1989, at 9:30 a.m. to review the impact of a sequester on the Department of Defense in fiscal year 1990 and fiscal year 1991.

The PRESIDING OFFICER. Without objection, it is so ordered

SUBCOMMITTEE ON CONSUMERS

Mr. BRYAN. Mr. President, I ask unanimous consent that the Consumer Subcommittee, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on November 8, 1989 at 9 a.m. to hold a hearing on S. 891, the Consumer Products Safe Testing Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUCOMMITTEE ON AVIATION

Mr. BRYAN. Mr. President, I ask unanimous consent that the Aviation Subcommittee, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on November 8, 1989 at 9:30 a.m. to hold a hearing on S. 1741, the Airline Competition Enhancement Act of 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONVENTIONAL FORCES

Mr. BRYAN. Mr. President, I ask unanimous consent that the Subcommittee on Conventional Forces and Alliance Defense of the Committee on Armed Services be authorized to meet with members of the Italian Defense Committee—Chamber of Deputies—in executive session on Wednesday, November 8, 1989, at 4:30 p.m., in SR-232A.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BRYAN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, November 8, at 2:30 p.m. to hold hearings on Cresencio Arcos to be Ambassador to Honduras and Richard Melton to be Ambassador to Brazil.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BRYAN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, November 8, at 9:30 a.m. to hold a hearing on Ronald Sorini, for the rank of Ambassador during his tenure of service as the U.S. Negotiator on Textile Matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BRYAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on November 8, 1989, 10 a.m., to hold a hearing on habeas corpus.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BRYAN. Mr. President, I ask unanimous consent that the Full Committee of the Committee on Energy and Natural Resources be authorized to meet during the session on the Senate on November 8, 1989, 9:30 a.m., for a business meeting pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BRYAN. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet during the session of the Senate on Wednesday, November 8, beginning at 9:30 a.m., to hear Don R. Clay, nominated by the President to be Assistant Administrator, Office of Solid Waste and Emergency Response, EPA; and James M. Strock, nominated by the President to be Assistant Administrator for Enforcement and Compliance Monitoring, EPA.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

FAREWELL TO THE CHIEF

● Mr. HATFIELD. Mr. President, many of my colleagues have had the privilege to know Daniel J. Boorstin, the Librarian of Congress emeritus and one of this city's most thoughtful observers. At a recent conference held at the Herbert Hoover Library, Dr. Boorstin suggested some very useful ideas about how this country could tap the knowledge and experience of our former Presidents. I rise today to bring his comments to the attention of my colleagues.

In a collection of essays I commissioned several years ago to commemorate the 50th anniversary of President Herbert Hoover's inauguration, University of Kansas historian Donald McCoy remarked that "former holders of high political position constitute an aristocracy, a kind of American house of lords * * * that has considerable impact on society."

It makes sense that Dr. McCoy's comments—as well as Dr. Boorstin's comments—came in connection with President Hoover. In the decades after he left the Oval Office, President Hoover became a national trust of sorts. From singlehandedly convincing President Harry Truman to mobilize the U.S. Army for relief work in the aftermath of World War II to vastly enhancing the efficiency of the Federal Government through the Hoover Commission, President Hoover did

indeed have a considerable impact on society.

Rarely have we had so many living former Presidents. Unfortunately, however, we have not created any structure to encourage and channel their vision and experience.

In his recent speech at the Herbert Hoover Library, Dr. Boorstin suggested that we created such a structure—not only for former Presidents but also for other retired senior office holders. I commend his comments to my colleagues, and hope very much that we can all work together in the near future to further develop his suggestions and put them into practice:

SAVING A NATIONAL RESOURCE

(By Daniel J. Boorstin)

Our American strength, we have often been told, has been our youth. Ours is, or until recently was, a young nation. "The youth of America," Oscar Wilde observed nearly a century ago, "is their oldest tradition. It has been going on now for three hundred years." It was the young in spirit, we say, who had the strength and the will and the flexibility to leave an Old World, to risk an Atlantic or Pacific passage for the uncertain promises of a still-uncharted America. The framers of the Constitution provided that a person thirty-five years of age was old enough to be President, a Senator needed to be only thirty, a member of the House of Representatives only twenty-five, and the Twenty-Sixth Amendment to the Constitution lowered the voting age to 18. We have been ingenious, too, in devising institutions—like our Land Grant Colleges and the G.I. Bill—to make the best use of our youth-resource.

But as our nation has matured—some would say only aged—as the need for immigrant courage is less general, and as life-expectancy has increased, our population has been aging. And we have not shown the same enthusiasm and delight for old age. Our ingenuity in meeting the needs and opportunities and demands of youth has not been matched by any similar ingenuity in devising institutions to employ our older population. The late Senator Claude Pepper did a great service by focusing concern on the needs of the elderly. Though we have provided Golden Eagle Passes for senior citizens to the National Parks, we have run into gross political problems trying to provide health insurance especially for our aging citizens. The most conspicuous American institution directed to senior citizens is the so-called Leisure City, a place not of creation but of recreation and vegetation. Our concern for the special needs of our ailing, idle, and disoriented aging has been admirable. But we need to refocus our attention on how to employ the special talents and resources of our most experienced citizens.

Today we are gathered to explore the role of former Presidents in American public life. We now have four living former Presidents, all happily functioning and in good health. This, I think is a near record. In 1861 living former Presidents Van Buren, Tyler, Fillmore, Pierce, and Buchanan, came to five. The number of living former Presidents is likely to increase, with the decline of smoking and the increasing longevity of the American population, and especially since the Twenty-Second Amendment to the Constituton which prevents a President from serving more than two terms.

The television spotlight on the sitting President has somehow deepened the penumbra into which a former President falls when he is no longer in the White House. Television has given a new meaning to the old proverb, "Out of Sight, Out of Mind." Our failure to create a role in public life for former Presidents is partly a reflection of our American preoccupation with Youth, another symptom of our chronic ineptness in providing productive roles for older citizens. We are concerned with the "role," the active part that former Presidents can play in our public life.

One of the most distinctive and uncelebrated features of our American Presidency has helped create the problem of the Castaway President. The fixed four-year term makes a President's tenure different from that of a Prime Minister in a Parliamentary system who can be turned out of office on short notice by a Parliamentary majority or similarly brought back for a short period. Our fixed term has allowed our Presidents to stay in office even when they have outlived their popularity with the electorate and even though they have no majority in either House of Congress, and so has given a prudent stability to the office. Especially since the Twenty-Second Amendment makes every President a lame duck in his second term, the constitutionally fixed term seems also to have defined a terminus to a President's active role in public life. A President, like other former holders of high office, is in danger of becoming what in Washington is called "a former person."

While almost everyone agrees that we are not making full use of the knowledge, wisdom, and experience of former Presidents, there have been few practical suggestions of what should be done. The one repeatedly suggested (for example, by President Truman)—that former Presidents be given a non-voting role in the House of Representatives and/or the Senate—has not invited wide approval nor a serious initiative by the Congress. I do not join in the complaints of the ample financial and security provisions for former Presidents. But the generous provision that Congress and the American people have made suggests a widespread belief that former Presidents should not cease to play a role in our public life.

For your thought and discussion this morning I would like to offer a suggestion—perhaps only the skeleton of a suggestion. Perhaps we have an opportunity today to begin to find a way to fill a lacuna in our institutions. Perhaps at the time that we offer a new role for our former Presidents we can find a way to bring more prominently into the public forum Americans of wisdom and experience in all fields.

Our American need was dramatized for me when I was living in England and following Parliamentary debates as reported in the London Times. I was not the only one to notice the superiority of the debates in the House of Lords over those in the House of Commons. The House of Lords, the unelected but elite second chamber of the British legislature, as you know, has little legislative power, despite its antiquity and prestige. But it has changed its character in recent years. Its hereditary membership has been overshadowed by the persons (many of them non-political) appointed for their recognized distinction and leadership in all areas of British life. The House has come to include economists like Barbara Ward, historians like Hugh Thomas and Asa Briggs, scientists like chemist Frederick Dainton. These people have earned their right to public respect and their right to be heard on public issues by their signal achievement in their own special field. Yet in the past they have had only the forum of their professional specialty—except for random interviews in the press, radio, and television incited less by public need than by the desire of the media to fill space or time. Now that the character of the British second chamber has been changing, these people have a forum, where they can join in publicized debate on major public issues and where they can raise issues that they think have been neglected.

An additional qualification for membership in this group, important for us to note, is that membership is a kind of certificate of withdrawal from the pursuit of elective office. Which has made it an appropriate place, too, for former Prime Ministers, who are among the body's most valuable members.

It occurred to me to ask myself, and then to ask others, whether somehow we could devise an American institution, within our democratic tradition and our constitutional frame, to give us the benefits of a similar national forum. Obviously, heredity and aristocracy have no place in our country. But we too can benefit from a wider forum on national issues for our most experienced leaders in labor, business, science, literature, education, and the arts—for our citizens who have never been politicians, or have ceased to be politicians. Without authorization from anybody I have discussed this possibility in the last few years with a number of our leading citizens. I have found nearly unanimous agreement that there is something missing from our public life in this age of television.

What I offer this morning, then, is perhaps nothing more than the skeleton of an idea to stir our thinking—toward creating a new national institution. National network television, with the auxiliaries in the cables, and the facilities of VHS, has provided unprecedented facilities for bringing together on the screen and in livingrooms speakers who remain in widely separated places, and for allowing their words and ideas to reach unprecedented numbers. Now our nation can witness the exchanges of opinion and share the wisdom and experience of our best qualified leaders, not merely on political issues. Present uses of television as a forum are either for formal occasions, like the inauguration of a President or a campaign debate, with countless casual television interviews and encounters. May not the time have come to use this unprecedented technology for an unprecedented forum of leading experienced Americans? May not the time have come to give some rhythm and regulatory to such a forum, where citizens can follow the points of view of different leading Americans continously and through time?

Our meeting here to discuss and define a role for former Presidents is providential. For our living former Presidents could provide a core of a new national council of experience. A House of Experience and at this time they could solve an initial question—who will name the first members of the council? Perhaps each living former President could be asked to name three persons to join the group, which would bring the number to sixteen, for the present. As another self-defining categories, former Chief Justices of the Supreme Court could be added. Perhaps, too, former Speakers of the House of Representatives. Later, the group

as a whole could be responsible for filling vacancies or adding members.

How often, where, and how should this national council of experience meet? There are many possibilities, and the proper rhythm and frequency of meetings will appear only when the group has begun to meet. To accomplish the purpose, to provide a continuing forum and continuing public interest the meetings should be regular and not too infrequent. Perhaps the group could gather at least once a year either in Washington or at one of the Presidential libraries. Other meetings could bring together some of the members as a kind of Committee in their persons, and the whole group could quarterly exchange ideas and discuss through a televised forum from their separate places.

Who should set the agenda? Who could be better qualified to help us focus on enduring national issues than our former Presidents with their experience and their feeling for the nation's unfinished business.

What sorts of topics should be on the agenda? The member would decide, but it would seem that the spotlight should be on long-term problems such as education, the relation of the United States to other countries and the world the role and status of the family in American life and the environment, rather than current questions of policy. The success of this national council would be tested by its ability to focus then experience and wisdom of leaders who are not seeking votes, on matters of long-term national concern. And their ability to awaken interest in questions not in the headline.

How could such a group be created? There are many possibilities. One would be an Act of Congress chartering the council as a nonprofit institution similar to the Act chartering the American Historical Association. The national council should have no legal authority and no legislative role. It would be chartered to meet, discuss, and explore in public view the nation's long-term concerns.

All these specifics are only suggestions. Many other possibilities will occur to you. I am persuaded that we have the unprecedented opportunity created by our technology, and an unprecedented core resource in our former Presidents. With your imagination and knowledge, with their wisdom and experience, and with the help of others we may be able to begin go fill a need in our public life.●

INCREASE IN CEILING ON PUBLIC DEBT

● Mr. KERRY. Mr. President, last night the Senate, by voice vote, passed House Joint Resolution 280 to increase the ceiling on the public debt. While it is necessary to increase the borrowing authority of the Federal Government to avoid default, I personally oppose the increase. The current environment makes it impossible for me to support the increased ceiling.

In 1986, when I first came to the U.S. Senate, the debt held by the public was about $1.3 trillion. That debt is now well over $2 trillion. This legislation increases the limit on all Federal debt over $3 trillion. These increases mean one thing—that interest on the national debt has increased from $52 billion in fiscal year 1980 to over three times that in fiscal year 1989. This astronomical increase means billions of dollars that could be invested in the Nation's future and spent productively—on education, on the environment, on highways and bridges, on further deficit reduction—are instead squandered on interest payments.

This is, unfortunately, the legacy of the Reagan Presidency. The legacy of the Bush Presidency should be a solution. Instead, this year has been marked by a complete failure of leadership on deficit reduction.

Last spring, the new administration negotiated an agreement with the congressional leadership to reduce the Federal budget deficit and meet the Gramm-Rudman-Hollings target for fiscal year 1990. Unfortunately, a great opportunity was squandered by the White House. The negotiations resulted in an agreement characterized by sleights of hand and blue smoke and mirrors. I voted against the budget resolution, and, now, I must oppose this legislation. Until the administration takes responsibility and takes the Nation's fiscal problems seriously, I will continue to oppose phony deficit reduction seriously, I will continue to oppose phony deficit reduction and the increases in the debt limit to allow it.

For most of this year, it has been clear that last year's campaign promises were more important to the President than serious deficit reduction. The President, for a time, was willing to hold every major piece of legislation hostage to his capital gains proposal.

And now we see that the White House is willing to let major tax provisions expire unnecessarily so that they will have a vehicle for legislation cutting the capital gains rate next year. As a result of this dangerous strategy, the research and development tax credit that helps firms develop new products, the credit for low-income housing that is the major housing program in the United States, the targeted jobs tax credit that encourages employment of the hard to employ, the authorization for small issue bonds and mortgage revenue bonds, and the authorization for the deduction for employer provided educational assistance will all expire at the end of the year. These are important incentives for important purposes. They directly affect Americans in their jobs, at school and at home. They are critical elements of our public policy. Mr. President, they should not be caught up in the capital gains issue.

The logjam on capital gains has been broken temporarily, but the result of this impasse is that we did not begin a serious round of budget negotiations this summer or fall and we have made little or no progress on many of the real issues facing this Nation and our economy.

Certainly, much of the deficit dilemma may be laid at the feet of the budget process. I was an original cosponsor of Gramm-Rudman-Hollings, and I believe that the act forced the Congress and the President to reduce the deficit—it fell from $221 billion in fiscal year 1986 to $150 billion in fiscal year 1987. The act slowed the growth of Federal spending.

There are major flaws in the existing law. Most importantly, the focus on the next year's deficit target, instead of deficit reduction over several years, has resulted in shifted pay days and other gimmicks. Instead of debating spending priorities and Federal policies, Congress and the White House devise new ways to slide by the next year's deficit target. Instead of being honest about the costs involved in the savings and loan bailout, we move the costs off-budget.

But the problem is not just the process. The problem that Gramm-Rudman-Hollings was designed to solve remains. Gramm-Rudman-Hollings was intended to force the administration and the Congress to take action to reduce the deficit because there was a lack of political will. Without a crisis, like the 1987 stock market crash, there are no compelling reasons for the administration or the Congress to come to the table. We must, Congress and the administration, find the will and renew our efforts to reduce the Federal budget deficit.

Gramm-Rudman-Hollings can be amended and amended and the problem still won't go away until there is resolve to address the fundamental issues. We need leadership from the White House and a commitment to govern. It is necessary to increase the debt limit for the Federal Government to function; I cannot support doing so until I see a real commitment to govern by the White House.

This legislation before us tonight also repeals section 89. I support this action because I believe that section 89, while intended to prevent discrimination in employee benefits, imposes an intolerable and unjustified burden of compliance upon employers. I share the concerns of those who own and operate small and midsize businesses about the administrative burden that section 89 places on firms. It is also my hope that by repealing section 89 tonight, we will see the development of a fair and workable method of encouraging the equitable distribution of health benefits among workers at all income levels.●

MANUFACTURING AMERICA'S TRADE POLICY

● Mr. HEINZ. Mr. President, I would like to call Senators' attention to recent remarks of former Ambassador and Deputy Special Trade Representa-

tive Alan Wolff to the Fortune 200 Public Relations Seminar concerning the international competitive challenge facing us in the 1990's and the inevitable role the Government must play in meeting this challenge.

It is time for the United States to do some critical thinking on behalf of a more aggressive trade policy. Ambassador Wolff states:

The "trade problem" which the United States is faced with is a challenge of national importance, rather than being of only concern to individual firms, for two reasons.

The first is our enormous and intractable twin trade and budget deficits, and the second is the increasingly adverse effect our trade policies are having on the American economy. It is past time for the Government to pursue and establish objective goals and an aggressive strategy at the national level.

Ambassador Wolff advocates an appropriate governmental role as one which provides "the rich primordial broth in which entrepreneurial endeavors can spark economic and technical progress." Domestically, proper Government policies must raise the rate of savings, lower the cost of capital and raise the educational level in the work force. But also an important part of assuring a healthy domestic economy is the development and pursuant of a trade policy which prevents competitors' activities—particularly those operating with the benefit of foreign government created advantage—from harming critical American industries. These actions must at the same time seek to reinforce principles of open markets and free competition. Ambassador Wolff suggests six areas for exploration and action which we, as Senators, need to focus on:

First. Increase the capacity of the Federal Government, working with the private sector, to answer important questions about the competitiveness of U.S. industry.

Second. Expand funding for R&D consortia. This could include such areas as advanced manufacturing, new materials, and advanced electronics, as well as the creation of a civilian DARPA.

Third. Invest in the infrastructure of the 21st century, for example, in a new infrastructure based on a national computer networking system.

Fourth. Ensure reciprocity in access for foreign research and development of technical information.

Fifth. Change the mission of the national labs to place greater emphasis on applied research and development.

Sixth. Be prepared to respond to aggressive sectoral policies of foreign countries with strong policies of our own. These may include tax credits, preferential Government procurement, and loan guarantees.

Whether or not Alan is on the right track with respect to each of these details, I certainly think he is pointing us in the right direction. We should use our public policies more wisely and effectively to promote a healthier domestic economy better able to compete in today's international environment. Government has an obligation to face the challenge of industrial competitiveness and to pursue policies that are in our interest, not that of our competitors.

Mr. President, I ask that the text of Ambassador Wolff's remarks be printed at this point in the CONGRESSIONAL RECORD.

The remarks follow:

"THE CASE FOR MANUFACTURING: AMERICA'S TRADE POLICY"

(Remarks of Alan Wm. Wolff)

THE TRADE PROBLEMS

It is time to do some hard thinking about America's place in the world economy.

Colby Chandler has reviewed how to make American firms more competitive. We need a better educated workforce, companies paying more attention to manufacturing, more patient and lower cost capital, and a government that works on the side of industry, rather than either impairing its international competitive position or just sitting on the sidelines.

Rudi Dornbusch addressed many of the macroeconomic policies that are preconditions for achieving a healthier world economic system.

My job is to take you from the factory floor and the quiet groves of academy into the trenches with the Americans who every day have to shine their shoes, pack up their technical manuals, and get out there and sell. Despite the fact that these American men and women sold $320 billion in foreign markets in 1988, their lot is not an easy one. You read some of their stories in those wonderfully written feature stories on the front page of the Wall Street Journal, (although for some reason their problems never make it back to the cloistered editorial desk).

Let me tell you some of what they are up against:

Over the years, heavy electrical generating equipment could not be sold in the European Common Market unless you were a member of the European suppliers group. American firms were not members of the club. Our industry is smaller today as a result of lack of access to this large part of the world market.

American producers of soda ash can't get above a residual share of the Japanese market in Japan, due to the organization of that market. We have the best and cheapest product.

Motorola has the most amazing, advanced cellular phone in the world, but the Japanese Government has relegated the use of Motorola's equipment to rural areas while the Japanese industry tries to develop a competing model.

American drug companies' products are denied patent protection in much of the developing world where inferior imitations limit their market. The U.S. International Trade Commission has estimated that foreign theft of American intellectual property cost American firms as much as $61 billion last year, almost half of last year's trade deficit.

American semiconductor (computer chip) makers have 70% of the U.S. market for automative uses, but only 1% in Japan. Their competitive product is available but not welcome there.

In the first half of this decade alone, the European community spent over $40 billon subsidizing their steel industry, more than we spent from 1980 to 1988 on our space flight programs. In other words, the Europeans have spent more money landing steel in the Great Lakes area than we have spent on landing men and women on the moon.

Europeans have forced Japanese makers of computer printers to remove American chips from their products and substitute European ones.

A vice-minister of MITI told U.S. government officials that American supercomputer manufacturers were wasting their time trying to sell to the Japanese government and public universities. In a not unrelated development, Control Data is no longer making the attempt to sell, it is getting out of the business.

American car companies such as Chrysler can't get their popular jeeps into the Japanese distribution system at all when vast numbers of American car dealers carry several lines of imports.

When you read about trade frictions among nations, or the level of hostility in Congress or the demand for an aggressive trade policy, it stems from countless stories like these. The U.S. government puts out a book of these foreign barriers each year called the National Trade Estimates. It just scratches the surface of what is out there. So when you read that the Japanese would rather build their own satellites or jet fighters or supercomputers, rather than buying superior American products, and they then complain that the $55 billion surplus that they run with us each year is due to the fact that America has nothing competitive to offer, you might get a little hot under the collar too.

Let me pull back from this tour of the front lines for a moment and move to an overview of the battle, and where this particular fight fits into the scheme of our national interests.

The "trade problem" which the United States is faced with is a challenge of national importance, rather than being of only concern to individual firms, for two reasons:

First, there is the large and intractable trade deficit, which could actually increase in the years to come unless the United States acts decisively. The second is the adverse effect that economic and trade policies at home and abroad are having on the composition of the American economy.

We must do more than wring our hands over America's accumulation of foreign debt and the erosion of its industrial and technological leadership, we must act now to reverse these trends.

It is time for the United States government to set national goals. No organization, whether government or business, can function effectively if it does not have objectives, and a strategy by which it seeks to accomplish those objectives. If any of your companies were managed the way that the United States government runs its trade and economic policies, they'd be filing for Chapter 11 in short order.

Goal One: Turn the U.S. trade deficit into a trade surplus.

The United States has run trade deficits of $100 billion or more for the last 5 years—with no end in sight. Our trade deficit with Japan is $55 billion, despite a more than 40 percent depreciation of the dollar against the yen since 1985. As a result of these large trade deficits, we've been transformed from

the world's largest creditor to the world's largest debtor.

We now owe the rest of the world $500 billion more than they owe us, a figure that will grow to $1 trillion by the early 1990s. Now, it would be possible to retire that debt by selling all of the companies represented in this room to foreign investors, but I continue to hope that we can come up with a better solution.

Achieving a trade surplus is not only necessary, it is achievable. Martin Feldstein believes that the U.S. could run a trade surplus by the early 1990s, and points out that the "United States must eventually have a trade surplus in order to finance at least part of the net interest and dividends that Americans will owe to investors abroad."

The trade deficit is economically harmful for a number of reasons. The 1987 merchandise trade deficit cost the United States an estimated 5.1 million job opportunities in export and import related industries, industries which pay higher than average wages.

Unless we find a way to address the trade deficit, our future standard of living will be decreased, as a sizable fraction of our GNP is diverted to cover the interest payments on our foreign debt. Moreover, America's dependence on foreign capital is a source on instability in the world economy. Fears of a dollar decline drove up long-term interest rates in the spring of 1987 and helped precipitate "Black Monday" in October of 1987.

Of course, balance can either be achieved through a sharp reduction in trade, which would probably plunge the world economy into a deep recession, or through growth in our export and import-competing sectors. The real challenge is to eliminate the U.S. trade deficit while maintaining strong economic growth.

Goal Two: Promote America's industrial and technological leadership.

Industrial and technological leadership is the foundation for a rising standard of living and our status as an economic and military power.

Our manufacturing sector has been hit hard. The overall manufactures trade balance worsened dramatically—from a $15.4 billion surplus in 1981 to a $146.8 billion deficit in 1988. As of January 1989, manufacturing employment was still down nearly 1.7 million from its 1979 peak.

America is in danger of losing its technological edge. The United States high-technology trade surplus fell from $31 billion in 1981 to $6 billion in 1988. From 1970 to 1987, US companies' share of the domestic market declined from 90 percent to 10 percent for color TVs, 90 percent to 1 percent for phonographs, and 100 percent to 35 percent for machining centers. VCRs, facsimile machines, liquid crystal displays, and optical and compact disc players are simply not produced by U.S. firms.

The U.S. is also falling behind in key technologies and products of the future: X-ray lithography, superconductivity, biotechnology, manufacturing automation and HDTV.

Military strength ultimately depends on economic strength: Losing our industrial and technological strength will affect our economic and national security. As Robert Costello, the Under Secretary of Defense for Acquisitions put it, "You can't fight a war with pizza parlors." The erosion of our industrial base threatens our national defense, and the loss of our technological edge makes us dependent on foreign sources for militarily critical components. Pentagon stategists, for example, recently discovered that a German plant 30 miles west of the Czechoslovakian border makes all of the high-purity silicon the U.S. buys for chips used in thousands of missle guidance systems. If the United States lost access to that plant, missile production would be crippled for months. Providing for our national security in an international economy poses new challenges and dilemmas for our defense and economic policy makers.

A TRADE AND COMPETITIVENESS AGENDA FOR ACHIEVING THESE GOALS

Eliminating the trade deficit by 1993 and restoring our technological and industrial leadership will require a comprehensive national strategy. Progress must be made simultaneously on three fronts: (a) appropriate macroeconomic policies here and abroad; (b) an effective trade policy; and (c) key investments in our economic future.

Rudi Dornbusch has already discussed the macro agenda: the need to reduce the budget deficit, increase private savings, coordinate the macroeconomic and exchange rate policies of the Group of 7, and solve the Third World debt crisis. And Colby Chandler has spoken eloquently of the need to increase investment in people, technology and plant and equipment. Macroeconomic policy and investment strategies are both tremendously important, but so is trade policy because it will be a key factor in determining the shape of the American economy. My assignment is to address what America's trade policy should be.

Suggestions for Crafting America's trade policy

The first Reagan Administration took the view of the economist who said "don't bring me facts if they have no theoretical basis". Since that period, we have now witnessed a major shift in exchange rates. We have also seen a remarkable increase in American industrial competitiveness, brought about in part by the harsh discipline of the overvalued dollar. But we have not witnessed an improvement in the trade balance of corresponding magnitude. There will still be work to be done even if Japanese and German domestic growth is further stimulated and third world growth is rekindled. Obviously there are further barriers to trade which will not be cured by macroeconomic measures alone.

Let me start by setting forth some principles, and then demonstrate how they would be applied in practice.

1. Make trade a national priority: No trade policy will be successful unless it is identified by the President as a national priority. In the immediate post-war era, the United States was often willing to allow diplomatic and political considerations to overshadow economic and commercial interests. Now that our closest political allies are our fiercest economic competitors, the old hierarchy between "high" and "low" politics is no longer appropriate. America's trade interests matter.

2. Adopt a results-oriented strategy with goals and timetables: America must devise a strategy for turning its trade deficit into a trade surplus by 1993. To accomplish this, the United States should develop benchmarks and milestones to help evaluate its progress towards that goal. Establishing benchmarks for the elimination of global economic imbalances is essential for measuring our progress. The goal is to attain expanding levels of trade, not less trade.

Eliminating America's trade deficits cannot be achieved without Japan, West Germany and the East Asian NICs reducing their persistent trade surpluses as well. As a corollary to America's annual trade deficit reduction targets, the United States should seek similar commitments from these major trading partners on surplus reduction targets. The agreements should focus on each country's global—not bilateral trade surpluses.

The lion's share of the surplus countries' adjustment will be achieved through macroeconomic measures such as fiscal and monetary policies. However, structural reforms and the elimination of trade barriers will also be necessary if macroeconomic policies are to be fully effective.

Likewise, in specific cases benchmarks for levels of sectoral import penetration may also be necessary if suppliers that are competitive worldwide are unable to enter certain national markets. As in the case of overall trade surplus reduction targets, the objective would not be managed trade, but the elimination of trade distorting practices. The goal should be to have imports from all sources rise to a level consistent with the underlying competitive conditions in the market in question.

3. Enforce the Trade Act: Top priority should be given to ensuring that foreign governments honor the commitments they make to stop unfair trade practices. Duties should be imposed on foreign goods that are dumped or subsidized.

The United States government has a remarkably poor record when it comes to responding effectively to foreign unfair trade practices. We lost our color television industry in the 1970s due to an unopposed wave of Japanese dumping. We lost one-third of our lumber market to Canadian subsidies before we reacted four years late. We've lost one-fourth of our steel-making capacity since the late 1970s, in part because our antidumping and antisubsidy laws were inadequate. We lost 90% of our capability to make key memory chips for computers because we were too slow to halt dumping. We can't afford to wait until the patient requires hospitalization before we take action.

We should also take strong action when foreign governments tolerate piracy of intellectual property or anti-competitive practices. When countries engage in a consistent pattern of unfair trade practices, particularly those with large trade surpluses, the United States should adopt a "wholesale" rather than "retail" approach by putting all known unfair practices on the table. To use the Trade Act as an effective tool for eliminating the trade deficit by 1993, we must target those trade barriers which are the biggest roadblock to America's exports.

4. Obtain equitable sharing of the burdens of world trade: The United States regularly takes a disproportionate share of world manufactured imports. In 1987, the U.S. absorbed 59 percent of LDC manufactured goods exports, versus 29 percent for Europe and 10 percent for Japan. Last year Hyundai exported over 300,000 cars to the United States, 21,000 to the European Community, and 150 to Japan. So if the United States is protectionist, we're certainly not very good at it.

A key objective of U.S. policy must be to obtain more equitable burden sharing.

5. Promote adjustment of industries injured by imports: The 1988 Trade Act improves the nation's import relief laws. When a domestic industry is injured or threatened by imports, firms and workers must be given time to adjust. The government should encourage them to use that time constructively: to retool, retrain, and regain international competitiveness.

6. Promote exports: The U.S. government should meet the foreign competition in export promotion efforts. Our trading partners have larger export credit agencies and "tie" more of their aid to commercial objectives. The United States directs 2.3 percent of its bilateral foreign aid to capital goods; Japan may devote as much as 65 percent of its aid to capital project assistance. Until tied aid and export credits can be controlled by international agreements, the United States must make sure that American firms are not forced to compete against foreign treasuries.

7. Advance the Uruguay Round: Despite rumors that the GATT is dead, the new round of multilateral negotiations can be an effective tool to open foreign markets and advance the national economic interest. The GATT rules should be extended to services and intellectual property. But other areas must be addressed as well, such as foreign industrial targeting and foreign government toleration of anti-competitive practices. The GATT should also conduct systematic reviews of the trade policies and practices of its members, with an eye toward improving the effectiveness of international trade rules.

8. Avoid damage to the industrial and technology base: The United States can no longer be indifferent about the composition of its economy. The loss of a strategic sector of the economy, especially when due to foreign industrial targeting or unfair trade practices, must be a matter of serious government concern. The loss of key sectors of the economy can have dramatic ripple effects. The loss of much of America's consumer electronics industry, substantially due to foreign unfair trade practices, for example, has hampered the growth of the U.S. semiconductor industry. It also eliminated the stream of profits and technologies that would provided the basis for participation in the next generation of consumer products, such as HDTV.

9. Coordinate defense, technology and trade policies: In some instances, our defense, technology and trade policies may be working at cross-purposes. Co-production agreements like the FSX can erode our competitive advantage in commercial aerospace. Offset agreements can also undermine the U.S. industrial base by requiring American firms to purchase foreign goods. In 1986, for example, the British government purchased the Boeing AWACS, but reportedly Boeing and its major U.S. subcontractors had to agree to purchase British goods and services worth 130 percent of the aircraft purchase price.

10. Improve our analytical base: U.S. trade policy requires a more sophisticated understanding of how modern economies grow and develop. Eighteenth century textbooks no longer have all of the answers, and many of our competitors do not live by them. We live in a world where nations adopt conscious strategies to create comparative advantage through subsidies, trade protection, government-sponsored R&D, and new institutional arrangements. And yet we continue to cling to the belief that comparative advantage is determined by resource endowments, and know very little about how foreign industrial targeting affects the trajectory and the evolution of our own economy.

There is an inadequate appreciation of the interconnectedness of the economy. The American Electronics Association and the Semiconductor Industry Association have aptly called the electronics industry a "food chain." If we lose our competitiveness in parts of strategic sectors, upstream and downstream industries will suffer as well. This insight will be useful to policy makers if they begin to understand which linkages are strategically important.

The Japan problem

You may have noticed that Japan's name has cropped up often in this discussion. This is not surprising since the largest and least tractable portion of our trade deficit is with that country. Import penetration in almost all of Japan's industrial sectors is extremely low compared to other nations, and formal trade barriers do not appear to be the cause for this low import performance. Leading economists have developed strong statistical evidence which indicate that Japan's imports are substantially below what would be expected of an industral nation with Japan's economic attributes.

This week the Cabinet is debating whether Japan should be named a "priority country" under the Super 301 provision of the 1988 Trade Act. This would require negotiation, initiation of trade cases, and possible retaliation against Japan for designated "priority practices".

I have dealt with Japanese trade issues within the U.S. government and on behalf of American industries for two decades and there is no more difficult challenge to U.S. trade policy. There is a growing understanding of the nature of the problem. Fortunately, Jim Fallows, Karel von Wolferen, Peter Drucker, and Clyde Prestowitz have recently published useful analyses of the problem.

The Japan problem should be analyzed at several levels. One of the underlying causes of the world trading system's imbalances is that Japan is a substantial underconsumer of the world's manufactured goods. This is not due to some mysterious cultural phenomenon. Japan's extraordinarily high rate of savings is stimulated by the need to provide for retirement, the scarcity of mortgage finance, and the prohibitive cost of land, all of which are influenced by government policies.

Secondly, a notoriously restrictive distribution system prevents the Japanese consumer from enjoying the benefits of the high yen. As a result, Japan has to contend with "gray imports"—export goods purchased on the world market and reimported into Japan at prices below which the manufacturer wishes to sell on the Japanese market. Last year, for example, an enterprising Japanese company re-imported cordless phones from the United States because they were selling for $80 in New York and $640 in Japan. The Japanese call this "confusion in the market"; we call it competition.

Third, there is inadequate enforcement of the Japanese antitrust laws. This plagues foreign trade interests at all levels. It means that trading companies restrict imports because of relationships with domestic producers or tacit agreement with the Japanese government. Japan rarely employs formal import restrictions yet still manages to have very low levels of "sensitive" imports. Distribution systems are closed or highly restricted in apparent violation of Japanese law. For example—a vice president of one major Japanese trading company said that the fundamental principle of his company was to import goods only after having accepted orders from Japanese firms, so as not to "oppress domestic industrialists." I have a hard time picturing an American importer calling up domestic manufacturers to see if they're being "oppressed" by their imports. Long-term supplier/producer relationships strangle imports of industrial intermediates such as semiconductors.

Most industrialized nations import the same kind of manufactured goods that they export. Japan does not. It concentrates its exports in rather narrow ranges of products while protecting its home market. Peter Drucker calls this practice "adversarial trade" because of the devastating impact that it has on Japan's competitors.

Japan needs to assume more of the responsibilities that accompany its status as a major economic power. It must be more open to manufactured goods imports, particularly those of developing countries. The Japanese say that they are making strides, and so they are. But their rate of progress is just too slow.

Japan should also be allowed to assume a greater role as a major lender in the international financial institutions. This has been somewhat perversely resisted by the United States. Japan has a greater role to play in Third World development and this can best be accomplished through multilateral institutions.

What is to be done? The current trade imbalance is intolerable, and while the direction of change is correct, the progress is impossibly slow. Establishing sectoral targets will be necessary in some cases in trade agreements with Japan. There is likely to be more unilateral action by the United States, to use Trade Representative Carla Hill's term, the use of a "crow bar", when a handshake fails to resolve a market access issue. If Japan chooses to challenge these American responses in the GATT, the United States may have to call for an international examination of whether Japan's role in the trading system is inconsistent Japan's GATT obligations.

Regrettably, it is likely that there will be more conflict between Japan and her trading partners, not less. What is clear is that both Japan and the United States must assign a high priority to working together to avoid unnecessary conflicts. After all, all that is being asked of Japan is that it allow her people to enjoy a rising standard of living, by allowing the goods of the rest of the world greater access to the Japanese market.

Your role

In closing, I would urge all of you to become more active in contributing to the formulation of America's trade policy. Obviously, the bottom line of the companies you work for are directly effected by trade issues such as exchange rate policy, Europe 1992, intellectual property protection, or access to foreign markets. And obviously, the expertise and real-world experience that the business community brings to the table is invaluable.

But more importantly, whether or not we rise to the challenges posed by international trade, international competition will shape our nation's future. All of us want our nation to continue to be an economic and military power second to none. All of us want our children to be at least as well off as we are. And in a democracy, where the decisions that are made are only as good as the men and women who make them, all of us have an obligation to participate.●

WILLIAM PROXMIRE OF WISCONSIN

● Mr. KOHL. Mr. President, my predecessor in the Senate was William

Proxmire. As my colleagues know, it was never wise to pick a fight with Bill Proxmire—but I am going to risk doing that today.

I recently received a copy of a paper on Senator Proxmire's career in the Senate written by Prof. Philip Grant, Jr., of Pace University in New York which was presented at the Annual Institute of Wisconsin Studies Conference held in La Crosse last month. I suspect that Senator Proxmire would be flattered by the paper. I also suspect that he would be upset by Professor Grant's request that the text of the paper be printed in the RECORD—even though Professor Grant tried to anticipate Senator Proxmire's concern by suggesting that "in order to save space and expense, the footnotes may be deleted."

Despite the fact that Bill Proxmire might be upset, I think that my colleagues and the American people would profit from the opportunity to review this paper. Accordingly, I ask that the text of Professor Grant's paper, "The Congressional Career of William Proxmire of Wisconsin" appear in the RECORD—without the footnotes.

The text follows:

THE CONGRESSIONAL CAREER OF WILLIAM PROXMIRE OF WISCONSIN

(By Phillip A. Grant, Jr.)

On August 27, 1957 Democrat William Proxmire of Madison was elected to the United States Senate. Proxmire on that date defeated his Republican opponent, former Governor Walter J. Kohler, by a margin of 435,985-312,931. Proxmire was chosen by the citizens of Wisconsin to fill the unexpired terms of late Republican Senator Joseph R. McCarthy, who had died on May 2.

Proxmire, forty-one years of age and an alumnus of Yale University, was destined to spend six terms in the Senate. His tenure on Capitol Hill was to parallel the administrations of seven Presidents. A Democrat from a state with a longstanding Republican heritage, Proxmire served longer in the Senate than any of his numerous predecessors from Wisconsin. Fiercely independent in his attitudes toward various issues, Proxmire became one of the most energetic and innovative members of Congress of the past half century.

During his first year in the Senate Proxmire was firmly identified with the liberal Democratic bloc in Congress and was conspicuously at odds with the domestic policies of Republican President Dwight D. Eisenhower. Proxmire strongly supported the Civil Rights Bill of 1957, the conferring of statehood on Alaska, the National Defense Education Bill, and measures to alleviate the increased unemployment produced by the economic recession of 1958. He also established himself as an outspoken critic of the farm programs of Secretary of Agriculture Ezra Taft Benson.

In November 1958 Proxmire was elected to a full term in the Senate, outpolling his Republican challenger by 172,042 votes (57.1%) and carrying fifty of Wisconsin's seventy-one counties. Proxmire in January 1959, joined by new Democratic senators from Wisconsin's sister states of Michigan and Minnesota, was to experience the satisfaction of becoming a member of the most heavily Democratic Congress since the early years of the New Deal.

Throughout the final two years of the Eisenhower presidency Proxmire was steadfast in his opposition to the economic and social priorities of the Republican Chief Executive. He voted to override all six of Eisenhower's vetoes and against the confirmation of Lewis L. Strauss, the President's nominee for Secretary of Commerce. Concurring with the solidly Democratic majority in the Senate, Proxmire favored federal aid-to-education, an increase in the prevailing minimum wage, medical care for senior citizens, and reform of federal election procedures. By every standard Proxmire was one of Congress' most fervently liberal Democrats.

In addition to disagreeing with Eisenhower, Proxmire emerged as an advocate of eliminating the filibuster rule and a vocal critic of Senate Democratic Leader Lyndon B. Johnson. Proxmire charged that the filibuster tactic constituted a blatant violation of majority rule and that Johnson had callously ignored the views of his Democratic colleagues. Proxmire's sharp criticism of Johnson attracted massive news coverage.

In January 1961 Democrat John F. Kennedy was inaugurated as President of the United States and Mike Mansfield was chosen to replace Johnson as Democratic Leader in the Senate. Proxmire liked and respected both Kennedy and Mansfield and welcomed the opportunity to work closely with these new spokesmen of the Democratic Party. As a member of the Committee on Banking and Currency, Proxmire was prominently involved in the deliberations surrounding the Housing and Area Redevelopment (Depressed Areas) Bills of 1961 and the Mass Transportation Bill of 1963. He also voted for the Trade Expansion Bill, the Wilderness Protection Bill, the Youth Conservation Bill, and a proposed constitutional amendment to outlaw the poll tax.

Proxmire in August 1963 was appointed to the powerful Committee on Appropriations. Later in the same year he and his fellow Americans were shocked and saddened by the tragic assassination of President Kennedy. Kennedy was succeeded by Vice-President Lyndon B. Johnson. Notwithstanding his well-publicized past differences with Johnson, Proxmire pledged to cooperate with the new Chief Executive.

Re-elected to the Senate by a plurality of 111,897 in November 1964, Proxmire continued to be a legislative activist throughout the eventful years of the Johnson presidency. As a senior Democrat on the Banking and Currency Committee, he favored the authorizing of new federal housing programs of rent supplements and demonstration cities. Among the various other measures commanding his support were the Office of Economic Opportunity (Anti-Poverty) Bill, the Voting Rights Bill, the Immigration Reform Bill, the Highway Beautification Bill, the Open Housing Bill, the repeal of the "Right-to-Work" provision (Section 14-B) of the Taft-Hartley Act, the establishment of a Cabinet-level Department of Housing and Urban Development (HUD), and the confirmation of Thurgood Marshall as the first Black Justice of the Supreme Court.

Proxmire in 1967 began his second decade in the Senate. In that year he became the ranking Democrat on the Banking and Currency Committee and Chairman of its Subcommittee on Financial Institutions. He also assumed the chairmanship of the Joint Economic Committee. Deriving advantage from his seniority and his key position on the Banking and Currency panel, Proxmire was to author his first piece of major legislation, the Truth-in-Lending Bill. The bill, introduced in January 1967 and signed into law by President Johnson in May 1968, was the most significant consumer law approved by Congress since the Federal Trade Commission Act of 1914.

In January 1969 Proxmire was to begin a long period as a determined adversary of Republican President Richard M. Nixon. Unalterably opposed to nearly all of Nixon's policies, Proxmire urged the Democratic Congress to assert itself vigorously in its dealings with the G.O.P. Chief Executive. Proxmire's leverage as a Nixon critic was considerably strengthened when he won reelection in 1970, crushing his Repubican challenger by 567,143 votes (71.3%) and carrying every county in Wisconsin.

Proxmire repeatedly complained about the inferior quality of Nixon's appointees. Voting negatively on the confirmations of the President's Supreme Court nominees, Clement L. Haynsworth and G. Harold Carswell, he also was recorded against two Cabinet nominees, Walter J. Hinkel as Secretary of the Interior and Earl L. Butz as Secretary of Agriculture. Proxmire, alleging a longstanding and well-documented pattern of unethical behavior, personally led the fight against the appointment of William J. Casey as Chairman of the Securities and Exchange Commission (SEC).

Reflecting his profound disenchantment with the thrust of the Nixon Administration, Proximre voted to override eight of Nixon's nine vetoes. Moreover, he urged tirelessly and persuasively against three of the President's favorite projects, the Supersonic Transport (SST), the Antiballistic Missile (ABM), and the Trident Submarine. Convinced that the Vietnam War was a colossal mistake, Proxmire avidly supported a substantial number and wide variety of measures to terminate or restrict American military involvement in Southeast Asia. In the domestic area Proxmire sternly opposed the Lockheed Aircraft Corporation loan and the oil depleting allowance and committed himself to the proposed Equal Rights Amendment (ERA) to the Constitution and home rule for the District of Columbia.

Nixon, who resigned in disgrace in August 1974 because of the infamous Watergate scandal, was succeeded by Vice-President Gerald R. Ford. While Ford was somewhat less confrontational than Nixon, he clashed with the Democratic Congress on numerous occasions. During his two and one-half years in the White House Ford vetoed many bills. Of the twenty such measures which the Senate attempted to override, Proxmire voted against the President thirteen times.

In addition to challenging nearly two-thirds of Ford's vetoes, Proxmire opposed the President on the extension of military aid to Turkey, the development of the B-1 Bomber, and the confirmations of Secretary of the Interior Stanley K. Hathaway, Secretary of Housing and Urban Development Carla A. Hills, and C.I.A. Director George Bush. Furthermore, Proxmire favored oil company divestitures, strict standards to eliminate automobile emissions, the establishment of a consumer protection agency, a federal plan for no-fault automobile insurance, the Energy Policy and Conservation Bill, and the Common-Site Picketing Bill.

Beginning in 1975, Proxmire assumed the chairmanship of both the Committee on Banking, Housing, and Urban Affairs and the Appropriations Subcommittee for the

Department of Housing and Urban Development. In these capacities he became acknowledged as the Senate's foremost authority on the problems plaguing urban America. Most of Proxmire's energies were concentrated on guiding the New York City Financial Default Bill through the Senate, a task which required unusual skill and remarkable patience.

In November 1976 Proxmire was re-elected by 875,068 votes (72.8%). Again carrying every county in Wisconsin, Proxmire polled the highest number of votes ever recorded in the state's history. Altogether he received 356,738 votes more than Jimmy Carter, the victorious democratic presidential candidate.

While generally sympathetic to the Carter Administration, Proxmire voted independently on several issues. Proxmire opposed the production of the Neutron Bomb, the deregulation of natural gas, the Chrysler Corporation Loan guarantee, and military draft registration. He supported the adoption of the revised code of congressional ethics, the public financing of House and Senate elections, the reform of existing labor laws, mine safety legislation, hospital cost containment, a moratorium on the construction of nuclear plants, a measure to strengthen the authority of the federal government to combat racial discrimination in housing, and a constitutional amendment to provide congressional representation for Washington, D.C.

In 1980 Republican Ronald Reagan was elected as the new President, and the Democratic Party lost control of the Senate for only the third time since 1932. For the first six years of Reagan's presidency Proxmire was a member of a numerical minority in the Senate, during which period he was the ranking Democrat on the Appropriations Committee. When the Democrats scored sweeping victories in the congressional elections of 1986, once again assumed the chairmanships of the Banking, Housing, and Urban Affairs Committee and the Department of Housing and Urban Development Appropriations Subcommittee.

Throughout the Reagan years Proxmire repeatedly complained about the inferior quality of the President's appointees. He indicated his keen displeasure with Reagan's judgment by opposing the confirmations of Attorneys-General William French Smith and Edwin Meese, Secretaries of the Interior James G. Watt, William P. Clark, and Donald P. Hodel, Secretaries of the Energy James B. Edwards and John S. Herrington, Secretary of Commerce Malcolm Baldridge, Secretary of Education Terrel H. Bell, and Robert H. Bork as an Associate Justice of the United States Supreme Court.

Proxmire also to override President Reagan's vetoes of such major pieces of legislation as the 1983 Supplemental Appropriations Bill, the National Institutes of Health Research Bill, the South African Sanctions Bill, the Omnibus Highway Bill, the Clean Water Bill, and the Civil Rights Restoration (Grove City) Bill. Consistent with his previous voting record, he favored the Nuclear Freeze Resolution and the Plant Closing Bill and opposed the M-X Missile, the granting of military aid to the Nicaraguan contras, the sale of Airborne Warning and Control System (AWACS) to Saudi Arabia, and the eight annual bills to appropriate funds for the Pentagon. Proxmire sharply disagreed with Reagan's approaches to Central America, civil rights, the environment, and defense spending, and, as in the Eisenhower, Nixon, and Ford Administrations, he apparently enjoyed the role of a dissenter during the Reagan years.

In 1987 and 1988 Proxmire, having resumed the chairmanship of the Banking, Housing, and Urban Affairs Committee, devoted the bulk of his efforts to promoting the interests of savings depositors and remedying the abuses of insider trading. In 1987 he authored a bill to mandate uniform disclosures of interest rates on savings accounts and in the following year he sponsored legislation to correct fraudulent practices in the securities markets. While the two measure dramatized the serious problems plaguing savings institutions and the stock exchanges, Proxmire was disappointed when Congress adjourned before taking final action on either bill.

Proxmire in November 1982 won a sixth term in the Senate, vanquishing his G.O.P. challenger by 455,956 votes (65.1%) and losing only four counties in Wisconsin. His 1982 victory marked the fourth time he had been elected after the citizens of Wisconsin had favored a Republican in the preceding presidential contest.

On August 27, 1987 Proxmire announced his decision not to seek re-election to a seventh term in the Senate. Expressing gratitude for having had the opportunity to serve the people of Wisconsin for over three decades, Proxmire explained that, if elected to another term, he would be seventy-nine years of age at the time of its expiration. Accordingly, Proxmire believed that it was appropriate that he retire at the end of his current term in January 1989.

At the time of his retirement Proxmire was outranked in continuous seniority by only two of his ninety-nine colleagues in the Senate. Among his fifty-three fellow Democrats, Proxmire had the distinction of being the senior committee chairman. In terms of political accomplishments Proxmire had not only been elected to the Senate six times, but also had accumulated more popular votes than any political figure in the one hundred and forty-one years of Wisconsin statehood.

During his tenure in the Senate Proxmire had compiled a virtually perfect attendance record. He had earned a reputation as an uncompromising advocate of consumer rights and a fervent environmentalist. While a liberal Democrat in his political orientation, Proxmire had harshly criticized excessive spending on programs which he favored in principle. Proxmire was especially vociferous in his opposition to military expenditures in general and costly weapons systems in particular. He took great delight in announcing his monthly "Golden Fleece" awards, each of which was designed to expose frivolous, if not outrageous, spending projects. Unlike many members of Congress, Proxmire was vigilant in his concern for the American taxpayer. William Proxmire was a highly intelligent and unusually conscientious member of the United States Senate who served the citizens of Wisconsin and the Nation in a consistently dedicated manner.●

THE SESQUICENTENNIAL OF THE TOWN OF CHEEKTOWAGA

● Mr. MOYNIHAN. Mr. President, today I would like to congratulate the town of Cheektowaga on the occasion of its sesquicentennial. Located in western New York, Cheektowaga has distinguished itself as a thriving, vibrant community contributing greatly to the growth of the entire region.

Cheektowaga has always enjoyed the active efforts of the Patriotic Commission, seniors groups, youth organizations, veterans associations, and many other social and cultural organizations. In addition, the development of Stiglmeier Park, the construction of the Galleria Mall, and the recent, designation of Cheektowaga as the Nation's first "Model Community" by the Freedoms Foundation at Valley Forge, have Cheektowagans justifiably proud of their towns past, and optimistic and excited about their future.

Mr. President, I ask that the following history of the town of Cheektowaga appear as part of the RECORD.

The history follows:

SHORT HISTORY OF THE TOWN OF CHEEKTOWAGA IN CELEBRATION OF ITS 150TH BIRTHDAY 1989

Cheektowaga's history could be said to have begun millions of years ago, when rocks over the land began to sink and water settled developing the salt and gypsum beds of Western New York. During this time the limestone deposits also settled, which underlay the town. These geological developments would contribute to the growth and importance of the Town of Cheektowaga in the centuries ahead.

Cheektowaga would be covered by a mile thick glacier, during the Ice Age. It would once again be covered with water and the sediment probably produced the relatively thin layer of fine, sandy, loam soil which would first attract the Indian settlements and later the white farmers.

It was not until 1700, that Seneca villages of any permanence were set up in Erie County. The Indian word for Cheektowaga came into existence through the conquest of the Senecas over the Eries. "Ji-ik-do-waygah" comes from the Erie into the Seneca language with the translation "Land of the Crabapple."

Picture the Town of Cheektowaga as the Indians saw it, covered with the beautiful native hawthorne trees, which still now adorn our landscape and has become the reminder of Cheektowaga's heritage.

In the early 1700s, the Senecas established a village on the north side of Cayuga Creek, naming it "Ga-sko-sa-da"; meaning Falls Village. The name refers to the two falls that are in Cayuga Creek in the central part of Cheektowaga. The waterways running through Cheektowaga, would also play a role in her development.

In 1793, a group of Dutch businessmen bought Western New York. They called themselves the Holland Land Company and hired Joseph Ellicott to survey their purchase. It would take them four years to survey this land. The first road to be laid out and made useable was the Batavia Road, which led from the little village of New Amsterdam near the mouth of the Buffalo River in a near straight line to Batavia and on east. Batavia Road cut through the present portion of central Cheektowaga.

In 1809, Appollos Hitchcock purchased land from the Holland Land Company, building a log cabin on the creek flats west of present Borden Road. Cheektowaga now had its first permanent white resident. Appollos would build a distillery, and present Dick Road-Cayuga Road would be called Whiskey Road because of the distillery.

During these early years, sawmills sprang up along Ellicott and Cayuga Creeks. Along Broadway, a fulling mill, a bone mill, a cheese factory, many blacksmith shops and steam sawmills would be developed.

By the middle 1830's the Hitchcocks, Elys, Vaughns and Bennets would complain bitterly to the Amherst Town Board about the road and fence conditions. On March 22, 1839, through the efforts of Alexander Hitchcock, the son of Appollos, the New York State Legislature, separated the southern part of Amherst, and Cheektowaga was created. The first Town Meeting was held on April 16, 1839, at the tavern of Elnathan Bennet, on Walden Avenue, and Alexander Hitchcock was chosen as the Town's first Supervisor.

Cheektowaga in the ensuing years would become a major agricultural community in Erie County. With huge hemlock forests to furnish bark, many tanneries sprung up. Gristmills and sawmills were on nearly every creek. There were at least three small limestone quarries on the north bank of the Cayuga Creek between Union and Rowley Roads.

The 1880's and 1890's saw the railroad age come to Cheektowaga. The villages of Depew and Sloan, which were both established in 1892, were named for influential railroad builders. An 1893 map shows six railroad stations located in central Cheektowaga. By the turn of the century, two of the world's largest coal trestles were in the Broadway-Union Road area. These were not abandoned until after World War I.

In the 1920's the Buffalo Airport was constructed within the boundaries of the Town of Cheektowaga. The airport would effect the development of various industrial businesses in the town, beginning with Curtiss Wright, followed by Westinghouse. Also, Calspan and Bell Aerospace would develop due to the location of the Airport.

Following World War II, the emergence of Cheektowaga as a suburban town, was concluded. The population of Cheektowaga in 1920 was 11,923, by 1950, the town had increased its population to 45,373. The population of Cheektowaga in 1989, is approximately 110,000.

Cheektowaga had become known as the "Transportation Hub of Western New York," during the period of about fifteen years, through 1950's and early 1960's. The railroads, the development of the New York State Thruway and the connecting major state highways and the expanded air facilities of the Buffalo International Airport have brought prosperity to the town. One of the largest shopping malls in the world, the Walden Gallaria, opened in 1988, has been located at the center of the Town's transportation system.

One hundred and fifty years since the enactment of legislation creating the Town of Cheektowaga, one sees a town offering the benefits of a commercial and industrial area as well as the delights of beautiful suburban living.

The George Urban Cheektowaga Town Park which had been constructed from the old race track area, and it has become a complex which offers our residents swimming, ice skating and a large, beautiful amphitheater for various concerts and theatrical productions.

The development of Stiglmeier Park on Losson Road has brought to Cheektowaga an exceptional recreational area, which also allows us to return to a time 150 years ago. When one walks through the trails of the park and enters the Reinstein Woods one returns to the days of the Indians and early settlers.

Cheektowaga also offers to its residents a highly developed library system, four major school districts, a hospital, St. Joseph's, and many cultural activities.

Today, more than ever, the "Land of the Crabapple" is a good place to live and do business. It's no wonder that the residents look forward with confidence to the future and back on their history with pride. A proud Indian name, the beauty of the countryside, the tremendous potential tapped . . . all these contribute to a fine heritage.●

A TRIBUTE TO POLLY BACA

● Mr. WIRTH. Mr. President, I would like to use this occasion to acknowledge a fine public servant in my State, the Honorable Polly Baca. Polly was recently appointed as the new executive director of the Colorado Institute for Hispanic Education and Economic Development—the "Hispanic Institute." Her achievements as a journalist, former elected official—as a member of the Colorado House and Senate—and community activist are well known in my State, and she is highly regarded as a champion of women's rights, minority advancement, and justice in the workplace.

Many of my colleagues in the Senate will no doubt recognize Polly for her national leadership as vice chair of the National Democratic Party for the last 8 years, and as cochair of the 1980 and 1984 National Democratic Conventions. She is also an original inductee of the National Hispanic Hall of Fame.

Polly is a long-time friend of mine. She and I both came to Washington, DC during the Johnson administration—and although our paths have often taken us in different directions since then—I have always kept an admiring eye on Polly because she has great energy, spirit, and compassion. These are virtues any leader would envy.

I want to honor Polly today, however, not because she is a personal friend, but rather because her new assignment as the executive director of the Hispanic Institute in Colorado is a very important one. At a time when many Hispanic youngsters are dropping out of school, missing opportunities for educational and economic growth, it is good to know that leaders like Polly Baca are working for social change. She is an outstanding role model for any young American women—and I am very proud to bring the Senate's attention to her record of leadership.

Robert F. Kennedy once said, "history will judge you * * * on the extent you have used your gifts to lighten and enrich the lives of others." Polly, who worked in Robert Kennedy's 1968 Presidential campaign, has taken these words to heart—and in so doing, many of her fellow Coloradans have taken her into their hearts.●

MONTANA'S CENTENNIAL: OUR CULTURAL LEGACY

● Mr. BAUCUS. Mr. President, today is Montana's 100th birthday. At 10:40 a.m., bells rang across the Big Sky commemorating the exact time Governor Toole received word that Montana had been formally admitted as the 41st State of the Union.

I spoke last Friday about how Montana achieved its "place in the galaxy of States (and won) a star on the flag."

Today, Mr. President, I would like to look at Montana from a different perspective—its cultural legacy.

Former Ambassador and Senate Majority Leader Mike Mansfield once said that "to me Montana is a symphony—a symphony of color, painted by 1,000 different plants and shrubs which set the hills ablaze—each with its own kind of winter fire."

I couldn't agree more.

Montana has this effect on people. Mansfield knew that Montanans were tied to the land in a special way and couldn't help expressing it. He, like so many other Montanans, knew his surroundings were special, riveting, mesmerizing. Charlie Russell painted it. Norman Maclean wrote it.

In Montana's early days, isolation from populated cities threw many unlikely personalities together as men and women toiled for the fruits of their labor. Yet, inasmuch as they tried to shape the land, the land got into their blood and shaped them.

It is this relationship between people and the land—and the need to express it—that has made Montana's cultural heritage so rich. Montana may be young compared to the rest of the world, but our cultural heritage warrants recognition.

THE EARLY DAYS

Explorers Merriwether Lewis and William Clark were among the first to write about Montana. Commissioned by President Jefferson to explore the newly acquired Louisiana Territory, Lewis and Clark's journals marked the beginning of Montana's descriptive literature.

It was many years after Montana became a State that professional writers began to emerge. In the meantime, Montanans sought to satisfy their hunger for the arts in other ways. As gold—and later copper—drew miners and fortune seekers, towns began to grow, and with it, the demand for entertainment.

The booming mining town of Butte was known as the "richest hill on Earth," as three copper barons fought to become king of the mountain.

According to some stories, on one front of the "Copper wars," the mighty three flexed political and fi-

nancial muscle to get the latest eastern show to Montana first, before traveling to California. In fact, for a period of time, Butte and San Francisco competed with each other for New York shows.

Located halfway between Minneapolis and Seattle, Butte, Virginia City, and Helena were popular stops for touring operas, theatre, and musicians.

CHARLIE RUSSELL

Contrary to popular belief, our cultural heritage did not begin and end in such fine establishments as the Rockin' R Bar, the M&M, or the Mint Saloon in Great Falls where Charlie Russell traded his paintings for drinks.

Russell has since been called the "finest of all artists of the American Old West." He was a man committed to preserving our heritage on canvas and in bronze.

He came to Montana in 1880 at the age of 16 and took a job as a sheepherder. Later, he tried his hand as a cowboy for the Kaufman and Stadler Cattle Co. near Great Falls. By 1889, with encouragement from his wife, Nancy Cooper, he had traded his spurs to focus more fully on his first love—painting.

In the winter of 1886-87, he painted the work that gained him widespread popularity. A devastating blizzard that began on January 28 didn't end until February 3. Temperatures dropped to 63 below zero.

When asked by the foreman how to tell his Helena bosses about the herd's condition, Charlie sketched a starving steer with ribs showing and coyotes howling in the background. He scrawled "Waiting for a Chinook" across the postcard, and later inscribed it as "The Last of the Five Thousand."

Montanans are proud of Charlie—not because he's internationally acclaimed, but because he painted, sculpted, and wrote about Montana's Indian and cowboy cultures with near photographic precision, and with the sensitivity of a poet.

In fact, Montana placed a bronze statute of Charlie Russell in Statuary Hall just a few walls away from the Senate Chamber. We're one of two States to give an artist this honor. We most recently paid tribute to Charlie by using one of his self portraits on our official centennial postage stamp.

FILM: LOY AND COOPER

Another of Montana's progeny holds a special place in America's heart. Born in Helena in 1905, Myrna Loy is Montana's "first lady of film." As a child, she performed regularly at the Marlow Theater in Helena.

Montanans recently dedicated the Myrna Loy Center in Helena in her honor.

Myrna grew up in the same neighborhood as Gary Cooper. However, they didn't know each other well at the time. Gary was a bit older. He lived his early years running from classmates who beat him up because he wore "sissy English-style clothing."

AUTHORS

Montanans love a good story. Some old timers will spin a yarn for hours if you let them. And the plots recounted on back porches or by the campfire always seem to be just tall enough to touch the ground and be swallowed whole by the unwary listener.

Yet contrary to what the legacy of James Fenimore Cooper would have us believe, Montana is not a bunch of good cowboys and bad Indians. Life in the West is not the romanticized life of dimestore westerns.

While Russell painted the true spirit of the American West, Montana writers like Dorothy Johnson, Joseph Kinsey Howard, and K. Ross Toole concerned themselves with accurately depicting our past.

And other familiar names dot our literary landscape. Pulitzer prize winner A.B. Guthrie's main theme is the encroachment of civilization onto the wilderness. Montana's license plate logo is taken from Guthrie's best-seller, "The Big Sky."

Pulitzer prize nominee Norman Maclean, who grew up in Missoula, published "A River Runs Through It"—one of my favorite books.

In Richard Hugo's poetry, we see characters submitted to forces beyond their control who rise above their circumstances because of the wisdom they gained.

National Book Award nominee Ivan Doig grew up in White Sulphur Springs and has written several popular works, including "This House of Sky."

Other well-known authors have had their fair share of experiences in Montana, too. For example, Ernest Hemingway was a bouncer for a while at a brothel in Billings.

Butte impressed mystery writer Dashiell Hammatt so much that he set his first novel there.

Indeed, we have a long string of writers and poets who have helped carve Montana's literary tradition.

SUPPORT FOR THE ARTS

Montanans are not a bunch of hicks. Montanans are real people with a real affection for the arts.

That's why Montana has been lauded as the "literary capital of the country."

That's why Montana has the highest rate of art centers per capita in the Nation.

That's why Montana's visual artists are awarded more fellowships per capita than anywhere else in the Nation.

That's why Kalispell is rated as one of America's 25 most attractive places of retirement.

That's why KUFM public radio in Missoula has the strongest base support of NPR listeners per capita in the Nation.

That's why the largest children's theater in the United States is in Missoula, MT.

That's why 47 movies have been made in Montana since 1920—including one called "Cattle Queen of Montana," starring Barbara Stanwyck and Ronald Reagan.

That's why Montana has three and a half times the national average of symphonies per capita. Our orchestras find homes in cities like Billings, with a population of 80,000 and among the 1,200 residents of Scobey.

To be sure, Montanans will never be surprised to find wide-brimmed Stetson hats perched on more than a dozen heads at a Billings Symphony.

SPORTS

Aside from Montana's rich tradition in the fine arts, we also thrive on the art of sport.

Some may argue that Montana's tradition of sport is dominated by its blue ribbon trout fishing and big game hunting.

Montana boasts an average of 1,500 trout per mile in its crystalline rivers and the largest migratory elk herd in the entire world.

While not busy hunting or fishing, Montanans display their athletic prowess in competitive sports. Our tradition of sport is also filled with colorful characters and stories.

In Montana's first years, boxing was king. Exhibition bouts featured world champions against the toughest railworkers, loggers, or ranch hands in town.

As the reputation of our State's fighters grew, world champions like Jack Dempsey scheduled bouts in Montana.

Dempsey knocked out Tommy Gibbons on July 4, 1923, in the booming railroad town of Shelby. The local businessmen had scraped up enough money to build an arena to seat 40,000 people. Only 7,200 fans had paid to see the event before cowboys tore the gates down with their lariats. The rest of the spectators got in free.

The big fight resulted in Shelby's financial ruin. A disgruntled Jack Dempsey left town with only a few gate receipts. But at least he gained a friend—Charlie Russell—whom he met while training in Great Falls.

A heavyweight championship bout pitted the mighty Jack Johnson against Stanley Ketchel, a much smaller fighter from Butte. Johnson won the fight by knockout. But Ketchel sent Johnson to the canvas in the first round. Johnson rose in anger and landed a devastating jab to Ketchel's mouth. Johnson walked away with his opponent's front teeth buried in his glove.

Boxing in Montana is a proud sport from its old legends to its future

champions. Montana is home to former World Cruiserweight Champion Marvin Camel of Ronan. Camel was the first champ of this weight class when it was created a decade ago.

Montana's future boxing dreams are vested in the iron fists of people like Todd Foster. This young Great Falls fighter earned a silver medal in the Pan American Games. He represented the United States in the 1988 Olympics in Seoul. Now a professional fighter, Foster is undefeated through seven bouts.

Montana has sent other sons and daughters to the Olympics. And we're building high technology facilities to help our youth become world class athletes. For instance, Butte is home to America's only high altitude speed skating rink. We no longer have to send our skaters overseas to train.

America's national pastime, baseball, is as popular in Montana as it is in Fenway Park or Yankee Stadium. Many of the stars of major league baseball started their professional careers in Montana's Pioneer League for rookies.

Teams like the Billings Mustangs, Great Falls Dodgers, Butte Copper Kings, and Helena Brewers have been home to some of the biggest names—like George Brett, George Foster, and even one pitcher from the 1989 World Series, Mike LaCoss of the San Francisco Giants.

The only pitcher ever to hit a grand slam home run in a World Series was Billings' own Dave McNally. He performed this feat against the Cincinnati Reds in 1970. The next year, McNally and three Baltimore Orioles teammates were the last pitching staff to win over 20 games in a season.

In fact, one player McNally inspired is now a starting left-handed pitcher for the Orioles: Jeff Ballard. A legend in the Billings little league, he won 18 games for the Orioles this year. Ballard became the ace of Baltimore's pitching staff after starring as an All-American at Stanford University.

Montanans are also proud of homegrown basketball talent like Larry Krystkowiak. This 6-foot-9 power forward for the NBA's Milwaukee Bucks dominated the Big Sky Conference for 4 years.

Montana football players have also proven themselves in national competition. The Montana State Bobcats terrorized opponents on their way to a division I-AA National Championship in 1984.

Montana has its share of rodeo champions and characters. In the early 1920's, Turk Greenough, from Red Lodge, used his range work experience in the arena to collect championship buckles at the Cheyenne Frontier Days Rodeo and the Calgary Stampede.

Greenough also doubled as a stuntman for movie stars Tex Ritter, Roy Rogers, Gene Autry, and Randolph Scott.

Rodeo Hall of Famer Bill Linderman of Bridger was a five-time World Champion All Around Cowboy. He is an inspiration to Montana's new rodeo stars: Chuck Simonsen, Clint Branger, and rodeo's only woman bull rider, Johnny Joncowski.

The best in the country come from Montana. Montana State University in Bozeman is home to the College National Finals Rodeo every year. And the MSU Bobcats almost always win.

And our State's sons and daughters excel outside the athletic arena.

CBS sportscaster, Brent Musburger, grew up in Billings and still comes back to his ranch near Big Timber. Also from Billings is NBC correspondent Don Oliver who frequently returns to Montana on assignment.

And who could forget newscaster, Chet Huntley? He became "the other half of the Huntley-Brinkley news team" and later helped found Montana's famous Big Sky Resort.

CONCLUSION

Today, the imprint of Montana's legacy has spread through all facets of America's culture. The Archie Bray Foundation in Helena has produced ceramists as prominent as Peter Voulkos and Rudy and Lela Audio, who now are displaying their work at the Renwick Gallery here in Washington.

Missoula's own Judith Blegan is a nationally acclaimed opera star with the New York Metropolitan Opera.

Carroll O'Connor, who is best known as Archie Bunker in "All in the Family," started his career in the University of Montana Drama Department.

And many other familiar faces have sought Montana's solitude and wide open space to escape for a while from the every day bustle of life.

Tom Selleck has a place near Hamilton. Charles Kuralt seeks refuge along the Big Hole River when he's not "on the road." The Von Trapp family discovered the grandeur of southwestern Montana near Sheridan. And Michael Keaton, Ted Turner, and Peter Fonda have made Paradise Valley another home.

Montana is an artist's mecca. It is that rushing stream of thought and inspiration which has fueled and regenerated some of the best and brightest artists in America. There is something about Montana which draws out the poetic "Aha's!" that only creative imaginations can articulate for the American soul.

No one who has spent any time in Montana leaves uninspired. I believe John Steinbeck best described the Montana call to art: "It seems to me that Montana is a great splash of grandeur. The scale is huge but not overpowering. The land is rich with grass and color, and the mountains are the kind I would create if mountains were ever put on my agenda * * * Montana has a spell on me * * * of all the States it is my favorite and my love." ●

NATIONAL TRAUMA AWARENESS MONTH

● Mr. D'AMATO. Mr. President, I rise today to cosponsor legislation designating May 1990 as "National Trauma Awareness Month." I commend my colleague from West Virginia for leading this effort to focus public attention on the seriousness of the traumatic injury problem in the United States.

According to the National Center for Health Statistics, injury is the leading cause of premature death in the United States, taking the lives of more than 140,000 Americans annually. Among the major causes of injury are motor vehicle accidents, falls, fires, household accidents, and violent crimes. All told, injuries result in more potential years of life lost before age 65 than cancer and heart disease combined.

We can stem this growing problem through effective prevention and education. I believe the designation of May 1990 as "National Trauma Awareness Month" will lend vital support to organizations such as the American Trauma Society in their efforts to educate our citizens about trauma, its prevention, and its treatment.

I urge my colleagues to join me in supporting this important resolution, and I urge its immediate passage.●

CELEBRATING THE SELECTION OF JIM HAUTMAN AS WINNER OF THE 1989 FEDERAL DUCK STAMP CONTEST

● Mr. DURENBERGER. Mr. President, yesterday lightning struck twice in the last 3 years with the selection of Jim Hautman's painting of a pair of black-bellied whistling ducks in flight at sunrise won the 1989 Federal duck stamp competition. The 25-year-old artist is from Plymouth, MN. I say lightning struck twice because 3 years ago another Minnesotan, Dan Smith from Minnesota won the competition.

In the 41 years of competition, 14 Minnesotans have won. That is more than any other State. Jim's acrylic painting was one of 603 entries this year. Of those entries, 40 came from Minnesota, second only to California's 47 entries. I believe this success indicates how important we Minnesotans consider both the environment and wildlife art.

All hunters 16 years of age are required to purchase the Federal duck stamp in order to hunt waterfowl. Money from the sale of the duck stamps is deposited in the Migratory Bird Conservation Fund and used to add vital waterfowl habitat to the Na-

tional Wildlife Refuge System. Since the program's inception in 1934 nearly 4 million acres of wetlands have been acquired.

At 25, Jim Hautman is one of the youngest artists to win the duck stamp contest. And he did so on his fifth try. Although Jim has been painting since childhood, his professional career began nearly 7 years ago. He comes from an artistic family, and as the youngest of seven children Jim gets a lot of help from his mother, sister, and brother who also paint professionally. He came in third in the 1987 duck stamp contest.

The winning painting is of two black-bellied whistling ducks in flight at sunrise. Whistling ducks have long legs and an erect posture that give them a heron-like appearance. They are a nocturnal perching bird, preferring the tropical lagoons and shallow marshes of coastal Texas, Louisiana, and Mexico. They are not native nor ever migrate as far North as Minnesota. This made Jim's task more difficult, because he had to use mounted specimens as models for his painting. This is the same technique John James Audobon used.

As a native Minnesotan, Jim Hautman is an avid outdoorsman. When questioned what he plans to do now that he has won the Nation's premier wildlife painting contest, he said he "plans to speak out on behalf of wetlands preservation."

Mr. President, I have met Jim Hautman, and am struck by his maturity, artistic ability, and environmental sensitivity. He is a credit to his family and upbringing and an example of Minnesota's finest values and assets: its people.●

UNANIMOUS-CONSENT AGREEMENT—LEGISLATIVE APPROPRIATIONS CONFERENCE REPORT

Mr. BRYAN. Mr. President, I ask unanimous consent that when the Senate resumes consideration of the legislative appropriations conference report, that the Senate concur in all the House amendments, en bloc, except for amendment No. 6.

I further ask unanimous consent that the only amendment in order to the remaining House amendment be an amendment by Senator WILSON on the subject of mass mail; that there be 1 hour on the Wilson amendment equally divided in the usual form; that immediately upon the disposition of the Wilson amendment, the Senate proceed to vote on the motion to concur in the House amendment, as amended, if amended, to the Senate amendment No. 6.

I further ask unanimous consent that no motions be in order, except for motions to reconsider and table; and that no points of order under rule XVI lie against the Wilson amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE CALENDAR

EXECUTIVE SESSION

Mr. BRYAN. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nomination: Calendar No. 470, S. Jay Plager, to be U.S. circuit judge for the Federal Circuit.

I further ask unanimous consent that the nominee be confirmed; that any statements appear in the RECORD as if read; that the motion to reconsider be laid upon the table; that the President be immediately notified of the Senate's action; and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

THE JUDICIARY

S. Jay Plager, of Indiana, to be U.S. circuit judge for the Federal Circuit.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 101-6

Mr. BRYAN. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Council of Europe and Organization for Economic Cooperation and Development Convention on Mutual Administrative Assistance in Tax Matters, Treaty Document No. 101-6, transmitted to the Senate today by the President.

I also ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification a Convention on Mutual Administrative Assistance in Tax Matters, among the member States of the Council of Europe and the Organization for Economic Co-operation and Development (OECD), done at Strasbourg, January 25, 1989. I also transmit the report of the Department of State on the convention.

Under the convention, Parties will exchange information for the assessment, recovery, and enforcement of tax(es) and tax claims, and to assist in the prosecution of a taxpayer. The United States will exchange information on taxes on income or profits, capital gains, or net wealth imposed by the Federal Government and, in keeping with the U.S. Model Treaty, will not exchange information on State or local taxes.

The taxpayer protections available under the convention are at least as extensive as under the U.S. Model Treaty. Information provided by the United States to another party may not be released to a third party without U.S. consent.

The convention also provides for assistance in the recovery of taxes and for assistance in service of documents. The United States has chosen to reserve on these provisions, in accordance with the option available to all Signatories.

I recommend the Senate give early and favorable consideration to the convention and give its advice and consent to ratification.

GEORGE BUSH.

THE WHITE HOUSE, *November 8, 1989.*

ESTABLISHING A STUDENT TREE-PLANTING PROGRAM

Mr. BRYAN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 205, submitted earlier today by Senator BUMPERS, urging the establishment of a student tree-planting program.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 205) to establish a student tree-planting program.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BUMPERS. Mr. President, on Arbor Day of this year I spoke to a group of sixth grade students from Little Rock, AR, about the problem of global warming and the importance of our forests in moderating the "greenhouse effect." I recited the statisitcs we have heard many times in the past year—that the decade of the 1980's contained the 5 hottest years of the century, and that global temperatures are now the highest since we have been keeping records. I mentioned that increased carbon dioxide in the atmosphere is believed to cause about half of this warming and that a significant source of carbon dioxide emissions, about 20 percent, is the clearing and burning of tropical forests for agriculture. And I emphasized the im-

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portance of planting trees, because forests are able to capture and store large amounts of carbon from the atmosphere, thereby mitigating the buildup of atmospheric CO_2 and possibly delaying the advent of global warming.

But, Mr. President, these young students—11- and 12-year-olds mostly—were way ahead of me. They had completed an extensive enviornmental education program on forestry, designed and implemented by the sixth grade teachers and the develoment director of their school, Pulaski Academy, with the cooperation of the Arkansas State Forestry Commission and the U.S. Forest Service. After 2 weeks of classroom work discussing a range of forestry issues including proper tree planting and harvesting methods, native tree species, pros and cons of clearcutting, the forest products industry, and the National Forest Service, these 50 students had spent a day planting approximately 7,000 trees on 11 acres of national forest land.

Located on Lake Winona near Little Rock, the lands had been clear cut in 1987. The students called their project site "The Bear Woods," because it would be a forest growing from barren land. When they arrived at the site many were daunted by the task ahead. But as they day progressed their sense of accomplishment grew and they moved on enthusiastically to successfully complete the plantings. In addition to the pine seedlings, each child was given a dogwood tree which he or she could plant anywhere on the site. On Arbor Day, a plaque was erected in the middle of the Bear Woods so that the students could locate the site on future visits—perhaps with their own children some day.

The students, teachers, and parent volunteers were assisted in the planting project by representatives from the Winona Ranger Station of the Ouachita National Forest, who had provided the short leaf pine tree seedlings and had selected the reforestation site for erosion protection. Clay Sherrod, Betty Raper, Jean McGill, and Carol Simons of Pulaski Academy, Mike Weber and Norman Alley of the Ouachita National Forest, and John Shannon of the Arkansas Forestry Commission deserve recognition for implementing this project.

The Bear Woods reforestation project was a true environmental learning laboratory for the sixth graders. Moreover, it will continue to be a teaching tool as the schoolchildren will monitor "their" forest in the future. The students did real work, providing valuable assistance to the Forest Service in replanting clear cut areas. By protecting and enhancing the natural resources in the Ouachita National Forest near their homes, the students were also making their own contribution to the environmental well-being of the planet.

The resolution I am submitting today states that it is the sense of the Congress that the Forest Service should develop a national tree planting program which would accomplish needed reforestation work with student volunteers. I would hope that the program could be modeled on the project I have just described—combining an educational outreach program on forestry and environmental issues with the tree-planting projects. Such a program would not have to be limited to reforestation projects on national forest lands, but could be expanded to additional lands in cooperation with other Federal agencies, State forestry agencies, the forest industry, and private groups.

Mr. President, I urge the Senate to adopt this resolution as soon as possible. I thank the Chair, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 205) was agreed to, as follows:

S. RES. 205

Resolved, That it is the sense of the Senate that the United States Forest Service should establish a program that utilizes elementary and high school student volunteers to perform tree planting and reforestation projects.

Mr. BRYAN. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NOMINATION REFERRED TO THE COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BRYAN. Mr. President, as in executive session, I ask unanimous consent that the nomination of David Williams, to be inspector general of the Nuclear Regulatory Commission, be referred to the Committee on Governmental Affairs for not to exceed 20 days.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TOMORROW

RECESS UNTIL 10:30 A.M. AND MORNING BUSINESS

Mr. BRYAN. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 10:30 a.m., Thursday, November 9; and that following the time for the two leaders, there be a period for morning business until 11 a.m., with Senators permitted to speak therein for up to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SCHEDULE

Mr. BRYAN. Mr. President, at 11 a.m. the Senate will resume consideration of the conference report to accompany H.R. 3014, the legislative branch appropriations bill. Pending at that time will be an amendment to be offered by Senator WILSON.

Mr. President, to briefly lay out a schedule for tomorrow for the information of Senators, the Senate will resume consideration of H.R. 3014, the legislative appropriations conference report. Rollcall votes are likely on issues with respect to this conference report by shortly before 12 o'clock noon.

RECESS UNTIL 10:30 A.M. TOMORROW

Mr. BRYAN. Mr. President, if the distinguished acting Republican leader has no further business and if no Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess under the previous order until 10:30 a.m., Thursday, November 9.

Mr. SIMPSON. Mr. President, I have no further business to be conducted. I thank the acting majority leader. I wish the occupant well in the dental surgery that he confronts tomorrow.

Mr. BRYAN. I thank the distinguished acting Republican leader.

There being no objection, the Senate, at 6:39 p.m. recessed until Thursday, November 9, 1989, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 8, 1989:

DEPARTMENT OF STATE

CYNTHIA SHEPARD PERRY, OF TEXAS, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BURUNDI.

ROBERT GREGORY JOSEPH, OF VIRGINIA, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS UNITED STATES COMMISSIONER ON THE U.S.-U.S.S.R. STANDING CONSULTATIVE COMMISSION.

DEPARTMENT OF JUSTICE

SCOTT ALAN SEWELL, OF MARYLAND, TO BE U.S. MARSHAL FOR THE DISRICT OF MARYLAND FOR THE TERM OF 4 YEARS, VICE JOHN W. SPURRIER, TERM EXPIRED.

DEPARTMENT OF COMMERCE

DOUGLAS B. COMER, OF VIRGINIA, TO BE DEPUTY COMMISSIONER OF PATENTS AND TRADEMARKS, VICE DONALD W. PETERSON, RESIGNED.

SECURITIES AND EXCHANGE COMMISSION

MARY L. SCHAPIRO, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE SECURITIES AND EXCHANGE COMMISSION FOR THE TERM OF 5 YEARS EXPIRING JUNE 5, 1994. (REAPPOINTMENT.)

CONFIRMATION

Executive nomination confirmed by the Senate November 8, 1989:

THE JUDICIARY

S. JAY PLAGER, OF INDIANA, TO BE U.S. CIRCUIT JUDGE FOR THE FEDERAL CIRCUIT.

HOUSE OF REPRESENTATIVES—*Wednesday, November 8, 1989*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Open our eyes, O God, to see Your presence in all the areas of life, not only in holy places of worship, but in our ordinary and daily activities. As your spirit transcends all and lives in each situation or circumstance, so we may be open to see that spirit wherever we are. This is our prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentlewoman from Nebraska [Mrs. SMITH] please come forward and lead the House in the Pledge of Allegiance.

Mrs. SMITH of Nebraska led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate insists upon its amendment to the bill (H.R. 2742) "An Act to extend and amend the Library Services and Construction Act, and for other purposes", disagreed to by the House and agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. PELL, Mr. SIMON, Mr. HATCH, and Mrs. KASSEBAUM, to be the conferees on the part of the Senate.

RESIGNATION AS MEMBER OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER laid before the House the following resignation as a member of the Committee on Public Works and Transportation:

WASHINGTON, DC,
November 6, 1989.

Hon. THOMAS FOLEY,
Speaker, House of Representatives, The Capitol, Washington, DC.

DEAR MR. SPEAKER: I respectfully request that you accept my resignation from the House Committee on Public Works and Transportation effective immediately.

Sincerely,

GLEN BROWDER,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

RESIGNATION AS MEMBER OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER laid before the House the following resignation as a member of the Committee on Public Works and Transportation:

WASHINGTON, DC,
November 3, 1989.

Hon. THOMAS S. FOLEY,
Speaker, The Capitol, Washington, DC.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Public Works and Transportation Committee in order to accept the nomination of the Steering and Policy Committee to the Energy and Commerce Committee.

With warmest personal regards, I remain

ED TOWNS,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled joint resolution on Tuesday, November 7, 1989:

H.J. Res. 280. Joint resolution increasing the statutory limit on the public debt.

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES

Mr. HOYER. Mr. Speaker, I offer a privileged resolution (H. Res. 284) designating membership on certain standing committees of the House, for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 284

Resolved, That the following Members be, and are hereby, elected to the following standing committees of the House of Representatives:

Committee on Armed Services, Glen Browder, of Alabama, and Gene Taylor, of Mississippi.

Committee on the District of Columbia, Jim McDermott, of Washington.

Committee on Energy and Commerce, Edolphus Towns, of New York.

Committee on the Judiciary, Mel Levine, of California, to rank before George E. Sangmeister, of Illinois.

Committee on Merchant Marine and Fisheries, Gene Taylor, of Mississippi.

Committee on Public Works and Transportation, George E. Sangmeister, of Illinois.

Committee on Veterans' Affairs, Pete Geren, of Texas.

SEC. 2. Charles A. Hayes, of Illinois, elected to the Committee on Post Office and Civil Service pursuant to H. Res. 265, shall rank before Morris K. Udall, of Arizona, thereon, and Gary Condit, of California, elected to the Committee on Agriculture pursuant to H. Res. 265, shall rank before Roy Dyson, of Maryland, thereon.

The resolution was agreed to.

A motion to reconsider was laid on the table.

A PROUD DAY FOR DEMOCRATS

(Mr. SISISKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SISISKY. Mr. Speaker, if it seems like I'm smiling it's because I am. You see, something incredible happened in Virginia yesterday. You might even say something historic. Doug Wilder was elected Governor of the Commonwealth of Virginia. In fact, Democrats swept the top three statewide offices—the third time that's happened in 8 years. And the reason is simple—good government.

CHUCK ROBB, now U.S. Senator ROBB, and current Governor Baliles have demonstrated faith in government, not contempt. Yet, they too have demonstrated moderation, not excess. This tradition will continue under Governor Wilder.

Now to those of us in Virginia who have known and worked with Doug for many years, his election doesn't come as a complete surprise because we've seen him beat the odds many times before. Yet, as significant as this election is for him personally, the results for Democrats in general are even more significant.

From Seattle to New York to Richmond, Democrats have proved once again that we are in touch with the voters. We may not be perfect, but more often than not we do the right thing—and that's something Demo-

crats have every reason to be proud of this morning.

END THE INCREASING DEBT

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, last night on the eve of default, the House approved an extension of the debt limit where we broke the $3 trillion level.

Those Members who have served here for a few years are aware how the leadership of the institution functions. They wait until the eve of the expiration of the existing limit on the debt and then bring it forward with the statement: "If we don't approve this extension we will be in default, and we cannot tolerate that."

I am serving notice to the House that a letter will be prepared, hopefully that it will contain the signatures of 218 Members of the House, that as a condition of any—I am saying any extension of the debt limit of the United States Government—we must first, the Congress might first, pass the constitutional amendment on a balanced budget to the States of the Union by a two-thirds vote, otherwise we will shut down the Government of the United States.

This madness has to stop somewhere. We cannot continue this spiral of every-increasing increases in our national debt.

CONGRATULATIONS TO DEMOCRATS

(Mr. ANTHONY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANTHONY. Mr. Speaker, I rise today to congratulate Mr. Craig Washington and Mr. Anthony Hall of Texas, two Democrats who are running off to become a new Member of Congress, vacated by our dearly departed Mickey Leland.

Mr. Speaker, that makes 6 out of 8 special elections that Democrats have won. It is a net gain of 1 to our ranks. But more importantly, I come from the South, the State of Arkansas, and it is a net gain of 1 in the South, I am very proud of that.

□ 1110

Yesterday proved that it was just more of the same, a win in New York, a win in New Jersey, a win in Virginia, wins all across the country for the Democrats.

I say to my colleagues on the right, it is important. We took back control in New Jersey. Reapportionment is important for 1992. Democrats are on a march. We have better candidates, we have better messages, and the voters are responding.

ALLOW VIETNAMESE BOAT PEOPLE TO MOVE TOWARD THE WEST

(Mr. DREIER of California asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, I should start out by extending congratulations to my Democratic colleagues for all of these victories. But next year is another election year, and we certainly look forward to offering you a great challenge.

I want to say as we sit here and watch 300 people an hour fleeing the repression in East Germany, there is another very serious problem which we all have to address, and that is looked at in a resolution which I have just introduced, House Concurrent Resolution 223. It is designed to recognize the fact that there are some 35,000 Vietnamese boat people who have fled totalitarian repression in Vietnam, seeking the same kind of opportunity which these people who have fled East Germany are seeking.

Unfortunately, we have gotten to a point where the British Government has indicated that they are going to forcibly repatriate these freedom seekers. They are trying to kick them out of Hong Kong and back to Vietnamese tyranny which is even worse, if that's possible, than Eastern bloc tyranny.

My resolution calls on the British Government to wait for several months so that we can work diligently to try to resolve this important crisis.

I hope very much my colleagues will join in cosponsoring House Concurrent Resolution 223.

A PROUD DAY FOR ALL AMERICANS

(Mr. GRAY asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GRAY. Mr. Speaker, yesterday the thundering sound heard throughout America was the inexorable march of history. Once again our Nation's voters have rejected negative campaign messages and have chosen candidates offering a clear vision of progress, hope, and simply decency.

Perhaps most significantly the voters served notice that they will never again tolerate campaigns laced with innuendo, fear, and outright character assault.

There is something else that happened yesterday in America. There was a major change. Voters said loudly and clearly that they will look beyond race in making a decision as to who they will choose to represent them.

This was a two-step process. The first change was in 1965 with the Voting Rights Act that provided the structural basis so that yesterday the voters could in fact go and select outstanding candidates like David Dinkins, like Doug Wilder, like Norm Rice. That is a proud day for all Americans, and I do not care what race you come from or what region or whether you are Democrat, Republican, Conservative, Moderate, or Liberal.

THE 20TH ANNIVERSARY COMMEMORATION OF THE 1969 WHITE HOUSE CONFERENCE ON FOOD, NUTRITION, AND HEALTH

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, I am so pleased to join my colleagues from both the House and Senate as a member of the sponsoring committee for the 20th anniversary of the 1969 White House Conference on Food, Nutrition, and Health. As the first—and only—White House conference on this issue, it is the original benchmark of Federal policy in nutrition and health.

Federal food and nutrition efforts have been criticized by some for providing too little, and by others for giving away too much, yet one star has emerged to overshadow all public and private relief efforts—American agriculture. In 1910, the typical American farmer produced enough to feed seven people. Today, the average farmer produces enough to feed 92 people.

And agriculture is not only providing more food, it is also providing less expensive food. Farmers and ranchers provide American consumers with the highest quality, most diverse, least costly, and safest food supply in the world. In 1954, consumers in the United States spent 22 percent of their income on food, but today, we spend only 11.6 percent for food while our Chinese counterparts spend more than 50 percent.

But there is increasing emphasis not only on the abundance of food necessary to feed our growing population, but also on meeting our nutritional needs.

Farmers have been helping consumers meet this goal long before nutrition became a national issue. While making significant gains in productivity, agricultural producers have helped lengthen the life expectancy of the total U.S. population to 74.5 years in 1982, from 47.3 years in 1900, by increasing the quality and safety of raw agricultural products.

As we have watched our farmers and ranchers make the most important contributions to our food and nutri-

tion efforts, Federal expenditures for food and nutrition programs have risen more than 2,000 percent since the White House conference in 1969.

In 1969, the Federal Government spent just over $1 billion on food stamps, food distribution programs, and child nutrition. In fiscal year 1990, the Federal Government is expected to spend more than $22 billion in our efforts to assist the less fortunate in this country.

I want everyone to be aware that during these times of reduced Federal spending for agricultural price and income support payments, the budget has seen solid constant growth in nutrition assistance programs.

In 1988, the Food and Nutrition Service [FNS] was funded at $20 billion. And in 1989 the program grew by an additional $1 billion to $21 billion. For 1990, the growth continues with another $1 billion increase for the FNS, raising its budget above $22 billion.

Appropriations for 1990 will also place great emphasis on nutrition assistance programs across the United States. The committee has agreed to provide an increase of $196 million for the Women, Infants, and Children [WIC] Program, bringing the total funding level to slightly more than $2.1 billion for a program that did not even exist until 1974 when it started with a meager $10 million.

Also, the Food Stamp Program has been funded at almost $16 billion for fiscal year 1990, up from $13 billion in 1989, and dramatically higher than the $250 million provided in 1969.

Since 1979, the average monthly benefits received by food stamp recipients has risen almost 14 percent in constant dollars from $44 to $50, and total participation increased during the same period from less than 16 million people to more than 19 million people.

And finally, funding for child nutrition, including school lunches and the Child Care Food Program, has risen from $584 million in 1969, to more than $5 billion in 1988—assisting more than 24 million children per day.

However, we must continue to be aware that food and nutrition problems continue to exist in this Nation. In spite of exploding growth in Federal efforts, poverty and nutrition-related problems continue to effect our Nation—even in rural America.

According to research supported by the Aspen Institute and Ford Foundation, rural America—while serving as our Nation's and the world's breadbasket—is hampered by nutrient deficiencies that are closely linked to high rates of nutrition-related health problems.

However, we know very little about the nutrition problems and their causes in our rural areas. America's urban poor have been the subjects of numerous studies examining their nutrition-related health status, yet few studies have evaluated the conditions among the rural poor.

Difficult access to grocery stores, compounded by the lack of federally subsidized transportation for rural populations, and limited supplies of nutritionally important foods, all magnify nutritional deficiencies in rural areas.

There are, however, efforts underway in Nebraska to provide food and nutrition assistance to people in rural areas without Federal dollars. In 1986, the Interchurch Ministries of Nebraska organized the Nebraska Pantry Network to structure the efforts of companies, volunteers, and professionals as they help Nebraska's rural poor.

In 1988, the number of rural households using food stamps decreased 6 percent from 1987, to 17,648. At the same time, the Nebraska Pantry Network provided food to 106,577 rural people, up 12 percent from 1987. The Nebraska Pantry Network and other privately operated volunteer organizations have been able to compliment and expand the food assistance provided to rural Nebraskans.

If we are to effectively reduce the ongoing food and nutrition deficiencies in this Nation, we must pay closer attention to our rural communities with targeted research initiatives. Furthermore, we must continue to make Federal policy more effective and encourage additional private relief efforts. I am hopeful that such efforts and policy will remember to account for rural as well as urban America.

THE EMPEROR HAS NO COATTAILS

(Mr. HOYER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, ladies and gentlemen of the House, yesterday the President reflected on his election 1 year ago. In that election he took 56 percent of the vote in New Jersey; in that election he took 80 percent of the vote in Virginia.

Let us now reflect upon an election 24 hours ago. It was a historic election. Our colleague, JIM FLORIO, took 62 percent of the vote in New Jersey. He will replace a Republican predecessor.

Doug Wilder becomes the first black in America in history to be elected Governor of a State. Don Beyer, the Lieutenant Governor, pulled a stunning upset in the election.

Mr. Speaker, yesterday the people voted for change. The people voted for opportunity. The people voted for Democrats.

Mr. Speaker, the President of the United States has shown in polls he is very popular. The President of the United States went to New York. The President of the United States went to Virginia. The President of the United States went to New Jersey. And yesterday, Mr. Speaker, we found that the emperor has no coattails.

HAPPY BIRTHDAY MONTANA

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, happy birthday Montana, land of the shining mountains, Big Sky Country, you're just as beautiful as the day I met you 54 years ago.

What a dowery you have promised to those who make a commitment to stand by your side: gold, silver, timber, wheat, livestock, tourism, oil, and coal.

The warmth of your personality is generated by the openness of your people, people who are always ready to extend a helping hand to neighbors and strangers alike. People who are creative. People who are industrious. People who are tolerant.

Montana, you are 100 years old.

On behalf of the people of our State, I pledge our fidelity, our commitment, and our love.

□ 1120

HAPPY BIRTHDAY, MONTANA

(Mr. WILLIAMS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WILLIAMS. Mr. Speaker, exactly 100 years ago this hour a light mist was falling on the Nation's Capital City, just as it is this morning. Benjamin Harrison, then President, set aside his pen after having signed the proclamation to make Montana a State. Within minutes the telegraph wires sped the long-awaited announcement to the West, 2,200 miles where a crisp and cool late Montana day was just beginning.

Mr. Speaker, I join with my colleague, the gentleman from Montana [Mr. MARLENEE], and our more than 800,000 fellow Montanans in wishing Montana a very happy birthday.

A DIFFERENT TIME IN AMERICAN POLITICS

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, I rise to congratulate our colleague JIM FLORIO who yesterday in an impressive fashion was elected the new Governor of the State of New Jersey. But I also note his victory was not in isolation. Indeed, it was part of a national pattern that I believe marks the start of the politics of the 1990's a different

time, when people are getting serious about our country and its problems once again; when President Bush will not be permitted again to stand on our beaches and talk about environmental protection, and then return to Washington and complicate our efforts; no more declaring educational Presidencies, and then returning to the White House and reducing funding for our students and our schools.

It is a different time, a new decade. Americans understand that our quality of life and our place in the world is being challenged. They are serious. They are prepared to be challenged.

That is the message from yesterday's election. It best be understood in this Congress and across the Nation. It is a good time, a serious time in America again, to get about the work of our Nation.

DO NOT EXPOSE SOCIAL SECURITY RESERVES TO CONGRESS' SPENDING FRENZY

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, taking Social Security off-budget is a crucial first step in protecting the benefits of future retirees, but it only goes halfway, leaving the reserves vulnerable to the whims of Congress.

If history is any guide, even an off-budget Social Security reserve will be used to justify new programs without new taxes. In the mid-sixties, with Social Security off-budget, Congress created disability, SSI, and Medicare without raising taxes. This caused the need for Social Security tax increases in 1977 and 1983 to the current high level.

We must insure that the reserves we take off-budget are truly protected from Congress' penchant for spending. The best way of doing this is to move to a vested, funded Social Security system gradually over the next 50 years.

Under such a program, the portion of the Social Security revenues not used to pay current benefits would be rebated annually into Individual Social Security Retirement Accounts [ISSRA's] setup for each worker, effectively taking the reserves out of Congress' reach.

Mr. Speaker, taking Social Security off-budget strikes a blow for honest budgeting, but we also need to insure that the reserves will be actually there for future retirees. There's only one way to do that. Create a vested, fully funded Social Security system.

OUR UNFINISHED BUSINESS MUST BE ADDRESSED BEFORE WE GO HOME

(Mr. COUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COUGHLIN. Mr. Speaker, yesterday President Bush called to the Nation's attention the unfinished agenda of business before this Congress, and, my colleagues, we simply cannot pack up our bags and go home leaving the people's business undone. Legislation to supplement the President's drug strategy has not been acted on by this House nor differences resolved by the other body. The President's crime package is still languishing in committee and has not been acted on by this House. Clean air legislation, which we are so close to doing something about, has still to be brought before the Congress and be acted on. The President's education initiative; we talk about education, but it is time we do something about it. Let us act on that, too, and ethics legislation, which we all talk about, we still have to act upon.

My colleagues, the American people would think that we are serving our country ill if we indeed pack up our bags and go home leaving this agenda unaddressed.

A RADICAL RIGHTWING VIEW IS STOPPING CONGRESS FROM DOING ITS JOB

(Mrs. BOXER asked and was given permission to address the House and to revise and extend her remarks.)

Mrs. BOXER. Mr. Speaker, yesterday was a great day for Democrats and a great day for America. First, it is a tribute to our candidates first and foremost, and it is also a tribute to the politics of inclusion which appeals to the best of us.

However, Mr. Speaker, it is also a tribute to the powerful prochoice message that is sweeping the Nation, and the message is: Trust Americans to make their own private decisions.

Mr. Speaker, yesterday the President lambasted the Congress. He said that we were not doing our jobs and passing our bills.

However I say, "Mr. President, we passed our bills, we passed the Labor-HHS bill, we passed the D.C. bill, and what do you do? You veto it. You veto it because you don't trust the women of America and the people of America to make their own private decisions, and you don't respect the new majority in this Congress."

So, Mr. Speaker, what I would say to the President is, "As you analyze these election returns, look at what the people are saying in Virginia. Seventy-seven percent said choice was an issue. A very large percentage said it was an issue in New Jersey. It was an issue in New York. And come to us and respect our view, and don't hold up the work of this Congress because of a radical rightwing view which is stopping us from doing our job."

GIFT RESTRICTIONS

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Speaker, the President's "Governmentwide Ethics Act of 1989" seeks to provide the same commonsense standards across all three branches of the Government.

The House bipartisan task force on ethics has thoroughly reviewed the rules on gifts and has made its recommendations to the leadership.

Public focus has been on the substance of the rules. But every bit as important is the question of who the rules will apply to. Currently, the President and Vice President can receive gifts up to a set dollar amount but it is illegal for appointed executive branch officials to accept any gift.

Equal application of executive branch standards suggests that gift restriction rules apply to elected officials in both branches and that receiving gifts be illegal in both branches for appointed officials and employees.

NORTHROP SHOULD SEE, FEEL, HEAR, AND DETECT JAIL TIME

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, in 1980 the Northrop Corp. boasted that they would build a super aircraft, the Stealth bomber. "This aircraft," they said, "can't be seen, traced, heard, or detected by radar."

Mr. Speaker, if my colleagues ask me, the only thing that cannot be seen, heard, traced, or detected is the financial ledgers of the Northrop Corp.

In the lawsuit filed against Northrop its own employees charge that Northrop cheated American taxpayers out of $20 billion, the most massive fraud in American history.

Now General Eisenhower warned, and he warned Congress, that someday we would have a military-industrial complex that would swallow us up. I think we see it, my colleagues.

What I have to say is that the Northrop big shots should be able to see, feel, hear, and detect jail, jailtime.

CORRECTING AN INEQUITY CONCERNING PENSION PAYMENTS OF MILITARY AND CIVILIAN PERSONNEL

(Mr. DICKINSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKINSON. Mr. Speaker, today the gentleman from New York [Mr. SOLOMON] and I are introducing a bill identical to the one that passed the U.S. Senate on November 2, which would correct an inequity in the law concerning the pension payments of military and civilian personnel. Our bill would ensure that all Federal retirees are treated alike under section 2071(b) of the U.S. Code.

The need for clarification was recently brought to light when the Navy suspended Lt. Col. Oliver North's retired pay in July, and then revoked his military pension on a GAO intepretation of a vague and ambiguous statute. Although the Judge Advocate General of the Navy stated that a retired naval officer convicted of an offense under the forfeiture portion of 18 U.S.C. 2071(b) does not lose his retired pay as a consequence thereof, the GAO ruled otherwise. The Judge Advocate pointed out that the forfeiture provisions are not intended to be punitive, and that if an officer in the Marine Corps Reserves or a retired civilian official had been convicted of the exact same offense, neither would have to forfeit his or her retirement pay.

Lieutenant Colonel North has freely given two decades of his life for love of country to serve this Nation under very difficult circumstances. He did it, and it is time we in this country gave him our thanks. The very least we can do is make sure he receives the same compensation afforded each of our veterans.

The American people respect and highly value men with dedication to service like Lt. Col. Oliver North, and at the very least, we owe him his pension.

The Government bureaucrats, with their pensions safe, have probably never heard the sound of gunshots fired in anger. Lieutenant Colonel North has demonstrated his willingness to give his life for his country, but he certainly shouldn't be asked to give up the security of his own family over charges that may not have been his doing.

The inequity in the law concerning the pension payments of military and civilian personnel is blatant, since a retired Member of Congress, the Cabinet, an executive branch employee, Federal judge, or even a retired reservist, would not lose his or her pension if convicted of violating the statute in question. It should also be noted that a retired officer would not lose his pay for offenses such as rape or murder. These inequities should be corrected.

It is especially interesting to look back at the drug bill passed by the Congress last year, which has since become law. It contains provisions allowing convicted drug dealers, even those convicted of repeated offenses, to continue to receive "any retirement, welfare, Social Security, health, disability, veterans benefits, public housing, or other similar benefit."

Colonel North is a bona fide war hero and has earned every dime of his pension for service in the U.S. Marine Corps. Regardless of one's opinion of Colonel North's actions with the National Security Council, the Federal Government has no right to revoke his well-deserved pension.

Equity dictates that we change this precise and particular title and section, 2071 of 18 United States Code so that it applies equally to everyone, including military retirees. I invite my colleagues to join in this effort and urge expedient consideration of this legislation.

WHY I VOTED AGAINST AN INCREASE IN THE DEBT CEILING

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, I voted against the increase in the debt ceiling yesterday, and I wanted to explain why because we did not have much of a debate on that last evening.

Mr. Speaker, I am no longer willing to pay for the consequences of a fiscal policy that I think is crazy.

President Reagan, one of the most conservative Presidents in this century, submitted eight budgets to Congress, and he asked for $1.1 trillion in deficits. We now have a $3 trillion in debt. The deficit this year alone is $210 billion.

Mr. Speaker, this country is literally choking on deficits, and it is impeding and injuring our economic strength.

The Republicans, they say we ought to spend less. The Democrats say we need more revenue. Both are right, and neither will allow the other to win.

The President, he is off saying, "Read my lips."

Mr. Speaker, there is no leadership here at all, and I refuse to vote for this kind of irresponsibility.

□ 1130

THE PERIL OF SINGLE ISSUE POLITICS

(Mr. LEACH of Iowa asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEACH of Iowa. Mr. Speaker, in yesterday's elections, my party's two gubernatorial candidates appear to have been defeated. In New Jersey, Republicans also lost control of the State assembly.

While the reasons for defeat are varied, paramount among them is the fact that the Republican Party and its candidates were perceived as holding rigid, narrow views on one of the most difficult and divisive issues of our time—abortion.

Yesterday's political debacle marks the end of a decade in which the party, on matters involving reproductive freedom-of-choice and family planning, has too often ignored rank-and-file Republicans and millions of other sensible Americans who hold widely differing views on this intensely personal issue.

What the Republican Party needs today is a broadened test, not social litmus tests, a new spirit of tolerance, a respect for people with differing perspectives, a genuine openness to principled people on both sides of the debate.

Otherwise, the message of yesterday's election will become increasingly clear: in the wake of Webster, the Republican Party's efforts to achieve a governing majority are at grave risk.

A political party that pins its hopes on single issue politics and ignores the mainstream center does so at its own peril.

THE DEMOCRATIC VICTORY IN VIRGINIA

(Mr. OLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OLIN. Mr. Speaker, for the third time in this decade, the voters of Virginia have elected all the Democratic candidates to lead Virginia.

There was a record turnout. Doug Wilder, Don Beyer, and Mary Sue Terry are going to carry on in the mainstream tradition of Jerry Baliles and CHUCK ROBB.

People around the country have been watching this Virginia election, and they are saying that we have made history.

It is true, we have made history—we have elected the Nation's first black Governor.

Doug Wilder was not chosen because of his color—he was chosen because of his ability.

Virginians have endorsed the last 8 years of Democratic leadership.

We can count on Doug Wilder to keep the Commonwealth on a steady course.

Congratulations, Doug, Don, and Mary Sue. It was a tough campaign, but you have triumphed.

Virginia and the Nation will be the better for it.

TRIBUTE TO THE LATE HONORABLE LARKIN SMITH

(Mr. MACHTLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MACHTLEY. Mr. Speaker, I rise today in tribute to our late colleague, Larkin Smith. Larkin was tireless in his efforts to combat the problem of drugs in America and he recognized the difficulty in getting through the congressional maze of committees and subcommittees which deal with this issue currently in our Congress.

Larkin Smith was a sheriff before he became a Congressman. Every day he came into this town he spoke on the issue of drugs in America.

In Rhode Island I have had an advisory committee work with me to understand the problem of drugs, and I am convinced after meeting with these people that we must have a comprehensive solution which has one voice.

Recognizing this, I would urge my colleagues to support the resolution of the gentleman from New York [Mr. PAXON], House Resolution 216, which would amend the rules of the House to establish a Committee on Narcotics Abuse and Control. This committee would have exclusive jurisdiction over all Federal drug laws, replacing the congressional maze which currently exists today.

Mr. Speaker, I encourage my colleagues in Congress to address the drug problem with one voice, to avoid turf disputes and to support this resolution.

THE 1990 CENSUS: WHAT IS AHEAD?

(Mr. SAWYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAWYER. Mr. Speaker, in less than 5 months, our Nation will conduct its 21st census of population and housing.

Congressman TOM RIDGE as ranking minority and I as chairman of the Census Subcommittee, want to be sure that all of you are fully informed about census preparations and operations. In the coming months, we will provide you with detailed information on census activities and suggest ways in which you can promote full census participation through newsletters, town meetings, and partnership with local officials and community leaders.

We will keep you informed about the hiring process and employment opportunities, activities that require participation from local governments, special census procedures for hard-to-count groups—such as the homeless—and what your constituents can expect during the actual census.

This week, we requested your administrative assistants to tell us who in your office will be responsible for census-related issues, so we can provide supplemental materials on a regular basis to help you respond to constituent inquiries.

The only way to ensure an accurate census is to get involved. We looked forward to working with you to make the bicentennial census successful in your district.

GET THE WAR ON DRUGS MOVING

(Mr. PAXON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAXON. Mr. Speaker, for the past 8 weeks I have held over a dozen town meetings in my congressional district focusing specifically on the issue of illegal narcotics. Over 5,000 of my constituents have participated in these meetings. Their message to me and to this Congress has been clear and resounding. That message is, let us get this Nation's war on drugs moving.

The President has done his part. He has submitted to us his strategy for the war on drugs. Unfortunately, this Congress has not done its part. We have not taken action to approve the legislation necessary to advance the President's war on drugs.

Before we adjourn for the year, before this Congress returns home, pats itself on the back for a job well done, we have a responsibility and an obligation to the American people to approve this legislation to advance the war on drugs.

DEMOCRATS HAVE FACED THE TEST AND DONE WELL IN THE ELECTIONS

(Mr. ECKART asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKART. Mr. Speaker, from sea to sea, coast to coast, Democrats have faced the test and they have done well. In New York, New Jersey, Virginia, California, Texas, Indiana, Mississippi, and Alabama, Democrats are running and winning.

The Republicans used to own the fort. They are losing races that they used to win. I think we need to take a good hard look why.

The simple fact of the matter is that the Republicans find themselves wedded to out-of-date right-wing extreme positions.

The Democrats ran candidates that appealed to the solid middle class values, concerns that are important to them.

The party of the right that wanted to get Government off your back is now trying to get Government into your bedroom.

The party of the right that talks about fiscal responsibility cannot field candidates who want to step up and meet the tests of governing effectively at the local level.

When you go 8 for 10, as the Democrats have done, that would get you into the Hall of Fame if you were playing baseball or the hockey league or the National Basketball Association. But let us face facts. In 1980, Reagan-Bush came in like a lion, and in 1989 Bush-Quayle are going out like a lamb.

THE REPUBLICAN DRUG TASK FORCE

(Mr. SHAW asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAW. Mr. Speaker, many of my colleagues joined me here in the Capitol on the evening of September 5, to hear President George Bush map out his strategy for winning the war on drugs. Recognizing that this war is being waged on more than one front, our Commander in Chief explained to us the importance of "Looking beyond our borders where the cocaine and crack is grown and processed."

President Bush lauded the Government of Colombia, besieged by cocaine terrorist attacks, for "fighting back, fighting to break the international drug rings." And, finally, he reminded us that "we have a responsibility not to leave our brave friends in Colombia to fight alone." Our colleagues in the Senate are often characterized as the slow, deliberative body in this Congress, but in this case, they listened to our President and passed his drug bill quickly.

Is this House going to continue to sit idly by, holding up assistance to Colombia and the other Andean drug-producing nations?

Will we allow the President's drug bill to become a partisan, political issue, while Colombian political leaders become targets for cocaine cartel killers?

Where is our opportunity to debate and vote on the President's drug bill, Mr. Speaker?

While we procrastinate, the good people of Colombia are dying.

IN HONOR OF HIS EMINENCE ARCHBISHOP IAKOVOS ON THE 30TH ANNIVERSARY OF HIS ENTHRONEMENT

(Mr. OWENS of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of Utah. Mr. Speaker, April 1, 1989 marked the 30th anniversary of the enthronement of his Eminence Archbishop Iakovos as archbish-

op of the Greek orthodox archdiocese of North and South America.

Over the past 30 years, his eminence has worked within the church and the Greek-American community to promote greater unity and strength. His endeavors have markedly enhanced the vitality and cohesion of the church and the Greek-American community at large.

He is an extraordinary man of great spiritual power and influence, all of which he strenuously and effectively employs in furthering his ministry and blessing his flock.

He also blesses and enriches the lives of his friends, among whom I am honored to count myself. Two days ago, I called upon him in New York to wish him well in his recovery from major surgery and I am pleased to report that he is almost fully recovered, and totally immersed in his spiritual endeavors. He is a loving, remarkable man and I, like all who know him, hold him in highest esteem and deepest affection and respect.

Archbishop Iakovos will be honored next week in Chicago for his three decades of untiring service at a banquet hosted by the United Hellenic American Congress. I am very pleased that a few of his many accomplishments will be recognized and proud to call this extraordinary man's history to the attention of the House.

□ 1140

LET US PROTECT JOBS FOR THOSE WHO SERVE THEIR COUNTRY

(Mr. McCRERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCRERY. Mr. Speaker, today is the last day Congress can act on the plan to give the Secretary of Defense increased transfer authority to provide greater flexibility in dealing with a possible Gramm-Rudman sequestration. If approved by the Congress, this plan would give the Secretary $6 billion of transfer authority, or double the current level of $3 billion.

I have been advised that the majority leadership does not intend to bring the matter up because they are trying to hold the administration's feet to the fire on reconciliation.

Members of this House should know, that the planned transfer authority increase would allow the Secretary to protect the personnel accounts from a maximum cut of $3.4 billion. A cut of this magnitude could mean a loss of 230,000 jobs; 170,000 military active duty personnel and 60,000 civilians could be laid off.

Tomorrow we will vote to approve a defense bill that is characterized more by concern for jobs than concern for national security. It is ironic that the majority leadership, which turned the defense bill into a jobs bill, is so hostile to the idea of protecting the jobs of those who are in the service of their country.

TRIBUTE TO JIM BALUKEVICH

(Mr. POSHARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. POSHARD. Mr. Speaker, I rise to congratulate a good friend of ours on a very noteworthy achievement.

Jim Balukevich, who works here in the Longworth Office Building, will be inducted into the New Jersey Boxing Hall of Fame this Friday. Jimmy is no stranger to boxing. He's the founder of the Washington, DC, Boxing Hall of Fame.

He is also a three-time Senior Olympic Middleweight Boxing Champion, he won a Bronze Medal in the 1938 Hawaiian boxing tournament, and is working constantly on efforts to improve boxing safety.

If you have ever had one of Jimmy's left jabs whizz by your chin you know what I am talking about when I say he has been a great champion. If you have not, he will be happy to demonstrate his famous left jab, right cross, left uppercut combination to you anytime you look him up in the Longworth Building.

It is a unanimous decision. Jim Balukevich is a gentleman and a scholar, a great friend of the boxing people of this country. And we congratulate him on his Hall of Fame success.

CONGRATULATIONS TO NORM RICE, NEW MAYOR OF SEATTLE

(Mr. CHANDLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHANDLER. Mr. Speaker, I rise today to congratulate Norm Rice, elected yesterday as the new mayor of Seattle. Norm is the first black mayor of Seattle. I do not think though that his color had anything to do with his election. He was elected on the basis of his talent and appeal.

Norm and I are good friends. We worked together 20 years ago at KOMO-TV in Seattle. Norm is a liberal Democrat. He defeated a moderate Republican.

But friendship transcends party and philosophy, and we also have a great tradition in Washington State, and that is that on the day after election we put all of that behind us, and we begin to pull together and work in behalf of our State and our cities.

So to you, Norm, my sincerest congratulations. I look forward to meeting with you very soon to see how we can work together.

SUPPORT URGED FOR FAMILY PLANNING PROGRAMS

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, yesterday, the World Bank reaffirmed its commitment to global population control by pledging to almost triple its spending on population, health, and nutrition programs. I commend this decision to bring family planning options to women in developing countries that will enable them to improve the quality of their lives and the lives of their children.

If the world's population continues to grow at its present rate of 90 million people per year, the most serious problems facing humanity, including poverty, hunger, and destruction of the environment, will magnify; 500 million women need and want to control their fertility, but do not have access to family planning.

In light of these facts, in light of the human suffering caused by uncontrollable population growth, and in light of the fact that we possess the resources to help women control their fertility, it seems to me that we have an obligation to help.

Every woman has the right to utilize the options she has to control the number of children she will bear before pregnancy makes abortion her only option. I support family planning programs and urge my colleagues to do the same.

HALTING DRUG ABUSE IS NO. 1 PRIORITY

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, on September 5 President Bush submitted the first national drug control strategy to this Congress, on time as required by law.

Now, 2 months later, Congress still has failed to pass the legislation needed to implement this strategy.

President Bush has done his job; now this Congress has to do ours.

Without this drug package, critical initiatives like our plan to provide law enforcement assistance to South American countries and to beef up education and prevention programs cannot go forward.

The American people have made it very clear that halting drug abuse is their No. 1 priority.

Mr. Speaker, we must act quickly and fulfill our legislative responsibilities to the American people before we go home for the year.

VIRGINIANS LEAD AMERICA, AGAIN

(Mr. PICKETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKETT. Mr. Speaker, a lot has been said recently by many in the Democratic Party about a perceived lack of direction in our party's policies and lack of appeal to the electorate.

They need not look any further than Virginia for an answer to their concerns, where yesterday we led the Nation again with the historic election of the entire Democratic slate of Doug Wilder as Governor, Don Beyer as Lieutenant Governor, and Mary Sue Terry as attorney general.

This election is obviously an endorsement of the policies of Governors Jerry Baliles and Chuck Robb, two very successful Democratic Governors.

In Virginia, where Democrats have now won three straight statewide elections, our formula for victory is simple:

Our leaders give Virginians a State government that is fiscally sound and sensibly managed, yet compassionate toward our people. They have worked steadily to improve our schools and our roads. They have been second to no one in their willingness to enact and enforce stiff laws to put drug dealers and other criminals behind bars. And Virginia's Democratic leadership has made sure that economic growth and opportunity have been in the forefront. We would do well to copy this formula at the national level.

Mr. Speaker, two centuries ago, a great Virginian named Thomas Jefferson spoke of a natural leadership among men defined not by class or religion, but by simple virtue and talent.

How proud Jefferson would be of his home State this morning.

PROPOSED AMENDMENT TO OIL POLLUTION ACT OF 1989

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, I rise today to bring my colleagues attention to an amendment I plan to offer to H.R. 3394, the Oil Pollution Act of 1989. My amendment would exempt onshore domestic oil that is not transported by water from having to contribute to the oilspill liability trust fund.

As currently structured in the bill, this fund is financed by taxing all oil, domestic and foreign, whether it be transported by ship or not. Thousands of small independent producers who will never contribute to the problem of water borne oilspills are being unjustly taxed. My amendment would simply exempt these onshore producers from paying into this fund.

My amendment may be ruled nongermane. If so, the issue will be decided in the budget reconciliation conference. By raising the issue now to the full House Members who have small domestic oil producers in their districts should be able to encourage the reconciliation conference to adopt my amendment.

With U.S. oil production at an all time low, it is vital to our energy security that we do everything we can to encourage domestic oil production. And by promoting the maximum production of onshore oil, we reduce our reliance on tankered oil, and thus lessen the risk of an oilspill.

Let us place the burden where it belongs: on oil that is transported on waterways. Please join with me in supporting this amendment.

A LOUD AND CLEAR STATEMENT FOR DEMOCRATIC PRINCIPLES

(Mr. McMILLEN of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McMILLEN of Maryland. Mr. Speaker, yesterday rhetoric met reality. It was a momentous day for Democrats across the country. We won numerous gubernatorial races and other special elections, countless local offices including the mayor's race in Annapolis, MD, in my district.

This makes six of eight special elections we have recently won. Congratulations are in order for Ron Brown and the gentleman from Arkansas [Mr. ANTHONY] for a job well done.

Ironically, the President still talks about a kinder and gentler nation, but the voters cannot be deceived. They know that Democrats are the party that delivers a kinder and gentler America. Yesterday was a loud and clear statement for Democratic principles.

WAKE UP AND START FIGHTING THE DRUG WAR

(Mr. HANCOCK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANCOCK. Mr. Speaker, I rise to bring attention to a major part of the President's drug strategy.

President Bush unveiled his plan to attack the traffickers at the source in South America and Congress has not acted on his proposal. We need to wake up and start fighting this war now.

The President's strategy was unveiled September 5 and as of today, November 8, 63 days later we have not seen any steps taken to fight this war. I am from The Show-Me State of Missouri and so far Congress hasn't shown me much in the war on drugs.

Mr. Speaker, the Foreign Affairs Committee is scheduled to consider legislation to authorize the Andean initiative. I urge that this legislation be taken up at the earliest possible time and in the cleanest possible form.

□ 1150

DRUG-FREE CAMPUSES

(Mr. DOUGLAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOUGLAS. Mr. Speaker, as the prior speaker just indicated, it has now been over 60 days since the President's drug package was sent up here to the House. One of the things that I hope we will do, if we are true to our word, is to pass the Drug-Free Campus Act as part of that package before we adjourn for this year.

Yesterday 22 Members introduced the bill. It would require college campuses to make sure that they have a very clear and explicit policy for their students, that they tell the students where rehabilitation and counseling is available on campus, and that they also tell the students they will be expelled or suspended if they do not comply with the drug-free campus provisions.

If the colleges do not want to get with the program, the answer is very simple: no Federal money.

This is part of the President's program. It is endorsed by Bill Bennett, and there should be no conscientious objectors in the war on drugs. I hope that the Speaker will make sure that we vote on this provision of the President's drug package before we adjourn for the Thanksgiving recess.

OUT OF THE MOUTH OF BABES

(Mr. BOEHLERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOEHLERT. Mr. Speaker, I have in my hand a letter from a group of 20 third grade students from the Middleburg Elementary School, in Middleburg, NY. They have written to me because they're worried about their future. They wrote:

DEAR CONGRESSMAN BOEHLERT: Our class read about acid rain and did some experiments about it. We learned that it can harm plants and animals, it damages metal, and it costs lots of money to fix the damage caused by it. We want the acid rain problem to stop.

These third graders are calling on us to do something about acid rain. Just yesterday, President George Bush held a press conference to encourage Congress to move on this issue. I rise to say the time is now, we have the vehicle. Mr. Speaker, I call on you, to use your influence and move the Presi-

dent's Clean Air Act Amendments out of committee and on to the floor for passage.

For the first time in over a decade, with the help of a bipartisan majority, we have a bill. The President's legislation calls for a sweeping attack on the chemicals that cause acid rain, with a substantial reduction in these pollutants by the year 2000. Just think, in the year 2000 these students will be 20 and 21 years old, ready to begin families and careers of their own. This bill provides a chance for those leaders of tomorrow to someday visit lakes and forests, once dead from acid rain poisoning, and realize that because of our actions, the water and trees are alive again.

Let us stop the jockeying that surrounds this legislation. We owe it to these third graders, and all the children of this Nation to pass this law. We're not gambling with the prospects of the Republican or Democratic Party, but with the future and quality of life for all the young people who must live with our mistakes we make today. The Clean Air Act Amendments of 1989 may be the single most important legacy we leave future generations, we must not miss this opportunity. When the 101st Congress becomes a page in history, our forests, lakes, and streams will live on to provide a living example of how successful we were.

THE SELLING OF AMERICA IS NO JOKE

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, comedians are lining up to get in their U.S. trade jokes. We have heard that "Donald Trump wants to buy the United States—but the Japanese aren't selling."

Our cartoonists have joined in: Here—Japanese businessmen sitting around a conference table singing, "This land is your land, this land is my land, from California, to the New York islands!"

We've all seen the cartoon of the American panhandler approaching a Japanese businessman and asking, "Hey mister, can you spare a yen?"

Funny isn't it? Why? Because it strikes a chord. Humorists and their audiences know there is more than an element of truth in these lines.

Everyone knows the facts. The United States has gushed billions in defense dollars on our allies faster than the Valdez gushed oil over the Alaskan coastline. Our allies repay us by scooping up our dollars and coming back into the United States to buy our assets.

Our allies recognize the humor—the Brits smirk when they soak up United States wineries; the French chuckle when they take over American computer companies; and the Japanese laugh all the way to our banks—when they buy them.

But this is not a laughing matter.

Selling the birthright of our children should be no joke.

REPUBLICAN TASK FORCE ON DRUGS

Mr. OXLEY. Mr. Speaker, 64 days ago, President Bush and Drug Czar Bill Bennett presented America's first national drug strategy. The President said: "This is the first time in the history of our country that we truly have a comprehensive strategy. We need this program fully implemented right away, so tonight I'm asking the Congress to help us move it forward immediately."

The linchpin of the President's strategy is the Andean initiative—aid to Colombia, Peru, and Bolivia. This aid was promised to the Colombian Government following the assassination of Presidential candidate Senator Galan. What ensued was a full-scale Government crackdown against the powerful cocaine cartels—and our financial and technical assistance is critical to their efforts.

We Americans have as much at stake in the success of this crackdown as the people of Colombia. The Andean initiative has been passed by the Senate as part of S. 1735. This bill is pending here in the House while Colombian people—judges, officials, and oridnary citizens fall each day. Mr. Speaker, I urge you to bring the President's drug bill to the floor for a vote before the next Colombian, or American citizen, falls at the hand of drug traffickers.

FREE AND FAIR TRADE BENEFITS EVERYONE

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, recent trade talks with the Japanese are attempting to lift some of the barriers that unfairly keep out American goods have reached an impasse. According to news accounts, the Japanese have refused to even admit that they have structural obstacles which keep American goods out of their country or force these goods to be sold at exorbitantly high prices.

This situation has to stop. An American steak costs from $20 to $40 in Japan. I heard of one American spending $80 for a single steak. Rice costs 10 times in Japan what it would cost if we Americans were allowed to ship our rice to Japan. Other agricultural goods are so expensive that they are considered extremely high priced luxuries.

Japanese barriers to American agricultural goods are a particularly effective impediment to the good relations our two countries have shared for almost 40 years. I would like to urge our allies across the Pacific to open their markets to export goods and services. Free and fair trade benefits everyone.

THANKS TO AMERICAN SPORTSMEN FOR CONTINUED SOUND CONSERVATION PRACTICES

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, I take this opportunity to thank the sportsmen of America for their contribution in meeting the challenges facing the Nation's fish and wildlife resources into the 21st century.

According to the Department of the Interior, State fish and wildlife programs will receive $233 million this year through the Pittman-Robertson and Dingell-Johnson acts. This money is used for land acquisition, habitat improvement, research, and education.

Since Teddy Roosevelt, the hunter has been America's true conservationist. He understands the need to protect and preserve habitat and species. Without fish, game, and waterfowl, the sportsman could not enjoy the thrill of those brisk fall mornings when ducks and geese are flying overhead, or the first glimpse of a big buck rambling through the brush. He would no longer be able to teach and share with his sons and daughters the true meaning of being a conservationist and a sportsman.

So once again, thank you American sportsmen for your continued support of good sound conservation practices.

PRESIDENT'S NATIONAL DRUG STRATEGY LEGISLATION

Mr. GOSS. Mr. Speaker, this Nation is at war—and the Members of this body cannot be guilty of sitting on the sidelines.

Two months ago President Bush outlined a comprehensive plan of attack as the national drug control strategy. Since then, the situation in the Andean nations has become critical. Each day has brought more bombings, more killings, more threats, and more fear.

During those 2 months the social fabric in Colombia has begun to tear apart to the point where polls are showing that the Colombian people are exhausted—so exhausted that there is now talk of a negotiated peace with the Colombian drug lords.

Are we ready to say that?

Round one of this deadly fight goes to the drug lords?

The arena for round two is right here—in the U.S. Congress. After more than 2 months of debate and negotia-

tion, we are moving toward antinarcotics legislation that addresses the President's Andean initiative.

Frankly—the bill that will soon come to the floor of this House provides almost everything the President requested. We have been sparring among ourselves for too long—and we have wasted a great deal of time.

Mr. Speaker, every day that passes without action on this important piece of legislation results in more deaths and greater entrenchment for the drug traffickers. The people of Colombia, Peru, and Bolivia are waging the fight of their lives on the streets and in the jungles—it's time we gave them our support. We cannot afford to lose the final round.

THE PRESIDENT'S ANTIDRUG STRATEGY

Mr. CRAIG. Mr. Speaker, 2 months ago, after President Bush announced his national antidrug strategy for this Nation, Congress has yet today to act and finish any single part of that strategy.

□ 1200

After months of congressional jawboning about the need for antidrug strategy, committee chairmen in this House are still sitting on their hands. Frankly, that has to stop. I think the American people are beginning to wonder where is the drug policy we promised them? What has Congress done about it? Is there anyone awake who is really paying attention to a national disaster?

Mr. Speaker, the President and Bill Bennett are trying to put a drug policy in place. They need our help. They cannot do it without Members. The American people are demanding it. I for one believe it is time to put up.

Congress must take the drug package out of the committees onto the floor of this House and act this session. It is time we do it before we recess for Christmas.

Mr. Speaker, if we are going to lead on the war on drugs, we cannot sit back and continue to watch the losses. It is time that we gather some statesmanship and some leadership and help our President on this issue.

IMPORTANCE OF 1990 CENSUS

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, as the ranking minority member of the House Committee on Post Office and Civil Service, I take this opportunity to salute the efforts of the chairman and vice chairman of the Subcommittee on Census and Population, Mr. SAWYER and Mr. RIDGE, for initiating an extensive campaign to inform our colleagues in the Congress with regard to the importance and progress of the 1990 census.

The decennial census is an unparalleled source of information, providing us with the most comprehensive picture of who and what we are, where we are headed and from where we have come.

The result of the census is the basis for the reapportionment of the House of Representatives, as well as the redistricting of State and municipal legislatures. Moreover, census figures are used to determine the distribution of millions of dollars of Federal funds.

Once every 10 years, we ask Americans to stand up and be counted. As Members of Congress, let us all strive to inform the American people of the critical, momentous undertaking of the 1990 decennial census.

VIRGINIA ELECTION RESULTS

(Mr. PARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PARRIS. Mr. Speaker, I take the floor of the House this morning, as many of my colleagues from Virginia, to discuss the elections in Virginia yesterday.

It was a mixed bag. Some we lost, some we won. For those who won, I congratulate. I wish good fortune in cooperation with the future. Those who lost, I am sorry.

However, those Members who, particularly in this Chamber, have engaged in political campaigns of the past, understand that it is an exercise that takes total commitment, very hard work. It is physically and emotionally demanding. It is not a simple task.

The one thing that all the winners and all the losers can share is the belief, and I think the sincere and honest conviction that they did their very best. For their involvement with the political process in this magnificent Nation, I congratulate them all.

REPUBLICAN TASK FORCE ON DRUGS

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, in Colombia alone, over 200 judges and 7 supreme court justices have been gunned down by cocaine traffickers.

On Saturday, another alleged Colombian cocaine trafficker was extradited to Florida. A total of six Colombians have been extradited to the United States since that Government began an antidrug crackdown in August.

The biggest Colombian newspaper released unconfirmed reports on Sunday that the Medellin cartel had planned to kidnap one of Colombian President Barco's daughters and leading presidential candidate Hernando Dussan in an effort to forestall more extraditions.

I ask you, Mr. Speaker, how much more evidence do we need to see? It is clear that the Colombian Government's resolve has disrupted and threatened the $5 billion a year cocaine trade. Yet, the aid promised to Colombia and her Andean neighbors by President Bush's long-awaited national drug strategy is no where in sight.

How much longer do we have to wait for a vote on the President's drug bill, Mr. Speaker?

ACT TOUGH NOW ON DRUGS

(Mr. WALKER asked permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, when this Congress passed the omnibus drug bill last year, we made certain demands on the new administration, the Bush administration. We said that they had to appoint a drug czar. The Bush administration immediately found one of the most distinguished men in America to take that job. We then said that that drug czar has to spend several months looking at the problem and coming up with a drug strategy. Bill Bennett did that, and submitted that strategy in September, meeting our deadline.

It then fell to the U.S. Congress to take up that strategy and put it into place before the next deadline we set for Bill Bennett; namely, February 1 for the second part of the strategy.

Have we done our part? No. We have not implemented the drug strategy. The President's violent drug package, a part of that sits in committee, not having been acted on, with no indication of action in the next couple of months. We need to get to work. We need to do our part. This Congress cannot demand the administration take steps to eliminate the drug war and then sit on our hands and do nothing. It is time for Members to act tough on drugs.

MEDICARE CATASTROPHIC COVERAGE REPEAL ACT OF 1989

Mr. ROSTENKOWSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3607) to repeal Medicare provisions in the Medicare Catastrophic Coverage Act of 1988.

The Clerk read as follows:

H.R. 3607

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicare Catastrophic Coverage Repeal Act of 1989".

TITLE I—PROVISIONS RELATING TO PART A OF MEDICARE PROGRAM AND SUPPLEMENTAL MEDICARE PREMIUM

SEC. 101. REPEAL OF EXPANSION OF MEDICARE PART A BENEFITS.

(a) IN GENERAL.—

(1) GENERAL RULE.—Except as provided in paragraph (2), of sections 101, 102, and 104(d) (other than paragraph (7)) of the Medicare Catastrophic Coverage Act of 1988 (Public Law 100-360) (in this Act referred to as "MCCA") are repealed, and the provisions of law amended or repealed by such sections are restored or revised as if such section had not been enacted.

(2) EXCEPTION FOR BLOOD DEDUCTION.—The repeal of section 102(1) of MCCA (relating to deductibles and coinsurance under part A) shall not apply, but only insofar as such section amended paragraph (2) of section 1813(a) of the Social Security Act (relating to a deduction for blood).

(b) TRANSITION PROVISIONS FOR MEDICARE BENEFICIARIES.—

(1) INPATIENT HOSPITAL SERVICES AND POST-HOSPITAL EXTENDED CARE SERVICES.—In applying sections 1812 and 1813 of the Social Security Act, as restored by subsection (a)(1), with respect to inpatient hospital services and extended care services provided on or after January 1, 1990—

(A) no day before January 1, 1990, shall be counted in determining the beginning (or period) of a spell of illness;

(B) with respect to the limitation on such services provided in a spell of illness, days of such services before January 1, 1990, shall not be counted, except that days of inpatient hospital services before January 1, 1989, which were applied with respect to an individual after receiving 90 days of services in a spell of illness (commonly known as "lifetime reserve days") shall be counted;

(C) the limitation of coverage of extended care services to post-hospital extended care services shall not apply to an individual receiving such services from a skilled nursing facility during a continuous period beginning before (and including) January 1, 1990, until the end of the period of 30-consecutive days in which the individual is not provided inpatient hospital services or extended care services; and

(D) the inpatient hospital deductible under section 1813(a)(1) of such Act shall not apply—

(i) in the case of an individual who is receiving inpatient hospital services during a continuous period beginning before (and including) January 1, 1990, with respect to the spell of illness beginning on such date, if such a deductible was imposed on the individual for a period of hospitalization during 1989;

(ii) for a spell of illness beginning during January 1990, if such a deductible was imposed on the individual for a period of hospitalization that began in December 1989; and

(iii) in the case of a spell of illness of an individual that began before January 1, 1990.

(2) HOSPICE CARE.—The restoration of section 1812(a)(4) of the Social Security Act, effected by subsection (a)(1), shall not apply to hospice care provided during the subsequent period (described in such section as in effect on December 31, 1989) with respect to which an election has been made for January 1, 1990.

(3) TERMINATION OF HOLD HARMLESS PROVISIONS.—Section 104(b) of MCCA is amended by striking "or 1990" each place it appears.

(c) TERMINATION OF TRANSITIONAL ADJUSTMENTS IN PAYMENTS FOR INPATIENT HOSPITAL SERVICES.—

(1) PPS HOSPITALS.—Section 104(c)(1) of MCCA is amended by inserting "and before January 1, 1990," after "October 1, 1988,".

(2) PPS-EXEMPT HOSPITALS.—Section 104(c)(2) of MCCA is amended—

(A) by inserting "and before January 1, 1990," after "January 1, 1989,"; and

(B) by striking the period at the end and inserting the following: ", without regard to whether any of such beneficiaries exhausted medicare inpatient hospital insurance benefits before January 1, 1989.".

(d) EFFECTIVE DATE.—The provisions of this section shall take effect January 1, 1990, except that the amendments made by subsection (c) shall be effective as if included in the enactment of MCCA.

SEC. 102. REPEAL OF SUPPLEMENTAL MEDICARE PREMIUM AND FEDERAL HOSPITAL INSURANCE CATASTROPHIC COVERAGE RESERVE FUND.

(a) IN GENERAL.—Sections 111 and 112 of MCCA are repealed and the provisions of law amended by such sections are restored or revised as if such sections had not been enacted.

(b) DELAY IN STUDY DEADLINE.—Section 113(c) of MCCA is amended by striking "November 30, 1988" and inserting "May 31, 1990".

(c) DISPOSAL OF FUNDS IN FEDERAL HOSPITAL INSURANCE CATASTROPHIC COVERAGE RESERVE FUND.—Any balance in the Federal Hospital Insurance Catastrophic Coverage Reserve Fund (created under section 1817A(a) of the Social Security Act, as inserted by section 112(a) of MCCA) as of January 1, 1990, shall be transferred into the Federal Hospital Insurance Trust Fund and any amounts payble due to overpayments into such Trust Fund shall be payable from the Federal Hospital Insurance Trust Fund.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in this subsection, the provisions of this section shall take effect January 1, 1990.

(2) REPEAL OF SUPPLEMENTAL MEDICARE PREMIUM.—The repeal of section 111 of MCCA shall apply to taxable years beginning after December 31, 1988.

TITLE II—PROVISIONS RELATING TO PART B OF THE MEDICARE PROGRAM

SEC. 201. REPEAL OF EXPANSION OF MEDICARE PART B BENEFITS.

(a) IN GENERAL.—

(1) GENERAL RULE.—Except as provided in paragraph (2), sections 201 through 208 of MCCA are repealed and the provisions of law amended or repealed by such sections are restored or revived as if such sections had not been enacted.

(2) EXCEPTION.—Paragraph (1) shall not apply to subsections (g) and (m)(4) of section 202 of MCCA.

(b) CONFORMING AMENDMENTS.—Section 1905(p) of the Social Security Act (42 U.S.C. 1396d(p)) is amended—

(1) in paragraph (3)(C)—

(A) by striking "Subject to paragraph (4), deductibles" and inserting "Deductibles", and

(B) by striking "1813, section 1833(b)" and all that follows and inserting "1813 and section 1833(b)."; and

(2) by striking paragraph (4) and redesignating paragraph (5) as paragraph (4).

(c) EFFECTIVE DATE.—The provisions of this section shall take effect January 1, 1990.

SEC. 202. REPEAL OF CHANGES IN MEDICARE PART B MONTHLY PREMIUM AND FINANCING.

(a) IN GENERAL.—Sections 211 through 213 (other than section 211(b)) of MCCA are repealed and the provisions of law amended or repealed by such sections are restored or revised as if such sections had not been enacted.

(b) 1-TIME TRANSFER OF NET ADDITIONAL PREMIUMS.—There shall be transferred, as of January 1, 1990, from the Federal Supplementary Medical Insurance Trust Fund to the Federal Hospital Insurance Trust Fund an amount equal to—

(1) the amount of the premiums collected pursuant to section 1839(g) of the Social Security Act, minus

(2) the amount of administrative expenses incurred under part B of title XVIII of such Act relating to implementation of MCCA, plus

(3) the amount of interest accrued to the Federal Supplementary Medical Insurance Trust Fund attributable to balance described in paragraphs (1) and (2).

(c) EFFECTIVE DATE.—The provisions of subsection (a) shall take effect January 1, 1990, and the repeal of section 211 of MCCA shall apply to premiums for months beginning after December 31, 1989.

SEC. 203. AMENDMENT OF CERTAIN MISCELLANEOUS PROVISION.

(a) REVISION OF MEDIGAP REGULATIONS.—

(1) IN GENERAL.—Section 1882 of the Social Security Act (42 U.S.C. 1395ss), as amended by section 221(d) of MCCA, is amended—

(A) in the third sentence of subsection (a) and in subsection (b)(1), by striking "subsection (k)(3)" and inserting "subsections (k)(3), (k)(4), (m), and (n)";

(B) in subsection (k)—

(i) in paragraph (1)(A), by inserting "except as provided in subsection (m)," before "subsection (g)(2)(A)", and

(ii) in paragraph (3), by striking "subsection (1)" and inserting "subsections (l), (m), and (n)"; and

(C) by adding at the end the following new subsections:

"(m)(l)(A) If, within the 90-day period beginning on the date of the enactment of this subsection, the National Association of Insurance Commissioners (in this subsection and subsection (n) referred to as the 'Association') amends the amended NAIC Model Regulation (referred to in subsection (k)(1)(A) and adopted on September 30, 1988) to reflect the changes in law made by the Medicare Catastrophic Coverage Repeal Act of 1989, subsection (g)(2)(A) shall be applied in a State, effective on and after the date specified in subparagraph (B), as if the reference to the Model Regulation adopted on June 6, 1979, were a reference to the amended NAIC Model Regulation (referred to in subsection (k)(1)(A)) as amended by the Association in accordance with this paragraph (in his subsection and subsection (n) referred to as the 'revised NAIC Model Regulation').

"(B) The date specified in this subparagraph for a State is the earlier of the date the State adopts standards equal to or more stringent than the revised NAIC Model Regulation or 1 year after the date the Association first adopts such revised Regulation.

"(2)(A) If the Association does not amend the amended NAIC Model Regulation, within the 90-day period specified in paragraph (1)(A), the Secretary shall promulgate, not later than 60 days after the end of such period, revised Federal model standards (in this subsection and subsection (n)

referred to as 'revised Federal model standards') for medical supplemental policies to reflect the changes in law made by the Medicare Catastrophic Coverage Repeal Act of 1989, and subsection (g)(2)(A) shall be applied in a State, effective on and after the date specified in subparagraph (B), as if the reference to the Model Regulation adopted on June 6, 1979, were a reference to the revised Federal model standards.

"(B) The date specified in this subparagraph for a State is the earlier of the date the State adopts standards equal to or more stringent than the revised Federal model standards or 1 year after the date the Secretary first promulgates such standards.

"(3) Nothwithstanding any other provision of this section (except as provided in subsection (n))—

"(A) no medicare supplemental policy may be certified by the Secretary pursuant to subsection (a),

"(B) no certification made pursuant to subsection (a) shall remain in effect, and

"(C) no State regulatory program shall be found to meet (or to continue to meet) the requirements of subsection (b)(1)(A),

unless such policy meets (or such program provides for the application of standards equal to or more stringent than) the standards set forth in the revised NAIC Model Regulation or the revised Federal model standards (as the case may be) by the date specified in paragraph (1)(B) or (2)(B) (as the case may be).

"(n)(1) Until the date specified in paragraph (4), in the case of a qualifying medicare supplemental policy described in paragaph (3) issued in a State—

"(A) before July 1, 1990, the policy is deemed to remain in compliance with the standards described in subsection (b)(1)(A) if the insurer issuing the policy complies with the transition provision described in paragraph (2), or

"(B) on or after July 1, 1990, the policy is deemed to be in compliance with the standards described in subsection (b)(1)(A) if the insurer issuing the policy complies with the revised NAIC Model Regulation or the revised Federal model standards (as the case may be) before the date of the sale of the policy.

"(2) The transition provision described in this paragraph is—

"(A) such transition provision as the Association provides, by not later than December 15, 1989, so as to provide for an appropriate transition to reflect the changes in benefits under this title made by the Medicare Catastrophic Coverage Repeal Act of 1989, or

"(B) if the Association does not provide for a transition provision by the date described in subparagraph (A), such transition provision as the Secretary shall provide, by January 1, 1990, so as to provide for an appropriate transition described in subparagraph (A).

"(3) In paragraph (1), the term 'qualifying medicare supplemental policy' means a medicare supplemental policy which has been issued in compliance with this section as in effect on the date before the date of the enactment of this subsection.

"(4)(A) The date specified in this paragraph for a policy issued in a State is—

"(i) the first date a State adopts, after the date of the enactment of this subsection, standards equal to or more stringent than the revised NAIC Model Regulation (or revised Federal model standards), as the case may be, or

"(ii) the date specified in subparagraph (B), whichever is earlier.

"(B) In the case of a State which the Secretary identifies, in consultation with the Association, as—

"(i) requiring State legislation (other than legislation appropriating funds) in order for medicare supplemental policies to meet standards described in subparagraph (A)(i), but

"(ii) having a legislature which is not scheduled to meet in 1990 in a legislative session in which such legislation may be considered,

the date specified in this subparagraph is the first day of the first calendar quarter beginning after the close of the first legislative session of the State legislature that begins on or after January 1, 1990. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

"(5) In the case of a medicare supplemental policy in effect on January 1, 1990, the policy shall not be deemed to meet the standards in subsection (c) unless each individual who is entitled to benefits under this title and is a policy holder under such policy on such date is sent a notice in any appropriate form by not later than January 31, 1990, that explains—

"(A) the changes in benefits under this title effected by the Medicare Catastrophic Coverage Repeal Act of 1989, and

"(B) how these changes affect the benefits contained in such policy and the premium for the policy.

"(6) In the case of an insurer which had in effect, as of December 31, 1988, a medicare supplemental policy with respect to an individual, for which the individual terminated coverage as of January 1, 1989 (or the earliest renewal date thereafter), no medicare supplemental policy of the insurer shall be deemed to meet the standards in subsection (c) unless the insurer—

"(A) provides written notice, by January 15, 1990, to the individual (at the most recent available address) of the offer described in subparagraph (B), and

"(B) offers to the individual, during the period beginning on January 1, 1990, and ending on March 1, 1990, continuation of coverage under such a medicare supplemental policy (with coverage effective as of January 1, 1990), under the terms respecting treatment of pre-existing conditions and group rating of premium which are at least as favorable to the individual as such terms as existed with respect to the policy as of December 31, 1988.".

(2) SENSE OF CONGRESS.—It is the sense of Congress that States should respond, at the earliest practicable date after the date of the enactment of this Act, to requests by insurers for review and approval of riders and premium adjustments for medicare supplemental policies in order to comply with the amendments made by paragraph (1).

(b) ADJUSTMENT OF CONTRACTS WITH PREPAID HEALTH PLANS.—Section 222 of MCCA is amended by inserting "and before January 1, 1990," after "December 31, 1988," each place it appears.

(c) NOTICE OF CHANGES.—The Secretary of Health and Human Services shall provide, in the notice of medicare benefits provided under section 1804 of the Social Security Act for 1990, for a description of the changes in benefits under title XVIII of such Act made by the amendments made by this act.

(d) MISCELLANEOUS TECHNICAL CORRECTION.—Section 221(g)(3) of MCCA is amended by striking "subsection (f)" and inserting "subsection (e)".

(e) EFFECTIVE DATE.—The provisions of this section shall take effect January 1, 1990, except that the amendment made by subsection (d) shall be effective as if included in the enactment of MCCA.

TITLE III—MISCELLANEOUS AMENDMENTS

SEC. 301. OTHER MISCELLANEOUS AMENDMENTS.

(a) IN GENERAL.—Sections 421 through 425 and 427 of MCCA are repealed and any provision of law amended or repealed by such sections is restored or revived as if such sections had not been enacted.

(b) MISCELLANEOUS TECHNICAL CORRECTIONS.—

(1) Effective as if included in the enactment of the Omnibus Budget Reconciliation Act of 1987, section 1834(b)(4)(A) of the Social Security Act, as added by section 4049(a)(2) of the Omnibus Budget Reconciliation Act of 1987, is amended by striking "insurance and deductibles under section 1835(a)(1)(I)" and inserting "coinsurance and deductibles under sections 1833(a)(1)(J)".

(2) Section 1842(j)(1)(C)(vii) of the Social Security Act, as added by section 4085(i)(7)(C) of the Omnibus Budget Reconciliation Act of 1987, is amended by striking "accordingly" and inserting "according".

(3) Section 1886(g)(3)(A)(iv) of the Social Security Act, as added by section 4006(a)(2) of the Omnibus Budget Reconciliation Act of 1987, is amended by striking "may) be" and inserting "may be)".

(4) Section 1966(a)(1)(F)(i)(III) of the Social Security Act is amended by striking "fiscal year))" and inserting "fiscal year)".

(5) Section 1875(c)(7) of the Social Security Act, as added by section 9316(a) of the Omnibus Budget Reconciliation Act of 1986, is amended by striking "date of the enactment of this Act" and inserting "date of the enactment of this section".

(6) Section 1842(j)(2)(B) of the Social Security Act, as amended by section 8(c)(2)(A) of the Medicare and Medicaid Fraud and Abuse Patient Protection Act of 1987, is amended by striking "paragraphs" and inserting "subsections".

(c) EFFECTIVE DATE.—The provisions of this section shall take effect January 1, 1990, except that—

(1) the repeal of section 421 of MCCA shall not apply to duplicative part A benefits for periods before January 1, 1990, and

(2) the amendments made by subsection (b) shall take effect on the date of the enactment of this Act.

The SPEAKER pro tempore (Mr. MCDERMOTT). Is a second demanded?

Mr. ARCHER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 20 minutes, and the gentleman from Texas [Mr. ARCHER] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill is being considered today as part of an agreement reached by the joint bipartisan leadership yesterday on the debt ceiling bill. If this bill passes the House, as I am sure it will, the other body indicates that it will also consider it today. They have reached an agreement which provides that the McCain amendment with technical modifications will be attached to it.

H.R. 3607 is identical to the catastrophic health insurance repeal provisions contained in the reconciliation bill as passed by this House on October 4 by a vote of 360 to 66. The bill repeals all portions of the Medicare Catastrophic Coverage Act of 1988, including the surtax. Only the Medicaid provisions would be retained.

Mr. Speaker, as a policy matter, I continue to oppose repeal of this program. We have all seen recent reports that Medigap insurance premiums will increase significantly next year if repeal is enacted. The primary reason for these rate increases is that insurance companies anticipate repeal and are adjusting these premiums on the elderly for their Medigap policies.

Repeal of the Catastrophic Health Insurance Program will hurt millions of senior citizens whose voices have not been heard. I continue to believe that those voices will be heard eventually and loudly if we actually repeal the program.

Nevertheless, I fully respect the will of the House as expressed by the overwhelming vote in favor of repeal. I hope that we can pass this bill today, that the Senate will pass the McCain amendment, and that we can get to conference with the Senate as soon as possible. It is my further hope that in conference, we can develop a responsible compromise between the two bills that preserves essential catastrophic health protection for our senior citizens.

Mr. Speaker, I reserve the balance of my time.

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 3607, the bill to repeal the Medicare Catastrophic Coverage Act. This bill is identical to the amendment I introduced to the budget reconciliation measure with my Ways and Means Committee colleagues, Representatives DONNELLY and RUSSO.

That measure passed this Chamber by a resounding margin of 360 to 66. This margin reflected the House's opposition to the surtax and costly benefits included in the Medicare Catastrophic Coverage Act. The elderly do not see Medicare catastrophic as either fair or necessary, and the House acted accordingly.

The Senate also, in response to the concern of senior citizens, repealed the Medicare catastrophic surtax and the act's costliest benefits. Senator John MCCAIN led the effort to amend the Catastrophic Act, and his proposal represents an honest attempt at reform.

After this House passes H.R. 3607, the Senate will likely amend repeal with an amendment reflecting Senator MCCAIN's work. It is critically important that the two chambers join in conference quickly to settle the fate of the Medicare Catastrophic Coverage Act.

The surtax and many of the act's costliest benefits need to be repealed as soon as possible so that the elderly will not have to fear the burden of the mistakes made in the passage of Medicare catastrophic. It is important to act in a timely fashion so that our constituents will know that this Congress listens to the people and responds to their wishes.

Mr. Speaker, it is my intention to participate actively in resolving the differences in Medicare catastrophic between the House and the Senate. I am confident that my colleagues and I can reach a satisfactory conclusion.

□ 1220

Mr. Speaker, I reserve the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. STARK].

Mr. STARK. Mr. Speaker, I thank the distinguished chairman for yielding. I would like to join with the gentleman from Illinois [Mr. ROSTENKOWSKI] and a multitude of other Members in opposition to the Donnelly-Archer-Russo amendment. Our constituents have asked us to repeal the supplemental premium, not the benefits of the program. This may seem like a quick fix, but it is certainly not a solution.

I just want to remind Members that if this amendment carries, the losers are 20 million seniors who will be without prescription drug coverage, rural seniors who tend to be without employer based coverage, families who need in-home respite care, and the approximately 4,000 women whose lives would be saved by the Medicare mammography screening benefit that was included in the bill.

It is the States that will lose. My own State of California will lose $28 million. The State of Texas will lose $14 million. The State of Massachusetts will lose $46 million. Because that is cost to the States of the benefits that the catastrophic bill would have picked up and will not now be paid for.

I am sure we are going to reaffirm today the repeal of this bill, but I want to just remind the Members who may have second thoughts that I do not think we will be doing the right thing.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Speaker, I thank the gentleman from Texas for yielding. I want to congratulate the chairmen of the full committee and subcommittee, as well and the ranking member of each of these committees, for bringing this matter back before the House. It does show that the process is working.

The Subcommittee on Health has worked hard and diligently trying to come up with an agreeable formula that would be acceptable to the thousands and hundreds of thousands and millions of seniors across this country who have voiced their opposition to the present law.

In the full committee we worked hard. The gentleman from California [Mr. STARK] brought to our attention that the benefits are also going. Of course, this is true. But, of course, the tax is the locomotive that pulls the cars down the track. if you remove the locomotive, the cars are useless standing there idly.

So it is up to this Congress to remove all of those impediments in the legislation from the books, and perhaps this will have an opportunity to start over. We have some great minds that have tried to work on a compromise. Under the existing conditions that compromise simply is not out there.

I do not believe any Member represents more seniors than I do in the 15th Congressional District of Florida. Sometimes it is very difficult, but it is an historic moment when Congress gets up and says we voted for something that the people really did not want, so now we are going to listen to the people again, the people that we represent, the people that sent us here to Washington, to voice their view. They are singing out very loud and strong, repeal catastrophic.

This is not going to be the end of the line. We will continue to talk about the health needs of the elderly. This is something that is very much on the minds of all of the members of the Committee on Ways and Means.

I will be happy to join with them and continue to explore the possibility of additional health care for the elderly. But today the voices are being

heard loud and clear, repeal catastrophic.

Mr. ROSTENKOWSKI. Mr. Speaker, I reserve the balance of my time.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. REGULA].

Mr. REGULA. Mr. Speaker, I thank the gentleman for yielding. While I join in the effort to repeal catastrophic for many of the reasons that have already been stated, I do hope that the conferees will take a look at the McCain proposal with some modifications.

I am a cosponsor of House Resolution 3585, which tracks McCain in many respects. If we repeal catastrophic, which obviously we will, there will be 20 million beneficiaries of Medicare who would not have paid the surtax, but also will no longer have the coverage.

Second, this action result in an increase in Medigap insurance premiums. I think we need to address that concern of many seniors.

The McCain proposal embodied in H.R. 3585 with some changes does these important things. First, it provides unlimited coverage for hospital care. That is very important to the seniors.

Second, it expands slightly home health, hospice, and respite care.

Third, it provides for mammography.

Fourth, and I think this is a very important point, it retains the spousal improverishment provisions in the original catastrophic legislation. This is a vital point to preserve, because it gives seniors the security that they will not suddenly be impoverished by an extended illness of a spouse.

Lastly, this is all accomplished without any increased surtax. The existing part B payments will cover these costs, so there will be no increased taxes for anyone that would benefit from this proposal.

I certainly hope the conferees will take the McCain proposal now in the Senate package, perhaps make some improvements on it, but come back with a conference report that embodies these needed coverages.

Mr. ARCHER. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. Goss].

Mr. GOSS. Mr. Speaker, I thank the gentleman from Texas for yielding. I rise in support of H.R. 3607. I do not wish to debate the gentleman from Florida [Mr. SHAW], and I do not think it is really relevant whether he has the greatest number of seniors in his district or I do in mine, but it is a close contest.

The fact is we have recently taken soundings among those seniors, and I can report back very safely and with conviction that the preferred route that those seniors want us to take in this body is still repeal, even though they have heard the talk of Medigap insurance going up, even though that may be a self-fulfilling prophesy.

At my town meetings recently this week, and my mail is still running very clearly along this line, repeal is the preferred route. I hope that this Congress will be aware of that and follow those lines, unless we hear otherwise.

Mr. ARCHER. Mr. Speaker, I yield the balance of my time to the cosponsor of the legislation, the gentleman from Massachusetts [Mr. DONNELLY].

The SPEAKER pro tempore (Mr. MCDERMOTT). The gentleman from Massachusetts [Mr. DONNELLY] is recognized for 13 minutes.

Mr. DONNELLY. Mr. Speaker, I thank my friend the gentleman from Texas [Mr. ARCHER] for yielding me the balance of the time.

Pursuant to an agreement between the leadership of this body and the leadership of the other body last evening, I filed legislation, along with the gentleman from Texas and the gentleman from Illinois [Mr. RUSSO], that word for word was the legislation that passed this House in regard to the repeal of the Medicare Catastrophic Coverage Act by a vote of 360 to 60.

It is my understanding that there will be a conference appointed and that we will attempt to work this issue out. But let me go on record at this point in time to let the Members know that this is not an issue that will be easily worked out.

The so-called McCain approach has two very fundamental flaws, and that is that it does not deal with the issue of duplication of benefits, and that has been the problem from day one.

Seniors object, rightly so, to being charged for benefits that they have already paid for. As many as one-half or more of Medicare beneficiaries already have these benefits and already have paid for these benefits. Rightly so, in the last decade they took care of their retirement needs and their health care needs in their retirement years, because they did not trust Social Security and the Medicare system to provide them the coverage that was necessary for themselves and their spouses.

□ 1220

Mr. Speaker, I have heard a lot said about the seniors in this country and their objections to this program, but they are darn right to object to being double billed, and that is the fundamental flaw in the Catastrophic Coverage Act, and that is a flaw that is not corrected by the McCain approach.

The second problem I have with the McCain approach is that it charges a very regressive flat fee to pay for this duplicative coverage. It treats all seniors in this country as if they are in the same income bracket.

My colleagues, I think there is something we should have learned over the course of the last few months. They are not. There are poor seniors, middle-class seniors, and there are rich seniors. The seniors belong to economic groups like the rest of America does, and to charge a poor senior the same amount of money for coverage that is charged the most wealthy is blatantly unfair but that is the funding approach that the McCain proposal takes.

Mr. Speaker, I object to that and strenuously object to that, as do many of my colleagues on this side of the aisle, so I say to those who think that this problem will be worked out quickly and easily. "I think you're deluding yourselves."

It has always been my position, as one of the original authors of this legislation, that what we ought to do is repeal it, go back to square one, create a Medicare system that gives the seniors the same options and health care coverage as every Member of this House has, the right to choose their coverage, the same right that we have presently under an open season, at this place in time, for the coverage that we have as Members of the U.S. House of Representatives.

However, Mr. Speaker, if that not be the will of the other body, I am willing to try to come to some sort of compromise, if possible.

I really think that we ought to hold up our opposition to repeal the program, go back to square one, deal with a very complex issue. There is no issue, either in reconciliation or out of reconciliation, that affects more Americans. We are talking about a program that affects 33 million Medicare beneficiaries, and, if my colleagues think they can solve that problem of 33 million people in a week, then I think we are deluding ourselves.

Let me just say in response to my good friend from California that in his remarks he stated that States would lose money if we repeal the catastrophic coverage. Well, that is the fundamental problem with catastrophic coverage. We are asking the seniors to bail out State deficits.

Mr. Speaker, that is not fair. That is not what coverage should be all about. That is one of the best reasons I have heard to repeal the program.

The seniors should not be asked to bail out the deficit of the Commonwealth of Massachusetts. That was created by the leadership in the Commonwealth of Massachusetts. The seniors should not be asked to do that.

So, I would hope that in conclusion the House would strongly maintain its position to repeal the program, admit that we made mistakes, admit that we never saw the fundamental flaws in this program, and be able to deal with the issue next year in a very antiseptic

way. So, I hope that the House maintains its position and gives the conferees a vote of confidence to maintain our position to repeal the program.

Mr. BRENNAN. Mr. Speaker, I rise today to reemphasize my support for complete repeal of the unfair surtax contained in the Medicare Catastrophic Coverage Act of 1988. I rise today to reemphasize my opposition to completely disposing of this entire Coverage Program. On October 4, I stated the necessity to retain those benefits most expensive and therefore least accessible under private Medigap policies.

Reports issued since this body's vote to repeal the program have indicated that our Nation's senior citizens face increases of up to 43 percent for Medigap insurance. Who needs Medigap coverage? The Health Insurance Association of America estimates that supplemental insurance is held by more than 25 million people, or 78 percent of the 33 million Medicare beneficiaires, of whom 30 million are 65 and over and 3 million are disabled.

These people need, at least, the benefit provisions which the Senate has voted to retain by 99–0. I anticipate a majority in the House will again vote for the Donnelly-Archer outright repeal measure which I believe to be a direct step backward in actively developing a program for long-term care for the fastest growing population in the United States, our senior citizens. Today, I rise in opposition to that measure and trust the House-Senate conferees will realize the importance of not only repealing the surtax, but also providing Medicare beneficiaries with some protection against catastrophic disease, injury, and illness.

I urge the conferees to keep in mind the increasing need for home-health and respite-care services and to retain those benefits; 42,000 women died from breast cancer in 1988 and I urge the conferees to retain mammography screening in order to prevent approximately 14,000 of these deaths in future years. Of course, I urge the conferees to retain the spousal improverishment and Medicaid buy-in provisions of the program in order to ensure financial security for senior citizens and their families when confronted with a catastrophic or long-term illness.

Regardless of the outcome of this program, it will be our job to seriously begin to establish a policy for lifelong, long-term health care coverage for the people of this Nation. Relative to the amount of money we spend on health care in this Nation, we are not a healthy Nation. In fact many of our citizens have absolutely no access to any health benefits. Let's make significant strides in the very near future to meet the health care needs of the people of this Nation.

Mrs. BENTLEY. Mr. Speaker, I am pleased that we are down here on the House floor today, poised to resolve the catastrophic care issue that has been the source of much discontent. This sends a positive signal that the Congress is committed to resolving this issue before the scheduled adjournment date later this month. It also sends another signal to this body as a whole—when senior citizens speak, people listen.

For 16 months, the elderly deluged this body with calls for repeal of the hated catastrophic surtax. We responded in early October by doing just that. One month later we are preparing to finish the job.

Although senior citizens have been most outspoken on the issue of catastrophic health care, their voices cannot be ignored in regard to the entire health care picture. Medicare and Medicaid are pathetically inadequate—not to mention confusing—in terms of providing for the health care of our elderly in an efficient and equitable fashion.

This Nation is in the midst of a national health care crisis. Our numerous health care programs and proposals represent nothing more than a band-aid approach. Before we finish this 101st Congress, we must devise and set in motion a fair and thoughtful program to replace the corpse that we are burying today.

Mr. SAXTON. Mr. Speaker, a few weeks ago hundreds of older Americans from New Jersey, Pennsylvania, and Delaware came to Washington to hold a rally at the Capitol.

Heavy rains did not dampen the determination and spirit of the group. Their message was simple and to the point—the "cat" must go.

I am pleased to stand here with my colleagues today to follow through with what our constituents have asked us for—all out repeal of the Medicare Catastrophic Coverage Act.

The will of the House was heard in early October when 360 Members of the House voted for all-out repeal of the bill. It will be heard again today.

The other House must now decide on whether to vote for repeal.

Mr. Speaker, I urge my colleagues to continue to support repeal of the bill.

Instead of last minute revisions to save portions of a dying bill, we in Congress must roll up our shirt sleeves and begin to attack the real issue threatening the pocketbooks of seniors, that of long-term care coverage.

Seniors want a product worth paying for. Therefore, let's begin to devise coverage that they can't currently buy—long-term care.

Mr. Speaker, many reports have recently stated that repeal of this act will cause Medigap policies to soar. This is causing a great deal of alarm for individuals who have been victims to rising supplemental insurance premiums.

However, to blame their increases on repeal of the Medicare catastrophic coverage law is grossly misleading. My friend and colleague, Mr. FAWELL, presented testimony at a recent hearing objecting to these claims.

In his testimony he revealed, that the repeal of the law should raise 1990 Medigap rates to cover only 1989 part A benefits which went into effect last year.

Instead Medigap rates will continue to rise for a number of reasons which cannot be attributed to the repeal of catastrophic such as medical inflation.

Medical inflation is a serious problem. This surge in the costs of health insurance premiums reflects the Nation's urgent need to bring escalating medical costs under control.

It is imperative that we look to contain the double digit increase in medical cost without threatening the availability and quality of health care.

Mr. Speaker, I urge a quick conference to bring resolution which embodies the senior citizens intent.

Mr. SLAUGHTER of Virginia. Mr. Chairman, our consideration today of this repeal of the Medicare Catastrophic Protection Act is another victory for our Nation's elderly. Slowly but surely, the Congress is bowing to the will of our senior citizens in correcting this misguided legislation.

Seniors can claim victory in insisting on a repeal of the seniors-only surtax, which was eliminated by both the earlier House vote to repeal and the Senate vote to reform the catastrophic illness law. Seniors can claim victory in helping the Congress to realize that the true catastrophic costs they face are not extended hospital stays, but long-term nursing and home care. And seniors can claim another important victory in our consideration of the catastrophic illness program on its own merits, and not as part of an unrelated legislative package.

Mr. Chairman, since passage of the catastrophic illness program last year, it has been a long road for those of us who opposed this law all along. I was one of 72 Members of the House who opposed the bill on final passage because of the seniors-only surtax, the lack of long-term care assistance and the substantial threat to the stability of the Medicare trust funds posed by its unwise financing methods.

I hope that the other body will join us here in the House and vote to repeal the catastrophic illness coverage bill and return next session determined to enact a more responsible health care policy for our elderly. Such a policy would abandon the surtax method of financing and emphasize existing private sector resources in an effort to provide access to effective catastrophic illness coverage for all Americans.

Mr. DONNELLY. Mr. Speaker, I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCDERMOTT). The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] that the House suspend the rules and pass the bill, H.R. 3607.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill was passed.

A motion to reconsider was laid on the table.

SEQUESTER—WE ENDURED IT ONCE BEFORE

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, there is more and more talk about actually living with a sequester through most of the year. I think House Members

should be advised that we lived with a sequester for most of the year in 1986.

At that time we sequestered $11.8 billion, and we did it for the time period March through September. This year, if we were to have a sequester, the official number would be $16 billion, but OMB tells us what will actually be sequestered is about $11.8 billion, exactly what we did 4 years ago.

Four years ago very few people complained. We got through the year apparently without too much pain in our sacrifice. This year we will be talking about the same size sequester, and we will be talking about the same number from a much larger spending base.

So if, in fact, we have to endure sequester because this Congress cannot produce a satisfactory reconciliation bill, Members should be comforted to know that it will not be a first, and that we have endured it one time before.

LEGISLATION TO RESTORE OLIVER NORTH'S PENSION

(Mr. SOLOMON asked and we given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, BILL DICKINSON of Alabama and I are cosponsoring legislation to restore both Oliver North's pension and the honor of the House of Representatives.

Technically, these bills are designed to amend the United States Code sections that discriminate against military retirees. What these bills will do is restore Oliver North's military pension.

Mr. Speaker, the Government has spent $47.5 million to harass Oliver North in an effort by some to undermine the Reagan doctrine in Central America. We see the results of that effort today, when it becomes more and more obvious that the Sandinistas have no intention of sharing power, or in joining the worldwide tide of democracy.

As Oliver North said 2 years ago, we ought to do more than let these brave teen-aged peasants, the Contras, die for their country. And for his candor he was treated like a traitor, despite a Silver Star, a Bronze Star, and two Purple Hearts earned in Vietnam, despite his major role in the liberation of Grenada, the bombing of Libya, and the capture of the *Achille Lauro* terrorists.

Mr. Speaker, Oliver North is a former constituent of mine, and I'm not going to see him made a political scapegoat. I said it 3 years ago, and I'll say it today: Oliver North is a genuine American hero, and I ask all of you to join me and BILL DICKINSON in supporting this legislation.

AN OPPORTUNITY THAT WAS PASSED BY DELIBERATELY

(Mr. HENRY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HENRY. Mr. Speaker, just a few moments ago the gentleman from Minnesota [Mr. FRENZEL] addressed the issue of sequestration, and, while I share his concern that I would prefer not to see us entered into a sequester process, I want to remind Members that under the Gramm-Rudman Act the majority leader has the right to offer a privileged motion to this body to restructure the consequences of sequestration, should that have become necessary, and I think it is important we remind ourselves of that fact should, in fact, sequestration take place and should, in fact, we begin to hear from our constituents relative to reduction in student loans half way through the academic year, et cetera.

Mr. Speaker, an opportuunity was offered in law for a privileged motion to address some of these issues, an opportunity that was passed by deliberately by the leadership of this House.

FULFILLING OUR OBLIGATIONS TO OUR VETERANS

(Mr. JONTZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONTZ. Mr. Speaker, this Saturday citizens throughout our Nation will be conducting various observances for Veterans Day and being thankful for the contributions that veterans have made to keeping our Nation free and strong. One of the ways that we as a country can fulfill our obligations to our veterans is to see that they have their medical needs addressed through our VA health care system, and one major gap in that system at the present time are services which are not being delivered to veterans, particularly of the Vietnam conflict who are suffering from post-traumatic stress disorder.

□ 1230

Mr. Speaker, the Research Triangle Institute finished a study this last year under contract with the VA which identified approximately 480,000 veterans in this country who currently suffer from PTSD. Of that number, only 10 percent in this year received any assistance from the Veterans' Administration. The VA does have some good programs to help veterans with these readjustment problems. The veterans centers do an outstanding job in this regard.

In my own district, the Marion, IN, VA has conducted an excellent in-patient program. But the facilities which are available are too few to serve the needs that are there. The many barriers that exist to helping Vietnam veterans who are suffering with PTSD need to be taken down.

Mr. Speaker, as we remember our veterans this Saturday and express our thanks for the contributions, the sacrifices they have made, let us remember the needs which exist, to address the needs of the veterans with post-traumatic stress disorder in our Nation.

CATASTROPHIC AND SEQUESTRATION

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, may I take this opportunity to applaud the members of the Ways and Means Committee, the chairman and the ranking member, for their cooperative spirit with the leadership in addressing the issue of catastrophic health care, as we did just a few moments ago under suspension of the rules, and passing it quickly by a voice vote. I would anticipate that over in the other body similar action on their perception of what ought to be done with respect to catastrophic, and then getting the two Houses together as is traditional around here to work out a conference agreement between the two opposing views.

We had an opportunity this morning in the leadership meeting with the President to discuss it. He, too, was very happy that the unfolding of developments were such that the debt ceiling was passed unencumbered last night, except with section 89, which I think was universally accepted by both sides of the aisle. So it does move us one step further to an ultimate adjournment hopefully before Thanksgiving.

If I might be permitted to make one other remark in my given time, several remarks with respect to sequestration, whether it is good or whether it is bad. You know, there is one simple way of avoiding sequestration, and that is simply making the kind of deficit reductions in the reconciliation package that comes to the figure the President talked about, rounded out roughly at $14 billion. If that is there and it is real savings, obviously we do not have to fully utilize the enforcement mechanism of Gramm-Rudman to force the savings through sequestration. It is very simple. We either vote the necessary deficit reduction or we do not, and if we do not, obviously we have to take the fall-back position.

BEST WAY TO AVOID SEQUESTRATION IS WITH GENUINE CUTS

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEASE. Mr. Speaker, I would like to comment on the remarks just made by the minority leader and say that I agree with the gentleman that the best way to avoid a sequester is to come up with $14 billion in genuine budget cuts. It is important, because while we can make cosmetic cuts this year, we cannot avoid those cosmetic cuts contributing to increases in the national debt.

Last night we increased the national debt ceiling to over $3.1 trillion.

The budget deficit in our budget last year was $146 billion. The actual deficit, according to Gramm-Rudman calculations, came in at about $160 billion for last year. The real deficit which we added to our national debt for the 1989 fiscal year was almost $270 billion. That means that when we next year struggle with the budget to come up with ways to meet the needs of the American people for the war on drugs, for child care and education and lots of other things, we have to realize that the first $20 billion of whatever additional revenue we have comes right off the top to go to pay for interest on that increase of $270 billion in the national debt. It seems to me that is unconscionable, and a terrible way to run the Government.

OIL POLLUTION PREVENTION, RESPONSE, LIABILITY, AND COMPENSATION ACT OF 1989

The SPEAKER pro tempore (Mr. MCDERMOTT). Pursuant to House Resolution 277 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1465.

□ 1235

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1465) to establish limitations on liability for damages resulting from oil pollution, to establish a fund for the payment of compensation for such damages, and for other purposes with Mr. PEASE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday, November 2, 1989, all time for general debate had expired.

Pursuant to the rule, the amendment in the nature of a substitute consisting of the text of the bill, H.R. 3394, as modified by the amendments printed in section 1 of House Report 101-323, shall be considered by titles as an original bill for the purpose of amendment, and each title shall be considered as having been read.

It shall be in order to consider en bloc the amendments printed in section 2 of House Report 101-323, if offered by the gentleman from Massachusetts [Mr. STUDDS] or the gentleman from California [Mr. MILLER]. Said amendments en bloc shall be debatable for 60 minutes, equally divided and controlled by the proponent of the amendments and a member opposed thereto, and shall not be subject to a demand for a division of the question.

The Clerk will designate section 1.

The text of section 1 is as follows:

H.R. 3394

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Oil Pollution Act of 1989".

(b) TABLE OF CONTENTS.—The contents of this Act are as follows:

Section 1. Short title and table of contents.

TITLE I—OIL POLLUTION LIABILITY AND COMPENSATION

Sec. 1001. Definitions.
Sec. 1002. Elements of liability.
Sec. 1003. Defenses to liability.
Sec. 1004. Limits on liability.
Sec. 1005. Interest.
Sec. 1006. Natural resources.
Sec. 1007. Recovery by foreign claimant.
Sec. 1008. Recovery by responsible party or cargo owner.
Sec. 1009. Contribution.
Sec. 1010. Indemnification agreements.
Sec. 1011. Consultation on removal actions.
Sec. 1012. Uses of the Fund.
Sec. 1013. Claims procedure.
Sec. 1014. Designation and advertisement.
Sec. 1015. Subrogation.
Sec. 1016. Financial responsibility.
Sec. 1017. Litigation, jurisdiction, and venue.
Sec. 1018. Relationship to other law.
Sec. 1019. State financial responsibility.
Sec. 1020. Effective date.

TITLE II—CONFORMING AMENDMENTS

Sec. 2001. Intervention on the High Seas Act.
Sec. 2002. Federal Water Pollution Control Act.
Sec. 2003. Deepwater Port Act.
Sec. 2004. Outer Continental Shelf Lands Act Amendments of 1978.
Sec. 2005. Effective date.

TITLE III—IMPLEMENTATION OF INTERNATIONAL CONVENTIONS

Sec. 3001. Definitions.
Sec. 3002. Applicability of conventions.
Sec. 3003. Recognition of International Fund.
Sec. 3004. Action in United States courts.
Sec. 3005. Contribution to International Fund.
Sec. 3006. Recognition of foreign judgments.
Sec. 3007. Convention financial responsibility.
Sec. 3008. Regulations.

TITLE IV—PREVENTION AND REMOVAL

Sec. 4001. Definitions.

Subtitle A—Prevention

Sec. 4101. Review of alcohol and drug abuse and other matters in issuing licenses, certificates of registry, and merchant mariners' documents.
Sec. 4102. Term of certificates of registry and merchant mariners' documents.
Sec. 4103. Suspension and revocation of licenses, certificates of registry, and merchant mariners' documents for alcohol and drug abuse.
Sec. 4104. Removal of master or individual in charge.
Sec. 4105. Access to National Driver Register.
Sec. 4106. Manning standards for foreign tank vessels.
Sec. 4107. Vessel traffic service systems.
Sec. 4108. State authority to require state pilotage for tankers.
Sec. 4109. Great Lakes pilotage.
Sec. 4110. Study on tanker navigation safety standards.
Sec. 4111. Dredge modification study.
Sec. 4112. Use of liners.

Subtitle B—Removal

Sec. 4201. Federal removal authority.
Sec. 4202. Contingency plans.
Sec. 4203. Strike teams.
Sec. 4204. Coast Guard vessel design.
Sec. 4205. Removal resource inventory.

Subtitle C—Miscellaneous

Sec. 4301. Increased penalties.
Sec. 4302. Deposit of certain penalties into Oil Spill Liability Trust Fund.
Sec. 4303. Hazardous substances.

TITLE V—PRINCE WILLIAM SOUND OIL SPILL REMOVAL

Sec. 5001. Short title.
Sec. 5002. Definitions.
Sec. 5003. Tank vessel requirements.
Sec. 5004. Vessel traffic service system.
Sec. 5005. Equipment and personnel requirements.
Sec. 5006. Use of local services.
Sec. 5007. Authority of State of Alaska.
Sec. 5008. Environmental assessments.
Sec. 5009. Report.

TITLE VI—MISCELLANEOUS

Sec. 6001. Statutory waivers.
Sec. 6002. Savings clause.
Sec. 6003. Qualified authorizing legislation.

TITLE VII—RESEARCH AND DEVELOPMENT

Sec. 7001. Oil pollution research and development program.

TITLE VIII—TRANS-ALASKA PIPELINE SYSTEM

Sec. 8001. Short title.
Sec. 8002. References to Trans-Alaska Pipeline Authorization Act.

Subtitle A—Improvements to Trans-Alaska Pipeline System

Sec. 8101. Liability within the State of Alaska and clean up efforts.
Sec. 8102. Trans-Alaska pipeline liability fund.
Sec. 8103. Presidential task force.

Subtitle B—Penalties

Sec. 8201. Authority of the Secretary of the Interior to impose penalties on Outer Continental Shelf facilities.

Sec. 8202. Trans-Alaska System civil penalties.
Subtitle C—Provisions Applicable to Alaska Natives
Sec. 8301. Land conveyances.
Sec. 8302. Impact of potential spills in the Arctic Ocean on Alaska Natives.

The CHAIRMAN. Are there amendments to section 1?

AMENDMENTS OFFERED BY MR. JONES OF NORTH CAROLINA

Mr. JONES of North Carolina. Mr. Chairman, I offer amendments and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. JONES of North Carolina: Page 4, after line 12, insert the following new paragraph—

"(5) 'deepwater port' is a facility licensed under the Deepwater Port Act of 1974 (33 U.S.C. 1501-1524)." and renumber the following paragraphs accordingly.

Page 4, line 24 strike "Such" and insert "This".

Page 5, strike lines 9 through 11, and insert—

"(11) 'gross ton' has the same meaning given that term by the Secretary under part J of title 46, United States Code."

Page 5, line 14, after "responsible party" insert "or owner of oil carried in bulk as cargo on a vessel".

Page 7, line 6, strike "(A)".

Page 7, line 12, strike "; and", and insert a period.

Page 7, strikes lines 13 through 15.

Page 7, line 17, strike "therefrom".

Page 7, line 21, insert a comma after "United States".

Page 9, lines 17 to 19, strike "(B) FACILITIES.—In the case of a facility (including a pipeline but not including any other offshore facility)," and insert "(B) ONSHORE FACILITIES.—In the case of an onshore facility (other than a pipeline),".

Page 9, line 23, strike "of an onshore facility,".

Page 10, line 8, insert "(43 U.S.C. 1301-1356)" after "Act".

Page 10, line 10, strike "permittee)," and insert "permittee), except a Federal agency, State, municipality, commission, or political subdivision of a State, or any interstate body, that, as owner transfers possession and right to use the property to another person by lease, assignment, or permit".

Page 10, line 13, insert "(33 U.S.C. 1501-1524)" after "1974".

Page 10, after line 13, insert the following new subparagraph:

"(E) PIPELINES.—In the case of a pipeline, any person owning or operating the pipeline." and renumber existing subparagraph (E) as (F).

Page 10, line 15, insert "deepwater port, pipeline," after "onshore facility".

Page 12, line 17, strike "plans" and insert "plan".

Page 13, line 15, insert "net" before "loss".

Page 14, after line 2, insert the following:

"(F) PUBLIC SERVICES.—Damages for net costs of providing increased or additional public services during or after removal activities, including protection from fire, safety, or health hazards, caused by a discharge of oil, which shall be recoverable by a State, or a political subdivision of a State.".

Page 16, line 8, strike "party" and insert "party (except where the sole contractual arrangement arises in connection with carriage by a common carrier by rail)".

Page 17, line 5, strike "other facility including" and insert "onshore facility and".

Page 20, line 1, insert "ONSHORE" before "FACILITIES".

Page 20, line 2, strike "Secretary" and insert "President".

Page 21, line 23, strike "Secretary" and insert "President".

Page 22, lines 4 and 5, strike "his or her" and insert "the responsible party's".

Page 23, line 16, insert "and removal costs" after "damages".

Page 24, line 6, insert "or political subdivision thereof" after "State".

Page 24, lines 4 and 5, strike "within the State or".

Page 33, lines 19, strike "Secretary" and insert "President".

Page 33, lines 23, strike "Secretary" and insert "President".

Page 35, line 12, strike "DEFENSES" and insert "DEFENSE".

Page 35, line 15, strike "or economic loss is" and insert ", removal costs, or damages are".

Page 36, line 17, strike "(3)" and insert "(e)".

Page 36, line 18, strike "(A)" and insert "(1)".

Page 37, line 1, strike "(B)" and insert "(2)" and redesignate the following subsections accordingly.

Page 43, line 19, insert "amount of the" immediately before "maximum liability".

Page 45, lines 11 to 12, strike "of liability".

Page 50, line 8, strike "action commenced" and insert "cause of action which arose".

Page 52, line 21, insert "(46 App. U.S.C. 181-196)" after "1851".

Page 52, lines 22 and 23, strike "involving the discharge or substantial threat of discharge of oil".

Page 53, line 18, strike "with respect".

Page 60, lines 6 to 7, strike "removal costs and damages", and insert "pollution damage".

Page 60, line 9, strike "such costs and damages" and insert "pollution damage".

Page 60, lines 9 and 10, strike "those costs and damages" and insert "pollution damage".

Page 61, line 11, strike "therein".

Page 66, line 16, strike "conduct a review of" and insert "review".

Page 68, line 7, strike "conduct a review of" and insert "review".

Page 69, line 12, strike "for cause" and insert "for an offense described in section 205(a)(3) (A) or (B) of the National Driver Register Act of 1982 (23 U.S.C. 401 note)".

Page 69, strike lines 22 through 25, and insert:

"(2)(i) DEFINITION OF DANGEROUS DRUG.—Section 2101 of title 46, United States Code is amended by adding after paragraph (8), the following new paragraph—

'(8a) "dangerous drug" means a narcotic drug, controlled substance, and marijuana (as defined in section 102 of the Comprehensive Drug Abuse and Control Act of 1970 (21 U.S.C. 802)).'.

"(ii) Sections 7503(a) and 7704(a) of title 46, United States Code, are repealed.".

Page 73, beginning on line 12 strike "Information submitted to the register by States under the Act of July 14, 1960 (74 Stat. 526), or under this Act are subject to access for the purpose of this paragraph during the transition to the register established under section 203(c) of this Act.".

Page 74, line 7, insert ", or a dangerous drug" after "alcohol".

Page 80, strike lines 1 through 8, and insert—

"(b) A member of the complement of a vessel of the United States operating on register or a vessel of Canada may serve as the pilot required on waters not designated by the President if the member is licensed under section 7101 of this title, or under equivalent provisions of Canadian law, to direct the navigation of the vessel on the waters being navigated.".

Page 80, line 20, strike "$25,000", and insert "$15,000".

Page 86, strike lines 18 through 25, and insert—

"(C)(1) When the President retains or directs a person under the authority of subparagraph (B)(i) or (B)(ii), that person is not liable for removal costs or damages arising from that person's removal activities conducted under the direction of the President and consistent with the National Contingency Plan, and other contingency plans required under subsection (j).

"(2) Subparagraph (C)(1) does not apply—

"(i) to a responsible party;

"(ii) to the removal of a hazardous substance;

"(iii) to personal injury or wrongful death; or

"(iv) when the person is grossly negligent or acted with willful misconduct.

"(3) When subparagraph (C)(1) applies, the responsible party is liable for the removal costs and damages arising from these removal activities.".

Page 93, line 22, strike "(4)" and insert "(6)".

Page 95, beginning on line 8, strike "from the navigable waters, adjoining shorelines, and the exclusive economic zone".

Page 96, beginning on line 9, strike "residing in the vicinity of areas covered by the National Contingency Plan" and insert "by region of the United States, including Alaska and Hawaii,".

Page 98, line 4, insert a comma after "sentence".

Page 99, line 8, insert a comma after "subsection (b)".

Page 99, line 12, insert a comma after "subsection (c)".

Page 99, line 16, insert a comma after "subsection (d)".

Page 99, line 20, insert a comma after "subsection (e)".

Page 99, line 24, insert a comma after "subsection (f)".

Page 105, line 20, strike "an unlawful" and insert "a".

Page 106, line 3, strike "one" and insert "2".

Page 106, line 4, strike "vessel" and insert "vessels".

Page 106, line 10, insert "subject to section 8502 of title 46, United States Code," after "vessels".

Page 112, strike lines 1 through 4, and make the conforming changes to the table of contents.

Mr. JONES of North Carolina (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JONES of North Carolina. Mr. Chairman, our legislation today combines material from four committees with suggestions from two others. The task of assembling these products resulted in a number of drafting efforts.

These amendments correct those errors. They are all technical, conforming, or noncontroversial. They have been cleared with the appropriate committee leaders.

Mr. ANDERSON. Mr. Chairman, I am pleased to support the gentleman's amendment. The amendment would make several technical corrections to the text of the bill which are noncontroversial and have been agreed to by all sides. The amendment would also make some minor substantive changes to the text. Included in the substantive provisions are protection of public entities from liability who transfer possession and right to use an offshore facility to another party, a provision allowing States and political subdivisions to recover for net costs of providing increased or additional public services during or after an oilspill, and a provision to protect railroads acting as common carriers when they cannot refuse to carry cargo and a spill occurs through no fault of their own.

These amendments are agreeable to the leadership of our committee, both Democratic and Republican, and I urge my colleagues to support them.

Mr. DAVIS. Mr. Chairman, I rise in support of the technical, conforming, and noncontroversial set of amendments offered by the gentleman from North Carolina [Mr. JONES].

Mr. Chairman, I ask unanimous consent to include as part of these technical amendments the text of an amendment I have at the desk. This amendment conforms the penalty sections of section 9308 of title 46, United States Code, dealing with Great Lakes pilotage, to other penalty sections in title 46.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. JONES of North Carolina. Mr. Chairman, reserving the right to object, we have no objection to including the amendment of the gentleman from Michigan [Mr. DAVIS] as part of our technical amendments.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AMENDMENT OFFERED BY MR. DAVIS TO THE AMENDMENTS OFFERED BY MR. JONES OF NORTH CAROLINA

Mr. DAVIS. Mr. Chairman, I offer an amendment to the amendments.

The Clerk read as follows:

Amendment offered by Mr. DAVIS to the amendments offered by Mr. JONES of North Carolina: Page 4, strike "Page 80, line 20, strike '$25,000', and insert '$15,000'", and insert—

"Page 80, strike lines 19 through 22, and insert—

"(1) in subsection (a), by striking '$500' and inserting 'no more than $15,000'; and

"(2) in subsections (b) and (c), by striking '$500' and inserting 'no more than $10,000'.".

Mr. DAVIS. Mr. Chairman, I rise in support of the technical, conforming, and noncontroversial amendments offered by my chairman, Congressman JONES of North Carolina. Generally, these amendments make the bill internally consistent, correct references, make grammatical changes, and clarify the text in several aspects. In several instances, the amendment also improves the operation of the Oil Pollution Act.

My amendment to this technical amendment will conform the penalty sections of title 46 dealing with Great Lakes pilotage with other title 46 penalty sections. Specifically, it will authorize the imposition of a maximum penalty, rather than mandate a penalty amount. Because the penalties for navigation safety violations have been significantly increased across the board by the Oil Pollution Act, I believe it is fairer to grant some discretion to the Secretary of Transportation when enforcing navigation laws relating to oilspill prevention.

The technical amendments also clarify the present text of H.R. 3394 to ensure that Canadian-flag vessels can continue to use qualified crewmembers in lieu of registered pilots in undesignated waters. Although the original concept in H.R. 3394 of eliminating the Canadian Great Lakes "B" certificate (issued to officers serving as masters on foreign-flag vessels) in undesignated Great Lakes waters will remain intact, this amendment also acknowledges provisions of Canadian law that accept certificates of competency from officers of certain other commonwealth countries which have standards and qualifications equivalent to those under Canadian law. These certificates of competency are valid only for use on Canadian-flag vessels by officers employed on such vessels who are generally permanent residents or citizens of Canada.

This amendment also corrects some inadequacies in the legal regime for oilspills, as we have learned from our experience with the *Exxon Valdez* in Prince William Sound. First, it will extend a protection afforded certain government-owned onshore facilities in our bill to offshore facilities such as floating piers. The amendment also allows for the collection of monetary damages for the net costs of increased public services provided as a result of an oilspill. This provision will ensure that small communities inundated with oilspill removal workers will not suffer an economic loss because increased revenues from these workers did not offset the additional police or fire protection, solid waste disposal costs, or sewage treatment problems created by their presence.

The amendment also doubles the number of escort vessels required in Prince William Sound for tank vessels.

Finally, the amendment supports a defense to liability granted in other environmental laws, such as the Comprehensive Environmental Response, Compensation, and Liability Act, to railroads, who must transport oil as a common carrier and may not charge rates which reflect the actual risks of transporting oil.

I thank the Chairman for his support, and urge my colleagues to support the entire package of technical amendments.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. DAVIS] to the amendments offered by the gentleman from North Carolina [Mr. JONES].

The amendment to the amendments was agreed to.

□ 1240

Mr. DAVIS. Mr. Chairman, I thank the chairman for this support, and I urge my colleagues to support the entire package of technical amendments.

Mr. HAMMERSCHMIDT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we on the minority side of the Committee on Public Works and Transportation have looked over the technical amendments offered by the gentleman from North Carolina. We are in agreement with those amendments. We have no objection, of course, to the technical amendment offered by the gentleman from Michigan that was made part of the earlier amendments, because it is totally within their committee's jurisdiction.

We are in agreement with all the amendments that have been offered.

The CHAIRMAN. Is there any Member who wishes to be heard on the amendments offered by the gentleman from North Carolina [Mr. JONES]?

If not, the question is on the amendments offered by the gentleman from North Carolina [Mr. JONES], as amended.

The amendments, as amended, were agreed to.

The CHAIRMAN. The Clerk will designate title I.

The text of title I is as follows:

TITLE I—OIL POLLUTION LIABILITY AND COMPENSATION

SEC. 1001. DEFINITIONS.

For the purposes of this Act, the term—

(1) "act of God" means an unanticipated grave natural disaster or other natural phenomenon of an exceptional, inevitable, and irresistible character the effects of which

could not have been prevented or avoided by the exercise of due care or foresight;

(2) "claim" means a request, made in writing for a sum certain, for compensation for damages or removal costs resulting from an incident;

(3) "claimant" means any person who presents a claim for compensation under this Act;

(4) "damages" means damages for injury to, destruction of, or loss of natural resources and damages for economic loss specified in section 1002(b) of this Act, and includes the cost of assessing these damages;

(5) "discharge" means any emission (other than natural seepage), intentional or unintentional, and includes, but is not limited to, spilling, leaking, pumping, pouring, emitting, emptying, or dumping;

(6) "exclusive economic zone" means the zone established by Presidential Proclamation Numbered 5030, dated March 10, 1983;

(7) "facility" means any structure, group of structures, equipment, or device (other than a vessel) which is used for one or more of the following purposes: exploring for, drilling for, producing, storing, handling, transferring, processing, or transporting oil. Such term includes any motor vehicle, rolling stock, or pipeline used for one or more of these purposes;

(8) "foreign offshore unit" means a facility which is located, in whole or part, in the territorial sea of, or on or over the continental shelf of, a foreign country;

(9) "Fund" means the Oil Spill Liability Trust Fund, established by section 9509 of the Internal Revenue Code of 1986;

(10) "gross ton" means tonnage measured in accordance with the provisions of the International Convention on Tonnage Measurement of Ships, 1969;

(11) "guarantor" means any person, other than the responsible party, who provides evidence of financial responsibility for a responsible party under this Act;

(12) "incident" means any occurrence or series of occurrences having the same origin, involving one or more vessels, facilities, or any combination thereof, resulting in the discharge or substantial threat of discharge of oil;

(13) "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, but not including any Alaska Native regional or village corporation, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians;

(14) "lessee" means a person holding a leasehold interest in an oil or gas lease on lands beneath navigable waters (as such term is defined in section 2(a) of the Submerged Lands Act (43 U.S.C. 1301(a)) or on submerged lands of the Outer Continental Shelf, granted or maintained under applicable State law or the Outer Continental Shelf Lands Act;

(15) "mobile offshore drilling unit" means a vessel (other than a self-elevating lift vessel) capable of use as an offshore facility;

(16) "national contingency plan" means the national contingency plan published under section 311(c) of the Federal Water Pollution Control Act (33 U.S.C. 1321(c)) or revised under section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9605);

(17) "natural resources" includes land, fish, wildlife, biota, air, water, ground water, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States (including the resources of the exclusive economic zone), any State or local government or Indian tribe, or any foreign government;

(18) "navigable waters" means the waters of the United States, including the territorial sea;

(19) "offshore facility" means—

(A) a facility (other than a self-elevating lift vessel) which is located, in whole or part, on lands beneath navigable waters (as the term is defined in section 2(a) of the Submerged Lands Act (43 U.S.C. 1301(a))) or on the outer Continental Shelf (as defined in section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331)); and

(B) a deepwater port licensed under the Deepwater Port Act of 1974 (33 U.S.C. 1501-1524);

(20) "oil" means petroleum, including crude oil or any fraction or residue therefrom;

(21) "onshore facility" means any facility (including motor vehicles and rolling stock) of any kind, any portion of which is located in, on, or under, any land within the United States other than submerged land;

(22) "owner" means any person holding title to, or in the absence of title any other indicia of ownership (whether by lease, permit, contract, license, or other form of agreement), of a vessel or facility or of oil carried in bulk as cargo on a vessel; except that the term does not include a person who, without participating in the management or operation of a vessel or facility or in the transportation of the oil, holds indicia of ownership primarily to protect a security interest therein;

(23) "person" means an individual, corporation, partnership, association, Federal agency, State, municipality, commission, or political subdivision of a State, or any interstate body;

(24) "permittee" means a person holding an authorization, license, or permit for geological exploration issued under section 11 of the Outer Continental Shelf Lands Act (43 U.S.C. 1340) or applicable State law;

(25) "public vessel" means a vessel owned or bareboat chartered and operated by the United States, or by a State or political subdivision thereof, or by a foreign nation, except when the vessel is engaged in commerce;

(26) "remove" or "removal" refers to removal of oil from water and shorelines or the taking of other actions (including containment, dispersal, disposal, or other response actions) which may be necessary to minimize or mitigate damage to the public health or welfare, including damage to fish, shellfish, wildlife, and public and private property, shorelines, and beaches;

(27) "removal costs" means costs of removal that are incurred after a discharge of oil has occurred, including all costs of completing removal and the costs to prevent, minimize, or mitigate oil pollution in any case in which there is a substantial threat of a discharge of oil, including costs incurred under subsections (c), (d), (e), and (l) of section 311 of the Federal Water Pollution Control Act, the Intervention on the High Seas Act, or section 18 of the Deepwater Port Act of 1974 (33 U.S.C. 1517);

(28) "responsible party" means the following:

(A) VESSELS.—In the case of a vessel, any person owning, operating, or chartering by demise, the vessel.

(B) FACILITIES.—In the case of a facility (including a pipeline but not including any other offshore facility), any person owning or operating the facility, except a Federal agency, State, municipality, commission, or political subdivision of a State, or any interstate body, that, as the owner of an onshore facility, transfers possession and right to use the property to another person by lease, assignment, or permit.

(C) OFFSHORE FACILITIES.—In the case of an offshore facility (other than a pipeline or a deepwater port licensed under the Deepwater Port Act of 1974), the lessee or permittee of the area in which the facility is located or the holder of a right of use and easement granted under applicable State law or the Outer Continental Shelf Lands Act for the area in which the facility is located (if the holder is a different person than the lessee or permittee).

(D) DEEPWATER PORTS.—In the case of a deepwater port licensed under the Deepwater Port Act of 1974, the licensee.

(E) ABANDONMENT.—In the case of an abandoned vessel, onshore facility, or offshore facility, the persons who would have been responsible parties immediately prior to the abandonment of the vessel or facility.

(29) "Secretary" means the Secretary of the Department in which the Coast Guard is operating;

(30) "tank vessel" means a vessel that is constructed or adapted to carry, or that carries, oil or hazardous material in bulk as cargo or cargo residue, and that—

(A) is a vessel of the United States;

(B) operates on the navigable waters of the United States; or

(C) transfers oil or hazardous material in a port or place subject to the jurisdiction of the United States;

(31) "territorial sea" means the belt of seas measured from the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, and extending seaward a distance of 12 miles;

(32) "United States" and "State" mean the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Marianas, and any other territory or possession over which the United States has jurisdiction; and

(33) "vessel" has the meaning that term has in title 1, United States Code.

SEC. 1002. ELEMENTS OF LIABILITY.

(a) LIABILITY.—

(1) JOINT, SEVERAL, AND STRICT LIABILITY.—Notwithstanding another law and subject to the provisions of this Act, each responsible party for a vessel or a facility from which oil is discharged, or which poses the substantial threat of a discharge of oil, into or upon the navigable waters or adjoining shorelines or the exclusive economic zone is jointly, severally, and strictly liable for the removal costs and damages specified in subsection (b) that directly result from such incident.

(2) SECONDARY LIABILITY.—The owner of oil carried in bulk as cargo on a vessel shall be secondarily liable for removal costs and damages as provided in section 1004.

(b) COVERED REMOVAL COSTS AND DAMAGES.—

(1) REMOVAL COSTS.—The removal costs referred to in subsection (a)—

(A) are removal costs for removal actions taken by the United States, a State, or an Indian tribe which are not inconsistent with the national contingency plans; and

(B) are removal costs for removal actions taken by any other person which are consistent with the national contingency plan.

(2) DAMAGES.—The damages referred to in subsection (a) are the following:

(A) NATURAL RESOURCES.—Damages for injury to, destruction of, or loss of natural resources, including the reasonable costs of assessing the injury, destruction, or loss, which shall be recoverable by a United States trustee, a State trustee, an Indian tribe trustee, or a foreign trustee.

(B) REAL OR PERSONAL PROPERTY.—Damages for injury to, or economic losses resulting from destruction of, real or personal property, which shall be recoverable by a claimant who owns or leases that property.

(C) SUBSISTENCE USE.—Damages for loss of subsistence use of natural resources, which shall be recoverable by any claimant who so uses natural resources which have been injured, destroyed, or lost.

(D) REVENUES.—Damages equal to the loss of taxes, royalties, rents, fees, or net profit shares due to the injury, destruction, or loss of real property, personal property, or natural resources, which shall be recoverable by the Government of the United States, a State, or a political subdivision thereof.

(E) PROFITS AND EARNING CAPACITY.—Damages equal to the loss of profits or impairment of earning capacity due to the injury, destruction, or loss of real property, personal property, or natural resources, which shall be recoverable by any claimant.

(c) EXCLUDED DISCHARGES.—This Act does not apply to any discharge—

(1) permitted by a permit issued under Federal, State, or local law; or

(2) from a public vessel.

(d) LIABILITY OF THIRD PARTIES.—

(1) IN GENERAL.—

(A) Except as provided in subparagraph (B), in any case in which the responsible party establishes that a discharge and the resulting removal costs and damages were caused solely by an act or omission of one or more third parties described in section 1003(a)(2) (or solely by such an act or omission in combination with an act of God or an act of war), the third party or parties shall be treated as the responsible party or parties for purposes of determining liability under this Act.

(B) A third party is not liable for removal costs or damages, other than damages for personal injury or wrongful death, if the third party is retained or directed by the President under section 311(c)(1)(B)(i) or 311(c)(1)(B)(ii), respectively, of the Federal Water Pollution Control Act for a discharge of oil, unless the third party is grossly negligent or engages in willful misconduct.

(2) LIMITATION APPLIED.—

(A) OWNER OR OPERATOR OF VESSEL OR FACILITY.—If such third party or parties are the owner or operator of a vessel or facility which caused the incident, the liability of the third party or parties shall be subject to the limits provided in section 1004 as applied with respect to the vessel or facility.

(B) OTHER CASES.—In any other case, the liability of such third party or parties shall not exceed the limitation which would have been applicable to the responsible party of the vessel or facility from which the discharge actually occurred if the responsible party were liable.

SEC. 1003. DEFENSES TO LIABILITY.

(a) COMPLETE DEFENSES.—Except when the responsible party has failed or refused to report the incident as required by law and the responsible party knows or has reason to know of the incident, there is no liability for any person under section 1002 if it is established that the incident—

(1) resulted from an act of God, an act of war, hostilities, civil war, or insurrection; or

(2) was solely caused by an act or omission of one or more persons other than—

(A) a responsible party;

(B) an employee or agent of a responsible party; or

(C) one whose act or omission occurs in connection with a contractual relationship with a responsible party.

(b) DEFENSES AS TO PARTICULAR CLAIMANTS.—There is no liability under section 1002 to a claimant, to the extent that the incident is caused by the negligence of that claimant.

SEC. 1004. LIMITS ON LIABILITY.

(a) GENERAL RULE.—Except as otherwise provided in this subsection, the total of the liability of a responsible party under section 1002 and any removal costs incurred by, or on behalf of, the responsible party, with respect to each incident shall not exceed—

(1) for a tank vessel, the greater of—

(A) $1,200 per gross ton; or

(B)(i) in the case of a vessel greater than 3,000 gross tons, $10,000,000; or

(ii) in the case of a vessel of 3,000 gross tons or less, $2,000,000;

(2) for any other vessel, $600 per gross ton or $500,000, whichever is greater;

(3) for an offshore facility except a deepwater port, the total of all removal costs plus $75,000,000.

(4) for any other facility including a deepwater port, $350,000,000.

(b) DIVISION OF RESPONSIBILITY.—

(1) TANK VESSELS AND CARGO.—For the purpose of determining the responsible party and applying the limits of liability under subsection (a), the liability for a tank vessel shall be distributed as follows:

(A) OWNER OR OPERATOR.—Except as provided in subparagraph (B)—

(i) the owner or operator of a tank vessel shall be liable for the first 50 percent of the applicable amount of liability under subsection (a)(1); and

(ii) the owner of oil carried in bulk as cargo on the vessel is liable for the remainder of that amount of liability.

(B) CARGO OWNER LIMIT.—If the owner or operator of a tank vessel is not entitled to a limit of liability for an incident for a reason specified in subsection (c), the owner of oil carried in bulk as cargo on the vessel shall be liable for all amounts of liability not compensated by the owner or operator of the vessel, except that the liability of that cargo owner shall not exceed 50 percent of the applicable amount of liability under subsection (a).

(2) MODU DISCHARGES ON OR ABOVE THE WATER.—

(A) TREATED FIRST AS A TANK VESSEL.—For purposes of determining the responsible party and applying this Act, a mobile offshore drilling unit which is being used as an offshore facility is deemed to be a tank vessel with respect to the discharge, or the substantial threat of a discharge, of oil on or above the surface of the water, except as provided in subparagraph (B).

(B) TREATED AS A FACILITY FOR EXCESS LIABILITY.—To the extent that removal costs and damages from any incident described in subparagraph (A) exceed the amount for which a responsible party is liable (as that amount may be limited under subsection (a)(1)), the mobile offshore drilling unit is deemed to be an offshore facility. For purposes of applying subsection (a)(3), the amount specified in that subsection shall be reduced by the amount for which the responsible party is liable under subparagraph (A) of this paragraph.

(c) EXCEPTIONS.—

(1) PROXIMATE CAUSE.—Subsection (a) does not apply if the incident was proximately caused by—

(A) gross negligence or willful misconduct of; or

(B) the violation of an applicable Federal safety, construction, or operating regulation by,

the responsible party, or an agent or employee of the responsible party.

(2) FAILURE OR REFUSAL OF RESPONSIBLE PARTY.—Subsection (a) does not apply if the responsible party fails or refuses—

(A) to report the incident as required by law and the responsible party knows or has reason to know of the incident;

(B) to provide all reasonable cooperation and assistance requested by a responsible official in connection with removal activities; or

(C) without sufficient cause, to comply with an order issued under section 311(e) of the Federal Water Pollution Control Act.

(d) ADJUSTING LIMITS OF LIABILITY.—

(1) FACILITIES.—Subject to paragraph (2), the Secretary may establish by regulation, with respect to any class or category of onshore facility, a maximum limit of liability under this section of less than $350,000,000, but not less than $8,000,000, taking into account the size, storage capacity, oil throughput, proximity to sensitive areas, type of oil handled, history of discharges, and other factors relevant to risks posed by the class or category of facility.

(2) DEEPWATER PORTS AND ASSOCIATED VESSELS.—

(A) STUDY.—The Secretary shall conduct a study of the relative operational and environmental risks posed by the transportation of oil by vessel to deepwater ports (as defined in section 3 of the Deepwater Port Act of 1974 (33 U.S.C. 1502)) versus the transportation of oil by vessel to other ports. The study shall include a review and analysis of offshore lightering practices used in connection with that transportation, an analysis of the volume of oil transported by vessel using those practices, and an analysis of the frequency and volume of oil discharges which occur in connection with the use of those practices.

(B) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted under this subparagraph.

(C) RULEMAKING PROCEEDING.—If the Secretary determines, based on the results of the study conducted under this paragraph, that the use of deepwater ports in connection with the transportation of oil by vessel results in a lower operational or environmental risk than the use of other ports, the Secretary shall initiate, not later than the 180th day following the date of submission of the report to Congress under subparagraph (B), a rulemaking proceeding to lower the limits of liability under this section for vessels transporting oil to deepwater ports and for deepwater ports as the Secretary determines appropriate. With respect to deepwater ports, the Secretary may establish a maximum limit of liability of less than $350,000,000, but not less than $50,000,000, in accordance with paragraph (1).

(3) PERIODIC REPORTS.—The Secretary shall, within six months of the enactment of this Act, and from time to time thereaf-

ter, report to Congress on the desirability of adjusting the limits of liability specified in subsection (a) of this section.

SEC. 1005. INTEREST.

(a) GENERAL RULE.—The responsible party or his or her guarantor is liable to a claimant for interest on the amount paid in satisfaction of a claim under this Act for the period described in subsection (b).

(b) PERIOD.—

(1) IN GENERAL.—Except as provided in paragraph (2), the period for which interest shall be paid is the period beginning on the 30th day following the date on which the claim is presented to the responsible party or guarantor and ending on the date on which the claim is paid.

(2) EXCLUSION OF PERIOD DUE TO OFFER BY GUARANTOR.—If the guarantor offers to the claimant an amount equal to or greater than that finally paid in satisfaction of the claim, the period described in paragraph (1) does not include the period beginning on the date the offer is made and ending on the date the offer is accepted. If the offer is made within 60 days after the date upon which the claim is presented under section 1013(a), the period described in paragraph (1) does not include any period before the offer is accepted.

(3) EXCLUSION OF PERIODS IN INTEREST OF JUSTICE.—If in any period a claimant is not paid due to reasons beyond the control of the responsible party or because it would not serve the interest of justice, no interest shall accrue under this section during that period.

(4) CALCULATION OF INTEREST.—The interest paid under this section shall be calculated at the average of the highest rate for commercial and finance company paper of maturities of 180 days or less obtaining on each of the days included within the period for which interest must be paid to the claimant, as published in the Federal Reserve Bulletin.

(5) INTEREST NOT SUBJECT TO LIABILITY LIMITS.—Interest under this paragraph is in addition to damages for which claims may be asserted under section 1002 and shall be paid without regard to any limitation of liability under section 1004. The payment of interest under this subsection by a guarantor is subject to section 1016(g).

SEC. 1006. NATURAL RESOURCES.

(a) LIABILITY.—In the case of an injury to, destruction of, or loss of natural resources under this section, liability shall be—

(1) to the United States Government for natural resources belonging to, managed by, controlled by, or appertaining to the United States,

(2) to any State for natural resources within the State or belonging to, managed by, controlled by, or appertaining to such State,

(3) to any Indian tribe for natural resources belonging to, managed by, controlled by, or appertaining to such Indian tribe, and

(4) in any case in which section 1007 applies, to the government of a foreign country for natural resources belonging to, managed by, controlled by, or appertaining to such country.

(b) DESIGNATION OF TRUSTEES.—

(1) IN GENERAL.—The President, or the authorized representative of any State, Indian tribe, or foreign government, shall act on behalf of the public, Indian tribe, or foreign country as trustee of the natural resources to present a claim for and to recover damages to the natural resources.

(2) FEDERAL TRUSTEES.—The President shall designate the Federal officials who shall act on behalf of the public as trustees for natural resources under this Act.

(3) STATE TRUSTEES.—The Governor of each State shall designate State and local officials who may act on behalf of the public as trustee for natural resources under this Act and shall notify the President of the designation.

(4) INDIAN TRIBE TRUSTEES.—The governing body of any Indian tribe shall designate tribal officials who may act on behalf of the tribe or its members as trustee for natural resources under this Act and shall notify the President of the designation.

(5) FOREIGN TRUSTEES.—The head of any foreign government may designate the trustee who shall act on behalf of that government as trustee for natural resources under this Act.

(c) FUNCTIONS OF TRUSTEES.—

(1) FEDERAL TRUSTEES.—The officials designated under subsection (b)(2)—

(A) shall assess damages for injury to, destruction of, or loss of natural resources for purposes of this Act for the natural resources under their trusteeship;

(B) may, upon request of and reimbursement from a State or Indian tribe and at the Federal officials' discretion, assess damages for the natural resources under the State's or tribe's trusteeship; and

(C) shall develop and implement a plan for the restoration, rehabilitation, replacement, or acquisition of the equivalent, of the natural resources under their trusteeship.

(2) STATE TRUSTEES.—The officials designated under subsection (b)(3)—

(A) shall assess damages to natural resources for the purposes of this Act for the natural resources under their trusteeship; and

(B) shall develop and implement a plan for the restoration, rehabilitation, replacement, or acquisition of the equivalent, of the natural resources under their trusteeship.

(3) INDIAN TRIBE TRUSTEES.—The officials designated under subsection (b)(4)—

(A) shall assess damages to natural resources for the purposes of this Act for the natural resources under their trusteeship; and

(B) shall develop and implement a plan for the restoration, rehabilitation, replacement, or acquisition of the equivalent, of the natural resources under their trusteeship.

(4) FOREIGN TRUSTEES.—The officials designated under subsection (b)(5)—

(A) shall assess damages to natural resources for the purposes of this Act for the natural resources under their trusteeship; and

(B) shall develop and implement a plan for the restoration, rehabilitation, replacement, or acquisition of the equivalent, of the natural resources under their trusteeship.

(5) NOTICE AND OPPORTUNITY TO BE HEARD.—Plans shall be developed and implemented under this section only after adequate public notice, opportunity for a hearing, and consideration of all public comment.

(d) MEASURE OF DAMAGES.—

(1) IN GENERAL.—The measure of damages in any action under this section for injury to, destruction of, or loss of natural resources is—

(A) the cost of restoring, rehabilitating, replacing, or acquiring the equivalent of, the damaged natural resources; plus

(B) the diminution in value of those natural resources pending restoration.

(2) DETERMINE COSTS WITH RESPECT TO PLANS.—Costs shall be determined under paragraph (1) with respect to plans adopted under subsection (c).

(3) NO DOUBLE RECOVERY.—There shall be no double recovery under this Act for natural resource damages, including the costs of damage assessment or restoration, rehabilitation, replacement, or acquisition for the same incident and natural resource.

(e) DAMAGE ASSESSMENT REGULATIONS.—

(1) REGULATIONS.—Not later than 2 years after the date of enactment of this Act, the President shall promulgate regulations, consistent with subsection (d)(1), for the assessment of damages to natural resources arising out of an incident.

(2) REBUTTABLE PRESUMPTION.—Any determination or assessment of damages to natural resources for the purposes of this Act made under subsection (d) by a Federal, State, or Indian trustee in accordance with the regulations promulgated under paragraph (1) shall have the force and effect of a rebuttable presumption on behalf of the trustee in any administrative or judicial proceeding under this Act.

(f) USE OF RECOVERED SUMS.—Sums recovered under this Act by a Federal, State, Indian, or foreign trustee for damages to natural resources shall be retained by the trustee, without further appropriation, for use only to reimburse or pay costs incurred by the trustee under subsection (c) with respect to the damaged natural resources. Any amounts in excess of those required for these reimbursements and costs shall be deposited in the Fund.

(g) CIVIL PENALTY.—

(1) IN GENERAL.—Any responsible party liable under this section for damages resulting from a discharge of oil shall be subject to a civil penalty not to exceed the greater of $1,000,000 or ½ of the responsible party's liability under section 1002 if the discharge results in damages to natural resources which cannot be restored, rehabilitated, or replaced, and for which no equivalent can be acquired.

(2) ASSESSMENT, SETTLEMENT, AND COLLECTION.—The President or authorized representative of a State or Indian tribe, acting under this section as trustee, may request the Attorney General to bring an action in court to recover a civil penalty under this subsection. In determining the amount of a civil penalty under this subsection, the court shall consider the nature and extent of the damages to natural resources, the value of the natural resources, the degree of culpability of the person held liable for the discharge, and the nature and extent of efforts taken by the person to prevent and mitigate damages to natural resources and to restore damaged natural resources.

(3) SEPARATE LIABILITY.—Except as provided in section 3002, any liability for a civil penalty under this subsection shall be separate from and in addition to any liability for a discharge of oil under this section.

(4) DEPOSIT INTO FUND.—Sums received under this subsection shall be deposited in the Fund. Sums so deposited shall be available, without appropriation, for use by the relevant trustee, for the general enhancement of the ecosystem of which the destroyed natural resources were a part for restoring and maintaining the chemical, physical, and biological integrity of the ecosystem.

SEC. 1007. RECOVERY BY FOREIGN CLAIMANTS.

(a) IN GENERAL.—A foreign claimant may only recover removal costs and damages under this Act in accordance with this section.

(b) COVERED DISCHARGES.—A foreign claimant may recover only if the discharge of oil was from—

(1) a facility;

(2) a vessel in the navigable waters; or

(3) a tank vessel carrying oil originally received at the terminal of the pipeline constructed under the Trans-Alaska Pipeline Authorization Act for transportation to a port in the United States, the incident having occurred prior to delivery to that port;

and resulted in the presence of oil in or on the territorial sea, internal waters, or adjacent shoreline of a foreign country.

(c) REQUIREMENTS.—A foreign claimant may only recover if—

(1) the claimant first seeks compensation under title III;

(2) the claimant has not been otherwise compensated for the removal costs or damages; and

(3) recovery is authorized by a treaty or executive agreement between the United States and the claimant's country, or the Secretary of State, in consultation with the Attorney General and other appropriate officials, has certified that the claimant's country provides a comparable remedy for United States claimants.

(d) EXCEPTION FOR CANADIAN CLAIMANTS RESPECTING TRANS-ALASKA PIPELINE OIL.—Subsection (c)(3) shall not apply with respect to recovery by a resident of Canada in the case of an incident described in subsection (b)(3).

(e) DEFINITION OF FOREIGN CLAIMANT.—For purposes of this section, the term "foreign claimant" means any person residing in a foreign country, the government of a foreign country (including a foreign trustee), or any agency or political subdivision thereof.

SEC. 1008. RECOVERY BY RESPONSIBLE PARTY OR CARGO OWNER.

(a) IN GENERAL.—The responsible party for a vessel or facility from which oil is discharged, or which posed the substantial threat of a discharge of oil, and the owner of oil carried in bulk as cargo on a vessel, may assert a claim for removal costs and damages under section 1002 only if the responsible party or the owner of the oil can show that—

(1) the responsible party is entitled to a defense to liability under section 1003; or

(2) the responsible party or the owner of the oil is entitled to a limitation of liability under section 1004.

(b) EXTENT OF RECOVERY.—A responsible party or owner of oil who is entitled to a limitation of liability may assert a claim under section 1002 only to the extent that the sum of the removal costs and damages incurred by the responsible party or the owner of oil plus the amounts paid by the responsible party or the owner, or by the guarantor on behalf of the responsible party or the owner for claims asserted under section 1002 exceeds the amount to which the total of the liability under section 1002 and removal costs and damages incurred by, or on behalf of, the responsible party or the owner of oil is limited under section 1004.

SEC. 1009. CONTRIBUTION.

A person may bring an action for contribution against any other person who is liable or potentially liable under this Act. Such an action shall be brought in accordance with section 1013.

SEC. 1010. INDEMNIFICATION AGREEMENTS.

(a) AGREEMENTS NOT PROHIBITED.—Nothing in this Act shall prohibit any agreement to insure, hold harmless, or indemnify a party to such agreement for any liability under this Act.

(b) LIABILITY NOT TRANSFERRED.—No indemnification, hold harmless, or similar agreement or conveyance shall be effective to transfer the liability imposed under this Act from a responsible party or from any person who may be liable for an incident under this Act to any other person.

(c) RELATIONSHIP TO OTHER CAUSES OF ACTION.—Nothing in this Act, including the provisions of subsection (b), shall bar a cause of action that a responsible party subject to liability under this Act, or a guarantor, has or would have, by reason of subrogation or otherwise, against any person.

SEC. 1011. CONSULTATION ON REMOVAL ACTIONS.

The Secretary shall consult with the affected trustees designated under section 1006 on the appropriate removal action to be taken in connection with any discharge of oil. Removal with respect to any discharge shall be considered completed when so determined by the Secretary in consultation with the Governor or Governors of the affected State or States.

SEC. 1012. USES OF THE FUND.

(a) USES GENERALLY.—The Fund shall be directly available to the President for—

(1) the payment of removal costs, and the costs of monitoring removal actions, incurred by Federal authorities;

(2) the costs incurred by Federal, State, or Indian tribe trustees in carrying out their functions under section 1006 for assessing damages to natural resources and for developing and implementing plans for the restoration, rehabilitation, replacement, or acquisition of the equivalent of damaged resources;

(3) the payment of obligations under subsection (d) of this section;

(4) the payment of removal costs and damages resulting from the discharge, or substantial threat of discharge, of oil from a foreign offshore unit;

(5) the payment of administrative, personnel, and enforcement costs and expenses—

(A) reasonably necessary for and incidental to the implementation, administration, and enforcement of this Act, including sections 1004(d)(2), 1006(e), 4107, 4110, 4111, 4112, 5009, and title VII of this Act;

(B) reasonably necessary for international activities related to the purposes of this Act;

(C) reasonably necessary for and incidental to the implementation, administration, and enforcement of section 311(c) of the Federal Water Pollution Control Act (33 U.S.C. 1321(c)); and

(D) reasonably necessary for Federal expenses under section 311(j) of the Federal Water Pollution Control Act (33 U.S.C. 1321(j));

(6) the payment of contributions to the International Fund under title III of this Act; and

(7) all otherwise uncompensated removal costs or damages in accordance with section 1013 of this Act.

(b) DEFENSES TO LIABILITY FOR THE FUND.—The Fund shall not be available to pay any claim for removal costs or damages to a particular claimant, to the extent that the incident or economic loss is caused by the negligence of that claimant.

(c) FEDERAL AND STATE OFFICIALS WHO MAY OBLIGATE FROM THE FUND.—The President may promulgate regulations designating one or more Federal officials who may obligate money in the Fund in accordance with subsection (a) of this section. The President shall designate the Commandant of the Coast Guard to be a Federal official who may obligate money in the Fund in accordance with subsection (a). The President also may delegate authority to obligate money in the Fund or to settle claims to officials of a State with an adequate program operating under a cooperative agreement with the Federal Government.

(d) OBLIGATION OF THE FUND BY STATE OFFICIALS.—

(1) AUTHORITY.—In accordance with regulations promulgated under this subsection, the Governor of each State, or any appropriate State official designated by the Governor, may obligate the Fund for payment in an amount not to exceed $250,000 for removal costs not inconsistent with the national contingency plan required for the immediate removal of a discharge, or threat of a discharge, of oil.

(2) NOTIFICATION.—A Governor or designee exercising the authority granted by this subsection shall notify the Secretary within 24 hours of any obligation of a payment from the Fund.

(3) REGULATIONS.—The President shall—

(A) not later than 6 months after the date of the enactment of this Act, publish proposed regulations detailing the manner in which the authority to obligate the Fund and to enter into agreements under this subsection shall be exercised; and,

(B) not later than 3 months after the close of the comment period for such proposed regulations, promulgate final regulations for that purpose.

(e) RIGHTS OF SUBROGATION.—Payment of any claim or obligation by the Fund under this Act shall be subject to the United States Government acquiring by subrogation of all rights of the claimant or State to recover from the responsible party.

(f) AUDIT.—The Comptroller General shall audit all payments, obligations, reimbursements, and other uses of the Fund, to assure that the Fund is being properly administered and that claims are being appropriately and expeditiously considered. The Comptroller General shall submit to Congress an interim report one year after the date of enactment of this Act. The Comptroller General shall thereafter audit the Fund as is appropriate. Each Federal agency shall cooperate with the Comptroller General in carrying out this subsection.

(g) PERIOD OF LIMITATIONS FOR CLAIMS.—

(1) REMOVAL COSTS.—No claim may be presented under this section for recovery of removal costs unless the claim is presented within three years after the date of completion of all removal action.

(2) DAMAGES.—No claim may be presented under this section for recovery of damages unless the claim is presented within three years after the date on which the loss and its connection with the discharge in question were reasonably discoverable with the exercise of due care, or in the case of damages under section 1002(b)(2)(A), if later, the date on which final regulations are promulgated under section 1006(e).

(h) LIMITATION ON PAYMENT FOR SAME COSTS.—In any case in which the President has paid an amount from the Fund for any removal costs or damages specified under subsection (a), no other claim may be paid from the Fund for the same removal costs or damages.

(i) OBLIGATION IN ACCORDANCE WITH PLAN.—

(1) IN GENERAL.—Except as provided in paragraph (2), amounts may be obligated from the Fund for the restoration, rehabilitation, or replacement, or acquisition of natural resources only in accordance with a plan adopted under section 1006(c).

(2) EXCEPTION.—Paragraph (1) shall not apply in a situation requiring action to avoid irreversible loss of natural resources or to prevent or reduce any continuing danger to natural resources or similar need for emergency action.

SEC. 1013. CLAIMS PROCEDURE.

(a) PRESENTATION.—Except as provided in subsection (b)—

(1) all claims for removal costs or damages shall be presented first to the responsible party or guarantor of the source designated under section 1014(a); and

(2) where appropriate, to the owner of oil carried in bulk as cargo on a vessel.

(b) PRESENTATION TO FUND.—Claims for removal costs or damages may be presented first to the Fund—

(1) where the Secretary has advertised or otherwise notified claimants in accordance with section 1014(c);

(2) by a responsible party who may assert a claim under section 1008;

(3) by the Governor of a State for removal costs incurred by that State; or

(4) by a United States claimant in a case where a foreign offshore unit has discharged oil causing damage for which the Fund is liable under section 1012(a).

(c) ELECTION.—If a claim is presented in accordance with subsection (a) and—

(1) each person to whom the claim is presented denies all liability for the claim, or

(2) the claim is not settled by any person by payment within 90 days after the date upon which (A) the claim was presented, or (B) advertising was begun pursuant to section 1014(b), whichever is later,

the claimant may elect to commence an action in court against the responsible party or guarantor or to present the claim to the Fund.

(d) UNCOMPENSATED DAMAGES.—If a claim is presented in accordance with this section and full and adequate compensation is unavailable, a claim for the uncompensated damages and removal costs may be presented to the Fund.

(e) PROCEDURE FOR CLAIMS AGAINST THE FUND.—The President shall promulgate, and may from time to time amend, regulations for the presentation, filing, processing, settlement, and adjudication of claims under this Act against the Fund.

SEC. 1014. DESIGNATION AND ADVERTISEMENT.

(a) DESIGNATION OF SOURCE AND NOTIFICATION.—When the Secretary receives information of an incident, the Secretary shall, where possible and appropriate, designate the source or sources of the discharge. If a designated source is a vessel or a facility, the Secretary shall immediately notify the responsible party and the guarantor, if known, of that designation.

(b) ADVERTISEMENT BY THE RESPONSIBLE PARTY OR GUARANTOR.—If a responsible party or guarantor fails to inform the Secretary, within 5 days after receiving notification of a designation under subsection (a), of his or her denial of the designation, such party or guarantor shall advertise the designation and the procedures by which claims may be presented, in accordance with regulations promulgated by the Secretary. Advertisement under the preceding sentence shall begin no later than 15 days after the date of the designation made under subsection (a). If advertisement is not otherwise made in accordance with this subsection, the Secretary shall promptly and at the expense of the responsible party or the guarantor involved, advertise the designation and the procedures by which claims may be presented to the responsible party or guarantor. Advertisement under this subsection shall continue for a period of no less than 30 days.

(c) ADVERTISEMENT BY THE SECRETARY.—If—

(1) the responsible party and the guarantor both deny a designation within five days after receiving notification of a designation under subsection (a),

(2) the source of the oil pollution was a public vessel, or

(3) the Secretary is unable to designate the source or sources of the oil pollution under subsection (a),

the Secretary shall advertise or otherwise notify potential claimants of the procedures by which claims may be presented to the Fund.

SEC. 1015. SUBROGATION.

(a) IN GENERAL.—Any person, including the Fund, who pays compensation pursuant to this Act to any claimant for removal costs or damages shall be subrogated to all rights, claims, and causes of action that the claimant has under this Act.

(b) ACTIONS ON BEHALF OF THE FUND.—At the request of the Secretary, the Attorney General shall commence an action on behalf of the Fund to recover any compensation paid by the Fund to any claimant pursuant to this Act, and all costs incurred by the Fund by reason of the claim, including interest (including prejudgment interest), administrative and adjudicative costs, and attorney's fees. Such an action may be commenced against any responsible party or (subject to section 1016) guarantor, or against any other person who is liable, pursuant to any law, to the compensated claimant or to the Fund, for the cost or damages for which the compensation was paid. Such an action shall be commenced against the responsible foreign government or other responsible party to recover any removal costs or damages paid from the Fund as the result of the discharge, or substantial threat of discharge, of oil from a foreign offshore unit.

SEC. 1016. FINANCIAL RESPONSIBILITY.

(a) VESSELS.—

(1) REQUIREMENT.—The responsible party for—

(A) any vessel over 300 gross tons (except a non-self-propelled vessel that does not carry oil as cargo or fuel) using any port or place in the United States or the navigable waters; or

(B) any vessel using the waters of the exclusive economic zone to transship or lighter oil destined for a port or place subject to the jurisdiction of the United States;

shall establish and maintain, in accordance with regulations promulgated by the Secretary, evidence of financial responsibility sufficient to meet the maximum amount of liability to which, in the case of a tank vessel, the responsible party could be subjected under section 1004(a)(1) or (d) of this Act, or to which, in the case of any other vessel, the responsible party could be subjected under section 1004(a)(2) or (d) of this Act, in a case where the responsible party would be entitled to limit liability under that section. If the responsible party owns or operates more than one vessel, evidence of financial responsibility need be established only to meet the maximum liability applicable to the largest of such vessels.

(b) CARGO.—An owner of oil carried in bulk as cargo on a vessel shall establish and maintain, in accordance with regulations promulgated by the Secretary, evidence of financial responsibility sufficient to meet the maximum amount of liability of that owner under section 1004(b)(1)(B).

(c) SANCTIONS.—

(1) WITHHOLDING CLEARANCE.—The Secretary of the Treasury shall withhold or revoke the clearance required by section 4197 of the Revised Statutes of the United States of any vessel subject to this subsection that does not have the evidence of financial responsibility required for the vessel and the oil carried in bulk as cargo on the vessel under this section.

(2) DENYING ENTRY TO OR DETAINING VESSELS.—The Secretary may (A) deny entry to any offshore facility or any port or place in the United States, or to the navigable waters, or (B) detain at such a facility or port or place, any vessel that, upon request, does not produce the evidence of financial responsibility required for the vessel and the oil carried in bulk as cargo on the vessel under this section or the regulations issued under this section.

(3) SEIZURE OF VESSEL AND OIL.—Any vessel and any oil carried in bulk as cargo on the vessel subject to the requirements of this section which is found in the navigable waters without the necessary evidence of financial responsibility for the vessel and the oil carried in bulk as cargo on a vessel shall be subject to seizure by the United States.

(d) OFFSHORE FACILITIES.—

(1) IN GENERAL.—Except as provided in paragraph (2), each responsible party with respect to an offshore facility shall establish and maintain evidence of financial responsibility of $150,000,000 to meet the amount of liability to which the responsible party could be subjected under section 1004(a) in a case in which the responsible party would be entitled to limit liability under that section. In cases where a person is the responsible party for more than one facility subject to this subsection, evidence of financial responsibility need be established only to meet the maximum amount of liability applicable to the largest of those facilities.

(2) DEEPWATER PORTS.—Each responsible party with respect to a deepwater port shall establish and maintain evidence of financial responsibility sufficient to meet the maximum amount of liability to which the responsible party could be subjected under section 1004(a) of this Act in a case where the responsible party would be entitled to limit liability under that section. If the Secretary exercises the authority under section 1004(d) to lower the limit of liability for deepwater ports, the responsible party shall establish and maintain evidence of financial responsibility sufficient to meet the maximum amount of liability so established. In a case in which a person is the responsible party for more than one deepwater port, evidence of financial responsibility need be established only to meet the maximum liability applicable to the deepwater port having the greatest maximum liability.

(e) METHODS OF FINANCIAL RESPONSIBILITY.—Financial responsibility under this section may be established by any one, or by any combination, of the following methods which the Secretary determines to be acceptable: evidence of insurance, surety bond, guarantee, letter of credit, qualifica-

tion as a self-insurer, or other evidence of financial responsibility. Any bond filed shall be issued by a bonding company authorized to do business in the United States. In promulgating requirements under this section, the Secretary may specify policy or other contractual terms, conditions, or defenses which are necessary, or which are unacceptable, in establishing evidence of financial responsibility to effectuate the purposes of this Act.

(f) CLAIMS AGAINST GUARANTOR.—Any claim for which liability may be established under section 1002 of this Act may be asserted directly against any guarantor providing evidence of financial responsibility for a responsible party liable under that section for removal costs and damages to which the claim pertains. In defending against such a claim, the guarantor may invoke (1) all rights and defenses which would be available to the responsible party under this Act, (2) any defense authorized by the Secretary in requirements promulgated by the Secretary under this section, and (3) the defense that the incident was caused by the willful misconduct of the responsible party. The guarantor may not invoke any other defense that might be available in proceedings brought by the responsible party against the guarantor.

(g) LIMITATION ON GUARANTOR'S LIABILITY.—Nothing in this Act shall impose liability with respect to an incident on any guarantor for damages or removal costs which exceed, in the aggregate, the amount of financial responsibility required under this Act which that guarantor has provided for a responsible party or the owner of oil carried in bulk as cargo on a vessel.

(h) CIVIL PENALTY.—

(1) IN GENERAL.—Any person who, after notice and an opportunity for a hearing, is found to have failed to comply with the requirements of this section or the regulations issued under this section, or with a denial or detention order issued under subsection (c)(2) of this section, shall be liable to the United States for a civil penalty, not to exceed $25,000 per day of violation. The amount of the civil penalty shall be assessed by the Secretary by written notice. In determining the amount of the penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation, the degree of culpability, any history of prior violation, ability to pay, and such other matters as justice may require. The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty which is subject to imposition or which has been imposed under this paragraph. If any person fails to pay an assessed civil penalty after it has become final, the Secretary may refer the matter to the Attorney General for collection.

(2) JUDICIAL RELIEF.—In addition to, or in lieu of, assessing a penalty under paragraph (1) of this subsection, the Secretary may request the Attorney General to secure such relief as necessary to compel compliance with this section, including, but not limited to, a judicial order terminating operations. The district courts of the United States shall have jurisdiction to grant any relief as the public interest and the equities of the case may require.

(i) CONTINUATION OF REGULATIONS.—Any regulation respecting financial responsibility, which has been issued pursuant to any provision of law repealed or superseded by this Act, and which is in effect on the date immediately preceding the effective date of this Act, shall be deemed and construed to be a regulation issued pursuant to this section. Such a regulation shall remain in full force and effect unless and until superseded by new regulations issued under this section.

(j) UNIFIED CERTIFICATE.—The Secretary may issue a single unified certificate of financial responsibility for purposes of this Act and any other law.

SEC. 1017. LITIGATION, JURISDICTION, AND VENUE.

(a) REVIEW OF REGULATIONS.—Review of any regulation promulgated under this Act may be had upon application by any interested person only in the Circuit Court of Appeals of the United States for the District of Columbia. Any application shall be made within 90 days from the date of promulgation of the regulations.

(b) JURISDICTION.—Except as provided in subsection (a) of this section, the United States district courts shall have original and exclusive jurisdiction over all causes of action arising under this Act (which shall be deemed to include actions under the International Convention on Civil Liability for Oil Pollution Damages, 1984, and the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1984), without regard to the citizenship of the parties or the amount in controversy.

(c) VENUE.—Venue shall lie in any district in which the incident, injury, or damages occurred, or in which the defendant resides, may be found, has its principal office, or has appointed an agent for services of process. For the purposes of this section, the Fund and the International Fund established under article 2 of the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1984, shall reside in the District of Columbia.

(d) SAVINGS PROVISION.—Nothing in this Act shall affect any action commenced before the date of enactment of this Act.

(e) PERIOD OF LIMITATIONS.—

(1) DAMAGES.—Except as provided in paragraphs (3) and (4), an action for damages under this Act shall be barred unless the action is brought within 3 years after—

(A) the date on which the loss and the connection of the loss with the discharge in question are reasonably discoverable with the exercise of due care, or

(B) in the case of damages described in section 1002(b)(2)(A), the date on which regulations are issued under section 1006(e), if that date is later than the date referred to in subparagraph (A).

(2) REMOVAL COSTS.—Except as provided in paragraphs (3) and (4), an action for recovery of removal costs under this Act shall be barred unless the action is brought within 3 years after completion of the removal. An action may be commenced under section 1002 for recovery of removal costs at any time after such costs have been incurred.

(3) ACTIONS FOR CONTRIBUTION.—An action for contribution for any removal costs or damages shall be barred unless the action is brought within 3 years after—

(A) the date of judgment in any action under this Act for recovery of the removal costs or damages, or

(B) the date of entry of a judicially approved settlement with respect to the removal costs or damages.

(4) SUBROGATION.—An action based on rights subrogated pursuant to this Act by reason of payment of a claim may not be commenced under this Act unless that action is commenced within 3 years after the date of payment of that claim.

SEC. 1018. RELATIONSHIP TO OTHER LAW.

(a) PREEMPTION.—

(1) ACTIONS PREEMPTED.—Except as provided in this Act and the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.), no action arising out of a discharge of oil, or a substantial threat of a discharge of oil, from a vessel or facility into or upon the navigable waters or adjoining shorelines or the exclusive economic zone (other than an action for personal injury or wrongful death), may be brought in any court of the United States or of any State or political subdivision thereof.

(2) STATE FUNDS AND ACCOUNTS.—Nothing in this Act or in sections 4611 and 9509 of the Internal Revenue Code of 1986 shall affect the authority of any State (A) to establish or continue in effect an oil spill fund or account; or (B) to require any person to contribute to that fund or account.

(b) NO PREEMPTION OF PENALTIES.—Nothing in this Act or section 9509 of the Internal Revenue Code of 1986 shall affect the authority of the United States or any State or political subdivision thereof to impose, or to determine the amount of, any fine or penalty for any violation of law relating to an incident.

(c) LIMITATION OF LIABILITY ACT.—The Act of March 3, 1851, shall not apply to removal costs and damages that directly result from an incident involving the discharge or substantial threat of discharge of oil.

SEC. 1019. STATE FINANCIAL RESPONSIBILITY.

Except as provided in this Act, a responsible party or an owner of oil carried in bulk as cargo on a vessel who establishes and maintains evidence of financial responsibility in accordance with this title shall not be required under any State or local law, rule, or regulation to establish or maintain any other evidence of financial responsibility in connection with liability for the discharge, or substantial threat of a discharge, of oil. Evidence of compliance with the financial responsibility requirements of this Act shall be accepted by a State in lieu of any other requirement of financial responsibility imposed by that State in connection with liability for the discharge of oil. A State may enforce, on the navigable waters of the State, the requirements for evidence of financial responsibility imposed under section 1016 of this Act.

SEC. 1020. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this Act shall apply with respect to an incident occurring after the date of the enactment of this Act.

(b) PAYMENTS FROM FUND.—Payments under section 1012(a) may not be made before the commencement date (as that term is defined in section 4611(f)(2) of the Internal Revenue Code of 1986).

The CHAIRMAN. Are there amendments to title I?

AMENDMENTS EN BLOC OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I offer amendments en bloc.

The Clerk read as follows:

Amendments en bloc offered by Mr. MILLER of California:

(a) LIABILITY LAWS.—Section 1018(a) is amended to read as follows:

"(a) PRESERVATION OF STATE AUTHORITIES.—

(1) Notwithstanding any other provision, nothing in this Act or the Act of March 3, 1851 shall—

(A) be construed or interpreted as preempting any state or political subdivision thereof from imposing any additional liability or requirements with respect to the discharge of oil or other pollution by oil within such state; or

(B) affect or modify in any way the obligations or liabilities of any person under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.) or state law, including common law.

(2) Nothing in this Act or in sections 4611 or 9509 of the Internal Revenue Code of 1986 shall affect or be construed to affect the authority of any state or political subdivision thereof—

(A) to establish or to continue in effect a fund any purpose of which is to pay for costs or damages arising out of, or directly resulting from, oil pollution or the substantial threat of oil pollution; or

(B) to require any person to contribute to such a fund."

(b) FINANCIAL RESPONSIBILITY.—Section 1019 is amended by striking out the first two sentences thereof.

(c) STATE COURTS.—Section 1017(b) is amended by striking from the first sentence thereof the term "and exclusive".

(d) REMOVAL STANDARDS.—(1) Section 1002(b)(1) (A) and (B) are amended by inserting after "with the national contingency plan" the following: "and applicable state law."

(2) Section 1011 is amended by striking "in consultation with the Governor or Governors of the affected State or States" and inserting in lieu thereof the following: "and the Governor or Governors of the affected State or States, in accordance with the national contingency plan and applicable State laws.".

The CHAIRMAN. Pursuant to the rule, the gentleman from California [Mr. MILLER] will be recognized for 30 minutes, and a Member in opposition will be recognized for 30 minutes.

Mr. HAMMERSCHMIDT. Mr. Chairman, I oppose the amendment.

The CHAIRMAN. The gentleman from Arkansas [Mr. HAMMERSCHMIDT] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, in the consideration of the oilspill liability bill, we have come to a crucial point where we are going to have to make a decision about whether or not we are going to have tough laws against oilspills and whether or not we are going to protect the rights of the States to devise systems and to impose penalties and to extend liabilities to those who would spill oils in the waters off of their States.

The amendment that I am offering on behalf of myself and the gentleman from Massachusetts [Mr. STUDDS] is an amendment to correct a glaring flaw in H.R. 1465, by preserving the rights of States to set higher standards for oil pollution liability and more complete systems of compensation than are allowed under this bill or under current law. In addition, the amendment protects the rights of States to set higher levels of financial responsibility and leaves State court jurisdiction intact, makes State standards apply to cleanups, and gives the Governors an equal say with Federal authorities as to when the cleanup is completed.

These are hardly radical proposals. The Senate oilspill legislation which passed by a vote of 99 to 0 has virtually identical provisions. The preemption of State laws and rights were never challenged during the Senate consideration. Why? Because we have a long history in environmental protection in making sure that the States' rights are protected.

Mr. Chairman, in fact, the only group lobbying to get rid of the State laws are those people seeking additional rights to the polluters. It is the oil companies and the shipping industry, not the potential victims of the spill, who support getting rid of this provision. The Studds-Miller amendment is supported by the National Governors' Association, which has told us that Congress has traditionally passed environmental laws that establish minimum standards, that States are free to exceed in order to meet the particular needs of their State.

We see no reason to depart from that successful practice. That is what the Studds-Miller amendment does. It allows the States to continue to deal with oilspill liability as they deal with clean air, as they deal with clean water. The amendment gives States the rights to protect their environments, the needs of their citizens and their particular situations.

This is a fundamental right of the States to do that, and we should not take that right away in this legislation. In fact, that is what this legislation would do if the Studds-Miller amendment is not accepted.

The National Association of Attorneys General is supporting the amendment. They tell us that the States are often the first line of defense in reacting to oilspills and often have an interest, and this is important for Members to remember, that is different and greater than that of the Federal Government in cleaning up and restoring the environment.

We should not allow this legislation to destroy their ability to deal with that interest and to deal with those concerns.

Let us think of what would be the situation if the committee bill was law when the *Exxon Valdez* oilspill occurred. First, under the bill as written, Alaska State law, which provides for unlimited liability and which extends liability to the owner of the oil in addition to the shipper, would be wiped out by H.R. 1465.

Second, H.R. 1465 would eliminate State court jurisdiction. The State of Alaska has filed suit in Anchorage, and yet H.R. 1465 would limit jurisdiction to Federal courts, with no guarantee that the suit would be heard in the State of Alaska. I think it is important to understand that. It is important to understand that if we pass this bill without the Studds-Miller amendment, we are in fact lessening the liability on Exxon and other potential polluters than we are under current law.

It cannot be the policy of this Congress when we are done with the consideration of this oilspill liability bill to provide for weaker sanctions against polluters than we have in current law, and that is what will happen if we pass the bill without the provisions of the Studds-Miller amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. HAMMERSCHMIDT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from California [Mr. MILLER].

The compromise bill was developed after careful discussions involving the leadership of the committees of jurisdiction. During those discussions, we realized that the preemption issue was one that we would be unable to come to agreement on and that it would have to be decided ultimately by this body. Therefore, it comes as no surprise that we are going to be debating the issue today.

However, I had thought that the issue of concern centered around whether State liability laws should be preempted. That is not the only issue presented by this amendment. This amendment goes much further. It would remove provisions in the bill addressing the need for a uniform system of financial responsibility.

The system of liability and compensation in the bill is intended to be comprehensive and definitive. It is intended to allow for quick and complete payment of reasonable claims without resort to cumbersome litigation. A key feature of the bill is Federal preemption of State laws on liability. Without such preemption, we would return to a patchwork of overlapping and conflicting laws which may actually impede prompt payment of justifiable claims.

It is important to keep in mind that the bill provides for a strong State role in dealing with oilspills. States would participate in developing contingency plans which establish the basic framework for oilspill response. The States' right to establish safety or environmental requirements that go beyond the Federal requirements are preserved. States are entitled to direct access of up to $250,000 from the Federal fund to pay for State cleanup costs in the event of a spill. State authority to legislate on personal injury, wrongful death and workman's compensation is preserved, as well as the authority to impose civil and criminal penalties in the event of a spill.

State trust funds, even those financed through taxes on the same industries that pay into the new Federal fund, are protected. Finally, the Coast Guard would be required to consult with the State concerning the adequacy of any cleanup effort.

Therefore, anyone who says that the bill takes away the right of the State to ensure that its citizens are fully protected is engaging in a gross mischaracterization of the bill. The only thing a State is not entitled to do is to undermine the shared system for compete liability for all cleanup costs and damages that is established under the bill. This is not too much to give up in order to receive the considerable benefits of an effective and unlimited Federal fund.

The gentleman's amendment goes beyond the issue of preempting State liability laws. It would also eliminate the bill's provisions calling for a uniform system of financial responsibility, so important to an orderly flow of commerce. It would also allow for litigation of claims brought under the federal system of liability, seeking compensation from the Federal fund, in State rather than Federal courts.

Finally, it would perpetuate the nightmare situation we had hoped to prevent—one in which Federal response officials are handcuffed by a series of what might be conflicting State requirements at a time when decisive action is essential.

I certainly have no objection to allowing the States whatever freedom is necessary to go beyond the Federal cleanup effort, but they should do so under the authorities which this bill allows them to exercise rather than second guessing the Coast Guard. If we have learned anything from the response to the *Exxon Valdez* spill, it is that when a disastrous spill occurs you have to have one person in charge with one set of rules to follow.

Mr. Chairman, I had hoped that we could debate these complex issues separately rather than having them all lumped together. Each of the five separate aspects of this amendment deserve careful consideration and analysis. Therefore, I intend to support a series of substitute and perfecting amendments which will help to focus the debate on these issues. I urge my colleagues to carefully weigh the arguments on their own merits. Don't be stampeded into a vote on this amendment without understanding that a great more than States' rights is at stake. I am convinced that if you examine each of these issues carefully, you will agree that the bill's approach is reasonable and in the best interest of the country. I urge you to reject the en bloc amendment.

□ 1250

Mr. Chairman. I reserve the balance of my time.

Mr. MILLER of California. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Chairman, I want to thank the gentleman from California for managing to be here on the floor when the surprise came and we avoided a vote on the preceding bill. Many Members were rushing over I believe, and the gentleman has offered the amendment on behalf of himself and myself, the gentleman from Florida [Mr. Goss], the gentlewoman from Rhode Island [Ms. SCHNEIDER], and a legion of other Members from both parties in the House.

Mr. Chairman, this amendment is the so-called preemption amendment. I offer it on behalf of myself, the gentleman from California [Mr. MILLER], the gentleman from Florida [Mr. Goss], the gentlewoman from Rhode Island [Ms. SCHNEIDER], and a legion of other Members from both parties in this House. It addresses a subject that has blocked passage of Federal oilspill liability legislation for 14 years. And from the point of view of the environment and States' rights, it is the most important amendment we will consider today.

Simply put, this amendment would protect the right of States to enact and enforce their own oil pollution laws, and it would require that oilspills be cleaned up in accordance not only with Federal, but with applicable State law.

The bill before us would preempt the laws of 19 States that impose unlimited liability for oilspills.

It would preempt the right of all 50 States to set higher standards of liability or more complete standards of compensation than those included in the Federal system.

It would, according to Alaska's attorney general, wipe out all or part of nine separate environmental protection statutes enacted by that State's legislature.

It would deny the right of any State to go to its own courts to force a spiller to clean up an oilspill; or to detain an oil tanker as security for damages; or to impose insurance requirements on oil tankers and barges; or even to collect civil penalties assessed against someone who has spilled oil into the waters of that State.

The preemptive language of this bill violates a longstanding tradition that Federal environmental laws should not preempt State laws and it does so on precisely the wrong issue at precisely the wrong time.

We did not preempt State laws in the Clean Air Act or the Clean Water Act or the Superfund law or the Trans-Alaska Pipeline Act or the OCS Lands Act or the Deepwater Ports Act or any other statute related to the production, transportation, or regulation of oil. Why now?

Why now, after the fiasco in Prince William Sound, should we be telling Governors, State legislatures, and the public that the Federal Government always knows best; that only the Federal Government and the spiller should decide when an oilspill cleanup is complete; that coastal communities and beachfront property owners and fishermen have no need—and should have no right—to hold the oil industry to a higher standard; that they have no right to do everything they can to protect themselves, their homes, their beaches, and their environment?

Why now?

I say, not now. Not ever.

Let us protect, now subvert, States' rights. Let us learn, not ignore, the lessons of this past year. Let us prevent, not invite, another *Exxon Valdez*.

Now, I have heard some argue that, without preemption, oil barge and tanker businesses will shut down. In fact, I've been hearing that since I first introduced a Federal oilspill bill 14 years ago. And throughout those 14 years, we've had no preemption. Throughout those 14 years, States from Maine to Florida to Alaska have had unlimited oilspill liability laws. And throughout those 14 years, the oil transportation industry has done just fine.

I've also heard that preemption is designed to help not the polluters, but the victims of oilspills.

Well, think about it. Are the potential victims of oilspills lobbying for preemption? Have you had fishermen calling you every night to ask you to preempt States rights? Is it because the average American wants preemption that the only newspaper in America on record against this amendment is the Wall Street Journal?

Make no mistake; when it comes to State preemption and the oil industry, the battle lines are clearly drawn.

Between those who are hurt by oilspills and those who cause them.

Between the public's interest and a narrow private interest.

Between the average citizen and big oil.

And between those who will support this amendment and those who will oppose it.

On that note, let me just mention that among those who support this amendment are the National Governors Association, the Coastal States Organization, the National Association of Attorneys General and virtually every major environmental, fisheries and conservation group in this country.

Passage of this amendment will mean the difference between a strong environmental bill and one that is not so strong; between an effective response to the *Exxon Valdez* spill and one that is not so effective; between an approach to the issue of States

rights that is correct; and one that is dead wrong.

So remember, when the time comes to vote on this amendment. "Yes" is pro-environment. "Yes" is pro-States' rights. "Yes" is protection for the people of your district and your State.

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I am happy to yield to the gentleman from Michigan.

□ 1300

Mr. DAVIS. As the gentleman knows, there are a couple of things in his amendments I thought ought to be changed and there will be a subsequent amendment or two that will probably be offered to try to make some corrections of what I think are legitimate concerns.

The one question I have is, in effect, about the Governor's right to veto what happens and whether or not cleanup is finished. I guess I am concerned about the constitutionality of saying that the President in this bill has the authority to decide who is going to be in charge from the Federal level, and we all know that is going to be the Coast Guard, and yet one of the sections in the gentleman's bill says even if this person makes the decision that he considers the cleanup sufficient, that then the Governor would have the right to say, "Well, we are not satisfied." And I would guess that that is something that may happen.

Mr. STUDDS. Let me respond to the gentleman's concern if I may.

Mr. DAVIS. OK. I am just concerned about the constitutionality of that.

Mr. STUDDS. I understand the gentleman's concern, but let me say to him it is misplaced.

Under our amendment the Governor of a State would not be put in control of, nor given, the decision about any Federal authority of Federal officials, of the Coast Guard or anybody else. The President and the President alone makes those decisions and determines when, for Federal purposes, the cleanup is complete; when people under his jurisdiction and his command are finished.

What our amendment would do, however, is say that a Governor, acting under applicable State law, if in his or her judgment the State law had not been complied with, could still have access to the Federal fund for further cleanup required by applicable State law.

Under no circumstances would it raise questions with respect to the constitutional command authorities of the President.

Mr. Chairman, let me ask the gentleman from California [Mr. MILLER] about the use of his time.

Mr. MILLER of California. Mr. Chairman, I would just ask that the gentleman seek his own time. We will be under the 5-minute rule and we can go back and forth in the debate. We have a number of requests for time, so I would not yield any further at this time.

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has temporarily expired.

Mr. HAMMERSCHMIDT. Mr. Chairman, how much time remains on each side?

The CHAIRMAN. The gentleman from Arkansas [Mr. HAMMERSCHMIDT] has 25 minutes remaining, and the gentleman from California [Mr. MILLER] has 17 minutes remaining.

Mr. HAMMERSCHMIDT. Mr. Chairman, I ask unanimous consent that the gentleman from Louisiana [Mr. TAUZIN] be allowed to control the balance of the time for the opposition on the Miller amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The CHAIRMAN. The gentleman from Louisiana [Mr. TAUZIN] is recognized for 25 minutes.

Mr. TAUZIN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. SHUMWAY].

Mr. SHUMWAY. Mr. Chairman, I rise in strong opposition to the Studds-Miller en bloc amendment.

This amendment packages four highly controversial and, I believe, highly objectionable amendments. It is not merely an amendment to eliminate Federal preemption of State liability laws. It goes much, much farther.

First, part D of the amendment creates an unworkable situation where there is no one in charge of an oil spill cleanup. The Governor of an affected State has the ability, under this amendment, to order the Coast Guard to continue cleanup operations indefinitely, and what's more, the Governor can get the Federal fund to pay for it indefinitely. This is an outrageous delegation of Federal authority and Federal funds.

If the *Exxon Valdez* disaster demonstrated anything, it's that one entity needs to be in charge of response and cleanup—and for Federal cleanup efforts, it should be the Coast Guard. This bill mandates that the Coast Guard is in charge of cleanups, but this amendment undercuts the Coast Guard by giving State Governors veto authority over Coast Guard decisions and it allows States to spend Federal funds without limit.

Second, the amendment eliminates the provision that a State's requirement for evidence of financial responsibility conform with the Federal requirements. This is totally impracticable in the real world.

Oil transportation is a matter of interstate commerce, and requiring a tanker operator to have a different certificate of financial responsibility is absurd.

The Federal requirements with regard to financial responsibility already in the bill are more than adequate. If a Member believes them to be inadequate, he or she could offer an amendment to raise them. But this amendment doesn't do that—it lets each State require its own level of financial responsibility. This is a matter of interstate commerce regulation, and properly it is the Federal Government which should regulate these requirements.

And finally, I strongly oppose parts A and C of this amendment which eliminate the Federal preemption of State liability laws.

The House has been considering oilspill liability and compensation legislation for 14 years, and never once has this body passed an oilspill bill which does not have the preemption provision in it. In fact, the House has defeated efforts in the past—such as this—to eliminate preemption. And we should defeat this effort again today.

When dealing with Federal oilspill legislation, preemption is not a dirty word as proponents of the Studds-Miller amendment would have you believe. Quite the contrary, it is the very heart and soul of a truly comprehensive oil liability system.

Voting for Studds-Miller will not help protect the environment in any way. It will only exacerbate the present problem where we have one Federal system and 30 different State liability systems.

While proponents of the Studds-Miller amendment try and make their proposal sound like a State's rights issue, it will really only create an impossibly confusing system. The real effects of Studds-Miller will be: to increase litigation; to delay compensation to parties damaged by an oilspill; and to actually pose greater risk to the environment by increasing the delay and confusion in oilspill response, and by forcing responsible oil transporters out of the business only to be replaced by foreign-owned shell companies.

If you want a comprehensive system that provides clear-cut authority to the Coast Guard for immediate cleanup response, vote against Studds-Miller.

If you want a comprehensive system that eliminates the existing patchwork system of confusing Federal and State laws—a system that only results in delays in response and compensation to victims—vote against Studds-Miller.

If you want a system which won't drive the responsible, safe oil transporters out of business—only to be replaced with one-vessel companies owned by foreign countries and manned with foreign crews—vote against Studds-Miller.

Retain the House's long-held and principled position. Defeat Studds-Miller so that we can pass a truly comprehensive bill that addresses the overriding concerns of all affected.

It also should be made clear that this amendment will allow responsible parties to recover damage and removal costs imposed by a State above and beyond the Federal limit.

Section 1008 clearly says that any removal costs or damages above the appropriate Federal limit of liability is reimbursable to the responsible party from the Federal fund—provided it's not a spill resulting from gross negligence or willful misconduct.

This means that under the terms of the bill as amended by Studds-Miller, if a spiller is liable under State law for, say, $20 million worth of removal costs and damages, and the Federal limit of liability is, say, $15 million, the responsible party can recover the $5 million difference from the Federal fund—again, provided the spill is not the result of gross negligence or willful misconduct.

Mr. MILLER of California. Mr. Chairman, I yield 1½ minutes to the gentleman from Connecticut, [Mr. ROWLAND].

Mr. ROWLAND of Connecticut. Mr. Chairman I thank the gentleman for yielding time to me.

Mr. Chairman, I rise today in strong support of H.R. 1465 and the Miller amendment. My home State of Connecticut has seen more than its share of oilspills during the past decade. In fact, from 1984-1986, there were 210 incidents in Connecticut in which oil was spilled—a total amount of over 24,000 gallons of oil. While this number pales in comparison to the *Exxon Valdez* spill, it underscores the national scope of this critical situation.

However, in conjunction with my strong support for this bill, I also unconditionally support States' rights to provide for their own liability and compensation laws. I believe that States like Connecticut which have persevered in achieving strong oil spill liability laws should not be forced to lower their standards. Connecticut is one of 28 States which would be preempted by H.R. 1465 as it currently stands. And of these, Connecticut is one of 19 which impose unlimited liability for oil pollution cleanup costs and damages. Additionally, Connecticut has well-defined civil and criminal penalties in place.

While I applaud the efforts which have created this strong Federal bill, I nevertheless believe that it is essential to allow those States which have done their homework to retain their good marks. H.R. 1465, along with the Miller/Studds amendment, will ensure that cleanups of any oilspills which occur will meet both State and Federal standards. It will also enable Connecticut and many other States the opportunity to preserve its precious waterways and coastline in the most comprehensive manner possible.

Mr. TAUZIN. Mr. Chairman, I yield 3 minutes to the illustrious chairman of the Committee on Merchant Marine and Fisheries, the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Chairman, I thank the gentleman from Louisiana for yielding time to me.

Mr. Chairman, I oppose the current amendment.

Our bill preserves many rights for the various States. But our bill is based on the principle of a national, uniform comprehensive oilspill system. It will undermine that principle if the States also have their own individual liability laws.

Some people say that the State laws with unlimited liability for spillers will serve to prevent future spills. This is a silly argument. There are existing State laws with unlimited liability, and they sure did not prevent the spills we saw this summer.

Most State liability laws look good on the surface but don't deliver in the clutch. What good is a State law with unlimited liability if it merely allows an injured claimant to spend months and years in a lawsuit and pay large fees to attorneys to assert a claim? In one famous oilspill involving the *Amoco Cadiz*, the lawsuits have dragged on for almost a dozen years and no claimant has gotten a penny yet. You can bet that the lawsuits in Alaska resulting from the *Exxon Valdez* spill will take years before they are resolved.

Our bill provides a better deal for claimants. The Federal law establishes extremely generous terms of liability and then offers a system where claimants can get compensated swiftly without the hassle of lawsuits. They file for and collect compensation from the Federal fund. The fund turns around to sue the spiller for reimbursement.

The State laws promise a lot, but fail to deliver. You can bet they will never have compensation funds of the size we establish. The average citizen who is a victim of an oilspill will be much better off with the combination of a single Federal liability standard and a massive compensation fund which avoids the pitfalls of lawsuits.

□ 1310

Mr. MILLER of California. Mr. Chairman, I yield 2 minutes to the gentlewoman from Rhode Island [Ms. SCHNEIDER].

Ms. SCHNEIDER. Mr. Chairman, I rise in support of the amendment offered by myself, and my colleagues, GERRY STUDDS, GEORGE MILLER, and PORTER GOSS.

This body has been considering a comprehensive oilspill bill for over a decade, and the issue of preemption always seems to be the last and greatest hurdle. This year we must clear that hurdle, and we must pass a bill which does not preempt State law.

Congress has traditionally passed environmental legislation which allows States to enact their own laws which are stricter than the Federal standard. This precedent has been set with laws such as the Clean Water Act, the Outer Continental Shelf Lands Act, and Superfund. H.R. 1465, as written, sets unnecessary limits on the ability of States to set their own tough standards and to ensure adequate compensation for their citizens. In fact, the four existing Federal statutes which govern oilspill liability specifically recognize the right of States to protect their own interests with stricter laws.

Opponents of this amendment, those who support preemption, argue that without preemption it will be impossible for shippers to obtain insurance. But I would like to know why this has not happened before? Current Federal oilspill laws do not preempt State law—28 States have their own laws and regulations relating to oilspills, and 19 of these States have unlimited liability for oilspills.

An example of what this amendment would accomplish can be illustrated by the case of Exxon in Alaska. Had H.R. 1465 been law without this amendment, Exxon would have been much better off, and the citizens and natural resources of Alaska, as well as the taxpayers across the United States, would have been much worse off. The State of Alaska's oilspill laws do not cap a company's liability, but this bill would do just that. In fact Exxon would have had no legal obligation to expend more than $115 million. Under Alaska's law they have already been required to spend over $2 billion to clean up their mess. Had the State's law been preempted the American taxpayers would have had to cover $2 billion in expenses for Exxon. Is this the system we want?

We have been waiting for 14 years to enact this legislation. This time Congress must act and should no longer allow the issue of preemption to cause us to come away empty handed. I urge my colleagues to support this amendment, which will make H.R. 1465 a much stronger bill, and will lead to its enactment this year.

Mr. TAUZIN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. LENT].

Mr. LENT. Mr. Chairman, I rise in strong opposition to this amendment.

If I understand the gentleman's amendment correctly, it would provide that even with the Federal Oilspill Liability Program, we would continue to have separate State liability programs equally in effect. Preemption is not a new issue for the Congress to consider.

Both sponsors of this amendment have pointed to preemption in the Clean Air Act; the Clean Water Act, Superfund, and other Federal laws. This is an over simplification. It is important for the Members to realize that, in this case, we are creating for the first time a guaranteed compensation regime for victims of an environmental catastrophe. That is a significant distinction from these other previous programs.

I would also point out that while the Clean Air Act, for example, does not preempt State law in some situations, it does preempt State law with regard to the regulation of emissions from aircraft moving within the United States. The Clean Air Act also preempts State laws with regard to regulating emissions from motor vehicles. The lesson of these other statutes is there ought not be preemption in the care of moving vessels.

Mr. Chairman, it is very important for the Members to understand that H.R. 1465 involves the movement of vessels—whether they be oil tankers operating on the Atlantic seaboard, or tugs and barges going up and down the Mississippi River. They are in interstate commerce and move from one State to another.

To focus on the Superfund Program for a minute, while it does not preempt State law with respect to fixed sites, it does, however, preempt State law concerning a vessel owner's ability for release of a hazardous substance.

I hope my colleagues will focus on the fact that, if the Studds amendment is adopted, there is a very real possibility that many existing operators involved in the transportation of petroleum products may decide that, because of the multitude of State liability requirements, it is simply not worth the legal risks. That may well be the desired result from some people, but I hope the Members understand some of their constituents might have a real problem when their home heating oil all of a sudden disappears. I hope my colleagues realize that this is not just some fanciful notion that I am talking about.

I am firmly convinced that, if we end up with a Federal liability program in place and on top of that additional State liability regimes, energy costs for consumers will skyrocket—in part because of higher insurance rates. Interstate and foreign commerce in oil and petroleum products will be severely disrupted and many responsible shippers will be driven out of business. Another thing to note is that it would almost guarantee that any future oilspill will result in confusion among the various jurisdictions asserting jurisdiction coupled with a flood of law suits.

Mr. Chairman, as the ranking member of the Merchant Marine Subcommittee, I want to point out that the U.S. Navy is greatly concerned about the Studds amendment. They believe that it will cause the American owners of foreign-flag tankers to sell all their tankers rather than face the uncertain liability and financial risks that the amendment would result in. The Navy says that the loss of these tankers will cause irreparable harm to the national security by weakening the ability of the United States to implement its forward defense strategy and to maintain our needed military sealift capability.

The last point that I hope my colleagues will consider is the fact that the objective of the single Federal program is to eliminate the need for those who suffer damage from an oilspill to resort to litigation before any compensation is paid. When an oilspill occurs, we should have a system that will provide an immediate response. When a spill takes away the livelihood of individuals, as it did in Alaska last spring, we should have a system that will provide for immediate financial security. Injured citizens should not have to go to court to obtain relief.

Most importantly from the standpoint of national policy—which is what we should be concerned with in this body—we should set up a system that would minimize the costs and delays and difficulties for individual citizens and, at the same time, not disrupt our Nation's commerce and economy. And that, Mr. Chairman, is what H.R. 1465 is all about.

I urge my colleagues to defeat this amendment because it is a bad idea and it is most assuredly bad public policy.

Mr. MILLER of California. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. KANJORSKI. Mr. Chairman, I rise in strong favor and support of the amendments offered by my colleagues, the gentleman from California [Mr. MILLER] and the gentleman from Massachusetts [Mr. STUDDS], to H.R. 1465, the Oil Pollution, Prevention, Response, Liability, and Compensation Act of 1989.

Having recently seen for myself the pristine beauty of the Alaskan environment, as well as the damage caused by man's negligence, I urge my colleagues to support the legislation that will best protect our lands, our waters, and our wildlife.

It is clear to me that in this case, the legislative alternative that offers the most security is the amendment offered by Congressmen STUDDS and MILLER. States must be able to exercise their basic rights to protect the health of their citizens and natural resources. I have been contacted by both Governor Casey of Pennsylvania as well as Governor Cowper of Alaska urging me to protect the preeminence of State laws.

As a lifelong resident of northeastern Pennsylvania, I am familiar with damage to the environment that is caused by man's pursuits in the industrial revolution. For nearly 100 years, our resources were extracted from the Earth with little or no regard for the land. We did not recognize then the unfortunate repercussions which were to be with us for years to come.

We do, however, know better now. Not only do we now realize the extent of the injury that can be done to our land, rivers, oceans, seas, and air, but we also have the technology to prevent it. This technology, however, must be in place and it must be strictly enforced.

I firmly believe that the only way to achieve this is through tough, sensible laws. The Miller-Studds amendment offers the strictest guidance of all the possibilities being considered today. I urge my colleagues to support the amendment.

Mr. MILLER of California. Mr. Chairman, I yield 1 minute to the gentleman from Maine [Mr. BRENNAN].

Mr. BRENNAN. Mr. Chairman, I rise today to express my strong support for the most stringent oilspill legislation possible. The best legislation is that which will give the States the right to set their own liability standards. I therefore urge my colleagues to vote for the Miller-Studds amendment to this bill.

I would like to take a moment to thank the chairman of the Merchant Marine and Fisheries Committee, Mr. JONES, for his effective management of this bill in the Merchant Marine Committee. I would also like to thank Mr. STUDDS for his hard and diligent work on this issue, and commend the House leadership, including the chairman of the Public Works and Science and Technology Committees, for their work in bringing this bill to the floor today.

As we know, this bill contains three sections: Prevention, response, and liability. I strongly support the prevention and response portions of this legislation. Clearly the best and cheapest way to approach this problem is to prevent oilspills in the first place. By revising licensing standards and improving vehicle traffic systems we go a long way toward reaching that goal.

Should the worst happen, the bill contains provisions which create seven continually manned response teams, and which require the development of oilspill contingency plans so that the miscommunication and delay we saw during the *Exxon Valdez* cleanup will not be repeated.

But despite the best efforts of Congress we must face one fact squarely: The *Exxon Valdez* could happen again, and it could happen anywhere. Then the question becomes: Who pays? Mr. Chairman, I believe that in the Gulf

of Maine the State of Maine should answer this critical question.

The Miller-Studds amendment simply gives each State the right to enact requirements stronger than the Federal standard. This concept has been written into some of the most significant environmental legislation of Congress, including the Clean Air Act and the Clean Water Act. This principle is fair and proper: After all, who knows more about what is right for the State than its own people?

Those who favor Federal preemption argue that oil transporters will find it easier to deal with a single standard; that a single standard will guarantee quicker compensation for those damaged by a spill; and that if shippers are subject to stringent State liability standards they will be unable to

I do not believe it is our task to make life simple for the oil industry. It is our job to ensure that spills do not happen. If they do, we must make sure that those responsible clean up their own mess. If that means making life more complicated for the industry, so be it.

Shippers argue that if they have to deal with claims arising in different States, compensation to the victims of a spill will be delayed. In other words, giant companies argue that preemption is necessary in order to protect the little guy, the independent fisherman, lobsterman, or hotel owner. I find this argument difficult to swallow.

Finally, under the current system shippers are subject to a wide variety of State laws; the majority of U.S. tanker traffic passes through the waters of Alaska, a State which has wisely taken the position that "The polluter pays." And yet these shippers have all obtained insurance. I find it difficult to accept the argument that if we maintain the current liability system these same shippers will be unable to find insurance.

If we had passed this law 2 years ago, Exxon's liability would have been limited to $114 million—$114 million out of $2 billion—because Alaska's stricter laws would have been preempted. We maintain that we have learned from the *Exxon Valdez* disaster. Yet if we pass this bill with Federal preemption, we have learned nothing. We will have sent a clear signal to shippers: We will have told them that they do not have to pay for their mistakes. And we will have told our constituents that we preferred to make life simple for the oil companies rather than protect our own coasts.

If the price to pay for clean coasts, for healthy fisheries, for unspoiled nature, is a little complication for companies which have spilled oil, that is a small price to pay. I would not care to explain to the residents of Maine that someone responsible for a major spill off our shores might not have to foot the bill for the clean up.

Mr. Chairman, I urge my colleagues to vote for the Miller-Studds amendment, and for the amended bill.

□ 1320

Mr. TAUZIN. Mr. Chairman, may I inquire as to how much time each side has?

The CHAIRMAN. The gentleman from Louisiana [Mr. TAUZIN] has 14 minutes remaining, and the gentleman from California [Mr. MILLER] has 12½ minutes remaining.

Mr. TAUZIN. Mr. Chairman, I yield 5 minutes to the gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Chairman, the vote on this particular amendment offered by Messrs. STUDDS and MILLER is a close call, a very close call. There are positive elements, things I like about the amendment. There are negative elements, things that I find less attractive about the amendment.

I believe a relevant question for Members to ask themselves is if this amendment would be defeated, what are we left with?

What we are left with is a bill that is still much stronger, a much better bill, than the oilspill bill that passed the 98th Congress, that passed the 99th Congress, that passed the 100th Congress. We are left with a bill which creates a much bigger cleanup fund, a much bigger liability fund, than was ever envisioned before.

In fact, in the past we have talked about a fund capped at $500 million. We have today in this bill before us a cap that frankly does not exist. It could be 1, 2, 3, or more billions of dollars. Moreover, we have before us today a measure that requires the oil companies, the shippers, if you will, to pay literally four times as much as they previously would have been required to pay into the oilspill trust fund under this bill.

We also raise by two to three times the liability limits for shippers than did exist under our previous oilspill bills. These liability limits are even higher higher than those in the Senate bill.

We also have added better provisions with regard to cleanup response time, provisions dealing with contingency plans, drills, strike teams, and the list goes on.

In short, this is a much better bill than we have passed in this House many times in previous years.

Think of several relevant questions we may want to ask ourselves. Say you have a Governor or State that is dissatisfied with the extent of the cleanup being performed by the Federal fund. What alternatives does that Governor have?

First of all, our legislation says that the Federal Government must consult with the Governor of the State to ensure the State has input as to whether or not the cleanup is adequate.

Second, we know as a practical matter that a State's congressional delegation on the House and Senate side is going to be leaning on the relevant Federal agencies to ensure the cleanup is adequate.

What if a Governor is not satisfied with the thoroughness of the cleanup? What alternative does the State have?

Under previous oilspill laws we have passed in the House, we said States could not create their own oilspill cleanup fund. We preempted those.

This legislation permits a State to have, maintain, create, with no cap, its own cleanup fund. To the extent a Governor or State is dissatisfied with the adequacy of the Federal cleanup, they may proceed with their own funds.

My amendment, adopted in committee, permits that to happen.

The second questions Members may want to consider here is do we want to create a Federal fund that gives any State or any Governor, whether our own or some other, a blank check or a veto over the use of the funds from this Federal liability fund?

I do not think so. We give them here the option of having their own fund. If they are not satisfied with the extent of a federally funded cleanup, they now use the State's fund to complete what they believe might be required.

Does this bill enable persons that are damaged to be compensated? Yes. The legislation spells out clearly the number of steps that can be taken. If I am damaged, if my business is damaged, if my property is damaged, if my ability to earn income is damaged, or that of any other citizen, they have a remedy and they have a source, first to go to the shipper, the owner of the ship. If they are not satisifed there, they go to the Federal fund within 90 days.

There is perhaps one more consideration. That is should there be limits on liability? Others have spoken on this. Let me say where gross negligence is the case, where there is willful misconduct, there is no limit on liability in this bill. Where there is simple negligence, where there is human error involved, there is a limit on liability. In the case of a large tanker, that company owning that tanker would be subject to out of pocket expenses to $150 million if simple negligence is involved. After that point, the fund itself would take over to pay additional claims and damages.

Why are we in our legislation saying that States cannot have their own liability limits? Why do we do that?

Let me just say before the Valdez oil spill we frankly had not seen a spill

which created more than maybe $100 million, $200 million worth of damages, pre-Valdez. It was easy to get insurance up to maybe $400 million.

Now we know the damage can be $1 billion, $2 billion, even more billions of dollars.

It was easy to get insurance before. It is not going to be easy to get insurance in the future for unlimited liability. It may be impossible.

We are going to end up, I am afraid, as the gentleman from New York [Mr. LENT] has suggested, with, instead of the responsible shippers carrying the oil, shipping the oil, with fly-by-night operations doing the business, if this well-intentioned amendment is adopted to H.R. 1465.

Mr. MILLER of California. Mr. Chairman, I yield 1 minute to the gentleman from Rhode Island [Mr. MACHTLEY].

Mr. MACHTLEY. Mr. Chairman, today we rise in general support of comprehensive oilspill legislation which comes in the wake of the Valdez spill.

The Valdez spill maybe the worst in history, but it is not the only oilspill. From 1984 to 1986 the Coast Guard tell us there were 20,000 incidents spilling 40 million gallons of oil into the oceans surrounding our continent. This year in my State the *World Protoge* went aground spilling thousands of gallons of oil into Narragansett Bay.

It is time to get tough, using all of our resources, both State and Federal. Right now there are 19 States that have tougher liability standards than the proposed Federal standard.

Keep in mind it is each individual State that is going to be the most affected by oilspills which occur next to a State. For this reason, it makes sense to let each State set its own oilspill liability, reflecting their specific needs and concerns.

A tough response means using all of our strongest resources, both State and Federal. I urge support for the Miller-Studds-Goss-Schneider amendment. It is a vote for a better environment.

Mr. TAUZIN. Mr. Chairman, I yield 3 minutes to my colleague, the gentleman from Louisiana [Mr. HAYES].

Mr. HAYES of Louisiana. Mr. Chairman, the State of Louisiana would probably economically benefit from the Miller-Studds amendment. Unfortunately, the country would not.

If we look at the provincial interests of the State of Louisiana, we could simply say that if we authorized those who ship oil to America and who do so at a volume that is over 50 percent of our national needs now to use the corridors and sealanes that would include the Port of New Orleans, and which is the primary distribution point for shipment to other States, an economic boom would follow.

The consequence, however, is an alteration in price that I do not believe either the American people are prepared to pay or that they recognized does not do one whit toward making tougher environmental standards.

There are States with differing attitudes toward the means by which you measure your liability. There are no States with tougher environmental standards than the bill from the committee and subcommittee of the gentleman from Louisiana and its distinguished chairman.

The point becomes should we confuse environmental standards with the standards of negligence? The answer is one thing that will not confuse anyone is their utility bill. When the gentleman from Massachusetts receives telephone calls from his constituents, when the gentleman from California receives telephone calls from his constituents, the question is going to be how did this happen, and second, is it not in fact still possible for an oilspill to occur? Is it not in fact still possible for an accident to happen?

What we are measuring is the amount of the fund to clean it up, the dedication of the Federal Government to have an unlimited fund to clean it up, and a simple standard by which any company anywhere can measure.

The alternative may be a short-term help for my State, but certainly will not be to the benefit of the country.

Mr. MILLER of California. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. Goss].

Mr. GOSS. Mr. Chairman, I am pleased to join my three colleagues in introducing this amendment. It would correct what most coastal State Governors consider to be the most substantial deficiency in this bill: Preemption of State oilspill funds and laws.

In past votes on other environmental and public safety legislation, we in the House have adhered to the principle of States rights. We have not tried to preempt southern California's attempts to clean its own air, and up to now, we have not tried to preempt States from responding to the portion of the 8,000 oilspills a year that occur within our waters. Every State is special in some way and each State should be able to protect its unique features with reasonable special legislation.

Proponents of preemption claim, however, that by preempting State laws, we would somehow increase our Nation's efficiency in responding to oilspills.

Just this morning I talked with the director of Florida's State oilspill fund, and he related a story to me that should give defenders of preemption pause.

Last week, we had two freighters run aground in the Florida straits, and one of these slammed into a coral reef that is part of a national marine sanctuary. As Florida waited nervously, two Federal agencies failed to respond while they argued—over whose responsibility it is to respond to potential oilspills in national parks and national marine sanctuaries. If not for prompt action by our Governor, that freighter might have broken up, spilling thousands of gallons of oil and, appropriately, fertilizer, onto our Nation's last living coral reef.

I am told that occasionally, the Coast Guard is unable to respond to oilspills in Florida's inland waters because they are not considered "sufficiently critical." At other times, Federal oilspill cleanups on Florida beaches have ended prematurely, even though Florida businesses depend heavily on the cleanliness and beauty of our beaches and waters. The 6-month cleanup time forecast by the Federal Government for the Valdez oilspill is too long. Six months is a lifetime in the Florida tourist industry.

My intention is not to criticize the Coast Guard: We give them too much to do, and not enough funds to do it with. Moreover, they do an excellent job with what they have.

However, it is not good policy to put all our eggs in the Federal Government basket. It is not good policy to assume that the farsighted oilspill bill we pass today will necessarily foresee something that could occur in 20 years. We didn't restrict State flexibility and State innovation with the Clean Air Act, Superfund, or the Clean Water Act, and we should not start doing it now.

I will pass on an example of how yesterday's visionary legislation can become today's straitjacket. In 1972, Congress passed the Farsighted Marine Mammal Protection Act, which for the first time committed this Nation to protecting marine mammals.

In Florida, however, we have recently discovered that our State aquatic preserves law's language offering dolphins in preserves special protection is apparently preempted by the very law that was originally designed to protect the dolphins. The State isn't happy about this ironic twist, and I don't imagine the dolphins are, either because they are being captured for commercial display and sentenced to life in a small tank, being stared at.

Like its recent record on dolphins, the Federal Government's record on oil in Florida is not good. In the time it took the Federal Government to stop arguing among itself last week, an oilspill might already have reached the everglades, not to mention our mangrove forests, coral reefs, and the pristine white beaches so critical to our economic livelihood and way of life.

We feel very strongly in Florida about protecting our coasts, and we do

not feel comfortable in abdicating our ability to protect them. We are worried, based on past experience, about the possibility of a bureaucrat in Washington serving as the ultimate arbiter on how clean our beaches should be, on whether an oilspill occurred in a sufficiently critical waterway to merit cleanup, on what standard of financial responsibility we have the right to require when a tanker runs aground on our jagged coral reef.

Yes, Mr. Chairman, based on our experience in Florida, we are worried about our State's right to protect itself. And if it can happen to us, it can happen to you in your State, in your district.

Protecting States rights is not going to create a free-for-all assault on oil companies' pocketbooks. Twenty-eight States currently maintain their own, preemption-free, oilspill funds and laws, and yet this has not happened. As the director of my State's oilspill fund told me, the State funds have not played an adversarial role to the Federal funds we have now. Rather, they have played a complementary role.

If oil companies were to lose their liability insurance, if differing standards of financial responsibility were to make shipping traffic impossible, if different State laws were to drive shippers out of business, then this would have already happened under current law. Clearly, it has not.

We are not talking about manufacturing some new antibusiness State right. Rather, we're talking about protecting an existing principle that has worked well for over 200 years.

□ 1330

Mr. TAUZIN. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. FIELDS].

Mr. FIELDS. Mr. Chairman, I rise in strong opposition to this amendment which strikes the State preemption language in H.R. 1465.

Mr. Chairman, for the past 9 years I have strongly supported the creation of a comprehensive Federal oilspill cleanup fund and I have shared the frustration of our inability to move this legislation through the other body and see it enacted.

While the State preemption provision has been an impediment, it is, nevertheless, a critical component of this legislation. Let me tell you why I oppose this amendment.

First, I think it is inappropriate to frame this debate on preemption as whether you are "for" or "against" States' rights.

Rather, the real question is whether you support a truly comprehensive Federal system which will fully compensate victims of an oilspill, or you support the continuation of a patchwork of State laws which are confusing, inadequate, and incapable, in many cases, of fully compensating injured parties or cleaning up the environment.

While the majority leader in the Senate fondly talks about the State of Maine's cleanup fund, and I will grant you that it is one of the more progressive State oilspill laws, what he does not emphasize is that Maine's fund is capped at a mere $4.5 million.

Mr. Chairman, we all know, from the tragic experience of the *Exxon Valdez* that $4.5 million wouldn't begin to compensate those affected by a major oilspill; it wouldn't begin to pay for cleanup costs; and it certainly wouldn't begin to restore damaged natural resources.

Mr. Chairman, what would have happened if you had a tanker spill the size of the *Exxon Valdez*, which wasn't the result of gross negligence, occur off the coasts of Maine, North Carolina, or Texas? Without this comprehensive Federal fund, the State funds would prove wholly inadequate for cleanup, and individuals and businesses would have to spend years trying to receive some, if any, compensation for their injuries.

I think it is time we stop the confusion and costly litigation delays to providing individuals with one Federal fund which they can go to under one set of clearly defined liability laws so that they will receive fair and full compensation in a timely manner.

It is also important to recognize that our State preemption language does not, in any way, prevent States from having or creating oilspill pollution funds. In fact, it will complement those efforts and will allow States to target their more limited resources for such vital activities which the Federal fund is not specifically designed for, such as oilspill equipment purchases, training of personnel, and research and development of oilspill control technologies. Instead of undermining State pollution control efforts, our State preemption language enhances the States' ability to maximize their resources.

Finally, Mr. Chairman, I want to highlight my own State's oil pollution cleanup fund which was established by the Texas Legislature with its enactment of the Coastal Oil and Hazardous Substance Spill Prevention and Control Act of 1975.

This landmark law created the Texas Spill Response Fund whose primary purpose is to cleanup and remove any hazardous substance, including oil, from the Texas coastal environment. This fund, which is capped at $5 million, is not, however, designed to be a primary source of compensation for those who experience financial hardships as a result of an oilspill. In fact, the State law does not provide any assurance that an injured citizen or affected business, like a hotel, will be compensated for their economic losses. By contrast, H.R. 1465, as it is currently written, will provide compensation to all injured parties.

Mr. Chairman, I strongly believe that the citizens of my State should receive the protection and the financial benefits that it offers to those who may suffer from a future oilspill off their shores.

Frankly, Texas and this Nation have waited long enough for this comprehensive Federal fund and if the Senate majority leader or anyone else desires to once again kill this legislation then they will have to answer to the people of this Nation. By passing H.R. 1465, without this amendment, we will be passing a strong oilspill liability and compensation bill, and the American people will know that the House of Representatives has once again done its part to protect us from future oilspills.

Mr. Chairman, let us, as we have for many previous Congresses, retain this preemption provision which will eliminate the present patchwork system which has proven inadequate. This legislation provides the certainty of an unlimited Federal fund where damaged parties can receive full and expeditious compensation.

Mr. Chairman, I urge my colleagues to carefully review this amendment and not to blindly support it because its sponsors have characterized it as a way to punish the oil industry. If you truly want an effective and strong Federal oil pollution cleanup program—then the only vote is a no vote on this ill-conceived amendment.

Mr. MILLER of California. Mr. Chairman, I yield 30 seconds to the gentlewoman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. Mr. Chairman, I rise in strong support of this amendment. This legislation has been 14 years in coming. It is better than it was in 1975, but it is going to be best when we complete the amendment today, including the adoption of the Miller-Studds amendment.

Mr. Chairman, I urge our adoption of this today.

Mr. Chairman, today we have the opportunity to take advantage of the sad lessons that we have learned from recent oilspills and pass legislation that will both improve tanker safety and response capabilities and provide fair compensation to those who are harmed by these environmental disasters. The legislation before us today improves current law in many important ways. In particular, it vastly improves our Nation's ability to prevent and respond effectively to oilspills.

Nevertheless, the bill can—and must—be improved.

First, Federal oilspill legislation should articulate clear goals and standards for cleanup and restoration. It must require that cleanup standards meet the more stringent standards applicable under an affected State's environmental laws as well as minimum Federal standards.

Yet the bill before us today does not meet this requirement. It gives the Federal Government—not States—the authority to determine when the cleanup is complete.

Individual States only have to look to the Valdez spill to see the ineffectiveness of the Federal Government in dealing with oilspills. Despite touting himself as the "environmental President," George Bush has failed to show any leadership on the most severe environmental disaster in this decade. His administration has taken no steps to bring Exxon to court and hold it liable for the damage it has caused. And now, Exxon has packed its bags with no promise of returning and no protest by the President.

How clean is clean, and should States have a say in this decision? Or must they settle for what the Federal Government tells them is clean? I gathered these oiled rocks from a beach in Alaska that had been certified as clean. I urge my colleagues to look at it. Then I ask that you support the Miller-Studds amendment to require that cleanups be consistent with State laws and cleanup standards.

My second concern is that this bill would also preempt State liability laws. In the State of Washington and many other coastal States, there are very tough liability laws to help ensure that the industry exercises the highest standard of care and not be let off the hook in the case of an accident. No one argues that we need a comprehensive system regarding oilspills. But, why now after recent oilspills expose the shortcomings of Federal oilspill response capabilities, should we deprive State Governments of the right to protect their citizens?

The single Federal standard of liability estability established by this bill is certainly a necessary minimum. This is the same approach taken in the Clean Air Act, the Clean Water Act, the Superfund law, and even the four existing Federal oilspill laws that we are attempting to consolidate here today. None of these Federal laws, however, preempts the States' authority to impose stricter standards. Federal law does not prohibit the States from requiring cleaner water, cleaner air, or safer hazardous waste disposal. Why should policy be different for oil pollution?

Mr. Chairman, I have not heard a satisfactory answer to this question, and I would therefore urge my colleagues to support the Miller-Studds amendment which preserves the basic rights of States to protect their citizens and their environments.

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I realize that when we debate on the floor sometimes we exaggerate. Sometimes we are given to some hyperbole. The fact of the matter is I think we can agree on one thing. This bill, this massive comprehensive oilspill liability response bill, is superbly improved over every other version that has come before this House. It has an unlimited Federal fund upon which victims may be compensated and natural resource damages may be restored. This unlimited fund will be paid for by the oil and gas companies who move oil and gas products and other refined products through our waters.

Second, this bill does not do what other bills did in terms of preemption. It does not say to States that they cannot have their own State fund. They can. It does not say to States that they cannot tax the oil and gas companies, too, if they want to. They can. It does not say to States that they cannot clean up even further than this bill may have cleaned up if they think further cleanup is necessary, and they can keep taxing the oil companies until they clean it up as satisfactorily as they want. It allows the States that full range. It does not say to States they cannot fine to the brink, if they want, someone who has violated their environmental rights by polluting their environment.

Mr. Chairman, it does not do any of those things. It preserves all those rights for the States.

Mr. Chairman, it simply does one thing which the Miller-Studds amendment wants to undo, and that is sets up a comprehensive Federal system for liability. Without a comprehensive system for Federal liability, this is what we get: We get a bunch of State laws, each of which may be different, establishing rights of claimants to the Federal fund.

Now imagine a spill that is spilled along the coast that affects two States. In one State citizens are allowed to sue for all kinds of exotic claims. In another State they are allowed to sue for the same things, the basic claims that are provided in this Federal regime.

What happens to the equity in the relationship between citizens in this Nation under this Federal regime? It is gone. What happens to the fund when one State can in fact rape it by providing all kinds of exotic liability schemes to take money out of the fund for its citizens when the fund might not then be available for spills that occur in other States where other citizens need protection?

Listen. I come from Louisiana. We believe in States rights; my colleagues know that. I am telling my colleagues that this is not a States rights issue. This is not even a preemption issue in the real sense that we have debated preemption. We give the States all its rights, establish its own fund, tax to the limit, if it wants to. We simply say that citizens in one State are entitled to the same liability claims that citizens in another State are entitled to, and that ought to be preserved on this floor. The Miller-Studds amendment destroys that basic right of one citizen to the same treatment in one State that he might receive in another.

Second, the Miller-Studds amendment goes further. It says that any State can declare when it wants to when the Federal funds should be spent in a cleanup. Now we preserved for the right of the State to clean up as far as it wants to within its own fund, but we say that our Federal officials in charge, our Coast Guard Commandant, makes the decision in consultation with the State when our Federal fund is used up. To do what the Miller-Studds amendments wants us to do is to give to the States, whichever State is involved, the right to rip that fund up again and make it unavailable for other citizens because it determines when the fund stops paying out in that State.

Now, look. We have never done that in other systems. We do not allow States to come to the HUD agency, for example, and take all the money out it wants to the detriment of other States who need housing funds. We do not allow them to come to the Transportation Department and build all the roads they want in one State to the detriment of other citizens in other States.

We set up a Federal system, and we share it. We make sure citizens are treated the same in one State to the next. That is what our bill does. To adopt the Miller-Studds amendment is to destroy that comprehensive system.

Finally, let me make one final point. Our bill provides for an insurance program for America. It states to people that are going to be transporting the oil. "You have a deductible, you have a liability. If you're not grossly negligent, you're protected by that liability limit, and beyond that you almost put into an insurance fund for America."

Mr. Chairman, it is an insurance policy. What the Miller-Studds amendment says is, "Forget about your deductible limit, folks. When you buy this insurance policy, you still have to keep paying forever, regardless of the insurance policy limits. If the State wants you to pay forever into this fund, you have to pay forever."

This bill is awfully well crafted. The Miller-Studds amendment destroys its basic comprehensive integrity and its equity relationships with citizens from State to State.

I urge my colleagues to think about it. I may not change any of my colleagues' minds, but I hope I could. I may not because I know the environmentalist community has said to my colleagues, "This preemption thing is a tough vote for you."

□ 1340

But think about it for a second, think about it for just a minute. If what you do by adopting the Miller-Studds amendment is to destroy the integrity of this bill, what have we accomplished?

AMENDMENT OFFERED BY MR. TAUZIN TO THE AMENDMENTS EN BLOC OFFERED BY MR. MILLER OF CALIFORNIA

Mr. TAUZIN. Mr. Chairman, I offer a perfecting amendment to the amendments.

The Clerk read as follows:

Amendment offered by Mr. TAUZIN to the amendments en bloc offered by Mr. MILLER of California: Strike subsection (b) and insert in lieu thereof the following:

"(b) On Page 53, line 13, insert after the period, the following sentence:

"Nothing in this Act shall affect the ability of a State to require an owner or operator of an onshore facility located within the State to establish or maintain evidence of financial responsibility."

Mr. TAUZIN. Mr. Chairman, this perfecting amendment would strike subsection (b) of the Miller-Studds amendment. Subsection (b) in effect to the Miller-Studds amendment allows each State of the Nation to make a separate requirement of financial responsibility upon those vessels, those barges, those tankers, or ships which may come through the State's boundaries, its river systems and its harbors.

Now, at first blush you say, well, why should not the States be able to require separate responsibility requirements upon those shippers who pass through its borders?

Well, while that may seem like a good idea to some, think about what you are doing. What you are saying, for example, to the inland barge industry that when it moves an oil barge up or down the Mississippi River or through any of the river systems of America, that as it crosses State boundaries it can then be required by each State it passes through to have separate requirements for financial responsibility as it goes through.

In connection with the main thrust of the Miller-Studds amendment then, that barge operator becomes liable, has perhaps unlimited liability and each one of the States it passes through and is required to submit to that State its own financial responsibility requirement.

The gentleman from New York [Mr. LENT] made a point earlier that I want to rememphasize, and the gentleman from Louisiana [Mr. HAYES] made a point that perhaps I should reemphasize, too. If what you want to do is raise the cost dramatically of shipping oil refined products through America by allowing each State this extraordinary right to impose unlimited liability and unlimited financial responsibilities requirements upon the interstate shippers of oil and gas products, then I suppose you ought to vote against this amendment I have offered.

If on the other hand you want the financial responsibility requirements of this bill to be the source by which we determine the responsibility of interstate shippers, which by the way is a very strong provision in this bill, so that you have one system that works for every shipper going through your State and mine, all our States collectively, then I suggest you want to vote for this amendment.

If you want the price of oil and gas products to go so high in your State that some of your utility consumers will be hollering pretty loudly at you one day, then vote against this amendment, because what this amendment will do if it is not adopted, the Miller-Studds amendment, will effectively raise the cost of transporting these products through the State.

Now, that may help Louisiana and Oklahoma and Texas and a few other States that ship by pipeline, but it is going to hurt the dickens out of those who depend upon tanker and barge shipments to keep the fires burning in the cold of winter.

I suggest that this amendment at least preserves the one feature of our bill which I think is credible, and that is that Interstate Commerce has one evidence of financial responsibility, a good strong one to meet within the context of this bill, and it does not, however, have to address the same requirements over and over again as it passed through the various States.

Now, this amendment preserves, if you read it, it preserves the right of the States to impose upon the owner-operator of an onshore facility located within that State evidence and maintenance of that evidence of financial responsibility; so we preserve in our amendment the right of the States to effect financial responsibility requirements upon those facilities that are located specifically within the State by preserving in our bill the obligation of the Federal regime to require financial responsibility upon those interstate carriers.

Now, think about it carefully. Think about the effect on utility bills in your State. Think about the inability of some in the barge and towing industry to get insurance to meet one after another of unlimited liability responsibilities and financial requirement of each and every State they pass through. Think about that for a second and decide for yourselves today just how much you want your consumers to pay.

This is not an issue whether they will have protection. They will have it under the Federal regime. This is an issue whether or not you want those shippers to have to provide it over and over again at the expense of your utility consumers.

Mr. Chairman, I urge the Members at least to adopt this perfecting amendment if you want to preserve the integrity of our financial responsibility regime and keep your utility prices down.

Mr. STUDDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have to express my bewildered appreciation to the delegation from Louisiana for their newfound concern for utility rates. Elsewhere in the country we are deeply gratified and hope that concern will last. I assume that means that all those old bumper stickers that began "drive 90 and" have been destroyed.

Mr. Chairman, this is the first of what will be at least as far as we know two or three amendments offered in the guise of so-called perfecting amendments, which are in fact killer amendments, which go to the heart of the question before us. The question for Members is whether or not we ought to preempt State law. The gentleman from Louisiana, we believe, and perhaps some other Members, will try to pick apart various segments of the Miller-Studds amendment. The fact of the matter is that either we support that amendment and the proposition that we ought not to be speaking for the States in terms of what they may or may not do, or we do not.

This amendment goes right to the heart of the issue we are debating today. Requiring a person shipping or storing oil to obtain pollution insurance is the best method of encouraging that person to observe a high standard of care in his operations, and the surest guarantee that compensation will be available from the spiller should an incident occur.

For that reason, we require evidence of financial responsibility in the Federal bill. The question is whether we should deny that same right to state Governors and legislatures.

The Tauzin amendment would deny that right. It would deny Alaska the right to seek protection from Exxon for shipping oil through Prince William Sound, or from Alyeska for loading oil onto vessels at the port of Valdez.

It would deny the people of Seattle the ability to make their own judgment about what is adequate to compensate their citizens should an oil tanker break apart in Puget Sound.

It would deny the people of Florida the right to seek extra protection for the Florida Keys.

It would set the same insurance standards for all vessels, all coasts, all conditions—$1,200 a ton. That's equal to about $100 million for the largest vessels.

Is that enough? Is $100 million enough protection—a high enough standard of care—for the coasts of California and Oregon? For Long Island Sound, and the Jersey shore and the Carolinas? For the Great Lakes? For the bayou? Is $100 million enough? Are there no special places, not ports or stretches of coastline or bays or sounds that Deserve something more than least common denominator treatment from this Congress?

Now, I want to be clear on this. Many States—probably most States—

will rely on the Federal standards contained in this bill. They will decide in the future, as they have in the past, not to impose additional insurance requirements on the industry. The question is, whose choice should that be? Theirs? Or ours? I submit it is not our choice to make.

I would also ask Members to ask themselves, what problem is this amendment designed to solve? The fact is that there is no problem. States have always had the authority to impose their own insurance requirements on oil tankers and both the Republic and Exxon have survived. Both will continue to survive if this amendment is defeated.

Mr. Chairman, this amendment is a will-intentioned amendment. But it is not a good amendment. I urge its defeat.

Mr. STANGELAND. Mr. Chairman, I move to strike the last word, and I rise in support of the Tauzin amendment.

Mr. Chairman, I rise in strong support of the Tauzin amendment.

I think the distinguished gentleman from Massachusetts just elucidated why the Tauzin amendment ought to pass when he discusses different financial responsibilities for Seattle, for Alaska, for Florida, for the bayou, or whatever.

The financial responsibility in this legislation is certainly generous and adequate to meet the needs to protect those States and their unique problems.

There is certainly precedent for the amendment of the gentleman from Louisiana in that the Superfund law preempts State financial responsibility laws for vessels and facilities involved in the manufacture and handling of hazardous materials, so there is precedent that this House has set, that there is entitlement of the Federal Government to preempt certain responsibilities of State governments.

You know, I initially am a very strong supporter of States' rights, but I would have loved a much stronger preemption section. We have come a long way in yielding certain rights to States that I thought were better held when you consider oilspill Superfund, far better held by a Federal regime. If we were to duplicate the Federal regime in a whole host of States, we really would have little use for a Federal law, a Federal fund. We are currently protected adequately, but we need something that has some sense of comity, some sense of direction in a Federal regime, something that pulls together a whole host of State concerns and sets up a playing field and a set of rules and a set of protections that has some sense to it.

I would certainly urge my colleagues to support the amendment of the gentleman from Louisiana.

Mr. Chairman, I rise in strong opposition to the en bloc amendment offered by the gentlemen from California and Massachusetts. It would thwart our efforts to reform the existing patchwork of oilspill laws, grind cleanups to a halt because of intergovernmental disputes, and unravel the delicately balanced compromise reached among the leadership and the authorizing committees.

First, one of the most troubling aspects of the amendment is the fact that it is en bloc. There are too many controversial issues to be packaged together as one amendment. State liability laws, courts, financial responsibility requirements, and cleanup decisions merit separate debate and voting.

Next, let me address preemption. I can appreciate the gentlemen's concerns about States rights. My record on protecting States' rights is a consistent and strong one. But in the oilspill arena, it doesn't make good sense or policy to establish a new Federal liability regime without some measured degree of preemption. Ten years of congressional debate and subcommittee hearings bear this out.

One of the problems we are trying to solve in this bill is the existing patchwork of Federal and State liability laws. This crazy quilt encourages complicated legal quagmires and delayed compensation to victims. Ambulance chasers—or I should say barge or tanker chasers—can file lawsuits under various State laws hoping that one will prove more favorable than the other. For coastal and inland spills affecting many jurisdictions, we need consistency and uniformity.

Only the trial lawyers will benefit if we adopt the gentlemen's amendment and decide not to reform existing law. In truth, we will defeat one of the bill's overall purposes if we agree to add another layer to the patchwork rather than establish one consolidated, workable regime.

The amendment also undercuts the compromise that is the heart of our bill. H.R. 1465 establishes an expansive new Federal liability system to make the polluter pay and a potential $1 billion fund to ensure cleanup costs, natural resource damages, and economic third-party losses are compensated quickly and adequately.

With these greater legal remedies, States and their citizens will also have more opportunities and resources to prevent and cleanup spills. This includes immediate access to the fund when recovering cleanup costs, a $250,000 direct draw authority, improved opportunities for spill notification and cleanup consultation and special status for State officials as natural resources trustees. We have also made sure that nothing in the bill prevents States from retaining their own trust funds, taxing mechanisms, and oilspill programs. This is a major concession based on previous House bills over the last decade.

In exchange for these benefits, as well as expected benefits from the international protocols, States are asked to follow the bill's liability and compensation rules. This is a reasonable approach and is preemptive only to the extent necessary. For example, States can still enforce their own penalties and Federal financial responsibility laws. Nothing in the bill affects State laws on personal injury or workers compensation, either. Nothing prevents States from using their own trust funds or cleaning up sites on their own initiatives.

A related preemption issue involves financial responsibility. Preemption of State financial responsibility requirements goes hand-in-hand with preemption of liability laws. It allows interstate commerce to move without undue burdens or duplicative financial insurance requirements from State to State. Shippers and carriers need to know that the rules of the game are not going to change in each State. Even the Superfund law recognizes that basic concept. It establishes Federal financial responsibility requirements and then preempts States from having any other financial responsibility requirements.

Finally, let me address cleanup standards and Governor's vetoes. Our bill presents a compromise. It requires the Coast Guard—or EPA when appropriate—to work in close cooperation with the States in every aspect of oilspill emergency response and long-term cleanup. Cleanups must be consistent with the national contingency plan. This document already reflects significant input from and concerns of the States. We also require Federal cleanup officials to make all critical decisions in consultation with State officials.

But, Mr. Chairman, we draw the line when it comes to giving the Governor a complete veto over cleanup decisions. We're talking about huge spills with millions of dollars in cleanup costs, Federal resources and manpower and the use of a Federal trust fund. Individual States should play an integral role in the program—particularly when their resources are at stake and their citizens are threatened—but they shouldn't have a total veto power. Even the Superfund law, which gives States a significant role in cleanups, refrains from giving Governors such authority.

One of the lessons we've learned from the *Exxon Valdez* cleanup is the importance of having a clear chain of command—a field general to call the shots quickly and coordinate all available resources in times of emergency. We've also seen how the process can become so politicized and bogged down

in multilayered bureaucracies that we waste precious time and resources—both human and natural.

It may sound good on paper to give the Governor a veto and to require cleanup to meet any and all State laws but in reality it makes little sense and will become counterproductive.

Mr. Chairman, H.R. 1465 is meant to strike a balance between those who want complete preemption and those who want no preemption and those who want to give Governors complete vetoes over cleanup decisions. I respect the gentleman's intentions but believe their amendment will prevent our continued progress in moving an acceptable compromise. H.R. 1465 is a good faith effort to end the stalemate over oilspill legislation.

Therefore, Mr. Chairman, I urge my colleagues to support the committee-sponsored bill and oppose the gentleman's en bloc amendment.

□ 1350

Mr. TAUZIN. Mr. Chairman, will the gentleman yield?

Mr. STANGELAND. I am happy to yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Chairman, I think it is important to point out the bill as it is currently drafted guarantees to every citizen of each State that they will be promptly and fully compensated for cleanup costs and damages even if the spiller is unknown, if he denies liability, or even if he is not financially capable. So this added requirement of financial responsibility State to State, region to region, is just superfluous and costly, and I think eventually will be costly to the consumer.

Second, it guarantees to each State the right to tap into that fund in addition to the financial responsibility limits to the tune of $250 million if it needs to immediately. Those are the kinds of protections we already have built in for the States.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. MILLER of California. Mr. Chairman, as my colleague, the gentleman from Massachusetts [Mr. STUDDS], pointed out, we are now engaged in a process by which a number of amendments will be offered on the floor to try to unravel and to gut the Studds-Miller amendment to the committee bill.

It is the intent of the Studds-Miller amendment that we preserve the right of States to fully protect their citizens and their natural resources against a catastrophic oilspill like we witnessed this last year in the Gulf of Alaska.

Let us ask: Why is it that we do that? Why would we give the States the right to ask oil companies and shippers to demonstrate financial responsibility, a right which exists in the States today under current law, a right that would be taken away under this bill if it was passed without the Miller-Studds amendment? The reason we do that is because what we recognized after the Prince William Sound accident was that when we move oil around this country, when we move oil from overseas to the United States or from Alaska to the lower 48 States, we are using the resources, we are using the economies of these States. When we move oil down the east coast, we are moving it along the inland waterways. We are moving it off of Myrtle Beach, off of Hilton Head, economies that are important to the States of those regions. When we move oil into the Pacific Northwest, we move it through Puget Sound, a huge tourism economy, a huge fishery important to the State of Washington. When we move oil into San Francisco Bay, we are talking about one of the leading tourism economies in the Nation, an economy that can be destroyed because the bay is what attracts people to that city, to that region. Hundreds of oil tankers come into my district with its four or five oil refineries, one of the largest ports in the world for moving oil, which is in my district. They are using the resources of that district.

We think the State of California, as the legislature now has under consideration, has the right to ask tanker operators to post a bond. We think the State of Alaska has the right to ask them to post a bond.

In the bill, what are the bond requirements? $100 million? $115 million? We now find that is less than 5 percent of what has already been spent on the *Exxon Valdez.* That is what we are asking, to protect the Florida Keys, a State resource that attracts hundreds of thousands of visitors, to Key West, to Key Largo, to other areas. We think that what our amendment does is let the marketplace set the standards of care, because if you have to go to an insurance company and you have to ask for a bond to ensure your systems, that is a strong incentive to operate safely. This is done all of the time in the chemical and the oil industry. To ensure systems against catastrophic failures, you get an audit and they tell you your ship is a little old or your ship is not suited for this kind of traffic through Prince William Sound. That is what will happen if Miller-Studds is enacted. We want to make sure people exercise a high standard of care, and the States should be protected in their right to impose insurance requirements.

We will have this amendment by the gentleman from Louisiana [Mr. TAUZIN], and we will have other amendments by the gentleman from Louisiana [Mr. TAUZIN] and others that will try to strip away the ability of States to protect their citizens, to protect their natural resources, stripped away by reducing their ability to ask for financial liability, stripped away by reducing their ability to impose liability on the shippers that use those waterways, that use those resources. We cannot let that happen. If we do, the end result will be that we will be rewarding the *Exxon Valdez* spill, because the law will require less stringent requirements on them than under current law. That cannot be the case. We cannot allow that to happen.

The Studds-Miller amendment is about the preservation of States rights. It is about making sure that, in fact, the liability from an oilspill, as we have witnessed, can in fact be covered, and that cannot be assured under the committee bill without the Studds-Miller amendment.

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I am happy to yield to the gentleman from Michigan.

Mr. DAVIS. Mr. Chairman, I just wanted to say that I do disagree with one of the things the gentleman said and that one of the other gentlemen said, that some of the amendments that are being offered are trying to gut the bill or gut the Miller-Studds amendment. I do not think that is true. I think what some people are trying to do is to make what we consider to be perhaps some amendments to the amendment of the gentlemen.

The CHAIRMAN. The time of the gentleman from California [Mr. MILLER] has expired.

(By unanimous consent, Mr. MILLER of California was allowed to proceed for 1 additional minute.)

Mr. MILLER of California. Mr. Chairman, I yield to the gentleman.

Mr. DAVIS. Mr. Chairman, that will make the gentleman's amendment a better amendment, so I just want to say that I do not agree that we are trying to gut or that some people are trying to gut it.

I may end up supporting the amendment of the gentleman, but I may end up supporting some amendments, including the Tauzin amendment which is before us now, which will hopefully make the amendment offered by the gentleman a better amendment.

Mr. MILLER of California. I thank the gentleman, and I urge rejection of the Tauzin amendment.

Mr. SHUMWAY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do not want to needlessly prolong this debate, but I think there are two or three points that need to be made with reference to the Tauzin amendment. One of them is that we should realize that when we came together to form this more per-

fect Union, we recognized that there would be some of the so-called States' rights that would have to be relegated to the rights of the whole and relegated to the Federal level of responsibility.

We recognize some of those rights as coming within the area of interstate commerce. I am sure that all of us in this body, coming from the several States as we do, have strong loyalties for our own States, and all of us would stand and say that we support States' rights, and certainly there is nothing wrong with doing that.

I think, at the same time, we could all be very much in agreement that shipping, the transport of oil, is something which very clearly comes within interstate commerce and, therefore, very clearly is something which should fall under a system of Federal law. That is all we are seeking here.

Those who are antagonistic to this amendment have said there is nothing wrong with the system we have had in the past; it has worked. It has worked, but with some very spotty successes. We see that it did not work very well in the Alaska spill, and that is why we are trying to improve upon what we have had in the past.

We have seen that a way to improve upon the past patchwork system is to recognize what is interstate commerce and bring it within the Federal framework, and then allow those things that still lie within States' operations to stay as State's rights. This is something which I suggest very clearly comes within interstate commerce. It calls out for a Federal uniform system of law, and that is all that the Tauzin amendment seeks to accomplish.

Second, let me just make the point that the requirement of evidence of financial responsibility does not mean that compensation will be limited to those levels of whatever financial responsibility might be the case. The reason that we are putting in place this fund is to provide that behind that initial layer of responsibility there will be an unlimited source which can be tapped to pay those who may be claimants, those who have been harmed by an oilspill.

□ 1400

And that fund is designed to fully compensate all victims. So if indeed the limits that we are asking for in this bill are too low, then let us have an amendment to raise them up rather than an amendment to strike them out and let States have their several conflicting, patchwork systems as has been the case in the past.

Finally, Mr. Chairman, let me just reiterate that when we vote upon this amendment we should realize that a vote for the Tauzin amendment is not a vote against preemption against State liability. This is simply a perfecting amendment to the Miller-Studds amendment which does provide for the preemption of State liability.

I would urge Members to support the Tauzin amendment.

Mr. McMILLEN of Maryland. Mr. Chairman, I move to strike the requisite number of words and I rise in strong support of the Miller-Studds amendment, as is, without amendment.

Mr. Chairman, I stand in strong support of the Miller-Studds-Gross-Schneider amendment as is without amendment to H.R. 1465. Over the past few weeks it has become quite evident that this is a constructive refinement to the oilspill liability bill. Based on the longstanding regard that the Maryland State government has had in the past for the health of the Chesapeake Bay, it was only logical that Maryland moved ahead expeditiously to institute oilspill liability laws. These laws, and the accompanying oilspill fund stand as model State legislation, and it is often emulated by other States. To mandate that such laws should be preempted by a new, possibly weaker, Federal law is unreasonable. Such a move would destroy the carefully built consensus in the Maryland State House that permitted this landmark bill to pass. Further, Maryland's laws are crafted in such a way as to reflect the special and unique qualities of the Chesapeake Bay. For example, an oilspill in the Chesapeake Bay would be especially harmful, as the specific water flow dynamics of the bay are such that a spill would be trapped inland for a long while, especially since the Chesapeake is unable to flush itself as efficiently as other estuaries. Maryland law reflects this particular characteristic, and makes adjustments for it. We would not be able to fine-tune a Federal statute as exactly to accommodate the special features of the Chesapeake.

For these reasons, and others cited by my colleagues, I ask that you actively support the passage of this thoughtful amendment.

Mr. HAYES OF Louisiana. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the Tauzin amendment.

One point which I feel should be made and has not been completely addressed is the fact that under the interstate commerce clause we have an obligation among States in a collective union not to restrict the commerce of each other. If we were to adopt without the additional language offered by the Tauzin amendment the Miller-Studds amendment we would, in effect, be saying that some coastal States can determine the means by which commerce will be engaged in the heart of the Mississippi Valley.

To give an illustration, for example, the gentleman's home State of California declares through a responsibility a standard which is prohibitive, which does not allow the coastal areas of California to become the subject of commerce, the answer will be that other alternatives will be found. We are not going to do away with the demand for oil and gas, but the other alternatives might very well impede the ability of the State of Nevada to have its energy costs maintained at present levels, and might double or triple the energy costs in, for example, the State of Alabama, the State of New Mexico. For that reason, the courts have for years looked toward an interpretation of the interstate commerce clause showing a Federal authority that is higher in this field.

The real issue is one that is more emotional, and I think one that is heartfelt by the gentleman from California. Of course all of us are interested not only in the areas of our representational responsibility, but those parts of America which we all cherish. Each and every one of us that has had an opportunity to even briefly visit the Eastern Shore of Maryland would never support any provision, any law that would in any way inhibit the beautful area from staying so. But that is where we are incorrectly distinguishing or trying to merge the issues of liability and the standards of care with the mechanism of cleanup.

No law we pass is going to make it impossible to spill petroleum. No law we pass in my aviation subcommittee is going to make it impossible for an air crash to occur. What we do is address the aftermath of such an accident, and all that we can do by saying that we are addressing the problem is to have the highest possible safety standards. We have not heard one word to contradict that this bill has the highest possible safety standards.

Second, we maintain a means by which cleanup can be paid for. But I suggest that if we take uninhibited the language of the Miller-Studds amendment, we are not going to have any greater ability to pay. We are going to have a different ability to pay, and we are going to cause a convoluted mechanism by which suddenly there are carriers that are not insured, that there are bootleg operations that are not covered. And if we pass this amendment without a change in the language we are going to have spills, hopefully not in the Eastern Shore of Maryland, hopefully not in the Pacific Coast of California, but we are going to have spills for which no one is liable.

Then we are going to come back to the Congress and say how can that happen. And the answer is going to be the Miller-Studds amendment.

Mr. McDERMOTT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was not intending to speak until my colleague from Louisiana got up here and used some of the oldest techniques that are used in legislative bodies. First of all, scare people, talk about things that might happen, talk about things that can happen, but things that are not really quite true.

The gentleman said, first of all, we will raise the price of gasoline or we will raise the price of oil products if we change and allow States to have higher standards than are in this bill. That is already true. The State of Washington already has tougher standards, and what this bill would do is take them away.

The reason that is important is not just to the State of Washington, but it is important to everybody in the United States. The coastlines of this country, many of them, are national parks, and what we are saying in the Tauzin amendment is that we want the oil companies to be able to get under a national law that is less than we require in the State of Washington. That is the first thing that is not true.

It is clear that also my colleague from Louisiana did not pay attention to the amendments that are coming up. We are talking about safety standards. He says this bill has the toughest safety standards. There are subsequent amendments that will come up on double hull tankers. There are many things that we can do to make this bill better.

I urge Members to turn down the Tauzin amendment and to adopt the Studds-Miller amendment without amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana [Mr. TAUZIN] to the amendments en bloc offered by the gentleman from California [Mr. MILLER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. TAUZIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 151, noes 270, not voting 12, as follows:

[Roll No. 337]

AYES—151

Andrews	Dannemeyer	Hatcher
Applegate	Davis	Hayes (LA)
Archer	de la Garza	Hefner
Armey	DeLay	Herger
Baker	Dickinson	Hiler
Ballenger	Dingell	Holloway
Barnard	Dornan (CA)	Hopkins
Bartlett	Edwards (OK)	Houghton
Barton	Emerson	Hubbard
Bateman	Espy	Huckaby
Bereuter	Fields	Hunter
Bliley	Frenzel	Hyde
Boggs	Frost	Inhofe
Buechner	Gaydos	Jones (NC)
Bunning	Gekas	Kolbe
Burton	Geren	Kolter
Bustamante	Gillmor	Kyl
Callahan	Gingrich	Laughlin
Campbell (CO)	Gonzalez	Leath (TX)
Carper	Goodling	Lent
Carr	Grandy	Lightfoot
Chapman	Green	Livingston
Clement	Gunderson	Luken, Thomas
Clinger	Hall (TX)	Lukens, Donald
Coble	Hammerschmidt	Madigan
Coleman (MO)	Hancock	Manton
Combest	Hansen	Marlenee
Craig	Hastert	McCandless
McCrery	Rhodes	Solomon
McEwen	Ridge	Spence
Meyers	Ritter	Staggers
Michel	Roberts	Stangeland
Miller (OH)	Robinson	Stenholm
Mollohan	Rogers	Stump
Montgomery	Saiki	Sundquist
Natcher	Sarpalius	Tauke
Nielson	Schaefer	Tauzin
Ortiz	Schuette	Thomas (WY)
Oxley	Schulze	Traficant
Packard	Shumway	Upton
Parker	Shuster	Vander Jagt
Parris	Sisisky	Volkmer
Pashayan	Skeen	Vucanovich
Payne (VA)	Skelton	Walker
Perkins	Slattery	Walsh
Pickett	Slaughter (VA)	Weldon
Porter	Smith (NE)	Whittaker
Quillen	Smith (TX)	Whitten
Rahall	Smith, Denny (OR)	Wilson
Ray	Smith, Robert (OR)	Wolf
Regula		

NOES—270

Ackerman	Erdreich	Lipinski
Akaka	Evans	Long
Alexander	Fascell	Lowery (CA)
Anderson	Fawell	Lowey (NY)
Annunzio	Fazio	Machtley
Anthony	Feighan	Markey
Aspin	Fish	Martin (IL)
Atkins	Flake	Martin (NY)
AuCoin	Flippo	Martinez
Bates	Foglietta	Matsui
Beilenson	Ford (MI)	Mavroules
Bennett	Ford (TN)	Mazzoli
Bentley	Frank	McCloskey
Berman	Gallegly	McCollum
Bevill	Gallo	McCurdy
Bilbray	Gejdenson	McDade
Bilirakis	Gephardt	McDermott
Boehlert	Gibbons	McGrath
Bonior	Gilman	McHugh
Borski	Glickman	McMillen (MD)
Bosco	Gordon	McNulty
Boucher	Goss	Mfume
Boxer	Gradison	Miller (CA)
Brennan	Grant	Miller (WA)
Broomfield	Gray	Mineta
Browder	Guarini	Moakley
Brown (CA)	Hall (OH)	Moody
Brown (CO)	Hamilton	Moorhead
Bruce	Harris	Morella
Byron	Hawkins	Morrison (CT)
Campbell (CA)	Hayes (IL)	Morrison (WA)
Cardin	Hefley	Mrazek
Chandler	Henry	Murphy
Clarke	Hertel	Murtha
Clay	Hoagland	Myers
Coleman (TX)	Hochbrueckner	Nagle
Collins	Horton	Neal (MA)
Condit	Hoyer	Neal (NC)
Conte	Hughes	Nelson
Conyers	Hutto	Nowak
Cooper	Ireland	Oakar
Costello	Jacobs	Oberstar
Coughlin	James	Obey
Cox	Johnson (CT)	Olin
Coyne	Johnson (SD)	Owens (NY)
Crane	Johnston	Owens (UT)
Crockett	Jones (GA)	Pallone
Darden	Jontz	Panetta
DeFazio	Kanjorski	Patterson
Dellums	Kaptur	Paxon
Derrick	Kasich	Payne (NJ)
DeWine	Kastenmeier	Pease
Dicks	Kennedy	Pelosi
Dixon	Kennelly	Penny
Donnelly	Kildee	Petri
Dorgan (ND)	Kleczka	Pickle
Douglas	Kostmayer	Poshard
Downey	LaFalce	Price
Dreier	Lagomarsino	Pursell
Duncan	Lancaster	Rangel
Durbin	Lantos	Ravenel
Dwyer	Leach (IA)	Richardson
Dymally	Lehman (CA)	Rinaldo
Dyson	Lehman (FL)	Rohrabacher
Early	Levin (MI)	Ros-Lehtinen
Eckart	Levine (CA)	Rose
Edwards (CA)	Lewis (CA)	Rostenkowski
Engel	Lewis (FL)	Roth
English	Lewis (GA)	Roukema
Rowland (CT)	Smith (NJ)	Udall
Rowland (GA)	Smith (VT)	Unsoeld
Roybal	Smith, Robert (NH)	Valentine
Russo	Snowe	Vento
Sabo	Solarz	Visclosky
Sangmeister	Spratt	Walgren
Savage	Stallings	Watkins
Sawyer	Stark	Waxman
Saxton	Stearns	Weber
Scheuer	Stokes	Weiss
Schiff	Studds	Wheat
Schneider	Swift	Williams
Schroeder	Synar	Wise
Schumer	Tanner	Wolpe
Sensenbrenner	Taylor	Wyden
Sharp	Thomas (CA)	Wylie
Shaw	Thomas (GA)	Yates
Shays	Torres	Yatron
Sikorski	Torricelli	Young (AK)
Skaggs	Towns	Young (FL)
Slaughter (NY)	Traxler	
Smith (FL)		

NOT VOTING—12

Brooks	Garcia	Molinari
Bryant	Jenkins	Roe
Courter	Lloyd	Smith (IA)
Florio	McMillan (NC)	Tallon

□ 1427

Messrs. NELSON of Florida, VENTO, CRANE, and COUGHLIN, and Mrs. MARTIN of Illinois changed their vote from "aye" to "no."

Messrs. SPENCE, BARNARD, and RAHALL changed their vote from "no" to "aye."

So the amendment to the amendments en bloc was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. TAUZIN TO THE AMENDMENTS EN BLOC OFFERED BY MR. MILLER OF CALIFORNIA

Mr. TAUZIN. Mr. Chairman, I offer an amendment to the amendments en bloc.

The Clerk read as follows:

Amendment offered by Mr. TAUZIN to the amendments en bloc offered by Mr. MILLER of California: Strike subsection (d).

□ 1430

Mr. TAUZIN. Mr. Chairman, the sponsors and proponents of the Miller-Studds amendment will try to tell Members when they walk through the doors next time that this is the same amendment all over again. It is not the same amendment all over again. This is an entirely different amendment, and it is an entirely appropriate one, and a necessary one, if you want to protect the integrity of the measure established in this act.

Mr. Chairman, I repeat when Members walk through the doors the next time a recorded vote is called on this amendment, it is likely someone will suggest to them that this is the same amendment over again. Vote no again, it is the same Tauzin amendment we just voted on.

That is not true. It is not even close to being the same amendment. It is entirely different. It has to do with something entirely different than financial responsibility and preemption. It has to do with when, in fact, cleanup is completed using the Federal fund.

This amendment simply deals with the issue of whether or not each individual State will decide for itself, as opposed to the person in charge of the cleanup, the Coast Guard, when, in fact, the Federal funds have been expended sufficiently to clean up the State, and when, in fact, a State wants additional funds spent.

Now, at first blush Members might say well, when there is a spill in my State, I would like to be able to determine for our State that the cleanup is completed. I would hate to have those Federal boys walk away.

The problem is we are dealing with a fund collected here in Washington, DC, that is a Federal fund, one that is for every State.

If you adopt the Miller-Studds amendment without the amendment I am proposing, what you are doing is allowing each State in the Nation to make a determination of how much of these funds it wants to spend in its given State, even though there may be several spills ongoing at the same time.

Let me recall to your attention the time not long after the *Exxon Valdez* incident when there was three major spills in America. There was one in Rhode Island, one in Delaware, and one in Houston, TX.

Now, that should not surprise Members. We have 870 spills a year on average.

There were three spills that same weekend. The Coast Guard was out in three locations trying to help, without the advantage of this bill, cleanup efforts in three different States.

Now, I want Members to imagine the Miller-Studds amendment as passed without the Tauzin amendment. I want Members to imagine three major spills occurring in America.

I want Members to imagine a time when the fund is not yet up to $1 billion, when we are collecting our taxes and have several hundred million dollars collected. The Governor of one State decides he wants cleanup to continue in his State, even though the Federal authorities have determined in consultation with that State that cleanup is completed.

There will be two other Governors out there trying to get their cleanup done, and we will have one Governor saying oh, no, I want the money to continue to be spent in my State.

Under the Miller-Studds amendment, that Governor controls. Under the Miller-Studds amendment the Federal funds is in the hands of that State Governor, so long as he wants to say those funds should be spent in my State.

Mr. Chairman, what we have tried to do in this enormously complex and important bill is to establish a comprehensive Federal system to ensure that every State is protected against oilspills, to ensure that in every State where cleanup is necessary, that funds will be available to conduct that cleanup.

We have preserved for the States the right to have a separate fund in their own State, to tax the oil and gas companies to the hilt if they want to, to have a separate fund to clean up even beyond what the Coast Guard on-scene commander requires to be cleaned up. But we have not permitted the State to decide the issue of when our Federal funds are completed in terms of a cleanup in a given State.

Mr. Chairman, that is the choice Members have with this amendment. It has nothing to do with Federal or State liability laws. It has nothing to do with State or Federal court jurisdiction, whether you sue in the State or the Federal regime. It has only to do with the issue of the provision we have in the bill that requires the on-scene Federal coordinator to determine, in consultation with the State, when the Federal funds have done their job, or whether Members want to adopt the Miller-Studds provision which will give each Governor the right to say that in his own State.

The CHAIRMAN pro tempore (Mr. LANCASTER). The time of the gentleman has expired.

(By unanimous consent, Mr. TAUZIN was allowed to proceed for 1 additional minute.)

Mr. TAUZIN. Mr. Chairman, in conclusion, the choice is simple. This is not the other amendment that Members just voted on. Do not let anybody say it is.

In this amendment, the choice is simple: Do Members want a Federal fund that protects us all, or do they want a Federal fund that each Governor controls? If Members want a Federal fund that each Governor controls, Miller-Studds gives them that Federal fund. If Members want a Federal fund that protects us all, that still preserves the right of each State to have its own fund, to go further if it wants to, then they want to vote for the Tauzin amendment.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. TAUZIN. I will be happy to yield to the gentleman from Minnesota.

The CHAIRMAN pro tempore. The time of the gentleman from Louisiana [Mr. TAUZIN] has expired.

(On request of Mr. STANGELAND, and by unanimous consent, Mr. TAUZIN was allowed to proceed for 3 additional minutes.)

Mr. STANGELAND. Mr. Chairman, is it not true the cleanups have to be done in conformance and consistent with a national contingency plan?

Mr. TAUZIN. The question is does the cleanup have to be done in conformance with a national contingency plan. The answer is yes.

Mr. STANGELAND. Mr. Chairman, do the States have a role in developing that national contingency plan?

Mr. TAUZIN. The States will in fact have a role in the development of the plan nationally, as well as local contingency plans for the local areas.

Mr. STANGELAND. Mr. Chairman, under the bill that is currently before the House, is it not required that the Governors have to be consulted in a cleanup process?

Mr. TAUZIN. The bill as it presently reads without the Miller-Studds amendment does not allow the Federal on-scene coordinator to declare the cleanup complete until consultation with the State authorities.

Mr. STANGELAND. Mr. Chairman, under our Superfund law, do the Governors have a veto authority over cleanups of Superfund sites?

Mr. TAUZIN. No, they do not. In this bill, the Miller-Studds amendment would give the Governor such a veto authority over Federal cleanups in the case of oilspills.

Mr. STANGELAND. Mr. Chairman, I thank the gentleman from Louisiana [Mr. TAUZIN], and I rise in strong support of the Tauzin amendment.

Mr. DAVIS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I had an amendment which I felt was a little superior to this one. The difference between this amendment and my amendment was that I allowed State standards to be followed, as well as Federal standards. This amendment only allows Federal standards. But I still think it is a good idea. In effect, this is what I have.

One of the things that we found out I think from the Alaska disaster was one person has to be in charge, to make the determination of what should be done, and someone ought to be in charge of saying when in fact the cleanup is completed.

What we have now in the Miller-Studds amendment technically is one person in charge appointed by the President in effect, with 50 other people that can say, "Wait a minute, we do not think what you have done is enough and we want you to go further."

Let us take as an example the State of Alaska right now. No determination has been made yet as to whether Exxon has completed their cleanup. But you can imagine if in fact the Governor of that State had the power now to make the determination after the Federal Government said yes, we think it is cleaned up. There is no way that the Governor of the State of Alaska is going to be satisfied.

□ 1440

Mr. Chairman, I ask, What do you have to do? Do you have to clean up every single rock?

I mean we have to have some common sense in this issue, and from a practical political standpoint I cannot see a Governor ever being in the position where he is ever going to be able to say, "well, I think that the Federal Government has cleaned up to our satisfaction," and, if we allow the Governors to have this veto power, it could use up all the money in the fund.

Very simply put, Mr. Chairman, somebody has got to be in charge, somebody has got to be able to make a commonsense decision as to when enough is enough and when the cleanup has been completed.

I suggest that we need to have one person, one agency, in charge of doing that, and we should not be giving the 50 Governors in this Nation that opportunity because, as I said before, from a practical political standpoint they are going to be under pressure from their people to say, "we don't think, no matter how far you've gone, that you've gone far enough," and I just think this is a reasonable amendment.

Mr. Chairman, this amendment does not gut the Miller-Studds amendment at all. I think it makes it better.

Mr. TAUZIN. Mr. Chairman, will the gentleman yield?

Mr. DAVIS. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Chairman, I only want to point out that the bill, as drafted, does not take away the right of the Governor to clean up further than the Federal standards.

Mr. DAVIS. The gentleman from Louisiana [Mr. TAUZIN] is correct.

Mr. TAUZIN. In addition, Mr. Chairman, cleanup, as far as he wants to, as long as he does it with State funds collected in its own State cleanup liability system. We preserve the right of the State to have its own fund, to tax the oil and gas companies and then to use those funds as long as it wants to. So, the Governors still have that right.

The only difference between the Miller-Studds amendment and our amendment is that the Governor does not have the right to indefinitely call upon the Federal fund to go as far as he may want to go.

Mr. DAVIS. Mr. Chairman, I might just say, as the chairman of the subcommittee has pointed out, this is not the same as the last amendment, and I think this is a reasonable, responsible approach.

Mr. Chairman, if my colleagues do not want to have a hodgepodge, I think we ought to support this amendment. It does not in any way, in my opinion, gut the Miller-Studds amendment. My colleagues can vote for this and still vote for the Miller-Studds amendment.

I urge the Members to support this amendment.

Mr. STUDDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let me start by agreeing with the gentleman from Louisiana [Mr. TAUZIN] and the gentleman from Michigan [Mr. DAVIS]. This is not the same as the last amendment. It is substantially worse than the last amendment.

Mr. Chairman, let me say very quickly to Members that there are four components of the Miller-Studds amendment that deal with preemption. The preceding amendment by the gentleman from Louisiana [Mr. TAUZIN] sought to strike one of those components. This amendment seeks to strike another different, and even more important, component.

Mr. Chairman, what is at stake here are the following two things. Are actions taken to clean up a spill pursuant to a higher State standard compensable under the fund? The answer under Miller-Studds is yes. The answer, incidentally, under the Superfund is yes. The answer under this amendment, if adopted, is no.

The other question at issue is: Shall the Governor have a voice in the decision as to when the cleanup action is complete? The answer under the Miller-Studds provision is yes. The answer under Superfund is yes. And the answer, should this amendment be adopted, is no.

Mr. TAUZIN. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. Mr. Chairman, let me complete my statement, and then I will be happy to yield to the gentleman from Louisiana.

Mr. Chairman, the author of this amendment has apparently offered this amendment because he objects to the premise in the Miller-Studds language that Governors should be accorded an important role in determining when an oilspill cleanup is complete. The gentleman's amendment is based on the premise that Governors are terrible people who will use any power we give them, not to protect their own people, but to destroy the Federal fund. I must say to the gentleman that I have a higher opinion of Governors than that.

In fact, Mr. Chairman, some of the people I respect most in this House have even run for Governor, and I am sure, if elected, they would never abuse their authority or the trust of this Congress.

I must also say to the gentleman from Louisiana [Mr. TAUZIN] that his attitude toward States' rights and States' prerogatives is somewhat startling given the geographic latitude of the district he represents. Perhaps the latitude of his law school explains it.

Let me respond to the substance of the gentleman's amendment with two hypothetical questions.

If a supertanker should split wide open off the coast of Louisiana the day after this bill becomes law, and millions of gallons of oil wash ashore along the gulf coast, should the Federal oilspill fund be available to help clean up that spill in a manner that is satisfactory to the State of Louisiana? And should Governor Buddy Roehmer be able to seek compensation from the fund for oil removal actions necessary to comply with State law?

I believe—and the gentleman from California [Mr. MILLER] and I stipulate—that the answer to both questions should be yes. And for the life of me, I don't understand why the gentleman from Louisiana or any other coastal State would disagree.

The language in the Miller-Studds amendment is identical to language that was approved by the Committee on Merchant Marine and Fisheries. It is identical, in substance, to the standards we use for cleaning up spills of hazardous substances under Superfund. If a chemical is spilled, we apply both State and Federal cleanup standards. Our amendment simply provides that we do the same thing for oil.

Our amendment would not, as some have suggested, give Governors a veto over the Federal response to an oilspill.

Mr. Chairman, I know there are Members on this side who are concerned about that. The gentleman from Michigan [Mr. DAVIS] asked about that earlier.

The response title of this bill is clear. Under the national contingency plan, the responsibility for responding to a spill rests with the appropriate Federal official period. He—or she—calls the shots and the Miller-Studds amendment doesn't change that.

Under our amendment, if the Federal officials decide to stop cleanup operations, they can do so. There is no question about that. No Governor can keep the Coast Guard on the beach after it decides to leave. No Governor can order the Federal Government to keep people under contract. And except as directly specified in the bill, no Governor will have direct access to the Federal fund to carry out cleanup operations.

The difference is that, under the Miller-Studds language, unlike Mr. TAUZIN's proposition, a State has the right to continue cleanup on its own if the Coast Guard walks before the job is done. And they have the right to send the bill to the fund. Or to the spiller. And if the claim is reasonable, if the cleanup costs were, in fact, necessary to meet State standards, the State will be reimbursed from the Federal fund.

That does not seem to us to be an outrageous arrangement.

Mr. Chairman, let me remind Members once again. Are actions taken to clean up a spill pursuant to a higher State standard compensable by the Federal fund? Under the Miller-Studds language the answer is yes. Under the

Superfund law the answer is yes. Under the amendment of the gentleman from Louisiana [Mr. TAUZIN] the answer is no. Should the Governor of a State have a voice in the decision as to when a cleanup action is complete? Under our language the answer is yes. Under Superfund the answer is yes. And under the proposal of the gentleman from Louisiana [Mr. TAUZIN] the answer would be no.

Therefore, Mr. Chairman, we urge the defeat of the amendment.

Mr. TAUZIN. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Chairman, I want to make three points.

The CHAIRMAN pro tempore (Mr. LANCASTER). The time of the gentleman from Massachusetts [Mr. STUDDS] has expired.

(On request of Mr. TAUZIN and by unanimous consent, Mr. STUDDS was allowed to proceed for 1 additional minute.)

Mr. TAUZIN. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Chairman, I want to make the point that the gentleman from Massachusetts [Mr. STUDDS] somehow thinks Governors are terrible. That is a bit unfair. I think most Governors are indeed very honorable people, my own included, even though he was educated in his State.

Mr. STUDDS. Mr. Chairman, I allow for that exception.

Mr. TAUZIN. The gentleman from Massachusetts [Mr. STUDDS] allows that exception, sure.

Mr. Chairman, let me also make the second point, and that is that Louisiana cleanup standards do not come anywhere near, do not come anywhere near, the stringent Federal standards we have established in this bill. If we had a spill in Louisiana, the Federal standards would do a lot more than the Louisiana standards.

Third, I beg to differ with the gentleman from Massachusetts [Mr. STUDDS]. The bill without the Miller-Studds amendment requires the consultation of the Governors, even in my own State of Louisiana, in the cleanup that occurs when the spill occurs in the State; and, second, I want to point out that under the Superfund amendment the States have to ante up 10 percent of the fund before they can in fact call upon that unlimited resource to clean up sites within their States. In this case the States put up nothing to the Federal fund. That is a big difference.

Mr. STUDDS. Mr. Chairman, let me respond, if I may, very briefly to the gentleman from Louisiana [Mr. TAUZIN].

If Louisiana in fact has no stronger State statutes, then there is no problem. There are other States that do and other States that may wish to, and the proposition of the gentleman from California [Mr. MILLER] and myself is that we ought not to make it impossible for them to do so.

With respect to the role of Governors under the amendment of the gentleman from Louisiana [Mr. TAUZIN] the decision to terminate a cleanup would be made by the Federal Government in consultation with the Governor regardless of what the Governor sought. Under the Miller-Studds proposition it makes a difference what the Governor thinks, and, if he has higher standards, he can continue the cleanup. That is basically the difference.

Mr. TAUZIN. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Chairman, is it not true that without the Miller-Studds amendment and with the adoption of the Tauzin amendment that the States would still have the right to have their own cleanup standards, that they could have their own fund, they could clean up beyond the Federal standard with their own fund if they wanted to? Is that not true?

□ 1450

Mr. STUDDS. With their own moneys.

Mr. TAUZIN. With the moneys collected from the oil and gas companies.

Mr. STUDDS. That is correct.

The question here is the responsibility of the Federal fund and whether we have the right, whether it is reasonable or not or sensible or not to say to the States, you may not act with the higher standards.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from New York.

Mr. LENT. The gentleman, I think, correctly indicated that under the terms of his amendment the State can continue to tap into the fund until the Governor of that State is satisfied that the cleanup is entirely completed, is that correct?

Mr. STUDDS. Pursuant to applicable State law, that is correct.

Mr. LENT. Then the gentleman went on to say there was a similar provision in the Federal Superfund law. I have the Federal Superfund law in front of me, and while the Superfund law does provide for consultation with the Federal Govenrment on the cleanup of a Superfund site, there is nothing that goes anywhere near as far as the gentleman's amendment here which would provide that the fund could be held hostage until a given Governor was satisfied that the cleanup was absolutely pristine.

Mr. STUDDS. If I may say to the gentleman, I have the Superfund statute before me, and with respect to the degree of cleanup it reads, and I quote:

With respect to any hazardous substance, pollutant or contaminant that will remain on site, if any standard under any Federal law is met,

And this is the key phrase, and I quote:

any promulgated standards, requirement, criteria, or limitation under a State environmental law that is more stringent than any Federal standard.

That is precisely the reference that I had made.

Mr. LENT. The provision the gentleman read does not require, that is, in the Superfund law does not require the Governor to sign off. Let me read from the Superfund law:

The President—

Meaning the EPA Administrator—

shall consult with the affected State or States before determining any appropriate remedial action to be taken.

It does not give the State Governor anywhere near the authority of the Superfund that is given here.

Mr. STUDDS. That is with respect to determining remedial action. It is not with respect to determining whether the site is clean.

We therefore urge opposition to the amendment.

Mrs. UNSOELD. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

The gentleman from Louisiana is right. This is not the same amendment that we just voted on.

I would like to point out to this body that in the Merchant Marine and Fisheries Committee we voted to require that cleanup standards meet applicable State laws. Somewhere along the way between the bill passing out of committee and arriving on the floor, that disappeared and it is why we need to place that back in the Studds-Miller amendment.

Federal oilspill legislation should articulate clear goals and ought to meet high standards for cleanup and restoration. Those cleanup standards should be minimally set by the Federal Government and any affected State's environment laws that are tougher ought to have to apply in a cleanup situation.

The bill before us today, without the Studds-Miller amendment, does not do that and it is why we must defeat the Tauzin amendment.

Individual States have only to look at what happened in Valdez to see the ineffectivness of the Federal Government in dealing with oilspills. Despite touting himself as the environmental President, George Bush has failed to show leadership on the most severe environmental disaster in a decade. His administration has taken no steps to bring Exxon to court and hold it liable for the damage it has caused

and Exxon has packed its bags and walked away with no promise of returning and no process by the Government.

How clean is clean, and should States have a say in this decision? I want to show this body, these are pebbles taken from a beach certified as clean. I gathered them last summer from the State of Alaska. You pick them up and you get black. To say that the States should not have authority to say that their laws require a better job than this would be a grave mistake on our part.

Out of any disaster, if we can have a benefit come, we have that obligation. Out of the *Exxon Valdez* disaster, let us provide future generations with the laws that are going to protect them and let us have State law determine when the job is finished.

Mr. Chairman, I urge defeat of this amendment, and I urge my colleagues to examine these cleaned rocks.

Mr. TAUZIN. Mr. Chairman, will the gentlewoman yield?

Mrs. UNSOELD. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Chairman, I want to point out that it is precisely the *Exxon Valdez* incident, with the lack of a comprehensive Federal regime, the lack of Federal authority to step in and not only monitor, but actually undertake the cleanup, that this bill is designed to correct. To use the *Exxon Valdez* horror story as an example of what is wrong with this bill, I think is incorrect. The bill is designed to cure *Exxon Valdez*. It gives the State of Alaska every right to set its own standards, to have its own fund, to go beyond whatever cleanup occurred or would occur under this bill.

Mrs. UNSOELD. The purpose of this act is to provide a fund that can be used for the good of all the people. To say that that fund ought not to be used to go beyond what apparently meets the current Federal standard, the current standard by the polluter, I feel is not correct.

Mr. TAUZIN. Mr. Chairman, will the gentlewoman yield further?

Mrs. UNSOELD. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Chairman, it is not the current standards we are debating today. What we are debating today is an incredibly enhanced Federal standard, a standard better than in most States in the Nation, a standard certainly better than my own State. What we are debating today is a standard far in excess of the standard that existed with the *Valdez* when this awful incident occurred.

Let me make a further point——

Mrs. UNSOELD. I will take back my time.

The standard that we are debating is whether States can continue to decide when a cleanup has been completed, and we are providing a Federal pool of money to the States to use.

Mr. YOUNG of Alaska. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will have to take exception to my good friend, the gentlewoman from Washington, who just spoke, She infused a partisan political part into this debate and really oiled the waters.

In fact, the more I listen to this debate and while it does support most of the Miller-Studds amendment, I am beginning to wonder why we need this legislation.

The gentlewoman said that Mr. Bush, the environmental President, did not act fast enough. In fact, he acted appropriately, on time, and if he had done anything different, Exxon would have been off the hook. If that is what she wanted, fine. Then we know who she speaks for.

But I am a little bit disturbed the more I hear this debate, do we want a bill? It is sort of being aimed at Exxon and all our domestic oil industry, and it is not even considering what is really happening in our ports. Everybody in this room and everybody who is listening to this great debate today is burning heating oil and gasoline and jet fuel from overseas shipped into our ports on foreign rust bucket tankers. If we do not have a bill that has this Federal fund, when one of them goes aground they are going to walk away from it and your beaches are going to be stained and soiled forever.

Now, we have been debating this issue six times before this House. My good chairman, the gentleman from North Carolina [Mr. JONES] has passed good legislation. Yes, this legislation can be improved, but if we start throwing oiled rocks, if we start making statements and not seek to solve the problem of potential disaster of foreign shipping fleets, then I suggest we go home.

This is an issue that is going to affect everybody in every port. For some reason, there is a group of people in this body that wants to punish the domestic oil industry. I say, go right ahead and we will buy more oil from the OPEC countries. We will become more dependent on those countries each day and our heating bill will go up and our old people will become cold.

For some reason, we have lost sight of where we are heading and what we should be into, and that is a good national oilspill liability bill. The Studds-Miller amendment has some good parts in it. Let us not forget that. They have some parts about which I have deep reservations and I hope are dropped out in conference, and we are going to work for that.

Even Mr.—I will not mention his name—is disagreeable to some of those amendments, some parts of the Studds-Miller amendment.

But I agree with this body. Let us keep it on a high plane and let us not get down to the dirty-dirty level. If you do not, I am going to be back down here.

Mr. STUDDS. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Massachusetts.

Mr. STUDDS. Mr. Chairman, I want to thank the gentleman for yielding to me.

I just want to say two things. First of all, while I cannot presume to speak for the gentlewoman from Washington, I want to echo and reaffirm something the gentleman said. We have worked together in this Congress and on this committee and on this bill for more years than either of us care to recall.

□ 1500

If there ever was an undertaking that is thoroughly nonpartisan, thoroughly bipartisan, if there ever was a problem that was singularly nonpartisan, that of oil in the waters, this is it. Members on the Republican side, Members on the Democratic side have worked their hearts and souls out for a decade and a half on that legislation, and no one harder than the gentleman from Alaska.

Mr. YOUNG of Alaska. I thank the gentleman for his comments.

Mr. STUDDS. No one is more distinguished or beloved or more potentially mellowing than the gentleman from Alaska. I also want to say, finally, that is my personal observation for the gentleman, and also in substance, let me say that if one really wanted to do the oil companies in, probably the way to do that would be to not pass this legislation, thereby guaranteeing the very proliferation of State actions that they seek to avoid.

I thank the gentleman again for his role.

Mr. TAUZIN. Mr. Chairman, would the mellow gentleman from Alaska yield?

Mr. YOUNG of Alaska. I am happy to yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Chairman, I think it is important to point out that we ought not have any kind of misinformation on the floor. The rocks that are before us, the soiled, oily rocks that are before us are part of a beach the Coast Guard Commandant on the scene has not declared cleaned up. In fact, he ordered Exxon back to that beach to clean it up. That is under the current law. Under the new law, this Coast Guard commander on the scene has even more authority to insist on the Federal standards, and I think we are going to have a unanimous-consent decree to even make the State stand-

ards applicable in that situation to ensure that, in fact, the cleanup occurs thoroughly on Alaskan beaches and Louisiana shores.

I think the gentleman has made a good point. We can go too far here and kill, if you will, the goose that laid the golden egg. If we destroy the ability of the industry to produce and ship oil to us as a result of what we do, we are going to be in trouble here.

More importantly, if we destroy the integrity of a national fund in this zest to get even with Exxon, what good will we have done in trying to perfect a good bill? This a bipartisan effort, and I commend the gentleman for his effort in it.

The CHAIRMAN pro tempore (Mr. LANCASTER). The time of the gentleman from Alaska [Mr. YOUNG] has expired.

(By unanimous consent, Mr. YOUNG of Alaska was allowed to proceed for 1 additional minute.)

Mr. YOUNG of Alaska. Mr. Chairman, I would like to indulge in a colloquy with the gentleman from Massachusetts for one moment.

As I mentioned. I have some reservations about the Miller-Studds amendment and also support many parts of it. But there was a comment made, and I would like for the record to show that in fact in the case of a spill, a tanker goes, God help us, on the reef again, under the Miller-Studds amendment, who is charge of the spill immediately?

Mr. STUDDS. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I am happy to yield to the gentleman from Massachusetts.

Mr. STUDDS. Mr. Chairman, the Federal Government under the national contingency plan.

Mr. YOUNG of Alaska. There is no disagreement about who has the authority to direct the cleanup?

Mr. STUDDS. If the gentleman will yield further, absolutely none.

Mr. YOUNG of Alaska. Mr. Chairman, I thank the gentleman.

Mr. DAVIS. Mr. Chairman, I have a unanimous-consent request, and it would require that the gentleman from Louisiana [Mr. TAUZIN] withdraw this amendment, and that I be allowed to offer my amendment in its place. Simply put, the only thing that it would add would be to allow the words "and applicable State law" to be added in two different sections, but in order to do that, the gentleman from Louisiana [Mr. TAUZIN] would have to agree to withdraw his amendment, and I would offer this.

The CHAIRMAN pro tempore. Does the gentleman from Louisiana request unanimous consent to withdraw his amendment and allow the substitution of the amendment offered by the gentleman from Michigan?

Mr. TAUZIN. Mr. Chairman, if I can get assurances from the authors of the Miller-Studds amendment that they will not interpose an objection to that change.

Mr. STUDDS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS. I am happy to yield to the gentleman from Massachusetts.

Mr. STUDDS. Mr. Chairman, could the gentleman give us a layman's description of the proposed change?

Mr. DAVIS. The effect is it says that applicable State laws shall be part of this law and says that whatever law the State has, the Federal fund will pick up the cost of cleanup, and what it says is that we have to follow Federal law and State law, but that the Governor would not have the right to veto, but it still then would say that we would have to follow the State law, so we would have to do the cleanup, but it would be up to the Federal person in charge to determine whether or not we had met State laws and Federal laws.

Mr. TAUZIN. Mr. Chairman, if the gentleman will yield further, in other words, the gentleman would try to cure the complaint that if a State has a stronger standard than even this national contingency plan, that State's standard would be the standard by which the Federal cleanup administrator would judge when the cleanup is complete? Is that correct?

Mr. DAVIS. What this does is keeps part 1 and strikes section 2, and from all of the arguments that I have heard from the gentleman from Massachusetts, he wants to make sure that State laws are applicable, and what this amendment would do is simply say, yes, State laws would be applicable.

Mr. STUDDS. If the gentleman will yield further, I am still not sure I understand. Is the gentleman proposing, first of all, to have the gentleman from Louisiana [Mr. TAUZIN] withdraw his amendment altogether and start anew with a different amendment?

Mr. DAVIS. The only way we can do it technically is to have the gentleman from Louisiana [Mr. TAUZIN] withdraw.

Mr. TAUZIN. The same amendment with the change.

Mr. DAVIS. Then it would be the same amendment except we say that applicable State laws will follow.

Mr. STUDDS. Mr. Chairman, I want to discuss, if the gentleman will continue to yield, that we would like to see it in writing, and we also have some questions, if we may. Is it the understanding of the gentleman under his new proposition that he would seek to offer that actions taken to clean up the spill pursuant to a higher State standard would be compensable by the Federal fund?

Mr. DAVIS. The gentleman is correct.

Mr. STUDDS. They would?

Mr. DAVIS. Yes.

Mr. STUDDS. But the gentleman would leave untouched the role of the Governor; that would remain "in consultation with"?

Mr. DAVIS. The consultation would remain; the Governor would not have the power to veto what the Federal person said. If he says, "Look, we have lived up to State laws, we have lived up to the Federal law, therefore, the cleanup is completed."

Mr. STUDDS. If the gentleman would yield further, if I understand the gentleman, I think I may now, while the gentleman is prepared to stipulate that State laws, if they have a higher standard, should be met, he leaves it to the Federal Government rather than the State government to determine whether or not those standards have been met? Is that correct?

Mr. DAVIS. That is correct. So we have one person who is in charge to make the determination for all 50 States, still in consultation with the Governor.

Mr. STUDDS. If the gentleman will yield further, I understand. It is my understanding, and I really do not propose to get into a reading match game with respect to the complicated Superfund statute, but it is my understanding that that would still not be consistent with the role of the Governor in making that determination under the Superfund, and I think under those circumstances, the gentleman from California [Mr. MILLER] and I and those who support our amendment would oppose it. Whether it serves any purpose to oppose it, I am not sure, but I think our objections to it would be as strong and essentially the same as those we have articulated with respect to those to the Tauzin amendment.

If the gentleman wants to yield to the gentleman from California [Mr. MILLER] I have no trouble with the gentleman offering any amendment he wishes.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. DAVIS. I am happy to yield to the gentleman from California.

Mr. MILLER of California. It would take unanimous consent, and I think we would object. It is the same issue, but it just postpones the moment when that issue arises, and that now there would be an argument between the Federal and State governments when State law was complied with, and the gentleman has the same overriding capabilities of the Federal Government to make that sole determination under the proposals, as I understand it, that he is about to make. That is what we are trying to avoid, and we are trying to avoid the State and Federal governments overriding those determinations. I do not think

that the gentleman has cured the problem.

Mr. DAVIS. I had hoped that the gentleman would agree not to object and let us put this amendment in, and then if he wants to continue to argue against it. But what I am doing is making the Tauzin amendment much better than it is, giving the States the right to pass any law they want, which can be more stringent than the Federal law, and still the Federal fund has to pay for it. So it would seem to me that we ought to at least accept this unanimous-consent request and then if they want to argue against the whole thing, go ahead and do that.

Mr. TAUZIN. If the gentleman will yield further, I think what we have determined is that the authors of the Miller-Studds amendment are not as interested in having the standard changed as they are in having the Governor make the decision rather than the Federal cleanup authority. Is that correct?

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. DAVIS. I am happy to yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I assume it is the gentleman's intent to offer this anyway, so for the sake of time, let us go ahead and allow the unanimous consent. We can debate the amendments, because he can offer it after the amendment offered by the gentleman from Louisiana [Mr. TAUZIN], is disposed of, and we can deal with the issue all in one. It is essentially the same issue.

Mr. TAUZIN. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

AMENDMENT OFFERED BY MR. DAVIS TO THE AMENDMENTS EN BLOC OFFERED BY MR. MILLER OF CALIFORNIA

Mr. DAVIS. Mr. Chairman, I offer an amendment to the amendments en bloc offered by the gentleman from California [Mr. MILLER].

The Clerk read as follows:

Amendment offered by Mr. DAVIS to the amendments en bloc offered by Mr. MILLER of California: Strike (d) and substitute the following:

(d) REMOVAL STANDARDS.—Page 12, line 17, insert "and applicable State law" after "plan".

Page 12, line 20, insert "and applicable State law" after "plan".

Page 33, line 22, strike "Removal" and insert "For the purposes of the national contingency plan, removal".

Page 33, line 25, strike "States.". and insert "States. However, this determination shall not preclude additional removal actions under applicable State law.".

□ 1510

Mr. DAVIS. Mr. Chairman, in effect what we have done now is we have said that we must live up to not only Federal standards, but also State standards, and even if those State standards go beyond the Federal standards we have to live up to those, and we would use the Federal funds to be able to do what both the Federal and State standards say.

The only thing that I have eliminated in this amendment that was in the Studds amendment is the Governor's right to veto. What we are saying is the State has their own law, their own standards. Determination shall be made then by the Federal person in charge as to whether we have lived up to the Federal standards and the State standards.

It seems to me to be a very reasonable compromise, and as I listened to the arguments, the arguments were that we wanted to protect the State's rights and ability to be able to have their own standards. In fact, that is exactly what this amendment does.

Mr. STUDDS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, if I could have the attention of the gentleman from Michigan, I want to make absolutely certain we understand this correctly. I believe I have a correct copy in front of me. The final provision of the gentleman's amendment where it says "this determination shall not preclude additional removal actions under applicable State law," does the gentleman have that before him?

Mr. DAVIS. If the gentleman will yield, yes.

Mr. STUDDS. Is it correct that under that sentence those additional removal actions under applicable State law would be compensable under the Federal fund?

Mr. DAVIS. The gentleman is correct.

Mr. STUDDS. If that is the case, then if I understand the gentleman's amendment correctly, it does not alter the intention of the gentleman from California and myself, and the amendment would be acceptable to us.

Mr. HOUGHTON. Mr. Chairman, I rise in support of H.R. 1465. Work on this issue started long before I became a Member of Congress, but I am glad to be here today to put my stamp of approval on the final product.

Let me start by saying that H.R. 1465 provides strong protection for our fragile environment. It will help prevent spills—provide rapid response—adequate cleanup and full compensation to those who suffer economic damages if spills occur. This is good legislation—we need it.

But I would like to take this moment to address the Miller-Studds amendment and the concerns I have with it. A strong component of H.R. 1465 is that it provides coordinated, consistent action to clean up oilspills. It provides accountability and delegates leadership responsibility to the Coast Guard. But the amendment proposed by my two colleagues would create a less effective cleanup program as Government jurisdictions battle for control. An example of this is an oilspill in the New York City Harbor which could trigger litigation and confusion in cleanup responsibility between New York, New Jersey, and the Federal Government. As you know it is difficult to get one large bureaucracy to act in an efficient and coordinated way, and each additional bureaucracy that is included leads to duplication and disjointed cleanup efforts.

H.R. 1465 establishes a fund that will not only clean up all oilspills but will quickly compensate all who are economically harmed by such a spill. In the past, spillers have been able to indulge in protracted lawsuits for up to 12 years while claimants wait to be reimbursed. H.R. 1465 establishes a system in which a claimant will present a bill to the spiller and be compensated within 90 days. And if the spiller denies the claim or simply cannot pay it, the bill is presented to the fund for payment.

No lengthy court battles.

No slick lawyers trying to prolong the process.

No need for a small fisherman making $25,000 a year to try and battle a multibillion dollar company.

And payment in a matter of months, not years—months.

The amendment offered by Mr. STUDDS and Mr. MILLER seeks to continue to prolong the litigation. My constituents deserve better. Yours deserve better. I urge you to oppose this effort to continue this existing awkward claims process and to accept H.R. 1465's cleanup compensation program as written.

Mr. KOLTER. Mr. Chairman, I rise in opposition to the amendment that strikes Federal liability preemption from H.R. 1465.

A uniform Federal liability standard would allow companies to know the full extent to which they will be held liable for damages resulting from oilspills.

Without Federal preemption, a confusing system of State laws would exist. Responsible, established companies would not be financially capable of operating oil transport operations in States that do not set limits on liability. Inexperienced, upstart companies will be the only ones willing to take these liability risks. Once one of these companies experiences a big spill where there is no limit on liability, it will likely declare bankruptcy and leave the cleanup to us.

The limited Federal preemption contained in H.R. 1465 will not only improve the recovery of damages on a national level, but will greatly enhance our ability to enforce American judgments worldwide. Foreign companies will be unwilling to accept a policy of varying liability levels. These same companies can be held responsible for damages if a strong federal system is in place that corresponds with international agreements.

This amendment would create an unworkable situation for insurance coverage of oil shippers. Oil companies would have to establish numerous policies to meet the different liability demands imposed by the different States. The alternative would be for the oil companies to obtain a policy of infinite liability which insurance companies may be afraid to offer. Even if they were to be offered, reliable oil companies may not be able to afford the high premiums.

I am proud of my voting record on environmental issues. If I felt that this amendment would benefit the natural resources and livelihoods most vulnerable to a spill, I would support it. However, the ambiguous situation that this amendment would create is not in the best interest of the people, wildlife, and environment which we are striving to protect with the passage of this bill.

This amendment also brings up the issue of equity in the system of compensating those affected by a spill. Several oilspills have caused damage to more than one State. Would it be fair for you to receive a smaller award while someone up the coast similarly affected by the spill received a much larger award just because he lives in a different State?

Consider the hypothetical situation of a damaged tanker in the Chesapeake Bay. With oil leaking from the ship, the captain must head to port to avoid further damage. But which port should he head for? He might be ordered by his superiors to enter a Virginia port instead of a Maryland port because any damage done to the Virginia coastline will result in lower liability to the company. In a comprehensive Federal liability system the captain would not concern himself with liability concerns during these crucial moments, but only with the issue of primary concern—getting the ship out of open waters to avoid further contamination of the environment.

As we know all too well, oilspills know no boundaries. Federal regulations must be enacted to equitably compensate all who are affected by oilspill accidents.

Included in H.R. 1465, is a provision establishing an oilspill trust fund to be financed by the oil companies. This fund will cover those damages which remain after the liability limit is met. This, combined with the liability provisions contained in the bill, is a fair and balanced approach to compensating those affected by oilspills.

I urge my colleagues to join me in supporting the liability language contained in the bill and opposing the amendment.

Ms. SNOWE. Mr. Chairman, I rise today to voice my objections to provisions in H.,R. 1465 which would preempt existing State oilspill liability laws, and to urge my colleagues to join me in support of the Miller-Studds amendment.

While this legislation addresses many important issues in regard to oilspill prevention and response, it has a critical flaw: It strips States of the ability to protect their resources and people from the devastation that can result from an oilspill.

Consider, for a moment, the aftermath of the tragic *Exxon Valdez* spill in Prince William Sound. In September, we watched in frustration as Exxon ended its cleanup efforts—leaving much oil and many questions about the effectiveness of their cleanup work. But, even that work itself has cost Exxon nearly $2 billion.

Let me remind my colleagues that if H.R. 1465 as reported had been in effect, Exxon's cost would have been limited to not more than $114 million. If it were not for Alaska's tough oilspill liability laws, Exxon would not have borne the nearly $2 billion in costs. Little imagination is needed to guess who would have paid—the taxpayers.

The CHAIRMAN pro tempore (Mr. LANCASTER). The question is on the amendment offered by the gentleman from Michigan [Mr. DAVIS] to the amendments en bloc offered by the gentleman from California [Mr. MILLER].

The amendment to the amendments en bloc was agreed to.

The CHAIRMAN pro tempore. Are there further amendments to the Miller amendments?

If not, the question is on the amendments en bloc offered by the gentleman from California [Mr. MILLER], as amended.

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. TAUZIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 279, noes 143, not voting 11, as follows:

[Roll No. 338]

AYES—279

Ackerman	Douglas	Ireland
Akaka	Downey	Jacobs
Alexander	Dreier	James
Anderson	Duncan	Johnson (CT)
Annunzio	Durbin	Johnson (SD)
Anthony	Dwyer	Johnston
Atkins	Dyson	Jones (GA)
AuCoin	Early	Jontz
Bates	Eckart	Kanjorski
Beilenson	Edwards (CA)	Kaptur
Bennett	Engel	Kasich
Berman	English	Kastenmeier
Bevill	Erdreich	Kennedy
Bilbray	Evans	Kennelly
Bilirakis	Fascell	Kildee
Boehlert	Fawell	Kleczka
Bonior	Fazio	Kostmayer
Borski	Feighan	LaFalce
Bosco	Fish	Lagomarsino
Boucher	Flake	Lancaster
Boxer	Flippo	Lantos
Brennan	Foglietta	Leach (IA)
Broomfield	Ford (MI)	Lehman (CA)
Browder	Ford (TN)	Lehman (FL)
Brown (CA)	Frank	Levin (MI)
Brown (CO)	Frost	Levine (CA)
Bruce	Gallegly	Lewis (CA)
Bustamante	Gallo	Lewis (FL)
Byron	Gaydos	Lewis (GA)
Campbell (CA)	Gejdenson	Lipinski
Cardin	Gephardt	Lloyd
Chandler	Gibbons	Long
Clarke	Gilman	Lowery (CA)
Clay	Gingrich	Lowey (NY)
Coleman (TX)	Glickman	Machtley
Collins	Gonzalez	Markey
Condit	Gordon	Martin (IL)
Conte	Goss	Martin (NY)
Conyers	Gradison	Martinez
Cooper	Grant	Matsui
Costello	Gray	Mavroules
Cox	Guarini	Mazzoli
Coyne	Hall (OH)	McCloskey
Crane	Hamilton	McCollum
Crockett	Harris	McCurdy
Darden	Hawkins	McDade
Davis	Hayes (IL)	McDermott
de la Garza	Hefley	McGrath
DeFazio	Henry	McHugh
Dellums	Hertel	McMillen (MD)
Derrick	Hoagland	McNulty
DeWine	Hochbrueckner	Mfume
Dicks	Horton	Miller (CA)
Dixon	Hoyer	Miller (WA)
Donnelly	Hughes	Mineta
Dorgan (ND)	Hutto	Moakley
Moody	Ridge	Stallings
Moorhead	Rinaldo	Stark
Morella	Rohrabacher	Stearns
Morrison (CT)	Ros-Lehtinen	Stokes
Morrison (WA)	Rose	Studds
Mrazek	Rostenkowski	Swift
Murphy	Roth	Synar
Murtha	Roukema	Tanner
Nagle	Rowland (CT)	Taylor
Neal (MA)	Rowland (GA)	Thomas (GA)
Neal (NC)	Roybal	Torres
Nelson	Russo	Torricelli
Nowak	Sabo	Towns
Oakar	Saiki	Traxler
Oberstar	Sangmeister	Udall
Obey	Savage	Unsoeld
Olin	Sawyer	Valentine
Owens (NY)	Saxton	Vento
Owens (UT)	Scheuer	Visclosky
Oxley	Schiff	Volkmer
Packard	Schneider	Vucanovich
Pallone	Schroeder	Walgren
Panetta	Schumer	Walsh
Pashayan	Sharp	Watkins
Patterson	Shaw	Waxman
Paxon	Shays	Weber
Payne (NJ)	Sikorski	Weiss
Pease	Skaggs	Wheat
Pelosi	Slattery	Whitten
Penny	Slaughter (NY)	Williams
Petri	Smith (FL)	Wolpe
Pickle	Smith (NJ)	Wyden
Poshard	Smith (VT)	Yates
Price	Smith, Robert (NH)	Yatron
Pursell	Snowe	Young (AK)
Rangel	Solarz	Young (FL)
Ravenel	Spratt	
Richardson		

NOES—143

Andrews	Hansen	Rahall
Applegate	Hastert	Ray
Archer	Hatcher	Regula
Armey	Hayes (LA)	Rhodes
Baker	Hefner	Ritter
Ballenger	Herger	Roberts
Barnard	Hiler	Robinson
Bartlett	Holloway	Rogers
Barton	Hopkins	Sarpalius
Bateman	Houghton	Schaefer
Bentley	Hubbard	Schuette
Bereuter	Huckaby	Schulze
Bliley	Hunter	Sensenbrenner
Boggs	Hyde	Shumway
Buechner	Inhofe	Shuster
Bunning	Jones (NC)	Sisisky
Burton	Kolbe	Skeen
Callahan	Kolter	Skelton
Campbell (CO)	Kyl	Slaughter (VA)
Carper	Laughlin	Smith (NE)
Carr	Leath (TX)	Smith (TX)
Chapman	Lent	Smith, Denny (OR)
Clement	Lightfoot	Smith, Robert (OR)
Clinger	Livingston	Solomon
Coble	Luken, Thomas	Spence
Coleman (MO)	Lukens, Donald	Staggers
Combest	Madigan	Stangeland
Coughlin	Manton	Stenholm
Craig	Marlenee	Stump
Dannemeyer	McCandless	Sundquist
DeLay	McCrery	Tallon
Dickinson	McEwen	Tauke
Dingell	McMillan (NC)	Tauzin
Dornan (CA)	Meyers	Thomas (CA)
Edwards (OK)	Michel	Thomas (WY)
Emerson	Miller (OH)	Traficant
Espy	Mollohan	Upton
Fields	Montgomery	Vander Jagt
Frenzel	Myers	Walker
Gekas	Natcher	Weldon
Geren	Nielson	Whittaker
Gillmor	Ortiz	Wilson
Goodling	Parker	Wise
Grandy	Parris	Wolf
Green	Payne (VA)	Wylie
Gunderson	Perkins	
Hall (TX)	Pickett	
Hammerschmidt	Porter	
Hancock	Quillen	

NOT VOTING—11

Aspin	Dymally	Molinari
Brooks	Florio	Roe
Bryant	Garcia	Smith (IA)
Courter	Jenkins	

□ 1533

Mr. BEREUTER and Mr. ORTIZ changed their vote from "aye" to "no."

Messrs. MAZZOLI, TRAXLER, PACKARD, and MARTIN of New York changed their vote from "no" to "aye."

So the amendments en bloc, as amended, were agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SHUMWAY

Mr. SHUMWAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHUMWAY: Page 52, after line 23, insert the following:

(d) ELECTION OF REMEDY.—

(1) GENERAL RULE.—A person—

(A) who asserts a claim under this Act for removal costs or damages resulting from an incident may not assert a claim under the law of any State for removal costs or damages resulting from that incident; and

(B) who asserts a claim relating to an incident under the law of any State may not assert a claim under this Act for removal costs or damages resulting from that incident.

(2) DECISION NOT FINAL FOR 90 DAYS.—The decision of a person to assert a claim described in paragraph (1) (A) or (B) shall not be considered final for purposes of paragraph (1) until the earlier of—

(A) 90 days after the first date the person asserts a claim described in paragraph (1) (A) or (B); or

(B) the end of the period of limitations that applies to that claim under section 1017(e).

Mr. SHUMWAY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHUMWAY. Mr. Chairman, I think every Member who offers an amendment in this body likes to preface his or her remarks with saying, "My amendment is simple and straightforward." Sometimes that is true, and sometimes it is not true. However, I will preface my remarks by saying that I think that is true.

Mr. Chairman, my amendment is simple and straightforward. The amendment:

First. Cuts down on unnecessary litigation;

Second. Speeds up the compensation process for parties injured as a result of an oilspill; and

Third. Eliminates the possibility of double recovery by claimants going to both Federal and State courts.

The bill already clearly states that there is to be no double recovery for damages under the Federal act. However, since Federal preemption of State laws has been removed from the bill, the possibility for double recovery from both the Federal and State systems now exists. All it would take is for a reasonably creative lawyer to file multiple claims or suits for the same damages under different Federal and State legal theories and a claimant could be compensated twice.

This amendment eliminates this possibility of recovering twice for the same damages. It does so by specifically stating that any one claimant must elect to pursue compensation either through the Federal or State system—but not both. It gives every individual claimant the freedom to choose either system. And it also gives a claimant 90 days after he or she files a claim before the election of forum or remedy is final.

The amendment merely clarifies the intent of the original bill and is consistent with normal judicial practices. A Federal or State judge can already consolidate varying claims by a single claimant into one forum. But that is a lengthy and costly process. This amendment eliminates even the possibility of the confusing practice of multiple claims under multiple jurisdictions.

Without this amendment, multiple jurisdictions will result in unwieldy litigation and confusion after an oilspill—and that in turn will result in a claimant's nightmare and a lawyer's dream. This amendment helps those seeking compensation for damages, not lawyers.

The Coast Guard and administration support this amendment. I urge your support for this amendment.

Mr. STUDDS. Mr. Chairman, I rise in opposition to the amendment.

I do so, even though I sympathize with the goal of the amendment's author, which is to simplify procedures for obtaining compensation for oilspill damages.

The fact is, though, that there are several things wrong with this amendment. It's unjustified. It's unfair. And it's a bad idea.

This amendment purports to solve a problem that doesn't exist. The bill coupled with standard rules of judicial practice already contains a crystal clear prohibition on double recovery. No one—I repeat no one—can expect to recover under both State and Federal law for the same damages. That would be ridiculous; it would be unfair; and we don't need this amendment to make sure it doesn't happen.

The problem then, is not what the amendment seeks to do. The problem is what it would do.

It would force claimants to make an irrevocable, one-time choice between seeking compensation for damages under a State law or under Federal law.

Thus, a fisherman who files a claim under State law to recover costs incurred while using his boat to clean up a spill, would be barred from filing under Federal law for a loss of income that might not even be apparent at the time the original claim is filed—damage to a spawning ground or a shellfish bed, for example.

Similarly, a State might recover under its own law for cleanup costs that can be calculated quickly; and then be barred from filing under Federal law to recover for damages to natural resources that might not be fully tabulated for several years.

Mr. Chairman, I don't think it is fair to say to our citizens that we will give you certain rights under Federal law, but only if you give up your rights under State law.

This amendment will, in fact, accomplish exactly what we want to avoid, for it will splinter the process of hearing and resolving claims. Under most big cases likely to arise under this act, Federal judges will be able to consolidate claims for pollution damages, whether those claims are filed in Federal or State court, under Federal or State law—thus simplifying the whole legal process.

But with this amendment, consolidation will not be possible. Federal courts won't be able to hear State claims, and State courts won't be able to hear Federal claims. This will drag out the process; it will complicate it; it will do exactly the reverse of what the author of the amendment says he intends.

What public purpose is served by this amendment? The fact is that the amendment has no compelling purpose. But its effect would be to undermine the overriding principle of this legislation—which is to guarantee full compensation to the victims of oilspills.

The fact is that this is yet another effort to restore a measure of preemption to this bill. Another effort to put private interests above public rights. Another effort to break with the tradition of preserving State environmental laws and prerogatives. Another effort, however inadvertent, to put obstacles in the path to enactment of this legislation.

Mr. Chairman, I urge Members to oppose the amendment.

□ 1540

The CHAIRMAN pro tempore (Mr. LANCASTER). The question is on the amendment offered by the gentleman from California [Mr. SHUMWAY].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. SHUMWAY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 169, noes 251, not voting 13, as follows:

[Roll No. 339]

AYES—169

Applegate	Hall (TX)	Pashayan
Archer	Hammerschmidt	Payne (VA)
Armey	Hancock	Petri
Baker	Hansen	Pickett
Ballenger	Harris	Quillen
Barnard	Hastert	Rahall
Bartlett	Hatcher	Ray
Barton	Hayes (LA)	Regula
Bateman	Hefley	Rhodes
Bentley	Herger	Ridge
Bereuter	Hiler	Ritter
Bilbray	Holloway	Roberts
Bilirakis	Hopkins	Robinson
Bliley	Houghton	Rogers
Boggs	Hubbard	Rohrabacher
Bosco	Huckaby	Roth
Browder	Hunter	Sarpalius
Brown (CO)	Inhofe	Schaefer
Bunning	Ireland	Schulze
Burton	Jones (NC)	Sensenbrenner
Byron	Kasich	Shaw
Callahan	Kastenmeier	Shumway
Campbell (CA)	Kolbe	Shuster
Campbell (CO)	Kyl	Sisisky
Clement	Laughlin	Skeen
Clinger	Leath (TX)	Slattery
Coble	Lent	Slaughter (VA)
Coleman (MO)	Lewis (CA)	Smith (NE)
Combest	Lewis (FL)	Smith (TX)
Coughlin	Lightfoot	Smith, Denny (OR)
Cox	Livingston	
Craig	Lowery (CA)	Smith, Robert (OR)
Crane	Luken, Thomas	
Dannemeyer	Lukens, Donald	Solomon
DeLay	Madigan	Spence
DeWine	Manton	Stangeland
Dickinson	Marlenee	Stearns
Dingell	Martin (IL)	Stenholm
Dornan (CA)	McCandless	Stump
Dreier	McCollum	Sundquist
Duncan	McCrery	Tallon
Edwards (OK)	McEwen	Tauke
Emerson	Meyers	Tauzin
Espy	Michel	Thomas (CA)
Fields	Miller (OH)	Thomas (WY)
Frenzel	Mollohan	Traficant
Gallegly	Montgomery	Vander Jagt
Gallo	Moorhead	Visclosky
Gekas	Murphy	Vucanovich
Geren	Myers	Walker
Gillmor	Nielson	Watkins
Gingrich	Oakar	Weldon
Goodling	Ortiz	Whittaker
Gradison	Oxley	Wilson
Grandy	Packard	Wolf
Grant	Parker	Wylie
Gunderson	Parris	Young (AK)

NOES—251

Ackerman	Collins	Feighan
Akaka	Condit	Fish
Alexander	Conte	Flake
Anderson	Conyers	Foglietta
Andrews	Cooper	Ford (MI)
Annunzio	Costello	Ford (TN)
Anthony	Coyne	Frank
Atkins	Crockett	Frost
AuCoin	Darden	Gaydos
Bates	Davis	Gejdenson
Bellenson	de la Garza	Gephardt
Bennett	DeFazio	Gibbons
Berman	Dellums	Gilman
Bevill	Derrick	Glickman
Boehlert	Dicks	Gonzalez
Bonior	Dixon	Gordon
Borski	Donnelly	Goss
Boucher	Dorgan (ND)	Gray
Boxer	Douglas	Green
Brennan	Downey	Guarini
Broomfield	Durbin	Hall (OH)
Brown (CA)	Dymally	Hamilton
Bruce	Dyson	Hawkins
Buechner	Early	Hayes (IL)
Bustamante	Eckart	Hefner
Cardin	Edwards (CA)	Henry
Carper	Engel	Hertel
Carr	English	Hoagland
Chandler	Erdreich	Hochbrueckner
Chapman	Evans	Horton
Clarke	Fascell	Hoyer
Clay	Fawell	Hughes
Coleman (TX)	Fazio	Hutto
Hyde	Moody	Schroeder
Jacobs	Morella	Schuette
James	Morrison (CT)	Schumer
Johnson (CT)	Morrison (WA)	Sharp
Johnson (SD)	Mrazek	Shays
Johnston	Murtha	Sikorski
Jones (GA)	Nagle	Skaggs
Jontz	Natcher	Skelton
Kanjorski	Neal (MA)	Slaughter (NY)
Kaptur	Neal (NC)	Smith (FL)
Kennedy	Nelson	Smith (NJ)
Kennelly	Nowak	Smith (VT)
Kildee	Oberstar	Smith, Robert (NH)
Kleczka	Obey	
Kolter	Olin	Snowe
Kostmayer	Owens (NY)	Solarz
LaFalce	Owens (UT)	Spratt
Lagomarsino	Pallone	Staggers
Lancaster	Panetta	Stallings
Lantos	Patterson	Stark
Leach (IA)	Paxon	Stokes
Lehman (CA)	Pease	Studds
Lehman (FL)	Pelosi	Swift
Levin (MI)	Penny	Synar
Levine (CA)	Perkins	Tanner
Lewis (GA)	Pickle	Taylor
Lipinski	Porter	Thomas (GA)
Lloyd	Poshard	Torres
Long	Price	Torricelli
Lowey (NY)	Pursell	Towns
Machtley	Rangel	Traxler
Markey	Ravenel	Udall
Martin (NY)	Richardson	Unsoeld
Martinez	Rinaldo	Upton
Matsui	Ros-Lehtinen	Valentine
Mavroules	Rose	Vento
Mazzoli	Rostenkowski	Volkmer
McCloskey	Roukema	Walgren
McCurdy	Rowland (CT)	Walsh
McDade	Rowland (GA)	Waxman
McDermott	Roybal	Weber
McGrath	Russo	Weiss
McHugh	Sabo	Wheat
McMillan (NC)	Saiki	Whitten
McMillen (MD)	Sangmeister	Williams
McNulty	Savage	Wise
Mfume	Sawyer	Wolpe
Miller (CA)	Saxton	Wyden
Miller (WA)	Scheuer	Yates
Mineta	Schiff	Yatron
Moakley	Schneider	Young (FL)

NOT VOTING—13

Aspin	Flippo	Payne (NJ)
Brooks	Florio	Roe
Bryant	Garcia	Smith (IA)
Courter	Jenkins	
Dwyer	Molinari	

□ 1602

Messrs. OLIN, BUSTAMANTE, PORTER, Mrs. LLOYD, and Mr. DE LA GARZA changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. HUGHES

Mr. HUGHES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HUGHES: Page 53, line 1, strike "STATE FINANCIAL RESPONSIBILITY." and insert in lieu thereof "STATE LIABILITY."

Page 53, line 13, insert "(a) FINANCIAL RESPONSIBILITY.—" before "A State".

Page 53, after line 15, insert the following:

(b) LIMIT OF LIABILITY.—Any State or local law, rule, or regulation to establish liability with respect to the discharge or substantial threat of discharge of oil, or with respect to any other pollution by oil, shall not exceed the limits of liability set forth in section 1004.

Mr. HUGHES (during the reading). Mr. Chairman, I ask unanious consent that the amendment be considered as read as printed in the RECORD.

The CHAIRMAN pro tempore (Mr. LANCASTER). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HUGHES. Mr. Chairman, the amendment that I am offering on behalf of myself, the gentleman from Delaware [Mr. CARPER] and the gentleman from California [Mr. SHUMWAY] would insure that States set their own limits of liability at a level that is consistent with the Federal levels of this bill.

The amendment simply states that State liability limits shall not exceed Federal liability limits set pursuant to this legislation.

This amendment in no way restricts or preempts victims of oilspills from receiving full compensation under State liability limits. Nor does this amendment restrict or preempt States from enforcing stricter oilspill cleanup or restoration standards than the Federal law.

This amendment does allow States to maintain their own oilspill liability and compensation laws to protect their environment and natural resources. Since the transportation of oil is an interstate activity, it is reasonable to have State and Federal liability limits be fairly consistent.

Opponents have stated that unlimited liability, a standard which some States require for damages resulting from oilspills, ensures a higher standard of care by the oil transporters and oil companies.

I disagree. I believe that an unlimited liability limit would actually increase insurance costs dramatically. These increased costs would be ultimately passed on to the consumer, or would create a climate of financial risk where only shell companies with minimal assets will choose to operate.

These shell companies which would have comparatively little to lose in the event of a catastrophic spill, are likely to pose a significantly greater environmental risk, since they would operate under lower safety standards and command little in the way of cleanup capabilities.

Now, more than ever, we need to prevent oilspills by ensuring that environmentally responsible companies, which have long-term investments in equipment, personnel, and safety, will be able to maintain insurance and a high standard of care when transporting oil on our marine waters.

Mr. Chairman, I have supported consistently Studds-Miller. My State has an oilspill bill. I want to preserve that. I want to preserve individual liability in the States, but I also want a regime that is going to encourage responsible transporters. What we are going to encourage if we have unlimited liability

for States and limited liability for the Federal Government, we are going to force the responsible transporters out of business and we are going to have the fly-by-nights.

Let me tell you a little bit about the Florida experience. My colleagues from Florida know better than most a specific example where a State had its own oilspill law with unlimited liability that drove responsible operators out of business in Florida in the 1970's. I am going to quote from the Florida State University law review regarding this 1970 Florida law. This is what happened in Florida:

The major problem with the Florida legislation was the unlimited and absolute liability imposed on a spiller for costs and damages from an oilspill. The immediate tangible effect of this provision was that almost all businesses engaged in shipping any sort of pollutant were unable to obtain insurance to respond to any potential liability under the 1970 law. Thus, shippers were forced to comply with the financial responsibility section of the statute by becoming self-insurers for at least part of the liability and by pledging all of their firms assets to remedy possible spills.

In many cases, this massive incurrence of liability by a shipper entering Florida waters had ripple effects that were highly detrimental to the public interest: shippers refused Florida business or required their Florida contractees to hold the shippers harmless for any spills occurring in Florida waters.

By 1974, the problems posed by the unlimited liability law were so severe that the legislature began drafting legislation to revise the 1970 law. Even the environmental groups recognized the problems at the time and the National Environmental Development Association specifically advocated a more moderate approach to State liability.

This group "supported a balanced approach to environmental and economic opportunities" and asked the Florida Legislature to reconsider the unlimited liabilities provisions in the 1970 law. The National Environmental Development Association also posed the question, "whether recovery from an insurance company would be preferable to recovery from a corporation, and whether the indirect effect of increased energy prices for the consumer might be more costly than an oilspill?"

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

(By unanimous consent, Mr. HUGHES was allowed to proceed for 2 additional minutes.)

Mr. HUGHES. In 1974, Florida repealed their unlimited oilspill liability law and now imposes reasonable limits on liability.

I say to my colleagues that the correct environmental vote is to support the Hughes-Carper-Shumway amendment, because what we are going to have is transporters basically that should not be transporting oil, that are not responsible, that have not maintained the manning and the safety standards of vessels that are responsible, and so the correct vote is a vote in support of this amendment. So the correct vote is a vote in support of this amendment.

□ 1610

Mr. Chairman, the reason we develop this type of a provision in committee and limit it at the Federal level is because we have a Superfund. If there is a spill that exceeds what a carrier can provide or what a fund provides at the State level, the Superfund provides for unlimited cleanup. The only question is what kind of a burden we are going to place on the transporters and carriers of oil.

I think that the way we need to go is this way.

Mr. HAMMERSCHMIDT. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I rise in strong support of the amendment of the gentlemen from New Jersey, Delaware, and California.

Mr. Chairman, let me note that the amendment has the support of those that supported the compromise bill on preemption and those that opposed preempting State liability laws. This amendment is different from the preemption amendment. This amendment ensures that in setting up their own liability laws, States cannot set liability at levels higher than the Federal levels.

This approach would address the principal concern raised by those opposed to preemption—that the State can't rely on the promises of the Federal Government to respond to oilspills and need the flexibility to ensure protection of their citizens by enacting their own liability laws. At the same time, the amendment would preserve reasonable liability limits which are essential to ensuring that responsible oil transporters have access to the insurance needed to operate. Without such limits, insurance may not be available.

This in turn could have negative environmental impacts as the larger, responsible transporters—those with substantial assets at stake—elect to get out of the business of transporting oil rather than risk being wiped out by a catastrophic spill. If this happens, oil will be shipped predominantly by single vessel shell companies that have shoddy safety records and little to lose in the event of a spill. I do not believe any of us wants such a result. The pending amendment will ensure that this doesn't happen. Accordingly, I support the amendment and urge my colleagues to do so as well.

Mr. FISH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentlemen from New Jersey, Delaware, and California, respectively. This amendment to section 1019 of the bill would ensure that Federal and State oilspill laws are uniform with respect to limits on liability.

H.R. 1465 is compromise legislation. It establishes a comprehensive Federal system to provide compensation for damage incurred in connection with oilspills. It consolidates four preexisting Federal oilspill statutes into one. It establishes a three-tiered compensation scheme that recognizes the need for a rapid, effective response when an oilspill occurs.

Importantly, this measure also imposes joint, several and strict liability on responsible parties for cleanup costs and compensatory damages. If a spill occurs, vessels, owners or facility operators—those in the best position to prevent spills—are primarily and immediately liable. Thus, an owner or operator is strictly liable up to the preestablished—and substantial—liability limitations. If the owner's or operator's conduct involves gross negligence, willful misconduct, or failure to comply with applicable safety laws, then there is no limit on the owner's or operator's liability.

Cargo owners are secondarily liable for a spill, again up to significant levels of liability. Finally, this measure establishes a new oilspill liability trust fund, financed by a tax on oil companies. This new Federal fund provides the essential safety net—the funds necessary to compensate victims in those instances where the overall damages exceed liability limits.

It is important for the Members of this House to not lose sight of our real goals in connection with this very important environmental legislation. A primary aim is quick, responsive cleanup when spills occur, with the costs being borne, directly or indirectly, by the transporters, operators, and oil companies. Another fundamental goal is a safer petroleum transportation system, by encouraging responsible and environmentally concerned operators.

This is a logically and carefully balanced bill. We should not upset that balance and superimpose a patchwork of differing State laws—many of which contain no liability limits at all—on top of this new Federal response system. Otherwise, the result of this legislation could well be counterproductive to the environmental goals it seems to protect.

Marine pollution insurance is already extremely difficult to obtain, in large part because of the cleanup costs and damages resulting from the *Exxon Valdez* incident. Now, if these carriers are made to face unlimited liability under a variety of State laws, as well

as strict liability—liability irrespective of fault—under a new Federal law, they will become virtually uninsurable. Those domestic operators that currently train their employees in safety procedures and invest in state-of-the-art equipment, will no longer have an incentive to conduct their business in a responsible manner. If they are made subject to open ended, unlimited liability, then their efforts to undertake expensive safety measures would be discouraged.

We simply cannot ask responsible transporters to literally risk the existence of their company every time one of their ships is in the water. If vessel owners and facility operators are made simultaneously subject to Federal liability levels and open ended State liability systems, responsible owners and operators simply will no longer be in this business.

Then, we will be left with foreign-flag vessels transporting oil in U.S. waters, protected by the jurisdictional barriers of foreign law. Some of these would be essentially minimal asset shell companies, specifically structured so as to avoid any potential liability. Clearly, these types of vessel operators would pose a threat of the most serious type to our environment.

Mr. Chairman, I have always supported strong, tough environmental laws. We need to protect this Nation's natural resources and ensure that oilspill victims are fully compensated. The liability and compensation system established under H.R. 1465 properly places liability on those who have the responsibility to transport oil in a safe and secure manner. It also encourages the continuation and further development of responsible domestic marine transporters of petroleum. For these reasons, I strongly support the Hughes-Carper-Shumway amendment. It recognizes that the Federal liability limits in H.R. 1465 are a realistic, fair, and predictable method of allocating responsibility. This amendment also recognizes the need for a Federal law that encourages the responsible transportation of oil by responsible transporters. It would strike the best balance between financial accountability and the real world need for a careful, environmentally sensitive oil transport industry.

Mr. CARPER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment.

A number of criticisms have been leveled at this amendment which Mr. HUGHES, Mr. SHUMWAY and I are offering. I want to take this opportunity to explore some of those criticisms and to report them.

Criticism No. 1: The Hughes-Carper-Shumway amendment is preemption. It completely guts the Studds-Miller amendment.

In responding, let me say that Hughes-Carper-Shumway is not preemption. The preemption provision originally in the bill as brought to the floor would preempt States from even having oilspill liability laws so that any damaged party would have to bring his or her claim under the Federal Act.

The Hughes-Carper-Shumway amendment allows States to have their own oilspill liability laws so that a claimant may seek compensation under a State liability system of laws.

A number of proponents of the Studds-Miller amendment support the Hughes-Carper-Shumway amendment.

Finally, with passage of the Studds-Miller amendment, the underlying premise of the bill has changed. The Hughes-Carper-Shumway amendment recognizes this change and seeks to make State and Federal liability laws reasonably consistent.

Criticism No. 2: 17 States already have unlimited oilspill liability laws on their books and the responsible oil tanker operators haven't been driven out of business.

Let me respond by saying, prior to the *Exxon Valdez* incident, the worst case spill was considered to be about $150 million, well within the range of the $400 million pollution insurance available on the international market. The liability exposure for oil transporters in an unlimited liability system is now measured in terms of billions of dollars. By comparison, the largest independent domestic oil tanker operator has assets of only $125 million.

With unlimited liability, which now in the post-*Exxon Valdez* era is uninsurable, these companies would be literally betting their businesses every time they transport oil.

A specific example where a State had its own oilspill law with unlimited liability drive responsible operators out of business took place in Florida in the early 70's. Mr. HUGHES has described the consequences of that law already which led to its subsequent repeal.

Criticism No. 3: States need unlimited liability against the spiller to ensure safe tanker operations off their coasts and to protect their environment.

In reality, unlimited liability does not promote a higher standard of care or protection for the environment.

In fact, the opposite is true. Having State systems with potentially unlimited liability increases the financial risk to oil transporters to a level where only shell companies with minimal assets—and therefore the least to lose—will choose to operate.

These shell companies, with a small "s"; will be foreign-flagged and foreign-manned and will likely pose a significantly greater environmental risk since they operate under lower safety standards and possess little in the way of cleanup capabilities.

Criticism No. 4: Other laws, particularly Superfund, don't restrict State liability limits.

Actually, Superfund is a very different statute. It does not in any way seek to address third-party economic damages. It only specifically addresses cleanup costs and natural resource damage costs. Therefore, it does not even speak to the issue of State liability for damages such as economic losses or property losses.

The oilspill bill addresses all conceivable damages resulting from an oilspill so it is appropriate to have a single limitation to total liability—both at the Federal level and at the State level.

Criticism No. 5: This is a bailout to the oil and gas industry and the shippers.

Let me observe that the limits of liability in the bill, and which we use as a cap on State liability, are very high.

These liability limits are two to three times higher than the House has ever considered before. They are higher than the Senate's limits on liability.

For a major oil tanker they would exceed $150 million—more than the assets of the single largest U.S. independent oil transporter.

Even though these limits on liability are very stiff, they will allow operators to obtain insurance so they don't have to bet their companies every time they transport oil or so they don't quit the business altogether.

That is their purpose—to maintain insurability for safe, responsible tanker operators.

Let me conclude by stating that if you want to enable States to establish their own liability laws, vote for this amendment. If you want to make those State laws reasonably consistent with this new Federal fund, vote for this amendment. If you want to ensure that gross negligence and willful misconduct by an oil transporter results in unlimited liability, vote for this amendment. If you want to ensure that responsible shippers stay in the business and fly-by-night operators stay out, vote for this amendment.

Mr. SHUMWAY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise in support of the Hughes-Carper-Shumway amendment and I commend the gentleman from New Jersey and the gentleman from Delaware for their efforts in this regard.

Mr. Chairman, the House has already voted to allow States the right to establish their own liability laws so that parties damaged as a result of an oil spill can seek compensation under

State laws. This amendment does not change that.

Like all legislation that deals with a number of competing interests, this bill needs to strike a proper balance. This amendment provides the proper and needed balance between the overriding concern of the Coastal States and the U.S. oil tanker operators who must operate under the law we are about to pass.

What this amendment does is establish a consistent policy regarding limits of liability between the various State oilspill systems and the Federal system.

Let me emphasize that this amendment is not preemption. Preemption foreclosed on all State liability laws so that all claims would have to be brought under the Federal system. Under this amendment, State systems and State courts are completely available to parties damaged as a result of an oil spill and seeking compensation. The only restriction this puts on States is that they not have limits of liability. These liability limits are spelled out under section 1004 of the bill, and the most applicable of the limits is $1,200 per gross ton for oil tankers.

It is the intent of this amendment that the other conditions of liability in section 1004 also apply so that in cases of gross negligence or willful misconduct the limits of liability are removed.

Let me make absolutely clear that while this amendment puts a cap on State liability for the responsible parties, it in no way limits State compensation to damaged parties. Members must understand that limiting liability does not mean limiting compensation. The Federal bill limits liability but does not limit compensation. This effect of this amendment on States would be the same—State compensation remains unrestricted.

This amendment, then, merely conforms the bill's essential framework as originally passed by the committees of jurisdiction with the newly adopted premise that States will also have oilspill liability laws.

For some inexplicable reason, opponents of this amendment maintain that unlimited liability is good for the environment. That is simply untrue. In fact, it's just the opposite. Unlimited liability actually promotes less safe oil tanker operations.

The reason these liability limits are needed is essential to ensuring safe oil tanker operations off our coasts. Having State systems with potentially unlimited liability, as the bill without preemption allows, increases the financial risk to oil transporters to a level where we fear only "shell companies" with minimal assets—and therefore the least to lose—will choose to operate. Under this atmosphere of unlimited financial risk, these shell operators will set themselves up so that they have comparatively little to lose in the event of a catastrophic spill. Moreover, with no long-term investment, these shell companies will pose a significantly greater environmental risk since they operate under lower safety standards and possess little in the way of cleanup capabilities.

In effect, without our amendment, the potential for unlimited state liability represents enormous financial risk to the more established, safer tanker operators—since they have the most to lose. Under those conditions, they will drop out of the oil-transport business and we'll be left primarily with undercapitalized, unsafe foreign-flag, foreign-manned tankers off our coasts.

This amendment in no way restricts or preempts victims of oilspills from receiving full compensation under State liability laws. Nor does it restrict or preempt States from enforcing stricter oilspill cleanup or restoration standards than the Federal law. It merely ensures that States set reasonable liability limits that won't drive those operators, who have the capacity to do the job right, out of the oil-carriage business.

I urge Members' support of this amendment.

Mr. JONES of North Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment under consideration. I feel that it is a necessary and important compromise on a complex issue.

The amendment is one which strikes a careful balance between two concerns. Many States have expressed their feelings that they must be able to enact laws to protect their citizens from the potential harm of oil spills. On the other hand, in order to ensure that those who engage in the transportation of oil are able to insure themselves, and therefore, that they will stay in the business of transporting oil in a responsible manner, they must not be unduly subjected to unlimited liability.

The amendment achieves both of these goals. It is consistent with the Studds-Miller amendment, allowing States to develop laws to guard their citizens against spills. Simultaneously, in exchange for the protections afforded by the comprehensive legislation and the national fund, States would have to conform their liability limits to those contained in the legislation before us. I might add that these liability limits are far, far higher than those contained in the original legislation and also higher than those in the Senate bill.

The amendment is a fair one and I urge its support.

Mr. STUDDS. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I must confess some surprise and disappointment in my three colleagues and friends who have offered this amendment jointly, not that they do not have a proposition of substance and importance, but Halloween, my friends, has come and gone, and this is the fourth costume in which this proposition has appeared this afternoon before the House.

As I said to Members in the beginning, we have just adopted a few votes ago the amendment offered on behalf of myself, the gentleman from Florida [Mr. Goss], the gentlewoman from Rhode Island [Ms. SCHNEIDER], the gentleman from California [Mr. MILLER], and myself. That amendment had four parts. The single most important part of that amendment would be struck by this amendment. It is as simple as that.

If Members think that preemption is not a particularly good idea, they are clearly on record and should vote consistently at this point, and should oppose this amendment. Its authors have said several times in the well now, do not worry, the States can still have their own liability laws. That is true. But what they neglect to tell Members was that they can have their own liability laws so long as they are no higher than the Federal liability law.

The amendment offered by the gentleman from New Jersey reads: "Any State law shall not exceed the limits of liability set forth in this bill." Members should understand exactly what this amendment does. It would effectively restore to the bill a provision that we all, or most of us just voted to take out.

More precisely, it would nullify the laws of 19 States that now impose unlimited liability. Alabama, Alaska, Arkansas, California, Connecticut, Georgia, Illinois, Kentucky, Maine, Maryland, Massachusetts, Michigan, Mississippi, New Hampshire, Oregon, Vermont, Washington, and Wisconsin all would have laws immediately overridden by this amendment.

□ 1630

The laws of North Carolina and South Carolina, which impose unlimited liability for damages suffered by private citizens, would be overriden. Other States such as Florida, New Jersey, New York, and Virginia would be barred from amending their own statutes in any way that would conflict with the Federal regime.

It would preempt the right of all 50 States to set higher standards of liability or more complete standards of compensation than those included in the Federal system, and that is precisely what the struggle over preemption is all about. It would violate, as I said earlier in this debate, the longstanding fundamental tradition of this

Congress that Federal environmental laws should not preempt State laws.

We did not do that in Superfund, we did not do that in the Clean Air Act, we did not do that in the Clean Water Act, we did not do that in the Outer Continental Shelf Lands, and we did not do that in the Deep Water Ports Act; we did not do it in the Trans-Alaska Pipeline Act, and for precisely the same valid reasons we ought not to do it in this oilspill law.

This amendment would substitute our judgment for the judgment of State legislators and Governors around this country about what standard of care should be imposed on those who transport oil around the coastline, lake shores and rivers of this country. It would gravely jeopardize the prospects for enacting this bill.

Let me repeat what I said a few moments ago during the Miller amendment: The oil and shipping industries claim that they cannot live without preemption. But they have been living without it for 200 years.

No one can blame the oil industry for wanting preemption. There is not an industry in this country that would not seize the opportunity to be protected from the responsibility for what they do. But our responsibility is to protect the public's interest and in our democracy State governments share in the responsibility for determining what that interest is.

So I say to my colleagues, do not be fooled. This amendment is the heart and soul of preemption, pure and simple. It is protection for a few at the expense of the many. It is precisely the same issue we thought we have just settled.

It is a direct attack on the views that have been expressed to us in this Congress over and over again by the people of Alaska, who are still trying to get on their feet after the tragedy in Prince William Sound, by the Governors of virtually every State in this country, including, I might add, most eloquently by the Governor of New Jersey, and by fishing and conservation and environmental groups from Long Beach to Kennebunkport.

If you supported the Miller-Studds amendment, if you think preemption is not a sound idea, this is precisely what we voted on before, and the amendment should be rejected.

Mr. TAUZIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, you have heard Mr. HUGHES, who was in support of the Miller-Studds amendment. I was one who was opposed to it.

You heard Mr. HUGHES, sponsor of this amendment, tell you, correctly, this is not a preemption amendment. It is not.

The Senate bill by Mr. MITCHELL does not contain preemption language.

Our House bill does no longer contain preemption language as a result of the Miller-Studds amendment. The Senate bill, however, like the House bill, has limits of liability. Rather than think of limits of liability as relieving shippers of responsibility, I would like you to think along with me and Mr. HUGHES and other sponsors of this amendment about what limits of liability is really all about.

Limits of liability does not say to shippers that you are not going to pay the full cost of cleanup. You will. You are going to pay it in two ways.

You are going to pay it up front with the deductible, the limit of liability, and you pay the rest of it in a tax that goes into a fund. But you will pay all of the cleanup costs. You will pay all of the claims for damages brought in either State or Federal court now under State liability laws or under Federal liability law now since we no longer have preemption.

You will pay all claims. Like the Fram oil filter, you will pay it now or you will pay it later, but you will pay them all. The issue is not whether oil companies will pay. They will pay. And they will pay under both systems now, totally.

The only issue is whether or not oil shipments will be insurable. That is the only issue.

The Senate bill and the House bill now contain limits of liability before the fund kicks in. Why? Because that is the way insurance works. Just like a regular insurance policy on your automobile at home. You pay the deductible for the damage you cause another person, and then your insurance kicks in for the rest.

Unlike your automobile insurance policy, we go further. We say that if you are grossly negligent or if you willfully injure someone by damaging oilspills, that you will be totally responsible. But if you are simply negligent as an ordinary driver might be, the insurance fund kicks in.

What insurance fund? An insurance fund composed of tax dollars collected from you. You pay either way.

Now why is it an issue of whether or not we want responsible transporters? In the Senate version of this bill the Senate provided for $1,000 per gross ton on tankers. We did it differently.

We said we are going to go $600 a gross ton on tankers as a deductible, but another $600 on the owner of the oil.

What did we do? We said in effect we are going to have a $1,200 deductible; higher than the Senate. But we are going to impose the deductible, that first payment not only on the transporter but on the owner of the oil as well.

Why? Because we want responsible transporters out there. We want and expect owners of oil who are moving around America to hire responsible parties to move that oil

Now if this amendment is not adopted, if States are allowed in the presence of this big insurance fund now to maintain their own unlimited liability limits, then who will be able to get insurance under this fund?

I suggest to you that what will happen is oilowners, knowing they have a responsibility they cannot duck, will have trouble finding transporters who can get insurance, and as a result you will see more and more sham corporations set up, more fly-by-night transporters walking around, we will see more calls on the fund, yes, but we will see less responsible parties with insurance.

Now, look, this is not preemption, this is not Halloween; do not be spooked. This is not preemption.

This is a simple issue of whether or not you want responsible transporters moving oil and oil products around America.

I suggest you look: The right environmental vote is a vote to ensure that responsible parties are out there with insurance but the State laws mimic the Federal law on those limits of liability before the big fund kicks in.

Do not kid yourselves, the spiller will pay; they will pay up front or they will pay through the nose in taxes until the cleanup is accomplished.

That is what our bill does.

The Hughes amendment sponsored by a Member who voted for and supported Miller-Studds is the right amendment and it ought to be passed.

Mr. HUGHES. Mr. Chairman, will the gentleman yield?

Mr. TAUZIN. I am happy to yield to the gentleman from New Jersey.

Mr. HUGHES. I thank the gentleman for yielding.

Mr. Chairman, I am really disappointed with my colleague whom I have served with for 15 years, suggesting in some way I am attempting to do away with Studds-Miller. I not only voted for Studds-Miller, but I resisted my chairman.

The CHAIRMAN pro tempore (Mr. LANCASTER). The time of the gentleman from Louisiana [Mr. TAUZIN] has expired.

(On request of Mr. HUGHES and by unanimous consent, Mr. TAUZIN was allowed to proceed for 2 additional minutes.)

Mr. HUGHES. Mr. Chairman, will the gentleman continue to yield?

Mr. TAUZIN. I continue to yield to the gentleman from New Jersey.

Mr. HUGHES. I thank the gentleman further.

Mr. Chairman, I also opposed my chairman and the Tauzin amendment because I thought that would do violence.

Mr. TAUZIN. And I am going to remember that.

Mr. HUGHES. And the gentleman is very forgiving.

But in addition to that I opposed the Shumway amendment with whom I happen to be cosponsoring this particular amendment.

But we are talking about a new Federal regime. We have spent 15 years now, the entire time that I have been in Congress, trying to develop a Federal oilspill piece of legislation to try to deal with a major international problem.

What is fair and reasonable is what we are talking about. Frankly, what we are saying is that the States should not impose liability on the transporters more than we have imposed in the Federal legislation.

It is an environmental issue. A vote against it, in my judgment, is going to enable the rust buckets to ply our coasts and the shell operators to set up sham corporations basically to comply with State laws because they cannot get insurance.

Mr. TAUZIN. Mr. Chairman, reclaiming my time, the gentleman makes a good point. His amendment is not designed to make any oil company happy. They are going to pay for the cleanup regardless.

His amendment is designed to make sure we have responsible oil companies moving oil around America, instead of rust buckets.

□ 1640

Think about that. Does not that make sense? Is not that a good environmental vote anytime we get a little sense into this bill?

I want Members to support the Hughes amendment.

Mr. MILLER of California. Mr. Chairman, I rise in opposition to the amendment. This amendment actually should have been offered to the amendment in a motion to strike the first part of the Studds-Miller amendment because this amendment offered by the gentleman from New Jersey [Mr. HUGHES] and others goes to the heart of the preemption. It goes to the heart of our legislation.

Now, apparently the defense against what the gentleman from Massachusetts [Mr. STUDDS] and myself are trying to do is that if we are successful, the captains of American industry, the chairman of the board of Exxon, the chairman of the board of Chevron, the chairman of the board of Mobil, the chairman of the board of Amoco, the chairman of the board of Arco, will all go out and hire rust buckets and put our environment at risk. If that is the industry, Mr. Chairman, maybe nationalization should be the next amendment.

The issue here is whether or not States will have the right to impose liability on people who use their waterways and use their resources, and to protect those resources from damage.

Now, they say that every company is going to go out of business. Well, since the *Exxon Valdez*, the gentleman from Delaware [Mr. CARPER] says there is a new standard. It is billions of dollars of liability, not hundreds of millions of dollars.

Since the *Exxon Valdez*, since June of this year, over 300 supertankers, maybe about a million barrels each, have left the Port of Valdez under strict liability under Alaska law. They have left the Port of Valdez under simple negligence, under the TAPS, the Federal law of this land. They are all insured. They are all out there plying their business. They are moving 25 percent of America's domestic oil production, 2 million barrels a day they are moving in tankers. They comply with the laws on the books today, which we would not preempt, but which the gentleman from New Jersey [Mr. HUGHES] would preempt.

How would he preempt them? He would keep them from exceeding the Federal standards, even though the State legislature and the State of Alaska, the people of Alaska, support those standards. He would override the people in the State of California as to those standards. We do not need this. This is another attempt, it is the same mix of people, the gentleman from California, [Mr. SHUMWAY], the gentleman from New Jersey [Mr. HUGHES]. However it comes back at Members, this is the same mix of people, who favor preemption. They are here on behalf of the only people so far that have lobbied against the Studds-Miller amendment, and that is the oil companies, the shipping companies, that do not want to do business tomorrow as they have to do business today.

Now, 278 Members just voted no on this amendment now. Now we are going to vote again, because this is the heart of the Studds-Miller approach. This is the heart of protecting States' rights. This is the heart of protecting the environmental laws of States, and the desires of those people. This amendment would gut what is existing law today, standards today, liability standards today. That is what this amendment would do. We ought not to be participating in that effort.

No company is going to go out of business. If the charge is that if we do this, they are going to engage somehow in criminal fraud, they are going to engage in an effort to defraud by setting up shell corporations and crummy ships, then we have bigger problems than this oilspill liability. We have an ethics problem in the oil industry. I do not know that is what they will do, because that is not what they do when they ship in other countries. Other countries have unlimited liability. If a company wants to go to the North Sea and pick up oil, and the company is Shell or Exxon, the company will go under strict liability. The company will go under unlimited liability. Why should that company be able to come to America and be able to wreck our environment and not be held liable? We will have one standard for foreign carriers and another standard for ours. It cannot be that way.

This is no more restrictive on them than current law today, and no more restrictive than any of the other countries of the world impose on them.

Members have to vote against the Hughes amendment. Vote against the Hughes amendment, and vote to maintain the vote Members just made on the Miller-Studds amendment by a margin of 278 to 148. I urge Members to vote no on this amendment.

Mr. ORTIZ. Mr. Chairman, I move to strike the requisite number of words.

I yield to the gentleman from New Jersey [Mr. HUGHES].

Mr. HUGHES. Mr. Chairman, I thank the gentleman for yielding. I am not sure that my colleague and my friend from California described the same amendment I offered.

I would, once again, reiterate that I have consistently supported the Studds-Miller amendment on the floor, resisting any and all weakening amendments. I do not know where the gentleman gets his suggestion that in some way we have changed the liability on the State. We do not do anything with liability.

All we are saying is we are going to create a new Federal regime. In doing so, we want the liability limits consistent so that some of the carriers can get insurance.

Now, it is not the Exxons that we are worried about. It is the operators such as Maritrans, which has assets of $1.25 million. That is all they have. They are the largest independent domestic oil tanker operator in the country.

I would think it would be in our interest to continue the independent operators. I urge my colleagues to support the Hughes-Carper-Shumway amendment.

Mr. ORTIZ. Mr. Chairman, I yield to the gentleman from California [Mr. SHUMWAY].

Mr. SHUMWAY. Mr. Chairman, I would like to make one additional point that underscores what the gentleman from New Jersey just told Members.

I have a report that was commissioned by the U.S. Coast Guard and dated September 1, 1989, just within the last 60 days. The report documents the trend in the industry, and I think it is very significant, that we can say that there companies are still operating that we believe will not go to the rust buckets, the shell capitalized kind of tankers.

Listen to what this report says:

The domestic approach, the state by state approach, will encourage the transportation of oil by independent, limited-asset owners rather than by major oil companies. Higher liability limits will accelerate the trend toward shipping tankers to owners with weaker financial means.

They show, by means of a graph, in 1978, 15 percent of the world's fleet was owned by major oil companies; by 1989, that is reduced to 7.5 percent. The trend is very clear there. If this bill passes, without the Hughes-Carper-Shumway amendment, the trend will be accelerated.

We have very reliable evidence to rely upon for that assertion. Indeed, we will find ourselves relying upon single owned vessels for carrying most of our Nation's oil.

Finally, let me say I know there has been a lot said about whether this preempts or does not preempt. However, I make the point again that all it does is limit the upper limits on what States can offer in their system of laws. It does not restrict or preempt States from enforcing stricter oil spill cleanup standards or restoration standards. It just says that the claimant cannot recover more there than he could under the federal system. I do not think that is total preemption. I think it is very harmonious with the bill as it has been amended.

I urge Members to support this amendment.

Mr. ORTIZ. Mr. Chairman, I urge my friends to support the Shumway-Carper-Hughes amendment. It is a good amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. HUGHES].

The question was taken; the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. HUGHES. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 171, noes 252, not voting 10, as follows:

[Roll No. 340]

AYES—171

Andrews	Carper	Espy
Anthony	Carr	Fields
Applegate	Chapman	Fish
Archer	Clement	Flake
Armey	Clinger	Frenzel
Baker	Coleman (MO)	Frost
Ballenger	Combest	Gekas
Barnard	Coughlin	Geren
Bartlett	Craig	Gillmor
Barton	Dannemeyer	Gingrich
Bateman	Darden	Goodling
Bentley	de la Garza	Grandy
Bereuter	DeLay	Green
Bilbray	Derrick	Gunderson
Bliley	Dickinson	Hall (TX)
Boggs	Dingell	Hammerschmidt
Borski	Dornan (CA)	Hancock
Bosco	Duncan	Hansen
Bunning	Dymally	Hastert
Burton	Dyson	Hatcher
Bustamante	Edwards (OK)	Hayes (LA)
Callahan	Emerson	Hefner
Campbell (CO)	English	Herger
Hiler	Murtha	Slaughter (VA)
Holloway	Myers	Smith (NE)
Hopkins	Nielson	Smith (TX)
Houghton	Ortiz	Smith, Denny (OR)
Hubbard	Oxley	Smith, Robert (OR)
Huckaby	Packard	Solomon
Hughes	Parker	Spence
Hunter	Parris	Staggers
Hyde	Pashayan	Stangeland
Inhofe	Payne (NJ)	Stenholm
Jones (NC)	Payne (VA)	Stump
Kolbe	Penny	Sundquist
Kyl	Pickett	Tallon
Laughlin	Pickle	Tanner
Lent	Porter	Tauke
Lightfoot	Quillen	Tauzin
Livingston	Ray	Thomas (CA)
Lloyd	Regula	Thomas (WY)
Lukens, Donald	Rhodes	Traficant
Madigan	Ridge	Traxler
Manton	Ritter	Upton
Marlenee	Roberts	Vander Jagt
Martin (IL)	Robinson	Visclosky
McCandless	Rogers	Vucanovich
McCrery	Roth	Walker
McDade	Sarpalius	Watkins
McEwen	Schaefer	Weldon
McMillan (NC)	Schulze	Whittaker
Mfume	Sensenbrenner	Williams
Michel	Shaw	Wilson
Miller (OH)	Shumway	Wolf
Mollohan	Shuster	Wylie
Montgomery	Sisisky	
Moody	Skeen	
Moorhead	Slattery	

NOES—252

Ackerman	Edwards (CA)	Kostmayer
Akaka	Engel	LaFalce
Alexander	Erdreich	Lagomarsino
Anderson	Evans	Lancaster
Annunzio	Fascell	Lantos
Aspin	Fawell	Leach (IA)
Atkins	Fazio	Lehman (CA)
AuCoin	Feighan	Lehman (FL)
Bates	Flippo	Levin (MI)
Beilenson	Foglietta	Levine (CA)
Bennett	Ford (MI)	Lewis (CA)
Berman	Ford (TN)	Lewis (FL)
Bevill	Frank	Lewis (GA)
Bilirakis	Gallegly	Lipinski
Boehlert	Gallo	Long
Bonior	Gaydos	Lowery (CA)
Boucher	Gejdenson	Lowey (NY)
Boxer	Gephardt	Luken, Thomas
Brennan	Gibbons	Machtley
Broomfield	Gilman	Markey
Browder	Glickman	Martin (NY)
Brown (CA)	Gonzalez	Martinez
Brown (CO)	Gordon	Matsui
Bruce	Goss	Mavroules
Buechner	Gradison	Mazzoli
Byron	Grant	McCloskey
Campbell (CA)	Gray	McCollum
Cardin	Guarini	McCurdy
Chandler	Hall (OH)	McDermott
Clarke	Hamilton	McGrath
Clay	Harris	McHugh
Coble	Hawkins	McMillen (MD)
Coleman (TX)	Hayes (IL)	McNulty
Collins	Hefley	Meyers
Condit	Henry	Miller (CA)
Conte	Hertel	Miller (WA)
Conyers	Hoagland	Mineta
Cooper	Hochbrueckner	Moakley
Costello	Horton	Morella
Cox	Hoyer	Morrison (CT)
Coyne	Hutto	Morrison (WA)
Crane	Ireland	Mrazek
Crockett	Jacobs	Murphy
Davis	James	Nagle
DeFazio	Johnson (CT)	Natcher
Dellums	Johnson (SD)	Neal (MA)
DeWine	Johnston	Neal (NC)
Dicks	Jones (GA)	Nelson
Dixon	Jontz	Nowak
Donnelly	Kanjorski	Oakar
Dorgan (ND)	Kaptur	Oberstar
Douglas	Kasich	Obey
Downey	Kastenmeier	Olin
Dreier	Kennedy	Owens (NY)
Durbin	Kennelly	Owens (UT)
Dwyer	Kildee	Pallone
Early	Kleczka	Panetta
Eckart	Kolter	Patterson
Paxon	Saxton	Synar
Pease	Scheuer	Taylor
Pelosi	Schiff	Thomas (GA)
Perkins	Schneider	Torres
Petri	Schroeder	Torricelli
Poshard	Schuette	Towns
Price	Schumer	Udall
Pursell	Sharp	Unsoeld
Rahall	Shays	Valentine
Rangel	Sikorski	Vento
Ravenel	Skaggs	Volkmer
Richardson	Skelton	Walgren
Rinaldo	Slaughter (NY)	Walsh
Rohrabacher	Smith (FL)	Waxman
Ros-Lehtinen	Smith (NJ)	Weber
Rose	Smith (VT)	Weiss
Rostenkowski	Smith, Robert (NH)	Wheat
Roukema	Snowe	Whitten
Rowland (CT)	Solarz	Wise
Rowland (GA)	Spratt	Wolpe
Roybal	Stallings	Wyden
Russo	Stark	Yates
Sabo	Stearns	Yatron
Saiki	Stokes	Young (AK)
Sangmeister	Studds	Young (FL)
Savage	Swift	
Sawyer		

NOT VOTING—10

Brooks	Garcia	Roe
Bryant	Jenkins	Smith (IA)
Courter	Leath (TX)	
Florio	Molinari	

□ 1709

Messrs. VALENTINE, LEWIS of Georgia, and WISE changed their vote from "aye" to "no."

Messrs. DORNAN of California, EDWARDS of Oklahoma, McEWEN, and WILSON changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1710

Mr. JONES of North Carolina. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANCASTER, Chairman pro tempore of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 1465) to establish limitations on liability for damages resulting from oil pollution, to establish a fund for the payment of compensation for such damages, and for other purposes had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3607. An act to repeal medicare provisions in the Medicare Catastrophic Coverage Act of 1988.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 3607) "An Act to repeal medicare provisions in the Medicare Catastrophic Coverage Act of

1988," requests a conference with the House on the disagreeing votes of the two Houses thereon and appoints Mr. BENTSEN, Mr. MATSUNAGA, Mr. MOYNIHAN, Mr. BAUCUS, Mr. MITCHELL, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. BRADLEY, Mr. PACKWOOD, Mr. DOLE, Mr. ROTH, Mr. DANFORTH, Mr. CHAFEE, Mr. HEINZ, and Mr. DURENBERGER, to be conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 84. An act to amend title 28, United States Code, to provide Federal debt collection procedures.

APPOINTMENT OF CONFEREES ON H.R. 3607, MEDICARE CATASTROPHIC COVERAGE ACT OF 1988

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3607) to repeal Medicare provisions in the Medicare Catastrophic Coverage Act of 1988, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? The Chair hears none, and appoints the following conferees, and, without objection, reserves the right to make additional appointments of conferees in the specified particular portions of the House bill and Senate amendment as the subject of various modifications committed to conference.

From the Committee on Ways and Means, for consideration of the House bill, and the Senate amendment, and modifications committed to conference: Messrs. ROSTENKOWSKI, STARK, DONNELLY, COYNE, PICKLE, LEVIN of Michigan, MOODY CARDIN, RUSSO, ARCHER, VANDERJAGT, CRANE, FRENZEL, and SCHULZE.

From the Committee on Energy and Commerce, for consideration of the House bill, and the Senate amendment, and modifications committed to conference: Messrs. DINGELL, WAXMAN, SCHEUER, WALGREN, WYDEN, BRUCE, and ROWLAND of Georgia, Mrs. COLLINS, Messrs. HALL of Texas, LENT, MADIGAN, DANNEMEYER, TAUKE, and BILIRAKIS.

There was no objection.

OIL POLLUTION PREVENTION, RESPONSE, LIABILITY, AND COMPENSATION ACT OF 1989

The SPEAKER. Pursuant to House Resolution 277 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1465.

□ 1715

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1465) to establish limitations on liability for damages resulting from oil pollution, to establish a fund for the payment of compensation for such damages, and for other purposes, with Mr. LANCASTER (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose earlier today, the amendment offered by the gentleman from New Jersey [Mr. HUGHES] had been disposed of.

Title I is open for amendment at any point.

Are there further amendments to title I?

AMENDMENT OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of California: Page 19, strike line 6 and insert the following:

(A) negligence by the responsible party or an employee or agent of the responsible party:

Mr. MILLER of California. Mr. Chairman, it is my understanding that the leadership is interested in rising around 6 o'clock, so it would be my intent when the gentleman from Louisiana [Mr. TAUZIN] comes back to consider the question of whether or not we would have a time limit and then divide the time among the parties.

Mr. Chairman, I rise in support of my amendment to establish a negligence standard of care for purposes of capping liability on the oil and shipping companies. While this amendment changes only one line in H.R. 1465, it is clearly the most important environmental vote that the House will cast today.

The fundamental issue is whether or not we are going to extend to Exxon or to any other polluters and oil spillers a lesser standard of care than is imposed on any other industry in this country. Do we want to reward the oil transporters by limiting liability even when they disregard the reasonable standards of conduct? I do not think we do. I do not think we should, and that is why we should adopt this amendment.

In the Senate an amendment to strike all liability limits on the oilspill legislation failed by only 2 votes. The standard of breaking liability limits on H.R. 1465 is gross negligence or willful misconduct. Both are very difficult to prove.

Prosser on Torts describes gross negligence as the failure to exercise even that care which a careless person would use. Is that really the standard that we want to attribute to the people who ship oil in ships that hold up to a million barrels of oil?

My amendment would provide an unlimited liability in cases of negligence, a reasonable compromise between the extremes. The oil and the shipping industries operate today under the State law of negligent standards and unlimited liability. A CRS survey of State laws found only nine States which have limited oilspill liability by statute.

Why after the *Exxon Valdez* should the Congress give the oil and shipping industries a reward for acting carelessly and unreasonably? It makes absolutely no sense to allow negligent conduct which results in unlimited liability under the current Federal law pertaining to the movement of Alaska oil, and other State laws to be rewarded with liability caps under this bill.

After the *Exxon Valdez*, the public's expectation is that the Congress will require greater care by those in the oil transport business and better judgment by the oil companies and the shippers, not less care. That is what this amendment is about.

The amendment is whether or not after the *Exxon-Valdez* standard this Congress is going to go on record as lowering the standard of care that we would require of shippers.

Mr. Chairman, I would hope that Members in the Chamber would understand what we are talking about. If you pass this bill without this amendment, you will be lowering the standard of care on shippers from what it is today. You will be saying after the largest oilspill in the history of this country with billions of dollars of damage, with tragic environmental consequences, that we are going to hold you to a lower standard of care.

Now, mind you, the standard of care that I ask for is not radical. It is not new. It is current Federal law with respect to all of the oil that moves up and down the west coast of the United States, that moves through the Panama Canal to the Virgin Islands to the refineries, all of the oil leaves Alaska, 2 million barrels a day now comes under the standard that I am asking you to maintain by accepting my amendment to this legislation.

I think you should understand that this amendment is a threshold amendment for the environmental organizations. It is supported by the States. It is supported by over 105 environmental organizations. It is going to be a threshold vote in terms of our environmental records, because it is that important, because this is the duty of care which somebody in this business owes to us, the public, owes to the States, owes to our constituents, and it is important that this amendment be accepted for that reason.

Mr. SYNAR. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Oklahoma.

Mr. SYNAR. Mr. Chairman, I intend to support the amendment of the gentleman from California to change the standard of care to negligence because I believe the standard of gross negligence and willful misconduct now contained in the bill is far too stringent and will virtually ensure that all spills are subject to liability limitations. On the other hand, I am concerned that a standard of simple negligency might have the opposite effect—in other words, making it difficult to obtain a limitation under almost all circumstances. Quite frankly, I do not want that to happen either. Therefore, I want to address two questions to my friend from California:

Is it the Gentleman's intention to extend unlimited liability to all circumstances?

Mr. MILLER of California. Mr. Chairman, if the gentleman will yield, that is not the case, that is not the intent nor the purpose nor the effect of the amendment.

Mr. SYNAR. Is it the gentleman's understanding that companies which exercise reasonable care can depend upon the fund to limit their liability under appropriate circumstances?

Mr. MILLER of California. Exactly, and that is the purpose of the amendment.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. MILLER of California was allowed to proceed for 2 additional minutes.)

Mr. MILLER of California. That would be the purpose of this amendment. If you exercise reasonable care, and we are all aware that accidents happen from time to time even by those individuals who exercise reasonable care, then you would be entitled to the caps on your liability and you have access to the fund that this legislation sets up. That is the intent of the amendment.

Mr. SYNAR. Mr. Chairman, I thank the gentleman.

□ 1720

Mr. MILLER of California. I thank the gentleman for his concern and for his support.

The point of this amendment is that we are not going to give you access to this fund if you are a careless operator. If you act in a careless fashion, why should other oil companies, why should other individuals who operate in a reasonable fashion, in a careful fashion under a standard of reasonable care, why should they have to pick up the tab for your careless actions? That is what in fact would happen if we do not adopt this amendment. I think it is a reasonable amendment. It is a compromise between unlimited liability in every instance and protection of the resources of this fund.

Later we are going to have to vote on a new tax to go into this fund, and if we just open the door to this fund, we will be back here time and again trying to replenish that, and I would have to tell the Members, for those who have represented to their constituents that we are creating a billion-dollar fund, according to CBO there is little if any likelihood that over the next 5 or maybe even 10 years this fund would even reach $1 billion. It is little likely, there is absolutely no likelihood, that it will reach any kind of money in the fund in terms of a surplus to pay out on an oil spill over the next couple of years, so this is our first line of defense to make sure operators operate in a safe fashion.

I hope that the Members will support the Miller amendment.

Mr. HAMMERSCHMIDT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in strong opposition to the amendment of the gentleman from California [Mr. MILLER.]

The amendment undermines the entire liability system developed by the leadership of the committees of jurisdiction. It is tantamount to establishing a system of absolute liability for all cleanup costs and makes a mockery of the tiered system of liability in the bill. It places all of the risk associated with the transportation of oil on the vessel owners and operators rather than spreading that risk between the carriers and those who are ultimately responsible for the oil being there—the oil industry.

Do not be misled. A vote for the Miller amendment is not a vote against big oil—it is a vote against the shipping industry and a vote for big oil. That's because the committee's bill places some of the liability on the owner of the oil being shipped and, ultimately, the fund financed by the oil industry—except where gross negligence is shown. By shifting liability for all costs and damages to the vessel owners/operators when there is only evidence of simple negligence, we are, in effect, letting the oil industry off the hook.

Oil companies that ship their own oil will incur greater risks. However, it doesn't take a graduate of the Wharton School to realize that those companies will simply divest themselves of their shipping operations—leaving independent carriers to pick up all of the costs.

In closing, let me remind my colleagues that gross negligence is the standard for breaking liability limits in the Senate oilspill bill and is virtually the same as the willful negligence standard in the Federal Superfund law. Anything less amounts to unlimited strict liability which would result in total upheaval of the shipping industry. I do not believe that is what this body wants.

Accordingly, I urge my colleagues to reject the Miller amendment on simple negligence.

Mr. GEJDENSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, what we have before us is a test of whether we are going to go backward or forward, whether we are going to at least maintain the standards that existed at the time of the oil spill in Alaska, or make the standards easier on people who are involved in oil spills. For that purpose, I would like to ask the gentleman from California [Mr. MILLER], the author of this amendment, if his amendment is not adopted, how would that affect the situation as it occurred in Alaska? Would there be tighter standards or looser standards?

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I am happy to yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, in fact, there would be a looser standard under the law than currently exists, so if we reran the *Exxon Valdez* under the same scenario, it would be more difficult to prove liability on the part of the company if the bill is passed without this amendment than it was after the accident, and I think that is a very important point. We ought not to be lessening the standard of care and rewarding careless activity by proposing such a high standard that we cannot meet that when we seek to have those companies act in a reasonable fashion.

Mr. GEJDENSON. Without the amendment offered by the gentleman from California, what we would move is from the present situation, which is negligence, to gross negligence?

Mr. MILLER of California. The gentleman is correct.

Mr. GEJDENSON. So what we would find ourselves in is someone would have to be more negligent than simply normal negligence in order to trigger this provision?

Mr. MILLER of California. If the gentleman will yield further, that is right. What that means is this fund which will either be paid into by energy users all over the United States, and if we had an oil spill right away, what we would have under the bill is a limit on the liability of the company. Then we would use taxpayer dollars to borrow money to pay into the oilspill liability. We would then be making it easier for a careless operator to get at taxpayer dollars to clean up the spill as opposed to being responsible for his own actions.

Mr. GEJDENSON. If we can move away from Alaska for a moment to Long Island Sound, where something

like 50 million people live within a short distance, we have a situation where 6.5 billion barrels of oil travel through Long Island Sound every year, and if the amendment offered by the gentleman from California is not accepted, what we would find is that the fund would be used to cover people who are less careful than a careless person. Is that correct?

Mr. MILLER of California. If the gentleman will yield further, the gentleman is absolutely correct. That would become the standard for moving a supertanker through Long Island Sound or Prince William Sound or San Francisco Bay or off of the Florida Keys. We would say that one could be less careful than a careless man and still not be liable for his actions.

Mr. GEJDENSON. So what we have here is a situation where the drunk driver is automatically covered by the Government, and you cannot get that in your auto insurance, you cannot get it anywhere else, but you virtually put somebody who has taken virtually no precautions, and if he ruins Long Island Sound, the taxpayers are going to pick up the tab.

Mr. MILLER of California. That is the test, as everybody knows, of gross negligence or willful misconduct, which is a very, very difficult test to meet, and what that does is it opens the door either to this fund or the Federal Treasury to clean up these oil spills.

Mr. GEJDENSON. Mr. Chairman, I would just submit that the American people who are out there watching, and there are a lot of issues we can slip by on, but this is one where the magnitude of the spill, I think, has awakened the American people to a degree that they are going to take a careful look at what we have done, and if we cannot get funds out of this Congress to help clean up the damage that we have in our sounds and our bays as a result of normal pollution, if we are forced to use taxpayer money under a standard of gross negligence, less care than a careless person, I think that we would lose face with the American people. We are not talking about somebody carrying rose petals across a clover field. We are talking about ships that are carrying hazardous chemicals and oils that can destroy some of the basic waterways they travel on.

We ought to make sure that the legislation we send out of this Chamber sends a message across the globe that what we demand is the highest standard and not the lowest standard that we expect from the ship operators and the shippers of oil, to have a standard that guarantees the least possibility of spoiling our natural waterways and bays, not the gross negligence of a careless, less-than-careful person.

Mr. Chairman, I rise today in support of the Miller amendment to H.R. 1465 to change the legislation's negligence standard from "gross negligence" or willful misconduct to simple "negligence." I urge my colleagues to join me in support of this important amendment.

The legislation that we are debating today is very important. On March 24, 1989, we experienced a national disaster in the Prince William Sound when the *Exxon Valdez* ran aground on Bligh Reef spilling over 10 million gallons of crude oil into one of this Nation's most pristine waterways. The intent of this legislation is to prevent future spills from occurring. This legislation must ensure that oil transporters take every precaution necessary to prevent future spills. The Miller amendment does this.

Mr. Chairman, the definition of gross negligence that this legislation uses to determine whether the liability caps are broken is: "A. The failure to exercise a standard of care which even a careless person would exercise." This standard is fine for nonhazardous materials, but not for crude oil transported over some of the most environmentally sensitive areas in the world. If this standard were in place when the tanker *Valdez* ran aground, it is very likely that the Exxon Corp. would not have been held liable for the full cost of cleanup of the spill.

The negligence standard in Mr. MILLER's amendment is defined as a "failure to exercise a reasonable standard of care." This definition is clear and will induce shippers to take all necessary steps to prevent spills. This language is also the standard under provisions of the Trans-Alaskan Pipeline Authorization which that all Alaskan oil is transported under. And this standard is an important factor in ensuring that Exxon paid for the cost of its cleanup of the Prince William Sound.

Many in the shipping industry may argue that the standard in the Miller amendment will not allow them to operate any longer. Mr. Chairman, 19 coastal States currently have unlimited liability in the event of a spill and the industry is operating with huge profits. The language in this amendment will simply maintain the status quo, the language in H.R. 1465 would weaken current laws.

My home State of Connecticut has unlimited liability laws requiring all responsible parties to pay for the cleanup of any oilspill. Each year an estimated 6.5 billion gallons of fuel oil are transported through the Long Island Sound. I am certain that all of my colleagues will agree on the importance of protecting the Long Island Sound from potential oil or hazardous waste material spillage that may harm the already ecologically-at-risk estuary. As you may recall the Long Island Sound has been recognized as a nationally significant ecological resource under the National Estuary Program. This legislation would weaken the standard in the Long Island and would unnecessarily risk serious and long-term contamination of this crucial environmental, economic and recreational resource.

Despite the environmental damage and the economic and social dislocation of the spill in the Prince William Sound, we must learn some lessons. Perhaps the most important lesson learned is that the parties responsible for the spill must be held accountable for their actions. This was perhaps the only bright spot in the entire catastrophe, that, because of unlimited liability laws of the State of Alaska and the strict negligence standards under the Trans-Alaska Pipeline Authorization, Exxon has been held accountable for the cleanup costs. The gross negligence standard in this legislation will substantially weaken the current standard for Alaskan oil traveling through the Trans-Alaska Pipeline. Is this the direction that we want to go? The gross negligence standard in the legislation will hamper our ability to hold the responsible parties accountable. It also provides a disincentive for oil transporters to take all the necessary precautions because the vague nature of the standard will enable them to get out of it.

Mr. Chairman, we cannot let polluters get away with spoiling our precious natural resources and more importantly, the taxpayers should not have to foot the bill. The strict negligence standard that my colleague from California is proposing, makes sense and would not weaken current laws as the proposed legislation would. I urge my colleagues to join me in support of this amendment.

Mr. DAVIS. Mr. Chairman, I ask unanimous consent that all debate on this amendment end at 6 o'clock.

The CHAIRMAN pro tempore (Mr. LANCASTER). And amendments thereto?

Mr. DAVIS. And amendments thereto.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. MILLER of California. Mr. Chairman, reserving the right to object, just if I may make an inquiry of the Chair: We could divide that time equally between those opposed and those in favor of the amendment?

The CHAIRMAN pro tempore. The Chair would intend to divide the time equally.

□ 1730

Mr. MILLER of California. I guess the other way to do it would be to let Members stand at random and they can yield their time.

The CHAIRMAN pro tempore (Mr. LANCASTER). The Chair would prefer to divide the time between the proponents and the opponents.

Mr. MILLER of California. With that caveat, Mr. Chairman, I do not object.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from California [Mr. MILLER] will control 15 minutes, and the gentleman from Louisiana [Mr. TAUZIN] will control 15 minutes.

Mr. MILLER of California. Mr. Chairman, because I spoke for 5 minutes prior to this agreement, I yield 5 minutes of my time to the gentleman from Louisiana [Mr. TAUZIN] to balance out the time.

The CHAIRMAN pro tempore. In that case, the gentleman from Louisiana [Mr. TAUZIN] will control 20 min-

utes, and the gentleman from California [Mr. MILLER] will control 10 minutes.

The Chair recognizes the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me correct the record again. The bill we are debating today does not set up a standard that requires proving of gross negligence before someone like the *Exxon Valdez* is liable for all of the costs of the spill. Under this bill, without the Miller amendment, the owner of the *Exxon Valdez* and the Exxon Corp. would be totally liable for cleanup costs.

Do my colleagues know why? Because they have violated safety standards. Under this bill one does not necessarily have to prove gross negligence. It is enough to prove that there is any violation of any applicable Federal safety, construction or operation regulation by the responsible party or by an agent or employee of the responsible party. Now let us set the record straight. This notion that somehow without the Miller amendment Exxon would not have been liable is just phony, it is not true. Exxon would have been totally liable under this bill, as they are in current law. Let us put that aside for a second.

Second, under the bill we have proposed, like every other good insurance policy, we built a system whereby the responsible party has a deductible amount that he pays first in an accident, and then his insurance policy covers the rest. How much of an insurance policy? Unlimited. If it runs out, they keep taxing until it is filled again, until all of the claims are paid, quite a good insurance policy.

We even provide that when someone causes a spill, when the spill is involved with your vessel, you do not even have to show you are negligent, you have to put up the first amount, that deductible, unless it is an act of God, an act of war, or it was clearly caused by a third party. We automatically assume negligence, and they have to put that first amount, that deductible liability amount up before the fund kicks in.

Let me say it as clearly as I can. If we adopt the Miller amendment, we do not need a bill anymore. I had just as soon scrap it. When it comes to having a fund, the idea of the fund is as an insurance policy that would tax, and who are the taxpayers? The oil shippers and the oil owners are going to put it in.

The previous speaker said we do not want the taxpayers to have to pay for the spill. The taxpayers, you and I, are not the ones taxed. The oil companies are taxed, and if they pass it through in commerce, and they can do it, fine. If they cannot, it is their responsibility, and they are taxed again, and again, and again so long as that fund is required to pay out the damages.

So if we make an argument that we have to change the limits of liability into an all-encompassing, strict liability system, then we are saying that we do not want a fund, we do not want an insurance program. If that is what Members really want to do, if the Miller amendment is going to prevail this time, we do not need a bill, and I would recommend to the President that we do not have the bill, and I think others would recommend that.

It goes to the basic issue. Members got rid of the preemption, and that is the choice. The Senate bill no longer has preemption. We are going to agree to that and go to conference. It is a done deal.

But if Members do away with the structure of the limits of liability and insurance fund on top of it, we need not have a bill at all.

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. TAUZIN. I yield to my friend, the gentleman from Michigan.

Mr. DAVIS. Mr. Chairman, I thank the gentleman for yielding. This is a crucial, crucial amendment, and I would hope that Members would not adopt this amendment.

I have here a letter, and I am sure many Members are aware of it, from the Secretary of the Department of Transportation. Let me just read one sentence. "The administration is vehemently opposed to this amendment, and I would recommend to the President that he veto the legislation if the simple negligence standard is enacted."

This would be a disaster. I believe very firmly that there would be an excellent chance that the President would veto this bill that we have been trying to pass for 14 years, and we ought not jeopardize this bill over this issue.

The standard of breaking liability limits in other environmental statutes such as the Superfund, clean water, the Outer Continental Shelf Act, is willful, gross negligence or willful misconduct. Why should the Oil Pollution Act have a significantly different standard? Almost every oilspill will have been caused by unintentional negligence. Therefore, the limits of liability will have no limit, and insurance may be impossible to obtain.

This bill is designed to handle the unintentional negligence cases by paying excess costs of cleanup and damages, if any, through the fund. We have removed the requirement that the willful negligence or willful misconduct be within the privity or knowledge of the responsible party as is required under other environmental laws. This will make it much easier to prove that a limit of liability should be breached.

I just think we would be making a terrible mistake, ladies and gentlemen, if we adopt this amendment. This is going too far, and it should not be adopted.

I thank the gentleman for yielding.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. TAUZIN. I yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I wonder if the gentleman from Louisiana can tell us if this amendment were to be adopted, and the simple negligence standard were to be applied to impose unlimited liability on a shipper, would the cargo owner, the big oil company, be liable?

Mr. TAUZIN. We have limits of liability of 600 on an oil company, but that is it, he would not be liable unlimited. In fact, the shipper would end up being the responsible party.

Mr. LENT. It would be the shipper who would be the responsible party and the liability would be unlimited?

Mr. TAUZIN. The gentleman is correct.

Mr. LENT. But we would never get to the oil company?

Mr. TAUZIN. The gentleman is correct.

Mr. LENT. We would never get to the fund?

Mr. TAUZIN. We would not need the fund is my point, unless for some reason you had a rust bucket out there, which is what we are going to encourage if we are not careful.

Let me make one plea to the gentleman.

Mr. LENT. In other words, the thrust of this amendment, it seems to me, is to let the big oil companies get completely off the hook?

Mr. TAUZIN. I do not think that is the intent of the gentleman from California, Mr. MILLER, but I think that is the result.

Let me make the point that we passed this bill in the House how many times, and we have lost in the Senate conference how many times, and we have seen a spill in Alaska that dwarfs our imagination. When the next one hits, what excuse do we give the American public when we do not pass a bill this time, or when we get a veto and get tangled up on this thing? I suggest we do the sensible thing and pass this bill that will work.

Mr. LENT. Mr. Chairman, I rise in strong opposition to the amendment of the gentleman from California, Mr. MILLER. This amendment would change the standard in H.R. 1465—for being unable to limit liability for an oilspill—from gross negligence to simple negligence.

The language of the bill before us is right and proper. Someone who has been irresponsible and has caused an oilspill because of gross negligence or willful misconduct, as called for in the bill, should be held totally accountable and should bear unlimited liability.

However, a shipper who has taken all reasonable precautions against an accident and is operating within the proper rules of navigation and still suffers an accident should not have to face unlimited liability as this amendment would provide.

Virtually any accident that resulted in an oilspill could be the result of some simple negligence somewhere in the system. It could be something as elementary as having a navigation chart that is a week out of date or some other accidental action of a crewman. The Miller amendment would mean that the responsible vessel operators in our country would either have to pay exorbitant insurance premiums—even if insurance is available at all—or just get out of the oil transport business altogether. That, Mr. Chairman, will not provide the kind of operating environment that we are looking for.

This amendment will actually result in a more hazardous environment being created with regard to transporting oil. This is true because the responsible operators will no longer put their companies at the financial risk that unlimited liability for a simple negligent act would create. We will be left with small, one ship companies in this business. The owners will have no assets other than the vessel to use to pay for cleanup and compensation and they will have no incentive to take appropriate steps to prevent spills.

This amendment is quite simply a back door attempt to remove all liability limits in terms of responding to an oilspill. By contrast, H.R. 1465 provides for an appropriate liability and compensation program that makes those involved in the transport of oil fully liable for spills that are the result of truly negligent activity. A shipper will face unlimited liability if he is grossly negligent or engages in willful misconduct, fails to report an oilspill, or does not properly respond to a spill. That is a reasonable standard and one that all parties can live with.

I understand that the Department of Transportation, with the concurrence of the Office of Management and Budget, will recommend that the President veto this legislation if this amendment is included in the bill sent to the White House. That will mean that 14 years of effort will have been wasted.

Mr. Chairman, I urge my colleagues to join me, and the other Members of this Chamber who are eager to enact a good, workable oilspill law, to defeat this amendment.

Mr. SIKORSKI. Mr. Chairman, will the gentleman yield?

Mr. TAUZIN. I yield to the gentleman from Minnesota.

Mr. SIKORSKI. Mr. Chairman, I thank the gentleman for yielding and thank all of the Members for putting so much time and sincere effort and endeavor into this.

I have heard a lot of talk about the question of no insurance and we should have the same standard as others. It is my understanding that the major Alaska oil producer, British Petroleum, the major partner in the Trans-Alaska Pipeline, British Petroleum, operates just fine under British law which has a negligence standard that the gentleman gauges as a wrecker here, and as the gentleman from California [Mr. MILLER] proposes. If they can operate just fine under Britsh law providing for unlimited liability for oilspills caused by negligence, why should the standard of care and liability be less in the United States?

Mr. TAUZIN. The difference, I would say to the gentleman, is that the big oil companies, like BP and Exxon, are self-insured and not the ones I am worried about. The ones that I am concerned about, and the gentleman ought to be concerned about, are all the little tugs, and tow boats, and oil barges, and tankers that come into our ports and harbors from all over the world and from around America. If we have unlimited liability without the ability of this fund to stand behind it, then we had just as well not have a fund. We are not going to have a workable system and we still have threatened a veto. We have risked this legislation too far, and I suggest we ought not risk it any further.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. TAUZIN. I yield to the gentleman from Louisiana.

Mr. BAKER. Mr. Chairman, I thank the gentleman for yielding.

My question is as to the operational impact of the amendment. As proposed under the current system we are going to have a liability program and a fund which is collected from the oil and gas industry domestically of 3 cents per barrel. That gives us an insurance pool we can pull from.

Mr. TAUZIN. The gentleman is correct.

Mr. BAKER. We have a limited individual transporter's liability so that domestic operators can continue to get insurance coverage for their limited liability. If we take off that limit, and a small- or moderate-size transporter is found to have been negligent in the conduct of business, we are going to bankrupt that business and possibly force foreign bottom-owned vessels in order to transport oil through to our domestic marketplaces.

□ 1740

What recourse do we have if it is a foreign ship that transverses the waters of the United States and has a spill? How do we have an effective recovery against them?

Mr. TAUZIN. Well, until we sign protocols, which we have not yet signed, we are not protected against foreign vessels. We are lucky it was a domestic vessel in Alaska. Had it been a foreign vessel, we could not have made that party responsible.

Finally, let me point out that the gentleman makes a good point, what we are talking about is a system that can work and you will get no more protection with this Miller amendment, no more coverage, no more claims paid than under the bill as we have constructed it.

Mr. BAKER. And as proposed, we have 3 cents per barrel for unlimited expenditures.

Mr. TAUZIN. That is correct.

Mr. BAKER. So recovery will be made.

Mr. TAUZIN. Recovery will be unlimited under the current bill.

Mr. BAKER. And if we adopt the alternative, the net effect is only going to be to push oil possibly into the hands of foreign transporters rather than our own domestic industry.

Mr. TAUZIN. That is indeed one possibility, and it is a possibility we ought to avoid.

Let me sum it up: You have a choice here, you either have a bill that works with an insurance fund for America that prevents things like *Exxon Valdez* in Alaska or you have got a choice to go with the Miller amendment and limited liability and run right into a veto and maybe not get a bill at all, a system that does not work. It will be on our shoulders when the next spill happens and it happens in foreign tanker that is not covered and nobody gets covered or protected.

That is an awful choice.

I suggest to you let us get practical here at this moment in this Congress' history.

We have a golden opportunity to pass this bill and a measure in way that the Senate can agree upon it and the President can sign it and we can very soon provide this protection for America.

Mr. HAYES of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. TAUZIN. I yield to the gentleman from Louisiana.

Mr. HAYES of Louisiana. I thank the gentleman for yielding.

Mr. Chairman, I know the chairman is acknowledged as having an expertise in this field. I have a question.

One of the concerns I have had in reading the legislation is, assume that we pass this amendment, the previous amendment and the bill becomes law in that fashion, I do not know how you entice someone to do cleanup work.

In other words, if you look at the whole comprehensive area of this bill, when you phone those Louisiana industries that have an expertise in cleanup, they are going to answer that they do not plan to risk vessels and operations because if the spill is out of control or does any harm whatsoever, they themselves, under a standard of negligence that is very, very high, can end up with liability for trying to do the cleanup under contract with the original shipper or owner.

Mr. TAUZIN. The gentleman makes a point.

We have tried in this bill to structure an advantage for someone to go out and try to clean up the mess, get out and do it. And if you do it, the insurance fund helps you beyond your limits of liability.

You take that advantage away, there is no purpose, no point in going out and trying to clean up. All you do is attract more liability to yourself.

What I am suggesting to the gentleman is let us be practical; we have a system that works in this bill. The Miller amendment destroys it, subjects us to a possible veto. It is not the thing to do if you want to pass this good bill for America.

Mr. Chairman, I reserve the balance of my time.

Mr. MILLER of California. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon.

Mr. DEFAZIO. "Ladies and gentlemen of the jury, we admit our carelessness caused the tragic Prince William Sound oilspill and resulted in billions of dollars of damages. However, we were not any more careless than the average careless supertanker operator. Consequently, our liability for this spill should be limited to $115 million."

That is the result of the standard that we are setting here with this legislation, with the gross negligence standard.

This defense was not available to Exxon last March, and they spent a billion dollars, not enough, but they spent a billion dollars thus far cleaning up. Next time they will not have to, they can go to court and defend themselves and say it was simple negligence.

They can defend themselves under the simple negligence standard.

Now we are hearing a lot of talk about vetoes here.

Does anyone really believe that the President, the environmental President, George Bush, will veto the first major bill that comes to his desk regarding oilspill liability after the tragic *Exxon Valdez* disaster? I do not believe that. There is a lot of thought, a lot of threat of veto and a lot of wigling and squirming to get off the hook. That is because this amendment would place those oil companies, the oil companies, the owners of the oil, and the previous speakers are incorrect, the owners of the oil and the shippers firmly on that hook. They would have to pay and be held to the same standard that every American is held to every time they get in their automobile and drive down the street.

That is the standard of simple negligence, not gross negligence.

Imagine the mayhem in our streets if the standards were gross negligence. You could only collect if the person who ran into you was grossly negligent, if they are driving a 2-ton automobile and they run in to you—let alone a supertanker weighing hundreds of thousands of tons.

Adopt the Miller amendment.

Mr. MILLER of California. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. I thank the gentleman for yielding.

Mr. Chairman, I have heard a lot of somewhat disturbing information here. If the gentleman from Louisiana were to be believed, the only reason that people go out to clean up oilspills is from the magnanimity of their hearts and the only reason people ship oil is they want to get those people who do not have it to have it.

Folks, that is just not so. People go out and ship oil because they make money shipping oil; people go out and cleanup oilspills because they make money cleaning up spills. If they have a higher degree of care of achieve, they are still going to go out and clean up spills, only what they are going to do is charge a little bit more.

If the oil companies, the oil owners and the oil shippers have to do it under a higher degree of care, they are going to go out and charge a little bit more.

Nobody is going to stop shipping oil. Nobody is going to stop cleaning up oil. Nobody is going to stop producing oil.

There is a lot of money in oil, folks.

What we have tried to do, however, is take out from that equation the ability to use the oil to slip out of the liability. The previous speaker was right. What would happen if we were able under this law to see Exxon exculpate themselves any more than about $115 million in liability. The people of the United States were going to take it in the ear, that is what would happen.

That is what is going to happen every time unless you make the standard simple negligence. If you want to know the truth, there should not be any standard at all. It should be per se damage. If somebody is in the business of shipping oil and they released a couple of million tons and kill wildlife and foul a preserve and spoil the pristine beauty of the Valdez area or they do anything else or they take the Florida Keys and destroy them like the tanker that did that, that ran aground the other day, why should there be any negligence standard? If they did the damage, they should pay.

The gentleman from California is giving them at least some standard that we have to prove, and it is that they were negligent.

The tanker last week had another drunken mate at the helm. I am tired of it. The American people are tired of it. The Miller amendment is an amendment that makes sense and is not going to hurt anybody at all.

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise again to correct the record one more time. *Exxon Valdez* would be held liable under this bill without the Miller amendment for every dime of the cleanup. *Exxon Valdez* was guilty of an operational regulation violation. They were in State-piloted waters without a pilot at the helm. They were in violation of the regulation.

The bill as written provides for unlimited liability to any shipper who is in violation of an applicable Federal safety construction or operation regulation.

Now let us stop saying this on the floor when you know it is not true. *Exxon Valdez* would have been liable for every dime under the bill as we currently have it written.

One final thought: The Senate bill was hailed by every environmental group in America as a superb product, as an excellent bill. And do you know what the Senate bill says and contains?

It contains the identical standards of negligence as in this bill without the Miller amendment. It was hailed by every environmental group in America as the right thing to do. We did it on the House side.

If you want to agree with every environmental group in America, I suggest you vote against this Miller amendment, stick with the provision that is in the Senate bill as well that guarantees that we will have a workable process by which shippers and oil owners will be liable in the front end with this limit of liability and on the rear end with the fund standing behind the rest of the damages.

□ 1550

The bill we have works. The Miller amendment destroys it. If Members want to take that chance for America, then I will be very sad today. I think America will be sad today.

Let Members not take a chance on destroying a good product, a good safety system for the interests of America.

Mr. Chairman, I yield 2 minutes to the chairman of the full committee, the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Chairman, I have been chairman of the Committee on Merchant Marine and Fisheries for x number of years, which I am sure Members are saying that is far too long. However, during that time this is either the fourth or fifth oilspill liability bill that this House has agonized over for hours and hours and hours, only to send it to the other body, and through indifference or misunderstanding, it dies a natural death.

This situation is in reverse. They have acted. They are sending something over here to this body. I think it

is incumbent upon Members to meet halfway in whatever way is necessary to enact an oilspill liability bill. Let me remind the membership we should reject this amendment. Our position is exactly the same as the standard already approved by the Senate. The Senate rejected an amendment similar to or just like the gentleman from California, Mr. MILLER's amendment.

It has already been started, to change the environmental groups of the United States for allowing their praise for the Senate bill. I conclude by saying the Senate standard is our standard, and there will be no problem in conference. They were exactly the same. Let Members defeat this amendment and save the oilspill liability bill.

Mr. TAUZIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Alaska [Mr. YOUNG].

Mr. YOUNG of Alaska. Mr. Chairman, it is with some reluctance I rise in opposition to this amendment, because my good friend, the gentleman from California, is the chairman of the subcommittee that deals a great deal with other aspects of Alaska.

I would suggest respectfully if Members want to kill this bill, then Members vote for the gentleman's amendment.

I thought we were here to pass oilspill legislation that would help all coastal areas. That, in fact, will take care of the other States so that Alaska would not receive the damage that happened because of *Exxon Valdez*, in vain. However, I can assure Members, the gentleman from Michigan mentioned this bill will be vetoed if this provision is adopted. It is not in the Senate.

Some people say we will strip it out in conference. I think we have a responsibility to write good legislation. I think the bill that came out of the committee is a good piece of legislation. We have accepted the gentleman from California's amendments in some areas, some with my support and some not. However, I would suggest that if we really want to punish our domestic oil industry, and I believe some people on this floor are seeking to do that, then Members will, in fact, adopt the gentleman from California's amendment. However, if Members want legislation that will solve the problem and develop a national oilspill policy, then Members will oppose this amendment and oppose it strenuously.

I have listened to some of the debate over in my office. I do not know what comic books Members have been reading lately, but I am very, very chagrined that this bill has gone through three committees, three chairmen, six times, and now here we are today, asking to adopt an amendment that has no hearing, has had no input from the general public, no public input at all, because certain environmental groups want it to happen. I do not think that is the way Members should write legislation. These are not minor committees, these are major committees. Therefore, I want to say to my good friend from California that I am not sure he wants the bill, because if we adopt his amendment, this bill is dead. I want the bill. There is much good in this bill. There is much for the State of Alaska. There is the Miller-Studds amendment that has been adopted. Some Members did not approve of that. This is in the bill. However, any further addition to this bill, as I said in the general debate, will kill the bill. Therefore, I urge my colleagues on both sides of the aisle to vote no overwhelmingly on this amendment, so we can move this bill, and hopefully, hopefully with the encouragement of the leadership who have been involved in this legislation, just recently and not before, will urge the Senate, the other side of the body, and this House, so we can go to a conference in a rush and get this bill to the President so he can sign it. The adoption of this amendment could assure that will not happen.

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Michigan [Mr. DAVIS].

Mr. DAVIS. Mr. Chairman, I might just say there were some amendments that the environmental groups in this country would have fallen on the sword for, and in fact have. I do not believe that this is one of those amendments. I think they recognize that this amendment could cause the distinct possibility that the bill could be vetoed.

Therefore, vote against this amendment. I do not think we will alienate the environmental groups in this country. I think most of the things that we want have already been adopted. This one, really, from an environmental standpoint, Members are not going to alienate the environmental groups in this country by voting against it.

Mr. YOUNG of Alaska. Even if we do so, that does not bother me a great deal, because that exposes them to what they are, and they do not want Members to have the oil that we need in this country safely. I will say that publicly. They want this country to be second-rate, and an opportunity not available for the future generations.

They talk a lot. If this amendment is adopted, we will be dependent upon those OPEC countries as we are today, and even to a greater extent. I am seeking the solution to the oil spill problem we have in this country.

Mr. MILLER of California. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. Mr. Chairman, I thank the gentleman for yielding.

I would like to try to put two things in perspective as I rise in support of the gentleman's amendment.

First, my friend from Louisiana in his earlier remarks was very generous with Exxon's liability and with his interpretation of where Exxon would be liable. However, the fact of the matter is, despite my friend's interpretation, the lawyers from Exxon have a very different interpretation with regard to their liability, and they are in court as we speak, resisting this interpretation of their liability.

Second, my friend, the distinguished chairman from North Carolina, referred to the fact that, as he puts it, a similar amendment lost in the Senate. I think we need to put that in perspective, because that is the guts of what we are talking about today. The fact is, the amendment that lost in the other body was an amendment for unlimited liability, which lost by only 2 votes in the other body.

This amendment is a compromise amendment. It is not essentially no liability, or gross liability, nor is it unlimited liability, which a number of people support, but which lost by only 2 votes. It is some liability. It is a middle ground. We should support the Miller amendment.

Indeed, after we have spent $1 billion cleaning up the Valdez disaster, how can this body consider legislation that simply lets the industry off the hook the next time there's a spill? How can we consider legislation that would force the American people to pay for an industry's carelessness and neglect? How can we consider legislation that would ensure the American people rather than the oil companies pick up the tab the next time there's a spill?

Given the circumstances of the Valdez, I have to ask my colleagues why any of them could possibly feel it would be fair or appropriate to ask the American taxpayer to pay for the industry's negligence?

Clearly it would be neither fair nor just.

And perhaps more importantly, it would be a grievous mistake for this body to remove one of the industry's greatest incentives to be absolutely sure they prevent another *Exxon Valdez*. Certainly we cannot insure that the industry will learn from the Valdez by reducing their liability. Instead, we must unequivocally tell them that if their negligence destroys our environment and the livelihood of working men and women, it is they who will be held liable.

In the wake of the *Valdez* spill it is inconceivable to me that we could create an enormous new loophole through which the oil industry could run and hide the next time there's a spill.

I urge my colleagues to support the Miller amendment. We have an obligation to the American people to send a clear message to the oil industry that they will be held responsible for their actions.

Mr. MILLER of California. Mr. Chairman, I yield 1 minute to the gentleman from Utah [Mr. OWENS].

Mr. OWENS of Utah. Mr. Chairman, let Members be very clear about what we are voting on here. We are voting on giving the oil companies their reward of a lesser standard of care for their carelessness in Prince William Sound. We are saying to them we will only hold those companies responsible in the future if they have been grossly negligent, if they have been willfully negligent. We will reward those companies as the result of your good work in Prince William Sound in getting the *Exxon Valdez* safely through, by providing a lesser standard of care and making it easier for the company in the future.

Let Members not yield to this veto threat, this veto blackmail, this idea that the President will kill this bill if we attach this amendment to it, because all this amendment does is say we will make application here of the standard of care, the ordinary standard of care of simple negligence. That applies everywhere else, Mr. Chairman.

Mr. Chairman, I rise today in support of the Miller amendment.

In my travels to the North over the years, I have witnessed two Alaskas: One, pristine, unspoiled, arguably, after my own Utah, the most beautiful land I have ever seen. But the other, just 6 months ago, was an Alaska partially fouled, polluted, degraded, and abused. The difference between the two has simply been the breach of the public trust by the oil industry, a trust I placed in the industry when I participated in the drafting of the original Alaska pipeline legislation as a young Congressman 16 years ago.

The legislation before us today will be viewed as our answer to the cataclysm which struck Alaska's marine environment and which precipitated a response so inefficient it would have seemed comical if the outcome has not been so lethal to a once-pristine ecosystem. The bill we are debating will establish a framework for response and compensation in the face of similar accidents. But the bill does not adequately address our first line of defense against future oilspills—prevention.

Yes, there are new regulations and requirements for everything from vessel design to tanker captain testing. Yes, there are assessments of safety standards and outlays for research and development. None of this, unfortunately, gets to the heart of the matter.

We must give shippers and oil companies convincing incentives to act responsibly towards the environment. Corporations need to make decisions knowing they will be held fully accountable for their actions. A healthy respect for the fiscal consequences will lead to increased environmental sensitivity.

We must be reasonable. We cannot be draconian. We need the oil and we need its shippers and producers. But the standard of care proposed in the Miller amendment is no different than what we expect of the motorists who drive our highways. It is no different, no more demanding, than what we require in many other environmental laws, including the Alaska Pipeline Act passed in 1973. In Alaska, the oil and shipping industries have worked under the same standard proposed in the Miller amendment for the past 16 years.

In the light of recent events in Alaska and elsewhere, would it make sense to lower that standard of care in this legislation today? The Miller amendment encourages prevention. If a responsible party is found negligent, that party will pay for all costs associated with the cleanup and compensation. This standard of simple negligence, as opposed to "gross" negligence and "willful" misconduct, will give industry sufficient incentive to prevent future accidents. It will also ensure that a guilty party pays for its own negligence without passing the bill to the taxpayer or consumer.

I urge my colleagues to resist being swayed by rhetoric opposing this amendment, which has been, at best, inaccurate and misleading. What we do today will be watched closely by those we represent, people who were uniformly appalled at the events associated with the wreck of the *Exxon Valdez*. The Miller amendment is an essential part of the effort to prevent the recurrence of ecological nightmares like that in Prince William Sound, and I strongly urge its passage.

□ 1800

Mr. MILLER of California. Mr. Chairman, I yield 30 seconds to the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Chairman, I rise in support of the amendment.

The bill before us would allow responsible parties to limit their liability except in the event of gross negligence or willful misconduct.

The *Exxon Valdez* had a drunken captain, and was piloted by someone not legally qualified to do so. As a result, the vessel was driven out of a clearly marked shipping lane onto a clearly marked reef.

There is no reason on earth why Exxon should be permitted to limit its liability in such a case. But under the bill, as now written, Exxon could limit its liability if a similar incident were to happen in the future, unless it could be shown that the actions of the captain and chief mate were not just "negligent" but "grossly negligent," or if the incident were caused by the violation of a Federal safety standard.

It seems to me reasonable to argue that liability limits should be removed whenever the negligence or misconduct of the responsible party results in an oilspill.

This amendment would impose a higher standard of care on the part of those who transport oil around the shorelines of our country, and for that reason, I urge its adoption.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Minnesota.

Mr. STANGELAND. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in strong opposition to the amendment of the gentleman from California. It strikes at the very heart of the leadership compromise, threatening to make oil transportation uninsurable and the proliferation of Shell corporations with limited assets inevitable.

The amendment changes the standard for waiving liability limits from one of gross negligence or willful misconduct to simple negligence. In effect, it makes the bill's liability limitations meaningless since virtually every spill involves one form or another or negligence. Our bill recognizes that and so it looks to instances of gross, willful negligence to determine when limits apply. Without the opportunity to place some reasonable limits on their liability, carriers and shippers will have trouble finding insurance. We will see an abundance of sham companies with limited assets. This is not the way to prevent oilspills.

The liability limits in our bill provide a key component to a comprehensive system of liability and compensation. Shippers and carriers are exposed to a definite and insurable risk of liability. Once the claimant obtains compensation from the spiller up to the specific limit, the claimant can then—if the need exists—obtain full compensation from the fund. The liability limits and gross negligence provisions in our bill only allocate risk between the spiller, the shipper, and the oil industry—they do not limit compensation.

In changing all of this, the gentleman's amendment makes a dramatic departure from existing law. The Clean Water Act and the Deepwater Port Act set liability limits—recognizing the need for insurable risks—subject to the same basic gross or willful negligence standards as in our bill. Even the Superfund law, regarded by many as one of the toughest most environmentally protective laws, contains liability limits subject to a gross negligence standard. Our bill merely follows this precedent.

Even the bill in the other body, which some claim to be the most stringent oil spill legislation we have seen in the last decade, follows the same approach as our bill's. It has a gross negligence standard for waiving liability limits. It recognizes simple negligence would destroy the bill's risk allocation mechanism.

The administration is strongly opposed to the gentleman's amendment, as well. The Coast Guard, the Justice Department, the State Department, and others all realize that a simple negligence standard may sound good on paper but just will not fly in the real world.

Mr. Chairman, our bill has got to deal with the real world. We cannot afford to adopt provisions that, in effect, try to ban oil transportation. I urge my colleagues to take the responsible position and defeat the gentleman's amendment.

Mr. MILLER of California. Mr. Chairman, I yield myself such time as I may consume.

I just want to make this very clear: I do not know if Sam Skinner, the Secretary of Transportation, who went out to Alaska and said Exxon was doing a great job 5 days after the oilspill and was later sent out by the President, is now the environmental adviser who is going to recommend a veto, but I do know on this amendment, as with the Studds-Miller amendment, Members will be rated by

the League of Conservation voters, because everybody understands the implications of this amendment. This is how we protect the environment, by getting a standard of care that is reasonable.

The Senate rejected unlimited liability by 2 votes. We should reject gross negligence. The Miller amendment is a compromise between those two standards. I would hope that all Members would support this.

Mrs. KENNELLY. Mr. Chairman, I rise today in support of Representative GEORGE MILLER'S amendment to change the bill's negligence standard from "gross negligence" to simple "negligence." Mr. Chairman, one need not possess a law degree to realize that with this amendment, we are not asking oil companies to adhere to something unreasonable. In fact, we are not asking transporters of oil to operate under stricter standards than almost every American must in his/her business and life activities.

Each and every American who operates a motor vehicle, for instance, will be held liable for damages caused by his accidents if he is deemed negligent. Each and every business owner is held liable for accidents on his premises, if he is deemed negligent.

Take the simple law school banana peel example. If an individual shopping in a supermarket slips on a banana peel and breaks his leg, the supermarket is liable if negligence is proven; that is, if normal and reasonable maintenance was not performed to eliminate obstructions in the aisles of the store. If the liability standard was gross negligence, the burden of proof would rest on the prosecutor to show that the store owner knowingly, and in fact, intentionally placed the banana peel on the floor.

Silly, right? Well, let us take an example more illustrative of the issue at hand—oilspills. In the case of the *Exxon Valdez*, after succumbing to a blood test, the blood alcohol level of the ship's captain was well above the limits established by the Coast Guard. To prove Exxon's liability in this case, under the gross negligence standard, not only would a court have to deem that the captain was drunk, but it would also have to find that Exxon had full knowledge of his drunkeness. Under the negligence requirement, an oil company would have to take reasonable steps to insure that their captains are in good health and condition while transporting oil.

Once again, liability standards should not be unreasonable. Accidents do happen, and they sometimes occur to the most cautious, responsible individuals and businesses, However, when examining the transport of millions of barrels of oil in multiton barges, we legislators should be creating incentives for great care and preventive safety measures. We should be implementing policy which insures swift and sure cleanup and payment by liable parties, not enacting weak legislation that lines the pockets of litigators engaged in disputes lasting many years—all at the expense of the environment, our environment.

Between 9,000 and 12,000 oilspills occur every year. In many cases, such as in Prince William Sound, the environment will never truly be restored to its prespill condition. Let us not remove an oil company's incentive to transport this environmentally devastating substance carefully. Let us not remove an oil company's impetus to set strict safety standards governing their operations. Let us hold oil tranporters to the same standard we all live and work under—to act responsibly and not negligently.

I urge my colleagues to join me in supporting this amendment. It is an amendment that will make the negligent polluter pay, not the U.S. taxpayer.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. MILLER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MILLER of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 213, noes 207, not voting 13, as follows:

[Roll No. 341]

AYES—213

Ackerman	Flippo	Mazzoli
Akaka	Foglietta	McCloskey
Andrews	Ford (MI)	McCurdy
Annunzio	Ford (TN)	McDade
Aspin	Frank	McDermott
Atkins	Gallo	McGrath
AuCoin	Gaydos	McHugh
Bates	Gejdenson	McNulty
Bellenson	Gephardt	Meyers
Bennett	Gibbons	Mfume
Berman	Gilman	Miller (CA)
Bevill	Glickman	Miller (WA)
Bilirakis	Gonzalez	Mineta
Boehlert	Gordon	Moakley
Bonior	Gradison	Moody
Bosco	Gray	Morella
Boucher	Guarini	Morrison (CT)
Boxer	Hall (OH)	Morrison (WA)
Brennan	Hamilton	Mrazek
Browder	Harris	Murphy
Brown (CO)	Hawkins	Nagle
Bruce	Hayes (IL)	Natcher
Campbell (CA)	Henry	Neal (MA)
Carr	Hertel	Nelson
Chandler	Hoagland	Nowak
Clarke	Hochbrueckner	Oberstar
Clay	Hoyer	Obey
Coleman (MO)	Hughes	Olin
Coleman (TX)	James	Owens (NY)
Collins	Johnson (CT)	Owens (UT)
Condit	Johnson (SD)	Pallone
Conte	Jones (GA)	Panetta
Conyers	Jontz	Payne (NJ)
Cooper	Kanjorski	Pelosi
Cox	Kaptur	Perkins
Coyne	Kastenmeier	Petri
Crockett	Kennedy	Price
de la Garza	Kennelly	Rahall
DeFazio	Kildee	Rangel
Dellums	Kleczka	Ravenel
Dicks	Kolter	Richardson
Dixon	Kostmayer	Rinaldo
Donnelly	Lagomarsino	Ros-Lehtinen
Dorgan (ND)	Lancaster	Rose
Douglas	Lantos	Rostenkowski
Downey	Leach (IA)	Roukema
Dreier	Lehman (CA)	Rowland (CT)
Durbin	Lehman (FL)	Roybal
Dwyer	Levin (MI)	Russo
Dyson	Levine (CA)	Sabo
Early	Lewis (GA)	Savage
Edwards (CA)	Long	Saxton
Engel	Lowery (CA)	Scheuer
Erdreich	Lowey (NY)	Schneider
Evans	Machtley	Schroeder
Fascell	Markey	Schumer
Fawell	Martinez	Sensenbrenner
Fazio	Matsui	Sharp
Flake	Mavroules	Shays
Sikorski	Stallings	Visclosky
Skaggs	Stark	Waxman
Skelton	Stokes	Weiss
Slattery	Studds	Wheat
Slaughter (NY)	Swift	Whitten
Smith (FL)	Synar	Williams
Smith (VT)	Taylor	Wise
Smith, Robert (NH)	Torres	Wolpe
	Torricelli	Wyden
Snowe	Towns	Yates
Solarz	Unsoeld	Yatron
Spratt	Valentine	
Staggers	Vento	

NOES—207

Alexander	Hammerschmidt	Penny
Anderson	Hancock	Pickett
Anthony	Hansen	Pickle
Applegate	Hastert	Porter
Archer	Hatcher	Poshard
Armey	Hayes (LA)	Pursell
Baker	Hefley	Quillen
Ballenger	Hefner	Ray
Barnard	Herger	Regula
Bartlett	Hiler	Rhodes
Barton	Holloway	Ridge
Bateman	Hopkins	Ritter
Bentley	Horton	Roberts
Bereuter	Houghton	Robinson
Bilbray	Hubbard	Rogers
Bliley	Huckaby	Rohrabacher
Boggs	Hunter	Roth
Borski	Hutto	Rowland (GA)
Broomfield	Hyde	Saiki
Brown (CA)	Inhofe	Sangmeister
Buechner	Ireland	Sarpalius
Bunning	Jacobs	Sawyer
Burton	Johnston	Schiff
Bustamante	Jones (NC)	Schuette
Byron	Kasich	Schulze
Callahan	Kolbe	Shaw
Campbell (CO)	Kyl	Shumway
Cardin	LaFalce	Shuster
Carper	Laughlin	Sisisky
Chapman	Leath (TX)	Skeen
Clement	Lent	Slaughter (VA)
Clinger	Lewis (CA)	Smith (NE)
Coble	Lewis (FL)	Smith (NJ)
Combest	Lightfoot	Smith (TX)
Costello	Lipinski	Smith, Denny (OR)
Coughlin	Livingston	
Craig	Lloyd	Smith, Robert (OR)
Crane	Luken, Thomas	
Dannemeyer	Lukens, Donald	Solomon
Darden	Madigan	Stangeland
Davis	Manton	Stearns
DeLay	Marlenee	Stenholm
Derrick	Martin (IL)	Stump
DeWine	Martin (NY)	Sundquist
Dickinson	McCandless	Tallon
Dingell	McCollum	Tanner
Dornan (CA)	McCrery	Tauke
Duncan	McEwen	Tauzin
Eckart	McMillan (NC)	Thomas (CA)
Edwards (OK)	McMillen (MD)	Thomas (GA)
Emerson	Michel	Thomas (WY)
English	Miller (OH)	Traficant
Espy	Mollohan	Traxler
Feighan	Montgomery	Upton
Fields	Moorhead	Vander Jagt
Fish	Murtha	Volkmer
Frenzel	Myers	Vucanovich
Frost	Neal (NC)	Walgren
Gallegly	Nielson	Walker
Gekas	Oakar	Walsh
Geren	Ortiz	Watkins
Gillmor	Oxley	Weber
Gingrich	Packard	Weldon
Goodling	Parker	Whittaker
Goss	Parris	Wilson
Grandy	Pashayan	Wolf
Grant	Patterson	Wylie
Green	Paxon	Young (AK)
Gunderson	Payne (VA)	Young (FL)
Hall (TX)	Pease	

NOT VOTING—13

Brooks	Garcia	Smith (IA)
Bryant	Jenkins	Spence
Courter	Molinari	Udall
Dymally	Roe	
Florio	Schaefer	

□ 1820

Mr. GUNDERSON and Mr. ANTHONY changed their vote from "aye" to "no."

Mr. BILIRAKIS changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. SYNAR. Mr. Chairman, with the exception of two provisions noted later, I rise today in support of H.R. 1465, the Oil Pollution Prevention, Response, Liability and Compensation Act of 1989. This measure is long overdue. In fact, the progress made this year represents a significant breakthrough in efforts to establish and maintain a comprehensive and workable Federal response to the more than 10,000 oilspills that occur each year in U.S. waters.

Unfortunately, Mr. Chairman, it has taken an environmental tragedy for Congress to face up to the deficiency of the existing Federal controls and response measures.

On March 24, 1989, the 987-foot long, 95,000-ton oil tanker *Exxon Valdez,* a U.S.-built and crewed vessel en route from Alaska to California, struck Bligh Reef in Prince William Sound, AK, causing the largest oil tanker spill in U.S. history. The magnitude of the spill and the damage caused to valuable natural resources and Alaska's economy have drawn international attention.

Response to the spill was delayed because a barge required for transporting containment and cleanup equipment of the Alyeska Pipeline Co., operators of the Valdez terminal, was inoperable. This delayed responding to the spill for 10 hours, a period considered crucial in minimizing damage. On the third day, 70-mile-per-hour winds spread the spill 35 miles southwest over one-half the sound. By the end of the first week, the spill covered more than 1,000 square miles, endangering coastlines of numerous islands in southwestern Prince William Sound, and the first oil entered the Gulf of Alaska.

Within a week, the crude oil had a mousse-like consistency and became difficult to remove. A controversy developed over the timeliness and effectiveness of Exxon's response and over the Federal role in the cleanup. No Federal charges have been filed to date, but the State of Alaska has placed charges against the vessel's captain and has sued Exxon. Meanwhile, oil still coats roughly 350 miles of Prince William Sound shoreline.

Mr. Chairman, as of the latest count I have seen, the spilled crude oil from the *Exxon Valdez* has killed more than 33,000 sea birds, 980 sea otters and 138 eagles. No major fish kills have been reported. However, fish eggs and larvae are vulnerable and several commercial fisheries were canceled this season and others delayed. The immediate costs include cleanup expenses of more than $1.3 billion. Yet to be determined are direct damages to natural resources, and loss of income due to natural resource damage. Other costs will include losses of tax revenues and other effects to the local economy, such as loss of tourism revenues.

As a result of the oilspill, public confidence in the oil transport and exploration industries as well as the Federal regulation of those businesses is at an all time low. The public demands a comprehensive oil pollution prevention, liability and compensation scheme, however, until this year none has succeeded.

There are presently four Federal laws governing oil pollution liability, compensation and cleanup issues. These laws, however, sharply limit the liability of parties responsible for spills, or address liability and cleanup in specified areas only. In fact, Federal response to this critical question can aptly be described as a patchwork of coverage that varies from law to law, and condition to condition.

In addition, 24 States have established oilspill liability and compensation systems. Seventeen States have no limits on liability, thereby requiring that responsible parties pay for all cost of cleanup and damages. State laws and systems are not currently preempted in any way by Federal oilspill laws.

Fortunately, Mr. Chairman, the *Exxon Valdez* has led to renewed consideration of Federal oil pollution liability and compensation responses. We are now ready to proceed with a comprehensive and measured approach to economic and environmental dangers posed by the transportation, storage, and handling of oil.

The benefits of the framework embodied in H.R. 1465 are manifest. However, Mr. Chairman, the measure reported to the whole House contains two serious flaws, that must be corrected. As reported, H.R. 1465, in many if not most cases, would limit the liability of vessels, offshore and onshore facilities and deepwater ports. The measure also would preempt State oilspill liability laws, but would not preempt the authority of States to maintain individual compensation funds. I disagree with both of these provisions.

First, Mr. Chairman, I think the standard of care necessary to break through the liability limitation sends the wrong message to the oil transportation industry, and the American people. I think it is clear that the only appropriate response to the unparalleled wastes and destruction the *Exxon Valdez* caused on Bligh Reef is: the polluter pays.

Limiting the liability of the polluter when the next *Exxon Valdez* disaster occurs—except in case of "gross negligence or willful misconduct"—suggests that just the opposite is true: they don't care, they don't have to.

There are instances in which it is appropriate and justified for Congress to intervene on behalf of enterprises to limit potential tort liability. We have done so to protect industries that cannot obtain or afford liability insurance. The commercial production and availability of so-called orphan drugs is a prime example of an enterprise that is necessary and beneficial to society as a whole. Yet orphan drug producers cannot obtain affordable insurance. Therefore to advance the twin goals of encouraging development of orphan drugs and ensuring operation of those companies, it is essential to provide meaningful liability limits.

Mr. Chairman, the standard of breaking through the liability limits in the measure before the House is not based on the risks involved in the transportation of oil and the cost of responding to spills of the magnitude of the *Exxon Valdez.* Indeed, if these limits—and the standard for uncapping the liability limitation—had been in effect on March 24 of this year, Exxon would face a bill for only $114 million. Under the proposed Federal response, we are debating today, anyone attempting to place a greater burden on Exxon for the disaster on Bligh Reef would face a decade of litigation trying to prove "gross negligence and willful misconduct." Mr. Chairman, that is just not right.

All parties involved in the transportation of oil must share the responsibility to eliminate the risk of oilspills and to pay for damages. The purpose of including a standard of care for breaking the liability limitations in oilspill legislation is twofold. First, it specifies the degree of care required in the transportation of oil and the financial liability when the standard is not met. Second, it permits persons who have suffered harm as a result of a lack of care to seek redress from the responsible parties.

Negligence—as opposed to gross negligence or willful misconduct—is a more appropriate standard for breaking the oilspill liability limits. Negligence is unreasonable conduct. It is the failure to exercise the same degree of care a reasonable person would consider necessary for the particular circumstances or activity in question.

By contrast, gross negligence and willful misconduct—the standard established in the bill as reported—is conduct that is intended to injure or is reckless, showing the wanton disregard for the harm to others which is the likely result of a certain course of action or activity. Gross negligence is considered by the courts to be an extreme departure from reasonable conduct. Willful misconduct requires proof of an element of conscious intent. There are extraordinarily difficult to prove.

Mr. Chairman, negligence is the standard of care that governs the operations of the Trans Alaska Pipeline. It is a feature of most civil liability statutes. It is the standard that puts prevention into oil pollution prevention legislation. There is no logic and no reasonable justification for adopting a new standard as a part of our oilspill response efforts. Moreover, I am very concerned that the gross negligence and willful misconduct standard is so extreme that its inclusion would virtually ensure that liability would be limited—and the trust fund tapped—in almost every case. And frankly, I just do not think that is fair. In essence, it would result in those companies who have taken extraordinary measures to ensure safe operations paying for a good portion of the consequences of actions by companies who did not undertake such efforts or care. The purpose of the system should not be to punish the best and the safest.

At the same time, I am sensitive to the argument made by the industry that a standard of simple negligence may have the unintended effect of ensuring that liability would never be limited under any circumstance, and could impact on the industry's ability to obtain adequate liability insurance. It seems evident to me that the insurance picture will probably be adversely affected as a result of the *Exxon Valdez* spill—regardless of what Congress does on oil pollution prevention legislation. And, it is important to note that if the final bill does not preempt State laws, several of those

States would still subject companies to unlimited liability.

I intend to support the amendment to change the standard of care from gross negligence and willful misconduct to negligence with the hope that, if adopted, a reasonable middle ground can be found with the Senate.

Finally, Mr. Chairman, the proposed measure would preempt State liability laws in 24 States and would require that all cleanup and damage actions and claims be made under the procedures and limitations established by this bill. The bill also provides that all legal actions concerning oilspills—except for personal injury and wrongful death—must be filed in Federal court.

Mr. Chairman, I believe strongly that Congress should not deprive States of the right to enact laws and requirements that are stronger than Federal standards, and that take into account the unique situations, risks, and resources on individual States. This principle is the foundation of our major environmental laws such as the Clean Air Act, Clean Water Act and Superfund. Moreover, it is the standard for the four existing Federal oilspill statutes, none of which preempt State laws. There is no reason this measure should be any different. Indeed, there are strong reasons to maintain the current balance of authority between the Federal Government and the States. Those reasons form the foundation of our Nation.

The Founding Fathers adopted a federal system of government for good reason. It protects the weak from the strong and spreads out the authority of government so that it cannot be dominated by any one faction, group or interest. Proponents of preemption have presented no compelling arguments or evidence—such as a significant burden on interstate commerce—which would warrant an intrusion into the affairs of the States.

In fact, Mr. Chairman, the proponents of the reported bill have merely resurrected the old canard that actually killed several past efforts to erect a comprehensive system for Federal prevention, response, liability and compensation for oilspills: preemption of State law. I might add that the Senate version of the bill, which does not preempt State laws, passed that body unanimously.

Disputes over the preemption of State laws have held up enactment of a comprehensive oilspill legislation for more than a decade. The Senate has produced a bill that does not preempt State laws. The House should do no less.

Now is the time, Mr. Chairman, for action. It is time for a comprehensive Federal Oil Pollution, Response, Liability and Compensation Act that makes the polluter pay. It is time to amend and pass H.R. 1465.

Mr. MANTON. Mr. Chairman, as an original cosponsor of H.R. 1465 and a member of the Merchant Marine and Fisheries Committee, I rise in strong support of the Comprehensive Oil Pollution Prevention, Response, Liability, and Compensation Act of 1989. The enactment of a comprehensive Federal oilspill prevention and cleanup regime is long overdue, and I encourage my colleagues to support this worthwhile legislation.

This body has repeatedly worked for the enactment of such legislation during the past 15 years. The measure before us today is a culmination of those efforts. As a result, this bill has a stronger and more comprehensive approach for addressing the aftermath of a tragic oilspill. The bill also seeks to take those actions necessary to reduce the likelihood of such spills. The bill will put in place those mechanisms which will help prevent oilspills from occurring, train personnel and ensure the proper equipment is in place to respond to any spills that do occur, provide for the cleanup of oil spills, and compensate those parties who are injured by spills.

Mr. Chairman, this is a good bill; a strong bill. While we can never guarantee an oilspill of the devastating magnitude of the *Exxon Valdez* will not occur in the future, we can take those steps necessary to attempt to prevent such spills and ensure the financing is available to pay for the cleanup and compensate the victims of a major spill. The legislation we are considering will accomplish these worthwhile goals.

Mr. Chairman, I congratulate the chairman and ranking member of the Merchant Marine and Fisheries Committee, Mr. JONES of North Carolina and Mr. DAVIS, the chairman of the Coast Guard Subcommittee, Mr. TAUZIN, the chairman and ranking member of the Public Works and Transportation Committee, Mr. ANDERSON and Mr. HAMMERSCHMIDT, and my good friend and colleague from New York, Mr. NOWAK, the chairman of the Water Resources Subcommittee, and the ranking member of the subcommittee, Mr. STANGELAND, for their efforts in bringing this measure to the floor. Again, I urge my colleagues to support this landmark piece of legislation.

Mr. MILLER of California. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mrs. KENNELLY] having assumed the chair, Mr. LANCASTER, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1465) to establish limitations on liability for damages resulting from oil pollution, to establish a fund for the payment of compensation for such damages, and for other purposes, had come to no resolution thereon.

Mr. YOUNG of Florida. Mr. Chairman, I rise in strong support of the Miller-Studds amendment to H.R. 1465, the Oil Pollution, Prevention, Response, Liability, and Compensation Act of 1989, to protect the rights of States to maintain their own oilspill response standards.

Earlier this year, it was the damage to Alaska's environment caused by the *Exxon Valdez* that shocked our Nation and gave this body a renewed incentive for action. Twenty years ago it was the *Delian Apollon* which ran aground in Tampa Bay leaving behind a 20-square-mile oil slick that spurred the Florida State Legislation into adopting what remains today our Nation's toughest oilspill standards.

The legislation we have under consideration this week would establish important, long overdue, new Federal standards requiring emergency response plans in the event of tragic oilspills such as the one we witnessed in Alaska. It also would clarify the responsibilities and liabilities of tanker owners and shippers in the event of a spill.

As reported by the committee, however, H.R. 1465 significantly undermines the authority of States to maintain their own more stringent Federal oilspill response standards and liability requirements. States such as Florida, which has been a national leader in the enactment of legislation to protect our fragile marine environment and resources from oilspills and other accidents at sea, should not be penalized for their efforts to establish emnergency response plans and funds.

As a former Florida State Senator and author of our State's Oil Spill Prevention and Containment Act, I strongly support the Miller-Studds amendment to preserve these important States rights in this area. The 1970 legislation which I drafted was the first of its kind in our Nation and became a model used by other States in establishing their own oilspill response programs and standards.

The Florida State Legislature's overwhelming support for my legislation was the result of our experience in February 1970 when the *Delian Apollon* ran aground in Tampa Bay, spilling more than 10,000 gallons of crude oil. I remember the helpless feeling of standing on the shoreline as the oil spead into a 20-square-mile slick. No containment or cleanup equipment was available anywhere in the area and there was no preplanned strategy to stop the spread of oil. This lack of preparedness caused the death of thousands of birds, fish, and other wildlife, damaged and destroyed many boats, and covered our beautiful sandy white beaches with tar balls.

Within 4 months of that accident, our State did something to prevent future damage to our environment by enacting tough oilspill legislation that was eventually upheld unanimously by the U.S. Supreme Court. The intent and scope of this legislation included many of the same provisions that we have under consideration in H.R. 1465. As with this legislation, the Florida law established an oilspill trust fund to pay for cleanup costs associated with oilspills, required oilspill containment and cleanup equipment to be available in case of a spill, and provided penalties for those responsible for oil spills. We also established in Florida 11 district response teams to be ready and available to assess damage and initiate cleanup activities in the event of a spill anywhere in the State. A similar response team program is included in the legislation before us today.

The damage to Alaska's wildlife and environment in Prince William Sound is a stark reminder of the destruction a major oilspill can leave behind, especially when emergency response efforts are limited by a lack of preparedness. Just 2 weeks ago in Florida, we endured two near cataclysmic shipping accidents within a 5-day period. Although there was no major loss of oil or other cargo in the water, the grounding of these two tankers caused irreparable damage to the unique coral reefs in the Key West area. Thousands of square feet of coral that took more than 100 years to grow, was destroyed in these two accidents. One can only wonder about the magnitude of damage that would have

been caused to these areas had the ships spilled oil or phosphate into the water or had a similar accident occurred involving a supertanker carrying oil.

With the Keys, Dry Tortugas, coral reefs, grassy sea beds, and other unique marine estuaries, the State of Florida has a real need to maintain the most stringent possible oilspill guidelines, cleanup standards, and emergency response requirements. The legislation before us today should supplement, not replace our State requirements.

Mr. Chairman, the members of the committees that have brought us this legislation are to be commended for their perseverance over the past 14 years that has moved us one step closer to the enactment of legislation to provide a strong and effective Federal response to the cleanup of oilspills and other accidents at sea. I know it has been a long battle because I have testified before your committees and been actively involved in the consideration of a number of proposals that have come before the House.

As a representative of the State of Florida, which with its 8,000 miles of shoreline has the longest exposed coastline of any State in our Nation, the people of Florida welcome the additional protection this legislation would provide to our unique waterways and beaches. We believe, however, that the Federal response should be in partnership, not in place, of the tough State program we set in place more than 20 years ago in Florida. The amendment before us today would preserve these critical States rights to maintain a primary role in response to any spill in waters along our coastline and I would urge its adoption by my colleagues.

Mr. GREEN. Mr. Speaker, I rise today to explain my opposition to two amendments the House considered Wednesday during its deliberation of H.R. 1465, the Oil Pollution, Prevention, Response, Liability, and Compensation Act of 1989, on the basis that they would threaten the implementation of international oil treaties. I contend that it is in the best interest of the United States to implement those treaties.

What does the United States gain from its participation in international protocols? Financial security. The protocols establish an international fund paid for by member nations. If, for example, crude oil were to be spilled, and if the damage were greater than the ship owner's responsibility, then the international fund would pay up to $260 million. Only amounts beyond the ship owner's liability and the international fund's limits would be absorbed by a domestic fund. If the United States did not ratify the treaty, then it would be unable to claim any compensation from the fund. Hence, in the case of a crude oil accident, domestic funds—paid for by taxpayers—would foot the bill. If the accident was because of a foreign ship, the United States still would be liable financially. If one were a believer in the "polluter pays" principle, then that would be grossly unfair.

The United States would be unable to ratify the 1984 protocols to the 1969 civil liability and 1971 fund conventions if each State were allowed to set its own law—thus preempting the Federal law—as the Miller-Studds en bloc amendment legislates, because those protocols require member nations to maintain consistency in their laws. A hodgepodge of conflicting State laws would violate that requirement. Furthermore, States may find it quite difficult, if not impossible, to implement their laws internationally in the event of a crude oilspill on their borders. A single, cohesive law would enable the United States to negotiate better its position than would incohesive State laws.

I opposed the Miller-Studds en bloc amendment, which provides that State laws, programs, and jurisdiction relating to oilspill liability, compensation, and cleanup would not be preempted by Federal law. I also opposed the Miller amendment, which would lower the standard for unlimited liability from gross to simple negligence. Both amendments violate the international protocols, and for that reason I must vote against them.

Although I did oppose the passage of those two amendments, I shall vote for final passage of H.R. 1465. It is my hope that those provisions will be ironed out in conference in a way that will permit the United States to ratify the 1984 protocols.

Mrs. VUCANOVICH. Mr. Chairman, I am a supporter of the Miller-Studds en bloc amendment which provides that State laws relating to oilspill response would not be preempted by Federal law.

The Federal Government should not take away the right of the States to have laws of their own that are stronger than Federal standards, and that take into account the unique characteristics of the individual States. This principle has long been the basis of laws such as the Clean Air Act, Clean Water Act, the Superfund law, and even the four existing Federal oilspill statutes. None of these laws preempt State laws and there is no reason the bill we are currently considering should be any different.

Preemption supporters talk of adverse effects that would result from leaving the different State laws in place, but have not been able to prove that preemption is warranted. These bad situations have not occurred under the current system where State laws are not preempted. For example, differing State laws have not prevented shippers from getting insurance.

Disputes over the preemption issue have held up comprehensive oilspill legislation for 10 years. In the aftermath of the *Exxon Valdez* spill, and the three other spills that have occurred since, the other body has unanimously passed a bill that does not preempt state laws. We in the House should do no less. We cannot allow the dispute over preemption to once again prevent changes in the Federal response system for oilspills.

I strongly believe the Federal Government should not encroach upon the sovereignty of the States. My own State has been subjected to instrusive Federal policy in regard to the site characterization of Yucca Mountain, NV, as the national repository for high-level nuclear waste and I am continuing my efforts to ensure that the State has its proper rights to protect the health and safety of Nevadans. I am also fighting further Federal intrusion into Nevada's rights: If the current Nevada wilderness proposal becomes law, the right of Nevada and other States to allocate their own water flows would be preempted by the Federal Government. Therefore, I support the en bloc amendment to protect State sovereignty in the matter of oilspill response.

PERSONAL EXPLANATION

Mr. UDALL. Mr. Speaker, unfortunately, I was unavoidably absent when a vote was taken on rollcall No. 341. Had I been present, I would have voted in favor of the amendment.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 2461, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1990 AND 1991 AND AGAINST CONSIDERATION OF SUCH CONFERENCE REPORT

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-335) on the resolution (H. Res. 285) waiving all points of order against the conference report on the bill (H.R. 2461) to authorize appropriations for fiscal year 1990 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, and against the consideration of such conference report, which was referred to the House Calendar and ordered to be printed.

VACATION OF MEMBER'S SPECIAL ORDER

Mr. GOSS. Madam Speaker, I ask unanimous consent that the 60-minute special order requested by the gentleman from California [Mr. DORNAN] for today be vacated.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

A GREAT YEAR FOR A GREAT PRESIDENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 5 minutes.

Mr. DORNAN of California. Madam Speaker, just a little moment of nostalgia. This is the fastest year of my life. From November 8 last year when Vice President George Bush was the first sitting Vice President to win the Presidency since Martin Van Buren, 152 years ago, I think it has been a great year for a great President.

I think George Bush in his first of what I hope will be 8 years has begun to put a distinctive mark of his style on the future history of this country. I think the world is going to follow his

coming meeting in the month of December off the coast of the old and historic island of the island nation of Malta. I think we are going to see the beginning of a new day in the reduction of world tensions.

George Bush's acceptance ratings are so high, and also those of his wife, that it is breathtaking. I had a chance just by coincidence to visit with the President in the Oval Office this morning. I had no appointment. I was down there to see Chief of Staff Governor Sununu on the killing that is going on in Lebanon. The President came through the room, saw me, and pulled me into the Oval Office and talked about how good he has felt over the last year.

I had never seen anyone in my life enjoy public service as much as President George Bush. I am proud of him. I could not be more proud. I think he is going to go down in the anals of our country's wonderful and great history as one of our top Presidents.

I say to the President, congratulations on the first year. Let us have three more like that and then we will end up with a great era of George Bush in the 1990's.

□ 1830

PRUDENCE DOES NOT A GREAT PRESIDENT MAKE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Madam Speaker, where are we a year later with President Bush? I think that is a worthwhile avenue to pursue, because I think that what our country is doing is drifting. We are a country without policy right now.

Madam Speaker, yes, acceptance ratings are high, the highest on record apparently. But does that reflect a policy? I think what it reflects is careful prudence, prudence that shapes the response and says, "I want to do whatever is acceptable, what is popular," but that may be short term, but it does not get us anywhere long term.

Let us look at the facts. The trade deficit is climbing and soaring. It was down for a few months, going back up. Most people think it is going to be higher next year.

Foreign investment is climbing and soaring. Rockefeller Center will soon be under the ownership of foreign investors. Other major holdings, office buildings, real estate are under the ownership of foreign investors.

Our budget deficit: Here we were supposed to have the great budget agreement, the dare-to-be-great budget agreement that solved the problems, brought the Republicans and the Democrats together, and it was going to be a combination of all the different approaches, and get that budget deficit down. What do we have? We have total chaos. The result is a badly splintered Congress, a badly splintered White House, umpteen conference committees meeting around the clock to resolve who knows what. The deficit is climbing.

As to Eastern Europe, when do we develop an ability to respond, Madam Speaker? Here we have a situation where we are spending over $100 billion a year to maintain NATO forces. The Polish Government is going through great transition; East Germany. The winds of freedom are blowing across Eastern Europe. The President visited Poland, and they asked for $10 billion. He said maybe $100 million. That week a lady who has inherited a great deal of money from Johnson & Johnson matched his offer and is writing the check to the Gdansk shipyard for $100 million, a private individual.

The United States: Are we some sort of pitiful giant? That is the question we have to ask a year after this election.

Where is our policy on anything? Can anyone tell me what the START policy is, what our arms policy is, what our deficit-reduction policy is, what our infrastructure policy is? Talk about a country that cannot respond, we are faced with the greatest crisis in drugs, and many think the greatest crisis since World War II. What is our response? We have to cut and nickel and dime from every different agency to try to come up with a minuscule amount to fight a war. Is this a way to fight a war?

Madam Speaker, if we had gone into World War II, and say, "We are going to go in fighting with General Gramm-Rudman, and this is not going to cost more than $5 billion or $7 billion or whatever," and, Madam Speaker, I am concerned that when we get to the area of trade, foreign investment, education, people know it is not working. When we get to the area of foreign policy, people sense where we are going. When we get to the area of drugs, people know it is not working when they pick up the paper on any day and see the carnage and death toll coming about because of the drug war.

For all of these reasons, I would suggest, Madam Speaker, that prudence is not a policy, and prudence does not a great President make.

AIRLINE CONSUMER PROTECTION ACT OF 1989

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. BOEHLERT] is recognized for 5 minutes.

Mr. BOEHLERT. Madam Speaker, today's news media chronicled another story of the demise of yet another airline. This one is Braniff Airlines. Braniff, says the story, suspended all passenger flights on Monday and is now up for sale.

I am concerned about the thousands of people who are going to lose jobs with Braniff Airlines, and we all should be concerned. I am concerned about the hundreds of communities across this country that are going to lose vital service, and we should all be concerned.

Madam Speaker, no one seems to worry about the hundreds of thousands of consumers who have purchased a ticket, depended upon the availability of a flight and now find that that ticket is worth no more than the paper it is printed on. What about those cosumers? What do we do to protect them?

Madam Speaker, since deregulation of the airline industry in 1978, over 160 airlines have gone bankrupt or terminated service. Braniff is just the latest.

In 1987, seven airlines went bankrupt. Two of those airlines left outstanding debts to the ticketholders of $50 million. What about those ticketholders? What are they told? Can they walk to another counter and give the ticket to another airline and get a flight to the same city? In most cases the answer is no. Can they send in and get a refund? In most cases the answer is no. Do the Members know what they are told? They are told to go to the bankruptcy court and stand in line.

Madam Speaker, that is not good enough. These people paid for the service up front, fully expecting to receive it, and in most cases we are talking about families saving for a vacation. We are talking about small business people going on a trip to try to get new business that will enable them to create more jobs.

Madam Speaker, I say that while we have to be concerned about those thousands of Braniff employees losing their jobs, while we have to be concerned about all of those communities losing vital service, and we are, we also have to worry about those forgotten Americans, those hundreds of thousands of Americans who have tickets that are virtually worthless right now. What do we do to remedy the situation?

I have a solution. It is called the Airline Consumer Protection Act of 1989. I would encourage my colleagues to look at it very closely.

What it says to the airline industry is simply this: "We will give you 6 months within the industry, within the private sector, to develop a remedy to this problem. You tell us how best you can handle it, and if we are satisfied with it, we will buy it, and the traveling public will have some measure of protection, but if you are not able to do it or you refuse to do it, then we are going to do it."

Madam Speaker, we have an obligation to those Americans across this country from coast to coast to provide some measure of protection for them. Literally tens of millions of dollars in unused tickets are in the hands of everyday real American families who paid the money fully expecting the service, only to find out that the airline no longer is providing that service. When they look for some form of relief, when they contact us or go the Department of Transportation or the Federal Aviation Administration, the only thing we can tell them right now is to stand in line at bankruptcy court. "You might someday in the distant future get a refund."

Madam Speaker, I will say this, that there are families across this country who have had these worthless tickets for years, no refund. I think they deserve our attention. I think they deserve a responsive program from Congress that will address the problem.

I am urging all of my colleagues to pay attention to this issue. Their constituencies are affected, too. Let us provide a sensible plan to protect the consumers of American air travel. It is long overdue.

I included the two following articles.

[From the New York Times, Oct. 22, 1989]

BRANIFF PUTS ITSELF ON AUCTION BLOCK

(By Agis Salpukas)

Braniff, Inc., which suspended all passenger flights on Monday night, has put itself up for sale. But only small investors have shown an interest in buying the company. And several analysts said yesterday that it appeared unlikely that Braniff's hub city, Kansas City, Mo., would soon find another large carrier to fill the void, although several airlines are adding flights there.

Braniff, which had curtailed service in filing for Federal bankruptcy protection on Sept. 28, canceled as of yesterday its remaining 46 flights to 11 cities. Besides Kansas City, where Braniff held 30 percent of the market, the cities are New York, Newark, Chicago, Dallas, Los Angeles, Phoenix, San Diego, San Francisco, Washington and Orlando, Fla.

Most of Braniff's work force of 1,800 will be laid off, as the airline shrinks back to running its charter operations.

The airline, the nation's 15th largest before it cut service in September, is the latest victim of competition against large carriers with frequent-flier programs, strong hubs, regular flights and their own computer reservations systems.

USAir and Trans World Airlines soon plan to add four flights each out of Kansas City, while other large carriers have added or plan to add one or two flights.

"I think this latest development will expedite some decisions," Delbert Karmeier, Kansas City's aviation director, said yesterday of the Braniff move. "In the last five weeks, we were consistently being told by other airlines that might want to expand service here that they were not going to make any decisions as long as Braniff was in the picture."

Through much of the 1980's, Kansas City had enjoyed superior air service, as Eastern Airlines built one of its main hub-and-spoke systems there. But Eastern withdrew a year ago, believing the hub could not be sustained. Braniff then moved in.

Braniff, based in Orlando, said some other airlines might honor some of its tickets. People with tickets bought on a credit card can notify the card company for a refund. Those who bought tickets with cash or a check after Sept. 28 have been advised to call a toll-free telephone number, 1-800-282-5586, for a refund.

Braniff is owned by a group of real estate investors that bought the airline last year. The group then began an ambitious expansion plan. Before filing for protection under Chapter 11 of the Federal Bankruptcy Code, Braniff had 256 flights daily. The carrier employed 4,800 people and served 36 cities.

Sandy Smith, a Braniff spokeswoman, said the airline had hired Merrill Lynch Capital Markets to seek a buyer. Braniff's assets include its 28 gates at Kansas City International Airport and 52 aircraft.

Ms. Smith said the vacuum left by Braniff would take some time to fill because even if a primary carrier decided to establish a Kansas City hub, time would be needed to round up aircraft and to prepare a move into a new market. Large carriers often spend years preparing to enter a new hub and then often build service over a long period.

NEVER A VACUUM

Morton Ehrlich, the president of the Lifeco Services Corporation, a national travel agency, who was the head of strategic planning for Eastern Arilines when it expanded into Kansas City, said the area did not have enough local traffic to justify a primary hub.

"There was never a vacuum," he said. He added that Kansas City might merit additional flights, but not a hub.

Samuel Buttrick, an airline analyst for Kidder, Peabody & Company, said that while Kansas City was well situated as a hub, he had found little interest among any airline executives in entering on an extensive scale.

A person familiar with the initial attempts to find buyers for Braniff said that no large airline was interested in buying the carrier to build up a hub at Kansas City, but that some interest has arisen in some of Braniff's assets. Among them were the airline's Airbus A320 aircraft and its options and orders to buy new planes, as well as some of the leases on its Boeing 727's.

BRANIFF DETAILS CAUSES

Ms. Smith, the Braniff spokeswoman, said that the immediate cause of the carrier's suspension of flights was that a collateralized loan of $6.9 million from the Bank of America had been used up and that the airline could no longer pay for its operations.

William G. McGee, Braniff's chairman and chief executive, said the airline would explore alternatives besides a sale while trying to conserve its remaining cash, but he did not elaborate.

Farhad Azima, the founder of the defunct Global International Airways Corporation, has said he may be interested in buying Braniff's primary assets and restarting it as a smaller carrier. He now has an aviation-leasing business in Kansas City.

John Latshaw, a Kansas City investor, has also expressed an interest in putting together a group to revive part of the airline.

But the chances of raising money for such a venture are small, considering the high fatality rate of new airlines.

Even with large concessions from its unions, which gave the carrier low operating costs, Braniff had problems competing against the larger airlines.

Mr. Buttrick, Kidder, Peabody analyst, said Braniff never had much of a chance because the new investor group did not provide it with enough capital.

[From the New York Times, Oct. 22, 1989]

BRANIFF CUTBACK: WHAT TO DO WITH TICKETS

When Braniff Airways filed for protection under Chapter 11 of the Federal Bankruptcy Code on Sept. 28, it left a lot of customers wondering what to do with the tickets for their canceled flights. "Technically the tickets are still valid until Sept. 27, 1990, but that doesn't help our passengers who have tickets to cities we no longer serve," said a Braniff spokeswoman. The airline, which had been serving 40 airports with 256 flights a day, now has only 46 flights to 11 airports.

Some other airlines, including Trans World Airlines and Continental, are accepting Braniff tickets when there are seats available on their own flights, but the conditions vary from airline to airline.

For people who want refunds, truth-in-lending laws offer some protection to those who paid by credit card. But those who paid by cash or check are now creditors of the airline and will have to file a claim with the bankruptcy court.

According to information supplied to Braniff by the Department of Transportation, a person filing a claim should get a "Proof of Claim" form from a United States courthouse or a stationery store that sells legal forms. Keep one copy and send the original to the United States Bankruptcy Court, Middle District of Florida, First Bankers Building, 135 West Central Boulevard, Suite 950, Orlando, Fla. 32801; reference case number 89-3325. If possible, a photocopy of the ticket should be enclosed.

There is no guarantee that payment will be made or, if it is, that it will be for the full amount. The process will take several months "at least," the spokeswoman stressed. More information: 800-282-5586.

TAKE STOCK EXACTLY WHERE WE STAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. MCEWEN] is recognized for 5 minutes.

Mr. MCEWEN. Madam Speaker, whenever a party or a politician is in power, he likes to admit that things are good, and those who are out of power like to complain that things are bad. As a result, we sometimes ignore facts and break into rhetoric that allows us many times to discourage the citizenry. There are those who attempt to build their political careers by attacking America and by attacking the conditions in our country, and I would like to just take a moment to take stock as to exactly where we stand.

We heard a dissertation just a moment ago discussing about foreign investment in this country and, indeed, a very simple question to ask is: If you have a good company, do people like to invest? The answer is yes. If you have a rotten company, do

people like to invest in a rotten company? The answer is no. Let us take it to a larger degree. If you have a good country where you have low inflation, high productivity, good-quality products, do people like to invest there? Yes. If you have a rotten country where you have high taxes, low productivity, low standards, do you like to invest in that country? The answer is no.

□ 1840

During the 1970's when we had the highest inflation and interest rates since the Civil War, we had the highest percentage of income going to taxes ever in our Nation's history, we had a declining standard of living, we were losing jobs at the rate of 50,000 a week, investment was not only not coming to America, American companies were investing abroad. No one was expanding any plants in America, not even Americans wanted to do that. As a result, we were losing our place in the world.

Indeed, those in power, those on the left said ladies and gentlemen, get used to it. This is what your future is. You must learn to live with less. Jerry Brown described it and said we have entered an era of limits. Jimmy Carter said we must turn down our thermostats and wear a sweater and ride our bicycles. The head of the Council of Economic Advisers in the Carter administration said the question is not whether or not America will have a declining standard of living. He said the question is whether or not Americans can learn to adapt to their declining standard of living.

Now that is what their program for America was, and that is where we should be at the end of the 1980's. But ladies and gentlemen, fortunately the common sense of the American people threw that all overboard in the 1980's. We went back to basics. We dusted off some old principles which by this time were called new ideas. That is that you just allow people to keep what they earn. You lower taxes, encourage investment and productivity and see what happens to the economy.

We did that, and in 1983 we hit a 35-year high in long-term capital investment. In 1984 we hit a 38-year high in long-term capital investment. Not only can Americans begin to invest in their country again, but we have become more competitive, we began to create jobs at the rate of 300,000 jobs a month for now 84 consecutive months. In fact, we have created in America nearly 7 out of every 10 jobs that have been created on this planet since 1982.

And not only is America investing in America, but the rest of the world says if I am a German businessman, or I am a Japanese businessman, or I am a Korean businessman, or I am a British businessman and I wish to invest, where do I invest? I do not want to invest in Taiwan, I do not want to invest in Mexico or in Brazil. I do not even want to invest in Japan. I want to invest in America, and as a result it is absorbing from the rest of the world productivity, growth, and capital necessary to make us the strong economy we are once again.

Remember, that is what built America. This country was not built by the wealthy. People did not walk out of their castles, get in their clipper ships to come to America to eke out an existence in the forest. They came here as poor paupers with nothing, but because of a sound economic system, as sound as a dollar on the gold standard, because of a sound political system, we have absorbed capital from the rest of the world, and it was the investment from Europe and elsewhere that built the American railroads, and built the great industry that made us No. 1. We had the influx of capital from 1776 to 1941.

In 1941 as we began to bomb the rest of the world, and shortly thereafter we began to invest elsewhere after World War II. Now as those economies have stabilized, and they have gone after their Socialist tendencies where they have discouraged thrift and investment, that capital is now flowing back to America, and ladies and gentlemen, that only means good things for us.

Let us look at the basic fact that half of all Nobel Prize winners in the world are American. Half of all of the inventions and patents in the world come from this little country with a population which is 6 percent of the world, this United States of America. Our manufacturing jobs in 1950, at the end of World War II when we had all of the productive capacity and the rest of the world had none, 20 percent, 1 job in 5, 20 percent of all of the jobs in America were in manufacturing. Today, 1989, 20 percent, 1 job in 5 in America is still in manufacturing.

We talk about the electronics industries, the computers, and all of the rest, the televisions, and we say somehow or another Japan has taken that. Who is the largest producer of electronic equipment in the world? The United States of America. The second largest nation happens to be Japan. What is the largest producer of electronic equipment in Japan? IBM, an American company.

We see very simply as we are closing up this decade that America is stronger economically and politically than it ever has been. The rest of the world says that is the system I want to have. They are not hiding and running away like they were in the 1970's.

Madam Speaker, it can best be summed up by the banner that was carried yesterday in Red Square when they said: "Workers of the world, we are sorry." They prefer freedom like us.

AMERICANS GO TO THE POLLS IN SUPPORT OF THE DEMOCRATIC PARTY

The SPEAKER pro tempore (Mrs. KENNELLY). Under a previous order of the House, the gentleman from New Jersey [Mr. TORRICELLI] is recognized for 5 minutes.

Mr. TORRICELLI. Madam Speaker, yesterday America went to the polls once again, and it is time to analyze not only who was elected, but what messages were sent, what kind of statement has been made about our country and its future. Clearly something is changing.

In my State, Congressman Jim FLORIO was elected overwhelmingly, not simply with the votes of Democrats, but extraordinary numbers of Republicans and independents, with a message not unlike one that he delivered 8 years ago in an unsuccessful campaign. What then is changing about our country, and why did the same people who did not listen to that message or did not respond to it only a few years ago vote in such overwhelming numbers? Perhaps it is this: Throughout the last decade America enjoyed a time perhaps usefully, maybe necessarily, in restoring pride in ourselves, reminding ourselves of the things that are good about America. But we also postponed decisions. We also did not face many of the difficult choices, and perhaps that is the difference of the politics of the 1980's and the politics of the 1990's, because time is up, America. The time when we could afford simply to congratulate ourselves, simply to talk about the things that are right about America but ignore our problems is over.

It will not be enough anymore for people to talk about how they are for education, believe in environmental protection, believe in building infrastructure, reducing debts, promoting savings if that is not also the record of their leadership, and if they are not prepared to make the difficult choices, indeed the sacrifices that are necessary to accomplish those ends.

The election yesterday in my State is the most profound example. Only a year ago on the shores of New Jersey, George Bush stood and claimed his allegiance to a clean environment. He was an environmentalist. Last year, as characterized most of the last decade, that statement was enough. The fact that there has been reductions in spending for clean water, for sewage treatment, the very things that would have prevented the abuse of our shores, and that the administration in which he served was responsible, that was all right, it was enough to claim concern. It was all right to go to the streets of cities and claim a concern about drug addiction and crime. The fact that we could not get restrictions on automatic weapons, reasonable con-

trols on guns used by drug dealers, that we could not get help for local law enforcement, that was all right, you could just talk about crime.

My friends, that time is over. What we witnessed yesterday is that people are now making the distinction. It is not what you say but where have you been; not what you promise, but are you prepared to ask people to make sacrifices.

It is time to get serious in America again, because the simple choices are these: a nation which ranks 18 out of the leading 18 democracies, industrialized nations in the world in the quality of our education, the testing of our students, simply has no future, not less of a future, but the country as we have know it will not strive, will not be powerful, will not be the America we have known. A nation which is last in the industrialized world in savings and highest in debt will have a lower standard of living. That is not talking down America. It does not mean we are less proud. It means we are realistic. It means we are honest, and the greatest gift to America today is simply honesty.

□ 1850

That is what prevailed yesterday in the elections in New Jersey and in Virginia.

That is our message. It is what separates the last decade from the next decade. I am proud to say that is what separates the Democratic Party from the other party.

LEGISLATION TO ESTABLISH CONSTRUCTION STANDARDS TO MINIMIZE EARTHQUAKE DAMAGE

The SPEAKER pro tempore (Mrs. KENNELLY). Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Madam Speaker, today Representatives BOXER, ROYBAL, PELOSI, and I are introducing a bill to establish building codes that will ensure that new residential and commercial buildings are safer in the event of earthquakes. I believe that the enactment of this legislation could save tens of thousands of lives and tens of billions of dollars by reducing the impact of future earthquakes.

The National Institute of Standards and Technology has repeatedly conducted studies that clearly show that our Nation's buildings and public structures cannot resist a major earthquake—one that will be 100 times more powerful than the October 17 California quake. When an eight-plus Richter scale earthquake occurs in the continental United States, it will cause tens of thousands of deaths and up to $60 billion in damage. And it will largely be due to buildings collapsing. According to U.S. News & World Report:

A 1985 study by the Federal Emergency Management Agency found that a magnitude 7.6 quake in the East [Tennessee area] would cause 2,500 deaths, collapse 3,000 structures, cause $25 billion in damages and displace a quarter of a million people in Memphis alone if it struck on a working day. * * * The National Oceanic and Atmospheric Administration concluded that a magnitude 8.0 or above quake in San Francisco would leave as many as 11,000 dead if it struck during rush hour.

David W. Cheney, analyst in science and technology science policy division of Congressional Research Service, stated:

A postulated 8.1 earthquake in southern or northern California could potentially kill and injure tens of thousands of people and cause more than $60 billion damages. * * * A postulated Richter magnitude 7.5 earthquake on the Salt Lake City segment of the Wasatch fault could potentially kill and injure thousands of people and cause more than $8 billion in damages.

In a sense, earthquakes don't kill people, the buildings that collapse around them do. Fortunately safeguarding buildings and public structures from collapse works. The Washington Post editorialized on the recent earthquake in California:

Good engineering and vigilent enforcement of building codes have kept the toll of this calamity down in a range that is, by the world's standards, extraordinarily low.

Although the approximately 70 deaths and $10 billion in damage are a far cry from recent foreign earthquake disasters, our continued strengthening of building and public structure codes can, and will, reduce damages substantially.

Earthquakes are a very predictable disaster: we know they are coming. We can estimate the loss of life and the cost of the damage. For example, the chance of an earthquake of magnitude 7 or more on the Ritchter scale in California within the next 30 years remains at 90 percent. U.S. Geological Survey predicts there will a 6.0 earthquake in Parkfield, CA in the next 2 to 5 years. According to the Washington Post:

Geologists project that there is a 100% probability of a destructive quake hitting somewhere in the eastern U.S. before the year 2010, 20 years, and an 86 to 97 percent probability of a quake, at least 6.3 on the Richter scale, hitting New Madrid again before 2035.

Contrary to popular belief, California is not the only earthquake prone area in our country. In 1964 Alaska suffered a devastation of an 8.4 to 9.2 quake on the Richter scale. In 1811 and 1812 Missouri suffered three quakes of 8.5, 8.6, and 8.7. In 1886 Charleston received a 7.7. Many other states like Utah, Idaho, Wyoming, Montana, Washington, and Hawaii could also suffer major earthquakes. Considering that the ground in the East Coast amplifies earthquakes, east coast builders barely consider earthquakes, and there is no way to evacuate before an earthquake, imagine the devastation to the area around Charleston, if an even larger natural disaster than hurricane Hugo were to strike again. Even the 5.9 earthquake in Whittier, CA that occurred only 2 years ago cost $350 million.

We desperately need to make builders inside and outside of California think more about earthquakes. We need to ensure that builders everywhere use the very latest and best anti-earthquake technology.

Therefore our bill requires that after December 31, 1996, the use of tax exempt bonds, tax depreciation and the deductibility of interest expense will be denied for new structures unless they are certified to meet the new anti-earthquake standards applicable for various regions by the design and/or construction firms that build them.

The bill creates a Commission composed of experts in each of the fields related to making responsible building codes. We envision the USGS providing a national map of earthquake probabilities and magnitudes and a study of how earthquakes effect different ground compositions. We see the Council of Economic Advisors and HUD forming scientific ideas into building codes that make economic sense.

The one major question that is raised about this bill is the cost to new building and home buyers. Those buying in earthquake prone areas will probably have to pay slightly more, but in the long run—and in some cases, the short run—they will save money. The New York Times reported that:

U.S. experts calculated that the building of earthquake proof constructions and the reinforcement of old houses cost six times as little as likely damages from earthquakes.

This bill doesn't even cost extra money, all it requires is that we face the reality of earthquake power before another major earthquake happens.

This bill will save tens of billions of dollars and thousands of lives. Our Government spends $65 million a year for the research necessary to make stronger building standards, but we haven't followed through. It is time to apply our research and protect our country from our most dangerous natural disasters, earthquakes.

I urge all Members, particularly eastern Representatives, to join in supporting this legislation.

U.S. BANKS LOSING GROUND TO COMPETITION IN WORLD MARKETS

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Madam Speaker, the global market for financial services is becoming increasingly competitive. Within this competitive environment of international banking, the global position of U.S. banks has been declining relative to foreign banks in size, market share, creditworthiness, and growth rates. U.S. banks are losing ground in this competitive environment, and this concerns me.

The relative decline of American financial institutions in the world market is very clear in commercial and investment banking, as well as in nonbank financial activity in general. In relation to the deposit size of banks around the world, the most striking fact is: whereas there were no Japanese banks in the top 19, 25 years ago, today the top 12 are all Japanese banks. This long-term trend shows that Japanese banks have been growing in size at the expense of American and other banks.

In terms of market share of assets in the global economy, the share of U.S. banks has been declining relative to most other international competitors. Among major industrialized

nations' banks, only U.S. banks now have fewer cross-border assets, chiefly loans and securities, than they did in 1983. While such United States banking assets now total $102 billion, Japanese banking institutions have increased their international assets fourfold to $129 billion.

The asset share of Japanese banks in the world market has increased from 23 percent in 1984 to 38 percent in 1988, and the asset share of United States banks in the world market has decreased from 26 percent in 1984 to 15 percent in 1988. The asset shares of West German, Swiss, and Italian banks have also increased over that same time period, while the asset shares of French, British, and other banks have decreased marginally.

Thus, both Japan and the United States had approximately one-quarter of the international banking market in 1984, but by the end of 1988, the United States' share in relation to that of Japan had gone from roughly even to an advantage of approximately two and one-half times for Japan. Furthermore, of the leading Western industrial nations, the decline in the United States' share of the world banking market has been the greatest in absolute terms.

The total level of capital available to bank in relation to existing assets also suggests the extent to which the potential exists for further increases in total assets. The market value of capital, or the stock market's current value of the institution's equity, and the level of profitability can also be helpful in determining the potential for further increases in asset levels.

Recent calculations of the market value of banking companies' equity show an enormous edge for Japanese institutions. On March 31, 1989, the global leader in terms of the then current value of equity was the Industrial Bank of Japan, with a value of $73.9 billion. Another 20 Japanese banks and one West German bank exceeded Citicorp, the leading United States institution with a market value of equity of $9.6 billion.

In addition to the marked decline of U.S. banks in terms of size, asset share and the market value of their capital, U.S. banks have been rapidly declining in their creditworthiness. The credit-standing of a bank has a direct effect on that bank's ability to compete in attracting customers and minimizing its cost of funds. As a result of rapid Japanese and West German economic growth, coupled with lending to lesser developed countries [LDC] and energy-related customers, the creditworthiness of United States banks has been declining. This diminishing creditworthiness feeds the loss of market share of U.S. firms in certain activities, like the commercial bank letter of credit business in the United States.

As measured by Moody's long-term ratings—the investment grade scale in Moody's long-term ratings for banks is from highest to lowest: Aaa, Aa1, Aa2, Aa3, A1, A2, A3, Baa1, Baa2, Baa3 and Ba1—the credit standing for the largest American banks relative to their chief foreign competitors has declined dramatically since 1980. In 1980, four United States banks were Aaa rated and three were Aa1 rated. By year-end 1988, no American banking company retained the coveted Aaa rating and only one was rated Aa3 or higher. While two of the largest foreign banks were Aaa rated in 1980 and no others even made a Ba1 rating, by year-end 1988, nine foreign banks were Aaa rated and five more were rated A3 or better.

By the measure of profitability, however, American banks appear to do relatively well. In 1988, in terms of return on equity, the largest United States financial institutions tended to show better performance than most of the largest Japanese banks; but this may be deceiving. The Japanese banks have higher capital levels than United States banks, causing their profits to shrink in relation to those of United States banks. Loosely defined, return on equity equals net income divided by average net worth or capital for any given year. So, higher levels of capital would tend to decrease measures of profit. This higher level of capital serves to promote safety and soundness while decreasing the chance of failure.

As competition has heightened in the global markets of banking, United States banks have been losing share in most of the important performance indicators. These facts concern me.

As chairman of the Subcommittee on Financial Institutions Supervision, Regulation and Insurance, I recently held hearings on the European Community and its project 1992. At those hearings the subcommittee heard testimony underscoring our deteriorating competitive position.

I intend to do everything in my power to maintain the competitiveness of U.S. banks. This pledge will not be broken; I have announced that the subcommittee will begin to look at the structure of U.S. banking next year. The subcommittee must approach these hearings with an open mind. If necessary, we must be prepared to alter our banking laws to maintain the competitiveness of U.S. financial institutions.

REPORT FROM HOUSE ARMS CONTROL OBSERVERS GROUP

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. GEPHARDT] is recognize for 5 minutes.

Mr. GEPHARDT. Madam Speaker, on behalf of the gentleman from Michigan [Mr. BROOMFIELD] and myself, I submit for the information of the House a report from the House Arms Control Observers Group:

HOUSE OF REPRESENTATIVES,
OFFICE OF THE MAJORITY LEADER,
Washington, DC, October 30, 1989.

Hon. THOMAS S. FOLEY,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: In our capacities as Co-Chairmen of the House Arms Control Observers Group, we led a delegation of twelve Members to Geneva, Vienna, and Brussels, from October 5 to 10, 1989.

This was an outstanding visit, during which we had the opportunity to meet with U.S. negotiators to four separate sets of arms control talks: the Nuclear and Space Talks, including the Strategic Arms Reduction Talks (START) and the Defense and Space Talks; the Nuclear Testing (NTT) talks, the Confidence- and Security-Building Measures (CSBM) talks, and the Conventional Forces in Europe (CFE) talks. We also had lengthy discussions of arms control and strategic issues with Soviet, NATO, and Warsaw Pact officials, as well as the U.S. representatives to NATO. In Vienna, we had particularly interesting conversations with arms control negotiators from Poland, Hungary, and East Germany.

The Members on our delegation were struck by the historic opportunities for progress now present in arms control negotiations underway in Geneva and Vienna. Combined with the momentous changes now occurring in Poland, Hungary, East Germany, and the rest of Eastern Europe, the prospects for reduction of conventional forces through a CFE agreement and strategic weapons through a START agreement offer the chance to literally re-draw the military map of Europe, and change the strategic relationship between the United States and the Soviet Union. We now have the chance to enhance our national security through skillful negotiations leading to arms control agreements.

Further, given the potential for rapid movement in the various negotiations, we were all convinced of the need for the House Members to remain current on the state of play of these talks. While the House does not ratify arms control treaties, we initiate defense spending bills that influence the course of these negotiations and we raise the revenue that funds new defense systems. Further, if negotiations result in executive agreements rather than treaties, the House will have an equal role in approving the legislation to implement these agreements.

For these reasons, the Members felt the need to continue active observation of these talks through another visit in the spring of 1990.

We are attaching to this letter: (a) a detailed summary of the principal issues we addressed during this trip, (b) a list of the Members who participated in the trip, and (c) a list of the meetings we held in Geneva, Vienna, and Brussels.

Sincerely,

RICHARD A. GEPHARDT,
Co-Chairman.
WILLIAM S. BROOMFIELD,
Co-Chairman.

REPORT ON THE VISIT OF THE HOUSE ARMS CONTROL OBSERVERS GROUP TO GENEVA, VIENNA, AND BRUSSELS, OCTOBER 5-10, 1989

Strategic Arms Reductions Talks (START)

U.S. Ambassador to the NST Richard Burt said in Geneva that although neither side in the START talks is negotiating against a deadline, the impetus provided by the Baker-Shevardnadze Summit in Wyoming presents good prospects for continued progress leading to the signature of a strategic arms reduction treaty with the Soviet Union. Such an agreement would result in the elimination of thousands of nuclear weapons on each sides, including mobile missiles, strategic submarines, ICBM's, and bombers. Ambassador Burt assured us that such cuts can be made without sacrificing our nuclear deterrence.

Ambassador Burt said that there remain a number of barriers to a START agreement. He said that there may be less than meets the eye in apparent concessions by the Soviet Union in de-linking a START agreement from the differing interpretations of the ABM treaty as they relate to the Strategic Defense Initiative. He said that Soviets have indicated that although they could sign and implement a START agreement

without resolving the SDI/ABM issue, they maintained the right to withdraw from a START agreement if the U.S. took any subsequent action that the Soviets interpreted as a significant violation of the ABM treaty. Ambassador Burt thought it inconceivable that the Senate would ratify a treaty which contained this potential loophole.

Other differences left to be resolved in the negotiations include:

Limitations and the corresponding verification regime for mobile strategic weapons systems;

Counting rules and range limitations for air-launched systems, which will have a fundamental impact of funding measures for the Department of Defense, especially the B-2 bomber. On this issue, Ambassador Burt said that the Soviet agreement to exempt certain conventional bombers was a major concession; and

Sea-launched cruise missiles—the Soviets have proposed that SLCM's be dealt with in separate talks, but that the SLCM's issue must be resolved prior to implementation of a START agreement through mutual declatory statements. The United States still believes that inspection and verification issues are virtually impossible to resolve.

Despite the difficulty of these issues, Ambassador Burt indicated that the START talks appear to be the highest of Soviet priorities in arms control negotiations, and that the Soviet attitude has been constructive, pragmatic, and non-ideological. While he was hopeful that such an attitude would allow for resolution of existing disputes in time for the proposed Bush-Gorbachev Summit next year, he again stressed that neither side is "negotiating against a deadline."

We were particularly interested in whether the Administration shared the view of former Secretary Kissinger that it was necessary to have a conventional force reduction (CFE) agreement in place prior to reaching a settlement on START to ensure that NATO's conventional forces are not undermined by a deterioration in our nuclear deterrence. Our negotiators said that this view is not shared by the Administration. Ambassador Burt said that the Administration would sign no agreement that weakened our nuclear deterrent capability.

In a separate two-hour meeting with the Soviet START negotiating team, Soviet Negotiator Yuriy Nazarkin said that his country's priorities in START were both to save money on defense programs and to enhance Soviet security through increased stability. He viewed the START talks as just the beginning of ongoing negotiations, including subsequent "stability talks" which he said would produce even greater reductions. In response to a question about eliminating mobile MIRV's, Nazarkin said that such a move would have a stabilizing effect, but that the reality was that the Soviets already had their system in place. Thus, the most they would accept would be to limit the systems to certain regions, strengthen inspection measures, and monitor production.

Much of the conversation focussed on the link between the ABM treaty interpretations and the START treaty. Ambassador Nazarkin reiterated the Soviet position that the two sides can complete and implement a START agreement without an ABM settlement, but that either side could leave the agreement if a "substantial" violation of the ABM treaty took place on the other side. He affirmed that any testing in space had to be consistent with the traditional interpretation of the ABM Treaty. In a discussion of the Soviet system, Soviet General Detinov said that the Soviet ballistic missile defense system around Moscow was designed to counteract mistakes or third-country attacks. On a related issue, several members of the U.S. delegation expressed their pleasure with the Soviet decision to dismantle its Krasnoyarsk radar station without condition.

Defense and Space Talks

In a meeting with U.S. delegates to the Defense and Space talks in Geneva, U.S. acting Defense and Space Negotiator William H. Courtney said that we were anxious to adopt confidence- and security-building measures to reduce the risk of "future technology surprise" from new developments. The Soviets share this concern, but they want these measures to apply only on a limited basis; they still place a high priority on verification, including unlimited on-pad inspections for all space launches. The Soviets also want continuous negotiations on defense and space issues, similar to the "stability talks" on START issues.

Nuclear Testing

There was considerable discussion with U.S. Nuclear Testing negotiator C. Paul Robinson in Geneva of the progress achieved in settling verification issues related to the 1974 Threshold Test Ban Treaty and the 1976 Peaceful Nuclear Explosions Treaty. This progress includes agreements on on-site inspections for underground tests exceeding 35 kilotons, at least two tests per year as a confidence building measure, and monitoring by seismic sensors or CORRTEX (hydrodynamic yield) for tests above 50 kilotons. The sense was that the resolution of the above issues paved the way for the signature of an accord on both the PNE and TTBT verification protocols at next year's Bush-Gorbachev Summit. Ambassador Robinson stressed the need for continued nuclear testing to ensure reliability, safety, and security of our nuclear systems. He added that the three principal factors used to judge any verification system were intrusiveness, effectiveness, and cost.

Conventional Forces in Europe (CFE)

The Members participating in this delegation were aware of the parameters of multilateral conventional force reduction talks. Nonetheless, it was eye-opening to hear first-hand that in the context of an over-all settlement (including unilateral Soviet reductions), the Soviets would cut their military personnel in Europe by half by demobilizing 300,000 troops and destroy massive amounts of military equipment, including 40,000 tanks and large numbers of artillery and armored troop carriers. This would constitute one of the largest peacetime demobilizations in history. U.S. negotiator to the CFE, Ambassador Stephen Ledogar, said without exaggeration, "We have the opportunity to re-write the military map in Europe."

Ambassador Ledogar pointed out that for 15 years in the precursor Mutual and Balanced Force Reduction negotiations, the Soviet Union and Eastern Bloc refused to consider asymmetric cuts and resisted intrusive verification. Now both of these positions have been abandoned. Ambassador Ledogar stated that the Warsaw Pact is negotiating in an expeditious and business-like manner. He said that the timetable established by President Bush—an agreement within six to twelve months—is ambitious but not out of reach. Still, many issues remained to be solved, including equipment definitions (especially on aircraft), stabilizing measures such as restraints on military exercises, storage concerns, verification and non-circumvention language, and ceilings that may apply to countries beyond the United States and the Soviet Union.

U.S. negotiators to the CFE stressed that some of the most difficult negotiations now underway were inside NATO itself. Some NATO allies were concerned that the pace of negotiations was going too rapidly and that mistakes were likely. Others, including France, insisted that any agreement must not impinge on their independent defense posture. Still others, such as Norway, Greece, and Turkey, were concerned that the structure of the negotiations would force troops out of Central Europe and into the flank nations.

The most serious intra-NATO concern lay in the question of which nation would cut their forces to meet the over-all NATO reductions. Surprisingly, far from competing for the resulting "peace dividend," most nations were averse to committing themselves to reductions. The U.S. approach was to have a CFE agreement impose a collective obligation, with individual nations agreeing to ensure that the over-all level is not exceeded. Subsequently, allocation of the reductions would be negotiated within the two blocs. The United Kingdom, Italy, and France rejected this solution, arguing that it is unthinkable for a sovereign state to enter into an agreement without known obligations.

In a meeting with the Soviet delegates to the CFE talks, Ambassador Oleg Grinievskiy said he was surprised that the West was not pursuing START and CFE agreements more aggressively, given the Soviet agreement to asymmetrical cuts in both agreements. He said that the Warsaw Pact perceived a slowing down in recent weeks, and stressed that the current "window of opportunity" might close if NATO did not move rapidly. He said that the Warsaw Pact was proposing a meeting of the Foreign Ministers of all participating countries early in 1990 to give the talks a new boost.

Ambassador Grinievskiy said that the Warsaw Pact was now more "open" than the West on several questions, including on-site verification. He called on the U.S. to be more flexible on the question of storage of NATO military equipment in forward sites, including in West Germany. In response to a question on short-range nuclear forces (SNF), he said that while the United States still seeks some deterrence, the Soviets' vision is still the "triple zero". In conclusion, he said that the current cuts being negotiated in the CFE talks were just the beginning: with a relaxation of tensions, confidence building through information exchanges and on-site inspections, and changes in defense force structures on both sides, even greater cuts would be possible in a successor agreement.

In a subsequent meeting with all the Warsaw Pact delegates to the CFR talks, glasnost reigned. Ambassador Konarski from Poland said that the current armed standoff in Europe is a form of stability, but not a desirable one. Both sides will have to reorganize to ensure defense within an environment of deep defense cuts, linked to each other. He said that a new order would have to emerge, where nations subordinated their sovereignty to pursue "cooperative security."

The East German delegate, Ambassador Ernst, said that the remaining CFE issues—aircraft, manpower, storage, and regional zones—would require a hefty dose of "politi-

cal will" on both sides to resolve. He said that the negotiations got off to a good start in May, but needed new momentum. The Romanian delegate, Ambassador Melescanu, stressed that tough questions over the distribution of cuts were being faced within the Warsaw Pact, with each country seeking to pursue its own security arrangements.

In response to a question about the economic benefits likely to result from the CFE, the Hungarian delegate, Ambassador Meiszter stressed that the initial economic impact of the CFE agreement would be negative, involving the cost of redeployment and demobilization of personnel and destruction of equipment. Further, demobilizing would create unemployment and disruptions of the labor force. While there would be long-term advantage from CFE, as economic resources were freed, the real benefits would emerge only in the context of an expanded "CFE-2" making deep cuts.

In response to a question about potential NATO/Pact changes, the Ambassador from Poland stated that if a country withdraws from the Pact or NATO, it would still be bound to the CFE agreement: not only do the two alliances sign the agreement, but each individual country signs the agreement as a sovereign nation.

Confidence- and Security-Building Measures (CSBM)

A separate set of talks in Vienna, the CSBM talks, involve 35 nations under the aegis of the Conference on Security and Cooperation in Europe (CSCE). These talks seek to reduce the overall tension level in Europe from the Atlantic to the Urals by engaging in measures to build mutual trust and confidence. U.S. delegate to the CSBM, Ambassador John Maresca, said that the 16 Western allies proposed in March a set of 12 measures, including exchange of military information, more frequent exchange of views on military policies, and expanded notification of military exercises.

Ambassador Maresca said that while the United States was strongly dedicated to this process, many countries had hidden agendas in the talks. The Soviets, for example, are making a strong naval push that may affect U.S. ability to reinforce Europe in wartime; in this light, they are trying to use CSBM to force the U.S. into an over-all negotiation on naval power. Other measures in the Warsaw Pact counter-proposal, especially on constraining measures, will hamper Western capabilities related to maneuvers far more than the Eastern Bloc.

Ambassador Maresca said that the Eastern Bloc adopted a uniform position at the CSBM talks, based on Soviet leadership. On hard defense issues, it was still the Soviets that called the shots. Nonetheless, the other Eastern Bloc nations were clearly pursuing their own interests. For example, he said that the incorporation of detailed advanced notification requirements on troop movements in the Eastern proposals were based in part on the desire of Poland and Hungary to get advanced notice on Soviet maneuvers.

Reflections from Brussels—U.S. NATO Supreme Command and NATO Allies

In discussions with U.S. officials in Brussels, U.S. Ambassador to NATO William Taft and other U.S. NATO officials reviewed the impact of on-going arms control talks on the Western Alliance. Ambassador Taft said that although the arms control plate is as full as it has ever been, NATO nations did not view arms control as the sole or even the primary basis for military stability in Europe—there was still an over-riding need for effective deterrence. He said that NATO would not accept a weaker defense posture from a CFE agreement, and neither would the Warsaw Pact nations.

Ambassador Taft said that despite the growing role of European countries in their own defense and the existence of new European military organizations, NATO still enjoyed an independent role in setting defense policies and that the United States still provided leadership within NATO. Nonetheless, there was a different perception of NATO, with the European viewing it as a regional organization, while the U.S. sees it more in the global context.

Ambassador Taft said that NATO's two immediate tasks relating to the CFE talks were to divide potential cuts among the allies and to ensure that NATO would make the best use of remaining assets through redefined strategies. The initial reaction from most NATO allies was to protect their national forces. The U.S. would take the largest cuts, while countries like Canada and Denmark may not cut at all. This would be the easiest way to accomplish "burden sharing," since it would result in a smaller proportional role for U.S. forces. One issue dividing the allies was the question of verification, including inspection of arms production facilities. The European members of NATO who export armaments were particularly reluctant to allow such inspection.

In a meeting with delegates from NATO allies, the Members of the House delegation raised the concept of burden-sharing. While noting that we maintained a commitment to NATO and the Western Alliance, we stressed that the perceived declining threat from the Soviet Union and Eastern Bloc, combined with stagnant or declining resources for defense spending, made it harder and harder to explain to the American taxpayer why we were playing such a large role in defending Europe.

The Spanish permanent representative, Ambassador Jaime de Ojeda, stressed that NATO would have to start reviewing the type of force structure that would be needed in the future, and reconcile the resulting force requirements with the numbers being put on the table in the CFE. He said that most Western Europeans still perceive the European continent as an integral unit, and strongly desire the creation of a more stable Europe with the reintegration of free and democratic Eastern European countries.

West Germany's acting permanent representative, Hans-Friedrich von Ploetz, stressed that the NATO alliance is a living entity, and that it was essential that the U.S. commitment to NATO not be diminished. The Germans still wanted and needed the presence of American troops as an essential part of the NATO alliance. Still, he recognized that NATO must adjust to post-war realities, including the fact that European countries could finance a larger part of their own defense.

Ambassador Francesco Paolo Fulci, the Italian permanent representative, shared the view that the presence of U.S. troops was a vital aspect of America's relationship with Europe. He said that Europeans believe that nuclear deterrence is necessary, but that this view may change in the future, and the Alliance must remain open on this issue. He said that European integration in other fields, including EC-92, would not isolate the United States, but would strengthen the basis for trans-Atlantic cooperation.

PARTICIPANTS IN HOUSE ARMS CONTROL OBSERVERS GROUP, CONGRESSIONAL DELEGATION TO GENEVA, VIENNA, AND BRUSSELS, OCTOBER 5-10, 1989

Richard Gephardt, D-Missouri, Co-Chairman;
William Broomfield, R-Michigan, Co-Chairman;
Les Aspin, D-Wisconsin
Mickey Edwards, R-Oklahoma
Robert Lagomarsino, R-California
Norman Dicks, D-Washington
Robert Carr, D-Michigan
Howard Berman, D-California
Jim Moody, D-Wisconsin
Esteban Torres, D-California
Joel Hefley, R-Colorado
Porter Goss, R-Florida.

MEETINGS OF HOUSE ARMS CONTROL OBSERVERS GROUP TO GENEVA, VIENNA, AND BRUSSELS, OCTOBER 5-10, 1989

Geneva, Switzerland

1. U.S. Head of Nuclear and Space Talks (START and Defense and Space) Ambassador Richard Burt and other members of U.S. START negotiating team—discussions of progress in Wyoming Summit between Baker and Shevardnadze and remaining issues to be resolved (mostly ABM/SDI, SLCM's, and mobile missiles) prior to possible agreement by time of Bush-Gorbachev Summit next spring or summer.

2. U.S. Acting Chief of Defense and Space Talks William H. Courtney and other members of U.S. DST negotiating team—further discussions as above, with special emphasis on linkage between continued SDI research and START agreement.

3. Soviet Nuclear and Space Talks Negotiator Ambassador Yuriy Nazarkin, Ambassador Yuriy Kuznetsov, Ambassador Lem Masterkov, and General Detinov—Soviet perceptions of above issues.

4. U.S. Ambassador C. Paul Robinson, negotiator for Nuclear Testing issues and other members of the Nuclear Testing Talks delegation—discussion of remaining verification issues associated with Nuclear Threshold Test Ban Treaty and Peaceful Nuclear Explosion Treaty.

Vienna, Austria

5. U.S. Delegate to Confidence and Security-Building Measures (CSBM) talks Ambassador John Maresca—discussions of multilateral negotiations to limit military exercises in Europe and enhance notification and verification provisions of conventional forces negotiations.

6. U.S. Delegate to the Conventional Armed Forces in Europe (CFE) Talks Ambassador Stephen Ledogar—discussion of remaining outstanding issues in NATO/Warsaw Pact negotiations to limit troops, tanks, and other conventional forces in Europe from the Atlantic to the Urals.

7. Soviet Negotiator to CFE, Ambassador Oleg Grinievskiy—Soviet perception of above issues, with specific emphasis on intermediate nuclear forces.

8. Negotiators from Warsaw Pact countries, including Ambassadors Ljuben Petrov (Bulgaria), Ladislav Balcar (Czechoslovakia), Klaus-Dieter Ernest (East Germany), David Meiszter (Hungary), Wlodzimierz Konarksi (Poland), Teodor Melescanu (Romania), and Oleg Grinievskiy (Soviet Union)—Warsaw Pact and individual country perceptions of above issues, with emphasis on need to proceed rapidly on conventional arms control to take advantage of existing opportunities.

Brussels, Belgium

9. U.S. Ambassador to Belgium and former INF Negotiator Maynard Glitman—lessons of the intermediate nuclear force negotiations for CFE and START negotiations.

10. U.S. Ambassador to NATO William H. Taft IV and other officials of U.S. Supreme Command to NATO—discussions of NATO's role in securing Western security in post-CFE Europe and perception of NATO allies.

11. Permanent Representatives of allied nations of NATO, including from Belgium, Canada, Denmark, France, West Germany, Greece, Iceland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Turkey, and United Kingdom—discussion of above issues, with special emphasis on U.S. commitment to NATO in post-CFE era and importance of "burden-sharing."

CONGRESSIONAL REFORM: WHO IS MINDING THE STORE?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. WALSH] is recognized for 60 minutes.

Mr. WALSH. Madam Speaker, I thank the Chair for allowing me this time this evening to present a special order that we have continued, the Republican Policy Committee has continued, to present before the House on successive Wednesdays for the past several months. The special order regards congressional reform, various aspects of congressional reform that we feel this body sorely needs.

Tonight's topic is entitled "Who Is Minding the Store?" It focuses on Congress' failure to provide systematic and consistent oversight over the many Federal programs and departments created and funded.

Legislative oversight is the written responsibility of each committee to constantly review the activities of the department or departments.

Two topics have dominated the news of late. One is the HUD scandal and the second is the S&L scandal. Both of these scandals are the direct result of a lack of thorough oversight on the part of Congress.

HUD, for example, the Department of Housing and Urban Development, which is reviewed by the Committee on Banking, Finance and Urban Affairs, was never authorized from the years 1981 to the year 1987. It was during this time that the problems begin in that department. The savings and loan scandal, which the House has funded a bailout of, also comes under the purview of that committee. Again I think that Congress has shirked its oversight responsibilities in these two matters.

Our rules require that the committee provide that oversight. The rule regarding oversight is as follows, section 692(a) general oversight, and it states:

Each standing committee other than the Committee on Appropriations and the Committee on the Budget shall review and study on a continuing basis the application, administration, execution and effectiveness of those laws or parts of laws the subject matter of which is within the jurisdiction of that committee and the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of Congress and whether such programs should be continued, curtailed or eliminated.

This ongoing special order involves congressional reform.

We have discussed a number of issues, but this perhaps is the most timely.

With the ongoing HUD scandal and the savings and loan bailout, we are finding out that it is very expensive to not provide the proper oversight for these committees; it is very expensive in terms of credibility for the Congress and it is also very expensive in terms of taxpayers' dollars to the taxpayers.

The question begs for an answer: Why are Members and committees not performing their responsibilities? I am not sure if there is one specific answer, but it strikes me, as a new Member, that there is altogether too much going on outside of the responsibilities as determined by the committee structure.

We have members of the Committee on Armed Services writing agriculture legislation; we have members of the Agriculture Committee writing Ways and Means tax legislation; we have Ways and Means members writing legislation for everything but. There does not seem to be any discipline within the system.

Certainly, our Founding Fathers had forethought when they put the legislature together and, unfortunately, the committee and subcommittee process has grown like topsy-turvy and now everyone is overseeing everything and in actuality no oversight is being done.

In the 100th Congress the requirement that representatives from the Committee on Government Operations meet with other committees at the beginning of each Congress to discuss oversight plans and that the Government Operations Committee report to the House its oversight coordination recommendations with 60 days after convening of the first session, that requirement was deleted.

So now we have no single legislative agency or leadership group coordinating the numerous oversight activities. Again we see the results of that lack of oversight in the scandals that come up and the reaction to those scandals when everyone in Congress is calling for someone's head during the probe but during the day-to-day operation of business more scandals and more problems are brewing this very minute as we speak. And we are looking in the wrong places and directing our attention to the wrong things.

There are special oversight functions of specific committees also as assigned by the Committee on Rules.

Efficient government requires careful attention by Congress to the administration of our laws. A thoughtful, well-drafted law offers no guarantee that the policy intentions of the legislators will be carried out. Laws passed by Congress are general guidelines, sometimes deliberately vaguely worded. The implementation of legislation involves the development of administrative regulations by the executive agencies and day-to-day program management by agency officials.

Congress formalized its legislative oversight function in the Legislative Reorganizations Act of 1946.

That act required congressional committees to exercise continuous watchfulness. The continuous watchfulness precept of the act implied that Congress would participate actively in administrative decisionmaking in line with the observation that the administration statute is an extension of the legislative process.

Now this is not new to Congress. We have a history of this. It goes back all the way to the Credit Mobilier scandal in 1972; it repeated itself in the Teapot Dome scandal in 1923, the Stock Exchange, 1932 through 1934; Defense Department funding during World War II, the money trust scandal in 1972 and now we have with us today the HUD scandal and the savings and loan crisis.

The savings and loan crisis is a scandal of major proportions. I do not believe in the history of our country has it ever cost the Government over $150 billion to solve a problem that was spawned by legislative oversight.

The HUD inquiry is an interesting one in that it would seem that there was abuse in the Department of HUD because Congress simply looked the other way when it came to authorization.

The House Judiciary Democrats, on November 2, invoked a little-used provision of the independent counsel law to force Attorney General Thornburgh to consider a special prosecutor to investigate former HUD Secretary Sam Pierce.

A day earlier, House Banking Committee chairman, the gentleman from Texas [Mr. GONZALEZ] said he may start his own series of HUD scandal hearings.

The Senate Banking Committee, on October 31, created a subcommittee to investigate the agency.

All of the current actions are warranted. However, the larger question is how did we get here in the first place? What ever happened to oversight? We gentlemen and ladies are disorganized. We have a myriad of committees and

subcommittees, select committees, joint committees, et cetera, et cetera, each with overlapping responsibility and duties.

Now the Members of the freshman class on the Republican held a number of special orders and 1-minute's to discuss the drug problems of this country.

□ 1700

One of the things that we talked about is that there are currently 53 committees that exercise oversight authority in the House on the drug issue. Fifty-three committees.

We would think with all those committees watching we would not have any drug problems in this country, but we do.

Oversight, again, or the lack of oversight in a centralized concise form is the root of the problem.

Mr. Speaker, I yield to my colleague who cochaired the special order with me for the past several months, and who is also very committed to congressional reform, the gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Madam Speaker, I thank the gentleman from New York for yielding.

First. There's a fairly well-known remark by Defense Secretary Dick Cheney that has to do with how well Congress oversees the programs it creates. His comment was published in the National Journal on July 22 of this year. To quote from the article: "Defense Secretary Dick Cheney said he has 'seriously considered' a proposal 'to stick about halfway through every report a piece of paper that says if you call the following phone number you'll get an all-expense-paid vacation to the Bahamas.' There is no danger of having to pay off, Cheney added, because 'nobody gets halfay through those reports; they go to Capitol Hill and they get filed.' "

Second. Now Dick Cheney was a member of his body for years, and he has great respect for the institution. But his point is this: We demand extensive reporting by the hundreds of agencies Congress has created over years, and then we don't seem to pay attention.

Third. Another example is the so-called HUD scandal. A good description of Congress's lack of oversight in this matter was presented in an October 9 segment of the MacNeil/Lehrer News Hour. The piece was by Roger Mudd, one of the best reporters on congressional politics around. Let me quote a part of what Roger Mudd said:

There are now so many committees and subcommittees on Capitol Hill that you probably won't go wrong simply calling everbody in Congress either Mr. or Madam Chairman. At last count, there were 51 committees, 286 subcommittees on everything from the Outer Continental Shelf to toxic substances. The Congressional Research Service recently reported at least 65 committees and subcommittees of the House and Senate with jurisdiction over President Bush's drug plan. * * * Can you imagine being Bill Bennett * * * So with all the committee firepower, why did the scandal at HUD go untouched for so long? The answer is a revealing self-portrait of the Congress. Of its overlapping and rival committees, of its penculiar way of doing business, of its disinterest, of its short attention span, of its political vanities, and of the personal problems of its members.

I insert into the RECORD at this point the entire Roger Mudd transcript just discussed.

MACNEIL/LEHRER NEWSHOUR, OCTOBER 9, 1989, WNET, NEW YORK, NY

Anchors: Robert MacNeil, Judy Woodruff.

Correspondents: Nik Gowing, Focus—Struggle for Change; Roger Mudd, Focus—HUD Scandal.

Focus-Struggle for Change: (East Germany): James McAdams, Princeton University; Andrew Nagorski, Newsweek; William Hyland, Foreign Affairs Magazine; Madeleine Albright, Georgetown University.

Essay: Roger Rosenblatt, Home Wrecked (aftermath of Hurricane Hugo).

Transcript by: "Strictly Business," Overland Park, KS.

(Funding for this program has been provided by this and by grants from American Telephone & Telegraph Company and the Corporation for Public Broadcasting.)

FOCUS—HUD SCANDAL

Ms. WOODRUFF. We turn next to the scandal in the Reagan Administration Department of Housing and Urban Development. The Congressional investigation in the mismanagement and influence peddling at HUD resumes this week. A subcommittee of the House Government Operations Committee has been conducting Hearings since May was the first on Capitol Hill to uncover years of abuse inside the Department. Congressional Correspondent Roger Mudd looks at why Congress didn't uncover this scandal sooner.

Mr. MUDD. There are now so many committees and subcommittees on Capitol Hill that you probably won't go wrong simply calling everybody in Congress either Mr. or Madam Chairman. At last count, there were 51 committees, 286 subcommittees on everything from the outer Continental Shelf to toxic substances. The Congressional Research Service recently reported at least 65 committees and subcommittees of the House and Senate with jurisdiction over President Bush's drug plan.

Rep. JAMIE WHITTEN. One of the weaknesses with our country is in Congress where we have so many committees and all claiming some various jurisdiction.

Mr. MUDD. So with all that committee fire power why did the scandal at HUD go untouched for so long. The answer is a revealing self portrait of the Congress. Of its over lapping and rival committees, of its peculiar way of doing business, of its disinterest, of its short attention span, of its political vanities and of the personal problems of its members. So let's begin with the banking committees. There are two of them House and Senate and it is here where legislation is written and policy set for HUD. Why did the Senate Banking Committee not catch the scandal?

Sen. GARN. I was Chairman of the full Committee for 6 years, Banking, Housing as well as HUD Subcommittee and it is a fair question.

Mr. MUDD. This is Republican Sen. Jake Garn of Utah.

Sen. GARN. But if you look at Congressional staffs of any of the committees you are primarily set up with staff who are legislative staff. Recommending laws, general policy. And so if you wanted to have the type of staff that was necessary to look at individual contracts and grant awards you'd not only have to have a lot more staff you would have to have the CPAs, you'd have to have investigative attorneys to do the job.

Mr. MUDD. But over the years, Garn's big interest has been NASA and space. In 1985, in fact, he was the first Senatorial Astronaut and flew on the Space Shuttle Discovery. On the issue of public housing Garn was generally known as an opponent.

Sen. GARN. By the very nature of the way the separate branches of Government are set up that first line of defense should be there with the inspector generals, with the Department of Justice.

Mr. MUDD. So you are willing nor do you think you should have to take any of the blame for the HUD scandals not being uncovered sooner?

Sen. GARN. I don't think we can avoid some of the blame. But that is always true. Where I would blame Congress most of all is not in the oversight responsibility but creating such a proliferation of programs. It is such a large bureaucracy to begin with. As much as I am for better housing in this country, how many different types of Housing Programs do you need?

Mr. MUDD. In 1987 after the Democrats regained control of the Senate the chairmanship of the Banking Committee passed to William Proxmire of Wisconsin.

Mr. PROXMIRE. Why didn't our Senate sub Committees with direct jurisdiction act to prevent this waste and fraud? The answer to that is simple. We had no idea that it was going on.

Mr. MUDD. And why did Proxmire have no idea?

WILLIAM PROXMIRE, Former Senator. We simply didn't have the information. It didn't come out until April 25th 1989. Now the Congress has substantial staff but the people who do investigating is the inspector general. They have 492 people, they have investigators, they have auditors, they have accounts and that is their job. The IGA report was a public document. It would have made a terrific billion dollar Golden fleece but I missed the Boat. What I failed to do and what I recommended was that in the future you should assign a member of your staff to read thoroughly every report. Call to the attention to all members of the committee not just the Chairman anything in the reports that suggested they should be inquired into. And make sure that is done systematically and thoroughly.

Mr. MUDD. But what about the Housing Sub Committee of the full Banking Committee? Surely it knew the score. In 1981 and 1982 the Chairman of that Sub Committee was Republican Richard Lugar of Indiana. But following a staffing dispute with Chairman Garn he left the committee after two years. Lugar was succeeded as Sub Committee Chairman by John Tower of Texas. But within six months Tower had announced his retirement and spent much of his remaining time in office lining up consultancys and lobbying to become Secretary of Defense. Tower was replaced as Chairman by Republican Chick Hecht of Nevada because no one else wanted the job. Hecht knew little or apparently cared little about Government Housing. He was defeated for

re-election in 1988 and is now the ambassador to the Bahamas. Following Hecht in 1987 was Democrat Alan Cranston of California but Cranston has duties as assistant Senate Leader and as Chairman of the Veterans Committee that he seems to care more about. The ranking Republican on the Sub Committee, by the way, has been since '87 Al D'Amato of New York whose role surfaced, more than once during the HUD Hearing including a million dollar HUD grant he helped get for his home town swimming pool. So let's try the House Banking Committee controlled all these years by the Democrats. With the Republican scandal brewing you would think the Democrats would be bumping into each other to investigate. You would think that wouldn't you. Well, the Chairman of the House Committee was no other than Ferdenand St Germaine of Rhode Island and if anybody has less appetite for uncovering scandal at that time it was probably St Germaine. He himself was the subject of an Ethics Committee Investigation, a Justice Department investigation and was reported by the Wall Street Journal to have accumulated 2 million dollars in assets while on the public payroll. St Germaine was defeated for re-election in 1988 and he will not discuss the HUD story. Carroll Hubbard of Kentucky was Chairman of the oversight Sub Committee of Banking which can conduct hearings on anything within the purview of the full Committee. Hubbard won't talk about it now, but back then he decided to defer to Henry Gonzales of Texas Chairman of the Housing Sub Committee. Gonzales is a daunting figure on the Hill, a man with a short fuse who no one likes to anger by say launching his own investigation of HUD. So what did Gonzalez do? Not enough, according to Marge Roukema of New Jersey the ranking Republican on the Gonzalez Sub Committee.

Rep. MARGE ROUKEMA. I would liked to have had Mr. Gonzalez and myself take the leadership in terms of the oversight on these hearings.

Mr. MUDD. Why didn't you?

Rep. ROUKEMA. I put the request in but it was ignored.

Mr. MUDD. By Mr. Gonzalez

Rep. ROUKEMA. Yes.

Rep. MUDD. And why?

Rep. ROUKEMA. I don't know, I think on the one hand he may have feared that he would be treading on Congressman Lantos' position and on the other hand he felt, at least he stated to me that he wanted to give Jack Kemp, the new Secretary of HUD time to put his case together and come before the Committee and indeed, Mr. Kemp did come before our Committee but that was long after the Lantos' Committees investigations unfolded.

Mr. MUDD. Was there bad blood between Chairman Gonzalez and Secretary Pierce?

Rep. ROUKAMA. Yes that is an open secret. They did not have a very good relationship. I don't think any one was particularly at fault. It was just like oil and vinegar and I think it inhibited the free flow of information.

Mr. MUDD. The oil and vinegar is a reference to Gonzalez telling a group of HUD employees back in 1982 that although Pierce was not an Uncle Tom he was a Stephen Fetchit. Pierce called that vile, abusive and racist and never again appeared before a Gonzalez Committee. Gonzalez himself is not currerntly willing to discuss the HUD scandal and cancelled an interview two hours before it was to start. So neither banking committee ever got up to speed. Now let's try the appropriations committees of the House and Senate. It is here where Secretary Pierce and his staff had to come each year for money to run the Department. From 1981 to 1986 Republican Mark Hatfield of Oregon was Chairman of the Senate Committee responsible for the appropriation for 15 other Departments, the Congress, the Courts and at least 30 independent agencies. But what about the appropriations subcommittee specifically assigned to HUD. Well, the Republican Chairman was none other than Jake Garn of Utah, and the Democratic Chairman was none other than William Proxmire of Wisconsin and the House Appropriations Committee? Well it was being run all those years by Democrat Jamie Whitten of Mississippi, whose main interest was and always has been agriculture in general cotton in particular. The chairman of the subcommittee on HUD was Democrat Edward Bolin of Massachusetts but he was preoccupied with the war in Nicaragrua. So much for appropriations. The list is growing short and all that is left as Congressional whistle blowers for HUD are the two big investigation Committees of the Congress. The Senate Government Affairs Committee, the House Government Operations Committee. The dominant Republican figure on the Senate Committee has been since 1981 William Roth of Delaware. What did Roth do with HUD?

Sen. WILLIAM ROTH, (D) Delaware. Basically the role of the Government Affairs Committee has been minimal primarily because the authorizing committee has the principle over sight responsibility. When you stop and think that we have a trillion dollar budget and something like a 100 different agencies and cabinets it's true that government affairs cannot overview each of these agencies. That is reason we have the authorizing committees.

Mr. MUDD. Were you aware, Senator ROTH, about the scandal that was going on at HUD before the inspector general's report came out in April.

Senator ROTH. No.

Mr. MUDD. You were not?

Senator ROTH. No, I was not. Let me point out where I think the inspector general failed. as far as I am concerned. Every report had similar language. Yes we got some problems that you always do in an agency but every time they say Management is cooperating with us and it correcting it.

Mr. MUDD. Management meaning Pierce?

Senator ROTH. That's right.

Mr. MUDD. But Government affairs also has an oversight sub committee and its Chairman is Democrat Carl Levin of Michigan. Why didn't the Sub Committee do something? Levin won't say. His press office says quote the Senator hasn't focused on the HUD scandal and does want to get in to that. So now we're almost at the end of the line, the House Government Operations Committee and its employment and housing subcommittee. The Chairman of the Sub Committee during the height of the scandal was Democrat Barney Frank of Massachusetts. Frank claims he was trying to save HUD from being dismantled by the Reagan Administration. He says he didn't know it was being plundered. But Frank now caught in his own scandal has ceased doing interviews about anything. Frank was followed as Chairman by Tom Lantos of California. And but for Lantos, the HUD scandal might have slipped through the cracks of Congress. Alerted by a Washington Post story about the inspector general's April audit Lantos and his staff got copies of the 700 page report, questioned the inspector general and the next day announced hearings which have led to a cabinet secretary pleading the 5th amendment for the first time since the Teapot Dome scandal in 1923. So now comes a great flood of me too hearings and catch up politics. Gonzalez promises hearings, Riegle sent his Senate Banking Committee into action. Senator Leader Mitchell appoints a Housing tax force consisting of 7 members of Riegle's banking committee and the Senate Government Affairs Committee begins looking into the inspector general system. Some people would call that closing the barn door after the horse is gone.

On this subject, we can also look to former Senator William Proximire, who was chairman in the other body of the Committee on Banking, Housing, and Urban Affairs and the Appropriations Subcommittee that oversees HUD's budget. Let me read to you a passage about Senator Proxmire in the August 5, 1989, edition of Congressional Quarterly:

He said various committees, his own included, "ignored" obvious warnings—alarming reports issued by the inspector general's office at HUD that foreshadowed losses that now could reach into the billions of dollars. "The first lesson for Congress now is: Read the IG reports," Proxmire said. "Some of us in Congress," he added, were "negligent" for not "staying on top of these things."

To paraphrase a slogan that became popular in last year's elections, Where was Congress?

Fourth. A similar argument can be made about the savings and loan crisis. In 1986 and 1987, various private economists—include Ely and Co. and members of the Shadow Financial Regulatory Committee—were warning that official estimates given to our Banking Committee about the size of the S&L problem were much too small. These private economists said the S&L problems were really much bigger. But did the Banking Committee pursue these discrepancies further. The simple answer is no. Not until after the 1988 election, not until President Bush identified the true scope of the problem, were we in Congress willing to admit how bad it was.

Until then, Where was Congress?

Fifth. Still another example that has just begun to get attention is the Federal Housing Administration. A recent audit showed that the administration lost $4.2 billion in fiscal 1988, and now has a debt of $2.9 billion. These losses are greater than anyone here on the Hill expected. But according to Stephen Moore of the Heritage Foundation, Congress has had warnings for years. A backgrounder by the foundation dated October 12 of this year says:

Over the past several years, numerous GAO audits and Inspector General reports pointed to persistent financial problems at FHA, and a 1986 Heritage Foundation study

warned of the impending collapse. All warnings were joined on Capitol Hill.

Where was Congress?

Sixth. We also have these massive organizations known as Government-sponsored enterprises—Fannie Mae, Freddie Mac, Farmer Mac, Connie Lee—that back borrowing about $700 billion for such things as housing loans, farm loans, college construction. Earlier this year, our colleague from Ohio, BILL GRADISON, pointed out that these GSE's have weak accounting mechanisms so that really no one is held ultimately responsible if things go wrong. On October 31, the Banking Committee held a hearing on these institutions. But until then, we heard almost nothing about them—and we're talking about $700 billion worth of debt.

Where was Congress?

Seventh. Now, Congress also authorizes, every year, 69 independent agencies such as the Alaska Natural Gas Transportation System, the Delaware River Basin Commission, the Federal Retirement Thrift Investment Board, the International Development Cooperation Agency, the Appalachian Regional Commission. What are we doing to oversee these many organizations? Well, usually, once in the spring they come before some committee of Congress and talk about what they're doing, and then they come back in the fall for their appropriations. At their hearings, they make a short presentation about what they're doing and answer a few pro forma questions and after about an hour they go home. Is this oversight? How hard are we really trying to make sure there's not another HUD or S&L problem brewing in one of these agencies?

Where is Congress?

My point in all this is that we like to point the finger at someone else. But the truth is that we in Congress have to accept some responsibility. We have created these agencies at the taxpayers' expense. We have a responsibility to make sure they're operating efficiently and properly. The taxpayers should not have to wait until Tom Brokaw or Sam Donaldson or Roger Mudd tells us there's a problem.

Mr. WALSH. Madam Speaker, I thank the gentleman for his very appropriate remarks. His experience here has clearly shown that the Congress is not always involved in oversight as we should be.

Just one point on the comments about Roger Mudd. I hope Mr. Mudd attributed that story where it belongs. I believe where it belongs is to Sam Rayburn who instructed, I believe a then-Member Tip O'Neill, if he did not know the name of the Member walking down the hall to address him as "Mr. Chairman," and he would probably be right most of the time.

□ 1910

I would like to go back briefly to the savings and loans and in particular the Lincoln Savings and Loan Association of California Thrift, whose collapse is expected to cost us, and we are taxpayers also along with the the rest, over $2 billion.

Testifying before the House Mr. Edwin Gray, who is the director, and Shannon Fairbanks, who is chief of staff, said that by the time they left the bank board in June 1987, the agency staff had enough evidence of wrongdoing to initiate disciplinary action against Lincoln. But it has been almost 2 years before anything has happened.

Lincoln is expected to be the most costly thrift failure ever. It was never finally seized until April 1989.

Oversight after the money is spent or stolen is outrageous, just plain ridiculous. These questions beg for answers. How in the world did we get here to the HUD scandal, to the savings and loan bailout? The answer is very simple: No oversight.

The question is asked, Who is watching the store? Everybody and nobody. Everybody is involved in everbody else's business in the House of Representatives, but they are not paying attention to their own backyard.

The television commercial with the mechanic looking at an oil filter and making the statement, "You can pay me now or pay me later," was never clearer.

Congressional oversight in committee, as one sports announcer once described a slowed down basketball game, is about as exciting as artificial insemination. But the facts are that if it is not done, things get very exciting, and they turn into being scandals and problems of major proportions and major expense to the taxpayer and major expense to Congress' credibility.

The old statement, an ounce of prevention is worth a pound of cure, is never truer. We have a responsibility, we the Members of Congress, we the members of our committees, to do the oversight. And if it is not being done, to direct our chairman and ranking member to make sure that it is done. That is our responsibility here.

We have in this special order on congressional reform tried to focus on bringing Congress back to the basics, back to the basics of its responsibilities. In that interest, we the members of the Republican Policy Committee continue to dedicate ourselves to congressional reform, and will continue to pursue this as long as anyone is listening.

Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. KENNELLY). Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

AMERICA IN HARMS WAY

Mrs. BENTLEY. Madam Speaker, recently the American press has been deluged with headlines which appear to be part of a concerted economic attack on the United States. Although Japan is our ally, the headlines appear to tell a different story. They tell the story that America is in harms way.

I have in my hand just a small portion of the last 2 weeks of clips about Japan in our papers.

A sample of the headlines reads:

"Consumers Pay Dearly in Japan";

"Japan's Money Machine";

"Japanese Concerns Consider Ventures In U.S. Publishing";

"Japanese Buy Into Houston";

"Japanese Warm To U.S. Market in Mortgages";

"Japan's Invasion': A Matter of 'Fairness' ";

"Asian Investment Interest in California Still High";

"Japan Increases Pace of Foreign Acquisitions";

"German Touch At Sony Classical"—remember this is CBS Classical Records and now it is Sony Classical and is located in Germany and run by a German;

"Japanese to Buy 51 percent of Rockefeller Center";

"Mitsubishi No Upstart: Rockefeller Name Fits Its Image";

"Japanese Set To Send Troops Abroad Again";

"Japan Ministry Denies a Role in Market's Fall";

"Japanese Bankroll Small U.S. Firms";

"Investor in Rockefeller Center Took Risk";

"Japanese Firm May Be Seeking Bloomingdale's."

And the headlines go on—and on—and on.

This is nothing new. In July 1988 I held up the cover of International Business which showed the New York skyline silouetted in the symbol for the Japanese flag, the Rising Sun and with a caption, "Good Morning, New Tokyo" rather than "Good Morning, New York."

I also displayed a cartoon from the March 27 issue of the Los Angeles Times entitled "Morning In America." The sad part, it showed the White House and the office buildings of downtown Washington flying the Rising Sun.

It has gotten so bad that even citizens of other countries are disturbed with the sale of Rockefeller Center to Mitsubishi and Columbia Pictures to Sony.

This week I received a telephone call from France from a French citizen who cares about the United States. He was desperate. He called to ask what I thought about establishing an international fund in which anyone could

contribute to buy back the Rockefeller Center.

He said, "I am scared about the Rockefeller Center. I love America and I hate to see it being sold the way it is." He also said, "I will do anything I can to help America because your country is engaged in an economic war and I hope other Americans will join in the fight to save the United States."

This wonderful Frenchman cared enough to call and be willing to fight for this country. His remark hit home and it simply focused for me the cartoon from New York Newsday.

It showed Japanese businessmen sitting around a table with a newspaper headline—"Sony Buys Columbia" and "Mitsubishi Buys Rockefeller Center"—with glasses raised to drink a toast. The caption reads: "This land is your land! . . . this land is my land! . . from California . . . to the New York islands! . . ."

This my friends is real. We are in an economic war.

Regardless of the public relations statements about their affinity for America that have been made recently by Akio Morita, chairman of the Sony Corp., and other leading Japanese businessmen, their intentions remain the same. It is not trade as we Americans view it, but an economic war.

Magazine articles and newspaper stories have been liberally sprinkled with quotes on exactly what the Japanese game plan is. The October 16 Business Week states, "Many Japanese see Sony's move into Hollywood as an important test case of American receptivity to an expanded Japanese role in American culture."

Those intentions are also revealed in the Washington Post in a quote of Mr. Morita's that the "best investment is one that will get Americans on Japan's side."

I thought we were trading with Japan—not in conflict with them. Their actions on trade agreements and purchase of U.S. property certainly makes me wonder about their intentions. They are not purely trade, but political.

My friend, Pat Choate, vice president for policy analysis, TRW, and an expert on Japan's political influence in the United States stated in Business Week, "Morita chairs Japan's big-business committee responsible for politicking, public relations, and propaganda inside the United States. That's why the acquisition [of Columbia] is a political issue."

A recent story by Rudiger Dornbusch in the Washington Post quoted from the 1985 memoirs of Saburo Okita, a former Foreign Minister of Japan and distinguished opinionmaker on international issues.

It explained that Okita in his memoirs gave a striking clue to what drives Japan and "the feelings of those who, in 1943 already recognized the war was lost and looked ahead to the postwar challenges."

In that 1985 book, Okita wrote about that 1943 Japanese belief that "an army in uniform is not the only sort of army. Scientific technology and fighting spirit under a business suit will be our underground army. This Japanese-American war can be taken as the khaki losing to the business suits."

This is not some so-called Japanese basher but a former Foreign Minister of Japan calling this time—the one we are in now—calling this time a war which would be waged by an underground army in business suits.

Statements like these and subsequent Japanese actions have led other people to wonder about their intentions and they are speaking out. In addition to my friend Marvin Wolf, who first sounded the alarm on trade in 1983 in "The Japanese Conspiracy," there is Clyde Prestowitz who wrote "Trading Places" and Karl van Wolferen author of "The Enigma of Japanese Power."

All these books point out the differences in our two systems and the methods the Japanese are using to target our industries and to trade with us.

We have been given fair warning in these books on what to do in trade, and what the Japanese intentions are. In the August 7 Business Week, the vice president of the U.S. Chamber of Commerce, William T. Archey said, "it doesn't matter how good you are, how hard-working, how much you look at the long term, or how much you spend on R&D. A Japanese decision to buy your product is not going to be based on the market principles we're familiar with."

We need to understand that the two systems are not the same—nor are the intentions of their leaders.

Recently the Los Angeles Times took Akio Morita, chairman of Sony, to task for his arrogance in his book "The Japan That Can Say No." That book points out that we have not come to grips with the reality of our political and economic decline. In fact he, and his coauthor are not eager to have American audiences read the book.

Regardless of age, there are certain principles your parents taught you that you don't forget. I still remember at an early age my mother telling me that "if your intentions are pure, then you have nothing to be ashamed of, and nothing to hide."

Well, the same thing applies in business. Perhaps that is the reason Messers Morita and Ishihara do now want their book read by American audiences. If their intentions are pure and in friendship toward the United States then they have nothing to hide.

We certainly should question Sony's intentions on the purchase of Columbia Pictures Entertainment, Inc. In a speech on May 10, I expressed my concern for the American electronics industry if we sold Columbia and other film studios to the Japanese.

Business Week, October 16, 1989, clearly stated the case. In the article, "Why Sony Is Plugging Into Columbia" it said, "If it can navigate cultural and political shoals in the United States, Sony's music and film treasures will make it much easier for the company to sell everything from 8-millimeter video cameras to high-definition television sets."

It also stated, "But Sony's charge into the U.S. film industry was calculated against the competition in the consumer electronics industry. Although the company is revealing in brisk demand for audio and video products, would sales of these goods will grow only 4 percent a year through the turn of the century, according to Jardine Fleming Securities in Tokyo. In contrast, software such as films will continue growing 17 percent a year or more, and Sony will be on the cutting edge."

HDTV was also examined in the article. Vice Chairman of the Sony Corp. Michael P. Schulhof was quoted, the Columbia acquistion helps Sony "to the extent that maybe we can demonstrate the people the unique advantages of HDTV more easily."

He said, "Once they see it, they will be unable to return to regular television, much the same way that someone who has a compact disk cannot go back to an LP."

The article pointed out "There is only one potential U.S. manufacturer for HDTV's, Zenith Electronics Corp. and it is facing tough times. But, all these technologies are more compatible with existing American TV's than Japan's HDTV system."

Just as important are the VCR's. I have mentioned several times the opportunity the United States has to get into the double-deck VCR market and back into the semiconductor business. We have the patent and will have the only double-deck VCR, but it takes films and home video recorders to create demand for VCR's. Now we are literally putting the fox in the chicken coop with the sale of Columbia pictures.

This will assure them the way to squeeze us again out of the VCR market, semiconductors, and to undermine our electronics industry.

They will have films and the tools through electronics to shape the image of America. In fact Mr. Morita stated in his books, "If more ordinary Americans see Japan as a friend, Japan-bashers will be defeated at the polls."

Isn't it ironic that if we question Japan, we are Japan bashers but they are friends when they criticize the United States, complain about Americans spending too much. If we ques-

tion their sales we are unfair, they tell us "do as I say not do as I do." From childhood we Americans are all aware of that game. And it is a game, just as their agreements on beef and oranges have been.

We tried industriously to open up the Japanese market to American beef. Finally, we had the much-heralded agreement only to find they had purchased processing plants and set up beef operations in the United States. By the time they signed the agreement they had Japanese beef grown and processed on American soil to sell into the Japanese market under the American label.

They have also purchased orange groves so they can go through the same process of selling citrus to Japan.

Now we have the film industry going through the same process. The October 10 Washington Post carried a story that Jack Valenti, president of the Motion Picture Association of America was in Japan knocking on doors to get them to open up their markets to American films.

According to Valenti "the Japanese market, already second only to the United Kingdom with more than $100 million in annual billings for American movies, could expand by more than 10 percent if theaters added an evening show."

The secretary general of the Union of Exhibitors Association of Japan told Valenti "his members are not in a hurry to change their ways."

You can bet they will change their ways with alacrity when the Japanese own the studios.

Sure we will have Americans hired, to act, write, or produce. They will not have, based on past performances of the Japanese, the free hand to run the business.

More importantly, the money financing the business will be Japanese. Today's Wall Street Journal carries a front page story on what many of us have understood for a long time.

That is—our banks are in for an assault with the Japanese using the same tactics they have used to drive Hawaiians out of their homes—and have used in overbidding on businesses in the United States. They are cutting the price on loans so that American bankers cannot compete.

So we have Mr. Valenti conscientiously doing his job trying to open Japanese markets—only they will be Japanese-owned films with American titles. And, let me remind you they are American films that are our culture—they include Robert Penn Warren's "All the Kings Men," "Lawrence of Arabia," "Ghandi," and "The Bridge on the River Kwai."

So, they will have Japanese films; Japanese beef, grown in America; and Japanese oranges, grown in America and sent back to Japan under our trade agreements. Let me remind you, these agreements were suppose to be benchmarks in opening up the Japanese market to American business.

With the Japanese/American films added to this list, we have an added danger that puts America in harms way.

Most importantly, Hollywood films represent our culture and a piece of our soul. It also is the access directly into American homes through the networks. The films that are shown, who acts and writes will no longer operate under an American system, but the Japanese mindset.

In 1934 we passed the Communications Act to prevent our communication system from being owned by aliens who could influence us in time of war. Surely our communication system is as important to us as our airlines.

Our Secretary of Transportation is questioning the sale of airlines to foreign interests. Only 25 percent of the stock can be owned by a foreign company. I am amazed that we would sell a studio to a foreign company when we are the leaders in the world—and more importantly—it directly affects our communication process in this country.

Recently the Wall Street Journal carried a story about the number of Japanese trading companies who want to get into the entertainment business—Hollywood. One of them is C. Itoh, who illegally sold our sensitive technology to Russia to help them quiet their submarines and risk the lives of our Navy crews. They joined in with Toshiba.

Can you imagine, with the ethics they displayed, letting them make a film to be shown in our theaters and on television. More importantly, how will they treat documentaries—how will they be shaped?

Perhaps the answer is from an article "The Shadow Warriors" in Manhattan, Inc. quoting Mr. Yoshio Tersawa, the ranking Japanese member of the World Bank.

When questioned as to whether or not the Japanese would succeed here because of the peculiarity of their culture and its homogeneity he replied. "But, I don't agree with this argument at all. We are not a religious people, so we have no transcendent precepts or principles that bar us from taking whatever action is necessary. We can be terribly immoral if necessary."

Our cultural industries, the films, the print media, our drama and comedy are just part of the social glue of this country. It is how we express ourselves as Americans and is an integral part of how we shape our society.

That, combined with the effect the sale of Columbia Pictures will have on our electronics industry, both now and in the future, places America in harm's way.

We have been given ample examples of being in an economic war and the tools of war are our industries and our culture.

Americans have been unhappy for some time over the sale of America's media to foreign companies. The sale of Columbia Pictures is the straw that broke the camel's back.

We Americans buy and sell businesses. Remember the Japanese do not buy a business just to sell it in 2 or 3 years. They keep it. Our grandchildren, great grandchildren, and future generations will be on American soil watching Japanese films in Japanese-owned theaters. The Rockefellers are forever married, regardless of their agreement, to Mitsubishi.

This is not a shooting war, but an economic one. It can be just as lethal for us, attacking the American way of life—and opportunity for all of us. America is truly in harm's way. We must wise up and win this war.

□ 1930

PRESIDENT BUSH'S DISAPPOINTING FIRST YEAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. ECKART] is recognized for 60 minutes.

Mr. ECKART. Madam Speaker, 1 year ago today the American people went to the polls. They spoke rather decisively in what was characterized at the time and perhaps will be for some significant political period of time as a landslide victory for President George Bush and Vice President DAN QUAYLE. Since the Bush-Quayle team was sworn in on January 20, little else has happened. From the momentous occasion just a few yards from where I speak this evening in which we witnessed the President and Vice President raise their hands and swear their oaths of office, a time which has been characterized as a gentle breeze blowing across the west front of the Capitol, that breeze has really turned unfortunately very stale.

This President has squandered the most meaningful period of time that any President ever enjoys, the so-called honeymoon period allowed him by both the people and the press.

During the campaign Vice President Bush, self-described as the President's copilot, as President Reagan's soul mate, said that he was best equipped to be the President of the United States because he was prepared to hit the ground running. What George Bush did not tell the American people was that in fact we would be running in place.

What are the people saying about the Bush Presidency 1 year later? Congressional Quarterly entitled one major article, "Leadership More by

Default Than by Design, Brings Lackluster Performance on Capitol Hill."

Indeed, if we examine the commentaries made by those who observe this venerable Government of ours, members of his own party are befuddled, bewildered and frequently disappointed in Bush's performance as President.

We clearly have first and foremost an agenda gap. One of our esteemed colleagues, now a Member of the U.S. Senate, TRENT LOTT, is quoted as saying, "It's an enigma to me. I don't quite understand what the agenda is."

Another Republican, Steven Bell, former Republican Staff Director of the Senate Budget Committee, said:

He is like the captain of a ship. He can read longitude and latitude well, but he doesn't know where his port or destination is.

Outsiders hold similar views. Catherine Reuter, executive director of the American Political Science Association, said:

He is choosing not to face up to certain problems, and where he faced up to a problem he decided to go off budget.

I submit to you that President Bush as we look back on his honeymoon with the American people is hoisted on that horrible conundrum of not knowing whether to look good or do good.

Robert Samuelson in Newsweek, reprinted recently in the Washington Post, graded the first year of the Bush administration and his assessment is quite on point:

Bush's proposals have often been motivated by the crudest sort of short-term political calculus, the desire to look good or appeal to selected constituencies.

Samuelson said:

It is this triumph of showmanship over substance that leads me to give the administration's economic policies only a mediocre grade of C.

□ 1940

Clearly the inability of this administration, led by its President, to come to grips with significant matters of importance to the nation has not been lost upon those who follow us on a daily basis. The budget deficit clearly inspired with a compromise of great hurrah that clearly was much more showmanship than substance, has created its own kind of self-fulfilling prophecy.

President Bush says:

The budget agreement reminds me a lot of the individual who, after murdering both of his parents, throws himself upon the mercy of the court and pleads for mercy because he is now an orphan.

In fact, it is President Bush who, constrained by his own campaign-inspired utterances, now finds itself pleading for mercy before the court of public opinion because his wish list does not match his campaign lists.

Frankly, to my colleagues I submit that President Bush is either going to break his promises or break the bank. In Cleveland we would characterize Bush's economic performances as champagne taste with beer money.

On capital gains he proposed, once again, to raise revenues by cutting taxes for the wealthy.

On the savings and loan legislation, meritorious as it may have been, he decided to push off the accounting of that into future fiscal years with a kind of magic that says somehow that if we close our eyes the cost of it will go away. On Third World debt, the heavy cost of which stifles economic growth for other nations around the world, this administration has, in fact, advanced a plan that has met with more than tepid support, but he has refused to ask the Congress to fund it.

On inflation, the President has grudgingly let the Federal Reserve pursue a policy toward anti-inflation, but it risks high interest rates if a recession reoccurs and removes the Fed as the likely scapegoat.

On poverty and on trade, on education and on a space program, and on increased opportunities for health, this President has proposed bold new initiatives, but fails to back up those initiatives with responsible economic planning that simply says, "Yes, what we want we are willing to pay for." When push comes to shove, the issue is one of leadership, and what Robert Samuelson has to say about leadership and George Bush is quite revealing.

He says that leadership is more than a ringing phrase. It is something that people recognize and reward, even if they cannot precisely define it. This is not what we are getting from President Bush, obsessed with present popularity, and he will not take risks for the future.

That famous TV commercial so eloquently said, "He wants his Maypo, and he wants it now."

We have an agenda gap married to a performance gap. George Will said it most articulately just a few weeks ago:

His unserious Presidency has given "flippant" responses to his serious questions have become an administration specialty.

The Secretary of State has rejected criticism of a particular policy because the administration is rocking along with a 70-percent approval administration. George Will said simply that the symbol of this administration should be a wetted finger held up to the breezes.

George Will continued:

It is said that Bush's Presidency is one of good intention, but that it is a bit careless about connecting the ends with the means. That criticism is too kind. The administration's airy words are not as substantial as its serious intentions. When there is a pattern of willing ends without willing means, it is reasonable to conclude that the ends are not willed at all.

In today's Wall Street Journal, the president of MIT, Paul Gray, said:

This is a time in which a caretaker President would be a disaster for the Nation. Hitting the ground running is not the same as running in place.

Even the Heritage Foundation's Stuart Butler said:

The idea he has to have a year to find his feet is charitable to the extreme, because as we have discovered, wherever George Bush looks for his feet, they are frequently planted on both sides of an issue.

Let us look at his analysis about Poland. Many of us remember, some as children 30 years ago, the hesitancy of Dwight Eisenhower in that first uprising in Hungary to act, criticized by some, applauded by others, and he nonetheless had the opportunity to act, but chose not to. In effect he made a decision about the future of Eastern Europe. George Bush sits on the sidelines idly watching the parade of democracy sweeping through Eastern Europe and subsequently waving his American flag. As appropriate as that may be, convening a summit of allies and requiring that they take the initiative at the time when the strongest democracy in the world says, "My gosh, we are happy what you do, but don't ask us for any help," is the height of cynicism.

Lewis Preston, chairman of J.P. Morgan, perhaps put it in a unique perspective. He said:

It is a disappointment to a lot of us that the honeymoon period wasn't used to come to grips with the deficit problem. Mr. Bush's first year was the golden opportunity to deal with the deficit, and he fumbled.

Stu Eizenstat stated incisevely that the purpose of a President having popularity is so that he can effectively tackle the issues, difficult issues, and only Presidential leadership can tackle the budget deficit, and it has not been forthcoming.

We have an agenda gap. We have a performance gap. We have a President of empty promises, promising to be the education President, at the same time providing less funds, one eight-hundredths of the cost of a manned flight to Mars, gives no vitality to his vision.

Speaking of space, he designates his Vice President, who just having served 10 months as Vice President, Mr. Bush feels compelled to reaffirm his confidence in him as if for 10 months the Vice President has done nothing to merit his own expressions of confidence among the public.

In calling for establishment of a manned outpost on the Moon and sending an astronaut to Mars was the clear discovery that in asking for the Moon and delivering the American people cheese, he has once again failed to give any vitality to his vision.

We all remember vividly 375 days ago the repeated commercials of that awful scene of Boston Harbor. "Yes, vote for George Bush and, in fact, we will have an environmental Presi-

dent." One year later it is the environmental President who gags and muzzles the Administrator of the EPA and refuses to allow him to come to grips with one of the most threatening dangers to the environment, global warming.

What is it that the environmental President is against? Why, he is against sitting down to even talk about the problem? We have become the only major Western power to oppose an international convention to negotiate a global warming treaty.

The mixed signals of this administration would sometimes lead us to believe that we are more adept at running one of those famous Eastern European telephone systems; we know the kind, and that is where if you can dial a number, you often get the wrong party.

The administration was embarrassed when Health and Human Services Secretary Louis Sullivan endorsed a plan to revise catastrophic health only to have Budget Director Richard Darman overrule him that very same day. EPA Administrator William Reilly, before our committee's markup, said he opposed an amendment to the President's Clean Fuel, Clean Air Act proposal, while Chief of Staff in the White House John Sununu told another that the administration really was neutral on the amendment.

We have discovered that there are, indeed, perhaps too many cooks in the Bush kitchen but not enough folks following the recipe. The difficulty that this President clearly has is that in some circumstances we have too many cooks not following any recipe. We have no recipe for meals not yet planned, and if we did have a cook and the right recipe and a meal, there is no one to serve it to the people who want it.

□ 1950

We find a dozen meetings characterized, on the advancing of education in this Nation, characterized by the President's own drug czar, William Bennett, as pap. We find serious proposals being characterized by some in the administration as the failure to come to grips with reality. It is really a Presidency thus of only good intentions.

I submit to my colleagues and the country that this decade began with a simple campaign promise, a promise which said that they were going to get Government off your backs. In reality they want to place Government in your bedrooms.

It was an administration very simply that said Government was part of the problem, and 9 years later we find ourselves unable to govern because we are beseiged with an administration that has in some of the most key Government departments less than half of the staff in place. It is an administration that proposes to manage without managers.

So what ultimately happens? The test of all the rhetoric is obviously in performance, and the measure of performance is to contrast with the promises of what you said you were going to do, and the evaluation of that performance ultimately is in the voters' reaction to the final product.

From California through Texas, down into the heart of Mississippi and Alabama, up into Virginia, New Jersey and New York, the great State of Indiana and back again to Texas, in the absolute caldron, the crucible of where ideas and ideals are tested before the fire of political analysis is the ballot box, and in each one of those States, almost all of which President Bush and DAN QUAYLE, a scant 365 days ago rode through in triumphant victory, different candidates won. It was a startling victory in New Jersey, a State that President Bush just 365 days ago carried with almost 60 percent of the vote, turning around by a margin of 2 to 1 and defeating George Bush's hand-picked, hand-solicited candidate for Governor. And right across the mighty Potomac River, the bastion in some respects of conservative political thought, the State of Virginia, a State that Bush and QUAYLE carried so decisively just a short 12 months ago, a black Democrat was elected Governor at a time when Vice President QUAYLE and President Bush invested mightily the resources of the Republican Party and their personal appearances to change that outcome. And the special elections held in conservative southern districts, districts that have been targeted for political defeat by the master magician of mud slinging, Lee Atwater, George Bush and DAN QUAYLE having emerged victorious just 52 weeks ago, lost time and time again.

So we are not talking here about a poll of 200 or 300 adults scattered all across the Nation. We are talking about the crucible of politics, the ballot box, in which the program and platform, if in fact it is discernible, of this administration was tested, and in each of those tests, 9 times out of 11, the Bush-Quayle administration was found wanting.

What are the American people led to believe from last night's results when contrasted with last year's returns? For me it simply means that individuals always will be tested against each of their respective opponents. Clearly as we looked at the opponents fielded by the Republican Party, extensively supported by their vast financing schemes with the best mud slingers that money can buy, their campaign performances were abysmal.

In the heart of Dixie, an arena that Lee Atwater has cultivated so aggressively, they lost in districts that they had just won less than a year ago. And one of the main goals of Lee Atwater's ascendency to the chairmanship of the Republican National Committee was to appeal to blacks to join the Republican rising tide.

Oh, yes, many blacks joined the rising tide of political fortune. It was black leadership emerging victorious in Detroit, Cleveland, Virginia, the Northwest and New York, understanding full well that the capital gains proposals which so epitomize the fundamental economic premise of this administration, and that is a rekindling of trickledown economics, was really not in their best interests.

No, Madam Speaker, the lessons of the last 12 months are not lost on many of us. The test of performance in delivering the governance of this Nation is not a Presidency of photo opportunities. It is a Presidency that performs. It is an administration that is willing to back up the tough words with tough decisions. It is an administration that is willing to say to the American people that I am willing to put my money where my mouth is.

So far the only kind of lips that we have been able to read from President Bush has been the lip service he has paid to the best hopes and aspirations for all Americans.

Madam Speaker, I yield back the balance of my time.

THE MALCOLM BALDRIGE NATIONAL QUALITY AWARD

The SPEAKER pro tempore (Mrs. KENNELLY). Under a previous order of the House, the gentleman from Pennsylvania [Mr. RITTER], is recognized for 60 minutes.

Mr. RITTER. Madam Speaker, last Thursday President George Bush announced this year's winners of the Malcolm Baldrige National Quality Award at the Department of Commerce.

They are Xerox Corp., and Milliken & Co.

Xerox turned around by turning to quality and Milliken is at the top of the hotly competitive global textile market.

I offer my warmest congratulations to David Kearns, chairman and CEO of Xerox, and to Robert Milliken, chairman and CEO of Milliken, and Tom Malone, president of Milliken. I offer my warmest congratulations to Milliken's "associates" and members of team Xerox!

In President Bush's words:

In 1989, there can be no higher standard of quality management than those provided by the winners of the Malcolm Baldrige National Quality Award—Milliken & Co., and the Xerox Corp.

Beyond the recognition of these two progressive companies, the President put his administration firmly behind the quality revolution.

He said:

The improvement of quality in products and service is a national priority as never before. In recent years, American have felt the sting of fierce new competition on a global scale. And we have learned to see foreign competition—not as an excuse to close doors and raise protective barriers—but as an incentive to renew our commitment to excellence.

□ 2000

And working with the President, we have a committed leader for quality, Secretary of Commerce Robert Mosbacher, and a staff in Commerce dedicated to the acceleration and expansion of the quality revolution throughout America.

Quality: As those who engage in it know well, the term quality with a capital Q refers to a whole new management and work philosophy, based ultimately on common sense and a belief in the value of individual workers fulfilling their potential as members of a larger team—a veritable worker revolution.

Quality puts less emphasis on directly cutting costs to increase profits and instead focuses on improving the whole process by which a product is manufactured or a service is delivered.

Perfecting the process perfects the product—a stunning conclusion, albeit simple.

The prime goal is to empower people to be active players, not cogs in a machine.

Workers become their own best managers. That's revolutionary.

Constant improvement is built into the process which delivers products or services that more and more meet customers' needs and expectations.

As American companies turn to the quality revolution, they experience competitive success at home and abroad.

The Malcolm Baldrige National Quality Award is the single most important quality program involving the Federal Government.

Privately funded and jointly administered by the Federal Government and the private sector, it's a true public/private collaboration.

The first set of winners was announced last year, and the consequences have been significant.

For example, it is great to see the latest Business Week run a cover story on Motorola, a Baldrige Award winner from last year; to open Time magazine and read a major story on quality and the Baldrige Award.

Motorola's suppliers have been told that they must apply for the Baldrige Award or lose Motorola's business. That is about 2,500 companies.

IBM is doing the same thing. That is many thousand companies more.

Thus the Baldrige Award helps spread the quality revolution throughout our country.

That Motorola and IBM are requiring their suppliers to apply for the Baldrige Award is a tribute to the quality of the application and the process itself.

And for that I want to commend the Commerce Department and Dr. Curt Reimann, the Associate Director for Quality Programs of the National Institute of Standards and Technology.

Dr. Reimann has done an excellent job helping industry develop rigorous award criteria and in making the process of applying a real learning experience for the companies involved.

That's why Motorola wants its suppliers to apply for the Baldrige Award—for what it teaches them about where they are and where they need to be in achieving quality.

Currently Dr. Reimann and his three-person staff are dealing with about one thousand requests per week for Baldrige Award applications.

He receives some great assistance from volunteers, but, Madam Speaker, we need to get Dr. Reimann some more full-time help.

There are not many programs in the Federal Government where so few people are doing so much good for so many at such a low cost.

That is quality in action.

The private sector representatives who have created the award also deserve a lot of credit.

That's quality in action.

Before long, I hope that the Baldrige Award will rival the Nobel Prize in capturing the imagination of the American people.

Given the times in which we live and the challenge of global competition, I feel strongly that the Baldrige Award is the more important of the two.

We in Congress must do all in our power to focus national attention on it. It can be a strong, motivating force in establishing a culture of quality in the United States.

The Japanese have shown us what a culture of quality can do.

We've seen Japan redefine work, manufacturing and service and rise to economic superpower status.

Yet not enough Americans understand that the main driving force behind this success is Japan's almost 40-year commitment to quality principles invented here and refined there.

The Japanese have honored an American, W. Edwards Deming, one of the pioneers of the quality revolution, by naming their top quality award the Deming Prize.

I understand that they take the competition for the Deming Prize as seriously as we take the competition for the Super Bowl.

Madam Speaker, that enthusiasm, that team spirit is at the heart of the quality revolution.

This year, for the first time ever, an American company, Florida Power and Light, has won the Deming Prize in Japan.

In congratulating this year's Baldrige Award winners, it's appropriate that we also commend Florida Power and Light and its CEO, John J. Hudiburg.

Mr. Hudiburg just happens to be a director and trustee of the Foundation for the Malcolm Baldrige National Quality Award and a bona fide true believer in the quality revolution.

Quality and competitiveness in America: Quality embodies the need for America to focus on the work process—on manufacturing and production as the prime producers of national wealth—and on the growing service sector which is in such need of a revolution in quality.

We must build a world-class industry that is at the leading edge of technology, manufacturing and services which can compete with anyone, anywhere.

As a Congress, our instinctive response to global competition is to put more money into R&D, encouraging innovation and invention, to deal with trade issues or budget issues or tax issues.

But innovation and invention, important as they are, by themselves are simply not enough.

Our recent problems in competitiveness have never been associated with the level or quality of our basic science and technology research. We consistently win the bulk of the Nobel Prizes.

Instead, we have had trouble turning our science and our technological innovations, which should give us a leg up on the competition, into competitive products.

Our competitors in Japan and, to some extent, in Europe and now in a number of emerging industrial powers in Asia have been able to integrate their R&D into an accelerated product cycle that brings to market new technology and new machines and products across the whole spectrum of high-value-added manufactures.

And when we have brought products to the market ahead of the competition, we have later often lost part or all of those markets as our competitors used quality principles—particularly continuous improvement—patiently, well capitalized, and over many years—to catch up, overtake and pass us.

All too often we strive for the big breakthrough, the leap that will bring a completely new product to the market.

But our competitors understand that the best new products more often come from the process of continuous improvement of existing products which is essential to total quality management.

As Nippon Electronic Corp.'s research director Michiyuki Uenohara said in a recent Business Week story,

"For the Japanese, innovation is 'the result of tiny improvements in a thousand places.' "

□ 2010

That really is the story of Japan's success in TV, VCR's, FAX machines, Autos and the list goes on. The President described continuous improvement well last Thursday when he said at the Commerce Department "Perfection is not reaching the attainable. Rather it is a never-ending quest for the unattainable."

Indeed, quality is a never-ending quest that pays dividends all along the way.

Madam Speaker, to secure America's position in this competitive world, we in Congress must do at least as much to promote quality as we do promote R&D, tax incentives, regulatory reform, and deficit reduction and trade limitations.

But how can Congress help? Congress can help put more tools out there to help companies who want to turn to quality.

First, Congress can provide enthusiastic support for the Malcolm Baldrige Award.

I recommend that we hold congressional hearings on the winners and on the meaning of the Baldrige Award application process as well as the award itself, to workers, companies, and our country. We can give greater logistical support to those who coordinate the Baldrige Award, over at the Department of Commerce. Congress can focus more on National Quality Month, which just ended.

This month, sanctioned by the U.S. Congress and the President of the United States, provides a period of national focus to individuals, organizations, and community activities on behalf of the quality revolution in America.

Members of Congress have recently asked for a GAO study.

At my request and with the backing of about 30 of my colleagues, the GAO is undertaking an empirical study assessing the impact of formal quality programs on the productivity and profitability of American companies, a kind of bottomline approach to give members the kind of hard information we need to supplement what has been today mostly an anecdotal information.

Members of Congress can authorize a National Quality Institute.

This potentially private-sector funded institution would help coordinate those players in the private sector who are deeply involved in quality to define priorities and procedures for spreading the revolution. We can coordinate that effort of a National Quality Institute in the way we coordinate nationally the Malcolm Baldrige Award.

Members of Congress can foster regional quality movements.

We can help form communities of excellence in our own districts. These are regional efforts involving key business and labor leaders that could help us all. I know from personal experience with "Quality Valley, USA" in my own congressional district the Lehigh Valley of Pennsylvania. How rewarding these can be.

In conclusion we have a wonderful tool to promote quality in America in the Malcolm Baldrige National Quality Award.

It recognizes those companies who are leading America into the quality revolution.

Recognition is the mother's milk of progress in quality.

Last year's winners were: Motorola, Globe Metallurgical, and Westinghouse Commercial Nuclear Fuel Division.

To this honored list now are added: Xerox and Milliken and Co. The standard is so high that while six companies can receive the Malcolm Baldrige Quality Award, only three companies received it last year and two this year.

President Bush put it well at the Baldrige Award ceremony last week when he said "Quality products and service are no accident. It is the result of a certain can-do, no excuses attitude—an aggressive impatience with the status quo—even in the best of times. It is this attitude, more than anything else, that is responsible for the creation of wealth and jobs we have seen in the last 7 years."

The President is right on target.

The Baldrige Award winners have shown the way to all America.

All of us can be very proud of them and we can do our best to get U.S. companies to emulate them.

At this point, Madam Speaker, I'd like to introduce for the RECORD the very special remarks of the President of the United States in announcing the 1989 Malcolm Baldrige Award winners.

REMARKS OF PRESIDENT GEORGE BUSH

((Acknowledgements to come.))

In just a few moments, it will be my pleasure to present awards named after a great public servant and a very close and dear friend—the late Malcolm Baldrige.

So let us begin then with a few words about Mac. He had a zest for life, a love of family and a love of country that was uncommon. He was an outstanding Secretary of Commerce for six and a half years. And he was also an outstanding friend: Mac's word of honor was as good as a twenty-dollar gold piece.

But he never quite fit any mold. This was the President of a successful company who spent a lot of his time with volunteer firemen. This was a son of the East who rode horses and loved his place in New Mexico. He felt at home with cowboys, because he roped with them all his life.

You would never have known it from his friendly, easy-going manner, but Mac was also a perfectionist, in word and deed. As a leader in business, Mac strived for quality in products; as Commerce Secretary, for quality in public policies. Even the language of his memos was lean and exact. ((In fact, Mac had a special computer software program for Commerce Department documents; one that automatically weeded out jargon words like "impacted," "viable" and "infrastructure". It was a sort of Gramm-Rudman cut of the English language.))

Yet, like all perfectionists, Mac Baldrige knew that perfection is not reaching the attainable. Rather, it is a never-ending quest for the unattainable. His life was such a quest, a life whose legacy leaves us with a profound insight: A truly successful man or woman is someone who has served others.

Companies, like people, are successful only to the extent to which they provide service. This is true for all business, from the humblest mom-and-pop operation to the largest corporation.

American managers have reconsidered every time-honored belief, every traditional practice, every customary procedure. They have embraced what works, and rejected the rest. They have studied examples of innovation from home and abroad, and adopted only the best. And we now know the result of this historic reassessment: When it comes to meeting the competition, America is back in business.

We are here today to honor two companies that are leading this resurgence in American business leadership. Most companies catch hell from the competition. But these two companies are in the lead because no competitor gave them a tougher time than they gave themselves.

Of course, in business, success is its own reward. Yet all American firms benefit by having a standard of excellence to match and perhaps, one day, to surpass. For in 1989, there can be no higher standard of quality management than those provided by the winners of the Malcolm Baldrige National Quality Award—Milliken & Company and the Xerox Corporation.

Both of these manufacturing firms were well-established leaders in their markets. Yet both were being steadily squeezed out by intense foreign and domestic competition. In the midst of this crisis, the men and women of these companies found within themselves the will to make a painstaking reassessment and the drive to win back their share of the market.

Both companies started down this path of reassessment with a simple premise: in business, there is only one definition of quality—the customer's definition. And then they proceeded from this one premise to restructure their production and marketing plans. Sounds simple. But I know, as a former businessman myself, how difficult it is to restructure a firm, top-to-bottom.

Today's winners know what is possible when a firm restructures itself from the bottom up. They know that a company can no longer afford to regard employees as automatons in a production line. They know that a company must rely on the intelligence, judgment and good character of the people it employs.

There are as many successful forms of management as there are successful companies. But for these two companies, success came when they developed their human, as well as their technological, potential.

Milliken, for example, is a 124-year-old textile manufacturer in South Carolina. But it's management style is sheer 21st Century. Milliken scrapped the old management hier-

archy in favor of what they call a "flat management structure." (Good thing they're not a tire company.) Milliken even gave a new title to its employees, calling them "associates." This is no hollow accolade from public relations. Every Milliken employee truly is an associate. In fact, any Milliken worker has the power to halt the production line if he or she detects a problem in quality or safety.

Our other winner takes a similar approach with its Team Xerox philosophy. Xerox employees are given the authority they need to make day-to-day decisions. They are, the company says, expected to take the initiative in finding and fixing problems. And they do. While every manager works, every worker is managing.

One of the best things about this award is that it allows successful companies to share what they have learned to set an example. (Perhaps these two companies should merge. Can you imagine it? Your wardrobe wouldn't just be coordinated; it would be collated.)

Many firms will learn a great deal from their example. Others will need to follow their own path. But to those who say that we have lost our edge, that the days are past when "Made in America" meant "the best"—I say: Tell that to the people of the Milliken plant in Spartansburg. Tell that to the Xerox teams in Monroe County, New York.

Quality products and service is no accident. It is the result of a certain can-do, no-excuse attitude—an aggressive impatience with the status quo—even in the best of time. It is this attitude, more than anything else, that is responsible for the creation of wealth and jobs we have seen in the last seven years.

In these years, our total national wealth has grown by almost a third. We have created more than twenty million new jobs. And we are still enjoying the rewards of what has proven to be the longest peacetime economic expansion in American history.

Given the right policies—and a reduced capital gains tax would certainly be one—this expansion will continue. And given the right tools, the American people can reach even greater heights. The potential of this nation is as boundless as the imagination and drive of the American people. All we have to do for our citizens is what these two companies have done for their employees—give them the freedom to do what they do best. Freedom to imagine. Freedom to create. Freedom to excel.

Our winners had such freedom, and they made the most of it. I give my heartiest congratulations to them. Thank you, God bless you and God bless America.

Mr. HOUGHTON Mr. Speaker, the Baldrige Award stands for quality—the quality that raises people and attitudes to new heights—even above themselves.

Mac Baldrige stood for quality. He was quality. May we all follow in whatever we do where he has led the way.

Mr. BOEHLERT. I want to join my colleagues in congratulating the winners of this year's Malcolm Baldrige National Quality Award and in drawing attention to the importance of quality control. I greatly appreciate my colleague, DON RITTER, arranging this special order.

The ancient Greeks told the story of Demosthenes, scouring the countryside, lantern in hand, seeking out the honest man. In recent years, Americans searching for domestic companies putting out the honest product have often felt themselves on a similarly lonely and fruitless quest.

Quality assurance came to be a trait associated with our foreign competitors—competitors, who, ironically, were applying the rules of the pathbreaking American quality experts Edwards Deming and Joseph Juran.

Slowly, this is changing, and the Malcolm Baldrige Quality Award is one sign of that happy transformation. American firms are reawakening to the need for quality control. They have rediscovered an old axiom: quality sells.

The impact of the award, now in only its second year, has already surpassed what we envisioned when we introduced the bill creating it.

Companies are putting an impressive amount of time and effort into quality audits, and are enforcing quality principles on their suppliers.

Progress may be slow—several categories for the award are still not eliciting successful proposals—but progress is being made.

This year's winners, Milliken & Co., a textile firm, and the Xerox Corp. deserve our admiration and our applause—and our purchases.

Now, if the award works as it should, more companies will be weaving Milliken's practices into their own production and copying Xerox's successes. I look forward to having more winners next year. Thank you.

Mr. WALGREN. Mr. Speaker, I join my colleagues in congratulating the winners of the second Malcolm Baldrige National Quality Award—Milliken & Co. and Xerox Corp.'s Business Products and Systems—two manufacturing companies that are living proof that pursuit of the highest quality does pay off.

As you know, the award was established by the Malcolm Baldrige National Quality Improvement Act of 1987 (Public Law 100-107), which was named after the late Commerce Secretary Malcolm Baldrige, and originated in the House Subcommittee on Science, Research, and Technology. I introduced the bill which became Public Law 100-107 and chaired hearings on promoting quality improvement in each of the last three Congresses.

Our idea was to establish an award which would help instill pride in quality manufacturing and services in the same manner that the Deming Prize has done in Japan. The Deming Prize rewards Japanese companies which do the best job of instilling quality throughout their organizations. This is the highest honor that a Japanese company can receive. The man and woman on the street in Japan knows who won the Deming Prize just as the average American knows who won the Superbowl. They have new respect for the winners, who may use the award in their advertising.

By the way, I am very pleased to report that this year's Deming Prize Committee made a special award to Florida Power & Light Co., the first American company ever to win the coveted prize. This is especially pleasing to me because Chairman John Hudiburg of Florida Power & Light was instrumental both in the establishment of the Malcolm Baldrige National Quality Award and in the fundraising that has permitted the award to gain prominence in 2 short years.

Why do we find this award to be so important? Because it recognizes that quality in every aspect of the commercial enterprise is the key to international competitiveness and national business success. The pursuit of continuous improvement is the only way U.S. companies can compete in international markets. I hope that this year's winners will consider adopting the example set by last year's awardees and urge their suppliers to compete for the award. Winning the prize was only part of the process.

Mr. Speaker, I am pleased that the Congress has taken the time to highlight this important back-to-quality movement and to honor the companies which are its leaders. We must do all we can to help spread the word so that "Made in the U.S.A." will become a standard of quality and excellence.

Again, I extend congratulations to the 1989 recipients of the Malcolm Baldrige National Quality Award—Milliken & Co. and Xerox Corp.'s Business Products and Systems.

Mrs. MORELLA. Mr. Speaker, Isaac Newton once said: "If I have seen farther it is by standing on the shoulders of giants."

The winners of this year's Malcolm Baldrige National Quality Award have truly "seen farther." Using their offices and their personnel as "giants," they have made tremendous strides forward toward meeting the challenge of providing high-quality, world-class goods and services that will help America keep its share of the world market as we move toward the 21st century.

As the Presidential proclamation states, improving quality takes time and resources. The two awardees who are being honored with this award, Roger Milliken of the Milliken & Co., and David T. Kearns of Xerox Corp. have given their time, effort, and dedication to the goal of excellence. The honor does not come easily, for I understand that they have survived a competition that involves about 400 hours of analyses and on-site inspections by teams of private sector examiners and judges. This sort of scrutiny should bring out many examples that will help other individuals, businesses, or industries to make improvement. I hope that these details of success will be shared with other companies.

May I also add my congratulations and thanks to Dr. Curt Reimann, who is associate director for quality programs of the National Institute of Standards and Technology. I understand that Dr. Reimann has been working with only a three-person staff, despite the thousand requests per week just for the Baldrige Award applications, not to mention being responsible for administering the program. This, in itself, should perhaps be deserving of a special Malcolm Baldrige miniaward.

I am proud to join in congratulating the recipients of this prestigious award and to all who are working behind the scenes to spread the word about American productivity and quality.

Mrs. JOHNSON of Connecticut. Connecticut's own Malcolm Baldrige was one of the finest people I have ever known. The former Secretary of Commerce was famous for his non-nonsense approach to work and his tragic

death 2 years ago brought a premature end to a life dedicated to quality.

I am proud that Mac Baldrige's extraordinary commitment to quality and efficiency is memorialized in the Baldrige Quality Awards, given to businesses that demonstrate a singular pursuit of excellence. I had the honor of being a guest recently as President Bush presented the 1990 awards.

Mac was a very unique and dedicated individual. He was a graduate of Yale University in New Haven, as well as an avid rodeo fan and participant. He was named the Professional Rodeo Man of the Year in 1980, and was installed in the National Cowboy Hall of Fame in 1984. Mac will be remembered by many different people for his many diverse accomplishments, but he will no doubt be remembered most for his exceptional work as Secretary of Commerce.

Mac played a major role in developing and implementing administration trade policy. He was a maverick in resolving difficulties over technological transfers with China and India, and staged the first Cabinet level talks with the Soviets in 7 years, paving the way for American firms to enter the Soviet market.

He was the motivating force behind the administration's effort to pass the Export Trading Company Act of 1982, and President Reagan named him the chairman of the "Trade Strike Force," who's job it was to search out and develop methods to eliminate unfair trading practices.

While at the U.S. Department of Commerce, Mac Baldrige was able to reduce the Commerce budget by 30 percent and administrative personnel by 25 percent. A remarkable commitment to efficiency and quality is evident throughout his professional and personal life. After serving in combat as captain of the 27th Infantry in the Pacific during World War II, Mac began his career in manufacturing. Starting as a foundry hand, he progressed steadily and in 1960, only 13 years later, he became president of the company. He was later named chairman and chief executive officer of Scovill Inc. of Waterbury, CT. He joined the company in 1962, and is credited with transforming it from a troubled brass mill to a highly diversified manufacturer of consumer, housing, and industrial products.

Mac Baldrige's managerial excellence was evident throughout his years as a leader in the private sector and enabled him to improve the economy, efficiency, and effectiveness of government. His service as Secretary of Commerce was one of the longest in history, and raised the Department to a new height of influence and importance. Mac was one of the most colorful and beloved men ever to serve in the Cabinet of the United States of America. His life should serve as an inspiration to us all to strive to fulfill our greatest potential.

GENERAL LEAVE

Mr. RITTER. Madam Speaker, I ask unanimous consent that all Members may have five legislative days within which to revise and extend their remarks and include therein extraneous material on the subject of my special order today.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. TALLON (at the request of Mr. GEPHARDT), for today, on account of personal business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Goss) to revise and extend their remarks and include extraneous material:)

Mr. SCHULZE, for 5 minutes, today.
Mr. BOEHLERT, for 5 minutes, today.
Mr. DORNAN of California, for 5 minutes, today.
Mr. MCEWEN, for 5 minutes, today.

(The following Members (at the request of Mr. CONDIT) to revise and extend their remarks and include extraneous material:)

Mr. TORRICELLI, for 5 minutes, today.
Mr. WISE, for 5 minutes, today.
Mr. STARK, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. GEPHARDT, for 5 minutes, today.
Mr. WOLPE, for 60 minutes, on November 16.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. WILLIAMS to revise and extend remarks following Mr. MARLENEE on Montana birthday.

(The following Members (at the request of Mr. Goss) and to include extraneous matter:)

Mr. SAXTON in two instances.
Mrs. MORELLA.
Mr. GREEN.
Mrs. ROS-LEHTINEN.
Mr. GEKAS.
Mr. LAGOMARSINO in three instances.
Mr. GALLO.
Mr. GOODLING.
Mr. ROWLAND of Connecticut in two instances.
Mr. COX.
Mr. CLINGER.
Mr. RINALDO.
Mr. BEREUTER.
Mr. IRELAND.
Mr. HOUGHTON.
Mr. SCHAEFER.
Mr. PORTER.
Mr. LOWERY of California.
Mr. LEWIS of Florida.

(The following Members (at the request of Mr. CONDIT) and to include extraneous matter:)

Mr. SKELTON.
Mr. GAYDOS in two instances.
Mr. MAZZOLI.
Mr. HAMILTON.
Mr. COLEMAN of Texas.
Mr. UDALL.
Mr. RANGEL.
Mr. MCMILLEN of Maryland.
Mr. MATSUI.
Mr. TORRES.
Mr. MORRISON of Connecticut.
Mr. LANTOS.
Mr. LAFALCE.
Mr. ACKERMAN.
Mr. TRAFICANT in two instances.
Mr. DIXON.
Mr. DOWNEY.
Mr. LEHMAN of Florida.
Mr. EDWARDS of California.
Mr. MURTHA.
Mr. MANTON.
Mr. LIPINSKI.
Mr. ENGEL in two instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 84. An act to amend title 28, United States Code, to provide Federal debt collection procedures; to the Committee on the Judiciary.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 280. Joint resolution increasing the statutory limit on the public debt.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 215. Joint resolution acknowledging the sacrifices that military families have made on behalf of the Nation and designating November 20, 1989, as "National Military Families Recognition Day."

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 280. Joint resolution increasing the statutory limit on the public debt.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

ADJOURNMENT

Mr. RITTER. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to, accordingly (at 8 o'clock and 16 minutes p.m.) the House adjourned until tomorrow, Thursday, November 9, 1989, at 10 a.m.

Reports and amended reports of various House committees concerning the foreign currencies and U.S. dollars utilized by them during the second and third quarters of 1989 in connection with foreign travel pursuant to Public Law 95-384 are as follows:

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Visit to Colombia, Peru, Bolivia, and Brazil, Mar. 27 to Apr. 3, 1989:											
Hon. H. Martin Lancaster	3/27	3/29	Colombia		50.00						50.00
	3/29	3/30	Peru		378.25						378.25
	3/30	4/1	Bolivia		77.00						77.00
	4/1	4/3	Brazil		92.73				61.96		154.69
Commercial transportation							3,932.00				3,932.00
Visit to Portugal, Greece, and Cyprus, Mar. 24 to Apr. 1, 1989:											
Delegation expenses	3/27		Greece						981.39		981.39
Visit to United Kingdom, France, and Netherlands, Apr. 4–8, 1989:											
Delegation expenses	4/4	4/5	United Kingdom						150.27		150.27
Visit to France and United Kingdom, Apr. 20–24, 1989:											
Delegation expenses	4/20	4/23	France						3,320.00		3,320.00
	4/23	4/24	United Kingdom						3,661.42		3,661.42
Visit to Turkey and Spain, May 26–30, 1989	5/28	5/30	Spain						3,433.00		3,433.00
Visit to France, June 7–13, 1989:											
Delegation expenses	6/7	6/13	France						17,037.30		17,037.30
Visit to France, June 8–13, 1989:											
Delegation expenses	6/18	6/13	France						13,300.64		13,300.64
Committee totals					597.98		3,932.00		41,945.98		46,475.96

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, Oct. 31, 1989.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Visit to West Berlin and Soviet Union, Aug. 6–18, 1989:											
Hon. Bob Stump	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/15	Soviet Union		1,280.00						1,280.00
Military transportation							536.08				536.08
Commercial transportation							3,319.81				3,319.81
Hon. John Kasich	8/6	8/7	West Berlin		150.09						150.09
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Total					1,889.09		1,026.33				2,915.42

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, Nov. 2, 1989.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Visit to Soviet Union, July 2–9, 1989:											
Hon. John M. Spratt, Jr	7/2	7/9	Soviet Union		900.00						900.00
Commercial transportation							1,505.00				1,505.00
Visit to Guatamala, El Salvador, and Nicaragua, July 28–30, 1989:											
Hon. Jon Kyl	7/28	7/29	Guatamala		149.00						149.00
	7/29	7/29	El Salvador								
	7/29	7/30	Nicaragua		95.00						95.00
Military transportation							1,127.18				1,127.18
Visit to Pacific, August 2–20, 1989:											
Hon. Robert K. Dornan	8/7	8/8	Kiribati		116.00						116.00
	8/8	8/9	Fiji		231.25						231.00
	8/8	8/9	Western Samoa		150.00						150.00
	8/10	8/11	New Caledonia		187.00						187.00
	8/11	8/12	Vanuatu		190.00						190.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1989—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	8/12	8/15	Papau New Guinea		594.00						595.00
	8/15	8/16	Solomon Islands		124.00						124.00
	8/16	8/17	Philippines		144.00						144.00
	8/17	8/19	Indonesia		316.00						316.00
	8/19	8/20	Singapore		140.00						140.00
Military transportation							3,651.42				3,651.42
Commercial transportation							2,865.64				2,865.64
Visit to West Berlin and Soviet Union, Aug. 6–18, 1989:											
Hon. Les Aspin	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Hon. William L. Dickinson	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Hon. Earl Hutto	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Hon. Bob Stump	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/15	Soviet Union		1,280.00						1,280.00
Military transportation							536.08				536.08
Hon. Larry J. Hopkins	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Hon. Frank McCloskey	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Hon. John Kasich	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Hon. Herbert H. Bateman	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Hon. George (Buddy) Darden	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Hon. Arthur Ravenel, Jr	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Hon. Owen B. Pickett	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Hon. James H. Bilbray	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Hon. Jim McCrery	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
G. Kim Wincup	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Peter C. Scrivner	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Carl T. Bayer	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Warren L. Nelson	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Deborah R. Lee	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Peter M. Steffes	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Rudy F. De Leon	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Stephen K. Conver	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Georgia C. Osterman	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Andrew K. Ellis	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Clark Murdock	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Vernon A. Guidry	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
James N. Miller, Jr	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Larry K. Smith	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Ronald J. Bartek	8/6	8/7	West Berlin		190.00						190.00
	8/7	8/18	Soviet Union		1,739.00						1,739.00
Military transportation							1,026.33				1,026.33
Visit to Philippines, Taiwan, Thailand, Japan, and Korea, Aug. 10–21, 1989:											
Hon. Patricia Schroeder	8/10	8/12	Philippines		288.00						288.00
	8/12	8/14	Taiwan		518.00						518.00
	8/14	8/17	Thailand		501.00						501.00
	8/17	8/18	Japan		176.00						176.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1989—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	8/18	8/21	Korea		600.00						600.00
Military transportation							7,368.50				7,368.50
Hon. Solomon P. Ortiz	8/10	8/12	Philippines		288.00						288.00
	8/12	8/14	Taiwan		518.00						518.00
	8/14	8/17	Thailand		501.00						501.00
	8/17	8/18	Japan		176.00						176.00
	8/18	8/21	Korea		600.00						600.00
Military transportation							9,751.67				9,751.67
Hon. Floyd V. Spence	8/10	8/12	Philippines		288.00						288.00
	8/12	8/14	Taiwan		518.00						518.00
	8/14	8/17	Thailand		501.00						501.00
	8/17	8/18	Japan		176.00						176.00
	8/18	8/21	Korea		600.00						600.00
Military transportation							9,751.67				9,751.67
Hon. Andy Ireland	8/10	8/12	Philippines		288.00						288.00
	8/12	8/14	Taiwan		518.00						518.00
	8/14	8/17	Thailand		501.00						501.00
	8/17	8/18	Japan		176.00						176.00
	8/18	8/21	Korea		600.00						600.00
Military transportation							9,751.67				9,751.67
Delegation expenses	8/12	8/14	Taiwan						4,107.87		4,107.87
	8/18	8/21	Korea						600.55		600.55
Visit to Germany, United Kingdom, Italy, and Belgium, Aug. 21–31, 1989:											
Hon. Richard Ray	8/21	8/26	Germany		777.75						777.75
	8/22	8/22	United Kingdom								
	8/26	8/29	Italy		618.00						618.00
	8/29	8/31	Belgium		380.00						380.00
Military transportation							1,824.81				1,824.81
Commercial transportation							3,871.12				3,871.12
Nora Slatkin	8/21	8/26	Germany		777.75						777.75
	8/22	8/22	United Kingdom								
	8/26	8/29	Italy		618.00						618.00
	8/29	8/31	Belgium		380.00						380.00
Military transportation							1,824.81				1,824.81
Commercial transportation							4,795.12				4,795.12
James C. Waters	8/21	8/26	Germany		777.75						777.75
	8/22	8/22	United Kingdom								
	8/26	8/27	Italy		206.00						206.00
	8/27	9/2	Germany		935.00						935.00
Military transportation							830.41				830.41
Commercial transportation							3,773.00				3,773.00
Visit to Germany, Aug. 28 to Sept. 2, 1989:											
Williston B. Cofer, Jr	8/28	9/2	Germany		935.00						935.00
Commercial transportation							2,343.00				2,343.00
Henry J. Schweiter	8/28	9/2	Germany		748.00						748.00
Commercial transportation							2,457.74				2,457.74
Committee totals					72,374.50		95,739.75		4,708.42		172,822.67

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, Oct. 31, 1989.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE BUDGET, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Rebecca Schmidt	8/13	8/17	U.S.S.R		850.00						850.00
	8/18	8/20	Greece		441.00						441.00
	8/21	8/23	West Germany		547.00						547.00
	8/24	8/26	Spain		149.00						149.00
Commercial transportation							2,461.00				2,461.00
Michael Powell	8/13	8/17	U.S.S.R		850.00						850.00
	8/18	8/20	Greece		441.00						441.00
	8/21	8/23	West Germany		547.00						547.00
Commercial transportation							2,461.00				2,461.00
Committee total					3,825.00		4,922.00				8,747.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LEON E. PANETTA, Chairman, Oct. 27, 1989.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
D. Barton	9/18	9/23	Australia		996.00						996.00
Commercial transportation							7,128.56				7,128.56
S. Berry	6/30	7/4	Ireland		720.00						720.00
	7/4	7/6	England		416.00		174.08		378.10		968.18
Military transportation							1,884.00				1,884.00
K. Bertelsen	8/14	8/15	Hong Kong		210.00						210.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1989—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	8/15	8/20	Thailand		835.00						835.00
	8/20	8/22	Philippines		[3] 291.00						291.00
	8/22	8/25	Hong Kong		630.00		43.58				673.58
Commercial transportation							4,927.00				4,927.00
S. Biegun	8/7	8/12	Thailand								
	8/13	8/14	Thailand		1,002.00						1,002.00
	8/12	8/13	Burma		[3] 16.88						16.88
	8/14	8/17	Vietnam		[3] 375.00				150.00		525.00
Total					5,491.88		14,157.22		528.10		20,177.20
	8/17	8/22	Hong Kong		[3] 1,011.00						1,011.00
Commercial transportation							3,460.48				3,460.48
Hon. B. Blaz	8/14	8/17	Philippines		432.00						432.00
	8/17	8/19	Indonesia		316.00		27.92		67.12		411.04
	8/19	8/21	Singapore		280.00						280.00
	8/21	8/24	Thailand		501.00						501.00
	8/24	8/27	Portugal		510.00						510.00
Military transportation							9,521.69				9,521.69
J.J. Brady	6/30	7/4	Ireland		720.00						720.00
	7/4	7/6	England		416.00		174.08		378.10		968.18
Military transportation							1,884.00				1,884.00
	8/14	8/17	Philippines		432.00						432.00
	8/17	8/19	Indonesia		316.00		27.92		67.12		411.04
	8/19	8/21	Singapore		280.00						280.00
Total					5,214.00		15,096.09		512.34		20,822.43
	8/21	8/24	Thailand		501.00						501.00
	8/24	8/27	Portugal		510.00						510.00
Military transportation							9,521.69				9,521.69
Hon. W. Broomfield	6/30	7/4	Ireland		720.00						720.00
	7/4	7/6	England		416.00		174.08		378.10		968.18
Military transportation							1,884.00				1,884.00
	8/14	8/17	Philippines		432.00						432.00
	8/17	8/19	Indonesia		316.00		27.92		67.12		411.04
	8/19	8/21	Singapore		280.00						280.00
	8/21	8/24	Thailand		501.00						501.00
	8/24	8/27	Portugal		510.00						510.00
Military transportation							9,521.69				9,521.69
D. Burns	6/30	7/4	Ireland		720.00						720.00
	7/4	7/6	England		416.00		174.08		378.10		968.18
Total					5,322.00		21,303.46		823.32		27,448.78
Hon. D. Burton	8/30	9/1	Honduras		97.00						97.00
N. Carman	8/14	8/15	England								
	8/15	8/23	South Africa		1,188.00						1,188.00
Commercial Transporstation							4,018.00				4,018.00
F.M. Chambers	8/18	8/21	Guatemala		447.00						447.00
Commercial transportation							1,225.00				1,225.00
Hon. G. Crockett	8/6	8/9	Germany		760.00						760.00
	8/9	8/11	Soviet Union		500.00						500.00
Military Transportation							2,920.79				2,920.79
Commercial transportation							516.62				516.62
E. Daoust	8/14	8/17	Philippines		432.00						432.00
	8/17	8/19	Indonesia		316.00		27.94		67.12		411.06
	8/19	8/21	Singapore		280.00						280.00
	8/21	8/24	Thailand		501.00						501.00
Total					4,521.00		8,708.35		67.12		13,296.47
	8/24	8/27	Portugal		510.00						510.00
Military transportation							9,521.69				9,521.69
E. Davidson	8/14	8/17	Philippines		432.00						432.00
	8/17	8/19	Indonesia		316.00		27.94		67.12		411.06
	8/19	8/21	Singapore		280.00						280.00
	8/21	8/24	Thailand		501.00						501.00
	8/24	8/27	Portugal		510.00						510.00
Military transportation							9,521.69				9,521.69
A. Dunn-Mouton	8/5	8/5	Germany		137.00						137.00
	8/6	8/14	Namibia		1,084.00		1,533.83				2,617.83
	8/14	8/16	Zambia		549.00						549.00
Commercial transportation							6,565.00				6,565.00
Hon. M. Dymally	8/5	8/9	Trinidad		462.00						462.00
Commercial transportation							1,629.74				1,629.74
Total					4,781.00		28,799.89		67.12		33,648.01
	8/14	8/18	Switzerland								
	8/20	8/20	France		209.00						209.00
	8/21	8/22	Zaire		303.00						303.00
	8/23	8/24	Angola		201.00						201.00
	8/24	8/25	Namibia		125.00						125.00
	8/25	8/27	South Africa		375.00						375.00
	8/26	8/26	Mozambique								
Commercial transportation							11,659.52				11,659.52
Hon. E. Engel	8/21	8/24	Egypt		415.25						415.25
	8/24	8/29	Ireland		462.00						462.00
	8/29	9/3	Italy		1,030.00						1,030.00
Commercial transportation							2,253.00				2,253.00
Hon. Eni Faleomavaega	8/7	8/9	Western Samoa		300.00						300.00
	8/10	8/11	New Caledonia		187.00						187.00
Total					3,607.25		13,912.52				17,519.77
	8/11	8/12	Vanuatu		190.00						190.00
	8/12	8/15	Papua New Guinea		594.00						594.00
	8/15	8/16	Solomon Islands		123.00						123.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1989—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	8/16	8/17	Philippines		144.00						144.00
	8/17	8/19	Korea		400.00						400.00
Commercial transportation							2,247.00				2,247.00
Military transportation							18,327.90				18,327.90
Hon. D.B. Fascell	6/3	7/1	Ireland		720.00						720.00
	7/1	7/6	England		332.51		174.08		378.10		884.69
Military transportation							1,884.00				1,884.00
	8/14	8/17	Philippines		[3] 394.07						394.07
	8/17	8/19	Indonesia		316.00		27.92		67.12		411.04
Total					3,213.58		22,660.90		445.22		27,319.70
	8/19	8/21	Singapore		280.00						280.00
	8/21	8/24	Thailand		501.00						501.00
	8/24	8/27	Portugal		510.00						510.00
Military transportation							9,521.69				9,521.69
Hon. E. Feighan	8/10	8/13	Turkey		700.00						700.00
	8/14	8/17	Greece		588.00				71.63		659.63
	8/18	8/20	Cyprus		450.00						450.00
	8/21	8/21	Greece								
	8/21	8/25	Morocco		288.00						288.00
Commercial transportation							6,009.00				6,009.00
Hon. E. Gallegly	9/8	9/9	Panama		66.00						66.00
	9/9	9/10	Nicaragua		140.00						140.00
	9/10	9/10	El Salvador								
Military transportation							5,551.59				5,551.59
Total					3,523.00		21,082.28		71.63		24,676.91
Hon. B. Gilman	8/14	8/17	Philippines		432.00						432.00
	8/17	8/19	Indonesia		316.00		27.92		67.12		411.04
	8/19	8/21	Singapore		280.00						280.00
	8/21	8/24	Thailand		501.00						501.00
	8/24	8/27	Portugal		510.00						510.00
Military transportation							9,521.69				9,521.69
Hon. P. Goss	7/14	7/14	Nicaragua								
	7/15	7/17	El Salvador								
	7/14	7/15	Honduras								
Military transportation							3,070.00				3,070.00
Hon. P. Goss	9/29	9/29	El Salvador								
	9/29	10/1	Nicaragua								
Military transportation							3,911.18				3,911.18
Total					2,039.00		16,530.79		67.12		18,636.91
M. Gueye	7/1	7/9	Senegal		1,104.00						1,104.00
	7/10	7/11	Ivory Coast		220.00						220.00
	7/12	7/16	France		808.00						808.00
Commercial transportation							6,730.00				6,730.00
	8/17	8/19	Holland		328.00						328.00
Commercial transportation							4,149.00				4,149.00
J.W. Hatcher	8/20	8/24	Switzerland		832.00						832.00
Commercial transportation							660.00				660.00
V. Johnson	7/21	7/24	Mexico		[3] 197.00						197.00
Commercial transportation							559.00				559.00
Hon. H.A. Johnston	7/14	7/14	Honduras								
	7/14	7/15	Nicaragua								
	7/15	7/16	El Salvador		50.00						50.00
Military transportation							3,070.00				3,070.00
Total					3,539.00		15,168.00				18,707.00
G. Kapen	8/10	8/14	Kenya		592.00						592.00
Commercial transportation							3,027.00				3,027.00
T. Lanigan	6/30	7/4	Ireland		720.00						720.00
	7/4	7/6	England		416.00		174.08		378.10		968.18
Military transportation							1,884.00				1,884.00
	8/14	8/17	Philippines		432.00						432.00
	8/17	8/19	Indonesia		316.00		27.92		67.12		411.04
	8/19	8/21	Singapore		280.00						280.00
	8/21	8/24	Thailand		501.00						501.00
	8/24	8/27	Portugal		510.00						510.00
Military transportation							9,521.69				9,521.69
K. Nakamura	8/14	8/17	Philippines		432.00						432.00
	8/17	8/19	Indonesia		316.00		27.93		67.12		411.05
	8/19	8/21	Singapore		280.00						280.00
Total					4,795.00		14,662.62		512.34		19,969.96
	8/21	8/24	Thailand		501.00						501.00
	8/24	8/27	Portugal		510.00						510.00
Military transportation							9,521.69				9,521.69
R.S. Oliver	6/30	7/4	Ireland		720.00						720.00
	7/4	7/6	England		416.00		174.08		378.10		968.18
Military transportation							1,884.00				1,884.00
	9/1	9/3	England		452.00				46.90		498.90
Commercial transportation							4,953.00				4,953.00
B. Paolo	7/5	7/8	Germany		633.50						633.50
	7/8	7/12	Greece		576.00				41.52		617.52
	7/12	7/16	Rome		736.00						736.00
	7/16	7/19	Israel		520.00						520.00
Commercial transportation							5,327.00				5,327.00
Total					5,064.50		21,859.77		466.52		27,390.79
	8/14	8/17	Egypt		453.00						453.00
	8/17	8/21	Spain		828.00						828.00
Commercial transportation							4,247.00				4,247.00
	9/11	9/13	Italy		412.00						412.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1989—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	9/13	9/15	Austria		352.00						352.00
	9/15	9/16	France		209.00						209.00
Commercial transportation							4,863.00				4,863.00
A. Roberts	8/14	8/17	Philippines		432.00						432.00
	8/17	8/19	Indonesia		316.00		27.93		67.12		411.05
	8/19	8/21	Singapore		280.00						280.00
	8/21	8/24	Thailand		501.00						501.00
	8/24	8/27	Portugal		510.00						510.00
Military transportation							9,521.69				9,521.69
Total					4,293.00		18,659.62		67.12		23,019.74
W. Roberts	9/29	9/29	El Salvador		145.00						145.00
	9/29	10/1	Nicaragua								
Military transportation							3,911.18				3,911.18
S. Roth	8/7	8/8	Kiribati		116.00						116.00
	8/8	8/9	Fiji		231.25						231.25
	8/8	8/9	Western Samoa		150.00						150.00
	8/10	8/11	New Caledonia		187.00						187.00
	8/11	8/12	Vanuatu		190.00						190.00
	8/12	8/15	Papua New Guinea		594.00						594.00
	8/15	8/16	Solomon Islands		123.00						123.00
	8/16	8/17	Philippines		144.00						144.00
	8/17	8/19	Korea		400.00						400.00
	8/19	8/22	Hong Kong		630.00						630.00
	8/22	8/22	Indonesia		158.00						158.00
Total					3,068.25		3,911.18				6,979.43
Commercial transportation							2,728.00				2,728.00
Military transportation							18,327.90				18,327.90
J. Scheibel	8/6	8/13	Japan		1,673.00				185.88		1,858.88
	8/13	8/15	Hong Kong		420.00						420.00
Commercial transportation							3,637.00				3,637.00
E. Schwartz	6/30	7/1	Yugoslavia								
	7/1	7/4	Poland				84.00				84.00
	7/4	7/6	Hungary		232.00						232.00
	7/6	7/7	East Germany		185.00						185.00
	7/7	7/9	Czechoslovakia		370.00						370.00
	7/9	7/10	England		208.00						208.00
Commercial transportation							3,746.00				3,746.00
	8/7	8/12	Thailand		1,002.00						1,002.00
	8/12	8/13	Burma		[3] 14.63						14.63
Total					4,104.63		28,522.90		185.88		32,813.41
	8/14	8/17	Vietnam		750.00		150.00				900.00
	8/17	8/23	Hong Kong		1,260.00						1,260.00
	8/23	8/25	Malaysia		[3] 117.00						117.00
Commercial transportation							4,831.61				4,831.61
J. Sinclaire	8/14	8/17	Philippines		432.00						432.00
	8/17	8/19	Indonesia		316.00		27.92		67.12		411.04
	8/19	8/21	Singapore		280.00						280.00
	8/21	8/24	Thailand		501.00						501.00
	8/24	8/27	Portugal		510.00						510.00
Military transportation											9,521.69
Hon. C. Smith	8/6	8/11	Soviet Union		[3] 817.27						817.27
Military transportation							2,919.00				2,919.00
Total					4,983.27		17,450.22		67.12		22,500.61
Hon. L. Smith	6/30	7/4	Ireland		720.00						720.00
	7/4	7/6	England		416.00						416.00
Military transportation							1,884.00				1,884.00
S. Smith	8/5	8/9	Trinidad and Tobago		770.00						770.00
Commercial transportation							1,309.00				1,309.00
	8/14	8/18	Switzerland		750.00						750.00
	8/19	8/20	France		418.00						418.00
	8/21	8/22	Zaire		303.00						303.00
	8/23	8/24	Angola		201.00						201.00
	8/24	8/25	Namibia		125.00						125.00
	8/25	8/27	South Africa		375.00						375.00
	8/26	8/26	Mozambique						2,050.24		2,050.24
Commercial transportation							7,857.00				7,857.00
Total					4,078.00		11,050.00		2,050.24		17,178.24
Hon. S.J. Solarz	6/30	7/1	Yugoslavia								
	7/1	7/4	Poland								
	7/4	7/6	Hungary		232.00						232.00
	7/6	7/7	East Germany		185.00						185.00
	7/7	7/9	Czechoslovakia		370.00						370.00
	7/9	7/10	England		208.00						208.00
Commercial transportation							3,746.00				3,746.00
	8/7	8/8	Kiribati		116.00						116.00
	8/8	8/9	Fiji		231.25						231.25
	8/8	8/9	Western Samoa		150.00						150.00
	8/10	8/11	New Caledonia		187.00						187.00
	8/11	8/12	Vanuatu		190.00						190.00
	8/12	8/15	Papua New Guinea		594.00						594.00
	8/15	8/16	Solomon Islands		123.00						123.00
	8/16	8/17	Philippines		144.00						144.00
Total					2,730.25		3,746.00				6,476.25
	8/17	8/19	Korea		400.00						400.00
	8/19	8/22	Hong Kong		630.00						630.00
	8/22	8/22	Indonesia		158.000						158.00
Commercial transportation							3,140.00				3,140.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1989—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Military transportation							18,327.90				18,327.90
I. Spalatin	8/21	8/24	Switzerland		624.00						624.00
Commercial transportation							4,279.00				4,279.00
M. Tavlarides	8/14	8/18	France		836.00						836.00
Commercial transportation							4,473.80				4,473.80
Hon. R. Torricelli	8/6	8/7	Algeria		85.00						85.00
	8/7	8/9	Tunisia		125.00						125.00
	8/9	8/10	France		209.00						209.00
Commercial transportation							4,856.80				4,856.80
Total					3,067.00		35,077.50				38,144.50
R. Wilson	7/3	7/5	Spain		149.00						149.00
P. Yeo	8/6	8/12	Japan		1,673.00				185.88		1,858.88
	8/13	8/16	Hong Kong		840.00						840.00
Commercial transportation							4,783.00				4,783.00
Total					7,445.00				185.88		7,630.88
Grand total for 3d quarter											424,356.99

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Represents refunds of unused per diem.

DANTE B. FASCELL, Chairman.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE JUDICIARY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. William J. Hughes	8/6	8/9	Korea		600.00				114.73		714.73
	8/9	8/13	Thailand		668.00						668.00
	8/13	8/15	Hong Kong		420.00				225.66		645.66
Military transportation							4,137.65				4,137.65
Hayden Gregory	8/6	8/9	Korea		600.00				114.73		714.73
	8/9	8/13	Thailand		668.00						668.00
	8/13	8/15	Hong Kong		420.00				225.66		645.66
Military transportation							4,137.65				4,137.65
Hon. Hamilton Fish, Jr	8/15	8/19	Poland		500.00						500.00
	8/19	8/26	Hungary		1,162.00				32.53		1,194.53
Commercial transportation							757.05				757.05
Hon. Howard Coble	9/29	9/29	El Salvador		([3])						
	9/29	10/1	Nicaragua		([3])						
Military transportation							3,911.18				3,911.18
Committee total					5,038.00		12,943.53		713.31		18,694.84

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] No per diem expense.

JACK BROOKS, Chairman, Oct. 31, 1989.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Bob McEwen	8/18	8/19	Morocco		96.00						96.00
	8/19	8/22	Turkey		525.00				118.92		643.92
	8/22	8/26	Poland		350.00						350.00
	8/26	8/27	Netherlands		328.00		[3] 4,206.00				4,534.00
Benjamin H. Grumbles	8/21	8/24	Canada		250.00		312.68				562.68
Richard J. Sullivan	8/6	8/9	Korea		600.00				114.73		714.73
	8/9	8/13	Thailand		668.00						668.00
	8/13	8/15	Hong Kong		420.00			[3] 4,137.65		225.66	4,783.31
Dorothy A. Beam	8/6	8/9	Korea		600.00				114.73		714.73
	8/9	8/13	Thailand		668.00						668.00
	8/13	8/15	Hong Kong		420.00		[3] 4,137.65		225.66		4,783.31
Cheri Lee Roe	8/6	8/9	Korea		600.00				114.73		714.73
	8/9	8/13	Thailand		668.00						668.00
	8/13	8/15	Hong Kong		420.00		[3] 4,137.65		225.66		4,783.31
Hon. Mel Hancock	7/28	7/28	Guatemala		149.00						149.00
	7/28	7/29	Nicaragua		95.00		[3] 2,820.56				2,915.56
Hon. Mike Parker	7/28	7/28	Guatemala		149.00						149.00
	7/28	7/29	Nicaragua		95.00		[3] 2,820.56				2,915.56
Hon. Bill Grant	9/8	9/8	El Salvador		([4])						
	9/8	9/9	Panama		([4])						
	9/9	9/10	Nicaragua		([4])		[3] 4,163.69				4,163.69
Hon. Wm. F. Clinger, Jr	6/30	7/2	Egypt		([4])						
	7/2	7/4	Israel		([4])						
	7/4	7/6	Italy		([4])						
	7/6	7/9	England		([4])		[3] 6,722.04				6,722.04

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1989—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Committee total					7,101.00		33,458.48		1,140.09		41,699.57

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military transport.
[4] Figures unavailable at this time. Will be submitted with an amended report as soon as they become available.

GLENN M. ANDERSON, Chairman, Oct. 30, 1989.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Robert A. Roe	8/6	8/9	Korea	400.200	600.00				114.73	400.200	714.73
	8/9	8/13	Thailand	17,081	668.00					17,081	668.00
	8/13	8/15	Hong Kong	3,278.10	420.00			1,453.87	225.66	4,731.97	645.66
Military air							4,137.65				4,137.65
Hon. Harold L. Volkmer	8/6	8/9	Korea	400,200	600.00				114.73	400.200	714.73
	8/9	8/13	Thailand	17,081	668.00					17,081	668.00
	8/13	8/15	Hong Kong	3,278.10	420.00			1,453.87	225.66	4,731.97	645.66
Military air							4,137.65				4,137.65
Hon. Dave McCurdy	8/6	8/9	Korea	400,200	600.00				114.73	400,200	714.73
	8/9	8/13	Thailand	17,081	668.00					17,081	668.00
	8/13	8/15	Hong	3,278.10	420.00			1,453.87	225.66	4,731.97	645.66
Military air							4,137.65				4,137.65
Hon. Ron Packard	8/6	8/9	Korea	400,200	600.00				114.73	400,200	714.73
	8/9	8/13	Thailand	17,081	668.00					17,081	668.00
	8/13	8/15	Hong Kong	3,278.10	420.00			1,453.87	225.66	4,731.97	645.66
Military air							4,137.65				4,137.65
Harold P. Hanson	8/6	8/9	Korea	400,200	600.00				114.73	400,200	714.73
	8/9	8/13	Thailand	17,081	668.00					17,081	668.00
	8/13	8/15	Hong Kong	3,278.10	420.00			1,453.87	225.66	4,731.97	645.66
Military air							4,137.65				4,137.65
Robert C. Ketcham	8/6	8/9	Korea	400,200	600.00				114.73	400,200	714.73
	8/9	8/13	Thailand	17,081	668.00					17,081	668.00
	8/13	8/15	Hong Kong	3,278.10	420.00			1,453.87	225.66	4,731.97	645.66
Military air							4,137.65				4,137.65
David D. Clement	8/6	8/9	Korea	400,200	600.00				114.73	400,200	714.73
	8/9	8/13	Thailand	17,081	668.00					17,081	668.00
	8/13	8/15	Hong Kong	3,278.10	420.00			1,453.87	225.66	4,731.97	645.66
Military air							4,137.65				4,137.65
Patricia Garfinkel	8/6	8/9	Korea	400,200	600.00				114.73	400,200	714.73
	8/9	8/13	Thailand	17,081	668.00					17,081	668.00
	8/13	8/15	Hong Kong	3,278.10	420.00			1,453.87	225.66	4,731.97	645.66
Military air							4,137.65				4,137.65
Robert E. Palmer	8/6	8/9	Korea	400,200	600.00				114.73	400,200	714.73
	8/9	8/13	Thailand	17,081	668.00					17,081	668.00
	8/13	8/15	Hong Kong	3,278.10	420.00			1,453.87	225.66	4,731.97	645.66
Military air							4,137.65				4,137.65
James R. Miller	8/6	8/9	Korea	400,200	600.00				114.73	400,200	714.73
	8/9	8/13	Thailand	17,081	668.00					17,081	668.00
	8/13	8/15	Hong Kong	3,278.10	420.00			1,453.87	225.66	4,731.97	645.66
Military air							4,137.65				4,137.65
Catherine Rawlings	8/6	8/9	Korea	400,200	600.00				114.73	400,200	714.73
	8/9	8/13	Thailand	17,081	668.00					17,081	668.00
	8/13	8/15	Hong Kong	3,278.10	420.00			1,453.87	225.66	4,731.97	645.66
Military air							4,137.65				4,137.65
Kathy Guilfoy	8/6	8/9	Korea	400,200	600.00				114.73	400,200	714.73
	8/9	8/13	Thailand	17,081	668.00					17,081	668.00
	8/13	8/15	Hong Kong	3,278.10	420.00			1,453.87	225.66	4,731.97	645.66
Military air							4,137.65				4,137.65
Martha Ralston	8/6	8/9	Korea	400,200	600.00				114.73	400,200	714.73
	8/9	8/13	Thailand	17,081	668.00					17,081	668.00
	8/13	8/15	Hong Kong	3,278.10	420.00			1,453.87	225.66	4,731.97	645.66
Military air							4,137.65				4,137.65
Hon. Norman Y. Mineta	8/7	8/9	Korea	133,400	200.00				114.73	133,400	314.73
	8/9	8/13	Thailand	17,081	668.00					17,081	668.00
	8/13	8/15	Hong Kong	3,278.10	420.00			1,453.87	225.66	4,731.97	645.66
Commercial air							928.00				928.00
Military air							2,068.83				2,068.83
Robert W. Matlin	8/8	8/9	Korea	133,400	200.00				114.73	133,400	314.73
	8/9	8/13	Thailand	17,081	668.00					17,081	668.00
	8/13	8/15	Hong Kong	3,278.10	420.00			1,453.87	225.66	4,731.97	645.66
Commercial air							1,219.00				1,219.00
Military air							2,068.83				2,068.83
Hon. James H. Scheuer	8/9	8/13	Thailand	17,081	668.00					17,081	668.00
	8/13	8/15	Hong Kong	3,278.10	420.00			1,453.87	225.66	4,731.97	645.66
Commercial air							2,820.00				2,820.00
Eileen Lee	9/2	9/9	England								
			Denmark	2,990	388.00					2,990	388.00
Commercial air											
Anthony C. Taylor	9/4	9/10	U.S.S.R		1,300.00						1,300.00
Commercial air							1,953.00				1,953.00
A. Scott Crossfield	9/4	9/10	U.S.S.R		1,300.00						1,300.00
Commercial air							1,953.00				1,953.00
James C. Greene	9/4	9/10	U.S.S.R		1,300.00						1,300.00
Commercial air							1,953.00				1,953.00
John D. Holmfeld	9/17	9/21	Netherlands		825.00						825.00
Committee total					30,721.00		68,753.11		5,331.51		104,805.62

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

ROBERT A. ROE, Chairman, Oct. 26, 1989.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, PERMANENT SELECT COMMITTEE ON INTELLIGENCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Anthony Beilenson	7/1	7/9	Europe		839.10		440.90		63.32		1,343.32
Military aircraft							5,424.93				5,424.93
Hon. Robert A. Roe	7/1	7/9	Europe		839.10		440.90		63.32		1,343.32
Military aircraft							5,424.93				5,424.93
Hon. Matthew F. McHugh	7/1	7/9	Europe		839.10		440.90		63.32		1,343.32
Military aircraft							5,424.93				5,424.93
Hon. Bernard J. Dwyer	7/1	7/9	Europe		839.10		440.90		63.32		1,343.32
Military aircraft							5,424.93				5,424.93
Hon. Charles Wilson	7/1	7/9	Europe		839.10		440.90		63.32		1,343.32
Military aircraft							5,424.93				5,424.93
Hon. Larry Combest	7/1	7/9	Europe		839.10		440.90		63.32		1,343.32
Military aircraft							5,424.93				5,424.93
Micheal J. O'Neil, staff	7/1	7/9	Europe		839.10		440.90		63.32		1,343.32
Military aircraft							5,424.93				5,424.93
Robert J. Fitch, staff	7/1	7/9	Europe		839.10		440.90		63.32		1,343.32
Military aircraft							5,424.93				5,424.93
Kenneth M. Kodama, staff	7/1	7/9	Europe		839.10		440.90		63.32		1,343.32
Military aircraft							5,424.93				5,424.93
Diane S. Dornan, staff	7/1	7/9	Europe		839.10		440.90		63.32		1,343.32
Military aircraft							5,424.93				5,424.93
Bernard Raimo, staff	8/12	8/18	Asia		1,014.00		D				1,014.00
	8/12	8/18	Asia		1,014.00						1,014.00
Commercial aircraft							1,791.00				1,791.00
Bernard R. Toon II	8/7	8/12	Europe		960.00						960.00
	8/18	8/20	Europe		960.00						960.00
	8/12	8/18	Asia		1,014.00						1,014.00
Commercial aircraft							1,791.00				1791.00
Hon. Bill Richardson	8/14	8/243	Asia		1,529.00		27.92				1,624.04
	8/24	8/27	Europe		510.00						510.00
Military aircraft							9,521.69				9,521.69
Hon. Barbara B. Kennelly	8/21	9/2	Asia		2,062.00						2,062.00
Military aircraft							6,152.00				6,152.00
Hon. Doug Bereuter	9/8	9/10	Central America		206.00						206.00
Military aircraft							3,701.05				3,701.05
Stephen D. Nelson, staff	9/8	9/10	Central America		206.00						206.00
Military aircraft							3,701.05				3,701.05
Committee total					16,436.00		85,344.01		700.32		102,480.33

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

ANTHONY C. BEILENSON, Chairman, Oct. 30, 1989.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1995. A letter from the Secretary, Department of Energy, transmitting the Department's annual report on program to assist homeless individuals, as a member of the Interagency Council on the Homeless, pursuant to Public Law 100-77, section 203(c)(1) (101 Stat. 487); Public Law 100-628, section 205 (102 Stat. 3228); to the Committee on Banking, Finance and Urban Affairs.

1996. A letter from the President, Oversight Board; Executive Director, Resolution Trust Corporation, transmitting the first report, submitted jointly, on the activities of the Board and the Corporation covering the period August 9, 1989, to September 30, 1989, pursuant to Public Law 101-73; to the Committee on Banking, Finance and Urban Affairs.

1997. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-107, Construction Codes Amendment Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1998. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 8-108, "District of Columbia Public School Firearm Prohibition Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1999. A letter from the Chairman, President's Cancer Panel, transmitting a copy of the Panel's 1988 annual report to the President, pursuant to 42 U.S.C. 285a-4(b); to the Committee on Energy and Commerce.

2000. A letter from the Chairman, Federal Election Commission, transmitting a report on the implementation of the Inspector General Act Amendments of 1988, pursuant to Public Law 100-504, section 111 (102 Stat. 2599); to the Committee on Government Operations.

2001. A letter from the Chairman, Securities and Exchange Commission, transmitting the Commission's report of its compliance with the provisions of the IG Act; Office of Inspector General officially established, pursuant to Public Law 100-504, section 111 (102 Stat. 2529); to the Committee on Government Operations.

2002. A letter from the Chairman, Federal Election Commission transmitting a report concerning the Presidential Election Campaign Fund, pursuant to 26 U.S.C. 9009(a)(5)(A); to the Committee on House Administration.

2003. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 3033. A bill to control the export, to countries pursuing or expanding the ability to produce or deliver chemical or biological weapons, of items that would assist such countries in acquring such ability, to impose sanctions against companies which have aided in the proliferation of chemical or biological weapons, to provide for sanctions against countries which use or prepare to use chemical or biological weapons in violation of international law, and for other purposes; with an amendment (Rept. 101-334, Pt. 2). Ordered to be printed.

Mr. BONIOR: Committee on Rules. House Resolution 285. Resolution waiving all points of order against the conference report on H.R. 2461 and against the consideration of such conference report (Rept. 101-335). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. UDALL. Committee on International and Insular Affairs. H.R. 2567. A bill to authorize additional appropriations for the construction of the Buffalo Bill Dam and Reservoir, Shoshone Project, Pick-Sloan Missouri Basin Program, Wyoming; with an amendment; referred to the Committee on Merchant Marine and Fisheries for a period ending not later than November 14, 1989, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(n), rule X (Rept. 101-336, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DIXON:

H.R. 3610. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1990, and for other purposes; to the Committee on Appropriations.

By Mr. FASCELL (for himself, Mr. BROOMFIELD, Mr. SMITH of Florida, Mr. FEIGHAN, Mr. GILMAN, Mr. ACKERMAN, Mr. JOHNSTON of Florida, Mr. MCCLOSKEY, Mrs. MEYERS of Kansas, Mr. GOSS, Mr. HAMILTON, Mr. YATRON, Mr. SOLARZ, Mr. WOLPE, Mr. GEJDENSON, Mr. DYMALLY, Mr. LANTOS, Mr. BERMAN, Mr. LEVINE of California, Mr. CLARKE, Mr. FUSTER, Mr. OWENS of Utah, Mr. ENGEL, Mr. FALEOMAVAEGA, Mr. BOSCO, Mr. PAYNE of New Jersey, Mr. LAGOMARSINO, Mr. LEACH of Iowa, Mr. ROTH, Mr. HYDE, Mr. SMITH of New Jersey, Mr. DEWINE, Mr. BURTON of Indiana, Mr. MILLER of Washington, Mr. DONALD E. "BUZ" LUKENS, Mr. GALLEGLY, Ms. ROS-LEHTINEN):

H.R. 3611. A bill to combat international narcotics production and trafficking; to the Committee on Foreign Affairs.

By Mr. ACKERMAN:

H.R. 3612. A bill to amend certain provisions of title 5, United States Code, relating to allowances for employees of the United States Government serving abroad, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BOSCO (for himself, Mr. FAZIO, and Mr. HERGER):

H.R. 3613. A bill to establish an Upper Sacramento River Fishery Resources Restoration Program; jointly, to the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs.

By Mr. HAWKINS (for himself, Mr. FORD of Michigan, Mr. MILLER of California, Mr. KILDEE, Mr. MARTINEZ, Mr. OWENS of New York, Mr. HAYES of Illinois, Mr. PERKINS, Mr. SAWYER, Mr. PAYNE of New Jersey, Mrs. LOWEY of New York, Mr. POSHARD, Mrs. UNSOELD, Mr. RAHALL, and Mr. FUSTER):

H.R. 3614. A bill to amend the Drug-Free Schools and Communities Act of 1986 to revise certain requirements relating to the provision of drug abuse education and prevention programs in elementary and secondary schools, and for other purposes; to the Committee on Education and Labor.

By Mr. LIPINSKI (for himself, Mrs. COLLINS, Mr. HAYES of Illinois, Mr. HYDE, Mr. POSHARD, Mr. SAVAGE, Mr. SANGMEISTER, and Mr. YATES):

H.R. 3615. A bill to amend the Solid Waste Disposal Act to require treatment of medical waste; to the Committee on Energy and Commerce.

By Mr. LOWERY of California (for himself, Mr. DYMALLY, Mr. BERMAN, Mr. DE LA GARZA, Mr. PACKARD, Mr. LEHMAN of Florida, Mr. BUSTAMANTE, Mr. HUNTER, Mr. COLEMAN of Texas, and Mr. HAWKINS):

H.R. 3616. A bill to amend the Public Health Service Act to establish a program of formula grants for compensating certain trauma care centers for unreimbursed costs incurred with respect to undocumented aliens; to the Committee on Energy and Commerce.

By Mr. NIELSON of Utah (for himself, Mr. HANSEN, and Mr. OWENS of Utah):

H.R. 3617. A bill to transfer jurisdiction of certain public lands in the State of Utah to the Forest Service, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Agriculture.

By Mr. OBERSTAR:

H.R. 3618. A bill to authorize the lease of lands on the Mille Lacs Indian Reservation for a term not to exceed 99 years; to the Committee on Interior and Insular Affairs.

By Mr. OWENS of New York:

H.R. 3619. A bill to amend the Drug-Free Schools and Communities Act of 1986 to revise certain requirements relating to grants to States and local educational agencies under such Act; to the Committee on Education and Labor.

By Mr. RHODES (for himself, Mr. UDALL, and Mr. STUMP):

H.R. 3620. A bill to clarify the Food Security Act of 1985; to the Committee on Agriculture.

By Mr. RINALDO (for himself, Mr. MICHEL, Mr. ROYBAL, Mr. LENT, Mr. MADIGAN, Mr. ARCHER, Mr. JAMES, Mr. HASTERT, Mr. DICKINSON, Mr. COURTER, Mr. PETRI, Mr. PACKARD, Mr. SAXTON, Mr. RITTER, Mr. GALLO, Mr. ANDERSON, Mr. CROCKETT, Mr. MCEWEN, Mr. HILER, Mr. WOLF, Mr. TAUKE, Mr. STAGGERS, Ms. OAKAR, Mr. BOEHLERT, Mr. HUGHES, Mr. JONTZ, Mrs. COLLINS, and Mr. FORD of Tennessee):

H.R. 3621. A bill to amend the Internal Revenue Code of 1986 to encourage the coverage of older Americans by private long-term care insurance; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. SAXTON:

H.R. 3622. A bill to require that the parents or legal guardians of a minor consent to the issuance of a passport to that minor; to the Committee on Foreign Affairs.

By Mr. SAXTON (for himself, Mr. GEKAS, Mr. SENSENBRENNER, Mrs. MARTIN of Illinois, Mr. PENNY, Mr. ARMEY, Mr. RICHARDSON, Mr. FUSTER, and Mr. BUSTAMANTE):

H.R. 3623. A bill to amend title 18, United States Code, to provide penalties for international parental abduction of children, and for other purposes; to the Committee on the Judiciary.

By Mr. STARK (for himself, Mrs. BOXER, Mr. ROYBAL, and Ms. PELOSI):

H.R. 3624. A bill to provide for the establishment of earthquake construction standards and to amend the Internal Revenue Code of 1986 to deny certain tax benefits with respect to structures which do not meet those standards; jointly, to the Committees on Interior and Insular Affairs; Ways and Means; Banking, Finance and Urban Affairs; and Public Works and Transportation.

By Mr. UDALL (for himself, Mr. GONZALEZ, Mrs. BOGGS, Mr. GILMAN, Mr. FISH, Mr. PAXON, and Mr. PICKLE):

H.R. 3625. A bill to award a congressional gold medal to Laurance Spelman Rockefeller; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. UNSOELD:

H.R. 3626. A bill to amend the Drug-Free Schools and Communities Act of 1986 to establish additional requirements with respect to elementary and secondary drug abuse education and prevention programs; to the Committee on Education and Labor.

By Mr. WATKINS:

H.R. 3627. A bill to require the Resolution Trust Corporation to establish a strategy for disposing of assets in economically distressed areas, to amend the Internal Revenue Code of 1986 to exempt from taxation the dividends received from real estate investment trusts established exclusively to purchase and hold assets from the Resolution Trust Corporation or the FSLIC Resolution Fund, and for other purposes; jointly, to the Committees on Ways and Means and Banking, Finance and Urban Affairs.

By Mr. DREIER of California:

H. Con. Res. 223. Concurrent resolution expressing the sense of the Congress that the Government of the United Kingdom should not institute a policy of involuntary repatriation for the Vietnamese boat people in Hong Kong who have been denied refugee status by the screening program supervised by the United Nations High Commissioner for Refugees; to the Committee on Foreign Affairs.

By Mr. COLEMAN of Texas:

H. Con. Res. 224. Concurrent resolution expressing the sense of the Congress with respect to the use of the most recent census data in connection with the distribution of Federal assistance; to the Committee on Government Operations.

By Mr. HOYER:

H. Res. 284. Resolution designating membership on certain standing committees of the House; considered and agreed to.

MEMORIALS

Under clause 4 of rule XXII,

301. The SPEAKER presented a memorial of the 20th Guam Legislature of Guam, relative to a ban of drift gillnets in the Pacific Ocean; to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 83: Mr. SMITH of Vermont.

H.R. 85: Ms. SLAUGHTER of New York.

H.R. 287: Mr. YATRON, Mr. ARMEY, Mr. TOWNS, Mr. HANCOCK, Mr. FUSTER, Mr. JONTZ, Mr. MARTINEZ, Mr. EVANS, Mr.

CARDIN, Mr. DYSON, Mr. MFUME, and Mr. FAZIO.

H.R. 614: Mr. PORTER and Mr. ROSE.

H.R. 615: Ms. SLAUGHTER of New York.

H.R. 1057: Mr. TORRES, Mrs. SCHROEDER, Mr. YATES, Mr. FAUNTROY, Mr. WILSON, Mr. SABO, Mr. CONYERS, Mr. BILBRAY, Mr. FROST, Mr. MARKEY, Mr. PAYNE of New Jersey, and Mr. OWENS of New York.

H.R. 1109: Mr. JOHNSON of South Dakota.

H.R. 1159: Mr. JOHNSON of South Dakota.

H.R. 1292: Mr. GALLO.

H.R. 1438: Mr. MICHEL.

H.R. 1515: Mr. GEREN.

H.R. 1746: Mr. FOGLIETTA.

H.R. 1875: Mr. MCCOLLUM.

H.R. 2096: Mr. LANCASTER.

H.R. 2202: Mr. ESPY, Mr. FAZIO, Mr. GONZALEZ, and Mr. JENKINS.

H.R. 2288. Ms. SLAUGHTER of New York, Mr. OBERSTAR, Mr. RANGEL, Mr. BOUCHER, Mr. ROSE, Mr. VENTO, Mr. BERMAN, Mr. KOSTMAYER, Mr. DURBIN, Mr. GORDON, Mr. LIGHTFOOT, and Mr. WISE.

H.R. 2529: Mr. ESPY and Mr. ENGEL.

H.R. 2545: Mr. CLINGER.

H.R. 2596: Mrs. LOWEY of New York, Mr. SCHUMER, Mr. ENGEL, and Mr. LEWIS of California.

H.R. 2674: Mr. CHAPMAN.

H.R. 2789: Mr. CAMPBELL of Colorado, and Mr. ROE.

H.R. 2852: Mr. VENTO.

H.R. 2881: Mr. JAMES, Mr. SMITH of New Jersey, and Mr. LANCASTER.

H.R. 2972: Mr. DERRICK, Mr. STOKES, Mr. POSHARD, Mr. VALENTINE, Mr. PAYNE of New Jersey, Mr. HILER, and Mr. WALSH.

H.R. 3095: Mr. SIKORSKI.

H.R. 3131: Mr. TORRICELLI, Mr. AUCOIN, Mr. LANTOS, and Mr. MILLER of Washington.

H.R. 3290: Mr. DELLUMS and Mrs. BENTLEY.

H.R. 3359: Mr. MARKEY.

H.R. 3376: Mr. HORTON.

H.R. 3380: Mrs. KENNELLY, Ms. PELOSI, Mr. CAMPBELL of Colorado, Mr. RAY, Mr. SARPALIUS, Mr. POSHARD, Mr. JAMES, Mr. VENTO, Mr. SLATTERY, Mr. KANJORSKI, Mr. FAZIO, Mr. GOSS, Mr. HANCOCK, Mr. LANCASTER, Mrs. MEYERS of Kansas, Mr. ROWLAND of Georgia, Mr. GARCIA, Mr. PAXON, Mr. LEWIS of Florida, Mr. BUECHNER, Mr. LEVINE of California, Mr. MILLER of Washington, Mr. MCDADE, Mr. TORRES, and Mr. YATRON.

H.R. 3386: Mr. WALSH, Mr. SAXTON, Mr. GRAY, Mr. STOKES, Mr. ROE, Mr. OBERSTAR, and Mr. INHOFE.

H.R. 3412: Mr. MOAKLEY, Mr. MORRISON of Connecticut, and Mr. TOWNS.

H.R. 3428: Mr. ROSE and Mr. PAYNE of New Jersey.

H.R. 3429: Mr. LENT.

H.R. 3452: Mr. BATEMAN.

H.R. 3485: Mr. PAYNE of Virginia, Mr. ARMEY, Mr. WISE, Mr. PAYNE of New Jersey, Mr. PETRI, and Mr. SMITH of New Jersey.

H.R. 3487: Mr. VENTO, Mr. JOHNSTON of Florida, Mr. LANCASTER, Mr. AUCOIN, Mr. DEFAZIO, and Mr. CHAPMAN.

H.R. 3512: Mr. WEBER and Mr. HUGHES.

H.R. 3539: Mr. CONDIT, Mr. MOORHEAD, Mr. SENSENBRENNER, Mr. CHAPMAN, Mr. APPLEGATE, Mr. SKEEN, Mr. PAXON, Mr. EMERSON, and Mr. NIELSON of Utah.

H.R. 3561: Mr. EMERSON.

H.R. 3562: Mr. BATES.

H.R. 3587: Mr. FUSTER, Mr. POSHARD, and Mr. WILSON.

H.R. 3607: Mr. SHAW and Mrs. KENNELLY.

H.J. Res. 122: Mr. DIXON, Mr. COSTELLO, Mr. GONZALEZ, Mr. FRENZEL, Mr. OBERSTAR, and Mr. BAKER.

H.J.Res. 409: Mr. COOPER.

H.J. Res. 421: Mr. TALLON, Mr. GEREN, Mr. MILLER of Washington, Mr. MURTHA, Mr. NATCHER, Mr. HAYES of Illinois, Mr. HILER, Mr. WOLF, Mr. STUMP, and Mr. SKEEN.

H. Con. Res. 23: Mr. PAYNE of New Jersey.

H. Con. Res. 124: Mr. TOWNS, Mr. DELLUMS, and Mr. GONZALEZ.

H. Con. Res. 220: Mr. ACKERMAN, Mr. LIPINSKI, Mrs. MORELLA, Mr. RAHALL, Mr. SANGMEISTER, and Mr. WYDEN.

H. Res. 247: Mr. SCHAEFER, Mr. BURTON of Indiana, Mr. DELAY, and Mr. BUNNING.

H. Res. 269: Mr. BROOMFIELD, Mr. LAGOMARSINO, and Mr. CRANE.

EXTENSIONS OF REMARKS

EXPORT 89

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. IRELAND. Mr. Speaker, the first ever trade fair held exclusively for small business was recently held in Frankfurt, West Germany October 25 through October 28, 1989. This conference and trade fair was jointly sponsored by the U.S. Department of Commerce, MESSE Frankfurt, and the Small Business Private Sectors in the United States and the European Community. It appears the conference was a great success both on the business and policy levels.

I would first like to publicly thank Representative ROMANO MAZZOLI of Kentucky for attending Export 89 in my place. Due to a last minute family illness I had to cancel my travel plans and on a virtual moment's notice RON MAZZOLI rescheduled his entire weekend and flew to Frankfurt. A long time friend and champion of small business, RON MAZZOLI, was warmly received in Frankfurt. His appearance and personal meetings with all our exhibitors were an inspiration to all the small businesses both American and European who participated. Later, he conducted several ground breaking meetings in Brussels with our Ambassador to the European Community and later with members of the European Commission and the European Parliament. We all owe Representative MAZZOLI a great debt of sincere thanks.

I would also like to publicly thank several individuals who played major roles in the development of Export 89. Miss Helen Burroughs, a tried and true public servant at the Department of Commerce, did a remarkable job in pulling the event together. Mr. Thomas S. Watson, Jr., chairman of the Industry Sector Advisory Committee on Small and Minority Business and all the members of this committee performed admirably both in the arrangement process for Export 89 and in the conference held there. Our Ambassador to the European Community, the Honorable Thomas Niles, was extremely helpful to all parties concerned as was his Economic Assistant, Mr. Paul Bagettas, without whose herculean efforts our congressional delegation may not have been able to attend the Frankfurt event.

On the European side I would be remiss if I did not thank a few individuals who were also instrumental in both the planning and production stages. First, the members of the European group for Small Business and Craft—the president, Mr. William Oliver, a businessman who devoted great time and resources to this event and very ably coordinated the activities for the closing ceremonies. The vice president of Eurogroup, a member of the European Parliamenrt, Dr. Ingo Friedrich who spent many hours in the last year coordinating the American and European small business communities as well as serving as liaison with other European Parliament members. Unfortunately, Dr. Friedrich became ill during Export 89 and I wish him a very speedy recovery. The able Administrator of Eurogroup, Mr. Hans-Hermann R. Heyland, displayed an extraordinary ability to coordinate varying activities and at the same time was able to monitor even the smallest developments during the conference. Mr. Heyland also was most cordial in hosting a dinner in Brussels for the American delegation. Also of extraordinary assistance to the Frankfurt event was Mr. Hans-Wilhelm Dunner, the executive director of BDS, a major West German small business organization. Mr. Dunner made several trips to the United States over the recent months and at Export 89 in Frankfurt had assembled his entire staff to work with any small business man or woman who needed assistance. All of the aforementioned individuals, both American and European are owed a major debt of gratitude by millions of small businesses on both sides of the Atlantic who will benefit enormously in the coming years by the work these people have just done.

Mr. Speaker, plans are under way to coordinate a similar event here in the United States in 1990 followed by a 1991 European event which even the Eastern block nations have now expressed an interest in. I intend in the future to work with our Government and the private sector to insure the success of such events and to further solidify the entrepreneurial bond between the United States and our friends and allies in Europe. Finally, Mr. Speaker, I am pleased to be able to share with all my colleagues the final Export 89 Conference results. I believe all members will find this document very intriguing to say the least.

EXPORT 89 CONFERENCE RESULTS

PROPOSALS FOR INCREASING THE TRADE FLOW BETWEEN THE US AND THE EC

Believing that there is a major potential for the further development of small business trade between the US and the EC, the EXPORT 89 Conference decided upon the following proposals:

1. Create a US-EC Small Business Trade Council. The Conference creates an ad-hoc Working Group composed of interested members of the US and EC EXPORT 89 Steering Committees and other small business representatives to work out its mechanism. This council will have a presence on both sides of the Atlantic. Its tasks will cover:

Assisting small business members to identify potential trade and investment partners;

Providing market information;

Organising future EXPORT Conferences;

Organising training programmes and seminars;

Creating a permanent US and EC data base on information on export and export cooperation which grants easy access for small businesses;

Advocating the institution of worthwhile programmes for small exporters in the private and public financing sectors;

Promoting by the US and the EC Administrations a training and exchange programme for small business persons between the EC and the US to develop business opportunities and to become acquainted with the philosophies and business practices in both markets.

2. The US and the EC small business communities support the creation of a free trade environment between the EC and the US. Priority attention should be given to the following actions:

Mutual acceptance of professional, educational and technical qualifications in the US and the EC;

Simplification and harmonisation of export and import licensing procedures;

US and EC environmental, safety and technical standards should be mutually acceptable where applicable and efforts be made to harmonise those standards that are considered incompatible;

US and EC entities should refrain from using or constructing standards that are designed and or implemented to serve as barriers. The standards include those on

Language, nomenclature and symbols;

Dimensions;

Performance and

Testing and certification procedures.

Create standard setting procedures that are transparent and allow timely and effective input from affected SMEs.

Work to elimínate problems with product liability on both sides through harmonising legislation.

Establish an Agency of Arbitration to settle tariff and nontariff trade action disputes under rapid procedures with straightforward, binding resolutions.

Simplification of access to transport, money and capital markets and facilities in order to ease trading conditions.

3. The small business participants in the EXPORT 89 Conference encourage both the EC and the US Government to pursue a policy of open markets in the GATT and in the ongoing Uruguay Round. Specifically, GATT negotiations in the Uruguay Round should incorporate in their intellectual property rights and dispute settlement procedures measures that will include special protection for small and medium-sized businesses.

4. On the issue of protection of intellectual property rights, the Conference makes the following recommendations to the US and the EC governments:

Create equal, clear and simple standards and controls of intellectual property rights in the EC and the US at bearable cost for small businesses. This should cover:

Unified and simplified registration procedures,

Mutual registration of intellectual property rights with national customs authorities,

Create a working group of US/EC experts to study the most efficient administrative procedures for resolving intellectual property disputes between US and EC companies.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

THE EDUCATION SUMMIT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, November 8, 1989, into the CONGRESSIONAL RECORD.

THE EDUCATION SUMMIT

The recent education summit at the University of Virginia marks an historic change in how America approaches education. The President and the nation's governors recognized that more of the same towards education is not enough, and they endorsed national education goals for the first time in the history of this country. Attention has focused on education since the publication of "A Nation At Risk" by the Department of Education in 1983. This report deplored the rising tide of mediocrity in the schools and called for tougher high school graduation requirements, more core academic courses, higher teacher salaries, and other measures. Nevertheless, students still perform at levels below that of the 1960s, and often leave school without adequate job skills or basic knowledge. American students rank in the lowest tier among industrialized nations in math and science. This threatens the nation's security and its future.

Once America's system of education was the envy of the world. This nation understood that its children and their education were not simply part of the future, they were the future. America ignores its schools at its own peril. No amount of money spent on weapons will buy security without people capable of using them effectively. Democracy itself cannot be sustained without citizens who understand future choices.

Competitive pressures of a global economy have made the quality of state and local education a national concern for the first time. President Bush and the governors agreed to improve our nation's performance in the following areas: the readiness of all children to start school; the performance of students on international tests; the reduction of the dropout rate; the functional literacy of adult Americans; the training necessary for a competitive work force; the supply of qualified teachers and technology; and the establishment of safe, disciplined, and drug-free schools.

Previously, the federal government had seen its primary goal as ensuring equal access and opportunity to education. The United States government alone among industrialized nations had no national policy to ensure the quality of education its students received. Now the federal government also will focus on the education system itself and the standards that system should meet. During the summit, the President and several governors discussed a series of proposals intended to restructure and improve American education:

The Federal Pre-school Role: The question of the extent of federal funding for reform has been laid aside, at least for now. Funding education is primarily a state and local issue, with Washington accounting for less than ten percent of spending on public education. A consensus is emerging that the federal government should focus on improving health and nutrition programs for preschoolers, such as through Head Start. By the time many children arrive in kindergarten it is already too late to do much more than damage control.

More Flexible Federal Rules: There was also general agreement that federal regulations should be loosened. For example, current federal regulations prohibit computers purchased for disadvantaged students to be used for evening adult education. Now, results will be emphasized more than regulations. The goal is to reduce federal controls, and increase the opportunity for states and local school districts to develop their own guidelines.

Parental Choice: The President and the governors considered a proposal to allow parents to decide which school their children attend. Increased competition could force schools to provide a better education lest they lose students. Critics, however, argue that parents would take their tax dollars out of minority-dominated schools. The result could be a two-tier school system: one for children whose parents can afford to send them to other school districts and another for students whose families cannot afford the opportunity.

New Routes To Teaching: Also discussed was a suggestion to increase the ability of college graduates without education degrees to enter teaching. A number of states have eased training and certification requirements for teachers. The result has been an inflex of new blood in the classroom—relieving teacher shortages and attracting new talent. Yet some are concerned that unqualified teachers could enter the school system.

Decentralized School Management: Another proposal would decentralize the management of schools to provide parents, principals, and teachers with more control over the school system. Those closest to, and with the most interest in, a school system could be given more control over day-to-day decisions, such as decisions on the budget, staffing, and curriculum.

Accountability: A final suggestion would institute more accountability for teachers and students. Teachers and administrators should answer for poor performance. Evaluations could be based on academic results, not on the extent to which legislative or school-board requirements are met. In addition, pupils would have to pass minimum competency tests before being promoted or permitted to graduate. Some experts are concerned, though, that such provisions would encourage teachers and students to concentrate solely on the information needed to pass yearly exams rather than learning in general.

Many of these suggested reforms are not expensive. Raising the expectations of students costs nothing at all; neither does encouraging parents, administrators, and teachers to take a greater interest in the education system. States and communities, however, should be prepared to address funding and resource questions.

In sum, the education summit said that schools need specific goals, schools and teachers need more freedom in how to pursue these goals, and more scrutiny should be given to whether the goals are being met. It is one thing to call a summit on education and to state goals. It is quite another to follow through with ideas, support, and funds. That is the task that lies ahead.

A TRIBUTE TO CARMEN VACALEBRE

HON. JOHN G. ROWLAND

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. ROWLAND of Connecticut. Mr. Speaker, I would like to take this moment to honor an outstanding citizen from my home State of Connecticut. Recently, Mr. Carmen Vacalebre of Southbury, CT, received the "Restaurant of the Year" award from the Atlanta-based Arby's Inc. at their recent 1989 annual convention.

For over 20 years, Mr. Vacalebre's performance record in the Connecticut restaurant business has been exemplary. In addition to the award-winning Waterbury Arby's, he is the owner of seven other Arby's and employs over 200 people from the Waterbury community and outlying areas. He skills as an administrator and manager of this franchise reflect his continuing commitment to the Arby's operation. Carmen's continual success can be attributed to his strong support for and promotion of the principles which foster excellence.

I am pleased to join Carmen's friends and colleagues in applauding a lifetime of achievement, and I commend Arby's Inc. for bestowing this honor on this great American.

NATIONAL ALZHEIMER'S AWARENESS MONTH

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. LAGOMARSINO. Mr. Speaker, several years ago the CBS television network presented a made for TV movie entitled "Do You Remember Love?" which starred Joanne Woodward and Richard Kiley. Any of my colleagues who had the opportunity to view this show know how devastating the effects of Alzheimer's can be on not only the victims but also on the victim's family and friends as this was so accurately and touchingly portrayed in this show. Similarly, in a real life scenario, we have only to look to Rita Hayworth to be reminded of how cruel this disease can be. Princess Yasmin Kahn, who is the daughter of Rita Hayworth, has worked tirelessly in behalf of her mother's memory in trying to find a cure for Alzheimer's. Rita Hayworth was misdiagnosed as a hopeless and hapless alcoholic when she was in her mid-forties. It was not until years later that she was finally vindicated and it was discovered that she was a victim of this cruel disease. In her case it was doubly cruel since the onset of Alzheimer's usually does not begin until later in life after the age of 65.

It is truly one of the most heartbreaking of diseases. When one considers that as this disease progresses, it robs an individual of his/her entire life by slowly taking away short and long term memory. What is left is the shell of a human being, who in the most advanced stages, is left totally dependent upon

others for even the simplest of daily functions. The totally unrelentless manner in which this disease claims its victims is unfathomable. It is a nightmare to those who have watched their loved ones suffer the ravages of this disease. It is imperative that we continue to focus public attention on Alzheimer's and to find a cure. Therefore, I am pleased to have been a cosponsor of this resolution designating the month of November as National Alzheimer's Disease Month. It is important to remember that Alzheimer's does not discriminate and claims both males and females and knows no ethnic or racial barriers in choosing its victims. We must find a cure because as the Nation's elderly population continues to grow so will the number of victims to this disease. The monetary and emotional cost this disease exacts upon the families of the victims as well as to society as a whole is staggering. It is imperative that the work which has begun continues to receive the support which is needed to insure that a breakthrough is made so that this type of suffering will no longer have to be endured.

H&M RANKS AMONG NATION'S BEST

HON. JOHN S. TANNER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. TANNER. Mr. Speaker, I rise today to recognize H&M Construction Co. now located in Jackson, TN. H&M just moved its headquarters from Milan, TN where it has operated for the past 30 years to a new facility in Jackson.

The growth and success of this company is an example of what an entrepreneur can achieve in our free enterprise system if that entrepreneur is dedicated to quality, hardwork, and imagination. Three brothers David, Richard, and Lee Fite have taken the lessons they learned from their father Charles R. Fite and built upon his success in making H&M Construction a distinguished construction company.

From austere beginnings, the company has grown to be ranked by Engineering News Record as the 237th of 400 top construction firms in the country. It counts blue chip industrial leaders among its clients.

As it has grown, H&M has never forgotten its roots. It has remained in west Tennessee because the Fite family is committed to the area they proudly call home. They want their success as a company to be matched by contributions to making our area a better place to live.

I want to offer my congratulations to the Fite brothers for the success they have worked so hard to achieve and to extend my gratitude to them for their loyal dedication to Tennessee.

I would like to take this opportunity to share with my colleagues an article which recently appeared in the Jackson Sun newspaper which further details the success of H&M Construction Co.

H&M RANKS AMONG NATION'S TOP CONSTRUCTION COMPANY MOVES TO JACKSON TO ATTRACT MORE TALENT

(By Mary Grunwald)

Fifteen or 20 years ago, when Richard Fite started working for his dad, H&M Construction Co. was about a $20 million operation.

"We'd sit around in Daddy's office, and Daddy would say, 'We've got the people here to be a $100 million company.' And I just thought he was crazy," says Fite, executive vice president of the company.

Daddy was right on the money.

Today, H&M indeed generates annual revenue of $100 million. It's ranked 237th among the nation's top 400 construction companies by Engineering News Record; it's licensed to do business in 26 states.

Last month the company moved from Milan to new, 24,000-square-foot headquarters on Security Drive, off U.S. 45 Bypass just inside Jackson's northern limit.

"To attract the talent that we needed, we needed to be in a larger city," said David Fite, Richard's brother, who is president of the company.

A third Fite brother, Lee, earlier this year joined the estimating department of the company, founded 30 years ago by J. Frank Warmath of Humboldt—"H"—and Charles R. "Chicken" Fite of Milan—"M."

H&M broke into the big time when Charles Fite's sketch on a napkin won the favor of ITT executives preparing to locate a plant in Milan.

"We started out probably statewise and we grew from there to the surrounding states," says David Fite. "Our network got bigger, our information network. Customers began to take us places. The concentration (in West Tennessee) is because it's our home base."

A willingness to gamble made the company what it is today, David Fite said.

"Construction people are like the old mavericks of the oil industry," he said. "There's a lot of independence and a lot of risk-taking. You can't live conservatively and succeed in the construction business. Expertise is in knowing what your risks are and limiting them.

"We've taken some risks here we wouldn't have taken elsewhere, because this is our home."

For example, cooperating with the Jackson Area Chamber of Commerce, H&M built a speculation building at the new industrial park on U.S. 70 to help lure Bobrick Washroom Equipment to Madison County—a gambit that paid off last month when Bobrick announced it's bringing a distribution and customer service center there.

"There are some scary moments through it," David Fite said. "We wouldn't have made some speculative investments anywhere but here. And the reason we did it here is because we thought (the region) would succeed in getting industrial prospects in those buildings."

The company was construction manager for school systems projects in Tennessee totaling more than $100 million. Yet "industry has always been our bread and butter," Richard Fite said.

Recent major H&M projects have included a parts distribution center for General Motors in Fort Worth, Texas; a sophisticated electronics plant for Boeing Military Electronics in Corinth, Texas; and additions to the Federal Express sorting building in Memphis.

Still, local business is critical to the company, the Fite brothers say. "It'd be real nice if all of our work was within a 100-mile radius," said Richard Fite.

Employees are quick to praise H&M. "I don't think there's any better construction company in the world," said projects superintendent Paul Finley, an employee of 30 years.

So are contractors, Mike Gately, of Mid-States Electric, loves working for H&M. "They know what they're doing," he says.

The Fites like to give employees their heads. "There really are a lot of strong personalities," says Richard Fite. "We let people use their abilities. There's no bureaucratic red tape. There are no reserved parking spaces.

"Our dad would lose money before he would have a layoff." Richard said. "He just thought that much of his people. In the long run, it paid off. The people knew what he was doing, and they didn't mind putting in extra effort. It's a philosophy David and I have tried to keep."

The company employs 75 people; Owens Engineering, separate corporation that designs most of H&M's projects, employs 20.

As for the future, H&M is striving for controlled growth, David Fite says. "For us to compete with larger and larger firms, we have to have more capability and more expertise in our employees.

"We were competing against some little guys 25 years ago, and we were a little guy. We grew up, and we're competing now with some of the largest and most sophisticated construction companies in the country.

"To do that, we have to match their capabilities or exceed them."

TRIBUTE TO EDWARD T. ZANDARSKI

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Edward T. Zandarski, Sr., who has been elected Man of the Year for the State of Ohio by the Polish Legion of American Veterans. A banquet will be held for Mr. Zandarski on November 12, honoring him for his many accomplishments and contributions to his community and country.

Edward Zandarski was raised in Orwell and Warren, OH. He is the husband of Rose Zandarski and father to three sons. He received a degree from Commercial Trades Institute in 1948, and worked as a company trained certified factory agent for seven different appliance companies throughout his career.

Mr. Zandarski's military career went from 1943 to 1948. During this time, he was trained in engineering at Fort Belvoir, VA, and served in the European theatre of operation. His incredible courage was evidenced in his participation in the Normandy invasion. His abilities as a soldier and his bravery helped him attain five battle stars during World War II.

Today Edward Zandarski is an active member of the Polish Legion for American Veterans. He has been a member of Post 164 in Warren, OH, since 1963. He has served in various positions there and has been commander since 1979.

In addition to his work in the P.L.A.V., Mr. Zandarski is a Veterans' Administration volun-

teer service deputy at Erie Veteran Hospital. He also volunteers for Trumbull County Children Services.

Mr. Speaker, I would like to take this opportunity to congratulate Edward T. Zandarski, Sr., for his impeccable record of service. He is a compassionate, dedicated, and giving man who is deserving of great praise. We are deeply indebted to him for the work he has done in our State for veterans and children. He is a perfect example of selfless living, and I am honored to represent him.

AID REVIEW OF UNFPA PROGRAM FOR COMPLIANCE WITH U.S. LAW AND POLICY

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. GREEN. Mr. Speaker, in 1985, when then-U.S. Agency for International Development Administrator M. Peter McPherson announced the decision to begin withholding part of the U.S. contribution to United Nations Fund for Population Activities [UNFPA], he made it clear that AID's own internal review of the UNFPA Program had "demonstrated satisfactorily that UNFPA neither funds abortions nor supports coercive family planning practices through its programs."

The following report summary, prepared by AID in 1985, is still relevant to policy questions facing the Congress in 1989, and I hope that my colleagues will take careful note of the facts regarding UNFPA, as outlined by AID:

EXECUTIVE SUMMARY—A.I.D. REVIEW OF UNFPA PROGRAM FOR COMPLIANCE WITH U.S. LAW AND POLICY, MARCH 1985

In August, 1984, the United States accepted the assurances of the United Nations Fund for Population Activities (UNFPA) that its programs did not support abortion activities or coercive family planning programs and, in view of this finding, completed its 1984 contribution to the Fund. At the same time, the United States advised UNFPA that is 1985 contribution would be preceded by a review of UNFPA assistance to ensure that the use of U.S. funds in 1985 would be fully in compliance with U.S. law and policy.

The findings of the A.I.D. review are as follows:

(1) UNFPA policy documents have been revised to clearly exclude support for abortion and to reaffirm the requirement that program receiving assistance respect the basic right of couples and individuals "to decide freely and responsibly the number and spacing of their children and to have the information, education, and means to do so". UNFPA's Executive Director Salas has formally stated in a letter to Ambassador Kirkpatrick that "the Fund does not support abortion as a method of family planning nor does it sanction—now has it ever sanctioned—coercion in the implementation of family planning programs".

(2) UNFPA country assistance is limited to support for specific activities; general support, used at the discretion of the host country, is not provided. Consequently, there is a clear accounting trial for UNFPA assistance that facilitates a compliance review.

(3) UNFPA has issued clear program guidance that excludes support for abortion or coercive activity. Where countries provide public abortion services, UNFPA officials have informally advised these governments that its assistance cannot be used for this purpose. UNFPA believes that, in many instances, countries have requested its family planning assistance to provide an alternative to abortion.

(4) There is no evidence that UNFPA is intentionally or actually promoting or supporting abortion in any country, either in its 1984 program or in its proposed 1985 commitments.

(5) In the case of China,

UNFPA excludes salary payments to local personnel in China. Chinese program workers providing abortion services are not funded by UNFPA.

UNFPA-supported training programs exclude abortion training. Management training exposes Chinese officials to the management approaches used in voluntary programs in other Asian countries.

Research training provides fellowships, consultancies and equipment basic to the study of pre-conceptive methods. Research on post-conceptive methods is not supported by UNFPA.

Population education and communication assistance provides consultancies and materials used to persuade Chinese couples of the need for a one-child norm and its contribution to a better family life. Materials stress the value of female children to counter traditional biases.

This review concludes that UNFPA does not support abortion or coercion through the programs that our 1985 contribution would help fund. Its program is substantially in compliance with U.S. law and policy on population assistance.

Despite those facts, the United States has completely withheld its UNFPA contribution since 1986.

The global overpopulation problem has not gone away. During the industrial revolution, the world had approximately 500 million people. Today there are over 5 billion people, with 93 million more added every year. Without strong leadership supporting voluntary international family planning programs, experts predict that in just 35 years the world's population is likely to double in size to 10 billion.

Many environmental, economic, and health problems facing our world can be directly related to rapid population growth. Global warming, stagnating economies in developing countries, teen pregnancy, and high maternal death rates all relate to overpopulation.

Despite the urgency of those problems, in recent years the United States has weakened its commitment to voluntary family planning programs. In fiscal 1985, population assistance represented 14.3 percent of our Nation's development assistance. By fiscal year 1989, that amount had fallen to 11 percent.

Voluntary family planning services save lives. Experts estimate that the lives of 5.6 million children and 200,000 women could be saved each year if all the women who wanted to limit their families had access to family planning. The World Health Organization estimates that most of those 200,000 women who die each year are the victims of unsafe abortions in developing countries. Family planning provides a healthy and safe alternative to abortion.

As the largest internationally funded source of aid to voluntary family planning programs, the UNFPA provides assistance to over 140 developing nations where economic development efforts are often overwhelmed by rapid population growth, 90 of those countries have populations expected to double within the next 30 years.

Congress must restore our Nation to its strong leadership position in international family planning. One important step we can take toward that goal is to resume our U.S. contribution to UNFPA. Such a move is in the best interests of women, families, and sound public health policy all around the globe.

HONORING M. SGT. RUDY MACINA

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. ENGEL. Mr. Speaker, on Friday, November 10, the U.S. Marine Corps is honoring a truly great American, Rudy Macina, at the 6th Communication Battalion's annual ball being held in my congressional district.

The people of the Bronx know Rudy Macina as a man who dedicates countless hours to community service. He is responsible for initiating the Bronx Columbus Day parade, which has become an annual institution in the borough, and he continues to be the driving force behind the success of the parade. A life-long Bronx resident, he has given generously of his time to his Marine Corps Reserve unit and many other civic organizations, including the Morris Park Community Association, the Parkchester Kiwanis Club, and the Knights of Columbus, to name a few.

Rudy Macina's history of dedicated service, however, goes back much further than his current activities. During World War II, he saw action during the entire Solomon Island campaign and was awarded the Distinguished Flying Cross. His heroic actions continued through the Battle of Bougainville in February 1944. His war effort earned him the honor of appearing in a book entitled, "Heroes, U.S. Marine Corps, 1861 through 1955."

Rudy Macina has also been called the Johnny Appleseed of the flag because of the many events he has organized to honor our war veterans and the American flag they have fought under. Just as the original Johnny Appleseed planted trees everywhere he went, Rudy Macina makes sure that no flag pole remains empty.

I personally wish to thank Rudy Macina for all he has done for our country and our communities, and I also commend the 6th Communication Battalion for choosing this special Bronxite as its guest of honor.

HONORING SISTER MARY ROSE AND THE STAFF OF ROSE HOUSE

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. ACKERMAN. Mr. Speaker, I rise today to pay tribute to the staff of a wonderful place which provides an invaluable service to some very needy residence of Queens. I would also like to pay a special tribute to a woman who has made an extraordinary contribution to that place. That woman is Sister Mary Rose McGeady and the house that bears her name, Rose House, is a home for the mentally ill homeless. Today, November 8, the staff of Rose House will celebrate a staff recognition day, which will particularly recognize the contributions made by Sister Mary Rose.

Sister Mary Rose has devoted her life to serving others, particularly the mentally ill. For the past four decades, she has served in a number of positions, ranging from a volunteer in Family and Children Services to regional director and director for Mental Health Services in Catholic Charities. In 1981 she left Catholic Charities to become Provincial Superior for her order, the Daughters of Charity. In this capacity she was responsible for a large area, encompasing the Boroughs of Queens and Brooklyn. In 1987 she returned to Catholic Charities where she remains today as associate director.

Rose House owes a special debt to Sister Mary Rose. For it was Sister Mary Rose who pioneered the idea of revitalizing an unused building on the grounds of Creedmoor State Hospital to develop it into a home for the mentally ill homeless. The facility was inaugurated in 1984 as a cooperative venture by the city, State, and Catholic Charities to address the needs of the mentally ill homeless. Rose House officially opened its doors in 1985 and soon had a group of 100 men living within its walls.

When the program was established, it was intended to serve as a prototype for a new model service for community services, which soon came to be known as Residential Care Centers for Adults [RCCA's]. What was novel about this program, was that it would have a target population, meaning individuals had to meet certain criteria before admittance, and the program would provide counseling not treatment.

Prior to admittance, residents must meet two criteria: they must be homeless and they must have been diagnosed as mentally ill, but should have some potential for improvement. After admittance residents are assigned a case manager who along with the resident and a nurse will develop a plan for self-improvement based on an assessment of the resident's strengths and weaknesses. Once these persons start a plan, the staff will provide encouragement and support by rewarding them for accomplishing certain tasks. Staff will also manage the residents' meals and lunches, and will remind them to take their medication. No actual treatment is conducted on the premises, but the facility will contract out to various local clinics for residents to use the services at these clinics.

In the 4 years Rose House has been in existence, it has undergone many changes. When it opened it had an all male population of 100 but there are now 168 coed residents of the home. The residents have been divided up into 6 dorms of 28 people. Each dorm has a supervisor and a case manager assigned during the day, an activity manager and resident assistant during the evening and a resident assistant at night. In addition to these staff members, one tour supervisor in the evening and one at night are responsible for supervising the whole house. Of these staff members, activity managers and case managers have bachelors degrees and unit and tour supervisors have masters degrees.

Despite the fact that the staff of the home provides excellent counseling, the reality is that there are certain skills the residents have to learn by themselves. A recent development the staff calls the Psycho-Social Club was designed to encourage these men and women to learn these important social skills in a relaxed environment. These persons have group discussions and play social games that are all designed to present them with a challenge but which are at the same time therapeutically oriented.

Relaxation is regarded as an intrinsic part of therapy since it assists residents in building their self-esteem. For this purpose the men and women have a game room, a weight room, a woodwork shop and computers placed at their disposal. Once a year the staff will take residents on a group outing, such as a Broadway show with dinner. I look forward each year to sponsoring a holiday party where the staff and residents of Rose House join together with the community to usher in the holiday season.

Mr. Speaker, in a time when the numbers of homeless are steadily increasing and the mentally ill are forced to roam the streets, it is a pleasure to witness people like the staff of Rose House and a woman like Sister Mary Rose take these needy people under their wing and care for them. I ask my colleagues to join me in congratulating the staff of Rose House on their dedicated service to their community and to wish them continued success in the future.

CHANGES IN THE SOVIET UNION AND EASTERN EUROPE

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. LIPINSKI. Mr. Speaker, we all remember the days when progress in Eastern Europe was measured with a very small scale. When we watched events with a critical eye for any subtle signals that would indicate the grip of repression was finally loosening. In years past those brave and lonely voices in Eastern Europe calling for reform were like scattered trees in search of a forest. Well, today Mr. Speaker, we do not have to look quite so closely to appreciate the changes that are occurring. These are fertile times for the progress of freedom in both the Soviet Union and Eastern Europe. As the world leader, in the call for an end to the oppression, we must now accept our new responsibility as purveyor of the growing freedom. Cheerleading from the sidelines is not enough. To resign ourselves to such a position would belittle our past efforts and ignore the past and continuing sacrifices of millions of freedom yearning individuals east of the Iron Curtain. What is required of this body and this administration is a change from demanding freedom to supporting freedom.

Mr. Speaker, one group that needs our support is the citizens of the Baltic States. I have recently met with Mr. Paul Zumbakis of Chicago, who has urged me to do all I can toward demanding Baltic independence. The commitment of Americans such as Mr. Zumbakis is what has truly sustained this countries position as the number one advocate for freedom throughout the world. In a letter to me Mr. Zumbakis rightly points out that what the Soviet Union did some 40 years ago was not only immoral but also illegal. He also has a very legitimate fear that the current administration has backed away from this country's commitment to Baltic Independence. And although many may meet, but few surpass my commitment to the eventual independence of the Baltic States, I feel that immediate independence is not the best course.

Our own history provides the best examples of why independence is necessary and patience required. Thoughout the 1700's the thirteen Colonies that would become the United States of America developed their own economies. Most of the citizens during these times were farmers and the scattered towns and villages became self-sustaining units. Throughout the more than 100 years the colonists lived in America they learned how to best use the land and natural resources North America provided. They also began to develop the export crops and products that would best sell in the wealthy countries of Europe. Because we were settled by brave individuals primarily from Europe our trade routes naturally favored these nations. By the time the Revolution occurred we were an economy that had built a strong foundation and one that could support and fuel our new economy. Unfortunately, the current economies of the Baltic States are not yet strong enough to support independence. This of course is not the fault of the Baltic States but the result of inefficient policies forced upon them by their invaders. However, the Baltic States' comparative advantage lies in trade with the East, not the West, and are therefore far from being economically strong and independent. No, Mr. Speaker, if we are sincere in seeing the Baltics achieve true independence we must first support their efforts at strengthening their own economies. For this to be accomplished Moscow must give up central control of the regional economy and allow the Baltic States to make their own investment and production decisions.

If the Baltics were given their independence today, the result would be an economically floundering nation that would probably have severe infighting due to the large number of minority groups. The possible failure of any of these three nations to govern themselves

could wrongly be seen as proof that the Soviet Union was right in denying independence. Again Mr. Speaker, the historical evidence for my caution comes from our own history. Shortly after the Civil War was over, some Members of Congress, who in truth did not want the newly freed slaves to succeed, tried to put these former slaves in all types of positions of responsibility. Of course after generations of oppression and servitude, these individuals were not prepared to take their rightful positions amongst community leaders. What Presidents Lincoln and Johnson tried to do was acclimate the new citizens into the mainstream slowly so they could learn to utilize the rights they had been denied for so long.

I believe that this provides a good example about how we can best direct the current Baltic situation to its right and just conclusion. Independence as a matter of political reality is much different than independence as a matter of economic and social viability. President Gorbachev has taken some encouraging steps in the right direction. He is beginning to allow the Baltic States to make their own economic decisions. For the first time national flags, languages, and customs are permitted. These tastes of freedoms should and will further fuel the appetite for more freedom, but progress must be slow and deliberate. If Estonia, Latvia, and Lithuania are to be permitted to build their own fortresses of freedom then the Soviet Union must not only issue the building permit but must also give back the tools they illegally took some 40 years ago.

Mr. Speaker, I take heart in the fact that my district and city of Chicago is full of citizens such as Mr. Zumbakis who work vigilently to insure that the Baltic States achieve independence. I support their effort. But that independence must not only be a political proclamation, but an economic reality. Some may say that the current administration is silent on demanding independence because they wish to support President Gorbachev, and the loss of the Baltics from the Soviet Union may result in his fall from power. But the truth is that, through no fault of their own, the Baltics are not yet ready to be truly independent. Our responsibility is to prepare them to assume their position among the brotherhood of free and independent states. If this helps Gorbachev stay in power and continue his program of reform then fine. But this is only a fortunate residual effect. Our true goal must be the eventual independence of the Baltic States.

EQUAL EDUCATION OPPORTUNITY FOR ALL STUDENTS

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. MATSUI. Mr. Speaker, the issue of discrimination against Asian-American students by colleges and universities across the country is a disturbing one. Some of our colleagues have introduced a resolution expressing the sense of Congress with regard to this concern. My colleagues raise an issue that deserves our attention. But this resolution is not the appropriate response to the problem. The following statement by the Asian American Task Force on University Admissions, who have been working in this area for a long time and clearly have a better understanding of the sensitivities involved provides a clear view of the issue.

STATEMENT OF THE ASIAN AMERICAN TASK FORCE IN RESPONSE TO CONGRESSMAN DANA ROHRABACHER'S CALL FOR PUBLIC HEARINGS ON ASIAN AMERICAN ADMISSION ISSUES

On October 12, Congressman Dana Rohrabacher (R-Calif.) called a press conference in Washington, D.C. to urge Asian American students anywhere in the United States to come forward and to participate in public hearings, organized by the Republican Research Committee, if they think they have been discriminated aganist by any university in the admission process. He also called upon Asian American organizations "to actively poll and solicit their membership in order to help us make the public and the authorities aware of any cases of college admission discrimination."

From his public statements and published articles, including his lecture and discussion at the Hertiage Foundation on September 19, 1989, Congressman Rohrabacher has made three charges:

1. Several universities and colleges, including UC Berkeley, UCLA, Harvard, Stanford and Brown, have discriminated against Asian American applicants by two specific means:

(a) Setting an upper limit quota for Asian Americans;

(b) Using affirmative action programs or series of race-specific tracks for admission of underrepresented minorities, Afro-Americans, Hispanics and American Indians.

2. U.S. Department of Education's Office of Civil Rights has dragged its feet in its compliance review at UCLA and Harvard.

3. Several Asian American and non-Asian civil rights organizations and civil rights advocates in Congress have turned a deaf ear to his repeated calls for public hearings and vigorous enforcement of civil rights laws.

Five years ago, concerned Asian American community leaders established the Asian American Task Force on University Admissions for the sole purpose of fighting against any form of racial discrimination against qualified Asian Americans in the university admission process. The Asian American Task Force feels compelled to respond to Congressman Rohrabacher's call and charges and to clarify for the community and public-at-large what issues are at stake and what appropriate course of action Asian American parents and students should undertake.

While we appreciate the willingness of any federal legislator to fight for fair admission policies and procedures anywhere in the nation, the Asian American Task Force unequivocally opposes Congressman Rohrabacher's misrepresentation, if not exploitation, of Asian American concerns and his hostility towards affirmative action programs as mandated by the law of the land. At the September 19 Heritage Foundation forum, when questioned why he was "just pushing the Asian American cause," Congressman Rohrabacher replied that "we want to help Asian Americans but we are using this (House Concurrent Resolution 147) as a vehicle to show that America has made a mistake on affirmative action." The Asian American Task Force cannot and will not be party to any legislative proposal that seeks to undermine and destroy equal educational opportunities for racially disadvantaged groups in America.

For the past five years, with considerable support from the Asian American community, the Asian American Task Force has worked diligently to oppose unfair admission policies and to recommend changes that will treat Asian American applicants equally, especially those who are low-income and non-native speakers of the English language. Given the diversity in admission policies and procedures from one university to another, the Asian American Task Force has been very careful to examine admission practices on a specific university campus as they affect Asian American applicants and others.

Every university or college has its own elaborate set of admission policies, standards, preferences (by no means based solely on race), and procedures. All universities and colleges, however, are required to comply with the civil rights law and the U.S. Supreme Court decision in the Bakka case which sets forth guidelines for developing legitimate student affirmative action programs. To detect wrongdoings by any one university is no simple matter. To undertake a sweeping investigation on many universities simultaneously, the kind proposed by Congressman Rochrabacher, is both impossible and irresponsible. Political grandstanding can never be a substitute for obtaining justice for unsuspecting victims and for fashioning admission policies and procedures to provide lasting protection of Asian American applicants.

The Asian American Task Force initially spent an entire year investigating and documenting unfair admission practices before it issued its report in June, 1985. It then encouraged and monitored three other major reports: 1987 California Auditor General's A review of First-Year Admissions of Asians and Caucasians at UC Berkeley, 1989 Report of the Special Committee on Asian American Admissions of the Berkeley Division of the Academic Senate, 1989 Report of the Chancellor's Advisory Committee on Asian American Affairs. In addition, the Asian American Task Force held numerous meetings and university officials and provided expert testimony to state legislative oversight committees.

The painstaking commitment to and process of investigation and dialogue by the Asian American Task Force contributed substantially to the May, 1989 Report Freshman Admissions at Berkeley: A Policy for the 1990's and Beyond by the UC Berkeley Academic Senate Committee on Admissions and Enrollment, chaired by Professor Jerome Karabel. The Asian American Task Force embraces the ten well-articulated principles cited in the Karabel Report and applauds its recommendations for more fair, open and accountable policies and procedures. In specific, the Asian American Task Force notes UC Berkeley's commitment to treat economically-disadvantaged Asian American applicants fairly and its reaffirmation to maintain its student affirmative action program for underrepresented minority students.

Based on published statements, the Asian American Task Force has reasons to conclude that Congressman Rohrabacher has misused the complaints of the Asian American community with respect to the university admission controversy and that his proposed course of action or remedy is inconsistent with the law of the land with respect to affirmative action programs for underrepresented minority students.

As a racial minority group, Asian Americans are painfully aware of the lasting, harmful effects discrimination has upon its victims and of what must be done to correct historical and current injustices. Like other racial minorities, Asian Americans were victims of discrimination by the leading universities and colleges before the civil rights movement of the 1960's. Very few racial minorities, including Asian Americans, could get their feet into the door of these prestigious colleges. Also, like other racial minorities, Asian Americans have benefitted greatly from civil rights laws, not the least of which are the affirmative action programs designed to dismantle unfair barriers and rectify past injustices in university admission processes. Even though Asian Americans are no longer protected by student affirmative action programs, in the 1970's, Asian Americans benefitted from them to gain access to these colleges.

Accordingly, the Asian American Task Force opposes any admission policy that favors whites and disfavors Asian American applicants so as to maintain a floor through which non-minority students will not fall. The Asian American Task Force strongly supports affirmative action programs for underrepresented minorities as our reaffirmation to the national necessity to undo past racial injustices. We will not tolerate any attempt to use the legitimate struggle of Asian Americans against unfair admission practices as a pretext to dismantle affirmative action programs sanctioned by the U.S. Supreme Court.

The U.S. Department of Justice and the U.S. Department of Education's Office for Civil Rights have the primary responsibility to enforce Title VI of the Civil Rights Act of 1964, to ensure that no institution of higher learning is permitted to practice racial discrimination, and to secure compliance by universities and colleges with the Bakke decision. However, the Asian American Task Force opposes Congressman Rohrabacher's attempts to re-interpret civil rights laws and U.S. Supreme Court decisions. We object to the manipulation of two major law enforcement agencies and of the underlying concerns of the Asian American community to satisfy what is largely a partisan political agenda to eliminate affirmative action programs across the board. Civil rights advocates and organizations have wisely turned a deaf ear to his attempt to use Asian Americans to subvert the law of the land.

Unless Congressman Rohrabacher fully discloses the true intent of his proposed public hearings, the Asian American community has no legitimate reason to participate and all civil rights organizations should oppose openly his largely political partisan agenda to destroy affirmative action programs. The Asian American Task Force calls on the U.S. Congress and President George Bush to disassociate themselves publicly with the position of Congressman Rohrabacher.

Note:

The Asian American Task Force on University Admissions was founded in November, 1984. The work of the Task Force has been supported entirely by organizations in the Asian American community.

Task Force Co-Chairs:

Judge Ken Kawaichi, Alameda County Superior Court.

Judge Lillian K. Sing, S.F. Municipal Court.

Task Force Members:

Richard Cerbatos, Former Commissioner, S.F. Board of Education.

Henry Der, Executive Director, Chinese for Affirmative Action.

Karen Kai, Past President, Asian American Bar Association of S.F.

Bong-Hwan Kim, Former Executive Director, Korean Community Center of the East Bay.

Ron Wakabayashi, Past National Director, Japanese American Citizens League.

Allan Seid, M.D. and President, Asian Pacific Advocates of U.S.A.

Technical Advisors:

Prof. Amado Cabezas, UC Berkeley.

Prof. Chuong Hoang Chung, S.F.S.U.

Prof. Elaine Kim, UC Berkeley.

Dale Minami, Esq.

Prof. Paul Takaqi, UC Berkeley.

Prof. Ron Takaki, UC Berkeley.

Harold Yea, President, Asian, Inc., S.F.

HELP EXPEDITE THE RETURN OF KIDNAPED AMERICAN CHILDREN

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. SAXTON. Mr. Speaker, I rise to introduce two pieces of bipartisan legislation designed to stem the epidemic increase in international parental kidnaping.

Each year, a glaring vacuum in Federal law and the loopholes in our passport regulations allow international parental abduction of more than 400 children to persist. The victims are children in every State of this country.

International parental kidnaping is a crime and it should be recognized as such. My bill will add this type of unlawful act to the U.S. criminal code, making it a Federal felony, and prosecuting it in a Federal court.

On the international level, making this offense a Federal felony would greatly strengthen the hand of the State Department when negotiating for the return of these children. A Federal recognition of this crime will enable the United States to extradite parental child abductors in many cases where criminal extradition treaties exist.

Currently, the State Department will issue a passport to a minor upon application of one of the minor's parents. Thus, a parent who has shared custody of a child can leave the country with that child at will. The State Department issues passports to minors based upon the presumption that an application by one parent has the automatic consent of the other parent.

My passport bill demands that the Secretary of State not issue a passport to a minor whose custody is shared by both parents, regardless of their marital status, unless both parents give the State Department their approvals. In cases where the minor's sole custody is entrusted to one parent or guardian, a passport can only be issued if that parent or legal custodian can present proof that is satisfactory to the Secretary of State to support the custodial passport.

This legislation is critical if we are to rectify the growing problem of international child abduction. This legislation, once passed, will help us in our stand for international cooperation to solve the problem.

I urge my colleagues to join my efforts, as a matter of both principle and compassion, to make this despicable act the Federal crime it so deserves to be.

RADICALS ALREADY TESTING FLAG STATUTE: PATRIOTIC AMERICANS DEMAND A CONSTITUTIONAL AMENDMENT

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. SOLOMON. Mr. Speaker, I feel compelled to submit for today's RECORD two items.

The first is a brief report from the Albany Times-Union, the largest daily in my district, on a flag-burning incident in Seattle. The second is a cover letter from Troy Flag Day Celebration, Inc.

Since early last summer, we have been told that no constitutional amendment was needed to protect the American flag from desecration, and that such an amendment would be both frivolous and a threat to our first-amendment freedoms. But many of us, including every significant veterans' organization, disagreed. We insisted that only a constitutional amendment would protect the American flag left defenseless by last summer's Supreme Court ruling. We insisted that a mere Federal statute would be found as unconstitutional as the Texas law reviewed by the Supreme Court.

Mr. Speaker, it is tempting to say "I told you so." The statute went into effect at 12:01 a.m. Saturday. A few hours later, a hateful rabble presuming to represent our Vietnam veterans burned an American flag in Seattle. Last Monday, four people were arrested for flag burning on the steps of the Supreme Court. They included Gregory Johnson of last summer's Supreme Court case, who obviously was itching to test the statute.

I would advise Mr. Johnson and his America-hating Marxist buddies not to show up in Troy, NY, known as the "Home of Uncle Sam" and site of the largest Flag Day celebration in the country. While Mr. Johnson and the Seattle rabble were hatching their plans, the Troy Flag Day Celebration, Inc., was circulating petitions. I will not inflate the budget deficit by having all 4,862 names on the petition printed in the RECORD, but I will submit the organization's cover letter.

I would hope, Mr. Speaker, that you will acknowledge the letter as a reminder of your promise to allow a vote on House Joint Resolution 350, the constitutional amendment on flag desecration. It took only a few hours to show us all how inadequate the statute will be in protecting our flag.

VETERANS BURN FLAG TO BUCK LAW

SEATTLE.—Vietnam War veterans burned an American flag lowered from a post office and torched 1,000 smaller flags early Saturday, saying a new anti-desecretion law is an attempt to ram patriotism down their throats.

The federal law took effect at 12:01 a.m. Saturday.

The protesters were jeered by a small group of neo-Nazi "skinheads." There were some punches and bottles thrown. No arrests were made, and there were no injuries reported.

The Washington chapter of Vietnam Veterans Against the War led a demonstration of about 200 people in front of a post office in Seattle's Capitol Hill described by Randy Rowland, a group board member, as a "festival of resistance."

Alternately chanting "Burn, baby, burn" and singing the national anthem, the crowd of protesters cheered as members of organization torched a pile of small American flags.

One demonstrator scrambled to the post office roof shortly after midnight and lowered a flag from the building's 20-foot pole. Another doused the flag with a substance—calling it napalm—ignited the banner and raised the burning emblem up the pole.

One-thousand tiny paper flags were given to protesters, who threw them into two fires burning in baking pans.

Speakers barked out 1960s-style phrases, accusing the United States of world imperialism and accusing Congress of legislating patriotism and infringing on the First Amendment right of free expression.

Burning a flag is punishable by a $1,000 fine and up to a year in jail.

TROY FLAG DAY CELEBRATION, INC.,
Troy, NY, October 17, 1989.

U.S. Senator DANIEL MOYNIHAN,
U.S. Senator ALFONSO D'AMATO,
U.S. Congressman GERALD SOLOMON,
U.S. Congressman MICHAEL MCNULTY.

The Troy Flag Day Parade, largest in the country, has been held for 22 years to promote respect for our Flag. When the Supreme Court decided that flag burning was permissible, our committee, along with the vast millions of other Americans, was outraged.

We have obtained 4,862 signatures on a petition, submitted herewith, urging passage of a constitutional amendment to protect our Flag from physical desecration. An amendment is the only sure way to safeguard our Flag.

We urge that you support legislation for an amendment.

Thank you.

Sincerely,

JOSEPH KILLEEN,
General Chairman.

GIVE ORTEGA ENOUGH ROPE

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. BEREUTER. Mr. Speaker, the political philosopher Niccolo Machievelli wrote the textbook on power politics for dictators. According to Machievelli, when a dictator faces internal opposition, he should create an external threat to divert the people's attention from the sorry state of domestic affairs. By crying wolf, the dictator can arrest or eliminate opponents under the guise of national security. This is a common ploy, used by totalitarian dictators throughout the ages.

The Daniel Ortega is a modern day master practitioner of Machiavellian techniques. Only 2 weeks ago a poll revealed that Ortega and the Sandinista party were falling far behind the UNO party ticket headed by Mrs. Violeta Chamorro. The Sandinistas subtle efforts to undermine the Mrs. Chamorro and the political opposition apparently have not succeeded as they expected. It has become clear that anything approaching an open and fair election would result in the Sandinistas being turned out of office.

Mr. Ortega, faced with an increasingly effective political opposition, suddenly discovered that the peace process was threatened by the Contra forces. The Contras, composed of a relatively small force of several thousand poorly armed or unarmed fighters, was presented as a threat to the 80,000 heavily armed Nicaraguan army. According to Ortega, the threat was such that Nicaragua had to repudiate the peace process, that they had to conduct massive military operations against the Contras, and that the February elections have been jeopardized.

Mr. Speaker, the behavior of Daniel Ortega has been outrageous. It is clear that he sees the writing on the wall, and that he is trying to retain power at all costs. The problem for Ortega is that he has relied on the excuse of an external threat once too often. Most of the Nicaraguan people are clearly disgusted and disenchanted with the Sandinista regime, and it seems that Ortega is having problems rallying the Nicaraguan people to his cause.

As a recent editorial in the Lincoln Star noted, "He has isolated himself as a military dictator afraid of peace for fear it will threaten his leadership." Daniel Ortega is finding out what Machievelli discovered centuries ago—in time the people will abandon the dictator and demand peace.

Mr. Speaker, this Member would include in the record and commend to his colleagues a November 3, 1989 editorial in the Lincoln Star entitled "Give Ortega Enough Rope." As this insightful editorial notes, "Ortega's time is running out. He holds the key to his own future, and he has just repudiated peace."

GIVE ORTEGA ENOUGH ROPE

Nicaraguan President Daniel Ortega has hung one too many raps on the U.S. role in supporting the Contras when he blames it for the possibility he may cancel elections scheduled in February.

Undoubtedly, there have been Contra violations of the cease-fire agreement; hostilities are too high for this not to have occurred. But it is U.S. policy to cut off humanitarian aid to rebel groups that have broken the cease-fire. And Ortega himself promotes no greater understanding by refusing to talk directly with the Contras.

He chose Costa Rica's celebration of 100 years of democracy as his forum to announce he would not renew the 19-month-old truce with the Contras. A chorus of Latin disapproval greeted his ill-timed announcement.

He has isolated himself as a military dictator afraid of peace for fear it will threaten his leadership.

Happily, President Bush will not play his game. We will not resume military assistance to the Contras. Along with the other Latin leaders, we must insist that elections be held, we must insist on remaining true to the peace process enunciated by Costa Rican President Oscar Arias.

Let Ortega hang himself.

In 1985, when Congress finally succeeded in cutting off military aid to the Contra rebel forces, Ortega's response was to march off to Moscow, embarrassing the politicians who had supported ending Contra aid at great political cost.

Last year, Ortega cracked down heavily on dissenters in Nicaragua after Congress again defeated a military aid bill and just after Ortega had signed the cease-fire agreement.

Ortega's time is running out. He holds the key to his own future, and he has just repudiated peace.

ABORTION: A CLOSER LOOK AT PUBLIC OPINION

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. LAFALCE. Mr. Speaker, I would like to share with my colleagues an insightful article by Everett Carll Ladd, the executive director of the Roper Center for Public Opinion Research, which appeared in the Buffalo News on October 29, 1989.

Mr. Ladd's discerning article underscores several often overlooked facts regarding the perception of public opinion following the Supreme Court's July 3 decision, Webster versus Reproductive Health Services. Contrary to much explanation and analysis following this Supreme Court decision, Mr. Ladd argues that there is no substantial evidence of a major shift in the general public's thinking on abortion. I commend the following article to my colleagues as a refreshing and realistic view of post-Webster public opinion on abortion.

The article follows:

ABORTION: A CLOSER LOOK AT PUBLIC OPINION

(By Everett Carll Ladd)

Politics trades heavily in perceptions. One of the controlling perceptions in current American politics has it that a sea change has occurred in the public's thinking on abortion in the aftermath of the Supreme Court's July 3 ruling in the case of Webster vs. Reproductive Health Services.

Pro-choice activists—who generally had been satisfied with the expansive abortion rights policy set down by the Court in Roe vs. Wade (1973)—clearly were angered by the Webster ruling and shocked by its signal that the Supreme Court no longer has a majority committed to Roe. Re-energized, they may well be a more potent lobbying force today than they were prior to July 3.

But among the general public, no sea change has occurred in opinion on abortion. In fact, the public's mix of views on the issue is exactly what it has been for years.

Many commentators have badly misinterpreted public opinion on abortion, it seems, because they have assumed that most people who have thought about the issue and who have strong feelings on it must ultimately come down either "for" or "against." Millions are wholly supportive of the right to abortion, of course, or strongly opposed to abortion in most if not all circumstances—but the vast preponderance of Americans just aren't in either camp.

Part of the judgment reached by many Americans in the "great middle" is that , on abortion as on so many other questions, the idea of letting individuals, choose deserves great respect. When, for example, pollsters ask whether, "if a woman wants to have an

abortion, and her doctor agrees to it," she should be permitted to have it, large majorities consistently say yes. The other part of the judgment, however, is that abortions have been performed too often and too casually since the Roe decision, and hence that some greater restraint is needed.

The impact of these two sets of views is shown clearly by a number of studies including polls taken in March of this year by the Los Angeles Times, and by KRC-Communications Research, and in September by CBS News and the New York Times. These studies show that a large majority rejects a constitutional amendment that would categorically prohibit abortion. A woman so choosing should be able to get a legal abortion when the pregnancy results from rape or from incest, and when there is a significant chance the child will be genetically deformed. Almost consensually, Americans would permit abortions to save the mother's life.

But large majorities would make abortion illegal in cases where the claim for an abortion is that having the child at the time would force the woman to interrupt her career, that the father is unwilling to help raise the child, or that the pregnancy would cause excessive emotional stress. Almost consensually, Americans oppose abortion as a means of birth control.

Polls have regularly shown a clear majority opposed to having abortion legal in all circumstances, and about half the public willing to have its legality limited to very restrictive circumstances. For example, the CBS News-New York Times poll of Sept. 17 to 20 found 43 percent saying abortion should be "legal as it is now," 40 percent wanting it legal "only in such cases as rape, incest or to save the life of the mother," and 13 percent saying they would not permit it at all.

On whether public opinion has shifted since the Webster ruling, the large collections of "before" and "after" polling on various dimensions of the issue make clear there has been no movement. For example, on the basic question just cited—whether abortion should be legal in all cases, only in some, or not at all—Gallup found the "legal always" proportion just 2 percentage points higher right after Webster than it had been in April and six points higher than in September of last year.

The Times-CBS surveys similarly found change modest and statistically insignificant—and, such as it is, in the opposite direction. The proportion that would keep abortion legal as now was eight points lower in September than it was in April and five points less than in January.

One reason, perhaps, why many observers believe Webster has helped to shift public opinion is that they concluded—from imperfect survey data—that a majority of Americans disagreed with the court's ruling. A Yankelovich Clancy Shulman poll of July 6 showed, for example, that 61 percent rejected the court's judgment "that states can pass laws restricting women's ability to have abortions," while only 32 percent endorsed the decision.

The fact that other surveys done at the same time came up with sharply different results should, however, have invited caution. The Los Angeles Times Poll, and that by the Associated Press and Media General, found just after the Webster decision was handed down that pluralities approved it.

In fact, most Americans neither approved not disapproved of Webster—because they didn't know what it held. In their September survey, CBS News and the New York Times asked the question the right way: "In July, the Supreme Court decided Webster vs. Reproductive Health Services, a major test case about abortion. Do you approve or disapprove of the Supreme Court's decision in this case, or haven't you heard about enough about it to have an opinion?" Three-fourths of the public said they still—2½ months after the ruling—hadn't heard enough to have a view.

The public does have opinions on various specific forms of state regulation of abortion. Large majorities endorse laws that would require counseling about alternatives to abortion, and that would mandate parental notification and parental consent before a woman under 18 can have an abortion. Clear majorities also favor requiring viability testing in pregnancies of 20 weeks or more, before abortion is permitted. On the other hand, majorities oppose state action barring any public employee from performing, assisting or advising in abortion.

Some Americans would reverse the 16-year-old Roe vs. Wade ruling altogether, while others would let it stand entirely unmodified. But majority opinion has long been otherwise—and remains so today. It stipulates that abortion should not be categorically banned, but also that it should not be established as an absolute right.

DAVID T. KEARNS, RECIPIENT OF MALCOLM BALDRIGE AWARD

HON. JOHN G. ROWLAND

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. ROWLAND of Connecticut. Mr. Speaker, last week Xerox Corp. chairman and chief executive officer, David T. Kearns, was presented with the Malcolm Baldrige Award by President Bush. I would like to take this opportunity to salute him and all of the fine people at Xerox who have brought this honor upon themselves, their company, and the State of Connecticut.

The Xerox Corp. Leadership Through Quality Program united the Xerox employees in a drive to improve the quality of their products and services, thereby increasing customer satisfaction. The magnitude of their success prompted President Bush to bestow this award on them. Mr. Speaker, I am sure my colleagues will agree that this drive for internal improvement is what constitutes the American way, and is the foundation of all that makes America great.

The late Malcolm Baldrige, a native of my home town of Waterbury, CT set the standards by which corporate excellence is measured. The Xerox Corp., under David T. Kearn's stewardship, has taken those standards and set an example for corporate America: People, united and working together to improve their business, can push America no where but forward.

Mr. Speaker, I invite you and all of my colleagues to join me in applauding David T. Kearns and the entire Xerox Corp. for their achievements and congratulating them on receiving the Malcolm Baldrige Award. I am honored to salute this proud Connecticut company on this occasion.

NORIEGA AND ORTEGA ARE TWO OF A KIND

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. LAGOMARSINO. Mr. Speaker, this past weekend, I traveled to Panama and Nicaragua with a congressional delegation from the House Intelligence Committee to learn firsthand about the serious threats posed to United States national security by the two military dictators: Manuel Antonio Noriega of Panama and Daniel Ortega of Nicaragua.

While Panamanian strongman Noriega allowed elections last May—where I participated as an official observer—he nullified the results as soon as he realized that the majority of Panamanians had rejected his hand-picked candidate. The United States is still exerting pressure on Noriega in an effort to get him out of power and to have democratic government established once again in Panama.

In Nicaragua, we face a similar threat. Daniel Ortega is apparently beginning to see that the majority of Nicaraguans reject his Presidency and are inclined to support the opposition candidate Violeta Chamorro. Mrs. Chamorro represents the best hope in 10 years for democracy in Nicaragua. Her assessment of the political situation in her country is one of the most insightful and eloquent analyses of the Sandinista betrayal of the revolution against Somoza that I have read. It appears in today's Washington Post, and I urge my colleagues to read it carefully and suport Mrs. Chamorro's plea for continued vigilance by all of us to help ensure that free and fair elections are allowed for the Nicaraguan people.

[From the Washington Post, Nov. 8, 1989]

KEEP WATCH ON OUR ELECTIONS

(By Violeta Chamorro)

From Manila to Mexico, from Budapest to Berlin to Beijing, a great gale of democracy is blowing. But not on the Nicaraguans. What a cruel blast we've received from fate!

In 1979 we were all part of "the beautiful revolution": a great coalition that was to rid us of tyranny forever, of corrupt officials, of bullying soldiers and police, of grinding poverty, of foreign tutelage, of one-party, one-family rule. Then we were the vanguard of the democratic revolution. Now we bring up the rear.

For one brief moment in July of 1979 our people rose in joy to greet our brave *muschachos* returning victorious to Managua: Davids who had vanquished Goliath. How could we imagine that soon we would behold them behind armored personnel carriers and helicopter gunships. Soon enough the heroes of the revolution were slaughtering one another. Soon enough the workers who struck against autocracy could no longer strike or organize; the political parties that had united against the dictator could not assemble; the newspaper that had spread the word of freedom could not publish; the church that had preached liberation from the pulpit was bound and gagged.

How sad that Nicaraguans, instead of enjoying the blessings of equality and prosperity for which they risked their lives, now flee their homeland in the hundreds of

thousands. How sad that the government of which I once formed a part has become as corrupt as its predecessor, as cruel, as hated.

But we've had our fill of hatred and of opinionated warriors who promise paradise and deliver inferno. Ten years of living dangerously has brought civil war, an exodus of a fifth of our countrymen, an annual inflation of 30,000 percent, 40 percent unemployment and, for the first time in our history, mass hunger. Our industry and agriculture are paralyzed. We have gone from being the bread basket of Central America to being its basket case: an international beggar with the largest per-capita foreign debt in Latin America. Even a government-commissioned survey has found consumption to have fallen by 70 percent since the revolution. Of course the Sandinista media shout that all this is due to Mr. Reagan and now to Mr. Bush. But we Nicaraguans know full well that the shortages and the repression came before the war and the embargo.

Tired of war and warriors, of dogmas and slogans, we'd like to put our feet on the ground, our house in order. We want to be boring for a while—more like our neighbor to the south, Costa Rica—a country at peace with its neighbors where no family or party is above the law, with an army reduced to a minimum (and without any "State Security" forces at all), with no political party controlling the media, the military and the police, and with all parties allowed to compete freely at the ballot box. We do not look back: what has been positive in the revolution, we'd keep and extend. For example we would give peasants who farm nationalized lands clear title to them, and would distribute all remaining state farms to those peasants who have no land. We would like to find common ground.

We in the opposition have been able to find common ground among ourselves. Today I am proud to say that the opposition coalition includes every group that united against Somoza in 1979, except the Sandinistas, who many feel betrayed our revolution. The National Opposition Union (UNO) spans 14 parties of every political stripe: Communist, Socialist, Social Democratic, Populist, Liberal, Social Christian, Christian Democratic, Liberation and Conservative. We are supported by all the independent labor unions, business organizations, and professional groups. Anyone who knows Nicaragua will tell you that forging unity among our diverse groups and tendencies is no small achievement, especialy because our organizations have been restricted and repressed. But we have united around a common program for national reconciliation, economic reconstruction and social justice through democratic institutions.

Our common effort found fertile ground. Last month despite intimidation by Sandinista troops and myraid obstruction by government bureaucrats, a record 92 percent of eligible Nicaraguan voters formed long lines to register. As has been reported in The New York Times, the Sandinista military even went so far as to stage sham battle in an unsuccessful attempt to stop voters from registering. To frighten the people, President Daniel Ortega has called us "traitors" and "mercenaries" and "CIA agents," and has declared that a vote for us is "a vote for the enemy of the people." Pronouncing the Sandinistas "sure winners," he has emphasized that people would "not be so foolish as to vote for a loser"—darkly intimating that after a Sandinista victory opposition voters will be treated as traitors. Our jails are filled already with "enemies of the people."

But the people remain steadfast. Despite the goverment's monopoly of television (we are allowed only 15 minutes per week on a feeble channel that cannot reach many areas), despite indiscriminate Sandinista use of state transport, telephones, offices, meeting places, telegraph and copiers, despite the fact that 50 percent of our desperately needed and profoundly appreciated donations are appropriated by the Sandinista-dominated electoral commission, the people are giving us their support. Just last week an independent survey showed us winning by a margin of nearly 2 to 1. Even though the Sandinistas have unleashed their mobs to disrupt our meetings, these meetings grow larger and larger. Recently even the Sandinista mayor of Managua acknowledged that his party is losing.

Accordingly the Sandinistas have resorted to a new, more desperate and dangerous diversion. Again turning their backs on their solemn commitment to their people and to the Central American presidents, they have broken the cease-fire with the rebels. Their helicopter gunships and automatic artillery have opened fire. Their 90,000-man army sweeps through our villages on the preposterous pretext that tiny groups of poorly equipped contras constitute a "threat to national security." Lacking arguments to defend their misgovernment, the Sandinistas wish to spread fear, to chill the people into submission. This strategy must raise grave doubts about the supposed Sandinista commitment to free elections.

In view of these alarming developments I have come to this country to ask for help. With the solidarity of all those who support our cause, I believe we may secure a relatively free vote; without it we may be doomed to elections in the style of the Sandinistas ally Gen. Noriega.

Keep watch. Send observers from Congress, from state and federal government, from political parties, from labor unions, from professional and human rights organizations. Send them now. They will be witnesses for democracy. Send journalists and cameras; let your news and polling organizations conduct independent voter surveys. Help give Nicaraguans the chance to feel again the breezes of democracy.

TRIBUTE TO THE HONORABLE ROBERT L. HARDEE

HON. JOHN S. TANNER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. TANNER. Mr. Speaker, public service is a demanding, rewarding career as all of the Members of this body know. It becomes even more so at the local level where most elected public officials pursue their careers while serving in a part-time capacity in city hall or the county courthouse. I mention that as I rise today to recognize the Honorable Robert L. Hardee, who was recently recognized as having the longest continous service of any county official in Tennessee.

Mr. Hardee serves today as a member of the Madison County Commission. He was first elected to that body in 1942 when it was known as the Madison County Quarterly Court. He has served on every major committee on the commission and was a charter member of the Jackson-Madison County Airport Authority. In addition to serving his county, he was elected major of Denmark, TN, in 1948 and served in that capacity until that community surrendered its charter in 1983.

Concurrent with his community and county service, Mr. Hardee served his county in World War II, pursued a successful career as a merchant and farmer, married and raised a family, and was active in numerous civic and charity organizations.

Mr. Hardee is deserving of recognition for his devotion to his family and his community. His unselfish service is an example of the best in Government service. All Madison Countians, Tennesseans, and Americans can salute Mr. Hardee and others like him who are so vital to the success of our democratic system.

TRIBUTE TO DARREL BACON

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Darrel Bacon who is celebrating his 50th anniversary as an advisor for the Springfield Booster Boys 4–H Club. Mr. Bacon has not only served the 4–H organization with dedication but also our community.

Darrel Bacon has served 4–H in many capacities. He has been an advisor for 50 years. During that time he has worked with between 750 to 1,000 children. He has served on the 4–H Advisory Committee, the State 4–H Advisory Committee, and the County Extension Advisory Committee.

Besides Mr. Bacon's work in 4–H he has also served our community in other capacities. He was a director on the Canfield Fair Board giving leadership to the Junior Fair part of the program. He served 29 years as secretary-treasurer and advisor for the countywide Market Live-Stock Club. He has also served as a Springfield Township trustee and as a member of the Farm Bureau and the P.T.A.

Mr. Speaker, I would like to take this opportunity to thank Darrel Bacon for his outstanding service to our community and State. Mr. Bacon is a compassionate and understanding individual who takes the time to help others. It is my honor to represent this exceptional individual.

HONORING DISTRICT MANAGER HERBERT SAMUELS

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. ENGEL. Mr. Speaker, I rise today to recognize Herbert Samuels and the many years of dedicated service he has given to his community in the Bronx. This week, Community Board No. 4 in the Bronx is honoring Herbert Samuels at a reception marking his tenth anniversary as district manager. It is a fitting tribute for a man who has given so much to his neighbors.

Herbert Samuels is a charter member of the Bronx Community Board system, having served the public since his appointment to Planning Board 5 in 1963. He served on that body for 16 years as a member, officer, and chairman. In the decade as district manager of Board No. 4, Herb has demonstrated a deep commitment to his fellow Bronx residents by continually working to improve the delivery of services to his community district.

I have had the pleasure of knowing and working with Herb Samuels for many years, and it gives me great pleasure to offer him congratulations on his many years of service. I know I speak for everyone associated with Community Board No. 4, as well as the rest of the Bronx, when I convey my thanks to Herb and wish him many more years of service and achievement.

THE PLIGHT OF THE KOTLYARS

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. ACKERMAN. Mr. Speaker, I rise to express a feeling of frustration in the plight of the Kotlyar family, Soviet Jews whose repeated appeals to emigrate from the Soviet Union have been denied. Although President Gorbachev has cleared the way for many exit visas to be granted, there are still countless families who have been denied the right to practice their religion freely and be reunited with loved ones.

Mark Kotlyar is an engineer in Kiev who initially applied for an exit visa in 1977. The family was again denied in 1989, ostensibly due to Soviet claims that Mark had access to state secrets over 13 years ago. Upon graduation from the Moscow Physical and Technical Institute in 1972, Mr. Kotlyar began working at the Scientific Research Institute in Moscow as an apprentice. While there, he did some insignificant research in applied mathematics. In 1975, the obligatory work term expired and he quit the job. He is currently employed with IDEX, an arts and science association. Although access to state secrets is frequently used by the Soviet authorities as an excuse to deny exit visas, it is unlikely that Mr. Kotlyar worked with sensitive information as a recent university graduate.

Mark has a brother, Sergey, living in Los Angeles. The family believes that the separation between Sergey and the rest of the Kotlyar family led to the death of their beloved father, and the poor health of their beloved mother, as well as bringing unnecessary grief to the family.

The Kotlyar family has a modest dream—the desire to raise their children as Jews, free from any religious persecution and the dream to be reunited as a family once again. The aspiration for religious freedom is at the very foundation of the American dream; the family acts as its cornerstone. Therefore, I firmly believe that Americans have the moral imperative to champion this basic human right. Americans must speak out forcefully in support of religious freedom; an international call to conscience must be made.

So, I make this appeal for the Kotlyar family as part of the Call to Conscience, a weekly appeal to the Soviet Government by members of Congress through floor statements and correspondence on behalf of refuseniks. The Soviets must understand that the United States has adopted the cause of the refuseniks and their quest for religious freedom.

Only time will tell if Mikhail Gorbachev's glasnost will mean permanent freedom of emigration for Soviet Jews. We must not be blinded by this one word: glasnost. I will believe that Gorbachev is truly opening up Soviet society when all people who want to practice their religion freely can do so and all those who want to practice it elsewhere are given that opportunity. For Soviet Jews, glasnost may represent little more than a facade under which oppression and abuse can continue. The world sees a relaxation of tight control for most Soviet citizens and there has been relaxation of emigration restrictions in the last few months. But how long will this last? While these events have been encouraging, other trends have been rather troubling. Among these is the growth of a chauvanist, anti-Semitic mass organization called Pamyat that openly preaches hatred of the Jews. The spread of Pamyat and the official flavor that it seems to enjoy call into question our assumptions about the direction of change in the Soviet Union today. In Pamyat we see cautionary warnings about the long-term prospects for successful reform and human rights in the Soviet Union. In addition, look at the rebellions in Latvia, Estonia, Lithuania and Armenia. Look at the long terms prospects of civil unrest over a failed economy. We cannot be blind to the facts. We must take advantage of whatever glasnost does exist to secure freedom now for the Soviet Jews, or we may never have that chance again.

I appeal to the Soviet leadership to allow the Kotlyar family to emigrate. Moreover, I pray for the day when the Soviet Union will respect the basic human rights of all people, including the right of religious freedom. I pray for that day when Mark, Oxanca, Sergey and his mother may go to synagogue and have Shabbat dinner together. When being Jewish is not a crime. When a man could wear a kippot in Red Square and not fear for his life. When the Kotlyar children become the first of generations in their family to learn Hebrew and be Bar and Bat-Mitzvah. That is the day I pray for and I will neither rest nor tire until that day comes.

LEGISLATION TO AMEND THE SOLID WASTE DISPOSAL ACT

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. LIPINSKI. Mr. Speaker, as you know, the improper practices of medical waste disposal pose a dire threat to the safety of our oceans, our lakes, our atmosphere and our communities. From washups of infected hypodermic needles on the New York coastline, to medical waste incinerators in Stickney, IL, the haphazard and ill regulated practices of medical waste disposal are a problem which Congress and the States can no longer choose to ignore.

Congress should be commended for its swift passage of the Medical Waste Tracking Act in November 1988. This amendment to the Solid Waste Disposal Act has established an important first step toward reducing the dangers of medical waste. Yet, the Tracking Act is only a temporary program whose results are to be evaluated by the Environmental Protection Agency at the program's completion. I do not believe this is enough.

I am introducing legislation to amend the Solid Waste Disposal Act to establish safety measures for the onsite treatment of medical waste once the tracking program has come to an end. The Medical Waste Control Amendments of 1989 require the EFP to establish regulations for the safe disinfection of medical waste or to classify medical waste as hazardous. These regulations would ensure that any waste which leaves a site has been rendered noninfectious. The regulations are accompanied by stiff criminal and civil penalties for those who do not comply.

My bill is designed to utilize the information gathered under the Tracking Act, and the amendments would not go into effect until the temporary program has come to an end. This will ensure that provisions are in place at the program's completion but that the amendments will not interfere with the program while it is in progress.

This bill is only a first step, but, I believe that it is an important step toward convincing medical waste generators to establish safe, effective treatment and disposal practices. I ask my colleagues to join me in support of this important legislation.

ESTABLISHING FORMULAS FOR DISTRIBUTING FEDERAL ASSISTANCE

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. COLEMAN of Texas. Mr. Speaker, I rise today to introduce a sense of Congress resolution that will restore fairness to the formulas used by Federal agencies to distribute Federal assistance for a number of programs. My resolution would ensure that executive agencies use the most recent figures available in computing existing formulas, so that recipients would actually receive those amounts to which they are entitled instead of amounts based on outdated figures.

In establishing formulas for distributing Federal assistance, Congress' purpose is to allocate those funds to areas of the country that most need them. One of the most frequently used variables in such formulas, for instance, is population figures. This assures that local communities and States receive their fair share of funds available depending on their relative population to other recipients of Federal funds. Yet the population in many of the communities shifts, as it does in communities nationwide. Over the course of 10 years, it is logical to assume that significant changes

occur in population concentration, yet executive agencies continue to use only decennial census information. By using the most recent statistics available from the Bureau of the Census, executive agencies will ensure that these funds are distributed using accurate information.

Mr. Speaker, the Bureau of the Census is charged with carrying out the Nation's decennial census of the country's population and its characteritics. Between each decennial census, however, the Census Bureau is also involved with preparing current surveys that provide information on many of the subjects covered in the censuses at monthly, quarterly, annual, and other intervals. In the interest of equity and adherence to congressional intent, executive agencies should use the most recent census data available in determining the amount of benefits that each entity receives under Federal assistance programs.

It is estimated that as many as 85 Government programs currently are directed to use census figures to distribute Federal assistance for functions including highway construction, medical care, support for low-income families, rent subsidies for poor families, and community care for the disabled and the elderly.

Mr. Speaker, the continued use of these outdated figures deprive communities of millions of dollars. I urge my colleagues to support this resolution.

TO DRINK FROM THE CUP OF LIFE BUT NOT DRAIN IT

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. GAYDOS. Mr. Speaker, I would like to bring to the attention of my colleagues the passing of a man whose life exemplified the finest in the American tradition of helping others, as you help yourself to advance in life. Mr. Arch Lhormer a prominent realtor and Clairton, PA civic leader died on October 6, 1989 after a long bout with leukemia. He was 83 years old and passed away on his birthday. The citizens of Clairton have lost a good friend.

Like many of my constituents, Arch was born into humble surroundings, as the son of immigrant parents who settled in the Pittsburgh area. When his family moved to Clairton in the 1920's, he had to go to work at an early age, driving a feed truck for his father's grain business. Shortly thereafter he became a real estate broker and established a buildings supply store of his own. He got his start by tearing down old buildings in exchange for the right to sell the salvageable building materials. The resultant lumber company soon became an institution of sorts in the Monongahela Valley community.

During the Depression he and his neighbors helped each other out by resorting to the barter system. He would exchange building materials for the food which many of them grew. After the Second World War he extended credit to many returning veterans allowing them the opportunity to build their own home which they might not otherwise have.

It was the practice at the time for parents, if they could, to make a gift of land to their young men and tell them to go and build themselves a home. This was the so-called sweat equity system. The labor and much of the know-how came from the young prospective home owner and his friends working on weekends and in the evenings. The lumber and nails often came from Arch, frequently on a pay as you can basis. In addition, it was his practice to personally guarantee bank loans for land and materials. He made such guarantees in over 1,000 instances in his lifetime. He was rarely disappointed by the people to whom he extended credit.

His many civic activities included prominent involvement in the preservation and growth of the Clairton Public Library. Having been denied the benefit of a formal education, he fervently believed that the people of our area could better themselves if only the proper public facilities were maintained. In 1960 he proposed a plan to the city counsel and school board for the purchase of a suitable building and in 1961 spearheaded a drive for the addition of a children's center. In 1962, he was elected as president of the board of trustees of the library, a position which he held until his death. Through his efforts, the library's standards were raised to meet State requirements for funding, a status it retains to this day. In 1986 due to dire economic conditions in the valley the city and school board were forced to curtain support. Arch, among others, did not want the library to close so he approached many people for contributions. He also designated that on the occasion of his 81st birthday, his family and friends should make donations to the library instead of personal gifts. These two fundraisers alone netted over $10,000. With his assistance three additional grants of $25,000 each were received from 1986 through 1989. These efforts as well as yearly honorary gifts from Arch truly earned him the nickname of Mr. Clairton Library.

Arch also assisted many black churches throughout our area and in Ohio. He felt obligated to become involved in this endeavor to help ease racial problems. He worked closely with the Allegheny Union Baptist Association consisting of approximately 150 churches of black denomination. He used his expertise to help with the purchase of properties for worthy causes, arranged bank financing and assisted in securing government loans with private matching funds. For example, in one instance, he became involved in the first black senior citizen old age home located in western Pennsylvania. He contacted many prominent professional and sports figures to encourage their personal assistance to accomplish this goal. He helped to secure funds to complete construction and furnishings for the 60 unit project.

In the late 1960's he served as building chairman for Montifiore Hospital in Pittsburgh. Here his fundraising efforts resulted in an extended period of renovation and expansion of this world class facility.

Even some of his personal achievements in real estate had some positive civic consequences. He was instrumental in bringing back to useful life several downtown Pittsburgh landmarks, including the Allegheny Building, the Brooks Brothers Building, the former Frank and Seder Building, the Park Building and the Lawyer's Building. He and a group of other investors were responsible for saving the beautiful and historic William Penn Hotel, built in 1916, from the wrecking ball. Pittsburgh today retains much of its charm from an earlier golden era amid modern skyscrapers, thanks in part to the efforts of Arch Lhormer.

Mr. Speaker, Arch had a favorite saying which I believe typifies his life. That was. "To drink from the cup of life but not drain it." This saying summed up his belief that we should help others out, as we climb the ladder of success. He truly accomplished that goal.

ABOVE AND BEYOND THE CALL OF DUTY: OFFICER PAUL WILSON, OFFICER ROBERT RICO, OFFICER GREGORY RASORE, SGT. RON RODGERS, SGT. MICHAEL JACKSON, DETECTIVE JOHN DESMOND

HON. C. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. COX. Mr. Speaker, on Thursday, November 9, the people of Newport Beach CA, will honor six outstanding police officers for their determined efforts to preserve the peace and protect the citizens of our community. It is my privilege today to commend these officers in the U.S. House of Representatives for their outstanding efforts in the field of investigation and for acts of courage and quick thinking that have the saved lives of those in grave jeopardy.

Sgt. Michael Jackson, a 16-year veteran of the Newport Beach Police Department, a section supervisor with the detective division and SWAT commander, was responsible for apprehending the suspects involved in a brutal criminal attack upon the daughter of John Wayne and a friend in late 1988. Sergeant Jackson worked tirelessly through a complex web of clues, and his determination paid off. The case is scheduled to go to trial in March.

Detective John Desmond, a law enforcement officer for the past 14 years, has been with the city of Newport Beach since 1978 and attained master officer status. This year, he led a team of officers in a major murder investigation, coordinating efforts with the Federal Government and the Orange County district attorney and spending countless hours above and beyond the call of duty to bring a suspect to justice. Again, this was a difficult case, and again Newport Beach's finest excelled.

Sgt. Ron Rodgers is a veteran of the U.S. Army and received the Purple Heart in Vietnam. In law enforcement for nearly 20 years, Sergeant Rodgers joined the Newport Beach Police Department in 1973, moving up through the ranks to his current position as head defense tactics instructor. Officer Gregory Rasore has been with the Newport Beach Police Department since 1986, and was with the Department of Justice for 2 years before that.

Sergeant Rodgers and Officer Rasore saved the life of a motorist whose vehicle was rammed by a fleeing suspect. The victim's car was on fire—the smoke was so thick that the driver could not be seen—but they worked quickly and without concern for their own well being to quell the flames and pull the driver to safety.

Officer Paul Wilson is a 10-year veteran of the Newport Beach Police Department. He served in the U.S. Armly as a military police officer for 3 years. He is currently assigned as an accident investigator in the Traffic Division. Officer Robert Rico has been in law enforcement since 1987. He graduated at the top of his class at the Long Beach Police Reserve Academy, and was fifth in his class at the Orange County Sheriff's Academy.

Officers Rico and Wilson came to the aid of a man dying on the beach. Finding no pulse, the officers administered cardiopulmonary resuscitation and kept the victim's heart and lungs functioning. When paramedics arrived, the victim was rushed to the hospital and saved, only because of the immediate attention provided by the officers.

Mr. Speaker, on behalf of the citizens of Newport Beach, whom it is my privilege to represent, and on behalf of the U.S. Congress, it is my honor to recognize and thank Officer Paul Wilson, Officer Robert Rico, Officer Gregory Rasore, Sgt. Ron Rodgers, Sgt. Michael Jackson, and Detective John Desmond. Their tireless dedication and exceptional bravery serve our community and our Nation well.

THANK YOU, LORI STILLMAN

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. LAGOMARSINO. Mr. Speaker, I rise to publicly express my thanks to Lori Von Minden Stillman for her long and dedicated service to the House of Representatives, the House Interior Committee, the people of the 19th Congressional District, and to me, during her 8 years of service on the Hill, and to wish her well and Godspeed in the future.

Lori came to work for me in 1981, following her graduation from the University of Nebraska. While on my staff, she handled issues involving the Interior Committee, on which I serve, and in 1985, she became minority consultant for the Interior Subcommittee on National Parks and Recreation, which later became the Subcommittee on National Parks and Public Lands.

While on the committee staff, Lori worked on a number of important bills, including the Great Basin National Park, the Samoa National Park and the Everglades National Park addition, which the House approved yesterday. She was also involved in many wild rivers bills, including the Tuolumne and Kings in California, and my own Sespe Wilderness and Wild River Act, which also passed the House earlier this year.

Earlier this year, Lori's husband, Pat, received his first command as Captain of the Coast Guard Cutter *Forward,* now stationed in Portsmouth, VA. Pat and Lori were also blessed with the arrival of Tyler Nelson Stillman, born on June 24, and Tyler, Lori and Pat have now settled in their new home in Chesapeake, VA.

Mr. Speaker, I want to take this occasion, on the day following passage of the Everglades bill, to publicly thank Lori for her work on this and on many issues of importance to the Nation and to the State of California and the 19th Congressional District, and my wife Norma and I wish her, Pat, and Tyler, our good friends, Godspeed and good fortune in their new endeavors.

TRIBUTE TO MRS. MARY ELIZABETH FISHER GATES

HON. JOHN S. TANNER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. TANNER. Mr. Speaker, I rise today to pay special tribute to a lady in my congressional district who will be 100 years old on November 20, Mrs. Mary Elizabeth Fisher Gates of Jackson, TN.

Mrs. Gates is the daughter of the late Jackie and Mary Fisher and is one of six children. She has a sister who is also living. Mrs. Gates attends church and Sunday school every week and lives in her own home with the care of her daughter.

This remarkable woman is the mother of two children. She has been extremely active in her church, the Macedonia Missionary Baptist Church, where she has been a member since 1923.

I would like to pay special recognition to the 100 years in the life of Mrs. Mary Elizabeth Fisher Gates. She is truly an exceptional lady.

FOREIGN TOURISM

HON. DANIEL K. AKAKA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. AKAKA. Mr. Speaker, It is my pleasure to share some very perceptive testimony on foreign tourism recently presented by Ms. Noel Irwin-Hentschel, the president of American Tours International. Ms. Irwin-Hentschel, who is based in Hawaii, is the Nation's leader in bringing visitors from other nations to the United States. She is well aware of the positive impact tourism has on our economy, and conveys what our country will need to improve to better promote America to international travelers:

SUMMARY OF NOEL IRWIN-HENTSCHEL TESTIMONY TO BE PRESENTED BEFORE THE SENATE SUBCOMMITTEE ON FOREIGN COMMERCE AND TOURISM, SEPTEMBER 27, 1989

Tourism is America's fastest growing industry. Receipts from travel-related business have reached $537 billion, almost 12 percent of the gross national product. In addition, tourism is responsible for creating 6.6 million jobs and is one of the top three employers in 39 states.

AmericanTours International's growth and success in marketing America to international visitors is an example of the potential this market has as a means of reducing the United States international trade deficit. In just 12 years, ATI has grown from a three-person office to the country's largest Visit USA travel corporation. Each year, ATI's foreign clients bring over one billion dollars into the American economy.

ATI's success in developing the United States international visitor market can be attributed to four keys elements:

1. Pride in America.—ATI employees take their role as goodwill ambassadors very seriously.

2. Knowing and understanding our foreign clients.—All our escorts are multilingual and are as highly trained in the customs of our foreign guests as they are in the history, geography, and flora and fauna of America.

3. Creativity in our travel products.—We create travel experiences to match our foreign clients' expectations of their American experience.

4. Successful promotion.—ATI spends over one million dollars annually to market America as a travel destination for foreign markets.

With increasing international competition from other destinations, especially European countries gearing up for the arrival of the European Economic Community in 1992, the United States needs to improve its strategies for attracting foreign visitors now.

I contacted my clients—some of Europe's largest tour wholesalers in five of America's top 10 travel markets—and asked them what our country is doing well and what we can do better to promote America. They made the following observations:

Not enough assistance provided by USTTA in promoting America.

USTTA offices should be in locations that are easily accessible to the public. For example, the Milan USTTA office is in the American Consulate building where tight security makes access difficult.

Staff members at the USTTA offices in Europe are viewed as more honorary than administrative, and they do not have travel industry experience.

There needs to be better coordination and communication among the U.S. Foreign Commercial Service, and USTTA, and regional delegations coming to Europe to promote their destinations.

International wholesalers describe the lengthy and rigorous processing through immigration and customs as America's "Ellis Island" mentality. In Hawaii, for example, Japanese vistors are asked to repeatedly count their money aloud for customs agents. This experience is very humiliating and aggravating. Without sacrificing security, we should be giving foreign visitors a warmer welcome.

America is a superior travel product. A product whose potential as an international destination has barely been tapped. But we need to support that product through a coordinated effort on the part of the federal government, the state governments, and the private sector. Countries all over the world are competing fiercely for the international travel market and currently, the United States spends far less than Ireland, Malaysia, and the Netherlands to attract foreign visitors. We even spend less than Tunisia!

As founder and chief executive officer of ATI, I support congressional legislation that will give the USTTA the funding needed to promote America effectively, and I support goals and endorse legislation which recog-

nize the role of international tourism in eliminating America's export deficit.

By successfully promoting America, we not only help to eliminate America's export deficit, but we add to America's strength by creating closer friendships and global understanding.

ATI will do whatever we can do to help.

ANNUAL SALUTE TO ALL AMERICAN VETERANS

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. CLEMENT. Mr. Speaker, this afternoon, I had the honor of joining Secretary of Labor Elizabeth Dole, Veterans Affairs Secretary Ed Derwinski, and representatives of the organizations that serve our Nation's veterans in the eighth annual salute to all American veterans, which was held at the Department of Labor.

Among the guests of honor at today's ceremonies was country music star Lee Greenwood, who reminded the audience of our Nation's homeless and the commitment that is necessary to assist them. Amid our Nation's great bounty, there are hundreds of thousands, if not millions, of homeless individuals. A sizable proportion of the homeless are veterans. Lee moved the audience with the eloquence of his remarks and the emotion of his new song, "Homeless American."

Lee is a great friend to our veterans. Lee has devoted thousands of hours of his time to serving our Nation's Active Duty Forces and our veterans. I am proud to have him as a friend and I thank him for his continued service to our Nation.

Mr. Speaker, I would like to share with my colleagues the words of Lee Greenwood's newest song, "Homeless American."

HOMELESS AMERICAN

(By Lee Greenwood)

The news reads "Wall Street rallies," our future sure looks bright
Yet huddled familes shiver as day turns into night.
Our Lady get refurbished, her promise made anew,
Yet night time sounds forewarn the fate of what's in store for you.
And the newsman says "And so it goes" and signs off for the day,
As the city streets start closing in upon their evening prey.
Homeless American, you've fallen through the crack.
Homeless American, what's left is on your back.
All the dreams that you've composed,
Lie shattered and foreclosed.
. . . And so it goes . . .
A fire and a memory are there to keep you warm,
A cardboard box and blankets are shelter from the storm.
We don't shoot our wounded, we've made that very clear.
But still you keep on wondering every time you hear,
"Give me your tired, give me your weary," echoing through the breeze,
If the torch still burns, why can't they see the forest through the trees.
Homeless American, we'll help you when you're down.
Homeless American, there's enough to go around.
It's the least we can extend to our fellow countrymen.
. . . And so it goes . . .
To our veterans out on the street, our debt is overdue.
You fought for freedom, surely we can find a place for you.
Homeless American, we'll help you when you're down.
Homeless American, there's enough to go around.
It's the least we can extend to our fellow countrymen.
. . . And so it goes . . .
[Repeat to fade.]

INTRODUCTION OF THE TRAUMA CARE CENTER ALIEN COMPENSATION ACT OF 1989

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. LOWERY of California. Mr. Speaker, a siren screams—you awake in the middle of the night and a combination of emotions rush through your partially functioning mind: fear, terror of the unknown, memories of pain. But as rationality surfaces there is knowledge that the injured are headed to a hospital and being given care en route. In emergency rooms and trauma centers, physicians and nurses begin lifesaving care immediately and ask questions later. After all, we are a nation which cares for its injured and dying. You can go back to sleep.

Unfortunately, sometimes when the questions are asked later at the hospital or trauma center, the answers bring the knowledge that the care just rendered won't be paid for. California hospitals now lose more than $2 billion a year for uncompensated care from all sources. California's trauma centers lose about $80 to $100 million annually. In the past few years, Florida and Los Angeles have each closed 10 trauma centers. Hermann Hospital in Houston stopped accepting seriously injured accident victims from ambulances on October 1; San Diego, New York, Detroit, and St. Louis may all face cutbacks in the near future.

Mr. Speaker, trauma care centers provide the surgical services to patients in the critical first hour after a care accident, gunshot, stabbing, or other life-threatening injury. A ready trauma center includes a highly developed transportation and communication system, sophisticated medical equipment, and an expert surgical team capable of doing whatever is necessary to save a human life. Trauma is the leading cause of death for all people under age 37; it will cause 142,000 deaths this year and cost our Nation $100 billion in care, property damage, insurance and lost wages.

As we move forward to encourage States and communities to establish trauma systems, we cannot ignore the fact that many centers have closed, and many more now struggle to stay open. Particularly hard hit are those trauma centers along our Nation's southern border. Because of their location they must treat large numbers of illegal alien/undocumented patients.

Over the past few months, I have contacted more than 40 trauma centers throughout California, New Mexico, Arizona, Texas, and Florida. From most of them I have heard the same story: despite the Immigration Reform and Control Act of 1986 and increased border patrols, aliens continue to stream into the United States. When those aliens are wounded, they receive care at American trauma centers—no questions asked.

Here's the problem. In most cases, a trauma center will learn of the immigration status of a patient only after it tries to collect for the thousands of dollars of care it has provided. Frequently, an undocumented alien will lie about his address because he fears deportation. If a hospital cannot establish residence for the patient, it has no hope of qualifying him for Medicaid or IRCA assistance. Ultimately, all along the border, hospitals must write off millions of dollars in bad debt.

Mr. Speaker, I rise today, along with nine of my colleagues from the border States, to introduce legislation designed to provide some assistance to trauma centers which must treat illegal aliens. The bills these cases generate now threaten the availability of care for all patients.

The Trauma Care Center Alien Compensation Act of 1989 provides $20 million in each of the fiscal years 1990 through 1993 to trauma centers which can show they have incurred at least 15 percent of their unreimbursed trauma expenses from treating illegal aliens. While this formula may be subject to change, I believe it addresses the most dramatic needs of the various trauma centers and will help many to stay in business.

One of the obstacles I have encountered in preparing this bill lies in the nature of the data I have attempted to collect. Because no reimbursement is available, most hospitals do not keep accurate records of their unreimbursed trauma costs due to undocumented patients. Further, local sensitivities about aliens and the threat of legal action have discouraged some trauma centers from even attempting to develop estimates. A 1987 General Accounting Report for the House Appropriation's Committee came to the same conclusion.

Through conversations with State and local officials and hospital administrators, however, I have learned that some hospitals have instituted screening and billing practices in recent years which enable them to produce reasonably accurate estimates of their losses in this area. Overall losses in trauma care have forced these centers to examine and explain their costs with unprecedented detail.

To a certain extent, the success of this bill will depend on the ability of the trauma centers to demonstrate need. I believe the Federal Government should give the benefit of the doubt to hospitals that can show they have attempted to collect on their bills, but more hospitals will also have to follow the example set by trauma units in Los Angeles, San Diego, Houston, and Phoenix in computing their debts.

Obviously, $20 million will not fully cover all the States and all the trauma centers who

need help. With the budget deficit in mind, however, I believe this bill is an appropriate response to a Federal problem. Not a panacea, it may be what is necessary to avert medical gridlock along the border.

The Federal Government cannot wait any longer. Bad debt forces trauma centers to raise their charges for insured patients, discourages doctors from serving the poor, and limits a community's ability to save lives. If we do not act now, the deterioration of our Nation's trauma systems will continue at a tragic, almost unthinkable cost.

Mr. Speaker, I look forward to working with you and my colleagues on this bill.

THE INTRODUCTION OF H.R. 3627

HON. WES WATKINS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. WATKINS. Mr. Speaker, today I am introducing a bill that would amend the newly enacted Financial Institutions Reform, Recovery, and Enforcement Act [FIRREA]. In anticipation of billions of dollars' worth of real estate assets from failed thrifts being dumped on already saturated markets in the Southwest, I am proposing that Congress authorize private entities to form real estate investment trusts [REIT's]. These trusts would offer public subscriptions to fund the purchase of up to $10 billion of notes, mortgages, and real estate involved in multifamily projects. To ensure an active market in the REIT stock, I am proposing that the dividend income from such investments be exempt from Federal income tax for a finite period of time.

Favorable aspects of this measure include:

First. Giving direction to the newly formed Resolution Trust Corporation [RTC] and its Oversight Board in the creation and implementation of a strategic plan. Included among these guidelines is:

The requirement to establish working relationships with economic development organizations in economically distressed areas of the country;

The establishment of categories of assets held by the RTC, and prioritization of the sale of these assets, so as to contribute to the development of local economies; and

The development of strategic assets in such a manner that the number of local jobs are increased, so that the demand for other real properties will also be increased.

Second. Authorizing the RTC to go beyond providing loans at favorable interest rates to include taking equity positions in the development of strategic assets.

Third. Establishing procedures that will insure that the RTC does mitigate the financial devastation of local economies, which would result if billions of dollars, worth of real estate is dumped on already saturated markets. That the RTC does, in fact, comply to the requirements set forth in FIRREA, and: minimizes the impact of such transactions—the sale of real estate—on local real estate and financial markets and takes action to avoid adverse economic impact for those real estate markets that are distressed.

Fourth. Supplementing FIRREA's reporting and disclosure requirements to include an audit of RTC activities to insure that the disposition of its assets is not contributing to the deterioration of local economies and are, to the greatest extent possible, contributing to the rebuilding and expansion of local economies.

Fifth. Maximizing the cash infusion to the S&L industry and the U.S. Treasury through negotiated cash purchases of the subject properties, as opposed to costly RTC management, warehousing, and liquidation.

Sixth. Maintaining revenue neutrality. In many cases, the projects were financed by tax-exempt bonds issued under the old FSLIC program. Those that are in FDIC/RTC possession produce no taxable income; those in default, but not foreclosed, are to a great extent in the hands of bankrupt or defunct organizations or individuals, which are paying no taxes on the income therefrom.

Through a payments-in-lieu-of-taxes program, the RTC would make payments to local and State governments for the loss of revenue to those governments because of RTC's possession of said properties, thereby insuring that important governmental functions dependent on such ad valorem taxes, such as a State's school system, are not without adequate funding.

Seventh. Under the bill's tax provisions, American investors buying REIT stock would retain 90 percent of the net income from ownership of the various multifamily projects and/or purchased notes and mortgages securing the same.

Eighth. Most importantly, the U.S. taxpayers would be relieved of as much as 10 billion dollars' worth of the S&L bailout burden.

I urge my colleagues to take a serious look at this legislation. It could certainly help to relieve the burden that the S&L bailout bill has imposed on the American taxpayer and lessen the havoc that will result from dumping massive amounts of real estate upon the economies of our Southwestern States.

SUMMARY OF H.R. 3627, THE RESOLUTION TRUST CORPORATION ASSETS DISPOSAL ACT OF 1989

I. STRATEGIES FOR DISPOSING OF ASSETS IN DISTRESSED AREAS

(A) Working Relationships with Economic Development Organizations—The RTC shall identify regional, State, and local economic development organizations which exist or operate within any distressed area; and attempt to establish ongoing working relationships with such organizations in connection with the maintenance and disposition of real property and other assets within the distressed area.

(B) Establishment of Categories of Certain Assets Held by the RTC—any asset held by the RTC, which is described in any of the following clauses, shall be disposed of in the manner required below in subparagraph (C):

(1) Financial Assets—Any asset consisting of a loan, security, or other financial asset, which is secured by real property or any other asset located in any distressed area; and can be readily liquidated.

(2) Strategic Assets—Any asset consisting of real property or an enterprise (such as an industrial plant, major commercial building, or major business), which is located in any distressed area; and the operation of which is or will be (following the completion of any improvements or the infusion of any additional financing which may be necessary for such operation) or major importance to the local economy and local employment.

(3) Nonstrategic Wasting Assets—Any asset consisting of real property (such as a residence, shopping center, or other facility), which is located in any distressed area and is not described in number (2) above, which is not subject to the requirements of subparagraph (C) below, and the condition of which will decline if not maintained or occupied.

(4) Nonstrategic Nonwasting Assets—Any asset consisting of real property (such as undeveloped real estate), which is located in any distressed area and is not described in any of the above categories.

(C) Disposition of Assets Described in Subparagraph (B) Above: The disposition by the RTC of assets described above shall be subject to the following conditions:

(1) Sale of Assets—In the case of financial or strategic assets, such assets shall be offered for sale before nonstrategic wasting and nonwasting assets. Bidders which are located in the distressed area where any such asset, or the real property or other asset securing any such asset, is located shall be given a preference in the purchase of the asset.

The Corporation shall, with respect to strategic assets and in accordance with procedures which the Corporation shall establish, offer such assets in blocks which are small enough to allow local financial institutions to be bidders for such assets.

The Corporation shall consult with organizations located in the distressed area before offering such assets for sale and shall coordinate efforts to obtain financing for any such sale from financial institutions located in such area.

(2) Leasing and Maintenance of Assets—In the case of non-strategic wasting assets, the Corporation shall not sell, or shall place a lower priority on the sale of, any such asset until the local economy where the asset is located has improved and a substantial portion of the strategic assets have been sold.

The Corporation shall lease such assets or contract with organizations located in the distressed area to maintain such assets until the condition described above is met.

(3) Holding of Assets—In the case of nonstrategic non-wasting assets, the Corporation shall hold the assets located in any distressed area until the financial, strategic, and nonstrategic wasting assets are sold, unless the Corporation determines, after consultation with State or local economic development organizations, that the development of such assets would create a strategic asset which, when sold, would improve the local economy.

(D) Financing for and Sales of Strategic Assets.

(1) Cooperation with other Agencies and Organizations—In connection with obtaining financing for the development of any strategic asset and the marketing and sale of such an asset, the Corporation shall consult with and seek the cooperation of other Federal agencies and instrumentalities, State and local agencies, and organizations located in the distressed area where such an asset is located.

(2) Authorization for Corporation Financing—The RTC may provide financing for all or part of the purchase price in connection with the sale of any strategic asset, including the retention of any equity position in

such as asset or the purchaser of such an asset.

(E) Disposition of Institutions Located in Distressed Areas—The RTC shall make branches and other assets of failed S&Ls available in blocks small enough to allow local financial institutions to the bidders for such branches & other assets.

(F) Audit Procedures for Dispostion of Assets—In establishing audit procedures for reviewing the disposition of assets held by the Corporation, the Corporation shall include a review of the disposition of assets located within any geographical area to ensure that such dispositions are: (a) not contributing to the deterioration of the local economy of such an area; and (b) are, to the greater extent possible, contributing to the rebuilding and expansion of the local economy.

II. EXEMPTION FROM TAXATION FOR DIVIDENDS RECEIVED FROM QUALIFIED REAL ESTATE INVESTMENT TRUSTS [REIT'S]

(A) Exclusion for Individuals—Gross income does not include amounts received by an individual as dividends from a qualified real estate investment trust.

(1) Qualified Real Estate Investment Trust—The term means a real estate investment trust that is: (1) created after March 30, 1989, (2) has as its sole purpose the acquisition of multifamily housing projects from the RTC or the FSLIC Resolution Fund and the ownership, management, and sale of such projects or the notes and mortgages securing the indebtedness on such projects, and (3) files with its return for the taxable year an election to be a qualified REIT or has made such election for a previous taxable year, and such election has not been terminated under the provisions stated below.

(2) Termination of Qualification—An election under the latter Subsection (B)(3) shall terminate if the real estate investment trust is not a qualified REIT for the taxable year with respect to which the election is made, or for any succeeding taxable year.

(3) Applicability of Termination—A termination, as stated above, shall be effective for the taxable year for which the real estate investment trust is not a qualified REIT, and for all succeeding taxable years. Following the termination, the real estate investment trust may not make another election under Subsection (B)(3) for any taxable year.

(4) Applicability—Subsection (A) shall apply only to dividends received before January 1, 2000.

(B) Deduction for Corporations—Subsection (c) of section 857 of such Code (relating to restrictions applicable to dividends received from real estate investment trusts) is amended by adding at the end of the following: "The preceding sentence shall not apply in the case of a dividend received before January 1, 2000, from a qualified REIT within the meaning of the above section concerning dividends from a qualified REIT.

(C) Effective Date—The amendments made by the above section shall apply to dividends received after the date of the enactment of this Act, in taxable years ending after such a date.

III. CLARIFICATION OF LAW PROVIDING THAT ASSETS HELD BY THE RTC ARE SUBJECT TO REAL ESTATE TAXES

In the Corporation's corporate capacity or as a conservator or receiver, the Corporation shall pay ad valorem taxes on the real estate held by the Corporation at the same amount as would have been paid if the property were held in private hands.

IN RECOGNITION OF A VOLUNTEER'S EFFORTS IN TEACHING KIDS ABOUT DRUGS

HON. HANK BROWN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. BROWN of Colorado. Mr. Speaker, as Americans continue to hear shocking statistics about drug use in our Nation it is important that we recognize the committed, caring people who are giving of themselves to help win the war on drugs.

Janell Reid of Crowley, CO, is one of those individuals. For the past 3 years Janell has volunteered her time, collected her own materials and driven 70 miles roundtrip at her own expense to talk to kids about drugs. Her personal effort in the Just Say No Program has touched the lives of children in elementary and junior high schools in Crowley County, CO.

Janell's personal commitment to help educate our children about the dangers of drug use is a shining example of the dedication that will help stamp out drug use by our children.

The war on drugs requires the kind of coordinated strategy that reaches out to the users and potential users, convincing them not to take drugs. The war on drugs must be fought on every street corner, in every classroom in every community. To win the war, we must reduce the demand for drugs in this country.

Although Americans consistently identify drug use as one of the top problems confronting the Nation, many do not recognize the degree to which their own children, their own schools, and their own communities are at risk. People tend to think the problem of drug abuse could never touch their lives, a problem that someone else will address.

But, the outlook is now a little brighter. Our children are turning away from drugs. Recent surveys show that despite widespread availability of illegal drugs, many people who have never used drugs, young people for the most part, have been successfully convinced not to try drugs in the first place.

Our children need to find good role models to steer them away from drugs. The efforts of volunteers like Janell Reid are meeting our Nation's call for more education and attending to the needs of our children. I commend Janell for her outstanding commitment to our Nation's children.

CONGRATULATIONS MR. RALPH E. VITIELLO

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. MATSUI. Mr. Speaker, I rise today to congratulate a dear friend of mine, Mr. Ralph E. Vitiello, on the 25th anniversary of his architectural firm, Vitiello & Associates, Inc. Having graduated and received a bachelor of science degree in architectural engineering from California State Polytechnical College, San Luis Obispo, Ralph has, since then, obtained professional architectural licenses in eight States and founded his own architectural firm in Sacramento, CA.

Ralph has been responsible for the design and restoration of some of the most well-known structures in Sacramento and Old Sacramento, including the Hayward Building, the Morris Building, the Booth Building, the Travelers Hotel, and the Franchise Tax Board.

Ralph has also contributed his time and efforts to many community organizations including, the Sacramento Community Service Planning Council, the 20-30 Club of Sacramento, the Capitol City Executive Association, and the Sacramento Metropolitan Chamber of Commerce, to name a few. He has also actively participated in many professional associations such as the American Institute of Architects, the National Trust for Historic Preservation, the Society for Marketing of Professional Services, and the Society of American Military Engineers.

Ralph's work has been honored through the receipt of various awards. In 1968, he was the recipient of the Distinguished Service Award, given by the Sacramento Chamber of Commerce. In 1986, he was selected as Sacramento's Small Businessman of the Year; and in 1989, he received the Sacramento Chamber of Commerce's architectural award for the "best apartments."

I would like to take this opportunity to commend you, Ralph, on all of your accomplishments. Your work has truly had a positive impact on the Sacramento community. I am sure your wife, Sue, and your children are very proud of what you have achieved. Congratulations to you, and all of the members of your staff, on a job well done.

SACRED HEART CHURCH—100TH ANNIVERSARY

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. MURTHA. Mr. Speaker, America in 1889 was experiencing an economic boom, fueled by coal and steel production in areas such as western Pennsylvania. Many things have changed in the area which fueled the American Industrial Revolution over the past 100 years, but there are some institutions which have persevered and grown. I would like to recognize one of these, the Sacred Heart Church of Jeannette, PA, which will be celebrating its 100th anniversary on November 17.

The first mass of the Sacred Heart Church was celebrated for the approximately 100 families of the parish in a small building in the town of Jeannette on November 17, 1889. From this beginning, the Sacred Heart Church expanded quickly, establishing a school in a permanent building in 1890, and moving into the present church structure in 1924.

The Sacred Heart Church of Jeannette today serves 1,700 families in its parish. I would like to congratulate the parishioners on the occasion of the 100th anniversary of their church, and wish the Sacret Heart Church well in the next 100 years. The next century is likely to bring about as many changes as the last century has produced, but I am confident that an institution like the Sacred Heart Church will be celebrating its 200th anniversary in the year 2089.

THE DEATH OF RONALD ANDRADE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. FRANK. Mr. Speaker, I was very saddened to learn last week of the death of Ronald Andrade, who served as police chief in the city of Fall River. Chief Andrade became acting chief in January 1985, after a long career on the Fall River Police Force, and was made permanent chief in 1986. He served his city with courage, integrity and distinction. The job of law enforcement officials has become increasingly difficult in our society, because as we know, whatever problems exist anywhere become issues for law enforcement officials. Whenever our society fails to do well winds up increasing the difficulty of their work. Chief Andrade worked hard and well at this difficult job and earned the respect and praise of virtually all of the people in his city. I enjoyed the opportunity to work with Chief Andrade on a number of occasions, and to receive his advice from time to time on issues affecting law enforcement.

Chief Andrade was one of those dedicated individuals who reminds us all what a commitment to public service can mean in terms of benefits provided to other people. I join with the people of Fall River in extending my sincere condolences to his family.

IN HONOR OF ARCHBISHOP IAKOVOS

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. MANTON. Mr. Speaker, I rise today to pay tribute to Archbishop Iakovos, the primate of the Greek Orthodox Church of North and South America. The archbishop will be honored this weekend by the United Hellenic American Congress for his lifelong dedication to bringing greater vitality and unity to the Eastern Orthodox Church.

Mr. Speaker, Archbishop Iakovos is the leader of 2 million Greek Orthodox in North and South America. But equally important, Archbiship Iakovos is an international leader in the field of human and civil rights. During his 30-year tenure, Archbishop Iakovos has worked tirelessly to end ignorance and discrimination throughout the world.

During the 1960's, Archbishop Iakovos marched with Dr. Martin Luther King, Jr. in Selma, AL, to fight social and racial injustice. He was an outspoken supporter of the Civil Rights Act. Archbishop Iakovos also has worked to promote understanding among the churches of the world. The archbishop was the first Greek Orthodox bishop in 350 years to visit with the Pope and the first Greek Orthodox archbishop to preach in St. Patrick's Cathedral. He also has initiated historic dialogs between the Orthodox Church, the Jewish faith and leaders of the Anglican, Lutheran, Baptist, and black churches in order to foster better mutual understanding.

Mr. Speaker, I have been fortunate to meet with his eminence the archbishop on several occasions. I have always been deeply impressed with his warmth and energy. Today, I ask my colleagues in the House to join me in paying tribute to this extraordinary man. Archbishop Iakovos' commitment to peace and understanding should be an example for us all.

DEBT LIMIT VOTE

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. LEWIS of Florida. Mr. Speaker, yesterday, as is my custom, I voted against increasing the Nation's debt limit.

As many of my colleagues are aware, I have always felt strongly that the Government should act responsibly enough so that we do not have to continually raise the debt ceiling. This can be done by simply living within our means and not relying on the credit card mentality which has become all too prevalent.

In addition, I find it appalling that the U.S. Senate continues to place "sweeteners" onto otherwise bad bills. This bill is a perfect example. The repeal of the section 89 provisions was placed onto the debt limit increase in an attempt to make it more palatable. This is no way to do business.

Since the onerous section 89 stipulations were placed in effect, I have worked for their repeal. I cosponsored legislation to repeal them, and voted for repeal during the recent budget reconciliation. Therefore I was aghast when it was placed on the debt limit increase. I cannot, in good conscience, vote for legislation that, by definition, enables the United States to become further mired in debt. Because of this stand, the Senate's inexcusable action forced me to vote against repeal of section 89, although that is not my position.

Mr. Speaker, if we are to honestly face up to the budget problems, we must put an end to our credit card mentality. No more using trust funds to lessen the deficit, no more budget gimmickry, and no more sweeteners.

MEMORIALIZING MR. EDWARD WARNER

HON. ESTABAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. TORRES. Mr. Speaker, I rise today to ask that my colleagues join me in memorializing Mr. Edward Warner, a teacher, mentor, and friend to many a constituent who have traversed the halls of El Monte Union High School in El Monte, CA.

Ed Warner was the social science department head and U.S. Government teacher. His commitment to young people was easily seen in the fact that his was always the first class to be filled. His wry wit and sardonic sense of humor always made his classes true to life.

Ed Warner was a graduate of Inglewood High School. He continued his education at El Camino Junior College and then transferred to Los Angeles State where he earned his bachelor's degree in 1961 and his general secondary credential in 1962.

He was a very active participant on campus. He was the timer for the track meets, former mentor teacher, audiovisual coordinator, longtime member of the faculty advisory committee, and former basketball coach. Ed Warner was always available to create an instant audience at some school activity, if he thought there would not be a good attendance. His classes seemed to always have the best attendance record. Students did not miss assignments nor tests because he motivated them to be present.

There is no doubt in my mind that Ed Warner will be missed by his students, his friends, his colleagues, and his family. He was a master teacher who set high standards for his students and were reflective of his own life.

COMMENDATION OF LORI STILLMAN, SUBCOMMITTEE STAFFER

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. VENTO. Mr. Speaker, I want to commend Lori Stillman, a minority staffer for the Subcommittee on National Parks and Public Lands, for her efforts during the past 5 years that I've chaired the subcommittee. Ms. Stillman, who recently left the subcommittee will be missed. She worked diligently on park issues. The House action on H.R. 1727, a bill that significantly modifies the boundaries of the Everglades National Park, reflected the type of good quality staff work that Ms. Stillman exemplified throughout her service for the Interior and Insular Affairs Committee. Ms. Stillman, visiting the Everglades, came to thoroughly understand the issues involved with this key park. Of course, Ms. Stillman worked on many other National Park bills over her years of service, including establishing the National Park of American Samoa and Natchez National Historical Park, on park recreation fees, and on boundaries for Acadia National Park, John Muir National Historic Site, and Stones River National Battlefield. She also worked on the Abandoned Shipwreck Act, the Commemorative Works Act, and numerous trails. Surely Lori Stillman justifiably deserves our thanks and gratitude for a job very well done.

Having worked closely with her, I appreciate her talents and her abilities. Lori Stillman always sought ways to ensure that the minori-

ty's perspective was considered. She also worked to find solutions acceptable to all involved. I know that the subcommittee misses her positive contribution and attitude, her special spirit and dedication, and wishes her the very best in her new endeavors.

IN RECOGNITION OF SERBIAN CULTURAL HERO

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. GEKAS. Mr. Speaker, I rise today to draw the attention of my colleagues to the birthdate of one of the greatest Serbian cultural heroes of all time, Vuk Stefanovic Karadzic.

On November 6, 1787, Vuk was born in the Serbian village of Trsic near the border near Bosnia and Serbia. Throughout his life he wrote dictionaries, histories and collections of proverbs and folktales. Much of his writing was history that had been passed on from generation to generation—orally. Thus, he saved the treasures of the Serbian people for all time.

I would like to share with my colleagues the words Michael D. Nicklanovich in Serb World USA:

During his lifetime he completed some of the most stupendous works of painstaking scholarship ever undertaken by anyone anywhere at any time—with neither health nor wealth, only the will of a superman. Genius he was with a passion. Others had his ideas, but it was he who performed the enormous work to realize them and spread them. He not only made foreigners aware of the treasure of Serbian culture, forgotten by the world as Serbia lay under the Ottomans, but he also made his own people aware of their own worth and proud before the world. He is called the father of Serbian people, but he was more, the father of modern Serbian culture and the father of Serbian scholarship. As Tesla became the Serb of science in this century, so Vuk was the Serb of humanities perhaps for all time.

Mr. Speaker, Vuk Karadzic was a man of the world.

CONGRESSIONAL GOLD MEDAL FOR LAURANCE SPELMAN ROCKEFELLER

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. UDALL. Mr. Speaker, today I am introducing legislation that will award a Congressional Gold Medal to Laurance Spelman Rockefeller, in recognition of his contributions and lifelong dedication to the conservation and wise use of America's natural resources and the preservation of its historic resources.

Laurance Rockefeller's contributions to natural resource conservation and historic preservation have played a major role in fostering a new era of environmental concern in the United States. He was appointed chairman of the Outdoor Recreation Resources Review Commission by President Dwight D. Eisenhower. The work of this Commission led to the establishment of the Bureau of Outdoor Recreation, the land and water conservation fund, the Wilderness Act, the National System of Scenic Rivers, and other landmark conservation programs.

President Lyndon B. Johnson appointed Mr. Rockefeller chairman of the 1965 White House Conference on Natural Beauty. The recommendations of this conference brought the concept of natural beauty to urban areas, led to the Highway Beautification Act, and increased State and local awareness of environmental issues. He also collaborated with Lady Bird Johnson in her quest to beautify America and our Nation's Capital.

Laurance Rockefeller also served under Presidents Nixon and Ford in various capacities, including the Public Land Law Review Commission, and the National Park Foundation. His environmental accomplishments in the State of New York are truly bountiful.

Laurance Rockefeller's contributions go beyond the environment. He has been one of the foremost leaders in the fight against cancer through more than 40 years of dedicated work and benefactions to the Sloan-Kettering Memorial Cancer Center. On the national level he has been a leader in promoting preventive health care.

It is with great pride that I introduce this legislation to honor this great man.

TRIBUTE TO THE MAIN POST CHAPEL AT FORT GEORGE G. MEADE, MD

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. McMILLEN of Maryland. Mr. Speaker, I rise today to pay tribute to the main post chapel at Fort George G. Meade, MD. On Sunday, November 12, 1989, the post chapel will celebrate 55 years of dedicated service to the soldiers, sailors, air personnel, and their families of Fort Meade in a morning anniversary service.

I would like to share with you the history of the post chapel, as there are only eight buildings of its kind in the United States. Designed by an unknown architect, the chapel reflects the design of 18th century tidewater churches. In the early 1940's, stained glass windows and an altar mural were given as a gift by active duty regiments stationed at Fort Meade, and by veterans of the 79th Division. The gift was given in memory of those soldiers who trained at Camp Meade, as it was formerly known, and lost their lives in the First World War. Each window carries individual regimental crests and dedications that reflect Biblical scenes from the life of Jesus Christ.

The significance of the chapel, however, does not rest solely on its unique design and architecture. Rather, it lies in the interdenominational community of people who have belonged to this heralded chapel for more than half a century. Through two world wars, the Korean conflict, and Vietnam war, a congregation of all ages has turned to this sanctuary for companionship, solace, and spiritual guidance.

It is with great pleasure that I commend the main post chapel at Fort Meade for its valuable years of service to an expanding, increasingly diversified military community. I hope that my colleagues will join me in congratulating the chapel on its 55th anniversary and in extending best wishes for the future.

DIFFICULTIES FACED BY AMERICAN INVESTORS OVERSEAS

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. SCHAEFER. Mr. Speaker, we are all well aware of the growing level of foreign investments in the United States, and the number of American firms controlled by overseas interests. While our markets remain relatively open to foreign investors, I am disturbed by the difficulties Americans face when investing overseas.

Foreign nationals have invested nearly $400 billion in the United States, and for the most part these investments have been welcome. The United States has invested well over $300 billion in other countries, but increasingly such investments are unwelcome. In this age of a global economy, where the industrialized countries have become so reliant on one another, this a very disturbing development. As our economy is open for investments to the world, we should have the same opportunities abroad.

In particular, Japan has accepted American investments, but refuses to allow these investors the same rights enjoyed by Japanese investors. That is why I am cosponsoring House Concurrent Resolution 216, which urges a reduction in the numerous barriers to Americans trading with or investing in Japanese companies. One factor in determining the openness of the Japanese economy is by looking at the number of Americans serving on Japanese corporate board of directors. I call on Congress, the administration, and Japan to pursue a policy of bringing down these various barriers.

DR. HENRY BETTS: 25 YEARS OF DEDICATED SERVICE

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. PORTER. Mr. Speaker, I rise today to draw my colleagues' attention to the achievements of Dr. Henry Betts. Many Americans who do not even know Dr. Betts should join in applauding this man as he is recognized on November 14 for 25 years of dedicated leadership of the Rehabilitation Institute of Chicago.

As chief executive officer and medical director of the institute, Dr. Betts is a nationally recognized leader in rehabilitative medicine. He is a pioneer in physiatry—a field which

was little known at the time he decided to make it the focus of his life's work. I have been to the institute and I have seen the work of he and his coworkers. The contribution they make to bettering the lives of disabled persons is truly amazing.

Moreover, Dr. Betts has been a tireless champion for the rights of the disabled, for efforts to prevent disability, and for expanded research. I know Dr. Betts the physiatrist and administrator, but I also know Dr. Betts the advocate for the public good. He was a strong proponent of the nationwide 21 drinking age which is now law. As a result of this statute, fewer young people travel across State lines to drink, and fewer are killed and disabled in drunk driving accidents.

Dr. Betts is a man who recognized early on that injury prevention initiatives work—that the events which lead to death and disability can often be avoided, and that a dollar spent on prevention can save the many more dollars needed to redress the consequences of injury. I applaud Dr. Betts for his advocacy of mandatory child restraint seats and seatbelt laws, and for his work for equal rights for the disabled.

My work on the subcommittee which funds the Departments of Labor, Health and Human Services, and Education has been strengthened immeasurably by the benefit of Dr. Betts' counsel. His expertise has improved my understanding of many important Federal programs, and he has propelled me to become an advocate for the injury prevention programs of the Public Health Service, and for the research and training programs of the National Institute of Disability and Rehabilitation Research. He is recognized in the Congress as a man who can be turned to for information and answers, and his insights command the greatest respect.

Finally, Mr. Speaker, I want to praise Dr. Betts the individual, a man of compassion and zeal who has committed his life to improving the lot of humankind. He possesses the inner strength that is the mark of greatness, and I am proud to join in saluting him. Thank you, Henry, for all that you have done and all that you will do.

BART—A VITAL TRANSIT LINK IN THE BAY AREA

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. EDWARDS of California. Mr. Speaker, 3 weeks ago, the San Francisco Bay area suffered its worst earthquake since 1906. During the quake, a portion of the San Francisco-Oakland Bay Bridge collapsed, cutting the major transportation link between San Francisco and the east bay communities.

As a result of this disaster, the people of the bay area had to turn to the public transit systems of that region to meet their transportation needs. I am pleased to point out that public transit, by all accounts, has done an exceptional job in keeping the bay area from facing the gridlock which so many had predicted.

A major reason for this success has been the ability of the Bay Area Rapid Transit System [BART] to step up its service to meet the needs of the additional ridership. Immediately after the earthquake, BART added more cars to increase passenger capacity and extended its operating hours to provide service round-the-clock, 7 days a week. BART trains also transported food between San Francisco and the east bay to help feed the needy through the efforts of the Red Cross and other organizations.

On October 25, the Los Angeles Times commended BART's performance in the aftermath of the earthquake. I would like to insert their editorial in the RECORD. I also would like to offer my thanks to those individuals who kept the bay area moving during this crisis. Their dedication to public service and professionalism was demonstrated eloquently in a time of great need.

[From the Los Angeles Times, Oct. 25, 1989]

BART'S SHINING PERFORMANCE

Amid, all the transportation troubles that San Franciso Bay Area commuters are enduring in the aftermath of last week's earthquake, there is one bright spot—the performance of the Bay Area Rapid Transit District's subway system.

When East Bay residents awoke Monday morning and faced the prospects of trying to get to work with a major bridge and three freeways out of commission police and traffic engineers feared the worst. It was bad, with traffic clogging the remaining bridges, and rain and rough seas soaking passengers aboard crowded trans-bay ferries. But things kept moving, and major reason they did was that literally thousands of people who do not normally rely on BART gave the subway system a try and found it worked. BART officials were prepared and had pressed extra trains and cars into service. They wound up carrying 53,000 more passengers than on a normal day.

There were a few minor glitches. There was standing room only on most trains, a common annoyance on other urban rail systems but a rarity on BART. Neophyte riders had trouble figuring out the BART ticketing system, and parking was scarce at suburban stations. Clearly, if BART hopes to keep its many new customers, the system will have to be made a bit more "user-friendly."

But overall, BART has come through the Quake of '89 with flying colors. Even when the massive trembler hit San Francisco and Oakland at the height of a Tuesday afternoon rush hour, most subway riders were not a aware that there had been an earthquake. Damage to the subway was minor and it was back in partial operation by the very next morning.

BART's performance proves that subways do work, and work quite well, even in carhappy earthquake-prone California. That should bode well for Los Angeles, once its own Metro Rail system goes into operation sometime in the 1990s.

CATASTROPHIC CARE

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. HOUGHTON. Mr. Speaker, today the House had another opportunity to vote on catastrophic care. This is the program Congress approved overwhelmingly just last year. It has come under heavy criticism and the majority of House Members voted again for repeal. I did not. I think repeal is a mistake. This vote will not be the end of the story.

The Buffalo News editorial of November 3 tells what could easily happen, assuming that catastrophic care is repealed. The end result is a large, large increase in Medigap rates. Also, there will be increased risk for middle-income seniors. I include a copy of that editorial. You might enjoy reading it. It says a lot.

[From the Buffalo News, Nov. 3, 1989]

THE PRICE FOR A REPEAL OF CATASTROPHIC INSURANCE

As Congress licks its wounds and tries to decide whether to repeal the 1988 catastrophic health insurance program entirely, as the House wants, or only mostly, as the Senate prefers, the word from private insurers is that higher premiums for Medigap policies are ahead.

Private firms sell these policies to millions of the retired. They cover all or part of the difference between the total cost of an illness and what the federal government will pay through Medicare.

There are many of these policies, too. One estimate is that 25 million of the 33 million Medicare recipients, or about 75 percent, carry some form of this added insurance. In a majority of cases, individuals pay the premiums themselves.

Many senior citizens who objected to the federal catastrophic health insurance program adopted in 1988 complained that it supplied coverage they didn't want or need because they already had such protection under these private Medigap plans.

But the premiums on these policies, as members of the insurance industry acknowledge, were kept down this year on the assumption that the government would be providing expanded protection through the new nationwide program.

Now that repeal or drastic reduction of these benefits is all but certain, industry estimates are for increases in Medigap premiums of from 10 percent to 43 percent.

"If the federal government covers less and we have to cover more," said one Blue Cross/Blue Shield official, "it would make sense to have a premium increase."

PROTECTION IS LOST

Thus, repeal of the program by Congress may not save people with private programs as much money as they had hoped.

One of the worst consequences of this national legislative fiasco is that millions of middle-income retired Americans will lose all or some of the protections provided by the law, protections against being wiped out financially by severe illness. The law to be repealed or stripped down would have paid many of the bills for hospital care, physicians and prescription drugs above a certain manageable amount each year.

Repeal won't hurt the wealthy, who can afford expensive private insurance. Nor will

repeal hurt the very poor, since they will be covered by Medicaid.

But it will hurt many in the middle class. Congress estimates that perhaps 20 million retired Americans with incomes below $15,000 a year would have received the insurance benefits while not paying the controversial surtax charged to more affluent seniors. Much or all of that new protection, depending on the final decision of Congress, will soon be lost.

Those among the 20 million who are not on welfare but have some income will be the big losers. Repeal will cancel their insurance protection against being wiped out financially by serious illness. Yet because of limited resources their access to the private Medigap policies will be limited—especially if premiums rise sharply.

PROGRAM WAS OVERLOADED

The catastrophic insurance fiasco exemplifies how Congress can occasionally mishandle a modest, progressive proposal. In this instance, it came from President Reagan in 1987.

In its original form, the Reagan proposal offered many fewer benefits but also did not have the special surtax, added later on, that provoked the savage fight over repeal. Congress had to add the surtax because it had decorated the original Reagan initiative with many new features that have proved less defensible to the public and substantially more expensive.

Of the Senate and House revisions, the Senate's is preferable. It strips the law of many benefits, including coverage for doctors and prescription drugs. But it is not total repeal.

It repeals the special surtax for the more affluent but retains the insurance reimbursements for hospital costs.

Repeal is a mistake almost certain to boost the costs of private health insurance for seniors. But the Senate bill, unlike that of the House, would cushion the blow.

CONGRESSMAN KILDEE CONGRATULATES MAYOR TOMLINSON

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. KILDEE. Mr. Speaker, I rise today to urge my colleagues in the U.S. House of Representatives to join me in paying tribute to a retiring public servant, Mayor J. Larry Tomlinson.

Mayor Tomlinson is retiring Friday, November 10, 1989, from his long and distinguished career as city councilman and mayor of Grand Blanc, MI. Larry has ably served the people of Grand Blanc for 15 years, the last 5 as mayor. He has shown exemplary leadership and he has worked together with the other members of the Grand Blanc City Council to move the city forward. The city of Grand Blanc undertook many important projects during Larry's tenure. Those projects include: the extension of Dort Highway; the Saginaw Street streetscapes and turnback; and the realignment of Perry Road and Bush Street. The completion of these projects are a result of the leadership provided by Mayor Tomlinson and the city council.

During his tenure with the city of Grand Blanc, Larry served on the following committees: Public safety, personnel and finance, department of public works, site plan review, and legal and legislative. He also served as police commissioner until 1980. Larry has also been deeply involved with the Tall Pine Council of the Boy Scouts of America for 25 years and is currently serving as vice president of programs.

There is no doubt that Larry will be missed by those of us privileged to work beside him in public office. He brought with him an enthusiasm for serving people and was strongly committed to making Grand Blanc a better place in which to live and work. While Larry is retiring from this phase of his career, I strongly believe he will continue to speak out on those issues affecting the people of Grand Blanc and will provide leadership whenever necessary. Mr. Speaker, it is both a privilege and an honor for me to stand before my colleagues in the U.S. House of Representatives today to pay tribute to Mayor J. Larry Tomlinson of Grand Blanc, MI. Under Mayor Tomlinson's stewardship, the city of Grand Blanc has experienced unprecedented growth and has emerged as a residential jewel of Genesee County. He is leaving an indelible imprint on our community and I wish him well in his future endeavors.

BISCAYNE PARK MAYOR ED BURKE: LEGEND IN HIS OWN TIME

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. LEHMAN of Florida Mr. Speaker, my wife, Joan, and I have lived in the wonderful northeast Dade County community of Biscayne Park for over 7 years. Our community has many assets—beautiful lawns and parkways, climate, friendly neighbors, excellent services—but unfortunately, we are losing our greatest asset; our mayor Ed Burke, who has decided to retire.

Two years ago, the last time Ed tried to retire, hundreds of residents wrote, called or stopped by at the village offices to urge him to stay on. At that time, we convinced him to run for another 2-year term, and he relented. But sadly for the residents of our community, this year his decision is final.

Not that he doesn't deserve a rest. Ed Burke has served Biscayne Park since 1961 as a commissioner and as mayor. The past 29 years have brought many changes to south Florida, but Ed's hard work, foresight and good judgment helped Biscayne Park prosper despite the turmoil. In many respects, our village mirrors the personal values that Ed has brought to the job.

Mr. Speaker, I join with all of our neighbors in wishing Ed Burke and his wife, Mary, our fondest best wishes for health and happiness in the coming years. Thank you, Ed, for everything you have done for our community.

JIM BALUKEVICH INDUCTED INTO THE NEW JERSEY BOXING HALL OF FAME

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. LANTOS. Mr. Speaker, Jim Balukevich will be inducted into the New Jersey Boxing Hall of Fame at special ceremonies to be held November 10 in Garfield, NJ. I congratulate Jim on this honor, and I know many of my colleagues join me in extending best wishes to him on this occasion.

Mr. Speaker, this honor is well deserved. Mr. Balukevich is a longtime member of the Washington, DC Boxing Commission and the founder of the D.C. Boxing Hall of Fame. It is most appropriate that 3 years ago, he was inducted into the Washington, DC Boxing Hall of Fame.

Jim has been honored on many occasions for his commitment to the sport of boxing. Charlie Ross in the Massachusetts Post-Gazette appropriately called Jim Balukevich the National Boxing Goodwill Ambassador, and noted that Jim "has, incontestably, earned such honorable recognition."

Jim Balukevich's commitment to boxing is long standing and well known. In his youth, he was a Golden Gloves participant. In 1938, while he was serving in the U.S. Army in Hawaii, he joined the Schofield Barracks boxing team and won a bronze medal. More recently Jim won the Senior Olympic Middleweight Boxing Championship of America.

As a goodwill ambassador for boxing, Jim participates in a number of organizations. He is an active leader of the Veteran Boxers Association [VBA], and is their unofficial "Man in Washington," where he uses his contacts with congressional leaders to publicize and further VBA support for veteran boxers. Jim is also an active member of the American Association for the Improvement of Boxing and the west coast's Cauliflower Alley Club. He is in demand as a "presenter" and speaker at boxing, wrestling, and other sports events.

Jim not only encourages boxing, he also remembers some of the great boxers and great matches of our era. He recalls the heavyweight champion Gene Tunney, who defeated Jack Dempsey for the title. Jim called Joe Louis the best boxing champ I ever met, and observed that "I doubt there will ever be gentlemen like Joe in boxing again."

Mr. Speaker, I am delighted to call the attention of my colleagues to this latest honor, deservedly being bestowed on Jim Balukevich, and I urge my colleagues to join me in recognizing him for it.

JAMES O. GREEN

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. GOODLING. Mr. Speaker, local success stories in this competitive world are some-

times hard to come by, but I'd like to mention one very successful enterprise in my congressional district.

In 1913, Clarence Green decided to leave his place of employment and establish Green's Dairy. At that time, he employed less than 12 people. This operation became a family love affair and in 1948, James O. Green, became the sales manager for the company. By the end of the 1960's, James O. Green was the president of Green's Dairy which was not only a growing milk business but also a thriving ice cream business. As president, James O. Green saw the business grow dramatically until today there are 350 employees—and the milk, ice cream, and specialty ice cream business has also become a producer of delicious yogurt.

As the company grew, James O. Green's children, James B. and Abby Green Little, became very active in the business which remained strictly a family business until 1986 when Crowley Foods purchased Green's Dairy. However, James O. Green has the satisfaction of watching his children continue to operate the business with James B. as the president and Abby Green Little as the marketing manager.

This has truly been a family success story and I am proud to salute James O. Green as he retires from a very active involvement in Green's Dairy.

MRS. WELDON, WILL SHRIVER HONORED

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. SKELTON. Mr. Speaker, today I rise to make the Members of the House aware of the unique accomplishments of two Missourians—Mrs. William H. Weldon of Jefferson City and her horse Will Shriver. Recently, they were both inducted into the St. Louis National Charity Horse Hall of Fame, and Will was the first horse ever to receive this prestigious honor.

Mr. Speaker, this tribute was a fitting culmination to the storied career of Will Shriver, the leading sire of American Saddlebreds and the greatest gaited horse ever to enter the ring. It was also a tribute to the patience and sound judgment of Mrs. Weldon who saw championship potential in Will Shriver when others had their doubts.

Will Shriver's career has been a story of courage and perseverance because success did not come quickly or easily to this horse. In both 1974 and 1975, he qualified to compete in the grand championship class at the Kentucky State Fair—the "Super Bowl" of horse show competitions. In both years, however, illness and injury robbed him of the chance to contend for the title. To a lesser horse, these would have been career-ending setbacks. But not to Will Shriver. Under the guidance of Mrs. Weldon, he fought back from his injuries and claimed the grand champion title in 1976 at the age of 10. He was the first Missouri horse to claim top honors in 35 years. Mrs. Weldon retired Will after his triumph and started him on a second career that led to his being named the No. 1 sire in the country in 1985, and in each succeeding year.

Mr. Speaker, I know all of my colleagues will join me in congratulating Mrs. William H. Weldon and her horse Will Shriver on receiving his much deserved recognition.

THE PETER J. O'NEILL MEMORIAL LIBRARY

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. RINALDO. Mr. Speaker, East Durham, NY, recently witnessed the dedication of an important memorial library. Dedication ceremonies were conducted as the community opened the Peter J. O'Neill, Sr. Memorial Library in memory of Peter J. O'Neill.

Long a resident of Freehold, NY, Mr. O'Neill was an active and admired member of the community. He had served as past president of the Greenville Irish American Club, a member of the Knights of Columbus, and a member of our Lady of Knock Council 6439.

This library is a fitting tribute to his memory. It will be housed at the Irish Cultural and Sports Center, where renovations are now underway. The goal is to create a warm, pleasant atmosphere where people may come and browse through materials on Irish and Irish-American subjects. The reference center will include not only books, but newspapers, magazines, children's books and videotapes.

I know I join the family and many friends of Peter O'Neill in congratulating the Irish Sports and Cultural Center on the establishment of this memorial library. It will be a significant part of the community, and I look forward to its contributions in the preservation of Irish culture.

TRIBUTE TO EDUCATION COMMISSIONER BETTY CASTOR

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mrs. ROS-LEHTINEN. Mr. Speaker, I am pleased to announce that Florida Education Commissioner Betty Castor will be given an award by the Mental Health Association, Florida division, for her continued support and work on mental health, alcohol, and drug abuse programs. The first woman ever elected to the Florida Cabinet, Education Commissioner Betty Castor is widely recognized as the State's leading advocate for education.

She has earned that recognition. Ever since she received a degree in education, Commissioner Castor has worked tirelessly as a teacher, civic leader, county commissioner, State Senator and top-level administrator to promote excellence in Florida's educational system.

Her first teaching assignment was in Uganda, East Africa. Then she taught at Holmes Elementary School in Dade County and went on to get a master's degree in education from the University of Miami. She later was elected to the Hillsborough County board of commissioners and worked as director of governmental relations for the University of South Florida. During three terms as a State Senator, she distinguished herself as an expert on the education budget, receiving numerous awards for her innovation and leadership.

In her first year in office, she has reorganized the department of education, trying to make it more responsive to the needs of districts, teachers, communities and most of all, the students. She emphasizes successful programs, business partnerships, professionalism in teaching and preparing students for today's competitive world marketplace.

Mr. Speaker, I wish to congratulate Commissioner Castor for her award and hope that she continues to promote good programs in Florida.

A SALUTE TO ZONTA INTERNATIONAL

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mrs. MORELLA. Mr. Speaker, I am pleased to rise today to congratulate the leadership and members of Zonta International on the occasion of its 70th birthday.

Zonta International is the worldwide service organization of executives in business and the professions working to improve the legal, political, and professional status of women. In addition to local service projects in their own communities, Zonta members support a variety of international service projects.

The first Zonta club was established in Buffalo, NY, In 1919. Today, there are 35,000 members in 1,000 clubs in 50 countries. I am pleased to recognize this exemplary organization today as it celebrates its 70th birthday, and I know we can count on Zonta to make many more contributions to both our local and world communities for years to come.

USAIR AND MARINA DEL REY JUNIOR HIGH ADOPT-A-SCHOOL

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 8, 1989

Mr. DIXON. Mr. Speaker, it is with great pleasure that I salute USAir and Marina del Rey Junior High School for their involvement in the Adopt-A-School Program. The students from Marina del Rey Junior High, which is in the 28th District of California, have prospered greatly from this vital relationship for the past 3 years.

Over 10 years ago, the Adopt-A-School Program was established between the Los Angeles Unified School District and several corporations in our area. Since that time, the program has expanded to include several hundred Adopt-A-School ventures between local businesses and schools throughout Los Angeles. The many ways in which a company can

share its resources through the Adopt-A-School Program include one-on-one counseling; group tutoring; career counseling; sharing hobbies and interests; and providing incentives for good attendance, citizenship, and scholarship.

Marina del Rey Junior High School was first adopted by Pacific Southwest Airlines [PSA] which had an Adopt-A-School Program with many schools in the cities which it served. Two years ago, USAir continued this program in the footsteps of PSA with Marina del Rey Junior High as its first participant. With the tireless work of Michael A. Beatty, Adopt-A-School coordinator from USAir, and Freeman Hodge, Adopt-A-School student activities coordinator from Marina del Rey Junior High School, this program has become a great success and an important part of the lives of the students at Marina del Rey Junior High.

The Adopt-A-School Program has given Marina del Rey Junior High students positive motivation and encouragement to improve their educational performance. Through their partnership with USAir, the students at Marina have taken part in activities ranging from citizenship ice cream feeds and career fairs, to trips to Washington, DC for winners of the Adopt-A-School essay contest. USAir has shown its commitment to corporate social responsibility by inspiring students and providing them with opportunities that may not have been available to them otherwise.

USAir and Marina del Rey Junior High School have shown their commitment to improving the quality of education and our children's lives. The youth of today are facing many life-threatening choices, and it is reassuring to see that community members are joining forces to help them make the right decisions.

Again, I would like to commend USAir and Marina del Rey Junior High School for their dedication and commitment to the Adopt-A-School Program.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, November 9, 1989, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

NOVEMBER 13

9:30 a.m.
Labor and Human Resources
To hold hearings on S. 1425, to make nutrition labeling information mandatory and to provide for clear standards governing the claims that can be made about foods.
SD-430

2:00 p.m.
Energy and Natural Resources
To resume hearings on the Department of Energy's efforts to improve the operations and management of its atomic energy defense activities and its efforts to restore public credibility in the Department's ability to operate its facilities in a safe and environmentally sound manner, and on S. 972, S. 1304, and S. 1802, related measures with respect to the environment, safety, and health aspects of operation of the Department of Energy's nuclear facilities.
SD-366

NOVEMBER 14

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings on potential alternative energy sources for transportation, focusing on compressed natural gas, reformulated gasoline, ethanol, and electricity (electric vehicles).
SD-366

Environment and Public Works
Superfund, Ocean and Water Protection Subcommittee
Business meeting, to mark up S. 657, to authorize a national program to reduce the threat to human health posed by exposure to contaminants in the air indoors.
SD-406

Judiciary
Antitrust, Monopolies and Business Rights Subcommitte
To hold hearings to examine whether cable television is supplementing network coverage of sports programming
SD-226

Small Business
To hold hearings on the nomination of Kyo R. Jhin, of Maryland, to be Chief Counsel for Advocacy, Small Business Administration.
SR-428A

Select on Indian Affairs
To hold oversight hearings on Indian Veterans' program.
SR-485

10:00 a.m.
Labor and Human Resources
To hold hearings to review the status of American math, science, and engineering education in the United States.
SD-430

NOVEMBER 15

9:30 a.m.
Veterans' Affairs
To hold hearings on health care for rural veterans.
SR-418

10:00 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on pending nominations.
SR-332

Environment and Public Works
Toxic Substances, Environmental Oversight, Research and Development Subcommittee
To hold hearings to review the Environmental Protection Agency's enforcement program.
SD-406

Special on Aging
To hold hearings to examine the affects of drug abuse on the elderly in urban and rural settings.
SD-628

2:00 p.m.
Environment and Public Works
Water Resources, Transportation, and Infrastructure Subcommittee
To hold hearings on S. 1804, to reduce the amount of Federal highway funds allocated to any State that does not provide for the revocation or suspension of the driver's license of any individual convicted of a drug offense.
SD-406

NOVEMBER 16

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold oversight hearings on the implementation of the Cable Telecommunications Act (P.L. 98-549).
SR-253

9:30 a.m.
Energy and Natural Resources
To resume hearings on a committee amendment to S. 406, Competitive Wholesale Electric Generation Act.
SD-366

Special on Aging
To hold hearings to examine how individuals, hospitals, States, and governments from various countries attempt to purchase prescription drugs in the United States at a fair and reasonable cost, and to determine how successful their efforts have been.
SD-628

NOVEMBER 17

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue oversight hearings on the implementation of the Cable Telecommunications Act (P.L. 98-549).
SR-253

10:00 a.m.
Environment and Public Works
Toxic Substances, Environmental Oversight, Research and Development Subcommittee
To hold oversight hearings on the regulation of lawn chemicals.
SD-406

NOVEMBER 21

10:00 a.m.
Judiciary
Constitution Subcommittee
To hold hearings on S. 1236, to provide for a waiting period before the sale, delivery, or transfer of a handgun.
SD-226

DECEMBER 5

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings on the Department of Energy's implementation of the civilian nuclear waste program.
SD-366

SENATE—*Thursday, November 9, 1989*

(Legislative day of Monday, November 6, 1989)

The Senate met at 10:30 a.m., on the expiration of the recess, and was called to order by the Honorable CHARLES S. ROBB, a Senator from the State of Virginia.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

I will say of the Lord, He is my refuge and my fortress: my God; in him will I trust.—Psalm 91:2.

Almighty God, eternal refuge, on behalf of the Senators, their families, and all support staffs on the Hill, thank You for the Capitol Police, their faithful, tireless labor for the security of people and place. Participants in the Capitol Police awards ceremony yesterday revealed unusual dedication. Almost daily, demonstrators demanding arrest, dangerous persons with weapons, and many other incidents threaten the Senators. Often at risk of life, these committed men and women respond courageously, quietly, efficiently. Meanwhile, business as usual goes on in offices and Chamber, oblivious to the events, minor and major, which require instant action. Heroism is a common occurrence, though to those not involved, police work seems routine. They save lives and property unknown to us, yet their attitude is they are simply doing their duty.

Thank You, God, for these extraordinary servants who hourly walk the fine line of hospitality and security, diplomacy and protection. Help us never to take them and their service for granted. Bless them and their loved ones. Protect and preserve them in their daily round. In the name of the Servant of servants, Jesus. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, November 9, 1989.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable CHARLES S. ROBB, a Senator from the State of Virginia, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. ROBB thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, following the time reserved for the two leaders this morning, there will be a period for morning business until 11 o'clock with Senators permitted to speak therein for up to 5 minutes each.

At 11 a.m., the Senate will resume consideration of H.R. 3014, the legislative appropriations conference report, under the provisions of a unanimous-consent agreement of last evening. This agreement provides that the only amendment in order is one to be offered by Senator WILSON to the House amendment to Senate amendment No. 6, the subject of which is mass mail. The Wilson amendment will be considered under a 1-hour time limitation with the vote occurring when the time is used or yielded back.

Mr. President, Senators should therefore be alerted that a rollcall vote could occur around noon today.

Once we have disposed of the legislative conference report, the pending business will be the Poland-Hungary assistance bill. I hope we can make some progress on that matter today before completing our business.

Tomorrow is the day on which the Veterans Day holiday is formally celebrated, and the Senate will not be in session tomorrow.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time. I yield to the distinguished Republican leader.

The ACTING PRESIDENT pro tempore. The time for the majority leader is reserved.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for morning business not to extend beyond 11 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. I thank the Chair.

(The remarks of Mr. REID pertaining to the introduction of S. 1861 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

UNION OF AMERICAN HEBREW CONGREGATIONS PASSES ARMENIAN GENOCIDE RESOLUTION

Mr. DOLE. Mr. President, the Union of American Hebrew Congregations—a major reform Jewish organization—met recently in New Orleans for its annual convention.

Among other actions taken by the convention was passage of a joint resolution commemorating the victims of the Armenian genocide, and urging passage of Senate Joint Resolution 212—the Armenian genocide resolution I introduced.

Last week, in remarks on the floor, I indicated my disappointment that some Jewish Americans had chosen to oppose and work against my joint resolution.

For that reason, I especially want to take note of the convention's action; to commend it for its decision; and to express appreciation for its support of Senate Joint Resolution 212. I also want to note the fact that the distinguished Senator from Michigan [Mr. LEVIN] was there and spoke to the

group, and I think, in large part turned them around from what I thought might be the response of the convention. I appreciate the support of Senate Joint Resolution 212.

I ask to have printed in the RECORD the text of an article from the Fresno Bee newspaper, which provides some interesting insights into the convention's consideration of its own resolution; and which also includes the text of the resolution passed by the convention.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Fresno Bee, Nov. 7, 1989]

FRESNANS WIN GENOCIDE RESOLUTION

(By John G. Taylor)

NEW ORLEANS.—A drive for national recognition of the Armenian genocide surged forward Monday when a resolution pushed relentlessly by Fresno's Temple Beth Israel was unanimously approved by the Union of American Hebrew Congregations.

After 20 minutes of debate, delegates stopped a political seesaw that as late as Sunday night seemed destined to doom the resolution because of the Fresno temple's insistence on using the word "genocide" instead of "tragedy" or "massacre."

In adopting the resolution, the group, which represents as many as 1.5 million Reform Jews in the United States and Canada, approved:

A commendation to the U.S. Holocaust Memorial Museum for "its announced decision to include reference to the Armenian and other genocides to the extent that they help illuminate or relate to the story of the Holocaust."

An instruction to the Reform movement's Religious Action Center in Washington, a lobbying group, "to encourage passage of S.J. Res. 212, a joint resolution now before the U.S. Senate designating April 24, 1990, as "National Day of Remembrance of the 75th Anniversary of the Armenian Genocide of 1915-1923."

An exhortation to Jewish congregations to become educated "as to the facts and the lessons of these tragic chapters of modern history."

Additional background information was approved that noted the "shameful chapter" of Ottoman Turkish history, in which 1.5 million Armenians were exterminated.

Also drawn was a distinction between the Ottomans and modern-day Turkey: "Our respect for modern Turkey's traditions of pluralism should not deter us from learning the lessons of past mistakes."

The resolution that was first put to the floor had erased all mentions of genocide, replacing them with "tragedies" and "massacre." Robin Fox, Fresno Temple Beth Israel sisterhood president, rose to amend that resolution and reintroduce language that the resolutions committee had refused to allow.

Several speakers strongly opposed use of the term "genocide," the notion of endorsing a Senate resolution and even the watered-down version of the proposal.

A delegate from Detroit cited terrorism from Armenian groups, the insistence by some Armenians on "vengeance," and "the giving up of identity of our own people."

Another delegate from Massachusetts who said he was speaking on behalf of his rabbi, who was born in Turkey, claimed that the "facts of the genocide are not well-known."

But the dominating arguments by far came from supporters of the genocide resolution.

Fresno Rabbi Kenneth I. Segel, who spent countless hours lobbying on the convention floor and by telephone, spoke from impassioned speeches by Elie Wiesel and the congregation's own leader, Rabbi Alexander Schindler.

Schindler's Armenian Martyrs' Day speech of 1987 and eloquent and unexpected remarks made by U.S. Sen. Carl Levin, D-Mich., here Sunday night were widely believed to have signaled a change in the resolution's outlook.

Rising to support the genocide resolution were delegates from New Jersey, Virginia and Rabbi Alfred Gottschalk, a Holocaust survivor and president of Hebrew Union College in Cincinnati.

Gottschalk said: "This resolution shows solidarity with those who suffered before our own people . . . and that these crimes cannot be engaged in again."

Segel, his voice breaking with emotion, said that because of "truculent resistance" and denials by the Turks, Armenians have been denied the access to punishment and recognition of tragedy that the Jewish people have been accorded.

"It happened. It is real. It must not be denied," Segel said.

Although some of the 3,500 delegates attending the five-day convention had left when the genocide resolution was heard shortly after noon Monday, many of its vocal backers remained.

Hugs, handshakes and congratulations were pressed on Segel, his wife, Sandra, and Fox. Congregation President Marc Wilson and his wife, Sandy, who had been active in trying to round up delegates, were forced to leave early Monday.

A weary but beaming Segel said afterward: "I'm not a power broker. Fresno is not San Francisco or L.A. We brought something to the convention because it was right and moral, and it prevailed. Morality prevailed. . . . I'm proud to be a Reform Jew and a rabbi.

"The real winners are the Armenians, the self-respect and the Armenian community. The real losers are tyrants and despots who shed blood, who suppress human rights and dignity," said Segel, who may try to bring forward similar resolutions at rabbinate conferences.

"I hope as a result that other groups will follow and that in some way, a crescendo will rise in expressing moral outrage (and in support) on the Senate resolution. And that, maybe, the Turkish government will finally express culpability."

ARMENIAN GENOCIDE RESOLUTION

This is the exact text of the Armenian genocide resolution passed unanimously by the Union of American Hebrew Congregations.

TITLE: 1915 GENOCIDE OF OVER 1 MILLION ARMENIANS

The massacre of over 1.5 million Armenians beginning in 1915 by the Ottoman Turks and the subsequent exile of an additional 500,000 Armenians is one of the most shameful chapters of modern history.

Elie Wiesel, a past U.S. Holocaust Memorial Council chairman said, "Before the planning of the final solution, Hitler said, 'Who remembers the Armenians.' He was right. No one remembered them, as no one remembered the Jews. Rejected by everyone, they felt expelled from history."

The U.S. Holocaust Memorial Museum Executive Council has unanimously agreed to include reference to the Armenian and other genocides to help illuminate or relate to the story of the holocaust.

We recognize that the Turkey of today is vastly different from the Ottoman Empire of 1915. Our respect for modern Turkey's traditions of pluralism should not deter us from learning the lessons of past mistakes.

The genocide is one of those instances of mass destruction which has both preceded and followed the holocaust to which the U.A.H.C. has drawn notice over the years, that their lessons might not be forgotten (among them Biafra and Cambodia).

Therefore, the Union of American Hebrew Congregations resolves to:

1. Commend the executive committee of the U.S. Holocaust Memorial Museum for its announced decision to include reference to the Armenian and other genocides to the extent that they help illuminate or relate to the story of the holocaust.

2. Instruct the reform movement's Religious Action Center in Washington to encourage passage of S.J. Resolution 212, a joint resolution now before the U.S. Senate designating April 24, 1990 as "National Day of Remembrance of the 75th Anniversary of the Armenian Genocide of 1915-1923."

3. Educate our congregants as to the facts and the lessons of these tragic chapters of modern history.

Mr. DOLE. Mr. President, I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Without objection, the remainder of the Republican leader's time is reserved.

TRANS-ANTARCTICA EXPEDITION—DAY 107

Mr. DURENBERGER. Mr. President, I rise once again to give my colleagues an update on the 4,000-mile Trans-Antarctica expedition.

Today is day 107 for the six-man team. They have dogsledded nearly 1,275 miles since they began in August and nearly 200 miles in the last 7 days. The daily average is about 20 miles per day. Their average should improve as they reach the continental plateau. Thus, although they are about three weeks behind their schedule the team is still optimistic that they can complete the 4,000-mile trek by March 1990.

The team is past their newly established base camp at Patriot Hills on the back side of the Ellsworth Mountains. This range contains the highest mountains on the continent, including the 4,900-foot Mount Vinson. To reach the new camp their path took them through a mountain pass with many dangerous crevasses. In fact on Sunday, November 4, the team ran into a crevasse that was over 200 meters deep—that, when combined with the bad weather, forced them to stop for the day.

Besides crevasses, the team has another problem. The only female of the

42 dogs the team brought with them is in heat! That dog, Thule is very strong and smart, serving as lead dog for the trek. Thus, as the team leader Will Steger put it, "the dogs have a new incentive to pull with vigor." Mr. President, I believe that is an understatement. It must be chaos. Imagine all those male dogs, most of them part wolf, chasing the only female. In fact, it became so disruptive that Thule had to be moved to the back of the last sled.

Last Friday was the team's 100th day on the ice. They had hoped to celebrate with vodka that the Soviet team member Victor Boyarsky had brought along. But the vodka was one of the sacrifices the team made when it sent nearly half of its equipment back to the Chilean head camp to lighten the load and speed travel. So, they celebrated with herb tea instead.

Mr. President, after 100 days together the team has developed a routine that has them traveling from 8 to 12 hours a day as weather, daylight, and terrain permit. During the day they stop only a half-hour lunch break. They divide the chores into three parts: Feeding the dogs, cooking the meals, and setting up camp. At about 6 p.m. each day the team stops for the day and makes camp, eats, contacts the rest of the world, reads, writes in their diaries, and prepares for the next day.

Mr. President, the six adventurers are pursuing a difficult dream, one that I share, and I hope that my colleagues will begin to appreciate some of the wonders that the good Lord has created in all of us, as exemplified by these adventurers from six of the nations of the world.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota is recognized.

Mr. CONRAD. I thank the Chair.

(The remarks of Mr. CONRAD pertaining to the introduction of S. 1862 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. CONRAD. I appreciate the indulgence of the Chair and I yield the floor.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from North Carolina [Mr. SANFORD].

MASSIVE DEBT AND BUSINESS

Mr. SANFORD. Mr. President, when I think of our $3 trillion debt, and our annual interest to service that debt of a quarter of a trillion dollars, compounding like an avalanche, I think of three groups:

First, the Social Security beneficiaries of the year 2000 and beyond, who are going to find that the nest has been robbed of the eggs, and the chicken along with it. We have borrowed their funds in past years to spend on military and other government, and now we are borrowing it all each year just to pay the interest.

Second, I do not envy the eager, hard-working generation—age 25 to 40—who are going to be in control of a nation bankrupt and declining in wealth and influence. Before any one of them can reach the age of 50 our national debt could equal our gross national product, and then surpass it. How will they handle that debt? What will they think of our betrayal of them in piling up for them massive secret debt?

Third, I shudder for business, built by hard work and faith. This week I held a Budget Committee hearing in Charlotte, NC. Here is what they said:

An executive of a large electric utility company:

> The budget deficit exerts upward pressure on interest rates. [These] higher interest rates contribute to a higher cost of building the generating, transmission and distribution systems required to meet the demand for electricity. Over time, the deficit's effect on capital costs means higher rates for customers. [Also] higher interest rates add to the cost of electricity which then adds to the costs of industrial and other business customers, reducing their competitiveness.

An executive of a major national insurance company:

> Simply put, if inflation and interest rates are running too high, a sense of hopelessness can develop which leads our citizens to conclude there is nothing worthwhile that they can do to help themselves save for retirement.

The CEO of a major food company:

> The problem for most businesses in dealing with the deficit is the huge hidden loss. We are always playing defense. Everyone you deal with borrows money and is affected by high interest rates and limitations on growth that come from deficit.

A young woman, CEO of textile related investments, with a number of companies:

> Despite all the major strides the textile industry has made to invest to become more competitive, including the investment in over $2 billion in new equipment in 1988, this industry and others that are import sensitive are bearing the brunt of our budget deficit. Until we address the budget deficit problem, we cannot solve our trade deficit troubles.

The head of an Afro-American business organization, and a successful Chrysler dealer:

> The budget deficit has been costly to black Americans. President Reagan decided to allow the U.S. budget to run into the red and borrow money to make ends meet. . . . Black Americans lost the chance that gave us the opportunity to break out of the cycle of poverty.

An executive of a major regional bank:

> Chronic deficits are of grave concerns to bankers. Those deficits have impaired our ability to compete in world markets, undermined the credit worthiness of our customers and blurred our vision for the future. The 1980s are likely to go down in history as the decade of "debt mania." We bankers are beginning to wonder if we've become unwitting "pushers" to a nation of "debt junkies."

So business ought to be concerned. And we ought to be concerned for business. Jobs and future careers and stable homes are at stake when American business is threatened.

How bad is it? The budget sent to Congress had built into it a deficit of $270 billion, and a coverup of all but $100 billion, once again visiting vast fraud and deceit on the American public. How bad is it? Of every dollar we collect in nondedicated taxes this year, 40 cents will go just to pay interest on the national debt.

How bad is it? As one executive at this hearing commented, it is an implicit mortgage of $45,000 owed by every family in America.

It is time that we had an honest budget. It is time to strip away the deceit and fraud. That is the first step.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Minnesota [Mr. BOSCHWITZ].

EXTENSION OF MORNING BUSINESS

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that morning business be extended for an additional 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CAPITAL GAINS

Mr. BOSCHWITZ. Mr. President, I rise to speak about capital gains and the need for lowering the capital gains rates that is before the Senate but probably will not be passed, as I read the tea leaves, in this particular session of the Senate, though I am most hopeful that it will occur later on.

Much is made, Mr. President, of the fact that capital gains are supposed to inure largely to the rich. I would like to address that for just a moment. It may indeed be that many capital gains or most capital gains do inure to those people whose incomes exceed $100,000, and I would like to also examine them.

But one must consider first that capital gains inure principally from assets that are held by American citizens. The principal assets of Americans are their homes and the capital gains from homes have been largely excluded from taxation. If you sell your home and you make a capital gain and you invest in a new home that has a value that exceeds the value of the old home, there is no capital gains reported at that moment. If you are over 55 and you have a capital gain on your home, the first $125,000 of that gain is exempted from taxation. So the principal asset of most Americans is exempted from capital gains taxation for all practical purposes.

Second, the second largest asset that most Americans have is the value of their pensions and the pension funds that are put together, either through their own savings or the contributions of an employer or a combination of the two. That is a huge part of the pool of capital in this country. I have read it is in the 25- to 30-percent range of the total capital in the country. That, too, is exempted from capital gains taxation.

So when you take the principal assets of most Americans, exempt them from taxation, what do you have left? You have left the gains that inured to Americans from savings or investments that they have made. And indeed that may inure, as I say, to people whose income is higher. Capital gains, almost by definition, are entrepreneurial, risk taking. They are the results of taking risks. Many Americans choose not to do that. Capital gains are also the results of investing savings, savings that are the result of after-tax income. You have to accumulate those savings after taxes. And so that when you tax a capital gain, you are really taxing the same income for a second time.

Then one would have to ask, who are these people who are wealthy? Does it include a farmer who works his land for 30 or 40 years and purchased it at a low rate and has 300 or 400 acres and sells it then for the present price, most of which is an inflated price that has occurred over the 30 or 40 years? In that year, indeed, that farmer has a pretty good income and is among the rich. He would like to be among the rich every year, but it is in that year that he is counted among the rich.

The person who has built a business and perhaps owns the real estate associated with the business, and it is a small business—it could be a shoe store, hardware store, lumber yard—works at it and finally gets the ability to pay for it, also gets the inventory in pretty good shape and over the years paid down his obligation, sells the business in that year, indeed, he is among the rich or she is among the rich, but not necessarily in other years. But yet they are counted in this calculation.

So, Mr. President, the people who come in and talk to me about capital gains are not principally those who we would consider the captains of industry, those who are managers of large funds, those who can get proper advice on how to minimize their taxes. But most of the people who talk to me about capital gains are these entrepreneurs, normally single proprietors who have put a lifetime of work into their particular business or their land and are now going to translate that into capital gain.

I think that the fairest approach to capital gains is to allow the inflation part not to be taxed and any gain in excess of inflation to be taxed at regular rates or to reduce the amount of the capital gains that will be taxed by a longer holding period. That is a proposal that has been made by the distinguished Senator from Oregon [Mr. PACKWOOD] and that is a proposal that I support.

I think that capital gains for many reasons do deserve an incentive type of tax treatment, and some of those reasons I have delineated this morning.

I thank the Chair, and I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KERREY). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR COHEN COSPONSOR OF SENATE JOINT RESOLUTION 159, EARTH DAY

Mr. CHAFEE. Mr. President, I would like to take a brief moment to set the record straight regarding Senator COHEN's cosponsorship of Senate Joint Resolution 159, a joint resolution designating April 22, 1990, as Earth Day. On October 26, 1989, the senior Senator from Maine was added as a cosponsor to this resolution. The record should show that Senator COHEN should have been listed as a cosponsor prior to passage of Senate Joint Resolution 159; however, inadvertently, his name was not included on the list of cosponsors at that time.

STOCK PRICE VOLATILITY

Mr. LEAHY. Mr. President, the sudden and unexpected drop of 190 points in the Dow Jones Industrial Average mostly during the last 75 minutes of trading on Friday, October 13, 1989, has raised concerns among small and large investors alike. Are our stock and related futures and option markets a safe place for individuals to place their savings? Are the regulators of these markets coordinating their functions effectively? Have reforms put into place following the market crash of "Black Monday," October 19, 1987, worked properly?

On October 17, 1989, during hearings before the Committee on Agriculture, Nutrition, and Forestry on S. 1729, the Futures Trading Practices Act of 1989, I asked the Chairman of the Commodity Futures Trading Commission, Dr. Wendy Gramm, for an analysis of these matters in light of the "Friday the 13th" experience. In doing so, I told her that I wanted to receive at least a preliminary response to my inquiry before bringing S. 1729—which was reported from the committee last week—to the Senate floor. If the CFTC found that immediate reforms were necessary, I wanted to be able to enact them quickly.

Two days ago, I received a letter from Chairman Gramm setting forth her preliminary findings.

Because of the great interest in this issue both among the public and among my colleagues, I ask unanimous consent that my October 17, 1989, letter to Chairman Gramm requesting her analysis, and her November 7, 1989, response, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON AGRICULTURE,
NUTRITION, AND FORESTRY,
Washington, DC, October 17, 1989.

Hon. WENDY L. GRAMM,
Chairman, Commodity Futures Trading Commission, Washington, DC.

DEAR CHAIRMAN GRAMM: The severe volatility in stock and related futures markets during the past few days, including the 190-point loss in the Dow Jones Industrial Average on Friday, October 13, 1989, underscores the central theme of S. 1729, the Futures Trading Practices Act of 1989 which Senators Lugar, Kerrey, and I introduced two weeks ago. Confidence is essential for these volatile financial markets to function. Without trust in the basic integrity of traders, exchanges, and regulatory systems, participants will stay away and the legitimacy of prices will be questioned. The entire economy suffers as a result.

We cannot finish this reauthorization cycle for the CFTC without examining issues raised by these recent events. For this reason, I ask that the Commodity Futures Trading Commission initiate an examination of them with an eye toward answering three principal questions:

1. How effectively did regulators of the stock and futures markets, both at the exchange and federal agency levels, cooperate and communicate in managing the market events of Friday and Monday, October 13 and 16, 1989?

2. Did reforms instituted after the 1987 crash—"circuit breakers," inter-market surveillance, and enhanced coordination among clearing houses—perform properly during this period? Did circuit breakers in particular have the effect of lessening volatility or increasing it?

3. Did the market effectively maintain its financial integrity in the face of the volatility of those two days? Were margin levels, clearing, and settlement systems sufficient to handle the strain?

The Committee will discuss with you a timetable for completion of this analysis. However, I will want to hear at least a preliminary report before Congress finishes action on the legislation before us. If the CFTC finds that reforms are needed, I want to be able to implement them quickly.

Thank you for your continuing assistance to the Committee on these matters of utmost importance.

Sincerely,

PATRICK LEAHY,
Chairman.

COMMODITY FUTURES
TRADING COMMISSION,
Washington, DC, November 7, 1989.

Hon. PATRICK LEAHY,
Chairman, Committee on Agriculture, Nutrition, and Forestry, U.S. Senate, Washington, DC.

DEAR SENATOR LEAHY: In your letter of October 17, 1989, you raised several questions regarding the 190-point drop in the stock market on October 13, 1989, and the regulatory response of the Commission, other regulators and the affected exchanges. Before responding to your specific questions, a few general observations may be helpful.

On Friday October 13, 1989, the stock market experienced one of the largest single-day declines in history as the Dow Jones Industrial Average (the "Dow") fell 190 points (−6.9%). Most of that decline occurred in the final hour-and-a-half of trading, during which the Dow fell about 175 points. For the first time the initial levels of the coordinated circuit breaker rules on the stock index futures and option exchanges were triggered. Although the NYSE implemented its "sidecar" rule, which delays the automated routing of program trade orders to individual stock specialists for five mintues, no official trading halt occurred on that exchange. The interaction of the exchange rules that were employed on October 13 is described more fully below, and the sequence of their implementation is illustrated in the attached schedule.

The events surrounding October 13, 1989, were of much smaller magnitude that the events of mid-October 1987. The Price drop essentially was a one-day occurence, although it was followed by considerable intraday volatility on Monday, October 16, and Tuesday, October 24. The stock market recovered about 120 points in the Dow (+4.7%) during the week following October 13, a record one-week advance. Trading volume was considerably smaller, and it appears to be of a significantly different character than in mid-October 1987. The strains on the clearing and settlement systems emanating from the price volatility were less substantial than in 1987. Furthermore, as in 1987, no futures commission merchant failed due to capital impairments stemming from stock index futures price volatility, and no futures customer lost money due to a firm's failure. The futures exchanges' clearing systems responded well to the extraordinary fall in stock prices.

We have initiated a study of stock index futures trading and the relationship between the futures markets and trading on New York Stock Exchange (NYSE) on October 13, 1989. We are coordinating our study with the staffs of the Securities and Exchange Commission (SEC) and the relevant futures exchanges to ensure that the most complete information is available. We will make our findings available to you and your Committee as soon as that study is completed. Our interim response to your questions follows:

1. How effectively did regulators of the stock and futures markets, both at the exchange and the federal agency levels, cooperate and communicate in managing the market events of Friday and Monday, October 13 and 16, 1989?

We believe there was prompt, thorough and effective communication and cooperation regarding these market events, both among regulators and among the securities, futures and options exchanges. All pertinent parties were aware of the rapidly falling stock market before the first futures price limit levels were hit and were in frequent communication throughout the remainder of that Friday afternoon, over the weekend, and throughout the following Monday. Using the directories of home and office telephone numbers of key executives, the CFTC communicated frequently with other federal regulators and self-regulators. Contingency plans previously put into place appeared to operate smoothly, and intensive planning on October 13 and throughout the weekend significantly increased the preparedness of the financial system on October 16.

Our Market Surveillance staff began monitoring the markets more intensively than usual when they heard announcements from the NYSE over the inter-exchange telephone hotline (Information Network for Futures, Options and Equities, "INFOE", more commonly referred to as the "Hoot and Hollar" system) at about 2:40 p.m. EDT that trading was being halted by NYSE specialists in UAL and other airline stocks due to order imbalances. The staff immediately noted on their real-time price screens the rapidly falling values of major stock indexes and stock index futures. When the CME's 12-point price limit was hit, the staff notified the Commissioners and the audit staff in the Division of Trading and Markets of the stock market's rapid fall. The Director of Market Surveillance also contacted his regional staff to make sure they were monitoring the markets and talked to the surveillance director at the Chicago Mercantile Exchange. CFTC staff also went to the trading floors in Chicago and New York to monitor trading directly.

As prices fell, price limits were hit on the various futures exchanges and trading halts were instituted for stock index options on the Chicago Board Option Exchange and the American Stock Exchange. As these events occurred, they were announced by the exchanges over the INFOE system, which was being monitored by the CFTC and SEC. The INFOE system worked effectively to keep all exchanges informed instantaneously of the triggering of the various "circuit breaker" rules and of any other exchange actions.

On October 13 and throughout the period in question, the CFTC was in regular communication with the SEC, the Board of Governors of the Federal Reserve System (Federal Reserve), and futures exchange and clearing organization officials. These communications included telephone discussions between Chairman Breeden of the SEC and me and other appropriate counterparts at other regulatory agencies. I also called, or received calls from, the chief executives of the four exchanges on which stock index futures contracts are actively traded—the Chicago Mercantile Exchange (CME), Chicago Board of Trade (CBT), Kansas City Board of Trade (KCBT), and the New York Futures Exchange (NYFE). These discussions concerned ongoing market developments, such as the operation of circuit breakers and the status of intraday margin collections, as well as planning for the opening of trading on October 16. For example, in my discussions with William Brodsky, CME President, he advised me that the CME had made an intra-day margin call at 2:00 p.m. CDT; that all CME clearing members satisfied this call without apparent problems; that circuit breakers were then in effect; that the exchange had been in communication with the NYSE; that the CME would be considering margin increases; and that the CME had requested the Federal Reserve Bank of Chicago to keep the Fedwire open past its usual closing hour.

At the same time, CFTC staff were in communication with their counterparts at the SEC and the Federal Reserve and with relevant exchange staffs. CFTC financial audit staff initiated major market move procedures, which included making requests of the Chicago Board of Trade Clearing Corporation (BOTCC) and the CME Clearing House for projections of clearing firm exposure based upon projected stock index price movements. The audit staff also contacted the financial surveillance staffs of the futures exchanges, the National Futures Association and the Chicago Board Options Exchange (CBOE) and coordinated financial surveillance efforts.

After the market closed I met with senior staff to review the afternoon's events. Through these meetings and telephone conversations, I was fully advised of the special monitoring activities that were being conducted by CFTC in conjunction with each exchange and the SEC. No significant financial or settlement problems were apparent at that time, but careful evaluation of the financial status of exchange clearing members still was being conducted. Since the information needed to evaluate the situation was not fully available, I scheduled a Commission meeting for Sunday afternoon at 2:00 p.m. to get a better appraisal before the world's financial markets reopened that night and Monday morning.

At our Sunday afternoon meeting the Commission was briefed by its staff regarding the market activity on Friday. The Surveillance staff described the price movements in stocks, bonds and foreign currency markets and the implementation of price limits on futures exchanges. Friday's activity was compared and contrasted with October 1987. The Trading and Markets staff provided information on margin payments at the affected clearing organizations, the impact of the price movements on the capital requirements for futures commission merchants, and plans to facilitate smooth operation of the payments system on October 16. Representatives of the SEC and the Federal Reserve Board attended the meeting.

Also over the weekend Trading and Markets staff were in communication with the SEC, the Options Clearing Corporation and the BOTCC with respect to the contemplated transfer of accounts from a firm dually registered as a futures commission merchant and a broker-dealer. That firm appeared unable to maintain adequate net capital as a result of its securities option positions on the CBOE.

In addition the staff reviewed with exchange and clearing organization officials plans to assure smooth operation of payment and settlement systems on October 16 and other financial surveillance topics. The staff reviewed the ability of clearing member firms to make margin settlements due on Monday morning before the markets opened, the availability of New York and Chicago bankers to make the necessary credit determinations associated with such margin settlements and Fedwire availability.

On Sunday evening the Commissioners and staff monitored the reaction in international markets to the large price movements that had occurred in U.S. markets on Friday afternoon. While Asian, and later European, stock markets fell in response to the U.S. decline, the major foreign markets did not

extend the losses that were registered in New York and Chicago. CFTC staff also monitored trading in U.S. Treasury Bond futures during the CBT's Sunday evening session.

At approximately 7:50 a.m. on Monday, October 16, I was in telephone communication with the president of the CME concerning the CME's morning margin settlement. Immediately following that call, I telephoned SEC Chairman Breeden, Department of the Treasury Undersecretary Robert Glauber, and Council of Economic Advisors Chairman Boskin. Subsequently, I spoke with the CBT concerning its morning margin settlement. An open telephone line to monitor the markets was established that morning between Chairman Breeden at the SEC, President William Brodsky at the CME, President Richard Grasso at the NYSE and me.

By the open of the U.S. markets on Monday morning, the Commission was aware of the current financial status of the futures exchange clearing organizations and their member firms. All payments had been made satisfactorily on futures exchanges. The staff continued to monitor trading closely that day and to share information with the other agencies. A staff member from the Federal Reserve was present in our Surveillance Director's office to monitor the exchange hotline and real-time prices over our electronic market news systems and to relay that information back to the Federal Reserve. After some initial weakness during the first half-hour of trading, the stock index futures and the stock market moved upward without triggering any circuit breakers. The Dow closed up 88 points.

2. Did reforms initiated after the 1987 crash—"circuit breakers," inter-market surveillance, and enhanced coordination among clearing houses—perform properly during this period? Did circuit breakers in particular have the effect of lessening volatility or increasing it?

The coordination and planning efforts of the CFTC, other federal regulators, and self-regulatory organizations were significantly enhanced by the experience of the October 1987 market crash and procedural enhancements put in place in the wake of that event. Consequently we were prepared to act quickly and appropriately when stock prices suddenly fell sharply on October 13.

Intermarket financial surveillance was vigorous and thorough. The CFTC and the SEC exchanged information concerning troubled firms within their respective jurisdictions; the futures and securities self-regulatory organizations also exchanged information concerning developments in their markets. Federal regulatory and self-regulatory coordination efforts were aided by a variety of system enhancements put in place after October 1987. For example, INFOE, the new hotline communication network among exchanges and regulators, was used effectively on October 13 and October 16 by the futures and securities exchanges to communicate the implementation of circuit breaker procedures and to share market information, such as individual stock closings and reopenings. The pay and collect margin information-sharing system, in which all futures exchanges and the Options Clearing Corporation participate, was operational. Data generated by this system were made available to Federal Reserve Board staff on October 16.

Margin settlements reflected a number of procedural and planning enhancements. Intraday margin settlement procedures at both the BOTCC and the CME now provide for routine pay-outs to, and collections from, clearing firms on an intraday basis, thereby reducing burdens on clearing and settlement systems at the daily morning settlement. For example, by the end of the day on October 13, the CME had collected approximately $600 million and paid out approximately $460 million of a total of nearly $850 million in variation payments. Total variation payments and collects due to October 13 trading each equalled $848,315,710, as gains and losses on futures contracts are equal. As a result, more than half of the total settlement variation for the day was in the CME's clearing members' bank accounts prior to the close of the banking system on Friday.

In addition, due in part to experience gained in the October 1987 market break, early attention was paid to extending Fedwire hours on the evening of October 13 and the morning of October 16 to facilitate Chicago futures exchange margin settlements. The Federal Reserve Bank of Chicago kept the Fedwire open more than an hour-and-a-half beyond its normal closing hour on October 13, and it opened a half-hour early on October 16. Efforts also were made to assure that New York bankers would be available sufficiently early on the morning of October 16 to support Chicago futures settlements at 6:40 a.m. CDT, and some banks met over the weekend to make the credit determinations necessary to facilitate the margin settlements on Monday morning.

Coordination between clearing organizations and their settlement banks also was improved. The CME sent margin settlement instructions to its settlement banks earlier than normal on Saturday, October 14. CME Clearing House and settlement bank staff were in their offices on Saturday to review the relevant settlement figures. CME staff reminded the banks that the Fedwire would open early on Monday and emphasized the importance of timely margin settlement that day. By 6:33 a.m. CDT on Monday morning, all four active CME settlement banks had irrevocably committed to honor the CME's settlement instructions for all members.

On October 13, 1989, circuit breakers were implanted on futures and option exchange on an intermarket basis in accordance with the rules each exchange had adopted in response to the recommendation of the President's Working Group on Financial Markets in May 1988. Those recommendations included a unified circuit breaker mechanism to operate in a coordinated fashion across markets, with pre-established trading limitations that only would go into effect on those rare occasions of extraordinary price volatility and market stress. The basic coordinated circuit breaker rules adopted by all exchanges are designed to become effective when the Dow falls 250 and 400 points or when other stock indices fall by comparable amounts. The circuit breaker mechanisms include price limits and trading halts of specified durations followed by coordinated reopening procedures across markets.

Several futures and options exchanges also adopted additional circuit breaker (or "shock absorber") provisions that would become effective before the Dow fell 250 points or the equivalent 30 S&P index points. For example, the CME's rules include an opening price limit of five S&P index futures points for the first ten minutes of trading in that futures contract. Thereafter, another interim downward price limit of 12 index points would be in effect for a maximum of 30 minutes.

On October 13, 1989, the CME's 12 and 30 point price limits were triggered, as were price limits on all other stock index futures markets. The CME's stock index future fell to its 12 point limit at about 3:07 p.m. EDT, which remained in effect until 3:30 EDT, after which the 30 point limit went into effect. While these price limits inhibit trading by setting temporary price floors that may be higher than the true market level, they do not require a trading halt. Futures markets only would halt trading under their circuit breaker rules if the Dow fell by 250 points and the NYSE ordered a trading halt under its rules. The Dow never fell far enough to cause such a halt on October 13. However, trading in index options was halted on a discretionary basis by the Chicago Board Options Exchange and the American Stock Exchange. A list of the various exchange circuit breaker actions and their implementation times is attached.

In response to your question as to the effect of circuit breakers on volatility, we plan to analyze intraday price volatility and trading volume in the stock index futures contracts and their underlying stock indexes to assess the role of the various circuit breaker rules. Under the current rules the stock index futures and option markets may effectively close while the NYSE and other stock exchanges remain open. When such an occurrence takes place, sell orders that can no longer be transacted on the CME, for example, could be transferred to other markets that remain open. This, critics argue, may exacerbate trading problems at these other exchanges at a time when they are already overburdened, thereby increasing volatility.

To assess the validity of this concern our staff will conduct an analysis of price volatility and trading volume in stocks at the NYSE and index futures at CBT for those periods during which trading was and was not subject to price limits on the CME. The analysis will focus on determining whether price volatility and trading volume on the exchanges which remained open increased during these periods. The second approach will be to look at changes in any trends in volatility and volume which may have taken place as the periods of trading limitations were entered and exited.

Since October 13, 1989, was the first real test of these various circuit breakers, we believe it is still to early to judge their efficacy. Such a judgment requires a more careful review of the markets' interactions and consultation among the affected exchanges and regulators. Our initial reaction, however, is that the various rules and procedures implemented since October 1987 worked as designed, and their net effect appears to have been beneficial to both market performance and regulatory oversight. We were particularly pleased with the extent of interexchange and interagency coordination and the operation of the futures clearing systems.

3. Did the market effectively maintain its financial integrity in the face of the volatility of those two days? Were margin levels, clearing, and settlement systems sufficient to handle the strain?

Our review to date indicates that the futures markets effectively maintained their financial integrity in the face of the October 13-16 market volatility. Clearing and settlement systems functioned effectively to match trades and to settle margin payments on an intra-day basis as well as at daily morning settlements. The futures exchanges reported no defaults or delays in

the payment or margin by their clearing members. No futures commission merchant (FCM) failed. Two firms were closely watched, however, because of financial losses on securities options. One such firm is dually registered as an FCM and a securities broker-dealer; the second is a securities broker-dealer affiliate of an FCM. A more detailed review follows.

The Interim Report of the President's Working Group on Financial Markets discussed that "[t]he existing structure of maintenance margins appears to be adequate for prudential purposes even if one were to assume that protection against 95 or 99 percent of all price declines was required." Appendix B, p.5. The $4000 maintenance margin requirement in effect for the CME' S&P 500 futures contract during the October 13 trading day had been exceeded by a one-day price movement only once during the preceding year, representing protection against 99.5 percent of price declines over that period.

Because margin on futures contracts is collected on a daily and intra-day basis, margin levels generally are established by reference to historical and projected price volatility and secure open contracts against at least one day's losses. At the beginning of trading on October 13, the CME Clearing House held margin deposits of over three billion dollars securing all open contracts, an amount that would have covered losses of CME member firms generated by even an extreme market plunge. The October 13 trading activity actually resulted in losses and gains (which net to zero in the futures markets) of $848,315,710, an amount collected promptly and in full, as discussed below, by 6:40 a.m. CDT on October 16.

To provide a further cushion against extraordinary market volatility in light of the market events of October 13, all four exchanges on which stock index futures contracts are actively traded increased margin requirements for those contracts. The CME adopted increased margin requirements for the S&P 500 futures contract on a phased-in basis, following consultation with the Federal Reserve Bank of Chicago. As a result, effective at the close of business on October 13, the initial margin requirement for the S&P 500 futures contract was increased from $9,000 (about 5% of contract value) to $12,000 (about 7% of contract value) and the maintenance margin requirement was increased from $4,000 to $5,000. Effective at the close of business on October 16, the maintenance margin requirement was increased from $5,000 to $6,000. The CBT, NYFE and KCBT also raised both initial and maintenance margin requirements for their respective stock index contracts.

Trade clearance and margin settlements. The data available to date indicate that clearance and settlement systems performed effectively during the October 13-16 period. The CME reports that trade matching was accomplished for all trades executed on October 13, including error trades, prior to the opening of trading on October 16. This result was facilitiated by the CME's use of a special session on Saturday morning to address trades resulting from Friday's activity that had not been matched and cleared due to errors or other reasons. Prompt trade matching enables exchanges to complete trade clearing and to assess financial exposure more quickly, which is particularly important in volatile, high volume markets.

Daily and intra-day margin settlements appear to have been completed without delay or disruption. Prior to the opening of trading on Monday, October 16, the CME had effected all variation margin settlements representing profits and losses from Friday, October 13 trading activity, a total of $848,315,710. This included margin collected in two intra-day margin calls, a routine intra-day call at 2:00 p.m. CDT ($122,316,000) and a second intra-day call at 3:00 p.m. CDT ($476,277,000), as well as the regular daily morning settlement at 6:40 a.m. CDT on October 16 ($249,722,710). As noted above, pursuant to procedures put in place in response to the October 1987 market break, the CME (like the BOTC) now routinely pays out to its clearing members, as well as collects from its clearing members, variation margin on an intra-day basis. Intra-day payment and collection of margin serve to reduce the burdens imposed upon the settlement system by concentrated payment flows at daily morning settlements. In accordance with these procedures, the CME paid to its clearing members variation margin in intra-day settlements on October 13 of $105,610,000 and $354,360,000.

The CME effective settlement of a total of $522,452,203 in variation margin payments representing profits and losses on trading activity on October 16. This total includes approximately $424,606,000 collected in an intra-day settlement on October 16 and $97,846,203 collected at the 6:40 a.m. CDT daily settlement on October 17.

The BOTCC also reported that margin settlements on October 13 and 16 proceeded smoothly. BOTCC collected $75,665,000 by means of a routine intra-day margin call at 2:00 p.m. CDT on October 13 and $1,609,000 at daily settlement at 6:40 a.m. CDT on October 16. With respect to trading on October 16, the BOTCC collected $61,495,000 in an intra-day margin call and $14,375,000 at the 6:40 a.m. CDT daily settlement on October 17. As noted above, the BOTCC pays as well as collects variation margin on an intra-day basis. Pursuant to this procedure, the BOTCC paid $59,575,000 to its clearing members intra-day on October 13 and $47,120,000 intra-day on October 16.

I believe that the Commission and our staff acted quickly and deligently in response to the sudden drop in stock prices on October 13. Coordination among exchanges and government agencies also was prompt and thorough. As noted, we continue to evaluate a number of issues, both independently and through the Working Group. If you have any additional questions prior to the completion of our study, please let me know.

Sincerely,

WENDY L. GRAMM,
Chairman.

CHRONOLOGY OF CIRCUIT BREAKERS ON OCT. 13, 1989

Time e.d.t.	Exchange	Event	Relative price change [1] (percent)
3:06:19	NYFE	7-point limit hit on NYSE Composite Index Futures.	−3.5
3:06:55	CME	12-point limit hit on S&P 500 Stock Index Futures.	−3.3
3:09	NYSE	"Side-car" procedure implemented.	
3:14	NYSE	"Side-car" removed	
3:15:24	CBT	50-point limit hit on AMEX MMI Stock Index Futures.	−9.2
3:16	CBOE	Trading halt in S&P 100 and S&P 500 index options.	
3:17	AMEX	Trading halt in MMI index options.	
3:30	CME	Announces 12-point limit is off and is superseded by 30-point limit.	

CHRONOLOGY OF CIRCUIT BREAKERS ON OCT. 13, 1989—Continued

Time e.d.t.	Exchange	Event	Relative price change [1] (percent)
3:37:19	NYFE	NYSE Composite Index Futures hit 18-point limit.	−9.0
3:45	CME	S&P 500 Futures hit 30-point limit. Trades off limit.	−8.4
3:49:31	KCBT	Value Line Index Futures hit 30-point limit.	−9.8
3:52	CME	S&P 500 Futures lock at limit	

[1] Calculated from closing values on Oct. 12, 1989.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, on this, the 1,699th day that Terry Anderson has been held in captivity in Beirut, I ask my colleagues to continue to keep him in their thoughts.

Each day, Terry Anderson's struggle continues. Each day, we must renew our commitment and our resolve to see him released.

CRISIS IN EMERGENCY MEDICAL CARE

Mr. CRANSTON. Mr. President, over the last few months there have been increasing reports of trauma centers closing and emergency departments turning away patients. Surveys by the American College of Emergency Physicians and the National Association of Public Hospitals have found that emergency departments throughout the country are routinely experiencing overcrowding. Many emergency departments in urban areas are crippled by medical gridlock.

I want to share with my colleagues a recent article in the November 13 U.S. New World Report. Entitled "Help! This is an Emergency! this article describes graphically the crisis facing emergency medical services in the United States. I ask unanimous consent that the article be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CRANSTON. Mr. President, we have seen miracles of survival during the Sioux City plane disaster and the recent California earthquake because comprehensive trauma care systems were in place. At the same time, people may be dying needlessly because emergency medical care is unavailable. According to the article, as many as 25 percent of the residents in Los Angeles may not be able to get timely emergency care; 10 out of 23 trauma centers in Los Angeles have closed and the remaining 13 are filled to capacity on weekend evenings.

The cause of this crisis is primarily financial. The rising number of patients who cannot pay is resulting in

large financial losses for trauma centers forcing many to close.

Mr. President, legislation is pending in the Senate Labor and Human Resources Committee which would begin to address this serious health care issue. I introduced S. 15, the Emergency Medical Services and Trauma Care Improvement Act on the first day of the Congress. It would provide much needed assistance to communities and States to set up trauma systems. Equally important, it would provide for needed financial relief to trauma centers that are most severely financially stressed.

In terms of financial assistance to trauma centers, S. 15 is a modest bill and certainly would not solve the systemic problems associated with uncompensated care, which our nation's hospitals are facing. Those issues must be addressed comprehensively and nationwide. However, in the meantime we must help ensure that trauma centers are able to continue to provide lifesaving care to all who are in need. That is what S. 15 is intended to do.

I urge all my colleagues to support S. 15 and urge the Senate Labor and Human Resources Committee to act on the bill as expeditiously as possible.

EXHIBIT 1

[From U.S. News & World Report, Nov. 13, 1989]

HELP! THIS IS AN EMERGENCY!

(By Steven Findlay)

After the rumbling ceased and the dust settled, rescue squads and paramedics took center stage last month in Oakland at the grisly site on Interstate 880 where thousands of tons of concrete crushed dozens of cars at rush hour. They first pried 6-year-old Julio Berumen, after amputating part of one of his legs, from the wreckage. Three days later, they pulled out 57-year-old Buck Helm. Both owe their lives to the persistence and skills of paramedic teams and to the emergency care they received at Oakland's Highland and Children's hospitals.

Such decisive emergency response—and a bit of luck—was also evident in the hours after United Airlines Flight 232 slammed into a cornfield outside Sioux City, Iowa, last July. On impact, the plane tumbled over, broke apart and erupted into flames. Bodies were strewn for half a mile. Fortunately, the crash site was just 10 miles from three hospitals, one with a trauma center. Within 3 hours, rescue workers had found all 184 surviving passengers and had delivered them to hospitals for treatment. "At least 15 had only minutes to live when they hit our doors, and 30 others probably wouldn't have made it another half hour," says Dr. David Greco, who coordinated response to the crash at Sioux City's Marian Health Center.

COMING APART

These kinds of dramatic successes and heroics, however, have obscured growing problems in emergency care. That care is now itself in need of rescue: Ambulance service in many places has become slow and inefficient; beset by financial losses, between 50 and 100 trauma centers nationwide have closed, and emergency rooms, inundated with victims of drug-related violence and the poor desperate for some medical care, are understaffed and overflowing. A recent survey by the American College of Emergency Physicians found that the problem is not confined to the big cities. The report showed that emergency rooms in 41 states, including those in hundreds of smaller cities and towns, were so overcrowded that the health of patients was threatened. "The system is coming apart at the seams," says Dr. Henry Cleveland, president of the American Trauma Society. "It's that simple."

The benefits of prompt response to medical emergencies have been known since the early 1800s, when Napoleon's physician had medics follow advancing troops to treat the wounded as soon as they fell. But it was not until after World War I that the whine of an ambulance became a regular part of the landscape. In ensuing years, as medical advances enabled doctors to save more lives, hundreds of hospitals opened emergency rooms and trauma units to treat accident victims who have life-threatening injuries. Trauma units have surgeons and specially trained staff on hand or on call 24 hours a day, and the emphasis is on rapid-fire diagnosis of a patient's needs and immediate treatment. Emergency rooms and trauma units were also widely seen as smart financial moves because they assured a steady flow of patients.

But social trends and economic realities have conspired to overwhelm the system, and that steady flow of patients has turned into a torrent in some places. The 37 million Americans who have no health insurance or inadequate coverage use emergency rooms as their main source of health care, and by law cannot be turned away. In true emergencies, the care they get is warranted. But "the emergency room has supplanted the family doctor for these people," says Virginia Price-Hastings, chief of paramedic and trauma hospital programs for Los Angeles County. The poor and uninsured are not the only ones affected. In fact, the difficulties encountered by middle-class and wealthy people in emergency medical situations have focused new attention on the issue.

BUDGET PROBLEMS

Not surprisingly, money is a big part of the problem. Federal and state efforts to cut costs in the giant medicare and medicaid programs have reduced reimbursements for emergency care so drastically that even if all patients were insured, many emergency rooms would still be squeezed. Both government programs reimburse hospitals for 60 to 70 cents for every dollar of emergency care delivered. That translates into a $5,000 loss on the average trauma-patient's bill of $13,000. Innercity hospitals lose between $2 million and $3 million a year on their trauma-care and emergency-room operations. Budget pressures have also prevented hosptials from expanding the number of beds in intensive-care wards, where severely injured patients are eventually transferred. When intensive-care beds get filled, the backup in the emergency room often means patients languish in noisy halls for days at a time. Getting qualified doctors and nurses to staff trauma centers and emergency rooms under these conditions is not easy.

As a result, many hospitals are getting out of the trauma-care business. The laws of most states permit hospitals to downgrade trauma units to regular emergency rooms, which need not have a surgeon present. In Los Angeles, for example, 10 of 23 hospitals with trauma centers have downgraded in the last three years; so have dozens of hospitals in New York, Chicago, Detroit, Miami and many smaller cities. Emergency-care experts concede that in a few larger cities the rush by hospitals in the 1970s to establish trauma centers led to an excess and that a shakeout was inevitable. Los Angeles officials want only four of those 10 former trauma centers reopened, for example. In the meantime, they say about 25 percent of the city's population is at risk of not being able to get timely emergency care. On most weekend nights, all of L.A.'s remaining 13 trauma centers and as many as half of its 93 emergency rooms are filled. Ambulances have to roam the city trying to find a hospital room for their passengers.

ELDERLY PATIENTS

In smaller cities and rural areas, the uninsured poor and the old, many of whom have chronic illnesses and either cannot afford or cannot find room in a nursing home, are regular visitors to emergency rooms. Saginaw, Mich., is a good example. A blue-collar city of 85,000, Saginaw has three hospitals with emergency rooms. In the past year, all three have had to divert patients to each other primarily because their intensive-care beds were filled with elderly people with chronic ailments. "No one has died yet while riding around in an ambulance," says Dr. J. Brian Hancock, Saginaw's director of emergency medical services. "But it's going to happen."

In rural areas, geographic barriers and the lack of modern equipment are often major obstacles to speedy emergency care. In some places, ambulances have not been updated in a decade. And emergency helicopters that can service remote areas are in short supply. Two thirds of the country geographically lies 50 miles or more from a trauma center or suitable emergency room, and 40 percent of the U.S. population, most in rural areas, has no access to emergency 911 telephone systems. Yet many rural states, including Arkansas, Kansas, Minnesota, South Dakota and Wyoming, neither designate trauma centers nor have any system for coordinating emergency response, in the event, for example, of a major accident in a remote area.

The capable terms of medical personnel that are depicted on television shows such as "St. Elsewhere," "Rescue 911" and "M*A*S*H" are also a far cry from the reality in many communities. Emergency-care experts say only a minority of paramedics in many small towns are trained in advanced life support, which includes instruction in the use of the most sophisticated, modern lifesaving equipment. Response time may also be lax. The standard is to answer 90 percent of calls within 10 minutes. But recent studies indicate that many ambulance services average 15 to 30 minutes per call, and that they meet the 10-minute target in only about half the cases. Patients share some of the blame. About one third of ambulance calls nationwide are for nonemergencies—everything from menstrual cramps to minor cuts and scratches.

What sort of rescue the emergency-care system needs is not altogether clear. Short of major expansion of public and private health insurance—not likely in a time of tight budgets—hospitals can expect growing losses from uncompensated care. Future cutbacks in medicaid and medicare may be in store, too. "It certainly may get worse before it gets better," says Dr. Cleveland of the trauma society. But lawmakers are starting to pay attention, and there is broad agreement that emergency care has been on the back burner too long. In California, Governor George Deukmejian has signed

off on a plan to divert $220 million from a new surtax on cigarettes to help counties pay for uncompensated hospital emergency care.

Some states are also considering raising taxes on alcohol, which is involved in about 30 percent of all accidents, and using the money to defray emergency and trauma-care costs. At the same time, Congress is studying two bills aimed at improving the nation's fragmented trauma system. Both would require states to develop comprehensive trauma networks and to designate centers that meet certain minimum standards. Only about 400 of the nation's 1,050 trauma centers currently meet criteria set by the American College of Surgeons. As earthquakes, plane crashes and hurricanes make abundantly clear, nothing concentrates the mind and attention of public officials like a catastrophe. Now, with the emergency medical system itself in disarray, something may be done about it.

CONCLUSION OF MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that morning business be closed.

The PRESIDING OFFICER. Without objection, morning business is closed.

LEGISLATIVE BRANCH APPROPRIATIONS, 1990—CONFERENCE REPORT

The PRESIDING OFFICER. The Senate will now resume consideration of the amendments in disagreement to H.R. 3014 which the clerk will report.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3014) making appropriations for the legislative branch for the fiscal year ending September 30, 1990, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The Senate resumed consideration of the conference report.

The PRESIDING OFFICER. Under the previous order, the Senate concurs in all of the House amendments en bloc, with the exception of House amendment to Senate amendment No. 6.

The House amendments to the Senate amendments in disagreement agreed to en bloc are as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert the following:

SENATE

MILEAGE AND EXPENSE ALLOWANCES

MILEAGE OF THE VICE PRESIDENT AND SENATORS

For mileage of the Vice President and Senators of the United States, $60,000.

EXPENSE ALLOWANCES

For expense allowances of the Vice President, $10,000; the President Pro Tempore of the Senate, $10,000; Majority Leader of the Senate, $10,000; Minority Leader of the Senate, $10,000; Majority Whip of the Senate, $5,000; Minority Whip of the Senate, $5,000; and Chairmen of the Majority and Minority Conference Committees, $3,000 for each Chairman; in all, $56,000.

REPRESENTATION ALLOWANCES FOR THE MAJORITY AND MINORITY LEADERS

For representation allowances of the Majority and Minority Leaders of the Senate, $15,000 for each such Leader; in all, $30,000.

SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers, employees, and others are authorized by law, including agency contributions, $55,019,000 which shall be paid from this appropriation without regard to the below limitations, as follows:

OFFICE OF THE VICE PRESIDENT

For the Office of the Vice President, $1,216,000.

OFFICE OF THE PRESIDENT PRO TEMPORE

For the Office of the President Pro Tempore, $296,000.

OFFICES OF THE MAJORITY AND MINORITY LEADERS

For Offices of the Majority and Minority Leaders, $1,474,000.

OFFICES OF THE MAJORITY AND MINORITY WHIPS

For Offices of the Majority and Minority Whips, $458,000.

CONFERENCE COMMITTEES

For the Conference of the Majority and the Conference of the Minority, at rates of compensation to be fixed by the Chairman of each such committee, $661,500 for each such committee; in all, $1,323,000.

OFFICES OF THE SECRETARIES OF THE CONFERENCE OF THE MAJORITY AND THE CONFERENCE OF THE MINORITY

For Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority, $290,000.

OFFICE OF THE CHAPLAIN

For Office of the Chaplain, $147,000.

OFFICE OF THE SECRETARY

For Office of the Secretary, $8,852,000.

OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

For Office of the Sergeant at Arms and Doorkeeper, $28,000,000.

OFFICES OF THE SECRETARIES FOR THE MAJORITY AND MINORITY

For Offices of the Secretary for the Majority and the Secretary for the Minority, $983,000.

AGENCY CONTRIBUTIONS

For agency contributions for employee benefits, as authorized by law, $11,980,000.

OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

For salaries and expenses of the Office of the Legislative Counsel of the Senate, $2,079,000: Provided, That $100,000 of the amount appropriated to the Office of the Legislative Council of the Senate for fiscal year 1989 shall remain available until September 30, 1990.

OFFICE OF SENATE LEGAL COUNSEL

For salaries and expenses of the Office of Senate Legal Counsel, $676,000.

EXPENSE ALLOWANCES OF THE SECRETARY OF THE SENATE, SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE, AND SECRETARIES FOR THE MAJORITY AND MINORITY OF THE SENATE

For expense allowances of the Secretary of the Senate, $3,000; Sergeant at Arms and Doorkeeper of the Senate, $3,000; Secretary for the Majority of the Senate, $3,000; Secretary for the Minority of the Senate, $3,000; in all, $12,000, which shall remain available until September 30, 1991: Provided, That at the end of the paragraph preceding the heading "Contingent Expenses of the Senate" in subtitle A of the Congressional Operations Appropriations Act, 1989, strike the period and insert the following: ", which shall remain available until September 30, 1991."

CONTINGENT EXPENSES OF THE SENATE

SENATE POLICY COMMITTEES

For salaries and expenses of the Majority Policy Committee and the Minority Policy Committee, $1,101,500 for each such committee; in all, $2,203,000.

INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, as amended, section 112 of Public Law 96-304 and Senate Resolution 281, agreed to March 11, 1980, $69,442,000.

EXPENSES OF UNITED STATES SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL

For expenses of the United States Senate Caucus on International Narcotics Control, $325,000.

SECRETARY OF THE SENATE

For expenses of the Office of the Secretary of the Senate, $727,200.

SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

For expenses of the Office of the Sergeant at Arms and Doorkeeper of the Senate, $74,389,000 of which $6,000,000 shall remain available until expended.

MISCELLANEOUS ITEMS

For miscellaneous items, $7,506,000: Provided, That effective in the case of fiscal years beginning after September 30, 1989, section 120 of Public Law 97-51 is amended by striking out "$40,000" and inserting in lieu thereof "$50,000".

SENATORS' OFFICIAL PERSONNEL AND OFFICE EXPENSE ACCOUNT

For Senators' Official Personnel and Office Expense Account, $161,124,000.

STATIONERY (REVOLVING FUND)

For stationery for the President of the Senate, $4,500, for officers of the Senate and the Conference of the Majority and Conference of the Minority of the Senate, $8,500; in all, $13,000.

ADMINISTRATIVE PROVISIONS

SECTION 1. The Chairman of the Majority or Minority Conference Committee of the Senate may, during the fiscal year ending September 30, 1990, at his election, transfer not more than $50,000 from the appropriation account for salaries for the Conference of the Majority and the Conference of the Minority of the Senate, to the account, within the contingent fund of the Senate, from which expenses are payable under section 120 of Public Law 97-51 (2 U.S.C. 61g-6). Any transfer of funds under authority of the preceding sentence shall be made at such time or times as such chairman shall

specify in writing to the Senate Disbursing Office. Any funds so transferred by the chairman of the Majority or Minority Conference Committee shall be available for expenditure by such committee in like manner and for the same purposes as are other moneys which are available for expenditure by such committee from the account, within the contingent fund of the Senate, from which expenses are payable under section 120 of Public Law 97-51 (2 U.S.C. 61g-6).

SEC. 2. Funds appropriated to the Conference of the Majority and funds appropriated to the Conference of the Minority for the fiscal year ending September 30, 1990, may be utilized in such amounts as the Chairman of each Conference deems appropriate for the specialized training of professional staff, subject to such limitations, insofar as they are applicable, as are imposed by the Committee on Rules and Administration with respect to such training when provided to professional staff of standing committees of the Senate.

SEC. 3. Subsection (d) of section 2 of Public Law 100-123 (2 U.S.C. 58a-1), is amended by inserting immediately after "by the Sergeant at Arms)," the following: "and all other moneys received by the Sergeant at Arms as charges or commissions for telephone services,".

SEC. 4. (a) The Sergeant at Arms and Doorkeeper of the Senate is authorized to establish an Office of Senate Health Promotion.

(b)(1) In carrying out this section, the Sergeant at Arms and Doorkeeper of the Senate is authorized to establish, or provide for the establishment of, exercise classes and other health services and activities on a continuing and regular basis. In providing for such classes, services, and activities, the Sergeant at Arms and Doorkeeper of the Senate is authorized to impose and collect fees, assessments, and other charges to defray the costs involved in promoting the health of Members, officers, and employees of the Senate. For purposes of this section, the term "employees of the Senate" shall have such meaning as the Sergeant at Arms, by regulation, may prescribe.

(2) All fees, assessments, and charges imposed and collected by the Sergeant at Arms pursuant to paragraph (1) shall be deposited in the revolving fund established pursuant to subsection (c) and shall be available for purposes of this section.

(c) There is established in the Treasury of the United States a revolving fund within the contingent fund of the Senate to be known as the Senate Health Promotion Revolving Fund (hereinafter referred to in this section as the "fund"). The fund shall consist of all amounts collected or received by the Sergeant at Arms and Doorkeeper of the Senate as fees, assessments, and other charges for activities and services to carry out the provisions of this section. All moneys in the fund shall be available without fiscal year limitation for disbursement by the Secretary of the Senate for promoting the health of Members, officers, and employees of the Senate.

(d) Disbursements from the revolving fund shall be made upon vouchers signed by the Sergeant at Arms and Doorkeeper of the Senate.

(e) The provisions of section 4 of the Act of July 31, 1946 (40 U.S.C. 193d) shall not be applicable to any class, service, or other activity carried out pursuant to the provisions of this section.

(f) The provisions of this section shall be carried out in accordance with regulations which shall be promulgated by the Sergeant at Arms and Doorkeeper of the Senate and subject to approval at the beginning of each Congress by the Committee on Rules and Administration of the Senate.

SEC. 5. (a) Paragraph (3) of section 506(a) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58(a)) is amended to read as follows:

"(3)(A) postage on, and fees and charges in connection with, mail matter sent through the mail under the franking privilege in excess of amounts provided from the appropriation of official mail costs, upon certification by the Senate Sergeant at Arms and subject to such regulations as may be promulgated by the Committee on Rules and Administration, (B) postage on, and fees and charges in connection with official mail matter sent through the mail other than the franking privilege upon certification by the Senate Sergeant at Arms and subject to such regulations as may be promulgated by the Committee on Rules and Administration, and (C) reimbursement to each Senator for costs incurred in the preparation of required official reports, and the acquisition of mailing lists to be used for official purposes, and in the mailing, delivery, or transmitting of matters relating to official business;".

(b) Receipts paid to the Sergeant at Arms from sales of postage on, and fees and charges in connection with mail matter sent through the mail by Senators, Senate committees, or other Senate offices (including joint committees and commissions funded from the contingent fund of the Senate), other than under the franking privilege, as cash or check payments directly from such Senators, committees, or offices, or as reimbursement from the Financial Clerk of the Senate pursuant to certification by the Sergeant at Arms of charges to be made to such funds available to such Senators, committees, or offices for such postage, fees and charges shall be used by the Sergeant at Arms for payment to the United States Postal Service for such postage, fees, and charges.

SEC. 6. On and after the date this Act becomes law, the Secretary of the Senate, subject to the approval of the Committee on Appropriations of the Senate, is authorized to provide up to $1,000,000 for capitalization purposes to the revolving fund established by the last paragraph under the heading "Contingent Expenses of the Senate" appearing under the heading "SENATE" in chapter XI of the Third Supplemental Appropriation Act, 1957 (2 U.S.C. 46a-1), by transferring to such revolving fund any funds available from any Senate appropriation account, with respect to which he has disbursement authority, for the fiscal year in which the transfer is made (or for any preceding fiscal year) or which have been made available until expended; and any moneys so transferred shall be available for use in like manner and to the same extent as the moneys in such revolving fund which were not transferred thereto pursuant to this section.

SEC. 7. The Secretary of the Senate may enter into an agreement with the Secretary of Education to provide closed captioning of the Senate floor proceedings, subject to the approval of the Senate Committee on Rules and Administration. The Senate authorizes the Secretary of Education to have access to the audio and video broadcast of the Senate floor proceedings for the purpose of captioning. Such funds as may be necessary to carry out the purposes of this section are authorized to be paid from the appropriation account for "Miscellaneous Items" within the contingent fund of the Senate.

SEC. 8. (1) The Secretary of the Senate and the Sergeant at Arms and Doorkeeper of the Senate are authorized to acquire goods, services, or space from government agencies and units by agreement under the provisions of the Economy Act, 31 U.S.C. 1535, and to make advance payments in conjunction therewith, if required by the providing agency or establishment.

(2) No advance payment may be made under paragraph (1) unless specifically provided for in the agreement. No agreement providing for advance payment may be entered into unless it contains a provision requiring the refund of any unobligated balance of the advance.

(3) No agreement may be entered into under paragraph (1) without the approval of the Senate Committee on Rules and Administration and the Senate Committee on Appropriations.

SEC. 9. The provisions of Senate Resolution 89, of the One Hundredth Congress, agreed to January 28, 1987, are hereby enacted into law, effective on the date such Senate Resolution 89 was agreed to.

SEC. 10. The second provision, under the headings "SENATE" and "Office of the Chaplain", of the Legislative Branch Appropriation Act, 1970 (Public Law 91-145) is amended by striking out "a secretary" and inserting in lieu thereof "such employees as he deems appropriate, except that the amount which may be paid for any fiscal year as gross compensation for personnel in such Office for any fiscal year shall not exceed $147,000".

SEC. 11. (a) For purposes of subchapters I and II of chapter 37 of title 31, United States Code (relating to claims of or against the United States Government), the United States Senate shall be considered to be a legislative agency (as defined in section 3701(a)(4) of such title), and the Secretary of the Senate shall be deemed to be the head of such legislative agency.

(b) Regulations prescribed by the Secretary of the Senate pursuant to section 3716 of title 31, United States Code, shall not become effective until they are approved by the Senate Committee on Rules and Administration.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 8 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken by said amendment, insert the following:

SPECIAL SERVICES OFFICE

For salaries and expenses of the Special Services Office, $237,000, to be disbursed by the Secretary of the Senate: Provided, That none of these funds shall be obligated until the Sergeant at Arms and Doorkeeper of the Senate and the Clerk of the House jointly report to the Appropriations Committees of both Houses their recommendation for the establishment, funding, staffing, support, and administration of a Congressional Special Services Office, or December 1, 1989, whichever first occurs.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 34 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert the following:

SEC. 315. Effective in the case of this Act and any subsequent Act making appropriations for the Legislative Branch, for pur-

poses of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), as amended, or any other Act which requires a uniform percentage reduction in accounts in this Act and any subsequent Act making appropriations for the Legislative Branch, the accounts under the general heading "Senate", and the accounts under the general heading "House of Representatives", shall each be considered to be one appropriation account and one "program, project, and activity".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 36 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert the following:

SEC. 317. At the end of Section 3216 of title 39, United States Code, add the following new subsection:

(e)(1) Not later than two weeks after the last day of each quarter of the fiscal year, or as soon as practicable thereafter, the Postmaster General shall send to the Clerk of the House, the House Commission on Congressional Mailing Standards, the Secretary of the Senate, and the Senate Committee on Rules and Administration a report which shall contain a tabulation of the estimated number of pieces and costs of franked mail, as defined in section 3201 of this Title, in each mail classification sent through the mail for that quarter and for the preceding quarters in the fiscal year, together with separate tabulations of the number of pieces and costs of such mail sent by the House and by the Senate.

Two weeks after the close of the second quarter of the fiscal year, or as soon as practicable thereafter, the Postmaster General shall send to the Clerk of the House, the House Commission on Congressional Mailing Standards, the Committee on House Administration, the Secretary of the Senate, and the Senate Committee on Rules and Administration, a statement of the costs of postage on, and fees and charges in connection with, mail matter sent through the mails as described in subsection (1) of this section for the preceding two quarters together with an estimate of such costs for the balance of the fiscal year. As soon as practicable after receipt of this statement, the House Commission on Congressional Mailing Standards, the Committee on House Administration, and the Senate Committee on Rules and Administration shall consider promulgating such regulations for their respective Houses as may be necessary to ensure that total postage costs, as described in subsection (1) of this section, will not exceed the amounts available for the fiscal year.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 37 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the first section number named in said amendment, insert: "318".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 38 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert the following:

SEC. 319. (a) (1) The Architect of the Capitol shall be appointed by the President by and with the advice and consent of the Senate for a term of 10 years.

(2) There is established a commission to recommend individuals to the President for appointment to the Office of Architect of the Capitol. The Commission shall be composed of—

(A) the Speaker of the House of Representatives,

(B) the President pro tempore of the Senate,

(C) the majority and minority leaders of the House of Representatives and the Senate, and

(D) the chairmen and the ranking minority member of the Committee on House Administration of the House of Representatives and the Committee on Rules and Administration of the Senate.

The commission shall recommend at least three individuals for appointment to such office.

(3) An individual appointed Architect of the Capitol under paragraph (1) shall be eligible for reappointment to such office.

(b) Subsection (a) shall be effective in the case of apointments made to fill vacancies in the Office of Architect of the Capitol which occur on or after the date of the enactment of this Act. If no such vacancy occurs within the six-year period which begins on the date of the enactment of this Act, no individual may, after the expiration of such period, hold such office unless the individual is appointed in accordance with subsection (a).

Resolved, That the house recede from its disagreement to the amendment of the Senate numbered 39 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the first section number named by said amendment, insert "320".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 40 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number named by said amendment, insert "321".

SENATE AMENDMENT IN DISAGREEMENT NO. 6

The PRESIDING OFFICER. The clerk will report the remaining amendment in disagreement.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 6 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum stricken and inserted by said amendment, insert the following: "$100,229,000, of which $23,978,000 is available only for Senate official mail costs, to be disbursed by the Secretary of the Senate, $44,530,000 is available only for House official mail costs, to be disbursed by the Clerk of the House, and $31,721,000 which may only be expended in fiscal year 1990: *Provided,* That, of the amounts appropriated heretofore or in this Act, the following sums that would have otherwise been expended in fiscal year 1990, according to estimates made by the Congressional Budget Office under section 308(a)(2) of the Congressional Budget and Impoundment Control Act of 1974, as amended (P.L. 93-344), shall not be obligated or expended during fiscal year 1990: $998,000 of the amounts provided heretofore or in this Act to the accounts under the heading "Senate", the amount for each to be determined by the Secretary of the Senate, with the concurrence of the Senate Committee on Appropriations; $580,000 of the amounts provided in this Act for reprogramming under the headings "Capitol Police Board", "Capitol Police", "Salaries"; $195,000 of the amounts provided in this Act under the headings "Office of Technology Assessment", "Salaries and Expenses"; $900,000 of the amounts provided heretofore or in this Act under the headings "Biomedical Ethics Board and Biomedical Ethics Advisory Committee", "Salaries and Expenses"; $184,000 of the amounts provided in this Act under the headings "Architect of the Capitol", "Capitol Buildings and Grounds", "Capitol Buildings", with the concurrence of the House and Senate Committees on Appropriations; $282,000 of the amounts provided heretofore or in this Act under the headings "Architect of the Capitol", "Capitol Buildings and Grounds", "Capitol Grounds", with the concurrence of the House and Senate Committees on Appropriations; $6,934,000 of the amounts provided heretofore or in this Act under the headings "Architect of the Capitol", "Capitol Buildings and Grounds", "Senate Office Buildings", with the concurrence of the Senate Committee on Appropriations; $225,000 of the amounts provided in this Act under the headings "Library of Congress", "Congressional Research Service", Salaries and Expenses"; $2,302,000 of the amounts provided heretofore or in this Act under the headings "Government Printing Office", "Congressional Printing and Binding", as approved by the Joint Committee on Printing, with the concurrence of the House and Senate Committees on Appropriations; $111,000 of the amounts provided in this Act under the headings "Library of Congress", "Salaries and Expenses"; and $3,578,000 of the amounts provided heretofore or in this Act under the headings "Government Printing Office", "Office of the Superintendent of Documents", "Salaries and Expenses", the balance".

Mr. REID. It is my understanding that the conference report is before the Senate.

The PRESIDING OFFICER. Pending is the House amendment to the Senate amendment in disagreement No. 6.

Mr. REID. Senator WILSON, I am told, will not be here until 11:30. Recognizing that, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Parliamentary inquiry. What is the matter before the Senate at this time?

The PRESIDING OFFICER. The House amendment to Senate amendment No. 6, reported in disagreement, relative to the legislative branch appropriations bill.

Mr. REID. I yield to the Senator from California.

AMENDMENT NO. 1091 TO HOUSE AMENDMENT TO SENATE AMENDMENT IN DISAGREEMENT NO. 6

(Purpose: To eliminate unsolicited mass mailings and transfer savings to treatment of drug-dependent pregnant and post partum women and their children)

Mr. WILSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from California [Mr. WILSON] proposes an amendment numbered 1091 to the House amendment to Senate amendment No. 6.

Mr. WILSON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In amendment number 6, in the text proposed by the House to be inserted, strike out all up to and including "*Provided*, That, of the amounts" and isert in lieu thereof the following:

"$100,229,000 of which $8,978,000 is available only for Senate official mail costs, to be disbursed by the Secretary of the Senate, $14,530,000 is available only for House official mail costs, to be disbursed by the Clerk of the House, $31,721,000, which may only be expended in fiscal year 1990, and $45,000,000 is available for Model Projects Program for Pregnant and Post Partum Women and their Infants to be spent pursuant to 42 U.S.C. 290aa-13 to remain available until expended;

"*Provided*, That subsection (c) of section 3216 of Title 39, United States Code, is repealed;

"*Provided further*, That notwithstanding any other provision of this Act, there is hereby prohibited the use of the franking privilege for unsolicited mass mailings, as described in section 3210(a)(6)(E) of title 39, United States Code;

"*Provided further*, That only monies appropriated by law for official mail costs of the Senate and the House of Representatives may be used to defray such costs;

"*Provided further*, That the Committee on Rules and Administration may establish a minimum allocation of funds for mail costs of Senators representing states with fewer than three million residents and may allocate funds for the mail costs incurred by Senators prior to the date of enactment of this Act prior to making an allocation of funds to each Senator for authorized mail costs; and

"*Provided further*, That of the amounts".

Mr. WILSON. Mr. President, this is an amendment that relates to Senate amendment No. 6. I make that point on behalf of the managers. What I am seeking to do here will in no way affect amendment 35 or 36, which contain the reforms of which they are justly proud and about which they are concerned. However, I will simply state that as far as the reforms go, the ultimate reform, in my judgment, is to divert all the money that is presently being allocated, the hundreds of millions of dollars over the past decade alone that have gone into congressional newsletters, to what is a crying need and one that we have not yet met, though we have increased by tenfold the congressional funding for it.

Mr. President, I am going to take some time to talk about the terrible problem that is beginning to afflict this Nation, and we have seen only the tip of the iceberg. That is the problem of substance abuse by pregnant women resulting in the birth of innocently addicted newborns.

To shortcut this a great deal. I solicited an estimate from State agencies in California as to what the costs would be for the average innocently addicted newborn child addicted by its mother's use of crack cocaine during her pregnancy. It was conservatively estimated that the health care, the special compensatory education of that child would average $130,000 per year throughout childhood and perhaps going on into young adulthood for these children, because what happens is that they are not born healthy children. They are born with diminished capacities, to understate the severity of the irreversible damage they suffer by quite a bit.

They may suffer mental retardation. They may suffer physical deformity. They will almost certainly suffer the kind of neurological damage that makes learning difficult, if not impossible. They will suffer susceptibility to stroke. They will, in short, start life without a decent break and go through life without the kind of break that they would have had had they been born whole, which is to say without sustaining the child abuse through the umbilical cord that their mother's substance abuse inflicts upon them.

We currently have been spending about $4.5 million a year, a pittance, Mr. President, to deal with a problem that now afflicts 15 percent of all newborns in many parts of the country.

It is not purely the problem of the inner city. I went out into the central valley of California, to Fresno, to the medical center there. Fifteen percent of newborns suffer substance abuse. They are born 10 weeks premature at dangerously low birth weights, with cranial circumference smaller than it should be. These are children who are going to be a burden to themselves and, frankly, a burden to taxpayers, but, far worse, they should not be required to suffer as in fact they do, beginning with the suffering of withdrawal that makes the nurseries that hold these children piteous things to behold. You can hold one of these children in the palm of your hand they are so small at birth. I saw one after 2 months that had risen to a weight of 4 pounds.

Mr. President, this is a problem in the State of Florida. Governor Martinez testified before a Senate committee that next year he anticipates there will be 10,000 of these children born in the State of Florida. It is a problem in the city of Milwaukee, where Senator KOHL held a hearing. One of the witnesses was the director of public health.

In the strongest possible terms he advised us that we could expect the return of the orphanage as an American institution because we would be unable to find adequate foster parents to deal with these children that no one would want.

Mr. President, what we ought to be doing is preventing this tragedy and the way to do is it by mandatory rehabilitation, or for those strong enough to seek to get clean by themselves we should have massive outreach, education, and treatment facilities. Mr. President, we do not. We do not.

Let us not delude ourselves. There are isolated instances of success stories; the Mandela House in Oakland; the Phoenix Houses throughout the country know what it means to take someone, even someone unwilling, who comes in voluntarily, committed by an agency, and get them clean in a way that they are a good risk to be able to return to society, and to withstand temptation.

But what we are facing is the necessity to deal with this problem and $4.5 million "ain't" going to cut it. It is a pathetically, ridiculously low amount.

It is true that in the interval since this amendment first was on the floor this year we have substantially increased that. We put into the Office of Substance Abuse Prevention $50 million. Mr. President, that is a better than tenfold increase over what we are presently spending. But it is not nearly enough.

Those of us who come to this floor find that we are often confronted with very difficult choices, and close calls. Mr. President, what I am offering this morning is no close call. It should be easy.

First, for those who are concerned with whether they will be able to respond to mail other than the mass mailings called "congressional newsletters" which are the subject of this amendment, let me assure them that they will have ample funds to do so. Some colleagues have approached me in recent days expressing concern that my amendment would ban unsolicited mass mail and also not provide adequate funds for them to answer their constituents' letters. Well, that simply is not the case. It was not my intent, and it will not occur.

There is perhaps less than adequate information available about mail costs but to be on the safe side, I am modifying my amendment to assure that no Senator or House Member will be cut off from responding to his or her constituents.

First, this amendment will leave a significantly greater amount of money in the mail cost accounts. The amendment will strictly prohibit the franking of unsolicited mass mailings, but an adequate cushion will be left in the mail account for fiscal year 1990.

Second, the Rules Committee will be explicitly granted authority to cover mail costs incurred before the date of enactment prior to making allocations to each Senator. So no one will be embarrassed.

Mr. FORD. Mr. President, will the Senator yield at this point for a question, since he referred to the Rules Committee?

Mr. WILSON. On the Senator's time, but not on my time.

Mr. FORD. I do not have any time.

Mr. WILSON. I am sorry. I have very little. I will be happy to yield time later if there is time.

Mr. FORD. I understand. I thank the Senator for his courtesy.

Mr. WILSON. The Senator is welcome.

This will ensure as well that the committee will be provided the authority to provide a minimum allocation of mail funds to Senators who represent small States.

So there is no one who will be unable to respond to the mail. But what we are talking about are the unsolicited mass mailings, the congressional newsletters which are not asked for by constituents.

I ask you to ask yourselves honestly. How often have you been begged for a newsletter, whether your constituents depend upon that as the sole source of information about what you or anyone else in Government is doing for them?

We are elected to set and to keep priorities. Congressional newsletters, even if they were not, as they are so often, are thinly disguised campaign election pieces. Even if they were not, they simply cannot be considered the priority that we must confront if this Nation is not to see the entire iceberg surface in the most ominous tragic way.

We have not dealt adequately with the problem of substance abuse by pregnant women. We cannot do so unless we spend adequately to provide the kind of education, outreach and treatment that will allow them to get clean voluntarily, or involuntarily, and $50 million is not nearly enough.

Indeed, the increase of $45 million that this would provide will not adequately deal with the problem. But to the extent that we can prevent, we are avoiding all manner of costs, both human and tax, and I solemnly urge my colleagues to do so.

Priorities in this case are very easy to determine. This is not a close case.

How much time remains?

The PRESIDING OFFICER. The Senator has 19 minutes left.

Mr. WILSON. Ninteen minutes?

The PRESIDING OFFICER. That is correct; 1 hour equally divided.

Mr. REID. Will the Senator from California yield? The time had not started running. I know the Senator was under the assumption——

Mr. WILSON. The Senator is definitely under a different impression.

Mr. STEVENS. Will the Senator yield to me? The Senator from California called me and asked if we could start this amendment late. I indicated I had no problem about that. I understood the time would be running. We would have a half hour left.

This Senator has a conference to go to. I had no problem since we started at 25 of, to make it a half hour as we indicated. But I hope we can get this done. I have to go back to the conference.

Mr. WILSON. Mr. President, I will conclude my remarks. I was under the impression that the time had been shortened but I was still within my time.

Let me simply conclude by saying this: It is a privilege to serve in this body. I think everybody on this floor is someone whom I would call a friend. I wish we could spend more time personally than the circumstances permit. This used to be called a "club." It really is not any longer. That is not anyone's fault. It is simply a fact of life.

What I will say is that I think we all should be concerned with the reputation of the Senate. We did not come here to be popular either with one another or with our constituents. We came here, I assume, because of certain basic convictions. It is my basic conviction that the far more urgent priority is to deal with the problem of substance abuse by pregnant women than to send out unwanted congressional newsletters. That is what this attacks.

Let me say Congress has had some bad publicity in recent times. Some would say recent times goes back about two centuries. Will Rogers was not the first to enjoy a joke at our expense. We have provided all kinds such material and in the recent past as well.

What I think our constituents expect of us is to do what we are elected by them to do, to set and to keep priorities, and not to say that the most urgent of our priorities have to do with our own personal perquisites. They did not elect us to put perks above principle. The did not elect us to put perks above their real priorities. They did not elect us to put junk mail ahead of providing the kind of outreach treatment that will solve or go a long way toward solving this tragedy that is exploding in epidemic proportions, of substance abuse by pregnant women.

I can think of no more innocent victim in our society than the innocently addicted newborn who through no possible fault of his own faces a life which, to put it midly, will be one of distinctly diminished capacities and enormous costs both in terms of his own suffering and in terms of the obligation which taxpayers will have to shoulder in order to deal with those diminished capacities.

For those reasons, I hope, Mr. President, that my colleagues will see fit to grant passage to this amendment and send it to the House by the same margin that they gave earlier to a virtually identical amendment.

This contains one additional thing, and that is, it applies the antideficiency judgment or statute to congressional mail costs with the post office. There is no reason why all other agencies have to pay their bills, but we can run a tab with the post office. That is the present law; it should not be. I thank the Chair and yield the floor.

Mr. REID addressed the Chair.

Mr. REID. I am not going to take a lot of time to address all the points raised by the Senator, but there are some points that need to be talked about. First, I appreciate his acknowledgment that what we have in the bill is reform, and I have talked about that at some length last week, because there is real reform in the congressional mailing procedures in this bill. It is the best we are going to get, and we have talked about that before. It is important that we recognize that Members of the Senate recognize that there are real reforms in this bill.

Finally, on this subject of the crack babies. Let the Senate understand that the total funding for the addicted babies program for the last fiscal year was $4.5 million. The money, Mr. President, already in the pipeline for this year, is an almost 2,000-percent increase, a 2,000-percent increase. Yet, the Senator proposes yet another increase for this program—this, before we have any reliable assessment of the effectiveness of a program or the impact of such huge increases of funding. I repeat, a 2,000-percent increase.

I think we have to recognize that these programs have not been evaluated by the department or by the Committee on Labor and Human Resources. They have not indicated their support or rejection of this amendment. The Senator has not consulted with the Labor-HHS, Education Committee about the merits of the increase he is proposing. Importantly, Mr. President, the bipartisan drug agreement included the understanding that there would be no further amendments of shifting funds from one appropriation or bill to another to increase antidrug funding, and that the leadership on both sides would joint in tabling such amendments, if a tabling motion were offered, which it will be, I hope.

Mr. President, I know that the Senator from—I do not see him on the floor—Alaska has other things to do, but let me just say that the Senator indicates that there would be adequate money to mail. We have taken from this bill just about everything, as indicated last week when we spoke, .85 mailings—that is, mailing for newsletters, all that would be allowed under this bill, and if somebody sent something first class, it would be even less than that.

This bill has a tremendous amount taken out. There is just a bare minimum in this bill. I suggest, Mr. President, the amendment purports to ban so-called unsolicited mass mailings, but what does this really mean? Does it prohibit, for example, informational mailings on issues we know to have an important impact on our constituents?

In the State of Nevada, as an example, there was started there a group of people, which has now swept the country, who oppose the catastrophic bill passed approximately 1 year ago. I have received thousands of letters from my State on catastrophic care. The letters I received from those people indicated they want to be kept abreast of what was going on regarding castastrophic care. I have written to those people on more than one occasion. I have done that because that is what I need to do to do a good job at representing them in Washington.

We have other issues like catastrophic. There is abortion, gun control, savings and loan, section 89, capital gains, acid rain, global warming, aid to the Contras, arms control, congressional pay raise, honoraria, the fairness doctrine, pesticides on food, flag burning, various Supreme Court decisions, animal rights, Presidental nominees and, of course, franking, which we are talking about now.

So unsolicited mailings, what does that really mean? Under this proposal by the Senator from California, I would not be able to maintain contact with my constituents who were so concerned and are so concerned even today about catastrophic care, for example.

The unintended effect would be the spawning of a new consultant bureaucracy for the purpose of creating people who have solicited mass mailings. There are definitional questions in this amendment that would keep a battery of lawyers and staff occupied for years to come. At what point does mail become solicited? There are the enforcement questions.

Who will make the determination of whether a mailing is solicited or not, the Postal Service, Rules Committee, Postal Committee in the House or in the courts? We will create more jobs for lawyers, which we are very good at doing.

Under the most narrow interpretation, this could prohibit mass mailings to our constituents on the issues I have mentioned, on drug enforcement, education rehabilitation, aid, the trade deficit, discrimination against products that are American in nature in overseas markets. I could go on, but the point is obvious, Mr. President. Properly limited, newsletters and other mailings dealing with public issues are legitimate. Recognizing that we have so little money in this bill any more anyway, the amendment of the Senator would cut off this channel of communication. This is an unwise and really excessive move.

The amendment, of course, assumes that mass media provides adequate alternatives. People could learn about the issues by reading their newspapers or listening to radio and television coverage. This is obviously not so in many more sparsely populated areas, areas that are all over the State of Nevada and other parts of this country.

Worse yet, this argument betrays what I believe to be a strongly elitist conception of political participation. It says in effect, unless you have the time, interest, the information, energy, the self-confidence, the language skills, and other necessary resources to write to your Senator or Representative, you can forget about having any direct communication with the people elected to represent you in Washington, even when they know that what is about to happen will have a major impact on their life and economic well-being.

If you are not informed and aggressive enough to find out about it and pursue your interests on your own, tough. Mr. President, I reiterate, this is a good bill. It is the best we can get from the House. We have provided a 2,000-percent increase in the funding for this crack baby program that the Senator from California talks about.

I add one additional thing: The Wilson amendment contains a major change in current law which Senators should be fully aware of before they vote, because it could well expose them and their staffs to criminal penalties and fines of up to $5,000 and jail terms for 2 years, because it repeals subsection (d) of section 3216 of the franking statute. It would make Congress subject to this Anti-Deficiency Act with respect to this appropriation, which, as I have indicated before, could certainly obligate you and your staff to exposure to a law that I do not know how it could be enforced. It would preclude, on pain of criminal penalties funding, any overrun of the mail costs.

But one point should be very clear. Congress has never failed to pay its mail bill to the Postal Service. I do not think we want to put ourselves in the position of placing our staffs in a position of going to jail for sending out letters that may or may not be unsolicited.

Mr. WILSON. Mr. President, will the Senator yield for a question?

Mr. FORD. On his time.

Mr. REID. The Senator has plenty of time remaining. I am happy to yield to the Senator from California for purposes of a question.

Mr. WILSON. Fine. If I do have time, I will be happy to yield to the Senator from Kentucky.

Do I understand that the Senator is saying he does not want to put Members of Congress in the same position as Members of Congress put all the other agencies of Government, that Congress alone should be immune from the antideficiency statute and we alone should be able to run a tab?

Mr. REID. I respond to the Senator that all other agencies are subject to this. There have been hearings held. I am saying this may be a good provision in the future in the law. It should not be decided here with out time limit on a conference report.

I would say this in response to the Senator: the Senator has contributed greatly to what I feel is a good bill. I have to say that. I think that his persistence and enthusiasm for change has meant a great deal to my subcommittee. I think some of these points the Senator raises in this amendment, and I have to say his amendment has been kind of a moving target, and this new provision may well be something we should put in the law. I would be happy to confer with the ranking member. It may be a good idea, but this is not the place to do it.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from Oklahoma.

Mr. NICKLES. Mr. President, to follow up on what my friend and colleague, Senator REID, said, we will be introducing legislation shortly that is a little different from the one paragraph that deals with the antideficiency law. What it will state is once the appropriate amount has been used, then the only responses that could be used would be in direct response to mail. You could not mail unsolicited mass mailings after the appropriated amount had expired. I think that is a good commonsense approach.

That way even if Congress did use up the appropriated amounts, then the only mailing they go forward with would be response mail. So we could still answer our mail to the constituents, which is part of our job. I think that is an important thing to do.

I also will echo Senator REID's comment in complimenting the Senator from California for his conviction and courage on this issue, and also for the fact that he actually practices what he is preaching. The Senator from California has not made unsolicited mass mailings. Correct me if I am wrong. I think the Senator had almost zero cost when the average cost per Senator was significantly more for the last couple of years. I did not check all the years, but I believe that to be correct. So I compliment him because his colleague and many others from large States could easily spend millions of dollars in mass mailings. I believe the Senator from California, Senator WILSON, has not done so. So I make that comment.

Concerning the pending Wilson amendment, the first thing I will just touch on, looking at the amendment—

and it has changed and been modified on a couple occasions—it would appropriate a little less than $9 million for Senate mail cost. Last year the Senate spent about $28 million. So you can see that we are talking about an amount significantly less than what we had last year and in previous years.

For the House, he would appropriate $14.5 million. Last year the House spent an estimated $57 million. So that is a very significant reduction. The amendment does that, basically.

If you look further down the amendment, he would totally prohibit the use of franking for unsolicited mass mailings. There would be no newsletters or no more mass mailings. That to me is ambiguous. I am not sure that would be an answer to the mail problem.

If you had 2,000 constituents who had written a letter that said "I want you to repeal catastrophic," and they had written you a year ago or maybe 6 months ago, could you write a response to them? I would think that would be legitimate. I would consider that a response.

We looked at the statute. I am not sure it is all that clear. It could be clarified by the Rules Committee, and, incidentally, I think it will be clarified by the Rules Committee following passage of the rule if they do it following this piece of legislation. But that could probably be taken care of. But I would be concerned if we went so far as to say unsolicited mass mailings would prohibit you from responding to your constituent, as Senator REID had mentioned earlier.

The amendment does a couple other things. One, it says we will transfer these savings, estimated to be $45 million, into a model project for pregnant and postpartum women and infants, so-called crack babies. Last year $4.5 million was spent in that program. This year, fiscal year 1990, there will be $85 million. It is probably the biggest expansion or increase in the program I am aware of to go from a little less than $5 million to $85 millon in 1 year. That is a dramatic increase, to say the least.

I will concur with the Senator from California the need is there. There are some real problems with a lot of children born to a drug-dependent mother. There is a problem there.

Concerning one section of the Senator's amendment—and this is a section that causes this Senator a lot of concern because I support it—and that is that subsection (c) of section 3216 of title 39 is repealed. That is the section that allows Congress to continue mailing in spite of the fact that we exceeded our appropriated amount. The last 2 years we actually exceeded the appropriated amount by $31 million. So we have to come back and ask for a supplemental or as in this year in the fiscal year 1990 bill, we actually have $31 million to pay last year's costs. Congress really has not been very astute in budgeting, managing, and trying to figure out how to compute mail cost.

I will say it is obvious at least to the Senate, and I congratulate the Rules Committee for their initiative in the Senate. They have a plan or proposed rule which will allocate the cost and I believe they have every intention of enforcing that allocation to see that Senators do not spend more than the proposed allocation.

I also said when we had the bill originally on the floor that I thought there was little chance that Congress would stay within the apropriated amount. I would still say that that is my guess. Maybe not so much for the Senate. I would doubt that the House will stay with their figure. I hope that they do. I hope that both the House and Senate do. It will require significant restraint as compared to prior years.

Mr. REID. Mr. President, will the Senator yield for a question?

Mr. NICKLES. I am happy to yield.

Mr. REID. The one thing we have in the bill that will certainly make things easier to track is the fact we have separate accounts. There will be no longer commingling to make our job easier to keep track of the money; is that not true?

Mr. NICKLES. The Senator is correct. We had the situation where the Senate did make reforms. I remember Senator MATHIAS, Senator STEVENS, and Senator FORD, and others, were involved in this. We did enact disclosure in the Senate and we made some savings. Unfortunately, the House spent most of the savings because they did not have disclosure or real reform or caps.

I am optimistic, or somewhat optimistic, that at least in the Senate with the Rules' proposals that are coming about, there can be some significant changes. I want to point out there are two or three different provisions in this bill.

One final point, I do not see the Legislative Branch Subcommittee appropriating money that is going to HHS. The Labor-HHS appropriations bill, if I remember, is about $155 billion. I may be off by a few billion dollars but it is $155 billion, and it provided funds for crack babies.

Mr. WILSON. Will the Senator yield?

Mr. NICKLES. I will in half a moment.

We also had money, I believe, in the drug package that was part of the Treasury-Postal Service bill. Those two bills were the appropriate vehicles. I do not really see that the legislative branch is the appropriate vehicle to deal with that problem.

The section that deals with antideficiency that says we should not mail more than we appropriate, I agree with. I inserted that, not exactly in the same language that the Senator has in his amendment, but we had language with the same result in the bill that passed the Senate. As I stated in my earlier objections, I did not sign the conference report for two reasons. One reason was that we did not come back with this language or something close to it in the conference report. I think it is necessary. I think without it we may not really have mail reform or at least significant enough mail reform.

Without that section of the Senator's amendment, what difference would it make if we appropriate $60 million or $100 million? Congress could continue to mail much more. And the Post Office would have to honor that unless we repeal that section of the statute. So at least as far as that one section of the Senator's amendment, I would be very supportive.

I am happy to yield.

Mr. WILSON. Mr. President, the question I would ask my friend has to do with the comment he made about the Labor-HHS appropriations bill. It is unhappily not as he thought. He mentioned $155 billion for the purposes that we are seeking to address in this amendment.

I am pained to tell him that the Labor-HHS conference report recommended $57.8 million, but of that only $4.75 million for this desperate problem of pregnant addicts.

If I were to ask where is S. 1711 now, well, I am afraid the answer is, the chances are very poor for its passage. That was the second of our omnibus drug efforts this year, and that was one that contained a Wilson-Kennedy-Hatch amendment for an additional $50 million for the Office of Substance Abuse Prevention for this purpose.

But, frankly, the only sure money that is in sight is the Labor-HHS appropriations conference report, and that is $4.75 million.

Mr. NICKLES. Just to respond to the Senator, we have requested this from staff and we were told that they had, between the two bills, $85 million. Labor-HHS had, I do not know if is $40 million or $50 million, and then in the Transportation bill—I think I said the Treasury bill previously—but in the Transportation bill in which we have the drug provision, we had a drug bill that was almost $9 billion. I think that also had some funding.

So the total amount would have been about $85 million.

Mr. WILSON. I think my friend is confusing the fact that there had been money that was recommended, but not for pregnant addicts—for high-risk use, for community use, for community prevention. But the only money that we are absolutely assured seeing

to go toward this problem of pregnant addicts is $4.75 billion contained in the Labor-HHS appropriations.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. REID. Mr. President, I yield whatever time the Senator consumes.

Mr. STEVENS. Mr. President, the Senator from California called me and told me he had a problem in getting here at the 11 o'clock time appointed and if we would just agree to shorten the time to a half an hour, he would appreciate it. We are over that time. I do not intend to speak very long, and then I intend to make a motion to table his amendment.

We have been on this bill before. This is an amendment to an amendment in disagreement raising subjects which were not raised before. There are three provisions to this amendment that were not here before. This is no time to bring up new matters dealing with legislative problems.

I thought we had an understanding, not only a gentleman's understanding, but an understanding of Senators—and we had an absolute commitment from the leadership that we would not have amendments transferring moneys from one portion of the budget to another. This one does that.

In order to satisfy the request of the Senator from California, we supported—this Senator and every Senator on the floor supported—increasing allocations for drug moneys to deal with the problem the Senator wants to deal with. The legislative problems that are in this amendment have no business coming before the Senate through the vehicle of an amendment to an amendment in disagreement. They deal with the rules of the Senate. We will have a resolution to follow immediately to establish new rules. If the Senator from California wants to discuss the rules, we will be glad to discuss the rules of the Senate.

This amendment deals with applying the Antideficiency Act to the Congress as a whole. The problems of implementing that act are horrendous, we are dealing with the fact that the act apply controls on the executive branch, people spending money that deal generally with programs and projects of horrendous amounts of money. We are talking about the problem of how do you apply the Antideficiency Act to an individual Member of Congress. Now, that is a Rules Committee problem and we must wrestle with it. This bill deals with that problem.

But the main reason I take the floor is we cannot as a Senate abandon the rules of the Senate and procedures of the Senate in an amendment to an amendment is disagreement now raising the same subject again which the Senator from California raised previously, which we have honored. We have increased the money for this program. The question ought not to be before us now.

I call on the Senate once again to defend the Budget Act itself, and that principle is this: This amendment would take, once again, the same $45 million that the Senator from California wanted to transfer from the legislative appropriations bill before and put it in a drug program. We accommodated that when the drug bill was before the Senate. Now to have as a vehicle, once again, this bill, the legislative bill, and once again raise the question, and the primary question, as I understand it, is the model project program for pregnant and postpartum women and infants. We have dealt with that. We have dealt with it now three times.

I say, enough is enough. That bill will be coming back and when it comes back the Senator from California can raise it then. There will be plenty of amendments to the amendments in disagreement on the drug bill, I can guarantee that. But it should not be on this bill. It is time for this bill to get to the President.

We have already talked about the Antideficiency Act. This bill should have been passed by September 30. We should have had this in place in the beginning of the fiscal year. One of the reasons we have not has been the previous amendment of the Senator from California. I see no reason to send this back to the House and not get it passed at all in this fiscal year.

I believe, speaking for the Rules Committee—and I think I speak for my good friend from Kentucky, the chairman of the Rules Committee—we will be pleased to take up the question in committee of what to do with the Antideficiency Act as it should apply to the Congress. It is so complex, we could never cover it with this one simple amendment that the Senator from California has brought to us today.

I move to table the amendment.

Mr. WILSON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Do the Senators yield back their time?

The motion to table cannot be made while time remains.

Mr. WILSON. Mr. President, I will take a brief time and then allow the Senator to renew his motion.

Mr. STEVENS. Mr. President, the time has expired under the Senator's agreement that we reached that we would have been through by 12 o'clock.

Mr. WILSON. Mr. President, I ask unanimous consent for about 2 minutes.

The PRESIDING OFFICER. Is there objection? Hearing none, the Senator from California is recognized for 2 minutes.

Mr. WILSON. Mr. President, the antideficiency statute should apply to the Congress as it relates to its mailing costs and certainly its junk mailing costs. We have not dealt adequately with the subject of pregnant addicts. Do not let anybody delude you that we have.

The only certain money is $4.5 million. It is a pittance. The Senate voted on September 7 of this year—not that long ago—8 to 7 in favor of this amendment. The House, soon thereafter, voted 245 to 137 to instruct their conferees to agree to this Senate amendment. No wonder the public grows cynical when they see us putting our procedures, our perks, our priorities ahead of their needs. Now, that is what is at stake.

For everyone who voted for this before, this is virtually the identical amendment, only with the antideficiency provisions applying to junk mail, which everyone on this floor has seen before. As, indeed, the Senator from Oklahoma indicated, we passed it. But it was also knocked out of the conference report.

Do not think we are kidding the American people. You may kid yourselves, but you will not fool them. They know when we are putting perks ahead of principle and ahead of their real priority. The vote was 8 to 7 and 245 to 137.

Mr. President, I will allow the Senator from Alaska to renew his motion to table and I will ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. KOHL. Mr. President, let me try to put this issue in context. When the Senate initially considered the legislative appropriation bill, I supported the Wilson amendment to take money from congressional mail and transfer it to programs designed to deal with the crack baby crisis.

But since we adopted that amendment, things have changed. When we initially acted on it, we were really responding to the fact that the administration had proposed an inadequate level of funding for the war on drugs. There was no money in their proposal to aid these babies or their mothers. I concluded that I was willing to restrict the frank in order to help these people and that is why I voted for the Wilson amendment.

Since then, however, we have come up with a plan that does fund the drug war and does direct resources to crack babies. The drug bill we passed last month provides more money for treatment of pregnant women—even though, interestingly enough, the President's proposal did not. When the Senate approved some amendments which I offered, we directed

some of the increased funds to this population. We can now begin to respond to their very real needs. We do not have to make a choice between crack babies and the frank.

And Mr. President, I do not want to make that choice. I believe in the frank, in the ability of Members of Congress to communicate with their constituents. During the debate on the Wilson amendment, I listened to Senator STEVENS and Senator BRADLEY describe the kind of mailings they did. And I concluded that they were doing their constituents a real service with the mail they sent. I do not want to see them denied the right to provide that service in the future. I have not sent out any newsletters on a statewide basis, but I suspect that I ought to—I ought to tell my constituents what I have been doing at least once a year. I also think that the kind of followup mail that I have done—letters to people, often more than 500 at a time, who have contacted me on an issue—makes perfect sense. I want to keep sending them, and I think my constituents want to keep getting them.

Are there abuses of the frank. Yes, no question about it. A new weeks ago, the Senator from New Hampshire took the floor and admitted that he had abused the frank. I suspect that there are other Members who may not have made the confession but have committed the same abuses. And I encourage people who are concerned about the way people use the frank to look at the mailing costs of each Senator rather than the vote on this issue. We ought to respond to the abuse of the frank either on a case-by-case basis or by revising the franking rules—not by eliminating our ability to communicate with constituents.

In short, Mr. President, I do not believe that the arguments by the Senator from California reflect the reality we now face. He does not need to put crack babies against the frank. The only reason to continue to do that is to try to score some political points, not to get aid to these kids on their mothers. I suggest we save the politics for later and get on with the task of helping these people now. And the best way to do that is to reject this amendment.

Mr. KASTEN. Mr. President, today I had the pleasure of meeting with Dr. I. King Jordan, president of Gallaudet University, and about 35 deaf students from Wisconsin. What emerged from our meeting was a clear sense of the desire for the deaf community to participate in our legislative process.

I was, therefore, delighted when, a couple of hours ago, the Senate approved the conference report on legislative branch appropriations—a piece of legislation that provides funding for the first-ever closed-captioning service for Senate proceedings.

In passing this bill, we're extending our hand to all the politically active and aware citizens who are hearing impaired. I hope and believe that it is but another step on the long road toward full participation and communication by this valuable group of Americans.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alaska [Mr. STEVENS] to table the amendment of the Senator from California [Mr. WILSON]. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Montana [Mr. BAUCUS] and the Senator from Hawaii [Mr. MATSUNAGA] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Missouri [Mr. BOND], the Senator from New Hampshire [Mr. HUMPHREY], and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. WALLOP] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 66, nays 29, as follows:

[Rollcall Vote No. 293 Leg.]

YEAS—66

Adams	Durenberger	Mikulski
Bentsen	Ford	Mitchell
Biden	Fowler	Moynihan
Bingaman	Glenn	Murkowski
Boschwitz	Gore	Nunn
Bradley	Gorton	Packwood
Breaux	Graham	Pell
Bryan	Harkin	Pryor
Bumpers	Hatfield	Reid
Burns	Hollings	Riegle
Byrd	Inouye	Rockefeller
Chafee	Jeffords	Roth
Coats	Johnston	Rudman
Cochran	Kassebaum	Sanford
Conrad	Kennedy	Sarbanes
Cranston	Kerry	Sasser
D'Amato	Kohl	Shelby
Daschle	Leahy	Simon
DeConcini	Lieberman	Simpson
Dixon	Lott	Stevens
Dodd	Lugar	Symms
Domenici	McClure	Wirth

NAYS—29

Armstrong	Hatch	McConnell
Boren	Heflin	Metzenbaum
Burdick	Heinz	Nickles
Cohen	Helms	Pressler
Danforth	Kasten	Robb
Dole	Kerrey	Specter
Exon	Lautenberg	Thurmond
Garn	Levin	Warner
Gramm	Mack	Wilson
Grassley	McCain	

NOT VOTING—5

Baucus	Humphrey	Wallop
Bond	Matsunaga	

So the motion to lay on the table the amendment (No. 1091) was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 6.

The PRESIDING OFFICER The question is on agreeing to the motion.

The motion was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. Mr. President, this completes action on the conference report. That being the case, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

FROM PROTEST BACK TO POLITICS

Mr. MOYNIHAN. Mr. President, this was a notable morning for the United States and for our side of the Capitol. For this morning there was a meeting with the majority leader for the newly elected Democratic Members of the House of Representatives and, of course, the newly elected Governor of Virginia and mayor of New York City.

The distinguished Presiding Officer was present for that occasion, as well he should be, as a former Governor of the Commonwealth of Virginia. This Senator was also on hand to greet our mayor-elect, Mr. David Dinkins.

In the New York Times this morning there was a remarkably fine editorial on the election which was reported yesterday on the right-hand column of the front page. There, it said "The first black mayor elected." On the left-hand column it said: "First black Governor elected." And then a banner headline across related to those events.

Today's editorial is entitled "From Protest to Politics." This is the title of a well-known article written by the late Bayard Rustin in Commentary magazine in 1965, in which he said that with the great rising of black Americans—African-Americans, as they now have chosen to call themselves, and people do have a right to choose their own designations—the time had come to move beyond protests. With the enactment of the Civil

Rights Act and the Voting Rights Act of 1965, the time had come to move to the formal politics of coalition building and seeking out majorities that has characterized ethnic politics in America throughout its history.

It took some time for that movement to succeed and yet clearly, in the most dramatic ways, it has done so in the United States. Certainly, there are other instances, such as in Seattle or New Haven, where there were clearly what we would call white majorities or majorities of other groups, where this happened.

And yet, Mr. President, I rise to make a simple point that in the case of David Dinkins in New York City, it is not so much a transition from protest to politics as a transition from protest back to politics.

I was reminded of this by a remarkable column in yesterday's Newsday by Jimmy Breslin in which he describes a conversation he had Tuesday evening with J. Raymond Jones, sometimes chairman of the New York County Democratic Committee, head of the Carver Democratic Club, and now retired to his ancestral home in St. Thomas in the Virgin Islands.

J. Raymond "The Fox" Jones, as he is known, was the founder of the Carver Democratic Club. He arrived in the United States as a citizen of Denmark. He became a chauffeur to Charles Francis Murphy, then head of Tammany Hall at a time when Tammany Hall had a hall. Half a century went by, and he himself had achieved the exact post that Charles Francis Murphy—Mr. Murphy, as he was known—had occupied. Alas, the hall is gone.

I recall that, in 1965, Mr. Jones took me to his then modest office suite at the New York County Democratic Party on Madison Avenue. I looked into a little supply room and there was a large gilt framed oil painting leaning against the wall, and I asked what that was. He tipped it back. He said it was Mr. Murphy. I said, "Why is it not hanging?" He said, "I will not have Mr. Murphy looking upon us in our reduced circustances."

Ray Jones represented the principle of accommodation and coalition building and ethnic succession in New York politics. It was moving along very well until the upheavals of the 1960's, which began elsewhere but were felt in our own city. And it has taken us some time to get to them.

I note with some pleasure that I was a candidate for citywide office in 1965, chosen in effect by Mr. Jones, as was David Dinkins chosen that year to run for the assembly.

So Mr. Dinkins and I have known each other a long time and equally admire that enormously thoughtful, sensitive political leader. I talked with him not 4 weeks ago from the island of St. Croix when I inquired of him through the Governor of the Virgin Islands. The Governor found him and patched together a telephone hookup so I could speak to him there in the Virgin Islands, where his home overlooking the Drake Passage, had its roof blown off in Hurricane Hugo.

But Ray Jones is all right, is well, and has seen a life fulfilled in so many ways. A whole generation of African-American political leaders came out of his organization, out of his training, out of his nurturing, his care, and his dedication.

In that regard, Mr. President, I would like to ask that the column by Mr. Breslin and the editorial from the New York Times be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 9, 1989]

FROM PROTEST TO POLITICS

A generation ago, what happened in Tuesday's elections would have been inconceivable. As recently as a year ago, even a Las Vegas bookmaker probably wouldn't have given odds on the results. Even now those results look much closer than had been expected. No matter. They certify a remarkable shift in American politics.

New York City, where blacks are less than a quarter of the electorate, elected a black man as mayor. Virginia, the Old Dominion, with a black population of only 15 percent, appears to have elected a black man as governor. Seattle, where blacks are only 10 percent of the electorate, chose a black mayor by a 16-point margin. And in Houston, where blacks are just a third of the population, a Councilman who seemed sure of reelection two weeks ago was voted out after newspapers reported his use of an outrageous racial slur.

These results don't herald the millennium in race relations. Intolerance still abounds on all sides. In New York, the August slaying by whites of Yusuf Hawkins, an innocent black, is still vivid in public memory. Last weekend, black teen-age girls were arrested for terrorizing nervous white women with pins on Manhattan's Upper West Side.

Yet as New York's Mayor-Elect, David Dinkins, said in his victory speech, "November 7, 1989, is a date that will live in history." It marked "another milestone on freedom's road" and "a victory not just for African-Americans but for . . . all Americans."

How were this victory and the others won? To begin with, by long public service in the trenches. Mr. Dinkins, L. Douglas Wilder in Virginia and Norman Rice in Seattle are professional politicians. All were familiar with the system and familiar to the voters.

More to the racial point, however, each ran as a politician who is black, not as a black politician. Their appeals were across ethnic lines. They built coalitions and made the trade-offs that requires. For Mr. Dinkins and Mr. Wilder, that meant declining the help of the Rev. Jesse Jackson, who inspires blacks but inflames many whites.

But the crucial factor was what Mr. Jackson called "the maturing of white America." Until now, blacks typically have won office where blacks are a voting majority or where, as in Chicago, there was division among whites. On Tuesday, many whites chose to ignore race in assessing who would represent their interests best.

Though the results were narrow, the message is clear. In a generation, black Americans have been able to move, as Bayard Rustin hoped, from protest to politics. In the same generation, many white Americans have moved from hostility to acceptance. That's not perfection, but it is progress—worth celebrating and fighting to preserve.

THE MAN WHO MADE DAVID DINKINS

(By Jimmy Breslin)

I called him at a moment when history moved New York, but as always with the man, manners came first.

"How are you?" asked J. Raymond Jones, who will be 90 in a few days, who started it all, who put organized politics into Harlem, who started David Dinkins.

"Pretty good, and you?" I said.

"Oh, I'm quite all right." He was in St. Thomas, where he has been living.

"And what have you heard?" he asked.

"It looks very good," I said.

"That's wonderful."

"In fact, Dinkins is going to win by a lot. Did you ever think you'd see the day?" I said.

"Oh, certainly, I always had faith that this would happen. You see, the city is much more sophisticated than some people believe."

For a half-century, J. Raymond Jones ran politics in Harlem from the Carver Democratic Club, one flight above 145th and Amsterdam. From an office across the hall from a ballroom, J. Raymond Jones, leader of Harlem, county leader of Manhattan, boss of all he could boss, sent out politicians such as Adam Clayton Powell, Charles Rangel and Percy Sutton. What he ran was supposed to be worthless because he was black. But he believed he always could see a few years ahead of what was going on in front of him in a room.

"It appears that one third of the people who voted for Dinkins are white," I told him.

"That shows that he learned well. I always said that the chances for all of our people were much better if there was no racial tug-of-war. I have never believed that whites have any trouble voting for a black, once they get to know a black and the black doesn't always talk on race. You can't expect to win if you talk like that. Dinkins couldn't have been in the Carver Club all those years and not learned that. He learned we had to make it on the issue of being good Democrats and not the fact that we were black. Maybe Jesse Jackson will learn that now, if it's not too late."

"Did you ever consider running somebody for mayor?"

"Certainly. When I first thought about it, I felt a woman would be the best candidate. My idea was to run the first woman candidate for mayor. I saw Connie Motley in my clubhouse and I thought she could do it. She could attract both blacks and women who weren't black."

Ray Jones' woman candidate, Constance Baker Motley, now is a federal court judge.

Also in the Carver Democratic Club was a young lawyer named David Dinkins.

"Danny Burroughs came in with him the first time," J. Raymond Jones was saying. Burroughs was a state assemblyman out of Harlem and he owned a liquor store. Dinkins worked there while he went to law school. "He had married Danny's daughter by then, I think. I liked Dinkins for two reasons. First, his demeanor. Second, his speech."

J. Raymond Jones meant that Dinkins ran errands and that he kept his mouth shut.

"I had an idea I had a good man in Dinkins when I sent him to the State Assembly," he was saying yesterday. "I told him, 'How do you think you would do for the Assembly? You'll have to convince those down below from us.'" Jones meant the white neighborhoods on the Upper West Side. "'You have to represent them as well.' Dinkins said to me, 'I can't get along in the world with a one-race club. I need them all. I mean to climb."

"He went to the Assembly for one term. Then I went to Albany and was in charge of reapportionment. I had a good feeling about him because I had to inform Dinkins that because of the changes in districts, he would not have a second term in the Assembly. Now, while I was doing the reapportionment, I took the city councilman job, for myself, I though Dinkins would resent that, because that left nothing for him. But when I informed him of this, I remember he stood there and said, 'all right. I'll just have to wait.'"

Waiting seems to be Dinkins' strength. He waited to get in the Marines, waited for J. Raymond Jones, waited 10 years as the city clerk in charge of marriage licenses. He ran for Manhattan borough president in 1977 and lost. He waited until 1981 and ran again and lost again. He waited four more years. Then he won. He waited to announce for mayor. And now last night, at the end of a day in this city when blacks walked on excited feet, when they smiled as if they could see a future, Dinkins of the Carver Democratic Club waited in a hotel suite on Seventh Avenue to hear that he was elected mayor of New York.

And J. Raymond Jones, who started it all, sat in St. Thomas. When the roof of his house blew off during the hurricane, Ray Jones moved in as the guest of the judge of the territorial court of St. Thomas. Jones, who made about 200 judges in his career, likes the custom of black robes because they are easy to grab. Jones, who is in a wheelchair, lives on the second floor. The stairs are too steep for him. The house, however, is directly behind the territorial courthouse and whenever J. Raymond wants to come downstairs, he sends for the courthouse marshals, who carry him down and then take him back up when he's ready.

"I haven't been able to find out much about what's going on," J. Raymond Jones was saying. "The planes are few and far between landing here so I haven't seen the papers in a number of days. The storm knocked out the cable television station so I see nothing, actually. Not that it would matter. I'm too old for politics."

"You didn't want to come up here and see the thing for yourself?"

"I didn't think I could do Dinkins any good. Giuliani would talk about clubhouses and that sort of thing."

"If I don't call you, how were you going to find out if Dinkins won?" I asked him.

"Oh, Charley Rangel or David will be calling me any time now."

THE U.N. RESOLUTION ON ZIONISM

Mr. MOYNIHAN. Finally, Mr. President, I would note that tomorrow is the anniversary, if that is the term, of the adoption by the United Nations of the infamous Resolution 3379 of 1975 that declares Zionism to be a form of racism. No single event has done comparable injury to the United Nations and the prospects for peace in the Middle East.

Several years ago, on October 23, 1986, the Australian Parliament took the initiative of adopting a resolution calling on the United Nations to repeal that resolution. I then sponsored Joint Resolution 205, which contained the exact words of the Australian resolution. It was adopted by the U.S. Senate precisely 1 year after the Australian resolution and was then adopted by the House of Representatives. On this date 2 years ago, it was signed by President Reagan on the occasion of a visit here by the President of Israel, Chaim Herzog, who was Israel's permanent representative to the United Nations at the time this event occurred.

This is an anniversary not only of the Zionism resolution, but also of the tragic events in Germany which began the systematic assaults on the Jewish community on November 9-10, 1938, known as Kristallnacht because the windows of shops and other buildings owned by Jews were smashed all across the country by Nazis that terrible night.

Mr. President, in the Department of State Authorization Act, which the conferees agreed to just 2 days ago, we again addressed the Zionism resolution. We expressed the view that until the General Assembly has repealed that resolution, the United States can have only very limited involvement with that body, and the General Assembly itself can have none, so far as we are concerned, in the Middle East peace process.

I hope, on this occasion, that people around the world might begin to ask, was voting for the Zionism resolution the right thing to do? It was the wrong thing to do, but many nations voted for it nonetheless.

The resolution equating Zionism with racism has its origins in a two-part article which appeared in Pravda on February 18-19, 1971. This marked the commencement of a worldwide campaign. Indeed, within a week, translations of the article in a half dozen languages were available in pamphlet form.

The article was titled "Anti-Sovietism—Profession of Zionists." The 34-year-old author was Vladimir Viktorovich Bolshakov, Deputy Secretary of Pravda's editorial board in charge of the newspaper's international department. Bolshakov asserted, incredibly, that "Zionist agents" in the Soviet Union during World War II had assisted the Nazis. Zionists as accomplices of the Nazis—what lie could be more obscene?

This is the background of the Zionism resolution. It was a weapon waiting to be used, and its moment came in 1975 when another plan was thwarted. The primary plan had been to expel Israel from the United Nations altogether. Throughout 1975, as permanent representative of the United States at the United Nations, I had labored long and hard to resist this. In the end, we were able to prevent it from happening. But the irony was that the Zionism resolution, the second-best, fall-back alternative, was far more devastating to Israel than expulsion from the General Assembly would have been. For the Zionism resolution denied legitimacy to the state of Israel.

Mr. President, the Soviet Union did not give up on plan A, expelling Israel from the United Nations. In fact, the Soviet Union repeatedly cast irresponsible ballots in support of the continued efforts to expel Israel. This year, however, the Soviet Union, with its new, more cooperative approach to the United Nations, refused to go along. On October 17 of this year it abstained on the motion. One may hope that the Soviet Union will one day take the far more appropriate step of joining the 95 nations which actually voted "no" on the motion to expel Israel. Nonetheless, this is progress and should be recognized as such.

Now is, therefore, the time for the Soviet Union to take the next, very important step of repudiating the "Zionism is racism" resolution. The resolution is its handiwork. So long as it stands the protestations of the Soviet Union to have mended its ways will have a hollow ring.

I wish some of the Soviet client states would take note of their recent vote. I wish some of our democratic friends might also say, is it not time that our parliaments adopted the Australian resolution calling on the General Assembly to repeal the infamous and obscene Zionism Act?

Mr. President, I do not observe any other Senator seeking recognition, and, accordingly, suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DIXON). Without objection, it is so ordered.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, FISCAL YEAR 1990—CONFERENCE REPORT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the conference report accompanying

H.R. 3015, the transportation appropriations bill.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3015) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1990, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of October 26, 1989.)

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The distinguished Republican leader.

Mr. DOLE. I think I have a few minutes left in leader time.

I would like to proceed not on the conference report but on another matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

EAST GERMANY'S CRITICAL MOMENT

MR. DOLE. Mr. President, according to news reports, the East German Government has just announced the opening of its borders to all of its citizens—to include the right to free passage of the Berlin Wall.

It appears that the Berlin Wall and all it represents are crumbling, even as the Communist state which built it crumbles, too.

With breathless speed, the people of East Germany have sought to take their own destiny into their own hands.

By the hundreds of thousands, they have taken to the streets, asking only two things: freedom and opportunity.

By the tens of thousands, they have fled their homeland, seeking only two things: freedom and opportunity.

Decades of Communist rule lie in shambles. The government resigns one day, the Communist politburo the next.

And now we have today's dramatic announcement.

The ragtag bag of Communists left trying to regain control are fighting a fight they can't win: A fight against their own people.

They are running a race they can't win: A race against history.

The people of East Germany, and the rapid march of contemporary history, has left them with only one reasonable choice: To go down the path that Poland and Hungary are already taking—the path of transition to a whole new system of government, in which the people are the masters of the state and not its servants.

But are they reasonable men? And will they stay on that path? The jury is still out. Borders can be closed, as well as opened. Talk of free elections can turn out to be nothing more than talk. There is a new politburo, with some dead wood removed; but 7 of the 11 members are holdovers from the old politburo. And there are undoubtedly still powerful forces which will see all the recent developments as abhorrent, and will continue to try to push a Communist government to crack down.

This is an extraordinary moment in the history of central Europe—what happens tomorrow remains as uncertain as what happens next month or next year.

Poland and Hungary, as rapidly as they have moved, did so only after years of evolution in their political, economic, and social systems.

East Germany is faced with making the same kinds of changes, literally overnight.

If there is a misstep in East Germany now, the results could be cataclysmic.

Hopefully, the East Germans' mentors in the Kremlin—who seem to understand how strongly flow the tides of freedom—hopefully, they will counsel common sense on their East German colleagues. Gorbachev, after all, has as much at stake in East Germany as do its Communist leaders.

We should also be clear, but prudent, in our own actions.

There is no equivocation in our goals. We want freedom for East Germany and its people. We want today's announcement to turn out to be the real thing—we want the Berlin Wall torn down, and all other barriers to the free flow of people removed.

And we hope that East Germany's Communist clique will read the handwriting on the wall and cooperate in the transition to a new form of government, as some of their recent comments suggest.

But we should not do anything at this point which might needlessly add fuel to the fire. The issues of the long-term future of East and West Germany, and of central Europe, are critical issues; issues which will be affected by what happens these next days and weeks; issues that we must think about now. But they are not issues for heated rhetoric right now.

Clearly, German history is at a critical crossroads. Profound changes may lie ahead. But let us, for the moment, address first things, first.

The first thing is seeing the East German people achieve their immediate aspirations—will newly open borders remain open—even if the tide of departing Germans turns into a flood? Will there be a real commitment to free elections and a whole new kind of government? That is where our focus should be. That is both the drama, and the task, of the moment.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The distinguished majority leader.

THE BERLIN WALL

Mr. MITCHELL. Mr. President, I commend the distinguished Republican leader for his remarks, and would like now to address the same subject.

Early on a Sunday morning in June of 1955 I arrived in West Berlin. I was a young officer in the U.S. Army Intelligence Service, and it was a time of deep impression for me. Just a few days before, I had flown in an airplane for the first time, traveling from the United States to Frankfurt, West Germany. Just the night before, I had made a trip in an overnight sleeper on a train, traveling from Frankfurt to West Berlin. But by far the greatest impression made upon me then was coming face to face for the first time with the difference between democracy and totalitarianism, between freedom and communism.

Shortly after arriving in West Berlin, I went to a large refugee center, which was operated there by the United States Army to receive the thousands of refugees fleeing communism in East Germany, Poland, and Czechoslovakia. During my time there, that number reached over 3,000 persons a week. Those brave East Germans, Czechs, Poles, all were demonstrating that the appeal of democracy was and is universal.

In response to that human tide, the East German Government, with the help of their Soviet allies, built the infamous wall. I believed then, and believe now, that the wall is the most tangible symbol of the failure of communism that exists, for it demonstrated for the world to see, in the most stark and even barbaric way, that the only way the East German Government could keep their people within their country was to prevent them from leaving their country.

For nearly 30 years, the Berlin Wall has stood as a symbol of the failure of communism. Many saw that failure occurring over time, and now it is evident to even the Communists themselves and to the East German leaders.

The decision—not an act of democracy, not an act to please or placate the West, but a desperate act of survival by the East German Government—to permit their people to leave, represents the symbolic destruction of the Berlin Wall. It has, in an ironic way, served a useful purpose, because it has reminded, on a daily basis, every person in this world of the vast differ-

ence between democracy and communism.

A system and a society which forces its people to remain cannot ultimately succeed. Now that the Berlin Wall has been symbolically destroyed, all that remains is for it to be physically destroyed. I strongly urge the East German Government, and President Gorbachev of the Soviet Union directly, to take the final step and tear that wall down. It is gone in substance. It should be gone in form.

The East German people are now demonstrating anew, as their parents, and in some cases grandparents, did a quarter of a century ago, that the human longing for freedom is universal and cannot be extinguished, and no wall can support a government that does not respond to the needs of its people.

Mr. President, this is a historic event. It can be made even more so if the East German Government now acts to tear the wall down. I urge them to do so. I urge President Gorbachev to encourage them to do so. Only then, only then, will we know that their proposals of today have substance and meaning.

Mr. President, I yield the floor.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from New Jersey.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, FISCAL YEAR 1990—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. LAUTENBERG. Mr. President, I bring before the Senate the conference report on H.R. 3015, the Department of Transportation and related agencies appropriation bill for fiscal year 1990.

Now, before discussing the funding provided, Mr. President, I am pleased to report to my colleagues that with the adoption of this report, we will soon clear the smoke-filled skies for virtually every domestic airline flight. No one flying in any flight that is under 6 hours in duration will have to breathe anybody else's cigarette smoke; 96 days after enactment, travelers and flight attendants can all breathe a little bit easier. The Senate sent us to conference with a clear position. The Senate voted for a ban on smoking on all domestic flights. We took that mandate to the conference and reached an agreement that covers 99.8 percent of all the flights that take place within our country.

Mr. President, allowing smoking in the confined space of an airline cabin just does not make sense. It is dangerous and unhealthy. Interestingly, 84 percent of the people who flew in flights that were of 2 hours' duration or less agreed that we should have a total ban on smoking in airplanes.

Funny enough, even the majority of smokers agreed with that conclusion.

Some of them, in fact, have said to me, "Senator, maybe I can finally break the habit that I am accustomed to, do not really like, would love to change, and if you force me to do without smoking for 4 or 5 hours, I can probably do without it forever."

With this legislation, nonsmokers, including children and infants, will be free from secondhand smoke. Working flight attendants will avoid a hazard that has jeopardized their health and their jobs.

By approving this provision, the Congress can make it possible for people to fly smoke-free to virtually any destination in this country.

The approval of this ban is a milestone in efforts to protect those who do not want to put their health at risk by inhaling others' smoke. I am pleased to present this provision to the Senate, and I look forward to the day, now on the horizon, when the smoke clears, and we can all breathe a little easier.

Mr. President, let me now address the funding provided.

The conference agreement contains a total of $15.039 billion in new budget authority and $15.238 billion dollars in obligation limitations. Excluding the $3.183 billion in new emergency drug funding included in title IV, the conference report for the Transportation bill provides $12.028 billion in new obligational authority, which is an increase of $1.111 billion, +10 percent, above fiscal year 1989 enacted levels.

Titles I through III of the conference report are within the subcommittee's 302(b) allocation and are consistent with the Budget summit agreement.

Mr. President, I ask unanimous consent to print in the RECORD a table summarizing the funding agreements reached in conference, including the drug funding offsets.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

H.R. 3015 - DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION BILL, 1990

	FY 1989 Enacted	FY 1990 Estimates	House	Senate	Title I-III Conference Agreement	Title IV Drug Funding Offsets	Revised Conference
TITLE I - DEPARTMENT OF TRANSPORTATION							
Office of the Secretary							
Salaries and expenses	---	56,481,000	---	56,470,000	---	---	---
Immediate Office of the Secretary	1,071,000	---	1,090,000	---	1,090,000	---	1,090,000
Immediate Office of the Deputy Secretary	464,000	---	470,000	---	470,000	---	470,000
Office of the General Counsel	6,000,000	---	6,250,000	---	6,120,000	---	6,120,000
Office of the Assistant Secretary for Policy and International Affairs	7,950,000	---	8,595,000	---	8,250,000	---	8,250,000
Office of the Assistant Secretary for Budget and Programs	2,241,000	---	2,290,000	---	2,325,000	---	2,325,000
Office of the Assistant Secretary for Governmental Affairs	2,265,000	---	2,300,000	---	2,300,000	---	2,300,000
Office of the Assistant Secretary for Administration	24,300,000	---	24,700,000	---	24,700,000	---	24,700,000
Office of the Assistant Secretary for Public Affairs	1,455,000	---	1,290,000	---	1,350,000	---	1,350,000
Executive Secretariat	824,000	---	835,000	---	835,000	---	835,000
Contract Appeals Board	440,000	---	450,000	---	488,000	---	488,000
Office of Civil Rights	1,305,000	---	1,315,000	---	1,315,000	---	1,315,000
Office of Commercial Space Transportation	585,000	---	645,000	---	725,000	---	725,000
Office of Essential Air Service	1,727,000	---	1,127,000	---	1,727,000	---	1,727,000
Office of Small and Disadvantaged Business Utilization	3,915,000	---	3,500,000	---	3,500,000	---	3,500,000
Subtotal, Salaries and expenses	54,542,000	56,481,000	54,857,000	56,470,000	55,195,000	---	55,195,000
Transportation planning, research, and development	5,600,000	8,126,000	6,200,000	8,000,000	6,850,000	-21,000	6,829,000
Working capital fund	3,200,000	6,150,000	4,500,000	4,500,000	4,500,000	-13,000	4,487,000
(Limitation on working capital fund)	(130,350,000)	(144,400,000)	(131,000,000)	(144,400,000)	(137,700,000)	(-413,000)	(137,287,000)
Payments to air carriers	31,600,000	---	12,400,000	35,530,000	30,735,000	-92,000	30,643,000
Commission on Aviation Security and Terrorism	---	---	---	1,200,000	1,000,000	---	1,000,000
Total, Office of the Secretary	94,942,000	70,757,000	77,957,000	105,700,000	98,280,000	-126,000	98,154,000

H.R. 3015 - DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION BILL, 1990

	FY 1989 Enacted	FY 1990 Estimates	House	Senate	Title I-III Conference Agreement	Title IV Drug Funding Offsets	Revised Conference
Coast Guard							
Operating expenses	1,912,116,000	2,252,200,000	1,952,000,000	1,952,000,000	1,952,000,000	-5,856,000	1,946,144,000
(By transfer)	(4,500,000)	---	---	---	---	---	---
Funds included in Department of Defense Appropriations Act, 1989 (by transfer)	(206,000,000)	---	---	---	---	---	---
Acquisition, construction, and improvements	395,000,000	682,300,000	423,800,000	455,200,000	438,000,000	-1,314,000	436,686,000
(By transfer)	---	---	---	---	(7,500,000)	(-22,000)	(7,478,000)
Funds included in Military Construction Appropriations Act, 1989	(50,300,000)	---	---	---	---	---	---
Alteration of bridges	8,500,000	2,330,000	2,330,000	2,330,000	2,330,000	-7,000	2,323,000
(By transfer)	(5,000,000)	---	---	---	---	---	---
Retired pay	410,800,000	420,800,000	420,800,000	420,800,000	420,800,000	---	420,800,000
Reserve training	67,000,000	73,800,000	71,800,000	73,800,000	72,800,000	-218,000	72,582,000
Research, development, test, and evaluation	18,800,000	19,000,000	18,800,000	22,800,000	20,800,000	-62,000	20,738,000
Offshore oil pollution compensation fund (limitation)	(60,000,000)	(60,000,000)	(60,000,000)	(60,000,000)	(60,000,000)	(-180,000)	(59,820,000)
Deepwater port liability fund (limitation)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(-150,000)	(49,850,000)
Boat safety (Aquatic Resources Trust Fund)	---	---	---	30,000,000	30,000,000	-90,000	29,910,000
(Liquidation of contract authorization)	(30,000,000)	(15,000,000)	(30,000,000)	---	---	---	---
(Limitation on obligations)	(30,000,000)	(15,000,000)	(30,000,000)	---	---	---	---
Total, Coast Guard:							
New budget (obligational) authority	2,812,216,000	3,450,430,000	2,889,530,000	2,956,930,000	2,936,730,000	-7,547,000	2,929,183,000
(DoD transfer)	(256,300,000)	---	---	---	---	---	---
(Limitations on obligations)	(30,000,000)	(15,000,000)	(30,000,000)	---	---	---	---
Total	(3,098,516,000)	(3,465,430,000)	(2,919,530,000)	(2,956,930,000)	(2,936,730,000)	(-7,547,000)	(2,929,183,000)

H.R. 3015 - DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION BILL, 1990

	FY 1989 Enacted	FY 1990 Estimates	House	Senate	Title I-III Conference Agreement	Title IV Drug Funding Offsets	Revised Conference
Federal Aviation Administration							
Headquarters administration	36,600,000	---	---	---	---	---	---
Operations	3,410,000,000	3,923,000,000	3,836,000,000	3,865,000,000	3,842,000,000	-11,526,000	3,830,474,000
(By transfer)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(-30,000)	(9,970,000)
Subtotal, Headquarters administration and operations	3,446,600,000	3,923,000,000	3,836,000,000	3,865,000,000	3,842,000,000	-11,526,000	3,830,474,000
Facilities and equipment (Airport and Airway Trust Fund)	1,384,528,000	1,955,000,000	1,732,000,000	1,780,131,000	1,746,487,000	-5,239,000	1,741,248,000
Research, engineering, and development (Airport and Airway Trust Fund)	160,000,000	165,000,000	185,000,000	173,000,000	173,000,000	-519,000	172,481,000
Grants-in-aid for airports (Airport and Airway Trust Fund):							
(Liquidation of contract authority)	(1,150,000,000)	(1,166,000,000)	(1,190,000,000)	(1,190,000,000)	(1,190,000,000)	---	(1,190,000,000)
(Limitation on obligations)	(1,400,000,000)	(1,350,000,000)	(1,500,000,000)	(1,500,000,000)	(1,500,000,000)	(-75,000,000)	(1,425,000,000)
Rescission of contract authority	-100,000,000	---	---	---	---	-25,000,000	-25,000,000
Aircraft purchase loan guarantee program:							
(Limitation on borrowing authority)	(50,000,000)	(57,000,000)	(50,000,000)	(10,000,000)	(10,000,000)	(-30,000)	(9,970,000)
Appropriations	11,905,941	---	---	---	---	---	---
Portion applied to debt reduction	-10,770,941	---	---	---	---	---	---
Total, Federal Aviation Administration:							
New budget (obligational) authority	4,892,263,000	6,043,000,000	5,753,000,000	5,818,131,000	5,761,487,000	-42,284,000	5,719,203,000
(Limitations on obligations)	(1,400,000,000)	(1,350,000,000)	(1,500,000,000)	(1,500,000,000)	(1,500,000,000)	(-75,000,000)	(1,425,000,000)
Total	(6,292,263,000)	(7,393,000,000)	(7,253,000,000)	(7,318,131,000)	(7,261,487,000)	(-117,284,000)	(7,144,203,000)

H.R. 3015 - DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION BILL, 1990

	FY 1989 Enacted	FY 1990 Estimates	House	Senate	Title I-III Conference Agreement	Title IV Drug Funding Offsets	Revised Conference
Federal Highway Administration							
(Limitation on general operating expenses)	(217,350,000)	(228,246,000)	(222,600,000)	(236,896,000)	(234,000,000)	(-702,000)	(233,298,000)
University transportation centers (Highway Trust Fund)	---	---	---	5,000,000	5,000,000	-15,000	4,985,000
Highway safety research and development (Highway Trust Fund)	6,080,000	---	6,080,000	---	6,080,000	-18,000	6,062,000
Highway-related safety programs (Highway Trust Fund):							
(Liquidation of contract authorization)	(10,000,000)	(10,000,000)	(9,405,000)	(10,000,000)	(9,405,000)	(-28,000)	(9,377,000)
(Limitation on obligations)	(9,405,000)	(10,000,000)	(9,405,000)	(9,405,000)	(9,405,000)	(-28,000)	(9,377,000)
Railroad-highway crossings demonstration projects	7,560,000	---	15,000,000	7,700,000	15,000,000	-45,000	14,955,000
Federal-aid highways (Highway Trust Fund):							
(Limitation on obligations)	(12,000,000,000)	(11,310,000,000)	(12,463,500,000)	(12,050,000,000)	(12,260,000,000)	(-50,000,000)	(12,210,000,000)
(Liquidation of contract authorization)	(12,700,000,000)	(13,660,000,000)	(13,660,000,000)	(13,660,000,000)	(13,660,000,000)	(-40,980,000)	(13,619,020,000)
Right-of-way Revolving Fund (limitation on direct loans) (Highway Trust Fund)	(46,000,000)	(47,850,000)	(42,500,000)	(47,850,000)	(42,500,000)	(-127,000)	(42,373,000)
Motor carrier safety	27,000,000	32,190,000	32,190,000	33,690,000	33,690,000	---	33,690,000
Motor carrier safety grants (Highway Trust Fund):							
(Liquidation of contract authorization)	(50,000,000)	(52,000,000)	(52,000,000)	(52,000,000)	(52,000,000)	(-156,000)	(51,844,000)
(Limitation on obligations)	(60,000,000)	(60,000,000)	(60,200,000)	(60,000,000)	(60,200,000)	(-181,000)	(60,019,000)
Access highways to public recreation areas on certain lakes	1,291,000	---	---	---	---	---	---
Baltimore-Washington Parkway (Highway Trust Fund)	12,825,000	---	12,000,000	---	12,000,000	-36,000	11,964,000
Intermodal urban demonstration project (Highway Trust Fund)	8,550,000	---	10,000,000	---	10,000,000	-30,000	9,970,000
Highway safety and economic development demonstration projects (Highway Trust Fund)	8,550,000	---	12,000,000	---	12,000,000	-36,000	11,964,000
Airport access demonstration project (Highway Trust Fund)	1,300,000	---	---	---	---	---	---
Highway safety improvement demonstration project (Highway Trust Fund)	1,260,000	---	11,000,000	---	11,000,000	-33,000	10,967,000
Highway-railroad grade crossing safety demonstration project (Highway Trust Fund)	8,100,000	---	9,500,000	---	9,500,000	-28,000	9,472,000
Nuclear waste transportation safety demonstration project (Highway Trust Fund)	3,600,000	---	---	---	---	---	---
Highway widening demonstration project	1,800,000	---	2,000,000	---	2,000,000	-6,000	1,994,000
Bridge improvement demonstration project	8,550,000	---	4,000,000	---	4,000,000	-12,000	3,988,000
Highway widening and improvement demonstration project	4,100,000	---	5,000,000	---	5,000,000	-15,000	4,985,000
Intersection safety demonstration project	900,000	---	---	---	---	---	---
Highway capacity improvement demonstration project	900,000	---	100,000	---	---	---	---
Climbing lane safety demonstration project	450,000	---	2,500,000	---	2,500,000	-7,000	2,493,000
Indiana industrial corridor safety demonstration project	1,000,000	---	2,400,000	---	2,400,000	-7,000	2,393,000
Oklahoma highway widening demonstration project	400,000	---	2,500,000	---	2,500,000	-7,000	2,493,000
Alabama highway bypass demonstration project	3,600,000	---	8,300,000	---	8,300,000	-25,000	8,275,000
Kentucky bridge demonstration project	3,600,000	---	5,000,000	---	5,000,000	-15,000	4,985,000
Virginia HOV safety demonstration project	500,000	---	4,650,000	---	4,650,000	-14,000	4,636,000
Urban highway corridor demonstration project	225,000	---	4,500,000	---	4,500,000	-13,000	4,487,000
Urban airport access safety demonstration project	225,000	---	5,000,000	---	5,000,000	-15,000	4,985,000

H.R. 3015 - DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION BILL, 1990

	FY 1989 Enacted	FY 1990 Estimates	House	Senate	Title I-III Conference Agreement	Title IV Drug Funding Offsets	Revised Conference
Ebensburg bypass demonstration project	---	---	13,740,000	---	13,740,000	-41,000	13,699,000
Bridge rehabilitation demonstration project	---	---	350,000	---	---	---	---
Highway demonstration projects - preliminary engineering	---	---	12,400,000	---	5,800,000	-17,000	5,783,000
Corridor safety improvement project (Highway Trust Fund)	28,000,000	---	---	17,300,000	17,300,000	-52,000	17,248,000
Bridge capacity improvements (Highway Trust Fund)	3,763,000	---	---	4,000,000	4,000,000	-12,000	3,988,000
Corridor H improvement project	16,000,000	---	---	32,000,000	32,000,000	-96,000	31,904,000
Road extension demonstration	600,000	---	---	11,000,000	11,000,000	-33,000	10,967,000
Des Moines inner loop demonstration	---	---	---	2,800,000	2,800,000	-8,000	2,792,000
Corridor G improvement project	---	---	---	10,000,000	10,000,000	-30,000	9,970,000
Corning bypass safety demonstration project	---	---	---	20,000,000	20,000,000	-60,000	19,940,000
Spring Mountain demonstration project	---	---	---	2,200,000	2,200,000	-7,000	2,193,000
Manhattan Bridge replacement project	---	---	---	3,210,000	3,210,000	-10,000	3,200,000
Junction City accleration/deceleration lane demonstration project	---	---	---	400,000	400,000	-1,000	399,000
Bridge restoration	2,000,000	---	---	---	---	---	---
Reservation road	3,500,000	---	---	---	---	---	---
Total, Federal Highway Administration:							
New budget (obligational) authority	166,229,000	32,190,000	180,210,000	149,300,000	282,570,000	-744,000	281,826,000
(Limitations on obligations)	(12,069,405,000)	(11,380,000,000)	(12,533,105,000)	(12,119,405,000)	(12,329,605,000)	(-50,209,000)	(12,279,396,000)
Total	(12,235,634,000)	(11,412,190,000)	(12,713,315,000)	(12,268,705,000)	(12,612,175,000)	(-50,953,000)	(12,561,222,000)
National Highway Traffic Safety Administration							
Operations and research	67,899,000	74,933,000	71,684,000	78,400,000	74,550,000	-224,000	74,326,000
Operations and research (Highway Trust Fund)	30,751,000	31,772,000	32,316,000	31,772,000	32,300,000	-97,000	32,203,000
Subtotal, Operations and research	98,650,000	106,705,000	104,000,000	110,172,000	106,850,000	-321,000	106,529,000
Highway traffic safety grants (Highway Trust Fund) (Liquidation of contract authorization)	(130,500,000)	(132,000,000)	(132,000,000)	(132,000,000)	(132,000,000)	(-396,000)	(131,604,000)
State and community highway safety grants: (Limitation on obligations)	(115,000,000)	(115,000,000)	(115,000,000)	(115,000,000)	(115,000,000)	(-345,000)	(114,655,000)
Alcohol safety incentive grants: (Limitation on obligations)	(11,000,000)	(13,500,000)	(11,000,000)	(11,000,000)	(11,000,000)	(-33,000)	(10,967,000)
Education grants (Sec. 209): (Cumulative limitation on obligations)	(4,750,000)	(4,750,000)	(4,750,000)	(4,750,000)	(4,750,000)	(-14,000)	(4,736,000)
Total, National Highway Traffic Safety Administration:							
New budget (obligational) authority	98,650,000	106,705,000	104,000,000	110,172,000	106,850,000	-321,000	106,529,000
(Limitations on obligations)	(126,000,000)	(128,500,000)	(126,000,000)	(126,000,000)	(126,000,000)	(-378,000)	(125,622,000)
Total	(224,650,000)	(235,205,000)	(230,000,000)	(236,172,000)	(232,850,000)	(-699,000)	(232,151,000)

H.R. 3015 - DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION BILL, 1990

	FY 1989 Enacted	FY 1990 Estimates	House	Senate	Title I-III Conference Agreement	Title IV Drug Funding Offsets	Revised Conference
Federal Railroad Administration							
Office of the Administrator	20,975,000	15,180,000	14,400,000	15,144,000	14,589,000	---	14,589,000
(By transfer)	(4,000,000)	---	---	---	---	---	---
Local rail service assistance	---	---	---	7,000,000	7,000,000	-21,000	6,979,000
Railroad safety	27,825,000	30,307,000	31,900,000	32,057,000	31,900,000	---	31,900,000
Railroad research and development	9,286,000	9,277,000	9,600,000	9,277,000	9,600,000	-29,000	9,571,000
Northeast corridor improvement program	19,600,000	---	19,600,000	30,000,000	24,800,000	-74,000	24,726,000
Grants to the National Railroad Passenger Corporation.	584,000,000	---	615,000,000	---	---	---	---
Operations	---	---	---	530,000,000	530,000,000	-1,590,000	528,410,000
Capital	---	---	---	85,000,000	85,000,000	-255,000	84,745,000
Railroad Rehabilitation and Improvement Financing Funds: (Railroad credit enhancement)	(99,000,000)	(15,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(-150,000)	(49,850,000)
Regional rail reorganization program	---	101,577,979	101,577,979	101,577,979	101,577,979	-304,979	101,273,000
Portion applied to debt reduction	---	-94,932,979	-94,932,979	-94,932,979	-94,932,979	+284,979	-94,648,000
Conrail commuter transition assistance	4,500,000	---	5,000,000	---	5,000,000	-15,000	4,985,000
Amtrak corridor improvement loans	---	---	3,500,000	---	3,500,000	-10,000	3,490,000
(Loan authorization)	---	---	(3,500,000)	---	(3,500,000)	(-10,000)	(3,490,000)
Total, Federal Railroad Administration	666,186,000	61,409,000	705,645,000	715,123,000	718,034,000	-2,014,000	716,020,000
Urban Mass Transportation Administration							
Administrative expenses	31,882,000	---	31,809,000	31,880,000	31,809,000	---	31,809,000
Research, training, and human resources	10,000,000	---	10,000,000	10,000,000	10,000,000	-30,000	9,970,000
Formula grants	1,605,000,000	---	1,705,000,000	1,605,000,000	1,630,000,000	-4,890,000	1,625,110,000
Formula transit grants (Highway Trust Fund) (limitation on obligations)	---	(1,523,000,000)	---	---	---	---	---
Discretionary grants (Highway Trust Fund) (limitation on obligations)	(1,140,000,000)	---	(1,140,000,000)	(1,140,000,000)	(1,140,000,000)	(-3,420,000)	(1,136,580,000)
Mass transit capital fund (Highway Trust Fund) (liquidation of contract authorization)	(400,000,000)	(900,000,000)	(900,000,000)	(900,000,000)	(900,000,000)	(-2,700,000)	(897,300,000)
Interstate transfer grants - transit	200,000,000	---	180,000,000	160,000,000	160,000,000	-480,000	159,520,000
Washington Metro	168,000,000	42,000,000	100,000,000	73,400,000	85,000,000	-255,000	84,745,000
Total, Urban Mass Transportation Administration:							
New budget (obligational) authority	2,014,882,000	42,000,000	2,026,809,000	1,880,280,000	1,916,809,000	-5,655,000	1,911,154,000
(Limitations on obligations)	(1,140,000,000)	(1,523,000,000)	(1,140,000,000)	(1,140,000,000)	(1,140,000,000)	(-3,420,000)	(1,136,580,000)
Total	(3,154,882,000)	(1,565,000,000)	(3,166,809,000)	(3,020,280,000)	(3,056,809,000)	(-9,075,000)	(3,047,734,000)

H.R. 3015 - DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION BILL, 1990

	FY 1989 Enacted	FY 1990 Estimates	House	Senate	Title I-III Conference Agreement	Title IV Drug Funding Offsets	Revised Conference
Saint Lawrence Seaway Development Corporation							
Operations and maintenance (Harbor Maintenance Trust Fund)	11,100,000	11,788,000	11,750,000	11,100,000	11,400,000	---	11,400,000
Research and Special Programs Administration							
Research and special programs	14,800,000	17,541,000	16,800,000	14,715,000	17,373,000	---	17,373,000
Pipeline safety (Pipeline Safety Fund)	9,300,000	9,848,000	10,325,000	9,277,000	10,325,000	-31,000	10,294,000
Total, Reseach and Special Programs Administration	24,100,000	27,389,000	27,125,000	23,992,000	27,698,000	-31,000	27,667,000
Office of the Inspector General							
Salaries and expenses	29,000,000	32,475,000	32,100,000	32,100,000	32,100,000	---	32,100,000
Total, title I, Department of Transportation:							
New budget (obligational) authority (net)	10,809,568,000	9,878,143,000	11,808,126,000	11,802,828,000	11,891,958,000	-58,722,000	11,833,236,000
Appropriations	(10,920,338,941)	(9,973,075,979)	(11,903,058,979)	(11,897,760,979)	(11,986,890,979)	(-34,006,979)	(11,952,884,000)
Appropriations for debt reduction	(-10,770,941)	(-94,932,979)	(-94,932,979)	(-94,932,979)	(-94,932,979)	(+284,979)	(-94,648,000)
Rescission	(-100,000,000)	---	---	---	---	(-25,000,000)	(-25,000,000)
(DoD transfer)	(256,300,000)	---	---	---	---	---	---
(By transfer)	(23,500,000)	(10,000,000)	(10,000,000)	(10,000,000)	(17,500,000)	(-52,000)	(17,448,000)
(Limitations on obligations)	(14,765,405,000)	(14,396,500,000)	(15,329,105,000)	(14,885,405,000)	(15,095,605,000)	(-129,007,000)	(14,966,598,000)
(Appropriations to liquidate contract authorizations)	(14,470,500,000)	(15,935,000,000)	(15,973,405,000)	(15,944,000,000)	(15,943,405,000)	(-44,260,000)	(15,899,145,000)
Total, title I, New budget (obligational) authority, (DoD transfer) and (limitations on obligations)	(25,831,273,000)	(24,274,643,000)	(27,137,231,000)	(26,688,233,000)	(26,987,563,000)	(-104,009,000)	(26,883,554,000)

H.R. 3015 - DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION BILL, 1990

	FY 1989 Enacted	FY 1990 Estimates	House	Senate	Title I-III Conference Agreement	Title IV Drug Funding Offsets	Revised Conference
TITLE II - RELATED AGENCIES							
Architectural and Transportation Barriers Compliance Board							
Salaries and expenses	1,891,000	2,000,000	1,950,000	1,950,000	1,950,000	---	1,950,000
National Transportation Safety Board							
Salaries and expenses	25,360,000	25,967,000	26,600,000	28,000,000	27,600,000	---	27,600,000
Interstate Commerce Commission							
Salaries and expenses	43,115,000	44,689,000	43,860,000	42,863,000	44,450,000	---	44,450,000
Payments for directed rail service (limitation on obligations)	(475,000)	(475,000)	(475,000)	(475,000)	(475,000)	---	(475,000)
Total, Interstate Commerce Commission	(43,590,000)	(45,164,000)	(44,335,000)	(43,338,000)	(44,925,000)	---	(44,925,000)
Panama Canal Commission							
Panama Canal Revolving Fund:							
(Administrative expenses)	(50,287,000)	(49,855,000)	(49,842,000)	(49,855,000)	(49,842,000)	(-150,000)	(49,692,000)
(Limitation on operating and capital expenses)	(436,548,000)	---	(452,005,000)	(463,467,000)	(452,005,000)	(-1,356,000)	(450,649,000)
Department of the Treasury							
Rebate of Saint Lawrence Seaway Tolls (Harbor Maintenance Trust Fund)	10,700,000	10,084,000	10,050,000	10,050,000	10,050,000	-30,000	10,020,000
Washington Metropolitan Area Transit Authority							
Interest payments	51,663,569	51,663,569	51,663,569	51,663,569	51,663,569	---	51,663,569
Total, title II, Related Agencies:							
New budget (obligational) authority	132,729,569	134,403,569	134,123,569	134,526,569	135,713,569	-30,000	135,683,569
(Limitation on obligations)	(475,000)	(475,000)	(475,000)	(475,000)	(475,000)	---	(475,000)
Total	(133,204,569)	(134,878,569)	(134,598,569)	(135,001,569)	(136,188,569)	(-30,000)	(136,158,569)

H.R. 3015 - DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION BILL, 1990

	FY 1989 Enacted	FY 1990 Estimates	House	Senate	Title I-III Conference Agreement	Title IV Drug Funding Offsets	Revised Conference
TITLE III - GENERAL PROVISIONS							
International Zaragosa Bridge	3,000,000	---	---	---	---	---	---
Rescission	-3,000,000	---	---	---	---	---	---
Alabama Feasibility Study	675,000	---	---	---	---	---	---
Expressway safety improvement demonstration project	2,600,000	---	---	---	---	---	---
Airport emergency relief	100,000	---	---	---	---	---	---
Wisconsin rail service	6,000,000	---	---	---	---	---	---
Consultant services (sec. 347)	-34,171,000	---	---	---	---	---	---
Total, title III, General Provisions:							
New budget (obligational) authority (net)	-24,796,000	---	---	---	---	---	---
Appropriations	(-21,796,000)	---	---	---	---	---	---
Rescission	(-3,000,000)	---	---	---	---	---	---
Grand total:							
New budget (obligational) authority (net)	10,917,501,569	10,012,546,569	11,942,249,569	11,937,354,569	12,027,671,569	-58,752,000	11,968,919,569
Appropriations	(11,031,272,510)	(10,107,479,548)	(12,037,182,548)	(12,032,287,548)	(12,122,604,548)	(-34,036,979)	(12,088,567,569)
Appropriations for debt reduction	(-10,770,941)	(-94,932,979)	(-94,932,979)	(-94,932,979)	(-94,932,979)	(+284,979)	(-94,648,000)
Rescissions	(-103,000,000)	---	---	---	---	(-25,000,000)	(-25,000,000)
(DoD transfer)	(256,300,000)	---	---	---	---	---	---
(By transfer)	(23,500,000)	(10,000,000)	(10,000,000)	(10,000,000)	(17,500,000)	(-52,000)	(17,448,000)
(Limitations on obligations)	(14,765,880,000)	(14,396,975,000)	(15,329,580,000)	(14,885,880,000)	(15,096,080,000)	(-129,007,000)	(14,967,073,000)
(Appropriations to liquidate contract authorizations)	(14,470,500,000)	(15,935,000,000)	(15,973,405,000)	(15,944,000,000)	(15,943,405,000)	(-44,260,000)	(15,899,145,000)
Grand total, New budget (obligational) authority, (DoD transfer) and (limitations on obligations)	(25,939,681,569)	(24,409,521,569)	(27,271,829,569)	(26,823,234,569)	(27,123,751,569)	(-104,040,000)	(27,019,711,569)

H.R. 3015 - DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION BILL, 1990

	FY 1989 Enacted	FY 1990 Estimates	House	Senate	Title I-III Conference Agreement	Title IV Drug Funding Offsets	Revised Conference
CONGRESSIONAL BUDGET RECAP							
Scorekeeping adjustments:							
Aircraft purchase loan guarantee program (mand)...	---	150,000	150,000	150,000	150,000	---	150,000
Boat safety	---	15,000,000	30,000,000	---	---	---	---
DoD transfer to Coast Guard	50,300,000	---	---	---	---	---	---
Total, adjustments	50,300,000	15,150,000	30,150,000	150,000	150,000	---	150,000
Total, (including adjustments)	10,967,801,569	10,027,696,569	11,972,399,569	11,937,504,569	12,027,821,569	-58,752,000	11,969,069,569
Amounts in this bill	(10,917,501,569)	(10,012,546,569)	(11,942,249,569)	(11,937,354,569)	(12,027,671,569)	(-58,752,000)	(11,968,919,569)
Scorekeeping adjustments	(50,300,000)	(15,150,000)	(30,150,000)	(150,000)	(150,000)	---	(150,000)
Prior year outlays associated with this bill	---	---	---	---	---	---	---
Total mandatory and discretionary	10,967,801,569	10,027,696,569	11,972,399,569	11,937,504,569	12,027,821,569	-58,752,000	11,969,069,569
Mandatory	(463,598,569)	(472,613,569)	(472,613,569)	(472,613,569)	(472,613,569)	---	(472,613,569)
Discretionary	(10,504,203,000)	(9,555,083,000)	(11,499,786,000)	(11,464,891,000)	(11,555,208,000)	(-58,752,000)	(11,496,456,000)
Discretionary (total)	(10,504,203,000)	(9,555,083,000)	(11,499,786,000)	(11,464,891,000)	(11,555,208,000)	(-58,752,000)	(11,496,456,000)

Mr. LAUTENBERG. Mr. President, the major increases over fiscal year 1989 are for the Federal Aviation Administration and the Coast Guard. The agreement provides a total program of $7.144 billion for FAA. This represents an increase of $852 million or plus 14 percent, over the current level. The agreement funds the continued rebuilding of the controller, aviation security, safety inspector, and maintenance technician work forces. It also includes the funding necessary to move the NAS Plan forward.

For the Coast Guard, the conference agreement provides a total program of $3.229 billion. For the Coast Guard's major operating accounts, this represents an increase of $130 million, or 6 percent, over the enacted level for this fiscal year. Of this amount, $300 million will be derived from the Department of Defense in support of the Coast Guard's defense-related missions. On that point, I wish to say a special word of thanks to my friends, Chairman INOUYE of the Defense Subcommittee and Senator STEVENS, the ranking member.

Other major highlights of the conference agreement include: First, $12.21 billion for the Federal Highway program's obligation ceiling; second, $232.2 million for the National Highway Traffic Safety Administration; third, $3.048 billion for the Urban Mass Transportation Administration; fourth, $716 million for the Federal Railroad Administration, including $613 million for Amtrak; and fifth, $1 million for the Commission on Aviation Security and Terrorism on which I am privileged to serve.

Mr. President, we had 144 amendments in conference. The conferees have agreed to a resolution of all of these amendments. The result is a package that I believe preserves a balanced transportation program for the Nation, despite our severe funding constraints.

Mr. President, I believe this accurately and fairly summarizes the overall contents of our agreement.

Before I yield, however, I thank my friend and ranking member, Senator D'AMATO, from New York, for his help in getting this bill through the committee, the floor, and the conference with the House. Given the funding and other problems we faced, it was very hard to develop a balanced transportation program; for our country without his assistance and cooperation, it would have been impossible.

I also pay tribute to my House counterparts, Chairman BILL LEHMAN and his ranking member, LARRY COUGHLIN from the neighboring State of Pennsylvania. They and their colleagues worked hard to produce a good, solid transportation program and were always courteous and cooperative in working out a reasonable accommodation between the two Houses.

Mr. President, you know that in a bill like transportation, there are lots of requests from Senators and from Congresspersons throughout the entire bill. Everyone in the country—there is not a State, there is not a community that does not have funding needs for either infrastructure, bridges, roads, railroad service, or aviation service.

We have had a very tough time in accommodating those remote communities that need air service, and we have the Government provide an incentive for carriers to continue to service those communities, because the revenue generated just is not enough.

So there is a lot in this, and I am hopeful that we are not going to have any problems in getting this legislation done and getting the appropriations bill passed and over to the President.

We will be holding out a couple of amendments that we will enunciate soon.

I also want to acknowledge with thanks those who serve with me on the Transportation Subcommittee who have been very helpful in getting this complicated bill acceptable to everybody and passed and that includes of course our distinguished chairman of the Appropriations Committee, Senator BYRD, Senator HARKIN, Senator SASSER, Senator MIKULSKI who serve with me on the Democratic side and as I mentioned Senators D'AMATO, KASTEN, DOMENICI, and GRASSLEY as well as the ranking member of the Senate Appropriations Committee, Senator HATFIELD. They have all been a constant source of sensible counsel and good steadfast support.

Mr. President, I believe that Senator D'AMATO has some remarks he would like to offer at this time, and I yield the floor for the remarks.

The PRESIDING OFFICER (Mr. BURDICK). The Senator from New York.

Mr. D'AMATO. Mr. President, let me first congratulate my distinguished colleague and the chairman of the subcommittee, Senator LAUTENBERG, for the hard work and effort that he went through in forging this conference report. Let me also commend him for his leadership in giving all Americans, especially those who work in the transportation area, the ability to travel in a healthy smoke-free environment.

Were it not for Senator LAUTENBERG's undaunted persistence in this area, in light of the many who counseled wait for another time, wait for another vehicle, this landmark legislation would not have been accomplished.

And I say to Senator LAUTENBERG, no efforts are singular but certainly there are people who are the prime movers. There is no dispute that you have been the prime mover in this effort, in an effort that goes a long way toward ensuring the health of American travelers, particularly transportation workers such as flight attendants.

Mr. President, the House approved this conference report on October 31, and I hope we can pass it, if not today, certainly very soon. This bill contains critical funding for the Federal Aviation Administration, including 120 new safety and security positions and for the U.S. Coast Guard.

If we are going to continue our vigilance in drug interdiction, if we are going to do our job as it relates to monitoring pollution and controlling it, it is vital that we pass this bill and provide the support needed for the Coast Guard and other transportation agencies that is contained herein.

For the Federal Highway Administration, Urban Mass Transportation Administration, and other related agencies, the necessary funding to carry out these important jobs and obligations is provided by this legislation.

I am glad that we have been able to provide $30.7 million for the Essential Air Service Program that is so important to the small rural communities who otherwise would be without service. Fortunately, service to some of the communities in New York, such as Watertown, which was placed in jeopardy during the conference, is continued by the conference report.

This report contains $1 million to fund the work of the President's Commission on Aviation Security and Terrorism. As a member of this Commission, along with Senator LAUTENBERG, I am eager to get started on the serious work ahead.

Many issues have been raised with respect to the bombing of Pan Am 103 nearly a year ago, and it is important that the Commission analyze and examine the nature of these issues, review the events that took place, and consider what could have been prevented, and what can be done to guard against terrorist attacks in the future.

Mr. President, I respectfully urge the Senate to approve this conference report as quickly as possible.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, the Senator from Colorado has asked for the floor, and I will therefore yield the floor.

Mr. WIRTH. Mr. President, I wanted to make a few comments as we consider the passage of the conference report on the Transportation appropriations bill for fiscal year 1990. This has been a particularly difficult year in terms of the budget, and I compliment my good friend, the Senator from New Jersey, Chairman LAUTENBERG, in navigating this legislation through the tight channels of this process.

When we pass this bill next week and send it to the President for his approval, we will be enacting a promising trend found in this legislation—an increased emphasis on the need to expand our aviation infrastructure to accommodate the rapid growth of our airline industry. Chairman LAUTENBERG and the other members of the Transportation Appropriations Subcommittee have done good work in balancing important national priorities, such as support for the war on drugs, while at the same time, preserving initiatives that will enhance the safety and convenience of the air-traveling public.

In 1978 Congress deregulated the airline industry. During that year, nearly 276 million passengers flew through our Nation's airports. Within 9 years, this number expanded to more than 450 million fliers per year nationwide, and will clear the 600 million mark by 1997. Yet, while the demand for an adequate and efficient aviation infrastructure has increased, I believe that the Federal Government has been slow to respond to this growing need.

Another consequence of deregulation has been the creation of the well-known hub and spoke system of air transportation, with which we in the Congress—as frequent flyers—are very familiar. This practice of feeding passengers from around the country into central switchboard airports has increased the efficiency of the industry and helped to keep ticket prices affordable.

Unfortunately, the hub and spoke business strategy has accentuated the problems of our inadequate infrastructure. By concentrating a significant portion of the increased passenger traffic to relatively few large airports in the country, delays and inconveniences have become the rule rather than the exception.

According to the Federal Aviation Administration [FAA], there are 21 airports where, at each one, passengers are experiencing more than 20,000 hours of delays annually. At five of these congested facilities, people will wait more than 50,000 hours to land or take off. By the turn of the century, if we do not take steps to expand our Nation's aviation capacity, passengers using the three busiest airports will have delays exceeding 100,000 hours annually—Atlanta, Chicago, and unfortunately, Denver.

This problem is only going to get worse. By the year 2000, the number of passengers flying through these major hubs are expected to rise to 85 percent. For example, Denver's Stapleton Airport, originally constructed to handle 18 million passengers per year, currently plays host to more than 34 million passengers. Recent FAA projects, indicate that by the year 2000, Denver's traffic will top 66 million, making it the fastest growing airport in the country.

Mr. President, Senator LAUTENBERG and the members of the conference, have retained Senate language making nearly $250 million available in fiscal 1990 for projects which enhance the ability of our Nation's airports to handle the growing number of people choosing to fly. This money is sorely needed by States and municipalities to make important contributions to the capacity of our national aviation infrastructure.

As some of you may know, in my own State of Colorado, we are working hard to accomplish just such a task. Last May, the citizens of Denver voted overwhlemingly to start construction of a new international airport to serve the Rocky Mountain region. At the end of September, the project's environmental impact statement received its seal of approval and received a significant grant from the FAA, permitting construction to begin.

The facility will be the first major airport built in 15 years, since the opening of Dallas-Fort Worth in 1974, and will expand the Nation's air capacity by 11 percent. Reductions in delays will be experienced around the country with Denver's increased ability to handle air traffic at times of poor weather and heavy demand. With the fine work by the members of the Appropriations Committee, this airport will open on time in 1993.

Mr. President, again, I wish to thank Senator LAUTENBERG and Senator D'AMATO as the chairman and ranking member of the Subcommittee on Transportation Appropriations. In addition, I know we are all appreciative of the usual hard work and courtesy of the chairman of the Appropriations Committee, Senator BYRD, and the ranking member, Senator HATFIELD.

Thank you, Mr. President. I yield the floor.

Mr. President, again, I thank the distinguished Senator from New Jersey, not only for his courtesy now, but for his remarkable help to Denver and to Colorado and to the Rocky Mountain West.

It is always easier, Mr. President, to say no. All of us are in a business where veto power is a lot easier to generate than power to go ahead and do something. In no case is that clearer than with all of the issues surrounding the new Denver airport. It would have been much easier for everybody who has been involved in this to say no.

Rather, we have had a remarkable example of, I think, very enlightened leadership from the distinguished Senator from New Jersey and his committee in helping us to say yes to the most important transportation program in the history of the Rocky Mountain West. This all started with the resolve in the Denver metropolitan area to build a new airport, and we had a lot of controversy surrounding it.

First, in suburban Adams County, there was a good deal of resistance to the airport. We got that worked out, and we finally had an election, and that election won with a very significant margin, so we solved that problem. The veto power was there. We got it sorted out. We solved that problem.

It then moved to Denver. We went through a similar kind of situation. There were a lot of opponents in Denver for a new airport, a lot of proponents as well. Again, we had an election. Again, that election was managed by members of my staff. That election was successful. Those staff members worked for me and are currently working for me, and I am proud of the job that they did. We solved that problem as well, Mr. President.

Then we got into a kind of final homestretch with putting together the financial package necessary to make the new airport happen. That financial package was very creatively and aggressively honchoed by the distinguished Senator from New Jersey and by the distinguished Senator from New York and the other members of the Appropriations Committee.

There were a lot of people out there who did not think this airport deserved the emphasis it is getting. There was a lot of parochial concern trying to steal the money away from Denver and put it someplace else; a lot of concern about the specious arguments about the Denver airport—it should not be built, was not ready, and so on. Potential veto power was all over the place. But once again, the two distinguished managers of the committee were right there helping us with their enormous persuasiveness and their commitment.

I want just publicly, on behalf of the citizens of Denver, the citizens of Colorado, and the citizens of the whole Rocky Mountain region, to thank them, backed by Senator BYRD's quiet and firm hand. In particular, I want to pay our respects and our thanks to Senator D'AMATO and Senator LAUTENBERG. They were there day after day after day after day. When the going got rough, they were running interference for us. We could not have this project without them.

Why am I emphasizing this? This is the most important economic development program in the history of the Rocky Mountain West. It is the most important public works and transportation program. It is absolutely crucial to the well-being of the Nation's air traffic system, and it is going to be an extraordinary contribution to the country going well into the 21st century. It would not have happened without these Senators and their help.

Again, on behalf of my constituents and literally hundreds and hundreds

of thousands of people in our country and in our region, we want to thank them. I urge my colleagues to join with me in not only passing this bill but in enjoying the new Denver airport when it is there. We can guarantee you there will be no weather delays. We will have an airport that will ease your trips to Aspen and Vail and other points, as well as to the other communities of the Rocky Mountain West and to the beautiful summers and winters in Colorado.

Mr. LAUTENBERG. Mr. President, I thank the Senator from Colorado for his kind remarks. I am sure the record will appropriately reflect that he just advertised Colorado as the vacationland of the world. But when we look at the aviation system, of course, we respect and admire the beauty of the Rocky Mountains and all of the magic that it holds for many.

But the whole aviation system is dependent upon our ability to have airplanes being able to take off from wherever and cross the destinations that they are scheduled to go. That means that as efficiently as possible we have to manage the aviation system. And, therefore, a major new facility like the Denver airport is an integral part of the advancement of a more capable aviation system in this country.

I was very vigorous in my support of that, just as I am in the prospect of a new airport in south Jersey that has been discussed many times, the enlargement of other airports, like Philadelphia and the New York regional airports in the area that Senator D'AMATO and I serve.

So, on behalf of the best interests of the country in both economic, recreational, and business travel considerations, that is the way to go. We want our aviation system to be the best that there is. By enlarging and starting this new airport to be able to absorb the traffic and not have us waiting in sunny Miami while Denver is snowed in because you cannot get the traffic in or out, I think we make an important step forward.

I thank the Senator from Colorado for his diligent work in presenting the case and coming to us with a mandate, with an understanding from the people of Colorado that they are willing to support this, that they are willing to get out there and raise money and they are willing to commit their communities to seeing that this job gets done. Having acquired a massive piece of property so that there can be a proper airport, I think, is testimony to the attitude and the fortitude of the people of Colorado, who say we need this for the enhancement of the general well-being of our State and our region because it is a major community stop in flights to Wyoming, Idaho, and Utah, and places like that.

So we are pleased to have had this chance to add a dimension to our Nation's aviation system. Once again, I thank the Senator from Colorado for his persistence in getting that message across.

EXTENSION OF INTERSTATE HIGHWAY IN UPPER EAST TENNESSEE

Mr. SASSER. Mr. President, the conferees included in the fiscal year 1990 Transportation appropriations conference report language directing the Federal Highway Administration to cooperate with State and local officials on efforts to extend the interstate highway route between the Tri-Cities in upper east Tennessee and Asheville, NC. This project has several aspects. Is it the understanding of the chairman that when the conferees made reference to cooperation on the entire project, they intended to include work on a proposed ramp connecting the extended interstate with the State of Franklin Road in Johnson City, TN?

Mr. LAUTENBERG. That is correct.

LABOR DEPARTMENT ANTIDRUG ABUSE ASSISTANCE PROGRAMS

Mr. SIMON. Would the manager of the bill permit me to clarify an issue with Senator HARKIN concerning a Labor Department component of antidrug abuse legislation since he chairs the Appropriations Subcommittee that funds the Labor Department?

Mr. LAUTENBERG. Yes.

Mr. SIMON. I am concerned that the Department of Labor has narrowly defined in a manner inconsistent with our purposes in enacting this authority, the word "employer" for the purpose of awarding drug abuse program funding under the Employee Assistance Program of the Anti-Drug Abuse Act of 1988. The purpose of this funding is to develop employee drug abuse assistance programs in the workplace. For this reason, Congress intended that grants to employers be interpreted to include any program that would benefit employers by providing such assistance to their employees. This appropriation act should be so interpreted. For example, many employers are part of joint labor-management funds through which employees are provided with health and welfare benefits. This is particularly true in the construction industry where multiemployer funds are required by law. I believe that Congress had intended and now intends that this type of program be eligible for this funding.

Mr. HARKIN. I agree with the Senator that the Labor Department should broadly interpret eligibility criteria under the EAP and that programs which benefit employers by providing such benefits to their employees are eligible for EAP funds. I hope the Department will give due consideration to the particular needs of employers in the construction industry, and award demonstration grants to deal with this critical issue.

PRIORITY REPLACEMENT OF KELLER MEMORIAL BRIDGE

Mr. SHELBY. Mr. President, with respect to the Department of Transportation and related agencies appropriations bill, the Senate and House Appropriations Committee reports identified several bridges to be given priority consideration by the Secretary of Transportation for participation in the bridge discretionary fund. During Senate consideration of the bill, the distinguished manager, Senator LAUTENBERG, indicated that the Keller Memorial Bridge in Decatur, AL, also warranted priority treatment. I notice that in the Transportation appropriations conference report now before the Senate, there is no listing of bridges directed to be given priority consideration.

It is my understanding that the State of Alabama has requested approximately $14 million in discretionary funds to replace the Keller Memorial Bridge which spans the Tennessee River in the vicinity of Decatur, AL. There is a serious need for replacement of the Keller Memorial Bridge. The bridge, which was originally constructed and opened to traffic in 1926, now receives an average of 31,948 vehicles per day, with the predicted average traffic for 2005 at 40,100 vehicles per day according to the Alabama Highway Department. As the lone drawbridge on the Tennessee River, Alabama Highway Department officials fear that the bridge is structurally unable to continue handling the heavy traffic loads.

The Keller Memorial Bridge is an important link between Morgan County and rapidly expanding north Alabama. However, the antiquated structure that has served for 62 years as that vital connection between the north and south banks of the Tennessee River is now a detriment to the entire area. For these reasons, I believe that the 63-year-old Keller Memorial Bridge warrants priority attention.

The distinguished senior Senator from Alabama [Mr. HEFLIN] and I ask the distinguished manager of the Department of Transportation and related agencies appropriations conference report if it is the intent of the conferees that the Keller Memorial Bridge receive the same priority treatment as if it were listed in the committee report.

Mr. HEFLIN. Mr. President, I wish to join my colleague from Alabama in requesting that the Keller Memorial Bridge replacement be given priority consideration by the Secretary of Transportation for participation in the bridge discretionary fund.

I would like to also thank the Senator from New Jersey and the Senator

from New York for their assistance on this matter. I know that solely because of time constraints, the Appropriations Committee was not able to consider this matter when the bill was before the committee; and I certainly appreciate their efforts at this time.

Mr. LAUTENBERG. My good friends from Alabama are correct. The Senate Appropriations Committee has directed the Secretary of Transportation to give priority designation, consistent with existing criteria, to give several bridges which serve as major links for both intrastate and interstate commerce and which directly impact the economic development of an area. The State of Alabama's application for the Keller Memorial Bridge replacement is equally deserving of priority consideration. The Secretary of Transportation should give priority designation to the Keller Memorial Bridge discretionary fund application as submitted by the Alabama Highway Department.

Mr. D'AMATO. I agree with Senator LAUTENBERG's identification of the Keller Memorial Bridge replacement in Decatur, AL, as a priority project.

Mr. SHELBY. I thank my good friends from New Jersey and New York for their assistance in addressing this important situation.

IMPROVING THE RELIABILITY OF AIRWORTHINESS

Mr. HARKIN. Mr. President, no matter how sophisticated our manufacturing techniques become, or how advanced the engineering, quality and reliability of machines are, they can be no better than the materials that they are made of. And, in aircraft, aircraft engines and other components, where there are great strains during the thousands of hours of operation and many landings and takeoffs, materials do deteriorate.

We need better systems to check aircraft components—systems that can check the quality of materials with accuracy and at a price at which they can be used.

The sum of $3 million for this important activity was included in the Senate measure and in the conference report. I expect that this funding and future funding will bring together experts from around the world including experts from various universities and industry. We need a focused technological response to this problem with various sectors working in a cooperative research venture.

Needless to say, a technical review process should be initiated to include the FAA, the aviation industry, universities with significant expertise and perhaps, the National Research Council. The review process would determine the best structure and technical program to address the possible solutions to the problems of aging aircraft. The review process should be implemented in an expedited fashion and be completed as soon as possible.

I am very thankful for the strong support for additional funding in this area that has been provided by Senator LAUTENBERG, a consistent champion for increasing air safety.

Mr. LAUTENBERG. Mr. President, methods to improve the reliability of airworthiness is an important goal. I appreciate Senator HARKIN's work in this area and his expertise as the former chairman of the House Transportation Aviation and Materials Subcommittee. This is an area which should be a high priority. I look forward to seeing the FAA move forward in the area of nondestructive evaluation of aging aircraft.

UNIVERSITY TRANSPORTATIOIN SYSTEMS

Mr. BURDICK. Mr. President, I am pleased that H.R. 3015, the fiscal year 1990 Transportation appropriations bill, contains a provision making a technical correction in the amount of funding available for the University Transportation Centers Program.

The Surface Transportation and Uniform Relocation Assistance Act of 1987 (Public Law 100-17) established the program and provided $5 million in funding annually from the mass transit account of the highway trust fund. It was intended that the same amount would come from the highway account. However, the Reagan administration determined that the legislative language did not permit release of the funds from the highway account.

The DOT appropriations bill accomplishes—at least for fiscal year 1990—what Congress intended in the 1987 Highway Act. Participating universities have had the opportunity to establish their programs with the funding from the mass transit account. With the complementary funding available from the highway account of the highway trust fund, University transportation centers will now be able to fully fund their research activities, as the Congress originally intended.

Dr. Thomas D. Larson, the Federal Highway Administrator, is a strong supporter of the University Transportation Centers Program, calling it "a valuable resource for the transportation community." In addition to his 8 years of service as Pennsylvania's transportation secretary, Dr. Larson has spent nearly 20 years on the faculty of the Pennsylvania State University. He has had the opportunity firsthand to observe the benefits of university transportation research, as have many of our Nation's transportation leaders.

The Department of Transportation has set out the purpose of the program, saying that:

[it] is to become a national resource and focal point for the support and conduct of research and training concerning the transportation of passengers and property. The Program aims to attract the Nation's best talent to the study of transportation and to develop new strategies and concepts to effectively address existing and future transportation issues and problems.

As the Committee on Environment and Public Works begins to develop legislation to reauthorize the Federal-aid Highway Program, we will address the issue of adequate and permanent funding from the highway trust fund for the University Transportation Centers Program.

University Transportation Centers at schools in over 30 States in all of the 10 Federal regions will benefit with enactment of H.R. 3015. I am pleased to say that one of those schools is North Dakota State University, the lead university in region VIII. Other schools in that consortium include Colorado State University, the University of Colorado at Denver, the University of Minnesota, the University of Wyoming, and Utah Stte University.

It is my firm belief that all of us who care about and depend on a strong transportation infrastructure will also benefit and that the economic returns will be far greater than the modest investment being made by the Federal Government in the program. I very much appreciate the efforts of the Transportation Appropriations Subcommittee in making this additional funding available for the current fiscal year.

Mr. President, I ask unanimous consent that a list of the universities associated with the University Transportation Centers Program be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

UNIVERSITIES ASSOCIATED WITH THE UNIVERSITY TRANSPORTATION CENTERS PROGRAM

July 27, 1989

REGION I

Lead University: Massachusetts Institute of Technology.

Consortium Schools: Harvard University (MA), University of Connecticut, University of Maine, University of Massachusetts at Amherst, University of New Hampshire, University of Rhode Island, University of Vermont.

REGION II

Lead University: The City University of New York.

Consortium Schools: Cornell University (NY), New Jersey Institute of Technology, New York University, Polytechnic University (NY), Princeton University (NJ), Rensselaer Polytechnic University (NY), Rutgers State University of New Jersey, State University of New York, Albany, Stevens Institute of Technology (NJ), University of Puerto Rico,[1] University of Virgin Islands.[1]

REGION III

Lead University: Pennsylvania State University.

[1] Historically black colleges and universities or minority institutions.

Consortium Schools: Morgan State,[1] University of Pennsylvania, University of Virginia, Virginia Polytechnic Inst & State Univ., West Virginia University.

REGION IV

Lead University: University of North Carolina, Chapel Hill.

Consortium Schools: Duke University (NC), North Carolina A&T State University,[1] North Carolina Central University, North Carolina State University, Raleigh, University of Florida, Gainesville, University of Kentucky, Lexington, University of North Carolina, Charlotte, University of North Florida, Jacksonville, University of Tennessee, Knoxville, Vanderbilt University (TN).

REGION V

Lead University: University of Michigan, Ann Arbor.

Consortium Schools: Central State University[1] (OH), Michigan State University, Michigan Technological University, Northwestern University (IL), Wayne State University (MI).

REGION VI

Lead University: Texas A&M University.

Consortium Schools: Texas Southern University,[1] University of Texas at Austin.

REGION VII.

Lead University: Iowa State University.

Consortium Schools: University of Iowa.

REGION VIII

Lead University: North Dakota State University.

Consortium Schools: Colorado State University, University of Colorado at Denver, University of Minnesota, University of Wyoming, Utah State University.

REGION IX

Lead University: University of California, Berkeley.

Consortium Schools: California State University, Long Beach, University of California, Davis, University of California, Irvine, University of California, Los Angeles.

REGION X

Lead University: University of Washington.

Consortium Schools: Oregon State University, Portland State University (OR), University of Alaska at Fairbanks, University of Idaho, University of Portland (OR), Washington State University.

Mr. LAUTENBERG. Mr. President, at this point, I ask that the Chair lay before the Senate the conference report on H.R. 3015, the Department of Transportation and related agencies appropriations bill for fiscal 1990, and ask for its immediate consideration.

The PRESIDING OFFICER. That report is pending.

Is there further debate on the report? If there is no further debate, the question is on agreeing to the conference.

The conference report was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. D'AMATO. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS OF THE HOUSE TO THE AMENDMENTS OF THE SENATE IN DISAGREEMENT

Mr. LAUTENBERG. Mr. President, we are now about to consider the amendments that are in technical disagreement. There are a number of amendments about which there is no dispute at all. They have been considered and agreed to by the House. These resulted from the House-Senate conference on the transportation bill.

However, there is one amendment that we would ask unanimous consent on, amendment 136, which is the last in the list of amendments. That amendment is something on which the President pro tempore of the Senate, the chairman of the Appropriations Committee, has devoted his considerable energies and skills to developing, and that is the so-called drug amendment. I ask unanimous consent that amendment No. 136 be held out for consideration and that it be acted upon at the request of the Republican leader no later than the close of business on Tuesday, November 14—we are just now talking about this single amendment—and that the rest of the amendments would then be discussed.

I once again proffer that unanimous-consent request that amendment 136 of the amendments in technical disagreement be held out from consideration, to be acted upon no later than the close of business on November 14.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, reserving right to object, I wonder if I may ask the Senator from New Jersey, does he intend to go forward with the other amendments in disagreement immediately?

Mr. LAUTENBERG. Immediately. Because, I say to the Senator from Indiana, that is the one we have complete understanding on. So we will remove that from the debate and discussion now and we will proceed with the others.

Mr. COATS. I withdraw my objection.

Mr. HATFIELD. Mr. President, reserving the right to object, I would like to make a parliamentary inquiry before I express my objection, if I should do so.

As I understand it from the chairman of the committee, the Senator from New Jersey, the purpose of withholding or exempting this one amendment is to provide a vehicle upon which a proposal may be offered by the Senator from Indiana. And my question is, is it necessary to have an unanimous-consent agreement for the Senator from Indiana to offer his proposal on this conference report?

Mr. LAUTENBERG. If I might respond to the distinguished ranking member of the Appropriations Committee, no, that is not the purpose.

The purpose is to accommodate the concerns of the Republican leader and the chairman of the Committee on Appropriations, to have the discussion on the drug amendment that they choose to have, and thereby leaving open other amendments. I would like to expand the unanimous-consent agreement, but we will attempt to do that after we have dealt with this single amendment.

Mr. HATFIELD. Mr. President, I state my parliamentary inquiry, for that purpose, now, not directed to the Senator from Indiana, but for leadership, the Republican leader and the Senator from West Virginia.

Is it necessary, in order for them to offer that amendment to this report, that we have to have this exemption from the adoption of all of these amendments in disagreement? Is that the only way they can offer their proposal?

Mr. LAUTENBERG. Mr. President, I withdraw that unanimous-consent request. We will proceed with the amendments in disagreement starting with amendment No. 1.

The PRESIDING OFFICER. The request is withdrawn.

Mr. LAUTENBERG. We have amendment No. 1 which is in technical disagreement. I ask the Senate to concur in that amendment. That amendment is now on the floor for any discussion that any of the Members of the Senate have.

Mr. D'AMATO. Mr. President, reserving the right to object, I do not know and I ask parliamentary inquiry if I can object at this point in time. I am in a position where I must object until and unless we can get an agreement, a unanimous-consent agreement, which had been propounded by my distinguished colleague from New Jersey, as it relates to amendment No. 136; that is the drug amendment which the distinguished majority leader and minority leader have agreed would be acted upon no later than the close of business Tuesday.

Failing to have that agreement, I am constrained to place an objection to moving forth, even on those other areas which we find in technical disagreement.

So I would object at this point in time.

The PRESIDING OFFICER. Objection is heard.

Mr. D'AMATO. Objection is heard. The objection does not stand?

Mr. LAUTENBERG. It is not a unanimous-consent request.

Mr. President, I understand the Senator from Indiana has an amendment that he would like to offer. I would point out to the Senator from Indiana, we heard from our good friend from New York, Senator D'AMATO, about the things that were contained in this transportation report, things that are essential. They include the Coast Guard and the drug fighting effort

they make; it includes FAA being made safer by having more controllers, more maintenance inspectors or airplanes; by having the national aviation system made safer by advancing new technology, and to have the national airspace program developed.

We have many other programs in this bill. For example, we fund highway construction programs nationwide. We read about bridges in disrepair. We have funds to improve the safety of railroad-highway crossings, in the State of Indiana, for instance.

There are highway funds that have been requested for the State of Indiana and that have been approved. There is $500,000 for an interstate highway congestion study between highways 80 and 94. There is the Indiana Industrial Corridor Safety Demonstration Project for $2.4 million; it is amendment No. 53. We have the railroad-highway crossing, railroad relocation project at Lafayette, IN, $3.5 million. That is amendment No. 35. We have, for the Federal Railway Administration, $7 million for local rail assistance. We have aviation; we have improvement grants on the priority list recommended in the Senate report for Baer Field airport; for Gary, IN, regional airport; we have a $1 million instrument landing project for Elkhart, IN.

This is $180 million included in this conference report for the State of Indiana. If the Senator from Indiana chooses to have those projects delayed, in the event we have a problem with this, getting this bill through, that is a choice he has to make. He has every right, of course, to offer any amendments that he chooses.

At this point, Mr. President, I——

Mr. COATS. Will the Senator from New Jersey yield?

Mr. LAUTENBERG. I will be done in just one second.

Mr. President, we have an understanding here that permits this unanimous-consent request to be offered again.

UNANIMOUS-CONSENT AGREEMENT

Mr. LAUTENBERG. Mr. President, I ask unanimous consent, when the Senate considers the conference report on H.R. 3015, the matter in front of us, that the amendments of the House to the Senate amendment numbered 136, not be acted upon until the minority leader, Republican leader, has exercised his right, to be no later than the close of business on Tuesday, November 14, granted by this agreement, to offer a drug amendment to the House amendment, and that the amendment of the House to the amendment of the Senate numbered 1 not be acted upon until the Republican leader or his designee has exercised his right, today granted by this agreement, to offer an amendment to the House amendment, dealing with a legislative line item veto, and that no points of order be waived by this agreement.

The PRESIDING OFFICER. Is there objection to the request?

Hearing none, it is so ordered.

Mr. LAUTENBERG. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, let me make a parliamentary inquiry. Is amendment in disagreement No. 1 the pending business?

Mr. LAUTENBERG. Mr. President, if I might ask the indulgence of the Senator from Indiana, with the understanding that amendment No. 1 is available subject to further amendment, would there be an objection if I asked unanimous consent that the remainder of the amendments in disagreement—Senate amendments Nos. 5, 8, 9, 13, 27, 32, 38, 42, 66, 72, 74, 90, 101, 105, 110, 113, 115, 116, 118, 119, 120, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, and 134—excluding, of course, 136, which was already dealt with, be agreed to en bloc.

Mr. COATS. I have no objection to that, Mr. President.

The PRESIDING OFFICER. Is there objection to the request? Hearing none, it is so ordered.

The amendments of the House to the amendments of the Senate in disagreement, numbered 5, 8, 9, 13, 27, 32, 38, 42, 66, 72, 79, 90, 101, 105, 110, 113, 115, 116, 118, 119, 120, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, and 134, considered and agreed to en bloc, are as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 5 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum named in said amendment, insert "$1,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 8 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said admendment, insert: ", or to close or decommission any unit of the United States Coast Guard unless such closure or decommissioning was provided for in the Budget of the United States, and its supporting documentation, and was agreed to by the Congress in this Act, as provided for in its legislative history, including Committee reports".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 9 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted in said amendment, insert "$445,500,000, of which $7,500,000 shall be derived by transfer from "Operating expenses".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 13 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum named in said amendment, insert "$71,100,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 27 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further*, That of the funds available under this head, $1,000,000 to remain available until expended, is appropriated and shall be available for grants under the Federal Grant and Cooperative Agreement Act of 1977 to the National Aviation Institute, Pleasantville, New Jersey, to fund research and development in the area of facilitating research by cataloguing and prioritizing aviation related research efforts and providing a central clearinghouse for aviation research

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 32 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

UNIVERSITY TRANSPORTATION CENTERS

(HIGHWAY TRUST FUND)

For necessary expenses for university transportation centers, as authorized by section 21(i)(2) of the Urban Mass Transportation Act of 1964, as amended, $5,000,000 to be derived from the Highway Trust Fund (other than the Mass Transit Account).

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 38 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert "$42,500,000, together with an amount not to exceed the amount of 1989 obligations recovered".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 42 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert "Notwithstanding subsection (d) of Sec. 402 of the Surface Transportation Assistance Act of 1982 (Public Law 97-424, 96 Stat. 2155, 2156) for states which have received only development grants under such section 402 and which have participated in the Commercial Motor Carrier Safety Inspection and Weighing Demonstration Program, the Secretary shall only approve a plan under such section 402 for fiscal year 1990 which provides that the aggregate expenditure of funds of the State and political subdivisions thereof, exclusive of Federal funds, for commercial motor vehicle safety programs will be maintained at a level which does not fall below the average level of such expenditure for the last two full fiscal years preceding the date the plan is approved.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 66 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

ROAD EXTENSION DEMONSTRATION

For the purpose of carrying out a demonstration of economic growth and development benefits of four-lane bypasses of cities, there is hereby appropriated $11,000,000, to remain available until expended, for the acquisition of rights-of-way and other costs incurred in the upgrading and construction of a portion of a four-lane facility bypassing the cities of Pella, Iowa, and Oskaloosa, Iowa, on Highway 163: *Provided*, That all funds appropriated under this head shall be exempted from any limitation on obliga-

tions for Federal-aid highways and highway safety construction programs.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 72 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the U.S. route number named in said amendment, insert "77".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 79 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum named in said amendment, insert "$500,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 90 to the aforesaid bill, and concur therein with an amendment as follows: Restore the matter stricken by said amendment, amended to read as follows:

AMTRAK CORRIDOR IMPROVEMENT LOANS

The Secretary is authorized to provide $3,500,000 in loans to the Chicago, Missouri and Western Railroad, or its successors, to replace existing jointed rail with continuous welded rail between Joliet, Illinois and Granite City, Illinois: *Provided,* That any loan authorized under this section shall be structured with a maximum 20-year payment at an annual interest rate of 4 per centum: *Provided further,* That the Federal Government shall hold a first and prior purchase money security interest with respect to any materials to be acquired with federal funds: *Provided further,* That any such loan shall be matched on a dollar for dollar basis by the State of Illinois.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 101 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$17,373,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 105 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$44,450,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 110 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert "Every 30 days".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 113 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert:

(a) ESSENTIAL AIR SERVICE COMPENSATION.—Notwithstanding any other provision of law, the Secretary of Transportation shall make payment of compensation under subsection 419 of the Federal Aviation Act of 1958, as amended, only to the extent and in the manner provided in appropriations Acts, at times and in a manner determined by the Secretary to be appropriate, and claims for such compensation shall not arise except in accordance with this provision.

(b) USE OF DEADLY FORCE.—The Secretary shall report to the Committees on Appropriations and the Committees on the Judiciary of the Senate and House of Representatives, to the Senate International Narcotics Control Caucus, and to the Select Committee on Narcotics Abuse and Control of the House of Representatives on:

(1) All current provisions of law and regulation permitting the use of deadly force during the time of peace by United States Coast Guard personnel in the performance of their official duties—

(A) within the territorial land, sea, and air of the United States, its territories and possessions; and

(B) outside the territorial land, sea, and air of the United States, its territories and possessions.

(2) Changes, if any that may be necessary to existing law, regulations, treaty, or executive agreements to permit United States Coast Guard personnel to employ deadly force under the following circumstances—

(A) to bring down a suspected drug smuggling aircraft which has refused or ignored instructions to land at a specified airfield for customs inspection after penetrating the territorial airspace of the United States;

(B) to halt a suspected drug smuggling vessel on the sea which has been ordered to heave to for inspection by a United States vessel or aircraft and has ignored or refused to obey the order;

(C) and to halt a suspected drug smuggler who has crossed the land border of the United States illegally and who has refused to obey or ignored an order to stop for customs inspection.

(3) The required report shall be submitted not later than ninety days after the enactment into law of this Act. The required report may be submitted in both classified and unclassified versions.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 115 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert:

(a) VILLAGE OF ALSIP, ILLINOIS.—Section 149(a)(3)(D) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 is amended—

(1) by striking out the heading "CALUMET PARK" and inserting in lieu thereof "VILLAGE OF ALSIP"; and

(2) by striking out all that follows after "reconstruction" and inserting in lieu thereof "of 127th Street between Illinois Route 83 and Kostner Avenue in Alsip, Illinois.".

(b) WYOMING STATE HIGHWAY REST AREA.—Notwithstanding section 16 of the Federal Airport Act of 1946 or any other provision of law, the United States hereby releases the right of reversion of the United States on 7.8 acres of land at the South Big Horn County Airport in Wyoming proposed to be transferred to the Wyoming State Highway Department provided such land is used for a highway rest area.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 116 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert:

(a) VESSEL TRAFFIC SAFETY FAIRWAY.—None of the funds in this Act shall be available to plan, finalize or implement regulations that would establish a vessel traffic safety fairway less than five miles wide between the Santa Barbara Traffic Separation Scheme and the San Francisco Traffic Separation Scheme.

(b) HONOLULU INTERNATIONAL AIRPORT.—Notwithstanding section 23 of the Airport and Airway Expansion Act of 1970 (as in effect on November 29, 1976), or any other provision of law, including obligations arising under grant agreements issued pursuant to the Airport and Airway Improvement Act of 1982, as amended, or implementing regulations, the Administrator of the Federal Aviation Administration is authorized, subject to the provisions of section 4 of the Act of October 1, 1949 (63 Stat. 700; 50 U.S.C. App. 1622c), and the provisions of paragraph (2) of this subsection, to grant releases from any of the terms, conditions, reservations, and restrictions contained in the deed of conveyance, dated November 29, 1976, under which the United States conveyed certain property to the State of Hawaii for airport purposes.

Any release granted by the Administrator pursuant to this subsection shall be subject to the following conditions:

(A) The property for which a release is granted under this subsection shall not exceed 4,550.2 acres of submerged lands known as Keehi Lagoon as described in the quitclaim deed, dated November 29, 1976.

(B) The property for which a release is granted shall not include submerged lands within an area 1,000 feet perpendicular to either side of the centerline of Runway 26L, extending 2,000 feet from the end of Runway 26L at the Honolulu International Airport.

(C) The use of property to which such release applies shall not impede or interface with the safety of flight operations or otherwise derogate approach and clear zone protection at the Honolulu International Airport.

(D) Any subsequent release or authorization for use of the property for other than airport purposes shall contain the right to overfly the property and the right to make noise.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 118 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert:

(a) INTERMODAL URBAN DEMONSTRATION PROJECT.—Funds appropriated in this Act for "Intermodal Urban Demonstration Project" shall remain available until expended.

(b) UMTA COMMUTER RAIL SERVICE.—Section 337 of Public Law 100-457 is amended to read as follows:

"Notwithstanding any other provision of law, when a commuter rail service has been suspended for safety reasons, and when a statewide or regional agency or instrumentality commits to restoring such service by the end of 1989, and when the improvements needed to restore such service are funded without Urban Mass Transportation Administration funding, the directional route miles of such service shall be included for the purpose of calculating the fiscal year 1990 section 9 apportionment, as well as the apportionment for subsequent years. If such service is not restored by the end of 1989, the money received as a result of the inclusion of the directional route miles shall be returned to the disbursing agency, the Urban Mass Transportation Administration.".

(c) STATEWIDE OPERATING ASSISTANCE—SECTION 9(2)(A).—In any case in which a statewide agency or instrumentality is responsible under State laws for the financing, construction and operation, directly by lease, contract or otherwise, of public transportation services, and when such statewide agency or instrumentality is the designated recipient of UMTA funds, and when the statewide agency or instrumentality provides service among two or more urbanized areas, the statewide agency or instrumentality shall be allowed to apply for operating assistance up to the combined total permissible amount of all urbanized areas in which

it providers service, regardless of whether the amount for any particular urbanized area is exceeded. In doing so, UMTA shall not reduce the amount of operating assistance allowed for any other state, or local transit agency or instrumentality within the urbanized areas affected. This provision shall take effect with the fiscal year 1990 section 9 apportionment.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 119 to the aforesaid bill, and concur therein with an amendment as follows: Restore the matter stricken by said amendment, amended to read as follows: "PERMANENT PROHIBITION AGAINST SMOKING ON SCHEDULED AIRLINE FLIGHTS.—"

Resolved, That the House receded from its disagreement to the amendment of the Senate numbered 120 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

by deleting in subparagraph (A) of section 404(d)(1) of the Federal Aviation Act of 1958 (49 U.S.C. App. 1374(d)(1)(A)) all after the words "any scheduled airline flight" and inserting in lieu thereof the following: "segment in air transportation or intrastate air transportation, which is—

(i) between any two points within Puerto Rico, the United States Virgin Islands, the District of Columbia or any State of the United States (other than Alaska and Hawaii), or between any point in any one of the aforesaid jurisdications (other than Alaska and Hawaii) and any point in any other point of such jurisdictions;

(ii) within the State of Alaska or within the State of Hawaii; or

(iii) scheduled for 6 hours or less in duration, and between any point described in clause (i) and any point in Alaska or Hawaii, or between any point in Alaska and any point in Hawaii.",

to take effect upon the commencement of the 96th day following the date of this Act, and

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 124 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number "339", insert "338".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 125 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number "340", insert "339".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 126 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number "341", insert "340".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 127 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number "342", insert "341".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 128 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number "343", insert "342".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 129 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number "344", insert "343".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 130 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number "345", insert "344".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 131 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number "346", insert "345".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 132 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number "347", insert "346".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 133 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendments, insert.

SEC. 347. Not more than $14,000,000 of the funds appropriated by this Act may be obligated or expended for the procurement of advisory or assistance services by the Department of Transportation.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 134 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number "349", insert "348".

HOUSE AMENDMENT TO SENATE AMENDMENT NO. 1 IN DISAGREEMENT

The PRESIDING OFFICER. The clerk will read the amendment of the House to the amendment of the Senate numbered 1 in disagreement.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert:

IMMEDIATE OFFICE OF THE SECRETARY

For necessary expenses of the Immediate Office of the Secretary, $1,090,000.

IMMEDIATE OFFICE OF THE DEPUTY SECRETARY

For necessary expenses of the Immediate Office of the Deputy Secretary, $470,000.

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, $6,120,000.

OFFICE OF THE ASSISTANT SECRETARY FOR POLICY AND INTERNATIONAL AFFAIRS

For necessary expenses of the Office of the Assistant Secretary for Policy and International Affairs, $8,250,000.

OFFICE OF THE ASSISTANT SECRETARY FOR BUDGET AND PROGRAMS

For necessary expenses of the Office of the Assistant Secretary for Budget and Programs, $2,325,000, including not to exceed $40,000 for allocation within the Department of official reception and representation expenses as the Secretary may determine.

OFFICE OF THE ASSISTANT SECRETARY FOR GOVERNMENTAL AFFAIRS

For necessary expenses of the Office of the Assistant Secretary for Governmental Affairs, $2,300,000.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary expenses of the Office of the Assistant Secretary for Administration, $24,700,000.

OFFICE OF THE ASSISTANT SECRETARY FOR PUBLIC AFFAIRS

For necessary expenses of the Office of the Assistant Secretary for Public Affairs, $1,350,000.

EXECUTIVE SECRETARIAT

For necessary expenses of the Executive Secretariat, $835,000.

CONTRACT APPEALS BOARD

For necessary expenses of the Contract Appeals Board, $488,000.

OFFICE OF CIVIL RIGHTS

For necessary expenses of the Office of Civil Rights, $1,315,000.

OFFICE OF COMMERCIAL SPACE TRANSPORTATION

For necessary expenses of the Office of Commercial Space Transportation, $725,000.

OFFICE OF ESSENTIAL AIR SERVICE

For necessary expenses of the Office of Essential Air Service, $1,727,000.

OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION

For necessary expenses of the Office of Small and Disadvantaged Business Utilization, $3,500,000, of which $2,600,000 shall remain available until expended and shall be available for the purposes of the Minority Business Resource Center as authorized by 49 U.S.C. 332: *Provided*, That, notwithstanding any other provision of law, funds available for the purposes of the Minority Business Resource Center in this or any other Act may be used for business opportunities related to any mode of transportation.

AMENDMENT NO. 1092 TO HOUSE AMENDMENT TO SENATE AMENDMENT NO. 1 IN DISAGREEMENT

(Purpose: To grant the power to the President to reduce budget authority)

Mr. COATS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Indiana [Mr. COATS], for himself, Mr. DOLE, Mr. MCCAIN, Mr. ARMSTRONG, Mr. HUMPHREY, Mr. NICKLES, Mr. MACK, Mr. HELMS, Mr. BURNS, Mr. ROTH, Mr. KASTEN, Mr. DANFORTH, Mr. MURKOWSKI, Mr. WILSON, Mr. THURMOND, Mr. GORTON, and Mr. SYMMS, proposes an amendment numbered 1092 to Senate amendment No. 1.

Mr. COATS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

Mr. BYRD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The clerk will continue reading the amendment.

The assistant legislative clerk continued with the reading of the amendment as follows:

At the appropriate place, insert the following:

SEC. . LEGISLATIVE LINE ITEM VETO ACT OF 1989.

(a) SHORT TITLE.—This section may be cited as the "Legislative Line Item Veto Act of 1989".

(b) ENHANCEMENT OF SPENDING CONTROL BY THE PRESIDENT.—The Impoundment Control Act of 1974 is amended by adding at the end thereof the following new title:

"TITLE XI—LEGISLATIVE LINE ITEM VETO RESCISSION AUTHORITY

"PART A—LEGISLATIVE LINE ITEM VETO RESCISSION AUTHORITY

"GRANT OF AUTHORITY AND CONDITIONS

"SEC. 1101. (a) IN GENERAL.—Notwithstanding the provisions of part B of title X and subject to the provisions of part B of this title, the President may rescind all or part of any budget authority, if the President—

"(1) determines that—

"(A) such rescission would help balance the Federal budget, reduce the Federal budget deficit, or reduce the public debt;

"(B) such rescission will not impair any essential Government functions; and

"(C) such rescission will not harm the national interest; and

"(2)(A) notifies the Congress of such rescission by a special message not later than 20 calendar days (not including Saturdays, Sundays, or holidays) after the date of enactment of a regular or supplemental appropriations Act or a joint resolution making continuing appropriations providing such budget authority; or

"(B) notifies the Congress of such rescission by special message accompanying the submission of the President's budget to Congress and such rescissions have not been proposed previously for that fiscal year.

The President shall submit a separate rescission message for each appropriations bill under paragraph (2)(A).

"(b) RESCISSION EFFECTIVE UNLESS DISAPPROVED.—(1)(A) Any amount of budget authority rescinded under this title as set forth in a special message by the President shall be deemed canceled unless during the period described in subparagraph (B), a rescission disapproval bill making available all of the amount rescinded is enacted into law.

"(B) The period referred to in subparagraph (A) is—

"(i) a Congressional review period of 20 calendar days of session under part B, during which Congress must complete action on the rescission disapproval bill and present such bill to the President for approval or disapproval;

"(ii) after the period provided in clause (i), an additional days (not including Sundays) during which the President may exercise his authority to sign or veto the rescission disapproval bill; and

"(iii) if the President vetoes the rescission disapproval bill during the period provided in clause (ii), an additional 5 calendar days of session after the date of the veto.

"(2) If a special message is transmitted by the President under this session during any Congress and the last session of such Congress adjourns sine die before the expiration of the period described in paragraph (1)(B), the rescission shall not take effect. The message shall be deemed to have been retransmitted on the first day of the succeeding Congress and the review period referred to in paragraph (1)(B) (with respect to such message) shall run beginning after such first day.

"DEFINITIONS

"SEC. 1102. For purposes of this title the term 'rescission disapproval bill' means a bill or joint resolution which only disapproves a rescission of budget authority, in whole, rescinded in a special message transmitted by the President under section 1101.

"PART B—CONGRESSIONAL CONSIDERATION OF LEGISLATIVE LINE ITEM VETO RESCISSIONS

"PRESIDENTIAL SPECIAL MESSAGE

"SEC. 1111. Whenever the President rescinds any budget authority as provided in section 1101, the President shall transmit to both Houses of Congress a special message specifying—

"(1) the amount of budget authority rescinded;

"(2) any account, department, or establishment of the Government to which such budget authority is available for obligation, and the specific project or governmental functions involved;

"(3) the reasons and justifications for the determination to rescind budget authority pursuant to section 1101(a)(1);

"(4) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the rescission; and

"(5) all facts, circumstances, and considerations relating to or bearing upon the rescission and the decision to effect the rescission, and to the maximum extent practicable, the estimated effect of the rescission upon the objects, purposes, and programs for which the budget authority is provided.

"TRANSMISSION OF MESSAGES; PUBLICATION

"SEC. 1112. (a) DELIVERY TO HOUSE AND SENATE.—Each special message transmitted under sections 1101 and 1111 shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each special message so transmitted shall be referred to the appropriate committees of the House of Representatives and the Senate. Each such message shall be printed as a document of each House.

"(b) PRINTING IN FEDERAL REGISTER.—Any special message transmitted under sections 1101 and 1111 shall be printed in the first issue of the Federal Register published after such transmittal.

"PROCEDURE IN SENATE

"SEC. 1113. (a) REFERRAL.—(1) Any rescission disapproval bill introduced with respect to a special message shall be referred to the appropriate committees of the House of Representatives or the Senate, as the case may be.

"(2) Any rescission disapproval bill received in the Senate from the House shall be considered in the Senate pursuant to the provisions of this section.

"(b) FLOOR CONSIDERATION IN THE SENATE.—

"(1) Debate in the Senate on any rescission disapproval bill and debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

"(2) Debate in the Senate on any debatable motion or appeal in connection with such a bill shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the bill, except that in the event the manager of the bill is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from the time under their control on the passage of the bill, allot additional time to any Senator during the consideration of any debatable motion or appeal.

"(3) A motion to further limit debate is not debatable. A motion to recommit (except a motion to recommit with instructions to report back within a specified number of days, not to exceed 1, not counting any day on which the Senate is not in session) is not in order.

"(c) POINT OF ORDER.—(1) It shall not be in order in the Senate or the House of Representatives to consider any rescission disapproval bill that relates to any matter other than the rescission of budget authority transmitted by the President under section 1101.

"(2) It shall not be in order in the Senate or the House of Representatives to consider any amendment to a rescission disapproval bill.

"(3) Paragraphs (1) and (2) may be waived or suspended in the Senate only by a vote of three-fifths of the members duly chosen and sworn.".

Mr. COATS addressed the Chair.

The PRESIDING OFFICER (Mr. LIEBERMAN). The Senator from Indiana.

Mr. COATS. Mr. President, let me assure the managers of the bill and my colleagues that it is not my intent whatsoever to impede full consideration of the passage of this conference report. I do not intend in any way to engage in a long, drawn out attempt to withhold full consideration of what I consider to be a very important bill. It does include a number of important funding measures for all 50 of our States, including the State of Indiana.

The Senator from New Jersey and the Senator from New York who have worked long and hard on this appropriation measure and conference report are to be commended for their efforts and their work. I thank them for including what I think are a number of vital projects that affect the State of Indiana which were listed earlier by the Senator from New Jersey. I just wanted to assure my colleagues that my attempt here to offer this amendment is the result of failure on several other attempts to offer this amendment to other bills.

At the request of the leadership, the majority leader, as well as the Republican leader, I withdrew my efforts to add the amendment considered on a number of other measures because in order to expedite the work of the Senate and because the bills were deemed critical, in terms of time consideration, we initially thought to offer it on the urgent supplemental which this body discussed and debated several months ago because that was an urgent dire supplemental appropriation. And because we did not wish to hold up essential funding that was needed immediately, we agreed to

withhold consideration of our amendment at that time.

Second, we attempted to offer it to the short-term debt extension which occurred in early August, and again because the determination was made that this funding was needed immediately, we agreed to defer offering the amendment at that time with what most of us understood to be a clear understanding that we would offer it in the fall on the long-term debt extension measure.

In fact, on September 18, 1989, Senator MCCAIN, Senator ARMSTRONG, Senator HUMPHREY, and myself sent a letter to Senator MITCHELL and Senator DOLE indicating we wanted to put them on notice that it was our intention to offer the amendment on the line item veto authority, S. 1553, to the debt limit extension when it reached the Senate floor. Once again, because of the urgency of that particular measure and because that measure was not brought up until just hours before the United States might have been in default on its obligations, we agreed to withdraw that particular amendment from consideration under that bill.

We were then told and advised that the next best opportunity would be on one of the appropriations conference reports, and we have looked at a number of those and found this to be the most appropriate vehicle on which to offer this amendment. But again I want to assure my colleagues it is not our intention, certainly not my intention, in any way to delay consideration of this conference report. I really do not see why we cannot, after a reasonable time of debate, vote on this amendment, move forward, and pass this conference report yet today.

Mr. President, if I could, I would like to go back and give a brief history as to how we got to this particular point. Prior to 1974, the President had the power to impound appropriated funds. While few Presidents prior to President Nixon used that authority to any great degree, in the early seventies President Nixon used it to a considerable amount, and that brought a fair amount of concern to a number of Members of this body and to the House of Representatives as to the appropriateness of the President's use of that impoundment power.

As a result of that and other concerns about the budget, Congress went ahead and enacted the Budget Control and Impoundment Act of 1974 which, as part of that measure, was designed to ensure greater congressional budget control over the process and, in an attempt to retain some authority in the executive branch, provided a measure designed to allow the President to sent to Congress rescissions which had to be approved affirmatively by both bodies within a 45-day period of submittal.

The results of the 1974 actions by Congress have over the years proven just a little too convenient for this body to continue spending beyond the range of our ability to control the deficit.

For instance, from 1969 to 1974, domestic discretionary spending increased at a 7.3-percent average growth rate. But in the year subsequent to enactment of the Budget Control and Impoundment Act of 1974, changing the authority of the executive branch from impoundment authority to the rescission authority that had to be affirmatively approved by Congress, we saw a dramatic increase in spending. In fact, in 1975, the year subsequent to that act, spending rose at 26.4 percent and since enactment of the Budget Act of 1974 spending has been rising at a 9.6-percent average annual rate.

There are a number of causes for that, and what we are attempting to address today is not the single cause but it certainly has contributed and, that is simply that buried in most appropriations bills, in fact all appropriations bills, are a number of projects that many suspect would not stand on their own two feet were they subject to the spotlight of debate and vote on that particular entity itself.

We all know how that process works, and we have all engaged in that process, of attaching either nongermane or attaching other special projects that affect particular areas of our own representation or others to appropriations bills that we know the President is faced with a situation of either vetoing the entire bill or accepting the entire bill. It has become a very convenient way for Congress to attach a number of pet projects to bills and get them approved, projects that we would not necessarily like to debate in the light of the Senate floor for public scrutiny or have to vote on individually.

The result of this significant increase in spending and lack of check on the part of the executive branch has resulted in a massive Federal debt which we have been grappling with for more than a decade.

I was elected to the House of Representatives in 1980 and took office in 1981, and I dare say that well over two-thirds of our time has been devoted to budget matters. We are literally consumed with how to deal with the budget and the deficit spending that occurs. We go through this enormously time-consuming and complex budget resolution process every year and the appropriations process which follows. We have engaged in, as we all know, the distasteful, and I think somewhat irresponsible, process of going to continuing resolutions and loading up reconciliation bills with a number of items that have no relationship to the task at hand.

As a result, the United States has a Federal debt that is larger than the gross national product of 158 out of the world's 167 nations. Fifty-seven percent of the budget alone is spent just to finance the debt and that financing occurs at the rate of $5,000 a second.

This year we were attempting to comply with Gramm-Rudman requirements of the law to reduce the deficit not to zero but to somewhere near $100 billion, and we did not come close. As a result of that, we are currently in the situation where the most onerous part of Gramm-Rudman, in fact the part that admits we failed, is in place, the sequester, the across-the-board, totally nondiscretionary effort to eliminate, or reduce spending in all categories with a few exceptions. It is, as I said, an admission of failure and an admission of our inability to come to grips with the budget problem we face.

It has been said that to govern is to choose. But with the sequester process, we have outlawed choice and we have surrendered to a very impersonal machinery that is in operation.

Mr. President, there have been a number of attempts in this decade to try to redress what many see as an overaction to the President's impoundment authority that was enjoyed by Presidents up to 1974.

While I admit action is needed to be taken on the budget at that time, I think the point that a number of us will be making today is that we have tipped the scale too far in the other direction. As a result, the rescission process that was given to the executive branch has not been effective in any way.

As I said, there have been a number of attempts to redress that. It has been on a bipartisan basis. Members from both parties have offered amendments or resolutions before this body in an attempt to give the President one tool which they feel could be effective in addressing part of the problem that we face; that is, a line item veto authority.

We have titled our amendment that is before us and in the bill S. 1553 as "legislative line item veto." It could just as easily be called rescission process. That is consistent with a number of efforts that have taken place in this body, the most notable of which was in 1983 when Senator ARMSTRONG and Senator Russell Long of Louisiana jointly referred a rescission power amendment and was narrowly defeated on a tabling motion. But a number of others have been offered in subsequent years.

This year, in 1989, in an attempt to revive that process again, Senator MCCAIN, Senator ARMSTRONG, Senator HUMPHREY, and myself have met in extensive negotiations and discussions to

try to bring together the four separate proposals that each of us have introduced to find one measure around which we can all lend our support, and which advances the idea and the concept that we are talking about here today.

The result has been S. 1553 which is now here today offered in amendment form. It is a compromise version. It meets I think a number of objections that have been raised relative to the rescission and line item veto proposals that have been offered in this body before, and it has more than 30 cosponsors of this body that have sponsored that particular bill.

The amendment before us which outlines S. 1553 does a couple of important things. First of all, that bill reverses the presumption that currently exists relative to how a rescission is handled when it comes to the Senate floor. This is the most fundamental part of the bill.

Instead of saying that a rescission sent to this body by the President of the United States does not become effective unless affirmatively acted upon by this body, it reverses that presumption and says that it does become effective unless specifically through a resolution of disapproval it be disapproved by this and the other body.

That is the most fundamental diference in the rescission that we are offering today, and the rescission power that the President currently enjoys.

In an attempt to meet potential constitutional questions we have prescribed three basic standards which we think are important to be addressed and complied with before the President's rescission is valid. The first of those says that the President must determine that such rescission would help balance the Federal budget, reduce the Federal budget deficit, or reduce the public debts. The second standard says that such rescission will not impair any essential Government function. Third, such rescission will not harm the national interest.

Those were included to meet the objections and the possible constitutional considerations—that this rescission might leave in the hands of the President an authority that would harm the national interest or impair essential Government functions. The President must determine and certify to the Congress that these three tests are met.

The procedure is relatively simple. The President can notify the Congress by a special rescission message not later than 20 calendar days after the date of enactment of a regular or supplemental appropriation or a joint resolution making continuing appropriations. Thus, when the President receives an appropriation on his desk, he can within 20 days after the receipt of that send a special rescission to Congress rescinding part of that particular appropriation.

There is a second procedure whereby the President can submit a rescission, and that is accompanying the submission of the President's annual budget to Congress if the rescissions listed in his rescission message have not been proposed previously for that particular fiscal year. The President must submit a special separate rescission message for each appropriation bill. That rescission then becomes effective unless disapproved.

The disapproval must be all or nothing. Congress cannot divide it. They have to act on the entire rescission sent forward. Congress will have 20 days, congressional days, to review the rescission sent forward and, sending it back to the President, the President has 10 days then following that in which to accept or reject that particular resolution of disapproval.

Mr. President, let me just say a few other things here. In respect to the questions regarding the constitutionality, we do not under this amendment rescind the President's current rescission authority. We are adding a new title, title 11, to the Impoundment and Budget Control Act of 1974, retaining title 10. So the President would have his choice in terms of which rescission authority to use.

Second, as I mentioned before, we attached those three conditions to ensure that the rescission would not impair essential Government functions, would go toward reducing the deficit—needed for that particular purpose—and not harm the national interest.

Third, we have included a two-House action of disapproval on the measure so as to avoid any potential concerns raised in the Chadha decision. And finally we have asked the American Law Division of the Congressional Research Service to check this for constitutionality. Their indication is that it appears it is constitutional.

Mr. McCAIN. Will the Senator yield for a question?

Mr. COATS. Yes.

Mr. McCAIN. Is it true—I am sure this will be highlighted time and time again during this debate—that not only in this appropriations bill but on HUD and other appropriations bills there are included projects important to the Senator's State and, indeed, the State of Arizona? There are highway funds. There will be funds for the central Arizona project, and many other programs which some may classify as pork and unnecessary spending.

Is there any doubt in the Senator's mind that is the case? If so, is that any excuse or reason to do away with unnecessary spending? Is that any reason to say that we shouldn't fix a process which has caused these incredible deficits and has left us to face sequestration, which will slash so many important programs across the board.

Is it not a fact that the Senator from Indiana and I, and indeed each of the 100 Members of this body, have supported projects which may, to others, be either unnecessary or wasteful?

Is that sufficient reason, I ask my friend from Indiana, to abandon an attempt to do away with a process which has led us to the lamentable situation that we are in—when we are threatening vital programs on which veterans, the poor, the elderly, and defense, all depend?

I ask my friend from Indiana this because it will be pointed out to us, again and again during this debate, that there are parts of all the appropriations bills that fund projects in our States and which could be classified in the view of some as unnecessary, wasteful pork.

Mr. COATS. I thank my friend for his question. I certainly agree that that should not be the reason why we would not go ahead with this.

I would add to that the fact that those of us that seek appropriations for projects in our State believe that those projects are worthy projects, and we feel it is incumbent on us, and it is part of our duty, as a Senator representing our respective States, to come forward and go before the various appropriation committees and make the case for that spending.

If the debate ensues on this floor for additional debate on that particular project, we ought to be able to come here and justify that as an essential Government spending function.

All we are attempting to do here is—we are not attempting to limit spending projects. Appropriations are important. They are an essential part of what we do here on a day-to-day basis. We ought to be able to make sure that they stand the scrutiny of public exposure and debate on the particular appropriation.

Much of that will take place in the Appropriations Committee. Some of that should take place on the floor of the Senate and in the House of Representatives, and the President, we submit, ought to have a say in how that money is spent and whether they deem it is appropriate.

This procedure does not outlaw the possibility of this Congress coming back and disagreeing with the President. We do that on vetoed appropriations bills time and time again, and there is no reason we could not do it on a rescission.

What we are attempting to do here is redress what we think is a considerable imbalance in terms of how current appropriations processes are handled, and the President's inability to have his rescissions, some of which will be valid and some of which this

body will determine not to be valid, how those rescissions are handled.

The situation we now have is that very few, if any, are handled. If I could, I would like to outline the record in the past few years. I will skip a few of those, but the record is, in terms of the disapproval of rescissions sent to this body, we have not acted on most of the President's rescissions.

In fact, in 1976, under President Ford, 51 rescissions were sent to this body, and only 43 were acted on. Of the $3.608 billion submitted for rescission, $3.404 billion, $3.8 billion of that amount was not accepted.

Thus, 90 percent of what the President sent here was not accepted by this body. Under President Reagan, the record is even worse. In 1983, of 21 rescissions sent to the Congress, 21 were rejected; 100 percent of everything he sent was rejected.

In 1986, 83 rescissions were sent, totaling $10 billion. Seventy-nine were rejected, for a 97-percent rejection rate. In 1987, 73 rescissions were sent, and 71 were rejected—98 percent. In 1988, the President gave up and did not send any up here, because he saw what the record was going to be.

The questions raised as to the fact that by going through this process, we have to duplicate what we have done before, that is, we have gone through the process once; it has been through committee and through the House and the Senate; we voted on it, so why do we need to go back and do it again?

Admittedly, we will be making certain types of spending more difficult—not impossible, but more difficult. Admittedly, this body ought to be held accountable for some types of projects that go through that probably would not stand the scrutiny of public debate.

But because we have structured this in such a way that the Senate must deal with all or nothing of the rescission that is sent up, the President and the executive branch will certainly use discretion in terms of how they send a rescission forward. If the rescission includes a whole basket of things, some of which are meritorious and some which are not, it is very likely this body will not accept that rescission. They would vote a resolution of disapproval.

On the other hand, if the President selectively exercises his authority, his rescission authority, over egregious appropriations in pork barrel projects, then it is likely we could have some effect. It need not take a great deal of the time of this body. We have added the expedited procedures, which the Senator from Arizona had worked long and hard on, and which were included in his bill. We have added those as a way of expediting the process.

And without going into all the details, which I am sure my colleague from Arizona will on those particular procedures, I will just say that there is no reason why this need take up a great deal of the Senate's time.

Mr. SARBANES. Will the Senator yield for a question?

Mr. COATS. I am almost finished with my statement. If I could go ahead and finish the statement, I will be happy to yield for a question on this particular point.

Mr. President, the last objection that I want to talk about today is that this really does not save very much money, that our budget problem far exceeds our ability to deal with it through the rescission process.

I am the first to say I agree that this does not solve all the problems of deficit, but it can be an important tool in dealing with a significant contributor to the deficit. It is true, this does not cover entitlements; it does cover only appropriated amounts. But in a budget as big as ours, appropriated amounts are a significant portion.

You do not need to outlaw penicillin simply because it does not cure cancer. It has a very important effect on particular parts of disease, as does this particular measure of line item veto or against rescission authority.

In the last 13 years, $35 billion of rescissions have been sent to Congress and rejected. Had we accepted just half of those, or even less than half, we would not be in a sequester process today. If we would have met the Gramm-Rudman targets, we would not have been cutting across the board every discretionary account, which I submit will bring us back to this floor early next year in an attempt—if we do not deal with it through reconciliation—to respond to howls of protest which will arise across the country relative to the blindfolded way in which we slash across every account, without any discretion in terms of how we do that.

Mr. President, I will close here for the time being with this: I am not going to stand on this floor and single out what I consider to be pork-barrel projects in other Senators' States.

I think it is sufficient to say that we all know how to use the process. We all understand that there are ways in which we can attach spending projects which favor our particular areas, which might not stand the test of open debate.

We all have done this. I have done this. I am guilty. As the Wall Street Journal editorial said, there is to us a darker compulsion to do some things that, I think, deep down we know, in the name of sound fiscal policy and good government, we should not do.

Now, we heard some eloquent and articulate speeches on the floor of this Senate in the reconciliation process by Members of both sides, relative to the process that we had undertaken in reconciliation of attaching page after page after page of items that had no business being attached to that bill.

I think in one of the grander moves of this body, we agreed to strip that bill of those extraneous provisions and use reconciliation for what it was intended to be used for.

I appreciated the statements that were made by a number of Members as they came forward and said, Yes, I am guilty; I have my own special projects in there; I have my special spending, but I do not feel very good about it, and the thing has gotten out of hand, and sometimes we have to draw the line.

I thought that was one of the Senate's higher moments and better moments. My appeal to my colleagues here today is not to outline any particular projects that they do not think deserve the funding.

My appeal is in the name of good government, in the name of sounder fiscal policy, in the name of attempting to redress a decided imbalance that I think exists between the legislative branch and the executive branch in terms of how we deal with our spending, that we enact one tool that will help us, that will give us perhaps some courage and some fortitude not to continue the process we are under.

I fully believe that giving this authority to the executive branch will act as a check on us in the first place and that the appropriations bills that come before us will have fewer what we would describe as pork-barrel projects, fewer items that each of us knows deep down are probably not appropriate for that particular appropriations, simply because we know that the President has the authority to check that and we have to load up that vehicle, which we know the President has to sign or we know is necessary or essential funding for essential projects, with particular spending items that we know could not stand on their own two feet.

I think it is an important test of our commitment. I think the programs that do not stand the light of exposure ought to be subject to rescission, debate, and vote.

Mr. President, I close by asking unanimous consent that a letter, dated October 4, 1989, signed by the President, relative to his support for this provision, as well as an editorial from the Thursday, October 19, 1989, edition of the Wall Street Journal supporting this amendment, as well as a list of organizations supporting the amendment, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, October 4, 1989.

Hon. DAN COATS,
U.S. Senate, Washington, DC.

DEAR DAN: Let me take this opportunity to commend your personal efforts in develop-

ing the Legislative Line-Item Veto Act of 1989 (S. 1553), and to offer you my full and strong support in the push to enact this important legislation.

As you are aware, this legislation offers an important opportunity to reform the budget process by enabling the President to rescind wasteful and unnecessary appropriations and thereby reduce the Federal deficit.

Under current law, an appropriation can be cancelled only through a cumbersome rescission process that has proved to be largely ineffective. The fatal defect in the existing process is that the President's proposed rescissions can be thwarted simply by congressional inaction. And in fact, the vast majority of Presidential rescissions submitted since the present law was enacted in 1974 were never acted upon.

S. 1553 would solve this problem by allowing the President's rescissions to go into effect unless the Congress takes affirmative action to restore the appropriations. This simple but important change in the law will make both the Congress and the President more accountable for the responsible use of the public's money. For that reason, this bill deserves the support of all of us.

With best regards,

Sincerely,

GEORGE BUSH.

[From the Wall Street Journal, Oct. 19, 1989]

BUDGET THERAPY

Watching Congress sweat and grimace through its annual budget labors, fighting the urge to spend more, we're reminded of those late-night movies in which the anguished serial killer turns himself in to police and says, "Stop me before I kill again." The Members know they're doing wrong, but they need help to restrain their darker compulsions.

Arkansas Democrat David Pryor spilled his guts on the Senate floor the other day after he'd joined the Finance Committee's early-morning pork-barrel revels: "I must tell you . . . I come to the floor tonight as one who ended up with a busload of extraneous matter. It was nothing more or nothing less than a feeding frenzy." He was turning himself in.

"Frankly, as I was walking back to get in my car, I heard many, many people . . . opening champagne bottles and celebrating individual victories that some of us had accomplished in getting our little deal in the tax bill and winking at this person for slipping this in," he said. "As I was driving home, I did not feel very good about myself."

We can applaud Mr. Pryor's moment of epiphany, even as we understand that he and his confreres need restraint lest they kill again. A good place to start the rehabilitation is a "legislative line-item veto" bill now being offered by Indiana Senator Dan Coats. The Coats bill, which already has 32 Senate co-sponsors, isn't a pure line-item veto because it would apply only to spending bills. Instead it's a form of "enhanced rescission," giving a President a chance to rescind, or strike, specific spending items that just go too far.

Under the proposal, a President would have a chance twice each year to return a package of "rescissions" to the Hill—once when he proposes his budget and again after Congress disposes. Congress would have 20 days to reject the package with a 50% majority, but then a President could veto that rejection. Congress would then need the usual two-thirds majority to override any veto.

The proposal would restore some discipline erased from the budget process by the 1974 Budget "Reform" Act. Before 1974, a President could "impound," or refuse to spend, funds appropriated by Congress. Presidents Kennedy and Johnson were both big users of the impoundment power, but Congress saw its chance against a weakened President Nixon and stripped it away.

Today a President can still send up spending rescissions, but they're meaningless unless Congress has a guilty conscience and changes its mind. This is like asking foxes to feel remorse about chickens, and naturally rescissions are almost never approved. In 1987, President Reagan sent 73 rescissions back to the Hill, but only 3% of the spending total was approved by Congress. Senator Coats's proposal would let the proposed spending cuts take place automatically unless Congress acts. The Members could still try to serve their constituents with special-interest goodies, but the police (in the form of a President) would be there with a straitjacket if they really get crazy, as they do now.

Mr. Coats plans to offer his proposal as an amendment to a bill to raise the federal debt limit before the end of the month. President Bush has endorsed the idea, and as least 50 sitting Senators have voted to support enhanced rescission authority in the past. We're told Senator Pryor isn't yet a co-sponsor, but if he and his colleagues are serious about kicking their compulsions, they'll sign up.

COALITION FOR FISCAL RESTRAINT,
Washington, DC, October 27, 1989.

Following is the text of a letter endorsed by the attached list of COFIRE member-organizations and sent to members of the United States Senate on October 27, 1989:

"It is apparent to the Coalition for Fiscal Restraint (COFIRE), as well as to most Americans, that the federal budget process is in need of considerable repair to assure more responsible management of the nation's fiscal affairs.

"Those COFIRE member-organizations listed on the attachment believe that the budget process can be improved by placing more of the burden for fiscal restraint on the Executive Branch.

"For this reason, we urge your support of S. 1553 (the Legislative Line Item Veto Act of 1989).

"S. 1553 would amend the Congressional Budget and Impoundment Control Act of 1974 to provide the President with enhanced rescission authority. For your information, a fact sheet on S. 1553 is also attached.

"Frequently expressed concerns over the extension of presidential authority are addressed in the bill by giving Congress the power to reject a presidential rescission by a simple majority vote in both houses with such a rejection then subject to the constitutional veto process.

"Those COFIRE members listed believe this legislation represents a much-needed reform of the budget process, and we urge your support of S. 1553 as an important step toward this end."

The following member-organizations of the Coalition for Fiscal Restraint (COFIRE) support the passage of the Legislative Line Item Veto Act of 1989 (S. 1553):

Aluminum Association;
American Cyanamid Company;
American Farm Bureau Federation;
American Furniture Manufacturers Association;
American Legislative Exchange Council;
American Rental Association;
Americans for Tax Reform;
Amway Corporation;
Armstrong World Industries;
Associated Builders and Contractors;
Chamber of Commerce of the United States;
Citizens Against Government Waste;
Citizens for a Sound Economy;
Commercial Weather Services Association;
Committee for Private Offshore Rescue and Towing;
Consumer Alert;
Entrepreneurs of America;
FMC Corporation;
The Gap, Inc.;
Georgia-Pacific Corporation;
Independent Bakers Association;
International Ice Cream Association;
International Mass Retail Association;
Koch Industries;
Milk Industry Foundation;
National-American Wholesale Grocers' Association;
National Association of Brick Distributors;
National Association of Home Builders;
National Association of Manufacturers;
National Association of Truck Stop Operators;
National Candy Wholesalers Association;
National Federation of Independent Business;
National Grange;
National Independent Dairy-Foods Association;
National Limousine Association;
National Printing Equipment and Supply Association;
National Tax Limitation Committee;
National Taxpayers Union;
NL Industries;
Printing Industries of America;
Recreation Vehicle Industry Association;
Savers and Investors League;
Sears, Roebuck and Co.;
United Bus Owners of America;
U.S. Business and Industrial Council;
U.S. Federation of Small Businesses.

Mr. COATS. Mr. President, I appreciate my colleagues' patience with this. I hope that they understand that a number of us have been trying very hard for several months to bring this bill to the floor, either on a stand-alone basis or as an amendment, that we have agreed on three occasions and deferred to the wishes of the majority leader and the Republican leader to not impede what they considered essential measures that the Senate needed to consider on a very timely basis and that, as we are nearing the end of our session, it was important that we bring this forward, important that it be debated. But then we have no intent of holding up the process, and we have no intent of holding up this particular bill.

I think this can be adequately debated and examined in a relatively reasonable period of time, and there is no reason why we cannot finish on this today and stay right on schedule.

Mr. SARBANES. Mr. President, will the Senator yield for a question?

Mr. COATS. I am happy to yield for a question.

Mr. SARBANES. Under the Senator's proposal, is there any limitation or restraint on the President on how many and what budget authorities he can rescind?

Mr. COATS. The proposal says that the President may rescind any or all of any appropriations sent to him.

Mr. SARBANES. He can rescind anything or part thereof if he chooses; is that correct?

Mr. COATS. That is correct, within 20 days.

Mr. SARBANES. Second, I take it if he makes a rescission and sends it back to Congress and the Congress does not act, that rescission takes effect automatically; is that correct?

Mr. COATS. Mr. President, in response to the Senator, that is correct.

Mr. SARBANES. If the Congress, however, acts and disapproves the recission, in other words, the majority of Members in both bodies disapprove this Presidential rescission, does the recission then take effect?

Mr. COATS. If the Congress passes a resolution of disapproval, it then goes to the President, and the President has 10 days in which to accept or veto that resolution of disapproval.

Mr. SARBANES. In other words, it is not only that the Congress would be pushed to act on a rescission, but, if it acts on a rescission, which I take it by definition represents something that has passed the Congress and is signed into law by the President, otherwise, we would not have anything to rescind, if the Congress then disapproves it, the President can then veto that congressional action?

Mr. COATS. As the President currently has the authority to veto any appropriation, he has the same ability.

Mr. SARBANES. I know. But in this instance, by definition, he has already signed that or there would be no appropriations to rescind. So, in effect, it is not just a congressional disapproval of the rescission, the President could then veto the disapproval by the Congress; is that correct?

Mr. COATS. That is correct.

Mr. SARBANES. Therefore requiring two-thirds vote in order to put it onto place.

Mr. COATS. That is correct. Under the limited time procedures available under this bill, the President has the same veto authority that he now constitutionally has, and any appropriations or rescission subsequent to an appropriation is subject to the President's veto.

Mr. SARBANES. So, it is not merely a congressional disapproval. A disapproval must then either command the support of the President or, if not, I take it, would then come back to the Congress again to be considered in order to try to get a two-thirds vote; is that right? Once again it would come back to the Congress.

Mr. COATS. If the President chose to veto that resolution of disapproval.

Mr. SARBANES. I see. I thank the Senator.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oregon [Mr. HATFIELD].

Mr. HATFIELD. Mr. President, I am not going to be long on this matter because I think we have more important business to consider than this ill-conceived proposal.

Mr. President, I never cease to be amazed at the proclivity of the Congress to do itself in. I simply do not understand why the proponents of this and similar proposals want the House of Representatives and the U.S. Senate to do the following:

No. 1, go through the prolonged consideration of the President's requests in lengthy and often tedious hearings.

No. 2, mark up 13 appropriation bills, open markups at both subcommittee and full committee levels.

No. 3, report these bills to the floor for extended debate and amendment by any Member.

No. 4, take those bills to conference and haggle out the multitudinous details day after day, in some cases.

No. 5, negotiate with the administration all the while and make sure the bills comply with the congressional budget requirements, 302(b) allocations, et cetera.

No. 6, bring back the conference reports to the floor for further debate and possible amendment by any Member on this floor.

And, last, send those bills to the President and ask for his signature.

And then, after each one of these steps where every Member of this body has a right to offer an amendment, challenge the pork, challenge anything they think is wasteful, every step of the way, as well as working with the White House every step of the way, after all of that, after all those opportunities to review the bills, and add this or subtract that, then the proponents of this idea would have the Congress say, when the President proposes to rescind something in a bill he has already signed into law: "Oh, yes, Mr. President; you are so right, Mr. President; how can we have been so stupid, Mr. President; we will correct that right away, Mr. President."

Mr. President, my Republican colleagues, unfortunately, have not read their history when they make this kind of a proposal.

Senator Charles L. McNary, Senator from Oregon, was the Republican leader sitting here in 1937 in this Republican leadership position. The only Republicans we had in the Senate at that time filled these first two rows, only 17. That is all we had on this side of the aisle. The Democrats sat clear across the back of this side of the Chamber in two rows. It was called the "Cherokee strip," and here were those 17 Republicans huddled down here in this part of the Chamber.

I wonder how many of my colleagues would propose giving that kind of power to the President at that time, Mr. Roosevelt.

I am surprised at my colleague from a Western State that would be a party to this. In January 1977, there was a Democratic President by the name of Mr. Carter. The first thing he offered as a major issue following his inauguration was the western water hit list.

Some 21 western water projects he considered wasteful and he asked the Congress to abolish them.

Would any western Senator, with the central Arizona project or with the Bonneville Dam project, have risked the possibility that the President of the United States could have excised those and the only way the Congress could have overridden that after they had voted for that, appropriated them, would be by a two-thirds vote, as the Senator from Maryland pointed out?

From my perspective, if this had been in place, under 8 years of President Reagan when I was fighting the SDI and the MX missile, the nerve gas and all these other things that I consider the ultimate of pork barreling—not many of my colleagues here on this side of the aisle, or a handful, 17 to 21, on that side that gave Mr. Reagan a victory on every one of those projects, coalescing. We had two tie votes on nerve gas in which then-Vice President Bush had to cast the deciding vote in a tie vote. The President could have had all of those things by a much bigger margin.

No, Mr. President, the opportunities to review these bills are in our possession now.

Mr. President, there is no mystery about this deficit. We just do not have the guts to stand up and face the reality that it is income in terms of revenues, and it is outflow in terms of expenditures. And we strain and we stress ourselves into all kinds of contortions and ridiculous positions by going through procedure after procedure after procedure, as if procedure will ever correct that deficit. It will not. Gramm-Rudman-Hollings is not going to correct it.

This is not going to correct it because it takes courage, and you cannot manufacture courage. This is one of the most gutless procedures I have ever seen in my life.

With all of these opportunities for the Members of this body to stand up and challenge the pork, they say, "Oh, I do not want to do that. I want to make the President do that. Then I will keep my head down in the herd and support the President. But I do not have the guts to stand up and challenge the pork. I can talk about it. I can take ads in newspapers and I can talk about pork and all that about

pork, but I really do not want to challenge the Senator from such and such a State, or my old friend who I sit next to, because, really, I think it is pork."

The $180 million in Indiana, there could be those who would say it was pork. The money that we have for the Bonneville Dam, it could be said was pork by some people in this body.

And let me also remind my good friends from the West, no longer does the Interior Committee, now the Energy and Water Committee, control the policy of the western public land States as we did historically. We have just gone through an exercise when the forests of the Northwest, the determination on the future of those forests was being determined not by western Senators, as has historically been the case, but by a national coalition of environmental groups that said we should shut down our forests; those groups that say we should not have projects that impound water, regardless of how many people are moving to Arizona and have to have water to stay alive for industrial uses, municipalities.

It was water impoundment that won the West, Mr. President, not the six-gun. Water impoundment. And today it is increasingly difficult to get any of those projects past the myriad of obstacles of environmental reports and studies and challenges in courts and so forth.

When it gets right down to it, the proponents of this scheme are saying that a willful minority in either House could force the rescisson of funds duly appropriated by a majority of each House and signed into law by the President. The President would find something in an appropriation measure that he did not like and propose its rescission. Having just acted on the funding in the first instance, Congress would have to act on a joint resolution of disapproval, essentially saying, "Yes, indeed, we really did mean to do what we did," and send that joint resolution to the President. He would veto that measure, assuming that he really meant what he said. Then one-third, plus one—one-third, plus one—of either House could sustain the veto and frustrate the will of the majority of the Congress.

Mr. SARBANES. Will the Senator yield on that point?

Mr. HATFIELD. Yes, I will.

Mr. SARBANES. It is one-third of just one of the two Houses, is that not correct,

Mr. HATFIELD. Correct.

Mr. SARBANES. So, in effect, the President and 34 Senators only, or the President and 146 Members of the House, either—not both, either—could make every budget decision to be made, is that not correct, under this procedure?

Mr. HATFIELD. That is correct.

Mr. McCAIN. Will the Senator yield for a question on along that line?

Mr. HATFIELD. Not at this moment. I, too, want to finish my statement.

Mr. President, what is at stake here is simply that we can criticize this proposal and its procedural complexities and its redundancy, but the real issue here—and I have been focusing on my criticism of the proposal—but the real fundamental issue here is the shift in the balance of power between the two branches of Government, namely the legislative and the executive branch. And I believe very strongly that we should not alter the current balance.

After those days when we had basically almost one branch of Government after the New Deal was established with its vast majorities in both the House and the Senate, after the President of the United States attempted to pack the court because he did not like the checks and balance of the court, and we had a docile Congress, we had practically a one-branch Government.

Now, we have today a balance, a good balance between the executive and the legislative. It does not come in every session of the Congress. There are cycles in which our Government moves. But I do not believe it is the time to shift the balance of power between the Congress and the President in order to achieve what is called deficit reduction when we really are not going to achieve it even with this.

What is the largest and fastest-growing element of the Federal budget? Let us get down to fundamentals. We have had the circus, let us get down to the fundamentals. What is the largest and fastest growing part of the budget? The entitlements and mandatory spending. Would this proposal apply to that spending? No. Over 50 percent of this budget today is entitlements. And that has grown 80 percent in the last 9 years. One hundred eighty-one billion dollars for the interest on the national deficit. Would it apply to that? No. That has grown 189 percent.

What about the next piece of that budget, $305 billion for defense? At least in the Reagan years and so far this time in the Bush years, I have not seen much evidence that the Republican administration wants to do much about cutting its budget as it relates to military spending. They are following the old New Deal philosophy, I hate to admit, that the more money you throw at something, the more you solve the problem. That is Roosevelt at his finest of fiscal irresponsibility, and yet we are saying the more money you spend for military, the more defense you buy.

Well, it is not going to be applied there, even to those $50 wrenches and all the other pork barrel that we can show the Pentagon has been guilty of by the character, the inferences and the philosophy of the Republican administration.

Would this proposal enable the President to strike from the tax bills the revenue-losing provisions that occasionally occur? It would not. This proposal would only apply to the funding provided in the appropriations bills and more realistically to the nonmilitary discretionary programs that amount to about $181.3 billion. And of all of the components of the budget, that is the one that has been decreasing.

Mind you, Mr. President, the very part of the budget that has been diminishing is the part of the budget that this would most likely be applied to by the President. This proposal violates the Willy Sutton rule for deficit reduction. It does not go to where the money is, it goes to where the money is not. It is not a deficit reduction tool. It is a political ploy.

Finally, Mr. President, I think we should reflect on our experience with the current rescission procedure under title X of the Budget Act before we fundamentally alter the balance between the two branches and impetuously embrace this ill-conceived proposal.

I asked the General Accounting Office to do a little research in this area, and the results are illuminating. Since the creation of the existing rescission procedure in 1974 the General Accounting Office records a grand total of $56,938,835,000 in rescissions have been proposed by the Presidents who held office during that time.

The Congress has enacted over $19 billion of those proposals and, in addition, has enacted another $31 billion in rescissions, for a grand total of over $50 billion in rescissions enacted into law during that time.

That means Congress has enacted rescissions totaling 88 percent of the amount recommended by the President. That suggests to me, Mr. President, that the Congress is not unresponsive to Presidential requests under the present system. We have not always agreed with the President's specific proposals but the President is not the seat of all wisdom in these matters. The point is to reduce spending by rescinding budget authority available for obligation, and the Congress has done that.

Let us look at this from another point of view. Let us say the Appropriations Committee has not agreed with the President. Any one Member on this floor can force a rescission action by this body. I hope Senators will look at section 1017 of the Budget Act. It provides for a procedure under which any Member of the House or the Senate may introduce a rescission bill incorporating all or part of the President's rescission proposals or entirely new ones. There again, any

Member can get to the so-called pork, if he has the guts to do so, or the courage.

That rescission bill is referred to the Committee on Appropriations. And if it has not been reported with or without amendments after 25 days, it is subject to discharge from the committee. The committee cannot bury it. The committee cannot hide it.

In the Senate the discharge motion must be supported by at least 20 Senators, the motion is privileged, it is not amendable, debate is limited for 1 hour and no motion to reconsider is in order.

Here again, any Senator so concerned about all of this wasteful spending has the power to address the problem, the only needed element is courage. Not another procedure. Not delegating congressional power to the executive. Not saying, "Mr. President, I do not have the courage to stand up and do something. I want you to do it. I want you to get the blame for it. And I will hide here and I will vote as part of that one-third plus one needed to sustain a veto, but that vote will be well, well camouflaged."

"Courage" is the key to the deficit; not another procedure—courage.

Mr. President, I felt in 1985, as we were considering the 1986 budget, that was an example of the ultimate in courage of the Republican Members of this body because we had 50 of the 54 Republican Members vote for a budget resolution that froze all expenditures across the board for 1 year to get control of the deficit. We only had one Democrat vote with us. Fifty-one votes.

That is courage. Because that spending freeze included the hot button items of Social Security, Medicare, all the entitlements, all the mandated spending. It included everything. That was courage.

But what happened the next day? The Republican President torpedoed the package. It was not the Democrats. They certainly exploited the across the board spending freeze in the next campaign. And we have exploited other issues on our side of the aisle. But the point is that it took courage for 50 Republicans out of 54 to stand up and vote for that budget resolution that would have taken us a major step toward correcting the deficit.

That is the element. There is no mystery. Gramm-Rudman-Hollings, enhanced rescissions, line item vetoes—all of these procedures are constantly raised because we do not have the courage to face up to the fact we need more taxes on the one hand, or more revenues such as an oil import tax or something of that kind—we have too few revenues—and we have too many expenditures. And we also do not have control over the entitlements.

I am going to close now. Let us look at this GAO report about rescissions. I think my colleagues would agree President Reagan was the most ferocious, tenacious opponent of Federal spending, in the nondefense spending area, who has come down the pike in a long time. Indeed, of the $56.9 billion that has been proposed for rescission since the implementation of the Budget Act, $43.4 billion of those proposals were made by President Reagan.

How did Congress respond? Here is the GAO report. We enacted $15.7 billion of his proposals, added $28 billion of our own, and came up with a grand total of rescissions enacted by Congress in the Reagan years of $43.7 billion. Congress rescinded more money than President Reagan requested. That is the fundamental bottom line. That is the conclusion of the Government Accounting Office. The Congress in the Reagan years rescinded more money than the President proposed.

So, Mr. President, I really fail to see the point of all this. This proposal would not achieve significant deficit reduction because it does not address the principal causes of the deficit. It attacks only the appropriations process when, in fact, Congress continues to appropriate less money than the President requests.

Let me emphasize that point again. I remember when Senator BYRD was holding the floor one evening and we were getting the same old claptrap about the big spenders in the Congress and the conservative, fiscally responsible Presidents. Senator BYRD recited the fact of history, that 36 at that time—this maybe 4 years ago—36 out of the last 37 years, Congress had appropriated fewer dollars than the Presidents had requested, through Republican and Democratic administrations alike.

If we add another few years to that we will find the record will be, as shown by the Government Accounting Office, the Congress has not been the big spender.

We have had disagreements with the White House. I know as former chairman, of the appropriations bills during my 6 years alone we stopped $60 billion of President Reagan's requests for military spending. We reduced it by that amount. And we reallocated it to meet the needs of people—the poor and the others who were being denied the kind of support their Government owes them.

We know how to shift the budgets around and we can take that responsibility. But in the grand total we appropriated fewer dollars in the Reagan years than President Reagan requested.

So, let us keep that balance, as we should.

I think we have, Mr. President, a system that works pretty well. It is not the appropriations process that is the problem. We are open, aboveboard. We present vulnerability on this floor more than any other committee of this Congress because any amendment proposed by any Senator at any time can delete, can add, can change any of the work of the subcommittees, 13 subcommittees of the Appropriations Committee, the full committee.

Mr. President, I am happy to yield to the Senator from Arizona for a question.

Several Senators addressed the Chair.

Mr. HATFIELD. The Senator asked me to yield for a question a moment ago and I asked him to delay and so now I make myself available.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. I say to my colleague, if it is a question of time, I withdraw my question. There are other speakers, and I do not want to hold them up.

Mr. HATFIELD. Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. BRYAN). The Senator from Arizona [Mr. MCCAIN].

Mr. MCCAIN. Mr. President, I think my colleague from Oregon just gave a very compelling and convincing argument. He made a compelling and convincing argument for the status quo. Obviously, the status quo is satisfactory in his view. He just said this is a system that works pretty well. He said our proposal is ill-conceived, and there are more important things than getting our budget in order to consider "a system that works pretty well." I will have to disagree, and say to all my colleagues the system does not work well. About 48 hours ago, we agreed to extending the debt limit to $3 trillion. I have to say to my friend from Oregon he may think the system works pretty well, but I can assure him that the people I represent not only do not think the system works "pretty well," they think the system is broken, and it is in drastic need of repair. They are appalled and horrified at the prospect of a $3 trillion national debt.

I remind my colleagues, thanks to the Constitution of this United States which gave Congress the power of the purse it is the President who proposes; it is the Congress that disposes. Every single penny of that national debt was just approved by the Congress of the United States.

Our proposal "ill-conceived"? Obviously, my friend from Oregon is in disagreement with the President of the United States. The President of the United States says in a letter dated October 4, 1989, to me:

As you are aware, this legislation offers an important opportunity to reform the budget process by enabling the President to rescind

wasteful and unnecessary appropriations and thereby reduce the Federal deficit.

So I point out to my friend from Oregon, he is in disagreement with this President and the previous President, President Reagan, who has stated that his No. 1 priority in his years of retirement is the enactment of a line-item veto.

Mr. HATFIELD. The Senator is correct in his observation that I have disagreed with the Presidents with regard to the line-item veto.

Mr. McCAIN. I thank the Senator.

I suggest that this proposal is well conceived—I suggest that the system does not work given that we have amassed a $3.3 trillion debt—every penny of that debt being the result of appropriations bills passed by this Congress and entitlement spending—I would say the system works pretty badly. I suggest that the system is broken.

Mr. HATFIELD. Will the Senator yield on that point?

Mr. McCAIN. I am always eager to be educated by my distinguished colleague from Oregon who has an intimate and deep knowledge of this issue and the history surrounding it.

Mr. HATFIELD. Did I understand the Senator to say that all this deficit he recites was due to appropriations bills?

Mr. McCAIN. I clarify my statement: It is due to actions that have been taken by the Congress of the United States which could have this terrible legacy to future generations of Americans who will have to pay this bill one way or the other.

Let me ask this.

Why does not the President of the United States send more rescissions over here to the Congress? Frankly, I am deeply disappointed, as I know other Members of this body are—Members who share my concerns about our fiscal state—that the President does not send over more rescissions. One of the reasons he does not is because he is very sure that very few of them will get acted on—and that is why our bill is designed to force Congress to act if they disapprove of those rescissions. This is, as you know, Mr. President the opposite of current law.

The GAO says that, since 1984, the President has submitted 415 rescissions, totaling $18.4 billion. Congress has enacted only 107 of these rescissions, totaling $400 million. Given this track record, if I were the President of the United States, I would have very little hope that rescissions sent over here under the present system would have an opportunity to succeed.

The Senator from Oregon also talked about the beginning years of the Carter administration where there were Draconian measures proposed to cut many Western water projects.

I say to the Senator from Oregon, I will be glad to have any project that I support withstand the scrutiny of this body. Perhaps there have been projects awarded to my State that are not appropriate and should not have been expended by the taxpayers' dollars. Perhaps that is the case.

Nevertheless, I want to reform the whole system so that will not happen in my State or in any other State because we have an obligation to all Americans to reform a system which is broken, as is evidenced by a $3.1 trillion national debt.

Mr. ARMSTRONG. Mr. President, if the Senator from Arizona will yield for a moment, it appears to me he is on the verge of making a statement. I am eager to hear that. I just want to—even before he makes his complete presentation—congratulate him and the Senator from Indiana for bringing this matter before us. It is obvious to me—it may not be obvious to all Senators but it is obvious to me, and I think it is to the vast majority of people at home—that the Senator from Arizona is right, the system is broken; it is out of kilter.

I do not know how this looks in the various offices and bureaus in Washington, DC, but beyond the beltway, at least in Colorado, Indiana, Arizona, and other places, people think we are nuts. In fact, within the last 2 or 3 days, one of my dearest friends said to me: Why do you guys make all of these pious statements and speeches on the floor of the Senate about how you are going to balance the budget, and the deficit goes further and further out of control?

I think the only answer to that, may I say to my friend from Arizona and my friend from Indiana, is that people should not watch what we say but what we do. The vote on the Coats-McCain amendment, in my opinion, is really an acid test of the determination of Senators of whether or not they want to give somebody the power to bring spending under control. I do not see this—some may think so—I do not see this as a contest of wills, as a legislative branch and executive branch.

I have been a member of this branch of government for a long time. I am proud of it. We have the power of the purse, and we should have. When we fail to exercise that power responsibly, then somebody has to have the right to line out some of these items. As has already been pointed out, that is the way it is done at the State level; that is the way it is done in every corporation. No board of directors would saddle its chief executive with the kind of restraints we put on the President. That was the way it was done by Presidents of the United States from Thomas Jefferson until about 15 years ago.

What the Senator proposes is not unusual, it is not radical. It is, in fact, a thoughtful and moderate response to a very serious problem.

I just rise to applaud what the Senator from Arizona is trying to do and associate myself with it.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona has the floor. Does he yield to the Senator from Illinois for purposes of a question?

Mr. McCAIN. I would like to respond briefly to the remarks of the Senator from Colorado, and then I would like to yield to the Senator from Illinois without sacrificing my right to the floor, if I may, Mr. President.

Mr. DIXON. Let me say to my friend that I would rather my friend conclude. This Senator would like to be heard on the issue. I am delighted to listen to my friend from Arizona at length and when he has concluded, I would like to be heard.

Mr. McCAIN. Mr. President, I would like to say to the Senator from Colorado, his early efforts, before the Senator from Indiana and I were Members of Congress, on this issue are well known. He has been a leader. He has been a moral compass on fiscal responsibility. We are very grateful for his efforts and his kind remarks. I thank the Senator from Colorado.

I also would like to thank my friend from Indiana whose leadership on this issue has been important. I would say his efforts have also been instrumental in gaining the support of the White House for this line-item veto because I do not believe that without the important and critical support of the President of the United States we would have made the progress we have.

I say to my friend from Illinois, I will try to be brief. I do have some important points to make. I know there are other speakers.

I would also like to say with great respect to the distinguished chairman of the Appropriations Committee, I extend my apologies for holding up the process at this time. I know this is an important piece of legislation, which embodies the hard work of the distinguished chairman and ranking member of the Appropriations Committee.

Mr. President, our line-item veto amendment might be one of the most important we consider.

Urgent consideration of this amendment is appropriate at a time when we have been forced to pass legislation to allow the Government to pile up a national debt of $3 trillion. As my friend from Indiana has indicated, it has the full and strong support of the President and 33 cosigners. Over 40 members of the Coalition for Fiscal Responsibility have also voiced the support of the measure and have worked hard to bring this issue to the public's

attention. I am grateful for their constant and committed efforts.

I ask unanimous consent that a list of these organizations be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

COALITION FOR FISCAL RESTRAINT,
Washington, DC, October 27, 1989.

The following member-organizations of the Coalition for Fiscal Restraint (COFIRE) support the passage of the Legislative Line Item Veto Act of 1989 (S. 1553):

Aluminum Association.
American Cyanamid Company.
American Farm Bureau Federation.
American Furniture Manufacturers Association.
American Legislative Exchange Council.
American Rental Association.
Americans for Tax Reform.
Amway Corporation.
Armstrong World Industries.
Associated Builders and Contractors.
Chamber of Commerce of the United States.
Citizens Against Government Waste.
Citizens for a Sound Economy.
Commercial Weather Services Association.
Committee for Private Offshore Rescue and Towing.
Consumer Alert.
Entrepreneurs of America.
FMC Corporation.
The Gap, Inc.
Georgia-Pacific Corporation.
Independent Bakers Association.
International Ice Cream Association.
International Mass Retail Association.
Koch Industries.
Milk Industry Foundation.
National-American Wholesale Grocers' Association.
National Association of Brick Distributors.
National Association of Home Builders.
National Association of Manufacturers.
National Association of Truck Stop Operators.
National Candy Wholesalers Association.
National Federation of Independent Business.
National Grange.
National Independent Dairy-Foods Association.
National Limousine Association.
National Printing Equipment and Supply Association.
National Tax Limitation Committee.
National Taxpayers Union.
NL Industries.
Printing Industries of America.
Recreation Vehicle Industry Association.
Savers and Investors League.
Sears, Roebuck and Co.
United Bus Owners of America.
U.S. Business and Industrial Council.
U.S. Federation of Small Businesses.

Mr. McCAIN. Mr. President, the line-item-veto amendment has been described by my friend from Indiana. I will not repeat that description or indulge in redundancy.

Some Members feel that Republicans would not support the line-item veto for a Democratic President.

Mr. President, that simply is not true. I would support giving any President this authority. If he is out of line, Congress can clearly overturn his rescission.

Mr. President, hard-working taxpayers are tired of having the "tax increase" sword of Damocles hang over their heads every year as Congress goes on its pork-barrel-spending sprees. They are tired of being nickled and dimed with tax increases here and there, instead of spending cuts.

This year the tax increase may be $5 billion; in 1987, it was $9 billion; in 1988 it was $14 billion in new revenues.

Raising taxes is not the answer.

Mr. President, let me remind you the America taxpayer works on the average of 2 hours a day just to pay his or her annual tax bill. Their paychecks from January until May are just enough to cover his or her tax liability, and they will continue to foot the bill for what I view is out-of-control spending. As long as the President lacks a line-item veto.

I will not, as my colleague from Indiana agreed not to do, point out projects which are well known to us. I think that would inflame the debate rather than give it the calm, rational deliberation it needs.

Mr. President, we are spending addicts and we cannot admit it. We need the "line-item veto cure" so we can "just say no" to special interests. Furthermore, we need to enact this bill in order to ensure that we focus on national priorities like the war on drugs, housing for the homeless, and education, instead of some of the other projects which are far less important. Let there be no doubt, Mr. President: Americans know what a line item veto is. Everywhere I go in my State and across this country I talk about the line item veto and without exception I get an enthusiastic reception. In fact, a recent Gallup Poll indicates 70 percent of the American people support the line-item veto.

Mr. President, 43 out of 50 States have managed to grant their chief executive some sort of constitutional line-item veto. Most States had it before the First World War. My State of Arizona adopted it the year it became a State, in 1912.

There is one significant difference between State governments and that of the Federal Government. They balance their budgets and we do not.

Mr. President, if a line item veto is what 70 percent of the American people want, let us defer to their judgment. I strongly urge the rest of my colleagues, if they are serious about combating unnecessary spending and want to prevent facing the Draconian situation of sequestration, to give consideration and support to this pending amendment.

Again, I thank my colleagues for their patience. I thank my colleague from Indiana for his dedication to this task. I yield the floor.

Mr. REID addressed the Chair.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. HUMPHREY. That was a photo finish, I would observe. Mr. President, out of respect to my colleagues who also desire the floor, I will be brief.

Mr. President, this amendment represents a major initiative to control spending. I support it enthusiastically.

Inasmuch as last night's debt limit legislation increased the Federal statutory debt limit to $3.12 trillion, the time is obviously ripe to move on proposals which would increase the President's power to rescind funds appropriated by Congress. This amendment would allow the President to target specific programs to be rescinded.

Congress would have 20 days from receipt of those proposals to take action to disapprove the rescissions. Failing action, rescissions would go into effect.

A few weeks ago, Time magazine's cover story asked "Is Government Dead?"

The Premier example of a "can't do Government," according to time, is the budget. Quoting the article:

> As the 1990 budget is being crammed into a single 1,376 page package, the White House and [Budget Director Richard] Darman's Office of Management and Budget have joined Congress in a staggeringly cynical conspiracy to mask the actual size of the deficit. OMB says it will be $110 billion, in the next fiscal year, within the Gramm-Rudman-Hollings target zone. But nobody really believes that. At the same time, several long-term big-ticket items have been taken "off budget," including at least $30 billion of the $50 billion for bankrupt savings and loans over the next 3 years * * *.

Further quoting Time:

> Under the shadow of a massive Federal deficit that neither political party is willing to confront, a kind of neurosis of accepted limits has taken hold from one end of Pennsylvania Avenue to the other.

Mr. President, I think few would quarrel with the general premise Time presents, at least with regard to budget matters.

And if there is a "kind of neurosis," as Time describes it, I think it is fair to say that the so-called budget process under which we now operate is surely no cure for the sickness. Indeed, it may very well be a cause.

I do not suggest that the pending amendment will transform a "can't do" Government into an effective institution capable of dealing boldly and decisively with the deficit. It won't do that.

It is a modest step to give the executive the opportunity to identify specific spending items which might not be priorities, and make Congress vote on them. The President can't now identify wasteful or needless spending and be assured of a vote in Congress. If he could, we think it would make a difference.

The legislation is the product of much hard work on the part of many Senators interested in effecting meaningful budget reform. This proposal is also enthusiastically endorsed by the White House. Further, over two-thirds of the American people support giving the President line-item veto authority and we have numerous groups that have consistently backed our efforts.

When Congress created the Budget and Impoundment Control Act of 1974, it established a relatively weak rescission mechanism. The President could propose a rescission—either reducing or eliminating items appropriated—but the rescission would be implemented only if approved by Congress. By sheer inaction, Congress can kill a Presidential rescission request.

As Allen Schick, a scholar familiar with the budget process has said:

> The outcomes of rescissions (and deferrals) proposed since 1975 provide conclusive evidence that the branch that prevails in case of legislative inaction has the upper hand.

This amendment reverses the situation by allowing rescissions to go into effect unless disapproved by Congress.

Congress' track record on approving rescissions has been predictable. Of all the rescissions President Reagan promised from 1983 to 1988, Congress approved a mere 2 percent. Only 7 percent of President Ford's rescissions were approved, and less than 40 percent of President Carter's were approved.

The amount of money involved over the years in rescissions proposed by the President and not approved by Congress is significant. Of $8.6 billion in rescissions proposed by President Ford, Congress rejected $6 billion; Congress rejected $2.1 billion in rescissions proposed by President Carter; and Congress rejected $26.6 billion of President Reagan's rescissions.

Over 13 years, nearly $35 billion of rescissions requested by three President's were rejected—through inaction—by the Congress.

The legislation will put teeth in the rescission process. It is a significant step forward toward budget reform. I urge all Senators to support this amendment.

Mr. President, I congratulate our colleagues from Indiana and Arizona for bringing this matter to the floor. They have been preparing this legislation for months. Its pendency is something that many of us have looked forward to seeing. I support the amendment for this reason. The budget process, if you could even call it that, does not work. It does not work because Members of Congress will not let it work. As the Senator from Oregon said so well, the membership of Congress does not have the guts to make it work.

The measure that the Senators from Indiana and Arizona have presented to us is not a cure-all. It will not cure this very real problem of gutlessness and, may I say, lack of principle to which the Senator from Oregon alluded. It is not a cure-all, but it is a substantial step in the right direction. Yes, at least in my view it somewhat augments the President's power at some cost to the Congress but it is not a significant shift.

The Senator from Oregon, for example, tried to portray the fact that a third of the Senators upholding a President's veto of a resolution rejecting his rejection of certain items of expenditure is somehow extraordinary. Let us recall that a third of the Members of this body can vote to uphold a veto of an entire bill, thus thwarting the majority of both Houses. So there is nothing new in that. There is nothing remarkable about that at all. It happens all the time, a couple times a year. A minority of one House can thwart the majority of both Houses in upholding a Presidential veto. That is nothing new. It has been going on for 200 years.

So I hope Senators will not be persuaded by that argument.

I must say I agree with much of the sentiment expressed by the Senator from Oregon that it is a problem of lack of courage and, in my view, a problem of lack of principle. This measure before us, the Gramm-Rudman law, the Budget Act itself, these things are incapable of overcoming human nature. That is the fundamental problem, human nature.

Congress is a wonderful institution. What mucks things up is human nature, and thus it will always be until and unless we make certain structural reforms such as the one which is now before us, which to some degree combats human nature. It will not change human nature, but by taking it into account and changing the rules just slightly, it will help to combat those flaws of human nature which are responsible for that gutlessness and that lack of principle and in turn for the $3 trillion national debt growing, soaring, the interest costs which are now becoming the most expensive single item in the budget.

Indeed, to address the fundamental matter of human nature and what is fundamentally wrong with this institution, may I just quickly put in a plug for yet another proposal, and that is to limit the terms that Members of Congress can serve. If you want to deal with the fundamental problem of human nature, limit the terms anyone may serve, let us say two 6-year terms in the Senate, six 2-year terms in the House, 12 years, then back out; let in some fresh people; make it impossible that anyone can serve for a full career in this body and then retire.

Under those circumstances, you would see courage, you would see principle, because no one, however clever, could make a career of serving in the House or in the Senate. That is the fundamental problem today; you can make a career of this. If you vote for everything in sight, if you buy off every constituent group, if you offend no one, you can make a career of this. It is a wonderful job; you get all kinds of attention; you can be on television anytime you want to come to the floor; the salary is not bad—we are about to raise it—one of the best retirement systems in the world; all kinds of perquisites; people bow and scrape before you; it is a good deal; people do want to get elected, people will do any gutless, unprincipled thing to get reelected.

That is a fundamental problem. Perhaps that is a speech for another day.

The measure now before us makes a small institutional change that will combat the fundamental problem of human nature which has so badly eroded the procedures in the Congress to the very great detriment to our country.

Mr. President, with all due respect to our colleague from Oregon, whom I admire in so many ways, I could not help but think in the vehemence of his response and his opposition to this measure—and I know he will disagree with me—it is my opinion what we were seeing is the classic reaction of vested power.

The appropriators want their power untouched. It is enormous power they have. There is great competition to serve on the Appropriations Committee. They not only appropriate money that has been authorized, they appropriate money that has not even been authorized.

You talk about doing violence to the procedures; the Appropriations Committee are some of the most violent people toward procedures in this body. I do not mean that to be personal. I am just talking about the facts and the process.

If you look at those who use their position to pack the barrel with pork, the Appropriations Committee members are among the worst offenders—among the worst; not necessarily the worst—but among the worst.

So I cannot help but think—although I know the Senator from Oregon would not agree with me at all—that that is the expectation, the reaction you would expect from some of those who do not want their power touched, and to some degree this proposal would in fact dilute the power of the Appropriations Committee.

Great, I say do it. I say great. Let us change the balance of power slightly. Let us give to the President slightly more power over the budget. Congress has flunked the test. We do not deserve the status quo. We have flunked. We are dunces, we are truants, we are juvenile delinquents with the budget.

Yes, indeed, it makes changes, but they are badly needed. I believe we ought to support it.

Mr. President, I thank the Chair.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia [Mr. BYRD] is recognized.

Mr. BYRD. Mr. President, I can speak for 30 minutes or I can speak for several hours in opposition to this proposal. I can speak for 2 minutes and make a point of order against it. There are some Senators who wish to be accommodated who need to leave town for the evening.

So I did not want to make a point of order while the distinguished Senator from Indiana [Mr. COATS], the author of the amendment, was off the floor. But I am prepared to make that point of order. He can move to waive the point of order if he would like.

Mr. COATS. Mr. President, will the distinguished Senator yield for a question?

Mr. BYRD. I am happy to yield for a question.

Mr. COATS. Mr. President, I am aware of just a handful of Members on our side that wish to speak. I am not aware of anybody who wishes to speak at length.

In fact, only one is now currently on the floor waiting to speak: Senator LOTT. It is possible that we could come to some agreement and wrap this up fairly quickly. I would certainly not object to that.

Obviously, Mr. President, the distinguished Senator has the right to make a point of order at any time.

Mr. BYRD. Mr. President, no one, I think, on this side has spoken on the subject, but I am willing to forgo the opportunity at this point so I can accommodate Senators, maybe the point of order, and get on with other matters.

How much time does the distinguished Senator from Mississippi wish to have?

Mr. LOTT. Mr. President, I think 4 or 5 minutes would probably be adequate for me.

Mr. BYRD. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Mississippi for 5 minutes so he may speak, and I am able to retain my right to the floor.

The PRESIDING OFFICER. Is there objection?

Mr. COATS. Reserving the right to object, Mr. President, I have been informed that Senator ROTH would also like to speak, but for no more than 5 minutes. That is the only other request at this time that I have.

I wonder if the Senator will amend his request? And the minority leader apparently also would like 5 minutes—10 minutes.

Mr. BYRD. I am sorry. I certainly would never want to take any action that would prevent those Senators from having the opportunity to speak. I understand that if that many Senators speak for that much time, Senators on this side who have plane reservations would miss the plane reservations or miss the votes.

So I think I will just take my seat and listen, and make my point of order later.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi [Mr. LOTT] is recognized.

Mr. SASSER. Mr. President, will the Senator yield?

Mr. LOTT. I am happy to yield to the Senator from Tennessee.

Mr. SASSER. Mr. President, the amendment pending before us seeks to make a fundamental shift in power from the Congress to the Presidency. For this reason I rise to oppose it.

The amendment seeks to change what happens if no one acts after the President has sent up a rescission. Under current law, the rescission dies after 45 days and the appropriated funds become available. Under the amendment, the rescission would take effect unless Congress stopped it within 20 days.

Under the amendment, to stop a rescission from taking effect, Congress would have to adopt and the President sign a joint resolution disapproving the rescission. Since the President would have just sent up the rescission, he would be highly unlikely to sign the joint resolution of disapproval. Congress would thus need a two-thirds vote of both Houses to pass the joint resolution without the President's signature.

The amendment before us today has dire constitutional implications. If effective, the amendment would give the President the functional equivalent of a line-item veto, without having to pass a constitutional amendment enhancing the President's veto power. The President would in effect be able to take a scalpel to all appropriations bills and cut out what he did not like.

The amendment conflicts with the constitutional principle of separation of powers. Giving the President this power would yield additional legislative powers to an already powerful Executive. The President would be able to direct the writing of legislation under the threat of a rescission anytime he had 34 Senators on his side.

The proposal would also threaten the constitutional principle that the power of the purse—one of the few checks and balances Congress has on the Presidency short of impeachment—is vested in the Congress. The power of the purse is a power that legislatures in the English-speaking world have jealously guarded since the English civil war in the mid-1600's.

In one of the classic statements of the doctrine of checks and balances, Thomas Jefferson once wrote that—

> The powers of government should be so divided and balanced among several bodies of magistracy, as that none could transcend their legal limits, without being effectively checked and restrained by the others.

We must not tinker lightly with this fundamental doctrine of our Government.

As a practical matter this procedure will not balance the budget. After accounting for expenditures required by law—such as interest on the national debt and entitlements—the remaining discretionary expenditures subject to rescission amount to a small portion of the budget. The proposal would apply to appropriations bills, not to authorizations measures, not to revenue proposals.

This matter is clearly within the jurisdiction of the Budget Committee pursuant to the standing order on the referral of budget-related legislation. Although the committee has held a hearing in which Senator COATS testified, the Budget Committee has not marked up the amendment as a bill.

Under section 306 of the Congressional Budget Act, a point of order lies against legislation dealing with matters within the Budget Committee's jurisdiction that the Budget Committee has not reported out. Under section 904(c) of that act, the votes of 60 Senators would be necessary to waive that point of order.

Mr. President, a point of order clearly lies against the Coats amendment under section 306 of the Congressional Budget Act of 1974. I shall support the chairman of the Appropriation Committee when he raises that point of order and should a motion to waive be made I urge Senators to vote against waiving the Budget Act.

Mr. LOTT. Mr. President, I will be very brief because I feel there will be another day when we will debate this same issue, but I did want to rise in support of this legislation.

I am a cosponsor of the amendment introduced by the Senator from Indiana, and I want to commend him for his initiative and his persistence in bringing this matter of the line-item veto and enhanced rescission authority before the Senate. I know he has been wanting to do it for quite some time.

He has taken advantage of this opportunity, as any Senator is entitled to do, to offer this very important piece of legislation, although I would prefer that we do it on some other vehicle.

I think that the Appropriations Committee and the Subcommittee on Transportation have done an excellent job with this bill. Having observed this body over the year, I have learned that any Senator at any time can offer just about any amendment to any bill.

Of course, he is also subject to having a point of order raised or having his amendment tabled.

But I think that the Senator from Indiana is entitled to bring up this issue and we should debate it, and have a vote. Certainly, I am going to vote for his amendment and I am going to continue to speak out for the line-item veto and enhanced rescission authority.

Earlier this afternoon, this was referred to as ill-conceived. It may not be right. It may be right. But I think it is inappropriate to label either the amendment or the Senator offering the amendment as ill-conceived. It is not. It is a very, very serious matter that goes to basic constitutional questions.

Nor is this a partisan issue. There are some Democrats for it, and some Democrats against it. Some Republicans are for it, and I have some good friends who are conservative Republicans that are very much opposed to the concept of the line-item veto.

There is also a question about giving up some of the power of the Congress and turning over more power to the President. As a matter of fact, historically, the pendulum tends to swing back and forth; too much power perhaps in the Supreme Court, then too much for the President, then too much for the Congress. Frankly, right now, I think the Congress is abusing some of its powers in a number of areas.

I was amused at the great concern that was expressed earlier about the way that this line-item veto would work, and the concern about the fact that one-third of one body could sustain a veto.

Hey, is that not the way that Presidential vetoes work? Why is it OK when it might apply to a full appropriations bill, but it is not OK when it is a line-item veto, when the President has sent back the veto? That is the way veto overrides work. So I do not understand the concern there.

I remember when I first came to Washington in 1973 as a Member of the other body. There was a great debate raging about Presidents using impoundment. I was amused at that, too. Presidents had been impounding funds since Thomas Jefferson's time.

All of a sudden, the Congress felt as if the Presidents were abusing their impoundment authority. It was the President at that particular time that caused the Congress so much concern. Can we not admit, can we not acknowledge as Senators, that sometimes we put things in appropriations bills or authorization bills that are not needed? Can we not admit that circumstances change? Why should the President not have that authority? Forty-three Governors have this authority. What is the horror here?

I know we do not want to give up any of our power. We know how the system works. We all have to go one day to the Appropriations Committee and say, "Put in something here or there for me." We also put language in authorization bills. That is fine. I am saying, give the President an opportunity to review that and maybe knock it out with a line-item veto or a rescission.

In the 1973-74 period, we approved the Congressional Budget and Impoundment Control Act. I voted for it because I thought we needed to get a better handle on the budget process even though it took away the President's impoundment authority, basically.

Then there is the process for rescissions. I can remember in meetings that I attended in the House of Representatives in which the distinguished Republican leader, Mr. MICHEL, from Illinois, would ask the appropriators—the President had recommended billions of dollars in rescissions, 73 rescission requests in 1987—"Can we go with any of these rescission requests?" Dead silence. Nothing. Nobody wanted to take up the rescissions that had been recommended by the President of the United States. We approved only 3 percent of the amount requested by the President in 1987, and in the year before that, only 5 percent, and last year probably less than that.

The reason that the Congress has ignored Presidential rescissions, in most instances, under the present rescission process, is because there is no penalty for not following the President's recommendations.

The Coats-McCain amendment will remove that disincentive because there will now be a price to pay. And that price will be that the budget cuts recommended by the President will go into effect unless Congress passes a resolution of disapproval within 20 days.

When I was a Member of the other body, I used to talk about the BOMB, which stands for bloated omnibus money bills, or continuing resolutions. We have already had two CR's this year, and while they have been pretty clean ones we may well be faced with still a third continuing resolution if we do not complete action on the remaining appropriations bills by next Wednesday.

By approving this amendment, we will strengthen the President's hand and at the same time provide ourselves with an incentive to finish our work.

If we do not, and we end up with another continuing resolution, this next continuing resolution may well be a BOMB since we all know that the last train out of the station becomes a Christmas tree, or should I say, a turkey.

Everyone acknowledges that the budget process is not working as intended. Some suggest that we just scrap Gramm-Rudman-Hollings, and start over again. However, I think we should try to reinvigorate the budget process and breathe new life into what has become an annual exercise without real meaning.

So I think we ought to approve the Coats-McCain amendment for the following reasons:

First, we should do everything we can to discourage these omnibus continuing resolutions.

Second, we should give the President a choice so that he does not have to accept everything that Congress tries to ram down his throat.

Presidents are not all-knowing. They make mistakes. I realize that maybe I would have a different attitude at a different time. But I was for the line-item veto when President Carter was President, and I will be for it in the future.

If a President of the other party or of a different political or philosophical persuasion were in the White House, I would want him to have that authority, even though he might whack some of my projects. It is part of the process of trying to get a little better control over the budget, in my opinion.

Let us give the President a choice so that he can cut wasteful spending and exercise the discipline that the Congress itself so often fails to apply.

Let us give the President a choice so that he does not have to veto appropriations bills and shut down Federal Departments and agencies just because he opposes one provision of a bill.

And finally, I ask my colleagues to support the Coats-McCain amendment because it will force us to meet our fiscal responsibilities head on, and will restore an element of accountability and spending discipline to the budget process.

No longer will we be able to duck; no longer will we be able to hide. Instead, we will have to vote up or down on whether to accept or whether to reject the budget cuts recommended by the President.

By our vote on the Coats-McCain amendment, the American people will have a chance to find out how serious the U.S. Senate really is in dealing with our Nation's budget deficit.

I urge my colleagues to vote for the amendment.

The PRESIDING OFFICER. Who seeks recognition?

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader, Mr. DOLE, is recognized.

Mr. DOLE. Mr. President, I support Senator DAN COATS' legislative line-item veto bill that would give the President a chance to rescind specific spending items.

This proposal is before us due to the fact that the President has been denied item-veto authority so he can carve out what some call boondoggles and pork—those items that would never survive on their own. This proposal also would provide a potent weapon to attack fat in the Federal budget.

It may be, however, that the President already has the item-veto power, and is already able to eliminate the boondoggles and pork. The reason is simple: The Constitution in article I, section 7, clause 3, gives him that power.

From early on in American history, the main field of conservative advance—has been in the arena of legal ideas. Not long ago the leftward momentum in American law seemed unstoppable. When left-liberal ideas prevailed in the political branches, the courts would defer to the legislature.

When the political branches failed to adopt the left-liberal agenda, as they often did, the courts could be persuaded that this was because of some defect in the political process—and unconstitutional under ever-more-nebulous notions of a "living Constitution."

Let anyone suggest that these innovations lack support in the text, structure, or intention of the Constitution, and the answer would swiftly follow: The Constitution has to adapt to changing conditions; it must reflect evolving standards of a just and decent society. The adaptation and evolution, of course, proceeded in only one direction.

If anyone suggested, say, that the rights of contract, or of the unborn, or of a victim of crime, deserve some measure of protection, the indignant cry would go up: "You're attacking the Constitution."

No more. A new generation of scholars and Reagan-appointed jurists is asking questions that were out of bounds just 15 years ago.

In considering this subject of legal controversy, I am raising the question of the inherent power of the President to veto "orders, resolutions, and votes, as well as bills under the Constitution."

I ask that weight that should be given the original intention of the framers of the Constitution, so powerful has been the advance of conservative legal theory that we have seen a virtual reversal of roles in the legal debate.

Now it is the left that cherishes precedent while the right is seeking a new way of doing things.

TRADITIONAL CONSERVATIVE JURISPRUDENCE

Two principles form the heart, the common element, of conservative legal theory. First is commitment to the rule of law. Legal action and decisions must be grounded in neutral principles of general applicability.

Constitutional principles do not change with the political climate; the task of judges, to the extent possible, is to discern that the law is, not to advance their policy preferences. The second principle is a democratic adherence to the consent of the governed. The legitimacy of our laws, including our Constitution, arises from the deliberate decisions of the people, made through their representative institutions, laws, including the Constitution, must therefore be read, to the extent possible, as embodying the intentions of the people who adopted them rather than the opinions of those who hold judicial office today.

Restoring the proper relation between unelected courts and the elected representatives of the people is the foremost concern of traditional legal conservatives, exemplified by Chief Justice William H. Rehnquist. The central question is how to read the Constitution of the United States. Is the Constitution, as some content, an elastic and indefinite document that licenses judges to substitute their social and economic beliefs for the judgment of legislative bodies? Or does it have some fixed, reasonably ascertainable meaning, which constrains both legislatures and judges?

Traditional conservatives contend that the Constitution is principally a framework for democratic decisionmaking and not a blueprint for specific social and economic policies. Outside of a few, well-defined personal liberties set forth in the document, the Constitution allows the people to make public policy through their elected representatives. When the Court ventures into policymaking in the guise of constitutional interpretation, it oversteps the role assigned to it under the Constitution. A Constitution that is viewed as only what the judges say it is, is no longer a Constitution in the true sense.

James Madison, the principal framer of the Constitution, stated that, "If the sense in which the Constitution was accepted and ratified by the Nation is not the guide to expounding it, there can be no security for a faithful exercise of its powers."

Thomas Jefferson wrote that:

> On every question of construction, [we should] carry ourselves back to the time, when the Constitution was adopted; recollect the spirit manifested in the debates; and instead of trying [to find] what meaning may be squeezed out of the text, or invented against it, conform to the probable one, in which it was passed.

The Constitution, like statutes, contracts, and other legal documents, must be read in light of the intentions of those who adopted it. Justice William J. Brennan, Jr., stated in the school prayer cases, decided in 1963, that "the line we must draw between the permissible and the impermissible is one which accords with history and faithfully reflects the understanding of the Founding Fathers."

For some years, however, judges and academics came to disregard the original meaning of the Constitution, in favor of their preferred schools of political, economic, and moral theory.

In 1971, Yale Prof. Robert Bork, wrote an article, "Neutral Principles and Some First Amendment Problems." In it, he questioned the seeming anomaly of judicial supremacy in a democratic society. He noted that, the Courts are authorized to invalidate decisions by the elected representatives of the people if and only if the people have, through the deliberate act of Constitution making, placed certain matters beyond the cognizance of their representatives. The Court's power is therefore legitimate, Bork wrote, "only if it has, and can demonstrate that it has, a valid theory derived from the Constitution." If it merely imposes its own value choices it violates the democratic postulates of the Constitution. If a judge cannot conclude, in good faith, that the people have made a prior constitutional judgment against a given act of the legislature, there is only one alternative: The judge must defer to the legislature and enforce the law.

It cannot matter that the judge believes the law to be unwise, unfair, or oppressive. His job is not to make moral judgments, but to enforce constitutional principles that have been chosen by others.

An honest appraisal of the original meaning of constitutional provisions, many of them drafted and ratified 200 years ago, requires painstaking analysis and legal and historical judgment. It is not a mechanical process.

How are we to interpret a provision when the various framers had opposing views on the issue? How much weight should we give to the framers' opinions or actions on specific applications, as opposed to general meanings of the provisions?

When the Federalist Papers explain that executive officials may not be dismissed without senatorial consent, does that mean that the President cannot fire members of his Cabinet? One cannot assert that the Constitution must be interpreted in light of original meaning, and then retire from the fray.

Perhaps the most important sphere in which the original understanding of the Constitution has been invoked by the Supreme Court over the past 10 years to reverse its prior course has been the area of separation of powers—the way in which the Constitution maintains the mutual independence of the legislative, executive, and judicial branches of government. From the 1930's until recently, the Court had largely disregarded these features of the Constitution, despite the fact

that the framers of the Constitution believed that the separation of powers was the most important element of the constitutional design.

Thus, the Court approved such constitutional doctrines as independent regulatory agencies, had questioned the President's ability to obtain confidential advice from even his closest aides, and had watered down the Constitution's express limitations on judicial power, extending Court jurisdiction beyond actual cases and controversies, cases involving the concrete rights of individuals to include generalized grievances of a political nature. In a most interesting case, a group of law students was given standing to challenge railroad rates for recyclable materials on the theory that the amount of recycling that takes place would indirectly affect their use and enjoyment of the national parks.

Over the past 10 years, the Supreme Court has revived the doctrine of separation of powers in a series of important cases, often quoting at length from the Federalist Papers and other writings that demonstrate the original purpose and meaning of the constitutional provisions at issue. Among the most important were Immigration and Naturalization Service versus Chadha (1983), which invalidated the legislative veto, Buckley versus Valeo (1976), which reaffirmed the President's power to appoint subordinate executive officers, Allen versus Wright (1984), which limited the right of ideological plaintiffs to challenge executive decisions that do not affect their legal rights, and Bowsher versus Synar (1986), which precluded Congress from assuming the power to discharge officials who perform executive functions.

Adherence to original meaning is not only, or even primarily, a doctrine of constitutional interpretation. When courts read statutes, contracts, wills, and similar legal documents it is no less important to interpret them in light of the probable intentions of those who drafted and agreed to them. It is not the business of courts to decide what the law, or the terms of contract or will, ought to be, but to enforce rules and agreements made by others. Judicial disregard for legislative intent has therefore become an important issue in nonconstitutional cases as well.

In today's climate of opinion, however, the issue is far from settled. To quote Justice John Paul Stevens:

> The only problem for me is whether to adhere to an authoritative [judicial] construction of the act that is at odds with my understanding of the actual intent of the authors of the legislation.

Stevens concluded "without hesitation" that he must "answer that question in the affirmative."

Most important constitutional controversies have at least two sides. Conservative advocates may argue for the correctness of their positions, but principled conservatives must be prepared to accept that in some instances they may not prevail. A line-item veto is an example of an excellent idea that is contained in the Constitution which treats as a "bill, order, resolution or vote" as something that can be vetoed in accordance with article I, section 7.

Nonetheless, given the nature of our constitutional heritage, it is no coincidence that advocates of radical social change have more to lose from a jurisprudence of original meaning than those who wish to conserve and affirm the traditional values of the political community.

When Congress first began to tie unrelated items together, the President's right to veto was severely restricted. This has been recognized by a great number of Presidents. The Constitution, however, does not, itself, define what a bill is. As Harvard Law School Prof. Laurence H. Tribe, who has advised several leading Democrats, put in the Los Angeles Times, October 24, 1989:

> The fact that Congress doesn't really know what's in much of what it passes is a fact of political life.

His reaction to the assertion of an inherent line-item veto authority, however, is that:

> The courts would be unlikely to allow the President to so greatly expand his power at Congress expense.

The great need for the item veto is made obvious in the consideration of continuing appropriations bills. The bills teem with pork barrel projects for the Corps of Engineers, the Bureau of Reclamation, and hundreds of other agencies. Taking a closer look at appropriation bills, however, reveals accounts entitled "construction, general" it contains the lump sum of $864.5 million for river and harbor, floor control, shore protection and related projects authorized by law. The paragraph contains some earmarkings of funds for a project in New Jersey, another in Kentucky and a few others, all of which add up to $32.8 million. The remaining $831.7 million, however, is not to be spent on anything the President wants. No, it is to be spent on projects authorized by law and the projects identified in the conference report.

The report explains that the lump sum of $864 millions is to be allocated to the specific projects listed on pages 19 to 22 of the report. The projects are listed State by State. Here is where you find the items: $25,000 for Kake Harbor in Alaska, $200,000 for Lytle and Warm Creeks in California, $25,000 for Jonesport Harbor in Maine and so forth. Those items are not in the appropriations bill, however, and could not be eliminated by an item veto. The item veto functions at the State level because items are included in the bills presented to the Governor. Should Congress pattern itself after the States by restoring to line-itemization?

The results may not be all that attractive. Agency officials want the latitude and flexibility that accompany lump-sum funding. Members of Congress do not want the details frozen into public law either. The only way to adjust statutory details in the event of unexpected developments is to pass another public law, amending the first, and neither branch wants that rigidity.

Congress has enough problems passing public laws. For decades, Congress and the agencies have worked out a reasonable compromise. Funds are appropriated in lump-sum amounts to give officials some discretion and this is exercised throughout the fiscal year. In moving money around within these large accounts, the agencies are required in some cases to report to congressional committees and obtain their approval on reprogrammings. It is a workable system, but would be totally disrupted by locking specific amounts into public law. The President's regular veto power has been diluted because Congress passes omnibus measures instead of individual appropriations bills. The nightmare of monstrous continuing resolutions packing hundreds of billions of dollars of spending into one bill must be stopped. These massive bills inevitably handcuff the President. The framers undoubtedly anticipated that Congress would provide funds by passing separate appropriations bills for discrete programs or activities, rather than omnibus bills encompassing a variety of related and unrelated matters. Until about the time of the Civil War, congressional practice was in accordance with this expectation. Presidents were thus able to sign or veto appropriations bills based upon the merits of the programs being funded and the need for the particular amounts. However, it should be pointed out that the first appropriation bill passed in 1789 was an omnibus measure, containing all funds for civilian and military programs. The same kind of bills passed in 1790 and 1791.

The Members of the first Congress contained many of the framers who had participated in the Philadelphia Convention. Later Congresses, as in 1814, passed three separate appropriations bills—for the Army, the Navy and the civilian establishment—but even these were more of an omnibus nature than the 13 appropriations bills passed today. Granting the President an item veto is a legitimate goal, but the issue should not be obscured and confused by a misreading of history. Legally, experts on both sides of the issue say, the President's chances of success are 50-50. It would be an impressive move if President Bush tried to assert the power, but it's hard to

say whether the courts would uphold him, and it may be too late now to persuade the courts to change the status quo. What is clear, however, is that only if the President exercises his powers under the Constitution can they be tested in the courts. President Bush has proposed to do just this. I support him.

The PRESIDING OFFICER. The Senator from Delaware [Mr. ROTH] is recognized.

Mr. ROTH. Mr. President, I rise to express my support for the amendment being offered today by the Senator from Indiana to provide the President with line-item veto authority. I first want to commend the Senator from Indiana for pursuing this very important legislation. His diligence and leadership in pursuing the line-item veto power during this session has helped bring the issue to the forefront of the Senate.

As one who led the debate in 1974 to provide the President with greater authority to rescind unnecessary funding, I believe this type of legislation is more necessary than ever.

It is clear that our present efforts to significantly reduce the deficit have failed. This is made all the more clear as we recently passed an extension of the debt limit to $3 trillion. If ever there was a time for spending restraint, now is it.

Mr. President, I believe this legislation is necessary to break a pattern of budget deficits and spending growth beyond our means. Between 1980 and 1988 Federal revenues jumped 76 percent. Federal spending grew at even a faster rate. The source of our deficit is not that America is undertaxed, but that the Federal Government spends too much. It is critical that we restrain spending growth. And I strongly believe that we should provide the President with this authority if other means fail to cut the deficit.

In his budget message to Congress, President Bush expressed his support for line-item veto authority. While the President can now rescind spending, this authority is quite limited. Under the present process, Congress can simply reject the President's rescissions by inaction. Unfortunately, this allows the Congress to easily disregard the President's efforts.

Since the Budget Act was enacted, all too many times the Congress has used inaction to block the President's rescissions. I believe the President is entitled to an up-or-down vote by Congress. This is the minimum we must do in the quest for fiscal responsibility. And this is precisely what this legislation does.

I support line-item veto authority for the President. I urge my colleagues to support the amendment of the Senator from Indiana and urge its adoption.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, we have not balanced the budget in this country but once in the past 27 years. We cannot go on like we are doing. The debt has risen now to almost $3 trillion. The interest on this debt alone is about $170 billion. In my judgment if we are going to keep this budget balanced we have to do two things:

First, we have to pass a constitutional amendment to mandate a balanced budget. The Congress has now shown the fortitude to do this. We have to pass a constitutional amendment to make the Congress balance the budget.

The next thing we must do is enact a line-item veto. The amendment to this bill today is the same bill, I understand, as S. 1553, and that has the effect of enhanced rescission authority, which is equivalent to a line-item veto.

In my opinion we need to give the President this authority. This is not a partisan matter. It is not a Democratic matter; it is not a Republican matter. Regardless of who is President—a Democrat, Republican, or independent—they ought to have this authority. As Governor of South Carolina I had this authority, and I used that authority. Forty-two Governors today have this authority. The President ought to have it, of all people.

There is no question in my mind that special interests get items in the appropriations bills that should not be there. There is no question in my mind that items creep in somehow, in some way, that are not best for the public. There is no question in my mind that a lot of items in the appropriations bills could be eliminated. Some are duplicates and some have gotten in through various means. There should be some way that someone can stop spending this money, and the only one I know who can do it after the Congress acts, of course, is the President.

Mr. President, I feel very strongly that we ought to adopt this amendment. Let us give line item veto authority to the President. At the present we have a Republican President. We will have Democratic Presidents in the future, I am sure, sometime. Regardless of who the President is, he ought to have the power to exercise a process here that will save the people millions and millions of dollars. In fact, it could save billions of dollars in a few years.

As I have said, we have incurred this big debt. And the Congress has not shown the fortitude to stop spending. They still have not shown it. Therefore, we must have someone who has the courage to do it and the will to do it and who is willing to balance this budget.

Mr. President, it is not fair for us to spend, spend, spend, and put this debt on the next generation. And that is what we are doing. We are piling a heavy debt on the young people of this country. That is one reason I think the young people today are so interested in what we are doing in Congress, more than at any time I can think of in the past, because they see what is happening to them.

They are going to have to assume this debt, this $3 trillion, unless we take care of it soon and pay the interest on it. Young people are going to have to do it. Future generations are going to have to do it.

It is not fair. I think every generation ought to pay its own way as they go. We are not doing that. And if we are not going to do it, there ought to be some way somebody can force us to do it. Whether it is a Republican or Democratic President, let us give him the authority to keep this budget balanced. Let us give him the authority to eliminate these items that should not be in the appropriations bills—these items that are piling this debt on the young people in the future. Let us give him that authority. I think it would be a blessing to this country.

Mr. President, I hope this amendment will pass. I think it is vital. Frankly, I do not see how anybody would want to oppose this amendment because it is best for the country. It is best to bring about a balanced budget. It is best for the economy of this country.

Mr. President, I hope the Congress will see fit to act, and act today, and pass this line-item veto.

Mr. NICKLES. Mr. President, I do not know if the chairman of the Appropriations Committee wanted to speak. I just have a few general comments, but if he is seeking the floor.

Mr. BYRD. Mr. President, I wish to thank the distinguished Senator for his generous offer, but I will be very happy to wait.

Mr. NICKLES. Mr. President, I wish to compliment and congratulate my colleague Senator THURMOND from South Carolina for the speech that he has just made. I also wish to compliment my colleague, Senator COATS from Indiana, for this amendment today. We need this amendment to pass.

This may not be the right vehicle, and I will acknowledge that. But I will say that we need a line-item veto. Forty-three Governors have a line-item veto and the President of the United States does not. As Senator DOLE indicated, possibly he does under the Constitution and it has never been exercised. I hope this may test it so we will find out, but it has not be done yet and it may not be done this year.

That remains to be seen. We need to give the President the authority, the opportunity to be able to take out a lot of extraneous measures with a so-called line-item veto.

I think that the amendment of the Senator from Indiana does a great service, but it only deals with appropriations bills. I think we should also go further, and when we have omnibus bills that contain maybe as many as 20 or 30 or 50 bills in some cases— I think the crime control bill had as many as 60 or more separate bills packaged together—I think the President should have the opportunity to break those up individually and be able to sign or veto them separately.

Instead, Congress is getting to the point many times where—we actually have one appropriation for 2 years. We put it all in one big continuing resolution and send that to the President and say, "Sign it all or veto it all."

That is abuse in my opinion of congressional power. That is not the way the system works. We are not supposed to send the President a bill this big, $600 billion large, and say sign it all or veto it all. That is irresponsible in my opinion on the part of the Congress. That is not checks and balances. That is Congress holding all the checks, putting it in one big package and telling the President, "Take it all or leave it."

That is not a very good opportunity. That is not the way to have fiscal management. Anyone here that has been in the private sector, and certainly anyone in dealing with their households, knows you have to make individual decisions.

We have enough trouble. Even by having just 13 bills. We had the Department of Defense, it was $300 billion; we had Labor-HHS, it was $156 billion; and on and on. The HUD bill was something like $6 billion—it had HUD and VA and so on. There were a lot of different things in these bills, some of which were only appropriated amounts, but some of them are separate legislative items which may not even have a dollar amount. We often have a bill on appropriations that has legislative language inserted. Many of us have done it. Probably there are not too many people in the Chamber that have not inserted legislation on appropriation bills. The President should have the opportunity to sign or veto that legislation in addition to just the appropriated amount. He should have that opportunity. We have not given him that opportunity.

So again I want to compliment my colleague, Senator COATS, from Indiana, for his persistence, for his dedication, for his commitment to see that this is brought forward to a vote on the Senate floor. I am hopeful that we will have a good vote and that we will have at least some budget reform in the future that would encompass some of the Senator's proposals. We need budget reform. The budget process right now is broken and one of the best things that we could do would be to give the President the line-item veto. I hope that we will pass the Senator's amendment.

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California [Mr. WILSON], is recognized.

Mr. WILSON. Mr. President, much has been said and said well already. Let me just say that I think it probably must baffle a number of people, as the Congress routinely passes an extension of the debt limit—and this time one that puts our national debt ceiling above $3 trillion—they must be baffled as to how it is that State legislatures, city councils, boards of supervisors, all seem to be able to manage to live within their income, balancing revenue and expenditure, and somehow the Congress is unable to do so, historically unable to do so. And each year, before their unhappy eyes the taxpayers see amounting national debt.

I suggest that the reason is not so deeply sophisticated and mystifying as to defy analysis. It is really rather simple. In those States that manage to live within their income, manage each year to balance their budgets, it is because they are under a constitutional compulsion to do so. There is a provision in their State constitutions, in their city charters, that says they may not spend more than they take in in revenue. The result is that they do not. And the result is that they do not have mounting debt as we do that has now approached the point where, to paraphrase my friend from South Carolina, we are mortgaging our children's future. We have, in the form of the national debt, one of the very largest items of Federal expenditure because of the necessity to pay interest upon this mount of debt, this $3 trillion.

Mr. President, in those States that have that kind of a constitutional compulsion to live within a balanced budget, the Chief Executive is afforded a very useful tool—a line-item veto. Now, why is that? Well, very simply because in those legislatures, much as in the Halls of Congress, there is a very great difficulty in coming to a collective consensus on priorities. It is because we all have a different set of priorities. And those difficult, late night meetings that are supposed to produce consensus too often reach consensus by agreeing that we will spend for everything, all those good ideas. We do not cut as we perhaps should and as they do in the State legislatures because they are required by law or by constitution to do so. Instead, the consensus that we reach historically has been to spend more than we took in. We do not have balanced budget provision in the Constitution of the United States. And years after he had participated in drafting much of it, Thomas Jefferson said that was one egregious error that we had made, leaving it out.

Well, the fact is at the very least we should afford to the President, as the chief executive—the only one of us who was elected by all of the people of the United States, whose program and platform reflects a consensus nationally—the opportunity, with a very sharp scalpel or a blue pencil, to take out those things which in fact are not in his judgment a priority, those things that do not make the cut among the competing goods that we are asked to finance.

For those who are concerned that such a power would give to the President the ability to abuse the power and to, in effect, blackmail individual legislators, that is a legitimate concern, I suppose. On the other hand, I think the experience in those State legislatures where it does exist is that that power has not been terribly abused. And, very frankly, Mr. President, I am more concerned about rights of the taxpayers than I am about whether or not an individual legislator will be blackmailed on his particular pet project.

It seems in this particular vehicle there has been a very good compromise made because the legislation offered by Senators COATS and MCCAIN would address this problem by requiring Congress to cast an up-or-down vote within a specified 20-day period on all of a President's requested rescissions or, to put it another way, line-item vetoes.

In that regard, an individual legislator cannot be alone against the world and against the President of the United States. He will be in great company. He will be lined up with all those other legislators who have suffered line-item vetoes.

It strikes me this is a very good compromise and that addresses that concern that has been articulated by the opponents of the line-item veto for that reason.

So, Mr. President, let us at the very least, since we do not have a balanced budget amendment or provision in the Constitution of the United States, give to the President an enhanced rescission capability, a line-item veto, if you wish to call it that, that will give him the kind of tool necessary when he is faced—as he has been several times during my brief tenure in the Senate—with a massive spending bill, an all-or-nothing, take-it-or-leave-it continuing resolution which in one instance weighed about 30 pounds. I am sure we all recall President Reagan dropping it with dramatic effect upon a desk that shuddered in consequence of receiving that burden.

Even when the process works correctly, Mr. President, the President of the United States has only 13 separate opportunities. It seems to me he should have a sharper scapel, that he should not have to veto an entire spending bill for several agencies when, in fact, what he seeks to do is to eliminate lesser priorities which he could, by enhanced rescission, without totally sending back the measure to Congress. That is what we should give him. He needs it because the American people deserve it. That is what is at stake here.

This is a very sound compromise. We can argue this is not the right vehicle. Mr. President, it is never the right vehicle. This is as good a time as any and perhaps better than most, following, as it does, so closely upon an exercise in Congress of responsibility, having said we will pay our bills, having already spent the money, in increasing that national debt ceiling to over $3 trillion.

Mr. President, I yield the floor.

Mr. BOND. Mr. President, I am pleased to join with my colleagues Senators McCAIN and COATS in offering this amendment today. As one of the former governors serving in the Senate, I have very strong feelings on the issues of line-item veto and rescission authorities. I have used both, and I know they work.

Mr. President, too often this debate bogs down in the morass of executive versus legislative power. Some in Congress, not wanting to give up any authority, see the line-item veto as a direct attack on their ability to govern, and heels are immediately dug in.

Unfortunately, good government and common sense get lost in the shuffle.

The proposal we have before us today is a straightforward attempt to inject a bit of discipline and common sense into a process gone astray—and should not be seen as some plot to usurp authorities and powers.

In fact, in the early 1980's the Missouri State legislature included several million dollars for the construction of a new Harry S Truman office building for the State government. Then Gov. Joe Teasdale line-item-vetoed this provision, arguing it was unnecessary pork.

However, not too many days later the legislature enthusiastically overrode his veto, and construction was then completed during my second term. Clearly the legislature was not cowed by the Governor's veto power, and I cannot believe we would be either.

Mr. President, unfortunately we do not seem to see how far out of touch our so-called budget process has become. The battles over the reconciliation bill is only one example of how far we have gone in perverting the rules in order to find that little edge. If you were to try and explain to the American people how a bill—designed to reduce the deficit—becomes instead the favorite vehicle for those who wish to increase spending, why you would have a very tough time of it.

But that is what reconciliation has become. A spending cut here, a tax increase there, then a tax cut along with a new entitlement—and all of a sudden the focus of reconciliation isn't the tough deficit reduction choices, but it is child care, catastrophic health care, section 89, Medicaid expansions, and expiring provisions.

And we wonder why the folks back home do not believe us when we say we are doing everything we can to reduce the deficit.

Mr. President, the wags are right when they say Congress is starting to look like a State legislature—we cram all of our work into a few months and then pass only a couple of omnibus bills a year. All because Members are looking for a vehicle for provisions could not make it of their own accord.

When I became interested in the line-item veto, I went to various Missourians to ask for their views. In particular former Missouri Congressman Richard Bolling comments still stick out in my mind. Congressman Bolling was a congressional leader in the effort to reform the budget process, and when I asked him about the line-item veto, he thought about it for a bit and then noted that anything which brought sunshine to appropriations bills was a good thing, because too many little goodies were included every year.

This seemed like such good sense that I am not in the least bit surprised that years later Congress still refuses to enact it.

Thus I believe it is long past time to follow Dick Bolling's advice and take another step toward fiscal sanity.

Perhaps I will have a provision vetoed by the President some day—but I am certainly willing to take the chance, because like Representative Bolling, I believe the more light we allow into the process, the better off we will all be.

The Senate's action in stripping our reconciliation bill was a small first step, now let us build on that and pass this amendment today.

Mr. KASTEN. Mr. President, I rise in support of the Coats-McCain amendment to grant the President a limited form of line-item veto authority. This amendment would inject a much-needed dose of fiscal discipline in the budget process—and help us achieve the goal of a balanced budget by 1993.

Although the Gramm-Rudman deficit-cutting law has forced Congress to restrain the fiscal excesses of the past, the budget process is still biased toward higher spending. Throughout most of the history of the Republic, the President and the Congress were equal partners when it came to the expenditure of public funds.

The Constitution of 1787 empowered the President to veto spending bills passed by Congress. However, the boundaries of Presidential discretion over the expenditure of appropriated funds were not clearly defined by the Constitution's framers. From 1789 until the collapse of the Nixon Presidency, the President retained the power to "impound"—refuse to spend—money appropriated by Congress. Congress had no formal power to overturn this action. Presidents exercised this impoundment power—along with the veto—to check Congress' tendency to overspend. For example, Presidents Kennedy and Johnson used impoundments to reduce projected congressional spending by 6 percent and 5.4 percent during their respective administrations. For the most part, Congress grudgingly assented to these impoundments.

President Nixon pushed impoundment powers to their outer limits by reducing and terminating Federal programs against the explicit wishes of Congress. In response to Nixon's alleged abuse of his impoundment authority, Congress passed the Congressional Budget and Impoundment Control Act of 1974. This act eliminated the Presidential prerogative of impoundment and replaced it with weaker substitutes. The 1974 Budget Act also overhauled the entire budget process to promote planning and coordination in fiscal policy by creating the Congressional Budget Office and the House and Senate Budget Committees, which were charged with developing an overall budget plan that would serve as a guide for the Appropriations Committees of each Chamber.

The 1974 Budget Act has not worked well. Since 1974, Federal spending has almost quadrupled, from $269 billion to over $1 trillion. According to Dr. William Orzechowski, an economist with the U.S. Chamber of Commerce, congressional spending has surpassed its own budget resolutions by an average of $25 billion per year. Congress has exceeded its deficit goals over the same period by an average of $48 billion.

The 1974 Budget Act concentrated budget power in the Congress by severely limiting Presidential impoundments. In effect, the 1974 Budget Act removed any effective external check on Congress' tendency to overspend. Congressional use of multibillion dollar omnibus appropriations bills has further diluted the President's control over Federal spending. The unseemly combination of omnibus appropriations and restricted presidential impoundments has been an underlying

cause of the growth in Federal spending and deficits.

It is unlikely that the Founding Fathers envisioned the use of a single multibillion-dollar continuing resolution containing literally hundreds of spending programs, projects, and activities. The President's constitutional right to veto is not always practical because it requires him to reject necessary funding for a whole range of programs in an effort to cut wasteful spending in a few. Consequently, Presidents are reluctant to veto massive continuing resolutions that contain spending programs that would never pass on their own merits if voted on separately. In effect, the President's constitutional veto authority has been severely impaired.

Mr. President, I believe the legislative line-item veto would restore a lost Presidential prerogative, not create a new one. It would restore some of the balance of power between the executive and legislative branches in budget matters and mitigate the congressional bias toward higher spending.

I recognize that the legislative line-item veto is not a panacea to our budgetary ills. It will not guarantee a balanced Federal budget. However, I believe that it does give us one more weapon in the war against deficit spending.

A vote for the Coats-McCain amendment is a vote for fiscal responsibility. I yield the floor.

Mr. BURNS. Mr. President, I want to first thank Senator COATS and Senator MCCAIN for their leadership on this issue. I am pleased to be an original cosponsor of this amendment and their bill to establish an accountability process for congressional spending. It is called the legislative line-item veto.

This legislation allows the President to send up rescissions at the beginning of each fiscal year and for each appropriations bill which will go into effect unless Congress acts to stop them. As it currently stands, the President can submit rescissions, but they die when Congress fails to act. And Congress has failed to act 96 percent of the time since 1986.

We speak often of the broken budget process around here. The fact that we have failed to meet deadlines and, in many people's estimation, deficit targets for the last 3 years illustrates the fact that we need some additional tools. I view the legislative line-item veto as one of the most important tools because it does what Congress lacks the will to do—cut spending.

I recently saw a paper put out by the Committee for Economic Development called, "Battling America's Budget Deficits." The Committee for Economic Development is a group of presidents or board chairmen of corporations and presidents of universities. They came up with some suggestions on how Congress could get the deficit under control—some with which I agree and others which I don't.

What caught my attention most in this paper was one of the premises in their call for action. They state that:

> The case for reducing the Federal budget deficit is well understood within the Government. The problem is not the economic realties, but shortsighted political objectives, ideological divisions, and arguments about who should bear the pain—what is needed in these circumstances is political leadership to overcome the demands of narrow interest groups and short-term priorities of public officials and their constituents.

When I read that I thought to myself, that's a good suggestion, but it disregards the nature of the beast. The beast is Congress.

In my opinion, the legislative line-item veto is the weapon needed to overcome the beast. It gives someone who is outside the special interest reach of specific constituencies—the President—the authority to rescind spending. Or as the Wall Street Journal editorial in support of this legislative proposal on Friday, October 20, 1989, pointed out:

> The members could still try to serve their constituents with special-interest goodies, but the police (in the form of a president) would be there with a straitjacket if they really get crazy, as they do now.

The passage of the legislative line-item veto would being the Federal Government in line with the 43 States which already grant their Governors line-item veto power. It would be one giant step toward the fiscal accountability expected, and called for, by the American people. I urge my colleagues to support this important amendment.

Mr. LEVIN. Mr. President, I oppose the amendment offered by Senator COATS to give the President a line-item veto. I do this for two reasons.

First, the supporters of this amendment claim that this is a vital tool in the battle to reduce the deficit. I disagree. But, don't take my word for it. Let me quote OMB Director Richard Darman's words of about a month ago: The line-item veto "is not going to solve our deficit problem in the short term. In fact, it wouldn't even solve it in the long term. We need to do more fundamental things."

Or let's look to the actions of OMB Director Jim Miller during the Reagan administration. In following up on President Reagan's claim that the line-item veto would give him a powerful weapon on the war on the deficit, Jim Miller compiled a list of programs or projects that the President would have exercised the line-item veto in order to eliminate. However, the actual arithmetic contracted the alleged deficit reduction power of the line-item veto. According to OMB Director Miller's own numbers, almost 98 percent of the Federal deficit would have remained after the President line-item vetoed all of the projects to which he objected.

So, the line-item veto is a shadow of substantial deficit reduction and not the substance of it. But, I oppose the line-item veto for another reason as well. It represents a shift of power to the executive branch which should not be granted regardless of which political party is in control of it. Giving any President such power would enable him to threaten to veto projects of great importance to States or districts of Members of Congress unless those Members surrendered to the President's wishes on unrelated pieces of legislation. As a result, a Member of Congress could be inappropriately pressured to sacrifice the best interests of constituents.

We are in the bicentennial year of the Congress and not all that far beyond the bicentennial year of our independence. It is appropriate that we consider the debate on this amendment in that context. It is important that we remember the suspicion and the experience of overreaching Executive power which led to the fighting of that Revolution and to the drafting of the Constitution which established this Congress. Giving the President a line-item veto would require that we forget all of that in exchange for little more than a symbolic tool for substantial deficit reduction. For these reasons, I will vote against waiving the Budget Act with respect to the Coats amendment.

Mr. GRASSLEY. Mr. President, I commend the Senator from Indiana for bringing forth the line-item veto amendment.

The Presidential veto power was once described by Alexander Hamilton as "a salutory check upon the legislative body, calculated to guard against the effects of faction, or any impulse unfriendly to the public good. * * * " Hamilton was right 200 years ago and indeed, in these times of fiscal restraint and budget reform, a salutory check on the budget process is even more critical.

Today, the Federal budget process is in turmoil. Under current law, the President sends up his recommended cuts to Congress. But these recommendations are termed "dead on arrival" in Congress.

Congress seems to have developed an interesting budget process. First, Congress bunches all appropriations into a continuing resolution or an omnibus spending bill. Then, this trillion-dollar catch-all measure is amended and passed at the 11th hour of the legislative session. Tucked away in this trillion-dollar legislation are a variety of pork-barrel items that are barely detectable by the human eye. Further, this undisciplined practice increases the opportunity for a committee or subcommittee chair to include an item

that may not otherwise pass Congress on its own merit. In 1988, the spending measure weighed 43 pounds and consisted of 3,296 pages. This year's reconciliation bill was a 1,878-page monster.

When the continuing resolution or omnibus spending bill reaches the President, he must choose to accept all of it or reject all of it. This is not much of a choice: Accept the budget no matter what it includes, or shut down the Government.

The line-item veto would give the President the opportunity to veto items he believes are inappropriate. The line-item veto would ensure that congressional spending practices are responsible, and will restore some much needed discipline to congressional spending habits.

Some will argue that the line-item veto would give the President the ultimate check on congressional actions. But we know that Congress would still retain the final word. Congress still has the power to override any line-item veto. Rather, what the line-item veto does is inject much-needed and long-overdue accountability into the process.

It is the only solution for the branch of Government that can't say "No."

Mr. SIMPSON. Mr. President, I rise in support of Senator COATS' and Senator MCCAIN's proposal to allow the President to rescind budget authority, by use of a line-item veto.

Currently the President has the authority to request a rescission of a spending provision authorized by Congress.

However, before the President's request to reduce spending may become effective, Congress must take affirmative action and pass an approval resolution.

As an illustration of how ineffective this process is—consider that for the last 13 years, Presidents have proposed nearly $35 billion in rescissions, while the Congress has rejected all of them through inaction.

The legislative Line-Item Veto Act of 1989 would reverse this trend by requiring Congress to pass a disapproval resolution in order to stop the rescission from becoming effective.

Congress has repeatedly demonstrated the institutional inability to say no to special interest spending which has driven the statutory public debt limit to $3.12 trillion.

The amendment offered by my colleagues is but one step in the right direction of budget reform. I commend their efforts in bringing this issue to the floor.

The PRESIDING OFFICER (Mr. ROCKEFELLER). The majority leader.

UNANIMOUS-CONSENT REQUEST

Mr. MITCHELL. Mr. President, I understand momentarily the chairman of the Appropriations Committee will make a point of order, that the Senator from Indiana will make a motion to waive the Budget Act with respect to the pending amendment. I accordingly ask unanimous consent that the vote on that motion to waive occur at 5:15 p.m. this evening.

The PRESIDING OFFICER. Is there objection?

The Senator from Arkansas.

Mr. BUMPERS. Mr. President, reserving the right to object, I have come to the floor for two or three times this afternoon waiting for a time to speak on this and deliver one of my traditional barn-burning speeches in opposition. I assume both the chairman of the Appropriations Committee and the distinguished majority leader wish to speak in opposition to it, also.

Mr. MITCHELL. The chairman of the Appropriations Committee and myself are strongly opposed to the motion to waive, but we are attempting to accommodate the interests of a number of Senators, some coming, some going, and resolve this issue as promptly as possible so we can proceed to other matters.

I ask whether the Senator from Arkansas would forbear, either take the opportunity later to make remarks or place a statement in the RECORD?

Mr. BUMPERS. Mr. President, I would like to have 5 minutes at least reserved before the vote.

Mr. MITCHELL. The chairman of the Appropriations Committee has graciously not used his time so almost all the time, as I understand it, has been used by opponents of the amendment.

Why do I not suggest the Senator from Arkansas be recognized for 5 minutes, and the chairman of the Appropriations Committee be recognized for 5 minutes?

Mr. COATS. Mr. Leader, I wonder if I could be reserved for just 2 minutes to wrap up before the vote?

Mr. BYRD. Mr. President, I will do the wrapping up because I am going to make the point of order.

UNANIMOUS-CONSENT AGREEMENTS

MOTION TO WAIVE BUDGET ACT

Mr. MITCHELL. Mr. President, I modify my request to ask unanimous consent that following the making of the point of order, that the chairman of the Appropriations Committee be recognized to make a point of order; that the Senator from Indiana be recognized to make a motion to waive the Budget Act and for 2 minutes thereafter to speak in support of his motion to waive the Budget Act; that the Senator from Arkansas then be recognized for 5 minutes to speak in opposition to the motion; and that the chairman of the Appropriations Committee then be recognized for 5 minutes to speak in opposition to the motion, and upon the conclusion of the remarks of the chairman of the Appropriations Committee, the vote with respect to the motion occur.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, now with the distinguished Republican leader on the floor, I would like to make a brief statement, and then make an unanimous-consent request regarding another matter on which we have been talking for some days.

CAPITAL GAINS

Mr. MITCHELL. Senator DOLE and I have reached an agreement on a process for resolution of the capital gains issue. The House will pass and send to the Senate legislation which incorporates the capital gains provisions previously passed by the House—the so-called Jenkins bill—as part of the House reconciliation bill.

I ask unanimous consent that when the Senate receives from the House the bill that I have just referenced, that it be placed on the calendar. I further ask unanimous consent that on Tuesday, November 14, at 2:15 p.m., the Senate proceed to the consideration of this bill; that Senator PACKWOOD be immediately recognized to offer a substitute amendment which will be the text of subtitles A and B of title II of the Packwood-Roth amendment No. 1065, which may be modified by Senator PACKWOOD at any time prior to 3 p.m. on Monday, November 13, with 3 hours of debate on the amendment, equally divided and controlled between the two leaders or their designees, with no other amendments in order prior to the cloture votes that I will include. I further ask unanimous consent that at the conclusion of the time for debate on the amendment, there be a vote on a motion to invoke cloture on the substitute amendment, with the live quorum under rule XXII being waived; if cloture is invoked, the Packwood-Roth substitute will be before the Senate for consideration and passage.

If cloture is not invoked, I further ask consent that the bill be set aside until 2 p.m. on Wednesday, November 15, when it will again be brought before the Senate; that there be one hour of debate, equally divided, preceding another vote on a motion to invoke cloture to occur at 3 p.m., with the live quorum under rule XXII being waived. If cloture is invoked, the Packwood-Roth substitute will be before the Senate for consideration and passage; I further ask unanimous consent that if cloture is not invoked, the bill be returned to the calendar, and there be no other amendment relating to the issues of capital gains or IRA's to be offered in the Senate this year. I further ask unanimous consent

that the Packwood-Roth amendment No. 1065 be withdrawn from the Poland-Hungary aid bill when the Senate resumes consideration of that bill.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The text of the agreement is as follows:

Ordered, That when the Senate receives H.R. 3628, with respect to capital gains, it be placed on the calendar.

Ordered further, That at 2:15 p.m. on Tuesday, November 14, 1989, the Senate proceed to the consideration of this bill and that the Senator from Oregon [Mr. PACKWOOD] be immediately recognized to offer a substitute amendment which will be the text of Subtitles A and B of title II of the Packwood-Roth amendment No. 1065, which may be modified by Senator Packwood at any time prior to 3 p.m. on Monday, November 13, 1989.

Ordered further, That time for debate on the amendment be limited to 3 hours, to be equally divided and controlled between the two leaders or their designees, with no other amendments in order prior to the cloture votes mentioned below.

Ordered further, That at the conclusion of the time for debate on the amendment, there be a vote on a motion to invoke cloture on the substitute amendment, with the live quorum under rule XXII being waived.

Ordered further, That if cloture is invoked, the Packwood-Roth substitute be before the Senate for consideration and passage.

Ordered further, That if cloture is not invoked, the bill be set aside until 2 p.m. on Wednesday, November 15, 1989, when the bill will be brought before the Senate, and that there then be 1 hour debate, to be equally divided and controlled, preceding another vote on a motion to invoke cloture, which will occur at 3 p.m., with the live quorum under rule XXII being waived.

Ordered further, That if cloture is invoked, the Packwood-Roth substitute be before the Senate for consideration and passage.

Ordered further, That if cloture is not invoked, the bill be returned to the calendar, and that there be no other amendment relating to the issues of capital gains or IRA's to be offered in the Senate this year.

Ordered further, That the Packwood-Roth amendment, No. 1065, be withdrawn from the Poland-Hungary aid bill when the Senate resumes consideration of that bill. (Nov. 9, 1989)

Mr. MITCHELL. Mr. President, if I might state for the record, I discussed this matter with Senator PACKWOOD earlier today and he has assured me that he will provide me, in writing, not later than 2:15 p.m. on Monday, the modification, if any, which he will then make to his amendment, under the terms of this agreement that modification having to be made prior to 3 p.m. on Monday.

Senator PACKWOOD had not yet made a final decision on whether to make a modification and, if so, what the terms of the modification will be. He has assured me that if he is to make one, he will provide it in writing not later than 2:15 p.m. on Monday.

Mr. DOLE. I will just say, that is accurate. I have also discussed this with Senator PACKWOOD. If there is a modification, it will be very relevant to what is pending at this time. I say, finally, that this is the opportunity that many have been waiting for to indicate their support or objection to capital gains action this year. It is a very important vote. It is going to be capital gains versus capital gains, not capital gains on some other bill where someone will say, "I cannot vote for cloture because it is on Polish aid." It is going to be a test for those who support capital gains.

I thank the majority leader for helping to work it out together.

Mr. MITCHELL. I thank the distinguished Republican leader as well.

Mr. President, I now yield the floor.

Mr. BYRD. Mr. President, I make a point of order against the amendment of the Senator from Indiana on the ground that it violates section 306 of the Congressional Budget Act in that it deals with matter within the jurisdiction of the Committee on the Budget and the bill has not been reported by that committee.

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. Under the order, the Senator from Indiana is recognized.

Mr. COATS. Mr. President, I move to waive the Budget Act with respect to the pending amendment.

The PRESIDING OFFICER. The Senator, under the unanimous-consent agreement, has 2 minutes.

Mr. COATS. Mr. President, I want Members to understand that there should be no mistake here as to what we are voting for, despite a lot of procedural argument and the arrangement that we are now in. The vote that we are about to make is a vote on the line-item veto. It is a vote to make spending harder. It is a vote to acknowledge that the present system is broken. It is a vote that says that the $3 trillion national debt, the $150 billion-plus deficit that we face every year and cannot seem to reduce, the effects of the Gramm-Rudman law that spread cuts in all programs across the board that are currently in place, all of that can be addressed, not cured, but addressed with a giving of the line-item veto authority to the President.

We all know that we load up these appropriations bills with our special little projects, with our porkbarrel projects. We know that when these 13-pound bills come before us that we have 15 or 30 minutes to analyze, there is no way a Member can come before this body and offer amendments to take out all that special little spending. That is impossible to do. We know how we load up these vehicles that the President has to sign at the last hour or the country is going to go bankrupt. So we slip in our little goodies.

This is a chance to say we are not going to continue that practice. This is an opportunity for all those Members who have traveled around their States saying the line-item veto is a good thing, this is a chance to vote for it. A vote for the motion to waive is a vote for the line-item veto, and I urge my colleagues to take this opportunity to express their position on this issue.

Mr. President, I ask unanimous consent to add Senators BOND, NICKLES, WILSON, and BOSCHWITZ as cosponsors to the Coast-McCain amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the unanimous-consent agreement, the Senator from Arkansas is recognized for 5 minutes.

Mr. BUMPERS. Mr. President, I hate to use my time this way, but I will start off asking the Senator from Indiana how much he anticipates, if this bill becomes law, it will save?

Mr. COATS. All I can say is in the last 13 years, $35 billion of rescissions have been sent up to this body and have been rejected. If we approved half of those, we would not now find ourselves in this sequester that is cutting across every program, many of them worthy programs.

Mr. BUMPERS. $35 billion?

Mr. COATS. The last 13 years.

Mr. BUMPERS. That comes to about $2.5 billion a year and the deficit last year was $157 billion. Actually, the structural deficit was about $250 billion and the Senator hopes he can save $2.5 billion, many of which are conservative, very meritorious projects. The reason the Senate did not agree to those is because we all had projects in there that we thought were just as meritorious as anything the President thought was meritorious.

Mr. President, there is not a single Member of this body who does not know where the politics of this issue is. I know how it sounds at those evening meetings back home, and I know how the President plays this, about that irresponsible Congress. But let me tell my colleagues, as Sam Ervin said, the mother tongue is English. The Constitution is written in the mother tongue, and here is what it says. I know this has been said before: "Every bill which shall have passed the House of Representatives and the Senate"—every bill—"shall, before it become a law, be presented to the President of the United States; if he approves he shall sign it, but if not he shall return it, with his objections to that House in which it shall have originated."

There is not one word in there about the President having a line-item veto. It says he shall approve or disapprove and return the bill. We have bills coming out of this body with thousands of line items in them. And all the people who vote for this today, if it becomes law, might as well resign

their seat in the Senate. We do not need you anymore; we will let the President decide what is meritorious and what is not. We will let the President decide about some of those items in Indiana that are in the transportation bill that are under consideration that this amendment is being attached to. We will let the President veto the money in the central Arizona project and other projects in Arizona and say this is pork, or we will let the President go ahead and whip Members into line. He will call you over to the White House and say, "Senator BUMPERS, we are having a little trouble with you on SDI. We understand you do not like SDI."

"Mr. President, you could not be more right."

He said, "I understand you have a parochial interest in the interior bill. I have been through the interior bill and there are 100 things in there ranging from $100,000 to $2 million and I do not like those projects. My people tell me they are not very meritorious."

What am I supposed to do? Tell the people of Arkansas that I knuckled under to the President on something that I believe very strongly? I have never been afraid to go home and talk about SDI to my people. But I will tell you what I would be afraid to do: I would be afraid to go home and tell the people of my State that I gave up seven very meritorious projects in Arkansas that may be I worked for years and years to get and which I thought they richly deserved and say I had to knuckled under to the President on something that I believe strongly in.

Why do you think James Madison put the separation of powers in the Constitution? He put it in there so we would be equal partners, equal branches of Government. If this ever becomes law, I am going to run for President. Strike it; I am going to run for king, because that is what the President will be.

This Congress, James Madison said, is the thing that stands between what would otherwise be a tyrannical government and the people. That is what we are supposed to represent. If the President finds something odious about a bill, let him veto it.

Yesterday, in defense appropriations, somebody said, "If you cut that, the President will veto it."

"How do you know?"

"We have this letter from the President." He said, "If you put that in or take that out, he will veto it."

Sometimes I think that is just fine. Sometimes we put it in and sometimes we take a chance. We take it out or put it in regardless of what his threat is.

Mr. President, I ask unanimous consent for 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. If the President of the United States can veto a $157 billion Health and Human Services bill that contains all the medical research, all the education money, all of those things, if he can veto a $157 billion bill because it has one paragraph on abortion, what is to prevent him from vetoing any bill that he finds to be odious, offensive, excessive, no matter what the amount, and send it back over to us?

That is what the Constitution says he must do, and we know what our responsibilities are, too. For God's sake, do your duty and vote against this or resign your seat and go home.

Thank you, Mr. President.

The PRESIDING OFFICER. Under the unanimous-consent request, the Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, most of the remarks on the subject have been made by those Senators who support the amendment. I recognize the constraints on the time of Senators, the fact that tomorrow the Senate will not be in session; Senators need to catch planes, and so on, so I will be very brief at this point because there is no doubt but that this matter will come up again one day in the future.

Mr. President, I am a little bit puzzled by the position that I have heard some Senators take today, saying that this power ought to be shifted to the President, that we ought to give the President a line-item veto.

First of all, Mr. President, under the Constitution of the United States, this Senate and the House cannot give the President a line-item veto. Only the people can do that, because only the people can amend the Constitution of the United States.

Read article I. How many Senators have read the Constitution lately? That is what makes me puzzled. Article I, section 1 says: All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives. That is where the constitutional framers vested the lawmaking powers.

Then under article I, section 9, we read that no money, no money may be drawn from the Treasury, but in consequence of appropriations made by law.

If only the Congress can pass the laws and if moneys drawn from the Treasury can be made only in consequence of appropriations made by law, then only the Congress can appropriate moneys.

Senators, however, are advocating a massive shift of power from the legislative to the executive. We could not do it if we wanted to by statute, Mr. President. That would require an amendment to the Constitution. But we ought not want to do it in any event.

I believe in this institution, and it has unique powers. Those framers of the Constitution foresaw a governmental system under a separation of powers which would be based on a system of checks and balances.

Mr. President, they would be surprised and disappointed to hear Members advocate that this power be shifted to the executive, no matter whether he be a Democrat or a Republican.

The line-item veto would advocate that the President could amend a bill. He could strike from the bill figures or language.

Every Senator here knows that to strike language from a bill is an amendment. We offer amendments to strike language from a bill.

It amazes me that Senators would stand on this floor and advocate that we do something, which I do not think we could do, to allow the President to amend bills passed by the Congress by striking out items. This would make him a super legislator. The bills that would be so altered after he had stricken the language to which he was opposed would be bills which had not passed the Congress. Congress would not have passed those bills in the altered form. The President would then be signing into a law a bill which the Congress never envisioned, never agreed to, and never passed.

I hope that Senators will demonstrate a little greater knowledge of the rules and a little greater knowledge of the Constitution than that, to advocate that one man downtown can amend bills and thus make laws which under the Constitution is a power vested only in this institution, the Senate and the House of Representatives. Only Congress can make the laws.

The constitutional framers left the President with two choices. He can either veto the entire bill or he can let it pass with or without his signature, and that is it.

Mr. President, I could speak much longer, but I shall simply say this in closing.

Byron said that "a thousand years scarce serve to form a state; an hour may lay it in the dust."

This matter will be back one day, and there will be more said about it. But a great deal has been written recently and said with respect to an article by New York lawyer Stephen Glazier, published in the Wall Street Journal on December 4, 1978, which advocated that the Constitution all along has given the power to the President to exercise a line-item veto.

Let me just say with regard to that argument, because the Wall Street Journal has gone on quite a binge in advocating a line-item veto, and it bases its editorials on that faulty premise, the article by Mr. Glazier. An additional argument against the rein-

terpretation of article I, section 7, clause 3, that Mr. Glazier advances is the fact that it has not happened in over 200 years of constitutional government or interpretation.

Mr. Justice Frankfurter devastated this idea more eloquently than I am able to do when he wrote in 1959 the Supreme Court's decision in Romero v. International Terminal Operating Company, et al., 358, U.S. 354,370, which denied a petitioner's request that the court reinterpret the Maritime Act of 1875, which has been unquestioned for 83 years.

Here is what he said:

The history of archaeology is replete with the unearthing of riches buried for centuries. Our legal history does not, however, offer a single archaeological discovery of new, revolutionary meaning in reading an old judiciary enactment. The presumption is powerful that such a far-reaching, dislocating construction as petitioner would now have us find in the Act of 1975 was not uncovered by judges, lawyers, or scholars for seventy-five years because it is not there.

For those who advocate that the President already has the line-item veto, I suggest that they should repair to Mr. Justice Frankfurter's statement. The framers did not intend for the President to have a line-item veto, and we are not going to discover it in the Constitution 200 years after they wrote it, because it is not there and never was there.

I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, under the agreement, is a motion to table the appeal in order?

The PRESIDING OFFICER. The motion to table the motion to waive.

Mr. BYRD. That is what I mean. Is a motion to table the motion to waive in order under the agreement presented?

The PRESIDING OFFICER. The Senator is right.

Mr. COATS. Parliamentary inquiry, Mr. President. I am just curious as to what the status is. Parliamentary inquiry. I am still uncertain as to what our status is. Are we operating under a motion to table or are we operating——

Mr. BYRD. Mr. President, I am not going to make a motion to table. The vote will be on the motion to waive by the distinguished Senator from Indiana, and I urge that Senators vote against the motion to waive the Budget Act.

The PRESIDING OFFICER. The pending question then is on agreeing to the motion to waive the Budget Act. The motion does require 60 votes. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Montana [Mr. BAUCUS], the Senator from Texas [Mr. BENTSEN], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Tennessee [Mr. SASSER], and the Senator from Colorado [Mr. WIRTH] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. SASSER] would vote "nay."

Mr. SIMPSON. I announce that the Senator from Missouri [Mr. BOND], the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Vermont [Mr. JEFFORDS] are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. WALLOP] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 40, nays 51, as follows:

[Rollcall Vote No. 294 Leg.]

YEAS—40

Armstrong	Hatch	Nickles
Boren	Heflin	Packwood
Burns	Heinz	Pressler
Chafee	Helms	Roth
Coats	Humphrey	Shelby
Danforth	Kassebaum	Simon
Dixon	Kasten	Simpson
Dole	Lott	Specter
Domenici	Lugar	Symms
Exon	Mack	Thurmond
Garn	McCain	Warner
Gorton	McClure	Wilson
Gramm	McConnell	
Grassley	Murkowski	

NAYS—51

Adams	Durenberger	Levin
Biden	Ford	Lieberman
Bingaman	Fowler	Metzenbaum
Bradley	Glenn	Mikulski
Breaux	Gore	Mitchell
Bryan	Graham	Moynihan
Bumpers	Harkin	Nunn
Burdick	Hatfield	Pell
Byrd	Hollings	Pryor
Cochran	Inouye	Reid
Cohen	Johnston	Riegle
Conrad	Kennedy	Robb
Cranston	Kerrey	Rockefeller
D'Amato	Kerry	Rudman
Daschle	Kohl	Sanford
DeConcini	Lautenberg	Sarbanes
Dodd	Leahy	Stevens

NOT VOTING—9

Baucus	Boschwitz	Sasser
Bentsen	Jeffords	Wallop
Bond	Matsunaga	Wirth

The PRESIDING OFFICER. On this vote, the yeas are 40, the nays are 51. Three-fifths of the Senators duly chosen and sworn not having voted to concur with the motion, the motion is rejected.

The amendment of the Senator from Indiana deals with a matter within the jurisdiction of the Senate Budget Committee and is being offered to a bill that was not reported from that committee in violation of section 306 of the Congressional Budget Act. The point of order is sustained. The amendment falls.

The Senator from New Jersey.

HOUSE AMENDMENT TO SENATE AMENDMENT NO. 1

Mr. LAUTENBERG. Mr. President, I now move that the Senate concur in the House amendment to the Senate amendment No. 1, which was the amendment that was being considered here, and move to reconsider and table that motion.

The PRESIDING OFFICER. The question is on the motion of the Senator from New Jersey.

The motion was agreed to.

Mr. LAUTENBERG. Mr. President, earlier today there was a group of amendments en bloc that were approved by a unanimous consent and I ask now that those amendments en bloc be reconsidered and tabled.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I yield the floor.

HOUSE AMENDMENT TO SENATE AMENDMENT NO. 136 IN DISAGREEMENT

The PRESIDING OFFICER. The clerk will report the remaining amendment in disagreement.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 136 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

TITLE IV—EMERGENCY DRUG FUNDING

CHAPTER I

DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For carrying out efforts at National Drug Control and the President's initiative to combat violent crime, $10,261,000 to enhance drug and criminal law enforcement efforts with special emphasis on improving drug law enforcement efforts among the various Justice Department agencies and on expedited deportation proceedings of convicted criminal aliens.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For carrying out efforts at National Drug Control and the President's initiative to combat violent crime, $41,476,000, to remain available until expended, to improve the effectiveness of the Department's legal activities, to improve coordination between law enforcement programs in this country and other countries, to improve efforts in extradition of drug cartel kingpins and to improve Criminal Division efforts in Federal/State task forces.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

To continue efforts begun in fiscal year 1989 to improve the ability of the United States Attorneys to prosecute drug and other crime related offenses, $80,699,000, for new assistant United States Attorneys, for annualization of new attorney positions funded in fiscal year 1989, and for automation enhancements necessary to improve

productivity and case mangement in the various United States Attorneys' offices.

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

For carrying out efforts at National Drug Control and the President's initiative to combat violent crime, $23,819,000 to improve the ability of the United States Marshals Service to pursue and apprehend alleged major drug and organized crime figures, and to improve the security required for anti-drug and organized crime judicial proceedings.

SUPPORT OF UNITED STATES PRISONERS

To fight the war on drugs, $23,000,000, to remain available until expended for enhancing the availability of jail space for unsentenced Federal prisoners in the custody of the United States Marshals Service; of which not to exceed $10,000,000 shall be available under the Cooperative Agreement Program to obtain guaranteed housing for Federal prisoners in State and local detention facilities.

ASSETS FORFEITURE FUND

To fight the war on drugs, $25,000,000 for awards for information in drug cases, purchase of evidence for drug violations, equipping conveyances for drug law enforcement, and other expenses as authorized by 28 U.S.C. 524 (c)(1)(A)(ii), (B), (C), (F) and (G), as amended, to be derived from the Department of Justice Assets Forfeiture Fund.

INTERAGENCY LAW ENFORCEMENT

ORGANIZED CRIME DRUG ENFORCEMENT

For carrying out efforts at National Drug Control $46,361,000 to strengthen the ability of the Federal Government to attack drug cartels and other organized crime groups through the eleven cooperating Federal agencies which participate in the organized crime drug enforcement task forces.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For carrying out efforts at National Drug Control $97,045,000, to strengthen Federal domestic law enforcement at the local level to include additional agents, support personnel and equipment, improvements in automation and telecommunications, and enhancements in field equipment and training.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For carrying out efforts at National Drug Control, $64,301,000, for additional agents, support personnel and equipment for improved domestic drug law enforcement; for expanded cleanup and disposal of toxic chemicals from clandestine laboratories; to expand State and local task forces; to complete the nationwide placement of asset removal teams; and to improve intelligence programs.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

For carrying out efforts at National Drug Control and the President's initiative to combat violent crime, $16,891,000, for additional Border Patrol agents to improve drug interdiction efforts and for additional investigators and other staff needed to increase the apprehension and detention of criminal aliens.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For carrying out efforts at National Drug Control and the President's initiative to combat violent crime, $54,923,000, for additional staff to activate new prisons, to improve staffing at existing institutions, and to fund additional support costs associated with the projected increases in Federal prison populations.

BUILDINGS AND FACILITIES

For carrying out efforts at National Drug Control and the President's initiative to combat violent crime, $1,000,000,000, to remain available until expended, for acquisition and construction of new Federal prison facilities in order to handle the projected growth in prisoner populations resulting from the increased number of drug-related convictions.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

To fight the war on drugs, $308,821,000, to remain available until expended; of which $300,000,000 is for the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs for State and local agencies to improve efforts in street-level and community-based drug law enforcement efforts; and of which $8,821,000 is for the Juvenile Justice and Delinquency Prevention Program in order to improve programs for the prevention, intervention and treatment of juvenile crime, especially where it relates to youth gangs and drugs.

THE JUDICIARY

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

For carrying out efforts at National Drug Control and the President's initiative to combat violent crime, $59,550,000 for additional clerks office personnel, probation and pretrial services personnel, magistrates and related support personnel, and drug aftercare treatment services necessary to handle the growth in drug and crime related caseloads in the Federal courts.

DEFENDER SERVICES

For carrying out efforts at National Drug Control and the President's initiative to combat violent crime, $41,373,000, to remain available until expended, for the increased expenses associated with Federal public defender and community defender organizations and private panel attorneys necessary to handle the growing drug and crime related caseload of the Federal courts.

FEES OF JURORS AND COMMISSIONERS

For carrying out efforts at National Drug Control and the President's initiative to combat violent crime, $4,000,000, to remain available until expended, for the increased cost of grand and petit juries resulting from the growth in the drug and crime related caseload of the Federal courts.

COURT SECURITY

For carrying out efforts at National Drug Control and the President's initiative to combat violent crime, $15,400,000, to provide for expanded security and protective services for the Federal courts to handle the increase in drug and crime related judicial proceedings which require a higher level of security.

RELATED AGENCY

STATE JUSTICE INSTITUTE

SALARIES AND EXPENSES

For carrying out the provisions of section 7321 of the Anti-Drug Abuse Act of 1988 (P.L. 100-690), $4,020,000, to remain available until expended, to allow the State Justice Institute to expand its programs to assist States in improving their court systems to allow them to handle the growing drug and crime related caseload.

CHAPTER II

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

CONSTRUCTION

To fight the war on drugs, $4,000,000, to remain available until expended, for the provision of additional emergency shelters for Indian youth and for the construction of juvenile detention facilities.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

To fight the war on drugs, $7,250,000, for the Indian Health Service to increase after care services and provide for family outpatient care, expand community education and training efforts with a focus on prevention and training of program staff, expand alcoholism and drug abuse prevention efforts for adolescents through urban Indian health programs, and provide contract health services for substance abuse treatment and rehabilitation of Indian youth and their families.

INDIAN HEALTH FACILITIES

To fight the war on drugs, $1,500,000, to remain available until expended, to allow the Indian Health service to complete the construction or renovation of facilities to provide detoxification and rehabilitation services in youth regional treatment centers.

Chapter III

DEPARTMENT OF LABOR

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For an additional amount for substance abuse employee assistance programs in the workplace, $2,000,000.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

ALCOHOL, DRUG ABUSE AND MENTAL HEALTH ADMINISTRATION

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

For carrying out activities to fight the war on drugs including substance abuse research, treatment, and prevention, $727,000,000: Provided, That of this amount, $415,000,000 shall be provided for block grants to States under title XIX of the Public Health Service Act to be used exclusively for substance abuse activities and shall remain available for obligation by the States until March 31, 1991, and such obligated funds shall remain available for expenditure by the States until March 31, 1992: Provided further, That of this amount, $40,000,000 shall be available for treatment waiting period reduction grants, if authorized in law.

FAMILY SUPPORT ADMINISTRATION

COMMUNITY SERVICES BLOCK GRANT

For an additional amount for anti-drug abuse activities under the Community Services Block Grant Act, $2,000,000.

ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT SERVICES

HUMAN DEVELOPMENT SERVICES

To fight the war on drugs by providing assistance to runaway and homeless youth, by providing drug prevention activities related to youth gangs, and by providing temporary child care, crisis nurseries and abandoned infants assistance to children impacted by drugs, $23,750,000.

DEPARTMENT OF EDUCATION

SCHOOL IMPROVEMENT PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

To ensure a drug free learning environment for American students by carrying out the Drug-Free Schools and Communities Act of 1986, as amended, part F of title IV of the Elementary and Secondary Education act, as amended, and the Department of Education Organization Act, $183,500,000: Provided, That of this amount $170,000,000 shall be for State grants under part B, which shall become available on July 1, 1990, and remain available until September 30, 1991; $2,000,000 shall be for innovative alcohol abuse programs under section 4607; $7,500,000 shall be for teacher training under part C; $2,000,000 shall be for national programs under part D; and $2,000,000 shall be transferred to "Departmental Management, Program Administration" for administrative costs: Provided further, That of the amounts available for part B, not less than $25,000,000 shall be for section 5121(a) for urban and rural emergency grants: Provided further, That funds available under the "Department of Education Appropriations Act, 1990" for "Rehabilitation Services and Handicapped Research" shall also be available for activities under title II of Public Law 100-407; funds available for "School Improvement Programs" shall also be available for activities under title IX of the Education for Economic Security Act, as amended; and funds available for "Student Financial Assistance" shall be administered without regard to section 411F(1) of the Higher Education Act of 1965 (20 U.S.C. 1001 et. seq.), and the term "annual adjusted family income" shall, under special circumstances prescribed by the Secretary of Education, mean the sum received in the first calendar year of the award year from the sources described in that section.

RELATED AGENCY

ACTION

OPERATING EXPENSES

For an additional amount for substance abuse prevention and education activities under Part C of title I of the Domestic Volunteer Service Act of 1973 as amended, $1,500,000, of which not more than $150,000 may be used for administrative expenses.

CHAPTER IV

DEPARTMENT OF THE TREASURY

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

To fight the war against armed career criminals, an additional amount of $10,000,000 for the hiring, training and equipping of additional agents, and inspectors to enhance the arrest and conviction of armed career criminals who violate Federal firearms statutes.

UNITED STATES CUSTOMS SERVICES

SALARIES AND EXPENSES

To fight the war on drugs, an additional amount of $18,000,000, of which $15,000,000 shall be available to undertake investigations to counter drug-related money laundering or other law enforcement activities, and of which $3,000,000 shall be available to increase the air interdiction program staffing level to 960 permanent full-time equivalent positions: *Provided*, That none of the additional funds shall be made available for the establishment of the Financial Crimes Enforcement Network without the advance approval of the House and Senate Committees on Appropriations.

OPERATIONS AND MAINTENANCE, AIR INTERDICTION PROGRAM

To fight the war on drugs, an additional $35,800,000, to remain available until expended, for the procurement of interceptor and support aircraft, and to provide for the operation and maintenance expenses of these assets to more effectively interdict the illegal importation of drugs into the United States.

CUSTOMS FORFEITURE FUND

(LIMITATION ON AVAILABILITY OF DEPOSITS)

To fight the war on drugs, an additional amount of $5,000,000, to be derived from deposits in the Fund, for authorized law enforcement purposes.

INTERNAL REVENUE SERVICE

INVESTIGATION, COLLECTION, AND TAXPAYER SERVICE

To fight the war on drugs, an additional amount of $5,000,000 for criminal investigative activities to support a vigilant enforcement of Federal tax law violations and money laundering related to illegal narcotics activity.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

To fight the war on drugs, an additional amount of $25,000,000 for drug control activities related to the designation of high intensity drug trafficking areas: *Provided*, That from within available funds, the Office of National Drug Control Policy, in conjunction with other departments and agencies, shall undertake assessments of program effectiveness of all federally funded anti-drug programs for the purposes of determining their impact in reducing the illegal drug problem, including their impact on the production, importation, cost, availability, and use of drugs, as well as on the successful treatment and rehabilitation of users and addicts: *Provided further*, That said assessments shall contain cooperative cost-benefit and cost-effectiveness data to aid in determination of the absolute and relative value of each program in reducing the illegal drug problem.

SPECIAL FORFEITURE FUND

For Federal prison construction purposes to incarcerate drug traffickers and others who violate Federal statutes, an amount not to exceed $115,000,000, to be derived from deposits in the Fund, and to remain available until expended.

CHAPTER V

DEPARTMENT OF VETERANS AFFAIRS

VETERANS HEALTH SERVICE AND RESEARCH ADMINISTRATION

MEDICAL CARE

For providing necessary medical care and treatment to eligible veterans with alcohol or drug dependence or abuse disabilities, an additional $50,000,000, which shall be available only for programs and activities described in section 2502(b) of the Anti-Drug Abuse Act of 1988 (Public Law 100-690), and as authorized under chapter 17 of title 38, United States Code.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

PAYMENTS FOR OPERATION OF LOW-INCOME HOUSING PROJECTS

To fight the war on drugs and eliminate drug-related crime in public housing projects, without regard to section 9(d) of the United States Housing Act of 1937 (42 U.S.C. 1437), an additional $50,000,000, which shall be available only for grants authorized under the Public Housing Drug Elimination Act of 1988 (42 U.S.C. 11901 et seq.) and subject only to the requirements of such Act for project security, physical improvements, enforcement activities, support for voluntary organizations, and innovative programs designed to reduce drug use in and around public housing projects: *Provided*, That $1,000,000 shall be available for contracts, including the provision of technical assistance to public housing officials and resident groups to better prepare and educate them to confront the widespread abuse of controlled substances in public housing projects, pursuant to the Drug-Free Public Housing Act of 1988 (42 U.S.C. 11922, 11923).

CHAPTER VI

DEPARTMENT OF ENERGY

NUCLEAR WASTE DISPOSAL FUND

In order to provide funds for the war on drugs, funds appropriated by the Energy and Water Development Appropriations Act for Fiscal Year 1990 (Public Law 101-101) for the "Nuclear Waste Disposal Fund" are reduced by $46,000,000.

CLEAN COAL TECHNOLOGY

The second paragraph under this head contained in the Act making appropriations for the Department of the Interior and Related Agencies for the fiscal year ending September 30, 1990, is amended by striking "$450,000,000" and inserting "$419,000,000" and by striking "$125,000,000" and inserting "$156,000,000".

SPR PETROLEUM ACCOUNT

Outlays in fiscal year 1990 resulting from the use of funds appropriated to this account in the Act making appropriations for the Department of the Interior and Related Agencies for the fiscal year ending September 30, 1990, shall not exceed $147,125,000: *Provided*, That for purposes of section 202 of Public Law 100-119 (2 U.S.C. 909) this action is necessary (but secondary) result of a significant policy change.

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

LAND ACQUISITION AND DEVELOPMENT FUND

The authority to borrow from the Treasury of the United States provided under this heading in the Act making appropriations for the Department of the Interior and Related Agencies for the fiscal year ending September 30, 1990, is hereby reduced to $100,000.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH CARE FINANCING ADMINISTRATION

PROGRAM MANAGEMENT

Notwithstanding the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1990, the amount available for Health Care Financing Administration Program Management shall include not to exceed $1,885,172,000 to be transferred to this appropriation as authorized by section 201(g) of the Social Security Act, from the Federal Hospital Insurance, the Federal Supplementary Medical Insurance, the Federal Catastrophic Drug Insurance, and the Federal Hospital Insurance Catastrophic Coverage Reserve Trust Funds.

LEGISLATIVE BRANCH

In order to provide funds for the war on drugs, each discretionary appropriation for fiscal year 1990 provided in the Legislative

Branch Appropriations Act, 1990 (H.R. 3014), shall be reduced by 0.43 percent: *Provided,* That $3,578,000 representing excess receipts from the sale of publications shall be transferred from the Government Printing Office revolving fund to the Salaries and Expenses Appropriation of the Office of the Superintendent of Documents, Government Printing Office.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES

Notwithstanding any other provision of this Act, each discretionary appropriation account, loan program, and obligation limitation in titles I and II of this Act is hereby reduced by 0.3 percent: *Provided,* That the reductions made pursuant to this paragraph shall not apply to "Federal-Aid Highways (Limitation on Obligations) (Highway Trust Fund)", the obligation limitation under "Grants-in-Aid for Airports", and to any appropriation account applicable to salaries and expenses in an amount less than $45,000,000: *Provided further,* That this paragraph shall not reduce the minimum amount specifically designated for drug enforcement activities under "Coast Guard, Operating Expenses": *Provided further,* That, notwithstanding any other provision of this paragraph, the obligation limitation under the head "Grants-in-Aid for Airports" is hereby reduced to $1,425,000,000 and the obligation limitation under the head "Federal-Aid Highways (Limitation on Obligations) (Highway Trust Fund)" is hereby reduced to $12,210,000,000: *Provided further,* That $25,000,000 of unobligated contract authority available for airport planning and development under section 505(a) of The Airport and Airway Improvement Act of 1982, as amended, is rescinded.

DEPARTMENT OF THE TREASURY

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

Of the funds appropriated under this head in the Treasury, Postal Service and General Government Appropriations Act, 1990, $14,000,000 are rescinded.

INTERNAL REVENUE SERVICE

SALARIES AND EXPENSES

Of the funds appropriated under this head in the Treasury, Postal Service and General Government Appropriations Act, 1990, $141,000 are rescinded.

PROCESSING TAX RETURNS

Of the funds appropriated under this head in the Treasury, Postal Service and General Government Appropriations Act, 1990, $1,499,000 are rescinded.

EXAMINATION AND APPEALS

Of the funds appropriated under this head in the Treasury, Postal Service and General Government Appropriations Act, 1990, $1,488,000 are rescinded.

INVESTIGATION, COLLECTION, AND TAXPAYER SERVICE

Of the funds appropriated under this head in the Treasury, Postal Service and General Government Appropriations Act, 1990, $2,299,000 are rescinded.

GENERAL SERVICES ADMINISTRATION

REAL PROPERTY ACTIVITIES

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

The limitation established under this head in the Treasury, Postal Service and General Government Appropriations Act, 1990, for the rental of space, as well as the aggregate limitation established thereunder, are reduced by $14,400,000.

FEDERAL PROPERTY RESOURCES SERVICE

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Of the funds appropriated under this head in the Treasury, Postal Service and General Government Appropriations Act, 1990, $945,000 are rescinded.

CHAPTER VII

OFFICE OF NATIONAL DRUG CONTROL POLICY

Not later than 30 days after the enactment of this Act, the Director of National Drug Control Policy shall report on how funds made available under Title IV of this Act have been allocated and shall, for each quarter of the fiscal year thereafter, within 45 days following the close of the quarter, report on how these funds have been obligated. Reports made under this section shall be filed with the House of Representatives and the Senate and made available to the Committees on Appropriations and other committees, as appropriate.

Mr. LAUTENBERG. Mr. President, unless this is a misunderstanding that is the only amendment that is being carried over. That amendment by virtue of a unanimous-consent agreement with the Republican leader is to be acted upon before the close of business on Tuesday, November 14. That was propounded in the unanimous-consent agreement.

The PRESIDING OFFICER. The Senator is correct.

Mr. LAUTENBERG. Therefore, it is fair to say that all of the other business related to the Transportation Appropriations Committee bill has been dealt with by both Houses and it is only now awaiting resolution of amendment No. 136 which we believe will take place on Tuesday, the week coming, and that will settle totally the appropriations bill dealing with transportation.

I thank the Chair.

The PRESIDING OFFICER. The Senator is correct.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

Mr. McCLURE. Mr. President, will the Senator withhold?

Mr. LAUTENBERG. Yes.

The PRESIDING OFFICER. The Senator from Idaho.

ORDER OF PROCEDURE

Mr. McCLURE. Mr. President, I ask unanimous consent that I may proceed out of order as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

KRASNOYARSK RADAR

Mr. McCLURE. Mr. President, what do the following people have in common?

The Arms Control Association, the Federation of American Scientists, Paul Warnke, McGeorge Bundy, George Kennan, Robert McNamara, Gerald Smith, three members of the U.S. House of Representatives who visited an obscure town in Siberia in 1987, and Mikhail Gorbachev.

The answer is, these are just a few of the people who denied, ridiculed, downplayed or otherwise pooh-poohed the Reagan administration's assertion that the Krasynoyarsk radar was a violation of the ABM Treaty.

And what about Ronald Reagan, Eduard Shevardnadze, and Mikhail Gorbachev?

These are three of the people who agree that the Krasnoyarsk radar is a violation of the ABM Treaty. Gorbachev has not said so himself, but I think we can assume from Mr. Shevardnadze's admission that the General Secretary has seen the error of his ways.

Mr. President, I hate to say I told you so. But I did. I was the author of the legislation requiring the administration to provide an annual report of Soviet noncompliance with arms control agreements. I did this because I believed—as I still believe—that refusing to acknowledge and face up to Soviet violations endangers our security and makes a mockery of the arms control process.

The Reagan administration, to its credit, ignored diplomatic business-as-usual and proceeded to certify Krasnoyarsk, the SS-25, telemetry encryption, and a number of other Soviet activities as treaty violations.

To their discredit, the arms control lobby, and the elite media and scientific communities, pooh-poohed these allegations. They accused the President of working to undermine the arms control process and other dire and nefarious schemes.

"Such accusations can only add to the already widespread concern that President Reagan has not been truly interested in nuclear arms control," complained the Arms Control Association.

The Federation of American Scientists said concerns about Krasnoyarsk were "more a product of faulty deduction than of analysis of the facts."

The three visiting Congressmen announced the radar was "not a violation of the ABM Treaty at this time."

Mr. President, I don't want to belabor this. We all make mistakes. But I think it is important at this time to set the record straight. Sticking your head in the sand and ignoring Soviet cheating does not help the arms control process. It does not make the world safer. In fact, by sending the Soviets the message that they can cheat with impunity, it does the opposite. If we have learned that lesson, and will abide by it, then Mr. Shevardnadze may have done us a great favor.

Let me quote from the Washington Post of October 25, which I think sums it up pretty well.

The Shevardnadze admission also makes a contribution to American politics. For taking a so-called hard-line approach to treaty violations—of which the Krasnoyarsk radar was the most conspicuous and the

most clear-cut case—President Reagan was widely criticized because he was said to be putting the whole arms control "process" at risk. But Mr. Reagan was entirely right to insist on faithful mutual compliance with old agreements. It was the essential way to earn American confidence in new ones. Leonid Brezhnev, for his cheating, deserved the criticism for endangering arms control. Too many Americans ignored his lies and offered him excuses—excuses that the Gorbachev team now sweeps away.

Mr. President, they say if you live long enough, you will see everything. I never expected to see the Krasnoyarsk radar torn down, but it looks like it might happen. I never hoped to see the Berlin Wall torn down, but God willing, I might. And I certainly never thought I would see the day JIM MCCLURE, Mikhail Gorbachev, the Washington Post, and Ronald Reagan all agreed on something.

ORDER OF PROCEDURE

The PRESIDING OFFICER (Mr. GORE). The Senator from New York.

Mr. D'AMATO. Mr. President, I ask unanimous consent that I may be permitted 5 minutes as if proceeding in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE MAYOR-ELECT OF NEW YORK CITY

Mr. D'AMATO. Mr. President, Tuesday's election of David Dinkins as the first black American to be elected mayor of the city of New York is a historic opportunity for all of us.

Although David Dinkins and I may have different political philosophies, the people of New York have a right to expect us to work together to make New York City and New York State a greater place to live in the decade to come.

I stand ready to work with David Dinkins in unifying the city and in bringing about a surge of good will to revitalize New York.

Drugs, crime, housing, homelessness, AIDS, and transportation—these are all complex and difficult problems. But the first problem in the city is getting people to work together—hand in hand—and not against one another.

I know that I stand with New Yorkers throughout the State in sending David Dinkins a message of good will and hope. As a U.S. Senator from the great State of New York, I will be there to help and support him.

Good luck, Mayor Dinkins.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AN EXPRESSION OF GRATITUDE TO VETERANS OF OUR COUNTRY

Mr. FOWLER. Mr. President, I rise to express my gratitude and unyielding commitment to our Nation's veterans. November 11, Veterans Day, marks the day in which Americans throughout this great Nation pay homage to those who have fought and died for our country.

It is appropriate that we are observing Veterans Day at a time when every American can clearly see the sacrifices that our servicemen and women are making and have made to preserve the freedoms that we all cherish. The efforts of those who died on the battlefield, and in service to this country and its allies, helped to ensure the freedoms that people all over the world, from Tiananmen Square, to Warsaw, to Moscow, to Johannesburg, to East Berlin, are fighting for today.

It is no accident that Veterans Day is a day on which we celebrate peace in America and throughout the world. In its initial observance, Veterans Day, or Armistice Day was marked as a day that would commemorate an end to all wars. Although that goal has too often been unfulfilled, the ideal is one in which every nation should strive to achieve.

President Lincoln spoke at Gettysburg of dedication to "unfinished work." As a Member of the U.S. Senate and a voice for approximately 650,000 veterans in my home State, Georgia, I am committed to that "unfinished work" which he referred to, not for a single day or single period, but throughout the year.

Although the fighting in World War I may have ended November 11, 1918, the peace you and I enjoy each and every day is due to the sacrifices of veterans who served then and throughout our history. I salute these men and women. They are the real heroes of this Nation.

VETERANS DAY 1989

Mr. CRANSTON. Mr. President, as Veterans Day nears, every American should pause to remember gratefully the millions of men and women who have served our Nation honorably, often at great sacrifice, in the U.S. Armed Forces.

We Americans have been richly blessed with the greatest democratic heritage the world has ever known. In a day when so much threatens the future of our Nation—drugs, violence, poverty, environmental degradation, AIDS, broken families and confused values—let us not lose sight of the reality that each of us, by birthright, enjoys the opportunity to speak, think worship, assemble, and travel as we choose. Let us humbly remember that the enabling power of freedom of choice, which we too often take for granted, is still not shared by many of our brothers and sisters around the world.

On Veterans Day, we should contemplate, too, the high price of safeguarding the ideals of democracy, freedom, and equal justice on which our Nation was founded. Of the 38 million veterans who have served our country during periods of war since its beginnings, over a million have lost their lives while in service. Today, another 2.2 million suffer from service-connected disabilities. We need only think of the emptiness felt by one child who grew up without a father who was killed in service to begin to understand the cost of maintaining our freedom.

This Veterans Day, let us remember the families and loved ones of all the military personnel who have died on active duty this year. The most publicized loss was the 47 men who perished tragically when a gunturret exploded aboard the U.S.S. *Iowa* on April 19. But there were altogether well over 100 active duty deaths we should remember.

It is the men and women in uniform—not the weapons or the technology—that are the heart of our Nation's defense. The U.S.S. *Iowa* tragedy, and similar tragedies in recent years in Beirut, Gander, and the Persian Gulf vividly demonstrate the difficulty and danger of military service, even in times of peace.

I would like to mention briefly the Department of Veterans Affairs' commendable response to the *Iowa* tragedy. Immediately after the incident, a network of VA and Navy personnel began working together in coordinating joint services to surviving family members. Within days, benefits totaling $2 million were paid to survivors. This quick and compassionate work of the dedicated VA employees with the surviving family members established a lasting memorial to the 47 sailors who perished.

It is not enough, however, to praise the valiant efforts of those who have shouldered and who now bear the heaviest of all burdens of citizenship—the defense of our country. We must tangibly honor our commitment to veterans by affording them and their families the benefits and services they deserve.

It has been my privilege to work on behalf of veterans for the past 20 years in the Senate and to serve—now as chairman—on the Veterans' Affairs Committee since its inception in 1971. Our 27.3 million living veterans need Congress' continued support for

health care and compensation for those with service-connected disabilities. Educational support, counseling, and employment-assistance programs for those readjusting to civilian life also must be sustained. These programs, and others to assist the survivors of those who made the ultimate sacrifice, help acknowledge a debt we can never truly repay.

As Americans, we must deal honestly with the personal pain and sacrifice of those who answered their Nation's call. We cannot hide from the truth that close to 30 percent of our Nation's homeless are veterans, many of whom suffer from chronic mental illness, that unemployment rates among service-connected disabled and recently discharged veterans remain unacceptably high, and that it is estimated that over 800,000 Vietnam veterans suffer symptoms of post-traumatic stress disorder.

No one can deny the trauma suffered by those who have fought in combat. It is time that all Americans participate in the healing of our veterans' wounds and that all citizens open their hearts to the returned warriors and say "Welcome home."

As we remember the women and men who have served in past wars to keep America strong so we can remain at peace, we must be mindful that a healed America is a stronger America. Let us work to ensure that the wounds of history will not give away to bitterness, anger, or preoccupation with symbolic patriotism, but that out of the pain and suffering of war will come an integrity and strength that can move us closer to achieving fully the ideals on which our great Nation was built.

Let us work tirelessly to support and encourage the peoples of the world who yearn for the precious freedoms and peace we enjoy. We live in a remarkable time in which waves of hope unprecedented in history are sweeping through the Soviet Union, Eastern Europe, and China. The uprisings in Tiananmen Square, the broken ceasefire in Nicaragua, and repressive governments, like those in South Africa and Panama, that are at odds with their people, serve as sobering reminders of how strong is the cry for justice in so many countries around the globe.

As we gratefully remember our veterans this November 11, let us rededicate ourselves to the democratic values they sacrificed so much to preserve and to the path to justice for all peoples of the world.

EAST GERMANY

Mr. KENNEDY. Mr. President, all of us are awed by the accelerating changes in East Germany. The irresistible desire of individuals for liberty has met the immovable object of a hostile government, and the immovable object has moved.

A quarter century ago, President Kennedy traveled to West Berlin. He spoke about the Berlin Wall and about the indivisibility of liberty. He understood that when people anywhere are unjustly denied their freedom, the rest of us are not truly free. With four simple majestic words—"Ich bin ein Berliner"—he touched the hearts and hopes of Berliners and millions of others everywhere who yearn for liberty and justice.

Now, the Government of East Germany has heeded that yearning and announced dramatic and historic steps toward its fulfillment. Friends of freedom everywhere welcome the announcement that the government will open its borders, will permit citizens to travel freely, and will move toward free and democratic elections.

For two and a half decades, the Berlin Wall has symbolized the repression of the people of East Germany and the other nations behind the Iron Curtain. But the forces of freedom are too powerful to be denied. Over the past few weeks, one astounding event after another has proved the validity of this enduring truth. The people of East Germany deserve their freedom, no less than their brothers and sisters in Poland, Hungary, and all the other nations of Eastern Europe.

Today's developments demonstrate again the invincibility of the human spirit. The concrete and barbed wire of the Berlin Wall are no match for the ideas of liberty and democracy—and soon, we hope, the Wall itself will come tumbling down as well.

I ask unanimous consent that the text of President John F. Kennedy's remarks in West Berlin on June 26, 1963, regarding the Berlin Wall be printed in the RECORD.

There being no objection, the President's remarks were ordered to be printed on the RECORD, as follows:

REMARKS IN THE RUDOLPH WILDE PLATZ, BERLIN—JUNE 26, 1963

I am proud to come to this city as the guest of your distinguished Mayor, who has symbolized throughout the world the fighting spirit of West Berlin. And I am proud to visit the Federal Republic with your distinguished Chancellor who for so many years has committed Germany to democracy and freedom and progress, and to come here in the company of my fellow American, General Clay, who has been in this city during its great moments of crisis and will come again if ever needed.

Two thousand years ago the proudest boast was *"civis Romanus sum."* Today, in the world of freedom, the proudest boast is *"Ich bin ein Berliner."*

I appreciate my interpreter translating my German!

There are many people in the world who really don't understand, or say they don't what is the great issue between the free world and the Communist world. Let them come to Berlin. There are some who say that communism is the wave of the future. Let them come to Berlin. And there are some who say in Europe and elsewhere we can work with the Communists. Let them come to Berlin. And there are even a few who say that it is true that communism is an evil system, but it permits us to make economic progress. *Lass' sie nach Berlin kommen.* Let them come to Berlin.

Freedom has many difficulties and democracy is not perfect, but we have never had to put a wall up to keep our people in, to prevent them from leaving us. I want to say, on behalf of my countrymen, who live many miles away on the other side of the Atlantic, who are far distant from you, that they take the greatest pride that they have been able to share with you, even from a distance, the story of the last 18 years. I know of no town, no city that has been besieged for 18 years that still lives with the vitality and the force, and the hope and the determination of the city of West Berlin. While the wall is the most obvious and vivid demonstration of the failures of the Communist system, for all the world to see, we take no satisfaction in it, for it is, as your Mayor has said, an offense not only against history but an offense against humanity, separating families, dividing husbands and wives and brothers and sisters, and dividing a people who wish to be joined together.

What is true of this city is true of Germany—real, lasting peace in Europe can never be assured as long as one German out of four is denied the elementary right of freemen, and that is to make a free choice. In 18 years of peace and good faith, this generation of Germans has earned the right to be free, including the right to unite their families and their nation in lasting peace, with good will to all people. You live in a defended island of freedom, but your life is part of the main. So let me ask you, as I close, to lift your eyes beyond the dangers of today, to the hopes of tomorrow, beyond the freedom merely of this city of Berlin, or your country of Germany, to the advance of freedom everywhere, beyond the wall to the day of peace with justice, beyond yourselves and ourselves to all mankind.

Freedom is indivisible, and when one man is enslaved, all are not free. When all are free, then we can look forward to that day when this city will be joined as one and this country and this great Continent of Europe in a peaceful and hopeful globe. When that day finally comes, as it will, the people of West Berlin can take sober satisfaction in the fact that they were in the front lines for almost two decades.

All free men, wherever they may live, are citizens of Berlin, and, therefore, as a free man, I take pride in the words *"Ich bin ein Berliner."*

NOTE: The President spoke at 12:50 p.m. from a platform erected on the steps of the Schöneberger Rathaus, West Berlin's city hall, where he signed the Golden Book and remained for lunch. In his opening remarks he referred to Mayor Willy Brandt, Chancellor Adenauer, and Gen. Lucius D. Clay.

NATIONAL TRAUMA AWARENESS MONTH

Mr. BYRD. Mr. President, on November 7, I introduced a joint resolution to designate May 1990 as "National Trauma Awareness Month." This is the third year I have sought this designation for the month of May. My purpose in this continuing effort is to make the American people more aware

of the enormity of the traumatic-injury problem in the United States.

Trauma is the medical term for any physical injury, accidental or intentional. Such traumatic injuries can be caused by motor-vehicle accidents, falls, fires, household accidents, and violent crimes. That list does not exhaust the causes of trauma, however. Those causes are myriad. Typically, those who died this year in Hurricane Hugo and the California earthquake succumbed more from trauma than any other cause. Indeed, more Americans under age 45 die from trauma than from any other single cause—more than heart attacks, cancer, strokes, or the countless other diseases to which mankind is subject. Each year, 60 million Americans suffer a traumatic injury—8 million seriously. Of this number, 340,000 people are permanently disabled and 93,000 die. In costs to our economy, annually more than $110 billion is lost in wages, medical expenses, disability payments, and other costs related to traumatic injuries.

And perhaps the worst, most frightening feature of trauma is that any one of us, or any one of our loved ones, could at any time become the victim of a crippling, painful, or deadly traumatic injury.

That does not mean, however, that we are helpless in fighting back against the occurrence or the effects of trauma.

Fortunately, through prevention programs and the establishing of comprehensive emergency medical systems, the impact of trauma and traumatic injury can be limited.

National programs to promote seatbelt use and to crack down on drunk driving can help. Education programs to make people more aware of the need for home safety—the proper use of ladders, care about leaving toys on dark stairways, careful handling of firearms, keeping dangerous medicines and other substances out of reach of small children, and the use of household smoke alarms are excellent examples of attempts at such awareness efforts. And across our country, increased numbers of hospitals and clinics are building and equipping special units to treat and heal trauma victims.

But those programs represent but a fraction of the education and services that ought to be in place to fight and treat trauma.

Encouragingly, after Congress designated the months of May 1988 and May 1989 as trauma awareness months, organizations such as the American Trauma Society were able to mount campaigns in every State to educate our citizens about trauma, the implications of trauma, and the means available to prevent or treat trauma.

I am heartened by the victories that we are gaining over trauma. Once again, then, I am enlisting the prestige of the Senate in advancing the national crusade against trauma. Let us hope that the continued nationwide focus on the issue of trauma nad traumatic injury will help to relieve increased numbers of Americans from the suffering, anguish, and loss that trauma has visited upon so many men, women, children, and their loved ones in our country.

THE WALLS COME TUMBLING DOWN

Mr. KASTEN. Mr. President, for 27 years the Berlin Wall has stood as a symbol of the forces that seek to oppress man and destroy his spirit. It is a montrous mass of stone that has laid a ponderous weight on the conscience of the world.

For three decades, men and women all over the free world have asked how a postwar era of progress and tolerance in one-half of the world could coexist with an era of brutal repression and nightmarish terror in the other half.

Mr. President, today, we have our answer: They cannot coexist—because the yearnings of the human heart will always triumph in the long run over the power of intolerance.

The Communist iceberg of hatred, mistrust and oppression is breaking up. The Berlin Wall that is falling today is just a symbol, but it is a very powerful one. So as we watch it crumble, let's reflect on the fact that just as we were all Berliners in 1962 when the Wall divided us, we are all Berliners today—so let's extend a hand to our East German brothers and sisters who are blinking in the powerful light of liberty.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a treaty which were referred to the appropriate committees.

(The nominations and treaty received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 3, 1989, the Secretary of the Senate, on November 8, 1989, during the recess of the Senate, received a message from the House of Representatives announcing that the House disagrees to the amendment of the Senate to the bill (H.R. 3607) to repeal Medicare provisions in the Medicare Catastrophic Coverage Act of 1988; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Committee on Ways and Means, for consideration of the House bill, and the Senate amendment, and modifications committed to conference: Mr. ROSTENKOWSKI, Mr. STARK, Mr. DONNELLY, Mr. COYNE, Mr. PICKLE, Mr. LEVIN of Michigan, Mr. MOODY, Mr. CARDIN, Mr. RUSSO, Mr. ARCHER, Mr. VANDER JAGT, Mr. CRANE, Mr. FRENZEL, and Mr. SCHULZE.

From the Committee on Energy and Commerce, for consideration of the House bill, and the Senate amendment, and modifications committed to conference: Mr. DINGELL, Mr. WAXMAN, Mr. SCHEUER, Mr. WALGREN, Mr. WYDEN, Mr. BRUCE, Mr. ROWLAND of Georgia, Mrs. COLLINS, Mr. HALL of Texas, Mr. LENT, Mr. MADIGAN, Mr. DANNEMEYER, Mr. TAUKE, and Mr. BILIRAKIS.

MESSAGES FROM THE HOUSE

ENROLLED JOINT RESOLUTION SIGNED

At 11:57 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 215. Joint resolution acknowledging the sacrifices that military families have made on behalf of the Nation and designating November 20, 1989, as "National Military Families Recognition Day".

The enrolled joint resolution was subsequently signed by the Acting President pro tempore [Mr. ROBB].

At 1:51 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 80. Concurrent resolution to correct technical errors in the enrollment of the bill H.R. 2710.

At 6:24 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Clerk of the House be directed to request the Senate to return to the House the joint resolution (S.J. Res. 216) designating November 12 through 18, 1989, as "Community Foundation Week."

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

H.R. 1231. An act to establish a commission to investigate and report respecting the dispute between Eastern Airlines and the collective bargaining units, and for other purposes; and

H.R. 2710. An act to amend the Fair Labor Standards Act of 1938 to increase the minimum wage, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore [Mr. BYRD].

MEASURES PLACED ON THE CALENDAR

The following bill, previously received from the House of Representatives for concurrence, was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 2144. An act to improve forest management in urban areas and other communities, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, without amendment:

S. 1863. An original bill to amend the Public Health Service Act to provide grants for the expansion or renovation of biomedical and behavioral research facilities, and for other purposes (Rept. No. 101-194).

By Mr. PELL, from the Committee on Foreign Relations, without amendment:

S. 1868. An original bill to amend the Arms Control and Disarmament Act to authorize appropriations for fiscal year 1990 for the Arms Control and Disarmament Agency, and for other purposes (Rept. No. 101-195).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 1310. A bill to eliminate illiteracy by the year 2000, to strengthen and coordinate literacy programs, and for other purposes (Rept. No. 101-196).

By Mr. PELL, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Con. Res. 73. A concurrent resolution to express the support of the Congress for the Courageous people of Colombia.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations:

Richard Huntington Melton, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federative Republic of Brazil:

Nominee: Richard H. Melton.

Post: Brazil.

(Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.)

Contributions, amount, date, and donee:

1. Self: None.
2. Spouse: Margaret A. Melton, none.
3. Children and spouses names: Craig H.; Cathleen M.; Pamela M., none.
4. Parents names: John W. Melton; Margaret H. Melton, none.
5. Grandparents names: All deceased more than four years ago, none.
6. Brothers and spouses names: John W. Melton; Chinrana Melton, none.
7. Sisters and spouses names: None.

Cresencio S. Arcos, Jr., of Texas, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Honduras.

Nominee: Cresencio S. Arcos, Jr.

Post: Ambassador to Honduras.

(Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.)

Contributions, amount, date, and donee:

1. Self: none.
2. Spouse: Patricia, none.
3. Children and spouses names: Victoria & Nicolas, none.
4. Parents names: Cresencio & Guadalupe Arcos, none.
5. Grandparents names: Deceased, none.
6. Brothers and spouses names: Carols Arcos; Daniel Arcos, none.
7. Sisters and spouses names: Imelda and Miguel Villarreal, none.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. PELL. Mr. President, for the Committee on Foreign Relations, I also report favorably two nomination lists in the Foreign Service which were printed in full in the CONGRESSIONAL RECORDS of October 31 and November 2, 1989, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BOREN:

S. 1860. A bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs to furnish outpatient medical services for any disability of a former prisoner of war; to the Committee on Veterans' Affairs.

By Mr. REID:

S. 1861. A bill to amend the Clean Air Act relating to toxic chemicals; to the Committee on Environment and Public Works.

By Mr. CONRAD:

S. 1862. A bill to ensure the continued stability and viability of recreational opportunities on Lake Sakakawea in the State of North Dakota; to the Committee on Environment and Public Works.

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

S. 1863. An original bill to amend the Public Health Service Act to provide grants for the expansion or renovation of biomedical and behavioral research facilities, and for other purposes; placed on the calendar.

By Mr. FOWLER (for himself, Mr. GRAHAM, Mr. MACK, and Mr. NUNN):

S. 1864. A bill to amend the Wild and Scenic Rivers Act to study the eligibility of the St. Mary's River in the States of Florida and Georgia for potential addition to the Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

By Mr. DANFORTH (for himself, Mr. NUNN, and Mr. SANFORD):

S. 1865. A bill to require the Comptroller General of the United States to review and report on the effectiveness and fairness of agency policies and procedures for distributing Federal research funds; to the Committee on Governmental Affairs.

By Mr. SASSER (for himself and Mr. GORE):

S. 1866. A bill to extend the period during which certain property is required to be placed in service to qualify for transition relief under section 203 of the Tax Reform Act of 1986; to the Committee on Finance.

S. 1867. A bill to extend the period during which certain property is required to be placed in service to qualify for transition relief under section 203 of the Tax Reform Act of 1986; to the Committee on Finance.

By Mr. PELL, from the Committee on Foreign Relations:

S. 1868. An original bill to amend the Arms Control and Disarmament Act to authorize appropriations for fiscal year 1990 for the Arms Control and Disarmament Agency, and for other purposes; from the Committee on Foreign Relations; placed on the calendar.

By Mr. NICKLES (for himself, Mr. REID, and Mr. WILSON):

S. 1869. A bill to provide for a statement of costs for congressional mass mailings, and that no more mass mailings of franked mail may be mailed by a Member of Congress, if necessary additional funds are not appropriated, and for other purposes.

By Mr. BENTSEN:

S. 1870. A bill to establish the United States-Mexico Border Regional Commission and to assist in the development of the economic and human resources of the United States-Mexico border region of the United States; to the Committee on Environment and Public Works.

By Mr. DECONCINI:

S. 1871. A bill to amend the Food Security Act of 1985 to clarify the application of certain payment limitations to certain leases involving tribal landlords, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DANFORTH (for himself, Mr. NUNN, and Mr. SANFORD):

S. Res. 206. A resolution to establish a point of order against material that earmarks research moneys for designated institutions without competition; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BOREN:

S. 1860. A bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs to furnish outpatient medical services for any disability of a former prisoner of war;

to the Committee on Veterans' Affairs.

ELIGIBILITY OF FORMER PRISONERS OF WAR FOR OUTPATIENT MEDICAL SERVICES

● Mr. BOREN. Mr. President, today I am introducing legislation to clarify the statute that defines the prioritization of the eligibility of veterans for medical treatment by the Department of Veterans Affairs. This bill amends section 612(a)(1) of title 38, United States Code, to ensure that all POW's receive outpatient care.

In my view, every former prisoner of war captured while serving on orders from the U.S. Government should automatically be eligible for VA medical care.

The evolution of medical treatment for POW's has been a long slow process but has more recently grown into a comprehensive system meeting most of their needs. Much of the credit goes to Members presently serving on the Senate Veterans Committee.

In the early 1940's, the VA procedures for determining compensation and health care eligibility did not yet recognize former POW's as a separate group with special needs. Congress took a small step in the War Claims Act of 1948 by providing $1 a day imprisoned for "inadequate food rations" in violation of the Geneva Convention. After a study in 1950, Congress added another $1.50 per day for "inhumane treatment" and included benefits for survivors. POW's from the Korean conflict or their survivors were authorized, in 1954, payments of $2.50 per day of internment. More recently in 1970, Congress provided $5 per day of confinement, $2 per day for inadequate rations, and $3 per day for inhumane treatment to Vietnam POW's or their survivors.

Recognizing in 1946 the difficulty in defining service-connection for compensation and medical treatment because of lack of official records in POW cases, it was established that the benefit of every reasonable doubt should be resolved in favor of the veteran. This may have eased the ability to assess severe physical and mental damage from brutality, torture, hunger, and disease but there is no way to quantify the stresses of capture—fear, uncertainty, loneliness—on the health and emotions of POW's throughout their lives.

The Congress, during the late 1970's and 1980's, has made significant progress to ensure the provision of adequate health care and compensation for POW's. An example is the broadening of the law to allow the presumption of service-connection in 15 diseases for POW's detained or interned for not less than 30 days.

My bill will correct a problem arising in Public Law 100-322 which included prioritization of veterans for medical care by the DVA. Although for the first time POW's are named as entitled to inpatient care, the problem occurs in that outpatient care is restricted to POW's with 50 percent or more disability.

I am told that, as of June 1989, there are 78,000 former prisoners of war. The provision of outpatient care to these deserving individuals with less than 50 percent disability is estimated by CBO to be less than $1 million of the more than $11 billion in the VA medical care annual budget.

Since I believe the U.S. Government must be committed to provide the health care needs resulting from internment as a prisoner of war, I have introduced this bill to make certain that we never deny medical treatment to a former prisoner of war. I urge quick action on this measure by my colleagues.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1860

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIGIBILITY OF FORMER PRISONERS OF WAR TO RECEIVE OUTPATIENT MEDICAL SERVICES FROM THE DEPARTMENT OF VETERANS AFFAIRS.

Section 612(a)(1) of title 38, United States Code, is amended—

(1) by striking out "and" at the end of clause (B);

(2) by striking out the period at the end of clause (C) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new clause:

"(D) to any former prisoner of war for any disability.".●

By Mr. REID:

S. 1861. A bill to amend the Clean Air Act relating to toxic chemicals; to the Committee on Environment and Public Works.

TOXIC POLLUTION DETECTION ACT OF 1989

Mr. REID. Mr. President, on May 8, 1988, a severe fire and explosion occurred at an industrial complex near Henderson, NV. This disaster at the Pacific Engineering and Production Co. [PEPCON] caused massive damage to public and private property in Clark County and the City of Henderson. In addition, the accident generated a chemical reaction which dispersed a large toxic cloud over the area where it remained for several hours. Officials evacuated schools, parks and other facilities.

When the cloud dispersed to the northeast contiguous counties and States were further threatened.

The shock waves from these explosions, which registered 3.5 on the Richter Scale, overturned automobiles, knocked pedestrians to the ground and created property damage totaling $73 million.

There were 350 injuries. Miraculously only 2 people died.

In 1984, poisonous gas leaked from the Union Carbide plant in Bhopal, India and killed 3,400 people. Five years after that unprecedented chemical disaster, an average of two people still die every day. Sadly, Mr. President, both disasters may have been avoided.

Today, I am introducing the Toxic Pollution Detection Act of 1989 to require continuous monitoring of hazardous substances emitted into the workplace at industrial facilities nationwide. Monitoring systems would avert unnecessary disasters; enable us to learn more about the effects of different kinds of air pollution; and reduce worker exposure to dangerous levels of environmental contaminants.

Our production processes have become so advanced, and our technologies have multiplied to such a degree, that we are able to do more in the industrial arena than we ever thought possible. Scientific innovations continue to enhance our capabilities.

But, at some point, we have to step back and eliminate the side-effects of our progress. In too many cass, workers and residents are exposed to toxic chemicals at a level that is entirely unacceptable. Often, the company is also not aware of these chemical emissions.

Reports required by title III of the Superfund legislation indicate that more than 2.4 billion pounds of hazardous chemicals are released into the air every year. But we report the extent of all this pollution after it has done its damage.

I propose we go one step further. My bill calls for the continuous monitoring of emissions as they flow into the air of our workplaces and communities.

If monitoring technology was used in Henderson, NV or Bhopal, India, plant managers would have been alerted to the release of toxic gas, and could have taken action to avert the ensuing disaster. Lives could have been saved. Senseless tragedies could have been avoided.

Because the monitoring data is stored, it can be retrieved and analyzed to determine any correlation between an increased incidence of illness and the release of particular environmental contaminants.

Monitoring data also provides a record that corporations can use in the event of liability actions taken against them. If companies are not guilty as accused, they will be able to absolve themselves with documentation. Companies can use this data to conclusively demonstrate that they were not the source of specific contaminants.

The available chemical monitoring technology can measure and report

the magnitude, frequency, and chemical specifically of emissions.

The few systems in use today permit the monitoring of a many as 25 different toxic gases at as many as 50 points in a facility. The system analyzes the levels of each pollutant at each location every 6 minutes. This information is then stored in a computer with the capacity to trigger a low level alert, or to sound an alarm if any monitored contaminant exceeds its threshold limit value. The system also can tell emergency teams what contaminants have leaked beyond their set safety limit.

Too often, these emergency response teams face unnecessary risks because plant managers are unable to identify the leaked contaminant. There is far too little chemical monitoring by the private sector. Only a few companies have installed monitoring equipment. This slow response represents unnecessary environmental danger and worker exposure.

The toxic Pollution Detection Act requires industries that use certain toxic chemicals to invest in and utilize these chemical monitoring systems. The only monitoring information available now are the reports which tell us what happened yesterday—or last month—or last year. By that time, the damage may already have been done.

In the past few months, I have heard evidence that confirms the necessity of my bill, I have chaired hearings in Washington, DC, and Los Angeles, CA, to investigate health problems stemming from toxic substance exposure in the workplace. I heard evidence that raises serious questions on how prepared we are to utilize our most important scientific advances. Our economy and defense will not thrive without these new chemicals and materials. But their very existence threatens the lives and health of those exposed to such substances.

My bill will enable us to use advanced materials and chemicals without jeopardizing workers in factories or residents of nearby neighborhoods. I urge my colleagues to support this measure. I ask unanimous consent that the text of my bill accompanied by a section-by-section analysis, be printed in the CONGRESSIONAL RECORD following my statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1861

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Toxic Pollution Detection Act of 1989".

SEC. 2. FINDINGS.

The Congress finds that—

(1) there have been numerous releases of toxic chemicals into the environment and the workplace;

(2) these releases are hazardous to the health of the public, workers, and emergency response personnel;

(3) these hazards should be minimized and prevented to the maximum extent possible;

(4) technology is available to provide early detection of such releases through the use of continuous monitoring systems;

(5) such continuous monitoring systems are not required by Federal environmental or occupational protection laws; and

(6) the installation of such technologies should be required at all facilities which use toxic chemicals that may be released into the environment or the workplace.

SEC. 3. AMENDMENT.

Section 114 of the Clean Air At (42 U.S.C. 7414) is amended by adding the following new subsection:

"(e)(1) Not later than 6 months after the date of enactment of this subsection, the Administrator shall promulgate regulations for the detection of releases into the environment and the workplace of covered substances capable of being monitored at any facility subject to this subsection, which if released may present an actual or potential risk to human health or the environment. Such regulations shall be adequate to assure protection of human health and the environment. The Administrator shall consult with the Administrator of the Occupational Safety and Health Administration prior to the promulgation of regulations that may affect the workplace environment.

"(2) For the purposes of this subsection, the term 'covered substance' means—

"(A) an extremely hazardous substance listed under section 302 of the Emergency Planning and Community Right-to-Know Act of 1986 (42 U.S.C. 11002) present above a threshold planning quantity established under such section;

"(B) a toxic chemical listed under section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 (42 U.S.C. 11023) present above a threshold amount for reporting established in such section;

"(C) a hazardous chemical listed under section 311(e) of the Emergency Planning and Community Right-to-Know Act of 1986 (42 U.S.C. 11021) present above a threshold quantity established under section 311 of such Act; or

"(D) a hazardous pollutant listed under section 112 of the Clean Air Act (42 U.S.C. 7412) which is subject to an emission standard under such section.

"(3) For the purposes of this subsection, the Administrator or a State may designate additional facilities which shall be subject to the requirements of this subsection after public notice and opportunity for comment. Any facility so designated shall be promptly notified.

"(4) Regulations promulgated pursuant to paragraph (1) shall require continuous monitoring of all devices and systems (including but not limited to pumps, compressors, valves, flanges, pipes and pipelines, connectors, processes, containers, and vessels), storage, facilities, and transfer points in which covered substances are present. For the purposes of this subsection continuous monitoring means the use of an automated system which provides—

"(A) readings of ambient concentrations of all covered substances present, at intervals of not more than 30 minutes, at all locations at which such covered substances are present at the facility;

"(B) continuous records of such monitoring results to a central location within the facility and capacity to store and retrieve such records;

"(C) a low level alarm before the ambient level of a covered substance exceeds the applicable threshold limit value or other legally applicable limitation, whichever is more stringent; and

"(D) a high level alarm which notifies the facility operator and the appropriate emergency response agencies of an emergency situation relating to a catastrophic release or other malfunction of a device or system, and differentiates between an early warning and a situation presenting a present or potential risk to human health or the environment.

"(5) Not later than 9 months after the enactment of this subsection or 9 months after the date on which a facility becomes subject to the requirements of this subsection, the owner or operator of each facility to determine the location and condition of all interior and exterior systems and devices (including pumps, compressors, valves, flanges, pipes and pipelines, connectors, containers, and vessels), storage facilities, and transfer points in which covered substances are present.

"(6) Not later than 24 months after the enactment of this subsection or 24 months after the date on which a facility becomes subject to the requirements of this subsection, the owner or operator of each facility subject to this subsection shall be in compliance with regulations promulgated pursuant to paragraph (e)(1) and shall so certify such compliance to the State in which the facility is located and the Administrator, together with the results of the audit required to be performed under paragraph (5).

"(7) The report required under paragraph (6) of monitoring results shall be filed annually thereafter with the State, the Administrator, the State Emergency Response Committee established under section 301 of the Emergency Planning and Community Right-to-Know Act and the local emergency planning committee established under such section. Such report shall be made available to the public upon request.".

SEC. 4 AMENDMENT.

(a) Section 114(a) of the Clean Air Act is amended as follows:

"(1) in paragraph (1), by striking "may" and inserting in lieu thereof "shall" after "the Administrator";

(2) by amending paragraph (1)(D) to read as follows:

"(D) sample such emissions on a continuous basis both prior to and after treatment before being emitted into the ambient air (in accordance with such methods, at such locations and in such manner as the Administrator shall require), and".

(3) by adding at the end thereof the following new paragraph:

"(3) The Administrator shall promulgate revised regulations to implement the requirements of subsection (a)(1)(D) not later than 12 months after the date of enactment of this paragraph.".

(b) Section 304(a)(1) of the Clean Air Act (42 U.S.C. 7604) is amended by striking "or" before "(B)" and inserting in lieu thereof "or (C) a monitoring requirement under section 114 of this Act,".

SECTION-BY-SECTION ANALYSIS TOXIC POLLUTION DETECTION ACT OF 1989

The purpose of this bill is to require the installation of continuous monitoring systems at facilities that use certain toxic chemicals, which when released into the at-

mosphere or the workplace may cause serious harm to human health or the environment. The bill is written as a new subsection (e) to section 114 of the Clean Air Act, the generic monitoring provision of the law.

Paragraph (e)(1) requires the Administrator of the Environmental Protection Agency (EPA) to promulgate regulations for the detection of releases into the environment and the workplace of certain specified substances. The Administrator is given six months to do so, and is required to consult with the Occupational Safety and Health Administration on matters relating to the workplace.

SUBSTANCES AND FACILITIES COVERED

Paragraph (e)(2) specifies the substances covered by the regulations:

(1) *Substances listed under section 302 of the Emergency Planning and Community Right to Know Act of 1986.* Section 302 covers 406 chemical substances in specified quantity thresholds, which are derived from EPA's "Chemical Emergency Preparedness Program Interim Guidelines". They are designated as "extremely hazardous substances" under Section 302. Under existing law, if a listed substance is present at a facility in a quantity greater than the listed threshold, the facility must notify the local "Emergency Response Commission" that it is covered by section 302. Releases of listed substances must be reported to a local emergency committee and the state.

Under the proposed legislation, these substances are made subject to the continuous monitoring requirement because they are extremely hazardous in nature, and early knowledge of a release will provide warning not now available for workers and the community through early detection.

(2) *"Hazardous chemicals" so categorized by regulations promulgated pursuant to the Occupational Safety and Health Act.* Section 311 of the Emergency Planning and Community Right-to-Know Act applies to any facility at which a hazardous chemical is present, as defined by 29 CFR 1910.1200(c) of the OSHA Hazard Communication Standard, and which is required to prepare an MSDS. (A hazardous chemical is defined as a "chemical which is a physical hazard or a health hazard"; a "chemical" is defined as any element, chemical compound or mixture of elements and/or compounds".) Any such facility must also file its MSDS with the local emergency planning committee, the local fire department and the state.

Section 312 of the Emergency Planning and Community Right-to-Know Act requires these facilities at which hazardous chemicals are present to file a chemical inventory form annually that estimates the annual maximum and average daily amounts of each category of hazardous chemicals at the facility and their general location. The categories to be used for the reports are the categories of health and physical hazards established under the OSHA Act of 1970 and its implementing regulations, i.e., carcinogens, corrosives, irritants. These initial reports are to be filed with the local and state emergency response organizations and the local fire department, starting on March 1, 1988 annually thereafter.

Authority is also provided under section 312 for disclosure of more detailed information about the manner of storage of a specific chemical at a specific facility upon request of a local or state entity or the public. This information can be kept confidential at the request of the facilty owner or operator.

The proposed legislation would require continuous monitoring of these substances, which are by definition a hazard in the workplace.

(3) *Toxic chemicals listed under section 313 of the Emergency Planning and Community Right-to-Know Act.* Section 313 lists 329 toxic chemcials which are routinely released into the environment as a result of normal business operations, as distinct from abnormal, emergency releases. The statutorily listed toxic chemicals are those which cause, or can reasonably be anticipated to cause, significant adverse human health effects, various chronic human health effects, and significant adverse effects on the environment.

Section 313 applies to any facility within SIC Codes 20-39 at which 75,000 or more pounds of one or more of these toxic chemicals is manufactured, or processed each year, and any facility that uses more than 10,000 pounds of a listed toxic chemical a year for purposes other than manufacturing or processing. (The threshold decreases to 50,000 lbs. in 1989, and to 25,000 lbs. thereafter.) Each such facility must file a yearly report starting on July 1, 1988 which details an estimate of the quantity of each chemical present, and for each wastestream, the method(s) of treatment or disposal used, as well as an estimate of the treatment efficiency of each method, and an estimate of the annual amount of the toxic chemical entering each environmental medium (air, water, land, waste treatment and storage facilities).

The bill would take the next step beyond reporting of events that have occurred in the distant past, by requiring continuous monitoring to detect releases so that they can be remedied.

(4) *Air pollutants subject to section 112 of the Clean Air Act.* This provision regulates air pollutants known to cause or which may reasonably be anticipated to cause adverse effects on human health or the environment. Although only eight substances are now regulated under section 112, all of the pending clean air proposals would require EPA to promulgate technology-based standards for scores of additional substances which have toxic characteristics.

FACILITY AUDIT

Each facility subject to this bill is required to perform an audit to determine the location of each system or device, storage facility and transfer point which must be monitored continuously. The audit must be performed no later than nine months after enactment of this legislation.

INSTALLATION OF MONITORING SYSTEM

Within twenty-four (24) months after enactment, each covered facility must have installed a continuous monitoring system, and be in compliance with all requirements of the detection regulations promulgated by EPA.

STACK MONITORING

Section 3 of this bill amends the existing monitoring provision of the Clean Air Act to require the sampling of the input and output of stack emissions on a continuous basis. EPA is required to promulgate revised monitoring regulations to implement this continuous monitoring provision within twelve months.

These regulations will apply to any stationary source subject to an emissions limitation under the Clean Air Act, including requirements of State Implementation Plans.

ENFORCEMENT

Enforcement of the continous monitoring requirements is provided through the existing authorities of the Clean Air Act. These include enforcement by the federal government or a state through an administrative order, or judicial action. Civil penalties of up to $25,000 per day of violation and injunctive relief may be sought.

In addition, this bill authorizes citizen suits to enforce the proposed new continuous monitoring requirements. Any person may bring a civil action against a person alleged to be in violation of the continuous monitoring requirements, or against EPA for failure to take the actions required by the new legislation, such as failure to promulgate the mandated monitoring regulations within the specified deadline.

By Mr. CONRAD:

S. 1862. A bill to ensure the continued stability and viability of recreational opportunities on Lake Sakakawea in the State of North Dakota; to the Committee on Environment and Public Works.

NORTH DAKOTA RESERVOIR MANAGEMENT IMPROVEMENT ACT

Mr. CONRAD. Mr. President, I am introducing the North Dakota Reservoir Management Improvement Act of 1989.

As my colleagues know, the Plains states have suffered from a serious drought during 1988 and 1989. Perhaps no State has been harder hit than North Dakota. The primary impact of the drought has certainly been upon agriculture, but Lake Sakakawea—the impoundment behind the Garrison Dam and one of the Nation's largest man-made lakes—has also been affected dramatically.

As of August 31, storage in Lake Sakakawea, which has a capacity for about 23 million acre feet of water, totaled 14.2 million acre feet, or about 69 percent of the average storage in the reservoir for the period 1967 to 1988.

The lake's level is now down to 1,823 feet above mean sea level, and it continues to drop. It plummeted to 1,820 earlier this year—5 feet below the previous low. The Corps of Engineers predicts that it could drop to as low as 1,816 by next spring. That is more than 30 feet below the optimum operating level of 1,850 feet.

Tourism in the area is down dramatically because recreational use of the reservoir has been made difficult. Many businesses along the lake have closed and will not reopen. Others have serious financial problems and are hanging on by their bootstraps. The water is now 1 mile from one popular resort, and if projections hold, it will be 2 to 3 miles from the water by spring.

Visitation at another popular location along the lake, Fort Stevenson State Park, was down 55 percent in May, 17 percent in June, and 6 percent in July, resulting in a decrease in

income for the marina there of 78 percent from last year.

Mr. President, those declines were in our centennial year when we had literally hundreds of thousands of visitors to North Dakota. Residents are understandably upset by what they view as adverse management of the reservoir by the Corps of Engineers. Low water levels work an obvious hardship on all users of the lake, not just marina owners and others who make their living from tourism on the lake, but also weekend boaters and fishers, cities who get their drinking water from the lake, and all of us who benefit from lower electric rates from hydropower generated at Federal dams.

Recreational users have a difficult time presenting their case because they lack an adequate legal footing to compete with other interests. This bill attempts to remedy that problem by adding recreation and water conservation as authorized purposes at Garrison Dam and Lake Sakakawea.

The bill also requires that the Corps of Engineers establish a drought management plan to cover the reservoir during times of low rainfall and runoff from the Rocky Mountains. Specifically, the bill requires the corps to notify residents of lake level changes due to drought, as well as optimal strategies for meeting all project purposes, especially recreation and water conservation, during rainfall and runoff shortages. These reports are due by October 1, 1990, and must be available for public comment for at least 60 days.

The final section of the bill requires the Secretary of the Army to form a citizens' advisory council to act as a channel of communication between the corp and local residents in resolving disputes. The council would be composed of persons representing recreation; flood control; irrigation; hydroelectric power; municipal, rural, and industrial water use; and navigation.

Although recreation and water conservation were not original purposes when Lake Sakakawea was authorized, the economic impact of the lake cannot be ignored. It is a very significant source of commerce and tax revenue for nearby cities and counties. An industry contributing that much to an area deserves to be recognized and deserves a platform from which to make its case in reservoir management questions.

The measure that I am introducing today is not intended to weaken other functions of Garrison Dam and Lake Sakakawea, such as flood control, irrigation, municipal and industrial water development, and hydropower generation. Rather, it is designed to recognize the significance of recreation and provide a means for recreational interests to have input into reservoir management decisions.

Mr. President, let me just conclude by saying that at the hearing I held in North Dakota about a month ago we learned for the first time that in the midst of this drought, the most serious drought in 50 years, that in 3 of the last 4 months for which the records are complete, the Corps of Engineers has allowed the highest levels of release from that lake in the last 7 years. That is a policy that simply cannot be defended in the face of the adverse economic consequences to my State.

Mr. President, this bill is an attempt to start to rectify the damage that has been done.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1862

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "North Dakota Reservoir Management Improvement Act of 1989".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) public demand for recreational use of the reservoir created by the Garrison Dam project in North Dakota, known as Lake Sakakawea, has increased substantially in recent years;

(2) the project, which was originally authorized for flood control, navigation, and hydroelectric power, has brought many benefits to North Dakotans in the form of increased recreational opportunities;

(3) these recreational uses in turn are a significant source of commerce and tax revenue for the counties and municipalities near the lake;

(4) the recent droughts in North Dakota and across the upper Great Plains have increased the importance and difficulty of managing Federal water impoundment projects with a variety of competing purposes;

(5) despite the efforts of managing authorities to balance these project purposes, additional studies and public involvement are needed to ensure consideration of recreational uses;

(6) the possibility remains that future shortages of rain will adversely affect the recreational use of the lake, and steps must be taken in advance to prepare for such shortages; and

(7) the project would be better managed with public opinion taken into account.

(b) PURPOSES.—The purposes of this Act are—

(1) to ensure the consideration of recreational benefits and water conservation in the management of the Garrison Dam project;

(2) to provide for proper planning for droughts in the future; and

(3) to strengthen existing mechanisms for public involvement in the management of water levels in Lake Sakakawea.

SEC. 3. DEFINITIONS.

For the purposes of this Act—

(1) the term "Act" means the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved December 22, 1944 (70 Stat. 881, chapter 665) (commonly known as the Flood Control Act of 1944);

(2) the term "lake" means Lake Sakakawea, the reservoir of the Garrison Dam project;

(3) the term "project" means the Garrison Dam project in North Dakota, authorized by the Act;

(4) the term "Secretary" means the Secretary of the Army, acting through the Corps of Engineers; and

(5) the term "water conservation" means the management of the lake's water levels through reduced usage or measured usage to build capacity of water in order to ensure the highest possible fulfillment of all project purposes.

SEC. 4. PROJECT PURPOSES.

In addition to the purposes for which the project is managed under the Act and other laws, the Secretary shall manage the project for the purposes of recreation and water conservation.

SEC. 5. DROUGHT MANAGEMENT.

(a) DROUGHT MANAGEMENT PLAN.—The Secretary shall establish, revise, and develop for the project a drought management plan to cover the project in times of low rainfall and low water runoff from the Rocky Mountains.

(b) PLAN CONTENTS.—The plan required by subsection (a) shall include—

(1) mechanisms for notifying lake residents and users of impending drought conditions; and

(2) strategies for meeting all designated project purposes in times of water shortages, including reduced usage or measure usage to build capacity of water.

(c) DRAFT REPORT.—(1) Not later than October 1, 1990, the plan required by subsection (a) shall be included in a draft report to the appropriate district engineer and shall be submitted to—

(A) the Congress;

(B) officials of the State of North Dakota concerned with water supply and water quality management;

(C) local officials in areas immediately adjacent to the project; and

(D) other interested parties deemed appropriate by the Secretary.

(2) The Secretary shall conduct public meetings on the draft plan and invite public comment for a period of at least 60 days.

(d) FINAL REPORT.—Not later than January 1, 1991, a final report of the district engineer including the plan required by subsection (a) shall be submitted to the persons named in subsection (c)(2).

SEC. 6. PUBLIC PARTICIPATION.

(a) PUBLIC OPINION.—In managing the water levels of the lake, the Secretary shall, to the extent feasible, take into consideration the views of the public.

(b) CITIZENS' ADVISORY GROUP.—(1) In furtherance of the purpose of subsection (a), the Secretary shall form a citizens' advisory group to advise the Secretary in project management decisions that will affect the public.

(2) The citizens' advisory group formed pursuant to paragraph (1) shall be comprised of persons representing the following interests in the use of water from the Garrison Dam project:

(A) Flood control.

(B) Irrigation.

(C) Hydroelectric power.

(D) Municipal, rural, and industrial water use.

(E) Navigation.

(F) Recreation.

(3) Persons who serve on the citizens' advisory group formed pursuant to paragraph (1) shall receive no compensation or reimbursement of expenses for such service.

(4) The citizens' advisory group formed pursuant to paragraph (1) shall not be an advisory committee under the Federal Advisory Committee Act (5 U.S.C. App.).

By Mr. FOWLER (for himself, Mr. GRAHAM, Mr. MACK, and Mr. NUNN):

S. 1864. A bill to amend the Wild and Scenic Rivers Act to study the eligibility of the St. Marys River in the States of Florida and Georgia for potential addition to the Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

POTENTIAL ADDITION OF THE ST. MARYS RIVER TO THE WILD AND SCENIC RIVERS ACT

● Mr. FOWLER. Mr. President, I rise to introduce the St. Marys Wild and Scenic Rivers Study Act.

This legislation would amend section 5(a) of the Wild and Scenic Rivers Act to include the St. Marys River for study as a potential addition to the National Wild and Scenic Rivers System.

The Wild and Scenic Rivers System was created in 1968 to prevent the despoiling of America's last remaining pristine and free-flowing waterways—in particular those with outstanding scenic, fish and wildlife, recreational, geological, historical, cultural, or other similar values.

Mr. President, I believe that if any river in this country qualifies to be studied for this purpose, the St. Marys does. It has already been included in the Nationwide Rivers Inventory published by the National Park Service in 1982. It is described in the inventory as an attractive, clear, subtropical swamp river with varied and colorful flora and white sandbars—and was noted for having remarkable values in every category.

The river, which forms the boundary between Georgia and Florida, flows for 120 miles from the Okefenokee Swamp directly into the Atlantic Ocean near the Cumberland Island National Seashore.

It is home to varied wildlife, including many threatened and endangered species—from the bald eagle to the red-cockaded woodpecker, from the Florida black bear to the West Indian manatee.

Presently human population and development are sparse for most of the length of the river, until it reaches St. Marys, GA, and Fernandina, FL, at the coast. We have an excellent opportunity to maintain the higher reaches of this natural treasure in a condition very close to their wild state.

This is, however, a limited opportunity. Time is running out on this rare unspoiled blackwater river system as development pressures close in from both sides of the river. These forces will be very difficult to control in this fragile watershed that bounds two separate State jurisdictions.

Enactment of this legislation would postpone any Federal water projects until completion of the study. It would have no effect on private lands, hunters, or fishermen. The bill provides for completion of the study within 3 years of enactment.

The study would be conducted by the Department of the Interior and presented to the President along with recommendations from other Federal agencies and the Governors of Georgia and Florida. The President of the United States would then submit a recommendation to Congress whether the St. Marys should be incorporated into the Wild and Scenic Rivers System.

The St. Marys River is one of the very few nearly unspoiled rivers left in this Nation. I believe the least we can do is give it the consideration for protection it deserves because of its natural beauty and its ecological importance.

I also think we owe it to the children of Florida and Georgia, who may be denied any remnant of their natural birthright—and who run a real risk of never experiencing the wild and scenic beauty of an unmolested, free-flowing river in their home States, in their lifetimes.●

By Mr. NICKLES (for himself, Mr. REID, and Mr. WILSON):

S. 1869. A bill to provide for a statement of costs for congressional mass mailings of franked mail may be mailed by a Member of the Congress, if necessary additional funds are not appropriated, and for other purposes; to the Committee on Rules and Administration.

STATEMENT OF COSTS OF CONGRESSIONAL MAILINGS

Mr. NICKLES. Mr. President, today, Senator REID, Senator WILSON, and I are introducing legislation which would require all Members of Congress to disclose their mass mail costs and would shut down mass mailings once appropriations for official mail has been exhausted. The lack of these provisions in the fiscal year 1990 legislative branch appropriations conference report, which passed earlier today, has left significant loopholes in a worthy official mail reform effort.

Mr. President, the Senate has passed legislation to achieve these needed reforms before, but the House has, as of yet, refused to go along. As chairman and ranking member of the Senate Legislative Branch Subcommittee, Senator REID and I included such provisions in the subcommittee's fiscal year 1990 appropriations bill. It was in conference with the House that the two provisions we are reintroducing today, disclosure and limiting mass mail to the appropriated amount, were dropped.

Mr. President, the disclosure provisions are nearly identical to the provisions which passed the Senate with one exception. In addition to requiring the per capita mail costs to be published, this legislation would also require the number of pieces of mail per capita to be disclosed.

The provision limiting mass mailing to the appropriated amount is a variation of what passed the Senate. The provision I am offering would not allow any Member of the House or Senate to mail any more mass mailings once the Postal Service determined that the appropriation for the Member's Chamber had been exhausted and so notified the House or the Senate, as the case may be. By distinguishing between the two Chambers we take advantage of the separate mail accounts for each Chamber established under the fiscal year 1990 appropriations measure.

One positive note of the conference that will provide increased accountability between the House and Senate appropriations for the two Chambers. In and of itself, this change accomplishes little in the way of reducing mail costs and abuse. But if the House continues past practices of running up mail costs and the Senate can stay within the appropriated amount, the finger of blame will point squarely at the House and its members. With the increased accountability, needed reforms such as these I am introducing will surely be demanded by the American people and adopted by Congress.

Due to a lack of accountability for mail costs, it is a little known fact that on average, House Members have been spending four times as much as Senators on congressional mail per constituent.

Perhaps it is this information which causes the House to be so averse to disclosing individual Member's mail costs. Disclosure of mail costs is nothing new to the Senate. Senators' individual costs of mailing to constituents has been publicized since 1985. It's an honest, up-front practice that has helped curb the use and abuse of the frank.

The conferees on the fiscal year 1990 legislative branch spending bill also rejected the proposal to stop congressional mailings once the appropriated funds have been exhausted. Oddly enough, current law requires the Postal Service to continue accepting and delivering congressional mail even after funds for such mail have run out.

During fiscal year 1990, $68.5 million will remain available for official mail costs by the House and Senate with $44.5 million allocated to the House and $24 million allocated to the

Senate—$31.7 million provided in the bill will pay for fiscal year 1989 arrearages.

The amount of official mail funds available for use during fiscal year 1990 is a significant, but perhaps meaningless, reduction from the actual levels for previous years. The amount provided for fiscal year 1990 use is lower than the actual costs incurred in every even-numbered year since 1980. But, as I have stated, this reduction is meaningless unless the House and Senate stay within these limits. History shows this isn't likely to happen unless Congress is legislatively required to do so.

Mr. President, I ask unanimous consent that a document comparing the original or regular appropriation for official mail with the actual cost for fiscal years 1972–89 be included in the RECORD at this point.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

I. CONGRESS' OFFICIAL MAIL ORIGINAL APPROPRIATION COMPARED TO ACTUAL COST

Fiscal year	Original appropriation	Total cost	Cost compared to regular appropriation
1972	14,594,000	23,206,337	8,612,337
1973	21,226,480	26,285,410	5,058,930
1974	30,500,000	31,302,243	802,243
1975	38,756,015	35,976,325	(2,779,690)
1976	46,101,000	52,973,703	6,872,703
Transition quarter [1]	11,525,000	19,174,774	7,649,774
1977	46,904,000	41,419,599	(5,484,401)
1978	48,926,000	48,926,000	0
1979	64,944,000	42,942,642	22,001,358
1980	50,707,000	61,905,902	11,198,902
1981	36,633,000	53,862,013	17,229,013
1982	75,095,000	100,038,225	24,943,225
1983	55,196,000	72,432,960	17,236,960
1984	107,077,000	110,957,336	3,880,336
1985	73,944,000	85,160,794	11,216,794
1986	100,000,000	95,938,635	(4,061,365)
1987	91,423,000	63,624,912	(27,798,088)
1988	82,163,000	113,359,647	31,196,647
1989 [2]	53,926,000	85,626,000	31,700,000

[1] Transition quarter when fiscal year shifted from July to October.
[2] Fiscal year 1989 actual cost is based on the Postal Service's arrearage estimate.

Source: 1972–88 figures and 1989 regular appropriation figure from "U.S. Congress Official Mail Costs: Fiscal Year 1972 to Present," by John Pontius, Congressional Research Service, June 13, 1989.

Mr. NICKLES. Mr. President, earlier I mentioned that House Members have been incurring mail costs four times that of Senate Members. Simply put, the cost figures demonstrate that for each congressional mailing constituents receive from their U.S. Senator, they are getting four from their Representative.

Under the funding levels provided under the fiscal year 1990 legislative branch appropriations bill, the House will receive $44.5 million for official mail while the Senate will have $24 million available for its use. In reality, the Senate mail account should be twice as large as the House mail account as two Senators represent the same constituent represented by a single House Member.

When considering House and Senate Members' mail costs, comparing on a per constituent or per capita basis is the only way to fairly assess mail costs as total dollar figures do not reflect the difference in population between a congressional district and a State.

In order to compare mail costs on a per constituent basis, the Senate account must be divided by one-half to compare with the House as each U.S. citizen from a State is represented by three elected officials in Congress, one in the House and two in the Senate.

In recent years, House Members, on average, have been spending approximately four times the amount being spent by Senators on a per constituent basis. Mr. President, I ask unanimous consent that a historical summary of these mail costs appear in the RECORD at this point.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

II. COMPARISON OF HOUSE AND SENATE OFFICIAL MAIL COSTS

The following statistics show House mail costs averaged among Members compared to Senate mail costs averaged among Members on a per constituent basis.

An examination of the actual total mail costs of the House of Representatives and the Senate for fiscal years 1972 to 1988 demonstrates that House Members, on average, have spent more than Senators by the factor listed below:

1972	7.7
1973	4.9
1974	4.6
1975	4.3
1976	5.2
1977	4.1
1978	5.1
1979	3.7
1980	4.7
1981	4.7
1982	3.0
1983	2.5
1984	3.1
1985	2.3
1986	3.4
1987	4.6
1988	4.4

Source: Statistics derived from "U.S. Congress Official Mail Costs: Fiscal Year 1972 to Present," by John Pontius, Congressional Research Service, June 13, 1989.

Mr. NICKLES. Mr. President, it is because of these figures that the other body prefers to hide when it comes to mail costs. It is unfortunate that these costs and their actions to hide these costs has evaded public scrutiny for so long. This is not to suggest that disclosure will result in the elimination of mass mailings. It will not. But it will enhance accountability which has been desperately lacking.

These changes are simple and straightforward. And they are sorely lacking in the conference report.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1869

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STATEMENT OF COSTS AND RELATED EXPENSES OF CONGRESSIONAL MASS MAILINGS.

(a) Two weeks after the close of each calendar quarter, or as soon as practicable thereafter, the Sergeant at Arms and Doorkeeper of the Senate shall send to each Senator a statement of the cost of postage and paper and of the other operating expenses incurred as a result of mass mailings processed for such Senator during such quarter. The statement shall separately identify the cost of postage and paper and other costs, and shall distinguish the costs attributable to newsletters and all other mass mailings. The statement shall also include the total cost per capita in the State. A compilation of all such statements shall be sent to the Committee on Rules and Administration. A summary tabulation of such information shall be published quarterly in the CONGRESSIONAL RECORD and included in the semiannual Report of the Secretary of the Senate. Such summary tabulation shall set forth for each Senator the following information: the Senator's name, the total number of pieces of mass-mail mailed during the quarter, the total cost of such mail, and the number of pieces and the cost of such mail divided by the total population of the State from which the Senator was elected.

(b) Two weeks after the close of each calendar quarter, or as soon as practicable thereafter, the House Commission on Congressional Mailing Standards shall send to each Member of the House of Representatives a statement of the cost of postage and paper and of the other operating expenses incurred as a result of mass mailings processed for such Member during such quarter. The statement shall separately identify the cost of postage and paper and other costs, and shall distinguish the costs attributable to newsletters and all other mass mailings. The statement shall also include the total cost per capita in the area from which such Member was elected. A compilation of all such statements shall be sent to the House Committee on House Administration. A summary tabulation of such information shall be published quarterly in the CONGRESSIONAL RECORD and included in the quarterly Report of the Clerk of the House. Such summary tabulations shall set forth for each Member of the following information: the Member's name, the total number of pieces of mass-mail mailed during the quarter, the total cost of such mail, and the number of pieces and cost of such mail divided by the total population of the area from which the Member was elected.

SEC. 2. RESTRICTIONS ON FRANKED CONGRESSIONAL MASS MAILINGS EXCEEDING APPROPRIATED FUNDS.

Section 3216(c) of title 39, United States Code, is amended by inserting "(1)" after "(c)" and adding at the end thereof:

"(2)(A) If, at any time during a fiscal year, the Postal Service determines that the postage on and fees and charges in connection with matter mailed under the frank by the House of Representatives during that year have exhausted the amount appropriated for use by the House of Representatives, then no more mass mailings (as defined in section 3210(a)(6)(E)) may be mailed by any Member of the House of Representatives during the remainder of that fiscal year, unless additional funds are appropriated for

use by the House of Representatives and paid to the Postal Service.

"(B) If, at any time during a fiscal year, the Postal Service determines that the postage on and fees and charges in connection with matter mailed under the frank by the Senate during that year have exhausted the amount appropriated for use by the Senate, then no more mass mailings (as defined in section 3210(a)(6)(E)) may be mailed by any Member of the Senate during the remainder of that fiscal year, unless additional funds are appropriated for use by the Senate and paid to the Postal Service.".

By Mr. BENTSEN:

S. 1870. A bill to establish the United States-Mexico Border Regional Commission and to assist in the development of the economic and human resources of the United States-Mexico border region of the United States; to the Committee on Environment and Public Works.

UNITED STATES-MEXICO BORDER REGIONAL DEVELOPMENT ACT

● Mr. BENTSEN. Mr. President, I am pleased to introduce today legislation to bring badly needed development assistance to the United States-Mexico border areas. This legislation, the United States-Mexico Border Regional Development Act, has been introduced in the House of Representatives by my distinguished colleague Congressman RON COLEMAN of El Paso. This bill would establish a southwest border regional commission to spur economic development along the border and to help meet the pressing health and infrastructure needs of that area of our Nation.

Mr. President, there are few if any areas of our country more in need of economic assistance. This area has the dubious distinction of having the county with the lowest per capita income in the United States—Starr County, TX. In fact, 4 of the 10 lowest per capita income counties in the Nation are along the United States-Mexico border.

The border areas have a large supply of good labor, unfortunately, because the unemployment rate is extremely high in these areas. In addition to high unemployment and low per capita income, the border also suffers from a severe lack of infrastructure and poor health conditions. A large part of the health problems stem from the fact that tens of thousands of people along the border live in unincorporated communities known as colonias. Many of these colonias lack even basic water and sewer services. As a result the disease problems in these areas are severe.

In addition, along the border we are less able to cope with these increased health hazards since there is only one doctor for every 1,150 patients—compared to 600 patients per physician in the rest of Texas.

The border between the United States and Mexico is the only place in the world where a major industrialized country shares a boundary with a developing nation.

That single fact compounds all the problems confronting people who live along the border in Texas.

Tens of millions of gallons of raw sewage are pumped into the Rio Grande every day by cities on the Mexican side of the border, compounding the health problems that we have in Texas, particularly in the colonias which have no water or sewer systems.

Along the border unemployment is higher and per capita income lower than anywhere else in Texas, or most of the rest of the United States.

The border is also the third fastest growing region in America. The population is projected to double by the year 2000, compounding the difficulty and magnitude of the problem.

This proposal is a major, dramatic initiative to offer Texans who live along our border with Mexico a bigger share in the American dream.

No one is suggesting that the United States-Mexico Border Regional Commission will have the power or resources to bring prosperity to the border, but I am convinced it can help set the stage for economic development. It can help us overcome inertia, solve problems and realize the potential of the region.

This proposal is a classic example of how our public and private sectors can work together to solve problems in America. The way I see it, the Regional Commission would help direct resources toward infrastructure, education and public health. The border area is rich in opportunity, and with a healthy, well-educated work force and the infrastructure to support modern industry the private sector will see to it that the economic opportunity that has so long bypassed this region is finally brought in. This Commission can be the catalyst that sparks the private sector interest and investment this area so desperately needs.

The United States-Mexico border unites as well as divides two great nations. It is a logical, attractive place to site manufacturing facilities and start up joint ventures to meet the growing needs of American and Mexican markets. The Regional Commission can get the ball rolling by building up the infrastructure and developing the human capital along the border. Then it will be up to the private sector to move in, broaden the tax base, create jobs, help train people to fill them and seek markets on both sides of the border.

I want to compliment RON COLEMAN for his leadership on this issue in the House.

I am pleased to work with him on this issue. I was born on that border, in the Rio Grande Valley of south Texas, and many members of my family are still there. My roots run deep there. The valley is my home.

But the issue here is much more than the old home ties. The issue is whether tens of thousands of U.S. citizens are going to have a share of the hope and opportunity that we call the American dream. The issue is whether children will continue to walk through ankle-deep sewage after a hard rain, and whether we as a nation want to endure the expense to taxpayers and the suffering to sick children and their families of the rampant disease problems resulting from the lack of the most basic amenities. Amenities that most Americans take for granted—a sink with running water, a flush toilet. The issue is whether the citizens of these areas will continue to be the poorest of the poor, consigned to third-world living and economic conditions, or whether they will have an opportunity to be one of those thousand points of light.

Mr. President, I urge my colleagues to join me in supporting passage of this needed legislation.●

By Mr. DECONCINI:

S. 1871. A bill to amend the Food Security Act of 1985 to clarify the application of certain payment limitations to certain leases involving tribal landlords, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

CLARIFICATION OF THE FOOD SECURITY ACT OF 1985

● Mr. DECONCINI. Mr. President, today I am introducing legislation which addresses some of the problems that Indian tribes are facing under current agricultural restrictions on the payment limitation to Indian farming ventures.

In 1978, the Department of Agriculture [USDA] exempted Indian tribes from payment limitation requirements for the number and amount of payments which could be received under USDA programs. This exemption placed an upper limit on the amount of payments based upon tribal members. From 1978 to 1988, Indian tribal ventures participated in USDA programs without regard to the payment limitation provisions. Tribal farming operations were planned and conducted in reliance on the existence of this exemption.

In 1987, the Food Security Act of 1985 was amended in the Agricultural Reconciliation Act. Nothing in the 1987 Act or in its legislative history even suggested that it was intended to alter the existing treatment of Indian farming ventures. However, in 1988, as a result of the act, USDA repealed the Indian tribe exemption. This repeal resulted in onerous restrictions on the Indian farming operations particularly with respect to the leasing of farmland to or from nontribal farmers.

I took great steps to resolve the problems administratively. Through

exhaustive meetings with the representatives from the various tribes, the Bureau of Indian Affairs, and the Department of Agriculture, we worked to find solutions to these problems. After a discussion with Secretary Yeutter and thanks to the able assistance of the Senate Agriculture Committee most of the problems have been resolved.

However, one very serious problem remains. Under the new USDA regulations a tribe is now penalized if they lease tribal farmland to a nontribal farmer, and if the tenant farmer fails to comply with the payment limitation requirements then the tribe is penalized for the noncompliance of this third party. It is the considered opinion of USDA that this problem can only be corrected by legislation.

The legislation that I am proposing is designed to prevent tribes from being penalized for the action of third-party tenants. The legislation would amend 7 U.S.C. 1308(5)(D) by providing that where a tribe cash rents land on the reservation to a tenant, the tribe will not be penalized if the tenant subsequently is found to be out of compliance, so long as (a) the land was leased pursuant to Federal statutes governing the leasing of lands on Indian reservations, (b) the lease was approved by the Secretary of the Interior, and (c) the tenant has a farm operating plan approved by the Secretary of Agriculture prior to its participation during the lease term in any program under the Food Security Act of 1985.

The Congress has continually sought to assist the severely underdeveloped and poverty stricken tribal economies to achieve economic self-sufficiency. This legislation will work to this end by restoring the protection previously afforded to Indian farm operations.●

ADDITIONAL COSPONSORS

S. 219

At the request of Mr. MOYNIHAN, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 219, a bill to exclude the Social Security Trust Funds from the deficit calculation and to extend the target date for Gramm-Rudman-Hollings until fiscal year 1997.

S. 346

At the request of Mr. WIRTH, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of S. 346, a bill to amend the Alaska National Interest Lands Conservation Act, and for other purposes.

S. 419

At the request of Mr. SASSER, his name was added as a cosponsor of S. 419, a bill to provide for the collection of data about crimes motivated by race, religion, ethnicity, or sexual orientation.

S. 747

At the request of Mr. DECONCINI, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 747, a bill to amend chapter 44 of title 18, United States Code, regarding assault weapons.

S. 1270

At the request of Mr. MCCAIN, the names of the Senator from South Dakota [Mr. DASCHLE], the Senator from Washington [Mr. GORTON], and the Senator from North Dakota [Mr. CONRAD] were added as a cosponsors of S. 1270, a bill to provide an Indian mental health demonstration grant program.

S. 1277

At the request of Mr. FORD, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 1277, a bill to amend the Federal Aviation Act of 1958 to prohibit the acquisition of a controlling interest in an air carrier unless the Secretary of Transportation has made certain determinations concerning the effect of such acquisition on aviation safety.

S. 1333

At the request of Mrs. KASSEBAUM, the name of the Senator from Tennessee [Mr. SASSER] was added as a cosponsor of S. 1333, a bill to amend the International Air Transportation Competition Act of 1979.

S. 1430

At the request of Mr. KENNEDY, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 1430, a bill to enhance national and community service, and for other purposes.

S. 1457

At the request of Mr. HATFIELD, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1457, a bill to amend the Older Americans Act of 1965 to authorize demonstration projects to provide innovative volunteer opportunities to older individuals to provide nursing aide services to residents of nursing homes.

S. 1613

At the request of Mr. BRADLEY, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1613, a bill to temporarily suspend the duty on tamoxifen citrate.

S. 1622

At the request of Mr. HEINZ, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 1622, a bill to promote environmental sector lending by the World Bank.

S. 1630

At the request of Mr. BAUCUS, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 1630, a bill to amend the Clean Air Act to provide for attainment and maintenance of health protective national ambient air quality standards, and for other purposes.

S. 1661

At the request of Mr. PRYOR, the names of the Senator from Arizona [Mr. MCCAIN] and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of S. 1661, a bill to amend the Internal Revenue Code of 1986 to provide for a tax credit for qualifying disability expenses.

S. 1710

At the request of Mr. BRADLEY, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 1710, a bill to temporarily suspend the duty on iohexol.

S. 1749

At the request of Mr. BRADLEY, the names of the Senator from Georgia [Mr. NUNN], and the Senator from Georgia [Mr. FOWLER] were added as cosponsors of S. 1749, a bill to restore previous exemption for edible molasses containing more than six percent (6%) non-sugar solids.

S. 1758

At the request of Mr. GLENN, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 1758, a bill to provide for the establishment of an Office for Small Government Advocacy and for other purposes.

S. 1791

At the request of Mr. ROCKEFELLER, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 1791, a bill to amend the International Travel Act of 1961 to assist in the growth of international travel and tourism into the United States, and for other purposes.

S. 1823

At the request of Mr. BENTSEN, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 1823, a bill to amend the Social Security Act to increase the amount of earnings exempt from reduction under the retirement test under title II of such Act.

SENATE JOINT RESOLUTION 140

At the request of Mr. GLENN, the names of the Senator from Kansas [Mr. DOLE], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Missouri [Mr. BOND], the Senator from Hawaii [Mr. INOUYE], and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of Senate Joint Resolution 140, a joint resolution designating November 19-25, 1989, as "National Family Caregivers Week."

SENATE JOINT RESOLUTION 212

At the request of Mr. BURNS, his name was withdrawn as a cosponsor of Senate Joint Resolution 212, a joint resolution designating April 24, 1990, as "National Day of Remembrance of

the Seventy-Fifth Anniversary of the Armenian Genocide of 1915-1923."

SENATE JOINT RESOLUTION 218

At the request of Mr. INOUYE, the names of the Senator from California [Mr. WILSON], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of Senate Joint Resolution 218, a joint resolution to designate the week of December 3, 1989, through December 9, 1989, as "National American Indian Heritage Week."

SENATE CONCURRENT RESOLUTION 52

At the request of Mr. HATFIELD, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of Senate Concurrent Resolution 52, a concurrent resolution to express the sense of the Congress that science, mathematics, and technology education should be a national priority.

SENATE CONCURRENT RESOLUTION 73

At the request of Mr. MOYNIHAN, the names of the Senator from North Carolina [Mr. SANFORD], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Rhode Island [Mr. CHAFEE], the Senator from California [Mr. CRANSTON], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Montana [Mr. BURNS], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Indiana [Mr. LUGAR], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN], the Senator from Tennessee [Mr. GORE], the Senator from Indiana [Mr. COATS], the Senator from South Dakota [Mr. DASCHLE], the Senator from Vermont [Mr. JEFFORDS], the Senator from Michigan [Mr. LEVIN], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Oklahoma [Mr. NICKLES], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of Senate Concurrent Resolution 73, a concurrent resolution to express the support of the Congress for the courageous people of Colombia.

SENATE RESOLUTION 113

At the request of Mr. HEINZ, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Resolution 113, a resolution to discontinue the use of polystyrene foam products in the Senate Food Services.

SENATE RESOLUTION 206—EARMARKING OF UNIVERSITY RESEARCH FUNDS

Mr. DANFORTH (for himself, Mr. NUNN, and Mr. SANFORD) submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 206

Resolved, That (a) during consideration by the Senate of a bill, resolution, or conference report or amendments between the Houses—

(1) the Presiding Officer shall sustain a point of order made by any Senator against material that—

(A) designates by name or other means of description a particular public or private college, university, nonprofit institution, or group or consortium of such institutions as the recipient of research funds (including funds for the construction, operation, or maintenance or research facilities); or

(B) otherwise interferes with or precludes award or allocation of research monies in accordance with—

(i) the requirements contained in section 303 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253) and section 2304 of title 10, United States Code, in the case of a contract; and

(ii) the use of procedures other than competitive or other merit-based procedures, in the case of a grant;

(2) any part of the measure that contains such material shall be stricken from the bill; and

(3) it shall not be in order to offer such material as an amendment from the floor.

(b) An affirmative vote of three-fifths of the Senators duly chosen and sworn shall be required to sustain an appeal of the ruling of the Presiding Officer on a point of order raised hereunder or to waive or suspend the provisions of this resolution.

● Mr. DANFORTH. Mr. President, on June 18, 1989, the Washington Post disclosed a scandal. Taxpayers' hard-earned dollars are being recycled to lawmakers in a wasteful, damaging chain of events. Universities hire lobbyists. The lobbyists persuade Members of Congress to earmark Federal funds for home State projects. The universities receive their funding and pay the lobbyists. The lobbyists contribute to the Members' campaigns. The Members are reelected. The universities seek more funds. They hire the lobbyists and the cycle starts all over again.

Mr. President, I ask unanimous consent that the Washington Post article be printed in the RECORD immediately following these remarks.

In response to this exposé, the chairman of the Senate Appropriations Committee acted immediately. He authored language in the fiscal year 1990 Interior appropriations bill to break this endless round of earmarked funds, lobbyists' fees, and campaign contributions. This provision, which was recently passed by Congress, requires the registration of all lobbyists who attempt to obtain earmarked university research dollars. Furthermore, it prohibits the use of Federal funds to pay for such lobbying. During debate on this legislation, Senator BYRD eloquently made his case, and I quote from his floor statement of July 26.

Every Senator in this body ought to be repulsed by the perception that we will dole out the bucks if stroked by the right consultant. * * * The American people are fed up. We cannot afford to have scarce resources frittered away on wasteful projects, simply because they are being promoted by well-connected lobbyists. The erosion of the public trust in government officials, and, indeed, trust in the entire government structure will continue if steps are not taken to curb rampant abuses * * *.

Mr. President, the distinguished senior Senator form West Virginia is second to none in his love for the Senate. During his 40 years of loyal Senate service, Senator BYRD has been majority leader and minority leader. He is the President pro tempore. He is the chairman of the Appropriations Committee. He is the distinguished author of a definitive history of the Senate. Time and again, he reminds us, through words and example, of our duties as representatives of the people. He willingly fights unpopular battles to protest the integrity of this body. It should come as no surprise to anyone that, when the honor of the Senate was threatened, ROBERT BYRD took up arms.

I commend Senator BYRD for his timely action. He saw a dangerous practice impugning the integrity of this body and he responded posthaste. Senator BYRD's bill is a good one. Precious Federal dollars should not be lining the pockets of greedy middlemen.

But, Mr. President, upon reflection, I have come to the conclusion that we must go further. The relationship between Congress and the people should be a fiduciary relationship—one based on trust and confidence. The people expect Congress to spend their tax dollars wisely, even frugally. The practice of congressional earmarking of Federal research funds is not consistent with our obligation to the people to manage their money carefully. Once again, it is Senator BYRD who has said it best:

Even when tax dollars are not used to pay lobbyists, the awarding of Federal contracts * * * on any basis other than merit is not in the best interests of the country and should not be tolerated.

Mr. President, we must have the courage to face the root of the problem. Pork-barrel politics is the root of the problem. Until we change our way of doing business, we will continue to jeopardize the integrity of this institution and the people's trust in it.

Congressional earmarking of Federal research funding is an insidious practice. First, it squanders limited research money. Second, it weakens our Nation's impressive research infrastructure—and, consequently, our ability to compete in the international marketplace. Third, it creates a no-win conflict of interest for Members of Congress. Fourth, it undermines public trust in government. And finally, it hurts the very constituents we seek to help. The only solution is to eliminate this practice. Today Senator NUNN and I are submitting a Senate resolution to restore integrity to the Federal research grant process. We must show the American people that

their trust in Congress is not misplaced.

The Federal Government spends over $60 billion annually on research and development. That sounds like a lot, but two-thirds is for defense research and development. Only 14 percent goes to academic institutions. During this decade, Federal R&D spending has increased at a declining rate. The growth from 1988 to 1989 is the lowest rate of real R&D growth since 1975. During the past two decades, other countries have boosted their R&D spending rates faster than the United States. Our biggest competitors spend about the same proportion of their GNP on R&D, but there is a big difference in the kind of R&D that is purchased. As a percentage of GNP, Japan and West Germany heavily outspend the United States in nondefense R&D. In 1989, for example, Japan is expected to spend 2.8 percent of its GNP on nondefense R&D, West Germany will spend 2.6 percent, and the United States will spend 1.7 percent.

Earmarking squanders our precious research dollars. The Federal Government has a finite amount of money. That money should be spent in the most productive way. We should be buying only the highest quality research. Resources available for university research are so scarce that many meritorious proposals go unfunded. We cannot afford congressional porkbarreling of pet projects.

Members of Congress are policymakers. We are not qualified to evaluate and choose among competing scientific research proposals. None of us is a practicing physicist, engineer, chemist, or biologist. None of us knows what revolutionary idea is waiting in the laboratory, unknown to any but a few brilliant scientists, but soon to be the next technology of the future—the next superconductor, the next high definition television. American taxpayers deserve the best research their money can buy. To get the best return on our research, spending decisions must be based on merit, not politics. When research money is spent on the basis of politics, on the basis of who sits on what committee, on the basis of self-serving lobbying, we are wasting the public's money.

America's research institutions are the best in the world. The quality of our basic science and technology is essential to the national defense, public health, economic vitality, and competitiveness. Since the end of World War II, we have built and sustained a capacity for basic research—mostly in our universities—that is the envy of the world. This academic infrastructure was built on the peer review process. We maintain its excellence through careful review by experts who ensure that support goes to our best scientists and engineers. But this merit-based system is undermined by congressional earmarking. In the words of former Secretary of Defense Casper Weinberger:

> The competition process which has been supported by Congress has contributed to the preeminence that our nation's universities enjoy * * * earmarking of research funds for specific universities, without merit competition, establishes a precedent that could jeopardize this preeminence.

Earmarking does not just reallocate funding that would otherwise go to Harvard, Stanford, and MIT. Rather, it takes money from competitive research universities—large and small, private and public, in all regions. As National Science Foundation Director Eric Bloch stated in a speech last year:

> [Earmarking] is the wrong way to make these decisions. A political approach squanders scarce resources and the result may be a weaker national science and technology capability and a weaker nation.

Unfortunately, earmarking is on the rise. In fiscal year 1989, Congress earmarked at least $289 million to specific colleges and universities for pet projects. This is a 1-year increase of 23 percent over the fiscal year 1988 total of $225 million. In fiscal year 1989, nearly 17 percent of the total Department of Agriculture appropriation of $337.3 million for university research was earmarked, half of it for research and the other half for facilities construction. Similarly, 15 percent of the Department of Energy's university research budget of $489.9 million was earmarked. The research and development budget of the National Institute of Standards and Technology [NIST] is only $159 million in fiscal year 1989, of which nearly 10 percent was earmarked. What should be an objective academic decision is becoming a political one.

Because every good research project cannot be funded, politicians find it irresistible to slice up the hog when it comes their way. The system creates a terrible dilemma for every one of us. A Senator is expected to promote the interests of his constituents by bringing home the bacon. Everyone is tempted to play the earmarking game. The mentality is akin to a run at the bank. "If others are doing it, I have to do it too, or my State won't get anything."

However, by succumbing to the temptation, by acting in the narrow interest, Members are undermining our great university system—including their own States' universities. Earmarking shrinks the amounts of research funds available for the truly deserving projects at all universities, including those schools that receive earmarked money. When we fund one special research project, pressure from other universities grows. As they see the pie getting smaller, panic sets in. More institutions seek earmarked funding. Each time an institution successfully bypasses the normal merit procedure, more schools and Members are persuaded that political maneuvering is necessary.

In the end, this creates a no-win situation for Members, as well as for constituents. If Members do not earmark funds, they risk being accused of neglecting their constituents. If they do earmark, they are criticized by the press for serving parochial interests at the expense of the Nation. Recent news headlines highlight this problem. "Legislators Dunk For Plums in Federal Pork Barrel," Boston Globe, July 5, 1989; "Hog Heaven," Common Cause magazine, July/August, 1986; "Select Few in Congress Decide How the Money Will Be Spent," Washington Post, May 30, 1989; "Biggest Pork Barrel Ever: $225 Million For Projects That Bypassed Merit Review," the Chronicle of Higher Education, January 27, 1988; "Science Gets Political; Congress' Pork-Barrel Grants Threaten Our Progress," Los Angeles Times, March 29, 1987. The press continually challenges the validity of these decisions—as indeed it should. Even as Congress attempts to please the voters, the voters are further convinced of Congress' venality and ineptitude.

Interestingly, earmarking does not even help the States that lose in the merit review process. From fiscal 1980 through fiscal 1989, five States received nearly 42 percent of all earmarked money. Three of the five, Massachusetts, New York, and Illinois, are also among the top 10 recipients of Federal research grants based on merit review. Overall, the 10 States that rank the lowest in merit-based research support have won less than 8 percent of the earmarked funds. Those who argue that congressional earmarking rewards the have-nots are mistaken.

The solution is to eliminate the pressure to earmark. The only way to eliminate the pressure is to prohibit earmarking altogether. Academic research is facing a funding crisis. By eliminating the incentive to earmark, we restore objectivity and integrity to the grant process.

The resolution that we are introducing establishes a point of order against any legislation which earmarks civilian or defense research funds, or research facilities construction or operations moneys. When the point of order is sustained, the offending provision is automatically deleted and cannot be offered as a floor amendment. The point of order could only be overruled by a supermajority of the Senate.

Mr. President, the Washington Post article did not impugn the integrity of the universities. It did not even impugn the integrity of the lobbyists. But it did challenge the integrity of this institution. We can change that.

Taxpayers can continue to get quality research. And our universities and scientists can still have the best kind of incentive—good, old-fashioned competition on the merits. Universities won't be pitted against each other to woo Congressmen.

If this resolution is enacted, only the best, most technically qualified research will be funded. Our university system will benefit. America's research base will be stronger. Congressmen will be released from the no-win conflict-of-interest dilemma.

Mr. President, a number of my colleagues may agree that a system based on merit is preferable to a system based on politics, but they may not trust the present merit review system. I have heard it said that the merit review system is an old boys' network, that we need earmarks to help generate research in our smaller, less advantaged schools. Mr. President, I submit that these arguments are shortsighted. University research is too important, too critical to our economic future, to be left to politics.

The merit review system works. We have been using it in this country for over 50 years, beginning with the establishment of the National Cancer Advisory Council. Merit review provides an equitable, objective means for qualified, impartial scientists to select worthwhile research project applications for Federal funding. Although specific merit review procedures vary among the Federal agencies, scientific excellence lies at the heart of these decisions. In recent years, with scarce Federal funding, more agencies have adopted the merit review system because it is the fairest method to allocate limited funds.

For instance, the National Science Foundation has developed an external peer review system to ensure that the best proposals receive awards. External reviewers are selected from approximately 60,000 scientists throughout the country, representing every State. These men and women come from large universities and small colleges, industry, and government and foreign research organizations. Once a proposal is received, it is categorized according to its scientific field and given a preliminary assessment by the NSF program officer for that field. Then several peer review scientists review the proposal, either through a mail review, a panel review, or a combination of the two. The merit recommendations are sent to the NSF program officer who compiles the peer review information and makes an award recommendation to the NSF directors. The directors make the final funding decision. The National Science Foundation's merit review process has been in existence for nearly 40 years. It has worked well. It is the appropriate way to conduct business.

Is it an old boys' network? Does it ensure that the established east and west coast universities receive the major share of Federal research funds? Mr. President, there is no evidence to suggest such a conspiracy. The only old boys' network is here in Congress, where Members who don't know their way around a test tube or a Bunsen burner are making critical, long-range funding decisions based on political pressures and parochial interests.

But let us not ignore these concerns. Where criticisms are legitimate, they must be corrected. We should audit the process. We should require regular and periodic reviews of the system used in each agency to ensure fairness and effectiveness. To this end, we are also introducing S. 1865, legislation to require a General Accounting Office [GAO] audit of the agencies' award policies and procedures, a review of the implementation of those policies and procedures, and an evaluation of their effectiveness. The GAO would report its findings at the beginning of each Congress. If the deck is stacked in favor of a few established institutions, or a select group of prominent scientists, we can eliminate bias and ensure that all qualified researchers can compete on an equal footing.

Some Members may be concerned that the less advantaged schools will never have an opportunity to compete in the merit system if we don't build them up first through earmarks. But the situation we are facing in the international marketplace is too serious to neglect the best research. You don't go into battle unprepared. We are in an economic war, fighting for America. How can we compete with the best and brightest of Japan and Europe if we don't support our own? Our scientists and students cannot win the competitiveness war without resources. If we squander our limited research dollars on projects that have not been subject to merit review, that have not been scrutinized by the experts, we doom the entire system to mediocrity.

If we want to help the less advantaged institutions—and I think we should—we should do it through established programs, not by picking winners and losers based on political horse trading. We have a responsibility to provide high-quality educational opportunities for our young scientists and engineers throughout the Nation. Congress has created such programs to develop local high-quality institutions, like the Experimental Program to Stimulate Competitive Research [EPSCOR]. That program was started in 1978 to improve the quality of science and engineering and to increase the number of scientists and engineers able to compete successfully for Federal grants. Awards based strictly on merit, totaling millions of dollars and benefiting hundreds of scientists, have been made to institutions in many States. The National Science Foundation's merit review process takes geographic factors into consideration. These are legitimate policy choices that we in Congress should make. But impartial scientific review by experts must be the larger context for funding decisions.

As Robert Rosenzweig, president of the Association of American Universities, said:

> We can't build quality and intellectual worth simply by putting money in places where the foundation for quality doesn't exist.

Unless research projects and facilities are awarded to universities based on a competitive scientific review, the quality of science in the United States will deteriorate. In an era of budget deficits and annual squabbles over desperately needed research funding, congressional earmarking makes a difficult dilemma even worse. If we expect to keep our lead in research and development, we must get the most out of every research dollar.

The resolution we are submitting today allows the merit review system to do its job: Choose those proposals eligible for Federal aid based on their technical and scientific merit. Only then can we be assured that research facilities are not being built without adequate staff to support them. Only then can we be assured that moneys are being distributed fairly to universities throughout the Nation. To quote my distinguished colleague, Senator NUNN:

> If we accept earmarking, the pressure on every Senator to take care of his state's universities will be enormous. Is that what we want? To pit our schools against one another at the pork barrel?

The answer is a resounding "No." The time to act is upon us. To keep our lead in research and technology, American universities must receive the dollars they deserve based on merit, not on politics. To accomplish this, we have to stop earmarking. The time to stop it is now.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AS FEDERAL FUNDING TIGHTENS, LOBBYISTS FIND A SURER WAY

(By Dan Morgan)

Until 1985, the National Defense Stockpile Transaction Fund was a little-known entity in the federal bureaucracy that bought and sold scarce commodities such as chrome and titanium for the country's strategic needs.

That was before the Washington lobbying firm of Cassidy and Associates figured out that it could be a useful device for getting money out of the Appropriations committees of Congress for its university clients.

Gerald S.J. Cassidy, a former congressional staffer who heads the lobbying firm, persuaded the appropriators to pass millions of dollars through the Stockpile Fund to finance the construction of "strategic materi-

als research centers" at universities in their home states and districts.

Since 1985, they have used this method to set aside $78 million for nine universities—including four Cassidy clients. The annual amount has been growing. As markups of the 1990 spending bills get under way this month, the Cassidy firm has two new university candidates for the pass-through funds and is seeking a second $3 million for Loyola College's still-unfinished "Center for Advanced Information and Resource Management Studies"—a project whose relevance to the stockpile is not clear.

Under Cassidy's tutelage, the appropriators have come to appreciate the potential of the Stockpile Fund as a vehicle for justifying appropriations for construction of university facilities. Management of the stockpile itself was transferred from the General Services Administration to the Defense Department in February 1988. But the Appropriations subcommittees on Treasury, Postal Service and general government, which have jurisdiction over GSA, have refused to relinquish control over the stockpile to the defense appropriations subcommittees.

The stockpile story points up one of the legislative ironies of the 1980s. As domestic programs have been cut or held at low levels, some lobbyists have prospered as never before.

As universities, research labs, towns and counties found it increasingly difficult to get funds from the executive branch, pressure mounted to obtain grants the sure way—through line items written directly into appropriations legislation by Congress.

These pressures have brought Capitol Hill lobbyists into the picture as seldom before. And those developments, in turn, connected with the insatiable demand of members of Congress for ever larger campaign war chests to ward off challengers. In some cases, Washington lobbyists, law firms and corporate representatives became an extension of the fund-raising operations of congressional offices as those offices were becoming more crucial to the lobbyists for funds-starved clients.

"The whole atmosphere was entirely different in the '70s," when money seemed less important, said a lobbyist who asked not to be identified. But in the 1980s, he added, "Everything got ginned up. People came to work in government to make contacts and then went out and sold those contacts. And the whole thing was driven by the rising cost of campaigns."

"Self-interest is the name of the game," said another lobbyist. "It's a difficult way to establish national policy."

Few if any lobbying firms have been more successful at exploiting the new era of budgetary austerity than Cassidy and Associates. Cassidy, 48, is a liberal Democrat who twice served as general counsel of the Senate Select Committee on Nutrition and Human Needs, chaired by then-Sen. George S. McGovern (D-S.D.). Cassidy was a founder in 1975 of what is now Cassidy and Associates.

Since 1983, it has helped place language in appropriations bills that allocated more than $400 million in grants to at least 38 clients—mostly for construction.

Cassidy does not reveal his fees, but a spokesman said that the firm has charged as much as $50,000 a month to a client who received "a much broader representation than the majority of our clients." One new client, Western Townships Utilities Authority of Plymouth, Mich., is charged $300 an hour, according to a recent lobbying report.

The firm grossed $15 million last year, and expects to reach $21 million to $22 million this year, having added 30 clients since Jan. 1. Cassidy reports.

PUTTING MONEY BACK INTO POLITICS

Some of this money circulates back into politics.

Cassidy, his wife, members of his staff and his clients have contributed $100,000 to $200,000 to congressional campaigns since 1983, according to Federal Election Commission reports. In 1987-88 alone, Cassidy and his wife, Loretta P. Cassidy, contributed $49,250 to dozens of incumbents and challengers, most of them Democrats.

Several of Cassidy's non-university clients, including Ocean Spray Cranberries and Pirelli Cable Co., have political action committees and have given heavily in the last five years. In addition, Cassidy and his clients have contributed generously to university chairs named for members of Congress, and have participated in numerous testimonials and fund-raisers for charities.

At the same time, Cassidy has unabashedly used his congressional connections. Since 1982, he has hired a steady stream of Appropriations Committee staffers and aides of top House and Senate members.

Cassidy established close relations in the House with then-Speaker Thomas P. "Tip" O'Neill Jr. (D-Mass.) and then-Majority Leader Jim Wright (D-Tex.). In 1984, the firm hired one of O'Neill's top aides, Carl F. Godfrey. Two years later, as Wright was about to replace O'Neill as speaker, Cassidy gave a job to Richard M. Pena, a foreign policy adviser to Wright.

In early 1987, Cassidy hired Donald P. Smith from the staff of the House Appropriations subcommittee on energy and water development, where the Cassidy firm had scored some of its most impressive legislative successes. From fiscal 1984 through fiscal 1988, 16 Cassidy clients were allocated several hundred million dollars in legislation cleared by the subcommittee.

Cassidy described Smith as a "very good friend" of the subcommittee chairman, Rep. Tom Bevill (D-Ala.) There is no House rule against former House employees lobbying their former employers, but Cassidy said Smith was assigned to other duties when he first joined the firm.

Cassidy also gave a part-time job to the wife of Rep. Doug Walgren (D-Pa.) for 21 months beginning in September 1985. Carmala Walgren said she did no lobbying and performed mainly pro bono work for the Children's Inn at the National Institutes of Health.

At the time, Walgren was chairman of a subcommittee that has jurisdiction over the National Science Foundation and played a role in making policy for federal support of university research. That job gave him a critical position in deciding whether it was appropriate for Congress to earmark funds for favored academic research projects. Walgren said he took the position that it was "not wrongful" for Congress to earmark funds in that way.

Cassidy defends his aggressive style of operation as a means to a beneficial end—getting federal money for deserving academic and scientific projects.

"I think it's positive and I applaud the members [of Congress] who are taking the lead in doing that," he said during an interview in his Metropolitan Square building offices, where the firm occupies 14,000 square feet. "The dollars would not be spent if they were not being pushed through by members who had an interest in seeing technology advanced."

"The term 'pork barrel science' really sticks in the craw," said Roy Meyers, Cassidy's comunications director, responding to suggestions that the projects are without value. "These things are up and going. They are good, viable projects that contribute to the national interest."

Defenders of the system of earmarking funds for congressionally favored research argue that although the system may not be ideal, even haphazard allocation of funds for basic research can produce useful results.

However, that view is challenged by critics such as the Association of American Universities, which said that lobbyist and members of the Appropriations Committees are not the best judges of the nation's academic and scientific needs.

Evaluating the congressionally mandated projects is difficult. Congress's watchdog arm, the General Accounting Office, seldom if ever tries.

Others suggest that the earmarking of funds for favorite projects in their home states spares members of the key Appropriations panels from feeling the full pain of the budget squeeze and may make it easier for Congress to postpone the tough choices on taxes, spending and national priorities necessary to end massive federal deficits.

A STRATEGY IS BORN

The Stockpile Fund story illustrates how a successful lobbying idea can mushroom from a brainstorming session in a downtown Washington office into a multimillion-dollar spending program.

As Cassidy's president and chief operating officer, James P. Fabiani, recalled the story, it involved a little luck.

A client, the University of Massachusetts at Amherst, was losing scientists and urgently needed new ideas, he said. Cassidy officials learned that the scientists specialized in work on plastic-like materials that could substitute for rare metals such as titanium. Using computerized compilations of appropriations laws, researchers matched up the word "titanium" with the National Defense Stockpile Transaction Fund, and a strategy was born, according to Fabiani.

It was a natural fit. Rep. Silvio O. Conte, the ranking Republican on the powerful House Appropriations Committee, represented the town of Amherst, and had been Fabiani's boss on Capitol Hill until 1982. Fabiani held an education degree from the university.

As ranking minority member of the full committee, Conte is a member of the subcommittee that originated spending legislation for GSA and the stockpile. Cassidy had contributed $500 to Conte's campaign in 1984, and Fabiani had given $1,000.

The idea was for Amherst to create a "strategic and critical materials research facility" and have money passed through the Stockpile Fund to finance its construction. Conte had $9.5 million inserted in the House subcommittee's version. To balance it, then-Sen. Paul Laxalt (R-Nev.) put in the same amount on the Senate side for a similar center at the University of Nevada in Reno.

Each facility received another $5 million the following year.

In the fiscal 1988 spending measure, five projects were added and the Amherst center got a final $5 million.

One of the new recipients was the University of Hawaii at Manoa, a Cassidy client

that was allocated $19 million over the next two years for a "strategic ocean minerals research facility." Hawaii was well-positioned on the Appropriations Committees to get the funds. Rep. Daniel K. Akaka (D-Hawaii) is a senior member of the Appropriations subcommittee on Treasury, Postal Service and general government, and Sen. Daniel K. Inouye (D-Hawaii) sits on the Senate Appropriations Committee.

Both members have received campaign contributions from the Cassidy and Associates staff, Vincent M. Versage, a former aide to Hawaii's other Democratic senator, Spark M. Matsunaga, contributed $2,000 to Akaka in 1987-88. Versage works on the Hawaii account at the Cassidy firm.

A NEW IMAGE FOR LOYALA PROJECT

Early last year, Loyola College in Maryland hired Cassidy and Associates. Officials of several other Jesuit colleges that were Cassidy clients recommended the firm, according to Loyola Provost Thomas Scheye. At the time, Loyola College's planned computing center was still not much more than a hole in the ground. The college had raised only $5.5 million of the $13.5 million it needed to complete the building.

But in the hands of two of Cassidy's lobbyists, the project was given a stylish new image.

In the presentation shaped by Fabiani and Versage, the center became more than just a place to train college and graduate students in computers. It was also to house a Center for Advanced Information and Resources Management Studies."

Scheye said he felt this description was justified. Loyola had a business school, and had trained defense contractors and employees of the Social Security Administration in management techniques and computers, he noted.

But even the Cassidy firm had to stretch to see how such a center could be funded through the national stockpile. The link was made thanks to a House Armed Services Committee report expressing concern about the management of the Stockpile Fund.

According to language drafted by Cassidy and Associates and congressional staff, and inserted into a Senate Appropriations subcommittee report on June 17, 1988, the new Loyola center would "begin to address these and other federal systems management problems on a government-wide basis."

The report of the Senate subcommittee stated that "specialized management education and training" should be made available to the National Defense Stockpile and recommended $4 million for the Loyola center for this purpose.

On Aug. 12, House and Senate conferees approved $3 million for Loyola.

Scheye said the college had been in contact with the Maryland congressional delegation earlier about getting federal money, but that Fabiani and Versage focused particularly on Sen. Barbara A. Mikulski (D-Md.), an adjunct professor at Loyola, and Rep. Steny H. Hoyer (D-Md.). Both serve on the Appropriations subcommittees that oversee the stockpile.

Scheye said he considered the fee of "close to" $10,000 a month that Loyola is still paying the Cassidy firm as money well spent. "They taught us things about how you deal with members of Congress," he said. "But I think Congress helped because our representatives are convinced we can make a contribution in this area."

Meanwhile, advocates and critics of the stockpile earmarking continue their debate. The Bureau of Mines, whose modest, competitive program of research grants to 32 colleges and unversities in 32 states used to be only a vehicle for supporting research in this area, maintains that these earmarked funds passed through the stockpile fund are being spent "absent clearly defined national needs or peer review of the research projects proposed."

The stockpile fund itself has not been affected by the earmarking. It continues to buy and sell reserves of strategic materials and is essentially self-supporting. The earmarked appropriations are simply passed through the fund, which does not even administer or oversee them.

This year, the Cassidy firm is seeking another $3 million for Loyola and is representing two new applicants, Rochester Institute of Technology and Michigan Technological University.

A recent round of hiring appears to be taking the firm in new directions, toward lobbying of the executive branch and different congressional areas. Among recent additions to Cassidy's staff are retired general P.X. Kelley, former Marine Corps commandant; Peter O. Murphy, former special U.S. trade negotiator; Robert A. Farmer, chief fund-raiser in Massachusetts Gov. Michael S. Dukakis's 1988 presidential campaign who will keep his job as treasury of the Democratic National Committee; and Robert K. Dawson, former associate director of the Office of Management and Budget.

At OMB, Dawson oversaw the Energy Department budget and was a steady critic of congressional earmarks for favorite projects within the budget.

THE CASSIDY CLOUT

Funds earmarked to Cassidy clients by House and Senate Appropriations subcommittees since 1983:

Subcommittees on Energy and Water:

Catholic U., laboratory, $13.9 million.

Columbia U., laboratories, $23.7 million.

Atlanta U., technology center, $12 million.

Brown U., technology center, $9.8 million.

U. of Alabama, nuclear research center, $12.3 million.

St. Christopher's Hospital, Philadelphia, $14.8 million.

Arizona State, engineering center, $15 million.

Indiana U., education center, $3 million.

Children's Hospital, Pittsburgh, $15 million.

Mount Sinai Medical Center, gene institute, $12.7 million.

Medical U. of S. Carolina, cancer research center, $16 million.

U. of Alabama at Huntsville, applied optics center, $10.6 million.

Drexel U., technology center, $12 million.

Boston U., physics institute, $8.5 million.

Boston College, multipurpose center, $4 million.

Loma Linda U., cancer research center, $19.6 million.

Northwestern U., research institute, $25.3 million.

Northwestern U., science center, $6 million.

W. Virginia U., energy center, $6 million.

Pirelli Cable Co., more than $5.4 million.

Subcommittees on Transportation:

Barry University, airway management facility, $4 million.

Subcommittees on Defense:

Rochester Institute of Technology, microelectronics, $11 million.

Lehigh U., innovation center, $7.5 million.

Subcommittees on Treasury and Postal Service:

U. Mass at Amherst, critical materials center, $19.5 million.

U. of Hawaii at Manoa, material research center, $19 million.

U. of Utah, polymer center, $11 million.

Loyola College, Md., resource management center, $3 million.

Subcommittees on Commerce, Justice and State:

Boston U., science and engineering building, $19 million.

Pirelli Cable Co., $4 million.

Subcommittees on Rural Development and Agriculture:

U. Nebraska, technology center, $50,000.

Gonzaga U., technology center, $1.875 million.

U. of S. Mississippi, polymer institute, $10 million.

U. of Hawaii and Oceanic Institute, aquaculture centers, $3 million.

Louisiana Public Facilities Authority, $13 million.

Subcommittees on Veterans Affairs, HUD, Independent Agencies:

Challenger Space Center, $10 million (pro bono client).

Subcommittees on Labor, Health and Human Services and Education:

U. of Bridgeport; technology institute, $5 million.

Subcommittees on Foreign Operations:

Fudan Foundation, $4 million (no figure specified by subcommittee).

American Hospital in Shanghai, $3 million (no figure specified by subcommittee).

Subcommittees on Interior:

West Virginia University, energy research center, small amount.

Northwestern University, energy research center, small amount.

THE REVOLVING DOOR

The Cassidy and Associates employees listed here were hired from Appropriations Committees and key congressional offices. Their date of hire appears in parentheses.

James P. Fabiani, House Appropriations subcommittee on labor, health and human services. (1982)

Donald P. Smith, House Appropriations subcommittee on energy and water. (1987)

George A. Ramonas, staff of Sen. Pete V. Domenici (R-N.M.), member, Senate Appropriations Committee. (1985)

Elliott M. Fiedler, staff of Rep. David R. Obey (D-Wis.), chairman, Appropriations subcommittee on foreign operations. (1987)

Julia M. Jones, staff of Rep. Joseph M. McDade (R-Pa.), member, House Appropriations Committee.

Carl F. Godfrey, executive assistant to then Speaker Thomas P. O'Neill Jr. (D-Mass.). (1984)

Richard M. Pena, foreign policy aide to then-Majority Leader Jim Wright (D-Tex). (1985)

Jonathan M. Orloff, staff of Sen. Edward M. Kennedy (D-Mass.), chairman, Committee on Labor and Human Resources. (1985)

James H. Johnson, staff of then-Rep. Trent Lott (R-Miss.), GOP Whip. (1984, hired as consultant)

Willard F. Cox, staff of then-Rep. Don Fuqua (D-Fla.), chairman, Committee on Science and Technology. (1983)

Vincent M. Versage, staff of Sen. Spark M. Matsunaga (D-Hawaii), member, Committee on Energy and Natural Resources. (1984)

Peter Glavas, staff of Sen. David L. Boren (D-Okla.), member, Finance Committee. (1988)●

● Mr. NUNN. Mr. President, by introducing this resolution, Senator DANFORTH continues to demonstrate his leadership in the effort to eliminate earmarking of Federal funds to universities, colleges, and other institutions. The Senate Armed Services Committee has consistently opposed any earmarking of Defense funds. Senator DANFORTH, while not a member of our committee, has always been a strong partner in our fight. In fact, he has been the leader in the Senate in this effort. I have welcomed his support in the past and I now fully support the resolution he has introduced.

Last year, the House and the Senate agreed to a provision in the Defense Authorization Act which directs that grants and contracts to universities and colleges be competitively awarded based strictly on merit. This legislation took effect on October 1. Both the House and Senate Armed Service Committees reaffirmed their opposition to earmarking in their actions on this years Defense authorization bill. In addition, the Senate recently defeated an attempt to introduce three new earmarking projects using defense research funds.

Research funds are becoming harder to find to support any federally funded research at universities and colleges. This does not imply, however, that there is any less need for this research. Today, U.S. industry and commerce are being challenged around the world, in both development of new products and in producing them for the marketplace. Further, while there recently has been a warming in our relations with the Soviet Union, it would be foolish indeed to reduce our defense research programs that help maintain our warfighting technological superiority. The foundation of our Nation's lead in science and technology lies in the research done by our colleges and universities. Where that work should be performed must be decided on the basis of institutional merit by those best qualified to decide. I believe that congressional earmarking is not the way to allocate these funds. Merit-based competition is the best way to make these allocations.

Senator DANFORTH's resolution enhances the antiearmarking provisions already in place for the Defense Department. It provides the Senate with a straightforward method to oppose earmarking by permitting a point of order to be raised whenever an earmarking occurs. Further, it expands the fight against earmarking beyond the Defense Department to extend across the entire scope of federally funded research projects. The Federal Government funds about two-thirds of all research performed in universities and colleges. The Defense Department ranks third as a provider of these funds, contributing between 10 and 15 percent of the total. There definitely is a need to enforce merit-based awards of grants and contracts for all federally funded programs and Senator DANFORTH's resolution provides us with just such a mechanism.

Mr. President, the future of the Nation resides in our colleges and universities. They are the pillars that support the Nation's research and technology infrastructure. They produce both the new ideas and the scientists and engineers vital to our Nation's security and economic prosperity. Our universities and colleges are unmatched in their accomplishments and they must be properly supported if we are to maintain our position as a world leader. The academic community has made clear its opposition to statutory earmarking. The presidents of the National Science Foundation and the National Academy of Science have spoken out against this practice. The Secretary of Defense recently stated his opposition to earmarking of research funds in a letter he sent to me. Pork barrel politics has no place today in funding Federal research at colleges and universities. I urge our colleagues to support the DANFORTH resolution and provide this body with an effective tool to stop this unnecessary practice.●

AMENDMENTS SUBMITTED

LEGISLATIVE BRANCH APPROPRIATIONS, FISCAL YEAR 1990

WILSON AMENDMENT NO. 1091

Mr. WILSON proposed an amendment to the amendment of the House to the amendment of the Senate numbered 6 to the bill (H.R. 3014) making appropriations for the legislative branch for the fiscal year ending September 30, 1990, and for other purposes, as follows:

In Amendment number 6, in the text proposed by the House to be inserted, strike out all up to and including *"Provided,* That, of the amounts" and insert in lieu thereof the following:

"$100,229,000 of which $8,978,000 is available only for Senate official mail costs, to be disbursed by the Secretary of the Senate, $14,530,000 is available only for House official mail costs, to be disbursed by the Clerk of the House, $31,721,000, which may only be expended in fiscal year 1990, and $45,000,000 is available for Model Projects Program for Pregnant and Post Partum Women and their Infants to be spent pursuant to 42 U.S.C. 290aa-13 to remain available until expended;

"Provided, That subsection (c) of section 3216 of title 39, United States Code, is repealed;

"Provided further, That notwithstanding any other provision of this Act, there is hereby prohibited the use of the franking privilege for unsolicited mass mailings, as described in section 3210(a)(6)(E) of title 39, United States Code;

"Provided further, That only monies appropriated by law for official mail costs of the Senate and the House of Representatives may be used to defray such costs;

"Provided further, That the Committee on Rules and Administration may establish a minimum allocation of funds for mail costs of Senators representing states with fewer than three million residents and may allocate funds for the mail costs incurred by Senators prior to the date of enactment of this Act prior to making an allocation of funds to each Senator for authorized mail costs; and

"Provided further, That of the amounts".

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, FISCAL YEAR 1990

COATS (AND OTHERS) AMENDMENT NO. 1092

Mr. COATS (for himself, Mr. DOLE, Mr. MCCAIN, Mr. ARMSTRONG, Mr. HUMPHREY, Mr. NICKLES, Mr. MACK, Mr. HELMS, Mr. BURNS, Mr. ROTH, Mr. KASTEN, Mr. DANFORTH, Mr. MURKOWSKI, Mr. WILSON, Mr. THURMOND, Mr. GORTON, Mr. SYMMS, Mr. BOND, and Mr. BOSCHWITZ) proposed an amendment to the bill (H.R. 3015) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1990, and for other purposes, as follows:

At the appropriate place, insert the following:

SEC. . LEGISLATIVE LINE ITEM VETO ACT OF 1989.

(a) SHORT TITLE.—This section may be cited as the "Legislative Line Item Veto Act of 1989".

(b) ENHANCEMENT OF SPENDING CONTROL BY THE PRESIDENT.—The Impoundment Control Act of 1974 is amended by adding at the end thereof the following new title:

"TITLE XI—LEGISLATIVE LINE ITEM VETO RESCISSION AUTHORITY

"PART A—LEGISLATIVE LINE ITEM VETO RESCISSION AUTHORITY

"GRANT OF AUTHORITY AND CONDITIONS

'SEC. 1101. (a) IN GENERAL.—Notwithstanding the provisions of part B of title X and subject to the provisions of part B of this title, the President may rescind all or part of any budget authority, if the President—

"(1) determines that—

"(A) such rescission would help balance the Federal budget, reduce the Federal budget deficit, or reduce the public debt;

"(B) such rescission will not impair any essential Government functions; and

"(C) such rescission will not harm the national interest; and

"(2)(A) notifies the Congress of such rescission by a special message not later than 20 calendar days (not including Saturdays, Sundays, or holidays) after the date of enactment of a regular or supplemental appropriations Act or a joint resolution making continuing appropriations providing such budget authority; or

"(B) notifies the Congress of such rescission by special message accompanying the submission of the President's budget to

Congress and such rescissions have not been proposed previously for that fiscal year.

The President shall submit a separate rescission message for each appropriations bill under paragraph (2)(A).

"(b) RESCISSION EFFECTIVE UNLESS DISAPPROVED.—(1)(A) Any amount of budget authority rescinded under this title as set forth in a special message by the President shall be deemed canceled unless during the period described in subparagraph (B), a rescission disapproval bill making available all of the amount rescinded is enacted into law.

"(B) The period referred to in subparagraph (A) is—

"(i) a Congressional review period of 20 calendar days of session under part B, during which Congress must complete action on the rescission disapproval bill and present such bill to the President for approval or disapproval;

"(ii) after the period provided in clause (i), an additional 10 days (not including Sundays) during which the President may exercise his authority to sign or veto the rescission disapproval bill; and

"(iii) if the President vetoes the rescission disapproval bill during the period provided in clause (ii), an additional 5 calendar days of session after the date of the veto.

"(2) If a special message is transmitted by the President under this section during any Congress and the last session of such Congress adjourns sine die before the expiration of the period described in paragraph (1)(B), the rescission shall not take effect. The message shall be deemed to have been retransmitted on the first day of the succeeding Congress and the review period referred to in paragraph (1)(B) (with respect to such message) shall run beginning after such first day.

"DEFINITIONS

"SEC. 1102. For purposes of this title the term 'rescission disapproval bill' means a bill or joint resolution which only disapproves a rescission of budget authority, in whole, rescinded in a special message transmitted by the President under section 1101.

"PART B—CONGRESSIONAL CONSIDERATION OF LEGISLATIVE LINE ITEM VETO RESCISSIONS

"PRESIDENTIAL SPECIAL MESSAGE

"SEC. 1111. Whenever the President rescinds any budget authority as provided in section 1101, the President shall transmit to both Houses of Congress a special message specifying—

"(1) the amount of budget authority rescinded;

"(2) any account, department, or establishment of the Government to which such budget authority is available for obligation, and the specific project or governmental function involved;

"(3) the reasons and justifications for the determination to rescind budget authority pursuant to section 1101(a)(1);

"(4) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the rescission; and

"(5) all facts, circumstances, and considerations relating to or bearing upon the rescission and the decision to effect the rescission, and to the maximum extent practicable, the estimated effect of the rescission upon the objects, purposes, and programs for which the budget authority is provided.

"TRANSMISSION OF MESSAGES; PUBLICATION

"SEC. 1112. (a) DELIVERY TO HOUSE AND SENATE.—Each special message transmitted under sections 1101 and 1111 shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each special message so transmitted shall be referred to the appropriate committees of the House of Representatives and the Senate. Each such message shall be printed as a document of each House.

"(b) PRINTED IN FEDERAL REGISTER.—Any special message transmitted under sections 1101 and 1111 shall be printed in the first issue of the Federal Register published after such transmittal.

"PROCEDURE IN SENATE

"SEC. 1113. (a) REFERRAL.—(1) Any rescission disapproval bill introduced with respect to a special message shall be referred to the appropriate committees of the House of Representatives or the Senate, as the case may be.

"(2) Any rescission disapproval bill received in the Senate from the House shall be considered in the Senate pursuant to the provisions of this section.

"(b) FLOOR CONSIDERATION IN THE SENATE.—

"(1) Debate in the Senate on any rescission disapproval bill and debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

"(2) Debate in the Senate on any debatable motion or appeal in connection with such a bill shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the bill, except that in the event the manager of the bill is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from the time under their control on the passage of the bill, allot additional time to any Senator during the consideration of any debatable motion or appeal.

"(3) A motion to further limit debate is not debatable. A motion to recommit (except a motion to recommit with instructions to report back within a specified number of days, not to exceed 1, not counting any day on which the Senate is not in session) is not in order.

"(c) POINT OF ORDER.—(1) It shall not be in order in the Senate or the House of Representatives to consider any rescission disapproval bill that relates to any matter other than the rescission of budget authority transmitted by the President under section 1101.

"(2) It shall not be in order in the Senate or the House of Representatives to consider any amendment to a rescission disapproval bill.

"(3) Paragraphs (1) and (2) may be waived or suspended in the Senate only by a vote of three-fifths of the members duly chosen and sworn.".

COMMODITY EXCHANGE ACT AUTHORIZATION

GORTON AMENDMENT NO. 1093

(Ordered to lie on the table.)

Mr. GORTON submitted an amendment intended to be proposed by him to the bill (S. 1729) to amend the Commodity Exchange Act to reauthorize such act, and for other purposes, as follows:

At the end of title VIII, add the following new section:

SEC. . TRANSFER OF AUTHORITY FOR STOCK INDEX FUTURES.

(a) IN GENERAL.—Section 2(a) (7 U.S.C. 4a) is amended by adding at the end the following new paragraph:

"(12) Notwithstanding any other provision of law—

"(A) contracts of sale (or options on such contracts) for future delivery of a group or index of securities (or interest therein or based on the value thereof) shall be deemed to be securities under the Federal securities laws and subject to the exclusive jurisdiction of the Securities and Exchange Commission; and

"(B) the functions of the Commodity Futures Trading Commission relating to the regulation of stock index futures under this Act are transferred to the Securities and Exchange Commission.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on March 1, 1990.

NIOBRARA RIVER DESIGNATION AS WILD AND SCENIC RIVER

JOHNSTON AMENDMENT NO. 1094

Mr. MITCHELL (for Mr. JOHNSTON) proposed an amendment to the bill (S. 280) to amend the Wild and Scenic Rivers Act by designating a segment of the Niobrara River in Nebraska as a component of the Wild and Scenic Rivers System, as follows:

On page 11, line 2, strike "With" and insert in lieu thereof "Within".

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION

GORE (AND HOLLINGS) AMENDMENTS NOS. 1095 AND 1096

Mr. MITCHELL (for Mr. GORE, for himself and Mr. HOLLINGS) proposed two amendments to the bill (S. 916) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes, as follows:

AMENDMENT NO. 1095

On page 31, at the end of line 21, insert the following: "None of the NASA Small Business Innovation Research Program funds may be used for travel or civil service salaries."

AMENDMENT NO. 1096

On page 32, line 19, delete the "." and insert the following: ": *Provided*, That the National Space Council shall reimburse other agencies for not less than one-half of

the personnel compensation costs of individuals detailed to it.

SEC. 302. Not more than six individuals may be employed by the National Space Council without regard to any provision of law regulating the employment or compensation of persons in the government service, at rates not to exceed the rate of pay for Level VI of the Senior Excutive Schedule, as provided pursuant to section 5382 of title 5, United States Code.

SEC. 303. Section 5314 of title 5, United States Code is amended by adding at the end thereof.

"EXECUTIVE SECRETARY, NATIONAL SPACE COUNCIL

SEC. 304. The National Space Council may, for the purposes of carrying out its functions employ experts and consultants in accordance with section 3109 of title 5, United States Code, and may compensate individuals so employed for each day (including travel time) at rates not in excess of the maximum rate of pay for grade GS-18 as provided in section 5332 of title 5, United States Code.

SEC. 305. (1) The National Space Council is requested to initiate a review of United States launch policy including the Nation's expendable launch vehicle and satellite industries, their current and projected markets, the existing and projected level of foreign competition in these industries, the extent and level of support from foreign governments in these markets and industries, the consequences of the entry of nonmarket providers of launch services and satellites into the world market, restrictions on the use of foreign launch services and the export of United States satellites, and the importance of the United States launch vehicle and satellite industry to the national and economic security.

(2) The findings of this review and any policy recommendations are to be submitted to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation in the Senate by August 1, 1990.

GORE (AND OTHERS) AMENDMENT NO. 1097

Mr. MITCHELL (for Mr. GORE, for himself, Mr. HOLLINGS, and Mr. BENTSEN) proposed an amendment to the bill S. 916, supra, as follows:

On page 32, immediately after line 19, insert the following:

TITLE IV—NATIONAL SPACE GRANT COLLEGE AND FELLOWSHIP PROGRAM

SEC. 401. Section 203(1) of Public Law 100-147, the National Aeronautics and Space Administration Authorization Act of 1988, (42 U.S.C. 2486a(1)) is amended by inserting "and undergraduate" immediately after "graduate".

SEC. 402. Section 209(a) of Public Law 100-147, the National Aeronautics and Space Administration Authorization Act of 1988, (42 U.S.C. 2486g(a)) is amended by inserting "and undergraduate" immediately after "graduate".

GORE (AND OTHERS) AMENDMENT NO. 1098

Mr. MITCHELL (for Mr. GORE, for himself, Mr. HOLLINGS, and Mr. METZENBAUM) proposed an amendment to the bill S. 916, supra, as follows:

Strike all on page 29, line 11, through page 30, line 24.

HOLLINGS (AND GORE) AMENDMENTS NOS. 1099 THROUGH 1106

Mr. MITCHELL (for Mr. HOLLINGS, for himself, and Mr. GORE) proposed eight amendments to the bill, S. 916, supra, as follows:

AMENDMENT No. 1099

On page 17, line 18, delete "$894,500,000" and insert in lieu thereof "$903,500,000".

AMENDMENT No. 1100

On page 18, line 6, delete "$625,500,000" and insert in lieu thereof "$631,500,000".

AMENDMENT No. 1101

On page 19, line 14, delete "$35,000,000" and insert in lieu thereof "$38,000,000".

AMENDMENT No. 1102

On page 19, line 25, delete "$1,305,300,000" and insert in lieu thereof "$1,340,300,000".

AMENDMENT No. 1103

On page 24, line 8, delete "$2,032,200,000" and insert in lieu thereof the following: "$2,049,200,000".

AMENDMENT No. 1104

On page 24, immediately after line 4, insert the following:

(38) Construction of the Advanced Solid Rocket Motor Facility, Yellow Creek, Mississippi, $90,000,000.

(39) Construction of a Space Station Orbital Debris Radar Facility, $15,000,000.

(40) Construction of a Wake Shield Facility, $2,500,000.

AMENDMENT No. 1105

On page 32, immediately after line 3, insert the following new sections:

FUNDING FOR SPACE SHUTTLE STRUCTURAL SPARES

SEC. 110. The Administrator is authorized to use up to $25,000,000 of the funds appropriated in section 101(g) of the Joint Resolution entitled "Joint Resolution making continuing appropriations for the fiscal year 1987, and for other purposes", approved October 30, 1986 (Public Law 99-591; 100 Stat. 3341-242), for space shuttle structural spares.

FUNDING FOR EXTENDED DURATION ORBITER DEVELOPMENT

SEC. 111. The Administrator is authorized to use up to $25,000,000 of the funds appropriated in section 101(g) of the Joint Resolution entitled "Joint Resolution making continuing appropriations for the fiscal year 1987, and for other purposes", approved October 30, 1986 (Public Law 99-591; 100 Stat. 3341-242), for continued development of an extended duration orbiter.

FUNDING FOR SPACE TRANSPORTATION SYSTEM

SEC. 112. The Administrator is authorized to use up to $25,000,000 of the funds appropriated in section 101(g) of the Joint Resolution entitled "Joint Resolution making continuing appropriations for the fiscal year 1987, and for other purposes", approved October 30, 1986 (Public Law 99-591; 100 Stat. 3341-242), for space transportation system requirements.

AMENDMENT No. 1106

On page 20, line 2, after the word "motor" insert the following: ", of which $35,000,000 is authorized only for tooling and equipment associated with the Advanced Solid Rocket Motor Facility authorized in subsection (c)(38) of this section,".

NOTICES OF HEARINGS

COMMITTEE ON VETERANS' AFFAIRS

Mr. CRANSTON. I announce, for the information of Senators, that the Committee on Veterans' Affairs, which I am privileged to chair, has rescheduled its Wednesday, November 15, 1989, hearing on Department of Veterans' Affairs health care for rural veterans to begin at 8 a.m. in SR-418.

COMMITTEE ON SMALL BUSINESS

Mr. BUMPERS. Mr. President, I would like to announce that the Small Business Committee will hold a full committee hearing on Wednesday, November 15, 1989, to consider the nomination of Kyo R. Jhin to be chief counsel for advocacy for the Small Business Administration. The hearing will be held in room 428A of the Russell Senate Office Building and will commence at 1:30 p.m. This hearing was originally scheduled for November 14, 1989. For further information, please call John Ball, staff director of the committee at 224-5175, or Tracy Crowley at 224-3099.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet on November 9, 1989, beginning at 11 a.m., in 485 Russell Senate Office Building, to consider for report to the Senate S. 1096 (S. 1336), to provide for the use and distribution of funds awarded the Seminole Indians; S. 1270, to provide an Indian mental health demonstration grant program; S. 1526, to authorize the State of Oklahoma and the Kiowa, Comanche, and Apache Tribes to enter into an agreement regarding the exercise of State jurisdiction over a portion of Indian country located in Comanche County, OK; S. 1781, the Native American Language Act; S. 1783, to regulate Indian child protection and prevent child abuse on Indian reservations and S. 1813, to ensure that funds provided under section 4213 of the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986 may be used to acquire land for emergency shelters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEES ON LABOR AND HUMAN RESOURCES AND THE JUDICIARY

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Committees on Labor and Human Resources and the Judiciary be authorized to meet during the session of the Senate on Thursday, November 9, 1989, at 10 a.m. for a hearing on "The Impact of Drugs on Children and Families."

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, November 9, 1989, at 3:30 p.m. to hold a closed meeting on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY AND SPACE

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on November 9, 1989, at 10 a.m. to hold a hearing on the human genome initiative and the future of biotechnology.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on November 9, 1989 at 2 p.m. to hold a hearing on the nomination of Deborah Wince-Smith, of Ohio, to be Assistant Secretary of Commerce for Technology Policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Thursday, November 9, 1989, at 10 a.m. to hold a hearing on S. 712, Puerto Rico status referendum.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the full committee of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate November 9, 1989, at 9:30 a.m. for a hearing to receive testimony on amendment 267 to S. 406, the Competitive Wholesale Electric Generation Act of 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Thursday, November 9, at 9:30 a.m. for a hearing on the subject: Crisis in science and math education.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on November 9, 1989, at 9:30 a.m., to hold a hearing on the nomination of Vaughn R. Walker to be U.S. district judge for the northern district of California.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday, November 9, 1989, at 2:30 p.m. to consider the nomination of: Christopher Jehn to be Assistant Secretary of Defense for force management and personnel; G. Kim Wincup to be Assistant Secretary of the Army for Manpower and Reserve Affairs; and Barbara S. Pope to be Assistant Secretary for the Navy for Manpower and Reserve Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. MOYNIHAN. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a meeting to consider the nomination for the Department of Veterans Affairs of David E. Lewis to be Assistant Secretary for Aquisition and Facilities, Ronald E. Ray to be Assistant Secretary for Human Resources and Administration, and Edward G. Lewis to be Assistant Secretary for Information Resources Management on Thursday, November 9, 1989, at 10:30 a.m. in SR-418.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

NETHERLANDS ENVIRONMENTAL CONFERENCE

● Mr. BIDEN. A 2-day international conference of environmental ministers from 70 countries recently concluded in The Netherlands. Proposals that dared to push the world toward concrete agreements to address global warming were put forward. A strong consensus of the environmental ministers supported a resolution committing each country to freeze carbon dioxide emissions and then reduce them by 20 percent. The initiative demonstrates how seriously the threat of global warming is taken by countries around the world.

But that resolution was not adopted because three countries—the United States, Japan, and the Soviet Union—objected, and instead, insisted on a watered-down resolution stating that emissions should be stabilized at an unknown level following an unknown timetable. The effect is a gutting of the resolution. Intentions are expressed, but firm targets and dates are omitted.

One of our representatives to the meeting, Environmental Protection Agency Administrator William Reilly, explained our Nation's position in the following manner:

> We did not come here prepared to make a commitment to stabilize emission by the year 2000.

It is that simple. They were not prepared.

But let us be clear by what was meant by "not prepared." It does not mean the proposal came as a surprise, that there was no inkling of it prior to the meeting. It was well-known that the Dutch hosts were planning to place just such a proposal before the environmental ministers. An article in the Washington Post of October 25 stated:

> At the Nov. 6-7 meeting in the Netherlands, the Dutch government is expected to propose an international freeze on carbon dioxide at current levels by the year 2000.

Instead of "not prepared," a more accurate description is "not willing."

In Mr. Reilly's defense, news reports prior to the meeting also made clear that he supported a more aggressive position on global warming, but others within the administration fought strongly against him. In fact, Mr. Reilly had to overcome objections just to be able to attend the meeting.

Events surrounding the United States' participation in The Netherlands meeting continue a disturbing pattern. In January, Secretary of State James Baker promised action from our Nation on global warming. In the 10 months since that meeting, Secretary Baker has sought to bring that promise into reality. Unfortunately, he has run into the same resistance as has Mr. Reilly. Delay has become the hallmark of our Nation's global environmental policy.

What is President Bush doing while these reversals of his avowed policies are occuring? His commitment to use the "White House effect" to combat the greenhouse effect has proven hollow. His promise to host an international meeting on global warming has given new meaning to the word "host."

In his press conference 2 days ago, in response to a question on The Nether-

lands meeting, President Bush pointed to the leadership of the United States' science on global warming. There is much that will never be known about the effects of global warming, but there is no dispute over the scientific underpinning of the greenhouse theory. Our science has been a leader in charting the rise in greenhouse gasses.

But while praising our Nation's science, the President ignores the implications of its findings. The standards set by advocates of delay will never be met. It is not a serious approach to dealing with this problem. It is an invitation to disaster.

Some observers may point to the President's chief of staff or his science adviser as the leading advocates of delay, but responsibility clearly rests with the President. Strong sentiments to do something about global warming and calls for a meeting in the White House have come a cropper. It is time he made the actions of the administration more consistent with its pronouncements.

The isolation of the United States on this issue was highlighted by a speech of British Prime Minister Margaret Thatcher yesterday before the United Nations General Assembly. In that speech, Mrs. Thatcher called for completion, by 1992, of an international treaty to address global warming.

In contrast, prior to The Netherlands meeting, Mr. Reilly's proposal for the United States to offer to host the first meeting of a framework convention for a global warming treaty was rejected. Our influence and prestige were reduced accordingly.

What are the risks of the United States rejection of action on global warming? An editorial in the Wilmington News-Journal yesterday put it well:

> If we plead that a modest reduction in the rate at which we pollute will impose economic suffering for us, what can we say to developing countries seeking to burn fossil fuels for earlier stages of development?

That is what makes the retreat of the administration on global warming so damaging, and why it must be reversed.

The next major opportunity for the United States to demonstrate its official commitment to provide the crucial leadership will come in February, when a meeting of the Response Strategies Working Group is to be held in Washington. There is plenty of time for the administration to prepare for the meeting. It is my hope the preparations will be for action, not for delay.●

S. 1542—PERTAINING TO CERTAIN EMPLOYEES OF THE NATIONAL WEATHER SERVICE

● Mr. HATFIELD. Mr. President, recently, I introduced S. 1542, legislation to amend title 5 of the United States Code, to allow certain employees of the National Weather Service to be included under a bill passed last year to assist emergency forest firefighters. S. 1542 ensures that fire weather meteorologists of the Department of Commerce will receive full compensation for their overtime work.

In the last 3 years, 13 million acres of forest land throughout the United States have been consumed by fire—the worst this country has endured in almost a century. Unfortunately, many of the brave people involved in fighting these fires have actually worked many long, strenuous hours without receiving any compensation for their overtime efforts. Because of a cap on overtime pay, many Federal workers are paid substantially less than the men and women with whom they work alongside.

Last year, we were successful in passing the Forest Wildfire Emergency Pay Equity Act. The intention of this bill was to compensate all Federal employees involved in emergency firefighting activities for their overtime activities. Thus, it was our understanding that all firefighting services were provided by either the Department of Agriculture or the Department of Interior.

The purpose and need for this bill was clear—the overtime pay cap that was in place at the time had the potential to destroy firefighters' morale and commitment at the very time that these intangible assets were needed the most. I am pleased to say that the rights of these firefighters are now secured.

Unfortunately, fire weather meteorologists employed by the National Weather Service are still burdened by the same overtime pay cap, and all of its related problems. Under the current law, such employees who work beyond their regular hours do not necessarily receive their full overtime pay. One meteorologist may receive compensation for the hours worked beyond his normal work schedule while another has reached his overtime pay limitation and may be working without compensation.

When onsite at a wildfire, these meteorologists routinely work from 15 to 18 hours a day. Long-term deployments often extend 10 days or longer. Although most fire weather meteorologists do receive all the pay to which they are entitled, the forecasters who, under current law, "max out" their overtime hours cannot exceed the GS-15 level in any 2-week pay period.

Thus, this bill will amend the Forest Wildfire Emergency Pay Equity Act to fully resolve the longtime problem of inequity in emergency overtime pay. It will effect a very small number of employees of the U.S. Department of Commerce and will apply only to wildfire situations.

Mr. President, the National Weather Service supplies specially trained fire weather meteorologists who play a vital role in support of efforts to control wildfires. For example, the consistency, and thus reliability, of field weather services is often adversely affected merely due to pay considerations. National Weather Service meteorological personnel form a team in which local weather forecast expertise is translated into management decisions associated with fire suppression tactics, firefighting field placement, and total resource management at the fire site.

Usually only one meteorologist is assigned to a wildife incident. This meteoroligist is tasked with providing continuous weather support to the suppression agency. The NWS meteorological input to wildfire suppression minimizes the time and resources necessary to bring a fire under control, and helps to prevent the loss of life and property. The meteorologist provides regular weather forecast information to the fire behavior analyst and the fire management team. In addition, he reconnoiters the fire area to learn what local features might be affecting the fire behavior.

The working hours of the fire weather meteorologist are not completely under his control but must meet the needs of the fire management team. He may be called upon at any time of the day or night to provide input to help develop and implement the fire suppression strategy. Thus, applying standard workweek principles to fire weather forecasting situations simply does not make sense. Theirs is not a 9-to-5 job. The fires need to be fought, and we cannot have personnel leaving fire sites just because we are concerned about how much money they are making.

We expect these people to spend long periods away from their families, enduring difficult living conditions, working in the heat and smoke, and subjecting themselves to life-threatening hazards for 15 to 18 hours a day. Shall we also expect them to work for free?

Mr. President, we have paid our debt poorly to these men and women. It is inexcusable that bureaucratic technicalities actually force some meteoroligists to work for free. If the bill currently before us was in place during the devastating 1987 fire season, the cost in overtime to the Treasury would have amounted to about $14,000. An average year would cost only about $5,000.

However, the cost of this bill is not the issue. It is a matter of equity. It is simply not fair to expect these men and women who place their lives on the line to work for free. Fire weather meteorologists who work overtime should be paid overtime.

Although we cannot predict the future budgetary impact of this legislation, we do know that it is relatively small compared to the grandeur of the services performed.

I urge the Senate to quickly adopt this effort to provide economic justice to these hardworking people.●

VETERANS DAY 1989

● Mr. DOMENICI. Mr. President, this Saturday, November 11, is Veterans Day. I know my colleagues will join me in paying tribute to the millions of men and women who have proudly served our country in the U.S. Armed Forces.

Since the very beginning of our country, American men and women have defended our land during times of peace and times of war. They gave us our freedom, and they kept our freedom.

In the name of that freedom and democracy, they have sacrificed so very much to preserve our country and to protect others in the free world.

As we take time to honor America's veterans, let us celebrate the peace that they have secured.

Celebrated on the anniversary of Armistice Day, Veterans Day truly denotes a day dedicated to peace. It was 71 years ago—on the 11th hour of the 11th day of the 11th month—that the "war to end all wars" came to a close.

In 1958, Congress changed Armistice Day to Veterans Day, but the purpose of honoring the contributions and sacrifices of our veterans remained intact. Every November 11, the people of this country pause to honor those who have helped keep our Nation strong and our freedoms secure.

And today, we are very fortunate. Our Nation and the world are experiencing a period of extraordinary peace. We have not been involved in a major conflict since the Vietnam war ended, and we see what might be called the triumph of freedom spreading throughout Eastern Europe.

Changing views and attitudes in the Soviet Union bring great hope of world peace for years to come.

While we have experienced relative peace throughout our 200-year history as a Nation, we never hesitated to call our citizens to arms when the founding precepts of our country have been threatened. And, generously, Americans have answered.

I think President Bush hits the nail right on the head when he states in his Veterans Day proclamation that each American veteran is a source of strength and pride for our country. Over 27 million veterans remind us of this every day.

In my own State, New Mexicans have contributed more than a fair share of troops in all major conflicts since World War II. Currently over 170,000 veterans live in New Mexico. One out of every nine New Mexicans is a veteran.

I am proud of them, and I am proud of our State's support of the Armed Forces.

American veterans have given us the ultimate gift by securing the blessings of liberty for the United States. For this, we owe our veterans our gratitude and deepest thanks.

As we take a moment to honor America's veterans, recalling their sacrifices and achievements, let us remember how fortunate we are to call ourselves Americans. Let us reaffirm our commitment to keep faith with those who have faithfully served America.●

REV. WALTER L. BATTLE

● Mr. DURENBERGER. Mr. President, earlier this year, we in Congress passed a joint resolution declaring the week of September 24, 1989, "National Religious Freedom Week." Rev. Walter L. Battle, of Minnesota, was one of those who dedicated to establishing this national recognition. Today, I wish to honor Reverend Battle, for four decades of dedicated, caring service to humanity.

For the past 40 years, Reverend Battle and his wife Rev. Willa Battle have faithfully served the Minneapolis/St. Paul community in many capacities. In 1949, Reverend Battle founded the Gospel Temple Church in St. Paul, a truly successful beginning to a stellar career of devout service. Nine years later, he founded the House of Refuge in Minneapolis, and most recently established a modern day radio congregation, with a Sunday morning program "Your Church of the Air."

In addition to ministering to his congregations, Reverend Battle has also been active outside the church, working with local youths extensively. In addressing the need for inner city youth to obtain experience necessary to land decent jobs, he was key in organizing "Institute of Learning," an on-the-job training program.

Battle's service extends far beyond the Twin City Metro area, for in 1957 he started a mission to help the spiritually needy in Haiti. This mission has expanded from 100 churches in the beginning, to a current count of 642.

Through his infinite capacity to care, and endless patience to listen, Rev. Walter Battle has enriched our community. His service to the Lord is both admirable and commendable, and reflects a genuine, selfless love of a very special individual.●

A GLIMMER OF HOPE IN LEBANON

● Mr. PELL. Mr. President, the situation in Lebanon remains both desperate and serious. There is hope that the fragile cease-fire will remain intact, that the political settlement sponsored by the Arab League will hold, and that the election of a new Lebanese President will lead to the development of a unified government and the reconstruction of Lebanon. Yet, there is also fear that the opposing forces in Lebanon will prove irreconciliable, and still another vicious cycle of violence, suffering and death will be unleashed.

When viewed together, the dropoff of the shelling of Beirut and the significant movement toward a political settlement in Lebanon justify a degree of optimism. Tempered against this positive spirit, however, is the underlying recognition that the war in Lebanon has been ongoing for more than 14 years; there have been countless intermittent cease-fires, most of which have proved fleeting at best.

The Arab League effort to broker a settlement in Lebanon finally produced a full-fledged agreement at Taif, Saudi Arabia. The Taif accord led directly to the election of Lebanon's first leader since the term of former President Amin Gemayel expired. President Rene Moawad's election was rightly hailed by President Bush and the leaders of other interested Arab and European nations. The Taif accord also provides for a much-needed realignment of Lebanon's legislature.

It is regrettable that Gen. Michel Aoun, leader of the Lebanese Christian forces in Beirut, has announced his opposition to the accord on grounds that it does not provide for a concrete withdrawal of Syrian forces from Lebanon. The manner in which Aoun and his supporters have manifested their opposition has offended sensibilities and raised the specter of the accord's immediate demise. It also leads to the question of whether General Aoun is reflecting the views of his allies and Syria's implacable enemies—the Iraqis—rather than the true interests of the Lebanese.

Mr. President, the Syrian occupying presence in Lebanon serves no legitimate or useful purpose, and I understand that many Lebanese justifiably insist on more concrete assurances for its departure. Yet, I would caution that the all-or-nothing tenor of these objections runs the risk of destroying what little hope there is for Lebanon. While the Taif proposal does not provide an explicit timetable for a Syrian withdrawal, the delegates at Taif reached an understanding that the Syrians would regroup in the Bekaa Valley within 2 years. From there, the status of the agreement and the presence of the Syrian occupiers would be assessed. While there is room for discussion on this point, the overall agreement should not be placed in jeopardy grounds that some find this understanding insufficient.

Now is the time for diplomacy in Lebanon. Granted, diplomacy is a term that seems out of context in Lebanon, given the belligerent state of affairs that has existed for so long. Nonetheless, the opportunity is there, and we would be remiss if we did not seize it. The various parties in Lebanon, now that they have a breathing space, must make a reasoned judgment about their situation and decide to work within the framework that they have before them.

For far too long, the cedar has been hewn into pieces by conflict. Beirut, once a shining example of prosperity and development in the Middle East, has been razed into dust and rubble. Now that a true settlement is within the grasp of Lebanon, it would be tragic to let it fail. I would urge all of the interested parties in Lebanon to heed the call of peace and begin the process of rebuilding. I call upon our own President to focus his efforts on Lebanon and reengage the United States into the drive to restore order. Finally, despite the lessons of experience, I remain hopeful that the Lebanese will unite under their new leader and work together for the sake of the continued existence of their country.●

PAKISTAN'S TEST OF DEMOCRACY

● Mr. McCAIN. Mr. President, democracy in Pakistan was tested this week in the parliamentary confrontation between Prime Minister Bhutto's government and the Islamic Democratic Alliance over a no-confidence motion. It has been only a little more than a year since Pakistan began the transition from military rule to democracy, yet this week's events show how far democracy in Pakistan has come in so little time.

Never before in the Nation's 42-year history has a no-confidence vote been held. In previous confrontations, civilian rule has often been replaced by military rule. What we have witnessed this week marks a fundamental shift for Pakistan, away from contests between democratic and antidemocratic forces, and toward democratic opposition.

Prime Minister Bhutto and the Islamic Democratic Alliance are to be applauded for choosing democratic means to resolve their differences. By confining their confrontation to the National Assembly, they have demonstrated their democratic convictions. They have also shown those who doubt the durability of Pakistan's democracy that it has the resilience to withstand open democratic debate.

The results of the vote show that a viable democratic opposition exists in Pakistan. It is important for us in dealing with emerging democracies to recognize and encourage the development of democratic alternatives. And it is important for Pakistan to know that we recognize and appreciate the vitality of its democracy. A divergence of views is fundamental to democracy; but so also is the tolerance of democratic opposition. This week Pakistan has demonstrated its ability to develop, and tolerate democratic alternatives. In so doing, Pakistan has passed the test of democracy.●

VIOLENCE IN EL SALVADOR

● Mr. SIMON. Mr. President, in the September 20 CONGRESSIONAL RECORD, I mentioned a phone call and a conversation I had with Bishop Merardo Gomez of El Salvador, the Lutheran Bishop of El Salvador.

Unfortunately, less than a month later, there was a bombing of the house next to the bishop's residence, a house that was scheduled to become a church school.

I hope that what happened was not in response to the bishop's talking candidly to an American Senator.

I have written to the El Salvador Ambassador to the United States, and I ask to print that letter in the RECORD.

The letter follows:

U.S. SENATE,
Washington, DC, November 3, 1989.

His Excellency MIGUEL SALAVERRIA,
Embassy of El Salvador, Washington, DC.

DEAR MR. AMBASSADOR: On September 20, in an exchange on the floor of the United States Senate with Senator TOM HARKIN, I quoted Bishop Merardo Gomez, the Lutheran Bishop, as saying: "Stop sending down these weapons that are killing us. Let us solve our problems down here."

I hope that the bombing was not in reprisal to a frank statement by the Lutheran Bishop to a United States Senator.

I would appreciate your notifying the government of El Salvador that protecting Bishop Gomez, and others who may differ with government policy, is extremely important if a reasonable relationship is to be maintained between the United States and El Salvador.

I look forward to hearing from you.

Cordially,

PAUL SIMON,
U.S. Senator.●

THE IMPORTANCE OF CARRIERS IN AN ERA OF CHANGING STRATEGIC PRIORITIES

● Mr. McCAIN. Mr. President, on Veterans Day, we will commission the U.S.S. *Lincoln*, our fifth Nimitz-class aircraft carrier. The *Lincoln* will be the largest ship ever built for the U.S. Navy. It will displace 100,000 tons. It is 1,040 feet long, and 134 feet wide, and its flight deck has an area of 4½ acres. It will be 244 feet from keel to mast top, the height of a 24-story building.

The U.S.S. *Lincoln's* importance does not, however, lie in its size. It lies in the fact that the *Lincoln* symbolizes the kind of power projection capability we need in an era of glasnost and changing strategic priorities. The *Lincoln* symbolizes the kind of flexible and global power projection we need to deal with future contingencies, it symbolizes the kind of force that needs to be given priority in an era of declining real defense resources, and it symbolizes the kind of capability that must be preserved in an era where we must make major changes in the roles and missions of our forces.

We often talk about scenarios and contingencies, but we often ignore the way in which we actually use our military power. As a result, I recently asked the U.S. Navy to prepare an analysis of how we have used military power since the end of World War II. I ask that the full text of this analysis be included in the record, but some of the key statistics involved virtually speak for themselves.

We have used military force well over 200 times since the end of World War II. While some controversy exists over the precise number of incidents that should be counted, and fully up-to-date figures are not available, it is clear that seapower was used in over 80 percent of these incidents, and that carrier forces were used in over half of these cases.

If we look at the use of naval power in the period between 1945 and 1989, we have more precise figures. There have been 187 times we have used seapower in the period between 1945 and November 1989. The vast majority of these uses have been to prevent war, to limit its escalation, or to protect American citizens or America's friends and allies. There have, however, also been many cases where seapower has had to play a critical role in combat. These cases include South Korea, Vietnam, Grenada, and the raid on Libya—just to name a few.

Mr. President, I ask that two tables outlining these 187 incidents be printed in the RECORD at the conclusion of my statement.

Mr. President, we used our carriers in 125 of these cases, or 67 percent. What is equally important is that we also relied on the U.S. Navy and Marine Corps team. We used amphibious ships in 101 cases, or 54 percent. In virtually all of the cases where we used Marine Corps forces, some 97 percent, we used U.S. Navy forces as well. The U.S. Navy also worked closely with the power projection elements of the U.S. Air Force and U.S. Army. U.S. Navy and U.S. Air Force units were involved in 54 of the 187 cases, or 29 percent. U.S. Army forces were involved in 34 cases, or 18 percent.

It seems almost certain that these trends will continue in the future, with the important change that there will be fewer and fewer cases which involve NATO, and particularly the central region, and fewer cases that involve any element of confrontation

with Soviet or other Warsaw Pact forces.

Regardless of what glasnost finally proves to mean, the world is still unfortunately a very troubled place. Our strategy, our force mix, and the roles and missions of our forces must change to reflect both the decline in our real defense resources and the fact that most of the threats to our interests, and our friends and allies, outside Europe will remain and often intensify.

Glasnost does not change the fact that there have been an average of more than 25 civil and international conflicts in the developing world in every year since the end of World War II. It will not change our growing dependence on trade.

Our energy dependence on imports is growing again, and is currently projected to grow steadily well into the next century. More than 35 percent of our petroleum products came from abroad last year. We are heavily dependent on imports of virtually all our critical minerals and most of our other raw materials.

Equally importantly, we are now critically dependent on the smooth flow of world trade. The total volume of U.S. imports rose from $16.3 billion in 1960 to $42.6 billion in 1970, and $257 billion in 1980. U.S. imports have virtually doubled again since 1980, and reached $460 billion in 1988. Further, global trade in high technology has more than doubled in the last 5 years. Trade in the five most critical technologies has risen from less than $90 billion in 1984 to more than $200 billion today.

Our strategy must reflect the fact that our economy is interdependent with that of our friends and allies, and they are even more dependent on global stability and the free flow of trade than we are. At the same time, it must reflect the fact that they will not suddenly develop power projection forces, or replace the role we play. The United States may not be the world's policeman in an era of détente, but its power projection forces will remain the free world's insurance policy in what will often be less than a kind of gentle world.

Further, we must shape our power projection forces around the reality that carrier task forces are our only insurance against the loss of, or restrictions in our use of, fixed oversea bases. We still have very important overseas bases, and many reliable friends and allies. We continue to improve our ability to project land-based airpower and use cruise missiles. Nevertheless, it is the carrier and amphibious forces that offer the only guarantee we have of full independence of action.

I do not mean in raising these points to imply that we need all of the forces that the U.S. Navy has sought in the past. I feel that we will need major adjustments in the now outdated concept of a 600-ship Navy, and in our naval aviation plan. Further, I strongly feel that we need to strengthen the power projection capabilities of the U.S. Air Force as we reduce the forces we have formerly shaped to meet contingencies required for a NATO-Warsaw Pact conflict.

If we focus on cutting back the large number of Active and Reserve Forces in the United States whose only real mission lay in refighting World War II, and a prolonged general war in Europe, we can afford to do this and will still keep our defense spending at the present level in constant dollars, or even make limited cuts.

We cannot, however, suddenly act as if the degree of resolution and dedication that led us to spend the resources to buy the U.S.S. *Lincoln* is no longer necessary. We are already in our fifth year of real cuts in defense spending. As a result, we will have cut defense expenditures by 11 percent in real terms relative to the peak levels reached under President Reagan.

We cannot afford to act as if we do not need to spend the money to remain a world power, and we need to clearly understand that we can easily afford the capabilities we need. For all the often careless talk about the strains we face in remaining a major power, we need to take full account of the following facts:

Defense spending will soon be only about 5 percent of our GNP. This compares with 39 percent of our GNP in World War II, 14 percent at the time of the Korean conflict, 10 percent in Vietnam, and 6.5 percent at the peak of the Reagan buildup.

Defense spending has dropped from over 90 percent of Federal spending in World War II to 70 percent during the Korean war, and 30 percent during most of the cold war, to levels of less than 25 percent.

Our Armed Forces now are only about 1.7 percent of the labor force, versus 2.2 percent in 1975, and 4.3 percent at the peak of the postwar buildup.

Military R&D has dropped from over 60 percent of all R&D in 1960, to less than 30 percent today.

In short, Mr. President, we not only can afford the power projection forces symbolized by the U.S.S. *Lincoln*, we must sustain those forces. It was our strength and resolution that forced the Warsaw Pact to accept the need for glasnost and Perestroika. It has been our strength and resolution that has prevented or limited conflict after conflict elsewhere in the world since 1945, and it will be that strength and resolution that will be essential to our security in the years to come.

The tables follow:

TABLE 1.—U.S. NAVY CRISIS RESPONSES, 1946–89

Number	Name	Begin date	Length	OAC	CVs	Am	USMC	USAF	USA
1	Coup Haiti	1/12/46	2	A3	0	N	N	N	N
2	Security of Turkey	3/22/46	19	A6	0	N	N	N	N
3	Greece, Pol. Conflict	4/10/46	5	A6	0	N	N	N	N
4	China Civil War	Apr–46	1,038	P4	?	Y	Y	Y	Y
5	Security of Trieste	6/3/46	65	A6	0	N	Y	N	N
6	Turkey/Greece	8/16/46	148	A6	1	Y	Y	N	N
7	Chilean Inauguration	11/1/46	6	P5	1	N	N	N	N
8	Lebanon	12/1/46	4	A6	1	Y	Y	N	N
9	Uruguayan Inaug	2/22/47	9	A4	0	N	N	Y	N
10	Greek Civil War	4/16/47	412	A6	1	Y	Y	N	N
11	Security of Turkey	5/2/47	396	A6	1	Y	N	N	N
12	Cuban Sup, Anti-Truj	Aug–47	59	A3	0	N	N	N	N
13	Security of Trieste	8/16/47	122	A6	0	N	N	N	Y
14	Elections in Italy	11/2/47	94	A6	1	N	N	N	N
15	Relations w/Argentina	1/11/48	7	A4	0	N	N	N	N
16	Arab-Israeli War	1/5/48	466	A6	1	Y	Y	N	N
17	Security of Trieste	1/16/48	88	A6	?	Y	Y	N	N
18	Interests in Persian Gulf	1/20/48	1	A7	0	N	N	N	N
19	Security of Norway	4/29/48	4	A5	1	N	N	N	N
20	Security of Berlin	6/26/48	401	A5	1	Y	Y	Y	Y
21	Gov Change, China	12/9/49	38	P4	1	N	N	N	N
22	Kor War, For Straits	6/27/50	951	P4	1	N	N	N	N
23	Kor War, Sec Europe	7/16/50	715	A5	2	Y	Y	Y	Y
24	Lebanon	8/14/50	1	A6	2	N	N	N	N
25	Security of Yugoslavia	3/15/81	869	A6	2	Y	Y	N	N
26	China-Taiwan Conflict	2/2/53	2	P4	?	N	N	N	N
27	Dien Bien Phu	3/13/54	90	P4	2	N	N	N	N
28	Honduras-Guatemala	5/20/54	14	A3	1	Y	Y	N	N
29	PRC ShDo U.K. A/C	7/24/54	6	P4	2	N	N	N	N

TABLE 1.—U.S. NAVY CRISIS RESPONSES, 1946–89—Continued

Number	Name	Begin date	Length	OAC	CVs	Am	USMC	USAF	USA
30	Vietnam Evacuations	Aug–54	305	P4	0	Y	Y	N	N
31	Accord on Trieste	10/7/54	20	A6	0	N	N	N	Y
32	Tachen Islands	2/8/55	6	P4	6	Y	Y	Y	N
33	Red Sea Patrols	Feb–56	183	A7	0	N	N	N	N
34	Jordan	Mar–56	62	A6	2	Y	Y	N	N
35	Pre-Suez	Aug–56	69	A6	2	Y	Y	N	N
36	Suez War	10/30/56	8	A6	3	Y	Y	Y	N
37	Post-Suez	11/6/56	38	A6	8	Y	Y	N	N
38	Cuban Civil War	Dec–56	435	A3	1	Y	Y	N	N
39	Jordan Unrest	4/25/57	9	A6	2	Y	Y	N	N
40	Haiti	6/14/57	18	A3	0	Y	Y	N	N
41	PRC–ROC tension	Jul–57	63	P4	3	?	Y	N	N
42	Syria	8/21/57	118	A6	4	Y	Y	Y	N
43	Indonesia	12/10/57	174	P4	2	Y	Y	N	N
44	Venezuela	5/13/58	3	A3	0	Y	Y	N	Y
45	Lebanon	5/15/58	48	A6	3	Y	Y	N	N
46	Lebanon	Jul–58	93	A6	3	Y	Y	Y	Y
47	Jordan-Iraq	7/17/58	138	A7	0	N	N	N	N
48	Quemoy	Aug–58	67	P4	6	Y	Y	Y	N
49	Panama	4/30/59	5	A3	0	N	N	N	N
50	Berlin Crisis	May–59	145	A5	2	N	Y	Y	Y
51	Laos	Jul–59	103	P4	1	Y	Y	Y	Y
52	PRC–ROC	7/5/59	6	P4	2	?	N	N	N
53	Panama	Aug–59	93	A3	0	N	N	N	N
54	Congo	7/1/60	124	A4	1	Y	Y	Y	Y
55	Guatemala	11/14/60	27	A3	2	N	N	N	N
56	Laos	1/1/61	6	P4	3	Y	Y	Y	Y
57	Gulf of Guinea-Congo	2/2/61	34	A4	0	Y	Y	N	N
58	Laos	3/21/61	85	P4	3	Y	Y	N	N
59	Bay of Pigs	Apr–61	62	A3	2	Y	Y	Y	N
60	Dominican Republic	5/30/61	12	A3	3	Y	Y	Y	Y
61	Zanzibar	Jun–61	31	P6	0	Y	Y	N	N
62	Kuwait	7/4/61	4	P6	0	Y	Y	N	N
63	Berlin Crisis	Jul–61	102	A5	3	Y	Y	Y	Y
64	Dominican Republic	11/18/61	32	A3	1	Y	Y	N	N
65	South Vietnam	Dec–61	244	P4	0	N	N	N	Y
66	Dominican Republic	1/18/62	2	A3	0	Y	Y	N	N
67	Guatemala Riots	3/14/62	9	A3	1	Y	Y	N	N
68	South Vietnam	4/15/62	849	P4	0	Y	Y	N	N
69	Thailand	5/10/62	90	P4	2	Y	Y	N	N
70	Guantanamo	6/25/62	3	A3	0	Y	Y	N	N
71	Haiti Civil Disorder	Aug–62	14	A3	1	Y	Y	N	N
72	Cuban Missile Crisis	10/14/62	38	A1	8	Y	Y	Y	Y
73	Sino-Indian War	11/19/62	2	P6	1	N	N	N	N
74	Laos	Apr–63	35	P4	2	Y	Y	N	N
75	Haitian Unrest	4/29/63	34	A3	1	Y	Y	N	N
76	Haiti Civil War	8/6/63	17	A3	1	Y	Y	N	N
77	Vietnam Civil Disorder	8/25/63	93	P4	2	Y	Y	N	N
78	PRC–ROC	9/20/63	5	P4	1	N	N	N	N
79	Dominican Republic	9/25/63	81	A3	0	Y	N	N	N
80	Indonesia-Malaysia	Oct–63	78	P4	1	N	N	N	N
81	Zanzibar	1/12/64	2	P6	0	N	N	N	N
82	Tanganyika	1/20/64	7	P6	0	N	N	N	N
83	Carib. Surveillance	1/15/64	92	A3	0	N	N	N	N
84	Panama	Jan–64	101	A3	0	Y	Y	Y	Y
85	Venezuela	Jan–64	310	A3	0	N	N	N	N
86	Cyprus	1/22/64	269	A6	1	Y	Y	Y	N
87	Brazil	3/31/64	4	A4	1	N	N	N	N
88	Laos	4/21/64	42	P4	2	N	Y	Y	N
89	Guantanamo	5/1/64	7	A3	0	Y	Y	N	N
90	Panama	5/7/64	14	A3	0	Y	Y	N	N
91	Dominican Republic	7/24/64	5	A3	0	N	N	N	N
92	Gulf of Tonkin	8/2/64	9	P4	2	N	N	N	N
93	Haiti	8/7/64	3	A3	0	N	N	N	N
94	Panama	1/7/65	6	A3	0	Y	N	N	N
95	Tanzania	1/17/65	1	P6	0	N	N	N	N
96	Venezuela-Colombia	Jan–65	91	A3	0	N	N	N	N
97	British Guiana	Apr–65	11	A3	0	N	N	N	N
98	Dominican Republic	4/24/65	515	A3	2	Y	Y	Y	Y
99	Yemen	Jul–65	32	P6	0	N	N	N	N
100	Cyprus	8/3/65	30	A6	1	Y	Y	N	N
101	Indonesia	10/2/65	8	P4	0	Y	Y	N	N
102	Indo-Pakistani War	9/11/65	25	P6	0	N	N	Y	N
103	Greek Coup	4/21/67	23	A6	1	Y	Y	N	N
104	Six Day War	6/6/67	6	A6	2	Y	Y	Y	Y
105	DD Eilat Sinking	10/21/67	12	A6	2	N	N	N	N
106	Cyprus	11/15/67	24	A6	1	Y	Y	N	N
107	USS Pueblo	1/24/68	59	P4	3	N	N	Y	N
108	EC–121 Shootdown	4/14/69	26	P4	4	N	N	Y	Y
109	Curacao Civil Unrest	5/31/69	1	A3	0	Y	Y	N	N
110	Lebanon-Libya Ops	10/26/69	5	A6	2	Y	Y	N	N
111	Trinidad	4/22/70	6	A3	0	Y	Y	Y	N
112	Jordan	6/11/70	7	P6	1	Y	Y	Y	N
113	Jordan	9/2/70	60	A6	3	Y	Y	Y	Y
114	Haiti Succession	4/22/71	37	A3	0	N	Y	N	N
115	Indo-Pakistani War	12/10/71	30	P6	1	Y	N	N	N
116	Bahama Lines	12/15/71	52	A3	0	N	N	N	N
117	Lebanon	5/3/73	7	A6	2	Y	Y	N	N
118	Middle East War	10/6/73	48	A6	3	Y	Y	Y	Y
119	Middle East Force	10/24/73	22	A7	0	N	N	N	N
120	Oil Embargo-IO Ops	10/25/73	159	A6	1	N	N	N	N
121	Cyprus	7/15/74	39	A6	2	Y	Y	Y	Y
122	Cyprus Unrest	1/18/75	4	A6	1	Y	Y	N	N
123	Ethiopia	2/3/75	4	A7	0	N	N	N	N
124	Mayaguez	5/13/75	3	P4	2	Y	Y	Y	N
125	Lebanon	Aug–75	367	A6	1	Y	Y	N	N
126	Polisario Rebels	1/5/76	18	A5	0	Y	N	N	N
127	Tunisia	7/27/76	25	A6	0	N	N	N	N
128	Kenya-Uganda	7/8/76	20	P6	1	N	N	N	N
129	Korean Tree Incident	8/19/76	21	P4	1	N	N	Y	Y
130	Uganda	2/25/77	6	P6	1	N	N	N	N
131	Ogaden War	Feb–78	51	P6	1	N	N	Y	N
132	Sea of Okhotsk	6/15/78	10	P4	0	N	N	N	N
133	Afghanistan	Jul–78	31	P6	1	N	N	N	N
134	Nicaragua	9/16/78	16	A3	0	N	N	Y	N
135	Iran Revolution	12/6/78	86	P6	1	Y	Y	Y	N

TABLE 1.—U.S. NAVY CRISIS RESPONSES, 1946–89—Continued

Number	Name	Begin date	Length	OAC	CVs	Am	USMC	USAF	USA
136	China-Vietnam	2/25/79	6	P4	1	N	N	N	N
137	Yemen	3/6/79	93	P6	1	N	N	Y	N
138	Soviet Troops in Cuba	10/2/79	46	A3	1	Y	Y	Y	N
139	Afghan/Iran Hostages	10/9/79	472	P6	2	Y	Y	Y	Y
140	Park-Chung Hee	10/26/79	9	P4	1	N	N	Y	Y
141	Korea	5/27/80	33	P4	1	N	N	Y	Y
142	Iran-Iraq War	9/30/80	125	P6	2	N	N	Y	N
143	Poland	12/9/80	24	A5	0	N	N	Y	N
144	Morocco	1/29/81	10	A5	0	N	N	N	N
145	Liberia	8/1/81	15	A5	0	N	N	N	Y
146	Syria	5/3/81	135	A6	2	Y	Y	N	N
147	Libya	8/1/81	20	A6	2	N	N	N	N
148	Sadat-Sudan	10/7/81	24	A6	1	Y	Y	Y	N
149	Central America	10/16/81	47	A3	2	Y	Y	N	N
150	Israeli Invasion	6/8/82	45	A6	1	Y	Y	N	N
151	Peacekeeping Force	8/10/82	30	A6	2	Y	Y	N	N
152	Palestinian Massacre	9/22/82	143	A6	2	Y	Y	N	N
153	Libya-Sudan	2/14/83	11	A6	1	N	N	N	N
154	Honduras	6/14/83	131	A3	1	Y	Y	N	Y
155	Marine Barracks Bomb	8/29/83	170	A6	2	Y	Y	Y	N
156	Libya-Chad	8/1/83	16	A6	1	N	N	N	N
157	KAL 007	9/1/83	66	P4	0	N	N	Y	N
158	Iran-Iraq	10/8/83	92	P6	1	Y	Y	Y	N
159	Korea-Burma	10/11/83	3	P4	1	N	N	Y	N
160	Syria	12/3/83	37	A6	1	Y	Y	N	N
161	Grenada	10/20/83	23	A3	1	Y	Y	Y	Y
162	Central America	3/13/84	264	A3	1	Y	Y	Y	Y
163	Persian Gulf	Apr–84	245	A7	1	N	N	Y	N
164	Red Sea Mines	8/3/84	46	A7	0	Y	N	N	N
165	Beirut Embassy	9/21/84	42	A6	0	Y	Y	N	N
166	Saudi Hijacking	11/6/84	1	A6	1	N	N	N	N
167	Cuba	11/30/84	1	A4	1	N	N	Y	N
168	U.S. Pers. in Lebanon	Mar–85	32	A6	1	N	N	N	N
169	TWA 847 Hijacking	6/14/85	41	A6	1	Y	Y	N	N
170	Persian Gulf	9/13/85	19	A7	0	N	N	N	N
171	Achille Lauro	10/7/85	4	A6	1	Y	Y	N	N
172	Egypt-Air Hijacking	11/23/85	3	A6	1	N	N	N	N
173	Persian Gulf Escort	1/12/86	141	A7	0	N	N	N	N
174	Yemen Civil War	Jan–86	32	P6	0	N	N	N	N
175	OVL–FON Ops	Feb–86	85	A6	3	N	N	N	N
176	Lebanon Hostages	Mar–86	1	A6	0	N	N	N	N
177	LaBelle Disco, Libya	4/10/86	6	A6	2	N	N	Y	N
178	Pakistan hijacking	Sep–86	1	A6	1	N	N	N	N
179	Persian Gulf Ops	Jan–87	579	A7	2	Y	Y	Y	Y
180	Hostages in Lebanon	Feb–87	29	A6	1	N	N	N	N
181	Summer Olympics	Sep–88	31	P4	2	Y	Y	Y	Y
182	Burma Unrest	Sep–88	31	P6	0	Y	Y	N	N
183	Maldives Coup	11/17/88	1	P6	1	N	N	N	N
184	Lebanon Civil War	Feb–89	45	A6	?	Y	Y	N	Y
185	China Civil Unrest	Jun–89	31	P4	1	N	N	N	N
186	Panama Elections	5/11/89	52	A3	1	Y	Y	Y	Y
187	Hostages in Leb	8/1/89	32	A6	2	Y	Y	N	N

Notes.—This table is the result of preliminary research. It is likely that specific items in the table will be adjusted during future work.

Column headings:

Begin date: Date of first known movement of U.S. Navy surface forces in response to crisis. In some cases (primarily in the 1946–1954 period from the Brookings Force Without War database), the begin date is for the first use of U.S. armed forces in the response. When the date is given in the form "Mon-Yr" rather than "M/D/Yr," it is because a specific starting date of operations is not known.

Length: In days, from "Begin date" to known (or the best estimate of the) release date of forces to normal operations. In some cases the date that operations became institutionalized, continuing operatins was used as the end of the crisis response.

OAC: U.S. Navy Ocean Area Code as displayed in figure 1. This is the location of the crisis or of the main portion of the crisis response.

CVs: Largest number of carriers known to be operating in the crisis response at any one point. (Both CVAs and CVSs are counted in this column.) A "?" indicates that carrier involvement is assumed but that exact vessel(s) are not known.

Am: Are amphibious ships know to have been involved in the crisis response? A "?" indicates that amphibious ship involvement is assumed but that exact vessel(s) are now known.

USMC: Are U.S. Marine Corps forces known to have been involved in the crisis response?

USAF: Are U.S. Air Force forces known to have been involved in the crisis response? (This column relies heavily upon the Brookings (and Zelikow) Force Without War data for the 1946–1982 period. If "USAF" or "Transport" aircraft were indicated in the Force Without War database, then a "Y" has been entered. There are a number of cases in which information available indicates USAF involvement even when the Brookings data do not indicate such involvement. In those cases a "Y" was also entered.)

USA: Are U.S. Army forces known to have been involved in the Crisis Response? (This column relies heavily upon the Brookings (and Zelikow) Force Without War database for the 1946–1982 period. If "USA" involvement is indicated in the Brookings data base, then a "Y" has been entered. There are a number of cases in which information available indicates USA involvement even when the Brookings data do not indicate such involvement. In those cases a "Y" was also entered.)

Sources: See Selected Bibliography.

TABLE 2.—DESCRIPTIONS OF U.S. CRISIS RESPONSES

Number	Name	Begin date	Length	OAC	CVs	Am	USMC	USAF	USA
1	Coup Haiti	1/12/46	2	A3	0	N	N	N	N
On 10 January 1946, a military junta overthrew the government of President Elie Lescot in Haiti. USN forces in the Caribbean moved toward Honduras but were soon recalled as the situation quickly stabilized.									
2	Security of Turkey	3/22/46	19	A6	0	N	N	N	N
Amidst Soviet pressure on Turkey and tension over the Soviet presence in Iran, the U.S. Government decided to use the battleship Missouri to return the body of the deceased Turkish ambassador to the United States to Turkey for burial. The Missouri, which departed the U.S. on 22 March, arrived in Istanbul on 5 April. This was taken as a strong sign of U.S. support for and commitment to Turkey.									
3	Greece, Pol. Conflict	4/10/46	5	A6	0	N	N	N	N
On 10 April 1946, following her visit in Istanbul, USS Missouri entered Piraeus harbor. This was during a period of significant Eastern Bloc pressure on Greece and was meant to signal U.S. resolve to support the Greek Government.									
4	China Civil War	Apr–46	1038	P4	?	Y	Y	Y	Y
On 9 January 1946, Communist and government troop movements were suspended in accordance with a truce agreement. In April, the truce collapsed as Communists forces attacked Nationalist-held towns and all-out conflict renewed. Following the breakdown of the truce in China, the U.S. Navy resumed transporting Nationalist troops within the country. Over the next years, significant U.S. force movements occurred within China. For example, in November 1948, 1,250 Marines from Guam reinforced the USMC garrison at Tsingtao and, in mid-December, a contingent of Marines moved from Tsingtao to Shanghai to protect the 2,500 U.S. nationals in the city.									
5	Security of Trieste	6/3/46	65	A6	0	N	Y	N	N
On 2 June 1946, the Governments of the U.S. and U.K. formally protested Yugoslavian obstruction of the Allied Military Government in Trieste. The next day, the U.S. Navy confirmed that the cruiser Fargo was en route to Trieste. In late June, as many as ten Allied warships, including USN and RN battleships, lay off the coast.									
6	Turkey/Greece	8/16/46	148	A6	1	Y	Y	N	N
On 7 August 1946, following Turkish elections, the Soviet Union renewed its demands for a revision of the Montreaux Convention governing access to the Black Sea, and Soviet naval activity in the region began. On 10 August, the Turkish Premier reaffirmed Turkey's intent to continue opposition to the Soviet demands. In the coming months, U.S. and U.K. naval activity in region greatly increased, and on 18 October Turkey rejected the Soviet demands. In the same period the Communist insurgency in Greece grew dramatically. On 5 September CVB Franklin Delano Roosevelt and four escorts arrived in Piraeus to underscore the U.S. support for the Greek Government. On 9 September, as Roosevelt left port, 78 U.S. aircraft flew over the task force. On 30 September, the U.S. Government announced that U.S. Navy units would be permanently stationed in the Mediterranean to carry out American policy and diplomacy.									
7	Chilean Inauguration	11/1/46	6	P5	1	N	N	N	N

TABLE 2.—DESCRIPTIONS OF U.S. CRISIS RESPONSES—Continued

Number	Name	Begin date	Length	OAC	CVs	Am	USMC	USAF	USA
Following a leftist victory in the September election and a month of tensions over the results, the United States announced that a five-ship squadron would visit Chile for the inauguration. The USN ships arrived on 1 November.									
8	Lebanon	12/1/46	4	A6	1	Y	Y	N	N
Just prior to the withdrawal of the last French troops from Lebanon (which occurred in late December), elements of the U.S. Mediterranean Fleet made a well-publicized port visit in Beirut.									
9	Uruguayan Inaug	2/22/47	9	A4	0	N	N	Y	N
To emphasize U.S. support for the new Uruguayan Government, a Navy and Army Air contingent was sent to Montevideo for the 1 March 1947 inauguration. On 23 February seven B–29 Superfortresses representing the Army left Salina, Kansas. The Navy contingent consisted of the light cruiser Fresno and four destroyers.									
10	Greek Civil War	4/16/47	412	A6	1	Y	Y	N	N
On 30 January 1947, the Government of Greece declared martial law amidst the worsening conflict with the Communist insurgents. On 21 February, the United Kingdom announced that it could no longer afford to give military aid to Greece and Turkey. Amidst the debate in the U.S. Congress over an aid package to the two countries, elements of the U.S. Navy's Mediterranean Fleet, including the carrier Leyte, visited Greece ports.									
11	Security of Turkey	5/2/47	396	A6	1	Y	N	N	N
Amidst a significant reduction in the U.K. Eastern Mediterranean presence and continued pressure from the USSR upon Turkey, the U.S. government offered a large aid package to Turkey. In what was seen as linked to the aid package issue, four USN ships (including the aircraft Leyte) made a week-long port visit in Istanbul.									
12	Cuban Sup, Anti-Truj	Aug–47	59	A3	0	N	N	N	N
The Cuban Government began supporting anti-Trujillo forces as early as January 1946. In July 1947, the Trujillo regime began to perceive the exiles as a major threat and, on 18 August, the Dominican Republic's armed forces were put on alert. Following this, USN operations in the Caribbean increased as part of growing U.S. pressure on Cuba. On 28 September, the revolutionary forces were disbanded by Cuba.									
13	Security of Trieste	8/16/47	122	A6	0	N	N	N	Y
In August 1947, there was evidence of progress on the questions surrounding the division of Trieste. On 3 September, an accord for withdrawal from Trieste was signed; 5000 U.S. troops along with equal contingents of British and Yugoslav soldiers were to remain, with the city divided into two zones. Despite the agreement, tension continued as Yugoslavia tested the Anglo-U.S. commitment. For example, on 16 September, 12 U.S. Army troops, who were soon reinforced, blocked the movement of 2,000 Yugoslavian troops into the western zone of the city.									
14	Elections in Italy	11/2/47	94	A6	1	N	N	N	N
Amidst growing fears of a Communist victory and increasing domestic violence, the United States announced a delay to late November of the departure of the last occupation troops in Italy. USN ships were moved to the area as the troops remained through mid-December following President Truman's 12 December pledge that the U.S. would defend Italy despite the withdrawal of the last 1,600 troops.									
15	Relations w/Argentina	Nov–48	7	A4	0	N	N	N	N
In the fall of 1948, a period of gradually worsening U.S. relations was generally linked to the 9 September speech by the Argentinian leader in which he threatened to hang his opponents. Relations improved in November following a two-ship USN port visit.									
16	Arab-Israeli War	1/5/48	466	A6	1	Y	Y	N	N
In early January 1948 the Sixth Fleet began patrol operations in the Eastern Mediterranean as the situation in Palestine deteriorated as the end of the British Mandate period approached. On 15 May Israel declared its independence and Arab forces invaded. On 19 June, the Chief of Naval Operations assigned three destroyers to the U.N. mediator for the Palestinian truce. On 23 July, USS Putnam evacuated the U.N. team from Haifa and became the first USN ship to fly the U.N. flag.									
17	Security of Trieste	1/16/48	88	A6	?	Y	Y	N	N
In early January 1948, Yugoslav Communist labor unions called for a general strike in Trieste. Shortly thereafter, 1,000 Marines of the 2d USMC division left for the Mediterranean one day ahead of schedule. This was perceived as a warning for Yugoslav troops not to molest U.S. Army troops in Trieste. The departure of the marines being replaced was postponed, thereby doubling the USMC presence in the Mediterranean for a period.									
18	Interests in Persian Gulf	1/20/48	1	A7	0	N	N	N	N
To underscore the U.S. commitment to the Persian Gulf region, the USN Persian Gulf Area Command was formally established (the name was changed to Middle East Force in August 1948) with a seaplane tender as the flag (and only) ship. This formalized a deployment that has continued, at some force level, to this day. The Soviet Union criticized the establishment of the command within a few days.									
19	Security of Norway	4/29/48	4	A5	1	N	N	N	N
Amidst fears of a Communist coup in Norway and growing Soviet press attacks on Norway and Sweden, a U.S. ship visit to Oslo was announced in early April. On 29 April, the aircraft carrier Valley Forge and three escorts arrived for a four-day port visit.									
20	Security of Berlin	6/26/48	401	A5	1	Y	Y	Y	Y
On 1 April 1948, the Soviet Union temporarily restricted Western access to Berlin. On 24 June, all Western transportation to the city was cut-off. On 26 June 1948, the Berlin airlift was initiated to offset the blockade. In addition to USN air units that participated in the airlift, a carrier battle group (CVBG) was moved into the North Atlantic. The blockade was declared lifted by the Soviets on 12 May 1949. The airlift continued through 30 September 1949.									
21	Gov Change, China	12/9/49	38	P4	1	N	N	N	N
On 8 December 1949 the Nationalist government and forces withdrew to Taiwan and formally established the Republic of China (ROC). The next day, the U.S. Navy announced that the Pacific Fleet was understrength and would be reinforced by vessels from the Atlantic. On 29 December, "Boxer" was assigned to the Western Pacific in the first aircraft carrier deployment there since April 1949.									
22	Kor War, For Straits	6/27/50	951	P4	1	N	N	N	N
During the Korean War, USN forces were ordered to the Formosa Straits on a number of occasions to counteract threats of a People's Republic of China (PRC) invasion of Taiwan. For example, at the very beginning of the war, aircraft from the carrier "Valley Forge" flew over Taipei in a demonstration of U.S. commitment to the Republic of China. In April 1951, TF 77 was ordered to the Taiwan Straits from Korean waters to counteract a threatened invasion of Taiwan from Communist China. TF 77 operated in the Straits from 11 to 14 April, then returned to Korean waters.									
23	Kor War, Sec Europe	7/16/50	715	A5	2	Y	Y	Y	Y
With the outbreak of war on the Korean peninsula, it was feared that the Soviets would invade Western Europe. Over the next two years, U.S. forces were built up in Europe.									
24	Lebanon	8/14/50	1	A6	1	N	N	N	N
At the request of the Lebanese Government, USS Midway (CVB), Leyte (CVL), Salem (CA), Columbus (CA), and destroyers visited Beirut and gave a carrier aircraft demonstration. This demonstrated U.S. presence in the Mediterranean in spite of the deep U.S. involvement in Korea.									
25	Security of Yugoslavia	3/15/51	869	A6	2	Y	Y	N	N
In the Summer of 1948 Yugoslavia was expelled from the Comintern. Over the next several years, there were serious tensions between Yugoslavia and its Communist neighbors. In March 1951, Tito claimed that Romania, Hungary, Bulgaria, and the Soviet Union were massing forces along Yugoslavia's border. In mid-March, a reinforced Marine Corps battalion arrived in the area. Later in March, the relief force for the Mediterranean arrived six weeks early to cover "the politically critical spring period." In the last week of May, the Fleet was augment with another aircraft carrier. In September 1952, President Tito went to sea aboard the carrier Coral Sea (a demonstration to the Soviet Union that American aid was available and acceptable to Yugoslavia).									
26	China-Taiwan Conflict	2/2/53	2	P4	?	N	N	N	N
Three years after President Truman gave TF77 orders to operate in the Formosa Straits to both prevent an attack by the PRC on Taiwan and by the ROC against the mainland, President Eisenhower ordered that TF72 should cease the blockade of Taiwan. Eisenhower's goal was to "de-neutralize" the island.									
27	Dien Bien Phu	3/13/54	90	P4	2	N	N	N	N
On 13 March 1954, the battle for Dien Bien Phu began in earnest as the Viet Minh launched their first major assaults on the French garrison. On 19 March, USN forces in the region, including the carriers Wasp and Essex were put on alert. The carrier task group steamed on 22 March for a position off the Indochina coast. On 18 April, USN pilots flew 25 aircraft from Saipan (CVL–48) to a French airfield in Indochina. On 7 May, Dien Bien Phu fell.									
28	Honduras-Guatemala	5/20/54	14	A3	1	Y	Y	N	N
In January 1954, the leftist Guatemalan Government requested arms from the Soviet Bloc in reaction to a U.S. decision to support an anti-Government "liberation" movement. On 20 May the first Soviet arms shipment arrived. On that day, the Caribbean Sea Frontier established air-sea patrols in the Gulf of Honduras to protect Honduras from invasion and to control arms shipments to Guatemala. On 3 June, the U.S. airlifted arms to Honduras, and on 18 June, the U.S. announced a complete arms embargo against Guatemala. The crisis ended after a 29 June coup that led to an anti-Communist government in Guatemala.									
29	PRC ShDo U.K. A/C	7/24/54	6	P4	2	N	N	N	N
On 23 July 1954, aircraft shot down a Cathay Pacific (U.K.) airliner, killing 10 of 18 aboard (including 6 Americans). USN aircraft from the carriers Philippine Sea and Hornet provided air cover to the rescue operations. On 26 July, three aircraft from Philippine Sea shot down two PRC fighters that had fired upon them.									
30	Vietnam Evacuations	Aug–54	305	P4	0	Y	Y	N	N
Acting under the terms of the Indochina accords of 1954, the USN and USMC assisted in the relocation of civilians and materiel from North to South Vietnam. Over the course of operation "Passage to Freedom," over 310,000 civilians, 88,000 tons of cargo, and 8,100 vehicles were transported. The operation involved 109 ships and craft, 59 of which were from the amphibious forces.									
31	Accord in Trieste	10/7/54	20	A6	0	N	N	N	Y
On 5 October 1954, an agreement settling the nine-year-old Trieste discord was signed. Ships from the Sixth Fleet moved into the Adriatic Sea as the 3,000 U.S. Army occupation troops were withdrawn. The withdrawal was completed on 26 October.									
32	Tachen Islands	2/8/55	6	P4	6	Y	Y	Y	N
In January 1955, PRC forces began to bombard the Tachen Islands, and, in early February, the ROC decided to evacuate of the islands. The U.S. Navy evacuated over 15,000 civilians and 11,000 military personnel from the islands.									
33	Red Sea Patrols	Feb–56	183	A7	0	N	N	N	N

TABLE 2.—DESCRIPTIONS OF U.S. CRISIS RESPONSES—Continued

Number	Name	Begin date	Length	OAC	CVs	Am	USMC	USAF	USA
In response to the growing tension in the Middle East (which centered around the Suez Canal), a destroyer patrol was formed in the Red Sea.									
34	Jordan	Mar-56	62	A5	2	Y	Y	N	N
Following a period of growing internal tension and foreign policy turmoil, King Hussein dismissed British General Glubb as Commander of the Jordanian Arab Legion. In reaction to this move, two carriers (Coral Sea and Randolph) and an amphibious force were moved into the Eastern Mediterranean. The formation of a new cabinet in May effectively ended this crisis.									
35	Pre-Suez	Aug-56	69	A6	2	Y	Y	N	N
Egypt nationalized the Suez Canal on 26 July 1956. Tensions immediately rose as both France and the United Kingdom began preparations for military operations. Two carriers (Coral Sea and Randolph) and an amphibious force (which was reinforced in early September) were moved into the Eastern Mediterranean. The fleet dispersed in mid-September as the level of tension in the area appeared to subside.									
36	Suez War	10/30/56	8	A6	3	Y	Y	Y	N
On 29 October 1956, Israel attacked Egypt and, the next day, the United Kingdom and France joined in the invasion. The United States opposed the invasion. Major portions of the Sixth Fleet, including three carriers, were moved into the Eastern Mediterranean. Amphibious forces evacuated over 2,000 endangered Western nationals from the region.									
37	Post-Suez	11/6/56	38	A6	8	Y	Y	N	N
On 5 November 1956, the Soviet Union sent threatening diplomatic notes to Israel, France, and the United Kingdom. The next day, a ceasefire took effect and Egyptain President Nasser requested the assistance of the Sixth Fleet to forestall Soviet intervention. On 7 November, Washington received reports that the USSR would transit six ships from the Black Sea to the Mediterranean. In response, the CNO ordered that a three carrier task force to sail from the U.S. to the Western Pacific and a two-carrier task force was directed to the Azores. USN forces worldwide were ordered to maintain readiness to execute emergency war plans. Surveillance operations in the Mediterranean were intensified as well. Tensions continued at a high level until U.N. forces were brought into Egypt to serve as a "buffer" on 15 November. The Sixth Fleet was removed from 24-hour alert status on 13 December.									
38	Cuban Civil War	Dec-56	435	A3	1	Y	Y	N	N
During the final phases of Castro's campaign from late 1956 through early 1959, U.S. Navy and Marine forces deployed intermittently to the area. The most significant event came following a 23 October 1958 request by the State Department for the evacuation of U.S. nationals from the Cuban port of Nicaro. The next day Kleinsmith (APD-134) conducted the evacuation without incident. The carrier Roosevelt stood by farther out to sea as a contingency force to cover the operation.									
39	Jordon Unrest	4/25/57	9	A6	2	Y	Y	N	N
On 15 April 1957, King Hussein dismissed the Jordanian cabinet, leading to urban demonstrations on the 22nd through the 24th. On the 25th, the new royalist government declared martial law. On the same day, major elements of the Sixth Fleet deployed towards the Eastern Mediterranean to demonstrate American support for the King.									
40	Haiti	6/14/57	18	A3	0	Y	Y	N	N
On 14 June 1957 Haiti's provisional government was overthrown by a military coup. The United States responded with a theater alert of amphibious and surface units of the Caribbean Ready Amphibious Squadron.									
41	PRC-ROC tension	Jul-57	63	P4	3	Y	Y	N	N
In June 1957, a build up of PRC forces opposite Taiwan was reported. In response, Navy forces were deployed to the region with a maximum concentration (three aircraft carriers) occurring in September.									
42	Syria	8/21/57	118	A6	4	Y	Y	Y	N
Because of changes in the Syrian Government, Syria's relations with both the United States and neighboring countries deteriorated. Major portions of the Sixth Fleet were moved to the Eastern Mediterranean, and aircraft were redeployed from Western Europe to Adana, Turkey, as the U.S. made assurances to Syria's neighbors that the U.S. would support them against external aggression.									
43	Indonesia	12/10/57	174	P4	2	Y	Y	N	N
From December 1957 through June 1958, there were a number of revolts against the authority of the Sukarno regime. Primarily because of concern over the safety of U.S. citizens and their property, a contingency evacuation force operated north of Sumatra for much of this period. The standby force was disbanded after the central governmenmt contained the rebellions in June 1958.									
44	Venezuela	5/13/58	3	A3	0	Y	Y	N	Y
On 13 May 1958, a mob attacked the motorcade carrying Vice President Nixon from the airport to Caracas. Two companies of the 2nd Marine Division were airlifted from Camp Lejeune to Guantanamo, Cuba, where they boarded an amphibious ship. Two Army companies of airborne infantry were moved from Ft. Campbell, Kentucky, to Puerto Rico. The alert was cancelled on the 15th, following the Vice President's departure from Venezuela.									
45	Lebanon	5/15/58	48	A6	3	Y	Y	N	N
On 15 May 1958, Lebanese President Chamoun informed the U.S. ambassador that U.S. assistance might be requested because of the entrance of Syrian partisans into Lebanon. Three aircraft carriers and a reinforced Marine force were deployed off Lebanon's coast. By 1 July, reports that there had been no massive infiltration of forces led to the withdrawal of most of the forces from the area.									
46	Lebanon	Jul-58	93	A6	3	Y	Y	Y	Y
On 14 July 1958, following a turn for the worse with serious rioting in Beirut, Lebanese President Chamoun requested U.S. assistance. On the same day there was a coup in Iraq that overthrew a pro-Western government. The first Marine Corps unit landed the next day. The supporting naval force included over 60 vessels, including 3 carriers and an 8-ocean-going minesweeper (MSO) mine force.									
47	Jordan Iraq	7/17/58	138	A7	0	N	N	N	N
Following the coup against the pro-Western Iraqi Government, Jordan's King Hussein requested and received a contingent of British paratroopers. Several surface vessels were redeployed in connection with the British operation.									
48	Quemoy	Aug-58	67	P4	6	Y	Y	Y	N
On 23 August 1958, PRC forces began to shell the Quemoy Islands group, raising the possibility that the islands be cut off from Taiwan. By the first week of September, a Marine Amphibious Ready Group and six CVs were in the area, and three USMC fighter squadrons had moved from Japan to Taiwan. Elements of the Seventh Fleet escorted ROC resupply vessels to within 3 miles of the islands. Tensions eased with a ceasefire on 6 October.									
49	Panama	4/30/59	5	A3	0	N	N	N	N
On 25 April 1959, a small force landed on Panama's Caribbean coast. The United States offered the Panamanian Government small arms, and a small surveillance patrol was established off Panama's coast to deter additional landings. The invaders surrendered on 1 May.									
50	Berlin Crisis	May-59	145	A5	2	N	Y	Y	Y
From fall 1958 on, there was a growing tension over Berlin as the Soviets threatened to turn control of access to the city over to the German Democratic Republic. From April through September 1959, the Soviets interfered with the transit of supply trains to West Berlin. There was a general alert of Navy forces throughout the world during most of the May through September timeframe. The most immediate and visible part of the Navy's response came in the Mediterranean, where the carrier force was brought to an advanced state of readiness and deployed in an alert posture. The response terminated on 30 September 1959 following the end of Soviet harassment along the access routes to West Berlin.									
51	Laos	Jul-59	103	P4	1	Y	Y	Y	Y
In early July 1959, the Laotian Government requested U.S. civilian technicians to assist in the training of the Royal Laotian Army and, later that month, Pathet Lao forces launched an offensive along the North Vietnamese border. In mid-July elements of the Seventh Fleet (including one CVBG and an amphibious force) were deployed near the Vietnamese coast for possible intervention in Laos. The Seventh Fleet returned to normal operations in October after tensions subsided.									
52	PRC-ROC	7/5/59	6	P4	2	?	N	N	N
In relation to growing tensions between the PRC and ROC, and in support of U.S. operational activity off the coast of China, a two-carrier battle group (Ranger and Lexington) conducted operations in the vicinity of Taiwan.									
53	Panama	Aug-59	93	A3	0	N	N	N	N
In reaction to growing civil disorder in Panama, surface combatants were used for surveillance operations. The surveillance operations continued through November 1959.									
54	Congo	7/1/60	124	A4	1	Y	Y	Y	Y
The former Belgian Congo (now Zaire) became independent on 30 June 1960. Elements of the army quickly revolted, and widespread civil disorder resulted. CVS Wasp with a Marine company aboard, was dispatched to assist in the evacuation of Western nationals. During the remainder of the year, the USN supported U.N. forces in the Congo by providing sealift for U.N. force contingents.									
55	Guatemala	11/14/60	27	A3	2	N	N	N	N
At the request of the Nicaraguan and Guatemalan Governments, President Eisenhower ordered the Navy to establish a patrol off of their Caribbean coasts to guard against possible infiltration. The patrol force included one CVA (Shangri-La), one CVS (WAsp), and eight surface ships.									
56	Laos	1/1/61	6	P4	3	Y	Y	Y	Y
Following the Pathet Lao capture of strategic positions on the central plain of Laos, Seventh Fleet forces (including two CVAs (Lexington and Coral Sea), one CVS (Bennington), and an amphibious force) were ordered to the South China Sea. After the situation in Laos stabilized, the units were directed to withdraw on 6 January.									
57	Gulf of Guinea-Congo	2/2/61	34	A4	0	Y	Y	N	N
In early February 1961, the Amity I task force (two amphibious ships, and two destroyers) provided troop lift for U.N. forces in the Congo. As the situation deteriorated, the Amity I force was rerouted to the area on 5 March, apparently at the request of the U.S. Ambassador. On 7 March, the force was released from contingency operations.									
58	Laos	3/21/61	85	P4	3	Y	Y	N	N
Because of the deteriorating position of government forces in Laos, elements of the Seventh Fleet were ordered to the South China Sea. While on station, U.S. Navy aircraft conducted reconnaissance missions over Laos. The alert status of the force was relaxed following the start of ceasefire negotiations in mid-June.									
59	Bay of Pigs	Apr-61	62	A3	2	Y	Y	Y	N
On 17 April 1961, American-trained and -supported Cuban exiles invaded Cuba. By 20 April, Cuban forces had decisively defeated the exiles. Carrier task forces and at least one Marine Corps battalion stood by during the operation. USN units remained in the vicinity as the U.S. attempted to ensure that the captured exiles were not abused by the Cuban Government and tried to negotiate terms for their release.									
60	Dominican Republic	5/30/61	12	A3	3	Y	Y	Y	Y

TABLE 2.—DESCRIPTIONS OF U.S. CRISIS RESPONSES—Continued

Number	Name	Begin date	Length	OAC	CVs	Am	USMC	USAF	USA
General Rafael Trujillo was assassinated on 30 May 1961. The Caribbean Ready Amphibious Squadron was reinforced by two additional amphibious squadrons, and a three-carrier task force deployed to the region. The alert was cancelled on 10 June as the Dominican Republic's domestic situation stabilized.									
61	Zanzibar	Jun-61	31	P6	0	Y	Y	N	N
In response to rioting on Zanzibar, the vessels of the Amity II force moved to the vicinity of the island. The safety of the U.S. space tracking station on the island was a principal concern.									
62	Kuwait	7/4/61	4	P6	0	Y	Y	N	N
Shortly following Kuwait's independence (19 June 1961), Iraq claimed that Kuwait had been improperly withheld from Iraq and that Iraw planned to annex Kuwait. On 30 June Kuwait requested assistance from the United Kingdom, and Royal Marines landed within 24 hours. On 4 July, the five vessels of the Amity II cruise were directed to sail to the vicinity of Aden to serve as a contingency force. This order was cancelled on 7 July.									
63	Berlin Crisis	Jul-61	102	A5	3	Y	Y	Y	Y
Following a period of increased Soviet pressure over the status of Berlin, German Democratic Republic forces established barriers along the border between the two sectors of Berlin on 13 August 1961. In response, the U.S. sent reinforcements to the Berlin Brigade. Prior to this, in response to the mounting Soviet pressure, the Navy's forces were augmented with 33 reserve ships and approximately 8,000 Naval Reserve personnel. Elements of the Sixth Fleet were put on alert and a CVS group was moved to the Northeast Atlantic.									
64	Dominican Republic	11/18/61	32	A3	1	Y	Y	N	N
On 18 November, Dominican President Balaguer declared a state of emergency following the return to the Dominican Republic of two brothers of the slain Trujillo (see response 60). The Caribbean Ready Amphibious Squadron was deployed off the coast and was reinforced by the Roosevelt CVBG. Operational activity included amphibious force feints directed at the beach and flyovers of A-4Ds just outside Dominican territorial waters to underscore Secretary of State Rusk's statement that the U.S. would not "remain idle" if the Trujillos attempted to reestablish the dictatorship. The Navy's response ended following the formation of a Council of State on 19 December.									
65	South Vietnam	Dec-61	244	P4	0	N	N	N	Y
During the December 1961 through August 1962 period, the U.S. increased its military involvement in Vietnam. In December, for example, the first major U.S. Army contingent arrived. On 22 December, a newly formed USN anti-infiltration coastal patrol began operations. These patrols terminated on 1 August 1962.									
66	Dominican Republic	1/18/62	2	A3	0	Y	Y	N	N
On 18 January 1962, a coup ousted the regime in the Dominican Republic. Within six hours, a USN force was ready for a planned show-of-force operation. The deployment was cancelled on 19 January, apparently because the U.S. was satisfied with the course of events in the Dominican Republic.									
67	Guatemala Riots	3/14/62	9	A3	1	Y	Y	N	N
Following student rioting on 13 March 1962 which led to an outbreak of more general civil disorder, the U.S. established a precautionary deployment off the coast of Guatemala. The force included CVA Midway and the Caribbean Ready Amphibious Squadron.									
68	South Vietnam	4/15/62	849	P4	0	Y	Y	N	N
On 15 April 1962, a Marine company arrived in Saigon. It was the first USMC advisory unit to arrive in the Republic of Vietnam, and its arrival denoted a qualitative change in Navy/Marine Corps operations in South Vietnam.									
69	Thailand	5/10/62	90	P4	2	Y	Y	N	N
Following major victories by Pathet Lao forces that moved their units closer to the Thai border, the U.S. carried out an administrative landing of Marine forces in Thailand at the request of the government of Thailand. About 3,400 Marines moved to Thailand between 17 and 20 May. The United Kingdom, Australia, and New Zealand sent forces to Thailand as well.									
70	Guantanamo	7/25/72	3	A3	0	Y	Y	N	N
For the first eight months of 1962, there was a particularly serious period of harassment of the U.S. base at Guantanamo. A major response took place in July when it was feared that the security of the installation might be threatened in conjunction with Cuban celebration of the 26th of July revolutionary holiday. The Caribbean Ready Amphibious Squadron deployed to Guantanamo on 25 July, and major air demonstrations were conducted over the base that evening. The alert was terminated on the 27th.									
71	Haiti Civil Disorder	Aug-62	14	A3	1	Y	Y	N	N
In early August 1962, U.S. decision-makers were apprehensive concerning potential civil disorders in Haiti. In response the Caribbean Ready Amphibious Squadron was positioned for possible employment and a two-destroyer patrol was established in the Gulf of Gonave.									
72	Cuban Missile Crisis	10/14/62	38	A3	8	Y	Y	Y	Y
A 14 October overflight provided evidence that Soviet MRBMs were deployed in Cuba. On 22 October, President Kennedy announced a quarantine of the island nation. Approximately 180 U.S. Navy ships, including 8 carriers and a 60-ship amphibious force, were involved in the response. The blockage was lifted on 20 November.									
73	Sino-Indian War	11/19/62	2	P6	1	N	N	N	N
During the Sino-Indian War, Indian Prime Minister Nehru requested U.S. fighters for possible combat operations against the PRC. In response, an American aircraft carrier was dispatched from the Pacific towards Indian waters; but the crisis passed 24 hours after Nehru made this appeal, and the CV turned back before it reached the Bay of Bengal.									
74	Laos	Apr-63	35	P4	2	Y	Y	N	N
After Pathet Lao forces had inflicted serious defeats on the neutralist faction in Laos, U.S. forces deployed to the area. The two carriers (Ticonderoga and Ranger) and a three-ship amphibious group returned to normal Seventh Fleet assignments on 5 May, two weeks after a cease-fire agreement was reached.									
75	Haitian Unrest	4/29/63	34	A3	1	Y	Y	N	N
On 16 April 1963, the Haitian Government announced it had uncovered a plot to overthrow the Duvalier regime. Over the coming weeks, tension continued to mount. On 29 April, a 30-man USMC training force was withdrawn from Haiti. On 8 May, Navy ships evacuated 2,279 civilians. Both the United Kingdom and France deployed ships during the crisis. On 17 May, the U.S. broke diplomatic relations with Haiti. On 3 June, following stabilization of the situation, the U.S. resumed diplomatic relations and the Navy forces were released from contingency tasking.									
76	Haiti Civil War	8/6/63	17	A3	1	Y	Y	N	N
Groups of Haitian exiles invaded Haiti on 5 and 15 August 1963. On 6 August the Caribbean Ready Amphibious Squadron sailed to the Gulf of Gonave, where it remained until 22 August. The Haitian Government easily defeated the rebels.									
77	Vietnam Civil Disorder	8/25/63	93	P4	2	Y	Y	N	N
U.S. Navy forces responded to domestic disturbances in South Vietnam that culminated in the 1 November 1963 coup overthrowing President Diem. On 25 August, CINCPACFLT was ordered to station Naval forces off the South Vietnamese coast prepared to evacuate American nationals. On 11 September, CINCPAC returned all Navy forces to normal operations. This deployment was the first of several in the worsening South Vietnamese internal crisis. Shortly following the coup, two aircraft carriers (Hancock and Oriskany) and an amphibious force were operating off the Vietnam coast. On 7 November, the last units were released for normal operations.									
78	PRC-ROC	9/20/63	5	P4	1	N	N	N	N
On 20 September 1963, the CVA Hancock was directed to move to a position off Taiwan in anticipation of a PRC bombardment of the offshore islands. This followed a period of active ROC raiding of the mainland.									
79	Dominican Republic	9/25/63	81	A3	0	Y	N	N	N
On 25 September 1963, a coup overthrew the government of President Bosch. The United States suspended diplomatic relations and cut off economic aid. The Caribbean Ready Amphibious Squadron was alerted for the response. The alert was cancelled on 14 December.									
80	Indonesia-Malaysia	Oct-63	78	P4	1	N	N	N	N
The Federation of Malaysia was created on 16 September. The Sukarno regime in Indonesia laid claim to some of Malaysia's territories and conducted a guerilla war in provinces on the island of Boreno. The Western response was carried out primarily by the United Kingdom. There were, however, a number of demonstrative actions taken by the U.S. included a 29 November through 17 December port visit by the seaplane carrier AV Salisbury Sound to Singapore.									
81	Zanzibar	1/12/64	2	P6	0	N	N	N	N
On 12 January, a rebel movement overthrew the regime in Zanzibar. On 13 January, the U.S. DD Manley evacuated 54 U.S. citizens and 36 nationals of other countries to Tanganyika.									
82	Tanganyika	1/20/64	7	P6	0	N	N	N	N
On 20 January 1964, there was an army mutiny in Tanganyika. The DD Manley was directed to return there for possible evacuations. On 25 January, British forces landed and put down the mutiny.									
83	Carib. Surveillance	1/15/64	92	A3	0	N	N	N	N
As a result of possible arms smuggling, a two-destroyer patrol was stationed in the southern Caribbean for surveillance and interception operations.									
84	Panama	Jan-64	101	A3	0	Y	Y	Y	Y
Following serious rioting in the Canal Zone (which left 4 U.S. soldiers and 20 Panamanians dead), the Government of Panama suspended diplomatic relations with the United States on 9 January. An amphibious force was kept in the region until a week following the 3 April U.S.-Panamanian agreements that restored diplomatic recognition.									
85	Venezuela	Jan-64	310	A3	0	N	N	N	N
The U.S. established special surveillance operations in response to reports that Cuba was supplying Venezuelan rebels with arms and personnel. The patrol aircraft and surface ship patrols were terminated on 7 November, after observing more than 200 vessels.									
86	Cyprus	1/22/64	269	A6	1	Y	Y	Y	N
After conflict between Greek and Turkish factions renewed on 21 January 1964, elements of the Sixth Fleet were deployed to the vicinity of Cyprus. While U.S. Navy vessels conducted patrols off Cyprus throughout this period, there were several phases to this conflict. Aircraft carriers were deployed off Cyprus for most of March, early June, and from 8 August to 2 September									
87	Brazil	3/31/64	4	A4	1	N	N	N	N

TABLE 2.—DESCRIPTIONS OF U.S. CRISIS RESPONSES—Continued

Number	Name	Begin date	Length	OAC	CVs	Am	USMC	USAF	USA
	Following domestic unrest, the Forrestal CVBG moved off Santos, Brazil. This unit was on station from 31 March to 3 April. There was a military coup, and a new President was sworn in on 2 April.								
88	Laos	4/21/64	42	P4	2	N	Y	Y	N
	Following an abortive rightist coup attempt on 19 April, Pathet Lao units made gains. On 21 April the Kitty Hawk CVBG was ordered to a position in the South China Sea. On 18 May carrier aircraft began low-level aerial reconnaissance missions over Laos. Following the 7 and 8 June shooting down of Navy reconnaissance aircraft, planes from Constellation and Kitty Hawk flew air strikes against Pathet Lao antiaircraft positions. On 21 May, the standing carrier presence at Yankee Station in the South China Sea was initiated.								
89	Guantanamo	5/1/64	7	A3	0	Y	Y	N	N
	In the midst of serious Cuban harassment of the Guantanamo base, on 27 April 1964, there were indications that the Government of Cuba intended to have demonstrations take place along the base's perimeter. The Caribbean Ready Amphibious Squadron deployed to the base for the period 1–7 May.								
90	Panama	5/7/64	14	A3	0	Y	Y	N	N
	Because of fears that violence might accompany the Panamanian presidential elections, the Caribbean Ready Amphibious Squadron was deployed off the coast of Panama. It remained there for a week following the 13 May certification of the election results.								
91	Dominican Republic	7/24/64	5	A3	0	N	N	N	N
	U.S. Navy surface ships and patrol air craft conducted four days of special patrol operations designed to detect Cuban arms shipments directed at the Dominican Republic.								
92	Gulf of Tonkin	8/2/64	9	P4	2	N	N	N	N
	On 2 August 1964, North Vietnamese MTBs engaged USS Maddox; two of the patrol boats were sunk. On 4 August, two destroyers were engaged, and again two patrol boats were sunk. On 5 August, aircraft from the carriers Ticonderoga and Constellation carried out retaliatory strikes against the North Vietnamese mainland. The Gulf of Tonkin Resolution of 10 August 1964 is used as the starting point for the Vietnam-Indochina War. U.S. Navy activity in the region from this point through the evacuations in April 1975 are considered to be part of the conflict and thus are excluded from consideration in this work.								
93	Haiti	8/7/64	3	A3	0	N	N	N	N
	On 7 August 1964, CINCLANT initiated a two-day surveillance operation designed to locate a ship that was believed to be connected with Haitian military forces.								
94	Panama	1/7/65	6	A3	0	Y	N	N	N
	In anticipation of possible rioting that might accompany the first anniversary of the 9 January 1964 riots, forces in USCINCSO were put on alert. One LST was put on alert for the 9–12 January period.								
95	Tanzania	1/17/65	1	P6	0	N	N	N	N
	On 17 January 1965, a destroyer was ordered to move to a position off Tanzania following the request by the Department of State for a ship for potential evacuation of U.S. nationals from the country. The alert was cancelled later that same day.								
96	Venezuela-Colombia	Jan–65	91	A3	0	N	N	N	N
	In response to reports of clandestine arms shipments and movement of personnel, surface ship and patrol aircraft surveillance patrols were established in the Caribbean.								
97	British Guiana	Apr–65	11	A3	0	N	N	N	N
	In response to domestic violence, air and surface patrols were established. On 11 April Navy aircraft located a Cuban ship that was believed to be carrying arms to rebel forces within British Guiana. Surveillance was held until a Royal Navy vessel arrived on the scene.								
98	Dominican Republic	4/25/65	515	A3	2	Y	Y	Y	Y
	Following a period of mounting tension in the Dominican Republic, on 25 April 1965, the U.S. Embassy indicataed that a landing might be required to protect American lives and conduct evacuations. Between 27 and 30 April, some 2,400 evacuees were removed by the deployed amphibious force. The first troops went ashore on 28 April, and by 1 May, a total of 1,580 Marines and 2,262 Army troops were on the island. On 28 June 1966, U.S. forces began to be withdrawn from the country.								
99	Yemen	Jul–65	32	P6	0	N	N	N	N
	July and August 1965 were critical months in the Yemeni civil war. MIDEASTFOR surface combatants carried out surveillance and presence missions during this period.								
100	Cyprus	8/3/65	30	A6	1	Y	Y	N	N
	During a period of growing tension on Cyprus that centered on proposed changes to the electoral system, a CVBG and an amphibious force operated off the island.								
101	Indonesia	10/2/65	8	P4	0	Y	Y	N	N
	On 30 September 1965, there was an abortive rebellion involving elements of the Indonesian Communist Party and the Indonesian army. An amphibious task force stood by as a contingency evacuation force following the attempted coup.								
102	Indo-Pakistani War	9/11/65	25	P6	0	N	N	Y	N
	The Indo-Pakistani War broke out in the first week of September 1965. On 11 September, two ships from MIDEASTFOR left Bahrain en route to Karachi, Pakistan, to act as a contingency evacuation force. On the 15th, USAF planes evacuated U.S. civilians from West Pakistan.								
103	Greek Coup	4/21/67	23	A6	1	Y	Y	N	N
	The military coup occurred on 21 April 1965. In response, the America CVBG was immediately dispatched to the Ionian Sea. Two amphibious groups were included in the contingency task force.								
104	Six Day War	6/6/67	6	A6	2	Y	Y	Y	Y
	On 13 May 1967, Egypt reinforced its forces in the Sinai border and Israel mobilized in response. Following several weeks of growing tension, the war commenced on 5 June. The fleet was initially held back to indicate American noninvolvement in the fighting. On 6 June, two carrier task forces moved closer to the fighting. On 10 June, the President ordered a high-speed carrier movement toward Syria to facilitate a cease-fire agreement.								
105	Eliat Sinking	10/21	67	12	A6	2	N	N	N
	On 21 October 1967, Egyptian ships sunk the Israeli destroyer Eilat using surface-to-surface missiles. In response, two carrier task forces were ordered to a position 100 miles north of Egypt.								
106	Cyprus	11/15/67	24	A6	1	Y	Y	N	N
	On 15 November 1967, there was renewed communal violence on Cyprus. This led to a contingency deployment of Sixth Fleet units in anticipation of possible evacuations. On the 24th, U.S. citizens were evacuated by commercial aircraft with no military involvement.								
107	USS Pueblo	1/24/68	59	P4	3	N	N	Y	N
	On 23 January 1968, North Korean Forces seized USS Pueblo in international waters. On the 24th, TG 70.6 (CVA Enterprise) was directed to Korea. Through 22 March, a standing two-carrier force was maintained off Korea, and intermittent deployments were maintained after that point until the release of Pueblo's crew on 22 December.								
108	EC–121 Shootdown	4/15/69	26	P4	4	N	N	Y	Y
	On 15 April 1969, a U.S. Navy reconnaissance plane was shot down by Democratic Republic of Korea (DPRK, North Korean) fighters over the Sea of Japan. SAR efforts began immediately and TF 71 was activated, drawing units from South-East Asia (including four aircraft carriers). After 26 April, the force was reduced to a one carrier battle group.								
109	Curacao Civil Unrest	5/31/69	1	A3	0	Y	Y	N	N
	Because of riots in Curacao, the fast element of the Caribbean Ready Force (one cruiser and three amphibious ships) was reconstituted on 31 May 1969 and ordered to a position off Curacao in anticipation of possible evacuations. Order was quickly restored and, at sunset on 31 May, the group was ordered to return to normal operations.								
110	Lebanon-Libya Ops	10/26/69	5	A6	2	Y	Y	N	N
	On 1 September 1969 a coup overthrew the Libyan monarchy. At the same time conditions were very unsettled in Lebanon, leading to the 22 October resignation of the Lebanese Prime Minister. Contingency forces in the period 26–30 October included two carrier task forces and the Mediterranean Amphibious Ready Group.								
111	Trinidad	4/22/70	6	A3	0	Y	Y	Y	N
	The Government of Trinidad and Tobago declared a state of emergency on 21 April in response to civil unrest and a munity of 80 troops. The Caribbean Ready Group was ordered to sail to the vicinity in preparation for evacuation operations.								
112	Jordan	6/11/70	7	P6	1	Y	Y	Y	N
	On 9 June 1970 the Popular Front for the Liberation of Palestine (PFLP) seized 32 hostages in a hotel in Amman; 14 Americans were among those held. In addition, on the same day, there was an unsuccessful assassination attempt against King Hussein. CVA Forrestal moved to the Eastern Mediterranean to provide air cover for potential evacuation operations. While the situation in Jordan abated, tensions flared in neighboring Beirut, with an attack on the Jordanian embassy on 12 June. The situation in Lebanon calmed on the 15th, and U.S. forces returned to normal operations on 17 June.								
113	Jordan	9/2/70	60	A6	3	Y	Y	Y	Y
	Sixth Fleet units were put on alert on 3 September 1970 because of rising tensions in the region. On 6 September, the PFLP hijacked civilian airliners and took them to Dawson Field. Fighting soon broke out between Jordanian and Palestinian forces. Two CVs and the Mediterranean Amphibious Ready Group (MARG) were in the Eastern Mediterranean. Following Syrian intervention on 18 September, CVA Kennedy and elements of the 8th Marine Amphibious Brigade (MAB) were ordered form the East Coast to the Mediterranean. On the 19th, troops in Germany and CONUS (82nd Airborne Division) were alerted for movement. By 24 September, all Syrian forces were out of Jordanian territory and, by 5 October, only one carrier was on station in the Eastern Mediterranean.								
114	Haiti succession	4/22/71	37	A3	0	N	Y	N	N

TABLE 2.—DESCRIPTIONS OF U.S. CRISIS RESPONSES—Continued

Number	Name	Begin date	Length	OAC	CVs	Am	USMC	USAF	USA

Haitian President Francois Duvalier died on 21 April 1971 and was succeeded as chief of state by his 19-year-old son Jean-Claude. A surface patrol was established in the Windward Passage because of the possibility that the situation might be exploited by Haitian exiles and/or Cuban forces. Additionally, USMC BLT 2/3, in the U.S., was alerted and carried out a contingency reaction drill (no amphibious ships were diverted to support this).

115	Indo-Pakistani War	12/10/71	30	P6	1	Y	N	N	N

The Bangladesh war began on 3 December 1971 and, on 7 December, the head of the U.N. relief mission in East Pakistan (Bangladesh) indicated that evacuation of foreign civilians might be required. On 10 December, a CVBG (CVAN Enterprise) and an amphibious ready group were ordered to the Indian Ocean. On 12 December, the Royal Air Force evacuated Western nationals from East Pakistan, thereby eliminating the requirement for an American evacuation operation.

116	Bahama Lines	12/15/71	52	A3	0	N	N	N	N

Following seizure of the steamer Johnny Express by Cuban naval forces on 15 December 1971, two U.S. Navy destroyers were put on alert. The remaining four ships of the exile-owned Bahama lines were escorted through the end of January 1972.

117	Lebanon	5/3/73	7	A6	2	Y	Y	N	N

On 3 May 1973, the Palestinian Yarmuk Brigade entered Lebanon from Syria. Two CVBGs (Forrestal and Kennedy) were alerted for potential evacuation operations. By 9 May, the situation had stabilized.

118	Middle East War	10/6/73	48	A6	3	Y	Y	Y	Y

On 6 October 1973 Egyptian and Syrian forces launched a surprise attack on Israel. U.S. Navy forces quickly sortied in response to the war, with two CVBGs (Independence and Roosevelt) and an amphibious force in the Mediteranean and a CVBG (Kennedy) in the Eastern Atlantic. On 25 October U.S. forces went on Defense Condition (DEFCON) III alert status, as possible intervention by the Soviet Union was feared. The Kennedy CVBG and additional amphibious forces entered the Mediterranean. On 26 October, CINCSAC and CINCONAD reverted to normal DEFCON status. On 31 October USEUCOM (less the Sixth Fleet) went off DEFCON III status. The Sixth Fleet resumed its normal DEFCON status on 17 November.

119	Middle East Force	10/24/73	22	A7	0	N	N	N	N

On 24 October, the U.S. merchant ship LaSalle was shot at at the mouth of the Red Sea. Over the next month, a MIDEASTFOR destroyer escorted U.S. merchant ships in the lower Red Sea.

120	Oil Embargo-IO Ops	10/25/73	159	A6	1	N	N	N	N

Following the initiation of the oil embargo in the midst of the October War, a CVBG (Hancock) was ordered from the South China Sea to the Indian Ocean.

121	Cyprus	7/15/74	39	A6	2	Y	Y	Y	Y

On 15 July 1974, immediately after a coup on Cyprus, the carrier America was ordered to augment the Sixth Fleet instead of returning to the U.S. At the same time, port calls for the Forrestal CVBG and the Sixth Fleet amphibious groups were cancelled. On 22 and 24 July, evacuees from Cyprus were brought aboard USN vessels. For the next month, Sixth Fleet units remained on a high state of readiness in the area as the situation remained tense on the island. On 2 September, the last units were released from contingency tasking.

122	Cyprus Unrest	1/18/75	4	A6	1	Y	Y	N	N

Following violent Greek Cypriot demonstrations, some of which were outside the American Embassy in Nicosia, the Joint Chiefs ordered a precautionary deployment of a carrier group to a position southwest of Cyprus. In addition, units of the Sixth Fleet's amphibious force were alerted for possible evacuation duty. By 21 January, the situation had quieted and the alert situation was relaxed.

123	Ethiopia	2/3/75	4	A7	0	N	N	N	N

In 1974, elements of the Ethiopian military seized control of the government and overthrew Emperor Haile Selassie. As the Ethiopian civil war intensified, a two-ship contingency force took position in the Red Sea for potential evacuation of American citizens who operated the U.S. Navy Communications Station in Asmara. On 4 February, these civilians were evacuated by commercial airliners. On 6 February, the contingency force was released.

124	Mayaguez	5/13/75	3	P4	2	Y	Y	Y	N

On 12 May 1975, the SS Mayaguez was seized by Cambodian gunboats and escorted to Koh Tang Island. On 14 May, U.S. Marines recaptured the Mayaguez and went ashore on Koh Tang Island, releasing the crew. Air cover was flown by USAF fighters operating from Thailand and by aircraft operating off Coral Sea.

125	Lebanon	Aug–75	367	A6	1	Y	Y	N	N

During 1974 and 1975, the situation in Labanon generally deteriorated as the nation headed toward civil war. In late June, a U.S. Army colonel was kidnapped and held for two weeks. Starting in August, a contingency evacuation force was maintained for the potential evacuation of the approximately 100 U.S. Government employees and 1,000 U.S. citizens in Lebanon.

126	Polisario Rebels	1/5/76	18	A5	0	Y	N	N	N

On 3 January 1976, the Moroccan Navy stopped a Soviet cargo ship off the Spanish Sahara and found a cargo of arms. In response to the evidence of increased Soviet support for the Polisario rebels, U.S. Navy vessels made three port visits in Morocco during January 1976.

127	Tunisia	7/27/76	25	A6	0	N	N	N	N

To reassure Tunisian officials following Libyan threats against Tunisia, the U.S. Embassy at Tunis requested that the port visit by two vessels to Tunis be extended. A frigate made a port visit at Sfax several weeks later at the request of the State Department.

128	Kenya-Uganda	7/8/76	20	P6	1	N	N	N	N

Because of the possibility of Ugandan military operations against Kenya following the Israeli raid on Entebbe airport, the Ranger CVBG was ordered from the South China Sea to the Western Indian Ocean. In addition, two MIDEASTFOR frigates made successive port calls in Mombassa in mid-July. Ranger was released on 27 July.

129	Korean Tree Incident	8/19/76	21	P4	1	N	N	Y	Y

Following the murder of two U.S. Army officers (and wounding of four U.S. and five South Korean soldiers) on 18 August 1976 in the demilitarized zone, a general buildup and alert of forces occurred in South Korea. The Midway CVBG was ordered from Yokosuka to an operating area in the approaches to the Korea Strait, where it remained until released on 8 September.

130	Uganda	2/25/77	6	P6	1	N	N	N	N

In response to restrictions placed on Americans in Uganda by President Amin, the Enterprise CVBG was ordered to move to a position off the coast of Kenya. The CVBG was released to normal operations after Amin lifted all travel restrictions on Americans.

131	Ogaden War	FEb–78	51	P6	1	N	N	Y	N

In late February 1978, surface ships from MIDEASTFOR began surveillance operations of the Somali invasion of the Ogaden region of Ethiopia. Following the collapse of the Somali army in the Ogaden, the Kitty Hawk CVBG was ordered to a holding point north of Singapore. On 23 March, the CVBG was released without having been sent into the Indian Ocean.

132	Sea of Okhotsk	6/15/78	10	P4	0	N	N	N	N

Following increased Soviet military activity in the Far East, Secretary of Defense Harold Brown asserted that the U.S. did not recognize the Sea of Japan as a Soviet sanctuary. A week later, three USN ships began operations in the Sea of Japan to underscore the Secretary of Defense's comments and to demonstrate the right of free navigation in international waters.

133	Afghanistan	Jul–78	31	P6	1	N	N	N	N

During the growing unrest in Afghanistan, the Enterprise CVBG was ordered to remain in the vicinity of Diego Garcia. Enterprise was released as of 31 July.

134	Nicaragua	9/16/87	16	A3	0	N	N	Y	N

Following a period of growing civil strife in Nicaragua, on 16 September 1978 CINCLANTFLT ordered surface ship surveillance operations off the west coast of Nicaragua. The operations commenced on 20 September and continued to 1 October.

135	Iran Revolution	12/6/78	86	P6	1	Y	Y	Y	N

On 6 December 1978, following a deterioration in the internal situation in Iran, three surface vessels were ordered to remain in the Persian Gulf/Arabian Sea region following completion of exercise "Midlink." From 28 December through 28 January 1979, the Constellation CVBG was kept in the Singapore area for possible deployment to the Indian Ocean. On 14 February, armed leftists briefly took over the American Embassy in Tehran. On 18 and 21 February, Western nationals were evacuated from Bandar Abbas and Chah Bahr by RN and commercial ships (many of the evacuees were transferred to USN ships in international waters).

136	China-Vietnam	2/25/79	6	P4	1	N	N	N	N

In response to the 22 February 1979 PRC invasion of North Vietnam and a large Soviet deployment of vessels to the region, USN vessels including the Constellation CVBG entered the South China Sea to monitor the situation.

137	Yemen	3/6/79	93	P6	1	N	N	Y	N

On 6 March 1979, the Constellation CVBG was ordered from the South China Sea to the Gulf of Aden. The deployment to monitor the fighting between North and South Yemen was, most likely, meant to reassure the Saudis that the U.S. intended to remain in the region despite the fall of the Shah. A carrier presence was kept in the region until 6 June.

138	Soviet Troops in Cuba	10/2/79	46	A3	1	Y	Y	Y	N

On 2 October, the JCS issued an executive order directing the establishment of a Caribbean contingency task force, following a month of news reports about the presence of Soviet troops in Cuba. On 11 October, 1,800 Marines left Morehead City en route to Guantanamo as part of REINFORCEX. In mid-October, the Forrestal CVBG transited close to Cuba in conjunction with the U.S. policy of an increased Navy presence in the Caribbean.

139	Afghan/Iran Hostages	10/9/79	472	P6	2	Y	Y	Y	Y

In October 1979 the U.S. relationship with the Islamic Republic worsened as riots and massive demonstrations outside the American Embassy in Tehran became a common occurrence. On 9 October, a 20 October deployment of the Midway CVBG to the region was ordered. On 4 November, Iranian students seized the U.S. Embassy and took the personnel hostage. On 20 November, the President ordered the Kitty Hawk CVBG into the Indian Ocean. The Soviet invasion of Afghanistan in late December reinforced the decision to maintain two CVBGs in the Indian Ocean. On April 24, an attempted rescue mission failed, with eight U.S. servicemen dead. On 21 January 1981, the hostages were released, after 444 days in captivity.

140	Park-Chung Hee	10/26/79	9	P4	1	N	N	Y	Y

Following the assassination of South Korean President Park Chung Hee, DEFCON 3 was declared on 26 October 1979. The Kitty Hawk CVBG was ordered to a position south of Korea. On 5 November, the DEFCON alert returned to normal.

141	Korea	5/27/80	33	P4	1	N	N	Y	Y

TABLE 2.—DESCRIPTIONS OF U.S. CRISIS RESPONSES—Continued

Number	Name	Begin date	Length	OAC	CVs	Am	USMC	USAF	USA
In 1980 a growing storm of protest calling for democratic reforms led to the declaration of martial law in South Korea and the massacre of several hundred people in the town of Kwangju. A carrier moved to the area in late May and a carrier presence was maintained through 28 June.									
142	Iran-Iraq War	9/30/80	125	P6	2	N	N	Y	N
Following the Iraqi invasion of Iran on 22 September 1980, four USAF AWACS aircraft were deployed to Saudi Arabia on 30 September. On 11 October a reinforcement of the MIDEASTFOR was announced. In mid-October about 60 U.S. British, French, and Australian warships were in the region to prevent potential Iranian interference with oil traffic through the Straits of Hormuz. In February 1981, a decision was made no maintain two CVBGs in the Indian Ocean even though the hostages had been released.									
143	Poland	12/9/80	24	A5	0	N	N	Y	N
Because of instability along the Polish/Soviet border, the chairman of the NATO Military Committee ordered that STANAVFORLANT would not be released for the Christmas holiday. At the same time, the U.S. decided to supply NATO with four AWACS aircraft to monitor the border situation.									
144	Morocco	1/29/81	10	A5	0	N	N	N	N
The Secretary of State, with the concurrence of the Department of Defense, decided that a well-publicized U.S. Naval visit to Agadir would be desirable to send a signal to the Soviets in response to the positioning of three Soviet Navy ships in the region. A three-day visit by CG-20 Turner (CG-20) early in February followed.									
145	Liberia	4/1/81	15	A5	0	N	N	N	Y
On 1 April President Reagan ordered a company of Green Berets and a Navy destroyer to Liberia to show support for the government of Samual K. Doe. On 10 April the Green Berets arrived for 30 days of training exercise with Liberian troops. On 12 April, DD-988 Thorn arrived in Monrovia, Liberia, for a three-day port visit.									
146	Syria	5/3/81	135	A6	2	Y	Y	N	N
Following Israeli reprisal raids against Syrian SAM positions in southern Lebanon, the Forrestal CVBG and the Mediterranean Amphibious Ready Group were ordered into the Eastern Mediterranean on 3 May 1981. In mid-May, the Independence CVBG was retained in Eastern Mediterranean on 3 May 1981. In mid-May, the Independence CVBG was retained in Eastern Mediterranean following a transit through the Suez Canal from the Indian Ocean. On 26 May, Independence was released. On 14 September, the response posture for amphibious forces to conduct evacuation operations was cancelled.									
147	Libya	8/1/81	20	A6	2	N	N	N	N
In response to extensive Libyan claims of sovereignty over international waters, the President authorized Naval exercises in the Gulf of Sidra. During the Freedom of Navigation (FON) operations, two Libyan Air Force fighters were shot down by USN fighters on 18 August.									
148	Sadat-Sudan	10/7/81	24	A6	1	Y	Y	Y	N
Following the 6 October 81 assassination of Egyptian President Sadat at a military parade, a CVBG and the Mediterranean Amphibious Ready Group were ordered to a position 120 n.mi. north of Egypt. The forces were sent to the region because of the possibility of Libyan involvement in the assassination and because of fears of Libyan aggression against either Egypt or the Sudan.									
149	Central America	10/16/81	47	A3	2	Y	Y	N	N
Amidst growing official concern over arms shipments to rebels in El Salvador, a series of maneuvers began in the Caribbean. On 23 December, DD-989 Deyo was tasked to sortie to the coast of El Salvador to conduct surveillance operations. On 2 February, because of the mining of Nicaraguan harbors, the Defense Mapping Agency issued Special Warning #57 warning mariners to avoid Nicaraguan harbors. On 16 Fedruary, DD-970 Caron completed turnover with Deyo, and surveillance operations were to continue in the region for the indefinite future.									
150	Israeli Invasion	6/8/82	45	A6	1	Y	Y	N	N
On 6 June 1982 Israeli forces entered Lebanon in operation "Peace for Galilee." On 8 June the Secretary of Defense ordered the MARG at Rota to the Eastern Mediterranean for potential evacuation of American citizens from Beirut. On 28 June, Israeli forces began a seige of West Beirut. On 20 July, the MARG response posture was relaxed.									
151	Peacekeeping Force	8/10/82	30	A6	2	Y	Y	N	N
On 10 August the alert posture of the Mediterranean Amphibious Ready Group was heightened in light of a likely deployment as part of a peacekeeping force to oversee the evacuation of Palestine Liberation Organization (PLO) forces from West Beirut. On 24 August (EDP), the first of 800 Marines began going ashore at Beirut as part of a joint U.S.-French peacekeeping force. On 8 September, following the removal of the PLO forces from West Beirut, the Marines redeployed aboard the MARG ships.									
152	Palestinian Massacre	9/22/82	143	A6	2	Y	Y	N	N
On 22 September 1982, following the Phalangist Christian force massacre of Palestinians in the Sabra and Shatilla refugee camps, the Mediterranean Amphibious ready Group was ordered to the Eastern Mediterranean. From 27 September through 21 January 1983, two carriers were tethered to Lebanon to provide support for the Marine Corps forces ashore. On 11 February, the response posture for carrier support was relaxed as the situation had stabilized.									
153	Libya-Sudan	2/14/83	11	A6	1	N	N	N	N
Following Libyan threats against Sudan, the Enterprise CVBG moved from a position off Lebanon to a position north of Libya. USN aircraft from Nimitz operated in the Tripoli Flight Information Region and the Nimitz closed to within 85 miles of the Libyan coast.									
154	Honduras	6/14/83	131	3	1	Y	Y	N	Y
In 1983, the U.S. Government expressed great concern over the safety of Honduras, citing the threat of invasion from neighboring Nicaragua. On 14 June, 100 Green Beret military advisors arrived in Honduras. On 18 July, the Ranger CVBG was diverted from a planned Indian Ocean deployment to the vicinity of Central America through 12 August. On 16 August, the Coral Sea CVBG arrived off the east coast of Nicaragua and, on 26 August, New Jersey arrived on station west of Nicaragua. These vessels departed the region in mid-September.									
155	Marine Barracks Bomb	8/29/83	170	A6	2	Y	Y	Y	N
The Eisenhower CVBG was ordered to return at "best speed" to the Eastern Mediterranean on 29 August as the situation in Beirut worsened with more frequent gun battles and growing numbers of USMC casualties. On 12 September, ARG Alpha, the Pacific Amphibious Ready Group, arrived off Beirut. On 4 October, the Eisenhower CVBG was authorized to leave the Beirut area and, on 9 October, ARG Alphas return to PACOM via the Suez was authorized. On 23 October 1983, a suicide bomber struck the Marine Corps barracks in Beirut, killing 241. On the same day, another suicide car bomb killed 85 French paratroopers. Various Sixth Fleet units were ordered to Beirut, both to reassert the U.S. presence and to assist in rescue operations. Following the attack, the Ranger CVBG was diverted from port calls in Australia to the North Arabian Sea, where it operated for 122 days. On 26 February 1984, the withdrawal of the USMC contingent of the international peacekeeping force was completed.									
156	Libya-Chad	8/1/83	16	A6	1	N	N	N	N
Following Libyan aggression against Chad, aircraft from CVN-69 Eisenhower operated in the Gulf of Sidra. CV-43 Coral Sea's departure from the Mediterranean was delayed for a day because of uncertaigty over the situation.									
157	KAL 007	9/1/83	66	P4	0	N	N	Y	N
On 1 September 1983, a Soviet air defense fighter shot down Korean Air Lines flight 007 (KAL 007), killing all 267 aboard. USN surface ships were moved to the vicinity to search for debris and provide an American presence.									
158	Iran-Iraq	10/8/83	92	P6	1	Y	Y	Y	N
Following an 18 September 1983 Iranian threat to block oil exports from the Persian Gulf, ARG Alpha was ordered from the Eastern Mediterranean to the Indian Ocean on 8 October. On 10 October, the Ranger CVBG arrived in the northern Arabian Sea. Ranger, which had been scheduled to depart the region on 18 October, remained through the new year.									
159	Korea-Burma	10/11/83	3	P4	1	N	N	Y	N
During the Secretary of Defense's attendance of funeral ceremonies for the 21 South Korean officials killed by a North Korean bomb in Burma, the Vinson CVBG's departure for the U.S. was delayed. The CVBG operated in waters off Pusan, South Korea, to underscore the U.S. commitment to South Korea.									
160	Syria	12/3/83	37	A6	1	Y	Y	N	N
On 3 December, two F-14s flying over Lebanon were fired upon by Syrian antiaircraft artillery. On 4 December 82, aircraft from Kennedy and Independence were launched against Syrian targets; two were shot down, and one U.S. airman was taken prisoner by Syrian troops.									
161	Grenada	10/20/83	23	A3	1	Y	Y	Y	Y
On 19 October, in response to mounting political strife in Grenada, the JCS issued a warning order indicating the possible requirement for U.S. military assistance to evacuate U.S. citizens from the island. On 20 October, the Independence CVBG and the Amphibious Ready Group en route to the Mediterranean from CONUS were diverted to sail to the vicinity of Grenada to signal U.S. concern regarding evens on the Island. On 25 October Marines and Rangers landed on the island and, by 27 October, all major objectives were secured. On 4 November, Independence and the Amphibious Ready Group renewed their transit to the Mediterranean.									
162	Central America	3/13/84	264	A3	1	Y	Y	Y	Y
In late January 1984, the Secretary of Defense authorized an increase in U.S. Navy presence operations off Central America during the period of 1 February through 31 July to demonstrate support for El Salvador during elections, deter Nicaraguan aggression, and build confidence in the U.S. commitment to Central America. On 13 March, America left for operations off the east coast of Central America that coincided with Salvadoran elections on 25 March. Similar operations through the year included battleship, carrier, and amphibious warfare operations.									
163	Persian Gulf	Apr-84	245	A7	1	N	N	Y	N
Following Iraqi initiation of a major antishipping campaign, the commitment to a continuous CV presence in the North Arabian Sea was renewed. In late May, MIDEASTFOR ships began to escort U.S. flag merchant ships because of the escalating violence in the region. On 4 June, DOD officials announced that the U.S. had sent AWACS planes to Saudi Arabia. (The next day, Saudi warplanes, guided by an AWACS, shot down an Iranian plane in Saudi airspace.)									
164	Red Sea Mines	8/3/84	46	A7	0	Y	N	N	N
On 9 July 1984 a Soviet merchant ship was struck by an unidentified explosion in the Red Sea. On 3 August, following a number of additional mine strikes and an Islamic Jihad announcement that it had laid 190 mines in the Red Sea, a small U.S. mine-countermeasures team was sent to the Red Sea. On 9 August, U.S. minesweeping operations using helicopters operating off USN ships began. In addition to the U.S. efforts, vessels from France, Italy, the United Kingdom, and the Soviet Union conducted minesweeping operations.									
165	Beirut Embassy	9/21/84	42	A6	0	Y	N	N	N

TABLE 2.—DESCRIPTIONS OF U.S. CRISIS RESPONSES—Continued

Number	Name	Begin date	Length	OAC	CVs	Am	USMC	USAF	USA
On 21 September, amidst renewed terrorist threats against the U.S. Embassy in Beirut, three ships were ordered off Lebanon to provide a sea-based contingency response capability. On 18 October, Sixth Fleet units in the Cyprus area were placed on alert because of a terrorist threat to the U.S. Embassy in Nicosia.									
166	Saudi Hijacking	11/6/84	1	46	1	N	N	N	N
Following the 5 November hijacking of a Saudi airliner to Iran, the Enterprise CVBG was ordered to the northern Arabian Sea. On 6 November, the order was cancelled									
167	Cuba	11/30/84	1	A4	1	N	N	Y	N
On 30 November, Nimitz (CVN–68) and an escorting cruiser were ordered from Charlotte Amalie to an area just off the Cuban coast when a Navy-chartered vessel broke down and drifted into Cuban water. The response was cancelled when the USCG ship Reliance took the stricken vessel under tow and removed it from Cuban waters.									
168	U.S. Pers. in Lebanon	Mar–85	32	A6	1	?	N	N	N
Following threats against U.S. personnel at the U.S. Embassy in Beirut, the Eisenhower CVBG was diverted from Majorca to the Eastern Mediterranean while U.S. personnel were evacuated by helicopter to Cyprus.									
169	TWA 847 Hijacking	6/14/85	41	A6	1	Y	Y	N	N
On 14 June 1985, TWA Flight 847 was hijacked to Beirut by Shiite terrorists. The Nimitz CVBG was ordered from Italy to the Eastern Mediterranean, along with the Mediterranean Amphibious Ready Group with 1,800 Marines embarked. Nimitz was on station in the Eastern Mediterranean until 24 July, following the release of the passengers and aircraft.									
170	Persian Gulf	9/13/85	19	A7	0	N	N	N	N
On 13 September 1985, COMIDEASTFOR ordered the escort of an MSC ship because of recent Iranian seizures of merchant vessels. On 22 September, two vessels were diverted from an ASW exercise with the Kitty Hawk CVBG to resume Persian Gulf surveillance operations.									
171	Achille Lauro	10/7/85	4	A6	1	Y	N	N	N
On 7 October 1985, following the Palestinian terrorist hijacking of the Italian cruise ship Achille Lauro, Sixth Fleet vessels (including CV–60 Saratoga) moved to the Eastern Mediterranean. On 10 October, F–14s from Saratoga forced an Egyptian airliner with the hijackers aboard to Italy, where the hijackers were taken into custody.									
172	Egpyt-Air Hijacking	11/23/85	3	A6	1	N	N	N	N
On 23 November 1985, an Egyptian airlines was hijacked to Malta. USN ships, including CV–43 Coral Sea responded to the hijacking and moved toward Malta for contingency purposes.									
173	Persian Gulf Escort	1/12/86	141	A7	0	N	N	N	N
The tension in the Persian Gulf persisted as the Tanker War continued unabated. The 12 January 1986 Iranian boarding of the SS President Taylor led to closer USN escort of U.S. merchant vessels. On 12 May, the destroyer David R. Ray deterred an Iranian Navy attempt to board another U.S. merchant ship.									
174	Yemen Civil War	Jan–86	32	P6	0	N	N	N	N
In January 1986, amidst the bloody civil war in South Yemen, vessels from the Middle East Force, including the flagship La Salle, moved off the Yemeni coast for potential evacuation operations. An RN vessel carried out endangered Western nationals.									
175	OVL–FON Ops	Jan–86	85	A6	3	N	N	N	N
Following terrorist attacks on 27 December 1985 in the Rome and Vienna airports, a series of Freedom of Navigation operations in the Gulf of Sidra (Operations in the Vicinity of Libya, OVL) were approved. Code-named "Attain Document," the first two (26–30 January and 12–15 February) occurred without incident. During "Attain Document III (23–29 March 1986), two SA–5 missiles were shot at U.S. aircraft by a SAM Site on 24 March. Over the next 16 hours, two Libyan patrol boats were sunk by USN aircraft.									
176	Lebanon hostages	Mar–86	1	A6	0	N	N	N	N
A USN vessel was diverted from a point off the coast of Lebanon to stand by to pick up hostages. The vessel was soon returned to scheduled operations as no hostages were released.									
177	LaBelle Disco, Libya	4/10/86	6	A6	2	N	N	Y	N
On 5 April, the La Belle Discotheque in the Federal Republic of Germany was bombed, resulting in the death of one U.S. serviceman and many injured. On 14 April, aircraft from the carriers Coral Sea and America, as well as USAF FB–111s from Lakenheath AFB in the U.K., struck targets in Libya.									
178	Pakistan Hijacking	Sep–86	1	A6	1	N	N	N	N
Following the hijacking of a Pakistani airline, the Forrestal CVBG was ordered to head toward the Eastern Mediterranean in case the aircraft took off for Larnica in Cyprus or Beirut. The vessels were soon released for normal operations as this did not occur.									
179	Persian Gulf Ops	Jan–87	579	A7	2	Y	Y	Y	Y
The U.S. operations in the Persian Gulf were perhaps the most involved use of USN forces since the Vietnam War. U.S. operations increased in intensity during 1987, as the U.S. agreed to reflag and escort ten Kuwaiti oil tankers. Notable points in the operations include: 17 May 1987, an Iraqi Exocet missile hit the frigate Stark, killing 37 U.S. sailors; 21 July 1987, "Earnest Will" escort operations began; 22 July, the tanker Bridgeton struck a mine; 21 September, US forces captured an Iranian vessel laying mines; 6 October, the destruction of three Iranian small boats; 19 October, the destruction of an Iranian oil drilling platform; 14 April 1988, FFG–58 Roberts struck a mine; 18 April, retaliation operations against two Iranian oil platforms led to a day-long naval battle in which many Iranian naval units were damaged or sunk, and, on 3 July 1988, in the midst of a surface engagement, CG49 Vincennes shot down an Iran Air Airbus, killing all 290 passengers and crew. On 20 August 1988, a U.N.-sponsored cease-fire went into effect, ending the nearly eight-year-long war.									
180	Hostages in Lebanon	Feb–87	29	A6	1	N	N	N	N
In response to growing tension over hostages in Lebanon, the Kennedy CVBG was ordered to a MODLOC off Lebanon for potential evacuation operations.									
181	Summer Olympics	Sep–88	31	P4	2	N	Y	Y	Y
During the Summer Olympics in Seoul, South Korea, the U.S. deployed forces to deter North Korean disruption of the Olympics. At one point, two CVBGs (Nimitz and Midway) were operating in the Sea of Japan providing Olympic presence.									
182	Burma Unrest	Sep–88	31	P6	0	Y	Y	N	N
During unrest in Burma, Amphibious Ready Group ALPHA was sent to a MODLOC off Burma for possible evacuation of U.S. citizens. The endangered U.S. citizens finally left Burma by commercial air.									
183	Maldives Coup	11/17/88	1	P6	1	N	N	N	N
The Nimitz battle group was put on alert to provide a U.S. presence near the Maldives. The movement was cancelled after Indian troops sent to the island chain quickly repelled the attempted coup by an armed group of "probable" Sri Lankan Tamil mercenaries.									
184	Lebanon Civil War	Feb–89	45	A6	?	Y	Y	N	Y
During February 1989, fighting in Beirut intensified. In mid-February, following the outbreak of fighting in close proximity to the U.S. Embassy, the Mediterranean Amphibious Ready Group was ordered to move to the Eastern Mediterranean for potential evacuation operations.									
185	China Civil Unrest	Jun–89	31	P4	1	N	N	N	N
During the demonstrations in China and through the military crackdown in Beijing, a carrier battle group steamed in the South China Sea.									
186	Panama Elections	5/11/89	52	A3	1	Y	Y	Y	Y
Following a violent election campaign and annulment of the results by Panamanian President Noriega, President Bush ordered a reinforcement of U.S. forces in Panama. A light infantry battalion from the U.S. Army's 7th Infantry Division and a company from the 2nd USMC division were flown to Howard Air Force Base outside Panama City. U.S. Navy vessels alerted in support of this contingency response included an aircraft carrier.									
187	Hostages in Leb	8/1/89	32	A6	2	Y	Y	N	N
Following the Israel capture of Sheik Obeid and claims that Lt. Col. William R. Higgins, USMC, had been killed, USN forces were ordered to steam toward Lebanon and Iran. The America CVBG was ordered from Singapore to the Arabian Sea; the Coral Sea CVBG left a port call in Alexandria, Egypt, ahead of time; and BB–61 Iowa broke off a port call in Marseilles, France, to steam east toward Lebanon. The cruiser Belknap, with the Sixth Fleet commander aboard, headed to the waters off Lebanon, canceling its participation in a port call in the Soviet Union.									

Note.—See table 1 for notes.

Sources: See Selected Bibliography for partial source list.●

ARTICLES OF IMPEACHMENT AGAINST JUDGE WALTER L. NIXON, JR.

INTRODUCTION

● Mr. JEFFORDS. Mr. President, the analysis of this matter must start with the realization that it is factually a far more complex case than the prior perjury conviction and resulting incarceration of Judge Nixon could easily lead one to believe. Mere reliance by the Senate on the determination of the jury in his criminal trial would constitute an abdication of the solemn obligations placed upon us by the Constitution. Rather, we are charged to examine the facts independently and make our own determinations as to whether the conduct of this Federal judge was such that his removal from office is required. I find that such removal is mandated by the proven facts.

THE ARTICLES

The articles of impeachment charge Judge Nixon with knowingly making false or misleading statements, first to Justice Department officials and the FBI during an interview in his chambers, and later during sworn testimony before a grand jury investigating; First, the judge's financial relationship with Wiley Fairchild; and second, the peculiar handling of the State criminal prosecution of Wiley's son Drew Fairchild for drug smuggling.

Impeachment article I charges that the judge's statement to the grand jury on July 18, 1984, that Forrest County District Attorney Paul "Bud" Holmes never discussed the Drew Fairchild case with him was materially false or misleading in that such a discussion had taken place. Judge Nixon was convicted of perjury for this statement.

Impeachment article II alleges that the judge's testimony before the grand jury on July 18, 1984 that he had nothing to do with Drew's case and that he "never handled any part of it, never had a thing to do with it at all, and never talked to anyone, State or Federal, prosecutor or judge, that in any way influenced anybody" with respect to the Drew Fairchild case was also false or misleading. Judge Nixon was also convicted for perjury based on this statement.

Impeachment article III alleges that Judge Nixon has raised substantial doubt as to his judicial integrity, violated the public trust and generally brought disrepute upon the judiciary by uttering 14 false statements during the Justice Department interview and grand jury testimony. The two false statements alleged in article I are repeated in this article as part of the judge's design to conceal his conversations with Wiley Fairchild, Carroll Ingram and Paul "Bud" Holmes regarding the Drew Fairchild drug smuggling case.

ANALYSIS

Reduced to their basics, the allegations against Judge Nixon are that, while under oath to tell the truth and against his oath of office, he lied about having conversations with several persons regarding the State court drug smuggling case against Drew Fairchild. Judge Nixon does not deny that the conversations did take place or that he was a participant. Rather, his defenses are: First, that at the times he was questioned he had no recollection or recall of these insignificant conversations and/or second, that he gave narrow, but technically truthful responses to the questions put to him on these occasions.

The House points out that the "no recollection" defense is raised for the first time before the Senate. In the prior proceedings on this matter only the "technically true" defense had been asserted. In fact, the House notes that in his prior sworn testimony Judge Nixon specifically stated that he was aware of the conversations when he was answering the grand jury's questions. Thus, they urge the discrediting of Judge Nixon on this point, if for no reason other than his inconsistency. I agree. Obviously, the adoption of an entirely new tact at this late date does nothing to enhance the judge's credibility. Further, given the known facts, any questioning, no matter how general, should have triggered his recollection of these conversations and he should have revealed them to the grand jury and the Justice Department officials. Any other conclusion is simply untenable.

A similar factor working against the judge's credibility is the inconsistency of his testimony regarding the date on which the critical conversations took place. At his criminal trial, Judge Nixon testified that he was positive that he had not been in Hattiesburg at all on May 14, 1982. Thus he argued that the conversations could not have occurred that day and must have been on March 11, 1983, as he proposed. However, records produced after the criminal trial reveal that Judge Nixon was in fact in Hattiesburg on May 14 to visit his dentist. Before the Impeachment Trial Committee the judge explained this discrepancy by stating that his criminal trial testimony had been "an honest mistake."

However, my rejection of this element of Judge Nixon's defense has at least one other basis. By his own account, the subject conversations were called to Judge Nixon's mind by Bud Holmes during a parking lot meeting with him in February 1985. At that time Judge Nixon had not yet been indicted (he would not be until the following August) and the grand jury was still sitting. Accepting for the moment that he did not connect the conversations to the topic of the grand jury investigation until that point, why did he not come forward to clear up any remaining confusion about the issue? He could have returned to the grand jury and offered exculpatory testimony. He could have held his own press conference to bring this matter to full and final light. He took neither these nor any other actions, but rather chose to sit back and allow the grand jury to proceed on the basis (from his perspective) of erroneous facts. The direct results of this choice have been his criminal conviction, incarceration and now impeachment.

For my part I cannot fathom why someone in Judge Nixon's asserted position would fail to come forward. He states that he was completely innocent, his conversations and actions having been entirely appropriate. He had supervised numerous grand juries and thus was fully aware of the broad nature of the investigations which they conduct. He was charged on a daily basis with enforcement of the primary tenet of American criminal justice, that a person is innocent until proven guilty. Did he lack faith in the system when he, rather than another, was the potential accused? Why would he choose not to supply accurate information which would aid the grand jury in reaching a correct conclusion in its investigation?

Judge Nixon has no response to these questions which is satisfactory to me. He first asserts that he would have returned and testified openly had the grand jury recalled him. However, there was no reason for the grand jury to think that he had anything to say in addition to what he had previously testified. The onus clearly was on him to change the status quo created by his prior sworn testimony. His excuse for not taking that step is that the grand jury was out to get him (he was the prize) and any additional testimony only would have been used against him. However, the basis for his perjury convictions was already in place based on his earlier testimony. He could only have made his situation better, not worse, by clearing up the confusion regarding whether the conversations took place and whether there was anything improper about them. Given these facts, I can reach no other conclusion than that Judge Nixon was attempting to coverup something by his silence.

What did Judge Nixon have to hide? This question leads us back to the oil and gas deal with Wiley Fairchild. Judge Nixon was not convicted in connection with this deal, nor do the articles of impeachment include a charge based upon it. However, I agree with the House that the existence and nature of the deal forms the necessary background for understanding Judge Nixon's motivations.

From start to finish this was a sweetheart deal inherently unavailable to the public. Judge Nixon purchased from Wiley Fairchild interests in three oil wells, but he first, laid out none of his own money, second, received a loan from Fairchild at below market rate interest for the amount of the required down payment, third, paid off the loan only after receiving proceeds from the wells in amounts far exceeding his loan indebtedness, and fourth, offered to be of help to Fairchild if he ever could. Further, the deal was also inherently suspect on the issue of its timing. Even viewed most favorably to Judge Nixon, the facts establish that the deal was first discussed before the drug bust but not consummated until afterwards; and that when supporting documents were executed they were backdated. I am not aware, nor do I accept that backdating documents is appropriate legal procedure. All of these facts combined to create an overwhelming body of in-

criminating circumstantial background evidence.

The evidence does not conclusively establish that Judge Nixon believed there was anything improper about his deal with Fairchild or that he otherwise tried to hide its existence. However, Fairchild was charged with and plead guilty to making an unlawful gratuity for the deal. He obviously thought that something more than an arms-length transaction had taken place. I cannot believe Judge Nixon was so naive that he did not recognize that there were strings attached to the deal, or at the very least that its terms were extremely suspect. Rather, I conclude that he was fully aware of the unusual nature of his investment and that it would readily lead any investigator looking into the situation to suspect that some impropriety had occurred. Revelation of the fact that the Judge, Holmes and Fairchild had discussed the drug case, no matter how innocent the discussions may have been, would only serve to confirm such suspicions. Thus, fear that his professional standing and reputation would be damaged, coupled with a desire to maintain and perhaps expand upon this very favorable relationship with Wiley Fairchild, were the predominant factors motivating Judge Nixon to conceal the conversations.

This conclusion brings me foresquare to Judge Nixon's second line of defense, that is, that his answers to the questions of the grand jury and the Justice Department officials were technically true. Unfortunately for the judge, I find this argument to be nothing more than a semantic shell game, which is totally dependent upon an overly minute parsing of the term "discussion" and which ignores the commonsense interpretation of the known facts. Judge Nixon would have us believe that although he knew of his business relationship with Wiley Fairchild, his close personal relationship with Bud Holmes and the conversations which he had with the two of them about Drew Fairchild's care (or at least about matters closely associated with Holmes' handling of that case), his response that he had never "discussed the case" with anyone was technically true.

By no stretch of the imagination can I accept this position. Rather, I must conclude that these responses were clearly false and misleading as charged by the House. Further, as discussed above, I reject Judge Nixon's argument that he simply did not recall the conversations at the time he was being questioned. Thus, my guilty votes on articles I and III are based on the conclusions that Judge Nixon did have discussions regarding the Drew Fairchild drug case, that he was aware of them when questioned by the grand jury and Justice Department investigator and that, by his denials and statements in response to these questions, he intended to conceal their existence.

As to article II, my vote of not guilty reflects the conclusions that Judge Nixon really did not intend to influence the handling of the Drew Fairchild case and that he in fact did not influence it. Applying the "clear and convincing" standard of proof, there simply was not sufficient evidence to establish either proposition. Thus, the midtrial modification of the article, which shifted the focus from whether Judge Nixon intended to influence Bud Holmes' handling of the case to whether he had any actual influence on the case, was immaterial to my determination.

This is undoubtedly a sad case. The oil and gas deals, which prompted the Justice Department investigation, while they were suspect and ill advised, were not proven to be unlawful. Further, the conversations or discussions which Judge Nixon had with Holmes and Fairchild were relatively innocent and not connected in any meaningful way to the business deals. This matter would not be before us but for Judge Nixon's choice to obstruct the ability of the investigators to look for connections between these two events by lying about whether the conversations took place. It is only the lies which have caused his demise. While sad, I submit that there was no other possible outcome, for a judge who has demonstrated complete disregard for the sanctity of his oath is no longer fit to administer and enforce the oaths of others.●

EAST GERMANY

● Mr. ROTH. Mr. President, yesterday Fidel Castro made a speech lamenting "very sad things" happening in the Soviet Union and Eastern Europe.

Evidently, free speech, free elections, and free travel do not win the approval of the great dictator. Well, Mr. President, if Castro was sad yesterday, he must be weeping tears of deep sorrow today, because we have now received word that the icon of the cold war, the Berlin Wall, has been transformed into a useless monument to the foolishness of communism.

The East German politburo has announced that East Germany's heavily armed, bristling frontier with the West will be opened prior to passage of a law enabling all East Germans to travel to the West.

No longer will the East German Communist Party be able to boast to its own people of the so-called achievements of socialism, for East Germans will be free to cross the border with West Germany and to compare and contrast the achievements of democracy and of communism.

However, as we applaud the opening of the Berlin Wall and as we look forward to the hopeful demolition of this symbol of national imprisonment, it is only proper that we remember the many men and women who died on the Berlin Wall.

We now see thousands exiting East Germany with their possessions, but let us not forget an earlier generation of East Germans who faced a much more daunting task in seeking entry into the West, men and women who tunnelled under, climbed over and flew over the Berlin Wall. Sadly, many died on the barbed wire, killed by border guards, mines, and cowardly booby traps.

If the Berlin Wall is ever truly demolished, I would hope a small piece would be allowed to remain as a monument to these brave men and women.

However, Mr. President, I do not mean to cast a somber note on today's news. To the contrary, I wish to applaud our accelerated progress toward a major goal of United States and NATO policy—the end of the arbitrary division of Europe.

Each day brings us fascinating new developments in the Soviet Union, Poland, Hungary, and now East Germany. The attempt to bind the freedom of mankind in the shackles of a sterile ideology is a clear and apparent failure. Let us now evince the vision and the maturity to capitalize on these dramatic developments.●

OBSERVANCE OF VETERANS DAY, NOVEMBER 11, 1989

● Mr. McCAIN. Mr. President, this Saturday, November 11, our Nation will observe Veterans Day. This is the occasion when Americans show their deep gratitude to the men and women who have served as members of our country's Armed Forces. It is the occasion to honor all those whose devotion to their country has ensured the success of liberty in our country and throughout the free world.

The dedication to our national ideals that these faithful Americans have demonstrated and the sacrifices they have endured in service to their country have secured for America a proud and special place in history. We commend all Americans who served in our Armed Forces. But today, I also want to pay a special tribute to those veterans who fought for their country in that divisive conflict, the Vietnam war. Although honorable men and women can debate the merits of our involvement in Vietnam, the valor and devotion of those who fought there should never be dismissed.

In addition, special attention must continue to be focused on those Americans who did not return from Vietnam and whose fate remains uncertain. Let there be no doubt, our na-

tional determination to understand what has become of our missing in action will not waver. This Nation continues to vigorously pursue this issue, and we will have our answers. It is the least we owe to these brave Americans, and to their families who have waited so long to learn what has become of their fathers, sons, and brothers.

Mr. President, our deep concern for missing Americans pervades all strata of our society. We have not forgotten those who served this Nation. The individuals who are still listed as missing in action are very much in our hearts and prayers. Mr. President, I ask that two letters given to me which demonstrate the spirit and depth of this emotion be printed in the RECORD.

Mr. President, our country has not forgotten and will never forget the sacrifices made by our veterans so that all Americans can live free and self-determined lives. On this Veterans Day, let us show our respect to veterans by redoubling our efforts to ensure full accountability for Americans still missing in action. And finally, Mr. President, let us recall on Saturday our sincere gratitude to the men and women of the American Armed Forces who have done so much to preserve the ideals that America stands for.

The letters follow:

DEAR MRS. HUDDLESTON: I am writing to you somewhat reluctantly but in the hopes that you will understand my motivation.

I don't even know where or how to begin. I am writing to you on behalf of your former husband-Maj. H.W. Smith.

My name is Darrah McCann. I'm 27 years old and live in Washington D.C. I've been wearing your husbands bracelet since I was in the sixth grade. At first I guess I didn't realize what I was wearing on my wrist, all I knew is my dad went out and bought this bracelet, one for me—"Bud Smith" and one for my sister. Years after I always talked about "finding out who this bracelet really belongs to." I went down to the Vietnam Memorial wall and I looked in the book-no luck—My bracelet says, Capt. Bud Smith, 1-8-68.

As I was leaving a Vietnam vet. was protesting and camping out by the wall. I stopped and he looked up the year and found out that he was William Hallie, a pilot, same missing date 1-8-68. I went back to the wall (the book) and found the name. I guess by then I felt at peace with it until now.

I work in a restaurant. Our clientele is pretty much military. Well I started talking about it again and a customer Mary Jean went a step further and helped me with all the information.

It's not that I was to stop wearing it or that I don't want it anymore, as a matter of fact it will be hard to give this bracelet up. I don't think of this silver band as a bracelet. Its really just a part of me. I never met Capt. Bud Smith, but I think I fell in love with his spirit, and yet I know nothing about him. I know that probably sounds wierd, and honestly I'm not that deep. All I want to say is the bracelet is yours. It's my gift to your past husband.

If you ever have the time and don't feel that it's too personal, I'd really love to hear a little about him.

Until then,

DARRAH MCCANN.

SEPTEMBER 19, 1989.

DEAR DARRAH: Your letter arrived today having been forwarded to me by the Air Force. I am pleasantly surprised to know there are folks like you in America—still caring about an unknown person. My favorite topic is still my late husband. Even though he was only 26 years old when he was shot down, he did a lot of good things in his short life.

His real name was Hauie William Smith. We met in college and I thought he was the most handsome man in my freshman class. He didn't know how handsome he was which made him seem even nicer. He adored sports, especially baseball and basketball and he played both of those sports in college. He majored in Business and Accounting but his first love was flying! He always wanted to be a pilot. Because he had asthma as a child, passing the rigid AF physical was difficult—but he managed and became a candidate for pilot training. We married and he headed for a year of pilot training at Reese AFB, TX. I taught 6th grade and Bud learned to fly T-37's and T-38's—AF training planes. Bud spent spare time volunteering in a nearby orphange working with small groups of boys and teaching them baseball skills. From Reese AFB we headed south and east to Shaw AFB, So. Carolina and then on to England for a fantastic tour of duty! Once again Bud found homeless youngsters to be with. He planned outings for a small group of teenagers once a month. Sometimes we went to the movies or a concert in London and other times we came to our small rented English cottage and had popcorn. Bud received orders for Vietnam in 1967 and was sent to South Vietnam in Nov. of 1967. He was 25 years old (soon to be 26). His goal was to be an airline pilot and had already interviewed with PanAm. They liked him and agreed to a second interview when he got home—Oct. 1968. As you know, he never made that second interview. His RF4-C plane was shot down Jan. 8, 1968. Parts of his plane were found but he was never found. It is assumed he may have been captured because the area in which his plane went down was heavily infiltrated with VietCong soldiers.

Even though he's been gone nearly 22 years, there isn't a day that doesn't go by that I don't think of him. I am enclosing a photo of Bud taken at his graduation from pilot training. I only have 2 of the pictures left but felt you might like to see the man whose memory we both share.●

THE AMERICAN FARM SCHOOL IN THESSALONIKI, GREECE AND DIRECTOR BRUCE LANSDALE

● Mr. DIXON. Mr. President, I rise before you today to commemorate the American Farm School in Thessaloniki (Salonica), Greece, on the occasion of the retirement of its director of 35 years, Mr. Bruce Lansdale.

Founded in 1904, the school's mission is to train small-scale farmers to be agriculturally self-sufficient. Mr. Lansdale, who is honored throughout Greece, guided the school's growth from an isolated, rural vocational school to an internationally recognized institution for the teaching of vocational agriculture and modern farming. Indeed, the school's grassroots approach has contributed greatly to the positive transformation of Greece's rural sector and set a much-followed example for rural development procedure all over the world.

Mr. President, Bruce Lansdale and the American Farm School in Thessaloniki are to be commended for their "bottom up" approach to rural development training and for their underlying commitment to world peace and understanding through development.●

● Mr. BRADLEY. Mr. President, with the death of Arthur Holland, New Jersey has lost a great friend and a devoted public servant.

Arthur Holland was mayor of New Jersey's capitol city for over a quarter of a century. He was truly the dean of our mayors. His life and work has left an indelible mark on the city. Under Mayor Holland's leadership, Trenton has been in the forefront of confronting major urban problems such as drugs and homelessness. Trenton is on the upswing—due in large part to Arthur Holland's hard work and devotion.

Mayor Holland genuinely cared about our urban areas, not just in New Jersey but throughout the United States. As the president of the U.S. Conference of Mayors, he reminded the country of the needs and strengths of our cities. He was a forceful spokesman for their interests.

With the passing of Mayor Holland, we have lost a public servant whose dedication, hard work, and unbending pride in Trenton and in New Jersey has made our State a better place to live. I have also lost a friend. He will be deeply missed.●

WHO SPEAKS FOR THE DEPARTMENT OF ENERGY?

● Mr. PRYOR. Mr. President, Monday I held a hearing on the Department of Energy's [DOE] use of consultants. For the first time in the 10 years I have spent examining this issue, a high-ranking agency official admitted that DOE has turned over to an invisible private work force much of its basic work, and as a result, the agency faces "a very real danger of slippage in its knowledge, institutional memory and decisionmaking."

Ms. Donna Fitzpatrick, Assistant Secretary for Management and Administration, agreed that consultants are increasingly performing work that she would be more comfortable with Federal workers doing.

What are consultants doing that makes the Assistant Secretary uncomfortable? They wrote Secretary Watkins' testimony without his knowl-

edge, they conduct administrative hearings on security clearances for DOE employees and other contractors, they determine if DOE is in compliance with its own orders, and they perform the Government's work on international treaties while at the same time they work for other countries with an interest in those treaties.

Furthermore, Mr. President, Ms. Fitzpatrick stated that not only are we turning over the basic work of Government to consultants and contractors, but we are doing so at a higher cost to the Government. Ms. Fitzpatrick revealed that, according to a DOE study, DOE is paying consultants and contractors doing these jobs 20 percent more then they would pay a Federal employee to do comparable work.

The Assistant Secretary was very candid about these matters and I felt that DOE might begin to address this overreliance on consultants.

Mr. President, imagine my disappointment when I learned of the comments made by the second highest DOE official, Deputy Secretary of Energy, W. Henson Moore, shortly after the hearing ended. Mr. Moore stated that, since the days of David Stockman, the decision has been to use private consultants, and not Federal officials, to do the basic work of Government. He declared that the purpose of this policy was to save money.

Mr. President, within a few hours of Ms. Fitzpatrick testifying that consultants and contractors cost the Government 20 percent more, Mr. Moore said that according to David Stockman, it is cheaper to use consultants.

Just hours after Ms. Fitzpatrick admitted that prior to the congressional investigation, management officials were unaware that consultants prepare testimony and perform other inherently governmental tasks, Mr. Moore claimed that consultants do not make policy at DOE.

Mr. President, it was Secretary Watkin's decision to send Ms. Fitzpatrick to the hearing Monday. I assume that her testimony on DOE's use of consultants represents DOE's position.

Frankly, Mr. President, I am not interested in David Stockman's views on consultants and contractors. I prefer the candor of Secretary Watkins on the problems within DOE. I ask to have printed in the RECORD a New York Times article of June 28, 1989, that bears the headline, "Energy Chief Says Top Aides Lack Skills to Run U.S. Bomb Complex." I commend it to my colleagues and to Mr. Moore.

Despite the Secretary's candor and the admissions of his designated spokesperson at Monday's hearing, Mr. Moore's comments cause me to question whether all senior DOE officials are aware of the extent of the involvement of consultants and contractors in the basic work of that agency, and further, that by DOE's own admission, it costs more to use consultants and contractors.

The article follows:

[From the New York Times, June 28, 1989]

ENERGY CHIEF SAYS TOP AIDES LACK SKILLS TO RUN U.S. BOMB COMPLEX

(By Matthew L. Wald)

WASHINGTON, June 27.—Energy Secretary James D. Watkins said today that managers and supervisors in his department lacked technical skills needed to run the bomb production system and were presenting him with unreliable information on problems at the plants. Some, he said, lacked the discipline needed for safe operation of nuclear reactors.

Announcing a 10-point plan to improve operations in the department, Mr. Watkins said special "tiger teams" of auditors would look at two other bomb production plants for violations of environmental law like those alleged at the Rocky Flats plant near Denver. Scores of Federal agents are investigating whether the workers in Colorado secretly dumped and burned radioactive and chemical wastes.

He also said that awards to the contractors who run the plants would be based primarily on environmental performance, not production quotas. The plan will include a hot line for citizens to alert the department to problems.

UNUSUALLY BLUNT LANGUAGE

In his most comprehensive comments yet on the nation's nuclear weapons industry, Mr. Watkins acknowledged, as his predecessor had, that that plants were in disrepair. But he dwelled heavily on the disarray within his department, in language that was unusually blunt for a Cabinet secretary.

Alternating frustration with contribution, Mr. Watkins said, "I am certainly not proud or pleased with what I have seen over my first few months in office." Referring to a production system whose major parts are all at least 25 years old, some dating from the development of the atom bomb, Mr. Watkins said. "The chickens have finally come home to roost and years of inattention to changing standards and demands regarding to the environment, safety and health are vividly exposed to public examination, in fact, almost daily."

Mr. Watkins, a retired admiral, said he would like to bring credibility to the department so that when it sought to open a new plant or operate an old one, the public would not feel the department was "jamming something down somebody's throat out there."

But he said his efforts had been slowed because of an insufficient number of technically qualified people on the department's staff. And he said he was involving himself in every major decision because of unreliably optimistic information he was receiving.

"When I get the briefing, I only get one side, so I have to dig in myself, Mr. Watkins said. "I don't have the database coming to me that I need. I have omissions in the database. So I am making decisions today on a crisis basis, and I don't like that. That's not my way of doing business."

As he spoke, an influential environmental group, the Natural Resources Defense Council, released a study showing an even grimmer picture of environmental problems in the bomb plants, with 14 of the 17 major plants found to be in violation of hazardous waste laws. The council and 20 other environmental groups filed suit today against the Department of Energy, seeking to foster a public debate about the cleanup and rebuilding of the bomb production system, by compelling the Government to prepare an environmental impact statement.

'WE ARE NOT IN COMPLIANCE'

A spokesman for the department, Christina Sankey, said she could not confirm the number of plants with serious pollution problems but agreed, "we are not in compliance."

Mr. Watkins said he was ordering a review to see whether the department was complying with the National Environmental Policy Act, the law that calls for environmental impact statements, and that he was personally reviewing each decision on whether to order such a statement, which can entail substantial delay in a project.

But he refused to say whether he would order an environmental statement for the overhaul of the whole system of bomb production, a project that would take decades and may cost more than $100 billion.

He also said his department would get an additional $300 million in the fiscal year that begins Oct. 1 for cleanup. The Reagan administration's budget called for $1.8 billion, which was increased by President Bush $2.1 billion and now to $2.4 billion.

Mr. Watkins said he was surprised to learn last week that his department had ignored recommendations made by the National Academy of Sciences from 1983 to 1987 on the Waste Isolation Pilot Plant near Carlsbad, N.M. The opening of the plant, which is meant for disposal of plutonium-contaminated wastes, has been delayed for months because of questions about its quality. Now, he said, the department will ask the academy for its endorsement of a plan to open the repository, "They're going to tell us, I'm sure, you didn't listen to us from 83 to 87." Mr. Watkins said.

He said the plant would not open until next year, a delay that creates a crisis as wastes continue a pile up at temporary storage sites in Rocky Flats.

'A NIGHTMARE FOR ME'

Mr. Watkins said another waste disposal project, the plan to store highly radioactive wastes from military reactors and civilian ones at Yucca Mountain near Las Vegas, Nev., had been hamstrung by shortcomings of the Energy Department staff. "It has been a nightmare for me to try to unravel the background sufficient to make some decision," Mr. Watkins said. "It's been very confusing, and each day is revealed some new technical data."

He said he had found "serious flaws" in the procedures needed to assure that the department's reactors were safe to operate.

The department will have an entirely new management team, he said, under Victor Stello Jr., now executive director for operations at the Nuclear Regulatory Commission.

"Mr. Stello will assure that conformance to environmental laws and attention to these requirements are developed through a safety-conscious culture that will assure production objectives are met without violation of environmental safety or health standards," he said.

The White House has announced that it plans to nominate Mr. Stello as Assistant Secretary for defense programs, but opposition is expected in the Senate because of unorthodox procedures he used at the Nuclear Regulatory Commission in approving cash payments to obtain information. The money was paid to a former utility employee who

said he had information implicating a commission official in connection with allegations that have not been disclosed.

Mr. Watkins also said he had asked the academy to establish a committee on epidemiologic research to advise the department on ways to study worker health issues. The department plans to create a database on the health histories of its workers who have been exposed to radiation for use by outside researchers.●

TARGETED JOBS TAX CREDIT

● Mr. BOREN. Mr. President, as each day passes, I grow more and more apprehensive that we will run out of time before Congress reauthorizes the targeted jobs tax credit. TJTC provides employers with an incentive to hire the structurally unemployed. It would truly be a shame if while we wrangle over macrodeficit issues, Congress were to allow one of the only true effective job programs for the unemployed to expire on December 31.

Many of my colleagues may believe that if TJTC laspes, it is a simple matter to retroactively reauthorize the program next year. This just is not so. Past experience has demonstrated that if TJTC expires, employers lose the tax incentive for those they hire during the expiration period. Retroactivity does not and cannot work in the case of TJTC.

As recently as 1986, Congress allowed TJTC to expire for 10 months. While it was retroactively reenacted as part of tax reform, program participation was dramatically reduced that year. This is primarily because the job services, which administers TJTC, would not, because of their financial constraints, accept requests for certification of TJTC workers from employers while the program was not reauthorized. In 1990, the financial constraints on the job services will be even more severe than the ones in 1986. In addition, the law requires that requests for TJTC-eligible workers be filed on or before the first day of work. Thus, a retroactive reauthorization does not work for TJTC. This is borne out by the fact that in 1985, approximately 625,000 structurally unemployed Americans obtained jobs through TJTC, but despite retroactive reauthorization in 1986, only 87,102 certifications were issued.

Furthermore, the 10-month program hiatus and the inability to certify the TJTC hires during that period resulted in significant disillusionment among many employers which used TJTC to offset the extra costs of hiring, training and supervising structurally unemployed workers. Employers increasingly believe that TJTC is too volatile a Government program to justify incorporating into their annual business plans.

Employers' disappointment with 1-year extension adopted in 1988, combined with uncertainty about reauthorization beyond 1989, resulted in further decline in participation: in 1988 there were only 497,000 certifications a decrease of 101,000 from 1987.

Despite continued high unemployment among targeted groups—inner city youth, welfare recipients, workers with disabilities, ex-offenders—the number of certifications for 1989—annualized, is estimated to be only 400,000—a decline of nearly 225,000 from its high in 1985.

If TJTC is to remain a viable program, it is critical that a multiyear extension be adopted this year. The House reconciliation bill includes a 2-year extension of TJTC, as did the reconciliation bill reported by the Senate Finance Committee. Therefore, because of the time sensitivity surrounding a TJTC extension, I believe a multiyear extension should and would appropriately be included in the final budget reconciliation package.●

POSITION ON VOTE

● Mr. SIMON. Mr. President, on October 31 the Senate voted on Senate Concurrent Resolution 79, a resolution deploring the Nicaraguan Government's unilateral abrogation of the 18-month-old Nicaraguan cease-fire. I was unavoidably absent for the vote, but if I had been present, I would have voted in favor of the resolution.●

EXECUTIVE CALENDAR

EXECUTIVE SESSION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations:

Calendar 376, Dennis B. Underwood, to be Commissioner of Reclamation;

Calendar 390, Jane A. Kenny, to be Director of the ACTION Agency;

Calendar 476, Melva G. Wray, to be Director of the Office of Minority Economic Impact; and

Calendar 477, William H. Young, to be an Assistant Secretary of Energy (Nuclear Energy).

I further ask unanimous consent that the nominees be confirmed, en bloc, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table, en bloc, that the President be immediately notifed of the Senate's action, and that Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF THE INTERIOR

Dennis B. Underwood, of California, to be Commissioner of Reclamation.

ACTION AGENCY

Jane A. Kenny, of Virginia, to be Director of the ACTION Agency.

DEPARTMENT OF ENERGY

Melva G. Wray, of Connecticut, to be Director of the Office of Minority Economic Impact.

William H. Young, of New Jersey, to be an Assistant Secretary of Energy (Nuclear Energy).

STATEMENT ON THE NOMINATION OF DENNIS B. UNDERWOOD TO BE COMMISSIONER OF RECLAMATION

Mr. McCLURE. Mr. President, on October 4, 1989, the Committee on Energy and Natural Resources favorably reported the nomination of Dennis B. Underwood to be Commissioner of Reclamation by a unanimous vote.

Mr. Underwood's extensive background in water resource management will serve him well in the position of Commissioner of Reclamation. He has worked for more than 10 years for the Colorado River Board of California and currently serves as its executive director and executive secretary. From 1969-78, Mr. Underwood was with the California Department of Water Resources; and in 1975 served as a consultant to the United Nations, conducting water resources quantity and quality management training for a team of engineers from Spain. From 1966 to 1969, he served with the United States Army Corps of Engineers in Thailand and in New England.

Mr. President, I urge my colleagues to join me in supporting Mr. Underwood's confirmation as Commissioner of Reclamation.

STATEMENT ON THE NOMINATION OF JANE KENNY TO BE THE DEPUTY DIRECTOR OF THE ACTION AGENCY

Mr. HATCH. Mr. President, I urge my colleagues to confirm the nomination of Jane Kenny to be the Director of the ACTION Agency. She is eminently qualified to carry out the administrative responsibilities of this agency and to move it forward toward its goals of providing volunteer opportunities for Americans and of helping those in our society with special needs.

Her past position as the Director of VISTA and ACTION's Deputy Director has given her good insight and understanding into this agency's functions.

As I have worked with her on the reauthorization of ACTION, I have found her to be very knowledgeable about these programs, and she has the management skills to carry them out.

Ms. Kenny is a person that has constantly demonstrated her commitment to voluntarism and is committed to the promotion of the ACTION agency. Her previous work in Government has helped her to realize the benefits that many can realize through programs such as ACTION.

I applaud President Bush's nomination of Jane Kenny for their key position, and I am looking forward to working with Ms. Kenny as she as-

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sumes the head of this important agency.

STATEMENT ON THE NOMINATION OF MELVA G. WRAY

Mr. McCLURE. Mr. President, on November 8, 1989, the Committee on Energy and Natural Resources favorably reported the nomination of Melva G. Wray to be Director of the Office of Minority Economic Impact at the Department of Energy by a vote of 18 to 0.

Ms. Wray has an educational background in economics and good experience in business. For the past 8 years, she has worked for IBM in various capacities, to include marketing representative, office systems manager, and systems engineer. Ms. Wray also has experience with the Federal Government, having worked as an economist for the Bureau of Labor Statistics at the Department of Labor. Her qualifications are appropriate for the position of Director of Minority Economic Impact.

Mr. President, I urge my colleagues to join me in supporting Ms. Wray's confirmation as Director of the Office of Minority Economic Impact.

STATEMENT ON THE NOMINATION OF WILLIAM H. YOUNG

Mr. McCLURE. Mr. President, on November 8, 1989, the Committee on Energy and Natural Resources favorably reported the nomination of William H. Young to be an Assistant Secretary of Energy for Nuclear Energy by a vote of 18 to 0.

Mr. Young has a great deal of background and experience in the field of nuclear energy. He holds an M.S. in engineering, a B.S. in naval architecture and marine engineering, and is certified as a reactor engineer. From 1985 to 1989, as president of his own company, he was involved in management consulting for electric utilities. From 1971 to 1985, he was employed by Burns and Roe, Inc. and served as its vice president for nuclear and fossil projects. From 1962 to 1971, he served in the Division of Naval Reactors for the U.S. Atomic Energy Commission, and prior to that was with the Nuclear Propulsion Division of the Department of the Navy. These qualifications make him well suited for the position of Assistant Secretary for Nuclear Energy.

Mr. President, I urge my colleagues to join me in supporting Mr. Young's confirmation as Assistant Secretary for Nuclear Energy.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

APPROVING THE SOUTHEAST INTERSTATE LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT COMPACT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of H.R. 2642, a bill granting approval to the Southeast Interstate Low-Level Radioactive Waste Management Compact, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2642) granting the consent of the Congress to amendments to the Southeast Interstate Low-Level Radioactive Waste Management Compact.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BIDEN. Mr. President, late last week, the Senate Judiciary Committee approved a bill to grant congressional consent to two changes in the southeast interstate low-level radioactive waste compact. That bill, S. 1563, introduced by our colleague from North Carolina [Mr. SANFORD] passed the Senate on November 3.

The purposes of that bill, as with the one before us, are to change the terms of the southeast compact so North Carolina, and all future hosts of the compact's disposal site, will have greater assurances regarding how long it will be the host and how much waste it will have to manage, and that other member States will not drop out of the compact if they are selected as the host in the future.

The changes are noncontroversial. Each of the eight member State of the compact has passed legislation substantially similar to that passed by North Carolina. All that remains to bring the changes into effect is congressional consent, which is required because North Carolina made it a condition of its legislation, and also because changes to the compact itself must be approved by Congress.

The Nuclear Regulatory Commission has no objection to the changes. The Congressional Budget Office projects that the changes will result in no significant cost to Federal, State, or local governments.

The bill passed by the House differs only in the most minor, technical aspects. The House amendments conform the bill to the drafting style used in the southeast compact. No substantive changes were made in the bill.

In order to expedite enactment, and because the Senate has already expresed its position on the matter, the Judiciary Committee decided that passage of the House bill is the best course of action. I commend my colleagues on the Judiciary Committee, the ranking member, Senator THURMOND, as well as the Senator from Alabama [Mr. HEFLIN] for their assistance in facilitating passage of this bill. I also commend Senator SANFORD for his effort to move this bill quickly through Congress and to the President's desk.

Mr. SANFORD. Mr. President, I rise in strong support of H.R. 2642. This legislation would accomplish the same purposes as S. 1563, which I was pleased to introduce on behalf of a number of my colleagues from the southeastern States. The Senate has already conferred its blessing upon S. 1563, and I think my colleagues for their support in passing that legislation on Friday. However, since there are a few minor differences in the wording of the two bills, we can now send the measure on to the President most quickly simply by passing H.R. 2642. I'm pleased that we have the opportunity to do so at this time.

Like S. 1563, this bill will simply confer congressional approval on amendments to the articles of the southeast low-level radioactive waste management compact. The compact's member States—Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia—have already acted to ratify these amendments, and the entire Senate delegation representing these States has joined me in supporting congressional approval.

The amendments provide that:

First, no host facility shall be required to operate for more than 20 years, or to accept more than 32,000,000 cubic feet of waste during its operating life; and

Second, no member State shall be allowed to withdraw from the compact, beginning 30 days after the first new host State facility has opened, unless all other member States and the Congress consent to that withdrawal.

These amendments will make certain that no host State will bear a disproportionate responsibility for disposal of the region's low-level waste, and that each State will meet its obligations under the articles of the compact in turn. By passing H.R. 2642, we can ensure that these responsible and noncontroversial amendments are allowed to enter into force.

I would like to thank my good friend, the majority leader, and the distinguished Republican leader, for their assistance in bringing this measure to the floor in an expeditious manner. I also greatly appreciate the assistance of my distinguished colleague from Delaware [Mr. BIDEN] and my friend from South Carolina [Mr. THURMOND], together with their staffs, in steering this measure through the Judiciary Committee.

I would note that this legislation, which was introduced by Congressman ALEX MCMILLAN in the House, was passed without controversy by the other body. The bill is also strongly supported by North Carolina Gov. Jim Martin and the Governors of the other compact member States.

Again, I thank my colleagues for supporting H.R. 2642, which will help ensure equitable treatment for all the southeast compact member States.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 2642) was ordered to a third reading, was read the third time, and passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REMOVAL OF INJUNCTION OF SECRECY

Mr. MITCHELL. As in executive session, I ask unanimous consent that the injunction of secrecy be removed from Annex III to the 1973 Convention for the Prevention of Pollution From Ships (Treaty Document No. 101-7), transmitted to the Senate today by the President.

I also ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate, Annex III (Regulations for the Prevention of Pollution by Harmful Substances Carried by Sea in Packaged Forms or in Freight Containers, Portable Tanks or Road and Rail Tank Wagons), an optional annex to the 1973 International Convention for the Prevention of Pollution from Ships, as modified and incorporated by the 1978 protocol relating thereto (MARPOL 73/78). I also transmit, for the information of the Senate, the report of the Department of State with its attached analysis of Annex III.

MARPOL 73/78 is the global agreement to control pollution from ships. Annex III establishes uniform regulations for the transport of packaged harmful substances, including packaging, marking/labelling, documentation, and stowage requirements and, if necessary, quantity limitations. It complements the other annexes to MARPOL 73/78, which relate to the transport of oil (Annex I) and harmful substances carried in bulk (Annex II), and to ship-generated sewage (Annex IV) and garbage (Annex V).

The United States ratified MARPOL 73/78 on August 12, 1980, along with Annexes I and II, and it entered into force for the United States on October 2, 1983. U.S. ratification of Annex III at this time would bring the annex into force. Moreover, agreement has been reached that, once in force, the Parties will adopt U.S.-sponsored amendments to the annex that will strengthen its provisions and make it a more effective environmental instrument.

U.S. ratification of MARPOL Annex III will be an important step in minimizing pollution of the world's oceans from discharges of packaged harmful substances. I recommend the Senate give early consideration to Annex III of MARPOL 73/78 and give its advice and consent to ratification.

GEORGE BUSH.

THE WHITE HOUSE, *November 9, 1989.*

THE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar Nos. 249 and 314 en bloc; that the substitute amendment, where appropriate, be agreed to; that the bills be deemed read a third time and passed; and motions to reconsider the passage of the bills be laid upon the table.

I further ask unanimous consent that any statements in reference to these calendar items appear at the appropriate place in the RECORD, as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL TRADE COMMISSION ACT AMENDMENTS

The Senate proceeded to consider the bill (S. 1249) to amend the Federal Trade Commission Act to provide authorization of appropriations, and for other purposes.

Mr. HOLLINGS. Mr. President, I am glad that the Senate, once again, is taking up the reauthorization of the Federal Trade Commission. I am pleased to be a cosponsor of this legislation, which was reported without objection by the Commerce Committee.

Unfortunately, the last formal authorization of the Federal Trade Commission was through legislation passed in 1980, which expired in 1982. The Senate has passed legislation since that time, but the measures have failed in conference. I am hopeful that we will remedy this situation in the 101st Congress, beginning with expedited passage of S. 1249.

Needless to say, the FTC has an extremely important mission, including prevention of anticompetitive conduct in the marketplace, and protection of consumers from unfair or deceptive acts or practices. We in Congress must reemphasize the importance of that mission by passage of authorization legislation.

S. 1249 would provide a 3-year authorization for the Agency. It also would make changes in the FTC's authority and procedures based on bills adopted by the Commerce Committee and reported in the 97th through 100th Congresses. In addition, in preparing this bill, the Committee was assisted in its review of the Agency by the report of the American Bar Association's special committee to study the role of the Federal Trade Commission, commonly referred to as the Kirkpatrick Committee, and thus I believe the bill contains thoughtful and necessary measures to insure the effectiveness of the FTC's operations.

For example, the bill would codify a statutory definition of unfairness to be used by the FTC in carrying out its authority to prohibit unfair acts or practices. The definition is the one currently used as a matter of FTC policy, and the bill would insure that the definition is adhered to in the future.

Additionally, the bill reflects the committee's concern with the potential for unbounded regulation of nondeceptive commercial advertising on the basis of unfairness. In order to prevent abuse in this area, the bill would prohibit rulemakings to regulate advertising on the basis of unfairness. The FTC, however, would retain the authority to address individual cases of unfairness advertising. The bill also permits the Congress to monitor the FTC's role in preventing anticompetitive practices, by requiring reporting on predatory pricing and resale price maintenance.

Mr. President, this legislation reflects years of work by the Commerce Committee. It authorizes an agency with an extremely important mission. I encourage my colleagues to vote favorably for this important legislation.

Mr. BRYAN. Mr. President, I am pleased that the Senate is today considering S. 1249, legislation to provide authorization of appropriations for the Federal Trade Commission.

On June 7 and 8, I chaired hearings on the consumer subcommittee into the effectiveness of the FTC in fulfilling its statutory mandate. Witness after witness reaffirmed the importance of the FTC. The increasing number of mergers and filing under the Hart-Scott-Rodino Act, the burgeoning problem of consumer fraud, including telemarketing fraud, and the

growing need for heightened consumer protection activities were topics consistently cited by witnesses as appropriate functions for the FTC.

Now some would question why I have continued to press for an authorization bill for the FTC, especially in view of the fact that things go on at the agency without an authorization bill. I can answer, as did some witnesses, that Congress through the authoriation process has the opportunity to redirect and instruct the FTC regarding its efforts and the manner in which its mandate should be interpreted. For this reason, the full Commerce Committee approved S. 1249, without amendment, on July 25.

Recently, an analysis of the FTC was undertaken by the antitrust division of the American Bar Association. The so-called Kirkpatrick Committee submitted its report in April of this year. The Kirkpatrick Committee looked into issues of leadership, antitrust activities, consumer protection, guidance to business, competition and consumer advocacy, economic theory, resources, organization and structure, and relationships with Congress and the States. This thoughtful examination suggested no dramatic restructuring or reorienting of the FTC. Rather, it found that the FTC has existing statutory authority for a satisfactory role in antitrust and consumer protection areas, but it needs more clarity in certain areas and greater dedication to its mission. In addition, the committee pointed to the continuing resource drain on the FTC, which is being asked to act more and more aggressively with fewer and fewer employees.

The legislation we consider today is similar to bills previously approved by the Senate. Included in the bill are provisions to define the statutory parameters of the FTC act a bit more precisely; to require that the FTC act in rulemaking matters only where actions have been prevalent in an industry—so as to utilize the FTC's resources in those areas that are especially active—and to require the FTC to provide information on its activities regarding certain competitive practices, so that Congress can evaluate the FTC's performance in these areas.

In addition, the bill contains a provision which will help to prevent the FTC from using its limited resources in pursuit of areas that can be effectively dealt with on the State or local level, or are assigned to other departments or agencies at the Federal level.

The FTC is an important agency, with an important mission. Reauthorizing the agency will indicate Congress' concern that the FTC have sufficient resources and direction to accomplish its objectives. I urge my colleagues to support the bill.

Mr. DANFORTH. Mr. President, today the Senate will consider S. 1249, legislation to reauthorize the Federal Trade Commission [FTC]. I congratulate the Consumer Subcommittee Chairman, Senator BRYAN, and Senator GORTON, the ranking Republican member of the subcommittee, for their fine work in crafting this legislation.

Congress has not passed FTC authorizing legislation since 1980. That bill, the FTC Improvements Act of 1980, expired in 1982. Since that time, efforts to resolve the differences between House and Senate FTC bills have failed in conference. As a result, some of the most important issues regarding the FTC's mission have been addressed during the appropriations process.

The principal issue facing the Commission is how best to focus its resources. During the 1970's, the FTC entered new and innovative areas, mainly through the promulgation of trade regulations. This new emphasis was controversial, and the Congress responded by prohibiting rulemakings on advertising and investigations of Agricultural cooperatives and marketing orders. Congress redirected what it considered to be an improperly focused Commission.

In recent years, the FTC has concentrated more of its resources on individual transactions and practices. Much of this effort has been in the form of challenges to mergers and consumer fraud, and the imposition of civil penalties for violations of rules. At the same time, some have criticized the Commission for failing to recognize the appropriate role for State law enforcement officials in the consumer protection area.

These issues require substantive resolution in authorization legislation. By relying solely on the appropriations process for congressional direction, the Commission lacks a clearly defined mission. It is essential that an independent agency reflect the will of the Congress. S. 1249 contains provisions that will enhance enforcement capabilities, allocate resources efficiently, and, most importantly, provide new direction.

The Federal Trade Commission has two new members, including a new chairman. This is the time for the Congress to renew its commitment to guiding the Commission. The FTC must be a law enforcement agency for the marketplace. I am pleased that it will have the resources to carry out its mission with the establishment of a filing fee for firms that seek review of proposed mergers under the Hart-Scott-Rodino Act. With direction from this authorizing legislation, the Commission will fulfill its mandate.

Mr. President, I urge my colleagues to support S. 1249.

Mr. GORTON. Mr. President, I am pleased to support S. 1249, legislation to reauthorize the Federal Trade Commission [FTC]. I wish to commend the distinguished chairman of the Consumer Subcommittee, Senator BRYAN, for his fine work in drafting this important legislation.

The FTC has a wide array of responsibilities ranging from antitrust to consumer protection. In the 1970's, the FTC devoted a great deal of its resources to the promulgation or rules on trade regulation. More recently, the Commission has focused its attention on challenging mergers and consumer fraud and seeking civil penalties for violations of rules and statutes.

I am particularly interested in the forcus and scope of the Commission's activities. The Consumer Subcommittee received testimony from the American Bar Association and others indicating that the FTC has insufficient personnel in investigative line positions. According to this testimony, there are too many people in supervisory positions. This legislation directs the FTC to study how its resources are allocated and report its findings to the Congress. This information will be invaluable in assisting the Congress to make future determinations about the structure of the Commission's mandate.

There has been considerable controversy in recent years over the enforcement of Baby FTC Acts by individual States. Some State attorneys-general have been very active in this area. In testimony to the Consumer subcommittee, the National Association of Attorneys-General stated that the FTC has not enforced its consumer protection laws with sufficient vigor, and that the States are merely filling the void. The FTC maintains that interstate commerce should be regulated by the Federal Government. They argue that fragmented regulation will result in uneven applications of the consumer protection laws, and this situation may pose problems to those whose businesses are operating nationwide. This legislation requires the FTC to identify those areas within its jurisdiction that are most appropriately enforced by States and localities, rather than the FTC. This recognizes that the State attorneys-general have a very important role to play in the national effort to protect consumers. This study will encourage a healthy working relationship between State and Federal officials. The findings in this study will assist the Congress in future decisions regarding possible changes to the FTC's statutory mandate.

The bill also contains two important provisions that will assist the Commission in combating consumer fraud. Perpetrators victimize innocent consumers for billions of dollars each year. S. 1249 establishes a new venue provision which would permit the FTC to bring defendants from different districts into a single Federal district

court. Another provision will allow the FTC to issue civil investigative demands for physical evidence. The Commission is limited now to securing documents as evidence in enforcement efforts. The FTC has requested these enhanced enforcement tools. I wish to point out also that our colleague from Arizona [Mr. MCCAIN] my predecessor as ranking member of the Consumer Subcommittee, has supported these provisions in the past, and he has been a forceful advocate for legislation to combat consumer fraud.

Mr. President, this legislation is important to re-establishing the direction of the FTC. I urge my colleagues to support S. 1249.

The bill was ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1249

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Trade Commission Act Amendments of 1989".

UNFAIR METHODS OF COMPETITION

SEC. 2. Section 5 of the Federal Trade Commission Act (15 U.S.C. 45) is amended by adding at the end the following:

"(n) The Commission shall not have any authority to find a method of competition to be an unfair method of competition under subsection (a)(1) if, in any action under the Sherman Act, such method of competition would be held to constitute State action.".

AGRICULTURAL COOPERATIVES

SEC. 3. The Federal Trade Commission Act (15 U.S.C. 41 et seq.) is amended by redesignating section 24 and section 25 as sections 25 and 26, respectively, and by inserting immediately after section 23 the following new section:

"SEC. 24. (a) The Commission shall not have any authority to conduct any study, investigation, or prosecution of any agricultural cooperative for any conduct which, because of the provisions of the Act entitled 'An Act to authorize association of producers of agricultural products', approved February 18, 1922 (7 U.S.C. 291 et seq., commonly known as the Capper-Volstead Act), is not a violation of any of the antitrust Acts or this Act.

"(b) The Commission shall not have any authority to conduct any study or investigation of any agricultural marketing orders.".

COMPENSATION IN PROCEEDINGS

SEC. 4. (a) Section 18(h) of the Federal Trade Commission Act (15 U.S.C. 57a(h)) is repealed, and subsections (i), (j), and (k) of section 18 are redesignated as subsections (h), (i), and (j), respectively.

(b) Section 18(a)(1) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)) is amended by striking "subsection (i)" and inserting in lieu thereof "subsection (h)".

KNOWING VIOLATIONS OF ORDERS

SEC. 5. (a) Section 5(m)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 45(m)(1)(B)) is amended by inserting ", other than a consent order," immediately after "order" the first time it appears.

(b) Section 5(m)(2) of the Federal Trade Commission Act (15 U.S.C. 45(m)(2)) is amended by adding at the end the following: "Upon request of any party to such an action against such defendant, the court shall also review the determination of law made by the Commission in the proceeding under subsection (b) that the act or practice which was the subject of such proceeding constituted an unfair or deceptive act or practice in violation of subsection (a).".

PREVALENCE OF UNLAWFUL ACTS OR PRACTICES

SEC. 6. Section 18(b) of the Federal Trade Commission Act (15 U.S.C. 57a(b)) is amended by adding at the end the following new paragraph:

"(3) The Commission shall issue a notice of proposed rulemaking pursuant to paragraph (1)(A) only where it has reason to believe that the unfair or deceptive acts or practices which are the subject of the proposed rulemaking are prevalent. The Commission shall make a determination that unfair or deceptive acts or practices are prevalent under this paragraph only if it has issued cease and desist orders regarding such acts or practices, or any other information available to the Commission indicates a pattern of unfair or deceptive acts or practices.".

EFFECTIVE DATE OF ORDERS

SEC. 7. (a) Paragraph (2) of section 5(g) of the Federal Trade Commission Act (15 U.S.C. 45(g)) is amended to read as follows:

"(2) Upon the sixtieth day after such order is served, if a petition for review has been duly filed, except that any such order may be stayed, in whole or in part and subject to such conditions as may be appropriate, by—

"(A) the Commission;

"(B) an appropriate court of appeals of the United States, if (i) a petition for review of such order is pending in such court, and (ii) an application for such a stay was previously submitted to the Commission and the Commission, within the thirty-day period beginning on the date the application was received by the Commission, either denied the application or did not grant or deny the application; or

"(C) the Supreme Court, if an applicable petition for certiorari is pending; or".

(b) Section 5(g)(3) of the Federal Trade Commission Act (15 U.S.C. 45(g)(3)) is amended to read as follows:

"(3) For purposes of section 19(a)(2) and section 5(m)(1)(B), if a petition for review of the order of the Commission has been filed—

"(A) upon the expiration of the time allowed for filing a petition for certiorari, if the order of the Commission has been affirmed or the petition for review has been dismissed by the court of appeals and no petition for certiorari has been duly filed;

"(B) upon the denial of a petition for certiorari, if the order of the Commission has been affirmed or the petition for review has been dismissed by the court of appeals; or

"(C) upon the expiration of thirty days from the date of issuance of a mandate of the Supreme Court directing that the order of the Commission be affirmed or the petition for review be dismissed; or".

(c) Section 5(g)(4) of the Federal Trade Commission Act (15 U.S.C. 45(g)(4)) is amended to read as follows:

"(4) In the case of an order requiring a person, partnership, or corporation to divest itself of stock, other share capital, or assets, if a petition for review of such order of the Commission has been filed—

"(A) upon the expiration of the time allowed for filing a petition for certiorari, if the order of the Commission has been affirmed or the petition for review has been dismissed by the court of appeals and no petition for certiorari has been duly filed;

"(B) upon the denial of a petition for certiorari, if the order of the Commission has been affirmed or the petition for review has been dismissed by the court of appeals; or

"(C) upon the expiration of thirty days from the date of issuance of a mandate of the Supreme Court directing that the order of the Commission be affirmed or the petition for review be dismissed.".

CIVIL INVESTIGATIVE DEMANDS

SEC. 8. (a) Section 20(a) of the Federal Trade Commission Act (15 U.S.C. 57b-1(a)) is amended—

(1) in paragraph (2), by striking "unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "act or practice or method of competition declared unlawful by a law administered by the Commission";

(2) in paragraph (3), by striking "unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "acts or practices or methods of competition declared unlawful by a law administered by the Commission"; and

(3) in paragraph (7), by striking "unfair or deceptive act or practice in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "act or practice or method of competition declared unlawful by a law administered by the Commission".

(b) Section 20(b) of the Federal Trade Commission Act (15 U.S.C. 57b-1(b)) is amended by striking "unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "any act or practice or method of competition declared unlawful by a law administered by the Commission".

(c) Section 20(c)(1) of the Federal Trade Commission Act (15 U.S.C. 57b-1(c)(1)) is amended by striking "unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "any act or practice or method of competition declared unlawful by a law administered by the Commission".

(d) Section 20(j) of the Federal Trade Commission Act (15 U.S.C. 57b-1(j)) is amended by inserting immediately before the semicolon the following: ", any proceeding under section 11(b) of the Clayton Act, or any adjudicative proceeding under any other provision of law".

DEFINITION OF UNFAIR ACTS OR PRACTICES

SEC. 9. Section 5 of the Federal Trade Commission Act (15 U.S.C. 45), as amended by section 2 of this Act, is further amended by adding at the end the following:

"(o) The Commission shall have no authority under this section or section 18 to declare unlawful an act or practice on the grounds that such act or practice is unfair unless the act or practice causes or is likely to cause substantial injury to consumers which is not reasonably avoidable by consumers themselves and not outweighed by countervailing benefits to consumers or to competition.".

COMMERCIAL ADVERTISING

SEC. 10. Section 18(h) of the Federal Trade Commission Act (15 U.S.C. 57a(h)), as so redesignated in section 4(a) of this Act, is amended by adding at the end the following: "The Commission shall have no authority under this section to initiate any new rulemaking proceeding which is intended to

or may result in the promulgation of any rule by the Commission which prohibits or otherwise regulates any commercial advertising on the basis of a determination by the Commission that such commercial advertising constitutes an unfair act or practice in or affecting commerce.".

VENUE; SERVICE OF PROCESS

SEC. 11. (a) Subsections (a) and (b) of section 13 of the Federal Trade Commission Act (15 U.S.C. 53) are each amended by adding at the end thereof the following: "Whenever it appears to the court that the interests of justice require that any other person, partnership, or corporation should be a party in such suit, the court may cause such person, partnership, or corporation to be summoned without regard to whether they reside or transact business in the district in which the suit is brought, and to that end process may be served in any district.".

(b) Section 13 of the Federal Trade Commission Act (15 U.S.C. 53) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting immediately after subsection (b) the following:

"(c) Any process of the Commission under this section may be served by any person duly authorized by the Commission—

"(1) by delivering a copy of such process to the person to be served, to a member of the partnership to be served, or to the president, secretary, or other executive officer or a director of the corporation to be served;

"(2) by leaving a copy of such process at the residence or the principal office or place of business of such person, partnership, or corporation; or

"(3) by mailing a copy of such process by registered mail or certified mail addressed to such person, partnership, or corporation at his, her, or its residence, principal office, or principal place of business.

The verified return by the person serving such process setting forth the manner of such service shall be proof of the same, and the return post office receipt for such process mailed by registered mail or certified mail as provided in this subsection shall be proof of the service of such process.".

PHYSICAL EVIDENCE AND CIVIL INVESTIGATIVE DEMANDS

SEC. 12. (a) Section 20(a) of the Federal Trade Commission Act (15 U.S.C. 57b-1(a)) is amended—

(1) by redesignating paragraph (7) as paragraph (8); and

(2) by inserting immediately after paragraph (6) the following:

"(7) The term 'physical evidence' means any object or device, including any medical device, food product, drug, nutritional product, cosmetic product, or audio or video recording.".

(b) Section 20(c)(1) of the Federal Trade Commission Act (15 U.S.C. 57b-1(c)(1)) is amended—

(1) by inserting "physical evidence or" immediately after "any" the second time it appears;

(2) by inserting "to produce such physical evidence for inspection," immediately before "to produce";

(3) by inserting "physical evidence," immediately after "concerning"; and

(4) by inserting "evidence," immediately before "material, answers,".

(c) Section 20(c)(3) of the Federal Trade Commission Act (15 U.S.C. 57b-1(c)(3)) is amended—

(1) by inserting "physical evidence or" immediately before "documentary material";

(2) in subparagraph (A)—

(A) by inserting "physical evidence or" immediately before "documentary"; and

(B) by inserting "evidence or" immediately after "permit such";

(3) in subparagraph (B), by inserting "evidence or" immediately before "material"; and

(4) in subparagraph (C), by inserting "evidence or" immediately before "material".

(d) Section 20(c)(10) of the Federal Trade Commission Act (15 U.S.C. 57b-1(c)(10)) is amended by inserting "physical evidence or" immediately before "documentary material" each place it appears.

REPORT ON RESALE PRICE MAINTENANCE

SEC. 13. (a) The Federal Trade Commission shall submit to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Energy and Commerce of the House of Representatives the information specified in subsection (b) of this section every six months during each of the fiscal years 1990, 1991, and 1992. Each such report shall contain such information for the period since the last submission under this section.

(b) Each such report shall list and describe, with respect to instances in which resale price maintenance has been suspected or alleged—

(1) each complaint made, orally or in writing, to the offices of the Commission;

(2) each preliminary investigation opened or closed at the Commission;

(3) each formal investigation opened or closed at the Commission;

(4) each recommendation for the issuance of a complaint forwarded by the staff to the Commission;

(5) each complaint issued by the Commission pursuant to section 5 of the Federal Trade Commission Act (15 U.S.C. 45);

(6) each opinion and order entered by the Commission;

(7) each consent agreement accepted provisionally or finally by the Commission;

(8) each request for modification of an outstanding Commission order filed with the Commission;

(9) each recommendation by staff pertaining to a request for modification of an outstanding Commission order; and

(10) each disposition by the Commission of a request for modification of an outstanding Commission order.

Such report shall include the sum total of matters in each category specified in paragraphs (1) through (10) of this subsection, and copies of all such consent agreements and complaints executed by the Commission. Where a matter has been closed or terminated, the report shall include a statement of the reasons for that disposition. The description required under this subsection shall be as complete as possible but shall not reveal the identity of persons or companies making the complaint or those complained about or those subject to investigation that have not otherwise been made public.

REPORT ON PREDATORY PRICING PRACTICES

SEC. 14. (a) The Federal Trade Commission shall submit to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Energy and Commerce of the House of Representatives the information specified in subsection (b) of this section every six months during each of the fiscal years 1990, 1991, and 1992. Each such report shall contain such information for the period since the last submission under this section.

(b) Each such report shall list and describe, with respect to instances in which predatory pricing practices have been suspected or alleged—

(1) each complaint made, orally or in writing, to the offices of the Commission;

(2) each preliminary investigation opened or closed at the Commission;

(3) each formal investigation opened or closed at the Commission;

(4) each recommendation for the issuance of a complaint forwarded by the staff to the Commission;

(5) each complaint issued by the Commission;

(6) each opinion and order entered by the Commission;

(7) each consent agreement accepted provisionally or finally by the Commission;

(8) each request for modification of an outstanding Commission order filed with the Commission;

(9) each recommendation by staff pertaining to a request for modification of an outstanding Commission order; and

(10) each disposition by the Commission of a request for modification of an outstanding Commission order.

Such report shall include copies of all such consent agreements and complaints executed by the Commission referred to in such report. Where a matter has been closed or terminated, the report shall include a statement of the reasons for that disposition. The descriptions required under this subsection shall be as complete as possible but shall not reveal the identity of persons or companies making the complaint or those complained about or those subject to investigation that have not otherwise been made public. The report shall include any evaluation by the Commission of the potential impacts of predatory pricing upon businesses (including small businesses).

INTERVENTION BY COMMISSION IN CERTAIN PROCEEDINGS

SEC. 15. (a) The Federal Trade Commission shall not have any authority to use any funds which are authorized to be appropriated to carry out the Federal Trade Commission Act (15 U.S.C. 41 et seq.) for fiscal years 1990, 1991, and 1992, for the purpose of submitting statements to, appearing before, or intervening in the proceedings of, any Federal or State agency unless the Commission advises the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives, at least sixty days before any such proposed action, or, if such advance notice is not practicable, as far in advance of such proposed action as is practicable.

(b) The notice required in subsection (a) of this section shall include the name of the agency involved, the date upon which the Federal Trade Commission will first appear, intervene, or submit comments, a concise statement regarding the nature and purpose of the proposed action of the Commission, and, in any case in which advance notice of sixty days is not practicable, a concise statement of the reasons such notice is not practicable.

RESOURCE ALLOCATION STUDY

SEC. 16. The Federal Trade Commission shall conduct an evaluation of the level of its personnel resources and the manner in which such resources are allocated. The Commission shall study—

(1) whether overall resources at the Commission are adequate to fulfill the Commission's responsibilities in the areas of competition and consumer protection;

(2) the distribution of personnel to individual offices of commissioners, departments, bureaus, and other units within the Commission, and whether the current allocation of personnel most efficiently enables the Commission to fulfill its statutory mandate;

(3) the number of personnel in supervisory positions, contrasted with those personnel in nonsupervisory positions; and

(4) whether the amount of workyears devoted to research activities should be increased, and what results (if any) such an increase would produce.

The Commission shall transmit the results of such study, together with any recommendations that the Commission determines appropriate, to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives not later than six months after the date of enactment of this Act.

FEDERAL-STATE COOPERATION

SEC. 17. The Federal Trade Commission shall review its statutory responsibilities to identify those matters within its jurisdiction where Federal enforcement is particularly necessary or desirable, and those areas that might more effectively be enforced at the State or local level. In identifying such areas, the Commission shall—

(1) consider the resources available to the Commission and the States, as well as particular rules that have been promulgated by the Commission;

(2) consult with the attorneys general of the States, representatives of consumers and industry, and other interested parties; and

(3) consider such other issues as will result in more efficient implementation of the statutory responsibilities of the Commission.

Not later than six months after the date of enactment of this Act, the Federal Trade Commission shall transmit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives the information identified in paragraphs (1) through (3) of this section, together with specific recommendations for methods of achieving greater cooperation between the Commission and the States.

AUTHORIZATION OF APPROPRIATIONS

SEC. 18. Section 25 of the Federal Trade Commission Act, as so redesignated by section 3 of this Act, is amended—

(1) by striking "and" after "1981;"; and

(2) by inserting immediately before the period at the end the following: "; not to exceed $69,580,000 for the fiscal year ending September 30, 1990; not to exceed $72,780,000 for the fiscal year ending September 30, 1991; and not to exceed $76,128,000 for the fiscal year ending September 30, 1992, and such additional sums for the fiscal years ending September 30, 1990, and September 30, 1991, as may be necessary for increases in salary, pay, and other employee benefits as authorized by law".

EFFECTIVE DATE

SEC. 19. (a) Except as provided in subsections (b), (c), (d), and (e) of this section, the provisions of this Act shall take effect on the date of enactment of this Act.

(b) The amendment made by section 2 of this Act shall apply only with respect to proceedings under section 5 of the Federal Trade Commission Act after the date of enactment of this Act. This amendment shall not be construed to affect in any manner a cease and desist order which was issued, or a rule which was promulgated, before the date of enactment of this Act. This amendment shall not be construed to affect in any manner a cease and desist order issued after the date of enactment of this Act, if such order was issued pursuant to remand from a court of appeals or the Supreme Court of an order issued by the Federal Trade Commission before the date of enactment of this Act.

(c) The amendments made by section 7 and 9 of this Act shall apply only with respect to cease and desist orders issued under section 5 of the Federal Trade Commission Act (15 U.S.C. 45), or to rules promulgated under section 18 of the Federal Trade Commission Act (15 U.S.C. 57a), after the date of enactment of this Act. These amendments shall not be construed to affect in any manner a cease and desist order which was issued, or a rule which was promulgated, before the date of enactment of this Act. These amendments shall not be construed to affect in any manner a cease and desist order issued after the date of enactment of this Act, if such order was issued pursuant to remand from a court of appeals or the Supreme Court of an order issued by the Federal Trade Commission before the date of enactment of this Act.

(d) The amendments made by sections 6 and 10 of this Act shall apply only to rulemaking proceedings initiated after the date of enactment of this Act. These amendments shall not be construed to affect in any manner a rulemaking proceeding which was initiated before the date of enactment of this Act.

(e) The amendments made by section 8 of this Act shall apply only with respect to compulsory process issued after the date of enactment of this Act.

TRANSPORTATION EMPLOYEE TESTING ACT

The Senate proceeded to consider the bill (S. 561) to provide for testing for the use, without lawful authorization, of alcohol or controlled substances by the operators of aircraft, railroads, and commercial motor vehicles, and for other purposes, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Transportation Employee Testing Act of 1989".

FINDINGS

SEC. 2. The Congress finds that—

(1) alcohol abuse and illegal drug use pose significant dangers to the safety and welfare of the Nation;

(2) millions of the Nation's citizens utilize transportation by aircraft, railroads, trucks, and buses, and depend on the operators of aircraft, railroads, trucks, and buses to perform in a safe and responsible manner;

(3) the greatest efforts must be expended to eliminate the abuse of alcohol and use of illegal drugs, whether on duty or off duty, by those individuals who are involved in the operation of aircraft, railroads, trucks, and buses;

(4) the use of alcohol and illegal drugs has been demonstrated to affect significantly the performance of individuals, and has been proven to have been a critical factor in transportation accidents;

(5) the testing of uniformed personnel of the Armed Forces has shown that the most effective deterrent to abuse of alcohol and use of illegal drugs is increased testing, including random testing;

(6) adequate safeguards can be implemented to ensure that testing for abuse of alcohol or use of illegal drugs is performed in a manner which protects an individual's right of privacy, ensures that no individual is harassed by being treated differently from other individuals, and ensures that no individual's reputation or career development is unduly threatened or harmed; and

(7) rehabilitation is a critical component of any testing program for abuse of alcohol or use of illegal drugs, and should be made available to individuals, as appropriate.

TESTING TO ENHANCE AVIATION SAFETY

SEC. 3. (a) Title VI of the Federal Aviation Act of 1958 (49 App. U.S.C. 1421 et seq.) is amended by adding at the end thereof the following:

"ALCOHOL AND CONTROLLED SUBSTANCES TESTING

"TESTING PROGRAM

"SEC. 613. (a)(1) The Administrator shall, in the interest of aviation safety, prescribe regulations within twelve months after the date of enactment of this section. Such regulations shall establish a program which requires air carriers and foreign air carriers to conduct preemployment, reasonable suspicion, random, and postaccident testing of airmen, crewmembers, airport security screening contract personnel, and other air carrier employees responsible for safety-sensitive functions (as determined by the Administrator) for use, in violation of law or Federal regulation, of alcohol or a controlled substance. The Administrator may also prescribe regulations, as the Administrator considers appropriate in the interest of safety, for the conduct of periodic recurring testing of such employees for such use in violation of law or Federal regulation.

"(2) The Administrator shall establish a program applicable to employees of the Federal Aviation Administration whose duties include responsibility for safety-sensitive functions. Such program shall provide for preemployment, reasonable suspicion, random, and postaccident testing for use, in violation of law or Federal regulation, of alcohol or a controlled substance. The Administrator may also prescribe regulations, as the Administrator considers appropriate in the interest of safety, for the conduct of periodic recurring testing of such employees for such use in violation of law or Federal regulation.

"(3) In prescribing regulations under the programs required by this subsection, the Administrator shall require, as the Administrator considers appropriate, the suspension or revocation of any certificate issued to such an individual, or the disqualification or dismissal of any such individual, in accordance with the provisions of this section, in any instance where a test conducted and confirmed under this section indicates that such individual has used, in violation of law or Federal regulation, alcohol or a controlled substance.

"PROHIBITION ON SERVICE

"(b)(1) No person may use, in violation of law or Federal regulation, alcohol or a controlled substance after the date of enactment of this section and serve as an airman, crewmember, airport security screening contract personnel, air carrier employee responsible for safety-sensitive functions (as determined by the Administrator), or employee of the Federal Aviation Administration with responsibility for safety-sensitive functions.

"(2) No individual who is determined to have used, in violation of law or Federal regulation, alcohol or a controlled substance after the date of enactment of this section shall serve as an airman, crewmember, airport security screening contract personnel, air carrier employee responsible for safety-sensitive functions (as determined by the Administrator), or employee of the Federal Aviation Administration with responsibility for safety-sensitive functions unless such individual has completed a program of rehabilitation described in subsection (c) of this section.

"(3) Any such individual determined by the Administrator to have used, in violation of law or Federal regulation, alcohol or a controlled substance after the date of enactment of this section who—

"(A) engaged in such use while on duty;

"(B) prior to such use had undertaken or completed a rehabilitation program described in subsection (c) of this section;

"(C) following such determination refuses to undertake such a rehabilitation program; or

"(D) following such determination fails to complete such a rehabilitation program,

shall not be permitted to perform the duties relating to air transportation which such individual performed prior to the date of such determination.

"PROGRAM FOR REHABILITATION

"(c)(1) The Administrator shall prescribe regulations setting forth requirements for rehabilitation programs which at a minimum provide for the identification and opportunity for treatment of employees referred to in subsection (a)(1) of this section in need of assistance in resolving problems with the use, in violation of law or Federal regulation, of alcohol or controlled substances. Each air carrier and foreign air carrier is encouraged to make such a program available to all of its employees in addition to those employees referred to in subsection (a)(1) of this section. The Administrator shall determine the circumstances under which such employees shall be required to participate in such a program. Nothing in this subsection shall preclude any air carrier or foreign air carrier from establishing a program under this subsection in cooperation with any other air carrier or foreign air carrier.

"(2) The Administrator shall establish and maintain a rehabilitation program which at a minimum provides for the identification and opportunity for treatment of those employees of the Federal Aviation Administration whose duties include responsibility for safety-sensitive functions who are in need of assistance in resolving problems with the use of alcohol or controlled substances.

"PROCEDURES

"(d) In establishing the program required under subsection (a) of this section, the Administrator shall develop requirements which shall—

"(1) promote, to the maximum extent practicable, individual privacy in the collection of specimen samples;

"(2) with respect to laboratories and testing procedures for controlled substances, incorporate the Department of Health and Human Services scientific and technical guidelines dated April 11, 1988, and any subsequent amendments thereto, including mandatory guidelines which—

"(A) establish comprehensive standards for all aspects of laboratory controlled substances testing and laboratory procedures to be applied in carrying out this section, including standards which require the use of the best available technology for ensuring the full reliability and accuracy of controlled substances tests and strict procedures governing the chain of custody of specimen samples collected for controlled substances testing;

"(B) establish the minimum list of controlled substances for which individuals may be tested; and

"(C) establish appropriate standards and procedures for periodic review of laboratories and criteria for certification and revocation of certification of laboratories to perform controlled substances testing in carrying out this section;

"(3) require that all laboratories involved in the controlled substances testing of any individual under this section shall have the capability and facility, at such laboratory, of performing screening and confirmation tests;

"(4) provide that all tests which indicate the use, in violation of law or Federal regulation, of alcohol or a controlled substance by any individual shall be confirmed by a scientifically recognized method of testing capable of providing quantitative data regarding alcohol or a controlled substance;

"(5) provide that each specimen sample be subdivided, secured, and labeled in the presence of the tested individual and that a portion thereof be retained in a secure manner to prevent the possibility of tampering, so that in the event the individual's confirmation test results are positive the individual has an opportunity to have the retained portion assayed by a confirmation test done independently at a second certified laboratory if the individual requests the independent test within three days after being advised of the results of the confirmation test;

"(6) ensure appropriate safeguards for testing to detect and quantify alcohol in breath and body fluid samples, including urine and blood, through the development of regulations as may be necessary and in consultation with the Department of Health and Human Services;

"(7) provide for the confidentiality of test results and medical information (other than information relating to alcohol or a controlled substance) of employees, except that the provisions of this paragraph shall not preclude the use of test results for the orderly imposition of appropriate sanctions under this section; and

"(8) ensure that employees are selected for tests by nondiscriminatory and impartial methods, so that no employee is harassed by being treated differently from other employees in similar circumstances.

"EFFECT ON OTHER LAWS AND REGULATIONS

"(e)(1) No State or local government shall adopt or have in effect any law, rule, regulation, ordinance, standard, or order that is inconsistent with the regulations promulgated under this section, except that the regulations promulgated under this section shall not be construed to preempt provisions of State criminal law which impose sanctions for reckless conduct leading to actual loss of life, injury or damage to property, whether the provisions apply specifically to employees of an air carrier or foreign air carrier, or to the general public.

"(2) Nothing in this section shall be construed to restrict the discretion of the Administrator to continue in force, amend, or further supplement any regulations issued before the date of enactment of this section that govern the use of alcohol and controlled substances by airmen, crewmembers, airport security screening contract personnel, air carrier employees responsible for safety-sensitive functions (as determined by the Administrator), or employees, of the Federal Aviation Administration with responsibility for safety-sensitive functions.

"(3) In prescribing regulations under this section, the Administrator shall only establish requirements applicable to foreign air carriers that are consistent with the international obligations of the United States, and the Administrator shall take into consideration any applicable laws and regulations of foreign countries. The Secretary of State and the Secretary of Transportation, jointly, shall call on the member countries of the International Civil Aviation Organization to strengthen and enforce existing standards to prohibit the use, in violation of law or Federal regulation, of alcohol or a controlled substance by crew members in international civil aviation.

"DEFINITION

"(f) For the purposes of this section, the term 'controlled substance' means any substance under section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)) specified by the Administrator.".

(b) That portion of the table of contents of the Federal Aviation Act of 1958 relating to title VI is amended by adding at the end thereof the following:

"Sec. 613. Alcohol and controlled substances testing.
"(a) Testing program.
"(b) Prohibition on service.
"(c) Program for rehabilitation.
"(d) Procedures.
"(e) Effect on other laws and regulations.
"(f) Definition.".

TESTING TO ENHANCE RAILROAD SAFETY

SEC. 4. Section 202 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 431) is amended by adding at the end thereof the following:

"(r)(1) In the interest of safety, the Secretary shall, within twelve months after the date of enactment of this subsection, issue rules, regulations, standards, and orders relating to alcohol and drug use in railroad operations. Such regulations shall establish a program which—

"(A) requires railroads to conduct preemployment, reasonable suspicion, random, and postaccident testing of all railroad employees responsible for safety-sensitive functions (as determined by the Secretary) for use, in violation of law or Federal regulation, of alcohol or a controlled substance;

"(B) requires, as the Secretary considers appropriate, disqualification for an established period of time or dismissal of any employee determined to have used or to have been impaired by alcohol while on duty; and

"(C) requires, as the Secretary considers appropriate, disqualification for an established period of time or dismissal of any employee determined to have used a controlled substance, whether on duty or not on duty, except as permitted for medical purposes by law and any rules, regulations, standards, or orders issued under this Act.

The Secretary may also issue rules, regulations, standards, and orders, as the Secretary considers appropriate in the interest of safety, requiring railroads to conduct periodic recurring testing of railroad employees responsible for such safety sensitive functions, for use of alcohol or a controlled substance in violation of law or Federal regulation. Nothing in this subsection shall be construed to restrict the discretion of the Secretary to continue in force, amend, or further supplement any rules, regulations, standards, and orders governing the use of alcohol and controlled substances in railroad operations issued before the date of enactment of this subsection.

"(2) In carrying out the provisions of this subsection, the Secretary shall develop requirements which shall—

"(A) promote, to the maximum extent practicable, individual privacy in the collection of specimen samples;

"(B) with respect to laboratories and testing procedures for controlled substances, incorporate the Department of Health and Human Services scientific and technical guidelines dated April 11, 1988, and any subsequent amendments thereto, including mandatory guidelines which—

"(i) establish comprehensive standards for all aspects of laboratory controlled substances testing and laboratory procedures to be applied in carrying out this Act, including standards which required the use of the best available technology for ensuring the full reliability and accuracy of controlled substances tests and strict procedures governing the chain of custody of specimen samples collected for controlled substances testing;

"(ii) establisah the minimum list of controlled substances for which individuals may be tested; and

"(iii) establish appropriate standards and procedures for periodic review of laboratories and criteria for certification and revocation of certification of laboratories to perform controlled substances testing in carrying out this subsection;

"(C) require that all laboratories involved in the controlled substances testing of any employee under this section shall have the capability and facility, at such laboratory, of performing screening and confirmation tests;

"(D) provide that all tests which indicate the use, in violation of law or federal regulation, of alcohol or a controlled substance by any employee shall be confirmed by a scientifically recognized method of testing capable of providing quantitative data regarding alcohol or a controlled substance;

"(E) provide that each specimen sample be subdivided, secured, and labeled in the presence of the tested individual and that a portion thereof be retained in a secure manner to prevent the possibility of tampering, so that in the event the individual's confirmation test results are positive the individual has an opportunity to have the retained portion assayed by a confirmation test done independently at a second certified laboratory if the individual requests the independent test within three days after being advised of the results of the confirmation test;

"(F) ensure appropriate safeguards for testing to detect and quantify alcohol in breath and body fluid samples, including urine and blood, through the development of regulations as may be necessary and in consultation with the Department of Health and Human Services;

"(G) provide for the confidentiality of test results and medical information (other than information relating to alcohol or a controlled substance) of employees, except that the provisions of this subparagraph shall not preclude the use of test results for the orderly imposition of appropriate sanctions under this subsection; and

"(H) ensure that employees are selected for tests by nondiscriminatory and impartial methods, so that no employee is harassed by being treated differently from other employees in similar circumstances.

"(3) The Secretary shall issue rules, regulations, standards, or orders setting forth requirements for rehabilitation programs which at a minimum provide for the identification and opportunity for treatment of railroad employees responsible for safety-sensitive functions (as determined by the Secretary) in need of assistance in resolving problems with the use, in violation of law or Federal regulation, of alcohol or a controlled substance. Each railroad is encouraged to make such a program available to all of its employees in addition to those employees responsible for safety sensitive functions. The Secretary shall determine the circumstances under which such employees shall be required to participate in such program. Nothing in this paragraph shall preclude a railroad from establishing a program under this paragraph in cooperation with any other railroad.

"(4) In carrying out the provisions of this subsection, the Secretary shall only establish requirements that are consistent with the international obligations of the United States, and the Secretary shall take into consideration any applicable laws and regulations of foreign countries.

"(5) For the purposes of this subsection, the term 'controlled substance' means any substance under section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)) specified by the Secretary.".

TESTING TO ENHANCE MOTOR CARRIER SAFETY

SEC. 5. (a) The Commercial Motor Vehicle Safety Act of 1986 (App. U.S.C. 2701 et seq.) is amended by adding at the end the following:

"SEC. 12020. ALCOHOL AND CONTROLLED SUBSTANCES TESTING.

"(a) REGULATIONS.—The Secretary shall, in the interest of commercial motor vehicle safety, issue regulations within twelve months after the date of enactment of this section. Such regulations shall establish a program which requires motor carriers to conduct preemployment, reasonable suspicion, random, and postaccident testing of the operators of commercial motor vehicles for use, in violation of law or Federal regulation, of alcohol or a controlled substance. The Secretary may also issue regulations, as the Secretary considers appropriate in the interest of safety, for the conduct of periodic recurring testing of such operators for such use in violation of law or Federal regulation.

"(b) TESTING.—

"(1) POSTACCIDENT TESTING.—In issuing such regulations, the Secretary shall require that postaccident testing of the operator of a commercial motor vehicle be conducted in the case of any accident involving a commercial motor vehicle in which occurs loss of human life, or, as determined by the Secretary, other serious accidents involving bodily injury or significant property damage.

"(2) TESTING AS PART OF MEDICAL EXAMINATION.—Nothing in subsection (a) of this section shall preclude the Secretary from providing in such regulations that such testing be conducted as part of the medical examination required by subpart E of part 391 of title 49, Code of Federal Regulations, with respect to those operators of commercial motor vehicles to whom such part is applicable.

"(c) PROGRAM FOR REHABILITATION.—The Secretary shall issue regulations setting forth requirements for rehabilitation programs which provide for the identification and opportunity for treatment of operators of commercial motor vehicles who are determined to have used, in violation of law or Federal regulation, alcohol or a controlled substance. The Secretary shall determine the circumstances under which such operators shall be required to participate in such program. Nothing in this subsection shall preclude a motor carrier from establishing a program under this subsection in cooperation with any other motor carrier.

"(d) PROCEDURES FOR TESTING.—In establishing the program required under subsection (a) of this section, the Secretary shall develop requirements which shall—

"(1) promote, to the maximum extent practicable, individual privacy in the collection of specimen samples;

"(2) with respect to laboratories and testing procedures for controlled substances, incorporate the Department of Health and Human Services scientific and technical guidelines dated April 11, 1988, and any subsequent amendments thereto, including mandatory guidelines which—

"(A) establish comprehensive standards for all aspects of laboratory controlled substances testing and laboratory procedures to be applied in carrying out this section, including standards which require the use of the best available technology for ensuring the full reliability and accuracy of controlled substances tests and strict procedures governing the chain of custody of specimen samples collected for controlled substances testing;

"(B) establish the minimum list of controlled substances for which individuals may be tested; and

"(C) establish appropriate standards and procedures for periodic review of laboratories and criteria for certification and revocation of certification of laboratories to perform controlled substances testing in carrying out this section;

"(3) require that all laboratories involved in the testing of any individual under this section shall have the capability and facility, at such laboratory, of performing screening and confirmation tests;

"(4) provide that all tests which indicate the use, in violation of law or Federal regulation, of alcohol or a controlled substance by any individual shall be confirmed by a scientifically recognized method of testing capable of providing quantitative data regarding alcohol or a controlled substance;

"(5) provide that each specimen sample be subdivided, secured, and labeled in the presence of the tested individual and that a portion thereof be retained in a secure manner to prevent the possibility of tampering, so that in the event the individual's confirmation test results are positive the individual has an opportunity to have the retained portion assayed by a confirmation test done independently at a second certified laboratory if the individual requests the independent test within three days after being advised of the results of the confirmation test;

"(6) ensure appropriate safeguards for testing to detect and quantify alcohol in breath and body fluid samples, including urine and blood, through the development of regulations as may be necessary and in con-

sultation with the Department of Health and Human Services;

"(7) provide for the confidentiality of test results and medical information (other than information relating to alcohol or a controlled substance) of employees, except that the provisions of this paragraph shall not preclude the use of test results for the orderly imposition of appropriate sanctions under this section; and

"(8) ensure that employees are selected for tests by nondiscriminatory and impartial methods, so that no employee is harassed by being treated differently from other employees in similar circumstances.

"(e) EFFECT ON OTHER LAWS AND REGULATIONS.—

"(1) STATE AND LOCAL LAW AND REGULATIONS.—No State or local government shall adopt or have in effect any law, rule, regulation, ordinance, standard, or order that is inconsistent with the regulations issued under this section, except that the regulations issued under this section shall not be construed to preempt provisions of State criminal law which impose sanctions for reckless conduct leading to actual loss of life, injury, or damage to property, whether the provisions apply specifically to commercial motor vehicle employees, or to the general public.

"(2) OTHER REGULATIONS ISSUED BY SECRETARY.—Nothing in this section shall be construed to restrict the discretion of the Secretary to continue in force, amend, or further supplement any regulations governing the use of alcohol or controlled substances by commercial motor vehicle employees issued before the date of enactment of this section.

"(3) INTERNATIONAL OBLIGATIONS.—In issuing regulations under this section, the Secretary shall only establish requirements that are consistent with the international obligations of the United States, and the Secretary shall take into consideration any applicable laws and regulations of foreign countries.

"(f) APPLICATION OF PENALTIES.—

"(1) EFFECT ON OTHER PENALTIES.—Nothing in this section shall be construed to supersede any penalty applicable to the operator of a commercial motor vehicle under this title or any other provision of law.

"(2) DETERMINATION OF SANCTIONS.—The Secretary shall determine appropriate sanctions for commercial motor vehicle operators who are determined, as a result of tests conducted and confirmed under this section, to have used, in violation of law or Federal regulation, alcohol or a controlled substance but are not under the influence of alcohol or a controlled substance, as provided in this title.

"(g) DEFINITION.—For the purposes of this section, the term 'controlled substance' means any substance under section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)) specified by the Secretary.".

(b) The table of contents of the Commercial Motor Vehicle Safety Act of 1986 (Public Law 99-570; 100 Stat. 5223) is amended by adding at the end thereof the following:

"Sec. 12020. Alcohol and controlled substances testing.".

PILOT PROGRAM FOR TESTING OF COMMERCIAL MOTOR VEHICLE OPERATORS

SEC. 6. (a) The Secretary of Transportation shall design, within nine months after the date of enactment of this section and implement, within fifteen months after the date of enactment of this Act, a pilot test program for the purpose of testing the operators of commercial motor vehicles on a random basis to determine whether an operator has used, in violation of law or Federal regulation, alcohol or a controlled substance. The pilot test program shall be administered as part of the Motor Carrier Safety Assistance Program.

(b) The Secretary shall solicit the participation of States which are interested in participating in such program and shall select four States to participate in the program.

(c) The Secretary shall ensure that the States selected pursuant to this section are representative of varying geographical and population characteristics of the Nation and that the selection takes into consideration the historical geographical incidence of commercial motor vehicle accidents involving loss of human life.

(d) The pilot program authorized by this section shall continue for a period of one year. The Secretary shall consider alternative methodologies for implementing a system of random testing of operators of commercial motor vehicles.

(e) Not later than thirty months after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress a comprehensive report setting forth the results of the pilot program conducted under this section. Such report shall include any recommendations of the Secretary concerning the desirability and implementation of a system for the random testing of operators of commercial motor vehicles.

(f) For purposes of carrying out this paragraph, there shall be available to the Secretary $5,000,000 from funds made available to carry out section 404 of the Surface Transportation Assistance Act of 1982 (49 App. U.S.C. 2304) for fiscal year 1990.

(g) For purposes of this paragraph, the term "commercial motor vehicle" shall have the meaning given to such term in section 12019(6) of the Commercial Motor Vehicle Safety Act of 1986 (49 App. U.S.C. 2716(6)).

Mr. HOLLINGS. As I rise yet again in support of a bill that would require drug and alcohol testing in the commercial aviation, railroad, bus and trucking industries, I am reminded of Sisyphus, the character in Greek mythology whose fate it was to push a boulder up a steep mountain in perpetuity.

Mr. President, over 2 years ago Senator DANFORTH and I introduced a virtually identical testing bill. It was debated, reported favorably out of the Commerce Committee and passed on the Senate floor by a vote of 83 to 7. Last year, our bill was included in the Senate omnibus drug bill, at which time it passed without objection. I stayed up to the wee hours of the morning in an attempt to persuade my House colleagues to accept this measure, yet we still failed to gain final approval of this legislation.

Undaunted, Mr. President, Senator DANFORTH and I reintroduced testing legislation, S. 561, in this Congress. The measure was again favorably reported by the Commerce Committee and approved by the Senate by unanimous consent last month as part of the Senate transportation appropriations bill. However, when it was apparent that the House conferees would not support these provisions, the Senate's testing and other drug provisions were stripped out of the transportation appropriations bill and introduced as a separate drug bill, S. 1735, which was then approved without objection by the Senate. However, the House has given no indication of any intent to move on the testing provisions included in S. 1735. These provisions once again sit there languishing in a legislative morass.

While the House fails to act, the carnage continues. Last week, Federal officials announced that traces of cocaine were found in the blood stream of the engineer of a CSX freight train that collided head on with another freight train in Albermarle County, VA. Nine people were injured in that crash.

In September, a USAir jet skidded off the runway at La Guardia Airport. One person died and several others were injured. The pilot and copilot mysteriously disappeared for 42 hours, yet no regulation specifically required that the pilots be subjected to drug and alcohol testing.

Last year, every 12½ days the railroad industry had an accident in which either drugs or alcohol were involved. In the aviation industry, the inspector general of the Depatment of Transportation [DOT] has reported that between 1980 and 1987, 10,300 certified airmen have had their driver's licenses suspended or revoked for driving while intoxicated. In the motor carrier industry, a 1984 test conducted by the Insurance Institute for Highway Safety found that 30 percent of a random sample of truckdrivers tested positive for drugs and alcohol.

And, we cannot forget the tragic Chase, MD, crash in 1987 where an Amtrak train collided with three Conrail locomotives, leaving 16 dead and 174 injured. In this unfortunate situation both the Conrail engineer and brakeman tested positive for marijuana use.

Mr. President, our efforts have borne some fruit, however. Last year DOT issued final rules mandating testing of safety sensitive employees for illegal drug use in the rail, motor carrier, aviation, maritime, pipeline and mass transit industries.

While I welcome these DOT rules, they do not go far enough, however. Right to the point, they totally exclude alcohol in industry testing programs. Accident statistics show that alcohol abuse is a big threat to public safety as illegal drugs, if not a bigger threat. You do not need statistics to prove this point. Just ask the residents of the coastal towns in Alaska, where the shoreline has been soiled by the *Exxon Valdez* oilspill.

Furthermore, Mr. President, we cannot leave the fate of these important regulations to the whim of some DOT official. The only way to ensure the safety of the traveling public is to mandate legislatively the random drug

and alcohol testing of those employees engaged in safety sensitive positions.

Our bill does just that. It mandates four types of drug and alcohol testing, including random, preemployment, post accident, and reasonable suspicion testing of employees such as airline pilots, air traffic controllers, railroad engineers, brakemen, and commercial bus and truckdrivers, as well as others. It also authorizes DOT to require periodic recurring testing, such as in connection with annual physicals.

In order to ensure the protection of individual rights, the bill specifically incorporates the Department of Health and Human Services guidelines that established laboratory accuracy, as well as protections for the individual privacy of innocent employees. Finally, the bill requires carriers to establish rehabilitation programs for employees who voluntarily step forward to seek help.

The key component of our legislation is random testing. Random testing is the only method I know of that will serve as an adequate deterrent to drug and alcohol abuse by those transportation employees who hold in their hands the lives of the traveling public. Experience bears this out—random testing in the military, in the Coast Guard and in the private sector has resulted in a substantial decrease in the use of drugs and alcohol.

Some have questioned the constitutionality of testing. I am heartened by recent Supreme Court decisions which have upheld the constitutionality of postaccident testing without the need for a showing of individualized suspicion. I have long been convinced that given the compelling need to protect public safety, a carefully crafted testing program, including the use of random testing, would be found to be constitutional.

Mr. President, if we are serious about winning the war on drugs and alcohol abuse, then it is time that we bring up the heavy artillery to this battle front. I urge my colleagues to join us in supporting once again this essential safety legislation. I further urge my House counterparts to resolve to act in a comprehensive fashion to approve this multimodel testing program for the rail, aviation, and motor carrier industries.

Mr. DANFORTH. Mr. President, today we are asking the Senate to send the Hollings-Danforth drug and alcohol testing legislation to the House for the fifth time—this time in the form of S. 561.

S. 561 provides for five types of drug and alcohol testing for airline and railroad crews and commercial drivers of trucks and buses; preemployment, periodic, postaccident, reasonable cause and random testing.

The bill also provides that testing follow HHS guidelines to protect employee rights and ensure the accuracy of test procedures and analysis. Initial screening tests must be followed up by highly reliable confirmatory tests by laboratories that meet rigorous certification standards.

Similar testing provisions were approved twice by the Senate during the 100th Congress—once by voice vote, and once by a rollcall vote of 83 to 7. The House refused to accept them.

Identical legislation has been approved by the Senate twice during this Congress. First, our drug and alcohol testing provisions were included as an amendment to H.R. 3015, the Department of Transportation appropriations bill. Later they were approved as part of S. 1735, which was introduced and passed by the Senate after the House refused to conference on H.R. 3015 unless the Senate agreed to consider such provisions in a separate bill.

While action has been delayed, evidence of the deadly consequences of substance abuse in transportation continues to mount.

TRUCKDRIVERS

Last October, near Fort Hancock, TX, a truckdriver forced several motorists off the road, killing a woman. After shooting a police officer, the driver tried to run him over with his truck. Police said the driver was on drugs.

Last December, a tractor-trailer driver went on an 80-mile rampage down Interstate 10 in San Antonio. He crashed into more than 20 vehicles and seriously injured two people. The driver was disoriented and the police filed drug charges after finding cocaine in his cab.

RAILROAD WORKERS

The Federal Railroad Administration reports that one or more railroad employees have tested positive for alcohol or drug use after 13 accidents so far this year.

AVIATION PERSONNEL

On February 1, 1989, the National Transportation Safety Board ruled that one cause of the January 1988 crash of a commuter plane near Durango, CO, was the pilot's cocaine use. Nine people died in that crash.

Since the Department of Transportation [DOT] started its own employee testing program in September 1987, 114 air traffic controllers have been removed from their safety sensitive positions after testing positive for drug use.

Last month, USAir flight 5050 flew into the East River. The pilot and copilot avoided any effective drug or alcohol testing by disappearing for 36 hours.

DRUG AND ALCOHOL TESTING OF TRANSPORTATION WORKERS NEEDS TO BE THE LAW

Last year, DOT published rules to require testing for drugs, but not alcohol, starting in December. This week DOT is publishing an Advance Notice of Proposed Rulemaking to determine whether alcohol testing is necessary.

DOT should not need a 6-month prerule process to answer that question. Alcohol is the drug of choice for many transportation professionals. During Commerce Committee hearings last year, the engineer and brakeman of the Conrail train that caused the Chase, MD, tragedy testified that railroad workers often drink beer on the locomotive, as much as a case per person per day.

The Airline Pilots Association has admitted that 800 of its pilots have entered alcohol rehabilitation. DOT's inspector general found that 10,300 airmen, including 500 commercial pilots, had their drivers' licenses suspended for drunk driving convictions.

This week, DOT also will publish a Federal Register notice deferring indefinitely the implementation of its rule requiring random and postaccident drug testing in the motor carrier industry. This action arises from the extension in October of a temporary stay against such testing issued by the Ninth Circuit Court in San Francisco.

Enactment of S. 561 will put the court on notice that we will not tolerate further delays in the implementation of drug and alcohol testing in the transportation industry. We need postaccident testing to ensure that drugged or drunk transportation workers are removed from safety sensitive positions before they cause further destruction or death.

We need random testing because it works. Since the Coast Guard started random testing in 1983, it has seen a drop in the numbers of individuals testing positive from 10.3 to 2.8 percent in 1988. After the Department of Defense instituted testing, positive test results for military personnel dropped from 27 percent in 1980 to 4.8 percent in 1988.

What we do not need is more evidence, more tragedies. Drug and alcohol testing for transportation workers needs to become law. American lives depend on it. I urge my colleagues to support S. 561.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

BILL PLACED ON CALENDAR—H.R. 2144

Mr. MITCHELL. Mr. President, I ask unanimous consent that H.R. 2144, the Urban and Community Forestry

Act of 1989, just received from the House, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

NIOBRARA RIVER SCENIC RIVER DESIGNATION ACT

Mr. MITCHELL. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of Calendar Item No. 332, S. 280, a bill to amend the Wild and Scenic Rivers Act by designating a segment of the Niobrara River in Nebraska as a component of the National Wild and Scenic Rivers System.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 280) to amend the Wild and Scenic Rivers Act by designating a segment of the Niobrara River in Nebraska as a component of the National Wild and Scenic Rivers System.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Energy and Natural Resources with an amendment to strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Niobrara River Scenic River Designation Act of 1989".

SEC. 2. DESIGNATION OF RIVER.

Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)), as amended, is further amended by adding at the end thereof the following:

"(111) NIOBRARA, NEBRASKA.—(A) The 40-mile segment from Borman Bridge southeast of Valentine to its confluence with Chimney Creek and the 30-mile segment from the river's confluence with Rock Creek to the bridge crossing the Niobrara on State Highway 137; both segments to be administered by the Secretary of the Interior, in consultation with the Niobrara Scenic River Advisory Council established pursuant to subparagraph (F), as scenic rivers.

"(B) After consultation with the Niobrara Scenic River Advisory Council, State and local governments, and with the interested public, and within two years after the date of enactment of this Act, the Secretary shall prepare a comprehenisive management plan for the designated river segments pursuant to subsection (d) of this Act. In addition to those values specified in subsection (d), the plan shall provide for the protection of the pastoral landscape, and the established farming and ranching lifestyles.

"(C)(i) The authority of the Secretary to acquire lands in fee for purposes of this paragraph shall be limited to acquisition by donation or purchase with the consent of the owner. The Secretary may acquire easements for purposes of this paragraph in accordance with section 6 of this Act except that easements acquired by condemnation shall not affect more than 5 percent of the privately owned land within the designated river corridors and easements may be acquired by condemnation only if—

"(1) activities are occurring or threatening to occur which pose a significant threat to the values for which the river was protected, or

"(2) the easements to be acquired are reasonably necessary to give the public access to the river and to permit its members to traverse the length of the area or selected segments thereof.

"(ii) Notwithstanding any provision of this paragraph, easements acquired for providing river access to the public may only be acquired with the consent of the owner when the interest in land to be acquired is—

"(1) within one-quarter mile of a residence and adjacent to the Berry Bridge, Allen Bridge, Brewer Bridge, Rockford Bridge, Norden Bridge, Highway 183 Bridge, Riverview Bridge, Carns Bridge, or Highway 137 Bridge; or

"(2) located between the Borman Bridge and the Cornell Dam.

Any such easement shall provide for day use only.

"(iii) With the river corridors designated by this paragraph, the Secretary shall not acquire subsurface rights, including but not limited to oil and gas rights, without the consent of the owner. Exploration for the development of oil and gas shall be permitted pursuant to section 9 of this Act and applicable law.

"(D) The Secretary is authorized to enter into cooperative agreements with local units of government for maintenance of existing access and other roads within the designated river corridors.

"(E) The Secretary is further authorized to contribute to the costs of instituting conservation and streambank erosion control practices on private land within the river corridors which will enhance the scenic or natural values of the river segments or contribute to the protection of established bridges, and resources which are of historical or archaeological significance within the river corridors.

"(F)(i) In order to carry out the provisions of this paragraph, the Secretary shall establish the Niobrara Scenic River Advisory Council (Advisory Council) to consist of eleven members appointed by the Secretary—

"(1) three of whom shall be owners of farm or ranch property within the upper portion of the designated river corridor between the Borman Bridge and the Meadville Bridge;

"(2) three of whom shall be owners of farm or ranch property within the lower portion of the designated river corridor between the Meadville Bridge and the bridge on Highway 137;

"(3) one of whom shall be a canoe outfitter who operates within the river corridors;

"(4) one of whom shall be chosen from a list submitted by the Governor of Nebraska;

"(5) two of whom shall be representatives of the affected county governments or natural resources districts; and

"(6) one of whom shall be a representative of a conservation organization who shall have knowledge and experience in river conservation.

At least five of the six landowners appointed to the Advisory Council pursuant to phrases (1) and (2) shall be residents of Brown, Cherry, Keya Paha, or Rock Counties.

"(ii) The term of appointment to the Advisory Council shall be five years and no individual shall serve more than two terms.

"(iii) The Secretary shall consult with the Advisory Council in the development and review of the management plan prepared pursuant to subparagraph (B) and in the formulation and review of subsequent plans including annual operation and maintenance plans.

"(iv) The Secretary shall designate one of the members of the Advisory Council, who is a permanent resident of Brown, Cherry, Keya Paha, or Rock Counties, to serve as Chairperson. Vacancies on the Advisory Council shall be filled in the same manner in which the original appointment was made. Members of the Advisory Council shall serve without compensation, but the Secretary is authorized to pay expenses reasonably incurred by the Advisory Council in carrying out its responsibilities under this Act on vouchers signed by the Chairperson.

"(G)(i) Except as provided by subparagraph (C), nothing in this Act shall prohibit current or future uses of privately owned land within the river corridors, including agricultural and livestock operations, timber management practices, operation of private campgrounds, hunting, fishing, camping, accessing private property, construction of facilities or structures, and repair or replacement of residences, farmsteads, agricultural or recreational facilities, bridges, or fish hatcheries.

"(ii) Nothing in this Act shall prohibit the continued operation and maintenance of the Cornell Dam.

"(H) There are hereby authorized to be appropriated $3,500,000 for acquisition of lands and interests therein, and $1,000,000 for purposes authorized by subparagraphs (D), (E), and (F). Funds authorized pursuant to this paragraph shall be available only to the extent and in such amounts as are provided in advance in Appropriation Acts.".

SEC. 3. STUDY OF RIVER SEGMENT.

Section 5(a) of the Wild and Scenic Rivers Act, as amended (16 U.S.C. 1276(a)), as amended, is further amended by adding the following new paragraph:

"(106) NIOBRARA, NEBRASKA.—The 6-mile segment of the river from its confluence with Chimney Creek to its confluence with Rock Creek. The study authorized in this paragraph shall include an analysis of alternative methods of protecting the values and natural resources of the river. The study authorized in this paragraph shall be completed not later than one year from the date of enactment of this paragraph.".

Mr. EXON. Mr. President, S. 280 provides meaningful protection to a very beautiful area of Nebraska. After lots of hard work and compromise, it is a well-balanced bill that recognizes the need to protect those things in life that are worth protecting; those places that might otherwise be lost to the vagaries of the busy world in which we live.

The section of the river protected under this bill is a biological crossroads where the low plains meet the high plains. The natural beauty of its water, its ponderosa pines, its waterfalls, and its cliffs have made it a favorite for many throughout Nebraska and the Nation. It is truly a canoeist's and outdoors persons' paradise. With this protection, we can be assured those things that make it special will be protected for years to come.

God's beautiful and unblemished gift to mankind must not be subject to

desecration. This bill assures the true "jewel" of northern Nebraska will live.

Mr. President, I was in the Niobrara River Valley again not long ago. My visit reaffirmed my commitment to see it protected. It is a place I want Nebraska's children and grandchildren and those that follow them to see and enjoy as our Maker created it.

Passage of S. 280 is the right thing to do and I am glad this body is about to move forward to protect the Niobrara. I look forward to working with my colleagues in the House of Representatives to pass similar legislation already introduced there to accomplish the same.

I thank my colleagues, Senator KERREY and Representative PETER HOAGLAND for their enthusiastic support for this important environmental legislation. I also salute the sizable Nebraska citizens group headed by Dick Spelts of Grand Island, NE, for their valued assistance.

Mr. KERREY. Mr. President, I am pleased to join Senator EXON today in supporting S. 280, a bill that will finally provide Nebraska's Niobrara River with the designation that it deserves. S. 280 grants scenic status to the Niobrara and marks the culmination of years of hard work and give and take between the various interests involved in this issue. It is also a tribute to the local landowners and others who have pushed to protect this natural treasure for all Nebraskans and for future generations.

The Niobrara River Valley is a unique setting in the Great Plains. It marks an ecological crossroads where the ponderosa forests of our country's West meet the broad leaf forests of the East. Its canyons hold birch trees that are a living remnant island of the Northern Boreal Forest from the last glacial period. The Niobrara has been one of our country's richest sources of information on the ancient species that roamed the North American Continent.

I have on numerous occasions done what thousands of Nebraskans and Nebraska visitors have done: canoed the Niobrara. In our State this river is unparalleled as a recreational river.

I am pleased that we have managed to work out a version of this bill that is sensitive to the various interests, while protecting existing land uses and the way of life of Nebraska families who have lived in that region for generations.

I also want to commend Senator EXON for his leadership on this bill. Without him the Niobrara River would not receive the protection it deserves. I look forward to similar action in the House where a similar bill has been introduced by Representative PETER HOAGLAND.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 1094

(Purpose: To make a technical correction in S. 280 as reported from the Committee on Energy and Natural Resources)

Mr. MITCHELL. Mr. President, on behalf of Senator JOHNSTON, I send a technical amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine (Mr. MITCHELL), for Mr. JOHNSTON, proposes an amendment numbered 1094.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 11, line 2, strike "With" and insert in lieu thereof "Within".

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Louisiana.

The amendment (No. 1094) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 280) as amended was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 280

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Niobrara River Scenic River Designation Act of 1989".

SEC. 2. DESIGNATION OF RIVER.

Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)), as amended, is further amended by adding at the end thereof the following:

"(111) NIOBRARA, NEBRASKA.—(A) The 40-mile segment from Borman Bridge southeast of Valentine to its confluence with Chimney Creek and the 30-mile segment from the river's confluence with Rock Creek to the bridge crossing the Niobrara on State Highway 137; both segments to be administered by the Secretary of the Interior, in consultation with the Niobrara Scenic River Advisory Council established pursuant to subparagraph (F), as scenic rivers.

"(B) After consultation with the Niobrara Scenic River Advisory Council, State and local governments, and with the interested public, and within two years after the date of enactment of this Act, the Secretary shall prepare a comprehensive management plan for the designated river segments pursuant to subsection (d) of this Act. In addition to those values specified in subsection (d), the plan shall provide for the protection of the pastoral landscape, and the established farming and ranching lifestyles.

"(C)(i) The authority of the Secretary to acquire lands in fee for purposes of this paragraph shall be limited to acquisition by donation or purchase with the consent of the owner. The Secretary may acquire easements for purposes of this paragraph in accordance with section 6 of this Act except that easements acquired by condemnation shall not affect more than 5 percent of the privately owned land within the designated river corridors and easements may be acquired by condemnation only if—

"(1) activities are occurring or threatening to occur which pose a significant threat to the values for which the river was protected or;

"(2) the easements to be acquired are reasonably necessary to give the public access to the river and to permit its members to traverse the length of the area or selected segments thereof.

"(ii) Notwithstanding any provision of this paragraph, easements acquired for providing river access to the public may only be acquired with the consent of the owner when the interest in land to be acquired is—

"(1) within one-quarter mile of a residence and adjacent to the Berry Bridge, Allen Bridge, Brewer Bridge, Rockford Bridge, Norden Bridge, Highway 183 Bridge, Riverview Bridge, Carns Bridge, or Highway 137 Bridge; or

"(2) located between the Borman Bridge and the Cornell Dam.

Any such easement shall provide for day use only.

"(iii) Within the river corridors designated by this paragraph, the Secretary shall not acquire subsurface rights, including but not limited to oil and gas rights, without the consent of the owner. Exploration for and the development of oil and gas shall be permitted pursuant to section 9 of this Act and applicable law.

"(D) The Secretary is authorized to enter into cooperative agreements with local units of government for maintenance of existing access and other roads within the designated river corridors.

"(E) The Secretary is further authorized to contribute to the costs of instituting conservation and streambank erosion control practices on private land within the river corridors which will enhance the scenic or natural values of the river segments or contribute to the protection of established bridges, and resources which are of historical or archaeological significance within the river corridors.

"(F)(i) In order to carry out the provisions of this paragraph, the Secretary shall establish the Niobrara Scenic River Advisory Council (Advisory Council) to consist of eleven members appointed by the Secretary—

"(1) three of whom shall be owners of farm or ranch property within the upper portion of the designated river corridor between the Borman Bridge and the Meadville Bridge;

"(2) three of whom shall be owners of farm or ranch property within the lower portion of the designated river corridor between the Meadville Bridge and the bridge on Highway 137;

"(3) one of whom shall be a canoe outfitter who operates within the river corridors;

"(4) one of whom shall be chosen from a list submitted by the Governor of Nebraska;

"(5) two of whom shall be representatives of the affected county governments or natural resources districts; and

"(6) one of whom shall be a representative of a conservation organization who shall have knowledge and experience in river conservation.

At least five of the six landowners appointed to the Advisory Council pursuant to phrases (1) and (2) shall be residents of Brown, Cherry, Keya Paha, or Rock Counties.

"(ii) The term of appointment to the Advisory Council shall be five years and no individual shall serve more than two terms.

"(iii) The Secretary shall consult with the Advisory Council in the development and review of the management plan prepared pursuant to subparagraph (B) and in the formulation and review of subsequent plans including annual operation and maintenance plans.

"(iv) The Secretary shall designate one of the members of the Advisory Council, who is a permanent resident of Brown, Cherry, Keya Paha, or Rock Counties, to serve as Chairperson. Vacancies on the Advisory Council shall be filled in the same manner in which the original appointment was made. Members of the Advisory Council shall serve without compenation, but the Secretary is authorized to pay expenses reasonably incurred by the Advisory Council in carrying out its responsibilities under this Act on vouchers signed by the Chairperson.

"(G)(i) Except as provided by subparagraph (C), nothing in this Act shall prohibit current or future uses of privately owned land within the river corridors, including agricultural and livestock operations, timber management practices, operation of private campgrounds, hunting, fishing, camping, accessing private property, construction of facilities or structures, and repair or replacement of residences, farmsteads, agricultural or recreational facilities, bridges, or fish hatcheries.

"(ii) Nothing in this Act shall prohibit the continued operation and maintenance of the Cornell Dam.

"(H) There are hereby authorized to be appropriated $3,500,000 for acquisition of lands and interests therein, and $1,000,000 for purposes authorized by subparagraphs (D), (E), and (F). Funds authorized pursuant to this paragraph shall be available only to the extent and in such amounts as are provided in advance in Appropriation Acts.".

SEC. 3. STUDY OF RIVER SEGMENT.

Section 5(a) of the Wild and Scenic Rivers Act, as amended (16 U.S.C. 1276(a)), as amended, is further amended by adding the following new paragraph:

"(106) NIOBRARA, NEBRASKA.—The 6-mile segment of the river from its confluence with Chimney Creek to its confluence with Rock Creek. The study authorized in this paragraph shall include an analysis of alternatives methods of protecting the values and natural resources of the river. The study authorized in this paragraph shall be completed not later than one year from the date of enactment of this paragraph.".

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION .AUTHORIZATION ACT, FISCAL YEAR 1990

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar item No. 284, S. 916, a bill to authorize appropriations for the National Aeronautics and Space Administration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 916) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike all after the enacting clause and insert the following:

That this Act may be cited as the "National Aeronautics and Space Administration Authorization Act, Fiscal Year 1990".

TITLE I—FISCAL YEAR 1990 NASA AUTHORIZATION

NASA AUTHORIZATION

SEC. 101. (a) There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1989, for "Research and development", for the following programs:

(1) Space Station Freedom, $2,050,200,000, of which $80,000,000 is authorized only for development of the flight telerobotic servicer.

(2) Space transportation capability development, $635,500,000, of which $6,000,000 is authorized only for the Advanced Communications Technology Satellite upper stage development, plus such additional funds as may be transferred to the Administration from any other agency pursuant to a fiscal year 1990 appropriations Act.

(3) Physics and astronomy, $894,500,000, of which $25,000,000 is authorized only for the Gravity Probe B space shuttle flight experiment.

(4) Life sciences, $122,700,000.

(5) Planetary exploration, $396,900,000, of which $30,000,000 is authorized only for the CRAF and CASSINI missions if a cost containment plan is formulated for those missions and submitted to the Committee on Commerce, Science, and Transportation of the Senate, to the Committee on Science, Space, and Technology of the House of Representatives, and to the Committees on Appropriations of the Senate and House of Representatives.

(6) Space applications, $625,500,000, of which $62,000,000 is authorized only for the Advanced Communications Technology Satellite and $10,000,000 is authorized only for the Total Ozone Mapping Spectrometer.

(7) Earth Observing System of Mission to Planet Earth, $24,200,000 in order to complete Phase B activities and to initiate Phase C/D of this program in fiscal year 1990.

(8) Technology utilization, $22,700,000.

(9) Commercial use of space, $38,300,000.

(10) Aeronautical research and technology, $462,800,000, of which $25,000,000 is authorized only for the initiation of the environmental technologies research required for a high speed commercial transport and $10,000,000 is authorized only for the initiation of a high performance computer initiative.

(11) Transatmospheric research and technology, $127,000,000, if a new National Aerospace Plane management plan is submitted to the Committee on Commerce, Science, and Transportation and Committee on Armed Services of the Senate and to the Committee on Science, Space, and Technology and Committee on Armed Services of the House of Representatives within 60 days after the date of enactment of this Act.

(12) Space research and technology, $325,100,000.

(13) Safety, reliability, maintainability, and quality assurance, $23,300,000.

(14) Tracking and data advanced systems, $19,900,000.

(15) University Space Science and Technology Academic Program, $35,000,000, of which $5,000,000 is authorized only for the National Space Grant College and Fellowship Program.

Notwithstanding paragraphs (1) through (15), the total amount authorized by this subsection shall not exceed $5,786,600,000.

(b) There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1989, for "Space flight, control and data communications", for the following programs:

(1) Space shuttle production and operational capability, $1,305,300,000, of which $121,300,000 is authorized only for development of an advanced solid rocket motor and of which such sums as may be necessary are authorized to ensure a safe, reliable space shuttle and an extended duration orbiter capability.

(2) Space transportation operations, $2,732,200,000.

(3) Space and ground network, communications and data systems, $1,077,100,000.

Notwithstanding paragraphs (1) through (3), the total amount authorized by this subsection shall not exceed $5,104,600,000.

(c) There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1989, for "Construction of facilities", including land acquisition, as follows:

(1) Construction of addition for Space Systems Automated Integration and Assembly Facility, Johnson Space Center, $10,500,000.

(2) Construction of addition to Mission Control Center, Johnson Space Center, $17,800,000.

(3) Construction of addition to Simulator/Training Facility, Johnson Space Center, $3,800,000.

(4) Modifications for Expanded Solar Simulation, Johnson Space Center, $2,000,000.

(5) Modifications of Process Technology Facility for Space Station, Marshall Space Flight Center, $4,000,000.

(6) Replacement of Cooling Towers, Launch Complex 39 Utility Annex, Kennedy Space Center, $4,600,000.

(7) Replacement of Launch Complex 39, Pad A Chillers and Controls, Kennedy Space Center, $1,200,000.

(8) Replacement of Roofs, Launch Complex 39, Kennedy Space Center, $11,000,000.

(9) Replacement of Vehicle Assembly Building Air Handling Units, Kennedy Space Center, $1,800,000.

(10) Upgrading of Orbiter Modification and Refurbishment Facility to Orbiter Processing Facility 3, Kennedy Space Center, $26,000,000.

(11) Modifications of High Pressure Industrial Water System, Stennis Space Center, $2,000,000.

(12) Replacement of High Pressure Gas Storage Vessels, Stennis Space Center, $3,000,000.

(13) Construction of natural resource protection at various locations, $3,800,000.

(14) Refurbishment of bridges, Merritt Island, Kennedy Space Center, $4,500,000.

(15) Rehabilitation of Spacecraft Assembly and Encapsulation Facility II, Kennedy Space Center, $3,500,000.

(16) Rehabilitation of Central Heating/Cooling Plant, Johnson Space Center, $2,800,000.

(17) Construction of Data Operations Facility, Goddard Space Flight Center, $12,000,000.

(18) Construction of Quality Assurance and Detector Development Laboratory, Goddard Space Flight Center, $7,500,000.

(19) Modernization of South Utility Systems, Jet Propulsion Laboratory, $5,400,000.

(20) Construction of 40 x 80 Drive Motor Roof, Ames Research Center, $1,000,000.

(21) Modifications to Thermo-Physics Facilities, Ames Research Center, $4,600,000.

(22) Modifications to 14 x 22 Subsonic Wind Tunnel, Langley Research Center, $1,000,000.

(23) Modifications to National Transonic Facility for Productivity, Langley Research Center, $7,600,000.

(24) Modifications to 20-Foot Vertical Spin Tunnel, Langley Research Center, $1,900,000.

(25) Rehabilitation of Central Air Systems, Lewis Research Center, $2,400,000.

(26) Rehabilitation of Central Refrigeration Equipment, Lewis Research Center, $7,200,000.

(27) Rehabilitation of 8 x 6 Supersonic and 9 x 15 Low-Speed Wind Tunnels, Lewis Research Center, $6,800,000.

(28) Rehabilitation of Hypersonic Tunnel, Plum Brook, $4,100,000.

(29) Repair and Modernization of the 12-Foot Pressure Wind Tunnel, Ames Research Center, $27,600,000.

(30) Construction of Automation Sciences Research Facility, Ames Research Center, $10,600,000.

(31) Construction of Supersonic/Hypersonic Low Disturbance Tunnel, Langley Research Center, $6,900,000.

(32) Modifications for Seismic Safety, Goldstone, California, Jet Propulsion Laboratory, $2,600,000.

(33) Repair of facilities at various locations, not in excess of $750,000 per project, $28,000,000.

(34) Rehabilitation and modification of facilities at various locations, not in excess of $750,000 per project, $36,000,000.

(35) Minor construction of new facilities and additions to existing facilities at various locations, not in excess of $500,000 per project, $10,000,000.

(36) Environmental compliance and restoration, $30,000,000.

(37) Facility planning and design not otherwise provided for, $26,300,000.

(d) There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1989, for "Research and program management", $2,032,200,000.

(e) There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1989, for "Inspector General", $8,795,000.

(f) Notwithstanding the provisions of subsection (i), appropriations authorized in this Act for "Research and development" and "Space flight, control and data communications" may be used (1) for any items of a capital nature (other than acquisition of land) which may be required at locations other than installations of the National Aeronautics and Space Administration for the performance of research and development contracts, and (2) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities; and title to such facilities shall be vested in the United States unless the Administrator of the National Aeronautics and Space Administration (hereinafter referred to as the "Administrator") determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to ensure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research and development" and "Space flight, control and data communications" pursuant to this Act may be used in accordance with this subsection for the construction of any major facility, the estimated cost of which, including collateral equipment, exceeds $500,000, unless the Administrator or the Administrator's designee has notified the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives of the nature, location, and estimated cost of such facility.

(g) When so specified and to the extent provided in appropriations Acts, (1) any amount appropriated for "Research and development", for "Space flight, control and data communications", or for "Construction of facilities" may remain available without fiscal year limitation, and (2) contracts may be entered into under the "Research and program management" appropriation for maintenance and operation of facilities and for other services for periods not in excess of 12 months beginning at any time during the fiscal year.

(h) Appropriations made pursuant to subsection (d) may be used, but not to exceed $35,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator, and the Administrator's determination shall be final and conclusive upon the accounting officers of the Government.

(i)(1) Funds appropriated pursuant to subsections (a), (b), and (d) may be used for the construction of new facilities and additions to, repair of, rehabilitation of, or modification of existing facilities, except that the cost of each such project, including collateral equipment, shall not exceed $100,000.

(2) Funds appropriated pursuant to subsections (a) and (b) may be used for unforeseen programmatic facility project needs, except that the cost of each such project, including collateral equipment, shall not exceed $500,000.

(3) Funds appropriated pursuant to subsection (d) may be used for repair, rehabilitation, or modification of facilities controlled by the General Service Administration, except that the cost of each project, including collateral equipment, shall not exceed $500,000.

ADMINISTRATOR'S REPROGRAMMING AUTHORITY

SEC. 102. Authorization is granted whereby any of the amounts prescribed in section 101(c) (1) through (37)—

(1) in the discretion of the Administrator or the Administrator's designee, may be varied upward by 10 percent, or

(2) following a report by the Administrator or the Administrator's designee to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives on the circumstances of such action, may be varied upward by 25 percent, to meet unusual cost variations.

The total cost of all work authorized under paragraphs (1) and (2) shall not exceed the total of the amounts specified in section 101(c).

SPECIAL REPROGRAMMING AUTHORITY FOR CONSTRUCTION OF FACILITIES

SEC. 103. Where the Administrator determines that new developments or scientific or engineering changes in the national program of aeronautical and space activities have occurred; and that such changes require the use of additional funds for the purposes of construction, expansion, or modification of facilities at any locations; and that deferral of such action until the enactment of the next authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities; the Administrator may transfer not to exceed one-half of one percent of the funds appropriated pursuant to section 101 (a) and (b) to the "Construction of facilities" appropriation for such purposes. The Administrator may also use up to $10,000,000 of the amounts authorized under section 101(c) for such purposes. The funds so made available pursuant to this section may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No such funds may be obligated until a period of 30 days has passed after the Administrator or the Administrator's designee has transmitted to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives a written report describing the nature of the construction, its cost, and the reasons therefor.

LIMITATIONS ON AUTHORITY

SEC. 104. Notwithstanding any other provision of this Act—

(1) no amount appropriated pursuant to this Act may be used for any program deleted by the Congress from requests as originally made to either the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Science, Space, and Technology of the House of Representatives;

(2) no amount appropriated pursuant to this Act may be used for any program in

excess of the amount actually authorized for that particular program by section 101 (a), (b), and (d); and

(3) no amount appropriated pursuant to this Act may be used for any program which has not been presented to either such committee,

unless a period of 30 days has passed after the receipt by each such committee, of notice given by the Administrator or the Administrator's designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

PRIVATELY FINANCED FACILITY PROJECTS

SEC. 105. Title III of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451 et seq.) is amended by adding at the end the following new section:

"PRIVATELY FINANCED FACILITY PROJECTS

"SEC. 312. Notwithstanding the provisions of any other law, the Administration is authorized to enter into contracts, leases, or agreements providing for private financing of the Space Station Processing Facility at the Kennedy Space Center, the Neutral Buoyancy Laboratory at the Johnson Space Center, and the Observational Instrument Laboratory at the Jet Propulsion Laboratory for the use of the Administration, its contractors, or its subcontractors, except that—

"(1) such authorization may not be utilized unless the Administrator determines that such privately financed construction or modification is in the best interests of the Government and results in net cost savings to the Government;

"(2) no project considered for private financing shall be initiated unless the Administration has submitted to the Committee on Commerce, Science, and Transportation of the Senate, the Committee on Science, Space, and Technology of the House of Representatives, and the Committees on Appropriations of the Senate and House of Representatives a notice of intent to initiate the project, along with a description of the project, and thirty days have passed after such submission; and

"(3) if, pursuant to this section, the Administrator authorizes privately financed construction or modification, the Administration is authorized, notwithstanding any provision of law to the contrary, to assume in the resulting contract, lease, or agreement contingent liability in excess of available appropriations relating to the Government's potential termination for its convenience of such contract, lease, or agreement, if such contract, lease, or agreement limits the amount of the payments that the Federal Government is allowed to make under such contract, lease, or agreement to amounts to be provided in advance in appropriations Acts.".

GEOGRAPHICAL DISTRIBUTION

SEC. 106. It is the sense of the Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds whenever feasible, and that the National Aeronautics and Space Administration should explore ways and means of distributing its research and development funds whenever feasible.

PEACEFUL USES OF SPACE STATION

SEC. 107. No civil space station authorized under section 101(a)(1) of this Act may be used to carry or place in orbit any nuclear weapon or any other weapon of mass destruction, to install any such weapon on any celestial body, or to station any such weapon in space in any other manner. This civil space station may be used only for peaceful purposes.

SMALL BUSINESS INNOVATION RESEARCH PROGRAM

SEC. 108. The Administrator of the National Aeronautics and Space Administration may utilize up to five percent of the funds provided for the Small Business Innovation Research Program for program management and promotional activities.

EXPORTS OF UNITED STATES-BUILT SATELLITES

SEC. 109. It is the sense of the Congress that the current prohibition on the export of United States-built satellites to the Soviet Union for launch on rockets of the Soviet Union shall continue to be the policy of the United States and that the policy shall be expanded to prohibit the export of United States-built satellites to other nations for launch on rockets of the Soviet Union.

TITLE II—COMMERCIAL SPACE LAUNCH ACT

AUTHORIZATION FOR SECRETARY OF TRANSPORTATION

SEC. 201. Section 24 of the Commercial Space Launch Act (49 App. U.S.C. 2623) is amended to read as follows:

"AUTHORIZED APPROPRIATIONS

"SEC. 24. There is authorized to be appropriated to the Secretary to carry out this Act $4,392,000 for fiscal year 1990. Sums appropriated for research and development shall remain available until expended.".

TITLE III—NATIONAL SPACE COUNCIL

COUNCIL AUTHORIZATION

SEC. 301. There is authorized to be appropriated to carry out the activities of the National Space Council established by section 501 of the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1989 (42 U.S.C. 2471), $1,200,000 for fiscal year 1990.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

(By request of Mr. MITCHELL, the following statement was ordered to be printed in the RECORD:)

● Mr. GORE. Mr. President, the bill that stands before the Senate today authorizes appropriations for fiscal year 1990 for the National Aeronautics and Space Administration, the Department of Transportation's Office of Commercial Space Transportation, and the National Space Council.

This bill is the result of many hours of meetings, many weeks of hearings, and many hours of deliberations.

Mr. President, realizing the fact the fiscal year 1990 VA, HUD, independent agencies appropriations bill that appropriates funds for NASA has already passed the Senate and is in conference with the House, some Members might ask why the Senate Commerce Committee is bringing the authorization bill to the floor at this late date.

The answer to that question comes in three parts.

First, and most important, the bill before the Members today gives the Members the committee's best estimate of the real fiscal year 1990 budget requirements of NASA and the committee's best judgment as to the mix of programs that are required to retain U.S. technological leadership in space.

The bill before the Members today was not constrained in its formulation by an inadequate 302(b) allocation that forced deep and troubling cuts in NASA by the Appropriations Committee.

The bill before the Senate today informs this body of the minimum level of funding required if we are to implement the Civil Space Program that we all espouse and support.

Second, the bill before the Senate includes a variety of policy matters that require legislation. It establishes cost containment measures for NASA's fiscal year 1990 new start in space science, the CRAF/Cassini mission; it includes language that permits the private financing of three NASA facilities provided that such a proposal results in a net cost savings to the Federal Government; it includes a provision that would extend the current limitation on the launch of United States-built satellites on Soviet launch vehicles in the Soviet Union to the launch of such satellites on Soviet launch vehicles in other countries; and a provision that makes the committee's support of the national aerospace plane contingent upon the submission of a joint NASA/DOD management plan for this program.

Furthermore, the committee intends to offer four floor amendments today that would clarify existing legislation regarding the National Space Grant College and Fellowship Program, give the National Space Council much needed staffing and administrative authorities, bring the bill's private financing proposal into compliance with the Budget Act, and clarify its language on the Small Business Innovation Research Program to make it clear that none of these funds may be used for travel or civil service salaries.

Simply put, the authorizing committees still have a very important policy role to play, and this bill includes many provisions that are required if the committee is to fulfill its obligations and if NASA and the National Space Council are to be able to carry out their missions.

Third, and finally, since the National Aeronautics and Space Administration was established in 1958, there has only been 1 year when a NASA authorization bill was not enacted, and that was in 1987 when President Reagan vetoed the final bill because he objected to the establishment of the National Space Council.

Mr. President, that is a laudable record, and a record that this subcommittee chairman intends to keep intact.

I realize that in the current environment, it is hard to get an authoriza-

tion bill through the system. And, I realize that there are substantial differences between the proposed Senate authorization bill for NASA and the recently passed House version of the bill. But, it is important for the Congress to continue to enact authorization bills because these bills are the primary vehicles for congressional policy formulation and because these bills have become credible barometers of the real resource requirements of the Federal agencies. In a time of severely constrained budgets, the Senate's authorization committees have adopted a fiscal discipline of their own, and in many instances that has resulted in an excellent working relationship with their counterparts on the Appropriations Committee.

For the last decade, we have been trying to do things in the Civil Space Program on the cheap or with inadequate resources—budgetary, personnel, facilities, and equipment. And I am here to tell you that if the administration does not get more honest about the budget and resource requirements of NASA and if the Congress cannot provide the necessary resources to implement the proposed Civil Space Program, the Congress in the future is going to be required to terminate ongoing programs and projects and to reject new starts. And that would be a terrible situation and a tragic event. Unfortunately, the realities of Gramm-Rudman-Hollings conflict with the dreams and visions of the Space Program.

Mr. President, I ask unanimous consent to print in the RECORD a summary of the major provisions included in S. 916, a table that summarizes the budget provisions, and a section-by-section analysis.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OF MAJOR PROVISIONS

For FY 1990, the Committee would authorize $13,273,995,000 for NASA, $4,392,000 for the Office of Commercial Space Transportation in DOT and $1,200,000 for the National Space Council. Of the amount authorized for NASA, $5,786,600,000 is authorized for research and development, $5,104,600,000 for space flight, control and data communications, $341,800,000 for construction of facilities, $2,032,200,000 for research and program management, and $8,795,000 for the activities of the Inspector General's Office.

A. TITLE I—NASA AUTHORIZATIONS

Space station

The reported bill provides full funding for the space station (known as "Space Station Freedom") in FY 1990, $2,050,200,000, as a signal of its commitment to the program and to the agreement with our international partners. There is a concern with the pace of the space station program and with the inability of the Congress to provide adequate funds for this Presidential initiative. Unless the Congress is willing to recognize this program as a national priority and a budget priority, the Committee is concerned that this program will not be successfully implemented and that the United States will be forced to withdraw from this initiative.

The bill as reported does not include multi-year funding for the space station program, and it does not put a cap of $13,300,000,000 on the program as requested by the Administration. The Committee believes that it would be premature to put a cap on the space station program. As for multi-year funding, while there is a need for multi-year funding and Congress should provide full funding for the program and instruct NASA to manage the program to that cost and the associated schedule, the current budget situation makes full funding highly unlikely. Furthermore, multi-year authorizations may not add stability to the NASA budget or its programs, and multi-year authorizations without multi-year appropriations only serve to minimize the role of the authorization committees in the annual budgetary and policy deliberations.

Space transportation capability

The Space Transportation Capability Development budget of $635,500,000 is $3,500,000 below the President's FY 1990 budget request. This reduction is for activities associated with the integration of the Commercially Developed Space Facility in the space shuttle. The reports of the National Research Council and the National Academy of Public Administration raising questions about this effort both compel the Committee to defer any activities associated with the Commercially Developed Space Facility until a later date.

In addition, NASA will be instructed to absorb the cost of development of the upper stage for the Advanced Communications Technology Satellite (ACTS), $6,000,000, in this account. This should not adversely affect ongoing engineering activities nor should it affect adversely the spacelab or orbital maneuvering vehicle program activities.

Finally, the reported bill assumes authority to NASA to utilize funds transferred from the Department of Defense (DOD) for activities related to the Advanced Launch System program. It is estimated that DOD will transfer $100 million in FY 1990 to NASA for activities associated with this program.

Space science and applications

For Space Science activities, the substitute authorizes $1,414,100,000 in FY 1990—Physics and Astronomy, Life Sciences, and Planetary Exploration—which is $1,500,000 below the level requested in the President's budget request.

The $894,500,000 provided for Physics and Astronomy will support ongoing activities related to the deployment of the Hubble Space Telescope and the Gamma Ray Observatory and to the development of the Global Geospace Science spacecraft and Advanced X-Ray Astrophysics Facility (AXAF). This level of funding fully supports the FY 1990 request for mission operations and data analysis, as well as research and analysis—the lifelines of the university research communities.

The $122,700,000 provided for Life Sciences in FY 1990 is a substantial increase over the FY 1989 baseline of $79,100,000. The substantial increase recommended for life sciences activities is consistent with the Committee's strong support of the space station program and development of an extended duration orbiter capability. If the United States is to increase substantially the level of manned activity in space, it is absolutely essential to have a robust life sciences program.

The $396,900,000 provided in FY 1990 for Planetary Exploration is the full amount requested by the Administration and gives new start status to the CRAF and Cassini missions. The new start approval for the CRAF and Cassini missions is contingent upon the establishment and implementation of a cost containment plan for these two missions. This is intended to ensure that NASA learns to manage projects to cost—the CRAF and Cassini missions offer a unique opportunity to test this new approach. The last space science mission done within cost was Voyager, launched in 1977. NASA has agreed that its inability to contain the cost of the CRAF and Cassini missions would result in the termination of the CRAF mission. NASA also has agreed that the cost containment plan would be based on an annualized basis, as well as a total project cost basis.

For Space Applications activities the substitute authorizes $625,500,000—$420,100,000 for Earth Science and Applications, $90,700,000 for Materials Processing, $80,600,000 for Communications, and $34,100,000 for Information Systems.

For Earth Science and Applications, the reported bill provides $420,100,000 in FY 1990, $10,000,000 more than the President's request. The additional funding provided is to initiate the Earth Probe program as an FY 1990 new start and as a new line item in the NASA budget. The Earth Probe program will consist of a series of Explorer Class missions that will assess the level of ozone depletion, measure tropical rain forests, and monitor the oceans to understand better global change. The first mission to be funded is the Total Ozone Mapping Spectrometer (TOMS).

The reported bill authorizes $90,700,000 for Materials Processing in Space in FY 1990, a reduction of $2,000,000 from the President's request, and $34,100,000 for Information Systems, the same level as requested by the President. The bill also authorizes $80,600,000 for Communications in FY 1990, an increase of $62,000,000 above the President's budget request. The proposed increase in this latter account is to accommodate ACTS, which is strongly endorsed by the Committee. The Committee is concerned that the Administration has failed to fund the Acts program for the fourth straight year despite Congressional support for this program, which is designed to ensure sustained U.S. leadership in communications technology.

Mission to planet Earth

After months of review, the reported bill includes a new line item and instructions to NASA to initiate the Mission to Planet Earth, starting with the Earth Observing System (EOS) in FY 1990. The bill provides $24,200,000 for the initiative, which is the same amount of funding that the Administration proposed for advanced technology definition activities for EOS in FY 1990. The initiation of a Mission to Planet Earth should be viewed as part of a comprehensive Global Change Research Program and as a high national priority and reflects the hope that the Administration will work with the Congress to expedite implementation of this program as proposed in this bill.

Commercial programs/safety and reliability

The reported bill authorizes $61,000,000 for Commercial Programs, $23,300,000 for Safety, Reliability, Maintainability and

Quality Assurance, and $19,900,000 for Tracking and Data Systems—the same levels as the President's request.

Aeronautical research and technology

The reported bill also includes $462,800,000 for Aeronautical Research and Technology, including $25,000,000 to initiate technology efforts related to the development of an environmentally and economically sound high speed commercial transport. This level of funding represents full support for the President's budget request, which assumes funding for a high speed commercial transport and reflects great concern by the Committee about the United States maintaining its lead in aeronautics and a positive balance of trade. However, if a high speed commercial aircraft is to be marketable, it must be environmentally sound. It must be able to meet all existing environmental standards and have enough margin to meet future standards. In light of the growing concern about the ozone layer and other environmental issues, the bill endorses NASA's proposal to focus its technology activities on the critical environmental challenges of a high speed commercial aircraft program.

In the same vein, the bill earmarks $10,000,000 for a high performance computer initiative that will accelerate the development and application of high performance computing technologies. This initiative should consist of the following program elements:

1. massively-parallel scalable testbed facilities; 2. algorithms and advanced software development; and 3. basic research infrastructure.

National aerospace plane

The reported bill authorizes $127,000,000 for Transatmospheric Research and Technology, the National Aerospace Plane (NASP) program, in FY 1990.

This level of funding represents full funding of the Administration's request for the NASA portion of this joint NASA-DOD program. The NASP program is calculated to develop the technologies in materials processing, propulsion systems, and other areas needed to produce a plane capable of taking off from a conventional runway, accelerating into low earth orbit, and then landing conventionally. The Committee sees NASP as crucial to our national effort to maintain and enhance competitiveness in the aerospace industry. Some in Congress fully expect NASP to lay the technological groundwork for major improvements in our military aircraft, an alternative launch system to the space shuttle, and eventually hypersonic commercial transports.

Since NASP is a joint program shared by NASA and DOD, DOD's participation is essential if the program is to produce two experimental aircraft, X-30s, for flight test purposes. In that connection, the Committee is aware of the continuing debate within the Administration about the appropriate role of DOD in the NASP program. However, the Committee wants to do its part in advancing aerospace technology by authorizing full funding for NASA's portion of the NASP program.

The authorization of funds in the reported bill is contingent upon the submission of a revised management plan, including goals, objectives, milestones, and proposed budgets, for the NASP program.

Space research and technology

The reported bill authorizes $325,100,000 for Space Research and Technology in FY 1990. This is $13,000,000 less than the President's budget request. While there continues to be strong support for NASA's efforts to enhance its technology base, due to the extreme budget pressures that exist and NASA's inability to obtain funding for ongoing programs strongly endorsed by the Committee, it is necessary to reduce the FY 1990 budget request for Space Research and Technology. This figure assumes that the Pathfinder Program would be funded at the FY 1989 level of $40 million and that the proposed new start for the In-Space Flight Experiments would be funded at $10,200,000 instead of the $16,200,000 requested.

Academic programs

The reported bill includes a new line item for the University Space Science and Technology Academic Program, which reflects the full-funding Administration budget request for this program of $35,000,000. An amount of $5,000,000 is provided in this account for the National Space Grant College and Fellowship Program, which NASA initiated in FY 1989. NASA's efforts to broaden the participation of our Nation's educational institutions in the civil space program are very important.

General reduction/research and development account

To maintain a total level of spending for research and development activities of $5,786,600,000 in FY 1990, a general reduction of $17,000,000 has been applied against the account.

Space flight

The reported bill authorizes $5,104,600,000 for Space Flight, Control and Data Communications in FY 1990. This is $35,000,000 less than the President's budget request. This reduction represents a $25,000,000 general reduction to the Space Tracking and Data Acquisition account and a general reduction of $10,000,000 to the entire Space Flight Control and Data Communications Account. The amount provided for the Space Shuttle Productions and Operations Capability account, as well as the Space Transportation Operations account in FY 1990, should sustain operation of a safe and reliable space shuttle—NASA's highest priority.

The updated bill also provides $121,300,000 for the advanced solid rocket motor program in this account and gives NASA the authority to use the funds in the Space Shuttle Production and Operational Capability account as may be necessary to ensure operation of a safe and reliable space shuttle and development of an extended duration orbiter capability.

Construction of facilities

The reported bill fully authorizes the budget request for Construction of Facilities, $341,800,000, and provides additional legislative authority that permits NASA to secure private sector financing for the space station processing facility at the Kennedy Space Center, the neutral buoyancy laboratory at the Johnson Space Center, and the observational instrument laboratory at the Jet Propulsion Laboratory. The proposed Administration language for such service or lease contracts has been amended by the reported bill to require that such contracts result in net cost savings to NASA and are in the national interest. Some type of shared use agreement or equity investment on the part of the private sector should be required to make such proposals advantageous. While such projects should be funded by the Federal Government in the traditional manner, it is not feasible to provide additional funds for such activities in the current budget environment.

Research and program management inspector general

The reported bill authorizes $2,032,200,000 for research and program management in FY 1990. The value of NASA personnel to the success of the Nation's space program must be recognized, and this account reflects that view.

The reported bill includes $8,795,000 for the Office of the Inspector General in FY 1990, the level of funding requested by the President. This is the first time that this Office has been identified as a separate line item and as a separate appropriations account.

TITLE I—OTHER PROVISIONS

As previously indicated, Section 105 of the reported bill amends the National Aeronautics and Space Act to authorize the Administrator of NASA to enter into contracts, leases, or service agreements providing for private sector financing of the space station processing facility at the Kennedy Space Center, the neutral buoyancy laboratory at the Johnson Space Center, and the observational instrument laboratory at the Jet Propulsion Laboratory, provided that such activities are in the best interest of the goverment and result in net cost savings. If such contracts are entered into, the Administrator is allowed to use NASA's unobligated balances as a contingent liability in case of Government terminates one of these projects for its convenience. The Administration had requested a generic private financing authority, but the substitute reflects the view that a more limited authority as provided in section 105, contingent upon specified conditions, is in the best interest of the civil space program.

As has been the case with prior year authorization bills, section 106 of the reported bill instructs NASA to distribute research funds on a geographical basis where possible. Also, section 107 directs that the space station may be used only for peaceful purposes.

Section 108 gives the Administrator of NASA the authority to use up to 5 percent of the funds provided for the Small Business Innovation Research Program for program management and promotional activities. This should make NASA's implementation of the program consistent with that of other Federal agencies and promote the transfer of technology to commercial applications.

Section 109 indicates that it is the sense of the Congress that the current prohibition on the export of U.S.-built satellites to the Soviet Union for launch on rockets of the Soviet Union shall continue to be the policy of the United States and that the policy shall be expanded to prohibit the export of U.S.-built satellites to other nations for launch on rockets of the Soviet Union.

C. TITLE II—OTHER AUTHORIZATIONS

The reported bill includes the FY 1990 Authorization for the Office of Commercial Space Transportation at DOT. The bill provides $4,392,000 for these activities, the full amount requested by the Administration.

D. TITLE III

The reported bill also authorizes the activities of the National Space Council, established by P.L. 100-685 (the FY 1989 NASA Authorization Act). For FY 1990, $1,200,000 has been provided for these activities, which reflects an assumed 50% reimbursement to Federal agencies for detailees assigned to the National Space Council.

SECTION-BY-SECTION ANALYSIS

TITLE I

SECTION 101-104-NASA

Overview

Section 101(a), (b), (c), (d), and (e) authorizes $13,273,995,000 for NASA in FY 1990. These monies are distributed in five appropriations accounts:

Subsection (a), relating to research and development—$5,786,600,000 for space station, space science and applications, space transportation capability development, commercial programs, aeronautics research and technology development, transatmospheric research and technology, and space research and technology, as well as other programs.

The major assumptions in this area are full funding ($2,050,200,000) and a strong endorsement of the space station program; restoration of funding for ACTS; initiation of a new space technology initiative—In-Space Flight Experiments—but at a reduced level of funding; approval of the new start requests for the CASSINI mission and for the CRAF mission; endorsement of a new aeronautics research and technology program for high speed commercial transportation; initiation of a high performance computing program; continued support of the NASP program, contingent upon submission of a new program management plan; sustained support of the Gravity Probe B program; and approval of new start status for two programs at the initiation of the Committee—Earth Probe and Mission to Planet Earth (EOS).

Subsection (b), relating to space flight, control and data communications.—$5,104,600,000, including funds for space shuttle productions and operations capability ($1,305,300,000), space transportation operations ($2,732,200,000), and space tracking and data acquisition ($1,077,100,000).

The funds provided for these activities reflect this Committee's strong support of this program and its commitment to maintain a safe and reliable transportation system.

The reported bill reflects an endorsement of the initiation of the Advanced Solid Rocket Motor Program in this section. In this connection, the Committee also has agreed to permit private sector financing of the facility portion of this program. The authority has been granted in a separate bill that the Committee has ordered reported, S. 663.

Subsection (c), relating to construction of facilities.—$341,800,000 for a variety of repair, rehabilitation, and new construction activities required for a robust civilian space program.

Subsection (d), relating to research and program management—$2,032,200,000 for all civil service staff, maintenance of facilities, and support of research and development programs and contract activities, as well as technical and administrative support of research and development programs.

Subsection (e), relating to Inspector General.—$8,795,000 for the activities of the Office of the Inspector General of NASA. This is a new line item and a new appropriations account.

Section 101 (f), (g), (h), and (i) and Sections 102, 103, and 104 establish strict parameters for the Administrator of NASA concerning the amount of flexibility he or she has with construction of facilities activities, the transfer of funds from one account to another, and the use of funds for activities not approved by the Committee. These provisions are included in the NASA authorization bill every year.

SECTION 105

This section amends the National Aeronautics and Space Act of 1958 to give NASA the authority to enter into contracts, leases or agreements providing for private financing of three NASA facilities—the Space Station Processing Facility at the Kennedy Space Center, the Neutral Buoyancy Facility at the Johnson Space Center, and the Observational Instrument Laboratory at the Jet Propulsion Laboratory.

As was the case with the proposed private financing of the ASRM Production Facility, NASA requires legislative authority to be able to provide the necessary contingent liability/termination liability to ensure investor confidence in the private financing of such facilities. This language provides that authority and permits NASA to use its unobligated funds as collateral in case the Government terminates a contract for its convenience.

Based on its review of these and other private financing proposals contained in the President's FY 1990 NASA Authorization bill, the Committee became concerned that there were no clear standards by which to assess such private offerings. The Committee, therefore, asked the Congressional Budget Office (CBO) to assess the seven commercialization proposals that were contained in the NASA budget request. The CBO Staff Memorandum, "Preliminary Analysis of NASA Commercialization Initiatives," stated that:

" . . . if the lease or service contract arrangement is to be less expensive to the government than direct procurement, the government will have to share the use and cost of the facilities or hardware with other customers. An example would be a space station facility that the government uses fully during the deployment—thus, a smaller, lower-capacity alternative would not do—but thereafter shares with another user. For the government to realize cost saving from private financing, the lower 'principal' payments permitted by sharing with a non-U.S. Government user must be sufficient to offset the higher interest cost of borrowing at the private, as opposed to the government, rate."

Based on its analysis of the Administration's private financing proposals, the Committee has decided that it will assess each proposal on a case-by-case basis. The Committee, therefore, has not given NASA generic authority for such proposals as requested in the Administration's proposed FY 1990 NASA Authorization bill. In light of some reservations about the value and benefits of private sector financing, the Committee has established three standards that must be met by the three facilities that are addressed in this section before the use of such financing is authorized.

First, the Administrator of NASA must determine that the privately financed facility is in the best interest of the Government.

Second, the Administrator of NASA must determine that the privately financed facility will result in net cost savings to the Government.

Third, no project considered for private financing shall be initiated unless the Administration (NASA) has submitted to the Committee a notice of intent to initiate the project, along with a description of the project, and thirty days have passed after each submission.

As noted above, the Government's financial obligations under such contracts, leases, or agreements would be limited to amounts provided in advance in appropriations Acts.

SECTION 106

This section instructs NASA to distribute its research and development funds on a geographical basis where possible. The Committee has annually legislated this requirement, believing it is in the national interest.

SECTION 107

This section reiterates the past Committee position that the space station may be used only for peaceful purposes. This language is consistent with existing U.S. treaty obligations (the Outer Space Treaty) and current law—P.L. 100-685.

SECTION 108

This section allows the Administrator of NASA to utilize up to five percent to the funds provided for the Small Business Innovation Research Program for program management and promotional activities. None of these funds may be used for travel or civil servant salaries. This would make NASA's implementation of the program consistent with other Federal agencies and ideally would result in more commercial spinoffs and applications.

Presently, NASA is not allowed to use any of the Small Business Innovative Research Program funds for administrative, program management, or promotional activities. During its review of the Program, the Committee was advised that this constraint, which was upheld by the Comptroller General in decision B-217925 of July 29, 1985. (64 Comp. Gen. 711), severely constrains the program and the dissemination of its technical findings. The Committee was advised by the program officer that a small set-aside for program management and promotional activities such as proposal review costs, support contract costs, automated data processing costs, and outreach activities costs could assist the program and heighten the commercial potential of the innovative research being performed by small businesses.

SECTION 109

This section indicates that it is the sense of the Congress that the current prohibitation on the export of U.S. built satellites to the Soviet Union for launch on rockets of the Soviet Union shall continue to be the policy of the United States and that the policy shall be expanded to prohibit the export of U.S. built satellites to other nations for launch on rockets of the Soviet Union.

TITLE II

SECTION 201—OFFICE OF COMMERCIAL SPACE TRANSPORTATION

Section 201 of the bill amends section 24 of the Commercial Space Launch Act (49 U.S.C. 2623) to provide $4,392,000 for FY 1990 for the Office of Commercial Space Transportation (OCST) of DOT. This conforms to the President's request, will enable OCST to fulfill responsibilities pursuant to the Commercial Space Launch Act, and will ensure that OCST meets projected demand in FY 1990 from entities seeking a DOT license to launch commercial ELVs.

OCST was established pursuant to P.L. 98-575, with the specific purpose of establishing and enforcing the licensing and regulatory regime necessary for commercial space transportation operations. These activities include safety research and planning and licensing procedures.

To date, OCST has issued three commercial launch licenses and currently has under review and in process six commercial launch applications. The Office anticipates that 20 more requests for licensing actions will be

received before the end of the calendar year.

To review properly and thoroughly these applications, the Committee supports the FY 1990 budget request and the efforts of the Office to augment its staff with people with engineering and technical backgrounds.

Adequate resources to oversee and regulate properly the commercial ELV industry is essential to ensure that the United States can fulfill its obligations under international treaties, as well as to protect fully the health and safety of the public.

The Committee notes the role of the OCST in the effort to formulate model government contracts and requests for proposals for launch services on domestic ELVs. The Committee supports these efforts.

The Committee also notes the report submitted by the Secretary of DOT concerning "A Study of the Scheduling of Commercial Launch Operations at National Ranges." This report raises a variety of issues and concerns that the Committee intends to address as it assesses the viability and marketability of domestic ELVs.

TITLE III

SECTION 301—NATIONAL SPACE COUNCIL AUTHORIZATION

Section 301 of the bill authorizes $1,200,000 for the activities of the National Space Council in FY 1990. The Council was established pursuant to section 501 of the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1989 (42 U.S.C. 2471). The Committee has reviewed this authorization with the Council and OMB and believes the prescribed level of funding is adequate for FY 1990.

The Committee notes that the proposed level of funding in FY 1990 would provide for a 50 percent reimbursement for any Executive Branch employee detailed to the National Space Council. Concerning detailees, the Committee also notes that in establishing the Council, it did not envisage a prominent role for detailees. The Committee saw the Council as "lean and mean" with a professional staff of not more than seven people as required by section 501(C) of P.L. 100-685—FY 1989 NASA Authorization Act. Detailees were seen as "temporary" staff who would bring a specific expertise to the Council for a limited period of time—not permanent employees who would head up directorates. The Committee wants to remind the Council of this intent.

SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION NASA BUDGET SPREAD SHEET FOR FISCAL YEAR 1990

[In millions of dollars]

	Fiscal year 1989 operating plan	Fiscal year 1990 request	Proposed Fiscal year 1990 Senate authorization	Comments
I. Research and Development	4,256.6	5,751.6	5,786.6	Reflects general reduction of $17m to R&D account.
1. Space Station	900.0	2,050.2	2,050.2	
2. Space Transportation Capability Development	681.0	639.0	635.5	Assumes absorption of the $6m required for ACTS upper stage activities.
Spacelab	88.6	98.9		
Upper Stages	133.6	88.6		
Engineering and Tech. Base	160.6	189.8		
Payload Ops and Sup. Equip.	64.7	81.1	−3.5	Delete funding for CDSF integration.
Advanced Programs	52.7	48.7		
Advanced Launch Systems	81.4	5.0		
Tethered Satellite System	26.4	19.9		
Orbital Maneuvering Vehicle	73.0	107.0		
3. Space Science	1,237.8	1,415.6	1,414.1	
A. Physics and Astronomy	742.1	894.5	894.5	Assumes absorption of $25m for Gravity Probe B.
Hubble Space Telescope Dev.	104.9	67.0		
Gamma Ray Observatory Dev.	50.9	26.7		
Global Geospace Science	64.4	112.3		
Advanced X-Ray Astrophysics Fac.	16.0	44.0		
Payload and Instrument Dev.	71.7	71.4		
Shuttle/Spacelab Payload Mgt.	69.7	86.1		
Sp. Station Integrated Planning and Attached Payloads	8.0	23.0		
Explorer Development	82.1	93.2		
Mission Operation and Data Analysis	143.2	204.8		
Research and Analysis	85.8	112.5		
Suborbital Program	45.4	53.5		
B. Life Sciences	79.1	124.2	122.7	General reduction of $1.5m.
C. Planetary Exploration	416.6	396.9	396.9	
Galileo Development	73.4	17.4		
Magellan	43.1			
Ulysses	10.3	14.5		
Mars Observer	102.2	100.5		
Missions Ops and Data Analysis	110.7	155.4		
Research and Analysis	76.9	79.1		
CRAF/CASSINI	(1)	30.0		Assumes new start status for the CRAF and Cassini. Missions in final fiscal year 1990.
4. Space Applications	592.4	555.5	625.5	
A. Earth Science and Applications	404.7	410.1	420.1	
Geodynamics	32.9	38.0		
Research and Analysis	106.0	124.8		
Mission Operations and Data Analysis	17.6	24.8		
Earth Science Payload Instrument Dev.	46.4	42.3		
Scatterometer	10.6	13.8		
Earth probe	(1)	0	10.0	Assumes new start for Earth Probe Program—+10m for Total Ozone Mapping Spectrometer.
Upper Atmos. Res. Satellite (UARS)	85.2	73.9		
Ocean Topography Experiment (TOPEX)	83.0	72.8		
Airborne Science and Applications	23.0	19.7		
B. Materials Processing in Space	75.6	92.7	90.7	General reduction of $2m.
C. Communications	92.2	18.6	80.6	+$62m for ACTS.
D. Information Systems	19.9	34.1	34.1	
5. Mission to Planet Earth—Earth Observing System	(1)	24.2	24.2	Assumes fiscal year 1990 New Start Status for Mission to Planet Earth–EOS (Administration assumes a fiscal year 1991 New Start).
6. Commercial Programs	44.7	61.0	61.0	
Technology Utilization	16.5	22.7		
Commercial Use of Space	28.2	38.3		
7. Aeronautical Research and Technology	404.2	462.8	462.8	Includes $25m to initiate research for a high speed commercial aircraft. Absorb $10m to initiate a High Performance Computing Initiative.
Research and Technology Base	315.6	335.7		
Systems Technology Programs	88.6	127.1		
8. Transatmospheric Research and Technology	69.4	127.0	127.0	Requires submission of a new management plan within 60 days of enactment.
9. Space Research and Technology	285.9	338.1	325.1	General reductions to Pathfinder (−$7m) and In-Space Flight Experiments (−$6m).
10. Safety, Reliability, Maintainability and Quality Assurance	22.4	23.3	23.3	
11. Tracking and Data Advanced Systems	18.8	19.9	19.9	
12. University Space Science and Technology Academic Program	(1)	35.0	35.0	
II. Space Flight Control and Data Communications	4,452.6	5,139.6	5,104.6	Reflects general reduction of $10m to SFC&DC account.
1. Space Shuttle Productions/Operations Capability	1,121.6	1,305.3	1,305.3	
Orbiter Operational Capability	281.8	237.0		
Launch and Mission Support	257.6	341.0		
Propulsion Systems	582.2	727.3		
2. Space Transportation Operations	2,385.7	2,732.2	2,732.2	
Flight Operations	687.7	772.6		
Flight Hardware	1,121.7	1,236.5		
Launch and Landing Operations	509.8	553.6		
Expendable Launch Vehicles	66.5	169.5		

SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION NASA BUDGET SPREAD SHEET FOR FISCAL YEAR 1990—Continued

[In millions of dollars]

	Fiscal year 1989 operating plan	Fiscal year 1990 request	Proposed Fiscal year 1990 Senate authorization	Comments
3. Space Tracking and Data Acquisition	945.3	1,102.1	1,077.1	General reduction of $25M.
Space Network	483.9	582.3		
Ground Network	228.1	269.6		
Communications and Data Systems	233.3	250.2		
III. Construction of Facilities	281.7	341.8	341.8	
IV. Research and Program Management	1,906.6	2,032.2	2,032.2	
V. Inspector General	([1])	8.8	8.8	
Total NASA	[2] 10,897.5	13,274.0	13,274.0	

[1] New line items proposed for fiscal year 1990.
[2] The fiscal year 1989 Operating Plan includes $175 million in funds transferred from DOD to NASA for the Advanced Launch System and Space Shuttle Programs.

Mr. GORE. Mr. President, the bill before the Senate today has been thoughtfully formulated in a very bipartisan manner. I am hopeful that the Senate will approve this measure, that the Senate will be able to successfully negotiate an authorization bill with the House, and that in fiscal year 1990 there will be a NASA authorization bill.●

Mr. HOLLINGS. Mr. President, I rise in support of S. 916, the fiscal year 1990 NASA authorization bill, and I would like to associate myself with the remarks of the distinguished chairman of the Subcommittee on Science, Technology, and Space.

Mr. President, this has not been an easy year for the subcommittee or for the Civil Space Program. At the same time the subcommittee was trying to grapple with the budget realities of the fiscal year 1990 budget request, a new initiative for the Moon and Mars was proposed by the President and reassessment and subsequent rephasing of the space station was initiated by NASA. These two events best typify the dilemma facing my committee and the Congress—how to turn the dreams of today into the realities of tomorrow during a time of severe fiscal constraint.

Mr. President, I might note with a certain degree of dismay that the bill before the Senate today would authorize $13.3 billion for NASA, the same level of funding as the President's fiscal year 1990 budget request, but almost $1 billion more than we were able to provide recently in the Senate-passed fiscal year 1990 appropriations bill. I might also note that the administration's request of $13.3 billion in fiscal year 1990 was described by then-Administrator Dr. James C. Fletcher in March as "marginal to submarginal."

Mr. President, I have stood on the floor of the Senate on many different occasions and have discussed our budget situation. And I do not intend to do that again today. But I do want the Members of the Senate to realize that until we make our Civil Space Program a national priority, it will be hard to make it a budget priority.

Despite the heroic efforts of the chairman of the VA, HUD, Independent Agencies Appropriations Subcommittee this year to find additional funds for NASA in fiscal year 1990, she was not able to fund fully the budget request, nor was the former chairman of the subcommittee last year or the year before. As a matter of fact, if you look at a table that compares the final appropriations level to the administration's budget request over the last 5 years, you will see that there was only 1 year where the final appropriation exceeded or met the President's budget request, and that was fiscal year 1987, the year of the *Challenger* tragedy and the year when the Congress added full funding for a new orbiter.

Mr. President, I would ask unanimous consent that a table showing this relationship be printed in the RECORD.

(The material requested to be printed in the RECORD is not reproducible.)

Mr. HOLLINGS. Mr. President, I also ask unanimous consent that a table that depicts the budget requirements for a variety of space spectaculars be printed in the RECORD.

(The material requested to be printed in the RECORD is not reproducible.)

Mr. HOLLINGS. Mr. President, as you can see in the NASA budget option table, the cost of implementing a Mars base, a lunar base and the mission to planet Earth will be substantial. As you also can see in this table, there is a considerable gap between where we are today, slightly above the CBO baseline for fiscal year 1990, and the funding requirements of these grand initiatives. As a matter of fact, there are some of us who worry we will not be able to find the resources in the future to fund the core NASA program of currently ongoing activities including the space station.

Mr. President, the fact of the matter is that if we want to turn the dreams of the Paine Commission, the Ride Report, and the Bush initiative into realities, it is going to take an almost incomprehensible increase in the NASA budget. If we are going to make the space station and Mission to Planet Earth a reality, it is going to take a substantial budget increase.

Mr. President, the fiscal year 1990 NASA authorization bill identifies the minimum fiscal year 1990 budget requirements of NASA. It tells us what we should be doing. I would hope that the Members of the Senate would support this measure, and I would hope that next year the Members of the Senate will work with me, the distinguished chairman of the subcommittee, and other Members of Congress to increase funding for science, technology, and space in the budget resolution and in the 302(b) allocation to the Appropriations Committee. The simple fact of the matter is that you can't get there from here, and we have a long way to go if we are going to implement this program and if we are going to retain our leadership in space.

Mr. DANFORTH. Mr. President, I am pleased to support S. 916, the 1990 NASA authorization. This legislation authorizes $13.2 billion for NASA in fiscal year 1990, thus providing the full amount of the President's budget request. This funding level represents an increase of approximately 20 percent over last year's NASA budget.

The Commerce Committee's support of the President's budget request reflects its belief that NASA must have adequate funding to continue its important mission to explore outer space, expand man's presence in the solar system, and produce technological breakthroughs which enhance the quality of life.

Mr. President, this is a landmark juncture in the history of our space program. On July 20, President Bush declared his commitment to a lunar base and a manned mission to Mars. This bold mandate has given our space program an exciting new direction and purpose. But to realize this distant goal, we must fund NASA's current programs adequately and I believe that S. 916 does just that.

For instance, S. 916 provides the full $2.05 billion requested by the administration for space station "Freedom." The space station will be essential for any planned lunar or Mars mission. The space station will also educate us about man's ability to stay in space for the extended time period necessary to reach Mars. Beyond that, the space station will make possible challenging space science experiments, space com-

mercialization opportunities, and advanced technologies with promising spinoff potential. The space station also provides an opportunity for the United States to join with Europe, Canada, and Japan in demonstrating to the world how countries can combine forces ambitious civil space projects.

Mr. President, I am also pleased that S. 916 provides the full $127 million requested by the President for the National Aerospace Plane [NASP]. I am convinced that NASP is the future of aeronautical technology. It is amazing to contemplate a plane capable of taking off from a conventional runway, accelerating into low orbit at mach 25, and then landing on a conventional runway. NASP will produce dramatic advances in commercial aviation, the space program, and our national defense. With Japan, Germany, and the U.S.S.R. racing to develop their own space planes, we must provide NASP with maximum support or will find ourselves on the ground gazing up at the hypersonic transports of other countries. As NASP struggles for survival in the appropriations process, this authorization sends a clear signal that the Commerce Committee considers NASP a national priority.

Mr. President, I am pleased to note that this legislation authorizes several new starts. Prime among these are the Comet Rendezvous-Asteroid Flyby CRAF and Cassini space science missions. The CRAF mission will send an analytical probe into a comet and provide a closeup observation of an asteroid. The Cassini mission will send an orbiter to Saturn to analyze its atmosphere, rings, and Moons. I expect these missions to have the same success as the Voyager mission and thereby reaffirm U.S. dominance in solar system exploration.

Finally, Mr. President, S. 916 provides full funding for Mission to Planet Earth and instructs NASA to complete the design phase and move to initiate the program. Mission to Planet Earth is part of a larger U.S. Global Change Research Program to evaluate the dynamics of the Earth's atmosphere and surface. With global warming and ozone depletion threatening the future of mankind, Mission to Planet Earth will give us the important information necessary to develop strategies for stopping or reversing these kinds of alarming global trends.

Mr. President, S. 916 gives us a strong space program. This is imperative to the Nation's future. By exploring the universe, the planets, and other bodies, we learn how the Earth evolved, how it operates, and what the future holds for us. In addition, if the past is prelude, the space program can be expected to produce countless functional spinoffs just as earlier space initiatives gave us Velcro, Teflon, pacemakers, and microminiature computers.

Mr. President, for the future of our space station, I urge my colleagues to join me in supporting S. 916.

Mr. PRESSLER. Mr. President, I strongly urge adoption of the NASA authorization bill S. 916 for fiscal year 1990. The bill authorizes $13.2 billion for NASA, which was the funding level requested by the President.

I believe that adequate funding for NASA is critical to enable it to carry out its important missions. This is especially true now in light of President Bush's recently announced plan for a lunar base and a manned mission to Mars. Our Space Program helps us unlock the secrets of the universe, gathering information about Earth's origins, the dynamics of its surface and atmosphere, and the future of mankind. It also extends man's presence in the solar system—an extension of the pioneering spirit that founded this country. Equally important is the way in which the program has traditionally lead to technological spinoffs that have enhanced our quality of life. Modern water filtration systems, pacemakers, miniature computers were all outgrowths of the NASA Space Program.

Some of the programs authorized by the bill deserve special mention. The bill directs NASA to complete the design phase of Mission to Planet Earth and initiate the program this fiscal year. Scientists tell us that global warming, ozone depletion, and other adverse global trends may result in an ecological crisis within the next 50 years. Mission to Planet Earth will employ orbiting platforms, as well as suborbital and ground-based instruments, to gather critical data about the processes underlying these global trends and thus enable policymakers to fashion remedies. The data from the space elements of Mission to Planet Earth will be received, processed, and archived in a central ground-based facility accessible to global change scientists all over the world. I am pleased that the bill enables NASA to take a lead role in heading off global disaster.

This legislation provides $2.05 billion for the space station—the full amount requested by the President. With the administration's commitment to a mission to Mars, expedited development of the space station will be needed for an operational base for that effort. But beyond its role in the Mars mission, the space station will provide useful data about man's ability to live and perform rules duties in space for extended periods. Further, it will permit microgravity and other scientific experiments only possible in outer space. I also believe that the cooperation of our foreign partners in developing the station's structure will hopefully pave the way for future joint ventures in space. But this will only happen if the United States honors its commitment to its space station partners, who have already invested millions in the project.

From the perspective of the Commerce Committee, the bill also gives appropriate support for the fledgling space commercialization effort in the United States. Space is the next international marketplace. Its economic potential is limitless. This fact is not lost on spacefaring countries like France, Japan, and Germany. France's commercial remote sensing service and commercial launch industries give us some indication of the business opportunities in space. By contrast, Landsat is not expected to become self-sufficient until after the year 2000 and our commercial launch industry is still in its infancy.

We have a long way to go in space commerce. For this reason, I am pleased that S. 916 fully funds both NASA's Office of Commercial Programs and the Department of Transportation's Office of Commercial Transportation. Both offices are mandated to promote and develop domestic space opportunities. The bill also addresses the problem of our commercial launch efforts being undercut by predatory pricing by nonmarket economy countries. to that end, this legislation bars the export of United States satellites for launch on Soviet rockets. It is imperative that the United States become competitive in the space market. If it does not, France, Japan and others will preempt this fertile area before our industry ever gets off the ground.

I am mindful that the final appropriations legislation for NASA will be less than the funding level we have authorized in S. 916. That is a function of fiscal realities and NASA having to compete with equally worthwhile programs in housing and veterans benefits falling under the jurisdiction of the same Appropriations subcommittee. However, Commerce Committee believes that the funding level herein authorized is necessary for NASA to accomplish its important missions that have traditionally enhanced the quality of life and the breadth and depth of our understanding.

Accordingly, I strongly support S. 916 as an investment in the future of mankind.

AMENDMENTS NOS. 1095, 1096, AND 1097

Mr. MITCHELL. Mr. President, I send three amendments to the desk, en bloc, in behalf of Senator GORE, and I ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL] for Mr. GORE, proposes amendments numbered 1095, 1096, and 1097, en bloc.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 1095

On page 31, at the end of line 21, insert the following: "None of the NASA Small Business Innovation Research Program funds may be used for travel or civil service salaries."

AMENDMENT NO. 1096

On page 32, line 19, delete the "." and insert the following: ": *Provided*, That the National Space Council shall reimburse other agencies for not less than one-half of the personnel compensation costs of individuals detailed to it.

SEC. 302. Not more than six individuals may be employed by the National Space Council without regard to any provision of law regulating the employment or compensation of persons in the government service, at rates not to exceed the rate of pay for Level VI of the Senior Executive Schedule, as provided pursuant to section 5382 of title 5, United States Code.

SEC. 303. Section 5314 of title 5, United States Code is amended by adding at the end thereof.

"EXECUTIVE SECRETARY, NATIONAL SPACE COUNCIL

SEC. 304. The National Space Council may, for the purposes of carrying out its functions employ experts and consultants in accordance with section 3109 of title 5, United States Code, and may compensate individuals so employed for each day (including travel time) at rates not in excess of the maximum rate of pay for grade GS-18 as provided in section 5332 of title 5, United States Code.

SEC. 305. (1) The National Space Council is requested to initiate a review of United States launch policy including the Nation's expendable launch vehicle and satellite industries, their current and projected markets, the existing and projected level of foreign competition in these industries, the extent and level of support from foreign governments in these markets and industries, the consequences of the entry of nonmarket providers of launch services and satellites into the world market, restrictions on the use of foreign launch services and the export of United States satellites, and the importance of the United States launch vehicle and satellite industry to the national and economic security.

(2) The findings of this review and any policy recommendations are to be submitted to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation in the Senate by August 1, 1990.

AMENDMENT NO. 1097

On page 32, immediately after line 19, insert the following:

TITLE IV—NATIONAL SPACE GRANT COLLEGE AND FELLOWSHIP PROGRAM

SEC. 401. Section 203(1) of Public Law 100-147, the National Aeronautics and Space Administration Authorization Act of 1988, (42 U.S.C. 2486(a)(1)) is amended by inserting "and undergraduate" immediately after "graduate".

SEC. 402. Section 209(a) of Public Law 100-147, the National Aeronautics and Space Administration Authorization Act of 1988, (42 U.S.C. 2486g(a)) is amended by inserting "and undergraduate" immediately after "graduate".

AMENDMENT NO. 1095

(By request of Mr. MITCHELL, the following statement was ordered to be printed in the RECORD.)

● Mr. GORE. Mr. President, the amendment is meant to clarify the committee's intent in section 108 of the bill that addresses the Small Business Innovation Research [SBIR] Program.

This amendment, suggested by the senior Senator from New Hampshire, incorporates into the bill language that is currently contained in the committee report. This language indicates that NASA may not use any of the SBIR Program funds for travel or civil service salaries.

Mr. President, I urge the Senate accept this amendment.●

AMENDMENT NO. 1096

(By request of Mr. MITCHELL, the following statement was ordered to be printed in the RECORD.)

● Mr. GORE. Mr. President, the proposed amendment pertains to the National Space Council and gives it certain administrative authorities that are required for the Council to fulfill its mission. It designates the executive secretary position at the Council to be an Executive Level III slot and indicates that not more than six individuals may be employed at the Council at pay rates not to exceed Executive Level VI. Members will recall Public Law 100-685 that established the National Space Council limited the total number of staff slots at the Council to seven. The amendment also gives the Council the authority to hire experts and consultants.

I might note that some members of the committee have some reservations about this latter provision because of recent press accounts about "potential" candidates for these slots and because of concern about the appropriate role and responsibility of the National Space Council. The committee, therefore, will keep a close eye on the use of this authority.

The committee fought long and hard to establish the National Space Council and to raise the visibility of space matters in the White House. And the committee intends to support the Council and to make it work because the committee sees that it is in the national interest. However, I am concerned that recent National Space Council policy statements were not followed up with detailed budget requests and visible support on Capitol Hill. I also am concerned to understand that the staff of the National Space Council, as part of the Moon/Mars review, is initiating its own comprehensive review of the NASA technical proposal institutional issues, and alternative financing proposals. There are important matters and issues that require a thorough review. However, I do not believe the staff of the National Space Council is equipped to handle these issues nor do I believe the Council was established to undertake such matters. I would prefer to see the Council working on near-term policy matters and budget issues. We need a lot of White House support with these matters.

At the same time, section 305 of this amendment requests the National Space Council to thoroughly review the Nation's space launch policy and to submit its findings and policy recommendations to the Congress by August 1, 1990.

Mr. President, having expressed these reservations, I urge that the amendment be approved.●

AMENDMENT NO. 1097

(By request of Mr. MITCHELL, the following statement was ordered to be printed in the RECORD.)

● Mr. GORE. Mr. President, when the Congress enacted the National Space Grant College and Fellowship Program in Public Law 100-147, it appears that we created a degree of ambiguity as to the eligibility of undergraduate and graduate schools to participate in the program. To correct this problem, the proposed amendment will insert the word "undergraduate" in the appropriate places in the act so that it reads "undergraduate and graduate."

I should note that NASA recently designated 17 universities and consortia as "Designated Space Grant Colleges/Consortia," which gets this program off to an excellent start.

Mr. President, I recommend the Senate accept this provision.●

The PRESIDING OFFICER. The question is on agreeing to the amendment, en bloc.

The amendments (Nos. 1095, 1096, and 1097) were agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1098

Mr. MITCHELL. Mr. President, I send an amendment to the desk on behalf of Senators GORE, HOLLINGS, and METZENBAUM, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL] for Mr. GORE, (for himself, Mr. HOLLINGS,

and Mr. METZENBAUM), proposes an amendment numbered 1098.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all on page 29, line 11, through page 30, line 24.

(By request of Mr. MITCHELL, the following statement was ordered to be printed in the RECORD.)

● Mr. GORE. Mr. President, the amendment that I am proposing is cosponsored by the distinguished chairman of the Senate Committee on Commerce, Science, and Transportation, Senator HOLLINGS, and the distinguished Senator from Ohio [Mr. METZENBAUM].

The amendment would delete the privately financed facility projects language, section 105, of S. 916, as reported by the Commerce Committee.

Mr. President, for the past few years, the Subcommittee on Science, Technology, and Space has struggled with private financing schemes that were proposed for NASA by the Office of Management and Budget. After many hours of review and many years of consternation, I now am convinced that these initiatives just will not work.

As most of the Members know, the subcommittee was recently forced to withdraw its request for consideration of S. 663, the contingent liability bill for the advanced solid rocket motor facility, because of the degree of opposition in the Senate to a private financing scheme that was not available for other high priority projects and was described by some as costing the Federal Government more than the traditional Government procurement process. I am pleased to say that thanks to the cooperation of the distinguished chairman of the VA, HUD, and Independent Agencies Appropriations Subcommittee that project has been funded as a Government-owned facility in the fiscal year 1990 VA, HUD, and independent agencies appropriations bill, H.R. 2916. However, the ASRM facility debate turned out to be only the tip of the iceberg as regards private financing for NASA programs.

With respect to private financing in general, committee members have expressed reservations about the administration's private financing scheme for the seven projects proposed in fiscal year 1990. Nevertheless, the committee pursued the private financing option to try to ensure the development of much needed facilities and technologies at a time of severe budgetary pressures. However, the facts now are very clear—private financing will not work. The economies of scale and economic efficiency gains that were promised by OMB do not exist. Quite frankly, there is little or no interest in the private sector to get into the business if such economies or efficiencies are required.

To illustrate this, Mr. President, at this point I would ask unanimous consent that a letter to the committee from Adm. Richard Truly, the Administrator of NASA, dated October 23, 1989, concerning NASA's assessment of the feasibility of private financing be inserted in the RECORD. I also would ask unanimous consent that a technical memorandum prepared for the committee by the Congressional Budget Office be submitted in the RECORD at this time.

Mr. President, as the Members can see from both of these documents, it takes a unique set of circumstances and conditions to make private financing a winner for the Federal Government. While some clever budgeteers at OMB might like to think these circumstances and conditions exist, it now is clearer than ever to the committee that they don't. It also is clear to the committee that OMB did not go out of its way to assess the feasibility of these private financing proposals before they were submitted to the Congress. I think one could easily make the case that these proposals were just another element of the budget game that goes on each and every year—support everything but don't provide the funding. Hopefully, the new Director of OMB will establish higher standards for the budget submissions that are formulated on his watch.

It is clear to me that if NASA is to have a neutral buoyancy tank, a space station processing facility, or an observational instrument laboratory, the Federal Government is going to be required to pay for these facilities. There is no rich uncle when it comes to Federal facilities, and it is time for OMB to realize that. It also is time for OMB to realize that the success of the Civil Space Program is not just a measure of the level of funding that one gets for research and development. The construction of facilities and the research and program management budgets are important elements of the Civil Space Program, and implementation of the Space Station Program and the Mission to Planet Earth will require significant augmentations in these accounts.●

Mr. METZENBAUM. Mr. President, I am pleased to join my distinguished colleagues in offering an amendment to strike those provisions in the NASA reauthorization bill dealing with private financing for three NASA projects.

It is no secret that I have been an outspoken critic of such private financing arrangements. They subvert the budget process and generally cost the Government—that is, the taxpayers—more than if we paid for the projects directly through the Treasury. That is because these deals typically involve borrowing money from private lenders at interest rates which are higher than Federal financing.

If a project is truly meritorious we should fund it up front through the Treasury. We should count it on the budget. We should not succumb to the temptation that private financing presents.

Our Space Program is an important one. I look forward to working with my distinguished colleagues in finding ways to provide funding for those projects which can improve and strengthen the program.

Mr. HOLLINGS. Mr. President, I thank the distinguished subcommittee chairman, and I would like to indicate that I fully endorse his remarks. The success of the Civil Space Program requires more than gamesmanship and budget gimmicks; it requires the commitment of the administration and the Congress to the people, facilities, and budgetary resources that are required. We learned the hard way that you cannot operate a space program on the cheap. The Space Program already presents enough risks without budgeting gimmicks adding to those risks.

Mr. President, over the course of the last few years, I have waged many a battle with OMB over their private financing schemes for Landsat, expendable launch vehicles and the commercially developed space facility. I think the time has come to end these games, to provide the funds required to implement the Civil Space Program, and to put the focus of the debate on the issues that deserve it—for example, the space station and space science programs of NASA including the Mission to Planet Earth.

The Truly letter, previously mentioned by the subcommittee chairman, further illustrates that private finacing will not work. It states that

"In view of the responses and comments received on the draft RFP's, coupled with the restrictions contained in the pending fiscal year 1990 legislation, that is, that the project must result in net cost savings, it is NASA's assessment that private sector investment in these projects is not feasible."

Thus, I support this amendment, and I thank the Senator from Ohio for constantly questioning the logic of these financing schemes and the assumed cost savings.

Furthermore, I would recommend that NASA and OMB include a funding request for these projects in the fiscal year 1991 NASA budget request. I will work with the Agency to ensure Federal funding for these projects in fiscal year 1991, but I am no longer willing to try to secure private financing. It's time to acknowledge our mistake and to correct it. It's time to indicate that our experiment has failed and that the conditions do not yet

exist to support private financing initiatives for NASA programs.

(By request of Mr. MITCHELL, the following statement was ordered to be printed in the RECORD.)

● Mr. GORE. Mr. President, I would like to thank the Senator from Ohio for his comments and the Senator from South Carolina for his assistance in this matter.

Mr. President, I urge that this amendment be accepted.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1098) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS NOS. 1099, 1100, 1101, 1102, 1103, 1104, 1105, AND 1106

Mr. MITCHELL. Mr. President, I send a series of technical amendments to the desk, en bloc, on behalf of Senators HOLLINGS and GORE, and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL] for Mr. HOLLINGS (for himself and Mr. GORE) proposes amendments numbered 1099, 1100, 1101, 1102, 1103, 1104, 1105, and 1106, en bloc.

AMENDMENT NO. 1099

On page 17, line 18, delete "$894,500,000" and insert in lieu thereof "$903,500,000".

AMENDMENT NO. 1100

On page 18, line 6, delete "$625,500,000" and insert in lieu thereof "$631,500,000".

AMENDMENT NO. 1101

On page 19, line 14, delete "$35,000,000" and insert in lieu thereof "$38,000,000".

AMENDMENT NO. 1102

On page 19, line 25, delete "$1,305,300,000" and insert in lieu thereof "$1,340,300,000".

AMENDMENT NO. 1103

On page 24, line 8, delete "$2,032,200,000" and insert in lieu thereof the following: "$2,049,200,000".

AMENDMENT NO. 1104

On page 24, immediately after line 4, insert the following:

(38) Construction of the Advanced Solid Rocket Motor Facility, Yellow Creek, Mississippi, $90,000,000.

(39) Construction of a Space Station Orbital Debris Radar Facility, $15,000,000.

(40) Construction of a Wake Shield Facility, $2,500,000.

AMENDMENT NO. 1105

On page 32, immediately after line 3, insert the following new sections:

FUNDING FOR SPACE SHUTTLE STRUCTURAL SPARES

SEC. 110. The Administrator is authorized to use up to $25,000,000 of the funds appropriated in section 101(g) of the Joint Resolution entitled "Joint Resolution making continuing appropriations for the first year 1987, and for other purposes", approved October 30, 1986 (Public Law 99-591; 100 Stat. 3341-242), for space shuttle structural spares.

FUNDING FOR EXTENDED DURATION ORBITER DEVELOPMENT

SEC. 111. The Administrator is authorized to use up to $25,000,000 of the funds appropriated in section 101(g) of the Joint Resolution entitled "Joint Resolution making continuing appropriations for the fiscal year 1987, and for other purposes", approved October 30, 1986 (Public Law 99-591; 100 Stat. 3341-242), for continued development of an extended duration orbiter.

FUNDING FOR SPACE TRANSPORTATION SYSTEM

SEC. 112. The Administrator is authorized to use up to $25,000,000 of the funds appropriated in section 101(g) of the Joint Resolution entitled "Joint Resolution making continuing appropriations for the fiscal year 1987, and for other purposes", approved October 30, 1986 (Public Law 99-591; 100 Stat. 3341-242), for space transportation system requirements.

AMENDMENT NO. 1106

On page 20, line 2, after the word "motor" insert the following: ", of which $35,000,000 is authorized only for tooling and equipment associated with the Advanced Solid Rocket Motor Facility authorized in subsection (c)(38) of this section,".

AMENDMENTS NOS. 1099 THROUGH 1103

Mr. HOLLINGS. Mr. President, on October 31, 1989, the House of Representatives agreed to an amendment of the Senate, and the fiscal year 1990 VA-HUD-independent agencies appropriations bill, H.R. 2916, was cleared for signature by the President. This appropriations bill contains $12.4 billion for NASA in fiscal year 1990, in addition to funding for other agencies. Today, after several delays, the Senate finally has before it the fiscal year 1990 NASA authorization bill, S. 916, that also addresses the budget requirements of NASA. I regret that this bill has not been considered by the Senate before now, but this has been a difficult year for this bill in light of questions surrounding private financing mechanisms.

In light of the fact the appropriations bill that funds NASA has already passed the Senate, I thought that it made good sense to offer a series of amendments today to increase the levels of funding prescribed in the authorization bill to those in the appropriations bill in those few cases where the appropriations bill does or could exceed the authorization bill. In particular, this includes physics and astronomy, space applications, university academic programs, space shuttle production and operational capability, and research and program management. As the Members know, I have worked closely with the Senator from Maryland on the NASA and National Science Foundations portions of the VA-HUD-independent agencies appropriations bill, and I think that at this point in the process, it makes sense to make these adjustments.

Normally, I would suggest that we wait until the NASA bill was in conference and then adjust the spending levels in the bill to the NASA operating plan levels, except in those cases where the Members feel NASA needs; First, increased flexibility; second, more funding to meet program requirements; or third, a signal as to areas they should be funding. However, this year, it appears that the Congress could adjourn before the operating plan is available. Therefore, I would like to make these minor adjustments with the expectation that the final authorization bill would not underfund any of the already appropriated programs.

Mr. President, I urge that these amendments be accepted en bloc.

AMENDMENTS NOS. 1104 THROUGH 1106

Mr. HOLLINGS. Mr. President, there were three other provisions in the fiscal year 1990 VA-HUD-independent agencies appropriations bill that require a change in the fiscal year 1990 authorization bill.

In particular, the authorization must include an authorization of appropriations for three facilities that were included in the appropriations bill. One of these facilities, the advanced solid rocket motor facility, was not included in the fiscal year 1990 NASA authorization bill because the committee thought that the private financing scheme contained in S. 663 would prove fruitful. However, it did not, and the Appropriations Committee was gracious enough to include funding for this facility in their bill.

The other two facilities, the wake shield facility and the space station orbital debris radar facility, are both included in the fiscal year 1990 NASA authorization bill in the research and development portions of the bill. However, the Appropriations Committee was correct in including these facilities as new line items in the construction of facilities account.

The first amendment in this package takes care of these three items.

Furthermore, the committee agrees with the Appropriations Committee that $75 million of prior year unobligated orbiter production funds should be used to fund space shuttle structural spares, an extended duration orbiter and additional space transportation operational activities. The committee, therefore, has authorized $25 million for each of these activities in the second amendment.

Finally, the last amendment in this package earmarks $35 million in the space shuttle production and operational capability account for the tool-

ing and equipment associated with the advanced solid rocket motor facility. As was the case with the authorization for the facility, the committee did not originally include money for tooling and equipment in the space flight budget because it assumed these expenses would be part of the privately financed portion of the program.

Mr. President, the intent of these amendments is once again to conform the fiscal year 1990 NASA authorization bill to the basic provisions of the fiscal year 1990 VA-HUD-independent agencies appropriations bill. Unfortunately, there will still be many more issues that will require consideration by the House and the Senate as we strive to finalize the final bill for fiscal year 1990. But making these few adjustments is important and will go a long way in making the fiscal year 1990 authorization and appropriations bills consistent.

Mr. President, I move that these amendments be accepted en bloc.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments (Nos. 1099, 1100, 1101, 1102, 1103, 1104, 1105, and 1106) were agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

(By request of Mr. MITCHELL, the following statement was ordered to be printed in the RECORD.)

● Mr. GORE. Mr. President, before final consideration of S. 916, let me indicate that we stand at a critical juncture in the U.S. Civil Space Program. With the return to flight of the space shuttle, we are back in space. But we have yet to decide to what extent.

Despite the fact the Space Station Program has survived another budget threat, the Congress has yet to give NASA the resources—the people, the dollars, or the facilities—required to implement this program, and we have needlessly concerned our partners and allies over our commitment to the Space Station Program. Most recently, NASA was forced to reassess the content and schedule of the Space Station Program due to the reduction of the fiscal year 1990 space station budget request by the House Appropriations Committee. This reassessment has brought a new-found reality to the Space Station Program, but it also has resulted in a rephasing of the program that further delays some critical milestones and delays the incorporation of needed capabilities. The good news is that the rephasing confirms the merit of the space station configuration. The bad news is, 6 years into the program we are still debating the cost and configuration. Quite frankly, the time has come to quit talking and to start building.

Mr. President, during the rephasing study, NASA was forced to eliminate some of the program content in order to minimize the schedule impacts. I am pleased to say that the final proposal includes adequate power levels, crew size, and data management systems.

However, the most recent proposal also includes a slip of 2 years in the deployment of the space station polar platform, the first element of a comprehensive Mission to Planet Earth. This is very troubling to me and other Members of the committee and Congress who actively support this initiative and who believe that the data from this and other space-based systems will substantially improve our knowledge about the fragile planet Earth. I intend to pursue this matter with NASA aggressively, and I intend to work to ensure the initiation of the Mission to Planet Earth and a comprehensive U.S. Global Change Research Program as soon as possible.

Mr. President, the environmental crisis that faces the United States and the world is a threat to our national and economic security, and we must not wait to address these problems. The time to act was yesterday, and we cannot in good conscience justify any further delays.

Mr. President, when I was first made the chairman of the Subcommittee on Science, Technology, and Space, I asked the staff what the primary issues were likely to be in the 101st Congress. The answer was budget, budget, and budget. The problem is, we have failed to date to correct the budget problem, and as a result programs in NASA and other federal agencies have been adversely affected. It is critical that this trend be corrected. It is critical that we provide the necessary resources to implement the Space Station and Mission to Planet Earth Programs in an orderly and predictable manner.

Mr. President, I believe that next year will be critical to the future of the Civil Space Program. And I believe the Congress will need to do three things next year in order to signal to the world that we are committed to retaining our leadership in space in deed as well as in rhetoric.

First, the Congress and the administration must provide the necessary resources to implement the ongoing NASA programs. The budget resolution, the 302(b) allocations and the authorization and appropriations bills must contain the funds required to meet our commitments.

Second, there must be a multiyear appropriation for the Space Station Program. I am convinced that if we fail to provide multiyear funding for this program that we will continue to reassess the content and schedule of the program due to budget pressures, and we will further alienate our partners and allies in this program. The United States has signed agreements with the European Space Agency, Canada, and Japan, and we have given our commitment to the American people. I intend to work to make sure that we honor these agreements and that the space station becomes a reality.

Finally, we must initiate a well designed and responsible Mission to Planet Earth. We need to have in place a program that will provide good scientific data in a reasonable timeframe, and we need to have in place a data management system that will facilitate the dissemination and utilization of this data.

Mr. President, the challenges that face the Civil Space Program are great. But I am convinced that the Nation and the Congress will support the Civil Space Program and that the United States will continue to retain its leadership in space. The race for space is a race for the markets and technologies of tomorrow. It is a race that we must run, and it is a race that we cannot afford to lose.

Mr. Preisdent, I move for immediate consideration of S. 916, the fiscal year 1990 NASA authorization bill, and I would hope that the Senate would strongly endorse this bill as a sign of its commitment to the Civil Space Program.●

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 916

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Aeronautics and Space Administration Authorization Act, Fiscal Year 1990".

TITLE I—FISCAL YEAR 1990 NASA AUTHORIZATION

NASA AUTHORIZATION

SEC. 101. (a) There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1989, for "Research and development", for the following programs:

(1) Space Station Freedom, $2,050,200,000, of which $80,000,000 is authorized only for development of the flight telerobotic servicer.

(2) Space transportation capability development, $635,500,000, of which $6,000,000 is authorized only for the Advanced Communications Technology Satellite upper stage

development, plus such additional funds as may be transferred to the Administration from any other agency pursuant to a fiscal year 1990 appropriations Act.

(3) Physics and astronomy, $903,500,000, of which $25,000,000 is authorized only for the Gravity Probe B space shuttle flight experiment.

(4) Life sciences, $122,700,000.

(5) Planetary exploration, $396,900,000, of which $30,000,000 is authorized only for the CRAF and CaSSINI missions if a cost containment plan is formulated for those missions and submitted to the Committee on Commerce, Science, and Transportation of the Senate, to the Committee on Science, Space, and Technology of the House of Representatives, and to the Committees on Appropriations of the Senate and House of Representatives.

(6) Space applications, $631,500,000, of which $62,000,000 is authorized only for the Advanced Communications Technology Satellite and $10,000,000 is authorized only for the Total Ozone Mapping Spectrometer.

(7) Earth Observing System of Mission to Planet Earth, $24,200,000 in order to complete Phase B activities and to initiate Phase C/D of this program in fiscal year 1990.

(8) Technology utilization, $22,700,000.

(9) Commercial use of space, $38,300,000.

(10) Aeronautical research and technology, $462,800,000, of which $25,000,000 is authorized only for the initiation of the environmental technologies research required for a high speed commercial transport and $10,000,000 is authorized only for the initiation of a high performance computer initiative.

(11) Transatmospheric research and technology, $127,000,000 if a new National Aerospace Plane management plan is submitted to the Committee on Commerce, Science, and Transportation and Committee on Armed Services of the Senate and to the Committee on Science, Space, and Technology and Committee on Armed Services of the House of Representatives within 60 days after the date of enactment of this Act.

(12) Space research and technology, $325,100,000.

(13) Safety, reliability, maintainability, and quality assurance, $23,300,000.

(14) Tracking and data advanced systems, $19,900,000.

(15) University Space Science and Technology Academic Program, $38,000,000, of which $5,000,000 is authorized only for the National Space Grant College and Fellowship Program.

Notwithstanding paragraphs (1) through (15), the total amount authorized by this subsection shall not exceed $5,786,600,000.

(b) There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1989, for "Space flight, control and data communications", for the following programs:

(1) Space shuttle production and operational capability, $1,340,300,000, of which $121,300,000 is authorized only for development of an advanced solid rocket motor, of which $35,000,000 is authorized only for tooling and equipment associated with the Advanced Solid Rocket Motor Facility authorized in subsection (c)(38) of this section, and of which such sums as may be necessary are authorized to ensure a safe, reliable space shuttle and an extended duration orbiter capability.

(2) Space transportation operations, $2,732,200,000.

(3) Space and ground network, communications and data systems, $1,077,100,000.

Notwithstanding paragraphs (1) through (3), the total amount authorized by this subsection shall not exceed $5,104,600,000.

(c) There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1989, for "Construction of facilities", including land acquisition, as follows:

(1) Construction of addition for Space Systems Automated Integration and Assembly Facility, Johnson Space Center, $10,500,000.

(2) Construction of addition to Mission Control Center, Johnson Space Center, $17,800,000.

(3) Construction of addition to Simulator/Training Facility, Johnson Space Center, $3,800,000.

(4) Modifications for Expanded Solar Simulation, Johnson Space Center, $2,000,000.

(5) Modifications of Process Technology Facility for Space Station, Marshall Space Flight Center, $4,000,000.

(6) Replacement of Cooling Towers, Launch Complex 39 Utility Annex, Kennedy Space Center, $4,600,000.

(7) Replacement of Launch Complex 39, Pad A Chillers and Controls, Kennedy Space Center, $1,200,000.

(8) Replacement of Roofs, Launch Complex 39, Kennedy Space Center, $11,000,000.

(9) Replacement of Vehicle Assembly Building Air Handling Units, Kennedy Space Center, $1,800,000.

(10) Upgrading of Orbiter Modification and Refurbishment Facility to Orbiter Processing Facility 3, Kennedy Space Center, $26,000,000.

(11) Modifications of High Pressure Industrial Water System, Stennis Space Center, $2,000,000.

(12) Replacement of High Pressure Gas Storage Vessels, Stennis Space Center, $3,000,000.

(13) Construction of natural resource protection at various locations, $3,800,000.

(14) Refurbishment of bridges, Merrit Island, Kennedy Space Center, $4,500,000.

(15) Rehabilitation of Spacecraft Assembly and Encapsulation Facility II, Kennedy Space Center, $3,500,000.

(16) Rehabilitation of Central Heating/Cooling Plant, Johnson Space Center, $2,800,000.

(17) Construction of Data Operations Facility, Goddard Space Flight Center, $12,000,000.

(18) Construction of Quality Assurance and Detector Development Laboratory, Goddard Space Flight Center, $7,500,000.

(19) Modernization of South Utility Systems, Jet Propulsion Laboratory, $5,400,000.

(20) Construction of 40 x 80 Drive Motor Roof, Ames Research Center, $1,000,000.

(21) Modifications to Thermo-Physics Facilities, Ames Research Center, $4,600,000.

(22) Modifications to 14 x 22 Subsonic Wind Tunnel, Langley Research Center, $1,000,000.

(23) Modifications to National Transonic Facility for Productivity, Langley Research Center, $7,600,000.

(24) Modifications to 20-Foot Vertical Spin Tunnel, Langley Research Center, $1,900,000.

(25) Rehabilitation of Central Air Systems, Lewis Research Center, $2,400,000.

(26) Rehabilitation of Central Refrigeration Equipment, Lewis Research Center, $7,200,000.

(27) Rehabilitation of 8 x 6 Supersonic and 9 x 15 Low-Speed Wind Tunnels, Lewis Research Center, $6,800,000.

(28) Rehabilitation of Hypersonic Tunnel, Plum Brook, $4,100,000.

(29) Repair and Modernization of the 12-Foot Pressure Wind Tunnel, Ames Research Center, $27,600,000.

(30) Construction of Automation Sciences Research Facility, Ames Research Center, $10,600,000.

(31) Construction of Supersonic/Hypersonic Low Disturbance Tunnel, Langley Research Center, $6,900,000.

(32) Modifications for Seismic Safety, Goldstone, California, Jet Propulsion Laboratory, $2,600,000.

(33) Repair of facilities at various locations, not in excess of $750,000 per project, $28,000,000.

(34) Rehabilitation and modification of facilities at various locations, not in excess of $750,000 per project, $36,000,000.

(35) Minor construction of new facilities and additions to existing facilities at various locations, not in excess of $500,000 per project, $10,000,000.

(36) Environmental compliance and restoration, $30,000,000.

(37) Facility planning and design not otherwise provided for, $26,300,000.

(38) Construction of the Advanced Solid Rocket Motor Facility, Yellow Creek, Mississippi, $90,000,000.

(39) Construction of a Space Station Orbital Debris Radar Facility, $15,000,000.

(40) Construction of a Wake Shield Facility, $2,500,000.

(d) There are authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1989, for "Research and program management", $2,049,200,000.

(e) There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1989, for "Inspector General", $8,795,000.

(f) Notwithstanding the provision of subsection (i), appropriations authorized in this Act for "Research and development" and "Space flight, control and data communications" may be used (1) for any items of a capital nature (other than acquisition of land) which may be required at locations other than installations of the National Aeronautics and Space Administration for the performance of research and development contracts, and (2) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities; and title to such facilities shall be vested in the United States unless the Administrator of the National Aeronautics and Space Administration (hereinafter referred to as the "Admininstrator") determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to ensure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research and development" and "Space flight, control and data communications" pursuant to this Act may be used in accordance wtih this subsection for the construction of any major facility, the estimated cost of which, including collateral equipment, exceeds $500,000, unless the Administrator or the Administra-

tor's designee has notified the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives of the nature, collection, and estimated cost of such facility.

(g) When so specified and to the extent provided in appropriations Acts, (1) any amount appropriated for "Research and development", for "Space flight, control and data communications", or for "Construction facilities" may remain available without fiscal year limitation, and (2) contracts may be entered into under the "Research and program management" appropriation for maintenance and operation of facilities and for other services for periods not in excess of 12 months beginning at any time during the fiscal year.

(h) Appropriations made pursuant to subsection (d) may be used, but not to exceed $35,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator, and the Administrator's determination shall be final and conclusive upon the accounting officers of the Government.

(i)(1) Funds appropriated pursuant to subsections (a), (b), and (d) may be used for the construction of new facilities and additions to, repair of, rehabilitation of, or modification of existing facilities, except that the cost of each such project, including collateral equipment, shall not exceed $100,000.

(2) Funds appropriated pursuant to subsections (a) and (b) may be used for unforeseen programmatic facility project needs, except that the cost of each such project, including collateral equipment, shall not exceed $500,000.

(3) Funds appropriated pursuant to subsection (d) may be used for repair, rehabilitation, or modification of facilities controlled by the General Services Administration, except that the cost of each project, including collateral equipment, shall not exceed $500,000.

ADMINISTRATOR'S REPROGRAMMING AUTHORITY

SEC. 102. Authorization is granted whereby any of the amounts prescribed in section 101(c)(1) through (37)—

(1) in the discretion of the Administrator or the Administrator's designee, may be varied upward by 10 percent, or

(2) following a report by the Administrator or the Administrator's designee to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives on the circumstances of such action, may be varied upward by 25 percent, to meet unusual cost variations.

The total cost of all work authorized under paragraphs (1) and (2) shall not exceed the total of the amounts specified in section 101(c).

SPECIAL REPROGRAMMING AUTHORITY FOR CONSTRUCTION OF FACILITIES

Sec. 103. Where the Administrator determines that new developments or scientific or engineering changes in the national program of aeronautical and space activities have occured; and that such changes require the use of additional funds for the purposes of construction, expansion, or modification of facilities at any locations; and that deferral of such action until the enactment of the next authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities; the Administrator may transfer not to exceed one-half of one percent of the funds appropriated pursuant to section 101 (a) and (b) to the "Construction of facilities" appropriation for such purposes. The Administrator may also use up to $10,000,000 of the amounts authorized under section 101(c) for such purposes. The funds so made available pursuant to this section may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No such funds may be obligated until a period of 30 days has passed after the Administrator or the Administrator's designee has transmitted to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives a written report describing the nature of the construction, its cost, and the reasons therefor.

LIMITATIONS ON AUTHORITY

Sec. 104. Notwithstanding any other provision of this Act—

(1) no amount appropriated pursuant to this Act may be used for any program deleted by the Congress from requests as originally made to either the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Science, Space, and Technology of the House of Representatives;

(2) no amount appropriated pursuant to this Act may be used for any program in excess of the amount actually authorized for that particular program by section 101 (a), (b), and (d); and

(3) no amount appropriated pursuant to this act may be used for any program which has not been presented to either such committee,

unless a period of 30 days has passed after the receipt by each such committee, of notice given by the Administrator or the Administrator's designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

GEOGRAPHICAL DISTRIBUTION

SEC. 105. It is the sense of the Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds whenever feasible, and that the National Aeronautics and Space Administration should explore ways and means of distributing its research and development funds whenever feasible.

PEACEFUL USES OF SPACE STATION

SEC. 106. No civil space station authorized under section 101(a)(1) of this Act may be used to carry or place in orbit any nuclear weapon or any other weapon of mass destruction, to install any such weapon on any celestial body, or to station any such weapon in space in any other manner. This civil space station may be used only for peaceful purposes.

SMALL BUSINESS INNOVATION RESEARCH PROGRAM

SEC. 107. The Administrator of the National Aeronautics and Space Administration may utilize up to five percent of the funds provided for the Small Business Inovation Research Program for program management and promotional activities. None of the NASA Small Business Innovation Research Program funds may be used for travel or civil service salaries.

EXPORTS OF UNITED STATES-BUILT SATELLITES

SEC. 108. It is the sense of the Congress that the current prohibition on the export of United States-built satellites to the Soviet Union for launch on rockets of the Soviet Union shall continue to be the policy of the United States and that the policy shall be expanded to prohibit the export of United States-built satellites to other nations for launch on rockets of the Soviet Union.

FUNDING FOR SPACE SHUTTLE STRUCTURAL SPARES

SEC. 109. The administrator is authorized to use up to $25,000,000 of the funds appropriated in section 101(g) of the Joint Resolution entitled "Joint Resolution making continuing appropriations for the fiscal year 1987, and for other purposes", approved October 30, 1986 (Public Law 99-591; 100 Stat. 3341-242), for space shuttle structural spares.

FUNDING FOR EXTENDED DURATION ORBITER DEVELOPMENT

SEC. 110. The Administrator is authorized to use up to $25,000,000 of the funds appropriated in section 101(g) of the Joint Resolution entitled "Joint Resolution making continuing appropriations for the fiscal year 1987, and for other purposes", approved October 30, 1986 (Public Law 99-591; 100 Stat. 3341-242), for continued development of an extended duration orbiter.

FUNDING FOR SPACE TRANSPORTATION SYSTEM

SEC. 111. The Administrator is authorized to use up to $25,000,000 of the funds appropriated in section 101(g) of the Joint Resolution entitled "Joint Resolution making continuing apppropriations for the fiscal year 1987, and for other purposes", approved, October 30, 1986 (Public Law 99-591; 100 Stat. 3341-242), for space transportation system requirements.

TITLE II—COMMERCIAL SPACE LAUNCH ACT

AUTHORIZATION FOR SECRETARY OF TRANSPORTATION

SEC. 201. Section 24 of the Commercial Space Launch Act (49 App. U.S.C. 2623) is amended to read as follows:

"AUTHORIZES APPROPRIATIONS

"SEC. 24. There is authorized to be appropriated to the Secretary to carry out this Act $4,392,000 for fiscal year 1990. Sums appropriated for research and development shall remain available until expended.".

TITLE III—NATIONAL SPACE COUNCIL

COUNCIL AUTHORIZATION

SEC. 301. There is authorized to be appropriated to carry out the activites of the National Space Council established by section 501 of the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1989 (42 U.S.C. 2471), $1,200,000 for fiscal year 1990 : *Provided,* That the National Space Council shall reimburse other agencies for not less than one-half of the personnel compensation costs of individuals detailed to it.

SEC. 302. Not more than six individuals may be employed by the National Space Council without regard to any provision of law regulating the employment or compensation of persons in the government service, at rates not to exceed the rate of pay for level VI of the Senior Executive Schedule, as provided pursuant to section 5382 of title 5, United States Code.

SEC. 303. Section 5314 of title 5, United States Code is amended by adding at the end thereof.

"EXECUTIVE SECRETARY, NATIONAL SPACE COUNCIL"

SEC. 304. The National Space Council may, for the purposes of carrying out its functions employ experts and consultants in accordance with section 3109 of title 5, United States Code, and may compensate individuals so employed for each day (including travel time) at rates not in excess of the maximum rate of pay for grade GS-18 as provided in section 5332 of title 5, United States Code.

SEC. 305. (1) The National Space Council is requested to initiate a review of United States launch policy including the Nation's expendable launch vehicle and satellite industries, their current and projected markets, the existing and projected level of foreign competition in these industries, the extent and level of support from foreign governments in these markets and industries, the consequences of the entry of nonmarket providers of launch services and satellities into the world market, restrictions on the use of foreign launch services and the export of United States satellites, and the importance of the United States launch vehicle and satellite industry to the national and economic security.

(2) The findings of this review and any policy recommendations are to be submitted to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation in the Senate by August 1, 1990.

TITLE IV—NATIONAL SPACE GRANT COLLEGE AND FELLOWSHIP PROGRAM

SEC. 401. Section 203(1) of Public Law 100-147, the National Aeronautics and Space Administration Authorization Act of 1988, (42 USC 2486a(1)) is amended by inserting "and undergraduate" immediately after "graduate".

SEC. 402. Section 209(a) of Public Law 100-147, the National Aeronautics and Space Administration Authorization Act of 1988, (42 USC 2486g(a)) is amended by inserting "and undergraduate" immediately after "graduate".

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill as amended, was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DIRECTING THE SECRETARY OF THE SENATE TO TAKE CERTAIN ACTIONS REGARDING SENATE JOINT RESOLUTION 216

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Secretary be directed to return to the House of Representatives its message informing the Senate that the House has passed the joint resolution (S.J. Res. 216), a joint resolution designating November 12-18, 1989, as "Community Foundation Week," in compliance with a request of the House for the return thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

VETERANS' DISABILITY COMPENSATION

Mr. MITCHELL. Mr. President, I understand that the veterans' disability compensation bill, Calendar item No. 288, H.R. 1335, has been cleared on this side, and I inquire of the distinguished Republican leader whether that bill has been cleared for action on the Republican side.

Mr. DOLE. It has not yet been cleared for action on this side. We did have a meeting today of all ranking members of committees. The matter was discussed with Senator MURKOWSKI, of Alaska. I think there are still problems so that I cannot clear it at this time.

Mr. MITCHELL. I thank the Senator.

NOMINATIONS

Mr. DOLE. Mr. President, since the beginning of the 101st Congress I have from time to time inserted in the RECORD the status of the Bush administration's nominations that remain in the Senate awaiting confirmation.

According to the Senate executive clerk, he has indicated to me, through staff, that the average length of time which a nomination is confirmed by the Senate once received from the White House is 30 days. With that in mind, I have tried to compile a list of nominations remaining in the Senate awaiting conformation. In fairness to both the majority and the minority, we have holds on some and some are not yet reported, I ask unanimous consent that the list be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOLE. To summarize the list, there are now 101 nominations that are in the Senate awaiting confirmation, most of which still need committee action. Of those 101 nominations, 32 have not been in the Senate longer than 30 days. Therefore, in fairness to committee chairmen and others, they will not be included in the total number of nominations that have not, in this Senator's opinion, moved in a timely fashion.

However, there are 69 nominations that have been in the Senate for more than 30 days and have not been confirmed, only two or possibly three of which are being held by a Member on this side of the aisle. If there is any indication we may adjourn in the next week or two, hopefully all these can be cleared. I understand that a large group are in the clearance process now.

I raised this with all Senators in the hope we could expedite the confirmation process so that we can be helpful to these nominees.

Again, I point out, as I have done to colleagues on my this side of the aisle, many of these nominees have families. Many of them are going to have to relocate. Some have relocated. It just seems to me, if there is any way possible—and if we are the problem, we are going to try to resolve it on this side; if the White House is a problem, we are going to try to resolve it there and, hopefully, if the majority is the problem, we will try to resolve it there. I know in one or two cases nominees are being held because there has not been a designation of who should be chairman of, for example, the National Transportation Safety Board, and therefore the other Members of the Board are still being held. I relayed that just moments ago to the President's Chief of Staff, John Sununu, and hopefully, if there are other problems of that kind, they can be resolved.

I want to assure the majority leader that I want to work closely with him in confirming as many of these nominees as possible. I am not making this statement in criticism of anyone. I am just suggesting if, in fact, we may be departing here in the next couple of weeks, I hope that we can expedite wherever possible the nomination process so that these good men and women can be confirmed and do what they need to do as far as their family concerns and starting their job efficiently.

EXHIBIT

NOMINEES AWAITING CONFIRMATION

Name and title	Date nominated
Morton I. Abramowitz, Personal Rank of Career Ambassador.	Oct. 17, 1989.
William P. Albrecht, Commissioner, Commodity Futures Trading Commission.	Aug. 1, 1989.
Martin Lewis Allday, Chairman, Federal Energy Regulatory Commission.	Oct. 17, 1989.
Duane Perry Andrews, Asst. Secretary of Defense	Sept. 8, 1989.
Cresencio S. Arcos, Jr., Ambassador, Republic of Honduras.	Oct. 6, 1989.
Tony Armendariz, Member, Federal Labor Relations Authority.	Sept. 6, 1989.
Bernard W. Aronson, Member, Board of Directors of the Inter-American Foundation.	Oct. 17, 1989.
Richard G. Austin, Administrator of General Services	Oct. 17, 1989.
Pearl Bailey, U.S. Representative, 44th Session of the U.N. General Assembly.	Sept. 26, 1989.
Barbara Everitt Bryant, Director of the Census	Oct. 6, 1989.
Allan V. Burman, Administrator for Federal Procurement Policy.	Oct. 25, 1989.
James E. Cason, Asst. Secretary of Agriculture (Special Services).	May 2, 1989.
Philip Lawrence Christenson, Asst. Administrator of AID (Food for Peace).	Oct. 6, 1989.
Don R. Clay, Asst. Administrator, Office of Solid Waste, EPA.	Oct. 17, 1989.
Hilary P. Cleveland, Member of International Joint Commission.	Nov. 1, 1989.
Brian W. Clymer, Urban Mass Transportation Administrator.	June 16, 1989.
Frances D. Cook, Ambassador, Republic of Cameroon	Oct. 25, 1989.
Susan M. Coughlin, Member, National Transportation Safety Board.	June 21, 1989.
Jerry Ralph Curry, Administrator, National Highway Traffic Safety Administration.	Sept. 6, 1989.
Cindy Shinga Daub, Commissioner of the Copyright Royalty Tribunal.	Sept. 6, 1989.
Edmund DeJarnette, Jr., Ambassador to United Republic of Tanzania.	Oct. 10, 1989.
Bernard DeLury, Federal Mediation and Conciliation Director.	Sept. 27, 1989.
Dennis M. Devaney, Member, National Labor Relations Board, remainder of expiring term.	Sept. 14, 1989.
Five-year term	Sept. 29, 1989.
Michael Bruce Donley, Asst. Secretary of the Air Force (Financial Management).	Oct. 6, 1989.

NOMINEES AWAITING CONFIRMATION—Continued

Name and title	Date nominated
Robert Clifton Duncan, Director of Operational Test and Evaluation, Department of Defense.	Aug. 4, 1989.
Edward Martin Emmett, Member, Interstate Commerce Commission.	June 8, 1989.
Edwin G. Foulke, Jr., Member, Occupational Safety and Health Review Commission.	Sept. 26, 1989.
Barbara Hackman Franklin, U.S. Alternate Representative, 44th Session of the U.N. General Assembly.	Oct. 6, 1989.
Michael Paul Galvin, Asst. Secretary of Commerce	Aug. 4, 1989.
Joyce J. George, U.S. Attorney, Northern District of Ohio.	Oct. 6, 1989.
Stephen J. Hadley, Commissioner-Observer to Commission on Security and Cooperation in Europe.	Nov 6, 1989.
Barry L. Harris, Deputy Administrator of FAA	Nov. 6, 1989.
Ronald G. Hein, U.S. Marshal for the D.C. Superior Court.	Sept. 15, 1989.
Robert W. Houk, Public Printer	Nov. 6, 1989.
Jerry M. Hunter, General Counsel, National Labor Relations Board.	May 12, 1989.
Eric M. Javits, Ambassador to Venezuela	July 11, 1989.
Christopher Jehn, Asst. Secretary of Defense (Force Management and Personnel).	Sept. 6, 1989.
Kyo Ryoon Jhin, Chief Counsel for Advocacy, Small Business Administration.	June 23, 1989.
Jacqueline Jones-Smith, Commissioner, Consumer Product Safety Commission Chairman.	Oct. 12, 1989.
Richard T. Kennedy, U.S. Alternate Representative, 33rd Session of the General International Atomic Energy Agency.	Oct. 25, 1989.
Jane A. Kenny, Director of the ACTION Agency	July 11, 1989.
Craig S. King, General Counsel, Navy Department	Sept. 6, 1989.
Donald E. Kirkendall, Inspector General, Treasury Department.	Oct. 10, 1989.
Kathleen Day Koch, General Counsel, Federal Labor Relations Authority.	July 11, 1989.
Hilda Gay Legg, Alternate Federal Co-chairman of the Appalachian Regional Commission.	Oct. 4, 1989.
Timothy D. Leonard, U.S. Attorney, Western District of Oklahoma.	Oct. 25, 1989.
David E. Lewis, Asst. Secretary of Veterans Affairs (Acquisition and Facilities).	Oct. 12, 1989.
Edward G. Lewis, Asst. Secretary of Veterans Affairs (Information Resources Management).	Sept. 18, 1989.
Susan M. Livingstone, Assistant Secretary of Army for Installations and Logistics.	Nov. 2, 1989.
Edward J. Lodge, U.S. District Judge for District of Idaho.	Oct. 30, 1989.
Antonio Lopez, Associate Director of FEMA	May 18, 1989.
Robert C. McCormack, Asst. Secretary of the Navy (Financial Management).	Oct. 10, 1989.
Jean McKee, Chairman, Federal Labor Relations Authority.	July 11, 1989.
Robert R. McMillan, Member, Board of the Panama Canal Commission.	Oct. 6, 1989.
Gary Edward MacDougal, U.S. Alternate Representative, 44th Session of the U.N. General Assembly.	Oct. 6, 1989.
Margot E. Machol, Commissioner, Commodity Futures Trading Commission.	Sept. 8, 1989.
Harry F. Manbeck, Jr., Commissioner of Patents and Trademarks.	Oct. 12, 1989.
Hart T. Mankin, Associate Judge, U.S. Court of Veterans Appeals.	Sept. 29, 1989.
Gordon H. Mansfield, Asst. HUD Secretary (Fair Housing & Equal Opportunity).	Oct. 3, 1989.
Larry K. Mellinger, U.S. Executive Director for Inter-American Development Bank.	Oct. 30, 1989.
Richard H. Melton, Ambassador, Federative Republic of Brazil.	Sept. 20, 1989.
Zinora M. Mitchell, Associate Judge, D.C. Superior Court.	Sept. 29, 1989.
Jerry Alexander Moore, Jr., Ambassador, Kingdom of Lesotho.	July 11, 1989.
Edwin L. Nelson, U.S. District Judge, Northern District of Alabama.	Sept. 13, 1989.
Michael H. Newlin, Alternate U.S. Representative to General Conference of International Atomic Energy Agency.	Oct. 30, 1989.
Michael J. Norton, U.S. Attorney, District of Colorado	Sept. 15, 1989.
Edward W. Nottingham, U.S. District Judge, District of Colorado.	Oct. 10, 1989.
Clifford R. Oviatt, Jr., Member, National Labor Relations Board.	July 20, 1989.
Ann Christine Petersen, General Counsel, Department of the Air Force.	Oct. 3, 1989.
Bill R. Phillips, Deputy Director, Office of Personnel Management.	Sept. 6, 1989.
Jacqueline L. Phillips, Federal Co-chairman, Appalachian Regional Commission.	Sept. 6, 1989.
Barbara Spyridon Pope, Asst. Secretary of the Navy (Manpower and Reserve Affairs).	Sept. 6, 1989.
J. Thomas Ratchford, Associate Director, Office of Science and Technology Policy.	Oct. 3, 1989.
Ronald E. Ray, Asst. Secretary of Veterans Affairs (Human Resources and Administration).	Sept. 6, 1989.
Forrest J. Remick, Member, Nuclear Regulatory Commission.	Aug. 4, 1989.
Donald F. Rodgers, Member, National Labor Relations Board.	July 20, 1989.
Abraham N.M. Shashy, Jr., Assistant General Counsel-IRS.	Nov. 2, 1989.
Scott Alan Sewell, U.S. Marshal for District of Maryland	Nov. 7, 1989.
Joy A. Silverman, Ambassador to Barbados, Dominica, Saint Lucia, and to Saint Vincent and the Grenadines.	July 11, 1989.

NOMINEES AWAITING CONFIRMATION—Continued

Name and title	Date nominated
Daniel Howard Simpson, Ambassador, Central African Republic.	Oct. 17, 1989.
Leon Snead, Inspector General, Department of Agriculture.	Oct. 3, 1989.
Frank B. Sollars, Member, Board of Directors of the National Consumer Cooperative Bank.	Sept. 6, 1989.
Ronald J. Sorini, Rank of Ambassador during tenure as U.S. Negotiator on Textile Matters.	Aug. 2, 1989.
Arthur D. Spatt, U.S. District Judge, Eastern District of New York.	Oct. 25, 1989.
Victor Stello, Jr., Asst. Secretary of Energy (Defense Programs)	July 24, 1989.
James J. Strock, Asst. Administrator of EPA	Aug. 4, 1989.
Robert W. Sweet Jr., Administrator, Office of Juvenile Justice and Delinquency Prevention.	Oct. 13, 1989.
Pamela Talkin, Member, Federal Labor Relations Authority.	July 31, 1989.
Clarence Thomas, U.S. Circuit Judge for District of Columbia.	Oct. 30, 1989.
Dennis B. Underwood, Commissioner of Reclamation	Sept. 6, 1989.
G. Thomas Van Bebber, U.S. District Judge, District of Kansas.	Sept. 13, 1989.
Adis Maria Vila, Asst. Secretary of Agriculture (Administration).	Sept. 14, 1989.
Catalina V. Villalpando, Treasurer of the United States	Sept. 26, 1989.
Edward S. Walker, Jr., Ambassador, United Arab Emirates.	Oct. 20, 1989.
John M. Walker, Jr., U.S. Circuit Judge, Second Circuit	Sept. 21, 1989.
Vaughn R. Walker, U.S. District Judge, Northern District of California.	Sept. 7, 1989.
Ruth V. Washington, Ambasssador to Gambia	Oct. 10, 1989.
James D. Watkins, U.S. Representative, 33rd Session of the International Atomic Energy Agency.	Sept. 20, 1989.
David C. Williams, Inspector General, Nuclear Regulatory Commission.	July 24, 1989.
Jennifer Joy Wilson, Asst. Secretary of Commerce for Oceans and Atmosphere.	Sept. 8, 1989.
Deborah Wince-Smith, Asst. Secretary of Commerce for Technology Policy.	June 13, 1989.
Melva G. Wray, Director, Office of Minority Economic Impact.	Sept. 6, 1989.
Susan Webber Wright, U.S. District Judge, Eastern and Western Districts of Arkansas.	Sept. 21, 1989.
James B. Wyngaarden, Associate Director, Office of Science and Technology Policy.	Oct. 3, 1989.
William H. Young, Asst. Secretary of Energy (Nuclear Energy).	Sept. 29, 1989.

Mr. MITCHELL. Mr. President, I thank the Republican leader for his comments. Since I was not aware of the subject prior to his statement, I am not able to respond in detail, but I will be prepared to do so on Monday when we convene.

I am not aware of all of the 69 that he mentioned. After a quick look at the pending Executive Calendar, I am advised that there are five holds in place, three by Republicans and two by Democrats. I am unaware of the additional numbers which make up the 69, but will review them over the weekend and be prepared to comment on Monday.

But I will say that, as the distinguished Republican leader knows, it is my policy to move these nominations as rapidly as possible. We will certainly make every effort to do that.

Mr. DOLE. As I said, I did not intend any criticism. I raised this today with Members on our side. We had a meeting today. I know at least in one case we are holding. A Republican has a hold on a certain nominee, which has brought forth maybe a hold on four others; National Labor Relations Board, for example. So it is four for one.

I indicated to the ranking members on those committees that we need to resolve these differences where we can. That does happen from time to time. I think sometimes nominations are overlooked in the rush maybe to close business.

I say for the record as I have before that the majority leader has been most helpful when the nominees were here. We have had our disputes, and we have had our debates. We voted. So I am just making a plea that we can resolve any other problems that may exist between now and midweek next week.

Mr. MITCHELL. I look forward to that, Mr. President.

SUPPORT FOR EAST EUROPEAN DEMOCRACY ACT

Mr. MITCHELL. Mr. President, I now call for the regular order.

The PRESIDING OFFICER. Regular order is S. 1582 which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1582) to amend the Foreign Assistance Act of 1961 to provide for certain forms of assistance to Poland to ensure the success of freedom and democracy in Poland.

The Senate resumed consideration of the bill.

AMENDMENT NO. 1065 WITHDRAWN

The PRESIDING OFFICER. Under the previous agreement, amendment No. 1065 by Senator PACKWOOD is withdrawn.

ORDERS FOR MONDAY, NOVEMBER 13, 1989

RECESS UNTIL 2:30 P.M., MONDAY, NOVEMBER 13, 1989

Mr. MITCHELL. Mr. President, I now ask unanimous consent that when the Senate completes its business today it stand in recess until 2:30 p.m. on Monday, November 13; and, that following the time for the two leaders, there be a period for morning business until 3 p.m. with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MITCHELL. Mr. President, at 3 p.m. on Monday, the Senate will resume consideration of S. 1582, the Poland-Hungary assistance bill.

I might say for the benefit of all Senators—and I hope that their staffs will communicate this to them for those who are not aware of it—I have discussed this matter with the distinguished Republican leader, and I believe that the most appropriate and expeditious way to handle this will be to conclude debate on all remaining amendments to the Poland-Hungary bill on Monday.

There will be no rollcall votes on Monday, but we intend to complete

action, short of voting, on all matters pending or relating to that bill on Monday. So if any Senator has an amendment to the Poland-Hungary bill, he or she must be present on Monday at 3 p.m. or shortly thereafter to offer that amendment.

Once we complete the debate, then the votes on the Poland-Hungary bill will be scheduled for Tuesday morning.

So Senators should be aware that there will be no session of the Senate tomorrow. The Senate will be in session on Monday, to complete action up to but not including voting on all amendments to the Poland-Hungary bill; that the votes on those amendments and final passage will be set for Tuesday morning, the time to be decided on Monday after full consultation with the distinguished Republican leader.

Then on Tuesday we hope to have resolved the remaining questions with respect to the transportation appropriations conference report, and to complete action on that Tuesday morning.

Under the previous order already entered, there will be debate and a vote on cloture on the capital gains provision on Tuesday afternoon. Following that, we will attempt to return to and complete action, as much as possible, on remaining appropriations conference reports.

That is the schedule that we have agreed upon for the early days of next week. I invite any comment by the distinguished Republican leader, if he has any.

Mr. SARBANES. Will the leader yield for a question?

Mr. MITCHELL. Yes.

Mr. SARBANES. Did I understand that any amendments that might be offered on the Poland-Hungary bill will be voted on on Tuesday morning and then the bill itself on final passage?

Mr. MITCHELL. Yes; that is correct.

Mr. SARBANES. Before the break for the conference, is that correct?

Mr. MITCHELL. Yes. Indeed, as I indicated, it is my hope that we will be able to do that relatively early Tuesday morning, and then if we have been able to work out the remaining matter on the transportation appropriations, then we will be able to complete action on that prior to the Tuesday noon break, as well. Then immediately after the break we go, under a previous order, to the capital gains debate and vote at 5:15 p.m.

Mr. SARBANES. I thank the leader.

Mr. DOLE. Mr. President, I will just indicate that I hope we can accommodate that schedule and that request. There are negotiations ongoing, as the majority leader knows, to try to resolve many of the policy differences, and again, dollar differences. I am not certain that we can do all that, but there is a good-faith effort being made. That should limit the number of amendments.

I understand there will be an amendment on cargo preference, and there may be a number of players on each side of the aisle that may be involved in that. Perhaps, there is some indication that there might even be a revenue item attached to the Polish aid bill. The only request I have, which I think can be accommodated, is that one Member on this side, Senator MURKOWSKI, does not get back until late Monday, and he would like to speak for at least 5 minutes on Tuesday morning.

Mr. MITCHELL. I can see no problem with that, if he is not arriving until late, and we are not in session, certainly I would be prepared to accommodate him for a brief period of time on Tuesday, just to make a speech, as I understand.

Mr. DOLE. Right. He has some amendments that will be accepted, and they will be offered by someone else on his behalf.

RECESS UNTIL 2:30 P.M., MONDAY, NOVEMBER 13, 1989

Mr. MITCHELL. Mr. President, if the distinguished Republican leader has no further business, and if no other Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess under the previous order until 2:30 p.m., Monday, November 13, 1989.

There being no objection, the Senate, at 6:35 p.m., recessed until Monday, November 13, 1989, at 2:30 p.m.

NOMINATIONS

Executive nominations received by the Senate November 9, 1989:

DEPARTMENT OF STATE

STEPHEN J. LEDOGAR, OF CONNECTICUT, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS U.S. REPRESENTATIVE TO THE CONFERENCE ON DISARMAMENT.

THE JUDICIARY

GERALD E. ROSEN, OF MICHIGAN, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF MICHIGAN VICE PHILIP PRATT, DECEASED.

DONALD J. LEE, OF PENNSYLVANIA, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF PENNSYLVANIA VICE HUBERT I. TEITELBAUM, RETIRED.

INTERSTATE COMMERCE COMMISSION

EDWARD J. PHILBIN, OF CALIFORNIA, TO BE A MEMBER OF THE INTERSTATE COMMERCE COMMISSION FOR A TERM EXPIRING DECEMBER 31, 1993, VICE HEATHER J. GRADISON, TERM EXPIRED.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 9, 1989:

JANE A. KENNY, OF VIRGINIA, TO BE DIRECTOR OF THE ACTION AGENCY.

DEPARTMENT OF THE INTERIOR

DENNIS B. UNDERWOOD, OF CALIFORNIA, TO BE COMMISSIONER OF RECLAMATION.

ACTION AGENCY

DEPARTMENT OF ENERGY

MELVA G. WRAY, OF CONNECTICUT, TO BE DIRECTOR OF THE OFFICE OF MINORITY ECONOMIC IMPACT.

WILLIAM H. YOUNG, OF NEW JERSEY, TO BE AN ASSISTANT SECRETARY OF ENERGY (NUCLEAR ENERGY).

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

HOUSE OF REPRESENTATIVES—*Thursday, November 9, 1989*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Teach us, O God, to see in our lives the opportunities to be Your saints in this world, going about doing good and being ministers to all with any need. May our faith, the faith of ordinary people, be tied to Your eternal promises, strengthened by Your power and forgiveness, and made whole by Your ever present spirit. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentlewoman from New York [Ms. SLAUGHTER] please come forward and lead the House in the Pledge of Allegiance.

Ms. SLAUGHTER of New York led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 2710. An act to amend the Fair Labor Standards Act of 1938 to increase the minimum wage, and for other purposes.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2748. An act to authorize appropriations for fiscal year 1990 for intelligence and intelligence-related activities of the U.S. Government, the intelligence community staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

The message also anounced that the Senate insists upon its amendment to the bill (H.R. 2748) "An act to authorize appropriations for fiscal year 1990 for intelligence and intelligence-related activities of the U.S. Government, the intelligence community staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BOREN, Mr. NUNN, Mr. HOLLINGS, Mr. BRADLEY, Mr. CRANSTON, Mr. DECONCINI, Mr. METZENBAUM, Mr. GLENN, Mr. COHEN, Mr. HATCH, Mr. MURKOWSKI, Mr. SPECTER, Mr. WARNER, Mr. D'AMATO, and Mr. DANFORTH; from the Committee on Armed Services: Mr. EXON and Mr. THURMOND, to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 80. Concurrent resolution to correct technical errors in the enrollment of the bill H.R. 2710.

The message also announced that the Senate agrees to the further report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the amendments of the House to the amendments of the Senate numbered 53, 171, and 191, to the bill (H.R. 2991) "An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1990, and for other purposes."

CORRECTING ENROLLMENT OF H.R. 2710, FAIR LABOR STANDARDS AMENDMENTS OF 1989

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table, the Senate concurrent resolution (S. Con. Res. 80), to correct technical errors in the enrollment of the bill, H.R. 2710, and ask for its immediate consideration.

The SPEAKER. The Clerk will report the Senate concurrent resolution.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 80

Resolved by the Senate (the House of Representatives concurring), That, in the enrollment of the bill (H.R. 2710) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

(1) Amend section 6(g)(1)(A)(ii) to read as follows:

(ii) has not attained the age of 20 years; and

(2) In section 6(g)(1)(B)(i) insert before the period "at such wage".

(3) In section 6(g)(1)(B)(ii) strike out "if a certificate is issued under subsection (h) by the Secretary for the employment of such employee" and insert in lieu thereof "if the employer meets the requirements of subsection (h)".

(4) Amend subsection (h) to read as follows:

(h) EMPLOYER REQUIREMENTS.—An employer who wants to employ employees at the wage authorized by subsection (a) for the period authorized by subsection (g)(1)(B)(ii) shall—

(1) notify the Secretary annually of the positions at which such employees are to be employed at such wage.

(2) provide on-the-job training to such employees which meets general criteria of the Secretary issued by regulation after consultation with the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives and other interested persons,

(3) keep on file a copy of the training program which the employer will provide such employees,

(4) provide a copy of the training program to the employees,

(5) post in a conspicuous place in places of employment a notice of the types of jobs for which the employer is providing on-the-job training, and

(6) send to the Secretary on an annual basis a copy of such notice.

The Secretary shall make available to the public upon request notices provided to the Secretary by employers in accordance with paragraph (6).

(5) In sections 8(a)(1) and 8(b), strike out "section 2(a)" and insert in lieu thereof "section 2".

(6) In section 2, strike out "December 31, 1989" and insert in lieu thereof "March 31, 1990".

Mr. HAWKINS (during the reading). Mr. Speaker, I ask unanimous consent that the Senate concurrent resolution be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. Is there objection to the initial request of the gentleman from California?

There was no objection.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

EVERYONE LOSES WITH SEQUESTRATION

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, last week the President bashed the Congress for the budget reconciliation package that he negotiated several months ago. Upon failure to agree today, sequestration, or cutting across-the-board 5.3 percent for all spending takes place.

Let Members stop the games, because remember what sequestration means. Less than 50 percent of eligible kids now get Head Start, and yet now this will mean that of 100 of those who are getting Head Start, 5 will have to step out of class. Soon Americans can fly on "Sequester Airways." While true, it may be the only one that Frank Lorenzo has not driven into bankruptcy, it flies without the same number of FAA controllers it had last week. Sequestration over safety.

If citizens thought it was unfair because the FDA did not inspect fish like it does red meat, rest easy, because now red meat will not get inspected. If sequestration comes, the Pentagon says 170,000 active duty people must be discharged. Sequestration is neither prudence nor policy. I urge the President to get serious about a real budget.

LEGISLATION TO IMPLEMENT THE NATIONAL DRUG POLICY OF PRESIDENT BUSH

(Mr. BAKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAKER. Mr. Speaker, since September 5, 1989, we have been patiently waiting for the opportunity to follow through on our promise to the citizens of this Nation, and to the citizens of all nations plagued by drugs. What is this promise? That the U.S. Congress give expedient consideration of the legislation President Bush needs to implement his national drug policy. Under the leadership of Director William Bennett, we have been presented with a well targeted strategy which includes:

A single individual charged with coordination of the dozens of Federal agencies involved in the war on drugs, and

A single individual to coordinate our domestic and international antidrug efforts, and

A single individual to direct resources for the most effective utilization.

But, Mr. Speaker, this is not enough. There remains much to be done. Resolutions are pending that will give much needed authority to the Director to fight the war, but time is running out, not just for the Congress, but for the children of America.

□ 1010

MAKING IN ORDER TODAY A MOTION TO SUSPEND THE RULES AND PASS CAPITAL GAINS LEGISLATION

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that it shall be in order to consider today a motion, if offered, by the gentleman from Illinois [Mr. ROSTENKOWSKI] to suspend the rules and pass a bill relating to capital gains.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO FILE REPORT ON H.R. 3611, INTERNATIONAL NARCOTICS CONTROL ACT OF 1989

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs have until midnight tonight, November 9, 1989, to file its report on H.R. 3611, the International Narcotics Control Act of 1989.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 1487, FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1990 AND 1991

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the managers have until midnight tonight, November 9, 1989, to file the conference report on H.R. 1487, the Foreign Relations authorization, fiscal years 1990 and 1991.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

BUDGET GAMES MUST END

(Mr. WOLPE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLPE. Mr. Speaker, I welcomed President Bush's appeal earlier this week for an end to budget gimmickery.

The games must end. All of the games. Including the game of hypocrisy.

Mr. Speaker, I want President Bush to succeed. This country needs strong, effective Presidential leadership. But for President Bush to be a credible leader, he must repudiate the budget gimmicks he himself has advocated.

After all, who asked the Congress to shift the date the military gets paid, so as to create an illusion of a $3 billion savings in the next year's budget?

Who wanted to claim a phoney savings of $1 billion in agriculture payments from fiscal year 1990 back to fiscal year 1989?

Who wanted to create a short-term paper savings by selling off $2.5 billion of loan assets?

Who asked that $50 billion of the savings and loan bailout be off-budget?

Most recently, who was pushing a capital gains tax cut that would increase the deficit by over $20 billion?

And now, incredibly, who is attempting to lay the entire blame for the deficit crisis at the feet of the Congress?

Mr. Speaker, if there is one thing we should have learned from the Reagan years, it is that the executive branch must be willing to take the leadership in proposing a balanced, responsible budget to Congress with real savings, real revenue measures, no smoke and mirrors, no voodoo economics. All we need is a willingness to negotiate with the legislative branch in a cooperative, bipartisan fashion.

Mr. Speaker, we are faced with a monumental budgetary task. The White House can best serve the public, not by posturing and blame throwing, but by setting an example, by presenting responsible solutions to our budget crisis, and by talking straight to the American people.

Let the games end.

NAVY SUBMARINE BARELY AVOIDS TRAGEDY

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, yesterday the U.S. Navy barely avoided adding yet another tragic twist to the Armed Forces slogan, "It's not just a job, it's an adventure."

The latest incident sounds similar to the plot of the recent movie "The Abyss," but this episode should be entitled "The Abysmal."

Three crewmen of a Navy research and recovery submarine were trapped 1,300 feet underwater off the coast of San Clemente Island from Tuesday afternoon until early Wednesday morning. The vessel had become entangled in cables.

Fortunately, after 9 hours of effort, the crew managed to break the submarine free from the cables. Unfortunately, a Navy spokesman—when asked how the three who were trapped had saved themselves—used the Navy's now standard, all-purpose response. He said, "we don't know how."

29-059 O-90-12 (Pt. 20)

JAPANESE GET THE ELEVATOR; AMERICANS GET THE SHAFT

(Mr. ECKART asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. ECKART. Mr. Speaker, once again there is another deal in the making, and it is not good news for workers in America. American chip makers have announced their agreement to produce the chips and let the Japanese manufacturers produce the new high definition television estimated to revitalize America's electronic industry.

Earlier this year Secretary of Commerce Mosbacher actually said he thought we should have a policy to help develop high definition television and restore consumer electronic supremacy to this Nation. But no, Mr. Mosbacher was not allowed to proceed. The nay sayers in the administration stepped on his initiative, and, once again, like Rip Van Winkle sound asleep, the world is going to pass us by.

Once again, Japan gets the jobs, we get the unemployment. Once again, Japan gets the technology, we get the loss.

Mr. Speaker, if this was Otis Manufacturing they would get the elevator, we have got the shaft.

WHERE SOCIAL SECURITY TAXES GO

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, this year America's workers will pay a total of $265 billion in FICA and SECA taxes to the Social Security System; $211 billion will be paid out in benefits to current retirees. The remaining $54 billion, Mr. Speaker, was spent by Congress on water projects, defense, agricultural subsidies, and the like.

You thought that money was saved in a trust fund for future retirees? No, it is lent to Congress and spent.

Congress gives only one guarantee in return. We promise that we will tax the next generation enough in the future to make the trust fund whole again when we need it to pay today's workers retirement benefits.

Some deal.

Mr. Speaker, we need to reorganize the Social Security system to truly guarantee benefits. We need a vested, fully funded Social Security System, Mr. Speaker.

We should create an Individual Social Security Retirement Account, an ISSRA, for each American worker and refund the annual reserves of the trust fund into these accounts. Workers would then invest these accounts in certain types of safe investments. The worker would own their ISSRA account. Congress would have no access to these investments and they would be there for the workers when they retire. Not a promise from Congress but cash on hand.

CIA COVERUP ALLEGED ON PAN AM FLIGHT 103 BOMBING

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, in 1960 the Central Intelligence Agency vehemently denied and labeled nonsense any involvement in the U-2 incident. In 1961 the Central Intelligence Agency vehemently denied and labeled nonsense any involvement in the Bay of Pigs scandal. In 1984 the CIA vehemently denied and labeled nonsense any involvement in the mining of the harbors of Nicaragua. In 1984 the CIA vehemently denied and labeled nonsense any involvement in the death threat manual in Nicaragua.

Today the Central Intelligence Agency denies and labels nonsense the report that the CIA had at least bungled and possibly even turned their back on the heroin smuggling ring from Frankfort to New York which played a key role in the bombing of Pan Am flight 103.

The Central Intelligence Agency has been consistent, I will give them that credit, but I think the American people and the world ought to know what happened to Pan Am flight 103 not another national security "coverup."

IN SUPPORT OF COMPLETING CHILD CARE LEGISLATION

(Mrs. SAIKI asked and was given permission to address the House for 1 minute.)

Mrs. SAIKI. Mr. Speaker, I share the hope that we can adjourn this session before Thanksgiving to go home to our districts for the holidays—but we must not—cannot leave until we pass critical legislation which affects so many American families.

The legislation I speak of is child care. It has been 20 years since a comprehensive child care bill was this close to passage. In the meantime the need for quality, affordable child care has intensified.

We have done a lot of posturing, expressing our concern for all those children who need our help. These children should be our No. 1 priority. They are the future of America.

Mr. Speaker, I urgently request that a child care conference report be brought to the floor of the House of Representatives for a vote before we go home for the holidays. I along with many others, will be willing to stay here until Christmas if necessary.

THE CONSEQUENCES OF SEQUESTRATION

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINETA. Mr. Speaker, I came to Washington to do a job: to make tough choices. I did not come to Washington to allow people to be hurt by the heavy hand of expedience.

President Bush says that he wants to throw up his hands and let automatic Gramm-Rudman-Hollings budget cuts take over our duty to decide our national priorities.

Mr. Speaker, nothing could do more damage to the American people.

We need to make choices. We do not need to abrogate our duty in favor of an arbitrary butcher's knife.

Could you tell 50,000 Head Start children that the United States can't help them? President Bush can. I can't.

Could you tell 3,600 very-low-income families that the United States can't build them a decent home? President Bush can. I can't.

Could you tell 176,000 needy students that college is out because the United States can't afford to give them a Pell Grant? President Bush can. I can't.

Mr. Speaker, It looks like President Bush would have us destroy the future supposedly in order to save it.

The President may be able to turn his back on Americans who need his help—but I won't.

Mr. Speaker, sequestration must end.

□ 1020

THE LINCOLN SAVINGS SCANDAL

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, every Member of this House and in the other body should pay close attention to the investigation going on in our Committee on Banking, Finance and Urban Affairs. It deals with the investigation of the Lincoln Savings scandal.

In sworn testimony thus far, our Federal and State regulators have described how a federally insured thrift was turned into a quasi-criminal enterprise with political protection from right here in Washington. The sworn testimony—the sworn testimony—was received on Tuesday and has raised the role of political influence to center stage in this investigation. The gentleman from Texas [Mr. GONZALEZ], the chairman, has said that any persons, including Members of their House of

Congress, who wish to testify before our committee can do so.

Mr. Speaker, the Lincoln scandal has left the American taxpayer with a $2½ billion price tag. That is $10 for every man, woman, and child in America, and that is only one savings and loan. We have 600 savings and loans that must be closed.

This is no small problem. This is not a problem we can ignore. We have a duty to get to the bottom of this mess, and I hope that every Member of Congress will support our committee in this investigation.

TEXAS APPROVES CONSTITUTIONAL AMENDMENT TO ASSIST COLONIA RESIDENTS

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, I rise today to commend Texas voters who on Tuesday approved proposition 2, a constitutional amendment to provide assistance to the neediest areas of my State.

I say to my colleagues, years ago I brought to them the plight of communities in my congressional district and along the rest of the United States-Mexico border commonly known as colonias, where residents live without access to running water or sewage service. In these communities, the rates of disease for many illnesses largely eradicated nationwide are higher than they would be in the many underdeveloped countries. Along with several of my colleagues from Texas, I have introduced various pieces of legislation to provide Federal assistance to these communities, but I also have always asserted that bringing these communities to acceptable living conditions would require a partnership, a partnership of the Federal, State, city, and county government as well as the private sector.

This proposition will provide $100 million of water development bond revenue for border colonias. I supported this amendment because it will help provide a clean water supply for Texans. I also supported proposition 2 because I believe that a clean water supply is the best way to address many of the problems found in our area; it is the best way, for instance, to improve the deplorable health conditions in the area and to provide for our children the opportunity to excel in school without having to worry about their drinking water supply or where they will take their next shower.

Texas voters yesterday indicated they consider the conditions in the colonias unacceptable, and that they are willing to do something to alleviate the plight of colonia residents.

I want to commend all those individuals in my State who endeavored so hard to ensure passage of this proposition. Not only have you ensured that colonia residents will have an opportunity to improve their living conditions, but you have indicated to the Federal Government that you're willing to contribute your fair share to this effort. I will continue my efforts in Congress to bring Federal relief to these areas, and I urge my colleagues to join me in this cause.

A PATRIOTIC POEM

(Mr. RIDGE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIDGE. Mr. Speaker, as we return home to celebrate Veterans Day and remind ourselves of the importance of the sacrifices made by this country's veterans, I would like to share with my colleagues the thoughts of a young, obviously very thoughtful and very patriotic grade school student from my home. Her name is Rae Ann Testi, and her words are entitled, "A Patriotic Poem."

What does America mean to me?
It means the right to be free!
The right to life and liberty.
The right to be the only me!

When I think of the past and wonder why
All those soldiers had to die
I remember they died for you and me.
They gave their lives to keep us free.

I have the right to make a speech
In the street or on the beach!
I can say what I believe
And then I have the right to leave.

I can worship where I please
And when I'm down on bended knees
I thank the Lord that I am
Free to be an American.

Have a good Veterans Day.

MY GREATEST DREAM

(Mr. DELLUMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELLUMS. Mr. Speaker and Members of the House, my greatest dream is to not draw my breath, my last breath, in a nation that has not gotten beyond race as a negative factor and that we realize that our strength lies in our capacity to come together as one people. I say that because I am disturbed by the nature of the news accounts in the aftermath of Tuesday's historic elections where the press and too many have focussed upon the so-called cloud hanging over the election or focussed on the people who have defected from the ranks of the party that did not elect blacks of the governorship of the State of Virginia or the mayor of New York.

I would suggest, Mr. Speaker, that our strength lies not in our cynism, but in our optimism. It is my fervent hope that we begin to focus not on those persons who are motivated by fear and anger, but rather those persons who are motivated by courage, and compassion and wisdom. It is only in that regard that we become a great Nation, not when we continue to focus on those factors that divide us.

There is only and ultimately one race, and that is the human race, and this country is ostensibly designed to raise a great, splendid flag of freedom, and the only way to do that is when we begin to move beyond this adversity.

That is my hope, and that is my dream.

TOUCH FOOTBALL VERSUS TEA AND TOAST

(Mr. WALSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALSH. Mr. Speaker, I rise today to express my great disappointment. After negotiating for weeks, the freshmen Republicans were set to play the freshmen Democrats in a game of touch football at 7:00 a.m. this morning. What made things so difficult was their leadership's inability to keep to a set schedule. And then we ran out of daylight savings time—thus the morning start. We Republicans were all set to reclaim our party's honor after coming close, but losing last Tuesday's big 3.

There we were, standing in the fog at the Capitol steps, waiting for our noble adversaries, the Democrats. But alas, we were waiting for Godot—who like the Democrats, never came. Perhaps it was the day's weather—certainly a frightful prospect for our chauffeur-driven friends. Or perhaps it was the hour, since many of them are lawyers whose days begin at 9:00 a.m. with tea and toast. Perhaps it was fear itself—with veritable Monsters of the Midway, like myself, on the other side of the line. That would be understandable.

But whatever the reason, they didn't show, and we went home unmuddied and unbloodied—a forfeit victory in hand—muttering, "Where were the Democrats?"

VETERANS DAY

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I would like to follow up on what the gentleman from Pennsylvania [Mr. RIDGE] was talking about a few minutes ago, about our veterans' holiday which starts tomorrow through November 11 honoring our veterans.

Mr. Speaker, let me point out that for over 200 years the veterans have been defending this country, have

marched off to war and some didn't come back. We have lost over a million young Americans who have given their lives in defense of this great country.

Mr. Speaker, we now have over 27 million living veterans, even back to World War I and moving on through to the Vietnam era. We have over 50 million dependents of these veterans Mr. Speaker, this Congress, especially this House of Representatives, has really tried to do their best for veterans. Of course we never get enough funding for all departments of the Government, but over the years we have done what we thought was best for these veterans.

Mr. Speaker, if any Members need additional information about November 11, 1989, about the veterans' holiday, about the veterans' programs, they can call the Committee on Veterans' Affairs. We will give them that information.

BEST OF THE BEST

(Mr. SCHIFF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHIFF. Mr. Speaker, recently, Tactical Air Command of the U.S. Air Force completed its "Gunsmoke '89" exercise at Nellis Air Force Base in Nevada. This exercise was a worldwide competition between outstanding tactical air units based throughout the world.

I want to report that the top team flying the F-16, which was also the top team of the entire exercise, was the 169th Tactical Fighter Group. The overall "Top Gun" pilot was Capt. Pat Shay of the 944th Tactical Fighter Group. The 944th Tactical Fighter Group was the second highest rated F-16 unit and also the second highest unit for the entire exercise.

The highest rated unit flying the A-7 was the 150th Tactical Fighter Group. The "Top Gun" among the A-7 pilots was Col. Thomas Wittman of the 150th Tactical Fighter Group.

Mr. Speaker, I rise to congratulate all of the winners and participants in "Gunsmoke '89". But I also want to point out that each of these winning units and pilots are part of the Guard and Reserve.

The 169th Tactical Fighter Group is part of the South Carolina Air National Guard, stationed at McIntire Air Guard Base in South Carolina; the 944th Tactical Fighter Group is part of the U.S. Air Force Reserve, stationed at Luke Air Force Base in Arizona, and the 150th Tactical Fighter Group is part of our own New Mexico Air National Guard, stationed at Kirtland Air Force Base in New Mexico.

These units and pilots were not competing solely against other Air National Guard and Air Force Reserve units. To the contrary, the best units of the active Air Force were also participants in this exercise.

From the beginning of our Republic to the most recent conflicts, members of the Guard and Reserve have served shoulder-to-shoulder with their active duty counter-parts as full participants in our national defense. This exercise shows that the Guard and Reserve remain prepared to accomplish that mission at any time.

□ 1030

EXTENSION OF VIETNAM ERA GI BILL

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, tomorrow we celebrate Veterans Day, a day honoring the many Americans who have served their country in its time of need. I can think of no finer way of paying tribute to our veterans than to extend the educational opportunities provided to them under the GI bill.

The GI bill provides educational benefits to attract quality young men and women to the armed services. A large number of young recruits enlist in the Armed Forces for educational benefits. I believe that it is our responsibility to see that these programs serve them well.

The benefits earned by Vietnam era veterans will expire in December of this year. Those veterans who have earned the full 3 years and 9 months worth of benefits may have inadequate time to use all of the benefits that they are entitled to. I encourage all of my colleagues to support H.R. 2192, which would extend the termination date of the Vietnam era GI bill by 3½ years, to June 30, 1993.

NINETY PERCENT OF PRESIDENT'S ETHICS BILL ACHIEVED

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Speaker, as the sponsor of the President's "Governmentwide Ethics Act of 1989," it was heartening to see media reports this week that we have—through the efforts of the House bipartisan task force—accomplished 90 percent of what the President originally proposed.

We are acting to restore public confidence in the institutions of our representative government; these efforts will do much to reinforce the credibility of the laws we enact.

Mr. Speaker, even as consideration of ethics law reform continues to move forward, I think it appropriate that we recognize the untiring efforts of the members of the House bipartisan task force. They and the President are to be commended for their leadership and commitment to ethics law reform.

NASA'S CHOICES ARE NO CHOICES

(Mr. TRAXLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAXLER. Mr. Speaker, this is my second 1-minute speech in 15 years, so I was uncertain as to the procedure. I am grateful and a little nervous.

Mr. Speaker, I rise today to inform my colleagues of the possible consequences of a permanent 1990 sequestration of 5.3 percent of NASA's budget. I believe that in the case of NASA, we can see very clearly the foolhardy nature of the "make my day" and "read my lips" approach to Federal budgeting. Tragically, the same scenario can be painted for each and every one of our domestic agencies. Most especially the Veterans' Administration which may have to dismiss as many as 6,000 employees with devastating consequences to veterans' health care. If sequestration is permitted to be carried out for the remainder of fiscal year 1990, NASA officials will be presented with choices that none of them wants to make. First off, NASA will be faced with laying off some 1,200 of its 22,000 civilian work force, a work force already stretched thin. Or, they might choose to transfer funds from important research and development programs to keep personnel levels at an acceptable level. But, what R&D programs shall be cut? Which one might be eliminated altogether in order to keep the others on a responsible and effective development course?

Similarly, about half of all university research funded by NASA may be cut or deferred under a strict application of the 5.3-percent across-the-board cut.

Mr. Speaker, I submit to you and my colleagues that the Congress and the administration, speaking for the American people, have now firmly committed our Nation to building a space station. Are we now, through artificial budget devices and an illogical premise for trying to finance our Government, painting NASA into a corner in which the only answer for maintaining a reasonably balanced space program is to take all of sequestered cuts from one program?

I hope not. The answer is for the President and the Congress to agree on a responsible reconciliation bill.

THE URGENT NEED FOR DAY CARE LEGISLATION

(Mrs. JOHNSON of Connecticut asked and was given permission to ad-

dress the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON of Connecticut. Mr. Speaker, in the next week we have a historic opportunity to directly attack the poverty that dogs the life of so many millions of America's children and assure our families access to both affordable and high-quality day care; and, my colleagues, we must not adjourn until we have passed and the President has signed day care legislation. We are, after all, in broad agreement in both Houses that we must expand the earned income tax credit to attack poverty among children in America in the way we have successfully attacked poverty among seniors through the Social Security Income Expansion Program.

Second, we are in broad agreement on what kind of programmatic expansion of child care is possible and acceptable to all of us. If you look at the debate on day care in the House, you look at the debate on the Stenholm amendment, you can see broad concurrence among us as to how we can satisfactorily expand services, high-quality services. If you look at the debate on the Senate side, you can see how willing the President is to cooperate.

Let us not look for veto bait. Let us look for help for America's children and families. Let us stay here until we get a day care bill signed by the President.

LOUISVILLE, KY, DESIGNATED AS BOOM TOWN

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, I just rise to call the attention of my colleagues in the House and the people around the Nation watching this television that my home town in my congressional district of Louisville, KY, has just been designated by the U.S. News and World Report in its current issue as a boom town in the United States. Now, for a long, long time Louisville has been designated as one of the most livable and one of the most pleasant areas in the Nation in which to live and raise your family, but now "boom" in the sense of business opportunities has also caught up with our livability; So, I just want to invite all my colleagues if you are ever passing through Kentucky, stop in Louisville. I think you are going to like what you see.

INTRODUCTION OF H.R. 3603, TO PROVIDE FOR A FULL ACCOUNTING OF OUR MISSING SERVICE PERSONNEL

(Mr. SMITH of New Hampshire asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Hampshire. Mr. Speaker, I am pleased to join my colleague, the gentleman from Oregon [Mr. DENNY SMITH] this week in introducing H.R. 3603, to provide for a full accounting of our missing service personnel.

World War II, Korea, and Vietnam are events of the past for most Americans—something you remember when you are watching "The Winds of War" or a movie like "Platoon," or maybe you have a loved one who served in one of these wars. This coming weekend we will be honoring thousands of veterans who served our country.

But, Mr. Speaker, what about the missing? What about those Americans who were still listed as prisoners of war after Operation Homecoming in Vietnam? What about the 78,000 men and women still unaccounted for from World War II or the 8,000 still listed as missing in action from Korea?

For the families of those who are missing, wars that officially ended years ago are not over. There are too many unanswered questions. That is why it is long overdue for us to declassify and release to the public information which can help us determine the fate of the thousands of brave American service personnel who never came home.

Mr. Speaker, the American people and the families of these men and women deserve to know and have the right to know what happened. This bill protects sources and methods of intelligence collection and doesn't release sensitive personal information without the expressed permission of the family. So for what reason should we keep information on our missing classified? Why should Al Ziegler, a Vietnam combat veteran from Salem, OR, have to starve himself for 34 days in a bamboo cage at the Vietnam Wall to get this information? The answer is he shouldn't have to. But he did because he hasn't forgotten about the men he fought with who never came home.

So Al, this legislation is for you and for all veterans and for all Americans who have the right to see this information.

Mr. Speaker, I urge my colleagues to cosponsor H.R. 3603.

SUPPORT H.R. 3603, TO PROVIDE FOR A FULL ACCOUNTING OF OUR MISSING SERVICE PERSONNEL

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, there are literally thousands of Americans still classified as missing in action in World War II, the Korean war, and Vietnam, and their names have not even been released yet.

Mr. Speaker, I am privileged to join with my colleagues, the SMITH twins, the gentleman from New Hampshire, Mr. ROBERT C. SMITH, and the gentleman from Oregon, Mr. DENNY SMITH, in cosponsoring H.R. 3603. The legislation is designed to release this information. There is no reason in the world, Mr. Speaker, that it should be held.

The sacrifice which Al Ziegler has made, as my colleague, the gentleman from New Hampshire [Mr. SMITH] has just said, was that he starved himself from 34 days so that this information could be released.

Think of the loved ones, think of the friends who desperately want to know about the plight of these people. As Veterans Day approaches this weekend, Mr. Speaker, I hope that all our colleagues will join in cosponsoring H.R. 3603.

□ 1040

CHILD CARE PACKAGE MUST BE APPROVED BEFORE ADJOURNMENT

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, Congress should not adjourn until a child care package is finalized. There is a desperate shortage of affordable and quality child care in this country, and we simply cannot afford to further delay the approval of child care legislation until next year.

National statistics clearly demonstrate the urgency of this need. According to the Children's Defense Fund, almost two-thirds of all mothers in the work force are single, widowed, divorced, separated, or have husbands who earn less than $15,000 per year. Nationally, the average cost of child care is approximately $3,000 per child annually, with infant care significantly higher. Working parents with children rate child care as their fourth highest expense after food, housing, and taxes. In a family with two children in which both parents earn the minimum wage, more than half of family income is spent on child care.

Clearly, this situation must be addressed immediately. The House and Senate have approved bills which have more similarities than differences. Surely, we can develop a compromise bill, with the support of Congress and the President, before adjournment this year. This issue is just too important to hold over until next year. We should stand firm and delay adjournment until a final child care package is approved.

THANK YOU FOR CONTRIBUTING TO THIS GREAT COUNTRY

(Mr. MACHTLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MACHTLEY. Mr. Speaker, I rise today in tribute to this Nation's veterans. We certainly owe these brave Americans a special honor on this Veterans Day, November 11.

Many people, unfortunately, cling to the belief that veterans, a group of which I am proud to be a member, are only responsible for past actions, for keeping our Government and our borders intact. However, I think every American should take the time this Saturday to stop and think about the tremendous impact that veterans have had on our present American system of government. Our right to choose our leaders in this democratic country would not exist but for the fact that millions were willing to give their lives in the defense of our ability to vote and for our freedom.

Those who have died for our Nation can only fail to the extent that we fail them. We must do nothing less than to give them our best.

This weekend, if you happen to see a veteran, take the time to say, "Thank you for contributing to this great country."

POW/MIA PUBLIC ACCOUNTABILITY BILL

(Mr. DENNY SMITH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DENNY SMITH. Mr. Speaker, I have introduced a bill, the POW/MIA public accountability bill, that would require all Federal agencies to disclose information concerning United States personnel classified as prisoners of war or missing in action from World War II, Korea, and Vietnam. It would not force the Government to reveal sources and methods of intelligence collection, nor would it automatically release sensitive personal information without the express permission of the family.

This legislation also makes exceptions in the case of particularly promising, ongoing investigations so that they will not be compromised.

A constituent of mine, Mr. Al Zeigler, spent 34 days down in the tiger cage at the Vietnam Memorial, and it was through his courage and his patience that it came to my attention that we were not able to get this information. I have long been one who felt that we left people behind in Vietnam and Laos, and I think there are reasons to have this bill passed through the House.

Since wars are such public events, their final accounting should be, as well.

I urge my colleagues to support H.R. 3603.

TRIBUTE TO THE LATE HONORABLE EDWARD STACK

(Mr. SHAW asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAW. Mr. Speaker, distinguished colleagues in the House, it is with regret that I bring you the news of the death of Edward Stack, a former Member of this body.

Representative Stack died last week at a hospital in my home district of Broward County—but not without leaving a mark on south Florida.

Representative Stack completed a successful law career in New York and a 4-year stint with the U.S. Coast Guard before he moved to south Florida to begin an impressive political career. He began on the charter review board of Pompano Beach, and then worked his way to the city commission of that city, and later onto the county sheriff's seat.

As Broward County Sheriff, Stack made his mark by modernizing the sheriff's office. He created a crime lab, improved pay and benefits for deputies, initiated the 911 emergency system, and established the county's first drug rehabilitation program.

He is known for making some of the greatest strides in the areas of mental health and drug dependency as anyone in the history of south Florida. Fittingly, Representative Stack was later appointed to the position of administrator of the Broward County Commission on Alcoholism, now called the Court Alcohol and Substance Abuse Program. He held that post until he died.

During his political career, Stack drew endorsements from Barry Goldwater and later served as Richard Nixon's State campaign chairman. He came to this body as a Democrat.

Then in 1978, Mr. Stack landed in this body at the age of 68, making him the oldest freshman ever to serve in the U.S. House of Representatives.

Ed Stack was admired by Democrats and Republicans alike, and he will be sorely missed.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2273

Mr. ROBINSON. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of H.R. 2273.

The SPEAKER pro tempore (Mr. COLEMAN of Texas). Is there objection to the request of the gentleman from Arkansas?

There was no objection.

CONFERENCE REPORT ON H.R. 2461, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1990 AND 1991

Mr. BONIOR. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 285 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 285

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report on the bill (H.R. 2461) to authorize appropriations for fiscal year 1990 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, and all points of order against the conference report and against its consideration are hereby waived. The conference report shall be considered as having been read when called up for consideration.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. BONIOR] is recognized for 1 hour.

Mr. BONIOR. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. Speaker, the conference report on H.R. 2461 authorizes $302.8 billion for the Department of Defense for fiscal years 1990 and 1991.

These funds will be used for the whole range of our Nation's security needs, including procurement, research and development, military personnel, construction, and housing.

Since this legislation was first considered last June, events have accelerated dramatically within the Soviet Union and the Eastern bloc.

Poland has had free elections, in which the Solidarity-led opposition overwhelmingly defeated the Communist Party.

Hungary has opened its borders, adopted dramatic internal reforms, and set the course for elections next summer.

In East Germany, tens of thousands have fled for democracy in the West, and the ruling Cabinet has resigned in the face of the mounting crisis.

We can scarcely keep up with the pace of change and the significance of these events. The world seems weary of war and hungry for democratic reform.

By overwhelming margins, Americans fear the threat of a drug war in their streets far more than nuclear war with the Soviet Union.

We face a crisis in health care, declining educational standards, an assault by drug lords, and a crumbling infrastructure.

We cannot continue to build redundant nuclear systems, pay billions in

cost overruns, and ignore defense contractor ripoffs.

We need a new direction in our Nation's defense policy.

This conference report represents a compromise, however, and I recognize that as such it will not please everyone. After months of negotiation with the other body, it is probably the best we can do. To unravel any part of it could well mean the demise of the whole.

In less than a month, President Bush will meet with Secretary Gorbachev, and again next spring. The chance for dramatic cuts in strategic weapons and conventional forces has never been greater.

Perhaps our best hope for reordering our Nation's defense priorities lies in these talks.

The President will carry the full support of Congress and of the American people in his attempts to assess the prospects for peace. We urge him to be bold in his leadership.

Mr. Speaker, House Resolution 285 provides for consideration of the conference report on H.R. 2461.

The rule simply waives all points of order against the conference report and against its consideration.

As with any bill of this magnitude, various waivers of the rules are necessary including those for germaneness, scope, budget, and the rule requiring a 3-day layover before legislation can be considered on the floor.

The rule also provides that the conference report is considered as having been read when called up for consideration.

I urge the adoption of House Resolution 285 so we may proceed to consideration of the conference report on H.R. 2461.

□ 1050

Mr. Speaker, I reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. QUILLEN. Mr. Speaker, I would like to commend the chairman and ranking Republican member of the Committee on Armed Services, the gentleman from Wisconsin [Mr. ASPIN], and the gentleman from Alabama [Mr. DICKINSON], for their long hours of hard work in putting together this massive and complex conference report. This is one of the largest bills we will consider this year.

Most Members of this House profess to want a strong defense, but then when some domestic need arises, the first solution for many is just to take it out of Defense. Mr. Speaker, it has always been difficult to determine precisely what is the right amount of Defense. But there will come a point if we cut too much that we may undercut the goal of international peace. After World War I, this Nation cut Defense drastically, and proceeded to disarm. Our disarmed condition made it seem more plausible to men like Hitler and Mussolini that they could succeed in their goal of world domination.

Since World War II, on the other hand, this Nation has generally followed a policy of peace through strength. It has not been cheap. But it has deterred other nations from attacking the United States. In this time of tight budgets, we need to keep in mind that weakness which leads to war is not an economy in the long run.

I am aware that not everyone is happy with all the provisions in this bill. But on balance, it represents a reasonable solution. We have come to the point in this session when we need to wrap up this authorization bill, so that we can then complete action on the Defense appropriation bill. Completion of action on the remaining appropriation bills is one of the few items which has to be finished by this Congress before adjournment sine die.

Mr. Speaker, my colleague on the Rules Committee, the gentleman from Michigan [Mr. BONIOR] has ably described the provisions of this rule. I will not repeat that explanation.

I support this rule which waives all points of order so that the House may proceed to complete action on this Defense authorization conference report.

Mr. Speaker, I have no requests for time, but I reserve the balance of my time.

Mr. BONIOR. Mr. Speaker, for purposes of debate only, I yield 8 minutes to the distinguished gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Speaker, first let me thank my distinguished colleague for yielding time to me. Let me at the outset make it very clear that I do not rise in opposition to the rule that brings the DOD conference report for the military budget for fiscal year 1990, but rather I take this opportunity to speak specifically to the conference report simply because time does not permit any expanded discussion when we get into the conference report itself, but we will only have a couple of minutes. So I take this opportunity.

Mr. Speaker, the Bush administration at the outset of their presentation of the DOD budget for fiscal year 1990 made the very straightforward comment that we cannot cut to appropriate spending levels without at least killing some weapons systems. Our former colleague and present Secretary of Defense, Mr. Cheney, placed two weapons systems on the cutting board, the V-22, and the F-14 program and said we have to kill some programs to get to appropriate levels; here are two programs that we believe you should kill. That was their approach.

We are the legislative branch of government. They made the statement, and I concur, that if we do not agree with those particular weapons systems that have to be cut, we have a fiduciary responsibility to substitute other cuts. But Mr. Speaker, this conference report did not kill anything. Not only did it not accept Secretary Cheney's two weapons systems that he chose to kill in their wisdom, but we did not assume our responsibility to substitute any weapons systems to be cut.

This gentleman, along with others, said there are other weapons systems that we can cut. We can kill the SDI, euphemistically referred to as star wars. We can kill the B-2 bomber program that will cost us in excess of $70 billion. They are weapons systems.

But this conference report allows us to spend money on every single weapons system. It, therefore, is the worst of both worlds. We are buying everything.

The House, I would suggest, Mr. Speaker, in its negotiations with the other body lost on too many points. Consider, for example, with respect to the strategic defense initiative, the House voted a substantial cut in the strategic defense initiative. We voted to cut that program to the $2.8 billion on an amendment offered by my distinguished colleague, the gentleman from Florida [Mr. BENNETT].

I would also remind my colleagues, Mr. Speaker, that the majority of the Democratic Party on the floor of this House voted for the Dellums-Boxer amendment which would have eliminated the strategic defense initiative organization and cut that program to $1.3 billion for research only.

The other body, in a blatant effort to engage us in a negotiating posture, knowing that we often end up splitting the difference, escalated the price of the strategic defense initiative to $4.3 billion without mandating one single dollar of cuts in other programs to determine how they would get to the $4.3 billion. So we come to the floor today with a conference report bragging that we made this extravagant cut in the strategic defense initiative program to the incredible figure of $3.57 billion.

I would suggest, Mr. Speaker, once we begin to get beyond $3 billion, what glory is there in $100, $200, or $300 million on a program of dubious value and dubious worth, as the majority of the Members of this body already recognize?

With respect to the stealth bomber, the so-called B-2 program, remember in this body that program was on the ropes. The Dellums-Kasich-Roland amendment received 145 votes to put this program to sleep. I would suggest had it not been for the Aspin-Synar amendment that postponed the controversial decision to stop this incredibly expensive program, we would have stopped this program on the floor of

the House, and even then the majority of the Members placed some serious limitations on the B-2 program. It said we can go forward with buying two bombers in fiscal 1990, and we can have advanced procurement for three additional bombers in fiscal year 1991, but the Congress of the United States would have to then approve it.

□ 1100

The conference report, I would suggest, brings back two bombers in fiscal year 1990, three bombers in fiscal year 1991. However, colleagues, if we read the conference report, we have lost our prerogative in voting to determine whether it ought to go forward.

The so-called restrictive language that called for "fly before we buy" is gone. It is now vanished.

My colleagues said we should go forward buying a bomber until we determine whether it is a stealth bomber. Those hurdles are not there. There are 14 pages of information regarding the B-2 bomber that was written after the conference report was signed. I would dare say that without fear of contradiction that probably less than 1 percent of my colleagues in the House of Representatives have ever had a chance to read the conference report on any language regarding the B-2 bomber.

With respect to the mobile missiles, we are again engaged in a Noah's Ark syndrome. We need both. However, I remind my colleages that the business of the House, when it came to the question of the MX missile and the so-called small mobile missile, when the bill left the House, we had cut the MX Program to $600 million for research only, and we had stopped the Midgetman. We killed that program.

However, what is before Members? Both middle missile systems, for we have only cut the minute amount of $150 million. However, even beyond that we did not make a decision about how we are going to spend the money on both systems. Do Members know what happened, Mr. Speaker? Members of the House, the conference report said we will take $150 million out of the MX and the small mobile system, and we will give the decision to the administration as to how the administration will choose to spend the money, so we have again abrogated our responsibility to make a decision.

We do not need two mobile systems. I would add, parenthetically, I do not think we need any of these mobile systems. Peace is trying to break out all over the world.

Finally, if Members even accept the assumption of the Reagan administration which said we will send the Soviet Union to the negotiating table, I would suggest, Mr. Speaker, the Soviets are at the table. Why are we not there? Why are we not there negotiating against the madness of nuclear war, against the insanity of a $300 billion military budget, and begin to redirect the priorities to solve the human problems of this country and help citizens enhance the quality of human life in the world?

In conclusion, I would say, Mr. Speaker, with all due respect, I continue to oppose the assumption upon which this conference report is built. For those Members who voted against this budget when it left the House, it is worse than when it left the House. Members should continue to vote no. For those Members who voted because they thought there were positive things in it, most of those positive things are gone. If Members do not believe the comments I have made, read the report, look at the so-called arms control provisions, and Members will find that they are gone.

I rise in opposition to the conference report. In the few minutes that I have, during that period of time I would try to convince my colleagues to vote against this conference report. It is not in the best interests of this country. It is not marching in tune with the rest of the world.

Mr. QUILLEN. Mr. Speaker, I yield 6 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Speaker, as far as I am concerned, this is a very sad day on the floor of the House of Representatives because of the bill that we have before Members.

Let me give Members a little background. I came to Congress in 1983 and had to sit through committee hearing after committee hearing with the Congress of the United States of the Committee on Armed Services, beating up Casper Weinberger because Weinberger refused ever to have any priorities in terms of what the defense budget ought to look like. We would pummel Cap day and night telling him, "Please establish some priorities," and Weinberger would say, "I cannot do that because everything is a priority." Therefore, we would bash Cap, and he had no credibility on Capitol Hill, according to many members of the Committee on Armed Services.

With the end of Weinberger, we then end up with Frank Carlucci, who perhaps was a little bit more of a prioritizer. Frank was kind of here, and then he was gone, and everybody reached a crisis point. How are we going to make tough decisions up here?

So we get a new Secretary of Defense by the name of Dick Cheney, and he comes up here and says, "We will have a giant budget shortfall over the next 5 years. We have shrinking resources, and we have to make some hard choices.

Now, we have Members who had been here for a long time, who deserve some credit. One of them is the gentleman from Wisconsin [Mr. ASPIN], and the other is the gentleman from Alabama [Mr. DICKINSON]. Do Members know what they said? They said that Cheney was right, that this is an era of limited resources, and that we should turn away from having a defense bill that was a job bill, and we ought to have a defense bill that is a defense bill, and we ought to make some hard choices.

Honestly, sometimes during the debate, both in the House and in the conference committee, I became convinced that the relationship between national security and the Defense authorization bill is purely coincidental. See, it is not supposed to be coincidental. The Defense authorization bill is supposed to be designed to meet the threat that is presented out there, not to be a jobs bill.

So, Cheney comes up here. Imagine that the Secretary of Defense of the United States in the Pentagon, comes across the river, and tells the Congress, "I want to eliminate weapon systems." Imagine that. That has not happened before in probably 25 years that the Pentagon actually found a system they did not like. Do Members know what the Congress of the United States said? "Well, we know you don't like that system, Mr. Secretary, but we are going to give it to you anyway, whether you want the F-14 or not, you are going to build it. Whether you want the B-22 at the cost of $28 billion or not, does not matter what you think, Mr. Secretary. You will build it. It does not matter whether you want the AHIP or not, the helicopter. If you don't want it, that is tough. You are going to build it."

The Congress of the United States turned the Defense authorization bill into a jobs bill and rejected all the program determinations that the Secretary of Defense made except for a smattering of a few that add up to a few pennies.

The gentleman from Wisconsin [Mr. ASPIN] and the gentleman from Alabama [Mr. DICKINSON], in the Committee on Armed Services, led the fight to make decisions and make terminations and have priorities. They were all rejected. It is a sad day.

Let me tell Members where we are going to end up. Reagan spent a trillion dollars in rebuilding the defense of the country. The gentleman from Wisconsin [Mr. ASPIN] had hearings, and those hearings indicated that, maybe we made some bad decisions, but overall, we made wise decisions. Let me tell Members where it will end up. This Defense bill with 14's and 22's and AHIP's and everything else from A to Z that the Pentagon did not want but we forced them to have, we are like a newly married couple who goes out and buys a home that they cannot afford, and a person goes inside the

home and they do not have any furniture. They have a bunch of lawn chairs inside because they have overextended themselves. That is what we are doing with the Defense bill. We are going to reverse the investments that we made under Ronald Reagan. We are reversing them because we are creating a hollowed military that buys all these big ticket items: LH-X helicopters, $40 billion; B-2 bomber, $535 million a copy; of course, no person but the tooth fairy believes it will be $535 million a copy. It will be far more than that. We have more 414's, a poison pill. Without the gentleman from Wisconsin [Mr. ASPIN] and the Gentleman from Alabama [Mr. DICKINSON], there would not be a poison pill.

Do Members know what will happen? We will have no money left for training. We will have no money left for spare parts. We will have no money left for fuel. We will have all these shiny, beautiful Pentagon objects, and no ability to make them work. We are going to hollow out this military force, and it is the soldier and the sailor and the flier that will pay the penalty for this. It is a tragedy.

We have been reading about these Navy pilots crashing on the decks, and some people say maybe it is because they do not have all the readiness money they need. I asked the staff member of the Subcommittee on Readiness, "Have we been cut back in readiness?" "Yeah, we have, and we will be cut back more." We have seen the dramatic cuts that are coming in the future, because big ticket items are not the building blocks of the military. We did not make any hard choices, and we did not make them because we put parochialism ahead of what national security concerns should have been. It is not the gentleman from Wisconsin, Mr. ASPIN's fault, and it is not the gentleman from Alabama, Mr. DICKINSON's fault. They walked to the edge of the plank in an effort to make hard decisions, and we rejected it. It is tragic. I talked to the Chair, and perhaps next year we will be willing to make hard choices and establish priorities, but it is a missed opportunity. It is a tremendous missed opportunity to actually establish security policy based on the threat and matching them with limited resources. Instead of doing it, we bought everything, and we forgot the basics of what gives citizens real national security and real national strength.

As a Republican, I salute Dick Cheney, the high priest of budgetary reform, the high priest of Pentagon reform, a Republican who said we cannot afford everything, folks, we have to make hard choices.

□ 1110

You know what? Republicans and Democrats alike rejected the notion of making hard choices and accepted the notion of having the defense jobs authorization bill, pork authorization bill, rather than the defense security authorization bill. I hope that next year at least we will have an opportunity to get back to that and make some hard choices.

I intend to vote no on the bill. I expect it is going to pass, but I have no choice but to vote no.

I do want to salute the gentleman from Wisconsin [Mr. ASPIN] and the gentleman from Alabama [Mr. DICKINSON] for leading the good fight in the committee and doing the best that they could possibly do. It is just not good enough.

Mr. BONIOR. Mr. Speaker, I yield 3 minutes to the able and distinguished gentleman from Florida [Mr. BENNETT], a member of the committee.

Mr. BENNETT. Mr. Speaker, like the gentleman who just spoke, I want to congratulate the efforts that have been made by the gentleman from Wisconsin [Mr. ASPIN] and the gentleman from Alabama [Mr. DICKINSON] to get a strong bill and a good bill.

Unfortunately, this is not that kind of a bill. It does not address the things that this country needs most. What has been lacking is partly a matter of process.

Under the Constitution it is said that the Congress has the responsibility to provide for the national defense.

Well, are we doing that? We took Mr. Cheney's approval of a package that he sent to us, and the subcommittee never changed it. They just took exactly what he wanted. It took the actions of the House Armed Services Committee and the further actions of the Congress as a whole to give us a bill that was somewhat livable.

Now, Members can talk about which things are parochial and which are not. I do differ with the gentleman from Ohio [Mr. KASICH] about the parochiality of the F-14, which the media has rated as being parochial, but actually is a plane needed on Navy carriers. If we do not build it in sufficient numbers, we are not going to have any need for the carriers, because they will not have anything with which to distribute the weapons that might be needed to be distributed against enemies.

The thing that is mostly wrong about what has happened has been a procedural matter. In the first place, Congress has not given the leadership. It is our responsibility. It is not Cheney's responsibility, it is not the President's responsibility, it is the responsibility of Congress to provide for the national defense.

We are not doing it. Our subcommittee just washed its hands and took what came from the Pentagon 100 percent. They did not cross a T, did not dot an I. That is a great mistake. We should never do that again.

Another thing, in the conference itself, I was there for every minute of the conference and I do not remember a single vote being taken by the conference, not a single vote being taken. Certainly not many were.

The conference really abrogated its responsibility. The conference really became the big four, the chairman and minority leaders on both sides. That is not a very democratic process.

As a result, although the House by a vote turned down the Midgetman, we now have the Midgetman. Members ought to be able to make a decision to get rid of one of the mobile land-based ICBM's. We have a very fine one at sea in the submarine. Why do we need more? Certainly we do not need two more.

The B-2 the House position was to have two and cut it off and look at it in the future before we went any further. What the conference did was give us five long-lead items in addition to the two in the bill.

All the way through the bill, things Congress decided they did not want to have were given away by the conference procedures.

So, Mr. Speaker, I appreciate the opportunity to be able to speak in this period of time. We only have a very few minutes in the actual debate. We are using the rule not because there is something wrong with the rule, but because we are disturbed about the bill.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, this conference report contains several provisions which create new entitlement authority and new budget authority. These provisions will cause the Armed Services Committee to exceed their 302(b) allocations of new entitlement authority and new budget authority in violation of section 302(f)(1) of the Budget Act. The bill also contains several entitlement provisions which will become effective in fiscal year 1991; since Congress has not yet adopted a budget resolution for fiscal year 1991 these provisions violate section 303(a) of the Budget Act.

Specifically, this bill creates a variety of new pay entitlements including the 3.6 percent pay raise, annual muster duty pay for reservists, military physician special pay, aviation career incentive pay, and adjustments to the variable housing allowance [VHA] to be effective in fiscal year 1991.

The bill expands the benefits offered under the Montgomery GI bill at a cost to the Government of some $35 million in the first year, which becomes effective in fiscal year 1991.

This bill also contains several provisions which allow the Department of Defense to sell properties and use the

proceeds to acquire or build other facilities. These provisions create budget authority—some $177 million—which are outside the appropriations process.

One additional issue, changes to the Survivors Benefit Plan, has arisen since the House last saw this bill. It violates the Budget Act and stands to cost the Government quite a bit of money over the next several years. The impact of proposed changes in the Survivors Benefit Plan is that military retirees will pay less in premiums to participate in the program, thereby requiring the Government to pay more. In fiscal year 1990, outlays from the trust fund used to cover these expenses will rise by $67 million. In fiscal year 1991, additional outlays will be somewhere around $101 million. To fund its contributions to the trust fund that supports this program, DOD will require an additional $173 million in budget authority in fiscal year 1991—a figure that will climb to $213 million in 1994.

These issues are all serious ones that will add to our problem of achieving deficit targets in the future. Therefore, I oppose the waiver of these Budget Act points of order, and intend to vote against the rule.

Mr. Speaker, with respect to the substance of the military bill, we have heard a good deal of talk lately about the evil effects of the sequester. The Pentagon's Comptroller gave us I think a bit of an overblown look at disaster yesterday in the presentation before the other body.

As a matter of fact, some of the worst hits that are occurring to the Pentagon are occurring by reason of the changes by our Appropriations Committee. If one takes what has been passed so far, some of the worst hits occur in military construction of family housing, RDT&E under DOT and Air Force. None of those are likely to be sequestered. All of those serious hits are going to occur because the Appropriations Committee gave those accounts a lower priority.

So in most cases sequester is not the villian, it is the Committee on Appropriations.

Mr. BONIOR. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. HUGHES].

Mr. HUGHES. Mr. Speaker, first I want to thank my distinguished colleague, the gentleman from Michigan [Mr. BONIOR] for yielding this time.

Mr. Speaker, I do not think I have come to the well to oppose a rule more than perhaps twice in my entire 15 years congressional committee career, but I am going to do so today.

I rise in strong opposition to the rule for the consideration of the conference report on H.R. 2461, the National Defense Authorization Act of 1990 and 1991.

The rules waives all points of order against the conference report. This waiver denies me the right to raise a point of order against section 1215 of the conference committee bill, which is a nongermane Senate amendment. I object to the substance of the Senate amendment. I object to the fact that the managers of the conference committee thought they had jurisdiction and competence to repeal laws within the responsibility of other committees, laws which the Congress passed more than a year ago and reaffirmed less than a month ago.

I most strongly object to the process by which the House managers agreed to accept this Senate amendment. Like my colleague from Florida, I was a conferee. I do not remember voting on anything in the conference. I have never attended a conference where we did not have an opportunity to vote on issues. It was decided by the big four.

Section 1215 would effectively repeal a provision of the Anti-Drug Abuse Act of 1988 relating to the distribution of the proceeds of drug forfeitures by the Department of Justice.

Section 1215 has no business being in the defense authorization bill. There are enough controversial issues in the bill that are within the special province of the Committee on Armed Services without trying to get into things that are not within their expertise or province or jurisdiction, and over which they have no interest.

It is not only a nongermane Senate amendment, but it is a bad amendment. Judiciary members of the conference committee maintained that stance from the onset, while at the same time attempting to develop a workable compromise. The Senate, however, insisted upon its version, and the leadership of the House Committee on Armed Services capitulated. They caved in to the demands of one Senator.

In fact, unlike any other conference committee I have ever served on, the issues in dispute were never discussed in any detail by the full conference. Instead they were resolved by the chairman and ranking minority members of the two committees, the big four, who then offered to brief the other conferees on the resolution of those issues.

Section 6077 of the Anti-Drug Abuse Act of 1988, which the Senate amendment would repeal, was designed by the Judiciary Committee to protect States, to insure that they could determine how the proceeds of purely State investigations, State seizures, State prosecutions, would be distributed within a State.

□ 1120

Mr. Speaker, since the passage of the Comprehensive Drug Penalty Act of 1984, Federal laws encourage the Justice Department to give State and local law enforcement agencies their fair share of the fruits of joint Federal, State, and local enforcement actions which result in Federal forfeiture. In recent years, however, some States have attempted to abuse the Federal process by running State forfeitures through Federal courts to avoid State law.

California is noteworthy. In California, the police in that State took State seizures and ran them through the Federal courts to avoid the State law which requires that two-thirds of the proceeds would go to law enforcement, and one-third to education and treatment. Now California in the interim has changed that to make it a three-quarters to law enforcement, one-quarter to other needs. The States should decide how States deal with their assets, not the Federal Government, and the Federal courts, which are already congested with matters that are rightfully before the Federal courts, and Federal process should not be used to circumvent State laws that deal with the disposition of State assets. That was the issue.

Mr. Speaker, I really do not understand how my colleague from Wisconsin, the chairman of the Committee, who I think would concede knows very little about adoptive forfeiture, who really has no interest in adoptive forfeiture, could cave to the Senate. The answer is that he had no interest because he does not work on forfeiture, never participated in the 1982 Forfeiture Act, the 1984 Forfeiture Act, never participated in the tightening amendments, and has very little knowledge, of forfeiture generally. He would also concede, I suspect, if he came to the well, that he really knew very little about adoptive forfeiture when he gave the issue away. I think he would also concede that there is very little chance of local police departments in my State or any other State seizing the B-1 bomber or otherwise having one forfeited to the Government. It does not belong in this conference report.

Mr. Speaker, it is a sad day when we basically savage the process of the House. Rule XXVIII was designed to deal with just this type of legislating and arrogance of power which runs roughshod over the committees that have the expertise.

I urge the defeat of the rule.

Mr. QUILLEN. Mr. Speaker, I yield 4 minutes to the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Speaker, I have listened to all of the preceding speakers, both pro and con, about the adoption of the rule, and I would have to admit that there are many legitimate claims of unhappiness. There are many things about the bill itself that I am not happy with, and I will speak to that when we get to the bill itself.

Mr. Speaker, the gentleman from New Jersey [Mr. HUGHES], who just

preceded me in the well speaking about forfeitures, has a justifiable complaint. We had a very difficult conference. As a matter of fact, it was as long as any conference I have ever sat on, and I think it lasted something like 9 weeks. The conference was very difficult, and those matters which could not be resolved by all of the conferees finally were resolved by the chairmen and ranking members of the House and Senate Armed Services Committees.

Mr. Speaker, I am not particularly proud of the product of this conference. But I will have to say to the gentleman from New Jersey [Mr. HUGHES] and all of those who have discussed the bill so far, that we did the best we could with what we had. It was not easy. We labored long and hard over it. We had night sessions, and we had Friday morning sessions, when everybody else was going home, trying to resolve the seemingly unsolvable issues that we were faced with.

I can only say, in answer to some of the charges and in defense of what the conferees did, that we acted in good faith and we tried to consider everyone's point of view. On those that were not reconcilable, we had to make tough decisions, which we did. When we went to the Committee on Rules yesterday asking for this rule, we asked for waivers to get around some of the objections that have just recently been made. We finally put together a package by brute strength and the will of the conferees. Ultimately, conferees agreed to the package because, if we did not, we would not get a bill.

Mr. Speaker, we are expecting to get out of here by Thanksgiving. The appropriators have deferred their action, waiting on the authorizing committees. I think in our good faith they waited an additional 2 weeks, hoping to get the product of our efforts before they started their appropriations process. This time crunch ultimately forced us to make decisions.

My colleagues in the House, just let me say that we came up with the best bill we could. If we do not approve the rule, we are not going to improve the bill, and we will open the package up again, and for that reason I urge Members to approve the rule.

Mr. BONIOR. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Speaker, let me just say that I think that some of the complaints that I hear, not the complaints about the rule, but the complaints about the conference report itself, are really more complaints that ought to be directed to the bill that we sent over from the House rather than the conference report. The gentleman from Ohio was going through the problems, that Mr. Cheney asked for a lot of program termination and the conference report is not giving it to him. Well, the House did not give it to him, as the gentleman from Ohio correctly pointed out. The gentleman from Alabama [Mr. DICKINSON] and I tried in the committee to get the Committee on Armed Services to go along with the Cheney budget cuts, the procurement items that he wanted to terminate. I thought we ought to vote for that not because I thought that Cheney had any particular philosophy behind his proposals. I thought that was a weakness, not because I would have picked those programs to terminate as my choice, but because it is important to terminate programs, and I think we are going to revisit that issue again next year.

The gentleman from New Jersey [Mr. HUGHES], who was in the well, is at least correct in saying that we have to terminate programs. The budgets are going down. I believe that we are dealing with this year the last deficit-driven defense budget, which is a defense budget that is coming down a few percentage points in real terms due to the deficit. What we are likely to face next year is the first of a series of Gorbachev-driven defense budgets, and it is going to make coming down 1 or 2 percent in real terms look like fat funding. If we had problems dealing with program terminations this year, just wait until next year, but, as I say, the conference report has to deal with the two bills that were sent over from both Houses.

□ 1130

The Senate did terminate some programs. The House bill terminated very few.

I think, to echo the comments of the gentleman from Alabama who just preceded me, we were dealing with what we had and I think we in effect came up with a pretty good compromise on the program terminations.

Likewise, the gentleman from California [Mr. DELLUMS] was making reference to the fact that we did not terminate any other programs when we failed to terminate the programs that Mr. Cheney wanted to terminate. The gentleman is right. He is right, but we did not do it in the House bill that we sent over, either.

The point is that we did have the Dellums amendment which cut the SDI Program further. It did not pass.

We did have a Dellums-Kasich amendment which would have terminated the B-12. It did not pass.

We did have a vote on a motion to recommit by the gentleman from Alabama to terminate the Midgetman, but before that we had a vote on the amendment of the gentleman from Massachusetts [Mr. FRANK] which failed to terminate the Midgetman. So we do have a problem with program terminations, there is no question.

The issue is, what do you do in conference? What you do in conference is deal with the two bills, that are before us, one from the House and one from the Senate.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Speaker, I thank the gentleman for yielding to me.

I will concede that when I offered the motion to terminate the Midgetman, it was defeated. With the superior persuasive ability that I gained from my friend, the gentleman from Alabama, it carried by a very large majority.

Frankly, if you look at costs, had we gone ahead with keeping the Midgetman terminated, we would have saved more money on the projection than in all the terminations we did not do, because if you look at the Midgetman, it was far more expensive than the ones we continued.

So I understand the gentleman's dilemma. I think the gentleman did a reasonable job, but in fact the House did vote by a large majority, better than 2 to 1, to terminate the Midgetman. That termination, had it been maintained, would have saved more money than all the other terminations.

So we did make some conscious decisions in the conference to unterminate. We were willing to terminate some small stuff, but they insisted on continuing the big dollars.

Mr. ASPIN. If the gentleman will permit, let me just make one correction. The cost of the Midgetman termination is above all except for the V-22. The Midgetman is a $25 billion program.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Massachusetts.

Mr. FRANK. The $25 billion on the Midgetman is the lowest by far that I have heard. How many Midgetmen are you going to buy for $25 billion?

Mr. ASPIN. On top of what has already been spent. If we were to terminate now the Midgetman, let me just make this statement.

Mr. FRANK. Will the gentleman promise me that we are only going to spend $25 billion more on the Midgetman if we take it forever?

Mr. ASPIN. If the gentleman will let me reclaim my time, if we are looking at the costs of these programs, the cost of the Midgetman is less than the cost of the V-22. You can buy both the Midgetman and the V-22——

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. BONIOR. Mr. Speaker, I yield 2 additional minutes to the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Speaker, we are talking of differences on a big order of magnitude.

The ones that you save the least by terminating the programs are those that are at the end of their life; mature programs like the F-14, the AHIP Program, the Apache Program, you terminate those and you do not save a lot of money.

The V-22, if you terminate that, you save a lot of money because that is a program which is beginning. If you terminate the Midgetman, you save a lot of money, because that is a program that is beginning.

I will contend and I will show the gentleman the figures that the V-22 is more expensive.

Let me finish my statement. Of course, the most expensive program of all of them, with one exception is, of course, the B-2 program. The B-2 program, you are talking about $74 billion.

In fact, you can buy both the Rail MX and the Midgetman for about half the cost of the B-2.

And of course, the most expensive program of all which dwarfs even the B-2 is the SDI Program, and nobody knows where that program is going in terms of cost.

Mr. DELLUMS. Mr. Speaker, will the gentleman yield?

Mr. ASPIN. I am happy to yield to the gentleman from California.

Mr. DELLUMS. Mr. Speaker, I thank the gentleman for yielding to me, but I think my distinguished chairman's disposition is exactly my point.

We are always talking dollars here. We are not talking policy. The world is alive with peace, and we are still pursuing nuclear weapons and a $300 billion military budget. That is the whole point of it. All we are doing is talking dollars and not policy.

Mr. ASPIN. I was talking policy and dollars, because that was the issue that came up in connection with these program terminations. I am not arguing the question of policy raised by the gentleman from California.

What I am saying is when you are dealing with a conference report, you are dealing with a budget that has been sent over from the two Houses.

I believe next year we are going to have a very different configuration of that budget sent over from the two Houses; but basically, we are dealing with the budget of the two Houses. It is a conference report. It is a good conference report, and I hope we approve it.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. Mr. Speaker, I join with my colleague, the gentleman from Minnesota [Mr. FRENZEL], the distinguished minority leader on the Budget Committee, and with the gentleman from New Jersey [Mr. HUGHES], who is also on the Merchant Marine and Fisheries Committee, where I sit, because I question with them this rule.

I feel that this rule is wrong and that for purposes of expediency we will waive all points of order, including germaneness, scope, and requirements of the Budget Act.

I have to ask myself, why do we pass rules of the House? Why did we pass the Budget Act if we have no intention of living up to the intent of these measures?

These are laws. Are we saying that Congress by a majority vote is beyond the law?

I believe this is a very bad signal to the country, especially in these days of the drug war, when we are telling the Nation to tow the line, we are saying that drug laws must be enforced, and yet we ignore the structures of every measure that was passed to limit the whims—of shall I say just the majority.

Is this the kind of message we wish to give the Nation in the year of the 200th anniversary of the Bill of Rights? Are the rights only for the majority?

Mr. Speaker, I urge my colleagues to vote against the rule and what it represents.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WELDON].

Mr. WELDON. Mr. Speaker, I thank the gentleman for yielding this time to me.

I want to respond to some points raised by the chairman of our committee, who worked very hard in this conference process, along with our ranking Republican member.

While I am not totally satisfied with the conference report. I think a deliberate attempt was made to reach a consensus position, so I will support this delicate compromise and the rule. Still, I am concerned about some of the comments made in reference to two specific programs in this bill, the first being the Midgetman. We have not heard today in the discussion of this rule, from the chairman or the members who have spoken, about the add on in this bill. We heard that Secretary Cheney came in and made some tough decisions in 39 days to cut programs.

But what about the Midgetman? That was not a part of the Reagan defense budget. That was an add on by Secretary Cheney. The Midgetman cost estimates of $25 billion are conservative estimates. The costs over the life cycle of the program have been cited as high as $40 billion. Even at a conservative cost estimate of $25 billion the Midgetman is still an add-on program. A program that was not a priority of the previous administration. Why do we not hear that point being made, that there were Cheney add ons? Just as many have accused us of doing, Secretary Cheney added in funding for his favored programs and initiatives. I think we have to be honest about what really happened.

The other point that was made is that the V-22 was cut and would have resulted in a savings of $26 billion.

Well, that is perception, that is not substance. Anyone who has followed this issue through the committee and the subcommittee process knows that no one agrees with that premise, no one from General Gray to the budget people in the Pentagon. Eliminating the V-22 program will not save $26 billion, because Secretary Cheney proposed a costly alternative to the V-22. The alternative also maintains a jobs program in those districts where alternative helicopters are manufactured. We never seem to hear that mentioned. Furthermore, we have in fact been able to document, on the record, that the alternatives to the V-22 are equal in cost to the V-22 over the 20-year life cycle.

What we are really doing here is playing a game to see where we can save the most money in the shortest period of time over the next 2 or 4 years. That is what we are doing. Let us be honest with the American people and tell them that. Let us not play these perceptual games and think we are going to get away with it.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BONIOR. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. FRANK].

□ 1140

Mr. FRANK. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I wanted to take this time primarily to welcome the statement that was made by the chairman of the Committee on Armed Services when he talked about what he sees as the difference between the set of budgets we have had which have culminated in this one and next year's and when he talked about a budget being driven next year not just by the deficit but by international events and by our ability to deal with international events. I was very heartened by that.

Mr. Speaker, I am going to vote against the conference report. I will vote for the rule. I will vote against the conference report today because I think the time has come to make the changes, but in fairness to the Committee on Armed Services, we ought to understand that they operated under a constraint, that is, an arrangement that was made earlier this year, so much for defense, and so much for

other areas. I hope we have seen the last of those.

With Gramm-Rudman next year, we face a situation in which we are going to be in dollar-for-dollar choices, not as a political matter, but as a matter of reality between Medicare and the environment and housing on the one hand and unnecessary weapons systems on the other. In that context, I particularly welcome the chairman's efforts on program terminations. As long as we are going to have two strategic airplanes, two strategic mobile missiles, we are not going to be able to save the money. I hope the House will be willing next year to make those choices, one or the other.

Finally, we have those extraordinary changes that are taking place in Eastern Europe. It is a little bit as if we have been playing a kind of touch football game where we have had so many people covering the people on the other side. As I read it, Hungary and Poland have quit the game, and it seems to me that we are able to bench whoever was playing Hungary and Poland and maybe save some money. It does not mean that we think that everything is over, but with the changes that are taking place, clearly a reduction in the extraordinary degree to which the American taxpayer has had to bear our international burden for other people is reasonable.

I am going to vote against this conference report. It has some good parts. I was particularly pleased by what the chairman said, and next year we have to look at the ability to save some money, readjust to a new set of world realities, and in particular, yes, program terminations are going to be important. I hope we will start in the area of duplication in strategic systems.

Mr. BONIOR. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. COLEMAN of Texas). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 282, nays 130, not voting 21, as follows:

[Roll No. 342]

YEAS—282

Ackerman	Andrews	Aspin
Akaka	Annunzio	Atkins
Alexander	Anthony	AuCoin
Anderson	Applegate	Barnard
Bateman	Horton	Pease
Bates	Hoyer	Pelosi
Beilenson	Hubbard	Penny
Bennett	Huckaby	Perkins
Berman	Hutto	Pickett
Bevill	Jacobs	Pickle
Bilbray	Johnson (CT)	Poshard
Bliley	Johnson (SD)	Price
Boggs	Jones (GA)	Quillen
Bonior	Jones (NC)	Rahall
Borski	Jontz	Rangel
Bosco	Kanjorski	Ravenel
Boxer	Kaptur	Ray
Brennan	Kastenmeier	Regula
Browder	Kennedy	Richardson
Brown (CA)	Kennelly	Rinaldo
Bruce	Kildee	Robinson
Bustamante	Kleczka	Rose
Byron	Kolter	Rostenkowski
Campbell (CO)	Kostmayer	Roukema
Cardin	LaFalce	Rowland (CT)
Carper	Lancaster	Rowland (GA)
Carr	Lantos	Roybal
Chapman	Laughlin	Sabo
Clarke	Leath (TX)	Saiki
Clay	Lehman (CA)	Sangmeister
Clement	Lehman (FL)	Sarpalius
Coleman (TX)	Lent	Savage
Collins	Levin (MI)	Sawyer
Condit	Levine (CA)	Scheuer
Conte	Lewis (GA)	Schroeder
Conyers	Lloyd	Schumer
Cooper	Long	Sharp
Costello	Lowery (CA)	Shuster
Coyne	Lowey (NY)	Sikorski
Crockett	Luken, Thomas	Sisisky
Darden	Machtley	Skaggs
Davis	Manton	Skeen
de la Garza	Martin (NY)	Skelton
DeFazio	Martinez	Slattery
Dellums	Matsui	Slaughter (NY)
Derrick	Mavroules	Slaughter (VA)
Dickinson	Mazzoli	Smith (NJ)
Dicks	McCloskey	Snowe
Dingell	McCrery	Solarz
Donnelly	McCurdy	Solomon
Dorgan (ND)	McDade	Spence
Downey	McDermott	Spratt
Durbin	McEwen	Staggers
Dwyer	McHugh	Stallings
Dyson	McMillan (NC)	Stark
Engel	McMillen (MD)	Stenholm
English	McNulty	Stokes
Erdreich	Meyers	Studds
Espy	Mfume	Sundquist
Evans	Michel	Swift
Fazio	Miller (CA)	Synar
Flake	Miller (OH)	Tallon
Flippo	Mineta	Tanner
Foglietta	Moakley	Tauzin
Ford (MI)	Mollohan	Taylor
Ford (TN)	Montgomery	Thomas (GA)
Frank	Moody	Thomas (WY)
Frost	Moorhead	Torres
Gaydos	Morella	Torricelli
Gejdenson	Morrison (CT)	Towns
Gephardt	Mrazek	Traficant
Geren	Murphy	Traxler
Gibbons	Murtha	Udall
Glickman	Nagle	Unsoeld
Gonzalez	Natcher	Valentine
Goodling	Neal (MA)	Vento
Gordon	Neal (NC)	Visclosky
Gradison	Nelson	Volkmer
Gray	Nowak	Vucanovich
Green	Oberstar	Walgren
Guarini	Obey	Walsh
Hall (OH)	Olin	Watkins
Hall (TX)	Ortiz	Waxman
Hamilton	Owens (NY)	Weiss
Hansen	Owens (UT)	Weldon
Harris	Pallone	Wheat
Hatcher	Panetta	Whitten
Hawkins	Parker	Williams
Hayes (IL)	Parris	Wilson
Hayes (LA)	Pashayan	Wise
Hefner	Patterson	Wolf
Hertel	Paxon	Wolpe
Hoagland	Payne (NJ)	Yates
Hochbrueckner	Payne (VA)	Yatron

NAYS—130

Archer	Ballenger	Bentley
Armey	Bartlett	Bereuter
Baker	Barton	Bilirakis
Boehlert	Hammerschmidt	Ritter
Boucher	Hancock	Roberts
Brown (CO)	Hastert	Rogers
Buechner	Hefley	Rohrabacher
Bunning	Henry	Ros-Lehtinen
Burton	Herger	Roth
Callahan	Hiler	Russo
Campbell (CA)	Holloway	Saxton
Chandler	Hopkins	Schiff
Clinger	Houghton	Schneider
Coble	Hughes	Schuette
Coleman (MO)	Hunter	Schulze
Combest	Hyde	Sensenbrenner
Coughlin	Inhofe	Shaw
Cox	Ireland	Shays
Craig	James	Shumway
Crane	Johnston	Smith (FL)
Dannemeyer	Kasich	Smith (NE)
DeLay	Kolbe	Smith (TX)
DeWine	Kyl	Smith (VT)
Dornan (CA)	Lagomarsino	Smith, Denny (OR)
Douglas	Leach (IA)	Smith, Robert (NH)
Dreier	Lewis (CA)	Smith, Robert (OR)
Duncan	Lewis (FL)	Stangeland
Early	Livingston	Stearns
Eckart	Lukens, Donald	Stump
Emerson	Madigan	Tauke
Fascell	Marlenee	Thomas (CA)
Fawell	Martin (IL)	Upton
Fields	McCandless	Vander Jagt
Fish	McCollum	Walker
Frenzel	Miller (WA)	Weber
Gallegly	Morrison (WA)	Whittaker
Gallo	Nielson	Wyden
Gekas	Oakar	Wylie
Gillmor	Oxley	Young (AK)
Gilman	Packard	Young (FL)
Gingrich	Petri	
Goss	Porter	
Grandy	Pursell	
Grant	Rhodes	
Gunderson	Ridge	

NOT VOTING—21

Brooks	Edwards (OK)	Markey
Broomfield	Feighan	McGrath
Bryant	Florio	Molinari
Courter	Garcia	Myers
Dixon	Jenkins	Roe
Dymally	Lightfoot	Schaefer
Edwards (CA)	Lipinski	Smith (IA)

□ 1200

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. ASPIN. Mr. Speaker, pursuant to House Resolution 285, I call up the conference report on the bill (H.R. 2461) to authorize appropriations for fiscal year 1990 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. COLEMAN of Texas). Pursuant to House Resolution 285, the conference report is considered as having been read.

(For conference report and statement see proceedings of the Senate of Monday, November 6, 1989, at page S 14717.)

The SPEAKER pro tempore. The Gentleman from Wisconsin [Mr. ASPIN] will be recognized for 30 minutes, and the gentleman from Alabama [Mr. DICKINSON] will be recognized for 30 minutes.

For what purpose does the gentleman from Florida [Mr. BENNETT] seek recognition?

Mr. BENNETT. Mr. Speaker, may I inquire of the gentleman from Alabama [Mr. DICKINSON] whether he is opposed to the conference report in its present form?

The SPEAKER pro tempore. The Chair inquires, is the gentleman from Alabama [Mr. DICKINSON] opposed to the report?

Mr. DICKINSON. Only partially, Mr. Speaker.

The SPEAKER pro tempore. Did the gentleman sign the report?

Mr. DICKINSON. I signed the report, Mr. Speaker, and I intend to vote for it.

Mr. BENNETT. Mr. Speaker, in that case I would like to claim one-third of the time since I am opposed to the conference report. Those are the rules of the House.

The SPEAKER pro tempore. The Chair announces that the time will be apportioned in three ways: The gentleman from Wisconsin [Mr. ASPIN] will be recognized for 20 minutes, the gentleman from Alabama [Mr. DICKINSON] will be recognized for 20 minutes, and the gentleman from Florida [Mr. BENNETT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on behalf of the Committee on Armed Services I am pleased to bring to the floor the conference report on the bill, H.R. 2461, the National Defense Authorization Act for fiscal years 1990 and 1991.

This conference report represents the culmination of some tough negotiations that began with our counterparts in the Senate shortly after Labor Day. Nearly 100 Members of the House of Representatives participated in this conference, representing the interests of many committees.

I have included in my full statement a list of major items in this conference report, but let me just touch upon a couple of points. At $305.5 billion in budget authority and $299.2 billion in outlays this conference report meets the fiscal targets set forth in the congressional budget resolution. I must also note, however, that this budget authority figure represents a 1-percent decline in real defense purchasing power over the fiscal year 1989 appropriations, marking the fifth consecutive year that the Defense budget will have drecreased in real terms.

Let me also say that this bill is based on an amended Department of Defense budget that was put together by our former colleague, Dick Cheney, at the President's request and after he had been in office as the Secretary of Defense for less than 2 months. We all anticipate that the Defense budget submission for fiscal year 1991 will contain a more clearly discernable strategic underpinning that the amended budget on which we have just completed action.

Mr. Speaker, let me now turn to the major provisions of the conference report.

MAJOR PROVISIONS

Strategic defense initiative: The conference report would authorize $3.804 billion for SDI including $220 million for DOE and $11 million for MilCon. This would be a 7-percent cut from fiscal year 1989 and a 22-percent cut from the request.

Bombers: The conference report would reduce B-2 funding by 9 percent, restrict funding until critical flight test standards are met, and require an alternative force structure report. Proposed B-1B electronic countermeasure recovery program would be contingent upon successful flight test program.

MX missiles: The conference report would prohibit the deployment of more than 50 MX missiles, regardless of basing mode. The previous deployment cap of 50 MX missiles, passed as part of the 1985 Defense authorization bill, applied only to silo-basing of the MX. The $1.3 billion request for Midgetman and MX rail garrison would be pooled and cut by $150 million.

Program terminations: The conference report would delay termination of new F-14D production by providing a final 18 aircraft; delay termination of AHIP helicopters with a final 36 modifications; continue R&D for the V-22 Osprey tilt-rotor aircraft and address procurement in 1991. Also addressed would be the proposed termination of the Phoenix missile next year. Terminations approved for 1990 and 1991: M88 tank recovery vehicle, HEMTT 10-ton truck; SSN 688 submarine; AH-64 Apache helicopters; F-15E aircraft; and LANTIRN aircraft pod system.

Drug interdiction: The conference report would clarify and strengthen DOD's role as the lead agency for detection and monitoring of the aerial and maritime transit of illegal drugs into the United States. $450 million—(up from $300 million in fiscal year 1989)—would be earmarked for increased DOD operations and cooperation with Federal, State, and local agencies with counternarcotics responsibilities. The prohibition on military involvement in direct law enforcement would be strengthened.

Cleanup at Department of Energy nuclear facilities: The conference report would authorize $1,659 million for defense waste and environmental restoration at Department of Energy defense nuclear facilities, an increase of $357 million over the budget request.

ABM Treaty interpretation: During fiscal year 1990 the administration would be required to follow its announced policy that the only SDI tests that can be conducted are those consistent with the narrow interpretation of the ABM Treaty.

ASAT negotiations: The conference report would include a Sense of the Congress that the President should explore the feasibility of the "strictest possible limitations" on ASAT's consistent with U.S. national security interests.

MIRACL: The conference report would accept the Secretary of Defense's commitment not to test the MIRACL—the Mid Infra-Red Advanced Chemical Laser—against an object in space during fiscal year 1990 and until the Congress has had the opportunity to consider the implications of any such test during action on the fiscal year 1991 authorization bill.

National aerospace plane: The conference report would authorize the transfer of up to $225 million from the Department of Defense R&D account to NASA for the national aerospace plane and restore the program to a joint defense and NASA venture.

Follow-on to Lance: The conference report would direct the Pentagon to conduct the development of the follow-on to Lance in a manner that preserves the option of producing this nuclear missile with observable differences from conventional missiles to allow arms control verifiers to distinguish nuclear missiles from nonnuclear missiles.

Technology base: The conference report would provide an additional $210 million for projects associated from the technology base and to authorize an increase in this account of 2 percent for fiscal year 1991. These funds will be used for high-definition television, x-ray lithography, superconductivity, et cetera.

Submarine and antisubmarine warfare technology: The conference report would add $82.5 million for ASW technology to gain a better understanding of the more fundamental phenomenology involved in ASW to help ensure the United States advantage in ASW in coping with the quieter Soviet submarine threat. An additional $95 million would be provided to DARPA to continue work in advanced submarine technology.

Shipbuilding: The conference report would authorize appropriations for 5 *Arleigh Burke*-class guided missile destroyers and multiyear procurement authority for a total of 25 ships over 5 years. Other authorizations would include one Trident submarine, long-lead for two SSN-21 submarines, and both research and initial procurement for a new class of fast sealift ships.

Operation and maintenance: The conference report would reprioritize the request to increase authorization for Army helicopter repairs, supply operations and overocean transportation, Navy aviation depot maintenance and ship repairs, and environmental restoration programs. The report would also prohibit severance payments to foreign nationals when foreign countries close U.S. bases on their territory; provide DOD assistance to certain school districts supporting military installations; clarify the prohibition on depot maintenance workload competition; establish new environmental restoration provisions; continue the authority of base commanders over contracting-out decisions; and provide authority to repair or replace property damaged by Hurricane Hugo.

Technology transfer: The conference report would extend to all Government-owned, contractor-operated laboratories performing research for the Federal Government, including Department of Energy weapons laboratories, authority to enter into cooperative research and development agreements to transfer technology developed in government laboratories to the private sector.

Military personnel: The conference report would provide a 3.6-percent increase in basic pay, basic allowance for quarters, and basic allowance for subsistence. The report would also extend and/or increase bonuses and special pays for pilots, physicians, and nurses; include new provisions for child care at military bases; revise the survivor benefit plan; and require a major study on total force policy, force mix and force structure.

Military construction and family housing: The conference report would authorize $8 billion for military construction including $3.3 billion for family housing and $75.4 million for 43 child care centers. Authorization for overseas construction would be reduced by 38 percent while authorization for construction within the United States would be increased by about 16 percent. A legislative provision capping the amount the United States can expend for construction of a peacetime base proposed for Crotone, Italy, at $360 million would also be included.

Mr. Speaker, certain tables were apparently omitted from the operation and maintenance section of the joint explanatory statement of the committee of conference on H.R. 2461 as printed in the CONGRESSIONAL RECORD on November 6, 1989. I am including these tables herein.

O&M, DEFENSE AGENCIES
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 90 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, DEFENSE AGENCIES	8,021,600						7,850,472
Contracting out studies		(5,000)				(9,000)	
Automatic Data Processing		(10,000)				(10,000)	
Legislative/management improvements		(31,190)				(25,700)	
Real property maintenance		(4,600)		5,000		(4,600)	
Classified programs		(13,100)		(39,200)		(41,728)	
Overseas dependent schools		5,500				5,500	
American Forces Information Service		1,700				0	
Impact aid program		10,000				0	
Foreign currency				(21,800)		(21,800)	
Command, Control and Communications				(10,000)		(10,000)	
Administration				(15,000)		(25,000)	
Civilian pay raise				28,100		0	
Pentagon transfer				(12,800)		(12,800)	
Asset capitalization program				(29,900)		(29,900)	
Civilian personnel						(1,100)	
CINC fund						25,000	
Travel						(10,000)	
TOTAL		(46,690)		(95,600)		(171,128)	

O&M, INSPECTOR GENERAL
($ IN THOUSANDS)

	FY 90 REQUEST	HOUSE BILL CHANGE FROM REQUEST	HOUSE BILL AUTHORIZATION	SENATE BILL CHANGE FROM REQUEST	SENATE BILL AUTHORIZATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE AUTHORIZATION
O&M, INSPECTOR GENERAL	94,749						94,749
Civilian pay raise				400		0	
TOTAL		0		400		0	

O&M, ARMY RESERVE
($ IN THOUSANDS)

	FY 90 REQUEST	HOUSE BILL CHANGE FROM REQUEST	HOUSE BILL AUTHORIZATION	SENATE BILL CHANGE FROM REQUEST	SENATE BILL AUTHORIZATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE AUTHORIZATION
O&M, ARMY RESERVE	861,900						861,800
Real property maintenance		(100)				(100)	
Force structure reinstatement		1,200		0		0	
Civilian pay raise				2,400		0	
TOTAL		1,100		2,400		(100)	

O&M, NAVY RESERVE
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 90 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, NAVY RESERVE	980,000						894,800
Real property maintenance		(400)				(400)	
Guard and Reserve force package		22,400		0		0	
Modernization of equipment		(84,800)		(84,800)		(84,800)	
Civilian pay raise				500		0	
TOTAL		(62,800)		(84,300)		(85,200)	

O&M, AIR FORCE RESERVE
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 90 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, AIR FORCE RESERVE	1,004,600						978,500
Real property maintenance		(400)				(400)	
Reinstatement FY 1990 force structure reduction		5,887		0		0	
Modernization of equipment		(25,700)		(25,700)		(25,700)	
Civilian pay raise				3,000		0	
TOTAL		(20,213)		(22,700)		(26,100)	

Mr. Speaker, I yield such time as he may consume to the gentleman from Oklahoma [Mr. SYNAR] for the purpose of a colloquy.

Mr. SYNAR. I thank the gentleman for yielding.

Mr. Speaker, in July, I joined with the distinguished chairman of the Armed Services Committee, Mr. ASPIN, in offering a compromise amendment to H.R. 2461 which placed certain restrictions on the obligation of funds for procurement of B-2 production aircraft. The amendment passed the House overwhelmingly, giving the House conferees a strong position for the conference in this area. Unfortunately, the test-before-you-buy language in the conference report is not as strong as it was in the House-passed bill.

It is my understanding that the Air Force may propose a 1-year shift in the milestones included in the B-2 full performance matrix. If the Secretary of Defense agrees, and the delay goes into effect, the Air Force would then have no testing and evaluation requirements to satisfy before it could obligate funds for the production of B-2 aircraft in 1991. Such a shift would thus create a 1-year break in the annual test-before-you-buy requirements endorsed by the House. I would like to engage in a colloquy with Chairman ASPIN at this time to see if we can avoid this scenario.

If the Secretary of Defense does propose such a shift in the milestones included in the B-2 full performance matrix, will the chairman on behalf of the Armed Services Committee, resist this effort?

Mr. ASPIN. Mr. Speaker, the answer to that question is yes.

Mr. SYNAR. Mr. Speaker, If, despite the chairman's efforts, the Secretary's is successful in shifting the B-2 full performance matrix milestones, will be then, on behalf of the Armed Services Committee, take the lead in including language in the defense authorization bill for fiscal year 1991 which is identical to the language which he and I cosponsored in the House-passed version of H.R. aircraft in any given fiscal year unless and until the Secretary certifies that all of the performance milestones for that fiscal year have been met?

Mr. ASPIN. Again, the answer is yes.

Mr. SYNAR. Mr. Speaker, I thank the distinguished chairman for his assurance. I realize, however, that the chairman cannot guarantee that he will be successful in his efforts. If not, I will have to give serious consideration to joining with those who may wish to kill the B-2 program on the floor next year, because it is clear that the Department of Defense will resist to the bitter end any and all efforts at putting teeth into the test-before-you-buy concept.

Mr. ASPIN. Mr. Speaker, I reserve the balance of my time.

Mr. DICKINSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, if I may have the attention of the chairman, in order not to mislead anyone, I would like to emphasize that the chairman was speaking for himself and not for the full committee because I do not think that I agree with everything that was said.

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. DICKINSON. I yield to the chairman.

Mr. ASPIN. I thank the gentleman for yielding.

Mr. Speaker, the gentleman is correct.

Mr. DICKINSON. The chairman is speaking for himself, not for the full committee.

Mr. ASPIN. The gentleman is correct.

Mr. DICKINSON. Mr. Speaker, I reserve the balance of my time.

Mr. BENNETT. Mr. Speaker, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman from Florida for yielding time to me. He has been wonderful in all of this.

Mr. Speaker, when I learned of the contents of the conference report, I asked myself three questions:

First, in its negotiations with the Senate, did the House get a good deal?

Second, does the agreement represent sound defense policy?

Third, does the agreement protect the taxpayer, now and in the future?

And, to each question, the answer came back "no". So, despite the fact that I think Chairman ASPIN made a credible effort and despite the fact that there is much in this bill which I like, I must oppose the conference agreement.

In dealing with the Senate, the House was ransacked. When Secretary Cheney said the F-14D was an expensive plane, he did not know the half of it. To continue procurement of the F-14D, the Senate demanded and got the House to back down on issue after issue. The Senate insisted the House recede on strategic programs, on conventional programs, on personnel programs, and on readiness programs. It's not that the Senate was so opposed to 18 additional F-14D's. Rather, the Senate sharpies knew what the House needed politically and bluffed the House into selling out everything else. Similarly, the Senate extracted another $150 million in mobile missile programs because the House insisted on capping MX's at 50.

Yet, the House-Senate poker game pales in importance to the other two questions. This bill does not set an intelligent defense policy. It funds two mobile land-based missiles. There is real doubt as to whether we need one. It fully funds the B-2 bomber. There is, frankly no mission for a penetrating manned bomber in the future. We might as well be investing in spears and coats of mail.

And, the bill makes no move toward restructuring forces to reflect the leaner, defense-oriented, more rear deployed forces of the post-CFE, budget austerity years ahead. The bill continues the bellicose defense policies of the Reagan years.

Do the taxpayers get a good deal? Certainly not. The bill says no to no weapons program. If its designed to shoot or fly or go boom, we'll buy it. Program terminations proposed by Secretary Cheney were delayed or eliminated. No additional program terminations were added. If the drafters of this bill were women, they would be pregnant all the time, since they cannot say no. The B-2, Midgetman, and the V-22 will all blossom into massive new entitlement programs. And future deficit reduction efforts will be undermined.

Over the next decade, defense budgets will go down in real terms. Yet, these new procurement programs will keep going up. This means that the share for personnel, readiness, and military construction will plummet. We will return to a hollow military. We will have to cut troops and will end up with toys, but no boys.

This year, the House of Representatives stood up and said it was time to change. A missile system was killed. The B-2 was slowed. Funding was shifted to readiness programs, to the war on drugs, to environmental restoration. The Senate blindly rubberstamped the Cheney budget. In conference, the restructuring voted on the House floor was mated with the program terminations of the Cheney budget and, lo and behold, a cold war budget appeared: We got a defense bill aimed at an evil empire that no longer exists.

I cannot support this conference report.

Mr. ASPIN. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. MONTGOMERY], the chairman of the Committee on Veterans' Affairs.

Mr. DICKINSON. Mr. Speaker, I also yield 2 minutes to the gentleman from Mississippi [Mr. MONTGOMERY].

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 4 minutes.

□ 1210

Mr. MONTGOMERY. Mr. Speaker, I rise in support of the conference report on defense authorization. I want to emphasize several points. First, the Defense Department historically has not provided sufficient new

equipment in the procurement budget for the National Guard and Reserves. This year, as in the last 8 years, it has been Congress that has provided this procurement.

During the Armed Services Committee deliberations, I offered an amendment to add a $1.2 billion Guard-Reserve procurement package. The conference has agreed to add $995 million in new procurement for the Guard and Reserve. This will provide modern, first line equipment to our Reserve components.

The conference report also recommends an expansion of the Reserve peacetime GI bill to include vocational-technical and on-the-job training. This won't make the Reserve Educational Program equivalent to the active program, but it will bring it more in line with the types of educational opportunities available to active component members.

There are also two medical provisions in the report that are very important to active duty personnel and veterans alike. First, the agreement authorizes $20 million for continuation of the VA/DOD Cooperative Research Program during fiscal year 1990. This joint research program was first authorized in 1987 and continued in 1988 and 1989.

The second medical provision is the authority to allow CHAMPUS funds to be used under medical resource sharing agreements between the VA and DOD.

The General Accounting Office, in a 1988 report to Congress, was critical of Congress for placing restrictions on the use of these funds for the care and treatment of eligible military personnel at nearby VA medical centers.

The chairman of the Defense Appropriations Subcommittee, Mr. MURTHA, and I recently visited Albuquerque, NM, where we saw firsthand the benefits that accrue to both the Air Force and the VA. This makes a lot of sense.

Finally, the Senate-passed bill contained a provision that established a commission to determine whether there should be a program of national service. Because of the potential impact national service would have on veterans benefits and military services, and educational programs under the jurisdiction of the Education and Labor Committee, conferees from these committees were appointed on this issue. My good friend, SAM NUNN, the chairman of the Senate Armed Services Committee and the ranking member, Mr. WARNER, graciously took into account the concerns raised by the conferees and agreed that legislative initiatives currently being considered would provide the information needed to assess a broad-based program of national service.

I know national service is a very important issue to the gentleman from Georgia, as it is to my colleague and friend from Oklahoma [Mr. MCCURDY] and I appreciate their willingness to be flexible on this issue.

Mr. Speaker, I find this conference report to be fair and will vote for its approval.

Mr. Speaker, in closing, let me mention that our staff director on the Committee on Armed Services, Kim Wincup, will be leaving our committee. I am sure the chairman will talk about this in a few minutes.

I want to talk about my close friend, Kim Wincup, who will be leaving the committee in the next few days. This will really be Kim's last time to be involved in a military bill, I guess, for a long time. Kim will be moving over to the position of Assistant Secretary of the Army for Manpower and Reserve Affairs. He will be confirmed by the Senate next week. Kim has been outstanding as staff director of our committee. He has worked very well with Members of Congress, whether a person is on the Committee on Armed Services or not, and certainly he has been a strong leader for the very large Defense staff.

We need the best persons available to help run the Army, and Kim is qualified to run the Manpower and Reserve of the Army.

Mr. Wincup was general counsel of the Personnel Subcommittee in the seventies. We had just started the All-Volunteer system and we had many personnel problems. Kim helped us all in moving through these tough times.

I am proud that Kim Wincup was nominated for this position and will accept.

He will be truly missed by all of us.

Mr. ASPIN. Mr. Speaker, will the gentleman from Mississippi yield?

Mr. MONTGOMERY. Mr. Speaker, I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Speaker, I thank the gentleman for yielding. The gentleman brings the issue up here now. I was going to raise the issue at the end of the debate, but now that the gentleman from Mississippi has raised it, I would like to also say something about the service that Kim Wincup has performed for the Committee on Armed Services.

The chief of staff of the Committee on Armed Services, who has been with the committee for a long time has been absolutely vital to the success of our operations. We are all going to miss him a great deal. I, personally, am going to miss him probably most of all. He has been tremendously helpful, and without his help, trying to work through these complicated bills every year would be just simply impossible. Therefore, I would like to echo the comments of the gentleman in the well, and say that all Members will miss him a very great deal, and wish him well on his new assignment.

Mr. DICKINSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I, too, would like to join in wishing Godspeed and best wishes to my good friend, Kim Wincup, who will be leaving the committee. I have worked with him for all these years and he has really made a difference.

As a matter of fact, the chairman and I and other Members of the committee are going over to the Senate this afternoon to testify before the Senate Committee on Armed Services in regard to his confirmation. I would like to mention another bright note and sad note. We have another distinguished staff member of our committee, Steve Conver, my senior Republican staff person, who is leaving us. He, too, has been nominated for a Pentagon job and is waiting for Senate confirmation. He is slated to be Assistant Secretary of the Army for Research and Acquisition. Therefore, the Committee on Armed Services will be well represented in the years to come in the Army. Steve will be succeeding Jay Sculley, who many Members remember with affection for the fine job he has done for the Army for years. We will be losing two fine individuals and we wish them every success in the years ahead.

Mr. Speaker, I am not sure where to begin with the bill at hand other than to say I am somewhat embarrassed by it. I believe many of my colleagues feel the same way.

The fact that this bill is the product of 7 months of work, including 2 months in conference, reminds me of the old saying, "If you don't know where you are going, any road will do."

If the conference report before Members today is any indication, this Congress has no idea where it is taking the defense policy. While Congress continues to stumble blindly ahead, the American people are beginning to see the Defense budget process as the political charade that it has become.

In reaction to the House's partisan and wasteful approach to the defense budget, the Wall Street Journal recently observed that the "military-industrial complex," which we were warned about by President Eisenhower has been overshadowed by the "dove-pork complex," an antidefense coalition in Congress, predominantly Democrats, that oppose defense spending and weapons modernization, unless it means jobs in their district. While many of our colleagues will dismiss the notion of a dove-pork complex as the rantings of a conservative editorial board, the same certainly cannot be said of the Washington Post's recent criticism of House Democrats as weakening the defense and security of this country.

We may be fooling ourselves inside the beltway, but the general population does not appear to be so simpleminded. I find it ironic that many of the charter Members of the dove-pork complex, the same Members that were most vocal in their criticism of the Reagan military buildup, have been leading the charge to prevent Secretary Cheney from terminating defense programs that are no longer affordable in this increasingly austere budget environment.

Members should all know that there is a high price to be paid for having it both ways, that is, for cutting spending, but not cutting programs. You should also know that the bill collector is waiting right around the corner. Defense spending has now declined in real terms for 5 consecutive years. There is no fat left to cut, and there are no longer any gimmicks or shortcuts to substitute for tough decisionmaking. In order to meet congressional budget targets, Secretary Cheney accepted the challenge of cutting into military "muscle," and earlier this year proposed terminating a number of defense programs. The House not only refused to make the tough decisions, but it refused to pass the buck, and let the executive branch make them.

What is going to happen next year when Congress again cuts defense spending, and the Secretary proposes terminating twice as many programs as he did this year, and recommends closing more military bases? Can the House of Representatives continue to dole out expensive "golden parachutes" like it did for Long Island this year?

Will the House Democratic leadership, whip every defense program that Secretary Cheney proposed for termination and every suggested base closure, if it means lost jobs in Democrat districts? If so, it will be an around-the-clock job, because the cuts are coming in spades in fiscal year 1991. In fact, if the Department is forced to implement the current $8 billion sequester for the entire fiscal year, the cuts will be coming sooner than expected.

□ 1220

As if Secretary Cheney did not have a tough enough job managing this political, ad-hoc dismantling of the defense establishment, there is a disturbing development adding to the Secretary's management difficulties that I would like to bring to the attention of the House.

Between 1986 and 1989 approximately $2.7 billion was transferred out of Department of Defense accounts for nondefense uses. This included; $550 million for the Coast Guard, $500 million for Central America, $130 million for the State Department, $300 million for NASA, $110 million for Interior, Energy, Commerce, and Justice.

This year the problem has increased by orders of magnitude. While the Department of Defense was forced to transfer $2.7 billion for nondefense uses between 1986 and 1989, it is currently being asked to provide an additional $2.7 billion for nondefense use in 1990 alone. This includes; $800 million for the Coast Guard, $1.3 billion for the drug war, and $500 million for NASA.

In the simplest of terms, Congress has got to stop viewing the Department of Defense as a cash cow for other executive agencies. Defense is not and cannot afford to be an entitlement program.

The overall state of affairs with this bill is easily summarized.

First, Congress continues to cut defense spending but will not allow the Secretary of Defense to terminate programs. If this continues, we will certainly return to the "hollow military" days of the 1970's and,

Second, Congress is no longer willing to provide for a strong defense, but its eagerness and appetite for Department of Defense jobs at home is insatiable.

I tried long and hard to get the executive branch interested in fighting this bill on any number of grounds, but there were no takers.

Therefore, if the White House can live with this jobs bill instead of the defense bill it asked for in April, if the White House can live with cuts in critical strategic offensive programs that it has been asking me and many others to oppose for so long, and if the White House can live with the first negative real growth budget for SDI since the program's inception in 1983, then there is little reason for me, or for other defense-minded Members of Congress, to fall on our swords over this bill.

I reluctantly am going to support this bill because I think it is the best we could do under untenable circumstances. But if this is a trend of the future, I pity the country and worry about our security in the years ahead.

Mr. Speaker, I reserve the balance of my time.

Mr. BENNETT. Mr. Speaker, I yield 2½ minutes to the gentleman from Pennsylvania [Mr. RIDGE].

Mrs. ROUKEMA. Mr. Speaker, will the gentleman yield?

Mr. RIDGE. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Speaker, I rise in opposition to this conference report.

Mr. Speaker, I do so not because I am against authorizing what may be considered necessary to provide for the defense of this Nation. I oppose this bill because I feel the will of the House on several issues, for which there was debate and decisive votes, has been thwarted by the conferees.

In particular, I object to the agreement to restore much of the funds which were reduced by the House. This report puts back $700 million cut from the SDI program. It restores $500 million for the B-2 bomber and eliminates the provision which requires the Congress to vote on a cost-reduction plan before the B-2 procurement funds are spent. This comes one day after allegations have been put forward that the manufacturer of the B-2 has bilked the U.S. taxpayer by billions of dollars. And, finally it fails to eliminate any programs terminated by the administration.

On another matter, I am disappointed with the House conferees for failing to support our position on several arms control provisions.

On chemical weapons, the House voted to eliminate the funds for chemical weapons production. The Senate never debated or voted on these programs. Yet, the House prohibition was eliminated. This in light of the administration's commitment to the elimination of chemical weapons. This is the only piece of the chemical weapons plan that does not fit the disarmament strategy.

The House voted to place strict controls on the testing of antisatellite weapons in space. The Senate again never debated or voted on this issue. Yet, the House provision was watered down to say we should "explore the feasibility" of such a treaty. This is perverse. Of course a treaty is feasible. We look ridiculous putting this in our bill.

On the issue of plutonium production, the House voted for a moratorium on the production of plutonium provided the Soviets continued their moratorium. Again, no Senate debate, no Senate vote. Yet the House ban is gone.

Mr. Speaker, I don't know the circumstances surrounding the politics of the conference but this looks like the House side gave away the entire House and therefore, I cannot support this measure.

Mr. RIDGE. Mr. Speaker, I thank my friend and colleague, the gentleman from Florida, for yielding me this time. There is no one in this Chamber that has a strong and aggressive and prodefense a record as the gentleman from Florida does in all his years in this body, and I think his leadership in opposition to this conference report is significant and shoud be noted by the balance of the Members.

Members know during the past couple of weeks we have been chastising the administration because of sequestration. We have said that sequestration means we do not make tough choices.

Well, I think the Congress of the United States has gone even further with the conference report. Not only do we not make some choices in here, but those few choices we do make are bad choices.

Let us review some of those. How about the no choice element? We know that in an economy and in a budget that has finite resources, we are going to have one mobile missile system. Yet this conference was unable to decide whether we wanted the Midgetman or whether we wanted the MX.

So what did we do in this marvelous interplay of forces? We decided to lump it all in one sum, $1.8 billion, and said, well, everybody else is not making choices, so we will abdicate our responsibility and let us fund both. There is no choice there.

We know in this body the choice that we want to make. Go back to conference on this one.

How about the bad choices? This body spoke to SDI, $3.1 billion. This conference brings it back $700 million above that level.

I heard the proceding gentleman complain about $60 million aircraft. We have got nine Stealth bombers in here; $500 to $600 million a copy. That is a bad choice, when they have not been tested.

No choices and bad choices. Think about this: More money for SDI than the body wanted. Many more Stealth bombers than we wanted and cannot afford.

So consider this, my colleagues: Much more money than we wanted in SDI. No choice, absolutely no choice, on the kind of missile system we wanted. Nine Stealth bombers we have not even fully tested. Those are the choices we made.

Do you know where they decided to cut? They are going to take $500 million out of personnel. So once again the House of Representatives puts equipment ahead of personnel. The last time I checked, when you were talking about defense, you still need people as much as you need weapons.

Let us send this thing back so they can make the tough choices and proper choices.

Mr. ASPIN. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Speaker, first I wish to commend and congratulate Kim Wincup, our staff director, and wish him well. The words spoken by the gentleman from Mississippi and the gentleman from Wisconsin were certainly appropriate. We will miss him. He has done a great job for the Congress of the United States.

Mr. Speaker, a bill such as this is always difficult. One could go through it and find items with which one disagrees, or one can go through it and find many reasons to support it.

I support this bill. It is the result of long and arduous committee debate, floor debate, conference debate, and it is the work product of our legislative system at its best.

Does it please everyone? No. But quite frankly, it is a good product. I congratulate the chairman of our committee and those others.

Mr. Speaker, I might also add that we have made substantial progress in the area of military education, professional military education, part of which is in this bill.

Mr. DICKINSON. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. MARTIN].

Mr. MARTIN of New York. Mr. Speaker, I would like to enter into a little discussion with Chairwoman SCHROEDER concerning the move of the 401st Tactical Fighter Wing from Torrejon, Spain, to Crotone, Italy. The House approved my amendment to limit U.S. expenditures to $250 million for relocating functions now at Torrejon to other bases outside the United States. I arrived at $250 million figure because it represents 28 percent of the total cost of relocating functions, and 28 percent is our share of NATO infrastructure costs.

This $250 million figure was $220 million below the estimate of U.S. costs under the arrangement negotiated with NATO. In other words, we were told that the American taxpayer was supposed to pay $470 million of the relocation cost, while our NATO allies were to pay $415 million. In passing my amendment, the House said, in effect, the deal negotiated with NATO was unfair to the American taxpayer.

In conference, the cap was raised from $250 to $360 million. The conference report states.

The conferees recognize that under this agreement, the administration will probably have to reopen negotiations with our NATO partners so that our allies will pay a larger portion of the costs involved with the relocation of US forces from Torrejon, Spain. The conferees do not intend that the construction cost cap be met by scaling back the facilities to be built to support the men and women of the 401st TFW. The conference agreement is meant neither to preclude nor to mandate the construction of a new air base at Crotone, Italy.

My first question is: Can the Chairwoman see any way that the Defense Department can go forward with the planned relocation to Crotone, as described in our hearings, without renegotiating the cost sharing arrangements with NATO?

Mrs. SCHROEDER. Mr. Speaker, if the gentleman will yield, let me first compliment the gentleman from New York on his amendment. I see the amendment as saying four things:

First, the American taxpayer cannot afford $470 million for a new base;

Second, the deal developed with NATO is not a fair sharing of burdens;

Third, the Defense Department did not adequately explore other options for moving the 401st Tactical Fighter Wing, like bringing the planes home; and

Fourth, with a CFE agreement near, Crotone could end up being another Comiso: A brand new base rendered obsolete by an arms control agreement.

In answer to your question, we must renegotiate cost sharing to build Crotone as it is now planned. The use of the word "probably" in the conference report leaves open the possibility of a mission change. For example, the size of the 401st Tactical Fighter Wing in Europe could be reduced, thereby reducing basing requirements at Crotone. But, cutting quality of life facilities or delaying construction until after 1993 are not options under the amendment.

Mr. MARTIN of New York. I thank the gentlewoman. My second question is, What would be your advice to the Department of Defense, NATO, and the Government of Italy about going forward now to buy the land at Crotone? Is the conference agreement a green light?

Mrs. SCHROEDER. Absolutely not. I would hope that the administration would develop a plan for how they will live within the cap and then come to the committees involved and seek agreement before spending any money. Otherwise, a lot of precious taxpayer dollars could be wasted.

Indeed, I would think that the administration, Italy, and NATO might want to think long and hard about going forward with Crotone. As you know, there are existing bases at which these planes could be based. And, it is only a 6-hour flight from the east coast of the United States to the front. As the conference report says, the conferees do not endorse or disapprove of the base. Rather, we want U.S. costs reduced.

Mr. MARTIN of New York. I completely agree. Let me add this: The Crotone deal looks good in comparison to previous NATO cost sharing arrangements. But that is a bad standard. Instead, we should be seeking much stronger cost sharing from our allies.

Mrs. SCHROEDER. Mr. Speaker, I agree with the gentleman. I recommend that the gentleman and I write to the Secretary of Defense requesting that the subcommittee be briefed on plans for Crotone before any obligations are incurred and that we write to the Comptroller General asking that GAO audit the $360 million cap.

Mr. MARTIN of New York. Mr. Speaker, I think that is an excellent suggestion.

□ 1230

Mr. ASPIN. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. Bosco].

Mr. BOSCO. Mr. Speaker, I want to express my disappointment with this conference report, particularly because it does not include plutonium control language passed by the House.

With all the discussion of the deficit, we are overlooking a painless way to save from $5 to $11 billion with no effect whatsoever on our Nation's military strength.

Currently the Soviet Union has 12 operating military reactors, capable of producing weapons grade nuclear materials. We have none.

Based on proposals put forward by General Secretary Gorbachev, we have the opportunity to explore the possibility of closing down all Soviet reactors and not have to rebuild our own at a multibillion dollar cost.

In that we currently stockpile in excess of 100,000 kilograms of plutonium—enough to vastly increase our warhead production if we need to—there is no need to produce more of this radioactive material, especially if the Soviets cease production.

Few Americans realize that all of the past arms control agreements including the recent INF agreement have not resulted in a single bomb or warhead being destroyed. All of this nuclear material remains stockpiled, ready to be placed on any new delivery vehicles deemed necessary in the future.

Under these circumstances it is well worth our time and effort to reach agreements that prevent the needless and wasteful resumption of radioactive materials production—at a savings to the public that would be real and not illusory both in terms of some $5 to $11 billion spent for production and hundreds of billions for future cleanup.

It is regrettable that the conference committee discarded this approach from this authorization.

Mr. ASPIN. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Speaker, this is not a perfect conference report. It is not ideal. It leaves out things that I came to the well in the House and fought for and won in the House only to lose in this conference report.

A perfect example of this is the motion, the amendment we had to cut rail mobile funding for the MX. Most of the money is restored here. I do not agree with that, but let me say in response to critics of the bill that I acknowledge the argument of those who say we need two mobile missiles, send our negotiators to Geneva with two systems, potentially two systems, to bargain against the Soviets.

So, Mr. Speaker, I think there is a reasonable argument to be made for the compromise that is struck in this bill. As we go down the list of things included in the conference report, the same can be said for virtually all of the compromises. I do not agree with them, but I think they are fair and reasonable in almost every case.

Secretary Cheney sent us a request for the deletion or termination of 10 programs, and I voted for the amendment of the gentleman from Wisconsin [Mr. ASPIN] which would have stated the Cheney budget request. I think we have come out with a reasonable conclusion based on his request. He wanted to stop the F-14. If we stop the F-14, we are betting on the outcome. There is no follow-on for the Navy's attack airplane. We walk on $240 million of termination costs. I do not think it is a defensible decision.

Mr. Speaker, a better decision is a transition to a termination of the program. I do not particularly like what we have come up with, but I think it is a defensible decision.

The V-22; I voted against it, but I say to my colleagues that, if we spent $2½ billion on this program developing the tiltrotor technology, we can make a reasonable case for rounding out that development effort in seeing exactly what its potential is, and I do not think, having listened to all the evidence, that we know yet whether or not the CH-53 is the right answer for the ship-to-shore mission of the Marine Corps. Let us look at it again, and let us not walk out on a $2½ billion investment precipitously until we know what we can do with it.

Mr. Speaker, this is a reasonable bill, and I urge everyone to support it.

Mr. BENNETT. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Speaker, just two additional points that I think need to be made. In regard to the Stealth bomber, let me just tell my colleagues what we are doing here.

Mr. Speaker, we are going to spend $47 billion, and we are going to be in the process of purchasing 47 Stealth bombers before the program has been fully flight tested.

Does everybody understand what I said? We are going to spend $47 billion before we know if the plane can really function the way it is supposed to function. We are going to buy 47 of those planes at $535 million a copy before we know if it really works.

Mr. Speaker, that is an incredible tragedy, and I hope those people who support this plane will say their prayers every single night that it will fly the right way because, as I suspect, it is going to turn out the gentleman from California [Mr. DELLUMS], and the gentleman from Connecticut [Mr. ROWLAND], and I were right when we tried to cancel it this time. I wish we had cut our losses.

The only thing I can say is that I hope, if this plane does not function the way it is supposed to after we spend $47 billion and bought 47 planes, if it does not work, then I hope we will have the courage to eliminate a program that would become a giant waste of money.

Additionally, Republicans a lot of times want to support national defense. This is a clear opportunity for Republicans to follow the lead of Republicans on our side like Dick Cheney and the gentleman from Alabama [Mr. DICKINSON], who were willing to make tough choices, tough choices that did not get made, and I hope my colleagues would feel comfortable with being able to vote against this bill. It is not going to be defeated, but it will give my colleagues an opportunity, as a Republican, to stand up and to say they think that resources ought to be applied on the basis of national security.

With those two thoughts in mind, Mr. Speaker, I yield back the balance of my time.

Mr. DICKINSON. Mr. Speaker, a number of Members desire time to speak, and because of the limitation I would ask unanimous consent that the general debate time on this conference report be extended 15 minutes, to be equally divided, as previously indicated.

The SPEAKER pro tempore (Mr. COLEMAN of Texas). Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ASPIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. FOGLIETTA] for the purpose of a colloquy.

Mr. FOGLIETTA. Mr. Speaker, I wish to engage in a brief colloquy with the chairman of the Armed Services Committee, Mr. ASPIN, and with the gentleman from Pennsylvania [Mr. WELDON].

Mr. ASPIN. Mr. Speaker, if the gentleman will yield, I would be happy to engage in a colloquy with the gentleman.

Mr. FOGLIETTA. Mr. Speaker, I want to congratulate Mr. ASPIN, the chairman of the committee, for his leadership in guiding this bill through conference. As a member of the conference committee, I believe the chairman has done an excellent job in arguing the positions of the House.

Regarding the V-22 Osprey, the bill includes $255 million in research and development. This will allow the continuation of the flight test program—which is proceeding well. The V-22 has logged over 50 hours of flight time and has consistently flown in both the helicopter and airplane modes.

The ultimate decision on V-22 procurement is deferred until next year, pending the completion of a comprehensive cost and operations effectiveness analysis of the V-22 versus alternative aircraft being conducted by the Institute for Defense Analysis.

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. FOGLIETTA. I yield to the gentleman from Wisconsin.

Mr. ASPIN. The gentleman is correct in his characterization of the conference report.

Mr. FOGLIETTA. However, the study must be completed in an unbiased fashion. Therefore, it should include all relevant options regarding mission, survivability, and costs.

For example, the survivability of the different aircraft—and its effect on program cost—should be considered.

Regarding mission scope, in addition to over-the-horizon ship-to-shore missions and subsequent operations ashore, at a minimum the study should review aircraft for use in long-

range special operations and combat search and rescue missions.

The study should include all related costs such as increased manpower requirements, increased pilot requirements, and the impact on both strategic and amphibious lift capabilities.

And the study should comment on the availability of all alternatives considered.

Mr. WELDON. I concur with the gentleman regarding the need for a comprehensive scope of the study and for an unbiased analysis. I also wish to congratulate the chairman for his leadership in passing this bill.

Mr. ASPIN. I also concur with the gentleman regarding the necessity of an unbiased study of the V-22 versus helicopter alternatives. Therefore, the scope of the study must be comprehensive and should include all options regarding survivability, mission, and cost mentioned by the gentleman.

□ 1240

Mr. BENNETT. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in opposition to the conference report that is before the body today, and I do so, first of all, because I believe that this is a world crying out for change. This budget offers no change.

This is a world crying out for peace. This is a budget that advances the policies of war.

This is a world crying out for arms control and negotiations, yet this is a budget that pursues advancing new heinous nuclear weapons.

This is a Nation crying out for new budget priorities, yet this is a conference report that embraces the notion that we need to spend $305 billion on a military budget.

It would be for those reasons alone that we should oppose this conference report, but let me now be even more specific.

The Secretary of Defense, Mr. Cheney, said to the Congress of the United States, if we are going to meet our budgetary responsibilities we must terminate some weapons systems.

In the comity between the executive branch and the legislative branch you could disagree with their priorities, but at least we had a fiduciary responsibility. If we did not agree with the weapons systems that he chose to terminate, we should have substituted some of our own.

The conference report before us is the worst of all worlds. It embraced everything. It cut nothing. If it does not do harm in fiscal year 1990, what happens in fiscal years 1991, 1992, 1993, and 1994, when we have to pay the price tag of our inability to make decisions this year?

Consider, we now are patting ourselves on the back that we came back from a conference with $3.57 billion for the strategic defense initiative, a program of dubious worth, of dubious value, and Members of this body felt that we should bring that figure well under $3 billion, and the majority of the Democrats thought we ought to terminate the program.

My distinguished colleague, the gentleman from Ohio [Mr. KASICH] who spoke eloquently in the well a few moments ago pointed out that we are now going to spend $47 billion on a so-called Stealth bomber, and we do not even know whether it will be stealthy enough. We tried to tell you to kill this program when you spent $23 billion before you even rolled it down the runway. Now we are going to spend $47 billion.

Those of you who voted for the fly-before-you-buy concept, check it out. It is not in this conference report. We are going forward with advanced procurement of a weapons system without the Congress expressing its will on this dubious batmobile that we refer to as the Stealth bomber.

Now we come to this two mobile missile love-in, the Noah's Ark syndrome, that you have to have everything, the mobile missile and the MX.

We left this body saying no small mobile missile. We left this body saying only $600 million for the MX rail garrison.

But what did we come back with? We came back with $1.1 billion, but not with the Congress making the decision whether you ought to buy one or the other. We said to the administration, "You choose how you want to spend the money." Great display of leadership.

I would say to my colleagues that the time has come for us to face the reality of the changing world. The Warsaw Pact is crumbling before our eyes and here we are building weapons of destruction.

The Soviet Union is saying, "Let's go to the negotiating table," and we are playing games, building new nuclear weapons.

Our children are being destroyed on the streets of America, and we are studying war and not fighting war on poverty, war on hunger, war on drugs, homelessness, and helplessness.

Mr. Speaker, I ask the House to reject this conference report.

Mr. DICKINSON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Florida [Mr. IRELAND], a member of the committee.

Mr. IRELAND. Mr. Speaker, I am not at all happy with the final version of the fiscal years 1990-91 defense authorization bill embodied in the conference report being debated on the floor today.

I agreed to sign the report and will vote for it, because I think it is the best we can do under the circumstances. However, I think that the most contentious issues, which made for such a long and difficult conference, now need to be aired before the entire House. The really thorny issues, such as the V-22, cannot be definitely resolved this year. Hopefully, with Secretary Cheney's continued leadership and support, we can win those battles next year.

The conference report before us is nonetheless flawed in a most insidious and destructive way. It represents the worst of both worlds.

In my mind, the problem boils down to one very simple fact: there will not be enough money downstream to properly fund all the programs in the bill. The admirals and generals in the Pentagon have had a habit over the years of starting and sustaining programs they cannot afford to finish. Very simply, the programs don't fit in the Pentagon's long-range spending plan known as the Five Year Defense Program [FYDP]. Congress, for its part, acts to make matters worse.

When Dick Cheney became Secretary of Defense early this year, he quickly realized he had a major money problem on his hands. He came to grips with it and did what no other recent Secretary of Defense was willing to do—he made the tough choices to kill programs. He cut $10 billion from the fiscal year 1990 budget and $64.2 billion over the 5-year period, 1990-94. He killed nine major programs, opting instead for more cost-effective alternatives. In doing so, he saved valuable program dollars without putting our Nation's security at risk.

Though a courageous beginning, Dick Cheney's cuts did not go nearly far enough.

At my request, the General Accounting Office [GAO] is conducting its first-ever evaluation of the FYDP. One of the primary objectives of this effort is to determine whether the 4 outyears of the FYDP are consistent with the budget. This will be an ongoing effort.

In a series of reports to me, as well as in testimony before the Senate Armed Services Committee, GAO concluded that there is a gross mismatch between the budget request and the fiscal years 1990-94 FYDP.

Mr. Charles Bowsher, Comptroller General, defined the magnitude of the shortfall in testimony in May. He said that an additional $150 billion would be needed over the 5 years to fund the programs in the Cheney budget. And that estimate understates the money shortfall. Mr. Bowsher's analysis assumes that the cost of each individual part of the FYDP is accurate and true. Yet those costs will increase by an average of 32 percent, according to a

1984 GAO survey of 97 major weapon systems from 1963 to 1983.

Well, the Cheney budget is now ancient history. Congress has, for the most part, unraveled his good work. We are looking at a conference agreement that makes the money shortfall much worse. The Armed Services Committees, in all their wisdom, have agreed to compound the problem by adding billions of dollars for programs that Cheney either wants to cancel or for which he requested reduced funding. Admittedly, the conferees express a willingness to kill some of these programs down the road, but that's an "iffy" proposition, to say the least.

Although Congress presently cannot determine with precision what the added 5-year costs of its actions on the fiscal year 1990 budget will be, you can be sure that the $150 billion deficit identified by Charles Bowsher will grow as a result of this conference. By the time Congress finishes pork-barreling the fiscal year 1990 budget, DOD will probably need an extra $200 billion over the 5 years in order to fund the programs approved by the conference committee.

We all need to come to our senses and inject some reality into defense planning. There just isn't going to be an extra $200 billion for DOD over the next 5 years. At best, we are looking at a constant dollar freeze that would cover inflation only. If anything, prevailing wisdom suggests that real decreases are in the offing, so, like it or not, DOD must begin to tighten its money belt, and we in Congress must be part of that process. Outyear spending plans must be reined in. We need to face up to the money shortfall now and avoid the terrible waste of program stretchouts and terminations down the road.

Here is what needs to be done:

DOD needs to undertake a program review now to bring the outyears into line with the budget. This review must be completed before the fiscal year 1991 budget and fiscal years 1991-95 FYDP are submitted to Congress in January, and must be based on realistic assumptions about future inflation rates and growth rates in the defense budget. Based on this review, DOD must excise the $45 billion negative funding wedge. It must then establish program priorities consistent with our national military strategy, evaluate alternatives for meeting them, choose the best approach, and ax those that don't fit.

Simple math will tell you that there isn't enough money in the 5-year defense plan to buy the V-22, F-14D, two mobile ICBM's—Midgetman and MX Rail Garrison—SDI, B-2 bomber, SSN-21 submarine, two advanced tactical fighters, and the LHX helicopter, to name just a few of the big ticket items in the acquisition pipeline. We must pick and choose.

We are at a crunch point. We have tried to stuff too much into the budget for future consumption. Now, we must make some hard choices. Entire programs must be killed without putting this country's defenses at risk. Secretary Cheney has taken a small, first step on a long march. His initiatives must be sustained. If we fail in that endeavor, we will end up hollowing out the Armed Forces and robbing the readiness accounts. It happened in the late 1970's, and Congress was a willing participant in that debacle. It will happen again unless we do something now.

Mr. Chairman, I have tried to do my part this year to bring the so-called funding "bow wave" in the outyears under control. Toward that end, I offered two specific amendments to the bill, which were accepted by the Committee and the House and then adopted in conference. One calls for consistency between the President's budget and the FYDP. The other is designed to generate $550 million per year in savings through a more reasoned implementation of the INF Treaty.

I would like to extend a special word of thanks to the chairman of the committee, LES ASPIN, and the ranking Republican, BILL DICKINSON, as well as those on the subcommittees who handled my amendments: Readiness [EARL HUTTO and JOHN KASICH], Investigations [NICK MAVROULES and LARRY HOPKINS], and Personnel [BEVERLY BYRON and HERB BATEMAN]. Their unwavering support helped to shepherd these measures through a long and difficult conference. I also want to thank three staff persons who were instrumental in bringing my ideas to life and finding a place for them in the bill. They are Will Cofer, Debbie Lee, and Bob Schafer. Many thanks for a job well done.

FIVE-YEAR DEFENSE PROGRAM

Mr. Speaker, over the last 10 months, I have had a running battle with the DOD over inconsistencies between the President's budget and the FYDP. DOD is maintaining funding levels in the FYDP in excess of amounts provided for in the budget. The logic behind these discrepancies defies understanding.

The final version of the fiscal year 1990 defense authorization bill, which is under consideration today, contains a provision that will hopefully put an end to the inconsistencies once and for all.

DOD used negative accounting entries totaling $45 billion—the so-called negative funding wedge—to offset over-programming in the fiscal year 1990-94 FYDP. DOD claims that the $45 billion represents reductions it intends to make in future years to bring the FYDP in line with the President's budget. This kind of negative program planning, DOD contends, is based on a mathematical formula shaped by historical experience.

The rationale for the negative funding wedge was initially articulated by former Deputy Secretary of Defense Taft in a letter to the chairmen of the House and Senate Armed Services Committees, dated January 11, 1989, transmitting the first FYDP to Congress. In a nutshell, this is what he said:

> Our experience suggests that, as the outyears come to be the budget years, a typical outyear program becomes a budget proposal costing 2 to 3 percent less than its original price. Characteristically, this is the net of reductions of 4 to 5 percent because of anticipated requirements that either need not or cannot be budgeted and additions of roughly 2 percent to meet unanticipated requirements. We consider this a reasonable planning posture.

The new Secretary of Defense, Dick Cheney, essentially embraced Taft's thinking on the negative funding wedge in testimony before the House Armed Services Committee on April 25, 1989.

In view of the very contentious nature of the issue, I asked the GAO to review historical FYDP data.

Recently, the GAO provided me with the required historical FYDP material I need to respond to DOD's arguments in favor of the wedge. It consists of a table that traces the evolution of funding in the FYDP over the last twenty years, beginning in fiscal year 1969. I request permission to put the GAO table in the record.

The GAO table demolishes the factual underpinning for the negative funding wedge.

GAO found no instance where the initial outyear estimate in the FYDP was within 2 to 3 percent of the final budget proposal. In fact, the table shows that as the outyear program became the budget proposal, DOD was looking at changes in cost not of 2 to 3 percent, but much larger. For fiscal year 1984, the discrepancy was +51.0 percent. For fiscal year 1990, the swing was −38.3 percent. All but two of the budgets deviated by more than 20 percent. In only one instance, was the differential under 10 percent. That was in fiscal year 1986, when the figures differed by only 5.4 percent.

To put the issue in better perspective, it's worth looking at several individual FYDP's.

Take the first FYDP displayed on the table, fiscal year 1969, for example. It envisioned a $55.6 billion budget in fiscal year 1973. That figure grossly underestimated actual requirements. Much more money was needed when fiscal year 1973 actually rolled around. That budget request had to be revised upward to $83.2 billion—an increase of $27.6 billion or 49.6 percent. The fiscal year 1969 FYDP was characteristic of the 1970's, when future funding re-

quirements were consistently underestimated.

In the 1980's, by comparison, the reverse held true. DOD was overly optimistic about how much money would be available in future years. The fiscal year 1986 FYDP typified the new pattern. It assumed a $478.6 billion budget in fiscal year 1990. But 5 years later, that estimate had to be cranked down to $295.5 billion—a decrease of $183.1 billion or 38.3 percent.

It is this kind of roller coaster performance that prompted Mr. Charles Bowsher, Comptroller General, to describe DOD's 5-year planning as fiscally unrealistic. DOD either grossly overestimates or underestimates future funding levels—depending on the political climate and its perception of how much defense money will be available. It is not a matter of scrubbing the net cost of the program by 2 or 3 percent, as the proponents of the negative wedge suggest. Rather, it means carving huge chunks out of the FYDP.

Now, I do not believe that funding projected in the FYDP is cast in concrete. The FYDP does not commit the Government in advance to 5 years of expenditures. Quite to the contrary, the FYDP is merely a planning device—a set of guidelines or a rough approximation of the future consequences of today's budget decisions. It is inherently flexible, as it should be, and it is modified and updated continuously as conditions change.

DOD now needs to move in a new direction in order to make the FYDP a working, realistic blueprint of our national defense plan. The tide has turned. It's time to exercise the FYDP's inherent flexibility and make adjustments. DOD is overestimating future appropriations by ever-increasing amounts. The use of negative program planning in the FYDP is an admission of that problem. It says that there is too much money programmed in the outyears, but it fails to do anything to correct the situation. Instead, it says we'll take care of the problem somewhere downstream. That's a nonsolution which can only postpone and compound the tough decisions, leading inevitably to waste on a massive scale. Programs get started that can't be finished, or they simply get stretched out. And congressional budget cuts get blamed for the debacle, when, in fact, they are caused in the first place by poor program planning at the Pentagon.

I have introduced a piece of legislation that I hope will put an end to the practice of using negative funding wedges in the FYDP. That measure, which is embodied in section 1602 of the fiscal year 1990-91 Defense authorization bill—provision is discussed under title XVI, general provisions, in the joint explanatory statement of conference report—was accepted in conference and will soon be law. It mandates consistency between the President's budget and the FYDP.

The use of the word consistent is general enough to permit some minor differences—that is, total obligational authority versus budget authority—and ample flexibility where necessary. It is not designed to preclude the use of management contingency accounts in the budget.

If DOD needs more flexibility—a cushion or positive wedge—as a hedge against unanticipated requirements such as cost growth or higher-than-expected inflation, then such accounts should be included in both the FYDP and the budget. Positive wedges have been in use for years and are considered useful and legitimate planning tools.

The use of negative wedges in the FYDP, by comparison, is without precedent. In fact, the practice is outlawed in defense contracting, because it was once used by defense contractors to hide cost overruns. The result, according to the Deputy DOD Inspector General, "was a breakdown in management control, discipline, and reliable reporting." Clearly, the use of negative funding wedges in DOD's central planning document undermines its integrity and must be discontinued.

IMPLEMENTATION OF INF TREATY

The conference report presented on the floor today incorporates my amendments relating to military and civilian personnel covered by the United States-Soviet treaty on the elimination of intermediate-range missiles commonly referred to as the INF Treaty.

These amendments make up the following sections of the bill: Title III, section 314—reduction in the number of civilians in Europe; title IV, section 401—reduction in end-strength of the Air Force; and title IX, section 911—reduction in the number of military personnel in Europe.

After a very careful and thorough examination of all the facts bearing on the issue—as provided by DOD and verified in a series of GAO reports to me—I decided to present a series of formal amendments to the Committee. Those amendments were crafted in consultation with the committee staff. Some were later adopted at the subcommittee level. Some by the full committee. Some were taken on the floor. And the big issue—lowering the troop ceiling—was adopted in conference.

The GAO reports on the INF issue were placed in the RECORD when the bill was on the floor. Anyone interested in reviewing those reports can find them in two issues of the RECORD: July 24, 1989, pages H4132-4134 and July 25, 1989, pages H4228-4229.

One additional GAO report pertaining to the INF personnel issue was prepared at my request, but was not available until after the floor debate on the bill was completed. It shows that current troop strengths in Europe are well below authorized levels. That piece of information was very useful in responding to DOD's contention that my amendments would keep the department from filling critical vacancies in our conventional forces. As it turns out, DOD has authority to fill about 7,000 vacant positions in Europe, but lacks either money and/or the right mix of people to do so. I request permission to place that report in the RECORD.

My legislative initiative on INF has three main parts: First, lower troop ceiling in Europe; second, reduce end-strengths of military services; and third, reduce DOD civilian work force. These reductions will be gradually phased in over the next 2 years—through fiscal year 1991—to coincide with agreed upon unit deactivation schedules.

First, my proposal lowers the congressionally mandated troop ceiling in Europe from 326,414 to 311,855—a reduction of 14,559. These include 8,244 Air Force personnel assigned to ground-launched cruise missile [GLCM] units and 6,315 Army personnel assigned to Pershing II units. Originally, I proposed cutting an additional 228 excess headquarters personnel identified in the Vander Schaaf report, including 72 positions directly linked to INF missions. However, the Senate balked at that, saying we were "double counting," so that one small part of the idea had to be dropped out in conference.

Second, the proposal cuts the end-strength of the military services. Planned Air Force reductions—4,200 through fiscal year 1991—were not enough to offset all Air Force personnel assigned to GLCM units, which totalled 8,585—Europe and United States. An additional cut of 4,385 was in order—8,585 minus 4,200=4,385. The Army, by comparison, made appropriate end-strength adjustments on its own. Planned Army cuts of 7,700 through fiscal year 1991, which were incorporated in the budget as submitted to Congress, exceeded the number of personnel—6,974—assigned to INF units, so no further cuts were necessary.

Third, the 1,142 DOD civilians assigned to INF units and missions in Europe and the United States will be eliminated from the work force, and the number of DOD civilian slots authorized for Europe—96,910 funded authorizations—will be reduced by 1,017.

Probably the most convincing single argument for my INF initiative emerged from a legislative history of laws governing the number of United States troops authorized to be stationed in Europe. It showed that the European troop ceiling was raised and

waived on several occasions between 1983 and 1985. Testimony given at the time in support of those increases clearly indicates they were needed and requested to make room for the INF deployments. Those increases were subsequently approved by Congress. It only seems logical to now lower the ceilings in the wake of the INF Treaty.

Those who opposed my amendments in the Senate and DOD tried unsuccessfully to characterize my proposal as a unilateral troop reduction that would undermine our position at the conventional arms talks [CFE] in Vienna. The Senate countered with the so-called Nunn-McCain amendment in a vain attempt to stave off NATO troop cuts. Nunn-McCain would automatically trigger United States cuts in Europe, but only if other NATO countries reduced their armed forces in advance of an accord on conventional forces.

These charges of unilateral troop reductions are ludicrous. How can a proposal to implement the United States-Soviet INF Treaty, which was negotiated, signed, and ratified, be construed as unilateral? My amendments have no effect whatsoever on the conventional arms talks. They concern nuclear arms and INF technicians—an entire mission eliminated by the INF Treaty. The personnel who performed that mission can now be removed from Europe along with the weapons they manned without affecting our military capabilities one iota.

Quite frankly, the Senate's approach to United States troop strength in Europe was ill conceived, and the arguments the Senate leveled at my proposal were rejected in the end. Even the President's own Special Adviser for Arms Control Matters, Ambassador Edward Rowny, with whom I spoke personally on this matter, had no "heartburn" with my amendment. After talking with him, I came to the conclusion that my proposal would dovetail harmoniously with the CFE talks. The CFE talks would begin negotiating from the lower ceiling established by my amendment.

Mr. Speaker, my thinking on this issue is neatly summarized in an editorial piece I wrote which appeared in the October 3, 1989 Washington Post. I will place that article in the RECORD.

TOTAL OBLIGATIONAL AUTHORITY REFLECTED IN DOD 5-YEAR DEFENSE PROGRAM

[Dollars in billions]

Calendar year [1]	Fiscal year—																												
	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
1969	73.4	75.2	82.4	73.3	66.0	59.0 [2]	55.6																					
1970		76.8	81.3	83.0	73.8	68.4	62.1	57.9																				
1971			79.4	77.0	73.5	70.1	69.1	69.8	69.0																			
1972				76.8	75.3	79.2	82.0	81.3	80.7	81.7																		
1973					75.1	78.1	83.2	87.3	86.6	85.6	84.0																	
1974						77.7	81.0	85.0	89.0	88.8	87.0	89.1																
1975							80.5	87.1	92.6	96.9	95.2	96.8	98.5															
1976								85.0	89.0	104.7	112.4	116.6	120.4	122.3														
1977									87.9	98.3	112.7	119.7	125.8	129.8	132.1													
1978										97.5	110.2	120.4	139.1	149.4	160.2	169.0												
1979											108.3	116.8	126.0	145.1	154.6	165.2	177.4											
1980												116.5	125.7	135.5	150.4	159.1	169.2	181.5										
1981													124.8	139.3	158.7	183.6	205.6	228.7	253.8									
1982														142.2	178.0	222.2	224.9	250.0	278.3	298.2								
1983															176.1	214.2	258.0	285.5	331.7	367.6	405.6							
1984																211.4	240.5	274.1	328.8	357.3	386.2	425.2						
1985																	238.7	259.1	305.7	350.3	379.9	412.2	446.8					
1986																		258.2	285.3	314.4	354.8	402.4	439.7	478.6				
1987																			280.1	296.4	312.3	341.3	363.6	397.7	415.7			
1988																				280.5	286.3	304.1	324.1	370.4	392.6	416.1		
1989 [3]																					279.5	283.2	299.5	316.4	333.7	351.6	370.2	
1990																						283.8	290.2	295.5	311.7	322.0	335.9	349.8
Difference [4]	NA	NA	NA	NA	NA	NA	27.6	27.1	23.6	23.0	28.8	31.3	27.5	13.2	26.6	53.2	80.6	92.6	51.8	16.2	(93.3)	(121.2)	(147.3)	(183.1)	[5]	[5]	[5]	[5]
Percent change [6]	NA	NA	NA	NA	NA	NA	49.6	46.9	33.8	28.1	34.2	35.1	27.9	10.8	20.2	31.5	45.4	51.0	20.4	5.4	−23.0	−28.5	−33.0	−38.3	[5]	[5]	[5]	[5]

[1] Year of FYDP preparation. Note that each row displays the prior year, the current year, the budget year, and 4 out years.
[2] Beginning with 1973, each column displays 7 amounts. The first amount represents the initial planning figure for that year. The 2nd through the 5th amounts represent changes to the estimate up through the budget submission. The 5th amount is the budget year submission. The 6th represents appropriated amounts. The 7th amount represents the historical actual. The intersection of the same year represents that year's budget proposal.
[3] DOD did not produce a revised FYDP for FY 1989. The 1989 row has been taken from the President's budget submission.
[4] Difference between initial plan and ultimate budget proposal.
[5] Insufficient data for analysis.
[6] Percentage change between the initial planning estimate and the ultimate budget submission 5 years later.

DEFENSE MANPOWER: DOD REQUIREMENTS AND VACANCIES IN NATO EUROPEAN COUNTRIES

U.S. GENERAL ACCOUNTING OFFICE,
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION,
Washington, DC, September 11, 1989.

B-236486.

Hon. ANDY IRELAND,
House of Representatives,
Washington, DC.

DEAR MR. IRELAND: On May 19, 1989, you requested us to obtain information on the number of Department of Defense (DOD) vacancies in North Atlantic Treaty Organization (NATO) European countries. Specifically, you asked us to identify (1) the number of unfilled positions that existed in Europe at the end of fiscal year 1988, (2) whether they were funded or unfunded requirements, (3) the length of time the positions were vacant, and (4) whether the positions have ever been filled. To answer these questions, we interviewed DOD officials and obtained documents detailing the required information; However, we did not independently verify the accuracy of the data provided by the services.

RESULTS IN BRIEF

DOD officials reported that as of September 30, 1988, the military services had established requirements for 360,499 military positions in NATO European countries. Of those requirements, 342,337 were authorized and funded and 36,162 were unfunded. The reported actual on-board strength on September 30, 1988, was 319,533. The services reported that they were at overstrength and understrength levels at various locations, for a net of 4,804 vacancies. (A vacancy is defined as the difference between funded authorizations and actual on-board strength.)

As of September 30, 1988, the services had established requirements for 116,893 civilian positions in NATO European countries. Of those requirements 96,910 were authorized and funded and 19,983 were unfunded. the number of civilians reported on board as of September 30, 1988, was 93,526, resulting in 3,384 vacancies. We were unable to determine how long individual positions were vacant or whether they had ever been filled.

BACKGROUND

The DOD Authorization Act of 1985 imposed a permanent ceiling of 326,414 positions on the end strength of militay positions in NATO European countries. The number of civilian personnel in Europe is not specifically limited; however, the Congress has established an annual worldwide overseas civilian workyear limitation.[1]

According to the services, position vacancies result from such factors as servicewide undermanning, the administrative time lag between establishing a position and filling it, and data limitations. Examples of data

[1] For information regarding overseas civilian workyears, see "DOD Civilians in Europe: Information on Increases Between Fiscal Years 1982 and 1986" (GAO/NSIAD-87-155BR, June 24, 1987); and "DOD Civilians Overseas; Information on Workyears Expended in Fiscal Year 1986" (GAO/NSIAS-88-199BR, July 15, 1988).

limitations are that (1) the Marine Corps does not include Marines filling NATO European positions in the on-board strength if they were traveling outside NATO Europe on the last day of the month and (2) the Air Force, in an effort to reduce permanent change-of-station costs, disallows moves until manning levels within specialities fall below established manning floors. According to DOD officials, the services intended to fill all funded requirements in NATO European countries as soon as possible; however, the services do not have data on whether any of the vacant positions had ever been filled.

DOD officials emphasized that vacancies vary on a daily basis and that the information provided was a snapshot as of September 30, 1988. Because the information was a 1-day snapshot, some vacancies, as well as some overstrengths, will be reported on any given day. However, we were unable to obtain specific information concerning the causes of the overstrengths or vacancies due to service database limitations.

MILITARY VACANCIES

At the end of fiscal year 1988 the services had 324,337 authorized and funded military positions in NATO European countries. This was 2,077 positions (less than 1 percent) below the ceiling of 326,414 imposed by the Congress in the Authorization Act. As of September 30, 1988, the services has 4,804 military vacancies (1.5 percent of funded authorizations) in NATO Europe. Table 1 summarizes the military positions by service.

TABLE 1.—SUMMARY OF DOD MILITARY POSITIONS IN NATO EUROPE AS OF SEPT. 30, 1988

Service	Table requirements	Unfunded requirements	Funded authorizations	Actual on board	Vacancies
Army	224,327	28,505	215,842	217,271	[1] (1,429)
Navy	17,878	2,844	15,034	13,292	1,742
Marine Corps	1,236	0	1,236	1,211	25
Air Force	97,038	4,813	92,225	87,759	4,466
Total	360,499	36,162	324,337	319,533	4,804

[1] Indicates overstrength

Tables 2, 3, 4, and 5 show the breakdowns of Army, Navy Marine Corps, and Air Force military positions, respectively, in NATO European countries, as of September 30, 1988.

TABLE 2.—ARMY MILITARY POSITIONS IN NATO EUROPE AS OF SEPT. 30, 1988

Country	Total requirements	Unfunded requirements	Funded authorizations	Actual on board	Vacancies
Belgium	1,660	488	1,172	1,527	[1] (355)
Denmark	13	13	0	13	[1] (13)
France	16	16	0	16	[1] (16)
Germany	233,686	25,324	208,362	208,850	[1] (488)
Greece	470	430	40	470	[1] (430)
Greenland	0	0	0	0	0
Iceland	3	1	2	3	[1] (1)
Italy	5498	1,653	3,845	3,959	[1] (114)
Luxemburg	3	3	0	3	[1] (3)
Netherlands	1,095	132	963	819	144
Norway	48	0	48	32	16
Portugal	67	0	67	56	11
Spain	19	4	15	19	[1] (4)
Turkey	1,412	268	1,144	1,250	[1] (106)
United Kingdom	357	173	184	254	[1] (70)
Total	244,347	28,505	215,842	217,271	[1] (1,429)

[1] Indicates overstrength

TABLE 3.—NAVY MILTARY POSITIONS IN NATO EUROPE AS OF SEPT. 30, 1988

Country	Total requirements	Unfunded requirements	Funded authorizations	Actual on board	Vacancies
Belgium	140	3	137	133	4
Denmark	23	0	23	21	2
France	10	0	10	13	[1] (3)
Germany	380	2	378	335	43
Greece	672	84	588	537	51
Greenland	0	0	0	0	0
Iceland	2,108	162	1,946	1,369	577
Italy	6,354	739	5,615	4,871	744
Luxemburg	0	0	0	0	0
Netherlands	17	0	17	18	[1] (1)
Norway	41	0	41	41	0
Portugal	653	111	542	379	a163
Spain	3,911	722	3,189	3,068	121
Turkey	138	19	119	117	2
United Kingdom	3,431	1,002	2,429	2,390	39
Total	17,878	2,844	15,034	13,292	1,742

[1] Indicates overstrength

TABLE 4.—MARINE CORPS MILITARY POSITIONS IN NATO EUROPE AS OF SEPT. 30, 1988

Country	Total requirements	Unfunded requirements	Funded authorizations	Acutal on board	Vacancies
Belgium	32	0	32	32	0
Denmark	9	0	9	9	0
France	39	0	39	38	1
Germany	97	0	97	103	[1] (6)
Greece	22	0	22	17	5
Greenland	0	0	0	0	0
Iceland	82	0	82	91	[1] (9)

TABLE 4.—MARINE CORPS MILITARY POSITIONS IN NATO EUROPE AS OF SEPT. 30, 1988—Continued

Country	Total requirements	Unfunded requirements	Funded authorizations	Acutal on board	Vacancies
Italy	296	0	296	297	[1] (1)
Luxemburg	6	0	6	6	0
Netherlands	9	0	9	12	[1] (3)
Norway	25	0	25	17	8
Portugal	13	0	13	12	1
Spain	199	0	199	177	22
Turkey	20	0	20	19	1
United Kingdom	387	0	387	381	6
Total	1,236	0	1,236	1,211	25

[1] Indicates overstrength.

TABLE 5.—AIR FORCE MILITARY POSITIONS IN NATO EUROPE AS OF SEPTEMBER 30, 1988

Country	Total requirements	Unfunded requirements	Funded authorizations	Actual on board	Vacancies
Belgium	1,863	77	1,786	1,472	314
Denmak	32	0	32	25	7
France	12	0	12	19	[1] (7)
Germany	44,194	1,966	42,228	39,874	2,354
Greece	2,529	161	2,368	2,242	126
Greenland	247	50	197	204	[1] (7)
Iceland	1,413	75	1,338	1,355	[1] (17)
Italy	6,149	247	5,902	5,680	222
Luxemburg	1	0	1	1	0
Netherlands	2,155	61	2,094	2,017	77
Norway	131	6	125	123	2
Portugal	1,408	137	1,271	1,216	55
Spain	5,358	218	5,140	4,794	346
Turkey	3,853	270	3,583	3,503	80
United Kingdom	27,693	1,545	26,148	25,234	914
Total	97,038	4,813	92,225	87,759	4,466

[1] Indicates overstrength.

CIVILIAN VACANCIES

Civilian positions are authorized and funded on the basis of workyears. A civilian position is established when a requirement can be justfied and a workyear is available to be allocted to that position. As of September 30, 1988, the military services had established requirements for 116,893 civilian positions in NATO European countries. Of the 96,910 authorized and funded positions (83 percent of requirements) 93,526 civilians were on board, leaving 3,384 vacancies (3.5 percent of funded authorizations). Table 6 summarizes the civilian position by service.

TABLE 6.—SUMMARY OF DOD CIVILIAN POSITIONS IN NATO EUROPE AS OF SEPTEMBER 30, 1988

Service	Total requirements	Unfunded requirements	Funded authorizations	Actual on board	Vacancies
Army	95,521	19,114	76,407	74,010	2,397
Navy	4,990	0	4,990	4,891	99
Marine Corps	0	0	0	0	0
Air Force	16,382	869	15,513	14,625	888
Total	116,893	19,983	96,910	93,526	3,384

Tables 7, 8, and 9 show the breakdowns of Army, Navy, and Air Force civilian positions, respectively, in NATO European countries. The Marine Corps does not have any civilian requirements in NATO European countries.

TABLE 7.—ARMY CIVILIAN POSITIONS IN NATO EUROPE AS OF SEPTEMBER 30, 1988

Country	Total requirements	Unfunded requirements	Funded authorizations	Actual on board	Vacancies
Belgium	1,236	452	784	1,236	[1] (452)
Denmark	3	0	3	3	0
France	13	7	6	13	[1] (7)
Germany	90,526	17,911	72,615	70,034	2,581
Greece	27	21	6	27	[1] (21)
Greenland	0	0	0	0	0
Iceland	0	0	0	0	0
Italy	2,237	414	1,823	1,451	372
Luxemburg	10	10	0	10	[1] (10)
Netherlands	500	25	475	485	[1] (10)
Norway	5	3	2	5	[1] (3)
Portugal	13	2	11	13	[1] (2)
Spain	27	11	16	27	[1] (11)
Turkey	91	57	34	91	[1] (57)
United Kingdom	833	201	632	615	[1] (17)
Total	95,521	19,114	76,407	74,010	2,397

[1] Indicates overstrength.

TABLE 8.—NAVY CIVILIAN POSITIONS IN NATO EUROPE AS OF SEPTEMBER 30, 1988

Country	Total requirements	Unfunded requirements	Funded authorizations	Actual on board	Vacancies
Belgium	0	0	0	0	0
Denmark	0	0	0	0	0
France	1	0	1	1	0
Germany	24	0	24	24	0
Greece	169	0	169	172	[1] (3)
Greenland	0	0	0	0	0
Iceland	878	0	878	958	[1] (80)
Italy	1,769	0	1,769	1,698	71
Luxemburg	0	0	0	0	0
Netherlands	3	0	3	3	0
Norway	0	0	0	0	0
Portugal	58	0	58	60	[1] (2)
Spain	1,456	0	1,456	1,408	48
Turkey	0	0	0	0	0
United Kingdom	632	0	632	567	65
Total	4,990	0	4,990	4,891	99

[1] Indicates overstrength.

TABLE 9.—AIR FORCE CIVILIAN POSITIONS IN NATO EUROPE AS OF SEPTEMBER 30, 1988

Country	Total requirements	Unfunded requirements	Funded authorizations	Actual on board	Vacancies
Belgium	276	14	262	201	61
Denmark	6	(1)	7	5	2
France	5	0	5	2	3
Germany	9,428	162	9,266	8,440	826
Greece	585	49	536	574	[1] (38)
Greenland	5	0	5	4	1
Iceland	75	15	60	97	[1] (37)
Italy	1,228	177	1,051	1,164	[1] (113)
Luxemburg	0	0	0	0	0
Netherlands	339	95	244	186	58
Norway	31	3	28	42	[1] (14)
Portugal	1,135	105	1,030	1,037	[1] (7)
Spain	1,229	17	1,212	1,149	63
Turkey	565	1	564	488	73
United Kingdom	1,475	232	1,243	1,236	7
Total	16,382	869	15,513	14,625	888

[1] Indicates overstrength.

OBJECTIVE, SCOPE, AND METHODOLOGY

Our objective was to obtain information on DOD vacancies in NATO European countries as of September 30, 1988. We interviewed key DOD officials and obtained documents detailing the required information. We did not verify the accuracy of the information provided by the military services. However, we did discuss this information with DOD officials and included their comments where appropriate. We were unable to obtain detailed information on the length of time that positions were vacant, and no automated capability exists for determining this. We conducted our review between May 1989 and July 1989 in accordance with generally accepted government auditing standards.

Unless you publicly announce its contents earlier, we plan no further distribution of this report until 5 days from the date of this letter. At that time, we will send copies to the Chairmen, House and Senate Committees on Appropriations and on Armed Services; the Secretaries of Defense, the Army, Navy, and Air Force; and the Director, Office of Management and Budget. We will also make copies available to other parties upon request.

GAO staff members who made major contributions to this fact sheet were William E. Beusse, Assistant Director, and James F. Reid, Evaluator-in-Charge. If you need further assistance, please call me on 275-3990.

Sincerely yours,

HAROLD J. JOHNSON,
Director, Manpower Issues.

[From the Washington Post, Oct. 3, 1989]

BRING INF TROOPS HOME

(By Andy Ireland)

What began as a modest proposal to save a few billion dollars in defense spending has become a top-line issue in the already contentious congressional conference on the defense authorization bill. Unlike the other thorny issues facing the conferees, such as the MX-Midgetman debate and the procurement of V-22s, F-15s and B-2s, this proposal has nothing to do with spending money at home. It does, however, have a lot to do with saving money abroad.

The House version has a provision that reduces the number of U.S. military personnel in Western Europe to coincide with the drawdown of the weapon systems eliminated by the Intermediate Range Nuclear Forces Treaty. The provision lowers the congressionally mandated ceiling on U.S. personnel in Europe from 326,414 to 311,627—a reduction of 14,787 personnel assigned to the Ground Launched Cruise Missile (GLCM) and Pershing II units slated for deactivation during the next two years.

The House Armed Services Committee incorporated this provision into its bill, realizing that reductions of this type would streamline the Pentagon's costly European operations without undermining NATO's conventional defenses or the U.S. bargaining position against the Soviet Union. The defense subcommittees of both the House and Senate Appropriations Committees also endorsed the concept in their bills. The Department of Defense and the Senate Armed Services Committee continue to oppose it.

The House feels that we should take advantage of savings proffered by carefully crafted, bilateral agreements such as the INF Treaty. The Congressional Budget Office estimates that the removal of INF personnel would save $2.2 billion over five years. We can inject some fiscal conservatism into the Pentagon budget simply by eliminating positions as we eliminate their missions. The INF Treaty eliminates the mission of the GLCMs and Pershing II's, and the personnel who manned those missiles should follow their hardware out of Europe.

An important concern voiced on the Senate side is that the removal of obsolete INF personnel amounts to a "unilateral troop reduction" that could undermine the U.S. bargaining position in the ongoing conventional arms talks. Nothing could be further from the truth—the nature of the talks and the thrust of the House proposal are quite different. The Vienna negotiations are focusing on reductions in equipment—particularly tanks, armored troop carriers and artillery that would support a Warsaw Pact offensive against NATO. The INF provision in the House bill, on the other hand, does not address conventional arms at all, but personnel associated with nuclear arms. And coming as the result of a bilateral agreement, an INF troop withdrawal cannot be construed as a unilateral action.

The fact that Congress actually raised and waived the European personnel ceiling several times between 1983 and 1985 to make room for INF deployments speaks even louder for the logic of lowering the ceiling as the missiles are removed. The Pentagon's alternative to the House proposal—filling those extra spaces with troops from other missions—would actually increase this country's conventional commitment to NATO. The Pentagon's opposition to this seems based more on bureaucratic prerogatives than sound military policy, because the department seems incapable of maintaining military strengths in Europe at authorized levels anyway. Although the ceiling now allows more than 326,000 military slots in Europe, the military had only enough money and people to fill 319,533 of those positions at the end of fiscal 1988—1.7 percent below the ceiling. The House-proposed ceiling would be a mere 2.8 percent reduction in the actual troop presence—hardly a debilitating cut.

Considering the broad public support for a reduced military presence abroad, the withdrawal of INF personnel makes sense strategically, fiscally and politically.

Mr. ASPIN. Mr. Speaker, for purposes of a colloquy, I yield such time as he may consume to the gentleman from California [Mr. TORRES].

Mr. TORRES. Mr. Speaker, let me add my appreciation and congratulations to the conferees. This bill is very complex and includes some of the most delicate projects funded by the Department of Defense.

Let me state to the chairman of the committee that in the conference report I note that the conferees specifically state that comprehensive subcontracting plans may be more advantageous to both the Government and to small and small disadvantaged businesses. Is that the understanding of the chairman?

Mr. ASPIN. Mr. Speaker, if the gentleman will yield, yes, that is correct.

Mr. TORRES. I will ask the chairman, is it true that the implementation of this program is delayed until October 10, 1990 and that the House Small Business Committee will hold hearings on the companywide test program authorized by this bill?

Mr. ASPIN. Yes, that is true.

Mr. TORRES. Is it the understanding of the chairman that the conferees in authorizing the companywide test program specifically direct the Department of Defense and the prime contractors involved in the test program, to utilize this test as means of expanding subcontracting opportunities in nontraditional areas such as high technology, direct services, nondirect services, and not as a guise to load up companywide subcontractors with low-wage, low-skill job categories such as janitorial services, food service providers, and the like?

Mr. ASPIN. Yes, that is correct; under this test program this will be for new contracts and not existing contracts.

Mr. TORRES. Mr. Speaker, is it also the chairman's understanding that under this test program that the success of the program will be determined on the basis of whether small disadvantaged and small businesses participate in the prime contractors companywide base which will result in an increase in business opportunities currently afforded, and whether prime contractors are providing significantly more work in areas such as direct services and nondirect services that traditionally have not been made available to small and small disadvantaged businesses in the companywide base?

Mr. ASPIN. Yes, that is my understanding.

Mr. TORRES. Is it the gentleman's understanding that any contractor negotiating a companywide plan under this section shall be subject to the assessment of liquidated damages pursuant to section 637(D)(4)(F), title 15, United States Code, for the failure to make a good faith effort to comply with the goals set forth in the plan?

Mr. ASPIN. Yes.

Mr. TORRES. Is it also the gentleman's understanding that the affected agency will designate a single official to administer, monitor, and enforce compliance with the plan, and if a prime contractor under this plan fails to meet its goal and does not make a good faith effort and liquidated damages are not assessed, that this individual will report to the Congress as to why liquidated damages were not assessed?

Mr. ASPIN. Yes, it is my intention that the prime contractors selected for this program comply with its guidelines and that small and small disadvantaged businesses be included to the fullest extent possible in subcontracting opportunities with the Defense Department.

Mr. TORRES. Mr. Speaker, this body has enacted a liquidated damages clause to induce prime contractors to meet their 5-percent goal for minority subcontracting. This measure passed both Houses with considerable bipartisan support. The chairman of Armed Services, Mr. ASPIN, and the chairman of Small Business, Mr. LAFALCE, together with the Senate conferees have extended the liquidated damages clause to the companywide test program. Our only goal in enacting the 5-percent goal and the liquidated damages provision is to extend and expand the subcontracting opportunities to small and disadvantaged small business. By applying the liquidated damages to the test program and by specifically directing the Department of Defense to focus on high technology and not the low-wage, low-scale job categories where minorities are overrepresented, the conferees have preserved the interest of the 5-percent goal.

I want to congratulate Chairman ASPIN, Chairman LAFALCE, and Chairman MAVROULES for representing the national interest while preserving opportunities for the small business person. On the other side, I want to acknowledge the active involvement and positive influence of the chairman of the Senate Armed Services Committee, Senator NUNN. He made his staff available throughout the process and accepted many of my suggestions.

I look forward to working with these gentlemen as we evaluate the merits of the companywide test program.

□ 1250

Mr. BENNETT. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Speaker, I thank the gentleman for yielding me this time and for his leadership for a rational defense bill.

Mr. Speaker, I am against this conference report, but I must say, as I will speak against it, I may not be quite as hard on it as many of those who have spoken in favor of it. I have rarely heard a bill defended with less enthusiasm from those planning to vote for it. Some of the Members sounded as if they were describing a particularly unsuccessful blind date as they described their plan to vote for the bill.

Given the constraints, I think our conferees did a reasonable job, but the constraints were too great, and the bill

ought to be rejected so we can go back. Part of the constraints came from the Senate, which seemed to me unwilling. They are getting, it seems to me, credit for making tough choices which I did not see being made. On all of the strategic categories, the Senate was for voting for far more than was needed.

Let us look at where we are here. We are now in sequestration, but we hope to be able to lift it. If we lift it, it will be by inflicting further cuts.

Next year we face an extraordinarily difficult budget year; medical care, environment, drug treatment, law enforcement, housing, education, all of those essential programs face very severe cuts. In part, that is because money is being squandered in this bill. Yes, we need to be strong. Yes, we need to defend ourselves, but we do not need to defend ourselves against dangers that have passed. We do not need to maintain a situation in which the American taxpayer is asked by Western Europe and Asia to bear a disproportionate share of the burden.

We have a situation now where we are asked to maintain 300,000-plus troops in Europe. That is what we were told we needed when we faced the threat of an invasion led by the Warsaw Pact. There may be a Russian general who is still eager to lead the Polish and East German and Hungarian Armies into battle, but I do not know who he is. In fact, we know that there are East Germans eager to get to the West, not to invade but to take up residence.

We have a budget before us that assumes that nothing has changed. We have two mobile missiles. We have two airborne strategic delivery systems. We have money for SDI. The intellectual foundation for SDI has been crumbling and crumbling. SDI is now clearly Ronald Reagan's one great creative contribution to American culture. He invented this concept. He put it forward, and we will be spending billions. No one thinks that we will get any real benefit from it. What we will get will be diminished medical care, a greater deficit, less money for the environment.

We ought to reject this conference report and go back to a more realistic number on SDI. Go back to two mobile missiles: no one believes that we need both a Midgetman and an MX missile, but out of that conference, and I think the fault was more on the other side than here, that that is what we were forced to accept.

We have a chance to pass a bill that will give America a defense second to none fully sufficient to save some money.

Mr. ASPIN. Mr. Speaker, I yield 2½ minutes to the gentlewoman from Maryland [Mrs. BYRON].

Mrs. BYRON. Mr. Speaker, as chairman of the Subcommittee on Military Personnel and Compensation, I want to take a few minutes to explain the military personnel portion of the conference agreement on the National Defense Authorization Act for fiscal years 1990 and 1991. It is interesting to note that people say that there is no constituency for personnel. There is a constituency for procurement, for R&D, for seapower, but there is none for personnel.

Even in the face of severe fiscal constraints, we have done some very good things for a lot of very good people, the young men and women who serve in the Nation's Armed Forces. Let me give you just a few highlights:

A 3.6-percent pay raise for active and Reserve personnel, effective January 1;

A substantial increase in medical special pays for physicians;

A 60-percent increase in aviation career incentive pay, or flight pay, for those in their prime flying years;

A first-time-ever, comprehensive package of incentives for military nurses including education benefits, bonuses, and special pays;

Increased funding for the operation of military child care centers in order to raise care giver salaries;

New recruitment tools for difficult-to-recruit skills;

Reduced cost sharing under the survivor benefit plan;

The inclusion of vocational-technical training under the Reserve Component GI bill; and

Improved reimbursement for up-front housing costs when military families must occupy off-base quarters overseas.

And the list goes on from there. This conference report is the product of compromise, so there are obviously some Senate provisions that I would have preferred not to include, such as the increased active duty service obligation for aviator training, the service academies, and the military medical school; or the so-called Dixon amendment dealing with contracts for post-secondary education services overseas which, even in its modified form, is bad public policy. But, I don't consider this the final chapter on these issues.

My primary concern is budgetary—a cut of $461 million in the military personnel account below the House-passed bill. That was hard to deal with—but we did. Now with sequestration, Heaven knows where we go. We are losing Kim Wincup, the staff director, but I will be seeing Kim Wincup as a manpower resource officer for the Army, and we will be dealing on a regular basis.

The $461 million reduction was offered up by Secretary Cheney as part of a broader agreement to fix the budget authority-outlay mismatch problem by reducing the military personnel and operation and maintenance accounts on the one hand—and plussing up procurement on the other. I strongly opposed the cut in military personnel funding, as did the gentleman from Virginia [Mr. BATEMAN], but, unfortunately, we did not prevail.

But the conferees afforded the Secretary maximum flexibility in making the cuts but laid out a series of guidelines as to how the cuts should be achieved. First, we directed that the Secretary ensure that any force structure cuts have a minimum impact on combat capability and that he make additional reductions in headquarters-type functions and through management efficiencies.

Second, we told him to protect quality of life, and, especially, medical personnel. Military medicine, as some of you may know, is an area we have worked diligently to improve over the past several years.

Third, we suggested that he take a hard look at reducing end strength by numbers slated for elimination pursuant to the INF Treaty.

Finally, we told him not to return to the 1970's phenomenon of the "hollow Army," in which widespread undermanning rendered many units incapable of performing their mission. The Secretary will certainly have a difficult road ahead in carrying out these directions but this is one Member who intends to hold his "feet to the fire" so that people issues will be protected to the maximum extent possible.

In closing, Mr. Speaker, the document before you is far from perfect. On balance, however, it deserves the support of all Members on both sides of the aisle and I urge my colleagues to approve the conference report on the DOD Authorization Act for fiscal years 1990 to 1991.

Mr. DICKINSON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Virginia [Mr. BATEMAN], who also is a member of the Subcommittee on Military Personnel and Compensation.

Mr. BATEMAN. Mr. Speaker, I rise in support of the conference report on the fiscal year 1990-91 Defense Authorization Act. This was the longest, hardest fought, and in some ways, most illogical conference I have ever been through, and I wish the document before you were written differently in several ways. Nonetheless, I support its contents on balance and ask my colleagues on both sides of the aisle to do the same.

As the ranking Republican on the Military Personnel and Compensation Subcommittee, I would like to describe some of the agreements in the manpower area. In this regard, I have both good news and bad news to report.

The good news is that fiscal year 1990 should be a banner year for military personnel in terms of quality of life. I'll explain some of our "people" initiatives in just a moment. The bad

news is that there will likely be fewer active duty personnel—and perhaps Reserve personnel—protecting our interests around the world—a situation that is particularly troublesome at a time when our prospects for negotiating conventional force reductions in Europe are the best since the cold war.

First, let's talk quality of life. This conference report approves several major initiatives to lower the cost of the survivor benefit plan, increases medical compensation, expands recruiting and retention incentives to attract and retain topnotch doctors and nurses into military service, increases pilot compensation, and provides an across-the-board pay raise of 3.6 percent. Despite severe budget constraints, I think we did a pretty good job of protecting and improving key personnel programs.

Now the bad news. Because of the fiscal year 1990 Gramm-Rudman outlay targets and the way the budget summit agreement deals with defense outlays, we have been forced to reduce the overall amount of money for military personnel by nearly a half billion dollars—and that probably means a substantial cut for force structure. I fought hard to avoid this cut—I think this is the worst time to take a unilateral force reduction since we have a promising CFE proposal for multilateral cuts—but I was overruled. There are other interests at work and, unfortunately, personnel is not at the top of everyone's priority list.

So how will the force be trimmed back in order to live within a much smaller than expected budget? I don't have any good answers and I don't think the Congress is in a good position to dictate those details. Therefore, the conference report simply reduces the amount of money available for military personnel and leaves it to the Secretary of Defense to make the exact force structure decisions with strong guidelines from Congress about protecting quality of life and combat capability.

Further complicating the budgetary situation, the automatic sequestration requirement under Gramm-Rudman kicked in as of October 15 because Congress and the administration failed to reach an agreement on reconciliation and the final 1989 deficit reduction plan. Unless repealed, this requirement would translate into an $8.1 billion cut for defense—$3.4 billion of which would come from the military personnel account. This would be absolutely devastating on top of the half billion dollars we have already cut by this bill and would likely cause massive layoffs and reductions in benefits.

As I said earlier, Mr. Speaker, there is much to criticize in the conference report, but it's the best agreement we could hammer out in light of the budgetary situation we face.

In closing let me repeat in summary what I said in a special order on Tuesday. A year-long Gramm-Rudman-Hollings sequestration will savage military personnel. The $3 billion-plus reductions will require separation of up to 170,000 dedicated and needed personnel, demoralize our people in the armed services in a way that will damage recruitment and retention for years to come.

We should muster up the political courage to pass a reconciliation bill, which avoids sequestration. At the least we must provide the Defense Department with the flexibility to avoid a mindless, irrational decimation of our most vulnerable defense resource—our people.

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Mr. BENNETT. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. EVANS].

Mr. EVANS. Mr. Speaker, I thank the gentleman for yielding time to me, and let me also note that I appreciate his leadership in opposing this conference report.

Mr. Speaker, as a conferee to the fiscal year 1990 DOD authorization bill, I plan on voting against the conference report.

The conference report in front of us is not based on simple fiscal reality. We cannot afford to build two mobile missiles and a fleet of half billion dollar stealth bombers considering the urgency of the war on drugs, the cleanup of our Nation's nuclear weapons production complex, and the size of the savings and loan bailout. With these multibillion dollar problems facing us, there is no way that we can still afford strategic weapons systems that are redundant, costly, and in all likelihood unnecessary due to the progress we are making at the START talks in Geneva.

The conference report is fiscally irresponsible and out of touch with current realities. I urge my colleagues to vote against it.

Mr. ASPIN. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Tennessee [Mrs. LLOYD].

Mrs. LLOYD. Mr. Speaker, I do rise in support of the conference report, and I especially would like to thank the gentleman from Wisconsin [Mr. ASPIN], chairman of the committee, and the gentleman from Alabama [Mr. DICKINSON], the ranking Republican, for the fine cooperation extended to the conferees from the Committee on Science, Space and Technology on the provisions relating to technology transfer.

Mr. Speaker, I rise in strong support of the conference report for the bill H.R. 2461, and would like to particularly thank the chairman of the conference committee, Mr. ASPIN of Wisconsin, and the ranking minority member, Mr. DICKINSON of Alabama, for the fine cooperation the conferees from the Committee on Science, Space, and Technology received for those sections of the Senate bill committed to conference.

Section 801, and sections 3131–3133 of the Defense authorization bill of fiscal year 1990–91, H.R. 2461, reflect the agreement of the Senate and House conferees regarding the Office of Science and Technology's critical technologies report, and the transfer of technology from Government-owned, contractor-operated laboratories to the private sector.

Section 801 amends the National Science and Technology Policy, Organization, and Priorities Act of 1976 to require OSTP to produce a critical technologies report. No changes were made by the conferees to the Senate language concerning this new requirement for the OSTP. This new requirement is consistent with the overall mission of OSTP, and is an important new task which can help achieve better understanding of the role of technology development in furthering our economic and national security. Funding for this task will be provided by the Department of Defense for the first year.

Sections 3131–3133 are designed to encourage and expedite the flow of new ideas and discoveries to American industry to make our industries better able to compete in domestic and global markets.

These provisions have been used successfully for the past several years by those Government laboratories that are operated by Federal employees. The General Accounting Office recently reported that hundreds of agreements have been signed by these laboratories bringing new vigor to their missions.

The legislation we are considering today prescribes a uniform set of rules under which Government-owned, contractor-operated laboratories may also enter into cooperative research and development agreements with private companies in a streamlined manner.

To accomplish this goal, these provisions provide that:

First, to resolve any ambiguity regarding the authority of a defense laboratory to enter into a cooperative research and development agreement, technology transfer is made part of the mission of the national laboratories. In addition, as many of these laboratories are defense laboratories, it is also provided that the implementation of an agreement promote the program missions of a laboratory including national security. It is further provided that classified information and unclassified sensitive information be appropriately safeguarded.

Second, it allows for revenues from licenses or royalties to be used to further technology transfer, to provide for scientific and technical education, and to serve as incentives for new inventions.

Third, a carefully crafted conflict-of-interest provision was developed by the conferees because of the unique nature of the relationship between the agency and the civilian employees carrying out a Federal activity. An employee of a Government-owned, contractor-operated laboratory with a substantial role in the preparation, negotiation, or approval of a cooperative research and development agreement, may not have any financial or personal interest in the company with which the labora-

tory is negotiating unless the agency determines that such interest is not likely to affect the integrity of the employee. The goal was to develop careful attention to potential conflicts of interest without making the requirements burdensome or onerous.

Finally, a number of provisions were made to facilitate the negotiation of these agreements with private companies in a routine and prompt manner.

In considering this amendment we have come to the realization that national security in today's world must be viewed in a broad context. The health and vitality of our Nation's industrial and technical capability is an essential condition of a robust defense capability. I believe the two are inseparable.

Technology transfer from our laboratories to industry can make an important contribution to U.S. industry. Likewise, I have learned from our laboratories that they in turn benefit significantly in this technology transfer process; the labs gain new knowledge of processes and techniques emerging from industry. The transfer of technology is thus a two-way street with the Nation's security benefiting in both cases.

Therefore, I urge the Members to support these provisions.

Mr. ASPIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia [Mr. PICKETT].

Mr. PICKETT. Mr. Speaker, I rise in support of the conference report.

Mr. Speaker, today's debate on the conference report on the fiscal year 1990 Department of Defense authorization bill would be incomplete without reference being made to my colleague IKE SKELTON and his contributions to the agreement in his capacity as chairman of the Professional Military Education Panel.

The Panel on Military Education was charged to review Department of Defense plans for implementing the joint professional military education requirements of the Goldwater-Nichols Act. Title IV of the act provides the statutory basis for improving the education and performance of officers in joint assignments. Goldwater-Nichols created a joint specialty career category with incentives to attract outstanding officers. It also established safeguards to protect the careers of officers serving in joint billets.

Charged with the task of assessing the ability of the Department of Defense professional military education system to develop officers competent in their own service and also in both strategy and joint matters, IKE proceeded to move the Panel's agenda forward with clear-sighted vision and vigor.

The Panel reviewed previous studies and collected data and historical studies about the professional military education system from the Department of Defense; received briefings from the Office of the Secretary of Defense, the Organization of the Joint Chiefs of Staff, and the services; interviewed over 100 current and former, military and civilian, educators, officials, leaders, and critics; talked with individuals responsible for education, those conducting it, those employing graduates, and students themselves; visited all 10 U.S. senior- and intermediate-level PME schools and held hearings with all school commandants and presidents; attended classes and talked separately with school faculties, senior staff, and students; heard testimony from the Deputy Secretary of Defense, the Chairman of the Joint Chiefs of Staff, all four service chiefs, four commanders in chief of combatant commands, civilian educators, and former service chiefs, civilian defense officials, and military educators; and visited or was briefed on the British, French, and German military schools that most closely compare with the United States intermediate- and senior-level colleges. This ambitious effort culminated with the printing of the Report of the Panel on Military Education this past April 21.

Mr. Speaker, I recite this résumé of Panel activity to establish for the record the extent to which our chairman went to build a bedrock foundation on which to formulate recommendations to strengthen the professional military education system. Let there be no mistake about it, the conclusions and recommendations formed by the Panel, many of which are included in the conference report before us today, were based upon a thorough review of Goldwater-Nichols and the Defense Department's performance under that statute. The Panel's contribution to the conference report in behalf of sustaining a rigorous, high-quality professional military education system is vital to the national security. I commend IKE SKELTON for the energy with which he fulfilled his responsibility.

With respect to joint education, the Panel arrived at three major conclusions. First, the professional military education provided by the service schools is very important in educating an officer in his own service as well as giving him an appreciation of the strengths and weaknesses of the other services and how they contribute to his service's success on the battlefield. Second, truly joint education, however, is not possible at service schools because, first, they lack the representative cross-section of faculty and student body from the other services, and second, the curriculum is purposely, and rightly, taught from a service perspective. Third, what is needed is a two-phase joint education program; phase I to be conducted in service schools for all eligible officers during which an officer would become familiar with joint issues as a part of his own service education; and phase II to be conducted at a joint school for graduates of phase I who are to become joint specialists and are expected to go into joint assignments. They would arrive at the joint school with the basic knowledge of joint matters gained in phase I. Each of the Panel's three conclusions made their way into the policy language on professional military education agreed to by the conferees.

The purpose of the PME provisions agreed to by the conferees and included in sections 1121, 1122, and 1123 of the conference report is to safeguard and enhance the intent of Goldwater-Nichols by establishing specific criteria for the joint education program.

In many instances the services seek to protect their own independence, to develop their own force structure, and to justify their independent programs to the Congress and the American people. As an extension of these natural impulses, the services have not fully accepted nor become comfortable with the idea that joint education is best accomplished at a joint school rather than at the respective service schools.

The implications of failure to learn from the lessons of history concerning the importance of joint military operations and education are reflected in the insights provided by President Eisenhower and former Secretary of Defense Melvin Laird.

In 1958, President Eisenhower told the Congress that:

Separate ground, sea and air warfare is gone forever. If ever again we should be involved in war, we will fight it in all elements, with all services, as one single concentrated effort. Peacetime preparatory and organizational activity must conform to this fact. Strategic and tactical planning must be completely unified, combat forces organized into unified commands, each equipped with the most efficient weapons that science can develop, singly led and prepared to fight as one, regardless of service.

In 1985, prior to enactment of the Goldwater-Nichols Act, former Secretary of Defense Melvin Laird said that:

Professional military advice that rises above individual service interests to provide a broader cross-service perspective is an essential ingredient for the effective direction and management of the defense establishment. * * * Today that advice comes primarily from the services. * * * What is lacking is an independent, cross-service perspective. * * * The JCS are too frequently unable to provide effective, cross-service advice on issues that affect important service interests or prerogatives. These issues include the most important on the JCS agenda; the formulation of national military strategy; the distribution of service roles and missions, and particularly the allocation of scarce defense resources among competing needs. * * *

The absence of a strong independent joint military voice also undercuts the strategic planning process that links end (national objective established by political authorities) and means (the military forces weapons, and capabilities developed by the service departments). The Chairman is the only member of the JCS who is unconstrained by current service responsibilities. But he lacks both the staff and the statutory mandate to make consistently meaningful strategic planning recommendations on the broad range of subjects required. The service chiefs, on the other hand, control large staff, but the inherent conflict between their joint and service responsibilities has precluded their effective participation in resource planning. * * * As a result, the JCS are unable to help civilian leaders set cross-service priorities and make the necessary tradeoffs to construct the defense program and budget.

Mr. Speaker, a personnel management system that fails to man joint positions with officers possessing the requisite capabilities of talent, education, training, and experience will undermine the organizational changes in Goldwater-Nichols intended to remedy the institutional problems raised by Mr. Laird. It is incumbent upon the Congress to check the natural tendencies within the individual services to safeguard their own independence at the expense of a more effective unified command. The PME provisions included in the conference report will help in that regard.

The fundamental policy issue agreed to by the conferees is that joint specialist education should take place in a joint school. A joint school has an essentially equal representation from the military departments on both its faculty and in its student body. It is under the control of the Chairman, JCS, to further its joint perspective.

The two-phase joint specialist officer education program agreed to by the conferees would provide for a phase I to be taught in service colleges and a follow-on, temporary-duty, phase II to be taught at the Armed Forces Staff College in Norfolk.

The conference agreement elevates the Armed Forces Staff College to a new place of prominence in the military education system by following the Panel's recommendation that the Armed Forces Staff College in Norfolk be the flagship educational institution for the phase II program. It would serve as a gateway for entry into joint specialist assignments.

There are two essentials for an effective joint officer. The first is to be an expert in his own service, which an officer would learn at his own service intermediate school. The second is a thorough grounding in all aspects of joint operations which an officer would learn at the joint school.

The conference agreement requires, with few exceptions, that in-residence service intermediate education is a prerequisite for attendance at the Armed Forces Staff College.

This plan for the development of joint specialists officers keeps joint education in a joint environment under the control of a joint authority. Thus, it provides a common joint education for joint specialist nominees and a joint academic environment in which students can build on their service school foundation. It recognizes the joint specialty as an additional military occupational specialty requiring special education.

The conference agreement provides that the principal course of instruction offered at the Armed Forces Staff College may not be less than 3 months. The conferees adopted the Panel's recommendation on this issue because of the clear evidence developed by the Panel that the varied subjects necessary for a professional joint education could not be adequately covered in a shorter period of time. It could take longer because of the increasing complexities of modern joint warfare. In particular, time is needed for each student to learn from other service representatives and to develop a joint perspective. Less than a 3-month course sacrifices depth of instruction and the quality of the joint education program at the Armed Forces Staff College.

Mr. Speaker, under the determined leadership of our colleague from Missouri, this conference report assures that joint officers will receive the education, training, and experience they need to equip them for the crucial tasks they perform. I commend the gentleman for his efforts and urge my colleagues to vote for adoption of the conference report on H.R. 2461.

Mr. ASPIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Hawaii [Mr. AKAKA] for the purposes of entering into a colloquy.

Mr. AKAKA. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of the conference agreement and ask unanimous consent to revise and extend my remarks.

First, let me thank the chairman for including section 2814 in the bill. Subsection 2814(a) permits the Secretary of the Army to sell 35.9 acres of fee simple land at Kapalama Military Reservation to the State of Hawaii at fair market value. Subsection (b) of section 2814 affirms the requirements in the Hawaii Admission Act that land ceded to the Federal Government by the Territory of Hawaii must be returned to the State once it is no longer needed for defense purposes.

The 53.7 acres of land at the Kapalama Military Reservation are currently under the control of the Secretary of the Army. Of this amount, 17.8 acres constitute ceded lands which must be returned to the State under amendments to section 5(g) of the Statehood Act. Since subsection (a) of section 2814 authorizes the Secretary of the Army to sell all remaining fee simple land at the Kapalama Military Reservation, all parties have recognized that the Kapalama Reservation will cease to exist. Hence there is no disagreement about the fact that the ceded lands at Kapalama are to be returned to the State.

Since the Federal Government is obligated to relinquish the ceded lands, section 2814(b) merely directs the Secretary to transfer these lands directly to the State, thereby avoiding the more cumbersome process of the Army first transferring the land to the GSA and the GSA subsequently transferring the land to the State.

At this point I would like to engage the chairman of the Armed Services Committee in a colloquy regarding section 2814 of the conference agreement.

Under subsections 2814 (a) and (b), the State of Hawaii would be required to pay fair market value for improvements on Kapalama land. What concerns me is that the buildings in question have asbestos problems.

Mr. Speaker, in the case of buildings constructed by the Federal Government in which asbestos was used, would the committee chairman agree that unless the Federal Government removes the asbestos before it transfers the buildings, the calculation of fair market value should include costs the State would bear for asbestos abatement?

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. AKAKA. I yield for a response.

Mr. ASPIN. Yes, I agree that those costs should be included in determining fair market value.

Mr. AKAKA. Mr. Speaker, I also point out that some of the buildings in question are World War II era structures. Given their advanced age, they may be of little or no market value.

Let me ask the committee chairman, in the event that the cost of asbestos abatement exceeds the fair market value of the structure, does he agree that if the agency caused the asbestos to be installed that it should still bear the responsibility for asbestos cleanup? I yield for a response.

Mr. ASPIN. Yes, it should still be the agency's responsibility.

Mr. AKAKA. Finally, I note that subsections (a) and (b) of section 2814 permit the Secretary to require additional terms and conditions when transferring this land. In the event that additional terms and conditions are required, do you agree that they should be consistent with the colloquy we have engaged in today. I yield to the chairman of the committee.

Mr. ASPIN. Yes, they should be consistent.

Mr. AKAKA. I thank the gentleman for those responses.

Mr. ASPIN. Mr. Speaker, I reserve the balance of my time.

Mr. BENNETT. Mr. Speaker, I yield 3 minutes to the gentleman from Kentucky [Mr. HOPKINS].

Mr. HOPKINS. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, this conference report is a serious indictment of the congressional budgeting process, a process so thoroughly corrupt by parochial avarice that the principal goal—providing for the national defense—has been ignored.

What weapons we buy and where they're built has become more important than whether they're truly needed and fit within an overall defense framework.

The result is that America ends up being less prepared for war, or for peace, and increasingly vulnerable to the unpredictable tide of international events and the ongoing epidemic of illegal drugs.

Let me give you just one example of what's wrong with this bill:

On July 25, this House adopted by a vote of 410 to 10 a strong, unequivocal military drug enforcement package, literally pushing the Pentagon into the fight against drugs.

Remember that the Pentagon's budget request came to Congress without a single dime for drugs.

We not only authorized this new military mission, we put our money where our mouth was.

We earmarked $450 million for the effort, but a funny thing happended on the way back from conference.

In the mad scramble to fund many of the programs Dick Cheney wants to cancel, the $450 million for the drug war suddenly disappeared.

This conference report contains absolutely no money earmarked for military interdiction of drugs.

Last year we put up $300 million; this year, zero, zilch, nothing.

In its place, this report substitutes the same old budget gimmickry this Congress has elevated to high art, by putting some language in designed to give the appearance of having done something while we turn our backs on a problem we all know represents a serious threat to our national security.

Words are cheap, actions cost money . . . and there is absolutely no money in this bill set aside for military drug enforcement.

Mr. Speaker, the winds of change are sweeping across every part of our world.

We are poised on the threshold of one of the most profound periods of transition in history.

With an opportunity to begin setting a course that can take this Nation forward to an era of unparalleled peace and productive coexistence, this proposal admits to the world that America is simply unable to muster the vision, course, and discipline necessary to meet whatever challenges lie ahead. A no vote is a vote against waste in the Defense Department.

We can do better, and I urge my colleagues to reject this conference report and allow us to try again.

Mr. DICKINSON. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. KYL], who has been very helpful and articulate.

Mr. KYL. Mr. Speaker, first I want to associate myself with the remarks of the ranking member of the committee, the gentleman from Alabama [Mr. DICKINSON], and commend him for fighting a good fight. I think he is right. Considering the importance of the subject and the need for a strong defense, we should be embarrassed at the product.

I hasten to say, however, that I do not attribute this weak result to the chairman or to the other body. In fact, I have the highest regard for the efforts of the chairman and the difficulties he faced in this process.

But our colleagues should not suffer from any illusions about this conference report. For some of the most important issues, the conference did not meet, discuss, or decide at all.

To cite one example, the conference did not determine the funding level for SDI. We backed into it, not by debating the merits, but by a highly technical process sometimes referred to as splitting the difference between the House and the Senate levels. This is hardly the most intelligent way to fund one of our most important defense programs at a level more than $1 billion below what Secretary Cheney said was necessary and what the President requested.

The funding for SDI at a level less than last year is totally inadequate.

Any resemblance, Mr. Speaker, any resemblance between a sensible defense and some key parts of this authorization bill is purely coincidental. I do not urge my colleagues to vote either way, but I cannot support the bill.

Mr. ASPIN. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. BROWN], for the purpose of entering into a colloquy.

Mr. BROWN of California. Mr. Speaker, I note that the conference agreement contains language concerning the testing of the MIRACL ground-based laser against objects in space. Specifically, the statement of managers states that the Secretary of Defense has delivered a letter to the Armed Services Committees of the Senate and House of Representatives which says that there would be no tests of the MIRACL laser against objects in space during fiscal year 1990. My question concerns the potential for MIRACL tests against objects in space during calendar year 1990. I understand that there was some discussion of this matter during meetings of the House and Senate conferees to this bill.

Mr. ASPIN. If the gentleman will yield, Mr. Speaker, the gentleman is correct in stating that the MIRACL test schedule was the subject of discussion during the conference meetings. Secretary Cheney's letter of October 23, 1989, states that there will be no tests of MIRACL against objects in space in fiscal year 1990. In addition, the statement of managers of the conference report notes that MIRACL is a congressional interest item, and asks the Secretary of Defense to respect the desire of Congress to address during the fiscal year 1991 budget process the policy implications of testing MIRACL against an object in space, and not to take any actions inconsistent with this expressed interest. I asked the chairman of the Senate Armed Services Committee, and the ranking minority member of that committee, whether it was their understanding, that there would be no tests of the MIRACL laser against objects in space during calendar year 1990, until Congress has had the opportunity to complete consideration of the fiscal year 1991 defense budget. They informed me that, indeed, this was their understanding.

Mr. BROWN of California. Mr. Speaker, I am pleased to hear this clarification, for it conforms well with the sentiments expressed by the conferees in the statement of managers. I thank the gentleman for his clarification.

Mr. DICKINSON. Mr. Speaker, will the gentleman yield?

Mr. ASPIN. Mr. Speaker, I reserve the balance of my time.

Mr. DICKINSON. I understand that, but the gentleman attributed something to me that I do not think I agree with.

The SPEAKER pro tempore (Mr. COLEMAN of Texas). The Chair understands the gentleman from California has the time for the moment, and if the gentleman from California would care to yield to the gentleman from Alabama, he may do so.

Mr. BROWN of California. I am more than happy to yield to my distinguished colleague, the gentleman from Alabama [Mr. DICKINSON].

Mr. ASPIN. Mr. Speaker, let me understand. The time on this side is extremely constrained. I am tied up.

The SPEAKER pro tempore. Let the Chair remind the gentleman from Wisconsin that the gentleman from Wisconsin yielded time to the gentleman from California without stating the amount of time that he desired to yield.

Mr. ASPIN. I did not yield him a specific time?

Mr. BROWN of California. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. ASPIN] now controls the time.

Will the gentleman yield to the gentleman from Alabama.

Mr. ASPIN. I cannot yield any more time. The gentleman from Alabama has time.

Mr. DICKINSON. Mr. Speaker, I would ask unanimous consent to proceed for 2 additional minutes in order to conclude the discussion on this point.

The SPEAKER pro tempore. Under the rule, each of the gentlemen controls a specific amount of time.

Mr. DICKINSON. I understand that. But I am making unanimous-consent request, Mr. Speaker.

Mr. BENNETT. Mr. Speaker, I will yield 1 minute to the gentleman from Alabama [Mr. DICKINSON] if he wants it.

The SPEAKER pro tempore. The gentleman from Alabama [Mr. DICKINSON] is recognized for 1 minute.

Mr. DICKINSON. I am not sure I understood exactly what was said nor do I necessarily agree with what was said.

The conferees had a long discussion on the issue of MIRACL tests against an object in space. Following Secretary Cheney's letter, it was understood that there would be no MIRACL test against an object in space during fiscal year 1990. It was also understood that MIRACL was a congressional interest item and should be considered as such by the Secretary of Defense. This is what the statement of managers language indicates. There was certainly

no explicit understanding that the MIRACL could not be tested against an object in space until Congress adopts a conference report on the fiscal year 1991 defense authorization bill or until such bill is enacted into law. The conferees were neither date-specific or bill-specific as to an outright prohibition of MIRACL testing beyond fiscal year 1990. What the conferees did understand was their desire to address during next year's budget process, the implications of MIRACL testing before any such testing is conducted. The chairman and ranking republican of the Senate Armed Services Committee believe that Congress should have this opportunity. Along with Mr. DELLUMS, the chairman of the Research and Development Subcommittee, I also agree that we should have this opportunity. This is my understanding of the conferee's agreement on MIRACL and I will work in good faith to uphold it.

Mr. BENNETT. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon [Mr. WYDEN].

Mr. WYDEN. I thank the gentleman from Florida for yielding this time to me.

Mr. Speaker, last July the House voted 284 to 138 for what I believe could have been a historic effort to control arms and make the world a safer place.

Both the United States and the Soviet Union have enormous supplies of plutonium, and what our vote said last summer is we wanted to call the Soviets' bluff. The Soviets now have their plutonium facilities open, for the most part. Our facilities are closed.

What the House said last summer is we ought to call their bluff, we ought to challenge them, we ought to push them to try to enter into negotiations to come up with a mutual and verifiable reduction of plutonium so the world could be a safer place.

It received overwhelming bipartisan support. On this side of the aisle I think something like 14 Members opposed it. It would have done three things.

It would have made it clear that we are concerned about pollution and unsafe conditions at the DOE weapons production facilities and we are not going to stand any longer for poisoning the ground and the water. It would have made clear that if negotiations were successful in banning future production of plutonium and ATU, we could have freed up money to clean up those tremendous pollution problems.

So what this amendment did was give us an opportunity to employ the best of American ingenuity in arms control. I think it is very, very sad that there were not serious and substantive negotiations to try to go forward and pursue this amendment.

I just want to make it clear to our colleagues that the bipartisan cosponsors of this legislation are going to be back. We think this is a historic opportunity to control weapons development. And, in fact, as far as the sponsors of this legislation can ascertain, last summer's vote was the very first time, the very first time that the House was on record in terms of trying to control the production of fissile material.

We missed the opportunity in this legislation. It is extremely unfortunate. We are going to be back and pursue it again.

Mr. ASPIN. Mr. Speaker, may we be informed as to the time remaining?

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. ASPIN] has 5 minutes remaining, and the gentleman from Alabama [Mr. DICKINSON] has 5 minutes remaining on the one side; and on the other side the gentleman from Florida [Mr. BENNETT] has 2½ minutes remaining.

Mr. ASPIN. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. ORTIZ].

Mr. ORTIZ. Mr. Speaker, I rise in support of the conference agreement on H.R. 2461, the Defense authorization bill for fiscal year 1990, and commend the gentleman from Wisconsin [Mr. ASPIN], chairman of the Committee on Armed Services, the gentleman from Alabama [Mr. DICKINSON], the ranking minority member, and the conferees.

Mr. Speaker, as a member of the House Armed Services Committee, I have a great appreciation for the difficulty of the job of balancing real and serious defense needs with declining dollars.

We must make the tough decisions in determining our priorities. Some of these decisions have proved particularly difficult due to the different needs of the services. I must admit that the conferees have made some decisions that are not completely to my liking, but overall, I believe they have done a good job.

In terms of highly visible projects that have received national attention, I would have preferred more money for the V-22, not only in research and development, but also in procurement. I would have preferred that we not make the decision to kill the F-14 Tomcat, but at least the conferees had the wisdom to increase the numbers of this aircraft produced in an effort to meet our real defense needs.

Many other less visible, but in my opinion, equally needed projects were not as successful, but overall, this is a good bill that reflects the basic will of the House. The conferees had a tough job.

On a completely positive, and for that matter jubilant note, this bill contains funding for the final initial construction phase of a project that is near and dear to the hearts of my constituents—Naval Station Ingleside. The people in south Texas have worked hard to welcome the Navy and the U.S.S. *Wisconsin* to its new homeport site. This bill contains a $22 million authorization for completion of the project.

This money will be used as follows: $6.2 million for bachelor enlisted quarters; $1 million for an explosive ordnance disposal facility; $4.3 million for a general warehouse; $910,000 for magazines; $4.87 million for a physical fitness facility; $2.44 million for the public works complex; and $2.3 million for medical or dental facilities.

Just as importantly, this bill contains the necessary authorization to build a new home for the commanding officer of Naval Air Station Kingsville. The $140,000 allocated for this construction may be some of the best money spent by the Navy this year. By finally providing on-base housing for our base commander, we have improved our security at this base and worked to improve the morale and expectations of those stationed at that facility.

Corpus Christi Army Depot is the largest industrial employer in my Congressional District. Over the years CCAD has been on the cutting edge of new technology in the field of helicopters. Any money spent to upgrade and improve facilities and the workforce's ability to effectively produce is money well spent. We have authorized $5.2 million for the construction of an aircraft instrument calibration facility at CCAD. These are important, but less nationally visible, priorities that were wisely funded by the conferees.

On another very important note, I feel it is critically important that I take this opportunity to clarify language contained in two paragraphs in the report of the Committee on Armed Services of the House of Representatives on the National Defense Authorization Act for Fiscal Years 1990-1991, H.R. 2461. The language in question appears on page 199 of the report under the heading "Air Force COCESS/GOCESS conversions."

As a member of the committee, and one of the initiators of this language, I wish to make clear that it was never the intention of our committee to endorse in any way the policy guidance set forth in a memorandum from the Assistant Secretary of the Air Force (readiness support), dated April 18, 1988 (the so-called "McCoy memorandum"), with respect to converting contractor-operated civil engineering supply stores [COCESS] to Government-operated civil engineering supply stores [GOCESS].

On the contrary, the report language should have reflected the intention of our committee to direct the Air Force not to convert any COCESS operations to GOCESS except after compliance with applicable Federal laws,

the Federal Acquisition Regulation, and the Department of Defense [DOD] regulations governing the conversion of DOD commercial activities from performance under contract to performance by DOD personnel.

In closing, I would just like to say that this is a good bill, and I encourage my colleagues in the House to support final passage of this conference report.

Mr. DICKINSON. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. WALKER].

□ 1320

Mr. WALKER. Mr. Speaker, I was somewhat stunned to find in the conference report a matter regarding electronic fuzes bought by the Army. That seemed to fly in the face of a GAO report that came out just last month. In that report, the GAO states:

Our current work on the electronic time fuze did not disclose any compelling need to procure electronic time fuzes at this time and showed that mechanical time fuzes can be used to satisfy the Army's current fuze requirements at a lower cost. Therefore, we believe that the Army should procure existing mechanical time fuzes.

The reason for that is that the electronic time fuzes, endorsed by the committee, cost 4 times as much per unit as the mechanical time fuzes. The Committee on Appropriations, that has worked on this same matter, is aware of this problem.

I have talked to the committee staff, and they have told me that they will try to work out the problem between the two committees on this and with the GAO. I will appreciate the cooperation of the committee as we move forward.

Mr. ASPIN. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. KASTENMEIER].

Mr. KASTENMEIER. Mr. Speaker, I thank the gentleman for yielding time to me.

I rise to express appreciation of the Committee on the Judiciary as a conferee and as one who signed the conference report with reference to issues involved with the House Committee on the Judiciary.

We were successful, I think, in resisting either defeating or satisfactorily resolving all issues affecting the Committee on the Judiciary, and there were a number this year commencing, obviously, in the other body, with the exception of one. And that was to which my colleague, the gentleman from New Jersey [Mr. HUGHES] has given a spirited opposition to in terms of the resolution that was finally adopted here.

However, in every respect, I want to say that on behalf of the Committee on the Judiciary, we appreciate the cooperation, particularly of the chairman, the gentleman from Wisconsin [Mr. ASPIN] and the Committee on the Armed Services conferees in resisting these amendments. I think there is a lesson to be learned that makes the problem very much more difficult for all Members.

Mr. DICKINSON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California [Mr. MCCANDLESS].

Mr. MCCANDLESS. Mr. Speaker, I would like to engage the gentlewoman from Maryland [Mrs. BYRON], the distinguished chairman of the Subcommittee on Military Personnel and Compensation, in a brief colloquy.

I would point out to the subcommittee chairman that a question has been raised concerning the intention behind section 710 of H.R. 2461. Section 708 provides the respective Secretaries of the Armed Services with the discretion to retain Reserve medical personnel beyond the mandatory retirement age.

The question raised is the meaning of the word "retained." As the sponsor of the amendment which became section 710, it was my intention that the word "retained" be given its broadest meaning. Just as "to retain an attorney" would be taken to mean to hire or to enlist, it was my intention that section 710 would provide the appropriate Secretary with the discretion to reappoint a qualified individual who was separated from the Reserves solely because of the age limitations of prior law.

I would ask the gentlewoman from Maryland, the chairman of the subcommittee, if that was her understanding of my intention, and if I have accurately outlined her interpretation of section 710.

Mrs. BYRON. Mr. Speaker, will the gentleman yield?

Mr. MCCANDLESS. I yield to the gentlewoman from Maryland.

Mrs. BYRON. Yes, I certainly believe that the amendment could and should be interpreted in this way. I would add that because this provision deals with Reserve medical personnel—an area where the services have warstopping shortages in physician and nurse categories—the military would be remiss if it failed to use the broadest interpretation possible.

Mr. MCCANDLESS. Mr. Speaker, I thank the gentlewoman for this clarification. I would like to express my sincere appreciation to her and to her excellent staff, particularly Deborah Lee, for their assistance.

Mr. ASPIN. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. DARDEN].

Mr. DARDEN. Mr. Speaker, I rise in strong support of this conference agreement and urge the Members of this body to vote for its passage.

We have all been here long enough to know there is no such thing as a perfect bill. A conference agreement is indeed a unique piece of legislation because so many differing provisions and individual concerns must be addressed and rectified. The Defense authorization conference is even more unique because it constitutes an annual process which determines defense policy for an entire year. The chairman of the Armed Services Committee, the gentleman from Wisconsin, and the other conferees, are to be commended.

In my opinion, this compromise agreement is one that is based on the long-term needs of our national defense. We have addressed the concerns of many individual Members, whether these concerns be in strategic or conventional weapons systems, personnel policies, operations and maintenance accounts, drug interdiction, research and development, or budgetary concerns. Some are not happy with the overall product. But it is indeed the overall product that is a critical step toward ensuring that our defense forces will be viable into the 21st century.

This conference agreement ensures the continuance of a strong conventional force. We have procured 18 F-14 aircraft. These planes had been eliminated in the President's budget for economic reasons. But, without these aircraft, our aircraft carriers will not have the necessary assets to defend themselves. By purchasing these F-14's, we have taken the prudent course just in case the naval version of the advanced technology fighter does not meet its proposed operational date.

We have also continued funding for another conventional program, the V-22 Osprey. I have served on the Armed Services Committee for 6 years, since my initial election to Congress. Every year, without exception, the Marine Corps has unequivocally stated that their No. 1 aviation priority is the V-22. Yet, the administration abruptly called for its cancellation on budgetary reasons. In order to meet the needs of our amphibious forces, the Congress had the responsibility to continue this program.

Another important conventional area we have addressed in this bill is the continued support for our National Guard and Reserve forces. I commend the gentleman from Mississippi for his diligence in this area. Mr. Speaker, with declining Defense budgets, the "total force" concept is here to stay. The Guard and Reserve forces are playing an ever-increasing role in our conventional deterrent. Without the additional procurement funds authorized in this bill for Guard and Reserve units, modernization, and thus our deterrence, could be jeopardized.

Many have criticized this conference agreement as being overly generous to strategic programs. Mr. Speaker, no matter how horrible and heinous nuclear warfare would be, we cannot deny that we live in a world where nuclear deterrence is a reality. We must maintain that nuclear deterrence, and

I believe our continued funding for both the rail garrison MX and the small ICBM, or Midgetman, is critical at this juncture in United States-Soviet relations.

We have also funded the strategic defense initiative at $3.8 billion. This is a significant cut from last year's funding level. I have always been a strong supporter of the strategic defense initiative, and I would have preferred a higher funding level. But, I do believe $3.8 billion is adequate to continue a legitimate research and development program on this worthy technology.

As always, we have attempted to address the critical needs of our men and women serving in the Armed Forces. We have provided for a 3.6-percent pay increase and have taken important steps to improve child care for military personnel.

Also, the conference report continues to promote an increased role for the Department of Defense in our Nation's war on drugs. We have authorized $450 million—up from $300 million last year—for drug interdiction. Again, I would prefer more funding for this program. The Department of Defense has an important role to play in this area, and I believe they are beginning to understand that Congress is serious about requiring an increased effort. I have some concerns regarding the fact that the bill does not mandate the actual spending of these funds for drug interdiction, but I have faith that the Defense Department will eventually realize the importance of this mission, and live up to the requests of Congress.

Finally, Mr. Speaker, on a matter of personal importance, I am pleased that the conferees approved a 1-percent real growth in the defense technology base. Since my election to Congress, the Department of Defense has continually stated that our technology base was inadequate, but the proposed budgets never reflected their concern. The defense technology base, the so-called basic research and exploratory development accounts, has decreased in real terms since 1965. I appreciate the support I received from my subcommittee chairman, Mr. DELLUMS, in our efforts to mandate real growth in the technology base. Specifically, we created the technology base enhancement program, which would mandate 2 percent real growth in the technology base for the next 5 years. In conference, we were only successful in mandating a 1-percent growth this year, and a 2-percent growth for next year, but this is an important first step toward improving the research capabilities of our Nation so that our forces will remain technologically superior.

Mr. Speaker, this bill is not perfect, but it is a sound product for meeting the needs of our Department of Defense. I strongly urge its adoption.

Mr. BENNETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to take this moment to say how deeply we appreciate the fine work of Tim Wincup and Steve Conver, and congratulate them for going to the Cabinet of the United States. They are people that deserve it. We are proud of them.

There are a lot of people here who have been critical of this bill, and that does not mean it is not a good bill. We in Congress are given pretty good pay, I think, and given great acknowledgment as being important people. In World War II I served for 5 years in the infantry. Most of that time I was not fighting the enemy. That was free time, we could say. However, when the time came that it was my life or somebody else's life, or my country's survival or my survival, I, like every other infantry officer, put my life on the line for our country, That is why we are here today in regard to this bill. We have been Congressmen for years, most Members. We have a responsibility to look beyond the next time when we run for office. We have the responsibility to do what we think is best for our country, whether it is good for Members individually or not. Now, this bill gives Members two mobile ICBM's land-based. We already have one, the sea-based. It gives Members five additional B-2 bombers, when we know we just now got the B-1, and we really ought to be perfecting that and not spending all of this money on the B-2. We know the SDI is overfunded, not underfunded, and we have never seen in my career, and at least, I do not believe any Member in the history of this Congress, as far as I know, ever thought that it was a good idea to go back to a particular House or Senate and get additional money added to get additional money for something that they really did not believe was the proper amount to begin with. Yet this was the Senate's tactic on SDI funding.

Mr. Speaker, there are many things wrong with this report. The worst thing wrong with this report is that this report indicates a lack of leadership on the part of all Members. Every Member bears a burden on that. We were called upon to do our duty. We have not done our duty. We are overspending in fields where we should not spend and underspending on conventional weaponry wasting money on that which has nothing to do with damage to the enemy. These faults are basic. They are important. This conference report, in my opinion, should be defeated.

Mr. ASPIN. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Speaker, I rise today in support of the conference report. Of the many House positions that the conferees were able to secure, one that I attach particular importance to is the expansion of the statutory cap on deployment of MX missiles.

Whether based in silos, on railroad cars, or any other scheme the Air Force dreams up—we will never witness the deployment of the 51st MX missile.

The Senate did not support the cap—the House conferees had to fight hard to win it. I am proud of our victory. The cap is good for a variety of reasons: It is good for the future of our START negotiations; it is good for the future of United States military planning; and it is good for the future of United States-Soviet relations.

The United States has spent the better part of this decade attempting to negotiate a strategic arms control agreement with the Soviet Union. I honestly believe that we will wind up trading the MX away in exchange for the SS-24 and 22-18—the Soviet's 10 warheaded missiles. The cap will guarantee that we don't waste money deploying a weapon system we are eventually going to negotiate away.

We have made the decision that we are forging ahead with rail garrison basing mode for the MX missile. I opposed this decision. I think the scheme is fundamentally flawed. Not only would the rail garrison be vulnerable to a sudden Soviet attack, but there is also no way to protect the 180,000 miles of track proposed for this plan. When based in garrison, these MX trains would be more vulnerable to Soviet warheads than they are sitting in the ground today. Rail garrison is bad military policy—fortunately the cap limits the impact of this flawed deployment decision.

Finally, the cap is good for United States-Soviet relations. At a time when Mikhail Gorbachev has dominated world opinion on arms control by offering one concession after another in virtually every negotiating forum our two countries are party to, it makes no sense to spend more money on provocative first strike nuclear weapons. Capping deployment of the MX is a sign of the new strategic environment that we live in.

I urge my colleagues to endorse the House victory on the MX cap. Vote in support of the conference report on the fiscal year 1990 Defense Authorization Act.

DRUG INTERDICTION

Mr. Speaker, the conference report clarifies and strengthens DOD's role as the lead agency for detection and monitoring of the aerial and maritime transit of illegal drugs into the United States. Four hundred fifty million dollars—up from $300 million in fiscal year 1989—is earmarked for increased DOD operations and cooperation with

Federal, State, and local agencies with counternarcotics responsibilities. Of the $450 million, $70 million was earmarked for National Guard counterdrug operations; $40 million for expanded nonreimbursable support to other Federal agencies; $28 million for drug-related R&D; $27 million for communications and intelligence integration; and, $1 million for Civil Air Patrol flying operations. The prohibition on military involvement in direct law enforcement was strengthened, and a Senate provision authorizing law enforcement agencies to use force against civil aircraft suspected of smuggling drugs was not adopted.

We believe the conference report continues the momentum established in last year's defense authorization bill and brings to bear many important capabilities of the military to assist in the fight against this very real threat to our national security. Unlike last year, we believe that our former colleague, Secretary Cheney, is onboard in this effort. If that spirit of cooperation continues, even in the face of defense funding constraints, we believe we can together make a difference.

□ 1330

Mr. DICKINSON. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. HERGER].

Mr. HERGER. Mr. Speaker, I rise to reluctantly announce my opposition to this conference report. As a strong supporter of our Nation's defense, this is not the position I would prefer to take.

This package eliminates all funding for the SR-71 strategic reconnaissance aircraft, as well as another similar classified program. In so doing, we are completely abandoning our long range airborne reconnaissance capability for years to come.

The SR-71 has provided critical intelligence data for our Nation's decisionmakers.

For these reasons, the two principle users of the data collected by the plane, the CIA and the State Department both strongly opposed the Air Force's decision to close down the program.

Contrary to popular belief, our intelligence satellites simply cannot do it all. In a remote area of the world, satellite coverage is extremely limited.

In the event of a conflict with the Soviet Union, the Department of Defense and even the committee itself has acknowleged that our satellites could be damaged by Soviet antisatellite weapons. In either of these cases, as in a host of others, the SR-71 is our only option for critical intelligence.

I know I echo the feelings of a large bipartisan number of Members, both in the House and the other body when I say that it is the conference report, and not the SR-71, which should be grounded. I urge my colleagues to oppose this report.

Mr. DICKINSON. Mr. Speaker, I yield myself the balance of my time.

In conclusion, let me say, as I said at the outset of this debate, that this is far from a perfect conference report. Many Members are unhappy with its contents, and for many reasons. It is a sad commentary on this institution that this is the best we could do. We approach conference conscientiously and tried to do the best we could under very difficult circumstances. I will support it.

Mr. FASCELL. Mr. Speaker, for the past several years, members of the Committee on Foreign Affairs have served as conferees for the foreign aid and arms control provisions in the Department of Defense authorization bills.

As in the past, compromises were reached on most of the foreign aid and arms control provisions in the fiscal year 1990 Department of Defense authorization bill to the general satisfaction of the House Foreign Affairs Committee conferees.

However, there were three arms control issues in particular that were concluded in a manner that did not reflect the will of the full House and were resolved in a less than satisfactory fashion. These are: First, the Wyden-Fascell-Tauke-Green amendment calling for United States-Soviet negotiations to ban the production of fissile materials for weapons purposes adopted on July 27; second, the Owens-Fascell-Aspin amendment on the binary chemical weapons prohibition adopted on July 27; and third, the Brown-Coughlin call for the President to seek limitations on antisatellite [ASAT] weapons, also adopted on July 27.

NEGOTIATIONS FOR A FISSILE MATERIAL BAN

The genesis of including a call for fissile material negotiations in the House fiscal year 1990 Defense authorization bill stemmed from the introduction of legislation last May called the International Plutonium Control Act. The Foreign Affairs Committee's Subcommittee on Arms Control, International Security and Science, which I chair, subsequently held a hearing last June 20 on this legislation, H.R. 2403. That legislation, which has 190 cosponsors from both parties, calls for the President to seek negotiations on a United States-Soviet ban on the production of plutonium and highly enriched uranium for weapons purposes and calls for a funding cutoff on the production of plutonium for weapons purposes unless the President certifies to the Congress that the Soviets are continuing to produce plutonium for weapons purposes.

The version of this legislation which was included in the fiscal year 1990 Defense authorization bill incorporated the goals of the International Plutonium Control Act. Approved on July 27 by an overwhelming bipartisan majority of the House in a vote of 284 to 138, the language in the House defense bill: First, urged the President to seek negotiations on a United States-Soviet halt to the production of plutonium and highly enriched uranium for weapons purposes; second, urged the President to establish a United States-Soviet working group to examine the technical aspects of a superpower halt in the production of fissile materials for weapons purposes; third, required a report on the verifiability of a mutual halt; and fourth, required the establishment of an internal United States working group to provide technical advice to the President in preparation of the report.

Unfortunately, the will of the House was not served in the final outcome of this issue in the House-Senate conference on the Defense bill. In an effort to work with the Senate, which had included in their bill a reporting requirement on warhead dismantlement and fissile material monitoring, House and Senate staff worked together to come up with a reasonable compromise of the two positions. During last minute negotiations, however, this compromise was abandoned altogether and a simple reporting requirement was included in statement of managers language.

In an effort to preserve the goals of the International Plutonium Control Act, it is the intention of the supporters of this measure to take further action on this issue next year.

The basic purpose of the International Plutonium Control Act is to rectify the current superpower imbalance in nuclear materials production for nuclear weapons which favors the Soviet Union. In testimony before my Subcommittee on Arms Control, International Security and Science, it was made clear that continued production of plutonium for weapons purposes is unnecessary and costly, and that a mutual halt in the production of fissile material for weapons purposes would lay the basis for verifiable bilateral reductions in the stockpiles of nuclear warheads.

Progress by the United States and the Soviet Union in this area could send a strong signal to nonnuclear weapons States and borderline States that the superpowers are concerned about proliferation. Moreover, superpower progress toward a ban on the production of fissile material for weapons purposes could put pressure on those countries that are bordering on processing nuclear arsenals to place all their nuclear facilities under international inspection.

For these and other reasons it is timely and important to put this issue on the agenda of superpower negotiations.

NO CHEMICAL WEAPONS PRODUCTION

Once again the administration's request for binary chemical weapons production has caused considerable controversy and sharp differences of opinion in Congress. This year, as in several of the past 9 years, the House and the Senate have disagreed as to whether or not there should be any binary chemical weapons production in fiscal year 1990. The Senate authorized $47 million in fiscal year 1990 production funds as passed by the House. The Department of Defense [DOD] authorization had absolutely no production funds for binary chemical weapons—none for the Bigeye bomb, none for the 155mm. artillery shell, and none for the multiple launch rocket system.

Funding requests totaling several billion dollars for these three binary chemical weapons systems have been rejected, held back, fenced in, and compromised over the past 9 years. This year is no exception. The DOD authorization conference report for fiscal year 1990 stipulates that the $47 million for the

155mm. binary artillery shell production program is not authorized unless longstanding production backlogs and other problems are fully and expeditiously remedied and are so certified by GAO. The conference report's position reflects the GAO's conclusion on the 155mm. binary artillery shell as contained in the GAO's October 1989 report entitled "Defense Budget—Potential Reductions to DOD's Fiscal Year 1990 Ammunition Budget." That report concludes:

The Army's $47 million fiscal year 1990 request for a classified number of 155mm. M687 GB-2 projectiles is premature for two reasons. First, the canister supplier had been unable to meet delivery schedules, resulting in undelivered quantities for prior year programs. Second, a new chemical production facility needed to produce the projectiles may not be completed in time to produce the requested quantity within the fiscal year 1990 funded delivery period. Therefore, we believe that additional funding is not needed in FY1990 (p. 14 GAO/NSIAD 90-23).

There are also no production funds in the fiscal year 1990 DOD conference authorization for either the Bigeye binary bomb or the multiple launch rocket system [MLRS]. Because the 155mm. binary artillery shell program has experienced significant production problems over the past 3 years resulting in a total of $188 million in unspent funds from prior years for that program, it is increasingly clear that there will be no need to release new funds during fiscal year 1990 for binary chemical weapons production. This year's compromise may solve the practical problems of a weapons program that has been experiencing major backlog and serious management problems over the past 3 years, but it does not solve the arms control and foreign policy problems involved in a chemical weapons policy that is based on new production.

The arms control and foreign policy reasons which fostered my initial involvement in this issue remain even more important today as motivations for opposing new chemical weapons production. Concerning foreign policy, new binary chemical weapons can only be useful as a deterrent and retaliatory capability if they replace the unitary chemical weapons stocks in Europe. But, our NATO allies in Europe will not accept new chemical weapons on their soil and, in fact, President Reagan even agreed with Chancellor Kohl of West Germany to unilaterally withdraw the unitary chemical weapons. Now, President Bush has agreed to accelerate that withdrawal. The unitary chemical weapons were good bargaining chips for the arms control table but unfortunately we agreed to give them up without any reciprocation by the Soviets.

Regarding arms control, it is vital that we have a comprehensive policy on chemical weapons which stresses the achievement of a global ban, destruction of chemical weapons stocks rather than production of new chemical weapons, and multilateral sanctions to stop chemical weapons proliferation. Since the Soviets seem to have held to their chemical weapons production moratorium which began in April 1987 and since it appears likely that the United States and U.S.S.R. will embark on a bilateral destruction program for existing chemical weapons stocks it is contradictory to the spirit and reality of these positive arms control developments if the United States decides to pursue a chemical weapons production program.

An important policy statement was added to the House DOD authorization bill by Representatives PORTER and ROUKEMA in the form of a sense of Congress resolution. This policy statement anticipated President Bush's speech at the United Nations in September by 2 months. That policy statement of July 27 was adopted by a 414-4 vote as an amendment to the DOD authorization bill and sets forth the following important congressional findings:

First, the proliferation of chemical weapons and their repeated use represent a grave threat to the security and interests of the United States;

Second, the most comprehensive and effective response to the threat posed by the proliferation of chemical and biological weapons is the completion of a verifiable treaty banning the production and stockpiling of chemical weapons;

Third, the President should intensify ongoing efforts to establish an agreement with the Soviet Union and other countries establishing a mutual and verifiable agreement to stop the production, proliferation, and stockpiling of lethal chemical weapons;

Fourth, the President should personally recommit to securing a treaty and to exerting strong leadership in bringing the international community together to rid the world of the threat of chemical weapons;

Fifth, the successful completion of a treaty banning chemical weapons being negotiated at the multinational United Nations Committee on Disarmament in Geneva should be one of the highest arms control priorities; and

Sixth, the United States negotiators in Geneva should take concrete steps to initiate proposals regarding the composition of the verification regime that will meet the legitimate concerns of other negotiating parties while also addressing the security concerns of the United States.

This congressional policy language captured many of the initiatives that have, in fact, been taken after this amendment was adopted as part of the DOD authorization bill. For example, President Bush's U.N. speech did recommit him personally to achieve a worldwide ban on chemical weapons and did assert Presidential leadership. Also, at the Canberra conference against chemical weapons held in Canberra, Australia, in September 1989 the United States delegation offered a proposal for a special technical working group on verification issues to assist the conference in refining the verification provisions of the draft treaty in Geneva.

This sense-of-Congress language also proposed bilateral initiatives with the Soviet Union and such an initiative was taken by President Bush in his U.N. speech which proposed a bilateral destruction of chemical weapons with the Soviet Union on a timetable keyed to the chemical weapons treaty in Geneva. The final DOD authorization conference version of the original House sense of Congress provision has revisions which reflect the fact that a number of the policy initiatives recommended in the provision have been undertaken by the Bush administration.

The coincidence betwen the sense of Congress and Presidential policy initiatives simply underlines the concurrence between executive and legislative branches on the importance of a chemical weapons ban, the support for capitalizing on opportunities for bilateral arms control, the concern for a verifiable treaty, and the advantage to be gained from Presidential and U.S. leadership on this issue.

A policy of continued U.S. production of new binary nerve gas weapons spells trouble for President Bush's own objective. It places all the positive features of his U.N. speech at risk. It unwittingly legitimizes the very thing he wants to stop—chemical weapons proliferation. It is also a violation of the treaty that Vice President Bush presented in 1984 and the current draft treaty in Geneva, both of which call for an immediate cessation in chemical weapons production.

Fortunately, President Bush has recommitted himself and the United States to a worldwide ban on chemical weapons at the United Nations. That is important and it gives new momentum and purpose to the chemical weapons negotiations. A bilateral superpower destruction program can go a long way toward convincing most countries that the superpowres are sincere, want movement on this arms control issue, and will exert pressure for universal adherence to the treaty. U.S. priorities should be clearly stressing accelerated destruction, development of verification capabilities, and chemical weapons arm control, not new chemical weapons production.

NEGOTIATIONS FOR ASAT LIMITATIONS

The House fiscal year 1990 Defense authorization bill included "sense of Congress" language urging the President: First, to pursue strict negotiated limitations with the Soviet Union on antisatellite weapons; second, to seek the dismantlement of the Soviet Union's ground-launched coorbital antisatelite weapon; and third, to submit to the Congress a comprehensive report on ASAT weapons and satellite survivability. The Senate required a report on the verifiability of limiting ASAT's and whether such would be in U.S. interests. The conference produced an even milder version of the House's already modest provision. The compromise urged the President to "explore the feasibility" of ASAT limitations.

In another potential setback, the conference outcome abandoned the House prohibition on testing the MIRACL laser against objects in space. Instead, in the final negotiations, the conference adopted report language urging the administration not to test the laser in fiscal year 1991 until Congress has had the chance to address the issue next year. Secretary of Defense Cheney has stated in an October 23 letter that the Department of Defense has no plans to test the laser in fiscal year 1990.

The clear intent of a majority of the House is to place the subject of limiting ASAT weapons on the agenda of superpower negotiation. As the United States relies heavily on satellites for surveillance and intelligence-gathering, it is in our interest to engage in negotiations with the Soviets to limit potential attacks on our satellites. It is somewhat puzzling to me why the final conference agreement delet-

ed the provision urging the President to seek the dismantlement of the Soviet coorbital ASAT. The existence of the Soviet ASAT is one of the main reasons why the administration states that the United States needs its own ASAT capability. Given that, the dismantlement of the Soviet system would clearly be in our interest. No one should oppose that unless of course proponents of a United States ASAT weapon are afraid they would no longer have any justification for pursuing an ASAT program if the Soviet system were dismantled.

As in the case of a negotiated fissile material ban on production for weapons purposes, pursuit of a mutual ASAT ban and a comprehensive ban on the production and use of chemical weapons will be a major part of the Congress' arms control agenda next year.

Ms. SCHNEIDER. Mr. Speaker, I supported the House version of the fiscal year 1990 Defense bill. I felt that we made hard decisions and produced a balanced bill that reflects our national defense priorities. Unfortunately, I feel compelled to vote against the conference report.

As my colleague from Minnesota [Mr. FRENZEL] pointed out, this legislation violates section 302B requirements of the Budget Act of 1974. In addition to my budgetary objections, I would also like to point out that the conference report does not reflect the will of the House. We passed significant cuts in several weapon systems in July and unfortunately the conferees have virtually ignored the desires of the House.

The administration requested $4.9 billion for the strategic defense initiative. In light of present budget constraints, I believed that this was too much money for a program of questionable merit. I supported two amendments to cut SDI spending, and a compromise of $3.1 billion was ultimately adopted by the House. The fiscal year 1990 conference contains a funding level of $3.8 billion. Although this is the first reduction in SDI in its 7-year history, we are still committing too many of our scarce resources to this program.

I also voted to slow down production of the B–2 Stealth bomber. As much as I am strongly supportive of the air leg of our nuclear deterrent triad, I felt that $4.7 billion is too much for a plane that has only flown once. The House voted to restrict procurement to two B–2's in fiscal year 1990 and for advanced procurement in fiscal year 1991. Unfortunately this conference report approves a total of seven B–2's, to be procured without the approval of Congress. This is far beyond the scope of the House-passed Aspin-Synar amendment.

The House also voted to limit the MX rail garrison to $600 million and to eliminate the Midgetman Missile Program. These are hard choices made by the House. The conference report provides almost full funding for both systems and gives the administration discretion to choose between the two land-based ICBM systems. Given that we presently have a credible land-based nuclear deterent consisting of 1,000 ICBM's in silos, with a total of 2,450 nuclear warheads, the House decided that we only needed one mobile land-based ICBM as a bargaining chip.

I believe that with the Trident submarine, the B–1B and B–52 strategic bombers and our land-based ICBM's, we have a credible and potent strategic nuclear deterent. I support research and development for SDI, and limited procurement for the B–2 aircraft. However, in this time of fiscal constraint and changing superpower relations, Congress must carefully balance each of our national security priorities and our ability to fund them.

In my opinion, the fiscal year 1990 Defense authorization conference is fiscally irresponsible and not an acceptable compromise between the House and Senate.

The Defense authorization bill is the most expensive bill considered by Congress each session. It alone accounts for $1 out of every $4 spent by the Federal Government.

Each session, we in the legislative branch have a chance to influence significantly the direction of our national security agenda. The result of our deliberations determine the size and scope of our strategic and tactical national defense posture. National security is not framed solely in terms of military preparedness and nuclear deterence.

One important indicator of national security is if we are the type of nation that other nations seek to emulate freely. We achieve this when our economic decisions promote not only a competitive and prosperous business environment, but a modern infrastrucutre and sound education system. National security also includes a cleaner environment, less dependence on imported fossil fuels, and other important domestic policy components. I believe that by pursuing these priorities, the United States will continue to lead the world toward peace and global security.

Our Nation's defense policy would seek a balance of strategic and tactical weapons that reflect our legitimate security needs in a rapidly changing world. The conference report clearly does not reflect this balance.

Mr. ANDERSON. Mr. Speaker, I would like to take this opportunity to thank the distinguished chairman of the Armed Services Committee, Mr. ASPIN, as well as the ranking minority member, Mr. DICKINSON, for their assistance in resolving the issues in the conference that were within the jurisdiction of the Committee on Public Works and Transportation. One such concern to our committee was the Senate provision transferring ownership of the Pentagon from the General Services Administration to the Department of Defense. Without their help we wouldn't have been able to convince the Senate to drop this provision.

The Public Works Committee is very interested in the deplorable physical condition of the Pentagon. In fact, at a committee markup next week, we plan on requiring the General Service Administration to submit to Congress a plan to repair the Pentagon to meet the needs of the Department of Defense.

I am hopeful that this is the beginning of the much needed renovation of the Pentagon. Again, my thanks to Chairman ASPIN and Mr. DICKINSON for all of their help.

Mr. SKAGGS. Mr. Speaker, I want to express some complimentary and some critical thoughts on the conference report on the fiscal year 1990 Defense authorization bill.

While this bill is important to the entire Nation, I want to point out several key sections that will benefit citizens in Colorado and in Colorado's Second Congressional District.

First, the bill contains $2.9 million to fund the June 16 agreement between the Department of Energy [DOE] and the State of Colorado. These funds will provide Colorado with the additional technical and financial support it needs to carry out environmental oversight and monitoring activities at the Rocky Flats plant. In addition, the funds will help accelerate cleanup plans at the plant, and will help pay for new health studies relating to plant operations.

Second, the bill contains $500,000 to help the cities of Arvada, Broomfield, Northglenn, Thornton, and Westminster pay for the special measures they have taken to protect their drinking water supplies from potential contamination from Rocky Flats. The FBI–EPA raid of the plant in June raised serious concerns about contamination and prompted these cities to increase their testing of municipal water supplies to detect any toxic materials that might have originated from the plant. Broomfield also constructed a ditch to divert plant water drainage around Great Western Reservoir, a major source of that city's water supply.

Rocky Flats is a Federal facility and these costs should be a Federal responsibility. This funding means that local taxpayers won't have to pick up the tab for these water protection measures.

Third, the bill contains a provision requiring the Department of Energy, which owns the Rocky Flats plant, to give a higher priority to environment, safety, and health concerns when it awards any kind of bonus to contractors at nuclear weapons plants. I applaud the Department for agreeing to implement this provision immediately—rather than waiting for this bill to become law.

These three provisions are important steps toward improving safety, health, and the environment at Rocky Flats. As the author of these three provisions, I want to state my appreciation for all the help the chairman of the Armed Services Committee gave me in getting these provisions approved and into today's conference report.

I want to mention, however, two provisions that are not in the conference report that I believe would also have made important contributions to improving safety at Rocky Flats and the rest of the Nation's nuclear weapons plants.

First, Secretary Watkins had asked for a temporary ability to hire a limited number of top scientists and managers at wages above those he can now offer under Federal pay rules. He also asked for certain limited, temporary exemptions to Federal dual compensation rules and conflict of interest rules—exemptions that would allow him to hire some top nuclear experts to help DOE turn its program around. I believe these limited and temporary exemptions are warranted, and it's unfortunate they were dropped from the Senate's version of the bill.

Second, there is no provision in the bill to provide for the kind of independent oversight and regulation of the weapons program that is long overdue. I attempted to offer such an amendment to the Defense bill, but the Rules

Committee did not make it in order for floor consideration. I have great respect for the work Secretary Watkins is trying to achieve at the Department, and my call for independent oversight is no reflect on his efforts. However, Secretary Watkins will not always be at the helm of DOE, and I fear that if we do not seize the opportunity soon to set up a technically qualified independent board to regulate the program, the problems at DOE could well come back to haunt us at even greater taxpayer expense.

Mr. BROOMFIELD. Mr. Speaker, I would like to address one particular aspect of the DOD conference that causes me great concern, the 7:10 ratio with regard to Greece and Turkey.

I am very upset that this conference report contains an important policy provision which properly belongs under the jurisdiction of the Committee on Foreign Affairs.

The provision I am referring to is the Southern Flank Program which provides excess defense equipment to countries on NATO's southern flank. The Southern Flank Program is part of the Foreign Assistance Act, and as such is specifically the responsibility of the Committee on Foreign Affairs.

The Senate Armed Services Committee, however, insisted on reauthorizing this program and ignoring the extremely important 7:10 policy language that has been adopted by the full House of Representatives.

The language I am referring to is the traditional 7:10 ratio language which currently governs United States security assistance to Greece and Turkey. The House has consistently supported applying this policy language to both the Southern Flank Program and U.S. security assistance.

As you all know, the Government of Turkey continues to illegally occupy the northern portion of the Island of Cyprus. Despite international opposition to the occupation, Turkey has refused to remove its troops from the island. A policy decision which must be altered.

As a result, I, along with a majority of my colleagues in the House, have applied rigorous attention to preserving the military balance in the eastern Mediterranean. The 7:10 ratio has been the key to our continued pressure on Turkey to remove its troops from Cyprus.

In this regard, the DOD conference, of which I was the senior Foreign Affairs Committee conferee, did not meet at the member level to discuss this important issue.

I strongly object to this procedure and to the final language contained in the conference report.

When Members of this body refuse to shoulder their responsibility to fully and fairly consider major policy decisions, then all of us should be dissatisfied with the process.

As a result, I did not sign the conference report. Every Member should be vigilant that this gross distortion of the legislative process does not occur again.

Mr. JONES of Georgia. Mr. Speaker, I rise in opposition to the conference report on H.R. 2461, the Defense Authorization Act of 1989.

I voted for passage of H.R. 2461 because I believed it provided for a strong, sensible defense. H.R. 2461 put forth the defense priorities of the House in a straightforward manner. Many of the original House provisions have been eliminated in the conference report.

The conference report is very divergent from the authorization the House passed on July 27, 1989. The report provides more funds for the strategic defense initiative and the Stealth Bomber than the House authorized, provides more authorization for the MX and Midgetman missile systems, drops a congressional review of the Stealth Bomber, and eliminates plutonium control guidelines overwhelmingly approved by the House.

The agreement authorizes a total of $1.8 billion for the MX and Midgetman missile programs. These funds can be distributed between the programs as the administration sees fit. The House spoke very clearly when it disapproved of any funding for the Midgetman.

I believe the MX is capable of meeting our defense needs, and provides a strong addition to the triad. The triad works, and is in place, and is strong. Two mobile missiles are redundant. We do not need both. We cannot afford both. We did not authorize both. Yet this report provides both.

At $3.8 billion, SDI is still the largest research program in the Federal Government. This amount represents $729 million more than the House request. This program, with an eroding constituency, receives more research funding than cancer, AIDS, epilepsy, heart disease, or diabetes research. During the past 5 years, we have spent over $17.5 billion on the SDI program. What are we getting for our investment?

The report provides over $540 million more for the B-2 than the original House bill. Funds are included for startup procurement for two more planes than originally provided for, while eliminating a House provision requiring a vote by Congress on a cost-reduction plan for the B-2 before any procurement funds are spent.

The report contains $47 million for the production of binary chemical weapons. The House voted no such authorization.

A modified version of H.R. 2403, the International Plutonium Control Act was included in the final version of H.R. 2461. The amendment called for a U.S.-U.S.S.R. halt to plutonium production. The provision was adopted by a 2-to-1 margin, yet the entire amendment was excluded from the final measure.

Our national priorities demand a sensible and a strong defense. This means much more than military hardware. A strong defense must consist of well-trained men and women, equipped with reliable weapons, together with a well-educated population capable of responsibly directing that force. By devoting such a large portion of our resources to counter an increasingly diminishing threat, the defense budget in itself becomes a threat to our national security. Education of our children must once again be a national priority.

Are we to ignore the historic, dramatic changes taking place in Eastern Europe? This conference report does. The Conventional Forces in Europe [CFE] talks have been unexpectedly productive. The START negotiations hold great promise of a positive conclusion. The Warsaw Pact is weakening, with the non-Communist leaders of Poland suggesting withdrawal. The winds of change are blowing, and we must respond with the kind of leadership that reflects the realities of this changing world.

National security is more than a hodgepodge or exorbitantly expensive weapons systems. National security is built upon a strong economic base, with a healthy, educated population, living in a clean, crime free society. We must be able to compete in an increasingly competitive international marketplace. Let us reinvest in our technological and industrial base, and reinvest in the best work force in world.

We must understand that the defense budget is not a bottomless well from which we can drink to cure our domestic needs. But we must understand that our country faces innumerable needs other than a duplicative mobile missile system, a bloated SDI research effort, and billions for a penetrating bomber whose effectiveness and reliability is unproven. The health care of this country, the environment, the drug epidemic, and our crumbling infrastructure, all demand immediate attention and resources.

H.R. 2641 was the start of a sound, sensible, focused defense. We Americans insist that our defenses be strong. Now it is time to insist on a realistic assessment of the real security needs of America. A vote against this conference report is a vote for a stronger America.

Mr. OWENS of Utah. Mr. Speaker, during consideration of this bill in July, the House voted to delete $47 million in production funds for the 155-millimeter binary chemical weapon shell. The House did this for two reasons: First, to send a strong policy signal to the administration and to CW negotiators in Geneva that this country is serious about chemical arms control, that we are committed, as President Bush said during his campaign, to "banning chemical weapons from the face of the Earth." Second, we voted to delete funding because right now there is nearly $200 million in unspent, unobligated funds for this program, and the Army's production schedule is in shambles.

The language in this conference agreement authorizes an additional $47 million with a production target that not only destroys every trace of a policy statement from the House position, but encourages the Army to churn out as much nerve gas as humanly possible over the next fiscal year, to hurry up and spend the $200 million so that the floodgates can open on an additional $47 million.

The production conditions in this conference agreement, like the Bush administration's decision to continue chemical weapons production even after a global ban, will actually impede progress at the conference on disarmament in Geneva. This conference language demonstrates that Congress has capitulated to a shortsighted policy on chemical arms control and a weapon which is of almost no military value. Today we signal the world that the United States has relinquished its leadership role in chemical weapons disarmament. We will now proceed to produce as many of these deadly weapons as we can before the rest of the world overcomes our intransigence and concludes a global ban. And all that will happen during the greatest year

for the growth of democracy in the entire history of the World. That isn't moral leadership, Mr. Speaker; that isn't even moral followership.

Mr. FRENZEL. Mr. Speaker, I oppose the waivers of the Congressional Budget Act granted to this bill and will, therefore, vote against this bill. There are several significant violations of the Budget Act in this report and I believe these issues should be highlighted so that Members are aware of them when they are asked to vote on this bill which waives the fiscal responsibility called for in the Budget Act. While this bill is only an authorization bill and therefore is supposed to create no spending, I am concerned by the message such a bill will send to our appropriators as they are working on the Defense Appropriations bill which will hopefully come before us in the near future.

This conference report contains several provisions which create new entitlement authority and new budget authority. These provisions will cause the Armed Services Committee to exceed its 302(b) allocations of new entitlement authority and new budget authority in violation of section 302(f)(1) of the Budget Act. The bill also contains several entitlement provisions which will become effective in fiscal year 1991. Since Congress has not yet adopted a budget resolution for fiscal year 1991 these provisions violate section 303(a) of the Budget Act.

I shall only mention one example of these budget violations. Since the House last saw this bill, an additional issue has been incorporated which makes changes in the structure and operation of the Survivors Benefit Plan. This provision violates the Budget Act and stands to cost the Government quite a bit of money over the next several years.

The impact of proposed changes in the Survivors Benefit Plan is that military retirees will pay less in premiums to participate in the program, thereby requiring the Government to pay more. In fiscal year 1990, outlays from the trust fund used to cover these expenses will rise by $67 million. In fiscal year 1991, additional outlays will be somewhere around $101 million.

To fund its contributions to the trust fund that supports this program, DOD will require an additional $173 million in budget authority in fiscal year 1991—a figure that will climb to $213 million by 1994.

Not only am I opposed to the bill on procedural grounds, but I am also opposed to the substance, especially those portions in which the committees reject the administration's proposals for program termination. When the House votes for 12 F-14's, and the Senate votes for none, how can the compromise be 18? Worse, how can anybody have any confidence in a Congress which thinks 18 is an even number between 0 and 12?

I believe the issues I have outlined are all serious ones that will compound our problem of achieving deficit reduction targets in the future. Exceptions granted to one Department seem only to serve to invite other agencies to request the same treatment. Out of respect for the budget process this Congress has created, and a very real concern for our ability to meet future deficit targets, I will vote against this bill and urge my colleagues to do the same.

Mr. PORTER. Mr. Speaker, I disagree with the conference report in several respects, but I would like to take my time to highlight the provisions in the bill relating to our chemical weapons modernization program and congressional policy on the chemical weapons talks ongoing in Geneva.

The conference report rightly contains no new money for the Bigeye binary chemical weapon program, and does not lower the fences that have been built around this much-troubled and highly questionable program. For the 155mm chemical weapons artillery shell, $47 million has been authorized, yet it will certainly not be spent in fiscal year 1990 and perhaps not for several years down the road. Fences have been appropriately provided around this program to ensure that past moneys are spent and production problems solved before new moneys are obligated, and the GAO must so certify before the new money is spent.

The conference report also include money contained in both the House and the Senate versions totaling $15 million for chemical weapons verification. This money is perhaps the best money we can spend in the area of chemical weapons, because with it we can create the technology necessary to ensure that the treaty being negotiated in Geneva can be verifiable to the degree that secures U.S. interests.

Just this morning, Sweden Ambassador to the Conference on Disarmament explained to me that the technology now exists to detect any remnants of chemical weapons production in facilities ostensibly designed for civilian chemical production. This ability will help ensure that there is no cheating against a ban on production.

The conference report also includes sense of the Congress language authored by myself and our colleague MARGE ROUKEMA, and adopted by the House 414 to 4, stating that the conclusion of a chemical weapons treaty should be at the top of our Nation's arms control priorities, and urges the President to continue to stay actively and personally involved in these important negotiations.

While I am pleased that the provision on money for our binary program have been tightly restricted, I must say that it does our country much harm at the negotiating table in Geneva to be going ahead on a policy level with new production. President Bush's speech at the UN, and the agreements reached at the Wyoming meeting between Secretary Baker and Mr. Shevardnadze all were important in showing personal leadership on the President's behalf and the commitment of this country to lead the way to a worldwide ban on the production, use, and stockpiling of chemical weapons.

Media reports, however, indicate that the administration is considering a policy that would provide for continued U.S. production after the entry into force of a chemical weapons treaty. Such a policy goes against the current rolling draft at the negotiations and the proposal tabled by then-Vice President Bush in 1984. Negotiators at Geneva are sending one message loud and clear: U.S. production now hinders the ability of our negotiators to convince other countries that we are sincere in our desire for a treaty. U.S. commitment to continue to produce after the treaty is signed would effectively kill any chance for success in Geneva.

The language in the bill clearly states congressional desire for a chemical weapons treaty. I urge the President to continue to show leadership in accord with this sentiment and set in motion a policy that will allow for the speedy completion of a good treaty on chemical weapons in Geneva.

Mr. YATRON. Mr. Speaker, as a member of the Foreign Affairs Committee and a conferee for the foreign policy provisions of the Department of Defense authorization bill, I rise to express my reservations about the southern flank provision in the conference report.

The conference report includes a Senate amendment, modified at conference, which extends the administration's authority to transfer excess Defense equipment for the modernization of the defense capabilities of members of NATO's southern flank. This provision was motivated by the administration's desire to circumvent the traditional 10-to-7 ratio that Congress annually attaches to the southern flank program for Greece and Turkey.

Mr. Speaker, while I will vote for the conference report, I have strong reservations about the way this provision was considered for legislative and substantive, foreign policy reasons.

First, from a procedural standpoint, this provision has no place being in the DOD bill. It is an amendment to section 516(A) of the Foreign Assistance Act of 1961. Incorporating foreign aid authorization language on a defense authorization bill does not comport with proper legislative procedure. Further, this amendment extends the program without the foreign policy guidelines which have been enacted annually since this program's inception.

From a policy standpoint, the Senate amendment seeks to make military decisions without any concern for the larger foreign policy issues confronting the United States in the Eastern Mediterranean. Since repealing the embargo against Turkey for its invasion of Cyprus in 1974, Congress has attached the 10-to-7 ratio to our assistance programs for Turkey and Greece. This ratio couples our policy toward Turkey to Ankara's occupation of Cyprus. Since Turkey has not withdrawn its forces, I see no reason to move away from the ratio.

Fortunately, through the leadership efforts of Congressmen BROOMFIELD and MAVROULES, the adminstration's authority for this program was reduced to 2 years and legislative guidelines were included. But the conference did not afford foreign policy conferees the opportunity to resolve this issue at members level with our Senate counterparts and consequently the ratio language was not included.

Mr. Speaker, I would hope that we can avoid this jurisdictional conflict in the future and that this program will remain exclusively under the Foreign Affairs Committee's authorization process.

Mr. GOSS. Mr. Speaker, I rise in opposition to the conference report on the Defense au-

thorization bill and ask unanimous consent to revise and extend my remarks.

The defense of this Nation is the most important responsibility facing the Federal Government. For without a strong defense, we cannot be certain of protecting the principles that makes this great Nation the symbol of freedom and opportunity in the world. As an individual who has served this Nation for 12 years in positions where I had an opportunity to view first hand many of the threats to our fundamental freedoms posed by hostile forces in a dangerous world, it is with great disappointment that I view this conference report on Defense authorization.

This legislation, I must admit, is an improvement over the version which passed the House in July. However, many of the problems which compelled me to vote against that bill remain unresolved to my satisfaction.

The legislation in its current form lacks a strategic vision for our national defense. The further reductions in the strategic defense initiative threaten to delay the development of this vitally important system. The compromise on the Midgetman and MX missile systems is an improvement over the original House language yet basic questions as to the strategic priority of these systems remain unresolved.

Many of the important decisions on weapons systems, both strategic and conventional, are based on pork-barrel politics and not on the merits or strategic necessities of the systems. The defense of this Nation should remain above the politics of pork. Unfortunately, this is not the case in this bill.

The taxpayers of America are being asked to fund over $300 billion for defense. It is not unreasonable, in my opinion, that we require that they get full value for their dollars.

Full value means that every weapon system should be funded on its merits and military value and not on the basis of the geographic location of the facilities producing the product. This type of pork-barrel politics is unconscionable because it places the jobs of a few workers ahead of the security needs of this country.

Secretary Cheney has done a commendable job of making the tough decisions on which weapons systems to reduce or eliminate and which systems to upgrade or develop. His plan was both strategically sound and budgetarily realistic. For the first time in recent years, the Defense Department actually recommended reductions or elimination of some weapons systems. Yet this House and the conferees have seen fit to restore most of these unnecessary systems while cutting more vital strategic systems for pork-barrel reasons.

I remain committed to the strongest, most viable national defense that we can afford. I also believe that any errors we make must be on the side of security and preparedness. However, I cannot support the Defense authorization bill in its current form.

Mr. DORGAN of North Dakota. Mr. Speaker, I rise reluctantly to oppose the conference report on H.R. 2461, the Defense authorization bill for fiscal year 1990.

My reluctance stems from my hope that this conference report would reflect the priorities which I favored in the form of the House-passed version of the bill. I voted for that bill because we made the tough choices.

We cut the strategic defense initiative by $1.8 billion, realizing that the Pentagon had never demonstrated how we could make an antimissile system work effectively, at a reasonable cost, and in accord with existing and anticipated arms control treaties. We eliminated funding for the Midgetman missile, recognizing that we could afford only one new missile system. We reduced and fenced funding for the Stealth bomber until the Defense Department could produce a cost reduction plan, which we required in order to contain the soaring costs of the bomber.

By contrast, the conference agreement adds back $700 million for the SDI antimissile system. It restores funding of $400 million for the strategic missile program and gives the President discretion on how to divide funds between the MX and Midgetman programs. It increases funding for the Stealth bomber by $540 million above the House level at the same time it removes the requirement for a vitally needed cost control plan.

These funding increases alone total over $1.6 billion. More importantly, these additions portend billions more in future spending on programs which we simply can't afford—especially without the House-approved cost containment measures.

I should undescore that I don't lay any blame for this at the feet of the House conferees. Chairman ASPIN, in particular, made a strenuous effort to retain the more moderate position of the House on these issues. It's to his credit that the conference report includes several management restrictions on Stealth funding. However, the Bush administration insisted on its unrealistic weapons programs. Likewise, I commend the chairman for advancing House initiatives on military child care and personnel and for insisting on House language to have Japan increase its share of mutual defense costs.

However, I reiterate that I must oppose the conference report in its present form and urge my colleagues to seek changes in line with the House position. As we seek the resources for a strong defense, we must also make the tough choices that bolster our total national security.

Mr. GALLO. Mr. Speaker, because of my consistent support for a strong national defense, I will vote today against the Defense authorization conference report which has been presented to the House for consideration.

A strong national defense is one which is adequately funded, properly focused, and thoughtfully implemented. This conference report does not meet these tests.

The report does not provide adequate funding where needed. It cuts funding below President Bush's request for important programs such as the strategic defense initiative, the Stealth bomber, and the modernization of the land-based leg of our strategic triad. Overall, this bill represents—for the fifth straight year—a decline in real terms in our support of the national defense.

The report does not properly focus on our priorities. Secretary Cheney was bold and courageous in trying, earlier this year, to bring a sense of focus to our national defense policy. He proposed cuts in some favorite weapons programs, and he took a lot of heat for doing so. But this report restores funding for many of the programs he sought to cut. How can Members who complain of a bloated defense budget possibly justify their complaints when they seek to spend money merely to address their own particular interests.

This report does not encourage thoughtful implementation of our defense program. Rather than authorizing funding of both the MX and the Midgetman systems, we ought to make a choice. Without making that choice, these systems will take on a life of their own. Eventually, we will get to the point of continuing funding because we have already spent so much, and that is neither thoughtful or responsible.

This report has come a long way from the version passed by the House earlier this year, but it has not gone far enough. To argue that the report is much better than the bill the House passed in July is to damn it with the faintest praise. I cannot vote for this report because I believe it does not represent the criteria I have suggested earlier—it is inadequately funded, not properly focused, and does not encourage thoughtful implementation of our national defense strategy.

Mr. ASPIN. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. COLEMAN of Texas). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BENNETT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 236, nays 172, not voting 25, as follows:

[Roll No. 343]

YEAS—236

Ackerman	Borski	Coughlin
Akaka	Boucher	Coyne
Alexander	Brennan	Dannemeyer
Anderson	Browder	Darden
Andrews	Bruce	Davis
Annunzio	Buechner	de la Garza
Anthony	Bustamante	Derrick
Aspin	Byron	Dickinson
Atkins	Callahan	Dicks
Baker	Cardin	Dingell
Ballenger	Carper	Donnelly
Barnard	Carr	Downey
Bartlett	Chandler	Duncan
Barton	Chapman	Dyson
Bateman	Clarke	Emerson
Bentley	Clinger	Engel
Bereuter	Coble	English
Bevill	Coleman (MO)	Erdreich
Bilbray	Coleman (TX)	Espy
Bliley	Condit	Fascell
Boehlert	Conte	Fawell
Boggs	Cooper	Fazio
Bonior	Costello	Fish

Foglietta	Lewis (FL)	Ritter
Ford (MI)	Livingston	Robinson
Ford (TN)	Lloyd	Rohrabacher
Frost	Long	Ros-Lehtinen
Gallegly	Lowery (CA)	Rose
Gaydos	Lowey (NY)	Rostenkowski
Gejdenson	Manton	Rowland (CT)
Gephardt	Markey	Rowland (GA)
Geren	Marlenee	Sabo
Gibbons	Martin (NY)	Saiki
Gilman	Martinez	Sarpalius
Glickman	Mavroules	Sawyer
Gonzalez	Mazzoli	Scheuer
Goodling	McCloskey	Schiff
Gordon	McCrery	Schumer
Gradison	McCurdy	Sharp
Grant	McDade	Shaw
Guarini	McGrath	Shuster
Gunderson	McHugh	Sisisky
Hall (OH)	McMillan (NC)	Skeen
Hall (TX)	McMillen (MD)	Skelton
Hamilton	McNulty	Slaughter (NY)
Hammerschmidt	Meyers	Slaughter (VA)
Hansen	Mfume	Smith (NE)
Harris	Michel	Smith (TX)
Hastert	Miller (OH)	Solarz
Hatcher	Miller (WA)	Solomon
Hayes (LA)	Moakley	Spence
Hefner	Mollohan	Spratt
Hiler	Montgomery	Staggers
Hoagland	Moorhead	Stallings
Hochbrueckner	Morella	Sundquist
Holloway	Morrison (CT)	Swift
Horton	Morrison (WA)	Synar
Houghton	Mrazek	Tallon
Hoyer	Murtha	Tanner
Huckaby	Myers	Tauzin
Hutto	Natcher	Taylor
Hyde	Neal (NC)	Thomas (GA)
Ireland	Nelson	Thomas (WY)
James	Nielson	Torres
Johnson (CT)	Olin	Torricelli
Jones (NC)	Ortiz	Traxler
Kanjorski	Oxley	Udall
Kaptur	Parker	Upton
Kennelly	Parris	Volkmer
Kostmayer	Pashayan	Vucanovich
LaFalce	Patterson	Walsh
Lagomarsino	Payne (VA)	Watkins
Lancaster	Pickett	Weldon
Lantos	Pickle	Whitten
Laughlin	Price	Wise
Leath (TX)	Ravenel	Wolf
Lehman (FL)	Ray	Yatron
Lent	Rhodes	Young (AK)
Lewis (CA)	Richardson	

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Applegate	Eckart	Lehman (CA)
Archer	Evans	Levin (MI)
Armey	Fields	Levine (CA)
AuCoin	Flake	Lewis (GA)
Bates	Frank	Lightfoot
Bellenson	Frenzel	Luken, Thomas
Bennett	Gallo	Machtley
Berman	Gekas	Madigan
Bilirakis	Gillmor	Martin (IL)
Bosco	Gingrich	Matsui
Boxer	Goss	McCandless
Brown (CA)	Grandy	McCollum
Brown (CO)	Green	McDermott
Bunning	Hancock	McEwen
Campbell (CA)	Hawkins	Miller (CA)
Campbell (CO)	Hayes (IL)	Mineta
Clay	Hefley	Moody
Clement	Henry	Murphy
Collins	Herger	Nagle
Combest	Hertel	Neal (MA)
Conyers	Hopkins	Nowak
Cox	Hubbard	Oakar
Craig	Hughes	Oberstar
Crane	Hunter	Obey
Crockett	Inhofe	Owens (NY)
DeFazio	Jacobs	Owens (UT)
DeLay	Johnson (SD)	Packard
Dellums	Jones (GA)	Pallone
DeWine	Jontz	Panetta
Dixon	Kasich	Paxon
Dorgan (ND)	Kastenmeier	Pease
Dornan (CA)	Kennedy	Pelosi
Douglas	Kildee	Penny
Dreier	Kleczka	Perkins
Durbin	Kolbe	Petri
Dwyer	Kolter	Porter
Early	Kyl	Poshard
Pursell	Sikorski	Traficant
Rahall	Skaggs	Unsoeld
Rangel	Slattery	Valentine
Regula	Smith (FL)	Vander Jagt
Ridge	Smith (NJ)	Vento
Rinaldo	Smith (VT)	Visclosky
Roberts	Smith, Denny (OR)	Walgren
Rogers	Smith, Robert (NH)	Walker
Roth	Smith, Robert (OR)	Waxman
Roukema	Snowe	Weber
Roybal	Stangeland	Weiss
Russo	Stark	Wheat
Sangmeister	Stearns	Whittaker
Savage	Stokes	Williams
Saxton	Studds	Wilson
Schneider	Stump	Wolpe
Schroeder	Tauke	Wyden
Schuette	Thomas (CA)	Wylie
Schulze	Towns	Yates
Sensenbrenner		Young (FL)
Shays		
Shumway		

NOT VOTING—25

Brooks	Flippo	Molinari
Broomfield	Florio	Payne (NJ)
Bryant	Garcia	Quillen
Burton	Gray	Roe
Courter	Jenkins	Schaefer
Dymally	Johnston	Smith (IA)
Edwards (CA)	Leach (IA)	Stenholm
Edwards (OK)	Lipinski	
Feighan	Lukens, Donald	

□ 1355

The Clerk announced the following pairs:

On this vote:

Mr. Quillen for, with Mr. Edwards of California against.

Mr. Flippo for, with Mr. Dymally against.

Mr. Stenholm for, with Mr. Payne of New Jersey against.

Messrs. LEHMAN of California, MATSUI, SKAGGS, FLAKE, DIXON, and WALGREN, and Ms. OAKAR changed their vote from "yea" to "nay."

Messrs. KOSTMAYER, MARTINEZ, and CHANDLER changed their vote from "nay" to "yea."

Mr. WILSON changed his vote from "present" to "nay."

Messrs. COLEMAN of Texas, FROST, PICKLE, CHAPMAN, and DE LA GARZA changed their vote from "present" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the conference report on the bill, H.R. 2461.

The SPEAKER pro tempore (Mr. COLEMAN of Texas). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

DIRECTING THE CLERK TO MAKE CORRECTIONS IN ENROLLMENT OF H.R. 2461, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1990 AND 1991

Mr. ASPIN. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 225) directing the Clerk of the House of Representatives to make technical corrections in the enrollment of the bill (H.R. 2461) to authorize appropriations for fiscal year 1990 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, and I ask for unanimous consent for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the concurrent resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 225

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill (H.R. 2461) to authorize appropriations for fiscal year 1990 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

(1) Amend the title so as to read: "An Act to authorize appropriations for fiscal years 1990 and 1991 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes.".

(2) In sections 202(a), 203, and 216(a), insert "authorized to be" before "appropriated pursuant to section 201".

(3) Amend section 166 to read as follows (and conform the table of contents in section 2(b) accordingly):

SEC. 166. LIMITATION ON FUNDS FOR PROCUREMENT OF F-16 AIRCRAFT PENDING APPROVAL OF CERTAIN PLANS RESPECTING AIR-LAND FIRE SUPPORT FOR GROUND COMBAT FORCES

(a) LIMITATION ON EXPENDITURES FOR F-16 AIRCRAFT.—If by April 1, 1990, the Secretary of Defense does not submit to the congressional defense committees a report in writing containing a certification described in subsection (b), then after that date funds appropriated pursuant to this Act may not be expended for the procurement of F-16 aircraft until such a report is submitted to those committees.

(b) CERTIFICATION.—A certification referred to in subsection (a) is a certification by the Secretary of Defense of both of the following:

(1) That the Director of Operational Test and Evaluation of the Department of Defense—

(A) has approved a test plan for the evaluation of systems for providing air-land fire support for ground combat forces systems that is sufficiently flexible to allow for eval-

uation of any current system and any feasible future system for such purpose; and

(B) has approved a test plan for the evaluation of both the upgrade program proposed for the F-16 aircraft and the upgrade program proposed for the A-10 aircraft for close air support (including night time operations).

(2) That any fixed-wing aircraft operated after July 1, 1990, at the National Training Center at Fort Irwin, California, will be fully integrated into the range instrumentation system to the same extent as attack helicopters.

Mr. ASPIN (during the reading). Mr. Speaker, I ask unanimous consent that the concurrent resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Wisconsin?

Mr. DICKINSON. Mr. Speaker, reserving the right to object, it is my intention to yield to the chairman, the gentleman from Wisconsin, so that he might explain the reason for his unanimous-consent request. I yield to the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Speaker, I thank the gentleman from Alabama for yielding to me.

The resolution just before us would make technical corrections in the enrollment of the Defense Authorization Act as reported by the committee on the conference and adopted by the House.

Mr. DICKINSON. Mr. Speaker, I remember the long hours that it took to put this bill together, and if the staff has determined that we need to make some technical adjustments, I would hope that there is no objection.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER pro tempore. The question is on the concurrent resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION AS MEMBER OF COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. MICHEL. Mr. Speaker, I offer a privileged resolution (H. Res. 286) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 286

Resolved, That Representative Ravenel of South Carolina be and he is hereby elected to the Committee on Merchant Marine and Fisheries.

The resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1400

PERMISSION TO HAVE UNTIL MIDNIGHT SATURDAY, NOVEMBER 11, 1989, TO FILE CONFERENCE REPORT ON H.R. 2939, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1990

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight Saturday, November 11, 1989, to file a conference report on the bill (H.R. 2939) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1990, and for other purposes.

The SPEAKER pro tempore (Mr. COLEMAN of Texas). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT OF COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO SIT DURING 5-MINUTE RULE TODAY

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs be permitted to sit today during the session of the House while it is proceeding under the 5-minute rule.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DIRECTING THE CLERK TO REQUEST RETURN OF MESSAGE ON SENATE JOINT RESOLUTION 216

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Clerk be directed to request the Senate to return to the House of Representatives the message on the joint resolution (S.J. Res. 216).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PERSONAL EXPLANATION

Mr. WEISS. Mr. Speaker, on November 7, I was unavoidably absent. Had I been present, I would have voted as follows: Rollcall 334, yea; rollcall 335, yea; and rollcall 336, yea.

OIL POLLUTION, PREVENTION, RESPONSE, LIABILITY, AND COMPENSATION ACT OF 1989

The SPEAKER pro tempore. Pursuant to House Resolution 277 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1465.

□ 1401

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1465) to establish limitations on liability for damages resulting from oil pollution, to establish a fund for the payment of compensation for such damages, and for other purposes, with Mr. LANCASTER (Chairman pro tempore) in the chair.

The clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Wednesday, November 8, 1989, the amendment offered by the gentleman from California [Mr. MILLER] had been disposed of.

Title I is open for amendment at any point. Are there further amendments to title I?

AMENDMENT OFFERED BY MR. STUDDS

Mr. STUDDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STUDDS: On page 21, Section 1004(c)(2)(C) is amended as follows: on lines 16 and 17, strike "for vessels transporting oil to deepwater ports and"; and on lines 18 and 19, strike "With respect to deepwater ports, the" and insert in lieu thereof "The".

Mr. STUDDS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. STUDDS. Mr. Chairman, in contrast with the closing hours of yesterday's debate, we are going to at least begin today with some relative tranquility and noncontroversial amendments.

Mr. Chairman, this is a simple amendment, designed to correct what I think is an obvious flaw in the bill as it now reads.

Under the bill, the Secretary of Transportation is directed to study the relative operational and environmental risks of having tankers use deepwater ports, as opposed to other ports. If the Secretary concludes that it is indeed safer, he is directed to lower the limit on oil pollution liability for any vessel that is transporting oil to a deepwater port. In fact, the Secretary

has the authority, under the bill, to lower that limit to zero.

This makes no sense. Lowering the limit on liability for the deepwater port, itself, is one thing. But a vessel is a vessel is a vessel. Even if a deepwater port is safer than a regular port, the process of getting oil to that port over a distance of hundreds or thousands of miles of ocean is just as hazardous.

My amendment does not delete the study into the safety of deepwater ports.

It does not delete the authority of the Secretary to lower the limit on liability for the deepwater port itself.

But it would strike the authority to lower the liability limit for vessels that have not yet reached the deepwater port; vessels that are as much the potential victims of storm or accident or human error at sea as any other vessel.

Equal risk; equal limits on liability. That is the principle we have attempted to achieve throughout this legislation. And that is the principle that this simple, but nevertheless important amendment seeks to uphold.

Mr. JONES of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I am happy to yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. Mr. Chairman, the Committee on Merchant Marine and Fisheries accepts the gentleman's amendment and has no opposition to it.

Mr. STUDDS. Mr. Chairman, I thank the gentleman. I know of no opposition to the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. STUDDS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. STUDDS

Mr. STUDDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STUDDS:

SECTION 1. On page 28, line 22, section 1006(f) is amended by inserting after "shall be retained by the trustee" the phrase "in a revolving trust account".

Mr. STUDDS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. STUDDS. Mr. Chairman, this is virtually a technical amendment, designed to clarify the intent of the Congress on one important point.

Under the bill, a natural resource trustee is entitled to sue to recover damages inflicted by an oilspill upon resources under the control of that trustee. The trustee is then directed to use the amounts recovered to provide for the restoration or replacement of the damaged resources.

My amendment simply makes it clear that the sums recovered are to be placed in a revolving trust account to be available to the trustee to carry out the purposes of the bill.

It is, I think, a noncontroversial amendment, and I hope that it will be acceptable to all sides.

Mr. ANDERSON. Mr. Chairman, I rise in support of the gentleman's amendment. The bill as currently written requires that trustees are to retain funds recovered for damage to natural resources and use them to restore environmental damages caused by the spills. This amendment clarifies that the funds are to be retained in a revolving trust account. It is my understanding that funds would be deposited into these accounts and then could be used by the trustee for the purposes of restoring, replacing, rehabilitating or acquiring the equivalent of the natural resource damaged by the oilspill.

I support the gentleman's amendment.

Mr. JONES of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I am happy to yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. Mr. Chairman, the Committee on Merchant Marine and Fisheries has no objection and approves the bill with the amendment.

Mr. STUDDS. Mr. Chairman, I thank the gentleman.

Mr. NOWAK. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I am happy to yield to the gentleman from New York.

Mr. NOWAK. Mr. Chairman, I rise in support of the gentleman's amendment. The money that the Government gains for damages to natural resources should be used to restore these resources. The revolving fund is a very good method to ensure that the money is available to be appropriately spent.

Mr. Chairman, I think this is an excellent addition to the scheme in the bill, and I urge my colleagues to support it.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. STUDDS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. STUDDS

Mr. STUDDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STUDDS: In section 1003 (a), the first sentence is amended by striking "Except when the responsible party has failed or refused to report the incident as required by law and the responsible party knows or has reason to know of the incident, there is no liability for any person"; and inserting in lieu thereof "Except as provided in subsection (c), there is no liability for a reponsible party".

Section 1003 is amended by adding at the end thereof the following new subsection (c):

"(c) Subsection (a) does not apply with respect to a responsible party who fails or refuses—

(A) to report the incident as required by law and the responsible party knows or has reason to know of the incident;

(B) to provide all reasonable cooperation and assistance requested by a responsible official in connection with removal activities; or

(C) without sufficient cause, to comply with an order issued under subsections 311(c) or (e) of the Federal Water Pollution Control Act."

Section 1004(c)(2)(C) is amended by striking "section 311(e)" and inserting in lieu thereof "subsections 311(c) or (e)".

Mr. STUDDS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. STUDDS. Mr. Chairman, this amendment is intended to correct an oversight in the bill.

Under the bill, as written, the operator of an oil tanker could conceivably escape any liability whatsoever for an oilspill from that tanker, even if the operator ignores or disobeys a direct order from the President to help clean that spill up.

Under my amendment, the owner or operator of the tanker will have an obligation to cooperate in responding to the spill, no matter what the circumstances might be. Even if the spill results entirely from an act of God, or from the action of some third party, I believe—and my amendment requires—that the tanker or facility owner help respond to the spill, and that he obey instructions from the appropriate Federal or State official pursuant to the National Contingency Plan.

The purpose of the amendment is to make certain that, whenever there is an oilspill, there is an incentive for those who are on the scene to do everything possible, as quickly as possible, to respond to the spill, to limit the damage, to protect natural resources, and to obey the orders of the government officials who are in charge.

Mr. JONES of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I am happy to yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. Mr. Chairman, the Committee on Merchant Marine and Fisheries has studied the amendment. We have no objection, and we support the gentleman's amendment.

Mr. NOWAK. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I am happy to yield to the gentleman from New York.

Mr. NOWAK. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, certainly we do also rise in support. I think this is an amendment which creates added incentives for spillers to work swiftly and closely with spill cleanup authorities.

I urge my colleagues to support it.

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I am happy to yield to the gentleman from Michigan.

Mr. DAVIS. Mr. Chairman, the minority side supports the amendment.

Mr. ANDERSON. Mr. Chairman, I rise in support of the gentleman's amendment. The amendment would provide that a responsible party could not invoke the defenses to liability provided in the bill—that the incident was caused by an act of God, and act of war, or the act of a third party—if he does not report the spill as required in the bill, provide reasonable cooperation and assistance in connection with removal activities, or without sufficient cause comply with an order issued under 311(c) or (e) of the Federal Water Pollution Control Act. The bill already provides that the liability limits contained in the bill do not apply for these reasons and we feel it is appropriate to require the responsible party to comply with his obligations under the Oilspill Act if he seeks to invoke a defense to his liability.

I support the gentleman's amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. STUDDS].

The amendment was agreed to.

The CHAIRMAN pro tempore. Are there further amendments to title I?

AMENDMENT OFFERED BY MR. CHANDLER

Mr. CHANDLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CHANDLER: Page 16, after line 12, insert the following new subsection:

(c) TUG ESCORTS IN PUGET SOUND.—Subsections (a) and (b) do not apply if the incident occurs in the body of water between Port Angeles, Washington, and Vancouver, British Columbia, Canada, and the responsible party is a tank vessel with a capacity over 40,000 deadweight tons which entered such body of water through the southern portion of the Strait of Juan de Fuca and, while in such body of water, is not escorted by a tugboat.

Page 19, after line 23, insert the following new paragraph:

(3) TUG ESCORTS OF TANK VESSELS IN PUGET SOUND.—Subsection (a) does not apply if the incident occurs in the body of water between Port Angeles, Washington, and Vancouver, British Columbia, Canada, and the responsible party is a tank vessel with a capacity over 40,000 deadweight tons which entered such body of water through the southern portion of the Strait of Juan de Fuca and, while in such body of water, is not escorted by a tugboat.

Mr. CHANDLER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. CHANDLER. Mr. Chairman, if I could draw everyone's attention to a map of the State of Washington and the area about which we are speaking. This is the State of Washington here and Vancouver Island. This forms the Strait of Juan de Fuca. When a tanker headed for either a Washington State refinery or for Vancouver, British Columbia, and a refinery there, enters the sound, it must do so through the Strait of Juan de Fuca. If that tanker is headed for a Washington State port and a refinery, it must, by virtue of Washington State law, have a tug escort, a tug escort which we are absolutely certain has in the past prevented accidents, accidents like the one in Prince William Sound.

However, if that tanker comes in through the Strait of Juan de Fuca and goes to Canada, then no State law requires a tug escort. They can and do traverse this area without the benefit of a tug escort.

The amendment that my colleague, the gentleman from Washington [Mr. SWIFT], and I have offered today cannot and does not require a tug escort. But what it does do is, it says:

If you, the operator of that tanker or the owner of the oil aboard the tanker, run the risk of traversing this very narrow area, this very narrow water with some of the most incredible beauty in the entire world let alone the Nation, if you are willing to run that risk, then you are per se negligent if something happens and you damage any of this area with an oil spill.

I know this is not a perfect amendment. This is not the best way to go about it. We will follow with an amendment later which will ask the Secretary of State to negotiate with the Canadians to get a bilateral agreement requiring a tug escort in any part of the waters.

□ 1410

For now, what we are saying is there is no requirement for a tug escort, but if someone decided that they are going to go without a tug escort, then they go without any of the protections of this bill if a spill occurs, regardless of the cause, even if it is considered to be an act of God.

I urge my colleagues to support this amendment. If Members have ever seen this area, they will know how strongly those of us who represent the State of Washington feel about this part of the world. It is an area that if it were damaged would be the most incredible blow to the people of our State and to our country. The Members who represent it I think has the privilege of representing the most beautiful congressional district in the country, and the San Juan islands are the primary reason for that.

Let us run not even the slightest risk of allowing the smallest spill to occur in this area. Please support the Chandler-Swift amendment.

Mr. Chairman, I have an amendment at the desk.

Mr. Chairman, under Washington State law, tugboat escorts are currently required for tankers heading to Washington ports. This responsible requirement has significantly decreased the risk of a Valdez type incident in this highly sensitive, fragile environment.

Because Puget Sound is virtually landlocked, a spill the fraction of the size that devastated Prince William Sound would have a much larger impact there.

When tankers are bound for Vancouver, Canada, and travel through the Canadian side of the border, they are effectively able to avoid the requirement for a tugboat escort—even though United States shoreline is endangered in the event of a spill.

My amendment will help ensure that all oil tankers entering Puget Sound via the Strait of Juan de Fuca and then turning into Haro Strait will have a tugboat escort regardless of their final destination.

Under the amendment, tankers weighing over 40,000 deadweight tons which choose to enter Puget Sound without a tugboat escort would forgo the liability protection provided under H.R. 1465, and in the event of a spill would be per se negligent.

Picking up the tugboat escort is optional—so no infringement of Canadian sovereignty is at issue—but if there is an accident, the shipper and owner of cargo will be fully liable for all damages.

Under these circumstances, the vast majority of ships passing through Haro Strait would elect to pick up a tugboat escort.

According to the U.S. Coast Guard 250 large vessels pass through this area each month, and 21 of them are oil tankers.

There is no specific speed restriction in this part of the sound, and while there has never been a major oilspill there, Prince William Sound could boast the same record just a year ago.

While it would be inappropriate to mandate escort requirements on both sides of the international boundary, there is no reason to reward negligence by providing liability caps to tankers which endanger this sensitive area without appropriate escort.

This amendment has the enthusiastic support of numerous wildlife and environmental organizations, as well as my colleague from Washington, Mr. SWIFT, whose district includes this part of Puget Sound. There is also full support from the Washington delegation for the measure, and I urge the House to support it.

Mr. SWIFT. Mr. Chairman, I rise in support of the amendment. I thank my colleague from Washington State for initiating it.

Mr. Chairman, I would like to put this in kind of an international context. I share a border with Canada, have lived on that border for 30 years, and I do not join some who like to get into Canada-bashing simply because it is across the border. As two nations,

we are like members of a family, those two nations at least, in that we sometimes get on each others' nerves.

What we have found traditionally is that simply some frank talk, dispassionate talks can clarify some of those issues. The Canadians have some concerns with some of our environmental policies in this country, and as someone who has been working very hard on the Clean Air Act, I am particularly sensitive to the Canadian concerns with acid rain, which is generated in portions of this country and deposited on portions of their country. They are concerned about that. We had here in this Chamber the Prime Minister of Canada discuss that particular issue and urge this country to take action here so that we would not inadvertently damage the environment of their country, not an illegitimate point of view, in my judgment.

But sometimes I think we get the impression, we Americans, that we are the only ones who sometimes make errors or sometimes are insensitive, and it is simply not true. Here is an excellent instance in which certain practices by the Canadians are different from ours. We have placed our requirements for tug escorts in place specifically to protect the environment of the Upper Puget Sound area, and we would really appreciate enormously if the Canadians would simply agree to essentially the same quite modest requirements.

Years and years ago when we opened up the oil fields in Alaska, western Canadians were very concerned about American tankers coming down their west coast. They did not look 3,000 miles to their east in which many tankers were going up our east coast and through the shorelines of our New England to bring petroleum supplies to eastern Canada. Neither of those instances make either nation bad folks.

What I am simply suggesting is it is always a little easier to see how you are being harmed, and it is harder to see how you may unintentionally be harming someone else. We are not offering this in any way to be critical of Canada or to cause any problems with our neighbor to the north. We do think, however, that it is appropriate that we point out that this small gesture on their part would really be of enormous help to us in preserving and adding additional protection to the environment of Puget Sound.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. SWIFT. I am happy to yield to my colleague from Washington.

Mr. DICKS. Mr. Chairman, I appreciate the gentleman yielding. I just want to rise in support of the Chandler-Swift amendment. I think this is a very creative idea.

We have had tug escorts, as both gentlemen from the State of Washington have mentioned. It has worked very, very effectively.

I see that my colleague from Alaska is here, and having been up to Prince William Sound, I just wish that that night at midnight we had had tug escorts on the *Exxon Valdez.* If we had, I think that accident more than likely would not have happened.

I just would hope that our colleagues will go along with this amendment. I think it is an extraordinarily good idea, and I would urge the committee to accept this very thoughtful amendment.

Mr. SWIFT. I thank the gentleman, and I urge my colleagues to support the amendment.

Mr. YOUNG of Alaska. Mr. Chairman, I move to strike the last word and I rise in support of the amendment.

Mr. Chairman, already in this bill there is a provision called Prince William Sound, and it is my bill actually in the big bill that has the same identical language that the gentleman from Washington [Mr. CHANDLER] has put in.

I do hope all of my colleagues understand though that this is going to be an additional cost, and I hope that your people will be willing to bear that cost of transportation. Tugs do not come cheap. Escort vessels do not come cheap.

We have done that voluntarily in our State right now, and as the gentleman from Washington mentioned, I wish it had been there on March 24.

This last month, we had a vessel lose power in the middle of the straits, again one of our larger tankers, and because we did have the tugboat and the escort vessel availability there, we were able to man the vessel until power was restored.

So I want to compliment the gentleman from Washington and all of the Washington delegation, which does not happen too often, on an amendment which I think makes a great deal of sense, and I do strongly support this.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I appreciate the gentleman yielding. I would just say, as the gentleman has suggested, there is a cost. When we look at the cost that is avoided, and no one knows this better than the gentleman from Alaska, if we can avoid an accident, avoid a mistake, and the same thing is true for vessel traffic control, in which the gentleman has been a leader on that subject, our vessel traffic control system which we are now expanding in Puget Sound, those two things together I think really work to create a much safer situation.

Mr. YOUNG of Alaska. Absolutely. And one thing that has bothered me in some of the recent amendments that have addressed in this legislation is that they apply and we are looking at the aftereffects of a spill, and what we have to keep an eye on is the prevention of the spill, and this is an amendment that does that. The rest of the bill has already also done that, thanks to the gentleman from North Carolina, Mr. JONES' leadership, and we had a bill that prevented spills, and now we have a point where it goes beyond that. But this amendment is a good amendment, and I urge my colleagues to support it.

Mr. NOWAK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, after listening to the discussion, and we have looked at this amendment, the Committee on Public Works and Transportation has looked at the broad base of the bill, which was described in the general debate as preventing oilspills, and the occurring damage after oilspills. If we look at this tugboat safety issue, it really falls within the vessel tracking system analysis that is in the bill, and we would hope that all areas look at increased tugboat escorts as well as other preventive means. I think the gentleman's amendment certainly should be acceptable, and then combined with the negotiations with Canada, we would hope that an amicable settlement of this could be arrived at.

So I would urge the adoption of the amendment, therefore, at this time.

Mr. TAUZIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I too sympathize with the intent of this amendment, and I will not object to it, and I will vote for it. I simply want to point out that it does pose a significant concern that we ought to be aware of, and that is, it does impose a restriction upon trafficking of vessels in Canadian waters. In effect, for vessels that do travel in these Canadian waters, the negligence standards are higher if, in fact, they do not comply with United States law. That may pose some kinds of restrictions upon traffic in international waters, and for that reason it may complicate United States-Canadian relations. I think we ought to put that on the record, that it may create a problem.

I hope, frankly, the second amendment urging negotiations will help in some way to alleviate that concern.

I want to point out that the history of my people, the Acadians in Louisiana, goes back several hundred years. We were kicked out of Canada, and Nova Scotia a long time ago, and we still bear some real scars, but I am not angry at the Canadians, and I do not think we ought to treat them badly, and I hope, frankly, we have some good negotiations to work the problem

out without any ill feelings for our neighbors to the north.

Mr. CHANDLER. Mr. Chairman, will the gentleman yield?

Mr. TAUZIN. I yield to the gentleman from Washington.

Mr. CHANDLER. Mr. Chairman, I think I tried to say in my opening remarks, we are very well aware that this is not the most ideal way to solve the problem. But I do want to emphasize for the membership that we do not require anything with this amendment, and we are not saying anything about what you must do if you are in Canadian waters.

□ 1420

But I do think that it does create enough risk for an operator going to Canada that they would likely voluntarily take the tugboat. And also, we know Canadians really well. We live right next door. We are always in a tiff with them over timber or fish or something.

I frankly think this is a small issue. It is also one we have tried to approach in a respectful way. As the gentleman says, we have the later amendment calling for negotiations that I too hope will be successful.

Mr. Chairman, I thank the gentleman for his comments.

Mr. TAUZIN. I appreciate the gentleman's comments.

While I understand it is not a major issue with the Canadians, it is one I hope we can work through.

Second, for the benefit of the membership, I point out our bill does allow local contingency plans in every port, every harbor, every channel in America to establish the requirement of a tugboat escort if that is necessary, if that is a good feature of the safety concerns of every community.

So that when, in fact, this bill does become law, as we hope it does, if the concerns in a local community such as the gentleman's do arise and his interest is in making sure that tugboat escorts are necessary, the way those contingency plans are developed is a way by which you can assure that that element of safety is established for your community.

With that said, I will not object to the gentleman's amendment; in fact, I support it.

The CHAIRMAN pro tempore (Mr. LANCASTER). The question is on the amendment offered by the gentleman from Washington [Mr. CHANDLER].

The amendment was agreed to.

The CHAIRMAN pro tempore. Are there further amendments to title I of the bill?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—CONFORMING AMENDMENTS

SEC. 2001. INTERVENTION ON THE HIGH SEAS ACT.

Section 17 of the Intervention on the High Seas Act (33 U.S.C. 1486) is amended to read as follows:

"SEC. 17. The Oil Spill Liability Trust Fund shall be available to the Secretary for actions taken under sections 5 and 7 of this Act.".

SEC. 2002. FEDERAL WATER POLLUTION CONTROL ACT.

Section 311 of the Federal Water Pollution Control Act (33 U.S.C. 1321) is amended as follows:

(1) Subsection (c)(2) is amended—

(A) in subparagraph (D) by inserting "safeguard against as well as" after "surveillance and notice designed to"; and

(B) in subparagraph (H) by striking "reimbursed from the fund established under subsection (k) of this section for the reasonable costs incurred in such removal" and inserting "reimbursed, in the case of any discharges of oil from a vessel or facility, for the reasonable costs incurred for that removal, from the Oil Spill Liability Trust Fund".

(2) Subsection (d) is amended by striking out the last sentence.

(3) Subsection (e) is amended to read as follows:

"(e)(1) In addition to any action taken by a State or local government, when the President determines that there may be an imminent and substantial threat to the public health or welfare of the United States, including fish, shellfish and wildlife, public and private property, shorelines, beaches, habitat, and other living and nonliving natural resources under the jurisdiction or control of the United States, because of an actual or threatened discharge of oil or a hazardous substance from a vessel or facility in violation of subsection (b) of this section, the President may—

"(A) require the Attorney General to secure any relief from any person, including the owner or operator of the vessel or facility, as may be necessary to abate such endangerment; or

"(B) after notice to the affected State, take any other action under this section, including issuing administrative orders, that may be necessary to protect the public health and welfare.

"(2) If any person fails without sufficient cause to comply with an order under paragraph (1)(B), the President may request the Attorney General to bring an action in the appropriate district court of the United States to enforce the order, to assess civil penalties of no more than $25,000 a day for each violation, and to assess 3 times the removal costs or damages incurred by the Oil Spill Liability Trust Fund as a result of the failure to comply.

"(3) The district courts of the United States shall have jurisdiction to grant any relief under this subsection that the public interest and the equities of the case may require.".

(4) Subsections (f), (g), (h), and (i) of section 311 of the Federal Water Pollution Control Act shall not apply with respect to any incident for which liability is established under section 1002 of this Act.

(5) Subsection (i) is amended by striking out "(1)" after "(i)" and striking out paragraphs (2) and (3).

(6) Subsection (k) is repealed. Any amounts remaining in the revolving fund established under that subsection shall be deposited in the general fund of the Treasury. The Fund shall assume all liability incurred by the revolving fund established under section 311(k) of the Federal Water Pollution Control Act.

(7) Subsection (l) is amended by striking out the second sentence.

(8) Subsection (p) is repealed.

(9) Section 311 is amended by adding at the end thereof the following new subsection:

"(s) The Oil Spill Liability Trust Fund shall be available to carry out subsections (c), (d), (i), and (l). Any amounts received by the United States under this section shall be deposited in the Oil Spill Liability Trust Fund.".

SEC. 2003. DEEPWATER PORT ACT.

The Deepwater Port Act of 1974 (33 U.S.C. 1501-1524) is amended as follows:

(1) In section 4(c)(1) strike "section 18(l) of this Act;" and insert in lieu thereof "section 1016 of the Oil Pollution Act of 1989,";

(2) Subsections (b), (d), (e), (f), (g), (h), (i), (j), (l), (n), and paragraphs (1) and (2) of subsection (m) of section 18 (33 U.S.C. 1517) are deleted.

(3) Paragraph (3) of subsection (c) of section 18 is amended by striking "Deepwater Port Liability Fund established pursuant to subsection (f) of this section", and inserting "Oil Spill Liability Trust Fund".

(4) Subsections (c), (k), and (m) of section 18 are redesignated as subsections (b), (c), and (d) respectively, and paragraphs (3) and (4) of subsection (m) are redesignated as paragraphs (1) and (2), respectively.

(5) Paragraph (1) of subsection (a) of section 19 is amended by striking the period at the end of the second sentence and inserting "except that discharges from a deepwater port or from a vessel within a deepwater port safety zone which are subject to the civil penalty provisions of section 18(a)(2) of the Deepwater Port Act of 1974 shall not be subject to the penalty provisions of any other Federal law."

(6) Any amounts remaining in the Deepwater Port Liability Fund, established under section 18(f) of the Deepwater Port Act of 1974 (33 U.S.C. 1517(f)), shall be deposited in the Fund. The Fund shall assume all liability incurred by the Deepwater Port Liability Fund.

SEC. 2004. OUTER CONTINENTAL SHELF LANDS ACT AMENDMENTS OF 1978.

Title III of the Outer Continental Shelf Lands Act Amendments of 1978 (43 U.S.C. 1811-1824) is repealed. Any amounts remaining in the Offshore Oil Pollution Compensation Fund established under section 302 of that title (43 U.S.C. 1812) shall be deposited in the Fund. The Fund shall assume all liability incurred by the Offshore Oil Pollution Compensation Fund.

SEC. 2005. EFFECTIVE DATE.

Sections 2001, 2002, 2003, and 2004 shall be effective on the commencement date (as that term is defined in section 4611(f)(2) of the Internal Revenue Code of 1986).

The CHAIRMAN pro tempore. Are there amendments to title II?

AMENDMENT OFFERED BY MS. PELOSI

Ms. PELOSI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. PELOSI: Page 54, between lines 12 and 13, insert the following:

(A) in subparagraph (A) by inserting "fish and wildlife" before "conservation";

Page 54, line 13, delete "(A)" and insert "(B)";

Page 54, line 15, delete "and";

Page 54, line 16, delete "(B)" and insert "(C)";

Page 54, line 22, delete the period and insert "; and ";

Page 54, between lines 22 and 23, insert the following:

(D) by adding at the end thereof the following new subparagraph:

"(J) a fish and wildlife response plan, in consultation with the National Marine Fisheries Service, the Fish and Wildlife service, and other interested parties including state fish and wildlife conservation officials, providing for the immediate and effective protection of fish and wildlife resources, and their habitat, that may be jeopardized by a discharge of oil or hazardous substances, including the minimization of the risk of damage to such resources and habitat; and for the protection, rescue and rehabilitation of fish and wildlife that are damaged by a discharge. Such plan, shall be completed by January 1, 1991, and shall—

(i) establish procedures for, and assign specific responsibilities among, Federal, state and local agencies with expertise in fish and wildlife affairs for undertaking or assisting in a response, including procedures necessary to maintain a communications network among private agencies;

(ii) identify other public and private resources available to such agencies;

(iii) provide for the assignment or procurement of the personnel, equipment and material required to ensure an immediate and effective response;

(iv) require the earliest possible identification and prioritization of fish and wildlife habitat that may be jeopardized by a discharge, and ensure that any response and removal action undertaken reflects the prioritization; and

(v) require the periodic review and revision of the plan based on new procedures, methods, or other information."

Ms. PELOSI (during the reading). Mr. Chairman, I ask unanimous consent the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. PELOSI. Mr. Chairman, my amendment, to create a fish and wildlife response plan, as a specific part of the national contingency plan, would strengthen the existing procedures to protect fish and wildlife threatened by an oilspill. This language is intended to provide greater coordination among Federal, State, and local agencies, as well as with private entities noted for their expertise.

The coastal catastrophe that occurred in Valdez, AK, is one we would not want to revisit. The toll on marine life was tragic with a loss of over 36,000 seabirds, 144 of which were bald eagles. U.S. Fish and Wildlife Service reported that over 1,000 sea otters died in the disaster. A biologist with the Service estimates that nearly 100 percent of the otters "at risk in the impact area" were most likely dead by mid-April and that, during September, otter mortality continued at the high rate of two a day. I believe this loss could have been reduced if more stringent measures had been in place to guide the agencies responsible for the cleanup.

Specifically, my amendment would provide a stronger plan to protect fish and wildlife by: Developing a specific response plan; requiring better coordination among Federal, State, and local agencies; establishing procedures for these agencies; assigning specific response duties; establishing procedures for a communications system; identifying public and private resources available to these agencies; requiring identification and prioritization of habitats; ensuring that the cleanup response follows these priorities; requiring review and revision of the plan based on new information or research that is developed; and providing for completion of this plan by January 1, 1991.

This amendment is consistent with the national contingency plan and furthers the objectives of the plan. I believe the high wildlife loss from the Valdez spill could have been averted by a stronger plan to better direct the agencies through the difficult cleanup process in Alaska.

I want to offer my appreciation to Chairman JONES and his staff and Chairman ANDERSON and his staff for their advice and guidance in pursuing this amendment, as well as to the minority staff on the Merchant Marine and Fisheries and Public Works Committees for their comments. I also want to thank Congressmen MILLER and STUDDS and their staffs for the support they have offered to this endeavor.

I urge my colleagues to support this amendment to protect fish and wildlife threatened by an oilspill.

The fish and wildlife response plan must include a clear direction to the Fish and Wildlife Service and the National Marine Fisheries Service to use existing permit authorities to direct cleanup, rescue, and rehabilitation actions affecting fish and wildlife values. Both Services have extensive authority under statutes such as the Endangered Species Act and the Marine Mammal Protection Act to ensure that any actions taken during a cleanup are consistent with the goals and objectives of those acts and with sound fish and wildlife conservation practices. These authorities should be utilized to ensure that the cleanups, rescues, and rehabilitation are consistent with the goals and objectives of the relevant statutes and with sound fish and wildlife conservation practices.

Mr. JONES of North Carolina. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from North Carolina, the chairman of the committee.

Mr. JONES of North Carolina. I thank the gentlewoman for yielding.

Mr. Chairman, I rise in support of the amendment by the gentlewoman from California. She has worked closely with the Committee on Merchant Marine and Fisheries in developing her amendment and I thank her for her efforts. Her amendment is a wise one, increasing the attention given to fish and wildlife response plans.

I urge the acceptance of the Pelosi amendment.

Mr. ANDERSON. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from California.

Mr. ANDERSON. I thank the gentlewoman for yielding.

Mr. Chairman, I rise in support of the gentlewoman's amendment. The amendment would add a fish and wildlife response plan to the national contingency plan to minimize the risk to fish and wildlife from oil and hazardous substance spills, and for the protection, rescue, and rehabilitation of fish and wildlife that are damaged by a discharge. I believe that this amendment is consistent with our goals of protecting fish and wildlife after an oilspill has occurred, and therefore support the gentlewoman's amendment.

Mr. STUDDS. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from Massachusetts.

Mr. STUDDS. I thank the gentlewoman for yielding.

Mr. Chairman, I rise to express my support for the amendment and to commend its author. I would, however, like to clarify three points.

First, the amendment calls for the development of a fish and wildlife response plan by natural resource trustees. Would it be consistent with the author's intent if the Fish and Wildlife Service were to delegate the primary responsibility for preparing its plan to regional officials?

Ms. PELOSI. Mr. Chairman, I assure the gentleman from Massachusetts it is the intent of this amendment to improve the response and streamline the procedures, whether the plan is developed regionally or centrally.

Mr. STUDDS. Mr. Chairman, second, is it the gentlewoman's intention that the costs of developing the plan will be borne by the fund, and that fund administrators will give due deference to the natural resource trustees in allocating resources from the fund?

Ms. PELOSI. Again I say to the gentleman from Massachusetts the answer is yes. If costs are involved, once the plan is implemented, it would be covered as part of the response plan and eligible to be withdrawn from the liability fund.

Mr. STUDDS. Mr. Chairman, finally, it is the gentlewoman's understanding that the activities required by her

amendment are short-term oilspill response activities, and are separate and distinct from the long-term environmental restoration work required in section 1006 of the bill?

Ms. PELOSI. Yes. Longer term restoration is not intended to be part of the reach of this amendment. As the gentleman stated, my amendment refers to the immediate response effort to protect fish and wildlife.

Mr. STUDDS. Mr. Chairman, I thank the gentlewoman. I commend her for her efforts, and I ask support for her amendment.

Ms. PELOSI. Mr. Chairman, I thank the gentleman for his comments. I again wish to express my appreciation to Chairman JONES, for his support and kind remarks, and to Chairman ANDERSON as well for his comments and his support on this legislation.

Mr. HAMMERSCHMIDT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise with respect to the amendment offered by the gentlewoman from California [Ms. PELOSI].

I have no objection to the amendment and appreciate the gentlewoman bringing this issue to the attention of the House. I think I can safely say that everyone here today favors strong protection of fish and wildlife in the case of oil and hazardous material spills—especially after the concerns raised about the fish and wildlife response planning in connection with the *Valdez* accident.

There have been a few technical issues raised by the Fish and Wildlife Service regarding Ms. PELOSI's amendment, and we will be sure to pay close attention to these issues when we go to conference with the other body on this bill.

Again, I would like to thank the gentlewoman for introducing this amendment and thereby raising the concerns of Congress regarding the health and safety of our Nation's fish and wildlife.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from California [Ms. PELOSI].

The amendment was agreed to.

The CHAIRMAN pro tempore. Are there further amendments to title II of the bill?

If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—IMPLEMENTATION OF INTERNATIONAL CONVENTIONS

SEC. 3001. DEFINITIONS.

For the purposes of this title—

(1) "ship", "owner", "oil", "pollution damage", and "incident" shall have the meanings provided in article I of the Civil Liability Convention;

(2) "Civil Liability Convention" means the International Convention on Civil Liability for Oil Pollution Damage, 1984;

(3) "financial responsibility" has the same meaning as "financial security" under the Civil Liability Convention;

(4) "Fund Convention" means the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1984; and

(5) "International Fund" means the International Oil Pollution Compensation Fund, established under article 2 of the Fund Convention.

SEC. 3002. APPLICABILITY OF CONVENTIONS.

(a) LIABILITY IN ACCORDANCE WITH CONVENTIONS.—During any period in which the Civil Liability Convention and the Fund Convention are in force with respect to the United States, liability relating to pollution damage arising from an incident involving a ship shall be determined in accordance with the Civil Liability Convention and Fund Convention. Nothing in this title shall constitute a ratification of either the Civil Liability Convention or the Fund Convention.

(b) JOINDER.—With respect to any incident to which the Civil Liability Convention applies, the Fund shall, in any action brought under any law (including the law of any State or subdivision thereof) for recovery of any removal costs and damages, indemnify and defend any person referred to in Article III(4) of the Convention (or any guarantor thereof) with respect to any such costs and damages except for those costs and damages for which such person may be liable under such other law consistent with the Convention. To the extent that the Fund is required to indemnify and defend a person under this subsection, the action is deemed to be an action against the Fund under any such other law and the Fund shall be substituted as the party defendant in any judgment resulting therefrom.

SEC. 3003. RECOGNITION OF INTERNATIONAL FUND.

The International Fund is recognized under the laws of the United States as a legal person, and shall have the capacity to acquire and dispose of real and personal property, and to institute and be party to legal proceedings. The Director of the International Fund is recognized as the legal representative of the International Fund. The Director shall be deemed to have appointed irrevocably the Secretary of State as the International Fund's agent for the service of process in any legal proceedings involving the International Fund within the United States. The International Fund and its assets shall be exempt from all direct taxation and payment of any customs duties in the United States.

SEC. 3004. ACTION IN UNITED STATES COURTS.

(a) SERVICE OF PROCESS ON INTERNATIONAL FUND.—In any action brought in a court in the United States against the owner of a ship or its guarantor under the Civil Liability Convention, the plaintiff or defendant, as the case may be, shall serve a copy of the complaint and any subsequent pleading therein upon the International Fund at the same time the complaint or other pleading is served upon the opposing parties.

(b) INTERVENTION.—The International Fund may intervene as a party as a matter of right in any action brought in a court in the United States against the owner of a ship or its guarantor under the Civil Liability Convention.

SEC. 3005. CONTRIBUTION TO INTERNATIONAL FUND.

(a) PAYMENTS TO BE MADE FROM FUND.—The amount of any contribution to the International Fund which is required to be made under article 10 of the Fund Convention by any person with respect to oil received in any port, terminal installation, or other installation located in the United States shall be paid to the International Fund from the Fund.

(b) INFORMATION.—The Secretary may, by regulation, require persons who are required to make contributions with respect to oil received in any port, terminal installation, or other installations in the United States under article 10 of the Fund Convention to provide all information relating to that oil as may be necessary to carry out subsection (a) of this section. Articles 10, 12, 13, 14, and 15 of the Fund Convention, and Article 29 of the Protocol of 1984 to Amend the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1971.

SEC. 3006. RECOGNITION OF FOREIGN JUDGMENTS.

Any final judgment of a court of any country which is a party to the Civil Liability Convention or to the Fund Convention in an action for compensation under either convention shall be recognized by any court of the United States having jurisdiction under this Act, when that judgment has become enforceable in that country and is no longer subject to ordinary form of review, except where—

(1) the judgment was obtained by fraud, or

(2) the defendant was not given reasonable notice and a fair opportunity to present its case.

SEC. 3007. CONVENTION FINANCIAL RESPONSIBILITY.

(a) UNITED STATES DOCUMENTED SHIPS.—The owner of a ship which is documented under the laws of the United States and which is subject to the Civil Liability Convention shall establish and maintain, in accordance with regulations promulgated by the Secretary, evidence of financial responsibility as required in Article VII of the Civil Liability Convention.

(b) OTHER SHIPS.—The owner of each ship (other than a ship to which subsection (a) applies or a ship which is a public vessel), which is subject to the Civil Liability Convention and which enters or leaves a port or terminal in the United States or uses an Outer Continental Shelf facility or an offshore facility that is or was licensed under the Deepwater Port Act of 1974 (33 U.S.C. 1501-1524), shall establish and maintain, in accordance with regulations promulgated by the Secretary, evidence of financial responsibility as required in Article VII of the Civil Liability Convention. Any ship which has on board a valid certificate issued in accordance with Article VII of the Civil Liability Convention shall be considered as having met the requirements of this subsection. Any ship carrying only oil as cargo, fuel, or residue, which has on board a valid certificate issued in accordance with Article VII of the Civil Liability Convention shall be considered as having met the requirements of section 1016 of this Act.

(c) AUTHORITY OF SECRETARY TO ISSUE.—The Secretary is authorized to issue any certificate of financial responsibility which the United States may issue under the Civil Liability Convention.

(d) WITHHOLDING CLEARANCE.—The Secretary of the Treasury shall withhold or revoke the clearance required by section 4197 of the Revised Statutes of the United States of any ship which does not have a certificate demonstrating compliance with this section.

(e) DENYING ENTRY AND DETAINING VESSELS.—The Secretary may (1) deny entry to

any facility or to any port or place in the United States, or (2) detain at the facility or port or place in the United States, any ship subject to this section which, upon request, does not produce the certificate demonstrating compliance with this section or regulations issued hereunder.

(f) CIVIL PENALTY.—Any person who, after notice and an opportunity for a hearing, is found to have violated this title, any regulation issued under this title, section 3005(b), or any denial or detention order issued under subsection (e) of this section shall be liable to the United States for a civil penalty, not to exceed $25,000 per day of violation. The amount of the civil penalty shall be assessed by the Secretary in accordance with the procedures set forth in section 1017 of this Act.

(g) WAIVER OF SOVEREIGN IMMUNITY.—The United States waives all defenses based on its status as a sovereign State with respect to any controversy arising under the Civil Liability Convention or the Fund Convention relating to any ship owned by the United States and used for commercial purposes.

SEC. 3008. REGULATIONS.

The Secretary may prescribe the necessary regulations to carry out this Act and all obligations of the United States under the Civil Liability Convention, and the Fund Convention.

The CHAIRMAN pro tempore. Are there amendments to title III of the bill?

AMENDMENT OFFERED BY MR. CHANDLER

Mr. CHANDLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CHANDLER: Page 65, after line 9, insert the following new section:

SEC. 3009. NEGOTIATIONS WITH CANADA CONCERNING TUG ESCORTS IN PUGET SOUND.

Congress urges the Secretary of State to enter into negotiations with the Government of Canada to ensure that tugboat escorts are required for all tank vessels with a capacity over 40,000 deadweight tons in the Strait of Juan de Fuca and in Haro Strait.

Conform the table of contents of the bill accordingly.

Mr. CHANDLER (during the reading). Mr. Chairman, I ask unanimous consent the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. CHANDLER. Mr. Chairman, I will not use all of my time.

Mr. Chairman, I just want to add that while the previous amendment is necessary to ensure that all large oil tankers entering Puget Sound have a tugboat escort regardless of their final destination, the best assurance is a change in the Canadian law.

This amendment urges the Secretary of State to negotiate an agreement with Canada to ensure tugboat escorts are required in the Strait of Juan de Fuca and Haro Strait for vessels with a capacity over 40,000 deadweight tons.

According to the United States Coast Guard 250 large vessels pass through this area each month, and 21 of them are oil tankers. Only Canada can effectively close the loophole allowing large tankers to travel through their waters without a tugboat escort.

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. CHANDLER. I yield to the gentleman from Michigan.

Mr. DAVIS. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the gentleman's amendment. I have an amendment later on to title IV which deals with negotiations with Canada on another issue but I think it makes sense for us to try to negotiate any type of agreement we can with Canada on this particular subject. I think it is a good amendment, and I urge strong support.

Mr. ANDERSON. Mr. Chairman, will the gentleman yield?

Mr. CHANDLER. I yield to the gentleman from California.

Mr. ANDERSON. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the gentleman's amendment. The gentleman's amendment would urge the Secretary of State to enter into negotiations with the Government of Canada to ensure that tugboat escorts are required for all tank vessels in the Strait of Juan De Fuca and in Haro Strait. I believe that this amendment is consistent with our goals to assure the safe passage of oil both in this country and in international trade.

I support the gentleman's amendment.

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Mr. SWIFT. Mr. Chairman, will the gentleman yield?

Mr. CHANDLER. Mr. Chairman, I yield to the gentleman from Washington [Mr. SWIFT].

Mr. SWIFT. Mr. Chairman, I want to commend the gentleman again. This is really the second part of the amendment that was offered just a few minutes ago. It really includes Canada into a process by which we can reach a solution. I think it is very responsible. I support it and hope my colleagues will as well.

Mr. CHANDLER. Mr. Chairman, I yield to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I want to say without prejudice to the jurisdiction of the Committee on Foreign Affairs with regard to this amendment, I want to assure the gentleman that if this amendment is adopted, we in the Committee on Foreign Affairs will undertake action to see that some implementation is effected.

Mr. CHANDLER. Mr. Chairman, I thank the gentleman from Florida [Mr. FASCELL] for his understanding and his support.

The CHAIRMAN pro tempore (Mr. LANCASTER). The question is on the amendment offered by the gentleman from Washington [Mr. CHANDLER].

The amendment was agreed to.

The CHAIRMAN pro tempore. Are there further amendments to title III of the bill?

If not, the Clerk will designate title IV.

The text of title IV is as follows:

TITLE IV—PREVENTION AND REMOVAL

SEC. 4001. DEFINITIONS.

For purposes of this title, the term—

(1) "tank barge" means a non-self-propelled vessel constructed or adapted to carry oil in bulk as cargo; and

(2) "tanker" has the same meaning the term has in section 2101 of title 46, United States Code.

Subtitle A—Prevention

SEC. 4101. REVIEW OF ALCOHOL AND DRUG ABUSE AND OTHER MATTERS IN ISSUING LICENSES, CERTIFICATES OF REGISTRY, AND MERCHANT MARINERS' DOCUMENTS.

(a) LICENSES AND CERTIFICATES OF REGISTRY.—Section 7101 of title 46, United States Code, is amended by adding at the end the following:

"(g) The Secretary may not issue a license or certificate of registry under this section unless an individual applying for the license or certificate makes available to the Secretary, under section 206(b)(4) of the National Driver Register Act of 1982 (23 U.S.C. 401 note), all information contained in the National Driver Register regarding the motor vehicle driving record of that individual.

"(h) The Secretary shall conduct a review of the criminal record of each individual who applies for a license under this section.".

(b) MERCHANT MARINERS' DOCUMENT.—Section 7302 of title 46, United States Code, is amended by adding at the end the following:

"(c) The Secretary may not issue a merchant mariner's document under this chapter unless the individual applying for the document makes available to the Secretary, under section 206(b)(4) of the National Driver Register Act of 1982 (23 U.S.C. 401 note), all information contained in the National Driver Register regarding the motor vehicle driving record of that individual.".

SEC. 4102. TERM OF CERTIFICATES OF REGISTRY AND MERCHANT MARINERS' DOCUMENTS.

(a) CERTIFICATES OF REGISTRIES.—Section 7107 of title 46, United States Code, is amended by striking "is not limited in duration." and inserting "is valid for 5 years, and may be renewed for additional 5-year periods.".

(b) MERCHANT MARINERS' DOCUMENTS.—Section 7302 of title 46, United States Code, is amended by adding at the end the following:

"(d) A merchant mariner's document issued under this chapter is valid for 5 years, and may be renewed for additional 5-year periods.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) of this section are effective January 1, 1990.

(d) TERMINATION OF EXISTING CERTIFICATES AND DOCUMENTS.—A certificate of registry and a merchant mariner's document issued before January 1, 1990, shall terminate on the day it would have expired as if—

(1) subsections (a) and (b) were in effect on the date it was issued; and

(2) it was renewed at the end of each 5-year period under section 7107 or section 7302(d).

(e) CRIMINAL RECORD REVIEW IN LICENSE RENEWALS.—Section 7109 of title 46, United States Code, is amended by designating the existing text as subsection (a) and adding at the end the following:

"(b) The Secretary shall conduct a review of the criminal record of each holder of a license issued under this part who applies for renewal of that license under this section.".

SEC. 4103. SUSPENSION AND REVOCATION OF LICENSES, CERTIFICATES OF REGISTRY, AND MERCHANT MARINERS' DOCUMENTS FOR ALCOHOL AND DRUG ABUSE.

(a) AVAILABILITY OF INFORMATION IN NATIONAL DRIVER REGISTER.—

(1) IN GENERAL.—Section 7702 of title 46, United States Code, is amended by adding at the end the following:

"(c) The Secretary shall request an individual holding a license, certificate of registry, or merchant mariner's document to make available to the Secretary, under section 206(b)(4) of the National Driver Register Act of 1982 (23 U.S.C. 401 note), all information contained in the National Driver Register regarding the motor vehicle driving record of that individual.

"(d)(1) The Secretary shall temporarily suspend and take possession of the holder's license, certificate, or document if—

"(A) that individual performs a sensitive function on a vessel as determined by the Secretary; and

"(B) there is probable cause to believe that the holder—

"(i) has performed the sensitive function while under the influence of, or while using, alcohol or a dangerous drug;

"(ii) has been denied a motor vehicle license by a State for cause within the 5-year period immediately before the temporary suspension; or

"(iii) has been convicted of an offense for which a license, certificate, or document may be suspended or revoked under section 7703 (2) or (3) of this title.

"(2) If a license, certificate, or document is temporarily suspended under this section, an expedited hearing under subsection (a) of this section shall be held within 15 days after the temporary suspension.".

(2) CONFORMING AMENDMENT.—Section 7704(a) of title 46, United States Code, is amended by striking "section" the first place it appears and inserting "part".

(b) BASES FOR SUSPENSION OR REVOCATION.—Section 7703 of title 46, United States Code, is amended to read as follows:

"§ 7703. Bases for suspension or revocation

"A license, certificate of registry, or merchant mariner's document issued by the Secretary may be suspended or revoked if the holder—

"(1) when acting under the authority of that license, certificate, or document—

"(A) has violated or fails to comply with this subtitle, a regulation prescribed under this subtitle, or any other law or regulation intended to promote marine safety or to protect navigable waters; or

"(B) has committed an act of incompetence, misconduct, or negligence;

"(2) is convicted of an offense that would prevent the issuance or renewal of a license, certificate of registry, or merchant mariner's document; or

"(3) is convicted of an offense described in section 205(a)(3) (A) or (B) of the National Driver Register Act of 1982 (23 U.S.C. 401 note) within the 5-year period immediately preceding the suspension or revocation.".

(c) TERMINATION OF REVOCATION.—Section 7701(c) of title 46, United States Code, is amended to read as follows:

"(c) When a license, certificate of registry, or merchant mariner's document has been revoked under this chapter, the former holder may be issued a new license, certificate of registry, or merchant mariner's document only after—

"(1) the Secretary decides, under regulations prescribed by the Secretary, that the issuance is compatible with the requirement of good discipline and safety at sea; and

"(2) the former holder provides satisfactory proof that the bases for revocation are no longer valid.".

SEC. 4104. REMOVAL OF MASTER OR INDIVIDUAL IN CHARGE.

Section 8101 of title 46, United States Code, is amended by adding at the end the following:

"(i) Whenever the next 2 senior licensed officers on a vessel reasonably believe that the master or individual in charge of the vessel is under the influence of alcohol or a dangerous drug and is incapable of commanding the vessel, the next most senior licensed officer shall—

"(1) temporarily relieve the master;

"(2) temporarily take command of the vessel;

"(3) immediately enter the details of the incident in the vessel log; and

"(4) report those details to the Secretary—

"(A) by the most expeditious means available; and

"(B) in written form transmitted within 12 hours after the vessel arrives at its next port.".

SEC. 4105. ACCESS TO NATIONAL DRIVER REGISTER.

(a) AVAILABILITY OF INFORMATION TO SECRETARY.—Section 206(b) of the National Driver Register Act of 1982 (23 U.S.C. 401 note) is amended by adding at the end the following:

"(6)(A) Any individual who holds or who has applied for a license or certificate of registry under section 7101 of title 46, United States Code, or merchant mariner's document under section 7302 of title 46, United States Code, shall request the chief driver licensing official of a State to transmit to the Secretary in accordance with subsection (a) of this section information regarding the motor vehicle driving record of the individual.

"(B) The Secretary—

"(i) shall make the information available to the individual for review and written comment before denying, suspending, or revoking the license, certificate of registry, or merchant mariner's document of the individual based on that information and before using that information in any action taken under chapter 77 of title 46, United States Code; and

"(ii) may not otherwise divulge or use that information, except for the purposes of section 7101, 7302, or 7703 of title 46, United States Code.

"(C) Information regarding the motor vehicle driving record of an individual may not be transmitted to the Secretary under this paragraph if the information was entered in the register more than 5 years before the date of the request for the information, unless the information relates to revocations or suspensions that are still in effect on the date of the request. Information submitted to the register by States under the Act of July 14, 1960 (74 Stat. 526), or under this Act are subject to access for the purpose of this paragraph during the transition to the register established under section 203(c) of this Act.".

(b) CONFORMING AMENDMENTS.—

(1) Chapter 75 of title 46, United States Code, is amended by adding at the end the following:

"§ 7505. Review of information in National Driver Register

"The Secretary shall make information received from the National Driver Register under section 206(b)(6) of the National Driver Register Act of 1982 (23 U.S.C. 401 note) available to an individual for review and written comment before denying, suspending, revoking, or taking any other action relating to a license, certificate of registry, or merchant mariner's document authorized to be issued under this part, based on that information.".

(2) Section 2302(c) of title 46, United States Code, is amended by striking "intoxicated" and inserting in lieu thereof "under the influence of alcohol".

(c) CLERICAL AMENDMENT.—The analysis for chapter 75 of title 46, United States Code, is amended by adding at the end the following:

"7505. Review of information in National Driver Register.".

SEC. 4106. MANNING STANDARDS FOR FOREIGN TANK VESSELS.

(a) STANDARDS FOR FOREIGN TANK VESSELS.—Section 9101(a) of title 46, United States Code, is amended to read as follows:

"(a)(1) The Secretary shall evaluate the manning, training, qualification, and watchkeeping standards of a foreign country that issues documentation for any vessel to which chapter 37 of this title applies—

"(A) on a periodic basis; and

"(B) after a casualty involving that vessel.

"(2) After each evaluation made under paragraph (1) of this subsection, the Secretary shall determine whether—

"(A) the foreign country has standards for licensing and certification of seamen that are at least equivalent to United States law or customary international law; and

"(B) those standards are being enforced.

"(3) If the Secretary determines under this subsection that a country has failed to maintain or enforce standards at least equivalent to United States law or customary international law, the Secretary shall prohibit vessels issued documentation by that country from entering the United States.

"(4) The Secretary may allow provisional entry of a vessel prohibited from entering the United States under paragraph (3) of this subsection if—

"(A) the owner or operator of the vessel establishes, to the satisfaction of the Secretary, that the vessel is not unsafe or a threat to the marine environment; or

"(B) the entry is necessary for the safety of the vessel or individuals on the vessel.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Section 9(a) of the Ports and Waterways Safety Act (33 U.S.C. 1228(a)) is amended—

(1) in the introductory paragraph, by striking "section 4417a of the Revised Statutes, as amended," and inserting "chapter 37 of title 46, United States Code.";

(2) in paragraph (2), by striking "section 4417a of the Revised Statutes, as amended," and inserting "chapter 37 of title 46, United States Code.";

(3) in paragraph (5), by striking "section 4417a(11) of the Revised Statutes, as amended," and inserting "section 9101 of title 46, United States Code."; and

(4) in paragraph (5), by striking "international standards that are accepted by the United States" and inserting "customary international law".

(c) EFFECTIVE DATE.—Sections 9101(a)(3) and (4) of title 46, United States Code, and section 9(a) of the Ports and Waterways Safety Act (33 U.S.C. 1228(a)) (as enacted by subsections (a) and (b) of this section) take effect on January 1, 1990.

SEC. 4107. VESSEL TRAFFIC SERVICE SYSTEMS.

(a) MANDATORY VESSEL TRAFFIC SERVICE.—The Ports and Waterways Safety Act (33 U.S.C. 1221 et seq.) is amended by inserting after section 4 the following:

"§ 4a. VESSEL TRAFFIC SERVICES REQUIRED.

"(a) The Secretary shall require appropriate vessels in the area of a vessel traffic service system to use or comply with that system.

"(b) The Secretary may construct, operate, maintain, improve, or expand a vessel traffic service system in any port or channel of the United States.

"(c) No appropriation shall be made for a project to construct, operate, maintain, improve, or expand a vessel traffic service system unless that construction, operation, maintenance, improvement, or expansion is approved by a resolution adopted by the Committee on Merchant Marine and Fisheries of the House of Representatives and by the Committee on Commerce, Science, and Transportation of the Senate.

"(d) For the purpose of assisting the committees in their consideration of a resolution under subsection (c), the Secretary shall transmit to Congress a report on the proposed construction, operation, maintenance, improvement, or expansion of a vessel traffic service system, including all relevant data and costs.".

(b) REPEAL.—Section 4(a)(2) of the Ports and Waterways Safety Act (33 U.S.C. 1223) is repealed.

(c) DIRECTION OF VESSEL MOVEMENT.—

(1) STUDY.—The Secretary shall conduct a study—

(A) of whether the Secretary should be given additional authority to direct the movement of vessels upon navigable waters and should exercise such authority; and

(B) to determine and prioritize the United States ports and channels that are in need of new, expanded, or improved vessel traffic service systems by evaluating—

(i) the nature, volume, and frequency of vessel traffic;

(ii) the risks of collisions, spills, and damages associated with that traffic;

(iii) the impact of installation, expansion, or improvement of a vessel traffic service system; and

(iv) all other relevant costs and data.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted under paragraph (1) together with recommendations for implementing the results of that study. A report submitted under this paragraph is deemed to be a report transmitted under section 4a of the Ports and Waterways Safety Act (33 U.S.C. 1221 et seq.).

SEC. 4108. STATE AUTHORITY TO REQUIRE STATE PILOTAGE FOR TANKERS.

(a) STATE PILOT AUTHORITY.—Section 8501(d) of title 46, United States Code, is amended to read as follows:

"(d) A State may not adopt a regulation or provision that requires a coastwise vessel, other than a tanker having a Federal pilot whose license is not endorsed for pilotage in that State's waters, to take a pilot licensed or authorized by the laws of a State if the vessel—

"(1) is propelled by machinery and subject to inspection under part B of this subtitle; or

"(2) is subject to inspection under chapter 37 of this title.".

(b) PILOT CHARGES PROHIBITED.—Section 8502(d) of title 46, United States Code, is amended to read as follows:

"(d) Except in the case of a tanker for which a State pilot is authorized under this chapter, a State or political subdivision of a State may not levy pilot charges on a vessel lawfully piloted by a Federal pilot required under this section.".

SEC. 4109. GREAT LAKES PILOTAGE.

(a) INDIVIDUALS WHO MAY SERVE AS PILOT ON UNDESIGNATED GREAT LAKE WATERS.—Section 9302(b) of title 46, United States Code, is amended to read as follows:

"(b) A member of the complement of a vessel may serve for the route being navigated as the pilot required on waters not designated by the President, if the member is—

"(1) a citizen of the United States and holds a license issued under section 7101(c) of this title; or

"(2) a citizen or national of Canada and has a license issued under provisions of Canadian law equivalent to section 7101(c) of this title.".

(b) EXEMPTED VESSELS.—Section 9302(d)(1) of title 46, United States Code, is amended to read as follows:

"(1) except for a vessel to which chapter 37 applies, the Secretary notifies the master that a registered pilot is not available; or".

(c) PILOTAGE.—Section 9303(f) is amended by adding at the end the following: "A vessel is liable in rem for charges for pilotage services under this subsection and any costs of collection.".

(d) PENALTIES.—Section 9308 is amended—

(1) in subsection (a) by striking "$500" and inserting "$25,000"; and

(2) in subsections (b) and (c) by striking "$500" and inserting "$10,000".

SEC. 4110. STUDY ON TANKER NAVIGATION SAFETY STANDARDS.

(a) IN GENERAL.—Not later than one year after the date of enactment of this Act, the Secretary shall conduct a study to determine whether existing laws and regulations are adequate to ensure the safe navigation of vessels transporting oil and hazardous substances on the navigable waters and the exclusive economic zone.

(b) STUDY.—In conducting the study required under subsection (a), the Secretary shall—

(1) determine appropriate crew sizes on tankers;

(2) evaluate the adequacy of qualifications and training of crewmembers;

(3) evaluate the ability of crewmembers on a tanker to take emergency actions to prevent or remove a discharge of oil or hazardous substance from the tanker;

(4) evaluate the adequacy of navigation equipment and systems on tankers (including sonar, electronic chart display, and satellite technology);

(5) evaluate the adequacy of navigation procedures, including with respect to speed, daylight, presence of ice, tides, weather, and other conditions;

(6) evaluate whether areas of the navigable waters and the exclusive economic zone should be designated as zones where the movement of tankers should be limited or prohibited, in particular, areas where oil and gas leasing, exploration, or development are being prohibited by legislative action; and

(7) evaluate vessel design and construction criteria to reduce the likelihood of a discharge, including criteria for—

(A) tank capacity;

(B) tanker tonnage;

(C) tank barge tonnage;

(D) double hulls and double bottoms on tankers and tank barges, by—

(i) comparing worldwide the operating and environmental safety records of tankers equipped with double hulls or double bottoms and the records of tankers without these features;

(ii) comparing the operating and environmental safety records of tank barges operating on the navigable waters of the United States and equipped with double hulls or double bottoms and the records of tank barges without these features;

(iii) assessing the costs and benefits to owners and operators of tankers and tank barges of double hulls or double bottoms on some or all new tankers and new tank barges engaged solely in the coastwise trade; and

(iv) evaluating the extent to which requiring double hulls and double bottoms will prevent serious oil pollution incidents in bays, sounds, harbors, and other near-shore areas of special environmental importance; and

(v) consulting with naval architects, tanker and tank barge operators, salvors, environmental protection organizations, economists, States, and communities along tanker and tank barge routes, and any other persons the Secretary considers appropriate;

(E) the vacuum method of tanker design or similar technology;

(F) overfill and tank pressure monitoring devices; and

(G) other vessel features;

(8) evaluate whether inspection standards are adequate, including standards for vessel plate gauging;

(9) review and incorporate the results of past studies, including studies conducted by the Coast Guard and the Office of Technology Assessment;

(10) evaluate the use of computer simulator courses for training bridge officers and pilots of vessels transporting oil or hazardous substances on the navigable waters and the exclusive economic zone, and determine the feasibility and practicality of mandating such training; and

(11) evaluate and test a program of remote alcohol testing for masters and pilots aboard tankers carrying significant quantities of oil.

(c) REPORT.—Not later than one year after the date of enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under subsection (a), including recommendations for implementing the results of that study.

SEC. 4111. DREDGE MODIFICATION STUDY.

(a) STUDY.—The Secretary of the Army shall conduct a study and demonstration to determine the feasibility of modifying dredges to make them usable in removing discharges of oil and hazardous substances.

(b) REPORT.—Not later than one year after the date of enactment of this Act, the Secretary of the Army shall submit to Congress a report on the results of the study conducted

under subsection (a) and recommendations for implementing the results of that study.

SEC. 4112. USE OF LINERS.

(a) STUDY.—The President shall conduct a study to determine whether liners or other secondary means of containment should be used to prevent leaking or to aid in leak detection at onshore facilities used for the bulk storage of oil and located near navigable waters.

(b) REPORT.—Not later than one year after the date of enactment of this Act, the President shall submit to Congress a report on the results of the study conducted under subsection (a) and recommendations to implement the results of the study.

(c) IMPLEMENTATION.—Not later than six months after the date the report required under subsection (b) is submitted to Congress, the President shall implement the recommendations contained in the report.

Subtitle B—Removal

SEC. 4201. FEDERAL REMOVAL AUTHORITY.

(a) REMOVAL.—Paragraph (1) of section 311(c) of the Federal Water Pollution Control Act (33 U.S.C. 1321(c)(1)) is amended to read as follows:

"(c)(1)(A) The President shall ensure an effective and immediate removal of a discharge of oil or hazardous substance—

"(i) into or on the navigable waters;

"(ii) on the adjoining shorelines to these navigable waters;

"(iii) on the waters of the exclusive economic zone; or

"(iv) that may affect natural resources belonging to, appertaining to, or under the exclusive management authority of the United States.

in accordance with the National Contingency Plan, and any other contingency plan prepared under subsection (j).

"(B) In carrying out subparagraph (A), the President may—

"(i) remove or arrange for the removal of a discharge, or the threat of a discharge, of oil or hazardous substance at any time;

"(ii) direct all Federal, State, responsible party, and private actions to remove a discharge, or the threat of a discharge, of oil or a hazardous substance; and

"(iii) monitor all removal actions.

"(C) When the President retains or directs a person (other than a responsible party) under the authority of subparagraph (B)(i) or (ii), other than for removal of a hazardous substance, that person is not liable for removal costs or damages, other than for personal injury or wrongful death, arising from his or her removal activities conducted in accordance with the direction of the President, except in the case of gross negligence or willful misconduct.

"(D) Each responsible party shall act in accordance with the National Contingency Plan, the applicable contingency plans required under subsection (j), and as otherwise directed by the President.

"(E) Nothing in this paragraph affects the liability of a responsible party under the Oil Pollution Act of 1989.".

(b) CONFORMING AMENDMENTS.—Section 311(a) (33 U.S.C. 1321(a)) is amended—

(1) by striking paragraph (8) and inserting the following:

"(8) 'remove' or 'removal' refers to—

"(A) the removal of oil or hazardous substances from water and shoreline;

"(B) containment, dispersal, disposal, or other response actions; and

"(C) the taking of other actions necessary to minimize or mitigate damage to the public health or welfare, including fish, shellfish, wildlife, and public and private property, shorelines, and beaches.".

(2) in paragraph (16) by striking the period and inserting in lieu thereof a semicolon;

(3) in paragraph (17) by striking the period and inserting in lieu thereof "; and"; and

(4) by adding at the end the following:

"(18) 'exclusive economic zone' means the zone established by the Presidential Proclamation Number 5030, dated March 10, 1983; and

"(19) 'responsible party' means an owner or operator in violation of subsection (b) of this section.".

SEC. 4202. CONTINGENCY PLANS.

Section 311(j) of the Federal Water Pollution Control Act (33 U.S.C. 1321(j)) is amended—

(1) in paragraph (2), by striking "paragraph (1) of"; and

(2) by adding at the end the following new paragraphs:

"(3) LOCAL CONTINGENCY PLANS.—(A) Not later than six months after the date of enactment of the Oil Pollution Act of 1989, the President shall designate areas for which new or improved local contingency plans must be prepared to respond to a discharge, or threat of discharge, of oil or a hazardous substance. The President shall specify the Federal, State, and local officials required to prepare these plans. These plans shall be prepared in consultation with affected parties.

"(B) In determining the areas to be designated under this paragraph, the President shall consult with State and local officials, and the public, and shall consider—

"(i) the likelihood of a discharge;

"(ii) the likelihood that the discharge would result in severe economic or environmental damage; and

"(iii) the adequacy of any existing local contingency plans.

"(C) Each contingency plan prepared under this paragraph shall include—

"(i) a general description of the area subject to the plan, including the identification of specific areas of special economic or environmental importance that might be damaged by a discharge;

"(ii) a detailed description of the responsibilities of the responsible party, and Federal, State, and local agencies, for moving a discharge, or the threat of a discharge;

"(iii) a list of equipment and personnel available to the responsible party, and Federal, State, and local agencies, to ensure an effective and immediate removal of a discharge, or threat of a discharge; and

"(iv) any other information the President may require.

"(D) Not later than six months after the designation of areas under subparagraph (A), the persons identified shall prepare and submit to the President the contingency plan required by this paragraph. The President shall promptly review each plan and require amendments to any plan that does not meet the requirements of this paragraph.

"(E) Contingency plans required under this paragraph shall be reviewed periodically by the President and updated.

"(F) The President may provide technical assistance in the preparation of a contingency plan under this paragraph.

"(4) TANK VESSEL AND FACILITY CONTINGENCY PLANS.—(A) Not later than 18 months after the date of the enactment of the Oil Pollution Act of 1989, the President shall require the owners or operators of the following vessels and facilities to prepare a contingency plan for the vessel and facility:

"(i) A tank vessel, as defined under section 2101 of title 46, United States Code.

"(ii) An offshore or onshore facility that, because of its location, could reasonably discharge into or on the navigable waters, the adjoining shorelines, or the exclusive economic zone.

"(B) The contingency plans required by this paragraph shall—

"(i) be consistent, and ensure compliance by the owner or operator, with the requirements of the National Contingency Plan and any local contingency plan;

"(ii) be submitted on a timely basis to the President;

"(iii) be available for review by appropriate Federal, State, and local officials, and the public;

"(iv) identify the individual having full authority to implement a removal action and require immediate communications between that individual and the appropriate Federal official and the persons identified in clause (vi);

"(v) describe the specific actions that will be taken to immediately remove a discharge, including the most serious potential discharge from the vessel or facility involved;

"(vi) identify and ensure, by contract with a private organization or otherwise, the availability of personnel and equipment necessary to implement a removal action under clauses (iv) and (v) of this subparagraph;

"(vii) include a program of personnel training, equipment testing, and periodic unannounced drills sufficient to ensure the effectiveness of the contingency plan;

"(viii) describe the conditions under which dispersants might be used, including the procedures to be followed for obtaining approval for dispersant use;

"(ix) include provisions for the safe disposal of any contaminated materials or oil or hazardous substance recovered during the removal; and

"(x) be updated periodically.

"(C) Beginning one year after the issuance of regulations implementing this paragraph, a vessel or facility for which the preparation of a contingency plan is required, may not handle, store, or transport oil unless—

"(i) the owner or operator has submitted a contingency plan in accordance with this paragraph;

"(ii) the contingency plan has not been rejected by the President; and

"(iii) the vessel or facility is operating in compliance with the contingency plan.

"(D) The President shall promptly review the contingency plans submitted under this paragraph and shall reject, or require amendments to, any plan that does not meet the requirements of subparagraph (B) of this paragraph.

"(E) The President may provide by regulation that the requirements of this paragraph have been met by a class of vessels or facilities under other law.

"(5) Not later than one year after the date of enactment of the Oil Pollution Act of 1989, the President shall require—

"(A) periodic inspection of containment booms, skimmers, vessels, and other major equipment used to remove discharges of oil or a hazardous substance; and

"(B) vessels operating on the navigable waters and carrying oil or a hazardous substance in bulk as cargo to carry appropriate removal equipment that employs the best technology economically feasible and that is

compatible with the safe operation of the vessel.

"(4) The President, acting through the Secretary of the department in which the Coast Guard is operating, shall periodically conduct drills of removal capability in major port areas under local contingency plans and relevant vessel and facility contingency plans. The drills shall include participation by Federal, State, and local agencies, the owners and operators of vessels and facilities in the area, and private industry. The Secretary shall publish annual reports on these drills including an assessment of the effectiveness of the plans and a list of amendments that were made to the ineffective contingency plans.".

SEC. 4203. STRIKE TEAMS.

Section 311(c)(2)(C) of the Federal Water Pollution Control Act (33 U.S.C. 1321(c)(2)(C)) is amended to read as follows—

"(C) establishment and maintenance of a Federal strike force including at least 7 regional strike teams with personnel who are trained, equipped, and available on a continual basis to provide necessary services to carry out the plan and any contingency plans required under subsection (j) of this section. In establishing these teams, the President shall consider existing Federal, State, local, and private sector resources that are available and that may be used to immediately and effectively remove a discharge;".

SEC. 4204. COAST GUARD VESSEL DESIGN.

The Secretary shall ensure that vessels designed and constructed to replace Coast Guard buoy tenders are equipped with oil skimming systems that are readily available, operable, and complement the primary mission of servicing aids to navigation.

SEC. 4205. REMOVAL RESOURCE INVENTORY.

(a) ESTABLISHMENT OF COMPUTER LISTING.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall (in consultation with State officials responsible for removal of oil from the navigable waters, adjoining shorelines, and the exclusive economic zone) establish, maintain, and annually revise a comprehensive nationwide computer listing of emergency removal resources which are available to and appropriate for use in removing discharges and substantial threats of discharges of oil.

(b) CONTENTS OF COMPUTER LISTING.—The computer listing established under this section shall include—

(1) a continually updated description of all Federal, State, local, and private emergency removal resources which are available for use, including—

(A) the locations and capabilities of the resources;

(B) specification of the suitability of each resource for use in rivers, harbors, open ocean, and calm waters; and

(C) specification of the suitability of each resource for use in fresh water and in salt water;

(2) a nationwide listing of persons having emergency removal resources available for sale or lease, including—

(A) each person's address, telephone number, and hours of business; and

(B) a description of the types and capabilities of their resources;

(3) a listing of the names, telephone numbers, and areas of expertise of persons residing in the vicinity of areas covered by the National Contingency Plan who are experts in—

(A) removing discharges or the substantial threats of discharges of oil; or

(B) the effects of such discharges or threats.

(c) INTERNATIONAL INVENTORY.—The President shall take such actions as may be necessary to encourage appropriate international organizations to establish an international inventory of emergency removal resources.

Subtitle C—Miscellaneous

SEC. 4301. INCREASED PENALTIES.

(a) NOTICE TO STATE AND FAILURE TO REPORT.—Section 311(b)(5) of the Federal Water Pollution Control Act (33 U.S.C. 1321(b)(5)) is amended—

(1) by inserting after the first sentence the following: "The Federal agency shall immediately notify the appropriate State agency of any State which is, or may reasonably be expected to be, affected by the discharge of oil or a hazardous substance."; and

(2) by striking "fined not more than $10,000, or imprisoned for not more than one year, or both" and inserting "fined in accordance with the applicable provisions of title 18 of the United States Code, or imprisoned for not more than 3 years (or not more than 5 years in the case of a second or subsequent conviction), or both".

(b) ADMINISTRATIVE PENALTY FOR DISCHARGE.—Section 311(b)(6)(A) of the Federal Water Pollution Control Act (33 U.S.C. 1321(b)(6)(A)) is amended—

(1) by inserting ", or by the Administrator," after "Secretary of the department in which the Coast Guard is operating" each place it appears;

(2) by striking "$5,000 for each offense" each place it appears and inserting in lieu thereof "$25,000 for each day of such offense";

(3) in each of the fifth, sixth, and eighth sentences, by inserting "or the Administrator, as appropriate" after "such Secretary"; and

(4) in the seventh sentence by inserting "or the Administrator, as appropriate," after "such Secretary".

(c) PENALTY IN CIVIL ACTION FOR DISCHARGE.—Section 311(b)(6)(B) of the Federal Water Pollution Control Act (33 U.S.C. 1321(b)(6)(B)) is amended—

(1) in the first sentence by inserting "or the Secretary of the department in which the Coast Guard is operating" after "The Administrator";

(2) by striking "$50,000" and inserting "$1,000 for each barrel of oil or hazardous substance that was discharged, or $5,000,000, whichever is less"; and

(3) by striking "$250,000" and inserting "$5,000 for each barrel of oil or hazardous substance that was discharged".

(d) NATIONAL CONTINGENCY PLAN.—Section 311(j)(2) of the Federal Water Pollution Control Act (33 U.S.C. 1321(j)(2)) is amended by striking "$5,000" and inserting "$25,000".

(e) NEGLIGENT OPERATIONS.—Section 2302 of title 46, United States Code, is amended—

(1) in subsection (b), by striking "shall be fined not more than $5,000, imprisoned for not more than one year, or both.", and inserting "commits a class A misdemeanor."; and

(2) in subsection (c)—

(A) in the matter preceding paragraph (1) by striking ", shall be";

(B) in paragraph (1) by inserting "is" before "liable"; and

(C) by amending paragraph (2) to read as follows:

"(2) commits a class A misdemeanor.".

(f) INSPECTIONS.—Section 3318 of title 46, United States Code, is amended—

(1) in subsection (b) by striking "shall be fined not more than $10,000, imprisoned for not more than 5 years, or both.", and inserting "commits a class D felony.";

(2) in subsection (c) by striking "shall be fined not more than $5,000, imprisoned for not more than 5 years, or both.", and inserting "commits a class D felony.";

(3) in subsection (d) by striking "shall be fined not more than $5,000, imprisoned for not more than 5 years, or both.", and inserting "commits a class D felony.";

(4) in subsection (e) by striking "shall be fined not more than $10,000, imprisoned for not more than 2 years, or both.", and inserting "commits a class A misdemeanor."; and

(5) in subsection (f) in the matter preceding paragraph (1), by striking "shall be fined not less than $1,000 but not more than $10,000, and imprisoned for not less than 2 years but not more than 5 years,", and inserting "commits a class D felony.".

(g) CARRIAGE OF LIQUID BULK DANGEROUS CARGOES.—Section 3718 of title 46, United States Code, is amended—

(1) in subsection (b), by striking "shall be fined not more than $50,000, imprisoned for not more than 5 years, or both.", and inserting "commits a class D felony."; and

(2) in subsection (c), by striking "shall be fined not more than $100,000, imprisoned for not more than 10 years, or both.", and inserting "commits a class C felony.".

(h) LOAD LINES.—Section 5116 of title 46, United States Code, is amended—

(1) in subsection (d), by striking "shall be fined not more than $10,000, imprisoned for not more than one year, or both.", and inserting "commits a class A misdemeanor."; and

(2) in subsection (e), by striking "shall be fined not more than $10,000, imprisoned for not more than 2 years, or both." and inserting "commits a class A misdemeanor.".

(i) COMPLEMENT OF INSPECTED VESSELS.—Section 8101 of title 46, United States Code, is amended—

(1) in subsection (e), by striking "$50" and inserting "$1,000";

(2) in subsection (f), by striking "$100, or, for a deficiency of a licensed individual, a penalty of $500." and inserting "$10,000."; and

(3) in subsection (g), by striking "$500." and inserting "$10,000.".

(j) WATCHES.—Section 8104 of title 46, United States Code, is amended—

(1) in subsection (i), by striking "$100." and inserting "$10,000."; and

(2) in subsection (j), by striking "$500." and inserting "$10,000.".

(k) COASTWISE PILOTAGE.—Section 8502 of title 46, United States Code, is amended—

(1) in subsection (e), by striking "$500." and inserting "$10,000."; and

(2) in subsection (f), by striking "$500." and inserting "$10,000.".

(l) FOREIGN COMMERCE PILOTAGE.—Section 8503(e) of title 46, United States Code, is amended by striking "shall be fined not more than $50,000, imprisoned for not more than five years, or both." and inserting "commits a class D felony.".

(m) CREW REQUIREMENTS.—Section 8702(e) of title 46, United States Code, is amended by striking "$500." and inserting "$10,000.".

(n) PORTS AND WATERWAYS SAFETY ACT.—Section 13(b) of the Port and Waterways Safety Act (33 U.S.C. 1232(b)) is amended—

(1) in paragraph (1), by striking "shall be fined not more than $50,000 for each violation or imprisoned for not more than five

years, or both.", and inserting "commits a class D felony."; and

(2) in paragraph (2), by striking "shall, in lieu of the penalties prescribed in paragraph (1), be fined not more than $100,000, or imprisoned for not more than 10 years, or both.", and inserting "commits a class C felony.".

(o) VESSEL NAVIGATION.—Section 4 of the Act of April 28, 1908 (33 U.S.C. 1236), is amended—

(1) in subsection (b), by striking "$500." and inserting "$5,000.";

(2) in subsection (c), by striking "$500," and inserting "$5,000."; and

(3) in subsection (d), by striking "$250." and inserting "$2,500.".

(p) INTERVENTION ON THE HIGH SEAS ACT.—Section 12(a) of the Intervention of the High Seas Act (33 U.S.C. 1481(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "Any person who" and inserting "A person commits a class A misdemeanor if that person"; and

(2) in paragraph (3), by striking ", shall be fined not more than $10,000 or imprisoned not more than one year, or both".

(q) DEEPWATER PORT ACT OF 1974.—

(1) IN GENERAL.—Section 15(a) of the Deepwater Port Act of 1974 (33 U.S.C. 1514(a)) is amended by striking "shall on conviction be fined not more than $25,000 for each day of violation or imprisoned for not more than 1 year, or both." and inserting "commits a class A misdemeanor for each day of violation.".

(2) FAILURE TO NOTIFY.—Section 18(b) of the Deepwater Port Act of 1974 (33 U.S.C. 1517(b)) is amended by striking "shall, upon conviction, be fined not more than $10,000 or imprisoned for not more than 1 year, or both." and inserting "commits a class A misdemeanor.".

(r) ACT TO PREVENT POLLUTION FROM SHIPS.—Section 9(a) of the Act to Prevent Pollution from Ships (33 U.S.C. 1908(a)) is amended by striking "shall, for each violation, be fined not more than $50,000 or be imprisoned for not more than 5 years, or both.", and inserting "commits a class D felony.".

SEC. 4302. DEPOSIT OF CERTAIN PENALTIES INTO OIL SPILL LIABILITY TRUST FUND.

Section 311(b)(6) of the Federal Water Pollution Control Act (33 U.S.C. 1321(b)(6)) is amended by adding at the end the following:

"(F) Amounts recovered by the Federal Government for penalties assessed under this subsection as the result of a discharge of oil shall be deposited in the Oil Spill Liability Trust Fund created by section 9509 of the Internal Revenue Code of 1986.".

SEC. 4303. HAZARDOUS SUBSTANCES.

Nothing in this title affects or modifies, in any way, the obligations or liabilities of any person under other Federal or State law, including common law, with respect to the discharge or release of hazardous substances, pollutants or contaminants, as defined under section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601).

AMENDMENT OFFERED BY MR. SIKORSKI

Mr. SIKORSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SIKORSKI: Page 92, line 14, insert "in the case of vessels and beginning 2 years after the issuance of such regulations in the case of facilities" after "paragraph".

Page 92, lines 21 and 22, strike "has not been rejected" and insert "has been approved".

Page 93, strike lines 3 through 5 and insert the following: "shall approve any plan which meets the requirements of subparagraph (B) of this paragraph or require amendments to any plan which does meet the requirements of such subparagraph."

"(E) Approval of a contingency plan under this paragraph shall not be construed as a defense to liability under title I of the Oil Pollution Act of 1989.

Page 93, line 6, strike "(E)" and insert "(F)".

Mr. SIKORSKI (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. SIKORSKI. Mr. Chairman, my amendment H.R. 1465 will make: First, oil tankers and facilities more accountable in preparing, and second, the Federal Government more accountable in approving oilspill contingency plans. These plans are our first line of defense against spills and incompetent cleanups. They are not academic, hypothetical, dust collectors. At least they should not be and that's why my amendment is necessary.

On Friday, September 15, less than 6 months after the Valdez oilspill, Exxon left Alaska very different from how it found it, leaving tides, waves and seagulls to finish Exxon's cleanup job.

After a C-130 transport, half an hour in a Marine helicopter, ferrying by the U.S.S. *Duluth*, and a Zodiac ride to St. Helens Beach to see for myself, I can tell you that Exxon hasn't cleaned up after itself. I can also tell you that if Exxon had been required to prepare an approved oilspill contingency plan Exxon would be richer, Alaskans would be happier, and America's resources would be safer.

Unbelievably, a bill is being put before us on the floor of the House that has provisions to make life easier for the companies responsible for such monumental destruction and fewer provisions to decrease the likelihood of another *Exxon Valdez* in the future.

H.R. 1465 says no vessel or facility can handle, store, or transport oil without preparing a contingency plan which "has not been rejected" by the President. How's that for a double negative? "Has not been rejected." Passive approval. Approval without approval—especially without approval. Under this bill as proposed, if Federal experts charged with representing the public interest and protecting the public interest never look at the plans, they're approved. And unqualified plans will undoubtedly be approved. Automatically and without fingerprints. Plans covering every nook and cranny, city and town in America. We're not talking just about the special, beautiful, and biologically diverse Prince William Sound. We're talking about the Chesapeake, the gulf, Puget Sound, Lake Superior, Huron, Michigan, Erie, and Ontario, the Mississippi, Missouri, Ohio, Colorado, Delaware, Columbia, Hudson Rivers, San Francisco, Long Island, Baltimore, Miami, Houston, Los Angeles, Chicago, Detroit, and District of Columbia and everyone and everything in between. We're talking about your district, your constituents and oilspill contingency plans protecting your district, your businesses, your citizens and their livelihoods and their lives.

They have the right to have these very sensitive, these basic contingency plans be worth more than the unrecycled paper they're printed on. Contingency plans for oilspills should be real, rational, workable. And the Government experts should have to sign off on them before they are approved. Not automatic approval with the operator carrying oil until someone in the Government says maybe not.

This is like the USDA saying to the American consumer "all new meat on the market is Grade A until it has been 'disapproved'; it takes too much time, money, and effort to inspect it so let's pretend it's all just fine."

When the Alaska oil pipeline was first built 15 years ago, Exxon dismissed warnings of the dangers of an oilspill with similar reassuring coos of good faith. This kind of spill just couldn't happen they told us, and if it did, Exxon had just the right contingency plan to deal with it.

Unfortunately, when the *Valdez* cracked open and dumped 72 million pounds of crude oil directly into one of the most biologically diverse and fragile ecosystems in this hemisphere, Exxon had no oilspill specialists on hand. It had fired every single one of them as a profit-boosting measure. And their vaunted emergency contingency cleanup plan consisted of one old broken down barge that was in the dry docks and a bunch of oil executives who couldn't find their behind with a Cray Supercomputer.

We should learn from history—a paper plan, without benefit of serious independent review, without standards and public review, did not protect Alaska or Alaskans. Maybe this was "government off our backs." Maybe it was just a double negative: "No good plan? No problem!" But it did not protect America. We cannot allow this to happen again. My amendment will strengthen the current provision in the bill by substituting the word "approve" for "has not been rejected"—requiring an active review of plans by Federal experts.

Requiring contingency plans, but not requiring review and approval by public experts, is baloney. I say: Either

the plans stand the test of review and approval or don't even bother, don't pretend, don't insult the public's intelligence.

This amendment further clearly and emphatically states that approval of a contingency plan in no way exonerates the polluter from any liability.

There are those who claim that the Coast Guard doesn't have the resources to approve all these plans. I can understand this concern. I say give them the resources but logic tells us that if they don't have the resources to approve, don't call it a review and create a sham oilspill contingency plan system that has thousands of plans that "have not been rejected." If they don't have the resources to approve, then they don't have the resources to do a review that means anything. And if they can't do a serious review, we don't belong in business as the Government of the United States of America.

The saddest part of the *Valdez* story is that the extent of the damage to the pristine Alaska waters, wildlife, and shores could have and would have been minimal if a proper contingency plan had been drawn, approved, and enforced. Had Exxon been required to submit a contingency plan appropriate with the magnitude and ramifications of a possible spill, triggering an expert approval process, Exxon and Alyeska could have prevented a large part of the mess that is now left behind. And their stockholders would be a couple billion dollars richer.

Prevention is the best cure. I say no more *Exxon Valdez*'s. And you can say no more *Exxon Valdez's*—in your district or State by voting for my amendment.

Mr. TAUZIN. Mr. Chairman, will the gentleman yield?

Mr. SIKORSKI. Mr. Chairman, I yield to the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Chairman, I want to commend the gentleman for a number of things. First of all, for his efforts at improving this section of the bill regarding contingency planning, and to make sure, in fact, that it is a meaningful section. That contingency planning does, in fact, take place.

Second, for accommodating several of the concerns of the Coast Guard that our committee had. One, that there was not going to be liability on the part of the Coast Guard and the U.S. Government if, in fact, by approving some plan that may have had a defect in it, we may have later found ourselves in court over that issue, particularly since there may be as many as 11,000 or so plans submitted; second, for ensuring that there is an extra year in the process to get these plans approved.

Again, I want to thank the gentleman for his cooperation with Members in those concerns. I urge support for the amendment.

Mr. SIKORSKI. Mr. Chairman, I thank the gentleman and his staff for their cooperation.

Mr. NOWAK. Mr. Chairman, I move to strike the last word and rise in support of this amendment. The approval process that is called for, I think, will strengthen and result in really the creation of quality plans as they are submitted. We urge the adoption of this amendment.

Mr. ANDERSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of this amendment.

Mr. Chairman, I am pleased to support the gentleman's amendment. The amendment offered by the gentleman from Minnesota would require affirmative approval of contingency plans by the President for the contingency plans to be considered sufficient for a vessel or facility to be in compliance with the requirements of the bill and therefore able to handle, store, or transport oil. As now written, the bill merely prohibits a vessel or facility from handling, storing, or transporting oil without a contingency plan which has not been rejected. I believe that it is appropriate for the President to be required to affirmatively approve these contingency plans.

I support the gentleman's amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Minnesota [Mr. SIKORSKI].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. CARDIN

Mr. CARDIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CARDIN: Page 80, after line 22, insert the following new sections:

SEC. 4110. PERIODIC GAUGING OF PLATING THICKNESS OF COMMERCIAL VESSELS.

Not later than 1 year after the date of the enactment of this Act, the Secretary shall issue regulations—

(1) establishing minimum standards for the plating thickness of vessels transporting oil in bulk or commercial quantities, and

(2) requiring periodic gauging of the plating thickness of all vessels over 30 years old which are used to transport oil in bulk or commercial quantities upon the navigable waters or the waters of the exclusive economic zone.

SEC. 4111. OVERFILL AND TANK LEVEL OR PRESSURE MONITORING DEVICES.

(a) STANDARDS.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall establish, by regulation, minimum standards for devices for warning persons of overfills and tank levels of oil in cargo tanks and devices for monitoring the pressure of oil cargo tanks.

(b) USE.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall issue regulations establishing requirements concerning the use of—

(1) overfill devices, and

(2) tank level or pressure monitoring devices, which are referred to in subsection (a) and which meet the standards established by the Secretary under subsection (a), on vessels transporting oil in bulk or commercial quantities upon the navigable waters and the waters of the exclusive economic zone.

Redesignate subsequent sections and conform the table of contents of the bill accordingly.

Mr. CARDIN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. CARDIN. Mr. Chairman, let me point out this amendment is slightly different than the amendment that was noted earlier this week.

After consultation, particularly with the Committee on Merchant Marine and Fisheries, I have changed the amendment so that the study that was in the bill as it came out of the Committee on Rules in regard to gauging of plate thickness, and the overfill and tank vessel monitoring devices will remain in the bill, and that my amendment then adds the requirement for periodic gauging and the using of overfill and tank level monitoring.

Mr. Chairman, I want to compliment the leadership of both the Committee on Merchant Marine and Fisheries and the Committee on Public Works and Transportation for bringing this bill forward. It is an extremely important bill for the environment of this Nation. This bill speaks to prevention, response, liability, and compensation.

My amendment deals with prevention. I might point out that this amendment was approved by the Committee on Public Works and Transportation, and I thank the gentleman from New York [Mr. NOWAK] for the work that he did in our committee in bringing this bill forward in the form from our committee.

The amendment that I offer adds two new standards. First, the gauging of hull thickness on oil-carrying vessels. The Coast Guard, during its regular vessel inspection, for vessels 30 years of age or older, would check for the hull thickness. The second substantive provision in my amendment would deal with cargo level monitoring and alarms, so that tanks and tankers and barges carrying oil would have a monitoring device similar to the monitoring device that we have in our automobiles to warn a crew when, in fact, there is oil that is leaking. In August of 1988 a barge that was over 30 years old in the Chesapeake Bay in light seas broke up. That vessel broke 2 weeks after it had been inspected by the Coast Guard. Two hundred thousand gallons of diesel oil mixed with

gasoline polluted our waters. If we would have had the gauging of hull thickness at that time, we could have avoided or perhaps prevented that oilspill. The Coast Guard regional office in Norfolk recommended such requirements, and the Committee on Public Works and Transportation, as I pointed out, has approved this particular amendment.

I urge my colleagues, in an effort to complement this bill, to make it a strong bill, to include the amendment. I urge its adoption.

Mr. Chairman, I yield to the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON. Mr. Chairman, I rise in support of the gentleman's amendment. The gentleman's amendment is similar to provisions which were included in the oilspill bill as reported by the Committee on Public Works and Transportation. His amendments would establish certain minimum tank vessel plating requirements and would require that gauges or other devices be put on to tanks to indicate the level of the product being carried in the tank. This would aid in preventing overfill spills and also aid in leak detection. I believe that the amendment is a fine addition to the bill and is consistent with our committee's primary interest in the prevention of oilspills before they occur.

I am pleased to support the gentleman's amendment.

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MR. HAMMERSCHMIDT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today in support of the amendment of the gentleman from Maryland [Mr. CARDIN].

When the Committee on Public Works and Transportation reported out H.R. 1465 in August, we included in our bill specific sections incorporating the substance of this amendment.

It is my understanding that this amendment would require the Secretary of Transportation to establish minimum standards for hull thickness of vessels transporting oil, including periodic gauging of hull thickness on older vessels, and to establish minimum standards for cargo level monitors and alarms on tank vessels and barges.

Further, the amendment would require that the Secretary promulgate regulations concerning the use of level monitoring devices and alarms. Use of these devices would not necessarily be required for all vessels transporting oil in bulk as cargo, as would have been the case under language originally proposed by the gentleman during our committee markup of the bill.

Mr. Chairman, might I inquire, do I have a correct understanding of the gentleman's amendment?

Mr. CARDIN. Mr. Chairman, if the gentleman would yield?

Mr. HAMMERSCHMIDT. I yield to the gentleman from Maryland.

Mr. CARDIN. Mr. Chairman, that is a correct understanding.

Mr. HAMMERSCHMIDT. With that understanding, I have no objection to this amendment being included in the bill, and I congratulate the gentleman from Maryland [Mr. CARDIN] for offering it.

Mr. DAVIS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to say that I am going to support this amendment. It really is a Merchant Marine and Fisheries issue, not a public works issue, because we are asking the Coast Guard to conduct this study. We are asking the Secretary of Transportation to implement these rules. So this really is a Coast Guard-merchant marine issue.

I do have some concerns about it. I am going to support the amendment, but I think we have to be concerned with the way the amendment reads, where it says, "Not later than 1 year after the date of the enactment of this act, the Secretary shall issue regulations." In other words, what if the study says if it not a good idea?

The way this is worded, it says after the study is done, whether it is a good idea or a bad idea, we want to go ahead with it. I think it is probably going to be determined if it is a good idea Members should be able to work it out. I just want to call attention to the Members that do have a little bit of concern that there are a couple of other concerns that I think we have with this amendment.

I think the basic principle of the gentleman from Maryland sounds like a good idea, but I want the Members to be aware that we need to further consider that, perhaps in conference committee. But I do support the amendment.

The CHAIRMAN pro tempore (Mr. LANCASTER). The question is on the amendment offered by the gentleman from Maryland [Mr. CARDIN].

The amendment was agreed to.

Mr. JONES of North Carolina. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. GEPHARDT) having assumed the chair, Mr. LANCASTER, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1465) to establish limitations on liability for damages resulting from oil pollution, to establish a fund for the payment of compensation for such damages, and for other purposes had come to no resolution thereon.

TEMPORARY REDUCTION IN CAPITAL GAINS TAX

Mr. ROSTENKOWSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3628) to temporarily reduce the capital gains tax for noncorporate taxpayers, and for other purposes, and I ask unanimous consent that a second not be required.

The SPEAKER pro tempore. The Clerk will read.

The Clerk read as follows:

H.R. 3628

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCE IN TEXT.

(a) SHORT TITLE.—This Act may be cited as the "Temporary Capital Gains Tax Reduction Act of 1989".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

TITLE I—TEMPORARY REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS

SEC. 101. TEMPORARY REDUCTION IN CAPITAL GAINS TAX.

(a) GENERAL RULE.—Part I of subchapter P of chapter 1 (relating to treatment of capital gains) is amended by adding at the end thereof the following new section:

"SEC. 1202. TEMPORARY REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS.

"(a) DEDUCTION ALLOWED FOR 30 PERCENT OF CAPITAL GAIN.—

"(1) IN GENERAL.—If, for any taxable year which includes any portion of the temporary rate reduction period, a taxpayer other than a corporation has a qualified net capital gain, an amount equal to 30 percent of the qualified net capital gain shall be allowed as a deduction. Such deduction shall be allowable in computing adjusted gross income.

"(2) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under paragraph (1) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is including by the income beneficiaries as gain derived from the sale or exchange of capital assets.

"(b) COORDINATION WITH SECTION 1(g).—In the case of any taxable year which includes any portion of the temporary rate reduction period, for purposes of section 1(g)(1)(A), the amount allowed as a deduction under subsection (a) shall be applied against (and operate to reduce) the amount of the qualified net capital gain as determined for purposes of section 1(g)(1)(A).

"(c) DEDUCTION NOT ALLOWED FOR PURPOSES OF MINIMUM TAX.—The deduction under subsection (a) shall not be allowed in determining alternative minimum taxable income.

"(d) QUALIFIED NET CAPITAL GAIN.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified net capital gain' means the lesser of—

"(A) the net capital gain for the taxable year, or

"(B) the net capital gain for the taxable year determined—

"(i) by taking into account only gain or loss from sales or exchanges occurring during the temporary rate reduction period, and

"(ii) by not taking into account any gain or loss from the sale or exchange of any collectible.

"(2) SPECIAL RULES FOR PASS-THRU ENTITIES.—

"(A) IN GENERAL.—In applying paragraph (1) with respect to any pass-thru entity, the determination of when a sale or exchange has occurred shall be made at the entity level.

"(B) PASS-THRU ENTITY DEFINED.—For purposes of subparagraph (A), the term 'pass-thru entity' means—

"(i) a regulated investment company,

"(ii) a real estate investment trust,

"(iii) an S corporation,

"(iv) a partnership,

"(v) an estate or trust, and

"(vi) a common trust fund.

"(3) COLLECTIBLE.—For purposes of this section, the term 'collectible' has the meaning given to such term by section 408(m)(2) without regard to section 408(m)(3).

"(e) TEMPORARY RATE REDUCTION PERIOD.—For purposes of this section, the term 'temporary rate reduction period' means the period beginning on September 14, 1989, and ending on December 31, 1991.

"(f) MODIFICATIONS TO OTHER PROVISIONS—

"(1) For purposes of section 163(d), the deduction allowable under this section to the extent attributable to gain from dispositions of property held for investment shall be applied against (and operate to reduce) the net gain referred to in section 163(d)(4)(B)(ii).

"(2) In the case of any charitable contribution (other than of a collectible) by a person other than a corporation during the temporary rate reduction period, section 170(e)(1)(B) shall be applied by substituting '70 percent of the amount of gain' for 'the amount of gain'.

"(3) The deduction allowed under this section shall not be taken into account in determining the net operating loss under section 172 for any taxable year.

"(4) To the extent that the amount otherwise allowable as a deduction under section 642(c) consists of any gain taken into account in determining the qualified net capital gain, proper adjustment shall be made for any deduction allowable to the trust or estate under this section.

"(5) The deduction allowed under this section shall not be taken into account for purposes of section 643(a).

"(6) For purposes of this section, the rules of section 691(c)(4) shall apply.

"(7) The amount subject to tax under section 871(a)(2) shall be determined without regard to the deduction allowed under this section.

"(8) The deduction allowed under this section shall not be taken into account in determining the net earnings from self-employment of any options dealer (as defined in section 1402(i)) or commodities dealer (as so defined).

"(9) In the case of a withdrawal during the temporary rate reduction period, section 7518(g)(6)(A), and section 607(h)(6) of the Merchant Marine Act, 1936, shall each be applied by substituting '19.6 percent' for '28 percent'."

(b) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1202. Temporary reduction in capital gains tax for noncorporate taxpayers."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending on or after September 14, 1989.

SEC. 102. NET CAPITAL GAIN NOT TAKEN INTO ACCOUNT UNDER PHASE OUT OF 15-PERCENT RATE AND PERSONAL EXEMPTIONS.

(a) GENERAL RULE.—Subparagraph (A) of section 1(g)(1) is amended to read as follows:

"(A) taxable income reduced by the qualified net capital gain, over".

(b) QUALIFIED NET CAPITAL GAIN.—Subsection (g) of section 1 is amended by adding at the end thereof the following new paragraph:

"(5) QUALIFIED NET CAPITAL GAIN.—The term 'qualified net capital gain' means the lesser of—

"(A) the net capital gain for the taxable year, or

"(B) the net capital gain for the taxable year determined—

"(i) by taking into account only gain or loss from sales or exchanges on or after September 14, 1989, and

"(ii) by not taking into account any gain or loss from the sale or exchange of any collectible (as defined in section 408(m)(2) without regard to section 408(m)(3)).

For purposes of the preceding sentence the rules of section 1202(d)(2) shall apply."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending on or after September 14, 1989.

SEC. 103. RECAPTURE UNDER SECTION 1250 OF TOTAL AMOUNT OF DEPRECIATION.

(a) GENERAL RULE.—Subsections (a) and (b) of section 1250 (relating to gain from disposition of certain depreciable realty) are amended to read as follows:

"(a) GENERAL RULE.—Except as otherwise provided in this section, if section 1250 property is disposed of, the lesser of—

"(1) the depreciation adjustments in respect of such property, or

"(2) the excess of—

"(A) the amount realized (or, in the case of a disposition other than a sale, exchange, or involuntary conversion, the fair market value of such property), over

"(B) the adjusted basis of such property,

shall be treated as gain which is ordinary income. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(b) DEPRECIATION ADJUSTMENTS.—For purposes of this section, the term 'depreciation adjustments' means, in respect of any property, all adjustments attributable to periods after December 31, 1963, reflected in the adjusted basis of such property on account of deductions (whether in respect of the same or other property) allowed or allowable to the taxpayer or to any other person for exhaustion, wear and tear, obsolescence, or amortization (other than amortization under section 168 (as in effect before its repeal by the Tax Reform Act of 1976), 169, 185 (as in effect before its repeal by the Tax Reform Act of 1986), 188, 190, or 193). For purposes of the preceding sentence, if the taxpayer can establish by adequate records or other sufficient evidence that the amount allowed as a deduction for any period was less than the amount allowable, the amount taken into account for such period shall be the amount allowed."

(b) LIMITATION IN CASE OF INSTALLMENT SALES.—Subsection (i) of section 453 is amended—

(1) by striking "1250" the first place it appears and inserting "1250 (as in effect on the day before the date of the enactment of the Temporary Capital Gains Tax Reduction Act of 1989)", and

(2) by striking "1250" the second place it appears and inserting "1250 (as so in effect)".

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (E) of section 1250(d)(4) is amended—

(A) by striking "additional depreciation" and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(2) Subparagraph (B) of section 1250(d)(6) is amended to read as follows:

"(B) DEPRECIATION ADJUSTMENTS.—In respect of any property described in subparagraph (A), the amount of the depreciation adjustments attributable to periods before the distribution by the partnership shall be—

"(i) the amount of gain to which subsection (a) would have applied if such property had been sold by the partnership immediately before the distribution at its fair market value at such time, reduced by

"(ii) the amount of such gain to which section 751(b) applied."

(3) Subparagraph (D) of section 1250(d)(8) is amended—

(A) by striking "additional depreciation" each place it appears and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(4) Paragraph (8) of section 1250(d) is amended by striking subparagraphs (E) and (F) and inserting the following:

"(E) ALLOCATION RULES.—For purposes of this paragraph, the amount of gain attributable to the section 1250 property disposed of shall be the net amount realized with respect to such property reduced by the greater of the adjusted basis of the section 1250 property disposed of, or the cost of the section 1250 property acquired, but shall not exceed the gain recognized in the transaction."

(5) Subsection (d) of section 1250 is amended by striking paragraph (10).

(6) Section 1250 is amended by striking subsections (e), (f), and (g) and by redesignating subsections (h) and (i) as subsections (g) and (h), respectively.

(7) Paragraph (5) of section 48(q) is amended to read as follows:

"(5) RECAPTURE OF REDUCTION.—For purposes of sections 1245 and 1250, any reduction under this subsection shall be treated as a deduction allowed for depreciation."

(8) Clause (i) of section 267(e)(5)(D) is amended by striking "section 1250(a)(1)(B)" and inserting "section 1250(a)(1)(B) (as in effect on the day before the date of the enactment of the Temporary Capital Gains Tax Reduction Act of 1989)".

(9)(A) Subsection (a) of section 291 is amended by striking paragraph (1) and redesignating paragraphs (2), (3), (4), and (5) as paragraphs (1), (2), (3), and (4), respectively.

(B) Subsection (c) of section 291 is amended to read as follows:

"(c) SPECIAL ROLE FOR POLLUTION CONTROL FACILITIES.—Section 168 shall apply with respect to that portion of the basis of any

property not taken into account under section 169 by reason of subsection (a)(4)."

(C) Section 291 is amended by striking subsection (d) and redesignating subsection (e) as subsection (d).

(D) Subparagraph (A) of section 265(b)(3) is amended by striking "291(e)(1)(B)" and inserting "291(d)(1)(B)".

(E) Subsection (c) of section 1277 is amended by striking "291(e)(1)(B)(ii)" and inserting "291(d)(1)(B)(ii)".

(10) Subsection (d) of section 1017 is amended to read as follows:

"(d) RECAPTURE OF DEDUCTIONS.—For purposes of sections 1245 and 1250—

"(1) any property the basis of which is reduced under this section and which is neither section 1245 property nor section 1250 property shall be treated as section 1245 property, and

"(2) any reduction under this section shall be treated as a deduction allowed for depreciation."

(11) Paragraph (5) of section 7701(e) is amended by striking "(relating to low-income housing)" and inserting "(as in effect on the day before the date of the enactment of the Temporary Capital Gains Tax Reduction Act of 1989)".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to dispositions on or after September 14, 1989, in taxable years ending after such date.

TITLE II—INDEXING OF CERTAIN ASSETS ACQUIRED AFTER 1991 FOR PURPOSES OF DETERMINING GAIN

SEC. 201. INDEXING OF CERTAIN ASSETS ACQUIRED AFTER 1991 FOR PURPOSES OF DETERMINING GAIN.

(a) IN GENERAL.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF CERTAIN ASSETS ACQUIRED AFTER 1991 FOR PURPOSES OF DETERMINING GAIN.

"(a) GENERAL RULE.—

"(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—Solely for purposes of determining gain on the sale or other disposition by an individual of an indexed asset which has been held for more than 1 year, the indexed basis of the asset shall be substituted for its adjusted basis.

"(2) SPECIAL RULE FOR RECAPTURE GAIN.—

"(A) IN GENERAL.—Paragraph (1) shall not apply for purposes of determining the amount of recapture gain on the sale or other disposition of an indexed asset, but the amount of any such recapture gain shall increase the adjusted basis of the asset for purposes of applying paragraph (1) to determine the amount of other gain on such sale or other disposition.

"(B) RECAPTURE GAIN.—For purposes of subparagraph (A), the term 'recapture gain' means any gain treated as ordinary income under section 1245, 1250, or 1254.

"(b) INDEXED ASSET.—

"(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means—

"(A) any stock in a corporation, and

"(B) any tangible property (or any interest therein),

which is a capital asset or property used in the trade or business (as defined in section 1231(b)) and the holding period of which begins after December 31, 1991.

"(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term 'indexed asset' does not include—

"(A) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

"(B) COLLECTIBLES.—Any collectible (as defined in section 408(m)(2) without regard to section 408(m)(3)).

"(C) OPTIONS.—Any option or other right to acquire an interest in property.

"(D) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (i)(3)).

"(E) CERTAIN PREFERRED STOCK.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(F) STOCK IN FOREIGN CORPORATIONS.—Stock in a foreign corporation.

"(G) STOCK IN S CORPORATIONS.—Stock in an S corporation.

"(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Paragraph (2)(F) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis or is authorized for trading on the national market system operated by the National Association of Securities Dealers other than—

"(A) stock of a foreign investment company (within the meaning of section 1246(b)),

"(B) stock in a passive foreign investment company (as defined in section 1296), and

"(C) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

"(c) INDEXED BASIS.—For purposes of this section—

"(1) INDEXED BASIS.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) APPLICABLE INFLATION RATIO.—The applicable inflation ratio for any asset shall be determined by dividing—

"(A) the CPI for the calendar year preceding the calendar year in which the disposition takes place, by

"(B) the CPI for the calendar year preceding the calendar year in which the taxpayer's holding period for such asset began.

The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest one-hundredth.

"(3) CONVENTIONS.—For purposes of paragraph (2), if any asset is disposed of during any calendar year—

"(A) such disposition shall be treated as occurring on the last day of such calendar year, and

"(B) the taxpayer's holding period for such asset shall be treated as beginning in the same calendar year as would be determined for an asset actually disposed of on such last day with a holding period of the same length as the actual holding period of the asset involved.

"(4) CPI.—For purposes of this subsection, the CPI for any calendar year shall be determined under section 1(f)(4).

"(d) SHORT SALES.—

"(1) IN GENERAL.—In the case of a short sale of an indexed asset with a short sale period in excess of 1 year, for purposes of this title, the amount realized shall be an amount equal to the amount realized (determined without regard to this paragraph) multiplied by the applicable inflation ratio. In applying subsection (c)(2) for purposes of the preceding sentence, the date on which the property is sold short shall be treated as the date on which the holding period for the asset begins and the closing date for the sale shall be treated as the date of disposition.

"(2) SHORT SALE OF SUBSTANTIALLY IDENTICAL PROPERTY.—If the taxpayer of the taxpayer's spouse sells short property substantially identical to an asset held by the taxpayer, the asset held by the taxpayer and the substantially identical property shall not be treated as indexed assets for the short sale period.

"(3) SHORT SALE PERIOD.—For purposes of this subsection, the short sale period begins on the day after property is sold and ends on the closing date for the sale.

"(e) TREATMENT OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—

"(1) ADJUSTMENTS AT ENTITY LEVEL.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, the adjustment under subsection (a) shall be allowed to any qualified investment entity (including for purposes of determining the earnings and profits of such entity).

"(B) EXCEPTION FOR CORPORATE SHAREHOLDERS.—Under regulations—

"(i) in the case of a distribution by a qualified investment entity (directly or indirectly) to a corporation—

"(I) the determination of whether such distribution is a dividend shall be made without regard to this section, and

"(II) the amount treated as gain by reason of the receipt of any capital gain dividend shall be increased by the percentage by which the entity's net capital gain for the taxable year determined without regard to this section exceeds the entity's net capital gain for such year determined with regard to this section, and

"(ii) there shall be other appropriate adjustments (including deemed distributions) so as to ensure that the benefits of this section are not allowed (directly or indirectly) to corporate shareholders of qualified investment entities.

For purposes of the preceding sentence, any amount includible in gross income under section 852(b)(3)(D) shall be treated as a capital gain dividend and an S corporation shall not be treated as a corporation.

"(C) EXCEPTION FOR QUALIFICATION PURPOSES.—This section shall not apply for purposes of sections 851(b) and 856(c).

"(D) EXCEPTION FOR CERTAIN TAXES IMPOSED AT ENTITY LEVEL.—

"(i) TAX ON FAILURE TO DISTRIBUTE ENTIRE GAIN.—If any amount is subject to tax under section 852(b)(3)(A) for any taxable year, the amount on which tax is imposed under such section shall be increased by the percentage determined under subparagraph (B)(i)(II). A similar rule shall apply in the case of any amount subject to tax under paragraph (2) or (3) of section 857(b) to the extent attributable to the excess of the net capital gain over the deduction for dividends paid determined with reference to capital gain dividends only. The first sentence of this clause shall not apply to so much of the amount subject to tax under section 852(b)(3)(A) as is designated by the company under section 852(b)(3)(D).

"(ii) OTHER TAXES.—This section shall not apply for purposes of determining the amount of any tax imposed by paragraph (4), (5), or (6) of section 857(b).

"(2) ADJUSTMENTS TO INTERESTS HELD IN ENTITY.—

"(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as

the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

"(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

"(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

"(3) QUALIFIED INVESTMENT ENTITY.—For purposes of this subsection, the term 'qualified investment entity' means—

"(A) a regulated investment company (within the meaning of section 851), and

"(B) a real estate investment trust (within the meaning of section 856).

"(f) OTHER PASS-THRU ENTITIES.—

"(1) PARTNERSHIPS.—

"(A) IN GENERAL.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partner (but only for purposes of determining the income of partners who are individuals).

"(B) SPECIAL RULE IN THE CASE OF SECTION 754 ELECTIONS.—In the case of a transfer of an interest in a partnership with respect to which the election provided in section 754 is in effect—

"(i) the adjustment under section 743(b)(1) shall, with respect to the transferor partner, be treated as a sale of the partnership assets for purposes of applying this section, and

"(ii) with respect to the transferee partner, the partnership's holding period for purposes of this section in such assets shall be treated as a beginning on the date of such adjustment.

"(2) S CORPORATIONS.—In the case of an S corporation, the adjustment made under subsection (a) at the corporate level shall be passed through to the shareholders. This section shall not apply for purposes of determining the amount of any tax imposed by section 1374 or 1375.

"(3) COMMON TRUST FUNDS.—In the case of a common trust fund, the adjustment made under subsection (a) at the trust level shall be passed through to the participants (but only for purposes of determining the income of participants who are individuals).

"(g) DISPOSITIONS BETWEEN RELATED PERSONS.—This section shall not apply to any sale or other disposition of property between related persons (within the meaning of section 465(b)(3)(C)) if such property, in the hands of the transferee, is of a character subject to the allowance for depreciation provided in section 167.

"(h) TRANSFERS TO INCREASE INDEXING ADJUSTMENT.—If any person transfers cash, debt, or any other property to another person and the principal purpose of such transfer is to secure or increase an adjustment under subsection (a), the Secretary may disallow part or all of such adjustment or increase.

"(i) SPECIAL RULES.—For purposes of this section—

"(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

"(A) A substantial improvement to property.

"(B) In the case of stock of a corporation, a substantial contribution to capital.

"(C) Any other portion of an asset to the extent that separate treatment of such portion is appropriate to carry out the purpose of this section.

"(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—The applicable inflation ratio shall be appropriately reduced for periods during which the asset was not an indexed asset.

"(3) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property.

"(j) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.".

(b) GAINS AND LOSSES FROM INDEXED ASSETS NOT TAKEN INTO ACCOUNT UNDER LIMITATION ON INVESTMENT INTEREST.—Subparagraph (B) of section 163(d)(4) (defining investment income) is amended by adding at the end thereof the following new sentences:

"Gain from the sale or other disposition of an indexed asset (as defined in section 1022) held for more than 1 year shall not be taken into account for purposes of the preceding sentence. The preceding sentence shall not apply to gain from the sale or other disposition of any such asset if the taxpayer elects to waive the benefits of section 1022 in determining the amount of such gain."

(c) REPEAL OF SECTION 1(j).—

(1) IN GENERAL.—Subsection (j) of section 1 is hereby repealed.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (4) of section 694(c) is amended by striking "1(j), 1201, and 1211" and inserting "1201, and 1211".

(B)(i) Subparagraph (B) of section 904(b)(2) is amended by striking so much of such subparagraph as precedes clause (i) and inserting the following:

"(B) SPECIAL RULE WHERE CORPORATE CAPITAL GAIN RATE DIFFERENTIAL.—In the case of a corporation for any taxable year for which there is a capital gain rate differential—".

(ii) Subparagraph (D) of section 904(b)(3) is amended to read as follows:

"(D) CAPITAL GAIN RATE DIFFERENTIAL.—There is a capital gain rate differential for any taxable year in the case of a corporation if any rate of tax imposed by section 11, 511, or 831(a) or (b) (whichever applies) exceeds the alternative rate of tax under section 1201(a) (determined without regard to the last sentence of section 11(b)(1).".

(iii) Subparagraph (E) of section 904(b)(3) is amended by striking clauses (iii) and (iii) and inserting the following:

"(ii) HIGHEST APPLICABLE TAX RATE.—For purposes of clause (i), the term 'highest applicable tax rate' means the highest rate of tax specified in section 11(b).

"(iii) ALTERNATIVE TAX RATE.—For purposes of clause (i), the term 'alternative tax rate' means the alternative rate of tax under section 1201(a)."

(C)(i) The last sentence of subparagraph (A) of section 7518(h)(6) is amended to read as follows: "With respect to the portion of any nonqualified withdrawal made out of the capital gain account by a corporation during the taxable year to which section 1201(b) applies, the rate of tax taken into account under the preceding sentence shall not exceed 34 percent."

(ii) The last sentence of subparagraph (A) of section 607(h)(6) of the Merchant Marine Act, 1936, is amended to read as follows: "With respect to the portion of any nonqualified withdrawal made out of the capital gain account by a corporation during the taxable year to which section 1201(a) of such Code applies, the rate of tax taken into account under the preceding sentence shall not exceed 34 percent."

(d) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

"Sec. 1022. Indexing of certain assets acquired after 1991 for puposes of determining gain."

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to dispositions of any property the holding period of which begins after December 31, 1991.

(2) EXCEPTION FOR CERTAIN TRANSACTIONS BETWEEN RELATED PERSONS.—The amendments made by subsections (a) and (b) shall not apply to any property acquired after December 31, 1991, from a related person (as defined in section 465(b)(3)(C) of the Internal Revenue Code of 1986) if—

(A) such property was so acquired for a price less than the property's fair market value, and

(B) the amendments made by this section did not apply to such property in the hands of such related person.

(3) SUBSECTION (c).—The amendments made by subsection (c) shall apply to taxable years beginning after December 31, 1991.

TITLE III—TREATMENT OF CERTAIN TIMBER ACTIVITIES UNDER PASSIVE LOSS RULES

SEC. 301. TREATMENT OF CERTAIN TIMBER ACTIVITIES UNDER PASSIVE LOSS RULES.

(a) GENERAL RULE.—Subsection (c) of section 469 (defining passive activity) is amended by redesignating paragraphs (4), (5), and (6), as paragraphs (5), (6), and (7), respectively, and by inserting after paragraph (3) the following new paragraph:

"(4) CERTAIN INTERESTS IN TIMBER PROPERTY.—

"(A) IN GENERAL.—The term 'passive activity' shall not include any interest in qualified timber property (as defined in section 194(c)(1) held by a natural person directly or through an entity which does not limit the liability of such person with respect to such interest.

"(B) INCOME IN SUBSEQUENT YEARS.—If any taxpayer has any loss for any taxable year from an interest in any qualified timber property (as so defined) which is treated as a loss which is not from a passive activity, then any net income from such property (or any other property the basis of which is determined in whole or part by reference to the basis of such property) for any succeed-

ing taxable year shall be treated as income of the taxpayer which is not from a passive activity."

(b) TECHNICAL AMENDMENT.—Paragraph (5) of section 469(c) (as redesignated by subsectin (a)) is amended by striking "(2) and (3)" each place it appears and inserting "(2), (3), and (4)".

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1989.

The SPEAKER pro tempore. Without objection, a second is dispensed with.

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI] for 20 minutes.

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill is being considered today as part of an agreement reached by the joint leadership.

H.R. 3628 is identical in every respect to the capital gains tax reduction provisions contained in the budget reconciliation bill as passed by this House on October 4.

The bill reduces the tax on long-term capital gains by providing a deduction of 30 percent of the gain from sales or exchanges occurring from September 14, 1989 to December 31, 1991. Also, the gain would not be subject to the 5-percent tax known as the bubble. This would result in a maximum tax rate of 19.6 percent on capital gains.

After 1991, long-term capital gains would have a maximum tax rate of 28 percent and would be indexed.

In addition, the bill provides that passive activities do not include an interest in certain timber property held by individuals. Consequently, losses from the timber activity could be used to shelter other active income.

Mr. Speaker, I continue to oppose any reduction in the capital gains tax rate. I have stated the reasons for my opposition many times before. This bill is a windfall for the rich. In the first year alone, it hands a $25,000 average tax cut to every household with income over $200,000. It will revive the tax shelter industry effectively wiped out by tax reform. It will do nothing to spur employment, except for high-paid lawyers and accountants peddling tax shelter schemes to convert ordinary income into more favorably taxed capital gains. In 1986, we took away special tax breaks in return for lower rates. That was the basic bargain of tax reform.

Although I personally oppose restoring a capital gains preference I fully respect the will of the House as expressed in our earlier vote on capital gains. I hope that we can pass this bill today, so that we can remove this issue as an impediment to moving forward on budget reconciliation and other important issues.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] that the House suspend the rules and pass the bill, H.R. 3628.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid upon the table.

OIL POLLUTION PREVENTION, RESPONSE, LIABILITY, AND COMPENSATION ACT OF 1989

The SPEAKER pro tempore. Pursuant to House Resolution 227 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1465.

□ 1446

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1465) to establish limitations on liability for damages resulting from oil pollution, to establish a fund for the payment of compensation for such damages, and for other purposes, with Mr. LANCASTER (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore (Mr. LANCASTER). When the Committee of the Whole rose earlier today, the amendment offered by the gentleman from Maryland [Mr. CARDIN] had been disposed of.

The Chair recognizes the gentleman from Michigan [Mr. DAVIS].

AMENDMENT OFFERED BY MR. DAVIS

Mr. DAVIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS: At the end of subtitle A of title IV, add the following new section:

SEC. . U.S.-CANADA GREAT LAKES OIL SPILL COOPERATION.

(a) REVIEW.—The Secretary of State shall review relevant international agreements and treaties with the Government of Canada, including the Great Lakes Water Quality Agreement, to determine whether amendments or additional international agreements are necessary to—

(1) prevent discharges of oil on the Great Lakes;

(2) ensure an immediate and effective removal of oil on the Great Lakes: and

(3) fully compensate those who have been injured by a discharge of oil on the Great Lakes.

(b) CONSULTATION.—The Secretary of State shall consult with the Department of Transportation, the Environmental Protection Agency, the Great Lakes States, the International Joint Commission, and other appropriate agencies.

(c) REPORT.—The Secretary of State shall submit a report to Congress on the result of this review within six months of the date of enactment of this Act.

Mr. DAVIS. Mr. Chairman, although the Oil Pollution Act is a national bill, the Great Lakes are especially in need of protection from oilspills, because they serve as drinking water for 30 million United States and Canadian citizens. In addition, the Great Lakes do not share the natural flushing action found in tidal waters, and oil will be retained in the lakes for much longer periods.

To increase the protection of the Lakes, my amendment directs the Department of State to review within 6 months the relevant international agreements with the Government of Canada, most importantly the Great Lakes Water Quality Agreement, to determine whether additional efforts are necessary to protect the Great Lakes from oilspills.

I ask your support for my amendment.

Mr. NOWAK. Mr. Chairman, will the gentleman yield?

Mr. DAVIS. I yield to the gentleman from New York.

Mr. NOWAK. Mr. Chairman, I rise in strong support of this amendment. The Great Lakes serve as an invaluable resource to our country. Aside from their importance as a transportation route and industrial water supply, they serve the drinking water needs of over 24 million people. Every effort must be taken to assure our agreements with Canada are sufficient to minimize the risk of a spill. This amendment will direct the Secretary of State to review Great Lakes water quality agreements for their adequacy in preventing spills.

I urge my colleagues to join me in supporting this important amendment, and congratulate the gentleman for offering it.

Mr. JONES of North Carolina. Mr. Chairman, I rise in support of the gentleman's amendment, and urge its unanimous adoption.

□ 1450

Mr. ANDERSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am pleased to rise in support of the gentleman's amendment. The amendment would require the Secretary of State to review relevant international agreements and treaties with Canada to determine if changes are necessary for the preven-

tion of discharges of oil in the Great Lakes, to ensure an immediate and effective removal of oil in the Great Lakes, and to fully compensate those who have been injured by the discharge of oil in the Great Lakes. This amendment is similar to a provision which is currently contained in the Senate oilspill bill, and I believe it is a fine addition to the bill as we strive to improve preventive and response measures related to oilspill discharges.

I am pleased to support the gentleman's amendment.

The CHAIRMAN pro tempore (Mr. LANCASTER). The question is on the amendment offered by the gentleman from Michigan [Mr. DAVIS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SMITH OF VERMONT

Mr. SMITH of Vermont. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Vermont: At the end of subtitle A of title IV, add the following new section:

SEC. 17. U.S.-CANADIAN LAKE CHAMPLAIN OIL SPILL COOPERATION.

(a) REVIEW.—The Secretary of State shall review relevant international agreements and treaties with the Government of Canada, to determine whether amendments or additional international agreements are necessary to—

(1) prevent discharges of oil on Lake Champlain;

(2) ensure an immediate and effective removal of oil on Lake Champlain; and

(3) fully compensate those who have been injured by a discharge of oil on Lake Champlain.

(b) CONSULTATION.—The Secretary of State shall consult with the Department of Transportation, the Environmental Protection Agency, the States of Vermont and New York, the International Joint Commission, and other appropriate agencies.

(c) REPORT.—The Secretary of State shall submit a report to Congress on the result of this review within six months of the date of enactment of this Act.

Mr. SMITH of Vermont (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. SMITH of Vermont. Mr. Chairman, I am offering an amendment to H.R. 1465 today with the cosponsorship of the gentleman from New York [Mr. MARTIN] and the gentleman from New York [Mr. SOLOMON] that will help fulfill the goal of this legislation to protect our national water resources from oilspill damage.

Mr. Chairman, the amendment concerns Lake Champlain, which is bounded by my own State of Vermont to the east, the State of New York to the west and by Canada to the north.

By virtue of its location, Lake Champlain is an international body of water, and while this bill before us will provide Federal assurances of protection against oilspill damage, it has no jurisdiction in Canada. It is therefore critical that we review the relevant agreements between the United States and Canada to ensure that Lake Champlain is protected by both countries in the event of an oilspill.

That is the heart of the amendment that I and my honorable colleague from New York are offering. It has the consent of the majority and minority leadership in the relevant committees, and we appreciate the support from the House.

This amendment is critical given that Lake Champlain is subject to significant oil-carrying barge traffic and could experience lasting and devastating ecological damage should it not be fully protected from oil spillage.

Mr. MARTIN of New York. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Vermont. I yield to the gentleman from New York.

Mr. MARTIN of New York. Mr. Chairman, I just want to rise to commend the gentleman from Vermont [Mr. SMITH], my neighbor and friend, on this legislation, and it has been a privilege for the gentleman from New York [Mr. SOLOMON] and myself to have worked with him on this. It is similar to the amendment offered by the gentleman from Michigan [Mr. DAVIS].

Mr. Chairman, I want to commend my colleague from Vermont for offering this amendment.

Like the Great Lakes, Lake Champlain is an international body of water whose ecological well-being is of the utmost importance to the residents of the United States and Canada, alike. Upward of 50 million gallons of oil products were moved on the lake during 1988. To some this may not seem like an enormous amount of product which could be subject to a spill. Believe me, having personally experienced the consequences of an oilspill in the 1970's along the St. Lawrence River, any spillage is devastating to those who must suffer its damaging effects.

As my colleague stated, the legislation before us has no force of law in Canada. For this reason, it is imperative that we evaluate, and update if necessary, the international agreements currently in effect with our neighbor to the North. We must ensure that both countries have in place the appropriate mechanisms for preventing, responding to, and compensating those who have been injured, as the result of an oil discharge on Lake Champlain.

Mr. ANDERSON. Mr. Chairman, I rise in support of the gentleman's amendment. This amendment would require a review of treaties and agreements with Canada concerning oilspill related issues on Lake Champlain. It would also encourage improvements to oilspill preparedness and response for Lake Champlain. I believe that it is prudent and appropriate for the United States to encourage all efforts to improve the qualities of the waters which we share with our Canadian neighbors.

Mr. DAVIS. Mr. Chairman, I rise to support the amendment of the gentleman from Vermont [Mr. SMITH].

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. DAVIS. I yield to the gentleman from Minnesota.

Mr. STANGELAND. Mr. Chairman, I have no objection to the amendment of the gentleman from Michigan.

The amendment, as I understand it, would simply require the Secretary of State to review relevant treaties and agreements, such as the Great Lakes Water Quality Agreement, to improve oilspill prevention, response, and compensation.

We need greater cooperation with the Canadians. As neighbors, we must work together to ensure strong oilspill prevention and response measures.

The House Public Works and Transportation Committee, which has jurisdiction over the Clean Water Act, has a keen interest in effective implementation of the Great Lakes Water Quality Agreement and other Great Lakes water quality initiatives.

Accordingly, I have no objection to the amendment and I urge my colleagues to support it.

Mr. DAVIS. Mr. Chairman, I will not prolong this. I just want to say this is a good amendment. I congratulate the gentleman from Vermont [Mr. SMITH]. Anything we can do to have cooperation with Canada and the United States to prevent oilspills and to help in that process I think is an excellent idea, and I commend him for coming up with this amendment.

Mr. SMITH of Vermont. Mr. Chairman, will the gentleman yield?

Mr. DAVIS. I yield to the gentleman from Vermont.

Mr. SMITH of Vermont. Mr. Chairman, I would simply like to thank the gentleman from Michigan [Mr. DAVIS], and the gentleman from California [Mr. ANDERSON], and the gentleman from North Carolina [Mr. JONES] for their assistance in this amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Vermont [Mr. SMITH].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: Page 66, line 18, insert the following new subsection after "this section.":

"(i) The Secretary shall establish programs for testing each individual applying for issuance or renewal of a license or certificate of registry under this chapter for use of dangerous drugs."

Page 67, line 3, insert the following new subsection after "that individual.":

"(d) The Secretary shall establish programs for testing each individual applying for issuance or renewal of a merchant mari-

ner's document under this chapter for the use of dangerous drugs."

Page 68, line 19, insert "(1)" after "(c)".

Page 68, after line 25, insert the following new paragraph:

"(2) The Secretary shall establish programs for testing persons holding a license, certificate of registry, or merchant mariner's document for use of alcohol and dangerious drugs. Programs may include periodic, random, reasonable cause, and post accident testing."

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that my amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, my amendment would give the Secretary the authority to test applicants for dangerous drugs and alcohol abuse. The Secretary shall establish a program for testing the individuals applying for a license or certificate of registry for drug abuse. The Secretary would also establish programs for testing persons holding a license, certificate of registry, or merchant mariner's document for use of alcohol and dangerous drugs. Programs may include periodic, random, reasonable cause, and post accident testing.

My amendment would give explicit authority to test for the use of alcohol and dangerous drugs, especially aboard the vessel. Currently, the Coast Guard tests for alcohol after each marine accident and for reasonable cause. This is not enough. However, testing for alcohol use outside the work environment, such as for pre-employment, involves several legal issues since there is no prohibition against alcohol use outside the work environment. But it is lawful and necessary to test individuals while aboard the vessel for use of alcohol and dangerous drugs. While aboard, these individuals are performing very sensitive functions and the consequences are now well known when these functions are not carried out. There are laws, on the other hand, against using dangerous drugs that makes it lawful to test at any time including pre-employment. Again, it is crucial that these individuals are not under the influence of any substance while working.

Drug and alcohol testing is an effective deterrent and I believe it is necessary in such highly delicate positions. The March 24, 1989, *Exxon Valdez* oilspill was the largest spill in U.S. history. The short term effects of this oilspill have included over 10,000 bird and 600 sea otter mortalities. The long term effects of this tragedy on the local environment are yet to be determined, but one can only expect that the damage will be devastating. On board the vessel was a captain who was an alcohol abuser. His dependence contributed to the tragedy that led to the pollution of the Alaskan shores. Alcohol testing could have prevented the disaster.

I am greatly dismayed by the environmental damage that has been done, and I am angered at the thought that the American people will have to pay for this mistake. I believe that there needs to be a method of testing for alcohol and substance abuse to prevent such a disaster from occurring again. Exxon claims that the 1,100 miles of contaminated shoreline is now environmentally stable. Yet if one goes 200-300 miles away from Prince William, he will see that the shoreline is strewn with globs of oil. For example, the Knight Island shoreline was among the last treated in Alaska. Thickly oiled rocks remain as well as the pungent smell of chemical fertilizer recently sprayed on the rocks.

The Exxon oil cleanup has officially ended. The Coast Guard claims Exxon has done less than half the cleanup job it had promised to do. A spokesman has announced that this spring, Exxon plans to send only 20 of the 11,500 cleanup and survey workers presently employed to finish the job. We can help prevent such an atrocity from occurring again by testing for substance and alcohol abuse.

Drug testing cases have already been tested in the Supreme Court. During its current term, the Supreme Court sustained federally mandated drug-testing programs in two cases. The Supreme Court held that mandatory testing in these situations, even without individualized suspicion of drug use, was not an "unreasonable search or seizure" under the fourth amendment. They felt that public safety interests served by the rules outweighed any possible intrusion on privacy rights asserted by the contesting labor unions. The Supreme Court has also held that drug testing does not violate the fifth amendment protections against self-incrimination.

Drug testing has also been implemented in other situations. The National Football League is trying to protect its integrity by testing for steroids. The NFL realizes that employees who abuse drugs and alcohol have lower productivity and are more prone to health problems and injuries. This means millions of dollars in pro football revenues could be lost. Drug testing was upheld by the U.S. District Court when they refused to stop the NFL from testing for steroids and other drugs. The NFL is trying to protect its name; this amendment is protecting the environment. American citizens have the right to a clean environment.

Mr. HAMMERSCHMIDT. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Chairman, I support the amendment of the gentleman from Ohio [Mr. TRAFICANT].

Mr. JONES of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. Mr. Chairman, I rise in support of the amendment of the gentleman from Ohio [Mr. TRAFICANT], and I compliment the gentleman on offering this amendment.

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Michigan.

Mr. DAVIS. Mr. Chairman, I rise in support of the amendment of the gentleman from Ohio [Mr. TRAFICANT].

A lot of this, of course, is being done by rules and regulations of the Department of Transportation, but this puts it in law, and I think it is a good idea.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. STUDDS

Mr. STUDDS. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. STUDDS: Page 85, after line 15, insert the following new section:

SEC. 4113. TANK VESSEL MANNING.

(a) RULEMAKING.—In order to protect life, property, and the environment, the Secretary of Transportation shall initiate a rulemaking proceeding within 60 days after the date of enactment of this Act to define the conditions under, and designate the waters upon, which tank vessels subject to chapter 91 of title 46, United States Code, may operate in navigable waters of the United States with the auto-pilot engaged or with an unattended engine room.

(b) WATCHES.—Section 8104 of title 46, United States Code, is amended by adding a new subsection (n) as follows:

"(n) On a tank vessel, a licensed individual or seaman may not be permitted to work more than 15 hours in any 24-hour period, or more than 36 hours in any 72-hour period, except in an emergency or a drill. In this subsection, 'work' includes any administrative duties associated with the vessel whether performed on board the vessel or ashore.".

(c) MANNING REQUIREMENT.—Section 8101(a) of title 46, United States Code, is amended as follows:

(1) strike "and" at the end of paragraph (1).

(2) in paragraph (2), strike the period at the end and insert "; and".

(3) add a new paragraph (3) as follows:

"(3) a tank vessel shall consider the navigation, cargo handling, and maintenance functions of that vessel for protection of life, property, and the environment.".

(d) STANDARDS.—Section 9102 (a) of title 46, United States Code, is amended as follows:

(1) strike "and" at the end of paragraph (6).

(2) in paragraph (7), strike the period at the end and insert "; and".

(3) and a new paragraph (8) as follows:

"(8) instruction in vessel maintenance functions.".

(e) RECORD.—Section 7502 of title 46, United States Code, is amended by striking "maintain records" and insert "maintain computerized records".

Page 3, amend the table of contents by adding at the end of substitute A of title IV the following:

"Sec. 4113. Tank Vessel Manning.".

Mr. STUDDS (during the reading). Mr. Chairman, I ask unanimous consent that my amendments be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. STUDDS. Mr. Chairman, I offer this amendment jointly with Mr. DAVIS of Michigan, the ranking minority member of the Committee on Merchant Marine and Fisheries.

The purpose of the amendment is to enhance marine safety by requiring the Secretary of Transportation to designate the areas within which, and the conditions under which, a vessel may be operated on automatic pilot or with an unattended engine room while in U.S. waters.

As Members may recall, the *Exxon Valdez* never would have run aground if the captain had not placed it on automatic pilot while transiting the perilous waters of Prince William Sound. This amendment would require the Secretary to consider whether it ever makes sense, in confined and potentially hazardous waters, to substitute mechanical for human control over the vessel.

The amendment also responds to evidence that personnel fatigue may have played a major contributory role in the *Exxon Valdez* and other marine disasters. Under the amendment, a licensed individual or a seaman on a tanker would not be permitted to work more than 15 hours in one day, nor more than 36 hours in any 72 hour period, except in an emergency or drill. This is very much a commonsense standard; and I doubt that anyone in any part of the shipping industry would disagree with its reasonableness.

Finally, the amendment updates current law by specifying that Coast Guard records on shipping and manning matters should be computerized.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from Massachusetts [Mr. STUDDS].

The amendments were agreed to.

AMENDMENT OFFERED BY MR. CARPER

Mr. CARPER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CARPER: Page 104, after line 21, insert—

"SEC. 4304. CONSIDERATION OF DISCHARGES.

"In establishing regional strike teams under section 311(c)(2)(C) of the Federal Water Pollution Control Act (33 US.C. 1321(c)(2)(C), the President shall consider the likelihood of a discharge of oil, and the likelihood that a discharge would result in severe economic or environmental damage.".

Mr. CARPER. Mr. Chairman, the amendment I'm offering is not very complicated but I think it's very important to give some direction to the administration in identifying where the seven strike teams establishing under this bill will be located. My amendment simply says that the President shall consider the likelihood of an oil-spill, and the economic and environmental damage resulting from a spill, in determining strike team locations.

The decade of the eighties has brought with it a rash of damaging oilspills throughout our country. Everyone is well aware of the three spills that occurred within a 24-hour period this summer, and the infamous *Exxon Valdez* spill in Prince William Sound. Those spills are not isolated incidents, in fact, in some areas they have become a recurring nightmare.

Wherever ships are carrying oil, there is some degree of risk that an accident could occur. But clearly the risk is greater in some areas than in others. The Delaware River is a good example. In the last 4 years there have been four major spills on the Delaware. Hundreds of thousands of gallons of oil have spilled into the river and onto its banks. I don't know how that stacks up with other major shipping channels that transport oil, but if the Delaware isn't the most spill-prone river in the country, it soon will be.

Why so many spills? For a number of reasons. The seven oil refineries along the Delaware make the river's channel the second busiest for handling petroleum products in the Nation. The river channel is relatively narrow and treacherous in some places even for experienced pilots. River traffic is heavy, not only with oil tankers, but with other ships serving the ports of Philadelphia and Wilmington.

The combination of high volume and significant hazards to navigation increase the likelihood of an accident resulting in a spill, not only on the Delaware, but on other waterways that face similar circumstances. The first half of my amendment specified that the President should consider the likelihood of a spill in deciding where to locate the seven strikes teams established under this bill.

The second half of the amendment requires the President to consider the potential economic and environmental damage that would result from a spill. In each of the four spills along the Delaware River, for example, very sensitive wildlife areas on the New Jersey and Delaware shorelines have been threatened, not to mention numerous homes and businesses. It is essential, I believe, to consider the relative dangers posed by a spill to the environment of an affected area, as well as potential economic losses, in locating strike teams.

Mr. Chairman, the regional strike teams established under this bill will be an important first line of defense to minimize the damage caused by oilspills. We ought to make sure that we position those strike teams where they can do the most good, or better said, where they can prevent the most harm from occuring when the next accident happens in a spill-prone area.

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. CARPER. I yield to the gentleman from Michigan.

Mr. DAVIS. Mr. Chairman, I rise in support of the amendment of the gentleman from Delaware [Mr. CARPER]. It makes a lot of sense that wherever we put these regional strike teams they ought to be in the area where the environment is most sensitive and also where most of the oil traverses.

Also I want to make a point about there is some language in this legislation relative to the Great Lakes, and it is important because the Great Lakes are entirely different, of course, than the oceans and do not have the ability to be able to wash some of this stuff, and because it is an extremely sensitive area I think this amendment ties in with giving credence to having a strike response team regionally located to protect the Great Lakes area.

Mr. Chairman, I commend the gentleman from Delaware [Mr. CARPER] for his amendment.

Mr. Chairman, this amendment responds to certain problems with tank vessel manning requirements that came to light after the *Exxon Valdez* oilspill. The amendment requires the Secretary of Transportation to determine when and where a tank vessel may operate in U.S. waters under auto-pilot, or with the engine room unmanned. The amendment also establishes reasonable restrictions concerning the hours merchant mariners may be required to work on tank vessels. This amendment will assure that tank vessels will not operate on auto-pilot under unsafe conditions. The amendment will also ensure that fatigue of merchant vessel personnel will not contribute to future tank vessel accidents. In addition, this amendment requires the Coast Guard to computerize records presently maintained on merchant mariners licenses, certificates of registry, and documents. I believe that the Coast Guard can save money by computerizing information to the greatest extent possible, and devote the funds saved to other purposes.

I urge adoption of the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Delaware [Mr. CARPER].

The amendment was agreed to.

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AMENDMENT OFFERED BY MR. GALLO

Mr. GALLO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GALLO: Add at the end of subtitle A of title IV of the bill the following:

SEC. 41 . ESTABLISHMENT OF DOUBLE HULL REQUIREMENT FOR TANK VESSELS.

(a) IN GENERAL.—Section 3708 of title 46, United States Code, relating to self-propelled tank vessel minimum standards, is amended—

(1) in the heading by striking "Self-propelled tank vessel" and inserting in lieu thereof "Tank vessel";

(2) by designating the existing text of such section as subsection (b); and

(3) by inserting before subsection (b) (as designated by paragraph (2)) the following:

"(a) A tank vessel of at least 10,000 gross tons shall be equipped with a double hull which satisifes the criteria for a segregated ballast tank set forth in Appendix C to part 157 of title 33, Code of Federal Regulations (as in effect on June 1, 1989).".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 37 of title 46, United States Code, is amended by striking the item relating to section 3708 and inserting in lieu thereof the following:

"3708. Tank vessel minimum standards.".

(c) APPLICATION.—Section 3708(a) of title 46, United States Code, as added by this section, shall apply—

(1) after the date of the enactment of this Act to all tank vessels for which construction is begun after that date of enactment; and

(2) after the date which is 15 years after the date of the enactment of this Act to all other tank vessels.

Amend the table of contents in section 1(b) of the bill by inserting after the item relating to section 41 the following:

"Sec. 41 . Establishment of double hull requirement for tank vessels.".

Mr. GALLO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. GALLO. Mr. Chairman, I would like to first state that the legislation we are considering today will do a great deal to protect the environment in the event of minor, as well as catastrophic, oilspills. However, it is possible to prevent many spills from occurring in the first place.

In addition to the prevention provisions included in the Merchant Marine and Public Works bill, my amendment would further help to prevent future oilspills by requiring double hulls in all newly constructed tank vessels, meaning tankers and barges, that use U.S. ports.

After a phase-in period of 15 years, all tank vessels, regardless of who owns them or what flag they fly, would be required to have double hulls if they are bringing refined or crude oil, as well as hazardous materials, into a U.S. port.

A double hull provides a margin of safety in the event of a grounding or collision. Should the outer hull be damaged, the cargo is still kept within the ship's hold by the inner hull.

According to a study by the Coast Guard, the *Valdez* would have spilled from 25 to 60 percent less oil had it been equipped with just a double bottom. Double hulls are already required on all tankers that carry liquified gases and many hazardous chemicals because of the extreme danger these cargoes would pose to people and the environment in the event of an accidental release.

The bill we are considering today requires a study comparing the environmental safety of tankers with and without double hulls.

This issue has been studied to death. Senator Brock Adams, while Secretary of Transportation under President Carter, directed the Coast Guard to negotiate a double bottom requirement with the international maritime organization.

While the proposal was rejected, the technology has not changed significantly since then, and it has taken a tragedy in a once pristine wilderness to move the Congress into action.

This amendment has received strong support from environmental groups as well as bipartisan support from members all across the country.

Protecting our environment and wildlife from the devastating effects of an oilspill is clearly important to all Americans. Any of our coastal States could be devastated by a *Valdez*-type disaster at any time. The entire eastern seaboard is at risk. The Great Lakes are at risk. The California coast is at risk. And we've already seen a major spill in the Houston shipping channel since the time of the *Valdez* incident.

Spills are not all that unusual in oil tanker operations. The Coast Guard receives reports on about 7,500 oilspills every year. About 200 of these require Federal takeover of the cleanup efforts. In U.S. waters since 1978, there have been 79 tanker spills of more than 10,000 gallons of oil—an average of more than six each year. The Gulf Coast suffered 37 of the spills. The Atlantic Coast had 29 spills. And, 13 spills occurred along the Pacific Coast.

On October 31, a cargo ship loaded with fuel oil and phosphates ran aground on a reef at the tip of the Florida Keys.

Up until now, the additional cost of double hulls has been the deciding factor against their implementation. But, compared with the monumental cost of cleaning up Prince William Sound as well as the potential for devastation posed by groundings such as the recent one off the Florida Keys, the increase in construction cost is minor.

Double hulls are a good investment that will help to ensure cleaner oceans and shorelines. Much has been said on the safety of double hulls and I do not claim to be a naval architect. However, it is always easier to stick with current policies than to make a change, even if that change has well-documented benefits.

When the oil industry was seeking permission for the TransAlaska pipeline, they promised that tankers transporting Alaskan oil would have double hulls. They did not follow through with that assurance.

It has become obvious that the technology does not yet exist to enable us to adequately clean up a spill, or even to keep it contained. So often we react to emergencies after the damage is done.

This amendment is a strong effort to prevent oilspills, rather than reacting after the fact.

Mr. Chairman, we have debated and studied this issue for more than 15 years. During most of that time, we have required double hulls on all tankers carrying liquified natural gas and other highly combustible materials. Of 40 groundings and collisions involving these double hulled vessels, only two resulted in any cargo spillage and neither spill was serious.

The Coast Guard says that the double hull requirements for liquified natural gas tankers were established because of the extreme danger posed to people in the event of an accidental release. So, protection of the public health and safety is clearly a priority. But, environmental protection is viewed as less of a priority.

I ask my colleagues to support my amendment as a clear statement that we believe environmental protection ranks as high on our list of priorities as protection of the public health and safety, because they are one and the same.

We must tackle environmental questions before they threaten the public health and safety, not afterward. We have learned, in Alaska, that you can't put the genie back in the bottle. And when the bottle, in this case the *Valdez*, weighs 126,000 tons, it is easy to see that the cost of prevention outweighs the priceless loss in environmental damage from another massive spill.

I do not want some future headline to read: "Washington Studies While the Oil Spills."

I urge my colleagues to support my amendment.

Mr. BRENNAN. Mr. Chairman, I rise in support of the amendment requiring double bottoms on tankers and barges.

We have recommended the study of double hulls and double bottoms for the last 15 years. These studies, by reliable sources such

as the Office of Technology Assessment and the Coast Guard, demonstrate that double hulls and double bottoms could reduce the likelihood of spills. If spills did occur, hull improvements could limit the size of the spill.

The Coast Guard estimates that if the *Exxon Valdez* had a double bottom, 25 to 50 percent less oil would have flooded into the pristine waters of Prince William Sound.

In the face of such evidence, it seems to me that it is time for Congress to require double bottoms on tankers that call at U.S. ports. Further delay only increases the risk of environmental damage to our coasts.

Any further calls for study of double hulls and double bottoms, such as the present language of H.R. 1465, are simply double talk.

AMENDMENT OFFERED BY MR. TORRICELLI TO THE AMENDMENT OFFERED BY MR. GALLO

Mr. TORRICELLI. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. TORRICELLI to the amendment offered by Mr. GALLO: After section 4108, relating to State authority to require State pilotage for tankers, add the following new section:

SEC. 4109. SELF-PROPELLED TANK VESSEL MINIMUM STANDARDS.

(a) DOUBLE BOTTOMS.—Section 3708 of title 46, United States Code, is amended—

(1) by inserting "(b)" before "A self-propelled"; and

(2) by inserting after the section heading the following new subsection:

"(a) A self-propelled tank vessel of at least 20,000 deadweight tons shall be equipped with a double bottom.".

(b) INSTALLATION.—Section 3704 of title 46, United Stated Code, relating to coastwise trade vessels, is amended by stiking "tank," and inserting "tank, double bottom,".

(c) APPLICABILITY.—The amendments made by subsections (a) and (b) shall apply—

(1) after the date of the enactment of this Act, to any self-propelled tank vessel the construction of which is begun after such date of enactment; and

(2) after the last day of the 7-year period beginning on such date of enactment to any self-propelled tank vessel the construction of which is begun on or before such date of enactment.

Redesignate subsequent sections and conform the table of contents of the bill accordingly.

Mr. TORRICELLI (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. TORRICELLI. Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Chairman, I rise in strong support of the amendment.

Twelve years ago, Senator Warren Magnuson and I introduced legislation to strengthen oil tanker construction and operating safety standards. It was a good bill and, except for one provision, it became law. The exception was a requirement that all tankers using U.S. ports have double bottoms.

Last March 24, in Prince William Sound, we paid a price for that exception. And by we, I mean not only the fishermen and hotel and restaurant operators of Alaska; not only the natural resources of Alaska; I mean our country; I even mean Exxon.

A double bottom would probably not have prevented the *Exxon Valdez* spill; but it would have meant less oil spilled; fewer otters and eagles and salmon killed; not as many miles of coastline to be cleaned up; fewer millions of dollars wasted on an accident that never should have happened.

But the real question is not whether a double bottom would have prevented the last spill, but whether it might prevent the next one.

The answer according to every independent study of the subject conducted over the past decade and a half is yes. Double bottoms will mean fewer spills; and less oil discharged even when spills occur.

In 1975, the Coast Guard analyzed 30 tanker groundings which occurred in U.S. waters and concluded that double bottoms would have prevented pollution of 27—or 90 percent—of those incidents.

That same year, the OTA concluded that "double bottoms or double hulls * * * offer a significant degree of protection from pollution."

The supervisor of salvage for the U.S. Navy has written that "the probability of a major salvage or pollution incident growing out of the grounding of a large, single bottom tanker, is of an order of magnitude greater than for a double bottom tanker."

Now, I know that some say that double bottoms can make it more difficult to refloat a vessel, thereby causing an even larger spill. But when, in the real world, has that happened? Hundreds of tankers already have double bottoms. When has that fact led to increased pollution? The answer is never. And if double bottoms are unsafe, why do we require them for vessels carrying LNG and hazardous materials other than oil?

Some say that double bottoms are too expensive. But look at Prince William Sound or Chesapeake Bay or the Florida Keys or Nantucket Island or the bustling harbor of Kennebunkport and ask yourself; is an extra 2 or 3 percent in the cost of an oil tanker too high a price to pay to protect our coasts? I think not.

Finally, some say we've got to wait until the international community agrees that double bottoms are necessary. Well, to that, I say—just this once—let's not wait; let's lead.

This amendment, offered by the gentleman from New Jersey, represents an opportunity that comes—I can tell you based on my own experience—but once a decade. An opportunity to respond to oilspills in the most effective way possible, by preventing them.

An opportunity to cast one of the most important environmental votes of the year.

So I urge my colleagues. Consider the facts. Consider our coasts. Consider what happened in Alaska 7 months ago. Consider what might happen off your State 7 months from now. And vote "yes" on this amendment.

Mr. TORRICELLI. Mr. Chairman, what I offer today is a friendly amendment as an interim step. What the gentleman from New Jersey [Mr. GALLO] has suggested is our ultimate goal. It is worthy of the support of the Members of the House. It will result largely in replacing our current fleet with a fleet of safe double hulled tankers. It is a judgment that this House should have reached a long time ago, but in the interim, Mr. Chairman, there is something else we can do, require that the current fleet, our current tankers, have at a minimum double bottoms.

It is said, Mr. Chairman, as the gentleman from New Jersey suggested before, that if the *Exxon Valdez* had had a double bottom, as much as 60 percent of the oil that flowed into the waters of Alaska would have been prevented.

Earlier studies have indicated that 96 percent of all the oil spilled in America never would have occurred if our tankers had had a double bottom.

The usefulness of what I offer, Mr. Chairman, and what is being offered by the gentleman from New Jersey [Mr. GALLO] is that we do more than simply provide punishment, more than simply provide the means to clean up oilspills. What the gentleman from New Jersey [Mr. GALLO] and I suggest is that we prevent them, and that is what double hulls and double bottoms are all about. If we learned anything from the Alaska oilspill, it is this. No matter how much money we provide, no matter how much effort we are willing to commit, oilspills by their nature are so difficult that nature can never fully be restored. Therefore, oilspills must be prevented. Double hulls, double bottoms are the one way of preventing environmental damage.

Mr. Chairman, 15 years ago when this House was debating the Alaska pipeline, Senator Magnuson of Washington introduced legislation requiring double hulls and double bottoms. On that day, this House did not take that action. It was part of what was offered to make the Alaska pipeline safe to begin with. It was a mistake then. It could be reversed now.

Mr. Chairman, I urge the House today to provide, as the gentleman from New Jersey [Mr. GALLO] has suggested, double hulls, and as I have suggested for 7 years, double bottoms.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. TORRICELLI. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, I thank the gentleman for yielding.

I am delighted the case in the Florida Keys has been brought up as an example. We were pleased, of course, that that vessel had a double hull, even though she tore up a big chunk of the reef, and it will be a long time being replaced.

The point I wanted to make is this: We found out after the fact, however, she was carrying her fuel between the hulls, so for us to go to double hulls and not have the further requirements that they cannot carry anything between the hulls might defeat the very purpose the gentleman seeks.

I would hope that the committee would take that under consideration with the departmental people in terms of what regulations may be necessary to accomplish that additional safety which the gentleman seeks by legislation.

Mr. TORRICELLI. The gentleman's point is well taken, and I would remind Members, as well, that what we are asking today is double hulls for oil tankers. The gentleman has suggested other tankers today have double hulls is what we are already requiring for hazardous cargoes, for chemicals, for gas. We have this provision for other cargoes. All we are suggesting today is that as America has painfully discovered, oil is also a hazardous cargo, and it requires the same standards required already for other tankers. No more.

But as will be suggested on this floor as well, this provision is not without cost. It may require some $2 billion to require double bottoms alone. But I would remind my colleagues of this: That cost is less than the single cost of cleaning up one oilspill. In other words, we will rebuild our entire national fleet for less than it will cost for the Alaska oilspill, and for it we may prevent 96 percent of all future oilspills for this single investment.

Mr. Chairman, there will be those who may disagree, but let me suggest to my colleagues that every environmental organization, principal labor organizations, and the National Steel Institute all join in support of this amendment.

I urge the support of my colleagues.

AMENDMENT OFFERED BY MR. DAVIS AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. GALLO

Mr. DAVIS. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by the gentleman from New Jersey [Mr. GALLO].

The Clerk read as follows:

Amendment offered by Mr. DAVIS as a substitute for the amendment offered by Mr. GALLO: Title IV is amended by adding the following new section:

"SEC. 4113. DOUBLE HULLS OR DOUBLE BOTTOMS.

"(a) Before one year after the date of enactment of this Act, the Secretary shall require by regulation tank vessels to be equipped with double hulls or double bottoms unless the Secretary determines that—

"(1) the requirement will not enhance tank vessel navigation safety;

"(2) the requirement will not enhance protection of the environment; or

"(3) an equal or greater benefit to navigation safety and protection of the environment will be achieved by other construction designs.

"(b) If the Secretary requires double hulls or double bottoms under subsection (a) of this section, the Secretary shall present a proposal for worldwide adoption of that construction design to the International Maritime Organization at the earliest date, as appropriate.

Mr. DAVIS. Mr. Chairman, I wanted the amendment to be read. I am not trying to blindside either one of the gentleman from New Jersey, but this is a very important issue, and I think we need to look at it in the full context of what happens.

What this amendment says, and it is very similar to what the Senate has already included in its version of this same legislation, but in effect what this amendment says is that we shall have a study conducted by the Secretary of the Department of Transportation, and we shall go ahead with double bottoms. We shall go ahead in new ships and retrofit present ships unless certain things are determined of which we just heard read.

Mr. Chairman, this, I think, is an issue that we have to really consider very seriously. Let me just read to the Members what the Commandant of the United States Coast Guard said about the *Exxon Valdez* that we ought to be aware of:

Had that ship, the *Exxon Valdez*, had double bottoms, it would have probably lost only about half the oil that it lost. That is the good news. The bad news is had that ship had double bottoms and come off the pinnacle, it would probably have sunk right on the spot.

I think all of us believe that going to double bottoms probably is the right way to go, but I am not sure that we want to take action that is going to mandate that in a certain time period we retrofit all of these ships when in fact we do not know whether it is the right thing to do. Right at this very moment and for some time, the Coast Guard has contracted with the National Academy of Sciences to take a fresh look at double bottom, double hull requirements, and it seems to me for us to mandate something before their study is completed that we do not really know whether it is the right thing to do.

It could change; putting double bottoms could change, especially in retrofitting ships to the point where they may be unstable, may be unsafe in other ways, and I just think that the better way to go is to take the language from the Senate, which is very similar, almost identical, to this language, which says, yes, at the end of the study we shall go ahead with double bottoms, but we will do it only if it is determined that it is safe and that other criteria are met.

I really think that is a better way to go, and I want to get into this debate, because it is on a very important issue.

I do not have any expertise in ship construction whatsoever, but I also do not want to mandate something that is not going to do what we think it ought to do or what we think we want it to do.

I would hope that we would consider this amendment seriously, because this is a most important issue.

Mr. TAUZIN. Mr. Chairman, I rise in support of the gentleman's substitute amendment.

Mr. Chairman, first of all, the substitute amendment mandates double hulls. Let us make that clear. It says that there will be double hulls, and it says the Secretary must impose double hulls upon new construction unless, after that year's study, he determines the requirement will not, in fact, enhance vessel navigation and safety, that it would not protect the environment, or that an equal and greater benefit to navigation safety and protection of the environment will be achieved by other construction design.

Let us start out with that. The gentleman's substitute amendment says that double-bottom hulls will be mandated, exactly what the Senate says, and that these double hulls on new-vessel construction will be required unless a better way is found out of the study that makes sense, and I think it is a reasonable approach.

By the way, it is one that the Coast Guard supports. Often, for example, the Commandant is quoted as saying that if the *Exxon Valdez* had had a double bottom it would probably only have lost half of the oil it lost, but the people forget to quote the rest of it, and what he said was that was the good news, that the bad news is that if the ship had had double bottoms and had come off that pinnacle, it would probably have sunk right on the spot. Double bottoms do impose some safety problems, and we ought to take that into consideration, because they would have meant not just the loss of the oil that came out of the *Exxon Valdez* but perhaps all of the oil that was contained in that tanker.

Mr. TORRICELLI. Mr. Chairman, will the gentleman yield?

Mr. TAUZIN. I am happy to yield to the gentleman from New Jersey.

Mr. TORRICELLI. Mr. Chairman, just for the purposes of clarification, the gentleman might note that I have received from the president of the National Steel and Shipbuilding Co. that has constructed and now repaired the

Valdez that, indeed, the April 1989 studies analyzing the accident did not deal with the question of whether the ship would have had a greater or lesser chance of sinking if it had a single or a double bottom; that conclusion may have been reached, but the builder and repairer of the ship says that they are not prepared to reach that conclusion, although they are prepared to conclude that the pollution would have been reduced by 60 percent if it had had a double bottom.

I thank the gentleman for yielding.

Mr. TAUZIN. Mr. Chairman, I concede that point. No one has yet concluded whether the ship would have sunk or not, and the Commandant says that it very well might have. The people who repaired it said that they were not ready to conclude that.

The bottom line is that there is some question about whether double bottoms are the best way to go or not, and the bottom line is that the Senate came to the conclusion, as I hope we do, that we ought to mandate them unless we find out that they are really not safe or we find a better way to do it.

□ 1520

I want to give Members a little show-and-tell that demonstrates that there are some other means that are being discussed that may be of equal or better benefit than a double-hull bottom in protecting the Nation from the kind of spills we saw in Alaska. The concept I am going to discuss is designed by OSG Bulk Ships, which is the largest independent U.S.-flag tanker operating in America. It is an interesting concept, one which they are just now promoting along with the Swedes, who are promoting the negative pressure theory that may even work as well or better than this one.

What I want to show first is the way the 1970 tankers were constructed and loaded with oil. They were basically loaded in different cargo tanks, all with oil from one end to the other. This is the common way pre-1970 tankers, with no ballasts or slop tanks, were loaded. The oil was loaded to the top of each tank, and every tank was loaded.

The modern tanker, and also the post-1973 tankers, are loaded differently today. Most of them are loaded now with four side-water ballast tanks which appear in blue on the chart, so that the oil is loaded in the tanks in yellow. Water is loaded in the ballast tanks on either side. They are loaded this way to provide some protection against side collisions so that these new tankers are much safer. In fact, Warren Magnuson, in a recent editorial I read in Washington State before he died, commented upon the better condition by which ballast tanks loaded, and afford some means of protection against side damage for oilspills.

OSG has taken this theory and has gone a step further and suggested that we could improve upon this loading technique if we did one thing further.

The CHAIRMAN pro tempore (Mr. LANCASTER). The time of the gentleman from Louisiana [Mr. TAUZIN] has expired.

(By unanimous consent, Mr. TAUZIN was allowed to proceed for 3 additional minutes.)

Mr. TAUZIN. What OSG determined was that the amount of oil that came out of the *Exxon Valdez* was exactly equivalent to the amount of oil that was loaded above the water line, above the craft depth line of the ship, and it was equal to the amount because of the hydrostatic balance between the oil in the tanker and the pressure of the seawater.

As Members know, oil is lighter than water. Because the oil was loaded above the water line, that amount of the oil came out of the tanker when it was ripped at the bottom.

What OSG is exploring, and I think with some validity, is a concept that would load oil at the water line by increasing the number of water ballast tanks along the side of a vessel to keep it low in the water, and yet loading the oil in the rest of the tank so that the oil is loaded only at the waterline or near it in hydrostatic balance with the seawater. The effect is that if there is a rip of the vessel on the bottom, very little oil would come out of it on the scientific basis of hydrostatic balance.

Second, the permanent water ballast tanks on the side, ionized to protect against rust, permanent in nature so that we do not have to keep unloading that water every time we load and unload oil, would provide for both safer transit for side injuries, and would provide for safer hull design construction, because it would prevent against the kind of rust that occurs loading water in and out of these ballast tanks.

The bottom line is OSG Bulk Ships is telling us that there may be a way to load ships in a way to prevent what happened with the *Exxon Valdez* without the expense of a double bottom and, in fact, even better than a double bottom.

We are not sure this will work. We are not sure double bottoms work. But what the Coast Guard is requesting, and that is what this amendment requests, is that we mandate double bottoms if and only if they really are safe, and if and only if a better system is not devised to protect against oilspills. That is a sensible way to approach this.

I urge Members to adopt the amendment of the gentleman from Michigan. His amendment is identical almost to the Senate amendment. It says we mandate double bottoms unless we come up with a better system, or unless we find out that double bottoms are really unsafe and will cause us more injury from oilspills. That makes sense to me and I hope it does to my colleagues.

I urge Members to adopt the substitute amendment offered by the gentleman from Michigan.

Mr. YOUNG of Alaska. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

First, I would like to compliment my good chairman, the gentleman from Louisiana [Mr. TAUZIN]. He made a very good argument, and I hope Members listened to the argument. I say to the gentleman from Michigan that his amendment makes a great deal of sense if we are looking for the safety of our shores and the best navigational equipment and vessels to deliver the oil to our shores, not only domestically but foreign, too.

But I do not think this body should be setting the criteria, because there are no experts in this field. I believe other than the gentleman from North Carolina [Mr. COBLE], I am the only maritime person serving in this body that has some experience in the transportation of cargo and oil, and I am one who fought this battle in 1973 for the building of the transportation line with double bottoms because at that time I thought it was the last word. It is not. There are better systems.

The system the gentleman from Louisiana just explained is probably better. The bladder system, Members ask what the bladder system is, is a system being studied today, and this is what the amendment says. That allows a membrane to be put inside of the tanker within each compartment, neoprene, fiberglass-backed. If there is a breaking of the outer hull, it releases that from the hull inside of the hull, air vents let the oil go up, and then as the pressure comes down the bladder comes back out and seals the hole off.

What is wrong with double bottoms? I will be very honest. The models I have seen can pose a threat. As the Commandant said, the possibility of sinking the *Exxon Valdez* was very great.

I do not blame the steel companies for saying what they are saying. They want to build more ships. I do too. But I think we can build them better.

When we put something in writing that is permanent, it is the wrong thing to do in this body until we know for a fact what should be done correctly. The amendment of the gentleman from Michigan is very clear. We have an ongoing study, and if it is found that double bottoms are in fact the only and the best method to prevent a spill, then we shall adopt that method. But if there is a better method, a different ballasting, a different structure,

then that should be the method that is adopted.

This argument reminds me a great deal of the clean air argument and methanol. We have caught onto a buzz word, a buzz word that methanol is going to solve all of our problems without understanding all of the side effects. Now we have the buzz word of double bottoms are going to solve all of our problems without understanding the side effects.

So I am urging my colleagues to listen to the amendment of the gentleman from Michigan. It is a very clear amendment. In fact, I think it is very nearly word for word what came out of the Senate, and it achieves a reality. The study is ongoing, already contracted. Let us hear the results of that study, and then have the enactment in place.

Let us not just do something because it is the popular thing to do.

I am one of those people who want to have our shores safe with the best possible method. I also want something that is not in concrete so we cannot change it.

So I would suggest to the gentleman from New Jersey that his amendment has an attraction, with his amendment I do believe it applies to everyone, all of our foreign tankers, is that not correct? That does make sense. But even then, have we really solved the problem we are seeking to solve, and that is the way to transport our oil? I say I am not sure, and I do not think the gentleman is either.

Let this study go forward. Let the amendment of the gentleman from Michigan be adopted, and I believe it is supported by the Committee of the Whole, and then I will be the first one in this well to encourage it if that is what the study says is the way to go, and if it is not the way to go, to encourage the best way to go to make sure our ships are safe, and those ships coming into your harbors and our harbors are safe, because right now many of those ships, I would say 90 percent of them coming into the harbors are totally unsafe.

So I am suggesting again let us adopt this amendment, and let us go forth with what we are setting out to do, and that is to find a solution to a problem.

Mr. GALLO. Mr. Chairman, I move to strike the requisite number of words.

I rise in opposition to the substitute amendment offered by the gentleman from Michigan.

We have heard a great deal about studying this subject. This subject has been studied to death. This is over 10, 15 years that we have been dealing with this particular problem. When people say that it has not been proven, if it has not been proven, why would the Coast Guard have required liquified gas and chemicals, hazardous waste, or hazardous materials as a requirement to be carried in double hulls? Obviously because it gives that added protection to the public, and they are afraid that any release could be detrimental to the health of individuals.

□ 1530

We should be taking the same concern about the environment because the environment and health of our people are one and the same.

So to say that we are going to study this again—and those words were used almost 15 years ago when there were the same proposals put forward on double bottoms—and they said, "Let us study it." Well, they have studied it and they have studied it. I think it was even stated that the double hulls, as indicated by the Coast Guard—or double bottom and double hull—would have had the effect of reducing the oilspill in Alaska by some 60 percent.

I am very concerned about the effort of the substitute to effectively remove this legislation backwards so we will be here, or someone else will be here, 15 years from now after another major acident, saying that we should have double hulls on our fleet.

There are over 500 ships that now have double bottoms. We have a period of 15 years where new construction would be done immediately on passage and signing of this law, but otherwise there is another 15-year period for this bill to be implemented. We are talking about, as the gentleman from Alaska said, all-flagged tankers, not just United States, all tankers would be so required.

If we had the *Valdez* incident and it took place in Boston Harbor, the effective damage would be from Boston Harbor to the outer shelf of North Carolina. The devastation that would have been done to the east coast is hard to visualize. In the State of New Jersey, where we have over 200 miles of beach and tourist trade, not to mention the fishing industry, that would have been devastated by a similar accident.

So what I think we are asking for in my legislation, which as I say has bipartisan support, we are asking that added measure of safety which I think is so important and I think the people of this country deserve nothing less.

Mr. STANGELAND. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the gentleman's amendment.

Mr. Chairman, I rise today in support of the amendment from the gentleman from Michigan [Mr. DAVIS].

I currently have problems with mandating double hulls and double bottoms on all vessels that transport oil, especially those vessels already in existence. I believe that it is very important that we wait for the evidence from the experts on this issue before we legislate on technical matters of which we do not have a strong understanding.

Granted, there has been some indication that in certain specific circumstances, double hulls prevent spills. Yet it would be prudent to wait for the Secretary of Transporation to determine, after carefully considering the results of the current Coast Guard study on this matter, whether or not double hulls on oil vessels would aid in protecting the environment against oil spills or enhance navigation safety.

If the Secretary does determine that double hulls should be mandatory on all vessels than by adopting the Davis amendment, we would already have in place the laws necessary to mandate that construction.

Mr. Chairman, I believe that the Davis amendment is the best vehicle for solving this double hull dilemma and I urge my colleagues to support it.

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. STANGELAND. I yield to the gentleman from Michigan.

Mr. DAVIS. I thank the gentleman for yielding.

Mr. Chairman, I just want to answer the gentleman from New Jersey. Believe me, I think we are all trying to get to the same place, trying to do the right thing.

There were studies that were done, but at least those studies were inconclusive. In one of the studies, for example, it says that, yes, double bottoms may have some validity but there may be other ways to build ships that will be in fact better. So when you are looking at ship construction now as compared back in the seventies, things have changed in ship construction.

I want to remind the Members that this amendment does in fact mandate double-hull construction if in fact it is determined that it is the right way to go. It just seems to me that once again we would be making a mistake if we, who are not experts at all in this area, go ahead and say we ought to do this when in fact we are not sure. This study by the Coast Guard, made by the National Academy of Science is one that the Coast Guard wants done. They are experts in ship construction relative to protecting the environment, relative to building new oil tankers, or retrofitting others.

They want this National Academy of Science study done and then make a final determination as to whether or not we should go ahead with it. In fact, it says we shall go ahead with it unless these three requirements that have already been mentioned two or three different times are not met.

Mr. GALLO. Mr. Chairman, will the gentleman yield?

Mr. STANGELAND. I yield to the gentleman from New Jersey.

Mr. GALLO. I thank the gentleman for yielding.

In response to the gentleman from Michigan, Mr. Chairman, maybe in terms of a question: If in fact there is such a question about double hulls and their ability for safety, why then would the Coast Guard make it a requirement that liquified gas and hazardous chemicals be carried only in double hulls?

Obviously they have reviewed the double-hull method and see it as an extra area of precaution for the citizens who may be affected.

So from that point of view, I think that they have studied it. I think that this is only in the form of a delaying action in response to my legislation as an amendment to their bill, and I feel very, very strongly that this double-hull legislations time has come.

Mr. Chairman, I would ask that the substitute by rejected.

Mr. McDERMOTT. Mr. Chairman, I move to strike the requisite number of words, and I rise to oppose this amendment.

The question that it really poses is this: Do you believe that the oil industry will ever do anything unless we force them to? Recently I flew into San Diego, we flew over the harbor. They showed me the *Exxon Valdez.* It is there being refitted. They are replacing 75 percent of the hull exactly as it was the day they ran aground on the Bligh Reef. They are not doing a single thing. Whatever this technology is that might be better, double hulls or anything else, they are not doing it.

Now I think we ought to support the Gallo-Torricelli amendment. This amendment gives us a chance to do what we should have done 15 years ago, making sure that the tankers that carry oil into our harbors and past our shores are built for safety, built to reduce the risk of an oilspill when an accident happens and built to reduce the damage when a spill occurs.

Back in 1972 and 1973, when Congress was debating the Alaska Pipeline, the Nixon administration and the oil industry promised that the tankers would have double hulls. My colleague from Massachusetts, Mr. STUDDS, and our late Senator Warren Magnuson worked hard to make them live up to that promise. But the promise was broken. At the Intergovernmental Maritime Consultative Organization conference, Exxon lobbied 22 countries against double hulls. Then the Coast Guard went along with the international standards even though it could have required double hulls anyway.

The bill before us calls for another study. You will never get a study that says absolutely 100 percent. The Office of Technology Assessment, the Coast Guard, the National Transportation Safety Board, the National Academy of Sciences—all have found that double hulls reduce pollution. They help keep the oil inside the ship, even if the inner hull is broken. These studies have examined hundreds of accidents, collisions, and groundings of tankers and barges, all over the world.

Now what you have heard out here today, as we listened to it, is we have heard about capsizing, we have heard about explosions, we have heard about going aground. It has never happened.

There are 42 double bottom tankers carrying Alaskan oil today. Many more are carrying liquid natural gas and hazardous chemicals, as required by law.

□ 1540

All this Gallo amendment does is require the same safety design for oil tankers as we now require for tankers that carry liquid natural gas and hazardous chemicals. After what we saw, and I heard 1-minute speech after 1-minute speech about the horrors of Prince William Sound, and what we saw in Delaware Bay, and there at Narragansett Bay, and Galveston Bay Channel, and Puget Sound, does anyone want to claim that oil is not a hazardous chemical?

Just a few months ago the Coast Guard tested several hull models for the *Exxon Valdez.* The conclusion was clear. A double hull would have reduced oil spillage between 25 and 60 percent, between 3 and 7 million gallons. Three months ago, the Coast Guard Commandant, Admiral Yost, told the Senate Commerce Committee that "double sides and double bottoms are the single best thing that can be done to prevent oil spills." Now, the admiral had written a letter opposing double hull legislation until another study is done. He says:

> We promised the international community we would not impose new design requirements without first proposing them worldwide.

Well, we proposed double hulls to the world more than 10 years ago, and Exxon beat everyone in the international conference. Now, it is time to do what we should have done then, require double hulls to protect our waters, whether or not other nations want to protect theirs. Of course, we need more research. We can have design research forever. We will always try to learn all we can about making our waters safer, but let Members not lose this chance to put in place the safest design we know of, a double hull that runs the whole length of the vessel, across the bottom and up the sides. If research shows there is a better way, we can always come on this floor and amend it. I do not know any Member who thinks that we would not do that.

I urge Members to vote for the Gallo amendment and turn down the Davis amendment.

Mrs. UNSOELD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have heard that 15 years ago there was legislation before the Congress to require double hulls. Instead, it got studied. If we wait for the best, we will never have anything. All the evidence is not in. It never will be.

Fifteen years ago, Warren Magnuson, our senior Senator whom we lovingly call "Maggie" introduced the legislation to require double hulls. This last summer, just before his death, he spoke on this issue, and he wrote an article for the newspapers. It did not get published until after his death, but I would like to quote a couple of remarks from it.

He said:

> The oil industry recognizes the importance of double hulls. When these corporations were seeking Federal permits for the Trans Alaska Pipeline from the Nixon Administration, they promised that all the tankers transporting Alaskan oil would have double hulls. Unfortunately, some of them reneged on that assurance.

Some, like Chevron, built some double hulls; Arco built some double hulls. We failed them by not requiring their competitors to also have the double hulls. It is time that we put the studies aside and say, "Let us Members take this technology that we now know and we now have. Let us reject the Davis amendment and adopt the Gallo-Torricelli."

The last words that Senator Magnuson wrote in his column was in appreciation of a letter that he had received from some middle school children. He said:

> They wanted to thank me for my efforts to protect Puget Sound. They said that they were writing for themselves, and for their children in the future." What I have done is history. I am interested in the future.

That is what we should be interested in today.

Mr. Chairman, I attach the full text of the newspaper column containing Senator Magnuson's comments.

MAGNUSON PLANNED TO SUPPORT OILSPILL SAFETY BILL

Editor, The Daily World—

Former Senator Warren G. Magnuson loved Puget Sound. Throughout his career in the Senate, he worked hard to protect Washington's waters from the dangers of oil spills.

On May 7, 1989, Senator Magnuson testified in support of the Puget Sound Tanker Safety Act of 1989. He was also working on the following article when he died later last month. He had planned to send it to several newspapers as a guest editorial.

I was an aide to the Senator. His wife has asked me to send this article to you for publication in your paper.

EDWARD SHEETS, Portland.

(By Warren G. Magnuson)

I am calling on everyone who wants to protect Puget Sound from oil spills to join me in supporting the Puget Sound Tanker

Safety Act of 1989. Senate Bill 839, sponsored by Senator Brock Adams, contains a number of significant safeguards that will improve the construction and regulation of oil tankers, and ensure that appropriate plans are in place if there is an oil spill.

This is an extremely important piece of legislation. Puget Sound is one of the most beautiful places in the world. Its contribution to Washington's economy, environment and special quality of life can't begin to be calculated.

I have long been interested in oil tanker safety and the protection of Puget Sound. During the 44 years I was in the House of Representatives and the Senate, I saw the quantity of oil transported through Washington's waters and the size of oil tankers increase dramatically.

Congress has taken a number of steps to improve the design and operation of oil tankers. I am very proud of the requirements for segregated ballast on tankers, limits on the size of tankers in Puget Sound, and the development of the vessel traffic control center that monitors the movement of all ships on Washington's inland waters. In 1977, I helped pass a law banning the construction of an oil superport inside Puget Sound.

The state of Washington has also been active. Actions by the state, including requirements concerning pilots and tug escorts, have improved the safety of oil transportation.

All these actions demonstrate a clear recognition that government has a responsibility to protect our valuable waters.

Two recent events demonstrate that we must redouble our efforts. The Exxon Valdez disaster showed what can happen when the oil industry's management gets sloppy and the Coast Guard reduces its vigilance. The Exxon Valdez spilled more than 11 million gallons of oil into Prince William Sound. The oil spill covered an area the size of Rhode Island. It will take more than a decade for some of the damaged area to recover. Closer to home, the Exxon Philadelphia lost power off the Washington coast. We were lucky. If the winds had been blowing the other way, we could have had a second disaster.

These events remind us that large oil tankers—tankers carrying four times more oil than the amount spilled in Alaska—regularly thread their way through the narrow Rosario Straits to Washington's oil refineries. We must strictly enforce existing safety requirements and we must look for other measures to reduce the chance of an oil spill.

That is why the Puget Sound Tanker Safety Act of 1989 is so important. It adds significant safeguards that build on and are consistent with previous actions by the Congress.

Sen. Adams' bill requires new tankers to be built with double hulls. Double hulls have a large space between the outer hull and the oil tanks. This technology would have prevented the spill caused by the grounding of the Exxon Valdez.

The oil industry rcognizes the importance of double hulls. When these corporations were seeking federal permits for the Trans Alaska Pipeline from the Nixon Administration, they promised that all the tankers transporting Alaskan oil would have double hulls. Unfortunately, they reneged on that assurance. Now it's time to require the oil industry to live up to its promise.

S. 839 also includes provisions to improve the safety of oil-carrying barges. The recent spill near Anacortes reminds us of the increasing use of these barges.

The legislation also calls for spill prevention plans and regulations governing safety and cleanup equipment, and an inspection and maintenance program. These provisions would reduce the chance of an oil spill.

Senator Adams' bill would require comprehensive oil spill contingency plans and practice drills. This would mean that adequate, workable plans would be in place in the event of an accident. I particularly like the requirement that the plans, and the results of the drills would be publicized. Given the strong public interest in this issue, the public awareness provisions, along with the penalties prescribed, add real muscle to the bill.

I want to thank Sen. Adams for his leadership on this important issue. The Puget Sound Tanker Safety Act of 1989 will help protect Puget Sound. I wholeheartedly support this bill and urge all the citizens of Washington to write to the Senate Committee on Commerce, Science and Transportation, 508 Dirksen Senate Office Building, Washington, D.C. 20510. Tell the Committee to move quickly to pass this important piece of legislation.

Puget Sound is not safe from the dangers of an oil spill. We must improve the construction and operation of the large tankers that come into Puget Sound. We must also maintain eternal vigilance to ensure that these oil tankers and the people who operate them meet the strictest safety standards. You can help by supporting the efforts of Sen. Adams and the Washington congressional delegation.

I recently received a touching letter from some students at Cascadia Middle School. They wanted to thank me for my efforts to protect Puget Sound. They said that they were writing for themselves, and for "their children in the future." What I have done is history. I am interested in the future.

I want succeeding generations—like the future children of those students—to be able to experience the natural beauty and diverse sea life of Puget Sound. Working together, we can reduce the chance of a disastrous oil spill and fulfill our responsibility as stewards of this important natural resource.

Mr. SAXTON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I support the Gallo amendment as amended by the Torricelli amendment. I am with the gentlewoman from Washington. She talked about the studies that have gone on over the years, and I think it is kind of interesting to note that the studies that can be recited are all in support of the intent of the Gallo-Torricelli amendment.

Let me tell Members about some of those. In 1975 there was an OTA report, the Oil Transportation by Tankers, and they concluded that fitting double bottoms and hulls on tankers, offer a significant degree of protection, from oil pollution in the event of grounding or collision. That was the conclusion that was drawn on a study that was done in 1975. Second, in the same year, a Coast Guard study of 30 groundings in U.S. waters between 1969 and 1973 concluded that double bottoms of a height of 2 meters would have been effective in preventing penetration in the inner bottom, with a 96 percent probability rate. In other words, in 96 percent of those groundings, had those barges had a double bottom with 2 meters or more, penetration of the inner skin would not have happened. Third, in 1975, the National Transportation Safety Board reported on the grounding of the tanker S.S. *Hiler Brown*, concluded that the lack of double bottoms contributed to the oil pollution caused by that accident in Cold Bay Harbor, AL.

Because of the Coast Guard's opposition to the double bottom requirement, the National Transportation Safety Board recommended that additional controls should be placed on the movement of tank ships without double bottoms.

Fourth, in 1981, the Maritime Transportation Reserve Board study entitled "Reducing Tank Barge Pollution," concluded that double hull construction of barges has been shown to prevent the penetration of cargo space in 88 percent of the groundings and in 90 percent of the collisions and ramming incidents involving tank barges.

My good friend from Michigan I know has an amendment that is well-intended. However, it provides for more of the same—more studies. We have had studies going back, as I have indicated here, as far as 1975. Without exception, they have drawn the same conclusion, and that is the Gallo-Torricelli amendment is a good amendment, something that we ought to support today. We do not need more studies. We need to vote to approve this amendment.

Mr. DAVIS. Mr. Chairman, would the gentleman yield?

Mr. SAXTON. I yield to the gentleman from Michigan.

Mr. DAVIS. Mr. Chairman, I just want to remind the gentleman that whatever happens we will have a study. That is part of the law now that is in the bill. We are still going to have a study.

The gentleman indicated, correctly, that this does require a study, but it also requires that at the end of the study that we go ahead with double bottom tankers unless, in three different criteria, we determine what, if it is determined that retrofitting the ship is going to be deterimental and cause the balance of the ship to be such that it will be very easy to sink.

What if it is determined it is the wrong way to go? That, I think, I just wanted to make clear. We are still going to have a study.

Mr. SAXTON. Mr. Chairman, I appreciate the comments from the gentleman, and I can only say in answer, 100 percent of the studies that have been done to this point have indicated just the contrary.

Mr. TORRICELLI. Mr. Chairman, will the gentleman yield?

Mr. SAXTON. Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. TORRICELLI. Mr. Chairman, actually the issue is characterized now quite well. It is a question of whether, under the Gallo-Torricelli approach, we require double bottoms. We have a program in place now, and then study alternatives, or whether we do nothing, let more time pass and study, as we have done for 30 years. That is the choice. That is why I think we should defeat the substitute and return to the Gallo-Torricelli approach.

Mr. TAUZIN. Mr. Chairman, will the gentleman yield?

Mr. SAXTON. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Chairman, the Davis amendment does not say we will do nothing. The Davis amendment mandates double hulls. It mandates them in a way that the Secretary has no choice but to provide for them, unless he determines, in fact, that the mandating of a double hull on a specific tanker design is not good for safety purposes, or unless he finds there is a better way for that tanker to operate, if, in fact, such a way exists.

The point is, something will happen, either under the Gallo-Torricelli amendment or Davis amendment. Under both amendments, double hulls are mandated. All the Davis amendment says is that when we mandate, make sure it is the right thing to do. There is not a better way to do it. Do not mandate in an appropriate sense.

(On request of Mr. TORRICELLI and by unanimous consent, Mr. SAXTON was allowed to proceed for 1 additional minute.)

Mr. SAXTON. Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. TORRICELLI. Mr. Chairman, I appreciate we are getting to the heart of the question.

As the gentleman has sought to correct the record, I, too, would like to clarify the record.

□ 1550

He is right, and I do not want to mischaracterize the issue. It does require a double bottom, unless something happens.

What are those somethings? Unless they find it will not enhance tank vessel navigation safety; the requirement will not enhance protection of the environment; or an equal or great benefit to navigation safety and protection of the environment will be achieved by alternate navigation and safety protection.

"Unless," "or," "unless," "or." The fact is, the substitute is designed to provide an out, an option, an escape, to avoid the consequences of what we should have been doing for 30 years, what this House should have done 15 years ago, and that is to have double bottoms.

There is one way to require a double bottom: Defeat the substitute, and return to the Gallo-Torricelli approach.

Mr. Chairman, I thank the gentleman for yielding.

Mr. HUNTER. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, let me support strongly the Gallo-Torricelli approach. First let me commend the gentleman from New Jersey [Mr. SAXTON] and the gentleman from New Jersey [Mr. GALLO] and all the other members of a task force that we on the Republican side formed on clean oceans that responded to this oilspill, was in place when the oilspill occurred, and in fact put together the package that as I view the substitute package before the full committee today, it was largely written by both gentleman from New Jersey. So let me commend them for the hard work they have done and the other members of the task force who have really put together a large part of the body of this bill before you.

Let me offer to members this proposition: We are going to continue to move oil out of environmentally sensitive areas, out of areas that involve fragile ecosystems. That includes places like Prince William Sound in Alaska and other areas where the coastline is very, very precious to us.

It involves also wonderful areas off of other States, San Diego, CA, where I hail from, and areas around Santa Barbara. On the east coast, of course, many, many areas are very, very fragile environmentally. So we are going to do that.

That is an essential balancing of the interests of preserving our environment and our coast land, but also moving this lifeline of the industrial economic machine, and that is petroleum, to our people and to our industries. We are going to do those things. We are going to move oil out of environmentally sensitive areas.

If Members accept that fact and accept the fact that the Valdez accident is not going to change that basic fact, then it makes sense for us to do one thing that allows us to continue to move petroleum and at the same time do the most we can for the environment. And what is that? It is give the strongest possible construction to the ships that are moving through those environmentally sensitive areas.

Double hulling is the way to do it. If we do that, and if we prevent that percentage of spills that the gentleman from New Jersey [Mr. SAXTON] referred to that can be prevented by having double hulls, then we are not going to have to convene in this Chamber and decide who foots the $1 billion bill, or the $1½ billion bill.

This is the way to go. It is cost effective, because it gives us the strongest possible construction for the ships that move through these fragile ecosystems to bring that petroleum lifeline to us.

It is really a good balance between people that want to keep this country strong and between our interests in keeping this country strong, and keeping the country also environmentally in good condition.

Mr. Chairman, I thank the gentleman for offering this amendment.

Mr. GALLO. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I will be happy to yield to my colleague and friend, the gentleman from New Jersey [Mr. GALLO].

Mr. GALLO. Mr. Chairman, I would like to thank the gentleman for his comments and support. This legislation before us is a preventive measure. The bill for the most part works with ways of cleaning up a spill.

This prevents the spill in the first place. The gentleman mentioned very clearly the cost factor. An ounce of prevention now can save billions of dollars later on in areas that cannot and have not been cleaned up. So I thank the gentleman for his comments.

Mr. HUNTER. Mr. Chairman, I thank the gentleman. I think the oil companies should be behind this particular measure. I also thank the gentleman from New Jersey [Mr. TORRICELLI] for his work on the amendment.

Mr. HAMMERSCHMIDT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment of the gentleman from Michigan [Mr. DAVIS].

The amendment requires double hulls and double bottoms on all newly constructed tankers within 1 year of this bill's enactment, unless the Secretary of Transportation determines that this requirement may not prove safe, would not protect the environment, or if greater benefit can be achieved by other measures.

I believe this amendment is sensible. First of all, the Coast Guard has currently contracted a study on this matter with the National Academy of Science. This study will be reported by next November and will provide an objective, unbiased determination on the implications of double hulls and double bottoms on tank vessels. It makes more sense to wait for the results of this study before legislating on technical matters with which we are not completely familiar.

Furthermore, if the National Academy of Science reports that double hulls and double bottoms should be required on all oil tankers, then we need not enact further legislation.

Mr. Chairman, this amendment is an extremely fair compromise between those people who are demanding double hulls on newly constructed vehicles and retrofitting on currently existing tankers, and those people who simply wish that a study be done on this matter.

This amendment is similar to language included in the oilspill bill passed by the Senate. I respect the opinions of the leadership of the committee with primary jurisdiction on this matter and, therefore, defer to their expertise in supporting this amendment.

Also, it should be noted that the administration is strongly opposed to all double hull and double bottom amendments which would decide the issue before the results of the current study are available. However, because the Davis amendment allows the results of that study to be factored in, I believe the administration would be prepared to accept this amendment.

I strongly urge my colleagues to support this substitute amendment.

Mr. TORRICELLI. Mr. Chairman, I move to strike the requisite number of words.

I would first like to compliment the gentleman from Louisiana [Mr. TAUZIN] on his earlier analysis, and, of course, the gentleman from North Carolina [Mr. JONES], the distinguished chairman.

Mr. Chairman, I hold no belief that double bottoms are the one particular answer to our problem of oilspills. I was frankly impressed by the gentleman's analysis. If indeed in time we discover that there are other technologies, as certainly future decades will yield, other approaches, I believe we should pursue them.

But as I compliment his analysis, I also want to recognize our difference. The difference is simply this: If we were here in the 1960's debating this issue, in the 1970's, addressing it in the early 1980's, I would be offering the same suggestion, and the opponents would be raising the same points.

Enough time has passed. No more delay, no more studies. We know the principal points.

This is not a new technology. There are 530 ships on the high seas with double bottoms—530. They carry natural gas. They carry dangerous chemicals.

Is anyone prepared to rise on this floor and cite an instance where a ship sunk, where there was a danger, where there was an explosion, because of the use of that technology? If there is, I am prepared to yield the time.

I do not think any Member will take advantage of my offer, because the fact is it has enhanced safety.

When I see people like the builder of the *Valdez*, the company that is repairing it, saying there would have been environmental protection, a 60-percent reduction in the loss of oil, if there had been a double bottom, I am impressed.

When I see a company like Mobil, which will have to bear some of this burden, citing that one of its own tankers, a 212,000-ton vessel that almost certainly would have sunk and lost oil if not for a double bottom, I am impressed.

The fact is, it will make a difference, and it is the one thing we can do now.

The gentleman from Alaska is right. There are no experts in marine design on this floor. That is true. But these company and previous Coast Guard studies indicate that it would make a difference.

Let me suggest to the gentleman while I am not an expert on marine design, there is one thing upon which I am expert: I am an expert on what happens when a State with a beach, with an economy dependent on tourism, with a people who believe in environmental protection, what happens when you lose oil? What happens when your environment is comprised?

I will tell you what happens. You lose an industry. You lose the access to your natural resources. You get a population that wants an answer.

Well, today we want an answer. This is one of them. The answer is double bottoms. If in future years the committee, while we are retrofitting our fleet, while we are employing designs, has an alternate technology, I am prepared to hear it. But the one way to make up for the loss of the past is to defeat this substitute, and then proceed with the Gallo-Torricelli amendment, and get an answer today.

Mr. HUGHES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take much time because I think this has been debated ad nauseam at this point. I just want to make a couple of observations.

First of all, we have been debating the double bottom issue for at least 12 years. I recall the subcommittee on the Coast Guard when Mario Biaggi was chairman introduced double bottom legislation. At that time we felt that it was essential that we move ahead and try to put in place protection against spills with increased tanker safety. We need to get on with the business.

This is like the oilspill legislation we are debating. We have been debating it for 15 years. It is time for Members to enact something into law.

Mr. Chairman, I would like to ask the author of the amendment a couple questions.

The gentleman's amendment would before the end of 1 year direct the Secretary to require by regulation tank vessels to be equipped with double bottoms or double hulls, unless the Secretary determines, one, the requirement will not enhance tank vessel navigation safety.

Is the gentleman talking about the maneuverability of the vessel?

□ 1600

Mr. DAVIS. Mr. Chairman, in effect what this says is that, if it is determined that retrofitting or a double bottom in a new tanker is unsafe, then we would not want to go ahead with it.

Mr. HUGHES. Unsafe insofar as the operation of the vessel.

Mr. DAVIS. Mr. Chairman, that would be part of it. We would not want an unsafe vessel.

Mr. HUGHES. Mr. Chairman, I am not trying to trap the gentleman from Michigan [Mr. DAVIS]. I am just trying to find out what the gentleman means because the second one is the requirement will not enhance protection of the environment, and there is a relationship. There is overlap there obviously because, if it presents, as my colleagues know, some navigational hazards, then obviously that presents hazards to the environment. Is the gentleman from Michigan [Mr. DAVIS] trying to distinguish between the two?

Mr. DAVIS. It would affect the buoyancy of the vessel. That is one of the things of it.

Mr. TAUZIN. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Chairman, there is a concern among those who know a lot more about vessel construction and navigation safety than this gentleman that in some cases by the very nature of the construction of the vessel double bottoms require a deeper draft in order to hold the same amount of cargo and that a deeper draft under certain circumstances could impose navigational hazards because of obvious concerns about the depths of channels.

Additionally, the environmental concern is that, if in fact the double bottom causes a rupture, the double bottom causes a tanker to be less stable and, therefore, subject to sinking.

Mr. HUGHES. Mr. Chairman, I think we can all agree that we have already required, as I think the gentleman from New Jersey [Mr. GALLO], my colleague, indicated, double bottoms in certain vessels. We require vessels that carry toxic substances to have double bottoms. Obviously we have made that determination in the past that there is some additional safety related matters that are addressed by having double bottoms.

Mr. Chairman, let me move on, if I might. The third condition is that the Secretary, if he determines an equal or greater benefit to navigation safety and protection to the environment will be achieved by other construction de-

signs, I would like to ask, "Is the gentleman referring to present state-of-the-art designs that will be of equal value?" or what is the gentleman talking about? I mean are we talking about star wars design? Are we talking about off-the-shelf designs? What does the gentleman envision?

Mr. DAVIS. Will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Michigan.

Mr. DAVIS. Mr. Chairman, it would be that the National Academy of Sciences study that is ongoing now may determine that rather than have double bottom tankers, we have got a better idea, and there is a way to do something in construction, retrofitting these ships will make them even safer, which will make them be able to protect the environment better than double bottoms.

Mr. HUGHES. Mr. Chairman, let me just, if I might, recapture my time again.

Mr. Chairman, I was impressed by the distinguished chairman's display of the new hydrostatic equalization process. I think that has a lot of merit, but frankly my concern is, if we are talking about some star wars design that is not available, then obviously this does not mean anything. It does not mean a thing if we are talking about something in the future that might be an improvement. In the meantime the beaches in my district might be decimated by a major spill. I am interested in doing some things now to prevent, as the gentleman knows, what happened at Valdez, AK.

Mr. Chairman, if the gentleman is talking about state-of-the-art technology that is available within the year, then the gentleman might have a point.

(On request of Mr. TORRICELLI and by unanimous consent, Mr. HUGHES was allowed to proceed for 1 additional minute.)

Mr. TAUZIN. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Chairman, the answer is yes. The answer is that within this year the Secretary has to determine if there is a better way available now, either this hydrostatic balance concept, or perhaps a bladder construction so that the tanks are segregated even further with various bladder constructions. It is available now. If it is not available now, by the end of the year mandate a double bottom.

Mr. HUGHES. Mr. Chairman, in the 15 years I have been here I have seen studies and studies. As my colleagues know, the best way to kill an amendment is to study it to death, and we need to do something now.

Mr. TORRICELLI. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from New Jersey.

Mr. TORRICELLI. Mr. Chairman, I agree with the gentleman from New Jersey [Mr. HUGHES] completely. I hope at a point in the future the committee comes forward with a design that is agreed upon.

Indeed there is ongoing study now in alternate designs, and, if there is I know this body is prepared to hear it. The question is whether we are willing to make a judgment today.

I also want to address the gentleman's well-taken point about whether or not the specter of perhaps these double bottoms has raised some danger.

(By unanimous consent, Mr. HUGHES was allowed to proceed for 1 additional minute.)

Mr. TORRICELLI. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from New Jersey.

Mr. TORRICELLI. Mr. Chairman, there are 60 vessels today carrying oil. There are four of them going to Alaska with double bottoms certified by the Coast Guard, approved designs, operating safely. So the idea we are requiring double bottoms and somehow that might possibly be unsafe, those are the safest vessels today. They are operating today, and that is what we want to do with the entire fleet.

Mr. HUGHES. Mr. Chairman, I yield back the balance of my time.

Ms. SLAUGHTER of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, at long last we are considering legislation to prevent oilspills.

Since 1972, more than 177 million gallons of oil have spilled into American waters. But it took the *Exxon Valdez* disaster to really catch the attention of lawmakers and the public.

The greatest loss was felt by fishermen and others whose livelihood depended on the once-pristine waters of Prince William Sound. The damage done will haunt many generations to come.

We cannot replace what has been lost because of the Exxon spill, but we can do everything in our power to prevent future tragedies. That's why I support the bill and the amendment being offered by my colleague from New Jersey [Mr. GALLO] require double hulls on all new tankers and barges using American ports.

This will be expensive, as will be the cost of retrofitting old tankers after a 15-year phase in period. But compare the $20 million cost of a double hull with the almost $2 billion that Exxon has already paid simply to rinse oil from slimy beaches and to skim it from the surface of the sea.

The price of the double hull is truly a cost-effective investment in the environment.

We don't need to study this issue; we need to require this protective measure on boats. The Coast Guard has said that a double hull on the *Valdez* would have contained much of the 11 million gallons that spilled. We already require double hulls on tankers carrying certain extremely dangerous chemicals. We know a double hull will prevent future spills of hazardous materials that pollute our waters.

I urge my colleagues to support the Gallo amendment and oppose the substitute.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the substitute and in favor of the amendment of the gentleman from New Jersey [Mr. GALLO].

Mr. Chairman, I have long been a proponent of double bottoms, double hulls, and I would just say to my colleagues that we appreciate the fact that the other body approved an amendment which is in essence the substitute here that calls for a study.

However, Mr. Chairman, the question is who is going to do the study. I can tell my colleagues, having been involved in this issue in a previous incarnation, that, if the study is going to be done by the Coast Guard, the Coast Guard is going to come up with a ruling that for some reason these are not safe or we should not do it.

The Coast Guard has been historically opposed to double bottoms and double hulls, and I understand the point of the gentleman from Michigan [Mr. DAVIS]. The gentleman says that the National Academy of Sciences says there may be a safer way to do it.

Mr. Chairman, we know one thing. If we had had double hulls on the *Exxon Valdez*, a significant part of that oil disaster would not have occurred.

Now all I will say is that, if we defeat this substitute, what in essence we are saying is we are going to put it off until later, and I agree very much with the gentleman from New Jersey. Now is the time to act, and I have confidence in my colleagues who will be managing this bill in conference that they can maybe come up with something a little bit better than what the other body adopted if we go in with a stronger provision.

So, Mr. Chairman, I urge my colleagues to defeat this substitute and stay with the stronger provision.

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Michigan.

Mr. DAVIS. Mr. Chairman, I just want to make the point that the National Academy of Sciences is doing the study now. The Coast Guard is not doing the study. The study is being

done by the National Academy of Sciences.

□ 1610

Also, I might just say, the gentleman mentioned the *Exxon Valdez* accident, and the gentleman indicated, this has been said before, that the oilspill, if there had been a double bottom tanker, probably not as much oil would have spilled. That is true. That is the good news.

The bad news is that probably if it had been a double bottomed tanker, the tanker would have sunk.

Mr. DICKS. Well, this same argument has been made before. The Coast Guard has always sided with industry here, because industry says this will put them at a competitive disadvantage. That is what we are talking about here. I understand the importance of that.

It is just a question of whether we are more interested here in protecting the environment, the marine environment of this country, or are we fearful of some kind of slight competitive disadvantage.

I think it is better for us to take a strong stance in favor of the environment, go ahead with double hulls, let the study go forward, and if there is a better way to do it, fine; but I will guarantee that if the Coast Guard has anything to do with this, they will figure out some way to say no, because they have been against it for the last 20 years.

The CHAIRMAN pro tempore (Mr. LANCASTER). The Chair once again will explain the parliamentary procedure.

First, the Torricelli amendment to the Gallo amendment will be before the Committee of the Whole for a vote. Following that vote, the floor will then be open for additional amendments to the Gallo amendment, or if none are offered, the Committee will then proceed for a vote on the Davis substitute amendment. Following the vote on the Davis substitute amendment, if it passes it becomes the amendment which will then be considered. If it fails, the floor will then be open for additional amendments, and if none are offered, then the Committee will vote on the amendment, or on the amendment as amended.

The question is on the amendment offered by the gentleman from New Jersey [Mr. TORRICELLI] to the amendment offered by the gentleman from New Jersey [Mr. GALLO].

The amendment to the amendment was agreed to.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Michigan [Mr. DAVIS] as a substitute for the amendment offered by the gentleman from New Jersey [Mr. GALLO], as amended.

The amendment offered as a substitute for the amendment, as amended, was rejected.

AMENDMENT OFFERED BY MR. GUNDERSON TO THE AMENDMENT OFFERED BY MR. GALLO, AS AMENDED

Mr. GUNDERSON. Mr. Chairman, I offer an amendment to the amendment, as amended.

The Clerk read as follows:

Amendment offered by Mr. GUNDERSON to the amendemnt offered by Mr. GALLO, as amended: On page 1 of the amendment, line 12, strike "of at least 10,000 gross tons".

Mr. GUNDERSON. Mr. Chairman, the amendment that is now before us, the Gallo amendment that deals with the issue of assuring that double hulls will become a thing of the future in terms of preventing spills in our society is a concept that I strongly agree with.

The amendment that I have before the House at this particular time, however, will make sure that this standard is utilized not only on ocean-going vessels, but also inland waterways.

The reality is that most of the barge traffic on the inland waterways in American society today, such as the Mississippi River, a typical large vessel averages 1,500 tons to 3,000 tons capacity, but there are normally 10 to 15 barge vessels within that larger barge, so the reality is that you are dealing with anywhere between 30,000 and 45,000 tons, you are not dealing with just 1,500 tons, and that is why it becomes important.

The reality is that since 1985, every year there has been at least one major oilspill on the Upper Mississippi River.

The reality is that in 1986 we dropped over 4,000 gallons after striking a bridge.

In 1987, there were two spills.

In 1988, we had one oilspill in the Illinois area that dumped over 10,000 gallons, one in the St. Louis area that dumped over 300,000 gallons of sulfuric acid that were spilled in the river.

In 1989 in April, over 10,000 gallons were spilled near Memphis, TN.

The reality is that the Wisconsin Department of Natural Resources has concluded that spills between 500,000 and 1 million gallons are possible.

Every year on the Mississippi River alone there are something like over 1 billion gallons of hazardous materials that are carried. So the goal of this amendment is just to make sure, as the Davis substitute did before, that we be size neutral. All vessels which run a major risk of oilspills from here on out would be doubled hulled.

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to the gentleman from Michigan.

Mr. DAVIS. Mr. Chairman, the gentleman's amendment is a good amendment, if we are going to have the Gallo amendment adopted, and apparently we are. It is a good amendment.

I had the same type of language or would have covered the same subject, so I recommend we adopt this amendment.

Mr. GUNDERSON. Mr. Chairman, I appreciate the gentleman's comments.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to compliment the gentleman. One of the areas that we have missed over the last 20 years in regulation has been anything to do with barges. We had a major disaster off the coast of Washington State in which the district of my colleague was adversely affected.

I think getting a handle on these barges is something that has been kind of overlooked in the past. I am glad the gentleman has brought this to our attention. I think it is a good amendment, and I hope the body will adopt it.

Mr. GUNDERSON. Mr. Chairman, I thank the gentleman for his remarks, and I appreciate his support.

Mr. GALLO. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to the gentleman from New Jersey.

Mr. GALLO. Mr. Chairman, I would also like to add my support for the gentleman's amendment to the Gallo amendment.

Mr. GUNDERSON. Mr. Chairman, I appreciate the gentleman's support very much.

Mr. STANGELAND. Mr. Chairman, I rise in futility to oppose the amendment. I do so because the gentleman from Wisconsin makes a good point. There are dangers of spills on the inland waterway system.

I would point out to the body that while those barges are small in size, the tows are large. When you have a spill, you do not have a spill of the whole tow, you have a spill of one barge.

What we are doing is substantially increasing the cost of shipment to farmers with grain down the rivers, with finished materials, petroleum up the river. What you are doing with this amendment is very similar to what we did in the Superfund when we put LUST in Superfund, leaking underground storage tanks, 3 to 5 million storage tanks, 10 percent potentially leaking, and we are putting out of business countless small gasoline station owners and operators throughout small towns in rural America.

What you are doing with this amendment is very similar. You are going to make it very difficult, if not impossible, for an ailing barge industry to say competitive, to stay in business, and you are going to increase the cost to your consumers.

I just want to be on record in opposition to this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentle-

man from Wisconsin [Mr. GUNDERSON] to the amendment offered by the gentleman from New Jersey [Mr. GALLO], as amended.

The amendment to the amendment as amended, was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. GALLO], as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. SAXTON

Mr. SAXTON. Mr. Chairman, I offer an amendment, and I ask unanimous consent that it be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The text of the amendment is as follows:

Amendment offered by Mr. SAXTON: Page 89, line 22, insert "(but in no event later than 5 hours)" after "immediate".

Mr. SAXTON. Mr. Chairman, my amendment will clarify how quickly removal personnel must be on the job when a spill occurs. As we have seen in the incident with the *Exxon Valdez* spill, and the *Presidente Riviera* spill in the Delaware River, delay in containing the spilling oil can make cleanup all the harder and greatly increases the risk to the marine environment. This amendment, which is taken from my bill, the Clean Oceans Act of 1989, would require cleanup personnel to be onsite and removing oil from the water and the shoreline within 5 hours.

The text of the bill before us indicates that contingency plans must provide for an "immediate" removal of oil. I applaud this idea, but believe that we should clarify what this important term means. I have been assured by my colleagues that the intent of the authors of the Oil Pollution Act of 1989 is to provide the fastest possible response. However, I would like to ask the chairman of the Public Works and Transportation Committee and the Merchant Marine and Fisheries Committee if a response time of more than 5 hours would normally not be "an effective and immediate removal" as spelled out in the bill and under the terms of the bill.

Mr. NOWAK. Mr. Chairman, will the gentleman yield?

Mr. SAXTON. I yield to the gentleman from New York.

Mr. NOWAK. Mr. Chairman, the gentleman's statement is correct. Except in extreme emergencies, we would expect removal actions to begin well within 5 hours of the discharge.

Mr. SAXTON. Mr. Chairman, I yield to the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Chairman, our committee agrees that contingency plans provide that responses to all spills should take place within 5 hours of the spill. The answer is yes, that was the intent of the committee in developing this comprehensive legislation.

Mr. SAXTON. Mr. Chairman, with these assurances, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from New Jersey [Mr. SAXTON] is withdrawn.

□ 1620

The CHAIRMAN pro tempore (Mr. LANCASTER). Are there further amendments to title IV?

AMENDMENT OFFERED BY MR. REGULA

Mr. REGULA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

On page 84 after line 14 insert the following:

(d) Not later than 1 year after the date of enactment of this Act, the Secretary shall prohibit the movement of vessels carrying crude oil or any refined petroleum product in areas where oil and gas leasing, exploration, or development activities proposed under 43 U.S.C. Chapter 13 (including but not limited to calls for information, tract selection, environmental impact statements, notices of sale, receipt of bids, award of leases, and approval of exploration or development plans) are prohibited by legislative action unless the Secretary determines that—

(1) this requirement will not enhance oil tanker navigation safety;

(2) this requirement will not enhance protection of the environment;

(3) this requirement will impose undue economic hardship; or

(4) an equal or greater benefit to navigation safety and protection of the environment will be achieved by other requirements.

(e) A finding by the Secretary that vessels transporting crude oil or any refined petroleum product shall not be prohibited in areas listed in subsection (d) shall not affect his authority to place reasonable limits on such vessels if he determines that those limitations will enhance navigation safety or protection of the environment.

(f) The Secretary of the Department in which the Coast Guard is operating is authorized to promulgate regulations necessary to implement the restrictions of subsections (d) and (e).

Mr. REGULA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Ohio,

There was no objection.

Mr. REGULA. Mr. Chairman, members of the committee, as I listened to the debate yesterday, I thought of the cliché that we all use, "an ounce of prevention is worth a pound of cure."

Yesterday we talked about lawsuits, we talked about negligence criteria, we talked about ways to collect money from tanker companies, but collecting money does not bring a baby otter back to life. It does not clean up a beach. It does not address the problems that result from spills.

I think that this body needs to develop a program of ocean wilderness. We need to recognize what really are fragile areas in our oceans and set them aside just as we do wilderness. We have in the last 8 or 9 years set aside 84 million acres, some fragile, and put it under moratoria. The potential in this 84 million acres is 35 billion barrels of oil.

Today, imports are more than 50 percent of our oil consumption in the United States, and I would remind the Members that when we had the oil embargo, when our constituents were on us to do something about it, that at that point imports were 36 percent, and we had gasoline lines, we had high prices, we had businesses without fuel. Today it is over 50 percent, and in December 1988, for the first time in 9 years, imports exceeded domestic production.

I think we have a real problem facing us, and, therefore, we need to look at this whole issue of ocean wilderness. In the meantime, what this amendment does, is it deals with the whole question of safety. After the year's study, it gives the Secretary of Transportation the right to exclude tankers from the same area that is under moratoria. Why? Because the reason we put moratoria on the 84 million acres is to prevent spills.

Let us look at the record. The spills are caused by tankers. If we look at this chart, we find offshore drilling is 2 percent of the spills; municipal and industrial waste is 36 percent; tankers 45. Forty-five versus two. So if we are concerned about safety, if an ounce of prevention is really important, let us give the Secretary some discretion in dealing with tanker traffic in the 84 million acres that we have said is fragile, that we do not want to drill, because we are afraid of spills.

If we are afraid of spills in the 84 million acres, given the record, we certainly should not have tankers in there.

I give in this amendment the Secretary plenty of latitude to deal with the problem. It does not take effect if the Secretary determines that this will not enhance oil-tanker nevigation safety; that this requirement will not enhance protection of the environment; that this requirement will impose undue economic hardship, or, that an equal or greater benefit to navigation safety and protection of the environment will be achieved by other requirements.

What I am trying to do is focus attention on the fact that the real culprit in spills are tankers and, therefore, as we try to set aside ocean areas

that should be, in effect, ocean wilderness, we should also ban tanker traffic as well as drilling platforms.

Let us make a policy decision as to what kind of fragile areas ought to be subject to these requirements. What I have done in this is to focus that attention and give the Secretary of Transportation a great deal of latitude. I would also point out that this does not apply to the 3-mile areas that are controlled by the States. It only applies to the Federal lands.

I would point out one last fact, that since 1947 we have drilled 26,000 Federal wells offshore. Only 1 of the 26,000 has had any major spill, and that was the Santa Barbara about 20 years ago.

Let us today give the Secretary of Transportation the ability to have that ounce of prevention for tanker spills that is the pound of cure.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I am happy to yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman for yielding.

I am interested in some clarification. As I understand the amendment, this would not affect the moratoriums that are in place? We now have moratoriums on most of the coastal States except for the gulf, as I understand it. Is that correct?

Mr. REGULA. We have 84 million acres, and this is designated in the interior appropriation.

Mr. MILLER of California. If the gentleman will yield further, this would not affect the moratoria?

Mr. REGULA. No. Not at all.

Mr. MILLER of California. What it would do is the Secretary, in his or her discretion, could decide not to let tanker traffic through that area?

Mr. REGULA. That is correct after the year's study, subject to the criteria. We give the Transportation Secretary a broad latitude of criteria to apply in determining that tankers should still transit the moratoria area.

Mr. MILLER of California. The tanker could weave its way around the moratoria and find its way to Long Beach or to San Francisco or to Valdez?

Mr. REGULA. Absolutely, or it could very well not be banned by virtue of the Secretary determining that there would be undue economic hardship, and that obviously addresses the port question, if there is no other access.

Mr. MILLER of California. We are not going to shut down the west coast or east coast oil refineries?

Mr. REGULA. I do not see that we are. I think what we are going to do is focus attention on the fact that there are two dangers to spills, platforms and tankers.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio [Mr. REGULA] has expired.

(At the request of Mr. MILLER of California and by unanimous consent, Mr. REGULA was allowed to proceed for 1 additional minute.)

Mr. MILLER of California. Mr. Chairman, will the gentleman continue to yield.

Mr. REGULA. I am happy to yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I do not know what the committee's position on this is, but somebody ought to call the Secretary of the Interior in a real hurry on this one, if that is what people want to do.

Mr. STUDDS. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I am happy to yield to the gentleman from Massachusetts.

Mr. STUDDS. Mr. Chairman, which Secretary is in question?

Mr. REGULA. Transportation.

Mr. STUDDS. If the gentleman will yield further, would I be correct in assuming that the gentleman's amendment does not purport to grant to the Secretary any authority which he does not already have with respect to international waters?

Mr. REGULA. I think it focuses attention on the problem of tanker traffic. I am not sure whether he has adequate authority now to ban tankers in the moratoria area if there is a risk from spillage, because as the gentleman knows, the tankers, and this is true for many different countries, some of them in very poor condition, do transit moratoria areas.

Mr. STUDDS. I understand the point the gentleman is trying to make, and I respect it, although I do not share his position. I just wanted the RECORD to reflect that the Secretary of Transportation has no authority whatsoever as far as I know to regulate traffic of vessels in international waters.

Mr. REGULA. I would respond that he has authority by virtue of the fact that he ultimately controls access to U.S. ports.

Mr. STUDDS. I understand. I appreciate the point the gentleman is trying to make, and I hope the record reflects the twinkle in his eyes.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I am happy to yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I regret that I was on a phone call with the Secretary of Defense. Could the gentleman explain what he thinks this amendment is? Is he saying that oil tankers cannot go through areas of moratorium?

Mr. REGULA. Only after there has been a study and the Secretary of Transportation has applied the criteria set forth in the amendment.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio [Mr. REGULA] has again expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 2 additional minutes.)

Mr. REGULA. Mr. Chairman, after there has been a study, the Secretary of Transportation can continue to permit transit through the moratoria areas if the situation meets any of the criteria that are spelled out in the amendment. What I am trying to do is focus attention on the fact that the danger of spills from tankers is far greater than it is from platforms, and if we are going to ban platforms from 84 million acres, we ought to be thinking about whether or not we want tankers transiting the same area, because the reason for banning platforms is to avoid spills, and yet the risks are 45 to 2 more dangerous for tankers.

Mr. DICKS. If the gentleman will yield further, does his amendment say that this requirement will not enhance oil tanker navigation safety?

Mr. REGULA. I am saying that if the Secretary determines that it will not enhance safety or if it is an economic hardship, and each one of these is a condition he can use, one or all of them, as a reason for not banning tanker traffic in the moratoria area, that the Secretary has a great deal of latitude under this language. I do think that it focuses attention on the fact that the real hazard for spills is the tanker traffic far more than the platforms.

Mr. DICKS. I appreciate the gentleman yielding. I understand the gentleman's point. He has made it many times in the Interior Appropriations Committee, and I would hope, however, that the committee would reject this amendment.

□ 1630

Mr. YOUNG of Alaska. Mr. Chairman, I move to strike the requisite number of words. I want to compliment the gentleman on his amendment that brings to the attention of this body that we have sea wilderness set aside with a moratorium by the action of this Congress and the committee process. All we are saying is if we have a moratorium and these areas are fragile, and they are, then there should not be any tanker traffic across those areas.

We do not build roads through wilderness. I see my good friend, the gentleman from California, standing there. They do not allow roads in the wilderness in his State. So we should not have any tanker traffic that brings that foreign oil to our shores, because if we look at the map, we see what happens, and that is what causes the problems.

But offshore, the platform is very small.

But we have a Congress that ignores the everyday crisis that this country is being faced with and is saying no, no to everything, and all the gentleman is doing is bringing to the attention of this body that if we really want to protect those areas, and I do, then let us not allow any tankers across the area to bring that heating oil and other oil products from the OPEC countries. That is all he is saying.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I am delighted to yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, is the gentleman also talking about the oil from Alaska that comes down the west coast?

Mr. YOUNG of Alaska. If the gentleman has a moratorium on his coast, you bet. If you do not want to drill off your coast, you bet, we will send them someplace else.

But I am suggesting that we cannot have it both ways. We have the potential of traffic, and we saw it in Alaska, and I am saying that the gentleman should be complimented on his position.

For all those Members who are following the Pied Piper, and I will not say who, but they all should support the gentleman's amendment. It makes a great deal of sense, sea wilderness with no tanker traffic across it that could have spills. That is all the gentleman is saying.

I want to compliment the gentleman for his presentation, because it makes a great deal of sense to me. If we want wilderness at sea, let us have a wilderness at sea. Let us do that. I have no objection to that at all. Do not let those foreign tankers across there bringing 51 percent of the oil to our shores, and we are paying that price to the OPEC countries.

Let us think about that a moment. I compliment the gentleman for his presentation.

Mr. TAUZIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, while some may not think the gentleman is being serious in his proposition, and some have treated it lightly, let me call attention to a more serious concern that the gentleman raises and that we discussed when we prepared this oilspill liability for the House.

First of all this summer this Nation experienced another statistical event that I hope caught Member's attention. This summer in July we imported over 50 percent of our oil. This summer we hit a higher oil import percentage then we did at the height of the Arab oil embargo. That should have bothered Members a little bit.

About the same time we had a terrible transportation accident in Alaska. A tanker trying to bring some oil into America, that came from our own country, as a matter of fact, in this case, spilled some oil.

The gentleman also calls to our attention that most of the spills that we are concerned about in this bill come from tankers bringing oil into America.

What Members may not know is that most energy experts estimate that that statistical event this summer of 50 percent or more imported oil will be magnified within the next 5 to 10 years to a total of approximately 75 percent of all oil consumed in America imported, and by the way, imported more and more in foreign tankers captained by foreign captains.

I call to Members' attention the spill that happened in Rhode Island, a foreign tanker, foreign captain who did not know the rules of the road in America, did not take on the pilot he was supposed to take, had charts that were undated so he did not know how old they were, and came right into our harbor, grounded his ship, and spilled oil in a fragile environment there.

A total of 75 percent of the oil coming into America in the next 5 to 10 years will come from foreign sources in those kinds of ships, manned by those kinds of captains and mates and seaman, using old charts in ships that have not come to America yet and will be coming for the first time with crews who do not know our harbors and our ports.

If we like that situation, if we think that is a good idea, then pass some moratorium for America and shut off some more areas to development, deny America the chance to produce its own energy.

That makes a lot of sense, right? Let us depend upon more ships, more tankers coming in with foreign crews that do not know our country, do not know our ports, and spill it all over us. It makes a lot of sense.

But that is the way we are reacting to the spill in Valdez. The gentleman is calling our attention to a serious problem and I hope Members take it seriously.

We can pass moratoria all we want in the interest of protecting the environment, if that is really what we want to do. I want to protect the environment too. But I think America needs its own energy, and we can protect our environment a lot better statistically by producing it at home and delivering it in a pipe than we can by counting on foreign tankers to bring to us. Not only does it create instability for us internationally, financially, but it causes us great concern when we consider oilspill liability in the future for all of those tankers who do not know where they are going.

Think about it. The gentleman has raised some serious concerns, and he deserves our serious attention.

The CHAIRMAN pro tempore (Mr. LANCASTER). The question is on the amendment offered by the gentleman from Ohio [Mr. REGULA).

The amendment was rejected.

The CHAIRMAN pro tempore. Are there further amendments to title IV?

If not, the Clerk will designate title V.

The text of title V is as follows:

TITLE V—PRINCE WILLIAM SOUND OIL SPILL REMOVAL

SEC. 5001. SHORT TITLE.

This title may be cited as the "Prince William Sound Oil Spill Removal Act of 1989".

SEC. 5002. DEFINITIONS.

For purposes of this title—

(1) "Arctic waters" means the navigable waters of the United States in the State of Alaska and the waters of the exclusive economic zone established by Presidential Proclamation Number 5030, dated March 10, 1983, adjacent to the State of Alaska.

(2) "Prince William Sound" means all State and Federal waters within Prince William Sound, Alaska, including the approach to Hinchenbrook Entrance out to and encompassing Seal Rocks.

(3) "Tank vessel" has the same meaning given that term in section 2101 of title 46, United States Code, except that it does not include an escort vessel or any other vessel used to remove an unlawful discharge of oil.

SEC. 5003. TANK VESSEL REQUIREMENTS.

Not later than 6 months after the date of enactment of this title, the Secretary shall require under section 3703(a)(3) of title 46, United States Code—

(1) tank vessels transporting oil from the Trans-Alaska Pipeline within designated areas of Prince William Sound to be escorted by at least one towing vessel (as defined under section 2101 of title 46, United States Code) or other vessels considered appropriate by the Secretary; and

(2) in addition to the requirements of section 8502 of title 46, United States Code, the use of a pilot licensed by the State of Alaska who is operating under a Federal license for all tank vessels navigating between the Port of Valdez, Alaska, and a point in Prince William Sound south of Bligh Reef.

SEC. 5004. VESSEL TRAFFIC SERVICE SYSTEM.

(a) PLAN.—Not later than 4 months after the date of enactment of this Act, the Secretary shall prepare a plan to modify the surveillance coverage for vessels in Prince William Sound. The plan shall include options for construction of new radar sites to cover all of the vessel traffic service system within Prince William Sound, a review of existing vessel surveillance programs to ensure constant contact with vessel traffic when necessary, a review of radar maintenance policies to ensure that the vessel traffic service system is maintained at or above a 99.9 percent availability standard, and any proposals using other technology that will provide the same operational and availability standards.

(b) IMPLEMENTATION.—The Secretary shall implement the plan required under subsection (a) not later than 1 year after its preparation.

SEC. 5005. EQUIPMENT AND PERSONNEL REQUIREMENTS.

Not later than 18 months after the date of enactment of this title, the Secretary, under section 311(j) of the Federal Water Pollution Control Act (33 U.S.C. 1321(j)), shall require—

(1) prepositioned oil spill containment and removal equipment in the Port of Valdez, the city of Cordova, and other locations within the geographic boundaries of Prince William Sound, including escort vessels with skimming capability, barges to receive recovered oil, heavy duty sea boom, pumping, transferring, lightering equipment, and other appropriate removal equipment for the protection of the environment, including fish hatcheries;

(2) the establishment of an oil spill removal organization at Cordova, Tatitlek, Valdez, Chenega, or other appropriate locations in Prince William Sound consisting of trained personnel in sufficient numbers to immediately remove a discharge of 200,000 barrels of oil;

(3) tank vessels operating in Prince William Sound to have on board appropriate equipment or materials sufficient to remove quickly a discharge of oil and to minimize the damage to the environment from that oil;

(4) training in oil removal techniques for local residents and individuals engaged in the cultivation or production of fish or fish products in Prince William Sound; and

(5) practice exercises not less than two times per year which test the capacity of the equipment and personnel required under this section. That equipment shall undergo periodic testing and certification as required by the Secretary.

SEC. 5006. USE OF LOCAL SERVICES.

In carrying out this title, the Secretary shall—

(1) consult with local residents and local landowners of the Prince William Sound area; and

(2) ensure the use, to the maximum extent feasible, of the services, equipment, and facilities of locally based contractors who have oil discharge removal expertise.

SEC. 5007. AUTHORITY OF STATE OF ALASKA.

Nothing in this title shall be construed as changing, diminishing, or affecting in any way the authority of the State of Alaska, or any political subdivision thereof, to regulate tank vessels or to provide for oil spill contingency planning in State waters.

SEC. 5008. ENVIRONMENTAL ASSESSMENTS.

(a) NOAA EXPENDITURES.—From sums appropriated for this purpose, the Under Secretary for Oceans and Atmosphere of the Department of Commerce shall expend no less than $5,000,000 in each of fiscal years 1990, 1991, and 1992, to conduct living marine resource damage assessments in Arctic waters from the discharge of oil that occurred as a result of the grounding of the EXXON VALDEZ in Prince William Sound.

(b) RECOVERED SUMS.—The Under Secretary for Oceans and Atmosphere shall, whenever possible, recover the sums expended under subsection (a) of this section from the owner or operator of the EXXON VALDEZ. These sums shall be credited to the appropriations of the National Oceanic and Atmospheric Administration.

(c) CRITERIA.—In carrying out this section, the Under Secretary for Oceans and Atmosphere shall—

(1) consult with local residents and significant local landowners of the Prince William Sound area;

(2) coordinate assessment and monitoring work with the State of Alaska and the Prince William Sound Science and Technology Institute through the establishment of an appropriate working group; and

(3) to the extent practicable, use local services and expertise.

SEC. 5009. REPORT.

Not later than 4 months after the date of enactment of this title, after providing for a 60-day public comment period, the Secretary shall report to Congress on—

(1) a list of oil pollution exercises conducted in the Port of Valdez and Prince William Sound during the operating of the Trans-Alaska Pipeline; and

(2) any other matters the Secretary considers important regarding oil spills in Arctic waters, including faster approval by State and Federal agencies of oil spill removal technology.

The CHAIRMAN pro tempore. Are there amendments to title V?

If not, the Clerk will designate title VI.

The text of title VI is as follows:

TITLE VI—MISCELLANEOUS

SEC. 6001. STATUTORY WAIVERS.

(a) IN GENERAL.—Section 2113 of title 46, United States Code, is amended—

(1) by inserting "(a)" before "If the"; and

(2) by adding at the end the following:

"(b)(1) Notwithstanding another law, the Secretary may waive the application of parts B, C, F (except section 8103), and H of this subtitle, if the Secretary determines that the waiver is needed in a crisis concerning—

"(A) a discharge, or threat of a discharge, of oil or a hazardous substance; or

"(B) the national defense, as determined by the Secretary of Defense.

"(2) A waiver may be issued under this section on the Secretary's own initiative or on request of the head of another department, agency, or instrumentality of the United States Government.

"(3) A waiver issued under this section shall—

"(A) state the reason for the waiver;

"(B) be for a specified period, not to exceed 1 year, and may not be renewed;

"(C) state which requirements of law are being waived; and

"(D) terminate when qualified individuals or vessels are available.".

(b) CONFORMING AMENDMENT.—The Act of December 27, 1950 (46 App. U.S.C. chapter 1 note) is repealed.

SEC. 6002. SAVINGS CLAUSE.

This Act does not affect—

(1) admiralty and maritime law; or

(2) the jurisdiction of the district courts of the United States with respect to civil actions under admiralty and maritime jurisdiction, saving to suitors in all cases all other remedies to which they are otherwise entitled.

SEC. 6003. QUALIFIED AUTHORIZING LEGISLATION.

This Act shall be considered to be qualified authorizing legislation for purposes of section 4611(f)(2)(B) of the Internal Revenue Code of 1986.

AMENDMENT OFFERED BY MR. JONES OF NORTH CAROLINA

Mr. JONES of North Carolina. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of North Carolina: Page 112, after line 4, insert the following new section:

SEC. 6004. ANNUAL APPROPRIATIONS.

(a) REQUIRED.—Notwithstanding any other provision of this Act, (other than subsection (b) of this section), amounts in the Fund shall be available only as provided in annual appropriation Acts.

(b) EXCEPTIONS.—Subsection (a) shall not apply to sections 1006(f) and 1006(g)(4), and shall not apply to an amount not to exceed $30,000,000 in any fiscal year which the President may make available from the fund to carry out section 311(c)(1) of the Federal Water Pollution Control Act. Sums to which this subsection applies shall remain available until expended.

Conform the table of contents of the bill accordingly.

Mr. JONES of North Carolina (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JONES of North Carolina. Mr. Chairman, as reported from committee, this bill provides that all amounts in the oilspill fund are directly available to the President, without appropriation. This amendment requires that all activities authorized by this act are subject to the annual appropriations process, but retains direct spending authority in three instances:

First, payments for damages to natural resources;

Second, civil penalties; and

Third, response actions under section 311 of the Clean Water Act.

The CBO scored the bill with $221 million in direct spending over 3 years. This was not intended and we have worked in cooperation with the Budget Committee and the House leadership to craft a compromise that substantially reduces direct spending.

This amendment would strictly limit direct spending from the oilspill fund to the three cases listed above. Most importantly, the amendment retains a provision allowing the President to draw on the fund, up to $30 million in any fiscal year, for oilspill response. This will give the Coast Guard a needed cushion and allow speedy oilspill response while the Congress considers the need to appropriate additional sums from the fund.

Absent this direct draw authority, an oilspill during an August recess could be a calamity. This amendment makes common sense. It makes budget sense.

Mr. PANETTA. Mr. Chairman, will the gentleman yield?

Mr. JONES of North Carolina. I am delighted to yield to the gentleman from California.

Mr. PANETTA. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment of the gentleman from North Carolina, the chairman of the Merchant Marine and Fisheries Committee.

This amendment strikes a balance between the need to protect our coastlines from the ravages of oil spills and the need to control Federal spending. It would make most of the expenditures authorized by this bill subject to the appropriations process. The direct spending which would result from the bill as amended by this amendment is estimated to be only about $1 million per year.

In addition to allowing funds received from certain penalities for damages to natural resources to be used for the restoration of those damaged resources, the amendment would allow spending of up to $30 million for emergency removal actions under section 311(c)(1) of the Federal Water Pollution Control Act. The availability of these funds, which would only be used if necessary, would ensure that the Federal Government could respond quickly to such an emergency. The Congressional Budget Office does not score this provision against the cost of the bill because it is impossible to predict the number and size of any spills which may occur and what the actual response costs might be.

The effect of this amendment would be, then, to reduce the direct spending authorized in the bill to $1 million per year, instead of the $114 million in the bill as reported. This is critical, in terms of controlling Federal spending.

As a Member of Congress from California, I am keenly aware of the need to protect our coasts and to prevent catastrophes such as the tragic spill earlier this year in Prince William Sound, in Alaska. But, as with so many other critical needs of our Nation, we must be willing to make the political commitment to provide the funds necessary to meet these needs. I have supported and will continue to support efforts to obtain those funds and to ensure that these critical programs to safeguard our coasts and waterways are protected. But that must occur through the appropriations process where competing needs can be balanced and where tough choices can be made, and not through back-door spending mechanisms. Making those tough choices is the very essence of our roles as Representatives and while no one finds this an easy job, it is one which, in my view, we were sent here to do.

Again, I thank the gentleman from North Carolina for offering this amendment and I urge its adoption.

Mr. NOWAK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment offered by Chairman JONES. The amendment would specify that expenditures from the oil spill liability trust fund are subject to appropriations by the Congress. In addition, it would provide that not to exceed $30 million in any fiscal year is to be available for responding to oil spills in advance of appropriations by Congress. This will protect the ability should it arise, for a quick response if Congress has not been able to provide a timely appropriation of funds for oil spill cleanup.

I thank the gentleman for his amendment and urge my colleagues to support it.

□ 1640

Mr. TAUZIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do so to engage the chairman of the Committee on the Budget in a brief colloquy.

I would like to point out to the House that this bill imposes upon the Coast Guard significant new responsibilities which are going to be costly to the Coast Guard and that as we collect the funds into this major new superfund for purposes of prevention and restoration of our environment, some of those funds are going to be necessary for the Coast Guard to not only beef up its manpower requirements, but to actually acquire and equip itself in a better shape to deal with the contingencies.

In that regard I would like to ask the chairman of the Committee on the Budget if in fact when these funds are being collected, if as chairman of the Committee on the Budget he believes the Budget Committee can take that into consideration and will recommend greater allocations to the subcommittee of appropriations having jurisdiction for that purpose.

Mr. PANETTA. Mr Chairman, will the gentleman yield?

Mr. TAUZIN. I yield to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. I thank the gentleman for yielding.

Mr. Chairman, obviously if this legislation is enacted, there are additional responsibilities that will fall on the Coast Guard. Even up to this point the Coast Guard has tremendous responsibility not only in providing for safety but also in law enforcement, particularly with regard to drugs.

As a consequence of that, I know their budget has been continually constricted year in and year out. We have tried to see if we could provide additional funds for that purpose.

This is an additional responsibility on top of what they already have, and obviously we will consider that during the deliberations on the budget resolution and try to assist them as much as possible.

Mr. TAUZIN. I thank the chairman for his assistance.

The CHAIRMAN pro tempore (Mr. LANCASTER). The question is on the amendment offered by the gentleman from North Carolina [Mr. JONES].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: Page 112, after line 4, add the following new section:

SEC. . DRUG-FREE WORKPLACE REQUIREMENTS.

(a) For the purposes of section 5153 of the Anti-Drug Abuse Act of 1988 (41 USC 702), a "grant from any Federal Agency" includes the obligation of amounts from the Fund by the Governor of each State, or the State official designated by the Governor.

(b) For the purposes of section 5152 of the Anti-Drug Abuse Act of 1988 (41 USC 701), a "contract for the procurement of any property or services" includes any agreement for removal activities.

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsyvlania?

There was no objection.

Mr. WALKER. Mr. Chairman, I do not intend to take a long time on this amendment. I think it has been agreed to by both sides. They will confirm that here in a moment.

I will explain the purpose of the amendment: The amendment insures that all of the activities taking place under the fund that has been set up will in fact be in compliance with the Anti-Drug Abuse Act of 1988 with regard to the drug-free workplace. This simply assures that any grant or any contracts allocated under this will fall under the provisions of the Drug-Free Workplace Act passed by Congress in 1988.

I know of no objections to the amendment.

Mr. TAUZIN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Louisiana.

Mr. TAUZIN. I thank the gentleman for yielding.

Mr. Chairman, I want to encourage the gentleman in this effort. As you know, the idea of a drug-free workplace is one that is being adopted across America. The gentleman [Mr. WALKER] is very, very, I think, conscientious providing for it in this bill. We not only support but encourage his amendment.

Mr. WALKER. I thank the gentleman.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Washington.

Mr. DICKS. I thank the gentleman for yielding.

Mr. Chairman, would this include tankers?

Mr. WALKER. Would this include tankers?

Mr. DICKS. Yes.

Mr. WALKER. I would say to the gentleman it probably does if they are not included already.

Mr. DICKS. Obviously, in this case of the *Exxon Valdez*, this would be a very appropriate situation.

Mr. WALKER. I thank the gentleman for his contribution.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BARTON OF TEXAS

Mr. BARTON of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARTON of Texas: After section 6003 of the bill, insert the following new section (and amend the table of contents accordingly):

SEC. 6004. OIL SPILL LIABILITY TRUST FUND FINANCING RATE NOT TO APPLY TO CERTAIN CRUDE OIL.

(a) GENERAL RULE.—Subsection (c) of section 4611 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new paragraph:

"(3) OIL SPILL RATE NOT TO APPLY TO CERTAIN CRUDE OIL.—The Oil Spill Liability Trust Fund financing rate shall not apply for purposes of the tax imposed by subsection (a)(1) on any crude oil if such crude oil had never been transported in a vessel on water before receipt at the refinery.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the commencement date (as defined in section 4611(f)(2) of the Internal Revenue Code of 1986).

Mr. BARTON of Texas (during the reading). Mr. Chairman I ask unanimous consent the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BARTON of Texas. Mr. Chairman, it is my intent to withdraw this amendment because if I insist on it being considered, it is my understanding the parliamentarian would sustain a point of order that it could not be considered.

So it is for debating purposes only.

It was provided yesterday to all the appropriate staffs. This is not an end run.

The CHAIRMAN pro tempore. The gentleman is recognized for 5 minutes.

Mr. BARTON of Texas. I thank the chairman.

Mr. Chairman, this amendment's intent is very simple. Under current law there is a tax of 1.3 cents per barrel on imported and domestic oil to go into a fund, a cleanup fund. This tax has never been collected.

Under existing law it would expire in 1991. In budget reconciliation there is a proposal to increase the tax to 3 cents per barrel on domestic oil and imported oil.

What my amendment would do is it would restrict the collection of the tax to oil that is transported by tanker or in barges on our riverways.

We have a large number of small independent producers who produce small amounts of oil per well that are going to be forced to pay, as the tax is currently structured, into a fund that they would never get any benefit from.

What my amendment would do, quite simply, it would not in any way restrict the level of the tax, it would not restrict for what reason the taxes could be used. What it would do is to say that you can only tax that oil that is either imported by ocean tanker, transported by ocean tanker, or transported on our riverways.

Mr. Chairman, this is supported by the Independent Petroleum Association of America, it is supported by the Texas Independent Producers and Royalty Owners.

I think it is a good idea. If we could get a vote on it, I think we might could win.

Mr. TAUZIN. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Louisiana.

Mr. TAUZIN. I thank the gentleman for yielding.

Mr. Chairman, I do this only to point out that it is a tax amendment and as such it violates clause 5 of rule XXI. The gentleman is aware of that.

Whatever the soundness of his reasoning, we have a problem with the amendment for that reason.

Mr. BARTON of Texas. I understand. I would like to submit for the record some extraneous matter to go into the RECORD.

In that material are three questions that are asked:

Why should an independent be burdened with a tax on crude oil production that is onshore and piped or trucked directly to a refinery, when the tax is directed to assist the cleanup of tanker or barge spills that often are hundreds of miles away and the independent bears absolutely no responsibility for the incident?

Why should domestic stripper well production—often less than 5 barrels per day—be forced to pay the cost of cleaning up imported oilspills from foreign owned tankers?

Why should Congress enact additional disincentives to domestic—onshore—production when the Nation is importing 50 percent of its oil, adding to the trade deficit?

The CHAIRMAN pro tempore. The extraneous material to which the gentleman referred, he must request permission to insert that in the RECORD when we are in the House. That which the gentleman has read will be in the RECORD at this point.

Mr. BARTON of Texas. I thank the Chairman.

I will finish up here by pointing out that in several States over 70 percent of the oil that is produced in those States is from small stripper wells, Illinois, over 90 percent; Indiana, over 92 percent; Kansas, 97 percent; Kentucky, 85 percent; Missouri, 92 percent; New York, 77 percent; Ohio, 73 percent; Oklahoma, 88 percent; Pennsylvania, 87 percent; Tennessee, 73 percent, Virginia, 94 percent; West Virginia, 100 percent. Oil producers in all of these States are going to be paying into the oilspill liability fund and they will never cause an oilspill and never get any benefit from the money that we are collecting.

So I would hope that in the conference on the Ways and Means Committee we could act on this amendment at the appropriate time.

Mr. Chairman, I ask unanimous consent that I be permitted to withdraw the amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

□ 1650

The CHAIRMAN pro tempore (Mr. LANCASTER). Are there further amendments to title VI?

If not, the Clerk will designate title VII.

The text of title VII is as follows:

TITLE VII—RESEARCH AND DEVELOPMENT

SEC. 7001. OIL POLLUTION RESEARCH AND DEVELOPMENT PROGRAM.

(a) INTERAGENCY COORDINATING COMMITTEE ON OIL POLLUTION RESEARCH.—

(1) ESTABLISHMENT.—There is established an Interagency Coordinating Committee on Oil Pollution Research (hereafter in this section referred to as the "Interagency Committee").

(2) PURPOSES.—The Interagency Committee shall coordinate a comprehensive program of oil pollution research, development, and demonstration among the Federal agencies, in cooperation and coordination with industry, universities, research institutions, State governments, and other nations, as appropriate, and shall foster cost-effective research mechanisms, including the joint funding of research.

(3) MEMBERSHIP.—The Interagency Committee shall include representatives from the Department of Commerce (including the National Oceanic and Atmospheric Administration and the National Institute of Standards and Technology), the Department of Energy, the Department of the Interior (including the Minerals Management Service and the United States Fish and Wildlife Service), the Department of Transportation (including the United States Coast Guard and the Maritime Administration), the Department of Defense (including the Army Corps of Engineers and the Navy), the Environmental Protection Agency, and the National Aeronautics and Space Administration, as well as such other Federal agencies as the President may designate. The President shall designate a chairman of the Interagency Committee from among its members.

(4) OIL POLLUTION RESEARCH PLAN.—(A) Within 120 days after the date of enactment of this Act, the Interagency Committee shall submit to Congress a plan for the im-

plementation of the research aspects of the oil pollution research and development program established pursuant to subsection (b). The research plan shall—

(i) identify agency roles and responsibilities;

(ii) assess the current status of knowledge on oil pollution technologies and effects;

(iii) identify significant research gaps and priorities;

(iv) review responses to oil discharges over the past 20 years, identify major technological deficiencies in those responses, and establish research priorities to address those deficiencies;

(v) estimate the resources needed to conduct the oil pollution research and development program established pursuant to subsection (b), timetables for completing research tasks, and, to the extent feasible, expected industry, university, research institution, State government, and foreign nation participation, as appropriate, in the research and development program including joint funding mechanisms; and

(vi) identify a lead agency for carrying out effects research under subsection (b)(4).

(B) The agency which is represented by the Chairman of the Interagency Committee shall contract with the National Academy of Sciences to—

(i) provide advice and guidance in the preparation and development of the research plan; and

(ii) assess the adequacy of the plan as submitted, and submit a report to Congress on the conclusions of such assessment.

The National Institute of Standards and Technology shall provide the Interagency Committee with advice and guidance on issues relating to quality assurance and standards and measurements relating to its activities under this section.

(b) OIL POLLUTION RESEARCH AND DEVELOPMENT PROGRAM.—

(1) ESTABLISHMENT.—The Interagency Committee shall coordinate the establishment, by the agencies represented on the Interagency Committee, of a program for conducting oil pollution research and development, as provided in this subsection.

(2) INNOVATIVE OIL POLLUTION TECHNOLOGY.—The program established under this subsection shall provide for research, development, and demonstration of new or improved technologies which are effective in preventing or mitigating oil discharges and which protect the environment, including—

(A) development of improved designs for vessels and facilities, and improved operational practices;

(B) research, development, and demonstration of improved technologies to measure the ullage of a vessel, prevent discharges from tank vents, prevent discharges during lightering and bunkering operations, contain discharges on the deck of a vessel, and otherwise contain discharges of oil from vessels and facilities;

(C) research, development, and demonstration of new or improved systems of mechanical, chemical, biological, and other methods (including the use of dispersants, solvents, and bioremediation) for the recovery, removal, and disposal of oil, including that which has migrated into substrate environments;

(D) research, in consultation with the National Response Team, to improve industry's and government's ability to quickly and effectively remove an oil discharge, including research to improve information systems for decisionmaking;

(E) development of technologies and methods to protect public health and safety from oil discharges, including the population directly exposed to an oil discharge;

(F) development of technologies, methods, and standards for protecting removal personnel, including training, adequate supervision, protective equipment, maximum exposure limits, and decontamination procedures;

(G) research and development of methods to restore and rehabilitate natural resources damaged by oil discharges;

(H) a demonstration to evaluate the relative effectiveness and environmental impacts of bioremediation technologies, including comparisons between bioremediation techniques that rely on the introduction of microorganisms and those that rely on the enhancement of indigenous microorganisms; and

(I) research on the environmental effects of the use of technologies to prevent or mitigate oil discharges.

(3) OIL POLLUTION TECHNOLOGY EVALUATION.—The program established under this subsection shall provide for oil pollution prevention and mitigation technology evaluation, including—

(A) the evaluation and testing of technologies developed independently of the research and development program established under this subsection;

(B) the establishment, where appropriate, of standards and testing protocols traceable to national standards to measure the performance of oil pollution prevention or mitigation technologies; and

(C) the use, where appropriate, of controlled field testing to evaluate real-world application of oil discharge prevention or mitigation technologies.

(4) OIL POLLUTION EFFECTS RESEARCH.—The program established under this subsection shall provide for research on the environmental effects of oil discharges, including—

(A) the development of improved models and capabilities for predicting the effects of oil discharges and the fate and transport of such oil;

(B) the development of methods, including economic methods, to assess damages to natural resources resulting from oil discharges;

(C) the identification and mapping of environmentally sensitive areas at particular risk to oil discharges;

(D) the collection of environmental baseline data in such areas for the determination of potential effects of oil discharges, including data on chronic oil discharges; and

(E) the development of plans for long-term monitoring of environmental effects in those areas, to be implemented in the event of a major oil discharge.

(5) SPECIAL STUDIES.—(A) As part of the program established under this subsection, the Secretary of Commerce, in consultation with the Administrator of the Environmental Protection Agency, shall undertake—

(i) a 10-year comprehensive monitoring and research program to determine the long-term environmental effects, including effects on the diverse marine and estuarine habitats and living marine resources, of the oil discharges by the EXXON VALDEZ into Prince William Sound and the Gulf of Alaska; and

(ii) a 5-year comprehensive monitoring and research program to determine the environmental effects of the oil discharges by the WORLD PRODIGY into Narragansett Bay, by the RACHEL B into the Houston Ship Channel, and by the PRESIDENTE RIVERA into the Delaware River.

(B) The monitoring and research program under subparagraph (A)(i) shall include consideration of methods and technologies for preventing, removing, and mitigating the effects of oil discharges in arctic and subarctic marine environments. The results of the program shall be applied to the development of improved methods (including contingency planning) for protecting arctic and subarctic marine and estuarine environments from all risks of oil transportation, including oil discharges.

(C) The Secretary of Commerce may recoup the costs of the monitoring and research program under subparagraph (A)(i) from the owners and operators of the EXXON VALDEZ, to the extent that these costs are directly related to the oil discharges by the EXXON VALDEZ into Prince William Sound and the Gulf of Alaska.

(6) MARINE SIMULATION RESEARCH.—The program established under this subsection shall include research on the greater use and application of geographic and vessel response simulation models, including the development of additional data bases and updating of existing data bases using, among others, the resources of the National Maritime Research Center. It shall include research and vessel simulations for—

(A) contingency plan evaluation and amendment;

(B) removal and strike team training;

(C) tank vessel personnel training; and

(D) those geographic areas where there is a significant likelihood of a major oil spill.

(c) GRANTS.—In carrying out the research and development program established under subsection (b), the agencies represented on the Interagency Committee may enter into contracts and cooperative agreements and make grants to universities, research institutions, and other persons.

(d) INTERNATIONAL COOPERATION.—In accordance with the research plan submitted under subsection (a)(4), the Interagency Committee shall coordinate and cooperate with other nations and foreign research entities in conducting oil pollution research and development and demonstration activities, including controlled field tests of oil discharges.

(e) ANNUAL REPORTS.—The Chairman of the Interagency Committee shall submit to Congress at the close of each fiscal year a report on the activities carried out under subsections (a) through (e) of this section in the preceding fiscal year, and on activities proposed to be carried out under subsections (a) through (e) of this section in the current fiscal year.

(f) REGIONAL RESEARCH CENTERS.—(1) As part of the program established under subsection (b), a minimum of six regional research centers shall be established through competitive grants to universities or other research institutions, or groups of universities or research institutions.

(2) The responsibilities of each regional research center established under this subsection shall include the design and implementation of a program for addressing one or more of the various aspects of oil pollution research and development, including prevention, removal, mitigation, and the effects of discharged oil on the environment. Such research and development program shall, as appropriate, include the following elements:

(A) Projections and improved understanding of potential patterns and timing of a given discharge's dispersal, taking into account the size and rate of the discharge,

time of year, weather and ocean flows, and circulation patterns.

(B) Projections and improved understanding of the effects of unique meteorology of the region on the concentration and distribution in the environment of oil pollution.

(C) Examination of the regionally specific impact of discharges on coastal waters and coastline areas of the region, including subregional variations.

(D) Assessment of the physiochemical interactions between discharged oil and water, and of the distribution of oil pollution in water and sediment at various temperatures, and other conditions.

(E) Research on the effects of oil on flora and fauna, including the effects of location, dynamics, and type of oil discharged.

(F) The design of protocols to be followed to quantify ground water contamination associated with discharges, including an assessment of the potential impact on drinking water supplies.

(3) At least one of the regional research centers established under this subsection shall represent and be located in each of the following 6 regions of the United States:

(A) The tropical and subtropical coastal environments of Florida and the coastal environment of the Gulf Coast.

(B) Atlantic temperate coastal environments.

(C) Pacific temperate coastal environments.

(D) The Alaskan coastline and other Arctic and subarctic environments.

(E) The Great Lakes.

(F) Inland waters.

(4) Any university or other research institution, or group of universities or research institutions, may apply to the Interagency Committee for a grant under this subsection. Such application shall be in such form and contain such information as the Chairman may require.

(5) The Interagency Committee shall select grant recipients under this subsection and shall designate the appropriate agency represented on the Interagency Committee to administer each grant. The grant recipients shall be selected on the basis of the following criteria:

(A) There is available to the applicant for carrying out this subsection demonstrated research resources.

(B) The applicant shall demonstrate the capability of providing leadership in making national and regional research and development contributions to preventing, removing, mitigating, and assessing the environmental effects of oil discharges, as appropriate.

(C) The applicant shall demonstrate the ability and willingness to support ongoing oil discharge prevention, removal, mitigation, and environmental effects research and development activities, as appropriate, with budgeted institutional funds of at least $100,000 per year.

(D) The applicant shall have an interdisciplinary staff with demonstrated expertise in oil pollution prevention, removal, mitigation, and environment effects research and development, as appropriate.

(E) The projects which the applicant proposes to carry out under the grant are necessary and appropriate and would further the objectives of the research and development program established under subsection (b).

(6) Grants provided under this subsection shall provide not more than 80 percent of the costs of establishing and operating the regional research center and related research and development activities carried out by the grant recipient.

(7) No funds made available to carry out this subsection may be used for the acquisition of real property (including buildings) or construction of any building.

(8) The Interagency Committee shall allocate funds made available to carry out this subsection equitably among the regional research centers. The Interagency Committee, in awarding grants for the regional research centers, shall attempt to achieve a national balance among the various aspects of oil pollution research and development, including prevention, removal, mitigation, and the effects of discharged oil on the environment.

(9) Each regional research center shall coordinate its oil pollution prevention, removal, mitigation, and environmental effects research and development activities, as appropriate, with the Interagency Committee and the agencies represented on the Interagency Committee.

(10) The applicant shall disseminate results of oil pollution prevention, removal, mitigation, and environmental effects research and development, as appropriate, through technology transfer, training, and other educational programs.

(g) FUNDING.—Not to exceed $28,000,000 of amounts in the Fund shall be available annually, without fiscal year limitation, to carry out this section. For each of fiscal years 1990, 1991, 1992, 1993, and 1994, $1,000,000 of such amount shall be available for each regional center established under subsection (f).

AMENDMENTS OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. RICHARDSON: Page 114, line 4, insert "and goals for technology development" after "research priorities".

Page 115, line 15, insert "under normal and harsh environmental conditions including strong winds and water currents," after "oil discharges".

Page 116, line 1, insert "prevent discharges through the use of vacuums in tanks," after "deck of a vessel,".

Page 117, line 10, strike "and".

Page 117, line 13, strike the period and insert in lieu thereof "; and".

Page 117, after line 13 insert the following new subparagraph:

(J) research and development of technologies capable of providing temporary storage of oil that would otherwise have to be discharged into the environment.

Mr. RICHARDSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc, considered as read, and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. These amendments, I think, have been agreed to by both sides and supported by the industry, by the environmental community. What the amendments simply do is they keep the spirit of the title that members of the committee worked so hard to assure. That is, that we establish a program that advances research and development of oilspill technology which is effective and responsive to oilspills in a variety of situations.

Mr. Chairman, I yield to the distinguished chairman of the subcommittee, the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Chairman, we have worked closely, the members on the Committee on Science, Space, and Technology, with the gentleman from New Mexico [Mr. RICHARDSON]. His amendments are well received. We consider them helpful and constructive additions to the oilspill research development, which we are responsible for. We accept these amendments.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. Mr. Chairman, I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, on behalf of the minority on the Committee on Science, Space, and Technology, we have examined the gentleman's amendments and have no problem with them.

Mr. NOWAK. Will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from New York.

Mr. NOWAK. Mr. Chairman, I thank the gentleman for yielding. The gentleman's amendment would certainly enhance technology development for oilspill cleanup, and particularly in the area of oil recovery. The cleanup efforts this summer clearly show that inadequate progress has been made in the area of oilspill cleanup-related technology. I think it is a good amendment and one that the House should accept.

Mr. RICHARDSON. Mr. Chairman, I thank the gentleman for the support for this amendment.

Ms. SCHNEIDER. Mr. Chairman, the minority leadership of the Science Committee support the amendment by the distinguished Member from New Mexico.

I am especially glad to lend my support because of language which has been included in this bloc of amendments to research the use of vacuums within tanks to reduce the outflow of oil in the event of a rupture.

This language is consistent with a recommendation of the legislative report by the Science Committee on H.R. 1465 that such an approach deserves attention.

This recommendation was based on a hearing discussion between myself and administration witnesses of a proposal by an entrepreneur with whom I am acquainted, Mr. Luther Blount. Mr. Blount has argued that the use of such vacuums in tanks could simply and effectively prevent massive spills in the future.

I hope that this language is adopted and that this approach is given serious consideration by the administration.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from New Mexico [Mr. RICHARDSON].

The amendments were agreed to.

Mr. SCHEUER. Mr. Chairman, I move to strike the requisite number of

words, and yield to my colleague, the gentleman from New York [Mr. NOWAK], for the purpose of a colloquy.

Mr. NOWAK. I thank the gentleman for yielding. Title 7 of H.R. 1465 includes a program for comprehensive research and development of oil pollution. Is it the gentleman's understanding that this oil pollution research and development covers all aspect of oil discharges, and this would include the unique problems which could occur after an oil discharge in the Great Lakes?

Mr. SCHEUER. Yes.

Mr. NOWAK. I note that the gentleman included in the provision establishing the regional research centers a requirement that one of the regional research centers be located in the Great Lakes. This is particularly important because the Great Lakes are the Nation's largest source of freshwater representing over ⅕ of the freshwater in the world, and they provide drinking water to over 24 million people. I wish to clarify with the gentleman that the Research and Development Program established by title 7 is flexible enough to include the unique resources of the Great Lakes.

Mr. SCHEUER. The gentleman is correct. It is our intent that the research and development provisions in title 7 focus on all aspects of oil discharges into the environment. This includes all salt-and fresh-water environments and their adjoining shorelines. It is expected that the Great Lakes research center will focus on the unique problems that face the Great Lakes because of their status as freshwater, because of their use as a drinking water supply by so many people, and because the lakes do not have the capacity to rapidly flush oil through their hydrologic system.

Mr. NOWAK. I thank the gentleman for this clarification and I thank the gentleman for recognizing the great value of the Great Lakes as a resource not only to the people in the Great Lakes Basin, but to the Nation as a whole.

Mr. HENRY. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I yield to the gentleman from Michigan.

Mr. HENRY. Mr. Chairman, I thank the gentleman for yielding.

I would simply like to associate myself with the concerns the gentleman from New York has clarified.

While the Great Lakes are indeed one of the most important resources to our Nation, as the gentleman from New York indicated, they are critically vital to the economic well being of the Great Lake States as well. The State of Michigan, alone, has more shoreline—coastline—than either the eastern or western seaboards. In fact, the total U.S. coastline in the Great Lakes region is nearly 5,000 miles in length—excluding the Canadian shoreline.

Thus, given the unique problems the Great Lakes pose in terms of high retention rates, I, too, wish to ensure that a Great Lakes regional research center is established and that this legislation strongly indicates the importance of doing so.

Mr. SCHEUER. Mr. Chairman, I can assure the gentleman from Michigan that we consider that Great Lakes Research Center a very important element. It is to serve all of the diversified needs of the Great Lakes, the fresh water environment, the saltwater environment, the adjacent shoreline environment, and we would take a broad-based view of the mission of the Great Lakes Research Center.

Mr. SENSENBRENNER. Mr. Chairman, I would like to associate myself with the remarks of Representative HENRY, Representative NOWAK, and Representative SCHEUER clarifying that R&D activities conducted under title 7 of H.R. 1465 would cover technologies relevant to preventing and cleaning up oilspills on the Great Lakes. I would also like to comment on the importance of establishing a national center for oil spill research and development in the Great Lakes region.

The Great Lakes are invaluable natural resources. As a Representative of Wisconsin, a State which is bordered by both Lake Michigan and Lake Superior, I can assure you that these waterways are critical to our economy and day to day activities. A considerable volume of oil freighter traffic occurs on the Great Lakes each year. To minimize the potential risks associated with these activities, it is essential that we plan ahead on how to respond to any accidents. The Great Lakes States recognize this, and have already established a compact providing for the pooling and utilization of regional resources in the event of an oilspill.

I believe that if the Federal Government is to play a role in oil spill prevention and response R&D, then that effort should focus on all of our major water resources exposed to oil spill risks, including the Great Lakes. For this reason, I am very pleased that H.R. 1465, as reported out of the Science, Space and Technology Committee, does designate that one of the regional R&D centers created by the bill would be located in the Great Lakes region.

The CHAIRMAN pro tempore. Are there further amendments to title VII?

If not, the Clerk will designate title VIII.

The text of title VIII is as follows:

TITLE VIII—TRANS-ALASKA PIPELINE SYSTEM

SEC. 8001. SHORT TITLE.

This title may be cited as the "Trans-Alaska Pipeline System Reform Act of 1989".

SEC. 8002. REFERENCES TO TRANS-ALASKA PIPELINE AUTHORIZATION ACT.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1651-1655).

Subtitle A—Improvements to Trans-Alaska Pipeline System

SEC. 8101. LIABILITY WITHIN THE STATE OF ALASKA AND CLEAN UP EFFORTS.

(a) CAUSE OF ACCIDENT.—Section 204(a)(1) of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1653(a)(1)) is amended by striking out "caused by" in the first sentence and inserting in lieu thereof "caused solely by".

(b) REMOVAL OF LIMITATION.—Section 204(a) of the Act (43 U.S.C. 1653(a)) is amended—

(1) by striking out paragraph (2); and

(2) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

(c) CLEAN-UP EFFORTS.—Section 204(b) of the Act (43 U.S.C. 1653(b)) is amended in the first sentence—

(1) by inserting after "any area" the following: "in the State of Alaska";

(2) by inserting after "any activities" the following: "related to the trans-Alaska pipeline system, including operation of the terminal,"; and

(3) by inserting after "other Federal" the first place it appears the following: "or State".

SEC. 8102. TRANS-ALASKA PIPELINE LIABILITY FUND.

(a) TERMINATION OF CERTAIN PROVISIONS.—Section 204(c) of the Act (43 U.S.C. 1653(c)) is amended by adding at the end the following new paragraph:

"(13) Paragraphs (1) through (14) shall apply to claims pending against the Fund, but only with respect to incidents occurring before the date of the enactment of the Trans-Alaska Pipeline System Reform Act of 1989.".

(b) CAUSE OF ACCIDENT.—Section 204(c)(2) of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1653(c)(2)) is amended by striking out "caused by" in the first sentence and inserting in lieu thereof "caused solely by".

(c) DAMAGES.—Section 204(c) of the Act (43 U.S.C. 1653(c)) (as amended by subsection (a)) is further amended by adding at the end the following new paragraph:

"(14) For any claims against the Fund, the term 'damages' shall include, but not be limited to, the net loss of taxes, revenues, fees, royalties, rents, or other revenues incurred by a State or a political subdivision of a State due to injury, destruction, or loss of real property, personal property, or natural resources, or diminished economic activity due to the discharge.".

(d) PAYMENT OF CLAIMS BY FUND.—Section 204(c)(3) of the Act (43 U.S.C. 1653(c)(3)) is amended by adding at the end the following: "The Fund shall pay a valid claim under this section, including such $14,000,000, if the owner or operator of a vessel has not paid any such claim within 90 days after such claim has been submitted to such owner or operator. Upon payment of any claim, the Fund shall be subrogated under applicable State and Federal laws to all rights of any person entitled to recover under this subsection, subject to the limit of liability of the owner and operator under this Act. In any action brought by the Fund against an owner or operator or an affiliate thereof to recover amounts under this paragraph, the Fund shall be entitled to recover prejudgment interest, costs, and reasonable attorney's fees.".

(e) OFFICERS OR TRUSTEES.—Section 204(c)(4) is amended—

(1) by inserting "(A)" after "(4)"; and

(2) by adding at the end the following:

"(B) No present or former officer or trustee of the Fund shall be subject to any liability incurred by the Fund or by the present or former officers or trustees of the Fund, other than liability for gross negligence or willful misconduct.

"(C)(i) Subject to clause (ii), each officer and each trustee of the Fund—

"(I) shall be indemnified against all claims and liabilities to which he or she has or shall become subject by reason of serving or having served as an officer or trustee, or by reason of any action taken, omitted, or neglected by him or her as an officer or trustee; and

"(II) shall be reimbursed for all attorney's fees reasonably incurred in connection with any claim or liability.

"(ii) No officer or trustee shall be indemnified against, or be reimbursed for, any expenses incurred in connection with, any claim or liability arising out of his or her gross negligence or willful misconduct.".

(f) TRANS-ALASKA PIPELINE SYSTEM.—Section 204(c) of the Act (43 U.S.C. 1653(c)) (as amended by subsections (a) and (c)) is further amended by adding at the end the following:

"(15)(A) Amounts in the Oil Spill Liability Fund established by section 9509 of the Internal Revenue Code of 1986 shall be made available to the extent provided in appropriation Acts for the following purposes directly related to safe and environmentally sound operation of the trans-Alaska pipeline system:

"(i) Payment of the reasonable costs (but not more than $5,000,000 annually) to the Federal Government with respect to activities in the State of Alaska, and the reasonable costs (but not more than $2,000,000 annually) to the State of Alaska, necessary for agency personnel to conduct studies regarding, and to monitor and enforce compliance with, applicable safety, health, and environmental standards.

"(ii) Payment of the reasonable costs (but not more than $5,000,000 annually) of the Presidential Task Force and the audit of the trans-Alaska pipeline system.

"(B) Amounts may only be made available under subparagraph (A)(i) to the State of Alaska if the State matches such amounts on a dollar-for-dollar basis.".

SEC. 8103. PRESIDENTIAL TASK FORCE.

The Act is amended by adding at the end thereof the following new section:

"PRESIDENTIAL TASK FORCE; ADVISORY COUNCIL

"SEC. 207. (a) ESTABLISHMENT OF TASK FORCE.—(1) There is hereby established a Presidential Task Force on the Trans-Alaska Pipeline System (hereinafter referred to as the 'Task Force') composed of the following nine members appointed by the President:

"(A) One member appointed to serve as cochairman of the Task Force.

"(B) One member nominated by the Governor of Alaska who will serve as cochairman of the Task Force.

"(C) Three members, one of whom shall be nominated by the Secretary of the Interior, one by the Administrator of the Environmental Protection Agency, and one by the Secretary of Transportation, and all of whom shall be Federal employees.

"(D) Three members, one of whom shall be nominated by the Commissioner of Fish and Game, one by the Commissioner of Environmental Conservation, and one by the Commissioner of Natural Resources of the State of Alaska, and all of whom shall be State employees.

"(E) One member nominated by the National Academy of Engineering.

"(2)(A) Except as provided in subparagraphs (B) and (C), members shall be appointed for terms of three years.

"(B) Of the members first appointed—

"(i) three shall be appointed for a term of three years;

"(ii) three shall be appointed for a term of four years; and

"(iii) three shall be appointed for a term of five years.

"(C) Any member appointed to fill a vacancy occurring before the expiration of the term for which his or her predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his or her term until a successor has taken office.

"(3) Members shall, to the extent approved in appropriations Acts, receive the daily equivalent of the minimum annual rate of basic pay in effect for grade GS-15 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Task Force, except that members who are State, Federal, or other governmental employees shall receive no compensation under this paragraph in addition to the salaries they receive as such employees.

"(4) The cochairmen of the Task Force shall appoint a Director to carry out administrative duties. The Director may hire such staff and incur such expenses on behalf of the Task Force as are authorized by the Task Force and for which funds are available.

"(5) Employees of the Task Force shall not, by reason of such employment, be considered to be employees of the Federal Government for any purpose.

"(b) DUTIES OF TASK FORCE.—(1) The Task Force shall conduct a comprehensive audit and review of operations of the trans-Alaska pipeline system, make recommendations to the President, the Congress, and the Governor of Alaska, and function as a forum for improved oversight and enforcement of safety and environmental laws related to the trans-Alaska pipeline system.

"(2) The scope of the audit shall include matters related to operations of the trans-Alaska pipeline system and the terminal at the Port of Valdez, Alaska.

"(3) As part of such audit, the Task Force shall conduct a comprehensive review of the trans-Alaska pipeline system in order to specifically advise the President, the Congress, and the Governor of Alaska concerning—

"(A) whether the holder of the Federal and State right-of-way is, and has been, operating in full compliance with applicable agreements and laws;

"(B) the operational and structural soundness of the pipeline, terminal, and related onshore facilities;

"(C) necessary improvements for the pipeline, terminal, and related onshore facilities in terms of operational safety, public health, and environmental protection;

"(D) necessary improvements in the oil spill response capabilities and contingency plans for the pipeline, terminal, and related onshore facilities; and

"(E) necessary improvements in security for the pipeline, terminal, and related onshore facilities.

"(4)(A) The Task Force shall retain at least one independent consulting firm with technical expertise in engineering, transportation safety, the environment, and other applicable areas to assist the Task Force in carrying out this subsection. Such firm shall have extensive experience in carrying out audits of the nature to be carried out by the Task Force.

"(B) Contracts with any such firm shall be entered into on a nationally competitive basis, and the Task Force shall not select any firm with respect to which there may be a conflict of interest in assisting the Task Force in carrying out its audit and review.

"(5) The Task Force shall provide an opportunity for public comment on its activities and shall consult on a regular basis with the Trans-Alaska Pipeline Terminal Advisory Council established pursuant to subsection (c).

"(6) The Task Force shall transmit (and make available to the public), within 6 months after the date of enactment of this paragraph, a report to the President and the Congress of its findings, conclusions, and recommendations made as a result of carrying out such audit.

"(7) The President shall, within 90 days after receiving the Task Force's report, transmit a report to the Congress and the Governor of Alaska containing comments on whether—

"(A) the Alyeska Pipeline Service Company or its successor is, and has been, operating in full compliance with the right-of-way permits granted for the trans-Alaska pipeline;

"(B) the President intends to direct the Secretary of the Interior to exercise authority pursuant to section 203(e) of the Trans-Alaska Pipeline Authorization Act to amend or modify the Federal right-of-way agreement;

"(C) the President intends to recommend to the Governor of Alaska that the State right-of-way agreement be amended or modified; and

"(D) the President intends to take other measures to implement the Task Force's findings and recommendations.

"(8) The Task Force shall prepare an annual report on its activities and submit such report to the President, the Congress, and the Governor of Alaska.

"(9) The Comptroller General of the United States, and any of his or her duly authorized representatives, shall have access, for purposes of audit and examination, to any books, documents, papers, and records of the Task Force that are pertinent to the funds received and expended by the Task Force.

"(10) The Task Force shall cease to exist on the date which is 10 years after the date of enactment of this paragraph.

"(11) With respect to safety, operations, and other matters related to the pipeline facilities (as such term is defined in section 202(4) of the Hazardous Liquid Pipeline Safety Act of 1979) of the trans-Alaska pipeline, the Task Force shall not perform any functions which are the responsibility of the Secretary of Transportation under the Hazardous Liquid Pipeline Safety Act of 1979.

"(c) TRANS-ALASKA PIPELINE TERMINAL ADVISORY COUNCIL.—(1) Not later than 90 days after the date of enactment of this Act, the operator of the trans-Alaska pipeline system, on behalf of the companies which possess the Federal right-of-way granted by the Secretary of the Interior, shall establish and fund the reasonable costs of the Trans-Alaska Pipeline Terminal Advisory Council

(hereinafter referred to as the 'Advisory Council').

"(2) The Advisory Council shall assist the owners and operator of the trans-Alaska pipeline and Federal and State officials in developing policies, permits, plans, and regulations relating to the monitoring, operation, and maintenance of the terminal and related facilities of the trans-Alaska pipeline that may affect safety, public health, and the environment. The Advisory Council shall serve as a forum for the industrial users, owners, and operators of the terminal facilities to work cooperatively with residents of interested communities.

"(3) The Governor of Alaska may appoint to the Advisory Council the following members from among the residents of Valdez, Cordova, and other communities:

"(A) one member who shall serve as chairman;

"(B) two members of the fishing industry;

"(C) two members of Alaska Native organizations;

"(D) two members of environmental organizations;

"(E) two members from local governments; and

"(F) two members from the tourism industry or other business community.

"(4)(A) Except as provided in subparagraphs (B) and (C), members shall be appointed for terms of two years.

"(B) Of the members first appointed—

"(i) six shall be appointed for a term of four years;

"(ii) three shall be appointed for a term of three years; and

"(iii) two shall be appointed for a term of two years.

"(C) Any member appointed to fill a vacancy occurring before the expiration of the term for which his or her predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his or her term until a successor has taken office.

"(D) Members shall receive, to the extent provided in appropriation Acts, the daily equivalent of the minimum annual rate of basic pay in effect for grade GS-15 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Advisory Council.

"(E) The Chairman of the Advisory Council shall appoint a Director to carry out administrative duties. The Director may hire such staff and incur such reasonable expenses on behalf of the Advisory Council as are authorized by the Advisory Council and for which funds are available.

"(F) Employees of the Advisory Council shall not, by reason of such employment, be considered to be employees of the Federal Government for any purpose.

"(5) Industrial users, owners, and operators of the terminal facilities shall cooperate fully with the Advisory Council through frequent consultation and attendance at meetings and granting reasonable access to the Advisory Council to all facilities and requested documents and information.

"(6) The Advisory Council may establish such technical advisory committees as it deems necessary.

"(7) The Advisory Council shall prepare an annual report on its activities and submit such report to the Task Force established by subsection (a), the Governor of Alaska, the Congress, and the public.

"(8) The Advisory Council shall cease to exist on the date which is 10 years after the date of enactment of this Act.".

Subtitle B—Penalties

SEC. 8201. AUTHORITY OF THE SECRETARY OF THE INTERIOR TO IMPOSE PENALTIES ON OUTER CONTINENTAL SHELF FACILITIES.

Section 24(b) of the Outer Continental Shelf Lands Act (43 U.S.C. 1350(b)) is amended—

(1) by striking out "If any" and inserting in lieu thereof "(1) Except as provided in paragraph (2), if any";

(2) by striking out "$10,000" and inserting in lieu thereof "$20,000";

(3) by adding at the end of paragraph (1) the following new sentence: "The Secretary shall, by regulation at least every three years, adjust the penalty specified in this paragraph to reflect any increases in the Consumer Price Index (all items, United States city average) as prepared by the Department of Labor."; and

(4) by adding at the end the following new paragraph:

"(2) If a failure described in paragraph (1) constitutes or constituted a threat of serious, irreparable, or immediate harm or damage to life (including fish and other aquatic life), property, any mineral deposit, or the marine environment, a civil penalty may be assessed without regard to the requirement of expiration of a period allowed for corrective action.".

SEC. 8202. TRANS-ALASKA PIPELINE SYSTEM CIVIL PENALTIES.

The Act is amended by adding at the end thereof the following new section:

"CIVIL PENALTIES

"SEC. 210. (a) PENALTY.—The Secretary of the Interior shall assess and collect a civil penalty under this section with respect to any discharge of oil—

"(1) in transit from fields or reservors supplying oil to the trans-Alaska pipeline; or

"(2) during transportation through the trans-Alaska pipeline or handling at the terminal facilities.

that causes damage to, or threatens to damage, natural resources or public or private property.

"(b) PERSONS LIABLE.—In addition to the person causing or permitting the discharge, the owner or owners of the oil at the time the discharge occurs shall be jointly, severally, and strictly liable for the full amount of penalties assessed pursuant to this section, except that the United States and the several States, and political subdivisions thereof, shall not be liable under this section.

"(c) AMOUNT.—(1) The amount of the civil penalty shall be no less than $1,000 per barrel of oil discharged.

"(2) In determining the amount of civil penalty under this section, the Secretary shall consider the seriousness of the damages from the discharge, the cause of the discharge, and history of prior violations of applicable rules and laws, and the degree of success of any efforts by the violator to minimize or mitigate the efforts of such discharge.

"(3) The Secretary may reduce or waive the penalty imposed under this section only if the discharge was solely caused by an act of war, act of God, or third party action beyond the control of the persons liable under this section.

"(4) Any civil penalty assessed by the Secretary pursuant to this section shall be in addition to the amount of any fine or penalty (whether civil or criminal in nature) for any violation of other Federal or State law.

"(5) Any amount received in payment of a civil penalty under this section shall be deposited into the Oil Spill Liability Trust Fund established by section 9509 of the Internal Revenue Code of 1986.

"(d) PROCEDURES.—A civil penalty may be assessed and collected under this section only after notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code. In any proceeding for the assessment of a civil penalty under this section, the Secretary may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents and may promulgate rules for discovery procedures. Any person who requested a hearing with respect to a civil penalty under this subsection and who is aggrieved by an order assessing the civil penalty may file a petition for judicial review of such order with the United States Court of Appeals for the District of Columbia circuit or for any other circuit in which such person resides or transacts business. Such a petition may only be filed within the 30-day period beginning on the date the order making such assessment was issued.

"(e) STATE LAW.—(1) Nothing in this section shall be construed or interpreted as preempting any State or political subdivision thereof from imposing any additional liability or requirements with respect to the discharge, or threat of discharge, of oil or other pollution by oil.

"(2) Nothing in this section shall affect or modify in any way the obligations or liabilities of any person under other Federal or State law, including common law, with respect to discharges of oil.".

Subtitle C—Provisions Applicable to Alaska Natives

SEC. 8301. LAND CONVEYANCES.

The Alaska National Interest Lands Conservation Act (Public Law 96-487) is amended by adding the following after section 1437:

"SEC. 1438. Solely for the purpose of bringing claims that arise from the discharge of oil, the Congress confirms that all right, title and interest of the United States in and to the lands validly selected pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) or this Act, to Alaska Native corporations are deemed to have vested in the respective corporations as of March 23, 1989. This section shall take effect with respect to each Alaska Native corporation only upon its irrevocable election to accept an interim conveyance of such land and notice of such election has been formally transmitted to the Secretary of the Interior.".

SEC. 8302. IMPACT OF POTENTIAL SPILLS IN THE ARCTIC OCEAN ON ALASKA NATIVES.

Section 1005 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3145) is amended—

(1) by amending the heading to read as follows:

"WILDLIFE RESOURCES PORTION OF STUDY AND IMPACT OF POTENTIAL OIL SPILLS IN THE ARCTIC OCEAN";

(2) by inserting "(a)" after "SEC. 1005."; and

(3) by adding at the end the following:

"(b)(1) The Congress finds that—

"(A) Canada has discovered commercial quantities of oil and gas in the Amalagak region of the Northwest Territory;

"(B) Canada is exploring alternatives for transporting the oil from the Amalagak field to markets in Asia and the Far East;

"(C) one of the options the Canadian Government is exploring involves transshipment of oil from the Amalagak field across the Beaufort Sea to tankers which would transport the oil overseas;

"(D) the tankers would traverse the American Exclusive Economic zone through the Beaufort Sea into the Chuckchi Sea and then through the Bering Straits;

"(E) the Beaufort and Chuckchi Seas are vital to Alaska's Native people, providing them with subsistence in the form of walrus, seals, fish, and whales;

"(F) the Secretary of the Interior has conducted Outer Continental Shelf lease sales in the Beaufort and Chuckchi Seas and oil and gas exploratoin is ongoing;

"(G) an oil spill in the Arctic Ocean, if not properly contained and cleaned up, could have significant impacts on the indigenous people of Alaska's North Slope and on the arctic environment; and

"(H) there are no international contingency plans involving our two governments concerning containment and cleanup of an oil spill in the Arctic Ocean.

"(2)(A) The Secretary, in consultation with the Governor of Alaska, shall conduct a study of the issues of recovery of damages, contingency plans, and coordinated actions in the event of an oil spill in the Arctic Ocean.

"(B) The Secretary shall, no later than January 31, 1991, transmit a report to the Congress on the findings and conclusions reached as the result of the study carried out under this subsection.".

Mr. LAUGHLIN. Mr. Chairman, I move to strike the last word for the purpose of entering into a colloquy with the gentleman from New York [Mr. NOWAK], the distinguished chairman of the Subcommittee on Water Resources.

Mr. Chairman, this legislation vests oilspill removal authority in the President and it requires the establishment of regional strike teams staffed and equipped to respond to spills.

The success of this legislation depends to a great extent on ensuring that the Federal Government develops a meaningful capability to respond to major oilspills. It is not enough for the President merely to assign supervisory responsibilities to the Coast Guard. It must have the personnel and equipment—in short the capability—to perform cleanup and removal functions.

Mr. Chairman, is my understanding correct that the President is now placed firmly in charge and he has a duty to make certain that a spill is cleaned up properly?

And, Mr. Chairman, is my understanding correct that the Coast Guard, as the likely designated agency, must take steps—such as equipment purchase and manpower training—to ensure a strong Federal role?

Mr. Chairman, is my understanding correct that under this legislation the role of the Coast Guard is not merely a regulatory role but it is also an action role?

Mr. NOWAK. Mr. Chairman, if the gentleman will yield, the gentlemen is correct. The President, has a duty to make certain that spills are cleaned up properly. He must ensure en effective and immediate removal of a discharge of oil.

The gentlemen is also correct that the Coast Guard must take steps to purchase equipment and to position the strike forces. The Coast Guard's function is more than a regulatory one. We anticipate that the Coast Guard will acquire and maintain personnel and equipment necessary to ensure the containment and removal of major oilspills.

Mr. LAUGHLIN. Mr. Chairman, the Coast Guard will need significant new funds to meet its responsibilities for the strike teams under the bill. It will need new personnel and equipment to create the cleanup and removal capability called for by this legislation. Mr. Chairman, how are we going to ensure that the Coast Guard gets what it needs?

Mr. NOWAK. The chairman of the House Ways and Means Committee has been asked to strengthen the oilspill liability trust fund provision of the IRS Code. These IRS provisions are the funding mechanism for the bill and money's from the fund will be available for the cost associated with the formation of the regional strike force teams.

It is important that a portion of this money be actually spent on equipment and manpower so that the Coast Guard can meet its new demands under the legislation.

It is vital that the President recognize these new demands placed on the Coast Guard and that his Office of Management and Budget cooperate to get the required moneys to the Coast Guard.

In addition, it is important for the Congress to recognize that it has a responsibility for making certain that the Coast Guard is adequately funded to carry out the requirements of the bill.

Mr. LAUGHLIN. Mr. Chairman, how will Congress be able to determine whether the Coast Guard resources are, in fact, adequate?

Mr. NOWAK. It is my expectation that the Coast Guard will establish a comprehensive inventory of removal resources and it will update that inventory as required. In addition, I expect that the committees of Congress in the exercise of their oversight responsibility will be mindful of the task charged to the Coast Guard and make certain that task is being performed adequately.

□ 1700

AMENDMENT OFFERED BY MR. OWENS OF UTAH

Mr. OWENS of Utah. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OWENS of Utah: Page 129, after line 22, insert the following (and redesignate the following section accordingly):

SEC. 8002. RESTORATION TRUST FUND.

The Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1651-1655) is amended by adding at the end the following:

"TRANS-ALASKA RESTORATION TRUST FUND

"SEC. 207. (a) PURPOSE.—The purpose of this section is to establish a fund to be held in trust to assure that the users of the trans-Alaska pipeline carry out, in the most effective and efficient manner practicable, the obligation to restore, rehabilitate, revegetate, and carry out other environmental protection activities with respect to such pipeline (as required pursuant to section 28 of the Mineral Leasing Act of 1920 and section 203 of the Trans-Alaska Pipeline Authorization Act).

"(b) ESTABLISHMENT OF TRUST FUND.—The Trans-Alaska Pipeline Restoration Trust Fund (hereafter in this section referred to as the 'Restoration Trust Fund') is hereby established in the Treasury of the United States to be held in trust for the persons from whom an amount is collected under subsection (d)(2).

"(c) ADMINISTRATION.—The Restoration Trust Fund shall be administered by the Secretary of the Interior, in trust and on behalf of persons from whom an amount is collected under subsection (d)(2), in accordance with the provisions of this section.

"(d) COLLECTION.—(1) There shall be deposited into the Restoration Trust Fund an amount equal to the amount collected under paragraph (2). The amount deposited in the Restoration Trust Fund shall be held in trust for the persons from whom the amount is collected under paragraph (2).

"(2) In addition to any amount collected under any other provision of law with respect to the trans-Alaska pipeline, the Secretary shall provide for the collection, from the persons responsible for carrying out the obligation described in subsection (a), of an amount equal to five cents per barrel of oil transported through the trans-Alaska pipeline on and after the date of the enactment of this section.

"(3) The collections under paragraph (2) shall be deposited in the Restoration Trust Fund.

"(e) USES OF THE FUND.—(1) Amounts in the Restoration Trust Fund shall be used, in trust and on behalf of persons from whom an amount is collected under subsection (d)(2), by the Secretary—

"(A) when the pipeline is no longer to be used, for the removal of the pipeline system and attendant facilities and the restoration of the environment affected by the pipeline and such facilities; and

"(B) if directed to do so by such persons, for conservation and other environmental activities benefiting, first, the areas most directly affected by the trans-Alaska pipeline system and then areas elsewhere in Alaska and its coastal waters, but the total amount used for such purpose in any fiscal year may not exceed one-half of the amount deposited into such Fund during the previous fiscal year.

"(2)(A) Amounts in the Restoration Trust Fund may be invested prudently, in trust and on behalf of persons from whom an amount is collected under subsection (d)(2), by the Secretary in income-producing securities approved by the Secretary.

"(B) Income from such securities shall be deposited in the Restoration Trust Fund.

"(f) PAYMENT OF REMAINING AMOUNT IN THE FUND.—Any amount remaining in such

Fund after the completion of the removal of the pipeline system and the restoration of the environment affected by it shall be paid to the persons from whom an amount is collected under subsection (d)(2).".

Mr. OWENS of Utah (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore (Mr. LANCASTER). Is there objection to the request of the gentleman from Utah [Mr. OWENS]?

There was no objection.

Mr. OWENS of Utah. Mr. Chairman, 16 years ago, as a new Congressman working on the Alaska pipeline issue, I visited the North Slope of Alaska and saw for the first time its vast and timeless landscape. It was unspoiled, untarnished, and untouched by man. I knew it would be affected by our activities, but I wanted our exploitation of the oil resource to be as benign as possible to the integrity of what the Aleuts called—with good reason—the "Great Land."

Three years ago, I returned and witnessed the results of a decade of development on the North Slope. I waded through the detritus of man's search for energy and the legacy of our oil consumption. The midnight Sun still shines, but over towering peaks of refuse, scattered oil drums lying on the tundra, and the serpentine track of the pipeline itself, snaking toward the coast.

Mr. Chairman, I recognize that we have made many environmental sacrifices for the common good. I do not begrudge the construction of the pipeline or the practical necessity it has been for our Nation. But the oil will not flow forever and many of these sacrifices can be recouped. The North Slope must one day be restored to its former state when the oil has all been removed and the quiet of the north returns. But, Mr. Chairman, as things stand today, there is no absolute assurance, no trust fund, no escrow account, no bond, no guarantee whatsoever that the north will be returned to its original condition.

After two visits to Alaska in the wake of the Valdez oilspill, I am more convinced than ever that we need greater certainty that the oil companies which own the Alaska pipeline will effectively clean up the pipeline and its attendant facilities after extraction of the oil.

I strongly support Chairman GEORGE MILLER's Alaska provisions which have been incorporated into H.R. 3394. The amendment I had prepared to pursue today would have established a restoration bond fund to guarantee the performance of the legal obligation incurred by the pipeline owners to restore and rehabilitate the Alaska environment affected by the Alaska pipeline after it is no longer in service.

This is a problem which must be addressed. I regret it cannot be dealt with on this bill and I will introduce it at a later date as separate legislation.

Under my proposal, the amount of 5 cents per barrel of Alaska pipeline oil would be collected and held in a reserve account by the pipeline owners, which, at present rates of production and in 1989 dollars, would generate approximately $30 million per year. Ownership of the restoration bond fund would remain with the pipeline owners and after the successful restoration of the environment, which could begin anywhere from 30 to 100 years from now, any money which remained would, of course, be returned to them. After the fund reached $1 billion, the Secretary of the Interior would have the authority to terminate the collection of further amounts if he determined the restoration bond fund to be sufficient to finance the rehabilitation effort.

Although Alaska enjoys substantial economic benefits from the pipeline's activities, the State has also been subject to significant environmental risks—as we witnessed last spring in Prince William Sound—and it is not only fair but fiscally prudent for those of us who authorize economic exploitation of Alaska's Federal lands to require that responsible provisions exist to ensure that those who develop Alaska's resources have the ability to respond at the appropriate time to fulfill their environmental obligations.

I recognize that the pipeline owners claim they are already collecting money for the dismantling of the pipeline and restoration of the pipeline environment through a FERC-approved tariff. But this is no more than a bookkeeping obligation. There is no fund, there is no special account, there is nothing more than a promise of paper to pay a certain sum when due. That legal obligation already exists without the FERC tariff for dimantling, removal, and recovery. A simple obligation to pay is no guarantee the money will be available in the future. None of us can see 30 or 50 years down the road in this unpredictable world. Where will the oil companies be in 50 years? How able will they be to fulfill their obligations? Do we know for certain? I want a guarantee—and this amendment would have provided it by superceding the DR&R account and requiring a separate, inviolate fund which would grow through both annual receipts and investment income.

I can draw an analogy between the Alaska restoration bond fund I am proposing and the abandoned mines reclamation fund passed by this body. Congress collects fees on coal because the mine owners could not be relied on absolutely to fulfill their legal obligations to restore the environment. By passing this amendment today, we would have extended that concept to include the Alaska pipeline.

We sometimes have a tendency to view the finite in infinite terms. We think of the Alaska pipeline as something that will last forever. But clearly it will not. Already the flow is diminishing. Perhaps we will ultimately allow exploration of the Arctic National Wildlife Refuge. I do not favor it, but others do. Perhaps natural gas will move along this right-of-way. In any case, one day the flow will cease. The pipeline owners are statutorily and contractually bound to clean up the pipeline and its attendant facilities when they are no longer in service. Provisions to bond the pipeline owners to guarantee their performance were not incorporated in the original Alaska Pipeline Act, despite the massive nature of the project and the environmental risks involved. This amendment serves essentially as a bonding device to fund $1 billion or more cleanup project without requiring a prohibitive up-front payment.

From my perspective, given the past failures of the oil companies, it makes sense to establish this fund as insurance for the Alaskan and American people. It would take too great a leap of faith for me to assume the pipeline owners will have the money on hand and be willing to promptly rehabilitate the environment after their work is done on the North Slope. Can we afford to place our trust in the pipeline owners or the convoluted process of tort law to ensure prompt and effective restoration of the pipeline environment? I do not believe we can. The Alaska pipeline will not last forever—and neither must its impact on the Alaska environment.

Mr. Chairman, I support the provisions of the gentleman from California [Mr. MILLER] which have been incorporated into H.R. 3394, and I commend the gentleman and leadership of the committees which have brought us this legislation today.

The amendment I had prepared to pursue today would have established a restoration bond, a fund to guarantee the performance of the legal obligation now imposed on the pipeline owners to restore and rehabilitate the Alaskan environment affected by the Alaska pipeline after it is no longer in service. This is a problem that must be addressed.

I regret that this cannot be dealt with on this bill as I had hoped, and I will introduce it at a later date as separate legislation.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Utah [Mr. OWENS]?

There was no objection.

The CHAIRMAN pro tempore. The amendment is withdrawn.

Ms. SNOWE. Mr. Chairman, I rise today to support the final passage of H.R. 1465. I believe that this bill takes important steps toward effective protection of our marine environment. In particular, I am pleased that the House voted to preserve the right of the States to set their own oilspill laws and liability limits.

The State of Maine has consistently been recognized as a leader in the adoption of effective oilspill prevention, cleanup, and liability laws. I am proud of Maine's reputation as an environmental leader in this regard. Sadly, the Federal Government has lagged far behind States like Maine in its adoption of oilspill legislation. Currently, three different and often conflicting regulations govern oilspills. H.R. 1465 will create a uniform set of Federal regulations to deal with this important environmental issue.

This comprehensive legislation addresses all facets of oilspill prevention, response, liability, and compensation. In the wake of the *Exxon Valdez* spill in Prince William Sound many inadequacies in our system of preventing and responding to oilspills were apparent. Through H.R. 1465 the House has taken strong action to correct these problems and to establish coherent oilspill policy.

In addition, we have taken the important step to ensure that the States also have the opportunity to enact laws that will protect their coasts. This is a vital provision that will allow States to take the necessary actions to ensure that specific needs of their marine environment are addressed. My own State of Maine has taken such effective action to protect one of our most precious resources—the coastal waters and the citizens that make their living from the sea. I applaud the decision of this body to recognize that State laws, like those of Maine, should augment and not be replaced by the Federal standards contained in H.R. 1465.

In addition, we have preserved one of the cornerstones of U.S. environmental policy: the polluter must pay. This principle is firmly established in H.R. 1465. Those who negligently allow a spill to occur will pay for its cleanup.

Mr. Speaker, this House has distinguished itself in its efforts to preserve and protect our environment. I believe that H.R. 1465 continues this record of accomplishment and it is with great pleasure that I rise in support of this measure and I urge my colleagues to join me.

Mr. JONES of Georgia. Mr. Chairman, I rise in support of H.R. 1465, the Oil Pollution, Prevention, Response, Liability, and Compensation Act. As a member of the House Committee on Public Works and Transportation which has jurisdiction over this bill, I participated in the crafting of this legislation, and I commend my subcommittee chairman and full committee chairman, as well as ranking minority members, for their fine work in drafting this difficult piece of legislation. Five different House committees worked on this legislation, making it an especially arduous task to fashion a bill for floor consideration, and I appreciate the hard work of all the committee leaders.

Although Congress has worked on this issue for 10 years, it has never passed a bill to send to the President. The spilling of 11 million gallons of oil into Alaska's Prince William Sound by the *Exxon Valdez*, and the poor response by the Federal Government and Exxon, has dramatically underlined the need for this legislation, and its prompt implementation.

The bill would set up a single Federal liability and compensation system intended to provide prompt compensation for cleanup costs and damages from spills. Yesterday, the House voted to make this a better bill by striking the preemption of State liability limits and local compensation funds. I think States should have the right to preserve their existing laws or enact new laws to protect their citizens and their coasts, and I am pleased a bipartisan majority of my colleagues agreed to support the Miller-Studds amendment striking Federal preemption.

This bill also contains provisions to prevent spills and promote more effective responses, as well as to investigate technologies to prevent and clean up spills. I traveled to Alaska's Prince William Sound with our subcommittee to investigate the spill and Exxon's cleanup effort. It was clear to me we simply do not have the technology to clean up 11 million gallons of oil that's been whipped up by 70-mile-an-hour winds, nor the technology to remove it from oil stained beaches. This bill would make available from the fund $28 million for a new multiagency research and development program and would set up six regional research programs. It also establishes seven continuously manned oil and hazardous substance strike teams and requires the President to ensure an effective and immediate removal of a spill.

Numerous amendments will also be offered on the floor today to further strengthen the prevention and removal, and the research and development sections of the bill, and I urge my colleagues to support them.

With the signing of this bill into law, we can move to prevent another spill like the *Exxon Valdez*, as well as ensure when spills do happen, we have a system in place to clean them up and compensate for their damages.

Mr. RICHARDSON. Mr. Chairman, today I have offered four amendments—or an en bloc amendment—which will strengthen this important legislation. I ask for unanimous consent to revise and extend my remarks.

Mr. Chairman, title VII of the bill authorizes the Oil Pollution Research and Development Program. The importance of this title cannot be emphasized enough. Due to the lack of governmental and industrial interest, during the past 20 years there has been very little substantive advancement in the field of oilspill recovery technology. The few advances which have been made have not been implemented.

The sad state of oilspill technology was evidenced in Prince William Sound earlier this year. When the *Exxon Valdez* spilled 11 million gallons of oil into the waters of Prince William Sound, nearly 500,000 feet of boom containment equipment was deployed. But because this equipment was nearly useless in an environment where moderate to strong winds and currents exist, wave after wave of oil washed upon the shores of the sound. Prince William Sound's winds and currents were certainly not exceptional. However, the equipment used was probably more suited to recovering oilspills in a swimming pool than in the open ocean.

Mr. Chairman, Mr. ROE and the Committee on Science, Space, and Technology, Mr. SCHEUER and the Subcommittee on Natural Resources have done excellent work in developing this title of the bill. I commend them for their effort. My amendments are in keeping with the spirit and intent of the title—to assure that we establish a program that advances research and development of oilspill technology which is effective and responsive to oilspills in a variety of situations.

I would like to briefly describe these amendments and their intent. The bill calls for the interagency committee to submit to Congress a plan for the implementation of the research aspects of the program. My first amendment assures that the plan will establish goals for the development of oilspill technology. This amendment will assure that progress in the area of oil recovery technology is a priority throughout the R&D process.

As was discussed earlier, present oilspill technology is terribly inefficient in the moderate winds and currents which exist in the open ocean and on nearly all our coasts and inland waterways. The second amendment includes language to assure that new technologies developed under the program are effective "under normal and harsh environmental conditions including strong winds and water currents." This aims to guarantee that the oilspill technology of the future will meet the challenging environmental circumstances which surround an oilspill.

The final two amendments require that the program include research in two important areas of innovation; the use of vacuums in tanks and onboard temporary storage capacity. Through the use of vacuums a vessel's holding tank could be pressurized. Such a vacuum would minimize the amount of oil which would be discharged in the event of a ruptured hull. Other nations have begun researching this innovative technology and our program should do so as well. Perfection of this technology would be a major step toward reducing the magnitude of future oilspills.

The second of these innovative technologies would provide for equipment which could temporarily store discharged oil in the event of an accident. When a vessel is involved in an accident, the captain's primary responsibilities are to the safety of his crew and the vessel. In an effort to keep the vessel afloat, a captain can and will discharge his cargo into the water. In fact, most of the oil spilled in Alaska was a result of voluntary discharge.

Given these realities, Mr. Chairman, our Research and Development Program should have as one of its primary goals the development of equipment which could provide temporary storage of oil given that scenario. In the future, satisfactory levels of storage capacity should be established. The tanks or equipment could be carried aboard all tankers and be available for immediate deployment. In the event of a spill, oil which otherwise would be dumped into the ocean could be stored temporarily in such tanks and retrieved at a later, less critical time.

Mr. Chairman, we all stand to gain from a strong Research and Development Program. These amendments are supported by the environmental community and by the oil industry. I appreciate my colleagues' support on these important amendments.

I thank the gentleman for his time.

The CHAIRMAN pro tempore. The question is on the amendment in the nature of a substitute, as modified, as amended.

The amendment in the nature of a substitute, as modified, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. BONIOR] having assumed the chair, Mr. LANCASTER, Chairman pro tempore of the Committee of the Whole House on the State of the Union reported that that Committee, having had under consideration the bill (H.R. 1465) to establish limitations on liability for damages resulting from oil pollution, to establish a fund for the payment of compensation for such damages, and for other purposes, pursuant to House Resolution 277, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole?

Mr. DAVIS. Mr. Speaker, I demand a separate vote on the so-called Miller amendment to modify the negligence standard in the bill.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole?

The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 19, strike line 6 and insert the following:

(A) negligence by the responsible party or an employee or agent of the responsible party;

The SPEAKER pro tempore. The question is not debatable.

The question is on the amendment.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. STUDDS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 185, nays 197, not voting 51, as follows:

[Roll No. 344]

YEAS—185

Ackerman	Guarini	Oberstar
Akaka	Hall (OH)	Obey
Andrews	Hamilton	Owens (NY)
Annunzio	Harris	Owens (UT)
Aspin	Hawkins	Pallone
Atkins	Hayes (IL)	Panetta
AuCoin	Henry	Pelosi
Bates	Hertel	Perkins
Beilenson	Hoagland	Petri
Bennett	Hochbrueckner	Price
Berman	Hoyer	Rahall
Bevill	Hughes	Ravenel
Bilirakis	James	Richardson
Boehlert	Johnson (CT)	Rinaldo
Bonior	Johnson (SD)	Ros-Lehtinen
Boucher	Jones (GA)	Rose
Boxer	Jontz	Rostenkowski
Brennan	Kanjorski	Rowland (CT)
Browder	Kaptur	Roybal
Brown (CO)	Kastenmeier	Russo
Bruce	Kennedy	Sabo
Campbell (CA)	Kildee	Savage
Carr	Kolter	Saxton
Clarke	Kostmayer	Scheuer
Clay	Lagomarsino	Schumer
Coleman (MO)	Lancaster	Sensenbrenner
Coleman (TX)	Lantos	Sharp
Collins	Leach (IA)	Shays
Condit	Lehman (FL)	Sikorski
Conte	Levin (MI)	Skaggs
Conyers	Levine (CA)	Slattery
Cox	Lewis (CA)	Slaughter (NY)
Coyne	Lewis (GA)	Smith (FL)
Crockett	Long	Smith (VT)
DeFazio	Lowery (CA)	Smith, Denny (OR)
Dellums	Lowey (NY)	Smith, Robert (NH)
Dicks	Machtley	Solarz
Dixon	Markey	Spratt
Donnelly	Matsui	Staggers
Dorgan (ND)	Mavroules	Stallings
Douglas	Mazzoli	Stark
Downey	McCloskey	Stokes
Dreier	McCurdy	Studds
Durbin	McGrath	Swift
Dwyer	McHugh	Synar
Dyson	McNulty	Taylor
Engel	Meyers	Torres
Erdreich	Miller (CA)	Towns
Evans	Miller (WA)	Udall
Fascell	Mineta	Unsoeld
Fawell	Moakley	Valentine
Fazio	Moody	Waxman
Foglietta	Morella	Weiss
Ford (MI)	Morrison (CT)	Wheat
Frank	Morrison (WA)	Williams
Gallo	Mrazek	Wise
Gejdenson	Murphy	Wolpe
Gephardt	Nagle	Wyden
Gibbons	Natcher	Yates
Gilman	Neal (MA)	Yatron
Glickman	Nelson	
Gonzalez	Nowak	
Gordon	Oakar	

NAYS—197

Alexander	Cardin	Emerson
Anderson	Carper	English
Anthony	Chapman	Espy
Applegate	Clement	Feighan
Archer	Clinger	Fields
Armey	Coble	Fish
Baker	Combest	Flake
Ballenger	Costello	Frenzel
Bartlett	Coughlin	Frost
Barton	Craig	Gallegly
Bateman	Crane	Gekas
Bentley	Dannemeyer	Geren
Bereuter	Darden	Gillmor
Bilbray	Davis	Gingrich
Bliley	de la Garza	Goodling
Boggs	DeLay	Goss
Borski	Derrick	Grandy
Bosco	DeWine	Grant
Buechner	Dingell	Green
Bustamante	Dornan (CA)	Gunderson
Byron	Duncan	Hall (TX)
Callahan	Eckart	Hammerschmidt
Campbell (CO)	Edwards (OK)	Hancock
Hansen	McMillen (MD)	Shaw
Hastert	Mfume	Shumway
Hatcher	Michel	Shuster
Hefley	Miller (OH)	Sisisky
Hefner	Mollohan	Skeen
Herger	Montgomery	Slaughter (VA)
Hiler	Moorhead	Smith (NE)
Holloway	Murtha	Smith (NJ)
Hopkins	Myers	Smith (TX)
Horton	Neal (NC)	Smith, Robert (OR)
Houghton	Ortiz	Solomon
Hubbard	Oxley	Spence
Huckaby	Packard	Stangeland
Hunter	Parker	Stearns
Hutto	Parris	Stump
Hyde	Pashayan	Sundquist
Inhofe	Patterson	Tallon
Ireland	Paxon	Tanner
Jacobs	Payne (VA)	Tauke
Jones (NC)	Pease	Tauzin
Kasich	Penny	Thomas (CA)
Kolbe	Pickett	Thomas (GA)
Kyl	Pickle	Thomas (WY)
LaFalce	Porter	Traficant
Laughlin	Poshard	Upton
Leath (TX)	Pursell	Vander Jagt
Lent	Regula	Visclosky
Lewis (FL)	Rhodes	Volkmer
Lightfoot	Ridge	Vucanovich
Livingston	Ritter	Walgren
Lukens, Donald	Roberts	Walker
Madigan	Robinson	Walsh
Manton	Rogers	Watkins
Marlenee	Rohrabacher	Weber
Martin (IL)	Roth	Weldon
Martin (NY)	Rowland (GA)	Whittaker
Martinez	Saiki	Whitten
McCandless	Sangmeister	Wilson
McCollum	Sarpalius	Wolf
McCrery	Sawyer	Wylie
McDade	Schiff	Young (AK)
McEwen	Schuette	Young (FL)
McMillan (NC)	Schulze	

NOT VOTING—51

Barnard	Garcia	Payne (NJ)
Brooks	Gaydos	Quillen
Broomfield	Gradison	Rangel
Brown (CA)	Gray	Ray
Bryant	Hayes (LA)	Roe
Bunning	Jenkins	Roukema
Burton	Johnston	Schaefer
Chandler	Kennelly	Schneider
Cooper	Kleczka	Schroeder
Courter	Lehman (CA)	Skelton
Dickinson	Lipinski	Smith (IA)
Dymally	Lloyd	Snowe
Early	Luken, Thomas	Stenholm
Edwards (CA)	McDermott	Torricelli
Flippo	Molinari	Traxler
Florio	Nielson	Vento
Ford (TN)	Olin	

□ 1728

The Clerk announced the following pairs:

On this vote:

Mr. McDermott for, with Mr. Hayes of Louisiana against.

Mr. Payne of New Jersey for, with Mr. Burton of Indiana against.

Mr. Dymally for, with Mr. Ray against.

Ms. Schneider for, with Mr. Quillen against.

Mr. Kleczka for, with Mr. Barnard against.

Mrs. Roukema for, with Mr. Denny Smith against.

Mr. ANTHONY and Mr. PURSELL changed their vote from "yea" to "nay."

Messrs. LEVIN of Michigan, MURPHY, CONDIT, and KOLTER changed their vote from "nay" to "yea."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment in the nature of a substitute, as modified, as amended.

The amendment in the nature of a substitute, as modified, as amended, was agreed to.

Mr. WEISS. Mr. Chairman, the bill before us today, H.R. 1465, represents remarkable effort, thought and perseverance on the part of the numerous Members, staff, State and local officials, and citizens across the country who contributed to the measure. Comprehensive Federal oilspill legislation is long overdue, and the *Exxon Valdez* disaster along with Exxon's half-hearted response to the crisis underscore the dire need for this kind of measure. I strongly believe that the bill has been significantly strengthened by numerous amendments.

In particular, I would like to express my support for the Miller-Studds-Goss-Schneider amendment to prevent the preemption of State oilspill liability laws. The four current Federal oilspills do not preempt State statutes, and it makes no sense to begin to do so now. Many States—such as Alaska—have carefully crafted oilspill laws that are not only stricter than the measure before us today, but that are tailored to particular regional resources needs. Moreover, there is no reason why we should be attempting to find ways to let industries off the hook for cleaning up the environmental problems they may cause. The public doesn't want this; it is the potential polluters who are supporting State exemption.

The *Exxon Valdez* fiasco is a prime example of the need to preserve the right of States to maintain their own oilspill standards and laws. The contingency plan that Exxon had assured us was in place failed miserably, and the company's dedication to thorough cleanup has been questionable. On top of this, the administration has shown no leadership in holding Exxon responsible for the widespread devastation of the Alaskan coast, wildlife, and industry.

Fortunately, in great part because Alaska State law provides for unlimited liability, and extends liability to the owner of the oil in addition to the shipper, Exxon has been held accountable for damages that have been estimated at over $2 billion at this point. Had the *Exxon Valdez* spill occurred under the jurisdiction of the bill before us today without the Miller-Studds amendment, the liability for Exxon would have been capped at an amount far below that estimate, and the oilspill liability fund, authorized by the bill, may never have been able to make up the difference.

I am also concerned that by passing this bill without the Miller-Studds language preventing preemption of State laws, the House would have given its stamp of approval to two international protocols which also would have limited industry liability. It is just plain unfair to spread the burden of payment among the blameless, and it is appropriate that we did not endorse such a system.

Finally, I would like to express my support for the Miller amendment which would have changed the bill's negligence standard to provide that liability limits would not apply to spills resulting from "negligence," as opposed to only "gross negligence or willful misconduct." Taxpayers should not bear the burden of negligent oil spillers. Unfortunately, the amendment adopted in the Committee of the Whole was defeated in the House.

I am pleased that we have strengthened the bill before us, and I will continue to support efforts to ensure that this country has in place the best system for both coping with and preventing oilspills in the future.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. NOWAK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 375, nays 5, not voting 53, as follows:

[Roll No. 345]

YEAS—375

Ackerman	Cox	Goss
Akaka	Coyne	Grandy
Alexander	Craig	Grant
Anderson	Crockett	Gray
Andrews	Dannemeyer	Green
Annunzio	Darden	Guarini
Anthony	Davis	Gunderson
Applegate	de la Garza	Hall (OH)
Archer	DeFazio	Hall (TX)
Aspin	DeLay	Hamilton
Atkins	Dellums	Hammerschmidt
Baker	Derrick	Hancock
Ballenger	DeWine	Hansen
Barton	Dicks	Harris
Bateman	Dingell	Hastert
Bates	Dixon	Hatcher
Beilenson	Donnelly	Hawkins
Bennett	Dorgan (ND)	Hayes (IL)
Bentley	Dornan (CA)	Hefley
Bereuter	Douglas	Hefner
Berman	Downey	Henry
Bevill	Dreier	Herger
Bilbray	Duncan	Hertel
Bilirakis	Durbin	Hiler
Bliley	Dwyer	Hoagland
Boehlert	Dyson	Hochbrueckner
Boggs	Eckart	Holloway
Bonior	Edwards (OK)	Hopkins
Borski	Emerson	Horton
Bosco	Engel	Houghton
Boucher	English	Hoyer
Boxer	Erdreich	Hubbard
Brennan	Espy	Huckaby
Browder	Evans	Hughes
Brown (CO)	Fascell	Hunter
Bruce	Fawell	Hutto
Buechner	Fazio	Hyde
Bustamante	Feighan	Inhofe
Byron	Fields	Ireland
Callahan	Fish	Jacobs
Campbell (CA)	Flake	James
Campbell (CO)	Foglietta	Johnson (CT)
Cardin	Ford (MI)	Johnson (SD)
Carper	Frank	Jones (GA)
Carr	Frenzel	Jones (NC)
Chandler	Frost	Jontz
Chapman	Gallegly	Kanjorski
Clarke	Gallo	Kaptur
Clay	Gejdenson	Kasich
Clement	Gekas	Kastenmeier
Clinger	Gephardt	Kennedy
Coble	Geren	Kildee
Coleman (MO)	Gibbons	Kolbe
Coleman (TX)	Gillmor	Kolter
Collins	Gilman	Kostmayer
Condit	Gingrich	Kyl
Conte	Glickman	LaFalce
Conyers	Gonzalez	Lagomarsino
Costello	Goodling	Lancaster
Coughlin	Gordon	Lantos
Laughlin	Oberstar	Slattery
Leach (IA)	Obey	Slaughter (NY)
Leath (TX)	Ortiz	Slaughter (VA)
Lehman (FL)	Owens (NY)	Smith (FL)
Lent	Owens (UT)	Smith (NE)
Levin (MI)	Oxley	Smith (NJ)
Levine (CA)	Packard	Smith (TX)
Lewis (CA)	Pallone	Smith (VT)
Lewis (FL)	Panetta	Smith, Robert (NH)
Lewis (GA)	Parker	Smith, Robert (OR)
Lightfoot	Parris	Solarz
Livingston	Pashayan	Solomon
Long	Patterson	Spence
Lowery (CA)	Paxon	Spratt
Lowey (NY)	Payne (VA)	Staggers
Lukens, Donald	Pease	Stallings
Machtley	Pelosi	Stangeland
Madigan	Penny	Stark
Manton	Perkins	Stearns
Markey	Petri	Stokes
Marlenee	Pickett	Studds
Martin (IL)	Porter	Sundquist
Martin (NY)	Poshard	Swift
Martinez	Price	Synar
Matsui	Pursell	Tallon
Mavroules	Rahall	Tanner
Mazzoli	Ravenel	Tauke
McCandless	Regula	Tauzin
McCloskey	Rhodes	Taylor
McCollum	Richardson	Thomas (CA)
McCrery	Ridge	Thomas (GA)
McCurdy	Rinaldo	Thomas (WY)
McDade	Ritter	Towns
McEwen	Roberts	Traficant
McGrath	Robinson	Udall
McHugh	Rogers	Unsoeld
McMillan (NC)	Rohrabacher	Upton
McMillen (MD)	Ros-Lehtinen	Valentine
McNulty	Rose	Vander Jagt
Meyers	Rostenkowski	Visclosky
Mfume	Roth	Volkmer
Michel	Rowland (CT)	Vucanovich
Miller (CA)	Rowland (GA)	Walgren
Miller (OH)	Roybal	Walker
Miller (WA)	Russo	Walsh
Mineta	Sabo	Watkins
Moakley	Saiki	Waxman
Mollohan	Sangmeister	Weber
Montgomery	Sarpalius	Weiss
Moody	Savage	Weldon
Moorhead	Sawyer	Wheat
Morella	Saxton	Whittaker
Morrison (CT)	Scheuer	Williams
Morrison (WA)	Schiff	Wilson
Mrazek	Schuette	Wise
Murphy	Schulze	Wolf
Murtha	Schumer	Wolpe
Myers	Sensenbrenner	Wyden
Nagle	Sharp	Wylie
Natcher	Shaw	Yates
Neal (MA)	Shays	Yatron
Neal (NC)	Shumway	Young (AK)
Nelson	Shuster	Young (FL)
Nielson	Sikorski	
Nowak	Sisisky	
Oakar	Skeen	

NAYS—5

Armey	Combest	Stump
Bartlett	Crane	

NOT VOTING—53

AuCoin	Gaydos	Ray
Barnard	Gradison	Roe
Brooks	Hayes (LA)	Roukema
Broomfield	Jenkins	Schaefer
Brown (CA)	Johnston	Schneider
Bryant	Kennelly	Schroeder
Bunning	Kleczka	Skaggs
Burton	Lehman (CA)	Skelton
Cooper	Lipinski	Smith (IA)
Courter	Lloyd	Smith, Denny (OR)
Dickinson	Luken, Thomas	Snowe
Dymally	McDermott	Stenholm
Early	Molinari	Torres
Edwards (CA)	Olin	Torricelli
Flippo	Payne (NJ)	Traxler
Florio	Pickle	Vento
Ford (TN)	Quillen	Whitten
Garcia	Rangel	

□ 1745

The Clerk announced the following pairs:

On this vote:

Mr. Courter for, with Mr. Quillen against.

Ms. Schneider for, with Mr. Denny Smith against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 1465, OIL POLLUTION PREVENTION, RESPONSE, LIABILITY, AND COMPENSATION ACT OF 1989

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to make corrections in spelling, punctuation, and cross-references, and to make any other necessary technical and conforming changes in the engrossment of the bill just passed.

The SPEAKER pro tempore (Mr. HAYES of Illinois). Is there objection to the request of the gentleman from Louisiana?

There was no objection.

GENERAL LEAVE

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

PERSONAL EXPLANATION

Mrs. SCHROEDER. Mr. Speaker, I was absent for two votes on the afternoon of November 9. Had I been present, I would have voted as follows:

Roll No. 344, Miller amendment: "Yea."

Roll No. 345, passage of oil pollution limitation, H.R. 1465: "Yea."

PERSONAL EXPLANATION

Mr. TORRES. Mr. Speaker, I was unavoidably absent on official business during rollcall vote 345. Had I been present on the House floor, I would have voted "yea" on final passage of H.R. 1465, the Oil Pollution Prevention, Response, Liability, and Compensation Act of 1989.

PERSONAL EXPLANATION

Mr. McDADE. Mr. Speaker, during consideration yesterday of the Oil Pollution, Prevention, Response, Liability and Compensation Act, I inadvertently voted "yea" on rollcall No. 341.

Prior to the vote, I was heavily involved, as I have been all week, in the House-Senate conference on the Department of Defense appropriations bill. In the rush from conference to the House floor, I unintentionally cast my vote for the amendment. Mr. Speaker, I want the record to show that I intended to vote "no."

PRIVILEGES OF THE HOUSE—RETURNING S. 686, OIL POLLUTION LIABILITY AND COMPENSATION ACT OF 1989, TO THE SENATE

Mr. CARDIN. Mr. Speaker, I rise to a question of the privileges of the House, and I offer a privileged resolution (H. Res. 287) returning to the Senate the bill S. 686, and I ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 287

Resolved. That the bill of the Senate (S. 686) to consolidate and improve Federal laws providing compensation and establishing liability for oilspills, in the opinion of this House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House and that such bill be respectfully returned to the Senate with a message communicating this resolution.

The SPEAKER pro tempore. The gentleman from Maryland [Mr. CARDIN] is recognized for 1 hour.

Mr. CARDIN. Mr. Speaker, I yield myself such time as I may consume.

Section 401(b)(1) of S. 686 transfers the assets of the Trans-Alaska Pipeline liability fund to the oilspill liability trust fund. Section 401(b)(2) of S. 686 provides for a credit against the oilspill liability trust fund tax—a Federal tax imposed by the Internal Revenue Code—for those oil companies which have contributed to the TAPS fund. This credit directly reduces the collection of a tax clearly within the jurisdiction of the Committee on Ways and Means. Accordingly, the credit established by S. 686 is clearly a tax measure and an infringement of the prerogatives of the House.

I want to emphasize, Mr. Speaker, that this resolution is procedural in nature, and not a reflection on the substantive policy of the Senate provision. I anticipate that the underlying policy issue will be addressed during the revenue conference in the reconciliation bill.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION ALLOWING THE SPEAKER ACCESS TO INTELLIGENCE MEETINGS AND INFORMATION

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 341) on the resolution (H. Res. 268) allowing the Speaker access to intelligence meetings and information, which was referred to the House Calendar and ordered to be printed.

APPOINTMENT OF CONFEREES ON H.R. 2748, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1990

Mr. BEILENSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2748) to authorize appropriations for fiscal year 1990 for intelligence and intelligence-related activities of the U.S. Government, the intelligence community staff, and the Central Intelligence Agency retirement and disability system, and for other purposes with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. GINGRICH. Reserving the right to object, Mr. Speaker, I simply reserve the right to object to ask my colleague, the gentleman from California, if the ranking Member, the gentleman from Illinois [Mr. HYDE] has cleared this?

Mr. BEILENSON. Mr. Speaker, if the gentleman will yield, absolutely. I would say to my friend, the gentleman from Illinois [Mr. HYDE] and his counsel, and the minority Members have cleared this.

Mr. GINGRICH. I thank my colleague.

Mr. Speaker, I withdraw my reservation of objection.

□ 1750

The SPEAKER pro tempore (Mr. HAYES of Illinois). Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The Speaker will appoint conferees upon his return.

LEGISLATIVE PROGRAM

(Mr. GINGRICH asked and was given permission to address the House for 1 minute.)

Mr. GINGRICH. Mr. Speaker, I take this time to inquire of the distinguished majority leader the program for next week.

And I yield to the majority leader for that purpose.

Mr. GEPHARDT. Mr. Speaker, obviously we have finished the business for this evening. The House will be in a pro forma session tomorrow with no votes.

On Monday, November 13, the House will meet at noon, and we will have 23 bills on suspension:

H.R. 3611, International Narcotics Control Act of 1989;

H.R. 3033, Chemical and Biological Warfare Elimination Act;

H.R. 3614, Drug Free Schools and Communities Act of 1989;

H.R. 3550, Drug forfeiture amendments;

H.R. 3046, Copyright Royalty Tribunal Reform Act;

H.R. , Emergency Drug Abuse Treatment Expansion Act;

S. 1390, authorize funding of a mouse research laboratory;

H.R. 1602, Trauma Care Systems Planning and Development Act;

S. 931, protect segments of the Genesee River in New York;

H.R. 2809, transfer of certain lands to California;

H.R. 215, calculation of premium pay;

H.R. 3629, Quarterly Financial Report Program extension;

H.R. 1011, National Resources Disaster Recovery Act of 1989;

H.R. 2134, amendments to Meat and Poultry Inspection Acts;

H.R. 3620, clarifying the Food Security Act of 1985;

H.R. 3482, disaster forestry assistance;

H.R. 3589, earthquake disaster assistance coverage;

H.R. 2668, National Museum of the American Indian;

H.J. Res. 357, provides for reappointment to the Board of Regents for the Smithsonian;

H.J. Res. 358, provides for reappointment to the Board of Regents for the Smithsonian;

H.R. 150, alien Armed Forces citizenship;

H.R. 639, alien Armed Forces immigrant status; and

H.R. 529, Filipino war veterans naturalization.

Debate on those suspensions will probably take us to 4:30 or 5 o'clock in the afternoon. We do not plan to have votes until 4:30 or 5 o'clock in the afternoon.

On Tuesday, November 14, again the House will meet at noon to consider House Resolution 268, rights of the Speaker regarding access to information from the Select Committee on Intelligence; S. 974, Nevada Wilderness Protection Act, subject to a rule; H.R. 2567, Reclamation Authorization and Adjustments Act, subject to a rule; H.R. 2939, conference report for the Foreign Assistance Appropriation Act of fiscal year 1990.

On Wednesday, November 15, the House will meet at 10 a.m. The House will recess immediately and reconvene at 11 a.m. to receive Lech Walesa, chairman of Solidarity, from Poland, at a joint meeting.

Following the joint meeting the House will reconvene for legislative business.

We will consider H.R. 3072, conference report for the Defense Appropriation Act of fiscal year 1990; H.R. 1312, conference report on Domestic Volunteer Services Act of 1989.

On Thursday, November 16, and Friday, November 17, the House will meet at 10 a.m. We will be considering H.R. 3299, the conference report for the Omnibus Budget Reconciliation Act of 1989, subject to a rule.

Members should be advised of possible votes on November 18 and 19. And I would also say the 20th, which would be on Monday. It is still our hope and expectation that we can finish this session before we leave for Thanksgiving.

That may take us into Monday night. We would like to have Members in a position where they can be on airplanes on Tuesday morning.

We do anticipate that on Wednesday we have the short-term continuing appropriations, which will be expiring. If we have not finished the appropriation bills by that time, we will be asking for a very short-term appropriation to get to the end of the period, by which time we should be able to have all the appropriations bills finished.

Mr. GINGRICH. If I might ask one or two things. First of all, I want to go back and doublecheck one thing. I believe we do not need a pro forma session tomorrow if we are in Monday.

Mr. GEPHARDT. That is correct.

Mr. GINGRICH. So is it possible, because I think that may have been announced?

Mr. GEPHARDT. There will not be a pro forma session tomorrow, there will be no session tomorrow.

Mr. GINGRICH. Good. I must have missed that. I apologize.

Two other things: I understand that the Housing Subcommittee is to be commended for having passed the HUD reform bill in a very bipartisan way. My understanding is that may come up on Tuesday, and I was not sure whether that had been mentioned. This all happened so quickly. I wonder if the majority leader might know whether or not that will be coming up.

Mr. GEPHARDT. We want to do that on Tuesday. We understand there may be a need of a waiver, but we believe that can be done.

Mr. GINGRICH. Good. As I said, I do commend the Housing Subcommittee on both sides for very expeditious work, and of course, the Banking Committee under Mr. GONZALEZ for doing that.

Last, I notice that we do not, I believe, mention a continuing resolution. That may be difficult. Does the majority leader have any idea yet as to what might happen on a continuing resolution?

Mr. GEPHARDT. We are not sure. We still hope we can get the appropriation bills finished.

But if we do not by Wednesday, we will ask for a short-term continuing resolution until we can complete all the appropriations.

Mr. GINGRICH. As I understand, the goal here is we would have a very short-term CR.

Mr. GEPHARDT. Yes.

Mr. GINGRICH. And actually try to get all the appropriations bills before we leave.

Mr. GEPHARDT. That is correct.

Mr. GINGRICH. Well, I can say on the Republican side we look forward to working with the majority leader and the majority all of next week, and I think all of our Members agree we would far rather be here through Saturday and Sunday if need be in order to get it done rather than come back after Thanksgiving.

We appreciate the work you have done. Thank you.

Mr. GEPHARDT. I thank the gentleman.

Mr. GINGRICH. I yield back.

AUTHORIZING THE SPEAKER TO DECLARE RECESSES ON MONDAY, NOVEMBER 13, 1989

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that it be in order for the Speaker to declare recesses on Monday, November 13, 1989, subject to the call of the Chair.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AUTHORIZING THE SPEAKER TO DECLARE RECESSES ON WEDNESDAY, NOVEMBER 15, 1989

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Wednesday, November 15, 1989, for the Speaker to declare recesses, subject to the call of the Chair, for the purpose of receiving in joint meeting the Honorable Lech Walesa, chairman, Solidarnosc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ADJOURNMENT TO MONDAY, NOVEMBER 13, 1989

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the

House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

MAKING TECHNICAL AND CORRECTING CHANGES IN AGRICULTURE PROGRAMS

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1793) to make technical and correcting changes in agriculture programs, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. ROBERTS. Mr. Speaker, reserving the right to object, I shall not object, but under my reservation I yield to the distinguished chairman of the Committee on Agriculture, the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I appreciate the gentleman yielding.

Mr. Speaker, this is a bill that was passed by the Senate that has two or three items related to basically technical corrections on agricultural programs. We have added on the House side several technical corrections, also including one that would extend the disaster legislation that we passed to include earthquake assistance for California.

I might add for my colleagues that the total of the bill, with one of the items that we have in there, will allow us a saving of $420 million.

If there is any cost, it would be less than 6.

I would appreciate my colleagues supporting the motion, and I thank the gentleman for yielding.

Mr. ROBERTS. Mr. Speaker, further under my reservation of objection, I yield to my colleague, the gentleman from California [Mr. PANETTA].

Mr. PANETTA. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of S. 1793, as amended, and urge its passage by the House.

This bill, as amended, includes a provision which would extend disaster assistance benefits under the Disaster Assistance Act of 1989—Public Law 101-87—to agricultural producers and related businesses affected by the Loma Prieta earthquake.

Section 9 of the bill is identical to a bill—H.R. 3589—which I introduced late last week with a number of my California colleagues to provide this needed assistance. In our efforts to provide relief to those who have been stricken by the earthquake, it has become apparent that one group which does not qualify for existing Federal disaster assistance benefits is farmers and farm-related businesses. H.R. 3589 is intended to fill that void.

Mr. Speaker, the Loma Prieta earthquake made a direct hit on Santa Cruz County in California, one of the richest fruit and vegetable producing regions in the world. Clear estimates of the damage suffered are not yet available. However, it is already clear that the toll suffered by farmers in this area will be significant, and the costs of recovery will be substantial.

Section 9 of S. 1793 will help farmers and related businesses get back on their feet. First, it will provide direct financial assistance to those producers of program and nonprogram crops—including ornamentals like roses and cut flowers—who suffered losses in production due to the earthquake.

Second, the bill will provide loans to those in need of funds to begin the process of rebuilding their businesses. The bill would provide an additional $100 million in loan guarantees for this purpose.

Mr. Speaker, I offer my sincere thanks to the chairman of the Committee on Agriculture, Mr. DE LA GARZA, and the ranking member, Mr. MADIGAN, for their assistance in expediting the consideration of the earthquake disaster assistance bill and for incorporating it into the bill before the House this evening.

I urge my colleagues to support passage of S. 1793.

□ 1800

Mr. ROBERTS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. HAYES of Illinois). Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill as follows:

S. 1793

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. OAT ACREAGE LIMITATION PROGRAM.

(a) IN GENERAL.—Effective only for the 1990 crop of feed grains, section 105C(f)(2)(G) of the Agricultural Act of 1949 (7 U.S.C. 1444e(f)(2)(G)) is amended—

(1) by inserting "(i)" after the subparagraph designation; and

(2) by adding at the end the following new clause:

"(ii) In the case of the 1990 crop of oats, the Secretary may establish a percentage reduction for oats in accordance with paragraph (1) of less than 5 percent. If the Secretary does not establish a percentage reduction requirement for oats, the Secretary shall ensure that the crop acreage bases established for the farm and the farm acreage base are not increased as a result of this clause.".

(b) CONFORMING AMENDMENTS.—Effective only for the 1990 crop of feed grains, section 105C of such Act is amended—

(1) in subsection (d)(1), by adding at the end the following new subparagraph:

"(E) This subsection shall not apply to the 1990 crop of oats."; and

(2) in subsection (f)(1), by adding at the end the following new subparagraph:

"(E) As a condition of eligibility for loans, purchases, and payments for the 1990 crop of oats, the producers of oats on a farm may not plant oats in excess of the crop acreage base for the farm.".

SEC. 2. EXPORT ENHANCEMENT PROGRAM; PROMOTION OF UNITED STATES MEAT EXPORTS.

(a) COMMISSARIES.—During each of fiscal years 1990, 1991, and 1992, the Commodity Credit Corporation shall, in carrying out the export enhancement program established pursuant to section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)), promote the export of United States meat, including poultry products, to commissaries on military installations in the European Community.

(b) FUNDING—

(1) IN GENERAL.—Except as provided in paragraph (2), of the amounts made available by the Commodity Credit Corporation to exporters, processors, and foreign importers under the authority of section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)) in commodities of the Commodity Credit Corporation to enhance the export of United States commodities by making the price of such commodities competitive in the world market, the Commodity Credit Corporation shall make available to carry out subsection (a) not less than $14,000,000 in funds or commodities for fiscal year 1990, not less than $9,300,000 in funds or commodities for fiscal year 1991, and not less than $4,600,000 in funds or commodities for fiscal year 1992.

(2) TRANSPORTATION COSTS.—Funds or commodities shall be made available under this section only to the extent that funds are made available by the Department of Defense for the costs of transporting the meat to the commissaries.

(c) REIMBURSEMENT OF CORPORATION.—Section 4 of the Act of July 16, 1943 (57 Stat. 566, chapter 241; 15 U.S.C. 713a-9) shall not apply to services performed, losses sustained, operating costs incurred, or commodities purchased or delivered by the Commodity Credit Corporation pursuant to this section.

SEC. 3. EGGS.

(a) EXEMPTED EGG PRODUCERS.—Section 12 of the Egg Research and Consumer Information Act (7. U.S.C. 2711) is amended to read as follows:

"SEC. 12. EXEMPTED EGG PRODUCERS AND BREEDING HEN FLOCKS, CONDITIONS AND PROCEDURES.

"(a) IN GENERAL.—The following shall be exempt from the specific provisions of this title under such conditions and procedures as may be prescribed in the order or rules and regulations issued thereunder:

"(1) Any egg producer whose aggregate number of laying hens at any time during a 3-consecutive-month period immediately prior to the date assessments are due and payable, as determined under subsection (b), has not exceeded 30,000 laying hens.

"(2) Any flock of breeding hens whose production of eggs is primarily utilized for hatching of baby chicks.

"(b) NUMBER OF LAYING HENS.—

"(1) IN GENERAL.—For purposes of subsection (a)(1), the aggregate number of laying hens owned by an egg producer shall include—

"(A) in cases in which the producer is an individual, laying hens owned by such producer or members of such producer's family that are effectively under the control of such producer, as determined by the Secretary;

"(B) in cases in which the producer is a general partnership or similar entity, laying hens owned by the entity and all partners or equity participants in the entity; and

"(C) in cases in which a producer holds 50 percent or more of the stock or other beneficial interest in a corporation, joint stock company, association, cooperative, limited partnership, or other similar entity, laying hens owned by the entity.

Ownership of laying hens by a trust or similar entity shall be considered ownership by the beneficiaries of the trust or other entity.

"(2) STOCK OR BENEFICIAL INTEREST.—For purposes of paragraph (1)(C), stock or other beneficial interest in an entity that is held by—

"(A) members of a producer's family described in paragraph (1)(A);

"(B) a general partnership or similar entity in which the producer is a partner or equity participant;

"(C) the partners or equity participants in an entity of the type described in subparagraph (B), or by a corporation, joint stock company, association, cooperative, limited partnership, or other similar entity in which the producer holds 50 percent or more of the stock or other beneficial interests,

shall be considered as held by the producer.".

(b) EGG PROMOTION AND RESEARCH ORDER.—

(1) AMENDMENT.—Not later than 30 days after the date of enactment of this Act, the Secretary of Agriculture shall propose an amendment to the egg promotion and research order issued under the Egg Research and Consumer Information Act (7 U.S.C. 2701 et seq.) to implement the amendments made by this section. Such amendment shall be issued in accordance with section 553 of title 5, United States Code, and without regard to sections 556 and 557 of such title.

"(2) EFFECTIVE DATE.—The amendment to the egg promotion and research order required by subsection (a) shall become effective on the date of the publication in the Federal Register and shall not be subject to a referendum under the Egg Research and Consumer Information Act (42 U.S.C 2701 et seq.).

SEC. 4. PEANUTS

Section 8b of the Agricultural Adjustment Act (7 U.S.C. 608b), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended—

(1) by inserting "(1)" after the section designation; and

(2) by adding at the end the following:

"(2)(A) If an agreement with the Secretary is in effect with respect to peanuts pursuant to this section—

"(i) all peanuts handled by persons who have not entered into such an agreement with the Secretary shall be subject to inspection to the same extent and manner as is required by such agreement; and

"(ii) no such peanuts shall be sold or otherwise disposed of for human consumption if such peanuts fail to meet the quality requirements of such agreement.

"(B) Violation of this subsection by a person who has not entered into such an agreement shall result in the assessment by the Secretary of a penalty equal to 140 percent of the support price for quota peanuts, as determined under section 108B of the Agricultural Act of 1949 (7 U.S.C. 1445c-2), for the marketing year for the crop with respect to which such violation occurs.".

"(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective 30 days after the date of enactment of this Act.

SEC. 5. RESEARCH INTO NEW COMMERCIAL PRODUCTS FROM NATURAL PLANT MATERIALS.

The National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended by inserting after section 1473D (7 U.S.C. 3319d) the following new section:

"SEC. 1473E. RESEARCH INTO NEW COMMERCIAL PRODUCTS FROM NATURAL PLANT MATERIALS.

"The Secretary may—

"(1) conduct fundamental and applied research related to the development of new commercial products derived from natural plant materials for industrial, medical, and agricultural applications; and

"(2) participate with colleges and universities, other Federal agencies, and private sector entities in conducting such research.".

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DE LA GARZA

Mr. DE LA GARZA. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. DE LA GARZA. Strike out all after the enacting clause and insert the following:

SECTION 1. OAT ACREAGE LIMITATION PROGRAM.

(a) IN GENERAL.—Effective only for the 1990 crop of feed grains, section 105C(f)(2)(G) of the Agricultural Act of 1949 (7 U.S.C. 1444e(f)(2)(G)) is amended—

(1) by inserting "(i)" after the subparagraph designation; and

(2) by adding at the end the following new clause: A "(ii) In the case of the 1990 crop of oats, the Secretary may establish a percentage reduction for oats in accordance with paragraph (1) of less than 5 percent. If the Secretary does not establish a percentage reduction requirement for oats, the Secretary shall ensure that the crop acreage bases established for the farm and the farm acreage base are not increased as a result of this clause.".

(b) CONFORMING AMENDMENTS.—Effective only for the 1990 crop of feed grains, section 105C of such Act is amended—

(1) in subsection (d)(1), by adding at the end the following new subparagraph:

"(E) This subsection shall not apply to the 1990 crop of oats."; and

(2) in subsection (f)(1), by adding at the end the following new subparagraph:

"(E) As a condition of eligibility for loans, purchases, and payments for the 1990 crop of oats, the producers of oats on a farm may not plant oats in excess of the crop acreage base for the farm.".

SEC. 2. EXPORT ENHANCEMENT PROGRAM; PROMOTION OF UNITED STATES MEAT EXPORTS.

(a) COMMISSARIES.—During each of fiscal years 1990, 1991, and 1992, the Commodity Credit Corporation shall, in carrying out the export enhancement program established pursuant to section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)), promote the export of United States meat, including poultry products, to commissaries on military installation is the European Community.

(b) FUNDING.—

(1) IN GENERAL.—Except as provided in paragraph (2), of the amounts made available by the Commodity Credit Corporation to exporters, processors, and foreign importers under the authority of section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)) in commodities of the Commodity Credit Corporation to enhance the export of United States commodities by making the price of such commodities competitive in the world market, the Commodity Credit Corporation shall make available to carry out subsection (a) not less than $14,000,000 in funds or commodities for fiscal year 1990, not less than $9,300,000 in funds or commodities for fiscal year 1991, and not less than $4,600,000 in funds or commodities for fiscal year 1992.

(2) TRANSPORTATION COSTS.—Funds or commodities shall be made available under this section only to the extent that funds are made available by the Department of Defense for the costs of transporting the meat to the commissaries.

(c) REIMBURSEMENT OF CORPORATION.—Section 4 of the Act of July 16, 1943 (57 Stat. 566, chapter 241; 15 U.S.C. 713a) shall not apply to services performed, losses sustained, operating costs incurred, or commodities purchased or delivered by the Commodity Credit Corporation pursuant to this section.

SEC. 3. EGGS.

(a) EXEMPTED EGG PRODUCERS.—Section 12 of the Egg Research and Consumer Information Act (7 U.S.C. 2711) is amended to read as follows:

"SEC. 12. EXEMPTED EGG PRODUCERS AND BREEDING HEN FLOCKS, CONDITIONS AND PROCEDURES.

"(a) IN GENERAL.—The following shall be exempt from the specific provisions of this Act under such conditions and procedures as may be prescribed in the order or rules and regulations issued thereunder:

"(1) Any egg producer whose aggregate number of laying hens at any time during a 3-consecutive-month period immediately prior to the date assessments are due and payable has not exceeded 30,000 laying hens, as determined under subsection (b).

"(2) Any flock of breeding hens whose production of eggs is primarily utilized for the hatching of baby chicks.

"(b) NUMBER OF LAYING HENS.—

"(1) IN GENERAL.—For purposes of subsection (a)(1), the aggregate number of laying hens owned by an egg producer shall include—

"(A) in cases in which the producer is an individual, laying hens owned by such producer or members of such producer's family that are effectively under the control of such producer, as determined by the Secretary.

"(B) in cases in which the producer is a general partnership or similar entity, laying hens owned by the entity and all partners or equity participants in the entity; and

"(C) in cases in which the producer holds 50 percent or more of the stock or other beneficial interest in a corporation, joint stock company, association, cooperative, limited partnership, or other similar entity, laying hens owned by the entity.

Ownership of laying hens by a trust or similar entity shall be considered ownership by the beneficiaries of the trust or other entity.

"(2) STOCK OR BENEFICIAL INTERESTS.—For purposes of paragraph (1)(C), stock or other

beneficial interest in an entity that is held by—

"(A) members of the producer's family described in paragraph (1)(A);

"(B) a general partnership or similar entity in which the producer is a partner or equity participant;

"(C) the partners or equity participants in an entity of the type described in subparagraph (B); or

"(D) a corporation, joint stock company, association, cooperative, limited partnership, or other similar entity in which the producer holds 50 percent or more of the stock or other beneficial interests,

shall be considered as held by the producer.".

(b) EGG PROMOTION AND RESEARCH ORDER.—(1) AMENDMENT.—The Secretary of Agriculture shall issue an amendment to the egg promotion and research order issued under the Egg Research and Consumer Information Act (7 U.S.C. 2701 et seq.) to implement the amendments made by this section. Such amendment shall be issued after public notice and opportunity for comment in accordance with section 553 of title 5, United States Code, and without regard to sections 556 and 557 of such title. The Secretary shall issue a proposed amendment to such order not later than 30 days after the date of enactment of this Act.

(2) EFFECTIVE DATE.—The amendment to the egg promotion and research order required by paragraph (1) shall become effective no later than March 1, 1990, and shall not be subject to a referendum under the Egg Research and Consumer Information Act (7 U.S.C. 2701 et seq.).

SEC. 4. PEANUTS.

Section 8b of the Agricultural Adjustment Act (7 U.S.C. 608b), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended—

(1) by inserting "(a)" after the section designation; and

(2) by adding at the end the following:

"(b)(1) If an agreement with the Secretary is in effect with respect to peanuts pursuant to this section—

"(A) all peanuts handled by persons who have not entered into such an agreement with the Secretary shall be subject to inspection to the same extent and manner as is required by such agreement; and

"(B) no such peanuts shall be sold or otherwise disposed of for human consumption if such peanuts fail to meet the quality requirements of such agreement.

"(2) Violation of this subsection by a person who has not entered into such an agreement shall result in the assessment by the Secretary of a penalty equal to 140 percent of the support price for quota peanuts, as determined under section 108B of the Agricultural Act of 1949 (7 U.S.C. 1445c-2), for the marketing year for the crop with respect to which such violation occurs.".

"(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective 30 days after the date of enactment of this Act.

SEC. 5. RESEARCH INTO NEW COMMERCIAL PRODUCTS FROM NATURAL PLANT MATERIALS.

The National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended by inserting after section 1473D (7 U.S.C. 3319d) the following new section:

"SEC. 1473E. RESEARCH INTO NEW COMMERCIAL PRODUCTS FROM NATURAL PLANT MATERIALS.

"The Secretary may—

"(1) conduct fundamental and applied research related to the development of new commercial products derived from natural plant materials for industrial, medical, and agricultural applications; and

"(2) participate with colleges and universities, other Federal agencies, and private sector entities in conducting such research.".

SEC. 6. CALCULATION OF INSURANCE PREMIUMS PAID BY FARM CREDIT SYSTEM INSTITUTIONS.

(a) IN GENERAL.—Section 5.55 of the Farm Credit Act of 1971 (12 U.S.C. 2277a-4) is amended—

(1) by striking subsection (a) and inserting the following:

"(a) AMOUNT IN FUND NOT EXCEEDING SECURE BASE AMOUNT.—

"(1) IN GENERAL.—Until the aggregate of amounts in the Farm Credit Insurance Fund exceeds the secure base amount, the annual premium due from any insured System bank for any calendar year shall be equal to the sum of—

"(A) the annual average principal outstanding for such year on loans made by the bank that are in accrual status, excluding the guaranteed portions of government-guaranteed loans provided for in subparagraph (C), multiplied by 0.0015;

"(B) the annual average principal outstanding for such year on loans made by the bank that are in nonaccrual status, multiplied by 0.0025; and

"(C)(i) the annual average principal outstanding for such year on the guaranteed portions of Federal government-guaranteed loans made by the bank that are in accrual status, multiplied by 0.00015; and

"(ii) the annual average principal outstanding for such year on the guaranteed portions of State government-guaranteed loans made by the bank that are in accrual status, multiplied by 0.0003.

"(2) DEFINITION OF GOVERNMENT-GUARANTEED LOANS.—As used in this section and section 1.12(b), the term 'government-guaranteed loans' means loans or credits, or portions of loans or credits, that are guaranteed—

"(A) by the full faith and credit of the United States Government or any State government;

"(B) by an agency or other entity of the United States Government whose obligations are explicitly guaranteed by the United States Government; or

"(C) by an agency or other entity of a State government whose obligations are explicitly guaranteed by such State government.";

(2) in subsection (b), by inserting after "for the following calendar year" the following: ", as determined under subsection (a),";

(3) in subsection (c), by inserting after "at such time" the following: "(adjusted downward to exclude an amount equal to the sum of (1) 90 percent of the guaranteed portions of principal outstanding on Federal government-guaranteed loans in accrual status made by such banks and (2) 80 percent of the guaranteed portions of principal outstanding on State government-guaranteed loans in accrual status made by such banks, as determined by the Corporation)"; and

(4) in subsection (d)—

(A) by striking "subsection (a)" in the material preceding paragraph (1) and inserting "subsections (a) and (c)";

(B) by striking "intermediate term" in the material preceding paragraph (1); and

(C) by striking paragraph (1) and inserting the following:

"(1) by any production credit association, or any other association making direct loans under authority provided under section 7.6, that is able to make such loans because such association is receiving, or has received, funds provided through the Farm Credit Bank;".

(b) CONFORMING AMENDMENTS.—(1) The first sentence of subsection (b) of section 1.12 of the Farm Credit Act of 1971 (12 U.S.C. 2020(b)) is amended by inserting after "production credit association" the following: ", other association making direct loans under the authority provided under section 7.6,"

(2) The second sentence of subsection (b) of section 1.12 of the Farm Credit Act of 1971 (12 U.S.C. 2020(b)) is amended—

(A) in paragraph (1)—

(i) by inserting before "discounted with" the following: "funded by or";

(ii) by inserting after "that are in accrual status," the following: "excluding the guaranteed portions of government-guaranteed loans provided for in paragraph (3),"; and

(iii) by striking "and" at the end;

(B) in paragraph (2)—

(i) by inserting before "discounted with" the following: "funded by or"; and

(ii) by striking the period at the end and inserting "; and"; and

(C) by inserting after paragraph (2) the following:

"(3)(A) the annual average principal outstanding for such year on the guaranteed portions of Federal government-guaranteed loans made by the association, or by the other financing institution and funded by or discounted with the Farm Credit Bank, that are in accrual status, multiplied by 0.00015; and

"(B) the annual average principal outstanding for such year on the guaranteed portions of State government-guaranteed loans made by the association, or by the other financing institution and funded by or discounted with the Farm Credit Bank, that are in accrual status, multiplied by 0.0003.".

(3) Section 5.59(b)(1) of the Farm Credit Act of 1971 (12 U.S.C. 2277a-8(b)(1)) is amended by inserting after "any production credit association," the following: "any other association making direct loans under authority provided under section 7.6,".

(4) Section 5.61(e) of the Farm Credit Act of 1971 (12 U.S.C. 2277a-10(e)) is amended by inserting after "production credit association" the following: "and other association making direct loans under the authority provided under section 7.6".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall be effective for insurance premiums due to the Farm Credit System Insurance Corporation under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) on or after January 1, 1990, based on the loan volume of each bank for each calendar year beginning with the calendar year 1989, and shall be effective for the calculation of the initial premium payment required under section 5.56(c) of the Farm Credit Act of 1971 (12 U.S.C. 2277a-5(c)).

SEC. 7. PURCHASES OF FINANCIAL ASSISTANCE CORPORATION STOCK BY FARM CREDIT SYSTEM INSTITUTIONS.

(a) DELAYED EFFECTIVE DATE FOR STOCK PURCHASE REQUIREMENTS.—Notwithstanding any other provision of law, the amendments to section 6.29 of the Farm Credit Act of 1971 (12 U.S.C. 2278b-9) made by section 646 of the Rural Development, Agriculture, and Related Agencies Appropriations Act,

1989 (Public Law 100-460; 102 Stat. 2266) shall be effective on October 1, 1992.

(b) PAYMENTS.—

(1) FOUR ANNUAL PAYMENTS.—Notwithstanding any other provision of law, the Financial Assistance Corporation shall pay, out of the Trust Fund established under section 6.25 of the Farm Credit Act of 1971 (12 U.S.C. 2278b-5), to each of the institutions of the Farm Credit System that purchased stock in the Financial Assistance Corporation under section 6.29 of the Farm Credit Act of 1971, four annual payments as provided in this subsection.

(2) TIMING OF PAYMENTS.—The annual payments provided for by this subsection shall be made available as soon as practicable after October 1 of each of the calendar years 1989 through 1992.

(3) CALCULATION OF FIRST PAYMENT.—The first annual payment made available under this subsection shall be in an amount equal to—

(A) a percentage equal to 1.5 times the average rate of interest received by the Financial Assistance Corporation from March 30, 1988, through September 30, 1989; times

(B) the difference between $177,000,000 and 4.4 percent of the amount of the cumulative amount of the bonds issued by the Financial Assistance Corporation by September 30, 1989.

(4) CALCULATION OF REMAINING PAYMENTS.—The second, third, and fourth payments made available under this subsection shall be in the amount equal to—

(A) a percentage equal to the average rate of interest received by the Financial Assistance Corporation during each of the fiscal years 1990 through 1992; times

(B) the difference between $177,000,000 and 4.4 percent of the amount of the cumulative amount of the bonds issued by September 30 of each of such fiscal years.

(5) DISTRIBUTION OF ANNUAL PAYMENTS.—Annual payments due under this subsection shall be made available to each institution described in paragraph (1) in an amount equal to the total amount of annual payments to be made available times the ratio of the amount of stock each institution purchased divided by $177,000,000.

SEC. 8. EXEMPTION OF CERTAIN INTEREST PAYMENTS BY THE U.S. TREASURY FROM SEQUESTRATION.

Section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(g)(1)(A)) is amended by inserting "Farm Credit System Financial Assistance Corporation, interest payments (20-1850-0-1-351);" after "Exchange stabilization fund (20-4444-0-3-155);".

SEC. 9. DISASTER ASSISTANCE COVERAGE FOR EARTHQUAKES.

(a) ANNUAL CROPS.—(1) Section 104(d)(1) of the Disaster Assistance Act of 1989 is amended by inserting "ornamentals affected by earthquake and" after "(including".

(2) Section 112(1) of such Act is amended by inserting "earthquake," after "hurricane,".

(b) ORCHARDS.—(1) Section 121(a) of the Disaster Assistance Act of 1989 is amended to read as follows:

"(a) Loss.—Subject to the limitation in subsection (b), the Secretary of Agriculture shall provide assistance, as specified in section 122, to eligible orchardists that planted trees for commercial purposes but lost such trees as a result of freeze, earthquake, or related condition in 1989, as determined by the Secretary.".

(2) Section 122(1) of such Act is amended by inserting ", earthquake," after "freeze".

(c) FOREST CROPS.—(1) Section 131(a) of the Disaster Assistance Act of 1989 is amended to read as follows:

"(a) Loss.—Subject to the limitation in subsection (b), the Secretary of Agriculture shall provide assistance, as specified in section 132, to eligible tree farmers that planted tree seedlings in 1988 or 1989 for commercial purposes but lost such seedlings as a result of drought, earthquake, or related condition in 1989, as determined by the Secretary.".

(2) Section 132(1) of such Act is amended by inserting ",earthquake," after "drought".

(d) DISASTER ASSISTANCE FOR RURAL BUSINESS ENTERPRISES.—Section 401 of the Disaster Assistance Act of 1989 is amended—

(1) in paragraph (a)(1), by inserting "earthquake," after "excessive moisture,"; and

(2) in paragraph (c)(2), by striking out "$200,000,000" and inserting "300,000,000".

SEC. 10. TEMPORARY EXCLUSION OF CERTAIN HOUSING ASSISTANCE FROM INCOME FOR PURPOSES OF THE FOOD STAMP ACT OF 1977.

Section 807(b) of the Stewart B. McKinney Homeless Assistance Act (7 U.S.C. 2014 note) is amended by—

(1) striking "1989" and inserting "1990";

(2) redesignating paragraph (2) as paragraph (3); and

(3) inserting after paragraph (1) the following paragraph:

"(2) The Secretary shall adjust the level of benefits provided to households under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) during the period between September 30, 1989 and the effective date of this paragraph to ensure that the level of such benefits is no less than the level determined in accordance with the provisions of section 5(k)(2)(F) of the Food Stamp Act of 1977.".

SECTION 11. SUBMISSION OF ACTUAL YIELD DATA TO COUNTY COMMITTEES.

(a) SUBMISSION OF ACTUAL YIELD DATA TO COUNTY COMMITTEES.—Effective for the 1989 and 1990 crops of wheat, feed grains, upland cotton, and rice, section 506 of the Agricultural Act of 1949 (7 U.S.C. 1466) is amended by adding at the end the following new subsection:

"(e)(1) With respect to the 1989 and subsequent crop years, the Secretary shall allow producers to provide to county committees data with respect to the actual yield for each farm for each program crop. The Secretary shall maintain such data for at least five crop years after receipt in a manner that will permit the data to be used, if necessary, in the administration of the commodity programs for the 1989 and subsequent crops.

"(2) The Secretary shall provide timely notification to producers of the provisions of paragraph (1).

"(3) With respect to the 1989 crop year, the Secretary shall determine what the costs of each commodity program would be if farm program payment yields were determined in accordance with the methods prescribed in paragraph (4) and what the impact of such alternative methods would be on each commodity program and on producers participating in each commodity program.

"(4) The alternative methods of determining program payment yields for purposes of paragraph (3) shall include, at a minimum:

"(A) using producers' actual yields for the current crop year;

"(B) allowing producers the option of choosing to use their actual yields or the county average yield for the current crop year; and

"(C) the yield derived on the basis of the average of the actual yield per harvested acre for the crop for each of the five crop years immediately preceding such crop year, excluding the crop year with the highest yield per harvested acre, the crop year with the lowest yield per harvested acre, and any crop year in which such crop was not planted on the farm.

Not later than January 30, 1990, the Secretary shall report the determinations under this subsection to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.".

(b) SUBMISSION OF SOYBEAN ACTUAL YIELD DATA TO COUNTY COMMITTEES.—With respect to the 1989 and 1990 crop years, the Secretary shall allow producers of soybeans to provide to county committees (as defined in section 502 of the Agricultural Act of 1949 (7 U.S.C. 1462)) data with respect to the actual yield for each farm for each crop of soybeans. The Secretary shall maintain such data for at least five crop years after receipt in such a manner as to be easily accessible. The Secretary shall provide timely notification to producers of the provisions of this section.

SECTION. 12. EXTENSION ON SALE OF RURAL DEVELOPMENT LOANS.

Section 1001 of the Omnibus Budget Reconciliation Act of 1986 (7 U.S.C. 1929a note) is amended by adding at the end the following new subsection:

"(h)(1) Notwithstanding the provisions of section 633 of the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1989 (Public Law 100-460), the Secretary of Agriculture shall offer to the issuer of any unsold note or other obligation described in paragraph (2)(A) for which such issuer made the good faith deposit described in paragraph (2)(A) the opportunity to purchase such note or other obligation consistent with the provisions of this subsection and subsections (f)(2) and (f)(3).

"(2) The provisions of this subsection shall apply only to those issuers who:

"(A) on or before March 9, 1989 made a good faith deposit under this section for fiscal year 1989 with the Secretary to purchase a note or other obligation held in the Rural Development Insurance Fund; and

"(B) otherwise meet all eligibility criteria, as such criteria existed immediately prior to May 9, 1989, at the time the purchase occurs under this subsection.

"(3) The opportunity to purchase any such note or other obligation shall be held open, under the policies and procedures in effect under subsections (f)(2) and (f)(3) immediately prior to May 9, 1989, for 150 days after the date of enactment of this subsection. The Secretary shall not require any further good faith deposit from issuers who qualify under this subsection. The Secretary shall notify eligible issuers of the opportunity afforded under this subsection within 30 days after the date of enactment of this subsection and may require such issuers to express an intention to purchases their note or other obligation by a date certain.".

Mr. DE LA GARZA (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. HAYES of Illinois). Is there objection to the request of the gentleman from Texas?

There was no objection.

The question is on the amendment in the nature of a substitute offered by the gentleman from Texas [Mr. DE LA GARZA].

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid upon the table.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

CHILDREN CONCERNED ABOUT ENVIRONMENT

(Ms. SLAUGHTER of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks, and include extraneous matter.)

Ms. SLAUGHTER of New York. Mr. Speaker, we spent much of yesterday debating legislation designed to protect our waters from another oilspill like that which sullied the waters of Prince William Sound. But a young constituent, LaCarla Page, reminds me that there is much more to do.

LaCarla is in the seventh grade at St. Monica School in Rochester, NY. She writes:

Dear Representative Slaughter: I am writing to you so we can clean up our environment. If we start now, we will have a better place to live. We need to recycle more cans, plastics, and glass.

I may be young but I have concerns for our nation.

President Bush to me is all talk. Why can't we have better cars to use? We are destroying the ozone layer. Without it, we cannot survive. People will be dying of skin cancer everywhere.

I want him to mean what he says. If something doesn't happen soon, we will be destroying our earth. Please talk to the Representatives and tell them the concerns of children.

Mr. Speaker, we must heed her advice. We must do all we can to ensure that LaCarla's generation inherits a clean livable planet.

Mr. Speaker, at this point I include for the RECORD the letter.

ROCHESTER, NY, *September 15, 1989.*

Representative SLAUGHTER,
U.S. House of Representatives, Washington, DC.

DEAR REPRESENTATIVE SLAUGHTER: I am writing to you so we can clean up our environment. If we start now, we will have a better place to live. We need to recycle more cans, plastics, and glass.

I am LaCarla Page. I may be young, but I have concerns for our Nation.

President Bush to me is all talk. Why can't we have better cars to use? We are destroying the ozone layer. Without it, we cannot survive. People will be dying of skin cancer everywhere. Please talk to the President and urge him to do something about pollution.

I am sick and tired of George Bush saying he is the Drug President and the Air President and he's for this and for that and nothing is happening.

I want him to mean what he says. If something doesn't happen soon, we will be destroying our Earth. Please talk to the Representatives and tell them the concerns of children.

Sincerely,

LACARLA PAGE.

REDUCE INFANT MORTALITY RATE

(Mr. PURSELL asked and was given permission to address the house for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PURSELL. Mr. Speaker, during the past decade, our Nation's health community has made great advances in medical technology, accomplishments which have resulted in an impressive improvement in life expectancy. Every day, we are learning more about diseases and illnesses that only several years ago would have been diagnosed "terminal," which today are being treated successfully.

Perhaps our most impressive accomplishment in health care is the ability to save newborn infants, often as much as 3 or 4 months premature, who only several years ago would have had virtually no chance to survive. Ironically, the United States has an unacceptably high infant mortality rate, much higher than that of many other developed nations. What is most disturbing is that many of these deaths could have been avoided if only the mother had had access to affordable prenatal care. Many children would be alive today and many families would not have suffered devastating losses and personal tragedy.

Sadly, the State of Michigan has one of the highest infant mortality rates in the Nation. Michigan ranked 40th nationwide in 1986, with an infant mortality rate of 11.4 per 1,000 live births. The rate is even higher in Jackson County, whose rate in 1986 was 17.3. Jackson is in my congressional district, and I have been working hard to help combat this problem.

The alarming infant mortality rate in Jackson County can be attributed to the lack of affordable prenatal care for low-income women. Last year, more than 500 women had to travel outside the county to secure prenatal care, often traveling as far as 40 miles away.

I am working with a group of Jackson community leaders and health officials to secure funding for a clinic for low-income pregnant women, and I am pleased to say that the response has been very encouraging. Our plan is to combine Federal, State, local and private sector money to fund the clinic for 3 years. The State of Michigan and Jackson County have approved funding, and the Kellogg Foundation has approved a grant for the clinic. Foote hospital has also agreed to cover certain costs, including the doctors' liability expenses.

Throughout my efforts in this particular project, I have asked State and local officials to guarantee funding before I would try to secure Federal assistance. It is critical that Federal health officials be assured that they will not be asked to provide 100 percent of the funding for a clinic and that the other concerned parties contribute their fair share. With combined efforts and commitment, I am confident that Jackson County, MI, will soon be able to provide its low-income women the prenatal care they need and deserve.

Experts agree that spending more on prenatal care today would not only save lives and prevent illnesses, it would also save money in the long run. Providing pregnant women with the care they and their children need is much less expensive than costly care for critically ill newborns. I am optimistic that Jackson County will have a prenatal care clinic operating by next year, and I am hopeful that the cooperative effort there will serve as an example for other communities.

Mr. Speaker, I include for the RECORD an article on the proposed clinic.

[From the Citizen-Patriot, Nov. 6, 1989]

PRENATAL CLINIC COULD OPEN HERE NEXT YEAR

(By Bradley Flory)

Government and private support for improving medical care for pregnant women in Jackson could make it possible for an obstetrics clinic to open next year.

"It's kind of falling into place," said Marsha A. Kreucher, who is working to open the clinic for the Region II Community Action Agency.

"We have come a long way. I just hope it is far enough because we've gotten so close."

A clinic is needed to offset a shortage of medical services available for pregnant women in Jackson County; poor women find it virtually impossible to find care locally. The county Health Department estimates more than 500 pregnant women are referred for prenatal care to medical facilities out of the county.

Money is the big question mark for the project, but a "broad base" of financial support is building toward the approximately $500,000 that is needed, Kreucher said.

She is optimistic about the chances of getting enough money to open a clinic no later than July and perhaps months earlier.

Commitments for more than $200,000 have already been received—$100,000 from the state, $75,000 from Foote Hospital, $25,000 from Region II and $2,000 from the Jackson Junior Welfare League.

Jackson County commissioners appear to have near-unanimous support for allocating at least $25,000, half of the amount requested for the clinic. City commissioners will be asked to allocate another $25,000 later this month.

County and city allocations would be a show of local financial support that could kick loose other grants from the federal government and private foundations, she said.

U.S. Rep. Carl Pursell, R-Plymouth, said his office is prepared to go into a "full-court press" to get $100,000 to $250,000 from the federal Health and Human Services agency.

Pursell said he is first helping to lobby for money from the city and county, a commitment that would impress federal officials that the project has local support.

"We felt we needed to get local government and institutions involved first," Pursell said. "That's really the guts of the project."

Kreucher also has applied for $500,000, spread over three years, from the Kellogg, Foundation: She said the foundation requested evidence of local government support for the project, support she now hopes the county and city will provide.

She also has asked for $50,000 from the Jackson Community Foundation and plans to request $25,000 from United Way of Jackson County.

If financial commitments come quickly, officials could be in a position to begin looking for a clinic location and recruiting staff next month, Kreucher said.

The clinic would be operated by Region II and employ an obstetrician, a clinic director and two nurse-midwives, Kreucher said.

Foote Hospital has agreed to screen and select the physician, who would make about $125,000 a year, she said.

"That will ensure that we get a good-quality physician that would have the respect of our local hospital and physicians," she said.

The clinic would serve 300 to 400 patients a year, with no financial requirements.

"Anyone who needs prenatal care will be eligible to receive services," Kreucher said.

Clinic operations would cost an estimated $750,000 a year, with about $400,000 coming in annually from Medicaid, Kreucher said. There would be additional income from women with private insurance plans, but no estimate of that amount has been made, she said.

"The hope is that it would be self-supporting, but I'm not sure that is realistic," she said. If the clinic has a high percentage of Medicaid and uninsured patients, "it would be unlikely that we would ever be self-supporting," she said.

A SALUTE TO OUR VETERANS

(Mr. BLAZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLAZ. Mr. Speaker, Veterans Day is a time to remember, a time to salute and a time to pay tribute. I am not endowed with the words or the wisdom or the wit to express adequately my sentiments, so let me borrow from something I saw in Vietnam while I was serving there. It goes something like this:

For those who wear the uniform and are willing to fight and die for freedom, life has a special flavor the protected will never know.

For those of us here who are protected and continue to be protected because we have men and women in uniform who are continuing to undergo the fatigue of protecting us, we pay tribute today.

I also want to pay tribute to a corps of Americans on the 214th anniversary of their founding. It is a distinguished organization, perhaps the most distinguished in the world. The enemy calls them the Bulldogs. We know them simply and affectionately as U.S. Marines. Tomorrow is their birthday.

Mr. Speaker, Veterans Day is a time to remember the enormous sacrifices made by the men and women who have served so proudly in the armed services. But gratitude felt is no replacement for gratitude shown. And here the United States has always been in the forefront in letting its uniformed personnel know that their efforts are fully appeciated. Over 40 major benefits programs covering literally hundreds of different types of assistance exist to help our veterans. These range from education through job training to admission to the military academies to burial allowances. Nor is the Federal Government content simply to make these programs available. It seeks out eligible veterans through a variety of outreach activities. Still, some qualified veterans are missed.

The question is then, "What can be done to assure that those veterans who need assistance receive it?" The answer lies in the community itself.

Veterans' groups and organizations offer an immediate resource to available programs through their own information dissemination procedures. Moreover, many of these groups have their own outreach programs to locate veterans in need of assistance as part of their community service operations. Working at the local level, these groups have the flexibility and local awareness to grasp those beyond the reach of Federal efforts. But these groups too have their limitations.

Too often when assistance programs are mentioned, images of individuals in dire straits spring to mind. Certainly there are programs such as those for drug and alcohol abuse to aid these people. But there are also assistance packages for those who need help in getting a mortgage or in job training. What has to happen is that individual citizens must become increasingly aware of the problems of those around them. Whereas in many cases where the need for assistance is identified but individuals are stymied as to what agency can help, in the case of veterans, they need do nothing more than call a veterans' support group or contact the Department of Veterans' Affairs to bring their expert services into play.

If we as a nation are to pay our debt of gratitude to those who have served us so well, we should do all in our power to make certain that all veterans have full access to all the benefits that are due them.

GUAM HAS ALWAYS ANSWERED THE CALL

The alarms of war are never sounded lightly. Like the rumble of an earthquake in the dark, they strike fear in the hearts of all who hear them. And that is as it should be. Those who respond do so with ample misgivings. If they did not, we would not call them brave. In each of the wars of the past 50 years, the people of Guam have responded, and they have done so bravely.

WORLD WAR II

In a very real sense, everyone who lived on Guam during the enemy invasion and subsequent occupation could be considered a veteran of that conflict. With the exception of the Civil War, never before or since has a large American population center been so completely engulfed by the savage tide of warfare. The young men of the Insular Guard fought a valiant but futile battle to repulse the overwhelmingly superior enemy numbers. And with the territory conquered, the population as a whole settled into its own silent war of attrition, refusing to grant the enemy the cooperation it so strenuously demanded.

Even before the outbreak of hostilities, Guam was lending its sons to military service. With the coming of the war, these young men found themselves exiled by the conflict from their homes with no knowledge of what was befalling their families and friends back on the island. Theirs was a double burden. Not only did they have to face the daily personal peril that all men face who venture in harm's way, but they also had the added anxiety of knowing their loved ones faced the same hazards at home. Fifty-three Guam men who faced the trials of the war never lived to know how their loved ones fared.

KOREA

By the time of the Korean war, Guam men were regular enlistees in the armed services. Again, the call to arms to defend their country's honor and integrity was heeded. With their own homes and ranches still devastated, these men went off to face the rigors of a foreign conflict, one which was not well understood by any of its participants. But understanding was not the issue. Their country had called. Their services were needed. That was enough. And again, the highest price was extracted. Seventeen Guam men never returned home.

VIETNAM AND AFTER

Nor was there questioning in that most misunderstood of all wars, Vietnam. Guam was again an essential

staging area in the pursuit of that conflict. The influx of thousands of servicemen interrupted the flow of island life. But no lives were more interrupted than those of the Guam men who again donned the uniform to serve their country. The climate in Vietnam did not prove as harsh as what their older brothers found in Korea. The jungles there might have reminded them of Guam's. But the similarities ended there. These men faced some of the fiercest fighting in one of the most hellish wars America has ever fought. And again the price was high. Seventy Guam names are etched on the Vietnam Veterans' Memorial.

I hope that Vietnam will prove to be the last major conflict the United States will be involved in. But that will depend on the wisdom of our leadership. I have always felt that wars are the failure of politicians. This is one of the reasons I retired my sword for the legislative pen in the hope that the input of one who knows the devastation of war firsthand can help avert future tragedies. But whatever happens, one thing is certain: should the need arise, the people of Guam will again respond as they have so willingly in the past.

A CHEAPER OCEAN FREIGHT RATE FOR THE UNITED STATES

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, good news for the American Merchant Marine. The Agency for International Development today awarded its second contract for the carriage of food aid to Poland under the recently enacted Polish and Hungarian Democracy Initiative Act of 1989, and it is my pleasure to report that 50,000 tons of U.S. grown corn is to be carried on a U.S. flag ship, the *Liberty Star.*

Mr. Speaker, it is even a greater pleasure to announce that the U.S. ocean freight rate is $36.25 a ton, $18.25 a ton cheaper—emphasize cheaper—than the rate offered by foreign ocean carriers.

Various market factors must be considered when examining rate quotes, but, nevertheless, the lower U.S. rate is totally contrary to what opponents to cargo preference claimed when we debated this issue here on the House floor.

DISCUSSIONS FOR UPCOMING SUMMIT

(Mr. AKAKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AKAKA. Mr. Speaker, I ask unanimous consent to speak out of order.

I take to the well today to call the attention of my colleagues to an alarming report that Soviet vessels in waters off Hawaii are suspected of shooting lasers at American planes. In the most recent incident, an Air Force crewman on an HC-130, flying 1,200 miles southwest of Hawaii, sustained damage to his eyesight despite the fact that he was wearing laser eye protection.

The Air Force has advised me that they are aware of four incidents between October 17 and November 1, involving at least two Soviet vessels. The United States planes were simply observing the movements of Soviet ships deployed in the Pacific to monitor missile test splashdowns, and at no time posed a threat to the Soviet vessels.

We have recently concluded an agreement, the Dangerous Military Activities Agreement, with the Soviets to avoid such provocative military encounters. This pact goes into effect on January 1, 1990. I am deeply disturbed that the Soviets continue to engage in this type of harassment, in direct violation of the spirit of the new agreement. Soviet compliance to the legal minimum in international accords can only raise doubts about their genuine willingness to forge a new relationship with the United States based on trust and understanding.

Events like these appear to be on the rise, and I am distressed that the Pacific is becoming a proving ground for weapons technology. At a time when our relations with the Soviet Union are improving, episodes like this are very counterproductive. I urge President Bush to raise this incident with General Secretary Gorbachev at their upcoming summit.

SPECIAL ORDER INTENTIONS

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, we are getting out of here tonight at a fairly decent hour. I have delayed twice a special order on the subject of abortion, the whole range of the issue and its impact on current politics, not just over the last few weeks and the Tuesday night election, but also what has happened since the Roe versus Wade decision over the last 16-plus years. I will take that special order tonight.

I believe I am the first up after my distinguished charming, elegant colleague from Maryland [Mrs. BENTLEY] who is going to use only 5 minutes, and drive back to her district as she does every night, to the great State of Maryland. I will discuss that issue tonight, and I know, on a night like this when we are getting out fairly early, there is an audience of 600,000 to 1 million people that will follow the proceedings of this House, and follow and watch how we talk to one another. So I am doing it to alert them.

REPRESENTATIVE HENRY HYDE'S STATEMENT ON CHANGES IN RULE 48

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 5 minutes.

Mr. MICHEL. Mr. Speaker, our distinguished colleague [HENRY HYDE] ranking minority member of the House Permanent Select Committee on Intelligence, recently made an important statement before the Committee on Rules. Because of the clarity and incisiveness with which he discussed the reasons for his proposals for changes to House Rule 48, dealing with procedures of the Intelligence Committee, I recommended this statement to all our colleagues.

At this point I wish to include in the RECORD, a statement made by Representative HENRY HYDE before the Committee on Rules, on November 8, 1989.

STATEMENT OF HON. HENRY J. HYDE

Mr. Chairman and distinguished members of the Committee, thank you for this opportunity to suggest some logical and useful changes in House Rule XLVIII (House Rule 48). At the outset, I believe the Committee deserves some further background to this proposed amendment in H. Res. 268 for special access by the Speaker to Intelligence Committee meetings and classified information and matters related to the amendment. As you know, House Rule 48 requires the Intelligence Committee to prescribe rules for access to its proceedings and classified information by Members of the House who are not members of that Committee. Rule 48 also requires that when the Committee does give such access to non-committee members, it must keep written records of the particular information to which the Member involved was given access. The Intelligence Committee has adopted rules governing access by non-committee members, implementing the requirement of House Rule 48. Among other provisions, the Committee rules require a roll call vote by the Committee to authorize the release of classified information to non-Committee members.

The requirements of House Rule 48 are clear, and they contain no exemption for the Speaker from the rules for access by non-members of the Intelligence Committee. There is nothing in the committee report on the resolution which created Rule 48 or the floor debate when it was adopted to give any indication that such an exemption was somehow meant to be implied. In fact, the comments by then Speaker O'Neill during the floor debate emphasized the uniform application of those rules. Moreover, Rule 48 specifically addresses the issue of leadership's access to the Committee's proceedings and classified information. The rule makes two designated leadership officials ex-officio members of the Committee. The Speaker is not one of those designated in the rule. The two are the Majority Leader and the Minority Leader. Of course, the Speaker is not one of the regular appointed members of the Committee either.

Unfortunately, it now appears that occasionally in the past classified information has been given to the various Speakers with-

out authorization by roll call vote or records being kept identifying the information provided, as required by the House and Committee Rules. Of course, because those rules were not adhered to, few members of the Committee were aware of some of these instances, and perhaps no one knows how many times this has occurred. Certainly, until the issue of a possible violation of Rule 48 was raised regarding certain public statements by the previous Speaker, about an alleged U.S. covert action, many of us on the Committee had no inkling that any Speaker might have been given classified information without the required procedures being followed.

Now, frankly I believe we all agree that the current rules, as they apply to the Speaker's access, are something of an anomaly. It would have been more logical for Rule 48 to have made the Speaker an ex-officio member rather than the Majority Leader.

In fact, I hope this particular rules change can be made as soon as possible. Many of us who serve on the Intelligence Committee are quite uncomfortable with the present "interim" arrangement under which the Speaker has second-hand access to the Committee's procedures and classified information through a member of the Speaker's personal staff who has blanket access to all Committee proceedings and information. I am concerned that such an interim blanket access agreement is not consistent with existing rules, and therefore these rules changes should have been adopted first. This sort of arrangement is unprecedented. I have to say quite candidly that the Republican members of HPSCI were fearful that this unusual action might set a very unfortunate precedent. We worry that ultimately it will lead to requests for access by other designated staffers supporting members of top House leadership or even the leadership of committees with crossover membership on HPSCI.

Before going any further, let me add that this amendment for easing of the Speaker's access is just the fourth in a line of measures taken or proposed, since the beginning of this Congress, to modify the structure or operation of HPSCI. First, the number of regular members of HPSCI was increased by two, from 17 to 19. Republican Members acquiesced because we were given to understand that another Democratic slot was needed to meet leadership commitments for assigning Democratic Members to HPSCI. On the last increase before that one, in a desire to keep the Committee size small, Republicans declined to add a slot. This time we had to accept one more Republican slot because the ratio was getting far too lopsided. Secondly, on July 27th of this year, the House passed H. Res. 213, extending Mr. Beilenson's term as Chairman of HPSCI beyond what would have otherwise been permitted by Rule 48. I willingly supported that measure because Mr. Beilenson's service as Chairman thus far has been exceptionally responsible, fair and constructive. Thirdly, we had the Speaker's written request for access to all of HPSCI's proceedings and holdings for a member of his personal staff, a former professional staffer on the Committee. As I noted, Republican members of HPSCI had grave misgivings about approving such an unprecedented arrangement prior to amending those HPSCI rules and provisions of Rule 48 which appear clearly inconsistent with the arrangement for a unique and special designated staff position. Honestly, the Republican members and perhaps some Democratic members of HPSCI have never been able to understand why the Speaker seems to feel that he cannot rely on any Majority member of HPSCI, any member of HPSCI's core professional staff, or any combination of the two, to keep him adequately informed of matters before the Intelligence Committee in which he is interested. Instead, he seems convinced that only one particular member of his office staff can perform that function. Some HPSCI members have urged that the simplest way to keep the Speaker well informed on a routine basis is to make him an ex-officio member of HPSCI. Then he could be briefed at any time by any member of staffer of HPSCI and attend any committee proceeding. But, the Speaker indicated that he did not wish to be an ex-officio member because he is not a member of any other committee. Well, this baffled many of us. Ex-officio membership is no burden because their presence is not required for the committee to conduct its business. Under Rule 48, ex-officio members are not permitted to vote and are not counted to establish a quorum. Furthermore, the present Rule 48 makes the Republican Leader, Bob Michel, an ex-officio member of HPSCI although, like the Speaker, he does not serve on any other committee.

Recently, a new wrinkle unfolded with respect to the special access arrangement for the Speaker's designated staffer. A few days ago, the Speaker's staff designee was placed on the HPSCI staff payroll as well. It appears that after several months, concern has grown about the precedent of giving blanket access to HPSCI proceedings and information to a House employee who is not on the HPSCI staff. Interestingly, the idea of dual employment of an individual staffer on the payrolls of both the Speaker's office and HPSCI was floated several months ago and initially abandoned. Its resurrection raises other concerns related to the House Rules. Rule XI (Rule 11), Clause 6(a)(3) forbids the professional staff of committees from engaging in work other than committee business or being assigned any duties other than those pertaining to committee business. According to the Ethics Manual of the House (edition of the 100th Congress, 1st Sess.), ". . . it appears that the provision was intended to ensure that professional staff members of committees would work exclusively on committee business during their congressional work hours, as opposed to performing 'other congressional office duties.'" (p. 57). Thus, that rule would appear applicable to bar this type of dual employment. Perhaps that explains the peculiarly convoluted nature of the new status on HPSCI accorded the Speaker's designated staffer. He has been hired for a minimal salary by HPSCI and surprisingly denominated as a clerk. One immediately wonders whether this "title" was an attempt to evade the strictures of Rule XI (Rule 11,) which I mentioned. This is troubling because the individual, notwithstanding his title of "clerk", participates in briefings and discussions of regular committee professional staff in the same manner as those professionals. He does not appear to actually do or be assigned any clerical duties. This latest adjustment in his status therefore seems inconsistent with the spirit of Rule 11, Clause 6(a)(3). Thus, it also appears to violate the requirement of House Rule XLIII (Rule 43), the Code of Official Conduct, which obligates Members, officers and staff to adhere to the letter and spirit of the Rules of the House. However, if a way can be found to give a designated employee on the Speaker's staff blanket access to HPSCI information and meetings, consistent with House Rules, then naturally Republican Members would wish assurances that the Republican Leader would be accorded the opportunity for the same sort of staffing arrangement.

Having brought this background information to your attention, let me now turn to other reforms in Rule 48 which I propose in addition to including the same changes Mr. Beilenson recommends. As you know, I have long been concerned with the problem of "leaks" of classified information. It is a government-wide problem. This is due, in part, perhaps to the fact that too much information may be classified. That circumstance may encourage government officials and employees to be a little too casual about classified information, even in the vast majority of cases when it is quite properly classified. In any event, the ever-growing list of leaks of classified information has led me to conclude that we must begin to take steps to reduce the incidence of leaks.

I have no wish to spark an unproductive debate on which branch of our government is responsible for the most leaks, or which has the highest percentage of leaks based on the number of its personnel with access to classified information, or which is responsible for the most serious or damaging leaks. Instead, as Members of the House, I think our first concern ought to be to take every reasonable measure to reaffirm and enhance our commitment to reducing the likelihood of leaks from congressional sources. Now, I certainly have no intention of engaging in recriminatory speculation about individual cases. However, none of us has to think very hard to recall instances of alleged leaks from congressional sources.

Of course, public commentators and foreign allies very often do not make fine distinctions regarding which House of Congress may have been the source of a leak of classified information, let alone which specific committee may have been involved. Therefore, leaks by any Member or committee may hurt the reputation of Congress as a whole in the eyes of those whose vital cooperation in promoting U.S. policy interests is contingent on their confidence in our discretion. This is especially the case when it comes to important intelligence relationships with foreign assets or allied liaison services. Those individuals may have a great deal at risk if their confidential cooperation or sensitive intelligence information they share with our government is leaked from congressional sources whose position in the legislative branch has made them privy to that knowledge.

That is why the place for the House to start publicly demonstrating to the American people a greater commitment to protecting classified information is with the Intelligence Committee, because it has sweeping access to the most sensitive kinds of classified information. The modest steps I have proposed for the next Congress of reducing the size of the Intelligence Committee and having a House security clearance system established for the members and staff of Committee, and the more immediate measure of instituting secrecy oaths for committee members and staff, will do two things. They will reduce the number of Members with ready access to sensitive intelligence information without degrading oversight capabilities. Furthermore, it will help the Committee develop a more vigilant

frame of mind about constantly protecting that information.

Our intelligence officers will be able to point to these measures to help them give more persuasive assurances to an ally whom they are trying to convince to be more candid in sharing important information or to be otherwise helpful. It will also set a good example in these matters for other committees and Members, for the Senate and the Executive Branch. In addition, I believe that taking these steps will significantly encourage the Executive Branch to be more candid in sharing classified information with the Intelligence Committee. That will help to make the Committee's intelligence oversight activities more thorough and effective.

Now, let me summarize my proposed changes to Rule 48:

1. Beginning with the new Congress, the 102nd Congress, the size of HPSCI would be reduced from the current 19 members to 13 members. Of those 13, not more than seven could be appointed from the same party. This would return HPSCI to its original size in 1977. More importantly, by decreasing its size, it is axiomatic that we would reduce the mathematical probability of leaks, whether inadvertent or not, of the sensitive classified intelligence information which is the particular "stock in trade" of HPSCI. It is obvious that the more people who have access to any particular piece of classified information, the greater the chance that one of those individuals will suffer a monentary lapse of memory or self-discipline and leak it. Further, by waiting to implement this reduction in membership until the beginning of the new congress, it can be done painlessly without forcing any sitting member of HPSCI to leave the select committee before the expiration of the maximum term of six continuous years of membership. The required reduction of six slots, from a total of 19 now to a new total of 13, can be readily accomplished because at the end of the current congress, the terms of seven existing members expire (five Democrats and two Republicans).

Under my proposal, the reduced 13 member HPSCI membership also would be apportioned in a ratio of seven majority and six minority party Members. It has long been established that the intention of the House in creating HPSCI was that this special select committee should, as much as possible, be non-partisan. That has not always proved possible, let alone easy, on all issues and in all staffing matters. Nevertheless, it is a wise and laudable goal to seek to maximize the degree of non-partisanship in congressional oversight in the very important and highly sensitive realm of American intelligence interests and activities. A 7:6 ratio between majority and minority membership on the select committee will go a long way toward promoting a non-partisan, or at the very least bipartisan, approach to this vital area, yet it will ensure the majority leadership the one-vote margin necessary to retain ultimate control over committee activities. Our former colleague, Eddie Boland, HPSCI's first Chairman, told a number of us earlier this year that his preference when HPSCI was established was to have parity in the membership ratio. However, at the time, more senior members of the Democratic leadership disagreed. I think he was right.

2. My proposed amendments to Rule XLVIII (Rule 48) would also establish a formal oath of secrecy to be taken by HPSCI members and committee staff. In the proposed oath, members and staff of the select committee would simply pledge not to disclose, directly, or indirectly, to any unauthorized person any classified information received in the course of their committee duties without the formal approval of the committee or of the House. A signed individual copy of the oath would be kept with the records of the House and also recorded in the *Journal of the House* and in the *Congressional Record.* This proposed oath will add greater weight and solemnity to the serious commitment of HPSCI members and staff to be vigilant in safeguarding classified information received in the course of their committee duties. Not only will taking this oath serve to underscore these profound responsibilities to protect sensitive classified intelligence information in our own minds, this commitment will be publicly acknowledged by its publication in the *Congressional Record.*

That will further enhance the reputation and public image of the House and serve as a clear example of high level legislative oversight commitment which will hopefully be emulated by other committees of the House and Senate.

There is also clear precedent from the earliest days of our nation for such a solemn oath of secrecy. In fact, the wording of the oath I propose is substantially the same as the oath required to be taken by members and staff of the Committee on Secret Correspondence of the Second Continental Congress. Frankly, if this oath was good enough for committee member Benjamin Franklin, I don't see why it should cause us any serious concern.

Clause 7 of Rule XLVIII (Rule 48) would also be amended to refer specifically to violations of the oath of secrecy in the provisions of the rule regarding unauthorized disclosures by any Member, officer or employee of the House which the Committee on Standards of Official Conduct is required to investigate. HPSCI would be specifically authorized to refer cases of unauthorized disclosures and violations of the oath to the Ethics Committee. This would make clear that the existing rule does not require HPSCI to wait for the Ethics Committee to figure out for itself that a potential violation may have occurred and request specific information from HPSCI. While an investigation of such an apparent violation of the oath or unauthorized disclosure rules is pending, HPSCI could determine by majority vote to suspend the privilege of the Member who is the subject of the inquiry to have access to classified information. If it is ultimately determined that a Member has violated his oath, he would be permanently expelled from membership on HPSCI. A committee staffer found in violation would be permanently terminated from any employment with HPSCI. In either case, the House could also take any additional action it deems appropriate.

3. As I noted previously, my proposal would amend Rule 48, by adding the same language as Mr. Beilenson's resolution, to give the Speaker blanket access to the meetings and information in the possession of HPSCI. Likewise, my provision also excuses the Intelligence Committee from the requirement of Rule 48 that the Committee keep a written record of the particular information to which a non-member of the Committee was given access in cases where the non-member involved is the Speaker. Existing Rule 48 calls for uniform procedures for access to HPSCI meetings and information by other committees and non-members of HPSCI. It is couched in broad terms which make no exemptions for the Speaker's access, unlike the Majority Leader and Minority Leader who have access by virtue of the rule's provision specifically making them ex officio members of HPSCI. This is an anomaly which I think we all feel should be clearly rectified. Chairman Beilenson himself has introduced H. Res. 268 to take care of this matter, and my proposal does so as well, in the same manner as Mr. Beilenson's.

4. Lastly, my proposed changes in Rule 48 would prohibit any member or staff member of HPSCI, starting at the beginning of the next Congress (January of 1991), from having access to classified information through his position with HPSCI unless and until that individual has been granted a security clearance by the House or a committee, other entity, or officer of the House authorized by it to grant security clearances. My proposal calls for the standards and procedures for such a new House security clearance program to be consistent with basic principles outlined for such a program in H. Res. 269, introduced recently by Mr. Solomon, Mr. Edwards of Oklahoma, and myself. In that regard, the House security clearance program would utilize standards and procedures comparable to those employed by the Executive Branch, but with the flexibility to accommodate any special considerations or circumstances of Legislative Branch operations. Under the guidelines incorporated by reference from H. Res. 269, HPSCI Members and staff would submit a personal history statement to the entity or officer of the House charged with responsibility for the security clearance program. A background or full field security investigation would be undertaken, the scope of which would generally depend on the level of clearance appropriate for access to the particular level and category classified information involved. Flexibility would be permitted to grant interim clearances, if necessary, while applications for regular clearances are pending. A House security clearance could also be granted to HPSCI Member or staff applicant who has been granted a clearance by the Executive Branch within a reasonable time before applying for a House security clearance.

Also, in keeping with the guidelines enumerated in H. Res. 269, if during a security investigation, significant information is developed that an individual, while a Member, officer or employee of the House, has made an unauthorized disclosure of classified information, that investigative information would be reported to the Committee on Standards of Official Conduct. Otherwise, the results of security investigations should be kept confidential unless the subject consents in writing to the disclosure of such information. Similarly, any decision to grant, deny, review, or withdraw a security clearance should be kept confidential except that such information could be disclosed to a committee or Executive Branch agency with a valid need to know whether the subject of the security clearance action has a clearance authorizing access to classified information to which that committee, department or agency is considering granting access. Such a decision could, of course, also be disclosed with the consent of the subject of the decision.

Lastly, the guidelines incorporated by reference from H. Res. 269 must also include appropriate procedures for the review and appeal of decisions to deny or withdraw clearances. In the case of Members, those

procedures must include an opportunity for an affected Member to appeal such a decision to the House.

This security clearance requirement for HPSCI Members and staff would not take effect until the beginning of the next congress, more than a year from now. That would give the Rules Committee ample time to fully consider the details of the House security clearance program called for, to hold hearings if you think that advisable, and to prepare the necessary package of modifications to the House Rules for adoption when the new House in the 102nd Congress adopts its rules at the beginning of its first session.

The security clearance program would raise the House's consciousness of the very serious responsibilities arising from the need for access to sensitive classified information by our special intelligence oversight committee. It would be a model which should help encourage a more actively cautious mindset by all Members to guard against leaks of classified information entrusted to us. A more formal and organized system for the issuance, periodic review and renewal of security clearances will especially help those of us with the special responsibilities associated with HPSCI membership. It will encourage stronger habits of caution in what we say publicly about matters before HPSCI, providing an extra inner brake on the natural inclination to be communicative, which is inherent in the public discussion and debate of the Legislative Branch. Moreover, this limited requirement of House security clearances for HPSIC Members and staff can serve as a "pilot" program which will provide us with valuable experience to enlighten any future considerations of a security clearance program for other Members and staff who have access to classified information.

Thank you for your kind attention and interest. Now is the time for this committee to take a forward-looking position by bringing this package of modest but valuable reforms before the House.

SERVICE TO CATEGORY B AND C VETERANS IN THE DEPARTMENT OF VETERANS AFFAIRS HOSPITALS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, I rise today to make my colleagues and the veterans of our Nation aware of the fact that the level of service being provided to category B and C veterans has continued to decline despite the emergency supplemental appropriation being approved and the public announcement of Secretary Derwinski that the VA is restoring medical services with passage of the emergency appropriation.

During my first three terms in Congress I served as a member of the House Veterans' Affairs Subcommittee on Hospitals and Health Care. During that time I watched an administration that came before our committee repeatedly telling us that the hospital and health care system was not in bad shape, and those of us on the House Veterans' affairs that were raising alarm were told that our fears were unfounded.

Only a year ago the Director of the Office of Management and Budget, Mr. James Miller, told the members of the House and Senate Appropriations Committee that the VA had all the money it needed in fiscal year 1989. He informed them that "the Congress would simply be wasting its money by giving it to the VA, because they—OMB—simply would not know what to do with it if the Congress gave it to them."

Although, I presently served as chairman of the Housing and Memorial Affairs Subcommittee, I continue to spend a considerable amount of time working on issues related to the hospitals and healthcare field. It was this interest that led me to inquire about the level of service being provided to category B and C veterans.

I wrote to Secretary Derwinski on July 21, 1989, and asked that he provide me with specific information regarding why service was not being provided to category B and C veterans. It took the Secretary more than 3 months to give me most of the information I requested. I was very distressed to discover that the levels of service being provided to category B and C veterans was substantially lower the month after the Congress provided an emergency supplemental, and after the Secretary announced in a nationwide press release that he had lifted his moratorium.

My colleagues, I am very angry at what I discovered. Although I had hoped that service was being restored to a number of these veterans, instead it was being dramatically decreased. According to the report I received from Secretary Derwinski, in June 1989, 21,950 category B veterans were provided services, in July 1989, the number of patients provided service decreased to 18,404. A decrease of 16 percent. Category C veterans suffered a similar reduction in services. In June 1989, 13,378 veterans were served and in July 1989, 11,179 were treated.

On May 26, 1989, Secretary Derwinski imposed a nationwide cutback in medical services for veterans with non-service-connected injuries—category B and C veterans. His June 23, 1989, press release said that he appreciated the congressional action on the current budget shortfall and stated:

> It gives us some relief for the medical care system and time to look for other ways to meet the increasing demand for VA healthcare services.

Many members believed that when they voted for the emergency supplemental funding for fiscal year 1989, the delivery of health care for our Nation's veterans would improve. This report highlights the fact that the needs of our veterans health care system are massive and we must resolve to provide the resources necessary.

The House Veterans' Affairs Committee has been working on a number of legislative initiatives that will allow more veterans to be served. We must continue to support those efforts and the efforts of the House Appropriations Subcommittee on VA-HUD and Independent Agencies.

The reductions in services across the board are significant. I urge my colleagues to review this report to see the extent of reductions at their local hospitals. We must be prepared to place this issue squarely before the Secretary and the Office of Management and Budget and demand that we look for their help, not their deception. Our Nation's veterans are our most prized human resource and our Nation owes them our respect and compassion.

I have asked that the report I received from Secretary Derwinski be included in the RECORD. I ask that be done so that you would be able to review the information and draw your own conclusions of the serious problem facing the VA's Health care system.

The information follows:

THE SECRETARY OF VETERANS AFFAIRS,
Washington, DC, October 31, 1989.

Hon. HARLEY O. STAGGERS, Jr.,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN STAGGERS: This is in further reply to your letter in which you requested that we determine whether service to category B and C veterans has been restored at all 172 Department of Veterans Affairs (VA) hospitals.

An extensive review has been made of the discretionary workload data reported by our medical centers to the VA Automated Management Information System (AMIS) for the months of June and July 1989.

The data show that during the period immediately prior to and immediately following the passage of the Dire Emergency Supplemental Appropriation Bill, all medical centers except three did provide service to both category B and C patients. The enclosed fact sheet provided by the Chief Medical Director provides additional details. Also enclosed is a copy of the summary data collected from AMIS.

I hope this information will be helpful to you.

Sincerely yours,

EDWARD J. DERWINSKI.

Enclosures.

VETERANS HEALTH SERVICES AND RESEARCH ADMINISTRATION FACT SHEET ADDRESSING CONGRESSMAN STAGGERS' LETTER ON CATEGORY B AND C VETERANS

Issue: Congressman Staggers expressed concern that medical care for B and C veterans has ended.

Discussion: A review of the discretionary workload was conducted. Specifically, the data reported by the medical centers showed that the system-wide totals were as follows:

Category B:

During the month of June, 1989, the number of patients provided service was 21,950.

During the month of July 1989, the number of patients provided service was 13,378.

Category C:

During the month of June 1989, the number of patients provided service was 13,378.

During the month of July 1989, the number of patients provided service was 11,179.

As the question appeared to be prompted by the situation at VAMC Martinsburg, data reported by that medical center were extracted from AMIS. The data showed that:

Service was provided to 43 category B and 16 category C patients during the month of June 1989.

Service was provided to 31 category B and 12 category C patients during the month of July.

The service provided at VAMC Martinsburg included the processing of applications for care and the provision of care to patients already hospitalized and to those who were experiencing bona-fide, life threatening emergencies.

It should be noted that VAMC Martinsburg and many other medical centers, even with the Supplemental Appropriation, have been stretched financially "thin." To maintain quality care for mandated workload for FY 1989 and FY 1990, funds have been used to provide staff salaries and recruitment-related special pay; to restock critically short medications; to acquire needed laboratory supplies, x-ray film, and blood; to fund contract hospitalization and non-VA physician fees; and to meet other critical needs. This situation has been complicated by the fact that clinical staffing shortages have worsened at many facilities during the period FY 1989 and it is anticipated that it will continue through FY 1990.

The treatment of Category B and Category C has continued to be limited by the current funding situation. No additional workload beyond that currently being accomplished is anticipated.

COMPARISON EOM JUNE 1989 VS EOM JULY 1989—CATEGORY B'S AND C'S TREATED

VAMC	Region	District	End of month		Difference		End of month		Difference	
			June 1989	July 1989	Number	Percent	June 1989	July 1989	Number	Percent
			B	B			C	C		
Albany	1	2	430	377	−53	−12.3	220	179	−41	−18.6
Batavia	1	2	134	121	−13	−9.7	67	89	22	32.8
Bath	1	2	111	117	6	5.4	81	86	5	6.2
Bedford	1	1	253	219	−34	−13.4	206	206	0	0.0
Boston	1	1	406	346	−60	−14.8	238	220	−18	−7.6
Boston OPC	1	1	403	5	−398	−98.8	222	2	−220	−99.1
Brockton	1	1	68	38	−30	−44.1	72	49	−23	−31.9
Bronx	1	3	578	378	−200	−34.6	217	173	−44	−20.3
Brooklyn	1	3	491	116	−375	−76.4	235	48	−187	−79.6
Buffalo	1	2	432	341	−91	−21.1	246	188	−58	−23.6
Canandaigua	1	2	83	68	−15	−18.1	62	36	−26	−41.9
Castle Point	1	3	201	185	−16	−8.0	95	87	−8	−8.4
Manchester	1	1	178	135	−43	−24.2	105	62	−43	−41.0
Montrose	1	3	90	62	−28	−31.1	64	38	−26	−40.6
New York	1	3	382	292	−90	−23.6	219	157	−62	−28.3
Newington	1	3	36	21	−15	−41.7	41	13	−28	−68.3
Northampton	1	1	109	105	−4	−3.7	39	37	−2	−5.1
Northport	1	3	676	596	−80	−11.8	322	314	−8	−2.5
Providence	1	1	287	244	−43	−15.0	104	104	0	0.0
San Juan	1	3	183	148	−35	−19.1	79	73	−6	7.6
Syracuse	1	2	206	134	−72	−35.0	144	129	−15	−10.4
Togus	1	1	114	93	−21	−18.4	81	48	−33	−40.7
West Haven	1	3	238	207	−31	−13.0	192	167	−25	−13.0
White River Junction	1	1	55	25	−30	−54.5	57	34	−23	−40.4
Region 1 total			6,144	4,373	−1,771	−28.8	3,408	2,539	−869	−25.5
Altoona	2	5	40	28	−12	−30.0	29	20	−9	−31.0
Ashville	2	8	197	116	−81	−41.1	84	86	2	2.4
Baltimore	2	6	219	7	−212	−96.8	99	3	−96	−97.0
Beckley	2	7	32	36	4	12.5	22	11	−11	−50.0
Butler	2	5	70	55	−15	−21.4	38	40	2	5.3
Clarksburg	2	5	58	54	−4	−6.9	7	10	3	42.9
Coatesville	2	4	35	18	−17	−48.6	6	9	3	50.0
Durham	2	8	226	183	−43	−19.0	104	114	10	9.6
East Orange	2	4	197	288	91	46.2	239	340	101	42.3
Erie	2	5	25	13	−12	−48.9	14	2	−12	−85.7
Fayetteville, NC	2	8	95	72	−23	−24.2	30	23	−7	−23.3
Fort Howard	2	6	2	5	3	150.0	5	8	3	60.0
Hampton	2	7	174	131	−43	−24.7	99	80	−19	−19.2
Huntington	2	7	26	36	10	38.5	13	26	13	100.0
Lebanon	2	4	62	61	−1	−1.6	46	30	−16	−34.6
Lyons	2	4	94	112	18	19.1	61	65	4	6.6
Martinsburg	2	6	43	31	−12	−27.9	16	12	−4	−25.0
Moutain Home	2	8	191	69	−122	−63.9	122	56	−66	−54.1
Perry Point	2	6	128	98	−30	−23.4	117	107	−10	−8.5
Philadelphia	2	4	731	587	−144	−19.7	334	290	−44	−13.2
Pittsburgh-HD	2	5	40	36	−4	−10.0	7	9	2	28.6
Pittsburgh-UD	2	5	220	231	11	5.0	59	55	−4	−6.8
Richmond	2	7	622	414	−208	−33.4	597	380	−217	−36.3
Salem	2	7	110	90	−20	−18.2	116	93	−23	−19.8
Salisbury	2	8	47	37	−10	−21.3	23	19	−4	−17.4
Washington, DC	2	6	387	350	−37	−9.6	339	261	−78	−23.0
Wilkes Barre	2	4	107	123	16	15.0	62	48	−14	−22.6
Wilmington	2	4	136	94	−42	−30.9	69	45	−24	−34.8
Region 2 totals			4,314	3,375	−939	−21.8	2,757	2,242	−515	−18.7
Atlanta	3	9	265	248	−22	−8.3	101	96	−5	−5.0
Augusta	3	9	169	143	−26	−15.4	107	86	−21	−19.6
Bay Pines	3	9	135	121	−14	−10.4	70	65	−5	−7.1
Biloxi	3	9	49	36	−13	−26.5	9	14	5	55.6
Birmingham	3	10	143	116	−27	−18.9	58	58	0	0.0
Charleston	3	10	112	157	45	40.2	5	12	7	140.0
Columbia, SC	3	10	209	171	−38	−18.2	30	19	−11	−36.7
Dublin	3	10	58	47	−11	−19.0	24	16	−8	−33.3
Gainesville	3	10	233	255	22	9.4	184	163	−21	−11.4
Jackson	3	10	127	85	−42	−33.1	81	85	4	4.9
Lake City	3	10	117	65	−52	−44.4	41	32	−9	−22.0
Lexington	3	11	61	42	−19	−31.1	10	13	3	30.0
Louisville	3	11	132	110	−22	−16.7	51	45	−6	−11.8
Memphis	3	11	345	285	−60	−17.4	151	174	23	15.2
Miami	3	11	269	199	−70	−26.0	86	91	5	5.8
Montgomery	3	11	29	30	1	3.4	15	7	−8	−53.3
Murfreesboro	3	12	93	87	−6	−6.5	40	38	−2	−5.0
Nashville	3	12	129	107	−22	−17.1	74	77	3	4.1
Tampa	3	12	280	286	6	2.1	148	99	−49	−33.1

COMPARISON EOM JUNE 1989 VS EOM JULY 1989—CATEGORY B'S AND C'S TREATED—Continued

VAMC	Region	District	End of month		Difference		End of month		Difference	
			June 1989	July 1989	Number	Percent	June 1989	July 1989	Number	Percent
			B	B			C	C		
Tuscaloosa	3	12	80	87	7	8.8	76	70	−6	−7.9
Tuskegee	3	12	28	18	−10	−35.7	13	12	−1	−7.7
Region 3 total			3,063	2,690	−373	−12.2	1,374	1,272	−102	−7.4
Allen Park	4	13	79	89	10	12.7	82	96	14	17.1
Ann Arbor	4	13	27	22	−5	−18.5	53	31	−22	−41.5
Battle Creek	4	13	100	83	−17	−17.0	114	102	−12	−10.5
Chicago—L.S.	4	13	90	76	−14	−15.6	81	59	−22	−27.2
Chicago—W.S.	4	13	491	450	−41	−8.4	301	258	−43	−14.3
Chillicothe	4	14	152	119	−33	−21.7	81	90	9	11.1
Cincinnati	4	4	194	180	−14	−7.2	142	89	−53	−37.3
Cleveland	4	14	261	245	−16	−6.1	200	182	−18	−9.0
Columbus OPC	4	13	169	158	−11	−6.5	78	61	−17	−21.8
Danville	4	15	54	60	6	11.1	42	36	−6	−14.3
Dayton	4	15	130	140	10	7.7	141	97	−44	−31.2
Fort Wayne	4	15	48	47	−1	−2.1	2	1	−1	−50.0
Hines	4	15	1122	1029	−93	−8.3	465	385	−80	−17.2
Indianapolis	4	15	217	209	−8	−3.7	123	86	−37	−30.1
Iron Mountain	4	16	80	88	8	10.0	48	45	−3	−6.3
Madison	4	16	181	137	−44	−24.3	158	103	−55	−34.8
Marion, IL	4	16	47	14	−33	−70.2	3	0	−3	−100.0
Marion, IN	4	16	48	34	−14	−29.2	45	37	−8	−17.8
Milwaukee	4	17	159	150	−9	−5.7	188	165	−23	−12.2
North Chicago	4	17	344	329	−15	−4.4	260	213	−47	−18.1
Saginaw	4	17	24	18	−6	−25.0	22	15	−7	−31.8
Tomah	4	17	49	28	−21	−42.9	36	25	−11	−30.6
Region 4 totals			4066	3705	−361	−8.9	2665	2176	−489	−18.3
Cheyenne	5	18	11	13	2	18.2	16	15	−1	−6.3
Columbus, MO	5	18	34	37	3	8.8	22	42	20	90.9
Denver	5	18	287	488	201	70.0	110	219	109	99.1
Des Moines	5	18	122	87	−35	−28.7	101	60	−41	−40.6
Fargo	5	21	22	11	−11	−50.0	28	18	−10	−35.7
Fort Harrison	5	21	50	47	−3	−6.0	8	11	3	37.5
Fort Lyon	5	21	5	4	−1	−20.0	4	3	−1	−25.0
Fort Meade	5	21	160	166	6	3.8	5	4	−1	−20.0
Grand Island	5	21	129	85	−44	−34.1	10	14	4	40.0
Grand Junction	5	21	155	133	−22	−14.2	25	23	−2	−8.0
Hot Springs	5	21	74	93	19	25.7	60	71	11	18.3
Iowa City	5	21	91	100	9	9.9	64	74	10	15.6
Kansas City	5	22	68	67	−1	−1.5	98	81	−17	−17.3
Knoxville	5	22	31	16	−15	−48.4	43	41	−2	−4.7
Leavenworth	5	22	77	127	50	64.9	38	64	26	68.4
Lincoln	5	22	188	144	−44	−23.4	26	13	−13	−50.0
Miles City	5	22	7	8	1	14.3	12	15	−3	25.0
Minneapolis	5	22	105	82	−23	−21.9	239	174	−65	−27.2
Omaha	5	22	321	321	0	0.0	38	33	−5	−13.2
Poplar Bluff	5	22	29	34	5	17.2	24	39	15	62.5
Salt Lake City	5	23	377	329	−48	−12.7	200	138	−62	−31.0
Sheridan	5	23	4	0	−4	−100.0	0	1	1	ERR
Sioux Falls	5	23	13	13	0	0.0	26	31	5	19.2
St. Cloud	5	23	7	1	−6	−85.7	4	1	−3	−75.0
St. Louis	5	23	87	91	4	4.6	68	72	4	5.9
Topeka	5	23	57	59	2	3.5	49	42	−7	−14.3
Wichita	5	23	27	34	7	25.9	18	22	4	22.2
Region 5 totals			2,538	2,590	52	2.0	1,336	1,321	−15	−1.1
American Lake	6	25	78	64	−14	−17.9	31	37	6	19.4
Anchorage	6	27	57	37	−20	−35.1	82	68	−14	−17.1
Boise	6	25	26	19	−7	−26.9	21	18	−3	−14.3
Fresno	6	25	75	67	−8	−10.7	85	61	−24	−28.2
Honolulu	6	26	52	40	−12	−23.1	37	22	−15	−40.5
Livermore	6	25	11	4	−7	−63.6	15	6	−9	−60.0
Loma Linda	6	25	99	59	−40	−40.4	62	62	0	0.0
Long Beach	6	25	583	374	−209	−35.8	528	380	−148	−28.0
Martinez	6	26	247	192	−55	−22.3	220	142	−78	−35.5
Palo Alto	6	26	313	266	−47	−15.0	449	438	−11	−2.4
Portland	6	26	100	88	−12	−12.0	107	95	−12	−11.2
Reno	6	26	28	31	3	10.7	10	13	3	30.0
Roseburg	6	26	9	14	2	22.2	10	5	−5	−50.0
San Diego	6	27	34	37	3	8.8	29	23	−6	−20.7
San Francisco	6	27	534	484	−50	−9.4	354	328	−26	−7.3
Seattle	6	27	183	74	−109	−59.6	107	82	−25	−23.4
Sepulveda	6	27	155	145	−10	−6.5	103	89	−14	−13.6
Spokane	6	27	70	70	0	0.0	33	21	−12	−36.4
Walla Walla	6	27	18	5	−13	−72.2	15	10	−5	−33.3
West L.A.	6	27	299	264	−35	−11.7	252	249	−3	−1.2
White City	6	27	19	5	−14	−73.7	7	5	−2	−28.6
Region 6 total			2,990	2,336	−654	−21.9	2,557	2,154	−403	−15.8
Albuquerque	7	19	214	157	−57	−26.6	104	116	12	11.5
Alexandria	7	19	233	182	−51	−21.9	128	102	−26	−20.3
Amarillo	7	19	8	115	107	1337.5	4	106	102	2550.0
Big Spring	7	19	43	0	−43	−100.0	30	1	−29	−96.7
Bonham	7	19	33	20	−13	−39.4	10	5	−5	−50.0
Dallas	7	19	459	462	3	0.7	323	310	−13	−4.0
Fayettville, AR	7	19	17	22	5	29.4	2	7	5	250.0
Houston	7	19	557	466	−91	−16.3	359	242	−117	−32.6
Kerrville	7	20	20	10	−10	−50.0	30	18	−12	−40.0
Little Rock	7	20	269	261	−8	−3.0	173	114	−59	−34.1
Marlin	7	20	0	0	0	ERR	0	0	0	ERR
Muskogee	7	20	95	49	32	33.7	51	32	−19	−37.3
New Orleans	7	20	153	86	−67	−43.8	137	96	−41	−29.9
Oklahoma City	7	20	66	45	−21	−31.8	56	35	−21	−37.5
Phoenix	7	20	327	269	−58	−17.7	122	119	−3	−2.5
Prescott	7	24	14	10	−4	−28.6	10	22	12	120.0
San Antonio	7	24	177	193	16	9.0	213	138	−75	−35.2
Shreveport	7	24	81	68	−13	−16.0	29	26	−3	−10.3

COMPARISON EOM JUNE 1989 VS EOM JULY 1989—CATEGORY B'S AND C'S TREATED—Continued

VAMC	Region	District	End of month		Difference		End of month		Difference	
			June 1989	July 1989	Number	Percent	June 1989	July 1989	Number	Percent
			B	B			C	C		
Temple	7	24	42	41	−1	−2.4	51	47	−4	−7.8
Tuscon	7	24	148	103	−45	−30.4	111	121	10	9.0
Waco	7	24	57	55	−2	−3.5	26	15	−11	−42.3
Region 7 total			3,013	2,614	−321	−10.7	1,969	1,672	−297	−15.1
System total			21,950	18,402	−3,470	−15.8	13,378	11,179	−2199	−16.4

Data provided by 136.

□ 1810

REQUIREMENT FOR CHILDREN TO PURCHASE SEATS ON AIRLINES UNNECESSARY

The SPEAKER pro tempore (Mr. HAYES of Illinois). Under a previous order of the House the gentleman from Ohio [Mr. MCEWEN] is recognized for 5 minutes.

Mr. MCEWEN. Mr. Speaker, I have just a word in the "If it ain't broke, don't fix it" department.

It seems that the National Transportation Safety Board last week held a hearing, and the FAA is considering a regulation that says if you have a young child and you are flying on an airplane, you must purchase a ticket for them. You must purchase a seat. You must then put them in a child restraint system, or else they cannot fly.

Now, the reason that this idea came to the fore was that recently we had a marvelous miracle—the capacity of a particular pilot in Iowa to bring down an airplane with virtually no controls.

In the course of it, half of the people survived. One of the people that did not survive was a young child that was not strapped in her seat. Two other small children that were being held by their parents did survive.

Seeing that dilemma, Washington jumps to the fore and says, "Let us write a law. Let us say that if the circumstances ever happen again that a plane crashes and people survive, that we will make sure that all the children were strapped in."

Now, what is the chance of that happening? Ladies and gentleman, everyday, right now at this point, thousands of small children are joining with their parents to sit on their laps to fly home or visit grandparents.

Next week is Thanksgiving. Thousands of young families that due to deregulation and the new price fares, we have doubled the number of people flying in this country in the last 10 years. It used to be only the wealthy could fly. The planes were two-thirds empty. Only successful business people or those who were very wealthy could afford to fly. Families had to hop in the stationwagon and travel to go to visit grandma. But because of deregulation now there have been significant changes in fares and young families are able to fly that could not afford to previously.

If this regulation goes into effect, it will say that those young families with the small infant that wishes to hold the infant, the infant does not want to be strapped in another chair and wants to be held by its mother, that that infant could fly with the mother, as opposed to purchasing an additional ticket.

I repeat, the chances of any lives being saved in all of this are virtually none. The chances are Washington will jump to the fore and say let us write a law that is going to cost young families thousands of dollars because the possibility exists that maybe at some time a plane will crash and there might be survivors. The chances of that, as we said, are not very good.

So let us deal with reality, and reality is that every hour thousands of families are able to fly because they do not have to buy those additional tickets.

I will admit, I have a certain amount of experience in this area. We had four children in 48 months. We fly back and fourth to Ohio on a regular basis. The time came that the children were not able to sit on laps anymore, so now we drive.

During that time when our young infant could be held, I appreciated the capacity of being able to take the family and not have to buy those additional tickets. As long as the airlines do not object, as long as the passengers do not object, Washington should not object.

I know the regulators mean well, but it is a solution in search of a problem. The Federal Aviation Administration should not write a regulation in this manner that is not needed.

THE LAND OF MISSED OPPORTUNITY

The SPEAKER pro tempore. Under a previous order of the House the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 5 minutes.

(Mrs. BENTLEY asked and was given permission to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, it comes as no surprise that the Japanese are beginning a technology exchange program with the United States semiconductor industry—the Japanese give us technology on high definition television [HDTV], then they will be kind enough to purchase United States manufactured HDTV components.

Before I continue this presentation, let me explain a bit about HDTV.

Contrary to what some of our officials at the Defense Commerce Department believe, HDTV is not a simple flat panel display. HDTV involves digital switching systems integated with semiconductors, chips, fiber cables, integrated. All integrated all kinds of high technology. It is a very complex system, not a simple flat panel display.

The Japanese offer certainly is gallant. Imagine, they give us technology and then buy our semiconductor components—an offer we cannot refuse.

But wait, after further scrutiny, I notice a catch. A Journal of Commerce article detailed the Electronic Industry Association of Japan's offer to "share information about HDTV with the U.S. and to allow Americans to produce components for Japanese developed HDTV."

In these last words, "Japanese-developed HDTV," lies the catch. Our semiconductor industry does not recognize this offer for what it is, a pure, unadulterated hoax. I now understand why they are losing ground to the Japanese—they do not think long term.

Japanese strategy is obvious—by luring American semiconductor manufacturers into supplying components for Japanese-developed HDTV sets, they are legitimizing and perpetuating the Japanese HDTV standard. This standard can be likened to the IBM standard for personal computers and the Micro-Soft Disk Operating System [MS-DOS] for software.

He who owns the standard owns the industry; and no matter how many chips the Japanese promise to purchase, the HDTV sets will be made in Japan rather than in the land of missed-opportunity.

PENALTY-FREE WITHDRAWALS OF INDEPENDENT RETIREMENT ACCOUNTS IN THE EVENT OF A FEDERALLY DECLARED DISASTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I rise today to introduce legislation that will bring further relief for those who have suffered from the recent natural disasters that have struck California and South Carolina.

As we all know, these disasters have caused extensive damage to homes in these two areas. In my area alone, hundreds of residences have either been partially or totally destroyed by the Loma Prieta earthquake. The victims of this devastating earthquake are now literally picking up the pieces of what their lives once were and are facing enormous financial liabilities.

My legislation would allow individuals to make penalty-free withdrawals from individual retirement accounts for the repair of damages to a principal residence caused by a federally declared disaster. By waiving the 10-percent penalty for early withdrawal of individual retirement accounts, victims of these catastrophic disasters will be able to use their own funds without incurring additional liability. I believe that this type of exception to the law is entirely appropriate. The waiver would only apply to those who wish to repair a primary residence and would not cover personal damages. This bill is designed solely to help rebuild homes with one's own resources. This is not only better for the Federal Government because it frees up these resources for those who do not have these funds, but it also allows the victims of these disasters help themselves. I believe that both of these aspects of the bill are important.

I strongly encourage my colleagues to join me in supporting additional relief to these victims by letting them help themselves.

The text of the bill follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXEMPTION FROM EARLY DISTRIBUTION PENALTY FOR WITHDRAWALS FROM INDIVIDUAL RETIREMENT PLANS FOR REPAIR OF RESIDENCES DAMAGED BY FEDERALLY DECLARED DISASTERS.

(a) IN GENERAL.—Paragraph (2) of section 72(t) of the Internal Revenue Code of 1986 (relating to exceptions to 10-percent additional tax on early distributions) is amended by adding at the end the following subparagraph:

"(E) DISASTER REPAIR EXPENSES.—Any distribution out of an individual retirement plan to pay expenses incurred by the distributee for the repair, rehabilitation, reconstruction, or replacement of a principal residence damaged or destroyed by reason of a federally declared disaster occurring after September 1, 1989. For purposes of this subparagraph, the term 'federally declared disaster' means any disaster referred to in section 165(i)(1)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts distributed out of individual retirement plans after the date of the enactment of this Act, in taxable years ending after such date.

AN INVESTMENT IN THE NATION'S FUTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, many years ago, U.S. banks were, in many places across the country, the initial force in encouraging the Nation's school children to save money. Banks would set up small, temporary offices in grammer and junior high schools where the children, each week, could bring their dimes, nickels and pennies to be deposited in their own savings account. They would have their own bank book. Some children saved part of their allowance; others their lunch money. In the early grades, teachers would do the paperwork; later, they would supervise the children who did the work.

Mr. Speaker, these programs were a wonderful and simple way for the children, especially those living in the inner city, to be able to learn a phenomena they had never heard of or seen. One must remember that there was no television in those days. If it didn't happen in a child's neighborhood or in school, the pupil would be unlikely to experience such an event.

Unfortunately, for one reason or another—most likely the costs involved—such programs went the way of the 5-cent trolley car ride, the 10-cent bottle of soda pop and the 15-cent movie.

Recently, I read two newspaper stories that reminded me of those earlier days.

First, Treasury Secretary Nicholas F. Brady, speaking to some 600 bankers in Towson, MD, a Baltimore suburb, asked them for their help in getting Americans to save more of their money. He said the annual savings rate has been declining every year since the 1970's thus raising questions about the Nation's ability to invest and grow.

Because Asians and Europeans save more of their earnings, Brady said, interest rates in those countries are lower and foreign businesses find it cheaper to borrow for their expansions. He said American businesses cannot pay more than their competition for capital, which is a basic input, and come out ahead in the global marketplace.

Mr. Speaker, the second story was about a program sponsored by Riggs National Bank of Washington to teach 10- and 11-year-old students at an inner city school about banking. The Washington Times reported that through a partnership Riggs has formed with the Walker-Jones Elementary School, a special "bank" has been set up on the school grounds that will enable fifth and sixth grade school students to open a regular savings account for 10 cents. Students can earn 5 percent interest on any money deposited until May 31.

Students, under the guidance of Riggs volunteers, also will learn the fundamentals of running a bank by serving in such positions as teller, accountant, president and chairman of the board. Riggs will also train parents, many of whom do not have bank accounts or basic consumer skills. In addition, they will take Walker-Jones students on field trips.

Mr. Speaker, there is an expression we often hear: What goes around, comes around. The Riggs program is not new. Such bank sponsorships were being held 50 years ago, if not longer. They were successful then and could be successful again. The Nation's economy will become strong and able to grow when citizens learn the discipline of saving as young students and continue the regimen as grown-ups.

The Riggs program, as one official said, is an investment in the future.

ABORTION AND ITS IMPACT ON THE CURRENT AMERICAN POLITICAL PROCESS

The SPEAKER pro tempore. Under the previous order of the House the gentleman from California [Mr. DORNAN] is recognized for 5 minutes.

Mr. DORNAN of California. Mr. Speaker, the tradition as we all know in this House for a special order, particularly if it goes beyond 5 minutes, is to take the well of the House and use one of the lecturns down there. I have so much material that I want to refer to, I would like to opt for the privilege to take that special order here from the leadership desk.

Mr. Speaker, I hesitate using an oxymoron here, but it is the only way I can express the feelings by some people in this House in trying to analyze the issue of abortion and its impact on the current American political process. But the oxymoron is, a mild panic seems to have set in. It involves my side of the aisle, maybe a few Members on the other side, who prior to this fall or summer had been proud to describe themselves as pro-life candidates, anti-abortion candidates. Now they seem to have hit a panic button, and there is nothing quite so shaky as a politician who feels the ground beginning to move under his feet.

When John F. Kennedy, our youngest elected President, wrote his book before he came to the Presidency called Profiles in Courage, which helped him get there and for which he won a Pulitzer Prize, the title was simply to describe elected officials, not just in the United States, that would take a stand that was unpopular with the constituency that elected them.

□ 1820

Mr. Speaker, the example that sticks in my mind is the distinguished gentleman from the other body, Senator Robert Taft of Ohio, who took the highly unpopular position after the Second World War that he thought war crimes trials of Nazi killers was wrong on its face because the law setting up the trials were passed after the crimes were committed. He did not think they should go free, but he

thought they ought to be tried, some of them, for just plain murder in civil German courts and put away as common criminals, which would have had a certain poetic justice to it, but the overwhelming opinion in this country and mine as a young 12-year-old was that justice screamed out for war crimes trials in both Nuremberg and in Japan. And they proceeded, but Robert Taft won the respect of a younger Senator who felt that he had earned a profile in courage.

Mr. Speaker, I do not know who is thinking in terms of political courage these days on this abortion issue except for those Members who have been elected to represent a district where this already cut against them badly, or it polled against them badly, and I would like to ask my colleagues to relax on this issue, to be reflective, to stop blaming candidates that just lost, and this would be candidates in my party who were blind-sighted by this issue in the summar and the fall after they had already declared and won a primary and were not comfortable with the issue totally on the stump, out speaking, because it had never been a priority issue on their political agenda. They voted pro-life. They felt comfortable with the Republican Party's platform position that passed on what happened to be a holy day in my faith, August 15, 1988, and they charged into the Governor races in New Jersey and in Virgina expecting to talk about transportation and the environment.

Lord knows that New Jersey, with corruption on the beaches, and plus some political scandals, and always living in the shadow of New York and picking up a lot of its crime, being the most peculiar State in the Union because it is affected by two major media markets with owned and operated stations by the networks hitting the northern part of the State out of New York and the southern part of the State out of the big city of Philadelphia, that it is difficult to run in that State, but here was my friend and colleague, the gentleman from New Jersey [Mr. COURTER] just put on the defensive early, and then often, on this issue of life, human life, and he found himself sinking deeper and deeper into a quagmire on an issue that I repeat was never one of his priorities.

I look forward to the gentleman from New Jersey [Mr. COURTER] coming back to the Congress. He is a valuable Member, particularly on the defense issues.

A little selfish interest: I'm sitting in his seat on one of the most important subcommittees in this House, Research and Development, and he had it on hold hoping that he would win the Governor's race in the great Garden State, but now he comes back, and at least a year from now I get bumped off a committee that has the highest top secret clearance in the House, all of the research and development. But that is all right. That is the breaks. I am glad to have him back. He is a great Congressman.

Mr. Speaker, he is going to be able to help us with great advice on how someone can stay true to their principles and not get swept up in this issue.

Now a lot of Members in this body, none of them known for their loyal, particular loyalty or espousal of strict moral principles as espoused by the Catholic Church, who are self-proclaimed Catholics, have come up to me good-naturedly, I must say of most of them, and asked me if I wanted to be Pope or something because I took exception to a lot of Catholics in this Chamber, who proudly proclaim themselves Catholic, suddenly starting to switch a lot of votes on this pro-life issue and claimed that they could do it without paying any price as far as analyzing whether or not they were following correct moral teaching of their own faith.

Mr. Speaker, I made two speeches to that effect last week, and then the bishops met the last 3 days. They have just adjourned in Baltimore. They picked that city to celebrate the 200th anniversary of the founding of the first Roman Catholic parish in the United States, the State of Maryland, and the 200th anniversary of the shepherding of the great early and first Catholic bishop in this country, Charles Carroll of Carrollton, Bishop Carroll, and I suddenly pick up the paper and read that the bishops are saying in far more eloquent terms everything that I said in these two speeches last week telling some people who do not understand their church, I guess, or assume that somehow or another that one layman, me, from the State of California, drove the bishops to come to these what might be stern words to others; to me very obvious words, of repeating for the umpteenth time in the last 17 years, since Roe versus Wade, the very clear teaching of the Catholic Church on the taking of innocent human life in the womb.

I would like to read, Mr. Speaker, a few of the remarks from the bishops. First I would like to quote Bishop, and I am probably going to butcher his name, so I will spell it. I am not familiar with him enough that I recall ever hearing it pronounced phonetically. I will say Pilarczyk, P-i-l-a-r-c-z-y-k. Having spent a couple of weeks in Poland last year, I know that none of the letters sound the way they do to us, but he is described as a moderate bishop. He has great experience in international issues for the church, which is why I believe he has been elected president of the bishops conference, plus the fact that he was a vice president over the last 3 years, and vice presidents have moved up regularly for as long as I can remember, so there was nothing unusual about selecting a so-called moderate.

But this bishop says, "Catholic teaching is very clear on abortion. It's very difficult for one, a layman, to reject a very clear teaching of the church and still say that one is in good standing as a Catholic."

He goes on to say that, "No Catholic can responsibly take a proabortion stand or a prochoice stand when that choice involves the taking of innocent human life. We urge public officials," and I am reading from the statement that came out of all of them, "We urge public officials, especially Catholics," and every church hierarchy has a right to speak to its flock that way, "to advance these goals in recognition of their moral responsibility to protect the weak and the defenseless among us," and nobody, of course, is more weak or defenseless than a brand-new infant, a 1-year-old child, a 2-year-old child or a child in the womb.

Cardinal Joseph Bernardin, who has been described as a liberal on many issues, and I think he is just another fine cardinal from, in this case, Chicago, the outgoing chairman of the Bishops Pro-life Committee, he is being replaced by someone the New York media likes to call a hard-line conservative bishop, John Joseph Cardinal O'Connor of New York, but Cardinal Bernardin, the outgoing chairman of the Bishops Pro-life Committee said, "The resolution addressed principles, but did not yet take up questions of strategy that is to come." Cardinal Bernardin says that he has grave difficulty, not just difficulty, but grave difficulty, with politicians who say they are personally against abortion, but support proabortion legislation because they do not want to impose their personal views on the public.

Mr. Speaker, is there a Member of this Chamber who does not have strong views on child abuse, or wife abuse, or the whole range of crimes that we have taken from Mosaic law?

And there is Moses' great marble medallion up there, the only 1 out of 23 law givers so honored on the top walls of this great Chamber. He is the only one that is looking full face. He is in the center with 11 on each side chronologically arranged. He is out of chronological order because we recognize that the Mosaic law, Ten, not suggestions, but Ten Commandments are the foundation of our laws.

□ 1830

So Cardinal Bernardin goes on to say that he has great difficulty with people saying, "I am not going to impose my views."

We impose our views, I should hope, on child abuse, all kinds of murder and rape and mayhem, and if someone believes that is an innocent human life

with a human soul, I might add, from all the Christians that I know in this House, then we have to intervene if the killing process is taking place. Let me finish Cardinal Bernardin's final statement here in the excerpt, and then I will yield to the gentleman.

On almost every other issue that has a moral dimension, we ask public officials to act conscientiously.

Mr. DURBIN. Mr. Speaker, will the gentleman yield?

Mr. DORNAN of California. I yield to my friend, the gentleman from the great State of Illinois, Cardinal Bernardin's State.

Mr. DURBIN. Mr. Speaker, I thank my colleague from California for yielding.

I might say that though my colleague and I may disagree on some issues, we agree on others, and that I have a high regard for the ability of my colleague and his skillful oration, his extraordinary powers of debate. I have listened to him since we have engaged this subject over the last several weeks come to the floor of this House of Representatives to raise the question which he raises this evening.

I suppose, as a Catholic who was raised with 19 years of Catholic education and a Member of this House of Representatives, who has struggled despite my church's clear teaching on the subject for a long time, I am troubled by one aspect of this special order and would like my colleague to please address it.

Mr. DORNAN of California. Surely.

Mr. DURBIN. Would my colleague consider this. I give him two hypothetical questions. Would my colleague consider it appropriate if another Member of this House of Representatives of a different religion should take the floor of this House of a different religion, should take the floor and somehow criticize, I think that word is fair, one of his colleagues for taking a position inconsistent with his religion's doctrinal teaching and to suggest further that those who are in authority in that religion somehow get involved into the political process? That is the first question.

The second question is, if the gentleman from California believes that is appropriate, and I think his special order suggests that it is, is the gentleman then prepared to go further and say that since the Catholic Church, as one example, has made itself very clear on a number of other issues, such as the nuclear freeze, economic justice and the death penalty, that the gentleman would take to the well in those circumstances and perhaps even point a finger at himself if he did not agree with doctrinal positions of the church and suggest that the authority of the church take some retribution against him or others of like kind?

I am really trying to clarify what the gentleman sees as the purpose of this special order.

This is a secular Chamber. The fact that Moses is on the wall, he is there as a law-giver, not as a religious figure per se, although he played a major role in religion in the world, there is no question about it, and I wonder if the gentleman could suggest to me and to those who are listening to this special order what he is leading to, what then is he calling on for the religions of America to do to the Members of this Chamber when Members who proclaim themselves to be part of a religion disagree in public policy with a doctrinal belief of the religion that they accept as personal religion?

Mr. DORNAN of California. First of all, before I answer the gentleman's two very fair and excellently worded questions, let me tell the gentleman how far it went up there with the bishops in Baltimore. They discussed denying communion to Catholics in churches and parishes around this country. They have not rejected that as a plan, to point out to people the gravity of this issue.

Now, you can imagine a Catholic politician going up to the communion rail in a Catholic church and being denied communion. One Senator was even mentioned by name. That would be a grave step, a very grave step. That smacks of the period of time when the church would publicly excommunicate people whose conduct in public was, according to some bishops, bringing scandal on the church. That is how far it has gone. I agree that this is a grave issue.

The gentleman's first question was about other religions. If, for example, the Mormons, the Church of the Latter-day Saints of Jesus Christ in this Chamber, were to find that some Member doctrinally was passing himself off as a loyal Mormon, but voting against something so substantial to their belief that it was causing grave scandal, I would sit interested, feeling it was not necessarily my fight at all, if one Mormom felt he had to go to the well to say this is outrageous.

Mr. DURBIN. Mr. Speaker, will the gentleman yield further at this juncture?

Mr. DORNAN of California. Surely, I yield to the gentleman from Illinois.

Mr. DURBIN. How does the gentleman view that in terms of the role of this legislative body then? Does the gentleman feel personally that Members who believe that they are in communion with the church, that they are in consistent belief with their own religion, that they then have an obligation when they see a person of the same religion take a different position on an issue which may be in controversy with their church, that that person then has an obligation not only to call his colleague on the carpet, but to take the floor of this House and make a public record of the fact that there is a religious doctrinal difference between a vote that was cast and the church which a person supposedly belongs to? Is that how far the gentleman would go?

Mr. DORNAN of California. Well, that brings me to the second question, and it involves the uniqueness of the issue of abortion, as opposed to Central America or capital punishment—I forget the third—world hunger.

Mr. DURBIN. Economic justice, the nuclear freeze.

Mr. DORNAN of California. Nuclear war. On all those issues upon which the bishops spoke, it was clearly suggested that those were optional beliefs. They encouraged the membership of the Catholic family to follow their guidance. Every Catholic was obligated to give serious weight to those. I think colonel—we were talking about war issues, and I promoted Cardinal Bernardin to colonel. Cardinal Bernardin said that you must as a loyal Catholic give serious weight to these pronouncements from the church, but that they were optional teaching, and I did, particularly on Central America. I went down in the interests of bishop collegiality and talked to Obando y Bravo, 4 of the 10 or 11 bishops in El Salvador, and then did the same in Nicaragua where Obando y Bravo was from. This was before he was a Cardinal. I was in Rome when he was elevated to be a Cardinal.

And I said, "What do you people feel down here?" And I got an exact opposite view. They said, "The Bishops didn't even ask our opinion."

On capital punishment, for example, I would like to change my view on capital punishment, and it is not for political cowardice that I do not, because that happens to poll 2 to 1 in my favor, and if I went against it I would end up on the same side of that issue where I am on abortion, which polls 2 to 1 against me in my district.

I believe that the taking of innocent life is absolutely a paramount issue, and that the taking of guilty life is also dangerous, because the state sets a precedent. I believe if we ever got the murder rate down, prorated to our population to where it is in the Republic of Ireland or New Zealand or Norway, I would go back to my 10-year position in the sixties of being against capital punishment; but with the murder rate where we have it now, the drug problem tearing our country apart, I believe we are on the edge of marshal law in some areas where even young guardsmen, 20 years of age are allowed to be judge, juror, and executioner in order to reestablish law and order. So I agree with the bishops on that.

I read that pastoral letter carefully, but on this one issue at this meeting

this weekend, the bishops said, "This issue is above and beyond any other issue."

They said that it is increasingly obvious and sad that fewer voices are being raised publicly and courageously on behalf of the unborn. That is one of my archbishops from Los Angeles, Roger Mahoney. He has been particularly brave against pornography in the media.

We may be the only nationwide institution—this is the way he feels about the church—so fully committed to defending and protecting the rights of the unborn, and so be it. I thought the church was the only institution when Roe versus Wade came down, and now my Protestant brothers and sisters are way out in front on this issue in the trenches trying to do something about it.

One other quote and then I will yield. Two bishops were a little bit uneasy. This is a tough subject. Bishop Sullivan of Boston objected to the bishops calling their opponents pro-abortion or when they used the term pro-choice, saying so-called pro-choice. He said that if these groups prefer the name pro-choice—and I will read Mark Shields' column in a moment after our dialog, which says that the whole media is so biased on this issue they will not even use the term pro-life anymore, unless they slip.

He said, "Why don't we be gracious, and if they prefer the name pro-choice, call them pro-choice, or at least—" he stood up and made a formal suggestion to be voted on, to adopt the phrase "pro-choice/pro-abortion." He was voted down.

Then Bishop Rosazza got up and disagreed with the bishops' statements that abortion was the bishops' first priority over every other issue including nuclear war. He asked the group to consider saying for us at this time abortion is an overriding concern, and then went on to say, but do not go that far. He did not even get a second out of 350-some bishops. They now realize that nuclear war is not impending on the horizon, as one of my colleagues said today in the defense debate, that peace is breaking out all over, 300 or 400 people coming across from East Germany a day, and to this very day the Berlin Wall is called obsolete, and we may get a million refugees. Meanwhile we will kill 1.4 or 1.5, a million and a half, American babies in their mothers' wombs, so that is why the bishops say, if I can answer the gentleman's second question, just a little further, that they are saying that even, on this issue, even if the church, the Catholic Church, stands alone on this, it is now of overriding importance because of how damaging it is to the American psyche, if I can wax poetic, to the soul of the Nation, the very essence of who we are as Americans, what we are all about.

□ 1840

The truth is the church is not alone anymore, because most of the material I get in my office, and I have a lot of it here, is from Protestant groups. Most of the effort and energy out there in the field with some priests and nuns supporting them are Protestant efforts. I read 3 weeks ago before the election fever that every mainstream church in America except one was reconsidering its across-the-board acceptance of abortion on demand for most of a pregnancy. That was buried in page 10 of the religious section, and then comes these elections.

So to come back to the second question of the gentleman, I would be shocked if somebody, and, well, some Members got up and criticized the Catholic bishops who are not even Catholics for their stand on Central America, and a lot did when they were criticizing Reagan, but they were doing it in a secular sense.

Let me go to the Jewish Members in the House. If one of the Jewish Members, and it is almost unthinkable that this would happen, but got up and started to espouse this hare-brained theory of anti-Semites in this country that the Holocaust never happened, he would be considered a traitor, a Jew-hating Jewish person, and they would not tolerate it. The other Jewish Members would get up, because that is a paramount, overriding issue for Jewish people worldwide that it was legal in a civilized country, and it hurts them to think that it was a country two-thirds Lutheran and one-third Catholic, a civilized country, to legally try to exterminate an entire ethnic category of people, and did succeed in killing more than one-third of the entire Jewish population of the world. So I understand how they feel, and I would certainly say, "Right on" if they all took the well to condemn the impossible thought of some Member straying off the reservation right in the gaze of not only Moses, and I do disagree with the gentleman, in that he did talk about religion, not just law, or the great rabbi from the 12th century, Maimonides, who rewrote the entire Jewish code of laws, another great respected lawgiver and religious figure. So I guess what I am saying, and I will yield to the gentleman, is that abortion is as important to me as a Christian as the Holocaust was to my Jewish brothers and sisters in this House.

Mr. DURBIN. Mr. Speaker, will the gentleman yield?

Mr. DORNAN of California. I am happy to yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Speaker, I do not quarrel with the gentleman's deep-felt feelings. In fact, I share them.

Mr. DORNAN of California. I know the gentleman does.

Mr. DURBIN. I believe this is a very difficult issue and one that really strikes at some very core issues about values in America, and that is why it is so hotly contested and debated in our country and why there is such diversity of opinion.

I might say at the outset that I have nothing but the highest regard, admiration, and respect, maybe envy, for those in public life who see this issue so clearly, all black, all white, those who would allow abortion under any circumstance without Government intervention, those who would allow virtually no abortion save the life of the mother; for those people I have nothing but envy, because they have been blessed with a conscience which can bring them to a position on abortion which is crystal-clear, but I think most of America, and most of the men and women who work in this Chamber, struggle with this issue.

Mr. DORNAN of California. Can the gentleman stay with me for a while to discuss rape and incest? Because this could be a very productive special order, because let me answer one of the gentleman's other questions: the real focus of my special order tonight was not to focus on the Catholic brothers and sisters in this House, because that is kind of an in-family fight, and I repeat, we are not as far out front as most of my Protestant brothers and sisters.

Mr. DURBIN. Exactly, and that is the point.

Mr. DORNAN of California. I want to talk about rape and incest.

Mr. DURBIN. I will be happy to, but if the gentleman will allow me to complete my remarks.

Mr. DORNAN of California. Sure; go ahead.

Mr. DURBIN. The gentleman, I think, made a very telling point that it is the concern of Catholic Members within their own membership about their position with the church, and I will readily concede to the gentleman that there is a great deal of discussion taking place among those Members about the role of the church and the responsibility of a Catholic in elective office, but I am asking the gentleman a broader question. I have not tried to dwell on the merits of any position, any theological position of any church in my discussions with the gentleman this evening. I am trying to raise the larger question as to whether the floor of the House of Representatives of the United States of America, a diverse country, with many religions represented, with many different beliefs, should be a forum where we discuss in detail the findings of the hierarchy of any church to suggest that any of our colleagues have voted correctly or incorrectly.

I wonder if we have not taken a step beyond where we should be. Should we not be discussing the merits of the issue in secular terms, nonclerical, nontheological, so that they can be presented in terms of public policy?

I might just raise one other issue while we are on the subject. Our church, the Catholic Church, has very strong feelings about the use of condoms. The church has made those feelings, I think, very clear. Whether the church is prepared to take them to the extent that they have taken this discussion on abortion, we will have to wait and see. I might suggest to the gentleman, with an AIDS epidemic facing America, that those of us charged with the responsibility of developing public policy have had to, in fact, with our votes disagree with the church position on condoms and to espouse, promote, and fund and finance public policies inconsistent with that church teaching.

Again, let me say to the gentleman that if we are going to use as a yardstick on our votes, first, whether or not they are consistent with each religion's theological beliefs or, rather, whether they are consistent with the best public policy of America, then I think I would have to say to the gentleman within our own consciences we have to espouse those public policies best for this country even if they should disagree with the teaching of Judaism, the Mormon Church, the Baptist religion, whatever it might be.

Mr. DORNAN of California. If I can continue what I appreciate is a good, sincere dialog, I am glad that the gentleman drew me out on this issue, because he is going to find out something about me that he probably did not know. That is an issue where I absolutely believe decent and fair-minded and deep-thinking people can disagree. I will probably go with my church's position even though 20 years ago, as a 35-year-old host of a television show, I said, "I may disagree with my church's policy, but I would not care if the Goodyear Blimp bombed Los Angeles with condoms until we were up to our ankles in rubbers," was the word I used, and it was not used on television that way 21 years ago, "if it will stop the abortion mills in this city." That was before Roe versus Wade, because it was already legal in California.

I listened to this debate very carefully with, as a matter of fact, Archbishop Mahony of Los Angeles on "Nightline" the other night, the one show that I try to watch, pardon the term, religiously every night at 11:30, whether I am here or in California, and I can see where one of my heroes, when I circulated the letter and got 60 signatures to get him his job as Surgeon General, Koop in dealing with the raw death toll figures of AIDS was so overwhelmed by them as the doctor assigned the job to protect life in America that he said that abstinence is the best policy in a real world charged with all the sexual advertising and promiscuity and license that we encourage our younger Americans to take; we have got to have this as a backup.

I went into that discussion the other night more on the Koop side as an act of desperate health policy, and Archbishop Mahoney, who I believe will be a cardinal soon because of his courage on prolife and pornography issues, turned me around, not to the extent where I would ever look askance at anyone's vote on this, and I think the gentleman misspeaks, given the thrust of history, that the church, although it was tempted to 20 or 30 years ago, I think, in Connecticut, would ever, ever consider in our lifetimes making public policy the church's very humanae vitae stand, to quote the great Pope Paul's encyclical on life, would ever try to make public policy out of its stand on artificial birth control. That is an issue that I do not know a single Member in this Chamber of any religious or nonreligious persuasion or anybody in any legislature that has any desire to consider what was considered 25, 30, or 100 years ago.

□ 1850

Mr. DURBIN. I think that is the point. The gentleman has conceded my point then.

If we are prepared as elected public officials to disagree with our own religion when in conscience we feel public policy demands it, within the face of an AIDS epidemic to say to a church position in opposition to condoms I have to concede the obvious, taking the church position will not resolve the epidemic facing America, if we are prepared then to make those differences and disagree theologically, what I would like to suggest to the gentleman is we then have to debate these questions in a different forum rather than the forum of theology and the sacred church doctrine. We have to bring them down to the reality of each of our consciences and the public policy decisions we are faced with. To put them in the hands of any church officials, to ask for their blessings or seal of approval, or an involvement politically I think is to demean the secular nature of this Chamber, and perhaps to question our roles as public officials representing a diverse population.

Mr. DORNAN of California. Then let me come back to the specific focus on rape, with one prolog to reinforce my point, that I think we can never divorce ourselves from our Judeo-Christian heritage and the law structure that our laws are built upon. On this wall up here, and since the cameras are not allowed to show anything except an empty House, which is absurd since there are probably a million people watching us, up on this wall, by sheer coincidence chronologically are four saints in a row, Saint Edward the Confessor of England, Saint Alfonso X of Spain, a Pope, Gregory IX, another Pope, Innocent, and the third is around on the other side. There is the great Saint Louis, the original Saint Louis of France, and there is Justinian, a Roman who was earlier in history.

But on that wall up here we see "In God we trust." I mentioned two great Jewish lawgivers, and many of these people, including more recent editions of Thomas Jefferson and the great George Mason of Virginia, too old to have ever been considered for the Presidency when our country was born, all of these men wrote of deep religious beliefs.

When I was a young aviation cadet, I found this old binder, 40 years old, and I took the words of Jefferson with a ballpoint pen in a $2 binder the Air Force gave me, and I dug the words into my binder, and I still see them impressed there after decades. It said, and I used ellipses, I put * * * and quotes, "With a firm reliance upon Divine Providence, we mutually pledge our lives, our fortunes and our sacred honor * * *" I had this feeling I would probably die in the Air Force because the Korean war was going on. It ended before I got out of pilot training, and I still crashed several times, and came close, but I thought I was giving my life, not just my sacred honor, with a firm reliance on Divine Providence. So I think religion is interwoven as we are trying to separate them so completely.

I will come back to the rape focus that is going to hurt us. I think good people of conscience, many of them Catholics, are going to have to say to their church on rape, and this also presupposes incest because they are like one, and there are so few incest pregnancies in this country compared to the 1,600,000, or I will lower it, 1,400,000 that are being killed in this country in their mothers' wombs, and the same applies to rape, but they are so important because they are so vicious, so we will not say that it is less than one-tenth of 1 percent. They are going to have to say to the church I believe that when Jesus said I leave the 99 to seek the 1, and that 1 may be the innocent child in the womb of a mother who was violently, brutally raped by even someone who created her, her own father, or some brutal rapist in the street, or a date rape, that in secular life, and I am not one of the ones crafting this policy, but my heart goes out, and I know why it is happening, that we might have to say to save the 99 we are going to have to forsake that 1, because the policy in this country, I say to the gentleman from Illinois [Mr. DURBIN], is that we

kill all 100. That is where I think the church, and I say that in a chauvinistic way about my own religion, because for 1,500 years it was the church, but the Catholic Church, and many of the Protestant denominations are feeling that the pro-abortion people in this House who have taken the lead to drive public policy in their favor, and the gentleman from Illinois is not one of them, they want it the way it is right now, and people forget this in the debate over rape and incest, but right now the policy is abortion on demand for all 9 months. Not one doctor has been convicted in 17 years, and some of them have taken babies by cesarean section out of their mothers' wombs who were 7 months and 8 months pregnant. It is rare, but Dr. Koop told me there have been 30,000 late-term abortions, that is a living, viable child that can breathe on the outside. I am not talking about week 20 or 23 where we do not know if the cells have developed in the brain and the lungs have developed to sustain it, but I am talking about the 24th week, and with nonparental consent. As a father of five and a grandfather of seven, I am in a middle-class status and it probably will not happen to me because of the way I have taught my faith to my children. I am in between. The grandkids are too young. The oldest is 8, and my youngest daughter is 28, and the other four are older than that. But when my kids were young if somebody had called me up and said, "Say, Mr. DORNAN, television host, Air Force pilot, or even Congressman, your daughter is down here, and I am obligated by law to tell you that she is going to have an abortion in 10 minutes," that is not notification. On consent, she cannot even have an appendectomy without my consent when she is a minor child. To say we cannot have legislation in this country on parental consent notification, to say that we cannot bring abortion to a screeching halt after that child is viable, and its lungs are formed in the womb, to say that we cannot stop an abortion for gender selection, and some of my good lady friends in this House say that is a myth, but I have read absolute cases of women who said I almost had an abortion, or did have an abortion for gender selection, there are all sorts of areas that make my following statement true. A short sentence, and then I will yield to the gentleman.

In spite of the press over the last few days and the elections in New Jersey, Virginia, and New York, most Americans oppose most abortions. It is that simple right now. Most Americans oppose most abortions, most of those 1,400,000 to 1,600,000 abortions, and we are not any closer to cutting that back than we were in 1973. Very cleverly some political consultants have some Members who are uncomfortable with the rape and incest position getting their brains beaten out because they are supposed to say I am going to deny an abortion to a rape victim, when actually what they are saying is I do not want to make HENRY HYDE pay for it with his tax dollars or somebody who thinks it is the taking of that one lost little 100th lamb that is innocent of crime.

Then I will tell you what I am going to do, and I bet you will consider it, and I think most Members will in this House. I am drafting legislation right now to make rape a Federal crime, and I will tell you why. John F. Kennedy, when he was murdered, his murderer, Lee Harvey Oswald, was brought up under a Texas statute of murder. He was arrested for, and it did not even say the President in the arrest report, for the murdering of one person named John F. Kennedy. And we passed a law to make it a Federal crime to kill a President, and then to kill a Vice Presidential candidate, and now all of us, Congressmen and Senators are protected by Federal laws.

Final case, Utah. Two black professional gentlemen are jogging, and they are assassinated by rifle fire, and the only way we could get these people in Utah was a Federal law passed during the civil rights days, and I was on the scene in some of those States, saying that their civil rights had been violated.

If rape is out of control in this country, and I believe it is, why cannot someone be brought up under a Federal statute for violating a fellow human being's both civil and human rights? And the penalty should be commensurate. If Jim Bakker, with all his sleazy stealing of money through bunco operations can get 45 years, and his wife, who was a coconspirator, gets nothing, then the rapist ought to get 45 years imprisonment. Then we will be sending a message out into this country that I still do not think goes out that this is a horrendous crime.

I will tell the gentleman something else I feel about it. When a woman gets pregnant from rape and decides to have the child, and I have all sorts of case histories here where they did, and I saw Phil Donahue's show the other day and the lady who I know, her husband is a friend of mine, was sitting there on the stage and said, "I was raped when I was 20 and had the baby," and the camera pulls back, and here sits her daughter. She is 40 something and the daughter is 20, and they were identical. You could hardly tell they were not the same age. And she told of the agony, and why she went ahead and had the baby. And the focus of the show, Donahue said, was mothers who were raped and had the babies. But there are two words that come to mind for a woman who will do that: heroism and virtue. I will concede to you before you ask the question, I do not think we can legislate heroism or legislature virtue, or it is not virtuous or heroic if it is the law forcing you to do it.

□ 1900

Mr. DURBIN. Mr. Speaker, will the gentleman yield?

Mr. DORNAN of California. I yield to the gentleman from Illinois.

Mr. DURBIN. If I might comment to the gentleman: This debate on the floor this evening has now moved to the area where I think it is entirely appropriate and productive. We have gone beyond the meeting of the Catholic bishops in Baltimore and their theological beliefs.

Mr. DORNAN of California. And civil beliefs.

Mr. DURBIN. Let us just say certainly their theological beliefs and the way they are manifest in the civil legislatures. Now we are discussing it in public policy terms. the gentleman started his comments earlier this evening by saying someone has to pay a moral price for the decisions they make here. I do not dispute that.

I think we pay a moral price for each of the decisions in our lives.

But the question I raised earlier is when it comes to public policy where do we separate the role of theology and the role of public policy? For the last few minutes the gentleman has dwelled on what I consider to be the appropriate area of discussion, that area of public policy considerations.

I think this is the Chamber for those discussions beyond any theological belief of any church and what that might mean to a given Member.

But if I might, the gentleman said something that I think is probably true. I have seen hundreds of polls taken of the American people about the issue of abortion. I know as the gentleman knows that, given the right to frame the question, I can influence the results.

Mr. DORNAN of California. Exactly.

Mr. DURBIN. I think the gentleman is probably correct when he says that most Americans oppose most abortions when you consider that of 1.6 million abortions each year so many are made simply on the basis of birth control.

Mr. DORNAN of California. Forty percent are second abortions.

Mr. DURBIN. And without the compelling circumstances of rape and incest. But if the gentleman is going to fall back on that statistical information to buttress his case on America's position on abortion, I cannot allow him to ignore the fact that the polls are compelling and overwhelming on the question of whether a woman who is the victim of rape or incest should be allowed the choice of an abortion; not mandated, but allowed that decision.

Those polls are equally overwhelming, and maybe more so.

Mr. DORNAN of California. May I ask the gentleman a question?

Mr. DURBIN. Yes.

Mr. DORNAN of California. A fair question: I have often said over the 17-year period, because I debated this issue for 5 or 6 years on television right up to when I left the air in February 1973 to run for Congress and then got caught out on a limb when the 16-year incumbent decided he was going to take a Senate race 2 years later and I had already burned my bridges at a television show. They were not going to put somebody back on the air who had already tipped his hand that he was running for Congress.

So I went and lectured around the country for 2 years on another moral issue: pornography. I got my moral belief put into post office law a year ago. Now they are confiscating houses and cars of people, as though it is contraband, who traffic in child pornography.

But in all those 6 years when I was on the air, or 6½ years, I discussed this issue and I would always come up to this point of where I would say, "You are probably, in a modern secular society, going to win the right to have your abortions. Where you people are going to fall on your sword, you proabortion people, is to try to make other people who believe it is murder, the judgmental word, killing is the medical word, the killing of human life in the womb, and try to make them pay for it, this is where you are going to go askew."

You know I was the first Congressman to endorse George Bush in December 1985. He has always had the rape and incest decision. But out of respect for my position, not just me but other Members in this House, all the Members in this House and all the people across the country, and we were a majority until a few weeks ago, he said we should not make other people pay for that killing.

Mr. DURBIN. Mr. Speaker, will the gentleman yield?

Mr. DORNAN of California. I yield to the gentleman.

Mr. DURBIN. I find this to be the most outrageous aspect of the President's position on this question of rape and incest exception.

During the course of the Presidential campaign I listened closely, because the gentleman and I traffic with this issue every day of our political lives, and I heard the President of the United States, George Bush, say in absolute clarity that he supported abortion when those abortions were necessary to save the life of the mother or in the instance of rape and incest.

Those words were emblazoned in my mind because I knew the President had at various points in his life reconsidered this issue, in all fairness to him. And I thought to myself this is a departure from what I have heard from the Reagan administration and it is unusual that the President would make this so clear during the course of the Presidential campaign.

Now we have this President of the United States saying that as a matter of conscience and public policy he believes that rape and incest exceptions should be allowed in America but then would turn his back and veto legislation which provides for paying for rape and incest abortions for the poorest of American women.

I have to tell the gentleman in a nation with a budget of more than $1 trillion, to say this is some fiscal argument, in my mind, is ludicrous. It is a question of justice. In my mind that is where we must draw the line.

If it is good enough for those who are wealthy enough to have the rape and incest exception, how then can we turn to the poorest in our society and say, "Sorry, you can't afford it, bear the child. We are looking to you for heroism and virtue"? That, I think, is totally unjust.

Mr. DORNAN of California. The gentleman, as is my case, cannot catch every minute of every debate no matter how intense or how articulately it is espoused on this floor. You may have missed HENRY HYDE's eloquent conclusion on one of the last two appropriations.

Mr. DURBIN. I was here.

Mr. DORNAN of California. When he said, "Look, I understand the difference in this viewpoint." I do not recall whether he alluded to the President Bush position.

I campaigned for him in almost three dozen States, but with the difference on the rape part of it.

He said the proabortion industry in this country is so wealthy, they are raking in billions. There are doctors who do nothing else all day long. I have a report that I will save for another special order, that there are some doctors who make a million dollars a year and they generally fall into very few categories. The average doctor makes less than $200,000 and works bloody hard for it. It is plastic surgery, vanity, but that is fair. A lot of these doctors take burn victims and accident vicitims and give them their lives back.

But a lot specialize only in cosmetic surgery.

Then there is the abortionist. We are being asked to give the money, not just to the poor woman but to some of these abortionists who do not spend 6 minutes with these women, rack up their millions, and I prefer to call them bloody dollars, when they specialize in nothing else. HENRY HYDE said, "Can't you get," and he was a little bit sarcastic, which I do myself sometimes, "get the Playboy Foundation?" He said that first. But that is the group that we know has been giving money to NARAL for three decades. I know why they give it to NARAL. They want it as a backup for birth control to further that Playboy image that women are animals and you can take 10 bunnies a week if you want and if one of them gets in a position of pregnancy, here is some money from NARAL to get them an abortion.

But then he said the Carnegie Foundation. Then he mentioned a group that is held in high esteem by some in this House, not because I think they commingle their funds, but he said Planned Parenthood has the money in their commingled funds on the abortion clinic side. They are the biggest runner of abortion clinics in the country.

Let them give poor women, the handful who legitimately are raped, let them pay for that. It is not parsimonious or cheap, Mr. DURBIN, it is saying some people—and they are not all Catholic, not the ones I see out there getting arrested for what they call rescuing abortion mills—they say even in a rape we beg the mother to be heroic. I am beginning to look at what we can do with laws here. But we are saying, "Don't take my tax dollars."

Here is a letter from a woman, to show you how tough it gets, and I will not have time to go into the whole letter, I am just going to look at their picture here. Here is a mother and her husband, and they have one, two, three, four, five, six children. She miscarried with her seventh child because she was brutally handled by Los Angeles police officers. I am a fan of the Los Angeles Police Department.

The husband writes to me, his name is Michael, he says, "These so-called peace officers tortured my poor wife Deborah." I do not know what he means by "tortured." He says, "They caused me to lose my unborn child." And they are not Catholics.

They put it on the line because they want to stop all abortions, even in rape. You cannot make those people, this family that is probably being denied the right to go for a tuition tax credit to go to a Lutheran or Methodist or Jewish school. You cannot ask them to pay taxes to take an innocent human life.

Mr. DURBIN. If the gentleman will yield, in the history of this Nation there have been individual citizens who have been outraged by the policy of this country at various times.

Mr. DORNAN of California. John Brown.

Mr. DURBIN. Certainly in the era of slavery, when it comes to the question of war, members, citizens who have said, "We will not pay 1 cent of taxes in support of war. We would rather go to prison because in conscience we cannot." I accept that.

Mr. DORNAN of California. I respect that. We both do.

Mr. DURBIN. I respect that as a matter of conscience. I have the highest regard for my colleague from Illinois, Mr. HENRY HYDE. He and I served together and worked together over the years. I think he is as articulate a spokesman for his position as this House has ever seen.

Mr. DORNAN of California. Did the gentleman overlap his service in the Senate?

Mr. DURBIN. I was in the capital in Springfield during his service in the House, and he was extraordinary in that position as well.

But I have to take exception to the belief that those who are rape and incest victims who are poor in America must hope that by some fate they will be able to bask in the glow of a thousand points of light or 10,000 points of light. What of the poor young woman, let us take a worst-case scenario, a victim of incest who lives in a remote rural area who is not fortunate enough to be close to a clinic or close to a charity to take care of herself?

□ 1910

That is why it is so critical for Members to, I think, have a national policy which is just and says regardless of your economic circumstance we will treat everyone as Americans, as closely as possible, as closely as possible in equal terms.

However, to say that we are going to turn this over to the charity of America is to walk away from a moral obligation to provide justice for Americans across-the-board.

Mr. DORNAN of California. Even though some taxpayers think it is taking innocent life?

Mr. DURBIN. Certainly because those taxpayers in the past who feel, because of conscience, they could not agree with public policy have accepted the consequence of that decision, and many of them have been off to Federal prisons as a result of it. They accepted it as Gandhi accepted his responsibility, when it came to nonviolent protest. They said, here is my protest. Not to say that the world must march to the same drummer that I hear, but rather to make it clear that in my terms and my conscience I am going to make the personal sacrifice to show what I believe.

Mr. DORNAN of California. Let me narrow the focus to incest. I will give the gentleman a prolog of what we are going to be discussing in this House, and I am not in on the formulation of this. I am not being cute, but I am aware, I have my ways and means, I am aware of what discussion is taking place here, and I have tried to broach this subject to some of the people who are strongly striving pro-abortion across-the-board with no exceptions, all 9 months, every person stay out of it. It is totally trusting women to make them make all these decisions. The doctors that make money off of it, I guess, and doctors who sincerely have a different opinion.

I said, what would they say if, in trying to come up with a rape exception, and I am not saying I would go for it, and an incest exception, that we required reporting of the incest.

One of the Republican women on this side said, "Absolutely not, Bob. Don't you understand that some incest victims live at home, and it is their father, and their world would collapse?" I do not think she thought it through completely because I said, "Wait a minute, are you telling me that a father can be a scofflaw, and even those who suspect it is the father, and will give her the abortion, and send her home to quote another gentlewoman on the floor, I will not repeat the blasphemy, because I forgave her for it. She was visualizing this animal, the "G-D drunken father who did this and then he abused her again criminally," and she comes back to an abortion next year, and this goes on until her body is destroyed.

I said we have to point the finger at the brother, the father, the uncle, the stepfather, which is the most common, because there is no blood. Therefore, there is no danger of a retarded child from this stepfather incest. We have to act, we have to arrest these people and throw the book at them.

Mr. DURBIN. If the gentleman will continue to yield, I would concede that the gentleman has made a compelling case for the reason that many Members believe that an incest exception is absolutely necessary.

In my practice of law before I came to Congress, on two different occasions I dealt with divorces which involved incest.

Mr. DORNAN of California. Does the gentleman mean an exception that points a finger at the criminal?

Mr. DURBIN. To point a finger at the criminal, but I can also tell the gentleman that many times the victims of incest are, in fact, very young, very immature, and not in a position to even perceive the fact that they have been abused, until it is too late. Maybe not even perceiving the fact that they are pregnant until many months into the pregnancy.

Mr. DORNAN of California. Until the pregnancy becomes a traumatic operation because the child is moving and viable and it requires a cesarean, a C-section to take the baby out and kill it in the process?

Mr. DURBIN. If the gentleman will continue to yield, does the gentleman not understand, though, that when we are dealing with these types of extraordinary circumstances, not the usual course of pregnancy in America, that we are trying to create an exception for the poorest women in America, to consider, the possibility of an abortion.

I know I have taken a lot of the gentleman's time.

Mr. DORNAN of California. I will take out another hour. The gentleman has contributed significantly, and I just think this issue, like most issues, gets short shrift. Special orders are better in a dialog, because that is what human beings are used to listening to, rather than a monologue. So I appreciate the gentleman giving me any amount of time.

Mr. DURBIN. About 6 months ago, in my district in central Illinois, I visited a home for abused children. In the State of Illinois, the definition of child is anyone under the age of 18. I sat across the table from 3 young women who had the courage that day to sit down and talk to me about what they had been through in life. What was particularly poignant was the fact that each of these young women was the same age as my wife's and my youngest daughter. Each looked across in my eyes, and I saw my daughter in each harrowing story. One in particular stayed with me. A young girl, as early as she could remember, was the victim of incest by a stepfather who lives in the household, until finally—luckily, she did not become pregnant, as I understand it—finally, it reached a breaking point. She ran away from home, turned to a life of drugs, alcohol, and prostitution. The young woman that I was looking at was an emotional wreck, and a few weeks, unfortunately, from being discharged from the facility because she became legally an adult. I did not know if she would ever have a normal life. She certainly has sacrificed her youth to this brutal and vicious attack by her stepfather. She could not even mouth the words "men" and "male." She could not speak in ordinary terms about family. She was a disaster, personally. I looked at her and had to say to myself, should I require of this girl, had she become pregnant by this incest, that she had to carry that baby to term, regardless of the circumstances?

I have to tell the gentleman that it was that experience, that memory, those eyes of that girl were in my mind when I cast the vote to allow the rape and incest exception.

Mr. DORNAN of California. I accept those sincere and heartfelt words. I tell the gentleman I am going to include incest as a Federal crime, violating a child's civil and human rights, to raise the visibility of this ugly crime. Because of interstate commerce, that I went along with as a conservative in the South where a person in the theater could reject a black person who wanted to come and view the movie because it had on the back of the ticket "We reserve the right to refuse service to anyone," and because the law stretched to say it is remotely possible

that a person drove across a State line from northern Florida to Georgia to go to that movie, that we are throwing that out and giving Federal law the full weight of it to protect these people.

I think we are going to have to, of course, we will not discuss it during the debate because we will all be talking across one another the way we usually do. I am telling the gentleman when we try to compromise on these things, I am not inclined to compromise because I know the other side is not. They shove it in our face when we go to discuss incest, what a health clinic means, and are we going to continue the recent Webster decision to give States' rights, to individual States that may want to be tougher or laxer, like New York, or maybe even my own State of California, we are going to have to listen to one another on this subject.

Let me close and say to my good friend, where we agree on other health issues like smoking in closed compartments like elevators and airports and parts of restaurants, where we agree on that health issue, but I do not mind giving up half of my time and half of the points I was going to make to clarify some of these issues, and how we are struggling with them. Let me close by saying that I have material in my office, pictures, that one of my young, eager staffers said I should put in a "Dear Colleague" letter. I ruled that out, because they are too brutal and offensive. They are pictures of babies, observable human beings, dumped around our beautiful Federal city, the beautiful District of Columbia. I have to say, when the young staffer asked me if newsreel cameras showed the piles of bodies, of what were once families in Europe, men and women and their grown children, being piled up by American and British soldiers like cord wood and dumped into huge pits, and lye thrown all over them, and people recoiled and left the theaters, and now kids look at things like that, and it does not recoil them, because these films are so utterly disgusting, the splatter films, Texas Chainsaw Massacre, more garbage, but I will not contribute to the horror of this issue by offending people with photographs, but I want them to think about what we are doing. It is a fine line, Mr. Speaker, with abortion on demand for all 9 months for any frivolous reason without a conviction of an abortion, and it is killing over a million and a half of our American citizens in their mother's womb. If we adjust in this Chamber on rape and incest, a lot of people are going to have to see to it that their promise is as good as their word. That is as far as they go, and no further, and then we have our majority back, easy.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 60 minutes.

[Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

CONFERENCE REPORT ON H.R. 1487

Mr. FASCELL submitted the following conference report and statement on the bill (H.R. 1487) to authorize appropriations for fiscal years 1990 and 1991 for the Department of State, and for other purposes:

CONFERENCE REPORT (H. REPT. 101-343)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1487) to authorize appropriations for fiscal years 1990 and 1991 for the Department of State, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Foreign Relations Authorization Act, Fiscal Years 1990 and 1991".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.

TITLE I—DEPARTMENT OF STATE

PART A—AUTHORIZATION OF APPROPRIATIONS; ALLOCATIONS OF FUNDS; RESTRICTIONS

Sec. 101. Administration of foreign affairs.
Sec. 102. International organizations and conferences.
Sec. 103. International commissions.
Sec. 104. Migration and refugee assistance.
Sec. 105. Other programs.
Sec. 106. Reduction in earmarks if appropriations are less than authorizations.
Sec. 107. Availability of funds.
Sec. 108. Restriction on funds for negotiations with certain Palestine Liberation Organization representatives.
Sec. 109. Prohibition on channeling or diverting funds to carry out activities for which United States assistance is prohibited.

PART B—DEPARTMENT OF STATE AUTHORITIES AND ACTIVITIES; FOREIGN MISSIONS

Sec. 111. Authorization of certain operational activities.
Sec. 112. Working capital fund for Office of Foreign Missions.
Sec. 113. Authority of Diplomatic Security Service.
Sec. 114. Access to criminal records.
Sec. 115. Enhancement of evacuation capability and procedures regarding major disasters and incidents abroad affecting United States citizens.
Sec. 116. Acquisition of domestic property as interim step to acquiring property abroad.
Sec. 117. Debt collection.
Sec. 118. Munitions control registration fees.
Sec. 119. Fees and reimbursements.
Sec. 120. International Center.
Sec. 121. Closing of diplomatic and consular posts in Antigua and Barbuda.
Sec. 122. Submission of annual country reports on terrorism.
Sec. 123. Consular officer duties.
Sec. 124. Opening a United States consulate in Bratislava.
Sec. 125. Construction of United States embassy in Ottawa.
Sec. 126. Voluntary pilot program for increased participation by economically and socially disadvantaged enterprises in foreign relations activities.
Sec. 127. Report on reorganization of the Department of State.
Sec. 128. Prohibition on exclusion or deportation of nonimmigrant aliens on certain grounds.

PART C—DIPLOMATIC IMMUNITY, RECIPROCITY, AND SECURITY

Sec. 131. Exclusion of aliens previously involved in serious criminal offenses committed in the United States.
Sec. 132. Modification of preference for United States contractors in diplomatic construction program.
Sec. 133. Use of cleared personnel to ensure secure maintenance and repair of diplomatic facilities abroad.
Sec. 134. United States-Soviet reciprocity in matters relating to embassies.
Sec. 135. Construction security certification.
Sec. 136. Increased participation of United States contractors in local guard contracts abroad under the diplomatic security program.

PART D—PERSONNEL

Sec. 141. Authority to transfer retirement contributions for Foreign Service nationals to local plans.
Sec. 142. Disqualification for service on Foreign Service selection boards.
Sec. 143. Separation for cause; judicial review.
Sec. 144. Visiting scholars program for the Foreign Service Institute.
Sec. 145. Credit for service at unhealthful posts.
Sec. 146. Former spouses of United States Information Agency and Agency for International Development employees.
Sec. 147. Child care facilities at certain posts abroad.
Sec. 148. Travel, leave, and other benefits.
Sec. 149. Foreign Service internship program.
Sec. 150. Grants for institutions and students for training in international affairs.
Sec. 151. Danger pay allowance.
Sec. 152. Judicial review of certain Foreign Service grievances.
Sec. 153. Broadening the cultural, geographic, and ethnic representation of the Foreign Service and the Department of State.
Sec. 154. Report to Congress concerning polygraph program.
Sec. 155. Study of sexual harassment at the Department of State.

Sec. 156. Limitation on housing benefits.
PART E—FOREIGN LANGUAGE COMPETENCE WITHIN THE FOREIGN SERVICE
Sec. 161. Expansion of model foreign language competence posts.
Sec. 162. Report on foreign language entrance requirement for the Foreign Service.
Sec. 163. Foreign Service promotion panels.
Sec. 164. Language proficiency in the Employee Evaluation Report.
TITLE II—UNITED STATES INFORMATIONAL, EDUCATIONAL, AND CULTURAL PROGRAMS
PART A—UNITED STATES INFORMATION AGENCY
Sec. 201. Authorization of appropriations.
Sec. 202. Dissemination of information within the United States.
Sec. 203. Distribution within the United States of United States Information Agency film entitled "Long Journey Home".
Sec. 204. The J. William Fulbright Foreign Scholarship Board.
Sec. 205. USIA satellite and television.
Sec. 206. United States Advisory Commission on Public Diplomacy.
Sec. 207. Foreign language services.
Sec. 208. Use of certain fees and payments.
Sec. 209. Debt collection.
Sec. 210. USIA network for dissemination of information concerning United States programs to combat narcotics and other controlled substances.
Sec. 211. Afghanistan country plan.
Sec. 212. General Accounting Office study of the National Endowment for Democracy.
Sec. 213. Report to Congress on the acquisition and use of public programming materials.
PART B—BUREAU OF EDUCATIONAL AND CULTURAL AFFAIRS
Sec. 221. Authorization of appropriations.
Sec. 222. Citizen exchanges.
Sec. 223. Programs to promote international youth understanding.
Sec. 224. United States-Soviet exchanges.
Sec. 225. Scholarships for Tibetans and Burmese.
Sec. 226. Sense of Congress concerning the Humphrey Fellowship Program.
PART C—VOICE OF AMERICA
Sec. 231. Authorization of appropriations.
Sec. 232. Voice of America hiring practices.
Sec. 233. VOA public service announcements to promote child survival.
Sec. 234. Voice of America broadcasts to Tibet.
Sec. 235. Voice of America's Thailand radio facilities.
Sec. 236. Voice of America broadcasts to the People's Republic of China.
Sec. 237. Voice of America equipment abroad.
PART D—TELEVISION BROADCASTING TO CUBA
Sec. 241. Short title.
Sec. 242. Findings and purposes.
Sec. 243. Television broadcasting to Cuba.
Sec. 244. Television Marti Service of the United States Information Agency.
Sec. 245. Amendments to the Radio Broadcasting to Cuba Act.
Sec. 246. Assistance from other government agencies.
Sec. 247. Authorization of appropriations.
Sec. 248. Definitions.
TITLE III—BOARD FOR INTERNATIONAL BROADCASTING
Sec. 301. Authorizations of appropriations.
Sec. 302. Requirement for authorization of appropriations.
Sec. 303. Procurement of legal services.
Sec. 304. Radio Free Afghanistan.
TITLE IV—INTERNATIONAL ORGANIZATIONS AND COMMISSIONS
Sec. 401. United States membership in International Sugar Organization and International Tropical Timber Organization.
Sec. 402. Authorization for membership in the International Union for the Conservation of Nature and Natural Resources.
Sec. 403. Authorization of appropriations for membership in wildlife conventions.
Sec. 404. Authorization of appropriations for the Commission on the Ukraine Famine.
Sec. 405. Reform in budget decision-making procedures of the United Nations and its specialized agencies.
Sec. 406. Annual report to Congress on voting practices at the United Nations.
Sec. 407. Denial of visas to certain representatives to the United Nations.
Sec. 408. Policy on UNESCO.
Sec. 409. United States Commission on Improving the Effectiveness of the United Nations.
Sec. 410. Contribution to the regular budget of the International Committee of the Red Cross.
Sec. 411. Sense of Congress concerning an enhanced role for the International Court of Justice in resolution of international disputes.
Sec. 412. International Boundary and Water Commission.
Sec. 413. Review of multilateral and bilateral commissions.
Sec. 414. Membership of the Palestine Liberation Organization in United Nations agencies.
Sec. 415. Sense of Congress concerning the United Nations Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA).
Sec. 416. United Nations sponsorship of a Middle East peace conference.
Sec. 417. Contributions for peacekeeping activities in southern Africa.
TITLE V—ASIA FOUNDATION
Sec. 501. Authorization of appropriations.
TITLE VI—INTER-AMERICAN FOUNDATION
Sec. 601. Authorization of appropriations.
TITLE VII—REFUGEE AND OTHER PROVISIONS
Sec. 701. United Nations High Commissioner for Refugees audit requirement.
Sec. 702. Tibetan and Burmese refugees.
Sec. 703. Report regarding Burmese students.
Sec. 704. The treatment of the Turkish minority by the Government of the People's Republic of Bulgaria and Bulgarian refugees in Turkey.
TITLE VIII—PLO COMMITMENTS COMPLIANCE ACT OF 1989
Sec. 801. Short title.
Sec. 802. Findings.
Sec. 803. Policy.
Sec. 804. Reporting requirement.
TITLE IX—PEOPLE'S REPUBLIC OF CHINA
Sec. 901. Findings and statements of policy.
Sec. 902. Suspension of certain programs and activities.
TITLE X—MISCELLANEOUS PROVISIONS
Sec. 1001. Increasing amount of rewards for combatting terrorism.
Sec. 1002. Assignment of commercial officers to the United States mission to the European Community.
Sec. 1003. Buy-American requirement.
Sec. 1004. Support for the Benjamin Franklin House museum and library.
Sec. 1005. Association of Democratic Nations.
Sec. 1006. Policy regarding human rights abuses in Cuba.
Sec. 1007. Concerning the submission to the Congress of agreements pertaining to the boundaries of the United States.
Sec. 1008. Report to Congress concerning Oceania.
Sec. 1009. Report concerning Mexico.
Sec. 1010. Establishment of a Latin American and Caribbean data base.
TITLE XI—BUDGET ACT COMPLIANCE
Sec. 1101. Compliance with Congressional Budget Act.

TITLE I—DEPARTMENT OF STATE

PART A—AUTHORIZATION OF APPROPRIATIONS; ALLOCATIONS OF FUNDS; RESTRICTIONS

SEC. 101. ADMINISTRATION OF FOREIGN AFFAIRS.

(a) DIPLOMATIC AND ONGOING OPERATIONS.—The following amounts are authorized to be appropriated for the Department of State under "Administration of Foreign Affairs" to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States and for other purposes authorized by law (other than the diplomatic security program):

(1) SALARIES AND EXPENSES.—For "Salaries and Expenses", of the Department of State $1,432,124,000 for the fiscal year 1990 and $1,583,598,000 for the fiscal year 1991, of which not less than $250,000 for each fiscal year shall be available only for use by the Bureau of International Communications and Information Policy to support international institutional development and other activities which promote international communications and information development.

(2) ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD.—For "Acquisition and Maintenance of Buildings Abroad", $218,900,000 for the fiscal year 1990 and $227,656,000 for the fiscal year 1991.

(3) REPRESENTATION ALLOWANCES.—For "Representation Allowances", $4,600,000 for the fiscal year 1990 and $5,000,000 for the fiscal year 1991.

(4) EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE.—For "Emergencies in the Diplomatic and Consular Service", $4,700,000 for the fiscal year 1990 and $4,888,000 for the fiscal year 1991.

(5) OFFICE OF THE INSPECTOR GENERAL.—For "Office of the Inspector General", $21,000,000 for the fiscal year 1990 and $21,840,000 for the fiscal year 1991.

(6) PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN.—For "Payment to the American Institute in Taiwan", $11,300,000 for the fiscal

year 1990 and $11,752,000 for the fiscal year 1991.

(b) DIPLOMATIC SECURITY PROGRAM.—In addition to amounts authorized to be appropriated by subsection (a), the following amounts are authorized to be appropriated under "Administration of Foreign Affairs" for the fiscal years 1990 and 1991 for the Department of State to carry out the diplomatic security program:

(1) SALARIES AND EXPENSES.—For "Salaries and Expenses", $309,365,000 for the fiscal year 1990 and $361,995,000 for the fiscal year 1991.

(2) PROTECTION OF FOREIGN MISSIONS AND OFFICIALS.—For "Protection of Foreign Missions and Officials", $9,100,000 for the fiscal year 1990 and $9,464,000 for the fiscal year 1991.

(c) ALLOCATION FOR OFFICE OF MUNITIONS CONTROL.—Of the amounts authorized to be appropriated by this section, there shall be available only for the Office of Munitions Control of the Department of State for each of the fiscal years 1990 and 1991 such amount as is necessary to maintain at least 53 full-time equivalent personnel and any associated costs.

SEC. 102. INTERNATIONAL ORGANIZATIONS AND CONFERENCES.

(a) ASSESSED CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS.—

(1) There are authorized to be appropriated for "Contributions to International Organizations", $714,927,000 for the fiscal year 1990 and $817,000,000 for the fiscal year 1991 for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States with respect to international organizations and for other purposes authorized by law.

(2) Of the amounts authorized to be appropriated by paragraph (1), $1,249,000 for the fiscal year 1990 shall be available only for the South Pacific Commission.

(b) CONTRIBUTIONS TO INTERNATIONAL PEACEKEEPING ACTIVITIES.—There are authorized to be appropriated for "Contributions to International Peacekeeping Activities", $111,184,000 for the fiscal year 1990 and $115,000,000 for the fiscal year 1991 for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States with respect to international peacekeeping activities and for other purposes authorized by law.

(c) INTERNATIONAL CONFERENCES AND CONTINGENCIES.—(1) There are authorized to be appropriated for "International Conferences and Contingencies", $6,340,000 for the fiscal year 1990 and $7,300,000 for the fiscal year 1991 for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States with respect to international conferences and contingencies and for other purposes authorized by law.

(2) None of the funds authorized to be appropriated under paragraph (1), may be obligated or expended for any United States delegation to any meeting of the Conference on Security and Cooperation in Europe (CSCE) or meetings within the framework of the CSCE unless the United States delegation to any such meeting includes individuals representing the Commission on Security and Cooperation in Europe.

SEC. 103. INTERNATIONAL COMMISSIONS.

The following amounts are authorized to be appropriated under "International Commissions" for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States and for other purposes authorized by law:

(1) INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO.—For "International Boundary and Water Commission, United States and Mexico"—

(A) for "Salaries and Expenses" for the fiscal year 1990, $10,460,000 and, for the fiscal year 1991, $10,878,000; and

(B) for "Construction" for the fiscal year 1990, $11,500,000 and, for the fiscal year 1991, $11,900,000.

(2) INTERNATIONAL BOUNDARY COMMISSION, UNITED STATES AND CANADA.—For "International Boundary Commission, United States and Canada", $750,000 for the fiscal year 1990 and $780,000 for the fiscal year 1991.

(3) INTERNATIONAL JOINT COMMISSION.—For "International Joint Commission", $3,750,000 for the fiscal year 1990 and $3,900,000 for the fiscal year 1991.

(4) INTERNATIONAL FISHERIES COMMISSIONS.—For "International Fisheries Commissions", $11,000,000 for the fiscal year 1990 and $11,440,000 for the fiscal year 1991.

SEC. 104. MIGRATION AND REFUGEE ASSISTANCE.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for "Migration and Refugee Assistance"—

(1) for authorized activities, $415,000,000 for the fiscal year 1990 and $445,000,000 for the fiscal year 1991; and

(2) for each of the fiscal years 1990 and 1991 for assistance for refugees resettling in Israel, $25,000,000.

(b) AVAILABILITY OF FUNDS.—Funds appropriated pursuant to paragraph (1) or (2) of subsection (a) are authorized to remain available until expended.

SEC. 105. OTHER PROGRAMS.

The following amounts are authorized to be appropriated for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States and for other purposes authorized by law:

(1) UNITED STATES BILATERAL SCIENCE AND TECHNOLOGY AGREEMENTS.—For "United States Bilateral Science and Technology Agreements", $4,000,000 for the fiscal year 1990 and $4,160,000 for the fiscal year 1991.

(2) SOVIET-EAST EUROPEAN RESEARCH AND TRAINING.—For "Soviet-East European Research and Training", $4,600,000 for the fiscal year 1990 and $5,200,000 for the fiscal year 1991.

SEC. 106. REDUCTION IN EARMARKS IF APPROPRIATIONS ARE LESS THAN AUTHORIZATIONS.

The State Department Basic Authorities Act of 1956 is amended by inserting after section 10 (22 U.S.C. 2677) the following new section:

"SEC. 11. REDUCTION IN EARMARKS IF APPROPRIATIONS ARE LESS THAN AUTHORIZATIONS.

"If the amount appropriated (or made available in the event of a sequestration order issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177; 2 U.S.C. 901 et seq.) for a fiscal year pursuant to any authorization of appropriations provided by an Act other than an appropriation Act is less than the authorization amount and a provision of that Act provides that a specified amount of the authorization amount shall be available only for a certain purpose, then the amount so specified shall be deemed to be reduced for that fiscal year to the amount which bears the same ratio to the specified amount as the amount appropriated (or made available in the event of sequestration) bears to the authorization amount.".

SEC. 107. AVAILABILITY OF FUNDS.

Section 24 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696) is amended by adding after subsection (d) the following new subsection:

"(e) Amounts authorized to be appropriated for a fiscal year for the Department of State or to the Secretary of State are authorized to be obligated for twelve-month contracts which are to be performed in two fiscal years, if the total amount for such contracts is obligated in the earlier fiscal year.".

SEC. 108. RESTRICTION ON FUNDS FOR NEGOTIATIONS WITH CERTAIN PALESTINE LIBERATION ORGANIZATION REPRESENTATIVES.

Section 1302(b) of the International Security and Development Cooperation Act of 1985 (22 U.S.C. 2151), is amended by inserting before the period at the end thereof the following: ", except that no funds authorized to be appropriated by this or any other Act may be obligated or made available for the conduct of the current dialogue on the Middle East peace process with any representative of the Palestine Liberation Organization if the President knows and advises the Congress that that representative directly participated in the planning or execution of a particular terrorist activity which resulted in the death or kidnaping of a United States citizen".

SEC. 109. PROHIBITION ON CHANNELING OR DIVERTING FUNDS TO CARRY OUT ACTIVITIES FOR WHICH UNITED STATES ASSISTANCE IS PROHIBITED.

Chapter 1 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 620F. PROHIBITION ON CHANNELING OR DIVERTING FUNDS TO CARRY OUT ACTIVITIES FOR WHICH UNITED STATES ASSISTANCE IS PROHIBITED.—

"(a) PROHIBITION.—(1) Whenever any provision of United States law expressly refers to this section and expressly prohibits all United States assistance, or all assistance under a specified United States assistance account, from being provided to any specified foreign region, country, government, group, or individual for all or specified activities, then no officer or employee of the Executive branch may—

"(A) receive, accept, hold, control, use, spend, disburse, distribute, or transfer any funds or property from any foreign government (including any instrumentality or agency thereof), foreign person, or United States person;

"(B) use any United States funds or facilities to assist any transaction whereby a foreign government (including any instrumentality or agency thereof), foreign person, or United States person provides any funds or property to any third party; or

"(C) provide any United States assistance to any third party,

if the purpose of any such act is the furthering or carrying out of the same activities, with respect to that region, country, government, group, or individual, for which United States assistance is expressly prohibited.

"(2) As used within the meaning of paragraph (1), assistance which is provided for the purpose of furthering or carrying out the same or similar activities for which United States assistance is expressly prohibited includes assistance provided under an arrangement conditioning, expressly or im-

pliedly, action by the recipient to further those activities.

"(b) PENALTY.—Any person who knowingly and willfully violates the provision of subsection (a)(1) shall be imprisoned not more than 5 years or fined in accordance with title 18, United States Code, or both.

"(c) PRESIDENTIAL NOTIFICATION.—(1) Whenever—

"(A) any provision of United States law described in subsection (a)(1) expressly refers to this section and expressly prohibits the provision of United States assistance for specified recipients or activities, and

"(B) any officer or employee of the Executive branch advocates, promotes, or encourages the provision of funds or property by any foreign government (including any instrumentality or agency thereof), foreign person, or United States person for the purpose of furthering or carrying out the same or similar activities with respect to such recipients,

then the President shall notify the Congress in a timely fashion that such advocacy, promotion, or encouragement has occurred. Such notification may be submitted in classified form.

"(2) Nothing in this subsection shall be construed as authorizing any action prohibited by subsection (a).

"(d) APPLICABILITY.—The provisions of this section shall not be superseded except by a provision of law enacted on or after the date of enactment of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991, which specifically repeals, modifies, or supersedes the provisions of this section.

"(e) CONSTRUCTION.—(1) Nothing in this section shall be construed to limit—

"(A) the ability of the President, the Vice President, or any officer or employee of the Executive branch to make statements or otherwise express his views to any party on any subject;

"(B) the ability of an officer or employee of the United States to express the publicly enunciated policies of the President; or

"(C) the ability of an officer or employee of the United States to communicate with any foreign country, government, group, or individual, either directly or through a third party, with respect to a prohibition on United States assistance covered by subsection (a)(1), including the reasons for such prohibitions, and the actions, terms, or conditions which might lead to the removal of such prohibition.

"(2) Nothing in this section shall be construed as waiving or otherwise derogating from any other provision of law imposing penalties or obligations with respect to any of the acts described in subparagraph (A), (B), or (C) of subsection (a)(1).

"(f) DEFINITIONS.—For purposes of this section—

"(1) the term 'person' includes (A) any natural person, (B) any corporation, partnership, or other legal entity, and (C) any organization, association, or other group;

"(2) the term 'United States assistance' means—

"(A) assistance of any kind under the Foreign Assistance Act of 1961;

"(B) sales, credits, and guaranties under the Arms Export Control Act;

"(C) export licenses issued under the Arms Export Control Act; and

"(D) activities authorized pursuant to the National Security Act of 1947 (50 U.S.C. 410 et seq.), the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.), or Executive Order Number 12333 (December 4, 1981), excluding any activity involving the provision or sharing of intelligence information; and

"(3) the term 'United States assistance account' means an account corresponding to an authorization of appropriations for United States assistance.".

PART B—DEPARTMENT OF STATE AUTHORITIES AND ACTIVITIES; FOREIGN MISSIONS

SEC. 111. AUTHORIZATION OF CERTAIN OPERATIONAL ACTIVITIES.

Section 2 of the State Department Basic Authorities Act (22 U.S.C. 2669) is amended—

(1) in subsection (g), by striking out "and" at the end thereof;

(2) in subsection (h), by striking out the period at the end thereof and inserting in lieu thereof a semicolon; and

(3) by inserting after subsection (h) the following new subsections:

"(i) pay obligations assumed in Germany on or after June 5, 1945;

"(j) provide telecommunications services; and

"(k) provide maximum physical security in Government-owned and leased properties and vehicles abroad.".

SEC. 112. WORKING CAPITAL FUND FOR OFFICE OF FOREIGN MISSIONS.

Section 13(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2684(a)) is amended—

(1) in the first sentence—

(A) by inserting "and" before "(4)"; and

(B) by striking out "; and (5) services and supplies to carry out title II of this Act"; and

(2) by inserting after the first sentence the following new sentence: "Such fund shall also be available without fiscal year limitation to carry out the purposes of title II of this Act".

SEC. 113. AUTHORITY OF DIPLOMATIC SECURITY SERVICE.

Section 37(a) of the State Department Basic Authorities Act (22 U.S.C. 2709(a)) is amended—

(1) in paragraph (2)—

(A) by striking out "and" at the end of subparagraph (A);

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following new subparagraph:

"(B) make arrests without warrant for any offense concerning passport or visa issuance or use if the special agent has reasonable grounds to believe that the person has committed or is committing such offense, and"; and

(2) in paragraph (5), by amending the text preceding subparagraph (A) to read as follows:

"(5) arrest without warrant any person for a violation of section 111, 112, 351, 970, or 1028 of title 18, United States Code—".

SEC. 114. ACCESS TO CRIMINAL RECORDS.

Section 9101 of title 5, United States Code, is amended—

(1) in subsections (b)(1), (b)(3)(A), (b)(3)(B), and (c) by inserting "the Department of State," after "Defense," each place it appears; and

(2) by adding at the end thereof the following new subsection:

"(e) The authority provided under this section with respect to the Department of State may be exercised only so long as the Department of State continues to extend to its employees and applicants for employment, at a minimum, those procedural safeguards provided for as part of the security clearance process that were made available, as of May 1, 1987, pursuant to section 163.4 of volume 3 of the Foreign Affairs Manual.".

SEC. 115. ENHANCEMENT OF EVACUATION CAPABILITY AND PROCEDURES REGARDING MAJOR DISASTERS AND INCIDENTS ABROAD AFFECTING UNITED STATES CITIZENS.

(a) RESPONSIBILITY OF SECRETARY OF STATE.—Section 102(b) of the Diplomatic Security Act of 1986 (22 U.S.C. 4801(b)) is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by redesignating paragraph (5) as paragraph (6);

(3) by inserting after paragraph (4) the following new paragraph:

"(5) to set forth the responsibility of the Secretary of State with respect to the safe and efficient evacuation of United States Government personnel, their dependents, and private United States citizens when their lives are endangered by war, civil unrest, or natural disaster; and".

(b) DEVELOPMENT AND IMPLEMENTATION OF POLICIES.—Section 103 of the Diplomatic Security Act of 1986 (22 U.S.C. 4802) is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively;

(2) by inserting after subsection (a) the following new subsection:

"(b) OVERSEAS EVACUATIONS.—The Secretary of State shall develop and implement policies and programs to provide for the safe and efficient evacuation of United States Government personnel, dependents, and private United States citizens when their lives are endangered. Such policies shall include measures to identify high risk areas where evacuation may be necessary and, where appropriate, providing staff to United States Government missions abroad to assist in those evacuations. In carrying out these responsibilities, the Secretary shall—

"(1) develop a model contingency plan for evacuation of personnel, dependents, and United States citizens from foreign countries;

"(2) develop a mechanism whereby United States citizens can voluntarily request to be placed on a list in order to be contacted in the event of an evacuation, or which, in the event of an evacuation, can maintain information on the location of United States citizens in high risk areas submitted by their relatives;

"(3) assess the transportation and communications resources in the area being evacuated and determine the logistic support needed for the evacuation; and

"(4) develop a plan for coordinating communications between embassy staff, Department of State personnel, and families of United States citizens abroad regarding the whereabouts of those citizens.".

(c) PROCEDURES REGARDING MAJOR DISASTERS AND INCIDENTS ABROAD.—The State Department Basic Authorities Act of 1956 (22 U.S.C. 2269 et seq.) is amended—

(1) by redesignating section 43 as section 44; and

(2) by adding after section 42 the following new section:

"SEC. 43. PROCEDURES REGARDING MAJOR DISASTERS AND INCIDENTS ABROAD AFFECTING UNITED STATES CITIZENS.

"In the case of a major disaster or incident abroad which affects the health and safety of citizens of the United States residing or traveling abroad, the Secretary of State shall provide prompt and thorough notification of all appropriate information concerning such disaster or incident and its effect on United States citizens to the next-of-kin of such individuals. Notification

shall be provided through the most expeditious means available, including telephone communications, and shall include timely written notice. The Secretary, through the appropriate offices of the Department of State, shall act as a clearinghouse for up-to-date information for the next-of-kin and shall provide other services and assistance. Assistance shall include liaison with foreign governments and persons and with United States air carriers concerning arrangements for the preparation and transport to the United States of the remains of citizens who die abroad, as well as disposition of personal effects.".

(d) DEVELOPMENT OF STANDARDIZED PROCEDURES.—

(1) The Secretary of State shall enter into discussions with international air carriers and other appropriate entities to develop standardized procedures which will assist the Secretary in implementing the provisions of section 43 of the State Department Basic Authorities Act of 1956, as amended by subsection (c).

(2) The Secretary of State shall consider the feasibility of establishing a toll-free telephone number to facilitate inquiries by the next-of-kin in cases of major disasters or incidents abroad which affect the health and safety of citizens of the United States residing or traveling abroad.

(e) REPORT TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall prepare and submit a report to the Congress which sets forth plans for the implementation of the amendment made by subsection (c) and the provisions of subsection (d)(1), together with the Secretary's comments concerning the proposal under subsection (d)(2).

SEC. 116. ACQUISITION OF DOMESTIC PROPERTY AS INTERIM STEP TO ACQUIRING PROPERTY ABROAD.

(a) ADDITIONAL AUTHORITY FOR THE DIRECTOR OF THE OFFICE OF FOREIGN MISSIONS.—Section 203(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4303(c)) is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by redesignating paragraph (3) as paragraph (4); and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) dispose of property acquired in carrying out the purposes of this Act; and".

(b) PROVISION OF BENEFITS.—Section 204 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4304) is amended—

(1) in subsection (b)—

(A) by striking out "or" at the end of paragraph (3);

(B) by inserting "or" at the end of paragraph (4);

(C) by inserting after paragraph (4) the following new paragraph:

"(5) subject to subsection (f), to implement an exchange of property between the Government of the United States and the government of a foreign country, such property to be used by each government in the respective receiving state for, or in connection with, diplomatic or consular establishments,"; and

(2) by adding at the end thereof the following new subsection:

"(f)(1) Upon a determination in each specific case by the Secretary of State or the Secretary's designee that the purpose of the Foreign Service Buildings Act, 1926, can best be met on the basis of an in-kind exchange of properties with a foreign country pursuant to subsection (b)(5), the Secretary of State may transfer funds made available under the heading 'Acquisition and Maintenance of Buildings Abroad' (including funds held in the Foreign Service Buildings Fund) for such purpose to the Working Capital Fund, as provided in section 208(h)(1). Except for funds that may be provided by a foreign government for the purchase of property, only funds transferred under the preceding sentence may be used for the purposes of subsection (b)(5).

"(2) The Secretary of State may acquire property in the United States for the purposes of subsection (b)(5) only in the context of a specific reciprocal agreement with a specified foreign government. Property acquired by the United States in the foreign country through such an exchange shall benefit the United States at least to the same extent as the property acquired in the United States benefits the foreign government.

"(3) The Secretary of State shall prescribe regulations for the implementation of any in-kind exchange of properties pursuant to subsection (b)(5).

"(4) At least 15 days before entering into any reciprocal agreement for the exchange of property with another foreign government, the Secretary of State shall notify the Committee on Foreign Affairs and the Committee on Public Works and Transportation of the House of Representatives and the Committee on Foreign Relations of the Senate.

"(5)(A) Proceeds from the disposition of properties acquired pursuant to this subsection shall be credited to the Foreign Service Buildings Fund (referred to in section 9 of the Foreign Service Buildings Act, 1926).

"(B) The authority to spend proceeds received under subparagraph (A) may be exercised only to such extent or in such amounts as are provided in advance in an appropriation Act.".

(c) CONFORMING AMENDMENT.—Section 9(a)(1) of the Foreign Service Buildings Act, 1926 (22 U.S.C. 300(a)(1)), is amended by inserting before the comma at the end thereof the following: "or in the United States pursuant to section 204(b)(5) of the State Department Basic Authorities Act of 1956".

SEC. 117. DEBT COLLECTION.

Title I of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2669 et seq.) is amended—

(1) by redesignating section 44 (as redesignated by section 115) as section 45; and

(2) by inserting after section 43 (as redesignated by section 115) the following:

"SEC. 44. DEBT COLLECTION.

"(a) CONTRACT AUTHORITY.—(1) Subject to the availability of appropriations, the Secretary of State shall enter into contracts for collection services to recover indebtedness owed by a person, other than a foreign country, to the United States which arises out of activities of the Department of State and is delinquent by more than 90 days.

"(2) Each contract entered into under this section shall provide that the person with whom the Secretary enters into such contract shall submit to the Secretary at least once every 180 days a status report on the success of the person in collecting debts. Section 3718 of title 31, United States Code, shall apply to any such contract to the extent that such section is not inconsistent with this subsection.

"(b) DISCLOSURE OF DELINQUENT DEBT TO CREDIT REPORTING AGENCIES.—The Secretary of State shall, to the extent otherwise allowed by law, disclose to those credit reporting agencies to which the Secretary reports loan activity information concerning any debt of more than $100 owed by a person, other than a foreign country, to the United States which arises out of activities of the Department of State and is delinquent by more than 31 days.".

SEC. 118. MUNITIONS CONTROL REGISTRATION FEES.

The State Department Basic Authorities Act of 1956 (22 U.S.C. 2269 et seq.) is amended—

(1) by redesignating section 45 (as redesignated by section 117) as section 46; and

(2) by inserting after section 44 (as redesignated by section 117) the following new section:

"SEC. 45. MUNITIONS CONTROL REGISTRATION FEES.

"(a) MUNITIONS CONTROL REGISTRATION FEES.—For each fiscal year, $500,000 of the registration fees collected by the Office of Munitions Control of the Department of State shall be credited to a Department of State account, to be available without fiscal year limitation. Fees credited to that account shall be available only for payment of expenses incurred for—

"(1) contract personnel to assist in the evaluation of munitions control license applications, reduction in processing time for license applications, and improved monitoring of compliance with the terms of licenses; and

"(2) the automation of munitions control functions and the processing of munitions control license applications, including the development, procurement, and utilization of computer equipment and related software.

"(b) BUDGET ACT COMPLIANCE.—The authority contained in subsection (a) shall be exercised to such extent and in such amounts as are to be provided in an appropriation Act.".

SEC. 119. FEES AND REIMBURSEMENTS.

The State Department Basic Authorities Act of 1956 is amended—

(1) by redesignating section 46 (as redesignated by section 118) as section 47; and

(2) by inserting after section 45 (as redesignated by section 118) the following new section:

"SEC. 46. FEES RECEIVED FOR USE OF BLAIR HOUSE.

"(a) USE OF FEES.—Notwithstanding any other provision of law, for the fiscal years 1990 and 1991, funds received by the Department of State in connection with use of Blair House (including reimbursements and surcharges for services and goods provided and fees for use of Blair House facilities) may be credited to the appropriate appropriation account of the Department of State which is currently available. Such funds shall be available only for maintenance and other expenses of Blair House.

"(b) COMPLIANCE WITH THE BUDGET ACT.—The authority of this section may be exercised only to such extent or in such amounts as are provided in advance in an appropriation Act.".

SEC. 120. INTERNATIONAL CENTER.

Section 4 of the International Center Act (Public Law 90-553, as amended) is amended by adding at the end thereof the following new subsection:

"(c)(1)(A) The Department of State is authorized to require the payment of a fee by other executive agencies of the United States for the lease or use of facilities located at the International Center which are used for the purposes of security and maintenance. Any payments received for lease or use of such facilities shall be credited to the account entitled 'International Center, Washington,

District of Columbia' and shall be available, without fiscal year limitation, to cover the operation and maintenance expenses of such facilities, including administration, maintenance, utilities, repairs, and alterations.

"(B) The authority of subparagraph (A) shall be exercised only to such extent or in such amounts as are provided in advance in an appropriation Act.

"(2) For purposes of paragraph (1), the term 'Executive agencies' is used within the meaning of section 105 of title 5, United States Code.".

SEC. 121. CLOSING OF DIPLOMATIC AND CONSULAR POSTS IN ANTIGUA AND BARBUDA.

Section 123 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (Public Law 100-204) is repealed.

SEC. 122. SUBMISSION OF ANNUAL COUNTRY REPORTS ON TERRORISM.

Section 140(a) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (Public Law 100-204) is amended by striking out "March 31" and inserting in lieu thereof "April 30".

SEC. 123. CONSULAR OFFICER DUTIES.

Section 31 of the Act of June 22, 1860 (12 Stat. 79; 22 U.S.C. 4192), relating to the solemnization of marriages, is repealed.

SEC. 124. OPENING A UNITED STATES CONSULATE IN BRATISLAVA.

(a) FINDINGS.—The Congress finds that—

(1) the State Department's "special consulate" concept offers a model for reopening a consulate in Bratislava, Czechoslovakia, at modest cost and with significant public diplomacy and political benefits;

(2) the United States still owns the old consulate building and in 1987-1988 spent about $500,000 to renovate parts of the building;

(3) the building has been productively used for trade and cultural events, but could be more effectively used by restoring it to its original purpose as the locus of official United States representation in the Slovak capital;

(4) Slovakia has been the source of the largest and most recent wave of Czechoslovak emigration to the United States and approximately three and one-half million Americans are of Slovak heritage;

(5) American tourists in Slovakia, many visiting relatives, often require consular assistance and this consular support could best be provided by a consulate in Bratislava;

(6) Slovaks account for more than half of all Czechoslovak tourist travel to the United States and this travel, which should be encouraged, could be expedited by a United States consulate in Bratislava;

(7) the Slovak underground Catholic Church is one of the most vibrant religious forces in Czechoslovakia and each year tens of thousands of Catholics make pilgrimages to Slovakia;

(8) American outreach efforts in Slovakia have been hindered by the absence of a constant and direct American presence in Bratislava; and

(9) with its Hungarian, Polish, and Ukrainian minorities, a United States consulate in Bratislava would provide important information on both regional and local developments.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the President should take all practicable steps to reopen the United States consulate in Bratislava, Czechoslovakia.

SEC. 125. CONSTRUCTION OF UNITED STATES EMBASSY IN OTTAWA.

Section 402(a) of the Diplomatic Security Act (22 U.S.C. 4852(a)) shall not apply to the construction or renovation of the United States Embassy in Ottawa, Canada.

SEC. 126. VOLUNTARY PILOT PROGRAM FOR INCREASED PARTICIPATION BY ECONOMICALLY AND SOCIALLY DISADVANTAGED ENTERPRISES IN FOREIGN RELATIONS ACTIVITIES.

(a) ESTABLISHMENT OF PILOT PROGRAM FOR VOLUNTARY SET-ASIDES.—Not later than 90 days after the date of the enactment of this Act, the Secretary of State (in consultation with the Director of the United States Information Agency) shall prepare and transmit a detailed plan for the establishment for the fiscal years 1990 and 1991 of a pilot program of voluntary set-asides for increased participation, to the extent practicable, by economically and socially disadvantaged enterprises in programs and activities of the Department of State and the United States Information Agency to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

(b) CONTENTS OF PLAN.—Such plan shall include—

(1) a description of where such pilot program will be located in each such agency's organizational structure and what relevant lines of authority will be established;

(2) a listing of the specific responsibilities that will be assigned to the pilot program to enable it to increase, to the extent practicable and in a rational and effective manner, participation of economically and socially disadvantaged enterprises in activities funded by such agencies;

(3) a detailed design for a time-phase system for bringing about expanded participation, to the extent practicable, by economically and socially disadvantaged enterprises, including—

(A) specific recommendations for percentage allocations of contracts, subcontracts, procurement, grants, and research and development activities by such agencies to such enterprises; and

(B) particular consideration of the participation of economically and socially disadvantaged enterprises in activities in the areas of communications, telecommunications, and information systems;

(4) a proposed reporting system that will permit objective measuring of the degree of participation of economically and socially disadvantaged enterprises in comparison to the total activities funded by such agencies;

(5) a detailed projection of the administrative budgetary impact of the establishment of the pilot program; and

(6) a detailed set of objective criteria upon which determinations will be made as to the qualifications of economically and socially disadvantaged enterprises to receive contracts funded by such agencies.

(c) OBJECTIVES.—The objective of the pilot program shall be to increase the participation, to the extent practicable, of economically and socially disadvantaged business enterprises in contract, procurement, grant, and research and development activities funded by the agencies.

(d) RESPONSIBILITIES.—The pilot program shall—

(1) establish, maintain, and disseminate information to, and otherwise serve as an information clearinghouse for, economically and socially disadvantaged business enterprises regarding business opportunities funded by the agencies;

(2) design and conduct projects to encourage, promote, and assist economically and socially disadvantaged business enterprises to secure direct contracts, host country contracts, subcontracts, grants, and research and development contracts in order for such enterprises to participate in programs funded by the Department of State and the United States Information Agency;

(3) conduct market research, planning, economic and business analyses, and feasibility studies to identify business opportunities funded by such agencies;

(4) develop support mechanisms which will enable socially and economically disadvantaged enterprises to take advantage of business opportunities in programs funded by such agencies; and

(5) enter into such contracts (to such extent or in such amounts as are provided in advance in appropriation Acts), cooperative agreements, or other transactions as may be necessary in the conduct of its functions under this section.

(e) RESPONSIBILITIES OF THE SECRETARY.—The Secretary of State (after consultation with the Director of the United States Information Agency) shall provide the pilot program with such relevant information, including procurement schedules, bids, and specifications with respect to programs funded by the Department of State and the United States Information Agency, as may be requested by the pilot program in connection with the performance of its functions under this section.

(f) DEFINITIONS.—

(1) For the purposes of this section, the term "economically and socially disadvantaged enterprise" means a business—

(A) which is at least 51 percent owned by one or more socially and economically disadvantaged individuals or, in the case of a publicly-owned business, at least 51 percent of the stock of which is owned by one or more socially and economically disadvantaged individuals; and

(B) whose management and daily business operations are controlled by one or more such individuals.

(2) Socially disadvantaged individuals are those who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities.

(3) Economically disadvantaged individuals are those socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same business area who are not socially disadvantaged. In determining the degree of diminished credit and capital opportunities, the Administrator of the agency shall consider, but not be limited to, the assets and net worth of the socially disadvantaged individual.

(g) REPORTS TO CONGRESS.—For each of the fiscal years 1990 and 1991, the Secretary of State shall prepare and submit a report concerning the implementation of the pilot program under this section to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

SEC. 127. REPORT ON REORGANIZATION OF THE DEPARTMENT OF STATE.

(a) FINDINGS.—The Congress makes the following findings:

(1) The Department of State is currently reviewing its organizational structure.

(2) Each of the geographical bureaus deals with a large number of countries and often a broad diversity of cultures, nationalities, and ethnic divisions.

(3) The territory covered by the Bureau of Near Eastern and South Asian Affairs, for example, stretches from the Atlantic coast of Morocco to the Bay of Bengal, includes 25 countries, more than a billion people, a number of regional disputes, and several cultural and linguistic divisions. The Bureau of Inter-American Affairs has within its jurisdiction 33 countries, including Mexico, the nations of the Caribbean Basin, and Central and South America.

(4) Among the most pressing international issues is the prospect for global warming. Over the next few years, American leadership at the international level will be crucial to worldwide efforts to ensure that global warming does not occur. The Department of State will need to consider appropriate steps to prepare for the leadership role of the United States.

(5) The United States continues to face a foreign intelligence threat, including the danger to United States diplomatic missions. The Department of State will need to improve its ability to detect and prevent intelligence penetration of United States missions abroad.

(b) REPORT.—Not later than February 3, 1990, the Secretary of State shall submit to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives a report assessing the advisability of reorganization of its regional and functional bureaus. The report shall include, but not be limited to, an assessment of the advisability of two bureaus to cover the present responsibilities of the Bureau of Inter-American Affairs, an office of Diplomatic Security to be headed by an Under Secretary-level Director of Diplomatic Security, and an Office of Global Warming within the Bureau of Oceans, International Environmental and Scientific Affairs. The report shall also include an assessment of the advisability of transferring the jurisdictional responsibility for the Organization of American States from the Bureau of International Organizations to the Bureau of Inter-American Affairs, and of creating a high-level coordinator for United States policy toward Mexico. In the context of the report required by this subsection, it is the sense of the Congress that the Secretary of State should give serious consideration to the establishment of a Bureau of South Asian Affairs within the Department of State.

SEC. 128. PROHIBITION ON EXCLUSION OR DEPORTATION OF NONIMMIGRANT ALIENS ON CERTAIN GROUNDS.

(a) TECHNICAL CORRECTION.—Section 901 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (8 U.S.C. 1182 note) is amended in subsection (a) by inserting "subject to restrictions or conditions on entry into the United States," after "United States," the first place it appears.

(b) REPEAL OF TERMINATION PROVISION.—Subsection (d) of section 901 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (8 U.S.C. 1182 note) is repealed.

PART C—DIPLOMATIC IMMUNITY, RECIPROCITY, AND SECURITY

SEC. 131. EXCLUSION OF ALIENS PREVIOUSLY INVOLVED IN SERIOUS CRIMINAL OFFENSES COMMITTED IN THE UNITED STATES.

(a) GROUNDS OF EXCLUSION.—Section 212(a) of the Immigration and Nationality Act (8 U.S.C. 1182(a)) is amended—

(1) by striking out the period at the end of paragraph (33) and inserting in lieu thereof a semicolon; and

(2) by adding after paragraph (33) the following new paragraph:

"(34) Any alien who has committed in the United States any serious criminal offense, as defined in section 101(h), for whom immunity from criminal jurisdiction was exercised with respect to that offense, who as a consequence of the offense and the exercise of immunity has departed the United States, and who has not subsequently submitted fully to the jurisdiction of the court in the United States with jurisdiction over the offense.".

(b) DEFINITION.—Section 101 of the Immigration and Nationality Act (8 U.S.C. 1101) is amended by adding at the end thereof the following new subsection:

"(h) For purposes of section 212(a)(34), the term 'serious criminal offense' means—

"(1) any felony;

"(2) any crime of violence, as defined in section 16 of title 18 of the United States Code; or

"(3) any crime of reckless driving or of driving while intoxicated or under the influence of alcohol or of prohibited substances if such crime involves personal injury to another.".

(c) WAIVER.—Section 212(h) of the Immigration and Nationality Act (8 U.S.C. 1182(h)) is amended by striking out "or (12)" and inserting in lieu thereof "(12), or (34)".

(d) REPORT CONCERNING COMPENSATION AND DIPLOMATIC IMMUNITY.—(1) Not later than 180 days after the date of enactment of this Act, the Secretary of State shall prepare and submit to the appropriate committees of the Congress a report which considers the need and feasibility of establishing a program which makes compensation awards to United States citizens and permanent resident aliens in the United States for physical injury or financial loss which is the result of criminal activity reasonably believed to have been committed by individuals with immunity from criminal jurisdiction as a result of international obligations of the United States arising from multilateral agreements, bilateral agreements, or otherwise under international law.

(2) Together with such other information as the Secretary of State considers appropriate, the report shall include—

(A) a plan and feasibility analysis for the establishment of such a program, including—

(i) specific recommendations for funding, administration, and procedures and standards for compensation and payment of awards; and

(ii) particular consideration of the feasibility of an appeals mechanism;

(B) an assessment of—

(i) the feasibility of establishing a fund;

(ii) the availability of existing accounts; or

(iii) other sources of funding for the program; and

(C) consideration of other possible mechanisms for compensation or reimbursement, including direct compensation by the individual with immunity from criminal jurisdiction or by the sending country of that individual.

SEC. 132. MODIFICATION OF PREFERENCE FOR UNITED STATES CONTRACTORS IN DIPLOMATIC CONSTRUCTION PROGRAM.

Section 402(a) of the Diplomatic Security Act (22 U.S.C. 4852) is amended in paragraph (2) to read as follows:

"(2) bid on a diplomatic construction or design project which involves physical or technical security, unless the project—

"(A) involves nonsophisticated, low-level technology, as determined by the Assistant Secretary for Diplomatic Security;

"(B) is for the design or construction of a facility that does not process or store classified material; and

"(C) does not exceed a total value of $500,000.".

SEC. 133. USE OF CLEARED PERSONNEL TO ENSURE SECURE MAINTENANCE AND REPAIR OF DIPLOMATIC FACILITIES ABROAD.

(a) IN GENERAL.—Title IV of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 is amended by adding at the end thereof the following new section:

"SEC. 415. USE OF CLEARED PERSONNEL TO ENSURE SECURE MAINTENANCE AND REPAIR OF DIPLOMATIC FACILITIES ABROAD.

"(a) POLICIES AND REGULATIONS.—The Secretary of State shall develop and implement policies and regulations to provide for the use of persons who have been granted an appropriate United States security clearance to ensure that the security of areas intended for the storage of classified materials or the conduct of classified activities in a United States diplomatic mission or consular post abroad is not compromised in the performance of maintenance and repair services in those areas.

"(b) STUDY AND REPORT.—The Secretary of State shall conduct a study of the feasibility and necessity of requiring that, in the case of certain United States diplomatic facilities abroad, no contractor shall be hired to perform maintenance or repair services in an area intended for the storage of classified materials or the conduct of classified activities unless such contractor has been granted an appropriate United States security clearance. Such study shall include, but is not limited to, United States facilities located in Cairo, New Delhi, Riyadh, and Tokyo. Not later than 180 days after the date of the enactment of this section, the Secretary of State shall report the results of such study to the Chairman of the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives.".

(b) CONFORMING AMENDMENT TO TABLE OF CONTENTS.—The table of contents for the Omnibus Diplomatic Security and Antiterrorism Act of 1986 is amended by inserting after the item relating to section 414 the following new item:

"Sec. 415. Use of cleared personnel to ensure secure maintenance and repair of diplomatic facilities abroad.".

SEC. 134. UNITED STATES-SOVIET RECIPROCITY IN MATTERS RELATING TO EMBASSIES.

(a) WAIVER OF RESTRICTION REGARDING SOVIET CONSULATES IN THE UNITED STATES.—(1) Notwithstanding section 153(b) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (Public Law 100-204) and subject to paragraph (2), the Secretary of State may allow the Soviet mission to the United States to occupy, on the basis of reciprocity, a consulate facility in the United States.

(2) Paragraph (1) shall apply only after the Secretary of State certifies to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate that the United States mission in Kiev is able to occupy an interim facility intended for the conduct of unclassified activities.

(b) REPORTS TO CONGRESS.—Not later than January 30, 1991, the Secretary of State shall develop and submit to the Congress a

long-term plan for acquiring secure permanent facilities for the United States mission in Kiev, together with a budget proposal to implement such plan.

SEC. 135. CONSTRUCTION SECURITY CERTIFICATION.

Section 160(a) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (Public Law 100-204) is amended—

(1) in the text preceding paragraph (1), by inserting "or approving occupancy of a similar facility for which construction or major renovation began before the effective date of this section," after "activities,";

(2) at the end of paragraph (1), by striking out "and";

(3) at the end of paragraph (2), by striking out the period and inserting in lieu thereof "; and"; and

(4) by inserting after paragraph (2) the following new paragraph:

"(3) a plan has been put into place for the continued evaluation and maintenance of adequate security at such facility, which plan shall specify the physical security methods and technical countermeasures necessary to ensure secure operations, including any personnel requirements for such purposes.".

SEC. 136. INCREASED PARTICIPATION OF UNITED STATES CONTRACTORS IN LOCAL GUARD CONTRACTS ABROAD UNDER THE DIPLOMATIC SECURITY PROGRAM.

(a) FINDINGS.—The Congress makes the following findings:

(1) State Department policy concerning the advertising of security contracts at Foreign Service buildings has been inconsistent over the years. In many cases, diplomatic and consular posts abroad have been given the responsibility to determine the manner in which the private sector was notified concerning an invitation for bids or a request for proposals with respect to a local guard contract. Some United States foreign missions have only chosen to advertise locally the availability of a local security guard contract abroad.

(2) As a result, many United States security firms that provide local guard services abroad have been unaware that local guard contracts were available for bidding abroad and such firms have been disadvantaged as a result.

(3) Undoubtedly, United States security firms would be interested in bidding on more local guard contracts abroad if such firms knew of the opportunity to bid on such contracts.

(b) OBJECTIVE.—It is the objective of this section to improve the efficiency of the local guard programs abroad administered by the Bureau of Diplomatic Security of the Department of State and to ensure maximum competition for local guard contracts abroad concerning Foreign Service buildings.

(c) PARTICIPATION OF UNITED STATES CONTRACTORS IN LOCAL GUARD CONTRACTS ABROAD.—With respect to local guard contracts for a Foreign Service building which exceed $250,000 and are entered into after the date of enactment of this Act, the Secretary of State shall—

(1) establish procedures to ensure that all solicitations for such contracts are adequately advertised in the Commerce and Business Daily;

(2) establish procedures to ensure that appropriate measures are taken by diplomatic and consular post management to assure that United States persons and qualified United States joint venture persons are not disadvantaged during the solicitation and bid evaluation process due to their distance from the post; and

(3) give preference to United States persons and qualified United States joint venture persons where such persons are price competitive to the non-United States persons bidding on the contract, are properly licensed by the host government, and are otherwise qualified to carry out all the terms of the contract.

(d) DEFINITIONS.—For the purposes of this section—

(1) the term "United States person" means a person which—

(A) is incorporated or legally organized under the laws of the United States, including the laws of any State, locality, or the District of Columbia;

(B) has its principal place of business in the United States;

(C) has been incorporated or legally organized in the United States for more than 2 years before the issuance date of the invitation for bids or request for proposals with respect to the contract under subsection (c);

(D) has performed within the United States and overseas security services similar in complexity to the contract being bid;

(E) with respect to the contract under subsection (c), has achieved a total business volume equal to or greater than the value of the project being bid in 3 years of the 5-year period before the date specified in subparagraph (C);

(F)(i) employs United States citizens in at least 80 percent of its principal management positions in the United States; and

(ii) employs United States citizens in more than half of its permanent, full-time positions in the United States; and

(G) has the existing technical and financial resources in the United States to perform the contract;

(2) the term "qualified United States joint venture person" means a joint venture in which a United States person or persons owns at least 51 percent of the assets of the joint venture; and

(3) the term "Foreign Service building" means any building or grounds of the United States which is in a foreign country and is under the jurisdiction and control of the Secretary of State, including residences of United States personnel assigned overseas under the authority of the Ambassador.

(e) UNITED STATES MINORITY CONTRACTORS.—Not less than 10 percent of the amount of funds obligated for local guard contracts for Foreign Service buildings subject to subsection (c) shall be allocated to the extent practicable for contracts with United States minority small business contractors.

(f) UNITED STATES SMALL BUSINESS CONTRACTORS.—Not less than 10 percent of the amount of funds obligated for local guard contracts for Foreign Service buildings subject to subsection (c) shall be allocated to the extent practicable for contracts with United States small business contractors.

(g) LIMITATION OF SUBCONTRACTING.—With respect to local guard contracts subject to subsection (c), a prime contractor may not subcontract more than 50 percent of the total value of its contract for that project.

PART D—PERSONNEL

SEC. 141. AUTHORITY TO TRANSFER RETIREMENT CONTRIBUTIONS FOR FOREIGN SERVICE NATIONALS TO LOCAL PLANS.

(a) LOCAL COMPENSATION PLANS.—Section 408(a) of the Foreign Service Act of 1980 (22 U.S.C. 3968(a)) is amended by inserting at the end thereof the following new paragraph:

"(3)(A) Whenever a foreign national employee so elects during a one-year period established by the Secretary of State with respect to each post abroad, the Secretary of the Treasury (at the direction of the Secretary of State) shall transfer such employee's interest in the Civil Service Retirement and Disability Fund to a trust or other local retirement plan certified by the United States Government under a local compensation plan established for foreign national employees pursuant to this section (excluding local social security plans).

"(B) For purposes of subparagraph (A), the phrase "employee's interest in the Civil Service Retirement and Disability Fund" means the total contributions of the employee and the employing agency with respect to such employee, pursuant to sections 8331(8) and 8334(a)(1) of title 5, United States Code, respectively, plus interest at the rate provided in section 8334(e)(3) of such title.

"(C) Any such transfer shall void any annuity rights or entitlement to lump-sum credit under subchapter III of chapter 83 of such title.".

(b) TRANSFER AS CONSTITUTING FINAL PAYMENT.—Section 8345 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(l) Transfers of contributions and deposits authorized by section 408(a)(3) of the Foreign Service Act of 1980 shall be deemed to be a complete and final payment of benefits under this chapter.".

(c) The transfer of an employee's interest in the Civil Service Retirement and Disability Fund shall occur after October 1, 1990.

SEC. 142. DISQUALIFICATION FOR SERVICE ON FOREIGN SERVICE SELECTION BOARDS.

Section 602 of the Foreign Service Act of 1980 (22 U.S.C. 4002) is amended by adding at the end thereof the following:

"(c) No public members appointed pursuant to this section may be, at the time of their appointment or during their appointment, an agent of a foreign principal (as defined by section 1(b) of the Foreign Agents Registration Act of 1938) or receive income from a government of a foreign country.".

SEC. 143. SEPARATION FOR CAUSE; JUDICIAL REVIEW.

(a) AVAILABILITY OF JUDICIAL REVIEW.—Section 610(a)(2) of the Foreign Service Act of 1980 (22 U.S.C. 4010(a)(2)) is amended by adding at the end thereof the following new sentence: "Section 1110 shall apply to proceedings under this paragraph.".

(b) SEPARATION DUE TO CRIMINAL CONVICTION.—Section 610(a)(2) of the Foreign Service Act of 1980 (22 U.S.C. 4010) is amended by inserting at the end of the first sentence before the period the following: "or, notwithstanding section 1106(8) of this Act, unless the member has been convicted of a crime related to the cause for separation, subject to reinstatement with back pay (for any period during which separation for cause had not been established by such a hearing) if such conviction is reversed on appeal".

SEC. 144. VISITING SCHOLARS PROGRAM FOR THE FOREIGN SERVICE INSTITUTE.

(a) IN GENERAL.—Chapter 7 of title I of the Foreign Service Act of 1980 is amended by adding at the end thereof the following new section:

"SEC. 707. VISITING SCHOLARS PROGRAM.

"(a) ESTABLISHMENT OF PROGRAM.—There is authorized to be established at the Foreign Service Institute a program whereby selected scholars would participate fully in the educational and training activities of the Institute. This program may be referred to as the 'Visiting Scholars Program'.

"(b) SELECTION AND APPOINTMENT OF SCHOLARS.—

"(1) Scholars participating in the Visiting Scholars Program shall be selected by a five-member board described in subsection (c).

"(2) Each visiting scholar shall serve a term of one year, except that such term may be extended for one additional one-year period.

"(c) ESTABLISHMENT OF SELECTION BOARD.—The board referred to in subsection (b) shall be composed of the Director of the Foreign Service Institute, who shall serve as chairperson, and four other members appointed by the Secretary of State.".

(b) AMENDMENT TO TABLE OF CONTENTS.—The table of contents of the Foreign Service Act of 1980 is amended by inserting after the item relating to section 706 the following new item:

"Sec. 707. Visiting Scholars Program.".

SEC. 145. CREDIT FOR SERVICE AT UNHEALTHFUL POSTS.

(a) APPLICATION TO DETERMINATIONS OF ELIGIBILITY FOR FORMER SPOUSES.—Section 816(i)(2) of the Foreign Service Act of 1980 (22 U.S.C. 4056(i)(2)) is amended to read as follows:

"(2) A former spouse shall not be considered as married to a participant for periods assumed to be creditable service under section 808(a) or section 809(e).".

(b) TERMINATION OF EXTRA CREDIT FOR SERVICE AT UNHEALTHFUL POSTS.—Section 817 of such Act (22 U.S.C. 4057) is amended by adding at the end thereof the following new sentences: "Such extra credit may not be used to determine the eligibility of a person to qualify as a former spouse under this subchapter, or to compute the pro rata share under section 804(10). No extra credit for service at unhealthful posts may be given under this section for any service as part of a tour of duty, or extension thereof, beginning on or after the date of enactment of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991.".

SEC. 146. FORMER SPOUSES OF UNITED STATES INFORMATION AGENCY AND AGENCY FOR INTERNATIONAL DEVELOPMENT EMPLOYEES.

(a) RETIREMENT BENEFITS FOR CERTAIN FORMER SPOUSES.—Section 830 of the Foreign Service Act of 1980 (22 U.S.C. 4069a) (relating to retirement benefits for certain former spouses) is amended by adding at the end the following new subsection:

"(f) Any individual who on February 14, 1981, was an otherwise qualified former spouse pursuant to this section, but who was married to a former Foreign Service employee of the United States Information Agency or of the Agency for International Development, shall be entitled to benefits under this section if—

"(1) the former employee retired from the Civil Service Retirement and Disability System on a date before his employing agency could legally participate in the Foreign Service Retirement and Disability System; and

"(2) the marriage included at least five years during which the employee was assigned overseas.".

(b) SURVIVOR BENEFITS FOR CERTAIN FORMER SPOUSES.—Section 831 of the Foreign Service Act of 1980 (22 U.S.C. 4069b) (relating to survivor benefits for certain former spouses) is amended by adding at the end the following new subsection:

"(g) Any individual who on February 14, 1981, was an otherwise qualified former spouse pursuant to this section, but who was married to a former Foreign Service employee of the United States Information Agency or of the Agency of International Development, shall be entitled to benefits under this section if—

"(1) the former employee retired from the Civil Service Retirement and Disability System on a date before his employing agency could legally participate in the Foreign Service Retirement and Disability System; and

"(2) the marriage included at least five years during which the employee was assigned overseas.".

(c) HEALTH BENEFITS FOR CERTAIN FORMER SPOUSES.—Section 832 of the Foreign Service Act of 1980 (22 U.S.C. 4069c) (relating to health benefits for certain former spouses) is amended by adding at the end the following new subsection:

"(f) Any individual who on February 14, 1981, was an otherwise qualified former spouse pursuant to subsections (a), (b), and (c) of this section, but who was married to a former Foreign Service employee of the United States Information Agency or of the Agency for International Development, shall be entitled to benefits under this section if—

"(1) the former employee retired from the Civil Service Retirement and Disability System on a date before his employing agency could legally participate in the Foreign Service Retirement and Disability System; and

"(2) the marriage included at least five years during which the employee was assigned overseas.".

SEC. 147. CHILD CARE FACILITIES AT CERTAIN POSTS ABROAD.

Section 31 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2684) is amended by adding at the end thereof the following new subsection:

"(e) For the fiscal years 1990 and 1991, the Secretary of State may make grants to child care facilities, to offset in part the cost of such care, in Moscow and at no more than five other posts abroad where the Secretary determines that due to extraordinary circumstances such facilities are necessary to the efficient operation of the post. In making that determination, the Secretary shall take into account factors such as—

"(1) whether Foreign Service spouses are encouraged to work at the post because—

"(A) the number of members of the post is subject to a ceiling imposed by the receiving country; and

"(B) Foreign Service nationals are not employed at the post; and

"(2) whether local child care is available.".

SEC. 148. TRAVEL, LEAVE, AND OTHER BENEFITS.

Section 901(9) of chapter 9 of the Foreign Service Act of 1980 (22 U.S.C. 4081(9)) is amended to read as follows:

"(9) roundtrip travel to or from an employee's post of assignment for purposes of family visitation in emergency situations involving personal hardship, except that payment for travel by family members to an employee's post of assignment may be authorized under this paragraph only where the family of the member is prevented by official order from residing at such post.".

SEC. 149. FOREIGN SERVICE INTERNSHIP PROGRAM.

(a) FINDINGS.—The Congress makes the following findings:

(1) On September 3, 1986, George Shultz, as Secretary of State, issued a statement containing 32 directives concerning equal opportunity in the Foreign Service. In his statement Secretary Shultz affirmed that it was of "fundamental importance that the Foreign Service truly represent the cultural and ethnic diversity of our own society", and indicated that the lack of such balanced representation was "a foreign policy problem which affects our image as a nation and as a leader of the free world". Secretary Shultz stated "that representation of women and minorities in the Foreign Service is still unacceptably low" and declared that he was "particularly concerned at the small number of Blacks in the Senior Foreign Service".

(2) The Secretary approved 32 recommendations included with the statement regarding recruitment, assignments, performance evaluations, and equal employment opportunity procedures within the Foreign Service. The recommendations of Secretary of State Shultz included—

(A) the targeting of historically Black American colleges and universities for special recruitment efforts, including specific information on how to apply for the Foreign Service examination, the testing process, and the mechanics of entry;

(B) independent review of the written exam for any cultural bias against African Americans;

(C) the inclusion of more African Americans on the board of examiners panels;

(D) investigation of methods to increase African American enrollment in university courses which might improve an applicant's chances of passing the written exam;

(E) development of new recruitment strategies;

(F) the assignment of more African American officers to senior (and visible) role model positions; and

(G) the recruitment of more African American officers into the political and economic cones of the Foreign Service.

(3) During the past 7 years, equal opportunity programs to attract women and minorities to the Foreign Service have been most successful in recruiting women and Asian Americans. Such programs have been less than successful in the recruitment of African Americans, Hispanic Americans, and Native Americans. In 1982, 188 new recruits were appointed to the Foreign Service, 48 were minority appointments constituting 26 percent. In 1985 the number of new appointments had increased 33 percent to 281, but minorities comprised only 10.3 percent of such appointments, a total of 29.

(4) For African Americans and Hispanics the trend of hiring in the Foreign Service is disconcerting. Nineteen African Americans were appointed to the Foreign Service in 1983, in 1987 only 10 African Americans were appointed. Hispanic appointments ranged from 12 in 1983 to 8 in 1985 to 15 in 1987. For Native Americans the Foreign Service statistics are ominous, 5 appointments in 1983, 1 in 1984, and no appointments in 1985, 1986, or 1987.

(5) The severe underrepresentation in the Foreign Service of individuals from certain cultural and ethnic groups is in large part due to the small pool of applicants from such groups. In each year from 1982 through 1987, minority applicants represented 14 to 17 percent of the total applicants and only 50 percent of such applicants took the written exam. In 1987, 1,769 minority applicants took the written exam, 191 passed, and 36 were actually appointed to the Foreign Service.

(6) The absolute and relative decline in the appointment to the Foreign Service of certain minorities who reflect the cultural and ethnic diversity of the United States dictates that more aggressive equal opportunity programs be established to facilitate the recruitment and appointment of such individuals.

(b) ESTABLISHMENT.—Title I of the Foreign Service Act of 1980 is amended by adding at the end the following new chapter:

"CHAPTER 12—FOREIGN SERVICE INTERNSHIP PROGRAM

"SEC. 1201. STATEMENT OF POLICY; OBJECTIVES.

"(a) STATEMENT OF POLICY.—Consistent with the findings of section 101, the Foreign Service of the United States should be representative of the American people. In order to facilitate and encourage the entry into the Foreign Service of individuals who meet the rigorous requirements of the Service, while ensuring a Foreign Service system which reflects the cultural and ethnic diversity of the United States, intensive recruitment efforts are mandated. This is particularly true for Native Americans, African Americans, and Hispanic Americans, where other affirmative action and equal opportunity efforts have not been successful in attracting the ablest applicants for entry into the Foreign Service. The United States remains committed to equal opportunity and to a Foreign Service system operated on the basis of merit principles.

"(b) OBJECTIVES.—The objective of this chapter is to strengthen and improve the Foreign Service of the United States through the establishment of a Foreign Service Internship Program. The program shall promote the Foreign Service as a viable and rewarding career opportunity for qualified individuals who reflect the cultural and ethnic diversity of the United States through a highly-selective internship program for students enrolled in institutions of higher education.

"SEC. 1202. FOREIGN SERVICE INTERNSHIP PROGRAM.

"(a) ESTABLISHMENT.—In consultation with the heads of other agencies utilizing the Foreign Service system, the Secretary of State shall establish a Foreign Service internship program to carry out the objectives of this chapter in accordance with the provisions of this chapter.

"(b) FOREIGN SERVICE INTERNSHIP PROGRAM.—The program shall introduce interns to the practice of diplomacy and the unique rewards of the Foreign Service. The program shall consist of three successive summer internships of not less than eight weeks duration in each year to be completed over the course of not more than four years. Special emphasis shall be given to preparing the intern for the Foreign Service examination process. In each year not less than 10 interns shall enter the program.

"(c) ELIGIBILITY TO PARTICIPATE.—

"(1) Students enrolled full-time in institutions of higher education from groups which are underrepresented in the Foreign Service in terms of the cultural and ethnic diversity of the Foreign Service and for whom equal opportunity and affirmative action recruitment efforts have not been successful in achieving balanced representation in appointments to the Foreign Service shall be eligible to be interns in programs under this chapter.

"(2) An intern shall have successfully completed not less than one academic year of study at an institution of higher education to be admitted to the program. In each succeeding year of participation an intern shall have completed an additional year of undergraduate or graduate study and shall maintain an exemplary record of academic achievement.

"(3) In selecting interns, the Secretary shall consider only the ablest students of superior ability selected on the basis of demonstrated achievement and exceptional promise whose academic records reflect the requisite standards of performance necessary for the Foreign Service.

"(d) SUMMER INTERNSHIPS.—

"(1) The primary focus of the first internship shall be the study of international relations, the functions of the Department of State and other agencies which utilize the Foreign Service system, and the nature of the Foreign Service. The internship shall be held in Washington, District of Columbia, at the Department of State. As appropriate, the Secretary shall utilize the personnel and facilities of the Foreign Service Institute.

"(2) The second internship shall be, principally, an assignment to a specific bureau of the Department of State. Emphasis shall be on providing insight into the economic and political functional areas.

"(3) The third internship shall be an assignment to a United States mission abroad in the political or economic area.

"(4) The first and second internships may include a detail to the Congress.

"(e) ADMINISTRATION.—The Secretary of State shall determine the academic requirements, other selection criteria, and standards for successful completion of each internship period. The Secretary shall be responsible for the design, implementation, and operation of the program.

"(f) MENTORS.—Each intern shall be assigned a career Foreign Service officer as a mentor. The mentor shall act as a counselor and advisor throughout each summer internship and as a personal Foreign Service contact throughout the period of participation in the program. In the assignment of mentors, the Secretary shall give preference to Foreign Service officers who volunteer for such assignment and who may be role models for the interns.

"(g) COMPENSATION.—Interns shall be compensated at a rate determined by the Secretary which shall not be less than the compensation of comparable summer interns at the Department of State. As determined by the Secretary, for the purposes of travel, housing, health insurance, and other appropriate benefits, interns shall be considered employees of the Foreign Service during each internship period.

"(h) STUDY OF FOREIGN SERVICE EXAMINATION.—The Secretary of State shall study the feasibility of administering the Foreign Service examination in separate segments over several years. Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit a report summarizing the findings of such a study to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

"SEC. 1203. REPORT TO CONGRESS.

"Together with the annual submission required under section 105(d)(2), the Secretary of State shall submit a report to the Congress concerning the implementation of the program established under this chapter. Such report accompanied by such other information as the Secretary considers appropriate, shall include specific information concerning the completion rates of interns in the program, interns who took the Foreign Service examination, interns who passed the examination, former interns appointed to the Foreign Service, assignments of former interns, and the advancement of former interns through the Foreign Service system.

"SEC. 1204. FUNDING.

"Of the amounts authorized to be appropriated by section 101(a)(1) of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991, $100,000 for the fiscal year 1990 and $150,000 for the fiscal year 1991 shall be available only to carry out this chapter. Sums appropriated for the purposes of this chapter are authorized to remain available until expended.".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—The Foreign Service Act of 1980 is amended by adding after the items relating to chapter 11 the following:

"CHAPTER 12—FOREIGN SERVICE INTERNSHIP PROGRAM

"Sec. 1201. Statement of policy; objectives.
"Sec. 1202. Foreign service internship program.
"Sec. 1203. Report to Congress.
"Sec. 1204. Authorization of appropriations.".

(d) REPORT TO CONGRESS.—Not later than 90 days after the date of the enactment of this Act, the Secretary of State shall submit a report to the Congress concerning the implementation of the Foreign Service Internship Program.

SEC. 150. GRANTS FOR INSTITUTIONS AND STUDENTS FOR TRAINING IN INTERNATIONAL AFFAIRS.

The State Department Basic Authorities Act of 1956 (22 U.S.C. 2269 et seq.) is amended—

(1) by redesignating section 47 (as redesignated by section 119) as section 48; and

(2) by inserting after section 46 (as redesignated by section 119) the following new section:

"SEC. 47. GRANTS FOR TRAINING AND EDUCATION IN INTERNATIONAL AFFAIRS.

"The Secretary of State may make grants to postsecondary educational institutions or students for the purpose of increasing the level of knowledge and awareness of and interest in employment with the Foreign Service, consistent with section 105 of the Foreign Service Act of 1980. To the extent possible, the Secretary shall give special emphasis to promoting such knowledge and awareness of, and interest in employment with, the Foreign Service among minority students. Any grants awarded shall be made pursuant to regulations to be established by the Secretary of State, which shall provide for a limit on the size of any specific grant and, regarding any grants to individuals, shall ensure that no grant recipient receives an amount of grants from one or more Federal programs which in the aggregate would exceed the cost of his or her education, and shall require satisfactory educational progress by grantees as a condition of eligibility for continued receipt of grant funds.".

SEC. 151. DANGER PAY ALLOWANCE.

The Secretary of State may not deny a request by the Drug Enforcement Administration to authorize a danger pay allowance (under section 5928 of title 5, United States Code) for any employee of such agency.

SEC. 152. JUDICIAL REVIEW OF CERTAIN FOREIGN SERVICE GRIEVANCES.

For the purposes of judicial review under section 1110 of the Foreign Service Act of 1980, any recommendation made by the Foreign Service Grievance Board with respect to the tenure of a grievant which was reviewed by the Secretary of State before the date of enactment of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989, shall be considered to be a final action of the Department of State, and any such recommendation shall be considered to have been made within the authority of the Foreign Service Grievance Board.

SEC. 153. BROADENING THE CULTURAL, GEOGRAPHIC, AND ETHNIC REPRESENTATION OF THE FOREIGN SERVICE AND THE DEPARTMENT OF STATE.

(a) FINDINGS.—The Congress finds that a primary role of the Department of State is to represent the interests of the American people in foreign affairs and, as such, should strive to represent and include, among its policy and professional employees, the great diversity of the American people.

(b) RECRUITMENT.—(1) Not later than 120 days after the date of enactment of this Act, the Secretary of State shall provide the Congress with a plan to assure that equal efforts are undertaken in each of the regions of the United States to recruit policy and professional Government Service employees and Foreign Service officers for the Department of State and each of its affiliated agencies.

(2) Not later than January 1, 1990, the Secretary of State shall implement the plan provided for in paragraph (1).

(c) REPORT BY THE INSPECTOR GENERAL.—Not later than 120 days after the date of enactment of this Act, the Office of Inspector General of the Department of State shall submit to the Congress a report documenting, with respect to geographic distribution, race, ethnicity, gender and handicapping conditions, the composition of the workforce of the policy and professional Government Service employees and Foreign Service officers of the Department and each of its affiliated agencies. The report shall include—

(1) a breakdown of current policy and professional Government Service employees and Foreign Service officers of the Department and each of its affiliated agencies by age, race, gender, undergraduate institution, graduate institution, and place of birth;

(2) a breakdown by age, race, gender, ethnic background, undergraduate institution, graduate institution, and place of birth of those persons who during 1988 passed the written portion of the Foreign Service examination but failed the interview portion; and

(3) a breakdown by age, race, gender, ethnic background, undergraduate institution, graduate institution, and place of birth of those persons who during 1989 passed the Foreign Service examination.

(d) PROHIBITION ON DISCRIMINATION BASED ON GEOGRAPHIC OR EDUCATIONAL AFFILIATION.—Section 105(b)(1) of the Foreign Service Act of 1980 (22 U.S.C. 3905(b)(1)) is amended by inserting "geographic or educational affiliation within the United States," after "marital status,".

(e) TASK FORCE AND REPORT ON HISPANIC RECRUITMENT.—The Secretary of State shall appoint a task force comprised of high-ranking officials to conduct a study and make recommendations concerning improvements in the recruitment and promotion of Hispanic Americans at the Department of State and within the Foreign Service. Not later than one year after the date of the enactment of this Act, the task force shall submit a report of the findings of such study to the Secretary of State and the appropriate committees of the Congress.

(f) REPORT TO CONGRESS ON STATUS OF UNDERREPRESENTED GROUPS AT THE DEPARTMENT OF STATE.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall prepare and submit to the Congress a report concerning efforts of the Department of State to improve the percentage of individuals who are at the assistant secretary and head of bureau level at the Department of State from groups which are underrepresented in the Foreign Service in terms of the cultural and ethnic diversity of the Foreign Service.

(g) STUDY OF FOREIGN SERVICE EXAMINATION.—The Secretary of State shall enter into a contract with a private organization for a comprehensive review and evaluation of the Foreign Service examination. Such review and evaluation shall—

(1) identify any cultural, racial, ethnic, and sexual bias;

(2) evaluate the ability of the examination to measure an individual's aptitude for and potential in the Foreign Service;

(3) consider the relevance of the Foreign Service examination to the work of a Foreign Service officer;

(4) make recommendations for the removal of any element of bias in the examination; and

(5) make recommendations for improvements to achieve an examination free of any bias.

Not more than 18 months after the date of the enactment of this Act, the Secretary of State shall prepare and submit a report to the Congress which contains the findings of such review and evaluation, together with the comments of the Secretary and measures which the Secretary has initiated to respond to any adverse findings of such review. Such report shall take into consideration the current efforts by the Department of State to review its Foreign Service examination.

(h) FOREIGN SERVICE FELLOWSHIPS.—The Secretary of State is authorized to establish a Foreign Service fellowship program at the Department of State. The Foreign Service fellowship program shall provide a fellowship, for not less than 4 months, for academics in the area of international affairs who are members of the faculty of institutions of higher education. Such program shall give priority consideration in the award of fellowships to individuals teaching in programs in international affairs which serve significant numbers of students who are from cultural and ethnic groups which are underrepresented in the Foreign Service.

SEC. 154. REPORT TO CONGRESS CONCERNING POLYGRAPH PROGRAM.

(a) REPORT TO CONGRESS.—Not later than January 31, of each of the years 1990 and 1991, the Secretary of State shall prepare and submit an annual report on the polygraph program of the Department of State to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

(b) CONTENTS OF REPORT.—The report shall provide an assessment of the implementation of the polygraph program during the preceding fiscal year. Together with such other information and comments as the Secretary considers appropriate, the report shall include the following:

(1) Data on the number of lie-detector tests administered.

(2) A description of the purposes and results of such tests.

(3) A description of the criteria used in the selection of programs and individuals for administration of lie-detector tests.

(4) The number of individuals who refused to submit to the administration of such tests.

(5) The number of lie detector tests administered in which a specific incident was not under investigation.

(6) A description of the actions taken when an individual fails or refuses the administration of such tests, including the denial of clearance or any other adverse action.

(7) A detailed accounting of cases in which more than two administrations of such tests were necessary to resolve discrepancies.

(8) Any proposed changes in regulations for the Department of State polygraph program.

(c) DEFINITION.—For purposes of this section, the term "lie detector" shall have the meaning given such term under section 2 of the Employee Polygraph Protection Act of 1988.

SEC. 155. STUDY OF SEXUAL HARASSMENT AT THE DEPARTMENT OF STATE.

(a) FINDINGS.—The June 1988 report of the United States Merit Systems Protection Board entitled "Sexual Harassment in the Federal Government: An Update" determined that the Department of State (including the United States Information Agency) had the highest rate of incidence of sexual harassment of women of any agency of the Federal Government.

(b) STUDY.—Subject to the availability of appropriations, not later than 90 days after the date of the enactment of this Act, the Secretary of State (in consultation with the Director of the United States Information Agency) shall enter into a contract with a private organization with established expertise and demonstrated capabilities in personnel systems and problems for the purpose of conducting a study and preparing a report concerning sexual harassment at the Department of State and the United States Information Agency.

(c) REPORT.—Together with such other information as is determined to be appropriate and informative, such report shall include—

(1) a determination of the reasons for the high rate of incidence of sexual harassment at such Federal agencies;

(2) an evaluation of the actions which have been proposed and implemented by such Federal agencies to respond to the findings of the Merit Systems Protection Board report;

(3) a proposal for further specific actions by each agency; and

(4) recommendations for such changes in administrative procedures, regulations, and legislation as may be considered necessary to address the problem of sexual harassment at the Department of State and the United States Information Agency.

(d) SUBMISSION OF REPORT TO THE CONGRESS.—Not later than one year after the date of the enactment of this Act, the Secretary of State shall submit the full and complete report of such study, together with such comments as the Secretary of State or the Director of the United States Information Agency consider appropriate, to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

SEC. 156. LIMITATION ON HOUSING BENEFITS.

(a) IN GENERAL.—The Secretary of State shall establish and implement an appropriate housing policy and space standards in consultation with all agencies with employees outside the United States who are under the authority of the chief of mission or with other agencies or employees who participate in the overseas housing program. Such policy may not provide housing or related benefits based solely on the representational status of the employee, except if such individual is the ambassador, deputy chief of mission, permanent charge, or the consul general when serving as the principal officer.

(b) WAIVER.—The Secretary of State may grant exceptions to the restriction on pro-

viding housing or related benefits on a representational basis under subsection (a) on a case-by-case basis where a documented need for such exception is established. The Secretary of State shall prepare a comprehensive list annually of all such exceptions granted under this subsection.

PART E—FOREIGN LANGUAGE COMPETENCE WITHIN THE FOREIGN SERVICE

SEC. 161. EXPANSION OF MODEL FOREIGN LANGUAGE COMPETENCE POSTS.

(a) DESIGNATION OF POSTS.—In order to carry out the purposes of section 702 of the Foreign Service Act of 1980, and in light of the positive report issued on March 28, 1986, by the Department of State, as required by section 2207 of the Foreign Service Act of 1980, the Secretary of State shall designate as model foreign language competence posts a minimum of six Foreign Service posts, representing the Department of State's five geographic bureaus, in countries where English is not the common language. Such designation shall be made not later than February 1, 1990, and shall be implemented so that not later than October 1, 1991, in the case of non-hard language posts, and October 1, 1992, in the case of hard language posts, each Government employee permanently assigned to those posts shall possess an appropriate level of competence in the language common to the country where the post is located. The Secretary of State shall determine appropriate levels of language competence for employees assigned to those posts by reference to the nature of their functions and the standards employed by the Foreign Service Institute.

(b) "HARD LANGUAGE COUNTRY" POST TO BE DESIGNATED.—At least one of the posts designated under subsection (a) shall be in a "hard language" country, as identified in the report to the Under Secretary of State for Management of May 12, 1986, entitled "Hard Language Proficiency in the Foreign Service". Such post shall be in one of the countries where the official or principal language is Arabic, Chinese, Japanese, or Russian.

(c) TERMINATION DATE.—The posts designated under subsection (a) shall continue as model foreign language posts at least until September 30, 1993, in the case of non-hard language posts, and September 30, 1994, in the case of hard language posts. Not later than January 31, 1995, the Secretary of State shall submit to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives a report describing the operation of such posts and the costs, advantages, and disadvantages associated with meeting the foreign language competence requirements of this section.

(d) EXEMPTION AUTHORITY.—The Secretary of State may authorize exceptions to the requirements of this section if—

(1) he determines that unanticipated exigencies so require; and

(2) he immediately reports such exceptions to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives.

(e) EXCLUDED POSTS.—The posts designated under subsection (a) may not include Dakar, Senegal, or Montevideo, Uruguay. The report required under subsection (c) shall include progress made in these posts in maintaining the high foreign language standards achieved under the initial pilot program.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 162. REPORT ON FOREIGN LANGUAGE ENTRANCE REQUIREMENT FOR THE FOREIGN SERVICE.

Not later than December 31, 1989, the Secretary of State shall submit to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs and the Committee on Post Office and Civil Service of the House of Representatives a report evaluating an entrance requirement for the Foreign Service of at least one world language at the General Professional Speaking Proficiency level, as defined by the Foreign Service Institute, or one nonworld language at the next lowest proficiency level. Such report shall also describe—

(1) the amount of time necessary to implement such a requirement;

(2) the use of bonus points on the Foreign Service candidate scoring system for candidates with foreign language ability; and

(3) the adjustments necessary to raise otherwise qualified candidates, especially including affirmative action applicants, to the levels required for entrance as evaluated in the report required by this section.

SEC. 163. FOREIGN SERVICE PROMOTION PANELS.

It is the sense of the Congress that, to the greatest extent possible, Foreign Service promotion panels should—

(1) only promote candidates to the Senior Foreign Service who have demonstrated foreign language proficiency in at least one language at the General Professional Speaking Proficiency level, as defined by the Foreign Service Institute;

(2) strive for the objective stipulated in the Foreign Service Manual "to be able to use two foreign languages at a minimum professional level of proficiency of S-3/R-3, which is the general professional speaking proficiency level"; and

(3) have at least one person on each Foreign Service promotion panel who has attained at least the General Professional Proficiency level in one language level.

SEC. 164. LANGUAGE PROFICIENCY IN THE EMPLOYEE EVALUATION REPORT.

(a) ASSESSMENT OF FOREIGN LANGUAGE COMPETENCE.—The Department of State and the Agency for International Development shall revise the Employee Evaluation Report for Foreign Service officers, and the United States Information Agency shall revise the Officer Evaluation Report for its Foreign Service officers, to require in a separate entry, an assessment of the employee's effectiveness in using, in his or her work, a foreign language or languages tested at the general professional speaking proficiency level or above, in cases where the supervisor is capable of making such an assessment.

(b) PRECEDENCE IN PROMOTION.—The directors of personnel of the Department of State, the Agency for International Development, and the United States Information Agency shall instruct promotion panels to take account of language ability and, all matters being otherwise equal, to give precedence in promotions to officers who have achieved at least the General Professional Speaking Proficiency level in one or more foreign languages over officers who lack that level of proficiency.

TITLE II—UNITED STATES INFORMATIONAL, EDUCATIONAL, AND CULTURAL PROGRAMS

PART A—UNITED STATES INFORMATION AGENCY

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATIONS OF APPROPRIATIONS.—The following amounts are authorized to be appropriated for the United States Information Agency (other than for the Voice of America) to carry out international information, educational, cultural, and exchange programs under the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, Reorganization Plan Number 2 of 1977, and other purposes authorized by law:

(1) SALARIES AND EXPENSES.—For "Salaries and Expenses", $410,000,000 for the fiscal year 1990 and $432,640,000 for the fiscal year 1991.

(2) TELEVISION AND FILM SERVICE.—For "Television and Film Service", $31,000,000 for the fiscal year 1990 and $32,240,000 for the fiscal year 1991.

(3) NATIONAL ENDOWMENT FOR DEMOCRACY.—For "National Endowment for Democracy" $25,000,000 for the fiscal year 1990 and $25,000,000 for the fiscal year 1991.

(4) CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST.—For "Center for Cultural and Technical Interchange between East and West", $20,700,000 for the fiscal year 1990 and $26,000,000 for the fiscal year 1991.

(b) SEVILLE WORLD'S FAIR.—(1) Subject to paragraph (2), there are authorized to be appropriated to the United States Information Agency for the fiscal year 1990 $7,300,000 for United States participation in the World's Fair in Seville, Spain.

(2) Funds made available under this title for any educational or cultural exchange program, Voice of America programming to China, or any overseas post of the United States Information Agency may not be transferred or otherwise made available for the purposes of paragraph (1).

SEC. 202. DISSEMINATION OF INFORMATION WITHIN THE UNITED STATES.

Section 501 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1461) is amended—

(1) by inserting "(a)" after "501."; and

(2) in the second sentence, by striking out "Any" and inserting in lieu thereof "Subject to subsection (b), any"; and

(3) by adding at the end thereof the following new subsection:

"(b)(1) The Director of the United States Information Agency shall make available to the Archivist of the United States, for domestic distribution, motion pictures, films, videotapes, and other material prepared for dissemination abroad 12 years after the initial dissemination of the material abroad or, in the case of such material not disseminated abroad, 12 years after the preparation of the material.

"(2) The Director of the United States Information Agency shall be reimbursed for any attendant expenses. Any reimbursement to the Director pursuant to this subsection shall be credited to the applicable appropriation of the United States Information Agency.

"(3) The Archivist shall be the official custodian of the material and shall issue necessary regulations to ensure that persons seeking its release in the United States have secured and paid for necessary United States rights and licenses and that all costs associated with the provision of the material by the Archivist shall be paid by the persons seeking its release. The Archivist may charge fees to recover such costs, in accordance with section 2116(c) of title 44, United States Code. Such fees shall be paid into, administered, and expended as part of the National Archives Trust Fund.".

SEC. 203. DISTRIBUTION WITHIN THE UNITED STATES OF UNITED STATES INFORMATION AGENCY FILM ENTITLED "LONG JOURNEY HOME".

Notwithstanding section 208 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (22 U.S.C. 1461-1(a)) and the second sentence of section 501 of the United States Information and Education Exchange Act of 1948 (22 U.S.C. 1461)—

(1) the Director of the United States Information Agency shall make available to the Archivist of the United States a master copy of the film entitled "Long Journey Home"; and

(2) upon evidence that necessary United States rights and licenses have been secured and paid for by the person seeking domestic release of the film, the Archivist shall—

(A) reimburse the Director for any expenses of the Agency in making that master copy available;

(B) deposit that film in the National Archives of the United States; and

(C) make copies of that film available for purchase and public viewing within the United States.

Any reimbursement to the Director pursuant to this section shall be credited to the applicable appropriation of the United States Information Agency.

SEC. 204. THE J. WILLIAM FULBRIGHT FOREIGN SCHOLARSHIP BOARD.

(a) AMENDMENTS TO THE MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961.—(1) Section 106(a) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2456(a)(1)) is amended in paragraph (1), by striking out "Board of Foreign Scholarships" and inserting in lieu thereof "board of foreign scholarships which shall be known as the 'J. William Fulbright Foreign Scholarship Board' ".

(2) Section 112 of such Act (22 U.S.C. 2460) is amended—

(A) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(B) by inserting after subsection (a) the following new subsection:

"(b)(1) All recipients of Fulbright Academic Exchange and Humphrey Fellowship awards shall have full academic and artistic freedom, including freedom to write, publish, and create. No award granted pursuant to this Act may be revoked or diminished on account of the political views expressed by the recipient or on account of any scholarly or artistic activity that would be subject to the protections of academic and artistic freedom normally observed in universities in the United States. The Board shall ensure that the academic and artistic freedoms of all persons receiving grants are protected.

"(2) The J. William Fulbright Foreign Scholarship Board shall formulate a policy on revocation of Fulbright grants which shall be made known to all grantees. Such policy shall fully protect the right to due process as well as the academic and artistic freedom of all grantees.".

(b) CONTINUED SERVICE OF MEMBERS OF BOARD OF FOREIGN SCHOLARSHIPS.—Each member appointed to the Board of Foreign Scholarships before the date of the enactment of this Act shall continue to serve for the remainder of the term to which each such member was appointed.

(c) REFERENCES IN LAW.—Any reference in any provision of law to the Board of Foreign Scholarships shall, on and after the date of enactment of this Act, be deemed to be a reference to the J. William Fulbright Foreign Scholarship Board.

SEC. 205. USIA SATELLITE AND TELEVISION.

(a) IN GENERAL.—Title V of the United States Information and Educational Exchange Act of 1948 is amended by adding at the end thereof the following new section:

"SEC. 505. USIA SATELLITE AND TELEVISION.

"(a) IN GENERAL.—The Director of the United States Information Agency is authorized to lease or otherwise acquire time on commercial or United States Government satellites for the purpose of transmitting materials and programs to posts and other users abroad.

"(b) BROADCAST PRINCIPLES.—The Congress finds that the long-term interests of the United States are served by communicating directly with the peoples of the world by television. To be effective, the United States Information Agency must win the attention and respect of viewers. These principles will therefore govern the Agency's television broadcasts (hereinafter in this section referred to as 'USIA-TV'):

"(1) USIA-TV will serve as a consistently reliable and authoritative source of news. USIA-TV news will be accurate and objective.

"(2) USIA-TV will represent the United States, not any single segment of American society and will, therefore, present a balanced and comprehensive projection of significant American thought and institutions.

"(3) USIA-TV will present the policies of the United States clearly and effectively and will also present responsible discussions and opinion on these policies.

"(c) PROGRAMS.—The Director of the United States Information Agency is authorized to produce, acquire, or broadcast television programs, via satellite, only if such programs—

"(1) are interactive, consisting of interviews among participants in different locales;

"(2) cover news, public affairs, or other current events;

"(3) cover official activities of government, Federal or State, including congressional proceedings and news briefings of any agency of the Executive branch; or

"(4) are of an artistic or scientific character or are otherwise representative of American culture.

"(d) COSTS.—When a comparable program produced by United States public or commercial broadcasters and producers is available at a cost which is equal to or less than the cost of production by USIA-TV, the Director of the United States Information Agency shall use such materials in preference to USIA-TV produced materials.

"(e) ALLOCATION OF FUNDS.—(1) Of the funds authorized to be appropriated to the United States Information Agency not more than $12,000,000 for the fiscal year 1990 and not more than $12,480,000 for the fiscal year 1991 may be obligated or expended for USIA-TV.

"(2) The United States Information Agency shall prepare and submit to the Congress quarterly reports which contain a detailed explanation of expenditures for USIA-TV during the fiscal years 1990 and 1991. Such reports shall contain specific justification and supporting information pertaining to all programs, particularly those described in subsection (c)(4), that were produced in-house by USIA-TV. Each such report shall include a statement by the Director of the United States Information Agency that, according to the best information available to the United States Information Agency, no comparable United States commercially-produced or public television program is available at a cost which is equal to or less than the cost of production by USIA-TV.

"(3) Of the funds authorized to be appropriated to the United States Information Agency, $1,500,000 for the fiscal year 1990 and $1,500,000 for the fiscal year 1991 shall be available only for the purchase or use of programs produced with grants from the Corporation for Public Broadcasting or produced by United States public broadcasters.".

(b) CONFORMING AMENDMENT.—Section 209 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (Public Law 100-204) is amended by striking out subsection (e).

SEC. 206. UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY.

(a) IN GENERAL.—Section 604 of the United States Information and Education Exchange Act of 1948 (22 U.S.C. 1469) is amended to read as follows:

"SEC. 604. UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY.

"(a) ESTABLISHMENT.—(1) There is established an advisory commission to be known as the United States Advisory Commission on Public Diplomacy.

"(2) The Commission shall consist of seven members appointed by the President, by and with the advice and consent of the Senate. The members of the Commission shall represent the public interest and shall be selected from a cross section of educational, communications, cultural, scientific, technical, public service, labor, business, and professional backgrounds. Not more than four members shall be from any one political party.

"(3) The term of each member shall be 3 years, except that of the original seven appointments, two shall be for a term of 1 year and two shall be for a term of 2 years.

"(4) Any member appointed to fill a vacancy occurring before the expiration of the term for which a predecessor was appointed shall be appointed for the remainder of such term. Upon the expiration of a member's term of office, such member may continue to serve until a successor is appointed and qualified.

"(5) The President shall designate a member to chair the Commission.

"(b) STAFF.—The Commission shall have a staff director who shall be appointed by the chairperson of the Commission. Subject to such rules and regulations as may be adopted by the Commission, the chairperson of the Commission may—

"(1) appoint such additional personnel for the staff of the Commission as the chairperson considers necessary; and

"(2) procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay payable for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code.

"(c) DUTIES AND RESPONSIBILITIES.—(1) The Commission shall formulate and recommend to the Director of the United States Information Agency, the Secretary of State, and the President policies and programs to carry out the functions vested in the Director or the Agency, and shall appraise the effectiveness of policies and programs of the Agency.

"(2) The Commission shall submit to the Congress, the President, the Secretary of State, and the Director of the United States Information Agency annual reports on pro-

grams and activities carried out by the Agency, including appraisals, where feasible, as to the effectiveness of the several programs. The Commission shall also include in such reports such recommendations as shall have been made by the Commission to the Director for effectuating the purposes of the Agency, and the action taken to carry out such recommendations.

"(3) The Commission may also submit such other reports to the Congress as it considers appropriate, and shall make reports to the public in the United States and abroad to develop a better understanding of and support for the programs conducted by the Agency.

"(4) The Commission's reports to the Congress shall include assessments of the degree to which the scholarly integrity and nonpolitical character of the educational and cultural exchange activities vested in the Director of the United States Information Agency have been maintained, and assessments of the attitudes of foreign scholars and governments regarding such activities.

"(d) LIMITATION ON AUTHORITY.—The Commission shall have no authority with respect to the J. William Fulbright Foreign Scholarship Board or the United States National Commission for UNESCO.".

(b) CONTINUED SERVICE OF MEMBERS OF COMMISSION.—Each member of the United States Advisory Commission on Public Diplomacy as in existence on the day before the effective date of section 604 of the United States Information and Educational Exchange Act of 1948 (as amended by section 213 of Public Law 100-204) shall continue to serve for the remainder of the term to which such member was appointed.

SEC. 207. FOREIGN LANGUAGE SERVICES.

Section 804(1) of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1474(1)) is amended by inserting "when job vacancies occur" after "available".

SEC. 208. USE OF CERTAIN FEES AND PAYMENTS.

Section 810 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1475e) is amended to read as follows:

"SEC. 810. USE OF CERTAIN FEES AND PAYMENTS.

"(a) Notwithstanding section 3302 of title 31, United States Code, or any other law or limitation of authority, fees received by or for the use of the United States Information Agency from or in connection with English-teaching and library services, and Agency-produced publications, and not to exceed $100,000 of payments from motion picture and television programs, produced or conducted by or on behalf of the Agency under the authority of this Act or the Mutual Educational and Cultural Exchange Act of 1961 is authorized to be credited each fiscal year to the appropriate appropriation of the United States Information Agency to such extent as may be provided in advance in an appropriation Act.".

SEC. 209. DEBT COLLECTION.

Title VIII of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1472 et seq.) is amended by adding at the end thereof the following:

"SEC. 811. DEBT COLLECTION.

"(a) CONTRACT AUTHORITY.—(1) Subject to the availability of appropriations, the Director of the United States Information Agency shall enter into contracts for collection services to recover indebtedness owed by a person, other than a foreign country, to the United States which arises out of activities of the United States Information Agency and is delinquent by more than 90 days.

"(2) Each contract entered into under this section shall provide that the person with whom the Director of the United States Information Agency enters into such contract shall submit to the Director at least once every 180 days a status report on the success of the person in collecting debts. Section 3718 of title 31, United States Code, shall apply to any such contract to the extent that such section is not inconsistent with this subsection.

"(b) DISCLOSURE OF DELINQUENT DEBT TO CREDIT REPORTING AGENCIES.—The Director of the United States Information Agency shall, to the extent otherwise allowed by law, disclose to those credit reporting agencies to which the Director reports loan activity information concerning any debt of more than $100 owed by a person, other than a foreign country, to the United States which arises out of activities of the United States Information Agency and is delinquent by more than 31 days.".

SEC. 210. USIA NETWORK FOR DISSEMINATION OF INFORMATION CONCERNING UNITED STATES PROGRAMS TO COMBAT NARCOTICS AND OTHER CONTROLLED SUBSTANCES.

The United States Information Agency shall establish and maintain an international narcotics information network. The network shall disseminate prompt, accurate, and comprehensive information to foreign governments concerning programs and activities of the United States Government—

(1) to eliminate the illicit production, trafficking, and abuse of narcotic and psychotropic drugs and other controlled substances within the United States; and

(2) to promote drug prevention and rehabilitation in the United States.

SEC. 211. AFGHANISTAN COUNTRY PLAN.

(a) MAINTENANCE OF PLAN.—The Director of the United States Information Agency shall maintain a comprehensive country plan for the Agency's activities with respect to Afghanistan, consistent with the plan submitted to the Congress for the fiscal year 1989.

(b) REPORT.—Not later than March 1, 1990, the Director of the United States Information Agency shall submit to the Congress a report describing the Afghanistan country plan and including a specific outline on how that country plan will be adapted for implementation inside a free Afghanistan.

SEC. 212. GENERAL ACCOUNTING OFFICE STUDY OF THE NATIONAL ENDOWMENT FOR DEMOCRACY.

(a) STUDY OF NED.—The Comptroller General of the United States shall conduct a study of the operations of the National Endowment for Democracy. Such study shall evaluate—

(1) the programs and operations of the National Endowment for Democracy;

(2) the effectiveness of the National Endowment for Democracy in fulfilling its goals; and

(3) the management structure of the National Endowment for Democracy, including—

(A) an assessment of the present composition of the board of directors; and

(B) the capability and effectiveness of the board in providing objective oversight of the programs and operations of the National Endowment for Democracy.

(b) REPORT TO CONGRESS.—Not later than one year after the date of the enactment of this Act, the Comptroller General of the United States shall prepare and submit a report of the findings of such study to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

SEC. 213. REPORT TO CONGRESS ON THE ACQUISITION AND USE OF PUBLIC PROGRAMMING MATERIALS.

Not later than 90 days after the date of enactment of this Act, the Director of the United States Information Agency shall provide to the chairman of the Foreign Relations Committee of the Senate and the Speaker of the House of Representatives a detailed report describing all programming material acquired by the United States Information Agency in the fiscal years 1988 and 1989 from public television and radio entities, including a description of how such program material was utilized by the United States Information Agency, in whole or in part, in original or edited form. Such report shall include a description of projected United States Information Agency use of programming material acquired for public television and radio entities through the fiscal year 1992.

PART B—BUREAU OF EDUCATIONAL AND CULTURAL AFFAIRS

SEC. 221. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts otherwise made available under section 201 for such purposes, there are authorized to be appropriated to the Bureau of Educational and Cultural Affairs to carry out the purposes of the Mutual Educational and Cultural Exchange Act of 1961 the following amounts:

(1) For "Salaries and Expenses", $43,323,000 for the fiscal year 1990 and $45,056,000 for the fiscal year 1991.

(2) For the Fulbright Academic Exchange Programs, $97,460,000 for the fiscal year 1990 and $101,358,000 for the fiscal year 1991.

(3) For the Hubert H. Humphrey Fellowship Program, $5,500,000 for the fiscal year 1990 and $5,720,000 for the fiscal year 1991.

(4) For the International Visitors Program, $41,817,000 for the fiscal year 1990 and $43,490,000 for the fiscal year 1991.

(5) For the Arts America Program, $6,400,000 for the fiscal year 1990 and $6,656,000 for the fiscal year 1991.

(b) ALLOCATION OF FUNDS.—Of the amounts authorized to be appropriated by subsection (a)(1), $150,000 for the fiscal year 1990 and $200,000 for the fiscal year 1991 shall be available only for the training at the University of Maine and in Washington, District of Columbia, of media personnel from developing French-speaking countries. The Voice of America International Broadcast Training Center shall administer such training program. The Bureau of Educational and Cultural Exchanges shall provide to the center such assistance as may be necessary in the facilitation of such program.

SEC. 222. CITIZEN EXCHANGES.

(a) IN GENERAL.—Section 112 of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2460) is amended by adding at the end thereof the following new subsection:

"(e) There is established in the Bureau of Educational and Cultural Affairs an Office of Citizen Exchanges. The Office shall support private not-for-profit organizations engaged in the exchange of persons between the United States and other countries.".

(b) TRANSFER OF FUNCTIONS.—There are hereby transferred to the Office of Citizen Exchanges on the date of enactment of this Act all functions carried out by the Office of Private Sector Programs on the day before such date.

SEC. 223. PROGRAMS TO PROMOTE INTERNATIONAL YOUTH UNDERSTANDING.

Section 112(a)(8) of the Mutual Educational and Cultural Exchange Act (22 U.S.C. 2460(a)(8)) is amended by inserting after "degree" the following: "or through other programs designed to promote contact between the young peoples of the United States, the Soviet Union, and Eastern European countries".

SEC. 224. UNITED STATES-SOVIET EXCHANGES.

The Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2451 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 113. UNITED STATES-SOVIET EXCHANGES.—(a) The President is authorized to negotiate and implement an agreement with the Union of Soviet Socialist Republics under which repayments made by the Soviet Union on Lend-Lease debts to the United States would be used to finance the exchange of persons between the United States and the Soviet Union for educational, cultural, and artistic purposes. Exchanges authorized pursuant to this section shall be administered subject to the provisions of this Act. Part of the funds repaid to the United States shall be in convertible currency for the purpose of paying the expenses associated with study and other exchange activities by Soviet citizens in the United States.

"(b) Funds made available for the purposes of this section shall be available only to the extent and in the amounts provided for in an appropriation Act.".

SEC. 225. SCHOLARSHIPS FOR TIBETANS AND BURMESE.

(a) ALLOCATION OF SCHOLARSHIPS.—Of the funds authorized to be appropriated by section 221 for each of the fiscal years 1990 and 1991, not less than 30 scholarships shall be made available to Tibetan students and professionals who are outside Tibet, and not less than 15 scholarships shall be made available to Burmese students and professionals who are outside Burma.

(b) WAIVER.—Subsection (a) shall not apply to the extent that the Director of the United States Information Agency determines that there are not enough qualified students to fulfill such allocation requirement.

SEC. 226. SENSE OF CONGRESS CONCERNING THE HUMPHREY FELLOWSHIP PROGRAM.

It is the sense of the Congress that the United States Information Agency should review the Humphrey Fellowship Program and consider the feasibility of broadening the placement of fellows under such program to provide exposure to the processes of the United States Government, the Congress, and State and local governmental processes.

PART C—VOICE OF AMERICA

SEC. 231. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the United States Information Agency for the Voice of America for carrying out title V of the United States Information and Educational Exchange Act of 1948 and the Radio Broadcasting to Cuba Act the following amounts:

(1) SALARIES AND EXPENSES.—For "Salaries and Expenses", $170,024,000 for the fiscal year 1990 and $176,825,000 for the fiscal year 1991.

(2) ACQUISITION AND CONSTRUCTION OF RADIO FACILITIES.—For "Acquisition and Construction of Radio Facilities", $69,000,000 for the fiscal year 1990 and $122,000,000 for the fiscal year 1991.

(3) RADIO BROADCASTING TO CUBA.—For "Radio Broadcasting to Cuba", $12,700,000 for the fiscal year 1990 and $13,208,000 for the fiscal year 1991.

(4) VOA EUROPE.—For "VOA Europe", $3,000,000 for the fiscal year 1990 and $3,120,000 for the fiscal year 1991.

SEC. 232. VOICE OF AMERICA HIRING PRACTICES.

Title V of the United States Information and Educational Exchange Act of 1948 is further amended by adding at the end thereof the following new section:

"SEC. 506. VOICE OF AMERICA HIRING PRACTICES.

"(a) PROHIBITION.—After the date of enactment of this section, the Voice of America shall not select candidates for employment who must be or are preapproved for employment at the Voice of America by a foreign government or an entity controlled by a foreign government.

"(b) EXCEPTION.—The prohibition referred to in this section shall not apply to—

"(1) participants in the Voice of America's exchange programs; or

"(2) clerical, technical, or maintenance staff at Voice of America offices in foreign countries.

"(c) REPORT.—If the Director of the United States Information Agency determines that the prohibition under subsection (a) would require the termination of a specific Voice of America foreign language service, then, not less than 90 days before the Agency begins to recruit such candidates, the Director shall submit to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives a report concerning—

"(1) the number and location of speakers of the applicable foreign language who could be recruited by the Voice of America without violating this section; and

"(2) the efforts made by the Voice of America to recruit such individuals for employment.".

SEC. 233. VOA PUBLIC SERVICE ANNOUNCEMENTS TO PROMOTE CHILD SURVIVAL.

The United States Information Agency shall establish and maintain through the Voice of America a system of public service announcements focusing on child survival techniques.

SEC. 234. VOICE OF AMERICA BROADCASTS TO TIBET.

(a) ESTABLISHMENT OF SERVICE.—Not later than 90 days after the date of enactment of this Act, the Director of the United States Information Agency shall establish through the Voice of America, a service to provide Voice of America Tibetan language programming to the people of Tibet.

(b) AMOUNT OF PROGRAMMING.—For each of the fiscal years 1990 and 1991, programming broadcasts to the people of Tibet pursuant to this section shall occur for not less than two hours each day.

(c) REPORT.—As soon as possible in the fiscal year 1990, the Director of the United States Information Agency shall submit to the Congress a comprehensive written report detailing the implementation of the programming provided for in this section.

(d) AUTHORIZATION OF APPROPRIATIONS.—In addition to funds otherwise available under subsection (e), there are authorized to be appropriated to the Voice of America for purposes of carrying out this section $1,000,000 for each of the fiscal years 1990 and 1991.

(e) TRANSFER AUTHORITY.—The Director of the United States Information Agency may transfer to Voice of America Tibet Service such amounts appropriated for the "Television and Film Service" for each of the fiscal years 1990 and 1991 as exceed the amounts authorized to be appropriated for each such fiscal year for such Service.

SEC. 235. VOICE OF AMERICA'S THAILAND RADIO FACILITIES.

The Director of the United States Information Agency may enter into a contract for the construction of the Voice of America's Thailand radio facilities for periods not in excess of 5 years or delegate such authority to the Corps of Engineers of the United States Department of the Army if there are sufficient funds to cover at least the Government's liability for payments for the fiscal year in which the contract is awarded plus the full amount of estimated cancellation costs.

SEC. 236. VOICE OF AMERICA BROADCASTS TO THE PEOPLE'S REPUBLIC OF CHINA.

For each of the fiscal years 1990 and 1991, the Voice of America shall provide not less than 12 hours of programming each day for the People's Republic of China.

SEC. 237. VOICE OF AMERICA EQUIPMENT ABROAD.

It is the sense of the Congress that the United States Information Agency and the Voice of America should take every step necessary to ensure that existing Voice of America equipment abroad is properly maintained and enhanced to prevent deterioration.

PART D—TELEVISION BROADCASTING TO CUBA

SEC. 241. SHORT TITLE.

This part may be cited as the "Television Broadcasting to Cuba Act".

SEC. 242. FINDINGS AND PURPOSES.

The Congress finds and declares that—

(1) it is the policy of the United States to support the right of the people of Cuba to seek, receive, and impart information and ideas through any media and regardless of frontiers, in accordance with article 19 of the Universal Declaration of Human Rights;

(2) consonant with this policy, television broadcasting to Cuba may be effective in furthering the open communication of accurate information and ideas to the people of Cuba and, in particular, information about Cuba;

(3) television broadcasting to Cuba, operated in a manner not inconsistent with the broad foreign policy of the United States and in accordance with high professional standards, would be in the national interest;

(4) facilities broadcasting television programming to Cuba must be operated in a manner consistent with applicable regulations of the Federal Communications Commission, and must not affect the quality of domestic broadcast transmission or reception; and

(5) that the Voice of America already broadcasts to Cuba information that represents America, not any single segment of American society, and includes a balanced and comprehensive projection of significant American thought and institutions, but that there is a need for television broadcasts to Cuba which provide news, commentary, and other information about events in Cuba and elsewhere to promote the cause of freedom in Cuba.

SEC. 243. TELEVISION BROADCASTING TO CUBA.

(a) TELEVISION BROADCASTING TO CUBA.—In order to carry out the purposes set forth in section 242 and notwithstanding the limitation of section 501 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1461) with respect to the dissemination in the United States of information prepared for dissemination abroad to the extent such dissemination is inadvertent, the United States Information Agency (hereafter in this part referred to as the

"Agency") shall provide for the open communication of information and ideas through the use of television broadcasting to Cuba. Television broadcasting to Cuba shall serve as a consistently reliable and authoritative source of accurate, objective, and comprehensive news.

(b) VOICE OF AMERICA STANDARDS.—Television broadcasting to Cuba under this part shall be in accordance with all Voice of America standards to ensure the broadcast of programs which are objective, accurate, balanced, and which present a variety of views.

(c) USIA TELEVISION MARTI.—Any program of United States Government television broadcasts to Cuba authorized by this section shall be designated "USIA Television Marti Program".

(d) FREQUENCY ASSIGNMENT.—

(1) Subject to the Communications Act of 1934, the Federal Communications Commission shall assign by order a suitable frequency to further the national interests expressed in this part, except that no such assignment shall result in objectionable interference with the broadcasts of any domestic licensee.

(2) No Federal branch or agency shall compel an incumbent domestic licensee to change its frequency in order to eliminate objectionable interference caused by broadcasting of the Service.

(3) For purposes of section 305 of the Communications Act of 1934, a television broadcast station established for purposes of this part shall be treated as a government station, but the Federal Communications Commission shall exercise the authority of the President under such section to assign a frequency to such station.

(e) INTERFERENCE WITH DOMESTIC BROADCASTING.—

(1) Broadcasting by the Television Marti Service shall be conducted in accordance with such parameters as shall be prescribed by the Federal Communications Commission to preclude objectionable interference with the broadcasts of any domestic licensee. The Television Marti Service shall be governed by the same standards regarding objectionable interference as any domestic licensee. The Federal Communications Commission shall monitor the operations of television broadcasting to Cuba pursuant to subsection (f). If, on the basis of such monitoring or a complaint from any person, the Federal Communications Commission determines, in its discretion, that broadcasting by the Television Marti Service is causing objectionable interference with the transmission or reception of the broadcasts of a domestic licensee, the Federal Communications Commission shall direct the Television Marti Service to cease broadcasting and to eliminate the objectionable interference. Broadcasts by the Service shall not be resumed until the Federal Communications Commission finds that the objectionable interference has been eliminated and should not recur.

(2) The Federal Communications Commission shall take such actions as are necessary and appropriate to assist domestic licensees in overcoming the adverse effects of objectionable interference caused by broadcasting by the Television Marti Service. Such assistance may include the authorization of nondirectional increases in the effective radiated power of a domestic television station so that its coverage is equivalent to the maximum allowable for such facilities, to avoid any adverse effect on such stations of the broadcasts of the Television Marti Service.

(3) If the Federal Communications Commission directs the Television Marti Service to cease broadcasting pursuant to paragraph (1), the Commission shall, as soon as practicable, notify the appropriate committees of Congress of such action and the reasons therefor. The Federal Communications Commission shall continue to notify the appropriate committees of Congress of progress in eliminating the objectionable interference and shall assure that Congress is fully informed about the operation of the Television Marti Service.

(f) MONITORING OF INTERFERENCE.—The Federal Communications Commission shall continually monitor and periodically report to the appropriate committees of the Congress interference to domestic broadcast licensees—

(1) from the operation of Cuban television and radio stations; and

(2) from the operations of the television broadcasting to Cuba.

(g) TASK FORCE.—It is the sense of the Congress that the President should establish a task force to analyze the level of interference from the operation of Cuban television and radio stations experienced by broadcasters in the United States and to seek a practical political and technical solution to this problem.

SEC. 244. TELEVISION MARTI SERVICE OF THE UNITED STATES INFORMATION AGENCY.

(a) TELEVISION MARTI SERVICE.—The Director of the United States Information Agency shall establish within the Voice of America a Television Marti Service. The Service shall be responsible for all television broadcasts to Cuba authorized by this part. The Director of the United States Information Agency shall appoint a head of the Service who shall report directly to the Director of the Voice of America. The head of the Service shall employ such staff as the head of the Service may need to carry out the duties of the Service.

(b) USE OF EXISTING FACILITIES OF THE USIA.—To assure consistency of presentation and efficiency of operations in conducting the activities authorized under this part, the Television Marti Service shall make maximum feasible utilization of Agency facilities and management support, including Voice of America: Cuba Service, Voice of America, and the United States Information Agency Television Service.

(c) USIA AUTHORITY.—The Agency may carry out the purposes of this part by means of grants, leases, or contracts (subject to the availability of appropriations), or such other means as the Agency determines will be most effective.

SEC. 245. AMENDMENTS TO THE RADIO BROADCASTING TO CUBA ACT.

(a) ADVISORY BOARD FOR CUBA BROADCASTING.—Section 5 of the Radio Broadcasting to Cuba Act (22 U.S.C. 1465c) is amended—

(1) by amending the heading to read as follows: "ADVISORY BOARD FOR CUBA BROADCASTING";

(2) by amending subsections (a) and (b) to read as follows:

"(a) There is established within the Office of the President the Advisory Board for Cuba Broadcasting (hereafter in this Act referred to as the 'Board'). The Board shall consist of nine members, appointed by the President by and with the advice and consent of the Senate, of whom not more than five shall be members of the same political party. The President shall designate one member of the Board to serve as chairperson.

"(b) The Board shall review the effectiveness of the activities carried out under this Act and the Television Broadcasting to Cuba Act and shall make recommendations to the President and the Director and Associate Director for Broadcasting of the United States Information Agency as it may consider necessary.";

(3) by amending subsection (d) to read as follows:

"(d) The head of the Cuba Service and the head of the Television Marti Service shall serve, ex officio, as members of the Board."; and

(4) in the last sentence of subsection (e) by striking out "The ex officio member" and inserting in lieu thereof "The ex officio members".

(b) REFERENCES.—A reference in any provision of law to the "Advisory Board for Radio Broadcasting to Cuba" shall be considered to be a reference to the "Advisory Board for Cuba Broadcasting".

(c) CONTINUED SERVICE OF MEMBERS OF BOARD.—Each member of the Advisory Board for Radio Broadcasting to Cuba as in existence on the day before the effective date of the amendment made by subsection (a) shall continue to serve for the remainder of the term to which such member was appointed as a member of the Advisory Board for Cuba Broadcasting.

(d) STAFF DIRECTOR.—The Board shall have a staff director who shall be appointed by the Chairperson of the Advisory Board for Cuba Broadcasting.

SEC. 246. ASSISTANCE FROM OTHER GOVERNMENT AGENCIES.

In order to assist the United States Information Agency in carrying out the provisions of this part, any agency or instrumentality of the United States may sell, loan, lease, or grant property (including interests therein) and may perform administrative and technical support and services at the request of the Agency.

SEC. 247. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts otherwise made available under section 201 for such purposes, there are authorized to be appropriated to the United States Information Agency, $16,000,000 for the fiscal year 1990 and $16,000,000 for the fiscal year 1991 for television broadcasting to Cuba in accordance with the provisions of this part.

(b) LIMITATION.—

(1) Subject to paragraph (2), no funds authorized to be appropriated under subsection (a) may be obligated or expended unless the President determines and notifies the appropriate committees of Congress that the test of television broadcasting to Cuba (as authorized by title V of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1989 (Public Law 100-459)) has demonstrated television broadcasting to Cuba is feasible and will not cause objectionable interference with the broadcasts of incumbent domestic licensees. The Federal Communications Commission shall furnish to the appropriate committees of Congress all interim and final reports and other appropriate documentation concerning objectionable interference from television broadcasting to Cuba to incumbent domestic licensees.

(2) Not less than 30 days before the President makes the determination under paragraph (1), the President shall submit a report to the appropriate committees of the Congress which includes the findings of the test of television broadcasting to Cuba. The

period for the test of television broadcasting may be extended until—

(A) the date of the determination and notification by the President under paragraph (1), or

(B) 30 days,

whichever comes first.

SEC. 248. DEFINITIONS.

As used in this part—

(1) the term "licensee" has the meaning provided in section 3(c) of the Communications Act of 1934;

(2) the term "incumbent domestic licensee" means a licensee as provided in section 3(c) of the Communications Act of 1934 that was broadcasting a television signal as of January 1, 1989;

(3) the term "objectionable interference" shall be applied in the same manner as such term is applied under regulations of the Federal Communications Commission to other domestic broadcasters; and

(4) the term "appropriate committees of Congress" includes the Committee on Foreign Affairs and the Committee on Energy and Commerce of the House of Representatives and the Committee on Foreign Relations of the Senate.

TITLE III—BOARD FOR INTERNATIONAL BROADCASTING

SEC. 301. AUTHORIZATIONS OF APPROPRIATIONS.

(a) AMENDMENT TO BOARD FOR INTERNATIONAL BROADCASTING ACT OF 1973.—Subparagraph (A) of section 8(a)(1) of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2877(a)(1)) is amended to read as follows:

"(A) $180,330,000 for the fiscal year 1990 and $187,543,000 for the fiscal year 1991, at April 21, 1989, exchange rates, and such additional amounts for each such fiscal year as may be necessary to offset adverse fluctuations in foreign currency exchange rates after such date; and".

(b) RADIO TRANSMITTER CONSTRUCTION AND MODERNIZATION.—There are authorized to be appropriated to the Board for International Broadcasting for radio transmitter construction and modernization $15,845,000 for the fiscal year 1990 and $12,000,000 for the fiscal year 1991. Amounts appropriated under this subsection are authorized to remain available until expended.

(c) BROADCASTING RELAY STATION IN ISRAEL.—

(1) There are authorized to be appropriated to the Board for International Broadcasting for the costs associated with construction of a relay station in Israel, $183,500,000 for the fiscal year 1990 and $23,500,000 for the fiscal year 1991. Amounts appropriated under this subsection are authorized to remain available until expended.

(2) To the extent not precluded by the international agreement with the host foreign country of June 18, 1987, and to the extent practicable, not less than 10 percent of the amounts which are authorized to be appropriated under paragraph (1), and which are available for contracts with United States contractors, shall be made available only for contracts and subcontracts with economically and socially disadvantaged enterprises (within the meaning of section 133(c)(5) of the International Development and Food Assistance Act of 1977).

SEC. 302. REQUIREMENT FOR AUTHORIZATION OF APPROPRIATIONS.

(a) LIMITATION ON OBLIGATION AND EXPENDITURE OF FUNDS.—Notwithstanding any other provision of law, for the fiscal year 1990 and for each subsequent fiscal year, any funds appropriated for the Board for International Broadcasting shall not be available for obligation or expenditure—

(1) unless such funds are appropriated pursuant to an authorization of appropriations; or

(2) in excess of the authorized level of appropriations.

(b) SUBSEQUENT AUTHORIZATION.—The limitation under subsection (a) shall not apply to the extent that an authorization of appropriations is enacted after such funds are appropriated.

(c) APPLICATION.—The provisions of this section—

(1) may not be superseded, except by a provision of law which specifically repeals, modifies, or supersedes the provisions of this section; and

(2) shall not apply to, or affect in any manner, permanent appropriations, trust funds, and other similar accounts which are authorized by law and administered by the Board for International Broadcasting.

SEC. 303. PROCUREMENT OF LEGAL SERVICES.

Section 26(b) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2698) is amended by striking out "International Communication Agency" and inserting in lieu thereof "United States Information Agency, the chairman of the Board for International Broadcasting,".

SEC. 304. RADIO FREE AFGHANISTAN.

Section 2(5) of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2871(5)) is amended by striking out "(as long as it is under Soviet occupation)" and inserting in lieu thereof "(until the government in Kabul is replaced by a government achieved through a free act of self-determination)".

TITLE IV—INTERNATIONAL ORGANIZATIONS AND COMMISSIONS

SEC. 401. UNITED STATES MEMBERSHIP IN INTERNATIONAL SUGAR ORGANIZATION AND INTERNATIONAL TROPICAL TIMBER ORGANIZATION.

(a) UNITED STATES MEMBERSHIP.—The President is authorized to maintain membership of the United States in the International Sugar Organization and the International Tropical Timber Organization.

(b) PAYMENT OF ASSESSED CONTRIBUTIONS.—For the fiscal year 1991 and for each fiscal year thereafter, the United States assessed contributions to such organizations may be paid from funds appropriated for "Contributions to International Organizations".

SEC. 402. AUTHORIZATION FOR MEMBERSHIP IN THE INTERNATIONAL UNION FOR THE CONSERVATION OF NATURE AND NATURAL RESOURCES.

The President is authorized to maintain membership of the United States in the International Union for the Conservation of Nature and Natural Resources (IUCN).

SEC. 403. AUTHORIZATION OF APPROPRIATIONS FOR MEMBERSHIP IN WILDLIFE CONVENTIONS.

There are authorized to be appropriated to the President $1,511,000 for the fiscal year 1990 and $1,571,440 for the fiscal year 1991 in support of United States participation in the following international environmental organizations and conventions of which not more than—

(1) $650,000 for the fiscal year 1990 shall be available for dues and arrearages for United States contributions to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES);

(2) $231,000 for the fiscal year 1990 shall be available for dues and arrearages for United States contributions to the International Tropical Timber Organization (ITTO);

(3) $450,000 for the fiscal year 1990 shall be available to support United States participation in the World Heritage Convention; and

(4) $180,000 for the fiscal year 1990 shall be available to support United States participation in the International Union for the Conservation of Nature and Natural Resources.

SEC. 404. AUTHORIZATION OF APPROPRIATIONS FOR THE COMMISSION ON THE UKRAINE FAMINE.

There are authorized to be appropriated for the Commission on the Ukraine Famine $100,000 for the fiscal year 1990, which amount is authorized to remain available until expended.

SEC. 405. REFORM IN BUDGET DECISION-MAKING PROCEDURES OF THE UNITED NATIONS AND ITS SPECIALIZED AGENCIES.

(a) FINDINGS.—(1) The Congress finds that the United Nations and its specialized agencies have made progress in the formulation and implementation of budget reforms as called for by section 143 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (Public Law 99-93). Presidential determinations that were required by that and other laws confirm the progress that has been made in this respect.

(2) The Congress remains concerned about the need to make further progress to protect the independence of the international civil service working at the United Nations and urges the President to make vigorous efforts to this end.

(3) The Congress is specifically concerned with the practice of reserving certain professional staff slots in the United Nations Secretariat for nationals of certain member states, and urges the President to pursue vigorously a program of regular rotation in these staff positions among all member states of the United Nations.

(b) FINANCIAL RESPONSIBILITY IN BUDGET PROCEDURES.—To assure financial responsibility in preparation of the assessed budgets of the United Nations and its specialized agencies, it is the sense of the Congress that the President should continue vigorous efforts to ensure continued implementation by the United Nations and its specialized agencies of consensus-based decision-making procedures where applicable on budgetary matters which assure that sufficient attention is paid to the views of the United States and other member states who are major financial contributors to such assessed budgets.

(c) LIMITATION ON ASSESSED CONTRIBUTIONS.—

(1) For assessed contributions authorized to be appropriated by section 102(a)(1) of this Act, the President shall withhold 20 percent of the funds appropriated for the United States assessed contribution to the United Nations or to any of its specialized agencies for any calendar year until the President determines and reports to the Congress that the United Nations or any such agency—

(A) has continued implementation of decision-making procedures on budgetary matters referred to in subsection (b); and

(B) in the case of the United Nations—

(i) is making further progress toward the elimination of the abuse of secondment in the United Nations Secretariat which undermines the independence of the international civil service; and

(ii) is implementing the 15 percent reduction in the staff of the United Nations Secretariat (recommendation 15 of the Group of High Level Intergovernmental Experts to

Review the Efficiency of the Administrative and Financial Functioning of the United Nations (Group of 18)) and that such reduction is being equitably applied among the nationals on such staff.

(2) The President shall notify the Congress when each such determination is made. Each such notification shall include appropriate consultation between the President or his designated representative and the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

SEC. 406. ANNUAL REPORT TO CONGRESS ON VOTING PRACTICES AT THE UNITED NATIONS.

(a) IN GENERAL.—Not later than March 31 of each year, the Secretary of State shall transmit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a full and complete annual report which assesses for the preceding calendar year, with respect to each foreign country member of the United Nations, the voting practices of the governments of such countries at the United Nations, and which evaluates General Assembly and Security Council actions and the responsiveness of those governments to United States policy on issues of special importance to the United States.

(b) INFORMATION ON VOTING PRACTICES IN THE UNITED NATIONS.—Such report shall include, with respect to voting practices and plenary actions in the United Nations during the preceding calendar year, information to be compiled and supplied by the Permanent Representative of the United States to the United Nations, consisting of—

(1) an analysis and discussion, prepared in consultation with the Secretary of State, of the extent to which member countries supported United States policy objectives at the United Nations;

(2) an analysis and discussion, prepared in consultation with the Secretary of State, of actions taken by the United Nations by consensus;

(3) with respect to plenary votes of the United Nations General Assembly—

(A) a listing of all such votes on issues which directly affected important United States interests and on which the United States lobbied extensively and a brief description of the issues involved in each such vote;

(B) a listing of the votes described in subparagraph (A) which provides a comparison of the vote cast by each member country with the vote cast by the United States;

(C) a country-by-country listing of votes described in subparagraph (A); and

(D) a listing of votes described in subparagraph (A) displayed in terms of United Nations regional caucus groups;

(4) a listing of all plenary votes cast by member countries of the United Nations in the General Assembly which provides a comparison of the votes cast by each member country with the vote cast by the United States;

(5) an analysis and discussion, prepared in consultation with the Secretary of State, of the extent to which other members supported United States policy objectives in the Security Council and a separate listing of all Security Council votes of each member country in comparison with the United States; and

(6) a side-by-side comparison of agreement on important and overall votes for each member country and the United States.

(c) FORMAT.—Information required pursuant to subsection (b)(3) shall also be submitted, together with an explanation of the statistical methodology, in a format identical to that contained in chapter II of the Report to Congress on Voting Practices in the United Nations, dated March 14, 1988.

(d) STATEMENT BY THE SECRETARY OF STATE.—Each report under subsection (a) shall contain a statement by the Secretary of State discussing the measures which have been taken to inform United States diplomatic missions of United Nations General Assembly and Security Council activities.

(e) TECHNICAL AND CONFORMING AMENDMENTS.—The following provisions of law are repealed:

(1) The second undesignated paragraph of section 101(b)(1) of the Foreign Assistance and Related Programs Appropriations Act, 1984 (Public Law 98-151; 97 Stat. 967).

(2) Section 529 of the Foreign Assistance and Related Programs Appropriations Act, 1986, as enacted by Public Law 99-190 (99 Stat. 1307).

(3) Section 528 of the Foreign Assistance and Related Programs Appropriations Act, 1987, as enacted by Public Law 99-500 (100 Stat. 1783) and Public Law 99-591 (100 Stat. 3341).

(4) Section 528 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, as enacted by Public Law 100-202 (101 Stat. 1329).

(5) Section 527 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989, as enacted by Public Law 100-461.

SEC. 407. DENIAL OF VISAS TO CERTAIN REPRESENTATIVES TO THE UNITED NATIONS.

(a) IN GENERAL.—The President shall use his authority, including the authorities contained in section 6 of the United Nations Headquarters Agreement Act (Public Law 80-357), to deny any individual's admission to the United States as a representative to the United Nations if the President determines that such individual has been found to have been engaged in espionage activities directed against the United States or its allies and may pose a threat to United States national securrity interests.

(b) WAIVER.—The President may waive the provisions of subsection (a) if the President determines, and so notifies the Congress, that such a waiver is in the national security interests of the United States.

SEC. 408. POLICY ON UNESCO.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the United States withdrew from the United Nations Educational, Scientific and Cultural Organization (UNESCO) on December 31, 1984, in response to grave and persistent problems in UNESCO under the then-Director General;

(2) chief among these problems was the assault on the free flow of information supported by that Director General and the pervasive ideological conflict fomented by the alliance between totalitarian and developing nations;

(3) UNESCO has since acquired a new Director General, Federico Mayor, who has pledged his support for the free flow of information, the return of UNESCO to the principles enunciated in its Charter, and other needed changes in UNESCO policy;

(4) Soviet Foreign Minister Eduard Shevardnadze stated on October 11, 1988, that the Soviet Union was responsible for "the exaggerated ideological approach [that] undermined tolerance intrinsic to UNESCO," and stated that Soviet policy would improve in this regard;

(5) substantial progress remains to be made in implementing the reforms proposed by the new Director General and in determining the degree to which ideological conflict has actually declined; and

(6) when the United States withdrew from UNESCO, the policy of the United States was that at such time as satisfactory changes were achieved in UNESCO, the United States would act on reentry.

(b) POLICY.—It is the sense of the Congress that the Secretary of State should monitor closely the changes achieved in UNESCO and should work with United States allies and the UNESCO leadership to continue to promote the progress necessary to justify United States consideration of reentry into UNESCO.

(c) REPORT REQUIRED.—Not later than 60 days after the date of the enactment of this Act, the Secretary of State shall prepare and submit to the Congress a report on the activities after December 31, 1984, of the United Nations Educational, Scientific, and Cultural Organization.

SEC. 409. UNITED STATES COMMISSION ON IMPROVING THE EFFECTIVENESS OF THE UNITED NATIONS.

Section 727 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (Public Law 100-204) is amended in subsection (b) by inserting "the greater of" after "than".

SEC. 410. CONTRIBUTION TO THE REGULAR BUDGET OF THE INTERNATIONAL COMMITTEE OF THE RED CROSS.

Notwithstanding section 742 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (Public Law 100-204), for each of the fiscal years 1990 and 1991, the Secretary of State shall not be required to make an annual contribution to the regular budget of the International Committee of the Red Cross of an amount which is greater than 10 percent of the 1989 regular budget of the International Committee of the Red Cross.

SEC. 411. SENSE OF CONGRESS CONCERNING AN ENHANCED ROLE FOR THE INTERNATIONAL COURT OF JUSTICE IN RESOLUTION OF INTERNATIONAL DISPUTES.

(a) FINDINGS.—The Congress makes the following findings:

(1) In 1945, the United States supported the establishment of the International Court of Justice (ICJ) to provide for the orderly resolution of disputes among nations under the rule of law.

(2) The United States, pursuant to Article 93 of the Charter of the United Nations, is also a party to the Statute of the International Court of Justice which provides in Article 36(1) that the International Court of Justice will have jurisdiction over "all cases which the parties refer to it and all matters specially provided for in the Charter of the United Nations or in treaties and conventions in force".

(3) In August 1946, the United States, pursuant to Senate advice and consent (61 Stat. 1218), voluntarily accepted the compulsory jurisdiction of the International Court of Justice in other international disputes under Article 36(2) of the Statute of the International Court of Justice, on certain conditions, and maintained such recognition for four decades from 1946 to 1986 when United States acceptance was terminated.

(4) The United States has utilized the International Court of Justice on numerous occasions to resolve disputes with other nations.

(5) In April 1984, the United States notified the Secretary General of the United Nations that the United States was suspending for two years its acceptance of the compulso-

ry jurisdiction of the International Court of Justice in cases relating to Central America.

(6) In 1985, the United States announced it was terminating, in whole, United States acceptance (effective April 1, 1986) of the compulsory jurisdiction of the International Court of Justice.

(7) The Soviet Union, as a member of the United Nations, is also a party to the Statute of the International Court of Justice and is thus bound by Article 36(1).

(8) The Soviet Union, unlike the United States, has not since the inception of the International Court of Justice voluntarily accepted the compulsory jurisdiction of the ICJ under Article 36(2) or taken any other case voluntarily to the court.

(9) Soviet leader Mikhail Gorbachev, in his address to the United Nations in December of 1988 said: "We believe that the jurisdiction of the International Court of Justice at the Hague as regards the interpretation and implementation of agreements on human rights should be binding on all states.".

(10) The Legal Adviser of the State Department is holding discussions with Soviet officials and representatives of other permanent members of the United Nations Security Council and other states to determine whether and how the International Court of Justice might be used for the peaceful settlement of international disputes through procedures that assure fairness and the protection of legitimate national interests.

(b) SENSE OF CONGRESS.—The Congress commends and strongly supports efforts by the United States to broaden, where appropriate, the compulsory jurisdiction and enhance the effectiveness of the International Court of Justice.

SEC. 412. INTERNATIONAL BOUNDARY AND WATER COMMISSION.

(a) AUTHORIZATION.—Title I of the Act of June 20, 1956 (70 Stat. 302; 22 U.S.C. 277d-12), is amended in the fourth undesignated paragraph under the heading "INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO"—

(1) by inserting "or sanitation" after "flood control"; and

(2) by inserting before the period at the end thereof the following: ", the Colorado or Tijuana Rivers, and for taking emergency actions to protect against health threatening sanitation problems by repairing or replacing existing capital infrastructure along the United States-Mexico Boundary".

(b) RESTRICTIONS.—The Act of May 13, 1924, as amended (49 Stat. 660; 22 U.S.C. 277-277f), is amended—

(1) in section 3 (22 U.S.C. 277b) by—

(A) by inserting "(1)" after "authorized";

(B) by striking out "and (b)" and inserting in lieu thereof "(2)";

(C) by inserting before the period at the end thereof the following: "; and (3) to carry out preliminary surveys, operations, and maintenance of the interceptor system constructed to intercept sewage flows from Tijuana from selected canyon areas"; and

(D) by adding at the end thereof the following new subsections:

"(b) Expenditures for the Rio Grande bank protection project shall be subject to the provisions and conditions made with respect to that project in the first undesignated paragraph under the heading 'INTERNATIONAL OBLIGATIONS' contained in the Act of April 25, 1945 (59 Stat. 89).

"(c) The Anzalduas diversion dam shall not be operated for irrigation or water supply purposes in the United States unless suitable arrangements have been made with the prospective water users for repayment to the Government of the United States for such portions of the dam as shall have been allocated to such purposes by the Secretary of State."; and

(2) in section 2 (49 Stat. 660; 22 U.S.C. 277a) by striking out "and stabilization" and inserting in lieu thereof "stabilization, drainage of transboundary storm waters,".

SEC. 413. REVIEW OF MULTILATERAL AND BILATERAL COMMISSIONS.

Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall prepare and submit a report to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate which provides a review of United States participation in all multilateral and bilateral commissions for which appropriations are authorized to be made under the "International Commissions" account of the Department of State. Together with such comments and recommendations as the Secretary considers appropriate, such report shall include—

(1) a justification for United States participation in each multilateral or bilateral commission;

(2) an assessment of the effectiveness of each multilateral or bilateral commission in which the United States participates; and

(3) information concerning the cost of United States participation in each such commission.

SEC. 414. MEMBERSHIP OF THE PALESTINE LIBERATION ORGANIZATION IN UNITED NATIONS AGENCIES.

(a) PROHIBITION.—No funds authorized to be appropriated by this Act or any other Act shall be available for the United Nations or any specialized agency thereof which accords the Palestine Liberation Organization the same standing as member states.

(b) TRANSFER OR REPROGRAMMING.—Funds subject to the prohibition contained in subsection (a) which would be available for the United Nations or any specialized agency thereof (but for that prohibition) are authorized to remain available until expended and may be reprogrammed or transferred to any other account of the Department of State or the Agency for International Development to carry out the general purposes for which such funds were authorized.

SEC. 415. SENSE OF CONGRESS CONCERNING THE UNITED NATIONS RELIEF AND WORKS AGENCY FOR PALESTINIAN REFUGEES IN THE NEAR EAST (UNRWA).

(a) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) international burdensharing of the costs of the United Nations Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA) is crucial to the survival of such organization;

(2) the Secretary of State should redouble the efforts of the Department of State to promote international burdensharing of the costs of UNRWA's operations; and

(3) regular and substantial contributions by the Arab states to the budget of the United Nations Relief and Works Agency for Palestinian Refugees in the Near East would reflect the commitment of Arab states to a peaceful political settlement in the Middle East.

(b) REPORT TO CONGRESS.—The Secretary of State shall prepare and submit a report on progress being made to promote international burdensharing of the costs of the United Nations Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA) to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

SEC. 416. UNITED NATIONS SPONSORSHIP OF A MIDDLE EAST PEACE CONFERENCE.

(a) FINDINGS.—The Congress finds that—

(1) the General Assembly of the United Nations adopted Resolution No. 3379 on November 10, 1975, maintaining that Zionism constituted a form of racism;

(2) most of the proposals for an international peace conference regarding the Middle East have identified the United Nations as the sponsoring organization for such a conference;

(3) all international diplomatic participants in any potential Middle East peace conference must acknowledge the sovereignty of the State of Israel and the right of its citizens to live within secure and permanent boundaries;

(4) United Nations General Assembly Resolution No. 3379 of November 10, 1975, damages the credibility of the General Assembly as a forum for furthering the search for peace in the Middle East; and

(5) the United States does not favor an international conference on the Middle East at this time, and believes that the Israeli proposal for elections that was advanced in May 1989 is the best available vehicle for furthering the Middle East peace process.

(b) POLICY.—The Congress declares, therefore, that—

(1) the United States should use all appropriate means to obtain rescission by the United Nations General Assembly of Resolution No. 3379 and calls upon the General Assembly to do so; and

(2) so long as that resolution remains in effect, the General Assembly and all affiliated agencies of the United Nations constitute an inappropriate forum for the sponsorship of any international conference on the Arab-Israeli conflict.

SEC. 417. CONTRIBUTIONS FOR PEACEKEEPING ACTIVITIES IN SOUTHERN AFRICA.

(a) ASSURANCES THAT ALL CUBAN TROOPS WILL BE WITHDRAWN.—The United States may not, after the date of enactment of this Act, expend any funds authorized to be appropriated by this Act for a contribution or any other assistance with respect to implementation of the Tripartite Agreement until the President certifies to the Congress that—

(1) the United States has received explicit and reliable assurances from each of the parties to the Bilateral Agreement that all Cuban troops will be withdrawn from Angola by July 1, 1991, and that no Cuban troops will remain in Angola after that date; and

(2) the Secretary General of the United Nations has assured the United States that it is his understanding that all Cuban troops will be withdrawn from Angola by July 1, 1991, and that no Cuban troops will remain in Angola after that date.

(b) CONTRIBUTIONS CONDITIONAL ON COMPLIANCE.—The United States may not expend any funds authorized to be appropriated by this Act for a contribution or any other assistance with respect to implementation of the Tripartite Agreement—

(1) if the Government of Cuba fails at any time to comply with any of its obligations under Article 1 of the Bilateral Agreement (relating to the calendar for redeployment and withdrawal of Cuban troops); or

(2) if any Cuban troops remain in Angola after July 1, 1991.

(c) REPORTS TO CONGRESS, COMPLIANCE WITH OBLIGATIONS.—Not more than 15 days after each scheduled phase of the redeployment northward and withdrawal of Cuban troops pursuant to the Bilateral Agreement, the President shall submit to the appropri-

ate congressional committees a report on whether each of the signatories of the Tripartite Agreement is complying with its obligations under the agreement. Whenever he has determined that a material breach of the Tripartite Agreement may have been committed by any of the signatories to that agreement, the President shall so report to the appropriate congressional committees.

(d) DISBURSEMENTS.—Of the amount authorized to be appropriated to be made available for contribution with respect to implementation of the Agreement Among the People's Republic of Angola, the Republic of Cuba, and the Republic of South Africa signed at the United Nations on December 22, 1988 (hereinafter known as the Tripartite Agreement) 50 percent of the annual amount shall be available on October 1, 1989, and the remaining 50 percent on April 1, 1990, only if the President determines and certifies to the appropriate congressional committees as of each date that (1) each of the signatories to the Tripartite Agreement is in compliance with its obligations under the Agreement, (2) the Government of Cuba has complied with its obligations under Article 1 of the Bilateral Agreement (relating to the calendar for redeployment and withdrawal of Cuban troops), (3) the Cubans have not engaged in any offensive military actions against UNITA, including the use of chemical warfare, (4) the United Nations and its affiliated agencies have terminated all funding and other support, in conformity with the United Nations impartiality package, to the South West Africa People's Organization (SWAPO), and (5) the United Nations Angola Verification Mission is demonstrating diligence, impartiality, and professionalism in verifying the departure of Cuban troops and the recording of any troop rotations.

(e) Funding of these activities by the United States may not be construed as constituting recognition of any government in Angola.

(f) For purposes of this section—

(1) the term "Bilateral Agreement" means the Agreement Between the Governments of the People's Republic of Angola and the Republic of Cuba for the Termination of the International Mission of the Cuban Military Contingent, signed at the United Nations on December 22, 1988;

(2) the term "Tripartite Agreement" means the Agreement Among the People's Republic of Angola, the Republic of Cuba, and the Republic of South Africa, signed at the United Nations on December 22, 1988; and

(3) the term "appropriate congressional committees" means the Committees on Appropriations, Foreign Affairs, and Permanent Select Committee on Intelligence of the House of Representatives, and the Committees on Appropriations, Foreign Relations, and the Select Committee on Intelligence of the Senate.

TITLE V—ASIA FOUNDATION

SEC. 501. AUTHORIZATION OF APPROPRIATIONS.

Section 404 of The Asia Foundation Act (22 U.S.C. 4403) is amended to read as follows:

"SEC. 404. FUNDING.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of State $13,900,000 for the fiscal year 1990 and $18,000,000 for the fiscal year 1991 for grants to The Asia Foundation pursuant to this title.

"(b) ALLOCATION OF FUNDS.—Of amounts authorized to be appropriated under subsection (a), $1,324,000 for the fiscal year 1990 and $1,324,000 for the fiscal year 1991 shall be available only for the expansion of programs and services (including the establishment of a field office) for Oceania, comprised of Polynesia, Micronesia, and Melanesia.".

TITLE VI—INTER-AMERICAN FOUNDATION

SEC. 601. AUTHORIZATION OF APPROPRIATIONS.

Section 401 of the Inter-American Foundation Act (22 U.S.C. 290f) is amended in subsection (s)(2) by striking out the first sentence and inserting in lieu thereof "There are authorized to be appropriated $16,932,000 for the fiscal year 1990 and $25,000,000 for the fiscal year 1991 to carry out the purposes of this section.".

TITLE VII—REFUGEE AND OTHER PROVISIONS

SEC. 701. UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES AUDIT REQUIREMENT.

Subsection (a) of section 8 of the Migration and Refugee Assistance Act of 1962 (22 U.S.C. 2606) is amended to read as follows:

"(a) PROGRAM AUDITS.—Funds may not be available to the United Nations High Commissioner for Refugees (UNHCR) under this or any other Act unless provision is made for—

"(1) annual program audits to determine the use of UNHCR funds, including the use of such funds by implementing partners; and

"(2) such audits are made available through the Department of State for inspection by the Comptroller General of the United States.".

SEC. 702. TIBETAN AND BURMESE REFUGEES.

(a) TIBETAN REFUGEES.—Of the amounts authorized to be appropriated by section 104(a)(1) for the Department of State for "Migration and Refugee Assistance" $500,000 for the fiscal year 1990 and $500,000 for the fiscal year 1991 shall be available only for assistance for displaced Tibetans in India and Nepal. The Secretary of State shall determine the best means for providing such assistance.

(b) BURMESE REFUGEES.—Of the amounts authorized to be appropriated by section 104(a)(1) for the Department of State for "Migration and Refugee Assistance" $250,000 for the fiscal year 1990 and $250,000 for the fiscal year 1991 shall be available only for humanitarian assistance for displaced Burmese on both sides of the border between Thailand and Burma.

SEC. 703. REPORT REGARDING BURMESE STUDENTS.

(a) REPORTING REQUIREMENT.—Not later than 30 days after the date of enactment of this Act, the Secretary of State, in consultation with the Attorney General, shall submit to the Committee on Foreign Relations and the Committee on the Judiciary of the Senate and the Committee on Foreign Affairs and the Committee on the Judiciary of the House of Representatives a report on the immigration and refugee policy of the United States regarding Burmese pro-democracy protesters who have fled from the military government of Burma and are now located in border camps or inside Thailand. Specifically, the report shall include—

(1) a description of the number and location of such persons in border camps in Burma, inside Thailand, and in third countries;

(2) the number of visas, parole applications, applications for refugee status, and approvals for such persons by the United States and the feasibility of using parole or the need for creating statutory alternatives to parole to facilitate the entry of such persons;

(3) the immigration policy of Thailand and other countries from which such persons have sought immigration assistance;

(4) the involvement of international organizations, such as the United Nations High Commission for Refugees, in meeting the residency needs of such persons; and

(5) the involvement of the United States, other countries, and international organizations in meeting the humanitarian needs of such persons.

(b) RECOMMENDATIONS FOR LEGISLATIVE CHANGES.—The Secretary of State shall recommend in the report required by subsection (a) any policy or legislative changes he deems appropriate to meet the asylum, refugee, parole, or visa status needs of such persons.

(c) DEFINITION.—As used in this section, the term "pro-democracy protester" means any person who has fled from the current military regime of Burma since the outbreak of pro-democracy demonstrations in Burma in 1988.

SEC. 704. THE TREATMENT OF THE TURKISH MINORITY BY THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BULGARIA AND BULGARIAN REFUGEES IN TURKEY.

(a) FINDINGS.—The Congress finds that—

(1) the Government of the People's Republic of Bulgaria is a signatory to the 1947 Paris Peace Treaty, the Universal Declaration on Human Rights by the United Nations, and the Final Act of the Conference on Security and Cooperation in Europe (also known as the Helsinki Accords);

(2) the Helsinki Accords express the commitment of the participating states to respect the fundamental freedoms of conscience, religion, expression, and emigration, and to guarantee the rights of minorities;

(3) the 1971 Constitution of the People's Republic of Bulgaria declares that fundamental rights will not be restricted because of distinction of national origin, race, or religion, and guarantees minorities the rights to study in their mother tongue and freely practice their religion;

(4) despite its international obligations and constitutional guarantees, the Government of the People's Republic of Bulgaria has taken numerous steps to repress Turkish language and culture, including prohibiting the study of the Turkish language in schools, banning the use of the Turkish language in public, making the receipt and reading of Turkish publications a punishable act, and jamming the reception of Turkish radio and television programs in Bulgaria;

(5) the right of the ethnic Turkish community to freedom of religion has been severely circumscribed by the Government of the People's Republic of Bulgaria, which has closed a number of mosques and barred the importation of copies of the Koran;

(6) emigration by ethnic Turks and others has been banned with only a few exceptions;

(7) beginning in December 1984, the Bulgarian authorities forced the Turkish minority to change their Turkish names to Bulgarian ones, and hundreds of ethnic Turks were killed, injured, or arrested by Bulgarian forces in 1984 and 1985 when they protested this new policy;

(8) the Bulgarian authorities have used both force and coercion to resettle ethnic Turks from their local villages to areas in Bulgaria with small Turkish populations;

(9) in May 1989, Bulgarian troops and police attacked ethnic Turks and others who were peacefully demonstrating against their discriminatory treatment in Bulgaria;

(10) hundreds of demonstrators were killed or wounded in these attacks, and hundreds more were arrested; and

(11) since these demonstrations, the Government of the People's Republic of Bulgaria has forcibly expelled or coerced into emigrating to Turkey thousands of ethnic Turks without either their money or their possessions, often resulting in the separation of families.

(b) POLICY.—It is the sense of the Congress that the Congress—

(1) strongly condemns the brutal treatment of, and blatant discrimination against, the Turkish minority by the Government of the People's Republic of Bulgaria;

(2) calls upon the Bulgarian authorities to immediately cease all discriminatory practices against this community and to release all ethnic Turks and others currently imprisoned because of their participation in nonviolent political acts;

(3) calls upon the Government of Bulgaria to honor its obligations and public statements concerning the right of all Bulgarian citizens to emigrate freely; and

(4) urges the President and Secretary of State to make strong diplomatic representations to Bulgaria protesting its discriminatory treatment of its Turkish minority and to raise this issue in all appropriate international forums, including the Conference on Security and Cooperation in Europe meeting on the environment in Sofia, Bulgaria, this year.

(b) ALLOCATION OF FUNDS FOR ASSISTANCE TO CERTAIN TURKISH REFUGEES.—Of the funds authorized to be appropriated by section 104(a)(1) for the fiscal year 1990, $10,000,000 shall be available only to the Republic of Turkey for assistance for shelter, food, and other basic needs to ethnic Turkish refugees fleeing the People's Republic of Bulgaria and resettling in the sovereign territory of Turkey.

TITLE VIII—PLO COMMITMENTS COMPLIANCE ACT OF 1989

SEC. 801. SHORT TITLE.

This title may be cited as the "PLO Commitments Compliance Act of 1989".

SEC. 802. FINDINGS.

The Congress finds that—

(1) United States policy regarding contracts with the Palestine Liberation Organization (including its Executive Committee, the Palestine National Council, and any constituent groups related thereto (hereafter in this title referred to as the "PLO")) set forth in the Memorandum of Agreement between the United States and Israel, dated September 1, 1975, stated that the United States "will not recognize or negotiate with the Palestine Liberation Organization so long as the PLO does not recognize Israel's right to exist and does not accept United Nations Security Council Resolutions 242 and 338";

(2) section 1302 of the International Security and Development Cooperation Act of 1985 (22 U.S.C. 2151 note; Public Law 99-83), effective October 1, 1985, stated that "no officer or employee of the United States Government and no agent or other individual acting on behalf of the United States Government shall negotiate with the PLO or any representatives thereof (except in emergency or humanitarian situations) unless and until the PLO recognizes Israel's right to exist, accepts United Nations Security Council Resolutions 242 and 338, and renounces the use of terrorism";

(3) the Department of State statement of November 26, 1988, found that "the United States Government has convincing evidence that PLO elements have engaged in terrorism against Americans and others" and that "Mr. [Yasser] Arafat, Chairman of the PLO, knows of, condones, and lends support to such acts; he therefore is an accessory to such terrorism";

(4) Secretary of State Shultz declared on December 14, 1988, that "the [PLO] today issued a statement in which it accepted United Nations Security Council Resolutions 242 and 338, recognized Israel's right to exist in peace and security, and renounced terrorism. As a result, the United States is prepared for a substantive dialogue with PLO representatives";

(5) President Ronald Reagan, subsequent to the decision to open a United States-PLO dialogue, stated that the PLO "must demonstrate that its renunciation of terrorism is pervasive and permanent" and if the PLO reneges on its commitments, the United States "will certainly break off communications";

(6) since the United States agreed to enter into a dialogue with the PLO, there have been several attempted incursions into Israel by the following PLO-affiliated groups: the Popular Struggle Front, the Palestine Liberation Front, the Democratic Front for the Liberation of Palestine, and the Islamic Jihad group;

(7) Yasser Arafat has not renounced any of these incidents, that he has threatened "ten bullets in the chest" to those Palestinians who advocate a cessation of the unrest, and that his principal deputy, Abu Iyad, as well as other senior Al-Fatah figures, have been quoted as saying that the PLO recognition of Israel and renunciation of terrorism is merely tactical and that a Palestinian state is but the first step in the "liberation of Palestine"; and

(8) that the United States should regularly evaluate the PLO's compliance with the commitments made by Yasser Arafat on behalf of the PLO in Geneva on December 14, 1988.

SEC. 803. POLICY.

(a) IN GENERAL.—The Congress reiterates long-standing United States policy that any dialogue with the PLO be contingent upon the PLO's recognition of Israel's right to exist, its acceptance of United Nations Security Council Resolutions 242 and 338, and its abstention from and renunciation of all acts of terrorism.

(b) POLICY TOWARD IMPLEMENTATION OF PLO COMMITMENTS.—It is the sense of the Congress that the United States, in any discussions with the PLO, should seek—

(1) the prevention of terrorism and other violent activity by the PLO or any of its factions; and

(2) the implementation of concrete steps by the PLO consistent with its commitments to recognize Israel and renounce terrorism, including concrete actions that will further the peace process such as—

(A) disbanding units which have been involved in terrorism;

(B) publicly condemning all acts of terrorism;

(C) ceasing the intimidation of Palestinians who advocate a cessation of or who do not support the unrest;

(D) calling on the Arab states to recognize Israel and to end their economic boycott of Israel; and

(E) amending the PLO's Covenant to remove provisions which undermine Israel's legitimacy and which call for Israel's destruction.

(c) POLICY TOWARD RECENT ARMED INCURSIONS INTO ISRAEL BY PLO-AFFILIATED GROUPS.—During the next round of talks with the PLO, should such talks occur after the date of enactment of this Act, the representative of the United States should obtain from the representative of the PLO a full accounting of the following attempted incursions into Israel which occurred after Yasser Arafat's statement of December 14, 1988:

(1) On December 26, 1988, an attempted armed infiltration into Israel by boat by four members of the PLO-affiliated Popular Struggle Front.

(2) On December 28, 1988, an attempted armed infiltration into Israel by three members of the PLO-affiliated Palestine Liberation Front.

(3) On January 24, 1989, an unprovoked attack on an Israeli patrol in Southern Lebanon by the PLO-affiliated Palestine Liberation Front.

(4) On February 5, 1989, an attempted armed infiltration into Israel by nine members of the PLO-affiliated Palestine Liberation Front and Popular Front for the Liberation of Palestine.

(5) On February 23, 1989, an attempted attack on targets in Israel by members of the PLO-affiliated Democratic Front for the Liberation of Palestine.

(6) On February 27, 1989, a PLO-affiliated Popular Front for the Liberation of Palestine ambush of a pro-Israeli Southern Lebanese army vehicle.

(7) On March 2, 1989, an attempted armed infiltration into Israel by four members of the PLO-affiliated Democratic Front for the Liberation of Palestine headed for the civilian town of Zarit.

(8) On March 13, 1989, an attempted armed infiltration into Israel by three members of the PLO-aligned Palestine Liberation Front.

(9) On March 15, 1989, an attempted attack on Israel through Gaza by two members of the Islamic Jihad group.

SEC. 804. REPORTING REQUIREMENT.

(a) REPORT ON ARMED INCURSIONS.—In the event that talks are held with the PLO after the date of enactment of this Act, the Secretary of State, shall, within 30 days after the next round of such talks, report to the Chairman of the Committee on Foreign Affairs of the Senate and the Speaker of the House of Representatives any accounting provided by the representative of the PLO of the incidents described in section 803(c).

(b) REPORT ON COMPLIANCE WITH COMMITMENTS.—Beginning 30 days after the date of enactment of this Act, and every 120 days thereafter in which the dialogue between the United States and the PLO has not been discontinued, the President shall submit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report, in unclassified form to the maximum extent practicable, regarding progress toward the achievement of the measures described in section 803(b). Such report shall include—

(1) a description of actions or statements by the PLO as an organization, its Chairman, members of its Executive Committee, members of the Palestine National Council, or any constituent groups related thereto, as they relate to the Geneva commitments of December 1988 regarding cessation of terrorism and recognition of Israel's right to exist, including actions or statements that contend that the declared "Palestinian state" encompasses all of Israel;

(2) a description of the steps, if any, taken by the PLO to evict or otherwise discipline

individuals or groups taking actions inconsistent with the Geneva commitments;

(3) a statement of whether the PLO, in accordance with procedures in Article 33 of the Palestinian National Covenant, has repealed provisions in that Covenant which call for Israel's destruction;

(4) a statement of whether the PLO has repudiated its "strategy of stages" whereby it seeks to use a Palestinian state in the West Bank and Gaza as the first step in the total elimination of the state of Israel;

(5) a statement of whether the PLO has called on any Arab state to recognize and enter direct negotiations with Israel or to end its economic boycott of Israel;

(6) a statement of whether "Force 17" and the "Hawari Group", units directed by Yasser Arafat that have carried out terrorist attacks, have been disbanded and not reconstituted under different names;

(7) a statement of whether the following PLO constituent groups conduct or participate in terrorist or other violent activities: the Fatah; the Popular Front for the Liberation of Palestine; the Democratic Front for the Liberation of Palestine; the Arab Liberation Front; the Palestine Liberation Front;

(8) a statement of the PLO's position on the unrest in the West Bank and Gaza, and whether the PLO threatens, through violence or other intimidation measures, Palestinians in the West Bank and Gaza who advocate a cessation of or who do not support the unrest, and who might be receptive to taking part in elections there;

(9) a statement of the position of the PLO regarding the prosecution and extradition, if so requested, of known terrorists such as Abu Abbas, who directed the Achille Lauro hijacking during which Leon Klinghoffer was murdered, and Muhammed Rashid, implicated in the 1982 bombing of a Pan Am jet and the 1986 bombing of a TWA jet in which four Americans were killed; and

(10) a statement of the position of the PLO on providing compensation to the American victims or the families of American victims of PLO terrorism.

(c) REPORT ON POLICIES OF ARAB STATES.—Not more than 30 days after the date of enactment of this Act, the Secretary of State shall prepare and submit to the Congress a report concerning the policies of Arab states toward the Middle East peace process, including progress toward—

(1) public recognition of Israel's right to exist in peace and security;

(2) ending the Arab economic boycott of Israel; and

(3) ending efforts to expel Israel from international organizations or denying participation in the activities of such organizations.

TITLE IX—PEOPLE'S REPUBLIC OF CHINA

SEC. 901. FINDINGS AND STATEMENTS OF POLICY.

(a) FINDINGS.—The Congress finds that—

(1) on June 4, 1989, the Government of the People's Republic of China ordered an unprovoked, brutal, and indiscriminate assault on thousands of peaceful and unarmed demonstrators and onlookers in and around Tiananmen Square by units of the People's Liberation Army, which resulted in at least 1,000 deaths and several thousand injuries;

(2) the Chinese Government has executed dozens of individuals who participated in prodemocracy demonstrations or who protested the brutal military assault against peaceful demonstrators;

(3) the Government of the People's Republic of China is engaging in widespread mass arrests in the aftermath of the June 4, 1989, military assault in Tiananmen Square, which have resulted in the arrests of thousands of students, workers, and other civilians so far;

(4) independent international human rights organizations, such as Amnesty International and Asia Watch, have documented daily incidences of arbitrary arrests, torture, and beatings by police and military forces in the People's Republic of China;

(5) the Chinese Government has established telephone hotlines and other local communications networks for the express purpose of identifying and imprisoning prodemocracy supporters and political dissidents throughout the country;

(6) officials of the Chinese Government have grossly distorted the Government's actions to suppress the prodemocracy movement, including the clandestine disposal of the bodies of demonstrators without informing their families, and have consistently denied that the massacre in and around Tiananmen Square took place or that abuses of human rights have occurred;

(7) in an effort to conceal the truth about the Chinese Government's brutal suppression of the prodemocracy movement, foreign journalists have been expelled and Voice of America broadcasts are being jammed;

(8) in view of the widespread and continuing repression, noted Chinese intellectuals and advocates of peaceful democratic reform, Fang Lizhi and Li Shuxian, sought refuge at the United States Embassy in Beijing on June 3, 1989, and the United States exercised its prerogatives under longstanding practices of diplomatic missions by granting them refuge; and

(9) the President has condemned the actions of the leaders of the People's Republic of China against participants in the prodemocracy movement in China and has taken several concrete steps to respond to the repression of the movement, including—

(A) suspending all exports of items on the United States Munitions List, including arms and defense related equipment, to the People's Republic of China;

(B) suspending high level government-to-government contact between the United States and the People's Republic of China;

(C) extending the visas of nationals of the People's Republic of China currently in the United States;

(D) offering humanitarian and medical assistance to the injured through the Red Cross;

(E) instructing United States representatives to international financial institutions to seek delay in the consideration of loan requests that are made to those financial institutions and would benefit the People's Republic of China;

(F) suspending action on applications for the issuance by the Overseas Private Investment Corporation of new insurance and financing of investments in the People's Republic of China by United States investors;

(G) opposing the further liberalization of the guidelines of the group known as the Coordinating Committee (COCOM) regarding trade with the People's Republic of China;

(H) taking no further action to implement the agreement for cooperation between the United States and the People's Republic of China relating to the uses of nuclear energy, thereby foreclosing the issuance of new licenses; and

(I) suspending the license for the export of any United States manufactured satellites for launch on launch vehicles owned by the People's Republic of China, including the two Aussat satellites and the Asiasat satellite.

(b) Statements of Policy.—It is the sense of the Congress that—

(1) the President is to be commended for his clear articulation of United States condemnation of the actions of the Government of the People's Republic of China in the killing and persecution of the participants of the prodemocracy movement in the People's Republic of China, and for the responses and measures by the President against the People's Republic of China, which the Congress supports;

(2) the consultative approach that the President has used in coordinating with other countries the United States response to the atrocities committed by the leaders of the People's Republic of China should be supported;

(3) it is essential that the United States speak in a bipartisan and unified voice in response to the events in the People's Republic of China, and that the President be given the necessary flexibility to respond to rapidly changing situations so that the long-term interests of the United States are not damaged;

(4) in this vein, the President should continue to emphasize to the leaders of the Government of the People's Republic of China that resumption of normal diplomatic and military relations between the United States and the People's Republic of China will depend directly on the Chinese Government's halting of executions of prodemocracy movement supporters, releasing those imprisoned for their political beliefs, and increasing respect for internationally recognized human rights;

(5) because human rights violations in a country as populous as the People's Republic of China may have serious implications for the stability of the Asia-Pacific region, the United Nations should, in order to further regional security and peace, condemn the violent repression, mass arrests, abuse of African students, and executions of peaceful demonstrators by the Government of the People's Republic of China and urge the Chinese Government to enter into negotiations with representatives of the prodemocracy movement;

(6) United States policy toward the People's Republic of China should be explicitly linked with the situation in Tibet, specifically as to whether—

(A) martial law is lifted in Lhasa and other parts of Tibet;

(B) Tibet is open to foreigners, including representatives of the international press and of international human rights organizations;

(C) Tibetan political prisoners are released; and

(D) the Government of the People's Republic of China is entering into negotiations with representatives of the Dalai Lama on a settlement of the Tibetan question;

(7) with respect to Hong Kong—

(A) the President should convey to the leaders of the People's Republic of China the importance of living up to its international undertaking with respect to the 1984 Joint Declaration for the future prosperity and stability of Hong Kong; and

(B) the Secretary of State should convey to the Government of the United Kingdom the strong concern of the United States for continued respect for human rights in Hong Kong, and the need to accelerate progress toward representative government through free and fair direct elections;

(8) the United States should offer admission to the United States to any national of the People's Republic of China who is under

threat of severe penalty as a result of participating in prodemocracy activities; and

(9) the President should be commended for his courageous and appropriate action, in accordance with the Vienna Convention on Diplomatic Relations and customary international law, in swiftly providing temporary refuge to Fang Lizhi and Li Shuxian at the United States Embassy in Beijing, and the President should continue to provide refuge to those individuals to ensure their personal safety.

(c) ADDITIONAL MEASURES.—It is further the sense of the Congress that, in addition to the measures already taken or required to be taken by this title—

(1) because systematic repression in China continues, the President should urge the Export-Import Bank of the United States to continue to postpone approval of any application for financing United States exports to the People's Republic of China;

(2) under the direction of the Secretary of the Treasury, the United States executive directors of the appropriate international financial institutions should continue to oppose the extension of loans or any other financial assistance by such institutions to the People's Republic of China;

(3) if systematic repression in China deepens, the President should review—

(A) the advisability of continuing to extend most-favored-nation (MFN) trade treatment to Chinese products;

(B) all bilateral trade agreements between the United States and the People's Republic of China;

(C) the bilateral commercial agreements governing Chinese-American cooperation on satellite launches; and

(D) the Chinese-American Agreement for Cooperation on the Peaceful Uses of Atomic Energy, signed at Washington on July 23, 1985;

(4) if systematic repression in China deepens, the President should consult—

(A) with the members of the group known as the Coordinating Committee (COCOM) for the purpose of reviewing the current favorable treatment accorded to high technology exports to the People's Republic of China; and

(B) with the other signatories of the General Agreement on Tariffs and Trade (GATT) for the purpose of reviewing the People's Republic of China's observer status at meetings on GATT and reassessing the People's Republic of China's right to accede to GATT.

SEC. 902. SUSPENSION OF CERTAIN PROGRAMS AND ACTIVITIES.

(a) SUSPENSIONS.—

(1) OVERSEAS PRIVATE INVESTMENT CORPORATION.—The Overseas Private Investment Corporation shall continue to suspend the issuance of any new insurance, reinsurance, guarantees, financing, or other financial support with respect to the People's Republic of China, unless the President makes a report under subsection (b)(1) or (2) of this section.

(2) TRADE AND DEVELOPMENT PROGRAM.—The President shall suspend the obligation of funds under the Foreign Assistance Act of 1961 for any new activities of the Trade and Development Program with respect to the People's Republic of China, unless the President makes a report under subsection (b)(1) or (2) of this section.

(3) MUNITIONS EXPORT LICENSES.—(A) The issuance of licenses under section 38 of the Arms Export Control Act for the export to the People's Republic of China of any defense article on the United States Munitions List, including helicopters and helicopter parts, shall continue to be suspended, subject to subparagraph (B), unless the President makes a report under subsection (b)(1) or (2) of this section.

(B) The suspension set forth in subparagraph (A) shall not apply to systems and components designed specifically for inclusion in civil products and controlled as defense articles only for purposes of export to a controlled country, unless the President determines that the intended recipient of such items is the military or security forces of the People's Republic of China.

(4) CRIME CONTROL AND DETECTION INSTRUMENTS AND EQUIPMENT.—The issuance of any license under section 6(k) of the Export Administration Act of 1979 for the export to the People's Republic of China of any crime control or detection instruments or equipment shall be suspended, unless the President makes a report under subsection (b)(1) or (2) of this section.

(5) EXPORT OF SATELLITES FOR LAUNCH BY THE PEOPLE'S REPUBLIC OF CHINA.—Exports of any satellite of United States origin that is intended for launch from a launch vehicle owned by the People's Republic of China shall remain suspended, unless the President makes a report under subsection (b)(1) or (2) of this section.

(6) NUCLEAR COOPERATION WITH THE PEOPLE'S REPUBLIC OF CHINA.—(A) Any—

(i) application for a license under the Export Administration Act of 1979 for the export to the People's Republic of China for use in a nuclear production or utilization facility of any goods or technology which, as determined under section 309(c) of the Nuclear Non-Proliferation Act of 1978, could be of significance for nuclear explosive purposes, or which, in the judgment of the President, is likely to be diverted for use in such a facility, for any nuclear explosive device, or for research on or development of any nuclear explosive device, shall be suspended,

(ii) application for a license for the export to the People's Republic of China of any nuclear material, facilities, or components subject to the Agreement shall be suspended,

(iii) approval for the transfer or retransfer to the People's Republic of China of any nuclear material, facilities, or components subject to the Agreement shall not be given, and

(iv) specific authorization for assistance in any activities with respect to the People's Republic of China relating to the use of nuclear energy under section 57 b.(2) of the Atomic Energy Act of 1954 shall not be given,

until the conditions specified in subparagraph (B) are met.

(B) Subparagraph (A) applies until—

(i) the President certifies to the Congress that the People's Republic of China has provided clear and unequivocal assurances to the United States that it is not assisting and will not assist any nonnuclear-weapon state, either directly or indirectly, in acquiring nuclear explosive devices or the materials and components for such devices;

(ii) the President makes the certifications and submits the report required by Public Law 99-183; and

(iii) the President makes a report under subsection (b)(1) or (2) of this section.

(C) For purposes of this paragraph, the term "Agreement" means the Agreement for Cooperation Between the Government of the United States of America and the Government of the People's Republic of China Concerning Peaceful Uses of Nuclear Energy (done on July 23, 1985).

(7) LIBERALIZATION OF EXPORT CONTROLS.—(A) The President shall negotiate with the governments participating in the group known as the Coordinating Committee (COCOM) to suspend, on a multilateral basis, any liberalization by the Coordinating Committee of controls on exports of goods and technology to the People's Republic of China under section 5 of the Export Administration Act of 1979, including—

(i) the implementation of bulk licenses for exports to the People's Republic of China; and

(ii) the raising of the performance levels of goods or technology below which no authority or permission to export to the People's Republic of China would be required.

(B) The President shall oppose any liberalization by the Coordinating Committee of controls which is described in subparagraph (A)(ii), until the end of the 6-month period beginning on the date of enactment of this Act or until the President makes a report under subsection (b)(1) or (2) of this section, whichever occurs first.

(b) TERMINATION OF SUSPENSIONS.—A report referred to in subsection (a) is a report by the President to the Congress either—

(1) that the Government of the People's Republic of China has made progress on a program of political reform throughout the country, including Tibet, which includes—

(A) lifting of martial law;

(B) halting of executions and other reprisals against individuals for the nonviolent expression of their political beliefs;

(C) release of political prisoners;

(D) increased respect for internationally recognized human rights, including freedom of expression, the press, assembly, and association; and

(E) permitting a freer flow of information, including an end to the jamming of Voice of America and greater access for foreign journalists; or

(2) that it is in the national interest of the United States to terminate a suspension under subsection (a)(1), (2), (3), (4), or (5), to terminate a suspension or disapproval under subsection (a)(6), or to terminate the opposition required by subsection (a)(7), as the case may be.

(c) REPORTING REQUIREMENT.—Sixty days after the date of enactment of this Act, the President shall submit to the Congress a report on—

(1) any steps taken by the Government of China to achieve the objectives described in subsection (b)(1);

(2) the effect of multilateral sanctions on political and economic developments in China and on China's international economic relations;

(3) the impact of the President's actions described in section 901(a)(9) and of the suspensions under subsection (a) of this section on—

(A) political and economic developments in China;

(B) the standard of living of the Chinese people;

(C) relations between the United States and China; and

(D) the actions taken by China to promote a settlement in Cambodia which will ensure Cambodian independence, facilitate an act of self-determination by the Cambodian people, and prevent the Khmer Rouge from returning to exclusive power;

(4) the status of programs and activities suspended under subsection (a); and

(5) the additional measures taken by the President under section 901(c) if repression in China deepens.

TITLE X—MISCELLANEOUS PROVISIONS

SEC. 1001. INCREASING AMOUNT OF REWARDS FOR COMBATING TERRORISM.

Section 36(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2708) is amended by striking out "$500,000" and inserting in lieu thereof "$2,000,000".

SEC. 1002. ASSIGNMENT OF COMMERCIAL OFFICERS TO THE UNITED STATES MISSION TO THE EUROPEAN COMMUNITY.

Within 90 days of the date of enactment of this Act, the United States Foreign and Commercial Service shall assign to the United States Mission to the European Community in Brussels no less than three commercial officers and such other staff as may be necessary to support such officers.

SEC. 1003. BUY-AMERICAN REQUIREMENT.

(a) DETERMINATION BY SECRETARY OF STATE.—If the Secretary of State, with the concurrence of the United States Trade Representative and the Secretary of Commerce, determines that the public interest so requires, the Secretary of State is authorized to award to a domestic firm a contract that, under the use of competitive procedures, would be awarded to a foreign firm, if—

(1) the final product of the domestic firm will be completely assembled in the United States;

(2) when completely assembled, not less than 50 percent of the final product of the domestic firm will be domestically produced; and

(3) the difference between the bids submitted by the foreign and domestic firms is not more than 6 percent.

In determining under this subsection whether the public interest so requires, the Secretary of State shall take into account United States international obligations and trade relations.

(b) LIMITED APPLICATION.—This section shall not apply to the extent to which—

(1) such applicability would not be in the public interest;

(2) compelling national security considerations require otherwise; or

(3) the United States Trade Representative determines that such an award would be in violation of the General Agreement on Tariffs and Trade or an international agreement to which the United States is a party.

(c) DEFINITIONS.—For purposes of this section—

(1) the term "domestic firm" means a business entity that is incorporated in the United States and that conducts business operations in the United States; and

(2) the term "foreign firm" means a business entity not described in paragraph (1).

(d) APPLICABILITY OF PROVISION.—This section shall apply only to contracts for which—

(1) amounts are authorized to be made available by this Act; and

(2) solicitations for bids are issued after the date of the enactment of this Act.

SEC. 1004. SUPPORT FOR THE BENJAMIN FRANKLIN HOUSE MUSEUM AND LIBRARY.

(a) FINDINGS.—The Congress finds that—

(1) the former London residence of Benjamin Franklin is the only surviving home of Benjamin Franklin existing today and should be preserved to commemorate his great contributions to human liberty, science, and education; and

(2) the Friends of Benjamin Franklin House and the American Franklin Friends Committee are twin charities dedicated to the restoration, preservation, and maintenance of the Benjamin Franklin House as a museum and library open to the public.

(b) POLICY OF SUPPORT.—The Congress hereby—

(1) urges the people of the United States to recognize June 17, 1990, as the bicentennial of Benjamin Franklin's death and to celebrate Franklin's long and distinguished public service, his scientific and literary achievements, and his role as a Founding Father of our country; and

(2) calls on the relevant agencies and departments of the Federal Government of the United States to recognize the important goals of the Friends of Benjamin Franklin House and the American Franklin Friends Committee.

SEC. 1005. ASSOCIATION OF DEMOCRATIC NATIONS.

(a) FINDINGS.—The Congress makes the following findings:

(1) It is the policy of the United States to support and promote democratic values and institutions around the world.

(2) Over the last decade, the United States, in concert with other nations, has provided support to those working for democracy in many nations throughout the world.

(3) Such support has advanced the cause of freedom and democracy in those nations by providing international technical expertise on holding free and fair elections, providing international observers to document the conduct of the elections, and in offering economic and humanitarian support to newly established domocracies.

(4) On June 8, 1989, at the commencement ceremonies at Harvard University, the newest leader of a democratic nation, Prime Minister Benazir Bhutto of Pakistan, called for the establishment of an Association of Democratic Nations to support the right of peoples everywhere to choose freely their own government.

(5) The goals of the Association would be to promote—

(A) the holding of elections at regular intervals which are open to the participation of all significant political parties, which are fairly administered, and in which the franchise is broad or universal;

(B) respect for fundamental human rights, including freedom of expression, freedom of conscience, and freedom of association;

(C) international recognition of legitimate elections through international election observer missions at all stages of the election, including the campaign, the voting, and the ballot counting;

(D) the mobilization of international opinion and economic measures against the military overthrow of democratic governments; and

(E) the provision of economic assistance to strengthen and support democratic nations.

(b) POLICY.—It is the sense of the Congress that—

(1) the proposal offered by Prime Minister Benazir Bhutto of Pakistan would further the cause of democracy, freedom, and justice and is in the interest of the United States; and

(2) the President of the United States should give serious consideration to the implementation of the proposal, and should provide by December 31, 1989, a report to the Congress assessing the merits of and estimated annual costs of establishing such an Association of Democratic Nations.

SEC. 1006. POLICY REGARDING HUMAN RIGHTS ABUSES IN CUBA.

(a) FINDINGS.—The Congress finds that—

(1) the United Nations Commission on Human Rights in 1989 issued its first report on human rights in Cuba, the result of a year-long investigation that concluded on the 30th year of Fidel Castro's rise to power;

(2) that report extensively documented across-the-board human rights abuses, including cases of torture, missing persons, religious persecution, violations of civil and political rights, and violations of economic and social rights;

(3) the United Nations received 137 complaints of "torture, cruel, inhuman or degrading treatment or punishment";

(4) among the abuses reported to the United Nations were sensory deprivation, immersion in a pit latrine, mock executions, overcrowding in special cells, deafening loudspeakers, keeping prisoners naked in front of relatives, and forcing a prisoner about to be executed to carry his own coffin or dig his own grave;

(5) despite the Cuban Government's statements not to harass those who cooperated with the United Nations' investigation, many Cuban citizens who met, or attempted to meet with the United Nations team suffered reprisals;

(6) at least 26 Cuban human rights monitors and independent activists who were arrested in the aftermath of the United Nations investigation are currently serving prison sentences or being held without trial; and

(7) the United Nations Commission on Human Rights approved a resolution on March 9, 1989, calling on the Government of Cuba to cooperate with the Secretary General of the United Nations in settling unresolved questions of human rights.

(b) STATEMENT OF POLICY.—In the interest of promoting respect for internationally recognized human rights in Cuba, the Congress—

(1) calls on the Secretary General of the United Nations to act upon the resolution approved by the Commission on Human Rights March 9, 1989, calling on the Secretary General to take appropriate action to follow up on the Commission's report on human rights in Cuba; and

(2) calls on the Secretary General to specifically urge the Government of Cuba to release at least 26 persons still being held in detention because of their human rights activities.

SEC. 1007. CONCERNING THE SUBMISSION TO THE CONGRESS OF AGREEMENTS PERTAINING TO THE BOUNDARIES OF THE UNITED STATES.

It is the sense of the Congress that all international agreements pertaining to the international boundaries of the United States should be submitted to the Congress for such consideration as is appropriate pursuant to the respective constitutional responsibilities of the Senate and the House of Representatives.

SEC. 1008. REPORT TO CONGRESS CONCERNING OCEANIA.

Not later than 180 days after the date of the enactment of this Act, and one year thereafter, the Secretary of State shall prepare and submit an unclassified report to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate which—

(1) sets forth in detail the policy of the United States with respect to Oceania, which is comprised of Polynesia, Micronesia, and Melanesia;

(2) examines the nature, extent, and source of political, social, and economic instability affecting states in such region;

(3) assesses the impact and level of communist influence in Oceania;

(4) analyzes projections for the total economic growth of such region, with particular emphasis on the exclusive economic zones (EEZ); and

(5) makes recommendations for specific measures necessary to ensure a strong United States presence in Oceania that contributes to and strengthens democratic institutions and economic growth for the states of the region.

SEC. 1009. REPORT CONCERNING MEXICO.

Not later than 90 days after the date of the enactment of this Act, the Secretary of State shall prepare and submit to the Congress a report concerning the relationship between the United States and Mexico. Such report shall—

(1) analyze potential changes in political, cultural, diplomatic, economic, and other factors as the United States and Mexico move toward greater economic integration and cooperation;

(2) consider the feasibility and effect of a three-way meeting among Canada, Mexico, and the United States to discuss greater economic integration and cooperation;

(3) analyze political, cultural, diplomatic, economic, and other factors related to the development of an economically integrated and cooperative border region between Mexico and the United States; and

(4) evaluate the adequacy of the resources of the Department of State which currently address relations between the United States and Mexico, including a projection of future needs to handle the increasing work load requirements resulting from the growing flow of goods, services, and people across the United States-Mexican border.

SEC. 1010. ESTABLISHMENT OF A LATIN AMERICAN AND CARIBBEAN DATA BASE.

(a) AUTHORIZATION.—Of the funds authorized to be appropriated for fiscal year 1990 by section 101(a)(1), $1,300,000 are authorized to be appropriated to provide continued support for the establishment of a Latin American and Caribbean Data base.

(b) CONDITIONS.—In developing the data base described in subsection (a), the Secretary of State shall be required to satisfy the following conditions:

(1) Any agreement for an on-line bibliographic data base entered into for purposes of this section shall continue to be subject to full and open competition or merit review among qualified United States institutions with strong Latin American and Caribbean programs.

(2) The Secretary of State shall ensure that funds are not awarded to maintain services which are significantly duplicative of existing services.

TITLE XI—BUDGET ACT COMPLIANCE

SEC. 1101. COMPLIANCE WITH CONGRESSIONAL BUDGET ACT.

(a) LIMITATION ON SPENDING AUTHORITY.—Any new spending authority (within the meaning of section 401 of the Congressional Budget Act of 1974) which is provided under this Act shall be effective for any fiscal year only to the extent or in such amounts as are provided in advance in appropriation Acts.

(b) LIMITATION ON CONTRACT AUTHORITY.—Any authority provided by this Act to enter into contracts shall be effective only—

(1) to the extent that the budget authority for the obligation to make outlays, which is created by the contract, has been provided in advance by an appropriation Act; or

(2) to the extent or in such amounts as are provided in advance in appropriation Acts.

And the Senate agree to the same.

From the Committee on Foreign Affairs, for consideration of the entire House bill and the entire Senate amendment, and modifications committed to conference:

DANTE B. FASCELL,
LEE H. HAMILTON,
STEPHEN J. SOLARZ,
HOWARD WOLPE,
GEO. W. CROCKETT, Jr.,
SAM GEJDENSON,
MERVYN M. DYMALLY,
HOWARD L. BERMAN,

As additional conferees from the Committee on Armed Services, for consideration of sections 1016 and 1030 of the Senate amendment, and modifications committed to conference:

NICHOLAS MAVROULES,
DAVE MCCURDY,
JIM MCCRERY,

As additional conferees from the Committee on Banking, Finance and Urban Affairs, for consideration of sections 631, 632, 633, 1021, 1025, and 1030 of the Senate amendment, and modifications committed to conference:

HENRY B. GONZALEZ,
WALTER E. FAUNTROY,
MARY ROSE OAKAR,
CHALMERS P. WYLIE,
DOUG BEREUTER,

As additional conferees from the Committee on Energy and Commerce, for consideration of sections 221 through 229 of the House bill and sections 208, 701 through 707, and 1025 of the Senate amendment, and modifications committed to conference:

JOHN D. DINGELL,
EDWARD J. MARKEY,
MATT RINALDO,

As additional conferees from the Committee on Interior and Insular Affairs, for consideration of section 1041 of the Senate amendment, and modifications committed to conference:

MO UDALL,
DON YOUNG,

As additional conferees from the Committee on the Judiciary, for consideration of sections 138 and 213 of the House bill and sections 111, 114, 120, 131, 502, 503, 504, 1008, 1037, 1042, 1046, 1047, 1048, 1049, and 1057 of the Senate amendment, and modifications committed to conference:

DON EDWARDS,
BRUCE A. MORRISON,

As additional conferees from the Committee on Merchant Marine and Fisheries, for consideration of sections 1013, 1038, and 1044 of the Senate amendment, and modifications committed to conference:

WALTER B. JONES,
GERRY E. STUDDS,
ROY DYSON,
BOB DAVIS,
DON YOUNG,

As additional conferees from the Committee on Post Office and Civil Service, for consideration of sections 120, 121, 141 through 152, 161 through 164, 1011, and 1051 of the Senate amendment, and modifications committed to conference:

WILLIAM D. FORD,
GARY L. ACKERMAN,
GERRY SIKORSKI,
FRANK HORTON,
CONSTANCE MORELLA,

As additional conferees from the Committee on Public Works and Transportation, for consideration of sections 161 and 221 of the Senate amendment, and modifications committed to conference:

GLENN M. ANDERSON,
JAMES L. OBERSTAR,
DOUGLAS H. BOSCO,
JOHN PAUL HAMMERSCHMIDT,
THOMAS E. PETRI,

As additional conferees from the Committee on Rules, for consideration of sections 1002 and 1036 of the Senate amendment, and modifications committed to conference:

BUTLER DERRICK,
ANTHONY C. BEILENSON,

As additional conferees from the Permanent Select Committee on Intelligence, for consideration of section 1008 of the Senate amendment, and modifications committed to conference:

ANTHONY C. BEILENSON,
DAVE MCCURDY,
BOB LIVINGSTON,

Managers on the Part of the House.

CLAIBORNE PELL,
PAUL S. SARBANES,
CHRISTOPHER J. DODD,
TERRY SANFORD (except for consideration of section 111),
DANIEL PATRICK MOYNIHAN (except for consideration of section 111 only),
RICHARD G. LUGAR,
NANCY LANDON KASSEBAUM,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1487) to authorize appropriations for fiscal years 1990 and 1991 for the Department of State, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE I—DEPARTMENT OF STATE

PART A—AUTHORIZATION OF APPROPRIATIONS; ALLOCATION OF FUNDS; RESTRICTIONS

The House bill (Sections 101-104) authorizes $3,397,443,000 for fiscal year 1990 and $3,661,087,000 for fiscal year 1991 for the Department of State.

The Senate amendment (Sections 101-104) authorizes $3,311,735,000 for fiscal year 1990 for the Department of State.

The conference substitute (sections 101-105) authorizes $3,329,600,000 in fiscal year 1990 and $3,676,851,000 for fiscal year 1991 for the Department of State. The following table summarizes the action of the Committee on conference.

H.R. 1487—FOREIGN RELATIONS AUTHORIZATION FOR FISCAL YEARS 1990–91

[In thousands of dollars]

	Fiscal year 1990 administration request	Fiscal year 1989 appropriation	Fiscal year 1990 appropriation	Fiscal year 1990 Senate bill	Fiscal year 1990 House bill	Fiscal year 1991 House bill	Fiscal year 1990 conference agreement	Fiscal year 1991 conference agreement
DEPARTMENT OF STATE								
Admin. of Foreign Affairs:								
State Dep. S&E (regular)	1,515,787	1,489,000	1,432,124	1,485,187	1,477,715	1,591,019	1,432,124	1,583,598
State Dep. S&E (security)	361,995	300,000	309,365	310,365	361,995	376,475	309,365	361,995
Office of Inspector General	21,400		21,000	18,672	18,672	19,419	21,000	21,840
Acq. & Maint. of Buildings	348,100	240,021	348,100	218,900	218,900	227,656	218,900	227,656
Representation Allowance	4,600	4,590	4,600	4,600	4,600	4,784	4,600	5,000
Prot. of For. Missions (US)	9,100	9,100	9,100	9,100	9,100	9,464	9,100	9,464
Emergencies in For. Serv.	4,700	4,500	4,700	4,700	4,700	4,888	4,700	4,888
Am. Inst. in Taiwan	11,300	10,890	11,300	11,300	11,300	11,752	11,300	11,752
Subtotal Admin. of Foreign Affairs	2,276,982	2,058,101	[1] 2,191,441	2,062,824	2,106,982	2,245,457	2,011,089	2,226,193
International Organizations:								
Contrib. to Intl. Orgs.	714,927	485,940	622,000	714,927	714,927	817,000	714,927	817,000
U.N. Peacekeeping	111,184	29,000	81,500	111,184	111,184	115,000	111,184	115,000
Intl. Conferences	6,340	6,000	6,340	6,340	6,340	7,300	6,340	7,300
Wildlife Conventions				1,511			1,511	1,571
Subtotal Intl. Orgs.	832,451	520,940	709,840	833,962	832,451	939,300	833,962	940,871
International Commissions:								
Intl. B&W (S&E)	10,460	10,261	10,460	10,460	10,460	10,878	10,460	10,878
Intl. B&W Com. (Const.)	11,500	3,166	11,500	11,500	11,500	11,960	11,500	11,900
Intl Boundary Com.	750	734	750	750	750	780	750	780
intl. Joint Com.	3,750	3,582	3,750	3,750	3,750	3,900	3,750	3,900
Intl. Fisheries Com.	11,000	10,548	12,300	11,000	11,000	11,440	11,000	11,440
Subtotal Intl. Coms.	37,460	28,291	38,760	37,460	37,460	38,958	37,460	38,898
Related Authorizations:								
Bilateral Science & Tech.	4,000	2,000	4,000	4,000	4,000	4,160	4,000	4,160
Sov./E Eur. Res. & Train.	4,600	4,600	4,600	5,000	4,600	4,784	4,600	5,200
Subtotal Rel. Auth.	8,600	6,600	8,600	9,000	8,600	8,944	8,600	9,360
Migration & Ref. Assist.	[2] 440,000	461,950	370,000	370,000	411,950	428,428	440,000	470,000
Total, Department of State	3,595,493	3,075,882	3,318,641	3,313,246	3,397,443	3,661,087	3,331,111	3,685,322
U.S. INFORMATION AGENCY								
Salaries and Expenses	410,990	375,648	401,500	406,000	416,290	443,341	410,000	432,640
TV & Film Service	36,300	38,500	32,800	[3] 30,000	31,000	32,240	31,000	32,240
TV Marti (operations) [4]	16,000	7,500	16,000	16,000	16,000	16,000	16,000	16,000
TV Marti (compensation)	0	0	0	0	5,000	0	0	0
Seville Expo	5,000	0	0	4,000	10,000	0	7,300	0
Natl. Endowment for Dem.	15,800	15,800	17,000	25,000	25,000	25,000	25,000	25,000
East-West Center	20,000	20,000	20,700	20,700	20,000	20,800	20,700	26,000
Educational and cultural exchanges:								
Salaries and Expenses	42,321	44,148	43,300	42,926	42,021	43,702	43,323	45,056
Arts America	4,649	4,657	5,149	7,800	4,949	5,147	6,400	6,656
Academic Programs	95,238	92,270	97,460	100,000	95,238	99,048	97,460	101,358
International Visitors	41,817	40,440	41,817	40,400	41,817	43,490	41,817	43,490
Humphrey Fellowships	5,195	5,000	5,500	5,500	5,195	5,403	5,500	5,720
Voice of America:								
Salaries and Expenses	170,235	169,724	171,224	171,224	170,235	177,044	170,024	176,825
VOA/Europe [5]							3,000	3,120
VOA/Tibet [5]							1,000	1,000
Radio Marti	12,700	11,175	12,700	12,700	12,700	13,209	12,700	13,208
Radio Construction	89,000	57,500	69,000	71,000	65,000	126,000	69,000	122,000
Total, U.S.I.A.	949,245	882,362	934,150	953,250	960,445	1,050,423	960,224	1,050,313
BOARD FOR INTERNATIONAL BROADCASTING								
Operating expenses	190,330	192,100	174,155	180,330	190,330	197,943	180,330	187,543
Trans. modernization	27,845	2,800	15,845	23,917	27,845	0	15,845	12,000
Subtotal B.I.B.	218,175	194,900	190,000	204,247	218,175	197,943	196,175	199,543
Israel relay station	207,000	33,000	183,500	194,000	194,000	13,000	183,500	23,500
Total Board for International Broadcasting	425,175	227,900	373,500	398,247	412,175	210,943	379,675	223,043
Asia Foundation	8,300	13,700	13,900	18,000	16,200	16,848	13,900	18,000
Inter-American Foundation	17,000	16,600	16,932	16,932	16,932	20,000	16,932	25,000
Ukraine Famine Commission				100			100	
Grand total, Foreign Relations Authorization	4,995,213	4,216,444	4,657,123	4,699,775	[6] 4,678,195	4,834,301	4,701,942	5,001,679

[1] Includes transfer authority of $51.2 million to either regular or security S&E from unobligated Acquisition and Maintenance appropriations from previous years.
[2] The Administration request for Migration and Refugee Assistance for Fiscal Year 1990 includes an anticipated supplemental request for $70 million.
[3] Television and Film Services are funded in the Senate bill through the general Salaries and Expenses account, and are not authorized separately as in the House bill. In arriving at its S&E total, however, the Senate indicated that it anticipated spending of $30 million for this service.
[4] The Administration requested $16 million for Television Marti in Fiscal Year 1990, but not as an add-on. Administration requested funds for TV Marti to be offset elsewhere in USIA budget.
[5] In most accounts, funding for VOA/Europe is included in VOA Salaries and Expenses. The Conference Agreement accounts break out VOA/Europe funding separately to illustrate retention of Fiscal Year 1988–89 authorization earmarks.
[6] The House bill includes a $125 million unallocated cut. The Conference Agreement allocates those cuts by reductions below the House or Senate levels in individual accounts.

EARMARKS

The House bill (secs. 101–104) contains several earmarks which are described below:

$250,000 for each fiscal year for the Bureau for International Communications and Information policy in support of international institutional development and other activities which promote international communications development;

$1,249,000 in fiscal year 1990 for the South Pacific Commission;

$25,000,000 in each fiscal year for resettlement of refugees in Israel; and

Such sums as may be necessary for each fiscal year to maintain a minimum of 53 full-time equivalent personnel and any associated costs for the Office of Munitions Control.

The Senate amendment (sec. 101–104) contains an authorization of $25 million in fiscal year 1990 for the resettlement of refugees in Israel.

The conference substitute retains the earmarks of the House bill and the Senate refugee authorization.

REDUCTIONS OF EARMARKS IF APPROPRIATIONS ARE LESS THAN AUTHORIZATIONS

The House bill (sec. 105) provides that if the amount appropriated for any fiscal year pursuant to any authorization provided by this act is less than the amount of the authorization, the earmarks by this act shall be reduced proportionately. The House bill also provides for such proportionate reductions in the event of a sequestration.

The Senate amendment contains no comparable provision.

The conference substitute (section 106) is the same as the House bill.

AVAILABILITY OF FUNDS

The House bill (sec. 106) provides authority for the Department of State to enter into 12-month contracts that bridge two fiscal years so long as all funds are obligated in the earlier year.

The Senate amendment (sec. 106) provides authority to transfer deobligated balances to the Buying Power Maintenance Fund. This authority applies only to deobligations of expiring balances and is not applicable to no-year funds. Once transferred, the balances could only be used for the purposes for which the fund was established. The Senate amendment also provides authority for the Department to enter into 12-month contracts that bridge two fiscal years so long as funds are obligated within the fiscal year for which they were appropriated.

The conference substitute (sec. 107) is the same as the House bill.

PROHIBITION OF NEGOTIATIONS WITH CERTAIN PLO REPRESENTATIVES

The Senate amendment (sec. 1043) prohibits the use of any authorized funds to be appropriated for the conduct of the current dialogue on the Middle East peace process with any representative of the PLO who the President knows and advises Congress has directly participated in the planning or execution of a terrorist activity which resulted in the death or kidnapping of an American citizen.

The House bill contains no comparable provision.

The conference substitute (sec. 108) is the same as the Senate amendment.

PROHIBITION ON CHANNELING OR DIVERTING FUNDS TO CARRY OUT ACTIVITIES FOR WHICH U.S. ASSISTANCE IS PROHIBITED

The Senate amendment (sec. 111) provides that if, after the date of enactment, assistance is prohibited by law to a country or group: (1) no U.S. government official shall solicit funds or materials for that country or group; and (2) no U.S. assistance shall be provided to a third party if the effect of that assistance would be counter to the prohibition in law, nor shall assistance to a third party be conditioned so as to circumvent the prohibition in law. Any person in violation is subject to up to a five-year imprisonment and/or a fine under 18 U.S.C.

The assistance covered under this section is that provided under the Foreign Assistance Act, the Arms Export Control Act, the National Security Act of 1947, the Central Intelligence Agency Act of 1949, and Executive Order No. 12333, excluding the provision on sharing of intelligence information.

This section shall not be construed to limit the full constitutional powers of the president to conduct foreign policy.

The House bill contained no comparable provision.

The conference substitute (sec. 109) provides that, whenever any provision of law expressly refers to this section and prohibits U.S. assistance from being provided to any foreign region, country, government, group, or individual for all or specified activities, no executive branch officer or employee may: (A) accept or use any funds or property; (B) use any U.S. funds or facilities to assist any transaction where funds or property are provided to a third party; or (C) provide any U.S. assistance to any third party, if the purpose of such act is the furthering or carrying out of the same activities for which U.S. assistance is expressly prohibited. This prohibition covers assistance provided under an arrangement conditioning, expressly or impliedly, action by the recipient to further those activities. Any person who knowingly and willfully violates this provision shall be imprisoned for not more than five years or fined in accordance with title 18 U.S.C. or both.

Whenever this section applies, if any executive branch officer or employee advocates, promotes, or encourages the provision of funds or property for the purpose of furthering or carrying out the same or similar activities, the President shall notify the Congress in a timely fashion of such advocacy, promotion, or encouragement.

The provisions of this section shall not be superseded except by a provision of law enacted on or after the date of enactment of this bill which specifically repeals, modifies, or supersedes this section.

Nothing in this section shall be construed to limit: (A) the ability of the President, Vice President, or any executive branch officer or employee to make statements or otherwise express his views; (B) the ability of an executive branch employee to express the publicly enunciated policies of the President; or (C) the ability of a U.S. officer or employee to communicate with any foreign country, government, group, or individual, either directly or through a third party, with respect to a prohibition on U.S. assistance covered by this section, including the reasons for such prohibition and the conditions under which it might be removed.

Nothing in this section shall be construed as waiving or otherwise derogating from any other provision of law imposing penalties or obligations with respect to any of the acts described in this section.

The assistance covered by this section is that provided under the Foreign Assistance Act, the Arms Export Control Act, the National Security Act of 1947, the Central Intelligence Agency Act of 1949, and Executive Order No. 12333, excluding the provision or sharing of intelligence information.

AUTHORIZATION OF CERTAIN OPERATIONAL ACTIVITIES

The House bill (sec. 121) amends section 13 of the State Department Basic Authorities Act of 1956 to provide permanent authorization for several operational activities that have, in recent years, been reenacted annually in the Department's Appropriations Acts. These authorities are necessary for covering obligations assumed in West Berlin after World War II, for the provision of certain telecommunications services, and for the provision of physical security in government properties and vehicles abroad.

The Senate amendment (sec. 112) is identical to the House provision.

The conference substitute (section 111) is identical to the House and Senate provisions.

PART B—DEPARTMENT OF STATE AUTHORITIES AND ACTIVITIES; FOREIGN MISSIONS

AUTHORITY OF DIPLOMATIC SECURITY SERVICE

The Senate amendment (sec. 114) clarifies the authority of special agents of the Diplomatic Security Service to make arrests without warrants for violation of offenses concerning passport or visa issuance or use.

The House bill contains no comparable provision.

The conference substitute (sec. 113) is the same as the Senate amendment. Under current law, in order for a special agent to make an arrest without a warrant for a felony violation of these offenses two requirements must be met: the agent must have reasonable grounds to believe that such person has committed or is committing such violation and, in addition, the person must be in or fleeing from the immediate area of the commission of the violation.

The requirement that an individual be in or fleeing from the immediate area of such violation is not a usual condition of comparable arrest authorities; for example, the arrest authorities of the Secret Service, the Federal Bureau of Investigations, the Bureau of Alcohol, Tobacco and Firearms, and the Drug Enforcement Administration do not contain such a requirement.

While this restriction may be appropriate for assault and similar violations it is particularly onerous for passport and visa offenses because these are document offenses and the crime is committed when the document is signed. Signing fraudulent documents, such as a passport or visa application, almost always occur outside the presence of a Department special agent. Section 113 removes this requirement and allows a special agent to make an arrest for passport and visa offenses without warrant if the agent has reasonable grounds to believe that the person has committed or is committing such violation.

Nothing contained in this section is intended to affect the law enforcement authorities of the FBI of any other law enforcement agency, nor affect existing agreements between the Diplomatic Security Service, the FBI or other law enforcement agencies. It is the understanding of the committee of conference that it is the intention of the Department of State that an interagency agreement be completed within 180 days by the Secretary of State, the Attorney General, and the Secretary of Treasury with respect to their law enforcement functions as required by subsection (c) of 2709. This agreement also should address the respective roles of such agency with regard to their protective responsibilities.

Arrest authority under Title 18 U.S.C. 1028 is conferred under this provision solely to allow special agents of the Diplomatic Security Service of the Department of State to arrest individuals that have entered or are attempting to enter facilities under the control of the Department of State through the use of false identification documents.

ACCESS TO CRIMINAL RECORDS

The Senate amendment (sec. 120) amends 5 U.S.C. 9101 to grant the Department of State access to state and local criminal records for use in security clearance investigations on the same basis as the Department of Defense, the Office of Personnel Management, the Central Intelligence Agency, and the Federal Bureau of Investigation. The Senate amendment also provides this authority only so long as the Department provides no less than the existing procedural protections for applicants and employees during the security clearance process.

The House bill contains no comparable provision.

The conference substitute (sec. 114) is similar to the Senate amendment.

PROCEDURES REGARDING MAJOR DISASTERS AND INCIDENTS ABROAD

The House bill (sec. 129) requires the Secretary of State to: (1) provide prompt and thorough notification of appropriate information to the next of kin in the case of a major incident abroad or disaster affecting citizens of the United States; (2) enter into discussions with international air carriers and other appropriate entities to develop standardized procedures for the implementation of this provision; (3) consider the feasibility of a toll-free telephone system to facilitate inquiries of next of kin; and (4) report within 180 days on plans for implementing this provision.

The Senate amendment (sec. 126) requires the Secretary of State to develop and implement policies and programs for the safe and efficient evacuation of U.S. citizens abroad in cases of war, civil unrest, and natural disasters.

The conference substitute (sec. 115) combines the two provisions.

During an airline crisis in a foreign country, there is immediate and intense interest from the American public regarding the identity and well-being of the passengers involved. The committee of conference, in adopting this provision, emphasizes the importance of establishing procedures between U.S. airlines and the Department of State for handling their respective responsibilities in such a crisis. There are obvious areas of overlap between the private and government sectors. The committee of conference therefore expects that a complete and detailed memorandum of understanding between U.S. international air carriers and the Department will be negotiated and agreed to no later than December 31, 1989. This memorandum of understanding should clearly define resource sharing and the timeframe for sharing such information. The committee of conference believes that it is essential to improve the coordination and dissemination of information between the private and public sectors as a way of ensuring that the families are treated in as humane and dignified way as possible. However, nothing in this section should be construed to preclude air carriers from notifying next-of-kin directly.

ACQUISITION OF DOMESTIC PROPERTY AS INTERIM STEP TO ACQUIRING PROPERTY ABROAD

The Senate amendment (sec. 116) provides the Department of State authority to acquire and dispose of property in the United States as an interim step to acquiring diplomatic and consular property abroad. The acquisition of such property will be conducted by the Office of Foreign Missions and would be paid for from funds authorized to the "Acquisition and Maintenance of Foreign Buildings Abroad" account. In addition, the Senate amendment allows funds realized from the sale of any property acquired under this section to be retained in the Foreign Service Buildings Fund.

The House bill contains no comparable provision.

The conference substitute (sec. 116) is similar to the Senate amendment, but requires congressional notification 15 days prior to entering into an agreement with a foreign government on an exchange of property.

The committee of conference intends that if property that has been acquired in carrying out section 203(c)(3) of the State Department Basic Authorities Act of 1956 is later disposed of by the United States Government, the proceeds shall include criteria that will be used to determine when the in-kind exchange benefits the United States Government to the same extent that the exchange benefits the foreign government. The committee of conference intends these standards to be specific and to include the beneficial geographic location of the properties, monetary value of the properties, and the square footage of the properties.

The committee of conference recognizes that there may be trade-offs among the criteria. For example, the size of a foreign building the U.S. may acquire may not be equal to the size of the building in the U.S. the foreign government may receive, but a beneficial location for the U.S. may offset this difference.

The Conferees intend that notice to be provided to specified congressional committees in section 204(f)(4) of that Act. In some cases, when an exchange agreement is entered into, properties in each country may not have been identified. Each country has simply agreed to enter into an agreement to meet their respective needs. Therefore, the Secretary of State shall inform the committees as the sites are identified and the exchange benefits are quantified. This will allow the Congress to perform adequate oversight before any funds are appropriated, or reprogrammed to execute the in-kind exchange.

DEBT COLLECTION

The House bill (sec. 138) requires the Secretary of State to enter into contracts for the collection of debts owned by a person, other than a foreign country, to the United States which arise from activities of the Department and which are delinquent by more than three months. The House bill also requires that any person contracted with by the Department submit a status report on collections every 6 months. The Secretary shall also, to the extent otherwise permitted by law, disclose any debt of more than $100 which is delinquent more than 31 days to those credit reporting agencies to which the Secretary reports loan activity information. The House bill (sec. 213) also includes an identical provision relating to debts owed to the United States Information Agency.

The Senate amendment contains no comparable provisions.

The conference substitute (sec. 117 and sec. 209) is the same as the House bill.

OFFICE OF MUNITIONS CONTROL

The House bill (sec. 124) authorizes the Office of Munitions Control of the Department of State to retain up to $500,000 of registration fees. These funds are to be used for expenses incurred for contract personnel to assist in the evaluation in the evaluation of munitions control license applications or for the automation of the munitions control functions carried out by this Office.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 118) is the same as the House bill.

The Senate receded on its amendment which set certain targets for the Office of Munitions Control (OMC). However, the conferees agree that, given the personnel and financial resources provided to OMC in the final bill, it is reasonable to urge OMC to set as targets by the end of FY 1990: (1) being able to determine within ten days of receipt of a license application whether that application will be referred to other agencies for review and (2) being able to make a final determination on most license applications for exports to NATO and other major allies within 30 days of receipt of such license requests. The House Foreign Affairs Committee and Senate Foreign Relations Committee anticipate requesting the State Department to report on how well OMC is doing in meeting these targets by the end of the first quarter of FY 1991 so that consideration can be given to further resource needs or changes in how licenses are processed.

FEES AND REIMBURSEMENTS

The House bill (sec. 133) allows reimbursement, fees or surcharges received for the use of Blair House to be retained by the Department of State. Such funds are available for use only for maintenance and other expenses of Blair House.

The Senate amendment (sec. 115) contains a virtually identical provision.

The conference substitute (sec. 119 is the same as the Senate Provision.

INTERNATIONAL CENTER

The House bill (sec. 134) gives the Department of State explicit authority to charge tenant U.S. Government agencies for use of facilities located at the International Center. It also provides the Department authority to retain such payments in a no-year account for general maintenance, utilities, and operations and for major repairs and alterations of such facilities.

The Senate amendment (sec. 117) contains a similar provision.

The conference substitute (sec. 120) is similar to the House bill with technical modifications.

ANTIGUA AND BARBUDA

The House bill (sec. 126) repeals section 123 of Public Law 100-204 which prohibited the use of any funds for the maintenance of diplomatic posts in Antigua and Barbuda subject to a Presidential waiver.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 121) is the same as the House bill.

ANNUAL REPORTS ON TERRORISM

The House bill (sec. 132) changes the date on which the annual report by the Secretary of State on terrorism is due from March 31 to April 30.

The Senate bill contains no comparable provision.

The conference substitute (sec. 122) is the same as the House bill.

CONSULAR OFFICER DUTIES

The Senate amendment (sec. 119) repeals 22 U.S.C. 4192 pertaining to the legal effect in the United States of marriages performed by consular officers abroad after the effective date of this Act.

The Senate bill contains no comparable provision.

The conference substitute (sec. 123) is the same as the Senate amendment.

AMERICAN COSULATE IN BRATISLAVA

The Senate amendment (sec. 122) expresses the sense of Congress that the President should take all practicable steps to reopen the American consulate in Bratislava, Czechoslovakia.

The House bill contains no comparable provision.

The conference substitute (sec. 124) is the same as the Senate amendment.

VOLUNTARY PILOT PROGRAM FOR INCREASED PARTICIPATION BY ECONOMICALLY AND SOCIALLY DISADVANTAGED ENTERPRISES IN FOREIGN RELATIONS ACTIVITIES.

The House bill (section 136) requires the Secretary of State to prepare a plan for the establishment of a voluntary pilot program aimed at increasing the participation of economically and socially disadvantaged enterprises in programs and activities of the Department of State and the U.S. Information Agency. Such plan shall be submitted to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate 90 days after the date of enactment of this act.

The Senate amendment contains no comparable provision.

The conference substitute (section 126) clarifes the House provision by (a) stipulating that the pilot program is for fiscal years 1990 and 1991 only; (b) making clear that the program shall be implemented to the extent practicable; and by (c) providing a definition for the phrase "economically disadvantged person".

REPORT ON REORGANIZATION OF THE DEPARTMENT OF STATE

The House bill (section 131) directs the Secretary of State to establish a new bureau for South Asian Affairs to be headed by an Assistant Secretary of State.

The Senate amendment (section 124) requires the Secretary of State to submit a report on the advisability of reorganizing its regional and functional bureaus. The report shall include, but not be limited to, an assessment of the advisability of establishing a Bureau of South Asian Affairs, two bureaus to cover the present responsibilities of the Bureau of Inter-Mexican Affairs, an office of Diplomatic Security to be headed by an Under Secretary-level Director of Diplomatic Security, and an Office of Global Warming within the Bureau of Oceans, International Environment and Scientific Affairs.

The report shall also include an assessment of the advisability of transferring the jurisdictional responsibility for the Organization of American States from the Bureau of International Organizations to the Bureau of Inter-American Affairs, and of creating a high-level coordinator for United States policy toward Mexico.

The conference substitute (sec. 127) is the same as the Senate language with the addition of sense of the Congress language that the Secretary of State should give serious consideration to the establishment of a Bureau of South Asian Affairs.

PROHIBITION ON EXCLUSION OF DEPORTATION OF NON-IMMIGRANT ALIENS ON CERTAIN GROUNDS

The Senate amendment (section 503) repeals the sunset provision of section 901 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989, which provides that no alien may be denied a visa, denied admission into the United States, or subjected to deportation because of the alien's political beliefs. This section also makes a technical correction to section 901.

The House bill contains no comparable provision.

The conference substitute (section 128) is the same as the Senate amendment.

FOREIGN SERVICE INSTITUTE

The House bill (sec. 122) increases the authorization for construction of the new Foreign Service Institute facilities from $50 million to $62 million.

The Senate amendment contains no comparable provision.

The conference substitute deletes the provision.

DIPLOMATIC, CONSULAR, AND USIA POSTS ABROAD

The House bill (sec. 125) prevents the Department of State from using authorized funds to pay expenses related to the closing or downgrading of consular or diplomatic posts unless the Secretary provides written notification to Congress one year in advance of the proposed closing. The House bill (sec. 202) also contains an identical provision relating to the United States Information Agency.

The Senate amendment contains no comparable provisions.

The conference substitute deletes the provisions, leaving current law (sec. 122 and sec. 204 of Public Law 100-204) in effect. Current law prohibits the use of funds authorized by Public Law 100-204 and any other act to pay the expenses related to the closing of any U.S. mission or consulate abroad or to the Bureau of Administration if such a post is closed after January 1, 1987. Current law also provides exceptions to the prohibition if a post is closed due to a break or downgrade of relations, or a serious physical threat to Americans exists in the city where the mission is located.

STATE DEPARTMENT POST OFFICES ABROAD

The Senate amendment (sec. 121) provides authority for the Department of State to provide postal service to certain isolated posts abroad and to reimburse the U.S. Postal Service for costs incurred in transporting personal mail to such posts.

The House bill contains no comparable provision.

The conference substitute deletes the provision. The committee of conference deleted this provision in the expectation that separate legislation dealing with this provision would be forthcoming during the next session.

CONSULAR OFFICERS IN THE SOVIET UNION

The House bill (sec. 128) expresses the sense of Congress that the Department of State should assign more consular officers to the U.S. diplomatic mission in the Soviet Union to assist in effort to process the backlog of Soviet citizens seeking to emigrate.

The Senate amendment contains no comparable provision.

The conference substitute deletes the provision.

Since House passage of H.R. 1487 on April 12, 1989, three additional Russian-speaking INS adjudicators have been added to the staff at the U.S embassy in Moscow. This action brings total INS staffing in Moscow to 6 adjudicators and 6 support staff. The ceiling on INS staff in Moscow has also been raised to 22, allowing for 10 positions to be filled in the future. In addition, a new center will be created in the Department of State in Washington to assist in the processing from Moscow. Because of these actions, the committee of conference agreed that the House provision could be deleted. However, this deletion should not be interpreted as a lessening of the interest of the committee of conference in ensuring the most efficient support in the consular area.

STATE DEPARTMENT CONTRACTOR EXEMPTION TO POLYGRAPH PROTECTION ACT

The Senate amendment (sec. 134) provides an exemption from the provisions of the Employee Polygraph Protection Act of 1988 to enable the Department of State to request contract employees and employees of contractors and subcontractors, engaged in any counterintelligence function, to undergo polygraph examinations under the same regulations and protections that apply to Department personnel.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

PART C—DIPLOMATIC IMMUNITY, RECIPROCITY, AND SECURITY

EXCLUSION OF ALIENS

The Senate amendment (sec. 131) allows aliens to be denied visas or admission into the United States in cases where there is reason to believe that an alien has committed a serious crime in the United States, the adjudication of which has been prevented by the exercise of immunity from criminal jurisdiction. Previously, such individuals were not specifically barred from re-entering the United States because the exercise of immunity from prosecution precluded conviction for a criminal offense. The Senate amendment also requires a report from the Secretary of State on the merits of establishing a program to compensate U.S. citizens and permanent resident aliens for physical injury or financial loss resulting from criminal activity reasonably believed to have been committed by individuals with immunity from criminal jurisdication.

The House bill (sec. 145) contains a reporting requirement similar to the Senate amendment.

The conference substitute (sec. 131) is the same as the Senate amendment.

DIPLOMATIC CONSTRUCTION PROGRAM

The House bill (sec. 144) permits foreign contractors to bid on construction projects for facilities which are not intended for the processing or storage of classified material and where the value of the project does not exceed $500,000. The House bill also requires an annual report from the Secretary of State on the implementation of this provision.

The Senate amendment (sec. 206) contains a similar provision.

The conference substitute (sec. 132) is similar to the House bill, but deletes the reporting requirement.

USE OF CLEARED PERSONNEL

The Senate amendment (sec. 135) requires the Secretary of State to develop and implement policies to use persons with appropriate U.S. security clearances to perform maintenance and repair work in U.S. posts abroad and prohibits the use of non-cleared contractors from performing maintenance or repair work in certain U.S. diplomatic facilities abroad.

The House bill contains no comparable provision.

The conference substitute (sec. 133) is the same as the Senate amendment.

KIEV CONSULATE: UNITED STATES-SOVIET UNION RECIPROCITY

The Senate amendment (sec. 132) amends section 153(b) of Public Law 100-204 by removing the requirement that the United States have "secure permanent facilities" in Kiev before the Soviet Union is allowed to open any new consulate in the United States. The Senate amendment also allows the USSR to open a new consulate on a reciprocal basis with the opening of a consulate in Kiev.

The House bill (sec. 141) contains a related provision.

The conference substitute (sec. 134) authorizes the establishment of an interim unclassified facility in Kiev on the basis of reciprocity and requires the Secretary of State to report on a plan for the construction of permanent facilities.

CONSTRUCTION SECURITY CERTIFICATION

The House bill (sec. 143) directs the Department of State to provide a security certification for those buildings which were started prior to the enactment of current law (sec. 160 of Public Law 100-204) and requires the Department to establish plans for continued security maintenance review of new facilities.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 135) is the same as the House bill.

PARTICIPATION OF U.S. CONTRACTORS

The House bill (sec. 146) requires the Secretary of State, with respect to local guard contracts overseas which exceed $250,000 and are entered into after September 30, 1989, to: (1) establish procedures to ensure that such contracts are advertised in the Commerce and Business Daily; (2) establish procedures to ensure that appropriate measures are taken to assure that U.S. persons and qualified joint venture persons are not disadvantaged due to their distance from the post; and (3) give preference to U.S. persons and qualified joint venture persons where such persons are price competitive, properly licensed by the host government, and otherwise qualified to carry out the terms of the contract.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 136) is similar to the House bill with a technical modification.

PART D—PERSONNEL

TRANSFER OF RETIREMENT CONTRIBUTIONS

The Senate amendment (sec. 141) provides authority to allow Foreign Service National (FSN) employees to transfer contributions, contributions by the employing agency, and earnings to a local retirement plan or trust fund.

The House bill (sec. 157) contains a similar provision.

The conference substitute (sec. 141) is similar to the Senate amendment with technical modifications.

DISQUALIFICATION FOR SERVICE ON FOREIGN SERVICE SELECTION BOARDS

The Senate amendment (sec. 142) prohibits public members of a Foreign Service Selection Board from being an agent of a foreign principal, as defined by section 1(b) of the Foreign Agents Registration Act of 1938, or receive income from the government of a foreign country at the time of or during their appointment.

The House bill contains no comparable provision.

The conference substitute (sec. 142) is the same as the Senate amendment.

JUDICIAL REVIEW—SEPARATION FOR CAUSE

The Senate amendment (sec. 143) clarifies that the judicial review provision contained in section 1110 of the Foreign Service Act applies to separation for cause cases. Section 143 also prohibits an employee from continuing to receive pay in cases where such employee has been separated for cause and has been convicted of a crime related to the cause for separation.

The House bill (sec. 158) contains a similar provision.

The conference substitute (sec. 143) is the same as the Senate amendment.

VISITING SCHOLARS PROGRAM

The Senate amendment (sec. 144) authorizes the establishment of a Visiting Scholars Program at the Foreign Service Institute and provides guidelines for the selection process.

The House bill contains no comparable provision.

The conference substitute (sec. 144) is the same as the Senate amendment.

FORMER SPOUSES OF USIA AND AID EMPLOYEES

The House bill (sec. 151) amends existing law to extend retirement, survivor, and health benefits to a former spouse who was married to a former Foreign Service employee of USIA or AID before February 14, 1981.

The Senate amendment (sec. 146) contains a similar provision.

The conference substitute (sec. 146) is similar to the House bill with a technical modification.

CHILD CARE FACILITIES

The Senate amendment (sec. 133) authorizes the Secretary of State to make grants to subsidize a portion of the cost of day care facilities in Moscow, and on a case-by-case basis, other posts where the Secretary determines a similar situation exists.

The House bill (sec. 135) contains a similar provision.

The conference substitute (sec. 147) is similar to the Senate amendment, but limits the program to five posts with a two-year time limitation.

TRAVEL, LEAVE, AND OTHER BENEFITS

The House bill (sec. 159) amends section 901(9) of the Foreign Service Act to permit payments for emergency visitation by spouses or other family members of employees of the Department who become seriously ill while at posts abroad.

The Senate amendment (sec. 147) contains a similar provision.

The conference substitute (sec. 148) is the same as the House bill.

FOREIGN SERVICE INTERNSHIP PROGRAM

The House bill (sec. 152) amends the Foreign Service Act to establish a Foreign Service Internship Program designed to acquaint minority students with the Foreign Service.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 149) is similar to the House bill and provides for detailed assignment of interns to the Congress, requires a report on the Foreign Service examination, and includes references to Hispanic Americans, Asian Americans, and historically Black institutions.

Although this section is intended to address discrimination against Hispanic, Asian, Native and African Americans in particular, the internship program established pursuant to this section is not limited solely to these groups. The conferees are aware of the State Department's long-standing discriminatory hiring policies against individuals with handicapped conditions, especially against blind individuals seeking entry into the Foreign Service. Recently, the Department has decided to permit blind Foreign Service applicants to use readers and braille test materials during the administration of the Foreign Service exam. The Department has also agreed to find ways to accommodate blind employees who qualify for entry into the Foreign Service. In establishing this internship program, therefore, the Secretary of State should ensure that the benefits of this program are extended to blind individuals.

TRAINING IN INTERNATIONAL AFFAIRS

The Senate amendment (sec. 149) authorizes the Secretary of State to make grants to accredited educational institutions for programs aimed at increasing knowledge of foreign policy and foreign affairs, as well as interest in and awareness of the possibility of careers in the Foreign Service. To the extent possible, grants under this section will be made as part of the Department's minority recruitment program.

The House bill (sec. 153) contains a similar provision.

The conference substitute (sec. 150) is the same as the Senate amendment.

The conferees are aware of the State Department's long-standing discriminatory hiring practices against individuals with handicapping conditions, especially against blind applicants to the Foreign Service. Accordingly, to the extent possible, grants made to individuals pursuant to this section should also be awarded to individuals with handicapping conditions pursuing a career in the Foreign Service.

Handicapping conditions shall be defined by the Secretary of State. These definitions should be drafted with full consultation with the Senate Foreign Relations Committee and the House Foreign Affairs Committee, but need not be identical to the provisions of the Rehabilitation Act in respect to substance abuses or the mentally disabled.

DANGER PAY ALLOWANCES

The House bill (sec. 154) authorizes the Administrator of the Drug Enforcement Administration to provide danger pay allowances for any employee of that agency serving overseas under conditions presenting a threat of physical harm or imminent danger to the well-being of such employee.

The Senate amendment contains no comparable provision.

The conference sustitute (sec. 151) is the same as the House bill.

JUDICIAL REVIEW OF CERTAIN GRIEVANCE

The Senate amendment (sec. 150) provides that for the purposes of judicial review under section 1110 of the Foreign Service Act, any recommendations made by the Foreign Service Grievance Board before the enactment of Public Law 100-204 with respect to the tenure of a grievant shall be considered to be a final action of the Department of State, and any such recommendation shall be considered to be or have been within the authority of the Foreign Service Grievance Board.

The House bill contains no comparable provision.

The conference substitute (sec. 152) is the same as the Senate amendment.

The committee of conference is concerned that the Department has been intransigent in several grievance cases. In one case brought to the attention of the committee of conference, a grievant has twice won his case and the Board ordered the foreign service officer to be granted tenure, along with other forms of relief from a consistent pattern of discrimination and mistreatment, such as promotions and back pay. The Department has not complied and indeed has refused to comply with two Federal court orders to grant the officer tenure and other forms of relief. This provision is intended to put this and similar cases in which the Department has engaged in dilatory activities to rest, thus saving both the grievant and the taxpayers further expense.

CULTURAL AND ETHNIC DIVERSITY OF THE FOREIGN SERVICE

The Senate amendment (sec. 151) requires the Secretary of State to provide the Congress with a plan designed to ensure that equal efforts are undertaken in each of the regions of the United States to recruit policy and professional Government Service employees and Foreign Service Officers. This section also prohibits discrimination on the basis of geographic or educational affiliation and requires a report by the Inspector General on this geographic, racial, ethnic, and gender composition of the Department.

The House bill (sec. 162) requires the Secretary of State to report to Congress on Hispanic recruitment and on the status of underrepresented groups in the Department, and conduct an evaluation and review of the Foreign Service examination. In addition, the House bill authorizes the Secretary to establish a Foreign Service fellowship for academics in the area of international affairs particularly those teaching programs which serve significant numbers of students from cultural and ethnic groups underrepresented in the Foreign Service.

The conference substitute (sec. 153) combines the two provisions and makes technical modifications.

REPORT ON IMPLEMENTATION OF POLYGRAPH PROGRAM

The House bill (sec. 155) requires the Secretary of State to submit an annual report to the Congress on the implementation of the Department's polygraph program.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 154) is similar to the House bill, but limits the report to fiscal years 1990 and 1991.

SEXUAL HARASSMENT

The House bill (sec. 156) requires the Secretary of State to contract with an independent organization to conduct a study of sexual harassment at the Department of State and the United States Information Agency and to report on the occurrence of sexual harassment at the two agencies.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 155) is similar to the House bill, but makes a technical modification.

LIMITATION OF HOUSING BENEFITS

The House bill (sec. 161) prohibits the Secretary of State from providing housing allowances, differential payments, provision of housing, or other comparable benefits to any employee on the basis of representational status, except for ambassadors, deputy chief of missions, or senior representatives of agencies other than the Department. The House bill also requires a report on the allocation of representational benefits and a plan for a limitation of such benefits.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 156) requires the establishment of an appropriate policy on housing benefits for employees outside the United States. Aside from Ambassadors, Deputy Chiefs of Mission, Permanent Charges, or Consuls General, employees shall not receive housing based solely on representational status. However, this would not preclude the assignment of representational housing benefits to employees whose function requires such benefits. For example, the Secretary of State might choose to provide such benefits to the Economic Counselor in Tokyo, the Labor Attache in Poland, or other employees whose duties require such benefits.

AMENDMENTS TO TITLE V, U.S.C.

The Senate amendment (sec. 148) contains various amendments to Title V of the United States Code relating to: departure allowances for dependents; subsistence allowances for evacuees; prohibition on the inclusion of post differentials or hardships allowances in lump sum leave payments; education of dependents if an employee dies; combination of temporary lodging and post allowances; improvements in education allowance system; and post-secondary educational travel other than for undergraduate college education for dependents.

The House bill contains no comparable provision.

The conference substitute deletes the provision upon assurances from the committees of jurisdiction in the House that these issues will be addressed expeditiously.

OMBUDSMAN

The Senate amendment (sec. 152) directs the Director of the Office of Personnel Management to fill the position of Ombudsman for Civil Service Employees within 120 days after enactment of this Act.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

However, it is the intent of the committee of conference that the Ombudsman's office be professionally staffed. Further, the committee of conference intends to request information on the effective functioning, reporting authorities, and substantive powers of the Ombudsman. Finally, the committee of conference intends that the Office of Ombudsman, its location, and authorities be widely advertised.

MODEL FOREIGN LANGUAGE COMPETENCE POSTS

The Senate amendment (sec. 161) requires the Department of State to designate ten additional Model Foreign Language Competence Posts where each U.S. Government employee should possess an appropriate level of competence in the language of the host country.

The House bill contains no comparable provision.

The conference substitute (sec. 161) is similar to the Senate amendment, but phases in the establishment of the posts over a 3 year period.

FOREIGN LANGUAGE ENTRANCE REQUIREMENT

The Senate amendment (sec. 161) requires the Secretary of State to report on the feasibility of making a language requirement part of the Foreign Service entrance examination.

The House bill contains no comparable provision.

The conference substitute (sec. 161) is similar to the Senate amendment with technical modifications.

FOREIGN SERVICE PROMOTION PANELS

The Senate amendment (sec. 163) expresses the sense of Congress that Foreign Service Promotion Panels should promote to the Senior Foreign Service only those candidates who have demonstrated a prescribed level of foreign language proficiency.

The House bill contains no comparable provision.

The conference substitute (sec. 163) is similar to the Senate amendment with technical modifications.

LANGUAGE PROFICIENCY IN EMPLOYEE EVALUATION REPORTS

The Senate amendment (sec. 164) requires the Department of State, the United States Information Agency, and the Agency for International Development to include the score achieved on foreign language tests as a separate entry of officer evaluation and assessment reports.

The House bill contains no comparable provision.

The conference substitute (sec. 164) is similar to the Senate amendment with technical modifications. It is the understanding of the committee of conference that information on employee's language ratings and test dates is available to supervisors and is provided to promotion panels.

ADVISORY COMMITTEE ON INTERNATIONAL COMMUNICATIONS AND INFORMATION POLICY

While the committee of conference did not specifically address in this legislation issues pertaining to the need to ensure adequate personnel support for the Secretary's Advisory Committee on International Communications and Information Policy, the committee of conference wishes to make clear their strong support for the retention and/or detailing of necessary staff to ensure that the Advisory Committee is in a better position to fulfill its responsibilities pursuant to its charter.

Traditionally, such an advisory committee has relied on the staff of the bureaus and offices of the Department of State most concerned with the issues in its jurisdiction. However, with the dramatic changes which have been underway, the number and quality of issues that must be addressed by this advisory committee are growing exponentially. Thus, to ensure that this committee can continue to provide meaningful advice to the Secretary of State, the Committee on Foreign Affairs of the House of Representatives has under consideration clarifying legislation that would specifically extend to the Advisory Committee the same staffing authorities available to the U.S. Advisory Commission on Public Diplomacy pursuant to section 604(c) of the United States Information and Educational and Cultural Exchange Act of 1948.

However, in deference to new incoming leadership of the Bureau of International Communications and Information Policy, the committee of conference agrees that an opportunity exists to address this matter administratively prior to adopting legislation. The committee of conference expects that the Department will provide the necessary staff, as requested by the Chairman of the Advisory Committee. In the opinion of the committee of conference, this is necessary to relieve growing congressional concern. First, the Bureau of International Communications and Information Policy is hardly in a position to provide from its very small resources the increasing support that is anticipated in view of the growing need to draw on the advice and the participation of the private sector whose senior representatives compromise the membership of this advisory panel. The committee of conference views such participation by the representatives of the U.S. communications industry as critical to the elaboration of a sound policy on international communications and information matters that can support and enhance the objectives of U.S. foreign policy.

TITLE II—U.S. INFORMATION AGENCY

PART A: AUTHORIZATION OF APPROPRIATIONS AND AUTHORIZED ACTIVITIES

The House bill (sections 201 and 301) authorizes the appropriation of $960,445,000 in fiscal year 1990 and $1,050,423,000 in fiscal year 1991 for the U.S. Information Agency.

The Senate amendment (sections 201-205) authorizes $953,750,000 for fiscal year 1990 for the same purpose.

The conference substitute (sec. 201) authorizes the appropriation of $960,224,000 for fiscal year 1990 and $1,050,313,000, for fiscal year 1991 for the U.S. Information Agency.

RELEASE OF USIA FILM

The Senate amendment (sec. 220) permits the domestic release of the USIA film "The Long Journey Home", regarding the humanitarian crisis in Afghanistan. The House bill contains no comparable provision.

The conference substitute (sec. 203) is the same as the Senate amendment.

FULBRIGHT SCHOLARSHIP BOARD

The Senate amendment (sec. 213) renames the Board for Foreign Scholarships after former Senator J. William Fulbright. In addition, the Senate Amendment strengthens the protection of academic freedom of participants in the Fulbright and Humphrey Fellowship programs.

The House bill contains no comparable provision.

The conference substitute (sec. 204) is similar to the Senate amendment but renames the Board the "Fulbright Foreign Scholarship Board".

USIA SATELLITE AND TELEVISION

The Senate provision (section 208) repeals Section 209(e) of P.L. 100-204 and authorizes the Director of the United States Information Agency to acquire time on commercial or United States Government satellites for the purpose of transmitting materials and programs of the Agency to posts and other users abroad. The Senate provision limits programs that can be produced by the U.S. Information Agency to: interactive dialogues, coverage of current events, regular coverage of congressional and other government proceedings, and short news clips. The Senate amendment encourages USIA to acquire high quality cultural, artistic, and public affairs programming while effectively prohibiting in-house production of talk shows which proved so ineffective. The Senate provision also authorizes $1,500,000 for the purchase or use of programs produced with grants from the Corporation for Public Broadcasting or produced by United States public television networks. The Senate provision gives preference to programs produced by American commercial and public television over that produced by USIA., Finally, the Senate provision encouraged USIA to facilitate access to its satellite facilities for American broadcasters.

The House provision (section 206) repeals section 209(e) of P.L. 100-204, and provides that for FY 1990 not more than $12,000,000 may be obligated for Worldnet.

The conference substitute (section 205) provides the necessary authorities to the Director of the U.S. Information Agency to acquire, produce and broadcast television programs. The Director may also lease or acquire time on commercial or U.S. government satellite for the purpose of transmitting such programs.

In providing these authorities, the conference substitute specifies the types of programs that are allowed as well as subjects the activities of USIA/TV to the requirements of broadcast principles which are similar to those enunciated by the charter of the Voice of America.

Furthermore, the conference substitute sets cost requirements which give clear preference to the acquisition of programs produced by American commercial and public broadcasters and producers whenever the cost is less than that of in-house production. The conference substitute requires the submission of a quarterly report detailing the expenditures and providing justifications for materials produced by the U.S. Information Agency. The quarterly report shall also include a statement, for each case in which a program was produced by USIA, that no comparable commercial or public television program was available at a lower cost. The conference report authorizes no more than $12,000,000 for USIA-TV. The conferees understand that the cap on "USIA-TV" applies solely to those programs and activities which formerly comprised the Worldnet daily service.

Finally, the U.S. Information Agency shall submit, no later than one year after enactment a report, prepared by an independent television market survey company as defined by section 209 of P.L. 100-204, to the chairman of the Committee on Foreign Affairs of the House of Representatives and the chairman of the Foreign Relations Committee of the Senate containing (a) the best estimate of the number of persons who watch on a daily basis the programs of USIA/TV. Such estimate shall include the number of persons who watch a part of the daily non-interactive programs and the number of persons who watch such programs in their entirety. The report shall also include a description of the demographic composition and nationality of the persons watching such programs; and, the entire survey prepared by the entity conducting the survey.

U.S. ADVISORY COMMISSION ON PUBLIC DIPLOMACY

The House bill (sec. 208) reestablishes the U.S. Advisory Commission on Public Diplomacy as a panel nominated by the President of the United States with the advice and consent of the Senate and reinstates the bipartisan requirements removed by section 213 of Public Law 100-204.

The Senate amendment (sec. 210) contains a similar provision.

The conference substitute (sec. 206) is similar to the House bill with a technical modification.

FOREIGN LANGUAGE SERVICES

The House bill (sec. 212) amends existing law which requires USIA to give preference for hiring U.S. citizens for VOA language services whenever a position exists. Existing law provides preference for the employment of qualified Americans even if application of the preference would require the firing of alien employees who were hired at a time, and often at great expense, when no qualified U.S. citizens were available. The House provision would revise the existing preference for hiring U.S. citizens to apply it only at times when such positions are open, rather than whenever such positions exist.

The Senate amendment (sec. 211) contains a nearly identical provision.

The conference substitute (sec. 207) is the same as the House provision.

RETENTION OF FEES AND PAYMENTS

The House bill (sec. 203) allows USIA to retain fees and payments received for the use of the English Teaching and Library Service, agency produced publications, and motion picture and television programs which would otherwise be returned to the Treasury.

The Senate amendment (sec. 212) contains a similar provision.

The conference substitute (sec. 208) is similar to the House bill, but limits the revenues retained from motion picture and television programs to $100,000.

NARCOTICS INFORMATION NETWORK

The House bill (sec. 204) directs USIA to establish and maintain an international narcotics information network to disseminate prompt and accurate information to foreign governments in order to promote narcotics prevention and combat narcotics trafficking.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 210) is the same as the House bill.

AFGHANISTAN COUNTRY PLAN

The Senate amendment (sec. 219) USIA to continue to implement the country plan for Afghanistan submitted for fiscal year 1989 and requires a report describing the plan along with a specific outline on how the plan will be adapted for implementation within a free Afghanistan.

The House bill contains no comparable provision.

The conference substitute (sec. 211) is the same as the Senate amendment.

REPORT ON THE NATIONAL ENDOWMENT FOR DEMOCRACY

The House bill (sec. 211) requires a study by the General Accounting Office of the programs and operations of the National Endowment for Democracy.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 212) is the same as the House bill.

REPORT ON ACQUISITION AND USE OF PUBLIC PROGRAMMING MATERIALS

The Senate amendment (sec. 1035) requires the Director of USIA to report within 90 days on programming materials in fiscal years 1988 and 1989 from public television and radio entities, how that material was used, and projected use of such programming through fiscal year 1992.

The House bill contains no comparable provision.

The conference substitute (sec. 213) is the same as the Senate amendment.

PART B—BUREAU OF EDUCATIONAL AND CULTURAL AFFAIRS

AUTHORIZATIONS OF APPROPRIATIONS

The House bill (section 201) authorizes $153,000,000 for fiscal year 1990 and $152,120,000 for fiscal year 1991 for the activities of the Bureau of Educational and Cultural Affairs and to fund exchange programs of the Bureau. The House bill also earmarks $150,000 for training at the University of Maine for media personnel from developing French-speaking countries.

The Senate amendment (section 203) authorizes $196,626,000 for fiscal year 1990 to fund the exchange programs and salaries for the Bureau of Educational and Cultural Affairs.

The conference substitute (section 221) authorizes: (1) $97,460,000 for the Fulbright Academic Exchange Programs for fiscal year 1990 and $101,358,000 for fiscal year 1991; (2) $41,817,000 for the International Visitors Program for fiscal year 1990 and $43,490,000 for fiscal year 1991; and (3) $5,500,000 for the Hubert Humphrey Fel-

lowship Program for fiscal year 1990 and $5,720,000 for fiscal year 1991 and (4) $6,400,000 in fiscal year 1990 and $6,656,000 in fiscal year 1991 for Arts America; $43,323,000 in fiscal year 1990 and $45,056,000 in fiscal year 1991 for salaries and expenses.

The conferees are concerned about the reduced support in recent years of certain Bureau of Educational and Cultural Affairs activities which are funded from the Salaries and Expenses account. Many of these small but important programs have been cut from 20 to 40 percent. Funding for the Division of Advising, Teaching, and Specialized Services (formerly Student Support Services) is of special concern because of its importance to the entire higher education exchange infrastructure. The conferees urge the Agency to maintain, and possibly increase, allocations for such programs.

OFFICE OF CITIZENS EXCHANGES

The Senate amendment (sec. 214) renames USIA's Private Sector Office to Office of Citizens Exchanges and merges the office with the Youth Exchange Office.

The House bill contains no comparable provision.

The conference substitute (sec. 222) renames USIA's Private Sector Office to Office of Citizens Exchanges.

YOUTH EXCHANGES

The Senate amendment (sec. 1034) amends the Mutual Educational and Cultural Exchange Act to expand the types of programs allowed under the Samantha Smith Memorial Exchange Program.

The House bill contains no comparable provision.

The conference substitute (sec. 223) is the same as the Senate amendment.

U.S.-SOVIET EXCHANGES

The Senate amendment (sec. 215) authorizes the President to negotiate and implement an agreement with the Soviet Union for the use of lend-lease debt to finance U.S.-Soviet exchanges.

The House bill contains no comparable provision.

The conference substitute (sec. 224) is the same as the Senate amendment.

SCHOLARSHIPS FOR TIBETAN AND BURMESE

The Senate amendment (sec. 216) requires that USIA make available not less than 30 scholarships to Tibetan students and professionals outside Tibet and not less than 15 scholarships for Burmese students and professionals outside Burma.

The House bill (1101) contains a similar provision.

The conference substitute (sec. 225) is similar to the Senate amendment but provides a waiver of the provision if an adequate number of qualified students and professionals cannot be identified.

HUMPHREY FELLOWSHIP PROGRAM

The House bill (sec. 209) expresses the sense of Congress that USIA should review the Humphrey Fellowship Program and consider expanding the placement in and exposure of its participants to process of Federal, State, and local governments.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 226) is similar to the House bill with a technical modification.

PART C—VOICE OF AMERICA

AUTHORIZATIONS OF APPROPRIATIONS

The House bill (section 301) authorizes the following amounts for Voice of America activities:

$170,235,000 for fiscal year 1990 and $177,044,000 for fiscal year 1991 for salaries and expenses for the Voice of America;

$65,000,000 is authorized for fiscal year 1990 and $13,208,000 for fiscal year 1991 for the acquisition and construction of radio facilities; and

$12,700,000 is authorized for fiscal year 1990 and $13,208,000 for fiscal year 1991 for radio broadcasting to Cuba.

The Senate amendment (section 202 authorizes the following amounts for the Voice of America:

$183,924,000 for Voice of America salaries and expenses;

$12,700,000 ia authorized for the "Voice of America: Cuba Service"; and

$71,000,000 is authorized for radio construction.

The conference substitute (section 231) authorizes the following amounts for Voice of America:

$170,024,000 for fiscal year 1990 and $176,825,000 for 1991 for salaries and expenses;

$69,000,000 for the fiscal year 1990 and $122,000,000 for fiscal year 1991 for acquisition and construction of radio facilities;

$12,700,000 for fiscal year 1990 and $13,208,000 for fiscal year 1991 for radio broadcasting to Cuba; and

$3,000,000 for fiscal year 1990 and $3,120,000 for fiscal year 1991 for VOA Europe.

VOA HIRING PRACTICES

The Senate amendment (sec. 209) prohibits the VOA from hiring candidates that have been pre-approved by a foreign government entity.

The House bill contains no comparable provision.

The conference substitute (sec. 232) is the same as the Senate amendment.

VOA CHILD SURVIVAL PROGRAM

The Senate amendment (sec. 217) requires VOA to establish and maintain a series of public service announcements on child survival techniques.

The House bill contains no comparable provision.

The conference substitute (sec. 233) is the same as the Senate amendment.

VOA BROADCASTS TO TIBET

The Senate amendment (sec. 218) requires VOA to initiate broadcasts to Tibet in Tibetan.

The House bill contains no comparable provision.

The conference substitute (sec. 234) requires broadcasts to begin within 90 days of enactment, authorizes $1 million for this program, and requires a report from USIA on the implementation of this program. In addition, funds appropriated in excess of amounts authorized for USIA-T.V. in fiscal years 1990 and 1991 may be used only if transferred for VOA broadcasts to Tibet in Tibetan.

VOA THAILAND RADIO FACILITIES

The Senate amendment (sec. 221) allows USIA to enter into five-year contracts for the construction of the VOA's Thailand radio facilities.

The House bill contains no comparable provision.

The conference substitute (sec. 235) is the same as the Senate amendment.

VOA BROADCASTS TO CHINA

The Senate amendment (sec. 222) requires VOA to broadcast not less than twelve hours per day to the People's Republic of China for fiscal year 1990.

The House bill contains no comparable provision.

The conference substitute (sec. 236) is the same as the Senate amendment.

VOA EQUIPMENT ABROAD

The House bill (sec. 302) expresses the sense of Congress that USIA and VOA take every step necessary to properly maintain and enhance equipment abroad in order to avoid deterioration.

The House bill contains no comparable provision.

The conference substitute (sec. 237) is the same as the House amendment.

PART B—TELEVISION BROADCASTING TO CUBA

The House bill (Part B of Title II) provides for television broadcasting to Cuba which shall be designated "USIA Television Marti Program". The TV Marti broadcast shall be in accordance with all Voice of America (VOA) broadcast standards. The Federal Communication Commission (FCC) shall assign a suitable frequency which will not result in objectionable interference with the broadcasts of domestic licensee. The House bill: (1) allow the FCC to modify a license or permit of a licensee or permittee; (2) directs the FCC to exercise the authority of the President in assigning a frequency to TV Marti; (3) requires the FCC to direct TV Marti to cease broadcasting if its broadcast causes objectionable interference; (4) requires the FCC to take necessary and appropriate actions to assist domestic licensees in overcoming the adverse effects of objectionable interference caused by TV Marti; (5) requires the FCC to monitor interference of Cuban television and radio stations and the operations of TV Marti; and (6) expresses the sense of the Congress that the President should establish a task force to analyze the level of interference from Cuban television and radio stations by United States broadcasters and to seek solutions to this problem.

In addition, the House bill establishes TV Marti within USIA and requires the Director of USIA to appoint a head of the Service. The Service is to be administered separately from other television functions of the USIA. The House bill also amends the Radio Broadcasting to Cuba Act to include oversight of television broadcasting to Cuba and authorizes other government agencies to assist USIA in carrying out the provisions of this Act.

The House bill provides for compensation to be paid to domestic broadcasters who are adversely affected by Cuban broadcast interference or direct interference caused by the transmission of TV Marti; authorizes an initial $5,000,000 for compensation and an additional $5,000,000, if necessary, from other funds appropriated to USIA; authorizes $16 million in fiscal years 1990 and 1991, for television broadcasting to Cuba, contingent on a Presidential determination that testing of television broadcasting to Cuba has demonstrated such broadcasting is feasible and will not interfere with the operation of domestic licensees, and defines certain terms used in this act.

The Senate amendment (title VII) is similar to the House provisions with the following exceptions. Under the Senate provisions TV Marti's frequency would be allocated by the FCC and assigned by the National Telecommunications and Information Administration (NTIA). If objectionable interference occurred from the broadcast of TV Marti, the FCC would notify the NTIA which would then have 72 hours before being required to order TV Marti to cease

broadcasting. The Senate does not provide for any compensation to domestic broadcasters adversely affected by objectionable interference. The Senate amendment contains a provision that prohibits any branch or agency from ordering an incumbent domestic broadcaster to change its frequency in order to eliminate objectionable interference. The Senate amendment also authorizes TV Marti for fiscal year 1990 only.

The conference substitute (secs. 241-248) authorizes USIA to provide for the open communication to Cuba through the use of television broadcasting. This program which will be referred to as the "USIA Television Marti Program".

The conference substitute requires the Director of the USIA to establish within the Voice of America a Television Marti Service. The Director of USIA shall appoint a head of the Service who shall report to the Director of VOA.

The Federal Communications Commission (FCC) is required to assign, by order, a frequency on which television broadcasting to Cuba may operate. The FCC shall by rule establish procedures for the assignment of a frequency. For all purposes other than the initial grant of a license, the operation of the broadcast station authorized shall be treated as all other FCC licensees are treated pursuant to the Communications Act of 1934. Further, the FCC shall make no assignment in the event of "objectionable interference". Evidence of objectionable interference shall come from the results of testing television broadcasting to Cuba that was funded in title V of the Departments of Commerce, Justice and State, the Judiciary and Related Agencies Appropriations Act, 1989 (Public Law 100-459) as well as from other parties.

The conference substitute also prohibits any branch or agency from compelling an incumbent domestic licensee (as defined in this Act) to change its frequency in order to eliminate the objectionable interference caused by the broadcast of the Service.

The committee of conference understands that the term "objectionable interference" shall be applied in the same manner as such term is applied by the FCC and other domestic broadcasters and understand that the FCC currently defined objectionable interference as: (1) occuring if the domestic television licensee's primary service area, within the Grade B coverage contour, is subjected to an interfering signal with a field strength of 28 decibels below the desired signal (for 10 kHz frequency offset operations by the Service) or of 45 decibels below the desired signal (if 10 kHz frequency offset if not employed by the Service); and (2) occurring to domestic television licensees beyond their primary service area whenever reception of a regularly used signal is impaired by the signals radiated by the Service, regardless of the quality of the reception or the strength of the signal so used.

If a frequency is awarded to provide television broadcasting service to Cuba, transmissions from the service shall be in accordance with technical and operational parameters specified by the FCC. Television broadcasting to Cuba shall be designed and constructed such that objectionable interference is not caused to domestic television licensees.

In the event that the signal of the Service interferes with a domestic licensee, the FCC must direct the Service to cease broadcasting until such time that the objectionable interference has been eliminated. In addition to receipt of complaints from any person concerning objectionable interference from television broadcasting to Cuba, the FCC shall determine through its own monitoring or on its own action that objectionable interference is being caused by the Service. The FCC shall exercise its discretion to distinguish between the complaint which is frivolous or totally lacking in merit and the complaint which on its face is serious. This act does not give the FCC discretion to permit operation of television broadcasting to Cuba which does cause objectionable interference to other domestic broadcasters.

The FCC is empowered to assist any domestic television licensee which may be subject to objectionable interference from television broadcasting to Cuba. The FCC may authorize a domestic television licensee to increase its power in order to offset any adverse effect of such interference. This authorization is necessary because it appears that the maximum-to-minimum ratio of the radiation pattern that can be achieved, demonstrated and maintained with a directional antenna of this type is approximately 30 db (a field ratio of 32 to 1). Once the allowable power toward a domestic station is established, the power radiated to Cuba could be no more than 30 db greater than this value. The FCC is expected to ensure that television broadcasting to Cuba does not create objectionable interference such that the present service of domestic television stations is threatened. Other corrective action may include the use of directional increases in effective radiated power in order to offset the interference caused by the Service over an affected geographic area. All such actions are intended to regain those coverage areas lost to interference caused by the Service and should only be employed, as appropriate, consistent with domestic interference protection standards such that interference is not caused to other domestic licensees.

The FCC is required to monitor the signal of television broadcasting to Cuba and report periodically to the appropriate committees of Congress. Should the FCC, pursuant to such monitoring, order the Service to cease broadcasting, they must immediately report such action to the appropriate committees of Congress after such notice. The FCC will continue to report to Congress on the progress toward eliminating the objectionable interference in such a manner as to keep the Congress fully informed of the operations of the Service.

The conference substitute authorizes $16 million in each of fiscal years 1990 and 1991, contingent on a Presidential determination that testing of television broadcasting to Cuba has demonstrated such broadcasting to be feasible and will not interfere with the operation of domestic licensees. The President's finding will be based upon tests conducted by an inter-agency task force which includes representatives of USIA, FCC, Department of Commerce and other appropriate agencies. It is the responsibility of the FCC to keep the appropriate committees of Congress informed of the progress made by this interagency task force in its testing of television broadcasting to Cuba. If the President finds that television broadcasting to Cuba is feasible, the FCC shall commerce its responsibilities as provided for in this Act. The President shall submit a report to Congress which includes all of the findings of testing of television broadcasting to Cuba, thirty days before he makes a determination. The President may extend the test period for a period of 30 days to allow the Service to continue broadcasting during the period of time between the Presidents' report to Congress and his determination.

The conference substitute amends the Radio Broadcasting to Cuba Act to expand the duties of the Advisory Board on Radio Broadcasting to Cuba to include oversight to television broadcasting to Cuba. This action is not intended to replace or shorten the term of any member of the current board.

House section 227 "Facility Compensation" is deleted in the conference substitute.

TITLE III—BOARD FOR INTERNATIONAL BROADCASTING

AUTHORIZATION OF APPROPRIATIONS

The House bill (sec. 401) authorizes the appropriation of $412,175,000 for fiscal year 1990 and $210,943,000 for fiscal year 1991 for Board for International Broadcasting.

The Senate amendment (sec. 301) authorizes the appropriation of $398,247,000 for fiscal year 1990.

The conference substitute (sec. 301) authorizes the appropriation of $379,675,000 for fiscal year 1990 and $223,043,000 for fiscal year 1991 for Board for International Broadcasting.

The committee of conference directs the Board for International Broadcasting to ensure that specifications for transmitting equipment (including all subsystems required to get the signal to the antennas, i.e. transmitter, transmission lines, switches, baluns, etc., as defined in Annex 7 of the Agreement Between the Government of the United States and the Government of Israel for the Establishment and Operation of a Radio Relay Station in Israel) be prepared in such a way as to maximize the participation of United States firms in accordance with provisions of the Agreement. The committee of conference is concerned about early drafts of the specifications that could have the effect of giving outright preference in at least one major subsystem of such transmitting equipment to non-U.S. firms. The committee of conference emphasizes that such draft specifications could run counter to the clear terms of the Agreement, as well as the intention of Congress in authorizing the joint BIB/VOA relay station in Israel. The committee of conference believes that in the process of drafting technical specifications, U.S. firms should not be inappropriately excluded from the outset from the competition for such contracts.

REQUIREMENT FOR AUTHORIZATION OF APPROPRIATIONS

The House bill (sec. 403) requires that any appropriation made available to the Board for International Broadcasting be explicitly authorized before any such funds may be obligated or expended.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 302) is the same as the House bill.

RADIO FREE AFGHANISTAN

The Senate amendment (sec. 303) requires the continuation of BIB broadcasts to Afghanistan until there is a government in Kabul that has been constituted through a free act of self-determination.

The House bill contains no comparable provision.

The conference substitute (sec. 304) is the same as the Senate amendment.

TITLE IV—INTERNATIONAL ORGANIZATIONS AND COMMISSIONS

MEMBERSHIP IN VARIOUS ORGANIZATIONS

The House bill (sec. 602) authorizes the President to maintain U.S. membership in the International Sugar Organization and the International Tropical Timber Organization and to pay the U.S. assessed contributions to those organizations from the "Contributions to International Organizations" account.

The Senate amendment (sec. 401 and sec. 641) contains similar provisions.

The conference substitute (sec. 401) is the same as the House bill.

MEMBERSHIP IN WILDLIFE CONVENTIONS

The Senate amendment (sec. 643 and sec. 644) authorizes U.S. participation in the International Union for the Conservation of Nature and Natural Resources and authorizes $1.511 million for fiscal year 1990 dues and arrearages in support of U.S. participation in the Convention on International Trade in Endangered Species of Wild Fauna and Flora, the International Tropical Timber Organization, the World Heritage Convention, and the International Union for the Conservation of Nature and Natural Resources.

The House bill contains no comparable provision.

The conference substitute (sec. 402 and sec. 403) is similar to the Senate amendment with a technical modification.

COMMISSION ON THE UKRAINE FAMINE

The Senate amendment (sec. 1066) authorizes to be appropriated $100,000, to remain available until expended, for the Commission on the Ukraine Famine.

The House bill contains no comparable provision.

The conference substitute (sec. 404) is the same as the Senate amendment.

VOTING PRACTICES AT THE UNITED NATIONS

The Senate amendment (sec. 403) requires the Annual Report to the Congress on Voting Practices at the United Nations to include an analysis of the extent to which member countries supported U.S. policy objectives at the U.N. and an analysis of U.N. decisions taken by consensus. In addition, with respect to plenary votes, the Senate amendment requires a listing of all such votes on issues that directly affect U.S. interests, a brief description of the issues involved in each such vote, and an explanation of the U.S. position on each such issues.

The House bill (sec. 610) contains a similar provision.

The conference substitute (sec. 406) is similar to the Senate amendment with a technical modification.

DENIAL OF VISAS TO CERTAIN REPRESENTATIVES OF THE UNITED NATIONS

The House bill (section 602) provided in subsection (d)(2)(A) that funds authorized to be appropriated for payment to the United Nations or its specialized agencies for assessed contributions for calendar years prior to 1989, could not be expended in any period when an individual expelled from another country for engaging in activities inconsistent with their diplomatic status, was admitted to the United States and accredited as a United Nations representative.

The Senate amendment contains no comparable provision.

The conference substitute (section 407) directs the President to use his authorities pursuant to the United Nations Headquarters Agreement Act to deny any individual's admission to the U.S. as a UN representative if the President determines that the individual has engaged in espionage directed against the United States and poses a threat to U.S. national security interests.

UNESCO

The House bill (sec. 606) requires the Secretary of State to report within 30 days of enactment on the activities after December 31, 1984, of the United Nations Educational, Scientific, and Cultural Organization.

The Senate amendment (sec. 404) contains congressional findings regarding UNESCO and expresses the sense of Congress that the Secretary of State should monitor changes achieved in UNESCO and work to promote the progress necessary to permit U.S. reentry in UNESCO.

The conference substitute (sec. 408) combines the two provisions and makes technical modifications.

INTERNATIONAL COMMITTEE OF THE RED CROSS

The House bill (sec. 603) repeals section 742(a) of the Public Law 100-204, which required that the U.S. annual contribution to the International Committee of the Red Cross be not less than 10 percent of the ICRC's regular budget.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 410) provides that the Secretary of State shall not be required to make a contribution pursuant to section 742 of Public Law 100-204 of an amount greater than an amount which is 10 percent of the ICRC's regular 1989 budget.

INTERNATIONAL COURT OF JUSTICE

The House bill (sec. 608) contains congressional findings regarding the International Court of Justice and expresses the sense of Congress commending and supporting efforts of the United States to broaden the compulsory jurisdiction and enhance the effectiveness of the ICJ.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 411) is similar to the House bill with a technical modification.

INTERNATIONAL BOUNDARY AND WATER COMMISSION

The Senate amendment (sec. 118) reauthorizes the ongoing activities of the International Boundary and Water Commission and provides new authorization to handle flood emergencies resulting from floodwaters of the Tijuana or Colorado Rivers, to cover certain emergencies dealing with sanitation problems and projects, and to conduct technical and other investigations into the drainage of transboundary storm waters.

The House bill (sec. 604) contains a similar provision.

The conference substitute (sec. 412) is the same as the Senate amendment.

U.S. PARTICIPATION IN INTERNATIONAL AND BILATERAL COMMISSIONS

The House bill (sec. 130) requires a report within 180 days from the Secretary of State on all international and bilateral commissions in the which the United States participates.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 413) is similar to the House bill and clarifies that the commissions referred to are those funded under section 103 of this Act.

MEMBERSHIP OF THE PLO IN U.N. AGENCIES

The Senate amendment (sec. 405) prohibits the payment of any assessed contribution or voluntary contribution to the United Nations or any of its specialized agencies that admits the PLO with the same standing as a member nation.

The House bill contains no comparable provision.

The conference substitute (sec. 414) is similar to the Senate amendment and allows funds withheld pursuant to this section to remain available until expended and be reprogrammed to any other account of the Department of State or AID to carry out the general purposes for which such funds were appropriated.

UNITED NATIONS RELIEF AND WORKS AGENCY

The House bill (sec. 605) expresses the sense of Congress concerning the need for broad-based commitment of international financial support for the United Nations Relief and Works Agency to guarantee the necessary resources for the continued work of the organization.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 415) is the same as the House bill.

MIDDLE EAST PEACE CONFERENCE

The Senate amendment (sec. 1063) contains congressional findings regarding United Nations General Assembly Resolution 3379 and proposals for an international peace conference on the Middle East, and expresses the sense of Congress that the adoption of UNGA resolution 3379 makes the United Nations and any of its constituent bodies inappropriate fora for the sponsorship of an international conference on the Arab-Israeli conflict.

The House bill contains no comparable provision.

The conference substitute (sec. 416) declares that the United Nations General Assembly and the affiliated agencies are inappropriate fora for an international conference on the Arab-Israeli conflict, but preserves a possible role for the United Nations Security Council.

CONTRIBUTIONS FOR PEACEKEEPING ACTIVITIES IN SOUTHERN AFRICA

The Senate amendment (sec. 1060) tracks closely the provisions of the Dire Urgent Supplemental Appropriations Act of 1989 which control the disbursement of U.S. contributions to U.N. peacekeeping activities in Southern Africa. The Senate amendment requires the President to certify that conditions have been met on a number of grounds before he can authorize the disbursement of funds to the U.N. Among these are Cuban compliance to remove all troops from Angola, Cuban adherence to a timetable of northward movement during the withdrawal phase, and Cuban non-attacks on the Union for the Total Independence of Angola (UNITA). These provisions and others are specific items in the Tripartite Accords, signed at the United Nations on December 22, 1988 by Cuba, Angola, and South Africa. In addition, also in accordance with the Tripartite Accords, the President must certify that all military forces of the South West Africa People's Organization (SWAPO) strictly comply with deployment provisions.

The House bill (sec. 609) is similar to the Senate amendment, but does not include language on the disbursement of U.S. funds.

The conference substitute (sec. 417) is the same as the Senate amendment.

ASIA FOUNDATION

The House bill (title V) provides $16,200,000 for fiscal year 1990 and

$16,848,000 for fiscal year 1991 for the Asia Foundation. In addition, the House bill provides that $2,500,000 in each fiscal year be made available only for the expansion of programs and services for Oceania.

The Senate amendment (sec. 105) provides $18 million for fiscal year 1990 for the Asia Foundation.

The conference substitute (sec. 501) provides $13,900,000 for fiscal year 1990 and $18 million in fiscal year 1991 for the Asia Foundation. In addition, the substitute earmarks $1,324,000 in each of the fiscal years 1990 and 1991 for the expansion of programs and services for Oceania.

THE INTER-AMERICAN FOUNDATION

The House bill (section 701) authorizes the appropriation of $16,932,000 for fiscal year 1990 and $20,000,000 for fiscal year 1991 for the activities of the InterAmerican Foundation.

The Senate amendment contains no comparable provision.

The conference substitute (section 601) authorizes the appropriation of $16,932,000 for fiscal year 1990 and $25,000,000 for fiscal year 1991 for the activities of the Inter-American Foundation.

TITLE VII—REFUGEE AND OTHER PROVISIONS

UNHCR AUDIT REQUIREMENT

The Senate amendment (sec. 501) deletes the requirements in section 8 of the Migration and Refugee Assistance Act of 1962 that the annual audits of United Nations High Commissioner for Refugees programs be conducted by an independent consultant selected by the Executive Committee of the UNHCR and that such audits be made available to the Department of State through the Executive Committee.

The House bill contains no comparable provision.

The conference substitute (sec. 701) is the same as the Senate amendment.

TIBETAN AND BURMESE REFUGEES

The Senate amendment (sec. 502) expresses the sense of Congress regarding a number of international and foreign policy refugee issues and earmarks $500,000 for assistance to displaced Tibetans in India and Nepal and $250,000 for displaced Burmese in India and Nepal.

The House bill contains no comparable provision.

The conference substitute (sec. 702) retains the earmarks and makes technical modifications.

REPORT ON BURMESE STUDENTS

The Senate amendment (sec. 504) requires the Attorney General, in consultation with the Secretary of State, to report on the immigration policy of the United States regarding Burmese pro-democracy protestors who have fled from the military government of Burma and are currently located in border camps or inside Thailand.

The House bill contains no comparable provision.

The conference substitute (sec. 703) is similar to the Senate amendment with a modification requiring that the report be submitted by the Secretary of State

BULGARIAN REFUGEES

The Senate amendment (sec. 1017) contains congressional findings regarding the treatment of the ethnic Turkish minority in Bulgaria and authorizes the appropriation of $10 million for the Republic of Turkey for shelter, food and other basic needs to ethnic Turkish refugees fleeing the People's Republic of Bulgaria and resettling in Turkey.

The House bill contains no comparable provision.

The conference substitute (sec. 704) earmarks $10 million from the Migration and Refugee Assistance account to carry out the purposes of this section. It is the understanding of the committee of conference that the funds authorized by this section for the Republic of Turkey will be used for resettlement on the sovereign territory of Turkey only and not in any other country.

The committee of conference expresses its concern about the plight of more than 50,000 Kurdish refugees from Iraq in Turkey and urges the executive branch to consider providing assistance to the Government of Turkey for those refugees.

ADDITIONAL REFUGEE ISSUES

The committee of conference is concerned that Malaysian authorities have recently engaged in a pattern of "push-offs" of Vietnamese seeking asylum on the east coast of Malaysia, with more than 2,000 persons being denied first asylum in Malaysia since May 1989. These push-offs violate commitments made by the Malaysian Government to maintain the practice of granting first asylum, have put at risk the lives of thousands of asylum-seekers, and have resulted in the deaths of at least 4 asylum-seekers. The committee of conference urges the Malaysian Government to bring its actions into conformity with internationally recognized humanitarian standards by immediately reinstating the policy and practice of granting first asylum.

In addition, the committee of conference are concerned about the possible phase-out of U.S.-funded "supplementary activities" to the UNHCR antipiracy effort in Southeast Asia, especially the Malaysia and Thailand-based program in counseling for victims of violence. The committee of conference believes that this program has played a significant role in easing the trauma faced by victims of rape and witnesses to killings, and urges the executive branch to work to ensure that this worthy effort may continue.

TITLE VIII—PLO COMMITMENTS COMPLIANCE ACT OF 1989

The Senate amendment (secs. 801-804) (1) contains congressional findings regarding United States policy toward contact with the Palestine Liberation Organization; (2) reiterates the policy of the United States that any dialogue with the PLO be contingent on the PLO's recognition of Israel's right to exist; (3) expresses the sense of Congress that the U.S., in any discussions with the PLO, should seek the prevention of terrorism and the implementation of concrete steps by the PLO consistent with its commitment to recognize Israel and renounce terrorism; and (4) requires the Secretary of State to submit quarterly reports regarding progress toward the goals of this section and a report concerning the policies of Arab states toward the Middle East peace process.

The House bill contains no comparable provision.

The conference substitute (secs. 801-804) is the same as the Senate amendment.

TITLE IX—PEOPLE'S REPUBLIC OF CHINA

POLICY TOWARDS ADDITIONAL SANCTIONS AGAINST THE PEOPLE'S REPUBLIC OF CHINA

The Senate amendment (sec. 901) condemns the PRC government's repression of the pro-democracy movement; states the sense of the Senate concerning additional measures which the President should take in response to the repression; suspends certain programs and activities of the U.S. government vis-a-vis the PRC pending a report by the President that either the Government of the PRC has made progress on a program of political reform, or it is in the national interest to terminate one or more suspensions.

The House bill contains no comparable provision.

The conference substitute (sec. 901 and sec. 902) makes findings and statements of policy concerning the political and human rights situation in China, including Tibet, and the U.S. response to that situation; states the sense of Congress concerning steps which the President should take if the repression in China continues or deepens; continues the suspension of certain programs and activities of the U.S. government vis-a-vis the PRC (including the Overseas Private Investment Corporation, the Trade and Development Program, Munitions Control Licenses, transfer of crime control and detection instruments and equipment, export of satellites for launch by the PRC, nuclear cooperation with the PRC, and liberalization of export controls on a multilateral basis); and authorizes the President to terminate one or more of the suspensions if he submits a report either that the Government of the PRC has made progress on a program of political reform, or that it is in the national interest to terminate one or more of the suspensions; and requires the President to submit a report on developments in China, the impact of bilateral and multilateral sanctions, and developments in US policy towards the PRC.

The committee of conference remains extremely concerned about the political and human rights situation in China and recognizes that the United States and the PRC government share geopolitical interests, and that the United States has an interest in China's economic modernization and the improvement of the standard of living of the Chinese people.

However, multifaceted cooperation with the government of China will continue to require, as it has required in the past, the support of the American public. The terror and repression with which the PRC government responded to the democracy movement in China seriously undermined American support for US-PRC relations, as evidenced by the actions taken in this title. The American public and the Congress will be reluctant to resume relations at the level which existed before the June crackdown, much less develop ties further, unless there is a significant improvement in the political and human rights situation in China, including Tibet. The committee of conference is also concerned about conditions in Hong Kong, and express their desire that the PRC live up to its international undertakings with respect to the Joint Declaration of 1984.

The committee of conference does acknowledge the need for the President to retain flexibility in the conduct of foreign policy. Consequently, this provision provides two separate conditions under which the President may terminate one or more of the suspensions: that he reports to the Congress that the PRC government has made progress on a program of political reform; or that he deems that it is in the national interest to take such action.

With respect to the latter waiver authority, Congress recognizes that the President must weigh several elements in determining what is in the U.S. national interest, espe-

cially human rights and national security considerations. Although U.S. economic interests are part of the national interest, it is the intent of Congress that the economic interest of the U.S. and of individual American companies not be the sole factor in a Presidential determination to apply the national-interest waiver. Prior to a Presidential determination that a termination of one or more suspensions are "in the national interest of the United States," Congress expects that the President will report to Congress on the basis for such a determination.

TITLE XI—BUDGET ACT COMPLIANCE

COMPLIANCE WITH CONGRESSIONAL BUDGET ACT

The House bill (sec. 801) requires that any spending authority provided under this act shall be effective for any fiscal year only to the extent or in such amounts as are provided in advance in appropriations acts and limits the effectiveness of contract authority provided under this act only to the extent that budget authority has been provided in advance by an appropriation act or to the extent or in such amounts as are provided in advance in appropriation acts.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1101) is the same as the House bill.

TITLE X—MISCELLANEOUS PROVISIONS

REWARDS FOR COMBATING TERRORISM

The Senate amendment (sec. 1020) amends section 36(c) of the State Department Basic Authorities Act of 1956 to increase the limit on individual rewards for information on international terrorist incidents from $500,000 to $2 million.

The House bill contains no comparable provision.

The conference substitute (sec. 1001) is the same as the Senate amendment.

ASSIGNMENT OF COMMERCIAL OFFICERS

The Senate amendment (sec. 1027) requires the U.S. Foreign and Commercial Service to assign not less than three officers and necessary support staff to the U.S. Mission to the European Community in Brussels within 90 days of enactment.

The House bill contains no comparable provision.

The conference substitute (sec. 1002) is the same as the Senate amendment.

BENJAMIN FRANKLIN HOUSE MUSEUM

The Senate amendment (sec. 1011) contains congressional findings regarding the former London residence of Benjamin Franklin and expresses the sense of Congress calling on relevant agencies and departments of the Federal government to recognize the important goals of the Friends of Benjamin Franklin House and the American Franklin Friends Committee.

The House bill contains no comparable provision.

The conference substitute (sec. 1004) is the same as the Senate amendment.

ASSOCIATION OF DEMOCRATIC NATIONS

The Senate amendment (sec. 1026) contains congressional findings regarding the proposal of Prime Minister Benazir Bhutto of Pakistan for the establishment of an Association of Democratic Nations to promote the right of democracy and expresses the sense of the Senate that the President should give serious consideration to this proposal and report to Congress by December 31, 1989 on the merits and estimated costs of establishing such an Association.

The House bill contains no comparable provision.

The conference substitute (sec. 1005) is the same as the Senate amendment.

As a complement to the proposal of Prime Minister Bhutto, the conferees support the work of the Committee for a Community of Democracies—USA (CCD-USA) and recommend that of the funds available for USIA or the National Endowment for Democracy at least $100,000 be available to assist in covering CCD-USA's annual operating expenses for its program to promote solidarity and cooperation among all of the world's democracies and thereby enhance CCD-USA's own efforts to obtain other private funding. This funding can help continue the United States' leading role in furthering cooperation and coordination of efforts to strengthen democratic institutions and societies in the world.

HUMAN RIGHTS IN CUBA

The Senate amendment (sec. 1050) contains congressional findings regarding human rights abuses by the Government of Cuba, and calls on the Secretary General of the United Nations to act on the resolution approved by the Commission of Human Rights on March 9, 1989 and to urge the Government of Cuba to release persons held in detention because of human rights activity.

The House bill contains no comparable provision.

The conference substitute (sec. 1006) is similar to the Senate amendment with a technical modification updating the congressional findings.

BOUNDARY AGREEMENTS WITH THE SOVIET UNION

The Senate amendment (sec. 1062) expresses the sense of the Senate that all agreements concluded between the United States and the Soviet Union on boundary issues should be submitted to the Senate in treaty form for advice and consent.

The House bill contains no comparable provision.

The conference substitute (sec. 1007) requires that all boundary agreements be approved by Congress in accordance with its constitutional responsibilities.

REPORT ON OCEANIA

The House bill (sec. 127) requires the Secretary of State to submit an annual report to Congress which addresses U.S. policy toward the South Pacific, examines instability and Communist influence in the region, assesses economic growth, and makes recommendations for a strong U.S. presence in the region.

The Senate amendment contains no comparable provision.

The conference substitute (sec. 1008) is similar to the House bill, but limits the report to fiscal years 1990 and 1991.

LATIN AMERICAN AND CARIBBEAN DATA BASE

The Senate amendment (section 125) authorizes $1,300,000, of funds available for salaries and expenses of the Department of State, to provide support for the establishment of a Latin American and Caribbean Data Base in fiscal year 1990. The amendment sets forth conditions regarding the data base. The amendment requires that the data base not be significantly duplicative of existing services.

The House bill contains no similar provision.

The conference substitute (section 1010) is the same as the Senate amendment with a technical modification.

The committee of conference notes with approval that substantial progress has been made toward establishment of this data base as required in the Foreign Relations Authorization Act for fiscal years 1988 and 1989. The committee of conference expects that the State Department will continue to provide timely and effective support for the data base.

REDUCTION IN AGGREGATE AUTHORIZATION

The House bill (sec. 1201) reduces the aggregate authorization of appropriations under this act by $125 million. In addition, the House bill (sec. 1202) expresses the sense of Congress that certain programs authorized by this legislation be exempt from the aggregate reduction.

The Senate amendment contains no comparable provisions.

The conference substitute deletes the provisions.

OILSPILL TREATY BETWEEN THE UNITED STATES AND CANADA

The Senate amendment (secs. 171 and 172) contains congressional findings regarding the shipment of oil through the Arctic Ocean and the Great Lakes by Canada and legal liability in the event of an oilspill. The Senate amendment also calls on the Secretary of State and the Foreign Minister of Canada to begin negotiations on a treaty dealing with recovery of damages, contingency plans, and coordinated actions in the event of an oilspill in the Arctic Ocean, and requires a report on these efforts no later than January 1, 1990.

The House bill contains no comparable provision.

The conference substitute deletes the provisions.

GLOBAL ENVIRONMENT PROTECTION ACT

The Senate amendment (secs. 611, 621-622, 631-33, 661, and 671-74) contains provisions dealing with global environment protection as follow:

Amends the Foreign Assistance Act to establish a new program of commercial debt-for-nature exchanges;

Establishes policies on multilateral coordination of foreign assistance programs to address global warming, tropical deforestation, sustainable development, and biological diversity;

Establishes policies and goals for incorporating environmental considerations in debt restructuring plans;

Directs U.S. Executive Directors of the multilateral development banks to negotiate for the creation of departments responsible for environmental protection and resource conservation, and guidelines for restoration, protection, or sustainable use policies;

Requires the Secretary of State to report on the political, economic, commercial and security implications of providing assistance in the form of technology transfers designed to improve energy efficiency;

Expresses the sense of Congress that the President should persuade world leaders to convene an International Energy Conference; and

Requires the President to submit a coordinated national policy of global climate change by February 1, 1990.

The House bill contains no comparable provisions.

The conference substitute deletes the provisions in anticipation that these issues will be addressed in separate legislation. The conferees agree that the President, through the Environmental Protection Agency, shall develop a policy plan on global climate change, pursuant to section 1103(b) of Public Law 100-204, and that that plan shall

be submitted to the Congress no later than February 1, 1990.

EXPEDITED PROCEDURE FOR DRUG CERTIFICATION LEGISLATION

The Senate amendment (sec. 1002) amends section 481(h)(6)(B) of the Foreign Assistance Act of 1961 to bring procedures for Committee on Foreign Relations of the Senate consideration of resolutions of decertification on major drug producing countries under the 1986 Drug Act into conformity with procedures provided by that act for other committees of jurisdiction. The Senate amendment (sec. 1036) also contains a provision negating the effect of section 1002.

The House bill contains no comparable provisions.

The conference substitute deletes the provisions.

ISSUANCE OF COMMERCIAL ARMS LICENSES

The Senate amendment (Sec. 1004) amends the Arms Export Control Act to require that the Office of Munitions Control notify applicants within 10 days of receiving an application of any outside agency referrals to which the application must go, set 30 calendar days as a target for making a determination on most license applications for exports to NATO countries or other major allies, and report on a semiannual basis on the percentage of cases which have fallen within these time frames.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

USE OF HERBICIDES IN DRUG ERADICATION PROGRAMS

The Senate amendment (sec. 1006) requires the Assistant Secretary of State for International Narcotics Matters to report on the use of aerial application of herbicides to eradicate cocaine or opium.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

PRESIDENT'S FOREIGN INTELLIGENCE ADVISORY BOARD

The Senate amendment (sec. 1008) contains congressional findings regarding the President's Foreign Intelligence Advisory Board and requires each member of the Board to file a full financial disclosure report with the Office of Government Ethics 30 days after enactment of this Act and every 180 days thereafter.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

INTERNATIONAL AGRICULTURAL CONSERVATION RESERVE

The Senate amendment (sec. 1012) contains congressional findings regarding worldwide soil erosion, farm subsidies, and world food production, and requires a report from the Secretary of State within 90 days of enactment on the feasibility of negotiating an international agreement to establish an international agricultural conservation reserve.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

HIGH SEAS DRIFTNET FISHING

The Senate amendment (sec. 1013) contains congressional findings on the detrimental effects of driftnet fishing in international waters, and expresses the sense of the Senate that the agreement between the United States and Japan on driftnet fishing be interpreted to ensure that for the 1990 fishing season electronic position-indicating and vessel-identification devices be installed and operating and that a sufficient number of observers be aboard all Japanese driftnet fishing vessels.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

CHEMICAL AND BIOLOGICAL WEAPONS SUPPLIERS GROUPS

The Senate amendment (sec. 1014) contains congressional findings regarding the proliferation of chemical and biological weapons and expresses the sense of Congress that the United States should initiate the establishment of a formal organization of supplier nations to coordinate policies to control the export of such weapons.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

MONITORING SYSTEM FOR THE INF TREATY

The Senate amendment (sec. 1015) requests that the Secretary of State report to the Senate on the installation of an x-ray monitoring system in the Soviet Union pursuant to the INF Treaty.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

NATO-WARSAW PACT MILITARY COMMUNICATIONS LINK

The Senate amendment (sec. 1016) contains congressional findings on the status of conventional force reduction talks between NATO and the Warsaw Pact and the establishment of a direct communications link between NATO and Warsaw Pact forces, expresses the sense of Congress that the President raise with NATO the issue of the establishment of such a link, and requires a report from the President on the technical feasibility, operational characteristics, and costs of establishing such a link.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

HUMAN RIGHTS IN YUGOSLAVIA

The Senate amendment (sec. 1018) contains congressional findings regarding human rights abuses in Yugoslavia and expresses the concern of Congress over such violations.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

TAIWAN

The Senate amendment (sec. 1019) contains congressional findings and expresses the sense of Congress regarding the future of Taiwan.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

DRUG-RELATED EVICTION PROCEDURES IN PUBLIC HOUSING

The Senate amendment (sec. 1021) repeals section 404 of Public Law 101-45, relating to drug-related eviction procedures in public housing.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

IMPORTATION OF DEFENSE ARTICLES FROM POLAND AND HUNGARY

The Senate amendment (sec. 1022) allows the importation by museums or educational institutions of certain defense articles from Hungary and Poland.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

SOVIET ARMENIA

The Senate amendment (sec. 1023) contains congressional findings regarding the treatment of Armenians by the Soviet Government and expresses the sense of the Senate: (1) supporting the reconstruction of Soviet Armenia; (2) urging President Gorbachev to continue discussions to reach a settlement to the dispute over Nagorno-Karabagh; and (3) urging that investigations of violence against Armenians be conducted at the highest levels.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

BURMA

The Senate amendment (sec. 1024) contains congressional findings regarding the political and human rights situation in Burma and expresses the sense of Congress condemning the continued violations of human rights by the Burmese Government and supporting an end to martial law and the holding of free and fair elections in Burma.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

CLEAN COAL TECHNOLOGY EXPORT PROGRAMS

The Senate amendment (sec. 1025) requires the President to submit a report within 90 days which identifies, inventories, and analyzes clean coal technology export programs within U.S. Government agencies.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

CUBA

The Senate amendment (sec. 1028) expresses the sense of the Congress regarding the right of the people of Cuba to participate in a secret ballot plebiscite on the approval or rejection of the current Government of Cuba.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

CONTROL OF ILLEGAL DRUGS IN MEXICO

The Senate amendment (sec. 1029) contains congressional findings regarding the production of illegal narcotics in Mexico and the status of U.S.-Mexican relations, and expresses the sense of Congress supporting the Government and people of Mexico's antinarcotics efforts, and urging Mexico to demonstrate its commitment to cooperating with the United States in antinarcotics efforts.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

COPRODUCTION OF KOREAN FIGHTER PROGRAM

The Senate amendment (sec. 1030) contains congressional findings regarding the coproduction of the "Korean Fighter Program", expresses principles for negotiation on such proposed coproduction, and expresses the sense of the Congress that the President should instruct the Secretary of Defense not to enter into any government-to-government memorandum of understanding on the proposed coproduction until thorough review has been conducted and a report submitted to Congress.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

HONG KONG

The Senate amendment (sec. 1031) requires the Secretary of State to report no later than January 1, 1990 on the implications of the crackdown by the Government of the People's Republic of China on pro-democracy demonstrators for the reversion of Hong Kong to the PRC in 1997.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

ROMANIA

The Senate amendment (sec. 1032) contains congressional findings regarding human rights abuses by the Government of Romania and requires the Secretary of State to report 60 days after enactment on additional diplomatic and trade sanctions which could be imposed on Romania.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

YANG WEI

The Senate amendment (sec. 1033) contains congressional findings concerning the arrest and imprisonment of Yang Wei, a Chinese national, and expresses the sense of the Congress that the People's Republic of China should release Yang Wei and all other political prisoners and take all necessary steps toward establishing a democratic society.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

The committee of conference condemns the continued imprisonment of Yang Wei and urges the executive branch to take all feasible steps to ensure the release of Yang Wei and all other political prisoners.

CHINESE STUDENTS IN JAPAN

The Senate amendment (sec. 1037) prohibits the U.S. Embassy in Japan from denying student visas to nationals of the People's Republic of China solely on the basis of recent political events in China where the student can demonstrate an ability to meet all other visa requirements and initiated an education plan including study in the United States prior to June 4, 1989.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

ADMINISTRATOR OF THE PANAMA CANAL COMMISSION

The Senate amendment (sec. 1038) amends title 22 of the U.S. Code to prohibit the appointment of a new Administrator of the Panama Canal Commission unless and until the President certifies that the ruling government of Panama has been democratically elected.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

LEBANON

The Senate amendment (sec. 1039) contains findings regarding the sovereignty and territorial integrity of Lebanon and expresses the sense of the Senate urging an end to the conflict in Lebanon.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

TIANANMEN SQUARE PARK

The Senate amendment (sec. 1041) contains congressional findings regarding the June pro-democracy demonstrations in China and authorizes the designation of a national park as "Tiananmen Square Park". In addition, the Senate amendment expresses the sense of the Senate that the National Park Service support public initiatives to raise private funds to place a replica of the Chinese student demonstrators' Statue of Democracy on the redesignated Tiananmen Square Park.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

COERCIVE POPULATION CONTROL IN CHINA

The Senate amendment (sec. 1042) directs adjudicators of asylum status pursuant to the Immigration and Nationality Act to give fullest possible consideration to applications of Chinese nationals who fear returning to China due to coercive population control policies.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

CONSERVATION OF SEA TURTLES

The Senate amendment (sec. 1044) directs the Secretary of State to initiate bilateral and multilateral negotiations with other nations on the conservation of sea turtles.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

EASTERN BLOC MILITARY ASSISTANCE TO CENTRAL AMERICA

The Senate amendment (sec. 1045) contains congressional findings regarding Eastern Bloc military assistance to Nicaragua and the Farabundo Marti Liberation Front (FMLN) of El Salvador and expresses the sense of the Congress that the Soviet Union and its allies should withhold military assistance to Nicaragua and the FMLN and withdraw their military support from Nicaragua.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

SOVIET AND VIETNAMESE NATIONALS REFUGEE STATUS

The Senate amendment (secs. 1046 and 1047) directs the Attorney General to establish standard profiles of refugee applicants to identify those with a strong likelihood of qualifying for refugee admissions. These categories of applicants with well established histories of persecution, including certain Soviet and Vietnamese nationals, would qualify for refugee status by demonstrating that they have been subject to certain adverse treatment as specified in the section. In addition, the Senate amendment (sec. 1047) requires the Attorney General to adjust to lawful permanent resident status those Soviet or Vietnamese nationals who were paroled into the United States on or after September 1, 1988 and before September 1, 1990.

The House bill contains no comparable provisions.

The conference substitute deletes the provisions.

CUBAN ALIEN SMUGGLING

The Senate amendment (sec. 1048) directs the Attorney General to investigate allegations of an alien smuggling ring operated by the Government of Cuba.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

CUBAN DRUG TRAFFICKING

The Senate amendment (sec. 1049) requires the Director of National Drug Control Policy to report within 60 days on past involvement of the Government of Cuba in narcotics trafficking and requires the Comptroller General to report within 180 days on the current involvement of the Government of Cuba in narcotics trafficking.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

COMMEMORATION OF VICTIMS OF TERRORISM

The Senate amendment (sec. 1051) contains congressional findings regarding incidents of terrorism involving Americans and authorizes the President to designate December 21, 1989 as "Terrorist Victims Commemoration Day".

The House bill contains no comparable provision.

The conference substitute deletes the provision.

INTERNATIONAL STRIKE FORCE

The Senate amendment (sec. 1052) expresses the sense of Congress that the President and Secretary of State should call for international negotiations to establish an international strike force to pursue and apprehend drug traffickers and terrorists.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

MULTILATERAL ANTI-NARCOTICS STRIKE FORCE

The Senate amendment (sec. 1053) contains congressional findings regarding a multilateral anti-narcotics strike force and authorizes the reallocation of funds from any U.N. program to establish such a strike force.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

SCHOOLS ON THE WEST BANK

The Senate amendment (sec. 1054) commends the decision by the Government of Israel to reopen schools on the West Bank beginning July 22, 1989.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

FORMULATION OF U.S. FOREIGN POLICY

The Senate amendment (sec. 1055) directs the Committee on Foreign Relations of the

Senate, in consultation with the Secretary of State, to issue a report to the Senate on the appropriate relationship between the executive and legislative branches in the formulation of U.S. foreign policy.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

ASSISTANCE FOR CAMBODIA

The Senate amendment (sec. 1056) establishes the policy of the United States to support the Cambodian non-communist resistance in its efforts to establish an independent, democratic coalition government in Cambodia, authorizes the President to make available FMS and ESF assistance to the non-communist resistance forces in fiscal year 1990, and prohibits the obligation or expenditure of funds for the purpose of promoting, sustaining or augmenting the capacity of the Khmer Rouge to conduct military or paramilitary operations in Cambodia or Indochina.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

TREATMENT OF HONG KONG AS A SEPARATE FOREIGN STATE

The Senate amendment (sec. 1057) provides that treatment as a separate foreign state for purposes of numerical limitations on immigration shall be considered to have been granted to Hong Kong effective beginning with fiscal year 1990.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

SANCTIONS AGAINST SOUTH AFRICA

The Senate amendment (sec. 1058) contains congressional findings regarding multilateral economic sanctions against South Africa as a way to end apartheid and expresses the sense of Congress that the President should take steps to bring about concerted multilateral pressure on the Government of South Africa to end the practice of apartheid.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

SITUATION IN SOUTH AFRICA

The Senate amendment (sec. 1059) contains congressional findings and expresses the sense of Congress regarding the political situation in South Africa and suggests that South African political change is moving in a positive direction to end apartheid and resolve regional problems.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

RECOGNITION OF PANAMANIAN PRESIDENT

The Senate amendment (sec. 1061) contains congressional findings concerning the May Presidential elections in Panama and expresses the sense of the Senate regarding the recognition of Guillermo Endara as President of Panama, the expulsion of Manuel Noriega from Panama, and the assumption of the Presidency by Endara.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

DETECTION OF PLASTIC EXPLOSIVES

The Senate amendment (sec. 1064) contains congressional findings regarding the use of plastic explosives by terrorists and expresses the sense of the Senate that the President should initiate negotiations on an international protocol requiring the placement of taggants in all plastic explosives.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

SOVIET GEORGIA

The Senate amendment (sec. 1065) contains findings regarding the history of Soviet Georgia and expresses the sense of the Senate supporting the aspirations of the Georgian nation for democracy and cultural and human rights.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

PROHIBITION ON CERTAIN TRANSACTIONS BETWEEN THE U.S. AND CUBA

The Senate amendment (sec. 1067) expands the current economic sanctions against Cuba by prohibiting the licensing of certain transactions between the overseas subsidiaries of U.S. companies and Cuba.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

USTR REPRESENTATIVE IN TOKYO

The Senate amendment (sec. 1068) expresses the sense of the Senate that the United States Trade Representative have a representative in the U.S. Embassy in Tokyo.

The House bill contains no comparable provision.

The conference substitute deletes the provision.

From the Committee on Foreign Affairs, for consideration of the entire House bill and the entire Senate amendment, and modifications committed to conference:

DANTE B. FASCELL,
LEE H. HAMILTON,
STEPHEN J. SOLARZ,
HOWARD WOLPE,
GEO. W. CROCKETT, Jr.,
SAM GEJDENSON,
MERVYN M. DYMALLY,
HOWARD L. BERMAN,

As additional conferees from the Committee on Armed Services, for consideration of sections 1016 and 1030 of the Senate amendment, and modifications committed to conference:

NICHOLAS MAVROULES,
DAVE MCCURDY,
JIM MCCRERY,

As additional conferees from the Committee on Banking, Finance and Urban Affairs, for consideration of sections 631, 632, 633, 1021, 1025, and 1030 of the Senate amendment, and modifications committed to conference:

HENRY B. GONZALEZ,
WALTER E. FAUNTROY,
MARY ROSE OAKAR,
CHALMERS P. WYLIE,
DOUG BEREUTER,

As additional conferees from the Committee on Energy and Commerce, for consideration of sections 221 through 229 of the House bill and sections 208, 701 through 707, and 1025 of the Senate amendment, and modifications committed to conference:

JOHN D. DINGELL,
EDWARD J. MARKEY,
MATT RINALDO,

As additional conferees from the Committee on Interior and Insular Affairs, for consideration of section 1041 of the Senate amendment, and modifications committed to conference:

MO UDALL,
DON YOUNG,

As additional conferees from the Committee on the Judiciary, for consideration of sections 138 and 213 of the House bill and sections 111, 114, 120, 131, 502, 503, 504, 1008, 1037, 1042, 1046, 1047, 1048, 1049, and 1057 of the Senate amendment, and modifications committed to conference:

DON EDWARDS,
BRUCE A. MORRISON,

As additional conferees from the Committee on Merchant Marine and Fisheries, for consideration of sections 1013, 1038, and 1044 of the Senate amendment, and modifications committed to conference:

WALTER B. JONES,
GERRY E. STUDDS,
ROY DYSON,
BOB DAVIS,
DON YOUNG,

As additional conferees from the Committee on Post Office and Civil Service, for consideration of sections 120, 121, 141 through 152, 161 through 164, 1011, and 1051 of the Senate amendment, and modifications committed to conference:

WILLIAM D. FORD,
GARY L. ACKERMAN,
GERRY SIKORSKI,
FRANK HORTON,
CONSTANCE MORELLA,

As additional conferees from the Committee on Public Works and Transportation, for consideration of sections 116 and 221 of the Senate amendment, and modifications committed to conference:

GLENN M. ANDERSON,
JAMES L. OBERSTAR,
DOUGLAS H. BOSCO,
JOHN PAUL HAMMERSCHMIDT,
THOMAS E. PETRI,

As additional conferees from the Committee on Rules, for consideration of sections 1002 and 1036 of the Senate amendment, and modifications committed to conference:

BUTLER DERRICK,
ANTHONY C. BEILENSON,

As additional conferees from the Permanent Select Committee on Intelligence for consideration of section 1008 of the Senate amendment, and modifications committed to conference:

ANTHONY C. BEILENSON,
DAVE MCCURDY,
BOB LIVINGSTON,

Managers on the Part of the House.

CLAIBORNE PELL,
PAUL S. SARBANES,
CHRISTOPHER J. DODD,
TERRY SANFORD (except for consideration of section 111),
DANIEL PATRICK MOYNIHAN (for the consideration of section 111, only)
RICHARD G. LUGAR,
NANCY LANDON KASSEBAUM,

Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BURTON of Indiana (at the request of Mr. MICHEL), for today, No-

vember 13, 14, and 15, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. BENTLEY) to revise and extend their remarks and include extraneous material:)

Mrs. BENTLEY, for 60 minutes, on November 13.

Mr. MICHEL, for 5 minutes, today.

Mrs. BENTLEY, for 5 minutes today, in lieu of 60 minutes.

Mr. MCEWEN, for 5 minutes, today.

(The following Members (at the request of Mr. STALLINGS) to revise and extend their remarks and include extraneous material:)

Mr. STAGGERS, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PANETTA, for 5 minutes today.

Mr. LEVIN, for 60 minutes, on November 13.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. BENTLEY) and to include extraneous matter:)

Mr. CLINGER in two instances.
Mrs. ROUKEMA.
Mr. DONALD E. "BUZ" LUKENS.
Mr. CRANE in three instances.
Mr. SHAYS.
Mrs. ROS-LEHTINEN.
Mr. YOUNG of Alaska.
Mr. SCHUETTE.
Mr. GALLEGLY.
Mr. YOUNG of Florida.
Mr. ROHRABACHER.
Mr. SAXTON.
Mr. MACHTLEY.
Mr. DAVIS.
Mr. HORTON.
Mr. BENTLEY.

(The following Members (at the request of Mr. STALLINGS) and to include extraneous matter:)

Mr. TORRICELLI in three instances.
Mr. DINGELL.
Mrs. KENNELLY.
Mr. FASCELL in three instances.
Mr. DOWNEY.
Mr. RAHALL.
Mr. MATSUI.
Mr. UDALL.
Mr. KLECZKA.
Mr. MILLER of California.
Mr. FAZIO in two instances.
Mr. BONIOR.
Mrs. BOXER.
Mr. OBEY.
Mr. PANETTA.
Mr. RAY.
Mr. LAFALCE.
Mr. MAZZOLI.
Mr. MANTON.
Mr. COLEMAN of Texas.
Mr. KANJORSKI in two instances.
Mr. BERMAN.
Mrs. COLLINS.
Mr. HARRIS.
Mr. STARK.
Mr. HOYER.

ENROLLED BILLS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that the committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1231. An act to establish a commission to investigate and report respecting the dispute between Eastern Airlines and the collective bargaining units, and for other purposes; and

H.R. 2710. An act to amend the Fair Labor Standards Act of 1938 to increase the minimum wage, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following title:

H.R. 3318. An act to redesignate the Federal building in Houston, TX, known as the Concorde Tower, as the "George Thomas 'Mickey' Leland Federal Building," and

H.R. 3287. An act to waive the period of congressional review for certain District of Columbia acts authorizing the issuance of District of Columbia revenue bonds.

ADJOURNMENT

Mr. DURBIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 20 minutes p.m.), under previous order, the House adjourned until Monday, November 13, 1989, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2004. A letter from the Secretary, Department of Housing and Urban Development, transmitting a report on security expenditures in public housing, pursuant to 42 U.S.C. 11907 Public Law 100-690, section 5102; to the Committee on Banking, Finance and Urban Affairs.

2005. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original reports of political contributions by Anthony Cecil Eden Quainton, of Washington, and Bradley P. Holmes, of Virginia, Ambassadors-designate and members of their families, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2006. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions by R. James Woolsey, of Maryland, for the rank of Ambassador during his tenure of service as U.S. Representative to the Negotiation on Conventional Armed Forces in Europe [CFE], and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2007. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions by Ruth V. Washington, of New York, Ambassador Extraordinary and Plenipotentiary-designate to the Republic of The Gambia, and members of her family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2008. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2009. A letter from the General Counsel, Department of Commerce, transmitting a draft of proposed legislation to amend section 4(b) of Public Law 97-454 regarding the effective date of that act in order to extend authority of the Secretary of Commerce to conduct the quarterly financial report program; to the Committee on Post Office and Civil Service.

2010. A letter from the Comptroller General, General Accounting Office, transmitting the Federal Financing Bank's financial statements for the year ended September 30, 1988, pursuant to 12 U.S.C. 2293; jointly, to the Committees on Banking, Finance and Urban Affairs; Government Operations; and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 2809. A bill to provide for the transfer of certain lands to the State of California, and for other purposes; with amendments (Rept. 101-337). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. S. 931. An act to protect a segment of the Genesee River in New York; (Rept. 101-338). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. S. 974. An act to designate certain lands in the State of Nevada as wilderness, and for other purposes; with amendments (Rept. 101-339, Pt. 1). Ordered to be printed.

Mr. ANDERSON: Committee on Public Works and Transportation. H.R. 2668. A bill to authorize the establishment with the Smithsonian Institution of the National Museum of the American Indian, to establish a memorial to the American Indian, and for other purposes; with amendments (Rept. 101-340, Pt. 1). Ordered to be printed.

Mr. MOAKLEY: Committee on Rules. House Resolution 268. Resolution to amend the Rules of the House of Representatives to clarify the right of the Speaker to attend

any meeting and to have access to any information in the possession of the Permanent Select Committee on Intelligence; (Rept. 101-341). Referred to the House Calendar.

Mr. FASCELL: Committee of conference. Conference report on H.R. 1487 (Rept. 101-343). Ordered to be printed.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. FASCELL: Committee on Foreign Affairs. H.R. 3611. A bill to combat international narcotics production and trafficking; referred to the Committee on Banking, Finance and Urban Affairs for a period ending not later than November 13, 1989 for consideration of such provisions of the bill as fall within the jurisdiction of that committee pursuant to clause 1(i), rule X (Rep. 101-342, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JENKINS (for himself, Mr. ARCHER, and Mr. FLIPPO):

H.R. 3628. A bill to temporarily reduce the capital gains tax for noncorporate taxpayers, and for other purposes; to the Committee on Ways and Means.

By Mr. SAWYER (for himself and Mr. RIDGE):

H.R. 3629. A bill extending the authority of the Secretary of Commerce to conduct the quarterly financial report program under section 91 of title 13, United States Code, through September 30, 1993; to the Committee on Post Office and Civil Service.

By Mr. DINGELL (for himself, Mr. WAXMAN, Mr. LENT, Mr. SHARP, Mr. MADIGAN, Mr. MARKEY, Mr. MOORHEAD, Mr. WALGREN, Mr. RINALDO, Mrs. COLLINS, Mr. WHITTAKER, Mr. SYNAR, Mr. BLILEY, Mr. WYDEN, Mr. OXLEY, Mr. ECKART, Mr. NIELSON of Utah, Mr. SLATTERY, Mr. BILIRAKIS, Mr. SIKORSKI, Mr. SCHAEFER, Mr. BRYANT, Mr. CALLAHAN, Mr. BATES, Mr. MCMILLAN of North Carolina, Mr. COOPER, Mr. BRUCE, Mr. ROWLAND of Georgia, Mr. MANTON, Mr. TOWNS, Mr. MILLER of California, Mr. STARK, Mrs. MORELLA, and Mr. BOUCHER):

H.R. 3630. A bill to amend the Public Health Service Act with respect to the prevention and treatment of substance abuse, including establishing separate block grants with respect to substance abuse and mental health; to the Committee on Energy and Commerce.

By Mr. FOGLIETTA (for himself, Mr. ACKERMAN, Mr. MARTINEZ, Mr. ATKINS, Mr. AUCOIN, Mr. LEWIS of Georgia, Mr. WEISS, Mrs. BOXER, Mr. ROBINSON, Mr. DWYER of New Jersey, Mr. FALEOMAVAEGA, and Mr. OWENS of Utah):

H.R. 3631. A bill to amend the Internal Revenue Code of 1986 to treat employer subsidies for mass transit as working condition fringe benefits; to the Committee on Ways and Means.

By Mrs. KENNELLY:

H.R. 3632. A bill to amend title XIX of the Social Security Act to improve coverage of nursing facility services under the Medicaid Program and to amend the Internal Revenue Code of 1986 to clarify the tax treatment of long-term care insurance; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. KOSTMAYER:

H.R. 3633. A bill to amend the Land and Water Conservation Fund Act of 1965 to authorize the Secretary of the Interior to study land and water areas on islands and to provide technical assistance to protect the natural, historic, cultural, recreational, and scenic values of islands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. THOMAS A. LUKEN (for himself, Mr. RINALDO, Mr. WHITTAKER, Mr. SMITH of New Jersey, Mr. LENT, Mr. ECKART, Mr. TAUKE, Mr. SLATTERY, Mr. SCHAEFER, Mr. BOUCHER, Mr. CALLAHAN, Mr. MANTON, Mr. MCMILLAN of North Carolina, Mr. SWIFT, Mr. TAUZIN, Mr. SIKORSKI, and Mr. BATES):

H.R. 3634. A bill amending the Hazardous Materials Transportation Act with respect to vehicles used for transportation of food and other items intended for human consumption; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

By Mr. MARLENEE (for himself, Mr. ROBERT F. SMITH, and Mr. SCHUETTE):

H.R. 3635. A bill directing the Secretary of Agriculture to treat equally all producers of agricultural commodities who replanted a crop following a disaster, and to operate a program for the removal and disposition of wheat and feed grains which have been sprout damaged, and for other purposes; to the Committee on Agriculture.

By Mr. MYERS of Indiana:

H.R. 3636. A bill to amend the Internal Revenue Code of 1986 to require certain information relating to fund raising to be included on returns made by tax-exempt organizations; to the Committee on Ways and Means.

By Mr. PANETTA:

H.R. 3637. A bill to amend the Internal Revenue Code of 1986 to allow the allocation of low income housing credits to buildings for which rehabilitation or construction is delayed due to federally declared disasters; to the Committee on Ways and Means.

H.R. 3638. A bill to amend the Internal Revenue Code of 1986 to allow penalty-free withdrawals from individual retirement plans for the repair of residences to the Committee on Ways and Means.

By Mr. RAHALL:

H.R. 3639. A bill to enhance the effectiveness and efficiency of surveying and mapping activities of the U.S. Geological Survey, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ROGERS (for himself, Mr. BUNNING, Mr. HOPKINS, Mr. NATCHER, Mr. PERKINS and Mr. HUBBARD):

H.R. 3640. A bill to clarify the exempting authority of the Securities and Exchange Commission under the Public Utility Holding Company Act of 1935; to the Committee on Energy and Commerce.

By Mr. SCHUMER (for himself and Mr. GEKAS):

H.R. 3641. A bill to amend title 18, United States Code, with respect to environmental crime; to the Committee on the Judiciary.

By Mr. ASPIN:

H. Con. Res. 225. Concurrent resolution directing the Clerk of the House of Representatives to make technical corrections in the enrollment of the bill H.R. 2461; considered and agreed to.

By Mr. MICHEL:

H. Res. 286. Resolution electing Representative RAVENEL of South Carolina to the Committee on Merchant Marine and Fisheries; considered and agreed to.

By Mr. CARDIN:

H. Res. 287. Resolution returning to the Senate the bill S. 686; considered and agreed to.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BATEMAN introduced a bill (H.R. 3642) for the relief of Izzydor Shever, which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 41: Mr. SKAGGS.

H.R. 94: Mrs. BOXER, Mr. OBERSTAR, Ms. PELOSI, and Mr. SANGMEISTER.

H.R. 98: Mr. PAYNE of New Jersey, Mr. SMITH of Vermont, Mr. HUNTER, Mr. GARCIA, Mr. DE LA GARZA, Mr. TOWNS, Mr. CONYERS, Mr. MORRISON of Washington, Mr. PETRI, Mr. ORTIZ, Mr. RANGEL, Mr. TAUKE, Mr. NIELSON of Utah, Mr. PORTER, Mr. LANTOS, Mr. HENRY, Mrs. BENTLEY, Mr. WOLPE, Mr. STOKES, Mr. ACKERMAN, Ms. PELOSI, Mr. OWENS of New York, Mr. OWENS of Utah, Mr. GRAY, Mr. DORNAN of California, Mr. MANTON, Mr. TORRES, Mr. WOLF, Mr. SIKORSKI, Mr. ROYBAL, Mr. FROST, Mr. ROE, Mr. KOSTMAYER, Mr. KASICH, Mr. DWYER of New Jersey, Mr. HYDE, Mr. BILBRAY, Mr. MCCLOSKEY, Mr. WALSH, Mr. BOEHLERT, Mr. MILLER of Washington, Mr. MORRISON of Connecticut, Mr. CAMPBELL of California, Mr. DOWNEY, Mr. ARMEY, Mr. BATES, Mr. SISISKY, Mr. QUILLEN, Mr. DELAY, Mr. YOUNG of Florida, Mr. FUSTER, Mr. CLARKE, Mr. ANDERSON, Mr. EDWARDS of Oklahoma, Mr. LEWIS of Georgia, Mr. HANSEN, Ms. SLAUGHTER of New York, Mr. BILIRAKIS, Mr. MURTHA, Mr. FAUNTROY, Mr. DONALD E. LUKENS, Mr. BUSTAMANTE, Mr. DARDEN, Mr. HUGHES, Mr. BROOMFIELD, Mr. RAHALL, Mr. STALLINGS, Mr. TRAFICANT, Mr. LIPINSKI, Mr. TANNER, Mr. HUBBARD, Mr. RIDGE, and Mr. DREIER of California.

H.R. 145: Mr. DICKS and Mr. SPRATT.

H.R. 509: Mr. ATKINS, Mrs. BYRON, Mr. DICKINSON, Mr. HUCKABY, Mr. LIGHTFOOT, Mr. LIPINSKI, Mr. NIELSON of Utah, and Mr. QUILLEN.

H.R. 586: Mr. SKAGGS and Mr. STOKES.

H.R. 645: Mr. DYSON.

H.R. 780: Mr. DWYER of New Jersey and Mr. WALGREN.

H.R. 963: Mr. RANGEL.

H.R. 1007: Mr. WISE.

H.R. 1011: Mr. WISE.

H.R. 1069: Mr. HOCHBRUECKNER.

H.R. 1083: Mr. PICKLE, Mr. YATES, Mr. TRAXLER, Mr. FASCELL, Mr. PACKARD, Mr. BLAZ, Mr. JENKINS, Mr. HARRIS, Mr. RUSSO, Mr. ROBERTS, Mr. MAVROULES, Mr. SCHIFF, Mr. VISCLOSKY, Mr. FEIGHAN, and Mr. GEREN.

H.R. 1136: Mr. MARTIN of New York, Mr. SLAUGHTER of Virginia, Mrs. ROUKEMA, Mr. HUGHES, Mr. THOMAS of California, Mr. THOMAS of Wyoming, and Mr. MADIGAN.

H.R. 1181: Mr. DELAY and Mr. ESPY.

H.R. 1243: Mr. KLECZKA.

H.R. 1586: Mr. BONIOR.

H.R. 1587: Mr. BONIOR.

H.R. 1593: Mr. MOODY, Mr. DONNELLY, Mr. DEWINE, Mr. HAYES of Louisiana, and Mr. DYMALLY.

H.R. 1730: Mr. HANSEN and Mr. PANETTA.

H.R. 1863: Ms. LONG.

H.R. 2096: Mr. SLATTERY.

H.R. 2378: Mrs. VUCANOVICH.

H.R. 2437: Mr. HILER and Mr. JONES of North Carolina.

H.R. 2575: Mr. FISH, Mr. RICHARDSON, Mr. HUCKABY, Mr. GOSS, Mr. STUMP, Mr. PENNY, Mr. ENGEL, Mr. ECKART, Mr. SLATTERY, Mr. BROWN of California, Mr. DINGELL, and Mr. STENHOLM.

H.R. 2647: Mr. FLORIO.

H.R. 2648: Mr. UDALL.

H.R. 2699: Mr. MOODY and Mr. HERTEL.

H.R. 2700: Mr. BOEHLERT and Mrs. JOHNSON of Connecticut.

H.R. 2763: Mr. SHAYS and Mrs. JOHNSON of Connecticut.

H.R. 2862: Mr. HOLLOWAY, Mr. MCNULTY, Mr. WALSH, Mr. LAGOMARSINO, Mr. OWENS of Utah, Mrs. BENTLEY, and Mr. FALEOMAVAEGA.

H.R. 2945: Mr. ROSE, Mr. PAYNE of New Jersey, and Mr. OWENS of Utah.

H.R. 2967: Mr. BURTON of Indiana.

H.R. 2970: Mr. GRANDY and Mr. STALLINGS.

H.R. 2974: Mr. SAVAGE, Mr. BEREUTER, and Mr. ESPY.

H.R. 3002: Mr. ASPIN, Mr. ECKART, Mr. MARTIN of New York, Mr. VENTO, and Mr. SCHUETTE.

H.R. 3033: Mr. HAMILTON, Mr. YATRON, Mr. CROCKETT, Mr. DYMALLY, Mr. LANTOS, Mr. SMITH of Florida, Mr. WEISS, Mr. ACKERMAN, Mr. OWENS of Utah, Mr. MCCLOSKEY, Mr. PAYNE of New Jersey, Mr. LAGOMARSINO, Mr. LEACH of Iowa, Mr. SMITH of New Jersey, Mr. BURTON of Indiana, Mrs. MEYERS of Kansas, Mr. DONALD E. LUKENS, and Mr. BLAZ.

H.R. 3079: Mr. ESPY.

H.R. 3155: Mr. VENTO.

H.R. 3238: Mr. GINGRICH, Mr. LEATH of Texas, Mr. SENSENBRENNER, and Mr. DONALD E. LUKENS.

H.R. 3267: Mr. ENGEL.

H.R. 3319: Mrs. JOHNSON of Connecticut.

H.R. 3321: Mr. PENNY, Mr. HANSEN, and Mr. KYL.

H.R. 3325: Mr. HENRY, Mr. INHOFE, and Mr. PURSELL.

H.R. 3401: Mr. WOLPE and Mr. EVANS.

H.R. 3422: Mr. MARTIN of New York, Mr. SMITH of New Hampshire, Mr. RINALDO, Mr. EMERSON, Mr. DANNEMEYER, Mr. PAYNE of Virginia, and Mr. ROE.

H.R. 3475: Mrs. ROS-LEHTINEN, Mr. CAMPBELL of California, Mr. COX, Mr. GILMAN, Mr. HERGER, Mr. MADIGAN, and Mr. MARTIN of New York.

H.R. 3483: Mr. UDALL and Mrs. BOXER.

H.R. 3498: Mr. DANNEMEYER and Mr. ROSE.

H.R. 3561: Mr. BEVILL and Mrs. COLLINS.

H.R. 3575: Mr. SHUSTER, Mr. EMERSON, Mr. FALEOMAVAEGA, Mr. HUGHES, Mr. FROST, and Mrs. COLLINS.

H.R. 3587: Mrs. COLLINS, Mr. DORNAN of California, and Mr. SUNDQUIST.

H.R. 3611: Ms. SNOWE, Mr. BEREUTER, Mr. BLAZ, and Mr. HOUGHTON.

H.R. 3624: Mr. LANTOS.

H.J. Res. 291: Mr. WAXMAN, Mr. WATKINS, Mr. HAMILTON, Mr. HUTTO, Mr. LEWIS of Florida, Mr. DONNELLY, Mr. KOSTMAYER, Mr. DICKS, Mr. TAUZIN, Mr. JACOBS, Mr. BRENNAN, Mrs. VUCANOVICH, Mr. BURTON of Indiana, Mr. ROWLAND of Georgia, Mr. SCHAEFER, Mr. COUGHLIN, Mr. BILIRAKIS, Mr. SLATTERY, Mr. ANNUNZIO, Mr. FLAKE, Mr. HUNTER, Mr. MATSUI, Mr. BONIOR, Mr. BROWN of California, Mr. TORRES, Ms. PELOSI, Mr. LEVINE of California, Mr. HAYES of Illinois, Mr. BUSTAMANTE, Mr. PARKER, Mr. WOLPE, Mr. WILSON, Mr. HEFNER, Mr. RAHALL, Mr. DELLUMS, Mr. ATKINS, Mr. MCCLOSKEY, Mr. ACKERMAN, Mr. STOKES, Mr. CAMPBELL of Colorado, Mr. MANTON, Mr. PAYNE of New Jersey, Mr. BRYANT, Mr. BOSCO, Mr. TOWNS, Mr. MARKEY, Mr. SABO, Mr. SMITH of Florida, Mr. DOWNEY, Mr. LEVIN of Michigan, Mr. LEHMAN of California, Mr. VENTO, Mr. HALL of Texas, Mr. FIELDS, Mr. SOLOMON, Mrs. SAIKI, Mr. RHODES, Mr. MARTIN of New York, Mr. BALLENGER, Mr. DURBIN, Mr. MCCRERY, Mr. CHANDLER, Mr. BILBRAY, Mr. EVANS, Mr. TORRICELLI, Mr. PALLONE, Mr. SOLARZ, Mr. STALLINGS, Mr. COSTELLO, Mrs. PATTERSON, Mr. HOYER, Mr. LIGHTFOOT, Mr. COBLE, Mr. GALLO, Mr. UPTON, Mr. MFUME, Mr. MCMILLEN of Maryland, Mr. LOWERY of California, Mr. DAVIS, Mr. SCHULZE, Mr. OWENS of Utah, Mr. RICHARDSON, Mr. WEISS, Mr. KANJORSKI, Mr. SCHUMER, Mr. PERKINS, Mr. DYMALLY, Mr. BEILENSON, Mr. MCHUGH, Mr. LAFALCE, Mr. ASPIN, Mr. DOUGLAS, Mr. ORTIZ, Mr. DIXON, Mr. PURSELL, Mr. SKEEN, Mr. DELAY, Mr. DORNAN of California, Mr. THOMAS A. LUKEN, Mr. MILLER of Washington, Mr. FEIGHAN, Mr. LEWIS of California, Mr. MORRISON of Connecticut, Mr. GEPHARDT, Ms. SLAUGHTER of New York, Mr. RUSSO, Mr. FOGLIETTA, Mr. MCMILLAN of North Carolina, Mr. SMITH of Texas, Mr. KENNEDY, Mrs. BOGGS, Mr. KLECZKA, Mr. BENNETT, Mr. GONZALEZ, Mr. HAMMERSCHMIDT, Mr. NATCHER, Mr. DONALD E. LUKENS, Mr. BLAZ, Mr. GORDON, Mr. WHEAT, Mrs. LOWEY of New York, Mr. ROHRABACHER, Mr. DREIER of California, Ms. OAKAR, Mr. MRAZEK, Mr. SKAGGS, Mr. JONTZ, Mr. WISE, Mr. DARDEN, Mr. WYDEN, Mrs. BOXER, Mr. PRICE, Mr. BORSKI, Mr. OXLEY, Mr. STAGGERS, Mr. SKELTON, Mr. COLEMAN of Texas, Mr. POSHARD, Mr. PICKETT, Mr. KOLTER, Mr. MURTHA, Mr. CARR, Mr. NEAL of Massachusetts, Ms. KAPTUR, Mr. SMITH of Vermont, Mr. SWIFT, Mr. IRELAND, Mr. TALLON, Mr. GUNDERSON, Mr. ROTH, Mr. BARTLETT, Mr. HERTEL, Mr. ROYBAL, Mr. CRANE, Mr. WHITTEN, and Mr. SAWYER.

H.J. Res. 338: Mr. WHEAT, Mr. WEISS, Mr. TORRES, Mr. COOPER, Mr. GEJDENSON, Mr. SCHUMER, Mr. MAVROULES, Mr. BRENNAN, Mr. LAFALCE, Mr. KENNEDY, Mr. DYSON, Mr. COLEMAN of Texas, Mr. FRENZEL, Mr. DARDEN, Mr. CONTE, Mr. JACOBS, Mr. ANDREWS, Mr. BILBRAY, Mr. HOYER, Mr. FEIGHAN, Mrs. KENNELLY, Mr. MOORHEAD, Mr. SYNAR, Mr. SHAYS, Mr. STALLINGS, and Mr. PANETTA.

H.J. Res. 413: Mr. BLAZ, Mr. HORTON, Mr. LANTOS, Mr. KOLTER, Mr. FUSTER, Mr. BUSTAMANTE, Mr. ROE, Mr. MARTINEZ, Mr. BEVILL, Mr. WILSON, Mr. MONTGOMERY, Mr. DORNAN of California, Mrs. COLLINS, Mr. DANNEMEYER, Mr. MCNULTY, Mr. KOLBE, Mr. BENNETT, Mr. GALLEGLY, Mr. ROWLAND of Connecticut, Mr. HANCOCK, Mr. MCDADE, Mr. LAGOMARSINO, Mr. HUGHES, and Mr. BURTON of Indiana.

H.J. Res. 421: Mr. LEWIS of Georgia, Mr. JACOBS, Mr. QUILLEN, Mr. DINGELL, Mr. HAYES of Louisiana, Mrs. SCHROEDER, and Mr. VANDER JAGT.

H. Con. Res. 123: Mr. BILIRAKIS, Mr. DINGELL, Mr. POSHARD, Mrs. MEYERS of Kansas, and Mr. PRICE.

H. Con. Res. 146: Mr. ROE, Mr. HAYES of Illinois, Mr. MARTINEZ, Mr. QUILLEN, and Mr. FROST.

H. Con. Res. 186: Mr. GOSS.

H. Con. Res. 195: Mr. WISE.

H. Con. Res. 216: Mr. ERDREICH, Mr. SCHULZE, Mr. SCHAEFER, Mr. LIVINGSTON, and Mr. TANNER.

H. Con. Res. 220: Mr. BILIRAKIS, Mrs. BYRON, Mr. CHAPMAN, Mr. FROST, Mr. JONTZ, Mr. MORRISON of Connecticut, Mr. SCHIFF, Mr. SHUSTER, and Mr. WALGREN.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2273: Mr. ROBINSON.

EXTENSIONS OF REMARKS

PHILOSOPHY OF TEACHING

HON. JOHN M. SPRATT, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. SPRATT. Mr. Speaker, I rise today to call attention to Rita Kay Beard, an outstanding teacher at Hillcrest High School in Dalzell, SC, who was recently selected National Teacher of the Year by IBM.

"Teaching is a calling, not a job," Rita Beard has said. "It is a noble profession. To give it our best demands a positive attitude toward students, parents, administrators, the community, and our positions. No paycheck will equal the 'extra' pay that comes when graduates call, write, or drop by to say thanks for something we did to smooth their paths. Granted they may be few and far between, but one student saved from failure makes it all worthwhile."

That, in sum, is Rita Beard's philosophy as a teacher. And this philosophy led to her selection as National Teacher of the Year by IBM and Classroom Computer Learning magazine. The competition was designed to recognize teachers in grades kindergarten through high school who use computers to improve the quality of education for their students. Rita Beard was nominated by the superintendent of her school district, Dr. Elijah S. McCants, and selected from among 500 entrants in the contest. As the winner, Rita Beard won for her school a lab of IBM computers, software, and printers.

I could speak at length about Rita Beard and the outstanding contributions she has made. But I think the best way to present her is through her own words.

Mr. Speaker, I am proud to submit for the RECORD the words of Rita Beard, as offered in her application for the National Teacher of the Year Award she has won.

PHILOSOPHY OF TEACHING

John F. Kennedy delivered a prophetic statement: "We must educate people today for a future in which the choices to be faced cannot be anticipated by the wisest among us." We must educate students today in such a way that will enable them to function in tomorrow's world. We must provide for the development of knowledge and skills that will permit students, regardless of professional or vocational goals in life, to participate intelligently in society.

One of education's prime responsibilities is to bring relevancy into learning programs. We must strive to provide challenges and successes for each individual student entrusted to us. We realize the American society is an ever-changing society and we must keep abreast of these changes. Therefore, we must constantly evaluate developments in our disciplines and must systematically read literature relative to our teaching field.

"You can lead a horse to water, but you can't make him drink," says the old adage. A student will learn only that which he has a desire to learn. In education, motivation is the desire to learn. As teachers, we should see that each individual student goes about his learning process possessing the highest possible degree of motivation.

The student's motivation is directly related to the teacher's success in making learning meaningful and interesting. Enthusiasm generates interest. The personality of the teacher has an effect on the motivation of students. Students become interested when the teacher exhibits enthusiasm for the subject. Teachers should make every lesson an exciting experience for the students and for the teacher. Enthusiasm is contagious—it spreads directly from the teacher, to the student, to the subject matter. Extreme care should be given in the planning for all classroom and class-related activities to take advantage of every opportunity to motivate each student to achieve.

Teachers should be positive role models for their students by advising student activities and attending school-related programs. The purpose of the school is to guide growth in knowledge, skills, habits, and attitudes which will enable students to live more effectively in the present as well as in the future. Extracurricular activities make a significant contribution to student growth. An adviser becomes part of student life. By participating in these activities the teacher is given the opportunity to talk with students and parents in an informal atmosphere. Students show more respect for teachers who support all phases of the school program.

In dealing with students in the classroom, the teacher must deal with attitudes—attitudes about self, others, and goals. He must set realistic goals of what he wants to do for his students. He also helps students set goals for themselves. He should take time at the beginning of each course to get to know the students—relate to them and their individual needs. Meeting each student's needs is the greatest challenge in teaching. They are all so different. The teacher must take notice of individual needs to help each student become the very best he or she is capable of becoming.

Teaching is a calling, not a job. It is a noble profession. To give it our best demands a positive attitude toward students, parents, administrators, the community, and our positions. No paycheck will equal the "extra" pay that comes when graduates call, write, or drop by to say thanks for something we did to smooth their paths. Granted they may be few and far between, but one student saved from failure makes it all worthwhile.

Teachers should instill in their students the belief that they can succeed if they learn the basic course principles, if they believe in the worth, and if they are willing to work hard and take risks.

EDUCATION ISSUES AND TRENDS

Education issues and trends of today include: teacher accountability, improving basic skills and standardized test scores, student and community apathy, cooperative learning, and choice in education. One of the most crucial issues, however, is the public's perception of education.

In an episode of a school-related television series, the principal made an interesting comment. He said that when he went to school, teachers worried about students chewing gum, talking in class, and failing to do their homework. Today, teachers deal with narcotics, weapons, violence, and teenage pregnancies. These problems vividly indicate some of the changes which have occurred in schools in the past few years.

Two other television series portrayed schools in which the schools struggle with the effects of broken homes, personality disorders, sexual permissiveness, abortions, and sex education. It was indeed rare to see a normal student in a normal learning situation.

In addition to television, newspapers and other news media constantly focus on the negative aspects of the school, particularly when there has been an incident which can be blown out of proportion. Whether it is a violent incident, or school district administrative problems, the media is always ready to report, react, and sometimes exaggerate.

All of the ills and problems of society have reached the schools. The expectation is that somehow schools should be able to solve them and at the same time educate the children; but, who is to blame?

We live in a world of misplaced values. We need to remember that values are instilled at home, by the parents. Parents need to become more involved in their child's education. Their involvement will determine how their child does in school. They need to be at home more for their child, set rules, and set a limit to the number of hours their child can work per week. They need to get involved with their child's education by attending school meetings, programs, and activities. Too many of our young people get little encouragement from their parents to excel in school.

The minimum-wage job is killing education. Students are working too many hours and not spending enough time doing their homework. They arrange their schoolwork around their work schedule. They don't have the time to do their homework or they don't have the discipline to make themselves do it. Our world is getting too advanced for our young people not to get an education.

As teachers we need to constantly strive to be an example by our own values and give strong values to our students. We need to help the students see the possibilities for themselves. We need to be a positive influence and a friend to them. We must encourage parents to participate in school activities. We must build quality relationships with our students. We must love them, nurture them, support them, be proud of them, and teach them all we can. As teachers we need to sell ourselves to the public by making the public aware of the consequences of a good educational system and one that comes from one under stress.

It is time that we join hands with the school district, the community, the state, the parents, and students. We must make sure that we are providing the best educa-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

tion possible for our young people. After all, our future is in their hands.

PERSONAL TEACHING STYLE

Teaching style plays a major role in determining the student's level of motivation. It affects classroom discipline and the level of communication between students and teacher.

My classroom activities are designed to build on individual student interests, strengths, needs, and desires. Students are encouraged to assist in selecting projects and other class activities. Being involved provides more effective motivation.

Highly motivated students use time more effectively. An important factor in maintaining high motivation is the use of a wide variety of teaching methods from day to day and within each class period. Boredom reduces time on task, and therefore reduces learning. Methods that work for me include: student/teacher demonstration, role playing, problem solving simulations, gaming strategies of all kinds, overheads and other audiovisual materials, small group and individualized work, brainstorming, questioning techniques, panel discussions, resource speakers, and microcomputers.

My classes are organized so that a variety of activities can be conducted at the same time. By permitting small groups to work on different activities, the individual student needs and interests are being met.

I integrate FBLA (Future Business Leaders of America) and class activities with other course work in English, history, and math classes by giving teachers a listing of free enterprise teaching activities to be used in their classes. I have conducted computer in-services to enable teachers in other departments to utilize computers in their classes.

I make sure that my curriculum challenges all the students in the class regardless of their ability. I want all of my students to succeed.

The Teaching Profession: (a) Would you recommend that your most capable students enter the teaching profession?

I would recommend that my most capable students enter the teaching profession. Teaching has been a very rewarding career for me for the last 10 years even though it has not been easy being a teacher. Teaching is much harder and more time consuming than I expected. Teaching takes a lot of hard work, patience, strength, perseverance, and overcoming of frustrations.

If we are to attract our brightest students and equip them for a teaching career to ensure that tomorrow's youth is well taught, we must serve as a role model for our future teachers. We can do much to enhance the image of our profession, encourage our capable students to enter the profession, and give them the tools they will need to succeed. Here are several tips I would give my students to help them make that most important decision.

Be competent. There is no substitute for competence. An effective teacher never stops learning. It is important to keep current in one's subject area by attending conferences, joining professional organizations, and taking classes. Show enthusiasm for your subject. You will have much competition for your students' attention. If you aren't excited about your subject, your students won't be. Develop effective rapport with your students. Your international skills with students will be remembered by more students and for longer than anything else you do or say. Respect and treat each student as an individual. Care about each student and show a genuine interest in the student as a person worthy of your time and attention. Enlist the help of parents. Most parents hear from teachers only when something has gone wrong. When something goes right, let the parents know. It will buy you a world of support.

The Teaching Profession: (b) What would you do to assist teachers in becoming exemplary?

A teacher has to have the capabilities of becoming exemplary. He must take a long look at himself, recognize his weaknesses and set out to improve them.

An exemplary teacher will show a willingness to accept leadership roles in the department and school. He will work with teachers in his department and school to provide the best curriculum of courses and programs to assure that students are getting the best education. He keeps professional ethics at a high priority, never undermining the school or the school system. He recognizes and compliments his peers.

In his strive for excellence, the exemplary teacher will develop professional relationships with teachers, administrators, and parents. He takes an active role in his professional organizations. This participation keeps him abreast of current trends and new teaching techniques in his area. Through association with colleagues at professional meetings, he will pick up new and practical ideas for the classroom.

An exemplary teacher establishes a good working relationship with his state department. State department personnel can be a tremendous help to the teacher in many ways. Help is available through them for professional growth such as grants, interns, and research opportunities, plus special teaching ideas for the classroom.

To be exemplary, the teacher must be an ambassador of education in the community where he teaches. The teacher serves as a model of the school system for the public in the broadest sense. He needs to cultivate and maintain amicable and harmonious relationships with all persons involved in the education process.

The Teaching Profession: (c) To what extent do you think teachers should be accountable for the outcomes of their students?

Teachers should feel that they are responsible for a trust. Our teaching will affect the future of each student who enters our classroom in some way. This result of teaching is a tremendous trust that is being placed on the shoulders of our profession. Does the placement of this trust actually indicate that teachers should be held accountable or is it simply saying that someone must be held accountable for the results of education?

In the process of improving education, not one single group should be held accountable, but rather all who are concerned with the educational system must become involved and be at least partially accountable. This includes students, teachers, administrators, school board members, parents, and the local community. We are each accountable to society and to ourselves. We should be capable of justifying our performance if called upon to do so. Our performance should be based upon sound educational principles. Each of us is accountable to all others and the responsibility should be shared by all.

Accountability has some consequences both good and bad. It might require that we reevaluate our objectives and how they are achieved. It might require teachers to work harder or be relieved of their duties. It might force us to make changes in our methods of evaluation.

There are many questions to be answered before any determination of "how accountable" can be made. Teachers must be sure they are not leaving out the broad education of their students by substituting only that which can be easily measured. We must not only teach facts. We must not destroy the desired end product of our educational system, a student who can both think and perform intelligently.

National Teacher of the Year: What would be your message to America?

A more competent and productive workforce is needed to keep our nation competitive with other countries. The ability to work together using new technologies will ensure our country's success in the global economy.

America needs an education system that does the job of preparing students to meet the demands of the job market. To cultivate such a system, we must specify the literacy and technological literacy skills that will be needed for competent performance in the workplace.

High school graduates are being called upon to have computer skills as they leave school, whether they go on to college or directly into the job market. Businesses are searching for talented and skilled computer-literate workers to lead them into the 21st century and the information age. What these two facts suggest is that computer education should be one of the highest priorities for schools now and in the future. Computer use should be integrated into all areas of the curriculum so that the students can learn to use technology in as many situations as possible.

The integration and implementation of computer technology in the classrooms is needed in education today, more than ever before. As teachers, our task is to prepare our students for the world of work and to do that we must stay abreast of the changes in society that are being driven by technology.

The impact of computers on society and education will largely be dependent on the effectiveness of our battle for men's minds. It is the teachers who play the key role in motivating and leading students. A rededicated commitment to encouraging students to maximize their talents will pay high dividends. Minimum competency, academic excellence, and intellectual development must be the central roles of education. Teachers' effectiveness will be enhanced by computers to give more time for individual attention, support, challenge, and leadership. The result is a more productive, competitive America with the opportunity for more meaningful jobs and lives.

PETER SECCHIA, UNITED STATES AMBASSADOR TO ITALY

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. TORRICELLI. Mr. Speaker, I am inserting in the RECORD an article concerning Peter Secchia, the new United States Ambassador to Italy:

SECCHIA ENJOYS AMBASSADORSHIP, BUT WARY OF MEDIA

(By John Flesher)

WASHINGTON.—The broad grin, booming voice and forceful presence were still there as the Michigan businessman-turned-diplomat strode down the hall at the Washington Hilton.

"Hi, I'm Pete Secchia," he said, shaking the hand of a man he'd never met as though they were lifelong friends.

Within minutes, the U.S. ambassador to Italy had found the National Italian-American Foundation seminar on international trade. He mingled easily with the crowd, laughing, slapping backs, making introductions. Later he delivered a speech on U.S.-Italian trade relations before dashing to the State Department for a meeting. He had returned to Washington for Italian President Francesco Cossiga's mid-October state visit.

Three months after winning a bruising battle for Senate confirmation, Secchia is enjoying his new job. He's apparently a hit in Italy, where newspapers that complained about "the ambassador of dirty words" before his arrival have labeled him "simpatico" (likeable) and "Il Cugino Peter" (Cousin Peter).

And thus far, he's avoided the foot-in-the-mouth remarks that got him in trouble back home, delaying his confirmation and leading Senate Foreign Relations Committee chairman Claiborne Pell to call Secchia "an embarrassment to the United States."

The lone flap involving him came during his first week on the job, when leftists attacked Secchia for reiterating longstanding U.S. opposition to communist participation in the Italian government.

"The critics were wrong," said Richard Gardner, a Columbia University professor of international law who was ambassador to Italy during the Carter administration.

Gardner, a Democrat, said he sounded out Italian political and government leaders during a recent visit to Italy and during Cossiga's U.S. tour. "They were genuinely pleased with Secchia," he said. "He's a hard worker and a hell of a nice guy."

Representative Paul Henry, a Republican whose district includes Secchia's hometown of Grand Rapids, said Italians like his outgoing style. "He's gone out to small towns to dedicate buildings, he goes to trade fairs," Henry said. "He's no behind-the-walls ambassador."

A Capitol Hill source, speaking on condition of anonymity, said the only complaint making the rounds about Secchia is his lack of fluent Italian. Secchia says he's making progress toward mastering the language.

Secchia, 52, is a second-generation Italian-American who built a $400-million lumber and restaurant conglomerate in Grand Rapids. A longtime Republican Party activist and ally of Gerald Ford, he played a key role in George Bush's 1988 presidential campaign.

His salty language and rough-and-tumble brand of politicking were no secret in Michigan when Bush nominated Secchia for Italian ambassador. But his friends complain that his good qualities—generosity, strong leadership, good husband and father of four were overlooked in the harsh glare of the national spotlight.

"Everybody tolerated the loose lips (in Michigan) because he was such a great community leader and family man," Henry said. But on Capitol Hill, "it was like he had 51 aces and one queen of spades and they picked on the spade."

For his part, Secchia says he's still the same person he was before the criticism. But he is clearly bitter about how he was treated and he holds the Washington media in contempt.

"The Italian press calls me 'ambassador of friendship,' they say 'he's our kind of guy,' but that doesn't get printed over here," he said in an interview en route to the State Department. "The American press doesn't care, they really don't care."

Secchia said he often considered withdrawing from consideration for the ambassadorship. "Look, I've been married to the same woman for 25 years, I've got four kids. I didn't need all those hits," he said.

"I've done a good job at everything I've ever done. Talk to anybody who worked for me or with me on any of my projects and they'll say the same thing. * * * Those news articles were created to cause me trouble, and they did. But they didn't deter me, they didn't stop me, so they failed."

ECONOMICS AND THE MINIMUM WAGE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. CRANE. Mr. Speaker, over the last few months Congress has been debating the merits of a higher minimum wage. Those of us who oppose raising the minimum wage have continued to make the point that the price we as a nation will pay for an increase will be fewer jobs for unskilled or part-time workers. Common sense and basic economics tells us that this assumption is correct—the more you have to pay for something the less you are going to use it. An article that appeared in the New American of September 25, 1989, exposes the serious flaws in the arguments employed by proponents of minimum wage increases, and leads one to wonder whether these self-proclaimed champions of lower income working Americans are really champions or something quite the opposite.

[From the New American, Sept. 25, 1989]

BETTER OFF UNEMPLOYED?

(By Roger Koopman)

I can think of no single measure that does more mischief to an otherwise expanding economy and job market than a minimum wage law. Minimum wage statutes defy all logic and violate the most basic laws of economics. They are predicated on the dual assumption (1) that employers were put to earth to exploit workers, and (2) that wages will rise only through government coercion. In fact, the only time that "exploitation" exists on either side of a voluntary employment relationship is when government intervention distorts that relationship with politically-imposed requirements on one party or the other.

Furthermore, real wages always increase in direct proportion to the degree of economic freedom that is allowed to exist. Invariably, wages rise faster when allowed to reflect true market conditions of labor productivity, supply, and demand than when they are set artificially by legislative fiat.

Let's first consider the exploitation argument, for this is central to the minimum wage rationale. The thinking goes something like this: Since employers will naturally try to keep their labor costs down during the hiring process (generally a true statement), therefore workers are at the mercy of greedy, exploitive businessmen who force them to accept "unfair wages" and to work for less than what they are worth (a totally false conclusion).

The operative question is: What is a "fair wage?" By definition, it is a freely arrived-at wage, i.e., one which the employer is willing to pay and the employee is willing to accept. It is no more "exploitive" for an employer to negotiate the lowest acceptable wage than it is for the employee to negotiate for the highest acceptable wage. Neither person is forced to accept the other's offer. Indeed, the employer will quickly discover that if his wage offering is too low he will find no takers. His competitors, by bidding more, will establish the free market wage level, will attract the most qualified workers, and will prosper.

HOW ABOUT A MAXIMUM WAGE?

The idea of a minimum wage law to "protect" labor from wages that are too low is no more moral or rational than the idea of a maximum wage law to protect business from wages that are too high. In both cases, the "logic" is the same—that government should intrude on our economic relationships and set fixed standards that apply to all people under all circumstances.

Under the present state of American politics, it is the average wageearner who is regarded as downtrodden and in need of protection. No one worries about what the business person or the independent contractor is earning in the face of market competition that reduces his income. No one has suggested that we pass "minimum profit laws." And yet, government-guaranteed minimum wages and minimum profits are just opposite sides of the very same coin. The principles are identical.

To arrive at the minimum wage mentality requires that one view all people as being part of homogeneous interest groups—never as individuals with diversified interests, capable of acting in their own interests. Call it "paternalism," call it "collectivism," call it whatever you wish—this kind of thinking is inimical to a free society.

But what of the minimum wage advocates' other claim—that wages only rise when mandated by government? Let's examine the facts, my hometown job market being a good example. When the $3.35-per-hour federal minimum was first imposed in 1981, the majority of jobs our employment agency handled were at or near that level. The typical office job, for instance, paid $600 a month: $750 was exceptional. Today, the average office job pays $800-850 per month, and salaries of $1,200 or more are not uncommon. These increases came about naturally, through the marketplace, without any change in the minimum wage. On the national level, the trend has been exactly the same, where only about one-third as many minimum wage jobs exist today as were around in 1981.

FIRST RUNG OF THE LADDER

Minimum wage proponents would quickly point out that there are still people working for $3.35 an hour today—which, adjusted for inflation, is a lower real wage than the 1981 minimum. Obviously, that's true. But therein lies the lesson: In almost every case, these marginal workers, employed at $3.35 an hour in 1989, would have been unemployed in 1981. Who are we to say that they are wrong to work at this wage—that they are better off unemployed?

Indeed, an argument can be made that the $3.35-per-hour job is more important to our economy and to the work force than the $10- or $20-per-hour position. This is because the $3.35-per-hour job represents growth that extends down to those people who, more than anything, need a chance to get their foot on the first rung of the economic ladder—at whatever wage they are worth.

What's important is not the beginning wage, but the beginning. Some will say that $3.35 an hour (or less) is not a "dignified" wage, that people would find more dignity drawing welfare or unemployment benefits. These folks have a right to their opinions, of course, and will never be compelled to accept these wages for themselves. But do they have a right to bind their opinions on others who are out of work or would be thrown out of work by an increase in the minimum wage? In a free society, doesn't each worker have a moral right to decide for himself?

VETERANS DAY HONORS THE BRAVE MEN AND WOMEN WHO FOUGHT TO PROTECT OUR FREEDOMS

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mrs. MORELLA. Mr. Speaker, at 11 a.m. November 11, 1918, an armistice was signed in a railroad car outside of Paris ending the fighting of World War I. This armistice served to protect democracy and freedom in the world and restored the blessings of peace once again to our country.

However, in the 71 years since that blustery European morning which concluded the "war to end all wars," much has changed in the world, and much will continue to change. The United States has had to repeatedly act to preserve our rights and our freedoms in battle. Nevertheless, democracy has been, and currently continues to be, valiantly and courageously protected.

We observe Veterans Day for the many proud American men and women who have served, and are serving, our country to ensure that you and I can speak freely, that we can voice our opposition, to and support of, our Government, and that we continue to possess other rights and privileges which we sometimes take for granted. Veterans Days is for those who fought fiercely on behalf of freedom and justice throughout the world, and then came home to us. Veterans Day is for those, many of them our children, who are presently serving this country abroad and at home. And Veterans Day is especially for those brave men and women who died in battle so that we could live free of tyranny and oppression. Veterans Day never lets us forget that our fellow Americans have not died in vain.

This weekend, in Montgomery County, MD, a number of Veterans Day commemorations will be conducted. There will be ceremonies in Bethesda, at the Woodmont Triangle; in Takoma Park; and in Wheaton, among others. In Wheaton, 4 of the more than 25 million men and women who served in the U.S. Armed Forces during the 4 wars of the 20th century will be guest speakers at the annual Veterans Day ceremony.

Nathan D. Golden, a much-decorated veteran and current resident of the Washington Veteran's Affairs Medical Center nursing home, will speak for those who fought in France in World War I. Representing veterans of World War II will be Cyril J. O'Brien, a Marine Corps infantryman with the Third Marine Division in Bougainville, and a combat correspondent in the battles at Guam and Iwo Jima. My husband, Tony Morella, who was an Air Force captain from 1951 to 1954, will speak for those who served during the Korean war. Carl J. Warren, a recipient of two Purple Hearts for wounds received in action and a recipient of the Silver Star Medal for heroism as a Navy medical corpsman attached to the Third Marine Division, will speak on behalf of those who fought in the Vietnam war.

The Wheaton ceremony will be hosted by Silver Spring Memorial Post No. 2562 of the Veterans of Foreign Wars and its neighbor, Wheaton American Legion Post No. 268. Other groups of veterans in the suburban Maryland area, including the Ernie Pyle Chapter of the Disabled American Veterans, will also be participating.

I am proud to take this opportunity to salute our Nation's veterans for their contributions to the cause of peace and freedom. I know my colleagues will join me this weekend in extending our gratitude and appreciation to our Nation's veterans.

CONGRATULATIONS TO REV. RICHARD H. PURYEAR

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. TORRICELLI. Mr. Speaker, it is with great respect and admiration that I address my colleagues in the House today, for I rise to extend my heartiest congratulations and warmest best wishes to Rev. Richard H. Puryear.

Reverend Puryear was licensed to preach in 1947 and has been in the ministry for 42 years. In 1952, Reverend Puryear founded and organized the Mount Lebanon Baptist Church in Peeksville, NY. He served as pastor of the New Hope Baptist Church in Hackensack, NJ from 1962 to 1969 before founding the Trinity Baptist Church where he has served as pastor for the last 20 years. Pastor Puryear is the eldest clergyman in the city of Hackensack and he is beloved and respected by all his colleagues as well as the citizens of Hackensack.

As Hackensack's senior pastor, Reverend Puryear is involved in numerous religious and community organizations. He currently serves as vice president at-large of the Hampton Ministers Conference, Hampton University, Hampton, VA; member of the community development and reinvestment advisory committee of the Midlantic/North Bank, West Paterson, NJ; member of the board of trustees of the Johnson Free Public Library, Hackensack, NJ; member, advisory board of the Garden State Chorale Chapter, Hackensack, NJ; past president of the Bergen County Fellowship of Black Churches; past president of Hackensack Clergy Association; honorary past master of the Mount Zion Lodge No. 50, Hackensack, NJ.

Pastor Puryear has been noted and awarded for his meritorious outstanding leadership in religion by the National Council of Negro Women, Inc.; the National Association of Business and Professional Negro Women, Inc.; and the Bergen-Passaic Ministerial Alliance of New Jersey as well as the Hampton Minister's Conference, for longevity of service.

Rev. Richard H. Puryear has been married to Mamie Bolden Puryear for the past 48 years. They have three children, Beverly Cheryl, Richard, Jr., and Deborah Anne. Reverend and Mrs. Puryear share five grandchildren, Lori, Brian, Stephanie, Ashley, and Lauren, and one great-grandson, J. Chandler.

Reverend Puryear has dedicated himself to his community and has achieved a distinguished record of service and leadership. I know he will continue to respond to the needs of others and extend his talent and support, energy, and enthusiasm to Trinity Baptist Church.

Mr. Speaker I am proud to join in paying tribute to this exceptional man and his efforts and offer my best wishes for continued success.

THE LONG OVERDUE HONOR FOR VETERANS OF WORLD WAR I

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. YOUNG of Florida. Mr. Speaker, This weekend our Nation celebrates Veterans Day to honor those Americans who have come to the defense of our Nation in its time of need. This national holiday was established on November 11 to commemorate the signing of the armistice that ended World War I.

Unfortunately, 71 years after the official end to that conflict, the veterans of World War I still have never been adequately compensated for their service to protect our sacred freedom. Instead, they have been lost in the transition between the comprehensive educational and medical benefits our Nation affords those who have served since World War II and the special service pensions Congress established for veterans from the American Revolution to the Spanish-American War.

When I first introduced legislation to grant the veterans of "The War To End All Wars" a pension in 1971, there were more than 1.4 million of these veterans living in the United States. Sadly, today they number less than 100,000 and with an average age of 94, time for them is quickly running out. If we are to correct this injustice, we must act now.

Legislation I have again cosponsored will rectify this situation. H.R. 1918, the World War I Service Pension Act of 1989, would finally provide a $150 per month pension to these veterans and $100 for surviving spouses. This modest amount would make a significant dif-

ference to the lives of these forgotten doughboys, marines, and sailors by bringing their benefits in line with those veterans of other wars and by letting them know that we remember their service in preserving our liberty.

As we remember our veterans and the end of the Great War this Saturday, let us also finally remember our oldest veterans and their widows. Seventy-one years later, it is time for us to fulfill our obligation to World War I veterans and grant them their rightful pension.

TRIBUTE TO DR. GEORGE P. EVANS

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. CLINGER. Mr. Speaker, it is with great pride and admiration that I rise today to salute an outstanding individual from Bradford, PA—McKean County—located in my 23d Congressional District. I am speaking of Dr. George P. Evans, faculty adviser of the Bona Venture newspaper at St. Bonaventure University. Dr. Evans has been selected as the 1989 national recipient of the Distinguished Advisor Award for all 4-year colleges and universities. This award is sponsored by College Media Advisors [CMA].

Dr. Evans' selection was based upon numerous recommendations submitted by University administrators, faculty, students, and alumni and judged by an independent selection committee of CMA.

Dr. Evans is an associate professor of mass communications at St. Bonaventure, and is also a former department chairman. He has also been the recipient of fellowships since 1984 from the American Press Institute in Reston, VA, the Poynter Institute for Media Studies in St. Petersburg, FL, and the Gannett Center for Media Studies in New York City.

I would like to acknowledge Dr. Evans' outstanding work with the Bona Venture, in particular his maintenance of responsible and accountable press freedom. His perpetuation of student staffs over the years has produced many award-winning editions. He was cited for "perpetuation of a repertorially sound and financially solvent publication in each of his twenty-one years as advisor."

Dr. Evans has devoted many exceptional years to the educational system. He is on the council of judges for the Columbia Scholastic Press Association and the board of judges for the Associated Collegiate Press and National Scholastic Press Association.

Dr. Evans has been a frequent speaker at press conventions and conferences, including those at Columbia University in New York City. On November 10 of this year he will be a featured speaker at the Pennsylvania Scholastic Press Association's convention in Harrisburg.

The Distinguished Advisor Award from the CMA, which is its highest award for an advisor, will be presented at the groups' annual convention in New Orleans, on November 19, 1989.

Mr. Speaker, individuals like Dr. Evans are an asset to society. On behalf of the 23d Congressional District of Pennsylvania, I would like to congratulate Dr. Evans on his outstanding accomplishments and wish him continued success.

AMERICA WITHOUT RESOURCES—A SECOND RATE POWER FOR THE CENTURY OF THE PACIFIC

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. YOUNG of Alaska. Mr. Speaker, as we reach the beginning of the last decade of the American century, many are saying that the 21st will be the century of the Pacific. This is predicated upon the assumption that the United States is becoming a second rate power.

It's no wonder, given this Congress' approach to locking up lands and resources so they will never be used. We now have hundreds of millions of acres off limits to any reasonable use.

We import coal. We import oil. We import gas. We import minerals. We import lumber. We import electricity. We import everything. We produce less and less. Instead, we make playgrounds for the rich—parks and wilderness.

This is not the country that pulled Europe's bacon out of the fire during World War II. This is a country grown soft and stupid. There isn't a country in the world doing what we do. Maybe that's why none is slipping as fast as we are.

If we don't have the will to develop our own resources, maybe we should sell our country to the Japanese; at least they'll put us to work on the land. They would never waste God's bounty, as this Congress does.

I include an article written by Mr. Dave Brown, of the U.S. Bureau of Mines, to educate Members about where things come from.

[From the Juneau Empire, Sept. 15, 1989]

MINERALS AND THE ENVIRONMENT: WE DON'T HAVE TO CHOOSE BETWEEN THEM

(By David S. Brown)

What troubles me so often about debates over the environment, which I have heard since I entered government in the late 1960s, is that the issues are so often presented as a false dilemma—the either-or fallacy in logic. The either-or fallacy allows only two possible choices: Either protect the environment or exploit it. In reality, however, there may be a few more options. The diverse, often competing, values that the Earth offers require us to weigh and balance those options through a range of policy options. A quality environment and economic growth and opportunity are not mutually exclusive.

First, let me acknowledge that I support a set of resource values recognized in U.S. laws and deemed important down through history for the success of free, progressive, and secure societies: the importance of access to raw materials. Increasingly, however, mineral raw materials have been viewed at best as not particularly relevant to a sophisticated, technological society, and at worst monstrously destructive of our natural environment. Both perceptions, in my judgment, are wrong.

I start from a very simple premise: Everything is made from something—either renewable or nonrenewable resources. So the substance of things, if you will, and where and how we obtain this is of vital importance and concern. Mineral elements, whether common or exotic, are essential societal building blocks.

You can think of national economies as great pyramids with service and commercial sectors at the top, followed by light, then heavy industries. At the base are agriculture, energy and raw materials. These base industries historically have been singled out for special emphasis and treatment by governments because they create wealth. In 1988, the value of materials produced from raw nonfuel minerals mined in the United States was $300 billion. Dependable, reasonably priced food, energy, and minerals have determined the growth of nations and the course of history. They determine whether a superpower, for example, will have maximum options to protect its security and interests when they are challenged or threatened in the world.

Once, Americans better understood the dependence on the Earth to supply our basic needs. Yet, we now seem to have forgotten that umbilical-like connection to our natural resource base and the need to properly conserve, develop and manage it for today and future generations. Other nations seem not so jaded. The Canadians, the Australians and the Chinese, among others, are committed to the orderly inventorying and use of their mineral storehouses. Certainly, Third World development is inextricably linked to natural resources. Minerals are key to laying the economic infrastructure in much of the Third World. Third World nations understand this completely.

To most Americans, on the other hand, electricity comes from a wall socket, gasoline from a pump and chrome from Detroit. Yet, each American will use 40,000 pounds (lb.) of new materials each year. A new-born citizen in his lifetime will use, among other things: 91,000 lbs. of iron and steel; 795 lbs. of lead; 757 lbs. of zinc; 1,500 lbs. of copper; 3,593 lbs. of aluminum; 360,500 lbs. of coal.

More than 1.1 million lbs. of sand, gravel, stone, clay and cement.

We tend not to sense minerals in our lives because their identities are commonly hidden in the finished product. Yet, what we take for granted comes to us by farsighted planning, exploration, often risky investments and the commercial development of the Earth's diverse mineral endowment.

THE ECONOMY'S MINERAL BASE

Mining may not be the dominant industry it once was in this country, but it is not a relic of the past. Nor can we allow it to become a relic. America's future must be more than Americans selling each other insurance policies, cutting each other's hair and playing with Japanese lap computers. Today's knowledge-information-service-oriented economy rests on a sound, viable minerals base. For example:

When we work at our computers, we are using beryllium, gallium, germanium, lithium, platinum-group elements, quartz crystals, rare-earth minerals, rhenium, selenium, silicon, strontium, tantalum and yttrium.

The aircraft that flies you to business or vacation destinations is made of chromium, titanium, cobalt, manganese, nickel and tantalum.

The list is endless. Energy industries require 29 different nonfuel minerals to har-

ness and deliver the energy they use. Our telephones use 42 different minerals. The electronic industry uses 85 elements. Surgical tools and artificial organs require high-tech metals.

Whether high tech or soft tech, we need minerals, and these minerals need to be found, mined, concentrated, smelted, refined, and made into useful products for consumer and industry. And the matter of where we get these minerals at reasonable costs and in dependable supplies becomes of paramount importance.

The lifeblood of mining is access—access to lands that need to be explored and inventoried for their mineral values. Access to public lands here in the United States is particularly important because those lands have the greatest overall mineral resource potential. Surprisingly, as the last decade of the 20th century approaches, much of these mineral resources are unexplored and undeveloped.

Yet, of the three-quarters of a billion acres of public lands in the United States, more than half is withdrawn or restricted in some form to mining access. Tens of millions of additional acreage are being proposed for similar lockup, even though our national policy for these lands is to have multiple uses such as livestock grazing, wildlife habitat, timber harvesting, recreation and mining. Conflict arises when one of these multiple uses becomes the exclusive use. When preservation, for example, excludes all other uses to which the land can be put, those other values are lost—including the opportunity to explore for minerals.

Minerals are invisible resources. Animals can be counted, water measured, recreation uses calculated, game harvest tallied and even aesthetic qualities observed. But subsurface resources are usually concealed, making them more difficult to assess. You have to have access to assess. A basic geologic principle is the Earth's resources are where you find them, not necessarily where you want them to be.

Often, the same geologic forces that created the mountains and their scenic beauty—the volcanic action, faulting uplifts, and movement of tectonic plates—are also the forces that account for the migration and deposition of minerals in those areas.

To Have and To Have Not: The formation of minerals in the Earth's crust also occurred without regard to our desires or needs. Inequality of mineral distribution is a geologic fact. Some states are more richly endowed than others. Some nations are more blessed with minerals than others. Many Third World countries have vast, yet-untapped mineral resources. The United States, for its part, is both a "have" and "have-not" nation.

About 3,000 mineral elements are found in the Earth's outer crust. The range of products is phenomenal, running from the most precious gems to sands for computer chips to rare strategic minerals upon which our defense security rests.

When it comes to strategic and critical minerals, such as cobalt, manganese, chromium, and platinum-group minerals, the Earth worked overtime in southern Africa. That region holds a virtual monopoly on those elements so essential to modern technologies and defense security. How stable and how reliable a source southern Africa may be in the future is of no small consequence, particularly for the United States, where strategic and critical resources are rare. When they do occur, they often are in lands withdrawn or proposed for withdrawal from exploration and mining access.

Therefore, we import most, if not all, of our strategic and critical minerals. The public policy issue is how can we reduce or mitigate these imports which are, after all, subject to disruption of market distribution. There are several actions which in combination can help lessen, but not eliminate, our strategic and critical mineral import dependence: recycling, conservation, substitution, and increasing domestic supplies. Tremendous advances in our geologic understanding and in exploration and development technologies can allow us to get at strategic and critical minerals without doing harm—even in some environmentally sensitive parts of the United States.

One current example where the multiple-use land concept is under attack is the California desert, where some want to put millions of acres into a wilderness area, making it off limits for exploration and mining.

The California desert area is one of the most highly mineralized areas of the world. Some 65 known minerals worth $1.2 billion a year are mined in the desert. Its unique geologic terrain, for example, houses the richest known commercial deposits of rare-earth elements in the world. Rare-earth elements are used in the new superconductors that could revolutionize electrical transmission, communication and transportation.

The U.S. Geological Survey and the Bureau of Mines have studied only about 20 percent of the total desert area or one-third of the Wilderness Study Area. Our work has revealed significantly more resources than thought possible, particularly minerals used in energy, pollution control systems, and ceramics, and chemical refining.

So, we have here one of those ironies of the American political process. Having declared superconductivity the technological race of the century with the Japanese, at the same time we may be barring access to the one part of the country that has the raw materials that the new technologies require. We should not blindfold ourselves to the earth's mineral endowment.

Being a good steward of the great natural heritage God has given us means knowing what you have and applying foresight and skill to see it is used for the enjoyment and benefit of this and future generations. Having a quality environment and developing mineral resources are not mutually exclusive goals. We can and must have both.

THE FIGHT FOR LITERACY SHOULD START IN OUR SCHOOLS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. CRANE. Mr. Speaker, if we are to abolish illiteracy by the year 2000, it will be accomplished through changes in our educational system and not through an increase in Federal funding. Some Members of Congress have proposed spending billions of dollars to establish a national literacy center and a Cabinet-level council. This costly scheme would only serve to duplicate the local, State, and national programs already in place. Instead, we should look to our schools as the first bastion against illiteracy. Countless reports and studies have documented students who have been unable to locate the Nation's Capital on a map, or students unable to make change in a store. There are presently 27 million Americans who have left school unable to read or write sufficiently well to understand a newspaper or fill out a job application. There is no shortage of determination to solve the problem of illiteracy, but Washington must resist the temptation to cure the illness of the system by throwing money at it. If I could draw the attention of my colleagues to an article by Martha C. Brown entitled "Fighting Illiteracy: Let's Not Slight 'School Literacy,'" they will see that illiteracy can be prevented, in school, before it ever needs to be confronted later.

[From the Chicago Tribune, Aug. 22, 1989]

"FIGHTING ILLITERACY: LET'S NOT SLIGHT 'SCHOOL LITERACY'"

(By Martha C. Brown)

The price tag on a newly proposed bill to fight illiteracy—close to $3 billion over five years—suggests how enormous the problem is. But pumping more billions into the fight won't banish illiteracy by the year 2000, Sen. Paul Simon's claim for his Comprehensive Illiteracy Elimination bill. Illiterates over age 18 number at least 27 million, approximately 1 out of 6 U.S. adults. Their ranks increase by 2 million each year.

Simon's proposal has two major flaws. First, it would create bureaucracies to duplicate the work of those already in place. Second, it ignores the crucial role of education in preventing illiteracy.

Simon's bill would establish a national literacy center and a Cabinet-level council to oversee literacy programs. We already have a national reading center funded with millions of federal dollars—the Reading Research and Education Center at the University of Illinois. We don't need a Cabinet literacy post, either. The Departments of Labor, Health and Human Services and Education oversee literacy programs. Welfare, immigration and job training programs also help adults learn to read.

These programs, plus those at local and state levels, now cost $1 billion annually. They reach less than 20 percent of the illiterate adults—a discouraging figure, considering the cost in tax dollars and volunteer hours. Even if we could teach twice as many adults to read, how can we speak of eliminating illiteracy when 2 million more illiterates enter the job market each year?

The most serious flaw in Simon's bill is the apparent assumption that the fight against illiteracy should take place outside of our public schools, that we need not concern ourselves about illiterates until they turn 18.

We must teach these adults to read. Even more important, we must prevent more millions of American children from growing up illiterate. It's more human and more economical to prevent illiteracy than to confront the problem after it has wrecked the lives of millions of young people and cost business billions.

The good news is that we do know how to prevent illiteracy. The bad news is that we're not doing it. Legislators and the public aren't aware how easily we could prevent most illiteracy, because they've been misinformed about its cause.

They believe educators' claims that poverty and "learning disabilities" cause reading problems and illiteracy. If poverty were to blame, illiteracy would be a huge problem in the Soviet Union, were the overwhelming majority of children are poor by U.S. standards. The Soviet illiteracy rate is under 5

percent. In Marva Collins' West Side Preparatory School hundreds of poor inner-city children have learned to read well. This and much other evidence contradicts claims that poverty causes illiteracy.

There are serious doubts, too, about learning disabilities. After analyzing the research, Rutgers University psychiatrist Gerald Coles has concluded that the overwhelming majority of children labeled LD because they reverse words and letters (dyslexia) have not organic brain deficiency. These children are victims of poor reading instruction, according to Coles and other highly qualified experts.

Only in America do millions of children spend years in school without learning to read. Everywhere else, school is synonymous with literacy.

How can we prevent illiteracy? For decades, researchers have been telling us that public schools use an ineffective method of teaching reading. They base their conclusions on 124 major studies comparing the look-say method used in public schools with the phonics-first approach. Every study shows phonics first to be superior for teaching children to read.

Ignoring the illiteracy crisis, 90 percent of public schools still use the look-say approach, requiring children to memorize and guess at words. Look-say reading teaches only a smattering of phonics—too little and too late. The new look-say approach, "whole language learning," also neglects phonics.

We could save millions of children from illiteracy by switching to phonics first. Among the few public schools that have tried it is a Tucson, Ariz., school with 58 percent minority students, including many Hispanics. Most are poor and many live in single-parent or foster homes. Yet fewer than 1 percent of these children require remedial help in reading—in contrast with most middle-class suburban school districts, where 25 percent of students need remedial reading.

Such results are typical of schools where children learn to read with phonics first, including Marva Collins' school, Soviet schools and many U.S. private schools. Before public schools adopted look-say reading, millions of poor immigrant children, many with illiterate parents who spoke no English, learned to read in U.S. classrooms.

We've already spent countless billions to deal with illiteracy. Shouldn't we insist that public educators make the changes needed to prevent this massive problem? Simon's bill mentions "family literacy," "work force literacy" and "work site literacy"—but not "school literacy."

Before we can eliminate illiteracy, the teaching in our schools must change. We must also insist that colleges of education stop training teachers to use the look-say method, a continuing failure.

Just how "comprehensive" is the Comprenhensive Illiteracy Elimination proposal? It ignores both the cause of the problem and the need for prevention. It offers scant hope of eliminating illiteracy. Without "Comprehensive" and "Elimination," we're left with "Illiteracy"—plus bigger tax bills.

TRIBUTE TO NORAH HAMILTON STRAUS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. LAGOMARSINO. Mr. Speaker, I ask my colleagues to join me in recognizing an outstanding resident of my district, Ms. Norah Hamilton Straus, as she is honored on National Philanthropy Day this November 17.

National Philanthropy Day was established in 1986 in honor of the more than 89 million Americans who generously give of their time and talents to nonprofit organizations. The work of these giving and caring individuals has produced contributions of over $93 billion annually to more than 350,000 gift supported organizations.

On the occasion of National Philanthropy Day, 1989, the Santa Barbara and Ventura Countries Chapter of the National Society of Fund Raising Executives has selected Norah Hamilton Straus to receive the "1989 Volunteer of the Year" Award.

Ms. Straus' first volunteer post was at age 17 at Bellevue Hospital, followed by the Red Cross, the U.S. Air Force, an orphanage, the Institute of Rehabilitation Medicine, Guide Dogs for the Blind, and the Humane Society.

"Her broad experience, spirited leadership, and enormous creativity are behind the success of our fundraising events," says Dr. Harris Meisel. "She has also been one of the institute's most articulate spokespersons, sharing her support for our work in speeches to civic groups and talking to visionary individuals who want to be of help."

I join the Members of the National Society of Fund Raising Executives in congratulating Norah Hamilton Straus as the "1989 Volunteer of the Year" from the Santa Barbara and Ventura Counties, and convey to her best wishes for continued success in the future.

WALTER SHORENSTEIN'S PROPOSAL FOR A NATIONAL INFRASTRUCTURE AND DISASTER RELIEF POLICY

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. LEVINE of California. Mr. Speaker, I rise to call to the attention of my colleagues a superb statement that I had the privilege of hearing last Friday in San Francisco.

The statement was delivered by Walter Shorenstein, one of the most distinguished business and civic leaders in the history of California.

Prior to his remarks, Speaker FOLEY, majority leader GEPHARDT, and Representatives PELOSI, BOXER, FAZIO, ANTHONY, and I met with San Francisco's Mayor Art Agnos and a number of other local leaders, with regard to the tragic and painful human consequences of the bay area earthquake, and we also reviewed some of the damage brought about by the earthquake.

We witnessed in San Francisco a community that has come together in a heroic fashion to respond to the tragedy and challenge of the earthquake.

Mr. Shorenstein, at a private dinner with some of the civic leaders and the House legislative leadership, delivered these very thoughtful and constructive remarks which include some solid suggestions which I believe we should take very seriously.

I commend his remarks to my colleagues.

WALTER H. SHORENSTEIN—ADDRESS TO PUBLIC OFFICIALS AND OTHER GUESTS IN ATTENDANCE ON THE OCCASION OF THE DINNER AND CONSULTATION REGARDING THE BAY AREA EARTHQUAKE CRISIS, SAN FRANCISCO, NOV. 3, 1989

Speaker Foley; Senator Cranston; Majority Leader Gephardt; Congresspersons Anthony, Boxer, Fazio, Levine, Pelosi; Mayor Agnos; Ladies and Gentlemen: I am most pleased with your attendance and the extraordinary response of all of you who have come together for this evening's dinner meeting. Mayor Agnos, we are all appreciative of your superb performance under these crisis circumstances. You have exercised your public duties in a way that has made all of us proud to be part of this magnificent Bay Area. I wish to thank the national and state legislative leadership for their attendance and recognition of the national significance and impact of the earthquake on our area. We regret that the special earthquake session of the State Legislature prevents Speaker of the Assembly Willie Brown and Present pro Tempore David Roberti from being here tonight. They will be apprised of our activities.

In times of crisis, the government has a very significant role.

Obviously, those of us with deep concern for San Francisco and the entire Bay Area need to reflect upon the events of the past few weeks, on today, and tomorrow, and on once again rebuilding a safe and promising future.

I would like to remind you that the San Francisco Bay Area economy is the fourth largest in the United States with a total population of nearly 6 million people. Nearly 3 million people are employed in the Bay Area, representing nearly 2½% of the nation's labor force.

I would like to point out that the State of California has nearly 30 million people and accounts for 15% of the GNP.

Given the importance of the California and San Francisco Bay Area economy to the nation, and the substantial risk of economic and physical loss from a possible future earthquake in California, the Federal Government response needs to be FAR more than an emergency relief program.

We have been thru a period of benign neglect of urban areas and urban problems, amongst which are addressing natural disasters like earthquakes.

The Democratic Party needs to assume the position of leadership in reversing that period of neglect and in monotoring the recovery process. I would urge the Party leadership to demonstrate to us their view of our future, and most importantly, to follow that vision into the future with us.

Looking toward the future on this extraordinary occasion and to give substance to our reason for the leadership being together, I would like to suggest that the following measures, among others, be given consideration by our national and state leaders:

(1) A substantial infrastructure and improvement program to increase the survivability of highways, bridges, and mass transit facilities;

The possible expansion of Bay Areas Rapid Transit (BART) to San Mateo, Santa Clara, and Marin County;

Also, the building of a new "Southern Crossing" bridge with modern technology to relieve a major traffic bottleneck and increase the ability of the Bay Area economy to survive an earthquake;

(2) A national program of earthquake insurance modeled after the flood insurance program to allow cost-efficient earthquake protection for citizens in risk areas;

(3) A national earthquake commission to define a national policy concerning structures, infrastructures, and government responses regarding future earthquakes;

(4) Precautions on the federal, state and local levels to improve the ability to survive an earthquake and reduce the risk of massive loss of life and property from any or all potential earthquakes.

We have all been inspired and appreciative of the enormous spirit that existed in San Francisco after the 1906 earthquake. The citizens of this great city rose to the occasion and rebuilt an even granduer city. Together, we will rise to the occasion again.

We must rededicate ourselves to assure the future survivability of our great Bay Area, the "Gateway to the Pacific". We thank you for recognizing the national importance and significance of our endeavors and we appreciate your being here tonight.

LOW-INCOME HOUSING TAX CREDIT DEADLINE EXTENSION IN THE EVENT OF A FEDERALLY DECLARED DISASTER

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. PANETTA. Mr. Speaker, I rise today to introduce legislation that will bring an important extension to the low-income tax credit deadlines for areas suffering from the recent natural disasters that have struck California and South Carolina.

Federal low-income housing tax credits are vital to the continued development of affordable housing. In order to qualify for these important tax credits, communities must spend a minimum of 10 percent of the development cost by December 31. Unfortunately, due to the effects of the Loma Prieta earthquake in my district and possibly on areas of South Carolina due to Hurricane Hugo, it will be impossible to meet this administrative deadline. As should be the case, all available resources are now being used to counter the devastating effects of the earthquake. However, at the same time, these areas that are going to be even more dependent on affordable housing, are going to lose vital Federal tax incentives to build that housing.

Therefore, I am introducing legislation to extend the deadline for those communities that have suffered from a natural disaster. Specifically, the bill calls for an extension of 6 months, the deadline required by Federal statute for the expenditure of 10 percent of the total cost for those areas affected by a natural disaster. This will give local communities time to respond to the ongoing crisis of the earthquake while not having to lose an important tax incentive by default. These localities are right now fighting the effects of one of the most damaging natural disasters in our history. It is not right that they should have to give up Federal assistance by virtue of an administrative deadline. I strongly urge my colleagues to support this legislation.

The text of the bill follows:

H.R.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ALLOCATION OF LOW INCOME HOUSING CREDITS TO BUILDINGS FOR WHICH REHABILITATION OR CONSTRUCTION IS DELAYED DUE TO FEDERALLY DECLARED DISASTERS.

(a) IN GENERAL.—Clause (ii) of section 42(h)(1)(E) of the Internal Revenue Code of 1986 (relating to 10 percent cost incurred exception to credit allocation requirement) is amended in the first sentence—

(1) by inserting "(I)" after "if", and

(2) by inserting before the period at the end the following: ", or (ii) the taxpayer was unable to satisfy such 10 percent requirement solely because of a federally declared disaster occurring after September 1, 1989".

(b) FEDERALLY DECLARED DISASTER.—Subparagraph (E) of section 42(h)(1) of such Code is amended by adding at the end the following new clause:

"(iii) FEDERALLY DECLARED DISASTER.—For purposes of clause (ii), the term 'federally declared disaster' means any disaster referred to in section 165(i)(1)."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

STATEMENT ON HONORING THE SONG, "RESPECT TO THE AMERICAN FLAG"

HON. CHRISTOPHER SHAYS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. SHAYS. Mr. Speaker, my constituent, Mrs. Inna Berson, of Fairfield, CT, recently sent me a copy of a song she had composed to honor the American flag.

Mrs. Berson emigrated from the Soviet Union to the United States in 1981 and is now an American citizen. As an immigrant, she finds it difficult to believe that Americans would want to desecrate their flag, or that our Constitution permits it. As she states,

Everything here is not perfect but • • • it is the best place in the world. All Americans should realize this fact. The Constitution • • • gives us tremendous freedom but I do not believe it gives us the right to abuse or destroy its symbols.

It seems to me the patriotism Mrs. Berson feels as a recent immigrant, and the effort to which she has gone to express this patriotism, are worthy of recognition. For this reason, I submit for the RECORD the lyrics to the song, "Respect to the American Flag."

RESPECT TO THE AMERICAN FLAG

(Lyric and music by Inna Berson)

1

The American Flag red, white and blue
Its stars and stripes belong to you
The American Flag flying above
It always will be the one I love

Chorus 1

Nobody, nobody, nobody shall abuse the American Flag
Nobody, nobody, nobody shall abuse the Flag

2

The Flag of our country America's might
Ordered by Washington for it we will fight
Made by Betsy Ross to fly on high
From earth to the moon and over the sky

Chorus 2

Nobody, nobody, nobody shall abuse the American Flag
Nobody, nobody, nobody shall abuse the Flag

3

Veterans and young show their respect
And from all who don't we shall it protect
For the American Flag we're proud to stand
And show our pride in this American Land

Chorus 3

Everyone, everyone, everyone stand up
For the Red, White and Blue
Everyone, everyone, everyone—remember
The American Flag belongs to you

Chorus 4

All of us, all of us, all of us
Give respect to the American Flag
All of us, all of us, all of us
Give respect to the American Flag

IN HONOR OF GEORGE LIVANOS

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. MANTON. Mr. Speaker, I rise today to honor George P. Livanos for his outstanding work and dedication to improving the world community. Next week, Mr. Livanos will be presented with the Ionic Medal for his individual contribution to the advancement of human rights, democracy, and the ideals of Hellenism.

Mr. Speaker, George Livanos was born in New Orleans, LA, and graduated from Athens College. He proudly served his country in the U.S. Army during both World War II and the Korean war. Later, as president of Seres Shipping, Inc. and consultant to Ceres Hellenic Shipping Enterprises Ltd., he helped build the Ceres fleet to 84 vessels. At the same time as he was becoming a successful businessman, George also worked to fight world hunger. It was George Livanos who invented the mini bulker concept which proved to be a vital tool in the United Nations Famine Relief Program for Bangladesh.

These accomplishments are just one aspect of George's extraordinary achievements. George is an active member of the boards of many different corporations and institutions including the Atlantic Bank of New York, the Nicholas Institute of Sports Medicine and Athletic Trauma, and the American Farm School. He also is a member of the World Wide Fund for Nature, the 1001: A nature trust and the Club of Rome.

Mr. Speaker, George Livanos also is actively involved in protecting the environment. He

serves as a member of the board of International Tanker Owners Pollution Federation and as chairman of the environmental committee of the Union of Greek Shipowners. He also was instrumental in the formation of the Hellenic Marine Environment Protection Association [HELMEPA]. This organization sponsors educational programs and has cooperated with the European Economic Community and the U.S. Coast Guard in projects designed to promote marine safety and curtail pollution. He also is a member of the industry advisory panel to the World Commission on Environment and Development.

Despite his hectic schedule, George Livanos has always maintained an energetic involvement in the Greek-American community. He has served as president of both the Chian Federation and the American Hellenic Alliance. He also is a member of the archdiocesan council and a trustee of the Greek Orthodox Church of the Holy Trinity.

Finally, of all his many accomplishments, I am sure George is most proud of his closely knit family which includes his wife Fotina, and his children, Peter and Marina.

Mr. Speaker, as a soldier, businessman, philanthropist, environmentalist, and major force in the maritime industry, George Livanos has never been afraid to stand up for what he believes in, and the world is a better place because of it. Today, I ask my colleagues to join me in honoring George P. Livanos for his lifelong commitment to service. His accomplishments are indeed worthy of celebration.

A PRAYER AND ADDRESS GIVEN AT UTAH COUNTY'S WAR MEMORIAL DEDICATION

HON. HOWARD C. NIELSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. NIELSON. Mr. Speaker, on July 7, 1989, the Utah County War Memorial was dedicated in my home, Provo, UT. In conjunction with honoring Veterans Day I would like to submit for the RECORD the prayer and one of the addresses given at this ceremony.

The prayer was given by Pearl B. Rex, Utah State coordinator for the National League of Families for the missing in action and prisoners of war in Southeast Asia. Mrs. Rex is the mother of Capt. Robert Alan Rex who is missing in action.

The address was given by Cathlene Caras, wife of Lt. Col. Franklin A. Caras. Caras was missing in action until 2 years ago when his remains were found and returned home.

Both of these women exemplify the courage and dedication of the loved ones who support those who fight for this great country of ours. I extend my appreciation to those who have served, are currently serving, and to those who love and support them.

PRAYER GIVEN BY PEARL B. REX

Our kind eternal Father in Heaven, we are honored to be gathered here today on this important occasion, to honor in a permanent way, those who have paid the supreme sacrifice for us and our beloved country.

We thank Thee for the inspiration their lives and their service have been for all of us. Each time we have opportunity to look at this beautiful black granite Memorial, may it serve to rekindle our patriotism, and may the names hereon exemplify the terrible price paid for our freedoms.

May these names serve to remind us and succeeding generations of the loyalty, bravery, and quiet courage that gave birth to this great nation, and gives us the privilege to live at peace.

We pause this day to remember those who fell in combat, and those whose fate is still unresolved. We will never forget them.

Father in Heaven we thank Thee for thy blessings on this land, and on us. We thank Thee for all those who have answered our country's call to serve. May Thy blessings be with them, with the Veterans of all wars, and we thank Thee for those who still serve this great nation to help maintain our precious freedoms, and to bring peace to oppressed nations.

We ask that Thy protecting spirit always be with them. Grant them strength and courage for the tasks, and trials that may lie ahead.

Father, we are thankful for this opportunity to demonstrate our love and our appreciation for the leaders of our Nation, our State, and our County. Be with them and may the hearts of all World leaders be turned to peace.

We are grateful to those who helped conceive, plan, and see to the construction of this beautiful Memorial. May it always be respected and protected from harm.

We love America, we love and honor these beautiful flags flying here today. They are symbols of our liberty. We are blessed to live in this beautiful land. May we now rededicate our lives to serving Thee, to serving our country, and to serving our fellowman, in the spirit of love, justice, and mercy.

May thy guiding spirit continue to be with us, and to watch over America, we ask in the name of Thy beloved Son, Amen.

TALK GIVEN AT THE UTAH COUNTY WAR MEMORIAL DEDICATION BY MRS. CATHLENE CARAS ON JULY 7, 1989

I'm grateful for special times like the Fourth of July when we can feel Patriotism so strongly in America. It gives us a renewed confirmation and dedication to be a proud and dedicated American. People seem to be more grateful for the freedom and security we have in the land of the free, excited about doing their part to keep it just that way and grateful for all those men and women who have done so much to keep it free and safe for us.

I'm grateful to persons who worked toward getting this beautiful memorial for these men. How fitting that this beautiful Veterans Memorial is made of cold, hard, unmoving black marble. Cold and unmoving, indicative of those men who were killed, taken as prisoners of war, or are missing in action; cut down in the prime of their lives when life had so much left to offer them. Indicative of a place where the cold fact is that only God knows their fate, where life as they knew it ceased to exist and the thoughts of freedom and security of home is all that keeps them alive or struggling to live. This hard black marble is a reminder of the hard, dark days these men and their loved ones endured because of the loss of these men's lives or their freedom.

Recently I read a book in which was a letter written by a woman to her husband during World War I. She wrote, and I quote, "We are mighty proud of you and proud of where you are but, Jock dear, our neighbor 3 months ago received word that her husband was missing. She said she had rather heard he was dead. She said she could hardly stand the uncertainty of it. Jock my dear join with me and pray God that I may never get word that you are missing." End quote.

Twenty-three years ago that letter would not have been so forceful to me but today I could truthfully say I could write a letter like that. Knowing your loved one is missing in action puts you into a total state of limbo where your every thought is filled with fears and doubts.

It puts you in a situation where you are torn between praying he is alive and living with the torment of wondering and worrying about what he has to endure if he is alive. Or trying to pray that he might be dead so he won't have to suffer. You cry as you take table scraps out to feed the cats for you wonder if your husband is starving for food. You spend countless sleepless nights when more hours are devoted to praying than sleeping.

You listen to your children scream out with fear in the night and you know their dreams are as horrifying of their Dad as yours. You pray with all your heart that all the horrible things your mind builds up are not a reality. You come to the realization that you can handle about anything better than not knowing because what you really want is what is best for your loved one.

You watch your children grow from babies to adults and feel the pain of what their Dad must feel as he has missed all those precious years of their lives. All that precious time he has no idea what has happened in any of their lives or even if they are alive. How your heart aches for him for all that he has missed and the fears and worries he had to endure.

The years since my husband was reported as missing in action have truly opened my eyes. I truly respect those people who suffer the trials and the tragedies of war.

I pray that all men who are Prisoners of War may be returned and all of those unaccounted for may be returned to their loved ones.

I want each of you to know that having my husband's body returned to us has been one of the greatest blessings you could imagine. To know that he did not suffer the trials that were so vivid in my mind and in my dreams. To know that he died with Pride serving our country gives me great peace and pride.

I sincerely hope that this beautiful Veterans Memorial will touch the hearts of all who see it. That each may have the desire to do all that we can do to keep our country free. May we always be grateful and respect these men who gave their lives and freedom for us.

Thank you good men, we appreciate what you have done for us and for our country.

MORE SUPPORT FOR THE NATIONAL EARTHQUAKE DAMAGE PREVENTION ACT

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. STARK. Mr. Speaker, Congressman TOM LANTOS of California is joining Representatives BOXER, ROYBAL, PELOSI, and I in

sponsoring the National Earthquake Damage Prevention Act, H.R. 3624.

This bill, described in the November 8 RECORD on page H8170, requires the establishment of building standards so as to reduce the damage and loss of life in major earthquakes—earthquakes which are certain to strike both in the East and the West in the next few decades. The bill then uses the Tax Code to make sure that the new standards are used in new structures. It does this by denying the use of tax-exempt bonds and deductions for interest and depreciation on new structures built after 1996 which do not meet the new standards.

There is an alarming attitude that has swept the Nation which stifles progress on preventing damages from earthquakes. Even in the face of a devastating quake, America is putting its head in the sand.

In California, one of the most earthquake prone States, many refuse to admit the danger of future quakes. The New York Times stated that:

For the most part, people in Los Angeles live in what Robert Butterworth, a psychiatrist who has studied earthquake trauma, termed "a state of perpetual denial."

The U.S. News & World Report reported that "San Francisco Chronicle columnist Herb Caen said the day after the quake:

We live with earthquakes and we live on a fault and we live dangerously. And it's exciting.

As a Californian I have seen that there has been some preparation, but not nearly enough compared to the risks we face. Oris Dengenkolb, a Caltrans engineer who retired in 1981, described the inadequate preparation in the Washington Post:

People at my level, and some of the upper levels, felt it wasn't being done fast enough * * *. We knew there was a quake coming up sooner or later, but the program [for retrofitting bridges] was just dribbled around.

In the East, it is much easier to ignore the mounting threat of earthquakes than it is in California, since earthquakes are relatively rare in the East. Bob Fowler, chairman of the American Institute of Architects' building performance and regulations committee, said it best in the Washington Post:

The fact is that the East Coast is more vulnerable because people aren't thinking about earthquakes. If you're not thinking about earthquakes, you're not as likely to specifically shape what you're building and take pains to guard against them.

Lack of protection from earthquakes in buildings and public structures is exactly what has happened in the East. According to the New York Times:

Many experts agree, the impact will probably be much greater than in California. Easterners, unlike Californians, have paid very little attention to making buildings and other structures earthquake-proof or earthquake-resistant. 'We don't have that mentality here on the East Coast,' said Robert Silman, a New York structural engineer whose firm has worked on 3800 buildings in the [New York] metropolitan area.

Moreover, buildings, highways, bridges, water and sewer systems and communications networks in the East are all older than in the West and consequently more vulnerable to damage. Even under normal conditions, for instance, water mains routinely rupture in New York City. The result, said Dr. John Ebel, a geophysicist who is the assistant director of Boston College's Weston Observatory, is that damage in the East would probably be more widespread, more people could be hurt and killed, depending on circumstances, like time of day, and "it would probably take a lot longer to get these cities back to useful operating levels."

On top of this, scientists say, an earthquake in the East can shake an area 100 times larger than a quake of the same magnitude in California." U.S. News & World Report stated:

A 1985 study by FEMA found that a magnitude 7.6 quake in the east would cause 2,500 deaths, collapse 3000 structures, cause $25 billion in damages and displace a quarter of a million people in Memphis alone it struck during a working day.

The structures in the East would not be safe if there was an earthquake because the people do not see that they are at risk. Although it is not pleasant to recognize that our Nation's buildings and public structures are unable to resist major earthquakes, it is necessary to face that fact, if we are to protect ourselves from the next major earthquake.

This is a national problem that needs a national solution, and the solution is the National Earthquake Damage Prevention Act. This act will establish the building codes necessary to make the whole country safer from the threat of earthquakes.

I urge Members to join in voting for the National Earthquake Damage Prevention Act.

ROBERT N. DOWNEY ASSUMES HELM AT THE SECURITIES INDUSTRY ASSOCIATION

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. MANTON. Mr. Speaker, I would like to call to the attention of my colleagues an article that appeared in a recent edition of the American Banker regarding Robert N. Downey who has just been named chairman of the Securities Industry Association for the coming year. I have had the good fortune to know Bob ever since I became a member of Congress 5 years ago. During that period of time he has proven to be a forceful and articulate advocate for the interests of wall street. I am certain he will carry those same talents into his new position as head of the SIA. Without question, the SIA will be a busy organization during Bob's tenure.

Mr. Speaker, I know my colleagues join me in wishing Bob every success as the SIA's leader. I commend the following article from the American Banker to my colleagues and ask that it be printed in the RECORD at this point.

SECURITIES GROUP NAMES DOWNEY CHAIRMAN FOR 1990

The Securities Industry Association nominated Robert N. Downey, its most outspoken opponent of Glass-Steagall Act modification, as chairman for 1990.

Mr. Downey, a partner at Goldman, Sachs & Co., recently relinquished some responsibility as head of the firm's municipal bond department to focus on running its Washington lobbying efforts. The 53-year-old executive has long been active on the municipal bond and investment banking committees of securities industry trade groups.

Bond committees have been the bulwark of the securities industry's defense against bank incursions because their members have competed most directly with the banks. The Glass-Steagall Act, which bans banks from underwriting and dealing in most securities, does not ban them from underwriting general obligation bonds and some other municipal liabilities.

Mr. Downey succeeds Hardwick Simmons, a vice chairman of Shearson Lehman Hutton Inc., as chairman of the trade group.

In comments on Thursday, the chairman-elect maintained his fighting stance against new bank powers. Commenting on the Federal Reserve Board's recent decisions to allow bank companies limited powers to underwrite and deal in corporate debt and to open the door next year to equities, he said Congress—not federal agencies—should decide such important issues. He raised the savings and loan industry bailout as a possible portentous precedent.

"If one has deposit insurance, you shouldn't be using that to underwrite speculative activity," he said, according to a dispatch from Reuters.

Mr. Downey is assuming his role at a time when many of his colleagues have modified their positions. After years of losing legislative and judicial battles against bank underwriting, several securities industry executives have indicated their willingness to work with banks on some deals and their reluctance to spend additional money on battling banks in Washington.

"SHARP" PROMOTES MINORITY EXCELLENCE IN ENGINEERING

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mrs. MORELLA. Mr. Speaker, I rise today to bring to the attention of my colleagues the Industry Model Summer High School Apprenticeship Research Program [SHARP], which has been undertaken by Fairchild Industries and the Tektronix Corp. These two firms have come together to promote, through carefully crafted internships, the opportunities of minority students in the technical work force.

The two firms have worked with students from Montgomery County, Prince Georges County, the city of Baltimore, Howard County, and the District of Columbia who have shown an interest in science, electronics, engineering, computer science, and space technology.

The success of the program is due in no small part to the efforts of Mr. Martin Titland, Mr. Thomas Bedocs, Mr. Samuel Williamson, Ms. Esther Title, and Ms. Carol Dixon of Fairchild Industries; and Ms. Bonnie Roelofs, and Ms. Patricia Gattons of Tektronix Corp., who worked to ensure that the students were taken into the mainstream of science and space technology projects.

The industry model SHARP program was modeled after the NASA Goddard Space Flight SHARP Program, which has graduated over 100 students, of whom 100 percent have continued their education at universities such as Maryland, Brown, Purdue, Cornell, George Washington, MIT, Howard, and Rutgers.

SHARP has created a scholarship fund to assist minority students in meeting their college expenses, which helps to reduce the financial reliance on the Guaranteed Student Loan Program.

Fairchild and Tektronix are innovative high technology industrial firms which participate with government and private industry to develop space systems, and are major employers in the State of Maryland; and such corporate contributions should be recognized for their impact in creating technical job opportunities for minority students who are underrepresented in the fields of science, space, and technology.

I congratulate Fairchild Industries and Tektronix Corp., their corporate leaders, and the participating students for their commitment to address a critical need to meet the current and future technical challenges of the United States.

TRIBUTE TO DR. TIZIANO GUARESCHI

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. TORRICELLI. Mr. Speaker, it is with great admiration and respect that I rise today to pay tribute to Dr. Tiziano Guareschi. Dr. Guareschi was born in Verona, Italy, and has served with the Italian consulate for over 20 years.

Since beginning his diplomatic service with the Ministry of Foreign Affairs in Rome in 1968, Dr. Guareschi has served in the Soviet Union, Switzerland, and Germany.

In October 1984, he was appointed to serve as Vice Consul of Italy in Newark, NJ, and has directed his efforts toward keeping the Italian community united. He has involved himself in the activities of the Italian-American community by keeping himself in constant contact with the numerous organizations and societies comprised of Italians who have settled in the metropolitan area.

Dr. Guareschi has worked to extend the services the Italian consulate provides for its people. He has emphasized that the consulate should not only be considered an office of administrative affairs, but should also promote cultural and economic relations between Italy and the United States.

At the end of this month, Dr. Guareschi will complete his assignment in Newark and will reassume his service in the Ministry of Foreign Affairs in Rome.

Dr. Tiziano Guareschi is indeed a man who deserves our respect and appreciation, I am proud to join in paying tribute to this exceptional man and his efforts and offer my best wishes for continued success.

ARE POLITICAL PROTESTERS RACKETEERS?

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. LaFALCE. Mr. Speaker, I would like to share with my colleagues two editorials discussing the application of the Racketeer Influenced Corrupt Organizations [RICO] Act to political protesters. RICO was enacted to combat organized crime and has been an effective tool to that end. However, as the following two editorials contend, RICO has been applied too broadly. RICO has been invoked in an attempt to gain treble damages and attorney fees from defendants including schools, other nonprofit organizations, utility companies, and Oliver North. While these parties may very well be guilty of some offense, are they racketeers?

The first of the two editorials appeared in the Rochester Democrat & Chronicle on March 7, 1989, shortly after the Philadelphia antiabortion protesters were found liable for civil damages and lawyers' fees under RICO. The second editorial was written for the Buffalo News on October 18, 1989, following the Supreme Court decision not to hear the Philadelphia case. I am pleased to share these insightful commentaries which encourage a congressional examination of RICO.

[From the Rochester, Democrat & Chronicle, Mar. 7, 1989]

A BAD LAW, BADLY MISUSED—MOTHER OF MERCY: THE RICO LAW COULD CRIPPLE THE PRO-LIFE MOVEMENT

What do you call pro-life protesters who block the door to an abortion clinic, then shove and harass and intimidate patients who try to enter?

You call them racketeers, said a federal appeals court last week, ruling that 26 people who demonstrated at a clinic in Philadelphia between 1984 and 1986 were liable for $43,000 in damages and $65,000 in lawyers' fees.

Small change for a mobster, but big bucks for a protester—and one more reason to worry that a law meant to break the back of organized crime is being used to break the back of civil liberties instead.

"RICO," it's called, short for the Racketeer Influenced and Corrupt Organizations Act of 1970. (And, very likely, for the gangster played by Edward G. Robinson in the movie Little Caesar.)

It seemed like a good idea at the time: a law that not only imposed stiff fines and long prison sentences, but also allowed prosecutors to seize the assets of a racketeer before trial.

Ah, but what was a racketeer? Not just drug kingpins and loansharks, but anyone involved in securities fraud, mail fraud or extortion who engages in a "pattern of racketeering."

And what was a pattern of racketeering? Committing two crimes related to one criminal purpose within a 10-year period.

Armed with this bludgeon, prosecutors went after mobsters—and more. They brought Drexel Burnham Lambert to its knees, muscling the Wall Street firm into pleading guilty to six felony counts rather than have its assets frozen and upon conviction, forfeited.

Now the target is the anti-abortion movement. When protesters put financial pressure on clinics, when their coercion of patients has economic results, that can be called extortion. When it happens twice in 10 years, it can be called a pattern of racketeering. Enter RICO.

"We've seen this coming for years," Joseph Scheidler, director of the Pro-Life Action League in Chicago, told us. "If this wins, we really are crippled."

Fine, says lawyer Patricia Ireland of the National Organization for Women.

"I know they're problematic laws * * * but this is a nationwide, concerted effort that's closing down businesses. These people are ruining people's lives."

But no matter how much you might disagree with the goals of the anti-abortion protesters or loathe their methods, RICO is too big, too harsh and too indiscriminate a weapon.

Though it hasn't been used to seize the personal assets of protesters, lawyers on both sides say it could be.

"That's why most of us in the pro-life movement have given everything away," Scheidler told us. "I don't put anything in my name anymore."

But this is America. You are supposed to be innocent until proven guilty. No one should be able to seize your house, your car, your bank account before you are convicted of anything.

By all means, punish protesters who break the law. But don't pretend a protester is a racketeer, or that civil disobedience is a racket. Your group, your cause, might be next.

"Mother of mercy," the dying gangster cries out in the film's last reel, "Is this the end of Rico?"

Sadly, it may be just the beginning.

[From the Buffalo News, October 18, 1989]

PROTESTERS AND RACKETEERS—CONGRESS SHOULD LOOK AT LAW THAT LINKS THEM

The Federal anti-racketeering law, commonly known as RICO, is a tough law. Very, very tough. It makes sense that tough questions have been asked about its use in a case against anti-abortion activists in Pennsylvania.

The Supreme Court has decided that the heavy monetary damages assessed against the activists are based on a legitimate use of RICO. That would be a dangerous decision if it meant that peaceful protesters—against abortion or on any other issue—were subject to prosecution as racketeers. But in this case, where protest went far beyond the usual techniques of civil disobedience, we don't fault the decision.

RICO is the Racketeer Influenced and Corrupt Organizations Act. Passed by Congress in 1970, it has been used to convict and jail prominent figures in organized crime. Financial penalties are very strict. Those convicted can be assessed triple damages plus the legal fees owed by those who brought the suit.

In the Philadelphia case, the Supreme Court upheld a lower court decision that allowed RICO to be invoked against opponents of abortion. For several times a week over nine years, the defendants had picketed and sought to discourage patients from entering a Philadelphia abortion clinic. The decision means 26 protesters must now come up with $108,000 in damages for the clinic they wanted to shut down.

That's a stiff penalty, but the protesters were hardly innocent. They had also been

convicted in state court of trespass, criminal conspiracy and disorderly conduct. They had strayed beyond mere exercise of their First Amendment rights and were actively harassing the clinic—which was operating perfectly legally—and its clients. A federal appeals court found their conduct amounted to extortion, a federal offense.

Significantly, the appellate court distinguished between these particular protesters and protesters in general. To be successful in their legal suits, it said, plaintiffs must prove actual interference with the business of the clinics, or physical disruption and damage inside the clinics. These pertinent conditions ought to help restrain zealous tendences to apply RICO too easily or broadly.

But Congress, which is already examining the RICO statue in response to criticisms that it may be too sweeping, should look at the way it affects these or any protesters.

Are RICO's fines excessive for non-profit organizations? Do other statutes adequately cover offensive behavior? Most important, where is the line beyond which applying RICO can bruise First Amendment rights?

Congress should make sure the Rico law does not disrupt a reasonable balance between the rights of protesters and the rights of their targets. The Supreme Court decision should add breadth and urgency to its search.

EDUCATION SYSTEM NEEDS MORE THAN FUNDING

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. CRANE. Mr. Speaker, the education system in our country continues to be diagnosed as having poor health despite increases in funding to our schools. If we are to play "doctor" on our suffering institutions, it would be wise if we first examine the symptoms that are causing our ills. Students are now living in a new day and age, one which requires survival skills along with enduring morals and intelligence. And yet, students are still subject to the standardized formula established by John Dewey, an educator who once sought to mold society through scientific teaching methods. I don't believe that education, or more specifically, a moment of understanding, can be reduced to a mere burst of synaptic energy in the brain. Young minds need to know that learning isn't bounded by a framework or a standard. It is a mysterious process of growth, enhanced by a moral direction and a higher purpose. Students need help, but not simply in the form of increased Federal spending. I would like to draw the attention of my colleagues to an article called "The Roots of Our Educational Dilemma," by George Roche. In moving the emphasis away from Government intervention, Roche says "education is not, as Bacon thought, a means of showing people how to get what they want, but rather, a means by which they will learn to want what is worth having."

THE ROOTS OF OUR EDUCATIONAL DILEMMA

(By George Roche)

According to some people, our educational problems are all just a matter of money—not enough funds being spent on facilities, teacher salaries, computers, research and so on. The public is sympathetic to this idea. Education is a high priority, so why not spend more?

But the real obstacle to genuine reform is not any lack of resources. As Ronald Reagan noted, "If money alone were the answer, the problem would have been shrinking, not growing." The real obstacle is government interference, exacerbated by spending.

Remember the debates in Congress in the late 1950s and early 1960s, when federal aid to education was being contemplated, and the question was raised: Would government funding lead to government control?

Elected representatives were quick to reassure us. "Of course not," they pledged. "We just want to help. Government isn't getting into the education business or telling teachers how to run the schools. We're just lending a hand—temporarily, of course."

We now know that such assurances were false. Everywhere government money goes, government control follows.

There is a second obstacle to reform, which is more subtle, and, I would allege, more dangerous. We've had over a hundred years of universal public education and "progressive experimentation" which have yielded bitter fruit. John Dewey, the patron saint of modern education, insisted we could mold society and create "model citizens" through scientifically applied teaching methods. Values, especially religious and ethical beliefs, would be downplayed or discarded in favor of secular social goals and collective social attitudes.

Dewey, more than any other individual, has shaped and directed American education. He was the first education expert, a reformer with missionary zeal and the best intentions. Dewey and others denied that there could be, or ought to be, a moral framework underlying human relationships, while at the same time arguing that man, although not a spiritual creature, could be perfected through institutions devised by experts and supported by agencies of the state. A relative handful of professors and intellectuals passed on these notions to their colleagues, to elementary and secondary school teachers, to ministers, to the working press, to novelists, artists, the general public and last—always last—to the politicians. They convinced the world that man is a mere animal, a "trousered ape," and they reduced learning to the Pavlovian formula of stimulus and response. Today, our students are failing to master simple academic skills; our educational establishment is bloated with government funds, but unable to rise above mediocrity despite the efforts of millions of teachers and concerned parents or the many thoughtful recommendations for improvement. Ironically, Dewey's handiwork has resulted in a systematic and ruthless assault on the good citizenship which was its initial goal.

As one of Dewey's contemporaries, J. Allen Smith, remarked ruefully, "The trouble with us reformers is that we made reform a crusade against standards. Well, we've smashed them all, and now neither we nor anyone else have anything left." Learning is not a laboratory exercise, and man is not a laboratory animal. Man can leap beyond mere perceptions of his physical environment. He can dream. He can imagine. Learning is, in short, a miracle which science cannot explain away as just a synaptic convulsion of brain tissue.

But many schools do not explain this to the young. They don't reveal learning as the miracle that it is, because they've become, in many instances, dogmatically secular. And in the absence of moral direction, of higher purpose, they fail in their task of education—fail spectacularly.

One observer put it clearly enough when he said: Education is not, as Bacon thought, a means of showing people how to get what they want, but rather, a means by which they will learn to want what is worth having.

TRIBUTE TO FRANK J. PALMER

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. LAGOMARSINO. Mr. Speaker, I ask my colleagues to join me in recognizing an outstanding resident of my district, Mr. Frank J. Palmer, as he is honored on National Philanthropy Day this November 17.

National Philanthropy Day was established in 1986 in honor of the more than 89 million Americans who generously give of their time and talents to nonprofit organizations. The work of these giving and caring individuals has produced contributions of over $93 billion annually to more than 350,000 gift supported organizations.

On the occasion of National Philanthropy Day, 1989, the Santa Barbara and Ventura Counties Chapter of the National Society of Fund Raising Executives has selected Frank J. Palmer to receive the Professional Fundraiser of the Year Award.

A resident of Santa Barbara since 1986, Mr. Palmer is a director and incoming president of the National Society of Fund Raising Executives. He has assisted nonprofit organizations and volunteers since 1956 by planning, organizing, implementing, and evaluating their fundraising efforts. During this time he raised over $20 million for various groups, including the American Heart Association and St. Vincent's Institute of Santa Barbara.

He has served many different agencies in the health and welfare fields as an executive and a fundraiser, and has been involved in the building of schools, churches, rehabilitation and health research centers. For more than 20 years he worked as a professional in the American Heart Association organization, helping to raise millions of dollars in support of heart research and community education programs which have led to the saving of thousands of lives through new diagnostic treatment and prevention techniques. Mr. Palmer was personally involved in the establishment of the American Heart Association Cardiopulmonary Resuscitation Program and standards making possible the first hour program and heart care emergency rooms in the Greater Los Angeles area.

In 1986 Mr. Palmer joined St. Vincent's of Santa Barbara, a residential facility caring for the developmentally disabled under the operation of the Daughters of charity of St. Vincent de Paul.

I join the members of the National Society of Fund Raising Executives in congratulating Frank J. Palmer as professional fundraiser of the year from the Santa Barbara and Ventura

Counties, and convey to him best wishes for continued success in the future.

NOEL PALM'S COMMUNITY SERVICE

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. LEVINE of California. Mr. Speaker, I rise today to bring to the attention of my colleagues the outstanding record of one of my constituents, Noel Palm, of Manhattan Beach, CA. He is retiring November 30, 1989, after 16 years as a member of the boards of education for school districts in the South Bay of Los Angeles County.

Mr. Palm has been a member of the board of trustees of South Bay Union High School District for the last 8 years. This past year he has been the president of the board. He previously served in all offices of that board, including two terms as president. He also served for 8 years as a trustee for the Manhattan Beach City Elementary School Board.

Mr. Palm and his wife, Sally, are parents of five children—Marcia, Vicki, Karen, Brett, and Todd—all of whom graduated from Aviation High School in the South Bay Union High School District.

Mr. Palm has dedicated his life to serving his community, particularly its young people. For example, he managed a number of teams for the Little League Association of America and he and his wife served on its board of directors.

He also served as representative from the South Bay Union High School District to the board of Southern California Regional Occupational Center, which provides youth with vocational training, an important service for young people who wish to enter the mainsteam of business or academic life.

I urge my colleagues to join me in commending Mr. Palm for his exceptional devotion to his community.

CHILD CARE

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mrs. COLLINS. Mr. Speaker, when I raised the issue 10 years ago, child care seemed obscure, remote, and frivolous to most Members. Finally, everyone has seen the statistics. Finally, the link between child care and employment opportunity is understood. Finally, it is realized that child care is not so much a woman's issue as a national economic issue. Finally, legislation has reached the floor of the House of Representatives. We can't turn back now.

Poll after poll shows that millions of working Americans want and need more affordable, quality care for their children and expect the Federal Government to help furnish it. With that message ringing loudly and strongly in our ears, we cannot accept the suggestion that child care wait until next year or that child care is not a "must pass" agenda item for 1989.

Already this year, both the House and the Senate have passed comprehensive child care packages by solid margins, and I understand that negotiations to iron out the few differences between the two plans have been productive. Even President Bush has given the impression that he would like Congress to deal with the issue this year.

Mr. Speaker, we have before us an historic opportunity to deliver on promises made nationwide: To provide families with the child case assistance they need to be strong and productive. All we have to do now is seize this opportunity and do it this year. The comprehensive child care provisions in the Budget Reconciliation Act must remain there and be passed into law before we adjourn this year. America's families cannot wait any longer, and neither should we.

TRIBUTE TO DISTINGUISHED EDUCATOR—WILLIAM BENJAMIN SCHIFF

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to a distinguished constituent, William Benjamin Schiff. This month culminates his exemplary 32-year career as an educator.

Born March 30, 1929, in Cleveland, OH, Bill moved to the San Fernando Valley during the war years; no small feat considering his parents, two brothers, and two sisters depended upon a 1939 Buick and a handful of gas-ration stamps. Bill graduated from North Hollywood High School and then served honorably with the U.S. Army in Korea from 1950 to 1952. In 1956, Bill received his bachelor of arts degree from Los Angeles State College, performing his student teaching requirements at Rosemont Elementary School. He earned a masters degree in school administration at San Fernando Valley State College in 1961.

As a teacher, Bill brought his unique blend of enthusiasm and love of learning to every grade level in the elementary curriculum. He was a classroom teacher at Prairie Street and Cantara Elementary Schools. He was promoted to assistant principal in 1964, working at Sharp Avenue and Pacoima Elementary Schools. Assuming the principal's chair in 1969, Bill provided direction and leadership at Norwood Street School in central Los Angeles, Knollwood Elementary School in Granada Hills, and Morningside Elementary School in San Fernando.

Throughout his career, Bill Schiff has been dedicated to his students. Anyone who remembers the history lesson when his class built a 20-foot Spanish galleon inside the classroom would agree that Bill predicates virtually every educational decision on what is the best learning environment for the children. Anyone who has counted the holiday seasons that Bill solicited donated toys and then wore a Santa Claus suit to distribute them, knows the compassion and personal generosity which are his second nature.

Maybe the most remarkable lesson Bill teaches is respect for others. At his schools, students worked with teachers, teachers with administration, administration with parents, and the community at large with the school. In his soft-spoken way, Bill gives others the highest degree of honor and honesty. His high expectations for academic performance encourage his students to achieve their fullest potential. It is little wonder his friends and colleagues will recognize Bill's retirement by establishing a scholarship fund in his name.

Bill is a dedicated and loving family man. For 35 years, he has shared his life with Marian. He is a supportive father to his sons Alan, Steven, Kenneth, and their wives Alison, Fran, and Maureen. Three months ago, he became a grandfather to twins Hannah and Jeremy who already express their pride at becoming members of his family. Finally, a tribute to Bill would be incomplete without mentioning that his commitment to education extends to the gridiron of the UCLA Bruins.

Therefore, I ask my colleagues to join me in honoring Bill Schiff, a man who has truly enriched the lives of thousands, especially his students, bringing them the most valuable currencies of knowledge and respect for others.

TRIBUTE TO THE LATE RAYMOND STOTZER

HON. GREG LAUGHLIN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. LAUGHLIN. Mr. Speaker, Texas has experienced a great loss with the death of Raymond Stotzer, engineer-director of the State Department of Highways and Public Transportation.

Hundreds of mourners heard Raymond eulogized at services in New Braunfels October 4. Burial followed in Seguin, in my congressional district.

Texas Governor Bill Clements called Raymond "a dedicated public servant" and said, "His leadership and expertise will not soon be forgotten."

He possessed "a unique combination of brilliance, dedication, and humanitarianism," declared commission chairman Bob Dedman.

Former commission chairman Bob Lanier said, "A big oak tree has fallen with the loss of Raymond." Lanier was commission chairman at the time Raymond was elected to the No. 1 position by the commission.

Commissioner Stoker echoed this same theme, "He had the same respect for maintenance people as he did for commissioners."

Wayne Duddlesten, the newest member of the commission, got to know Raymond well during a short period of time, "He was a man of great spiritual consciousness and commitment."

Raymond graduated from Seguin High School in 1942 and enrolled in Texas A&M University. In 1944, he entered the Navy as an apprentice seaman. In 1946, he was discharged as petty officer second class. In 1947, he received his civil engineering degree from his beloved alma mater, Texas A&M. That same year he went to work for the high-

way department as a field engineer in Seguin. In 1952, he became senior supervising resident engineer in charge of the Comal and Guadalupe residencies.

In 1968, he was named district engineer in Pharr and left his mark with the building of the Queen Isabella Causeway. It is the longest bridge in the State at 12,510 feet and joins the farming and ranching area of south Texas to the coastal recreation area, a mecca for tourists.

His next assignment came in 1974 with his appointment to the district engineer's job in San Antonio. This district provided the dual challenge of urban congestion problems, surrounded by the rural counties and their special needs.

Raymond's experiences were beneficial to Chairman Lanier. Lanier comments, "The question most often asked of me, when I was being asked to come on the commission, was whether I could fairly balance the competing interests of rural and urban districts. Senator John Traeger of Seguin told me, 'If you want to see a guy who fairly balances rural and urban interests I'd like you to meet Raymond Stotzer'. We drove all around the district, and I left thinking this guy was the next potential chief executive officer." That conclusion certainly came as no shock to Senator Traeger, a close friend of Raymond's for more than 40 years. In fact, until his retirement from the Texas Senate in 1985, Senator Traeger carried virtually all legislation critical to advance the Highway department's mission.

In addition to using his deft balancing touch for the rural and urban interests in the San Antonio district, Raymond embarked on another innovation which would save taxpayers millions of dollars and expedite projects significantly.

These were the sort of accomplishments which brought Raymond to the attention of the commission. When Mark Goode retired in September 1986, Raymond was elected by the commission.

To the top job, he brought the same kind of perspective that he had employed throughout his career. He was not interested in personal glory: he truly wanted to serve the public and the "family" within the department. Raymond told the House Transportation Committee during the last session on the legislature that he really believed the top professional positions deserved a pay raise, but if it came to a raise for the executives or the rank and file, he would favor a raise for the rank and file. Fortunately, the legislature found the money to increase the salaries for all department employees. But a big factor was the selflessness that Raymond demonstrated over and over.

Raymond received a great deal of awards for his professional accomplishments. But I would guess, with little fear of contradiction, his most prized had to be the college of engineering award he received from Texas A&M University in April 1989. Raymond commented at that occasion, "To see your fellow man traveling safely and economically to work, church, school, recreation, or wherever, on a modern highway that you are involved in, is a great feeling. I often think our highway department employees fall just one notch below priests, ministers, and doctors, in serving their fellow man."

Raymond is survived by his wife of 44 years, Mary Ann, one daughter, three grandchildren, and his father and stepmother.

A scholarship fund has been established in his name at Texas A&M. In addition, Chairman Lanier announced October 17 he and his wife will underwrite a Raymond Stotzer Award to be presented at the annual short course. Raymond will be missed by his friends and the State of Texas.

CAMBODIA'S TORMENTORS—DOES ANYBODY CARE?

HON. DANA ROHRABACHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. ROHRABACHER. Mr. Speaker, I would like to bring to the urgent attention of my colleagues two articles which appeared in the Washington Post concerning the genocidal rule of the Khmer Rouge in Cambodia. Both were written by survivors of the Cambodian holocaust, and are responses to an article and an editorial which appeared in the Washington Post suggesting, in turn, that there is popular support in Cambodia for the return of the Khmer Rouge and that the United States should be unconcerned about the continued existence of a Vietnamese puppet government in Cambodia.

The first assertion is blatantly false—from 1975 to 1979 the Khmer Rouge slaughtered between 1 and 2 million Cambodians and turned the country into one giant concentration camp. Theirs were among the most vicious and brutal crimes against humanity committed in the second half of the 20th century. The continued strength of these butchers within Cambodia is a reflection of their military might and nothing else.

The second assertion reflects ignorance as to the nature of the Vietnamese-installed regime of Hun Sen and shows an icy indifference to the fate of the Cambodian people. Vietnamese troops invaded and colonized Cambodia under the pretext of ousting the Khmer Rouge, only to continue the cruel repression of the Cambodian people. America represents to oppressed people all over the world a model for individual freedom and self-determination—God given rights to which not only Americans are entitled, but Cambodians as well. To suggest that the enslavement of the Cambodian people is unimportant to Americans is to ignore what American democracy means to those who risk their lives to win freedom and to turn our back on those who need our support the most.

The Khmer Rouge are truly the outlaws of all humanity; the Vietnamese conquerors who replaced them continue to brutally suppress the democratic aspirations of the Cambodian people. It is imperative that the United States Government do everything possible to end the rule of the illegal Vietnamese puppet regime and to prevent the Khmer Rouge from ever again assuming power. Americans share a strong moral bond with the brave Cambodians who are fighting for real freedom and they deserve our stalwart support.

[From the Washington Post, Oct. 30, 1989]

CAMBODIA'S TORMENTORS

(By Dith Pran and Haing Ngor)

We are writing to express our deep dissatisfaction with the flawed article on the Khmer Rouge by Keith Richburg that appeared in The Post Oct. 22. In this article, it is asserted that the Khmer Rouge military successes in Cambodia bespeak a political following for the Khmer Rouge.

We have no affiliation with any Cambodian political grouping, nor do we endorse any political party. We both recently visited Cambodia and the Cambodian displaced-person encampments on the Thai border. We talked face-to-face with our compatriots in the cities and in the countryside.

Contrary to the impression in Mr. Richburg's article, we can confirm that there is virtually no popular support for the Khmer Rouge in either rural or urban areas. The Khmer Rouge are still detested and have almost no following beyond family and friends. The major concern of almost all Cambodians is that the Khmer Rouge will expand by military means and intimidation, regaining control against the popular will of large areas of Cambodia, with the possible resumption of their earlier brutality.

While there is some dispute as to whether up to a million or 2 million Cambodians perished under the Khmer Rouge, virtually every Cambodian family lost a member during that time. The predictable result is a widespread and continuing fear and loathing of the Khmer Rouge inside Cambodia—in urban and rural areas and among the diaspora in the United States, France, and elsewhere. The major hope of Cambodians is: "Khmer Rouge Never Again."

The military successes of the Khmer Rouge are based on their extensive combat experience, ruthless discipline and the major, continuing military support from China through Thailand. Although the headline of the article is "The Hated Khmer Rouge Fights On," there is little in the news story about why the Khmer Rouge are hated and how they are fighting on militarily, which would be of greater interest. Instead, perhaps for the sake of controversy, the article purports to analyze political support for the Khmer Rouge.

Richburg quotes diplomats to the effect that the Khmer Rouge are a "sociological phenomenon" drawing on the "inner feeling all Cambodians have about race, and color and national pride." Yes, almost all Cambodians feel positive about the apparent withdrawal of Vietnamese troops, which among other factors is a result of military pressure from the Khmer Rouge and their Chinese-supplied arsenal. But now that the Vietnamese have announced their withdrawal, attitudes about the Khmer Rouge have little to do with national pride and much to do with stark fear and the Khmer Rouge military muscle.

Cambodians remain disunited politically but there are two things on which most agree; the Vietnamese must totally relinquish control of Cambodia, and any Cambodian regime is preferable to a return of the Khmer Rouge. This widespread consensus and its origins in the pervasive fear of the Khmer Rouge do not come across in the article. We are certainly not supporters of the Vietnamese-installed Hun Sen regime, and wish free elections could be held tomorrow. But this does not mean that there is a following for the Khmer Rouge to take over.

How can Richburg miss these broad attitudes in his reporting? For one thing, there

is little to suggest that he talked to a cross-section of Cambodians. In passing, Richburg does point out that among Cambodians in the cities and towns "apprehension has mounted," but no details are given and one is left with the erroneous impression that in the countryside the Khmer Rouge are somehow less feared or more accepted.

Of only two named Cambodian sources, one is Dr. O Ee, the medical director at Site 8 on the Thai-Cambodian border. He is quoted to the effect that the Khmer Rouge have changed. On the question of Khmer Rouge brutality, Dr. O Ee says "only the West and Vietnam still say that the Khmer Rouge is like that.

Site 8 is a Khmer Rouge encampment, where there are continuing reports of human rights abuses such as forced porterage of military materiel and execution of those who do not comply or attempt escape. So much for the "changed" Khmer Rouge. Furthermore, not to indicate to your readers that Dr. Ee is apparently himself either a Khmer Rouge or working under their control, and therefore certainly not an impartial observer, is a gross reportorial (and editorial) omission.

Among the remaining sources mentioned by Richburg are several diplomats in Bangkok and Phnom Penh. From 1975 to 1979, during the Khmer Rouge reign of terror—when we were both trapped inside Cambodia—journalists often quoted diplomats to the effect that refugee accounts of Khmer Rouge atrocities were exaggerated. In a throwback to those times. Richburg seems to be drawing on the diplomatic drawing rooms for most of his views about Cambodia and the Khmer Rouge.

But your readers deserve a comprehensive and fair assessment of the Khmer Rouge that goes beyond "knowledgeable" diplomatic sources. We suggest that to supplement the Richburg article, The Post dispatch a reporter to survey Cambodian views about the Khmer Rouge in the wake of the announced Vietnamese troop withdrawal. Such a story might also examine current practices of the Khmer Rouge inside Cambodia, on the battlefield and in areas that they control, including the border encampments. Alarmingly, just as in the past Khmer Rouge areas are normally closed to journalists and other outsiders, so information often has to be gathered from escapees and others. But this is a journalistic effort worth making.

The U.S. administration seems unwilling to exert leadership to prevent the threat of a Khmer Rouge return to dominance. When the influential Washington Post conveys the erroneous impression that the Khmer Rouge have a political following in Cambodia and omits describing Khmer Rouge activities, heads in Washington and other capitals go farther into the sand.

If the international community is to prevent a Khmer Rouge return, the first step is balanced and accurate reporting about their actions and the widespread fear that this engenders in the Cambodian people. As long as the Khmer Rouge exist in Cambodia, we have no hope for peace.

[From the Washington Post, Oct. 30, 1989]

DOES ANYBODY CARE?

(By Saren Thach)

I find Richard Cohen's comment "Really, what do we care if a pro-Vietnam government takes over in Cambodia?" (i.e., The People's Republic of Kampuchea—PRK) an insult to Cambodians and Cambodian Americans such as myself (op-ed, Sept. 29). The hands of Hun Sen, Heng Samrin and their colleagues in the PRK are bloodied from the brutal murders of my family and the families of many other Cambodians. Also, I find The Post's plea that "unless and until the United States can bring itself to rely on Hun Sen, it will not have a relevant role in keeping the Khmer Rouge from bidding again for power" extremely naive in regards to who helped fill the "killing fields" in Cambodia ["Cambodia's Agony," editorial, Sept. 3.]

After the fall of Phnom Penh in 1975 and when Heng Samrin was in charge of the eastern portion of Cambodia, he implemented the Khmer Rouge's plan of a forced exodus from populated areas to the countryside. Every echelon of the Khmer Rouge leadership carried out mass executions of the families of the educated, military and civil servants, and even the Buddhist monks. In 1975 in Svay Rieng Province, my oldest brother, after being starved for several months, was ordered to dig his own grave by Heng Samrin's deputies and was then murdered (witnessed by my brother's wife's uncle, who survives).

In 1976 my next oldest brother, a schoolteacher, seeking escape from the constant killings ordered by Heng Samrin in Svay Rieng Province in Cambodia, fled to Tay Ninh Province in Vietnam. But instead of his finding relief from the terror, he was returned by the Vietnamese Communists to Svay Rieng, exchanging him to Heng Samrin's troops for one cow. After that, he was paraded before a meeting of local villagers, repeatedly beaten and cut to ribbons with a hoe and left to die before their eyes—his body to be eaten by wild dogs that night (witnessed by my eldest brother's wife, who survives).

Also in 1975, my wife, several months pregnant, was forced to march for 10 days from Phom Penh to Svay Rieng Province, which borders Vietnam. The long march caused a premature birth, and my baby girl soon died because her starving mother lacked the milk to keep her alive. The same day my wife gave birth she was forced to work immediately in the rice fields. My 4-year-old son was forced by Heng Samrin's troops to walk many miles through the jungle to beg rice from distant relatives. In late 1978, my wife and then 7-year-old son were forced by the Khmer Rouge to march to Pursat province in western Cambodia, and the Khmer Rouge tried to force her to marry one of its cadre. When she refused, they led her to one of the nearby "killing fields" and murdered her and my son (eyewitness account by my surviving brother-in-law).

The Khmer Rouge was composed of two factions, the Western headed by Pol Pot and the Eastern headed by Heng Samrin (the Eastern portion of Cambodia was occupied by the Vietnamese), Hun Sen was a regimental commander under Heng Samrin, and operated in the northeastern province of Kompong Cham. From day one, they and the troops under their command killed indiscriminately anyone in their way, and when overrunning two hospitals, Heng Samrin's and Hun Sen's troops threw hand grenades and later slit the throats of critically ill patients [Washington Post, Sept. 10, 1973]. In July 1973, during the battle to relieve the provincial capital, my special forces unit was sent to relieve the garrison at Kompong Cham, which had been under seige by Hun Sen's troops for three weeks. They discovered hundreds of bodies of men, women and children, young and old, including Buddhist monks, from villages near the provincial capital who had been first tortured and then killed—some executed by a gunshot to the back of the head, others chopped to death with hoes, still others strangled to death or suffocated by plastic bags tied over their heads.

In 1973, Heng Samrin as Eastern commander of the Khmer Rouge, turned his entire command over to the Vietnamese, who trained, armed and fought alongside them, and who were instrumental in the capture of Phnom Penh in 1975. The Khmer Rouge in the east under the command of Heng Samrin and Hun Sen were not particularly tender—massacres of people, especially of the Muslim minority, the Chams, occurred there, And Hun Sen, as a senior military commander in the eastern region, was charged with personally leading the single greatest cross-border massacre of Vietnamese civilians during the Pol Pot days [Bangkok Post, May 2, 1989]

Given Hun Sen's proven record of genocide against the Chams and his subservient role to the Vietnamese, it is likely that this cross-border massacre by Hun Sen and his troops focused on ethnic minorities in Vietnam (Chams and Stieng) and was Vietnamese-inspired. This massacre served two purposes. First it took care of the rebellious Cham and "Montagnards" in that region of Vietnam, who historically disliked the Vietnamese and whom the Vietnamese have been trying to eradicate for centuries. The various "Montagnard" groups made up the majority of the U.S. indigenous Special Forces troops who fought the Communists, and the Vietnamese traditionally referred to them as "moi" or savages.

Second, this gave the Vietnamese the excuse to invade and colonize Cambodia. This explains how Hun Sen, Heng Samrin and others of the Eastern Zone Khmer Rouge could maintain their close relationship with the Vietnamese, even after such a dastardly act as the cross-border massacre. In 1977, Hun Sen and Heng Samrin fled to the open arms of the Vietnamese, not because they objected to the degree of the Khmer Rouge massacres but because they learned they were targeted for execution in a purge led by party cadre Ke Pauk. Pol Pot's "final solution" included a plan to kill off all Cambodians over the age of 13, except for his most trusted inner circle of friends—"the Paris Clique." Pol Pot had great mistrust of the loyalty of Hun Sen, Heng Samrin and the others in the Eastern command because of their close relationship with the Vietnamese.

Regarding Richard Cohen's column: the United States should care if a pro-Vietnam government takes over in Cambodia, especially when its leaders' hands are equally as bloody as those of Pol Pot's Khmer Rouge. Since the United States ratified the Convention on Genocide last year, it is hypocrisy for us not to care. The renowned Jewish author Elie Wiesel said that when governments seek to destroy a people, they must kill twice: first the people, then the memory. Mr. Cohen's game with semantics, calling the mass murder of Cambodians autogenocide rather than genocide, is an attempt to kill the memory.

PLIGHT OF GEORGI BELITZKY

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. FAZIO. Mr. Speaker, I rise today to draw attention to the plight of Georgi Belitzky, a Lithuanian Jew who has been refused permission to leave the Soviet Union since 1981.

Georgi Belitzky first applied for permission to emigrate to Israel in 1979. However, the Soviet Ministry of Defense has denied him permission to leave, claiming he has knowledge of state secrets. His wife and sons were allowed to emigrate to Israel 2 weeks after they submitted their applications.

Prior to 1979, Georgi was an employee of the Institute of Mechanics. While employed by the institute, he assisted in military enterprises. He received the lowest level of military clearance and was admitted to military bases, but he was never given access to secret documents. Workers with the same clearance level are allowed to leave the Soviet Union 5 years after they turn in their certificate of clearance. Nevertheless, Georgi has been told that he must wait 30 years to leave.

In April of 1988, Georgi was told that his security classification was to conclude in 1993 instead of 2010. After questioning the Soviet Government's denial of permission to leave for 8 years, Georgi finally learned that the denial was the direct result of his work on a military base in 1975. Georgi also recently learned that the Radio Ministry, where he had previously worked, had removed its objection to his departure. However, at the same time, he received word that the Ministry of Defense again refused his application.

Georgi is one of the Jewish community leaders in his home town of Vilnius. He has helped form a religious study group and a public library on Jewish studies. He and other Lithuanian Jews have petitioned Moscow in hope of having his restriction lifted.

In the spirit of glasnost and improved United States-Soviet relations, I hope that Georgi and other Soviet Jews who desire to leave the country are not denied permission by frivolous and arbitrary obstacles. I strongly urge my colleagues to join with me in urging the Soviet Union to reconsider its practices with regard to Georgi Belitzky and others who wish to emigrate from the Soviet Union.

REPRESENTATIVE MILLER SALUTES JOHN E. DeVITO

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. MILLER of California. Mr. Speaker, one of the most dedicated and talented public servants in the history of Contra Costa County, CA, John E. DeVito, is about to retire as the executive director of the Contra Costa Water District. I want to take a few minutes of the House's time to acknowledge his many accomplishments and contributions to the people of my district and the State of California, and his long years of work with me on behalf of improved water policy for the United States.

John DeVito has spent over 30 years working tirelessly on behalf of the residents of Contra Costa County. The record of leadership that our county has on water quality, on preservation of the Sacramento-San Joaquin Delta and San Francisco Bay, and on leading the way on innovative water policy is, to no small extent, attributable to the dedication and persistence of this talented public servant.

In addition, John has served as the "water professor," educating three generations of elected officials, myself included, in the complexities of water policy and water politics. His detailed knowledge of the history, nuances, and provisions of water law and water lore make him a unique resource as well as a formidable advocate for high quality water.

John DeVito's career began in the mid-1950's, when he worked alongside the titans of California water development, including Bizz Johnson, John McFall, Bernie Sisk, John Baldwin, Wayne Aspinall, and Henry Jackson at the congressional level. Together, these leaders envisioned and built the massive water systems that made possible the economic miracle of modern California.

John came to the Contra Costa Water District in 1956 as an administrative assistant to Tom Carlson. In rapid succession, he became assistant general manager and then general manager in 1964. He was the moving force behind construction of Contra Loma reservoir, which provide Contra Costa County with its own storage facility to protect against quality degradation.

Throughout the years, John has played a key role in many of the subsequent legislative achievements we have been able to record on behalf of the 350,000 customers of the Contra Costa Water District and the peope of California. When I wrote the legislation that mandated the first, comprehensive review of the Bureau of Reclamation's irrigation policies in the Central Valley in 1977, John provided valued advice.

When we reformed the reclamation law in 1982 and 1987, his experience and knowledge of the program was of enormous value in our efforts to curb abuses that resulted in the waste of water and the unjustified subsidization of wealthy agribusinesses.

And in 1986, he played a very important role in helping to develop our legislation to authorize a coordinated operating agreement between the Federal and State governments—predicated on the first, firm guarantees of water quality protection for the delta in history. His work on behalf of the Federal delta protection legislation paralleled much of his work in the 1950's together with my father, the late state Senator George Miller, Jr., on behalf of the State Delta Protection Act.

John's many contributions in the field of water policy have not been limited to serving only the Contra Costa County, however. He has served in a wide range of leadership roles with State and national organizations dealing with water policy, including the Association of California Water Agencies, the Bay Area Water Works Council, the California and the National Water Resources Association, where he organized the Municipal and Industrial Water Committee.

John, and his wife Evelyn, have also been active in a long list of community activities, including the American Cancer Society.

On November 17, many of the leaders of Contra Costa County and the water community will be joining Evelyn and John DeVito for his retirement dinner, an event I very much hope to attend too. I know that every Member of this House joins in wishing John the very best, and in thanking him for his decades of devoted service and enormous achievements on behalf of all Californians. He is the exemplar of the dedicated, conscientious and effective public servant, and I am proud to call him a good friend and teacher as well.

SURVEYING AND MAPPING COOPERATIVE OPPORTUNITY ACT OF 1989

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. RAHALL. Mr. Speaker, today I am introducing legislation that is long overdue. This legislation would require the U.S. Geological Survey to increase its use of private mapping firms under contract so as to support the USGS in its statutory mandate of providing national mapping and surveying expertise and leadership.

While I have always been a supporter of the programs carried out by the USGS, especially under the recent capable leadership of the bureau's distinguished Director, Dallas Peck, I am concerned that the Survey has not increased its use of the advances and efficiencies in mapping and surveying that exist in the private sector, especially in mapping techniques for scales larger than 1-to-24,000.

In my opinion, the USGS should be more open to utilizing the state-of-the-art technologies that the private sector has developed and is willing to provide for the use of the Federal Government. It is my understanding that the Army Corps of Engineers annually contracts for 60 to 70 percent of its surveying and mapping needs, and that the National Park Service and the Forest Service also contract with private firms for their various mapping activities. In comparison, the National Mapping Division's total fiscal year 1988 budget was around $90 million, of which only $5.7 million was spent under contract. Only 6.3 percent of the fiscal year 1988 USGS National Mapping Division budget was spent under contract.

In light of this situation, I am introducing legislation that establishes a 4-year pilot program which requires the USGS to incrementally increase its percent of mapping activities done by contract with private mapping firms. The Surveying and Mapping Cooperative Opportunity Program, to be established in the National Mapping Division of the USGS, shall apply to all mapping and surveying activities of the National Mapping Division. These activities include the acquisition of topographic-oriented mapping data, the acquisition of hydrographic-oriented mapping data, and the design, compi-

lation, printing, and dissemination of printed, digital, or photographic-based map and chart products, among other activities.

In carrying out the Surveying and Mapping Cooperative Opportunity Program, the USGS is to make annual incremental increases in the percentage of surveying and mapping activities which are performed under contract, beginning with not less than 10 percent in fiscal year 1991, not less than 20 percent in fiscal year 1992, not less than 35 percent in fiscal year 1993, and not less than 50 percent for fiscal year 1994.

This bill also requires annual reports on the implementation of the Surveying and Mapping Cooperative Opportunity Program. These reports are to be done in consultation with the Administrator of the Office of Federal Procurement Policy and shall include an inventory of those surveying and mapping activities that have been performed annually under contract by private firms and by the USGS. This bill also provides for submission of a final report evaluating the program and making recommendations for expansion of this program to other agencies.

The intent of this legislation is to promote partnership with the private sector in the critical areas of mapping and surveying for this Nation's myriad needs. I wish to emphasize that this bill should in no way be construed to indicate any criticism or dissatisfaction of the U.S. Geological Survey. This agency is staffed by some of this Nation's most respected and dedicated scientists, engineers, cartographers, and other professionals. However, as chairman of the Subcommittee on Mining and Natural Resources, which has jurisdiction over the USGS, I believe it is incumbent on the Congress to seek ways to reduce Federal spending while maintaining the highest level of expertise and professionalism. We can begin by providing cooperative opportunities between the Federal agencies and the private sector.

I believe that this is good legislation in that it will promote an atmosphere of cooperation and ease technology transfer between an agency of the Federal Government and the private sector by which we will all benefit.

MICHAEL E. MATCHO, VICE PRESIDENT OF U.S. STEEL WORKERS UNION LOCAL 4889, GREATLY MISSED BY FAMILY AND FRIENDS

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. KANJORSKI. Mr. Speaker, I rise today to ask my colleagues to join me in extending sympathy to the family of Mr. Michael E. Matcho, residents of Wilkes-Barre, PA. Mr. Matcho passed away on May 12, 1989.

A former Democratic committeeman, he worked tirelessly to encourage all citizens to play an active role in government. Mr. Matcho also served as vice president of U.S. Steel Workers Local 4889. The energy and enthusiasm he possessed contributed to his success in life. His zest for life served as an inspiration to those who were fortunate enough to know Michael Matcho.

As a tribute, I would like to place a portion of his obituary in the CONGRESSIONAL RECORD and extend my most sincere condolences to his family and friends:

MICHAEL MATCHO

Michael E. Matcho, Washington Square Apartments, 163 South Washington Street, Wilkes-Barre, and a former resident of North Wilkes-Barre, died Friday evening (May 12, 1989) at the Mercy Hospital, Wilkes-Barre after a short illness.

Born in Wilkes-Barre, he was the son of the late Michael and Anna Dzurko Macho. He was a member of Sacred Heart Roman Catholic Church, North Main Street, Wilkes-Barre.

Until his retirement he had been employed by U.S. Steel Fairless Works, Morrisville, for 20 years. Prior to that he had been employed by Hazard Wire Rope, Wilkes-Barre, for 15 years.

He was a member of the United Steel Workers Union and served as secretary/treasurer of the union local at Fairless for many years. He organized and was the first president of the Steel Workers Organization of Active Retirees at Fairless.

He moved to Trenton, New Jersey, in 1952 and returned to Wilkes-Barre in 1977. He was the former general manager of the Brookside Yanks, a local baseball club, in the late 1940s and early 1950s. He was also a member of the North End Slovak Citizens Club, Wilkes-Barre. For many years he wrote articles for the Sunday Independent for the North End and Brookside sections of Wilkes-Barre. More recently he served as Democratic committeeman in Wilkes-Barre.

He and his wife, the former Elizabeth C. Siemienowicz, celebrated their 52nd wedding anniversary October 17, 1988.

Preceding him in death was a brother, Joseph Matcho. Surviving, besides his wife, Elizabeth, a guest at Valley Crest Nursing Home, Plains Township are sons: Gerald M., Bridgewater, New Jersey; Michael K., Trenton, New Jersey; brothers: John Matcho, George Matcho, and Francis Matcho, all of Wilkes-Barre; sister: Mrs. Mary Masters, Belleville, New Jersey; four grandchildren; several nieces and nephews.

SAVE OUR PLANET'S ECOSYSTEM

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. OBEY. Mr. Speaker, I'd like to bring to my colleagues attention an article written for the EPA Journal by former Wisconsin Senator Gaylord Nelson, the founder of Earth Day.

Nelson, who is now Senior Counselor for the Wilderness Society, has proposed that the United States and the Soviet Union reduce military expenditures by 50 percent over the next 10 years, with half of the annual savings devoted to saving our planet's ecosystem. He points out that there are no losers under this proposal and he asks a question each of us ought to ask ourselves and our children: "How much longer are we and the Soviet Union going to expend a total of $600 billion a year on weapons systems that put us both in greater jeopardy while degrading and destroying the very resource base that sustains us?"

Let's face it. We need so many things in our society, yet there never seems to be enough money to pay for them. We need dollars to combat toxic pollution and reverse global climate change. We need research and development into alternative energy source. We need better bridges, transportation systems, and sewage treatment plants and we need to guarantee our children a decent future on this plant.

Senator Nelson is right. The cold war is waning and we have an opportunity to cooperate with the Soviet Union in making tough choices on spending priorities that we have been avoiding for years. To throw away an opportunity to encourage peace and the transfer of billions of wasteful Pentagon dollars for human resources would be a terrible tragedy. I commend this article to my colleagues and ask you to think about our future.

CAN WE WIN WITH THE CRISIS-ORIENTED APPROACH?

(By Gaylord Nelson)

The 20th anniversary of Earth Day is just 10 months away. Twenty million people participated in that dramatic event.

The main purpose of Earth Day was to organize a nationwide, grassroots demonstration of public concern for the environment that would get the attention of the politicians and force the environment issue into the mainstream of political dialogue. The politicians got the message, and they responded with major legislative initiatives at the national, state, and local levels.

While we have made some significant progress here and there since Earth Day, a continuance of efforts at current levels will fall far short of what is needed and will not prevent continued steady environmental decline.

The resiliency of the living planet has already been dangerously compromised. It is rapidly losing its capacity to renew itself. The insults to the land, water, and air are too many and too massive.

In short, threads of the net that hold the world ecosystem together are breaking and unravelling. Only a massive, coordinated worldwide effort will save what is left of the natural world and give nature a chance to repair some of the damage we have caused.

If this sounds like alarmist talk, it is, because the situation is nothing short of alarming.

Plans for a worldwide Earth Day in 1990 are well underway. Indications are that this will be the largest grassroots demonstration in history.

The single most important objective of this 20th anniversary celebration is a worldwide public demonstration so overwhelming that it literally shakes the political leadership of the world out of its lethargy and galvanizes it into a monumental, cooperative effort to stop the deterioration of the planet and begin its restoration.

It is time our leaders recognize that the state of our environment is far more important than the threat of nuclear war, missile gaps, star wars, crime on the streets, communism in Nicaragua, world hunger, national economies, or any of a dozen other issues that occupy the front pages of our daily newspapers.

It is time for our political leaders to recognize an important truth: the fate of the living planet is the most important issue facing mankind. No other issue, now and for all centuries to come, is more relevant to

our way of life than the status of our resources—air, water, soil, minerals, scenic beauty, wildlife habitat, forests, rivers, lakes, and oceans. It is the resource base that determines how we live and defines our habitat and the limitations for survival of all species: plants, animals, and man.

What is needed right now is strong, vigorous, imaginative leadership from President Bush and President Gorbachev. They have it in their power to alter dramatically the course of history, if they will but grasp the opportunity.

The cause is right. The time is ripe. The world is ready. Mr. Bush and Mr. Gorbachev should begin by formally declaring an end to the cold war and the beginning of a new era.

The Soviet economy is a shambles. It desperately needs relief from the burden of unproductive military expendtirues. So does the United States. The national debt overhangs the economy, saps the vitality of our whole economic and social system, weakens our competitiveness, and distorts national priorities. Both nations would benefit from a drastic reduction in military expenditures and a reallocation of resources to the environment and other socially productive enterprises.

President Bush would inspire the world and give it the dramatic leadership it yearns for if he would propose that the United States and the Soviet Union mutually reduce military expenditures by 50 percent in the next 10 years and another 50 percent in the following decade, with half the annual savings allocated to husbanding the ecosystem of the planet. Under this proposal, everyone is a winner—there are no losers.

This is not unilateral disarmament; it is not idealism run amok; it is, plainly and simply, hard-nosed realism. How much longer are we and the Soviet Union going to expend a total of $600 billion a year on weapon systems that put us both in greater jeopardy while degrading and destroying the very resource base that sustains us?

Once Mr. Bush and Mr. Gorbachev reach an agreement in principle, the iron curtain countries, western Europe, and most other countries could be persuaded to follow because it would also serve their own best interests.

Very few Presidents are afforded the opportunity to achieve greatness. Those who did, achieved it because they successfully met a major threat to the security of the nation: war, social turmoil, economic chaos. These were the challenges faced by Washington, Lincoln, and FDR.

Now, for the first time in history, the nation is confronted with a challenge far more serious than any war or economic depression.

Mr. Bush is the first president in contemporary times to define himself as a conservation president. He has a golden opportunity to grasp this issue and lead the world. The United States is the largest industrial power—and the world's greatest polluter. This nation has an obligation to set an example.

Whatever else President Bush does in his presidency will fade into distant memories, but if he successfully initiates the battle to preserve the integrity of the planet, he will be remembered as long as history is written.

INTRODUCTION OF THE PARTNERSHIP FOR LONG-TERM CARE ACT OF 1989

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1939

Mrs. KENNELLY. Mr. Speaker, the elderly of this Nation have spoken. I think that our experience with the Catastrophic Health Care Act makes that clear. The elderly of this Nation, and their families, need Long-term health care.

They would like a new entitlement program, but frankly we all know that we can't afford one at this time. That is why, Mr. Speaker, I am introducing the Partnership for Long-term Care Act of 1989 which does three things.

The first, and the cornerstone, is a Medicaid asset-waiver program. It is premised on individuals, young and old, taking some responsibility for their own long-term care needs. To the extent that a certified insurance policy pays for long-term care services, these payments are subtracted from covered assets for Medicaid eligibility purposes. For example, assume individuals A, B, and C all purchase long-term care insurance.

Individual A has $25,000 of insurance and $25,000 of assets. To the extent that $25,000 of long-term care expenses are paid out by the insurance company, A becomes eligible for Medicaid long-term care services and is allowed to retain $25,000 of assets.

Individual B has $25,000 of insurance and $100,000 of assets. To the extent that $25,000 of long-term care expenses are paid out by the insurance company, B only has to spend the difference between $75,000 and the State Medicaid eligibility level—about $2000—to be Medicaid eligible and is allowed to retain $25,000 worth of assets.

Individual C has $25,000 of assets and $35,000 of insurance. To the extent that $35,000 of long-term care expenses are paid out by the insurance company, C becomes Medicaid eligible and retains $25,000 of assets.

Now the computer modelling my State of Connecticut has done, indicates that the insurance is most likely to be purchased by middle income individuals and that these individuals are mostly likely to avail themselves of option C. This may seems trivial, however it has important fiscal policy implications. To the extent that individuals elect option C, Medicaid saves the difference—the extent to which insurance protection exceeds assets.

The Connecticut Office of Policy and Management developed the asset waiver model. Nine States, including Connecticut, are currently working on demonstrations aimed at developing public/private partnerships. I think the project has tremendous social and economic potential—social in that our seniors, and their families will be able to plan for much of their own long-term care needs and economic in the form of a valuable new market for the insurance industry and the savings of valuable Medicaid dollars by the State and Federal Governments.

The second component of my bill assures that our scarce public resources are targeted to those who need assistance. Some States have set Medicaid eligibility levels as low as 25 percent of poverty. Therefore, I would require States to establish a medically needy program for individuals below the poverty line. I would also provide a Federal a premium subsidy for those who cannot otherwise afford private long-term care insurance—that is the difference between the cost of insurance and 5 percent of gross income.

And finally, though the market for private long-term care insurance is now in its second and third generation of policies the market has grown dramatically in the past few years. Therefore, I would clarify Federal tax law in several areas to encourage individuals to purchase long-term care policies, employers to offer employees long-term care insurance and clarify the treatment of long-term care insurance reserves.

Finally, I would pay for this bill, which I truly believe is a family bill, not just an elderly bill, by removing the cap from income subject to the Medicare tax.

I would urge my colleagues support.

JACKSONVILLE, UNEXPECTEDLY: THE FLIP SIDE OF FANTASY

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. BENNETT. Mr. Speaker, this past Sunday's edition of the Washington Post, November 5, 1989, had a veritable smorgasbord of information on the city of Jacksonville, FL, which is the dominant city in my congressional district. The two articles, "Jacksonville, Unexpectedly: The Flip Side of Fantasy," and "Jacksonville, Emerges from Backwater, Heads for Big Time," really show the incredible momentum that is driving the city. I am glad the Post has recognized Jacksonville as one of the truly up-and-coming cities of the South and of the Nation. Those of us from Jacksonville have always known that.

I submit for the RECORD excerpts from this article "Jacksonville Unexpectedly: The Flip Side of Fantasy."

JACKSONVILLE UNEXPECTEDLY: THE FLIP SIDE OF FANTASY

(By James T. Yenckel)

Appearances, as they say, are deceiving, and this maxim can apply to cities as well as people. At first glance, Jacksonville seems a young city, sprouting several brash new office buildings mirrored against the fast-flowing waters of the St. Johns River. But for the random luck of history, however, it might well have been known as America's oldest city.

It is, in fact, America's largest city, though you might think this dubious honor should go to New York or Los Angeles. The phrasing here is misleading: largest not in terms of population but in area. In 1968, the city of Jacksonville merged with the neighboring county to form—at 841 square miles—the largest-in-area city in the nation. On the Florida map, it appears as a giant blob that puts Miami to shame.

The city, as I discovered earlier this year, is full of rewards. If you want a peek at Old

Florida, a Florida with substantial roots, this is the place to go.

My own interest in Jacksonville is historical. The stretch of Atlantic Coast from Jacksonville south about 25 miles to St. Augustine and a bit beyond is promoted by state tourism officials as the First Coast, and for good reason. In the mid-16th century—before Jamestown in Virginia and the Plymouth Pilgrims—it became the first battleground for European control of the North American continent. Important remnants of that monumental conflict still exist.

But the beaches should not be bypassed. Along this part of the coast, they extend for miles in wide avenues of packed golden sand. Within Jacksonville itself is a trio of small weathered beach communities—Atlantic Beach, Neptune Beach and Jacksonville Beach—that are popular with the local crowds. In deep winter, you can sunbathe comfortably and take long walks on the sand. By April, timid bathers can wade knee-deep in the surf without shivering, and hardier swimmers who plunge in can stay comfortable as long as they keep moving.

I was most impressed by a 4½-mile-long stretch of undeveloped beach that is a part of Guana River State Park, about a dozen miles south of Jacksonville. Grass-topped sand dunes, 30 to 40 feet high, shield the beach from the passing traffic on Florida A1A. On the beach itself, almost nothing of the modern world intrudes—no trash cans, restrooms or lifeguard stands.

If you prefer your beaches less wild, at least three big resorts in the Jacksonville area combine the diversions of beach, golf and tennis with first-class amenities. To the south of the city, the bustling Marriott at Sawgrass is a sprawling high-rise complex that seems to draw an active young crowd. Nearby is the more subdued—and more relaxing—Ponte Vedra Inn and Club, an old but excellently maintained resort where most of the rooms sit directly on the beach. To the north of Jacksonville is Amelia Island Plantation, a huge villa complex tucked behind coastal sand dunes. It draws many families because of the good facilities for youngsters.

Downtown Jacksonville sits about 12 miles inland from the Atlantic, too far away for sea views. No matter. The wide St. Johns River serves just as nicely, and in recent years the city has begun to take appropriate advantage of its attractive river setting. Two years ago, Jacksonville Landing, a festival marketplace of shops, restaurants, snack stalls and bars opened on the western bank of the river. Along the eastern shore is a mile-long boardwalk of more shops and restaurants called the Riverwalk. Both developments, brightly lighted at night, attract throngs to the riverfront, giving the city a festive look. Water taxis shuttle back and forth constantly.

The first colonists in the Jacksonville area were the French, who built Fort Caroline on a flat knoll overlooking the St. Johns River in 1564. To their misfortune, the Spanish arrived soon after, booted them out in something of a brutal massacre and in 1565 settled St. Augustine. St. Augustine now claims the distinction of being the oldest permanent settlement in the United States. If the French had held out, who knows?

As both river-port and beach community, Jacksonville obviously lives, works and plays by the water. On the golf course or pursuing 16th-century battle sites, you are rarely without a good water view. This is a key to the old city's charm and reason enough to pause on your way to Disney World or points south. I spent most of a week there, free from the crowds elsewhere in the state, and thought myself well rewarded. This is the real Florida, and it makes a refreshing break from too much fantasy.

VETERANS DAY

HON. DAVID E. PRICE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. PRICE. Mr. Speaker, I'm proud to join the millions of people who will spend Veterans Day honoring the brave men and women who have served their country so well.

Each year, we set aside this day of special remembrance to honor our war dead, recognize our war heroes and to express our gratitude for the courageous and selfless service of each and every veteran.

Across the country, we will be marching in parades, including the Veterans Day parade I'll be reviewing in Raleigh, NC, waving American flags and celebrating the heroism of our veterans. Here in the Nation's Capital, a memorial service will be held at Arlington National Cemetery, where the Tomb of the Unknown symbolizes America's commitment to honor our war dead. In my State of North Carolina, veterans groups will be holding numerous events, including a service at the U.S.S. *North Carolina* Battleship Memorial, the World War II ship docked in Wilmington.

But it's important that we honor our veterans in other ways as well. We in the Congress must strive every day to preserve, protect, and maintain veterans' benefits. Certainly, they deserve no less from this country.

I was reminded of that on October 28, as 400 North Carolina veterans gathered in Raleigh to hear the remarks of our distinguished colleague, Representative G.V. "SONNY" MONTGOMERY, the longtime chairman of the House Veterans Affairs Committee. I was honored to host this event, along with my North Carolina colleagues, Representatives TIM VALENTINE and MARTIN LANCASTER.

Under SONNY MONTGOMERY'S leadership, Congress has served as the veteran's advocate, restoring proposed budget cuts in recent years and working hard to improve veterans' programs. Veterans saw legislative milestones in the 100th Congress, as we boosted employment training and counseling for veterans, improved health care programs, made permanent the new GI education bill, established a judicial review procedure and perhaps most importantly, elevated the Veteran's Administration to Cabinet status.

In this 101st Congress, we've already passed a number of important pieces of legislation. So far this year, we've strengthened the veterans' health facility nurses; provided mandated outpatient care for certain veterans; provided cost-of-living increases to service-connected disabled veterans; and made permanent a program establishing Federal job preference for certain Vietnam-era veterans.

We and our veterans will face additional challenges in the years ahead. As SONNY MONTGOMERY told the veterans in Raleigh, the veterans' health care system and the aging veterans' population present formidable challenges to policymakers in Washington. I firmly believe that we in Congress must fulfill our obligations to those who served their country. I urge my colleagues to join me in renewing our commitment to improving the lives of America's veterans. I can think of no better way to mark Veterans Day.

CONGRATULATIONS TO PAUL TAGLIABUE UPON HIS APPOINTMENT AS NATIONAL FOOTBALL LEAGUE COMMISSIONER

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mrs. MORELLA. Mr. Speaker, I rise today to congratulate Paul Tagliabue of Bethesda, MD on his appointment as the seventh commissioner of the National Football League. I would also like to extend my congratulations on this happy occasion to Paul's wife, Chandler, and his two children, Drew and Emily.

It seems as if everyone knows that as the past legal counsel for the NFL, Paul has been in the huddle in most of the major decisions affecting professional football during the past 10 years. It also appears as if everyone is aware that this experience, coupled with a sharp legal insight which he has developed as a senior partner in a major Washington law firm, has more than adequately equipped him to lead th NFL into the 1990's. However, I am not sure that everyone is aware that the new commissioner was also an excellent basketball player and team captain at Georgetown University. As a 6'5" forward, Paul towered over his opponents and averaged 9.0 rebounds a game. Just as a comparison, basketball superstar Patrick Ewing a few years ago finished his distinguished Georgetown career with a 9.2-rebounds-per-game average.

Through his multitude of talents, intelligence, and dedication, it is evident that Paul Tagliabue is uniquely qualified to tackle the demands and complexities of the commissionership. He will undoubtedly quarterback the NFL for many years to come. I salute Paul and wish him continued success.

TRIBUTE TO DRS. ALAN SCHRIESHEIM AND CHARLES TILL

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. FAWELL. Mr. Speaker, I rise today to pay tribute to Dr. Alan Schriesheim, Director and Chief Executive Officer of the U.S. Department of Energy's Argonne National Laboratory, and Dr. Charles Till, Argonne's Associate Laboratory Director for Engineering Research, on their recent election to the National Academy of Engineering.

Dr. Schriesheim was honored for his innovative chemical and chemical engineering research and for his leadership in both the aca-

demic and industrial sectors. Before coming to Argonne in 1983, Dr. Schriesheim worked for 27 years at Exxon Corp., serving as general manager of Exxon's engineering technology department and director of Exxon's corporate research laboratories. A fellow of the New York Academy of Sciences and the American Association for the Advancement of Science, Dr. Schriesheim holds 22 patents and has authored or coauthored more than 70 papers.

Dr. Schriesheim serves on the President's Council on Superconductivity for American Competitiveness, the U.S. Congressional Advisory Committee on Science and Technology, the State of Illinois Governor's Commission on Science and Technology, the Illinois Council of Advisors, and numerous other scientific, technological, and educational advisory committees.

Dr. Schriesheim holds a bachelor of science degree in chemistry from the Polytechnical Institute of Brooklyn and a doctorate in physical organic chemistry from Pennsylvania State University.

Dr. Till was honored for his leadership in fast-reactor technology development. Dr. Till came to Argonne in 1963. Prior to being associate laboratory director, he was director and associate division director of the applied physics division, and manager of the zero power reactor program at Argonne. Before coming to Argonne, Dr. Till was the physicist in charge of the startup of Canada's first prototype heavy-water reactor at Canadian General Electric Co.

Dr. Till is a member of the Department of Energy's United States-Japanese Joint Coordination Committee on reactor information exchange, a past chairman of the Nuclear Energy Agency Committee on Reactor Physics of the Organization for Economic Cooperation and Development, and former technical director of the U.S. delegation for the international negotiation of nonproliferation of fast breeder reactors.

A native of Melfort, SK, Dr. Till holds a bachelor's degree in engineering physics and a master's degree in physics from the University of Saskatchewan, Saskatoon, a master's degree in business administration from the University of Chicago, and a doctorate in nuclear engineering from the University of London.

Mr. Speaker, I congratulate these men on their recent honors and their life-long contributions to science.

MOMENT OF SILENCE FOR VETERANS EVERYWHERE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. DINGELL. Mr. Speaker, at 11 a.m. on November 11, 1918, an armistice between the Allies and Central Powers ended the fighting of World War I and a widespread silence descended across the Western front for a few moments. As the years passed by, each November 11, at precisely 9 a.m. a moment of silence was observed in towns across the United States, and as traffic and business came to a halt for 2 minutes, the American Legion would send forth buglers to play taps in memory of our World War I veterans. Over time, the remembrances slowed, as our country became engulfed in the bitter struggles of World War II, and the peaceful silence was shattered.

In 1954, after 406,000 Americans died around the world, there was a widespread longing for a way to honor their memory. President Eisenhower filled the desire by signing the bill which proclaimed November 11 as Veterans Day, and called on people everywhere to work for peace and freedom. It is in this spirit which we should always celebrate this day, recalling the bravery and courage of veterans all over the world who gave up their lives in order to preserve democracy. Over a million people have given their lives for our country since the Revolutionary War, and the scars from their deaths will never heal. But from these wounds we have seen the birth of much better things, a system of values honored and respected throughout the world.

On November 11, I suggest we take a moment to think back and reflect on the silence from which Veterans Day emerged. We should remember the victims, respect the survivors and strive to continue their never-ending struggle. Abraham Lincoln spoke of dedicating ourselves to "unfinished work * * * thus far so nobly advanced," and it is with this in mind that we should honor all veterans. Even though this day often conjures up images of violence and bloodshed, this only tells part of the story. It is the other part which President Lincoln was discussing, the patriotism and self-sacrifice of people everywhere who have made this world a better place in which to live. Their work is not yet done, and it is today's and tomorrow's veterans who will continue this process.

As a member of the U.S. Army during the Second World War, I have always felt a special bond with other veterans. I have fought long and hard to preserve their memory, and support their needs in the Congress. Over the past 34 years I have worked to promote better veterans' health care services in southeast Michigan. In 1986, the Veterans' Administration proved that our work can be rewarded, as it chose to proceed with a project which included renovation of an existing Allen Park hospital for long-term care, and construction of a Detroit facility for acute care services. I have played a large role in the ongoing problem-solving process for this project and most recently worked with Congressman BOB TRAXLER, of Michigan, to secure $22 million for a parking lot for the Detroit facility. I plan to continue work on this project and would urge all Members of Congress to do as much as possible to ensure that America's veterans have the services they need and deserve.

These are efforts which truly honor our veterans, by showing that we honor their memory both in substance and in spirit. On this and every other Veterans Day, please think of our veterans and if you know one, just call and say thank you.

MAIL COSTS

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. RAY. Mr. Speaker, the subject of the cost of mail from congressional offices, and particularly the cost of so-called newsletters, is getting a lot of bad publicity and I am hearing from the constituents of the Third District of Georgia about it.

The United States faces a major task in reducing our huge Federal debt. It is imperative that we as Representatives do all we can to reduce unnecessary Federal costs and one such way is to voluntarily reduce the cost of junk mail coming out of our offices. Earlier this year, I offered my colleagues an opportunity to save $1,250,000 in postage by discontinuing historical calendars. My offer was rejected.

Mr. Speaker, I have mailed only two newsletters during my 7 years in office, one in 1983 and one in 1984. I requested various supporters and constituents in the Third Congressional District of Georgia to check their impact and effectiveness. To my dismay, the reports were almost entirely negative. We found that great quantities of the mailings were thrown in post office trash containers. The absence of newsletters has had no negative impact and the result has been a substantial savings in labor, printing, and postage costs to the taxpayer. I believe that my fellow citizens of the Third District of Georgia expect me to promptly reply to their mail, but are not overly anxious for me to generate more junk mail for them to discard. I realize that each congressional district is different and I speak only for myself in this respect, but I would urge my colleagues to give consideration to this idea.

I recently researched the cost of mail which comes out of my Washington and district offices. I was only able to come up with an estimate because the House of Representatives Postal Service could not provide congressional mail costs. Apparently, the House Post Office is not keeping records of mail costs. The numbers I established rely upon records kept in my office. However, this is not from any official Postal Service count nor does one apparently exist. I would like these ballpark figures, which I believe to be fairly accurate, to be placed in the RECORD at this point.

Mail costs from Congressman Richard Ray's office

Washington	$7,079
Columbus	750
Warner Robins	750
LaGrange	180
Incoming orange bags	4,500
Total	13,259

Mr. Speaker, there has been considerable resistance from the Franking Commission of the House Committee on Post Office and Civil Service to reveal the cost of franked mail as the Senate does. Our constituents frequently criticize the Congress for various shortcomings and failures, and I want to go on record in urging that we make franked mail costs public.

A CONGRESSIONAL SALUTE TO DR. LEO SUMNER

HON. CLAUDE HARRIS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. HARRIS. Mr. Speaker, I rise today to pay tribute to an outstanding member of the educational community and respected resident of the Seventh District of Alabama, Dr. Leo Sumner. Dr. Sumner retired last year as president of Shelton State Community College after a career in teaching of 36 years.

Dr. Sumner presided over the 1979 merger of Shelton State Technical College with the Tuscaloosa branch of Brewer State Junior College. Under his tenure, the enrollment of the resulting Shelton State Community College increased to more than 4,000 students. Today it is one of Alabama's largest 2-year educational institutions.

In recognition of Dr. Sumner's leadership in shaping the highly successful program at Shelton State, the college named its new building "the Leo Sumner Department of Cosmetology." The dedication of this new building was the highlight of a 4-day celebration '89, designed to commemorate the 10th anniversary of the college merger. At the ceremony, Dr. Sumner was also presented with a copy of the resolution passed by the Alabama Legislature authorizing this honor.

We, in Alabama's Seventh District know that education is an investment in our future. We greatly appreciate the priceless gift of learning that Dr. Sumner has devoted his life to sharing with us. I congratulate him on his exemplary career and wish him health and happiness in his well-earned retirement.

TRIBUTE TO ALEX FIORE

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. GALLEGLY. Mr. Speaker, I rise today to honor an outstanding leader of the city of Thousand Oaks, CA, Councilman Alex Fiore.

As an old Navy man, Alex might call himself a plankholder of the city, for he has served as a councilman since the city incorporated in 1964. But even after 25 years of hard work and conscientious service to his community, Alex hasn't slowed down or become complacent. He still works as hard as ever to make the Conejo Valley an even better place to live and work.

And as someone who served for 7 years in local government myself, I know just how important Alex's contributions have been to Thousand Oaks.

Alex settled in Thousand Oaks 30 years ago, and has been actively involved in community affairs ever since. A retired vice president for finance and administration for the Rocketdyne Division of Rockwell International, he has served as mayor four times, and has chaired virtually every city commission at one time or another.

Besides his government service, Alex also has found time to assist a wide range of community organizations, including the Thousand Oaks High School Scholarship Foundation, Little League, the Cub Scouts, the YMCA Indian Guides, and Conejo Youth Employment. For his work, he has been honored as "Don Triunfo" and as the chamber of commerce "Man of the Year," and a local park containing three ballfields has been named after him.

And to show just how determined he is to keep in touch with his neighbors, he still sets up shop every Saturday in the local shopping mall and meets with anyone who cares to stop by.

Mr. Speaker, I'm sure my colleagues join me in honoring a man who serves as a role model for elected officials everywhere.

THE CENTENNIAL OF ST. STANISLAUS KOSTKA PARISH, ROCHESTER, NY

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. HORTON. Mr. Speaker, on Sunday, November 12, 1989, the congregation of St. Stanislaus Kostka Parish will begin its yearlong centennial celebration. The Rochester, NY church was founded by Polish immigrants who made the new parish the focal point of the community which they had also set out to build. One hundred years later, St. Stanislaus is still the focal point of the Rochester Polish community.

The original site for St. Stanislaus was in a remote stretch of fields and orchards in the northern part of town. This location was thought to be ideal for building the new church, homes, and schools which were to become the foundation of the Polish community, a place where Polish traditions could be continued and the Polish language could be spoken. The neighborhood grew rapidly as more immigrants arrived from Poland. By 1906, the parish had more than 400 families. Today, close to 850 families attend St. Stanislaus Kostka Parish and most of the estimated 30,000 Polish-American residents of Monroe County trace their heritage to the church.

In the early years of St. Stanislaus, the parish grew so quickly that it was necessary to build a second church by 1909. The architectural firm of Gordon and Madden designed the new church with a Romanesque exterior featuring arched openings, columns, decorative brick detail, and distinctive gargoyles. Decorations denoting the Polish heritage of the Church dominate the interior including imported stain glass windows, an altar in honor of the "Black Madonna" of Poland, and a mural depicting Polish saints and heroes across the dome of the sanctuary.

This second church is still standing today. It is here that the congregation will celebrate the beginning of the parish's 100th year this Sunday at a special mass led by the Rt. Rev. Matthew H. Clark, Bishop of the Rochester Diocese and St. Stanislaus' pastor, Father Andrew Grzela.

I, myself, have been involved with the Polish community for over 35 years through my positions on the city council, as president of the Rochester Baseball Club which is located near the Polish community, and as a Member of Congress for 14 terms. During this time, I have attended many events in the community and made countless friends. I want to salute the people of Polish heritage of my district in Rochester for their efforts in making St. Stanislaus a stalwart of the community and to thank them for the warm hospitality which was always extended to me there. This friendliness has been a hallmark of the parish for its entire 100 years.

I am pleased to have been invited to participate in the centennial celebration. My wife Nancy and I are looking forward to joining with our friends at St. Stanislaus during this yearlong celebration. I am confident that the parish will be around for another 100 years of service to the Polish community and the entire city of Rochester.

EXPORT 1989—HELPING SMALL BUSINESSES TO EXPORT SUCCESSFULLY

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. MAZZOLI. Mr. Speaker, last month, I had the honor of addressing the closing session of the Export 1989 Conference held in Frankfurt, West Germany.

This event, sponsored in part by the U.S. Department of Commerce, was truly historic in that it was the first international trade show held exclusively for small businesses.

I believe that increasing and expanding U.S. export activities is of vital importance to the economy at this time. In this regard, I am pleased that Kentucky—and in particular Louisville and Jefferson County, which I am privileged to represent in Congress—have taken advantage of international markets. In fact, exports add about $5 billion annually to Kentucky's economy.

On a broader level, since 1970, America's reliance on exports has doubled to nearly 12 percent of the U.S. gross national product, and U.S. small business is an increasingly important player on this world trade stage.

This timing is even more significant in that our world is witnessing the development of a unified, single market in Europe—termed Europe 1992 or EC 92. Americans cannot afford to be shut out from this opportunity, and in order to participate in Europe 1992, our businessmen and women must begin participating now in the development of the regulations which will govern this common market.

U.S. Small businesses traditionally have viewed international trade as too difficult or too complicated to pursue. Small business—more so than large businesses—need incentives, expert counsel, advice and information in order to enter the foreign marketplace successfully.

However, over the last 3 years, surveys of U.S. small businesses have consistently shown that they lack information on export opportunities and do not know where such data is kept or how to access it.

It is, therefore, abundantly clear that government—at the State and local as well as the Federal level—must maintain information on export-import business.

More importantly, government must reach out with that data to an audience of small businessmen and women who, for the most part, do not know they need such data or advice or could profit from it.

Accordingly to a recent survey of small businesses, not currently exporting goods and services, fully 67 percent have not been contacted by any group or agency to inform or encourage them concerning markets available abroad.

Consequently, many potential small business exporters remain only that: potential exporters. They never enter the field of international trade because they do not know the opportunities open to them or because they harbor unfounded fears or apprehensions about the challenges and obstacles to their successfully engaging in foreign trade.

The bottom line is that we must tap this great and dynamic reservoir of small business. Small business needs to be convinced it has a role to play in the international field and then needs the information, the advice, the financing and the nurturing to accomplish their international goals successfully.

Perhaps joint government-industry events—such as Export 1989—will provide the boost, the encouragement for small business to engage in international trade.

I look forward to working with my colleagues as well as other Federal, State and local officials to help U.S. businesses play a competitive role in international trade.

NATIONAL ALZHEIMER'S DISEASE MONTH

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. CLINGER. Mr. Speaker, I rise today in support of House Joint Resolution 185 which was enacted yesterday by my colleagues. House Joint Resolution 185 declares the month of November as "National Alzheimer's Disease Month." Alzheimer's disease afflicts approximately 4 million individuals in the United States today and therefore merits our attention and consideration.

As many here already know, Alzheimer's is a debilitating brain disease that leads to a form of senile dementia. The cause of Alzheimer's disease is still unclear, but its effects are all too apparent. Although the early stages of the disease materialize slowly, it eventually culminates in the loss of all mental and physical capacities. Forgetfulness, repetitiousness and losing one's way are some examples of the impacts that render Alzheimer sufferers helpless.

Sufferers lives are at risk without proper supervision. What were once common household chores and activities become potentially life-threatening actions. The victims lose their independence and, oftentimes, their pride. As a result, Alzheimer's victims constitute 40 to 50 percent of the 1.3 million Americans in nursing homes today, where Alzheimer's is the most common psychiatric disorder.

Despite the lack of a cure, funding for Alzheimer's related work is $80 billion annually. This goes to both the cost of providing care for the Nation's estimated 4 million Alzheimer's patients as well as for research. By acknowledging "National Alzheimer's Disease Month," public awareness of this debilitating disease will be raised. Hopefully, this public recognition will spur on more concentrated efforts to solve the problems related to an Alzheimer's cure and care.

Though progress has been made in Alzheimer's research, we owe it to our afflicted citizens to solve the problem completely. "National Alzheimer's Disease Month" is an effort to do that and I want to thank my colleagues who have joined me in supporting this legislation.

THE MEDAL OF HONOR FOR DAVID S. RUBITSKY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mrs. ROS-LEHTINEN. Mr. Speaker, the Medal of Honor is awarded for valor at the risk of life above and beyond the call of duty. David S. Rubitsky, a Jewish veteran from World War II is said to have killed more than 500 Japanese soldiers trying to force their way past him in the jungles of New Guinea. A man who singlehandedly saved a battalion but has been denied the Nation's highest military decoration because of antisemitism.

After 23 months of review, Army investigators will decide whether to recommend the Medal of Honor to this most distinguished individual. There is no official documentation of David Rubitsky's December 1942 confrontation with the Japanese and Army investigators have been faced with the nearly impossible task of reconstructing events that took place.

The most compelling evidence so far confirming his actions is a handwritten message on the back of an old photograph, found on the body of a Japanese soldier. The picture had been removed 47 years ago, but was discovered a few months ago stating "600 fine Japanese soldiers died because of a solitary American soldier."

As reported in a New York Times article written by William E. Schmidt, the review of David Rubitsky's case has piqued the interest of the Defense Department to the possibility that discrimination played a role in denying numerous soldiers the Medal of Honor. Throughout this campaign, Mr. Rubitsky has been the object of antisemitic attacks and remarks (that is, swastika graffiti on his property, a shotgun fired at his car, et cetera).

It is sad to note that hatred and hostility continue. As Mr. Rubitsky has said that he was not so much interested in the medal as he was in the justice: "I don't want this to happen to anyone else, black, white, Jewish, or otherwise. We all bleed the same once we're wounded."

I wish to thank David Rubitsky for his extraordinary strength and courage.

A TRIBUTE TO THE BENNINGTON BATTLE MONUMENT CAPSTONE CENTENNIAL CEREMONY

HON. PETER SMITH

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. SMITH of Vermont. Mr. Speaker, it is with great pride that I rise today to give acknowledgment to one of the most significant events of this great Nation's history. The United States of America is a country of vast diversities in terms of ideologies, cultures, and languages. In spite of these differences the United States came to be one Nation because of the sacrifices made by the brave men and women who fought to gain their freedom in the American Revolution.

On November 11, 1989, the Nation will celebrate Veterans Day. In addition to Veterans Day the small town of Bennington, VT, in my district, will celebrate the significant role it played in bringing about the final outcome of the American Revolution. The name of this celebration is Capstone Day. Capstone Day commemorates the setting of the top stone 100 years ago on the Bennington Battle Monument. The Bennington Battle Monument was completed and dedicated in 1891 as a memorial to the Revolutionary War's Battle of Bennington and it marks the site where vital American military supplies were stored.

The Battle of Bennington was actually fought in Hoosick, NY, and not in Bennington, VT. However, it was Britain's need to sabotage the American military supply site in Bennington, that caused the battle. The British hoped to sustain their drive to divide the colonies by capturing these supplies, but revolutionary troops held strong. The British made two valiant attempts to infiltrate the Bennington supply site on August 16, 1777, but Gen. John Stark of the American Forces and Col. Seth Warner of the Green Mountain Boys decisively defeated the attacks made by British Gen. John Burgoyne's army, and inflicted significant and important losses. It is this particular battle that is believed to be the turning point of the American Revolution. The British could not continue their intended march southward and 2 months later in Saratoga, NY, Burgoyne's army fell.

Our forefathers fought long and hard to gain the basic freedoms found in this country and I request that you join me in paying special tribute to the significant role that Bennington, VT, played in determining the outcome of the American Revolution. It was my privilege and pleasure to have an American flag flown over the Capitol in honor of these two significant events, provided for use as part of the ceremony. I hope you will join me in honoring the Bennington Battle Monument Capstone Centennial Ceremony on November 11, 1989.

OREGON ABORTION RIGHTS GROUP OFFERS ASSISTANCE

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mrs. BOXER. Mr. Speaker, for the benefit of the Members I include a most enlightening letter from the Oregon National Abortion Rights Action League:

NATIONAL ABORTION RIGHTS ACTION LEAGUE,
Portland, OR, October 28, 1989.

Representative BARBARA BOXER,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE BOXER: We appreciate so much your willingness to be vocal and strong on the issue of reproductive choice. Your courage was evident in your defense of the bill to reestablish federal funding for low-income victims of rape and incest.

Recently, you have cited a case in which a thirteen-year-old girl was the victim of her father's guilt after becoming inpregnated by him. This young girl was a resident of Idaho, not Oregon. The confusion probably lies in the rest of the story.

When Spring Adams was found to be pregnant, she (or someone) contacted a local Planned Parenthood. The PP raised $200 to assist her in obtaining an abortion. This would not have even covered the cost of the procedure. The Planned Parenthood contacted a local Portland clinic, whose doctor and anesthesiologist agreed to donate their services and the clinic agreed to accept the $200 as payment. The next problem was that Spring Adams and her mother did not have the money to travel to Portland from Idaho.

At that point, Planned Parenthood contacted us. We made a call to one of our supporters, who gave us the money for traveling. On the morning that Spring Adams was to have come to Portland for the procedure, her father killed her and then shot himself.

Since this event, Oregon NARAL has established the Spring Adams Fund, which will provide for travel expenses for women who need to travel from out of state for abortion procedures, when they cannot afford the additional expense. The fund does not provide money for any medical or abortion procedures. After a local columnist shared the story with the Portland community, over $1500 has come into our office for the fund.

Again, we appreciate your support and hope that this clarification is of help to you.

Sincerely,

NANCY E. SAMPSON.

B'NAI B'RITH HELP NEEDY CHILDREN

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mrs. BENTLEY. Mr. Speaker, It is with deep respect and admiration that I pay tribute to the women of B'nai B'rith. As an honorary chairperson of the B'nai B'rith Children's Home luncheon, Baltimore Council, I am delighted to expound upon the truly remarkable accomplishments of this group.

B'nai B'rith is an international Jewish woman's organization devoted to promoting social service and advancement. This organization has continued to play an active role in a wide variety of social concerns. Through legislation and community programs they have worked as the advocates for women and their families by promoting such issues as parental/family leave, day care, pension reform and pay equity for women. They have served as volunteers at veterans hospitals, the "Meals on Wheels" program and other community projects. B'nai B'rith Women also have been responsible for producing educational materials and have fought bigotry while promoting human rights. Through their social service projects, Jewish and Arab university students work together to increase mutual understanding. However, it is the residential treatment centers in Israel which perhaps are their greatest accomplishment.

What began in 1943 as a home for orphaned refugees fleeing the Holocaust, today has grown into one of the most successful institutions in the world. Originally conceived as an emergency measure, to help those children left shattered as a result of the Holocaust, has become B'nai B'rith's most important achievement. Having rehabilitated over 1,000 children since its creation, the Children's Home has pioneered a drug-free therapeutic treatment that counsels and eventually returns troubled young boys and adolescents back into productive and healthy members of society.

Through physical and emotional support, the Children's Home provides love and understanding to those children who have been judged as hopeless by others. Most of the children come from poor to middle class homes and are provided with living quarters including an accredited school on the campus. All are normal to above normal intelligence, yet suffer severe psychiatric problems and learning disabilities. Despite the barriers these children face, the Home has maintained an incredible 70 percent recovery rate and most go on to vocational schools or return to their families. For those who are not ready to take on the responsibility of outside living there is the Group House which eases the transition to the outside world for the older boys. This also has been an unmatched success, with high school and job placement opportunities available throughout their stay.

Through their efforts B'nai B'rith not only have ensured a new future for these young lives, but have secured a nation's most valuable resource, that of its youth. By taking children that would have otherwise been a detriment to society and converting them into responsible and productive members of society, B'nai B'rith has secured a brighter future for all to enjoy.

The success of B'nai B'rith women is without a doubt directly related to their hard work and dedication. Their selfless devotion and volunteerism has meant a new life and new hope to many and because of that, the B'nai B'rith women have continued to go that extra step by giving so much. The Children's Home and Group most certainly will serve as the example by which all others shall follow. We should all ask ourselves; what have we done today to help someone less fortunate, or what have we done today to better our community? All too often we are judged by what we have and not by what we give. Indeed such social awareness is a lesson we all need to learn.

Mr. Speaker, my fellow colleagues, I ask you to join me in saluting the truly remarkable accomplishments and hard work of the Maryland women in B'nai B'rith.

HILSONS CELEBRATE 50 YEARS

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. GILLMOR. Mr. Speaker, on November 23, Elmer and Berdine Hilson, of Mansfield, OH, will celebrate 50 years of marriage. I wish to commend them on this remarkable occasion and on their long, happy dedication and commitment to each other.

The Hilsons spent many years in Creston, OH, and are well-known in Creston for their years of contributions as outstanding members of the community.

A respected businessman, Mr. Hilson took over as the second generation owner of Hilson's Restaurant, a popular establishment which he ran for over 30 years. Mrs. Hilson also devoted many years of hard work to the restaurant while raising the couple's five children. The Hilson Restaurant's homemade doughnuts still have such popularity in Creston that the Hilsons are now obliged to make them each year for the annual Creston Ox Roast, a fact in which the family takes pride.

Mr. and Mrs. Hilson have now chosen to devote time to serving the community through church activities, including walking in the recent parish census and volunteering for the church carnival.

Joining them in celebrating the occasion will be their children—Hal H. Hilson, Darlyene M. Hatfield, Regina A. Wilson, Brian M. Hilson and Daniel G. Hilson; nine grandchildren—Karen Marty, Kimberly A. Hilson, Thomas J. Hilson, Shawna M. Hilson, Bradley M. Hilson, Ted Wilson and Risa Wilson; and one great-grandchild—Jacquelyn Marty.

Mr. Speaker, I am pleased to offer my congratulations to the Hilson family and wish them many more years filled with equally happy celebrations.

CONGRATULATION TO RABBI I. SEGAL, OF FRESNO, CA

HON. CHARLES PASHAYAN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. PASHAYAN. Mr. Speaker, Armenian people are surely appreciative of the gracious actions taken by Rabbi I. Segal of Fresno, who recently succeeded in having the Union of American Hebrew Congregation adopt a resolution, "1915 genocide of over 1 million Armenians."

Rabbi Segal called me several weeks ago and told me that he was planning to make an effort to have the resolution adopted in New Orleans. Of paramount importance, the dele-

gates rejected the words "tragedy" and "massacre," and instead used the essential word "genocide." The resolution declared in part: "This genocide is one of those instances of mass destruction which has both proceeded and followed the Holocaust to which UAHC had drawn notice over the years, that their lessons might not be forgotten * * *."

I personally wish to congratulate Rabbi Segal for his contribution to truth and history, and I am sure that all who care about truth and history join me.

VETERANS DAY

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. MACHTLEY. Mr. Speaker, I rise today in tribute to this Nation's veterans, a group of which I am proud to be a member. We certainly owe these brave Americans a special honor on this November 11.

I think every American should take a moment this Saturday to stop and think about the tremendous impact our veterans have on our day-to-day activities. Many people unfortunately cling to the belief that veterans are only responsible for past actions; for keeping our Government and our national borders intact. However, we must always—not just on Veterans Day—understand that the bravery and self-sacrifice of these citizens affect the present day lives of every American.

For example, this past Tuesday, many cities and towns in my home State of Rhode Island and around the country held elections for major and local offices. Our right to choose our leaders democratically, as we recently did in Rhode Island, would not exist were it not for the fact that hundreds of thousands of brave Americans were willing to give their lives in defense of our way of life—our cherished right to vote.

During my first 10 months as a Member of Congress, I have received hundreds of phone calls and letters from my constitutents. These people who diligently exercise this right of free speech—the right to petition the Government—should recognize that they owe their freedom to speak out to those Americans who sacrificed everything so that tyranny and totalitarianism could not take this sacred right of free speech away.

Those who have died for this Nation can only fail to the extent that we fail them. They gave their all, and we must do nothing less than to give our best, because if we fail them, we fail our country, we desecrate our heritage, and we belittle the rights and freedoms that they fought to preserve.

I am a strong supporter of the Department of Veterans Affairs. Earlier this year, many veterans were actually denied medical care because of inadequate funding of the VA Department of Medicine and Surgery. Thankfully, Congress was able to pass legislation providing needed relief funds—funds which should have never been put in jeopardy in the first place.

I have also recently issued a new call to arms to protect Veterans' funding. As a veteran myself, I understand the need to protect the programs which assist those who fought for our country.

I would recommend to every American that if you happen to see a veteran this weekend, don't turn away—take the time to say: "Thanks for keeping us free."

URBAN FORESTRY BILL DESERVES QUICK ACTION IN SENATE

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. KLECZKA. Mr. Speaker, planting trees, shrubs, and flowers in our cities may seem of little importance on the national agenda. However, urban forestry contributes to a cleaner and healthier environment, one of top national priorities. In addition, flower-filled parks and tree-lined boulevards increase property values and the pride of citydwellers in their surroundings.

For these reasons, I am pleased that 3 days ago the House passed H.R. 2144, a bill to increase the Federal Government's commitment to improving cityscapes and the environment through urban forestry. Representative JONTZ deserves praise for introducing this worthy legislation.

The bill's $2.8 billion grant program would help many cities, such as Milwaukee, maintain their urban forestry programs while also financing new or experimental arboriculture methods.

In Milwaukee, more than 328,000 trees bring pleasure to residents of my south side congressional district while improving their environment. I am proud that Milwaukee's outstanding success with urban forestry has earned it the National Arbor Day Foundation's "Tree City USA" award for 9 consecutive years.

Milwaukee's program also provides urban forestry leadership internationally. The city's forester, Mr. Robert Skiera, served as president of the International Society of Arboriculture, a 4,500-member organization representing 25 countries worldwide. The city's program also mentored urban foresters from Poland, the Netherlands, and the United Kingdom last year.

Passage of this bill is the first step toward creating an even larger role for our cities in the clean air and environment movement. If it becomes public law, this bill would provide useful aid to cities expanding or creating urban forestry programs, while helping flourishing programs like Milwaukee's continue beautifying the cityscape.

I urge my Senate colleagues to act quickly on this bill.

VETERANS DAY TRIBUTE

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. SAXTON. Mr. Speaker, with Veterans Day to be commemorated this Saturday, I rise today to pay tribute to those who have served, or currently serve, in the Armed Forces of the United States.

I believe it is also important to point out that this is "National Women Veterans Recognition Week," and therefore, is an opportunity to honor the more than 1.6 million women who have served in our military branches in various capacities.

Three years ago Congress passed, and the President signed, legislation to provide a site here in Washington for construction of a memorial to honor these women, and pay tribute to their achievements.

I was pleased to learn this week that the memorial is a giant step closer to becoming a reality, as a two-member team was picked to design the memorial, which is to be placed at the main gateway to Arlington National Cemetery.

The simple word "recognition," says so much on occasions like this, Mr. Speaker. In the case of all our veterans, recognition is a small, but meaningful payment for services rendered and sacrifices made.

VFW POST 283 CELEBRATES 70TH ANNIVERSARY OF ITS CHARTERING

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. KANJORSKI. Mr. Speaker, I rise today to congratulate the Veterans of Foreign Wars [VFW] Post 283 of Kingston, PA, as its members gather to celebrate the 70th anniversary of its chartering.

The first meeting was held on November 21, 1919, in the Dorranceton High School. Since that time, the post has continued to grow. As the membership increased, the post hall was enlarged to accommodate the various community organizations who use the facility for civic, community, or religious events. In fact, Post 283 became so popular that during the 1951-52 commandership, its membership grew to become the world's largest post with 4,220 members.

In the 1940's, after the end of World War II, Post 283 played a vital role in assisting returning war veterans with the large amount of paperwork which became a necessary procedure for many returning veterans.

In addition, the post has played an active role in the community by sponsoring a number of community service projects. Some of these include a choral club, bowling team, junior drum and bugle corps, Boy and Girl Scout troops, and teenage baseball teams. Post 283 also maintains a blood donor program for its members and immediate family and a diabetic

detection program run in cooperation with the Pennsylvania Department of Health.

VFW Post 283 is dedicated to the veterans of all conflicts including the Spanish American War, World War I and World War II, Korean war, and the Vietnam conflict. Since its beginning, Post 283 has been dedicated to our veterans and to our community. I am sure that my colleagues in the House of Representatives will join with me in congratulating the VFW Post 283 on the 70th anniversary of its chartering.

TRIBUTE TO FERRIS STATE UNIVERSITY'S NEW PRESIDENT, HELEN POPOVICH

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. SCHUETTE. Mr. Speaker, I rise today to ask my colleagues to join me in paying tribute to Dr. Helen Popovich, who will be inaugurated as the new president of Ferris State University in Big Rapids, MI, on November 10, 1989.

This inauguaration is particularly special because Dr. Helen Popovich will become the first woman in Ferris State University's 105-year history to become president. In addition, she will become the first woman president of any of the 13 autonomous public universities in the State of Michigan.

Ferris State University was established in 1884 when Woodbridge N. Ferris, later a two-term Michigan Governor and U.S. Senator, established a private industrial school in downtown Big Rapids. The university was first called the Big Rapids Industrial School, then Ferris Industrial School, and then Ferris Institute. W.N. Ferris started the school to retrain unemployed lumberjacks, and the concept of providing students with an education which prepares them for employment in a changing society is just as relevant today.

In 1950, the school was wiped out by a disastrous fire, but despite the loss, Ferris endured and, in fact, thrived. In November 1987, Ferris gained university status and has become a highly respected institution in the State of Michigan.

Mr. Speaker, I urge my colleagues to join me today in paying tribute to Ferris State University and it's new president, Dr. Helen Popovich. The history of our educational institutions is important in preserving our Nation's history. I salute Dr. Popovich as she becomes the first woman president of Ferris, and I salute Ferris State University as an important player in the history of this country.

VETERANS DAY

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. HOYER. Mr. Speaker, 71 years ago on November 11, World War I finished its destructive course through Europe. In addition to the millions of Europeans killed during the war, 116,000 Americans gave their lives so others could live in peace. Since the end of World War I, the United States has recognized November 11 as a time to celebrate peace, and as a time to remember and honor our veterans.

Although World War I was to be the "war to end wars," history has recorded a more tragic story. Since the 1918 armistice, nearly 30 million Americans have left our shores to fight for democracy. Five hundred thousand servicemen and servicewomen have been killed. Some died in Europe, others in Korea, Vietnam, Beirut, and Grenada. Each veteran died for his country and the principles of freedom, and equality on which our Nation was built.

In remembrance of and gratitude to all our veterans, let us not forget that they risked their lives for us and our children. Their gifts of peace and security protect what past generations have created, preserving this for us and future generations of Americans.

So on this day, November 11, let us thank our veterans for protecting our democratic institutions and principles whose light shines as a beacon for millions of people around the world. Let us thank our veterans for driving back the shadow of nazism and communism in Europe and Korea, and for demonstrating our resolve and support for democracy in Vietnam.

Let us thank them too for the fruits of a strong and stable economy. Let us thank our veterans for the longest period of peace in our Nation's history. But most of all, let us thank our veterans for the safety of our children who may not be forced to fight in foreign lands as they have.

We can thank our veterans for the peace that we know today and the peace that seems to be settling over the world. This new chance for freedom for millions of people around the world is a result of the sacrifices our veterans have made.

Those of us who are not veterans will never know the feeling of losing a friend in combat, or of being shot ourselves. We may not know the deafening sound of shells, or the shear terror of battle. But I assure you, we do know that our speeches, prayers and parades can never adequately express our respect and gratitude to the veterans who have served us so proudly.

BILL SARPALIUS' COMMENTS ABOUT WESLEY MASTERS

HON. BILL SARPALIUS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. SARPALIUS. Mr. Speaker, one of the highest honors a person involved in Texas agriculture can receive is the Gerald W. Thomas Outstanding Agriculturalist Award. Every year, Texas Tech University's College of Agricultural Sciences gives three of these awards—one to an agriculture producer, one to a public servant who helps better agriculture and one to an outstanding agribusinessman.

This year, the agribusiness award is going to a gentleman I have known for many, many years. He has touched my life deeply, and the lives of almost everyone who has known him. He has made truly outstanding contributions to the agribusiness industry in Texas and the Southwest, and he has been a fine community leader for Armarillo and the entire High Plains region of Texas.

Wesley Masters—this year's award winner—is a native of Cotton Center who received bachelor's and master's degrees in agronomy from Texas Tech. In 1968, armed with little more than know-how and sheer determination, he and his late brother, Jesse, formed Center Plains Industries, Inc., in Amarillo. The company specialized in all aspects of fertilizer operations, and within 15 years, it had become a giant in the industry. At its height in the late 1970's and early 1980's, it was the largest ammonia marketing company west of the Mississippi.

By 1984, Wesley had sold Center Plains and had formed a new company—Cepex—with former Treasury Secretary William E. Simon. With Cepex, Wesley set out to rival the accomplishments he enjoyed with Center Plains and, as you would know, he succeeded. Cepex wound up purchasing much of the Phillips Petroleum Co.'s fertilizer operations.

Late last year, Wesley decided to sell Cepex and to work as a consultant to Cepex's purchaser, Farmland Industries. Today, in addition to his work with Farmland Industries, Wesley continues to operate Centergas, which is a leading agribusiness propane distributor. He also has several other land and agricultural investments.

Most people would look back on these outstanding business accomplishments and consider their life fulfilled. Not Wesley. He served for 6 years as a member of the Texas Tech Board of Regents, and was vice chairman of that board until early this year. He was chairman of the search committee that brought Tech its newest president, Dr. Robert Lawless.

He also has served on the Governor's Select Committee on Hazardous Waste and currently is a member of the General Board of Higher Education and Ministry of the United Methodist Church.

Frankly, Mr. Speaker, Wesley's accomplishments are so many and so varied that this House would accomplish no business today if I tried to list them all. So let me end this on a personal note, if I may.

I have known Wesley for a long time now. I have known his lovely wife, Nancy, his three children and four grandchildren as well. I have worked with Wesley and for him, and he has been incredibly kind and helpful to me over the years. I don't know where I would be without him, and more importantly, I don't know where my district would be without him. He is not just an outstanding agriculturalist; he is an outstanding person.

I can think of no person more deserving of the Gerald Thomas Award.

HONORING OUR VETERANS

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. COLEMAN of Texas. Mr. Speaker, this weekend we will honor our Nation's veterans, paying tribute to the brave men and women who served in the Armed Forces. To honor these people, especially those from my home region of west Texas, I would like to send them the following message.

From a relatively tranquil scene of 71 years ago, a tradition grew of embracing our defenders with respect and appreciation, of rendering tribute to their feats through public ceremony. While to many the term "veteran" likely invokes images of fighting and bloodshed, of suffering and struggle, it is most synonymous with peace. Without those who have been willing to step forward to stand vigil over peace at considerable sacrifice and risk, there would be none.

While we painfully commemorate on Memorial Day those who have given their lives for the cause of peace, I am pleased to join in honoring the men and women who have served in uniform and who are fortunate to be here to receive our admiration and respect for a job well done.

Defending freedom in a dangerous world marked by an uncertain future is a challenge that each generation of Americans must face. Our democracy rests upon a foundation of their courage and selflessness, and nothing threatens our way of life more than apathy toward our defenders.

Veterans Day, November 11, and National Women Veterans Recognition Week, are occasions to proclaim our pride in the examples set by the brave men and women in the struggle for peace and who live right here among us in the 16th Congressional District of Texas. I am proud to represent you in the U.S. Congress.

THE GUNDERSON AMENDMENT TO THE OILSPILL LIABILITY BILL

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. GUNDERSON, Mr. Speaker, after several years of working to protect our rivers and inland waterways from environmental disaster due to oilspills, we finally have a great opportunity to act. The House will vote today to extend this protection to America's coastal waters. By passage of the Gallo amendment, with the change I am offering, we can broaden the protection to include America's rivers and lakes as well.

Much of my time and energy since joining this body has been committed to developing and implementing a Federal program of environmental protection and development for the upper Mississippi River. In 1986, we passed the Upper Mississippi River Environmental Management Program [EMP] to obtain Federal assistance in protecting the river. The program, now in its third year, is specifically aimed at preserving wildlife and habitat along the 261-mile stretch of the upper Mississippi. The need for the program arose because of an increase in barge and shipping traffic and an increase in development on the river to accommodate that traffic.

The EMP is our blueprint for bringing the environmental and recreational aspects of the river back to life. I am happy to report that the plan is working—so well in fact, that it is an outstanding model for similar efforts elsewhere in the United States and around the world. However, despite our success, those of us who live along the Mississippi River to do so with the constant fear that we may lose it all at any moment in the event of a major oilspill.

The oilspill bill we are considering today has become even more urgent since the *Exxon Valdez* accident off the coast of Alaska. I will be the first to admit that the chances of a spill that large on the upper Mississippi are unrealistic. But I also want my colleagues to know that the potential for a disaster on a smaller scale remains.

According to the Wisconsin Department of Natural Resources [DNR], oilspills on the river ranging from 500,000 to 1 million gallons are possible. Consider this: Roughly 1 billion gallons of hazardous liquids—primarily oil and agricultural chemicals, are transported by barge on the Mississippi River every year.

Unfortunately, we've already had a number of spills in our region. Since 1985 we've endured at least one spill every year: In 1986, a single-hulled tanker spilled 4,000 gallons after hitting a bridge; in 1987 we had two spills; in 1988, one oilspill in Illinois dumped over 10,000 gallons into the river, while the St. Louis area had to recover from a sulphuric oxide spill of over 300,000 gallons; another 10,000 gallon oilspill occurred as recently as last April near Memphis, TN.

There are a number of precautions we can take to minimize the risk of such spills on the Mississippi. First, we should require the coordination of regional comprehensive disaster plans with Coast Guard disaster units. We should also place more of these units in the region. Currently, most disaster units are concentrated in San Diego and on the east coast. Second, we should increase the licensing and testing standards for hazardous cargo pilots navigating on the upper river. This portion of the river is much more difficult to navigate than the lower portion and our licensing requirements should reflect that. Third, we should require the use of double-hulled tankers for transport of all oil and hazardous material on the river. In my mind, this precaution is most important. I am pleased that, through my amendment, we may finally act to impose this safeguard.

Earlier this year, I cosponsored Mr. GALLO's bill. I continue to support that fine effort, though I regret it falls short of covering inland shipping under its provisions. The bill requires all vessels of 10,000 tons or more which carry oil or hazardous material to be double-hulled within 15 years. This is the best solution to protecting our coastal regions from a repeat of the *Exxon Valdez* disaster.

However, few if any such vessels on inland waterways are that large. The language I am offering would extend this coverage to all such vessels. It is important to note that, while few barges on the Mississippi River are over 3,000 tons, and thus are capable of carrying no more than 900,000 gallons, they are often tied together—as many as fifteen at a time—during transport. Clearly we need to extend our coverage to this level.

The oilspill legislation we are considering carries several laudable goals. Enacted, the bill would protect our oceans and seashores from shipping oilspills. Where we have neglected to bring the same protections to our inland waterways—America's rivers, lakes and tributaries—may amendment extends these protections. Let's take this historic opportunity to stand up for America's inland waterways, just as we will stand up for America's coastal shores.

A TRIBUTE TO FRANCIS X. FEIGHAN, SR.

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. STOKES. Mr. Speaker. The city of Lakewood, OH, recently lost one of its most respected citizens. Francis X. Feighan, Sr., a longtime lawyer and the father of our colleague, ED FEIGHAN, passed away on October 26, 1989.

For more than 50 years, Mr. Feighan practiced law and according to interviews "loved every minute of it." His specialty was probate law and he often spoke of the patience it required. He was an outstanding individual whose compassion, dedication, and contributions to the community will never be forgotten. At this point, I would like to share with my colleagues some of the highlights of Mr. Feighan's career.

Francis Feighan, Sr. graduated from St. James School in Lakewood and St. Ignatius High School. He attended John Carroll University for 2 years before transferring to George Washington University where he graduated in 1935. He then entered Western Reserve University's law school. When Mr. Feighan passed the Cuyahoga County Bar examination in 1938, he was the fifth son of the John T. Feighan family to become a lawyer. He then joined the U.S. attorney's staff. Mr. Feighan often recalled the 7 years he was employed as an assistant in that office as the most memorable time in his career, during which he became well-rounded in all types of legal work. He specialized in the practice of probate law at his firm, Feighan & Feighan, until his death.

Mr. Speaker, Mr. Feighan also used his legal talent to assist community organizations. He served as counsel for the Catholic Charities Corp. from 1958 until 1987. He was also a former president and served on the organization's executive committee. In 1964, he was presented the Bishop Hoban Medal for distinguished service to the Catholic Charities.

Mr. Feighan was the past president of the John Carroll University and St. Ignatius High

School Alumni Associations and a former trustee of the Case Western Reserve University Alumni Association. Mr. Feighan was a member of the Holy Name Society of St. Luke Catholic Church in Lakewood and served as president of the board of St. Augustine Manor.

In addition to our colleague, ED, Mr. Feighan is survived by his wife, Rosemary; daughters, Rosemarie St. John, Mary Clare; sons, Francis, Jr., Michael, and Christopher; 14 grandchildren; a sister and a brother.

Mr. Speaker, I join my colleagues and the Lakewood community in extending our deepest sympathy to ED and his family. We hope the family will find comfort in knowing that Mr. Feighan will always be remembered by those who came to know him and benefited from his tireless efforts.

TRIBUTE TO KENNETH D. SEATON

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 9, 1989

Mr. DAVIS. Mr. Speaker, I rise today to invite my colleagues to join me in offering congratulations to Kenneth D. Seaton, of Hancock, MI, as he assumes the chairmanship of the U.S. League of Savings Institutions, and to his savings institution, D&N Savings Bank, as it celebrates its 100th year of serving Michiganders.

Ken was officially sworn in yesterday at the U.S. League's 97th annual convention in Chicago. The U.S. League, with more than 2,700 savings and loan associations and savings banks as members, is the major trade organization representing $1.5 trillion savings institutions business.

Ken is just completing a 1-year term as vice chairman of the League. He is serving in a leadership position during very important times for his industry. During the debate and deliberations over the Financial Institutions Reform, Recovery and Enforcement Act of 1989, I always appreciated hearing Ken's views on the many issues we dealt with in the legislation.

As we move forward and review whether FIRREA is working as it was intended, I am confident that Ken will continue to give the Senate Banking Committee and the Congress the benefit of his thinking based on his years of experience in the savings institutions business.

I knew Ken when the name of his institution was the Detroit and Northern Savings and Loan Association. That's what it was called when Ken began working with his father, Donald Seaton, at the S&L in 1957.

Ken was actually trained as a civil engineer, graduating in 1951 from the Michigan Technological University in Houghton. After serving his country as a pilot in the U.S. Navy from 1952 to 1955, Ken worked for the Jones & Laughlin Steel Co. in northern Minnesota before joining D&N. Incidentally, he never gave up flying. He has a private pilot's license with instrument rating.

Ken rose through the ranks at D&N, becoming chief executive officer in 1968 and chairman of the board in 1972. D&N is a large operation, with assets of more than $2 billion, 36 branches throughout mid-Michigan and Michigan's Upper Peninsula and a mortgage company serving homebuyers in five states.

D&N Savings employs hundreds of Michiganders, counts more than 100,000 persons as customers, and is the only savings institution operating in both peninsulas.

Ken runs the kind of savings institution that has always been dedicated to encouraging savings and providing Michigan families with the funds to buy homes. D&N Savings Bank is what's good and right about the savings institutions business—the kind of business FIRREA was designed to strengthen and preserve.

Part of D&N's success has been its involvement in Michigan and in the communities it serves with branch offices. In Hancock, where he was born and raised, Ken serves as a trustee of Sumoi College—in prior years he was chairman—and as cochairman of the executive committee of Operation Action/UP, an association of Upper Peninsula business leaders. Previously, he was president of the Hancock Board of Education, president of the Hancock Rotary Club and president of the Houghton-Hancock Chamber of Commerce.

At the State level, Ken was chairman of the Michigan League of Savings Institutions and now is a member of the legislative committee, a model of the Governor's Advisory Committee on the Regulation of Financial Institutions and the Governor's Commission on Higher Education, and a director of the Michigan State Chamber of Commerce.

He is the recipient of the Distinguished Service Award from Sumoi College and the Silver Medal Award from Michigan Technological University.

Ken has also served the savings institutions business for many years. He is a former vice chairman and director of the Federal Home Loan Bank of Indianapolis. At the U.S. League, he has served on the Government Affairs Committee for more than 15 years, as a member of the executive committee from 1985 to 1987, as a member of the task force on Federal Deposit Insurance, and as chairman of the Committee on Economic Affairs.

Ken has been active in the Evangelical Lutheran Church of America. He and his wife Lois have five children and seven grandchildren.

SENATE—*Monday, November 13, 1989*

(Legislative day of Monday, November 6, 1989)

The Senate met at 2:30 p.m., on the expiration of the recess, and was called to order by the Honorable THOMAS A. DASCHLE, a Senator from the State of South Dakota.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

O the depth of the riches both of the wisdom and knowledge of God! how unsearchable are his judgments, and his ways past finding out! For who hath known the mind of the Lord? or who hath been his counsellor? Or who hath first given to him, and it shall be recompensed unto him again? For of him, and through him, and to him, are all things: to whom be glory for ever.—Romans 11:33-36.

God of grace and love, we look for miracles, forgetting daily blessings so common. And, we neglect gratitude. Forgive us for our presumption, taking benefits for granted.

We slept between clean sheets last night—many slept on the street or in automobiles. We showered with an abundance of water—many had none to drink. We ate a hearty breakfast—many had nothing this morning nor yesterday nor tomorrow. We wear clean clothes—many wear rags. We few have so much while the many have so little. We always have more than we need of everything—they never have enough of anything they need. Help us to be grateful, to care and to share.

In the name of Jesus, incarnate love. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, November 13, 1989.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable THOMAS A. DASCHLE, a Senator from the State of South Dakota, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. DASCHLE thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is now recognized.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, this afternoon following the time for the two leaders, there will be a period for morning business until 3 o'clock with Senators permitted to speak therein for up to 5 minutes each.

At 3 o'clock, the Senate will resume consideration of S. 1582, the Poland-Hungary assistance bill. There will be no rollcall votes today. Any votes ordered today relative to that legislation will be scheduled to occur tomorrow morning.

In order to complete action on the measure, I urge all Senators with amendments to be prepared to offer them today. All of the amendments and the debate will be completed today with votes remaining for tomorrow morning.

EAST GERMANY

Mr. MITCHELL. Mr. President, in the past year we have witnessed monumental changes in Eastern Europe, events many did not believe possible. Solidarity, only recently banned, was voted to lead Poland toward greater political and economic freedom. In Hungary, Communists distanced themselves from communism in an effort to compete with the democratic opposition in the upcoming elections. Even in Bulgaria, the most liberal member of the Politburo has taken charge, pledging to turn Bulgaria into a modern democratic and law-governed state.

But the enormity of the transformation underway has never been more clearly demonstrated than by the figurative, and now the literal, destruction of the Berlin Wall.

That wall, a symbol of division between East and West, has been dissolved by the East German people's desire for change, for freedom, for control of their future.

The images flashed across the West are almost unbelievable—young East Berliners dancing atop the once forbidden wall; traffic immovable as hundreds of thousands flood into the Western city to visit friends and relatives; mayors of East and West Berlin shaking hands in the midst of a jubilant crowd.

These images represent the fulfillment of our deepest wishes, change we have demanded for over 25 years. They are changes welcomed by people throughout the world.

When President Gorbachev assures us of his support for the changes taking place in East Germany, he expresses his satisfaction and pride in an event he has helped create.

When Americans voice their enthusiasm about the dissolution of the Berlin Wall, we are not, as some appear to fear, gloating. We are rather sharing in the same satisfaction felt by others around the world.

We, Soviets and Americans together, are celebrating East Germany's expression of freedom and steps toward democracy.

That our two nations can praise this event at the same time is itself cause for celebration.

To acknowledge the tremendous significance of the symbolic destruction of the Berlin Wall and to give voice to the exhilaration felt by all Americans, I urge President Bush to travel to West Berlin.

It has been 40 years since the West demonstrated its commitment to the city's freedom by helping break the blockade strangling Berlin. It would be fitting for the American President to travel there to underscore the American commitment to the freedom of Berlin and our support for democratic reform in East Germany.

In Berlin President Bush should acknowledge personally the tremendous significance of the past week's events and the joy that all Americans feel at the prospects of greater freedom and democracy for the people of East Germany.

I also urge the President to begin planning immediately with our European allies to hold a meeting in which we can have a detailed and thorough discussion about the proper Western response to changes within Eastern Europe.

It is widely recognized that there has begun a process of transforming

the political, economic, and security arrangements on the European Continent. There is no doubt that the unanticipated pace of change in Eastern Europe has both immediate and long-term implications for the West and its various organizations including the European Community and the North Atlantic Treaty Organization. The Western nations cannot effectively assess or react to these changes if we ignore them or take separate paths in response.

The West Europeans, closest to the rapidly unfolding events and most directly affected by the changes in Eastern Europe, will have unique concerns and hopes from which the United States has much to learn. It is essential that we expand our consultation and coordinate our policies more closely than ever before. Whether it is from the Malta summit, the upcoming meeting of West German Chancellor Kohl and East German leader Krenz, the European Community's meeting in France in early December, or the NATO foreign ministers' meeting, the alliance partners must move together.

It is critical that we meet this historical opportunity as partners, for how we respond to the challenge of defining a new Europe also will define a new phase in our continuing relationship with our European allies.

In this respect, the talks underway in Vienna on confidence and security-building measures and on reductions in conventional military forces will become even more important. Agreements reached in Vienna can complement the political reforms taking place in the East. By codifying and making permanent the military changes implied by political reform, these agreements can free up energies and resources for more peaceful and productive purposes. The United States has a special role in leading these talks to an early and successful conclusion, and I call upon the President to exert his strong leadership in these talks.

I will soon be making a more comprehensive statement about my hopes and expectations for the Malta summit between President Bush and President Gorbachev.

I wish here to reiterate my strong belief that, as we come to comprehend the historic changes occurring in the East bloc, we must not forget that these changes have occurred in large part because of the reforms initiated by President Gorbachev.

We must continue making concrete programs in areas that directly affect bilateral United States-Soviet Relations, such as the START negotiations and economic relations. I believe the United States has neglected the symbolic importance of normalizing our trading relationship with the Soviet Union. I hope that the President will reexamine his refusal to waive the Jackson-Vanik amendment and that he will initiate the negotiation of a new commercial agreement with the Soviet Union, an agreement which is the prerequisite for granting of nondiscriminatory trade status.

I also believe that the administration is remiss in failing to clearly state that if the Soviet Union is prepared to play by Western economic rules, we will welcome it into the web of economic arrangements and organizations that guide Western commerce.

We ought not to change the rules to accommodate the Soviets, but we must say clearly, if they are prepared to abide by our rules, that we encourage their participation in Western trading organizations.

President Gorbachev has asked that the Soviet Union be included in those organizations, and I believe that we should grant the Soviet Union observer status in the GATT and other institutions as a recognition of and a contribution toward the reform efforts now underway in the Soviet Union.

These are times of enormous hope and opportunity. They offer promise we had only dreamed of and the prospects for greater peace and prosperity throughout the world.

I believe that the central economic lesson of the 20th century is the failure of communism as a system of economic and political organizations.

I urge President Bush to express the sense of elation that all Americans feel as the East German people cross and erase barriers that have imprisoned them for decades. I hope very much that he will voice our feelings and our collective hopes for Eastern Europe in the place where its future has been most dramatically transformed—the city of Berlin. That city, long representing the divided legacy of war, has now become the metaphor for rebirth and change, the beginning, perhaps, of a new, free Europe.

Mr. President, I conclude by saying again, communism has failed. A new order is about to commence across the continent of Europe. We are justifiably proud leaders of the free world. We are home of freedom and democracy. We, the people who twice went to the European Continent to preserve freedom there, have a great interest in working to see that the new order is one of freedom, democracy, and open, free economies.

The United States can and should continue its historic leadership in this area. Events of the past weeks have demonstrated beyond any doubt how universal is the desire and the longing for freedom, democracy, and economic opportunity; how dismally failed has been the Communist doctrine; how governments that require walls to keep their people in cannot be sustained over time.

This is an opportunity without precedent in our lifetime, an opportunity that may not recur in our lifetime. I hope and urge our active leadership to use that opportunity to advance the interests of the United States and the interests of freedom throughout the world.

Mr. President, I hope later today, in consultation and cooperation with the distinguished Republican leader, to submit a resolution welcoming the opening of the Berlin Wall and calling for its complete destruction. I hope that my colleagues will join me in that expression of our policy.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the leader time of the distinguished Republican leader.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 3 p.m. with Senators permitted to speak therein for not to exceed 5 minutes each.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ADAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

OPPOSITION TO A PROPOSED DOLE AMENDMENT

Mr. ADAMS. Mr. President, later today we will be discussing aid to Poland. As part of that, I think we can all agree we are in support of the principle, and we will be, I am hopeful, generous with the Polish people for our benefit and for theirs and for that of the entire world in passing this bill.

However, I am informed that there will be an amendment that will attempt to do away with the cargo preference clause offered by the minority leader, my good friend from Kansas. The effect of this amendment would be to suggest that in order to support the democratic labor movement in Poland, we should abandon our commitment to our maritime labor union friends here in the United States. And while there may be a superficial appeal in the suggestion that we can purchase more for our dollar, in terms of food for Poland, by waiving our Nation's long-standing cargo preference requirement, the logic behind this

effort is faulty. The attraction of this amendment might also be extended to the argument that we, as a democratic nation, could purchase even greater quantities of food by purchasing these most needed supplies on the world market, rather than from our domestic agriculture industry. I am certain that my good friend from Kansas and others would speak most eloquently in opposition to such an effort, and I would agree with them.

Mr. President, rather than allow this body to divide over the issue of farm subsidies versus cargo preferences, I hope that our time today and tomorrow will be devoted to the truly historic events that are unfolding in Eastern Europe and the role we might play in helping to smooth the path of that progress. In so doing, it might be useful to recall that in very recent years, when the Solidarity movement was driven underground in Poland, it was in the union halls and on the waterfront of our country that working men and women expressed their own solidarity with that heroic effort; a movement that began in the shipyards of Gdansk. It seems a bit ironic, now that the Polish Solidarity movement has triumphed, that we are being asked to ignore the legitimate aspirations of our own maritime labor movement.

Mr. President, nothing will better speak of the Solidarity we feel with the Polish people than knowing this contribution of food, paid for with American tax dollars, will arrive at the docks in Poland under the flag of the United States of America, on American ships, operated by American workers.

Mr. President, we are witnessing events in Poland, Hungary, and East Germany that not only reaffirm our own faith in the basic principles of democracy but also show that after nearly four decades, the Iron Curtain is in an advanced state of corrosion, and is on the verge of collapse. The opportunity we are presented with today allows us a clear choice: Either to sit on the sideline as an eyewitness to history, or to lend our financial support, and our moral leadership, to an effort that will shape the future. Mr. President, our Founding Fathers, and the hundreds of patriotic Americans who have occupied the seats in this body in the first 200 years of this Republic, would certainly be justified in asking that we rise to this occasion. The financial assistance package that is before the Senate is relatively modest, when compared with the breathtaking changes that are occurring in Europe. I am pleased to note, however, that we are prepared to lend a far more generous and valued hand than what was suggested by the administration. In so doing, and recognizing the importance of the Polish people's date with destiny, we need not shortchange our farmers or our maritime industry. In rejecting this amendment, and in passing this legislation, we can honestly state to the Solidarity movement: We are with you, we support you, and we share the dreams and aspirations that have carried your faith in democracy to this point in the history of your country and of the world.

Mr. President, I urge that this amendment be rejected.

I will speak further on this at a later time, Mr. President, but I felt it necessary to do this today. We are well aware we want to be fair to all parties.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 1,703d day that Terry Anderson has been held captive in Beirut.

I ask unanimous consent that a well-written article on this subject from the Buffalo News be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Buffalo News, Oct. 28, 1989]

CAPTIVITY DOESN'T BAR HOPE: SISTER SURE, ANDERSON WAS ALIVE FOR BIRTHDAY

(By Carol Ritter)

WASHINGTON.—Peggy Say is convinced her brother, Terry Anderson, was alive yesterday when he turned 42 years old.

"I try not to dwell too much on the fear," she said after a special "Mass of Hope" at the Georgetown University's Dalhgren Chapel.

"We were sent a videotape right after his birthday last year, and on the tape he said he had received the greetings we sent him and knew we were still remembering him. I'm hoping deperately to get another tape this week, but if I don't get one, I won't be surprised, either."

Say was joined at the Mass by members of her family and relatives of six others who are among the eight U.S. and 11 foreign hostages still being held in Lebanon.

The Mass for Anderson's birthday—the Associated Press reporter's fifth in captivity—was arranged by No Greater Love, a support organization for families of the hostages and others whose lives have been touched by terrorism.

Anderson has been a prisoner in Lebanon since being kidnapped by gunmen in Beirut on March 16, 1985. It is believed that he is held by Shiite Muslim fundamentalists.

Among those taking part in the service were other journalists, such as NBC anchor Tom Brokaw, *Washington Post* Executive Editor Ben Bradlee and *USA Today* Editor Peter S. Prichard.

They said they shared Say's frustration.

"The outrage we all feel at the cause of this occasion defies any expression appropriate to this church," said Bradlee. "Hope fights in our hearts with outrage. Today, hope wins out, but barely."

Brokaw said he is "haunted by Terry's plight" and by the thought that Anderson might believe his fellow journalists aren't doing enough on his behalf.

"Happy birthday, Terry. I hope this will be the best year of your life," he said.

Hearst Newspapers Bureau Chief Charles Lewis said hostages who have been released talked of Anderson's devotion to his Catholic faith, a devotion that prompted him to fashion a rosary from fibers he pulled from a cushion given to him by his captors.

The same kind of faith seems to motivate Peggy Say.

Soon after Anderson was captured, Say, then living in Batavia, jumped into the national spotlight as a spokeswoman for her family and an ardent advocate of human rights.

As her brother's term of imprisonment lengthened, Say's quest for his release gradually took over her life. So after her father, a brother and a grandchild died, she found she needed to escape from the limelight. She moved from New York to Kentucky and avoided the press and public appearances for a year.

That was two years ago. Now she has found her voice again and is angry that she let herself be silenced.

"I hate it today that I did that," she said. "Those of us who remember the hostages were criticized for trying to continue the publicity, but why in the world would we be silent about this?

"I don't get any feedback from the Bush administration, but there's something in me that desperately needs to believe that they are not ignoring the hostages.

"My brother's life is worth no more or less than any other. They've got to be free."

In Batavia, where Anderson grew up, the city celebrated his birthday, which has been declared "National Hostage Awareness Day" by Congress.

Church bells throughout Batavia were rung at noon yesterday, and last night, the city dedicated a vivid sculpture of Anderson—his hands bound in chains—that will stand in the Genesee County Mall until he comes home.

Genesee County Legislator Steve Hawley, who graduated from high school with Anderson in 1965, spoke during the dedication ceremony. Hawley said a few months after Anderson was taken hostage, his classmates were planning their 20th reunion. Now, they are planning their 25th reunion next year with Anderson still in captivity, he said.

Buffalo television stations prepared two videotapes set to an original song for the day, said Anne Zickl, the coordinator for the Anderson family's efforts to free American hostages.

"One of the videos includes tape of Terry running along a beach in Lebanon before his capture. It goes on for a while, and it reminds us that he hasn't been able to run at all in 4½ years," Zickl said.

CHARLESTON: AN AMERICAN STORY

Mr. HOLLINGS. Mr. President, I rise to express my appreciation to Abe

Rosenthal of the New York Times for his op-ed column in Friday's edition. In it, he shares his firsthand observations and impressions of Charleston, SC, and the city's remarkable efforts to recover from Hugo. As the dutiful journalist, Mr. Rosenthal reports the facts: yes, Charleston took a beating; yes, several of South Carolina's great pine forests were reduced to splinters. But what most interests him is the remarkable spirit of community and cooperation and decency that he encountered among the people of South Carolina's low country.

In addition, he reports on the defiantly optimistic, future-focused campaign by Mayor Joe Riley to win approval at the polls last week for a new $20 million downtown aquarium. In pushing for approval of the aquarium, Mayor Riley spoke convincingly not just about the practicalities of attracting tourists, but about the needs of our schoolchildren. Most convincingly, he presented a vote for the aquarium as a vote for the future, as a symbol of Charlestonians' determination not just to restore their city, but to make it even better than it was before Hurricane Hugo.

Mr. President, I'm pleased to report that the aquarium initiative passed. This is one more tribute to the vision and can-do leadership style of Mayor Riley. More importantly, it is a tribute to the spirit of a great city, a city unbowed by Hugo and looking ahead to a brilliant future.

Mr. President, I ask unanimous consent that the Rosenthal column be reprinted in the RECORD in its entirety.

[From the New York Times, Nov. 10, 1989]

AN AMERICAN STORY

(By A.M. Rosenthal)

CHARLESTON, SC.—On the day New Yorkers chose a black Mayor and Virginians a black Governor, white and black citizens of Charleston were also asked to show their belief in a common bond.

They were asked to vote with their pocketbooks for the future of their city, the American jewel that one midnight became the eye of the hurricane.

That midnight was less than two months ago. Charleston has fought day and night since then.

Hurricane Hugo lifted or damaged almost every roof in the city. Most have been put back into shape. Thousands of trees, the special delight of the city's people, were destroyed. Carpenters and roofers cannot help here, but the streets are clear and clean.

Central Charleston sparkles again, most of its beauty and grace intact or lovingly restored by its people. It is not a museum but a city where the people live and work in buildings put up a couple of hundred years ago and walk the lovely streets laid down then.

There is energy and work in Charleston and much ado about music. Plans are going right ahead for 1990—a production of "Porgy and Bess," and for the wonderful Spoleto Festival of music, art and dance.

Signs around town: "Hugo Who?" "Hurricane Hugo is History!" "Hugo, Kiss My Grits."

But nervousness is mixed in with the defiance. Tourism is the biggest source of income for the city. Will tourists come back to see the historic houses and gardens, to Spoleto, or will too many be frightened away by the memory and fear of the hurricane?

Charleston is sending our one message: Come on down and visit, we are back. It is pleasant to be one of the messengers.

The progress and the optimism are not a facade. But neither is that the only story or the only message from Hugo.

Every disaster hits the poor hardest. Scores of small businesses, mostly black and without enough insurance or capital, are still closed and may never reopen.

And just 10 minutes from central Charleston, the devastation of the rural hamlets and small towns makes the eyes hurt. Wooden houses and mobile homes are smashed into matchsticks. Pine forests are wiped out, turned into nature's junkyards.

Thousands of people had to move in with relatives, into homes already overcrowded. For them, the hurricane will not be over for a long time.

In the office of Mayor Joseph P. Riley, a meeting is going on—officials of local, state and Federal agencies, the Red Cross, the Salvation Army and the churches. They listen to each other report, ask questions, make plans.

The United States Army, which moved effectively to help once it got its orders, is the hero. People here think the Federal emergency system is slow and clumsy. They say there should be standing instructions that would turn military supplies and manpower into civilian assets without delay.

But nobody is looking for villains. Everybody is credited with doing his best under the cumbersome rules that exist.

Hugo was not followed by a social breakdown or governmental heartlessness. Checks are coming in from government agencies and from private insurers.

But in South Carolina, like every place else in the country, the poorest people often have to wait longest for help. They find out they have put their money into the wrong kind of private insurance and then have to scrabble around for the documents to get Government help, which is supposed to get them back on their feet—not make up for their losses. Sometimes it all seems too much and they do not get the help they are entitled to—that's the other Hugo message.

Every dollar counts, for the city and the people. So on Election Day many thought the top issue, a referendum, was a lot of foolishness.

Here was the Mayor asking them to vote to go ahead with an aquarium that would cost about $20 million. He said it was not just for tourists but for schoolchildren, and that it would provide research to help protect the waters where the fishermen of the Carolinas make their living.

Seventy percent of the voters decided it was not foolishness, that investing in tourism, children and the environment was a good way to spend money, Hugo or no Hugo.

And Hugo or no Hugo, one of Charleston's great attractions is on display all around town. People still smile and nod at strangers as they pass. It is a little startling at first. What do they want? They must be thinking of somebody else.

The visitor starts doing it himself, just to try it out. Quite nice.

ANOTHER COMMUNIST ASSAULT ON EL SALVADOR'S DEMOCRACY

Mr. HELMS. Mr. President, it is regrettable that the House-Senate conference on foreign aid apppropriations decided on Friday night to place an $85 million cap on military aid to El Salvador. El Salvador, more than any other place in this hemisphere, desperately needs our fullest support. It is tragic that the Congress has cut the President's request for military aid, at the very time the democratically elected Government of El Salvador is fighting for its survival.

Mr. President, anyone who questions the importance of our support for El Salvador should look at the front pages of today's papers. The New York Times reads: "Salvador Rebels Launch Offensive; Fighting is Fierce, Hundreds Feared Dead." And the Washington Post reads: "127 Dead in Salvadoran Rebel Drive." In short, the Marxist FMLN guerrillas have launched the largest offensive of the decade, in a brutal effort to topple the democratically elected goverment of Alfredo Cristiani.

The reports that I have indicate that more than 300 people have already been killed over the past 2 days, and as of midday today, more than 400 were wounded. One of the innocent victims was an American schoolteacher working in the capital. Hundreds more have been wounded as the hospital corridors fill with the victims of this latest brutal offensive by the Communist guerrillas. Even the International Red Cross has been pinned down by the guerrilla instigated violence. It will be hard to forget the picture on the front page of this morning's Washington Post that shows Red Cross officials crawling through the streets of El Salvador.

Although reports are still sketchy, the initial facts of this latest offensive by the Communist-terrorists are the following:

First. The guerrillas attacked both the private and official residences of President Alfredo Cristiani.

Second. The guerrillas attacked the residence of the President of the democratically elected legislative assembly.

Third. In an affront to the democratic electoral process, the guerrillas have attacked the central election headquarters.

Fourth. Four important military installations throughout the country have been attacked, they are: The 1st Infantry Brigade, the 6th Infantry Brigade, the 3d Infantry Brigade, and a national police installation.

Fifth. Neighborhoods where key members of the Salvadoran Armed Forces live with their families have also come under attack.

Sixth. At this time I understand that many guerrillas are forcibly en-

tering the homes of innocent civilians and taking them hostage, in an effort to protect themselves from being captured.

Seventh. Weapons, ammunition and guerrillas have been captured in many places throughout the capital—most notibly in the National University, the Central American University, and the Retreat House of the Jesuits. And according to press reports, Government forces have captured Soviet-made weapons throughout downtown San Salvador.

Mr. President, there is a new and ominous development. The connection between Ortega, Noriega, and the Communist guerrillas throughout the hemisphere is well documented. But today I have even more information about the Ortega-Noriega-FMLN connection.

My sources, which have been accurate in the past, say that the Salvadoran Communist Party and the FMLM terrorists sent a delegation last week to meet with Noriega. Reportedly Noriega personally agreed to provide the terrorists with communications equipment, uniforms, medicines, and other assistance necessary to carry out this offensive.

Since their meeting with Noriega last week, the FMLN guerrillas have been acquiring the promised assistance from Cuban-front companies in the Panamanian Free Zone. Noriega has made arrangements to truck the supplies to Chiriqui, Panama. Once the supplies arrive in Chiriqui, Noriega is providing airplanes to fly the assistance to Nicaragua. In Nicaragua, Ricardo Wheelock—chief aide to the Minister of Defense—has personally coordinated the shipments of the supplies on to the Salvadoran terrorists, through the same channels the Nicaraguans use to send military hardware to El Salvador.

So far, Mr. President, I am pleased to report that the Government of El Salvador is in control of the situation. The Armed Forces have acted valiantly and responsibly to defend the people and democracy of El Salvador. President Cristiani, likewise, has moved quickly to preserve stability and order in a country under siege. At a time when democracy in our hemisphere is at stake, we owe the Salvadoran Government and Armed Forces nothing less than our fullest support.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The Chair informs the Senate that morning business is closed.

EXTENSION OF MORNING BUSINESS

Mr. SYMMS. Mr. President, I ask unanimous consent that morning business be extended to not last past the hour of 3:07 p.m.

The PRESIDING OFFICER (Mr. FORD). Without objection, it is so ordered.

The Senator from Idaho is recognized.

Mr. SYMMS. I thank the Chair.

(The remarks of Mr. SYMMS pertaining to the submission of Senate Congress Resolution 81 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

Mr. HELMS. Mr. President, I suggest the absence of a quroum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for morning business has expired.

SUPPORT FOR EAST EUROPEAN DEMOCRACY ACT

The PRESIDING OFFICER. The Senate will now resume consideration of S. 1582, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1582) to amend the Foreign Assistance Act of 1961 to provide for certain forms of assistance to Poland to ensure the success of freedom and democracy in Poland.

The Senate resumed consideration of the bill.

Pending:

Dole amendment No. 1056, as modified, to promote democratization and reform in Poland and Hungary through development of the private sectors, labor market reforms, and enhanced environmental protection.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 1108

(Purpose: To provide for the use of excess foreign currencies)

Mr. HUMPHREY. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 1108.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the committee substitute add the following new section:

SEC. . CERTAIN USES OF EXCESS FOREIGN CURRENCIES.

(a) AUTHORITY TO USE.—During fiscal year 1990, the Administrator for title I of the Foreign Assistance Act of 1961 may use, for the purposes described in subsection (b), such sums of foreign currencies described in subsection (c) as the Administrator may determine.

(b) PURPOSES FOR WHICH CURRENCY MAY BE USED.—Foreign currencies may be used under this section—

(1) for the same purposes for which assistance may be provided under title I of the Foreign Assistance Act of 1961, and

(2) for the support of any institution providing education for a significant number of United States nationals (who may include members of the United States Armed Forces or the Foreign Service or dependents of such members.)

(c) CURRENCIES WHICH MAY BE USED.—The foreign currencies which may be used under this section are United States-owned excess foreign currencies that are in excess of amounts necessary for satisfaction of preexisting commitments to use such currencies for other purposes specified by law.

(d) WHERE CURRENCIES MAY BE USED.—Foreign currencies may be used under this section in the country where such currencies are held or in other foreign countries.

(e) NONAPPLICABILITY OF OTHER PROVISIONS OF LAW.—Foreign currencies may be used under this section notwithstanding section 1306 of title 31, United States Code, or any other provision of law.

(f) LIMITATION.—Foreign currency made available under this section may not be used in any Communist country listed pursuant to section 4201(d).

Mr. HUMPHREY. Mr. President, this is an amendment that has been disclosed with the managers of both sides. I believe it is agreeable to them. I will just give a very brief description for the benefit of Senators listening from their offices.

This is an amendment to provide discretionary authority—and I emphasize "discretionary"—to the Administrator of the Agency for International Development to use excess U.S.-owned foreign currencies for development assistance programs and to provide assistance to overseas institutions that provide education for a significant number of American citizens.

This provision is similar to one that was adopted by the Senate by voice vote on two occasions last year. It has also passed the House on one occasion but, unfortunately, not on the same bill, and that explains why it has not yet become law.

In short, it is a noncontroversial provision that has previously been cleared by the entire Congress.

Mr. President, currently the United States holds certain foreign currencies that are in excess of amounts necessary for satisfaction of preexisting commitments to use such currencies. An "excess currency" country is defined by the Department of Treasury as a country where the "supply of a nonrestricted currency is great enough to more than meet U.S. requirements for more than 2 years." So this amendment does not apply broadly to all U.S. owned foreign currencies. It only authorizes a use for a fraction of U.S.-owned currencies—those that are designated as being excess to current or anticipated needs of the U.S. Government.

Specifically, this amendment permits AID to identify a use for these excess currencies—either for development assistance programs, or to assist overseas education facilities that are predominately attended by American students. In the case of Poland, this provision would give AID the authority to use these currencies to assist the programs authorized under this bill, if Poland were determined to be an excess currency country.

This provision would also permit AID to seek a means to use these excess currencies in countries other than those where they are held, through commodity exchanges, for example. Where AID determines a need, and if excess currencies are available, they would have the authority under this provision to provide assistance.

The point is this, Mr. President, historically under various transactions the United States accepts payments in local currencies. The Treasury Department in its 1988 report, "foreign currencies held by the U.S. Government" explains how we come by these currencies:

(1) In exchange for agricultural commodities financed by the Department of Agriculture (including repayment of loans of these funds);

(2) in repayment of loans financed by expenditure under the Foreign Assistance Act of 1961 and prior acts as amended;

(3) as payment of interest on deposits of foreign currency in foreign banks;

(4) from various other programs.

The report goes on to make the important point:

These nonpurchased foreign currencies are separate and distinct from the budget expenditure accounts and do not affect the budget surplus or deficit of the U.S. Government except to the extent that the currencies are sold for dollars.

Often such foreign currencies are soft currencies. They are not convertible into hard currencies. As the Treasury Department report states:

The foreign currencies reported herein in large part are neither freely convertible to other currencies nor freely spendable by the U.S. Government for the general support of its overseas operations.

And so, over the years, the United States has held millions of dollars in such foreign currencies. These are currencies that are difficult to employ to our Nation's advantage. To put it plainly, it is hard to spend this money because no one wants to accept payment in soft currencies. That is why such currencies accumulate until they are declared excess by the Treasury. When a foreign currency accumulates to the point of exceeding the 2-year needs of the U.S. Government to spend such a currency, then that currency by Treasury Department definition becomes an excess foreign currency. And so these assets sit there. They are a wasted asset.

Let me underscore, Mr. President, that any determinations as to who will receive assistance under this provision, must be made by AID. The amendment does not earmark funds, it does not specify which institutions, if any, will receive the assistance. It merely grants AID the authority to use these excess currencies for development assistance programs and to help educational institutions overseas attended by significant numbers of American children, American citizens. And let me emphasize also, the assistance is made available to the institution and not to the individual student, though of course the aim is to improve the situation of American citizens.

I know of no opposition to the amendment, Mr. President.

Mr. HELMS. Will the Senator yield?

Mr. HUMPHREY. Yes.

Mr. HELMS. Mr. President, I commend the Senator on the amendment. I ask him if he would permit me to be a cosponsor of it.

Mr. HUMPHREY. By all means. I ask unanimous consent that the Senator's name be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, will the Senator yield?

Mr. HUMPHREY. Yes.

Mr. SIMON. Mr. President, we have no objection to the amendment. It is discretionary. I think it is a good amendment. I see no reason for not approving it.

Mr. HUMPHREY. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. HUMPHREY. What is now pending? Is there another amendment pending prior to the Humphrey amendment?

The PRESIDING OFFICER. The Dole amendment to the committee substitute is pending.

Mr. HUMPHREY. Mr. President, I withdraw my amendment.

Mr. HELMS. No. No. Mr. President, I ask unanimous consent that the Dole amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Therefore, the Humphrey amendment is pending?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. I thank the floor managers for their help and cooperation.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. The Senator is quite welcome.

Mr. President, this amendment is noncontroversial. It has passed the Senate on two occasions already and has passed the House already once. I am pleased to accept it on behalf of the Republican side.

It is not widely known, but the United States holds literally millions of dollars in foreign local currencies overseas. Generally, these local currencies are used for Embassy and other expenses of the U.S. Government in the country in which the currencies are held.

However, in some countries, the United States holds much more local currencies than can possibly be used for the expenses of our Government. What this amendment aims to do is to utilize these excess American-owned foreign local currencies for the benefit of American citizens studying abroad.

As I noted, this amendment has been adopted by the Senate twice and the House once. Its inclusion in this bill will ensure its enactment.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the amendment of the Senator from New Hampshire.

The amendment (No. 1108) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMON. Mr. President, I offer an amendment on behalf of Senator HARKIN and ask unanimous consent that it be held over until tomorrow—Senator HARKIN is not here—but that it be held over until tomorrow for debate.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Is the Senator sending the amendment to the desk to be printed and not be offered as an amendment to the bill?

Mr. SIMON. Mr. President, I question the presence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

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Mr. HELMS. I further ask unanimous consent that the pending amendment be laid aside so that the distinguished Senator from New Hampshire can offer another amendment which I believe may be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

AMENDMENT NO. 1109

(Purpose: To provide for the cessation of assistance to Poland and Hungary in the event of a reversal of the process of democratization)

Mr. HUMPHREY. Mr. President, I again thank the floor managers for their help. I send an amendment to the desk which has been reviewed by the floor managers and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 1109.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the committee substitute, strike section 803 and insert in lieu thereof the following:

SEC. 803. CESSATION OF AID.

(a) Funds provided under this act shall cease to be available for Poland if the President of Poland, or any other Polish official, initiates martial law or a state of emergency for reasons other than necessary to respond to a natural disaster or a foreign invasion or if any member of the Senate or Sejm is removed from office or arrested through extra constitutional processes.

(b) Funds provided under this act for Hungary shall cease to be available if the President of Hungary, or any Hungarian official, initiates martial law or a state of emergency for reasons other than necessary to respond to a natural disaster or a foreign invasion, or if any member of the Hungarian National Assembly is removed from office or arrested through extra constitutional processes.

Mr. HUMPHREY. Mr. President, the Senate has seen a version of this amendment before. I first offered the amendment to the Poland aid provisions of the foreign operations appropriations bill. It was accepted, adopted by the Senate, and has since been improved by the foreign operations conferees.

The amendment now at the desk is a further refinement of the language as agreed to by the foreign operations appropriations conferees.

Mr. President, the purpose of the amendment is clear and simple. It would strike section 803 of the Simon substitute bill regarding termination of assistance to Poland and insert in its place stronger language similar to what this body has already unanimously approved.

The amendment is designed to cease United States assistance to Poland or Hungary if there were to be a crackdown on democracy in either of those nations. For such a cessation of aid to occur, the leadership in Poland and Hungary would have to take severe measures, including the declaration of martial law for reasons other than necessary to respond to a natural disaster or a foreign invasion, or the summary illegal removal or arrest of members of the national parliaments through extraconstitutional processes.

If this were to happen, however, the leadership in Poland and Hungary should have no doubt, were this to happen, as to what the position of the United States would be. U.S. aid under this bill would cease automatically and without debate.

Mr. President, I ask unanimous consent that an editorial published in the Washington Post on November 2 in support of the intent, general support of the intent, of this provision be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. The distinguished Republican leader, Senator DOLE, and my colleague from Illinois, Senator SIMON, ask to be sponsors of this amendment. It has been cleared on both sides.

To reiterate, Mr. President, the effort here is to make it crystal clear to all parties in Poland and Hungary that if there is a return to the bad old days, if there is a regression to authority and rule as defined by the language of this amendment, then our money stops. The intent is to put parties on notice so they will not be tempted to take those kind of steps.

I thank the floor managers for their help in refining this language, Mr. President.

EXHIBIT 1

[From the Washington Post, Nov. 2, 1989]

AID FOR EASTERN EUROPE

Eastern Europe is going to need a lot of help if it is to keep moving steadily toward greater democracy and decentralized market economics. So far President Bush and the congressional Democrats have been quarreling about the narrow issue of how much money to put into an American aid bill for Poland and Hungary. They ought to be asking much broader questions: how to organize aid that will come from many donors, what conditions to attach to it, and what to do if other Eastern Europe countries begin to move in the same direction?

The Marshall Plan is the model that seems to overshadow the debate here. But this isn't 1947. Four decades ago the United States was the only country with the wealth to provide aid, and the aid was needed only to reestablish industrial production in countries that already had much industrial experience. Neither condition prevails today in Eastern Europe.

Many countries are now capable of helping to support reform there, and some have already pledged substantial amounts. But most have pledged loans that are closely tied to specific purposes, usually to financing exports from the donor country. The donors are going to have to work together much more closely to ensure that the right kinds of money are available when needed.

Poland has launched itself into a transformation that's going to be much more complex—and uncertain—than the industrial reconstruction after World War II. It is going to try to adapt its economy and its society to compete in world markets with which it has had little contact since the 1930s. This time the aid is going to have to go beyond foodstuffs and machinery.

Is this aid limited to Poland and Hungary? Mr. Bush is apparently prepared to discuss the Soviet economy with Mr. Gorbachev when they meet in December. In Prague the police once again were whacking peaceful demonstrators around last weekend. But the present Czech regime isn't likely to last long—not in a season in which even the East German government is making concessions to public protests. If the Czechs start to follow the Polish and Hungarian examples, at what point will they be eligible for aid? They need to know that help will be available—but they also need to know that the changes have to go beyond smiles and gestures. The donors would be wise to make it clear to all of these countries from the beginning that if any of them were suddenly to reverse their courses and revert to repression, as China did last spring, the aid would immediately and automatically cease.

The Bush administration is suffering a shortfall of initiative. It is bickering about the size of an American contribution while the much greater questions of organizing the aid and setting conditions are being left to a haphazard low-level process. Eastern Europe needs to hear the West's commitment.

Mr. SIMON. Mr. President, I am pleased to be a cosponsor of this amendment. We have in the bill already some general language saying if there is a reversal of the process of moving toward democracy in Poland and Hungary that there should be a cessation of all of the aid that is provided here. This ties it down. I think it strengthens the bill, and I am very pleased to be a cosponsor. I think it will improve the bill.

Mr. HELMS. Mr. President, I ask unanimous consent that I, too, be made a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Just for the information of the Senate and those who may be listening, I think it would be instructive for it to be read. It speaks for itself eloquently.

Section 803, cessation of the aid, (a) Funds provided under this act shall cease to be available to Poland if the President of Poland, or any other Polish official, initiates martial law or a state of emergency for reasons other than necessary to respond to a natural disaster or a foreign invasion, or if any Member of the Senate or Sejm is removed from office or arrested through extraconstitutional processes.

The same thing is said in paragraph B about Hungary.

I think it is an excellent amendment. We find it thoroughly acceptable on this side. I commend the Senator for offering it.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from New Hampshire.

The amendment (No. 1109) was agreed to.

Mr. HELMS. I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Let me offer the amendment on behalf of Mr. HARKIN, and I enter it with the understanding that it will be printed in the RECORD, and that then if we move to this area of cargo preference, that he will have the opportunity to offer this amendment tomorrow.

I do not want to misquote my colleague, but I think that is the understanding.

Mr. HELMS. Providing it is understood that it is not being offered now, but simply being submitted to the RECORD for publication.

Mr. BREAUX. Reserving the right to object, I say to my good friend from Illinois, I think discussions between the majority leader and the representatives of the minority are now underway on how to handle this right now, and if the Senator would withhold that request, I think we may have an answer to clarify that. They are working on it right now.

Mr. HELMS. I think that is right.

Mr. SIMON. I am pleased to withhold that request.

The PRESIDING OFFICER. The Senator from Illinois withholds the Harkin amendment.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PRYOR). Without objection, it is so ordered.

AMENDMENT NO. 1110

(Purpose: To provide a substitute for the provision regarding GSP treatment)

Mr. SIMON. Mr. President, I send an amendment to the desk on behalf of Senator BENTSEN and myself.

The PRESIDING OFFICER. Does the Senator from Illinois desire to set aside the pending Dole amendment?

Mr. SIMON. I ask unanimous consent that the pending Dole amendment be set aside to consider this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON], for Mr. BENTSEN, for himself and Mr. SIMON, proposes an amendment numbered 1110.

Mr. SIMON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 25, beginning with line 18, strike out all through line 22 and insert the following:

ELIGIBILITY OF POLAND FOR GENERALIZED SYSTEM OF PREFERENCES

SEC. 311. Subsection (b) of section 502 of the Trade Act of 1974 (19 U.S.C. 2462(b)) is amended by striking out "Poland" in the table within such subsection.

Mr. BENTSEN. Mr. President, I am offering this provision because, in marking up S. 1582, the Senate Foreign Relations Committee acted outside its jurisdiction by including a trade provision in its bill. Previously, the Finance Committee had approved a similar provision. The purpose of this amendment is to make clear that the Finance Committee preserves its jurisdiction over such provisions by including the Finance Committee version of this provision in the bill.

In July, the Finance Committee considered the issue of GSP for Poland. The committee marked up an original bill, S. 1262, making Poland eligible for GSP. At the request of the administration, I moved the legislation quickly in the committee in an attempt to have the measure enacted before President Bush visited Poland in mid-July. In the event, however, that bill was not enacted at that time.

We now have before us a comprehensive bill providing assistance to Poland. In light of recent reforms in Poland, it is appropriate that this legislation make possible the granting of GSP to Poland. Under current law, certain Communist countries and certain developed countries are specifically listed as ineligible for GSP benefits. Poland is among these countries. The amendment that I am offering will strike Poland from this list and thereby give the President the authority to grant GSP to Poland. Poland will not automatically be granted GSP; however, if the President finds that Poland meets the criteria set forth in the statute, he will have the power to grant Poland the special duty treatment afforded to beneficiary countries.

Because the Finance Committee reported a bill making Poland eligible for GSP in July, I am now offering an amendment striking the trade provision in the Foreign Relations Committee bill and adding the language of the Finance Committee bill.

I urge my colleagues to support the amendment.

Mr. SIMON. This is an amendment offering the generalized system of preferences for Poland in this situation. It has, as I understand it, been cleared by both sides.

Mr. HELMS. It has, indeed.

Mr. SIMON. I ask that we adopt it at this point.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1110) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President I ask unaninous consent that the pending amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1111

Mr. McCONNELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. McCONNELL] proposes an amendment numbered 1111.

Mr. McCONNELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At the end of the committee substitute:

The Secretary of Commerce and the Secretary of Energy shall establish a task force to analyze the current supply and demand situation of coal in the Soviet Union. The analysis will include, but not be limited to—

the causes of labor unrest in the Soviet coal industry and the impact of that unrest, of mining productivity, and of the transportation system in the Soviet Union on domestic coal production in that country;

the impact of increased industrialization and winter weather on Soviet coal demand;

the likelihood of a shortfall between domestic supply and demand;

the feasibility of meeting any shortfall which might occur with United States coal;

the feasibility of coal from other countries meeting any shortfall which might occur; and

steps which must be taken to enable United States coal to compete with other countries to meet any shortfall which might occur.

The task force shall report their findings to Congress within 45 days of enactment of this act.

Mr. McCONNELL. Mr. President, this is an amendment which as I understand it, has been cleared on both sides.

Mr. President, I rise today to offer an amendment which I believe could result in a significant market opportunity for the United States coal industry, a positive impact on this country's balance of trade, and a gesture of good will to the Soviet Union.

As we all know, the Soviet Union has been experiencing severe labor unrest in its coal fields and in its transportation sector recently. That unrest has hurt domestic coal production in the Soviet Union and led some observers, including Soviet Premier Mikhail Gorbachev, to speculate that a shortfall between domestic coal supply and demand will occur in the Soviet Union this winter or sometime in the near future.

Should such an imbalance in coal supply and demand occur, the logical supplier to meet the shortfall would be Poland. However, there is also some talk that Poland's coal supply may itself be interrupted or reduced as that country moves to phase out of operation some of its highly subsidized and inefficient coal mines.

Mr. President, this coal supply and demand situation, although somewhat unclear at this point, nonetheless presents a potential market opportunity for U.S. coal—a market opportunity which should not be ignored. What is needed at this time is more information and analysis of the situation.

Therefore, I am offering an amendment today which instructs the Secretary of Energy and the Secretary of Commerce to establish a task force to analyze the current domestic supply and demand situation in the Soviet Union. The analysis will look at the labor unrest situation, the transportation system, and mining productivity in the Soviet Union and determine their impact on domestic coal production in that country.

The analysis will also look at the impact of increased industrialization and winter weather in the Soviet Union on coal demand. Finally, the analysis will determine the feasibility of United States coal, as well as coal from other nations, meeting any shortfall which might occur and recommend steps which must be taken in order for United States coal to successfully compete for any market share which might become available in the Soviet Union in the near future.

Mr. President, it is not my intention to undercut those who struggle for change in either the Soviet Union or Poland. Union activists have historically been crucial advocates of reform.

It is my intention, Mr. President, simply to assist the domestic coal industry to take advantage of a market opportunity. As a nation, we too often sit and watch as market opportunities pass us by. When we do decide to act, it is often too late. Well, here is a potential market opportunity. Regardless of what some observers may say about the chances of the United States coal industry ever selling a single pound of coal to the Soviet Union, I happen to believe it is an idea worth pursuing.

I know the coal industry of Kentucky stands ready to expand its already significant export production. I am sure the coal producers of other States are in a similar position. The Federal Government should take steps to make sure these producers have access to every market opportunity available.

Mr. President, as I said, I understand that both sides have cleared this amendment.

Mr. SIMON. If my colleague will yield, it is acceptable on this side. We would be very pleased to support it.

Mr. McCONNELL. I thank the Senator from Illinois.

Mr. HELMS. Mr. President, the amendment is acceptable on this side.

Mr. McCONNELL. I thank the Senator from North Carolina.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. McCONNELL].

The amendment (No. 1111) was agreed to.

Mr. McCONNELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who seeks recognition?

Mr. HELMS. Mr. President, I believe the Senator from Massachusetts has an amendment.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

AMENDMENT NO. 1112

(Purpose: To express environmental-related concerns regarding the development of Poland and Hungary)

Mr. KERRY. Mr. President, I ask unanimous consent that the amendment by Senator DOLE be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERRY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KERRY] proposes an amendment numbered 1112.

Mr. KERRY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 8, line 23, insert "and environmentally sound natural resource management" after "principles".

On page 35, between 12 and 13, insert the following:

(a) PRIORITY FOR THE CONTROL OF POLLUTION.—The Congress recognizes the severe pollution problems affecting Poland and Hungary and the serious health problems which ensue from such pollution. The Congress therefore directs that a high priority be given in the implementation of assistance to Poland and Hungary to the control of pollution and the restoration of the natural resource base on which a sustainable, healthy economy depends.

On page 35, line 13, strike out "(a)" and insert in lieu thereof "(b)".

On page 36, line 1, strike out "(b)" and insert in lieu thereof "(c)".

On page 36, line 9, strike out "(c)" and insert in lieu thereof "(d)".

On page 36, line 16, strike out "(d)" and insert in lieu thereof "(e)".

On page 36, line 17, strike out "(a), (b), and (c)" and insert in lieu thereof "(b), (c), and (d)".

On page 36, line 22, strike out "(e)" and insert in lieu thereof "(f)".

On page 38, between lines 13 and 14, insert the following:

(g) DEPARTMENT OF ENERGY ACTIVITIES.—PRIORITY FOR EFFICENT ENERGY USE.—In view of the high energy usage per unit of output in Hungary and Poland, the Secretary of Energy shall give high priority to assisting officials of Poland and Hungary in improving the efficiency of their energy use, through emphasis on such measures as efficient motors, lights, gears, and appliances and improvements in building insulation and design.

(h) ALTERNATIVE INVESTMENTS IN ENERGY.—It is the sense of the Congress that the Administration should work with the Government of Hungary to achieve environmentally safe alternative investments in energy efficiency, particularly with regard to projects along the Danube River.

Mr. KERRY. Mr. President, this is a very straightforward amendment which, I am pleased to say, both the majority and minority have agreed to accept. I will not go into a long explanation, or full explanation of it.

First of all, I congratulate the managers of this important legislation for moving it along, and particularly the distinguished Senator from Illinois, who has worked so long and so hard to see this happen. Needless to say, because of the visit of Lech Walesa here this week, there is obviously no more important time for us to conclude consideration of this legislation and send him back to Poland with an important

addition to his package of commitments.

This amendment is an effort to try to set some guidelines within this legislation so the expenditure of these funds will be done in a way that takes into consideration an increasingly recognized but not enough implemented concern, namely the environment.

Poland, particularly currently, has monumental environmental problems. Less than 1 percent of the water in Poland is currently drinkable. And fully one quarter of the land in Poland is not usable for farming because of the level of pollution.

This amendment says, indeed, it is good and appropriate that we should give assistance but let us not compound further the problems of the world by spending those moneys in ways that ignore sound ecological policy and sound sustainable growth and development policy which increasingly is becoming a concern to nations all over the world.

My amendment has four parts. It is designed to encourage U.S. assistance to face those environmental problems.

The first part simply inserts the phrase, "an environmentally sound national resource management" to the general authority language.

The second part establishes a number of important environmental initiatives in connection with the assistance that we provide both Poland and Hungary.

The third part would add a new subsection to section 502 dealing with the Department of Energy, which recognizes it is vital that their use of energy be used in a way that would assist both countries in energy conservation and energy efficiency improvements.

Mr. President, it is my feeling that each and every foreign aid package ought to contain these kinds of measures. I think the Foreign Relations Committee has so stated in its adoption earlier this year of amendments to establish IMF and World Bank policy in their development procedures. I am delighted the Senator from Illinois, and the Senator from North Carolina agree and endorse and embrace these particular approaches.

To reiterate, my amendment has four parts to it and it is designed to encourage United States assistance to reverse the serious environmental problems facing Poland and Hungary.

The first part of the amendment inserts the phrase "and evnironmentally sound natural resource management" to the general authority language contained in page 8 of S. 1582. The purpose in adding this phrase is to ensure that the economic adjustment program which we are supporting for Poland is predicated on sound and sustainable use of the natural resources of that country. The promotion of environmentally sound natural resource management is a prerequisite for a truly healthy economy over the long run.

The language of this section of this amendment is consistent with the provisions which have been passed in both the Senate and House. These provisions call upon the International Monetary Fund to recognize the relevance of sound natural resource management in that institution's structural adjustment lending.

Section 502 of the pending legislation establishes a number of important environmental initiatives in connection with the assistance we would provide both Poland and Hungary. My amendment would add an introductory section which would make official recognition of the seriousness of the pollution problems besetting Hungary and Poland an integral part of section 502. In addition, this provision would direct the President to give a high priority to addressing these serious pollution problems in implementing our assistance programs.

To illustrate the gravity of the pollution problems confronting Eastern Europe, the Worldwatch Institute reports that these countries suffer from some of the highest concentrations of industrial waste found anywhere in the world. In Poland the chemical contamination has rendered one-fourth of the soil unfit for food production and left only 1 percent of the water safe for consumption purposes. The tragic result, is that the life expectancy for men between the ages 40 and 60 has now fallen to the level it was in 1952.

The Worldwatch Institute reports that 13 million of Poland's 40 million population are expected to acquire at least one environmentally induced illness, such as cancer or respiratory ailments. Researchers in Poland have found alarmingly high concentrations of heavy metals in vegetables in the upper Silesia region which is heavily industrialized. Soil samples from vegetable gardens show levels of cadmium, lead, mercury, and zinc between 30 and 70 percent higher than the levels considered safe by the World Health Organization.

As we move forward with this legislation, it is imperative that we address these serious and tragic environmental problems in as comprehensive a manner as we can. The purpose of my amendment is to assist in establishing the context within which section 502 should be implemented.

The third element of this amendment would add a new subsection to section 502 dealing with the Department of Energy. This subsection recognizes that the inefficient use of energy in Hungary and Poland is a very serious problem. Therefore, this new subsection would direct the Secretary of Energy to assist officials in both countries with a variety of energy conservation and efficiency improvements. Studies have shown that such improvements as more efficient lights, motors, and appliances are four to six times more cost effective than investments in new sources of energy generation. Since both Poland and Hungary face serious economic conditions, it is imperative that both countries make the wisest and most cost-effective energy investments. As it turns out, the most cost-effective investments also are the most socially and environmentally beneficial.

At present, Hungary consumes more than seven times as much energy per dollar of gross national product as France or Sweden, four times as much per dollar of GNP as West Germany or Spain, and more than two and a half times as much per dollar of GNP as the United States.

Poland is not as energy intensive as Hungary, but still uses three times as much energy per dollar of GNP as France or Sweden, and more than twice as much as West Germany, Spain, or Italy.

Finally, the fourth part of this amendment also would add another new subsection to section 502. This new subsection urges the administration to work with the Government of Hungary to achieve environmentally safe alternative investments in energy efficiency, particularly with regard to projects along the Danube River. The Government of Hungary is to be commended for suspending construction of a very costly and environmentally destructive dam on the famous Danube River.

Opposition to this costly dam has been a focal point for the forces of freedom in Hungary who prevailed upon the government earlier this year to suspend construction. The portion of the Danube at stake is considered to be the most beautiful in Hungary.

There is strong international support developing for protection of this stretch of the river. Friends of the Earth International, which is comprised of organizations in 37 countries, passed a resolution this past September calling for protection of the Danube River and opposing the construction of dams on this critical sector.

Having made the difficult choice to suspend construction of this project, the Government of Hungary requires the support and encouragement of the United States to preserve this area. The United States could be of immense help if we could give assistance in support of more effective energy conservation and efficiency projects in Hungary.

Mr. President, this amendment does not allocate any moneys in this legislation for the environmental problems which I am addressing. However, I do think the amendment establishes some important environmental policy guidelines for the executive branch to

pursue in the implementation of the assistance we will be providing to Hungary and Poland. It is my hope that the managers of this bill will accept this amendment.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the Senator from Illinois [Mr. SIMON].

Mr. SIMON. Mr. President, I certainly do accept this amendment. It is an improvement in the bill.

Let me add, we face a particularly difficult situation in the Krakow area of Poland, where the Nowa Huta steel plant nearby has some just overwhelming environmental problems it is causing. The average life span in the Krakow area is about 4 years less than in the rest of Poland.

Another problem we cannot address in this bill, and my colleague cannot address in his fine amendment, is a problem that is a growing problem around the world. That is a border country—in this case Czechoslovakia—had industries right near Poland causing serious pollution problems in Poland.

Obviously, Poland cannot deal with this, but nations working in concert have to do that. One of the things we are going to have to do is work out arrangements so we can work, one with another, to prevent the kind of hazards to our people that too often afflict all countries of the world.

I am very pleased to accept the amendment on this side.

The PRESIDING OFFICER. The Chair recognizes the Senator from North Carolina [Mr. HELMS].

Mr. HELMS. I thank the Chair, the amendment is thoroughly acceptable on this side.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment (No. 1112) was agreed to.

Mr. KERRY. Mr President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, I want to take a few minutes of general comment about what has happened this past week in East Germany and the relevance of this bill to that.

When I was in the Army I was stationed along the Soviet zone border in West Germany in an outfit that no longer exists called the Counterintelligence Corps. My grand title was a special agent for the Counterintelligence Corps. That implied my doing a lot more exciting things than in fact I did. I, basically, was a courier, getting information—from people who managed to cross the border—about Soviet troop movements and other things like that.

But as I lived along that border and traveled that border, I had occasion to see the Soviet guns, to see that plowed field, with mines, to see the barbed wire, to see the spotlights, and occasionally to see people escape to freedom, but also to see people not make it to freedom.

I will always remember, and reading the stories about people going into West Berlin reminded me, a 14-year-old boy who went through all of that and came over to the West. I asked him, why did you do it? He said, well, I tasted a chocolate bar that someone had brought over from Western Germany and, he said, he figured if they had chocolate bars like that in the West he wanted to come to the West. And he risked his life to do it.

What is significant about this legislation right now, and Poland right now, is this. What happened in East Germany probably would not have happened but for the leadership of Poland. Lech Walesa and the Polish leadership moved to a free election and the downfall of the Communist control of the Government there.

East Germany, living between West Germany which is free, and Poland which is at least tentatively free, just could not stand there in isolation.

But Poland has to lead. We are getting some good signals out of East Germany and I hope they move ahead with an election. I hope they let the people choose. But we are not at that point yet.

What we do know is that Poland has reached that point. We should give them assistance. When I say we, I do not mean just the United States, but other countries. I am pleased to see not only Western European countries come to the aid of Poland but South Korea and Japan and other countries over there.

If we can succeed in Poland, raising the standard of living, and having a free system really do something for the people of Poland—and I think that can happen—then East Germany is not going to retain the kind of government they have had.

So it is extremely important. I am pleased to say I think we have agreements worked out at least on most of the details of this bill so that we can have a bipartisan, huge majority on this that I hope will send a strong message to the people of Poland: We are concerned; we share your dreams for freedom and a better life.

Unless someone seeks the floor now, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I further ask unanimous consent that the pending Dole amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1113

(Purpose: To allow funds authorized under the provisions of the Act to be used for investment in Employee Stock Ownership Plans (ESOPs))

Mr. HELMS. On behalf of the distinguished Senator from Idaho [Mr. SYMMS] I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS], for Mr. SYMMS, proposes an amendment numbered 1113.

At the appropriate place, add the following: "Funds provided through the Polish-American Enterprise Fund and the Hungarian-American Enterprise Fund may be used for the establishment of Employee Stock Ownership Plans (ESOPs).".

Mr. HELMS. Mr. President, both sides have agreed to this amendment.

Mr. SIMON. If my colleagues will yield, I certainly agree to it. Our former colleague, Senator Russell Long, convinced me a long time ago that ESOP's are a great thing. They are great wherever they can be tried. I am pleased to support this amendment.

Mr. SYMMS. Mr. President, I am pleased to offer an amendment which I believe will strengthen the efforts underway in Poland and Hungary to promote freedom and democracy.

My amendment, which has been cleared by both sides, simply states that funds provided by the Polish-American Enterprise Fund and the Hungarian-American Enterprise Fund may be used for the establishment of Employee Stock Ownership Plans, or ESOP's.

Mr. President, we certainly recognize that state-run enterprises and industries have proven to be grossly ineffective. Among the problems with this business method is that there is a lack of initiative among the Communist-bloc workers. The two countries we are considering providing economic and technical assistance to are no different.

Simply throwing money into Poland and Hungary will not provide a single

solution to their economic problems. Moreover, this is not what the people of those countries want either.

The amendment I offer can play a critical role in turning state-run economies into private enterprise, market-based systems. Employee Stock Ownership Plans are financial tools that would serve as incentives to Polish and Hungarian workers—that they can gain an ownership stake in the companies for which they work.

ESOP's would bring the true meaning of free enterprise to Polish and Hungarian individuals allowing them to gain access to capital and credit. Moreover, they allow these two countries to become more productive by extending profit motives to workers by making them part owners.

Finally, Mr. President, Employee Stock Ownership Plans would be a great step toward liberty and free-enterprise in Poland and Hungary. It would clearly broaden the economic base of the working men and women of both countries.

I am pleased this amendment has been accepted by the managers of this legislation. Because I believe free-market ideas and initiatives are what will move Poland and Hungary away from the policies and practices of communism and move them toward a capitalist society. Once the doors of freedom have been opened, there is little that can truly stop it from widening further. I believe this amendment will help push open these doors a little further.

I thank the managers and yield the floor.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1113) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I have an amendment pending, amendment No. 1056. I ask unanimous consent that it be withdrawn.

The PRESIDING OFFICER. The Senator has that right, and the amendment is withdrawn.

The amendment (No. 1056) was withdrawn.

AMENDMENT NO. 1114

Mr. DOLE. Mr. President, I send an amendment to the pending committee substitute to the desk on behalf of myself and the distinguished Senator from Illinois, Senator SIMON, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for himself, and Mr. SIMON, proposes an amendment numbered 1114.

Mr. DOLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 7, after line 2, insert the following new section:

SEC. 4. OBJECTIVES OF UNITED STATES ASSISTANCE.—In order to ensure that United States assistance to Poland and Hungary supports the development of economic freedom and opportunities for the people of those countries, the objectives of the United States assistance to Poland and Hungary shall be the realization of the following rights by the citizens of Poland and Hungary:

(1) SECURITY OF PROPERTY AND CONTRACT.—the right to legally acquire private property in all its forms, including secure legal title to land.

(2) A REGULATORY SYSTEM WHICH FACILITITATES ENTREPRENEURIAL ACTIVITY.—freedom from onerous regulations which have forced economic and entrepreneurial activity into the informal, or unregistered, economy should be eliminated.

(3) DISMANTLING OF WAGE AND PRICE CONTROLS.—a market for Polish and Hungarian industries and goods that is not distorted by government-mandated wages or prices.

(4) AN OPEN TRADE POLICY.—freedom from market-distorting restrictions or subsidies on imports and exports.

(5) LIBERALIZATION OF INVESTMENT AND CAPITAL FLOWS.—freedom from limitations on ownership of productive enterprises by both domestic and foreign investors, as well as freedom from restrictions on removal of foreign or domestic capital from Poland and Hungary.

(6) PRIVATIZATION OF THE STATE SECTOR.—The ignition of activity by Polish and Hungarian investors and entrepreneurs should be facilitated through the privatization of government enterprises.

(7) PRO-GROWTH TAX POLICY.—Encourage pro-growth tax policies which provide incentives for economic activity and investment.

(8) DEVELOPMENT OF A PRIVATE BANKING STRUCTURE.—secure rights to own and operate banks and other financial service firms, as well as unrestricted access to private sources of credit.

(9) INDIVIDUAL INVESTMENT IN THE PRIVATE SECTOR.—access to financial instruments through which individuals may invest in the private sector, and

On page 13, at line 15, strike "$320,000,000" and insert in lieu thereof "$260,000,000" and

On page 13, at line 18, strike "$80,000,000" and insert in lieu thereof "$65,000,000" and

At the end of section 201, add the following new paragraph:

"( ) INELIGIBILITY OF CERTAIN ENTITIES.—Neither the Polish-American Enterprise Fund, the Hungarian-American Enterprise Fund, nor the Overseas Private Investment Corporation shall finance or include in any of its programs any venture, project or enterprise which:

(1) has, individually or in combination, more than 20 percent of ownership, control, or equitable interest by the Polish or Hungarian government, the communist party of Poland or Hungary, or any entity controlled by the Polish or Hungarian government or the communist party of Poland or Hungary, or high officials thereof;

(2) has a Board of Directors more than 20 percent of whom are high officials of the respective governments or communist parties of Poland or Hungary;

(3) has been established by any organization or entity controlled by the Polish or Hungarian government or the communist party of Poland or Hungary;

(4) is required to accede to the rules of the Council for Mutual Economic Assistance." and

On page 20, at line 1, after "(1)", strike "Accept" and insert in lieu thereof "Solicit and accept" and

On page 20, at line 13, after "(2)", strike "Accept" and insert in lieu thereof "Solicit and accept" and

On page 20, at line 15, strike "." and insert in lieu thereof the following new language:

", provided that a volunteer under this authority shall not be deemed to be an employee of the United States except for the purposes of—

(A) the tort claims provisions of title 28, United States Code, and

(b) subchapter I of chapter 81 of title 5, United States Code, relating to compensation for work injuries." and

On page 27, at line 7, strike Section 304 in its entirety and

On page 34 at line 20, add the following new section:

"SEC. 403. EDUCATIONAL AND CULTURAL EXCHANGES.

(a) OBJECTIVE.—It is the sense of the Congress that the President should—

(1) encourage privately administered educational and cultural exchanges between the people of the United States and the people of Poland and the people of the United States and the people of Hungary; and

(2) consider the establishment of reciprocal cultural centers in Poland and the United States and in Hungary and the United States to facilitate government and privately funded cultural exchanges.

(b) AUTHORIZATION OF EXCHANGES.—Of the amounts authorized for educational and cultural exchanges administered by the United States Information Agency, not to exceed $2,000,000 in fiscal year 1990 and not to exceed $4,000,000 in fiscal year 1991 shall be available for activities in Poland and Hungary." and

On page 34, at line 22, strike Section 501 in its entirety and insert in lieu thereof the following new section:

"SEC. 501. ASSISTANCE IN SUPPORT OF DEMOCRATIC INSTITUTIONS AND ACTIVITIES IN POLAND AND HUNGARY.

(a) AUTHORIZATION OF ASSISTANCE.—Notwithstanding any other provision of law, there are authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund) $12,000,000 for the three-year period which began October 1, 1989, which shall be available only for the

support of democratic institutions and activities in Poland and Hungary, of which:

(1) $2,000,000 shall be available in each such fiscal year only for the unconditional support of activities and institutions in Poland, which institutions shall

(A) include all major non-communist political and social formations;

(B) not include among its membership any member of the Polish United Workers Party (or its equivalent, under whatever name the communist party of Poland may be known); and

(2) $2,000,000 shall be available in each such fiscal year only for the unconditional support of democratic activities and institutions in Hungary, which institutions shall—

(A) include all major non-communist political and social formations;

(B) not include among its membership any member of the communist party of Hungary (or its equivalent, under whatever name the communist party of Hungary may be known)." and

On page 35, at line 11, strike Section 502 in its entirety and insert in lieu thereof the following new section:

"SEC. 502. ENVIRONMENTAL INITIATIVES FOR POLAND AND HUNGARY.

(a) ENVIRONMENTAL PROTECTION AGENCY ACTIVITIES.—In addition to specific authorities contained in any of the environmental statutes administered by the Environmental Protection Agency, the Administrator of that Agency (hereinafter referred to as the "Administrator") is authorized to undertake such educational, policy training, research, and technical and financial assistance, monitoring, coordinating, and other activities as he may deem appropriate, either alone or in cooperation with other United States or foreign agencies, governments, or public or private institutions, in protecting the environment in Poland and Hungary.

(b) AUTHORIZATION OF TRANSFERS.—The Administrator of the Environmental Protection Agency is authorized to use up to $6,000,000 in each of fiscal years 1990, 1991, and 1992 of funds appropriated under Title VI of the Clean Water Act to carry out the purposes of this Title. The Administrator may also use up to $2,000,000 appropriated to the Environmental Protection Agency under any other authorizing statutes to carry out the purposes of this Title.

(c) ACTIVITIES IN POLAND.—The Administrator shall cooperate with Polish officials and experts on appropriate environmental projects, including—

(1) establishment of an air quality monitoring network in the Krakow metropolitan area as a part of Poland's national air monitoring network; and

(2) improvement of both water quality and the availability of drinking water in the Krakow metropolitan area.

(d) ACTIVITIES IN HUNGARY.—The Administrator shall work with other United States and Hungarian officials and private parties to establish and support a regional center in Budapest for facilitating cooperative environmental activities between governmental experts and public and private organizations from the United States and Eastern and Western Europe." and

On page 39 after line 6, insert the following new subsection:

(c) RESTRICTIONS.—No assistance provided to Poland under this section shall be used to perform, promote, or plan abortions; or to support the Defense or security forces of any Warsaw Pact member country." and

On page 41 of the bill, after line 16, insert in lieu thereof the following new section:

"SEC. 702. POLICY OVERSIGHT.

(a) Oversight of all programs provided for in this Act, as well as all other activities of the United States government conducted to assist Poland, should be exercised by an interagency group to be chaired by the Vice President and to include the Director of the Office of Management and Budget, the Secretaries of State, Commerce, Treasury, Labor, Defense, Health and Human Services, and Housing and Urban Development, the Administrator of the Agency for International Development, and the Director of the United States Information Agency.

(b) Congress commends the President for agreeing to send a High Level Team of Experts to assess the dramatic transition taking place in Poland. The private and governmental experience of team members should result in the first comprehensive official review and analysis of the economic situation in Poland.

(c) The interagency group referred to in subsection (a) shall consult with the Team of Experts, and make available its findings to Congress and the American people and

On page 41, line 17, change "Section 702" to "Section 703".

On page 45, at line 13, strike "803" and insert in lieu thereof "804", and

On page 45, at line 12, after "pluralism." insert the following new section:

"SEC. 803. REPORT TO CONGRESS.

Not later than 90 days after the effective date of this Act, and every 180 days thereafter for three years, the President shall report to the Speaker of the House of Representatives and the President pro tempore of the Senate a comprehensive "Report on Democracy and Free Enterprise in Poland and Hungary", which shall include a full description of the progress made in Poland and Hungary toward—

(1) the implementation of economic policies designed to promote sustained economic growth, to develop economic freedom, and to increase opportunities for the people of Poland and Hungary, including but not limited to the reforms and policies set forth in Section 2 of this Act;

(2) the adoption and pace of implementation of constitutional, legal, and administrative measures that limit the power of executive authorities and establish and protect the independence of the judiciary;

(3) the full elimination of all constitutional, legal, and administrative measures that favor any political party or inhibit the formulation and operation of independent political parties, groups, associations, or organizations;

(4) the adoption of constitutional, legal, and administrative measures designed to establish and protect fundamental human rights and civil liberties, including but not limited to, freedom of speech, freedom of the press, freedom of religion, the right of Polish and Hungarian citizens to work, to join, or to refuse to join trade unions or labor organizations, and other freedoms comparable to those found in other democratic countries;

(5) the reduction and elimination of industrial practices detrimental to the environment and particularly harmful to human health;

(6) elections in which all parties are able to participate freely with equal opportunity to form governments based on popular support;

(7) the elimination of espionage activities by operatives of the governments of Poland and Hungary against the United States and its allies in the North Atlantic Treaty Organization" and

At the end of Title VIII, add the following new section:

"SEC. 805. TERMINATION OF ASSISTANCE TO POLAND AND HUNGARY UNLESS ARMS TRANSFERS AND SECURITY ASSISTANCE TO CUBA AND NICARAGUA CEASE.

(a) Three months after the effective date of this Act, the President shall terminate all assistance provided pursuant to this Act to Poland or Hungary, respectively, unless he certifies to the Speaker of the House of Representatives and the President pro tempore of the Senate that all arms transfers and security assistance, as defined in subsection (b) of this section, provided by that country to Cuba or Nicaragua, have ceased.

(b) For the purposes of this section, arms transfers and security assistance provided by Poland or Hungary to Cuba or Nicaragua shall include arms delivery, shipment, or transfer and security assistance in any form whatsoever, including but not limited to any provision or supply (whether by sale, grant, barter, or other arrangement) of weapons, weapons parts, ammunition, military vehicles or military aircraft or naval crafts or parts therefor; training of Cuban or Nicaraguan military, para-military, police, or other security personnel by Polish or Hungarian personnel; services of Polish or Hungarian military or security advisers in Cuba or Nicaragua; transport of other items described in this subsection, even if originating in a third country, by Polish-flag vessels or Polish or Hungarian aircraft (including both military and civil craft) to Cuba or Nicaragua; or any extension of funds, credits, loans, barter for goods, or other arrangement providing for the transfer of arms or security assistance from a third country to Cuba or Nicaragua.

(c) If, subsequent to three months after the effective date of this Act, the President finds that arms transfers and security assistance to Cuba or Nicaragua, as defined in subsection (b), have been resumed by Poland or Hungary after a previous cessation, he shall terminate all assistance to that country pursuant to this Act." and

On page 10, at line 23, after "shortages" insert the following new language: "and specifically targeted toward elements of the Polish population most vulnerable to hunger and malnutrition, in particular the infirm, the elderly and children;".

Mr. DOLE. Mr. President, this amendment has been discussed with the manager, Senator SIMON, and with the manager on this side and members of the staff and a number of Senators who have an interest in this overall legislation.

I think one concern was that we certainly wished to help the Solidarity government, to help the people in Poland. This is probably the beginning of an undertaking today that will last for some time. We want to keep bipartisan support for that effort.

I was trying to negotiate a lower figure in response to President Bush's initial request, then the House request and then the efforts by the distinguished Senator from Illinois. I believe we have reached some accommodation with reference to the total authorization. It has been reduced to $738 million.

The point I wanted to make is that it seems to me that since this is going to be an ongoing, not responsibility, but it is an opportunity for the United States, that we should make certain at the outset that the money we spend is going to be properly directed and properly expended in an effort to help the free enterprise system help the Polish economy, help them develop a market economy. That is why I am thankful that the Senator from Illinois expressed a willingness to come together with some compromise. I think we have made that point.

This is an authorization bill. I know a substantial amount of money has already been appropriated in the appropriations process. This bill also eliminates the trade credit insurance program which many of my colleagues and many others are convinced just will not work in Poland. It reduces the authorizations I have indicated for the enterprise fund to $325 million.

I think the amount now is $400 million. That is more than I believe we should authorize, but in a spirit of compromise I have indicated to the Senator from Illinois and others, I think we should support that amount.

I am not certain precisely where the White House comes down on this total authorization. But I believe, from conversations with representatives, of the White House, State Department and others, that they view this as a step in the right direction, not because it is a smaller amount but because it gives us the opportunity to make a determination whether or not we are going in the right direction.

Overall, with minor changes and other small components of the package, it does yield about $250 million less than the current proposal and more than half a billion dollars less than the original proposal.

Second, the bill incorporates major elements of the language in the substitute which I have just withdrawn including the following sections in toto, or nearly so:

The provision targeting food aid to the needy. It is obvious we want to make certain the aid goes to the people in need and not to someone who is going to profit from resale or other distribution; the provision which will guarantee that enterprise fund money is not used for businesses that are substantially owned by either the Government or the Communist Party; the reporting provision, so that we can truly see whether our aid is being integrated into a Polish economic and reform program that is consistent with our policy goals and will work; language ensuring that our medical assistance effort will not be used to facilitate abortions or aid Warsaw Pact forces; and the provision establishing an oversight board to be chaired by the Vice President.

In addition, this amendment includes three provisions that were not in our original substitute but also add important policy clarifications:

An excellent provisions, authored by the distinguished Senator from Colorado [Mr. ARMSTRONG] which will ensure that we are not providing aid to Hungary and Poland at the same time that those nations—which, let us remember, remain members of the Warsaw Pact—are in turn providing military assistance to Cuba and Nicaragua. So in that case the aid would be suspended.

Second, a concise statement of policy objectives of our aid—an initiative of the distinguished Senator from Florida [Mr. MACK]—again ensuring that our aid ends up being used for the purposes envisioned in the legislation. So we need to make certain if we are going to authorize the money and appropriate the money that it is finally being expended in the right way.

And finally, a provision clarifying the authority of the Secretary of Labor in managing the labor assistance portion of the Polish aid program.

I believe that an inclusion of these provisions makes it a better bill. I certainly think it was a good bill to start with but I think it is a better because we have reduced the overall authorization. It is a more fiscally responsible bill, and I think it is a bit stronger—much more than a bit stronger—from the policy standpoint.

I commend Senator LUGAR and Senator DOMENICI and Senator MURKOWSKI and others, who worked on our side of the aisle on the original substitute, whose ideas and efforts are incorporated in this amendment.

We have met with the Polish finance minister to try to determine precisely what he felt we should do. Some of us have met with Lech Walesa, who just in the last one-half hour, I guess, has landed in Washington, DC. As I was coming in from the airport, he was about ready to land, and he was about to be surrounded by 9 or 10 television cameras so I know he will understand he is in Washington.

We have tried to approach this on a nonpartisan, bipartisan basis. Senator ROTH has been most helpful. He is going to have a couple of amendments to offer. We have had good cooperation on the other side of the aisle from Senator SIMON and others who have been urging this legislation.

I also thank the policy staff on the Republican side, whose input included and went beyond the Armstrong provision I have already mentioned, and also express appreciation to the majority leader, who helped us work out the arrangement under this amendment so it would be accepted and, finally, as I have indicated, I thank both Senator SIMON and Senator PELL, who directly and through their staffs have been involved in working out this arrangement.

Mr. President, I just noticed we adopted a Polish ESOP provision. Now if we could just go back and review a Polish capital gains provision, it might be helpful, too. I cannot get an American capital gains provision this year but maybe we will get one for people who invest in Poland and I will be happy to discuss that as part of a compromise later today.

I urge adoption of the amendment and again thank my colleagues.

Mr. SIMON. Mr. President, I am pleased to cosponsor this with the minority leader. This does make it a bipartisan effort, and it has been a bipartisan effort all along. It takes the idea of the enterprise funds, which is incorporated in my original bill at the suggestion of the President, and we have expanded on that. It reduces the total authorized appropriations by $51 million, and frankly it does so in the out years because there is pretty much agreement on what we are going to be doing in the first year.

I thank Senator DOLE. I thank Senator HELMS. The majority leader, Senator MITCHELL, has been very helpful. Senator PELL, chairman of the Foreign Relations Committee, has been very helpful; my colleagues on the Foreign Relations Committee, including the Presiding Officer, Senator ROBB, who has been a cosponsor of this legislation from the start and made a trip over there.

There are a great many people who have helped to produce this result. It is a genuinely bipartisan bill. We have a few hurdles yet, a few controversial provisions, but I think we are clearly moving in the direction of passing something tomorrow of which this Nation can be proud.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Kansas, amendment 1114.

The amendment (No. 1114) was agreed to.

Mr. SIMON. I move to reconsider the vote by which the amendment was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I think we are moving along, I say to my distinguished colleague from Illinois. On this side I have an amendment listed for Mr. MURKOWSKI which I will probably offer on his behalf.

Mr. SIMON. If my colleague will yield, I think he has two amendments, or maybe he has incorporated those into one.

Mr. HELMS. He does have two, I am advised.

Further, I understand that Mr. HUMPHREY has one further amendment. Mr. DANFORTH has an amendment which he may or may not offer. Mr. HEINZ has a technical transfer amendment to which, when it arrives, I think both sides will agree. I will offer that. And then there is one by Mr. ROTH. That would seem to be it for this side as of now.

I wonder what the prospects are on the majority side.

Mr. SIMON. We have one from Senator RIEGLE. We have no others. I understand that Senator ROTH may have two amendments also. But I think we are getting down close to getting this thing worked out.

Now, there is the whole question of cargo preference that may cause a bit of a delay.

Mr. HELMS. Is that better known as the Federalist Papers?

Mr. SIMON. I understand a couple of our colleagues are in good voice if we get into this. But I hope we are getting to the point where we can pass this without too much delay tomorrow. I would like to see us move to passage. Particularly with Lech Walesa here at this point, it gives an added little touch that I think is important.

Mr. HELMS. At this point I would be willing to let Mr. Walesa be an honorary Senator.

The PRESIDING OFFICER. Does the Senator yield to the Senator from Mississippi.

Mr. COCHRAN. Just for the purpose of a question, Mr. President, if the distinguished Senator from North Carolina will yield.

Mr. HELMS. I certainly will.

Mr. COCHRAN. If under the rule an amendment is not offered today, is it the understanding of the managers of the bill that that amendment then would not be in order tomorrow? My understanding was—the reason I ask it that way—that the debate had to be concluded today and that we would do votes, if any were required, tomorrow?

Mr. HELMS. Mr. President, there is no unanimous consent in that regard, to my knowledge.

The PRESIDING OFFICER. The Senator's understanding is correct.

Mr. HELMS. I thank the Chair.

Mr. COCHRAN. I thank the managers of the bill.

Mr. SIMON. If my colleague will yield, there is a possibility that there may be a unanimous consent offered before the day is over, but there is none in effect at this point.

Mr. COCHRAN. I thank the distinguished Senator.

Mr. HELMS. Would that be an expression of a devout wish, I ask my friend?

Mr. COCHRAN. It is, indeed.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 1115 AND 1116

Mr. HELMS. Mr. President, I send two unprinted amendments to the desk in behalf of the distinguished Senator from Alaska [Mr. MURKOWSKI], and I ask unanimous consent that they be considered en bloc. They have been cleared on both sides.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS], for Mr. MURKOWSKI, proposes amendments numbered 1115 and 1116.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

(Purpose: To provide for emergency assistance required by Poland for the fourth quarter of 1989)

AMENDMENT No. 1115

On page 7, line 17, Subsection 101(a), add a new subsection (2):

"(2) to the extent that the ongoing International Monetary Fund review of the Polish economy uncovers a probable balance of payments shortage for the fourth quarter of 1989, the United States Government should work closely with the European Community and international financial institutions to determine the extent of emergency assistance required by Poland for the fourth quarter of 1989 and should consider extending a bridge loan to relieve immediate and urgent balance of payments requiring through the authority provided in paragraph (3)(A) of this subsection.

On pages 7 and 8 renumber the remaining paragraphs of subsection 101(a) accordingly.

(Purpose: To provide for emergency assistance required by Poland for the fourth quarter of 1989)

AMENDMENT NO. 1116

On page 9, line 4, subsection 101(b), add a new subsection (2):

"(2) The President, acting in coordination with the European Community, should call an urgent meeting of the industrialized democracies for the purpose of establishing a multilateral effort to respond to Poland's request for $1 billion to support its economic stabilization program;

On page 9 renumber the remaining paragraphs of subsection 101(b) accordingly.

Mr. SIMON. Mr. President, we are in agreement with the amendments. They are perfectly acceptable. Let me, if I may, ask one unanimous-consent request. Senator MURKOWSKI asked that he be included as a cosponsor of the legislation.

The PRESIDING OFFICER. Without objection, the name of the Senator from Alaska will be added as a cosponsor.

Is there further debate on the amendments? If not, the question is on agreeing to the amendments of the Senator from Alaska.

The amendments (Nos. 1115 and 1116) were agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. SIMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1117

(Purpose: To require the Secretary of State to submit a classified report to Congress identifying confidence building measures by Poland and Hungary to facilitate technology transfers by the United States to both countries)

Mr. HELMS. Mr. President, I send to the desk an amendment in behalf of the distinguished Senator from Pennsylvania [Mr. HEINZ] and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS], for Mr. HEINZ, proposes an amendment numbered 1117.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

"SEC. . REPORT ON TECHNOLOGY TRANSFER TO POLAND AND HUNGARY.

"Not later than 180 days after the enactment of this Act, the Secretary of State shall submit a classified report to Congress identifying the confidence building measures Poland and Hungary could undertake that would facilitate the negotiation of those kinds of agreements, including but not limited to, bilateral customs and technology transfer agreements, that would encourage greater direct private sector investment in Poland and/or Hungary."

Mr. HEINZ. Mr. President, I rise today to lend my voice in support of political democracy and economic pluralism in Poland and Hungary.

In this regard, I would hope that Goethe's dictum, "He who seizes the right moment is the right man," applies to this body.

The peoples of Poland and Hungary have certainly seized the right moment. We have witnessed epoch making events unfold in Poland since April, when Solidarity was legalized. And 2 weeks ago the people of Hungary, through their Acting President Matyas Szuros, formally declared Hungary a democracy after 41 years of Communist rule. The people of Hun-

gary declared the Communist People's Republic of Hungary dead, and proclaimed the establishment of the Republic of Hungary. As President Bush has recognized, these development are welcome and deserve encouragement and assistance from the United States.

I fully support the economic assistance currently under debate. All of the various aid packages contain elements that will address critical Polish needs—especially funds for short-term economic stabilization and food assistance. The proposals also allocated seed money for the development of private sector joint ventures between Americans and Poles and Hungarians. This will help us transfer the most valuable aid of all—working knowledge of free enterprise for people who have been stifled for decades by central control.

The aid proposals also contain other key elements to increase contacts between the United States and Poland and Hungary. We will allocate funds to support scientific and environmental programs in Poland and Hungary, to support development of free labor markets and democratic political institutions, and to create an export market for American goods and services.

All these things, for a relatively modest cost, will promote a Central American objective in Eastern Europe: To make the countries of the area independent, prosperous, and more closely tied to the United States and the West. This is not foreign aid so much as a direct investment in American security and peace in a region that has been the focus of world confrontation since the end of World War II.

But I do not believe that simply throwing money at the problem is a panacea to what ails Poland and Hungary. Their problems are systemic. Both have bureaucracies and civil services setup to administer socialist central planning, not free market economies. Both are suffering from inflation; Poland, certainly more than Hungary. Both suffer from structural economic problems that will require additional resources if their economies are to be transformed.

The United States has an important stake in helping these two countries succeed economically and politically. Lasting individual political rights endure only if accompanied by a system providing individual economic opportunity. The paramount interest of the West is to foster permanent change in the Polish and Hungarian economies in order to secure political gains and to encourage further progress in democratization. And, the Western democracies are not the only interested parties. Success in Poland and Hungary will be a major force for change in the Soviet Union and the rest of Communist Eastern Europe.

Mr. President, I believe that the best way to promote permanent economic change is to promote direct, Western private sector investment. Western investment is inevitably accompanied by Western quality standards and Western methods of doing business. Western investment will be enhanced significantly by making available a higher level of technology, especially that which meets private investment requirements.

Commercially, neither country can hope to develop a competitive, Westernized economy with third rate technology. A Hungarian official recently told me, "We cannot have a first-rate economy with third-rate technology, and we cannot earn the currency required to transform our backward economies into modern ones if we cannot compete in the world marketplace."

Both countries have taken small but important steps to restructure their economies to attract Western capital. Both, for example, permit up to 100 percent ownership of joint ventures and the repatriation of profits.

However, like the administration, I am deeply concerned with Poland and Hungary's close military cooperation with other Warsaw Pact countries, their membership in the Council for Mutual Economic Assistance [CMEA], and the continued presence of the KGB in both countries. These are serious problems that I do not propose we overlook. But they are not insurmountable obstacles that should cause us to abandon the effort; rather we should focus our efforts on finding ways to encourage Poland and Hungary to continue to seek the ways and means first to stabilize their economies, for example, by bringing inflation under control, and then undertake the transformation of their economies to integrate them into the world's free marketplace.

Let us be clear about the choices we face. The choice is not between holding the line for the status quo or rushing headlong into the unprotected transfer of technology to Warsaw Pact nations. In fact, neither is a real option.

I am today proposing an amendment that firmly leaves the horse ahead of the cart. It asks the administration to identify—in a classified report—what confidence building measures Poland and Hungary could undertake that would facilitate the negotiation of technology transfer safeguard regimes, including bilateral customs agreements, that would encourage greater private direct investment in Poland and Hungary.

In one important respect, time is not an issue, for the onus is on Poland and Hungary. In another respect, it is important that our administration take this initial step now—on its own behalf—so that we will have a policy with clear markers that will lead to mutually beneficial results.

I would hope that the report will contain confidence building measures beyond the concerns to which I have alluded. The report is classified because there is no need at this point to develop some kind of check list available for public scrutiny or lobbying.

Mr. President, the results my amendment seeks will not be easy to achieve. Indeed, I fully expect the Poles and Hungarians to move faster than our own interagency deliberations. I am quite familiar with interagency disagreements over technology transfer issues. This is why Senator GARN and I introduced S. 1796 to create an Office of Strategic Trade and Technology to put an end to this agency fratricide. In the interim, however, the administration is going to need an occasional jumpstart to develop a coherent, unified policy. This amendment is intended to provide that start.

Mr. HELMS. Mr. President, this amendment, as I understand it, has been cleared on both sides; certainly it has been cleared on this side.

Mr. SIMON. Mr. President, that is the case. There is no objection to it on this side.

The PRESIDING OFFICER. Is there further debate on the amendment. If not, the question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment (No. 1117) was agreed to.

Mr. SIMON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I suggest the absence of a quorum:

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1118

(Purpose: To provide for international financial relief for Poland)

Mr. RIEGLE. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Michigan [Mr. RIEGLE] proposes an amendment numbered 1118.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Paragraphs (2) and (3) of section 101 (a) of the amendment are amended by striking out "(2) and "(3)" and inserting in lieu thereof, respectively, "(3)" and "(4)".

Insert after section 101(a)(1) of the amendment the following new paragraph:

(2) the Secretary of the Treasury shall direct the United States Executive Director at the International Bank for Reconstruction and Development to—

(A) urge consideration of approval of up to $1,000,000,000 in financing in each of the succeeding three years for disbursement over a feasible and appropriate period to Poland; and

(B) urge expeditious approval and disbursement of a structural adjustment loan to Poland in an appropriate amount in time to facilitate the implementation of major economic reforms scheduled for early 1990, including the termination of energy, export and agricultural subsidies and wage indexation.

In section 101(a) of the amendment, after paragraph (3) as redesignated insert the following new paragraph:

(4) the United States Government shall seek to coordinate within the Group of 7 at the earliest possible date and not later than January 1, 1990 the establishment of a reserve of $1,000,000,000, to be made available through the International Monetary Fund contingent upon and in addition to an agreement between the Government of Poland and the Fund, for the purpose of facilitating implementation of key monetary reforms, including the achievement of international convertibility of the Polish currency.

At the end of section 101(a) of the amendment, add the following new paragraph:

(5) the United States Government, in coordination with other creditor governments, shall seek to expedite consultations between the Government of Poland and its major private creditors in order to facilitate a rescheduling and reduction of payments due on debt owned to such creditors in a manner consistent with the international debt policy announced by the Secretary of the Treasury on March 10, 1989.

Mr. RIEGLE. Mr. President, early next year, in a single giant leap, Poland is planning to transform itself from a socialist economy to a market economy. At that time, the Solidarity government will also attempt to extinguish Poland's hyperinflation by eliminating food, coal, and export subsidies and terminating the indexation of wages. In the month or two following these radical changes, the danger of social unrest and political instability will be extreme, since real wages are certain to fall while inflation is being wrung out of the system. There is an ominous historical precedent for such actions; Polish leaders were deposed in 1956, 1970, and 1980 as a result of rioting that followed attempts to slash subsidies.

It is crucial for the West to have adequate financial aid in place before this critical moment. However, our allies, the World Bank and the administration appear not to be moving with the sense of urgency demanded by such a potential watershed in history. To its credit, the Bush administration has signaled its support for a $200 million grant for currency stabilization purposes. But our European counterparts and Japan have not yet provided their own contributions for this purpose, and the administration appears not to be pressing them hard enough to contribute before Solidarity's cold turkey reforms are implemented early next year.

Mr. President, the period from now until March is the most critical. Electricity prices doubled the other week. Poland's exchange rate is being devalued continually. Its foreign exchange reserves have dwindled to a mere two weeks worth of imports; three months is normal. This does not bode well for efforts to maintain public confidence during the reforms and greatly complicates the plan to make the zloty, the Polish currency, internationally convertible.

For this reason, the United States' $200 million must be levered into a $1 billion backup facility in order to build Poland's foreign exchange reserves to a level inspiring confidence in the zloty before early next year. Similarly, it is important for the World Bank to act at a pace that would make available by then its first, sizable structural adjustment loan.

The House bill and the Simon substitute include only general provisions supporting the extension of international financial aid through the World Bank and IMF. They make no mention of the need for the World Bank and IMF to act before this moment. Nor do they provide guidance on the level of multilateral financial aid that would be appropriate. The only exception is the provisions of $200 million for currency stabilization purposes.

The timing of international financial aid may prove to be as important as the aid itself. Western assistance must be in place before Poland's hour of greatest need in order to help foster public confidence in the reforms and in Solidarity's capacity to see them through. Indeed, the fate of Solidarity's historic experiment may ultimately hinge on the faith and patience of the Polish people.

For this reason, I am offering the following amendments to the Poland/Hungary aid legislation. They would:

First. Direct our representative to the World Bank to seek approval of up to $1 billion in financing for Poland in each of the next 3 years and to press for early action on a structural adjustment loan—general policy loan—in time to support Poland's giant leap early next year;

Second. Direct the administration to take the initiative in the G-7 to coordinate by January a back-up facility of up to $1 billion in the IMF to bolster confidence in Poland's currency as the Government tries to make it convertible; that is, to ask for contributions from Germany, Japan, et cetera, to leverage the $200 million authorized in the Simon substitute amendment for this purpose; and

Third. Direct the administration to expedite the application of the Brady Plan to Poland; that is, to broker and facilitate, as it did for Mexico, negotiations between Poland and the international banks on Poland's bank debt.

Failure of Solidarity's package of radical economic reforms could easily end Poland's experiment in democracy, have a chilling effect on reform elsewhere in the Warsaw Pact, and be a crossroads for East-West relations. The United States must do what it feasibly can to help the Solidarity government through its courageous and historic program. These amendments are designed to help ensure that the U.S. Government fulfills this important responsibility. I urge their adoption.

The PRESIDING OFFICER. Is there further debate?

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. I want to say it is not only acceptable, I think it is a very substantial amendment. Sometimes when we add these little amendments—and we have all been guilty of them—they really do not add much of substance. This is one that really is important, and it responds to very courageous action taken by the Polish Government in saying, "Let us get ahold of our system. To move from a totally, or virtually totally, government-owned operation to a market economy is something we do not have any experience in." So I think the amendment offered by the Senator from Michigan is a very, very fine amendment. I am pleased to support it.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I agree. The amendment is quite acceptable on this side.

The PRESIDING OFFICER. Is there further debate? The question is on agreeing to the amendment by the Senator from Michigan.

The amendment (No. 1118) was agreed to.

Mr. SIMON. I move to reconsider the vote by which the amendment was agreed to.

Mr. RIEGLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1119

(Purpose: To make technical amendments)

Mr. SIMON. Mr. President, I send an amendment to the desk and ask its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON] proposes an amendment numbered 1119.

Mr. SIMON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 2, of the amendment, strike out "(a)".

On page 3, line 17, of the amendment, insert "a" before "Board".

On page 10, line 15, of the amendment, strike out "STATEES" and insert in lieu thereof "STATES".

On page 4, lines 5 and 6, of the amendment, strike out "overseas private investment corporation" and insert in lieu thereof "Overseas Private Investment Corporation".

On page 25 of the amendment, strike out lines 11 through 16 and insert in lieu thereof the following:

SEC. 206. AID ADMINISTRATION EXPENSES.

For the purpose of paying administrative expenses incurred in connection with carrying out its functions under this Act, the Agency for International Development may use up to $500,000 each fiscal year of the funds made available to the Agency under this Act.

On page 36, line 23, of the amendment, strike out "title VIII" and insert in lieu thereof "section 802".

On page 41, line 14, of the amendment, strike out "chapter" and insert in lieu thereof "Act".

On page 41, line 16, of the amendment, strike out "chapter" and insert in lieu thereof "Act".

On page 42, line 19, of the amendment, strike out "outlines" and insert in lieu thereof "outlined".

On page 22, line 19, insert the following:

"(11) the Sabre Foundation;" and renumber the existing items accordingly.

Mr. SIMON. Mr. President, these are purely technical amendments that I think have been cleared on both sides. I do not think there is any opposition.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment (No. 1119) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote.

Mr. SIMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I see the distinguished Senator from Delaware. While he is getting set up, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1120

(Purpose: To establish an equity fund whereby individuals may invest in the Polish private sector)

Mr. ROTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH] proposes an amendment numbered 1120.

Mr. ROTH. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

TITLE II

On page 13, SEC. 201—Insert subsection (1)(C) "The establishment of a financial instrument for individuals to invest an additional $100 million in the Polish private sector."

On page 13 strike subsection (b)(1) and substitute (b)(1) $240 million to support the Polish-American enterprise fund, as designated pursuant to subsection (d); no less than $20 million of which shall be used for the purpose of paragraph (a)(1)(C) of this section.

Mr. ROTH. Mr. President, the amendment which I send to the desk will, in my opinion, prove beneficial both to the United States taxpayer and to the Polish private sector.

This amendment will place within the Simon-Mitchell bill the bond issue provision contained within the overall Republican substitute amendment, a proposal which I originally laid down in S. 1376, a bill to establish a Polish-American Equity Fund. A similar operation is currently underway in Hungary under the aegis of the International Finance Corporation.

The amendment also increases the amount of combined funding destined for the Polish-American Enterprise Fund from $260 million to $340 million. Under my amendment, the United States would provide $240 million to the Polish-American Enterprise Fund, that is to say, a savings to the United States taxpayer of $20 million over the Simon-Mitchell bill. However, $20 million of that $240 million will be set-aside for a bond issue which should realistically raise $100 million, thereby providing the Polish-American Enterprise Fund with a total of $340 million.

I believe that this approach has several major advantages. In particular, a bond issue would serve to involve individual investors in the resuscitation of the Polish private sector. It seems to me ironic that we discuss so extensively the need to strengthen the private sector in Poland but then we fail to involve the United States private sector. It is my firm opinion that, if we want to boost the Polish private sector, we should look to the American private sector, to the Polish-American citizen who wishes to have a stake in the development of his own country. Thousands of Jewish-Americans already have demonstrated their desire to support the State of Israel through the purchase of similar bonds. I do not believe that Polish-Americans would prove any less eager to assist their homeland.

Second, Mr. President, I believe that the funds of the Polish-American Enterprise Fund are more likely to be directed toward true, viable private sector initiatives if those funds are distributed under the watchful eyes of United States investors. I am aware that the Enterprise Fund will be under the control of a board of directors composed of private citizens. However, I would still have to say that no better oversight is exercised than that by the individual or the body who supplies the money. Frankly, government does not have a good record of monitoring disbursement such as these. The private citizen does.

Before I end this presentation, let me deal with two objections I have already heard in private. First, some have asserted that this proposal will prevent large amounts of money from getting into Poland quickly. Well Mr. President, I simply do not accept that the primary purpose of this bill is to get money into Poland quickly. If it were, we could simply fly it over and drop it out of airplanes.

This bill must not only get money into Poland, it must also direct it carefully for maximum beneficial impact on the private sector, the engine of economic growth. If it takes some time to insure that this money gets to the proper target, then that will be unavoidable. It makes much more sense to take our time and do the job properly than to act quickly, waste U.S. taxpayer dollars and then pretend we have done the job—either for the Polish or the American people.

Second, I have heard it said that no one will buy these bonds, that the Polish private sector will not be attractive to foreign investment. Well, if we believe that, what are we doing here today?

Frankly, if we believe that there is no hope for the Polish private sector, we believe there is no hope for the Polish economy and we may as well strike out all funding for the Polish-American Enterprise Fund and simply send food and medical supplies.

Personally, I do believe that there is hope for the Polish private sector and

I ask my colleagues to support the amendment.

Mr. President, I yield the floor.

Mr. SIMON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I send substitute language for my amendment to the desk.

The PRESIDING OFFICER. Is the Senator modifying his amendment?

Mr. ROTH. That is correct.

The PRESIDING OFFICER. The Senator has a right to modify his amendment. The amendment is so modified.

The amendment (No. 1120), as modified, reads as follows:

On page 13, strike lines 15 through 17 and insert: "$260,000,000 to support the Polish-American Enterprise, as designated pursuant to subsection (d), of which $20,000,000 may be used to establish a financial instrument for individuals to invest an additional $100,000,000 or more on the Polish private sector."

Mr. ROTH. Mr. President, I do not believe any further discussion is necessary. I think that the revised language incorporates what I have already said. I believe that this is acceptable to both sides.

The PRESIDING OFFICER. Is there further debate?

Mr. SIMON. Mr. President, I have worked with Senator ROTH and his staff. I think we have made some slight changes that make this an acceptable amendment and a contribution to the concept of the bill. I commend my colleague from Delaware and I am ready to accept the amendment.

Mr. HELMS. We accept the amendment on this side.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1120, as modified, of the Senator from Delaware [Mr. ROTH].

The amendment (No. 1120), as modified, was agreed to.

Mr. ROTH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1121

(Purpose: To express the sense of the Senate regarding increasing the quota of the IMF)

Mr. ROTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH] proposes an amendment numbered 1121.

Mr. ROTH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At an appropriate place in the bill, add the following new section:

Sense of the Senate regarding IMF quota increase. Given:

that the administration has announced that it is considering committing to increase the resources of the International Monetary Fund and expects to decide on the increase over the next few weeks;

that such an increase could total $7 billion or more, at a time when there may be higher budget priorities, such as assisting the dramatic changes taking place in Poland, Hungary and eastern Europe as a whole, or reducing our deficit; and

that the IMF provides short-term resources at a time when most countries, including the United States, want to increase their long-term investment orientation.

It is the sense of the Senate that the administration shoud not take any action at this time that would imply a commitment to increase or to propose an increase in the resources of the IMF.

Mr. ROTH. Mr. President, this is a sense of the Senate amendment urging the administration not to commit to an IMF quota increase. At the recent annual meetings of the World Bank and the IMF, the administration committed to make a decision on a quota increase for the IMF by the end of the year. This is the final opportunity that this body may have to express its view on this important question prior to adjournment.

Here in Washington we tend to forget the pervasive role played by the International Monetary Fund in the developing countries of the world. We realize that it has immense resources and that its policy advice holds great sway with finance ministeries around the world. But this does not completely capture the pervasiveness of the IMF in developing countries and, now, in Eastern Europe.

Since 1953, the IMF has entered into 708 arrangements amounting to over 92 billion standard drawing rights [SDRS] which at present are worth somewhat more than a dollar. Most of these arrangements were with developing countries, and they have an immense impact on approaches to economic development. Commitments in the last 6 months alone exceeded $10 billion.

This body and the House of Representatives are responsible for authorizing U.S. participation in the IMF, and appropriating the funding for it. Quota increases for the IMF have occurred regularly since its inception—in 1959, 1965, 1970, 1978, 1980, and 1983. The 1983 increase alone involved a U.S. commitment in excess of $8 billion. With this background, it would make sense for the administration to work closely with Congress before it considers making another such commitment.

My amendment is straightforward. It states the sense of the Senate that the administration should not commit to another quota increase at this time. The point made by the amendment is that such a commitment, which could total in excess of $7 billion, has to be considered in the context of our present budget constraints.

There are dramatic changes taking place in Eastern Europe today. I do not believe that this is the time to make commitments of our limited resources that may restrict possible future U.S. involvement in assisting these revolutionary economic and political developments.

It may be that we will want to utilize the IMF in meeting this challenge, but it is also possible that we may want to approach the problem bilaterally or in cooperation with other NATO countries, or by some other means. In any event, in view of our budget constraints, the time is not now to make a commitment to increase the IMF's quota.

Numerous questions have been raised about the role of the IMF in developing countries. Are its resources benefitting their economies? What is the financial risk to the U.S. taxpayer? What is the environmental impact of IMF programs? What portion of IMF funds are finding their way to commercial banks? What will be the IMF's role in Eastern Europe? How will the IMF respond to the Soviet Union's desire to become a member? How are the IMF's short-term, high interest rate resources helpful to developing countries, whose economies need to build for the long run?

Mr. President, I ask the Senate to favorably consider this sense-of-the-Senate amendment.

The PRESIDING OFFICER. The Senator from Illinois [Mr. SIMON].

Mr. SIMON. Mr. President, I recognize probably the Senate would overwhelmingly adopt this. I do not agree with the IMF and everything they do. I do believe, however, for us to say as a sense of the Senate that we want to bind the administration, that they cannot even propose any increase in the IMF—for example, Poland is negotiating with the IMF right now.

What if the administration were to come back, as a result of IMF negotiations, and ask for a minor additional amount? I think we ought to leave the President and the Secretary of State and the Secretary of the Treasury free to propose things. We may reject them absolutely. But to have even a sense of the Senate resolution suggesting you

cannot even propose anything, I think is unwise.

I agree with 90 percent of what my colleague from Delaware has to say. These are times of fiscal restraint. We have to be careful. But I also think it is a mistake for us to suggest the administration cannot even consider changes that may be in the best interests of freedom, for example, in Poland, in Hungary, in East Germany.

I am personally going to vote against the amendment. I am not going to ask for a rollcall on it. I think it is not wise for us to accept this amendment.

The PRESIDING OFFICER. Is there further debate?

The Chair recognizes the Senator from North Carolina [Mr. HELMS].

Mr. HELMS. My friend from Illinois and I sometimes disagree, but we disagree agreeably, by agreement. I understand what he is saying.

On the other hand, the Senator from Delaware has made an accurate assessment of the situation in the past, and he is thinking prospectively. He is doing so wisely because he has great concern about the deficit situation.

On this side of the aisle, speaking for myself, I certainly support the sense-of-the-Senate amendment.

The PRESIDING OFFICER. Is there further debate?

The Chair recognizes the Senator from Delaware [Mr. ROTH].

Mr. ROTH. Mr. President, I appreciate the remarks of the distinguished Senator from North Carolina.

In answer to my good friend from Illinois, I think at this particular time it would be unwise to make this kind of commitment. It is not only because I have some serious questions about the amount because of the budget deficit, but the fact is, we see great change taking place in Eastern Europe. We do have limited resources and how we want to address this problem—as I said it could be through the IMF, it could be by some other financial organization, it is even possible we might create something new.

But, in any event, it seems to me unwise to move at this very moment when changes are taking place so rapidly. It is for that reason I am urging through the sense-of-the-Senate resolution the administration take no action in the way of a commitment.

Mr. SIMON. Will my colleague yield?

Mr. ROTH. I will be happy to yield to my distinguished colleague.

Mr. SIMON. I appreciate what the Senator from Delaware is saying and he is absolutely correct when he says things are changing so rapidly we do not know what is going to happen tomorrow. Things happened last week we did not think possible even a year ago. But because of the very fact that things are changing so rapidly, I do not know that it is wise for us to say to the administration, you cannot even propose any changes in the IMF. They may come in and say, in view of the situation in Eastern Europe, we ought to do A, B and C.

We may want to reject that. But to have a sense-of-the-Senate resolution rejecting even the possibility of considering that, I think is not wise.

Again, I am not going to ask for a rollcall. I recognize the votes probably would be against it. My own voice will be against the distinguished Senator from Delaware even though ordinarily I would vote with him.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to amendment 1121 of the Senator from Delaware.

Mr. ROTH. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, under the unanimous consent, or at least the gentleman's agreement, this amendment will be laid aside so that other amendments may be presented.

I believe the Senator from Texas has one.

The PRESIDING OFFICER. The Chair will interpret that as a request to lay the amendment aside?

Mr. HELMS. Yes, sir.

The PRESIDING OFFICER. Without objection, the amendment is laid aside.

The Chair recognizes the Senator from Texas [Mr. BENTSEN].

AMENDMENT NO. 1122

(Purpose: Relating to certain Polish bond)

Mr. BENTSEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. BENTSEN] proposes an amendment numbered 1122.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title VII, insert:

SEC. . CERTAIN POLISH BONDS NOT SUBJECT TO RULES RELATING TO BELOW-MARKET LOANS.

(a) IN GENERAL.—Paragraph (5) of section 1812(b) of the Tax Reform Act of 1986 is amended—

(1) by inserting "or Poland" after "Israel" in the text thereof, and

(2) by inserting "or Polish" after "Israel" in the heading thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

Mr. BENTSEN. Mr. President, one of the most difficult things Poland will have to do is to try to refurbish its industry. They have an auto industry with antiquated machinery. They will have to borrow money to do it. But, Poland is saddled with $40 billion in debt. It is going to have difficulty servicing that debt.

We have a lot at stake with what happens in Poland. We are seeing a non-Marxist takeover of that government without firing a shot, an incredible occurrence in Eastern Europe. To have that happen in Poland, a country of that size with an educated population, it is most encouraging what aid can mean to a revival of democracy there.

One of the things we have to do, it seems to me, is to also try to assist them in the private sector; to help them on their financing. There are many Americans who would like to do that.

One of the things I would like to do, and what this amendment accomplishes is to provide an exemption for government bonds that pay interest rates below the market rate. We saw that situation with Israel when we provided for such an exemption from the rules on below-market loans.

My amendment provides that there would not be a penalty for below-market rate bonds purchased by Americans from Poland to help in the revitalization of that great country, to see that their industries are once more productive, to help Poland take care of its balance of trade and begin to service its debts.

Mr. President, we have witnessed revolutionary changes in Poland this year. These changes are all the more dramatic in that they have been accomplished peacefully, without violence. Poland is now being led by a coalition government, with non-Communist leaders. However, the Solidarity leaders, and the Polish people, are confronting monumental problems, including serious food shortages, failing industries that rely on primitive technologies, and high inflation.

The United States has a large stake in the success of the new Polish Government; we want to do everything possible to promote and facilitate the process of democratic change in Eastern Europe. One of the greatest

threats to the survival of the Polish Government is its foreign debt; Poland owes some $40 billion to its international creditors, which the Polish Government has conceded cannot be met.

My amendment will help ease the debt crunch in Poland by facilitating foreign lending to that country. It builds on the foundation provided in this bill of encouraging private assistance to the Polish Government and the Polish people. That is a central tenet of the Poland aid bill.

What my amendment does is to facilitate the purchase of bonds issued by the Polish Government by individual Polish Americans and other concerned American citizens at reduced interest rates, who want to play a direct role in helping that country. It would exempt Polish Government bonds from the tax rules on loans made at below-market interest rates.

These rules were never intended to discourage individual Americans from purchasing debt obligations of other countries. That is why we provided a similar exception for debt obligations of the Israeli Government in 1986.

Without this change, Americans would simply not lend money to the Polish Government at preferential interest rates, because they would be subjected to punitive financial consequences and complicated rules. Under current rules, the interest discount on below-market loans is treated as income to the lender. This amendment will send a direct signal to the Government of Poland that we support what they are doing and that individual Americans want to help them succeed.

I have discussed this with the managers of the legislation that is before us. It is my understanding that they have no objection to the amendnent. I urge its adoption.

Mr. SIMON. Mr. President, not only do I have no objection, but it is an excellent amendment. I ask unanimous consent that I be listed as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. I commend the Senator.

Mr. HELMS. Mr. President, the amendment is certainly acceptable on this side.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1122) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Does any Senator seek recognition?

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1123

Mr. SIMON. Mr. President, earlier in the Dole-Simon amendment, we inadvertently caused the deletion of a key environmental reporting requirement. I, therefore, send to the desk an amendment which restores that reporting requirement on behalf of myself and the minority leader.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON], for himself and Mr. DOLE, proposes an amendment numbered 1123.

Mr. SIMON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of section 502, add the following subsection:

(e) CONTENTS OF REPORT.—The report required by title VIII shall include the following:

(1) ASSESSMENT OF PROBLEMS.—An overall assessment of the environmental problems facing Poland and Hungary, including—

(A) a relative ranking of the severity of the problems and their effects on both human health and the general environment;

(B) a listing of the geographical areas of each country that have suffered the heaviest environmental damage, and a description of the source and scope of the damage; and

(C) an assessment of the environmental performance of leading industrial polluters in those countries and the expected effect on pollution levels of industrial modernization;

(2) PRIORITIES AND COSTS FOR ACTION.—An analysis of the priorities each country should assign in addressing its environmental problems, and an estimate of the capital and human resources required to undertake a comprehensive program of environmental protection;

(3) ROLE OF UNITED STATES AND MULTILATERAL ASSISTANCE.—A statement of strategy for United States assistance for the next five years in Poland and Hungary, including—

(A) recommendations for appropriate levels and forms of bilateral and technical assistance;

(B) recommendations concerning United States participation in cooperative multilateral undertakings;

(C) an assessment of the feasibility of debt-for-nature swaps as a technique of environmental protection in each country; and

(D) recommendations for minimizing further environmental damage to Krakow, and for the protection and restoration of historic sites in that city.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1123) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, for the past 6 years the Department of Agriculture has administered a program designed to assist middle-income nations in the development of their agricultural economies. It provides training for senior and mid-level specialists and administrators concerned with agricultural trade, management, and marketing from both the public and private sectors. Among the technical areas covered have been domestic marketing of agricultural products, agricultural input supply and management, agricultural economics, and management of agricultural research. Not only have these efforts assisted the nations involved, but they also have provided opportunities for expanding U.S. trade.

It occurs to me that this program would be ideal for accomplishing the objectives of the legislation we are now considering for Poland and Hungary. Training through the Middle Income Countries [MIC] Program would greatly assist their agricultural industries and foster trade relationships. With the important role played by agriculture in the improvement of the economies of these two nations, this program would provide much support as these countries strive to move toward democracy and the development of market economies. I urge that a small portion of the assistance provided in this legislation—perhaps up to $300,000—be directed to the Department of Agriculture for implementation of training opportunities through the MIC Program.

Mr. DOLE. Mr. President, I am familiar with the MIC Program and have heard many of its success stories since its initiation in 1984. I believe that the training provided by this program has led to the development of traditional trade and business relationships with many countries, such as Turkey, Mexico, Yugoslavia, Korea, and Malaysia. I would certainly have no objection to the utilization of a portion of the aid provided in this legislation for such activities in Poland and Hungary. In fact, I join Senator COCHRAN in supporting the allocation of up to $300,000 to implement MIC activities in these nations.

Mr. COCHRAN. Mr. President, I thank the Republican leader for his comments and his support for this program.

THE SABRE FOUNDATION AND AID TO POLAND AND HUNGARY

Mr. KERRY. Mr. President, I want to express my appreciation to the distinguished managers of S. 1582 for agreeing to designate the Sabre Foundation as one of the private educational foundations through which educational and cultural exchange assistance to Poland and Hungary should be channeled.

The Sabre Foundation which is headquartered in Somerville, MA, was founded in 1969. For the past 4 years it has been the largest donor of educational materials to Poland and Hungary. The foundation's scientific assistance project has taken advantage of the increasing openness of Eastern European societies to provide substantial educational and technical assistance in the region. Working at the field level through the growing independent sector, the Sabre Foundation has responded to known individual needs and differing local development priorities. In so doing, it has assisted in improving entrepreneurial skills and professional expertise, and in strengthening the resources and operations of nongovernmental institutions.

More broadly, Sabre's programs are highly consistent with the goals of fostering pluralism and private sector growth. Sabre has been cited in the State Department's action program for Eastern Europe, and is mentioned by name in the Commerce Department's protocol on private sector development in Poland.

The project's main program at present sends large quantities of new, unremaindered textbooks and other educational materials to needy individuals in Poland, Hungary, and Czechoslovakia. The books are standard texts in such fields as economics and accounting, law, agriculture, medicine, natural sciences, engineering and computer science, and the humanities.

As a result of its own growth and the accelerating pace of political reform in Eastern Europe, Sabre is increasingly able to identify local needs with precision. To meet these needs, the scientific assistance project is currently undergoing a rapid expansion into new countries, in-kind materials, and program types. Its target is to increase the level of assistance provided to $20 to $30 million in 1990. Sabre recently chartered new 501(c)(3) equivalent foundations in Warsaw and Budapest, and has established local field offices in both cities to coordinate further expansion.

Sabre is currently diversifying its in-kind donations into agricultural materials such as veterinary pharmaceuticals, feed additives, fertilizers, crop protection chemicals, and harvest handling and packaging equipment. These will be supplied to private farmers in Poland, where some 80 percent of the land is in private hands, in an effort to provide for long-term, sustainable agricultural production in that land.

Sabre is now working with a group of four United States universities to send graduate English language teachers and teacher-trainers to Hungary.

These are but a few examples of the impressive work that the Sabre Foundation is doing in Eastern Europe—work that is critical in assisting Poland and Hungary to successfully implement the political, economic, and social reforms to which the governments of those countries have committed themselves.

In conclusion, Mr. President, again I want to express my appreciation to the managers for ensuring that the Sabre Foundation is designated in this legislation in this matter.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order of the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, we are in a situation where Senator DANFORTH is here, and there is some question about another amendment. I apologize to the Chair for calling off the quorum. Now I put it back in.

The PRESIDING OFFICER. The suggestion of the absence of a quorum having again been made, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Chair recognizes the Senator from Missouri [Mr. DANFORTH].

Mr. DANFORTH. Mr. President, it has been my intention to offer an amendment today because my understanding was that the program set out by the majority leader was that all amendments to the aid bill for Poland and Hungary were to be offered today, and that they would not be in order tomorrow.

But I have just spoken with the Senator from North Carolina, and it is my understanding it will be possible to offer at least a limited number of amendments that we could not get to today.

I have an amendment which I hope to offer tomorrow, provided it is in order. I do not want to keep the Senate around tonight. I know that Senators have other plans and that they want to be leaving.

But I do have an amendment that I would like to offer tomorrow, and it has to do with the extension of what otherwise would be expiring tax credits, credits that are now in the Internal Revenue Code that are scheduled to sunset—some of them have already sunsetted—and unless the Senate acts before we adjourn this year, I think some real havoc will be caused in a number of very important tax programs.

There are about 10 of them in number. They have very broad popularity in the Senate. They include the low-income housing tax credit, and the legislation to make that permanent, which Senator MITCHELL introduced, which has 71 cosponsors; the mortgage revenue bond provision which has 85 cosponsors; the research and development tax credit, making that permanent, which has 51 cosponsors; the targeted jobs tax credit extension has 36 cosponsors; and the employer-provided educational assistance credit has 32 cosponsors, and so on.

So these are popular provisions. They have already been agreed to by the House of Representatives. A 1-year extension has been agreed to in the House reconciliation bill. The legislation which the Senate Finance Committee marked up, which was then stripped when it came to the floor of the Senate, also provided for the extension of these measures. As I recall, there was no opposition in the Senate Finance Committee.

So, Mr. President, these are important provisions, and they are popular provisions. They have been generally agreed to. The problem is that, if we allow them to expire, real damage can be caused.

For example, the low-income housing tax credit is about the only program we have going now for low-income housing. If we decide it is just going to go away for however long it takes until we can reenact it, there can be some real damage to low-income housing.

Similarly, the research and development tax credit—if business is going to make plans to invest in research and development, it has to have some idea of what the tax law is going to be. We cannot be in the position of letting tax credit lapse, and then trying to put them back into effect again.

Mr. President, I have absolutely no desire to gum up the works with respect to the legislation that is now on the floor of the Senate. I understand that it is very important for us to act, and to act promptly with respect to Poland and Hungary. I am not picky in choosing a legislative vehicle. Nobody could be easier to please than I am. But I need a legislative vehicle which will not be blue-slipped by the House of Representatives, and there are not many of them left. This is one of two. The other is reconciliation, and we do not know yet whether we are going to have a reconciliation bill. We do not know whether or not the Presi-

dent would sign or veto a reconciliation bill that we were to send to him.

So it is my intention, provided we can work this out in an agreement, to offer tomorrow an amendment providing for the temporary extension of expiring tax provisions, which amendment would be cosponsored by Senators CHAFEE, HEINZ, BOND, MCCAIN, D'AMATO, COHEN, BOREN, DURENBERGER, and probably some others.

If the Senator from North Carolina would respond, I would very much appreciate it.

Mr. HELMS. If the Senator will yield, Mr. President, as the Chair knows, the distinguished majority leader, in concert with the Republican leader, is shortly going to propound a unanimous-consent request in that regard. I assure the Senator that his amendment will be listed as one to be considered tomorrow. We have one or two others, one of which has already been discussed, and the yeas and nays have been obtained on it. But I assure the Senator his amendment will be included in the list.

Mr. DANFORTH. I thank the Senator from North Carolina.

Mr. SIMON. Mr. President, I simply wanted to say I was one of three to vote against that bill called the Tax Reform and Simplification Act passed in 1986 which contained about as much reform as it did simplification. One of my reasons for voting against it is it reduced the amount that an American corporation can deduct for research. We simply cannot build a more competitive America that way.

So I am in sympathy with what the Senator from Missouri is trying to do. But I hope we can get something worked out so it does not go on this bill so that, to use the Senator's eloquent phrase, it would not "gum up" the works. I am hoping we can get something else worked out.

Mr. DANFORTH. I might say that one of the effects of the 1986 tax legislation was that it made it very unattractive for the private sector to invest in low-income housing. However, an effort was made to try to offset those effects by creating a low-income housing tax credit. If we do not act on it before we adjourn, the effect of that is going to be that there will be no low-income housing tax credit. That is essentially going to be the end of the low-income housing program in the United States. I do not think we can allow this to happen.

If this can be done on reconciliation, fine. I do not care what it is done on. But I want it done. That is why I intend tomorrow to offer this amendment to this legislation so that at least we will have some vehicle for its consideration.

Mr. Mitchell addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, I just came in near the closing words of the statement by the Senator from Missouri. I want to say in response that I very strongly favor extending the low-income housing credit. I have had the pleasure of working with the Senator from Missouri during this year in developing legislation to extend and improve that credit. I am making every effort to have that included in the reconciliation bill.

I have met in the past several days with the Director of the Office of Management and Budget, the Secretary of the Treasury, the distinguished Republican leader here in the Senate, and the House leadership. At every one of those meetings I have expressed my deep concern about the expiration of that provision, and my hope and intention that it be included in reconciliation.

I am going to continue to pursue that just as vigorously as I can, for all of the reasons that the Senator from Missouri has stated as to the importance of the provision. At the same time I hope this much needed and long delayed legislation to provide assistance to Poland and Hungary will not be further delayed, and that the Senator from Missouri will join me and others in exerting efforts to have his amendment included in reconciliation, which is a more appropriate vehicle, and I think more likely to produce the kind of result that we want.

With respect to this legislation, it had been my understanding, expressed on the Senate floor before we concluded last Thursday evening, that we would complete action on all pending amendments today, and that tomorrow we would simply vote on this measure. I inquire of the managers whether or not that is or is not their intention in this regard.

Mr. SIMON. My hope is we come very close to that. We do have one amendment, offered by Senator ROTH, of Delaware, where we had the debate, and we have agreed to postpone the vote on that until tomorrow. So we will have a vote on at least one amendment tomorrow.

Mr. MITCHELL. Unfortunately, with the Senate coming close on the number of amendments and leaving it open, it means the possibility exists of a large number of other amendments tomorrow. I would really like to carry through on what we had as our stated intention, and I thought we had an understanding that we would finish this bill tonight for all intents and purposes except for votes so we could be complete on it tomorrow, and then move on to other legislation.

Mr. SIMON. I join the majority leader in that hope. I hope before this evening is over, and as soon as possible, we can get a unanimous-consent agreement to proceed in that manner.

Mr. MITCHELL. I did not mean to foreclose the Senator from Missouri.

Mr. DANFORTH. I am prepared to offer the amendment either tonight or tomorrow. My understanding was that the purpose of the managers was that the amendment be carried over until tomorrow. And thinking about it, I think that would make sense for the following reason: I do not care how this is done, the extension of the expiring provisions. I understand the views of those who do not want it on the aid to Poland and Hungary bill. But it really has to be done.

The only remaining vehicles, as I understand it, which would be in order in the House of Representatives, would be the bill that is before us now and reconciliation. I wonder if there is some way between now and tomorrow morning for the majority leader or the Republican leader to ascertain from the administration which bill they would rather have this on. If they would rather have it on reconciliation, that is fine with me. My only point is that it really is not responsible for us to delay this until next year and let this expire and then hope to put it together next year.

I might say that I have spoken with the ranking Republican on the Finance Committee, Senator PACKWOOD, who has given a lot of thought to the capital gains issue, and his view is that he has no objection at all to dealing with these expiring provisions this year. So that is what I would like to accomplish. I am willing to do it any way that the majority leader and the Republican leader and the administration would like.

Mr. MITCHELL. I certainly am not and do not wish to be the spokesman for the administration, but I can tell you what I have been told by the administration's representatives, as recently as last Friday—the Secretary of the Treasury and the Director of the Office of Management and Budget—that they are opposed to extending this tax revision. So I think from their standpoint, they are against it, and, therefore, would not support it on either measure, as I understand it.

Mr. DANFORTH. I do not think they are going to veto the measure because the expiring provisions are included on it. I very much doubt that. The question is not whether they would like it done or would not like it done, but on which of the two bills before us would they rather have it.

Mr. MITCHELL. Perhaps the Republican leader can address that.

Mr. DOLE. If the Senator will yield. I think we need to be careful. We all made great speeches about how we were going to strip this bill, and we did. Now we are adding $1.7 billion in costs, if you put back all the extenders for 1 year. Some of those are not time-sensitive at all. The low-income hous-

ing credit is, as is the targeted-jobs credit. Most of the others do not have to be done. If you do them early next year, there is no impact. There are a number of other time-sensitive provisions dealing with rural hospitals. I have a list here of probably a dozen or more time-sensitive things, just as sensitive as the matter being discussed by the Senator from Missouri.

Certainly, there is no need to have the extenders for a year. Six months, I think, some of us could live with. But it is going to be difficult for those of us who voted to strip the reconciliation bill to say we really did not mean it, we want to go back and add on certain things that the Senator from Missouri wants and things the Senator from Kansas wants, and pretty soon we have the whole package again. I do not know where we stop and where we start.

That is the view I have expressed to the majority leader. It is not that we are opposed to the extenders. Why not add everything else that is time-sensitive? I have a whole list of things that affect people—rural hospitals, a lot of rural hospitals in every State. We took care of that. And the cost of all these time-sensitive matters is much less expensive than the $1.7 billion it will take to extend all those provisions for a year.

Plus, it seems to me, as an institution, if we want to enact many of the other provisions that we put together at about 2 o'clock in the morning, and we may not have an opportunity. You do not get many opportunities from the House Ways and Means Committee. That is another reason I am suggesting a 6-month extension at the outside. It would not have the cost, but it would reduce the cost, plus it would give us more opportunities next year to put on a number of the other provisions that we worked on in the Senate Finance Committee. But there are some very time-sensitive areas. I know the Senator from Missouri supports some; some he authorized, which we would like to include. If we do that on this bill, or particularly on reconciliation, then we are going back on what we said we would do the night we all claimed victory and said, "What a great group of statesmen we are. We took everything off." Now we are going to start selectively putting items back on. Maybe it is not important, but it is inconsistent.

Mr. DANFORTH. First of all, with respect to paying for the provision, the amendment that I would offer would pay for it. It would pay for it in a way that has already been agreed to by the Senate Finance Committee.

Second, with respect to a 6-month or 1-year extension, my own preference would be to make these provisions permanent. The idea of keeping them on very short timeframes does not give potential businesses or investors opportunities to plan. But a 6-month extension is certainly better than nothing.

I think we are going to have some tax legislation next year. I do not have any real doubt about it. I would be perfectly prepared to accept 6 months. The House Ways and Means Committee has already agreed to a 1-year extension, and I believe that the Senate Finance Committee, tomorrow morning, is going to agree to a 1-year extension, also.

Again, the amendment I offer is 6 months. It does not make that much difference, as far as I am concerned. I think, really, the question is what can we work out with the administration, and what does the administration want it on. I understand they would rather have us do nothing. But it is clear that when there are 85 cosponsors for one of these provisions—85 Senators have cosponsored the mortgage revenue bond provision; 71 Senators have cosponsored the low-income housing credit—it is clear to me that there are the votes to not only pass this, but if the President were to veto it, to override the veto.

I really hope that the Republican leader, in his communications with the administration, would find out where they would rather have it done. I do not care where it is done. If they want it done on reconciliation, fine. If they want it done on the aid to Poland bill, that is fine. I do not, as I said to both the majority leader and the Republican leader late last week, want to jeopardize the aid to Poland bill. I cannot conceive that this would jeopardize the aid to Poland bill. I am willing to offer it to anything anybody wants to offer it to.

Mr. DOLE. I would be happy to make that inquiry.

I think the President did indicate, somewhere in Texas on Saturday, support for the low-income housing credit. I do not think it is a question of being for or against the extension of any of the provisions as part of the housing package announced over the weekend. I will make inquiry of the White House and see if we can make a determination.

Again, it seems to me that from the standpoint of strategy of the institution, if we are going to act on many of the other provisions, I think a couple hundred provisions were stripped out, and we are not going to have an opportunity until a year from now, if there is a 1-year extension. It seems to me we are better off, from that standpoint, to have a less extension, which the Senator from Missouri said he would not object to. But if the extenders are offered on this bill, I think there would be some who would feel compelled to offer other time-sensitive matters on this bill, and this could become a big, big tax vehicle.

It has occurred to one member already to put everything we stripped off in the tax area on the Polish aid bill. I do not know what would happen. We had very good provisions from Senators on both sides of the aisle, which were added to the Senate reconciliation bill. I will be happy to make inquiry immediately and advise the Senator from Missouri.

Mr. DANFORTH. I just add, Mr. President, that I am really not a one-man band. This is not just 1 of 100 Senators showing up on the floor of the Senate peddling his own favorite ideas. I am not doing that at all. These are provisions that have been agreed to by the House, once formally, once informally, and by the Senate Finance Committee unanimously, as I recall.

They have tremendous numbers of cosponsors, and it is essential that we do them. I am not trying to be the Horatio at the bridge in hopefully the last week of this session of Congress, but rather to inquire how the administration would like this job done.

The PRESIDING OFFICER. Who seeks recognition. The majority leader.

Mr. MITCHELL. Mr. President, I will simply conclude by thanking the Senator from Missouri for his interest and concern.

As I said earlier it has been my pleasure to work with him on this matter throughout this year, and I hope very much that we are going to be able to work it out in a way that produces what I think is our common objective: Extension of the tax revision provision, enactment of the aid to Poland and Hungary bill, and approval of a deficit reducing reconciliation bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I rise to first give my enthusiastic endorsement to the support for East European Democracy Act of 1989. Anticipating expeditious and overwhelming Senate approval, I hope the Congress and the President will quickly resolve the differences over levels of funding so that we can begin to put our money where our mouth is in supporting the political and economic reforms underway in Poland and Hungary.

Second, I wish to speak briefly about a specific project which I believe is a very worthy candidate for funding through this aid package.

Mr. President, I visited Poland and Czechoslovakia in the spring of last year, but clearly Eastern Europe is a vastly different place now than it was a short 18 months ago. Developments, particularly as you have seen unfolding on TV over the last few days in East Germany, and changes in Poland and Hungary have taken an unprecedented and dramatic turn. In Poland, Solidarity humiliated the Communist Party in parliamentary elections with

the result that Poland is now governed by a Solidarity-led government, and we have Lech Walesa coming here visiting in Washington the same time.

Hungary has changed its name and its constitution; it has declared itself a democracy, removed any reference to the leading role of the Communist Party, and committed itself to holding multiparty elections early next year. Even the Hungarian Communist Party has changed its name and its program to more closely identify with Western European social democratic parties.

Both Poland and Hungary are committed to pursuing economic reform programs which aim to replace state control with market oriented economic structures. Obviously, such an unprecedented transformation will not be easy. Despite the heady events of the past months, the Solidarity-led government of Poland faces immense challenges in reforming and modernizing its ecomony. I believe that the Polish and Hungarian people deserve our support in this historic undertaking. United States aid should focus on private enterprise development in the economic sector and democratic institution development in the political sector. In addition, immediate food and aid will be required to help the people of Poland weather the inevitable hardships associated with their economic transformation.

This aid package is not an act of selfless generosity. I think it can be argued that it is an investment in our national security as important as any weapon system we can vote on on this floor. For over 40 years the United States, through the NATO Alliance, has been committed to the maintenance of peace, stability, and freedom in Europe. What could contribute more effectively to the realization of that security objective than the establishment of free and democratic societies in Eastern Europe?

There will be those who will argue that this aid is premature, but I do not think we can afford to wait. History will judge us harshly if we fail to take advantage of this historic opportunity to help the courageous and determined people of Poland and Hungary achieve their political freedom and economic independence. It will not be easy, and it will not be achieved overnight. But we can take that critical first step today by putting some real substance behind the words of praise we have heaped upon the Polish and Hungarian reformers. We can and should reassert a U.S. leadership role in marshaling Western support for the extraordinary process of change underway in Eastern Europe.

Having said that, I wish for a few minutes to discuss a project which I believe has very great merit and should be considered for possible funding in the context of this aid package.

Mr. President, I would say this package is almost free and yet can be very, very valuable. That makes it an offer we can hardly refuse.

Last week I met with representatives of the National Association of State Auditors, Comptrollers and Treasurers [NASACT] whose current president is Mary Ellen Withrow, State Treasurer of Ohio. NASACT is comprised of statewide office holders who serve as a State's auditor, comptroller, or treasurer.

The group came to my office, and we met and discussed a project that NASACT is proposing to put into place along with the Polish aid, Hungarian aid, whatever aid we have over there, and it is a program that I think we should support.

Let me say first what NASACT is. First, it is comprised of Statewide office holders who serve as State's auditor, comptroller, or treasurer.

It exists to represent the States' views on a variety of financial management topics. It exists to bring together State fiscal and financial officers; to encourage the free interchange of information and ideas among State, as well as Federal and local, fiscal and financial officials; to provide for the improvement of education and training available to such State officials; and to provide a national forum for the promulgation and dissemination of State positions concerning financial management of government.

Mr. President, when you get up here and stand up here and talk about financial management and how we go about it, it may be about as exciting as watching mud dry or something similar, but these are the U.S. experts on how we can get the best bang for a buck in aid and programs not only in your own country but abroad. That is the reason that I was rather excited about this when they were in my office the other day. Financial management is considered a very dry subject. Nobody gets excited about it. Yet we all asked in the past GAO and other Government agencies to just try to track down what happens to aid money that we send overseas, did it get expended for what it was supposed to be expended for or did it not?

I had a similar situation back several years ago when we tried to trace some of the aid going down to the Contras in Nicaragua, and I remember we tracked the $27 million as far as Miami and beyond that we did not get very far with it. We never did find out for sure what happened to the money. That was a study I had some personal experience with.

As we send these aid programs overseas, most Americans are happy to help out as we can, but we want to know what happens to the money. We want to know what happens to the dollars so that it is not just enriching a very few people and not accomplishing the purpose for which it was intended.

I read a list of the things that this NASACT organizations tries to do.

To further these objectives, NASACT is involved in research, training, and technical assistance designed to improve financial management at the State level. NASACT is the only organization whose membership is involved in technical fiscal activities that have near universal application.

What they try to do is applicable not only in our own country, but it is just as applicable in Poland, Hungary, Czechoslovakia or any other nation we may want to encourage into democratic ways and a free enterprise government, a free market economy.

It is the only organization whose membership has that kind of universal application as far as I know, and these concerns can all be brought together under one heading, one word, and that is a word that is necessary in a democracy, and it is the word "accountability", accountability. In my view accountability is the very essence of democracy. In the broadest sense democracy holds elected officials accountable to the people. In the Communist world it is different, very different.

Accounting is very loose, the people get no accounting of where their tax dollars went. In the fiscal sense, in a democracy, government must account to the people for the receipt and proper expenditure of taxpayer funds. I cannot imagine that a democracy could function effectively without such accountability.

I cannot think that the governments of Europe, of Eastern Europe, of the Warsaw Pact nations that are moving toward a free market economy can function without effectively having such accountability.

With respect to foreign assistance programs, as I mentioned, accountability has another dimension—we must be able to account for the dollars of U.S. taxpayer money that we provide as assistance to other countries. We must be able to know that our money was used for the purposes intended. In a December 1988 report examining problems and issues affecting economic assistance, the GAO stated that—and I stress this because I think they stated it very well—

> Host-country financial management weaknesses have directly contributed to inadequate control over assistance funds, cost overruns, and in some instances misuse of assistance. Limitations include shortages of trained staff and outdated accounting systems.

This brings me to the reason why I have raised this issue in the context of the Poland-Hungary aid bill. Both Poland and Hungary have embarked on the unprecedented course of transforming their governmental systems from totalitarianism to democracy. As Americans, we are unanimous in our

support for the course the Polish and Hungarian people have chosen, and we are here debating today the question of how we should express that support in concrete terms.

At the meeting in my office just a few days ago last week, NASACT made an offer. They said that NASACT is willing—indeed, they are eager—to play a role in this process by providing training and technical assistance to the Government of Poland in the principles and the practices of fiscal accountability and management. And I cannot think of a better group to do it. NASACT has the expertise. The organization or some of its individual members have in the past provided technical assistance or made presentations to several foreign governments.

I believe NASACT is to be commended for its initiative and its interest in Poland's new democracy. I urge the agencies of our Government that will implement and administer the Polish aid program to explore NASACT's offer and, assuming it is feasible and the Polish Government is interested, give very serious consideration to funding this project. It would be very minimal.

NASACT is happy to contribute their time. They have officials to conduct these programs. All that would be required is the very minimal funding of perhaps some travel and subsistence and things like that and very minimal staffing. But the services or the expertise would basically be free.

Finally, Mr. President, I want to commend all my colleagues who worked diligently to put this assistance package together. I urge the Senate to approve it expeditiously and without major reduction or alteration.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

AMENDMENT NO. 1125

Mr. SIMON. Mr. President, earlier in connection with the Roth amendment which was agreed to, I assured the senior Senator from Delaware that I would direct staff to prepare a conforming amendment that would ensure the full coherence of the bill in the light of the Roth amendment. Accordingly, I now send to the desk what amounts to a perfecting amendment which fulfills my commitment to Senator ROTH.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON] proposes an amendment numbered 1125.

Mr. SIMON. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 15, after line 13, add the following:

(6) FINANCIAL INSTRUMENTS FOR INDIVIDUAL INVESTMENT.—The President shall ensure that Enterprise Fund Act undertake all possible efforts to establish financial instruments that will enable individuals to invest in the private sectors of Poland and that will thereby have the effect of multplying the impact of United States grants to each fund.

Mr. COCHRAN. Mr. President, the amendment has been cleared on this side of the aisle, and we urge the Senate to approve it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. SIMON].

The amendment (No. 1125) was agreed to.

Mr. SIMON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Parliamentary inquiry, Mr. President, are there any time constraints on this measure?

The PRESIDING OFFICER. Not at all.

A BIPARTISAN POLICY FOR CENTRAL EUROPE

Mr. DOMENICI. Mr. President, at last the Senate is approaching approval of a bill that, at least from what I can tell, outlines the framework for a United States policy of assistance toward Poland and Hungary. We have now achieved a genuinely bipartisan approach, one that combines the best elements of the Simon-Mitchell proposal and the best element and ingredient of a measure Senator DOLE introduced with my cosponsorship immediately after the Simon-Mitchell proposal was placed before the Senate.

With the passage of this legislation, both Houses will have approved the two major initiatives offered by President Bush: First, new enterprise funds for supporting the private sector in Poland and Hungary; and the $200 million American contribution toward a $1 billion fund to help Poland's new government stabilize its economy, the Economic Stabilization Fund.

The bill also authorizes more than half a billion dollars over 3 years, but the appropriators and the appropriations process here in the U.S. Congress have already established the funding levels for this year.

I believe the appropriators have done a good job. These requests and these needs came late in the budget cycle yet they have had to be accommodated and adjusted for, perhaps not to everyone's satisfaction. Aid to Central America will be reduced somewhat, but let us be at least pleased that a substantial portion of the Kissinger Commission plan has been accomplished.

The immediate impact of this measure will be the policy guidelines that it establishes, not the money that it promises for future years. Essentially, it establishes some guidelines which are new, some approaches to foreign assistance that are new and different. And that is how it should be.

TRADITIONAL FOREIGN AID WON'T WORK

It is obvious to many that the foreign aid and foreign assistance programs of the United States could accomplish more than they do now. Most of them are familiar in detail to the current occupant of the Chair.

We never envisioned that they would apply to a government or economy in transition such as Poland or Hungary, from a centralized planned economy, with Communist single party governance, to perhaps a less centralized and hopefully a marketplace economy. We don't know much about how to start pluralistic systems, a political system of legal governance and many parties.

Obviously, we have to do something different. That is why it is exciting to try the new enterprise fund concept encapsulated in this bill. I predict before we make it through the transition from these Communist economies to where they are desirous of going, that we will try many new things.

I am just hopeful that we will make the right assessments of where we can accomplish the most in moving these countries in an orderly way, not one of anarchy, but an orderly transition toward pluralism in their party structure and as much marketplace economics as possible. A Presidential mission will soon do this assessment in Poland. That is not going to be easy.

This bill is a better bill than the one we started with many months ago. It begins the process of modifying our foreign aid practices to take into account the different realities in central and Eastern Europe, some of which I have briefly described in the last few minutes.

Our free enterprise example, our technical assistance and our determination to keep a free and fair trading system will help the amazing transition in central Europe far more than promising billions of dollars that we cannot afford. We are not absolutely sure this new aid will do anything more than many of the billions which were borrowed before in the 1970's, which are now dragging these economies down because they cannot afford to repay them. The Polish people look back and wonder, what did we get for it? Where did the money go?

So I am hopeful that our free enterprise example, our technical assistance, I repeat, and our determination to keep free trade and fair trade open will make a positive difference. If we

can have the trade policies of the free world apply as quickly as possible, it is obvious that that will have the most dramatic effect in central and eastern Europe.

AID NOT CRITICAL FACTOR

As a matter of fact, Mr. President, I am no expert on this, but I have been told that open trade, not American aid, saved Western Europe in the late 1940's.

A real, indepth analysis of the success of the Marshall plan will find that adaptation of the more open trading practices of the United States is what changed those European countries from failures to success.

After the initial short-term relief, trade mattered to a more significant degree than our aid. After the war, we opened up to American trade those faltering West European economies that were besieged by communism on their borders. They had to overcome the total rhetoric and propaganda of the Stalinists as well as the economic malaise after the war. We think the critical part of the Marshall plan was aid, but it might have been trade.

Some experts offer this explanation and I believe they may be right. We ought to look carefully at that when we talk about helping Poland and Hungary, and, yes, even East Germany.

Incidentally, the East Germans will not have as much trouble as Poland. Aid and trade will flow to East Germany because of the maturity of their system, its current state of productivity—which is pretty significant for an Eastern-bloc country—and its proximity to West Germany which, as everyone knows, in the area of export goods is second to none.

We think Japan is the premier exporter and producer of goods for the world marketplace on any measurement of national significance, but in many sectors, West Germany is No. 1. The trade is going to go in the opposite direction, there. They will help build the capacity to trade in East Germany.

Everyone thinks East Germany is going to move toward the west. In fact, the Federal Republic may move toward East Germany, in terms of the injection of capital and the capacity to build and employ and pay higher wages. That may be the easiest transition of all. We hope some of that will work in Poland and Hungary.

I want to close by saying under the Senate bill the United States is giving money to Poland, not lending it. Many of our European friends provide loans and guarantees that Poland does not need and cannot repay for many years. I hope the House conferees do not insist on adding to Poland's short-term debt through the trade credit insurance program. I really do not think that is the way to go.

I want to congratulate the Democratic and Republican leaders for bringing the Senate together on this issue. I thank the Senators from Illinois and Alaska, Indiana, Colorado, Delaware, and Wyoming; they have all been involved.

THE PRESIDENT'S PLAN

Most of all I would like to commend the President of the United States. The two basic new concepts of significance were requested by him. The enterprise funds and the economic stabilization funds are tailored as best we can for the transition economies of Poland and Hungary. Some say he is not taking enough of a lead here. Maybe it is just he does not talk about it as much as others.

I congratulate him for the two initiatives that are in this bill, because they are his. I am pleased to be part of trying to implement them now. I know that the appropriators understand their significance. As I indicated, this is authorization and guidance for the future, but we have this new program already funded in the appropriations process, even though it is late in the year.

These new types of funds, as I indicated, may or may not work. But they are certainly more appropriate than the traditional foreign aid programs that we have for the rest of the world. If we work, they will become, perhaps, the models for effective U.S. assistance to other countries setting out on this very difficult transition towards freedom and democracy. It's a long journey to democratic capitalism from where they have been, behind the Iron Curtain, all these years.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I commend our colleague from New Mexico for his help on this, for his leadership on the legislative package that passed earlier. He has been to Poland. He understands the needs there. And the basic thrust he mentioned, that we want to encourage the development of the private sector rather than just passing out dollars or passing out loans, is very much a part of the thrust of this bill.

I am pleased we have a good bipartisan bill. One of the reasons we have it is Senator DOMENICI from New Mexico.

Mr. DOMENICI. I thank my friend from Illinois.

Mr. SIMON. If no one seeks the floor, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATUS OF PENDING NOMINATIONS

Mr. MITCHELL. Mr. President, last Thursday, the Republican leader placed a list of pending nominations in the RECORD.

While I was on the floor during the Republican leader's statement, a letter was delivered to my office from the President's Chief of Staff, John Sununu. This letter states that the President would like all of his nominations confirmed by the time the Senate adjourns the 1st session of the 101st Congress. The letter goes on to indicate that the President would retain the right to make recess appointments.

During the previous administration, the Senate and the President reached an accommodation in this regard. The President refrained from making intrasession recess appointments. In those rare instances when it was necessary to make a recess appointment, either intrasession or during sine die recesses, the President notified the majority leader in advance of the announcement of the appointment. I have asked the President to continue this practice, and I hope that he will do so.

The right of the President to make recess appointments during the period of a sine die adjournment is not in question. However, I do believe that this should be a rare occurrence in truly emergency situations.

The President and the Senate have constitutional roles in the nomination and confirmation process. There is no time limit on how long the President takes to decide whether to submit a nomination, and there is no time limit on how long the Senate takes to confirm a nominee. Each sets its own standard in these matters. That is as it should be under our Constitution.

The Senate has made good progress in confirming the President's nominations throughout this year. The Senate has confirmed 343 of the President's nominations to date. Of this number, 132 have been confirmed since September 6. Twelve nominations are on the Executive Calendar.

One hundred and five nominations are pending before Senate committees. According to the Senate's records, 88, or the overwhelming majority, of these nominations have been received since September 6; 41 have been pending since October 12, just a month ago.

The delay in submitting these nominations to the Senate is not the fault of the Senate. It is the administration's responsibility.

Senate committees are planning to process as many of the remaining nominations as possible prior to the

sine die adjournment. As many as half of the pending nominations may be confirmed, if unforeseen problems do not arise.

In many cases where action is not scheduled, the nominees have not completed the necessary paperwork for committee consideration. For instance, of the 27 nominations pending before the Foreign Relations Committee, fully 17 of them—more than half—have not completed the necessary paperwork. This delay is not the fault of the committee or the Senate. It is the administration's responsibility.

Some members of the President's staff have stated that the lack of action on nominations will hinder the administration's policy decisions next year. As I stated in September, the Senate cannot act on a nomination until the nomination is made by the President and received by the Senate. Making nominations is the administration's responsibility.

Many critical nominations have not yet been received by the Senate. To date, more than one-fourth of the 431 full-time positions requiring Senate confirmation in executive departments and agencies are either vacant or there has been no announcement that the incumbent will be retained by the administration. Eighty of these positions are in executive departments. This is not the fault of the Senate. It is the administration's responsibility.

At the present time, 56 vacancies exist on the Federal bench. Eleven nominations are pending before the Judiciary Committee—4 of them have been received just since October 31 just two weeks ago. The Judiciary Committee hopes to act on as many as seven of the pending judicial nominations prior to adjournment. The committee is doing its work. But 45 judicial vacancies still remain without nominations having been made by the President. This is not the fault of the Senate. It is the administration's responsibility.

There have been two major natural disasters in this country this fall. The Federal Emergency Management Agency has received substantial criticism for its response to the damage caused by Hurricane Hugo. While trying to cope with the hurricane disaster, the agency was hit with the California eathquake. Meanwhile, there still have been no nominations by the President for Director, Deputy Director or inspector general at FEMA. This is not the fault of the Senate. It is the administration's responsibility.

The President has been in office for nearly 10 months. In that time there have been two major natural disasters. How many more disasters must occur before the President nominates someone to fill those three high offices at the Federal Emergency Management Agency? If the White House can criticize the Senate for taking more than 1 month to confirm a nomination, what can be said of a White House which takes more than 10 months to make a nomination?

The Constitution created a system of checks and balances between the three branches of Government. The nomination and confirmation process is a part of that system. Last week, an administration source was quoted in the press as saying that the White House is engaged in "positioning."

We need less positioning and more action by the administration in making nominations to the many important positions with respect to which nominations have not been made.

I believe the record shows that the Senate has continued to act in a cooperative manner on the President's nominations. The President will be submitting many more nominations this fall and next year. I intend that the Senate continue to move as expeditiously and cooperatively as possible on these nominations, consistent with our responsibilities under the Constitution.

I ask unanimous consent that the following documents be printed in the RECORD at this point.

First, a document prepared by the Congressional Research Service which includes a list of full-time positions requiring Senate confirmation in executive departments and independent agencies for which President Bush has neither made a nomination nor announced retention of an incumbent from the previous administration, as of November 10, 1989; and

Second, a list of nominations pending in Senate committees and on the Executive Calendar, as of the close of business on November 9, 1989.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE 1.—SELECTED CIVILIAN FULL-TIME POSITIONS REQUIRING SENATE CONFIRMATION IN EXECUTIVE DEPARTMENTS FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF NOV. 10, 1989

Name of Department [1]	Incumbent	Level
DEPARTMENT OF AGRICULTURE		
Administrator—Farmers Home Administration.	Vance Clark	V.
Administrator—Federal Grain Inspection Service.	Walter K. Miller	V.
Administrator—Rural Electrification Administration.[2]	Harold V. Hunter	V.
DEPARTMENT OF COMMERCE [3]		
Under Sec—Technology	Vacant	III.
Asst Sec—Congressional Affairs	Marc G. Stanley	IV.
Asst Sec—Economic Development	Orson G. Swindle III	IV.
Director—National Institute Standards.	Vacant	IV.
Inspector General	Francis D. DeGeorge	IV.
Chief Scientist—National Oceanic and Atmospheric Administration.	Melvin Peterson	V.
Asst Commissioner—Patents	Vacant	GS–18.
Asst Commissioner—Trademarks	Jeffrey M. Samuels	GS–17.

TABLE 1.—SELECTED CIVILIAN FULL-TIME POSITIONS REQUIRING SENATE CONFIRMATION IN EXECUTIVE DEPARTMENTS FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF NOV. 10, 1989—Continued

Name of Department [1]	Incumbent	Level
DEPARTMENT OF DEFENSE [4]		
Principal Deputy Under Sec—Acquisition.	Vacant	III.
Asst Sec—Health Affairs	Vacant	IV.
Asst Sec—Production and Logistics	Jack Katzen	IV.
Asst Sec—Research and Engineering.	Robert C. Duncan	IV.
Inspector General	June G. Brown	IV.
DEPARTMENT OF THE AIR FORCE		
Asst Sec—Readiness Support	Vacant	IV.
DEPARTMENT OF THE ARMY		
Asst Sec—Financial Management	Vacant	IV.
Asst Sec—Research Development and Acquisitions.	Jay R. Sculley	IV.
DEPARTMENT OF THE NAVY		
Asst Sec—Shipbuilding and Logistics.	Everett A. Pyatt	IV
Asst Sec—Research Engineer and Systems.	Thomas F. Faught	IV.
DEPARTMENT OF EDUCATION		
Asst Sec—Civil Rights	Vacant	IV.
Asst Sec—Elementary and Secondary Education.	Vacant	IV.
Director—National Institute of Disability Research.	Vacant	V.
DEPARTMENT OF ENERGY		
Administrator—Energy Information Administration.	Helmut A. Merklein	IV.
Administrator—Economic Regulatory Administration.	Chandler van Orman	IV.
Asst Sec—Environment, Safety and Health.	Vacant	IV.
Asst Sec—Fossil Energy	James A. Wampler	IV.
Director—Office of Civil Radioactive Waste Management.	Vacant	IV.
Director—Office of Energy Research.	Robert O. Hunter, Jr	IV.
Deputy Inspector General	Vacant	V.
DEPARTMENT OF HEALTH AND HUMAN SERVICES [5]		
Administrator—Alcohol, Drug, and Mental Administration.	Frederick K. Goodwin	IV.
Administrator—Health Care Financing Administration.	Vacant	IV.
Asst Sec—Family Support Administration.	Vacant	IV.
Asst Sec—Planning and Evaluation	Vacant	IV.
Director—National Institutes of Health.	Vacant	IV.
Surgeon General	Vacant	NS.
Commissioner—Aging	Vacant	V.
Deputy Inspector General	Vacant	V.
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Asst Sec—Legislative and Congress	Timothy L. Coyle	IV.
Asst Sec—Public and Indian Housing.	Vacant	IV.
President—Government National Mortgage Corporation.	Vacant	IV.
President—Solar Energy	Walter R. Preysnar	IV.
DEPARTMENT OF THE INTERIOR		
Commissioner—Bureau of Indian Affairs.	Vacant	V.
DEPARTMENT OF JUSTICE [6]		
Director—Federal Bureau of Investigation.[7]	William S. Sessions	II.
Assoc Attorney General	Vacant	III.
Administrator—Drug Enforcement Administration.	John C. Lawn	III.
Asst Att Gen—Administration	Harry H. Flickinger	IV.
Asst Att Gen—Civil Rights Division	Vacant [8]	IV.
Asst Att Gen—Justice Programs	Richard B. Abell	IV.
Director—Bureau of Justice Statistics.	Steven R. Schlesinger	IV.
Director—Community Relations Service.	Grace F. Hughes	IV.
Director—National Institute of Justice.	James K. Stewart	IV.
Inspector General	Vacant	IV.
Dep Administrator—Drug Enforcement Administration.	Thomas C. Kelly	V.
Special Counsel—Immigration and Unfair Employment Practices.	Lawrence J. Siskind	GS–17.
DEPARTMENT OF LABOR		
Asst Sec—Administration and Management.	Thomas C. Komarce	IV.
Inspector General	J. Brian Hyland	IV.
Commissioner—Labor Statistics	Janet L. Norwood	V.
Director—Women's Bureau	Vacant	GS–17.

TABLE 1.—SELECTED CIVILIAN FULL-TIME POSITIONS REQUIRING SENATE CONFIRMATION IN EXECUTIVE DEPARTMENTS FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF NOV. 10, 1989—Continued

Name of Department [1]	Incumbent	Level
DEPARTMENT OF STATE [9]		
Asst Sec—Oceans, Environment, and Scientific Affairs.	Frederick M. Bernthal	IV.
Director—Office of Foreign Missions.	Vacant	IV.
DEPARTMENT OF TRANSPORTATION		
Administrator—St. Lawrence Seaway Development Corporation. [10]	James L. Emery	IV.
Asst Sec—Administration	Jon Seymour	IV.
Inspector General	John W. Melchner	IV.
Associate Deputy Secretary	Vacant	V.
DEPARTMENT OF THE TREASURY		
Comptroller—Currency [11]	Robert L. Clarke	III.
Director—Thrift Supervision Office	M. Danny Wall	III.
Under Secretary—Monetary Affairs	Vacant	III.
Asst Sec—Enforcement	Salvatore R. Martoche	IV.
Director—U.S. Mint [12]	Donna M. Pope	GS–18.
Superintendent—U.S. Mint/San Francisco.	Vacant	GM–15.
Superintendent—U.S. Mint/West Point.	Clifford M. Barber	GM–15.
Engraver—U.S. Mint/Philadelphia	Elizabeth A. Jones	GM–14.
Assayer—U.S. Mint/Denver	Victor Hurtado	GM–13.
Assayer—U.S. Mint/Philadelphia	John C. McGraw	GM–13.
Assayer—U.S. Mint/San Francisco	Vacant	GM–13.
Assayer—U.S. Mint/West Point	Vilma R. Taracido	GM–13.
DEPARTMENT OF VETERANS AFFAIRS		
Chief Medical Director [13]	John A. Gronvall	III.
Chief Benefits Director [11, 13]	R. John Vogel	IV.
Inspector General	Vacant	IV.

[1] Excluded from the report are positions in the military services, the Foreign Service and overseas commercial and diplomatic posts (including Chiefs of Mission), the offices of U.S. Attorney and U.S. Marshals, and the two civilian uniformed services—the National Oceanic and Atmospheric Administration Officer Corps and the Public Health Service Officer Corps.

[2] Fixed ten-year term of office.

[3] Does not include positions in the commissioned corps of the National Oceanic and Atmospheric Administration and overseas posts in the U.S. and Foreign Commercial Service.

[4] Does not include positions in the military services.

[5] Does not include positions in the commissioned corps of the Public Health Service.

[6] Does not include positions for U.S. Attorney and U.S. Marshal.

[7] Fixed 10-year term of office.

[8] Nominee for this position was rejected by Judiciary Committee on Aug. 1, 1989.

[9] Does not include Foreign Service positions in overseas posts.

[10] Fixed seven-year term of office (expires Nov. 20, 1990).

[11] Fixed five-year term of office.

[12] Fixed five-year term of office (expires July 21, 1991).

[13] Fixed four-year term of office. If the incumbent is removed before his or her term expires, the President must communicate reasons to both Houses of Congress.

Note.—Excluded from the list are those positions to which individuals have been nominated or where the President has announced that he is retaining the incumbents from the previous Administration.

TABLE 2—FULL-TIME POSITIONS REQUIRING SENATE CONFIRMATION IN INDEPENDENT EXECUTIVE AGENCIES FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF NOV. 10, 1989

Name of agency	Incumbent	Level
ACTION		
Deputy Director	Jane A. Kenny [1]	IV.
Assistant Director—Domestic and Anti-Poverty Operations.	Vacant	IV.
ADMINISTRATIVE CONFERENCE OF THE UNITED STATES		
Chairman [2]	Marshall J. Breger	II.
ENVIRONMENTAL PROTECTION AGENCY		
Assistant Administrator—External Affairs.	Vacant	IV.
Assistant Administrator—Research and Development.	Vacant	IV.
FEDERAL EMERGENCY MANAGEMENT AGENCY		
Director	Vacant	II.
Deputy Director	Robert H. Morris	IV.
Administrator—Federal Insurance Administration.	Harold T. Duryee	IV.

TABLE 2—FULL-TIME POSITIONS REQUIRING SENATE CONFIRMATION IN INDEPENDENT EXECUTIVE AGENCIES FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF NOV. 10, 1989—Continued

Name of agency	Incumbent	Level
Administrator—U.S. Fire Administration.	Clyde A. Bragdon, Jr.	IV.
Associate Director—External Affairs	James P. McNeill	IV.
Associate Director—State and Local Programs.	Grant C. Peterson	V.
Inspector General	Vacant	V.
GENERAL SERVICES ADMINISTRATION		
Inspector General	William R. Barton	V.
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION		
Inspector General	Bill D. Colvin	IV.
NATIONAL ARCHIVES AND RECORDS ADMINISTRATION		
Archivist	Don W. Wilson	III.
NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES		
Chairman—National Endowment for the Humanities [3].	Lynne V. Cheney	III.
NATIONAL SCIENCE FOUNDATION		
Director [4]	Erich Bloch	II.
Deputy Director	John H. Moore	III.
OFFICE OF PERSONNEL MANAGEMENT		
Inspector General	Vacant	IV.
OFFICE OF GOVERNMENT ETHICS		
Director	Vacant	V.
OFFICE OF THE FEDERAL INSPECTOR OF THE ALASKA NATURAL GAS TRANSPORTATION SYSTEM		
Federal Inspector	Theodore J. Garrish	III.
PANAMA CANAL COMMISSION		
Administrator	Dennis P. McAuliffe	V.
SELECTIVE SERVICE SYSTEM		
Director	Vacant	IV.
SMALL BUSINESS ADMINISTRATION		
Inspector General	Charles R. Gillum	V.
UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY		
Special Representative—Arms Control.	Edward L. Rowny	IV.
Assistant Director—Nuclear and Weapons Control.	Kathleen C. Bailey	V.
Assistant Director—Multilateral Affairs.	Vacant	V.
Assistant Director—Strategic Programs.	Vacant	V.
Assistant Director—Verification and Intelligence.	Manfred Eimer	V.
UNITED STATES INFORMATION AGENCY		
Associate Director—Programs	Charles E. Horner	IV.
Inspector General	Anthony J. Gabriel	V.
UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY		
AGENCY FOR INTERNATIONAL DEVELOPMENT [AID]		
Administrator	Vacant	II.
Assistant Administrator—Africa	Vacant	IV.
Assistant Administrator—External Affairs.	Vacant	IV.
Assistant Administrator—Latin America.	Vacant	IV.
Assistant Administrator—Private Enterprise.	Mae N. Peden	IV.
Assistant Administrator—Science and Technology.	Nyle C. Brady	IV.
Inspector General	Vacant	

[1] Given recess appointment on Nov. 22, 1988.

[2] Fixed term of office (5 years); term expires Oct. 15, 1990.

[3] Fixed term of office (4 years).

[4] Fixed term of office (6 years).

Note.—Excluded from the list are those positions to which individuals have been nominated or where the President has announced that he is retaining the incumbents from the previous administration.

TABLE 3.—FULL-TIME POSITIONS REQUIRING SENATE CONFIRMATION IN EXECUTIVE OFFICE OF THE PRESIDENT FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF NOV. 10, 1989

Entity in Executive Office	Incumbent	Level
COUNCIL ON ENVIRONMENTAL QUALITY		
Member	Jacqueline E. Schafer	IV.
Member	Vacant	IV.
OFFICE OF MANAGEMENT AND BUDGET		
Administrator-Office Information and Regulatory Affairs.	Jay S. Plager	IV.
OFFICE OF NUCLEAR WASTE NEGOTIATOR		
Nuclear Waste Negotiator	Vacant	III.
OFFICE ON SCIENCE AND TECHNOLOGY POLICY		
Associate Director	Thomas P. Rona	III.
Associate Director	Vacant	III.

Note.—Excluded from the list are those positions to which individuals have been nominated or where the President has announced that he is retaining the incumbents from the previous administration.

TABLE 4.—FULL-TIME POSITIONS REQUIRING SENATE CONFIRMATION IN MULTILATERAL ORGANIZATIONS FOR WHICH PRESIDENT BUSH HAS NEITHER MADE A NOMINATION NOR ANNOUNCED RETENTION OF INCUMBENT FROM PREVIOUS ADMINISTRATION, AS OF NOV. 10, 1989

Name of Organization	Incumbent	Level
ASIAN DEVELOPMENT BANK		
U.S. Executive Director	Victor F. Frank, Jr.	NA [1]
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT		
U.S. Alternate Executive Director [1]	Mark T. Cox IV	NA [1]
INTERNATIONAL MONETARY FUND		
U.S. Alternate Executive Director [1]	Charles S. Warner	NA [1]

[1] Salary is slightly higher than Executive Level V.

Note.—Excluded from the list are those positions to which individuals have been nominated or where the President has announced that he is retaining the incumbents from the previous administration.

NOMINATIONS PENDING IN SENATE COMMITTEES AND ON EXECUTIVE CALENDAR (as of close of business, Nov. 9, 1989)

This list shows on a committee by committee basis the name of nominee, position nominated for, and date nominated by the President.

Nominations pending on the Executive Calendar are listed under the reporting committees with the name of the nominee, position, and Executive Calendar number.

AGRICULTURE

Nominations on the Calendar:

James E. Cason, Assistant Secretary of Agriculture, May 2 (Cal. 449).

Nominations pending in Committee:

William P. Albrecht, Commodity Futures Trading Commission, Commissioner, August 1.

Margot E. Machol, Commodity Futures Trading Commission, Commissioner, Sept. 8.

Adis Maria Vila, Assistant Secretary, Dept. of Agriculture, Sept. 14.

Leon Snead, Inspector General, Dept. of Agriculture, Oct. 3.

ARMED SERVICES

Nominations pending in Committee:

Antonio Lopez, Associate Dir. of the Fed. Emergency Management Agency, May 18.

Victor Stello to be Asst. Sec. of Energy, July 24.

Robert C. Duncan, Dir. of Operational Test & Evaluation, Dept. of Defense, August 4.

Christopher Jehn, Asst. Secretary, Dept. of Defence, Sept. 6.

Craig S. King, General Counsel of the Dept. of the Navy, Dept. of Defense, Sept. 6.

Barbara S. Pope, Asst. Secretary of the Navy, Dept. of Defense, Sept. 6.

Duane P. Andrews, Asst. Secretary of Defense, Dept. of Defense, Sept. 8.

Ann C. Petersen, General Counsel of the Dept. of the Air Force, Dept. of Defense, Oct. 3.

Michael B. Donley, Asst. Secretary of the Air Force, Dept. of Defense, Oct. 6.

Robert R. McMillian, Member of the Board, Panama Canal Commission, Oct. 6.

Robert C. McCormack, Asst. Secretary of the Navy, Dept. of Defense, Oct. 11.

Susan M. Livingstone, Asst. Secretary, Dept. of Defense, Nov. 2.

G. Kim Wincup, Asst. Secretary of the Army, Dept. of Defense, Nov. 6.

BANKING

Nominations pending on the Calendar:

Brian W. Clymer, Urban Mass Transportation Administrator, June 16 (Cal. 336).

Nominations pending in Committee:

Michael P. Galvin, Asst. Sec. of Commerce, August 4.

Frank B. Sollars, Member of the Board of Directors, National Consumer Cooperative Bank, Sept. 6.

Gordon H. Mansfield, Asst. Secretary, Dept. of Housing and Urban Development, Oct. 3.

Mary L. Schapiro, Member of the Securities and Exchange Commission, Nov. 8.

COMMERCE

Nominations pending in Committee:

Edward M. Emmitt, Member ICC, June 8.

Deborah Wince-Smith, Asst. Sec. of Commerce for Technology Policy, June 13.

Sue Coughlin, Member of the National Transportation Safety Board, June 21.

Jerry R. Curry, Administrator of the National Highway Traffic Safety Administration, Dept. of Transportation, Sept. 6.

Jennifer J. Wilson, Asst. Secretary for Oceans and Atmosphere, Department of Commerce, Sept. 8.

J. Thomas Ratchford, Associate Director of the Office of Science and Technology Policy, Executive Office of the President, Oct. 3.

James B. Wyngaarden, Associate Director of the Office of Science and Technology Policy, Executive Office of the President, Oct. 3.

Jacqueline Jones-Smith, Commissioner, Consumer Product Safety Commission, Oct. 12.

Jacqueline Jones-Smith, Chairman, Consumer Product Safety Commission, Oct. 12.

Barry L. Harris, Deputy Administrator of the Federal Aviation Administration, Dept. of Transportation, Nov. 6.

Edward J. Philbin, to be a Member of the Interstate Commerce Commission, Nov. 9.

ENERGY

Nominations on the Calendar:

Martin L. Allday, Member of the Federal Energy Regulatory Commission, Oct. 17 (Cal. 478).

Nominations pending in Committee: None.

ENVIRONMENT

Nominations on the Calendar:

Forrest J. Remick, to be a Member of the Nuclear Regulatory Commission, August 4 (Cal. 474).

Nominations pending in Committee:

David C. Williams, Inspector General Nuclear Regulatory Commission, July 24 (Jt. Referral w/Gov't Affairs).

James M. Strock, Asst. Administrator of EPA for Enforcement and Compliance Monitoring, August 4.

Jacqueline L. Phillips, Federal Cochairman, Appalachian Regional Commission, Sept. 6.

Hilda G. Legg, Alternate Federal Cochairman, Appalachian Regional Commission, Oct. 4.

Don R. Clay, Asst. Administrator, Office of Solid Waste, Environmental Protection Agency, Oct. 17.

FINANCE

Nominations pending in Committee:

Catalina V. Villalpando, Treasurer of the U.S., Dept. of the Treasury, Sept. 26.

Donald E. Kirkendall, Inspector General, Dept. of Treasury, Oct. 20.

Abraham N. M. Shashy, Asst. General Counsel in the Dept. of the Treasury (Chief for the Internal Revenue Service), Nov. 2.

FOREIGN RELATIONS

Nominations pending on the Calendar:

Morton I. Abramowitz, Career Member of the Senior Foreign Service, Class of Career Minister, for the personal rank of Career Ambassador in recognition of especially distinguished service over a sustained period (Cal. 465).

Richard H. Melton (C), Ambassador to the Federative Republic of Brazil, (Cal. 489).

Cresemcop S. Arcps (C) Ambassador to the Republic of Honduras, (Cal. 480).

Nominations pending in Committee—C-career, NC-noncareer:

Eric M. Javits (NC), to be Amb. to Venezuela, July 11.

Joy A. Silverman (NC), to be Amb. to Barbados & concurrently to Dominica, St. Lucia, St. Vincent & the Grenadines, July 11.

Jerry A. Moore, Jr. (NC) to be Amb. to Lesotho, July 11.

Ronald J. Sorini (NC), for rank of Amb. as U.S. Negotiator on Textile Matters, August 2.

James D. Watkins, U.S. Representative to the 33rd session of the General Conference, International Atomic Energy Agency, Sept. 20.

Pearl Bailey (NC), Representative to the 44th Session of the General Assembly, United Nations, Sept. 26.

Barbara Hackman Franklin (NC), an Alternate Representative to the 44th Session of the General Assembly, United Nations, Oct. 6.

Gary E. McDougal (NC), an Alternate Representative to the 44th Session of the General Assembly, United Nations, Oct. 6.

Philip L. Christenson (NC), Asst. Administrator of the Agency for International Development, Oct. 6.

Ruth V. Washington (NC), Ambassador to the Republic of The Gambia, Oct. 11.

Daniel Howard Simpson (C), Ambassador to the Central African Republic, Oct. 17.

Bernard W. Aronson (NC), Member of the Board of Directors, Inter-American Foundation, Oct. 17.

Edward S. Walker (C), Ambassador to the United Arab Emirates, Oct. 20.

Frances D. Cook (C), Ambassador to the Republic of Cameroon, Oct. 25.

Richard T. Kennedy, Alternate Representative to the 33rd Session of the General Conference, International Atomic Energy Agency, Oct. 25.

Edmund DeJarnette (C), Ambassador to the United Republic of Tanzania, Oct. 30.

Michael H. Newlin, Alternate Representative to the 33rd Session of the General Conference, Oct. 30.

Larry K. Mellinger (NC), U.S. Executive Director, Inter-American Development Bank, Oct. 30.

Albert W. Angulo (NC), U.S. Alternate Executive Director, Inter-American Development Bank, Oct. 30.

Hilary P. Cleveland (NC), Commissioner on the part of the U.S. International Joint Commission, U.S. and Canada, Nov. 1.

Anthony C.E. Quainton (C), Ambassador to the Republic of Peru, Nov. 6.

Bradley P. Holmes (NC), U.S. Coordinator for International Communications and Information Policy, with the rank of Ambassador, Nov. 6.

Cynthia S. Perry (NC), Ambassador to the Republic of Burundi, Nov. 8.

Robert G. Joseph (C), rank of Ambassador during his tenure of service as U.S. Commissioner on the U.S.-USSR Standing Consultative Commission, Nov. 8.

Stephen J. Ledogar, (C), for the rank of Ambassador during his tenure of service as U.S. Representative to the Conference on Disarmament, Nov. 9.

GOVERNMENTAL AFFAIRS

Nominations pending in Committee:

Jean McKee, Member Federal Labor Relations Authority, July 11.

Kathleen Koch, General Counsel Federal Labor Relations Authority, July 11.

David C. Williams, Inspector General, Nuclear Regulatory Commission, July 24 (Jt. Referral w/Env. & PW).

Pamela Talkin, Member Federal Labor Relations Authority, July 31.

Tony Armendariz, Member, Federal Labor Relations Authority, Sept. 6.

Bill R. Phillips, Deputy Director, Office of Personnel Management, Sept. 6.

George W. Haley, Commissioner, Postal Rate Commission, Sept. 12.

Ronald G. Hein, U.S. Marshal for the Superior Court of the District of Columbia, Sept. 15.

Zinora M. Mitchell, Associate Judge of the Superior Court of the District of Columbia, Sept. 29.

Barbara E. Bryant, Director of the Census, Dept. of Commerce, Oct. 6.

Richard G. Austin, Administrator, General Services Administration, Oct. 11.

Allan V. Burman, Administrator for Federal Procurement Policy, Oct. 25.

JUDICIARY

Nominations pending on the Calendar: None.

Nominations pending in Committee:

Cindy S. Daub, Commissioner, Copyright Royalty Tribunal, Sept. 6.

Vaughn R. Walker, U.S. District Judge for the Northern District of California, Sept. 7.

Edwin L. Nelson, U.S. District Judge for the Northern District of Alabama, Sept. 21.

G. Thomas Van Bebber, U.S. District Judge for the District of Kansas, Sept. 13.

Michael J. Norton, U.S. Attorney for the District of Colorado, Sept. 15.

John M. Walker, U.S. Circuit for the Second Circuit, Sept. 21.

Susan Webber Wright, U.S. District Judge for the Eastern and Western Districts of Arkansas, Sept. 21.

Jean P. Bradshaw, U.S. Attorney for the Western District of Missouri, Oct. 6.

Joyce J. George, U.S. Attorney for the Northern District of Ohio, Oct. 6.

Harry F. Manbeck, Commissioner of Patents and Trademarks, Dept. of Commerce, Oct. 12.

Robert W. Sweet, Administrator of the Office of Juvenile Justice and Delinquency Prevention, Oct. 13.

Edward W. Nottingham, U.S. District Judge for the District of Colorado, Oct. 20.

Arthur D. Spatt, U.S. District Judge for the Eastern District of New York, Oct. 25.

Timothy D. Leonard, U.S. Attorney for the Eastern District of Oklahoma, Oct. 25.

Clarence Thomas, U.S. Circuit for the District of Columbia Circuit, Oct. 30.

Edward J. Lodge, U.S. District Judge for the District of Idaho, Oct. 30.

Gene W. Shepard, U.S. Attorney for the Southern District of Iowa, Nov. 6.

Scott A. Sewell, U.S. Marshal for the District of Maryland, Nov. 8.

Douglas B. Comer, Deputy Commissioner of Patents and Trademarks, Dept. of Commerce, Nov. 8.

Gerald E. Rosen, to be U.S. District Judge for the Eastern District of Michigan, Nov. 9.

Donald J. Lee, to be U.S. District Judge for the Western District of Pennsylvania, Nov. 9.

LABOR AND HUMAN RESOURCES

Nominations pending on the Calendar:

Jerry M. Hunter, Natl Labor Relations Board, General Counsel, (Cal. 385).

Clifford R. Oviatt, Member, Natl Labor Relations Board, (Cal. 386).

Donald Rodger, Member, Natl Labor Relations Board, (Cal. 387).

Dennis M. Devaney, Member, Natl Labor Relations Board for the remainder of term expiring December 16, 1989 (Cal. 388).

Dennis M. Devaney, Member, Natl Labor Relations Board for term of five years expiring December 16, 1994 (Cal. 389).

Nominations pending in Committee:

Edwin G. Foulke, Member, Occupational Safety and Health Review Commission, Sept. 26.

Bernard E. DeLury, Director, Federal Mediation and Conciliation Service, Sept. 27.

INDIAN AFFAIRS

Nominations pending in Committee: No nominations pending.

INTELLIGENCE

Nominations pending in Committee: No nominations pending.

RULES

Nominations pending in Committee:

Robert W. Houk, Public Printer, GPO, Nov. 7.

SMALL BUSINESS

Nominations pending in Committee:

Kyo Jhin, Chief Counsel for Advocacy, Small Business Administration, June 23.

VETERANS' AFFAIRS

Nominations pending in Committee:

Ronald E. Ray, Asst. Secretary of Veterans Affairs (Human Resources and Administration), Sept. 6.

Edward G. Lewis, Asst. Secretary of Veterans Affairs (Information Resources Management) Sept. 18.

Hart T. Mankin, Associate Judge of the U.S. Court of Veterans Appeals, Sept. 29.

David E. Lewis, Assistant Secretary of Veterans Affairs (Acquisition and Facilities) Oct. 12.

Mr. MITCHELL. Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

WELCOMING THE OPENING OF THE BERLIN WALL AND CALLING FOR ITS COMPLETE DESTRUCTION

Mr. MITCHELL. Mr. President, in behalf of myself, Senators DOLE, LEVIN, HELMS, and WIRTH, I send a resolution on the opening of the Berlin Wall to the desk, and ask that the clerk state the resolution.

The PRESIDING OFFICER. The clerk will state the resolution.

The legislative clerk read as follows:

S. RES. 207

Whereas, since the end of World War II, the United States and the Western allies have been committed to a free Berlin;

Whereas the Berlin airlift, which symbolized that commitment, successfully ended the Soviet blockade of Berlin in 1949;

Whereas the Berlin Wall was created to blockade the eastern half of Berlin and has stood as a symbol of oppression and denial of basic human freedom for 28 years;

Whereas the people of Berlin have struggled heroically against this artificial division of their city, and numerous East Berliners lost their lives while attempting to escape their section of the city;

Whereas free travel between East and West Berlin was permitted beginning on November 9, 1989, and now the Berlin Wall has been opened in several places; and

Whereas at least two million East Germans have crossed to West Berlin during the first few days that the Wall has been opened: Now, therefore, be it

Resolved, That the Senate—

(1) welcomes the opening of the Berlin Wall as symbolic of the beginning of the process of reform taking place in the German Democratic Republic (East Germany) and throughout Eastern Europe;

(2) commends the people of Berlin for their desire for freedom, their courage and dignity, and their role in bringing about the opening of the Wall;

(3) urges the Government of the German Democratic Republic (East Germany) to make permanent the freedom to travel, to permit the formation of political parties, and to hold free elections; and

(4) calls upon the Soviet and East German authorities to remove and destroy the Berlin Wall.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MITCHELL. Mr. President, this resolution speaks for itself.

I will add only that in a year of tumultuous and moving events, none have exceeded and few have equaled the drama of the opening and the destruction of the Berlin Wall, first symbolically and now physically.

This resolution is intended by Senator DOLE and myself to express the strong support of the American people to the people of Berlin and to the desire for freedom of the people of East Germany whose actions have moved their government to take action that few if any believed possible not years or months but just days ago. I hope that the Senate will unanimously approve this resolution.

Mr. SIMON. Mr. President, I ask unanimous consent to be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, let me just add my guess is 10, 20, 50 years from now, people will look back on this week that has just passed as the most significant week in the history of humanity since the end of World War II. I think it is that momentous.

The PRESIDING OFFICER. Is there further discussion on the resolution?

The Chair hears none.

The question is on agreeing to the resolution.

The resolution (S. Res. 207) was agreed to.

The preamble was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPORT FOR EAST EUROPEAN DEMOCRACY ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 1126

(Purpose: To hold Communist China to its commitment to refrain from missile sales to the Middle East)

Mr. COCHRAN. Mr. President, on behalf of the Senator from North Carolina [Mr. HELMS] I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], on behalf of Mr. HELMS, proposes an amendment numbered 1126.

Mr. COCHRAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the committee amendment, add the following new section:

"SEC. . The United States Government shall not assist any missile program of the People's Republic of China in any manner, until the President certifies to Congress that China is not currently supplying ballistic missiles or missile technology to Iran, Iraq, Syria, or Libya, and has provided reasonable assurances that no future sales of missiles or missile technology to such countries are planned.".

Mr. HELMS. Mr. President, this amendment poses a clear cut question: Are we to allow the United States to assist the Communist Chinese missile program at the same time the Chinese may be supplying—or preparing to supply—ballistic missiles and missile technology to Libya, Iran, Syria, and Iraq?

The amendment reads:

The United States Government shall not assist the missile program of the People's Republic of China in any manner, until the President certifies to Congress that China is not currently supplying ballistic missiles or missile technology to Iran, Iraq, Syria or Libya, and has provided reasonable assurances that no future sales or missiles or missile technology to such countries are planned.

Mr. President, this amendment is almost exactly the same as an amendment approved by the Senate as part of the 1989 foreign operations appropriations bill. That amendment was subsequently rejected by the House on the basis of a reported commitment received by the administration from the Communist Chinese that no further missile sales would be made to Iran, Iraq, Syria, and Libya.

At the time my amendment was rejected by the House, it was widely suggested that the issue be revisted in the event that the Chinese did not abide by their reported commitment.

It now appears as though China may not be abiding by this commitment. A New York Times story of November 8, 1989 titled "U.S. Worries That China May Again Sell Missiles" reported that a senior official of the Arms Control and Disarmament Agency told a conference that the United States is concerned that Communist China may drop its commitment not to sell missiles or missile technology.

Neither the type of missile nor its destination were identified by the ACDA official, but in February of this year experts from the Congressional Research Service speculated that Syria may be in the market for the Chinese M-9 missile. The M-9 is a solid-fueled rocket with a range of 375 miles. It is highly mobile and in the hands of the Syrians could cover all of Israel.

I ask unanimous consent that the New York Times article be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. At the same time concerns are being raised that China may be back in the business of peddling missiles, the license to permit the Chinese to launch a United States satellite on a Chinese missile is likely to be issued within days.

Unless Congress acts to stop issuance of this export license by passing this amendment, the United States would be in the position of providing direct assistance to the Chinese missile program at a time when the Chinese may be peddling missiles and missile technology to the most rabid anti-American states in the Middle East.

If this amendment does not pass, and the export of United States satellites for launch by China is permitted, the Chinese missile program will be provided with valuable new technology, additional funds, and new found credibility. Precisely the wrong signal will be sent to the Chinese about their missile sales. The Chinese will be assisted in their efforts to build better, more advanced, more accurate and more deadly missiles for sale to Iraq, Syria, Libya, and Iran so that these countries will have better missiles to fire at Israel.

Mr. President, this will all come to pass unless some action is taken to prevent the export of United States satellites for launch on Chinese missiles. That is why this amendment is so necessary and urgent.

As I pointed out last year in this Chamber, Senators have watched as the Chinese have single-handedly ignited a missile race in the tinderbox of the Middle East. China's actions in this regard are made all the more irresponsible by the reported feverish efforts of countries such as Libya and Syria to develop chemical weapons which could be carried by Chinese-provided missiles.

But despite these developments—and their ominous implications for Israel's survival and America's interests in the Middle East, the State Department still wants to help the Chinese missile program—apparently without regard to China's adherence to its reported commitment not to provide these or other missiles to countries like Libya and Syria.

Mr. President, this amendment poses a very simple question. Are we going to sit back and allow the State Department to assist the Chinese missile program when the Chinese may be supplying or are preparing to supply missiles to Iran, Iraq, Syria, or Libya?

Or, are we going to take a firm stand for the security of Israel and for peace and stability in the Middle East by approving this amendment to prohibit United States assistance to the Chinese missile program?

Mr. President, mainland China today is a classic military dictatorship. Real power is not held by the President of the People's Republic of China or even the General Secretary of the Chinese Communist Party but rather in the Military Control Commission and particularly its chairmanship.

At the same time the Chinese military has been the prime instrument of tyranny. Military rule was first tried out on Tibet in March and since it successfully suppressed the Tibetans, it was expanded to Beijing in May.

In order to assist the democratic aspirations of the Chinese and Tibetan peoples, the free world must, as a first step, ensure that it does nothing to increase the power of the Chinese military. In practical terms, this means no hard currency transfers to the Chinese military.

A prime source of hard currency for the Chinese military has been arms sales, including ballistic missiles. They are now trying to establish a satellite launch service. For 25 million United States dollars, one-fourth the price of a Western launch service, the Chinese Army will launch Western satellites. They have proposed to launch two satellites for Australia and one satellite for a group of countries in Southeast Asia.

As I noted previously, within the past week a new issue has arisen to increase doubts as to the wisdom of these satellite launches by the Chinese. On November 9 the New York Times quoted an official of the Arms Control and Disarmament Agency [ACDA], who said that the United States is concerned that Communist China may sell missiles to the Middle East.

On March 1 of this year CIA Director Webster testified before the Senate Foreign Relations Committee that Syria, as well as Iran, Iraq, and Libya, is developing a chemical weapons capability. Not only does Syria remain a major headquarters for international terrorism, it is also in an official state of war with Israel. Poison gas coupled to the Chinese M-9 missile would change the balance of power in the Middle East.

If it can at all help it, the United States should not be in the position of assisting any Chinese plans to peddle missiles to the Middle East. However, if the proposed export of United States satellites for launch by Chinese missiles is permitted, we will be assisting these Chinese plans, and pumping up the Chinese People's Liberation Army at the same time.

To prevent the export of these satellites, Senators should support my amendment.

U.S. WORRIES THAT CHINA MAY AGAIN SELL MISSILES

(By Michael R. Gordon)

WASHINGTON, November 8.—A senior Administration official said today that the United States is concerned that China may drop its commitment not to sell medium-range missiles or the technology to make them.

The official, who spoke at a seminar organized by the Arms Control and Disarma-

ment Agency, declined to be specific about possible Chinese export efforts.

China has previously advertised for sale its M family of missiles and has indicated a willingness to help other nations make ballistic missiles, American officials have said. The remarks by the American official today appeared to reflect a concern that the Chinese are again marketing these weapons and technology.

Other Administration officials said they were aware of reports that China was selling missiles in the Middle East and elsewhere. While expressing concerns over these reports, several officials said there was conflicting information about what weapons might be for sale. They said they had no proof that a deal had been consummated.

ELSEWHERE IN ASIA

On other proliferation matters, the senior official painted a disturbing picture of developments in Asia. Pakistan, he said, is continuing its efforts to acquire illicit nuclear technology abroad, and India is producing far more plutonium than it needs for civilian purposes. The United States has asked Moscow to intercede with the Indians but is disappointed with the Soviet efforts, the official said.

Under the rules of the conference, held at the Wye Plantation in Maryland, the identities of the Administration officials who spoke there could not be disclosed.

American officials were shocked when they learned in March 1988 that China had sold old medium-range missiles to Saudi Arabia. The sale was a serious setback to their efforts to stem the spread of ballistic missiles.

The Reagan Administration sought assurances from the Chinese that they would make no further missiles sales. Chinese officials reportedly indicated that they would not sell intermediate-range missiles.

WHAT U.S. WANTS

Bush Administration specialists have been eager to get Beijing to reaffirm and clarify this understanding. For example, it is not clear exactly how it defines an intermediate-range missile. Nor is it clear to whom it intended to rule out the sale of missile technology, the senior official said.

But he expressed concern that the strain in relations that followed the Chinese crackdown in June on the democracy movement had hampered American efforts to obtain clarifications of Chinese missile views. A meeting in China on profliferation issues with American and Soviet officials was called off, the official said.

Turning to Pakistan, the official said "it is fair to say that the Pakistanis have not reduced their efforts to acquire equipment abroad" that could be used to make nuclear weapons..

President Bush told Congress last month that Pakistan does not possess a nuclear device; a certification to that effect is needed to provide military and economic aid. However, the senior official said that Pakistan has come so far in its nuclear program that Mr. Bush has "great difficulty" in making that certification.

Mr. SIMON. Mr. President, the language has been worked out with this side. I am pleased to accept the amendment.

The PRESIDING OFFICER. Is there further discussion of the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 1126) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SIMON). Without objection, it is so ordered.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 2:35 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2461) to authorize appropriations for fiscal year 1990 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year, and for other purposes.

The message also announced that the House has passed the following joint resolution, with amendments, in which it requests the concurrence of the Senate:

S.J. Res. 16. Joint resolution designating the month of November 1989 as "National Alzheimer's Disease Month."

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 426. An act for the relief of Christy Carl Hallien, of Arlington, TX;

H.R. 429. An act for the relief of Melissa Johnson;

H.R. 568. An act for the relief of Whiteworth Inc. of Gardenia, CA;

H.R. 569. An act for the relief of Maurice G. Hardy;

H.R. 713. An act for the relief of Bruce C. Veit;

H.R. 715. An act for the relief of the Junior Achievement of Sacramento, Inc.;

H.R. 757. An act for the relief of Richard W. Ireland;

H.R. 1017. An act for the relief of William A. Cassity;

H.R. 1018. An act for the relief of Samuel R. Newman;

H.R. 1020. An act to permit reimbursement of relocation expenses of William D. Morger;

H.R. 1021. An act for the relief of Charlotte S. Neal;

H.R. 1727. An act to modify the boundaries of the Everglades National Park and to provide for the protection of lands, waters, and natural resources within the park, and for other purposes;

H.R. 2107. An act for the relief of Pablo Cruz Patag;

H.R. 2890. An act to designate the Federal Building and U.S. Courthouse located at 750 Missouri Avenue in East St. Louis, IL, as the "Melvin Price Federal Building and U.S. Courthouse"; and

H.R. 3628. An act to temporarily reduce the capital gains tax for noncorporate taxpayers, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 217. Concurrent resolution honoring the centennial of the birth of India's Pandit Jawaharlal Nehru;

H. Con. Res. 218. Concurrent resolution concerning the establishment of a South Pacific Nuclear Free Zone; and

H. Con. Res. 225. Concurrent resolution directing the Clerk of the House of Representatives to make technical corrections in the enrollment of the bill H.R. 2461.

ENROLLED BILL SIGNED

The message further announced that the Speaker has signed the following enrolled bill:

H.R. 2991. An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1990, and for other purposes.

The enrolled bill was subsequently signed by the Acting President pro tempore [Mr. DASCHLE].

At 4:07 p.m., a message from the House of Representatives announced that the House disagrees to the amendments of the Senate to the bill (H.R. 2748) to authorize appropriations for fiscal year 1990 for intelligence and intelligence-related activi-

ties of the U.S. Government, the intelligence community staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Permanent Select Committee on Intelligence: Mr. BEILENSON, Mr. MCCURDY, Mr. KASTENMEIER, Mr. ROE, Mr. MCHUGH, Mr. DWYER of New Jersey, Mr. WILSON, Mrs. KENNELLY, Mr. GLICKMAN, Mr. MAVROULES, Mr. RICHARDSON, Mr. SOLARZ, Mr. HYDE, Mr. LIVINGSTON, Mr. SHUSTER, Mr. COMBEST, Mr. BEREUTER, Mr. ROWLAND of Connecticut, and Mr. DORNAN of California.

From the Committee on Foreign Affairs, for consideration of title IX of the Senate amendment, and modifications committed to conference: Mr. FASCELL, Mr. HAMILTON, and Mr. BROOMFIELD.

From the Committee on Armed Services, for consideration of Department of Defense tactical intelligence and related activities, and modifications committed to conference: Mr. ASPIN, Mr. LANCASTER, and Mr. DICKINSON.

From the Committee on the Judiciary, for consideration of sections 503 and 601 of the Senate amendment, and modifications committed to conference: Mr. EDWARDS of California, Mr. MORRISON of Connecticut, Mr. BERMAN, Mr. SENSENBRENNER, and Mr. SMITH of Texas.

The message also announced that the House has passed the following bill, without amendment:

S. 931. An act to protect a segment of the Genesee River in New York.

The message further announced that the House has agreed to the resolution (H. Res. 287) stating that the bill (S. 686) to consolidate and improve Federal laws providing compensation and establishing liability for oilspills, in the opinion of the House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of the House, and that such bill is respectfully returned to the Senate.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 215. An act to amend title 5, United States Code, with respect to the method by which premium pay is determined for irregular, unscheduled overtime duty performed by a Federal employee; and

H.R. 756. An act for the relief of Shelton Anthony Smith.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 426. An act for the relief of Christy Carl Hallien, of Arlington, TX; to the Committee on the Judiciary.

H.R. 429. An act for the relief of Melissa Johnson; to the Committee on the Judiciary.

H.R. 568. An act for the relief of Whiteworth Inc. of Gardenia, CA; to the Committee on the Finance.

H.R. 569. An act for the relief of Maurice G. Hardy; to the Committee on the Judiciary.

H.R. 713. An act for the relief of Bruce C. Veit; to the Committee on the Judiciary.

H.R. 715. An act for the relief of Junior Achievement of Sacramento, Inc.; to the Committee on Finance.

H.R. 756. An act for the relief of Shelton Anthony Smith; to the Committee on the Judiciary.

H.R. 757. An act for the relief of Richard W. Ireland; to the Committee on the Judiciary.

H.R. 1017. An act for the relief of William A. Cassity; to the Committee on the Judiciary.

H.R. 1018. An act for the relief of Samuel R. Newman; to the Committee on the Judiciary.

H.R. 1020. An act to permit reimbursement of relocation expenses of William D. Morger; to the Committee on Energy and Natural Resources.

H.R. 1021. An act for the relief of Charolette S. Neal; to the Committee on Armed Services.

H.R. 2107. An act for the relief of Pablo Cruz Patag; to the Committee on the Judiciary.

H.R. 2890. An act to designate the Federal Building and U.S. Courthouse located at 750 Missouri Avenue in East St. Louis, IL, as the "Melvin Price Federal Building and United States Courthouse"; to the Committee on Environment and Public Works.

The following concurrent resolutions were read, and referred as indicated:

H. Con. Res. 217. Concurrent resolution honoring the centennial of the birth of India's Pandit Jawaharlal Nehru; to the Committee on the Judiciary.

H. Con. Res. 218. Concurrent resolution concerning the establishment of a South Pacific Nuclear Free Zone; to the Committee on Foreign Relations.

MEASURES PLACED ON THE CALENDAR

Under the authority of the order of the Senate of November 9, 1989, the following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 3628. An act to temporarily reduce the capital gains tax for noncorporate taxpayers, and for other purposes.

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1727. An act to modify the boundaries of the Everglades National Park and to provide for the protection of lands, waters, and natural resources within the park, and for other purposes.

The Committee on Foreign Relations was discharged from the further consideration of the following bill, which was placed on the calendar:

H.R. 1495. An act to amend the Arms Control and Disarmament Act to authorize appropriations for the Arms Control and Disarmament Agency, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, without amendment:

S. 1782. A bill to amend the Public Health Service Act to provide for the establishment of an AIDS treatment assistance program for low-income individuals, and for other purposes (Rept. No. 101-197).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with amendments:

S. 53. A bill to authorize the reformulation of the Cedar Bluff Unit of the Pick-Sloan Missouri Basin Program, Kansas, to provide for the amendment of water service and repayment contracts (Rept. 101-198).

S. 486. A bill to authorize the Secretary of the Interior to construct and test the Lake Meredith Salinity Control Project, New Mexico and Texas, and for other purposes (Rept. No. 101-199).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

S. 1121. A bill to authorize additional appropriations for the construction of the Buffalo Bill Dam and Reservoir, Shoshone Project, Pick-Sloan Missouri Basin Program, Wyoming (Rept. No. 101-200).

S. 1275. A bill to authorize the Secretary of the Interior to construct, operate, and maintain a water treatment plant for the purpose of treating water discharged from the Leadville Mine Drainage Tunnel near Leadville, CO, in order to meet water quality standards, and for other purposes. (Rept. No. 101-201).

H.R. 1310. A bill to redesignate a certain portion of the George Washington Memorial Parkway as the "Clara Barton Parkway" (Rept. No. 101-202).

By Mr. INOUYE, From the Select Committee on Indian Affairs, with an amendment in the nature of a susbstitute.

S. 1783. A bill to regulate Indian child protection and prevent child abuse on Indian Reservations (Rept. No. 101-203).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. RIEGLE:

S. 1872. A bill to amend title II of the Social Security Act to provide for improvements in widow's and widower's insurance benefits; to the Committee on Finance.

By Mr. HATCH:

S. 1873. A bill to amend title 38, United States Code, to repeal the termination of the Veterans' Educational Assistance program and to extend the 10-year delimiting period for certain Vietnam veterans; to the Committee on Veterans' Affairs.

By Mr. HEINZ:

S.J. Res. 226. Joint resolution to designate the year 1990 as the "Bicentennial Anniversary of the Legacy of Benjamin Franklin"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MITCHELL (for himself, Mr. DOLE, Mr. LEVIN, Mr. HELMS, Mr. SIMON, and Mr. WIRTH:)

S. Res. 207. Resolution welcoming the opening of the Berlin Wall and calling for its complete destruction; considered and agreed to.

By Mr. SYMMS:

S. Con. Res. 81. Concurrent resolution expressing the sense of the Congress that it should be the policy of the United States to encourage an acceleration of growth in selected Third World nations in order to create new markets for advanced-country products and services; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. RIEGLE:

S. 1872. A bill to amend title II of the Social Security Act to provide for improvements in widow's and widower's benefits; to the Committee on Finance.

SOCIAL SECURITY DISABLED WIDOW'S AND WIDOWER'S EQUITY ACT

● Mr. RIEGLE. Mr. President, I am pleased to introduce S. 1872, the Social Security Disabled Widow's and Widower's Equity Act of 1989. The bill amends title II of the Social Security Act to provide for improvements in the way widows and widowers (hereinafter referred to as widows) can qualify for benefits as disabled survivors of their spouses. Congressman JAMES L. OBERSTAR (D-Minn) has introduced parallel legislation in the House (H.R. 2731).

Disabled widows are treated less equitably than disabled workers under the eligibility requirements of the Social Security Act that stipulate two different standards for determining disability. Wage earners and SSI applicants just establish that medically determinable impairments are so severe as to preclude substantial gainful activity. If such an impairment exists but does not meet the listing of impairments published in Social Security regulations, the applicant's age, education, and work experience are also taken into consideration. This is not true for disabled widows whose eligibility is measured against the listings alone. This double standard would be eliminated by the passage of this bill.

Unlike disabled wage earners, disabled widows under age 65 receive reduced benefits and widows under age 50 do not qualify for disability benefits. Even though disabled widows lack earning power, they are unable to receive benefits before age 50, and, once they attain age 50, they receive reduced benefits. These inequities contribute largely to the impoverishment of disabled widows throughout the country. This bill will remove the existing age 50 requirement and eliminate the reduction in benefits for months before age 65.

Under current law, a widow can establish eligibility for widow's disability benefits only during the 7 years after the death of the worker or cessation of mother's benefits. The underlying presumption is that a widow who is neither caring for young children nor disabled is capable of self-support. Thus, she can enter the workforce and qualify for her own disabled worker's benefit before her protection as a widow expires. Benefits, however, can be totally inadequate if the widow has only a few years of experience in the work force. For this reason, my bill will eliminate the requirement that the disabling condition must occur within 7 years of the worker's death or cessation of mother's benefits.

Mr. President, I intend to work vigorously for the passage of this bill which will eliminate the inequities currently facing widows who become disabled and seek Social Security benefits based on the earnings of a deceased spouse.●

By Mr. HATCH:

S. 1873. A bill to amend title 38, United States Code, to repeal the termination of the Veterans' Educational Assistance Program and to extend the 10-year delimiting period for certain Vietnam veterans; to the Committee on Veterans' Affairs.

CONTINUATION OF VETERANS' EDUCATIONAL ASSISTANCE PROGRAM

Mr. HATCH. Mr. President, I rise today, recognizing the proximity of Veterans Day, to introduce a bill that I feel will give veterans the education benefits they deserve.

This bill would ensure that all veterans eligible to receive educational assistance under the Veterans' Educational Assistance Program have 10 years after discharge or release from active duty in which to pursue a program of education with such assistance. It also provides 1 day of additional assistance for every day veterans served in the Vietnam Theater of Combat Operations.

According to a survey I requested, based on a model sample of veterans at Weber State College in Utah, Vietnam-era veterans entered the military with the understanding that the educational benefits granted under the Veterans' Educational Assistance Program would be available upon their discharge. With the December 31, 1989, termination date quickly approaching, these benefits will no longer be available to many who chose to prolong their service in the U.S. Armed Forces.

The Department of Veterans Affairs estimated that approximately 1 million veterans will have some remaining months of eligibility after the December 31, 1989, cutoff date. I am therefore providing the opportunity for veterans to receive the educational benefits they deserve and that were promised to them when they entered military service.

The Montgomery GI bill is a plan that generously and fairly rewards veterans for their service to our country, but it seems to overlook many who chose to stay in the service and are therefore not eligible for full education assistance under either program. I am merely asking that those transitory veterans who have earned the opportunity to pursue an education and become a productive member of the Nation's work force, have the chance to do so. Those who remained in the military after the Vietnam era should not be penalized by being denied a full 10 years following discharge to use their benefits. When they entered the service, these veterans were promised 45 months of educational benefits, and I feel it is our obligation to keep that promise.

Education assistance was originally intended to facilitate the transition from military service to civilian life and to aid veterans whose careers were interrupted or hindered because of their military service. Studies show that while many veterans have successfully adjusted to civilian life, there are many others who continue to struggle with readapation problems.

Many, including the Department of Veterans Affairs, may argue that extending the delimiting period is not consistent with the readjustment intent of the program. But, by studying the National Vietnam Veterans Readjustment Study conducted by Research Triangle Institute [RTI] in 1988, one will find that a substantial number of both men and women who served in the Vietnam theater of operations have experienced at least one serious readjustment problem after returning to civilian life, and a majority of these veterans continue to experience at least one such problem. Those who most literally fought the war—theater veterans exposed to high levels of war zone stress—were significantly more prone to these problems.

I am introducing this measure to extend assistance to veterans because of the great readjustment problems they face throughout their lives. According to the RTI study, differences of educational attainment exist, compared to that of civilians; there were also discrepancies of educational attainment between Vietnam theater veterans and Vietnam-era veterans. It was found that men exposed to high

war stress were less educated than those exposed to lower levels. It is for this reason that I want to provide additional assistance to those who defended our country in theater combat.

Contrasts between civilians and Vietnam theater veterans of various backgrounds abound, not only on education but also on employment status and occupational instability. Among males overall, theater veterans were marginally less educated than civilians, and those veterans exposed to high war stress were significantly less educated, according to the RTI study.

Male theater veterans and veterans exposed to high war stress also tend to have a work history characterized by occupational instability more often than civilians. For example, theater veteran men experiencing high war stress were almost twice as likely as their civilian counterparts to score at the highest level of occupational instability—25.3 percent versus 14.2 percent. Vietnam theater veterans exposed to high levels of war stress have higher rates of posttraumatic stress disorder [PTSD] than other Vietnam veterans, and both men and women with PTSD were more likely to report work histories characterized by instability than those without this disorder. Among males, those with PTSD had acquired less education and were more likely to be unemployed than civilians, and were also more than twice as likely (42.2 percent versus 19.1 percent) to report high levels of occupational instability. Females with PTSD were more than four times as likely (21.8 percent versus 5.6 percent) to report high levels of occupational instability. In addition, male theater veterans with PTSD were more than 5 times more likely to be unemployed (13.3 percent versus 2.5 percent). Because of relatively high unemployment, especially among younger Vietnam veterans, there is a special need now for education and training assitance that we cannot afford to overlook.

The Department of Veterans Affairs has provided me with the approximate total numbers of veterans eligible for education benefits under chapter 34 of title 38, United States Code, the group comprising those veterans who would qualify for this extended entitlement. The DVA estimated: fiscal year 1990, 108,600; fiscal year 1991, 61,800; fiscal year 1992, 43,400; fiscal year 1993, 32,200; fiscal year 1994, 24,000. The DVA also estimated that this extended program would cost approximately $574 million in benefits, and $9 million in administrative costs.

Many may argue that this is too costly. But they are ignoring the promise that was made to these people when they joined, and the many advantages that the United States enjoys as a result of these veterans' devoted service. Our Nation will further benefit as our competitiveness is increased by a more educated and productive work force. We owe it to these devoted veterans to ensure their continued education assistance, so that they can receive the education they deserve. Many veterans are juggling full-time or part-time jobs and family responsibilities, and 10 years are needed for them to complete their degree requirements. These veterans are entitled to 45 months of education benefits and they should be given 10 years from their date of discharge in which to use this assistance.

I urge my colleagues to support this bill and give those who so ably defended our country the opportunity for education that they deserve.

By Mr. HEINZ:

S.J. Res. 226. Joint resolution to designate the year 1990 as the "Bicentennial Anniversary of the Legacy of Benjamin Franklin"; to the Committee on the Judiciary.

BICENTENNIAL ANNIVERSARY OF THE LEGACY OF BENJAMIN FRANKLIN

● Mr. HEINZ. Mr. President, I rise today to introduce legislation that celebrates the bicentennial anniversary of a great Pennsylvanian, American, and world leader—Benjamin Franklin. Deceased in 1790, after 84 years of service to his country and the world, Benjamin Franklin bequeathed to all mankind a legacy of achievement unmatched in its scope or importance. Benjamin Franklin, considered by many as the original American, was known as the "first citizen of the world" and hailed as a man of unlimited dimension. As a printer, publisher, diplomat, public servant, scientist, businessman, philosopher, philanthropist, healthcare pioneer, and achieving senior citizen, Franklin left a legacy and a philosophy that continues to profoundly influence our lives today.

The establishment of our Nation was made possible by the Founding Fathers, among whom Benjamin Franklin was the senior member. By pledging his life, his fortune, and his sacred honor in the cause of freedom and liberty, Franklin epitomized the spirit that guided our young Nation to independence.

Born in Boston in 1706 and apprenticed as a printer to his brother, Franklin learned quickly the power of the written word and its ability to influence public opinion. At 17 he made his home in Philadelphia where he established himself as the Nation's foremost printer and publisher. During his career, Franklin published seven English language newspapers, and his Pennsylvania Gazette, the most widely circulated newspaper in America, championed the cause of liberty. Franklin also published the first foreign language newspaper, the first political cartoon, and the first novel in America.

Elected to the Pennsylvania assembly in 1750, Franklin was to be active in politics for the next 38 years. He was selected as Speaker and agent to Parliament. The highlight of his 14 years in England was his convincing argument before the House of Commons to repeal the Stamp Act. Franklin was also the Deputy Postmaster General of North America and was later appointed by Congress as the first Postmaster General of America.

Benjamin Franklin played a significant role in the founding of the United States through his work as a delegate to the Second Continental Congress, which voted independence in 1776. Benjamin Franklin was our first diplomat and through his earnest efforts secured recognition of our infant Republic by France. He gained men, ships and money to help in pursuit of our war of independence. It was due to his patience and skill that we achieved a treaty of peace with Great Britain in 1788.

Elected President of Pennsylvania, Franklin not only served as chief executive of his State but was also drafted to represent it in the Constitutional Convention convened to revise the Articles of Federation—our first charter. It was his wit and wisdom that kept the Framers of our Constitution at work during the hot summer of 1787, and his spirit and dedication that enabled 13 separate colonies to become one nation.

Benjamin Franklin, the citizen, played an active role in the betterment of his city and the world. He established the first subscription library and the first mutual insurance company, the University of Pennsylvania and the first hospital in America.

As a scientist, Benjamin Franklin is held in the highest esteem throughout the world. He invented the lightning rod, the electric storage battery and his book on electricity was in great demand throughout the world. He invented a smokeless fireplace, a woodburning stove and a copying machine. Franklin was the first to explain the Gulf Stream, to study communication between insects, to experiment with gypsum as a fertilizer, and the need to rotate crops to improve fertility of soils.

At the time of his death in 1790, Benjamin Franklin received many tributes, perhaps none more eloquent than that of French Finance Minister, Baron Turgot who in praising Franklin said, "he snatched the lightning from the sky and the scepter from the tyrants."

In 1990, we celebrate the 200th anniversary of Benjamin Franklin's legacy of genius. By recognizing the vital contributions that Franklin made to the fabric of American society and by honoring him for his many scientific, economic, and cultural achievements, we

can encourage all Americans to follow in Franklin's footsteps, be it in public service, industry, science, or the arts.●

ADDITIONAL COSPONSORS

S. 16

At the request of Mr. CRANSTON, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 16, a bill to require the executive branch to gather and disseminate information regarding, and to promote techniques to eliminate, discriminatory wage-setting practices and discriminatory wage disparities which are based on sex, race, or national origin.

S. 110

At the request of Mr. KENNEDY, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 110, a bill to revise and extend the programs of assistance under title X of the Public Health Service Act.

S. 135

At the request of Mr. GLENN, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 135, a bill to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

S. 137

At the request of Mr. BOREN, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 137, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

S. 435

At the request of Mr. REID, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 435, a bill to amend section 118 of the Internal Revenue Code to provide for certain exceptions from certain rules determining contributions in aid of construction.

S. 720

At the request of Mr. BOREN, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 720, a bill to amend the Internal Revenue Code of 1986 to extend and modify the targeted jobs credit, and for other purposes.

S. 734

At the request of Mr. REID, the name of the Senator from Idaho [Mr. MCCLURE] was added as a cosponsor of S. 734, a bill to authorize and direct the General Accounting Office to audit the Federal Reserve Board, the Federal Advisory Council, the Federal Open Market Committee, and Federal Banks and their branches.

S. 1041

At the request of Mr. CONRAD, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 1041, a bill to amend the Internal Revenue Code of 1986 to provide tax relief for farmers who realize capital gain on the transfer of farm property to satisfy an indebtedness, and for other purposes.

S. 1310

At the request of Mr. SIMON, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 1310, a bill to eliminate illiteracy by the year 2000, to strengthen and coordinate literacy programs, and for other purposes.

S. 1582

At the request of Mr. SIMON, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1582, a bill to amend the Foreign Assistance Act of 1961 to provide for certain forms of assistance to Poland to ensure the success of freedom and democracy in Poland.

S. 1676

At the request of Mr. PELL, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 1676, a bill to strengthen the teaching profession, and for other purposes.

S. 1815

At the request of Mr. BOSCHWITZ, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1815, a bill to amend the Internal Revenue Code of 1986 to exclude the imposition of employer Social Security taxes on cash tips.

SENATE JOINT RESOLUTION 214

At the request of Mr. THURMOND, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of Senate Joint Resolution 214, a joint resolution to express the sense of the Congress regarding the removal of offensive sexual material from television broadcasting.

SENATE JOINT RESOLUTION 218

At the request of Mr. INOUYE, the names of the Senator from Utah [Mr. HATCH], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of Senate Joint Resolution 218, a joint resolution to designate the week of December 3, 1989, through December 9, 1989, as "National American Heritage Week."

SENATE CONCURRENT RESOLUTION 81—RELATING TO PRIVATE DIRECT INVESTMENT IN THE THIRD WORLD

Mr. SYMMS submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 81

Whereas the creation of new employment worldwide is increasingly needed to maintain stability as populations expand;

Whereas such job growth in the Third World would open vital new markets for the products and services of the advanced nations;

Whereas neither welfare-type aid nor the mere reduction of developing-country debt can, in itself, provide the basis for growth of the economies of those countries;

Whereas private direct investment is the principal way to bring about growth in the developing nations; and

Whereas private companies can be encouraged to seek opportunities in the Third World and fugitive capital can be induced to return home if it is made clear that the industrialized nations are united in a consistent policy of facilitating development: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the United states should make known and urge the other member nations of the Organization for Economic Cooperation and Development (OECD) to agree to pursue policies of growth-oriented assistance to such developing nations as may be deemed likely to show important expansion if certain circumstances are created;

(2) the United States should urge its OECD partners to meet, discuss, and adopt such measures of encouragement as may be necessary and practical;

(3) the United States should urge the other advanced nations to join with the United States in giving new positive signs of accepting importation of Third World products into their economies;

(4) the United States should ask the other advanced nations to encourage private direct investment in the Third World by their citizens;

(5) the United States should make it a condition of the actions in this concurrent resolution that only those selected Third World nations that give definite promises of full cooperation in this joint effort are to become partners in the program; and

(6) such cooperation should include "national treatment" for private direct investors, an undertaking to keep any protection of new industries as small and as brief as possible, and an agreement to listen attentively to advice of the OECD in the selection of new industrial or commercial projects, in the general management of the Third World nation's economy, and in the reassessment of its comparative advantages.

Mr. SYMMS. Mr. President, I would like to offer a resolution to express the sense of the Congress strongly in favor of private direct investment in the Third World as a means of assuring our own economic growth and security.

The program would create employment and purchasing power where there is very little today. It would create jobs and tax revenues here and among our allies. And unlike the periodic efforts to get a brief economic lift by urging Germany or Japan to speed up their consumption, this would encourage expansion and stability for the 1990's and many decades beyond.

Over a 5-year period, my friend, Charles A. Cerami, and a remarkable

team of leaders from around the world have studied the real bottom line of the future of our economy: employment. Most of the world, whether advanced or less developed, suffers from a shortage of jobs. This is worsening. Experts estimate that 100 million new jobs a year are needed worldwide to prevent a spreading and worsening of the violence we have seen in many places. But as technology and robotics eliminate a lot of human employment, hardly any net new jobs are created.

Because U.S. unemployment is low at this time, we don't realize how fast our own job picture could change if all our foreign markets suffer a decline in personal buying power.

The time to head this off is now, not in a time of crisis, Cerami and his colleagues say in a book recently published by Praeger Publishers in New York and London. The book is titled, "An International Roundtable on World Economic Development," and I consider it a landmark because the 16 world leaders who have put their thoughts into it are willing to act on their words.

There are important chapters by our distinguished colleague, Senator BILL ROTH of Delaware, and our former colleague, Jack Kemp, now an outstanding member of President Bush's Cabinet. Also in it are two European foreign ministers, the secretaries general of two world organizations, Germany's present Ambassador to Washington, our former Secretary of Agriculture Jack Block, former Commerce Under Secretary Lionel Olmer, and Dr. Francisco Aguirre, publisher of one of our great Spanish-language newspapers, Diario Las Americas.

Everybody who has contributed to this book has spoken out plainly, without any cautious rhetoric. The Senator from Delaware, BILL ROTH, for instance, just about said it all in these words:

We have to get more countries on their feet, because you can't make much money selling to poor people.

Just to have gathered and managed this symposium of brilliant personalities is a remarkable achievement for a private citizen. To have coordinated their views so that a coherent plan emerges, despite their differences, Charles Cerami's organizing efforts are reminiscent of Jean Monnet's work in crafting the European Community.

There are a number of powerful points that all these leaders—and all of us—agree on:

That the steady expansion of investment into new areas is important to our future.

That our governmental policies to encourage those investments must be steady enough to give businessmen the confidence to plan and act.

That investment and development are fields in which we have a massive advantage over the Soviets, and we should use it to build security.

And that developing nations wishing to take part in the growth program must bear their share of responsibility. Some of their economic systems need overhauling. They, too, must make changes. They, too, must give our Government confidence.

And, Mr. President, that brings me to a new point: One new thing out there is the Third World itself. Not all, but substantial parts of it.

Many developing nations are willing to do much of what we are suggesting, Cerami and his group assure me. Some Latin American nations that had once considered our direct investments repugnant to their dignity now insist that partnership is the way they want to develop. Many of Africa's top officials have become mature and sophisticated leaders in a surprisingly short time after their independence. They no longer talk of being repaid for their hard past, but of looking ahead to a partnership in which our companies must be guaranteed fair treatment equal to their own nationals.

I think we are coming to the moment when all this will be apparent to the business leaders and voters of the United States, Canada, Europe—all the industrialized countries. The whole OECD group of advanced nations should be urged to take part. For the meshing of our present abilities and the Third World's potential can be a marriage made in heaven.

This sense of the Senate resolution is not about foreign aid. It is about hardheaded investment and growth. Nothing in Cerami's plan will require huge government outlays or any great new bureaucracy. The institutions are already in place. All we need is to give the clear signal that tells business to start. The leader of some advanced country is going to do it. I hope it will be ours. Then what a decade the 1990's can become.

SENATE RESOLUTION 207—WELCOMING THE OPENING OF THE BERLIN WALL AND CALLING FOR ITS COMPLETE DESTRUCTION

Mr. MITCHELL (for himself, Mr. DOLE, Mr. LEVIN, Mr. HELMS, Mr. SIMON, and Mr. WIRTH) submitted the following resolution; which was considered and agreed to:

S. RES. 207

Whereas, since the end of World War II, the United States and the Western allies have been committed to a free Berlin;

Whereas the Berlin airlift, which symbolized that commitment, successfully ended the Soviet blockade of Berlin in 1949;

Whereas the Berlin Wall was created to blockade the eastern half of Berlin and has stood as a symbol of oppression and denial of basic human freedom for 28 years;

Whereas the people of Berlin have struggled heroically against this artificial division of their city, and numerous East Berliners lost their lives while attempting to escape their section of the city;

Whereas free travel between East and West Berlin was permitted beginning on November 9, 1989, and now the Berlin Wall has been opened in several places; and

Whereas at least two million East Germans have crossed to West Berlin during the first few days that the Wall has been opened: Now, therefore, be it

Resolved, That the Senate—

(1) welcomes the opening of the Berlin Wall as symbolic of the beginning of the process of reform taking place in the German Democratic Republic (East Germany) and throughout Eastern Europe;

(2) commends the people of Berlin for their desire for freedom, their courage and dignity, and their role in bringing about the opening of the Wall;

(3) urges the Government of the German Democratic Republic (East Germany) to make permanent the freedom to travel, to permit the formation of political parties, and to hold free elections; and

(4) calls upon the Soviet and East German authorities to remove and destroy the Berlin Wall.

AMENDMENTS SUBMITTED

NATIONAL AFFORDABLE HOUSING ACT

WIRTH (AND HEINZ) AMENDMENT NO. 1107

(Ordered referred to the Committee on Banking, Housing, and Urban Affairs.)

Mr. WIRTH (for himself and Mr. HEINZ) submitted an amendment intended to be proposed by them to the bill (S. 566) to authorize a new corporation to support State and local strategies for achieving more affordable housing, to increase home ownership, and for other purposes; as follows:

On page 16, between lines 9 and 10, insert the following:

(3) providing for expaned homeownership opportunities by creating mortgage finance incentives that encourage energy-efficient homes.

On page 21, after line 26, insert the following:

SEC. 203. UNIFORM ENERGY EFFICIENT MORTGAGE POLICY.

The Secretary of Housing and Urban Development, in consultation with the Secretary of Energy, shall within two years of the passage of the National Affordable Housing Act (NAHA), promulgate a uniform plan to make housing more affordable through mortgage financing incentives for energy efficiency. To develop this plan, the Secretary shall form a task force to make recommendations on financing energy efficiency in private mortgages, through the policies of federal agencies and federally chartered institutions. The task force shall include federal home mortgage insurance and guarantor agencies, federally chartered financial institutions, mortgage bankers, homebuilders, real estate brokers, private mortgage insurers, energy suppliers, and nonprofit housing and energy organizations.

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On page 30, between lines 14 and 15, insert the following:

(F) (if newly constructed) meets energy efficiency standards determined by the Secretary; the Secretary shall within one year of the passage of this Act promulgate new energy efficiency standards for all federally assisted housing. These standards shall meet or exceed the provisions of the Model Energy Code of the Council of American Building Officials. To develop these standards, the Secretary shall create a task force composed of homebuilders, National, state and local housing agencies including public housing authorities, building code officials, energy efficiency organizations, utility organizations, low-income housing organizations, and other parties designated by the Secretary."

On page 32, after line 23, insert the following:

(5) (if newly constructed) meets energy efficiency standards determined by the Secretary; the Secretary shall within one year of the passage of this Act promulgate new energy efficiency standards for all federally assisted housing. These standards shall meet or exceed the provisions of the Model Energy Code of the Council of American Building Officials. To develop these standards, the Secretary shall create a Task Force composed of homebuilders, national, state and local housing agencies including public housing authorities, building code officials, energy efficiency organizations, utility organizations, low-income housing organizations, and other parties designated by the Secretary.

On page 59, between lines 3 and 4, insert the following:

(7) improve the ability of States, units of local government, nonprofit community housing development organizations, private lenders and for-profit developers of low-income housing to incorporate energy efficiency into the planning, design, financing, construction, and operation of affordable housing.

On page 60, line 17, between "supply of" and "affordable" insert the following: "energy-efficient,".

On page 123, line 9, following "special project account.", insert the following: "Owners who add energy efficiency features beyond minimum standards that reduce gross rent requirements shall be entitled to retain 75 percent of the savings.".

On page 151, line 11, following "special project account.", insert the following: "Owners who add energy efficiency features beyond minimum standards that reduce gross rent requirements shall be entitled to retain 75 percent of the savings.".

On page 197, between lines 17 and 18, insert the following:

(6) to reduce the cost of operating assistance to public and Indian housing by improving the energy efficiency of the housing stock."

On page 199, between lines 22 and 23, insert the following:

(iv) meet energy efficiency standards determined by the Secretary; the Secretary shall within one year of the passage of this Act promulgate new energy efficiency standards for all federally assisted housing. These standards shall meet or exceed the provisions of the Model Energy Code of the Council of American Building Officials. To develop these standards, and to ensure their incorporation in federally assisted housing, the Secretary shall create a task force composed of national, state and local housing agencies including public housing authorities, building code officials, energy efficiency organizations, utility organizations, low-income housing organizations, and other parties designated by the Secretary.

On page 204, between lines 16 and 17, insert the following:

(C) The Secretary of Housing and Urban Development shall reduce energy costs in public housing authorities by accelerating the implementation of HUD policies encouraging use of private energy service companies, pursuant to Section 118(a) of the Housing and Community Development Act of 1987. This shall be accomplished by providing technical assistance to local housing authorities, and by creating five projects that demonstrate the energy cost reduction opportunities for public housing authorities through energy services contracts. These demonstration projects shall be established within one year of the passage of this Act. The results of the demonstration projects shall be disseminated to other public housing authorities. The Secretary shall, within 90 days of the passage of this Act, form a task force composed of HUD staff and outside housing and energy efficiency organizations, charged with carrying out this initiative.

● Mr. WIRTH. Mr. President, making housing more affordable and cleaning up the environment are top priorities for the Nation. I believe that energy efficiency can and must be part of the solution to both of these issues. In short, I believe that good energy policy can be good housing policy, good environmental policy, and good economic policy.

Despite our tremendous wealth, the United States is beset by the shame of homelessness and high housing costs are squeezing young people from the marketplace and from a piece of the American dream. But because energy costs are a major portion of the monthly housing bill, reducing these costs can make housing more affordable. Research indicates that after rent and mortgage payments, energy represents 20 percent of the cost of housing. And the energy we waste results in unnecessary fossil fuel combustion—the driving force behind local air pollution and the global warming threat.

If we can reduce the cost of providing energy services in the housing sector, we can make housing more affordable and help cut atmospheric pollution.

In addition, cost-effective energy efficiency measures can cut our national housing bill by $25 billion annually. The Alliance to Save Energy estimates that these steps could allow 250,000 families to become homeowners for the first time and that another 2 million people—mostly low-income renters—could pay their monthly housing bill. In the process, we can save the equivalent of 400 million barrels of oil.

For many years, the alliance has been working with the home builders, the Mortgage Bankers Association, the realtors, the insulation industry and a variety of other energy concerns to craft an ambitious, but practical, set of policy proposals that will allow us to realize the benefits of energy efficiency in the housing sector. I believe these amendments will draw all parties, the private sector, public housing authorities, HUD and the mortgage lending institutions, into a joint effort to improve housing affordability and prevent wasteful energy use and unnecessary pollution.

Affordable housing and energy efficiency are now at the forefront of the public policy agenda. Affordable housing is a national crisis: the shame of homelessness and the squeeze on home ownership remain realities despite this Nation's tremendous wealth. Today, many of our children are finding it difficult to own a home—even with two incomes. Young people that are able to afford their first home, must buy them further and further away from the urban centers and the workplace.

Energy efficiency is also a pressing issue—for our energy security, our international competitiveness and for the environmental crisis that is unfolding around the world. It is now clear that the Earth's atmosphere cannot benignly absorb the increasing levels of carbon dioxide released by man's burning of fossil fuels. From acid rain to global warming, we have come to understand that energy policy is the essential component of environmental policy. Indeed, environmental policy is driving energy policy and will continue to do so for the foreseeable future.

The ingredients of an energy efficient home are well known and commercially available: better insulation, radiant barriers, more efficient heat pumps, and high efficiency appliances. Unfortunately, these features are not being built into many of today's homes. High initial costs and the failure of mortgage insurance procedures to account for energy efficiency are the primary impediments. And that is why we need to incorporate energy efficient measures into our national housing policy.●

ASSISTANCE TO POLAND

HUMPHREY (AND HELMS) AMENDMENT NO. 1108

Mr. HUMPHREY (for himself and Mr. HELMS) proposed an amendment to the bill (S. 1582) to amend the Foreign Assistance Act of 1961 to provide for certain forms of assistance to Poland to ensure the success of freedom and democracy in Poland, as follows:

At the end of the committee substitute, add the following new section:

SEC. . CERTAIN USES OF EXCESS FOREIGN CURRENCIES.

(a) AUTHORITY TO USE.—During fiscal year 1990, the Administrator for title I of the

Foreign Assistance Act of 1961 may use, for the purposes described in subsection (b), such sums of foreign currencies described in subsection (c) as the Administrator may determine.

(b) PURPOSES FOR WHICH CURRENCY MAY BE USED.—Foreign currencies may be used under this section—

(1) for the same purposes for which assistance may be provided under title I of the Foreign Assistance Act of 1961, and

(2) for the support of any institution providing education for a significant number of United States nationals (who may include members of the United States Armed Forces or the Foreign Service or dependents of such members.)

(c) CURRENCIES WHICH MAY BE USED.—The foreign currencies which may be used under this section are United States-owned excess foreign currencies that are in excess of amounts necessary for satisfaction of preexisting commitments to use such currencies for other purposes specified by law.

(d) WHERE CURRENCIES MAY BE USED.—Foreign currencies may be used under this section in the country where such currencies are held or in other foreign countries.

(e) NONAPPLICABILITY OF OTHER PROVISIONS OF LAW.—Foreign currencies may be used under this section notwithstanding section 1306 of title 31, United States Code, or any other provision of law.

(f) LIMITATION.—Foreign currency made available under this section may not be used in any Communist country listed pursuant to section 4201(d).

HUMPHREY (AND OTHERS) AMENDMENT NO. 1109

Mr. HUMPHREY (for himself, Mr. SIMON, Mr. HELMS, and Mr. DOLE) proposed an amendment to the bill S. 1582, supra, as follows:

In the committee substitute, strike section 803 and insert in lieu thereof the following:

SEC. 803. CESSATION OF AID.

(a) Funds provided under this act shall cease to be available to Poland if the President of Poland, or any other Polish official, initiates martial law or a state of emergency for reasons other than necessary to respond to a natural disaster or a foreign invasion or of any member of the Senate a Sejm is removed from office or arrested through extra constitutional processes.

(b) Funds provided under this act for Hungary shall cease to be available if the President of Hungary, or any Hungarian official, initiates martial law or a state of emergency for reasons other than necessary to respond to a natural disaster or a foreign invasion, or of any member of the Hungarian National Assembly is removed from office or arrested through extra constitutional processes.

BENTSEN (AND SIMON) AMENDMENT NO. 1110

Mr. SIMON (for Mr. BENTSEN, for himself and Mr. SIMON) proposed an amendment to the bill S. 1582, supra, as follows:

On page 25, beginning with line 18, strike out all through line 22, and insert the following:

ELIGIBILITY OF POLAND FOR GENERALIZED SYSTEM OF PREFERENCES

SEC. 311. Subsection (b) of section 502 of the Trade Act of 1974 (19 U.S.C. 2462(b)) is amended by striking out "Poland" in the table within such subsection.

McCONNELL AMENDMENT NO. 1111

Mr. McCONNELL proposed an amendment to the bill S. 1582, supra, as follows:

At the end of the committee substitute:

The Secretary of Commerce and the Secretary of Energy shall establish a task force to analyze the current supply and demand situation of coal in the Soviet Union. The analysis will include, but not be limited to:

the causes of labor unrest in the Soviet coal industry and the impact of that unrest, of mining productivity, and of the transportation system in the Soviet Union on domestic coal production in that country;

the impact of increased industrialization and winter weather on Soviet coal demand;

the likelihood of a shortfall between domestic supply and demand;

the feasibility of meeting any shortfall which might occur with United States coal;

the feasibility of coal from other countries meeting any shortfall which might occur; and

steps which must be taken to enable United States coal to compete with other countries to meet any shortfall which might occur.

The task force shall report their findings to Congress within 45 days of enactment of this Act.

KERRY AMENDMENT NO. 1112

Mr. KERRY proposed an amendment to the bill S. 1582, supra, as follows:

On page 8, line 23, insert "and environmentally sound natural resource management" after "principles".

On page 35, between 12 and 13, insert the following:

(a) PRIORITY FOR THE CONTROL OF POLLUTION.—The Congress recognizes the severe pollution problems affecting Poland and Hungary and the serious health problems which ensue from such pollution. The Congress therefore directs that a high priority be given in the implementation of assistance to Poland and Hungary to the control of pollution and the restoration of the natural resource base on which a sustainable, healthy economy depends.

On page 35, line 13, strike out "(a)" and insert in lieu thereof "(b)".

On page 36, line 1, strike out "(b)" and insert in lieu thereof "(c)".

On page 36, line 9, strike out "(c)" and insert in lieu thereof "(d)".

On page 36, line 16, strike out "(d)" and insert in lieu thereof "(e)".

On page 36, line 17, strike out "(a), (b), and (c)" and insert in lieu thereof "(b), (c), and (d)".

On page 36, line 22, strike out "(e)" and insert in lieu thereof "(f)".

On page 38, lines 13 and 14 insert the following:

(g) DEPARTMENT OF ENERGY ACTIVITIES.—

PRIORITY FOR EFFICIENT ENERGY USE.—In view of the high energy usage per unit of output in Hungary and Poland, the Secretary of Energy shall give high priority to assisting officials of Poland and Hungary in improving the efficiency of their energy use, through emphasis on such measures as efficient motors, lights, gears, and appliances and improvements in building insulation and design.

(h) ALTERNATIVE INVESTMENTS IN ENERGY.—It is the sense of the Congress that the Administration should work with the Government of Hungary to achieve environmentally safe alternative investments in energy efficiency, particularly with regard to projects along the Danube River.

SYMMS AMENDMENT NO. 1113

Mr. HELMS (for Mr. SYMMS) proposes an amendment to the bill S. 1582, supra, as follows:

At the appropriate place, add the following: "Funds provided through the Polish-American Enterprise Fund and the Hungarian-American Enterprise Fund may be used for the establishment of Employee Stock Ownership Plans (ESOP's).".

DOLE (AND SIMON) AMENDMENT NO. 1114

Mr. DOLE (for himself and Mr. SIMON) proposes an amendment to the bill S. 1582, supra, as follows:

On page 7, after line 2, insert the following new section:

SEC. 4. OBJECTIVES OF UNITED STATES ASSISTANCE.—In order to ensure that United States assistance to Poland and Hungary supports the development of economic freedom and opportunities for the people of those countries, the objectives of the United States assistance to Poland and Hungary shall be the realization of the following rights by the citizens of Poland and Hungary:

(1) SECURITY OF PROPERTY AND CONTRACT.—The right to legally acquire private property in all its forms, including secure legal title to land.

(2) A REGULATORY SYSTEM WHICH FACILITITATES ENTREPRENEURIAL ACTIVITY.—Freedom from onerous regulations which have forced economic and entrepreneurial activity into the informal, or unregistered, economy should be eliminated.

(3) DISMANTLING OF WAGE AND PRICE CONTROLS.—A market for Polish and Hungarian industries and goods that is not distorted by government-mandated wages or prices.

(4) AN OPEN TRADE POLICY.—Freedom from market-distorting restrictions or subsidies on imports and exports.

(5) LIBERALIZATION OF INVESTMENT AND CAPITAL FLOWS.—Freedom from limitations on ownership of productive enterprises by both domestic and foreign investors, as well as freedom from restrictions on removal of foreign or domestic capital from Poland and Hungary.

(6) PRIVATIZATION OF THE STATE SECTOR.—The ignition of activity by Polish and Hungarian investors and entrepreneurs should be facilitated through the privatization of government enterprises.

(7) PRO-GROWTH TAX POLICY.—Encourage pro-growth tax policies which provide incentives for economic activity and investment.

(8) DEVELOPMENT OF A PRIVATE BANKING STRUCTURE.—Secure rights to own and operate banks and other financial service firms, as well as unrestricted access to private sources of credit.

(9) INDIVIDUAL INVESTMENT IN THE PRIVATE SECTOR.—Access to financial instruments through which individuals may invest in the private sector, and

On page 13, at line 15, strike "$320,000,000" and insert in lieu thereof "$260,000,000" and

On page 13, at line 18, strike "$80,000,000" and insert in lieu thereof "$65,000,000" and

At the end of section 201, add the following new paragraph:

"( ) INELIGIBILITY OF CERTAIN ENTITIES.—Neither the Polish-American Enterprise Fund, the Hungarian-American Enterprise Fund, nor the Overseas Private Investment Corporation shall finance or include in any of its programs any venture, project or enterprise which:

(1) has, individually or in combination, more than 20 percent of ownership, control, or equitable interest by the Polish or Hungarian government, the communist party of Poland or Hungary, or any entity controlled by the Polish or Hungarian government or the communist party of Poland or Hungary, or high officials thereof;

(2) has a Board of Directors more than 20 percent of whom are high officials of the respective governments or communist parties of Poland or Hungary;

(3) has been established by any organization or entity controlled by the Polish or Hungarian government or the communist party of Poland or Hungary;

(4) is required to accede to the rules of the Council for Mutual Economic Assistance." and

On page 20, at line 1, after "(1)", strike "Accept" and insert in lieu thereof "Solicit and accept" and

On page 20, at line 13, after "(2)", strike "Accept" and insert in lieu thereof "Solicit and accept" and

On page 20, at line 15, strike "." and insert in lieu thereof the following new language:

", provided that a volunteer under this authority shall not be deemed to be an employee of the United States except for the purposes of—

(A) the tort claims provisions of title 28, United States Code, and

(b) subchapter I of chapter 81 of title 5, United States Code, relating to compensation for work injuries." and

On page 27, at line 7, strike Section 304 in its entirety and

On page 34 at line 20, add the following new section:

"SEC. 403. EDUCATIONAL AND CULTURAL EXCHANGES.

(a) OBJECTIVE.—It is the sense of the Congress that the President should—

(1) encourage privately administered educational and cultural exchanges between the people of the United States and the people of Poland and the people of the United States and the people of Hungary; and

(2) consider the establishment of reciprocal cultural centers in Poland and the United States and in Hungary and the United States to facilitate government and privately funded cultural exchanges.

(b) AUTHORIZATION OF EXCHANGES.—Of the amounts authorized for educational and cultural exchanges administered by the United States Information Agency, not to exceed $2,000,000 in fiscal year 1990 and not to exceed $4,000,000 in fiscal year 1991 shall be available for activities in Poland and Hungary." and

On page 34, at line 22, strike Section 501 in its entirety and insert in lieu thereof the following new section:

"SEC. 501. ASSISTANCE IN SUPPORT OF DEMOCRATIC INSTITUTIONS AND ACTIVITIES IN POLAND AND HUNGARY.

(a) AUTHORIZATION OF ASSISTANCE.—Notwithstanding any other provision of law, there are authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund) $12,000,000 for the three-year period which began October 1, 1989, which shall be available only for the support of democratic institutions and activities in Poland and Hungary, of which:

(1) $2,000,000 shall be available in each such fiscal year only for the unconditional support of activities and institutions in Poland, which institutions shall

(A) include all major non-communist political and social formations;

(B) not include among its membership any member of the Polish United Workers Party (or its equivalent, under whatever name the communist party of Poland may be known); and

(2) $2,000,000 shall be available in each such fiscal year only for the unconditional support of democratic activities and institutions in Hungary, which institutions shall—

(A) include all major non-communist political and social formations;

(B) not include among its membership any member of the communist party of Hungary (or its equivalent, under whatever name the communist party of Hungary may be known)." and

On page 35, at line 11, strike Section 502 in its entirety and insert in lieu thereof the following new section:

"SEC. 502. ENVIRONMENTAL INITIATIVES FOR POLAND AND HUNGARY.

(a) ENVIRONMENTAL PROTECTION AGENCY ACTIVITIES.—In addition to specific authorities contained in any of the environmental statutes administered by the Environmental Protection Agency, the Administrator of that Agency (hereinafter referred to as the "Administrator") is authorized to undertake such educational, policy training, research, and technical and financial assistance, monitoring, coordinating, and other activities as he may deem appropriate, either alone or in cooperation with other United States or foreign agencies, governments, or public or private institutions, in protecting the environment in Poland and Hungary.

(b) AUTHORIZATION OF TRANSFERS.—The Administrator of the Environmental Protection Agency is authorized to use up to $6,000,000 in each of fiscal years 1990, 1991, and 1992 of funds appropriated under Title VI of the Clean Water Act to carry out the purposes of this Title. The Administrator may also use up to $2,000,000 appropriated to the Environmental Protection Agency under any other authorizing statutes to carry out the purposes of this Title.

(c) ACTIVITIES IN POLAND.—The Administrator shall cooperate with Polish officials and experts on appropriate environmental projects, including—

(1) establishment of an air quality monitoring network in the Krakow metropolitan area as a part of Poland's national air monitoring network; and

(2) improvement of both water quality and the availability of drinking water in the Krakow metropolitan area.

(d) ACTIVITIES IN HUNGARY.—The Administrator shall work with other United States and Hungarian officials and private parties to establish and support a regional center in Budapest for facilitating cooperative environmental activities between governmental experts and public and private organizations from the United States and Eastern and Western Europe." and

On page 39 after line 6, insert the following new subsection:

(c) RESTRICTIONS.—No assistance provided to Poland under this section shall be used to perform, promote, or plan abortions; or to support the Defense or security forces of any Warsaw Pact member country." and

On page 41 of the bill, after line 16, insert in lieu thereof the following new section:

"SEC. 702. POLICY OVERSIGHT.

(a) Oversight of all programs provided for in this Act, as well as all other activities of the United States government conducted to assist Poland, should be exercised by an interagency group to be chaired by the Vice President and to include the Director of the Office of Management and Budget, the Secretaries of State, Commerce, Treasury, Labor, Defense, Health and Human Services, and Housing and Urban Development, the Administrator of the Agency for International Development, and the Director of the United States Information Agency.

(b) Congress commends the President for agreeing to send a High Level Team of Experts to assess the dramatic transition taking place in Poland. The private and governmental experience of team members should result in the first comprehensive official review and analysis of the economic situation in Poland.

(c) The interagency group referred to in subsection (a) shall consult with the Team of Experts, and make available its findings to Congress and the American people." and

On page 41, line 17, change "Section 702" to "Section 703".

On page 45, at line 13, strike "803" and insert in lieu thereof "804", and

On page 45, at line 12, after "pluralism." insert the following new section:

"SEC. 803. REPORT TO CONGRESS.

Not later than 90 days after the effective date of this Act, and every 180 days thereafter for three years, the President shall report to the Speaker of the House of Representatives and the President pro tempore of the Senate a comprehensive "Report on Democracy and Free Enterprise in Poland and Hungary", which shall include a full description of the progress made in Poland and Hungary toward—

(1) the implementation of economic policies designed to promote sustained economic growth, to develop economic freedom, and to increase opportunities for the people of Poland and Hungary, including but not limited to the reforms and policies set forth in Section 2 of this Act;

(2) the adoption and pace of implementation of constitutional, legal, and administrative measures that limit the power of executive authorities and establish and protect the independence of the judiciary;

(3) the full elimination of all constitutional, legal, and administrative measures that favor any political party or inhibit the formulation and operation of independent political parties, groups, associations, or organizations;

(4) the adoption of constitutional, legal, and administrative measures designed to establish and protect fundamental human rights and civil liberties, including but not limited to, freedom of speech, freedom of the press, freedom of religion, the right of Polish and Hungarian citizens to work, to join, or to refuse to join trade unions or labor organizations, and other freedoms comparable to those found in other democratic countries;

(5) the reduction and elimination of industrial practices detrimental to the environment and particularly harmful to human health;

(6) elections in which all parties are able to participate freely with equal opportunity

to form governments based on popular support;

(7) the elimination of espionage activities by operatives of the governments of Poland and Hungary against the United States and its allies in the North Atlantic Treaty Organization." and

At the end of Title VIII, add the following new section:

"SEC. 805. TERMINATION OF ASSISTANCE TO POLAND AND HUNGARY UNLESS ARMS TRANSFERS AND SECURITY ASSISTANCE TO CUBA AND NICARAGUA CEASE.

(a) Three months after the effective date of this Act, the President shall terminate all assistance provided pursuant to this Act to Poland or Hungary, respectively, unless he certifies to the Speaker of the House of Representatives and the President pro tempore of the Senate that all arms transfers and security assistance, as defined in subsection (b) of this section, provided by that country to Cuba or Nicaragua, have ceased.

(b) For the purposes of this section, arms transfers and security assistance provided by Poland or Hungary to Cuba or Nicaragua shall include arms delivery, shipment, or transfer and security assistance in any form whatsoever, including but not limited to any provision or supply (whether by sale, grant, barter, or other arrangement) of weapons, weapons parts, ammunition, military vehicles or military aircraft or naval crafts or parts therefor; training of Cuban or Nicaraguan military, para-military, police, or other security personnel by Polish or Hungarian personnel; services of Polish or Hungarian military or security advisers in Cuba or Nicaragua; transport of other items described in this subsection, even if originating in a third country, by Polish-flag vessels or Polish or Hungarian aircraft (including both military and civil craft) to Cuba or Nicaragua; or any extension of funds, credits, loans, barter for goods, or other arrangement providing for the transfer of arms or security assistance from a third country to Cuba or Nicaragua.

(c) If, subsequent to three months after the effective date of this Act, the President finds that arms transfers and security assistance to Cuba or Nicaragua, as defined in subsection (b), have been resumed by Poland or Hungary after a previous cessation, he shall terminate all assistance to that country pursuant to this Act." and

On page 10, at line 23, after "shortages" insert the following new language: "and specifically targeted toward elements of the Polish population most vulnerable to hunger and malnutrition, in particular the infirm, the elderly and children;".

MURKOWSKI AMENDMENTS NOS. 1115 AND 1116

Mr. HELMS (for Mr. MURKOWSKI) proposed two amendments to the bill S. 1582, supra, as follows:

AMENDMENT No. 1115

On page 7, line 17, Subsection 101(a), add a new subsection (2):

"(2) to the extent that the ongoing International Monetary Fund review of the Polish economy uncovers a probable balance of payments shortage for the fourth quarter of 1989, the United States Government should work closely with the European Community and international financial institutions to determine the extent of emergency assistance required by Poland for the fourth quarter of 1989 and should consider extending a bridge loan to relieve immediate and urgent balance of payments requirements through the authority provided in paragraph (3)(A) of this subsection:

On pages 7 and 8 renumber the remaining paragraphs of subsection 101(a) accordingly.

AMENDMENT No. 1116

On page 9, line 4, Subsection 101(b), add a new subsection (2):

"(2) The President, acting in coordination with the European Community, should call an urgent meeting of the industrialized democracies for the purpose of establishing a multilateral effort to respond to Poland's request for $1 billion to support its economic stabilization program;

On page 9 renumber the remaining paragraphs of subsection 101(b) accordingly.

HEINZ AMENDMENT NO. 1117

Mr. HELMS (for Mr. HEINZ) proposed an amendment to the bill S. 1582, supra, as follows:

At the appropriate place, insert the following new section:

"SEC. . REPORT ON TECHNOLOGY TRANSFER TO POLAND AND HUNGARY.

"Not later than 180 days after the enactment of this Act, the Secretary of State shall submit a classified report to Congress identifying the confidence building measures Poland and Hungary could undertake that would facilitate the negotiation of those kinds of agreements, including but not limited to, bilateral customs and technology transfer agreements, that would encourage greater direct private sector investment in Poland and/or Hungary."

RIEGLE AMENDMENT NO. 1118

Mr. RIEGLE proposed an amendment to the bill S. 1582, supra, as follows:

Paragraphs (2) and (3) of section 101(a) of the amendment are amended by striking out "(2)" and "(3)" and inserting in lieu thereof, respectively, "(3)"; and "(4)".

Insert after section 101(a)(1) of the amendment the following new paragraph:

(2) the Secretary of the Treasury shall direct the United States Executive Director at the International Bank for Reconstruction and Development to—

(A) urge consideration of approval of up to $1,000,000,000 in financing in each of the succeeding three years for disbursement over a feasible and appropriate period to Poland; and

(B) urge expeditious approval and disbursement of a structural adjustment loan to Poland in an appropriate amount in time to facilitate the implementation of major economic reforms scheduled for early 1990, including the termination of energy, export and agricultural subsidies and wage indexation.

In section 101(a) of the amendment, after paragraph (3) as redesignated insert the following new paragraph:

(4) the United States Government shall seek to coordinate within the Group of 7 at the earliest possible date and not later than January 1, 1990 the establishment of a reserve of $1,000,000,000, to be made available through the International Monetary Fund contingent upon and in addition to an agreement between the Government of Poland and the Fund, for the purpose of facilitating implementation of key monetary reforms, including the achievement of international convertibility of the Polish currency.

At the end of section 101(a) of the amendment, add the following new paragraph:

(5) the United States Government, in coordination with other creditor governments, shall seek to expedite consultations between the Government of Poland and its major private creditors in order to facilitate a rescheduling and reduction of payments due on debt owed to such creditors in a manner consistent with the international debt policy announced by the Secretary of the Treasury on March 10, 1989.

SIMON AMENDMENT NO. 1119

Mr. SIMON proposed an amendment to the bill S. 1582, supra, as follows:

On page 3, line 2, of the amendment, strike out "(a)".

On page 3, line 17, of the amendment, insert "a" before "Board".

On page 10, line 15, of the amendment, strike out "Statees" and insert in lieu therefore "States".

On page 4, line 5 and 6, of the amendment, strike out "overseas private investment corporation" and insert in lieu thereof "Overseas Private Investment Corporation".

On page 25 of the amendment, strike out lines 11 through 16 an insert in lieu thereof the following:

SEC. 206. AID ADMINISTRATIVE EXPENSES.

For the purpose of paying administrative expenses incurred in connection with carrying out its functions under this Act, the Agency for International Development may use up to $500,000 each fiscal year of the funds made available to the Agency under this Act.

On page 36, line 23, of the amendment, strike out "title VIII" and insert in lieu thereof "section 802".

On page 41, line 14, of the amendment, strike out "chapter" and insert in lieu thereof "Act".

On page 41, line 16, of the amendment, strike out "chapter" and insert in lieu thereof "Act".

On page 42, line 19, of the amendment, strike out "outlines" and insert in lieu thereof "outlined".

On page 22, line 19, insert the following:

"(11) the Sabre Foundation;" and renumber the existing items accordingly.

ROTH AMENDMENT NO. 1120

The ROTH proposed an amendment, which was subsequently modified, to the bill S. 1582, supra, as follows:

On page 13, strike lines 15 through 17 and insert: "$260,000,000 to support the Polish-American Enterprise, as designated pursuant to subsection (d), of which $20,000,000 may be used to establish a financial investment for individuals to invest an additional $100,000,000 or more in the Polish private sector.".

ROTH AMENDMENT NO. 1121

The ROTH proposed an amendment, to the bill S. 1582, supra, as follows:

At an appropriate place in the bill, add the following new section:

Sense of the Senate regarding IMF quota increase. Given:

that the Administration has announced that it is considering committing to increase the resources of the International Monetary

Fund and expects to decide on the increase over the next few weeks;

that such an increase could total $7 billion or more, at a time when there may be higher budget priorities, such as assisting the dramatic changes taking place in Poland, Hungary and eastern Europe as a whole, or reducing our deficit; and

that the IMF provides short-term resources at a time when most countries, including the U.S., want to increase their long-term investment orientation,

It is the sense of the Senate that the Administration should not take any action at this time that would imply a commitment to increase or to propose an increase in the resources of the IMF.

BENTSEN (AND SIMON) AMENDMENT NO. 1122

Mr. BENTSEN (for himself and Mr. SIMON) proposed an amendment to the bill S. 1582, supra, as follows:

At the end of title VII, insert:

SEC. . CERTAIN POLISH BONDS NOT SUBJECT TO RULES RELATING TO BELOW-MARKET LOANS.

(a) IN GENERAL.—Paragraph (5) of section 1812(b) of the Tax Reform Act of 1986 is amended—

(1) by inserting "or Poland" after "Israel" in the text thereof, and

(2) by inserting "or Polish" after "Israel" in the heading thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

SIMON (AND DOLE) AMENDMENT NO. 1123

Mr. SIMON (for himself and Mr. DOLE) proposed an amendment to the bill S. 1582, supra, as follows:

At the end of section 502, add the following subsection:

(e) CONTENTS OF REPORT.—The report required by title VIII shall include the following:

(1) ASSESSMENT OF PROBLEMS.—An overall assessment of the environmental problems facing Poland and Hungary, including—

(A) a relative ranking of the severity of the problems and their effects on both human health and the general environment;

(B) a listing of the geographical areas of each country that have suffered the heaviest environmental damage, and a description of the source and scope of the damage; and

(C) an assessment of the environmental performance of leading industrial polluters in those countries and the expected effect on pollution levels of industrial modernization;

(2) PRIORITIES AND COSTS FOR ACTION.—An analysis of the priorities each country should assign in addressing its environmental problems, and an estimate of the capital and human resources required to undertake a comprehensive program of environmental protection;

(3) ROLE OF UNITED STATES AND MULTILATERAL ASSISTANCE.—A statement of strategy for United States assistance for the next five years in Poland and Hungary, including—

(A) recommendations for appropriate levels and forms of bilateral financial and technical assistance;

(B) recommendations concerning United States participation in cooperative multilateral undertakings;

(C) an assessment of the feasibility of debt-for-nature swaps as a technique of environmental protection in each country; and

(D) recommendations for minimizing further environmental damage to Krakow, and for the protection and restoration of historic sites in that city.

WALLOP AMENDMENT NO. 1124

(Ordered to lie on the table.)

Mr. WALLOP submitted an amendment intended to be proposed by him to the bill S. 1582, supra, as follows:

Add at the end, the following new section:

SEC. . ACTIONS OF POLISH INTELLIGENCE SERVICES.

(a) REPORT REQUIRED.—Not later than 90 days after the date of enactment of this Act, the President, after consultation with the Secretary of Defense, the Director of the Federal Bureau of Investigation, and the Director of Central Intelligence, shall submit to the Congress a report regarding the actions of Polish intelligence services against the United States, including—

(1) the extent to which the intelligence services of the Government of Poland are engaged in espionage activities designed to obtain military and industrial technology or secrets;

(2) the extent to which the intelligence services of the Government of Poland are engaged in surveillance, spying, reporting on, or harassing members of the American-Polish community, in particular, those members of that community that were supporting Solidarity in Poland; and

(3) the extent to which the information, technologies and secrets they obtain are made available to other Warsaw Pact allies, including the Soviet Union.

(b) RESTRICTION ON ASSISTANCE.—Assistance under this Act, including benefits under the General System of Preference and assistance from the Overseas Private Investment Corporation, but excluding food assistance, shall cease to be available to the Government of Poland unless the President certifies not later than 120 days after the date of enactment of this Act, and each 180 days thereafter, that the intelligence services of the Government of Poland, have ceased participating in or facilitating the conduct of espionage activities designed to illegally obtain United States military and industrial technology or secrets or active surveillance of and reporting on the activities of Americans of Polish descent.

SIMON AMENDMENT NO. 1125

Mr. SIMON proposed an amendment to the bill S. 1582, supra, as follows:

On page 15, after line 13, add the following:

(6) FINANCIAL INSTRUMENTS FOR INDIVIDUAL INVESTMENT.—The President shall ensure that Enterprise Funds undertake all possible efforts to establish financial instruments that will enable individuals to invest in the private sectors of Poland and that will thereby have the effect of multiplying the impact of United States grants to each Fund.

HELMS AMENDMENT NO. 1126

Mr. COCHRAN (for Mr. HELMS) proposed an amendment to the bill S. 1582, supra, as follows:

At the end of the committee amendment, add the following new section:

"SEC. . The United States Government shall not assist any missile program of the People's Republic of China in any manner, until the President certifies to Congress that China is not currently supplying ballistic missiles or missile technology to Iran, Iraq, Syria, or Libya, and has provided reasonable assurances that no future sales of missiles or missile technology to such countries are planned.".

TEMPORARY REDUCTION OF CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS

PACKWOOD AMENDMENT NO. 1127

(Ordered to lie on the table.)

Mr. PACKWOOD submitted an amendment intended to be proposed by him to the bill (H.R. 3628) to temporarily reduce the capital gains tax for noncorporate taxpayers, and for other purposes, as follows:

Strike out all after the enacting clause and insert:

SECTION 1. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

TITLE I—CAPITAL GAINS PROVISIONS

Subtitle A—Reduction in Capital Gains Tax

SEC. 101. REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS.

(a) GENERAL RULE.—Part I of subchapter P of chapter 1 (relating to treatment of capital gains) is amended by adding at the end thereof the following new section:

"SEC. 1202. REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS.

"(a) DEDUCTION ALLOWED FOR CAPITAL GAIN.—

"(1) IN GENERAL.—If, for any taxable year, a taxpayer other than a corporation has a net capital gain, an amount equal to the applicable percentage of the net capital gain shall be allowed as a deduction.

"(2) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under paragraph (1) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible by the income beneficiaries as gain derived from the sale or exchange of capital assets.

"(b) APPLICABLE PERCENTAGE.—For purposes of this subsection—

"(1) IN GENERAL.—The applicable percentage shall be the percentage determined in accordance with the following table:

"In the case of:	*The applicable percentage is:*
1-year gain	5
2-year gain	10

3-year gain	15
4-year gain	20
5-year gain	25
6-year gain	30
7-year gain	35.

"(2) QUALIFIED VENTURE CAPITAL STOCK.—If for any taxable year a taxpayer has any qualified venture capital stock net capital gain, paragraph (1) shall be applied—

"(A) by substituting '40 percent' for the applicable percentage determined for such gain which is 4-year or 5-year gain, and

"(B) by substituting '50 percent' for the applicable percentage determined for such gain which is 6-year or 7-year gain.

"(c) GAIN TO WHICH DEDUCTION APPLIES.—For purposes of this section—

"(1) 1-YEAR GAIN.—The term '1-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from the sale or exchange after October 1, 1989, of assets with a holding period of more than 1 year but not more than 2 years.

"(2) 2-YEAR GAIN, ETC.—The terms '2-, 3-, 4-, 5-, and 6-year gain' mean the amounts determined under paragraph (1)—

"(A) by reducing the amount of the net capital gain under subparagraph (A) thereof by the amount of net capital gain determined by taking into account only gain or loss from the sale or exchange of assets with a holding period less than the minimum holding period for any such category, and

"(B) by substituting 2, 3, 4, 5, or 6 years for 1 year and 3, 4, 5, 6, or 7 years for 2 years, respectively, in subparagraph (B) thereof.

"(3) 7-YEAR GAIN.—The term '7-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, reduced by 1-, 2-, 3-, 4-, 5-, and 6-year gain, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from the sale or exchange after October 1, 1989, of assets with a holding period of more than 7 years.

"(4) QUALIFIED VENTURE CAPITAL STOCK NET CAPITAL GAIN.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified venture capital stock net capital gain' means the lesser of—

"(i) net capital gain for the taxable year, or

"(ii) the net capital gain for the taxable year determined by only taking into account gain or loss from sales or exchanges after October 1, 1989, of qualified venture capital stock.

"(B) QUALIFIED VENTURE CAPITAL STOCK.—

"(i) IN GENERAL:—The term 'qualified venture capital stock' means stock which—

"(I) is issued by a qualified venture capital corporation after October 1, 1989,

"(II) is first acquired (whether directly or through an underwriter) by the taxpayer, and

"(III) is not issued in redemption of (or otherwise exchanged for) stock issued before October 2, 1989.

"(ii) QUALIFIED VENTURE CAPITAL CORPORATION.—For purposes of clause (i)—

"(I) IN GENERAL.—The term 'qualified venture capital corporation' means a corporation the cost basis (determined under section 1012) of all of the assets of which immediately after the date of issuance described in clause (i) is less than $20,000,000.

"(II) ACTIVE TRADE OR BUSINESS REQUIREMENT.—A corporation shall not be treated as a qualified venture capital corporation unless such corporation was engaged in the active conduct of a trade or business during the 5-year period ending on the date of issuance described in clause (i) (or if shorter, its period of existence), and is so engaged immediately after such date.

"(III) EXCEPTION FOR PERSONAL SERVICE CORPORATIONS.—The term 'qualified venture capital corporation' shall not include a personal service corporation (within the meaning of section 269A(b)(1)).

"(5) SPECIAL RULES FOR PASS-THRU ENTITIES.—

"(A) IN GENERAL.—In applying this subsection with respect to any pass-thru entity, the determination of when a sale or exchange has occurred shall be made at the entity level.

"(B) PASS-THRU ENTITY DEFINED.—For purposes of subparagraph (A), the term 'pass-thru entity' means—

"(i) a regulated investment company,

"(ii) a real estate investment trust,

"(iii) an S corporation,

"(iv) a partnership,

"(v) an estate or trust, and

"(vi) a common trust fund.

"(6) SPECIAL RULES FOR CARRYOVERS, ETC.—

"(A) CERTAIN CARRYOVERS.—For purposes of this subsection—

"(i) any amount treated as a loss under section 1212(b) for any taxable year beginning after October 1, 1989, shall be treated as a loss from a sale or exchange occurring after such date, and

"(ii) any such loss described in section 1212(b)(1)(B) shall be treated as a loss from the sale or exchange of a capital asset held for more than 1 year but not more than 2 years.

A similar rule shall apply to any loss carried to such a taxable year under section 465(a)(2) or 469(b).

"(B) RECAPTURE OF NET ORDINARY LOSS UNDER SECTION 1231.—For purposes of this subsection, if any amount is treated as ordinary income under section 1231(c) for any taxable year—

"(i) the amount so treated shall be allocated proportionately among the section 1231 gains (as defined in section 1231(a)) for such taxable year, and

"(ii) the amount so allocated to any such gain shall reduce the amount of such gain.

"(7) ORDERING RULES.—This section shall be applied separately (and in the following order) with respect to the following net capital gain:

"(A) Qualified venture capital stock net capital gain.

"(B) Net capital gain determined by taking into account only gain or loss from the sale or exchange of assets the holding period of which begins after October 1, 1989."

(b) TREATMENT OF COLLECTIBLES.—

(1) IN GENERAL.—Section 1222 is amended by inserting after paragraph (11) the following new paragraph:

"(12) SPECIAL RULE FOR COLLECTIBLES.—

"(A) IN GENERAL.—Any gain or loss from the sale or exchange of a collectible shall be treated as a short-term capital gain or loss (as the case may be), without regard to the period such asset was held. The preceding sentence shall apply only to the extent the gain or loss is taken into account in computing taxable income.

"(B) TREATMENT OF CERTAIN SALES OF INTEREST IN PARTNERSHIP, ETC.—For purposes of subparagraph (A), any gain from the sale or exchange of an interest in a partnership, S corporation, or trust which is attributable to unrealized appreciation in the value of collectibles held by such entity shall be treated as gain from the sale or exchange of a collectible. Rules similar to the rules of section 751(f) shall apply for purposes of the preceding sentence.

"(C) COLLECTIBLE.—For purposes of this paragraph, the term 'collectible' means any capital asset which is a collectible (as defined in section 408(m) without regard to paragraph (3) thereof)."

(2) CHARITABLE DEDUCTION NOT AFFECTED.—

(A) Paragraph (1) of section 170(e) is amended by adding at the end thereof the following new sentence: "For purposes of this paragraph, section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)."

(B) Clause (iv) of section 170(b)(1)(C) is amended by inserting before the period at the end thereof the following: "and section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)".

(c) MINIMUM TAX.—Section 56(b)(1) is amended by adding at the end thereof the following new subparagraph:

"(F) CAPITAL GAINS DEDUCTION DISALLOWANCE.—The deduction under section 1202 shall not be allowed."

(d) PASSIVE ACTIVITY.—Subsection (j) of section 469 (relating to special rules for passive activities) is amended by adding at the end thereof the following new paragraph:

"(13) COORDINATION WITH SECTION 1202.—In the case of the disposition of any interest in a passive activity, any gain from such interest shall be reduced by the amount of any unused deduction or credit allocable to such interest before such gain is taken into account in computing the net capital gain of the taxpayer."

(e) CONFORMING AMENDMENTS.—

(1) Section 62(a) is amended by inserting after paragraph (13) the following new paragraph:

"(14) CAPITAL GAINS DEDUCTION.—The deduction allowed by section 1202."

(2) Clause (ii) of section 163(d)(4)(B) is amended by inserting ", reduced by the amount of any deduction allowable under section 1202 attributable to gain from such property" after "investment".

(3)(A) Section 170(e)(1)(B) is amended by inserting "the nondeductible percentage" before "the amount of gain".

(B) Section 170(e)(1) is amended by adding at the end thereof the following new sentence: "For purposes of subparagraph (B), the term 'nondeductible percentage' means 100 percent minus the applicable percentage with respect to such property under section 1202(b), or, in the case of a corporation, 100 percent minus the deduction equivalent of the applicable percentage of section 1201.

(4)(A) Section 172(d)(2) (relating to modifications with respect to net operating loss deduction) is amended to read as follows:

"(2) CAPITAL GAINS AND LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.—In the case of a taxpayer other than a corporation—

"(A) the amount deductible on account of losses from sales or exchanges of capital assets shall not exceed the amount includible on account of gains from sales or exchanges of capital assets; and

"(B) the deduction provided by section 1202 shall not be allowed."

(B) Subparagraph (B) of section 172(d)(4) is amended by inserting ", (2)(B)," after "paragraph (1)".

(5)(A) Section 221 (relating to cross reference) is amended to read as follows:

"SEC. 221. CROSS REFERENCES.

"(1) For deduction for net capital gains in the case of a taxpayer other than a corporation, see section 1202.

"(2) For deductions in respect of a decedent, see section 691."

(B) The table of sections for part VII of subchapter B of chapter 1 is amended by striking "reference" in the item relating to section 221 and inserting "references".

(6) Paragraph (4) of section 642(c) is amended to read as follows:

"(4) ADJUSTMENTS.—To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain from the sale or exchange of capital assets held for more than 1 year, proper adjustment shall be made for any deduction allowable to the estate or trust under section 1202 (relating to deduction for net capital gain). In the case of a trust, the deduction allowed by this subsection shall be subject to section 681 (relating to unrelated business income)."

(7) Paragraph (3) of section 643(a) is amended by adding at the end thereof the following new sentence: "The deduction under section 1202 (relating to deduction for net capital gain) shall not be taken into account."

(8) Paragraph (4) of section 691(c) is amended by striking "1201, and 1211" and inserting "1201, 1202, and 1211".

(9) The second sentence of paragraph (2) of section 871(a) is amended by inserting "such gains and losses shall be determined without regard to section 1202 (relating to deduction for net capital gain) and" after "except that".

(10) Section 1402(i)(1) is amended to read as follows:

"(1) IN GENERAL.—In determining the net earnings from self-employment of any options dealer or commodities dealer—

"(A) notwithstanding subsection (a)(3)(A), there shall not be excluded any gain or loss (in the normal course of the taxpayer's activity of dealing in or trading section 1256 contracts) from section 1256 contracts or property related to such contracts, and

"(B) the deduction provided by section 1202 shall not apply."

(11)(A) Sections 7518(g)(6)(A) is amended by striking the last sentence.

(B) Section 607(h)(6)(A) of the Merchant Marine Act, 1936, is amended by striking the last sentence.

(f) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1202. Reduction in capital gains tax for noncorporate taxpayers."

(g) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by subsections (a) and (c) shall apply to taxable years ending after October 1, 1989.

(2) TREATMENT OF COLLECTIBLES.—

(A) IN GENERAL.—The amendment made by subsection (b) shall apply to taxable years beginning after October 1, 1989.

(B) SPECIAL RULE FOR 1989 TAXABLE YEAR.—In case of any taxable year which includes October 1, 1989, for purposes of sections 1201 and 1202 of the Internal Revenue Code of 1986 and section 1(g) of such Code, any gain or loss from the sale or exchange of a collectible shall (within the meaning of section 1222(12) of such Code) be treated as gain or loss from a sale or exchange occurring on or before October 1, 1989.

SEC. 102. NET CAPITAL GAIN NOT TAKEN INTO ACCOUNT UNDER PHASEOUT OF 15-PERCENT RATE AND PERSONAL EXEMPTIONS.

(a) GENERAL RULE.—Subparagraph (A) of section 1(g)(1) is amended to read as follows:

"(A) taxable income reduced by the excess (if any) of—

"(i) the qualified net capital gain, over

"(ii) the deduction allowed under section 1202, over".

(b) QUALIFIED NET CAPITAL GAIN.—Subsection (g) of section 1 is amended by adding at the end thereof the following new paragraph:

"(5) QUALIFIED NET CAPITAL GAIN.—The term 'qualified net capital gain' means the lesser of—

"(A) the net capital gain for the taxable year, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from sales or exchanges after October 1, 1989.

For purposes of the preceding sentence, the rules of paragraphs (4) and (5) of section 1202(c) shall apply."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after October 1, 1989.

SEC. 103. RECAPTURE UNDER SECTION 1250 OF TOTAL AMOUNT OF DEPRECIATION.

(a) GENERAL RULE.—Subsections (a) and (b) of section 1250 (relating to gain from disposition of certain depreciable realty) are amended to read as follows:

"(a) GENERAL RULE.—Except as otherwise provided in this section, if section 1250 property is disposed of, the lesser of—

"(1) the depreciation adjustments in respect of such property, or

"(2) the excess of—

"(A) the amount realized (or, in the case of a disposition other than a sale, exchange, or involuntary conversion, the fair market value of such property), over

"(B) the adjusted basis of such property,

shall be treated as gain which is ordinary income. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(b) DEPRECIATION ADJUSTMENTS.—For purposes of this section, the term 'depreciation adjustments' means, in respect of any property, all adjustments attributable to periods after December 31, 1963, reflected in the adjusted basis of such property on account of deductions (whether in respect of the same or other property) allowed or allowable to the taxpayer or to any other person for exhaustion, wear and tear, obsolescence, or amortization (other than amortization under section 168 (as in effect before its repeal by the Tax Reform Act of 1976), 169, 185 (as in effect before its repeal by the Tax Reform Act of 1986), 188, 190, or 193). For purposes of the preceding sentence, if the taxpayer can establish by adequate records or other sufficient evidence that the amount allowed as a deduction for any period was less than the amount allowable, the amount taken into account for such period shall be the amount allowed."

(b) LIMITATION IN CASE OF INSTALLMENT SALES.—Subsection (i) of section 453 is amended—

(1) by striking "1250" the first place it appears and inserting "1250 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1989)", and

(2) by striking "1250" the second place it appears and inserting "1250 (as so in effect)".

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (E) of section 1250(d)(4) is amended—

(A) by striking "additional depreciation" and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(2) Subparagraph (B) of section 1250(d)(6) is amended to read as follows:

"(B) DEPRECIATION ADJUSTMENTS.—In respect of any property described in subparagraph (A), the amount of the depreciation adjustments attributable to periods before the distribution by the partnership shall be—

"(i) the amount of gain to which subsection (a) would have applied if such property had been sold by the partnership immediately before the distribution at its fair market value at such time, reduced by

"(ii) the amount of such gain to which section 751(b) applied."

(3) Subparagraph (D) of section 1250(d)(8) is amended—

(A) by striking "additional depreciation" each place it appears and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(4) Paragraph (8) of section 1250(d) is amended by striking subparagraphs (E) and (F) and inserting the following:

"(E) ALLOCATION RULES.—For purposes of this paragraph, the amount of gain attributable to the section 1250 property disposed of shall be the net amount realized with respect to such property reduced by the greater of the adjusted basis of the section 1250 property disposed of, or the cost of the section 1250 property acquired, but shall not exceed the gain recognized in the transaction."

(5) Subsection (d) of section 1250 is amended by striking paragraph (10).

(6) Section 1250 is amended by striking subsections (e), (f), and (g) and by redesignating subsections (h) and (i) as subsections (e) and (f), respectively.

(7) Paragraph (5) of section 48(q) is amended to read as follows:

"(5) RECAPTURE OF REDUCTION.—For purposes of sections 1245 and 1250, any reduction under this subsection shall be treated as a deduction allowed for depreciation."

(8) Clause (i) of section 267(e)(5)(D) is amended by striking "section 1250(a)(1)(B)" and inserting "section 1250(a)(1)(B) (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1989)".

(9)(A) Subsection (a) of section 291 is amended by striking paragraph (1) and redesignating paragraphs (2), (3), (4), and (5) as paragraphs (1), (2), (3), and (4), respectively.

(B) Subsection (c) of section 291 is amended to read as follows:

"(c) SPECIAL RULE FOR POLLUTION CONTROL FACILITIES.—Section 168 shall apply with respect to that portion of the basis of any property not taken into account under section 169 by reason of subsection (a)(4)."

(C) Section 291 is amended by striking subsection (d) and redesignating subsection (e) as subsection (d).

(D) Paragraph (2) of section 291(d) (as redesignated by subparagraph (C)) is hereby repealed.

(E) Subparagraph (A) of section 265(b)(3) is amended by striking "291(e)(1)(B)" and inserting "291(d)(1)(B)".

(F) Subsection (c) of section 1277 is amended by striking "291(e)(1)(B)(ii)" and inserting "291(d)(1)(B)(ii)".

(10) Subsection (d) of section 1017 is amended to read as follows:

"(d) RECAPTURE OF DEDUCTIONS.—For purposes of sections 1245 and 1250—

"(1) any property the basis of which is reduced under this section and which is neither section 1245 property nor section 1250 property shall be treated as section 1245 property, and

"(2) any reduction under this section shall be treated as a deduction allowed for depreciation."

(11) Paragraph (5) of section 7701(e) is amended by striking "(relating to low-income housing)" and inserting "(as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1989)".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to dispositions after October 1, 1989, in taxable years ending after such date.

Subtitle B—Alternative Capital Gains Rate for Corporations

SEC. 111. ALTERNATIVE CAPITAL GAINS RATE FOR CORPORATIONS.

(a) IN GENERAL.—Section 1201 is amended to read as follows:

"SEC. 1201. ALTERNATIVE TAX FOR CORPORATIONS.

"(a) GENERAL RULE.—If, for any taxable year, a corporation has an applicable net capital gain, then, in lieu of the tax imposed by sections 11, 511, and 831 (a) or (b), there is hereby imposed a tax (if such tax is less than the tax imposed) in an amount equal to the sum of—

"(1) a tax computed on the taxable income reduced by the sum of the applicable net capital gain, at the rate and in the manner as if this subsection had not been enacted, plus

"(2) a tax equal to the applicable percentage of the applicable net capital gain.

"(b) APPLICABLE PERCENTAGE.—For purposes of this section—

"(1) IN GENERAL.—The applicable percentage shall be the percentage determined in accordance with the following table:

"In the case of:	The applicable percentage is:
3-year gain	33
6-year gain	32
9-year gain	31
12-year gain	30
15-year gain	29.

"(2) QUALIFIED VENTURE CAPITAL STOCK NET CAPITAL GAIN.—Paragraph (1) shall be applied by substituting '29 percent' for the applicable percentage with respect to 6-year, 9-year, and 12-year gain.

"(c) TERMS RELATING TO GAIN.—For purposes of this section—

"(1) APPLICABLE NET CAPITAL GAIN.—The term 'applicable net capital gain' means 3-, 6-, 9-, 12-, or 15-year gain.

"(2) 3-year gain.—The term '3-year gain' means the lesser of—

"(A) the net capital gain for the year, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from the sale or exchange after October 1, 1989, of assets with a holding period of more than 3 years but not more than 6 years.

"(3) 6-YEAR GAIN, ETC.—The terms '6-, 9-, and 12-year gain' mean the amounts determined under paragraph (2)—

"(A) by reducing the amount of the net capital gain under subparagraph (A) thereof by the amount of net capital gain determined by taking into account only gain or loss from the sale or exchange of assets with a holding period less than the minimum holding period for any such category, and

"(B) by substituting 6, 9, or 12 years for 3 years and 9, 12, or 15 years for 6 years, respectively, in subparagraph (B) thereof.

"(4) 15-YEAR GAIN.—The term '15-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, reduced by the 3-, 6-, 9-, and 12-year gain, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from the sale or exchange after October 1, 1989, of assets with a holding period of more than 15 years.

"(5) QUALIFIED VENTURE CAPITAL STOCK NET CAPITAL GAIN.—The term 'qualified venture capital stock net capital gain' has the meaning given such term by section 1202.

"(6) SPECIAL RULE.—For purposes of this subsection, the rules of paragraphs (4), (5), and (6) of section 1202(c) shall apply.

"(d) CROSS REFERENCES.—For computation of the alternative tax—

"(1) in the case of life insurance companies, see section 801(a)(2),

"(2) in the case of regulated investment companies and their shareholders, see section 852(b)(3) (A) and (D), and

"(3) in the case of real estate investment trusts, see section 857(b)(3)(A)."

(b) CONFORMING AMENDMENT.—Clause (iii) of section 852(b)(3)(D) is amended by striking "66 percent" and inserting "66 percent (or in the case of applicable net capital gains, 100 percent minus the applicable percentage under section 1201(b))".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after October 1, 1989.

Subtitle C—Indexing of Certain Assets for Purposes of Determining Gain

SEC. 121. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN.

(a) IN GENERAL.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN.

"(a) GENERAL RULE.—

"(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—If an individual elects not to have the provisions of section 1201 apply for any taxable year, then, solely for purposes of determining gain on the sale or other disposition during such taxable year by such individual of an indexed asset which has been held for more than 2 years, the indexed basis of the asset shall be substituted for its adjusted basis.

"(2) SPECIAL RULE FOR RECAPTURE GAIN.—

"(A) IN GENERAL.—Paragraph (1) shall not apply for purposes of determining the amount of recapture gain on the sale or other disposition of an indexed asset, but the amount of any such recapture gain shall increase the adjusted basis of the asset for purposes of applying paragraph (1) to determine the amount of other gain on such sale or other disposition.

"(B) RECAPTURE GAIN.—For purposes of subparagraph (A), the term 'recapture gain' means any gain treated as ordinary income under section 1245, 1250, or 1254.

"(b) INDEXED ASSET.—

"(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means—

"(A) any stock in a corporation, and

"(B) any tangible property (or any interest therein),

which is a capital asset or property used in the trade or business (as defined in section 1231(b)).

"(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term 'indexed asset' does not include—

"(A) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

"(B) COLLECTIBLES.—Any collectible (as defined in section 408(m)(2) without regard to section 408(m)(3)).

"(C) OPTIONS.—Any option or other right to acquire an interest in property.

"(D) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (i)(3)).

"(E) CERTAIN PREFERRED STOCK.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(F) STOCK IN FOREIGN CORPORATIONS.—Stock in a foreign corporation.

"(G) STOCK IN S CORPORATIONS.—Stock in an S corporation.

"(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Paragraph (2)(F) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis or is authorized for trading on the national market system operated by the National Association of Securities Dealers other than—

"(A) stock of a foreign investment company (within the meaning of section 1246(b)),

"(B) stock in a passive foreign investment company (as defined in section 1296), and

"(C) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

"(c) INDEXED BASIS.—For purposes of this section—

"(1) INDEXED BASIS.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) APPLICABLE INFLATION RATIO.—The applicable inflation ratio for any asset shall be determined by dividing—

"(A) the CPI for the calendar year preceding the calendar year in which the disposition takes place, by

"(B) the CPI for the later of—

"(i) the calendar year preceding the calendar year in which the taxpayer's holding period for such asset began, or

"(ii) 1990.

The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest one-hundredth.

"(3) CONVENTIONS.—For purposes of paragraph (2), if any asset is disposed of during any calendar year—

"(A) such disposition shall be treated as occurring on the last day of such calendar year, and

"(B) the taxpayer's holding period for such asset shall be treated as beginning in the same calendar year as would be determined for an asset actually disposed of on such last day with a holding period of the same length as the actual holding period of the asset involved.

"(4) CPI.—For purposes of this subsection, the CPI for any calendar year shall be determined under section 1(f)(4).

"(d) SHORT SALES.—

"(1) IN GENERAL.—In the case of a short sale of an indexed asset with a short sale period in excess of 2 years, for purposes of this title, the amount realized shall be an amount equal to the amount realized (determined without regard to this paragraph) multiplied by the applicable inflation ratio. In applying subsection (c)(2) for purposes of the preceding sentence, the date on which the property is sold short shall be treated as the date on which the holding period for the asset begins and the closing date for the sale shall be treated as the date of disposition.

"(2) SHORT SALE OF SUBSTANTIALLY IDENTICAL PROPERTY.—If the taxpayer or the taxpayer's spouse sells short property substantially identical to an asset held by the taxpayer, the asset held by the taxpayer and the substantially identical property shall not be treated as indexed assets for the short sale period.

"(3) SHORT SALE PERIOD.—For purposes of this subsection, the short sale period begins on the day after property is sold and ends on the closing date for the sale.

"(e) TREATMENT OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—

"(1) ADJUSTMENTS AT ENTITY LEVEL.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, the adjustment under subsection (a) shall be allowed to any qualified investment entity (including for purposes of determining the earnings and profits of such entity).

"(B) EXCEPTION FOR CORPORATE SHAREHOLDERS.—Under regulations—

"(i) in the case of a distribution by a qualified investment entity (directly or indirectly) to a corporation—

"(I) the determination of whether such distribution is a dividend shall be made without regard to this section, and

"(II) the amount treated as gain by reason of the receipt of any capital gain dividend shall be increased by the percentage by which the entity's net capital gain for the taxable year determined without regard to this section exceeds the entity's net capital gain for such year determined with regard to this section, and

"(ii) there shall be other appropriate adjustments (including deemed distributions) so as to ensure that the benefits of this section are not allowed (directly or indirectly) to corporate shareholders of qualified investment entities.

For purposes of the preceding sentence, any amount includible in gross income under section 852(b)(3)(D) shall be treated as a capital gain dividend and an S corporation shall not be treated as a corporation.

"(C) EXCEPTION FOR QUALIFICATION PURPOSES.—This section shall not apply for purposes of sections 851(b) and 856(c).

"(D) EXCEPTION FOR CERTAIN TAXES IMPOSED AT ENTITY LEVEL.—

"(i) TAX ON FAILURE TO DISTRIBUTE ENTIRE GAIN.—If any amount is subject to tax under section 852(b)(3)(A) for any taxable year, the amount on which tax is imposed under such section shall be increased by the percentage determined under subparagraph (B)(i)(II). A similar rule shall apply in the case of any amount subject to tax under paragraph (2) or (3) of section 857(b) to the extent attributable to the excess of the net capital gain over the deduction for dividends paid determined with reference to capital gain dividends only. The first sentence of this clause shall not apply to so much of the amount subject to tax under section 852(b)(3)(A) as is designated by the company under section 852(b)(3)(D).

"(ii) OTHER TAXES.—This section shall not apply for purposes of determining the amount of any tax imposed by paragraph (4), (5), or (6) of section 857(b).

"(2) ADJUSTMENTS TO INTERESTS HELD IN ENTITY.—

"(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

"(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

"(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

"(3) QUALIFIED INVESTMENT ENTITY.—For purposes of this subsection, the term 'qualified investment entity' means—

"(A) a regulated investment company (within the meaning of section 851), and

"(B) a real estate investment trust (within the meaning of section 856).

"(f) OTHER PASS-THRU ENTITIES.—

"(1) PARTNERSHIPS.—

"(A) IN GENERAL.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners (but only for purposes of determining the income of partners who are individuals).

"(B) SPECIAL RULE IN THE CASE OF SECTION 754 ELECTIONS.—In the case of a transfer of an interest in a partnership with respect to which the election provided in section 754 is in effect—

"(i) the adjustment under section 743(b)(1) shall, with respect to the transferor partner, be treated as a sale of the partnership assets for purposes of applying this section, and

"(ii) with respect to the transferee partner, the partnership's holding period for purposes of this section in such assets shall be treated as beginning on the date of such adjustment.

"(2) S CORPORATIONS.—In the case of an S corporation, the adjustment made under subsection (a) at the corporate level shall be passed through to the shareholders. This section shall not apply for purposes of determining the amount of any tax imposed by section 1374 or 1375.

"(3) COMMON TRUST FUNDS.—In the case of a common trust fund, the adjustment made under subsection (a) at the trust level shall be passed through to the participants (but only for purposes of determining the income of participants who are individuals).

"(g) DISPOSITIONS BETWEEN RELATED PERSONS.—This section shall not apply to any sale or other disposition of property between related persons (within the meaning of section 465(b)(3)(C)) if such property, in the hands of the transferee, is of a character subject to the allowance for depreciation provided in section 167.

"(h) TRANSFERS TO INCREASE INDEXING ADJUSTMENT.—If any person transfers cash, debt, or any other property to another person and the principal purpose of such transfer is to secure or increase an adjustment under subsection (a), the Secretary may disallow part or all of such adjustment or increase.

"(i) SPECIAL RULES.—For purposes of this section—

"(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

"(A) A substantial improvement to property.

"(B) In the case of stock of a corporation, a substantial contribution to capital.

"(C) Any other portion of an asset to the extent that separate treatment of such portion is appropriate to carry out the purposes of this section.

"(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—The applicable inflation ratio shall be appropriately reduced for periods during which the asset was not an indexed asset.

"(3) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property.

"(j) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section."

(b) GAINS AND LOSSES FROM INDEXED ASSETS NOT TAKEN INTO ACCOUNT UNDER LIMITATION ON INVESTMENT INTEREST.—Subparagraph (B) of section 163(d)(4) (defining investment income) is amended by adding at the end thereof the following new sentences:

"Gain from the sale or other disposition of an indexed asset (as defined in section 1022) held for more than 2 years shall not be taken into account for purposes of the preceding sentence. The preceding sentence shall not apply to gain from the sale or other disposition of any such asset if the taxpayer elects to waive the benefits of section 1022 in determining the amount of such gain."

(c) REPEAL OF SECTION 1(j).—

(1) IN GENERAL.—Subsection (j) of section 1 is hereby repealed.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (4) of section 691(c) is amended by striking "1(j)".

(B)(i) Subparagraph (B) of section 904(b)(2) is amended by striking so much of such subparagraph as precedes clause (i) and inserting the following:

"(B) SPECIAL RULE WHERE CORPORATE CAPITAL GAIN RATE DIFFERENTIAL.—In the case of a corporation for any taxable year for which there is a capital gain rate differential—".

(ii) Subparagraph (D) of section 904(b)(3) is amended to read as follows:

"(D) CAPITAL GAIN RATE DIFFERENTIAL.—There is a capital gain rate differential for any taxable year in the case of a corpora-

tion if any rate of tax imposed by section 11, 511, or 831 (a) or (b) (whichever applies) exceeds the alternative rate of tax under section 1201(a) (determined without regard to the last sentence of section 11(b)(1))."

(iii) Subparagraph (E) of section 904(b)(3) is amended by striking clauses (ii) and (iii) and inserting the following:

"(ii) HIGHEST APPLICABLE TAX RATE.—For purposes of clause (i), the term 'highest applicable tax rate' means the highest rate of tax specified in section 11(b).

"(iii) ALTERNATIVE TAX RATE.—For purposes of clause (i), the term 'alternative tax rate' means the alternative rate of tax under section 1201(a)."

(d) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

"Sec. 1022. Indexing of certain assets for purposes of determining gain."

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to any disposition of property in any taxable year beginning after December 31, 1991.

(2) SUBSECTION (c).—The amendments made by subsection (c) shall apply to taxable years beginning after December 31, 1989.

TITLE II—INDIVIDUAL RETIREMENT PLUS ACCOUNTS

SEC. 201. ESTABLISHMENT OF INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

(a) IN GENERAL.—Subpart A of part I of subchapter D of chapter 1 (relating to pension, profit-sharing, stock bonus plans, etc.) is amended by inserting after section 408 the following new section:

"408A. INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

"(a) GENERAL RULE.—Except as provided in this section, an individual retirement plus account shall be treated for purposes of this title in the same manner as an individual retirement plan.

"(b) INDIVIDUAL RETIREMENT PLUS ACCOUNT.—For purposes of this title, the term 'individual retirement plus account' means an individual retirement plan which is designated at the time of the establishment of the plan as an individual retirement plus account. Such designation shall be made in such manner as the Secretary may prescribe.

"(c) CONTRIBUTION RULES.—

"(1) NO DEDUCTION ALLOWED.—No deduction shall be allowed under section 219 for a contribution to an individual retirement plus account.

"(2) CONTRIBUTION LIMIT.—

"(A) IN GENERAL.—Except in the case of rollover contributions, the aggregate amount which may be accepted as contributions to an individual retirement plus account shall not be greater than the excess (if any) of—

"(i) the nondeductible limit with respect to the individual for the taxable year under section 408(o) (after application of subparagraph (B)(ii) thereof), over

"(ii) the designated nondeductible contributions made by the individual for such taxable year to 1 or more individual retirement plans.

"(B) $1,000 INCREASE AFTER 1994.—In the case of any taxable year beginning after December 31, 1994, the amount determined under subparagraph (A)(i) (without regard to this subparagraph) shall be increased by $1,000.

"(C) SPECIAL RULE FOR MARRIED INDIVIDUALS.—The nondeductible limits under subparagraph (A) for an individual and for such individual's spouse shall be an amount equal to the excess (if any) of—

"(i) $2,000, over

"(ii) the sum of the amount allowed as a deduction under section 219 for contributions on behalf of such individual or such spouse, plus the amount determined under subparagraph (A)(ii) with respect to each.

In no event shall the sum of such limits exceed an amount equal to the sum of the compensation includible in the individual's and spouse's gross income for the taxable year, reduced by the sum of the amounts determined under clause (ii).

"(3) CONTRIBUTIONS AFTER AGE 70½.—Contributions may be made by an individual to an individual retirement plus account after such individual has attained the age of 70½.

"(4) LIMITATIONS ON ROLLOVER CONTRIBUTIONS.—No rollover contributions may be made to an individual retirement plus account unless such rollover contribution is a contribution of a distribution or payment out of—

"(A) another individual retirement plus account, or

"(B) an individual retirement plan which is not allocable to any amount transferred to such plan which represented any portion of the balance to the credit of an employee in a qualified trust (or any income allocable to such portion).

"(d) DISTRIBUTION RULES.—For purposes of this title—

"(1) IN GENERAL.—Except in the case of a qualified distribution, the rules of paragraphs (1) and (2) of section 408(d) shall apply to any distribution from an individual retirement plus account.

"(2) TREATMENT OF QUALIFIED DISTRIBUTION.—In the case of a qualified distribution from an individual retirement plus account—

"(A) the amount of such distribution shall not be includible in gross income; and

"(B) section 72(t) shall not apply.

"(3) QUALIFIED DISTRIBUTION.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified distribution' means any distribution—

"(i) made on or after the date on which the individual attains age 59½,

"(ii) made to a beneficiary (or to the estate of an individual) on or after the death of the individual,

"(iii) attributable to the employee's being disabled (within the meaning of section 72(m)(7)), or

"(iv) which is a qualified special purpose distribution (within the meaning of subsection (e)).

"(B) DISTRIBUTIONS WITHIN 5 YEARS.—No distribution shall be treated as a qualified distribution if—

"(i) it is made within the 5-taxable year period beginning with the 1st taxable year in which the individual made a contribution to an individual retirement plus account, or

"(ii) in the case of a distribution properly allocable to a rollover contribution (or income allocable thereto), it is made within 5 years of the date on which such rollover contribution was made.

"(4) SPECIAL RULES RELATING TO ROLLOVERS FROM REGULAR INDIVIDUAL RETIREMENT ACCOUNTS.—

"(A) IN GENERAL.—Except as provided in this paragraph, any amount paid or distributed out of an individual retirement plan on or before the earlier of—

"(i) the date on which the individual attains age 55, or

"(ii) January 1, 1992,

shall not be included in gross income (and section 72(t) shall not apply to such amount) if the individual receiving such amount transfers, within 60 days of receipt, the entire amount received to an individual retirement plus account.

"(B) TREATMENT OF TAX-FAVORED AMOUNTS.—

"(i) IN GENERAL.—Notwithstanding subparagraph (A), there shall be included in gross income (but section 72(t) shall not apply to) the portion of any amount transferred which bears the same ratio to such amount as—

"(I) the aggregate amount of contributions to individual retirement plans with respect to which a deduction was allowable under section 219, bears to

"(II) the aggregate balance of such plans.

"(ii) TIME FOR INCLUSION.—Any amount described in clause (i) shall be included in gross income ratably over the 4-taxable year period beginning with the taxable year in which the amount was paid or distributed out of the individual retirement plan.

"(e) QUALIFIED SPECIAL PURPOSE DISTRIBUTION.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified special purpose distribution' means—

"(A) a qualified first-time homebuyer distribution, or

"(B) an applicable medical or educational distribution.

"(2) 25 PERCENT ACCOUNT LIMIT.—A distribution shall not be treated as a qualified special purpose distribution to the extent it exceeds the amount (if any) by which—

"(A) 25 percent of the sum of—

"(i) the aggregate balance of individual retirement plus accounts established on behalf of an individual, plus

"(ii) the aggregate amounts previously treated as qualified special purpose distributions, exceeds

"(B) the amount determined under subparagraph (A)(ii).

"(3) DISTRIBUTIONS USED TO PURCHASE A HOME BY FIRST-TIME HOMEBUYER.—For purposes of paragraph (1)—

"(A) IN GENERAL.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by a first-time homebuyer from an individual retirement plan to the extent such payment or distribution is used by the individual before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence for such individual.

"(B) BASIS REDUCTION.—The basis of any principal residence described in subparagraph (A) shall be reduced by any amount excluded from the gross income of such first-time homebuyer by reason of this section.

"(C) RECOGNITION OF GAIN AS ORDINARY INCOME.—

"(i) IN GENERAL.—Notwithstanding any other provision of this subtitle, except as provided in clause (ii)—

"(I) gain (if any) on the sale or exchange of a principal residence to which subparagraph (A) applies shall, to the extent of the amount excluded from gross income under this section, be treated as ordinary income by such individual, and

"(II) section 72(t) shall apply to such amount.

"(ii) EXCEPTION.—Clause (i) shall not apply to any taxable year to the extent of

any amount which, before the due date (without extensions) for filing the return for such year, the taxpayer contributes to an individual retirement plus account. Such amount shall not be taken into account for purposes of any provision of this title relating to excess contributions.

"(iii) COORDINATION WITH OTHER PROVISIONS.—In the event all or part of the gain referred to in clause (i) is treated as ordinary income under any other provision of this subtitle, such provision shall be applied before clause (i).

"(D) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If—

"(i) any amount is paid or distributed from an individual retirement plus account to an individual for purposes of being used as provided in subparagraph (A), and

"(ii) by reason of a delay in the acquisition of the residence, such amount cannot be so used,

the amount so paid or distributed may be paid into an individual retirement plus account as provided in section 408(d)(3)(A)(i) without regard to section 408(d)(3)(B), and, if so paid into such other plan, such amount shall not be taken into account in determining whether section 408(d)(3)(A)(i) applies to any other amount.

"(E) DEFINITIONS.—For purposes of this paragraph—

"(i) QUALIFIED ACQUISITION COSTS.—The term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(ii) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this paragraph applies.

"(iii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(iv) DATE OF ACQUISITION.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

"(4) APPLICABLE MEDICAL DISTRIBUTIONS.—For purposes of paragraph (1), the term 'applicable medical distributions' means any distributions made to an individual (not otherwise taken into account under this subsection) to the extent such distributions do not exceed the amount allowable as a deduction under section 213 for amounts paid during the taxable year for medical care (without regard to whether the individual itemized deductions for the taxable year).

"(5) DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLUS ACCOUNTS FOR EDUCATIONAL EXPENSES.—

"(A) IN GENERAL.—For purposes of paragraph (1), the term 'applicable educational distributions' means distributions to an individual to the extent that the amount of such distributions (not otherwise treated as qualified special purpose distributions, determined after application of paragraph (4)) does not exceed the qualified higher education expenses of the individual for the taxable year.

"(B) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of subparagraph (A)—

"(i) IN GENERAL.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, and equipment required for the enrollment or attendance of—

"(I) the taxpayer,

"(II) the taxpayer's spouse, or

"(III) the taxpayer's child (as defined in section 151(c)(3)) or grandchild,

at an eligible educational institution (as defined in section 135(c)(3)).

"(ii) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135.

"(f) ROLLOVER CONTRIBUTIONS.—For purposes of this section, the term 'rollover contributions' means contributions described in sections 402(a)(5), 402(a)(7), 403(a)(4), 403(b)(8), and 408(d)(3).

"(g) DETERMINATIONS.—For purposes of this section, any determinations with respect to aggregate contributions to, or the balance of, individual retirement plus accounts shall be made as of the close of the calendar year preceding the calendar year in which the taxable year begins."

(b) MINIMUM TAX.—Section 56(b) is amended by adding at the end thereof the following new paragraph:

"(4) EXCLUSIONS ON INDIVIDUAL RETIREMENT PLUS ACCOUNTS.—Section 408A(d)(2) shall not apply to any qualified distribution from an individual retirement plus account."

(c) CONFORMING AMENDMENT.—The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 408 the following new item:

"Sec. 408A. Individual retirement plus accounts."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1989.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a markup on Tuesday, November 14, 1989, beginning at 9:30 a.m., in 485 Russell Senate Office Building on S. 1096 (S. 1336), to provide for the use and distribution of funds awarded the Seminole Indians; S. 1781, the Native American Language Act; and S. 1846, to make miscellaneous amendments to Indian laws, and for other purposes to be followed by an oversight hearing on Indian veterans.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224-2251.

SUBCOMMITTEE ON FEDERAL SERVICES, POST OFFICE, AND CIVIL SERVICE

Mr. PRYOR. Mr. President, I would like to announce that the Subcommittee on Federal Service, Post Office, and Civil Service, of the Committee on Governmental Affairs, will hold a hearing on November 17, 1989, on S. 166, the Consultant Registration and Reform Act of 1989. The subcommittee will hear witnesses from the Department of Housing and Urban Development and the private sector.

The hearing is scheduled for 9:30 a.m., in room SD-342, Senate Dirksen Office Building. For further information, please call Ed Gleiman, subcommittee staff director, on 224-2254.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. SIMON. Mr. President, I ask unanimous consent that the full committee of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 2 p.m., today to continue the October 5 and the October 31 hearings to receive testimony on the Department of Energy's efforts to improve the operations and management of its atomic energy defense activities and its efforts to restore public credibility in the Department's ability to operate its facilities in a safe and environmentally sound manner and on Senate bills S. 972, S. 1304, and S. 1802.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE CALL TO CONSCIENCE VIGIL

● Mr. COATS. Mr. President, I rise today on behalf of Mr. Mark Kotlyar and his family, who have been denied the right to emigrate from the Soviet Union since 1978. Based on his education at the Moscow Institute of Physics and Technology and his position as an apprentice in the radio industry between 1972 and 1975, Mark has been denied an emigration visa for the last 10 years because of his alleged knowledge of state secrets. The absurdity of this excuse is blatant. The mere fact that Mark received a masters degree in physics and was an apprentice in the ministry of Radio industries over 14 years ago is hardly a credible reason for denying him the right to emigrate. It is difficult to believe that a university student and an apprentice in his first job would have had access to truly secret information.

Mr. President, this is another painful example of Soviet authorities using the specious state secrets and poor relatives' excuses for denying Jewish refuseniks the right to emigrate from the U.S.S.R. Once an individual is categorized as possessing secret information, it is a bureaucratic nightmare to be removed from this list, a prerequisite to being granted an emigration visa. Despite initial signs of reform in Soviet emigration policy, the denial rates on these grounds remain high, and all the bureaucratic obstacles to removing secret status remain. Such

impediments fly in the face of President Gorbachev's reform efforts and discredit his attempts to establish greater openness.

I deeply sympathize with the struggle of Soviet Jews for religious and cultural freedom. I believe that the United States Government must continue to pressure the Soviet leadership to institutionalize emigration reforms. Moreover, in addition to basic emigration reforms, I believe that the Soviet Government must make every attempt to reverse the discrimination that Jews continue to suffer within the Soviet Union, especially since glasnost has contributed to a resurgence of antisemitism.

I hope that President Bush will raise the issue of refuseniks with President Gorbachev at their upcoming mini-summit meeting in Malta. In my view, we have significant economic leverage over Soviet policy, and we should use it constructively. In particular, before issuing a waiver of the Jackson-Vanik amendment, which would grant most-favored-nation trading status, the United States should insist that the Soviets codify in law the human rights and emigration reforms that are currently being discussed. We must have concrete evidence that they have eliminated the arbitrary practice of denying visas on the basis of state secrets and poor relatives before any serious consideration be given to a waiver of Jackson-Vanik. At a minimum the Soviets must seriously streamline the bureaucratic process currently required to remove secret status. While there is certainly a legitimate need to protect state secrets, the current use of this excuse to deny refusenik visas is exaggerated and appalling. Soviet assurances of future reforms and changes are not enough. Before providing the economic benefits of most-favored-nation trading status, we should therefore insist on irreversible reform of Soviet emigration policy.

Mr. President, Mark Kotlyar and his family have been waiting for the last decade for permission to reunite their family. Mark's case, however, has importance beyond the immediate interests of his family. Mark is the leader of the Kiev refusenik movement, and his release would be of tremendous symbolic value for the movement as a whole. His release would significantly bolster the confidence of Soviet refuseniks and help to eliminate the intimidation and discrimination that Jewish refuseniks have suffered for so long.

Mr. President, it is my intention to write to President Gorbachev and other appropriate Soviet authorities on behalf of Mark Kotlyar. He has been denied the right to emigrate for too long. It is my hope that the Soviet Government will not only look at Mark's case favorably but also reevaluate their overall emigration policy. I believe that the United States Congress can make a significant impact on Soviet policy. I commend the Congressional Call to Conscience Vigil for its consistent effort in this regard. I am proud to participate in this effort, and I encourage other Members of Congress to join me in calling for the release of Mark Kotlyar and the remaining refuseniks who await the opportunity to exercise basic freedoms, too often taken for granted in the West.●

THE MEANING OF SACRIFICE

● Mr. McCONNELL. Mr. President, last Saturday, November 11, our country observed Veterans Day. On this occasion, we honored the memory of our veterans from the Revolutionary War to the Mexican War, from World War I to Vietnam.

It has been only a short time, Mr. President, that our country officially recognized the service and sacrifices these Americans made in the interests of freedom and democracy. On November 11, 1918, World War I came to a bloody end, with over 10 million lives lost on the battlefields in Europe. President Woodrow Wilson declared that henceforth, America would recognize that day of peace as "Armistice Day" in honor of those who died in combat. President Wilson felt that America should be "* * * filled with solemn pride in the heroism of those who died in the country's service * * *."

Unfortunately, America was soon to return to combat in Europe. Following World War II and Korea, President Dwight Eisenhower signed legislation proclaiming November 11 as "Veterans Day," when all who served in the Armed Forces would be recognized for their service. On November 11, Mr. President we now honor the true sons of liberty, defenders of freedom and democracy: America's veterans.

As I watch events unfold in Eastern Europe, I am reminded how precious and special our freedoms are. Barbed wire, barricades, and armed soldiers do not keep Americans in the United States. We move and think freely, Mr. President, we are united by a love for democracy and pride in our country. Our veterans are to be thanked for keeping America safe and free.

On this special day we all have occasion to reflect on the meaning of sacrifice: To think of those who have shed blood to keep our Nation strong. Veterans Day is a day of peace, one to take pride, as President Wilson suggested, in those who have served in our Armed Forces.●

A TRIBUTE TO MARSING HIGH SCHOOL

● Mr. McCLURE. Mr. President, I rise today to tell my colleagues a brief story with a lesson for all of us. It is a story about a group of young people who displayed courage, wisdom, and honesty and who proved to their parents and community that they will not tolerate racial injustice.

Along the banks of the Snake River in northwestern Owyhee County, the town of Marsing, ID, has a small population of 800 people. It is a nice little community where nearly everyone in town knows each other and where you wouldn't expect to find racial tensions.

This fall, everyone in Marsing learned that sometimes racism creeps into our lives without us really even being aware of it. It took a bunch of high school kids to bring this lesson home.

During Marsing High School football games, Hispanic players were the targets of racial slurs from some adults in the football stands. After a Hispanic team member would drop a pass or miss a tackle, biting racial insults would come from a few white adults in the bleachers.

Feelings were running high at the 129-student rural school, of which roughly a quarter are Hispanic. On September 25, the 10 Hispanics on the 21-member football team boycotted practice as a result of the racial insults. In addition, a troubled Hispanic team member, Ernesto "Neto" Villarreal, 16, appeared alone before the school district's board of trustees to lead the antiracist resistance.

In small towns like Marsing, the activities of the schools are very important. Entire community pride can center around them. The planned boycott would have dismantled the football team and school, and community spirit could have been severely harmed. But principal Bill Duncanson saw an opportunity in the crisis for Marsing High School students to stand up to the intolerance of a handful of racist adults. He told the athletes, "By quitting, you're letting those jerks in the stands win. They're winning and you're quitting."

The student council later voted unanimously to fight against racist language at school functions. Hispanic team members, convinced by the quick response, returned to football practice.

The culmination of this defense against racism came during the homecoming game on September 29. With the support of Marsing mayor Gene Showalter and the school's administrators, the Marsing student body—whites and Hispanics united—handed a statement to adults entering the homecoming game. The students' statement that was read to fans at the game was quite clear:

> We, the student body of Marsing High School, are appalled by the racist behavior of certain people in the audience. Not only does this set a bad example for some younger students, it also reflects very badly on our entire school and community.

Although we appreciate the support of our fans for our team, which is composed of students from many ethnic backgrounds, we do not need bigots here.

We are asking the authorities to eject from the premises anyone making such racist and rude remarks.—Marsing High School student body.

Mr. President, a younger generation in Marsing, ID, has taken the lead and made a statement to us all. More importantly, they have made a promise to themselves that they will not tolerate racism. I am frankly very proud of these young people. They give me great hope that our leaders of tomorrow will continue making strides for the equality of all people.

I salute the students of Marsing High School and am sure the U.S. Senate joins me in wishing them a very successful school year.●

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations:

Calendar No. 478, Martin L. Allday, to be a member of the Federal Energy Regulatory Commission;

Calendar No. 479, Richard H. Melton, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federative Republic of Brazil;

Calendar No. 480, Cresencio S. Arcos, Jr., to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Honduras; and

All nominations placed on the Secretary's desk in the Foreign Service.

I further ask unanimous consent that the nominees be confirmed, en bloc, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table, en bloc, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations, considered and confirmed en bloc, are as follows:

DEPARTMENT OF ENERGY

Martin Lewis Allday, of Texas, to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1993.

DEPARTMENT OF STATE

Richard Huntington Melton, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federative Republic of Brazil.

Cresencio S. Arcos, Jr., of Texas, a career member of the Senior Foreign Service, class of counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Honduras.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE FOREIGN SERVICE

Foreign Service nominations beginning Charles E. Courtney, and ending Nyoka White, which nominations were received by the Senate on October 30, 1989, and appeared in the CONGRESSIONAL RECORD of October 31, 1989.

Foreign Service nominations beginning Reginald Howard, and ending Albert L. Bryant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of November 2, 1989.

STATEMENT ON THE NOMINATION OF MARTIN L. ALLDAY

Mr. McCLURE. Mr. President, on November 8, 1989, the Committee on Energy and Natural Resources favorably reported the nomination of Martin L. Allday to be a member of the Federal Energy Regulatory Commission by a vote of 18 to 0.

It has been less than 4 months since Mr. Allday was confirmed by the Senate as solicitor of the Department of the Interior. This recent experience with the executive branch, combined with his extensive experience in oil and gas law, make him well qualified to be a member of the FERC.

Mr. President, I urge my colleagues to join me in supporting Mr. Allday's confirmation as a member of the Federal Energy Regulatory Commission.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume legislative session.

NATIONAL ADOPTION WEEK

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of House Joint Resolution 278, a joint resolution to designate November 20 through 26, 1989, as "National Adoption Week," and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, the clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 278) designating the period commencing on November 20, 1989, and ending on November 26, 1989, as "National Adoption Week."

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment.

If there be no amendment to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 278) was ordered to a third reading, was read the third time, and passed.

The preamble was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER TO PRINT FINAL VOLUME OF PROCEEDINGS ON NIXON IMPEACHMENT TRIAL

Mr. MITCHELL. Mr. President, on behalf of the distinguished Senator from Georgia [Mr. FOWLER], who served as chairman of the Impeachment Trial Committee on the articles against Judge Walter L. Nixon, Jr., I ask unanimous consent that the customary final volume of proceedings on the Nixon impeachment trial be printed as a Senate document.

The PRESIDING OFFICER. Without objection, it is so ordered.

DETERMINATION OF PREMIUM PAY FOR IRREGULAR, UNSCHEDULED OVERTIME DUTY BY A FEDERAL EMPLOYEE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 215, a bill with respect to the method by which premium pay is determined for irregular, unscheduled overtime duty performed by a Federal employee.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 215) to amend title V, United States Code with respect to the method by which premium pay is determined for irregular, unscheduled overtime duty performed by a Federal employee.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. DOLE. Mr. President, I would like to take a few moments to express my strong support for H.R. 215, which was passed earlier today by the House of Representatives under the leadership of Congresswoman MARY ROSE OAKAR. H.R. 215 is virtually identical to my amendment to S. 1711, the legislation implementing President Bush's anti-drug strategy. This amendment was included in the final version of S. 1711 passed last month by the Senate.

Mr. President, our Nation's war against drugs will not be won in a single battle. It will be won over a period of many years, with many battles, and with the continued dedication of our Nation's law enforcement officers.

To his credit, President Bush has recognized the importance of strengthening our law enforcement army. In the anticrime package sent to Con-

gress last June, for example, the President authorized funding for an additional 300 FBI agents. He also authorized funding for more U.S. marshals and more agents in the Bureau of Alcohol, Tobacco and Firearms.

EXPERIENCE HAS NO PRICE TAG

Hiring more FBI agents and other law enforcement officers is crucially important in our war against drugs—there is little to debate about on this issue.

But—it seems to me—that it is more crucial to ensure that our experienced, trained troops—those troops that are already in the trenches and on the streets—receive adequate pay. And we must make sure that these troops continue to find it worthwhile—financially and otherwise—to remain on the job. This country simply cannot afford to lose their valuable experience—experience that I believe has no price tag.

THE PROBLEM OF ATTRITION

Unfortunately, it is a sad fact that we are losing trained, experienced FBI agents, DEA agents, and other law enforcement officers. Last year, for example, more FBI agents resigned from the Bureau than retired. It is my understanding that this is the very first time in the Bureau's history that such a situation has occurred.

But—to tell you the truth—I can understand why an FBI agent would consider the resignation route. Just like everybody else, the FBI agents has to put food on the family table too.

Several years ago, the starting salary for an FBI agent was equivalent to that of a lieutenant in the New York City Police Department. Today, the starting salary for an FBI agent is lower than that of a New York City rookie cop.

And it is important to recognize that the educational and work experience requirements for FBI agents are far more stringent than the requirements of most local and State law enforcement agencies.

In fact, almost 47 percent of the FBI agents today have advanced degrees in law, in public accounting, in business administration, in the sciences, and in other fields. I cannot think of a single State or local law enforcement agency that can boast of a more highly educated and technically qualified work force. Yet, FBI agents receive a base pay and overtime pay that are inferior to what most other law enforcement agencies can offer their employees.

DESCRIPTION OF H.R. 215

Mr. President, H.R. 215 provides a partial remedy to this problem. It authorizes a modest increase in the premium for administratively uncontrollable overtime—the type of overtime work often undertaken by FBI agents and other Federal law enforcement officers in the long, and often lonely, war against drugs.

Under current law, administratively uncontrollable overtime is compensated at a maximum rate of 25 percent of an employee's base salary. Nevertheless, overtime pay for those employees—mostly law enforcement officers—who earn more than a GS-10 is limited to a maximum of 25 percent of a GS-10 salary. H.R. 215 simply increases the overtime premium so that it equals 25 percent of an agent's actual rate of pay.

After the Senate passed my amendments to S. 1711, the House acted quickly to take up H.R. 215.

Prior to passage, however, the House amended H.R. 215 to delay the effective date of the bill until September 30, 1990. In my view, this amendment is a good one. It will give the FBI, the Drug Enforcement Agency, the Department of the Treasury, and the other interested Federal agencies, the opportunity to review their budgets in anticipation of an increase in the overtime premium.

CONCLUSION

Mr. President, this is not a pay issue—it is an issue of simple equity. It is also an issue of very practical importance in our war against the drug lords.

The solution proposed by H.R. 215 is a modest one. And it is a solution that will go a long way toward giving our Nation's law enforcement officers some sorely needed financial security.

Mr. COATS. Mr. President, if we are to be able to win the war on drugs, we must provide the necessary support for those who are fighting on the front line of this war. We cannot afford underpaid or demoralized law enforcement forces. We cannot afford to lose our best trained crime fighters to early retirement or to employment elsewhere. The FBI, the Drug Enforcement Administration, the Customs, and other Federal law enforcement agencies cannot be truly effective in their efforts to stop drug trafficking and arrest other criminals if their agents are not compensated adquately or sufficiently motivated to do their job to the utmost or if the cadre of qualified personnel is no longer available.

As a member of the National Advisory Commission on Law Enforcement, I have become more keenly aware of the problems confronting Federal law enforcement arising from inequities in pay and benefits. The NACLE, to which I was appointed by the distinguished minority leader, is chaired by the Comptroller General, and consists of 21 members, including the Secretary of the Treasury, the Attorney General, the head of the Drug Enforcement Administration, the Director of the FBI, the Director of the Office of Personnel Management, the presidents of the AFGE and the Federal Law Enforcement Officers Association, representatives of other Federal law enforcement agencies, and six Members of Congress. We are charged with the responsibility to study the methods and rates of compensation, including salary, overtime pay, retirement policies, and other benefits of Federal law enforcement officers, compare them with the methods and rates of compensation of State and local law enforcement officers in representative areas, and recommend changes in Federal pay practices, where needed.

The Commission has received considerable evidence that Federal law enforcement agencies are facing serious recruitment and retention and morale problems, and that inadequate Federal pay and benefits are major causes. Among the specific matters which the NACLE has addressed in its survey and study of law enforcement across our country is the issue of overtime. The bill now before the Senate, H.R. 215, helps to address this issue by changing the methods by which Federal law enforcement officers are compensated for overtime duty, under the administrative uncontrollable overtime [AUO] system.

Current law stipulates that a Federal law enforcement officer must be paid overtime computed on the base pay of an entry level position rather than on the actual rate of pay for an employee's specific position. Section 5545 of title V of the United States Code provides for premium pay for an employee in a position requiring substantial irregular, unscheduled overtime which cannot be controlled administratively. This section requires that such pay be computed on the base pay of an entry level position, which happens to be the maximum level on which AUO can be computed.

AUO is paid to employees in positions in which the hours of duty cannot be controlled administratively and which entail substantial amounts of irregular overtime duty. AUO pay is authorized at the rate of not less than 10 percent to not more than 25 percent of that part of an employee's base pay which does not exceed the base pay at the GS-10 step 1 level. An employee paid under AUO cannot receive more pay per pay period than the biweekly base salary of an employee at the GS-15 step 10 level. The percentage to which an employee is entitled is determined quarterly on the number of hours overtime worked in a week. Thus, covered employees working between 3 and 5 hours of overtime in a week receive 10 percent AUO pay, whereas employees working 9 or more hours of overtime receive 25 percent AUO pay.

The result is that FBI agents, who routinely log substantial amounts of irregular, unscheduled overtime, receive only 25 percent of the base of an entry level salary, rather than 25 percent of their actual rate of pay. As a

group FBI agents average about 2½ hours of AUO duty daily. While section 5545 provides some measure of compensation for the hundreds of additional hours they must spend in their jobs annually, this form of overtime computes to an amount considerably less than straight time. In fact, this system creates an anomaly whereby an agent could end up working for nothing if he or she works enough extra hours. It is no wonder that FBI agents complain that they are not being paid enough for the amount of overtime they must put in in their kind of work. It is illogical and unjust for any Federal agent to be paid less for working more hours overtime than for regular 8-hour duty.

To add to the problem, most State and local law enforcement personnel are treated more equitably, receiving higher premium pay for overtime duty. According to NACLE surveys, 90 percent of State and local organizations provide overtime pay, and of those that do, 74 percent pay time and a half for all overtime hours worked, and 93 percent indicated there is no limit on the amount of overtime pay an employee can receive.

This system has led to substantial erosion in real pay—purchasing power—and benefits in recent years and has created a serious morale problem among Federal law enforcement officers. I am informed by the FBI Agents Association that this is the No. 1 issue among their agents. The FBI is facing a severe shortage of trained personnel as a consequence of planned retirement among their senior, most experienced agents. An improvement in overtime pay will forestall many retirements in the Bureau. Not surprisingly, the FBI recommended that the administration support H.R. 215.

H.R. 215 would relieve this situation by requiring that AUO be computed on the basis of an employee's current pay rate, so that Federal agents would not be restricted to overtime pay based on an arbitrary limit, but at their own grade rate. Thus, premium pay would be an appropriate percentage, between 10 percent and 25 percent, of the rate of basic pay for the employee's position, taking into account the frequency and duration of irregular, unscheduled overtime. The employees affected include agents of the FBI, DEA, Immigration and Naturalization Service, Customs, Bureau of Alcohol, Tobacco, and Firearms, and the Secret Service. Only those in the Marshals Service, Probation and Corrections are not covered because they are paid overtime on a straight-time basis.

At the last meeting of the NACLE on October 31, a majority of those commission members present voted unanimously to endorse H.R. 215 as a remedy to the overtime problem. The NACLE, by the way, represents the position of 47,000 Federal law enforcement officers.

I should add that OPM opposes this bill because they prefer an overall review of Federal overtime policies rather than the piecemeal approach. Mr. President, we cannot afford to await such a long-range across-the-board solution for all Federal personnel, desirable as that may be. The manpower crisis facing federal law enforcement must be remedied immediately.

Mr. President, I strongly support this legislation. To me, this is really a matter of equity and a technical adjustment, not just a pay issue. FBI and DEA agents, who will be the chief beneficiaries, deserve to be paid fairly for the long hours they devote to investigations that lead to the capture and arrest of serious criminals, including drug kingpins. I have heard from many agents residing in Indiana who have urged me to support this kind of change in overtime pay.

I realize that this change will not be inexpensive. CBO and OMB estimate that H.R. 215 would cost between $80 and $100 million annually, which would have to be absorbed by the agencies in their own budgets. I note that, as amended by the House Apropriations Committee and passed by the House, H.R. 215 would not become effective until September 30, 1990. This will not only ease the budgetary impact on the affected agencies and departments, but it will give the appropriations committees sufficient time to provide the necessary funding for fiscal year 1991.

Mr. President, I have consistently supported efforts to fully fund the Anti-Drug Abuse Act of 1988 and I supported the President's drug strategy and crime package and voted for funding to implement these programs. The price of ridding our communities of major crime and protecting our families from the scourge of drugs and menace of drug dealers is not too high. I shall certainly work to ensure that these agencies, which are already strapped to meet their crime fighting and other obligations under the law, receive the funding they need to pay their agents and law enforcement personnel. We cannot ask these men and women to put themselves on the line for us and our loved ones and risk their own lives and then fail to compensate them adequately for their toil and sacrifice.

Mr. President, I am pleased to be a cosponsor of H.R. 215, and I urge my colleagues to vote for this important legislation.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment.

If there is no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 215) was ordered to a third reading, was read the third time, and passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRANSFER OF NAVAL LANDING SHIP DOCK

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 3544, a bill to authorize the transfer of a specified naval landing ship dock to the Government of Brazil, just received from the House.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3544) to authorize the transfer of a specified naval landing ship dock to the Government of Brazil under the leasing authority of chapter 6 of the Arms Export Control Act.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there is no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 3544) was ordered to a third reading, was read the third time, and passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MEASURE PLACED ON CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of H.R. 1495, the Arms Control Authorization Act of 1989, and that the bill be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—S. 1582

Mr. MITCHELL. Mr. President, I ask unanimous consent that the following amendments be the only first-degree amendments remaining in order to S. 1582, and that if offered they be offered in the following order:

First, an amendment by Senator HARKIN regarding cargo preference which will not include any language on a Great Lakes set-aside.

Second, an amendment by Senator DOLE regarding cargo preference which will not include any language regarding a Great Lakes set-aside.

Third, another amendment by Senator DOLE on cargo preference which will not include any language regarding a Great Lakes set-aside.

Fourth, an amendment by Senator DANFORTH on tax extenders.

I further ask unanimous-consent that the only amendment opened to second-degree amendments be the Danforth amendment and that they be relevant to the Danforth amendment; that no motions to recommit be in order; that immediately upon disposition of these amendments and the Roth amendment the Senate proceed to the adoption of the committee substitute as amended and third reading of the bill, after which the Senate proceed to the House companion H.R. 3402, and that all after the enacting clause be stricken and the text of S. 1582 as amended be substituted in lieu thereof, and the Senate proceed immediately to third reading and final passage of the bill.

The PRESIDING OFFICER. Is there objection?

The Senator from Mississippi.

Mr. COCHRAN. To clarify my understanding, in describing the three amendments—one by Senator HARKIN and two by Senator DOLE—that deal with cargo preference, the leader states the unanimous-consent request that those amendments would not contain language relating to a Great Lakes set-aside requirement.

I have reviewed copies of the two Dole amendments that are proposed to be offered. I have not personally seen the amendment proposed to be offered by Senator HARKIN, but there is on page 2 of both of the Dole amendments language which does not specifically say that it amounts to an extension of the set-aside preference for Great Lakes ports. But if such language would have that legal effect, is it my understanding that that language would be considered stricken from the amendment as it is offered; to be in order, that language would have to be stricken?

Mr. MITCHELL. I have not personally seen any of the three amendments regarding cargo preference, but it is my understanding that in order to qualify to be offered pursuant to this unanimous-consent agreement, that any of the three—that is, the one by Senator HARKIN and the two by Senator DOLE—could not include the prohibited language regarding the Great Lakes set-aside.

Mr. COCHRAN. Mr. President, I thank the distinguished leader for his explanation. I withdraw my reservation.

The PRESIDING OFFICER. Without objection, the proposal is agreed to.

Mr. MITCHELL. Mr. President, may I ask that the Chair withhold acting on my unanimous-consent request momentarily?

The PRESIDING OFFICER. The Chair withholds.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I amend my unanimous-consent request to add an amendment by Senator HUMPHREY regarding Solidarity to the fourth amendment in order; that is, after the second Dole amendment and prior to the Danforth amendment.

The PRESIDING OFFICER. Is there objection? Without objection, the entire request of the majority leader is agreed to.

The text of the agreement reads as follows:

Ordered, That when the Senate resumes consideration of S. 1582, a bill to amend the Foreign Assistance Act of 1961 to provide for certain forms of assistance to Poland to ensure the success of freedom and democracy in Poland, the following amendments be the only first degree amendments in order, and if offered, to be offered in the following order:

Harkin amendment—relative to cargo preference, which will not include any language on a Great Lakes set-aside;

Dole amendment—relative to cargo preference, which will not include any language on a Great Lakes set-aside;

Dole amendment—relative to cargo preference, which will not include any language on a Great Lakes set-aside; and

Humphrey amendment—relative to Solidarity.

Danforth amendment—relative to tax extenders;

Ordered further, That the only amendment open to second degree amendments be the Danforth amendment and that they be relevant to the Danforth amendment.

Ordered further, That no motions to recommit be in order.

Ordered further, That immediately upon disposition of these amendments and the Roth amendment, the Senate proceed to the adoption of the committee substitute, as amended, and third reading of the bill, after which the Senate proceed to the House companion and that all after the enacting clauses be stricken and the text of S. 1582, as amended, be substituted in lieu thereof, and the Senate proceed immediately to third reading and final passage of the bill. (Nov. 13, 1989)

ORDER TO PRINT THE CAPITAL GAINS AMENDMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that an amendment by Senator PACKWOOD, regarding capital gains and IRA's, filed today and to be offered as a substitute tomorrow pursuant to a previous order, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

ORDERS FOR TOMORROW

RECESS UNTIL 10 A.M., MORNING BUSINESS, AND RESUME CONSIDERATION OF S. 1582

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 10 a.m., tomorrow, Tuesday, November 14, 1989, and that following the time for the two leaders there be a period for morning business until 10:30 a.m., with Senators permitted to speak therein for up to 5 minutes each.

At 10:30 a.m., the Senate will resume consideration of S. 1582.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS FROM 12:30 P.M. TO 2:15 P.M.

Mr. MITCHELL. Mr. President, I now ask unanimous consent that on tomorrow the Senate stand in recess from 12:30 p.m. to 2:15 p.m., in order to accommodate the party confernces.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 10 A.M. TOMORROW

Mr. MITCHELL. Mr. President, if the distinguished acting Republican leader has no further business and if no other Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess under the previous order until 10 a.m. tomorrow, Tuesday, November 14, 1989.

There being no objection, the Senate, at 8:31 p.m., recessed until Tuesday, November 14, 1989, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate November 13, 1989:

DEPARTMENT OF DEFENSE

SUSAN J. CRAWFORD, OF MARYLAND, TO BE INSPECTOR GENERAL, DEPARTMENT OF DEFENSE, VICE JUNE GIBBS BROWN, RESIGNED.

DEPARTMENT OF JUSTICE

WALTER J. BAMBERG, OF ALABAMA, TO BE U.S. MARSHAL FOR THE MIDDLE DISTRICT OF ALABAMA FOR THE TERM OF 4 YEARS, VICE MELVIN E. JONES, RETIRED.

DONALD E. CROWL, OF OKLAHOMA, TO BE U.S. MARSHAL FOR THE NORTHERN DISTRICT OF OKLAHOMA, FOR THE TERM OF 4 YEARS, VICE HARRY CONNOLLY, RETIRED.

CHARLES E. HEALEY, OF NEW YORK, TO BE U.S. MARSHAL FOR THE EASTERN DISTRICT OF NEW YORK FOR THE TERM OF 4 YEARS (REAPPOINTMENT).

CRAIG L. MEACHAM, OF CALIFORNIA, TO BE U.S. MARSHAL FOR THE CENTRAL DISTRICT OF CALIFORNIA FOR THE TERM OF 4 YEARS VICE JULIO GONZALES, RESIGNED.

JAMES Y. STEWART, OF MICHIGAN, TO BE U.S. MARSHAL FOR THE EASTERN DISTRICT OF MICHIGAN FOR THE TERM OF 4 YEARS VICE ANTHONY BERTONI, TERM EXPIRED.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

MARTIN H. GERRY, OF CALIFORNIA, TO BE AN ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES, VICE ROBERT B. HELMS, RESIGNED.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

H. DOUGLAS BARCLAY, OF NEW YORK, TO BE A MEMBER OF THE BOARD OF DIRECTORS FOR THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR THE TERM EXPIRING DECEMBER 17, 1991, VICE THOMAS A. BOLAN, RESIGNED.

IN THE COAST GUARD

PURSUANT TO THE PROVISIONS OF 14 USC 729, THE FOLLOWING-NAMED COMMANDERS OF THE COAST GUARD RESERVE TO BE PERMANENT COMMISSIONED OFFICERS IN THE COAST GUARD RESERVE IN THE GRADE OF CAPTAIN.

PETER L. MAIER
FRANKLIN D. HOFFMAN
THOMAS R. SKAIFE
WILLIAM G. BOYCE
JAMES O. HUGHES
STANLEY A. NASITKA
JOHN T. HANNIGAN
CHARLES W. MORE

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant General

MAJ. GEN. GARY E. LUCK, xxx-xx-xxxx, U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. CHARLES P. OTSTOTT, xxx-xx-xxxx U.S. ARMY.

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE. THE OFFICERS INDICATED BY ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

MEDICAL SERVICE CORPS

To be lieutenant colonel

THOMAS F. ALLEN, xxx-xx-xx...
ALLEN F. ALMQUIST, III, xxx-xx-xxxx
WILLIAM B. ANDREWS, xxx-xx-xxxx
JOHN F. ARMSTRONG, xxx-xx-xxxx
MICHAEL A. BALADY, xxx-xx-xx...
BRIAN C. BALDWIN, xxx-xx-xxxx
MICHAEL E. BARSZCZ, xxx-xx-xx...
KENNETH L. BEOUGHER, xxx-xx-xxxx
PHILLIP C. BERRY, xxx-xx-xxxx
DONALD J. BRADLEY, xxx-xx-xxxx
WILLIAM T. BROADWATER, xxx-xx-xxxx
JAMES E. BROWN, xxx-xx-xxxx
RICHARD E. BROWN, xxx-xx-xxxx
THOMAS E. BROYLES, xxx-xx-xxxx
ROBERT W. CAMPBELL, xxx-xx-xxxx
MARK S. CARROLL, xxx-xx-xxxx
ROBERTO E. CASTORENA, xxx-xx-xxxx
EZEQUIEL CHACON, xxx-xx-xx...
GARY E. CHESSER, xxx-xx-xxxx
JAMES S. DAVIS, xxx-xx-xxxx
ERIC G. DAXON, xxx-xx-xxxx
HERMAN B. DOZE, JR., xxx-xx-xxxx
LEE I. DRIGGERS, xxx-xx-xxxx
FRANCIS C. DUDA, xxx-xx-xxxx
RONALD J. DUNN, xxx-xx-xxxx
KAREN M. EWING, xxx-xx-xxxx
RONALD D. FANCHER, xxx-xx-xxxx
CHARLES R. FARRIS, xxx-xx-xxxx
DENNIS R. FLOYD, xxx-xx-xxxx
PAUL L. *. FREDERICK, xxx-xx-xxxx
BILLIE D. FREEMAN, xxx-xx-xxxx
THOMAS G. FULLER, xxx-xx-xxxx
VICTOR S. GEIGER, xxx-xx-xxxx
ROBERT D. *. GENTILE, xxx-xx-xxxx
RICHARD L. GODDARD, xxx-xx-xxxx
GREGORY H. GOMAN, xxx-xx-xxxx
ATANACIO C. GUILLEN, JR., xxx-xx-xxxx
RALPH R. HADLEY, xxx-xx-xxxx
GEORGE E. HAMMEL, III, xxx-xx-xxxx
LINDA L. HAMPTON, xxx-xx-xxxx
RICHARD W. HARRIS, xxx-xx-xxxx
HUBERT M. *. HARRISON, xxx-xx-xxxx
MICHAEL W. HASTRITER, xxx-xx-xxxx
DANIEL K. HATTON, xxx-xx-xxxx
JAMES B. HAWKINS, xxx-xx-xxxx
WILLIAM M. HEATH, xxx-xx-xx...
JOSEPH A. JAKUBOWSKI, xxx-xx-xxxx
LINDA K. JELLEN, xxx-xx-xxxx
DARYL J. KELLY, xxx-xx-xxxx
GARY R. KINDRED, xxx-xx-xxxx
ALBERT E. KINKEAD, xxx-xx-xxxx
JAMES M. KLUCKMAN, xxx-xx-xxxx
LAWRENCE E. KLUSMAN, JR., xxx-xx-xxxx
EDWARD L. LACY, xxx-xx-xxxx
DAVID W. LEE, xxx-xx-xxxx
MELVIN E. LEGGETT, JR., xxx-xx-xxxx
JOHN P. LITRIO, xxx-xx-xxxx
FREDRIC A. LOMBARDO, xxx-xx-xxxx
PATRICK E. LORENZ, xxx-xx-xxxx
ROBERT A. LYNCH, xxx-xx-xxxx
GEORGE V. MASI, xxx-xx-xxxx
LARRY W. MATTHEWS, xxx-xx-xxxx
EMIL F. MEIS, III, xxx-xx-xxxx
PHILIP X. NAVIN, JR., xxx-xx-xxxx
WILLIAM M. NICHOLS, xxx-xx-xx...
GERALD NOLAN, xxx-xx-xxxx
MICHAEL J. OBRIEN, xxx-xx-xxxx
JAMES R. OKEIFF, JR., xxx-xx-xxxx
GARY S. PALMER, xxx-xx-xxxx
JOHN M. PEDEN, xxx-xx-xxxx
BARRY W. *. PETERMAN, xxx-xx-xxxx
GARY S. PHILLIPS, xxx-xx-xxxx
RANDY E. PHOENIX, xxx-xx-xxxx
PAUL P. PRESS, xxx-xx-xxxx
WILLIAM O. PRETTYMAN, III, xxx-xx-xxxx
ALAN F. RAECKE, xxx-xx-xxxx
GLENN N. RAIHA, xxx-xx-xxxx
ALBERT G. RIZER, xxx-xx-xxxx
ORVILLE C. ROBBINS, xxx-xx-xxxx
SAMUEL K. *. ROCK, JR., xxx-xx-xxxx
ALFRED G. SANTOS, xxx-xx-xxxx
STANLEY C. SCHMID, xxx-xx-xxxx
DONALD F. SEMLER, xxx-xx-xxxx
RICHARD I. SKINNER, JR., xxx-xx-xxxx
DAVID W. SMITH, xxx-xx-xxxx
LUTHER D. SOLVERSON, xxx-xx-xxxx
ROBERT E. STEGER, xxx-xx-xxxx
DENNIS A. STEWART, xxx-xx-xxxx
LARRY Z. STONE, xxx-xx-xxxx
RONALD W. SULLIVAN, xxx-xx-xxxx
KEVIN J. SWENIE, xxx-xx-xxxx
GLENN W. TAPLIN, xxx-xx-xxxx
WILLIAM J. TOUCHTON, xxx-xx-xxxx
CARRICK T. TROUTMAN, JR., xxx-xx-xxxx
LYNN R. TRUSAL, xxx-xx-xxxx
STEPHEN J. WALKER, JR., xxx-xx-xxxx
BRUCE M. WANNEMACHER, xxx-xx-xxxx
RICHARD R. WESTLAKE, xxx-xx-xxxx
JOHN B. *. WILLIAMS, II, xxx-xx-xxxx
LEON WOODLEY, xxx-xx-xxxx
PHILIP W. WYSSLING, xxx-xx-xxxx
BARNEY A. YANKLOWITZ, xxx-xx-xxxx

ARMY NURSE CORPS

To be major

VINCENTIA A. *. AGBAH, xxx-xx-xxxx
NELLY *. ALEMANGUZMAN, xxx-xx-xx...
JANET M. *. ALEXIS, xxx-xx-xxxx
REBECCA D. *. BAKER, xxx-xx-xxxx
MELINDA E. *. BALDRIDGE, xxx-xx-xxxx
ROBERT J. *. BERGSTROM, xxx-xx-xxxx
MARK H. *. BITHER, xxx-xx-xxxx
PETRA M. *. BLACKBURN, xxx-xx-xxxx
SANDRA L. *. BRUMBACK, xxx-xx-xxxx
BARBARA J. *. BRUNO, xxx-xx-xxxx
MICHAEL B. *. BUXTON, xxx-xx-xxxx
EARLDINE S. *. CISCO, xxx-xx-xxxx
MARY C. *. CLARK, xxx-xx-xxxx
JO L. *. CLAYTON, xxx-xx-xx...
SANDRA M. *. COLLINS, xxx-xx-xxxx
CYNTHIA M. *. CONNOR, xxx-xx-xxxx
HELEN C. *. COOK, xxx-xx-xxxx
JENNIFER L. *. CRAWFORD, xxx-xx-xxxx
DAVID L. *. CROMWELL, xxx-xx-xxxx
TERRY J. *. DANIELS, xxx-xx-xxxx
MARY C. *. DARR, xxx-xx-xxxx
WALTER M. *. DAVIS, xxx-xx-xxxx
ERNEST F. *. DEGENHARDT, xxx-xx-xxxx
VINCENT R. *. DRADY, xxx-xx-xxxx
ANITA H. *. EGGERT, xxx-xx-xxxx
JULIE M. *. ELDRED, xxx-xx-xxxx
ANTHONY M. *. ETTIPIO, xxx-xx-xxxx
DOUGLAS C. *. FIELDS, xxx-xx-xxxx
GAIL E. FORD, xxx-xx-xxxx
EMILY D. *. FRANKLIN, xxx-xx-xxxx
DELOIS H. *. GAMBLE, xxx-xx-xxxx
NORMALYNN *. GARRETT, xxx-xx-xxxx
NANCY K. *. GILMORE, xxx-xx-xx...
VINCENT E. *. GLIDDEN, xxx-xx-xxxx
MARY L. *. GOAD, xxx-xx-xx...
CAROL A. *. GROHN, xxx-xx-xxxx
EDITH K. *. HAMMOND, xxx-xx-xxxx
LAURA L. *. HARPER, xxx-xx-xx...
ALONZO L. *. HAYNES, xxx-xx-xxxx
PAMELA J. *. HEALY, xxx-xx-xx...
STEVEN E. *. HEASTON, xxx-xx-xxxx
EDWIN J. *. HEATH, JR., xxx-xx-xxxx
BARBARA J. *. HECTOR, xxx-xx-xxxx
JOANN E. *. HOLLANDSWORTH, xxx-xx-xxxx
LAURIE S. *. HORN, xxx-xx-xxxx
PAMELA S. *. HORNBECK, xxx-xx-xxxx
LADONNA N. HOWELL, xxx-xx-xx...
CAROLE A. *. JACKSON, xxx-xx-xxxx
WAYNE D. *. JACKSON, xxx-xx-xxxx
LUISA M. JANOSIK, xxx-xx-xxxx
TRAVIS W. *. JOHNSON, xxx-xx-xxxx
STEVEN M. KELLER, xxx-xx-xxxx
JANE F. *. KODACK, xxx-xx-xxxx
NANCY C. *. LESTER, xxx-xx-xxxx
GLORIA V. *. LIGHT, xxx-xx-xxxx
DONALD H. *. LISH, xxx-xx-xxxx
JOAN M. *. LOKAR, xxx-xx-xx...
DOROTHY L. *. MAHANEY, xxx-xx-xxxx
GLORIA *. MCDOWELL, xxx-xx-xx...
JAMES D. *. MCRAE, xxx-xx-xxxx
MICHAEL R. *. MEHLHAFF, xxx-xx-xxxx
PATRICK W. *. MILLER, xxx-xx-xx...
LINDA A. MONTZ, xxx-xx-xx...
EVELYN M. *. MORALESCRUZ, xxx-xx-xx...
DAISY *. MUNOZRAMOS, xxx-xx-xx...
CONSTANCE B. *. NEELY, xxx-xx-xx...
MARGARET A. *. NEUMEIER, xxx-xx-xxxx
TERRY A. NEWTON, xxx-xx-xxxx
GORDON *. NGAI, xxx-xx-xxxx
KATHLEEN M. *. OLEARY, xxx-xx-xxxx
CHARLES L. *. OTT, xxx-xx-xxxx
RANDAL L. *. PANSCH, xxx-xx-xxxx
TONY R. *. PEELER, xxx-xx-xxxx
LU A. *. PERALTA, xxx-xx-xxxx
MICHAEL F. *. PLUEGER, xxx-xx-xxxx
CAROLYN L. *. REED, xxx-xx-xxxx
DIANE A. *. RENNIE, xxx-xx-xxxx
PEDRO I. *. RIVERA, xxx-xx-xxxx
SANDRA K. *. ROBEY, xxx-xx-xxxx
SANDRA M. *. ROBINSON, xxx-xx-xxxx
MARY M. *. SANDERS, xxx-xx-xxxx
WANDA I. *. SANTIAGO, xxx-xx-xxxx
GARY L. *. SAPONARI, xxx-xx-xxxx
DEBRA A. *. SINCAVAGE, xxx-xx-xxxx
DINA M. *. SINE, xxx-xx-xxxx
DORETHA G. *. SINGLEY, xxx-xx-xxxx
JAMES N. *. SKAUGE, xxx-xx-xxxx
DOROTHY L. *. SPARKS, xxx-xx-xxxx
LARRY R. *. STEPHENSON, xxx-xx-xxxx
LARRY J. *. STINBRINK, xxx-xx-xxxx
DEBORAH V. STROSNIDER, xxx-xx-xxxx
FAITH A. *. STRUNK, xxx-xx-xxxx
LAURA E. STRYFFELER, xxx-xx-xxxx
MARY M. *. SUNSHINE, xxx-xx-xxxx
KARENA L. *. TARRANT, xxx-xx-xxxx
BARRY L. *. THIBODEAUX, xxx-xx-xxxx
BLAIN J. *. THOMAS, xxx-xx-xxxx
MELINDA M. *. TINKLE, xxx-xx-xxxx
REBECCA J. *. TORRANCE, xxx-xx-xxxx
DIANE K. *. ULLMANN, xxx-xx-xxxx
EDITH A. *. VANEVERA, xxx-xx-xxxx
ELSA *. VASQUEZ, xxx-xx-xx...
WILLIAM F. *. WADFORD, xxx-xx-xxxx
JERYL L. *. WARD, xxx-xx-xxxx
ANN P. *. WERNECKE, xxx-xx-xx...
PAUL R. *. WILSON, xxx-xx-xx...
CAROLYN J. *. WINBUSH, xxx-xx-xxxx
WILLIAM R. *. WINK, JR., xxx-xx-xxxx
MARK T. *. WOOTTON, xxx-xx-xx...
STACEY B. *. YOUNG, xxx-xx-xxxx

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE. THE OFFICERS INDICATED BY ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

ARMY

To be lieutenant colonel

CRISPIN A. ABAD, xxx-xx-xxxx
STEPHEN G. ABEL, xxx-xx-xxxx
GABRIEL ACOSTA, JR., xxx-xx-xxxx
ANDREW E. ADAMS, xxx-xx-xxxx
BILLY J. ADAMS, xxx-xx-xxxx
MICHAEL R. ADAMS, xxx-xx-xx...
DANIEL S. ADEE, xxx-xx-xxxx
ROBERT C. ALDRICH, xxx-xx-xxxx
DON W. ALEXANDER, xxx-xx-xxxx
JOSEPH C. *. ALEXANDER, JR., xxx-xx-xxxx
KEITH B. ALEXANDER, xxx-xx-xxxx
MICHAEL D. ALEXANDER, xxx-xx-xxxx
HARRY P. ALLEN, xxx-xx-xxxx
HENRY H. ALLEN, xxx-xx-xxxx
RICHARD B. ALLEN, xxx-xx-xxxx
RONALD L. ALLEN, xxx-xx-xx...
JOSEPH L. ALLRED, xxx-xx-xxxx
DANIEL A. ALMERO, xxx-xx-xx...
FRANCISCO J. ALVAREZ, xxx-xx-xx...
LARRY D. ANDERSON, xxx-xx-xxxx
MONTY J. ANDERSON, xxx-xx-xxxx
FLYNN L. ANDREW, xxx-xx-xxxx
DEBORAH L. ANGELSCHULTZ, xxx-xx-xxxx
STEVEN P. ANKLEY, xxx-xx-xxxx
ANNE V. ANNIN, xxx-xx-xxxx
STEPHEN P. ANSLEY, xxx-xx-xxxx
PHILIP W. ANTHONY, xxx-xx-xxxx

PEDRO L. ARBONA, xxx-xx-xxxx
CURTIS F. ATKINSON, xxx-xx-xxxx
WILLIAM E. ATKINSON, xxx-xx-xxxx
WILLIAM G. AUSTIN, JR., xxx-xx-xxxx
EDWARD O. AYMAR, xxx-xx-xxxx
CHARLES M. BABB, xxx-xx-xxxx
JOSEPH G. BABB, xxx-xx-xxxx
WILLIAM T. BABYLON, xxx-xx-xxxx
ALAN J. BACON, xxx-xx-xxxx
WILLIAM W. BAILEY, xxx-xx-xxxx
CHARLES B. BAKER, xxx-xx-xxxx
GREGORY J. BAKIAN, xxx-xx-xxxx
KEITH W. BAKKEN, xxx-xx-xxxx
QUENTIN W. BANKS, JR., xxx-xx-xxxx
JOHN M. BARB, xxx-xx-xxxx
JOHN C. BARBEE, xxx-xx-xxxx
LUTHER D. BARBEE, xxx-xx-xxxx
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BRUCE A. SNEDDON, xxx-xx-xxxx
WILLIAM A. SNOW, II, xxx-xx-xxxx
MICHAEL S. SNYDER, xxx-xx-xxxx
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JOSEPH G. SOLTAS, xxx-xx-xxxx
JEFFREY A. SORENSON, xxx-xx-xxxx
CHARLES G. SPANGLER, xxx-xx-xxxx
HARRY L. SPEAR, JR., xxx-xx-xxxx
WILLIAM H. SPEER, xxx-xx-xxxx
CARMEN J. SPENCER, xxx-xx-xxxx
TRACY L. SPENCER, xxx-xx-xxxx
ROBERT J. SPIDEL, xxx-xx-xxxx
DONNA C. *. SPRANGER, xxx-xx-xxxx
GARY L. SPUNAUGLE, xxx-xx-xxxx
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JAMES C. STYRON, III, xxx-xx-xxxx
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JO C. TERRY, xxx-xx-xxxx
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LAWRENCE E. THURMAN, xxx-xx-xxxx
ROLAND J. TISO, JR., xxx-xx-xxxx
JOHN B. TISSERAND, II, xxx-xx-xxxx
MICHAEL J. TOAL, xxx-xx-xx...
SHEILA C. TONER, xxx-xx-xxxx
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KENNETH L. TRAVIS, xxx-xx-xxxx
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DONALD G. TUCKER, xxx-xx-xxxx
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JOHN M. URIAS, xxx-xx-xxxx
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DAVID P. VALCOURT, xxx-xx-xxxx
BILLY F. VANCE, xxx-xx-xxxx
MICHAEL A. VANE, xxx-xx-xx...
CRAIG A. VANEK, xxx-xx-xxxx
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ADOLFO E. VASQUEZ, xxx-xx-xxxx
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EARL C. VERIGAN, JR., xxx-xx-xxxx
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SUMNER H. WATERS, JR., xxx-xx-xxxx
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TREVOR J. WHITWORTH, xxx-xx-xxxx
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TERRY A. WIKSTROM, xxx-xx-xxxx
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LAWRENCE A. WILLIAMS, xxx-xx-xx...
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LEANORA E. WINTERS, xxx-xx-xxxx
STEPHEN R. WITHAM, xxx-xx-xxxx
WALLIE S. WITTE, JR., xxx-xx-xxxx
JAMES F. WOLF, xxx-xx-xxxx
JAMES D. WOLFE, xxx-xx-xxxx
RODERICK D. WOLFE, xxx-xx-xxxx
WILLIAM L. WOLFE, xxx-xx-xx...
ALAN M. WONDRASEK, xxx-xx-xxxx
DAVID A. WOOD, xxx-xx-xxxx
JAMES W. WOODARD, xxx-xx-xxxx
LARRY M. WORTZEL, xxx-xx-xx...
DANE L. WOYTEK, xxx-xx-xxxx
DENNIS L. WRIGHT, xxx-xx-xxxx
NAPOLEON WRIGHT, xxx-xx-xxxx
STAFFORD E. WRIGHT, xxx-xx-xxxx
STEWART W. WYLAND, xxx-xx-xxxx
PHILIP S. YANG, xxx-xx-xxxx
MARK B. YATES, xxx-xx-xxxx
ALBERT J. YATKAUSKAS, xxx-xx-xxxx
WALLACE P. YOSHIMOTO, xxx-xx-xx...
ALAN G. YOUNG, xxx-xx-xxxx
JAMES E. YOUNG, xxx-xx-xxxx
JAMES R. YOUNG, xxx-xx-xxxx
CRAIG Z. ZACHARIASEN, xxx-xx-xxxx
JOHN D. ZANELLI, xxx-xx-xx...
FREDERICK A. ZAPKA, xxx-xx-xxxx
RAYMOND D. ZEGLEY, xxx-xx-xxxx
WILLIAM ZEKAS, xxx-xx-xx...
RANDY C. ZITTEL, xxx-xx-xxxx
WILLIAM G. ZORN, JR., xxx-xx-xx...
MICHAEL D. ZOVATH, xxx-xx-xx...
SAMUEL S. ZWAHLEN, xxx-xx-xx...
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CONFIRMATIONS

Executive nominations confirmed by the Senate November 13, 1989:

DEPARTMENT OF ENERGY

MARTIN LEWIS ALLDAY, OF TEXAS, TO BE A MEMBER OF THE FEDERAL ENERGY REGULATORY COMMISSION FOR A TERM EXPIRING OCTOBER 20, 1993.

DEPARTMENT OF STATE

RICHARD HUNTINGTON MELTON, OF VIRGINIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FEDERATIVE REPUBLIC OF BRAZIL.

CRESENCIO S. ARCOS, JR., OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF HONDURAS.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

FOREIGN SERVICE

FOREIGN SERVICE NOMINATIONS BEGINNING CHARLES E. COURTNEY, AND ENDING NYOKA WHITE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 31, 1989.

FOREIGN SERVICE NOMINATIONS BEGINNING REGINALD HOWARD, AND ENDING ALBERT L. BRYANT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 2, 1989.

HOUSE OF REPRESENTATIVES—*Monday, November 13, 1989*

The House met at noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

As we hear of the new liberties in our world, we offer our word of thanks, O God, for all those who have prayed and worked for the gifts of freedom. For the congregations of faithful people who have prayed, for those who stood strong and risked so much, for the mothers and fathers who hoped for their children, for the leaders who have seen a vision of a new and better world, we offer this word of gratitude and praise. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from North Carolina [Mr. BALLENGER] come forward and lead the House in the Pledge of Allegiance?

Mr. BALLENGER led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 2642. An act granting the consent of the Congress to amendments to the southeast interstate low-level radioactive waste management compact.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3014) "An act making appropriations for the legislative branch for the fiscal year ending September 30, 1990, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 1, 6, 8, 34, 35, 36, 37, 38, 39, and 40, to the above-entitled bill.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 280. An act to amend the Wild and Scenic Rivers Act by designating a segment of the Niobrara River in Nebraska as a component of the National Wild and Scenic Rivers System;

S. 561. An act to provide for testing for the use, without lawful authorization, of alcohol or controlled substances by the operators of aircraft, railroads, and commercial motor vehicles, and for other purposes;

S. 916. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes; and

S. 1249. An act to amend the Federal Trade Commission Act to provide authorization of appropriations, and for other purposes.

CONFERENCE REPORT ON H.R. 3072, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1990

Mr. MURTHA submitted the following conference report and statement on the bill (H.R. 3072) making appropriations for the Department of Defense for the fiscal year ending September 30, 1990, and for other purposes:

CONFERENCE REPORT (H. REPT. 101-345)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3072) "making appropriations for the Department of Defense for the fiscal year ending September 30, 1990, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 14, 19, 24, 29, 34, 41, 60, 62, 73, 81, 82, 83, 85, 89, 97, 110, 113, 114, 115, 122, 123, 124, 125, 126, 127, 128, 129, 131, 132, 133, 135, 136, 139, 140, 141, 142, 143, 144, 145, 146, 148, 149, 150, 151, 152, 153, 154, 156, 157, 162, 164, 166, 167, 168, 169, 170, 171, 173, 174, 176, 177, 180, 181, 182, 183, 185, 188, 189, 190, 204, 219, 222, 227, 231, 236, and 245.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 9, 13, 17, 18, 20, 23, 26, 36, 37, 39, 40, 45, 46, 51, 54, 56, 57, 59, 61, 68, 71, 77, 84, 86, 90, 98, 99, 100, 102, 111, 116, 137, 155, 158, 160, 163, 191, 192, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$19,307,700,000*; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$2,234,400,000*; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,582,800,000*; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$672,700,000*; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,657,719,000*; and the Senate agree to the same.

Amendment numbered 38:

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$601,100,000*; and the Senate agree to the same.

Amendment numbered 44:

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$2,708,399,000*; and the Senate agree to the same.

Amendment numbered 50:

That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$2,011,243,000*; and the Senate agree to the same.

Amendment numbered 52:

That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$3,669,219,000*; and the Senate agree to the same.

Amendment numbered 63:

That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$3,500,000,000*; and the Senate agree to the same.

Amendment numbered 64:

That the House recede from its disagreement to the amendment of the Senate num-

bered 64, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert: *$197,600,000*; and the Senate agree to the same.

Amendment numbered 65:

That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$600,000,000*; and the Senate agree to the same.

Amendment numbered 67:

That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$11,557,900,000*; and the Senate agree to the same.

Amendment numbered 70:

That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,213,792,000*; and the Senate agree to the same.

Amendment numbered 72:

That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$15,679,242,000*; and the Senate agree to the same.

Amendment numbered 74:

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$6,916,863,000*; and the Senate agree to the same.

Amendment numbered 78:

That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment, as follows:

In lieu of the number proposed by said amendment insert *514*; and the Senate agree to the same.

Amendment numbered 79:

That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment, as follows:

In lieu of the number proposed by said amendment insert *458*; and the Senate agree to the same.

Amendment numbered 80:

That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,300,720,000*; and the Senate agree to the same.

Amendment numbered 87:

That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$5,434,378,000*; and the Senate agree to the same.

Amendment numbered 92:

That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$8,113,049,000*; and the Senate agree to the same.

Amendment numbered 109:

That the House recede from its disagreement to the amendment of the Senate numbered 109, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to read as follows:

OFFICE OF THE INSPECTOR GENERAL

For expenses and activities of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, as follows: for Operation and Maintenance, $95,749,000; for Procurement, $1,051,000; In all: $96,800,000: Provided, That the amount provided for Procurement shall remain available until September 30, 1992.

And the Senate agree to the same.

Amended numbered 178:

That the House recede from its disagreement to the amendment of the Senate numbered 178, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$125,000,000*; and the Senate agree to the same.

Amendment numbered 193:

That the House recede from its disagreement to the amendment of the Senate numbered 193, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment amended to change the section number to *9074*; and the Senate agree to the same.

Amendment numbered 194:

That the House recede from its disagreement to the amendment of the Senate numbered 194, and agree to the same with an amendment, as follows:

In lieu of the section number stricken and inserted by said amendment insert *9075*; and the Senate agree to the same.

Amendment numbered 195:

That the House recede from its disagreement to the amendment of the Senate numbered 195, and agree to the same with an amendment, as follows:

In lieu of the section number stricken and inserted by said amendment insert *9076*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 4, 10, 11, 12, 15, 16, 21, 25, 27, 28, 30, 31, 32, 33, 35, 42, 43, 47, 48, 49, 53, 55, 58, 66, 69, 75, 76, 88, 91, 93, 94, 96, 101, 103, 104, 105, 106, 107, 108, 112, 117, 118, 119, 120, 121, 130, 134, 138, 147, 159, 161, 172, 175, 179, 184, 186, 187, 196, 197, 198, 199, 200, 201, 202, 203, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 220, 221, 223, 224, 225, 226, 228, 229, 230, 232, 233, 234, 235, 237, 238, 239, 240, 241, 242, 243, and 244.

JOHN P. MURTHA,
NORMAN D. DICKS,
CHARLES WILSON,
W.G. (BILL) HEFNER,
LES AUCOIN,
MARTIN OLAV SABO,
JULIAN C. DIXON,
JAMIE L. WHITTEN,
JOE MCDADE,
BILL YOUNG,
CLARENCE E. MILLER,
BOB LIVINGSTON,
SILVIO O. CONTE,
Managers on the Part of the House.

DANIEL K. INOUYE,
ERNEST F. HOLLINGS,
J. BENNETT JOHNSTON,
ROBERT C. BYRD,
PATRICK J. LEAHY,
DENNIS DECONCINI,
DALE BUMPERS,
FRANK R. LAUTENBERG,
TOM HARKIN,
TED STEVENS,
JAMES A. MCCLURE,
ROBERT KASTEN,
ALFONSE M. D'AMATO,
WARREN B. RUDMAN,
THAD COCHRAN,
MARK O. HATFIELD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3072), making appropriations for the Department of Defense for the fiscal year ending September 30, 1990, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The conference agreement on the Department of Defense Appropriations Act, 1990, incorporates some of the provisions of both the House and Senate versions of the bill. The language and allocations set forth in House Report 101-208 and Senate Report 101-132 should be complied with unless specifically addressed in the accompanying bill and statement of the managers to the contrary.

TITLE I—MILITARY PERSONNEL

The conferees agree to the following amounts for the Military Personnel accounts:

[In thousands of dollars]

	Budget	House	Senate	Conference
Active personnel:				
Army	24,704,300	24,610,000	24,558,217	24,510,960
Navy	19,337,400	19,363,300	19,290,816	19,307,700
Marine Corps	5,806,100	5,813,800	5,800,200	5,800,200
Air Force	20,224,100	20,155,800	20,047,750	19,994,040
Reserve personnel:				
Army	2,243,300	2,265,700	2,225,164	2,234,400
Navy	1,588,600	1,591,800	1,575,170	1,582,800
Marine Corps	319,200	319,200	317,896	319,200
Air Force	668,900	674,400	672,129	672,700
National Guard personnel:				
Army	3,246,700	3,252,200	3,246,700	3,246,700
Air Force	1,046,700	1,044,800	1,046,700	1,051,200
Total, military personnel	79,185,300	79,091,000	78,780,742	78,719,900

TROOP STRENGTH REDUCTIONS

The conferees agree with the appropriations reductions in the Army and Air Force military personnel accounts proposed by the House instead of the reductions proposed by the Senate. These savings should be attainable through reducing personnel associated with the implementation of the Intermediate-Range Nuclear Forces Treaty. The Secretary of Defense may choose to achieve such savings through reductions elsewhere and through various management initiatives. The conferees also expect the Department of Defense to make the necessary manpower reductions through reduced accessions and not through force structure adjustments not already announced. If futher cuts are necessary, the Secretary of Defense should consider reducing the number of personnel assigned to headquarters and unified and specified command functions.

The conferees also include a general provision that further reduces military personnel

funding equivalent to a reduction of 5,000 active duty military personnel.

Where practicable, reductions should only affect noncombat, administrative units. Under no circumstances should reductions be allocated to medical and medical support personnel.

MORALE, WELFARE AND RECREATION (MWR)

The conferees disagree with the Senate language restricting reprogramming into MWR only from military personnel appropriations when the Department's expenditures exceed the appropriated amount of $1,327,882,000 by ten percent. The conferees direct the Department to follow normal reprogramming procedures to request additional funds.

ADVERTISING

The conferees understand that the Selective Service System provides the Department of Defense Joint Recruiting Advertising Program (JRAP) with lists of recent registrants on a bi-monthly basis. The JRAP then conducts a one-time mailing with each list giving the registrants an opportunity to respond whether they are interested in military service. The names of those who respond are provided to the military recruiting commands.

There appears to be a considerable lag time between when JRAP provides the recruiting commands with the names of interested registrants and when the information is passed on to the individual recruiters. Realizing how important "lists" are to recruiters, the conferees urge JRAP and the recruiting commands to provide Selective Service lists to recruiters on a timely basis.

The conferees believe that JRAP can best support the services through this type of effort rather than using a large portion of its advertising resources in television advertising. Furthermore, JRAP should expand its advertising through the print media.

The conferees agree to increase the Navy, Marine Corps and Air Force advertising budgets to assist them in their efforts to attract and recruit medical and medical support personnel.

RECRUITING IMPROPRIETIES

The conferees wish to reiterate the House concerns regarding recruiters and the Services' recruiting process. The conferees recommend that the Secretary of Defense lead the Services in making the necessary policy changes to assist recruiters in performing their vital mission. The quality of life of the recruiting force has been neglected. We must not allow this situation to continue.

AVIATION CAREER INCENTIVE PAY (ACIP)

The Department did not include funds for any ACIP increase in the budget request. The conferees recognize that an increase in ACIP may be effective in retaining experienced pilots. The conferees regret, however, that funds could not be provided for the ACIP increase. The conferees expect the Department to submit reprogramming actions for the necessary funds.

LEGAL REPRESENTATION OF MILITARY PERSONNEL

The conferees are aware that the Department of Defense has been funding the legal representation for U.S. military personnel who were intervenors in the prosecution of Mohammed Ali Hamadei, convicted for the 1985 Trans World Airlines hijacking, in the courts of the Federal Republic of Germany.

The conferees understand the Secretary of Defense has directed the DOD General Counsel to take actions necessary to continue the Department's funding of legal fees through the appellate stage of this case. The conferees fully support this action, and expect the Judge Advocates General to determine how these legal costs should be shared among the Service Departments. The conferees agree that such a course of action is required in order to protect personnel of the United States Armed Forces from terrorist attack in the future.

JOB CENTERS

The Senate report contained language directing the Department of Defense to utilize State-based career information delivery systems supported by the National/State Occupational Information Coordinating Committees, authorized under section 422 of the Carl D. Perkins Vocational Education Act of 1963 and section 464 of the Job Training Partnership Act, in setting up computerized job centers in the United States. The House did not address this issue.

The conferees agree with the Senate language. The conferees further agree that, if State-based systems are not available or are inappropriate, non-State-based career information delivery systems may be used.

BURDENSHARING ISSUE

The conferees wish to note that the Ambassador-at-Large for Burdensharing was sworn in on October 10, 1989. The conferees understand that he will focus on the Administration's efforts to ensure a balanced sharing of defense responsibilities and costs among the members of the North Atlantic Treaty Organization, Japan, the Republic of Korea, and other countries allied with the United States.

MILITARY PERSONNEL—ARMY

Amendment No. 1: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

$24,510,960,000: Provided, That $11,000,000 shall be available only for the activation of one additional battalion for the 6th Light Infantry Division not later than August 15, 1990: Provided further, That no reduction be made in any active component combat or corps headquarters unit in the United States to make personnel available for this unit.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

FOOD SERVICE COOKS

The conferees agree that the Army's plan to continue reducing the number of military cooks and replace them with contract cooks could severely hamper its ability to feed its troops in a wartime setting. Furthermore, the conferees question the increasing costs for contract cooks, especially since Army end strength is decreasing. Therefore, the conferees agree with the Senate proposal to reduce the funding for contract cooks and urge the Army to continue to train military cooks to meet its wartime requirements.

AIR BATTLE CAPTAIN

The conferees support the Senate's proposal directing the Army to continue the air battle captain helicopter pilot training program at the University of North Dakota and to conduct a pilot program to allow advanced placement for University of North Dakota graduates in the Army helicopter pilot training. However, the conferees do not favor imposing a funding level for this program as proposed by the Senate. The conferees recommend that the Army implement this program in the most cost effective manner.

The conferees understand that the Army is expected to start contracting out helicopter pilot training under its Single Contractor Aviator Training (SCAT) program. Since the University of North Dakota has demonstrated expertise in the training of helicopter pilots, the conferees hope that the University will examine the possibility of submitting a bid on this contract.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Unified/specified commands	−$12,600	−$12,600	−$12,600
Enlisted subsistence	0	−11,000	−11,000
ACIP increase	+22,000	0	0
Troop strength reduction	−103,700	−56,443	−103,700
Management savings	0	−19,000	−19,000
6th LID	0	+11,000	+11,000
Base closure	0	−4,500	−4,500
College fund	0	−32,900	−32,900
Foreign currency	0	−20,640	−20,640
Total military personnel, Army	−94,300	−146,083	−193,340

MILITARY PERSONNEL, NAVY

Amendment No. 2: Appropriates $19,307,700,000 instead of $19,363,300,000 as proposed by the House and $19,290,816,000 as proposed by the Senate.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Unified/specified commands	$0	−$16,884	$0
ACIP increase	+25,900	0	0
Management savings	0	−25,400	−25,400
Foreign currency	0	−4,300	−4,300
Total military personnel, Navy	+25,900	−46,584	−29,700

MILITARY PERSONNEL, MARINE CORPS

Amendment No. 3: Appropriates $5,800,200,000 as proposed by the Senate instead of $5,813,800,000 as proposed by the House.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Unified/specified commands	−$1,200	−$1,200	−$1,200
ACIP increase	+8,900	0	0
Management savings	0	−1,000	−1,000
Foreign currency	0	−3,700	−3,700
Total, Military personnel, Marine Corps	+7,700	−5,900	−5,900

MILITARY PERSONNEL, AIR FORCE

Amendment No. 4: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

$19,994,040,000: Provided, That none of the funds provided in this account and in "Operation and Maintenance, Air Force"

may support the continuation of the B-52G Squadron of the 43rd Bomb Wing after June 15, 1990.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Unified/specified commands	−10,900	−12,500	−12,500
ACIP increase	+61,500	0	0
Management savings	0	−25,400	−25,400
Base closure	0	−35,000	−35,000
B-52G squadron	0	−17,500	−17,500
Foreign currency	0	−20,760	−20,760
Troop strength reduction	−118,900	−65,190	−118,900
Total, Military personnel, Air Force	−68,300	−176,350	−230,060

B-52G FORCE STRUCTURE REDUCTION

The Senate deleted funding for one B-52G conventional squadron. The conferees agree that the B-52G Squadron of the 43rd Bomb Wing based in Anderson Air Force Base, Guam shall be deactivated during fiscal year 1990, leaving the two CONUS squadrons intact. The two CONUS-based squadrons are to remain intact.

NATIONAL GUARD AND RESERVE FORCES

The conferees agree to provide $9,107,000,000 in Reserve personnel appropriations, $6,661,500,000 in Operation and maintenance appropriations, and $135,000,000 in cash savings in section 9023 for the National Guard and Reserves. These funds support a Selected Reserve strength of 1,180,125, an AGR ceiling of 74,271, and a Technician floor of 71,449, broken out as follows:

RESERVE STRENGTHS

	Budget	Conference	Conference versus budget
Selected Reserve:			
Army Res	321,700	322,000	300
Navy Res	153,400	153,784	384
MC Res	44,000	44,000	0
AF Res	84,900	85,353	453
Army NG	458,000	458,035	35
Air NG	116,200	116,953	753
Total	1,178,200	1,180,125	1,925
Active Guard Reserve (AGR):			
Army Res	13,680	13,707	27
Navy Res	22,708	22,708	0
MC Res	2,301	2,301	0
AF Res	686	686	0
Army NG	26,164	26,199	35
Air NG	8,517	8,670	153
Total	74,056	74,271	215
Technicians:			
Army Res	8,526	8,529	3
AF Res	10,084	10,328	244
Army NG	28,457	28,457	0
Air NG	23,912	24,135	223
Total	70,979	71,449	470

FORCE STRUCTURE

The confereees support the increased funding and positions for the force structure restoration for the Army Reserve, Navy Reserve, Air Force Reserve, and Air National Guard; the SR-71 program; the conversion of the 150th Air Warning Radar Group in Hawaii to a forward air control post; and the full-time support for Army Reserve, Army National Guard, and Air National Guard.

Sufficient funds above the budget request have been added to the personnel and operation and maintenance accounts of the reserve components to provide the above force structure. The conferees direct that these funds shall be used for the force structure identified and should not be used for any other purpose. If required, the Department should utilize the flexibility provided in 10 USC 115(b)(1)(A) and section 411(c) of the National Defense Authorization Act, 1990.

In addition, the conferees expect that any force structure reductions based solely on budgetary considerations proposed for the fiscal year 1991 budget should be held in abeyance pending the DOD study of total force policy, force mix, and military force structure required by section 1101 of the National Defense Authorization Act, 1990.

FULL-TIME SUPPORT PERSONNEL

The conferees have increased the AGR and technician strength over the budget request to support the above missions of the reserve components and to support the drug interdiction mission of the National Guard. The increased AGR levels are in no way to be construed as a lessening of Congressional support for the technician program. The conferees have agreed to continue the ceiling on AGRs and the floor on Technicians in section 9023. While the section is written to place a total ceiling on AGRs for the three components, the conferees are adamant that the Reserve components should honor the intent of this provision by not exceeding their individual total.

In addition, sufficient funds have been included in this Act to support the total full-time support identified above and should be made available for such purposes. The conferees do not expect to receive any messages from the field indicating there are insufficient funds to support the full-time support personnel, especially those in the technician force.

The conferees expect the Department to request sufficient funds in the fiscal year 1991 budget to support this level of fulltime support personnel.

OPERATION AND MAINTENANCE

The conferees included $135,000,000 in section 9060 to support the operation and maintenance budgets of the reserve components. These funds are to offset any shortfall in the appropriation accounts and are specifically to be used to support the force structure and full-time support personnel identified above. If not used for O&M, then these funds can only be transferred to the component's reserve personnel appropriation account through normal reprogramming procedures.

Last year, the conferees directed that the additional funds transferred from the Defense Stock Fund to the Operation and Maintenance appropriations of certain reserve components should be annualized in the budget request for fiscal year 1990. The conferees are distressed that the Department ignored this direction and specifically direct that the funds provided in section 9060 should be annualized in the fiscal year 1991 budget request.

REPRESENTATION FUNDS

The conferees agree with House language which requests the Secretary of the Army to review and correct Army policy of not providing representation funds to the Army reserve components. The other services do share their representation funds with their reserve components, thereby indicating their support to the concept of a total service.

OFFICE OF THE SECRETARY OF DEFENSE (OSD)

The conferees agree with House language which recommends that the reserve components coordinate major policy issues with the office of the Assistant Secretary of Defense (Reserve Affairs), particularly with regard to matters addressing full-time support personnel.

NATIONAL TRAINING CENTER

The conferees agree with Senate language which recommends that the Army should pursue the concept of creating a heavy equipment maintenance company (HEMCO) at Fort Irwin, California, similar to the successful initiative at Karlsruhe, West Germany.

ARMY RESERVE

Command Authority.—The House expressed the concern that the Army Reserve and reservists may be treated as second-class citizens in the Army and requested a plan to provide the Chief of Army Reserve command authority of his reserve forces.

The conferees agree that the command, control and readiness of the Army Reserve would be improved by increasing the direct authority of the Chief of Army Reserve over these forces. Therefore, the Secretary of the Army is directed to prepare a plan to increase the role of the Chief of Army Reserve, consistent with the command, planning and management responsibilities of the Chief of Air Force Reserve and the Chief of the National Guard Bureau.

An initial step would be to have the Chief of Army Reserve become a more active partner in control of the fiscal year 1990 funds and to involve him directly in the on-going budget process for fiscal year 1991 and the Program Objective Memorandum process in fiscal year 1992. The Chief of Army Reserve is in the best position to make budgetary decisions for the necessary personnel, equipment, and operating funds to support the Army Reserve. In addition, the conferees agree that messages concerning reserve matters should be coordinated with the Chief of Army Reserve.

The Secretary of the Army is to submit a report by March 15, 1990, which delineates what needs to be accomplished in order to provide the Chief of Army Reserve command authority and how and when the transition should be implemented. The Chief of Army Reserve should become an active partner in preparation of this report.

The conferees caution that the Army should not prematurely implement some of the initiatives outlined in the House report. Before any implementation can take place, the reserve commanders should be provided the necessary resources and training required to assume any new responsibility.

The conferees agree to delete the proviso in the House bill which withheld $100,000,000 of Management Headquarters funds in Operation and maintenance, Army, until the Secretary of the Army submitted a plan providing the Chief of Army Reserve command and control authority over the Army Reserve forces. This action was taken to prevent any undue hardship to the operation of the Army, not to indicate any lack of support by the conferees on this issue. The conferees are adamant that the Secretary of the Army should actively pursue the preparation of this plan as directed by the conferees.

Training Divisions.—The conferees agree with House language directing the Army not to take any action to implement the proposed reorganization of the 76th and

78th Training Divisions until thirty legislative days after a report justifying the consolidation has been submitted to the Committees on Appropriations. In addition, the conferees believe this issue should be considered in accordance with the study of total force policy, force mix, and military force structure required by section 1101 of the National Defense Authorization Act, 1990.

NAVY RESERVE

Statutory Authority.—The conferees agree with House language which requests the Navy and the Navy Reserve to develop a plan whereby well-trained Navy reservists are available to deploy on extended missions.

AIR FORCE RESERVE

WC-130 Weather Reconnaissance.—Because the Department continued to cause confusion and turmoil to the dedicated personnel who perform this dangerous mission by constantly changing its decision on whether to maintain the weather reconnaissance mission, the House directed that during fiscal year 1990 the Department should begin to phase out the active unit and restore a full squadron in the Air Force Reserve to ensure a minimum of 1,600 hurricane reconnaissance hours to provide coverage for the Atlantic, Gulf of Mexico, and Caribbean Basin. The Senate included bill language which prohibited any deactivation of either the active or reserve units in fiscal year 1990.

The conferees agree with Senate language that supports maintaining the status quo for the active and reserve weather and hurricane reconnaissance missions in fiscal year 1990. In addition, the conferees agree that this issue should be settled and that the House position concerning fiscal year 1991 and beyond has merit. Therefore, the conferees direct the Secretary of the Air Force and the Chief of Air Force Reserve to prepare a joint plan utilizing all 12 WC-130 aircraft and four full-time air reserve technician operational aircrews and ten reserve aircrews to provide this vital mission. The plan should provide sufficient manpower and airframes to be able to fly 1,600 hurricane reconnaissance hours and sufficient additional hours for aircrew proficiency training, to generate up to five sorties a day, and to cover the Atlantic, Caribbean, Gulf of Mexico, and Hawaii in accordance with the National Hurricane Operations Plan. Sufficient funds should be included in the fiscal year 1991 budget request to support the proposed joint plan. Detailed supporting data for the joint Air Force and Air Force Reserve plan should be submitted to the Committees on Appropriations by January 31, 1990.

The conferees further agree that supporting the weather reconnaissance mission in fiscal year 1991 and beyond is critical to the protection of Defense installations and the entire population living in the east and Gulf coast areas of the United States. The conferees commend the dedication and expertise of both the reserve and active squadrons during this year's intense hurricane season in the Gulf of Mexico and the Atlantic.

The conferees regard the weather and hurricane reconnaissance mission as a matter of special Congressional interest.

The Senate had proposed offsetting the cost of maintaining the hurricane reconnaissance squadrons and mission by disapproving the move of four C-130E aircraft to Yokota AFB, Japan and by deactivating these aircraft and crews. The conferees agree to offset the cost through a general reduction in Operation and Maintenance, Air Force of $7,400,000.

The conferees further agree to allow the transfer of C-130E aircraft from Clark AFB in the Philippines to Yokota AFB in Japan. The Air Force may not transfer or exchange any C-130H model aircraft in the United States to Yokota AFB. The Air Force should consolidate the expanded unit at Yokota AFB using those C-130E models in the Pacific Theater in the best condition and with the greatest military utility. Existing squadrons in the United States equipped with the C-130H model aircraft should be maintained at existing personnel and aircraft strength levels with the C-130H.

ARMY NATIONAL GUARD

C-23 Aircraft Support.—The conferees agree to House language requesting a study addressing the consolidation of logistics and crew support for the C-23 aircraft at a centralized facility. In addition, the conferees agree to provide $10,000,000 of depot maintenance funds in Operation and Maintenance, Army; to provide Contractor Logistics Support (CLS) for this aircraft as proposed by the House.

AIR NATIONAL GUARD

D-15 aircraft.—The conferees agree that 20 F-15A/Bs need to be assigned to the Oregon National Guard in order for them to be able to stand alert at two bases while at the same time conducting necessary training missions.

C-130s at Portland.—The conferees do not agree with House language directing the transfer of two C-130B aircraft to Portland, Oregon.

C-130 Simulator Training Facility.—The conferees agree with the National Guard Bureau decision to establish the western region training center at Minneapolis-St. Paul, Minnesota.

Air Warning Radar Group, Hawaii.—The conferees strongly endorse the conversion of the Hawaii Air National Guard 150th Air Warning Radar Group, Kauai, to a forward air control post. This unit provides an important air control and warning function for the Pacific Air Force and the Hawaii National Guard's state mission, including drug interdiction.

KC-135 flying hours.—The conferees direct that not less than $3,000,000 of the additional funds provided in Operation and Maintenance, Air Force for KC-135 tanker flying hours be transferred to and used by Air National Guard KC-135 squadrons.

SR-71 Reconnaissance Mission.—See amendment number 27 for additional details on the issue.

RESERVE PERSONNEL, ARMY

Amendment No. 5: Appropriate $2,234,400,000 instead of $2,265,700,000 as proposed by the House and $2,225,164,000 as proposed by the Senate.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Unit and individual training		+25,000		
Mobilization training		+4,000		
School training		−10,000		
Special training		+6,000		
Administration and support		−6,200		
Benefits		+2,500		
Force structure		+1,100		+1,100
End strength utilization			−18,136	−10,000
All other items	2,243,300	2,243,300	2,243,300	2,243,300
Total	2,243,300	2,265,700	2,225,164	2,234,000

RESERVE PERSONNEL, NAVY

Amendment No. 6: Appropriates $1,582,800,000 instead of $1,591,800,000 as proposed by the House and $1,575,170,000 as proposed by the Senate.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Benefits		+2,000		
Force structure		+1,200		+1,200
End strength utilization			−13,430	−7,000
All other items	1,588,600	1,588,600	1,588,600	1,588,600
Total	1,588,600	1,591,800	1,575,170	1,582,800

RESERVE PERSONNEL, MARINE CORPS

Amendment No. 7: Appropriates $319,200,000 as proposed by the House instead of $317,896,000 as proposed by the Senate. The conferees agree to restore the end strength utilization reduction as proposed by the Senate.

RESERVE PERSONNEL, AIR FORCE

Amendment No. 8: Appropriates $672,700,000 instead of $674,400,000 as proposed by the House and $672,129,000 as proposed by the Senate.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Benefits		+1,200		
End strength utilization			−1,071	−500
All other items	668,900	673,200	673,200	673,200
Total	668,900	674,400	672,129	672,700

NATIONAL GUARD PERSONNEL, ARMY

Amendment No. 9: Appropriates $3,246,700,000 as proposed by the Senate instead of $3,252,200,000 as proposed by the House.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Benefits		−4,500		
Administration and support		+10,000		
All other items	3,246,700	3,246,700	3,246,700	3,246,700
Total	3,246,700	3,252,200	3,246,700	3,246,700

NATIONAL GUARD PERSONNEL, AIR FORCE

Amendment No. 10: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and

concur in the amendment of the Senate with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$1,051,200,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Administration and support		−7,900		+2,500
SR–71 program		+2,500		
Force structure		+3,500	+4,000	+4,000
End strength utilization			−4,000	−2,000
All other items	1,046,700	1,046,700	1,046,700	1,046,700
Total	1,046,700	1,044,800	1,046,700	1,051,200

TITLE II

OPERATION AND MAINTENANCE

Operation and Maintenance Issues

A summary of the conference agreement on items in conference is as follows:

[In thousands of dollars]

Summary	Budget request	House Appropriation Committee	Senate Appropriations Committee	Appropriations Conference
Army	23,708,600	23,603,843	22,856,662	22,787,559
Navy	25,954,600	25,748,601	24,106,207	23,902,621
Marine Corps	1,716,300	1,855,300	1,640,419	1,657,719
Air Force	22,812,200	22,708,743	21,986,987	21,806,213
Defense Agencies	8,021,600	7,829,137	7,879,444	7,800,156
Army Reserve	861,900	863,100	861,900	861,800
Navy Reserve	980,000	1,002,400	895,200	894,800
Marine Corps Reserve	77,400	77,400	77,400	77,400
Air Force Reserve	1,004,600	1,010,487	981,900	978,500
Army National Guard	1,870,200	1,867,100	1,870,200	1,867,100
Air National Guard	2,041,200	2,054,093	1,988,400	1,981,900
National Board for the promotion of rifle practice, Army	4,700	4,700	4,700	4,700
Inspector General	0	0	95,800	
Court of Military Appeals	4,000	3,800	4,000	4,000
Environmental restoration, Defense	517,800	900,800	517,800	601,100
Humanitarian assistance	13,000	13,000	13,000	13,000
Goodwill Games	14,600	14,600	14,600	14,600
Grand total, Operation and maintenance	89,602,700	89,557,104	85,794,619	85,253,168

READINESS INCREASES

The conferees agree to a total increase of over $1,500,000,000 for readiness-related items. These include the following:

Real Property Maintenance	$400,000,000
Ship Repair and Maintenance	205,800,000
Depot Maintenance	207,000,000
Shipyear Modernization	81,000,000
Environmental Projects	283,300,000
Marine Corps Readiness	100,000,000
Medical Personnel	90,000,000
CINC Initiatives Fund	50,000,000
Emergency Response Fund	100,000,000

OPERATION AND MAINTENANCE REPROGRAMMING ACTIONS

The Senate included language addressing the Operation and Maintenance (O&M) reprogramming procedures. The House did not address this issue.

The conferees agree with the Senate position that items and programs which are specifically addressed in the Statement of Managers as increases, must be considered as appropriated for that purpose unless a reprogramming or rescission is approved by Congress. To meet the concerns of the conferees, the Department should submit its draft DD1414 Base for reprogramming to the House and Senate appropriations Committees before the DD1414's are finalized. Additionally, the conferees agree that all reprogramming actions involving O&M should be submitted to Congress no later than June 30, 1990. This does not apply to emergency reprogramming actions.

USE OF THE "M" ACCOUNT

The House included language directing the Air Force to refund amounts from the "M" Account used to offset losses to the Air Force Stock Fund due to shortfalls in the fuel accounting system. The Senate did not agree with the House position.

A recent letter from the Comptroller General of the United States to the Chairman of the Defense Subcommittee, House Appropriations Committee, states that the Air Force was wrong to use the "M" Account to offset these losses. Additionally, the Comptroller General stated that the Air Force should reimburse the "M" Account for the amount transferred to the Air Force Stock Fund. The conferees agree with the Comptroller General's opinion and direct the Air Force to reimburse the "M" Account a total of $238,000,000.

The conferees agree that to direct this reimbursement in fiscal year 1990 would cause a severe funding shortfall in the operation and maintenance appropriations. Therefore, the conferees agree that the Air Force should adjust its stock fund charges for fiscal years 1991, 1992, and 1993 to accommodate the reimbursement to the "M" Account. A complete reimbursement should be accomplished no later than the end of fiscal year 1993.

Furthermore, the conferees agree that the Secretary of Defense should develop more stringent guidelines for the use of "M" Account funds. Current guidelines provide an opportunity for misuse of the "M" Account and this situation should be corrected along the lines suggested by the Department of Defense (DoD) Inspector General in her August 1989 report to the Department of Treasury on DoD's use of the "M" Account. The conferees agree that the Secretary shall provide a report every six months detailing use of the "M" Account. This report should address the circumstances involving any use of the "M" Account for the prior six-month period.

ASSET CAPITALIZATION PROGRAM

The conferees agree with the Senate proposal to move funding responsibility for depot maintenance and other industrial activity equipment from the industrial fund rates, principally funded by Operation and Maintenance appropriations, to direct procurement appropriations. This change is based on policy grounds and is intended to be a permanent transfer.

This transfer should not be misinterpreted as an indication that the conferees have lessened their support for modernization of industrial activities. All projects planned for fiscal year 1990 are fully funded in this transfer, and there should be no delay in executing the industrial modernization program. The conferees remain committed to these investments and believe that financing such equipment through the procurement appropriations will lead to better oversight and selection of projects that will further productivity and unit cost reduction.

Both the House and Senate reports noted that funding asset capitalization equipment through industrial fund rates led to a diversion of appropriations to unnecessary and lower priority programs. General Accounting Office reviews have documented the misuse of indirect financing, which resulted in low priority assets such as furniture and other items being procured that had little relevance to industrial modernization and productivity. Therefore, the conferees have included $519,000,000 in the procurement appropriations and expect the Office of the Secretary of Defense, the Assistant Secretary for Production and Logistics and the Comptroller to ensure that these funds are used for high priority projects. For fiscal year 1990 and thereafter, all depot maintenance and other industrial activity equipment requests must be clearly justified by project in the procurement accounts. The Department may not execute the funded projects for fiscal year 1990 by simply transferring the funds provided in procurement to the industrial funds. These projects should be executed using the normal procurement procedures, maintaining the unexpended obligated balance in the procurement accounts.

The conferees recently became aware that the Department has not retained the unexpended balances for obligations made in the ACP program. All funds provided for ACP were merged into the industrial fund operating accounts, making impossible any accurate accounting of the savings or benefits realized through ACP. Failure to maintain the funds necessary to meet ACP contract obligations leaves the industrial funds with a yet undetermined liability for prior year projects. The General Accounting Office is investigating the management practices and Department policies for ACP.

The conferees agree that the Department should not incur any obligations for ACP in excess of balances reserved specifically to meet such obligations. The General Accounting Office, as part of its review of ACP management practices, should monitor the execution of the program as defined herein for fiscal year 1990. Any violation of the direction provided in this report should be reported immediately to the House and Senate Appropriations Committees.

BUDGETING FOR REAL PROPERTY MAINTENANCE

The conferees agree with the Senate report language requiring all real property maintenance and minor construction projects costing more than $500,000 be listed and justified in each budget submission beginning in fiscal year 1991.

The conferees also agree with the Senate's recommendation to improve the backlog of maintenance and repair (BMAR) measurement. Accordingly, the conferees endorse the Senate language directing that any project which has been on the backlog for more than four years shall no longer be carried in the Department's BMAR estimates reported to Congress. The conferees feel that both of these measures will facilitate a more accurate programmatic review of the Department's real property maintenance budget in the future.

DEPOT MAINTENANCE

The House continued the practice of identifying depot maintenance funding separately on the DD 1414 Base for Reprogramming. This policy was first adopted in fiscal year 1988 because of the large amount of depot maintenance appropriations which were transferred by the military services for non-depot maintenance programs. The Senate did not address this issue.

The conferees agree that the policy of identifying depot maintenance appropriations as a special interest item on the DD 1414 Base for Reprogramming should be continued in fiscal year 1990. The Senate was concerned that the House position would not allow enough flexibility for Department of Defense managers. After further review, the conferees agree that the House position provides the Department with significant flexibility through normal reprogramming procedures. If a reprogramming proposal has merit, the Congress may favorably consider such a transfer of funds for other operation and maintenance programs. The two reprogrammings from depot maintenance, submitted in 1989, did not meet this test. The conferees urge the Department of Defense to streamline internal reprogramming procedures to permit valid requirements resulting from program changes to be met in an expeditious manner.

The conferees have taken into account the amended 1990 request for depot maintenance, agreed-to increases, and allocated an appropriate share of cross-cutting reductions to depot maintenance. Additionally, the amount set aside for Army depot maintenance includes all funding required to accommodate repair of helicopters damaged at Ft. Hood on May 13, 1989.

The conferees agree to the following depot maintenance levels for the DD 1414, Base for Reprogramming:

Army	$1,865,015,765
Navy	5,275,646,870
Marine Corps	87,197,750
Air Force	3,014,698,748
Total	[1] 10,237,559,133

[1] Reductions made for ACP are not true reductions as they represent an accounting change from Operation and Maintenance to Procurement accounts.

UNMANNED AERIAL VEHICLES

The Senate proposed establishment of a separate maintenance activity group within "Operation and Maintenance, Defense Agencies" to support the joint Unmanned Aerial Vehicles (UAV) office. The conferees do not believe that creation of such a separate activity group is necessary, but, direct that the Secretary of Defense ensure that the services continue to support the joint UAV office with funding from within their own Operation and Maintenance appropriations.

DEFENSE MANAGEMENT REVIEW/MANAGEMENT SAVINGS

The House reduced the Services' O&M budgets by a total $312,000,000 for savings associated with the Secretary of Defense's Management Review and included language encouraging the Department of Defense Comptroller to investigate the feasibility of consolidating the various supply systems and directing the Department to submit any plans for consolidating the Air Force Systems Command and the Air Force Logistics Command, to the Committees for review before implementation. The Senate reduced the Services' O&M budgets by a total of $286,100,000 and the Services' Military Personnel budgets by $71,000,000 for the implementation of the Secretary's Defense Management Review. Additionally, the Senate included language indicating that transportation and automated data processing are additional areas which could be consolidated for savings.

The conferees agree to reduce the Services' O&M budgets by a total of $286,100,000 and the Services' Military Personnel budgets by a total of $70,800,000, to reflect savings associated with the Secretary of Defense's Management Review. Additionally, the conferees agree that if any plan to consolidate the Air Force Systems Command and the Air Force Logistics Command is approved by the Secretary of Defense, the plan should be submitted to the House and Senate Appropriations Committees before implementation.

Furthermore, the conferees agree that there are other areas the Secretary should study for consolidation to provide more management oversight and cost savings. These areas include: Supply operations; Transportation programs; Automated data processing operations; and Medical programs.

UNIT COST

The conferees agree that the Comptroller should continue work on unit cost measurement in an effort to determine the true output and cost of running the Department of Defense. The conferees suggest that the Comptroller should direct the application of unit cost measurement to supply operations, depot maintenance operations, and medical programs.

INSTALLATION OF EQUIPMENT MODERNIZATION

The Senate changed the budget responsibility for the installation of equipment modernization from the operation and maintenance appropriations to the procurement appropriations. The House did not address this issue.

The conferees agree with the Senate position and have transferred a total of $1,915,600,000 from the operation and maintenance appropriations to the procurement appropriations for the installation of equipment modernization.

VIDEO TELECONFERENCING CENTERS

The Senate reduced the Services' O&M budgets by a total of $60,000,000 for savings associated with the use of Video Teleconferencing Centers and included language stating its concern that the Department does not have management oversight over the acquisition of these Centers. The House did not address this issue.

The conferees have agreed to reduce the Services' O&M budgets by a total of $50,000,000 for savings associated with the operation of Video Teleconferencing Centers. Use of these Centers should reduce travel time and create efficiencies, as the Centers allow users to see and hear the party to whom they are speaking. The conferees agree that this technology can be managed and used more efficiently to allow the Department to move more of its Management Support Activities and various Service Commands out of high-cost areas to other United States locations.

ARMY/INTERIOR STUDY OF THE PRESIDIO

The Defense Secretary's Commission on Base Realignment and Closure has recommended the closure of the Army Presidio of San Francisco, California. While the conferees agree with the decision of Congress to accept the recommendations of the Secretary's Commission, the conferees remain concerned that no cost savings will result or be realized by the federal government because the federal government will retain possession of the Presidio. The Commission did not address the fact that the Presidio, when it becomes excess to Department of the Army needs, must be turned over to the Department of Interior for use as a national park as required by law. This requirement does not allow the U.S. Government to dispose of the property and has the effect of negating savings to the government within a reasonable length of time. There is further concern that claimed savings would not be realized in any instance because additional facilities would have to be constructed elsewhere to carry out the current missions of the 6th Army.

Also of great interest to the conferees is the fact that if certain Presidio facilities were allowed to be used for specific purposes, there could be significant cost savings. For example, the military housing which is located on the Presidio, could be used by military personnel stationed in the San Francisco/Oakland area. This would result in a reduction to the requirement for off-base housing and the cost of allowances, which are significant in the high-cost area of San Francisco/Oakland. Additionally, the 6th Army Reserve unit is made up of highly-skilled and well-trained local members who would have a difficult time relocating or attending reserve training at other locations. This could result in the loss of these highly skilled reservists. The additional training and recruiting costs required to establish this unit at a new location would also be avoided if the unit remained in the San Francisco area. Lastly, the cost of treating eligible retirees and other Defense and Coast Guard beneficiaries at Letterman Army Medical Center is far less than the government's cost of treating these same people under the CHAMPUS and Medicare programs. If the Letterman Army Medical Center remains open, the government will be paying for health care with the least-cost option and a modern, well-equipped medical facility would be available to the area. This is especially important in light of the assistance provided by Letterman personnel during the recent California earthquake.

The commissary and the child care center could remain open with little or no cost to the government. The majority of the cost to operate these facilities is paid through "user fees" and other non-appropriated funds and does not represent a significant cost to the government. Since a significant military presence will remain in the San Francisco/Oakland area, these facilities are needed and will be well used.

Therefore, the conferees agree that the Secretary of the Army should work with the Secretary of the Interior to develop an agreement, which could include lease-back arrangements with the Department of the Interior, to ensure continuation and maintenance of certain defense activities at the Presidio. The activities which the conferees agree should continue are activities of the 6th Army Reserve and the Letterman Army Medical Center. Additionally, the conferees agree that there should be continued access to military housing, the commissary, and day care operations. All costs associated with the development of a land use plan and/or feasibility plan shall be accommodated within funds appropriated for the Army. The conferees understand such costs should not exceed $1,223,000.

The Secretary of the Army is required to keep the House and Senate Appropriations Committees informed on the progress of establishing such agreements with the Department of the Interior.

CIVILIAN MANPOWER

Command Management Support/DOD IG Study.—The House proposed a reduction of $24,000,000 for civilian manpower recommended by the DOD IG Review of the Uni-

fied and Specified Command headquarters. The Senate did not recommend any reductions. The conferees agree to reduce only $12,000,000 and expect the Secretary of Defense to use the remaining $12,000,000 to remedy the shortages of civilian personnel in the medical and medical support field.

Other Reductions.—The conferees believe that proportionate reductions in civilian manpower proposed by the Senate are justified in light of the significant reductions in military manpower. The conferees agree with the reductions proposed by the Senate as well as the reduction associated with the A-76 Program administration, Pershing and GLCM missions, and the Army's request for 2,171 manpower spaces proposed by the House. In addition, the conferees include a general provision that further reduces the funding for 2,500 civilian manpower spaces. The conferees further agree with the Senate's recommendation for a review of the national force structure units and the development of a model for projecting support costs.

Senior Executive Service (SES).—The conferees agree to reduce the SES workyears in the Army, Navy, Air Force and Defense Agencies. The conferees recommend that the Department reevaluate the requirements for SES positions in the Defense Agencies and field activities.

Overseas Workyears.—The conferees agree to place an overseas workyears ceiling of 182,011 (fiscal year 1989 ceiling) instead of 180,990 as proposed by the Senate. The conferees agree with the higher level to allow the Services to hire medical and medical support personnel. The conferees direct the Services to maintain an audit trail on the hiring of medical positions overseas.

U.S. BEEF FOR OVERSEAS COMMISSARIES

The House report directed the Department of Defense to use not less than $10,000,000 for funds available in operation and maintenance accounts to increase the availability of U.S. fresh beef in overseas commissaries. The Senate report required the Department to use U.S. meat and meat food products in military commissaries and dining halls in Europe and further required that funding for procurement and shipment of these commodities should come from funds available in the operation and maintenance accounts.

The conferees agree with the House language. In addition, the conferees agree that Department of Agriculture subsidies are required to lessen the impact on prices to commissary patrons in Europe.

TOTAL QUALITY MANAGEMENT AND PRODUCTIVITY SAVINGS

The conferees agree to provide funding for Total Quality Management (TQM) training program. The conferees believe, however, that priority for TQM training must be first provided to employees assigned at industrial activities. The conferees also believe that the Department should establish one office within the Office of the Secretary of Defense to manage and administer TQM. The conferees direct that the manpower, administrative, and other overhead resources associated with TQM administration and implementation be maintained at the fiscal year 1989 funding levels. The conferees recommend that the Office of the Secretary of Defense identify the costs associated with implementing TQM, to include training, equipment, and manpower and be able to provide this information in supporting budget documents. In addition, it is recommended that the Department document and verify claimed savings achieved by implementing TQM. The $100,000,000 request by the Department for expenditure on TQM, as indicated in the Defense Appropriations Conference Appeals fiscal year 1990, seems an excessive amount to expend on such training.

While the Congress has provided over $20,000,000,000 in labor saving productivity investments since 1980, the Department's budget provides almost no evidence that productivity gains have resulted. Therefore, the conferees agree to the reduction of $193,400,000 proposed by the Senate for productivity savings. The reduction should be allocated to all Defense programs, not only industrial activities as proposed by the Senate.

The conferees further endorse the Senate language regarding measurement of productivity investments, such as training, automation, and incentive programs. Productivity programs must be justified on the basis of real budget savings rather than merely avoiding cost growth not included in the Department's five year budget estimates.

MODEL INSTALLATION PROGRAM (MIP)

The conferees direct the Department to terminate the MIP. The Department currently manages and administers the well-established Beneficial Suggestion Program. The conferees urge the Department to eliminate duplicative and redundant programs. The Department of Defense Inspector reports that the Army, which has consolidated the Beneficial Suggestion Program and MIP, has achieved effective results. Therefore, the conferees insist that the rest of the Department consolidate its resources, to include the Office of the Secretary of Defense, and implement only one cost effective suggestion/ideas program. Additionally, the conferees strongly recommend that the Department establish an audit trail of the savings achieved by implementing suggestions or ideas and to report these savings in supporting budget documents.

The conferees agree to the House reductions, with the exception of the reduction recommended for the Army since the Army has already established one suggestion/ideas program.

A-76 REVIEWS

The conferees have become weary of the length of time required to complete A-76 cost studies and are extremely dismayed over the exhorbitant costs to conduct these studies. Additionally, the conferees believe that in some instances, costs for contract activities have increased to the point that it would be more cost effective for Government employees to perform the work. To reduce the overall costs to the Government, the conferees agree that:

(1) Those ongoing studies exceeding the standard completion time, i.e., two years for single function studies and four years for multi-function studies, must reach initial decision by August 31, 1990 or be terminated and converted to the Government's most efficient organization. The Secretary of Defense is required to report those cost studies that were terminated to the Committees on Appropriations of the House and the Senate by September 30, 1990;

(2) For future cost studies, the Department must establish completion dates of not more than two years for single function studies and not more than four years for multi-function studies. Additionally, the Department is required to notify the Committees on Appropriations of the House and Senate as soon as a cost study exceeds its established completion time; and,

(3) The Department shall conduct periodic reviews of contract activities that could be performed at less cost by Government employees.

PRODUCTIVITY RELATED PERSONNEL POLICIES

The conferees agree with the general provisions recommended by the Senate which (1) allow the Department of Defense (DOD) employees to receive paid administrative time off in lieu of cash payment as compensation for productivity and (2) prohibit a supervisor's grade to be determined by the number of employees supervised.

However, the conferees are concerned that the Department continues to request exemptions from current Office of Personnel Management (OPM) regulations which govern these issues. The conferees believe the Secretary of Defense should work with the Director of OPM to achieve these incentive programs rather than annually requesting the Appropriations Committees to provide statute exemptions.

Furthermore, while the conferees support the latter provision in order to provide maximum flexibility and encourage productivity, the conferees would like to caution the Department that it is not to be misused to provide unwarranted grade increases.

MEDICAL PROGRAMS

Reorganization of DOD Health Care.—The House included language directing the Department of Defense to reorganize the various medical programs into a more centralized organization, with an implementation plan due by March 1, 1990. Additionally, the House directed the Department to revise the fiscal year 1991 budget request by moving all operation and maintenance funds for medical care to a single account in Operation and Maintenance, Defense Agencies. The Senate opposed the House position.

The conferees agree that, since the President of the United States has yet to nominate an Assistant Secretary of Defense for Health Affairs (ASD(HA)), it would be counterproductive to insist on the development of a reorganization plan without direction from the person who will be responsible for implementing it. Therefore, the conferees agree that the Department should submit a plan for reorganizing the various medical programs into a more centralized program, providing for more budget, staffing, and programmatic accountability at the Assistant Secretary of Defense level, by June 30, 1990.

The plan must address and resolve the following issues: increased centralization to eliminate duplicate missions and funding responsibilities; increased accountability for budget preparation, budget execution, and staffing; improvements in workload measurements; a strategy for implementing the plan; and a unified medical budget. If the plan fails to address these issues adequately, the House and Senate Appropriations Committees will again take the initiative.

It is not the intent of the conferees to create a "purple suit" medical corps. It is the intent of the conferees that the Secretary of Defense gain control of the various medical programs which are currently uncoordinated, inefficient, and unresponsive. The DOD medical programs cost the taxpayers approximately $13 billion annually. There is no program manager, no plan for the future, and no way of effectively controlling costs. The plan submitted by the Department of Defense on June 30, 1990, shall provide a start at managing medical care.

Furthermore, it is the intent of the conferees that the Department of Defense should develop this plan itself; it should not be done by contract. While the Department has been capable of performing well without an appointed ASD(HA), it is extremely important that an appointment occur soon. It is unfair to have fiscal year 1991 program decisions made by consultation; decisions should be made by the ASD(HA).

Alternative Use of CHAMPUS Funds.—The House included language stating that projects which included the alternative use of CHAMPUS funds could only be expanded if the Secretary ensured that these projects were not contributing to CHAMPUS increases. The Senate included language extending the fiscal year 1989 $50,000,000 funding authority for alternative use projects.

The conferees agree that the Department should be allowed to use up to $150,000,000 of CHAMPUS funds ($50,000,000 for each Service) to develop, implement and continue projects approved by the Assistant Secretary of Defense of Health Affairs (ASD(HA)) as alternative use projects. The conferees further agree that there is a possibility that some initiatives which use CHAMPUS monies as a source of funding, may in fact be increasing the cost of CHAMPUS by increasing access. Therefore, the conferees agree that current and future projects must be monitored by the ASD(HA) to ensure that alternative use projects do not contribute to an increase in CHAMPUS costs.

The conferees remain concerned about the increasing costs of medical care, especially CHAMPUS. The Department has approached Congress with a variety of projects designed to decrease the cost of medical care, particularly CHAMPUS. Despite assurances from the ASD(HA) and the Services that these projects could be quickly implemented and savings quickly realized, neither claim has been substantiated.

For example, in early 1987, the department approached Congress with the idea of catchment area management (CAM) demonstration projects. The idea was to provide the local commander with all of the medical funds for his/her catchment area and the authority to use these funds in the most economical way to produce cost savings. In September of 1987, the ASD(HA) provided guidance for the Services on developing and submitting CAM projects for approval. One year later, December of 1988, four plans were submitted for approval; the Army submitted two plans and the Air Force submitted two plans. The Navy submitted one plan for approval in March of 1989. Each plan was approved the same month as submitted. However, only the Army has been able to get the CAM projects up and running: Ft. Sill in June 1989 and Ft. Carson in October of 1989. The Navy plans to have its Charleston CAM implemented in January of 1990. The Air Force will not have its CAM projects up and running until March of 1990, 15 months after approval.

If the Department is serious about implementing projects designed to save money, it must be serious about doing so in a reasonable time frame. Furthermore, the ASD(HA) should monitor the CAM projects to ensure that they do not contribute to an increase in CHAMPUS costs.

Psychologists/psychoactive drugs.—The Senate included language chastising the Department for not implementing direction of the conferees of the Department of Defense (DoD) Appropriations Act, 1989, and directed the Department to make the implementation of a training program for psychologists its highest priority. The House did not address this issue.

In fiscal year 1989, conferees to the DoD Appropriations Act stated that the Department, "should establish a demonstration pilot training program under which military psychologists may be trained and authorized to issue appropriate psychotropic medications under certain circumstances." (Report 100-1002, page 34.) The Department has not pursued the establishment of such a pilot training program.

The conferees agree that the Department cannot ignore direction from Congress and therefore should develop such a training program in fiscal year 1990. However, the conferees agree that the pilot program be designed so that military psychologists could be trained and authorized to issue appropriate psychotropic medications to military personnel only. Issuance of medications to DoD beneficiaries should be addressed after review of the success of this pilot program. Additionally, the conferees agree that the training program should not be implemented until it is reviewed by the Assistant Secretary of Defense (HA) and is submitted to Congress.

Uniformed Services Treatment Facilities (USTFs).—The Senate included language prohibiting the Department of Defense (DoD) from limiting the locations where authorized Uniformed Services Treatment Facilities (USTFs) health plan services may be provided, so long as they are at a less cost to the government than would otherwise be paid under CHAMPUS. The House did not address this issue.

The conferees agree that the USTFs provide an important service for the DoD medical program. In recognition of this, the House and Senate Armed Services Committees have directed the DoD to incorporate the USTFs into a managed care demonstration project. In order to provide an established basis for such a project, the conferees believe that it is premature to establish additional USTF satellite facilities at this time. However, the conferees agree that additional satellite facilities should not be completely dismissed and directs the ASD (HA) to contract with an independent contractor with experience in the health care field to report to the Committees on Appropriations on the advisability and feasibility of expanding USTF satellite services within the parameters of the managed care demonstration project.

At the same time, the conferees recognize that satellite facilities, which have been established to date under provisions of the agreements established between the USTFs and DoD, should be allowed to continue to operate and should be reimbursed by the Services, if the care provided is less than the cost of care provided under CHAMPUS and within the limits of aggregate USTF reimbursements established in the agreements. The conferees understand that there are challenges from the ASD (HA) concerning the satellite facilities recently established by the Bayley Seton and Martin's Point USTFs. In the case of Bayley Seton, the Navy requested the USTF to establish a satellite facilities on Long Island, and the conferees agree that it is the responsibility of the Navy to ensure payment is made to Bayley Seton for care provided at this USTF satellite facility. Furthermore, due to identified shortfalls in CHAMPUS funding for fiscal year 1990 payments for these satellite facilities shall not be made from funds appropriated for CHAMPUS and shall be made from funds appropriated for direct care.

Funding for Medical Programs.—The House increased funding for the CHAMPUS program by $210,000,000. The Senate increased medical funding for support personnel by $60,000,000. The conferees agree to a $90,000,000 increase in the direct care system for support personnel with the understanding that the Services must audit the use of these funds. Additional funds must be used to increased the number of support personnel and increase the level of care provided in the military treatment facilities.

Additionally, the conferees have agreed to the Senate provision allowing the military treatment facilities to collect payment from a third party payor for use at the local level. The Department is required to provide the conferees with an audit of the way these collected funds are used at the local level. It is the view of the conferees that any funds collected must be used to directly increase the level of services provided at the military treatment facilities.

Child Abuse.—The Senate earmarked $350,000 within the appropriation to the Military Family Resource Center to study the effectiveness of emergency room personnel in identifying suspected cases of child abuse. The House did not address this issue.

The conferees agree with the Senate position. The conferees are concerned at apparent increases in cases of child abuse in both the military and civilian communities and direct the Department of Defense to undertake this pilot study during fiscal year 1990.

Physicians' Qualifications.—The Senate report expresses concern at findings by the General Accounting Office (GAO) that additional efforts are needed to verify military physicians' qualifications. The Senate directs the Department of Defense (DoD) to follow GAO's recommendations to focus on completing validations of the qualifications of all DoD physicians and to establish a central data base to support the credentialing system. In addition, the Senate urges the Department to expand this data base to include all health care disciplines which require licensing. The House did not address this issue.

The conferees agree with the Senate position and urge the Department to act expeditiously to validate physicians' qualifications and to establish a central data base, available to all Services, to support the credentialing system. Military members, their families and military retirees are entitled to high quality medical care, and these efforts are one way to ensure that they get it.

Wage Rates for Health Care Professionals.—The Senate report expressed continuing concern over the Department's inability to offer competitive salaries for certain categories of health care professionals in short supply. The House did not address this issue.

The conferees agree with the Senate position. The conferees wish to reiterate the same concern that was expressed in the supplemental appropriations bill enacted in June 1989. Existing regulations will permit the Department of Defense, in coordination with the Office of Personnel Management, to adjust wage rates above standard civil service pay scales, and the conferees continue to believe that the Department should avail itself of any opportunity to increase salaries for health care professionals in short supply.

Children's Hospitals/DRG's for Pediatric Care.—The House included language stating that the hold-harmless proviso of the provision on childrens' hospitals and DRG's for pediatric care should be applied on a hospital-specific basis. The Senate included the provision, but did not address the issue of the hold-harmless proviso.

The conferees agree with the House position. However, the conferees wish to emphasize their continuing support for the eventual inclusion of children's hospitals in the Department's DRG program. The ASD(HA) and representatives of children's hospitals should continue to work together to bring about an equitable pediatric care DRG data base.

AIDS/Interactive Videodisc Technology.—The House included language urging the Department to continue the development of interactive videodisc (IVD) technology as a learning tool for AIDS education initiatives. The Senate did not address this issue.

The conferees remain committed to this worthwhile project and are disappointed with the direction that the Department has taken on this issue. The conferees to the Department of Defense Appropriations Act, Fiscal Year 1988, directed the Department to develop an AIDS educational training program based on the use of IVD technology. It was the intent of the conferees that this technology be available very quickly to the young men and women in uniform in need of an educational device which provides accurate information in an interactive format and could be used in a private/semi-private atmosphere.

Without consultation with Congress, the Department has proceeded with a different program not envisioned by the conferees. It is cumbersome, expensive, and layered with bureaucracy. The conferees are deeply concerned about this and direct the Department to use off-the-shelf IVD technology, as an educational device for young men and women in the military. The conferees understand that off the shelf technology may require some "fine tuning" to accommodate military directives and requirements and emerging medical information, but the conferees agree this can be accomplished within six months. The ASD(HA) shall report to the conferees no later than May 1, 1990 on the Department's progress in fulfilling this directive.

Nonphysicians in Department of Defense Health Care.—The Senate report included language addressing morale problems within the nonphysician health care disciplines, including optometry and psychology, and urging the Office of the Assistant Secretary of Defense for Health Affairs (OASD/HA) to include representatives of these disciplines within the personnel assigned to his office. The Senate noted that this would improve morale and also provide a wide spectrum of policy expertise. The House did not address this issue.

The conferees agree with the Senate language.

Optometry.—The Senate report included language directing the Army, Navy, and Air Force to expand the establishment of administratively separate services of optometry to all major health care treatment centers during fiscal year 1990. The House did not address this issue.

The conferees agree with the Senate language.

Federal Nursing School.—The Senate report expressed concern about the critical shortage of nurses available to the military services as an adjunct to a nationwide shortage of nurses in the civilian community. The Senate directed the Department of Defense to develop a feasibility/implementation study for the establishment of a Federal nursing school to provide nurses not only to the Department of Defense but also to other Federal agencies such as the Department of Veterans Affairs and the Indian Health Service. The House did not address this issue.

The conferees agree that the Department should develop a feasibility study for the establishment of a Federal nursing school and urge the Department to consult with other relevant Federal agencies and incorporate their views into the feasibility study. The conferees further agree that Congress should have an opportunity to review this study prior to its implementation.

Nurses Performing Non-clinical Tasks.—Elsewhere in this report, the conferees have expressed their concern about shortages of nursing staff in military hospitals. The conferees are also concerned about dissatisfaction voiced by many military nurses that they are forced to spend too much time performing non-clinical tasks that do not require the services of a nurse—such as escorting patients, inventorying supplies, and serving meals. During a time of nursing shortages, taking nurses away from patient care is unacceptable.

The conferees have agreed to provide a total of $60 million to the Army, Navy, and Air Force to hire additional medical support personnel. Of the $20 million provided to the Army, the conferees agree that $1.6 million will be used to conduct a demonstration program at Tripler Army Medical Center designed to test the idea that dollars spent on additional ancillary personnel will improve nurse productivity, thereby improving patient care and allowing more efficient use of nursing resources. This test program will be undertaken during fiscal year 1990 under the supervision of the Surgeon General of the Army.

Social Work.—The Senate report requested that the Department of the Air Force initiate an administratively distinct department of social work on a pilot basis. The House did not address this issue.

The conferees agree with the Senate position and direct the Air Force to initiate this pilot program during fiscal year 1990.

Physicians in Administrative Positions.—The House included language directing the Navy to reduce, by 10 percent, the number of physicians in administrative positions, returning these physicians to patient care. The Senate did not address this issue.

The conferees agree with the House position and direct the Navy to accomplish the reduction no later than June 30, 1990.

Military Family Services.—The House included language directing that $3,000,000 available in Operation and Maintenance, Air Force, be used to continue the Air Force's military family services project. The Senate did not address this issue.

The conferees agree with the House position and direct the Air Force to keep the conferees informed on their progress with this important project.

Medical Research.—The House included language directing the Department to cooperate with the American Academy of Otolaryngology—Head and Neck Surgery. The Senate did not address this issue.

The conferees agree with the House position.

Heart Transplants.—The House included language directing CHAMPUS to evaluate and report on the feasibility of including other facilities with the CHAMPUS approved heart transplant facilities. The Senate did not address this issue.

The conferees agree with the House position and direct that the report be submitted within 120 days of enactment of this Act.

Payment of CHAMPUS Claims.—The conferees direct the Office of CHAMPUS to submit payment of $1 million to Georgetown University Hospital for care provided to Miss Jennifer McBride.

The conferees are concerned about the lengthy appeals process established by the Office of CHAMPUS for review of claims. The process is cumbersome, inefficient, and causes great anxiety and concern for families. The Assistant Secretary of Defense for Health Affairs should examine the current situation and make necessary changes to improve the process.

Ft. Bragg Demonstration Project.—The Senate included language addressing its concern that the Ft. Bragg mental health care demonstration project is experiencing delays. The House did not address this issue.

The conferees understand that the mental health care demonstration project contract has been awarded and care for Ft. Bragg beneficiaries will begin soon. The conferees are pleased that after first directing this project in fiscal year 1987, a contract has finally been awarded.

AUTOMATED DATA PROCESSING RESOURCES

The conferees agree to the following funding adjustments:

[In thousands of dollars]

	O&M	Procurement	Total
ARMY			
Software development	−84,895		−84,895
Microcomputers	−40,000		−40,000
Maintenance	−30,000		−30,000
Training/Doctrine Command	−15,000	−4,236	−19,236
Competition	−20,000		−20,000
Forces Command	−15,000		−15,000
Software maintenance	−7,000		−7,000
Total Army Personnel System	−5,692		−5,692
SIDPERS–3 (Standard Installation/Division Personnel System)	−2,500		2,500
European Command	−10,000		−10,000
FEDLINK (Library of Congress reimbursement)	−5,000		−5,000
Theater Army Medical Info. System (TAMMIS)			
Forces Command Info. System	−1,000		−1,000
Headquarters ADP	−1,986	−14,000	−15,986
Army Field Artillery Data System (AFATDS)	+7,395	−7,395	
Army Standard Information Processing System (ASIMS)			
Info. Processing Equipment		−6,056	−6,056
Training equipment			
Army Materiel Command		−3,500	−3,500
Personnel Automation		−4,000	−4,000
Total	−230,678	−39,187	−269,865
NAVY			
Management practices	−40,000		−40,000
STAFS (Standard Automated Financial System)	−20,000		−20,000
FY 89 reduction	−35,900		−35,900
Maintenance	−30,000		−30,000
Integrated Disbursing and Accounting Financial System (IDAFIPS)	−19,610	−4,455	−24,065
Computer Aided Design/Computer Aided Manufacturing (CAD/CAM)	−6,773		6,773
Naval Air Logistics Management Information System (NALCOMIS)			
FEDLINK	−5,000		−5,000
Automation of Procurement and Accounting Data Entry (APADE)	−600		−600
Stock Point Logistics Integrated Communications Environment (SPLICE)	−300	−1,900	−2,200
Stock Point ADP Replacement (SPAR)	−3,100	−15,000	−18,700
Uniform Inventory Control Point (UICP)		−10,000	−10,000
Total	−161,283	−31,955	−193,238

[In thousands of dollars]

	O&M	Procurement	Total
AF			
Maintenance	−30,000		−30,000
Depot Maintenance Management Information System (DMMIS)			
Use of Air Force Computer Acquisition Center (AFCAC)	−20,000		−20,000
Personnel Concepts III		−18,200	−18,200
FEDLINK	−5,000		−5,000
Reliability and Maintainability Information System (REMIS)			
Phase IV	−3,000		−3,000
Aeronautical System Division	−1,000		−1,000
Contract Services Support	−700		−700
Management Practices	−15,000		−15,000
Total	−74,700	−18,200	−92,900
DOD Agencies			
Defense Logistics Agency	−20,000	−20,000	−40,000
Defense Medical Support Activity	+10,000	+5,000	+15,000
Washington Headquarters Services	−10,000		−10,000
Total	−20,000	−15,000	−35,000
Grand total	−486,661	−104,342	−591,003

The table above refers to programs addressed in the House report. DD Form 1414, Base for Reprogramming for the Operation and Maintenance appropriations should explicitly indicate aggregate funding for ADP programs as a Congressional interest item, an increase to which requires prior approval. The only exception is increases for ADP in support of drug interdiction efforts, which do not require such approval. Funds for Army TAPSYS and Navy IDAFIPS are specifically denied.

The conferees agree that information systems development and acquisition of computer equipment for local administrative purposes (such as office equipment for a shipyard) may not be financed through industrial funds effective in fiscal year 1991. The operation of Navy Regional Data Automation Centers may continue on an industrial fund basis, even for software development; however, funds for the development of major automated information systems must be budgeted by the sponsoring Navy organization using only appropriated funds. The Department's industrial fund overview should justify in detail all other ADP expenditures financed in industrial fund activities. In addition, ADP programs must absorb a proportional fair-share of the contract advisory services reduction discussed elsewhere in this report. The conferees also agree to the House recommendation that all command and control systems that use primarily commercial computer equipment be reviewed by the MAISRC, which is now a committee of the Defense Acquisition Board.

The conferees are encouraged by the Department's recently announced "Corporate Information Management" initiative which aims to halt the development of redundant, Service-unique ADP systems. Reductions to Army (STAMMIS) software programs, for Navy and Air Force management practices, and to DLA's modernization programs shown above were made in part to ensure that this new policy is enforced and actually achieves savings.

The conferees agree to the House requirement for plans from the Secretary of Defense on how chronic ADP management problems in the Army and Navy will be resolved. A DAB review of the Army and Navy base level data automation strategic plans should be an integral part of the Secretary's report. The conferees envision that both Services will strengthen their internal ADP management organizations, establish effective mechanisms to rigorously define and screen user requirements, develop a comprehensive base level information architecture, develop a competitive acquisition strategy to achieve it, and limit infomation system software development to the minimum necessary to achieve truly mission essential capabilities. The conferees want the Department to focus on internal management processes, not technically elegant computer technologies. In particular, the Army must demonstrate that it has strong control and coordination over information systems developed by its major commands.

The conferees desire better ADP justification material for the fiscal year 1991 and subsequent budget submissions to Congress. The conferees are concerned, in particular, that funding requests for ADP studies and other commercial services are large yet lack detailed justification. The fiscal year 1991 budget should explicitly justify proposed expenditures larger than $1,000,000 in these categories.

The conferees have agreed to restore funding for the Army's TAMMIS medical information system in spite of the fact that DOD has failed to develop a tri-service architecture for battlefield medical information systems as previously directed by the Appropriations Committees. Therefore, it remains unclear how TAMMIS will fit into the architecture yet very clear that little has been done by the Office of the Secretary of Defense to prevent duplication among Service-unique systems. If the Department's new "Corporate Information Management" initiative is real, it must be applied to this functional area. The conferees will judge future funding requests for TAMMIS in this context. In addition, the conferees have provided funds in Operation and Maintenance for AFATDS software conversion, while denying the request for these funds in the procurement account.

Section 9040 of the Act imposes a $1.1 billion constant dollar cost cap on the Composite Health Care System, a tri-service medical ADP system for DOD hospitals. Congress derived this figure based on budget justification material submitted in fiscal year 1985. The conferees understand that internal DOD policy changes concerning ADP system life cycle cost computation have recently been made. For CHCS, in particular, this may result in a revised, extended life cycle which could also require a commensurate extension of the Congressional cost ceiling. Should this happen, the conferees urge the Secretary of Defense to propose an appropriate recommended adjustment in the CHCS cost cap to the Appropriations Committees as part of the fiscal year 1991 budget request to Congress.

The conferees agree that funding appropriated for Navy interim CAD/CAM purchases should be limited to mission critical requirements and be compatible with the future CAD-2 acquisition requirements. The conferees expect that the Navy will maximize use of existing Navy Regional Data Automation Centers under the SPAR acquisition. While the conferees have also agreed to let the NALCOMIS acquisition proceed, the GAO has identified concerns about: (1) sufficiency of stress testing and operational testing of proposed system configurations in their representative size for use aboard aircraft carriers and (2) acquisition of equipment once phase II hardware requirements contracts expire in 1992; the conferees expect that the MAISRC will ensure that the NALCOMIS acquisition strategy addresses these concerns while achieving the new target deployment date promised to the Congress. The conferees also reduced the Navy's other procurement budget for the Uniform Inventory Control Point (UICP) system based on a recent GAO audit.

Concerning the Air Force's PC-III personnal ADP system, the conferees agree to restore the O&M funding while denying the procurement request based on GAO recommendations. Prior to requesting future production funds, the conferees expect the Air Force to: fully develop the application software; demonstrate that the proposed hardware configuration is the most cost-effective alternative for meeting capacity, processing, and performance requirements; satisfactorily complete operational testing and evaluation of the complete system; and obtain Milestone III approval from the MAISRC.

Concerning the Defense Logistics Agency, the conferees agree to the House reductions in order to limit expansion of ADP systems pending the Secretary of Defense's management review which may result in organizational changes that impact information system design.

OPERATION AND MAINTENANCE, ARMY

Amendment No. 11: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$22,787,559,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken by said amendment, insert: *Provided, That $250,000 shall be available for the 1990 Memorial Day Celebration.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees understand that the National Park Service has scheduled a Memorial Day Celebration similar to the Fourth of July Celebration. Considering that Memorial Day is the day set aside to honor those veterans who gave their lives in defense of the United States, the Department of Defense should be involved in support of this concert/celebration. Therefore, the Army should work with the National Park Service to televise the 1990 Memorial Day Concert/Celebration, with participation from one or more of the military bands, orchestras, and/or choral groups.

Amendment No. 13: Deletes House language which withholds the obligation and expenditure of $100,000,000 of Army Management Headquarters funds until the Secretary of the Army submits a plan providing command authority to the Chief of Army Reserve. See "National Guard and Reserve Forces" for additional information on this subject.

Amendment No. 14: Restores House language which makes $3,500,000 available to the Monterey Institute of International Studies.

Amendment No. 15: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert: *Provided further, That of the funds appropriated in this paragraph, $46,000,000 shall be available only for procurement for the Extended Cold Weather Clothing System (ECWCS) and intermediate cold-wet weather boots, unless $46,000,000 of ECWCS and the intermediate cold-wet weather boots are procured by the Army Stock Fund during fiscal year 1990*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agrees with the bill language proposed by the Senate requiring the Department of the Army to procure $40,000,000 of the Extended Cold Weather Clothing System (ECWCS). The conferees further agree to amend the bill language by directing the Army to procure $6,000,000 of intermediate cold-wet weather boots for troop issue in fiscal year 1990.

For several years the conferees have been concerned about cold weather clothing for our soldiers. Since fiscal year 1987, the Army has been procuring and issuing the Extended Cold Weather Clothing System (ECWCS). However, the ECWCS does not include boots. Currently, soldiers are using their personal funds to buy Goretex type boots through the exchanges for use in cold climates.

The conferees are aware of the Army's current effort to test, select and procure intermediate cold-wet weather boots for use in −10 degrees F to +30 degrees F weather. It is obvious, however, that there is an immediate need for these boots by troops stationed in cold climates, and therefore the conferees require the Army to procure these boots in fiscal year 1990. The conferees agree that priority for issuance should be given to those troops stationed at extremely cold weather areas.

The conference agreement on items in conference is as follows:

[Dollars in thousands]

	Budget	House	Senate	Conference
Operation and maintenance, Army				
General Purpose Forces	$8,156,837	$8,156,437	$8,291,727	$8,167,437
Combat training centers			(+50,000)	(+40,000)
Battalion training/optempo			(+50,000)	
Panama operations			(+16,000)	(+16,000)
Unit level maintenance			(+35,000)	
Oversees exercises			(−15,000)	(−15,000)
INF troop support		(−400)	(−1,110)	(−400)
Intelligence & Communications Program	1,570,127	1,570,127	1,550,127	1,550,127
C(3)			(−20,000)	(−20,000)
Control Supply	3,871,487	3,871,987	3,829,987	3,935,887
Overocean Transportation		(+100,000)		(+100,000)
Commissary Ops/Transportation				
Inventory Management		(−100,000)		
Helicopter Repair—Ft. Hood		(+500)		
DLA workload			(−20,000)	(−20,000)
Equipment fielding			(−7,500)	(−15,600)
Base adjustment			(−14,000)	
Supply operations				
Depot Maintenance	2,550,028	2,750,728	2,562,028	2,682,028
Helicopter Repair—Ft. Hood		(+43,700)		
Helicopter Repair—Ft. Polk		(+7,000)	(+7,000)	(+7,000)
Backlog		(+150,000)		(+150,000)
Battalion training/optempo			(+30,000)	
Unauthorized refund			(−25,000)	(−25,000)
Training & Other General Personnel Activities	3,342,196	3,334,196	3,340,696	3,338,696
Troop Schools		(−2,000)		(−2,000)
Advertising		(−6,000)	(−7,000)	(−7,000)
Civilian interns			(+5,500)	(+5,500)
Medical Program	2,663,428	2,733,428	2,683,928	2,683,928
CHAMPUS		(+70,000)		
Medical support personnel			(+20,000)	(+20,000)
Humanitarian assistance			(+500)	(+500)
Administration and Associated Activities	1,086,898	1,084,898	1,076,098	1,062,898
Household Goods Claims		(−2,000)	(−2,000)	(−2,000)
Claims			(−8,800)	(−12,000)
Administration				(−10,000)
Support to Other Nations	257,755	257,755	257,755	257,755
Special Operations Forces	209,844	209,844	209,844	209,844
Stock Fund Cash		−114,000	−77,000	−114,000
Excess Overtime		−20,000		−20,000
Physical Fitness Facility Contracts		−2,000		−2,000
ADP Management		−375,987	−152,078	−230,678
Blackmarketing				
Maintenance Support Activities		−50,000		−22,000
A–76 Review		−83,000	−83,000	−83,000
Command Management Support/IG Study		−12,000		−6,000
ASIMS				
Base Operations			−62,650	−62,650
Legislative/Management Improvements		−92,150	−68,700	−68,700
Real Property Maintenance		650,000	−47,600	200,000
Classified Program		−16,331	−45,800	−15,413
Modernization of Equipment Transfer			−143,700	−143,700
Transfer to Other Procurement, Army				
Civilian Manpower		−83,800	−55,300	−83,800
SES Workyears		−3,200		−3,200
Total Quality Management Training		−35,000		
Medal Installation Program Administration		−2,800		
Contract Terminations at ICP's		−125,300		−125,300
Foreign Currency			−67,000	−177,900
Industrial Fund Passthrough			−15,400	−15,400
Civilian Pay Raise				
Pentagon Transfer			−12,400	−12,400
Asset Capitalization Program			−59,100	−59,100
Ammunition Plant Maintenance			−71,000	−71,000
Transfer to Procurement of Ammunition, Army				
Printing and reproduction			−10,400	−10,400
Teleconferencing savings			−20,000	−20,000
Realignment efficiencies			−1,000	−1,000
Unit cost/productivity			−28,600	−28,600
Environmental projects			100,000	100,000
Food Service Cooks			−24,800	−24,800
All other items	0	0		
Total, Army	23,708,600	23,603,843	22,856,662	22,787,559

COMBAT TRAINING CENTERS

The conferees agree to provide $10,000,000 to fund a combat training center for Army division and corps commanders at Ft. Leavenworth, KS.

CONTRACTOR SUPPORT FOR C-23 AIRCRAFT

The House included language directing the Army to use $10,000,000 of the funds appropriated for depot maintenance to provide Contractor Logistics Support for the Army National Guard C-23 Sherpa aircraft. The Senate did not address this issue. The conferees agree with the House position.

AMMUNITION PLANT MAINTENANCE

The Senate transferred the budget responsibility for ammunition plant maintenance from Operation and Maintenance, Army to Procurement of Ammunition, Army. The House did not address this issue.

The conferees agree with the Senate position and have transferred a total of $71,000,000 from Operation and Maintenance, Army to Procurement of Ammunition, Army and Procurement of Weapons and Tracked Combat Vehicles, Army for the maintenance of ammunition plants.

OPERATION AND MAINTENANCE, NAVY

Amendment No. 16: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$23,902,621,000, of which $81,000,000 shall remain available until September 30, 1992*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree that the Navy must provide a list of the shipyard modernization projects to be funded with the $81,000,000 and the estimated productivity gains from such projects. This list should be provided to the House and Senate Appropriations Committees no later than June 30, 1990. Finally, these resources are to be available only for shipyard modernization and are to be maintained as cash balances in the Navy Industrial Fund. This ensures that all obligations remain as funded obligations.

Amendment No. 17: Deletes House language which made a portion of the funds subject to authorization.

Amendment No. 18: Deletes House language which waives authorization restrictions for shipyard and depot competition and inserts Senate language waiving authorization restrictions of sections 2461 or 2464 of title 10, United States Code (codification of authorization restrictions).

Amendment No. 19: Restores House language which mandates that facilities and activities at the Memphis Naval Air Station be maintained at 1984 levels.

Amendment No. 20: Deletes House language which makes funds available to the U.S. Naval Support Force Antarctica.

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided further, That the Navy may provide notice in this fiscal year to exercise options under the LEASAT program for the next fiscal year, in accordance with the terms of the Aide Memoire, dated January 5, 1981, as amended by the Aide Memoire dated April 30, 1986, and as implemented in the LEASAT contract: Provided further, That notwithstanding section 2805 of title 10, United States Code, of the funds appropriated herein, $2,000,000 shall be available for a grant to the National Museum of Naval Aviation at Pensacola, Florida. These funds shall be available solely for project costs and none of the funds are for remuneration of any entity or individual associated with fund raising for the project.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items in conference is as follows

[Dollars in thousands]

	Budget	House	Senate	Conference
OPERATION AND MAINTENANCE, NAVY				
Strategic Forces	$1,704,038	$1,704,038	$1,704,038	$1,704,038
General Purpose Forces	6,623,719	6,623,719	6,757,719	6,701,719
Steaming days/optempo			(+78,000)	(+78,000)
Flying hours			(+56,000)	
Ship Maintenance and Modernization	4,804,455	4,834,755	4,986,155	4,984,055
U.S.S. Enterprise Refueling (Transfer to SCN)		(−106,000)	(−106,000)	(−106,000)
Classified Program		(−50,000)		(−1,200)
Backlog		(+186,300)	(+190,000)	(+190,000)
Repair of the U.S.S. "Iowa"			(+15,800)	(+15,800)
Shipyard modernization			(+81,000)	(+81,000)
Intelligence & Communications Programs	1,159,129	1,159,129	1,149,129	1,149,129
C(3)			(−10,000)	(−10,000)
Sealift	432,621	432,621	432,621	432,621
Central Supply and Maintenance	6,570,227	6,618,027	6,550,227	6,550,227
Commissary Ops/Transportation				
Aviation Depot Maintenance		(+50,000)		
Historic Housing Costs		(−2,200)		
DLA workload			(−20,000)	(−20,000)
Training and Other General Personnel Activities	2,118,900	2,123,900	2,118,900	2,121,400
Advertising		(+5,000)		(+2,500)
Medical Programs	1,798,406	1,898,406	1,798,736	1,828,736
Medical Programs/Support Personnel		(+50,000)	(+20,000)	(+50,000)
CHAMPUS		(+50,000)		
Fleet Hospital			(−19,670)	(−19,670)
Administration and Associated Activities	880,241	876,241	878,241	873,241
Naval Audit Service		(−2,000)		
Household Goods Claims		(−2,000)	(−2,000)	(−2,000)
Administration				(−5,000)
Support to Other Nations	6,420	6,420	6,420	6,420
Special Operations Forces	93,644	93,644	93,644	93,644
ADP Management		−237,307	−93,573	−161,283
A-76 Reviews		−36,800	−36,800	−36,800
Commend Management Support/IG Study		−6,000		−3,000
Stock Fund Cash	−237,200	−437,200	−427,650	−437,200
Navy Aviation Museum, Pensacola		2,000		2,000
Legislative/Management Improvements		−100,880	−94,400	−94,400
Real Property Maintenance		200,000	−15,000	100,000
Classified Programs		−5,812		−1,326
Modernization of Equipment Transfer			−1,161,300	−1,356,900
Transfer to Other Procurement, Navy				
Renovation of Navy Exhibits		2,000		2,000
Civilian Manpower		−7,700	−25,900	−25,900
Total Quality Management Training		−35,000		
Model Installation Program Administration		−800		−800
Interim Contractor Support		−18,100		−18,100
Control and Accountability Reimbursable Funds		−6,000		−6,000
Former Navy Training Center, Bainbridge		15,500	15,500	15,500
SES Workyears		−2,200		−2,200
U.S.S. Cabot/Dedalo Fire and Damage Control Training		2,000		2,000
Persian Gulf Operations		50,000		
Foreign Currency			−21,700	−44,400
Civilian Pay Raise				
Pentagon Transfer			−4,700	−4,700
Sound Surveillance System			−8,000	
Base operations			−25,600	−25,600
Asset Capitalization Program			−351,900	−351,900
Printing and reproduction			−4,000	−4,000

[Dollars in thousands]

	Budget	House	Senate	Conference
Teleconferencing savings			−10,000	−10,000
Realignment efficiencies			−16,000	−16,000
Unit cost/productivity			−98,100	−98,100
Environmental projects			9,500	34,500
All other items	0	0	0	
Total, NAVY	25,954,600	25,748,601	24,106,207	23,902,621

AFDM-2 DRYDOCK

The conferees are advised that the Navy has in its possession a drydock in Beaumont, Texas, identified as AFDM-2. The facility has been idle for some time while the Navy has been studying potential uses of this asset. The conferees direct the Navy to take the necessary steps to lease this facility locally at a fair rental value. Leasing of the AFDM-2 drydock to a private shipyard will (1) keep a valuable national defense asset from further deterioration, (2) increase the competitive base for both ship repair work and new construction, and (3) generate revenues.

FOREIGN OVERHAULS, REPAIRS, AND MAINTENANCE

The House deleted the provision it has carried for a number of years prohibiting overseas repair, overhaul, or maintenance of Navy vessels. The House stated it had deleted the provision because it is now carried in title 10, United States Code, section 7309(c), not because its commitment to domestic repair, overhaul, and maintenance had wavered. The Senate also deleted the provision. The conferees agree that the provision was deleted because it is now carried in title 10, United States Code, section 7309(c). The conferees remain committed to domestic repair, overhaul, and maintenance.

CERTIFICATION OF PRIVATE YARDS

The House included language stating that private shipyards without access to non-Navy piers and drydock facilities should not be eligible to receive further Navy ship repair, alteration, and overhaul work. The Senate opposed the House position stating it was anti-small business and anti-competition.

The House position is based on recent Navy action counter to previous Congressional direction in this area. In both fiscal years 1985 and 1986, the Congress directed the Navy to cease the award of major repair work to shipyards without their own piers and drydocks. In 1989, the Navy disregarded Congressional direction and awarded a significant overhaul package to a company with no drydock facilities.

The conferees agree that there are instances where, for operational, national security, or other mission reasons, the Navy desires to contract out minor ship repair work to be performed at Navy yards. The conferees agree that in these circumstances, the Navy may award contracts to a ship repair company which does not possess organic pier and drydock capability. However, the Navy may not contract with a private company for major repair, overhaul, and maintenance activity which requires utilization of drydock and pier facilities if that company does not have such facilities of its own. Furthermore, the conferees agree that ship repair facilities which lease piers or docks from other concerns should be eligible for small repair work when it conforms to the intent of the conferees.

SHIP MAINTENANCE SCHEDULES

The conferees support the Senate language which requires the Navy to provide quarterly reports directly to the House and Senate Appropriations Committees on ship maintenance, repair and modernization schedules beginning with the completion of the first quarter of fiscal year 1990. The conferees believe this requirement will enable the Committees to make more informed budgetary decisions regarding these very important Navy programs.

HISTORIC HOUSING COSTS

The House reduced historic housing costs by $2,200,000. The Senate did not make this reduction.

The conferees agree to the Senate position. However, the Department is requested to submit a budget exhibit with the fiscal year 1991, and future budget requests, which details the amount requested and expended for operation and maintenance costs associated with renovations/maintenance of all historic buildings.

OPERATION AND MAINTENANCE, MARINE CORPS

Amendment No. 22: Appropriates $1,657,719,000 instead of $1,855,300,000 as proposed by the House and $1,640,419,000 as proposed by the Senate.

Amendment No. 23: Deletes House language which made a portion of the funds subject to authorization.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
OPERATION AND MAINTENANCE, MARINE CORPS				
General Purpose Forces	945,388	945,388	944,388	944,888
Overseas exercises			(−500)	
MPS exercise growth			(−500)	(−500)
Central Supply	380,477	380,477	380,477	380,477
Training and Other General Personnel Activities	263,811	266,811	263,811	268,311
Advertising		(+3,000)		(+1,500)
Administration and Associated Activities	126,624	126,624	126,624	126,624
Civilian Manpower		−2,400	−8,031	−8,031
Real Property Maintenance		50,000	−5,800	
Modernization of Equipment Transfer			−5,900	−5,900
Transfer to Procurement, Marine Corps				
Model Installation Program Administration		−100		−100
A-76 Reviews		−11,500	−11,500	−11,500
Readiness Initiatives		100,000		
Foreign Currency			−15,000	−21,000
Command, Control and Communications				
Civilian Pay Raise				
Asset Capitalization Program			−3,400	−3,400
Stock fund cash			−2,600	
Base operations			−6,750	−6,750
Printing and reproduction			−1,800	−1,800
Management review savings			−2,900	−2,900
Teleconferencing savings			−10,000	
Unit cost/productivity			−1,200	−1,200
All other items	0	0	0	
Total, Marine Corps	1,716,300	1,855,300	1,640,419	1,657,719

MARINE CORPS OPERATION AND MAINTENANCE

The conferees are concerned that the Marine Corps' O&M budget requests continue to decline in both constant and current dollars. Accordingly, in addition to the $1,657,719,000 appropriated, the conferees have included bill language requiring a Navy stock fund cash transfer of $156,000,000 (Section 9060). This increase should be used for general readiness items and real property maintenance.

OPERATION AND MAINTENANCE, AIR FORCE

Amendment No. 24: Restores House language which provided a centerhead.

Amendment No. 25: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and

concur in the amendment of the Senate with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$21,806,213,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 26: Deletes House language which made a portion of the funds subject to authorization.

Amendment No. 27: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken by said amendment, insert: *Provided,* That notwithstanding Section 502 of the National Security Act of 1947, Section 136 of the Department of Defense Authorization Act for fiscal years 1990 and 1991 (H.R. 2461) or any other provision of law heretofore or hereafter enacted, neither the SR-71 nor the classified program referred to in Section 136 of the Department of Defense Authorization Act for fiscal years 1990 and 1991 (H.R. 2461) shall be terminated and that both the SR-71 and the classified system are hereby authorized: *Provided further,* That notwithstanding any other provision of law, any appropriations included in this Act for personnel, operation and maintenance, procurement, or research and development for the SR-71, the classified system referred to in Section 136 of the Department of Defense Authorization Act for fiscal years 1990 and 1991 (H.R. 2461) or any other classified airborne reconnaissance system are hereby authorized: *Provided further,* That operation of the SR-71 aircraft shall be transferred to the Air National Guard no later than July 1, 1990: *Provided further,* That of the amount appropriated, $175,000,000 shall be solely for expenses associated with the SR-71 program, of which $100,000,000 shall be transferred to Operation and Maintenance, Air National Guard: *Provided further,* That $130,000,000 is hereby authorized in addition to any other authorization for airborne reconnaissance programs and that of the amount appropriated, $130,000,000 shall be transferred to Research, Development, Test and Evaluation, Defense Agencies 1990/1991 to be merged with and to be available for the same purposes and for the same time period as the appropriation to which transferred.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Airborne Reconnaissance Programs.—Both House and Senate reports and their classified annexes expressed disappointment and frustration over the nearly complete disarray found in Administration planning and budget submissions concerning airborne reconnaissance, particularly strategic airborne systems. In effect, the Administration's budget request abandoned airborne reconnaissance, giving up on major present assets, principally the SR-71 Blackbird aircraft system, and foregoing future ones, without any explanations of such draconian decisions. To describe such cuts as "budgetary" begs vital questions about the wisdom of Administration planning on key elements of the Nation's intelligence capabilities. The Congress has been waiting for several years for a sensible road map for airborne reconnaissance from the Administration, and since the promised plan is still not forthcoming, the conferees have decided to retain the important capabilities embodied in the SR-71 system and, in addition, fund associated research and development for the future.

The conferees believe that these systems provide valuable and timely intelligence in peacetime, are particularly important for contingency operations, and will provide a survivable capability in many wartime operational situations. The conferees believe that the handling of the SR-71 by the Air Force has been lackluster and unenthusiastic and has served to undermine the establishment capabilities of the SR-71 such that the time has arrived to place the management and operation of the system in the hands of managers who will more aggressively realize its capabilities.

Consequently the conferees endorse the restructuring of the SR-71 system as outlined in detail in the House report, and direct that the operation of the SR-71 aircraft be transferred to the Air National Guard no later than July 1, 1990, and a total of $210,000,000 obligated for all aspects of the system. They further have allocated an additional $130,000,000 for the associated systems. Further direction is contained in the classified annex to this conference report.

While both the House and Senate bills funded these systems, the conferees note that the conference Committee on the 1990 authorization bill chose to accept the Administration's recommendation to terminate these systems. Consequently, the conferees have included the funding for the systems as an amendment number 27 in disagreement in order to provide both chambers the opportunity to revisit the decision of the authorization conference and to affirm or reverse that decision.

The WC-130 Weather Reconnaissance Mission will be addressed in the following amendment.

Amendment No. 28: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided further, That none of the funds made available in this Act may be used to disestablish or reduce the operation of the Air Force and Air Force Reserve WC-130 Weather Reconnaissance Squadrons.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The agreement on the SR-71 program is addressed with amendment number 27. See "National Guard and Reserve" section for additional information on the WC-130 Weather Reconnaissance mission.

The conference agreement on items in conference is as follows:

[Dollars in thousands]

		Budget	House	Senate
OPERATIONS AND MAINTENANCE, AIR FORCE				
Strategic Forces	$3,172,277	$3,167,199	$3,131,177	$3,126,099
B-1 Flying Hours		(−5,078)		(−5,078)
KC-135 flying hours			(+30,700)	(+30,700)
B-2 O&M increases			(−42,300)	(−42,300)
B-52G force structure			(−29,500)	(−29,500)
General Purpose Forces	4,368,930	4,368,818	4,361,550	4,346,618
Flying hour costs			(+60,000)	
Hurricane planes			(+4,200)	(+4,200)
Hurricane reconnaissance offset			(−7,400)	(−7,400)
AF weather global			(−25,000)	(−5,000)
IMF troop support		(−112)	(−16,680)	(−112)
EDS/POS			(−10,000)	(−1,500)
NATO infrastructure			(−12,500)	(−12,500)
Intelligence & Communications Programs	2,675,986	2,675,986	2,655,986	2,655,986
c(3)			(−20,000)	(−20,000)
Airlift	1,135,782	1,135,782	1,135,782	1,135,782
Training & Other General Personnel Activities	1,481,326	1,483,326	1,476,326	1,477,326
Advertising		(+2,000)		(+1,000)
JCS exercises			(−5,000)	(−5,000)
Medical Program	1,895,050	1,985,050	1,985,050	1,915,050
CHAMPUS		(+90,000)		
Medical support personnel			(+20,000)	(+20,000)
Supply Operations	3,976,410	3,925,397	3,929,920	3,882,587
Commissary Opa/Transportation				
Second Destination Transportation		(+20,000)		
Invalid Backorders		(−23,680)		
Unliquidated Obligations		(−47,333)		(−47,333)
Headquarters increases			(−26,490)	(−26,490)
DLA workload			(−20,000)	(−20,000)
Depot Maintenance	3,243,018	3,393,018	3,218,018	3,268,018
Backlog		(+150,000)		(+50,000)
Unauthorized refund			(−25,000)	(−25,000)
Administration and Associated Activities	677,022	676,992	675,722	666,922
Civil Air Patrol		(+1,900)	(+700)	(+1,900)
Household Goods Claims		(−2,000)	(−2,000)	(−2,000)
Administration				(−10,000)

[Dollars in thousands]

		Budget	House	Senate
Support to Other Nations	10,947	10,947	10,947	10,947
Special Operations Forces	175,452	175,452	175,452	175,452
ADP Management		−91,050	−56,700	−74,700
A–76 Review		−24,000	−24,000	−24,000
Stock Fund Cash		−156,000	−112,200	−156,000
Base Operations			−22,750	−22,750
Civilian Manpower		−38,000	−20,300	−38,000
SES Workyears		−200		−200
Total Quality Management Training		−27,000		
Model Installation Program Administration		−3,400		−3,400
Current Move Transfer to AFIS		−1,000		−1,000
Command Management Support/IG Study		−6,000		−3,000
Legislative/Management Improvements		−88,680	−94,400	−94,400
Real Property Maintenance		100,000	−55,000	50,000
Classified Programs	−2,924	−53,824	−1,300	−103,124
Modernization of Equipment Transfer			−245,300	−245,300
Transfer to Other Procurement, Air Force				
SR–71, transfer to O&M, ANG		100,000		100,000
SR–71			179,107	75,000
General reduction				
Foreign Currency			−41,800	−84,400
Industrial Fund Passthrough			−56,700	−56,700
Civilian Pay Raise				
Pentagon Transfer			−9,000	−9,000
Asset Capitalization Program			−75,000	−75,000
Printing and reproduction			−5,100	−5,100
Teleconferencing savings			−15,000	−15,000
Realignment savings			−9,000	−9,000
Unit cost/productivity			−65,500	−65,500
Environmental projects			75,000	50,000
Annualized increases			−44,000	−44,000
All other items	0	0	0	
Total, Air Force	22,812,200	22,708,743	21,986,987	21,806,213

RENOVATION CLAIMS

The Senate included report language directing that $29,000,000 of Air Force O&M funds not be obligated or expended until a mutually satisfactory decision has been reached in the case of Shipco General, Inc. The House did not address this issue.

The conferees are disturbed by the Air Force's failure to negotiate in good faith on the claims of the Schipco General, Inc., for damages resulting from the Air Force's termination for convenience of that company's contract to renovate housing at Kirtland Air Force Base. Therefore, the conferees direct that $29,000,000 of operation and maintenance funds made available to the Air Force for fiscal year 1990 shall not be obligated or expended until 30 days after the Secretary of the Air Force reports to the Senate and House Committees on Appropriations that a resolution has been reached in the case of Shipco General, Inc.

EUROPEAN AND PACIFIC DISTRIBUTION SYSTEMS (EDS/PDS)

The Senate reduced the Air Force O&M account by $10,000,000 for the disestablishment of the Pacific Distribution System (PDS) and a reevaluation of the European Distribution System (EDS).

The conferees agree to terminate the PDS as proposed by the Senate, resulting in a reduction of $1,500,000. The PDS C-12 aircraft should be returned for use in the United States.

The conferees agree to continue the EDS as proposed by the House, and have agreed to appropriate $8,500,000 for this purpose. The Air Force is expected to adopt the program improvements recommended for EDS by the General Accounting Office.

OFFICE OF THE INSPECTOR GENERAL

Amendment No. 29: Deletes Senate language establishing an appropriation line for the Office of the Inspector General. See the write-up on this subject in Title VII.

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

Amendment No. 30: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$7,800,156,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items addressed by either the House or Senate is as follows:

[Dollars in thousands]

Agency	Budget	House	Senate	Conference
American Forces Information Service	0	0	−98	0
Civilian Health and Medical Program of the Uniformed Services	0	−500	0	0
Defense Communications Agency	0	10,000	−4,400	−4,400
Defense Contract Audit Agency	0	0	−2,520	0
Defense Investigative Service	0	0	−752	0
Defense Logistics Agency	0	−20,000	−48,800	−20,000
Defense Legal Services Agency	0	−500	0	0
Defense Medical Support Agency	0	10,000	10,000	10,000
DOD Dependents Education	0	5,500	0	5,500
Defense Technology Security Administration	0	−1,000	−116	−500
The Joint Staff	0	0	89,786	40,000
Military Family Resource Center	0	−4,600	0	0
Office, Secretary of Defense	0	0	300	300
Joint Recruiting Advertising Program	0	−10,000	0	−5,000
Uniformed Services University of the Health Sciences	0	−500	0	0
Washington Headquarters Service	0	−11,500	−10,000	−10,000
Classified Programs	0	−132,873	−59,500	−114,454
A–76 Reviews	0	−5,000	−5,000	−5,000
Senior Executive Service	0	−4,400	0	−2,200
Model Installations Program	0	−1,800	0	−1,800
Total Quality Management	0	−3,000	0	0
Legislative/Management Issues	0	−31,190	−25,700	−31,190
Real Property Maintenance	0	0	−9,000	0
Impact Aid	0	10,000	0	0
Civilian Manpower	0	−1,100	−18,956	−10,000
Foreign Currency	0	0	−9,700	0
Administration	0	0	0	−25,000
Communications	0	0	−10,000	−5,000
Pentagon Transfer	0	0	−12,800	−12,800
Assets Capitalization Program	0	0	−29,900	−29,900
Medical Claims	0	0	10,000	10,000

[Dollars in thousands]

Agency	Budget	House	Senate	Conference
Teleconferencing	0	0	−5,000	−5,000
Travel	0	0	0	−5,000
All other items	8,021,600	8,021,600	8,021,600	8,021,600
Total	8,021,600	7,829,137	7,879,444	7,800,156

GENERAL REDUCTIONS

The conferees direct that any general reductions made in a specific area should be allocated proportionally to the amount requested for that area, with the following exceptions:

The Defense Communications Agency should not absorb the proportional amount of the communications reduction since the conferees made a reduction of $4,400,000 for productivity savings.

Any reductions made to the Department of Defense Dependents Schools should not offset the additional $5,500,000 added above the budget for the Office of Dependents Education or should not diminish the quality of education provided the dependents.

The conferees agree to a general reduction for travel instead of the specific reductions as proposed by the Senate. The Department should consider the recommendations addressed in the Senate report.

Any reductions made to the Defense Logistics Agency should not offset the $60,000,000 transferred from the Defense Stock Fund. The conferees do not expect to receive any reprogramming of funds for the Defense Logistics Agency unless they are truly unforseen or of an emergency nature.

The Office of the Secretary of Defense and the Washington Headquarters Service should not be exempt from the civilian personnel reduction of $10,000,000.

DEFENSE LOGISTICS AGENCY

Procurement Technical Assistance Cooperative Agreement Program.—The conferees agree with House language supporting the Procurement Technical Assistance Cooperative Agreement Program. This program provides assistance to organizations operating programs which furnish procurement technical assistance to firms seeking to enter the Department of Defense's supplier base.

Because the Defense Logistics Agency, in administering this program, had determined it was precluded from funding programs that exceed the authorized amount, many organizations which submitted proposals in response to the fiscal year 1989 Solicitation for Cooperative Agreement Proposals could not be funded. Therefore, the Defense Logistics Agency should utilize $4,000,000 of the $60,000,000 to be transferred from the Defense Stock Fund to fund the 1989 programs for organizations which continue to meet the current needs of the Department, provided that their proposals are otherwise in compliance with the provisions of the 1989 solicitation and funding of these programs is in the best interest of the United States. It is the intent of the conferees that the $4,000,000 is in addition to the $9,000,000 provided for the 1990 Cooperative Agreement program. It is also the intent of the conferees that any of the $4,000,000 not used to fund the 1989 program shall be available to fund proposals submitted in response to the 1990 solicitation.

The conferees are concerned that the Defense Logistics Agency held the 1989 Procurement Technical Assistance Cooperative Agreement Program in abeyance until Congress approved a reprogramming request. The conferees are adamant that the 1990 solicitation should not be delayed since adequate funds are appropriated in this Act for the program.

Meals, Ready-to-Eat (MREs).—The House expressed support for the "break-out" acquisition approach. The Senate remained silent in anticipation of receiving the results of a study requested by the conferees last year.

The conferees understand that the Defense Logistics Agency (DLA) is nearing completion of this study and direct that the study—after its completion and before submission to Congress—be made available to industry representatives for incorporation of their comments and views as part of the overall document.

In addition, the conferees support DLA's extension of the procurement delivery schedule to twelve months and encourage the full utilization of existing MRE stocks.

Management Support Agencies.—The conferees do not agree with the Senate proposed reduction in management support agencies. Because the Department has merged these administrative activities within the Defense Logistics Agency budget, and no description or justification has been provided, the conferees cannot reasonably judge the impact of the Senate's proposed reduction.

The conferees direct that the Department's fiscal year 1991 budget clearly describe and justify the programs and budgets of all management support activities, including but not limited to those currently included in the Defense Logistics Agency's budget. To the extent that these MSA's are extensions of the Office of the Secretary of Defense, as claimed by the Senate, then the conferees agree that it would be appropriate to budget for these activities within the Office of the Secretary of Defense.

Stockpile operations.—The Defense Logistics Agency has control over the operating expenses of the National Defense Stockpile. The Senate reduced DLA's budget by $32,000,000 and directed the operating expenses be paid from the cash balances in the Fund.

The conferees have restored the $32,000,000 in fiscal year 1990, but believe that the Fund, when it has such large cash balances, should pay for the operating expenses. Therefore, the Department is encouraged to submit legislative language allowing the Fund to reimburse DLA for operating expenses.

Demonstration Program.—The conferees understand that the State of Pennsylvania has incorporated a non-profit, multimunicipal organization to streamline the disposal of surplus and excess Department of Defense heavy equipment and machinery for use in infrastructure improvement projects by municipalities and other public-purpose organizations. Accordingly, the conferees request that the Defense Logistics Agency work with and provide up to $2,000,000 to the Region Equipment Center, Newport Township, PA, to develop a joint federal-state program.

DOD DEPENDENTS EDUCATION

Overseas schools.—The conferees agree to provide $5,500,000 above the budget to support House language which directs the Department to develop a plan and hire the required personnel in the Office of Dependents Education to develop consistent budgeting and logistics procedures to depict its budget requirements and expenditure rates accurately. The conferees understand that approximately twenty personnel, mostly in the fiscal and logistics areas, will be required in fiscal year 1990 to start this effort. These personnel should be in addition to the current DOD ceiling on personnel above school level.

Section six schools.—The conferees do not agree with House language requesting the Department to continue to assess each State's willingness to assume responsibility of the Section Six schools.

Impact aid.—The conferees agree to give the Secretary of Defense discretionary authority to provide, in consultation with the Secretary of Education, up to $10,000,000 in assistance to eligible local education agencies. However, any funds used for this purpose should be under the control of the Deputy Assistant Secretary of Defense (Family Support, Education, and Safety).

The conferees agree with House language expressing concern with the potential impact of the recommendations of the Commission on Base Realignment upon the operations of local school districts and requesting a report from the Department outlining the steps it will take to implement the Commission's recommendations including the projected timetable for personnel relocations and an assessment of all the budgetary requirements.

DEFENSE TECHNOLOGY SECURITY ADMINISTRATION

The conferees agree with House language expressing concern about the large growth of manpower over the last few years and requesting a report, along with the fiscal year 1991 budget, on each position at DTSA, its grade, and justification. This report should further breakout these provisions by those in the DTSA organization and those in support of the HI-TRAC 90 program.

The $500,000 reduction should be from personnel growth rather than the High Technology Export Analysis and Control System (HI-TRAC 90), which the conferees understand will be submitted in the fiscal year 1991 budget request. Any additional fiscal year 1990 funds required to support this system should be made available from funds provided to the Office of the Secretary of Defense.

THE JOINT STAFF

CINC Initiative Fund.—The conferees agree to provide $50,000,000 for the CINC Initiative Fund instead of $100,000,000 as proposed by the Senate. These funds should be available for high priority readiness and sustainability needs of the various CINCs. In addition to the allowable projects listed in the Senate report, exercises—especially joint exercises—should be considered allow-

able projects. The conferees expect the Chairman of the Joint Chiefs of Staff to report on the use and allocation of these funds by January 15, 1990. The conferees support the Senate language that requires the Fund to be managed competitively and not simply allocated between the CINCs on a formula basis.

Exercises.—In its write-up on The Joint Staff, the House expressed concern that exercise funds are decreasing while headquarters support funds are increasing and requested the Department to reevaluate the distribution of funds between these two activities to provide a better balance. The Senate made a specific reduction of $10,000,000 since the Department had significantly reduced the scope and method of training in joint exercises.

The conferees agree to the Senate reduction, since the Department has made a policy decision to reduce joint exercises. However, the conferees believe that joint exercises are essential to the readiness of our armed forces and request the Department to adequately fund all essential exercises.

DEFENSE INFORMATION AND REPORTS

The conferees agree with Senate language regarding the operation of the Directorate for Information and Reports, Washington Headquarters Services. Clearly, the Secretary should ensure that the data and records handled by DIOR are secure and accurate. Overseas expenditure data discrepancies between DIOR documents and the official Department of Defense budget must be readily available to the Congress, through telephonic communication. The current requirement that Congress submit formal requests to the DIOR for public information that was financed through appropriations is inappropriate and obsessively bureaucratic.

The conferees understand and are pleased that the Director of Washington Headquarters Services is committed to improving DIOR's operations.

OPERATION AND MAINTENANCE, ARMY RESERVE

Amendment No. 31: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$861,800,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to restore the force structure reinstatement as proposed by the House and to take a stock fund offset of $1,300,000. In addition, the conferees agree to delete the House proviso which would have prohibited the obligation of $100,000 until authorized by law.

OPERATION AND MAINTENANCE, NAVY RESERVE

Amendment No. 32: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$894,800,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items addressed by either the House or Senate is as follows:

	Budget	House	Senate	Conference
Mission forces		+6,200		
Force structure		+16,200		+16,200
Equipment transfer			−84,000	−84,800
Stock fund offset				−16,600
All other items	980,000	980,000	980,000	980,000
Total	980,000	1,002,400	895,200	894,800

In addition, the conferees agree to delete the House proviso which would have withheld the obligation of $85,200,000 until authorized by law.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

Amendment No. 33: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$978,500,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items addressed by either the House or Senate is as follows:

	Budget	House	Senate	Conference
Equipment transfer			−31,787	−25,700
WC–130 weather reconnaissance			+3,200	+3,200
Stock fund offset				−9,487
All other items	1,004,600	1,010,487	1,010,487	1,010,487
Total	1,004,600	1,010,487	981,900	978,500

In addition, the conferees agree to delete the House proviso which would have withheld the obligation of $26,100,000 until authorized by law.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

Amendment No. 34: Appropriates $1,867,100,000 as proposed by the House instead of $1,870,200,000 as proposed by the Senate. The conferees agree to make a stock fund offset of $3,100,000 instead of the general reduction as proposed by the House.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

Amendment No. 35: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$1,981,900,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items addressed by either the House or Senate is as follows:

	Budget	House	Senate	Conference
Equipment transfer			−66,993	−53,300
Force structure		+12,893	+14,193	+14,193
Stock fund offset				−20,193
All other items	2,041,200	2,041,200	2,041,200	2,041,200
Total	2,041,200	2,054,093	1,988,400	1,981,900

In addition, the conferees agree to delete the House proviso which would have withheld the obligation of $54,300,000 until authorized by law.

NATIONAL BOARD FOR THE PROMOTION OF RIFLE PRACTICE, ARMY

Amendment No. 36: Deletes House language which would have provided that $730,000 could not be obligated or expended until authorized by law.

COURT OF MILITARY APPEALS, DEFENSE

Amendment No. 37: Appropriates $4,000,000 as proposed by the Senate instead of $3,800,000 as proposed by the House.

ENVIRONMENTAL RESTORATION, DEFENSE

Amendment No. 38: Appropriates $601,100,000 instead of $900,800,000 as proposed by the House and $517,800,000 as proposed by the Senate. While the conferees agree to the authorized level, they believe it to be well below what is required by the Department to alleviate the backlog of environmental cleanup at sites contaminated by past practices. The conferees strongly encourage the Department to submit a higher level in the fiscal year 1991 budget request.

The conferees have appropriated $184,500,000 to the service operation and maintenance accounts to be used only for environmental facilities and hazardous waste disposal operations. If the services do not provide timely cleanup at current sites, these sites could become future contaminated sites which will require funding in this account. These funds may only be transferred to the Defense Environmental Restoration Account through normal reprogramming procedures.

The conferees agree with House language concerning Hays, PA; Bainbridge, MD; and Matagorda Island, TX; and with Senate language concerning Dutch Harbor, AK; Mead Ordnance Plant, Fort Meade, MD; and the Win Wan-Gabbs Valley and Pilot Peak-Monte Cristo Range, NV areas. In addition, the conferees direct the Department to continue the cleanup operation started in fiscal year 1989 at Warrington, PA.

Base Closure.—The conferees believe that the funds in this account should be utilized on a "worst case first" basis. The Base Closure Act should provide funds for environmental restoration, Including reducing, removing, and recycling hazardous wastes and removing unsafe buildings and debris at sites included in the Base Closure and Realignment Act.

Policy oversight.—The conferees agree with Senate language requiring the Deputy Assistant Secretary of Defense for Environment to be the Department's principal representative on all environmental issues to Congress, other Federal agencies, and State and local governments. He should report directly to the Under Secretary for Acquisition.

The conferees are pleased that this office has taken the initiative to develop an intergovernmental framework to prioritize the identified projects in coordination with States and local communities.

Justification material.—The conferees agree with the Senate language expressing concern that it is difficult to review the entire Defense environmental budget. Therefore, the Department should identify all environmental funding, broken out by individual appropriation account, in the justification back-up material submitted for the Defense Environmental Restoration Account for fiscal years 1991 and beyond.

Amendment No. 39: Deletes House language which would have provided that $300,000,000 should not become available for obligation before September 1, 1990, and

deletes House language which would have provided that $300,000,000 could not be obligated or expended until authorized by law.

Amendment No. 40: Makes a technical change as proposed by the Senate.

BASE CLOSURE ACCOUNT

Amendment No. 41: Deletes Senate language which appropriates $300,000,000 for the Base Closure Account. The conferees agree that funding to implement the recommendations of the Base Closure Commission should be included in the Military Construction Appropriations bill. However, the conferees remain interested in implementation of these base closure and realignments, since these actions will impact programs funded within the Defense Appropriations bill.

Audit of Savings.—A detailed review of past Defense base closures by the Congressional Budget Office (CBO) has revealed that there is no evidence that these realignments resulted in savings. The Department of Defense did not keep records on the construction, personnel, and base operations costs and savings. There is no way to measure whether actual savings met or exceeded forecasted savings. CBO found that only economic adjustment assistance costs and property sales revenues were tracked. To ensure that the Congress is able to ascertain whether the current round of base closures and realignments produces savings, the conferees direct the Secretary of Defense to maintain data on the costs and savings from each realignment. Savings resulting from reduced civilian and military end strength, transportation, base operations, and other operational costs must be verifiable.

Environmental Costs.—The conferees fully endorse the House language regarding environmental restoration at bases proposed for closure. The Base Closure Account is authorized to fund environmental restoration costs at the base proposed for closure and realignment. The account, and not the Environmental Restoration, Defense, fund is to be used to clean up contamination at installations proposed for closure by the Base Closure Commission.

TITLE III—PROCUREMENT

GENERAL CONFERENCE ISSUES

SMALL AND MEDIUM BUSINESS

The Congress has repeatedly expressed its concern that the Defense Department, in carrying out the goals of the Small Disadvantaged Business Program through price differentials and set asides, is denying nondisadvantaged small- and medium-size businesses a reasonable opportunity to compete for Department of Defense contracts. The conferees share this concern.

In the conference report on the fiscal year 1989 Defense Authorization Act, the conferees directed the Secretary of Defense to ensure that any price differentials for small and disadvantaged businesses are tailored to the various segments and tiers of industry, so that other small- and medium-sized companies are not denied a reasonable opportunity to compete, and that price differentials are not used when adequate small and disadvantaged business participation exists within an industry category. The Defense Department has yet to comply with these directions by issuing an appropriate implementation plan. To enforce these requirements, the Senate Armed Services Committee has included similar directives in bill language in the fiscal year 1990 authorization bill. The comferees support the intent of the authorizing committee and urge the Defense Department to comply with congressional directives on this issue.

The Congress does not intend for the Defense Department to force those industry categories in which there is already substantial small and disadvantaged business participation to bear the burden of meeting overall Defense Department goals.

The conferees also recognize the importance of the evaluation preference as a tool to assist the small and disadvantaged business community to overcome burdensome financial barriers that have impeded their participation in the DOD contracting process. Accordingly, in determining whether the adjustments should be made to the evaluation preference, DOD should consider the extent of the impact of such adjustment on the ability of the Department to attain the 5 percent goal in DOD contracting. In keeping with the Armed Services conference agreement, the conferees agree that the DOD should report to the Appropriations and Armed Services Committee no later than July 15 as required by section 1027 G of Public Law 99-661 as amended. This report should include an analysis and justification of the Department's current policies, and a detailed plan to improve the implementation of the program with the goal of ensuring that nondisadvantaged business are not denied a reasonable opportunity to compete.

The conferees incorporate by reference the criteria and guidelines for the DOD report as detailed in House Report 101-331, the conference report on Department of Defense Authorization Act, 1990.

WORLDWIDE MILITARY COMMAND AND CONTROL SYSTEM (WWMCCS)

The conferees are concerned that the WWMCCS program, which is primarily managing information, is being developed and fielded without a coherent management structure that captures both the joint aspects supporting National Command Authority requirements and the service-unique aspects supporting other command and control requirements. It appears that because this system has been designated as command and control rather than information management, it has not been subjected to the rigorous review of the Major Automated Information System Review Council (MAISRC). The MAISRC has developed a great deal of expertise in dealing with large scale information processing systems that take years of development. As previously discussed in the "Operation and Maintenance" section, this expertise should, in the conferees' view, be applied to systems such as WWMCCS that primarily use commercially available equipment. In addition to the planned DAB review, the conferees direct an additional review by the MAISRC of all aspects, joint and service-managed, of WWMCCS improvement. The reviews should ensure that duplicative functions are not being separately developed by the military departments and that the interfaces between the joint program and the service programs are efficient.

INSTALLATION OF MODERNIZATION EQUIPMENT

The conferees agree with the Senate proposal to follow the full funding policies of the Department of Defense and show the cost of installing equipment required to modernize existing forces as part of the acquisition of equipment. Heretofore, the Department has budgeted these costs on an incremental basis in the Operation and Maintenance accounts, requesting only those amounts required to accomplish current year installations. Thus the acquisition costs of the end items were understated. The conferees agree that beginning with the fiscal year 1991 budget request, these costs should be budgeted by individual line item in procurement. The request should separately identify both the cost of the item to be procured and the cost of installing the item. The Defense Department should ensure that its fiscal year 1991 request considers the time required to acquire and install the item and that both can be accommodated within the obligation limitation of the appropriation. The change to apply the full funding policy to modernization equipment was requested by the Department of Defense.

The conferees recognize that the cost of installation has not been reflected in the acquisition costs of equipment already requested and approved through fiscal year 1990. Therefore, the conferees have made the following adjustments. For equipment planned to be installed during fiscal year 1990, a total of $1,915,800,000 has been transferred from operation and maintenance appropriations to procurement appropriations. For equipment procured but not planned for installation until subsequent fiscal years, a total of $3,051,000,000 has been provided in procurement appropriations. The conferees agree to a ten percent reduction from the $3,400,000,000 proposed by the Senate as they believe there will be management savings and efficiencies achieved by executing the program in procurement. The Department of the Navy is directed to submit a report to the House and Senate Committees on Appropriations on any difficulties encountered implementing this change in the Other Procurement, Navy appropriation account. The table below provides detail of these adjustments by appropriation.

INSTALLATION OF MODERNIZATION EQUIPMENT

Appropriation account	Conference Recommendation	
	FY 1990 funds for FY 1990 installations	FY 1990 funds for outyear installations
Aircraft procurement, Army	31,600,000	52,470,000
Missile procurement, Army	0	34,470,000
Weapons and tracked combat vehicles, Army	53,200,000	81,180,000
Other procurement, Army	59,100,000	34,740,000
Aircraft procurement, Navy	376,500,000	542,250,000
Weapons procurement, Navy	0	30,420,000
Other procurement, Navy	1,065,200,000	1,818,900,000
Procurement, Marine Corps	5,900,000	8,550,000
Operation and maintenance, Air Force	−245,300,000	0
Aircraft procurement, Air Force	294,900,000	351,900,000
Missile procurement, Air Force	29,400,000	8,100,000
National Guard & Reserve Equipment, Defense	0	88,020,000

MILSTAR COMMUNICATIONS PROGRAM

As documented in both the House and Senate reports and their respective accompanying classified annexes, the MILSTAR communications program has been plagued by poor definition of requirements, benign neglect by senior government officials, overly ambitious technical challenges, inadequate planning, contractor cost overruns, and repeated schedule slippages. As a result, the House directed termination of the program after launch of the third satellite, while the Senate included specific language directing certain changes that would be required if the program were to continue.

If the mission of MILSTAR were less critical to the surviving and enduring communications architecture necessary to support the national security functions of this coun-

try, there would have been little support for continuation of the program. However, if MILSTAR were terminated at this point, the expense to begin development of a new system might well exceed the cost in both time and dollars to salvage the MILSTAR program itself. Therefore, the conferees reluctantly agree not to terminate MILSTAR after the third satellite, but rather agree to significantly restructure the program by eliminating $226,346,000 from the fiscal year 1990 request and prohibiting acquisition of satellite number four and long lead items for satellite number five, delaying launch of the first satellite by at least a year, denying all funds for Army terminals, and deleting half of the resources requested for Air Force terminals. In addition, definitive and non-negotiable program direction is included in the classified annex to this conference report.

While the program has not been terminated as proposed by the House, the Department should clearly note that it will not be permitted to proceed beyond the third satellite without complete compliance with the direction included in the classified annex to this report.

AIRCRAFT PROCUREMENT, ARMY

Amendment No. 42: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$3,789,937,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items in conference is as follows:

[In thousand of dollars]

	Budget	House	Senate	Conference
AIRCRAFT PROCUREMENT, ARMY				
Grisly hunter	9,899		9,898	9,898
AH-64 Attack Helicopter (Apache) (MYP)	752,056	752,056	2,433,356	1,487,527
AH-64 Attack Helicopter (Apache) (MYP) (AP-CY)	36,500	36,500		
UH-60 Blackhawk (MYP)	174,284	206,084	170,784	206,084
OV-1 MODS Surveillance Airplane	15,238	7,838	15,238	15,238
AH-64 MODS	38,097	20,993	38,097	20,993
AHIP		195,000		195,000
AHIP prior year savings			−96,000	
AHIP (AP-CY)		35,300		
SOF aircraft mods	212,502	212,502	202,602	202,602
Spares and repair parts	553,423	600,423	544,023	553,423
Modernizaiton of equipment, O&M transfer			31,600	31,600
Installation of modernization equipment			58,300	52,470

GRISLY HUNTER

The conferees agree to fund initial procurement of Grisly Hunter at the budgeted level of $9,898,000. However, the conferees continue to be concerned about program cost, requirement, potential duplication, and over-specification. Therefore, the Army is directed not to obligate any of the procurement funds for this program until the following events occur:

1. Testing leading to Milestone III production decision is completed and the results of the tests are reported to the Committees on Appropriations.

2. The new Commander in Chief of the Southern Command certifies to the Committees on Appropriations that the statement of need is still valid or, if not valid, how and why it has been changed.

3. Total program costs are displayed and reported to the Committees on Appropriations including all operating and support costs and the costs of all pre-planned product improvements.

4. The Army re-examines all requirements and reports to the Committees on Appropriations on cost reductions achieved as a result of down-scaling or eliminating requirements.

UN-60 BLACK HAWK

The conferees agree that the use of $22,300,000 in prior year funds to offset a fiscal year 1990 reduction in the UH-60 Black Hawk program, as proposed by the Senate, is not required.

AH-1 COBRA HELICOPTER MODIFICATIONS

According to current Army plans, more than 400 AH-1 Cobra helicopters will be required in the active Army and National Guard inventories beyond the year 2000. Current Army plans provide a night capability for only 52 of them. The conferees are concerned that a significant portion of the Army and National Guard inventory of attack helicopters will not have a night capability. Therefore, the conferees request the Secretary of the Army to report back to the Committees on Appropriations no later than March 15, 1990 on the need for a night capability for the Cobras and the plan for addressing that need.

AN/ASC-15B AIRBORNE COMMAND AND CONTROL CONSOLE

The conference agreement provides $4,800,000 for production and installation of the current AN/ASC-15B console. The conferees agree that future procurement of an upgraded version, the Airborne Command and Control Console, (ATCC), is to be competed, and that production of ACCC should follow immediately upon completion of the AN/ASC-15B consoles funded in fiscal year 1990. However, if procurement of ACCC is delayed, the conferees direct that AN/ASC-15B production be continued until the competitive procurement of ACCC begins. The conferees expect the funding provided herein to be carried in a separate line within the Aircraft Procurement, Army appropriation and direct the Army to budget for this line in its five year program.

SPARE PARTS

The conferees agree to provide $553,423,000 for Spares and Repair parts as requested. In addition, the conferees agree with the Senate that $50,400,000 of funds provided in fiscal year 1989 for the Apache program may be used for repair of damage from recent natural disasters.

Amendment No. 43: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment, insert: *: Provided, That the Secretary of Defense shall review the requirements for Apache Helicopters and the Army Helicopter Improvement Program (AHIP) and report to the Committees on Appropriations by April 1, 1990: Provided further, That if the report finds that additional Apache or AHIP Helicopters are needed to fulfill the requirements for the U.S. Army, including National Guard and reserve forces, the Secretary of Defense may propose to obligate funds provided herein for advance procurement on additional Apache and/or AHIP Helicopters.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have provided $1,487,527,000 for purchase of 132 Apache aircraft, the level authorized for purchase prior to the planned termination of the Apache program.

Within the funds provided, $15,500,000 has been provided to purchase a combat mission simulator for Apache aircraft. Therefore, the conferees have deleted language regarding the matter.

The conferees are concerned about the need for Apache and AHIP helicopters and have directed the Secretary of Defense to review this matter and report to the Committees on Appropriations. Additionally, the conferees have included language which allows the Secretary to propose the acquisition of additional Apache and AHIP helicopters if he finds that additional requirements exist. To this end, the Secretary can propose to use funding provided for Apache helicopters in the bill for advance procurement of additional Apache helicopters.

Similarly, the Secretary can propose to use funds provided for AHIP for advance procurement of additional AHIP helicopters.

MISSILE PROCUREMENT, ARMY

Amendment No. 44: Appropriates $2,708,399,000 for Missile Procurement, Army instead of $2,942,399,000 as proposed by the House and $2,343,229,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
MISSILE PROCUREMENT, ARMY:				
Non-line of sight MSL (AP-CY)	32,469		32,469	32,469
ADS HVY MSL system	238,871	238,871	75,000	170,000
Hawk MSL system (MYP)	55,358	12,400	55,358	55,358
Patriot (MYP)	924,488	911,888	676,188	911,888
Stinger	117,545	206,545	117,545	117,545
Laser Hellfire system	138,326	231,826	103,326	103,326
TOW 2 (MYP)	114,710	165,810	114,710	114,710
Multiple launch rocket system (MYP)	311,374	400,600	440,174	440,174
Army tactical missile sys (ATACMS)	87,273	133,273	87,273	87,273
Installation of modernization equipment			38,300	34,470

MULTIPLE LAUNCH ROCKET SYSTEM

The conferees agree that the Army shall sustain the existing mobilization subcontractor base for MLRS rocket motor cases and warhead skin metal parts.

ATACMS

The conferees are aware that the Army has decided to have a second year of low rate initial production for ATACMS in fiscal year 1990. Both the original Regan budget and the Bush revision anticipated full rate production. The Army is directed, prior to obligating any fiscal year 1990 funds, to report to the Committees on the current ATACMS acquisition strategy and procurement profile, together with supporting justification.

Amendment No. 45: Deletes House language which provided that a portion of the funds could not be obligated or expended until authorized by law.

Amendment No. 46: Deletes House language which provided that funds could not be used to develop a second source for TOW 2 missiles for DOD annual buys of less than 12,000 missiles.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Amendment No. 47: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$2,707,611,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Procurement of W&TCV, Army:				
Bradley Fighting Vehicle Family (MYP)	576,417	554,585	549,417	549,417
Bradley Fighting Vehicle Family (MYP) (AP-CY)	58,600	58,600	34,600	58,600
M1 Abrams tank series (MYP)	1,033,735	1,076,786	1,033,735	982,886
M1 Abrams tank series (MYP) (AP-CY)	245,000	235,000	245,000	245,000
Field artillery ammo supt. veh		60,000		45,000
BFVS series (MOD)	84,098	77,348	84,098	77,348
Howitzer, med SP FT 155MM M109 ser (mod)	75,477	41,677	75,477	75,477
M1 Abrams Tank (mod)	42,328	36,228	42,328	36,228
Spares and repair parts	309,956	309,956	272,556	259,556
Production base support (TCV-WTCV)	55,442	23,942	22,542	22,542
Howitzer, light, towed, 105MM, M119	24,631			4,000
Howitzer, light, towed, 105MM, M119 (AP-CY)			4,000	
Grenade launcher, auto, 40 MM, MK19-3	19,736	19,736		19,736
Personal defense weapon, 9MM	7,539	7,539		
Industrial preparedness				6,400
Modernization of equipment—O&M transfer			53,200	53,200
Installation of modernization equipment			90,200	81,180

M-1 TANK

The conference agreement provides $982,886,000 in new obligational authority for procurement of 481 M-1 tanks. The conferees direct that an additional $109,400,000 in unobligated prior year procurement funding for the Improved Recovery Vehicle be applied to this line, making total available funding of $1,092,286,000. The conference agreement restores the $20,000,000 reduction proposed by the House for a classified program and eliminates the $4,500,000 increase proposed by the House for the Vehicular Intercommunications System (VIS). The VIS program is discussed below.

M119 105MM TOWED HOWITZER

The conference agreement provides $4,000,000 for procurement of fully funded M119 howitzers, instead of advance procurement funding as proposed by the Senate and no funding as proposed by the House. The reduction from the budget recognizes the slippage in deliveries of U.S.-produced hardware from what was forecast last year. The conferees expect that the conference allowance will have no impact on workforce levels in the domestic production base for this item. If the Army can demonstrate that workforce levels or a production break are threatened, the Committees will consider a reprogramming.

9MM HANDGUN

The Army's budget submission includes $7,539,000 for the procurement of 34,696 9mm handguns. The conferees recommend denial of the fiscal year 1990 budget request, without prejudice, because of production delays in the program.

The conferees continue to support the 9mm program. However, the contractor is encountering problems associated with initial CONUS production and scheduled deliveries. The deferral of consideration of further funding for one year will allow the contractor and the Army to continue their cooperative engineering efforts to identify and resolve the deficiencies.

INDUSTRIAL PREPAREDNESS

The conference agreement provides $6,400,000 on a new line titled Industrial Preparedness. These funds, budgeted and formerly appropriated in operation and maintenance, are to support maintenance requirements at Watervliet and Rock Island Arsenals and Depot Systems Command facilities.

Amendment No. 48: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows: *: Provided, That the Secretary of the Army shall complete the technical and operational testing and acquire the technical data package for the Improved Recovery Vehicle, M88A2*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

IMPROVED RECOVERY VEHICLE

The conference agreement includes bill language which requires that the Secretary of the Army complete technical and operational testing of the Improved Recovery Vehicle and acquire the technical data package. This action will provide a basis for assessing capabilities for any future recovery vehicle acquisition or for potential foreign sales. The conferees direct that $15,000,000 in prior year IRV procurement funds be used to complete this action.

The conferees remain concerned about operational and safety deficiencies with current recovery capabilities both for tank forces and for other armored vehicles. These deficiencies cannot permanently be ignored without producing very real impacts on battlefield capabilities. The conferees direct the Army to report to the Committees on Appropriations by March 31, 1990, on the nature and extent of deficiencies in the current approved procedures and practices for recovery of armored vehicles. Such report shall provide a long range program and budget plan for addressing these deficiencies. In the absence of such a plan, the report shall include an assessment from the Joint Chiefs of Staff of the impact that current practices will have on battlefield operations.

Amendment No. 49: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment, insert: *: Provided further, That the Department of the Army shall expeditiously procure an improved vehicle intercommunication system with a goal of an initial procurement contract not later than September 30, 1990.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

VEHICLE INTERCOMMUNICATION SYSTEM (VIS)

The conferees note that the Army finally appears to be moving towards replacing its current vehicle intercommunication system. Hearings in recent years have pointed out the many deficiencies of the current system (AN/VIC-1) and the cost-benefits and battlefield improvements that occur with a system utilizing current technology.

The conferees understand that the Army is now integrating candidate VIS systems on vehicles and is concurrently developing an acquisition strategy for VIS. This can lead to an initial procurement contract before the end of the current fiscal year. The conferees direct the Army to submit its VIS acquisition strategy and program milestones as soon as they are known, but in no case later than January 30, 1990.

The House bill included language prohibiting the use of funds available to the Army from being used to procure the VIC-1. The conference agreement substitutes language requiring the Army to proceed expeditiously with the VIS program with the objective of an initial procurement contract by September 30, 1990. The conferees direct that funding for this procurement be taken from available funds in the appropriate weapons system line.

PROCUREMENT OF AMMUNITION, ARMY

Amendment No. 50: Appropriates $2,011,243,000 instead of $2,021,317,000 as proposed by the House and $1,691,147,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Procurement of Ammunition, Army:				
Nuclear weapons support materiel	6,474	7,074	6,474	6,474
CTG, 5.56MM all types	41,747	45,247	41,747	45,247
CTG, 7.62MM all types	18,843	28,843	18,843	28,843
CTG, 40MM, all types	46,870	53,870	46,870	46,870
CTG, 40MM HEDP M430		15,000		15,000
CTG, mortar, 60MM, 1/ 10 Prac, M840	6,403	6,403		6,403
CTG, tank, 120MM, TP-T, M831	28,500	64,300	48,900	48,900
CTG, ARTY 105MM blank M835		3,600		
PROJ. ARTY 155MM, DPICM, M483A1		90,000		90,000
PROJ. ARTY, 155MM, smoke WP, M825		40,000	60,000	60,000
PROJ. 155MM CHEM GB-2	47,019		47,019	47,019
PROJ. artillery, 155MM, Trng, M804		17,000		17,000
PROP CHG, 155MM, green bag, M3	11,685	40,385	11,685	29,000
PROP CHG, 155MM red bag, M203	106,260	42,260		15,000
FUZE, artillery, elec time, M767	7,476	7,476		5,000
FUZE, artillery, elec time M762	47,364	47,364		35,000
Mout fuze		18,000		
Mine, MOPMS, AT/AP, M131	40,621		13,405	
AT-4 multi-purpose weapons	56,031	89,031	59,031	70,000
Demolition munitions, all types		11,800		5,000
Grenades, all types	12,612	22,912	12,612	12,612
Signals, all types	5,018	7,018	5,018	5,018
Simulators, all types	5,329	6,929	5,329	5,329
Classified programs	182,676	197,276	182,676	185,376

	Budget	House	Senate	Conference
Provision of industrial facilities	125,310	245,310	125,310	245,310
Components for proveout	6,979	3,979	6,979	3,979
Layaway of industrial facilites	39,977	19,977	39,977	28,000
Jefferson Proving Ground modernization	1,991	1,991		1,991
Industrial preparedness			71,000	64,600

81MM MORTAR TRAINING AMMUNITION

The conferees agree that previously appropriated funds for the procurement of M880 81mm mortar training ammunition be used for that purpose and not reprogrammed as proposed by the Senate.

ARTILLERY TIME FUZES

In providing $40,000,000 for procurement of electronic time (ET) fuzes, the conferees emphasize that no commitment is being made to production of this item beyond fiscal year 1990. The Army shall use fiscal year 1989 and 1990 funds to procure sufficient ET fuzes to validate the technical data package and to demonstrate that these fuzes can be produced with sufficient quality at prices that are competitive with the current mechanical time (MT) fuze. The conferees recognize that an attractively priced contract for procurement of MT fuzes has resulted in the Army's ability to buy far more than anticipated. Deliveries of these fuzes can therefore extend over a longer than normal period of time. It is the intention of the conferees that deliveries of mechanical time fuzes will continue until a final decision is made on further production of electronic time fuzes. If additional MT fuze procurement is necessary to achieve this objective, the Committees will entertain a reprogramming.

155MM M483A1

The conference agreement includes $90,000,000 for procurement of 155mm M483A1 projectiles for the mobilization project and plant acceptance test completion at the Mississippi Army Ammunition Plant.

M203 155MM PROPELLING CHARGE

The conference agreement provides $15,000,000 for procurement of M203 155mm propelling charges. The conferees agree that if the Army can demonstrate to the committees that additional funding is required to avoid a break in production, the Army may use $19,300,000 in fiscal year 1988 unobligated provision of industrial facilities funds.

DEPLETED URANIUM PENETRATOR PROCUREMENT

The conferees reaffirm their support for the Army's policy of split awards to the U.S. mobilization base producers of depleted uranium penetrator components for the DOD. By maintaining more than one source of these critical and unique components, the Army has protected the mobilization base and assured competitive bidding. The conferees are aware that other services and government departments are contemplating procurement of depleted uranium products from commercial sources and suggest that these agencies adopt a competitive procurement policy resulting in multiple awards to qualified producers from the U.S. Industrial Base.

PROVISION OF INDUSTRIAL FACILITIES

The conference agreement provides $245,310,000 for provision of industrial facilities, the House amount. The conferees agree that the $8,000,000 identified by the Senate for production base modernization projects at the Badger Army Ammunition Plant shall be taken from this budget line. In addition, high priority shall be given to production base improvements for similar facilities at the Sunflower Army Ammunition Plant.

Amendment No. 51: Deletes House language restricting a portion of the appropriation from obligation or expenditure until authorized by law.

OTHER PROCUREMENT, ARMY

Amendment No. 52: Appropriates $3,669,219,000 for Other Procurement, Army instead of $3,896,365,000 as proposed by the House and $3,382,986,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Other procurement, Army:				
Tactical trailers/dolly sets	19,265	16,020	19,265	16,020
Hi mob multi-purp whld veh (HMMWV) (MYP)	222,533	175,933	222,533	217,533
Small unit support vehicle (SUSV)	28,351	20,351	28,351	28,351
Heavy equipment transporter sys	34,950	22,550	34,950	25,550
Truck, 10T, 8X8, ABT	7,468		7,468	
Spares & repair parts (tactical & SPT. VEH.)	56,854	42,696	56,854	42,696
Tri-Tac equipment	22,094		22,094	13,000
Mob subscriber equip	984,719	1,199,719	884,719	934,719
Sincgars family	158,728	150,328		80,000
Battlefield elec COEI sys (BECS)	33,201	31,301	10,000	20,000
SOF mod radios	26,542	21,942	26,542	21,942
Southcom C3 upgrade	13,935	13,935		
Southcom intell mgmt sys	1,891	1,891		
DSCS operations control sys (DOCS)	20,748	10,748	20,748	10,748
Single channel object tact term (SCOTT)	38,641		38,641	
Info SYS-MCA support	19,346	8,546	19,346	8,546
Calibration sets equipment	14,426	14,426	8,600	8,600
MOD IN-SVC EQ (INT SPT) TIARA	6,069	6,069	2,169	6,069
Starnet/Viable	1,454		1,454	1,454
AMC information processing equip (IPE)	15,736	15,736	8,000	12,236
ADV field artillery tact data sys	7,395		7,395	
Tradoc automation	4,236		4,236	
HQ automation	27,690	7,690	7,690	13,690
Info proc equip	6,056		6,056	
Personnel automation systems	8,404	8,404		4,404
Training automation systems	988		988	988
Forward entry device	24,558	24,558	11,358	24,558
Corps/theater ADP SVC Ctr (CTASC)	17,716	12,716	17,716	17,716
Tactical Army CSS computer sys (TACCS)	24,907	22,017	24,907	24,907
WWMCCS Information system (WIS)	31,923	31,923		31,923
NAVSTAR user equipment	27,021	27,021	17,021	17,021
Modification of in-service EQ (TAC EL)	37,220	37,220	11,220	11,220
Spares & repair parts (COMM. & ELEC.)	316,319	295,019	304,819	290,419
Special programs	72,457	42,457	37,457	47,457
Mask, protective NBC	56,030	57,030	56,030	57,030
Chemical agent monitor	19,757	19,757	12,000	12,000
Field kitchen, mobile, TRL MTD		10,000		10,000
SWA petroleum distribution system	42,093	42,093	20,000	25,000
Water purif unit rev OS 3000 GPH	14,309	14,309		
Large tugboat		7,500		7,500
Generators and associated equip	41,931	41,931	21,931	21,931
Base level com'l equipment	27,655	22,655	27,655	22,655
OSD productivity investment funding	34,119	34,119	20,248	20,248
Host Nation support—Europe	122,339	122,300	122,339	122,339
Training devices nonsystem	140,275	140,275	107,535	123,835
Industrial/depot maintenance equipment			58,900	58,900
Modernization of equipment—O&M transfer			59,100	59,100
Installation of modernization equipment			38,600	34,740
Contract termination at ICPS			−125,300	
Classified programs	143,044	113,773	130,544	119,117
Title X—National Training Center			33,650	33,650

TRI-TAC EQUIPMENT

The conferees agree to provide $13,000,000 for the TRI-TAC program as opposed to no funding as proposed by the House and $22,094,000 as proposed by the Senate. Subsequent to the original submission of the fiscal year 1990 budget, the Army has made an excellent effort to address concerns that the TRI-TAC budget was severely underfunded over the course of the current five year defense plan. The conferees are advised that the Army now plans to adequately fund the remaining echelon-above-corps communications requirements at levels that will support a realistic theater fielding schedule. The conferees encourage the Army to initiate a reprogramming to begin execution of this plan.

MOBILE SUBSCRIBER EQUIPMENT (MSE)

The conferees agree to provide $934,719,000 for the Mobile Subscriber Equipment program instead of $1,199,719,000 as proposed by the House and $884,719,000 as proposed by the Senate. The conferees note the substantial inflation savings available since the inception of the firm fixed price contract for this program.

The conferees also note that the fiscal year 1990/1991 budget submission projected an uneconomical production rate for fiscal year 1991. Future budget submissions for this program will receive careful scrutiny to assure that acquisition strategies are economically feasible.

SINGLE CHANNEL GROUND AND AIRBORNE RADIO SYSTEM (SINCGARS)

The conferees agree to provide $80,000,000 for the SINCGARS program instead of $150,328,000 as proposed by the House and no funding as proposed by the Senate. The conferees express their strong support for this important program which will provide the next generation of combat net radios. However, the conferees also note that continuing problems have contributed to the delay of the commencement of full rate production and that the SINCGARS program was recommended by the Administration as a source of funds for the anti-drug program.

In making funds available for the SINCGARS program, the conferees direct that not less than $30,000,000 shall be available for obligation for the procurement of airborne radios and that not less than $30,000,000 shall be available for obligation for the initial low rate production contract award to the program's second source producer.

SOUTHCOM C3 UPGRADE

The conferees agree with the Senate proposal to transfer funds for the SOUTHCOM C3 Upgrade to Title VII, Other DOD Appro-

priations. Additional comments on this program appear in the Title VII section of the Statement of Managers.

SOUTHCOM INTELLIGENCE MANAGEMENT SYSTEM (SIMS)

The conferees agree with the Senate proposal to transfer funds for the SOUTHCOM Intelligence Management System program to Title VII, Other DOD Appropriations. Additional comments on this program appear in Title VII portion of the Statement of Managers.

MILSTAR TERMINALS

The conferees denied funding for Army terminals for the MILSTAR satellite communications system. The conferees' views on the MILSTAR program appear in the procurement overview section of this report.

AFATDS

The conferees agree to deny funds requested for procurement, but have provided new funds in the operation and maintenance account as explained in the ADP section of this report.

ARMY DATA DISTRIBUTION SYSTEM

The House and Senate both denied funding for the Army Data Distribution System for fiscal year 1990. The conferees believe that sufficient prior year funds remain available to support this program through fiscal year 1990. Should the resolution of technical difficulties result in a decision to proceed with a low rate initial production that requires more funds than are available within the program, the Army may submit a request for reprogramming.

HEADQUARTERS AUTOMATION

The conferees agree to provide $13,690,000 only for the Military Pay Redesign where the Army plans to modify for its own use, the existing Air Force pay system. The conferees commend the Army for pursuing this approach.

CHEMICAL AGENT MONITOR

The conferees agree to provide $12,000,000 as proposed by the Senate for the Chemical Agent Monitor program.

This reduction is taken with the understanding that available prior year funds will allow the program to continue as planned. If this is not the case, the Army may make adjustments during execution to ensure program continuity.

GENERATORS AND ASSOCIATED EQUIPMENT

The conferees agree to provide $21,931,000 as proposed by the Senate for Generators and Associated Equipment. The conferees also share the concerns detailed in the Senate report.

AIRCRAFT PROCUREMENT, NAVY

Amendment No. 53: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$9,389,266,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Aircraft procurement, Navy:				
EA-6B/REMFG (elec warfare) Prowler	104,970	423,200	104,970	104,970
AV-8B (V/STOL) Harrier (MYP)	461,225	461,225	428,225	445,225
F-14/AD/REMFG (fighter) Tomcat	688,640	1,263,636	655,140	1,364,000
F/A-18 (fighter) Hornet	1,889,718	1,931,715	1,889,718	1,889,718
F/A-18 (fighter) Hornet (AP-CY)	530,900	141,400	479,900	141,400
CH/MH-53E (helo) Super Stallion	359,307	244,100	62,000	154,300
V-22 Osprey (AP-CY)		157,000		
SH-60B (ASW helicopter) Seahawk (AP-CY)	41,900	33,200	33,100	41,900
SH/60F CV (ASW helicopter) (AP-CY)	54,027	31,027	26,627	54,027
E-2C (early warning) Hawkeye (AP-CY)	224,987	30,487	224,987	30,487
Airborne self protection jammer				−169,800
T-45TS Goshawk	153,114	153,114	96,484	96,484
A-6 Series	63,387	136,387	63,387	111,387
S-3 Series	56,135	106,135	56,135	81,135
Spares and repair parts	1,322,707	1,177,707	1,322,707	1,250,200
Other production charges	35,462	34,764	35,462	35,462
Modernization of equipment O&M transfer			180,900	376,500
Installation of modernization equipment			602,500	542,250

EA-6B (ELECTRONIC WARFARE) PROWLER

The conferees agree to provide $104,970,000 as proposed by the Senate to initiate the program to update and refurbish existing EA-6b aircraft to the Advance Capability configuration. The funding provided for support and non-recurring production costs, including special tooling and test equipment, should assure a viable transition from development into remanufacture of the ADVCAP configuration in fiscal year 1991.

Additionally, the conferees note that there is a serious shortfall of EA-6B aircraft for the fleet. The shortfall currently exceeds levels which the Navy considers manageable. Although the conferees support efforts by the Secretary of the Navy to eliminate low priority procurement programs, the conferees are concerned about how the Navy will satisfy electronic warfare support for the fleet in the future.

Accordingly, the conferees direct the Secretary of the Navy to evaluate the shortfalls in this mission area, and explore alternatives for satisfying remaining requirements. If the Secretary's review confirms the need for added EA-6B aircraft, the conferees encourage the Secretary to initiate the appropriate reprogramming actions. Because of the impending closure of the line, the conferees direct that the Secretary provide an analysis of both the mission shortfall and the reprogramming plan, if justified, to the congressional defense committees not later than February 1, 1990.

F-14D (FIGHTER) TOMCAT

The conferees agree to provide funding for 18 new production aircraft and 6 remanufactured aircraft in fiscal year 1990.

The conferees have added new production aircraft in order to reduce the expense of line shutdown and increase the inventory to a level closer to identified requirements. The remanufacture program is funded at the level requested in the budget for procurement and advance procurement.

The conferees expect the Department of the Navy to plan for the orderly shut down of the F-14D production line in such a manner as to avoid unnecessary expenses.

The conferees further agree that the remanufacture of existing aircraft to the F-14D configuration should be carried out in such a manner as to improve fleet capabilities more quickly and control the total cost of the program.

AV-8B HARRIER

The conferees recommend $445,225,000 for purchase of AV-8B aircraft instead of $428,225,000 as proposed by the Senate and $461,225,000 as proposed by the House. This amount will fund 24 aircraft given cost savings as discussed in the Senate Report.

The current budget request contains no provisions for procuring AV-8B's beyond fiscal year 1991. The conferees are aware, however, that prior year Congressional testimony has established the fact that a minimum of 323 AV-8B's are required to meet present active force structure requirements. There has also been discussion of reserve force modernization needs. The conferees recognize the importance of these requirements and recommend that the Department review its AV-8B procurement plans.

CH-53E SUPER STALLION

The conferees agree to provide $154,300,000 for ten CH-53E helicopters for the Marine Corps. The conferees further believe that separate from the issue of Marine Corps lift requirements related to the V-22 program, the heavy lift requirement is not being adequately addressed by the Navy. Therefore, the conferees direct the Navy to submit a report with the fiscal year 1991 budget which addresses the CH-53E helicopter requirement.

V-22 OSPREY

The conferees note that the Secretary of Defense has directed the Institute of Defense Analysis (IDA) to conduct a Cost and Operations Effectiveness Analysis (COEA) on the V-22 and other possible helicopter alternatives. The conferees believe that this study should be used as a basis for a decision to begin production of the V-22 in fiscal year 1991. Accordingly, it is important that the Department obligate the remainder of the fiscal year 1989 advance procurement funds in order to retain the option to execute a production decision in fiscal year 1991. The conferees also note that the V-22 program is currently behind schedule and that the Initial Operating Capability (IOC) has already been delayed by at least one year.

Given the significance of the COEA study for future procurement decisions, the conferees believe that it should address all aspects of operations that could be performed by the V-22 or its alternative, not just the opposed amphibious assault mission. Therefore, it is particularly important that the advantages of the V-22 for special operations forces and drug smuggling interdiction missions be examined in full.

In order to ensure a comprehensive COEA study, the conferees therefore recommend that the analysis be extended to include the following key factors:

Mission analysis of the V-22 should be expanded beyond the Marine Corps' amphibious ship-to-shore movement to include long-

range special operations, over-the-horizon landings, follow-on operations, combat search and rescue operations, and drug interdiction operations;

Survivability and the cost of attrition;

Collateral costs such as increased manpower requirements, increased pilot requirement, and the impact on both strategic and amphibious lift;

The date which the V-22 or an alternative can be fielded and ready for deployment.

The conferees recognize the need for new and innovative solutions to the force planning problems our military currently faces. This is especially important given the uncertainty surrounding anticipated future conflict scenarios. Therefore, the conferees express keen regret that the V-22, a program providing great flexibility in mission, is jeopardized at precisely the time that our military planning must be tailored to account for change in the strategic environment.

Finally, the conferees believe that tiltrotor technology contains significant potential commercial applications, but it is also understood that commercial adaptability cannot be explored in a timely fashion without a military program.

MULTIYEAR PROCUREMENT

The Department of the Navy requested multiyear procurement authority and funding for F/A-18, E-2C, SH-60B and SH-60F aircraft programs. The conferees agree that multiyear procurement is a feasible and effective strategy to save money, but only when the savings sufficiently outweigh the risks. In the case of F/A-18 and E-2C multiyear proposals, a combination of programmatic uncertainty, high initial cost, and marginal savings (F/A-18) leads the conferees to conclude the risks are excessive to the savings. The conferees, however, believe the SH-60B and SH-6F programs represent minimal risk and reasonable savings under a multiyear procurement strategy. The advance procurement associated with each program is adjusted in the following manner: F/A-18 reduced to $141,400,000 for 66 aircraft; E-2C reduced to $30,487,000 for six aircraft; SH-60B is funded at $41,900,000 for multiyear procurement; and SH-60F is funded at $54,027,000 for multiyear procurement. The conferees encourage the Department of the Navy to explore and propose other programs for multiyear procurement in future budget submissions.

AIRCRAFT MODIFICATIONS

The conferees agree to provide $673,757,000 for modification of aircraft. This is an increase of $48,000,000 for completion of the A-6 Block Upgrade I and $25,000,000 additionally for the S-3 Block Upgrade I.

Amendment No. 54: Deletes language proposed by the House which provided that a portion of the fund appropriated shall not be obligated or expended until authorized by law.

WEAPONS PROCUREMENT, NAVY

Amendment No. 55: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

, as follows:

Ballistic Missile Programs,..... $1,443,165,000;
Other Missile Programs,.. 2,831,852,000;
Mark-48 ADCAP Torpedo,..... 438,642,000;
Mark-50 Torpedo,..... 271,130,000;
Sea Lance,..... 1,799,000;
ASW Targets,..... 12,983,000;
ASROC,..... 9,282,000;
Modification of Torpedoes,..... 9,653,000;
Torpedo Support Programs,..... 39,002,000;
ASW Range Support,..... 24,205,000;
Other Weapons,..... 168,838,000;
Spares and Repair Parts, 11,341,000;
Installation of Modernization Equipment,..... 30,420,000;
In all:..... $5,392,312,000;

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Weapons procurement, Navy:				
Trident II	1,598,507	1,598,507		1,223,507
Trident II (AP-CY)	216,131	216,131		216,131
Phoenix	376,457	326,457	323,457	323,457
AGM-88A (HARM)	292,174	337,474	274,674	306,074
SM-2 MR	310,619	482,619	390,419	390,419
RAM	90,265	46,665	90,265	90,265
Maverick missiles (MYP) (AP-CY)	6,500		6,500	6,500
AIM/RIM-7E/F Sparrow Mod	28,950		28,950	28,950
Weapons industrial facilities	16,836	16,836	21,336	21,336
Fleet Satellite communications (MYP)	171,817	139,117	171,817	171,817
MK-48 ADCAP Torpedo	493,642	493,642	438,642	438,642
MK-50 ALWT	269,130	271,130	269,130	271,130
MK-15 Close in weapons system	59,990	74,990	59,990	59,990
MK-19/40MM Machine gun	523	523		
Spares and repair parts	94,441	110,455	94,441	111,341
Transfer to enterprise (SCN)			−7,800	
Installation of modernization equipment			33,800	30,420

TRIDENT II D-5 MISSILE

The conferees have included a total of $1,441,184,000 for the Trident II D-5 missile ($1,223,507,000 for annual procurement and $216,131,000 for advance procurement). It is the understanding of the conferees that this level will support approximately 42 missiles in 1990. The conferees further understand and expect that this funding level will not have an impact on the participation of the United Kingdom in the Trident program.

The conferees direct that no more than $250,000,000 of the total appropriated in fiscal year 1990 for the D-5 missile may be obligated until three successful Performance Evaluation Missile (PEM) flight tests have occurred. These tests must be conducted with missiles incorporating fixes installed after initial test flight failures, with at least two conducted in the same testing environment during which the two flight test failures occurred (i.e. near maximum depth with minimal cross flow over the deck). Funds may be obligated before attainment of the three successful flight tests only to the extent necessary to preserve schedule continuity; to retain in effect certain advantageous fixed-price contracts which have minimum order quantity requirements; and to retain qualified lower-tier vendors, in order to avoid serious programmatic disruptions, employee layoffs, and consequent additional costs.

PHOENIX

The conferees have provided $323,457,000 for the Phoenix missile, a reduction of $53,000,000 from the budget estimate. The conferees are opposed to the administration's plan to terminate Phoenix production after the 1990 procurement and note that the reduction includes the $50,000,000 which was budgeted for line shutdown and termination costs. The Navy is directed to procure as many missiles as possible with the funds provided.

Amendment No. 56: Deletes language proposed by the House which provided that a portion of the funds appropriated shall not be obligated or expended until authorized by law.

SHIPBUILDING AND CONVERSION, NAVY

Amendment No. 57: Inserts a center heading as proposed by the Senate.

Amendment No. 58: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendent of the Senate with an amendment as follows:

In lieu of the first sum named in said amendment insert: *$1,132,800,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 59: Appropriates $753,300,000 for the SSN-688 attack submarine program as proposed by the Senate instead of $1,432,300,000 as proposed by the House.

Amendment No. 60: Appropriates $614,800,000 for the SSN-21 attack submarine program as proposed by the House instead of $816,800,000 as proposed by the Senate.

Amendment No. 61: Appropriates $630,300,000 for the CV-SLEP program as proposed by the Senate instead of $651,200,000 as proposed by the House.

Amendment No. 62: Appropriates $1,422,100,000 for the ENTERPRISE refueling/modernization program as proposed by the House instead of $129,100,000 as proposed by the Senate.

Amendment No. 63: Appropriates $3,500,000,000 for the DDG-51 program instead of $3,533,700,000 as proposed by the House and $3,420,700,000 as proposed by the Senate.

Amendment No. 64: Appropriates $197,600,000 for the MHC coastal mine hunter program instead of $282,000,000 as proposed by the House and $120,300,000 as proposed by the Senate and deleted language proposed by the House requiring competition between two sources.

Amendment No. 65: Appropriates $600,000,000 for the Sealift ship program instead of $1,000,000,000 as proposed by the House and $20,000,000 as proposed by the Senate.

Amendment No. 66: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

post delivery, and ship special support equipment, $368,900,000;

Coast Guard icebreaker ship program, $329,000,000;

Coast Guard patrol boat program, $84,000,000

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 67: Appropriates a total of $11,557,900,000 instead of $12,459,200,000 as proposed by the House and $9,359,800,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Shipbuilding and conversion, Navy:				
Trident (nuclear)	1,137,200	1,137,200	1,037,200	1,032,200
Transfer from other accounts			(100,000)	(100,000)
Trident (nuclear) AP-CY	140,600	140,600	100,600	100,600
SSN-688 Class submarine (nuclear)	806,300	1,432,300	753,300	753,300
SSN-21 (AP-CY)	816,800	614,800	816,800	614,800
CV SLEP (AP-CY)	20,900	20,900		
DDG-51 (MYP)	3,600,700	3,533,700	3,420,700	3,500,000
MHC coastal mine hunter	120,300	282,000	120,300	197,600
Fast Sealift ship		1,000,000	1,020,000	600,000
Outfitting	205,500	192,200	205,500	192,200
Post delivery	134,500	110,300	134,500	110,300
Icebreakers			488,000	329,000
Coast Guard patrol boats				84,000
Undistributed reduction (MILSTAR)		−48,700		

SSN-688 ATTACK SUBMARINE

The conferees agree to provide $753,300,000 for one SSN-688 class submarine as proposed by the Senate. The conferees note that the volatile nature of the Navy submarine program has created the possibility of wasting advance procurement funds and raises questions about the validity of requirements. Subsequent to passage of the House bill, the Navy informed the conferees that advance procurement funding would not be wasted since the items being procured would satisfy the SSN-688 class spare parts requirements.

Accordingly, the conferees have removed the second submarine proposed by the House. The Other Procurement, Navy account for initial spare parts outfitting has been reduced by $135,000,000.

SSN-21 SEAWOLF ADVANCE PROCUREMENT

The conferees agree to provide $614,800,000 for advance procurement for SSN-21 (Seawolf) attack submarines. Recent information regarding the fiscal year 1989 funded construction of one submarine of the SSN-21 class indicates a cost growth of approximately 10 percent for which fiscal year 1989 funding has not been identified. The conferences expect the Department of the Navy to submit reprogramming documents, using fiscal year 1989 funding as sources, to correct the identified funding shortfall. Such documents should be submitted to the House and Senate Armed Services and Appropriations Committee as soon as possible to allow for maximum congressional review.

Information has also been provided to the conference that indicates the budgeted lead time for propulsion components is in excess of actual requirements. Therefore, the conferees have reduced the amount provided for advance procurement. Furthermore, the conferees interpose no objection to an increase in procurement quantities above two submarines per year.

MHC (COASTAL MINE HUNTER)

The conferees agree to provide $197,600,000 for two MHC's. The conferees further agree that maintaining a competitive procurement program for coastal mine hunters is desirable.

The conferees understand and concur with the Navy plan to homeport two MHC ships, MHC-52 and MHC-55, in Astoria, Oregon. The conferees understand that MHC-52 is funded out of fiscal year 1989 funds and MHC-55 will be funded out of fiscal year 1990 funds.

SEALIFT

The conferees recommend $600,000,000 for dedicated sealift, $400,000,000 below the amount recommended by the House and $420,000,000 less than recommended by the Senate under this heading and in Title X of the Senate bill. The conferees remain concern with the capability of the United States to respond to an overseas crisis because of the lack of adequate sealift. The sum appropriated will partially redress this problem. The conferees recommend that the funds provided be used for construction of up to two tankers and four multi-mission vessels.

In addition, the conferees direct the Navy to consider purchasing two existing petroleum product tankers for the Ready Reserve Fleet. Priority is to be given to tankers financed by U.S. Government subsidies and Maritime Administration guaranteed debt that are less than ten years old and have demonstrated satisfactory performance under MSC charters for five years or more. In addition, such tankers must have been:

1. built to Military Sealift Command requirements incorporating features peculiar to U.S. Navy support vessels in order to optimize their military utility;

2. provided with a capability of refueling Naval vessels at sea; and

3. built with special maneuvering capabilities.

The conferees share the concern expressed in the Conference Report, accompanying the Department of Defense Authorization Act, 1990 that funds for sealift construction should not be used for ships which will have no peacetime mission. Therefore, the conferees direct the Navy to make every attempt to use the funds provided herein to acquire vessels which can be used to provide for support for Marine or Naval forces in peacetime, but also provide a surge capacity in the event of hostilities.

It is imperative that the design of each vessel attempt to incorporate elements of technology which can provide for more cost effective operations, including fuel efficient engines capable of high speeds and an emphasis on automated processes which can reduce personnel requirements.

The conferees agree with the intent of the Defense Authorization Act, 1990, which delays obligation of funds for construction until the Navy has reviewed the potential for this program. The conferees believe that the Navy should consider both cost and industrial mobilization base in awarding any funds provided for this program.

ICEBREAKERS

The conferees agree to provide $329,000,000 for one Coast Guard icebreaker in fiscal year 1990. The conferees agree that no contract shall be awarded for basic construction of a new icebreaker until 30 days after the President forwards to Congress the report on polar icebreaking needs that was mandated by the Coast Guard Authorization Act of 1988.

Amendment No. 68: Deletes language proposed by the House which provided that a portion of the funds appropriated shall not be obligated or expended until authorized by law.

OTHER PROCUREMENT, NAVY

Amendment No. 69: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$7,970,764,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Other Procurement, Navy:				
LM-2500 gas turbine	7,502	7,502		
Submarine propellers	5,381	4,335	5,381	4,335
Reduction in ship support equipment		−25,000		
Modernization of equipment, O&M transfer			1,065,200	1,064,100
Installation of modernization equipment			2,031,000	1,818,900
AN/SPS-48	5,174	44,174	5,174	44,174
AN/SPS-49	4,504		4,504	
AN/BQQ-5	95,697	85,596	95,697	85,596
Quick reacion surveillance system		9,000		
Combat DF	27,781	1,781	27,781	27,781
Navy tactical data system	68,552	67,559	68,552	67,559
Strategic platform support equipment	114,567	114,567	89,567	89,567
Molded case circuit breakers		6,000		6,000
Relocatable over the horizon radar	86,557		11,882	10,900
Satcom ship terminals	69,931	15,852	69,931	69,931
Satcom shore terminals	26,262	4,993	26,262	26,262
TSEC/KYV-5 (ANDVT)	37,761	37,761		37,761
Communications & electronic reduction		−57,500		
General increase sonobuoys		45,000		45,000
General purpose bombs	80,340	80,340	67,140	80,340
2.75 inch rocket	18,849	18,849	17,449	17,449
Machine gun ammunition	13,364	33,364	13,364	33,364
Practice bombs	34,403	34,403	20,703	41,903
Aircraft rearming equipment	15,552	14,414	15,552	14,414
Industrial/depot maintenance equipment			351,900	351,900
CIWS ammunition	30,776	40,776	30,776	40,776
Reduction, ordnance support equipment		−25,000		
Amphibious equipment	5,398	21,898	5,398	21,898
Special purpose supply systems	131,123	128,348	131,123	131,123
Ship system trainers	20,014	16,304	20,014	16,304
Command support equipment	27,537	19,537	27,537	19,537
Medical support equipment	56,802	56,802	48,372	48,372
Computer acquisition program	107,102	46,659	107,102	75,147
Spares and repair parts	547,405	544,305	547,405	552,905
Reduction, spares & repair parts		−17,500		
SSN-688 spares				−135,000
Transfer to enterprise (SCN)		−15,300		−15,300

QUICK REACTION SURVEILLANCE SYSTEM (QRSS)

The conferees agree to provide no funding, as proposed by the Senate, for the Quick Reaction Surveillance System (QRSS) which is a containerized, passive underwater surveillance system towed by a surface ship. However the conferees note that they have included $3,500,000 in the Navy RDT&E account for the Reduced Di-

ameter Array program and $5,500,000 in the Other Procurement, Navy account for spares and repair parts for towed arrays.

RELOCATABLE OVER THE HORIZON RADAR

The conferees agree to provide $10,900,000 instead of no funding as proposed by the House and $11,882,000 as proposed by the Senate. The provided funds are to be used to acquire support and test bed equipment and necessary technical drawings. The conferees express their support for the ROTHR program as well as installation of the next sector in the United Kingdom upon the signing of a Memorandum of Agreement by both parties.

PRACTICE BOMBS

The conference agreement of $41,903,000 for practice bombs includes $7,500,000 for procurement of laser guided training rounds as proposed by the Navy. This was included in the House bill under Research, Development, Test and Evaluation, Navy.

CIWS AMMUNITION

The Senate report included language which recommended continuation of depleted uranium (DU) in the competitive procurement strategy for close-in weapon system (CIWS) ammunition. The report also recommends the addition of live fire testing as a supplement to existing specifications for qualifying CIWS penetrators.

The conferees note that the current CIWS acquisition strategy was communicated to Congress in a letter from the Navy dated April 4, 1989. That strategy calls for use of tungsten as the exclusive material to be used in CIWS penetrators beginning in 1990. The strategy is the result of over nine years of testing which focused on effectiveness, costs, handling and production and which demonstrated that tungsten had significant benefits compared to DU. These tests included live firings against live warheads.

The conferees direct the Navy to continually assess and test available materials and concepts so that CIWS ammunition remains cost effective and responsive to the changing threat. Such evaluation and testing should include live firings as appropriate and should not preclude the use of DU in this ammunition should the cost benefits and testing favor the procurement of DU.

AMPHIBIOUS EQUIPMENT

The conferees agree to provide $21,898,000 for Amphibious Equipment as proposed by the House. Of the sum provided, $16,500,000 is for procurement of an Offshore Petroleum Discharge System (OPDS). The conferees note that availability of suitable training equipment may add to the readiness and effectiveness with which OPDS can be deployed. The conferees therefore encourage the Navy to examine the desirability of obtaining such equipment, and if warranted, to budget for the procurement of this equipment in the FY 1991 budget.

COMPUTER ACQUISITION PROGRAM

The conferees agree to provide $75,147,000, a reduction of $31,955,000 as explained in the ADP section of this report discussed with operation and maintenance appropriations. The procurement reduction consists of $4,455,000 for the Integrated Disbursing and Accounting Financial Information Processing System (IDAFIPS), $1,900,000 for the Stock Point Logistics Integrated Communications Environment (SPLICE), $15,600,000 for Stock Point ADP Replacement (SPAR), and $10,000,000 for the Uniform Inventory Control Point (UICP) system.

SSN-688 SPARES

The conferees agree to a reduction of $135,000,000 in spares and repair parts. In fiscal year 1989, $175,800,000 was appropriated for advance procurement for an additional SSN-688 class submarine. For fiscal year 1990 the conferees agree to delete funding for this additional submarine, and $135,000,000 of the funds appropriated last year for long lead items for a new SSN-688 submarine should now be used as funds for spare parts for presently operational SSN-688 submarines.

SPARES AND REPAIR PARTS

The conferees agree to provide $552,905,000 for spares and repair parts instead of $544,305,000 as proposed by the House and $547,405,000 as proposed by the Senate. The increase of $5,500,000 to the budget request is for spares and repair parts for towed arrays.

FF-1052 MODERNIZATION PROGRAM

The House included language directing the Navy to expedite its long delayed study on the Frigate Upgrade Program. Subsequent to the passage of the House Defense Appropriation Bill, the study was completed. The conferees note that the study stated that there was a requirement to upgrade the Anti-Submarine Warfare (ASW) capabilities of the FF-1052 Frigates. The conferees urge the Navy to fund this important program in the fiscal year 1991 budget submission and to submit a reprogramming request to initiate the program in fiscal year 1990.

ADVANCED VIDEO PROCESSOR (AVP)

The Advanced Video Processor (AVP), formerly designated the Acoustic Video Processor, is an enhanced Navy display development that has applicability to all surface combatants. The AVP is being developed as a Navy Standard to improve the video display systems associated with the Navy's newest shipboard antisubmarine warfare system, the SQQ-89. The Navy's original plans called for the fiscal year 1990 procurement of 67 AVP units, funds for which were budgeted in Shipbuilding and Conversion, Navy, and in Other Procurement, Navy. Of these 67 units, 30 were designated for the DDG-51 class ship.

The Navy is now proposing to procure no units with fiscal year 1990 SCN funds for installation on DDG-51 class ships. The reason cited is the schedule risk associated with new or modified systems on a major shipbuilding program. The conferees understand the Navy's assessment, but direct that changes in the original AVP production plans should be kept to an absolute minimum. Specifically the conferees direct that fiscal year 1990 production of a total of 33 units designated for SURTASS and other uses is to proceed as previously planned. Further, the conferees direct production of AVP for DDG-51 deployment is to begin in fiscal year 1991 without fail. The Navy is directed to make every effort to hasten production of AVP, which Navy officials themselves have stated will save as much as $20 million per year compared to the system it replaces.

The conferees establish AVP as an item of special interest. The Navy is directed to submit to the conferees its procurement plan for fiscal years 1990 and 1991 which conforms to the direction stated above, not later tha 30 days after the availability of this report.

PROCUREMENT, MARINE CORPS

Amendment No. 70: Appropriates $1,213,792,000 instead of $1,246,800,000 as proposed by the House and $1,175,885,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Procurement, Marine Corps:				
83MM rocket HEAA (SMAW)	28,357	28,357		28,357
Unallocated increase—ammunition		50,000		25,000
M-1 A1 main battle tank (MYP)	396,340	396,340	396,340	381,340
M-1 A1 main battle tank (MYP) (AP-CY)	120,300	120,300	120,300	111,300
MK-19 40mm machine gun	1,858	1,858		
Modernization of equipment—O&M transfer			5,900	5,900
Installation of modernization equipment			9,500	8,550
Industrial/depot maintenance equipment			3,400	3,400,

Amendment No. 71: Delete House langauge making a portion of the appropriation available for obligation and expenditure only upon enactment of authorizing legislation.

AIRCRAFT PROCUREMENT, AIR FORCE

Amendment No. 72: Appropriates $15,679,242,000 for Aircraft Procurement, Air Force instead of $14,531,196,000 as proposed by the House and $15,815,530,000 as proposed by the Senate.

The conferees agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Aircraft Procurement, Air Force:				
B-2A	2,107,974	1,607,974	1,807,974	1,663,974
B-2A (AP)	409,800	169,800	409,800	424,800
F-15 D/E	1,338,807	1,235,207	1,338,807	1,235,207
MC-130H-SOF	241,848	104,148	241,848	171,848
C-17	1,523,971	1,160,071	1,160,071	1,110,071
C-130				262,500
HC-130H				43,000
C-27A	74,386		74,386	74,386
C-20				49,600
Tanker, transport, trainer system	147,425	74,000	147,425	147,425
MH-60G	52,822	52,822	52,822	203,822
Civil Air Patrol A/C	2,000	2,000	2,500	2,500
B-52	225,613	181,713	181,713	157,513
B-1B	83,499	19,099	71,999	50,999
F-15	215,536	180,536	215,536	198,036
C-135	488,310	737,610	488,310	656,310
E-4	18,200	6,000	18,200	12,100
Other aircraft	120,023	67,023	99,523	67,023
Spares and repair parts	3,760,668	3,082,968	3,423,668	3,110,268
Common age	299,786	272,703	214,376	241,500
Industrial responsiveness	57,566	47,566	37,566	37,566
War consumables	51,924		51,924	
Other production charges	591,430	685,092	584,430	611,930
Common ground equip	109,153	56,265	109,153	56,265
Modernization of equipment—O&M transfer			294,900	294,900
Installation of modernization equipment			391,000	351,900
Aircraft components adjustment				−140,000
Airborne self protection jammer				−204,800

B-1B DEPOT

The Air Force requested $9,960,000 for B-1B depot support equipment. The budget justification material stated that these funds were related to the ALQ-161 electronic countermeasures system. Based on its troubled history and current design instability, neither Committee recommended funds for depot support.

It has since come to the Committees' attention that this request is not related to the ALQ-161, but rather involves depot support for other aspects of the B-1B program. The conferees understand that lack of funding for ths item would delay the development of organic maintenance capability within the Air Force resulting in continued reliance on contractor maintenance. Therefore, the conferees express their willingness to consider a reprogramming request, not to exceed $9,960,000, for B-1B depot support activities not related to the ALQ-161 system.

F-15E

The House reduced funding for the F-15E program by $103,600,000 for costs related to line shutdown and termination costs. The Senate provided the budget request. The conferees understand tht no funds were requested for termination costs. However, the conferees recommend a reduction of $103,600,000 for other program savings. This reduction in no way prejudges action on possible F-15E termination.

MC-130

The conferees provide $171,848,000 for the purchase of two MC-130 aircraft, a reduction of $70,000,000 from the request. The conferees instruct that the reduction in this program may not be made by reducing the number of aircraft to be procured.

C-130

The conferees have included $262,500,000 for 12 C-130 aircraft in the Aircraft Procurement, Air Force account. The Air Force is directed to transfer two of the aircraft to the Air Force Reserve and ten of the aircraft to the Air National Guard. The House had included funds for two Air Force Reserve C-130s and two Air National Guard C-130s in the National Guard and Reserve Equipment account. The Senate had included funds for two Air Force Reserve and ten Air National Guard C-130s in the National Guard and Reserve Equipment account.

The conferees have also included $43,000,000 in this account for one HC-130H aircraft which the Air Force is directed to transfer to the Air National Guard. The Senate had included funds for this purpose in the National Guard and Reserve Equipment account. The house did not address this issue.

MH-60G

The conference agreement contains $203,822,000 for MH60G helicopters, including $52,822,000 for four helicopters for the active forces. The balance of the funds are for helicopters which the Air Force is directed to transfer to the Air Force Reserve. The House and the Senate had included funds for Air Force Reserve helicopters in the National Guard and Reserve Equipment account.

C-17

The House and the Senate both deleted 2 aircraft and $431,800,000, excluding spares and repair parts, from the C-17 program. Based on additional program perturbations and schedule slippage, the conferees have deleted an additional $50,000,000 from the program. It is the conferees' intention that at least $37,500,000 of the additional reduction be applied to C-17 weapon system trainers and maintenance training devices which have experienced delays in required dates due to the revised schedule.

C-20

The conference agreement includes $49,600,000 to purchase two C-20 aircraft. The Air Force is directed to transfer these aircraft to the National Guard for use in operations and support missions in responding to disasters and emergencies. The conferees note that the lack of such aircraft hindered National Guard responses during the recent spate of disasters including Hurricane Hugo and the California earthquake.

B-52 MODIFICATIONS

The conferees recommend a reduction of $68,100,000 from the $225,613,000 requested for B-52 modifications. The reductions should be applied as follows:

B-52H (ACMI)	−$9,600,000
ALQ-172 Anechoic Chamber	−16,500,000
Integrated Conventional Stores Management	−6,200,000
Defensive Fire Control	−17,800,000
Simulators and Weapon System Trainers for Conventional B-52Gs	−18,000,000
Total	−$68,100,000

B-1B MODIFICATIONS

The committee of conference recommends $50,999,000 for modifications to the B-1B aircraft. This reflects the budget estimate reduced by the amounts requested for the 1122 technique and SRAM II integration, for which no funding has been provided.

C-135 MODIFICATIONS

The conferees have provided a total of $656,310,000 for C-135 modifications including $572,400,000 for 36 KC-135R reengining kits and $19,300,000 related to KC-135 aircraft equipped with MILSTAR terminals.

SPARES AND REPAIR PARTS

The conferees agree to the following reductions to the budget request:

Initial spares:	
B-2	−$92,400,000
C-17, AC-13OU and F-16	−110,100,000
Replenishment spares	−447,900,000
(B-52G)	(−17,000,000)

COMMON AIRCRAFT GROUND EQUIPMENT

The conferees agree that of the total appropriation of $241,500,000 for common aircraft ground equipment $71,569,000 is to be used only for ground power generators.

WAR CONSUMABLES

The conferees have deleted funding requested for war consumables due to poor obligation of prior year funding. However, the conferees do not question the utility of war consumable items.

OTHER PRODUCTION CHARGES

The conferees agree that the adjustments to other production charges reflect −$7,000,000 related to the Tacit Rainbow program.

COMMON ELECTRONIC COUNTERMEASURE PODS

In prior years the Congress has addressed the issue of the Air Force's deficiency in the number of effective ECM pods available for tactical aircraft. The Appropriations Committees supported a strategy of annually competing two pods and directed the Air Force to use 1989 funds to undertake such a competition.

A competition was held, but instead of a split buy, one pod won 100 percent of the planned procurement. However, the winning pod manufacturer is currently unable to ramp up production sufficiently to utilize all 1989 Common ECM pod funding. Approximately $45 million remains available. Accordingly, the conferees encourage the Air Force to consider using remaining 1989 funds, together with any other possible resources which might be identified, to procure additional ECM pods. This would not only provide additional pods to the tactical forces earlier but would provide the type of pod which is extremely effective in high density threat areas such as central Europe.

The conferees wish to make clear that this recommendation does not indicate displeasure with the conduct of the Air Force ECM pod competition but merely recognizes the critical need for additional pods and a possible course of action to help address that requirement.

Amendment No. 73: Deletes language proposed by the Senate which provided that B-2 bomber funding could be used to modify other bombers if certain conditions were not met.

MISSILE PROCUREMENT, AIR FORCE

Amendment No. 74: Appropriates $6,916,863,000 for Missile Procurement, Air Force instead of $6,544,612,000 as proposed by the House and $7,231,724,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Missile procurement, Air Force:				
Peacekeeper (M-X)	771,000	691,000	741,000	691,000
MX MK-21 reentry				80,000
Peacekeeper (M-X) (AP-CY)	163,607		163,607	163,607
SRAM II	4,415		4,415	4,415
SRAM II (AP-CY)	6,376		6,376	6,376
AGM-65D Maverick (MYP)	177,458	282,849	177,458	177,458
AGM-65D Maverick (MYP (AP-CY)	10,800		10,800	10,800
AGM-88A Harm	79,339	188,639	79,339	133,989
AMRAAM	902,876	687,776	820,000	687,776
Spares and repair parts	259,411	181,161	259,411	249,696
Global positioning (MYP)	70,291	36,291	70,291	54,000
Space shuttle operations	46,087	26,287	33,087	29,687
Defense support operations	359,330	310,530	334,330	334,330
Space boosters (MYP)	209,281	283,781	189,281	180,000
Medium launch vehicle (MYP)	137,286	127,686	128,286	127,686
Special programs	3,182,705	3,163,605	3,182,705	3,063,605
Special update programs	131,168	23,168	131,168	23,168
Classified programs	328,931		328,931	319,931
Modernization of equipment, O&M transfer			29,400	29,400
Installation of modernization equipment			9,000	8,100

SPARES AND REPAIR PARTS

The conferees have provided a total of $249,696,000 for spares and repair parts. The reduction from the budget is to be applied to AMRAAM (−$8,700,000) and Tacit Rainbow (−$1,015,000).

DEFENSE SUPPORT PROGRAM (MYP)

The conferees agree to provide $334,330,000 for the Defense Support Program as proposed by the Senate instead of $310,530,000 as proposed by the House. This level represents a six percent reduction to the budget request. The conferees encourage the Air Force to achieve as high a level of contract savings through total quality

management as possible. The Air Force is directed to make whatever management decisions are necessary to ensure that there is no slip in the production of satellites 23-25. The conferees are confident that the amount provided is sufficient to ensure continued production.

SPACE BOOSTERS

The conferees agree to provide $180,000,000 for Space Boosters instead of $283,781,000 as proposed by the House and $189,281,000 as proposed by the Senate. The amount provided is slightly below the recommendation of either House due to Air Force statements that funding for the Titan IV Solid Rocket Motor follow-on buy is funded in other accounts. Both Houses expressed support for continuing the procurement of the existing steel-case solid rocket motor (SRM) while the newer Solid Rocket Motor Upgrade (SRMU) is still in development, in order to provide assured access to space for heavy payloads carried by the Titan IV. The conferees strongly agree with the Air Force's most recent plan, which requires that seven of the ten motors in the follow-on buy be steel-case SRM's and the remaining three should be SRMU's. The Air Force is directed to execute that plan with the financing made available here, and to continue that acquisition plan with whatever additional funding is required. The House recedes from its proposal to direct the use of $180,000,000 for the procurement of six sets of SRM's in consideration of the compromise described above.

OTHER PROCUREMENT, AIR FORCE

Amendment No. 75: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$8,524,110,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Other procurement, Air Force				
5.56 MM	5,370	3,270	5,370	3,270
20MM training	26,996	23,402	26,996	23,402
30MM training	58,744	55,150	58,744	54,896
Items less than $2,000,000 (cartridges)	11,287	9,387	11,287	9,397
MK-82 inert/BDU-50		8,462		8,462
GBU-15	13,800	400	13,800	1,330
CBU-87 (combined effects munition) (MYP)	136,630	136,630	206,630	206,630
CAP vehicles			800	800
Items less than $2,000,000 (cargo & utility veh.)	16,714	16,714	16,514	16,514
Items less than $2,000,000 (special purpose veh.)	15,477	15,477	15,277	15,277
Items less than $2,000,000 (materials handling equip.)	9,879	9,879	9,679	9,679
Items less than $2,000,000 (base maint. spt.)	11,223	11,223	11,023	11,023
Intelligence training equipment	12,181	12,181	9,181	12,181
Tactical air control sys improve	233,078	227,138	233,078	227,138
Defense support program	89,014	89,014	52,414	66,014
OTH-B radar	209,478	199,478	87,000	199,478
SAC Command and Control	47,300	47,300	27,795	37,000
Cheyenne Mountain Complex	37,126	27,126	37,126	32,126
NAVSTAR GPS	11,476	11,476	7,476	7,476
Caribbean Basin radar network	39,951	39,951		
Dist early warning RDR/North warning	195,415		195,415	185,415
Automatic data processing equip	74,385	56,815	74,385	56,185
WWMCCS/WIS ADPE	15,591	15,591		15,591
MAC Command and Control Support	26,883	22,283	16,070	22,283
Range improvements	115,817	115,817	108,116	115,817
SAMTO test ranges I&M	69,721	69,721	56,721	59,721
Telephone exchange	80,501	74,699	69,334	72,000
Joint tactical comm program (MYP)	122,360	122,360	40,560	40,560
MILSTAR	103,386	4,000	103,386	55,000
Spares and repair parts	253,749	236,655	218,556	238,998
CAP COM & Elect			500	500
Antijam voice	13,419	13,419	8,817	8,817
Air base operability	28,942	25,942	28,942	25,942
Intelligence production activity	82,485	82,485	80,785	80,785
Selected activities	4,732,801	4,717,473	4,712,701	4,904,882
Special update program	214,909	147,209	214,909	184,809
Industrial/Depot maintenance equipment			75,000	75,000

30 MM GAU-8 AMMUNITION

The conferees agree that the Army/Air Force shall follow the procurement strategy for 30 mm GAU-8 ammunition proposed in the budget. The out-year options included in the current contract were proven in the most recent competition to offer the most cost effective way to buy this ammunition. The conferees agree that further competitive procurements are a viable strategy when all current options are used or expired.

COMBINED EFFECTS MUNITIONS

In agreeing to the higher funding level proposed by the Senate for the Combined Effects Munition (CEM), the conferees deny the proposed multiyear procurement and recommend that the Army and the Air Force develop a dual source competitive acquisition strategy in fiscal year 1990 between the two currently facilitized producers to maintain the unit cost levels attained in the prior contract years. However this higher funding level is not now forecast in the five year budget plan, making the strategy proposed by the Air Force for fiscal year 1990 potentially appropriate in the future. The conferees believe that the Air Force long-range budget for CEM is seriously understated and direct the Air Force to assess its overall CEM procurement program in the context of training and war reserve requirements, as well as the condition of the Rockeye inventory, and report back to the Committees by March 1, 1990.

The conferees recognize the tragic explosion at the Kansas Army Ammunition Plant earlier this year, but are concerned as well with the need to continue efficient production of this critical conventional weapon. Therefore, the conferees direct the Services to take actions that ensure the restart of production and delivery of the fiscal year 1988 and 1989 contract quantities as soon as possible. Further, the Army, as the procuring activity, should award the fiscal year 1990 contract in time to preclude a production break. The two services should work together to establish a resonable production schedule to accomplish the aforementioned direction without causing wide variances in production and load, assemble and pack rates between contract year even if this means extending the length of the normal prior year funded delivery periods.

AIRFIELD ATTACK MUNITIONS

The conferees agree with House report language as follows: "The Air Force has a validated requirement for an air delivered weapon to destroy airfields. The weapon currently in the inventory to address this requirement, Durandal, is an interim weapon pending the fielding of a more capable system, DAACM, which is currently in development.

"The Committee understands that the DAACM program has experienced some slippage primarily because of the change in the threat, thus requiring additional testing or the potential cancellation of DAACM.

"The Committee directs the Air Force to report on the current threat assessment, results of tests on alternative weapons to meet the threat, and its proposed strategy to meet its short-term and future requirements. If such a strategy includes the need to procure additional Durandals or other weapons, the Committee will consider a reprogramming action from the Air Force."

OVER THE HORIZON BACKSCATTER RADAR

The conferees agree to provide $199,478,000 as proposed by the House. The Senate bill reduced this program on the basis of contracting delays in awarding the first sector of the Alaska radar system and anticipated increases in the construction time for the second sector. The Air Force has recently informed the conferees that the contractor cost estimates are significantly higher than the amounts requested in the fiscal year 1989 and 1990 budgets for the first and second sectors. In recognition of the importance of this program, the conferees have agreed to allow the Air Force to use a combination of fiscal year 1989 and 1990 funds to award the first sector, although this represents a waiver from the full funding policy applied to procurement.

The conferees are deeply concerned by reports that the Air Force is considering delaying or deleting the second sector of the Alaska radar system. The conferees will not consider funding for the central radar system before funding the second Alaska sector.

SAC COMMAND AND CONTROL

The conferees agree to provide $37,000,000 for the SAC Command and Control program, as opposed to $47,300,000 proposed by the House and $27,795,000 as proposed by the Senate. This reduction is made without prejudice.

CARIBBEAN BASIN RADAR NETWORK (CBRN)

The conferees agree with the Senate proposal to transfer funds for the Caribbean Basin Radar Network program to Title VII, Other DOD Appropriations. Additional comments on this program appear in the Title VII portion of the Statement of Managers.

DISTANT EARLY WARNING SYSTEM

The conferees agree to provide $185,415,000 for the Distant Early Warning System (DEW) instead of no funding as proposed by the House and $195,415,000 as proposed by the Senate. The conferees understand that the current acquisition strategy, which combines the fiscal year 1989 and 1990 production buys, will yield contract savings.

ADPE

The conferees agree to provide $56,185,000, a reduction of $18,200,000 for PC-III as explained in the ADP section of this report discussed with operation and maintenance appropriations.

MAC COMMAND AND CONTROL

The conferees agree to provide $22,283,000 as proposed by the House for the MAC Command and Control Program. This reduction is taken with the understanding that available prior year funds will allow the program to continue as planned. If this is not the case, the Air Force may make adjustments during execution to ensure program continuity.

SAMTO TEST RANGES

The conferees agree to provide $59,721,000 for the SAMTO Test Ranges program instead of $69,721,000 as proposed by the House and $56,721,000 as proposed by the Senate.

The conferees have found that part of the funds requested for "special projects" were requested to fund Remote Station Automation study efforts. This is an inappropriate use of procurement funding, made more difficult to detect by the imprecise description. Of the amount appropriated in the Other Procurement, Air Force account, no funds are to be obligated for the Remote Station Automation project at the East Coast range. The study is improperly funded in procurement and should be funded within available research and development funding. Procurement in advance of study completion is premature. In subsequent budget requests, the Air Force should provide better descriptions of range improvement projects.

TELEPHONE EXCHANGE

The conferees agree to provide $72,000,000 for telephone exchanges as opposed to $74,699,000 as proposed by the House and $69,334,000 as proposed by the Senate. The conferees have not earmarked the reduction against any specific telephone exchange.

JOINT TACTICAL COMMUNICATIONS PROGRAM

The conferees agree to provide $40,560,000 as proposed by the Senate, instead of $122,360,000 as proposed by the House for the Joint Tactical Communications Program. The conferees are in agreement on the importance of the Joint Tactical Communications Program.

Information provided by the Air Force states that while prior year funds are available, they would be insufficient to support the program through the longer period required to award a multi-year contract in fiscal year 1991. The conferees are concerned that the Air Force is planning a multi-year procurement that is not supported by the current estimate of projected savings. Thus, the conferees direct that the Air Force, before committing to this multiyear strategy, ensure that the required savings over the current single-year contract can be achieved.

MILSTAR TERMINALS

The conferees agree to provide $55,000,000 for the MILSTAR terminals program instead of $4,000,000 as provided by the House and $103,386,000 as provided by the Senate. The conferees' views on the MILSTAR program appear in the procurement overview section of this report.

SPARES AND REPAIR PARTS

The conferees agree to provide $238,998,000 instead of $236,655,000 as proposed by the House and $218,556,000 as proposed by the Senate.

NATIONAL GUARD AND RESERVE EQUIPMENT

Amendment No. 76: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$973,720,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
National Guard and Reserve Equipment, Defense:				
Army Reserve:				
Miscellaneous equipment		116,800	92,661	25,000
Truck modernization		100,000		60,000
Family of heavy tactical vehicles			3,900	3,900
Navy Reserve:				
HH-60 helicopter upgrade		8,400		
C-20 aircraft		24,800		24,800
SH-3H/SH-2G ASW mission data recorders		4,500		
AN/SQQ/58 sonobuoys			1,000	1,000
Installation of modifications			28,300	25,470
Marine Corps Reserve:				
AH-1W Cobra aircraft		58,600		58,600
Air Force Reserve:				
Miscellaneous equipment		35,000		
C-130 aircraft		44,500	44,500	
MH-60G HELO		151,000	151,000	
Installation of modifications			10,000	9,000
Army National Guard:				
Miscellaneous equipment		80,000	75,000	30,000
Small unit support vehicle (SUSV)			29,200	29,200
M113 armored personnel carrier		91,000	91,000	101,000
Fire support team vehicles		39,000		
M-1A1 Abrams tank (MYP)			124,500	
M113 A-2 to A-3 upgrade		10,000		
C-23 Aircraft		28,000	42,000	42,000
Multiple launch rocket system		104,000		
Truck modernization		141,800		60,000
Family of heavy tactical vehicles			20,100	20,100
Truck, tractor, M915A1			7,600	7,600
CH-47D helicopter		52,000		
UH-60B			25,000	25,000
Air National Guard:				
Miscellaneous equipment		25,000		
C-130 aircraft		44,500	218,000	
KC-130 aircraft			75,000	75,000
C-26 aircraft		36,000		36,000
Classified program		25,000		25,000
Installation of modifications			59,500	53,550
HC-130H aircraft			43,000	

TACTICAL TRUCKS

The conference agreement includes $60,000,000 for the Army National Guard and $60,000,000 for the Army Reserve for procurement of tactical trucks. The conferees agree that the funds may be used for the procurement of any tactical—as opposed to commercial—trucks which contribute to the modernization of the guard/reserve tactical wheeled vehicle fleet.

P-3B MODERNIZATION

In fiscal year 1989, Congress appropriated $55,000,000 to initiate an ASW modernization program for Navy Reserve P-3B aircraft. To date a very small portion of these funds has been obligated to achieve this purpose.

The conferees believe that of the $55,000,000 fiscal year 1989 funds, $12,500,000 should be available for procurement of color weather radar and improved ESM for P-3Bs. The conferees direct standardization with existing ESM equipment currently in production and deployed on active and reserve P-3s through a nondevelopmental item (NDI) procurement. Savings in logistics and support costs, and timely availability of fully capable equipment support this approach. ESM capability should include at least radar warning and Harpoon targeting to ensure commonality with the existing fleet.

The conferees further direct that no more than 50 percent of the fiscal year 1989 funds may be obligated until the Navy provides to the Committees on Appropriations a copy of the "Quick Look" report. This report shall be submitted within 15 days after completion of the Technical Evaluation on the IPADS system at the earliest opportunity, but no later than August 31, 1990. If IPADS proves out, the conferees urge the Navy to reconsider procurement of IPADS for the P-3B modernization program. The conferees establish this item as a matter of special interest.

ASW ON-BOARD TRAINER

The House and Senate provided $4,500,000 for ASW On-Board Trainers. The conferees agree with House report language that to facilitate continued ASW On-Board training, the funds should be used to procure additional AN/SQQ-T1, ASW on-board trainers for the Navy Reserve FF-1052 class ships. The conferees further agree that this item is of special interest and direct the Navy to provide notification prior to any intended reduction for any purposes.

ASW MISSION DATA RECORDERS

In fiscal year 1988 Congress, as a result of extensive input from field activities, initiated the Anti-Submarine Warfare Helicopter mission recorder program and provided $4,500,000 to address the urgent need for reconstructing the ASW helicopter mission which has been long recognized by operational squadrons and by Navy personnel charged with evaluating training and readiness. Additionally, in fiscal year 1988 Congress also directed that a lightweight ASW mission recorder capable of recording raw acoustics be an integral part of the congressionally initiated and funded SH-2G upgrade program. In fiscal year 1989 Congress provided an additional $4,500,000 to continue the mission recorder program and reiterated its desire to include a mission recorder in the SH-2G upgrade program.

Recently the Navy has advised the conferees that instead of immediately acquiring an off-shelf ASW mission recorder which was competitively developed and procured, it intends to begin a six year development and procurement of a new ASW mission recorder which would provide the Naval Reserve with its first product in 1993.

The current Navy plan does not comply with the explicit congressional direction and has unnecessarily delayed the introduction of the ASW mission recorder capability to the Reserves. To facilitate Congress' objectives and provide logistic commonality, the Navy is directed to proceed immediately with the acquisition of a modified SH-60F ASW mission data recorder which was developed and procured competitively.

GUARD AND RESERVE

Funding for MH-60G and C-130 aircraft for the Air National Guard and Air Force

Reserve has been included in the Aircraft Procurement, Air Force account.

F-16 ENGINE IMPROVEMENT

The conference agreement includes $55,000,000 to begin a program to upgrade F-16 engines to the F100-PW-220E configuration for the Air Force Reserve.

M113 FAMILY OF VEHICLES

The conference agreement of $101,000,000 for the M113 family of vehicles mirrors the agreement in the authorization conference. The Army is directed to submit to the Committees the allocation of this amount to the various members of the M113 family. The conferees direct that a portion of this sum be used to procure each of the three items specified in the authorization conference.

SMALL UNIT SUPPORT VEHICLES (SUSV)

The Senate bill included funding to procure all remaining requirements for the Small Unit Support Vehicles (SUSV) for the Active and Reserve forces.

The conferees support the Senate position and provide an additional $29,200,000 to procure 194 SUSV's over the President's budget request. The conferees provide this additional appropriation with the understanding that this funding will fulfill the total Army requirements for SUSV's and that no additional requests for SUSV's will be submitted by the Department of Defense.

C-26

The conferees have provided $36,000,000 for 9 C-26 type aircraft with the understanding that the National Guard Bureau intends to compete the purchase of the aircraft.

Amendment No. 77: Deletes House language making a portion of the appropriation available for obligation and expenditure only upon enactment of authorizing legislation.

PROCUREMENT, DEFENSE AGENCIES

Amendment No. 78: Provides authority to purchase 514 passenger motor vehicles instead of 250 as proposed by the House and 633 as proposed by the Senate.

Amendment No. 79: Provides authority for 458 replacement vehicles instead of 194 as proposed by the House and 586 as proposed by the Senate.

Amendment No. 80: Appropriates $1,300,720,000 instead of $1,318,173,000 as proposed by the House and $1,272,700,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Procurement, Defense Agencies:				
Major equipment, OSD/WHS	69,312	74,312	69,312	74,312
ADP equipment	40,500	20,500	40,500	20,500
Items less than $2 million, DSPO	394,087	394,087	315,087	360,487
Vehicles, general reduction		-3,000		
Industrial/depot maintenance equipment			29,900	29,900
Classified programs	548,614	562,987	548,614	546,234

VEHICLES

The conferees agree to restore $3,000,000 for procurement of passenger motor vehicles. Future justification books provided to Congress should contain a breakout of the quantity and dollars requested for vehicles by Defense Agency and justify their requirement.

DEFENSE PRODUCTION ACT PURCHASES

(INCLUDING TRANSFER OF FUNDS)

Amendment No. 81: Appropriates $50,000,000 as proposed by the House instead of $10,500,000 as proposed by the Senate.

The conferees agree to the following amounts for Defense Production Act Purchases:

[In thousands of dollars]

	Budget	House	Senate	Conference
Discontinuous silicon-carbide reinforced aluminum		13,000		13,000
Rhenium metal	4,500	4,500	4,500	4,500
Silicon-on-insulator	6,000	6,000	6,000	6,000
Ceramic bearings		14,500		14,500
Oxide dispersion strengthened steel		12,000		12,000
Total	10,500	50,000	10,500	50,000

Amendment No. 82: Restores House language which makes the appropriations available until expended instead of available until September 30, 1992 as proposed by the Senate. This will allow the eventual use of deobligated funds to continue subsequent phases of previously approved programs.

Amendment No. 83: Restores House language which restricts the obligation of funds for any metal, mineral, or material, unless funds have been obligated since October 1, 1984, for purchases for qualification of that metal, mineral, or material. This means that the funds appropriated can only be used for programs approved in this report or for future phases of any program for which funds had already been appropriated and obligated. The conferees are adamant that these funds are not to start any new projects. Sufficient funds should be requested in each fiscal year to start phase I of any new project.

Amendment No. 84: Deletes language proposed by the House which prohibited the obligation and expenditure of funds until authorized by law.

Amendment No. 85: Delegates a technical change as proposed by the Senate.

SPACE AND RELATED ACTIVITIES

AUGMENTATION, DEFENSE

Amendment No. 86: Delegates House language proposing the appropriation of $555,000,000 for construction, procurement, and modification of missiles, spacecraft, specialized ground facilities, and associated equipment and services.

TITLE IV—RESEARCH, DEVELOPMENT, TEST AND EVALUATION

ROBOTICS

The conferees agree with the Senate that Department of Defense (DOD) robotics activities continue to be proliferated and uncoordinated and lack definite operational requirements from those organizations which would employ such capabilities in combat. The conferees also agree that consolidation of DOD-related robotics funding into one program under the control of the Office of the Secretary of Defense (OSD) is required to increase the focus on the Services' robotics activities and to eliminate wasteful duplication. This consolidation, however, should not include technology base efforts applicable across the spectrum of robotics, which includes unmanned ground vehicles, explosive ordnance disposal, and logistics and manufacturing technology.

The Senate reduced the budget requests of the Services and Defense Advanced Research Projects Agency (DARPA) by $41,695,000 associated with robotics activities, and recommended $21,805,000 for the new joint program. The House approved the entire budget as requested.

The conferees agree to provide $21,599,000 in the RDT&E, Defense Agencies account for the new joint program, of which $6,000,000 is available only for test and evaluation, and engineering support, for the joint unmanned ground vehicle project. The conferees agree to restore $16,660,000 in the Services and DARPA: $13,160,000 for technology base efforts, $3,500,000 for the Advanced Howitzer Integration Technology (AHIT) project in the Army Weapons and Munitions Technology program, and $2,800,000 of the undistributed reduction for robotics made against the Army for several projects. The conferees agree that the Navy is to eliminate two, instead of six, robotics-related projects and report to the Congress as the Senate proposed. The conferees further agree to the Senate's request for an updated robotics master plan.

EXCIMER LASER PROGRAMS

The conferees acknowledge that critical technology issues necessary to support the Milestone I decision for an ASAT directed energy weapons system remain to be resolved. The Secretary of Defense is urged to review these requirements and, if justified, to consider a prior approval reprogramming request to continue the technologies associated with the Single Pulse Excimer Laser and the Excimer Mid-Range Laser Device (EMRLD) programs.

SPACE-BASED WIDE AREA SURVEILLANCE

The conferees deny all funds requested for fiscal year 1990 for SBWAS program activities with the limited exception of funds provided for efforts explained in the classified annex to this report. The conferees agree with the concerns expressed by both the House and Senate and with the restrictions both Houses have directed with respect to the use of current and prior year funds for this program.

STANDOFF WEAPONS

The conferees agree that the Defense Department's Standoff Weapons Master Plan continues to be a valuable tool. It would be helpful to the Appropriations Committees if the Plan was annually provided shortly after the President's budget is submitted, in order to maximize its use for hearings before the Committees.

MACHINE TOOL INITIATIVES

The House recedes from its direction that $5,000,000 in MANTECH funding be allocated for machine tool initiatives, to be derived in equal shares from all four MANTECH accounts, since such funding is appropriately provided in the Air Force RDT&E appropriation.

TACTICAL WARNING/ATTACK ASSESSMENT PROGRAMS

The conferees agree to modify the Senate's proposed obligational restriction on the Defense Support Program and the Boost Surveillance and Tracking System to not more than 70 percent instead of not more than 50 percent.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

Amendment No. 87: Appropriates $5,434,378,000 for Research, Development, Test and Evaluation, Army instead of

$5,568,700,000 as proposed by the House and $5,382,737,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Research Development Test & Eval Army:				
Defense research sciences	175,885	175,885	173,595	175,885
University research sciences	21,859	21,859		
Materials technology	13,391	13,391	11,435	11,435
Survivability enhancement	5,949	5,949	5,949	15,949
Missile technology	31,008	46,008	25,292	31,008
Combat vehicle and automotive technology	37,219	37,219	33,007	34,807
Ballistics technology	30,334	30,334	28,220	28,220
Weapons and munitions technology	39,104	39,104	34,104	37,604
Human factors engineering technology	15,000	15,000	8,400	8,400
Environmental quality technology	11,904	11,904	9,841	11,904
Non-system training device technology	4,408	4,408	3,535	3,535
Computer and software technology	5,528	3,528	5,528	3,528
Logistics technology	37,343	37,343	36,343	36,343
Undistributed (auth level)		49,000		
Weapons and munitions advanced technology	48,774	67,774	52,701	77,774
Combat vehicle and automotive advanced technology	158,047	75,047	151,047	121,047
Tractor hole	9,193		9,193	11,593
Acquired immune deficiency syndrome (AIDS) research		34,000		34,000
Missile and rocket advanced technology	10,678	25,678	10,678	10,678
Army development and employment agency	3,947	3,947		3,947
Army battlefield technology integration	2,600	2,600		
IR focal plane		25,000		
Battery technology		1,000		1,000
Classified programs	78,699	63,699	53,699	58,699
Joint tactical missile defense program	36,096	86,096	36,096	46,096
Surface-to-surface missile rocket system	47,175		28,897	28,897
Anti-satellite system (ASAT)	94,572	60,000	85,572	75,000
Landmine warfare and barrier—adv dev	3,747	3,747	747	747
Forward Area Air Defense (FAAD) system	40,210	40,210	58,210	56,210
Weapons and munitions—adv dev	46,086	17,860	23,856	17,860
Logistics and engineer equipment—adv dev	18,713	18,713	16,713	16,713
Combat service support computer system evaluation and	2,263	563	2,263	2,263
Aircraft propulsion system	51,703	51,703	38,803	51,703
Light armed scout helicopter (LHX)	240,728	526,728	233,728	226,728
Army tactical missile system (Army TACMS)	44,661	41,661	44,661	41,661
Advanced anti-tank weapon system—eng dev	158,694	158,694	137,594	140,000
Air Defense Command, control and intelligence—eng de	62,891	49,891	62,891	49,891
Aviation—eng dev	8,393	15,893	8,393	15,893
Weapons and munitions—eng dev	16,364	26,364	16,364	22,864
Fiber optic guided missile—eng dev	139,366	139,366	139,366	129,366
Tractor pull	3,920		3,920	3,920
Seek and destroy armament missile—eng dev	154,972	154,972	154,972	144,972
Tractor trailer	4,927			4,927
Airborne adverse weather weapon system—eng dev	89,046	84,546	89,046	74,546
Army tactical command and control hardware and softwar	25,223	11,223	25,223	25,223
Adv field artillery tactical data system	37,504	37,504	37,504	32,504
Combat vehicle improvement programs	73,216	73,216	67,791	63,216
Aircraft modifications/product improvement programs	81,453	32,000	81,453	67,500
Other missile product improvement programs	80,625	74,625	80,625	80,625
Tractor rig	13,991	5,991	13,991	9,995
Tacit rainbow	57,686		57,686	47,686
Force enhancements—active	58,536	53,536	58,536	53,536
Soldier/marine enhancement program			20,806	18,000
Classified programs	567,311	371,661	567,311	549,911
Classified programs	26,025	19,466	25,525	26,025
Army test ranges and facilities	226,929	219,929	220,929	219,929
Army technical test instrumentation and targets	66,926	66,926	61,967	61,967
Army user test instrumentation and threat simulators	64,805	37,458	60,305	48,000
Support of operational testing	70,869	70,869	64,869	64,869
Programwide activities	89,434	89,434	86,434	86,434
Technical information activities	7,608	7,608	5,944	5,944
RDT&E support for nondevelopmental items	7,534	7,534	7,459	7,534
Industrial preparedness	34,454	34,454	12,701	25,000
Classified programs	55,997	50,997	55,997	50,997
R&D facilities construct transfer to Milcon			−10,296	
R&D support/civilian work year growth			−82,337	−10,000
Reduction for robotics			−9,930	−5,715

COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY

The conferees agree to provide $34,807,000, of which $1,760,000 is only for research on the Stiller-Smith reciprocating engine to explore its use for future combat vehicles.

LOGISTICS TECHNOLOGY

The conferees agree to provide $36,343,000, of which $100,000 is only for continuing the research program at the United States Army Research, Development and Engineering Center in Natick, Massachusetts on the development of biodegradable materials for use in packaging rations for armed forces personnel.

WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY

The conferees agree to provide $77,774,000, which includes a reduction of $1,000,000 for the AFAS advanced technology test bed, an addition of $10,000,000 for electromagnetic/electrothermal gun technology research on a competitive basis, and an addition of $20,000,000 for a classified project explained in the classified annex to this report. The conferees expect that meeting the requirements for a new artillery system will have one of the highest priorities under the Heavy Force Modernization initiative, once approved by the Secretary of Defense. Continued exploratory development of advanced technologies related to fire support are essential to counter Soviet artillery capabilities. The conferees support the Army's development of a future field artillery system. As part of these efforts, the Secretary of the Army should emphasize advanced artillery gun propulsion technologies such as liquid propellant, unicharge, and electrothermal. The conferees also agree to the Senate requirement for a report on the establishment of a FFRDC for electromagnetic/electrothermal gun research, to be submitted by the Secretary of Defense.

COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY

The conferees agree to provide $121,047,000, which includes reductions of $30,000,000 for the common chassis advanced technology test bed and $7,000,000 for the combat mobility vehicle advanced technology test bed. While the conferees agree to allow the Heavy Force Modernization initiative to proceed at this time on a more limited basis than originally proposed, it is evident that stronger oversight from the Office of the Secretary of Defense is still required. The conferees expect that this will occur as part of the Defense Acquisition Board review process and request that the Defense Department promptly inform the Appropriations Committees as key decisions are made. The conferees also request that reports provided to the Armed Services Committees as required by the DOD Authorization Act for fiscal year 1990 on Heavy Force Modernization be provided to the Appropriations Committees as well.

JOINT TACTICAL MISSILE DEFENSE PROGRAM

The conferees agree to provide $46,096,000, an addition of $10,000,000 to the budget request. The conferees direct that these additional funds only be used for activities which are part of an overall plan approved by the Office of the Secretary of Defense to modernize Army theater missile defense and air defense capabilities.

MID-INFRARED ADVANCED CHEMICAL LASER (MIRACL)

The Secretary of Defense has delivered a letter to the Congress dated October 23, 1989 stating that while remaining a research and development asset, the modified MIRACL system may provide a modest ASAT capability in the near term. Given that the upgrade will not be completed until fiscal year 1991 at the earliest, the MIRACL system will not be capable of conducting any testing against objects in space until that fiscal year. It is, therefore, the conferees' understanding that there will be no test of the MIRACL system against an object in space during fiscal year 1990. The conferees also note that the MIRACL continues to be a Congressional interest item. Accordingly, the conferees ask the Secretary of Defense to respect the desire of the Congress to continue to address the policy implications during the fiscal year 1991 budget process associated with testing of the MIRACL against an object in space and urge the Secretary not to take action inconsistent with this expressed interest during calendar year 1990.

LHX

The conferees do not agree to the House recommendation to require competitive prototyping of the LHX. The conferees remain concerned about the serious issues raised by the General Accounting Office in its report of December, 1988 on LHX. The conferees expect that the Defense Acquisition Board, as its oversight of this important program continues, will resolve these issues and ensure that the LHX acquisition minimizes the risks disclosed by the GAO.

ADVANCED ANTI-TANK WEAPON SYSTEM—MEDIUM (AAWS-M)

The conferees agree to provide $140,000,000, of which $2,500,000 is only for development and incorporation of an interlock device as discussed in the fiscal year 1989 DOD Appropriations conference report. In addition, the conferees commend the Army for its excellent management of

the AAWS-M program which, for the first time in the history of land warfare, promises to give the individual foot soldier the means to defeat any tank from any aspect. The conferees regard the fire-and-forget AAWS-M as the only satisfactory man-portable means of meeting either the present or the future tank threat. It is the intention of the conferees, assuming unforeseen technical or cost problems do not arise, that this weapon proceed on an accelerated basis to deployment at the earliest possible time. The conferees find that the schedule proposed by the Army is consistent with this objective, and should not be distorted. Specifically, the conferees regard any attempt to require operational testing (force on force/survivability testing) before completion of adequate development testing to be unrealistic and counterproductive. Since the Department of Defense did not originally schedule operational testing at this point in the program, the only missile components available for such testing are damaged and deteriorated scraps recovered from the completed Proof of Principle tests. The conferees believe that the conduct of operational testing prior to completion of adequate developmental testing could require the diversion of critical contractor and Government assets away from the AAWS-M development. The conferees believe that operational testing is essential, but that it should be performed only after adequate developmental testing. Therefore the conferees direct that no funds may be obligated or expended for operational testing of the AAWS-M until the Assistant Secretary of the Army for Research, Development, and Acquisition certifies to the Congress that all required developmental testing has been completed. Further, the conferees direct that no funds may be obligated or expended without prior congressional notification for development of AAWS-M missiles not incorporating true fire-and-forget capability.

WEAPONS AND MUNITIONS ENGINEERING DEVELOPMENT

The conferees agree to provide $22,864,000, an increase of $5,500,000 for the Multipurpose Individual Munition and $1,000,000 to complete design, review, type classification, and first article test of the XM-840 60 millimeter mortar short-range training round. The conferees expect these funds will be used only for evaluation and test of the existing XM-840 candidate, and direct the Army to report any changes in its acquisition strategy to the Committees on Appropriations.

COMBAT VEHICLE IMPROVEMENT PROGRAMS

The conferees agree to provide $63,216,000, a reduction of $10,000,000 to the M1 block II upgrade due to fiscal constraints.

AIRCRAFT MODIFICATIONS/PRODUCT IMPROVEMENT PROGRAMS

The conferees agree to provide $67,500,000, which includes a reduction of $15,453,000 due to savings in fiscal year 1989 from the cancelled UH-60 multi-stage improvement program and an increase of $1,500,000 for a classified project as discussed in the classified annex to this report. The conferees do not agree to the House language on UH-60 composite rotor blades.

OTHER MISSILE PRODUCT IMPROVEMENT PROGRAMS

The conferees agree to provide $80,625,000, of which $2,000,000 is only for development of a second source for the TOW-2B fuzing sensor as authorized in the fiscal year 1990 DOD Authorization Act.

ELECTRONIC WARFARE

The amounts budgeted and appropriated for Army electronic warfare programs are classified. The conferees agree to provide an additional $10,000,000 for TACJAM and a reduction of $8,100,000 for CAMEO BLUE-JAY as explained in the classified annex to this report.

INDUSTRIAL PREPAREDNESS

The conferees agree to provide $25,000,000. Of this amount, $1,000,000 is only for development of a machine-tool to automate the welded banding of projectiles; $1,000,000 is only to investigate the manufacture of tracked vehicle treads (shoes); $1,000,000 is only to test a ductile cast 155 millimeter cargo round (M-864); $850,000 is only to operate a center of excellence in welding technology; and $2,000,000 is only for establishing an effort to enhance U.S. manufacturing base capabilities to produce precision optics for sights and visual equipment, as part of the Weapons and Tracked Combat Vehicles project funded in this program.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

Amendment No. 88: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$9,773,174,000: Provided, That of funds appropriated in Research, Development, Test and Evaluation, Navy for fiscal year 1989, $22,000,000 shall be transferred to Research, Development, Test and Evaluation, Defense Agencies for fiscal year 1990 for the Tactical Airborne Laser Communications program, to be merged with, and to be available for, the same purposes and the same time period as the appropriation to which transferred*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 89: Restores language proposed by the House and stricken by the Senate which provides $3,000,000 as a grant for the National Center for Physical Acoustics.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Research Development Test & Eval Navy:				
University research initiatives	24,275	24,275		
Anti-air warfare/anti-surface warfare technology	58,176	58,176	57,333	57,333
Surface ship technology	14,717	14,717	13,753	13,753
Systems support technology	63,593	63,593	63,008	63,008
ASW technology	95,686	129,486	95,686	129,486
Mine and special warfare technology	16,556	16,556	15,923	15,923
Submarine technology	15,334	26,334	15,025	15,025
Independent exploratory development	16,407	16,407	2,554	12,000
Undistributed (auth. level)		48,000		
Advanced aircraft subsystems	9,286	5,902	9,286	5,902
Electromagnetic radiation source elimination technology	5,104	5,014		1,000
Ship propulsion system	14,123	3,241		
Electric drive	11,998	8,998	36,064	32,064
Generic logistics R&D technology demonstrations	20,975	5,694	20,975	17,675
Simulation and training devices	4,587	4,587		1,000
Navy logistic productivity	1,445	1,445		
Advanced anti-submarine warfare technology	4,603	38,303	4,603	38,303
Advanced technology transition	60,559	90,559	63,770	65,359
Countermine laser		8,500		8,500
Plume characterization		4,500		4,500
Tactical space operations	5,698	5,698	3,742	3,742
Satellite laser communications	2,001	28,001		
Trident II	216,054	205,254	286,054	205,254
Fleet ballistic missile system	47,558	43,360	37,158	37,158
Trident	39,389	33,483	38,389	33,483
Aviation life support systems—adv dev	8,777	12,515	8,777	12,515
Advanced tactical support (ATS)	999	999		
Skipper enhancements		20,000		12,500
Navy advanced tactical fighter	64,735		64,735	64,735
NATO AAW systems	20,842		17,000	17,000
Advanced air-to-air missile (AAAM)	72,651	120,000	72,651	72,651
Surface mine countermeasures	14,306	14,306	2,358	12,000
Surface ship torpedo defense	51,515	39,743	51,515	51,515
Shipboard aviation systems	7,836	7,836		7,836
Shipboard system component development	12,066	10,921		
Submarine arctic warfare support equipment program	2,902	2,702	2,902	2,702
Non-acoustic anti-submarine warfare (ASW)	15,994	8,000	15,994	
Advanced ASW target	25,307	35,307	26,807	30,807
Retract juniper	54,721	53,424	54,721	53,424
Link saki	8,700		8,700	
Surface ASW	53,885	52,855	53,855	42,855
Advanced submarine system development	37,203	37,203	17,203	27,203
Advanced nuclear power systems	80,176	73,561	73,561	59,561
Joint advanced systems	191,160		191,160	191,160
Mine development	4,345	21,772	4,345	14,345
Conventional munitions	54,405	54,405	45,689	45,689
Chalk coral	19,450	9,450	19,450	9,450
Retract Elm	77,999	67,999	77,999	77,999
Anti-submarine warfare environmental acoustic support	16,816	31,816	16,816	31,816
Lamps	7,274	3,174	7,274	6,174
Helicopter development	69,295	18,295	69,295	18,295
AV-8B aircraft—eng dev	28,110	38,110	28,110	28,110
Support equipment	63,071	55,892	63,071	55,892
Airborne ASW developments	8,105		8,105	8,105
P-3 modernization program	357,147	345,134	357,147	345,134
Acoustic search sensors	49,833	10,533	49,833	34,433
V-22A		351,000	255,000	255,000
Aircraft engine component improvement program	37,982	37,982	36,959	36,959
EW development	140,272	135,082	140,272	124,082
MK 92 fire control system upgrade	3,000		3,000	500
AEGIS area air defense	12,221	9,154	12,221	9,154
AEGIS combat system engineering	54,975	24,275	54,975	54,975
Air-to-air missile systems engineering	32,151	24,012	32,151	28,081
Standard missile improvements	66,274	66,274	66,274	56,274
Submarine sonar development	27,179	7,179	27,179	27,179
Navy standard signal processors	28,215	24,428	28,215	28,215
Combat information center conversion	24,354	24,354	24,354	19,354
Submarine combat system	361,138	347,138	361,138	361,138
SSN-21 developments	191,669	187,669	191,669	187,669
Submarine tactical warfare system	77,341	72,341	77,341	59,841
Bomb fuze improvement	19,000	19,000		14,000
MK 50 torpedo	63,638	46,838	63,638	55,238
Surface ASW system improvement	69,142	99,142	69,142	99,142
Marine Corps command/control/communications systems	26,074	28,074	26,074	28,074
Joint standoff weapon systems	13,113		13,113	9,000
Soldier/Marine enhancement program (MC)				12,000
Fixed distributed systems—eng	160,157	160,157	160,157	145,157
F/A-18 squadrons	50,644	50,644		37,000
Surface combatant ordnance and missiles	42,252	42,252	42,252	32,252
Undersea surveillance systems	40,869	34,569	40,869	40,858
Tactical information system	96,553	96,553	91,653	91,653
F-14 upgrade	169,351	107,300	169,351	121,351
Operational reactor development	53,562	53,562	53,562	45,562
Marine Corps ground combat/supporting arms systems	52,684	51,389	42,951	52,684
Tacit rainbow				4,000
Force enhancements—active	48,669	48,669	35,969	35,969
Torpedo detection processor		15,000		9,000
Classified programs	1,555,688	1,545,688	1,555,688	1,550,688
Warfare support system	33,994	21,228	33,994	28,594
Tactical command system	47,475	41,305	47,475	41,305
Classified programs	686,247	736,247	710,047	720,047
Environmental protection	10,687	10,687	9,187	10,687

[In thousands of dollars]

	Budget	House	Senate	Conference
Electronic warfare simulator development	38,276	38,276	38,276	30,276
Target systems development	92,208	43,908	62,522	53,215
Cost research	996	996		
Studies and analysis support—MC	2,497	2,497	1,973	1,973
Center for Naval analyses	28,678	28,678	27,558	28,678
International RDT&E	7,546	7,546	3,248	3,248
RDT&E laboratory and facilities management support	56,153	49,153	54,012	54,012
RDT&E instrumentation and materiel support	30,630	27,630	29,630	27,630
RDT&E ship and aircraft support	98,251	98,251	93,251	93,251
Test and evaluation support	346,913	341,913	317,299	331,000
Defense meteorological satellite program (DMSP)	4,264	4,264	2,340	2,340
Industrial preparedness	4,499	50,499	40,499	50,499
Fast sealift technology development			15,000	15,000
R&D facilities construct transfer to Milcon			−23,753	
Reduction for robotics			−3,110	−1,620

ELECTRIC DRIVE

The conferees agree that in addition to the funds provided for Electric Drive, the Navy is to transfer $4,000,000 in unobligated funds under the AN/WLQ( ) program to this program.

GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS

The conferees direct that the Rapid Acquisition of Manufactured Parts (RAMP) project within this program element is to be allocated funding at the budget request level.

ADVANCED TECHNOLOGY TRANSITION

The conferees agree to provide $65,359,000. Changes to the budget request are as follows: pourable wound dressing (+$1,600,000): R/V Amy Chouest (+$5,000,000); and unjustified real growth (−$1,800,000). In the spirit of minimizing the number of Congressionally-mandated reports, the House recedes from its obligational restriction and direction concerning submission of a mission utility analysis and program plan for Unmanned Undersea Vehicles.

TRIDENT

The conferees agree that the CVLF Receiver project is to be funded at the budget request level within the overall total provided.

T-45 TRAINING SYSTEM

The conferees agree with House direction concerning the T-45 program, except that the Navy is allowed to obligate funds above the $511,900,000 contract ceiling for exchange rate fluctuations and economic price adjustments as called for in current EPA contract clauses. No other exceptions are allowed.

ADVANCED TACTICAL SUPPORT

The conferees agree to provide no funds for Advanced Tactical Support. The conferees encourage the Navy to commission a study on this issue by an impartial third party such as the Center for Naval Analysis, to be used in consideration for Congressional review of the fiscal year 1991 budget request.

SKIPPER ENHANCEMENTS

The conferees agree to provide $12,500,000, of which $2,500,000 is only for continued development of the Laser Guided Training Round and $10,000,000 is only for development of the Fiber Optic Guided Skipper (FOG-S). The amount above the authorized level of $10,000,000 is provided for the FOG-S.

ADVANCED AIR TO AIR MISSILE

The conferees agree to modify House directions on this program as follows: No more than 66 percent of the funds provided for this program may be obligated until the Secretary of the Navy submits to the House and Senate Committees on Appropriations a plan (which includes an adequate budget to implement that plan) for continued production of the Phoenix missile, acceleration of Advanced Air To Air Missile development, or a combination of the two which significantly narrows the production line gap as reflected in the fiscal year 1990 budget submission.

SHIPBOARD AVIATION SYSTEMS

The conferees agree to provide $7,836,000, of which $2,000,000 is provided only for the SMATCALS project. Furthermore, the conferees agree that the remaining funding of $5,836,000 for non-SMATCALS activities shall not be made available for obligation until the Secretary of the Navy certifies to the House and Senate Committees on Appropriations that the Navy has budgeted adequate funding for, and will complete, parallel designs for CVN-76, one incorporating the current steam catapult and the other the electromagnetic catapult (EMALS), now under development. The conferees understand that CVN-76 is the first viable candidate for EMALS, and that the additional design is estimated to cost approximately $1,200,000. The potential benefits of EMALS make this minor investment a wise one. The House conferees agree with the Senate that the Navy's continued intransigence on the EMALS project will no longer be tolerated, and that further footdragging and disrespect for Congressional directions will be dealt with more severely in the future.

ADVANCED ASW TARGET

The conferees agree to provide $30,807,000, of which $5,000,000 is available only for the procurement of additional Fast Deep Prototype Targets and $1,500,000 is only for the EMATT target. The conferees support the need for additional fast-deep operational testing in the near future, as recommended recently by the U.S. General Accounting Office.

MINE DEVELOPMENT

The conferees agree to provide $14,345,000. Of the additional amount provided, $7,000,000 is for the Advanced Sea Mine project and $3,000,000 is for the Captor Improvement Program. The conferees also agree with House direction concerning industrial participation in the Advanced Sea Mine program, with the clarification that "U.S. participants" is defined to be U.S. firms at the prime contract level.

ASW ENVIRONMENTAL ACOUSTIC SUPPORT

The conferees agree that $3,000,000 of the funds provided for this program is only for the Tactical Oceanography program.

LIGHT AIRBORNE MULTIPURPOSE SYSTEM (LAMPS)

The conferees agree to specifically deny any funding for the LAMPS Block II Upgrade during fiscal year 1990, as proposed by the House.

P-3 MODERNIZATION

The conferees agree to provide $345,134,000. The reduction of $12,013,000 is a general reduction to the program which the Navy may allocate as it chooses.

ACOUSTIC SEARCH SENSORS

The conferees agree to provide $34,433,000. The House proposed to terminate development of the Enhanced Low Cost Sonobuoy (ELCS), the Tactical Surveillance Sonobuoy (TSS), and the Horizontal Line Array (HLA). The conferees agree to restore funding for TSS but delete funding for ELCS and HLA due to program restructure since submission of the budget, and budget constraints.

EW DEVELOPMENT

The conferees agree to provide $124,082,000 for EW Development. Changes to the budget request are as follows: Integrated Defensive Avionics Program (−$9,2000,000, which provides no funds) and NULKA Decoy (+$5,000,000); unallocated reduction (−$12,000,000).

SSN-21

The conferees agree with House obligational restrictions concerning SSN-21 development, except that the proposed 50% obligational restriction is raised to 75%.

JOINT STANDOFF WEAPON SYSTEMS

The conferees agree to provide $9,000,000 for the Advanced Interdiction Weapon System (AIWS), which is funded in this program element. Even though the AIWS program is not recommended for termination as proposed by the House, the Senate shares the House's concern that this program may not be affordable in the long run, since little is known at this time about costs for the planned P³I version of this missile. The conferees are also advised that the Air Force's HAVE SLICK project has many of the same technology goals as AIWS, and hence there is strong potential for a joint program. Although joint requirements have been recognized in previous Standoff Weapons Master Plans, there is currently no specific roadmap for accomplishing such a joint program. To achieve that end, the conferees direct that no funds may be obligated during fiscal year 1990 for AIWS until the Secretary of Defense submits to the House and Senate Committees on Appropriations a program plan which describes how AIWS, HAVE SLICK, and MSOW requirements will be merged into a single joint program, as well as a detailed P³I plan for AIWS. This plan is to include cost, schedule, and technical data and a five-year funding profile, as well as an estimate of parts commonality between AIWS and AIWS P³I and the approved requirement which justifies the need for two separate versions of this weapon system.

UNDERSEA SURVEILLANCE SYSTEMS

The conferees agree to provide $40,858,000. Funding changes to the budget request are as follows: Acceleration of second source development for the Reduced Diameter Array (+$3,500,000); and deferral of funding for FDS-1 secure data relay (−$3,400,000).

F-14 UPGRADE

The conferees agree to provide $121,351,000, and direct that the entire reduction of $48,000,000 be allocated against the Pre-Deployment Update project.

WARFARE SUPPORT SYSTEM

The conferees agree to provide $28,594,000. Funding changes to the budget request are as follows: Electronic-Warfare Coordination Module (−$2,900,000) and ROTHR (−$2,500,000).

TARGET SYSTEMS DEVELOPMENT

The conferees agree to provide $53,215,000, of which $27,300,000 is available only for continuation of the Supersonic Low Altitude Target (SLAT) program.

PROCUREMENT AND MANAGEMENT OF LABORATORY EQUIPMENT

The conferees agree with the proposal of the House to reduce Navy funding by $10,000,000 in order to call to account the Navy's excess procurement and weak management of laboratory equipment. The Navy, while declining to provide more appropriate sources for the reductions, has protested the House's allocation of those reductions to certain program elements, claiming that such allocation would result in personnel layoffs. Therefore, the conferees have made reductions totalling $10,000,000, and direct the Navy to use below threshold reprogramming procedures, if necessary, to adjust those reductions. The Navy is to report to the House and Senate Committees on Appropriations in those reallocations, as well as an implementation plan on addressing the concerns in this area. The Navy is expected to allocate such reductions in a manner which will not result in personnel layoffs.

INTERNATIONAL RDT&E

The conferees agree that reductions may be allocated against the NATO ASW Research Center.

RDT&E INSTRUMENTATION AND MATERIEL SUPPORT

The conferees agree that within the amount provided, the Large Cavitation Channel is to be allocated funding at the budget request level.

TEST AND EVALUATION SUPPORT

The conferees agree that no installation should be allocated a reduction which is disproportionately greater than the overall reduction in this program element, and that the Navy is not to implement any of these reductions until thirty days following receipt by the House and Senate Committees on Appropriations of a report on the proposed allocation of reductions. In addition, the conferees do not agree that funds in this program should be used for the SLAT target program.

INDUSTRIAL PREPAREDNESS

The conferees agree to provide $50,499,000. Within the amount provided, the Department is directed to adhere to the specific project allocations and guidance cited in the House and Senate reports except for the Flexible Manufacturing project, which has instead been funded in the Air Force RDT&E appropriation.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

Amendment No. 90: Deletes a center heading.

Amendment No. 91: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$13,635,570,000: Provided, That the Secretary of the Air Force shall obligate $100,000,000 of amounts appropriated for research, development, test and evaluation for the Air Force for fiscal year 1989 that remain available for obligation to carry out research, development, test, and evaluation in connection with the Small ICBM program: Provided further, That the Secretary of the Air Force shall obligate $50,000,000 of amounts appropriated for research, development, test, and evaluation for the Air Force for fiscal year 1989 from the B-1B program that remain available for obligation only to carry out research, development, test, and evaluation to provide cruise missile capability on the B-1B aircraft: Provided further, That the $13,635,570,000 provided under this heading is*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Research Development Test & Eval AF:				
University research initiatives	24,882	24,882		
Geophysics	36,025	36,025	36,025	37,825
Human systems technology	50,181	50,181	49,791	50,181
Aerospace propulsion	64,921	67,921	64,921	67,921
Aerospace avionics	68,457	68,457	66,417	66,417
Undistributed (Auth. level)		53,000		
Advanced materials for weapon systems	12,116	12,116	9,116	9,116
Aerospace propulsion subsystems integration	23,152	23,152	21,658	21,658
Advanced avionics for aerospace vehicles	26,994	26,994	25,778	25,778
Aerospace propulsion and power technology	34,923	34,923	33,530	33,530
National aerospace plane technology program	100,000	285,000		194,000
EW technology	36,342	32,300	36,342	32,200
Hypervelocity missile	8,306	4,000		2,000
Advanced spacecraft technology	8,998	8,998	8,748	18,748
Advance strategic missile systems	99,352	85,352	87,352	70,352
B-1B			50,000	
ICBM modernization	889,010	614,766	889,010	889,010
Small ICBM	(100,000)		(100,000)	(100,000)
Rail Mobile MX	(774,244)	(600,000)	(774,244)	(774,244)
Minuteman squadrons	94,010		64,000	60,000
NCMC—TW/AA systems	120,620	102,120	113,620	113,620
Ballistic missile early warning system (BMEWS)	19,314	19,314	16,314	16,314
Defense support program	123,704	176,904	73,504	91,700
Submarine-launched ballistic missile (SLBM) radar warn	4,599	4,599	3,599	3,599
Classified programs	1,071,777	723,209	1,071,777	839,209
Laser verification		2,000		
Advanced tactical fighter	1,111,492		1,111,492	911,492
Engine model derivative program (EMDP)	994		994	450
C-17 program	915,227	915,227	866,227	885,227
Short range attack missile—Tactical (SRAM-T)	55,402	55,000	55,402	55,000
Aircraft engine component improvement program	108,494	90,000	36,572	75,900
EM development	130,356	64,856	67,256	70,256
Advanced short range air-to-air missile (ASRAAM)	4,987	3,000		
Wide-area, anti-armor munitions	25,125		25,125	25,125
Combat identification systems	109,989	100,000	109,989	87,000
Joint tactical information distribution system (JTIDS)	41,651	41,651	32,651	32,651
Joint surveillance/target attack radar system (JSTARS)	143,183	143,183	63,083	88,083
F-111 squadrons	32,369	32,369	21,369	32,369
A-10 squadron	20,000		20,000	6,000
F-16 squadrons	74,212	17,412	56,812	25,000
F-15E squadrons	103,496	95,494	90,784	90,784
Advanced medium range air-to-missile (AMRAAM) (PRO	14,929		14,929	14,929
F-111 self protection systems	10,560	10,560	10,560	4,560
TR-1 squadron	110,710	110,710	85,710	110,710
Tacit rainbow	20,997		20,997	20,997
Overseas air weapon control system	3,524		3,524	2,000
Airborne warning and control system (AWACS)	135,132	135,132	19,932	115,132
Advanced communications systems	12,728	12,728	11,228	11,228
A-7 squadrons (ANG)	29,945	19,945	29,945	19,945
Copper helix			2,000	2,000
Classified programs	649,803	475,693	641,803	492,103
Classified programs	2,008	1,920,127	2,106,800	2,098,083
Space test program	66,589	51,589	46,616	49,616
Advanced aerial target development	6,455	3,455	6,455	3,455
Flight simulator development	65,186	60,186	65,186	60,186
Manpower, personnel and training development	4,534	4,534		4,534
R&M Maturation/technology insertion	20,531	20,531	19,166	19,166
Range improvement	96,769	96,769	86,769	86,769
Improved capability for development test & evaluation	52,599	52,599	51,529	51,529
Test and evaluation support	296,352	286,352	294,352	294,352
Advanced systems engineering/planning	14,036	14,036	7,036	7,036
RDT&E aircraft support	58,448	58,448	54,249	54,249
Real property maintenace—RDT&E	94,752	90,000	81,544	81,544
Base operations—RDT&E	65,780	65,780	62,037	62,037
Satellite control facility	102,579	68,579	102,579	85,579
Space boosters	413,248	395,948	416,048	411,648
Consolidated space operations center	29,533	24,533	29,533	27,033
Defense meteorological satellite program (DMSP)	52,641	52,641	47,641	47,641
Space shuttle operations	61,692	61,692	60,192	60,192
Industrial preparedness	70,751	95,751	70,751	85,000
R&D facilities construct transfer to Milcon			−37,000	
R&D support/civilian work year growth			−10,596	−10,596
Reduction for robotics			−1,000	−1,000

GEOPHYSICS

The conferees agree to provide $347,825,000, of which $1,800,000 is only for seismic data research as authorized by the fiscal year 1990 DOD Authorization Act.

HYPERVELOCITY MISSILE

The conferees agree to provide $2,000,000 for the Air Force to restructure its program by integrating the Army missile onto Air Force aircraft as explained in the Senate report.

ADVANCED SPACECRAFT TECHNOLOGY

The conferees agree to provide $18,748,000. Funding changes to the budget request are as follows: Thermionic Space Power (+$10,000,000); Advanced Spacecraft Technology Integration (−$250,000). Within the amount provided, $10,000,000 is available only for the Thermionic Space Power project.

ADVANCED STRATEGIC MISSILE SYSTEMS

The conferees agree to provide $70,352,000. Included is an additional $21,000,000 only for development of a new ICBM boost guidance system and reductions of $22,000,000 for strategic relocatable target attack, $16,000,000 for the cancelled Evader Replica project, and $12,000,000 for the earth (surface) penetrating warhead. The fiscal year 1991 budget request should describe and justify in detail the Air Force's program for improving ICBM guidance technologies, with an estimate of long term savings to be derived from this effort. The conferees are very disappointed in the continued disarray in this program and the ap-

parent double violation of the fiscal year 1989 congressional restrictions on earth (surface) penetrating warhead development. For these reasons, each of the ASMS projects as justified in Descriptive Summary budget justification material to the Congress is designated a Congressional interest item, and increase to which requires prior Congressional approval through the formal reprogramming process. DD Form 1414, Base for Reprogramming, must show the program reductions above as specifically denied by Congress. Proposed funding for any ASMS project with fiscal year 1989 or 1990 funds that was not explicitly disclosed to Congress and justified in the fiscal year 1990 Descriptive Summary requires formal prior approval from the Congress under existing new start reprogramming procedures prior to obligation of funds. The conferees suggest that the Strategic Air Command realign its requirements process to conform to the Air Force, OSD, and Congressional budget process so that individual ASMS projects are disclosed, reviewed, and justified accurately prior to internal DOD budget allocations as the Appropriations Committees will no longer tolerate the Air Force treating ASMS as an unallocated pool of funds. Not more than half of the funds provided for ASMS in fiscal year 1990 may be obligated until the Secretary of Defense submits a long term plan for the ASMS program outlining every major project and the funding required to implement it by fiscal year. The conferees also agree with the observation and requirements of the Senate report.

B-1B

The conferees agree with the Senate recommendation to not allow DOD to postpone testing and integration of cruise missiles to be carried on the B-1B bomber. The original $20.5 billion constant dollar baseline for the B-1B included funds to make the B-1B a cruise missile carrier, and GAO reports that over $1,000,000,000 has been spent for this purpose. While the B-1B today is the world's best penetrating bomber, the Air Force expects its penetration capabilities to degrade in the future. As the Defense budget outyear forecasts decline it will become more difficult to invest additional funds for the B-1B's penetration mission, particularly to enhance the troubled electronic warfare system beyond the core capability, and also buy new B-2 aircraft for the penetrating mission. Economies also exist by doing the B-1B cruise missile testing now while the B-1B and Advanced Cruise Missile testing programs and organizations are still in place. The conferees have therefore provided bill language to earmark $50,000,000 of unobligated fiscal year 1989 B-1B RDT&E funds only to resume and continue integration and testing of B-1B cruise missile carriage capability.

ICBM MODERNIZATION

The conferees have provided funds in the exact manner as authorized in the fiscal year 1990 DOD Authorization Act. The conferees also have provided bill language concerning use of fiscal year 1989 funds for Small ICBM RDT&E.

DEFENSE SUPPORT PROGRAM

The conferees agree to provide $91,700,000. The reductions are to be allocated as follows: offsets from fiscal year 1989 DSP unobligated balances (−$16,700,000); directed tranfers into the fiscal year 1990 DSP program from unobligated balances in the Air Force Modular Standoff Weapon program (−$1,000,000); and deferrals in two items described in a classified fact paper provided to the Committees on Appropriations dated October 30, 1989 (−$8,504,000).

The conferees are concerned about the survivability of the DSP satellites, and direct the Air Force to include a plan to enhance the survivability of the DSP satellites with their fiscal year 1991 budget request. The plan should consider all aspects of DSP survivability, including the estimated cost of implementation. In fiscal year 1989 the Congress provided additional funding for DSP enhancements. $16,700,000 of those funds remain unobligated and the conferees direct that they be used to fund fiscal year 1990 requirements.

ADVANCED TACTICAL FIGHTER

The conferees agree to provide $911,492,000, a reduction of $200,000,000 as recommended by the Armed Services Committees. The conferees are encouraged by the recent management initiatives by the Secretary of Defense and Secretary of the Air Force to attempt to ameliorate the concerns expressed in the House report, and expect that the renewed urgency of their strong oversight will continue as the program moves towards the critical full scale development phase. The conferees expect that the Defense Department will be more forthcoming next year on the total cost of the ATF, and provide a full accounting for both the Air Force and Navy ATF programs. While the conferees understand that sharing identical airframes between the Services is not likely, a joint program with strong Navy participation is mandatory for the program to secure future Congressional support. The Department is also encouraged to demonstrate during hearings next year the specific management actions it will take to ensure that software development in this program is disciplined and effective.

SUPERSONIC AIRCRAFT EJECTION SEATS

The conferees are concerned that current Air Force programs do not address sufficiently the requirement for development of an aircraft ejection seat capable of protecting pilots ejecting at high speed. The conferees direct that the Air Force expand its efforts in this area and report to the Committees on Appropriations no later than March 31, 1990 with a plan outlining how it intends to expand these development efforts. This plan should address: how current requirements for the ejection seat for the Advanced Tactical Fighter will protect pilots who eject at supersonic speeds; whether any already demonstrated, off-the-shelf technology, non-developmental supersonic ejection seat can more nearly match the advanced aircraft performance envelopes of the ATF; and the costs and schedule to incorporate into the ATF any already demonstrated, off-the-shelf technology, non-developmental supersonic ejection seats.

AWACS

The conferees do not agree to the Senate recommendation concerning use of fiscal year 1990 and prior year unobligated AWACS RDT&E funds.

ELECTRONIC WARFARE DEVELOPMENT

The conferees agree to provide $70,256,000. Included are reductions of $3,000,000 for JSTARS, $52,000,000 for the B-1B radar warning receiver and advanced expendables—two projects which are specifically denied by Congress, and $5,100,000 for electronic warfare support.

TACTICAL RECONNAISSANCE/RF-16

The House and Senate reports on the bill contained differing guidance regarding a reprogramming request from the Defense Department to fund development of a reconnaissance version of the F-16 aircraft known as the RF-16. The conferees agree to consider such a reprogramming request if it is accompanied by sufficient justification from the Defense Department. Such justification should include, at a minimum, the following items:

(a) certification by the Secretary of Defense that the proposed development program is part of the Department's approved, overall program for the modernization of both manned and unmanned tactical reconnaissance capabilities, and that this program is funded fully in fiscal years 1991-1995 for both sensors and carrying platforms in the research and development and procurement accounts;

(b) a detailed outine and justification of this program, including the Secretary's ranking in priority order of all projects being requested in the tactical reconnaissance research and development and procurement program elements for fiscal years 1991-1995, and the specific annual funding levels being requested for each project;

(c) a copy of the 1989 Army/Air Force Tactical Reconnaissance Force Structure Study by the Rand Corporation, along with any associated, separate Air Force and Office of Secretary of Defense (OSD) commentary on this analysis.

The conferees also agree that it would be beneficial to their consideration of the fiscal year 1991 budget request for tactical reconnaissance activities to receive an appraisal by the Secretary of how unilateral and mutual force reductions by Warsaw Pact and North Atlantic Treaty Alliance (NATO) conventional forces will affect specific force structure and systems requirements for U.S. military manned and unmanned tactical reconnaissance capabilities.

This appraisal should consider the impacts of the unilateral force reductions by Soviet and Warsaw Pact forces, of the mutual force reductions proposed in the Conventional Forces in Europe negotiations by NATO and the Warsaw Pact, and of the specific monitoring and verification arrangements for such reductions. The conferees request that this appraisal be submitted to the Committees on Appropriations no later than March 10, 1990.

SPACE TEST PROGRAM

The conferees agree that within the amount provided for the Space Test Program, $3,000,000 is available only for the SHAD project.

SPACE BOOSTERS

The conferees agree to provide $411,648,000. Funding changes to the budget request are as follows: Titan IV (−$5,000,000); Titan II (−$4,900,000); Delta II (−$1,300,000); Atlas (−$1,200,000); and High Northern Latitude Missile Test Facility (+$10,800,000).

DEFENSE METEOROLOGICAL SATELLITE PROGRAM

The conferees agree that the Air Force may reprogram, below threshold, up to $4,000,000 to conduct DMSP Block VI studies in fiscal year 1990.

INDUSTRIAL PREPAREDNESS

The conferees agree to provide $85,000,000. Of this amount, $2,000,000 is only to support the foundry lead development of an improved computer simulation

model for the ductile iron casting process; and $7,893,120 is only for a grant to the National Center for Manufacturing Sciences, of which $2,893,120 shall be only for establishing a center of excellence for advanced flexible manufacturing systems. This grant shall be awarded no later than March 31, 1990.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE AGENCIES

Amendment No. 92: Appropriates $8,113,049,000 instead of $7,530,872,000 as proposed by the House and $8,201,833,000 as proposed by the Senate.

Amendment No. 93: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which deletes the words "up to".

Amendment No. 94: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment, insert: *: Provided further, That of the amount herein provided for the Strategic Defense Initiative, $52,000,000 shall be available only for the Arrow missile program: Provided further, That of funds appropriated in Research, Development, Test and Evaluation, Defense Agencies in fiscal year 1989, $46,000,000 shall be available only for grants as follows:*

(1) $15,000,000 for the National Center for Industrial Innovation at Lehigh University;

(2) $6,000,000 for the Center for Technology Management at Auburn University;

(3) $12,000,000 for the acquisition, design, testing, integration, and advancement of a prototype supercomputer system at the Minnesota Supercomputer Center; and

(4) $13,000,000 for the University of Scranton Technology Center;

Provided further, That of the total amount appropriated in this appropriations account for fiscal year 1990, $15,200,000 shall be available only for grants as follows:

(1) $5,200,000 for the proposed Center for Environmental Medicine at the Medical College of Ohio;

(2) $8,000,000 for the proposed Center for Commerce and Industrial Expansion at Loyola University of Chicago; and

(3) $2,000,000 for the Pilot Program for Combat Casualty Care Management and Research at the Martin Luther King, Jr. General Hospital/Charles R. Drew University of Medicine and Science:

Provided further, That the seven aforementioned grants are to be made within sixty days after enactment of this Act: Provided further, That the grants provided for in the preceding provisions shall be made without regard to, and (to the extent necessary) in contravention of, subsection (a) of section 2361 of title 10, United States Code (which is hereby superseded to the extent necessary to make such grants), and shall be made without regard to subsection (b)(2) of such section, and shall be made without regard to the requirements of section 2304 of title 10, United States Code: Provided further, That references to section 2361 of title 10, United States Code in the preceding provisions refer to that section as it existed on November 10, 1989 and as it is amended by section 252 of the National Defense Authorization Act for Fiscal Years 1990 and 1991, to the extent that provision is enacted into law.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 95: Deletes Senate language which restricted the Strategic Defense Initiative program.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Research Development Test & Eval Def Ag				
Defense Research Sciences	85,100	81,750	83,100	81,750
In-House Laboratory Independent Research	2,123	2,123	2,188	2,188
University Research Initiatives			50,016	96,000
University Research Initiatives	25,000	25,000		
Technical Studies	1,900	1,900		
Strategy Technology	214,709	219,709	254,338	242,667
Tactical Technology	124,600	83,100	124,600	89,600
Integrated Command and Control Technology	34,000	84,000	34,000	54,000
Materials and Electronics Technology	31,000	60,500	76,000	57,500
Nuclear Monitoring	24,500	36,000	24,500	36,000
Defense Nuclear Agency	344,518	329,680	328,412	328,412
Active Ionosphere Auroral Research			10,000	10,000
Lighter than Air Technology (DARPA)		30,000		30,000
Non-Acoustic ASW		28,000		30,000
Undistributed (Auth. Level)		48,015		
Strategic Defense Initiative (SDI)	4,575,510	2,844,500	4,301,904	3,573,202
SDI-General Reduction		(−1,731,010)	(−1,731,010)	(−1,002,308)
Experimental Evaluation of Major Innovative technology	167,300	166,650	166,200	174,200
Relocatable Target Detection Technology Program	21,500	21,500	19,000	19,000
Advanced submarine Technology		145,000		95,000
Special Technology Support		25,000		25,000
Microwave/Millimeter Wave Monolithic Integrated Circuit	79,580	81,080	79,580	81,080
Protyping of Advanced Technologies and Innovative Control	94,700	15,000	94,700	84,700
Balanced Technology Initiatve	206,082	120,000	296,082	206,082
Cooperative DOD/VA Medical Research		20,000		20,000
Consolidated DOD Software Initiative	14,670	7,870	14,670	11,270
Consolidated DOD Software Initiative (ADA)	32,426	42,426	35,426	45,426
Infrared Focal Plane Array	19,810		19,810	19,810
Force Enhancements-Active	15,530	5,030	10,530	11,100
National Airspace System		15,000		
Air Defense Initiative	253,151	240,000	110,765	150,000
WWMCCS ADP Modernization	51,209	51,209	41,209	51,209
Joint Standoff Weapons Program	31,836		18,836	18,836
Joint Tactical Information Distribution System (JTIDS)	82,509	58,909	82,509	70,700
Joint Remotely Piloted Vehicles Program	117,005	117,005	62,669	82,304
Torpedo Software Validation		3,000		3,000
Airborne Reconnaissance Support Program	84,600	349,600	48,000	65,000
Defense Reconnaissance Support Activities	36,247	26,247	61,247	26,247
Classified Programs	1,253,853	1,249,353	1,338,653	1,321,291
NATO Research and Development	95,674	56,174	200,000	115,674
General Support for PA&E	2,335		2,335	1
General Support for Policy	5,650	5,650	1,650	3,650
Research Projects				8,000
OT&E Capability Improvement Program		45,000		
Darpa Management Reserve			−16,390	−32,500
R&D Support/Civilian Work Year Growth			−7,841	−7,841
Joint Robotics Program			21,805	21,599
Laser Verification				2,000
Senate SDI Offset—(Derived From R&D Title)			578,562	

DEFENSE RESEARCH SCIENCES

In making a general reduction to the request for the Defense Research Sciences program, the conferees reject the recommendation of the House that the budget for project DRG-01 be cut in half. No less than $2,700,000 shall be made available for project DRG-01.

UNITED STATES—ISRAEL AVIATOR STUDY

The conferees are aware of a joint United States-Israel scientific research proposal related to the physical health and technical performance of pilots of high-performance military aircraft. The proposal was developed among faculty of the Uniformed Services University of the Health Sciences (UHUHS) and visiting scientists from the Israel Defense Forces (IDF).

The conferees recommend an increase of $65,000 to UHUHS funding to initiate this research.

The recommended increase provides funds for instrumentation procurement and maintenance, scientific travel and related expenses. Funding for future years will depend upon satisfactory progress as determined by a panel of experts, to be convened by the Assistant Secretary of Defense (Health Affairs). The panel shall include the dean of the school of medicine (UHUHS), representatives of the Surgeons General of the armed services, and knowledgeable outside medical scientists, including scientists associated with the National Institute of Heart, Lung and Blood at the National Institutes of Health. The Assistant Secretary of Defense (Health Affairs) shall report back to the Committee on Appropriations no later than June 30, 1990.

TACTICAL TECHNOLOGY

The conferees agree to provide $89,600,000. Funding changes to the budget request are as follows: Non-Acoustic ASW (−$28,000,000); Acoustic ASW (−$6,500,000); Advanced Torpedo (−$1,500,000); and a classified project (+$1,000,000). The conferees' decision to delete funding for DARPA's Non-Acoustic ASW program is discussed in a later section of this report. In the Acoustic ASW program, the conferees further direct that no funds may be obligated during fiscal year 1990 for this activity until the director of DARPA submits to the House and Senate Committees on Appropriations a program plan which provides details on the organizations, projects, long-term funding commitment, and technical goals for such activities. The conferees have agreed to provide significant additional funding to the Navy for ASW during fiscal year 1990. The program plan is required to ensure that the work of DARPA and the Navy is fully coordinated and that only the highest priority work is pursued.

STRATEGIC TECHNOLOGY

The conferees agree to provide $242,667,000. Changes to the budget request are as follows: Advanced Technology Initiatives (−$16,746,000 specific denial) Advanced Surveillance Concepts (−$10,800,000, specific denial); Digital Gallium Arsenide (+$25,000,000); High Temperature Superconductivity (+$9,629,999); DARPA Initiative in Concurrent Engineering (DICE) (+$30,000,000); Space Object Tracking (+$875,000); Strategic Computing (−$10,000,000). The conferees agree to the Senate report language preventing the allocation of any reductions against the DICE program. The conferees also note that since the name of the DICE program includes the phrase "DARPA Initiative", DARPA is expected to live up to that name and take the initiative by budgeting for the program in the fiscal year 1991 budget. Within the amount provided, the conferees direct that $10,000,000 be made available for the advanced microelectronics and materials research program.

INTEGRATED COMMAND AND CONTROL TECHNOLOGY

The conferees agree to provide $54,000,000. The addition of $20,000,000 is available only for continued research and development of High Definition Display technology. Furthermore, the conferees direct that none of this additional amount may be obligated until the questions and issues by the Senate are specifically answered in an Executive Branch report received by the House and Senate Committees on Appropriations. This restriction does not affect the $10,000,000 originally budgeted by DARPA for the High Definition Display project.

MATERIALS AND ELECTRONICS TECHNOLOGY

The conferees agree to provide $57,500,000. Changes to the budget request are as follows: X-Ray Lithography (+30,000,000); general program growth (−$10,500,000); and composite model factory (+$7,000,000).

NON-ACOUSTIC ASW

The conferees agree to provide $30,000,000 for a restructured program in Non-Acoustic ASW, which is a consolidation of separate projects budgeted in both the Navy and the Defense Advanced Research Projects Agency (DARPA). These funds are to be controlled by the Office of the Secretary of Defense (Tactical Warfare Programs), in consultation with the Assistant Secretary of Defense (C^3I), the Secretary of the Navy, and the Director of DARPA. The conferees that work in non-acoustic ASW have become increasingly fragmented and unproductive. Therefore, the Secretary of Defense is directed to submit a program plan for continued work in this area which provides a more results-oriented, focused approach than has heretofore been the case. The report should also address the prospects for classified research with our NATO allies and effective utilization of our national laboratories managed by the Department of Energy. The Department should consider equally and fully the potential contribution of each of these labs. The directed report should describe fully any prospective cooperative programs between the Defense Department and the DoE labs, including a clear description of the merits of any cooperative program and the methodology by which such programs at the DoE labs were reviewed and evaluated. None of the funds provided herein may be obligated until thirty days after this report has been received by the House and Senate Committees on Appropriations. The conferees note that the original budgeted work in the DARPA and Navy program elements which have been consolidated were non-special access. Therefore, it is intended that none of the funds provided for the consolidated program are for use in special access programs, and the program plan is expected to be at a non-special access classification level. Of the amount provided, $12,000,000 is available only for continuation of the NATO cooperative research in radar ocean imaging, including analysis of data collected to date.

TACTICAL AIRBORNE LASER COMMUNICATIONS

The conferees agree to transfer $22,000,000 in fiscal year 1989 RDT&E, Navy funds appropriated to the Satellite Laser Communications program to DARPA to augment budgeted funding for the Tactical Airborne Laser Communications program. This program is to be solely controlled by DARPA at this time. However, the conferees direct DARPA to submit a program plan, including an explanation of how these funds will be utilized, to the House and Senate Committees on Appropriations with submission of the fiscal year 1991 budget.

STRATEGIC DEFENSE INITIATIVE ISSUES

DIRECTED ENERGY TECHNOLOGIES

The Congress has twice passed a Joint Resolution stating that the primary emphasis of SDI should be to explore promising new technologies, such as directed energy technologies, that might have long-term potential to defend against a responsive Soviet offensive threat. The conferees note that while SDIO's total budget has risen dramatically over the last several years, its allocation of funds to Directed Energy Weapons has been declining over that period. The conferees caution that SDI should be managed so as to achieve a prudent balance beween the far-term and near-term technologies. Continued erosion in the resources devoted to Directed Energy Weapons may result in Congressional earmarking of future appropriations so as to achieve that balance.

PROPOSED TRANSFERS

The conferees agree not to recommend the transfer from Military Construction of $6,542,000 for the MISTY ZEPHYR project, and agree that the SMES project is not to receive SDI funding in addition to the $11,000,000 in funding provided elsewhere in the RDT&E, Defense Agencies account. Furthermore, the conferees agree that no RDT&E funding should be used for the National Test Bed. The conferees agree that this activity is not appropriate for RDT&E financing.

MEDICAL FREE ELECTRON LASER

The conferees wish to address the medical free electron laser (MFEL) program within SDI. The MFEL program was initiated in fiscal year 1984 to develop medical applications of free electron laser technology, by fiscal year 1989, at five regional, university-based, multidisciplinary medical research centers. The conferees understand that MFEL funds have been awarded to a number of institutions, including various nonmedical research centers, and Federal and commercial laboratories. This broad distribution of funds may have hindered achievement of the program's objectives.

The conferees have no reason to disparage the work or qualifications of any institution or individual presently funded by the MFEL program. However, the SDI program manager is expected to redirect the program toward its original goal by selecting not less than 7 and no more than 10 geographically distributed, university-based, multidisciplinary medical research centers.

No less than four-fifths of the funds appropriated for fiscal year 1990 will be applied to university-based, multidisciplinary medical research centers. No more than one-fifth of the funds appropriated for fiscal year 1990 may be applied to FEL efforts at other scientific research facilities.

SDI must manage the MFEL program and submit a plan, in coordination with the medical centers, to develop medical applications of FEL technology by the end of fiscal year 1993. This plan is to be submitted to the House and Senate Appropriations Committees by June 1, 1990. These centers should be chosen by a rigorous peer review process which meets standards generally accepted in the medical and scientific research communities. The conferees expect the Director, SDI, to maximize program quality and continuity by carrying out the peer review process as quickly as possible.

EXPERIMENTAL EVALUATION OF MAJOR INNOVATIVE TECHNOLOGIES

The conferees agree to provide $174,200,000. Changes to the budget request are as follows: ASTOVL (−$4,500,000); Smart Weapons (−$5,000,000); GPS Technology (−$6,150,000); Lightsat (+$25,000,000); classified project (−$2,400,000). The conferees agree that fur-

ther funding for the Smart Weapons program should be considered under the Balanced Technology Initiative program; however, such funding is not specifically directed.

PROTOTYPING OF ADVANCED TECHNOLOGIES

The conferees agree to provide $84,700,000. The entire reduction of $10,000,000 is intended for allocation against the Pilot's Associate project.

BALANCED TECHNOLOGY INITIATIVE

The conferees agree to provide $206,082,000, of which $25,000,000 is available only for a new program in ultra-wide bandwidth technology development and light-activated high power microwave technologies. These funds should not reduce funding planned to be made available for the existing High Power Microwave program.

The conferees also agree that no BTI funds may be used for the Long Range Conventional Standoff Weapon program.

CONSOLIDATED DOD SOFTWARE INITIATIVES (ADA)

The conferees agree to provide $45,426,000. Changes to the budget request are only for the following projects: Software Engineering Institute (+$10,000,000); and STARS national software technology repository (+$3,000,000).

FORCE ENHANCEMENTS-ACTIVE

The conferees agree to provide $11,100,000 in this program, based on the following adjustments to the budget request: Explosive Ordnance Disposal—Rapid Prototyping (−$2,500,000); classified reduction (−$10,000,000); SEAL delivery system (−$8,070,000), transferred from the Navy).

The conferees intend that the SEAL delivery system funds be combined with $7,400,000 in unobligated and available fiscal year 1988 Other Procurement, Navy funds to permit the Defense Department to evaluate fully the Italian 3GST9 submersible as a possible Advanced SEAL Delivery System (ASDS). This evaluation is to be accomplished under the management of the Assistant Secretary of Defense (Special Operations/Low Intensity Conflict) (ASD/SO-LIC) in accordance with a specific plan provided to the Committees on Appropriations by that organization. The conferees are denying only that part of the plan which begins technology efforts for development of an entirely new and expensive Advanced SEAL Delivery System. Such efforts are premature until the 3GST9's potential to meet realistic specific operations requirements has been assessed fully.

Congress previously directed the Navy to determine whether any small submersible vehicles were available on the commercial market and to assess their performance as it related to the operational and technological requirements for an ASDS. Fiscal year 1988 Other Procurement, Navy funds were provided for this purpose. The Navy selected the 3GST9 submersible but never completed the intended evaluation. The conferees direct that the remaining prior year funds be controlled by ASD/SO-LIC.

The Assistant Secretary of Defense (SO-LIC) and the Assistant Secretary of the Navy for Research, Development and Acquisition will jointly prepare and submit quarterly reports on the progress of the 3GST9 evaluation program. The initiation report is to be provided by January 12, 1990, and should include the evaluation program baseline and a discussion of the overall, planned test and evaluation effort.

JOINT REMOTELY PILOTED VEHICLES

The conferees agree to provide $82,304,000 for Joint Remotely Piloted Vehicles (RPV) research and development, instead of $117,005,000 as recommended by the House and $62,669,000 as recommended by the Senate.

The conferees agree with the Senate's deferral of funds for development of the endurance unmanned aerial (UAV), close range UAV, Block III upgrade for the short range UAV, and for support of the Amber UAV after completion of development efforts. In restoring $19,635,000 of funds reduced by the Senate to this program, the conferees agree that $16,195,000 is for interoperability and comality technology development. The conferees further direct that $2,100,000 of this amount is available only for development, fabrication, and proof of an integrated UAV automatic recovery simulator, simulation model and portable recovery simulation system. Although this project originally was associated with development of the close range UAV, the conferees believe that its applicability to several types of UAVs warrants its inclusion in the interoperability/commonality technology development category.

NATO RESEARCH AND DEVELOPMENT

The conferees agree to provide $115,674,000. Within the amount provided, the following programs are to be allocated no less than the amount provided in parentheses: AV-8(B) Radar Development ($10,000,000); F/A-18 Radar Upgrade ($13,600,000); Medium Surface To Air Missile ($4,740,000); and Multifunctional Information Distribution System ($9,000,000). Furthermore, the conferees agree that no NATO Research and Development funds in either fiscal year 1989 or 1990 may be used for the following projects: Dragon Generation III; Space-Based Radar; STRIPES; Automatic Fault Isolation; Precision Attack Weapon System; Tactical Air to Air Communications Improvements; IR Missile Countermeasures; Hypervelocity Projectile; Artillery Armament; and Modular Standoff Weapon. Prior to utilizing funds for other new start projects, the Department of Defense is directed to provide information to the House and Senate Committees on Appropriations justifying such efforts. The conferees agree with the concerns expressed by the Senate about the NATO R&D program and with the advance notification and MOA/MOU requirements directed by the Senate.

SOLID ROCKET MOTOR DEMILITARIZATION

The conferees support the need for a study by the Director of Defense Research and Engineering on environmentally safe methods of large rocket motor demilitarization and an investment strategy to develop the most cost-effective technology alternatives for such disposal. The study also should address related impacts on arms control negotiating issues. The conferees direct that the report be submitted no later than March 1, 1990.

RESEARCH PROJECTS

The conferees agree to provide $8,000,000 for Research Projects. It is intended that these funds be used for the grant required in Title IV of this bill for the proposed Center for Commerce and Industrial Expansion at Loyola University of Chicago.

ENVIRONMENTAL PROTECTION STUDY

The conferees are concerned that the Department of Defense may not be paying adequate attention to environmental considerations in their decisions regarding weapon systems development and manufacturing, and the resultant problems involved in the ultimate disposal of these weapons (i.e., chemical weapons disposal). Therefore, the conferees direct the Secretary of Defense to report to the Congress no later than December 31, 1990 on the current process for evaluating potential environmental hazards and disposal problems during the weapon system development and acquisition process, and a description of the Department of Defense's programs and corresponding funding budgeted for environmental research and development, hazardous substance disposal and cleanup, and environmental restoration in the fiscal year 1991-95 five year defense plan. The study should also include a discussion of DoD's coordination with other federal agencies, and shortfalls or existing deficiencies in this area. The conferees direct that not to exceed $1,000,000 may be obligated and expended to carry out this study.

DARPA COOPERATIVE AGREEMENTS

The conferees share the Senate's observations and concerns with respect to expanding the authority of the Defense Advanced Research Projects Agency (DARPA) to enter into cooperative agreements, arrangements, and other transactions. The conferees agree, with minor modification, with the Senate's directions governing the use of this expanded authority.

Since this expanded authority will be enacted late in 1989, it is unlikely the detailed report required to be submitted with the fiscal year 1991 budget request will be ready by that date. The conferees direct that this report be submitted no later than May 15, 1990. The report should include any cooperative endeavors already initiated, and those contemplated at that time for the remainder of fiscal year 1990 and for fiscal year 1991, along with the required, full justifications.

The conferees also understand that, in unusual circumstances, the requirement for 30-day advance notification to Congress of the signing of any cooperative arrangement might jeopardize the successful completion of a particular arrangement beneficial to the government. In those cases, the conferees believe it is acceptable that the notification and copy of the agreement or transaction be submitted to Congress within ten days after signature, along with a complete explanation of the reasons for non-compliance with the advance reporting requirement.

The conferees expect that this exception of the advance notification requirement will be used sparingly.

The conferees also direct that the Senate's requirements regarding any funds obtained by DARPA as a result of this expanded authority also apply to any other funds accumulated directly or indirectly by the Defense Department under this authority.

DEVELOPMENTAL TEST AND EVALUATION, DEFENSE

Amendment No. 96: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$180,550,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Director of Test & Eval Defense				
Test Instrumentation Development	166,357	110,000	83,257	83,000
Space System Test Capabilities	1,955	1,955		
NATO Cooperative Development Testing	26,915	26,915	24,981	11,915
Development Test and Evaluation	60,668	51,168	60,668	51,168
Thirst Watcher	18,938		18,938	

TEST INSTRUMENTATION DEVELOPMENT

The conferees agree to provide $83,000,000, of which $24,100,000 is only for two GPS Time Space Position Indication instrumentation projects as proposed by the Senate, and of which $900,000 is only for the DECADE Nuclear Weapons Effects Simulator project. The conferees further agree to specifically deny funding for the Red Mission Analysis System and the Electronic Combat Digital Evaluation System.

NATO COOPERATIVE DEVELOPMENT TESTING

The reduction of $15,000,000 to this program is due to a large unobligated balance which can be used to offset fiscal year 1990 requirements.

DSP TACTICAL SUPPORT

The House proposed that no funds be provided for this project. The conferees agree that no funds should be provided under this appropriation. However, the conferees allow the Air Force the flexibility to include up to $3,500,000 for this effort out of RDT&E, Air Force funds provided for the DSP program.

OPERATIONAL TEST AND EVALUATION, DEFENSE

Amendment No. 97: Appropriates $12,725,000 as proposed by the House instead of $118,849,000 as proposed by the Senate.

The conferees agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Director of Operational Test & Evaluation				
OT&E capability improvement	124,360		61,124	
Close air support	45,000		45,000	

TITLE V
REVOLVING AND MANAGEMENT FUNDS

ARMY STOCK FUND

Amendment No. 98: Deletes appropriation for the Army Stock Fund as proposed by the Senate instead of appropriating $134,600,000 as proposed by the House.

NAVY STOCK FUND

Amendment No. 99: Appropriates $40,500,000 as proposed by the Senate instead of $223,400,000 as proposed by the House.

AIR FORCE STOCK FUND

Amendment No. 100: Appropriates $126,100,000 as proposed by the Senate instead of $339,300,000 as proposed by the House.

DEFENSE STOCK FUND

Amendment No. 101: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$78,100,000.*

EMERGENCY RESPONSE FUND

For the "Emergency Response Fund, Defense"; $100,000,000, to remain available until expended. The Fund shall be available for providing reimbursement to currently applicable appropriations of the Department of Defense for supplies and services provided in anticipation of requests from other Federal Departments and agencies and from state and local governments for assistance on a reimbursable basis to respond to natural or man-made disasters. The Fund may be used upon a determination by the Secretary of Defense that immediate action is necessary before a formal request for assistance on a reimbursable basis is received. There shall be deposited to the Fund: (a) reimbursements received by the Department of Defense for the supplies and services provided by the Department in its response efforts and (b) appropriations made to the Department of Defense for the Fund. Reimbursements and appropriations deposited to the fund shall remain available until expended

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items in conference is as follows:

	Budget	House	Senate	Conference
REVOLVING AND MANAGEMENT FUNDS				
Army Stock Fund				
Inventory Build	107,600	134,600		
Navy Stock Fund				
Inventory Build	223,400	223,400	40,500	40,500
Air Force Stock Fund				
Inventory Build	339,300	339,300	126,100	126,100
Defense Stock Fund				
Inventory Build	104,100	104,100	78,100	78,100
Emergency Response Fund			100,000	100,000
Total, revolving and Management Funds	774,400	801,400	344,700	344,700

STOCK FUND INVENTORY/MANAGEMENT

The House appropriated a total of $801,400,000 for the Services' Stock Funds and the Defense Stock Fund and included language directing that $27,000,000 of the funds provided in the Army Stock Fund be used to purchase the Extended Cold Weather Clothing System (ECWCS). The Senate appropriated a total of $244,700,000 for the Services' Stock Funds and the Defense Stock Fund.

The conferees agree to appropriate a total of $244,700,000 for the Services' Stock Funds and the Defense Stock Fund. Additionally, language directing the purchase of the ECWCS is found in the appropriation for Operation and Maintenance, Army.

The conferees agree to this reduction in the Stock Funds for the Department's Inventory Augmentation request and agree to fully fund the Department's request for War Reserve purchases. Furthermore, the conferees agree with the Senate language concerning Stock Fund requirements determination. The Department is encouraged to continue reducing the amount of inventory in excess of requirements. Additionally, the Secretary of the Defense should develop new performance measures to reward efficiencies as well as stock availability.

TITLE VI—CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE

Amendment No. 102: Appropriates $148,400,000 for Operation and Maintenance as proposed by the Senate instead of $149,100,000 as proposed by the House.

Amendment No. 103: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$73,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $73,000,000 for procurement instead of #113,500,000 as proposed by the House and $82,400,000 as proposed by the Senate. The conferees agree that $25,000,000 in unobligated fiscal year 1988 cryofracture funding may be used to supplement this amount, making a total availability of $98,000,000.

Amendment No. 104: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum stricken and inserted by said amendment, insert:

$8,000,000, of which not less than $6,100,000 shall be available only for cryofracture: Provided, That of the funds appropriated for Chemical Agents and Munitions Destruction, Defense for research, development, test and evaluation for fiscal year 1989, not less than $16,300,000 must be obligated for cryofracture not later than January 15, 1990: Provided further, That the Secretary of Defense may only delegate responsibility for the program planning, policy, budget, management, execution and general oversight of the destruction of chemical agents and munitions and the retrograde movement of chemical agents and munitions to the Secretary of the Army

The managers of the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $8,000,000 for research, development, test and evaluation, instead of $7,200,000 as proposed by the House and $1,900,000 as proposed by the Senate.

CRYOFRACTURE

The conferees continue to believe that it is premature to discontinue work on cryofracture. The management, schedule, personnel, and technical problems experienced to date at the Johnston Atoll Chemical Agent Destruction System (JACADS) support this belief. The conferees direct that the research effort which was recently terminated be reinstated immediately. The conferees further direct that design, engineering, environmental and other preparatory work for a full scale cryofracture plant proceed with deliberate speed. All of this shall continue until it can be shown conclusively, based on demonstrated performance, that the baseline approach at JACADS can achieve expected cost, schedule, and technical performance. In this regard, the conferees direct the Army to submit a detailed milestone plan for completion of "systemization" of JACADS and for Operational Verification Testing. Such plan shall be accompanied by specific pass-fail thresholds for each element of the JACADS process and scheduled dates for demonstration of required performance for each.

To accomplish the above purpose, the conference agreement includes $6,100,000, the House amount, for fiscal year 1990 and earmarks it in bill language specifically for cryofracture. The conference agreement also includes bill language requiring the $16,300,000 provided for cryofracture in fiscal year 1989 be obligated before January 15, 1990. The conferees recognize that the new budget authority in fiscal year 1990 may not be required until late in the fiscal year, or later. But, lacking a plan and funding profile for cryofracture research—which has been requested numerous times in the last two years—the conferees want to ensure that adequate funds were available to carry out a robust program. The conferees reiterate the request made by the Senate for a report on how available fiscal year 1989 and 1990 funds will be used for cryofracture research. The report shall be provided to the House and Senate Committees on Appropriations by December 15, 1990.

The Office of the Secretary of Defense has been most uncooperative in complying with the wishes and direction of Congress in carrying out the cryofracture program. The conference agreement therefore includes a proviso stipulating that planning, policy, budget, management, execution, and general oversight of the entire chemical weapon destruction program may be only delegated by the Secretary of Defense to the Secretary of the Army.

Amendment No. 105: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$27,610,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides a separate earmarking for the European retrograde program, as proposed by the Senate, and appropriates $27,610,000 instead of $26,655,000 as proposed by the Senate.

Amendment No. 106: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$257,010,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Chemical Agents and Munitions Destruction, Defense:				
Research and development	1,100	7,200	1,900	8,000
Procurement	139,100	113,500	82,400	73,000
Operation and maintenance	171,200	149,100	148,400	148,400
Retrograde			26,655	27,610

Amendment No. 107: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

and the amount provided for retrograde shall remain available until September 30, 1992: Provided further, That of the funds appropriated for retrograde, not more than $10,000,000 may be obligated or expended, nor may any chemical munitions be moved from existing storage sites, until the Secretary of Defense certifies to the Congress that the Johnston Atoll Chemical Agent Disposal System has destroyed live agent chemical munitions and that adequate storage capacity exists on Johnston Atoll to safely accommodate any chemical munitions or hazardous materials transported to that site: Provided further, That none of the funds appropriated in this or any other Act may be obligated to construct additional chemical munition storage facilities on Johnston Atoll

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

EUROPEAN RETROGRADE

The conference agreement provides $27,610,000 for removal of chemical weapons from Europe. This is based on the most recent estimate of fiscal year 1990 costs for this program.

The Senate bill includes a proviso that prohibited obligation of more than $10,000,000 until the Secretary of Defense certified that live agent chemical muntions had been destroyed at the Johnston Atoll Chemical Agent Disposal System (JACADS). The Senate bill also prohibited construction of additional chemical munition storage facilities at Johnston Island. The conference agreement includes the Senate proviso concerning storage facilities and changes the other proviso to require that no more than $10,000,000 may be obligated, and no munitions may be removed from current storage, until the Secretary of Defense certifies that 1) live agents have been destroyed at JACADS, and 2) adequate and safe storage capacity exists at Johnston Island for the weapons removed from Europe.

DISPOSAL OF FACILITIES

The conferees agree with language in the House report as follows:

"Under existing law, the Army is required to dismantle and destroy all of the facilities which will be built to destroy chemical weapons and to return the sites to their original condition. The Committee believes that it may be possible or desirable to continue to use these facilities for disposal or other wastes or conventional munitions. Such use might require some changes to the design of the furnaces before they are installed in the facility. The Committee directs the Army to investigate and report on the feasibility and desirability of using chemical weapon disposal facilities for other purposes after the primary mission is completed. Such report should address associated costs and design changes that may be required, as well as management alternatives for operation of such a plant."

TITLE VII

OTHER DEPARTMENT OF DEFENSE APPROPRIATIONS

Amendment No. 108: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

OTHER DEPARTMENT OF DEFENSE APPROPRIATIONS

DRUG INTERDICTION, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For drug interdiction and enforcement activities of the Department of Defense, not provided for elsewhere in this Act, $450,000,000; for transfer as follows: Army National Guard and Air National Guard operation and maintenance, personnel expenses, and associated administrative costs, $70,000,000; for Army National Guard and Air National Guard equipment, $40,000,000; for Operation and Maintenance, including the Civil Air Patrol, $88,200,000; for Research, Development, Test and Evaluation, $10,400,000; for Military Construction, $3,700,000; and, for Procurement, $237,700,000: Provided, That the funds appropriated by this paragraph shall be available for obligation for the same period and for the same purpose as the appropriation to which transferred and the transfer authority provided in this paragraph is in addition to any transfer authority contained elsewhere in this Act: Provided further, That of the amount appropriated, $2,500,000 shall be transferred to the Department of the Treasury solely for the expenses associated with a classified project.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees note that the conferees on the National Defense Authorization Act for Fiscal Years 1990-1991, have agreed to fund the Department of Defense drug interdiction efforts at a level of $450,000,000. The conferees also note that the authorization conferees have codified the provision of law which clearly establishes the detection and monitoring missions as legal missions of the Department of Defense. These missions should be provided the same level of support as all other missions of the Department of Defense.

The following table provides a breakout of the funding provided in Drug Interdiction, Defense:

National Guard operations, personnel and associated administrative costs	$70,000,000
Procurement:	
National Guard	40,000,000
Other Procurement, Army	15,826,000
SOUTHCOM C(3) Upgrade ($13,935,000)	
SOUTHCOM Intel Management System ($1,891,000)	
Other Procurement, Air Force Caribbean Basin Radar Network	39,951,000
Other equipment	181,923,000
Operation and Maintenance Civil Air Patrol ($1,000,000)	88,200,000
Research, Development, Test & Evaluation	10,400,000
Military Construction	3,700,000
Total	450,000,000

National Guard.—The conferees recommend $40,000,000 of procurement funds for drug interdiction equipment needed by the National Guard. These funds should be used for forward looking infrared radars, mobile radars, communications equipment, and other essential items of equipment. This equipment should be the same as similar equipment currently furnished to the National Guard from the active components.

The conferees recommend $70,000,000 for National Guard personnel, operations, and associated administrative costs. These funds should be used to administer the program and to execute plans approved by the Secretary of Defense.

The conferees have a strong interest in maintaining an effective drug interdiction program for the Air and the Army National Guard, especially in those states such as California where drug trafficking has reached epidemic proportions.

The conferees are aware that Los Angeles County is this nation's largest center for illegal drug trafficking and the transshipment point for illegal narcotics destined for other areas of the country. There is evidence that Los Angeles County is a major distribution center for Southeast Asian herion, Mexican heroin, cocaine, PCP, illicit methamphethamine and other illegal drugs. The conferees fully support the California National Guard's drug interdiction efforts and expect the Department of Defense to give priority consideration to funding the California Guard's drug interdiction activities.

The conferees note that there is critical need to provide additional funding for the California National Guard. Therefore, the conferees direct the Secretary to provide no less than $10,000,000 for the California National Guard out of the $70,000,000 identified for operations, maintenance and personnel and the $40,000,000 identified for equipment for the Army National Guard and the Air National Guard drug interdiction activities.

Civil Air Patrol.—The funding identified for the Civil Air Patrol (CAP) is for operational costs of the CAP drug surveillance missions done at the request of state and federal agencies, as well as the operational costs of the training necessary to perform the drug missions. Due to the cost-effectiveness of CAP drug surveillance missions, the conferees recommend that the use of the CAP in existing non-defense drug surveillance programs be increased.

Additionally, at a later point in this bill, the conferees have agree to a provision providing a total of $6,700,000 for the CAP (Section 9082).

Of the $88,200,000 appropriated for the operation and Maintenance allocation of Drug Interdiction, Defense, a minimum of $1,000,000 is earmarked specifically for CAP drug interdiction/flying hours. It is the intent of the conferees that additional monies needed to fund CAP missions as requested by state and local governments and other federal agencies, shall be accommodated within the remaining $87,200,000.

The conferees agree that CAP missions requested for drug interdiction, should be funded by the Department of Defense. Reimbursement of these funds is not required due to direction from the conferees on the fiscal years 1990/1991 DOD Authorization Act that the Secretary of Defense provide $40,000,000 of drug interdiction support to domestic drug enforcement agencies.

Procurement.—The conferees transferred the following budgeted programs to the Drug Interdiction, Defense account since a key aspect of their operation will be drug interdiction related:

Other Procurement, Army:

SOUTHCOM C³ Upgrade $13,935,000;

SOUTHCOM Intell Management System $1,891,000;

Other Procurement, Air Force, Caribbean Basin Radar Network $39,951,000.

The management responsibilities of these programs shall remain with the service organizations which provided the original budget responsibility.

The conferees note that the funding level provided with this amendment is consistent with both the authorized level and the administration's request. However, included in the request is a number of items requiring specific approval by the House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence, such as National Foreign Intelligence programs. Items requiring such approval shall not be funded with amounts from Drug Interdiction, Defense, unless the Department submits a prior approval reprogramming request and receives approval from the House and Senate Appropriations and Intelligence Committees. Furthermore, by June 30, 1990, the Secretary of Defense should identify in a letter to the Chairmen of the House and Senate Appropriations Committees, equipment, activities, and missions funded with the $450,000,000 appropriated by this Title.

DOD Funding of Other Drug Programs.—Lastly, the conferees note that the Department of Defense has made great contributions to the drug interdiction and education mission. Long before the President of the United States and Congress declared a war on drugs, the Department of Defense was assisting law enforcement agencies through an increase in flying and steaming hours dedicated to tracking possible drug interdiction targets. The expertise of the military in communications, intelligence, and organizational skills, has been sought after by many local and federal agencies involved, with drug interdiction. Additionally, the Department of Defense has, for many years, executed a highly successful drug testing and education program for all military personnel and civilian employees in sensitive positions.

In fiscal year 1990, the Department of Defense will assist the war on drugs in the following way:

Department of Defense efforts (including $40 million in support of federal law enforcement agencies)	$450,000,000
National War on Drugs (reduced from the Defense budget request)	1,177,000,000
Andean Initiative (State Department)	125,000,000
Flying and Steaming Hours	62,000,000
Coast Guard Operations	[1] 300,000,000
Defense Testing and Education	118,000,000
Total	2,232,000,000

[1] At a later point in the bill, the conferees have agreed to provide $140,000,000 of in-kind assistance and to transfer $160,000,000 to the Coast Guard for operational support and assistance (Section 9059). Since a large portion of the Coast Guard mission is related to drug interdiction, the conferees agree that the funding and in-kind assistance from the Department of Defense will be used by the Coast Guard to accomplish their drug interdiction mission.

The conferees expect the Department to provide a budget exhibit with all future submissions which identifies funding for drug interdiction, testing, and education. This exhibit should identify funds used in support of DoD's missions and funds used in support of other federal agencies.

OFFICE OF THE INSPECTOR GENERAL

Amendment No. 109: Appropriates $96,800,000 as proposed by the House instead of $95,800,000 as proposed by the Senate in title III; restores House language which makes the procurement funds available until September 30, 1992; and deletes House language which prohibited the obligation of $1,000,000 until authorized by law.

TITLE VIII

RELATED AGENCIES

INTELLIGENCE COMMUNITY STAFF

Amendment No. 110: Appropriates $28,400,000 as proposed by the House instead of $25,068,000 as proposed by the Senate.

DRUG INTERDICTION, DEFENSE

Amendment No. 111: Deletes House language which provides funding and appropriation language for drug interdiction activities of the Department of Defense. Drug Interdiction activities are funded under Title VII, Other Department of Defense Appropriations.

TITLE IX

GENERAL PROVISIONS

Amendment No. 112: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which prohibits pay raises for foreign national employees of the Department of Defense at a rate greater than the increase given to U.S. civilians or the rate of increase given by the host nation to its employees.

Amendment No. 113: Restores House language which amended the reference to the countries from which the Department can procure specialty metals and chemical warfare protective clothing and deletes Senate language which specified that such procurements must meet standardization and interoperability of equipment requirements within NATO and the State of Israel. The conferees agree that making this reference change does not in any way affect the way the Department is currently procuring these items.

Amendment No. 114: Deletes Senate language which allows the procurement of articles and items grown, reprocessed, reused, or produced in the Philippines for use by Commander-in-Chief, Pacific.

Amendment No. 115: Deletes Senate language which prohibits the payment of a price differential on contracts made for the purpose of relieving economic dislocations and which states that all contracts shall be awarded on a formally advertised competitive bid basis to the lowest responsible bidder. Senate language does not need to be repeated because these provisions have already been enacted into permanent law. The conferees fully support the intent of both provisions.

The conferees agree that the Defense Logistics Agency should amend its policy of issuing solicitations for chemical protective suits which prohibit domestic firms who have existing contracts from bidding on the next procurement cycle for additional suits. In fact, any solicitations now in effect should be amended accordingly. An adequate industrial base for the production of chemical protective suits is essential. It, therefore, makes sense for all domestic manufacturers to have an opportunity to compete on all contracts.

The conferees are also concerned about the domestic supply of Navy Nuclear Steam Supply System forged components and request the Navy to consider expanding its policy to include these components in DOD/FAR Part 208 Subpart 208.7802.

The conferees also intend that the exception for small purchases under $25,000 shall not apply to FSG 51 and FSG 52 (hand or measuring tools) articles.

Finally, the conferees agree with House report language on Navy ship shafting and waivers to Buy America legislation.

Amendment No. 116: Deletes House language which made this provision permanent law.

Amendment No. 117: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *Except as provided in 10 USC 2690 and thirty days after the Secretary of Defense has notified the Committee on Appropriations of the Senate and House of Representatives, none*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to Senate language requiring compliance with 10 USC 2690 and add an additional requirement for the Secretary of Defense to notify the Committees on Appropriations prior to any conversions.

Amendment No. 118: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *Except (1) as provided in 10 USC 2690 and thirty days after the Secretary of Defense has notified the Committees on Appropriations of the Senate and House of Representatives; and (2) that all conversions at the Wiesbaden and Kaiserslautern Military Communities shall be held in abeyance until August 15, 1990, in order for the Secretary of the Air Force to thoroughly evaluate the requirement for and cost-effectiveness of the proposal to convert these systems to third-party cogeneration systems using American coal and until the General Accounting Office has reviewed the findings of the Defense Department, after which date the Wiesbaden and Kaiserslautern Military Communities may be converted under (1) above, none*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to prohibit funds to convert or to enter into any agreement to convert heating plants in Europe, except that any conversion can be made thirty days after the Secretary of Defense has notified the Committees on Appropriations that the conversion is in accordance with 10 USC 2690.

In addition, the conferees direct that the conversions scheduled for Kaiserslautern West, Kaiserslautern East, Landstuhl Army Regional Medical Center, Ramstein Air Base, and Lindsey Air Station (Wiesbaden) be held in abeyance until the Secretary of the Air Force has considered their conversion to third-party cogeneration systems using United States-produced bituminous coal at Weisbaden Military Community and United States-produced anthracite coal at Kaiserslautern Military Community.

After the Secretary of the Air Force has reviewed the third-party cogeneration systems option and any other alternatives recommended by USAFE, he should report back to the Committees on Appropriations, along with General Accounting Office comments, on all alternatives considered for each conversion and why a particular alternative was recommended for implementation.

The conferees expect the Department of the Air Force to make a good faith effort to work with the American coal community in evaluating their proposal to convert Wiesbaden and Kaiserslautern Military Communities to third-party cogeneration systems.

The restriction on Wiesbaden and Kaiserslautern will remain in effect until August 15, 1990, at which time these communities can be converted thirty days after the Secretary of Defense has notified the Committees on Appropriations that they are in accordance with 10 USC 2690. If cogeneration is found to be cost-effective and environmentally sound, conversion shall be to cogeneration.

As a related issue, the conferees agree with Senate report language which directs the Department to continue, without modification, its efforts to increase domestic consumption of coal as outlined in the Department's letter signed by the Assistant Secretary of Defense for Acquisition and Logistics, dated August 30, 1985.

Amendment No. 119: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows medical care to be available to foreign military and diplomatic personnel.

Amendment No. 120: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *Maverick Missile (AGM-65D); SH-60B/F Helicopter; and*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement denies multiyear procurement authority for the Combined Effects Munition, F/A-18 aircraft, and E-2C aircraft, and approves such authority for the Maverick missile and the SH-60B/F helicopter.

Amendment No. 121: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken by said amendment, insert:

SEC. 9023. None of the funds appropriated by this Act shall be available to convert a position in support of the Army Reserve, Air Force Reserve, Army National Guard, and Air National Guard occupied by, or programmed to be occupied by, a (civilian) military technician to a position to be held by a person in an active Guard or Reserve status if that conversion would reduce the total number of positions occupied by, or programmed to be occupied by, (civilian) military technicians of the component concerned, below 71,449: Provided, That none of the funds appropriated by this Act shall be available to support more than 48,576 positions in support of the Army Reserve, Army National Guard, or Air National Guard occupied by, or programmed to be occupied by, persons in an active Guard or Reserve status: Provided further, That none of the funds appropriated by this Act may be used to include (civilian) military technicians in computing civilian personnel ceilings, including statutory or administratively imposed ceilings, on activities in support of the Army Reserve, Air Force Reserve, Army National Guard, or Air National Guard.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

See "National Guard and Reserve Forces" for additional information on this subject.

Amendment No. 122: Restores House language which prohibits the management of civilian personnel on the basis of any end-strength.

Amendment Nos. 123-129: Amend section numbers.

Amendment No. 130: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows the Secretary of the Army to provide medical services and transportation for civilians at Hawaiian medical facilities.

Amendment Nos. 131-133: Amend section numbers.

Amendment No. 134: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows.

After the word "Army", insert: *: Provided further,* That this subsection applies to active components of the Army

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment Nos. 135-136: Amend section numbers.

Amendment No. 137: Makes a technical change as proposed by the Senate.

Amendment No. 138: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which adds firms owned by Native Americans as an exemption to the section which prohibits contracting out defense activities with more than ten employees without a most efficient and cost-effective organization study.

Amendment No. 139: Restores House language dealing with procurement of 120mm mortars and ammunition.

Amendment No. 140: Amends section number.

Amendment No. 141: Restores House language which requires civilian personnel strengths at Army communications-electronics depots to be no less than September 30, 1985 levels.

Amendment Nos. 142-146: Amend section numbers.

Amendment No. 147: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that the CRI contract shall not be subject to any Hawaii State or local taxes.

Amendment No. 148: Amends section number.

Amendment No. 149: Restores House language dealing with the Army Engineer's Waterways Experiment Station and restrictions on funds for the purchase of supercomputers.

Amendment No. 150: Amends section number.

Amendment No. 151: Restores House language concerning restrictions on funds for the Reserve Component Automation System.

Amendment Nos. 152-154: Amend section numbers.

Amendment No. 155: Provides authority for classified construction projects in the United States of $20,000,000 as proposed by the Senate instead of $35,000,000 as proposed by the House.

Amendment No. 156: Restores House language which prohibits funds to purchase certain welded shipboard anchor and mooring chain outside the United States.

Amendment No. 157: Amends action number.

Amendment No. 158: Deletes House language which makes the provision applicable to reserve components only.

Amendment No. 159: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which excludes military medical personnel and programs (including CHAMPUS) from the effects of sequestration.

Amendment No. 160: Deletes House language which makes the provision applicable to reserve components only.

Amendment No. 161: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken by said amendment, insert: *: Provided further, that amounts transferred under this provision for Department of Defense medical personnel and programs (including CHAMPUS), shall come from prior year unobligated appropriations and shall be offset within the appropriations to which transferred.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This provision allows the Secretary of Defense to transfer prior year unobligated balances to operation and maintenance and military personnel to offset the effects of sequestration on technician pay, military medical personnel, and medical programs. It is the intent of the conferees that should the Secretary of Defense exercise the options of this provision for military medical personnel and medical programs, the effects of such an action shall be accommodated within the military personnel and operation and maintenance accounts.

Amendment No. 162: Amends section number.

Amendment No. 163: Includes language limiting the provision to ships homeported on the West Coast.

Amendment Nos. 164–170: Amend section numbers.

Amendment No. 171: Restores House language which makes transfers mandatory instead of permissible as proposed by the Senate.

Amendment No. 172: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

(a) From the Navy Stock Fund, not less than $156,000,000 shall be transferred to Operation and Maintenance, Marine Corps; from the Defense Stock Fund, not less than $195,000,000, of which $20,000,000 shall be transferred to Operation and Maintenance, Army Reserve; $30,000,000 shall be transferred to Operation and Maintenance, Navy Reserve; $30,000,000 shall be transferred to Operation and Maintenance, Air Force Reserve; $20,000,000 shall be transferred to Operation and Maintenance, Army National Guard; $35,000,000 shall be transferred to Operation and Maintenance, Air National Guard; and $60,000,000 shall be transferred to Operation and Maintenance, Defense Agencies for the Defense Logistics Agency.

(b) From the Army Stock Fund, $114,000,000 and from the Army Industrial Fund, $73,400,000 may be transferred to Operation and Maintenance, Army; from the Navy Stock Fund, $281,200,000 and from the Navy Industrial Fund, $400,950,000 may be transferred to Operation and Maintenance, Navy; from the Marine Corps Industrial Fund, $4,000,000 may be transferred to Operation and Maintenance, Marine Corps; from the Air Force Stock Fund, $156,000,000 and from the Air Force Industrial Fund, $111,750,000 may be transferred to Operation and Maintenance, Air Force; and, from the Defense Industrial Fund, $29,900,000 may be transferred to the Defense Logistics Agency: Provided, That the Secretary of Defense may waive the transfers in subsection (b) upon notification to the House and Senate Committees on Appropriations.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment Nos. 173–174: Amend section numbers.

Amendment No. 175: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides reimbursement to certain military personnel for costs associated with activities related to the INF Treaty.

Amendment Nos. 176–177: Amend section numbers.

Amendment No. 178: Reduces consulting services' appropriations by $125,000,000 instead of $150,000,000 as proposed by the House and $75,000,000 as provided by the Senate.

Amendment No. 179: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$1,539,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section places a ceiling on the funding for consulting services.

Consulting services.—The conferees agree with the intent of the reduction and funding restriction imposed for the procurement of contract advisory or assistance services. However, due to concerns expressed by the Department, relative to defining such services in accordance with definitions provided by the Office of Management and Budget's Circular A–120, the conferees agree that the limitation should be executed in accordance with the definition used by the Department in the development of the PB–27 exhibit.

Amendment Nos. 180–182: Amend section numbers.

Amendment No. 183: Restores House language which prohibits funds for the Environmental Impact Study on the purchase of acreage in Georgia for the Southeast Bombing Weapons Range and deletes Senate language which requires grantees to state the amount of federal support in statements, press releases, requests for proposals on these activities.

Section 623 of Public Law 101–136, the Treasury, Postal Service and General Government Appropriations Act, 1990, provides a government-wide provision which prohibits funds for any grant unless the recipient of the grant agrees to announce in any solicitation the amount of Federal funds that will be used to finance the acquisition and to express the amount as a percentage of the total costs of the planned acquisition. This restriction does not apply to a procurement for goods or services (including construction services) that has an aggregate value of less than $500,000.

Amendment No. 184: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

SEC. 9068. None of the funds available to the Department of Defense or Navy shall be obligated or expended to (1) establish or operate Training and Administration of Reserves (TAR) enlisted detailing or any enlisted placement functions or billets at the Chief of Naval Personnel and the Naval Military Personnel Center headquarters, or (2) transfer any Naval TAR, seaman, fireman, and airman detailing functions and billets or reduce civilian and military personnel end strengths from the Naval Personnel Center and the Enlisted Personnel Management Center until sixty days after the Secretary of Defense submits a report, including complete review comments by the General Accounting Office, to the Committees on Appropriations of the House and Senate justifiying any transfers, operations, or reductions in terms of (1) addressing the overall mission and operations staffing of all detailing and placement functions for active and reserve personnel functions and commands; and (2) certifying that such realignments do not duplicate functions presently conducted; are cost-effective from a budgetary standpoint; will not adversely affect the mission, readiness and strategic considerations of the Navy Reserve; and will not adversely impact on the quality of life and economic benefits of the individual serviceman.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to a general provision which prohibits the use of any funds by the Department of Defense or Navy for the establishment of additional TAR detailing functions and billets at the Naval Military Personnel Command (NMPC) in Washington, DC; the operation of a Fleet Liaison Branch or enlisted placement function at the Chief of Naval Personnel or NMPC headquarters; the transfer of any Naval TAR, seaman, fireman, and airman detailing functions and billets from the Naval Reserve Personnel Center (NRPC) and the Enlisted Personnel Management Center (EPMAC); and the elimination or reduction of civilian and military personnel at EPMAC until sixty days after the Secretary of Defense submits a report, including complete review comments by the General Accounting Office, justifying any transfers, operations, or reductions in terms of addressing the overall mission and operations staffing of all detailing and placement functions for active and reserve personnel functions and commands. In addition, in this report the Secretary of Defense is to certify that such realignments do not duplicate functions presently conducted; are cost-effective from a budgetary standpoint; will not adversely affect the mission, readiness and strategic considerations of the Navy and Navy Reserve; and will not adversely impact on the quality of life and economic benefits of the individual serviceman.

The conferees also direct the General Accounting Office to provide the Committees on Appropriations a detailed study and recommendations on the feasibility of decentralizing the Naval Personnel Command and its subordinate commands out of the Washington, D.C. area. This study must include a comprehensive site analysis comparison and a detailed assessment of the impact of decentralizing this command on the Navy's future budget, readiness and mission requirements, strategic considerations, and on the economic well being and quality of life

for the individual serviceman and dependents. This report should fully document and provide detailed data on all previous DOD or Naval studies conducted in the 1960s and 1970s justifying the movement or decentralization of the Naval Personnel Command and its subordinate commands from the Washington, D.C. area.

The conferees are concerned that the Department of the Navy is making unilateral changes in TAR enlisted detailing and placement billets and other command and personnel functions without considering whether these positions are duplicative or cost-effective from the standpoint of the Navy and the individual serviceman.

In addition, the conferees are concerned that these proposed changes appear to centralize more personnel and command functions in the Washington, D.C. area. Both the Army and Air Force have decentralized their personnel commands and other functions outside the Washington metropolitan area. This concern is in the line with a letter the Chairman of the House Defense Appropriations Subcommittee recently wrote to the Secretary of the Navy expressing his disapproval of the Navy's plan to relocate and consolidate five commands in Northern Virginia.

Amendment No. 185: Restores House language which prohibits procurement of second or third generation night vision intensifier tubes and devices from foreign sources. The Secretary of Defense may waive this restriction on a case-by-case basis when adequate domestic supplies are not available.

Amendment No. 186: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of section number "9062" named in said amendment, insert: *9070*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section makes a number of findings regarding Anti-Satellite (ASAT) programs and related arms control issues.

Amendment No. 187: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken by said amendment, insert:

SEC. 9071. None of the funds available to the Department of Defense, including expired appropriations and M account balances, may be used for the B-1B's ALQ-161A CORE program unless the Secretary of Defense has notified the Congress in advance of his intention to use funds for such purpose: Provided, That no funds available to the Department of Defense may be used for research, development, test, evaluation, installation, integration, or procurement of an advanced radar warning receiver for the B-1B.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides that no funds available to the Department of Defense, including expired appropriations and M account balances, may be used for B-1B's ALQ-161A CORE program unless the Secretary of Defense has notified the Congress. Such notification should take the form of prior approval reprogramming actions which will be transacted under normal reprogramming procedures.

Amendment No. 188: Deletes language proposed by the Senate which restricted the use of funds available to the Department of Defense for the B-1B's ALQ-161A CORE program.

Amendment No. 189: Amends section number.

Amendment No. 190: Restores House language which limits fiscal year 1990 procurement of multibeam bathymetric sonar mapping systems to domestic producers. The Secretary of Defense may waive this restriction on a case-by-case basis when adequate domestic supplies are not available. The conferees agree that when United States government policy precludes U.S. industry from exporting to world markets for a period of time because of "National Security" reasons and then changes the policy to allow procurement of the same item from foreign markets, it should provide the United States industry a like amount of time to become competitive.

Amendment No. 191. Deletes House language which placed an outlay ceiling and restrictions on funds expended in fiscal year 1990 by the Department of Defense.

Amendment No. 192: Deletes House language which allows the Secretary of the Army to regain ownership of 35 acres of land in Minneapolis, Minnesota, known as "Area H" for Army Reserve training purposes. The conferees support section 2817 of the National Defense Authorization Act, 1990, which addresses this subject.

Amendment No. 193: Amends section number and restores House language which extends the availability of funds for special operations forces patrol boats.

Amendment Nos. 194 and 195: Amend section numbers.

Amendment No. 196: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9077*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to Senate language which authorizes obligations during the continuing resolution.

Amendment No. 197: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *9078*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement retains a Senate general provision requiring competition for contracts for studies, analysis, or consulting services.

Amendment No. 198: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *9079*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The section permanently prohibits the use of funds for the second career training program.

Amendment No. 199: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9080*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to Senate language which prohibits funds to demilitarize certain surplus nonautomatic military firearms.

Amendment No. 200: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9081* and after the word "year" insert the following: *and hereafter*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The section makes permanent the provision which the House and Senate Appropriations Committee have carried for a number of years. This provision prohibits the Department of Defense from entering into, extending, or renewing any contract for a term of eighteen months or more without submitting such a request within the budgetary process.

Amendment No. 201: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 9082. Of the funds made available to the Department of the Air Force in this Act, not less than $6,700,000 shall be available for the Civil Air Patrol.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 202: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number "9073" named in said amendment, insert: *9083*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section prohibits the payment of more than 50 percent of a selective reenlistment bonus in a lump sum to any eligible person.

Amendment No. 203: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *9084*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section allows the Department's civilian employees to receive paid administrative time off in lieu of cash payment as compensation for productivity.

Amendment No. 204: Deletes Senate language which requires the procurement of certain Federal supply classes of machine tools for use in any Government-owned facility or property from U.S. sources. The conferees agree that the Senate provision does not need to be repeated because section 2507 of title 10 continues this prohibition through fiscal year 1991. The conferees fully support the intent of this language.

Amendment No. 205: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9085*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section prohibits a supervisor's grade to be determined by the number of employees supervised.

Amendment No. 206: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of section number "9077" named in said amendment, insert: *9086*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section allows the competition of Naval Aviation Depot workload between the Navy and private companies. The conferees agree that this should not only allow work to be successfully completed for award to the private sector, but must also allow work to be successfully awarded to Naval Aviation Depots.

Amendment No. 207: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9087*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to Senate language which prohibits the purchase of Toshiba products for the purpose of resale in military stores until December 28, 1991.

Amendment No. 208: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9088*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 209: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9089* and in lieu of "180,944" named in said amendment, insert: *182,011*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section places a ceiling on overseas workyears.

Amendment No. 210: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *9090* and in lieu of the word "EMPRESS" in each of the four places where it appears, insert: *EMPRESS II*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section provides restrictions on the use of the EMPRESS II simulator in the Chesapeake Bay area.

Amendment No. 211: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9091*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section requires local hiring under government contracts in noncontiguous states.

Amendment No. 212: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9092*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section places a ceiling on payment of unemployment compensation benefits.

Amendment No. 213: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9093*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section requires local procurement of alcoholic beverages for Department of Defense activities in noncontiguous states.

Amendment No. 214: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

(TRANSFER OF FUNDS)

SEC. 9094. Upon enactment of this Act, the Secretary of Defense shall make the following transfer of funds: Provided, That the amounts transferred shall be available for the same purposes as the appropriations to which transferred but shall be available only for the time period of the appropriation from which transferred: Provided further, That funds shall be transferred between the following appropriations in the amounts specified:

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1986/90": T-AGOS SURTASS ship program, $3,600,000;

Under the heading, "Shipbuilding and Conversion, Navy, 1987/91":

CG-47 cruiser program, $147,100,000;

T-AGOS SURTASS ship program, $8,500,000;

Outfitting program, $14,900,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1985/89": T-AO fleet oiler program, $72,000,000;

Under the heading, "Shipbuilding and Conversion, Navy, 1986/90":

MCM mine countermeasures ship program, $5,800,000;

T-AO fleet oiler program, $11,100,000;

Under the heading, "Shipbuilding and Conversion, Navy, 1987/91":

AOE fast combat support ship program, $51,900,000;

T-AO fleet oiler program, $6,300,000; and

Under the heading, "Shipbuilding and Conversion, Navy, 1989/93": T-AGOS SURTASS ship program, $27,000,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree with the Senate to transfer funds among prior year Shipbuilding accounts to finance T-AO, MCM and AOE construction. The conferees further agree to transfer funds into the fiscal year 1989 T-AGOS program for the SURTASS block upgrade, including EMSP, from prior year T-AGOS and Outfitting programs.

Amendment No. 215: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *9095*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 216: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *9096*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section provides funding for National Defense Science and Engineering Graduate Fellowships.

Amendment No. 217: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 9097. Section 30(a) of chapter 2B of the Arms Export Control Act, Public Law 97-392, is amended by inserting "either (i)" immediately after the phrase "such a company" in the first sentence thereof and by adding immediately before the period at the end of that sentence "or (ii) in the case of ammunition parts subject to subsection (b) of this section, using commercial practices which restrict actual delivery directly to a friendly foreign country or international organization pursuant to approval under section 38 of this Act".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate general provision amended the Arms Export Control Act to facilitate the sale of ammunition components overseas. The conference agreement accomplishes the same purpose but clarifies that the amendment applies only to ammunition.

Amendment No. 218: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9098*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The section allows the competition of depot workload between the Department of Defense depots and the private sector. The intent of the conferees is that this should also allow for the award of competition from the private sector to the Department of Defense, if a successful bid is presented by the Defense depots.

Amendment No. 219: Deletes the Senate provision which required cost data on printing and reproduction to be contained in

each report submitted to Congress or the public.

Amendment No. 220: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 9099. Of the funds appropriated by this Act, no more than $2,500,000 shall be available for the health care demonstration project regarding chiropractic care required by section 632(b) of the Department of Defense Authorization Act, 1985, Public Law 98-525.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 221: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9100*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate included a general provision (Section 9091) to reinforce the effectiveness of the CHAMPUS Peer Review Organization (PRO) program, which is designed to assure quality and improve cost-effectiveness under CHAMPUS. The amendment authorizes DoD to adapt by regulations, the quality and utilization review requirements and procedures in effect for the Medicare PRO program. This provides a basis for procedures essential to the effective operation of the PRO program, including confidentiality of records, civil immunity of peer reviewers, and sanctions for noncomplying providers that are in effect for Medicare.

Amendment No. 222: Deletes Senate language which proposed certain restrictions on the Global Positioning System. In addition, the Senate recedes from its report language directions and guidance.

Amendment No. 223: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 9101. For the purpose of conducting a demonstration project, to test methods of increasing collections from third-party payers of reasonable inpatient hospital care costs incurred on behalf of retirees and dependents pursuant to section 1095 of title 10, United States Code, the Secretary of Defense is authorized to modify existing Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) regional fiscal intermediary contracts to assist in the administration of activities in connection with such collections: Provided, That amounts collected under this section from a third-party payer for the costs of inpatient hospital care provided at a facility of the uniformed services shall be credited to the appropriation supporting the maintenance and operation of the facility.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 224: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of section number "9095" named in said amendment, insert: *9102*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section permits agencies that sell federal property to accept, in the same manner as cash, amounts tendered by the Treasury from the two special accounts that were previously established by the Congress. This legislation is necessary because recent events have frustrated the original intent of Congress. The two groups for which the accounts were established have not been able to satisfy their entitlements through property sales.

By clarifying that the appropriated amounts in the accounts are to be transferred to and treated the same as cash by the federal agency, the legislation will assure that the groups for which the accounts were established are treated the same as any other private individual who is seeking to purchase property from the federal government. In addition, the groups will be able to acquire property from agencies (for example the Departments of Defense and Housing and Urban Development) and instrumentalities (for example, the Resolution Trust Corporation) other than the General Services Administration, as provided previously by Congress.

Nothing in this legislation is intended to change the status of the special account established pursuant to section 12(b) of Public Law 94-204 in other respects, (for example, as equivalent to interests in land which may be utilized in any state under the Federal Land Policy and Management Act of 1976 and Public Law 96-487).

Amendment No. 225: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of section number "9096" named in said amendment, insert: *9103*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate general provision, agreed to in conference, sets aside $8,000,000 from the procurement title to be used for incentive payments authorized by the Indian Financing Act.

Amendment No. 226: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of section number "9097" named in said amendment, insert: *9104* and at the end of said amendment after "'paragraph (1)(B)'", insert:

(d) Section 1606 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 is amended—

(1) by striking out "One-Year"in the heading of the Section and inserting in lieu thereof "Three-Month";

(2) by striking out "One-Year" in subsection (a) and inserting in lieu thereof "Three-Month";

(3) by striking out "October 1, 1990" in subsection (a) and inserting in lieu thereof "January 1, 1990"; and

(4) by striking out "fiscal year 1990" in subsection (a) and inserting in lieu thereof "the first quarter of fiscal year 1990"

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section amends the Foreign Assistance Act and Arms Export Control Act regarding certain charges to foreign military sales customers.

Amendment No. 227: Deletes Senate language that fully funds the civilian personnel pay raise.

Amendment No. 228: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9105*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section requires the Department of Defense to provide additional funds for high priority security improvements at the Kwajalein Test Range.

Amendment No. 229: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 9106. (a) Of the amounts appropriated for research, development, test and evaluation under Title IV of this Act, not more than $26,552,000 may be made available for grants to support ongoing projects for strategic materials research, through the National Defense Stockpile Transaction Fund, for facilities, equipment, research and related activities at institutions of higher education;

(b) The Secretary of Defense may make grant awards to institutions of higher education, as follows: University of Utah, $8,900,000, University of Hawaii at Manoa, $6,000,000, University of Texas at El Paso, $4,152,000, University of Idaho, $4,000,000, Loyola College of Maryland, $3,500,000;

(c) The grants specified in subsection (b) may be made without regard to, and (to the extent necessary) in contravention of, subsection (a) of section 2361 of title 10, United States Code (which is hereby superseded to the extent necessary to make such grants), and shall be made without regard to subsection (b)(2) of such section, and may be made without regard to the requirements of section 2304 of title 10, United States Code;

(d) The Secretary of Defense shall transmit a report, within 60 days of enactment of this Act, to the Committees on Appropriations and Armed Services of the Senate and House of Representatives which contains an evaluation on whether each grant supports the objectives established by the Strategic and Critical Materials Stock Piling Act, as amended: Provided, That no funds shall be obligated for grant awards pursuant to subsection (a) until thirty days after receipt of such report by the above-named Committees;

(e) References to section 2361 of title 10, United States Code in this section refer to that section as it existed on November 10, 1989 and as it is amended by section 252 of the National Defense Authorization Act for Fiscal Years 1990 and 1991, to the extent that provision is enacted into law.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section provides for certain grants to be made through the National Defense Stockpile Transaction Fund.

Amendment No. 230: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9107.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to Senate language which provides $1,000,000 for maintenance and repair of equipment and facilities and for tooling at the William Langer Jewel Bearing Plant.

Amendment No. 231: Deletes Senate language concerning the National Aerospace Plane.

Amendment No. 232: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, with an amendment as follows:

In lieu of the section number named in said amendment, insert: *9108* and immediately preceding "SEC.", insert the following center head:

(TRANSFER OF FUNDS)

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section allows the Secretary of Defense to transfer funds necessary for repair or replacement of Department of Defense assets damaged by hurricane Hugo in September of 1989.

Amendment No. 233: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of section number "9104" named in said amendment, insert: *9109* and immediately preceding "SEC", insert the following center head:

(TRANSFER OF FUNDS)

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section provides for the transfer of certain funds to Jordan to maintain previously purchased United States origin defense articles.

Amendment No. 234: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9110* and immediately preceding "SEC.", insert the following center head:

(TRANSFER OF FUNDS)

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section provides for the transfer of $135,000,000 to the Department of Energy Atomic Energy Defense Activities to restart the three tritium reactors at Savannah River, SC.

Amendment No. 235: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9111*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section expresses the sense of the Congress that the U.S. should reassess the force structure required in Korea and that the U.S. should not remove any armed forces until a thorough study on the roles, missions and force levels of these forces has been made.

Amendment No. 236: Deletes language proposed by the Senate requiring a study of alternative B-2 aircraft force structures.

Amendment No. 237: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of section number "9108" named in said amendment, insert: *9112*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section requires the Department to design a comprehensive strategy to involve civilian and military employees in partnership programs with elementary and secondary schools.

Amendment No. 238: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9113*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section directs the Secretary of the Army to convey a parcel of land to the New Jersey Turnpike Authority.

Amendment No. 239: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *9114* and, in the two instances where "Senate" is named in said amendment, insert in lieu thereof: *Congress.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section requires a report evaluating the impact of the cumulative effect of continued withdrawals of the military from land and airspace in Nevada.

Amendment No. 240: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 9115. (a) Such sums as may be necessary for fiscal year 1990 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

(b) Sums appropriated in title I of this Act, Military Personnel, are reduced by $63,000,000, which will be realized by reducing active duty personnel by 5,000: Provided, That this subsection does not apply to the reserve components.

(c) Sums appropriated in title II of this Act, Operation and Maintenance, are reduced by $75,000,000, which will be realized by reducing civilian personnel by 2,500: Provided, That this subsection does not apply to the reserve components.

SEC. 9116. Of the funds made available in this Act and in the Military Construction Appropriations Act, 1990 for fiscal year 1990 for research, development, test, and evaluation of the Rail Garrison MX and Small ICBM systems, procurement of Mark 21 reentry systems, advance procurement of Rail Garrison MX components or materials, and construction of facilities to support the Rail Garrison MX system, $150,000,000 is hereby reduced as determined by the Secretary of Defense.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section deletes Senate language regarding the Bureau of Prisons and inserts a section concerning military and civilian personnel issues and another section on the MX program.

Section 9115, subparagraph (b) is discussed in the Military Personnel section and subparagraph (c) is discussed under Operation and Maintenance, Civilian Manpower section of this report.

Section 9116 provides a reduction of $150,000,000 to achieve the authorized level for the Small ICBM and Rail Garrison MX programs as contained in the National Defense Authorization Act for Fiscal Years 1990 and 1991.

Amendment No. 241: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

SEC. 9117. None of the funds appropriated by this Act shall be available for payments under the Department of Defense contract with the Louisiana State University Medical Center involving the use of cats for Brain Missile Wound Research, and the Department of Defense shall not make payments under such contract from funds obligated prior to the date of the enactment of this Act, except as necessary for costs incurred by the contractor prior to the enactment of this Act, and until thirty legislative days after the final General Accounting Office report on the aforesaid contract is submitted for review to the Committees on Appropriations in the House and Senate.

SEC. 9118. None of the funds appropriated by this Act shall be available for bone trauma research at Letterman Army Institute of Research until the Secretary of the Army has certified to the Committees on Appropriations of the House and Senate that this research has a military application, it is being conducted in accordance with the standards set by an animal care and use committee, and the research is not duplicative of research already conducted by a manufacturer or any other research organization.

SEC. 9119. (a) Notwithstanding any other provision of law, the Secretary of Defense shall make available to the Speaker of the House of Representatives one C-20 aircraft of the 89th Military Airlift Wing at Andrews Air Force Base, Maryland, for such transportation purposes as the Speaker may determine. The Speaker shall have sole authority to determine the use of such aircraft and the persons transported on such aircraft, and such aircraft may not be used for any purpose not approved by the Speaker. The provisions of this subsection shall apply during fiscal year 1990 and subsequent fiscal years without regard to fiscal year limitation.

(b) In order to provide an aircraft for the purpose described in subsection (a), the Secretary of Defense shall, not later than 30 days after the date of the enactment of this act, make available to the 89th Military Airlift Wing at Andrews Air Force Base, Maryland, one C-20 aircraft from existing inventories of the Department of Defense.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

In section 9117, the conferees agree to prohibit any fiscal year 1990 funds and certain prior year funds for payments under

the Department of Defense's contract with the Louisiana State University Medical Center involving the use of cats for Brain Missile Wound Research until the General Accounting Office (GAO) has completed its final report on this contract. It is the conferees' firm intent that this prohibition on funding remain in effect until thirty legislative days after the final GAO report is submitted to the Committees on Appropriations and until both Committees fully review the GAO findings and approve in writing to the Department the continuation of any funding for this contract. The conferees fully expect the Department to terminate the contract if the final findings in the report (when considered with interested party comments) so warrant. Funds obligated in prior years for this contract shall not be used except as necessary for costs incurred by the contractor prior to the enactment of this Act.

In section 9118, the conferees agree to prohibit continued bone trauma research at the Letterman Army Institute of Research using dogs in the absence of certain certifications from the Secretary of the Army.

Airborne Self Protection Jammer.—The Senate included report language which directed that no appropriated funds be obligated until the ASPJ successfully completed operational testing. Bill language also was added which restricted obligation of any fiscal year 1990 funding for the ASPJ program except for production verification units until further testing was conducted and several reports were issued. The House did not address this issue.

The conferees share the Senate concern with the results of operational testing on developmental units. Defense Department officials are confident that additional testing on production units will demonstrate levels of performance which meet design specifications, but are concerned that withholding funds until the conclusion of such tests could cause termination of the program because of production breaks. Therefore, the conferees direct that further operational testing be conducted prior to the award of any future production contracts unless the Defense Department reports that such testing would cause an unacceptable breach in production which would jeopardize the continuation of the program. In any event, the conferees direct that no increase to full rate production shall occur until additional operational testing has been concluded and it is verified that the ASPJ fully meets its design requirements against all threats.

The conferees recognize that delays in the ASPJ program caused by the scheduled review of the Defense Acquisition Board (DAB) in late fiscal year 1990 has eliminated the need for production funding this year. Therefore, the conferees recommend a reduction of $204,800,000 from the Air Force F-16 program and $169,800,000 from various Navy aircraft programs for ASPJ production. The amount remaining for ASPJ in the recommended allowance includes $10,000,000 for each service for contract management or vendor base protection.

The conferees expect that the Navy can fulfill the criteria listed above and therefore, should plan to award a contract in early fiscal year 1991 for lot two low rate production. In accord with this goal, the Navy may issue a "Request For Proposal" in early 1990. However, the conferees direct that no contract be awarded for any future production until the exit criteria established by the DAB have been sucessfully completed and the results of the DAB review have been reported to the Committees on Appropriations.

Amendment No. 242: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of section number "9113" named in said amendment, insert: *9120*

and, in the one instance where "Senate" is named in said amendment, insert in lieu thereof: *Congress*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section allows participation of the Department of Defense in the multilateral anti-narcotics strike force, as authorized in sections 4101 and 4103 of the Anti-Drug Abuse Act of 1988 (Public Law 100-690).

Amendment No. 243: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 9121. Notwithstanding the provisions of sections 1301 and 1341 of title 31 of the United States Code, or section 3732 of the Revised Statutes, or section 119 of the Super Fund Amendments and Reauthorization Act of 1986, the Secretary of the Army may have the authority to hold harmless and indemnify the Coolbaugh Township and/or its duly created and authorized authority or authorities or other properly designated body or bodies, located in Monroe County, Pennsylvania (hereinafter "Township") for certain liabilities to third persons not compensated by insurance or otherwise for loss of or damage to property, death, or bodily injury, including the expenses of litigation or settlement arising out of the Township's performance of remedial activities for the Army: provided, That

(1) such liabilities were caused solely by hazardous substances, as that term is defined at section 9601(14) of title 42 of the United States Code, that were released by the Army, or its authorized agents and employees;

(2) such liabilities were not the result of grossly negligent conduct or intentional misconduct on the part of the Township, its officers, agents, contractors or employees;

(3) the Township demonstrates that insurance for such liabilities is not reasonably available;

(4) the Township gives timely notice to the Army of any claim, action, or loss which may be covered by the indemnification provision between the Township and the Army;

(5) the United States shall, at its election, control or assist in the settlement or defense of any claim, action or loss which may be covered by an indemnification provision between the Township and the Army;

(6) the source of funds available to indemnify the Township shall be limited to 80 percent of the Army's allocation of the Defense Environmental Restoration Account for the year in which the damages are payable, but in no event shall liabilities payable pursuant to this authority exceed $50,000,000;

(7) an indemnification provision pursuant to this authority shall include a deductible amount mutually agreed upon of not more than $10,000;

(8) the Township and the Army shall use the guidance provided by the Federal Acquisition Regulations and other applicable federal guidance in negotiating an indemnification provision pursuant to this authority.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to delete Senate language which required a feasibility study concerning the sale or transfer of land in Virginia to the Commonwealth of Virginia since it was included in the National Defense Authorization Act, 1990.

However, the conferees agree to include language which provides the Secretary of the Army authority, if he so desires, to idemnify Coolbaugh Township from future contamination problems that may result from the toxics emanating from Tobyhanna Army Depot.

Amendment No. 244: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of section number "9115" named in said amendment, insert: *9122*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section amends the Stewart B. McKinney Homeless Assistance Act that applies to funds obligated during fiscal year 1988 and each fiscal year thereafter.

TITLE X

CONVENTIONAL FORCE IMPROVEMENTS

Amendment No. 245: Deletes Senate language which provides appropriations for Conventional Force Improvements, DOD Assured Access to Space, and Emergency Response Fund. Conventional Force Improvements were included in Title III, Procurement. Emergency Response Fund was included in Amendment number 101.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1990 recommended by the Committee of Conference, with comparisons to the fiscal year 1989 amount, the 1990 budget estimates, and the House and Senate bills for 1990 follow:

New budget (obligational) authority, fiscal year 1989	$282,386,350,000
Budget estimates of new (obligational) authority, fiscal year 1990	288,236,500,000
House bill, fiscal year 1990	286,475,680,000
Senate bill, fiscal year 1990	288,217,066,000
Conference agreement, fiscal year 1990	286,025,422,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1989	+3,639,072,000
Budget estimates of new (obligational) authority, fiscal year 1990	−2,211,078,000
House bill, fiscal year 1990	−450,258,000
Senate bill, fiscal year 1990	−2,191,644,000

JOHN P. MURTHA,
NORMAN D. DICKS,
CHARLES WILSON,
W.G. (BILL) HEFNER,
LES AUCOIN,
MARTIN OLAV SABO,
JULIAN C. DIXON,
JAMIE L. WHITTEN,
JOE MCDADE,
BILL YOUNG,
CLARENCE E. MILLER,

BOB LIVINGSTON,
SILVIO O. CONTE,
Managers on the Part of the House.

DANIEL K. INOUYE,
ERNEST F. HOLLINGS,
J. BENNETT JOHNSTON,
ROBERT C. BYRD,
PATRICK J. LEAHY,
DENNIS DECONCINI,
DALE BUMPERS,
FRANK R. LAUTENBERG,
TOM HARKIN,
TED STEVENS,
JAMES A. MCCLURE,
ROBERT KASTEN,
ALFONSE M. D'AMATO,
WARREN B. RUDMAN,
THAD COCHRAN,
MARK O. HATFIELD,
Managers on the Part of the Senate.

OVERSIGHT OF THE EXECUTIVE BRANCH

(Mr. SYNAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SYNAR. Mr. Speaker, some of our colleagues on the minority side took to the floor last week to assert that executive branch scandals over the past few years wouldn't have occurred if the Democrats in Congress had been doing proper oversight of the administration. I don't know where these Members have been, because that's about the most ridiculous assertion I've ever heard.

Mr. Speaker, here are copies of oversight hearings and reports just by my subcommittee alone over the past few years. I'll be happy to leave these in the Cloakroom for their review. More important, now that I know these Members are so supportive of aggressive oversight, I will feel free to call on them for help in getting some documents we need as part of an investigation, which the administration doesn't want to give us. It is comforting to know I can count on their support in this effort.

Second, Mr. Speaker, their assertion erroneously suggests that the executive branch has no obligation to keep its own house in order. Nothing could be further from the truth.

Third, they seem to believe—again, incorrectly—that oversight is solely a Democratic responsibility. Mr. Speaker, I can only be thankful the minority members on my own subcommittee don't share that view. In fact, I am very fortunate to have as my ranking Republican, BILL CLINGER of Pennsylvania, who understands as well as any Member of this body that oversight is not a partisan endeavor. He, Mr. DOUGLAS, and Mr. THOMAS of Wyoming, are all active participants in our oversight of the executive branch.

Mr. Speaker, before our colleagues take to the floor again to suggest Congress is not doing any oversight, they may want to check the facts first.

VETERANS WEEKEND—NO HOLIDAY FOR U.S. NAVY

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, make no mistake. This past Veterans' weekend was no holiday for the U.S. Navy.

On Friday, in Smyrna, GA, a Navy attack plane crashed into an apartment complex, killing 2, injuring 2, and leaving 30 homeless. The Navy said, quote, "The crash is an isolated incident."

On Saturday in Desert Center, CA, two Navy A-6 attack jets pulverized a campsite by dropping 12 250-pound bombs near 6 terrified campers. The Navy said, quote, "It was definitely a mistake, but as to why it happened, we don't know."

On Sunday in the Strait of Malacca, one Navy crewman died and five were injured after the U.S.S. *Kinkaid* collided with a merchant ship. The Navy said, quote, "We don't feel it's a training problem, and these accidents are totally unrelated to each other."

Qadhafi, Noriega, Ortega, and Castro can only dream of causing the United States such tragedy and turmoil. The U.S. Navy should now recognize a phrase that surely has many American citizens worried—"We have met the enemy, and it is us."

WHAT IS GOING TO HAPPEN IN SEQUESTRATION

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, we still have yet to see an earnest discussion entered into between the administration and the Congress, and not on the fault of the Congress, I might add, is it not taking place as to what actually is going to happen with sequestration. We still see the games being played in the administration. We still hear them saying that they want sequestration to go a little bit longer, somehow maybe to accomplish some political purpose.

However, Mr. Speaker, I think people ought to know that the longer that sequestration process goes, what happens?

In VA medical care, up to $254 million could be cut. The National Cancer Institute, $86 million. Compensatory education, $251 million. Pell grants for students to go to college, $247 million. Head Start programs, $68 million. The FAA, air traffic controllers equipment, safety checks and the like, $264 million.

Mr. Speaker, the litany goes on and on. This body has been trying to come to some resolution of the problem. This body, both Republicans and Democrats, want to see an end to the sequestration, want to see the reconciliation bill passed, but so far that fight has been won which the administration has resisted.

We urge the President, Mr. Speaker, to get in the middle of this, say that he will agree to a reconciliation bill with one or two items which are things which they want in this Chamber and in the Congress, and then let the rest of the people in the United States be at ease with the fact that we are in fact doing our job, which we are doing here, as well as all over the Government. We are doing our job, and the administration, too.

MAKING IN ORDER ON WEDNESDAY, NOVEMBER 15, 1989, OR ANY DAY THEREAFTER CONSIDERATION OF CONFERENCE REPORT ON H.R. 3072, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1990

Mr. MURTHA. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Wednesday, November 15, 1989, or any day thereafter, to consider the conference report and any amendments in disagreement on the bill (H.R. 3072) making appropriations for the Department of Defense for the fiscal year ending September 30, 1990, and for other purposes, and that such conference report and amendments in disagreement be considered as having been read when called up for consideration.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

SEQUESTER—THE WRONG SIDE OF THE EQUATION

(Mr. CONTE asked and was given permission to address the House for 1 minute.)

Mr. CONTE. Mr. Speaker, I'm glad the gentleman from Florida has joined my crusade.

Mr. Speaker, in the debate over sequestration, two points speak strongly against allowing sequester to remain in effect.

First, the administration's budgeteers let the President down. The President said he prefers sequester because it saves $16.1 billion, while reconciliation nets only $14 billion. Wrong.

Because of the way Gramm-Rudman works, once the 13 appropriations bills are passed, sequester will net only $11.6 billion in deficit reduction. So by siding with sequester, the President takes a position that loses $2.4 billion in deficit reduction.

The President is on the wrong side of the equation.

Second, the sequester effects on Defense, according to the Pentagon, are "too mind boggling to contemplate at

this time." The effect of sequester, or of the Defense appropriation and sequester, will cut real growth at the Pentagon by $8 billion.

Let's get off the wrong side of the equation and pass a reconciliation bill worth $14 billion.

□ 1210

TIME FOR AMERICA TO ACT AGAINST TERRORISTS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, yesterday over 800 Hezbollah activists celebrated the brutal senseless murders of hundreds of Americans, French, and Israelis. A so-called holy leader, Ghassan Ghibris, said, "We pledge to be the dagger that stabs into their veins, the sword that pierces their heart, and the bomb that will kill them all."

While Congress and the administration hesitates, Americans are being systematically and methodically slaughtered by these terrorists who become our No. 1 threat and enemy.

I say it is time to make use of our massive $300 billion defense budget and go after these terrorists. We have F-14's, F-16's, F-18's, and I say maybe it is time that we start using them on America's No. 1 threat.

INTRODUCTION OF BILL TO ADDRESS WASTEFUL MAILING PRACTICES

(Mr. HASTERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HASTERT. Mr. Speaker, I rise today to introduce a bill that begins to address the pervasive problem of wasteful mailing practices of Government bureaucracies by requiring Federal agencies to consider cost-effectiveness when preparing and disseminating environmental impact statements.

The impetus for this bill was a mailing in December 1988 by the Department of Energy of 16,000 final environment impact statements—each costing approximately $100 to print and mail. Over half of these went to Illinois residents. The total cost of the mailing was over $1.4 million.

Most of the individuals who received this 26-volume technical document had never requested it—one home even received 5 copies. Many had simply voiced their support or opposition to the SSC project through letter writing campaigns.

My office received calls of complaint from the recipients of the mailing, including the St. Charles postmaster. He had to find an extra truck and put people on overtime during the Christmas season to get these enormous documents delivered.

My bill begins to infuse the Government bureaucracies with a commonsense approach to gathering and disseminating information. It will:

First, require the agency concerned to notify the Council on Environmental Quality of its intent to prepare an environmental impact statement, its scope and anticipated length;

Second, require the agency concerned to consult with the Council about an FEIS that exceeds 150 pages;

Third, require the agency concerned to notify—by letter—members of the general public involved in the preparation of the EIS about the existence and availability of an FEIS;

Fourth, require the agency concerned to devise the most cost effective method for the proper dissemination of copies of the statement.

In no way will this legislation limit the availability of these documents to individuals or organizations that have an interest in them. We do owe it to the taxpayer, however, not to mindlessly print and mail material to those for whom it holds no interest. If we are not responsible today in distributing information, the resources may not be available for its distribution tomorrow.

THE VIOLENCE MUST END IN EL SALVADOR

(Mr. BRENNAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRENNAN. Mr. Speaker, another week in El Salvador finds more violence and more bloodshed. The recent escalation of attacks in the capital city of San Salvador has sparked a new wave of tension and despair.

These attacks undermine the ability of the democratically elected Christiani government to maintain the fragile hopes for this beleagured nation. The violence posed by both sides calls for a more concerted effort by the United States to bring the two competing factions back to the bargaining table.

An immediate cease-fire would stop the senseless killing and destruction. As with most guerrilla conflicts, a negotiated settlement between the two parties offers the only real hope for peace.

The situation today in El Salvador is a crisis and the United States must work for an immediate cease-fire and end to the bloodshed.

The poor peasants of the war-torn nation ask only for the killings to end and the process of rebuilding their nation to begin. We can offer them greater hope by bringing diplomatic pressure for an end to the murders.

HONORING FIVE VETERANS FROM AMERICAN LEGION POST 218 IN MIDDLETOWN, OH

(Mr. DONALD E. "BUZ" LUKENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, this country is rightfully very proud of its veterans. They have served their country with dignity and honor. Last week, five veterans from American Legion Post 218 in Middletown, OH, in my congressional district, the Eighth of Ohio, were honored for actions above and beyond the call of duty.

Robert J. Arrell, a Korean war vet, was presented the Martin V. Coffey award for his contributions to community service. He has served as chairman of the Middletown area United Way, organizing chairman of the United Way of southwestern Ohio and been a trustee of Arts in Middletown, Inc. He has been a member of the parish board of the First United Methodist Church, director of both the Middletown and Ohio Chamber of Commerce and also a conference board member of the American Society of Personnel Administrators. He currently serves on the board of directors for Bank One Middletown and was formerly a director of the American Savings & Loan Association.

Bob Wise received the Americanism Award presented each year to an individual who promotes patriotism in the community. Wise is the board chairman of Bob's Truck Service, Inc. and is a life member of Post 218. He is a veteran of World War II and served in the Pacific on Okinawa with the 1902d Engineer Aviation Batallion, U.S. Army.

William R. Thompson received the Vietnam Veterans E.B. Sickle Award for exemplifying outstanding leadership and dedication to Post 218. A member of the Post for 11 years, Thompson was Post Commander in 1986 and is currently finance officer.

Charles Cooper was the recipient of the Color Guard Award. This award was established in 1946 by the late Glenn "Sarge" Henderson to perform military rites for any honorably discharged veteran. The group also represents the Post in parades, flag raisings, school patriotic programs, and at various fraternal and civic events. Cooper served in the U.S. Army during World War II and is a life member of the American Legion. He joined the color guard in 1978 and was selected for the award because of his dedication.

A special award was presented to Jack Keller, for his dedication and outstanding service to the Post. He is a life member and was Post Commander in 1974.

We can look proudly at our veterans, but these men have contributed to the

community of Middletown in ways that deserve recognition. To them I say, God bless you gentlemen and thank you for your dedication to Middletown.

SEQUESTRATION

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, what a difference a year makes. Twelve months ago George Bush was talking about our educational and environmental needs, the problems of drugs in America. Now he claims that he is prepared to accept the consequences of sequestration.

The consequences: 230,000 soldiers demobilized; 20,000 ships in mothballs; $250 million in veterans' medical benefits lost; 50,000 fewer children in Head Start; 300,000 children who will not be innoculated against polio; $80 million out of environmental funds for Superfund; $29 million of the war on drugs.

Mr. Speaker, the President may not care about sequestration, but Members of this House and the American people care.

Mr. Speaker, the President needs to keep faith. Either he is the environmental President, the education President, a President who wants to lead, or he is the President who does not care about sequestration. He cannot have it both ways.

APPOINTMENT OF CONFEREES ON H.R. 2748, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1990

The SPEAKER. The Chair appoints the following conferees on the bill (H.R. 2748) to authorize appropriations for fiscal year 1990 for intelligence and intelligence-related activities of the U.S. Government, the Intelligence community staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes and without objection, the Chair reserves the right to appoint additional conferees:

Permanent Select Committee on Intelligence: Messrs. BIELENSON, MCCURDY, KASTENMEIER, ROE, MCHUGH, DWYER of New Jersey, WILSON, Mrs. KENNELLY, and Messrs. GLICKMAN, MAVROULES, RICHARDSON, SOLARZ, HYDE, LIVINGSTON, SHUSTER, COMBEST, BEREUTER, ROWLAND of Connecticut, and DORNAN of California.

Committee on Foreign Affairs (for title IX of the Senate amendment: Messrs. FASCELL, HAMILTON, and BROOMFIELD.

Committee on Armed Services (for Department of Defense tactical intelligence and related activities: Messrs. ASPIN, LANCASTER, and DICKINSON.

Committee on the Judiciary (for sections 503 and 601 of the Senate amendment: Messrs. EDWARDS of California, MORRISON of Connecticut, BERMAN, SENSENBRENNER, and SMITH of Texas.

There was no objection.

A BUDGET IN TUNE WITH TODAY'S WORLD AND AMERICA'S FUTURE

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, since World War II, the United States has invested billions of dollars into NATO's military might, preparing for the day when a million East Europeans would stage a massive invasion of West Germany.

Last week the invaders, as anticipated, poured into West Berlin. They formed tight ranks to sign up for restaurants, and BMW showrooms. They sued for peace and they returned home with toys for their kids.

Policymakers in the Pentagon and the State Department will not struggle to redefine NATO and American's new role in global security.

On Capitol Hill we face a deepening difficult task, crafting a budget for a new America, a budget free from cold war logic, a budget in tune with today's world and America's future.

Our budget for fiscal year 1991 can be our first post-cold war budget, and if it is an honest, forward-looking, imaginative budget, it will spend our resources on tomorrow, not yesterday. Our budget must be driven, not by a cold war with communism, but by world war of economic competition.

BERLIN WALL FALLS AS WE CELEBRATE VETERANS DAY

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, yes, they are dancing on top of the Berlin Wall, and as a happy coincidence it occurred at a time when Americans were celebrating Veterans Day. What do the two have in common? It is, in my judgment, the sacrifices made over the centuries by American men and women in the armed services, our veterans, who made freedom constant in the United States and spread it around the world.

There is a direct connection between the freedom that these Germans are first experiencing on the Berlin Wall and those for which Americans sacrificed over the years.

□ 1220

We simply hope that in the future America will resolve to remain strong, because make no mistake about it, the strength of America made possible the crumbling of the Berlin Wall. The determination of American leadership over the centuries made it possible for the East Germans to understand what liberty is all about.

While we are celebrating on one hand, on the other we must remain strong and guarantee freedom for generations to come.

TRIBUTE TO REV. LYMAN SMITH ALLEN

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, more than 600 admirers of Rev. Lyman Smith Allen attended his funeral yesterday at Immanuel Baptist Temple in Henderson, KY.

Reverend Allen, 76, served as the very effective and popular pastor of Immanuel Baptist Temple from 1946 to 1980.

Among his many accomplishments, Reverend Allen was the recipient of Henderson's Distinguished Citizen Award in 1977.

The Henderson Gleaner newspaper published an editorial tribute to Reverend Allen yesterday. The editorial was headlined: "Lyman Smith Allen Left Lasting Imprint on Us."

To quote a portion of that editorial in the Gleaner:

He was "Rev" the man who came to Henderson in 1946 to pastor IBT for "two years" and remained there for 34 before retiring in 1980. His imprint on that church (and this community) will remain forever but Rev. Allen invariably placed the credit elsewhere. In an interview about the church's growth on his 30th anniversary at IBT, he said, "I will admit that these things have come about through bold, courageous and progressive leadership, but that leadership has come from the people, not from me."

Such was the manner of Rev. Allen, who would just as soon be remembered as an ordinary man who brought forth the technique of Jesus Christ.

He was of course an extraordinary man. He was an inspirational leader and a master orator whose enormous faith was contagious. He had few, if any, peers in bringing comfort to the ill or to families going through the experience of losing a loved one.

My congressional district, the Commonwealth of Kentucky and areas far beyond are better places today because of this Christian leader, this Baptist minister who died Thursday of cancer.

He is survived by his wife, Jessie Cagle Allen; one daughter, Jica A. Crafton of Niagara, NY; three sons, C.Y. Allen of Stevens Point, WI, A.C. Allen of Maitland, FL, and L.S. Allen, Jr., of Henderson. My wife Carol and I extend our sympathy to each of them and other members of the family.

RENEWED REBEL AGGRESSION IN EL SALVADOR

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, where is the outcry of condemnation against the savage tactics of the leftist guerrillas in El Salvador?

Over this past weekend the people of El Salvador have once again borne the brunt of intense and vicious rebel aggression. The leftists in a desperate attempt to dramatize their discredited and abandoned movement initiated attacks against the urban population of San Salvador. Over 125 individuals were killed, including one American teacher.

This renewed rebel aggression should meet with a chorus line of condemnation in the Congress. One by one we should all deplore the guerrillas' murderous tactics. The Cristiani government did not instigate these attacks; the guerrillas did.

We know what the FMLN's true colors are—black for fear and intimidation and red for unlimited bloodletting.

President Cristiani continues to offer peace over conflict for the survival of democratic principles in his country. He deserves our steadfast support.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BRENNAN). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules, but not earlier than 4:30 p.m.

GENESEE RIVER PROTECTION ACT OF 1989

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 931) to protect a segment of the Genesee River in New York.

The Clerk read as follows:

S. 931

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Genesee River Protection Act of 1989."

SEC. 2. PROTECTION OF THE GENESEE RIVER.

In order to protect for present and future generations the outstanding scenic, natural, recreational, scientific, cultural, and ecological values of the Genesee River within Letchworth Gorge State Park in the State of New York, and to assist in the protection and enhancement of the Gorge's archeological sites of sacred significance to the Seneca Nation, historic areas, endangered plant communities, and diverse recreation uses, the protections afforded for rivers listed in section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1276(a)) for study for potential addition to the National Wild and Scenic Rivers System shall apply to the segment of the Genesee River beginning at the southern boundary of Letchworth Gorge State Park and extending downstream to the Mt. Morris Dam, except that the protection so afforded shall not interfere with the Secretary of the Army's operation and management of Mt. Morris Dam as authorized for purposes of flood control.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 931, the Senate bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 931, which passed the Senate with Senator MOYNIHAN'S leadership on September 12, 1989, provides for the protection of an approximately 17-mile segment of the Genesee River in New York State. The legislation is similar to H.R. 2333, which was introduced on May 11, 1989.

The Genesee River segment referenced by S. 931 is located within the highly scenic and popular Letchworth Gorge State Park. Portions of the Genesee River have been reviewed and subsequently listed on the nationwide rivers inventory as possessing significant resource values. Further, the State of New York has taken action to designate the segment in question as part of that State's wild and scenic rivers system.

The legislation before the House today arose because alterations to the Genesee River that are being studied would inundate sections of the river gorge within the State park and damage its natural characteristics. The effect of S. 931 will be to make Federal actions consistent with the protections afforded the river under State management.

In testimony before the Interior Committee, the legislation was endorsed by the administration, the congressional representatives of the area, and public witnesses. This matter has received extensive coverage in western New York State and widespread unanimity of support for protecting the Genesee River has been evident. Given the circumstances and support attendant with S. 931, I believe the legislation, in this instance, is a reasonable proposal to assist in maintaining the existing resource values of the Genesee River and I support its adoption.

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

(Mr. RHODES asked and was given permission to revise and extend his remarks.)

Mr. Speaker, I rise in support of S. 931, the Genesee River Protection Act of 1989. This bill is noncontroversial. It has the support of the Bush administration and has local support in the State of New York.

Today, we will be protecting the Genesee River under section 5(a) of the Wild and Scenic Rivers Act by prohibiting any water or power developments on this stretch of the river. There exists no stronger statutory tool for protecting natural rivers.

The action under consideration today is not without precedent. This body has protected portions of the Snake and Salmon Rivers in the exact same manner.

I believe this legislation will save for generations to come the beauty and natural qualities of the Genesee River within the boundaries of Letchworth State Park's Genesee River Gorge—the "Grand Canyon of the East." In this park, the river travels over three waterfalls, and is the focal point for over 1 million visitors yearly.

New York State has already included this portion of the river in its wild, scenic, and recreational river system and this legislation will afford the same protection at the Federal level. The operation of the U.S. Corps of Engineer's Mount Morris flood control dam will not be interfered with by this bill.

I urge my colleagues to support S. 931.

Mr. PAXON. Mr. Speaker, I rise in strong support of S. 931, the Genesee River Protection Act. I would like to thank the chairman of the Subcommittee on National Parks and Public Lands, Mr. VENTO, for his support and the support of his staff in moving this legislation through the House. Additionally, I would like to thank Mr. LAGOMARSINO for his assistance and guidance on the Genesee River Protection Act.

The Genesee River is located in the heart of my district. Affectionately known as the Grand Canyon of the East, with cliffs that rise to over 600 feet at some points, this gorge is where the magnificant Genesee River spans 17 miles as it roars over three major falls, one of which is more than 107 feet high.

The historic Letchworth State Park encompasses over 14,000 acres with boundaries accessed by main entrances in Portageville, Castile, and Perry in Wyoming County, and Mount Morris in Livingston County and hosts close to 1 million visitors annually.

New York State has already included this portion of the Genesee River in its Wild, Scenic and Recreational River System, and I think this river deserves the same protection at the Federal level.

Mitex Inc., of Boston, MA—now known as Mount Morris Hydro Partners—was issued a preliminary permit from the Federal Energy Regulatory Commission [FERC] to study the feasibility of installing a hydropower plant at Mount Morris on May 5, 1989.

Although Mitex was only issued a preliminary permit, which is good for 3 years, we are concerned that they will move quickly and begin building the hydropower plant within the next year.

The people of my district are nearly unanimous in their opposition to the establishment of a hydropower plant on the river. I would like very much to ensure the protection of the Genesee River. To do this, I believe we need to protect the river at the Federal level.

Senate bill 931 uses the Wild and Scenic Rivers Act to protect for present and future generations the oustanding scenic, natural, recreational, scientific, cultural, and ecological values of 17 miles of the Genesee River located within Letchworth State Park.

This legislation is supported by the State and local officials in this area. It is extremely important for my constituents and the 1 million visitors to Letchworth State Park each year. This act will preserve this natural resource for present and future generations to enjoy and I urge my colleagues to support it.

Mr. LEVINE of California. Mr. Speaker, I want today to speak out in support of the chemical weapons sanctions legislation we now have before us. I especially want to thank the chairman of the Foreign Affairs Committee, Mr. FASCELL, and the chairman of the Subcommittee on International Economic Policy and Trade, Mr. GEJDENSON, for their leadership on this vitally important issue.

As many have already mentioned, this bill is the product of substantial discussion and dialog among a variety of interested parties.

In particular, the staffs of two Foreign Affairs subcommittees and of the full committee, as well as my staff and that of my colleague from California, Mr. BERMAN, have spent many months trying to craft a bill which would adequately address the problem of chemical weapons proliferation; in other words, how to stop the spread of these insidious weapons. I believe this bill helps accomplish that goal.

Mr. Speaker, there is a crying need for CW sanctions legislation. Recent experience has demonstrated that certain governments are willing and able to use poison gas as a weapon of war. Adding to the chemical club countries which have shown every indication they too would use such weapons threatens not only U.S. interests in the Middle East but also the interests of all nations interested in peace in that volatile region.

It is therefore most regrettable that it is our closest friends in Europe who share the blame for allowing the chemical genie to escape from the Mideast bottle. The scourge of chemical warfare can only be removed if our Allies put principle—and nonproliferation of these horrible weapons—ahead of commerical gain.

Furthermore, a strong and unambiguous signal must be sent to all countries which might contemplate using CW that, should they choose to do so, the economic, political, and diplomatic costs will be severe.

In sum, measures are needed to raise significantly the costs of both using and supplying chemical weapons. The Chemical and Biological Warfare Elimination Act—as this bill is titled—attempts to do just that.

The bill breaks down into several sections.

The findings stress the need for a comprehensive, verifiable international agreement to achieve CW disarmament. They also call for multilateral and unilateral efforts to limit CBW proliferation, and for sanctions against violators of international law.

Title I contains measures to prevent the proliferation of CBW. Specifically, it includes special controls on U.S. exports—under the Arms Export Control Act and the Export Administration Act—which could help a country acquire the capability to develop, produce, stockpile, deliver, or use CBW.

It also imposes sanctions on foreign companies which have assisted CBW proliferation. Such sanctions would include prohibitions on U.S. Government procurement and/or on imports into the United States for 2 years or until the President has certified that the company had ceased activities which led to the initial imposition of sanctions. Prior to imposing sanctions, the President would be requested to consult with the primary country of jurisdiction to determine whether or not it had taken adequate corrective action. Certain waiver and exemption provisions are also included.

Title II would adopt sanctions against countries which use CBW in violation of international law, make substantial preparations to do so, or develop, produce, or stockpile BW in violation of international law.

The President would be required to impose at least three of a menu of eight sanctions including, for example, prohibition on exports of controlled items; denial of credit or other financial assistance; and import restrictions. After 3 months, at least one additional sanction must be imposed unless the President certifies that the country was no longer using CBW and had met several other conditions. Again, the bill provides for a waiver under certain circumstances.

The President, under title II, could also impose sanctions against countries which make substantial preparations to use CW or develop BW in violation of international law. This section is provided to give him discretion to sanction a country like Libya, which clearly has been developing a CW capability.

Finally, title III contains several reporting requirements regarding the effectiveness of the statute; efforts of foreign countries to acquire CBW; CBW use or preparation; and the extent to which foreign persons and governments knowingly contribute to CBW development.

Mr. Speaker, overall I am relatively pleased with this bill. It provides an appropriate framework in which the executive and legislative branches can work together, and it gives the President proper incentive actually to impose sanctions should circumstances merit such action.

That having been said, however, I confess I am troubled by the degree to which we were encouraged to water down our original draft legislation. I introduced a bill, H.R. 696, in January which would have required mandatory sanctions to be imposed upon any country found to have used chemical weapons. While H.R. 696 did contain a waiver, it was so narrowly drawn that it would have been very difficult for the President to exercise.

However, in the interests of trying to craft a bill which would be acceptable to the administration, the committee chose to wait to hear executive branch views on the subject before proceeding on my—and other—bills. The administration's initial response was not, in my view, particularly helpful since they simply wanted a bill providing complete and total discretion as to whether to impose CW sanctions.

There is one major problem with that approach. It gives the President an easy out should he decide to put politics ahead of punishment. One need only look to last fall to see that, even in the face of the most egregious use of CW since World War I, the executive branch lobbied heavily against the imposition of sanctions. The result? Encouragement to other nations who are pursuing—and could well use—a chemical weapons capability.

The basic draft with which the staffs had been working these many months was tougher than the administration preferred. It combined both user and supplier sanctions. And, while not containing explicitly mandatory sanctions, it was drafted in a way in which sanctions would nevertheless be imposed unless the President chose to waive them by jumping a number of hurdles. In all likelihood, the President would have been unable to pass what is often called the red-face test. The presumption would therefore be that sanctions would be imposed.

Not surprisingly, the administration opposed this approach and, immediately prior to the subcommittee markup, threatened to oppose the draft with which the staffs had been working. They offered their own version which essentially would have been meaningless.

The result, Mr. Speaker, the compromise, is the bill we have before us today, which is even less stringent than the Foreign Affairs Subcommittee bill we passed in July. In fact, in the key area of user sanctions, we have granted the President even greater waiver authority than he had in the July bill. I therefore want the record to show that this committee has come a long way toward meeting administration concerns in the interest of achieving a bill with bipartisan and bicameral support.

For example, this bill, in addition to the change noted above: eliminates a list the President would be required to maintain of countries which either use, or make substantial preparations to use, CW—the embarrassment list—substantially weakens the waiver on supplier sanctions; allows the President to avoid sanctions if he merely certifies that the foreign government in which a company is located has taken appropriate action—which provides a giant loophole for politics to intrude; eliminates one tier of our original two-tier approach to user sanctions; and decreases the number of sanctions which would be imposed on users.

These changes are not fatal. They do not gut the bill. There is still a substantial sanctions regime in place in this bill. But the overall effect is to provide the President with much greater discretion than he would otherwise have had. That is not my preferred approach. History has shown that tough talk on an issue like chemical weapons use does not always translate into tough action.

Nonetheless, as I have already indicated, I support this bill as an appropriate and timely first step. I am pleased to see that the administration, recognizing the movement we have made on their behalf, is finally lending the bill its overt support. I expect that to be the case throughout the entire process, and to put teeth into the bill's provisions by using them should a situation arise where sanctions are called for.

Mr. RHODES. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the Senate bill, S. 931.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

TRANSFER OF CERTAIN LANDS TO CALIFORNIA

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2809) to provide for the transfer of certain lands to the State of California, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2809

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds and declares that—

(1) in order to protect certain outstanding examples of ponderosa pine, sugar pine, and giant sequoia trees located in the North and South Calaveras Groves, on the western slope of the Sierra Nevada Mountains, the State of California has established Calaveras Big Trees State Park; and

(2) for similar purposes, the United States has designated certain adjacent Federal lands, amounting to about 379 acres, as the Calaveras Big Trees National Forest; but

(3) this National Forest (managed as part of the Stanislaus National Forest) is the smallest National Forest in the United States and could be more appropriately and efficiently managed as part of the Calaveras Big Trees State Park.

(b) PURPOSE.—The purpose of this Act is to improve the management of the lands located in the Calaveras Big Trees National Forest, and the protection of certain examples of ponderosa pine, sugar pine, and giant sequoia trees, by unifying the management of the lands in such National Forest and in the California Calaveras Big Trees State Park.

SEC. 2. LAND TRANSFER.

(2) TRANSFER.—Promptly following the enactment of this Act, the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary") is authorized and directed to transfer, subject to the provisions of this Act, to the State of California, subject to valid existing rights, for inclusion within the Calaveras Big Trees State Park in Tuolumne County, California, all right, title, and interest of the United States in and to lands and interests therein within the Calaveras Big Trees National Forest, as generally depicted on the map numbered 20435 and dated June 5, 1989, prepared by the California Department of Parks and Recreation.

(b) MAP AND DESCRIPTION.—As soon as practicable after the enactment of this Act, the Secretary shall submit a map and legal description of the lands referred to in subsection (a) to the Committee on Interior and Insular Affairs of the United States House of Representatives, and the Committee on Agriculture and the Committee on Energy and Natural Resources of the Senate. Such map and legal description shall have the same force and effect as if included in this Act, except that any clerical or typographical errors in such map or legal description may be corrected. The Secretary shall place such map and legal description on file, and make them available for public inspection, in the Office of the Chief of the United States Forest Service.

(c) CONDITIONS OF TRANSFER.—Transfer of the lands and interests described in subsection (a) of this section shall be subject to the following conditions—

(1) The transfer shall not take place unless no later than two years after the date of enactment of this Act, there is concluded an agreement between the State of California and the Secretary of Agriculture (on behalf of the United States) whereby the State agrees to transfer to the United States, in exchange for such lands or portions thereof and under terms and conditions which the Secretary finds to be acceptable, lands in California and other consideration of approximately equal value that the Secretary finds suitable for addition to and management as part of one or more units of the National Forest System;

(2) No harvest of timber (except as may be necessary for purposes of control of fire, insects, or disease) and no mineral oil or gas geothermal exploration or development shall be permitted on such lands;

(3) Any action by the State of California to transfer any portion of such lands or interest to any entity other than the United States shall be void ab initio and shall result in the reversion to the United States of all right, title, and interest in such lands;

(4) Any action by the State of California to permit use of any portion of such lands for any purpose prohibited by this subsection or any purpose incompatible with the continued ability of such lands to support ponderosa pine, sugar pine, or giant sequoia trees, shall result in the reversion of all right, title and interest in such lands to the United States;

(5) The Secretary of Agriculture, acting through the Forest Service, shall be afforded by appropriate officials of the State of California reasonable opportunities to collect seed from trees located on such lands for scientific or silvicultural purposes:

(6) The Secretary of Agriculture, upon prior notification to the State of California, shall be entitled at any time to enter upon such lands for the purpose of monitoring the management of such lands and the compliance of the State of California with the provisions of this subsection; and

(7) The transfer shall be subject to valid existing rights and the following reservations or exceptions:

(A) Existing ditches and canals as authorized by the Act of August 30, 1890 (43 U.S.C. 945); and

(B) Any existing rights-of-way to provide the United States and its assigns access to federally owned lands.

(d) ENFORCEMENT.—Upon the request of the Secretary of Agriculture, the Attorney General shall bring any action or take any other steps necessary to enforce the provisions of subsection (c) of this section.

(e) TIMING, VALUE, AND STATUS.—(1) Transfer of lands to the State of California under this Act shall occur at the same time as transfer of lands to the United States under the agreement described in paragraph (1) of subsection (c). The restrictions and conditions specified in paragraphs (2), (3), (4), (5), (6), and (7) of subsection (c) shall be included in the instruments of transfer of lands to the State of California.

(2) Effective upon the transfer to the State of California of lands described in subsection (a) of this section, the National Forest status of such lands shall terminate. Any such lands not transferred to the State of California shall thereupon be incorporated into the Stanislaus National Forest and managed accordingly.

(3) Any lands transferred to the United States pursuant to this Act shall be deemed national forest lands and managed accordingly. If any such lands are outside existing boundaries of one or more National Forests, the Secretary may modify such boundaries to encompass such lands.

(4) Values of the respective lands exchanged between the United States and the State of California pursuant to this Act shall be of "approximately equal value" as that term is defined by regulations implementing the Act of January 12, 1983 known as the Small Tracts Act (16 U.S.C. 521c-521i).

(5) Any of the lands described in subsection (a) of this section which may revert to ownership of the United States shall be added to and incorporated within the Stanislaus National Forest and managed accordingly.

The SPEAKER pro tempore. Is a second demanded?

Mr. RHODES. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2809 is a bill introduced by our colleague from California [Mr. LEHMAN]. It would authorize the transfer of about 379 acres of national forest lands in his district to

the State of California for inclusion in an existing State park.

Both the national forest and the State park include some significant stands of very large trees of several species, including giant sequoias. Both the United States and the State of California have had a longstanding interest in protection of these groves. Federal legislation of 1909 actually authorized acquisition of lands in this area, so as to protect these trees, but the Forest Service did not in fact acquire the lands involved here until 1953.

Meanwhile, the State had moved forward with its own acquisition policy and the result was the establishment of the Calaveras Big Trees State Park. This park includes some 6,000 acres and has an annual visitation exceeding 200,000.

The state park lands effectively surround most of the 379 acres of the national forest. This is the smallest national forest in the Nation. Under these circumstances, it does seem that consolidation of land for management by the State as part of the existing state park is a sensible idea.

At our hearing, the administration supported the idea of transferring these lands to the State, but asked that this be done on an exchange basis rather than without compensation to the United States. In response, the committee has amended the bill accordingly.

As reported by our committee, the bill is basically an authorization for a land exchange. The Forest Service's existing exchange authorities do not apply to the Calaveras Big Trees National Forest, which has a special status under the 1909 law, so legislation is necessary to cover this case.

Under the bill, the State would have 2 years to enter into a binding agreement to transfer to the United States land (or land and money) of approximately equal value in exchange for the Calaveras National Forest lands. The lands to be transferred by the State would have to be ones that the Forest Service finds suitable for management as national forest lands.

The bill also spells out in detail the restrictions on how the State could manage the lands it would receive, and would provide for their reversion to the United States if those restrictions were not complied with. The essence of this is that the State would be required to manage the lands the way the state park is managed now.

Mr. Speaker, this is a noncontroversial bill that has been worked out on a bipartisan basis. It is supported by the administration and the State of California and was reported by our committee without dissent. I urge its passage.

□ 1230

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2809, an act to provide for the transfer of certain lands to the State of California, and for other purposes. My colleague, Mr. LEHMAN of California has drafted a noncontroversial bill which is supported by the Bush administration and the California State Park System. I would like to thank Mr. LEHMAN for his understanding and support in drafting amendments to address our concerns with the original legislation.

Simply stated, this legislation authorizes the transfer of the lands of the smallest national forest in the United States—some 379 acres—to the California State Park System. The Big Trees National Forest is effectively surrounded by the Calaveras Big Trees State Park. In exchange, the State park system will identify and transfer other lands of approximately equal value to the Forest Service.

Outstanding examples of ponderosa pine, sugar pine and giant sequoias are found in the North and South Calaveras groves, on the western slope of the Sierra Nevada Mountains, separated only by a manmade management boundary. Today, we will be improving the management of these groves through unifying the administrative management of the State park and forest lands under one entity.

I urge my colleagues to support H.R. 2809.

Mr. Speaker, I want to commend the gentleman from California [Mr. LEHMAN] for his work on this matter. He has been diligent. This is a good bill and deserves our support.

Mr. VENTO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BRENNAN). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 2809, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2809, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

CHEMICAL AND BIOLOGICAL WARFARE ELIMINATION ACT

Mr. FASCELL. Mr. Speaker, I move to suspend the rues and pass the bill (H.R. 3033) to control the export, countries pursuing or expanding the ability to produce or deliver chemical or biological weapons, of items that would assist such countries in acquiring such ability, to impose sanctions against companies which have aided in the proliferation of chemical or biological weapons, to provide for sanctions against countries which use or prepare to use chemical or biological weapons in violation of international law, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3033

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Chemical and Biological Warfare Elimination Act".

SEC. 2. FINDINGS.

The Congress makes the following findings and declarations:

(1) It is a top priority to achieve a comprehensive global convention, with adequate provisions for verification, to prohibit the production and stockpiling of chemical weapons.

(2) All countries should cease development, production, and stockpiling of chemical weapons on a verifiable basis at the earliest possible date.

(3) The United States should cooperate in and lead multilateral efforts to stop the proliferation of chemical weapons. These efforts include the negotiations at the Geneva Conference on Disarmament for a worldwide ban on chemical weapons, controls on proliferation of chemical precursors through the Australia suppliers group, the Paris Conference of January 1989 on chemical weapons use, and the conference on chemical weapons proliferation held in Canberra, Australia, in September 1989.

(4) The United States should also impose the necessary controls on United States exports to prevent the proliferation of chemical and biological weapons and should discourage foreign companies from transferring similar items.

(5) The United States should work with other countries or groups of countries to adopt progressively stronger measures (including appropriate sanctions) against countries that use chemical or biological weapons in violation of international law or develop, produce, or stockpile biological weapons. The President is urged to pursue multilateral sanctions pursuant to United Nations Security Council Resolution 620, which declared the intention of the Security Council to give immediate consideration to imposing "appropriate and effective" sanctions against any country which uses chemical weapons in violation of international law.

TITLE I—MEASURES TO PREVENT THE PROLIFERATION OF CHEMICAL AND BIOLOGICAL WEAPONS

SEC. 101. MULTILATERAL EFFORTS.

It is the policy of the United States to seek multilaterally coordinated efforts with other countries to control the proliferation of chemical and biological weapons.

SEC. 102. EXPORT CONTROLS.

(a) IN GENERAL.—The President shall—

(1) use the authorities of the Arms Export Control Act to control the export of those defense articles and defense services, and

(2) use the authorities of the Export Administration Act of 1979 to control the export of those goods and technologies,

that the President determines would assist a country in acquiring the capability to develop, produce, stockpile, deliver, or use chemical or biological weapons.

(b) EXPORT ADMINISTRATION ACT.—Section 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2405) is amended by adding at the end the following:

"(q) CHEMICAL AND BIOLOGICAL WEAPONS.—A validated license shall be required under this section for the export of any goods or technology that the President determines would assist the recipient country in acquiring the capability to develop, produce, stockpile, deliver, or use chemical or biological weapons, unless the destination of such export is a country with whose government the United States has entered into bilateral or multilateral arrangements for the control of chemical or biological weapons related goods or technology.".

SEC. 103. SANCTIONS AGAINST CERTAIN FOREIGN PERSONS.

(a) IMPOSITION OF SANCTIONS.—

(1) FOREIGN PERSONS ON WHICH SANCTIONS IMPOSED.—Except as provided in subsection (b)(2), the President shall impose either or both of the sanctions described in subsection (c) on a foreign person if the President determines that, on or after the date of the enactment of this Act, that foreign person knowingly and substantially contributed to the efforts by a country described in paragraph (2) to use, develop, produce, stockpile, or otherwise acquire chemical or biological weapons.

(2) FOREIGN COUNTRIES USING OR PREPARING TO USE CHEMICAL OR BIOLOGICAL WEAPONS IN VIOLATION OF INTERNATIONAL LAW.—Paragraph (1) applies if the President determines that, on or after the date of the enactment of this Act, the country referred to in paragraph (1) either used chemical or biological weapons in violation of international law or is making substantial preparations to do so.

(3) PERIOD OF SANCTIONS.—Except as otherwise provided in this section, sanctions shall be imposed under this section for a period of not less than 2 years.

(b) CONSULTATIONS WITH AND ACTIONS BY GOVERNMENT OF JURISDICTION.—

(1) CONSULTATIONS.—If the President makes the determinations described in subsection (a) with respect to a foreign person, the Congress urges the President to initiate consultations immediately with the government with primary jurisdiction over that foreign person with respect to the imposition of sanctions pursuant to this section.

(2) ADEQUATE CORRECTIVE ACTION BY GOVERNMENT OF JURISDICTION.—Sanctions are not required to be imposed on a foreign person pursuant to this section if the President determines that the government with primary jurisdiction over that foreign person has taken adequate corrective action with respect to the acts by that foreign person that are described in subsection (a).

(3) REPORT TO CONGRESS.—If the President does not impose sanctions on a foreign person under this section pursuant to a determination under paragraph (2), the President shall report to the Congress the basis for that determination. This report shall be submitted not later than 90 days after the President makes the determinations described in subsection (a).

(c) SANCTIONS.—The sanctions to be imposed on a foreign person pursuant to subsection (a) are the following, except as provided in subsection (e):

(1) PROCUREMENT SANCTION.—The United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from that foreign person.

(2) IMPORT SANCTIONS.—The importation into the United States of products produced by that foreign person shall be prohibited.

(d) TERMINATION OF SANCTIONS.—A sanction imposed on a foreign person under this section shall cease to apply to that foreign person if the President determines and certifies to the Congress that there is reliable evidence that the foreign person has ceased all activities described in subsection (a).

(e) EXCEPTIONS.—The President shall not apply sanctions under subsection (c)—

(1) in the case of procurement of defense articles or defense services—

(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

(B) if the President determines that the person or other entity to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

(C) if the President determines that such articles or services are essential to the national security under defense coproduction agreements;

(2) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose the sanctions;

(3) to—

(A) spare parts,

(B) component parts, but not finished products, essential to United States products or production, or

(C) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available;

(4) to information and technology; or

(5) to medical or other humanitarian items.

(f) WAIVER AND REPORT.—

(1) WAIVER.—The President may waive the imposition of any sanction imposed on a foreign person under this section if the President determines that such waiver is important to the national security interests of the United States.

(2) NOTIFICATION OF AND REPORT TO CONGRESS.—In the event that the President decides to apply the waiver described in paragraph (1), the President shall so notify the Congress not less than 20 days before the waiver takes effect. Such notification shall include a report fully articulating the rationale and circumstances which led the President to apply the waiver.

(g) OTHER REPORTS TO CONGRESS.—In addition to the report under subsections (b)(3) and (f)(2), the President shall report to the Congress on all other determinations made under this section.

(h) DEFINITION.—For purposes of this section, the term "foreign person" means—

(1) an individual who is not a citizen of the United States or an alien admitted for permanent residence to the United States; or

(2) a corporation, partnership, or other entity which is created or organized under the laws of a foreign country or which has its principal place of business outside the United States.

TITLE II—MEASURES TO DETER THE USE OF CHEMICAL OR BIOLOGICAL WEAPONS

SEC. 201. PRESIDENTIAL DETERMINATION CONCERNING CERTAIN COUNTRIES.

The President shall determine whether any foreign country has, on or after the date of the enactment of this Act—

(1) used chemical or biological weapons in violation of international law;

(2) made substantial preparations to use chemical weapons in violation of international law; or

(3) developed, produced, or stockpiled biological weapons in violation of international law.

SEC. 202. SANCTIONS AGAINST USE OF CHEMICAL OR BIOLOGICAL WEAPONS IN VIOLATION OF INTERNATIONAL LAW.

(a) SANCTIONS.—If, at any time, the President determines that a country has engaged in activities described in section 201(1), the President shall forthwith impose the sanctions set forth in at least 3 of the following paragraphs:

(1) PROHIBITION ON ARMS SALES.—The United States Government shall not, under the Arms Export Control Act, sell to that country any item on the United States Munitions List, or issue any license for the export to that country of any item on the United States Munitions List.

(2) EXPORTS OF NATIONAL SECURITY-SENSITIVE GOODS AND TECHNOLOGY.—The authorities of section 6 of the Export Administration Act of 1979 shall be used to prohibit the export to that country of any goods or technology on that part of the control list established under section 5(c)(1) of that Act.

(3) FURTHER EXPORT RESTRICTIONS.—The authorities of section 6 of the Export Administration Act of 1979 shall be used to prohibit or otherwise substantially restrict exports to that country of goods and technology (excluding agricultural commodities and products).

(4) IMPORT RESTRICTIONS.—Restrictions shall be imposed on the importation into the United States of articles (which may include petroleum or any petroleum product) that are the growth, product, or manufacture of that country.

(5) FOREIGN ASSISTANCE.—No assistance shall be provided to that country under the Foreign Assistance Act of 1961 or the Arms Export Control Act other than assistance which is intended to benefit the people of that country directly and is not channeled through governmental agencies or entities of that country.

(6) MULTILATERAL DEVELOPMENT BANK ASSISTANCE.—The United States shall oppose any loan or financial or technical assistance to that country by international financial institutions in accordance with section 701 of the International Financial Institutions Act (22 U.S.C. 262d).

(7) DENIAL OF CREDIT OR OTHER FINANCIAL ASSISTANCE.—The United States shall deny to that country any credit or financial assistance by any department, agency, or instrumentality of the United States Government.

(8) DIPLOMATIC RELATIONS.—The President shall use his constitutional authorities to downgrade or suspend diplomatic relations between the United States and that country.

(b) DETERMINATION TO BE REPORTED TO CONGRESS.—Any determination under subsection (a) shall be reported promptly to the Congress.

(c) ADDITIONAL SANCTIONS IF CERTAIN CONDITIONS NOT MET.—Unless, within 3 months after making a determination under subsection (a) with respect to a country, the Presi-

dent determines and certifies in writing to the Congress—

(1) that such country is no longer conducting any activity described in section 201(1),

(2) that the government of such country has provided reliable assurances that the country will not in the future conduct any activity described in section 201(1), and

(3) that—

(A) such government is willing to allow on-site inspections by United Nations observers or other internationally recognized, impartial observers, or

(B) other reliable means exist,

to ensure that the country is not using chemical or biological weapons in violation of international law,

then the President, after consultation with the Congress, shall impose on that country at least 1 sanction set forth in paragraphs (1) through (8) of subsection (a) which has not previously been imposed on that country under subsection (a).

(d) CONDITIONS FOR LIFTING SANCTIONS.—The President may terminate any sanction imposed on a country under subsection (a) or (c) if the President determines and so certifies in writing to the Congress—

(1) that the country is no longer conducting any activity described in section 201(1); and

(2) that the conditions described in paragraphs (2) and (3) of subsection (c) have been met.

(e) WAIVER AND REPORT.—

(1) PRESIDENTIAL WAIVER.—The President may waive the imposition of any sanction imposed under subsection (a) or (c) if the President determines that such waiver is important to the national security interests of the United States.

(2) REPORT.—In the event that the President decides to apply the waiver described in paragraph (1), the President shall so notify the Congress not less than 20 days before the waiver takes effect. Such notification shall include a report fully articulating the rationale and circumstances which led the President to apply the waiver.

SEC. 203. SANCTIONS AGAINST OTHER VIOLATIONS OF INTERNATIONAL LAW WITH RESPECT TO CHEMICAL OR BIOLOGICAL WEAPONS.

(a) SANCTIONS.—If, at any time, the President determines that a country has engaged in activities described in section 201(2) or (3), the President may impose any sanction described in section 202(a).

(b) IMPOSITION OF SANCTIONS TO BE REPORTED TO CONGRESS.—The President shall report promptly to the Congress the imposition of any sanction under subsection (a).

SEC. 204. CONTRACT SANCTITY.

In imposing any sanction under this title, the President may not prohibit or curtail any transaction—

(1) in performance of any contract or agreement entered into before the date on which the President reports to the Congress the imposition of the sanction, or

(2) under a validated license or other authorization issued under the Export Administration Act of 1979 or other provision of law,

unless and until the President determines and certifies to the Congress that—

(A) a breach of the peace poses a serious and direct threat to the strategic interest of the United States,

(B) the prohibition or curtailment of such contracts, agreements, licenses, or authorizations will be instrumental in remedying the situation posing the direct threat, and

(C) the sanction will continue only so long as the direct threat persists.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. PRESIDENTIAL REPORTING REQUIREMENTS.

(a) REPORTS TO CONGRESS.—Not later than 90 days after the date of the enactment of this Act, and every 12 months thereafter, the President shall transmit to the Speaker of the House of Representatives and the President pro tempore of the Senate a report which shall include—

(1) a description of the actions taken to carry out this Act and the amendment made by section 102(b) of this Act;

(2) a description of the current efforts of foreign countries to acquire equipment, materials, or technology to develop, produce, or use chemical or biological weapons, together with an assessment of the current and likely future capabilities of such countries to develop, produce, or use such weapons;

(3) a description of the use of chemical weapons in violation of international law, of substantial preparations to do so, and of the development, production, stockpiling, or use of biological weapons by foreign countries; and

(4) a description of the extent to which foreign persons or governments have knowingly and substantially assisted third countries to acquire equipment, material, or technology intended to develop, produce, or use chemical or biological weapons.

(b) PROTECTION OF CLASSIFIED INFORMATION.—To the extent practicable, reports submitted under subsection (a) or any other provision of this Act should be based on unclassified information. Portions of such reports may be classified.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida [Mr. FASCELL] will be recognized for 20 minutes and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Chemical and Biological Warfare Elimination Act (H.R. 3033) imposes sanctions against countries which use chemical and biological weapons in violation of international law and against foreign firms which assist countries to obtain a chemical or biological weapons capability.

This legislation was reported favorably by the Committee on Foreign Affairs by voice vote, as amended by the Committee on November 1, 1989. The Committee on Ways and Means also reported favorably on H.R. 3033 as amended by the Committee on Foreign Affairs on November 8, 1989. The Committee on Banking, Finance and Urban Affairs does not object to being discharged from consideration of H.R. 3033.

The administration supports H.R. 3033 as reported by the Committee on Foreign Affairs.

The purpose of H.R. 3033 is threefold: First, to stop the proliferation of chemical weapons; second, to penalize countries and companies illegally using or transferring chemical weapons; and third, to establish a meaningful mandatory sanctions regime against country and company violators.

The goal of this legislation is to express the strong feeling in the House of Representatives that whenever chemical weapons are used or the capability to produce chemical weapons is passed on, we strongly disapprove and expect remedial action.

We want to make sure that "business as usual" will not take place between our country and the offending country, company, or individual. Sanctions in this bill are mandatory and swift. Of course, the legislation recognizes that it is only reasonable to allow the President some discretion to impose the sanctions. But, the clear intent of the bill is to provide the President with the authority and framework for action to stop the use and proliferation of chemical weapons.

This legislation is also complementary to the President's September U.N. initiative that will hopefully lead to a global ban on the production and use of chemical weapons. It is also compatible with Secretary of State Baker's own admonition in his October 23, 1989, San Francisco arms control speech: "States (who use chemical weapons) must know that they will pay a price for their inhumanity."

This legislation represents months of cooperative effort, negotiations, and drafting sessions between Members, minority and majority staff, and the executive branch. The outcome is a strong bill with broad bipartisan support in the Committee on Foreign Affairs and support for enactment of the bill from the administration.

The legislation is straightforward. There are three titles in the bill. First, there are provisions which focus on stopping proliferation of chemical and biological weapons including controls on U.S. exports and sanctions on foreign firms involved in proliferation. Second, there are sanctions against countries which use CBW in violation of international law, prepare to do so, or develop, produce or stockpile biological weapons. Third, the President is required to report extensively to Congress on CBW activity around the world so that the various committees of the Congress can fulfill their oversight responsibilities.

While this is one of the first attempts to draft such broad, generic sanctions, it is also important because it marks a departure by this administration from the previous administration which was unwilling to consider any sanctions legislation since it was viewed as an unnecessary infringe-

ment on executive branch prerogatives and privileges.

The Bush administration has wisely rejected that view and has chosen to work with Congress, recognizing that a joint approach to this problem will substantially increase the possibility of stopping the use and proliferation of chemical and biological weapons.

It is important to point out that the legislation clearly indicates the desirability of immediately pursuing multilateral sanctions whenever possible and also immediately contacting the Government of jurisdiction when a company or individual are involved in a violation.

This legislation sets out an effective and reasonable framework for action to halt the proliferation and use of chemical and biological weapons and I urge its adoption.

To understand the importance of this legislation, it is necessary to know its legislative history and the opinions which have shaped it during its evolution.

On September 22, 1988, the Committee on Foreign Affairs ordered reported favorably, by voice vote, H.R. 5337, the Sanctions Against Iraqi Chemical Weapons Use Act. This legislation passed on the floor of the House by a vote of 388 to 16 on September 27, 1988. Even though this legislation was not enacted into law it did demonstrate strong bipartisan congressional concern with the use of chemical weapons and specifically with the Iraqi use of chemical weapons in the Iran-Iraq War and against its Kurdish population. The committee experience in drafting this sanctions legislation and the concern regarding chemical weapons use and proliferation carried over into the 101st Congress. Members and staff began, in February 1989, on a bipartisan basis, to draft more general chemical weapons sanctions legislation. Later, working sessions on the draft legislation included representatives of the administration.

On May 4, 1989, the Subcommittee on Arms Control, International Security and Science and the Subcommittee on International Economic Policy and Trade held a joint hearing on chemical weapons proliferation and use. The subcommittees heard the testimony of Assistant Secretary H. Allen Holmes of the Department of State on "CBW Proliferation Control."

On July 27, 1989, the same two subcommittees met in a joint session to markup chemical weapons sanctions legislation which was introduced by Mr. FASCELL, Mr. BROOMFIELD, and Mr. GEJDENSON. That legislation passed unanimously in both subcommittees and became H.R. 3033, the Chemical and Biological Warfare Elimination Act and was reported favorably to the Committee on Foreign Affairs.

On November 1, 1989, the Committee on Foreign Affairs met to markup H.R. 3033, and favorably reported H.R. 3033 with an amendment by Chairman FASCELL and Mr. BROOMFIELD for consideration by the House of Representatives.

During consideration and action on the Iraqi sanctions legislation in the 100th Congress the primary concern was to stop Iraqi use of chemical weapons against its Kurdish population and to assure that chemical weapons would not be used again in the Iran-Iraq War. While the legislation focused specifically on the Iraqi case there was a recognition that the committee should also focus more broadly on the question of the utility of sanctions legislation related to the more generalized problem of chemical weapons proliferation and use.

The Iraqi sanctions legislation passed in the House on September 27, 1988, but was never enacted into law. Even though Iraqi use of chemical weapons reportedly stopped and even though the legislation was never enacted, by the beginning of the 101st Congress the committee recognized the strong interest amongst Members to benefit from the legislative exercise of the Iraqi sanctions legislation by drafting a general framework of sanctions to address the problem of chemical weapons use and proliferation. In fact, the graduated approach to sanctions in the Iraqi sanctions bill, invoking some sanctions immediately and specifying other sanctions that may be imposed later, is reflected in the current legislation, H.R. 3033.

At the beginning of the 101st Congress committee members and majority and minority staff began to work on drafting bipartisan chemical weapons sanctions legislation. Before the May 4 hearing on chemical weapons proliferation the administration expressed an openness to considering that some form of chemical weapons legislation might be helpful and a willingness to work with committee staff in a cooperative way on proposed legislation.

In the testimony at the joint subcommittees' hearing on May 4 Assistant Secretary H. Allen Holmes of the Department of State gave official expression to the administration desire to coordinate efforts with Congress on chemical weapons sanctions in order to improve, in Assistant Secretary Holmes' words, the "prospects for success in achieving President Bush's ultimate goal of a world without chemical weapons." Assistant Secretary Holmes' statement concerning the Bush administration's desire to take a joint approach with Congress to the sanctions question represented a clear departure from previous administrations which were unwilling to consider legislation which was viewed as unnecessary infringement on executive branch prerogatives. Assistant Secretary Holmes stated this new policy on sanctions:

> In working with Congress on the proposed legislation, we accept in principle that some form of sanctions, if appropriately formulated, would give the administration an additional instrument against countries that use CW, and companies that aid proliferation. It is in our interest for the President to have a broad range of instruments including appropriate sanctions available. Application of such sanctions must be subject to executive discretion, and there must be no automatic triggering or retroactive application. This approach is compatible with our other ongoing efforts to prevent CBW proliferation.

On July 27, 1989, the Subcommittee on Arms Control, International Security and Science and the Subcommittee on International Economic Policy and Trade marked up and passed unanimously the chemical weapons legislation, H.R. 3033, introduced by Mr. FASCELL, Mr. BROOMFIELD, and Mr. GEJDENSON. The specific aims of the legislation were to stop chemical weapons proliferation, to penalize countries, companies, and individuals illegally using or transferring chemical weapons and to establish a meaningful mandatory sanctions regime against country and company violators.

The purpose of the legislation was also to establish a new decisionmaking framework for the U.S. Government so that the Goverment can act quickly and effectively when confronted with use of chemical weapons or with actions that contribute to the proliferation of chemical and biological weapons. It was the intent of the committee to draft and enact legislation which would have resulted, for example, in sanctions against Iraq for using chemical weapons against its Kurdish population. The sanctions framework established by this legislation sets out a quick and effective system of sanctions for dealing with violators in order to stop the use and spread of chemical and biological weapons.

Three months of cooperative efforts followed the July 27 hearing between members, minority and majority staff, and the executive branch. Those negotiations and drafting sessions resulted in some final changes to improve the legislation. Those changes were incorporated in a substitute bill which was offered by Chairman FASCELL and Mr. BROOMFIELD as an amendment to H.R. 3033 on November 1, 1989. Upon adoption of these changes, the executive branch testified in support of the legislation and recommended enactment of H.R. 3033 as reported by the Committee on Foreign Affairs.

The Fascell-Broomfield substitute made three changes. First, the same language was adopted in the two Presidential waiver authorities standardizing them to read that the President must determine that the waiver of sanctions to be imposed on foreign persons or companies and on foreign countries is "important to the national security interests of the United States." The second change clarified

the desired sequence of events once a chemical weapons proliferation violation has taken place—a violation is determined, consultations occur, corrective measures are taken by the concerned government with primary jurisdiction, sanctions may or may not be imposed, and a report to Congress follows if sanctions are not imposed. The third revision involved a modification of section 102(b) of H.R. 3033 which amends section 6 of the Export Administration Act to require a validated license for the export of any goods or technology that would assist a "recipient country," other than "a country," in acquiring the ability to proliferate chemical or biological weapons.

The goal of the committee's legislation on CBW sanctions is to express the strong feeling that whenever chemical or biological weapons are used or the capability to produce them is passed on, Congress disapproves and presumes that sanctions will be imposed.

Mr. Speaker, I yield 4 minutes to the gentleman from Florida [Mr. GIBBONS] who is the chairman of the Subcommittee on Trade of the Committee on Ways and Means, which had this bill under consideration.

Mr. GIBBONS. Mr. Speaker, I thank the gentleman for yielding. I want to say I support this bill and hope it is successful. Its aims and objectives are very worthwhile.

I do want to say if the sanction language in it is not strong enough, I stand prepared to come back at a future date and improve the sanction language in it.

Mr. Speaker, I take this time to say that many times the Committee on Ways and Means is faced with imposing trade sanctions on legislation. I do not like to do this, but I realize in many cases it is the only reasonable sanction we can get, short of war.

In using sanctions, Mr. Speaker, I like to use them sparingly. But when I do use them, I like to use them very effectively.

If a Member's bill contains sanction language and is subject to the jurisdiction of the Ways and Means Committee, I hope he will send it over to us early and let us see how we can improve it. If we agree with it, we will give you a good bill on sanctions, one that will do that job.

As the gentleman from Florida [Mr. FASCELL] has said, unilateral sanctions in this matter are not very productive. They usually end up harming the United States more than they help the cause.

I would appreciate in the future all Members who have sanction-type bills, let us have a look at them. We are going to apply sanctions sparingly, but when we do apply them, we are going to apply them with the force to get the job done.

Mr. FASCELL. Mr. Speaker, I want to thank the gentleman from Florida [Mr. GIBBONS]. I agree with the remarks of the gentleman, and I can assure him as far as our committee is concerned, we want to cooperate in every way. If we take this step on sanctions, the sanctions ought to be effective.

Mr. Speaker, let me add my comment of appreciation to the ranking minority member of the full committee, the gentleman from Michigan [Mr. BROOMFIELD], and the majority and minority staff on both sides. We have worked for months on this bill, almost a year, and it represents a great deal of hard work. To the credit of this Administration, they have turned around their policy and agreed to work with the Congress on a matter of this importance. I am very grateful for that, because it would not have been possible in my judgment to have agreed in a bipartisan fashion with a bill as strong as this one.

Mr. Speaker, I am very pleased we are able to bring this bill out with the cooperation of the gentleman from Michigan [Mr. BROOMFIELD].

Mr. Speaker, I reserve the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am very pleased to join my good friend, Chairman FASCELL, in support of H.R. 3033, the Chemical and Biological Warfare Elimination Act. The proliferation of chemical and biological weapons worldwide is among the most disturbing and dangerous developments I have witnessed in recent years.

These weapons of mass destruction are becoming increasingly available to terrorist nations around the world. It is imperative that the United States have an effective, coordinated policy designed to stop this disturbing development.

This problem is truly global in nature. In the long run it can only be solved if all nations work together multilaterally in a genuinely cooperative manner. A unilateral approach cannot by itself solve this dangerous problem.

But if we are to create a truly workable global policy, then each nation must first develop a national policy of its own. This policy must be based upon a clear, consistent message that a country is firmly united in its opposition to the proliferation of chemical and biological weapons.

I believe that H.R. 3033 sends that kind of clear message. H.R. 3033 demonstrates that our country has a tough and effective policy to combat the global proliferation of chemical and biological weapons.

Through a great deal of hard work which spanned well over a year, the Committee on Foreign Affairs has been able to fashion an effective chemical and biological weapons bill. Yet, at the same time, H.R. 3033 preserves the President's duties and responsibilities in the area of foreign policy.

As a result, I am very pleased that the Administration has indicated to me its support for H.R. 3033. I know from my own personal meetings with President Bush that he feels very strongly that chemical weapons must be banned from the globe. I believe this legislation is a positive step toward that goal.

Let me conclude by thanking my friend, the chairman, for his efforts on this legislation. I do feel that we have forged a strong consensus on a very important policy issue, a consensus that spans Republicans and Democrats as well as the executive and legislative branches. This is in no small way a result of his leadership and bipartisan spirit on this bill.

I would urge my colleagues to join the President in supporting this bill.

□ 1240

Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. FRENZEL], the ranking member on the Committee on Ways and Means.

Mr. FRENZEL. Mr. Speaker, I want to repeat statements made by every speaker in favor of this bill so far. Those statements relate to the ineffectiveness of trade sanctions that are applied unilaterally.

I would invite the attention of the membership of this House to the material in the second and third paragraphs on page 6 of the committee report, which in a little longer form restates the proposition made earlier by the gentleman from Florida [Mr. GIBBONS].

I will, however, read the last sentence. It says, "If, in the course of consultations seeking such sanctions, the President determines that the major producer countries are unwilling to impose substantially similar sanctions within a reasonable period of time, then he should give serious consideration to terminating the unilateral U.S. sanctions."

Fortunately, under this bill, which is one of the reasons the President supports it and I do too, is that the President does have a waiver and he is able under certain circumstances to avoid the mandatory nature of the declaration of the sanction. What happens, Mr. Speaker, is that we get concerned about human rights violations, invasions of sovereign territory, weapons creation or even the rights of consumers in the United States. All of them are worthy policy goals. But even though the actions in other countries vex us sorely, we cannot think of any way to make them change their policy,

and so we regularly and customarily try to use trade sanctions primarily because we do not know the people who are making or growing or providing those services that are to be restricted.

Often, if the trade sanction would be effective, those people would be willing to make some kind of sacrifice. But if we are just drawing a symbol for people in Congress who are concerned about things, that is not an effective way of dealing with the problem.

Because of the strong committee language and of the waivers within the bill, I support this bill. I hope that somebody we will be able to make it work with our trading partners and allies.

Mr. FASCELL. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Speaker, I rise in full support of this bill.

Mr. FASCELL. Mr. Speaker, I yield 4 minutes to the gentleman from Connecticut [Mr. GEJDENSON], chairman of Subcommittee on International Economic Policy and Trade of the Committee on Foreign Affairs.

Mr. GEJDENSON. Mr. Speaker, I commend Chairman FASCELL for his leadership in this bipartisan effort to develop legislation that will control the spread and usage of chemical and biological weapons.

I would also like to express my appreciation for the cooperation of the ranking minority member, BILL BROOMFIELD, and the administration in developing this legislative package. It has not always been easy, but representatives of the Departments of State and Commerce have worked diligently and in good faith to achieve this result.

Chemical and biological weapons have become the poor country's nuclear weapons. Events of the last few years have demonstrated all too graphically that these are devastating weapons. In the hands of those who lack respect for human life, they are despicable tools that will mean suffering and death for thousands of human beings.

It is therefore our responsibility to take steps that will restrict the spread of these weapons. This bill will impose sanctions on countries that use or make substantial preparations to use chemical and biological weapons in violation of international law, or develop, produce, or stockpile biological weapons in violation of international law. It also imposes sanctions on a foreign individual who knowingly and substantially contributes to a country's use, production or acquisition of chemical or biological weapons.

The bill also requires licenses for the export of goods and technology that would assist the recipient country in acquiring the capability to develop, produce, stockpile, deliver or use chemical or biological weapons.

Unilateral sanctions, as opposed to multilateral sanctions, should only be imposed sparingly. However, serious steps must be taken in response to those who provide these implements of human suffering to nations who lack either conscience or compassion.

The purpose of this legislation is to alter decisionmaking on the part of the U.S. Government when confronted with actions that contribute to the proliferation of chemical and biological weapons. For example, this bill would have resulted in sanctions against Iraq for using chemical weapons against its Kurdish population, and against Iran. Though the bill does allow the President to waive the sanctions under certain circumstances, those provisions are narrowly drawn and would not have permitted a waiver of the sanctions in that instance.

It is in the spirit of good faith cooperation with the administration that the bill allows for waivers, along with termination of the sanctions if certain conditions are met, and not imposing sanctions if adequate corrective action is taken by the government with jurisdiction.

However, if there are abuses of the system, and if violating parties are not dealt with properly, the Congress will have no choice but to revisit the issue. It is our full expectation that this will not be necessary, and that this administration and future administrations will utilize the framework established by this legislation to contain the spread of chemical and biological weapons.

Once again, I wish to extend my appreciation to Chairman FASCELL and his staff for their leadership on this issue, and to Mr. BROOMFIELD and his staff, and to the administration for their tireless participation in bipartisan cooperation.

Again, Mr. Speaker, let me commend the chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL] for his tremendous work, and the gentleman from Michigan [Mr. BROOMFIELD] for his work, and the people from the executive branch for their efforts.

Mr. FASCELL. Mr. Speaker, I want to express my appreciation to the gentleman who just spoke in the well [Mr. GEJDENSON]. He has been a leader in this fight. He is one of the original cosponsors of the bill. I thank him for his statement and his logic. I agree with it fully.

Indeed, this is the problem that the world faces, and there are times when we do have to make judgments on balance with respect to other political or economic considerations.

But this is one of those cases which requires decisiveness because chemical or biological warfare are heinous when used on civilian populations. It has been dubbed the poor man's atom bomb. The world needs to come together on this matter.

The United States, as a leader, must take a significant first step to use our best influence with other nations of the world to arrive at an international regime that will not only outlaw the production or the first use or any use of any kind, but also in the event that somebody is tempted and a violation occurs, that there be swift reprisal by the civilized nations of the world.

Mr. Speaker, I reserve the balance of my time.

Mr. BROOMFIELD. I yield myself such time as I may consume.

Mr. Speaker, I want to also join the chairman in paying tribute to the previous speaker and thank him for his comments, very much, and also for his contribution to working out a bipartisan agreement on this bill.

Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. GILMAN].

□ 1250

Mr. GILMAN. Mr. Speaker, I rise to express my strong support for H.R. 3033, and I commend the distinguished chairman of the Foreign Affairs Committee, Mr. FASCELL, as well as the distinguished ranking Republican member of the committee, Mr. BROOMFIELD, for their outstanding work on this measure which imposes sanctions in controlling the export of items that have been helping countries in expanding their ability to produce or deliver chemical or biological weapons.

The chemical weapons used during the Iran-Iraq war were merely the latest violation of the 1925 Geneva protocol. Since 1967, allegations of violations of this protocol have surfaced from time to time, and the civilized world has failed to respond in a consistent and unified manner. Perhaps we are embarrassed and appalled at the realization that human beings are capable of inflicting such devastating anguish on other human beings.

Last January, at a conference in Paris, many nations of the world came together and reaffirmed the 1925 Geneva protocol. That is all well and good, but the Geneva protocol did not help the victims of poison gas in Iran and Iraq. It is time to encourage multilateral action against user nations and it is time for the United States to take unilateral action, where appropriate, against nations which continue to violate international law by utilizing chemical and biological weapons.

This legislation provides a positive component to President Bush's September 29th U.N. initiative, requiring the President to take the necessary action to stop the use and proliferation of chemical and biological weapons.

Mr. Speaker, this legislation takes proactive steps to stop the prolifera-

tion of the "poor man's atomic bomb." It is a first step, in what we hope will be a global U.S.-led effort to eliminate these deadly weapons from every arsenal in the world.

Mr. BROOMFIELD. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Speaker, I also rise in strong support of H.R. 3033, and I want to commend the chairman of the committee, the gentleman from Florida [Mr. FASCELL], and of course the vice chairman of the Committee on Foreign Affairs, the gentleman from Michigan [Mr. BROOMFIELD], for all of their good work on this, of course as well as the staff on both sides.

Mr. Speaker, this bill is the product of extensive meetings and hearings by the Committee on Foreign Affairs during most of 1989. The original concept for the legislation was developed following the failure of the Senate and the House to pass chemical weapons sanctions legislation in the waning days of the 100th Congress.

As has been pointed out, Mr. Speaker, the administration supports the bill, it has strong bipartisan support, and I would also like to commend the gentleman from New York [Mr. GILMAN] who has worked on this issue for a long time. As a matter of fact, the gentleman from New York [Mr. GILMAN] mentioned the Paris conference earlier this year, and he and I did have the opportunity, at least for a short time, to attend that conference.

As my colleagues know, Mr. Speaker, we have severe sanctions on those who improperly would use nuclear weapons or develop the capacity to do so, and I think it is appropriate that we have those sanctions. However I believe a very strong case can be made that there is a more likely danger from chemical weapons than there are from nuclear weapons.

Nuclear weapons have been in existence for a long time, but they have not been used for nearly 40 years. Chemical weapons, on the other hand, have been used, in Iraq, Laos, and Afghanistan.

It is entirely appropriate and strongly necessary that we pass this legislation. It does give the administration some flexibility in order to carry out the functions and the purpose of this legislation. I urge my colleagues to strongly support and vote for this legislation.

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3033, as amended.

The SPEAKER pro tempore (Mr. BRENNAN). Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I rise in support of H.R. 3033, a bill which seeks the elimination of chemical and biological warfare through export controls and sanctions against offending countries and companies.

In the aftermath of World War I, countries joined together in an effort to control the use in wartime of chemical and biological weapons. Their experiences during that war convinced them of the common need to prevent the use of such weapons ever again. The agreements reached at that time generally succeeded, and the world was largely spared the horror that is unique to usage of these weapons.

Recently, however, many countries—particularly in the developing world—are seeking and, in some cases, obtaining the capacity to produce and use chemical and biological weapons. Such weapons reportedly have been used on a number of occasions, not just in wartime, but in some cases by governments against their own people.

H.R. 3033 seeks to prevent the proliferation of chemical and biological weapons, and of the means to produce and use them. One of the measures proposed in the bill is the use of sanctions—including import restrictions—against companies and countries that are involved in the development of such weapons.

The Committee on Ways and Means unanimously approved those provisions of the bill within its jurisdiction; but the committee did express one important reservation about the bill. The committee noted that unilateral sanctions generally are ineffective and, in fact, may place an unduly heavy burden on the exporters and importers of the country imposing such sanctions. Therefore, the committee urged the President, if he imposes sanctions under authority of this bill, to seek broadly similar sanctions by our trading partners. Such an effort not only will improve the effectiveness of any sanctions imposed, it also will allow the United States to share the burden of enforcement with other countries which are equally committed to eliminating the scourge of chemical and biological weapons.

Mr. Speaker, I urge my colleagues to support H.R. 3033.

Mr. BROOMFIELD. Mr. Speaker, I yield back the balance of my time.

Mr. FASCELL. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspend the rules and pass the bill, H.R. 3033, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

INTERNATIONAL NARCOTICS CONTROL ACT OF 1989

Mr. SMITH of Florida. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3611) to combat international narcotics production and trafficking, as amended.

The Clerk read as follows:

H.R. 3611

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "International Narcotics Control Act of 1989".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Economic assistance for major coca producing countries.
Sec. 3. Military and law enforcement assistance for Bolivia, Colombia, and Peru.
Sec. 4. Anti-narcotics military assistance and training for other countries.
Sec. 5. Acquisition by Special Defense Acquisition Fund of defense articles for narcotics control purposes.
Sec. 6. Excess defense articles for certain major illicit drug producing countries.
Sec. 7. Waiver of Brooke-Alexander amendment for major coca producing countries.
Sec. 8. Procurement of weapons to defend aircraft involved in narcotics control efforts.
Sec. 9. Herbicides for aerial coca eradication.
Sec. 10. Assistance for Mexico.
Sec. 11. Nonapplicability of certification procedures to certain major drug-transit countries.
Sec. 12. Coordination of United States trade policy and narcotics control objectives.
Sec. 13. Debt burden of drug producing countries of Latin America.
Sec. 14. Multilateral anti-narcotics strike force.
Sec. 15. Weapons transfers to international narcotics traffickers.
Sec. 16. Rewards for information concerning acts of international terrorism.
Sec. 17. Revision and consolidation of permanent international narcotics control provisions.

SEC. 2. ECONOMIC ASSISTANCE FOR MAJOR COCA PRODUCING COUNTRIES.

(a) NEED FOR ASSISTANCE.—It is the sense of the Congress that—

(1) it is crucial to international antidrug efforts that funds be made available for crop substitution programs and alternative employment opportunities to provide alternative sources of income for those individuals in major coca producing countries who are dependent on illicit drug production activities, as well as for eradication, enforcement, rehabilitation and treatment, and education programs in those countries; and

(2) the United States and other major donor countries (including European countries and Japan) should provide increased economic assistance, on an urgent basis, to those major coca producing countries which have taken concrete steps to attack illicit coca production, processing, and trafficking, by eradication, interdiction, or other methods which significantly reduce the flow of cocaine to the world market.

(b) PLAN.—The Congress, therefore, urges the Director of National Drug Control Policy to develop a plan which addresses the needs outlined in subsection (a). This plan

should be submitted to the Congress in February 1990 as part of the National Drug Control Strategy report required by section 1005 of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1504).

SEC. 3. MILITARY AND LAW ENFORCEMENT ASSISTANCE FOR BOLIVIA, COLOMBIA, AND PERU.

(a) PURPOSES OF ASSISTANCE.—Assistance provided under this section shall be designed to—

(1) enhance the ability of the Government of Bolivia, the Government of Colombia, and the Government of Peru to control illicit narcotics production and trafficking;

(2) strengthen the bilateral ties of the United States with those governments by offering concrete assistance in this area of great mutual concern; and

(3) strengthen respect for internationally recognized human rights and the rule of law in efforts to control illicit narcotics production and trafficking.

(b) MILITARY ASSISTANCE AND TRAINING.—Subject to the requirements of this section, the President is authorized to use the funds made available to carry out this section to provide defense articles, defense services, and international military education and training to Bolivia, Colombia, and Peru. Such assistance shall be provided under the authorities of section 23 of the Arms Export Control Act (22 U.S.C 2763; relating to the foreign military financing program) and chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 and following; relating to international military education and training). Such assistance is in addition to any other such assistance made available to those countries.

(c) LAW ENFORCEMENT TRAINING.—Not to exceed $6,500,000 of the funds made available to carry out this section may be used—

(1) notwithstanding section 660 of the Foreign Assistance Act of 1961 (22 U.S.C. 2420; relating to the prohibition on law enforcement assistance), to provide to law enforcement agencies, or other units, that are organized for the specific purpose of narcotics enforcement by the Government of Bolivia, the Government of Colombia, or the Government of Peru, education and training in the operation and maintenance of equipment used in narcotics control interdiction and eradication efforts; and

(2) for the expenses of deploying, upon the request of the Government of Bolivia, the Government of Colombia, or the Government of Peru, Department of Defense mobile training teams in that country to conduct training in military-related individual and collective skills that will enhance that country's ability to conduct tactical operations in narcotics interdiction.

(d) EQUIPMENT FOR LAW ENFORCEMENT UNITS.—Not to exceed $12,500,000 of the funds made available to carry out this section may be used, notwithstanding section 660 of the Foreign Assistance Act of 1961 (22 U.S.C. 2420; relating to the prohibition on law enforcement assistance), for the procurement of defense articles for use in narcotics control, eradication, and interdiction efforts by law enforcement agencies, or other units, that are organized for the specific purpose of narcotics enforcement.

(e) CONDITIONS OF ELIGIBILITY.—Assistance may be provided under this section to Bolivia, Colombia, or Peru only—

(1) so long as that country has a democratic government; and

(2) the law enforcement agencies of that country do not engage in a consistent pattern of gross violations of internationally recognized human rights (as defined in section 502B(d)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(d)(1)).

(f) NOTIFICATIONS TO CONGRESS.—Not less than 15 days before funds are obligated pursuant to this section, the President shall transmit to the congressional committees specified in section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394-1) a written notification in accordance with the procedures applicable to reprogrammings under that section. Such notification shall specify—

(1) the country to which the assistance is to be provided;

(2) the type and value of the assistance to be provided;

(3) the law enforcement agencies or other units that will receive the assistance; and

(4) an explanation of how the proposed assistance will achieve the purposes specified in subsection (a) of this section.

(g) REPORTS ON HUMAN RIGHTS SITUATION.—Section 502B(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(c); relating to country-specific human rights reports upon the request of the foreign affairs committees) applies with respect to countries for which assistance authorized by this section is proposed or is being provided.

(h) COORDINATION WITH INTERNATIONAL NARCOTICS CONTROL ASSISTANCE PROGRAM.—Assistance under this section shall be coordinated with assistance provided under chapter 8 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2291 and following; relating to international narcotics control assistance).

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $125,000,000 for fiscal year 1990 to carry out this section, which amount is authorized to be made available until expended.

SEC. 4. ANTI-NARCOTICS MILITARY ASSISTANCE AND TRAINING FOR OTHER COUNTRIES.

(a) TRAINING.—Section 4204(a) of the International Narcotics Control Act of 1988 (section 4204(a) of title IV of Public Law 100-690) is amended by striking out "$2,000,000 of the funds made available for fiscal year 1989" and inserting in lieu thereof "$1,000,000 of the funds made available for fiscal year 1990".

(b) MILITARY ASSISTANCE.—

(1) EXTENSION OF AUTHORITY.—Section 4205(b) of that Act is amended by inserting "and section 23 of the Arms Export Control Act (relating to the foreign military financing program)" after "program)"; and

(2) FUNDS FOR LATIN AMERICA AND THE CARIBBEAN.—Section 4205(g) of that Act is amended—

(A) by striking out "for fiscal year 1989"; and

(B) by striking out ", $3,500,000" and inserting in lieu thereof "and section 23 of the Arms Export Control Act, $2,000,000 for fiscal year 1990".

(c) BOLIVIA, COLOMBIA, AND PERU.—Assistance may not be provided for Bolivia, Colombia, or Peru for fiscal year 1990 under sections 4204 and 4205 of the International Narcotics Control Act of 1988.

SEC. 5. ACQUISITION BY SPECIAL DEFENSE ACQUISITION FUND OF DEFENSE ARTICLES FOR NARCOTICS CONTROL PURPOSES.

Section 51(a) of the Arms Export Control Act (22 U.S.C. 2795(a)) is amended by adding at the end the following new paragraph:

"(4)(A) The Fund shall be used to acquire defense articles that are particularly suited for use for narcotics control purposes and are appropriate to the needs of recipient countries, such as small boats, planes (including helicopters), and communications equipment.

"(B) Each report pursuant to section 53(a) shall designate the defense articles that have been acquired or are to be acquired pursuant to this paragraph and the defense articles acquired under this chapter that were transferred for use in narcotics control purposes.".

SEC. 6. EXCESS DEFENSE ARTICLES FOR CERTAIN MAJOR ILLICIT DRUG PRODUCING COUNTRIES.

Chapter 2 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2311 and following) is amended by adding at the end the following:

"SEC. 517. MODERNIZATION OF MILITARY CAPABILITIES OF CERTAIN MAJOR ILLICIT DRUG PRODUCING COUNTRIES.

"(a) AUTHORITY TO TRANSFER EXCESS DEFENSE ARTICLES.—Subject to the limitations in this section, the President may transfer to a country—

"(1) which is a major illicit drug producing country (as defined in section 489(2)) in Latin America and the Caribbean,

"(2) which has a democratic government, and

"(3) whose armed forces do not engage in a consistent pattern of gross violations of internationally recognized human rights (as defined in section 502B(d)(1)),

such excess defense articles as may be necessary to carry out subsection (b).

"(b) PURPOSE.—Excess defense articles may be transferred under subsection (a) only for the purpose of encouraging the military forces of an eligible country in Latin America and the Caribbean to participate with local law enforcement agencies in a comprehensive national anti-narcotics program, conceived and developed by the government of that country, by conducting activities within that country and on the high seas to prevent the production, processing, trafficking, transportation, and consumption of illicit narcotic or psychotropic drugs or other controlled substances (as defined in section 489(4)).

"(c) USES OF EXCESS DEFENSE ARTICLES.—Excess defense articles may be furnished to a country under subsection (a) only if that country ensures that those excess defense articles will be used only in support of anti-narcotics activities.

"(d) ROLE OF THE SECRETARY OF STATE.—The Secretary of State shall determine the eligibility of countries to receive excess defense articles under subsection (a). In accordance with section 482, the Secretary shall ensure that the transfer of excess defense articles under subsection (a) is coordinated with other anti-narcotics enforcement programs assisted by the United States Government.

"(e) DOLLAR LIMITATION.—The aggregate value of excess defense articles transferred to a country under subsection (a) in any fiscal year may not exceed $10,000,000.

"(f) CONDITIONS ON TRANSFERS.—The President may transfer excess defense articles under this section only if—

"(1) they are drawn from existing stocks of the Department of Defense;

"(2) funds available to the Department of Defense for the procurement of defense equipment are not expended in connection with the transfer; and

"(3) the President determines that the transfer of the excess defense articles will

not have an adverse impact on the military readiness of the United States.

"(g) TERMS OF TRANSFERS.—Excess defense articles may be transferred under this section without cost to the recipient country.

"(h) WAIVER OF REQUIREMENT FOR REIMBURSEMENT OF DOD EXPENSES.—Section 632(d) does not apply with respect to transfers of excess defense articles under this section.

"(i) NOTIFICATION TO CONGRESS.—

"(1) ADVANCE NOTICE.—The President may not transfer excess defense articles under this section until 30 days after the President has provided notice of the proposed transfer to the committees specified in paragraph (2). This notification shall include—

"(A) a certification of the need for the transfer;

"(B) an assessment of the impact of the transfer on the military readiness of the United States; and

"(C) a statement of the value of the excess defense articles to be transferred.

"(2) COMMITTEES TO BE NOTIFIED.—Notice shall be provided pursuant to paragraph (1) to the Committee on Armed Services, the Committee on Foreign Affairs, and the Committee on Appropriations of the House of Representatives and the Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate.".

SEC. 7. WAIVER OF BROOKE-ALEXANDER AMENDMENT FOR MAJOR COCA PRODUCING COUNTRIES.

During fiscal year 1990, section 620(q) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(q)) and section 518 of the Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1990, do not apply with respect to narcotics-related assistance for a country which is a major illicit drug producing country (as defined in section 489(2) of the Foreign Assistance Act of 1961) because of its coca production.

SEC. 8. PROCUREMENT OF WEAPONS TO DEFEND AIRCRAFT INVOLVED IN NARCOTICS CONTROL EFFORTS.

(a) EARMARKING OF FUNDS.—Of the funds available to carry out chapter 2 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2311 and following; relating to the grant military assistance program) and section 23 of the Arms Export Control Act (22 U.S.C. 2763; relating to foreign military sales financing), $1,000,000 for fiscal year 1990 shall be made available to arm, for defensive purposes, aircraft used in narcotics control eradication or interdiction efforts. These funds may not be used for the purchase of new aircraft.

(b) NOTIFICATION TO CONGRESS.—The Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate shall be notified of the use of funds under subsection (a) at least 15 days in advance in accordance with the procedures applicable to reprogramming under section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394-1).

SEC. 9. HERBICIDES FOR AERIAL COCA ERADICATION.

The Secretary of State shall use not less than $500,000 of the funds made available for fiscal year 1990 to carry out chapter 8 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2291 and following; relating to international narcotics control assistance) to finance the testing and use of safe and effective herbicides for use in the aerial eradication of coca.

SEC. 10. ASSISTANCE FOR MEXICO.

(a) LIMITATION ON ASSISTANCE.—Except as provided in subsection (b), not more than $15,000,000 of the amounts made available for fiscal year 1990 to carry out chapter 8 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2291 and following; relating to international narcotics control assistance) may be made available for Mexico.

(b) PROCEDURE FOR ADDITIONAL ASSISTANCE.—Assistance in excess of the amount specified in subsection (a) may be made available for Mexico only if the congressional committees specified in section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394-1) are notified at least 15 days in advance in accordance with the procedures applicable to reprogrammings under that section.

SEC. 11. NONAPPLICABILITY OF CERTIFICATION PROCEDURES TO CERTAIN MAJOR DRUG-TRANSIT COUNTRIES.

Section 487 of the Foreign Assistance Act of 1961 shall not apply with respect to a major drug-transit country for fiscal year 1990 if the President certifies to the Congress, during that fiscal year, that—

(1) subparagraph (C) of section 489(3) of that Act, relating to money laundering, does not apply to that country;

(2) the country previously was a major illicit drug producing country but, during each of the preceding two years, has effectively eliminated illicit drug production; and

(3) the country is cooperating fully with the United States or has taken adequate steps on its own—

(A) in satisfying the goals agreed to in an applicable bilateral narcotics agreement with the United States (as described in section 487(b)(2) of that Act) or a multilateral agreement which achieves the objectives of that section;

(B) in preventing narcotic and psychotropic drugs and other controlled substances transported through such country from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents or from being transported, directly or indirectly, into the United States; and

(C) in preventing and punishing bribery and other forms of public corruption which facilitate the production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or which discourage the investigation and prosecution of such acts.

SEC. 12. COORDINATION OF UNITED STATES TRADE POLICY AND NARCOTICS CONTROL OBJECTIVES.

(a) NEED FOR COORDINATION.—It is the sense of the Congress that United States trade policy should be coordinated with United States narcotics control objectives, particularly with respect to issues such as the International Coffee Agreement.

(b) PRESIDENTIAL REVIEW.—The Congress commends the President for reviewing—

(1) whether the International Coffee Agreement negotiations should be resumed, and

(2) whether the trade benefits provided in the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701 and following) should be extended to the major coca producing countries of Latin America.

SEC. 13. DEBT BURDEN OF DRUG PRODUCING COUNTRIES OF LATIN AMERICA.

The Congress finds that—

(1) narcotics production and trafficking are inextricably linked to the severe debt crisis in Latin America;

(2) narcotics control, both within the United States and abroad, is essential to reduce the production, trafficking, and consumption of narcotics;

(3) the economic problems of Latin American countries are extremely severe, and recovery remains blocked by a massive debt burden;

(4) the narcotics and economic problems of Latin American countries are becoming worse and are tearing at the political, economic, and social fabric of those countries;

(5) the economies of Latin America, saddled with significant debt, are hampered in their anti-drug efforts;

(6) the continued economic crisis in Latin American countries will lead to further proliferation of drug production and drug trafficking as more economies of those countries become dependent on drug-related income;

(7) narcotics production and trafficking, and economies threatened by economic stagnation, are a danger to democracy, political stability, and economic growth in Latin American countries;

(8) Latin American countries are experiencing a dramatic increase in domestic drug abuse, drug-related violence, and drug production, processing, and trafficking;

(9) it is in the national interest of the United States to work with Latin American countries to solve both the drug and debt problems;

(10) continued debt-related problems in Latin American countries contribute to increasing migration pressures on the United States; and

(11) the economic problems of Latin American countries has resulted in significant reduction of exports, as well as a major loss of jobs in the United States.

(1) ILLICIT DRUG ISSUES.—Formulation of a regional strategy to combat organizations in the Western Hemisphere that produce, process, and traffic in illicit drugs. Elements of the strategy would include intelligence sharing, asset seizure, the use of military units, and the development of alternative employment or crop substitution for coca growers.

(2) DEBT ISSUES.—All options and remedies for debt reduction, including the possible use of partial forgiveness of Latin American debt, with third party guarantees for the remaining debt, and the manner in which countries outside the Western Hemisphere, multilateral development banks, and other international financial institutions could participate in efforts to reduce the debt burden and assist in the economic development of Latin America.

SEC. 14. MULTILATERAL ANTI-NARCOTICS STRIKE FORCE.

(a) FINDINGS.—The Congress finds that—

(1) the Congress has, in the past, indicated its support for a multilateral, regional approach to narcotics control efforts;

(2) a proposal to create a multilateral, international anti-narcotics force for the Western Hemisphere, is a plan worthy of praise and strong United States support;

(3) the development of a greater capability to assist the governments of Latin America and the Caribbean, including the Caribbean Basin nations, is an essential component of efforts to interdict the flow of narcotics to the United States; and

(4) regional leadership in the promotion of a multilateral, paramilitary force to combat the drug cartels is welcomed and encouraged.

(b) SENSE OF CONGRESS.—It is therefore the sense of the Congress that—

(1) the proposal for the promotion of a regional multilateral anti-narcotics force for the Western Hemisphere should be endorsed; and

(2) the United States should work through the United Nations, the Organization of American States, and other multilateral organizations to determine the feasibility of such a force and should assist in the establishment of this force if it is found to be feasible.

SEC. 15. WEAPONS TRANSFERS TO INTERNATIONAL NARCOTICS TRAFFICKERS.

(a) HALTING WEAPONS TRANSFERS TO NARCOTICS TRAFFICKERS.—The Congress urges the President to seek agreement by the relevant foreign countries, especially the member countries of the North Atlantic Treaty Organization and the member countries of the Warsaw Pact, to join with the United States in taking the necessary steps to halt transfers of weapons to narcotics traffickers in Latin America.

(b) COORDINATION OF UNITED STATES EFFORTS TO TRACK ILLEGAL ARMS TRANSFERS.—The Congress urges the President to improve the coordination of United States Government efforts—

(1) to track the flow of weapons illegally from the United States and other countries to international narcotics traffickers, and

(2) to prevent such illegal shipments from the United States.

(c) INTERPOL.—The Congress calls upon the President to direct the United States representative to INTERPOL to urge that organization to study the feasibility of creating an international database on the flow of those types of weapons that are being acquired illegally by international narcotics traffickers.

(d) REPORT TO CONGRESS.—Not later than 6 months after the date of enactment of this Act, the President shall report to the Congress on the steps taken in accordance with this section.

SEC. 16. REWARDS FOR INFORMATION CONCERNING ACTS OF INTERNATIONAL TERRORISM.

Section 36(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2708(c)) is amended by striking out "$500,000" and inserting in lieu thereof "$2,000,000".

SEC. 17. REVISION AND CONSOLIDATION OF PERMANENT INTERNATIONAL NARCOTICS CONTROL PROVISIONS.

(a) AMENDMENT TO FOREIGN ASSISTANCE ACT.—Chapter 8 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2291 and following) is amended to read as follows:

"CHAPTER 8—INTERNATIONAL NARCOTICS CONTROL

"SEC. 481. FINDINGS AND STATEMENTS OF POLICY.

"(a) FINDINGS.—The Congress finds that—

"(1) under the Single Convention on Narcotic Drugs, 1961, each signatory country has the responsibility of limiting to licit purposes the cultivation, production, manufacture, sale, and other distribution of scheduled drugs;

"(2) suppression of international narcotics trafficking is among the most important foreign policy objectives of the United States;

"(3) the international community should provide assistance, where appropriate, to those producer and transit countries which require assistance in discharging these primary obligations;

"(4) international narcotics control programs should include, as a priority, the progressive elimination of the illicit cultivation of the crops from which narcotic and psychotropic drugs are derived, and should also include the suppression of the illicit manufacture of and traffic in narcotic and psychotropic drugs; and

"(5) effective international cooperation is necessary to control the illicit cultivation, production, and smuggling of, trafficking in, and abuse of narcotic and psychotropic drugs.

"(b) MULTILATERAL DEVELOPMENT BANKS.—In order to promote international cooperation in combating international trafficking in illicit narcotics, it shall be the policy of the United States to use its voice and vote in multilateral development banks to promote the development and implementation in the major illicit drug producing countries of programs for the reduction and eventual eradication of narcotic drugs and other controlled substances, including appropriate assistance in conjunction with effective programs of illicit crop eradication.

"SEC. 482. COORDINATION OF ALL UNITED STATES ANTI-NARCOTICS ASSISTANCE TO FOREIGN COUNTRIES.

"(a) RESPONSIBILITY OF SECRETARY OF STATE.—Consistent with subtitle A of title I of the Anti-Drug Abuse Act of 1988 (relating to coordination of national drug policy), the Secretary of State shall be responsible for coordinating all assistance provided by the United States Government to support international efforts to combat illicit narcotics production or trafficking.

"(b) RULE OF CONSTRUCTION.—Nothing contained in this section or section 486(c) shall be construed to limit or impair the authority or responsibility of any other Federal agency with respect to law enforcement, domestic security operations, or intelligence activities as defined in Executive Order 12333.

"SEC. 483. INTERNATIONAL NARCOTICS CONTROL ASSISTANCE.

"(a) AUTHORITY TO ENTER INTO AGREEMENTS.—In order to promote effective international cooperation, the President is authorized to enter into agreements with other countries to facilitate control of the production, processing, transportation, and distribution of narcotics analgesics, including opium and its derivatives, other narcotic and psychotropic drugs, and other controlled substances.

"(b) AUTHORITY TO FURNISH ASSISTANCE.—Notwithstanding any other provision of law, the President is authorized to furnish assistance to any country or international organization for the control of narcotic and psychotropic drugs and other controlled substances. Such assistance may be provided on such terms and conditions as the President may determine, consistent with other provisions of law.

"(c) AUTHORIZATIONS OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated to the President $115,000,000 for fiscal year 1990. Amounts appropriated to carry out this section are authorized to be made available by appropriations Acts until expended.

"(d) CONTRIBUTION BY RECIPIENT COUNTRY.—To ensure local commitment to the activities assisted under this section, a country receiving assistance under this section should bear an appropriate share of the costs of any narcotics control program, project, or activity for which such assistance is to be provided. A country may bear such costs on an 'in kind' basis.

"(e) USE OF HERBICIDES FOR AERIAL ERADICATION.—

"(1) MONITORING.—The President, with the assistance of appropriate Federal agencies, shall monitor any use under this chapter of a herbicide for aerial eradication in order to determine the impact of such use on the environment and on the health of individuals.

"(2) ANNUAL REPORTS.—The President shall report on such impact in the annual report required by section 486(a).

"(3) REPORT UPON DETERMINATION OF HARM TO ENVIRONMENT OR HEALTH.—If the President determines that any such use is harmful to the environment or the health of individuals, the President shall immediately report that determination to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate, together with such recommendations as the President deems appropriate.

"(f) PROHIBITION ON PROCUREMENT OF WEAPONS AND AMMUNITION.—Funds made available to carry out this chapter shall not be made available for the procurement of weapons or ammunition under this chapter.

"(g) PERMISSIBLE USES OF AIRCRAFT AND OTHER EQUIPMENT.—

"(1) IN GENERAL.—The President shall take all reasonable steps to ensure that aircraft and other equipment made available to foreign countries under this chapter are used only in ways that are consistent with the purposes for which such equipment was made available.

"(2) REPORTS.—In the reports submitted pursuant to section 486(a), the President shall discuss—

"(A) any evidence indicating misuse by a foreign country of aircraft or other equipment made available under this chapter, and

"(B) the actions taken by the United States Government to prevent future misuse of such equipment by that foreign country.

"(3) REGULATIONS.—The President shall issue regulations specifying the steps to be taken in carrying out paragraph (1).

"(4) CONGRESSIONAL REVIEW OF REGULATIONS.—Regulations issued pursuant to paragraph (3) shall be submitted to the Congress before they take effect.

"(h) RETENTION OF TITLE TO AIRCRAFT.—Any aircraft which, at any time after October 27, 1986 (which was the date of enactment of the International Narcotics Control Act of 1986), are made available to a foreign country under this chapter, or are made available to a foreign country primarily for narcotics-related purposes under any other provision of law, shall be provided only on a lease or loan basis.

"(i) RECORDS OF AIRCRAFT USE.—

"(1) REQUIREMENT TO MAINTAIN RECORDS.—The Secretary of State shall maintain detailed records on the use of any aircraft made available to a foreign country under this chapter, including aircraft made available before the enactment of this subsection.

"(2) CONGRESSIONAL ACCESS TO RECORDS.—The Secretary of State shall make the records maintained pursuant to paragraph (1) available to the Congress upon a request of the Chairman of the Committee on Foreign Affairs of the House of Representatives or the Chairman of the Committee on Foreign Relations of the Senate.

"(j) PROHIBITION ON USE OF NARCOTICS CONTROL ASSISTANCE TO ACQUIRE REAL PROPERTY.—Funds made available to carry out this chapter may not be used to acquire (by purchase, lease, or other means) any real property for use by foreign military, paramilitary, or law enforcement forces.

"SEC. 484. FOREIGN ASSISTANCE GENERALLY AND NARCOTICS CONTROL.

"(a) PROHIBITION ON USE OF FOREIGN ASSISTANCE FOR REIMBURSEMENTS FOR DRUG CROP ERADICATIONS.—Funds made available to carry out this Act may not be used to reimburse persons whose illicit drug crops are eradicated.

"(b) PROHIBITION ON ASSISTANCE TO DRUG TRAFFICKERS.—

"(1) PROHIBITION.—The President shall take all reasonable steps to ensure that assistance under this Act is not provided to or through any individual or entity that the President knows or has reason to believe—

"(A) has been convicted of a violation of, or a conspiracy to violate, any law or regulation of the United States, a State, the District of Columbia, a commonwealth or territory of the United States, or a foreign country relating narcotic or psychotropic drugs or other controlled substances; or

"(B) is or has been an illicit trafficker in any such controlled substance or is or has been a knowing assistor, abettor, conspirator, or colluder with others in the illicit trafficking in any such substance.

"(2) REGULATIONS.—The President shall issue regulations specifying the steps to be taken in carrying out this subsection.

"(3) CONGRESSIONAL REVIEW OF REGULATIONS.—Regulations issued pursuant to paragraph (2) shall be submitted to the Congress before they take effect.

"(c) ASSISTANCE FOR CROP SUBSTITUTION ACTIVITIES.—

"(1) EXEMPTION FROM CERTAIN RESTRICTIONS.—The provisions described in paragraph (2) do not apply with respect to assistance for crop substitution activities undertaken in furtherance of narcotics control objectives.

"(2) PROVISIONS MADE INAPPLICABLE.—The provisions made inapplicable by paragraph (1) are any provisions of the annual Foreign Operations, Export Financing, and Related Programs Appropriations Act that prohibit the use of funds made available to carry out part I of this Act for activities in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States.

"SEC. 485. DEBT FORGIVENESS FOR MAJOR COCA PRODUCING COUNTRIES PARTICIPATING IN AERIAL ERADICATION PROGRAMS.

"(a) AUTHORITY.—The President may release Bolivia, Colombia, or Peru from its obligation to make payments to the United States Government, during a fiscal year, of principal and interest on account of a loan made to that country under this Act or assistance extended for that country under section 23 of the Arms Export Control Act if the President determines that that country has agreed to, and is participating in, a program for the use during that fiscal year of a safe, effective herbicide for the aerial eradication of coca in that country.

"(b) EFFECTIVE DATE.—Subsection (a) takes effect on October 1, 1990.

"SEC. 486. REPORTS.

"(a) INTERNATIONAL NARCOTICS CONTROL STRATEGY REPORT.—

"(1) REQUIREMENT FOR REPORT.—Not later than March 1 of each year, the President shall transmit to the Speaker of the House of Representatives, and to the Committee on Foreign Relations of the Senate, a report on United States policy to establish and encourage an international strategy to prevent the illicit cultivation and manufacture of and traffic in narcotic and psychotropic drugs and other controlled substances.

"(2) CONTENTS.—Each report pursuant to this subsection shall include the following:

"(A) A description of the policies adopted, agreements concluded, and programs implemented by the Department of State in pursuit of its delegated responsibilities for international narcotics control, including policy development, bilateral and multilateral funding and other support for international narcotics control projects, representations of the United States Government to international organizations and agencies concerned with narcotics control, training of foreign enforcement personnel, coordination of the international narcotics control activities of United States Government agencies, and technical assistance to international demand reduction programs.

"(B) A description of the activities of the United States in international financial institutions to combat the entry of illicit narcotic and psychotropic drugs and other controlled substances into the United States for the fiscal year just ended, for the current fiscal year, and for the next fiscal year.

"(C) The identity of those countries which are the significant direct or indirect sources of illicit narcotic and psychotropic drugs and other controlled substances significantly affecting the United States. For each such country, each report shall include the following:

"(i) A detailed status report, with such information as can be reliably obtained, on the illicit narcotic or psychotropic drugs or other controlled substances which are being cultivated, produced, or processed in or transported through such country, noting significant changes in conditions, such as increases or decreases in the illicit cultivation and manufacture of and traffic in such drugs and substances.

"(ii) A description of the assistance under this chapter and the other kinds of United States assistance which such country received in the preceding fiscal year, which are planned for such country for the current fiscal year, and which are proposed for such country for the next fiscal year, with an analysis of the impact that the furnishing of each such kind of assistance has had or is expected to have on the illicit cultivation and manufacture of and traffic in narcotic and psychotropic drugs and other controlled substances in such country.

"(iii) A description of the plans, programs, and timetables adopted by such country for the progressive elimination of the illicit cultivation of narcotic and psychotropic drugs and other controlled substances, and a discussion of the adequacy of the legal and law enforcement measures taken and the accomplishments achieved in accord with these plans.

"(iv) A discussion of the extent to which such country has cooperated with the United States narcotics control efforts through the extradition or prosecution of drug traffickers, and, where appropriate, a description of the status of negotiations with such country to negotiate a new or updated extradition treaty relating to narcotics offenses.

"(D) For each major illicit drug producing country for which the President is proposing to furnish United States assistance for the next fiscal year, a determination by the President of the maximum reductions in illicit drug production which are achievable during the next fiscal year. Each such determination shall be expressed in numerical terms, such as the number of acres of illicitly cultivated controlled substances which can be eradicated.

"(E) For each major illicit drug producing country which received United States assistance for the preceding fiscal year, the actual reductions in illicit drug production achieved by that country during such fiscal year.

"(F) Specific comments and recommendations by appropriate Federal agencies involved in drug enforcement, including the United States Customs Service and the Drug Enforcement Administration, with respect to the degree to which countries listed in the report have, during the preceding year, cooperated fully with such agencies (as described in section 487(b)).

"(G) A description of the United States assistance for the preceding fiscal year which was denied, pursuant to section 487, to each major illicit drug producing country and each major drug-transit country.

"(b) MIDYEAR REPORT.—Not later than September 1 of each year, the President shall transmit to the Speaker of the House of Representatives, and to the Committee on Foreign Relations of the Senate, a complete and detailed midyear report on the activities and operations carried out under this chapter prior to such date. Such midyear report shall include the status of each agreement concluded prior to such date with other countries to carry out this chapter.

"(c) ANNUAL REPORTS ON ASSISTANCE.—

"(1) IN GENERAL.—At the time that the report required by subsection (a) is submitted each year, the Secretary of State, in consultation with appropriate United States Government agencies, shall report to the appropriate committees of the Congress on the assistance provided by the United States Government during the preceding fiscal year to support international efforts to combat illicit narcotics production or trafficking.

"(2) INFORMATION TO BE INCLUDED.—Each report pursuant to this subsection shall—

"(A) specify the amount and nature of the assistance provided;

"(B) include, for each country which is a significant direct or indirect source of illicit narcotic and psychotropic drugs and other controlled substances significantly affecting the United States, a section prepared by the Drug Enforcement Administration, a section prepared by the Customs Service, and a section prepared by the Coast Guard, which describes in detail—

"(i) the assistance provided or to be provided (as the case may be) to such country by that agency, and

"(ii) the assistance provided or to be provided (as the case may be) to that agency by such country,

with respect to narcotic control efforts during the preceding fiscal year, the current fiscal year, and the next fiscal year; and

"(C) list all transfers, which were made by the United States Government during the preceding fiscal year, to a foreign country for narcotics control purposes of any property seized by or otherwise forfeited to the United States Government in connection with narcotics-related activity, including an estimate of the fair market value and physical condition of each item of property transferred.

"(3) REPORTS MAY BE CLASSIFIED.—The reports required by this subsection may be provided on a classified basis to the extent necessary.

"(d) DETERMINING MAJOR DRUG-TRANSIT AND MAJOR ILLICIT DRUG PRODUCING COUNTRIES.—

"(1) ESTABLISHMENT OF GUIDELINES.—For each calendar year, the Secretary of State, after consultation with the appropriate committees of the Congress, shall establish numerical standards and other guidelines for determining which countries will be considered to be major drug-transit countries under section 489(3)(A) and (B).

"(2) NOTICE TO CONGRESS OF PRELIMINARY STANDARDS.—Not later than September 1 of each year, the Secretary of State shall make a preliminary determination of the numerical standards and other guidelines to be used pursuant to paragraph (1) with respect to that year and shall notify the appropriate committees of the Congress of those standards and guidelines.

"(3) NOTICE TO CONGRESS OF PRELIMINARY DETERMINATIONS.—Not later than October 1 of each year, the Secretary of State shall notify the appropriate committees of the Congress of—

"(A) which countries have been determined to be major drug-transit countries for that year under the numerical standards and other guidelines developed pursuant to this subsection; and

"(B) which countries have been determined to be major illicit drug producing countries for that year.

"SEC. 487. ANNUAL CERTIFICATION PROCEDURES.

"(a) WITHHOLDING OF BILATERAL ASSISTANCE AND OPPOSITION TO MULTILATERAL DEVELOPMENT ASSISTANCE.—

"(1) BILATERAL ASSISTANCE.—Fifty percent of the United States assistance allocated each fiscal year in the report required by section 653(a) for each major illicit drug producing country or major drug-transit country shall be withheld from obligation and expenditure, except as provided in subsection (b).

"(2) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development, the United States Executive Director of the International Development Association, the United States Executive Director of the Inter-American Development Bank, and the United States Executive Director of the Asian Development Bank to vote, on and after March 1 of each year, against any loan or other utilization of the funds of their respective institution to or for any major illicit drug producing country or major drug-transit country, except as provided in subsection (b).

"(b) CERTIFICATION PROCEDURE.—

"(1) WHAT MUST BE CERTIFIED.—Subject to subsection (d), the assistance withheld from a country pursuant to subsection (a)(1) may be obligated and expended, and the requirement of subsection (a)(2) to vote against multilateral development bank assistance to a country shall not apply, if the President determines and certifies to the Congress, at the time of the submission of the report required by section 486(a), that—

"(A) during the previous year the country has cooperated fully with the United States, or has taken adequate steps on its own—

"(i) in satisfying the goals agreed to in an applicable bilateral narcotics agreement with the United States (as described in paragraph (2)) or a multilateral agreement which achieves the objectives of paragraph (2),

"(ii) in preventing narcotic and psychotropic drugs and other controlled substances produced or processed, in whole or in part, in such country or transported through such country, from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents or from being transported, directly or indirectly, into the United States,

"(iii) in preventing and punishing the laundering in that country of drug-related profits or drug-related moneys, and

"(iv) in preventing and punishing bribery and other forms of public corruption which facilitate the illicit production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or which discourage the investigation and prosecution of such acts; or

"(B) for a country that would not otherwise qualify for certification under subparagraph (A), the vital national interests of the United States require that the assistance withheld pursuant to subsection (a)(1) be provided and that the United States not vote against multilateral development bank assistance for that country pursuant to subsection (a)(2).

"(2) BILATERAL NARCOTICS AGREEMENT.—A bilateral narcotics agreement referred to in paragraph (1)(A)(i) is an agreement between the United States and a foreign country in which the foreign country agrees to take specific activities, including, where applicable, efforts to—

"(A) reduce drug production, drug consumption, and drug trafficking within its territory, including activities to address illicit crop eradication and crop substitution;

"(B) increase drug interdiction and enforcement;

"(C) increase drug education and treatment programs;

"(D) increase the identification of and elimination of illicit drug laboratories;

"(E) increase the identification and elimination of the trafficking of essential precursor chemicals for the use in production of illegal drugs;

"(F) increase cooperation with United States drug enforcement officials; and

"(G) where applicable, increase participation in extradition treaties, mutual legal assistance provisions directed at money laundering, sharing of evidence, and other initiatives for cooperative drug enforcement.

"(3) REQUIREMENT FOR NARCOTICS AGREEMENT FOR CERTAIN COUNTRIES.—A country which in the previous year was designated as a major illicit drug producing country or a major drug-transit country may not be determined to be cooperating fully under paragraph (1)(A) unless it has in place a bilateral narcotics agreement with the United States or a multilateral agreement which achieves the objectives of paragraph (2).

"(4) INFORMATION TO BE INCLUDED IN CERTIFICATION.—If the President makes a certification with respect to a country pursuant to paragraph (1)(B), the President shall include in such certification—

"(A) a full and complete description of the vital national interests placed at risk if United States bilateral assistance to that country is terminated pursuant to this section and multilateral development bank assistance is not provided to such country; and

"(B) a statement weighing the risk described in subparagraph (A) against the risks posed to the vital national interests of the United States by the failure of such country to cooperate fully with the United States in combating narcotics or to take adequate steps to combat narcotics on its own.

"(5) LICIT OPIUM PRODUCING COUNTRIES.—The President may make a certification under paragraph (1)(A) with respect to a major illicit drug producing country or major drug-transit country which is also a producer of licit opium only if the President determines that such country has taken steps to prevent significant diversion of its licit cultivation and production into the illicit market, maintains production and stockpiles at levels no higher than those consistent with licit market demand, and prevents illicit cultivation and production.

"(c) MATTERS TO BE CONSIDERED.—In determining whether to make the certification required by subsection (b) with respect to a country, the President shall consider the following:

"(1) Have the actions of the government of that country resulted in the maximum reductions in illicit drug production which were determined to be achievable pursuant to section 486(a)(2)(D)? In the case of a major illicit drug producing country, the President shall give foremost consideration, in determining whether to make the determination required by subsection (b), to whether the government of that country has taken actions which have resulted in such reductions.

"(2) Has that government taken the legal and law enforcement measures to enforce in its territory, to the maximum extent possible, the elimination of illicit cultivation and the suppression of illicit manufacturing of and trafficking in narcotic and psychotropic drugs and other controlled substances, as evidenced by seizures of such drugs and substances and of illicit laboratories and the arrest and prosecution of violators involved in the traffic in such drugs and substances significantly affecting the United States.

"(3) Has that government taken the legal and law enforcement steps necessary to eliminate, to the maximum extent possible, the laundering in that country of drug-related profits or drug-related moneys, as evidenced by—

"(A) the enactment and enforcement by that government of laws prohibiting such conduct,

"(B) that government entering into, and cooperating under the terms of, mutual legal assistance agreements with the United States governing (but not limited to) money laundering, and

"(C) the degree to which that government otherwise cooperates with United States law enforcement authorities on anti-money laundering efforts.

"(4) Has that government taken the legal and law enforcement steps necessary to eliminate, to the maximum extent possible, bribery and other forms of public corruption which facilitate the illicit production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or which discourage the investigation and prosecution of such acts, as evidenced by the enactment and enforcement of laws prohibiting such conduct.

"(5) Has that government, as a matter of government policy, encouraged or facilitated the production or distribution of illicit narcotic and psychotropic drugs and other controlled substances.

"(6) Does any senior official of that government engage in, encourage, or facilitate the production or distribution of illicit narcotic and psychotropic drugs and other controlled substances.

"(7) Has that government investigated aggressively all cases in which any member of an agency of the United States Government engaged in drug enforcement activities since January 1, 1985, has been the victim of acts

or threats of violence, inflicted by or with the complicity of any law enforcement or other officer of such country or any political subdivision thereof, and energetically sought to bring the perpetrators of such offense or offenses to justice.

"(8) Having been requested to do so by the United States Government, does that government fail to provide reasonable cooperation to lawful activities of United States drug enforcement agents, including the refusal of permission to such agents engaged in interdiction of aerial smuggling into the United States to pursue suspected aerial smugglers a reasonable distance into the airspace of the requested country.

"(9) Has that government made necessary changes in legal codes in order to enable law enforcement officials to move more effectively against narcotics traffickers, such as new conspiracy laws and new asset seizure laws.

"(10) Has that government expeditiously processed United States extradition requests relating to narcotics trafficking.

"(11) Has that government refused to protect or give haven to any known drug traffickers, and has it expeditiously processed extradition requests relating to narcotics trafficking made by other countries.

"(d) CONGRESSIONAL REVIEW.—Subsection (a) shall apply without regard to subsection (b) if, within 45 days of continuous session (within the meaning of section 601(b)(1) of the International Security Assistance and Arms Export Control Act of 1976) after receipt of a certification under subsection (b), the Congress enacts a joint resolution disapproving the determination of the President contained in such certification.

"(e) DENIAL OF ASSISTANCE FOR COUNTRIES DECERTIFIED.—If the President does not make a certification under subsection (b) with respect to a country or the Congress enacts a joint resolution disapproving such certification, then until such time as the conditions specified in subsection (f)(1) are satisfied—

"(1) funds may not be obligated for United States assistance for that country, and funds previously obligated for United States assistance for that country may not be expended for the purpose of providing assistance for that country; and

"(2) the requirement to vote against multilateral development bank assistance pursuant to subsection (a)(2) shall apply with respect to that country, without regard to the date specified in that subsection.

"(f) RECERTIFICATION.—

"(1) TIME OF RECERTIFICATION; CONGRESSIONAL ACTION.—Subsection (e) shall apply to a country until—

"(A) the President makes a certification under subsection (b) with respect to that country, and the Congress does not enact a joint resolution under subsection (d) disapproving the determination of the President contained in that certification; or

"(B) the President submits at any other time a certification of the matters described in subsection (b) with respect to such country, and the Congress enacts a joint resolution approving the determination of the President contained in that certification.

"(2) CONGRESSIONAL REVIEW PROCEDURES.—(A) Any joint resolution under this subsection shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(B) For the purpose of expediting the consideration and enactment of joint resolutions under this subsection, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

"(g) REALLOCATION OF FUNDS WITHHELD FROM COUNTRIES WHICH FAIL TO TAKE ADEQUATE STEPS TO HALT ILLICIT DRUG PRODUCTION OR TRAFFICKING.—

"(1) ADDITIONAL ASSISTANCE FOR COUNTRIES TAKING SIGNIFICANT STEPS.—If any funds made available for any fiscal year for security assistance are not used for assistance for the country for which those funds were allocated because of the requirements of this section or any other provision of law requiring the withholding of assistance for countries that have not taken adequate steps to halt illicit drug production or trafficking, the President shall use those funds for additional assistance for those countries which have met their illicit drug eradication targets or have otherwise taken significant steps to halt illicit drug production or trafficking, as follows:

"(A) INTERNATIONAL NARCOTICS CONTROL ASSISTANCE.—Those funds may be transferred to and consolidated with the funds made available to carry out this chapter in order to provide additional narcotics control assistance for those countries. Funds transferred under this paragraph may only be used to provide increased funding for activities previously justified to the Congress. Transfers may be made under this paragraph without regard to the 20-percent increase limitation contained in section 610(a).

"(B) SECURITY ASSISTANCE.—Any such funds not used under subparagraph (A) shall be reprogrammed within the account for which they were appropriated (subject to the regular reprogramming procedures under section 634A) in order to provide additional security assistance for those countries.

"(2) DEFINITION OF SECURITY ASSISTANCE.—As used in this subsection, the term 'security assistance' means assistance under chapter 2 (relating to the grant military assistance program), chapter 4 (relating to the economic support fund), or chapter 5 (relating to international military education and training) of part II or under the Arms Export Control Act (relating to foreign military sales financing).

"SEC. 488. PARTICIPATION IN FOREIGN POLICE ACTIONS.

"(a) PROHIBITION ON EFFECTING AN ARREST.—No officer or employee of the United States may directly effect an arrest in any foreign country as part of any foreign police action with respect to narcotics control efforts, notwithstanding any other provision of law.

"(b) PARTICIPATION IN ARREST ACTIONS.—Subsection (a) does not prohibit an officer or employee of the United States, with the approval of the United States chief of mission, from being present when foreign officers are effecting an arrest or from assisting foreign officers who are effecting an arrest.

"(c) EXCEPTION FOR EXIGENT, THREATENING CIRCUMSTANCES.—Subsection (a) does not prohibit an officer or employee from taking direct action to protect life or safety if exigent circumstances arise which are unanticipated and which pose an immediate threat to United States officers or employees, officers or employees of a foreign government, or members of the public.

"(d) EXCEPTION FOR MARITIME LAW ENFORCEMENT.—With the agreement of a foreign country, subsection (a) does not apply with respect to maritime law enforcement operations in the territorial sea of that country.

"(e) INTERROGATIONS.—No officer or employee of the United States may interrogate or be present during the interrogation of any United States person arrested in any foreign country with respect to narcotics control efforts without the written consent of such person.

"(f) EXCEPTION FOR STATUS OF FORCES ARRANGEMENTS.—This section does not apply to the activities of the United States Armed Forces in carrying out their responsibilities under applicable Status of Forces arrangements.

"SEC. 489. DEFINITIONS.

"As used in this chapter, the following terms have the following meaning:

"(1) LEGAL AND LAW ENFORCEMENT MEASURES.—The term 'legal and law enforcement measures' means—

"(A) the enactment and implementation of laws and regulations or the implementation of existing laws and regulations to provide for the progressive control, reduction, and gradual elimination of the illicit cultivation, production, processing, transportation, and distribution of narcotic drugs and other controlled substances; and

"(B) the effective organization, staffing, equipping, funding, and activation of those governmental authorities responsible for narcotics control.

"(2) MAJOR ILLICIT DRUG PRODUCING COUNTRY.—The term 'major illicit drug producing country' means a country that illicitly produces during a fiscal year 5 metric tons or more of opium or opium derivative, 500 metric tons or more of coca, or 500 metric tons or more of marijuana.

"(3) MAJOR DRUG-TRANSIT COUNTRY.—The term 'major drug-transit country' means a country—

"(A) that is a significant direct source of illicit narcotic or psychotropic drugs or other controlled substances significantly affecting the United States;

"(B) through which are transported such drugs or substances; or

"(C) through which significant sums of drug-related profits or monies are laundered with the knowledge or complicity of the government.

"(4) NARCOTIC AND PSYCHOTROPIC DRUGS AND OTHER CONTROLLED SUBSTANCES.—The term 'narcotic and psychotropic drugs and other controlled substances' has the same meaning as is given by any applicable international narcotics control agreement or domestic law of the country or countries concerned.

"(5) UNITED STATES ASSISTANCE.—(A) Except as provided in subparagraph (B), the term 'United States assistance' means assistance of any kind which is provided by grant, sale, loan, lease, credit, guaranty, or insurance, or by any other means, by any agency or instrumentality of the United States Government to any foreign country, including—

"(i) assistance under this Act, including programs under title IV of chapter 2 of this part (relating to the Overseas Private Investment Corporation);

"(ii) sales and financing under the Arms Export Control Act;

"(iii) sales under title I or III and donations under title II of the Agricultural Trade Development and Assistance Act of 1954 of nonfood commodities; and

"(iv) financing under the Export-Import Bank Act of 1945.

"(B) The term 'United States assistance' does not include—

"(i) international narcotics control assistance under this chapter;

"(ii) disaster relief assistance, including any assistance under chapter 9 of part I;

"(iii) assistance which involves the provision of food or medicine;

"(iv) assistance for refugees;

"(v) assistance under the Inter-American Foundation Act;

"(vi) assistance from the Child Survival Fund under section 104(c)(2) of this Act;

"(vii) assistance for narcotics education and awareness activities under section 126(b)(2) of this Act (but any such assistance shall be subject to the prior notification procedures applicable to reprogrammings under section 634A);

"(viii) activities authorized pursuant to the National Security Act of 1947 (50 U.S.C. 410 et seq.), the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.), or Executive Order 12333; or

"(ix) commercial export promotion activities of the Department of Agriculture, including the Commodity Credit Corporation.".

(b) CONFORMING AMENDMENTS AND REPEAL OF OBSOLETE PROVISIONS.—

(1) 1988 INTERNATIONAL NARCOTICS CONTROL ACT.—The International Narcotics Control Act of 1988 (title IV of Public Law 100-690) is amended—

(A) in section 4003, by striking out "481(i)(3)" and inserting in lieu thereof "489(4)";

(B) in section 4306, by striking out "481(h)(2)(A)(i)" and inserting in lieu thereof "487(b)(1)(A)";

(C) in section 4309(b), by striking out "481(e)" and inserting in lieu thereof "486(a)";

(D) in section 4501 by striking out "4601 of this title" and inserting in lieu thereof "486(c) of the Foreign Assistance Act of 1961"; and

(E) by repealing section 4601.

(2) 1986 INTERNATIONAL NARCOTICS CONTROL ACT.—The International Narcotics Control Act of 1986 (title II of Public Law 99-570) is amended—

(A) by repealing all sections except for sections 2001, 2010, 2015, 2018, and 2029; and

(B) in section 2018(d), by striking out "481(i)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 229(i)(2))" and inserting in lieu thereof "489(2) of the Foreign Assistance Act of 1961".

(3) NARCOTICS CONTROL TRADE ACT.—The Narcotics Control Trade Act (19 U.S.C. 2492 and following) is amended—

(A) in section 802(b)(1)(A), by striking out "481(e)" and inserting in lieu thereof "486(a)";

(B) in section 802(b)(1)(A)(i)(IV), by inserting "illicit" before "production";

(C) in section 802(b)(1)(B)(iii), by striking out "treatment" and inserting in lieu thereof "education and treatment programs";

(D) in section 802(b)(1)(B)(v), by inserting "essential" before "precursor";

(E) in section 802(b)(2)(A), by striking out "481(e)(4)" and inserting in lieu thereof "486(a)(2)(D)";

(F) in section 802(b)(2)(D), by inserting "illicit" before "production";

(G) in section 804, by striking out "481(e)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(e)(1))" and inserting in lieu thereof "486(a) of the Foreign Assistance Act of 1961"; and

(H) in section 805, by amending paragraph (2) to read as follows:

"(2) the term 'major drug producing country' means a country that illicitly produces during a fiscal year 5 metric tons or more of opium or opium derivative, 500 metric tons or more of coca, or 500 metric tons or more of marijuana; and".

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida [Mr. SMITH] will be recognized for 20 minutes and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3611, the International Narcotics Control Act of 1989.

This bill is the product of a great deal of negotiation, and represents a bipartisan compromise. As a result, it does not make anyone entirely happy, but represents something we can all support. It is not a rubberstamp of the administration's request. It does not contain new economic aid for fiscal year 1990, as some of us had hoped, because the administration vehemently opposed increased economic aid for this fiscal year. But it does represent a step in the right direction, leaving a number of issues to be revisited early next year when Mr. Bennett submits his second strategy.

Let me just briefly outline what is in this bill. It basically consists of narcotics-related provisions from the House-passed foreign aid bill, H.R. 2655, modified to accommodate the Bennett request, along with a few new provisions. So most of what is in this bill has already been approved by the House once.

The bill authorizes, as requested, $125 million in military and law enforcement aid, as requested, for Bolivia, Colombia, and Peru. Of that amount, up to $12.5 million may be provided to police forces in those countries and up to $6.5 million may be provided for police training in those countries. All of this aid is subject to prior notification to Congress and to coordination with the international narcotics control program. It is also subject to those countries retaining democratic governments and to respect for human rights. These are modest but essential controls on this aid. We have also approved the other two waivers which the administration sought.

Other modest new provisions attempt to flesh out the Bennett plan by stating the sense of the Congress on the need for increased economic aid for the region, the need for a trade policy that is coordinated with our narcotics control objectives, the need to better control weapons flows to drug traffickers from the United States and other countries, and the need to address the debt problem in the region. We also ask DOD to acquire equipment which is appropriate for narcotics control purposes in the host countries.

Some things we could not include in this bill. Like many of my colleagues, I was disappointed at the absence of increased economic aid to these countries in the administration's request. If we have any degree of success on the enforcement side, it will be imperative to provide economic aid to alleviate the social, economic, and political consequences. Likewise, I am disappointed that there are no new initiatives to assist the judicial systems in those countries, a cause to which some of us have devoted a good deal of effort. Ultimately these countries cannot fight the traffickers effectively without functioning judicial systems. Unfortunately, budgetary restrictions and administration opposition to increased nonmilitary aid in fiscal year 1990 forced us to postpone those issues until next year. I hope at that time we will see a more comprehensive strategy.

In short, Mr. Bennett sent us a legislative skeleton, and we have put some flesh on it. We have done no legislative violence to the request. We have agreed to put off some issues until next year, when the administration hopefully has made some more decisions about implementing the strategy, and in the meantime have put reasonable ceilings and conditions on the requested aid so that we ensure it is used appropriately.

I would like to thank my colleagues who helped to craft this measure, especially BEN GILMAN, who as usual lent his common sense and bipartisan support to negotiating this bill. I urge all Members on both sides of the aisle to support this bill.

□ 1300

I certainly also want to thank the chairman and the ranking member on the Republican side, the gentleman from Michigan [Mr. BROOMFIELD], who as always has been a voice of steady reasonableness and calm in negotiating with the Republicans and with the administration.

I urge all Members on both sides of the aisle to support this bill as one of the components of the overall drug strategy that both the Congress and the administration want to implement in the fight against drugs.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of the International Narcotics Control Act of 1989, and I commend the committee chairman, the gentleman from Florida [Mr. FASCELL], the gentleman from New York [Mr. GILMAN], the gentleman from Florida [Mr. SMITH], and their colleagues on the narcotics task force for their good work on this bill.

I also want to pay special tribute to the gentleman from Pennsylvania [Mr. YATRON] for the unparalleled leadership he has provided in the fight against drugs this year and in years apart.

After initial disagreement over earlier drafts of the bill, I am pleased to say that this legislation was crafted in a bipartisan spirit. This is a drug bill that merits the strong support of our colleagues in the Congress.

H.R. 3611 represents our committee's efforts to provide implementing language for the international aspects of the President's new drug strategy. Congress mandated that the Office of National Drug Control Policy be established. It also required that a new antinarcotics strategy be prepared. Now is the time for Congress to join in the war on drugs by moving forward with this legislation. We cannot afford to hesitate for one moment in the international struggle against the drug lords.

During committee consideration of the draft bill, an effort was made to provide additional economic assistance to the Andean nations in fiscal year 1990. Those funds would have been taken from important antinarcotics programs designed to secure drug-producing regions.

The administration is deeply committed to providing additional economic assistance to those cocaine-producing nations. That assistance, however, would be provided in 1991 through 1994 and not in 1990. The delayed economic assistance would be an incentive designed to encourage the Andean governments to fully cooperate in the battle against narcotics. We all agree on the importance of development assistance and economic help for those poor nations. And I think we should follow the President's lead on this issue.

I commend this resolution to my colleagues and urge their support of this antinarcotics legislation.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I am pleased to rise in support of this important measure, the International Narcotics Control Act of 1989. As vice chairman of the Foreign Affairs Committee's Task Force on International Narcotics Control, I want to commend the task force's chairman, the gentleman from Florida [Mr. SMITH] for his untiring leadership and his willingness to formulate this bipartisan measure, one that we are proud of, in addition, to the support that we receive from our committee's distinguished chairman, the gentleman from Florida [Mr. FASCELL], and our committee's ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD].

I also commend the administration for its willingness to work with the task force in resolving some of the problems in the original version of the draft legislation. I am pleased to report that this legislation is acceptable to all of us on both sides of the aisle. It provides implementing language for the President's Andean strategy and gives our Government additional authorities and resources to upgrade its antinarcotics efforts in Colombia, Peru, and Bolivia. Unfortunately, 80 percent of the cocaine entering our Nation comes from those three drug-producing and processing nations.

In addition to authorizing $115 million for the State Department's Bureau of International Narcotics Matters, H.R. 3611 provides $125 million for fiscal year 1990 in military assistance to Colombia, Peru, and Bolivia to fund the President's Andean initiative and requires the Defense Department to acquire equipment such as small boats, helicopters, and communications gear that is suited for narcotics control in the Andes.

This measure also establishes the Secretary of State as the coordinator of overseas antinarcotics assistance, increases maximum awards for information on international terrorism, and earmarks funds for testing and developing herbicides for coca eradication.

If we are to win the war against narcotics trafficking and drug abuse, then we must provide the Andean nations with the proper military assistance to help them effectively combat the drug traffickers who are conducting a wave of terror against their own people. Accordingly, I urge my colleagues to fully support this bipartisan measure.

Mr. SMITH of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. YATRON], a member of the Foreign Affairs Committee and chairman of the Subcommittee on Human Rights and International Organizations.

Mr. YATRON. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of the International Narcotics Control Act. I want to commend the chairman of the Foreign Affairs Committee, Mr. FASCELL, for his outstanding leadership on this issue. I also want to commend my committee colleagues, Mr. GILMAN, Mr. SMITH of Florida, and Mr. BROOMFIELD whose efforts proved critical in crafting this bipartisan measure.

Mr. Speaker, it is difficult to overstate the danger posed to our society by the scourge of illicit drugs. Clearly, we must do more at home to reduce the demand for drugs. However, we must couple these efforts with an effective and sustained campaign against the international drug cartel.

Recent developments in Colombia and elsewhere in Latin America have dramatically illustrated the very real threat to democratic government and respect for human rights represented by these international drug traffickers. Their ruthless and depraved methods have no bounds. They have endeavored to intimidate whole societies. Their resources threaten to overwhelm the law enforcement capability of sovereign nations.

By providing $125 million for military and law enforcement aid to Colombia, Peru, and Bolivia, increased training, and various waivers with respect to debt payment arrears, I believe this legislation will make a meaningful contribution to the fight against international drug trafficking.

The American people clearly support a stronger stand against the international drug cartel. It is in our interest to help the courageous people of Colombia, Peru, and Bolivia, who refuse to be held hostage to the dictates of drug traffickers.

As a cosponsor of the International Narcotics Control Act, I firmly believe that this measure merits the enthusiastic support of every Member of this Chamber.

Mr. GILMAN. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. LAGOMARSINO], one of our senior members on the Foreign Affairs Committee who has worked so long and hard in helping us to combat narcotics coming out of Latin America.

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of H.R. 3611, the International Narcotics Control Act of 1989. As a senior member of the Foreign Affairs Committee, I am proud to have worked on this legislation and I strongly believe it will help fight the war on drugs by taking the battle right to the source of cocaine and crack—the coca fields and processing centers of Bolivia, Peru, and Colombia.

I also commend the gentleman from Florida [Mr. FASCELL], the gentleman from Florida [Mr. SMITH], and the gentleman from New York [Mr. GILMAN].

This legislation authorizes $125 million in funding for military and law enforcement aid to Peru, Colombia, and Bolivia. It also includes the key sections of the House-passed foreign aid bill relating to narcotics. Unfortunately, the Senate has not passed a foreign aid bill, and prospects for that happening in the near future are very dim. This legislation also includes new antinarcotics provisions, such as in-

creasing the rewards for antinarcotics information. Coupled with our other efforts to improve interdiction and significantly lessen the demand for drugs, this bill can help make a difference. It can help slash the supply of cocaine and its derivatives.

The heart of this bill is to help those coca-producing countries eradicate the production and processing of illegal and harmful narcotics. All three countries, Bolivia, Colombia, and Peru have clearly demonstrated their strong determination to combat this problem. Unfortunately, the power of the drug cartels, their association with violent terrorist organizations, and the relative difficult economic situation faced by all three democracies make their battle against drugs a harder and far more challenging one. Through this legislation and other American aid programs, we are helping Bolivia, Colombia, and Peru meet this challenge.

Recent events in Colombia show how powerful and prone to violence the drug rings really are. Colombia took an important step in cracking down on drug dealers and in allowing the extradition of drug kingpins to the United States. In response, the drug dealers and their Communist terrorist friends assassinated a leading Colombian presidental candidate, scores of judges and other officials, and launched an urban terrorist war against Colombia's civilian population. Despite the bombings, the Colombian people have stood by the Government. They want to fight drugs and have appealed to us to give them the wherewithal to do so. President Bush rushed emergency military aid to Colombia. This legislation supplements that emergency program with a longer term, more encompassing one.

Peru faces the combined threat of drug dealers and the "shining path" Maoist Communist terrorists. The intermixing of drug and terrorist operations makes the situation in Peru especially dangerous. As in Colombia, kidnapings, bombings, and murders are the tools of these narcoterrorists. Yet, the democratically elected Government and the Peruvian people have tried to fight back, as they have demonstrated again yesterday in standing up to the terrorists and voting. This measure before us today will help provide the Peruvians with the resources needed to fight effectively.

Bolivia, to date, has been spared the intense violence narcotics trafficking has brought to Colombia and Peru. Bolivia is keen on nipping this problem at the bud. I agree that this is a very wise strategy. The situation in Bolivia also shows why our aid is badly needed. Bolivian police are armed with World War II vintage rifles and have only a few helicopters to cover a territory, much of it a jungle, the size of Texas. The drug dealers have sophisticated automatic weapons, modern aircraft, and much money. They can outshoot, outrun, outhide and outbuy the Bolivian police and military. That situation needs to be reversed.

Bolivia also highlights the other problems associated with eradicating the production and processing of coca. Many of the coca farmers are not rich drug lords, but poor peasants. They have been attracted to growing coca for the price the leaf commands. In addition, drug dealers offer services that the debt-ridden Government cannot provide. Our AID programs, especially those supporting the Bolivian Government's economic reforms and free-market policies, help lessen the influence of the drug lords. Furthermore, while the "stick" of military action can be used to forcefully eradicate coca growing, a "carrot" for the peasant farmers is needed to make the transition to growing other crops more acceptable. Economic growth and a stimulated economy can be just such a carrot. This measure before us, while primarily providing more muscle for the stick, also has debt-reduction measures designed to sweeten the carrot.

It is also important to note that all three AID recipients, Bolivia, Colombia, and Peru, are fragile democracies. Much is at stake here. The drug lords and their Communist guerrilla associates would much prefer a Sandinista or Noriega type government. One they could run, launder their money through, and produce drugs with immunity. Such a state is a threat to American national security for this and many other reasons. These democracies have shown they are fighting the drug cartels and narcoterrorists. They need more help. They've asked not for American soldiers, but for aid they can use themselves. This bill provides this type of aid.

No one effort, no one legislative measure will solve the drug crisis. Our strategy encompasses many different but related approaches. While one of the most effective ways to combat drugs is to eliminate demand—no demand, no supply—the drug business is very market-oriented—by cutting supply, as this bill intends to do, we can help cut demand. I believe that fewer youths and adults will try and use drugs if they are expensive, a result of less supply. We do need to strike at both supply and demand simultaneously. Congress has instituted many new programs that focus on demand. I have strongly supported those measures. Today, we are helping strengthen the antisupply side. I strongly urge my colleagues to support H.R. 3611, the International Narcotics Control Act of 1989.

□ 1310

Mr. SMITH of Florida. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. FASCELL], the chairman of the committee, who has been so helpful on this bill.

Mr. FASCELL. Mr. Speaker, I thank the chairman for yielding me this time.

Mr. Speaker, I rise in strong support of this legislation, and I want to explain how well the task force concept has worked in the Committee on Foreign Affairs. I extend my appreciation to both the chairman, the gentleman from Florida [Mr. SMITH], and the vice chairman or cochairman, the gentleman from New York [Mr. GILMAN], the gentleman from Ohio [Mr. FEIGHAN], and other members on the task force.

Obviously the drug problem cuts across all geographical boundaries, and rather than have three or four subcommittees on the Committee on Foreign Affairs be concerned in dealing with various aspects of the legislation or handling it in the full committee, it made a lot more sense to establish a task force headed by the gentleman from Florida [Mr. SMITH], who has had a long interest antedating his service in the Congress with regard to the entire drug problem, and it has worked out very well, because we have constant pursuit of the issue both from the standpoint of oversight and from legislation that may be necessary.

All of the initiatives on the international side came out of our committee and out of this task force. I am very proud of that fact and very pleased to see the results being incorporated now both in the Presidential plan and in the congressional plan and that we are working together in a bipartisan sense to implement such a program. It is difficult at best. We have tried a lot of things. I do not say, of course, that they all worked, because some of them did not, and one of the aspects of the international matter as reviewed by the task force, Mr. Speaker, is a necessity to constantly assess what we are doing and to see whether or not we are accomplishing anything with that and not be afraid to terminate or change a program once it has been established even though it was established with the best of intentions if later facts determine that the program ought to be eliminated, modified, or in some other way revised. So that is one aspect that the task force has handled and will continue to do so.

Whatever the programs are that are either promoted by the administration or as a result of congressional initiatives, the Task Force on Foreign Affairs for Narcotics Abuse will certainly play its important part, and I congratulate all the members.

Mr. GILMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. OXLEY], who has been one of our very active members on our Select

Committee on Narcotics and who has been a long-time battler in this fight against narcotics abuse and control.

Mr. OXLEY. Mr. Speaker, I rise in support of H.R. 3611, the International Narcotics Control Act of 1989.

Maybe the most important, but overlooked portion of President Bush's national drug control strategy is the Andean initiative. This section outlines the steps that our country will take to fight the drug war at its source.

H.R. 3611 contains the administration requested waivers which permit law enforcement and other foreign assistance funds to go to Colombia, Peru, and Bolivia. I am pleased to see that the bill also provides the $125 million for military aid to these three countries, as the President requested.

This legislation also includes provisions which will increase the awards given to individuals who supply information on international terrorism. We have heard that the narcoterrorists have put contracts on the heads of some U.S. officials who are involved in the drug war. Anything that will help lead to information on the narcoterrorists' activities is positive and necessary.

I am also pleased to see language expressing support for a multilateral antinarcotics strike force. I have long supported this idea and believe that a strike force of this nature would help eradicate illegal crops, dismantle cocaine-manufacturing labs, and strike at the heart of the international drug cartels.

Finally, Mr. Speaker, I want to commend the people of the Andean nations who have decided to fight the drug lords. The stand that these individuals have taken is courageous and should be recognized. Colombia, in particular, should be commended for its fight against drugs, and I hope that other Andean governments will follow suit and rise up and fight the cartels. With the U.S. support contained in H.R. 3611, hopefully we will start to see some victories.

Mr. SMITH of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. RANGEL], chairman of the Select Committee on International Narcotics Abuse and Control.

Mr. RANGEL. Mr. Speaker, I would like to take this opportunity to congratulate the Committee on Foreign Affairs, specifically the task force headed by the gentleman from Florida [Mr. SMITH], and the gentleman from New York [Mr. GILMAN], and the leadership of the gentleman from Michigan [Mr. BROOMFIELD], and our distinguished chairman.

I think that history has indicated that this committee has always come up with the initiatives that are necessary to not only protect our national security but also to give assistance to our friends, especially our friends in South America that are putting up such a violent and courageous battle against the terrorists and the drug traffickers that we have in this country.

□ 1320

I am pleased, of course, that President Bush has given this item such a priority on his agenda, and has seen fit to abide by the mandate of Congress by appointing such a distinguished gentleman as Bill Bennett to head up and coordinate our entire policy, I assume, in this most important area.

I started to say foreign policy, but then I had to pause, because I do not know whether we have a foreign policy. For the last 9 years I have been seeking that one person, either in the Reagan administration or in the Bush administration, that I could go to for direction in terms of what we should be doing.

Secretary Shultz, of course, has been silent on this issue, because he was harboring the idea in his mind that he would have this massive foreign affairs relief program by legalizing drugs. Therefore, I could see why he was silent.

We do have a distinguished Secretary of State now, one that has made it abundantly clear that drugs are repugnant to everything that civilization stands for. Yet, somehow, unless I have missed it, his silence has been deafening.

We can legislate all we want to. One thing we cannot legislate is leadership. I do hope that as the Congress moves forward to meet the President more than half way, that we will see principles and policies enunciated by our Secretary of State that not only will be dealing with peace in the Middle East and arms control and vital issues that concern us all, but also to make this world safe for democracies that are willing to reject the idea they have to be held hostage by the drug traffickers.

Mr. Speaker, I wish to offer congratulations to this outstanding committee once again. It makes me proud to be a Member of Congress.

Mr. GILMAN. Mr. Speaker, I am pleased to yield as much time as he may consume to the gentleman from Pennsylvania [Mr. COUGHLIN], the ranking minority member of our Select Committee on Narcotics Abuse and Control who has also been a longtime battler on this issue.

Mr. COUGHLIN. Mr. Speaker, I want to join in commending the distinguished gentleman from Florida [Mr. SMITH] and my friend and colleague from New York [Mr. GILMAN], as well as the distinguished chairman of the House Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL], and the distinguished ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD] for bringing this legislation before the Congress, for their leadership, and the leadership of the Foreign Affairs Task Force for putting together this bill.

Mr. Speaker, this bill contains administration-requested waivers which will allow desperately needed assistance to flow to Colombia, Peru, and Bolivia, which are all fighting the battle against drugs in that part of the world.

Mr. Speaker, this is part of the President's drug strategy that was requested by Congress and was transmitted to the Congress on September 5 by the President. The legislation that is part of the strategy was submitted on September 20; was passed by the Senate by a vote of 97 to 2 on September 27; was the subject of a motion to instruct in this House that passed on October 11 by a vote of 402 of 15; and was the subject of a letter from the Speaker and majority leader, the gentleman from Missouri [Mr. GEPHARDT] to the other body dated October 20, which agreed to act expeditiously on this legislation.

I congratulate the leadership of the House for bringing this to us expeditiously, congratulate the members of this committee, and also praise the chairman of the Select Committee on Narcotics Abuse and Control, the gentleman from New York [Mr. RANGEL], for his support in considering this legislation so expeditiously.

Mr. Speaker, no nation has made greater sacrifices in the war against drugs than Colombia. The Colombian Government, in spite of assassinations and bombings and intimidation, has bravely stood firm in its effort to crack down on the scourge of drugs.

We must realize that Colombia's fight is also our fight. Colombia's brave martyrs have died not only for Colombia, but also for all of us who believe that ending the scourge of drugs is a goal worth fighting for.

The legislation, Mr. Speaker, authorizes $125 million in fiscal year 1990 for military aid for Colombia, Peru, and Bolivia, to fund the President's Adean Initiative.

The bill includes sense-of-Congress language urging NATO allies and Warsaw Pact countries to refrain from selling or transferring weapons to narcotic traffickers. It requests INTERPOL to study the possibility of creating a data base on international small arms sales. It requires a report to the Congress in 6 months.

The legislation, Mr. Speaker, establishes the Secretary of State as the coordinator of overseas antinarcotics assistance, increases maximum awards for information on international terrorism, and increases funding for developing and testing herbicides for coca eradication.

Mr. Speaker, we cannot let President Barco and the people of Colombia, nor the people of Peru and Bolivia, twist in the wind until next year. It is critical that we pass this legislation, that it be agreed upon by the other body, that we resolve differences that we have, and we send this legislation to the President before we adjourn this Congress.

Mr. Speaker, we cannot pick up, leave town and leave this legislation undone as part of the war against drugs, as part of the strategy that we in Congress have requested, and as part of the strategy that the President has presented to us. We cannot fail our allies in South America, particularly in Colombia, by failing to enact this legislation.

Mr. GILMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of Florida. Mr. Speaker, I yield himself such time as I may consume.

Mr. Speaker, every Member that has spoken has talked sincerely about the need that we have to really go beyond where we are in terms of the fight against drugs. There have been a lot of people over the years in this fight, at every level of government, Federal, State, local, municipal, down to the smallest individual at the very lowest level of enforcement, through the might of the Federal Government, the Coast Guard, the Air Force, the military, yet people want to know why we unfortunately are not winning the fight?

Each time we pass one of these pieces to the puzzle, we think we are going to make a giant step forward. We seem not to be able to do that. That is a chronic problem that stems from the fact that we got into this fight very late.

There are still many, many things which need to be done. One of the major problems, one of the major needs, is that we must come to grips with a real foreign policy, that tries to help the country where most of these drugs are grown.

Mr. Speaker, they have problems. You have heard what is happening in Columbia. You read about it in the newspapers. We know about Peru and Bolivia, the problems they have had, the growth of the coca bush, the growth of the traffickers' capabilities, the growth of their money resources, the growth of their capability in terms of arms and security to protect themselves, the growth of money laundering, and the growth of corruption.

Mr. Speaker, this has infected those countries. It has infected Mexico, where now more than 40 percent of all the drugs that go into this country actually come through.

They have been very smart at moving around. It used to be Miami was the main entry point. Now it is coming through California, because we got better in Florida about finding it.

Mr. Speaker, the bottom line is that no matter what we do, unless we are willing to stay with it, unless we are willing to help those countries come to grips, not only with their law enforcement problems, but then with their economic problems, we are not going to be able to get a major handle on this.

As the gentleman from New York [Mr. RANGEL] indicated, we are not going to win this fight either by knuckling under and making it legal. We will just have more addicts. Yes, it might be a little cheaper to buy, but the corollary is more people will ultimately buy it.

Mr. Speaker, we need to find better answers. We are also looking to the administration for answers. We are providing our piece of the puzzle. We are providing the answers that Members of Congress feel are important in the area of foreign affairs, but we need to do more.

I am sorry that Mr. Bennett has chosen over the last few weeks to start criticizing again, but he feels somehow hindered or hampered and does not feel that other people share the commitment that he has.

□ 1330

Well, I want to tell Mr. Bennett from this floor that there are an awful lot of people in this Congress who were there before he became the head of the drug policy in this country, who had that commitment and that we are still here and we are still intending to do the right thing when it comes to trying to stamp out the scourge of drugs, because we go home every weekend. Out of the almost 700,000 constituents I have most of them will tell you the No. 1 issue on their mind is drugs and the crime in the community that flows from that drug problem.

I have said it before and I will say it again they are more concerned about a crack attack in their neighborhood tomorrow than they are a nuclear attack. And when we come up with all the parts of the puzzle working together, and that is what we created that drug czar for, hopefully we will be able to see the light at the end of the tunnel.

In the meantime while the Committee on Foreign Affairs, and the task force which I chair have provided this piece of the puzzle, I believe it is going to be a very important piece. It is something that we created, and frankly has been to a large degree adopted by Mr. Bennett's plan after we put most of this in the foreign aid bill about 6 months ago. So we know it is capable of being worked, we know that people agree that it is good, solid, important legislation in the fight and we urge our colleagues ultimately to vote for it and to stand fast in this fight.

It is not going to be over that quick and it will not be painless, but we will win if we stick to it.

Mr. FEIGHAN. Mr. Speaker, as a cochairman of the international narcotics control task force, I want to commend Chairman FASCELL and Representative LARRY SMITH, chairman of the task force, for their leadership in bringing this bill to fruition. I would reiterate that much of the bill consists of the provisions we approved in the foreign aid bill. I would like to take a minute to highlight a few parts and to add my observations on where we stand in the drug fight.

First, the bill responds to Secretary Bennett's request. It provides authorizing language for the $125 million Andean initiative along with the requested waivers. I would point out that the waiver on aid to police forces applies only to the three Andean countries, only for those units that are organized for the specific purpose of narcotics enforcement, and only for the next fiscal year.

Second, the bill contains human rights language and other reporting requirements that will ensure that Congress is notified about the type and value of assistance provided; which units will receive assistance; and an explanation of how this aid meets our antinarcotics objectives.

While I support this bill, I must say that I am disappointed by the absence of economic assistance and the failure of the administration to come up and fight for more economic aid. The administration's rationale is that first we must assist these countries in reestablishing control of those areas dominated by the cartel—then we can provide economic assistance.

But our efforts on the enforcement side will be seriously hampered unless these nations see that the United States is able to provide tangible economic assistance to their countries. Our experience tells us that cooca farmers will continue growing coca, even in the face of increased enforcement actions, if there are no realistic alternatives to the drug trade. We have received assurances from the administration that a more detailed plan, outlining a multiyear, $2 billion effort will be submitted in February and I look forward to seeing that plan.

The task force and committee have been the vanguard in the House in giving the administration the tools it needs to fight the drug war. This committee has been there in the past and it is this committee that will be supporting that effort in the future. Our first step is passing H.R. 3611.

Mr. BRENNAN. Mr. Speaker, last week many of my colleagues came to the floor of the House to chastise the Congress for not moving fast enough on the President's drug war strategy. Many of them praised the administration for its efforts.

I would suggest that such praise is premature, if not inappropriate. The Bush antidrug plan with its very modest goals required a lot of work when it reached us. That is the primary reason for its delay.

However, four measures now have worked their way through the process and are before

us today. It is interesting to note that, in regard to the international drug control bill now under discussion, the Bush administration has stated only that they have no objection to it. I wonder how it is that one can be passive in a war and expect to win?

In addition to providing $115 million for international narcotics control programs, the international drug control bill provides $125 million in military aid to the Andean counties of Bolivia, Colombia, and Peru for antidrug purposes. This aid undeniably is a key factor in any plan to reduce drug use in the United States, particularly the use of cocaine.

Peru, Bolivia, and Colombia, in that order, are three of the world's prime producers and refiners of coca, the plant from which cocaine is derived. The United States is the end destination of virtually all of the coca of these nations. Eighty percent of the cocaine in the United States is shipped here from Colombia. Clearly, it is in our best interests to assist these countries in their antidrug efforts.

Of this funding, up to $19 million per country would go to special police narcotics units for equipment and training. Three million is earmarked for non-Andean Latin American countries for weapons for their police forces and for international military and education training.

However, while providing aid to these countries for their antidrug efforts, the bill is careful to include protections. Aid will not be made available to countries whose police forces engage in gross human rights violations.

In regard to the environment, the bill provides funding for the testing and use of safe, effective herbicides in aerial eradication. The President is required to monitor and report on the environmental and social impact of herbicides used.

Finally, it is required that the aid be closely monitored so as not to be funneled to counterinsurgency operations.

I urge my colleagues to join me in support of this important measure and the drug measures to follow. Hopefully the President will take a more active interest when they reach his desk.

Mr. SMITH of Florida. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCDERMOTT). The question is on the motion offered by the gentleman from Florida [Mr. SMITH] that the House suspend the rules and pass the bill, H.R. 3611, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SMITH of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3611 the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

WILDFIRE DISASTER RECOVERY ACT OF 1989

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1011) to provide for the establishment of the National Commission on Natural Resources Disasters, to provide for increased planning and cooperation with local firefighting forces in the event of forest fires, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1011

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. This Act may be cited as the "Wildfire Disaster Recovery Act of 1989".

TITLE I—NATIONAL COMMISSION ON WILDFIRE DISASTERS.

SEC. 101. FINDING AND POLICY.

(a) FINDINGS.—Congress finds that—

(1) the natural fire disasters that occurred in 1987 and 1988 in Western and Southeastern States burned nearly seven and one-half million acres of Federal, State, and private land;

(2) these fires have altered the ability of Federal Government agencies to effectively manage the lands for timber production, fish and wildlife habitation, watershed, and recreation for future use by the American public; and

(3) the communities in and surrounding the areas affected by the fires have suffered economic and social losses.

(b) POLICY.—It is hereby declared to be the policy of Congress to respond to these disasters and prepare for potential disasters by reviewing the effect of these disasters on natural resources and on the financial and cultural aspects of the affected communities and by adopting such policies as are needed to assist in an effective and efficient recovery of those communities.

SEC. 102. NATIONAL COMMISSION ON WILDFIRE DISASTERS.

(a) ESTABLISHMENT.—There is hereby established a National Commission on Wildfire Disasters (hereafter referred to as the "Commission") which shall study the effects of disastrous wildfires, resulting from natural or other causes, and make recommendations concerning the steps necessary for a smooth and timely transition from the loss of natural resources due to such fires.

(b) COMPOSITION.—(1) The Commission shall be composed of 25 members. Thirteen members shall be appointed by the Secretary of Agriculture with at least 1 from each of the following groups: the timber industry, non-industrial private forest landowners, state or local officials, employees of the Department of Agriculture, scientists from the academic community, wildlife biologists, members of private non-profit forestry organizations, members of environmental organizations, and community leaders. Twelve members shall be appointed by the Secretary of the Interior, with at least one from each of the following groups: state or local officials, employees of the Department of the Interior, scientists from the academic community, wildlife biologists, members of environmental organizations, members of private non-profit national park organizations, conservationists, community leaders, and fire ecologists.

(2) The two Secretaries shall each appoint no more than 3 members from any one State and shall each appoint at least 5 members from areas affected by wildfires since 1986.

(3) In making appointments under this subsection, the Secretary of Agriculture shall consider nominations submitted by the following Members of Congress:

(A) The chairman of the Committee on Agriculture of the House of Representatives.

(B) The ranking minority member of the Committee on Agriculture of the House of Representatives.

(C) The chairman of the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(D) The ranking minority member of the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(4) In making appointments under this subsection, the Secretary of the Interior shall consider nominations submitted by the following Members of Congress:

(A) The chairman of the Committee on Interior and Insular Affairs of the House of Representatives.

(B) The ranking minority member of the Committee on Interior and Insular Affairs of the House of Representatives.

(C) The chairman of the Senate Energy and Natural Resources Committee of the Senate.

(D) The ranking minority member of the Committee on Energy and Natural Resources of the Senate.

(c) VACANCY.—A vacancy on the Commission shall be filled by appointment in the manner provided in subsection (b) by the Secretary making the initial appointment.

(d) CHAIRPERSON.—The Commission shall elect a chairperson from among the members of the Commission by a majority vote.

(e) MEETINGS.—The Commission shall meet at the call of the chairperson or a majority of the members of the Commission.

SEC. 103. DUTIES.

(a) STUDY.—The National Commission on Wildfire Disasters shall study the effects of fires on—

(1) the current and future economy of affected communities;

(2) the availability of sufficient timber supplies to meet future industry needs;

(3) fish and wildlife habitats;

(4) recreation in the affected areas;

(5) watershed and water quality protection plans in effect within National Forest System lands;

(6) ecosystems in the areas;

(7) management plans of the affected National Forest System lands;

(8) national parks;

(9) Bureau of Land Management public lands;

(10) wilderness; and

(11) biodiversity of the affected areas.

(b) FINDINGS AND RECOMMENDATIONS.—On the basis of its study, the Commission shall make findings and develop recommendations for consideration by the Secretaries of Agriculture and the Interior with respect to the future management of National Forest System lands, national parks, Bureau of Land Management public lands, and community redevelopment activities and programs.

(c) REPORT.—The Commission shall submit to the Secretaries of Agriculture and the Interior, not later than December 1, 1991, a report containing its findings and recommendations. The Secretaries of Agri-

culture and the Interior shall forthwith submit the report to the Committee on Agriculture of the House of Representatives, the Committee on Agriculture, Nutrition and Forestry of the Senate, the Committee on Interior and Insular Affairs of the House of Representatives, and the Committee on Energy and Natural Resources of the Senate, and the report is authorized to be printed as a House Document.

SEC. 104. OPERATION IN GENERAL.

(a) AGENCY COOPERATION.—The heads of executive agencies, the General Accounting Office, the Office of Technology Assessment, and the Congressional Budget Office shall provide the Commission such information as may be required to carry out its duties and functions.

(b) COMPENSATION.—Members of the Commission shall serve without compensation for work on the Commission. While away from their homes or regular places of business in the performance of duties of the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the Government service under section 5703 of title 5 of the United States Code.

(c) EMPLOYEES.—(1) To the extent there are sufficient funds available to the Commission and subject to such rules as may be adopted by the Commission, the Commission, without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service and, except as provided in paragraph (2), without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to the classification and General Schedule pay rates, may—

(A) appoint and fix the compensation of a director; and

(B) appoint and fix the compensation of such additional personnel as the Commission determines necessary to assist it to carry out its duties and functions.

(2) No employee of the Commission shall be compensated at a pay rate greater than the rate received by an employee at the grade of GS-16 as described in section 5104(16) of title 5 of the United States Code.

(d) STAFF AND SERVICES.—On the request of the Commission, the heads of executive agencies, the Comptroller General, and the Director of the Office of Technology Assessment may furnish the Commission with such office, personnel or support services as the head of the agency, or office, and the chairperson of the Commission agree are necessary to assist the Commission to carry out its duties and functions. The Commission shall not be required to pay, or reimburse, any agency for office, personnel or support services provided under this subsection.

(e) EXEMPTIONS.—(1) The Commission shall be exempt from sections 7(d), 10(f), and 14 of the Federal Advisory Committee Act (5 U.S.C. App.).

(2) The Commission shall be exempt from the requirements of sections 4301 through 4305 of title 5 of the United States Code.

SEC. 105. FUNDING.

(a) ACCEPTANCE OF CONTRIBUTIONS.—Following the appointment of the members of the National Commission on Wildfire Disasters, notwithstanding the provisions of section 1342 of title 31 of the United States Code, the Secretary of Agriculture may receive on behalf of the Commission, from persons, groups, and entities within the United States, contributions of money and services to assist the Commission in carrying out its duties and functions. Any money contributed under this section shall be made available to the Commission to carry out this Act.

(b) LIMITATION ON CONTRIBUTION.—The Secretary of Agriculture shall promulgate regulations to assure that the aggregate amount of contributions from any one person, group, or entity shall not exceed 10 percent of the total amount of funds that will be contributed to the Commission.

(c) RECORDS.—The Secretary of Agriculture shall keep, and shall make available for public inspection during normal business hours, records that fully disclose a complete list of every person, group, and entity making a contribution under this section, the address of the contributor, the amount and type of each such contribution, and the date the contribution was made.

(d) EXCESS FUNDS.—Any amount of money available to the Commission under this section that remains unobligated upon termination of the Commission shall be deposited in the Treasury as miscellaneous receipts.

SEC. 106. TERMINATION.

The National Commission on Wildfire Disasters shall cease to exist 90 days following the submission of its report to the Secretaries of Agriculture and the Interior.

TITLE II—FOREST FIREFIGHTING PLANNING AND COOPERATION

SEC. 201. FINDINGS.

The Congress finds that—

(1) it is in the best interest of the Nation to take swift action to rehabilitate burned forests, and an assessment of the situation is necessary to accomplish this; and

(2) volunteers should be trained to assist where possible.

SEC. 202. REPORT ON REHABILITATION NEEDS.

Not later than 6 months after the date of enactment of this Act and annually thereafter, detailed reports by—

(1) The Secretary of Agriculture on the rehabilitation needs of each Forest Service Region, and

(2) The Secretary of the Interior on the rehabilitation needs of the Bureau of Land Management public lands on a

State-by-State basis and of each National Park Region, resulting from disastrous forest fire damage during the previous year shall be submitted to Congress. Each such report shall specify the needs with respect to reforestation, vegetation management, timber stand improvement, fish and wildlife habitat restoration, soil conservation, recreation, and wilderness resources.

SEC. 203. PLANNING FOR FIRE PROTECTION.

(a) VOLUNTEER FIREFIGHTERS.—The Secretaries of Agriculture and the Interior shall annually offer training programs to certify volunteers for suppressing forest fires on National Forest System lands, National Park System land and Bureau of Land Management public lands in the event that the appropriate Secretary determines that such volunteers are needed. In carrying out this subsection, the Secretary should utilize existing authorities to train volunteer firefighters for use in fire emergencies. The Secretaries should assess the capabilities of educational institutions and other public and private organizations to provide such training programs.

(b) DEFINITION.—For the purposes of this section, the term "educational institutions" shall include institutions established pursuant to the Act of July 2, 1862 (7 U.S.C. 301 et seq., commonly known as the "Morrill Act"), or the Act of August 30, 1890 (7 U.S.C. 321 et seq., commonly known as the "Second Morrill Act").

(c) MOBILIZATION OF LOCAL EQUIPMENT.—Not later than one year after the date of enactment of this Act—

(1) The Secretary of Agriculture shall submit to the Congress information with respect to regions of the National Forest System, and

(2) The Secretary of the Interior shall submit to the Congress information with respect to the Bureau of Land Management public lands on a State-by-State basis and each region of the National Park System.

that documents mobilization plans that provide for the use of firefighting equipment in case of fire emergencies that may occur in each such area that may be highly prone to disastrous forest fires.

(d) PRESUPPRESSION NEEDS.—Not later than one year after the date of enactment of this Act, information from the Secretary of Agriculture on presuppression needs for each region of the National Forest system and information from the Secretary of the Interior on the presuppression needs for each region of the National Park System and for each State unit of the Bureau of Land Management shall be submitted to Congress. These reports shall include needs, including an estimate of the funds required, for fire prevention, fuel reduction, training and seasonal fire crews.

SEC. 204. VOLUNTEER COMPENSATION FOR LOSSES AND DAMAGES.

(a) NATIONAL FORESTS.—Section 3 of the Volunteers in the National Forests Act of 1972 (16 U.S.C. 558c) is amended by adding the following new subsection:

"(d) For the purposes of claims relating to damage to, or loss of, personal property of a volunteer incident to volunteer service, a volunteer under this Act shall be considered a Federal employee, and the provisions of 31 U.S.C. 3721 shall apply.".

(b) NATIONAL PARKS.—Section 3 of the Volunteers in the Parks Act of 1969 (16 U.S.C. 18i) is amended by adding the following new subsection:

"(d) For the purposes of claims relating to damage to, or loss of, personal property of a volunteer incident to volunteer service, a volunteer under this Act shall be considered a Federal employee, and the provisions of 31 U.S.C. 3721 shall apply.".

(c) BUREAU OF LAND MANAGEMENT.—Section 307(f) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1737(f)) is amended to read as follows:

"(f) Volunteers shall not be deemed employees of the United States except for the purposes of—

(1) the tort claims provisions of title 28;

(2) subchapter 1 of chapter 81 of Title 5; and

(3) claims relating to damage to, or loss of, personal property of a volunteer incident to volunteer service, in which case the provisions of 31 U.S.C. 3721 shall apply.".

The SPEAKER pro tempore. Is a second demanded?

Mr. MORRISON of Washington. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 20 minutes, and the gentleman from Washington [Mr. MORRISON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 1011, as amended, the Wildfire Disaster Recovery Act.

During the summer and fall of 1987, disastrous fires swept through many parts of the Western States, destroying millions of acres of national forest lands and upsetting the lives of many of those who depend on these forests for their livelihoods. In the following year, many of us watched a similar scenario unfold as wildfires swept through Montana, Idaho, and Wyoming, nearly destroying one of the jewels of the National Park System—Yellowstone National Park.

These wildfires have had a devastating effect on the natural resources of the affected areas—the timber, fish and wildlife habitat, recreation, and wilderness resources. But the fires also have had a significant impact on communities in and around these areas whose economies depend on timber, recreation, and tourism from the forests, parks, and public lands that were destroyed by the fires.

H.R. 1011, as amended, would provide the means to promote a more efficient and effective recovery for the people and communities affected by the devastating wildfires of the past two years. In addition, the bill would lay the groundwork for better preparedness against the threat of future wildfires.

Title I of H.R. 1011, as amended, would establish a 25-member National Commission on Wildfire Disasters. Members of the Commission would be appointed by the Secretaries of Agriculture and the Interior—13 to be appointed by the former and 12 by the latter. Appointments are to reflect a broad range of the disciplines and expertise needed to fulfill the Commission's charge of studying how the wildfires affected national forests and parks and Bureau of Land Management public lands and associated communities, and making recommendations necessary to ensure a smooth and timely recovery from the devastating effects of these fires. In making appointments to the commission, each Secretary is to consider recommendations received from the chairman and ranking members of the respective House and Senate committees of jurisdiction.

The Commission members are to serve without compensation and the costs of establishing and administering the commission are to come solely from private contributions. In addition, the aggregate amount of contributions from any one person, group, or entity will not exceed 10 percent of the total amount contributed to the Commission.

The Commission is to complete its study and report to the Secretaries of Agriculture and Interior not later than December 1, 1991, on the results of its study and any recommendations it may offer based on its findings.

Title II of H.R. 1011, as amended, is intended to facilitate future forest firefighting planning and cooperation. To do so, the Secretaries are directed to complete annual reports on the rehabilitation needs resulting from forest fire damage for the public lands within their jurisdiction. In addition, each Secretary is directed to offer annual training programs to certify volunteers for suppressing forest fires in the event that such volunteers are needed.

Title II of H.R. 1011, as amended, would also require the Secretaries of Agriculture and Interior to submit reports to Congress within one year of enactment of the bill to document local mobilization plans for emergency firefighting equipment in areas of national forests, parks, and Bureau of Land Management public lands that are prone to forest fires. Finally, H.R. 1011, as amended, would designate volunteers engaged in firefighting on public lands, national forests, and national parks as Federal employees for the purposes of damage claims and loss of personal property incident to their volunteer services.

Mr. Speaker, H.R. 1011, as amended, should help the Forest Service, Park Service, and Bureau of Land Management aid those communities that were devastated by wildfires in 1987 and 1988 develop programs and plans for a full recovery. In addition, the bill will help improve the preparedness of all agencies in dealing with future wildfires.

I urge my colleagues to support H.R. 1011, as amended.

Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri, [Mr. VOLKMER], the chairman of the Subcommittee on Forests, Family Farms, and Energy of the Committee on Agriculture.

Mr. VOLKMER. Mr. Speaker, I rise in support of H.R. 1011, as amended, the Wildfire Disaster Recovery Act. Our colleague, the gentleman from California [Mr. HERGER], developed this proposal during the 100th Congress in response to devastating wildfires that swept through the West in 1987 and 1988. Through the creation of a national Commission to review the impacts of these wildfires, the bill seeks to enhance the role of local communities in advising the Federal Government regarding rehabilitation of the burned areas.

The bill was originally directed only at the National Forest System. However, at the suggestion of our colleagues on the Interior and Insular Affairs Committee, the scope of the study was increased to encompass lands undermanaged by the National Park Service and the Bureau of Land Management as well. This expansion of the Commission's charge will allow for a sensible, comprehensive review of the impacts of wildfires on all types of Federal lands.

The Commission, which would be composed of individuals representing a wide range of interests, would be financed through private contributions, and would submit a report to the Secretaries of Agriculture and the Interior containing findings and recommendations with respect to the future management of public lands.

Similar legislation was approved by the Agriculture Committee during the 100th Congress, but was not considered by the House. I commend the gentleman from California for his diligence in pursuing this effort, and I also appreciate the cooperation of the gentleman from Minnesota [Mr. VENTO], the chairman of the Public Lands Subcommittee, in working out some of his concerns with the bill.

Mr. Speaker, I support this bill and look forward to reviewing the report the Commission will submit.

Mr. MORRISON of Washington. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from California [Mr. HERGER], the author of this particular legislation.

Mr. HERGER. Mr. Speaker, this legislation was first introduced following fires that burned over 400,000 acres of national forest in my district 2 years ago. Last year, another series of fires burned nearly a million acres in Yellowstone National Park. In both cases, residents from the affected areas expressed the view that local resources and talents could have been utilized to minimize damage and assist in recovery.

In December 1988, a joint USDA/Interior Department fire management policy review team recommended that agencies increase opportunities for public involvement and coordination with State and local governments when revising or developing fire management plans. H.R. 1011 would do precisely this by assembling knowledgable people from all segments of our communities and timber-producing regions of the Nation. Their insights would be utilized to develop effective recommendations to the Secretaries of Agriculture and Interior regarding Federal policy.

This legislation is based on the experience of a local task force which we assembled in my district in response to the 1987 fires. I know firsthand that improved coordination and communication with those from fire-prone areas is helpful in preparing for and responding to the consequences of future fires.

I greatly appreciate the willingness of members of both the Interior and

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Agriculture Committees to work with us to ensure that this legislation will improve our Federal response to disastrous wildfires on all Federal lands. I especially want to thank the chairman and ranking member of the National Parks and Public Lands Subcommittee for working with me to enable this bill to come to the floor today.

I urge all of my colleagues to support this legislation.

Mr. MORRISON of Washington. Mr. Speaker, I yield 2 minutes to the gentleman from Idaho [Mr. CRAIG].

Mr. CRAIG. Mr. Speaker, I rise in support of H.R. 1011, the Natural Resources Disaster Recovery Act of 1989. I would like to thank the honorable chairman of the Agriculture Committee, Mr. DE LA GARZA, the chairman of the Subcommittee on Forest, Family Farms and Energy, Mr. VOLKMER, the chairman of National Parks and Public Lands, Mr. VENTO, and the author of this legislation, Mr. HERGER, for the fine work that they have done to bring this important piece of legislation to the floor.

In the past 3 years thousands of acres of timber have burnt in the Western United States. The impact of these devastating fires have had enormous impacts on the citizens of the West and the Nation as a whole.

H.R. 1011 requires the Secretaries of Agriculture and Interior to take a close look at the effects these fires have had on communities. The legislation creates a 25-person commission to undertake this evaluation and to report their findings back to Congress. A study of this sort is desperately needed and will be of great benefit in helping the Congress to understand and react in the future to the devastation that takes place to local economies and environments, as a result of wildfire.

A portion of this legislation calls for an evaluation of the effects wildfires, that have occurred in the last 3 years, have had on biodiversity in burned areas. I would like to make clear that the concept of biodiversity is not well defined, and that this legislation intends to only look at the effect fire has had on very specific areas. It is not intended to give authority to explore the definition or application of biodiversity on National Forest, National Parks or Public Lands as a whole.

Mr. Speaker, I urge passage of H.R. 1011.

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Mr. MORRISON of Washington. Mr. Speaker, I yield myself such time as I may consume.

I urge the passage of this legislation, and would point out this National Commission on Wildlife Disasters is, in fact, temporary. We feel it is appropriate for the circumstances.

Mr. VENTO. Mr. Speaker, I support H.R. 1011, which would create a National Commission on Wild Fire Disasters. We have worked closely with the Agriculture Committee and with the minority to improve the bill to ensure that the Commission has a balanced composition and a balanced mandate. I appreciate the cooperation of Chairman VOLKMER, Chairman DE LA GARZA, and the ranking minority member on my subcommittee, Mr. MARLENEE, and Congressman HERGER, in supporting these changes.

I would like to highlight some important provisions to the bill that have been included in this rewrite.

First, the scope of the bill now encompasses lands and programs of the National Park Service and the Bureau of Land Management, as well as those of the Forest Service.

Second, the markup of the Commission has been expanded to include scientists from the academic community, wildlife biologists, fire ecologists, members of environmental organizations, members of private, nonprofit forestry and national park organizations and employees of the Departments of the Interior and Agriculture.

Third, the mandate of the Commission has been expanded to include the effects of wildfires on the current and future economy of affected communities, on national parks, on BLM public lands, on wilderness areas, and on the biodiversity of affected areas. As the Commission studies the effects of wildfire on biodiversity, it is our intent that the Commission use the definition developed by the Forest Service. In congressional testimony as well as other documents, the Forest Service defines biodiversity as "the variety of genes, species, plant and animal communities and processes through which organisms interact." Fire plays an important role in creating and maintaining this variety, and it is important that the Commission recognize this role and address it.

Fourth, in addition to reports on fire rehabilitation needs and fire equipment mobilization plans, the bill now directs the Secretaries of Agriculture and the Interior to submit a report to Congress on fire presuppression needs, as well. A decline during the past decade in fire prevention programs, fuels reduction efforts and the number of trained seasonal firefighters for initial attack to keep fires small, was a cause of the severity of the 1987 and 1988 fire seasons. The two Secretaries need to study this problem and report to Congress on how it can be corrected.

Fifth, and finally, the bill has been changed so that National Park Service and Bureau of Land Management volunteers, as well as Forest Service volunteers, would be compensated in case of loss of personal property while carrying out their duties as volunteers.

These improvements have made H.R. 1011 a bill which I can support. Although I still have some reservations about the bill, I am gratified by the bipartisan spirit of cooperation expressed by my colleagues in agreeing to these changes.

Mr. MORRISON of Washington. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCDERMOTT). The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, H.R. 1011, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: a bill to provide for the establishment of the National Commission on Wildfire Disasters, to provide for increased planning and cooperation with local firefighting forces in the event of forest fires, and for other purposes.

A motion to reconsider was laid on the table.

EARTHQUAKE DISASTER ASSISTANCE COVERAGE

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3589), to amend the Disaster Assistance Act of 1989 to provide assistance to agricultural producers suffering from earthquakes, as amended.

The Clerk read as follows:

H.R. 3589

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ANNUAL COSTS.

(a) NONPROGRAM CROPS.—Section 104(d)(1) of the Disaster Assistance Act of 1989 is amended by inserting "ornamentals affected by earthquakes and" after "(including".

(b) DEFINITIONS.—Section 112(1) of such Act is amended by inserting "earthquake," after "hurricane,".

SEC. 2. ORCHARDS.

(a) ELIGIBILITY.—Section 121(a) of the Disaster Assistance Act of 1989 is amended to read as follows:

"(a) LOSS.—Subject to the limitation in subsection (b), the Secretary of Agriculture shall provide assistance, as specified in section 122, to eligible orchardists that planted trees for commercial purposes but lost such trees as a result of freeze, earthquake, or related condition in 1989, as determined by the Secretary.".

(b) ASSISTANCE.—Section 122(1) of such Act is amended by inserting ", earthquake," after "freeze".

SEC. 3. FOREST CROPS.

(a) ELIGIBILITY.—Section 131(a) of the Disaster Assistance Act of 1989 is amended to read as follows:

"(a) LOSS.—Subject to the limitation in subsection (b), the Secretary of Agriculture shall provide assistance, as specified in section 132, to eligible tree farmers that planted tree seedlings in 1988 or 1989 for commercial purposes but lost such seedlings as a result of drought, earthquake, or related condition in 1989, as determined by the Secretary.".

(b) ASSISTANCE.—Section 132(1) of such Act is amended by inserting ", earthquake," after "drought".

SEC. 4. DISASTER ASSISTANCE FOR RURAL BUSINESS ENTERPRISES.

Section 401 of the Disaster Assistance Act of 1989 is amended—

(1) in paragraph (a)(1), by inserting "earthquake," after "excessive moisture,"; and

(2) in paragraph (c)(2), by striking out "$200,000,000" and inserting "$300,000,000".

The SPEAKER pro tempore. Is a second demanded?

Mr. MORRISON of Washington. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 20 minutes and the gentleman from Washington [Mr. MORRISON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3589, to amend the Disaster Assistance Act of 1989 to provide assistance to agricultural producers suffering from earthquakes.

H.R. 3589 is intended to provide emergency assistance to agricultural producers and related businesses that were impacted by the Loma Prieta earthquake on October 17, 1989. The bill would extend the same benefits to victims of the earthquake as were provided farmers and agricultural businesses that were affected by drought and damaging weather earlier this year.

H.R. 3589 would amend the Disaster Assistance Act of 1989 to redefine damaging weather to include earthquakes. In this way, producers of program and nonprogram crops who suffered production losses in excess of specific thresholds would receive payments to cover a portion of their losses. Benefits would also extend to orchardists who lost trees due to the earthquake and to tree farmers, in the form of reimbursement for the cost of replanting tree seedlings lost due to the earthquake.

H.R. 3589 would also clarify that the definition of "nonprogram crops" for the purpose of qualifying for benefits under this bill, includes "ornamentals affected by earthquake." Growers of roses and cut flowers, especially those produced in greenhouses, suffered considerable damage due to the earthquake and would thus qualify for disaster benefits under H.R. 3589.

In addition, to help farmers and related businesses rebuild, those who suffered damage due to the earthquake would qualify for loans under the business and industry loan program administered by the Farmers Home Administration. H.R. 3589 would provide an additional $100 million in loan guarantees to support this program which would support loans for cleanup and salvage operations, repair of equipment and buildings, damage to inventory, and losses resulting from business interruptions that were associated with the earthquake.

Mr. Speaker, H.R. 3589 can provide needed assistance to agricultural producers and related businesses that suffered damage and losses due to the earthquake. This assistance is timely and important to help rebuild a critical part of American agriculture.

I urge our colleagues to support passage of H.R. 3589.

Mr. MORRISON of Washington. Mr. Speaker I yield myself such time as I may consume.

Mr. Speaker, I agree with the chairmen, the gentleman from Texas [Mr. DE LA GARZA]. This is a bill brought to Members by the distinguished chairman of the Committee on the Budget, the gentleman from California [Mr. PANETTA], and includes earthquakes as a cause of loss, and expands the definition to include a variety of agricultural products, which did suffer dramatic losses in the recent California earthquake.

It is worthy of our support.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Speaker, I yield such time as he may consume to our distinguished colleague, the author of the legislation, the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I rise in support of H.R. 3589, the Earthquake Disaster Assistance Act of 1989.

The Loma Prieta earthquake, which was centered in Santa Cruz County, CA, did significant damage to the farms, packing houses, and processing facilities in my district. A full estimate of the damages resulting from the earthquake is not yet available. However, it is already clear that the damages will be substantial and the rebuilding process an expensive one.

Santa Cruz County grosses $168 million annually from agricultural production which is the mainstay of the county. A preliminary estimate of agricultural damages due to the earthquake in the county is $15 million. These losses were the result of damage to crops, storage and processing structures, farm and processing equipment, and business interruptions due to losses of supplies, labor, and transportation.

In Watsonville, a small agricultural community of 30,000, the quake did more than $2 million in damage. Apples were literally shaken off the trees; fresh strawberries and other produce were lost in storage due to power outages; and the quake leveled a 1-acre greenhouse containing miniature carnations.

In other parts of northern California, extensive damage was suffered by flower growers, wineries, fruit and vegetable canneries, and processing facilities.

H.R. 3589 would simply extend the same benefits to the producers of program and nonprogram crops, including ornamentals, affected by the earthquake, as were received by farmers who suffered losses due to damaging weather in other parts of the country. These benefits would include payments for losses in production suffered due to the earthquake as well as the availability of loan guarantees to help rebuild farms and businesses damaged by the quake. This aid is essential if the agricultural industry in northern California is to rebuild and the communities that are associated with this industry are to once again prosper.

Mr. Speaker, I want to thank the chairman of the Committee on Agriculture, Hon. E (KIKA) DE LA GARZA, and the ranking minority member, Hon. EDWARD MADIGAN, for helping to expedite consideration of H.R. 3589. Their concern and compassion for those who have suffered is greatly appreciated.

The Congress responded quickly to the needs of northern California by passing a relief package soon after the earthquake hit. For this, all Californians are grateful. Unfortunately, that relief package failed to provide the aid that farmers and agricultural businesses need to get back on their feet.

H.R. 3589 can provide that assistance. It is one more element in the formula that will be needed to help us recover from the devastating effects of the Loma Prieta quake.

I hope that the Members of the House can find it in their hearts to provide this help and vote in support of H.R. 3589.

Mr. DE LA GARZA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, H.R. 3589, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

AMENDMENTS TO MEAT AND POULTRY INSPECTION ACTS

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2134) to amend the Federal Meat Inspection Act to authorize the distribution of wholesome meat for human consumption that has been

condemned under that act to charity and public agencies, as amended.

The Clerk read as follows:

H.R. 2134

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DISTRIBUTION OF CERTAIN MEAT TO CHARITY AND PUBLIC AGENCIES.

Section 403(a) of the Federal Meat Inspection Act (21 U.S.C. 673(a)) is amended—

(1) in the first sentence, by redesignating clauses (1) through (3) as clauses (A) through (C), respectively;

(2) by designating the first through fourth sentences as paragraphs (1) through (4), respectively;

(3) in paragraph (2) (as so designated), by inserting after "entry of the decree," the following: "(A) be distributed in accordance with paragraph (5), or (B)"; and

(4) by adding at the end thereof the following new paragraph:

"(5)(A) An article that is condemned under paragraph (1) may as the court may direct, after entry of the decree, be distributed without charge to nonprofit, private entities or to Federal, State, or local government entities engaged in the distribution of food without charge to individuals, if such article—

"(i) has been inspected under this Act and found to be wholesome and not to be adulterated within the meaning of paragraphs (1) through (7) and (9) of section 1(m) and a determination is made at the time of the entry of the decree that such article is wholesome and not so adulterated; and

"(ii) is plainly marked 'Not for Sale' on such article or its container.

"(B) The United States may not be held legally responsible for any article that is distributed under subparagraph (A) to a nonprofit, private entity or to a Federal, State, or local government entity, if such article—

"(i) was found after inspection under this Act to be wholesome and not adulterated within the meaning of paragraphs (1) through (7) and (9) of section 1(m) and a determination was made at the time of the entry of the decree that such article was wholesome and not so adulterated; and

"(ii) was plainly marked 'Not for Sale' on such article or its container.

"(C) The person from whom such article was seized and condemned may not be held legally responsible for such article, if such article—

"(i) was found after inspection under this act to be wholesome and not adulterated within the meaning of paragraphs (1) through (7) and (9) of section 1(m) and a determination was made at the time of the entry of the decree that such article was wholesome and not so adulterated; and

"(ii) was plainly marked 'Not for Sale' on such article or its container.".

SEC. 2. DISTRIBUTION OF CERTAIN POULTRY PRODUCTS TO CHARITY AND PUBLIC AGENCIES.

Section 20(a) of the Poultry Products Inspection Act (21 U.S.C. 467(a)) is amended—

(1) in the first sentence, by redesignating clause (1) through (3) as clauses (A) through (C), respectively;

(2) by designating the first through fourth sentences as paragraphs (1) through (4), respectively;

(3) in paragraph (3) (as so designated), by inserting after "entry of the decree," the following: "(A) be distributed in accordance with paragraph (5), or (B)"; and

(4) by adding at the end thereof the following new paragraph:

"(5)(A) An article that is condemned under paragraph (1) may as the court may direct, after entry of the decree, be distributed without charge to nonprofit, private entities or to Federal, State, or local government entities engaged in the distribution of food without charge to individuals, if such article—

"(i) is capable of use as a human food;

"(ii) has been inspected under this Act and found to be wholesome and not to be adulterated within the meaning of paragraphs (1) through (7) of section 4(g) and a determination is made at the time of the entry of the decree that such article is wholesome and not so adulterated; and

"(iii) is plainly marked 'Not for Sale' on such article or its container.

"(B) The United States may not be held legally responsible for any article that is distributed under subparagraph (A) to a nonprofit private entity or to a Federal, State, or local government entity, if such article—

"(i) was found after inspection under this Act to be wholesome and not adulterated within the meaning of paragraphs (1) through (7) of section 4(g) and a determination was made at the time of the entry of the decree that such article was wholesome and not so adulterate; and

"(ii) was plainly marked 'Not for Sale' on such article or its container.

"(C) The person from whom such article was seized and condemned may not be held legally responsible for such article, if such article—

"(i) was found after inspection under this Act to be wholesome and not adulterated within the meaning of paragraphs (1) through (7) of section 4(g) and a determination was made at the time of the entry of the decree that such article was wholesome and not so adulterated; and

"(ii) was plainly marked 'Not for Sale' on such article or its container,".

The SPEAKER pro tempore. Is a second demanded?

Mr. MORRISON of Washington. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 20 minutes, and the gentleman from Washington, [Mr. MORRISON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 2134, as amended, a bill to authorize the distribution of wholesome meat and poultry products for human consumption that has otherwise been condemned, to charitable private organization and public agencies for feeding the hungry.

For far too many years, this Congress has fought to keep up with the needs of the hungry in America. Yet, despite our efforts, many Americans continue go to bed hungry every night.

The problem of hunger in America has been exacerbated by the growth in recent years of the number of Americans whose incomes place them below the poverty level. Nearly 33 million Americans lived in poverty in 1987, including one out of every four children.

H.R. 2134, as amended, is intended to provide one more tool to aid those who seek to stem the increasing tide of hunger in America. This bill would permit the courts to donate certain meat and poultry products which are confiscated by the Government to private, charitable organizations and Government entities for the purpose of distribution to the hungry.

In accordance with the Federal Meat Inspection Act and the Poultry Products Insepction Act, meat and poultry products that are mislabeled or otherwise not in compliance with those acts must be confiscated and condemned by USDA inspectors. Should the owner of the product challenge the seizure in the courts and lose or agree to settle such matters in a manner which leaves the meat or poultry products in the Government's possession, the court is responsible for its disposal. Currently, the court has only two options for disposing of this product. It can either destroy it or, in cases in which the product is wholesome, it can sell it.

H.R. 2134, as amended , would provide the courts with a third option for disposing of wholesome, confiscated meat and poultry products by permitting the courts to donate them for feeding the hungry. In order to do so, the product must be deemed wholesome for human consumption by USDA inspectors and must be clearly marked "not for sale."

In those instances in which the court chooses to donate this product to private, nonprofit charitable organizations or Federal, State, or local entities engaged in the distribution of food to the hungry, H.R. 2134, as amended, would also protect the United States and the person from whom the product was seized and condemned from legal responsibility for the product if it is wholesome and properly marked.

Mr. Speaker, H.R. 2134, as amended, provides one more means of aiding the poor and the hungry. It offers a commonsense approach for using meat and poultry products that are fit for human consumption, but, due to mislabelling or other violation of law, must be condemned and disposed of by the Government.

I complement the gentleman from Florida [Mr. SMITH] for introducing this legislation and urge our colleagues to support the passage of H.R. 2134, as amended.

Mr. EMERSON. Mr. Speaker. I rise in strong support of H.R. 2134, a bill that amends the Federal Meat Inspection Act and the Poultry Products Act to authorize the distribution of wholesome meat to charitable and public agencies. This bill was introduced by our colleague, Mr. SMITH of Florida, and I congratu-

late him and support the measure before the House of Representatives today. I also wish to thank my chairman, the gentleman from Texas, for bringing this bill before the House today.

H.R. 2134 provides that meat or poultry that is condemned because it was misbranded, but is wholesome, may be donated to charitable organizations or entities providing food to needy families or individuals. The meat and poultry must be inspected under the applicable laws and must be wholesome and unadulterated. In addition, the bill before the House provides that the United States or the person from whom the article was seized may not be held legally responsible for any article distributed, provided proper inspection has occurred.

I have a particular interest in this bill and in ensuring that commodities are provided to needy families. One program that is of particular interest and governs the distribution of commodities is the temporary emergency food assistance program, better known as TEFAP. The purpose of TEFAP is twofold: To reduce inventories of Department of Agriculture commodities and to stabilize markets and to provide wholesome food to people in need.

Since the initiation of TEFAP, more than 5 billion pounds of commodities, worth more than $5 billion, have been provided to States for distribution to needy families and individuals. However, in 1988 the amount and the type of commodities available through USDA began to phase down due to the reduction in the level of available commodities. Because of my concern about TEFAP and knowing how important that program is, the Hunger Prevention Act of 1988 included a provision for additional commodities for TEFAP. A total of $240 million, over a 2-year period, was authorized. Additionally $112 million was authorized for the purchase of commodities for soup kitchens and food banks.

Examples of the types of commodities available include flour, cornmeal, butter, peanut butter, raisins, and canned pork.

In addition to the programs distributing commodities, the USDA is operating three demonstration projects, one of which is in Sikeston, MO, in which additional commodities are made available. The purpose of this demonstration project is to learn whether the food bank network is a viable outlet for the distribution of foods that are available sporadically due to market or other conditions. Meat and poultry made available through the bill before us today could fit very nicely into those food bank demonstration projects.

Again I congratulate my chairman and the gentleman from Florida for the bill before us today. I urge my colleagues to support H.R. 2134.

Mr. MORRISON of Washington. Mr. Speaker, I yield myself such time as I may consume.

I certainly agree with the comments of our distinguished chairman, the gentleman from Texas [Mr. DE LA GARZA]. These meat products are wholesome, but misbranded, both meat and poultry, and the opportunity to have the meat be utilized through our feeding, perhaps with the needy, is obviously very desirable.

I congratulate the gentleman from Florida [Mr. SMITH] for his leadership in this particular area.

Many Members who have worked in this area through the Committee on Agriculture are very pleased with the Temporary Emergency Food Assistance Program. Over $5 billion worth of agricultural items have been distributed to the needy in this country during the decade of the 1980's. This bill adds a new dimension to that, an appropriate dimension, and the Committee on Agriculture is proud to bring it to the full House.

I urge support for H.R. 2134.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Speaker, I yield such time as he may consume to the author of this legislation, the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Speaker, I rise today in support of H.R. 2134, the Wholesome Meat to Charity Distribution Act. I want to thank the gentleman from Texas, the chairman of the Agriculture Committee, and the other gentleman from Texas, the chairman of the Agriculture Subcommittee on Livestock, Dairy, and Poultry, for their support and expeditious consideration of this important legislation.

On April 26, along with 16 other Members, I introduced the Wholesome Meat to Charity Distribution Act to fill a void in existing law. This legislation has a simple but pragmatic purpose: it will allow Federal courts to donate to charities meat which has been confiscated by the Government but is perfectly wholesome and capable of being used as food.

According to the current law, Federal courts are required to dispense with meat that has come into their possession by either destroying it or reselling it. My bill would provide the courts with a third option: donating the meat to charity.

In many cases, meat is seized by the Federal Government because it is fraudulently mislabeled as being of a higher quality than it is in reality. The fact that this meat has been mislabeled in no way impairs the quality or wholesomeness of the meat. As I mentioned earlier, the courts do not have the authority to donate this food to the neediest segments of American society. I find this situation totally unacceptable considering that millions of our constituents go hungry every day.

Last week when H.R. 2134 was marked up before the Agriculture Committee, subcommittee Chairman STENHOLM offered an amendment to the bill which I support. The bill as amended passed the full committee unanimously. The amendment was technical in nature with the exception of two substantive modifications. First, the bill as amended would apply the changes made by H.R. 2134 to the Meat Inspection Act to the Poultry Products Inspection Act. This will have the effect of allowing the courts to donate to charity wholesome poultry products which come into its possession.

Second, Chairman STENHOLM's amendment gives the Federal judge adjudicating the case the authority to require that the meat or poultry product at issue be reinspected prior to its dispensation to a charitable organization. This provision reaffirms my intention as the bill's author that none of the meat or poultry products affected by this act should be donated to charity unless it has been subjected to, and passed, every applicable inspection procedure prescribed by Federal and State laws. Any meat that fails to satisfy existing inspection procedures is prohibited from being distributed to charity under this act. Simply put, all meat which is donated under this act must pass the same tests as the meat you and I would buy in our local grocery store.

This legislation would cost the American taxpayer no money and would make a significant contribution to our Government's effort to fight hunger in this country. I would urge Members to support its passage.

Mr. Speaker, this bill came as a result of a case where 7,000 pounds of mislabeled meat was confiscated in Miami.

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We had it put in the frozen food locker while the case was being adjudicated. A few weeks ago, the defendants, through a plea bargaining agreement, gave up possession and ownership of the meat to feed the Government, 7,000 pounds. The Federal judge, to her credit, and I want to commend her for it, gave this food to the Daily Bread Food Bank, claiming it as a constructive destruction by doing so. She had to engage in legal fiction to do this, but I want to tell my colleagues, Mr. Speaker, that we fed 35,000 people with this meat, and, believe me, the winner in this kind of situation are the hungry and the homeless people of America.

Mr. Speaker, I would urge Members to support its passage.

Mr. STENHOLM. Mr. Speaker, I am pleased to join several of my colleagues, including the distinguished Chairman of the House Committee on Agriculture, Congressman E (KIKA) DE LA GARZA, and the committee's ranking minority Member, Congressman ED MADIGAN, in supporting the passage of H.R. 2134, a bill that amends the Federal Meat Inspection Act and the Poultry Products Inspection Act to authorize the distribution of wholesome meat and poultry for human consumption that has been mislabelled under these acts to charity and public agencies.

This legislation, as amended, would seek to provide hunger aid to those in need by permitting the courts to donate certain meat and poultry products, which are confiscated by the Federal Government, to private, charitable organizations and government entities for the purpose of distribution to the hungry. In doing so, however, this legislation would provide that such products be properly marked and deemed both wholesome and safe for human consumption.

Under current law, the Federal Government is required to dispense with meat and poultry products that have come into its possession by either selling or destroying such products. This legislation would provide the courts with a third option: donating the confiscated wholesome products to charity.

Let me be quick to point out that any meat or poultry products donated to charity as provided under this legislation are still subject to Federal inspection requirements for wholesomeness and safety. Any such products that fail to satisfy existing Federal standards are prohibited from being distributed to charity under legislation.

In closing, I would like to express my sincere appreciation to Chairman DE LA GARZA and Mr. MADIGAN for their support and assistance with this needed legislation. Furthermore, Mr. SMITH of Florida and Mr. JOHNSON of South Dakota deserve considerable praise for developing the initiative and support surrounding H.R. 2134.

Mr. Speaker, I strongly encourage the Members of this body to support this needed legislation.

Mr. JOHNSON of South Dakota. Mr. Speaker, as an original cosponsor of H.R. 2134, I'm pleased to join in urging its passage today.

Our colleague from Florida is to be commended for taking the initiative on this issue after learning that over 7,000 pounds of beef could have been destroyed simply because it was mislabled with the wrong grade. Fortunately, the U.S. District Court of South Florida allowed the meat which had been confiscated by the Federal Government to be donated to a local food bank in Miami. This proposed change in the Federal Meat Inspection Act would provide the courts with the option of donating confiscated meat to nonprofit, charitable organizations or State, local and Federal entities involved in the free distribution of food to the needy. Currently the court has only two options available to it: either sell the meat or destroy it—something that I feel is unthinkable when there are people going to bed hungry in this country.

Again, it is my hope that you will support this bill. It contains provisions to ensure that the meat would be totally safe for human consumption before being donated, and once this has been assured, the United States and the private individuals involved would be released from any liability. This move is strongly supported by Second Harvest, a group which coordinates the distribution of food products to local food banks, and which has affiliates in many States, including my own State of South Dakota. I also want to thank American Meat Institute for giving their support to this effort as well.

Mr. Speaker, thank you, and I urge the passage of this legislation.

Mr. DE LA GARZA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. (Mr. MCDERMOTT). The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, H.R. 2134, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to authorize the distribution of wholesome meat and poultry products for human consumption that are not in compliance with the Acts to charity and public agencies."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the three bills previously approved, H.R. 1011, H.R. 3589 and H.R. 2134.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DRUG-FREE SCHOOLS AND COMMUNITIES ACT AMENDMENTS OF 1989

Mrs. UNSOELD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3614) to amend the Drug-Free Schools and Communities Act of 1986 to revise certain requirements relating to the provision of drug abuse education and prevention programs in elementary and secondary schools, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3614

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Drug-Free Schools and Communities Act Amendments of 1989".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 5111(a) of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3181(a)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) by inserting after "part C" the following: "and section 5136"; and

(ii) by striking "and $20,000,000" and all that follows and inserting the following: "$20,000,000 for the fiscal year 1990, and $35,000,000 for each of the fiscal years 1991, 1992, and 1993."; and

(B) in subparagraph (B), by striking "$230,000,000" and inserting "$215,000,000"; and

(2) by adding at the end the following new paragraph:

"(3) There are authorized to be appropriated for purposes of carrying out section 5136 $15,000,000 for each of the fiscal years 1990, 1991, 1992, and 1993.".

SEC. 3. RESERVATIONS AND STATE ALLOTMENTS.

Section 5112 of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3182) is amended—

(1) in subsection (a), by striking "From" and inserting "Except as provided in subsection (c)";

(2) in subsection (b), by striking paragraph (3) and redesignating paragraph (4) as paragraph (3); and

(3) by adding at the end the following new subsections:

"(c) DISTRIBUTION OF APPROPRIATIONS.—The Secretary shall distribute any amounts appropriated or otherwise made available to carry out this title for any fiscal year in the following manner:

"(1) In any year in which the total of such amounts is not more than the total amount appropriated or otherwise made available to carry out this title for the fiscal year 1989, the Secretary shall distribute such total amount as provided in subsections (a) and (b).

"(2) In any year in which the total of such amounts is greater than the total amount appropriated or otherwise made available to carry out this title for the fiscal year 1989, the amount in excess of the total amount appropriated or otherwise made available to carry out this title for the fiscal year 1989 shall be distributed as follows:

"(A) 50 percent of such amount shall be distributed to the States under subsection (b).

"(B) 50 percent of such amount shall be distributed to the States on the basis of the amounts received by each State under part A of title I of chapter 1 for the preceding fiscal year.

"(d) DEFINITION.—For the purposes of this section, the term 'State' means any of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.".

SEC. 4. USE OF ALLOTMENTS BY STATES.

Section 5121 of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3191) is amended—

(1) by amending subsection (a) to read as follows:

"(a) STATE PROGRAM.—For any fiscal year, the chief executive officer of a State shall use for a State program in accordance with section 5122 an amount equal to the lesser of—

"(1) 30 percent of the total amount paid to such State from its allotment under section 5112 for such fiscal year; and

"(2) the amount used by such officer for such program in the fiscal year 1989."; and

"(2) by adding at the end the following new subsection:

"(c) USE OF ADDITIONAL AMOUNTS.—Any amounts received by a State under section 5112(c)(2)(B) shall be used by the State educational agency to make grants to local educational agencies for purposes of carrying out programs in accordance with section 5125. The State educational agency shall

distribute any such amounts among the local educational agencies within the State on the basis of the amounts received by each such local educational agency under part A of title I of chapter 1 for the preceding fiscal year.".

SEC. 5. STATE PROGRAMS.

Section 5122 of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3192) is amended—

(1) in subsection (a)—

(A) by striking "50 percent" in the matter preceding paragraph (1) and inserting "17 percent"; and

(B) by striking "local governments" and all that follows through "organizations" and inserting "parent groups, community action agencies, community-based organizations, and other public entities and private nonprofit entities";

(2) by amending paragraph (1) of subsection (b) to read as follows:

"(1) Not less than 50 percent of the funds available under section 5121(a) to the chief executive officer of a State for each fiscal year shall be used for the following:

"(A) Such officer shall first make grants to or enter into contracts with public entities or private nonprofit entities for purposes of providing innovative programs of drug abuse education for all juveniles in detention facilities within the State.

"(B) Such officer shall then—

"(i) make grants to or enter into contracts with public entities or private nonprofit entities for purposes of providing community-based programs of coordinated services that are designed for high-risk youths, including programs that use strategies to improve skills of such youths such as vocational and educational counseling and job skills training, giving priority to assisting community action agencies, community-based organizations, parent groups, and other entities which are representative of communities or significant segments of communities and which have the capability to provide such services; and

"(ii) make grants to private nonprofit organizations to develop new strategies to communicate antidrug abuse messages to youths.";

(3) by redesignating subsection (c) as subsection (d);

(4) by inserting after subsection (b) the following new subsection:

"(c) DRUG-FREE SCHOOL ZONES.—(1) Subject to paragraph (2), not less than 33 percent of the funds available for each fiscal year under section 5121(a) to the chief executive officer of a State—

"(A) in the case of a State that is in compliance with paragraph (2), shall be used to carry out a program to establish and maintain drug-free school zones for schools within the State; and

"(B) in the case of a State that is not in compliance with paragraph (2), shall be distributed in accordance with section 5112(c) to local educational agencies, intermediate educational agencies, and consortia for programs and activities in accordance with section 5125.

"(2)(A) A State shall be in compliance with this paragraph if it has in effect, within the time limitations established by subparagraph (B), a law—

"(i) establishing schools within the State as drug-free school zones; and

"(ii) establishing increased penalties for—

"(I) drug trafficking on school grounds; and

"(II) drug trafficking near school grounds that involves minors.

"(B) The law described in subparagraph (A) shall be enacted not later than—

"(i) the expiration of the 1-year period beginning on the date of the enactment of the Drug-Free Schools and Communities Act Amendments of 1989, in the case of a State in which the legislature meets not less often than annually; and

"(ii) the expiration of the 2-year period beginning on the date of the enactment of the Drug-Free Schools and Communities Act Amendments of 1989, in the case of a State in which the legislature meets biennially.

"(3) A program carried out with assistance under this subsection shall include—

"(A) the determination, with the assistance of municipal authorities and local law enforcement agencies, as appropriate, of the geographical boundaries of schools within the State and the posting of signs identifying school properties as drug-free school zones;

"(B) assisting teachers, administrators, athletic directors, and other school personnel in cooperating fully with law enforcement officials to punish violations of laws relating to drugs;

"(C) informing the community, with, to the extent practicable, the cooperation of the local news media, of the content and intent of the law described in paragraph (2) and the perimeters of the drug-free school zones;

"(D) employing, as a resource for advice and support with respect to implementation of the law described in paragraph (2), the services of the local or substate regional advisory council on drug abuse education and prevention established or designated by the local application submitted under section 5126(a); and

"(E) communication to students, teachers, athletic directors, and other school personnel by administrators that activities that are illegal and harmful to the health and well-being of the students will not be tolerated within each school and its surrounding environment."; and

(5) in paragraph (1) of subsection (d) (as redesignated by paragraph (3) of this subsection) by striking "or (b)" and inserting ", (b), or (c)".

SEC. 6. STATE APPLICATIONS.

Subsection (b) of section 5123 of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3193) is amended—

(1) in paragraph (7), by inserting before the semicolon the following: ", and judicial officials";

(2) by striking "and" at the end of paragraph (10);

(3) by striking the period at the end of paragraph (11) and inserting "; and"; and

(4) by adding at the end of the following new paragraph:

"(12) include a plan for providing innovative programs of drug abuse education for all juveniles in detention facilities within the State as required by section 5122(b)(1)(A).".

SEC. 7. RESPONSIBILITIES OF STATE EDUCATIONAL AGENCIES.

Section 5124 of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3194) is amended—

(1) by amending subsection (a) to read as follows:

"(a) GRANTS TO LOCAL AND INTERMEDIATE EDUCATIONAL AGENCIES.—(1) Each State educational agency shall use a sum which shall not be less than 90 percent of the amounts available under section 5121(b) for each fiscal year for grants to local educational agencies, intermediate educational agencies, and consortia in the State, in accordance with applications approved under section 5126.

"(2) From the sum described in paragraph (1), the State educational agency shall distribute funds for use among local educational agencies, intermediate educational agencies, and consortia in the State on the basis of the relative enrollments in public schools and private nonprofit schools served by such agencies and consortia.

"(3)(A) Not later than July 1 of each year, the State educational agency shall inform each local educational agency, intermediate educational agency, and consortium in the State of the amount allocated to such agency or consortium from amounts available under section 5121(b). If a local educational agency chooses not to apply to receive the amount allocated to such agency under this subsection, the State educational agency—

"(i) shall distribute such amount to the intermediate educational agency serving such local educational agency; or

"(ii) may, if it is able to facilitate the arrangement of a consortium among local educational agencies in the State that choose not to apply to receive the amounts allocated to such agencies under this subsection, distribute such amount to such consortium.

"(B) The State educational agency shall distribute to a local educational agency, intermediate educational agency, or consortium the amount allocated to such agency or consortium from amounts available under section 5121(b) upon the approval of an application for such agency under section 5126.

"(4)(A) Except as provided in subparagraph (B), upon the expiration of the 1-year period beginning on the date that a local educational agency, intermediate educational agency, or consortium under this subsection receives its allocation under this subsection—

"(i) such agency or consortium shall return to the State educational agency any funds from such allocation that remain unobligated; and

"(ii) the State educational agency shall reallocate any such amount to local educational agencies, intermediate educational agencies, or consortia that have plans for using such amount for programs or activities on a timely basis.

"(B) In any fiscal year, a local educational agency, intermediate educational agency, or consortium may retain for obligation in the succeeding fiscal year—

"(i) an amount equal to not more than 25 percent of the allocation it receives under this subsection for such fiscal year; or

"(ii) upon a demonstration of good cause by such agency or consortium, a greater amount approved by the State educational agency."; and

(2) in subsection (b)—

(A) in paragraph (2), by inserting after "materials" the following: "that clearly and consistently teach that illicit drug use is harmful"; and

(B) in paragraph (5), by striking "2.5 percent" and all that follows and inserting "5 percent of the amounts available under subsections (b) and (c) of section 5121.".

SEC. 8. LOCAL DRUG ABUSE EDUCATION AND PREVENTION PROGRAMS.

Section 5125 of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3195) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by inserting before the semicolon the following: ", which—

"(A) should, to the extent practicable, employ counselors whose sole duty is to provide drug abuse prevention counseling to students;

"(B) may include the use of drug-free older students as positive role models and instruction relating to—

"(i) self-esteem;

"(ii) drugs and drug addiction;

"(iii) decisionmaking and risk-taking;

"(iv) stress management techniques; and

"(v) assertiveness; and

"(C) may bring law enforcement officers into the classroom to provide antidrug information and positive alternatives to drug use, including decisionmaking and assertiveness skills";

(B) in paragraph (4)—

(i) by inserting "and intervention" after "drug abuse prevention"; and

(ii) by striking the semicolon at the end and inserting the following: ", which may include—

"(A) the employment of counselors, social workers, psychologists, or nurses who are trained to provide drug abuse prevention and intervention counseling; or

"(B) the provision of services through a contract with a private nonprofit organization that employs individuals who are trained to provide such counseling;";

(C) in paragraph (8), by striking "educational personnel" and inserting "school personnel";

(D) by striking "and" at the end of paragraph 13;

(E) by redesignating paragraph (14) as paragraph (15); and

(F) by inserting after paragraph (13) the following new paragraph:

"(14) in the case of a local educational agency that demonstrates that the agency provides sufficient drug and alcohol abuse education during regular school hours, after-school care programs that provide drug and alcohol abuse education for school aged children and that may include school-sponsored sports or recreational activities; and"; and

(2) by adding at the end the following new subsection:

"(c) COMBINATION OF FUNDS WITH FUNDS FROM OTHER PROGRAMS.—(1) Notwithstanding any other provision of law, a State educational agency may waive any requirement established with respect to a program assisted under this title in order to allow a local educational agency, intermediate educational agency, or consortium to combine, for purposes of providing activities relating to drug and alcohol abuse education, funds made available to such agency or consortium under this title with funds made available to such agency or consortium under a covered program.

"(2) For the purpose of this subsection, the term 'covered program' means a program assisted under any of the following:

"(A) The Community Services Block Grant Act.

"(B) Part D of title II of the Juvenile Justice and Delinquency Prevention Act of 1974.

"(C) Subtitle B of title III of the Anti-Drug Abuse Act of 1988.

"(D) Part B of title II of the Job Training Partnership Act.

"(E) Part B of title IV of the Job Training Partnership Act.".

SEC. 9. LOCAL APPLICATIONS.

Section 5126 of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3196) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by inserting before the period the following: "before the expiration of the 120-day period beginning on the date that the State educational agency notifies the local educational agency, intermediate educational agency, or consortium of the amount allocated to such agency or consortium under section 5124(a).''; and

(B) in paragraph (2)—

(i) in subparagraph (H), by inserting before the semicolon the following: "and with appropriate community-based organizations";

(ii) by striking "and" at the end of subparagraph (L);

(iii) by redesignating subparagraph (M) as subparagraph (R); and

(iv) by inserting after subparagraph (L) the following new subparagraphs:

"(M) describe how the applicant will ensure that the schools will be an important part of a community-wide effort to achieve a drug-free population;

"(N) describe how, to the extent practicable, assistance provided under this title will be used to provide trained counselors, social workers, psychologists, and nurses to carry out drug abuse prevention and intervention activities in addition to any individuals so employed by the applicant on the date of the enactment of the Drug-Free Schools and Communities Act Amendments of 1989;

"(O) provide assurances that the applicant will maintain and make available for distribution a list of local resources for substance abuse counseling and treatment;

"(P) provide assurances that the applicant has reviewed curricula that it intends to use and that such curricula will meet the needs of the schools served by the applicant;

"(Q) describe the training that will be provided for teachers and other personnel who are involved in the implementation of programs to be carried out by the applicant under this part; and"; and

(2) by amending paragraph (1) of subsection (b) to read as follows:

"(1) Each applicant shall annually submit to the State educational agency a progress report on the implementation of its plan. The progress report shall include—

"(A) the applicant's significant accomplishments under the plan during the preceding year;

"(B) the extent to which the original objectives of the plan are being achieved;

"(C) a discussion of the method used by the applicant to evaluate the effectiveness of its drug education program carried out under its plan; and

"(D) the results of the evaluation described in subparagraph (C).".

SEC. 10. REPORTS.

Subsection (a) of section 5127 of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3197) is amended—

(1) in the first sentence, by striking "a biennial" and inserting "an annual";

(2) in paragraph (3)—

(A) by striking "and" at the end of subparagraph (F);

(B) by striking the period at the end of subparagraph (G) and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(H) an evaluation of the effectiveness of State and local drug and alcohol abuse education and prevention programs.".

SEC. 11. TRAINING OF TEACHERS, COUNSELORS, AND SCHOOL PERSONNEL.

(a) AMENDMENT TO PART HEADING.—The heading for part C of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3198 et seq.) is amended to read as follows:

"PART C—TRAINING OF TEACHERS, COUNSELORS, AND SCHOOL PERSONNEL".

(b) PROGRAM AND ALLOCATIONS.—Subsection (b) of section 5128 of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3198) is amended by striking "educational personnel" in the first sentence and inserting "school personnel".

SEC. 12. GRANTS TO INSTITUTIONS OF HIGHER EDUCATION.

(a) IN GENERAL.—Section 5131 of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3211) is amended—

(1) in paragraph (4) of subsection (a), by striking "subsection (d)" and inserting "subsection (c)";

(2) by striking subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c), respectively; and

(3) by striking subsection (e).

(b) TRANSITION PROVISION.—Any amounts appropriated for the fiscal year 1990 for the purpose of making training grants under section 5131(b) of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3211) as such section existed on the day before the date of the enactment of this Act shall be used by the Secretary of Education for the purpose of making grants under section 5128 of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3198).

SEC. 13. FEDERAL ACTIVITIES.

Subsection (b) of section 5132 of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3212) is amended—

(1) by striking "and" at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting "; and"; and

(3) by adding at the end the following new paragraphs:

"(6) use private nonprofit organizations to develop innovative strategies to communicate antidrug abuse messages to youths and to eliminate drug abuse from the communities of the Nation; and

"(7) as necessary, evaluate programs assisted under this title.".

SEC. 14. EMERGENCY GRANTS.

Part D of the Drug-Free Schools and Communities Act (20 U.S.C. 3211 et seq.) is amended by adding at the end the following new section:

"SEC. 5136. EMERGENCY GRANTS.

"(a) PROGRAM AUTHORIZED.—The Secretary, in consultation with the Attorney General and the Secretary of Health and Human Services, shall make grants to eligible local educational agencies that demonstrate significant need for additional assistance for purposes of combating drug and alcohol abuse by students served by such agencies.

"(b) ELIGIBLE AGENCIES.—A local educational agency shall be eligible to receive a grant under this section if such agency—

"(1) receives assistance under section 1006; and

"(2) serves an area—

"(A) in which there is a large number of arrests or convictions of youths for drug or alcohol-related crimes;

"(B) in which there is a large number or high percentage of referrals of youths to drug and alcohol abuse treatment and rehabilitation programs; and

"(C) that has a significant drug and alcohol abuse problem, as indicated by other appropriate data.

"(c) AMOUNT OF GRANTS.—Each grant awarded under this section shall be in an amount that is not less than $100,000 and not more than $1,000,000.".

SEC. 15. DEFINITIONS.

Section 5141 of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3221) is amended—

(1) in paragraph (1), by inserting before the period the following: ", including anabolic steroids";

(2) in paragraph (2), by inserting before the period the following: ", including anabolic steroids"; and

(3) by adding at the end the following new paragraph:

"(10) The term 'school personnel' includes guidance counselors, social workers, psychologists, nurses, librarians, and other support staff who are employed by a school or who perform services for the school on a contractual basis.".

SEC. 16. PARTICIPATION OF CHILDREN AND TEACHERS FROM PRIVATE NONPROFIT ELEMENTARY AND SECONDARY SCHOOLS.

Subsection (c) of section 5143 of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3233) is amended—

(1) by striking "WAIVER;";

(2) by inserting after "SECRETARY" the following: "AND STATE EDUCATIONAL AGENCIES";

(3) by inserting "(1)" before "If by reason"; and

(4) by adding at the end of the following new paragraph:

"(2) If a State educational agency determines that a local educational agency, intermediate educational agency, or consortium, as appropriate, is failing to provide for the equitable participation of children or teachers from private nonprofit elementary or secondary schools in accordance with subsection (a) or (b), the State educational agency shall waive the requirements of such subsection with respect to such local educational agency, intermediate educational agency, or consortium and make appropriate arrangements for the equitable participation of such children or teachers.".

SEC. 17. NATIONAL DIFFUSION NETWORK.

Part D of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3221 et seq.) is amended by adding at the end the following new section:

"SEC. 5145. DISSEMINATION OF INFORMATION AND TECHNICAL ASSISTANCE.

"(a) GENERAL AUTHORITY.—The Secretary, through the National Diffusion Network established under section 1562, shall disseminate information and technical assistance with respect to drug abuse education and prevention programs of demonstrated effectiveness.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $1,000,000 for each of the fiscal years 1990, 1991, 1992, and 1993 for the purpose of carrying out this section.".

SEC. 18. DEVELOPMENT OF EARLY CHILDHOOD EDUCATION DRUG ABUSE PREVENTION MATERIALS.

(a) AMENDMENT TO PART OF HEARING.—The heading for part F of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3227) is amended to read as follows:

"PART F—DEVELOPMENT OF EARLY CHILDHOOD EDUCATION DRUG ABUSE PREVENTION MATERIALS".

(b) PROGRAM AUTHORIZED.—Subsection (a) of section 5151 of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3227) is amended—

(1) by striking "and such other" and inserting "such other"; and

(2) by inserting before the period the following: ", and to parents of children participating in such programs".

SEC. 19. LEADERSHIP IN EDUCATIONAL ADMINISTRATION DEVELOPMENT.

Section 541(b) of the Higher Education Act of 1965 (20 U.S.C. 1109(b) is amended—

(1) by striking "and" at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(6) developing skills and techniques for administering drug prevention and education programs.".

SEC. 20. ESTABLISHMENT OF GRANT PROGRAM FOR PROVIDING SERVICES TO CHILDREN WHOSE PARENTS ARE SUBSTANCE ABUSERS.

The Child Abuse Prevention and Treatment Act (42 U.S.C. 5101 et seq.), as amended by the Child Abuse Prevention Challenge Grants Reauthorization Act of 1989 (Public Law 101-126), is amended by adding after section 107 the following new section:

"SEC. 107A. EMERGENCY CHILD PROTECTIVE SERVICES GRANTS.

"(a) ESTABLISHMENT.—The Secretary shall establish a grant program to make grants to eligible entities to enable such entities to provide services to children whose parents are substance abusers.

"(b) ELIGIBLE ENTITIES.—Entities eligible to receive a grant under this section shall be—

"(1) State and local agencies that are responsible for administering child protective services or child abuse intervention services, including those agencies responsible for administering foster care, child welfare, child protective services, and child abuse intervention programs; and

"(2) community and mental health agencies and nonprofit youth-serving organizations with experience in providing child protective services.

"(c) APPLICATION.—

"(1) IN GENERAL.—To be eligible to receive a grant under this section, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may by regulation require.

"(2) ASSURANCE OF USE.—An application submitted under paragraph (1) shall—

"(A) contain an assurance that the applicant operates in a geographic area where substance abuse has placed substantial strains on social service and law enforcement agencies and has resulted in substantial increases in the need for services that cannot be met without funds available under this section;

"(B) identify the responsible agency or agencies that will be involved in the use of funds provided under this section;

"(C) contain a description of the emergency situation with regard to children of substance abusers who need services of the type described in this section;

"(D) contain a plan for improving the delivery of such services to such children;

"(E) contain assurance that such services will be provided in a comprehensive multidisciplinary and coordinated manner; and

"(F) contain any additional information as the Secretary may reasonably require.

"(d) USE OF FUNDS.—Funds received by an entity under this section shall be used to improve the delivery of services to children whose parents are substance abusers. Such services may include—

"(1) the hiring of additional personnel by the entity to reduce caseloads;

"(2) the provision of additional training for personnel to improve their ability to provide emergency child protective services related to substance abuse by the parents of such children;

"(3) the provision of expanded services to deal with family crises created by substance abuse;

"(4) the recruitment of additional foster care families;

"(5) the recruitment of additional adoptive families; and

"(6) the establishment or improvement of coordination between the agency administering the grant and—

"(A) child protection and welfare organizations;

"(B) hospitals and health care providers;

"(C) public health and mental health professionals;

"(D) judicial and law enforcement officers;

"(E) child advocates;

"(F) public educational institutions;

"(G) community-based organizations that serve substance abusing parents, including pregnant and post-partum females and their infants;

"(H) public housing officials;

"(I) providers of shelter to abused and homeless females and families; and

"(J) parents and representatives of parent groups.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to make grants under this section, $40,000,000 in fiscal year 1990, and such sums as may be necessary in each subsequent fiscal year.".

SEC. 21. DRUG-FREE SCHOOLS AND CAMPUSES.

(a) IN GENERAL.—

(1) CERTIFICATION OF DRUG AND ALCOHOL ABUSE PREVENTION PROGRAM.—Title XII of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is amended by adding at the end of new section 1213 to read as follows:

"DRUG AND ALCOHOL ABUSE PREVENTION

"SEC. 1213. (a) Notwithstanding any other provision of law, no institution of higher education shall be eligible to receive funds or any other form of financial assistance under any Federal program, including participation in any federally funded or guaranteed student loan program, unless it certifies to the Secretary that it has adopted and has implemented a program to prevent the use of illicit drugs and the abuse of alcohol by students and employees that, at a minimum, includes—

"(1) the annual distribution to each student and employee of—

"(A) standards of conduct that clearly prohibit, at a minimum, the unlawful possession, use, or distribution of illicit drugs and alcohol by students and employees on its property or as part of any of its activities;

"(B) a description of the applicable legal sanctions under local, State, or Federal law for the unlawful possession or distribution of illicit drugs and alcohol;

"(C) a description of the health risks associated with the use of illicit drugs and the abuse of alcohol;

"(D) a description of any drug or alcohol counseling, treatment, or rehabilitation programs that are available to employees or students; and

"(E) a clear statement that the institution will impose sanctions on students and employees (consistent with local, State, and Federal law), and a description of those sanctions, up to and including expulsion or termination of employment and referral for prosecution, for violations of the standards of conduct required by paragraph (1)(A); and

"(2) a biennial review by the institution of its program to—

"(A) determine its effectiveness and implement changes to the program if they are needed; and

"(B) ensure that the sanctions required by paragraph (1)(E) are consistently enforced.

"(b) Each institution of higher education that provides the certification required by subsection (a) shall, upon request, make available to the Secretary and to the public a copy of each item required by subsection (a)(1) as well as the results of the biennial review required by subsection (a)(2).

"(c)(1) The Secretary shall publish regulations to implement and enforce the provisions of this section, including regulations that provide for—

"(A) the periodic review of a representative sample of programs required by subsection (a); and

"(B) a range of responses and sanctions for institutions of higher education that fail to implement their programs or to consistently enforce their sanctions, including information and technical assistance, the development of a compliance agreement, and the termination of any form of Federal financial assistance.

"(2) The sanctions required by subsection (a)(1)(E) may include the completion of an appropriate rehabilitation program.

"(d) Upon a determination by the Secretary to terminate financial assistance to any institution of higher education under this section, the institution may file an appeal with an administrative law judge before the expiration of the 30-day period beginning on the date such institution is notified of the decision to terminate financial assistance under this section. Such judge shall hold a hearing with respect to such termination of assistance before the expiration of the 45-day period beginning on the date that such appeal is filed. Such judge may extend such 45-day period upon a motion by the institution concerned. The decision of the judge with respect to such termination shall be considered to be a final agency action.".

(2) EFFECTIVE DATE.—(A) Except as provided in subparagraph (B), the amendment made by paragraph (1) shall take effect on October 1, 1990.

(B) The Secretary of Education may allow any institution of higher education until not later than April 1, 1991, to comply with section 1213 of the Higher Education Act of 1965 (as added by paragraph (1)) if such institution demonstrates—

(i) that it is in the process of developing and implementing its plan under such section; and

(ii) it has a legitimate need for more time to develop and implement such plan.

(b) AMENDMENTS TO DRUG-FREE SCHOOLS AND COMMUNITIES ACT OF 1986.—

(1) IN GENERAL.—Part E of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3171 et seq.) is amended by adding at the end of the following new section:

"SEC. 5145. CERTIFICATION OF DRUG AND ALCOHOL ABUSE PREVENTION PROGRAMS.

"(a) IN GENERAL.—Notwithstanding any other provision of law other than section 432 of the General Education Provisions Act and section 103(b) of the Department of Education Organization Act, no local educational agency shall be eligible to receive funds or any other form of financial assistance under any Federal program unless it certifies to the State educational agency that it has adopted and has implemented a program to prevent the use of illicit drugs and alcohol by students or employees that, at a minimum, includes—

"(1) age-appropriate, developmentally based drug and alcohol education and prevention programs (which address the legal, social, and health consequences of drug and alcohol use and which provide information about effective techniques for resisting peer pressure to use illicit drugs or alcohol) for students in all grades of the schools operated or served by the applicant, from early childhood level through grade 12;

"(2) conveying to students that the use of illicit drugs and the unlawful possession and use of alcohol is wrong and harmful;

"(3) standards of conduct that are applicable to students and employees in all the applicant's schools and that clearly prohibit, at a mimimum, the unlawful possession, use, or distribution of illicit drugs and alcohol by students and employees on school premises or as part of any of its activities;

"(4) a clear statement that sanctions (consistent with local, State, and Federal law), up to and including expulsion or termination of employment and referral for prosecution, will be imposed on students and employees who violate the standards of conduct required by paragraph (3) and a description of those sanctions:

"(5) information about any available drug and alcohol counseling and rehabilitation programs that are available to students and employees;

"(6) a requirement that parents, students, and employees be given a copy of the standards of conduct required by paragraph (3) and the statement of sanctions required by paragraph (4);

"(7) notifying parents, students, and employees that compliance with the standards of conduct required by paragraph (3) is mandatory; and

"(8) a biennial review by the applicant of its program to—

"(A) determined its effectiveness and implement changes to the program if they are needed; and

"(B) ensure that the sanctions required by paragraph (4) are consistently enforced.

"(b) DISSEMINATION OF INFORMATION.—Each local educational agency that provides the certification required by subsection (a) shall, upon request, make available to the Secretary, the State educational agency, and to the public full information about the elements of its program required by subsection (a), including the results of its biennial review.

"(c) CERTIFICATION TO SECRETARY.—Each State educational agency shall certify to the Secretary that it has adopted and has implemented a program to prevent the use of illicit drugs and the abuse of alcohol by its students and employees that is consistent with the program required by subsection (a) of this section. The State educational agency shall, upon request, make available to the Secretary and to the public full information about the elements of its program.

"(d) REGULATIONS.—(1) The Secretary shall publish regulations to implement and enforce the provisions of this section, including regulations that provide for—

"(A) the periodic review by the State educational agencies of a representative sample of programs required by subsection (a); and

"(B) a range of responses and sanctions for local educational agencies that fail to implement their programs or to consistently enforce their sanctions, including information and technical assistance, the development of a compliance agreement, and the termination of any form of Federal financial assistance.

"(2) The sanctions required by subsection (a)(1)(4) may include the completion of an appropriate rehabilitation program.

"(e) Upon a determination by the Secretary to terminate financial assistance to any local educational agency under this section, the agency may file an appeal with an administrative law judge before the expiration of the 30-day period beginning on the date such agency is notified of the decision to terminate financial assistance under this section. Such judge shall hold a hearing with respect to such termination of assistance before the expiration of the 45-day period beginning on the date that such appeal is filed. Such judge may extend such 45-day period upon a motion by the agency concerned. The decision of the judge with respect to such termination shall be considered to be a final agency action.".

(2) CONFORMING AMENDMENTS.—Paragraph (2) of section 5126(c) of the Drug-Free Schools and Communities Act of 1986 (20 U.S.C. 3196(c)) (as amended by section 9 of this Act) is amended—

(A) by striking subparagraphs (E), (F), and (G); and

(B) by redesignating subparagraphs (H) through (R) as subparagraphs (E) through (O), respectively.

(3) EFFECTIVE DATE.—(A) Except as provided in subparagraph (B), the amendments made by paragraphs (1) and (2) shall take effect on October 1, 1990.

(B) The Secretary of Education may allow any local educational agency until not later than April 1, 1991, to comply with section 5145 of the Drug-Free Schools and Communities Act of 1986 (as added by paragraph (1)) if such agency demonstrates—

(i) that it is in the process of developing and implementing its plan under such section; and

(ii) it has a legitimate need for more time to develop and implement such plan.

The SPEAKER pro tempore. Is a second demanded?

Mr. GUNDERSON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Washington [Mrs. UNSOELD] will be recognized for 20 minutes, and the gentleman from Wisconsin [Mr. GUNDERSON] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill includes important proposals more directly to target scarce funds on disadvantaged areas; to direct the bulk of new funding to local school districts; to cap the funds that flow to the Governors and target them; and to permit local school dis-

tricts to mount joint drug abuse education programs with funds available from other related programs. I believe these changes improve the Drug Free Schools and Communities Act.

The bill also authorizes $40 million per fiscal year to be distributed though the Child Abuse Prevention and Treatment Act/National Center for Child Abuse and Neglect network. These funds will support child protection and other community-based entities which have experience in child protective services in providing a range of intervention services to prevent child abuse among children of substance abusers.

Let me indicate that this bill includes a controversial amendment that says that to be eligible to receive Federal funds, institutions of higher education and local education agencies must develop and implement programs to prevent the unlawful use and possession of illicit drugs and alcohol by students and employees. The Secretary can apply a series of remedies and sanctions up to, and including, termination of all Federal funds if this provision is not met.

Our bill differs from the Senate-passed version in a very important way on this particular issue. The bill passed by the other body requires that any school district receiving a dollar of Federal money must adopt a strong anti-drug policy, including the provision of courses for all students in all grade levels emphasizing prevention of illicit alcohol and drug abuse. Furthermore, that bill states that this requirement is binding notwithstanding any other provision of law.

The bill reported from our committee contains two important modifications of that provision. First, we explicitly make this new requirement subject to two other provisions of law forbidding the Federal Government from exercising any control over the curriculum of local school districts.

It is our firm belief that the Federal Government should not step in and dictate the curriculum in local school districts regardless of the worthiness of the cause, in this case preventing drug abuse. Federal aid to education was stymied for many decades, partially due to the fear that the Federal Government would control the local schools. Federal aid was achieved when the country was assured that Federal participation did not mean Federal control of curriculum. This bill reaffirms that principle.

The second change we have made eliminates the reference to curriculum and replaces it with a requirement that school districts provide a program emphasizing prevention of the use of illicit drugs and alcohol. Again, our motivation is to make clear that the Secretary cannot issue any regulations implementing this section which would permit the Federal Government to dictate the curriculum of local schools.

Mr. Speaker, our committee, on a bipartisan basis, has fashioned this bill which we believe better targets the use of Federal funds to preventing drug and alcohol abuse. We urge the support of our colleagues.

Mr. Speaker, it was my privilege to have included in the Drug-Free Schools and Communities Act a provision to allow funding for programs that bring law enforcement officers together with school children in the classroom. Based on my bill, H.R. 3626, this provision amends the Drug-Free Schools and Communities Act of 1986 to specifically allow funding of programs such as DARE [the Drug Abuse Resistance Education Program].

In the DARE Program, uniformed law enforcement officers teach classes in schools one day a week for 17 weeks. They use a carefully planned curriculum to teach kids about drugs and that also helps them have the wherewithal to resist the temptation entirely. This is accomplished through classes on decision making, assertiveness training, and the opportunity for improving one's self-esteem. It's much more than "Just Say No." DARE is a program with good solid lessons delivered by experienced, caring police officers.

Law enforcement officers in my congressional district have talked with me about this Nation's drug problem. They have tried scaring these kids. They've tried locking them up. But none of it has worked until they discovered the DARE program. They believe DARE offers one of the best hopes to prevent drug abuse by our youngsters.

My provision will allow DARE to be funded under the Drug-Free Schools Act, as well as other similar programs that highlight a partnership between the policy, schools and parents. This is the kind of program that will turn our kids around—DARE can give kids the skills they need to say no to drugs forever.

In addition, I would like to submit the following statement on the DARE Program for the RECORD.

DARE TO SAY NO TO DRUGS

DARE is an acronym for Drug Abuse Resistance Education. The DARE program brings schools, police, and parents together in a cooperative educational effort to teach children more than simply to say "no" to drugs.

DARE is taught by law enforcement officers who are in uniform but do not carry guns. Unfortunately, the level of sophistication among fifth and sixth grade students about drugs is frequently more advanced than that of the average classroom teacher. Veteran law enforcement officers, because of their training and experience, are better able to respond to the myriad questions posed by students.

In addition to teaching, the officers spend time with the kids during recess and lunch periods, providing a role model and building trust. DARE teaches kids that they can be popular without using marijuana or cocaine and that belonging need not require that they abandon their values. DARE teaches kids not just that they should refuse drugs and alcohol, but how to do so.

By the time our children are in junior high school, most have already been offered alcohol or drugs. Recent U.S. government figures show that 30 percent of 13-year-old boys and 22 percent of 13-year-old girls are current drinkers; 30 percent of our 10-year-olds feel some peer pressure to drink.

The earlier a youngster drinks, the more likely he or she is to drink more frequently later on, and to combine alcohol with other drugs. Once a drug problem has developed, it is difficult and expensive to treat.

Experts agree that the best approach—and the biggest challenge—is prevention. The program targets fifth and sixth graders because kids in this age group have not yet made life-altering decisions. DARE intervenes before the wrong choices are made.

Mr. GUNDERSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker and Members, I am one of those Members of Congress who has spent much of his congressional career trying to prevent further Federal directives on the State and local governments' agencies, including local education agencies or schools. But I think today we have something called a war on drugs, and, if we are serious about a war on drugs, it is going to be a Federal, State and local partnership.

The reality is, Mr. Speaker, that 39 percent of high school students have used illicit drugs over the last year. That is some 5.3 million high school students who have been using drugs of some type. Thirty-five percent of our high school students have reported that they have had five or more drinks in a row during the past 2 weeks, according to a recent survey.

Mr. Speaker, those statistics tell the story of why, if we are going to win the war on drugs, we need a war on drugs, and that means that we change the rules of the ball game.

I think we are all aware that in the past we have passed legislation which would require that as a condition of receiving Federal study financial assistance our colleges and universities are going to have some kind of drug abuse prevention program in effect. The legislation in front of us today, H.R. 3614, goes beyond that. This legislation would require that any school which received any Federal funds, as a condition of receiving those funds, is going to have to put in place a drug and alcohol abuse prevention plan.

Mr. Speaker, as a condition and a part of that plan we state five specific standards: No. 1, that there be an educational component; No. 2, that there be standards of conduct that prohibit the unlawful possession of drugs and alcohol; No. 3, that that school include a specific statement about sanctions for the improper and illegal use of

drugs and alcohol; No. 4, that we provide information about counselling to both the students and the employees of that school, and that there be a notification; No. 5, to both the employees and the students of the previous four standards or conditions.

Mr. Speaker, it is important, as the gentlewoman from Washington [Mrs. UNSOELD] has indicated, that everyone fully understand that we are not in the business of mandating a specific curricula to each and every local education agency in the country. However, we are mandating that they become partners in the war on drugs. We are asking them to develop within this context what is in their opinion the most positive, effective war on drugs education and prevention program within that local school.

However, Mr. Speaker, above and beyond that we are simply asking that they respond to the crisis at hand.

Perhaps the most encouraging note I received was a little letter I received last week from my 7-year-old niece in Decorah, IA. She said:

DEAR UNCLE STEVE, we have been studying drugs in our school, and I want you to know that those drugs are very bad, and I want you and everybody else to put in prison people who sell these awful drugs that hurt people.

□ 1400

Now, obviously, this was the analysis of an elementary student of what she had learned, but most important to me it was in evidence that the process had begun, that our young people were being educated as to the risks and the effects of those drugs.

What we are asking here today is that every public and private school begin that process.

Mrs. UNSOELD. Mr. Speaker, I yield such time as he may consume to the gentleman from West Virginia [Mr. RAHALL].

Mr. RAHALL. Mr. Speaker, I thank the gentlewomen from Washington for yielding this time to me.

Mr. Speaker, I rise in support of H.R. 3614, the National Drug-Free Schools and Communities Act of 1989, as amended.

I would like to take this opportunity to commend the chairman of the Education and Labor Committee, Mr. AUGUSTUS HAWKINS, and the distinguished minority member of the commitee, Mr. WILLIAM GOODLING, for the expeditious manner in which they were able to bring this bill out of committee to the floor for action by the whole House.

Mr. Speaker, the bill before us is an expansion of the National Drug-Free Schools and Communities Act, written specifically to take advantage of the additional Federal funds made available to help fight the war on drugs.

There is no better place to start than in our Nation's schools. If we begin early to teach our children about the evils of drug and alcohol abuse, and continue to do so with age-appropriate curriculum designed and implemented by the State and local government throughout a child's public school career, and up to and including their college career, we will have gone a long way toward establishing and maintaining drug-free schools, and eventually a drug-free society.

Having said that, I realize how impossible it sounds. How can we be sure that it will work, that a majority of young children, high school students, and college students in the coming months and in the years ahead will be less inclined to use and abuse illegal drugs if we authorize and implement a further expansion of the Drug-Free Schools and Communities Act?

The answer is that, of course, we can't be absolutely sure. But we must begin to educate against drug abuse now, at the earliest practical ages, for all our children. And while we are fighting against drugs being used on school grounds, in school rooms and hallways even, through our Drug-Free Schools and Communities programs, elsewhere in law others will be acting to implement programs to stop the flow of drugs from other countries across our borders—and to do this, we need more forceful laws on the books—both at the Federal and the State Government levels.

In other words, if we reduce the demand in this country, there will be no supplies necessary. It is as simple and as complex as that.

That is why my bill, the Drug-Free School Zones Act, is not premised merely upon the visible posting of signs stating that certain perimeters around a local school are drug free zones, but upon the premise that States not now having school safety zone laws will enact such laws, assuring the apprehension, trial, and sentencing of drug traffickers found selling or distributing drugs on or near school property.

Local school officials, teachers, administrators, parents, and local law enforcement officers must be enabled to work together in the knowledge that their actions to keep drug pushers off school grounds and out of school buildings are backed by the full force of State law.

We give school teachers and other school personnel vast responsibility when we deliver our children to them each and every day, to teach them, to nurture them, to keep them safe from harm. If States will enact school safety zone laws, and schools are enabled by working with local law enforcement and municipal authorities to establish visible, tangible evidence of where those laws are in effect at all times and that violators will be punished, we will have given them a little bit of authority to go along with the responsibility they bear toward our children.

Will my bill result in all 50 States passing such school safety zone laws? Not necessarily. But if they do not, their chief executive officers who now receive 30 percent of a State's annual allocation of drug-free schools and communities funds, will lose one-third of that annual allocation under my bill. The funds so forfeited by the Governors will revert to the use of local schools for the furtherance of their goals in fighting drug abuse through education and prevention programs for all ages.

My bill, as introduced, found that the success of the programs carried out with assistance provided under the Drug Free Schools and Communities Act of 1986 largely relies upon the cooperative efforts of school officials, families, communities, and law enforcement officials, and further that in order to achieve such success, each State must have in effect laws establishing increased penalties for drug trafficking on school grounds and drug trafficking near school grounds that involve minor children.

I know that my own State of West Virginia, and the Fourth District which I serve, have active task forces in place to work toward the establishment and maintenance of drug free schools. These consist of teachers, parents, members of the community at large, and students themselves.

I hope that my bill, which the members of the Education and Labor Committee were supportive of, and which has been included as part of H.R. 3614 as reported, will give those individuals and groups at the local school level the will to keep their commitment to drug free schools, and the wherewithal to carry out their work.

I have children in the public schools of Virginia, and I am intensely aware of the peer pressure that is or could be brought to bear upon them to join the abusers. I have a great stake in the outcome of this legislation before us today—the lives, the futures, the realization of the hopes and dreams of my children, both mine and theirs.

The West Virginia State Legislature had a bill before it last year calling for the establishment of drug free school safety zones, and attendant criminal penalties such as a 2-year minimum sentence, for drug traffickers found in violation of such laws on or near school safety boundaries. It is my genuine hope that this legislation will be reintroduced, and enacted by my State during its upcoming legislative session.

It is my hope that my colleagues will join me today in overwhelming support for passage of H.R. 3614.

Mr. GUNDERSON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of H.R. 3614, the Drug Free Schools and Communities Act of 1989, and I would like to commend the distinguished chairman of our Education and Labor Committee, the gentleman from California [Mr. HAWKINS], and the ranking minority member, the gentleman from Pennsylvania [Mr. GOODLING], for their work on bringing this measure to the floor.

Mr. Speaker, throughout my tenure in Congress, I have been actively involved in the fight against illegal drug use and abuse, and perhaps the most disheartening battle front in this war is now being fought in our schoolyards and playgrounds. Our Nation's youth are falling prey to cracked ice dealers at an increasingly alarming rate.

Drug education and prevention in schools is the greatest weapon we possess to curb illegal drug use among our children. H.R. 3614 authorizes funds for the critical establishment and maintenance of drug-free school zones.

The bill also requires institutions of higher education and local education agencies to develop and implement a program to prevent the use of illicit drugs and abuse of alcohol by students and employees. The programs must include standards of conduct, an educational component, and information regarding counseling and rehabilitation programs.

Mr. Speaker, I firmly believe that the drug crisis is the No. 1 problem facing our Nation today. H.R. 3614 helps to fund a very important segment in our fight to curtail drug abuse in our schools and communities. Accordingly, I wholeheartedly support this measure and urge my colleagues to vote in favor of H.R. 3614.

Mrs. UNSOELD. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, I rise in support of H.R. 3614. I have had some experience in the general field involved here, which has to do with education of students with regard to drug abuse.

I asked Secretary Bennett, who was head of the Department of Education, if he would come out with some videos which would be helpful at the various levels of schooling; and the Department of Education did that. Then I tried to see if I could get those videos used by schools, and surprisingly, it has been very, very difficult to get that done. The Federal Government cannot really compel a curriculum for schools. The problem really rests in the fact that there are 6,000 or more school boards which are relatively autonomous throughout the United States. Each State, however, can compel certain educational standards to be used in criteria to be put in place.

Therefore, the purpose of my talk today really is to hope, and express the desire, that the schools in the various States will in fact be told by their State organizations, through State legislation, that there are certain minimum requirements in the field of education with regard to drugs; because I found out as a very practical matter that it is very difficult to get a particular school board to use these videos, which are free of charge and have been made available to them.

I have also found out that it is very difficult to get the States to pass legislation to compel this education.

I think this is a very serious problem that faces our country, so I hope that this plea that I am putting into the RECORD now will be heeded, that the school boards will be compelled by the States, in which they are, to really have a practical program in fighting drugs; because if you do not do this, you are going to find out that a lot of money is being spent without any real impact in places where it needs to be.

Now, you may say, why is that so? Well, the school boards sometimes only have one school. The school boards themselves may have nobody who has a particular background in fighting drugs, or even a very great competence in managing schools. The school boards are variously arrived at in different locations as to how they come into existence. And there is not any great push, as I find it, to have the schools compel the education that should be done in this field.

I know from my own school board, I finally got my own school board to compel the curricula in this field, but it was very uphill. I went before the school board and talked to the school board. They were very affirmative, except for a while they never did anything. So I kept pestering them with mail until finally they complied and compelled this video to be used.

Then I went to the State legislators in the State of Florida and asked them to pass a law that would require a minimum type antidrug education, and I found they were reluctant to do it, and no law was even introduced.

So I am saying to you that we cannot just pass good laws here and expect them to do all the good that we would like to have done, unless we do some degree of encouraging the States at least to themselves compel the use of the educational programs that are needed.

Mr. GUNDERSON. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. COUGHLIN], the distinguished ranking member of the Select Committee on Narcotics Abuse and Control.

Mr. COUGHLIN. Mr. Speaker, I rise in strong support of H.R. 3614.

I certainly want to join in congratulating the gentlewoman from Washington [Mrs. UNSOELD] and the gentleman from Wisconsin [Mr. GUNDERSON], as well as the distinguished ranking minority member, the gentleman from Pennsylvania [Mr. GOODLING] who is here, and the distinguished chairman, the gentleman from California [Mr. HAWKINS] for bringing this bill to the floor. It is good bipartisan legislation. It has the support of all, and it is a very important element of the antidrug strategy.

□ 1410

Mr. Speaker, this legislation would require institutions of higher education as well as those in elementary and secondary education to provide and implement a drug-abuse program including user accountability in the schools of our Nation. This is an important part of that, as I said, of the President's drug strategy which was asked for by this Congress and which was transmitted to the Congress by the President on September 5. It is part of the legislation that has passed the Senate by a vote of 97 to 2 on September 27. It was the subject of a motion to instruct conferees that passed this body on October 11 by a vote of 402 to 15. It was also the subject of a letter from the Speaker and majority leader to the other body agreeing to undertake consideration of this legislation expeditiously. I congratulate the leadership for bringing this before us in an expeditious fashion and to enable us to send it over to the other body.

Mr. Speaker, let me just relate a very brief experience that I had with legislation that I worked on, and we passed in this body back 3 years ago to provide through the Department of Education audiovisual aids for our elementary and secondary schools. We did that. These were sent to every elementary and secondary school in the country, and in a poll that we took in my district of the use of this, we found that many of these were not being used. They were not being used because there is a tendency to be lethargic out in these educational institutions to have drug-abuse education, which is something new to them. To put some emphasis on that is new to them.

This legislation provides a very important tool in saying to our elementary and secondary schools and our colleges that we have to have drug education programs, not dictating to them the kind of education program or the curricula or anything like that, but just that we have to have a program, a good program, a real program that is in place to try and educate our young people about the dangers of drugs.

Mr. Speaker, I cannot emphasize the importance I attach to education in its

fight against drugs. We have tried for years to stop the supply, but in a time when there is tremendous money in the drug business, if we do not do something on the demand side, it gets increasingly difficult to stop the supply. The key part of stopping the demand is the educational effort we make, and particularly the effort to educate our children not to use these very dangerous drugs.

Mr. Speaker, this is good legislation. It is legislation that is critical that we pass in this House and work with the other body to send to the President before we leave Congress. It would be just terrible for us to leave the Congress, for us to leave town, unless we have completed work on this legislation, sent it to the President so we can, indeed, implement the drug war in a way in which it was intended.

Mrs. UNSOELD. Mr. Speaker, I have no further requests for time.

Mr. GUNDERSON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New Hampshire [Mr. DOUGLAS].

Mr. DOUGLAS. Mr. Speaker, I wanted to rise in support of H.R. 3614, as amended, because it picks up a bill that several of us introduced back on November 1; namely, H.R. 3572, which is the Drug-Free College Campus Act. H.R. 3614, which is before us, as it went in only dealt with schools, and it did not cover college campuses.

On November 21, Members of this House, a bipartisan group, sponsored H.R. 3572, and it was through the good offices of the ranking minority member, the gentleman from Pennsylvania [Mr. GOODLING], that the language in that bill was folded in and became part of a bill that we will be voting on today. It is important, because Secretary of Education Bennett, who is now our drug czar, had made it very clear that there should be no conscientious objectors in the war on drugs. It is his report of September 5 that said that college campuses should join in the effort, that they should make sure their students understood the penalties for improper use of alcohol and for use of illegal drugs, that counseling and treatment programs be outlined by the campuses each year on an annual basis, and that the penalties on the campus include explusion and termination of attendance at a college or university. That is the very least that we can do, Mr. Speaker, to encourage every element of our society to become a part of the war on drugs.

Mr. Speaker, we cannot have anyone left out of the process, and if we are starting in the elementary schools, we need to work all the way up through the college level as well.

I was pleased to be joined in the sponsorship of H.R. 3572 by the minority whip of this House, the gentleman from Georgia [Mr. GINGRICH], by the gentleman from Illinois [Mr. HYDE], by the gentleman from Idaho [Mr. CRAIG], who is seated beside me, and a number of other Members who felt as I did that the President's war on drugs had to have a component that included the college campuses.

Through the Goodling amendment, H.R. 3614 now goes far beyond just high schools and schools and picks up our colleges and universities, as it well should.

I urge a vote to suspend the rules and to adopt H.R. 3614, Mr. Speaker.

Mr. GUNDERSON. Mr. Speaker, I yield 2 minutes to my distinguished colleague, the gentleman from Idaho [Mr. CRAIG].

Mr. CRAIG. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, let me extend my congratulations to the chairman of the full committee, my colleague from Pennsylvania, the ranking minority member, the gentleman from Pennsylvania [Mr. GOODLING], my colleague, the gentleman from Wisconsin [Mr. GUNDERSON], and, of course, to the gentleman from New Hampshire [Mr. DOUGLAS], who has just explained how in the latter days of this session we have been able to incorporate two very important pieces of legislation in the war on drugs, giving our Government, but most importantly, giving our young people of this country some very real tools, extremely valuable tools, with which to engage themselves in the war on drugs.

Mr. Speaker, we cannot let our college campuses or our schoolyards become the battleground. To have that happen not only means that we lose, but certainly our young people lose this battle that we are now engaging in in the war on drugs. They must be free. The fight cannot be engaged there, and I would hope that this legislation begins to works with local authorities and State authorities along with college and university administrations in assuring that that will not happen, that those campuses and those schoolyards and school-grounds will not become war zones.

It is critical through the educational process that young people understand the complications of becoming involved in this type of activity. They then become the educated adult society which in a very short time begins to develop that social intolerance that must be developed if we are to successfully engage ourselves and then, in fact, win this war on drugs.

I appreciate the effort and the work of my colleagues, and urge the passage of this legislation.

Mr. GUNDERSON. Mr. Speaker, I yield 2 minutes to our distinguished colleague, the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of H.R. 3614, the Drug Free Schools and Communities Act of 1989, a very important part of the President's anti-drug program. More importantly, however, I rise in support of drug-free schools and communities and drug free-school children and neighbors.

Clearly, the future of the United States lies in the future leaders and citizens who are sitting in classrooms across the country right now. Today, our society is struggling against the effects of drug abuse and drug-related crime. Billions of dollars are being spent to interdict naroctics traffickers, arrest and convict both the drug kingpins and the neighborhood pushers, and to provide rehabilitative treatment for drug addicts. Nevertheless, all of these efforts will be wasted if future generations accept these problems as commonplace and do not learn and take to heart that drug use is both dangerous and destructive.

Millions of Americans are currently seeking treatment or help in their efforts to stop using drugs. For these people, it may not be too late to save their lives, and maybe even their families and jobs. Under the preventive programs for youth implemented through the drug-free schools and communities act, drug use will put fewer families, jobs and lives at stake. Though education is only one of the fronts on which the war against drug use must be fought, it is a very important one. Without the proper education, our other efforts will be wasted in time. With education we can win the war and focus our energies on development rather than destruction.

I urge my colleagues to support this bill and to continue to approach the problem of drug use from all angles, combining all of our Nation's resources to clean up the drug mess in this country and to teach our children never to let it happen again.

□ 1420

Mr. GUNDERSON. Mr. Speaker, at this time, to conclude the debate from our side of the aisle on this legislation, it is my privilege and honor to yield our remaining time to the distinguished ranking member of the full Committee on Education and Labor, the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Speaker, I am pleased to be able to rise in support of H.R. 3614, the Drug Free Schools and Communities Act Amendments of 1989. We have all expressed at one time or another that our communities and schools have a critical role to play in eliminating drugs at the local level. Without the full participation of our local communities and schools, we are fighting the war against drugs with one arm tied behind us.

Fortunately, the Education and Labor Committee has reported a bill which does not leave us defenseless in

this battle. We have had in place for 3 years the Drug Free Schools and Communities Act, and are just beginning to learn what effect that legislation has had. Based on the information we have received from the Department of Education and local program administrators we have incorporated changes into the program to make it more efficient and effective. These changes include targeting new moneys to areas with greatest need; emphasizing a community wide approach; strengthening training provisions; and improving reporting and evaluation requirements.

In addition to fine tuning the program though, we have added an enforcement mechanism that backs up our resolve to have drug free schools and campuses. We cannot afford to take-it-or-leave-it attitude when it comes to the war against drugs in our schools. It is essential that our schools impress upon our youth the importance of being drug free.

In order to do this, we have included in this bill a provision that clearly conveys the seriousness of the problem, the extent of our concern, and the intensity of our resolve to make headway in the issue of drug and alcohol abuse. We cannot continue to rely on current practices. This is a different type of "war," which requires a strategy and approach that is different in kind. Unless we achieve some success in making our schools and campuses drug free, it will not matter how much money is put into buildings, equipment, teachers and training because we will have lost the most important element—our students.

The provision we have included is essentially the one which was included in the President's drug package, and which this body instructed DOT appropriations conferees to support by a vote of 402 to 15. It provides that if an institution of higher education or a local education agency does not develop and implement a program to prevent the use of illicit drugs and abuse of alcohol by students and employees, it is not eligible to receive any form of Federal financial assistance.

Recognizing the seriousness of this sanction, we allow a reasonable period of time during which such programs are to be developed and put in place. Further we make available to the Secretary a variety of strategies to employ prior to fund termination to assist schools and campuses to come into compliance with the requirements of the law. So long as school is making meaningful progress toward providing drug and alcohol abuse education to its students it is not at risk of losing its money. The school has to be deliberately negligent before funds will be withheld.

Such a provision has not been utilized before and reflects the seriousness with which we view the drug problem. We cannot afford to waste our youth. They are the most critical element with respect to the quality of our future as a nation and our ability to compete in the world marketplace.

I support this legislation. We have taken a major step in the right direction, and have added strength to a critical piece of our antidrug strategy. I encourage all of my colleagues to support this legislation, and demonstrate their commitment to a drug free America.

Mr. BRENNAN. Mr. Speaker, education and treatment are two of our prime objectives in reducing drug use in America and this bill addresses both. It demands our strong support.

Not only does the drug-free schools and communities amendments bill provide funding for schools for drug education programs, it also provides funds for child abuse programs to help the children of drug abusers. While treatment of the drug users is imperative, we cannot ignore the defenseless children who live with drug abuse every day through no choice of their own.

In addition, the bill targets disadvantaged school districts and allows the Secretary of Education to provide grants to areas of high intensity drug use, a problem that touches the very community surrounding this Capitol—the community in which we work and where many of us send our children to school.

I have said many times that we can demonstrate the effectiveness of our drug efforts right here in the District of Columbia. This bill would allow us to provide special resources for the District of Columbia, while also attending to the needs of the schoolchildren of Maine and rest of the Nation.

I urge my colleagues to join me in strong support of the drug-free schools and communities legislation before us.

Mr. POSHARD. Mr. Speaker, to win the war on drugs, we have to fight with the strength of education. That's why I am pleased to cosponsor and see us pass H.R. 3614, the drug-free schools and communities amendments, which make a strong statement about our willingness to take on this challenge and win.

When I was a classroom teacher, drug and alcohol abuse among students was nowhere near as common as it is now. And the students in my classes were not at risk in near the same way as they are now. I have left the classroom in body, but my heart is still there, still with the students who are faced with a very real and sinister threat to their ability to learn, grow and prosper. And it's still with the teachers and parents who have to work with the students to meet this challenge.

I support strong law enforcement efforts to stop the drug plague. But the real victory comes when we educate our young people to the dangers that exist in the drug world, to the mind, body and soul.

The drug-free schools and communities amendments offer real financial assistance to local school districts who must now shoulder so much of the responsibility for this effort. It targets the money to the local levels, flexible enough to allow each area to respond to the particular challenges it faces, strong enough to begin to set some real standards which will help the entire Nation win this fight.

In my rural district in southern Illinois, drugs are as much a problem as they are in the inner-city. We may not have the same volume of sales and activity, we luckily have not seen the same kind of violence associated with the drug activity as some larger areas have, but the constant threat these drugs pose are just as real, and the damage they take is every bit as real.

I also have a major university in my district, and I am pleased to know we have the support of the administration, faculty and student body of Southern Illinois University in winning this fight. It's proper that the amendments require the institutions of higher education to make available very important drug abuse information.

This bill makes a strong commitment at the local level to fighting drug use and abuse. Its effect is practical and symbolic at the same time, a combination of real assistance and penalties combined with an attitude of genuine concern for our children's futures. We are in this effort responding to the cry of parents and students across the country. I have heard it in sourthern Illinois, and I thank my colleagues in the House for acting.

I am pleased to be an original cosponsor of H.R. 3614. In passing this bill today I believe we make a real commitment to the education of young America on the perils of a lifestyle that includes drugs. This is the right place to start, because this is where we win the war.

Mrs. UNSOELD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. (Mr. MCDERMOTT). The question is on the motion offered by the gentlewoman from Washington [Mrs. UNSOELD] that the House suspend the rules and pass the bill, H.R. 3614, as amended.

The question was taken.

Mr. GUNDERSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mrs. UNSOELD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on H.R. 3614, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Washington?

There was no objection.

FORFEITURE AMENDMENTS ACT OF 1989

Mr. HUGHES. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3550) to amend section 524 of title 28, United States Code, with respect to the Special Forfeiture Fund, to amend section 511 of the Controlled Substances Act to make technical,

clarifying, and administrative changes, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3550

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Forfeiture Amendments Act of 1989".

SEC. 2. AMENDMENTS RELATING TO THE SPECIAL FORFEITURE FUND.

(a) ASSETS FORFEITURE FUND AMENDMENT.—Section 524(c)(9) of title 28, United States Code, is amended—

(1) in the first sentence, by striking out "(9) There" and inserting in lieu thereof "(9)(A) There"; and

(2) by striking out the second sentence and inserting in lieu thereof the following:

"(B) Subject to subparagraph (C), in each of fiscal years 1990, 1991, 1992, and 1993, the Attorney General may transfer from the Fund not more than $150,000,000 to the Special Forfeiture Fund established by section 6073 of the Anti-Drug Abuse Act of 1988. Such transfers shall be made at the end of each quarter of the fiscal year involved and on a quarterly pro rata basis.

"(C) Transfers under subparagraph (B) may be made only from excess unobligated amounts and only to the extent that, as determined by the Attorney General, such transfers will not impair the future availability of amounts for the purposes under paragraph (1).

"(D) At the end of each of fiscal year 1990, 1991, 1992, and 1993, the Attorney General may retain in the Fund not more than $15,000,000, or, if determined by the Attorney General to be necessary for asset-specific expenses, a greater amount equal to not more than one-tenth of the total of obligations from the Fund in preceding fiscal year.

(b) SPECIAL FORFEITURE FUND AMENDMENT.—Section 6073(b) of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1509(b)) is amended to read as follows:

"(b) DEPOSITS.—Deposits in the Fund shall be made by transfer from the Department of Justice Assets Forfeiture Fund in the manner provided in section 524(c)(9) of title 28, United States Code.

(c) HIGH INTENSITY DRUG TRAFFICKING AREAS AMENDMENT.—Section 1005(c) of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1504(c)) is amended by adding at the end the following new paragraph:

"(4) Amounts in the Special Forfeiture Fund established by section 6073 of this Act shall not be available for any purpose after January 31, 1990, if the Director has not, by that date, made designations under paragraph (1)."

(d) REQUEST FOR SUPPLEMENTAL APPROPRIATION.—Not later than February 28, 1990, the President shall submit to the Congress a request for such supplemental appropriation as may be necessary for fiscal year 1990 for deposits in the Special Forfeiture Fund under section 6073(b) of the Anti-Drug Abuse Act of 1988.

SEC. 3. PROHIBITION OF CERTAIN TRANSFERS OF FORFEITED PROPERTY TO STATE AND LOCAL LAW ENFORCEMENT AGENCIES IF SUCH TRANSFERS CIRCUMVENT STATE LAW.

(a) PARTICIPATION REQUIREMENT.—Section 512(e)(3) of the Controlled Substances Act (21 U.S.C. 881(e)(3)) is amended to read as follows:

"(3) The Attorney General shall assure that any property transferred to a state or local law enforcement agency under paragraph (1)(A) has a value that bears a reasonable relationship to the degree of direct participation of the State or local agency in the law enforcement effort resulting in the forfeiture, taking into account the total value of all property forfeited and the total law enforcement effort with respect to the violation of law on which the forfeiture is based.".

(b) ANTI-CIRCUMVENTION REQUIREMENT.—Section 511(e) of the Controlled Substances Act (21 U.S.C. 881(e)) is amended by adding at the end the following new paragraph:

"(4) The Attorney General shall assure that property is not transferred following utilization of an adopted seizure process to circumvent any requirement of State law that limits the disposition of property forfeited to State or local agencies. An adopted seizure process is one in which investigative and prosecutive activity related to the seizure (other than activity relating to the actual forfeiture) was carried out exclusively by state and local agencies. In determining whether the transfer would be in circumvention of state law, the Attorney General may rely upon a written opinion of the attorney general of the pertinent State that such a process is not being utilized to circumvent State law. A decision by the Attorney General under this subsection is not subject to review by any court.".

(c) EFFECTIVE DATES.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act. The amendment made by subsection (b) shall take effect on October 1, 1991.

SEC. 4. CLARIFICATION OF ATTORNEY GENERAL'S AUTHORITY TO WARRANT CLEAR TITLE UPON TRANSFER OF FORFEITED PROPERTY.

Section 524(c) of tile 28, United States Code, is amended—

(1) by redesignating paragraph (10) as paragraph (11); and

(2) by inserting after paragraph (9) the following new paragraph:

"(10) Following the completion of procedures for the forfeiture of property pursuant to any law enforced or administered by the department, the Attorney General is authorized, at his discretion, to warrant clear title to any subsequent purchaser or transferee of such forfeited property.".

SEC. 5. SUMMARY SEIZURE AND FORFEITURE OF MONEY AND SIMILAR ITEMS UNDER THE CONTROLLED SUBSTANCES ACT.

Section 511 of the Controlled Substances Act (21 U.S.C. 881) is amended—

(1) by redesignating subsection (l) as subsection (k); and

(2) by adding at the end the following new subsection:

"(l) Notwithstanding any other provision of this title, the Attorney General may carry out seizure and forfeiture of moneys in the manner provided with respect to seizure and forfeiture of conveyances by the Secretary of the Treasury under section 607 of the Tariff Act of 1930.".

The SPEAKER pro tempore. Is a second demanded?

Mr. GEKAS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New Jersey [Mr. HUGHES] will be recognized for 20 minutes, and the gentleman from Pennsylvania [Mr. GEKAS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. HUGHES].

Mr. HUGHES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill we bring to the floor of the House today, H.R. 3550, was crafted to parallel two provisions—section 6 and 7—of S. 1735, a Senate-passed bill which has been referred to our committee, as well as four other House committees.

S. 1735 was itself carved out of the Senate-passed version of H.R. 3015, the Transportation Appropriations Act. Most of this year's anti-drug funding, including the funding of the President's drug strategy, is contained in H.R. 3015.

Following Senate passage of H.R. 3015, several House legislative committees, including our own, objected to the fact that several anti-drug legislative items, including items requested by the President to help implement his strategy, were attached by the Senate to this appropriations bill, of national drug control policy.

This section, like the Senate bill, allows the transfer to take place on a quarterly basis, rather than waiting until the end of the fiscal year. It also maintains the right of the Attorney General to retain $15 million in the DOJ forfeiture fund to pay asset-specific expenses.

Section 2 makes some technical amendments and incorporates an amendment, offered by Senator CRANSTON, which would withhold the use of funds in the special forfeiture fund after January 31, 1990, if the drug director has not designated high intensity drug trafficking areas. It also contains a provision calling upon the President to submit a request for a supplemental appropriation for fiscal year 1990, which would be needed to spend the money to be transferred quarterly in fiscal year 1990.

Section 7 of S. 1735 effectively repeals section 6077 of the Anti-Drug Abuse Act of 1988, the adoptive forfeiture restrictions developed by our subcommittee on crime. The House has recently taken a position on this issue by the passage of H.R. 2806. As a result, H.R. 3550, with one change, incorporates H.R. 2806, instead of the the Senate repeal provision. The one change, in section 3(c), changes the effective date of the anti-circumvention requirement to October 1, 1991 from July 1, 1991. This change conforms with the agreement we made in the State, Justice, Commerce, and Judiciary appropriation bill (H.R. 2991).

Sections 4 and 5, also contained in H.R. 2806, are designed to expedite the forfeitures of large cash seizures and the Speaker agreed to ask the Senate to send these items to the House in a legislative, rather than an

appropriations bill. The Senate leadership agreed. The legislative items previously in H.R. 3015 were incorporated into S. 1735, which was passed and sent to the House. The Senate then receded from its disagreement with the House over these items in H.R. 3015, and they were dropped from that bill in conference.

The House leadership in exchange agreed to prompt House consideration of the proposals contained in S. 1735. Because of the referral of that bill to five House committees, it was determined that the most appropriate way to process these proposals would be for each committee to develop a separate bill or bills addressing those matters in S. 1735 within its jurisdiction.

H.R. 3550 addresses the two items in S. 1735 within the jurisdiction of our Committee. H.R. 3550 was jointly referred to the Committees on the Judiciary and Energy and Commerce. The Energy and Commerce Committee advises that it has no objection to the bill or to our bringing it to the floor today under suspension of the rules.

Section 2 of H.R. 3550 parallels section 6 of S. 1735. It adds one additional year—fiscal year 93—to the existing authority—fiscal year 1990, 1991, and 1992—of the drug czar to recommend to the Congress how to spend up to $150 million of excess funds transferred from the Department of Justice forfeiture fund to the special forfeiture fund. The special forfeiture fund, established by the Anti-Drug Abuse Act of 1988, is administered by the director of the office and gives the Attorney General authority to warrant clear title on civilly forfeited property.

I believe this is a noncontroversial bill.

I urge your support.

Mr. Speaker, I want to thank the gentleman from Pennsylvania [Mr. GEKAS] for his assistance in working with us in drafting this legislation, and the gentleman from Florida [Mr. MCCOLLUM] the ranking Republican, who has likewise worked hard in expediting this particular bill.

Mr. Speaker, I reserve the balance of my time.

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to express my strong support for H.R. 3550. This bill is one piece, admittedly one very small piece, of the President's antidrug strategy. I want to thank the gentleman from New Jersey, BILL HUGHES, who, as chairman of the Subcommittee on Crime, gave expeditious consideration to those items in the Senate's antidrug bill (S. 1735) that were within the legislative jurisdiction of the subcommittee.

I am certain, Mr. Speaker, that there are many Members who will ask what this bill does in relation to the President's proposal for fighting drugs announced in early September. The answer to that question is quite simple. H.R. 3550 will reduce the time lag involved in spending moneys accumulated in the Department of Justice Asset Forfeiture Fund.

Under current law, the monetary proceeds resulting from the sale of forfeited assets are deposited in the Justice forfeiture fund. Forfeited cash also is deposited in the fund. Then, throughout the year, these funds are used to support the forfeiture system and to reimburse State and local law enforcement agencies for their cooperation in Federal forfeiture cases. However, the residual proceeds in the Justice forfeiture fund are not spent on Federal antidrug programs until the end of the fiscal year. In the Anti-Drug Abuse Act of 1988, Congress decided to transfer up to $150 million from the forfeiture fund at the end of each fiscal year to the Director of the Office of National Drug Control Policy. The Director—or "drug czar"—would determine how the funds should be spent. This fund controlled by the Director is called the special forfeiture fund. Today's bill authorizes the Justice Department to transfer available moneys to the special forfeiture fund on a quarterly basis instead of only at the end of the fiscal year. The $150 million cap would still apply.

Mr. Speaker, there are two specific provisions in this bill about which I would like to make comments. The first concerns section 2(d) which requires the President to submit to the Congress by February 28, 1990, a supplemental appropriations request for funds to be spent from the special forfeiture fund in this current fiscal year.

It should be pointed out that the conference report for the Department of Transportation appropriations bill, which has already passed this House, appropriates $115 million from the Special Forfeiture Fund for prison construction for fiscal year 1990. This was done in reponse to a request by Director Bennett. Therefore, section 2(d) only applies to those moneys in the Forfeiture Fund which have not already been appropriated for fiscal year 1990. In future years, it is my understanding that the President will submit to Congress his plans for expenditures from the Special Forfeiture Fund with his yearly budget submission. Congress will respond to this request with an appropriations bill, and the Director then will be authorized to spend the funds whenever he receives them in the following fiscal year. For example, in 1990, the President should include in his budget request the Director's desires for fiscal year 1991 Special Forfeiture Fund expenditures. By the time the fund receives deposits from the Justice Department after the first quarter of fiscal year 1991, the Director will be authorized to expend the deposited moneys.

The second provision about which I want to comment is the requirement in section 2(c) that the Director designate "high intensity drug trafficking areas" by January 31, 1990. This section prohibits the Director from expending moneys in the Special Forfeiture Fund after this date if he does not make the designation. The Anti-Drug Abuse Act of 1988 authorizes the Director to so designate any specific area of the United States as a high intensity drug trafficking area. This determination is to be based upon several factors, including the extent of drug trafficking in the area, the amount of resources committed by local law enforcement authorities to the problem, and the impact of the problem on other areas of the country.

The administration opposes section 2(c) because it requires the Director to make the designation, rather than allowing him to do so if he believes it is necessary. This requirement reverses the intention in last year's drug bill when Congress decided to make the high intensity provisions discretionary. The administration is requesting that this provision be dropped in conference, and I intend to support the President's request.

Mr. Speaker, H.R. 3550 also contains the provisions of H.R. 2806 which passed the House under suspension of the rules 4 weeks ago. Those provisions attempt to balance two important policy goals. The first goal involves the need of State and local law enforcement agencies to forfeit expeditiously the assets of drug traffickers and then to use the benefits of these forfeited assets against the traffickers. The second goal concerns the principle of respect for self-governance by the States. The result of this balance, which I believe is achieved by H.R. 2806 and now by H.R. 3550, is to cooperate with a State or local law enforcement agency in State forfeiture cases so long as such cooperation does not directly conflict with the expressed intentions of the State legislature.

Mr. Speaker, I am pleased that we are acting on this bill today, and I look forward to resolving differences with the other body this week so that we can get an antidrug package to the President before we go home for Thanksgiving. Again, I thank the gentleman from New Jersey.

□ 1430

Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. COUGHLIN], who has been a leader in the war on drugs from its inception.

Mr. COUGHLIN. Mr. Speaker, I thank the gentleman for yielding and for his work on this legislation, and I also thank and congratulate my friend and colleague, the gentleman from New Jersey [Mr. HUGHES], the distin-

guished chairman of the Subcommittee on Crime, and also the ranking member of that subcommittee, the gentleman from Florida [Mr. MCCOLLUM].

I also thank the leadership of the Committee on the Judiciary, the distinguished chairman, the gentleman from Texas [Mr. BROOKS], who we all hope will be rejoining us very soon in this body and its ranking member, the gentleman from New York [Mr. FISH], for bringing this legislation before us.

Again let me say this is part of the President's drug strategy, a strategy that we in this Congress requested and that the President transmitted to us at our request on September 5. He transmitted this legislation to the Congress on September 20. It was passed by the Senate, that is, legislation similar to this was passed by the Senate on a vote of 97 to 2 on September 27 and was the subject of a motion to instruct in this body on October 11 and passed by a vote of 402 to 15.

It was also the subject of a letter from the Speaker and the majority leader to the other body which agreed to consider this legislation expeditiously.

I am pleased to see that that has been done and that the legislation is before us.

Mr. Speaker, it is important legislation that should be completed before this Congress adjourns for the year. I hope it will receive a strong vote in this House and that any differences will be reconciled with the other body and that we will indeed send it to the President so that the drug czar will be in a position to use assets from the drug forfeiture fund in an orderly fashion for the operation of the Office of Director of Drug Policy.

I hope that that will be done promptly. It would not be proper for this House to adjourn for the year without completing the work on this important legislation.

Mr. Speaker, I ask that that be done. Again I thank the committee.

Mr. GEKAS. Mr. Speaker, I yield back the balance of my time.

Mr. HUGHES. Mr. Speaker, I yield myself such time as I may consume, and I thank the distinguished chairman of the full committee, the gentleman from Texas [Mr. BROOKS], for helping expedite this. Even though he has been under the weather, he has committed to having the full Committee on the Judiciary move this legislation expeditiously. He has done that. Also the ranking minority member, the gentleman from New York [Mr. FISH].

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of H.R. 3550, the drug forfeiture amendment, and I would like to commend the distinguished chairman of our Judiciary Committee, the gentleman from New Jersey [Mr. HUGHES].

Mr. Speaker, drug forfeiture represents a crucial, additional source of funding for the war against drugs. Currently, the drug czar receives deposits to the fiscal year. H.R. 3550 by authorizing a transfer of forfeiture funds on a quarterly basis, would expedite their availability, starting in January 1990.

The bill would further expedite the asset forfeiture process by authorizing the Attorney General to grant clear title to any buyer of seized property, and by allowing cash seizures of $100,000 or more to be subject to the Federal forfeiture process rather than the present judical process for cash seizures.

H.R. 3550 also addresses the critical issue of State and Federal "equitable sharing" of proceeds from seized assets. The equitable sharing provision is an integral part of the forfeiture program. Ensuring an equitable sharing succeeds in fostering greater Federal, State, and local law enforcement cooperation in drug cases. It is this kind of cooperation that is so important and which ultimately leads to successful drug seizures.

Accordingly, Mr. Speaker, I support this legislation and urge my colleagues to vote in its favor.

Mr. HUGHES. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCDERMOTT). The question is on the motion offered by the gentleman from New Jersey [Mr. HUGHES] that the House suspend the rules and pass the bill, H.R. 3550, as amended.

The question was taken.

Mr. HUGHES. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. HUGHES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on H.R. 3550, the bill just considered.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

QUARTERLY FINANCIAL REPORT PROGRAM EXTENSION

Mr. ACKERMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3629), extending the authority of the Secretary of Commerce to conduct the quarterly financial report program under section 91 of title 13, United States Code, through September 30, 1993.

The Clerk read as follows:

H.R. 3629

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4(b) of Public Law 97-454 (13 U.S.C. 91 note) is amended by striking "7 years after such effective date." and inserting "after September 30, 1993.".

The SPEAKER pro tempore. Is a second demanded?

Mr. RIDGE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York [Mr. ACKERMAN] will be recognized for 20 minutes, and the gentleman from Pennsylvania [Mr. RIDGE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. ACKERMAN].

GENERAL LEAVE

Mr. ACKERMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on H.R. 3629, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ACKERMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3629 was introduced by the chairman of the Subcommittee on Census and Population, Mr. SAWYER, and the subcommittee's ranking minority member, Mr. RIDGE. H.R. 3629 extends the authority of the Secretary of Commerce to conduct the Quarterly Financial Report Program.

Under section 91 of title 13, United States Code, the Secretary is required to collect and publish quarterly financial statistics of business operations and practices, including data on sales, expenses, profits, assets and liabilities, and other accounts generally used by businesses to measure financial condition.

Quarterly financial report data are critical building blocks for vital measurements of the Nation's economy, including the gross national product and the Federal Reserve Board's flow of funds accounts. Business analysts and decision-makers also use QFR data to analyze industry profitability for investment purposes and to compare their financial condition with industry trends.

The program was first established 42 years ago under the jurisdiction of the Federal Trade Commission. In 1983, Congress transferred responsibility for the Quarterly Financial Report Program to the Department of Commerce under Public Law 97-454.

The statutory authority for the program expires on January 12, 1990. H.R. 3629 extends the authority for

the program through September 30, 1993.

The Quarterly Financial Report is the most comprehensive report on corporate financial activity. Reauthorization of the program will ensure continuation of this principal economic indicator.

Mr. Speaker, I urge my colleagues to support the bill.

□ 1440

Mr. Speaker, I reserve the balance of my time.

Mr. RIDGE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in 1982, the authority for the administration of the Quarterly Financial Report was transferred from the Federal Trade Commission to the Secretary of Commerce. The day-to-day operations were then delegated to the agency most prepared to gather and report these figures: The Census Bureau.

The Quarterly Financial Report, better known as the QFR, provides the most current financial statistics on the performance of U.S. corporations and is used to make estimates of the gross national product. The QFR is the only quarterly source of information on our small businesses. Since its transfer to the Census Bureau, the QFR has maintained an excellent relationship with its users. In addition, the Bureau has strived to reduce the burden on the reporting corporations by using many of the techniques devised for decennial census.

Mr. Speaker, our bill merely extends the authority of the Secretary of Commerce to conduct the Quarterly Financial Report Program. This statutory authority is due to expire on January 12, 1990. H.R. 3629 extends this authority through September 30, 1993. As we are still aiming for a November adjournment, today is the only day we could schedule consideration of H.R. 3629. I fully support extension of the QFR Program and ask the House to suspend the rules and support this measure.

Mr. SAWYER. Mr. Speaker, H.R. 3629 extends the authority of the Secretary of Commerce to conduct the Quarterly Financial Report Program. I am pleased to be the sponsor of this legislation, along with my distinguished subcommittee colleague, Congressman RIDGE.

Under section 91 of title 13, United States Code, the Secretary is required to collect and publish quarterly financial statistics of business operations and practices, organization, management, and relation to other businesses. The report includes data on sales, expenses, profits, assets and liabilities, stockholders' equity, and other accounts generally used by businesses to measure financial condition.

The Quarterly Financial Report is a critical statistical indicator. It is the primary source of data for current estimates of the gross national product and national income. It is a major component of the Federal Reserve Board's flow of funds accounts and the sole source of unconsolidated nonfinancial corporate data for the Federal Reserve Board. It is the most current and comprehensive report on corporate financial activity.

In short, Quarterly Financial Report data are essential for calculating key Government measures of the national economy.

While timing of the Quarterly Financial Report Program is structured to meet the specific needs of key economic indicators, business analysts and decisionmakers also use QFR data to analyze industry profitability for investment purposes, compare their financial condition with industry trends, and analyze performance of the small business sector.

The Quarterly Financial Report Program was first established 42 years ago under the jurisdiction of the Federal Trade Commission.

In 1983, Congress transferred responsibility for the Quarterly Financial Report Program to the Department of Commerce under Public Law 97–454. The Secretary of Commerce delegated authority for the program to the Census Bureau, the Government's primary data collection agency.

The statutory authority for the Quarterly Financial Report Program expires on January 12, 1990. H.R. 3629 simply extends the program through September 30, 1993.

Over the past decade, the Government's ability to collect and publish accurate economic statistics has been eroded by budget cuts and agency staffing reductions. Voluntary cooperation by businesses in data collection efforts also has decreased due to cost and time considerations.

The Quarterly Financial Report Program has been structured to reduce the reporting burden on respondents by using sampling procedures instead of a complete canvass, collecting information readily available through traditional business financial statements, and accepting reasonable estimates if book figures are unavailable.

Reauthorization of the Quarterly Financial Report Program will ensure the accuracy and continuation of principal economic indicators that are the cornerstones of our ability to measure the current condition of our national economy and to plan for our future economic well-being.

Mr. RIDGE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ACKERMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCDERMOTT). The question is on the motion offered by the gentleman from New York [Mr. ACKERMAN] that the House suspend the rules and pass the bill, H.R. 3629, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

CALCULATION OF PREMIUM PAY

Mr. ACKERMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 215) to amend title 5, United States Code, with respect to the method by which premium pay is determined for irregular, unscheduled overtime duty performed by a Federal employee, as amended.

The Clerk read as follows:

H.R. 215

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 5545(c)(2) of title 5, United States Code, is amended to read as follows:

"(2) an employee in a position in which the hours of duty cannot be controlled administratively, and which requires substantial amounts of irregular, unscheduled overtime duty with the employee generally being responsible for recognizing, without supervision, circumstances which require the employee to remain on duty, shall receive premium pay for this duty on an annual basis instead of premium pay provided by other provisions of this subchapter, except for regularly scheduled overtime, night, and Sunday duty, and for holiday duty. Premium pay under this paragraph is an appropriate percentage, not less than 10 percent nor more than 25 percent, of the rate of basic pay for the position, as determined by taking into consideration the frequency and duration of irregular, unscheduled overtime duty required in the position.".

(b) The amendment made by subsection (a) shall apply with respect to overtime duty performed on or after the first day of the first applicable pay period beginning after September 30, 1990.

The SPEAKER pro tempore. Is a second demanded?

Mr. RIDGE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York [Mr. ACKERMAN] will be recognized for 20 minutes, and the gentleman from Pennsylvania [Mr. RIDGE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. ACKERMAN].

GENERAL LEAVE

Mr. ACKERMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on H.R. 215, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ACKERMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 215 would revise the method by which administratively uncontrollable overtime is calculated.

H.R. 215 was introduced by our distinguished colleague, Congresswoman MARY ROSE OAKAR and currently has 182 cosponsors.

Administratively uncontrollable overtime is compensation for those Federal employees who must work substantial amounts of irregular, unscheduled, overtime * * * the hours of which cannot be controlled administratively.

Such work is compensated at a maximum rate of 25 percent of an employee's base salary, with the exception that those earning more than a GS-10, step 1, salary are limited to 25 percent of a GS-10.

H.R. 215 simply removes the reference to GS-10 from current law, so that all employees eligible for this type of overtime would be compensated at 25 percent of their actual salaries.

The Committee on Post Office and Civil Service approved H.R. 215 by voice vote.

The bill has been amended in order to address concerns, expressed by the Committee on Appropriations, about the effective date. The amendment makes the bill effective with respect to overtime duty performed on or after the first day of the first applicable pay period beginning after September 30, 1990.

Mr. Speaker, I urge my colleagues to support H.R. 215, and I reserve the balance of my time.

Mr. RIDGE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to commend my colleague from Ohio for her leadership on this issue. I would also commend the ranking member of the Subcommittee on Compensation and Employee Benefits, Mr. MYERS, for his action on this issue.

Currently, Federal law requires that premium pay be limited to 25 percent of an employee's salary so long as he or she is below a GS-10. Those who are GS-10 or above must be limited to 25 percent of a GS-10's base pay. The inequity in the percentages of pay for overtime is apparent. An employee above a GS-10 classification receives a lower percentage of pay for overtime.

Under H.R. 215, Federal employees whose jobs involve administratively uncontrollable, irregular, and unscheduled overtime duty would be able to receive overtime pay at a flat rate of 25 percent of their base salary—no matter the grade classification. At a time when the Federal Government is experiencing a "quiet crisis" among its work force, the current compensation for administratively uncontrollable overtime is unjustified, unacceptable, and patently unfair. Current law actually punishes a Federal employee for achievement beyond the GS-10 classification.

I hope you will join me in supporting H.R. 215 and its correction of compensation for administratively uncontrollable overtime.

Mr. ACKERMAN. Mr. Speaker, I yield 5 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, first of all I want to pay tribute to the gentleman from New York [Mr. ACKERMAN] who had the first hearings on this legislation almost 4 years ago. I want to also pay tribute to the members of the minority because this was a bipartisan approach, along with my chairman, the gentleman from Michigan [Mr. FORD]. I also want to thank the Committee on Appropriations, and in particular, the chairman, the gentleman from Mississippi [Mr. WHITTEN], and the gentleman from California [Mr. ROYBAL], and the gentleman from Iowa [Mr. SMITH], because sometimes those members on the committee on authorizing feel that we do not get a quid pro quo from appropriations, but this is a case where they really went beyond the call of duty. I want to thank them personally for it. Finally, I would like to give my special thanks to Senator DOLE for his efforts and to Senator GLENN for his support of this legislation in the other body. They are truly friends of federal law enforcement personnel. Mr. Speaker, I introduced this legislation again this year because I saw the inequity in the manner in which we pay our Federal law enforcement officers in terms of their unscheduled overtime. As a matter of fact, we really don't pay them as though it's overtime, and we are talking about people who are in agencies like the FBI, the CIA, DEA, the Secret Service, Park Police, and so on.

This is a time when these individuals are more needed than ever, and we are losing competent, qualified, and experienced people because their base pay is so limited, and the compensation is so poor. Relief from this inequity is long overdue for our Nation's Federal law enforcement officers.

Last year, as I mentioned, the gentleman from New York [Mr. ACKERMAN] had a very comprehensive hearing related to this problem. We heard testimony which described the disparity, on a national average, in pay between Federal law enforcement officers and their State and local counterparts. As an example, a rookie police officer with the New York Police Department, and he, I am sure, deserves it, but he earns more than an FBI agent who has considerably more experience. At the same time, FBI agents must have a college degree, face occasional transfer, generally undergo vigorous retraining exercises, and certainly are subjected to the most thorough background security check. So we learn that the various agencies are now experiencing some difficulty in attracting qualified individuals to service, and have a higher than usual attrition rate among experienced officers.

The Congressional Budget Office does estimate that this bill will cost about $80 million, beginning September 30, 1990. However, if we estimate the incredible costs associated with lost experience, and the need to continually retrain new people, then that really balances out.

Mr. Speaker, while H.R. 215 does not even begin to address the most serious problems relating to equity for our civil servants, both in law enforcement and other professions related to Federal service, it does impact, I think, and will favorably impact on our Nation's war on drugs and crime. Let Members not forget those who are called upon daily to fight this war.

These are our Federal law enforcement agents.

□ 1450

Mr. Speaker, I was very, very pleased to see the bipartisan support for this bill. I hope the administration will realize the wisdom of this bill because of the number of cosponsors, and the attrition and so forth that we are experiencing.

Once again I want to express my appreciation to the chairman of this committee, the minority leader of this committee and members of the full committee, and I also want to thank my staff because getting agreements with the Senate side, and the House side, and the Committee on Appropriations and so on is not very easy, I especially want to thank Joe Grimes for his previous work and Scott Frey for his current work. They deserve an awful lot of credit.

Mr. Speaker, I yield back the balance of my time.

Mr. RIDGE. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. GILMAN], our friend and colleague.

Mr. GILMAN. Mr. Speaker, I rise to join my colleagues in support of H.R. 215, legislation I believe is long overdue, introduced by my good friend, the gentlelady from Ohio, [Ms. OAKAR] and supported by the distinguished Chairman of the Committee on Compensation and Employee Benefits and the ranking minority member of the Subcommittee, the gentleman from Indiana [Mr. MYERS] and cosponsored by over 180 of our colleagues, including myself. This measure was reported out of our Committee on Post Office and Civil Service by a voice vote on October 25.

H.R. 215 revises the calculation of premium pay for administratively uncontrollable overtime [AUO] duty performed by some of our Federal employees, primarily affecting law enforcement officers. Other employees would be affected as well.

I would have preferred that this measure could have been implemented as soon as possible after enactment. However, I understand that an amendment has been accepted that delays the effective date until the beginning of the next fiscal year to allow the agencies involved time to make the necessary changes called for in the bill.

Current statutes require that an employee, whose rate of pay is below GS-10 on the General Schedule will receive 25 percent of his basic pay for their AUO time, but for those above GS-10 their overtime payments are limited to 25 percent of a GS-10 salary even though their basic pay may be much higher. This legislation corrects this to provide that the rate for AUO is 25 percent of their actual base salary. I support this change because I do not believe our employees should lose money because their Government needs them for temporary emergencies elsewhere or for surveillance of suspected criminal figures.

Understandably, the hours the covered employees work are not dictated by a work schedule but by what suspects do and when they do it. Our salary structure should be flexible enough to assist this part of our workforce and not to hinder them.

Primary among the recipients of the benefits of this bill would be law enforcement officers. But, the majority of those would be the Federal employees working to stop the flow of illegal drugs into the United States.

As we all recognize, when considering the impact of this particular type of criminal activity and all its related violence, it does not pay in the long run to be, as they say, "penny wise and pound foolish." This criminal activity must stop and the bill before us will allow the employees in the trenches to take their minds off how much money they are losing by being on AUO surveillance and allow them to concentrate on their jobs. It will, we have been assured, also greatly assist in recruiting and retaining employees engaged in this battle.

I commend the gentleman from New York [Mr. ACKERMAN] for his active and swift consideration of this bill and the House leadership, on both sides of the aisle, for expediting consideration of it and I am hopeful that our action today will give a necessary boost to the overall morale of our employees.

Mr. RIDGE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ACKERMAN. Mr. Speaker, I have no further requests for the time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. McDermott). The question is on the motion offered by the gentleman from New York [Mr. ACKERMAN] that the House suspend the rules and pass the bill, H.R. 215, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

NATIONAL MUSEUM OF THE AMERICAN INDIAN ACT

Mr. CLAY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2668) to authorize the establishment with the Smithsonian Institution of the National Museum of the American Indian, to establish a memorial to the American Indian, and for other purposes; as amended.

The Clerk read as follows:

H.R. 2668

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Museum of the American Indian Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) there is no national museum devoted exclusively to the history and art of cultures indigenous to the Americas;

(2) although the Smithsonian Institution sponsors extensive Native American programs, none of its 19 museums, galleries, and major research facilities is devoted exclusively to Native American history and art;

(3) the Heye Museum in New York, New York, one of the largest Native American collections in the world, has more than 1,000,000 art objects and artifacts and a library of 40,000 volumes relating to the archaeology, ethnology, and history of Native American peoples;

(4) the Heye Museum is housed in facilities with a total area of 90,000 square feet, but requires a minimum of 400,000 square feet for exhibition, storage, and scholarly research;

(5) the bringing together of the Heye Museum collection and the Native American collection of the Smithsonian Institution would—

(A) create a national institution with unrivaled capability for exhibition and research;

(B) give all Americans the opportunity to learn of the cultural legacy, historic grandeur, and contemporary culture of Native Americans;

(C) provide facilities for scholarly meetings and the performing arts;

(D) make available curatorial and other learning opportunities for Indians; and

(E) make possible traveling exhibitions to communities throughout the Nation;

(6) by order of the Surgeon General of the Army, approximately 4,000 Indian human remains from battlefields and burial sites were sent to the Army Medical Museum and were later transferred to the Smithsonian Institution;

(7) through archaeological excavations, individual donations, and museum donations, the Smithsonian Institution has acquired approximately 14,000 additional Indian human remains;

(8) the human remains referred to in paragraphs (6) and (7) have long been a matter of concern for many Indian tribes, including Alaska Native villages, and Native Hawaiian communities which are determined to provide an appropriate resting place for their ancestors;

(9) identification of the origins of such human remains is essential to addressing that concern; and

(10) an extraordinary site on the National Mall in the District of Columbia (U.S. Government Reservation No. 6) is reserved for the use of the Smithsonian Institution and is available for construction of the National Museum of the American Indian.

SEC. 3. NATIONAL MUSEUM OF THE AMERICAN INDIAN.

(a) ESTABLISHMENT.—There is established, within the Smithsonian Institution, a living memorial to Native Americans and their traditions which shall be known as the "National Museum of the American Indian".

(b) PURPOSES.—The purposes of the National Museum are to—

(1) advance the study of Native Americans, including the study of language, literature, history, art, anthropology, and life;

(2) collect, preserve, and exhibit Native American objects of artistic, historical, literary, anthropological, and scientific interest;

(3) provide for Native American research and study programs; and

(4) provide for the means of carrying out paragraphs (1), (2), and (3) in the District of Columbia, the State of New York, and other appropriate locations.

SEC. 4. AUTHORITY OF THE BOARD OF REGENTS TO ENTER INTO AN AGREEMENT PROVIDING FOR TRANSFER OF HEYE FOUNDATION ASSETS TO THE SMITHSONIAN INSTITUTION.

The Board of Regents is authorized to enter into an agreement with the Heye Foundation, to provide for the transfer to the Smithsonian Institution of title to the Heye Foundation assets. The agreement shall—

(1) require that the use of the assets be consistent with section 3(b); and

(2) be governed by, and construed in accordance with, the law of the State of New York.

The United States District Court for the Southern District of New York shall have original and exclusive jurisdiction over any cause of action arising under the agreement.

SEC. 5. BOARD OF TRUSTEES OF THE NATIONAL MUSEUM OF THE AMERICAN INDIAN.

(a) GENERAL.—The National Museum shall be under a Board of Trustees with the duties, powers, and authority specified in this section

(b) GENERAL DUTIES AND POWERS.—The Board of Trustees shall—

(1) recommend annual operating budgets for the National Museum to the Board of Regents;

(2) advise and assist the Board of Regents on all matters relating to the administration, operation, maintenance, and preservation of the National Museum;

(3) adopt bylaws for the Board of Trustees;

(4) designate a chairman and other officers from among the members of the Board of Trustees; and

(5) report annually to the Board of Regents on the acquisition, disposition, and display of Native American objects and artifacts and on other appropriate matters.

(c) SOLE AUTHORITY.—Subject to the general policies of the Board of Regents, the Board of Trustees shall have the sole authority to—

(1) lend, exchange, sell, or otherwise dispose of any part of the collections of the National Museum, with the proceeds of such transactions to be used for additions to the collections of the National Museum or additions to the endowment of the National Museum, as the case may be;

(2) purchase, accept, borrow, or otherwise acquire artifacts and other objects for addition to the collections of the National Museum; and

(3) specify criteria for use of the collections of the National Museum for appropriate purposes, including research, evaluation, education, and method of display.

(d) AUTHORITY.—Subject to the general policies of the Board of Regents, the Board of Trustees shall have authority to—

(1) provide for restoration, preservation, and maintenance of the collections of the National Museum;

(2) solicit funds for the National Museum and determine the purposes to which such funds shall be applied; and

(3) approve expenditures from the endowment of the National Museum for any purpose of the Museum.

(e) INITIAL APPOINTMENTS TO THE BOARD OF TRUSTEES.—

(1) MEMBERSHIP.—The initial membership of the Board of Trustees shall consist of—

(A) the Secretary of the Smithsonian Institution;

(B) an Assistant Secretary of the Smithsonian Institution appointed by the Board of Regents;

(C) 8 individuals appointed by the Board of Regents; and

(D) 15 individuals, each of whom shall be a member of the board of trustees of the Heye Museum, appointed by the Board of Regents from a list of nominees recommended by the board of trustees of the Heye Museum.

(2) SPECIAL RULE.—At least 7 of the 23 members appointed under subparagraphs (C) and (D) of paragraph (1) shall be Indians.

(3) TERMS.—The trustee appointed under paragraph (1)(B) shall serve at the pleasure of the Board of Regents. The terms of the trustees appointed under subparagraph (C) or (D) of paragraph (1) shall be 3 years, beginning on the date of the transfer of the Heye Foundation assets to the Smithsonian Institution.

(4) VACANCIES.—Any vacancy shall be filled only for the remainder of the term involved. Any vacancy appointment under paragraph (1)(D) shall not be subject to the source and recommendation requirements of that paragraph, but shall be subject to paragraph (2).

(f) SUBSEQUENT APPOINTMENTS TO THE BOARD OF TRUSTEES.—

(1) MEMBERSHIP.—Upon the expiration of the terms under subsection (e), the Board of Trustees shall consist of—

(A) the Secretary of the Smithsonian Institution;

(B) an Assistant Secretary of the Smithsonian Institution appointed by the Board of Regents; and

(C) 23 individuals appointed by the Board of Regents from a list of nominees recommended by the Board of Trustees.

(2) SPECIAL RULE.—At least 12 of the 23 members appointed under of paragraph (1)(C) shall be Indians.

(3) TERMS.—The trustee appointed under paragraph (1)(B) shall serve at the pleasure of the Board of Regents. Except as otherwise provided in the next sentence, the terms of members appointed under paragraph (1)(C) shall be 3 years. Of the members first appointed under paragraph (1)(C)—

(A) 7 members, 4 of whom shall be Indians, shall be appointed for a term of one year, as designated at the time of appointment; and

(B) 8 members, 4 of whom shall be Indians, shall be appointed for a term of 2 years, as designated at the time of appointment.

(4) VACANCIES.—Any vacancy shall be filled only for the remainder of the term involved.

(g) QUORUM.—A majority of the members of the Board of Trustees then in office shall constitute a quorum.

(h) EXPENSES.—Members of the Board shall be entitled (to the same extent as provided in section 5704 of title 5, United States Code, with respect to employees serving intermittently in the Government service) to per diem, travel, and transportation expenses for each day (including travel time) during which they are engaged in the performance of their duties.

SEC. 6. DIRECTOR AND STAFF OF THE NATIONAL MUSEUM.

(a) IN GENERAL.—The Secretary of the Smithsonian Institution shall appoint—

(1) a Director who, subject to the policies of the Board of Trustees, shall manage the National Museum; and

(2) other employees of the National Museum, to serve under the Director.

(b) OFFER OF EMPLOYMENT TO HEYE FOUNDATION EMPLOYEES.—Each employee of the Heye Museum on the day before the date of the transfer of the Heye Foundation assets to the Smithsonian Institution shall be offered employment with the Smithsonian Institution—

(1) under the usual terms of such employment; and

(2) at a rate of pay not less than the rate applicable to the employee on the day before the date of the transfer.

(c) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Secretary may—

(1) appoint the Director, 2 employees under subsection (a)(2), and the employees under subsection (b) without regard to the provisions of title 5, United States Code, governing appointments in the competitive service;

(2) fix the pay of the Director and such 2 employees without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates; and

(3) fix the pay of the employees under subsection (b) in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, subject to subsection (b)(2).

SEC. 7. MUSEUM FACILITIES.

(a) NATIONAL MUSEUM MALL FACILITY.—The Board of Regents shall plan, design, and construct a facility on the area bounded by Third Street, Maryland Avenue, Independence Avenue, Fourth Street, and Jefferson Drive, Southwest, in the District of Columbia to house the portion of the National Museum to be located in the District of Columbia. The Board of Regents shall pay not more than ⅔ of the total cost of planning, designing, and constructing the facility from funds appropriated to the Board of Regents. The remainder of the costs shall be paid from non-Federal sources.

(b) NATIONAL MUSEUM HEYE CENTER FACILITY.—

(1) LEASE OF SPACE FROM GSA.—

(A) TERMS.—Notwithstanding section 210(j) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(j)), the Administrator of General Services may lease, at a nominal charge, to the Smithsonian Institution space in the Old United States Custom House at One Bowling Green, New York, New York, to house the portion of the National Museum to be located in the city of New York. The lease shall be subject to such terms as may be mutually agreed upon by the Administrator and the Secretary of the Smithsonian Institution. The term of the lease shall not be less than 99 years.

(B) REIMBURSEMENT OF FEDERAL BUILDINGS FUND.—The Administrator of General Services may reimburse the fund established by section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)) for the difference between the amount charged to the Smithsonian Institution for leasing space under this paragraph and the commercial charge under section 210(j) of such Act which, but for this paragraph, would apply to the leasing of such space. There are authorized to be appropriated to the Administrator such sums as may be necessary to carry out this subparagraph for fiscal years beginning after September 30, 1990.

(2) CONSTRUCTION.—

(A) MUSEUM FACILITY.—The Board of Regents shall plan, design, and construct a significant facility for the National Museum in the space leased under paragraph (1).

(B) AUDITORIUM AND LOADING DOCK FACILITY.—The Administrator of General Services shall plan, design, and construct an auditorium and loading dock in the Old United States Custom House at One Bowling Green, New York, New York, for the shared use of all the occupants of the building, including the National Museum.

(c) SQUARE FOOTAGE.—The facilities to be constructed under this paragraph shall have, in the aggregate, a total square footage of approximately 82,500 square feet.

(c) REPAIRS AND ALTERATIONS.—After construction of the facility under paragraph (2)(A), repairs and alterations of the facility shall be the responsibility of the Board of Regents.

(4) REIMBURSEMENT OF GSA.—The Board of Regents shall reimburse the Administrator for the Smithsonian Institution's pro rata share of the cost of utilities, maintenance, cleaning, and other services incurred with respect to the space leased under paragraph (1) and the full cost of any repairs or alterations made by the General Services Administration at the request of the Smithsonian Institution with respect to the space.

(5) COST SHARING.—

(A) GENERAL RULES.—The Board of Regents shll pay ⅓ of the costs of planning, designing, and constructing the facility under paragraph (2)(A) from funds appropriated to the Board of Regents. The remainder of the costs shall be paid from non-Federal sources.

(B) RESPONSIBILITIES OF NEW YORK CITY AND STATE.—Of the costs which are required to be paid from non-Federal sources under this paragraph, the city of New York, New York, and the State of New York have each agreed to pay $8,000,000 or an amount equal to ⅓ of the costs of planning, designing, and constructing the facility under paragraph (2)(A), whichever is less. Such payments shall be made to the Board of Regents in accordance with a payment schedule to be agreed upon by the city and State and the Board of Regents.

(C) LIMITATION ON OBLIGATIONS OF FEDERAL FUNDS.—Federal funds may not be obligated for actual construction of a facility under paragraph (2)(A) in a fiscal year until non-Federal sources have paid to the Board of Regents the non-Federal share of such costs which the Board of Regents estimates will be incurred in such year.

(6) DESIGNATION.—The facility to be constructed under paragraph (2)(A) shall be known and designated as the "George Gustav Heye Center of the National Museum of the American Indian".

(c) MUSEUM SUPPORT CENTER FACILITY.—The Board of Regents shall plan, design, and construct a facility for the conservation and storage of the collections of the National Museum at the Museum Support Center of the Smithsonian Institution.

(d) MINIMUM SQUARE FOOTAGE.—The facilities to be constructed under this section shall have, in the aggregate, a total square footage of at least 400,000 square feet.

(e) AUTHORITY TO CONTRACT WITH GSA.—The Board of Regents and the Administrator of General Services may enter into such agreements as may be necessary for planning, designing, and constructing facilities under this section (other than subsection (b)(2)(B)). Under such agreements, the Board of Regents shall transfer to the Administrator, from funds available for planning, designing, and constructing such facilities, such amounts as may be necessary for expenses of the General Services Administration with respect to planning, designing, and constructing such facilities.

(f) LIMITATION ON OBLIGATION OF FEDERAL FUNDS.—Notwithstanding any other provision of this Act, funds appropriated for carrying out this section may not be obligated for actual construction of any facility under this section until the 60th day after the date on which the Board of Regents transmits to Congress a written analysis of the total estimated costs of the construction and a cost-sharing plan projecting the amount for Federal appropriations and for non-Federal contributions for the construction on a fiscal year basis.

SEC. 8. CUSTOM HOUSE OFFICE SPACE AND AUDITORIUM.

(a) REPAIRS AND ALTERATIONS.—The Administrator of General Services shall make such repairs and alterations as may be necessary in the portion of the Old United States Custom House at One Bowling Green, New York, New York, which is not leased to the Board of Regents under section 7(b) and which, as of the date of the enactment of this Act, has not been altered.

(b) AUTHORIZATION OF APPROPRIATION.—There is authorized to be appropriated to the Administrator of General Services $25,000,000 from the fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)) to carry out this section and section 7(b)(2)(B).

SEC. 9. AUDUBON TERRACE.

(a) IN GENERAL.—The Board of Regents shall—

(1) assure that, on the date on which a qualified successor to the Heye Foundation at Audubon Terrace first takes possession of Audubon Terrace, an area of at least 2,000 square feet at that facility is accessible to the public and physically suitable for exhibition of museum objects and for related exhibition activities;

(2) upon written agreement between the Board and any qualified successor, lend objects from the collections of the Smithsonian Institution to the successor for exhibition at Audubon Terrace; and

(3) upon written agreement between the Board and any qualified successor, provide training, scholarship, technical, and other assistance (other than operating funds) with respect to the area referred to in paragraph (1) for the purposes described in that paragraph.

(b) DETERMINATION OF CHARGES.—Any charge by the Board of Regents for activities pursuant to agreements under paragraph (2) or (3) of subsection (a) shall be determined according to the ability of the successor to pay.

(c) DEFINITION.—As used in this section, the terms "qualified successor to the Heye Foundation at Audubon Terrace", "qualified successor", and, "successor" mean an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, and exempt from tax under section 501(a) of such Code, that, as determined by the Board of Regents—

(1) is a successor occupant to the Heye Foundation at Audubon Terrace, 3753 Broadway, New York, New York;

(2) is qualified to operate the area referred to in paragraph (1) for the purposes described in that paragraph; and

(3) is committed to making a good faith effort to respond to community cultural interests in such operation.

SEC. 10. BOARD OF REGENTS FUNCTIONS WITH RESPECT TO CERTAIN AGREEMENTS AND PROGRAMS.

(a) PRIORITY TO BE GIVEN TO INDIAN ORGANIZATIONS WITH RESPECT TO CERTAIN AGREEMENTS.—In entering into agreements with museums and other educational and cultural organizations to—

(1) lend Native American artifacts and objects from any collection of the Smithsonian Institution;

(2) sponsor or coordinate traveling exhibitions of artifacts and objects; or

(3) provide training or technical assistance; the Board of Regents shall give priority to agreements with Indian organizations, including Indian tribes, museums, cultural centers, educational institutions, libraries, and archives. Such agreements may provide that loans or services to such organizations may be furnished by the Smithsonian Institution at minimal or no cost.

(b) INDIAN PROGRAMS.—The Board of Regents may establish—

(1) programs to serve Indian tribes and communities; and

(2) in cooperation with educational institutions, including tribally controlled community colleges (as defined in section 2 of the Tribally Controlled Community College Assistance Act of 1978), programs to enhance the opportunities for Indians in the areas of museum studies, management, and research.

(c) INDIAN MUSEUM MANAGEMENT FELLOWSHIPS.—The Board of Regents shall establish an Indian Museum Management Fellowship program to provide stipend support to Indians for training in museum development and management.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $2,000,000 for each fiscal year, beginning with fiscal year 1991, to carry out subsections (b) and (c).

SEC. 11. INVENTORY, IDENTIFICATION, AND RETURN OF INDIAN HUMAN REMAINS AND INDIAN FUNERARY OBJECTS IN THE POSSESSION OF THE SMITHSONIAN INSTITUTION.

(a) INVENTORY AND IDENTIFICATION.—The Secretary of the Smithsonian Institution, in consultation and cooperation with traditional Indian religious leaders and government officials of Indian tribes, shall—

(1) inventory the Indian human remains and Indian funerary objects in the possession or control of the Smithsonian Institution; and

(2) using the best available scientific and historical documentation, identify the origins of such remains and objects.

(b) NOTICE IN CASE OF IDENTIFICATION OF TRIBAL ORIGIN.—If the tribal origin of any Indian human remains or Indian funerary object is identified by a preponderance of the evidence, the Secretary shall so notify any affected Indian tribe at the earliest opportunity.

(c) RETURN OF INDIAN HUMAN REMAINS AND ASSOCIATED INDIAN FUNERARY OBJECTS.—If any Indian human remains are identified by a preponderance of the evidence as those of a particular individual or as those of an individual culturally affiliated with a particular Indian tribe, the Secretary, upon the request of the descendants of such individual or of the Indian tribe shall expeditiously return such remains (together with any associated funerary objects) to the descendants or tribe, as the case may be.

(d) RETURN OF INDIAN FUNERARY OBJECTS NOT ASSOCIATED WITH INDIAN HUMAN REMAINS.—If any Indian funerary object not associated with Indian human remains is identified by a preponderance of the evidence as having been removed from a specific burial site of an individual culturally affiliated with a particular Indian tribe, the Secretary, upon the request of the Indian tribe, shall expeditiously return such object to the tribe.

(e) INTERPRETATION.—Nothing in this section shall be interpreted as—

(1) limiting the authority of the Smithsonian Institution to return or repatriate Indian human remains or Indian funerary objects to Indian tribes or individuals; or

(2) delaying actions on pending repatriation request, denying or otherwise affecting access to the courts, or limiting any procedural or substantive rights which may otherwise be secured to Indian tribes or individuals.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,000,000 for fiscal year 1991 and such sums as may be necessary for succeeding fiscal years to carry out this section.

SEC. 12. SPECIAL COMMITTEE TO REVIEW THE INVENTORY, IDENTIFICATION, AND RETURN OF INDIAN HUMAN REMAINS AND INDIAN FUNERARY OBJECTS.

(a) ESTABLISHMENT; DUTIES.—Not later than 120 days after the date of the enactment of this Act, the Secretary of the Smithsonian Institution shall appoint a special committee to monitor and review the inventory, identification, and return of Indian human remains and Indian funerary objects under section 11. In carrying out its duties, the committee shall—

(1) with respect to the inventory and identification, ensure fair and objective consideration and assessment of all relevant evidence;

(2) upon the request of any affected party or otherwise, review any finding relating to the origin or the return of such remains or objects;

(3) facilitate the resolution of any dispute that may arise between Indian tribes with respect to the return of such remains or objects; and

(4) perform such other related functions as the Secretary may assign.

(b) MEMBERSHIP.—The committee shall consist of five members, of whom—

(1) three members shall be appointed from among nominations submitted by Indian tribes and organizations; and

(2) the Secretary shall designate one member as chairman.

The Secretary may not appoint to the committee any individual who is an officer or employee of the Government (including the Smithsonian Institution) or any individual who is otherwise affiliated with the Smithsonian Institution.

(c) ACCESS.—The Secretary shall ensure that the members of the committee have full and free access to the Indian human remains and Indian funerary objects subject to section 11 and to any related evidence, including scientific and historical documents.

(d) PAY AND EXPENSES OF MEMBERS.—Members of the committee shall—

(1) be paid the daily equivalent of the annual rate of basic pay payable for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code; and

(2) be entitled (to the same extent as provided in section 5703 of such title, with respect to employees serving intermittently in the Government service) to per diem, travel, and transportation expenses;

for each day (including travel time) during which they are engaged in the peformance of their duties.

(e) RULES AND ADMINISTRATIVE SUPPORT.—The Secretary shall prescribe regulations and provide administrative support for the committee.

(f) REPORT AND TERMINATION.—At the conclusion of the work of the committee, the Secretary shall so certify by report to the Congress. The committee shall cease to exist 120 days after the submission of the report.

(g) NONAPPLICABILITY OF THE FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the committee.

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $250,000 for fiscal year 1991 and such sums as may be necessary for succeeding fiscal years to carry out this section.

SEC. 13. INVENTORY, IDENTIFICATION, AND RETURN OF NATIVE HAWAIIAN HUMAN REMAINS AND NATIVE HAWAIIAN FUNERARY OBJECTS IN THE POSSESSION OF THE SMITHSONIAN INSTITUTION.

(a) IN GENERAL.—THE SECRETARY OF THE SMITHSONIAN INSTITUTION SHALL—

(1) in conjunction with the inventory and identification under section 11, inventory and identify the Native Hawaiian human remains and native Hawaiian funerary objects in the possession of the Smithsonian Institution.

(2) enter into an agreement with appropriate Native Hawaiian organizations with expertise in Native Hawaiian affairs (which may include the Office of Hawaiian Affairs and the Malama I Na Kupuna O Hawai'i Nei) to provide for the return of such human remains and funerary objects; and

(3) to the greatest extent practicable, apply, with respect to such human remains and funerary objects, the principles and procedures set forth in sections 11 and 12 with respect to the Indian human remains and Indian funerary objects in the possession of the Smithsonian Institution.

(b) DEFINITIONS.—As used in this section—

(1) the term "Malama I Na Kupuna O Hawai'i Nei" means the nonprofit, Native Hawaiian organization, incorporated under the laws of the State of Hawaii by that name on April 17, 1989, the purpose of which is to provide guidance and expertise in decisions dealing with Native Hawaiian cultural issues, particularly burial issues; and

(2) the term "Office of Hawaiian Affairs" means the Office of Hawaiian Affairs established by the Constitution of the State of Hawaii.

SEC. 14. GRANTS BY THE SECRETARY OF THE INTERIOR TO ASSIST INDIAN TRIBES WITH RESPECT TO AGREEMENTS FOR THE RETURN OF INDIAN HUMAN REMAINS AND INDIAN FUNERARY OBJECTS.

(a) IN GENERAL.—The Secretary of the Interior may make grants to Indian tribes to assist such tribes in reaching and carrying out agreements with—

(1) the Board of Regents for the return of Indian human remains and Indian funerary objects under section 11; and

(2) other Federal and non-Federal entities for additional returns of Indian human remains and Indian funerary objects.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,000,000 for fiscal year 1991 and such sums as may be necessary for succeeding fiscal years for grants under subsection (a).

SEC. 115. GRANTS BY THE SECRETARY OF THE INTERIOR TO ASSIST INDIAN ORGANIZATIONS WITH RESPECT TO RENOVATION AND REPAIR OF MUSEUM FACILITIES AND EXHIBIT FACILITIES.

(a) GRANTS.—The Secretary of the Interior may make grants to Indian organizations, including Indian tribes, museums, cultural centers, educational institutions, libraries, and archives, for renovation and repair of museum facilities and exhibit facilities to enable such organizations to exhibit objects and artifacts on loan from the collections of the Smithsonian Institution or from other sources. Such grants may be made only from the Tribal Museum Endowment Fund.

(b) INDIAN ORGANIZATION CONTRIBUTION.—In making grants under subsection (a), the Secretary may require the organization receiving the grant to contribute, in cash or in kind, not more than 50 percent of the cost of the renovation or repair involved. Such contribution may be derived from any source other than the Tribal Museum Endowment Fund.

(c) TRIBAL MUSEUM ENDOWMENT FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury a fund, to be known as the "Tribal Museum Endowment Fund" (hereinafter in this subsection referred to as the "Fund") for the purpose of making grants under subsection (a). The Fund shall consist of (A) amounts deposited and credited under paragraph (2), (B) obligations obtained under paragraph (3), and (C) amounts appropriated pursuant to authorization under paragraph (5).

(2) DEPOSITS AND CREDITS.—The Secretary of the Interior is authorized to accept contributions to the Fund from non-Federal sources and shall deposit such contributions in the Fund. The Secretary of the Treasury shall credit to the Fund the interest on, and the proceeds from sale and redemption of obligations held in the Fund.

(3) INVESTMENTS.—The Secretary of the Treasury may invest any portion of the Fund in interest-bearing obligations of the United States. Such obligations may be acquired on original issue or in the open market and may be held to maturity or sold in the open market. In making investments for the Fund, the Secretary of the Treasury shall consult the Secretary of the Interior with respect to maturities, purchases, and sales, taking into consideration the balance necessary to meet current grant requirements.

(4) EXPENDITURES AND CAPITAL PRESERVATION.—Subject to appropriation, amounts derived from interest shall be available for expenditure from the Fund. The capital of the Fund shall not be available for expenditure.

(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Fund $2,000,000 for each fiscal year beginning with fiscal year 1992.

(d) ANNUAL REPORT.—Not later than January 31 of each year, the Secretary of the Interior, in consultation with the Secretary of the Treasury, shall submit to the Congress a report of activities under this section, including a statement of—

(1) the financial condition of the Fund as of the end of the preceding fiscal year, with an analysis of the Fund transactions during that fiscal year; and

(2) the projected financial condition of the Fund, with an analysis of expected Fund transactions for the six fiscal years after that fiscal year.

SEC. 16. DEFINITIONS.

As used in this Act—

(1) the term "Board of Regents" means the Board of Regents of the Smithsonian Institution;

(2) the term "Board of Trustees" means the Board of Trustees of the National Museum of the American Indian;

(3) the term "burial site" means a natural or prepared physical location, whether below, on, or above the surface of the earth, into which, as a part of a death rite or ceremony of a culture, individual human remains are deposited;

(4) the term "funerary object" means an object that, as part of a death rite or ceremony of a culture, is intentionally placed with individual human remains, either at the time of burial or later;

(5) the term "Heye Foundation assets" means the collections, endowment, and all other property of the Heye Foundation (other than the interest of the Heye Foundation in Audubon Terrace) described in the Memorandum of Understanding between the Smithsonian Institution and the Heye Foundation, dated May 8, 1989, and the schedules attached to such memorandum;

(6) the term "Heye Museum" means the Museum of the American Indian, Heye Foundation;

(7) the term "Indian" means a member of an Indian tribe;

(8) the term "Indian tribe" has the meaning given that term in section 4 of the Indian Self-Determination and Education Assistance Act;

(9) the term "National Museum" means the National Museum of the American Indian established by section 3;

(10) the term "Native American" means an individual of a tribe, people, or culture that is indigenous to the Americans and such term includes a Native Hawaiian; and

(11) the term "Native Hawaiian" means a member or descendant of the aboriginal people who, before 1778, occupied and exercised sovereignty in the area that now comprises the State of Hawaii.

SEC. 17. AUTHORIZATION OF APPROPRIATIONS.

(a) FUNDING.—There is authorized to be appropriated to the Board of Regents to carry out this Act (other than as provided in sections 7(b)(1)(B), 8, 10, 11, 12, 14, and 15(c)(5))—

(1) $10,000,000 for fiscal year 1990; and

(2) such sums as may be necessary for each succeeding fiscal year.

(b) PERIOD OF AVAILABILITY.—Funds appropriated under subsection (a) shall remain available without fiscal year limitation for any period prior to the availability of the facilities to be constructed under section 7 for administrative and planning expense and for the care and custody of the collections of the National Museum.

The SPEAKER pro tempore. Is a second demanded?

Mr. GILLMOR. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. CLAY] will be recognized for 20 minutes, and the gentleman from Ohio [Mr. GILLMOR] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Missouri [Mr. CLAY].

GENERAL LEAVE

Mr. CLAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on H.R. 2668, as amended, the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CLAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2668, as amended, authorizes the establishment of the National Museum of the American Indian as a part of the Smithsonian Institution and provides for the transfer of the collection of the Museum of the American Indian, Heye Foundation to the Smithsonian. When completed the Museum will consist of a major facility on the Mall, immediately east of the Air and Space Museum; an auxiliary exhibit facility in New York City; and a storage and research facility in Maryland. The bill also provides for the repair of the Old U.S. Custom House in New York City. Additionally, the bill provides for the repatriation to certain Indian tribes and Native Hawaiians of certain human remains and funerary objects in the possession of the Smithsonian and authorizes appropriations for certain grants to Indian tribes to mitigate repatriation costs, and to promote Indian museum programs.

The bill authorizes the appropriation of $10 million in fiscal year 1990 and such sums as may be necessary in succeeding years for care and custody of the collection to be transferred to the Smithsonian and for planning, design and construction of the National Museum of the American Indian. The total costs for building the three new facilities for the National Museum of the American Indian are preliminarily estimated at $175 million of which one-third of the facility on the Mall and the lesser of two-thirds or $16 million of the facility in New York will be paid by non-Federal funds. The bill also authorizes the appropriation of $25 million from the Federal Building Trust Fund to GSA for repair of the Old U.S. Custom House. Because of the preliminary nature of the cost estimates, language has been included providing that funds may not be obligated for actual construction of the National Museum of the American Indian until the 60th day after the Smithsonian transmits to Congress a written analysis of the total estimated cost of construction and a cost-sharing plan projecting Federal appropriations and non-Federal contributions on a fiscal year basis.

The bill authorizes the appropriation of $1,250,000 in fiscal year 1991 and such sums as may be necessary in succeeding years for the Smithsonian to inventory and repatriate Indian remains. The bill authorizes the appropriation of $1 million for fiscal year 1991 and for succeeding years for grants to mitigate tribal repatriation costs. The bill authorizes the appropriation of $2 million for fiscal year 1991 and for succeeding years for grants to promote Indian museum programs. As amended, the bill includes an authorization for appropriations of $2 million for fiscal year 1992 and for succeeding years for an endowment to provide grants for repair and renovation of tribal museums.

Mr. Speaker, a number of people have worked very diligently to make this legislation possible. I wish to express my appreciation to Secretary Adams and his staff, to the Board of Trustees of the Heye Foundation and their staff, to officials of New York City and New York State, and to Indian groups such as the Native American Rights Fund and the National Congress of American Indians for their efforts on behalf of this bill. The Committee on House Administration has worked very closely with the Committee on Public Works and the Interior Committee in developing this legislation and I wish to express my appreciation to the Members and staffs of those Committees for their fine work. Finally, I wish to commend the senior Senator from Hawaii, Mr. INOUYE, and the Gentleman from Colorado, Mr. CAMPBELL, and their staffs for their dedicated efforts to make the National Museum of the American Indian a reality.

This legislation accomplishes a number of important objectives. First, it ensures the preservation for benefit of future generations of one of the greatest collections of Native American artifacts and objects in the world. More importantly, when completed, the National Museum of the American Indian will truly serve as a living memorial to Native Americans and their traditions. As such, the museum will not only promote a more accurate appreciation of Indians on the part of those of us who have come more recently to this country, but will provide Native Americans with greater access to and a surer understanding of their own heritage and will serve to further inspire the development of their cultures. I think it wholly appropriate that this legislation should reach the floor as we approach the Thanksgiving holiday season. In my view, it is high time that we accord the cultures of the first Americans with the respect and appreciation they deserve. The creation of the National Museum of the American Indian will go a long way toward that end and I urge that the House support this legislation.

Mr. GILLMOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2668, the National Museum of the American Indian Act.

The Heye collection is one of the three largest collections of Native American artifacts anywhere in the world. By providing for the transfer of the Heye collection to the Smithsonian Institution, this legislation enables thousands of Americans access to a national treasure rich in history, which up to this point has been relatively hidden.

It is important to note that H.R. 2668 will not only provide a repository for one of the world's greatest collections of Indian artifacts, but will also serve as a "living memorial" to Native Americans.

H.R. 2668 provides significant means for research and scientific study of the American Indian culture. The bill also promotes opportunities for indians in museum studies, management and research. Through the board of trustees of the American Indian Museum, American Indians are assured a strong voice in the presentation of their culture, and traveling exhibits will enhance awareness of this culture nationwide.

□ 1500

I would like to point out that as we went through this legislation in committee there were a number of very difficult, very touchy issues, with which we had to deal. I would like to commend the chairman, the gentleman from Missouri [Mr. CLAY], for bringing those issues to a very satisfactory resolution.

Mr. Speaker, I support the passage of this proposal.

Mr. ANDERSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is with great pleasure that I rise today to support H.R. 2668, the "National Museum of the American Indian Act."

H.R. 2668 fills a very important need in the United States, the creation of a national museum devoted exclusively to the history and art of native Americans. In Washington, we have a national museum devoted to natural history, a national museum devoted to art, a national museum devoted to space and flight. Now, we will have a national museum devoted to American Indians which will be a part of the Smithsonian Institution.

The Committee on Public Works and Transportation has been very involved with this project as it has evolved over the past several years. H.R. 2668 provides for the construction of three facilities for the museum. The first, and largest will be on the Mall here in Washington, between the Air and Space Museum and the Botanical Gardens. The second facility will be on two floors of the old U.S. Custom House in lower Manhattan in New York City. The third will be added space to the Smithsonian's Museum support center in Suitland, MD.

Of the project costs, ⅓ of the cost of the Mall facility will be raised from non-Federal sources, and ⅔ of the cost of the old U.S. Custom House facility will be from non-Federal sources. The city and State of New York have each agreed to contribute $8 million to the New York facility.

H.R. 2668 also provides for the conveyance of the collection of Indian artifacts accumulated by George Gustav Heye (pronounced: "High") from the Heye Foundation to the Smithsonian Institution. This collection contains approximately 1 million valuable pieces of American history. Unfortunately, the Foundation has been unable to preserve and maintain the collection in recent years, and many of the objects are beginning to disintegrate with time. Conveyance of these artifacts to the Smithsonian Institution will ensure their preservation to enable our children and grandchildren to learn more about our Native American heritage.

The enactment of this legislation will also begin to resolve a very serious and sensitive concern to Indians and Hawaiians. That issue concerns the return of Indian and Hawaiian human remains and funerary objects in the possession of the Smithsonian Institution to their tribes or descendants. Over the years, various agencies and institutions have given the Smithsonian approximately 18,000 human remains. The descendants of these individuals do not want their ancestors to be in a museum, they want them properly buried. H.R. 2668 will create a review process for the Smithsonian to examine the remains in their collection, and if a descendant of the deceased person or their tribe can be identified, then the remains will be turned over to them for proper burial. I am hopeful that this process will provide for the orderly conveyance of many of the Indian remains and funerary objects in the collection of the Smithsonian Institution to their families.

Mr. Speaker, I would like to take this opportunity to thank the leadership of both the Committee on House Administration and the Committee on Interior and Insular Affairs for the cooperation they have shown to achieve a bill that all three committees of jurisdiction can actively support. The result of this combined effort is legislation that has our united support.

Mr. Speaker, I urge all of our colleagues to support H.R. 2668, the "National Museum of the American Indian Act."

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. RAHALL].

Mr. RAHALL. Mr. Speaker, today marks a very special day for Indian people across this country. We will finally pay tribute to the first Americans by establishing a national museum of the American Indian on the National Mall.

This bill took many years of negotiations. I would like to congratulate Chairman UDALL and Senator INOUYE and BEN NIGHTHORSE CAMPBELL for their efforts in making this a reality. I want to also extend my appreciation to Mr. CLAY, Mr. ANDERSON, and Mr. Bosco for their efforts to see that this bill was brought to the floor expeditiously.

H.R. 2668 will transfer one of the largest collections of Indian art and artifacts to the Smithsonian. But more importantly, it will right some of the injustices done to Indian people over the years. There has been strong sentiment in Indian country that the Indian human remains which have been housed in museums across the country should be returned to their proper resting place. This bill includes a monumental agreement between Indian tribes and the Smithsonian which acknowledges the respect and equal treatment that Indian people have been striving for in respect to their cultural and spiritual beliefs and the return of Indian remains. I know from experience that this is a very sensitive issue to address and on behalf of Chairman UDALL I want to commend everyone who was involved in reaching this agreement.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Speaker, I thank the chairman very much for yielding me this time.

Mr. Speaker, this legislation does a lot of very fine things. One thing it does is present to the Smithsonian the very exciting, interesting collection in New York City of the Heye Museum. I have visited that several times and have been very inspired and stimulated by what I saw there, including a beautiful carved head of a deer probably 1,000 years old, found in Florida. Recently a similar artifact came up out of the St. Johns River where I represent northeastern Florida. It was an owl. It was not a small thing like the deer head. It was actually 13 feet tall, if I remember correctly, a very, very large totem.

Many exciting things exist like this which are not being properly displayed at the moment. This museum of the Indians on the Mall will open the minds of many people to the great beauty and ingenuity of our Indian ancestry and our tradition in this country.

I have introduced legislation to prevent the raiding or the exhuming of bodies and artifacts in native burial grounds in the United States, a thing long overdue, and associated with the thing we are doing here. It is not the same legislation. The legislation before us today is very valuable for itself, but there is an immediate need to stop the raiding of Indian mounds and the taking out of artifacts. We never justify that for ourselves, that is, we Anglo-Saxon descendants would not have justified it in the past with regard to our ancestors and we cannot justify it as to people who were here when our ancestors came here.

This is something that must stop. It is a profit thing that is very disgraceful, and strong legislation has been introduced on this subject matter, and I hope the Congress will soon address it.

Mr. Speaker, a museum to celebrate the history and culture of Native Americans is long overdue. We all know the important part Native Americans have played in American history and also about the mistreatment given them over the years. We must now emphasize their contributions to our society and treat their remains and burial artifacts as most Americans would wish for their own ancestors.

I applaud the section of H.R. 2668 that would allow for study and recommendation on the final disposition of Native American remains and burial goods held in the Smithsonian Institution. In the past years, Native Americans have fought for the proper treatment of their ancestors' remains. Why should Native Americans have to fight such battles, when most decent people would agree with the principle that everyone's forebears should rest in peace?

Congress should put an end to both shameless grave robbing and unauthorized excavation by enacting legislation to protect the burial grounds of Native Americans.

This year I have introduced the Native American Burial Site Protection Act that would prohibit the excavation of any Native American burial site, or the removal of its contents. The bill would allow some excavation if a State decides to exempt by law an area within its borders. This would allow Indian groups to work cooperatively with a State if there is some site they believe might be excavated for

some good reason, such as the reburial of remains.

I have also introduced H.R. 3412, which is sponsored in the Senate by our former colleague, Senator WYCHE FOWLER of Georgia. This bill, the National Preservation Policy Act, would tighten the laws protecting Indian gravesites. In addition, this comprehensive bill would also require Federal agencies to consult with Native American tribes in order to resolve any objections the tribe may have regarding disturbing sacred grounds.

These bills and the National American Indian Museum Act represent a new sensitivity to the culture and beliefs of Native Americans. It is long overdue.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Speaker, I thank the committee chairman, the gentleman from Missouri [Mr. CLAY] for giving me this opportunity and for guiding this important legislation through the Congress.

I would like to point out, if it has not already been discussed in the debate, that the Heye Foundation in this smallest collection is located in my congressional district. A trust did exist which said that it could not leave the State of New York. That trust has been interpreted by the law as not being violated because of a major portion of the collection going to the Customs Building, as the gentleman eloquently pointed out, which is in the district of my colleague, the gentleman from New York [Mr. WEISS].

I would like to point out that the Foundation, even though it has resided in the Heye Foundation in Audubon Terrace, that the collection really has been neglected, as the entire community has been neglected.

The primary goal here is to make certain that this valuable treasure is protected. I think this legislation, the goals and objectives that we want to reach, will achieve that goal.

But I also have a responsibility to make certain that my community is protected, a community which is denied many times an opportunity to review and to preserve some of its cultural gems, this having been one.

So we have been able to work out with the Heye Foundation through the counsel Ed Costikyan, through the spokespeople from the Smithsonian Terrace, and from people from the city of New York how we can make certain that we can take a jewel in the rough and make it sparkle again.

□ 1510

In that connection, at the present site of the collection, the Smithsonian would assist us in working with the city of New York to make certain that on that site a nonprofit organization will be able to use at least 2,000 square feet for a museum for Indian, African-American, Latin American culture, and to the extent that we are able to work out all of these things, I am convinced that this matter will be resolved to the best of all concerned.

Mr. ANDERSON. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Speaker, I rise in support of H.R. 2668—the National Museum of the American Indian Act. This legislation embodies the many compromises and accommodations that have now ended the decade-long dispute over the fate of the Museum of the American Indian.

The settlement outlined in this bill would transfer the museum's unparalleled collection to the Smithsonian. At the same time, it would ensure that the will of the founder, George Gustav Heye, which stipulates that there must be a permanent museum of his collection in New York, will be adequately fulfilled.

I will leave it to others to describe the national significance of the collection, the reasons for moving it out of its current home, the justification for putting an Indian Museum on the Mall in Washington, and the importance of a close relationship between the museum and Native American groups. I would like to focus my remarks on the issues in this legislation which directly relate to New York, and specifically to my congressional district.

H.R. 2668 provides for the establishment of an 82,500-square-foot facility, the George Gustav Heye Center of the National Museum of the American Indian, at the Old United States Custom House in lower Manhattan. This facility would allow for display of more of Mr. Heye's magnificent collection in New York City than is possible at the museum's current location, to the benefit of all city residents, while also satisfying the stipulation of the Heye trust. It should be noted that both the city and State of New York have agreed to assist with the cost of renovating the Custom House for this purpose.

Another important aspect of this legislation concerns the building that currently houses the Museum of the American Indian. Because the museum's facility at Audubon Terrace was in my congressional district until 1982, and is currently at the border of my district, I have followed very closely developments in this entire saga. I have long maintained that regardless of the resolution of the fate of the museum, it is imperative that the Audubon Terrace facility remain a cultural anchor for the surrounding Harlem community, as it has for so long as the home for the Heye collection.

I am pleased to say that H.R. 2668 contains language that would safeguard the future of that facility as a cultural presence, and it is for this reason that I joined as a cosponsor of the legislation. The bill provides that the successor entity to the museum of the American Indian at Audubon Terrace would be entitled to show artifacts and objects from the Smithsonian's traveling exhibit service. This provision is essential to ensure that the community surrounding Audubon Terrace does not lose everything in the transfer of the museum to the Smithsonian.

In closing, I would like to thank and congratulate the various groups and individuals who have worked so diligently on this legislation. The amicable resolution of the fate of the Museum of the American Indian Museum has been many years in the making. I am pleased to report that many of the concerns of those involved in this long and sometimes difficult process have been adequately addressed in H.R. 2668. I commend the good faith efforts of the participants in writing this legislation and urge its unanimous adoption.

Mr. GILLMOR. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES. Mr. Speaker, I rise in support of H.R. 2668, a bill to establish a National Museum of the American Indian.

At the outset, I would like to thank my colleagues on the Committee on House Administration and the Committee on Public Works and Transportation for their dedication and hard work to bring this bill to the floor. The enactment of H.R. 2668 is a historically significant event for several reasons.

This bill embodies a very delicate and complex agreement between a variety of governmental bodies for the safeguarding of a rare and priceless collection of American Indian art and artifacts. Upon enactment of H.R. 2668, this collection will be transferred from the Heye Foundation in New York to the Smithsonian Institution. Importantly, the private sector, not just the public sector, will be making significant financial contributions to the future care and display of the collection.

H.R. 2668 contains a critical agreement between the Smithsonian Institution and Indian tribes across the country concerning the repatriation of Indian human remains and funerary objects contained in the Smithsonian collection. This agreement could not have been achieved without the sensitive and temperate manner in which Secretary Adams of the Smithsonian Institution approached the issue, and Secretary Adams is to be commended for his role in this effort.

Finally, a central focus of H.R. 2668 is to celebrate the many vibrant native cultures alive and well across the country, and to have special emphasis on making the collection available for

exhibition not just in the District of Columbia, but in Indian and non-Indian communities around the country.

I urge my colleagues to support passage of H.R. 2668.

Mr. Speaker, in closing, I would like to commend the chairman of the full Committee on the Interior, the gentleman from Arizona [Mr. UDALL], as well as the gentleman from Colorado [Mr. CAMPBELL], for their strong support of this bill. Without their leadership, understanding, and assistance, we probably would not have been able to progress as far as we have, and I wish to thank them.

Mr. GILLMOR. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. PETRI].

Mr. PETRI. Mr. Speaker, H.R. 2668 would establish a National Museum of the American Indian within the Smithsonian Institution. This language reflects the provisions of a Memorandum of Understanding signed earlier this year between the Smithsonian and the museum of the American Indian-Heye Foundation located in New York City. The assets of the Heye Museum, recognized to be one of the largest and finest collections of Indian artifacts, will be transferred to the Smithsonian and will be the foundation of the new museum.

H.R. 2668 provides for the construction of three facilities for the new museum—a museum building on the Mall just east of the Air and Space Museum, 82,500 square feet of museum space in the U.S. Custom House in New York City, and additional facilities at the Museum Support Center in Suitland, MD. No more than two-thirds of the construction funds for The Mall museum may come from Federal appropriations so fund raising will be necessary. The city and State of New York will each contribute up to one-third or $8 million of the cost of converting the Custom House space. With this museum space, the Heye collection will remain an important part of New York's cultural life. Before any construction funds can be obligated, the Smithsonian must submit to Congress a report on the estimated total construction costs and a cost-sharing plan for Federal and non-Federal funds.

H.R. 2668 also authorizes a $25 million renovation project for the remain ing work that needs to be completed in the U.S. Custom House in New York. The Bankruptcy Court moved into the building 2 years ago as a result of a previous renovation project and this project will complete the rest of the building for occupancy by Federal agencies.

The remaining sections of the bill pertain to the organization and operation of the museum, the relationship of the new museum to other regional and tribal museums, and provisions regarding the repatriation of human remains in the possession of the Smithsonian to Indian tribes and Native Hawaiians. The issue of the return of the human remains was a particularly complicated one, and I am pleased that the solution which will be included in H.R. 2668 appears to satisfy both the Smithsonian and various Indian groups which have been seeking a resolution to this issue for a long time. I would note that our colleague BEN NIGHTHORSE CAMPBELL played an important role in these negotiations between Indian groups and Smithsonian Secretary Adams.

Mr. Speaker, passage of H.R. 2668 will be another step forward in protecting the Indian treasures of the Heye collection which are now in danger of deteriorating in inadequate and inaccessible space. But the museum is intended to be more than simply exhibits and displays. The National Museum of the American Indian on the Mall here in Washington and in New York City will provide many Americans with an opportunity to learn and understand more about the past, present, and future of American Indian life and culture.

Mr. GILLMOR. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. LAGOMARSINO].

□ 1520

Mr. GILLMOR. Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of H.R. 2668, legislation authorizing the establishment of the National Museum of the American Indian within the Smithsonian Institution. I also want to commend BEN NIGHTHORSE CAMPBELL of Colorado.

By providing for the study, research, collection, and exhibition of native American culture past and present, the National Museum of the American Indian will do much to heighten understanding and enhance appreciation for those who originally inhabited America. By restoring, preserving, and maintaining a multitude of Native American objects and artifacts, the historical significance of the American Indian will be preserved for present and future generations.

I also applaud language in the legislation which calls for the board of trustees of the museum to identify the geographic and tribal origins of the Indian skeletal remains currently in the Smithsonian. By calling for the board to consult with Indian religious leaders when recommending a policy of returning or repatriating the skeletal remains, this legislation assures proper treatment of those remains.

Mr. Speaker, the National Museum of the American Indian will ensure that future generations remember the American Indians' past, present, and future contributions. We need to create this memorial to native Americans.

Mr. HAMMERSCHMIDT. Mr. Speaker, H.R. 2668 represents literally years of discussion, negotiation, and compromise by the Smithsonian Institution, the Heye Museum in New York, American Indian organizations, New York officials, and the House and the Senate.

H.R. 2668 will create a National Museum of the American Indian within the Smithsonian Institution, which will be based on the transfer of the collection of the Museum of the American Indian-Heye Foundation in New York City to the Smithsonian. The Heye collection is acknowledged to be one of the world's finest collections of North and South American Indian art and artifacts.

Unfortunately, this great collection is exhibited in a small, little-visited museum or, in most cases, stored in inadequate facilities. There is continuing concern that the collection is deteriorating and that we might lose forever these brilliant artifacts.

The bill authorizes the construction of three facilities with a total of 400,000 square feet—exhibit space in a portion of the old U.S. Custom House in New York City, a new museum on The Mall, and an addition to the Smithsonian Museum Support Center in Suitland, MD. The city and State of New York have each agreed to contribute up to $8 million for the New York Museum. Private funds are required to be raised for The Mall museum and, depending on renovation costs, for the New York museum.

In addition, the Smithsonian must report to Congress on the estimated total construction cost before any construction funds are obligated. A cost-sharing plan for Federal and non-Federal contributions also is required to be submitted before the obligation of construction funds.

H.R. 2668 also provides for technical assistance to other museums, particularly tribal museums. Finally, the Smithsonian is directed to conduct an inventory and return identified native Hawaiian and Indian human remains now in its possession. This is a compromise reached this summer and I particularly want to commend our colleague, BEN NIGHTHORSE CAMPBELL, Secretary Adams of the Smithsonian, and various American Indian groups who worked on this agreement.

Mr. Speaker, not only will this museum bring greater understanding of the life and times of Indians in the past, but it can also be viewed as a proper monument and living memorial to the present and future of the American Indian. I am sure it will be a learning experience for all who will visit.

I want to commend the Committees on House Administration and Interior and Insular Affairs—the other committees which, along the Public Works Committee, have jurisdiction over H.R. 2668—for the spirit of cooperation that has existed between our three committees. I urge the House to adopt this important legislation today.

Mr. AKAKA. Mr. Speaker, as a cosponsor I rise in support of H.R. 2668, the National American Indian Museum Act. The passage of this bill will not only assist the Smithsonian Institution in dedicating a memorial to the native

American people, but also ensure that native American and native Hawaiian remains and funerary objects that the Smithsonian now holds in its collection will be returned to their place of origin.

Over a period of many years, human bones and funerary objects found in Hawaii were sent to the Smithsonian Institution to be studied and analyzed. Although the research has been completed long ago, the native Hawaiian bones and funerary objects remain in storage at the Smithsonian Institution. The native Hawaiian community has expressed its desire for the repatriation of items excavated from their original resting place.

This bill authorizes the inventory, identification, and return of native American and native Hawaiian remains and funerary objects from the Smithsonian Institution. Two groups which will assist in this effort are Malama I Na Kupuna O' Hawaii Nei and the Office of Hawaiian Affairs [OHA].

Malama I Na Kupuna O' Hawaii Nei is composed of native Hawaiian leaders and experts in Hawaiian culture and customs. Malama I Na Kapuna O' Hawaii Nei is committed to ensuring that the disposition of prehistoric Hawaiian burial remains and funerary items is consistent with our cultural beliefs and practices, and are protected from mistreatment and desecration. On October 28, this group was instrumental in organizing a seminar in Hawaii on Hawaiian religious beliefs associated with burials, and the significance of archaeological research. During this conference a consensus was reached in which the native Hawaiian community expressed its desire to receive all the native Hawaiian remains from the Smithsonian Institution, regardless of whether descendants step forward to accept the remains.

The second group, the Office of Hawaiian Affairs [OHA], will assist in both an administrative and instutitional capacity. OHA is a unique entity that was created by the 1978 State constitutional convention, and its trustees are elected only by native Hawaiians. Both groups will assist the community in the repatriation of the remains and funerary objects, and they will also ensure that this process is accomplished in a manner consistent with the sensitivities of the native Hawaiian community.

I urge my colleagues to support this bill.

Mr. RICHARDSON. Mr. Speaker, I would first like to commend Chairman UDALL and Mr. CAMPBELL who have both been instrumental in steering this very important issue through the legislative process. Thanks to their efforts, the National Museum of the American Indian will soon be a reality.

As a Representative with one of the largest native American constituencies in the Nation, I have a special interest in the National Museum of the American Indian. I am very pleased to see that the many months of work on this important legislation have culminated in a measure which is well crafted and has addressed the many concerns involved.

The Museum of the American Indian-Heye Foundation in New York City is presently the holder of the world's most extensive collection of native American art and artifacts. Unfortunately, the museum's shortage of space and resources has precluded adequate display of its impressive collection. Some of the museum's finest art work and artifacts have been stored away for decades—their educational and aesthetic value going to waste. Clearly, this impressive collection, American Indian culture and its contributions to American society, deserve greater attention and exposure. It is this exposure and tribute that the national museum will provide.

I am heartened by the direction the National Museum of the American Indian is taking. While bestowing proper tribute to the Indian culture of the past, the museum will have a strong and clear focus on native American accomplishments and contributions to contemporary American society. Too often Indian culture is considered a thing of history, a relic of the past. To correct this misperception, I believe it is important that the museum emphasize that Indian culture is alive and evolving—that native Americans are achieving excellence and recognition in every facet of American society. It appears the museum has this goal very much in mind.

When this bill was considered by the Committee on Interior, I expressed the need to involve native Americans at every level of the museum's development, production, and administration. The goals this museum hopes to achieve can only be realized if the native American community and its leaders are involved fundamentally and integrally. The committee took these concerns into account and I have been assured that native Americans will have a very high degree of involvement in all processes. The bill provides that of the 23 persons appointed to the Museum's Board of Trustees, 12 must be native Americans. Furthermore, it is my understanding that the Secretary of the Smithsonian is committed to assuring that an even greater number of native Americans will actually serve on the Board of Trustees.

The bill also includes several key provisions which will ensure that resources will reach tribes. For instance, grants will be awarded to tribes and other entities to assist with repatriation and an endowment fund will be established for the repair and renovation of tribal museums. Technical assistance and training for Indian people in the field of museum management and curating are also included in the bill. These provisions assure that tribes and native Americans from around the Nation will benefit from programs this legislation initiates.

Mr. Speaker, the time has come to make the National Museum of the American Indian a national priority. By passing this legislation we are taking one important step toward the day this museum becomes a reality.

Mr. CONTE. Mr. Speaker, I rise in support of H.R. 2668, the bill to authorize the establishment within the Smithsonian Institution of the National Museum of the American Indian. The prospect of creating such a museum has been considered by the Institution's Board of Regents, of which I am a member, on a number of occasions over the years.

In May 1987, Smithsonian Secretary Robert Adams sought encouragement from the Board, which was gladly given, to pursue the possibility of transferring the extraordinary collection of the Museum of the American Indian-Heye Foundation, to the Institution and use it as the basis of a great new national museum to commemorate the civilizations, traditions, and contemporary culture of those who first occupied our land. Secretary Adams has been unflagging in his determination to overcome the obstacles to realization of that possibility responding to the concerns of all those interested in the request. In May of this year the Secretary signed a memorandum of understanding with the trustees of the Heye Foundation that paved the way for the legislation that is before us now.

I would note here that also in May the Regents approved the introduction of a measure that would have achieved the same objective; many of its features appear in H.R. 2668. However, the bill under consideration has been improved by contributions from the American Indian community, by its assurance of a predominance of Indian representation on the new museum's Board of Trustees, and by the language crafted, again by Secretary Adams and our colleague, BEN CAMPBELL, among others, to provide for the inventory and repatriation of human remains of Indian people in Smithsonian collections.

Enactment of H.R. 2668 will be a landmark in creating a museum at the foot of Capitol Hill that will rank among the four largest in the Smithsonian complex and in establishing a mechanism for dealing with the return of ancestral remains to Indian people. More signficantly, however, its enactment will mark, and, in fact is the product of, a new attitude within the Federal family toward the first Americans. American Indians are now full partners in creating an institution reflecting their culture, and I am confident that this new museum will be a long lasting legacy and testament to the diverse and rich culture of Native Americans.

As a request of the Smithsonian Institution and as a Member of Congress, I am proud to be a part of this historic effort to preserve and continue an important element of our national identity.

Mr. MINETA. Mr. Speaker, I rise in support of the National American Indian Museum Act. My support for this measure is strong and I offer it not only as a Member of Congress, but also as a member of the Smithsonian Board of Regents. It is from the vantage point of a Regent that I can attest to the skill, endless hours of work and negotiations, and the enduring commitment that made the concept of a National American Indian Museum a reality. Specifically, I want to acknowledge the distinguished gentleman from Colorado and author of H.R. 2668, BEN NIGHTHORSE CAMPBELL; the honorable chair of the Interior Committee, MORRIS K. UDALL; the dedicated chair of the House Administration Subcommittee on Libraries and Memorials, BILL CLAY; and the hard working chair of the House Public Works and Transportation Subcommittee on Public Buildings and Grounds, DOUG BOSCO. In addition to these fine gentleman, I would note the respective full committee and subcommittee chairs who have worked hard and long on this bill, the ranking minority members, and my fellow House Members who serve as Smithsonian Regents, the Honorable JAMIE L. WHITTEN and SILVIO O. CONTE; all of whom have made this possible.

In passing H.R. 2668, we are not only creating on the Mall a national resource. We are also moving to symbolically give a people back the history that the U.S. Government

took away from them. In some small but significant way, by creating within the Smithsonian Institution a National Museum of the American Indian, we are healing a wound that has for too long been unattended. I am proud to have participated in the development of this measure and to have cosponsored it. I urge all my colleagues to support passage of H.R. 2668.

Mr. DORGAN of North Dakota. Mr. Speaker, I rise in strong support of H.R. 2668, which will not only establish a National Museum of the American Indian but also mandate that the Smithsonian Institution return certain of its Indian remains to tribes for proper reburial.

Both purposes of this bill address longstanding concerns of Indian tribes in this Nation. The rich history and cultural heritage of native Americans has received inadequate recognition, in part because no one museum has served as a singular repository and interpreter of the first Americans. The establishment of a National Museum of the American Indian will help to consolidate and preserve this special heritage. In particular, it will provide a home for the notable collection now housed in the Museum of the American Indian, Heye Foundation, which lacks both the exhibit space and operating resources to promote an awareness and appreciation of the American Indian.

My main interest in this bill, however, is the directive to the Smithsonian Institution to return identified Indian human remains and associated funerary objects for reinterment by Indian families or tribes. This results in part from legislation which I introduced at the request of Indian tribes in North Dakota. The thrust of my bill, H.R. 1124, was incorporated into section 12 of the museum bill.

The Smithsonian has contended that the remains it holds are of considerable scientific value. The fact is, however, that there remains are being denied proper burial. One hundred years is enough time to conduct a study. It's time to treat Indian remains with the same respect accorded those of all other groups in our society.

Standford University and the University of Minnesota have set the right example by repatriating Indian remains in their collections. Now it's time to require that the Smithsonian does likewise.

I want to commend my colleagues Chairman UDALL, Chairman ANNUNZIO, and Mr. CAMPBELL for their cooperation and leadership in bringing this legislation to the floor. In closing, I urge my colleagues to support this needed bill.

Mr. WALSH. Mr. Speaker, I am pleased to join with my colleagues in supporting the passage of H.R. 2668, the National Museum of the American Indian. As a cosponsor of this bill, I believe that we here in the House have taken a crucial step in preserving the grandeur and the rich cultural legacy of the American Indian for generations present, and generations to come.

I wish to commend the Senator from Hawaii, [Mr. INOUYE] the gentleman from Colorado [Mr. CAMPBELL] the gentleman from Missouri, [Mr. CLAY] and the gentleman from Ohio, [Mr. GILLMOR] for without their dedicated effort the National Museum of the American Indian would never have become a reality.

Located within my district in central New York is the Onondaga Reservation. The Onondaga Indians are one of five tribes comprising the Iroquois Confederacy.

During the 17th century, the Onondagas continued to build their villages in the same area as they did in the two preceding centuries—near a region between Cazenovia Lake and Onondaga Creek. Their principal hunting territory included all of Onondaga County from the area around Cazenovia Lake to Skaneateles Lake.

In 1788, the Onondagas signed a treaty ceding to the State all their lands in New York except a 100-square-mile tract of land in Onondaga County. This tract of land extended along Onondaga Creek from a point a few miles above the Onondaga village to Onondaga Lake where the city of Syracuse now stands.

The Onondagas continue to hold a portion of their ancestral land located south of Syracuse, although the tract is smaller than the original tract, as provided in the treaty of 1788.

The construction of the National Museum of the American Indian, will now allow the rest of the country to enjoy and experience the rich cultural contributions that the Onondaga Nation, as well as the Iroquois Confederacy has made to our Nation, as we in Central New York have always appreciated.

The Museum of the American Indian-Heye Foundation collection is one of the largest collections of art and artifacts in the world. It encompasses over one million pieces from aboriginal tribes of North, Central, and South America, and extends from prehistoric to contemporary times. The collection is currently located in Manhattan in a facility that displays about 2 percent of the entire collection. The rest is located in a warehouse in the Bronx. Because of the shortage of space, rare and priceless artifacts are crowded into display cases, which pose a hazard to the collection. This legislation not only authorizes the National Museum, which is to be located on the Mall, but an auxiliary exhibit facility located in the Old United States Customs House in New York City. Also, authorized is a storage and research facility in Suitland, MD.

Most importantly, the Smithsonian Institution has agreed to conduct an inventory and identification process with the intent to return bone and funerary objects to Indian tribes for traditional interment.

Again, this bill will provide a long-term solution to the future of the valuable American Indian-Heye Foundation collection. Indians are not just a group of people found in history books, rather they are a thriving and dynamic culture.

I believe this museum will bind us up as a Nation, reminding us all, Indian and non-Indian of our past, and the possibilities for our future.

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today in support of H.R. 2668, which authorizes the establishment of the National Museum of the American Indian as a part of the Smithsonian Institution.

Although I am only a freshman Member of Congress, I know this legislation is the product of many years of discussion and negotiation. As with any legislation of this nature, there are many groups competing to protect their interests, and I am pleased to see that they were all able to compromise in true Samoan fashion.

In achieving this compromise, I wish to give special recognition to Chairman INOUYE, Chairman UDALL, Chairman CLAY, Congressman BEN NIGHTHORSE CAMPBELL, Secretary Adams, the Board of Trustees of the Heye Foundation, officials of the governments of New York State and New York City, and many Indian groups for their continued efforts.

I am delighted to see that the assets of the Heye Foundation will be better preserved, and at the same time, made available for more Americans to see.

I am delighted to see that part of the old U.S. Customs House in New York City will be renovated and used to display part of the collection.

I am delighted to see that the American Indian, after being forced to move from one desolate location to another, will finally have a place of recognition on the Mall here in our Nation's Capital.

But most importantly, Mr. Speaker, I am warmed throughout to see that many of the skeletal remains and funerary objects currently being held by the Smithsonian Institution will be available for return to Indian tribes. That action alone is something of which we in Congress should all be proud.

I appreciate the efforts of everyone who worked on this bill.

Mr. GILLMOR. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. CLAY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCDERMOTT). The question is on the motion offered by the gentleman from Missouri [Mr. CLAY] that the House suspend the rules and pass the bill, H.R. 2668, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to establish the National Museum of the American Indian within the Smithsonian Institution, and for other purposes.".

A motion to reconsider was laid on the table.

Mr. CLAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 978) to authorize the establishment within the Smithsonian Institution of the National Museum of the American Indian, to establish a memorial to the American Indian, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri.

Mr. GILLMOR. Mr. Speaker, reserving the right to object, I yield to the

gentleman from Missouri [Mr. CLAY] for the purpose of explaining the bill.

Mr. CLAY. Mr. Speaker, I thank the gentleman for yielding. S. 978 is the Senate companion bill establishing the National Museum of the American Indian. My intention is to substitute the provisions of H.R. 2668 as passed by the House. A motion to that effect is pending at the desk.

Mr. GILLMOR. Mr. Speaker, I thank the gentleman for his explanation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 978

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National American Indian Museum Act".

FINDINGS

SEC. 2. The Congress finds that—

(1) there is no national museum devoted exclusively to the history and art of cultures indigenous to the Americas, specifically Indians, Eskimos, and Aleuts;

(2) although the Smithsonian Institution employs more than 6,000 people, operates 19 museums, galleries, and major research facilities, and sponsors extensive American Indian programs, none of its institutions are devoted exclusively to Native American art and history;

(3) the Museum of the American Indian, Heye Foundation, located in New York City, has an unequaled assemblage of more than 1,000,000 Indian art objects and artifacts and is one of the largest of such collections in the world;

(4) the library of the Museum of the American Indian, Heye Foundation, houses 40,000 volumes relating to the archaeology, ethnology, and history of Native American peoples;

(5) the collection of the Museum of the American Indian, Heye Foundation, of art, artifacts, specimens and books is inadequately housed in 3 separate facilities totaling 90,000 square feet, with 95 percent of the collection of art and artifacts stored in 20,000 square feet and the collection of books kept in a 15,000 square foot library;

(6) the collection of the Museum of the American Indian, Heye Foundation needs a minimum of 400,000 square feet to adequately exhibit and store art and artifacts and to provide space for scholars and researchers;

(7) the bringing together of the collection of the Museum of the American Indian, Heye Foundation, and the Native American collection of the Smithsonian Institution would—

(A) create an institution whose capabilities for exhibition and research would be unrivaled in scope and would give all Americans the opportunity to learn of the cultural legacy, historic grandeur, and contemporary culture of Indians; and

(B) provide—

(i) a meeting place for scholars,

(ii) a significant, national facility for the exhibition of Indian art and artifacts,

(iii) a stage for the performing arts,

(iv) curation and other learning opportunities for Indians, and

(v) traveling exhibitions to communities throughout the Nation;

(8) approximately 300 human remains of Indians collected from battlefields and burial grounds were sent to the Army Medical Museum by order of the Surgeon General of the United States Army and later transferred to the Smithsonian Institution where they are still stored;

(9) the Smithsonian Institution has acquired additional collections of Native American human remains through—

(A) archaeological excavations, and

(B) donations from individuals and museums;

(10) these collections have been estimated to contain the remains of approximately 18,000 Indians, Eskimos, Aleuts, and Native Hawaiians and the existence of these collections has concerned many Indian tribes and bands, Alaska Native villages, and Native Hawaiian families that are determined to provide an appropriate resting place for their ancestors;

(11) identifying the geographic and tribal origins of Indian and Alaska Native and Native Hawaiian human remains in the Smithsonian collections is essential to addressing these concerns; and

(12) an extraordinary site on the National Mall in the District of Columbia (U.S. Government Reservation No. 6) which has been reserved for the use of the Smithsonian Institution is available for construction of a suitable building to permanently house the collection of the National Museum of the American Indian.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) The term "Indian" means an individual who is a member of an Indian tribe, including any individual who is an Alaska Native.

(2) The term "Alaska Native" means any Eskimo, Aleut, or Alaska Indian.

(3) The term "Indian tribe" means any tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village (as defined in, or established pursuant to, the Alaska Native Claims Settlement Act).

(4) The term "Native American" means the tribes, peoples, and cultures that are indigenous to North America, Central America, or South America, including Native Hawaiians.

(5) The term "Native Hawaiian" means any individual who is a descendant of the aboriginal people who, prior to 1778, occupied and exercised sovereignty in the area that now comprises the State of Hawaii.

(6) The term "Native Hawaiian organization" means any organization which—

(A) serves and represents the interests of Native Hawaiians, and

(B) has as a primary and stated purpose the provision of services to Native Hawaiians.

(7) The term "Museum" means the National Museum of the American Indian established under section 4.

(8) The term "Heye Museum" means the Museum of the American Indian, Heye Foundation.

(9) The term "Board of Trustees" means the Board of Trustees of the National Museum of the American Indian.

(10) The term "Board of Regents" means the Board of Regents of the Smithsonian Institution.

(11) The term "burial site" means any natural or prepared physical location, whether originally below, on, or above the surface of the earth, into which there was intentionally deposited, as a part of the death rites or ceremonies of a culture, the remains of a deceased individual.

(12) The term "funerary object" means any artifact or object, in the possession or control of the Smithsonian Institution—

(A) which was intentionally placed with a deceased individual, either at the time of burial or interment or at some subsequent time, as a part of the death rites or ceremonies of a culture, and

(B) which—

(i) is clearly associated with human remains subject to return pursuant to section 9, or

(ii) has been identified, through available evidence, as having been removed from a specific burial site.

ESTABLISHMENT OF THE MUSEUM

SEC. 4. (a) There is established within the Smithsonian Institution a living memorial to Native Americans and their traditions which shall be known as the "National Museum of the American Indian" and shall provide for—

(1) the advancement of the study of the Native peoples of the Americas and the study of their languages, literature, history, art, anthropology, and life;

(2) the collection, preservation, and exhibition of Indian objects of artistic, historic, literary, anthropological, and scientific interest related thereto;

(3) programs of Indian research and study; and

(4) the means of carrying on this work in the District of Columbia, the State of New York, and such other locations as may be appropriate.

(b)(1) The area bounded by Third Street, Maryland Avenue, Independence Avenue, Fourth Street, and Jefferson Drive, Southwest, in the District of Columbia, is appropriated to the Smithsonian Institution as the permanent site of a facility for the Museum. A facility for the Museum shall be constructed on such site.

(2) A significant facility for the Museum consisting of approximately 82,500 square feet, including auditorium and loading dock space shared with the General Services Administration, shall be established in the Old United States Custom House at One Bowling Green, New York, New York, and shall be designated "The George Gustav Heye Center of the National Museum of the American Indian".

(3) A facility for the conservation and storage of the collections of the Museum shall be established at the Museum Support Center of the Smithsonian Institution.

(c) The Board of Regents is authorized to—

(1) enter into a conveyance agreement with the Heye Foundation, the terms of which shall—

(A) provide for the transfer of title of those assets of the Heye Foundation described in the Memorandum of Understanding between the Smithsonian Institution and the Heye Foundation dated May 8, 1989, to the Smithsonian Institution for the benefit and use of the Museum;

(B) require that such assets be used for purposes consistent with the trust indenture

established by George Gustav Heye on May 10, 1916; and

(C) be governed by, and construed in accordance with, the laws of the State of New York to the extent permitted under the laws of the United States and the Constitution of the United States and under the jurisdiction of the United States District Court for the Southern District of New York;

(2) plan, design, and construct, or to acquire, the facilities described in subsection (b), which shall together aggregate at least 400,000 square feet;

(3) provide for the permanent acquisition of Native American objects and artifacts from the Heye Museum;

(4) purchase, accept, borrow, or otherwise provide for the temporary or permanent acquisition of Native American objects and artifacts from other museums or private collections; and

(5) preserve, maintain, restore, loan, or exchange objects and artifacts in the collection of the Museum.

BOARD OF TRUSTEES OF THE MUSEUM

SEC. 5. (a) There is established within the Smithsonian Institution the Board of Trustees of the National Museum of the American Indian.

(b) The Board of Trustees shall—

(1) recommend annual operating budgets for the Museum;

(2) provide advice and assistance to the Board of Regents on all matters relating to the administration, operation, maintenance, and preservation of the Museum;

(3) subject to the general policy established by the Board of Regents, have the sole authority to—

(A) loan, exchange, sell, or otherwise dispose of any part of the collections of the Museum, but only if the funds generated by such disposition are used for additions to the collections of the Museum or for additions to the endowment of the Museum,

(B) subject to the availability of funds and the provisions of annual budgets of the Museum, purchase, accept, borrow, or otherwise acquire artifacts and other property for addition to the collections of the Museum, and

(C) establish policy with respect to the utilization of the collections of the Museum for purposes that include, but are not limited to, research, evaluation, education, and method of display;

(4) subject to the general policy established by the Board of Regents, have authority to—

(A) establish policy with respect to the restoration, preservation, and maintenance of the collections of the Museum,

(B) solicit funds for the Museum and determine the purposes to which those funds shall be applied,

(C) approve expenditures from the endowment of the Museum, or of income generated from the endowment, for any purpose of the Museum, and

(D) consult with and advise the Director of the Museum on annual budgets to be recommended to the Board of Regents and otherwise consult with, advise, and support the Director in the operation of the Museum;

(5) adopt bylaws to carry out the functions of the Board of Trustees;

(6) designate a chairman from among the members of the Board of Trustees and such other officers as may be provided for by the Board of Trustees; and

(7) report annually to the Board of Regents on the acquisition, disposition, and display of Native American objects and artifacts and on other matters within the discretion of the Board of Trustees.

(c)(1)(A) The initial Board of Trustees shall consist of the following individuals:

(i) the Secretary of the Smithsonian Institution,

(ii) an Assistant Secretary of the Smithsonian Institution designated by the Board of Regents,

(iii) 8 individuals appointed by the Board of Regents, and

(iv) 15 individuals appointed by the Board of Regents from a list submitted by the board of trustees of the Heye Museum of candidates who are members of the board of trustees of the Heye Museum.

(B) At least 7 of the members of the Board of Trustees appointed by the Board of Regents under this paragraph shall be of Indian ancestry.

(C) Any vacancy on the Board of Trustees that is caused by the failure of a member of the Board of Trustees appointed under subparagraph (A)(iv) to complete the term of office of such member shall be filled by any individual appointed by the Board of Regents without regard to subparagraph (A)(iv), but subject to the requirements of subparagraph (B).

(D) The term of office of each of the members of the initial Board of Trustees appointed under clauses (iii) and (iv) of subparagraph (A) shall be 3 years.

(2)(A) Upon the expiration of the terms of office of the members of the initial Board of Trustees appointed under clauses (iii) and (iv) of paragraph (1)(A), the Board of Trustees shall thereafter consist of—

(i) the Secretary of the Smithsonian Institution,

(ii) an Assistant Secretary of the Smithsonian Institution designated by the Board of Regents, and

(iii) 23 individuals appointed by the Board of Regents from a list of nominees submitted by the Board of Trustees.

(B) At least 12 of the members of the Board of Trustees appointed under subparagraph (A)(iii) shall be of Indian ancestry.

(C)(i) Except as otherwise provided in this subparagraph, the term of office of each member of the Board of Trustees appointed under subparagraph (A)(iii) shall be 3 years.

(ii) Of the initial members of the Board of Trustees appointed under subparagraph (A)(iii), who succeed the members appointed under clauses (iii) and (iv) of paragraph (1)(A)—

(I) 7 members shall have a term of office of 1 year,

(II) 8 members shall have a term of office of 2 years, and

(III) 8 members shall have a term of office of 3 years.

The Board of Regents shall designate the term of office of each of these members at the time the member is appointed.

(3) Any member of the Board of Trustees appointed to fill a vacancy occurring prior to the expiration of the term of office for which his predecessor was appointed shall be appointed for the remainder of such term.

(d) A majority of the members of the Board of Trustees shall constitute a quorum and any vacancy on the Board of Trustees shall not affect the power of the Board of Trustees to function.

(e) Members of the Board of Trustees may be reimbursed for travel, subsistence, and other necessary expenses incurred by the members in the performance of their duties as members of the Board of Trustees.

DIRECTOR; STAFF

SEC. 6. (a) The Secretary of the Smithsonian Institution may appoint and fix the compensation and duties of the Director of the National Museum of the American Indian and of such other officers and employees of the Museum as may be necessary for the efficient administration, operation, maintenance, and preservation of the Museum.

(b) The Director of the Museum and 2 other employees of the Museum may be appointed and compensated without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service and chapter 51, and subchapter III of chapter 53, of title 5 of such Code.

(c) All employees of the Heye Museum serving at the time of the transfer of its collections, endowment, and other property to the Smithsonian Institution shall be offered employment with the Smithsonian Institution under the usual terms of employment with the Smithsonian Institution and may be appointed without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service and chapter 51, and subchapter III of chapter 53, of title 5 of such Code.

FACILITY IN NEW YORK

SEC. 7. (a) Notwithstanding any provision of law other than the provisions of this Act, the Administrator of General Services is authorized, upon such terms and for such periods as may be mutually agreed upon by the Administrator and the Secretary of the Smithsonian Institution, to furnish at a nominal charge to the Smithsonian Institution, for a period of not less than 99 years, space (as provided in section 4(b)(2)) in the Old United States Custom House at One Bowling Green, New York, New York. The Smithsonian Institution shall reimburse the Administrator for the Smithsonian Institution's pro rata share of the cost of utilities, maintenance, cleaning, and other services incurred with respect to such space and the full cost of any repairs or alterations requested by the Smithsonian Institution with respect to such space.

(b) The City of New York, New York, and the State of New York shall each contribute the lesser of—

(1) one-third of the total cost of the design, construction and renovation of the space in the Old United States Custom House at One Bowling Green, New York, New York, that is to be used by the Museum for the facility that is required to be established under section 4(b)(2), or

(2) $8,000,000.

(c) Notwithstanding any other provision of this Act or of any other law, the Board of Regents is authorized to charge the public a fee for admission to the facility of the Museum that is required to be established under section 4(b)(2).

(d)(1) All receipts from charges paid by the Secretary of the Smithsonian Institution under subsection (a) to the Administrator of General Services for the furnishment of the space described in subsection (a) shall be deposited into the fund established under section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)).

(2) There are authorized to be appropriated to the General Services Administration such sums as may be necessary to reimburse the fund established under section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)) for

the difference between the amount the Administrator of General Services charges the Secretary of the Smithsonian Institution under subsection (a) for the furnishment of the space described in subsection (a) and the amount the Administrator would otherwise charge for such space under section 210(j) of such Act.

(e) There are authorized to be appropriated to the General Services Administration $25,000,000 from the fund established under section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)) for the repair and alteration of the Old United States Customs House at One Bowling Green, New York, New York, but not for those portions of the building assigned by the Administrator of General Services to the Smithsonian Institution under terms and conditions agreed to under subsection (a) that make the Smithsonian Institution responsible for the repair and alteration of such portions of the building.

(f)(1) The Board of Regents shall—

(A) loan artifacts and exhibitions from the Smithsonian Institution to the successor to the Heye Foundation at Audubon Terrace, 3753 Broadway, New York, New York,

(B) provide training, technical assistance, scholarship support, and such other assistance as is deemed necessary to such successor to maintain and operate museum programs, and

(C) ensure that at least 2,000 square feet at Audubon Terrace is publicly accessible and physically suitable for related exhibition activities.

(2) The successor to the Heye Foundation at Audubon Terrace shall make a good faith effort to respond to community cultural interests.

(3) Fees associated with traveling exhibits of the Smithsonian Institution that are charged to the successor to the Heye Foundation shall be determined according to the ability of the successor to pay such fees.

RELATIONSHIPS WITH OTHER MUSEUMS; INDIAN PROGRAMS

SEC. 8. (a)(1) The Board of Regents is authorized to enter into agreements with museums, educational institutions, and cultural organizations to—

(A) loan Native American artifacts and objects from the collections of the Smithsonian Institution,

(B) sponsor and coordinate a variety of traveling exhibitions, and

(C) provide training and technical assistance.

(2) The Board of Regents shall, in carrying out its responsibilities under this subsection, give priority to agreements with Indian tribes, museums, cultural centers, educational institutions, libraries, and archives. Agreements entered into with such Indian entities may provide loans or services at minimal cost or no cost.

(b)(1) The Secretary of the Interior is authorized to make grants to Indian tribal museums for the purpose of renovating, repairing, or constructing facilities for the museums (including ventilation and security systems) to enable the museums to receive and exhibit objects and artifacts loaned to the museums from the collection of the National Museum of the American Indian.

(2)(A) There is hereby established within the Treasury of the United States a trust fund to be known as the "Tribal Museum Endowment Fund" (hereafter in this subsection referred to as the "Endowment Fund"), consisting of such amounts as may be deposited into the Endowment Fund under subparagraph (B) or credited to the Endowment Fund under subparagraph (D)(iii).

(B)(i) The Secretary of the Treasury is authorized to accept contributions to the Endowment Fund of any funds that were not derived from the Federal Government and shall deposit such contributions into the Endowment Fund.

(ii) Amounts appropriated to the Endowment Fund may be deposited into the Endowment Fund only to the extent that an equal amount of funds that were not derived from the Federal Government has been contributed to the Endowment Fund and deposited into the Endowment Fund under clause (i).

(C) The Secretary of the Interior shall be the trustee of the Endowment Fund, and shall submit an annual report to the Select Committee on Indian Affairs of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives on—

(i) the financial condition and the results of the operations of the Endowment Fund during the fiscal year preceding the fiscal year in which such report is submitted, and

(ii) the expected condition and operations of the Endowment Fund during—

(I) the fiscal year in which such report is submitted, and

(II) the 5 fiscal years succeeding such fiscal year.

Such report shall be printed as a House document of the session of the Congress to which the report is made.

(D)(i) The Secretary of the Treasury shall invest the funds in the Endowment Fund in interest-bearing obligations of the United States. For such purpose, such obligations may be acquired—

(I) on original issue at the issue price, or

(II) by purchase of outstanding obligations at the market price.

(ii) Any obligation acquired by the Endowment Fund may be sold by the Secretary of the Treasury at the market price.

(iii) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Endowment Fund shall be credited to, and form a part of, the Endowment Fund.

(E) The capital of the Endowment Fund shall not be available for expenditure. The amounts credited to the Endowment Fund under subparagraph (D)(iii) shall only be available for grants made under paragraph (1).

(F) The Secretary of the Interior is authorized and directed to pay out of amounts in the Endowment Fund that are credited to the Endowment Fund under subparagraph (D)(iii) such sums as are necessary to fund the grants made under paragraph (1).

(3) There are authorized to be appropriated for the Endowment Fund for each fiscal year beginning after fiscal year 1991, $2,000,000.

(c)(1) The Board of Regents is authorized to establish special programs to—

(A) serve Indian tribes and communities, and

(B) in concert with educational institutions (including Tribally Controlled Community Colleges), enhance the opportunities for Indians in museum studies, management, and research.

(2) The Board of Regents shall establish an American Indian Museum Management Fellowship program to provide stipends to Indians who are receiving training in museum development and management.

(3) There are authorized to be appropriated for each fiscal year $2,000,000 to carry out the provisions of this subsection.

INDIAN HUMAN REMAINS

SEC. 9. (a)(1) Subject to the provisions of this section and notwithstanding any other provision of law, the Board of Regents shall, in consultation and cooperation with traditional Indian and Native Hawaiian religious leaders and tribal government officials, initiate a process for the inventory of Indian and Native Hawaiian human remains and funerary objects in the collection or control of the Smithsonian Institution to identify, to the fullest extent possible, the geographic and tribal origins of such remains and objects. The identification of the human remains and funerary objects shall be based upon the best available scientific and historical documentation.

(2) If the identification process conducted under paragraph (1) has established by a preponderance of the evidence the Indian tribal origin of any particular human remains or funerary objects, the Board of Regents, as soon as possible, shall cause the affected Indian tribe or tribes to be notified of such identification.

(3) If the identification process conducted under paragraph (1) has established by a preponderance of the evidence the geographic origin of any particular human remains or funerary objects of Native Hawaiians, the Board of Regents, as soon as possible, shall cause notice of such identification to be made to a Native Hawaiian organization which has been certified by the Governor of the State of Hawaii as the appropriate entity to receive such notification.

(b)(1) If a preponderance of the evidence establishes that human remains in the possession or control of the Smithsonian Institution are of a particular Indian, or are of an individual who was culturally affiliated with a particular Indian tribe, the Board of Regents, upon request of the known descendants of such Indian, or such Indian tribe, as the case may be, shall expeditiously return such remains, and any funerary objects associated with such remains, to such descendants or Indian tribe.

(2) If a preponderance of the evidence establishes that human remains in the possession or control of the Smithsonian Institution are of a particular individual who is believed to be Native Hawaiian, the Board of Regents, upon the request of the known descendants of such individual, shall expeditiously return such remains, and any funerary objects associated with such remains, to such descendants.

(3) If a preponderance of the evidence establishes that funerary objects in the possession or control of the Smithsonian Institution, not associated with any human remains, were removed from a specific burial site of an individual culturally affiliated with a particular Indian tribe, the Board of Regents, upon the request of such Indian tribe, shall expeditiously return such objects to such Indian tribe.

(4) If a preponderance of the evidence establishes that funerary objects in the possession or control of the Smithsonian Institution, not associated with any human remains, were removed from a specific burial site of an individual believed to be Native Hawaiian, the Board of Regents, upon the request of the descendants of such individual, shall expeditiously return such objects to the descendants.

(c)(1) Within 120 days after the date of enactment of this Act, the Secretary of the

Smithsonian Institution shall establish a committee to monitor and review the implementation of the inventory and identification process required under subsection (a) and the restoration activities required under subsection (b).

(2) The committee established under paragraph (1) shall be composed of 5 members, 3 of whom shall be appointed from nominations submitted by Indian tribes and organizations. None of the persons appointed to the committee shall be Federal employees or officials or be affiliated with the Smithsonian Institution.

(3) The committee established under paragraph (1) shall be responsible for—

(A) monitoring the inventory and identification process conducted under subsection (a) to ensure a fair, objective consideration and assessment of all available relevant information and evidence,

(B) reviewing, upon its own motion or upon the request of any affected party, any finding relating to—

(i) the identity or origin of human remains or funerary objects, or

(ii) the return of such remains or objects,

(C) arbitrating disputes between Indian tribes relating to the return of human remains or funerary objects,

(D) consulting with Native Hawaiian religious leaders and Native Hawaiian organizations on matters within the scope of the work of the committee affecting Native Hawaiians; and

(E) performing such other related functions as the Secretary may assign to the committee.

(4) The Secretary shall ensure that the committee established under paragraph (1) and the members of the committee have full and free access to human remains and funerary objects under review and to associated scientific and historical documents.

(5) Members of the committee established under paragraph (1) shall be reimbursed at a rate equal to the daily rate for GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including traveltime) for which the member is actually engaged in committee business and for travel, subsistence, and other necessary expenses.

(6) The Secretary shall—

(A) designate one of the members of the committee established under paragraph (1) as chairman,

(B) establish such rules and regulations for the committee as may be necessary, and

(C) provide reasonable administrative and staff support necessary for the deliberations of the committee.

(7) The committee established under paragraph (1) shall terminate at the end of the 120-day period beginning on the day on which the Board of Regents certifies, in a report submitted to the Congress, that the work of the committee has been completed.

(d) Nothing in this section shall be interpreted as—

(1) limiting the authority of the Smithsonian Institution to return or repatriate human remains or funerary objects to Indian tribes or individuals or to Native Hawaiian individuals,

(2) delaying actions on repatriation requests that are pending on the date of enactment of this Act,

(3) denying or otherwise affecting access to the courts, or

(4) limiting any procedural or substantive rights which may otherwise be secured to Indian tribes or individuals or to Native Hawaiian individuals.

(e)(1) The Secretary of the Interior is authorized to make grants to Indian tribes for the purpose of assisting such Indian tribes in reaching and implementing agreements with the Smithsonian Institution, other Federal agencies, and non-Federal entities for the repatriation of human remains and funerary objects.

(2) The Secretary of the Interior is authorized to make grants to Native Hawaiian organizations for the purpose of assisting such organizations in reaching and implementing agreements with the Smithsonian Institution, other Federal agencies, and non-Federal entities for the repatriation of human remains and funerary objects.

(f) There are authorized to be appropriated—

(1) $1,000,000 for fiscal year 1991, and such sums as may be necessary for succeeding fiscal years, to carry out the inventory and identification process required under subsection (a),

(2) $250,000 for fiscal year 1991, and such sums as may be necessary for succeeding fiscal years, for the expenses of the review committee authorized under subsection (c), and

(3) $1,500,000 for fiscal year 1991, and such sums as may be necessary for succeeding fiscal years, for grants authorized under subsection (e).

PLEDGE

SEC. 10. The faith of the United States is pledged that the United States shall provide such funds as may be necessary for the design, construction, administration, maintenance, and operation of the Museum and the administrative expenses and costs of operating the Museum, including the protection and care of collections acquired by the Board of Trustees or the Board of Regents, so that the Museum shall at all times be properly maintained and, except as otherwise authorized in section 7(c), collections contained therein shall be exhibited regularly to the general public free of charge.

TRANSFER OF FUNDS

SEC. 11. Any funds appropriated to carry out the provisions of this Act may be transferred to the General Services Administration which, in consultation with the Smithsonian Institution, is authorized to enter into contracts and take such other actions, to the extent of the funds so transferred, as may be necessary to carry out the provisions of this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 12. (a)(1) Subject to the provisions of paragraph (2), there are authorized to be appropriated to the Smithsonian Institution—

(A) $10,000,000 for fiscal year 1990, and

(B) such sums as may be necessary for each of the succeeding fiscal years,

to carry out the provisions of this Act for which no other specific authorization of appropriations is provided in this Act.

(2)(A) The total amount authorized to be appropriated for the construction of the facility described in section 4(b)(1) shall not exceed two-thirds of the total cost of such facility.

(B) The total amount authorized to be appropriated for the facility of the Museum established under section 4(b)(2) shall not exceed one-third of the total cost of such facility.

(b) Funds appropriated under the authority of subsection (a) for any period prior to the availability of the facilities described in section 4(b) shall remain available without fiscal year limitation for administrative and planning expenses and for the care and custody of the collections of the Museum and the Heye Museum.

(c) Notwithstanding any other provision of this Act, no funds may be appropriated for the purpose of constructing the museum facilities authorized by this Act until the Smithsonian Institution provides to the Congress and to the Administration an analysis of the total estimated cost of such construction and a cost-sharing plan projecting amounts for Federal appropriations and for non-Federal contributions.

MOTION OFFERED BY MR. CLAY

Mr. CLAY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CLAY moves to strike out all after the enacting clause of the Senate bill, S. 978, and insert in lieu thereof the provision of H.R. 2668, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read a third time, and passed.

The title of the bill was amended so as to read: "A bill to authorize the establishment with the Smithsonian Institution of the National Museum of the American Indian, to establish a memorial to the American Indian, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill, H.R. 2668, was laid on the table.

REAPPOINTMENT OF SAMUEL C. JOHNSON TO BOARD OF REGENTS OF SMITHSONIAN INSTITUTION

Mr. CLAY. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 357) providing for the reappointment of Samuel C. Johnson as a citizen regent of the Board of Regents of the Smithsonian Institution, as amended.

The Clerk read as follows:

H.J. RES. 357

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with section 5581 of the Revised Statutes of the United States (20 U.S.C. 43), the vacancy on the Board of Regents of the Smithsonian Institution, in the class other than Members of Congress, occurring by reason of the expiration of the term of Samuel Curtis Johnson of Wisconsin on December 4, 1989, is filled by the reappointment of the incumbent for a term of six years, effective December 5, 1989.

The SPEAKER pro tempore. Is a second demanded?

Mr. GILLMOR. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. CLAY] will be recognized for 20 minutes, and

the gentleman from Ohio [Mr. GILLMOR] will be recognized for 20 minutes.

The gentleman from Missouri [Mr. CLAY] is recognized.

Mr. CLAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Joint Resolution 357, as amended, provides for the reappointment of Mr. Samuel Curtis Johnson for a second term to the Smithsonian Board of Regents.

The Board of Regents is the policy arm of the Smithsonian Institution. Its members typically serve two 6-year terms.

Mr. Johnson, a resident of Wisconsin, was initially appointed to the Board of Regents on December 5, 1983. The executive of a major corporation, he is a member of the Board's Executive Committee and has a variety of experiences in the management of foundations and philanthropic activities.

The reappointment of Mr. Johnson would provide added leadership to the policy and planning arm of the Smithsonian Institution.

Mr. Speaker, I reserve the balance of my time.

Mr. GILLMOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Joint Resolution 357, as amended, providing for the reappointment of Samuel C. Johnson as a citizen regent of the Board of Regents of the Smithsonian Institution. Mr. Johnson was first appointed in 1983 to serve on the Board as a regent from Wisconsin. As the chairman and chief executive officer of the Johnson Wax Cos., Mr. Johnson brings to this Board a wide variety of business and international experiences which serve to enhance his contributions to this governing body. Mr. Speaker, Mr. Johnson has served the Smithsonian well in his first term and I urge my colleagues to support House Joint Resolution 357 for his reappointment.

Mr. MINETA. Mr. Speaker, I rise in support of the resolution to reappoint Samuel C. Johnson as a citizen member of the Board of Regents of the Smithsonian Institution. I have had the privilege of serving with Mr. Johnson for the past 6 years on the Board of Regents and can attest to the important contribution he has made to the Smithsonian. His knowledge and extensive experience in management and business have proven invaluable to the Smithsonian, as has his expertise in development activities and educational issues.

For these reasons, I am proud to be a cosponsor of House Joint Resolution 357 for Samuel Johnson's appointment as a Smithsonian Regent. I urge your support for the resolution.

Mr. CONTE. Mr. Speaker, I rise in support of House Joint Resolution 357 that provides for the reappointment of Samuel C. Johnson to the Board of Regents of the Smithsonian Institution.

I have served as a congressional member of the same Board with Mr. Johnson and commend to my colleagues his thoughtful intelligence and the breadth of experience he brings to the management of the affairs of the Institution.

Mr. Johnson is one of the three Regents who serves on the Executive Committee which plays a crucial role in the policy and operation of the Institution and Mr. Johnson is a full participant in its activities.

He also is a member of the Nominating Committee of the Board of Regents. This resolution would allow Mr. Johnson to serve another 6 years on the Board of Regents.

Samuel Johnson, chairman of Johnson's Wax Fund, Inc., has been a distinguished citizen member of the Board since 1983, and his reappointment would well serve the Smithsonian Institution as it enters the final decade of the 20th century.

The Board of Regents is composed of the Vice President, the Chief Justice of the United States, three Members each of the House of Representatives and the Senate, and nine other citizen members, two of whom shall be members of the District of Columbia. I am privileged to serve as House Regent.

Mr. Johnson's philanthropic activities set an example for others to follow as he has been named to chairman of the board of trustees, the Mayo Foundation; trustee emeritus and presidential councilor, Cornell University; member of the Nature Conservancy's International Advisory Committee; member, Council of Former Governor's, American Red Cross; and is currently a member of the Smithsonian's Board of Regents Executive Committee.

In 1980, Samuel Johnson was named "Philanthropist of the Year" by the National Society of Fund Raising Executives for his dedication to private philanthropy.

He has received numerous awards and honors including six honorary doctorate degrees including the University of Surrey (England) and Marquette University. He has been elected an honorary trustee of the American Craft Council, an honorary trustee of Ducks Unlimited, Inc. Mr. Johnson's strong conservation ethic, epitomized by this latter award, is especially noteworthy for a member of the Board of Regents, and one to which I am personally proud to share.

His service on the Board for the past 6 years has been distinguished and of tremendous benefit to the Smithsonian. His business expertise is invaluable in the many financial decisions the Government is required to make, and Mr. Johnson's interest in air and space matters has contributed greatly to the success of that program. Mr. Speaker, the Smithsonian is fortunate to have such a distinguished business man serve on its Board of Regents, and I urge my colleagues to join me in unanimously supporting this resolution reappointing Mr. Jim Johnson as a citizen Regent of the Smithsonian Institute.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. CLAY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri [Mr. CLAY] that the House suspend the rules and pass the joint resolution, House Joint Resolution 357, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution, as amended, was passed.

The title of the joint resolution was amended so as to read: "Joint resolution providing for the reappointment of Samuel Curtis Johnson as a citizen regent of the Board of Regents of the Smithsonian Institution."

A motion to reconsider was laid on the table.

REAPPOINTMENT OF JEANNINE SMITH CLARK TO BOARD OF REGENTS OF SMITHSONIAN INSTITUTION

Mr. CLAY. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 358) providing for the reappointment of Jeannine Smith Clark as a citizen regent of the Board of Regents of the Smithsonian Institution, as amended.

The Clerk read as follows:

H.J. RES. 358

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with section 5581 of the Revised Statutes of the United States (20 U.S.C. 43), the vacancy on the Board of Regents of the Smithsonian Institution, in the class other than Members of Congress, occurring by reason of the expiration of the term of Jeannine Smith Clark of the District of Columbia on August 25, 1989, is filled by the reappointment of the incumbent for a term of six years, effective August 26, 1989.

The SPEAKER pro tempore. Is a second demanded?

Mr. GILLMOR. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. CLAY] will be recognized for 20 minutes, and the gentleman from Ohio [Mr. GILLMOR] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Mr. Speaker, I yield myself such time as I may consume.

House Joint Resolution 358, as amended, provides for the reappointment of Mrs. Jeannine Smith Clark for a second term to the Smithsonian Board of Regents.

Mrs. Clark, a native of Washington, DC, was first appointed to the Board of Regents on August 26, 1983.

She is the founding chairperson of the Smithsonian Cultural Education Committee, and the current chairperson of the Commission of the National Portrait Gallery. In addition to her active participation on the Board, Mrs.

Clark has been an active participant in local and national civic affairs.

Mrs. Clark has served with distinction over the past 6 years and merits reappointment.

Mr. Speaker, I reserve the balance of my time.

Mr. GILLMOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Joint Resolution 358, as amended, providing for the reappointment of Jeannine Smith Clark as a citizen regent of the Board of Regents of the Smithsonian Institution. Mrs. Clark was first appointed in 1983 to serve on the Board as a regent from the District of Columbia. Her résumé cites a long and distinguished career of civic participation, not only within the Smithsonian community, but within the Nation's Capital community itself. Her breadth of experiences is commendable and make her a valuable member of the Board of Regents. I urge my colleagues to support House Joint Resolution 358 providing for Mrs. Clark's reappointment.

Mr. MINETA. Mr. Speaker, it is a pleasure for me to rise to support the reappointment of Jeannine Smith Clark as a citizen regent of the Smithsonian Institution. I have been fortunate enough to have served with Mrs. Clark on the Smithsonian Board of Regents during her first term and can attest to the major contributions she has made to the successful functioning of the Smithsonian. As a resident of the District of Columbia and active participant in an impressive number of cultural, educational, and civic activities, Jeannine Clark provides the Regents with a unique and important local perspective. That is why I have cosponsored House Joint Resolution 358 to reappoint Jeannine Smith Clark as a Smithsonian Regent. I urge your approval of this resolution.

Mr. CONTE. Mr. Speaker, I rise in support of House Joint Resolution 358 which provides for the reappointment of Jeannine Smith Clark to the Board of Regents of the Smithsonian Institution. This resolution would allow Mrs. Clark to serve another 6 years on the Board of Regents.

Jeannine Smith Clark is one of the two citizen members of the Board of Regents from the District of Columbia, a requirement mandated by law. She has served as a member of the Personnel Committee, as Chairman, National Portrait Gallery Commission, and as Chairman, Smithsonian Institution's Women's Committee. Jeannine Smith Clark is very active in citizen issues and projects in the District of Columbia, serving as chairperson of the District's Bicentennial Commission; founding chairperson of the Howard University Hospital Advisory Board; corporate board member for Children's Hospital National Medical Center; and Washington studio vice chairman for Recording for the Blind. Her unbounded dedication to serving the public, especially here in the District, is a quality that we need to maintain on the Board of Regents. Mrs. Clark's activism on behalf of worthy causes has not gone unnoticed.

She has been awarded a citation for Outstanding Leadership and Dedicated Service by the District of Columbia United Way; "Mother of the Year Award" by the D.C. Federation of Civic Associations; and the Smithsonian National Museum's Natural History Award for Meritorious Service.

Jeannine Smith Clark has an in depth knowledge on a broad range of subjects and has done research in the field of anthropology and history. She is affiliated with Association of African Studies, National Geographic Society, Children's International Summer Village and the United States Association of Museum Volunteers. Her background and experience strongly commend her to a second term on the Smithsonian Institution's Board of Regents.

I have served as a congressional member of the same Board with Mrs. Clark for the past 6 years and have been impressed by her intelligence, dedication, and graciousness. Mrs. Clark has been the guiding spirit of the Smithsonian's efforts, that are, indeed, bearing fruit, to enhance the cultural diversity of its staff and of its programming.

Mr. Speaker, I urge my colleagues to unanimously support this resolution which would make available to the Smithsonian an invaluable asset in the form of Jeannine Smith Clark.

Mr. GILLMOR. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. CLAY. Mr. Speaker, I have no furher requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri [Mr. CLAY] that the House suspend the rules and pass the joint resolution, H.R. 358, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution, as amended, was passed.

A motion to reconsider was laid on the table.

□ 1530

GENERAL LEAVE

Mr. CLAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolutions, H.J. Res. 357 and H.J. Res. 358, just considered.

The SPEAKER pro tempore (Mr. MCDERMOTT). Is there objection to the request of the gentleman from Missouri?

There was no objection.

COPYRIGHT ROYALTY TRIBUNAL REFORM AND MISCELLANEOUS PAY ACT OF 1989

Mr. KASTENMEIER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3046) to reduce the number of commissioners on the Copyright Royalty Tribunal, to change the salary classification rates for members of the Copyright Tribunal and the United States Parole Commission and for the Deputy and Assistant Commissioners of Patents and Trademarks, and for other purposes as amended.

The Clerk read as follows:

H.R. 3046

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Copyright Royalty Tribunal Reform and Miscellaneous Pay Act of 1989".

SEC. 2. COPYRIGHT ROYALTY TRIBUNAL AND COPYRIGHT OFFICE.

(a) MEMBERSHIP OF THE COPYRIGHT ROYALTY TRIBUNAL; LAPSED TERMS; PAY.—Section 802(a) of title 17, United States Code, is amended to read as follows:

"(a) The Tribunal shall be composed of three Commissioners appointed by the President, by and with the advice and consent of the Senate. The term of office of any individual appointed as a Commissioner shall be seven years, except that a Commissioner may serve after the expiration of his or her terms until a successor has taken office. Each Commissioner shall be compensated at the rate of pay in effect for level V of the Executive Schedule under section 5316 of title 5.".

(b) COPYRIGHT OFFICE.—Section 701 of title 17, United States Code, is amended by adding at the end the following new subsection:

"(e) The Register of Copyrights shall be compensated at the rate of pay in effect for level IV of the Executive Schedule under section 5315 of title 5. The Librarian of Congress shall establish not more than 4 positions for Associated Registers of Copyrights, in accordance with the recommendations of the Reigister of Copyrights. The Librarian shall make appointments to such positions after consultation with the Register of Copyrights. Each Associate Register of Copyrights shall be paid at a rate not to exceed the maximum annual rate of basic pay payable for GS-18 of the General Schedule under section 5332 of title 5.".

SEC. 3. PAY RATES FOR PAROLE COMMISSION.

(a) CHAIRMAN.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Chairman, United States Parole Commission.".

(b) OTHER COMMISSIONERS.—Section 5316 of title 5, United States Code, is amended by adding at the end the following:

"Commissioners, United States Parole Commission (8).".

SEC. 4. PAY RATES FOR DEPUTY AND ASSISTANT COMMISSIONERS OF PATENTS AND TRADEMARKS.

Section 5316 of title 5, United States Code, is amended by adding at the end the following:

"Deputy Commissioner of Patents and Trademarks.

"Assistant Commissioner for Patents.

"Assistant Commissioner for Trademarks.".

SEC. 5. EFFECTIVE DATE; BUDGET ACT.

(a) EFFECTIVE DATE.—The amendments made by this Act shall take effect on the date of enactment of this Act.

(b) BUDGET ACT.—Any new spending authority (within the meaning of section 401 of the Congressional Budget Act of 1974)

which is provided under this Act shall be effective for any fiscal year only to the extent or in such amounts as are provided in appropriations Acts.

The SPEAKER pro tempore. Is a second demanded?

Mr. MOORHEAD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. KASTENMEIER] will be recognized for 20 minutes, and the gentleman from California [Mr. MOORHEAD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. KASTENMEIER].

Mr. KASTENMEIER. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, today I bring before the House the bill, H.R. 3046, the Copyright Royalty Tribunal and Miscellaneous Pay Act of 1989.

At the outset, I would like to thank the members of my subcommittee—the Subcommittee on Courts, Intellectual Property, and the Administration of Justice—for helping to develop this legislation. I would underline the efforts of the ranking minority member of the subcommittee, the gentleman from California [Mr. MOORHEAD] and the ranking minority member of the full Committee, the gentleman from New York [Mr. FISH].

H.R. 3046, as amended, is a housekeeping bill which, in the long run, will improve the functioning of four important Government entities: Three with important intellectual property responsibilities and one in the criminal justice arena. The proposed legislation, the outgrowth of hearings held by my subcommittee earlier this year, seeks to assure that high level officials at the Copyright Royalty Tribunal, the Copyright Office, the U.S. Parole Commission, and the U.S. Patent and Trademark Office receive salaries consistent with their counterparts in Government. H.R. 3046 also provides several structural reforms for the Copyright Royalty Tribunal.

First. The Copyright Royalty Tribunal: The Copyright Royalty Tribunal, located in the legislative branch of Government, was created by the Copyright Revision Act of 1976. The primary functions of the Tribunal are first, the distribution of funds collected for cable and satellite transmitted television signals and for jukeboxes and second, the setting of rates for the cable and jukebox compulsory licenses.

H.R. 3046 reduces the number of Commissioners on the Tribunal—from five to three—provides for lapsed terms so that a Commissioner may serve beyond the expiration of his or her term, until a new Commissioner is confirmed; and changes the salary classification rates for members of the Tribunal—from GS-18 of the General Schedule to Executive Level V. In this latter regard, Executive Level V is equal to the entry level for Presidential appointees in the executive branch.

When the Tribunal was created in 1976, GS-18 was the highest level for Civil Service employees. Subsequently, in 1978 Congress revised the supergrade system, supplementing it with the Senior Executive Service [SES]. Since then almost all GS-18 positions have been converted to SES. The GS-18 position, which once numbered in the thousands now number less than 80, mostly non-supervisory personnel in the executive branch. Although the pay levels for GS-18 is the same as that of Executive Level V, the President's Quadrennial Pay Commission recommended revisions in the Executive Level salary schedule and not the General Schedule. H.R. 3046 does not therefore result in a pay increase for the Commissioners of the Tribunal but it does pave the way if a pay raise occurs for high-ranking individuals in the congressional, executive and judicial branches.

Second, the U.S. Copyright Office: The U.S. Copyright Office, located in the Library of Congress, is responsible for administering the copyright law and the semiconductor chip protection law pursuant to title 17 of the United States Code. The Copyright Office is directed by the Register of Copyrights and several Associate Registers of Copyrights. The Office, being a part of the Library, is located in the legislative branch and is an excellent resource for Members of Congress.

H.R. 3046 provides that the Register is to be compensated at the rate of pay in effect for Level IV of the Executive Schedule, treating the Register similarly with the Commissioner of Patents and Trademarks. The bill also provides that the Librarian of Congress shall appoint Associate Registers of Copyrights in accordance with the recommendations of the Register of Copyrights in accordance with the recommendations of the Register of Copyrights to assist in the performance of the Register's duties. The Associate Registers shall be paid at a rate not to exceed the maximum annual rate of pay payable to GS-18 of the General Schedule. If the Library is reorganized at any time in the future, the subcommittee will be consulted and will, in turn, participate constructively in the reorganization. A reorganization might, for example, convert General Schedule position into SES positions, creating a situation where further amendments to the Copyright Office charter are necessary.

Third, the United States Parole Commission: The United States Parole Commission is an independent agency within the U.S. Department of Justice. It currently is comprised of nine members appointed by the President. Among the Commissioners, the President designates one to serve as Chair.

Although the Parole Commission is slated for abolition in 1992, it still serves a very important function for inmates sentenced before 1987. Therefore, H.R. 3046 transfers the Commissioner positions from GS-18 to Executive Level V; it also makes the Chair of the Parole Commission an Executive Level IV.

The need to amend the Parole Commission charter was originally brought to my attention by the gentleman from Maryland [Mr. HOYER], who deserves credit for this provision.

4. U.S. Patent and Trademark Office: Finally, the Patent and Trademark Office, within the U.S. Department of Commerce, administers laws relating to patents and trademarks to promote the progress of science and technology, to strengthen the national economy, and to benefit the public interest. H.R. 3046 upgrades three high-ranking Presidential appointees—the Deputy Commissioner, the Assistant Commissioner of Patents, and the Assistant Commissioner of Trademarks—from the General Schedule to Executive Level V. Again, the rationale for this change is the same as for the Copyright Royalty Tribunal, U.S. Copyright Office and the Parole Commission.

H.R. 3046 will not require additional budgetary outlays. I am aware of no opposition to the measure.

Given the current emphasis of this country in a more effective criminal justice system as well as improved intellectual property laws, it makes eminent good sense to treat high-level Government employees—especially those appointed by the President of the United States—with the respect that they deserve. As recently noted by Paul Volcker, in his capacity as chairman of the National Commission on the Public Service: the Federal Government * * * is increasingly unable to attract, retain, and motivate the kinds of people it will need to do the essential work of the republic in the years and decades ahead. H.R. 3046 is a short step in the right direction of solving this quiet crisis in Government. I am just thankful that the four Government entities affected by this legislation have, over the years, been ably led by individuals devoted to public service and have fulfilled their legislative charters in a time of budgetary stress. The bill is in part a tribute to their leadership, in part a message to keep up the good work. The Congress and this country need your services.

I urge your support of this important piece of legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to commend our subcommittee chairman, the gentleman from Wisconsin [Mr. KASTENMEIER] for bringing this legislation to the floor and for his support in working out the adjustments for the Copyright Office.

With regard to the Copyrights Royalty Tribunal [CRT] bill (H.R. 3046) it is important legislation and is long overdue. Without this bill I am concerned with whether the CRT will be able to function, since they have been operating with only two Commissioners out of five, which is not good practice and may not even be a quorum. This legislation would reduce the number of Commissioners from five to three.

Another important part of this bill provides that the CRT Commissioners and the Patent and Trademark Deputy and two Assistant Commissioners who are presently compensated at a GS-18 level will be transferred to an Executive Level V.

Mr. Speaker, I would like to take this opportunity to commend the former Commissioner of Patents for a job well done. He took over that position in October 1985 and during his tenure, which ended last month he contributed significantly to the growth and protection of intellectual property both nationally and internationally. One of the many significant accomplishments he attained was reducing the time period a person has to wait before receiving a patent. In 1981 the PTO budget model showed that the pendency was headed for 48 months by the late 1980's. With the help and encouragements of our subcommittee chairman and the former Secretary of Commerce Malcolm Baldrige who reaffirmed the administration commitment to 18 months' pendency in May, 1989. It is with great pride that I advise this House that the goal of 18 in 1989 was met last month and I want to particularly congratulate and thank Don Quigg for his tremendous leadership and his staff of examiners for their tremendous effort and for all Don Quigg has done for the PTO during his term in office. He will be missed.

Presently the Commissioner of Patents is compensated at Executive Level IV. H.R. 3046 brings the compensation level of the Register of Copyrights into parity with the Commissioner of Patents. This change would not have any immediate fiscal consequences because all the positions are already at the maximum pay level.

Mr. Speaker, the Register of Copyrights not only presides over administrative rulemakings and the collection of cable TV's compulsory license royalties set by the Tribunal, but also supervises a staff of several hundred persons engaged in important task such as examining copyright registration applications, drafting legislation, advising the Congress and executive branch on matters of Copyright policy and representing the United States in international copyright matters.

In carrying out these responsibilities the Register has been assisted by three Associate Registers of Copyrights. One of these positions is currently vacant and there is some question whether the Library of Congress has sufficient authorized positions at the appropriate pay grade to fill it. H.R. 3046 would codify these positions and raise them from a level of GS-17 to a GS-18, bringing them into closer parity with their colleagues at the Patent and Trademark Office. This change would not have any immediate fiscal consequences because all the positions are already at the maximum pay level. Given the fact that the Copyright Office currently is handling 42 percent more claims to copyright than 10 years ago as well as increased responsibilities associated with United States adherence to the Berne Convention and an increased volume of legislation requiring analysis by the Copyright Office.

The Copyright Office is an important division of the Library of Congress, which, as we all know, is a tremendous resource arm of this body. If we expect this resource to continue to be available and do the job we expect of them we must provide them with the support and resources needed. I have been in touch with the Librarian of Congress who shares our commitment to a strong U.S. Copyright Office. The Librarian—Dr. Billington—has assured this committee that he will fully consider the needs of the Copyright Office in his review of senior management positions of the Library and will continue to work toward making that office an international example of efficiency and productivity. He has also assured this committee that he will consult with us when his review of the Library and the Copyright Office is completed.

Mr. Speaker, I am not aware of any opposition to this legislation and urge a favorable vote.

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Mr. KASTENMEIER. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I would like to join in the remarks made by the gentleman from California [Mr. MOORHEAD] about the former Commissioner of Patents and Trademarks. Donald Quigg took over the helm of the Office in the fall of 1985 and guided its course for 4 years. During that time, the importance of patents and trademarks continued to grow in our society. In expert and unflappable fashion, the Commissioner presided over a large and growing Government enterprise, one with growing obligations in a constantly changing technological environment. Although I have had some difference with the Commissioner on certain policy issues, I commend him for a job well done and thank him for his service to the public.

In a related regard, another individual deserves our commendation. Edward Ray recently retired from the Copyright Royalty Tribunal, where he had served for almost 8 years. Mr. Ray chaired the Tribunal on several occasions, at least once under extremely difficult circumstances when the Tribunal was down to two Commissioners and under a great deal of public scrutiny. His leadership allowed the Tribunal to survive and even grow to its respected statute today. Mr. Ray deserves our tribute.

Mr. Speaker, I yield back the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume, and I certainly do join the gentleman from Wisconsin in commanding the service of Eddie Ray. He has done an outstanding job.

Mr. FISH. Mr. Speaker, I rise in support of H.R. 3046. In many respects this legislation is technical, in that it would reduce the size of the Tribunal from five to three, but three has been the size of the CRT for the last couple of years. We are merely codifying that practice. The bill would also transfer the salary levels of the Parole Commissioners, the Commissioners of the CRT, the Assistant Commissioners of the Patent Office and the Register of Copyrights from GS-18 to level V of the executive schedule, bringing them in parity with each other. The CRT is a small agency even though it divides the distribution of hundreds of millions of dollars and like the Copyright Office, it too is located in the legislative branch. Therefore, they look to this committee, not OMB, for budgetary assistance and guidance. The administration has no objection to this legislation. I commend the gentleman from Wisconsin [Mr. KASTENMEIER] and the gentleman from California [Mr. MOORHEAD] for their continued support and oversight of the Copyright and Patent Office.

Mr. Speaker, I would like to take a minute and applaud the job being done by our present Register of Copyrights, Ralph Oman. His expertise and assistance to the Judiciary Committee and the Congress is greatly appreciated and valued. We expect that Oifice to become more and more critical as we try and stem the tens of billions of dollars and thousands of jobs lost every year to the pirates of copyrights.

Also, Mr. Speaker, I would like to identify with the remarks of the gentleman from California [Mr. MOORHEAD] concerning the retirement of the Commissioner of Patents, Don Quigg. He, too, was very important to the committee as we went through the decade of the eighties, reorganizing and upgrading the Patent and Trademark Office. We owe him

our gratitude and our appreciation, and we wish him well in his retirement from a very distinguished patent attorney career.

Mr. Speaker, I urge a favorable vote on H.R. 3046.

Mr. MOORHEAD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. KASTENMEIER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. (Mr. MCDERMOTT). The question is on the motion offered by the gentleman from Wisconsin [Mr. KASTENMEIER] that the House suspend the rules and pass the bill, H.R. 3046, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill as amended was passed.

That title of the bill was amended so as to read: "A bill to reduce the number of Commissioners on the Copyright Royalty Tribunal, to change the salary classification rates for members of the Copyright Tribunal and the U.S. Parole Commission, for the Register and Associate Registers of Copyrights, and for the Deputy and Assistant Commissioners of Patents and Trademarks, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on H.R. 3046, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EMERGENCY DRUG ABUSE TREATMENT EXPANSION ACT OF 1989

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3630), to amend the Public Health Service Act with respect to the prevention and treatment of substance abuse, including establishing separate block grants with respect to substance abuse and mental health as amended.

The Clerk read as follows:

H.R. 3630

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Drug Abuse Treatment Expansion Act of 1989".

TITLE I—SEPARATE AUTHORIZATIONS OF APPROPRIATIONS FOR BLOCK GRANTS WITH RESPECT TO SUBSTANCE ABUSE AND MENTAL HEALTH

SEC. 101. ESTABLISHMENT OF SEPARATE AUTHORIZATIONS OF APPROPRIATIONS.

Section 1911 of the Public Health Service Act (42 U.S.C. 300x) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1911. (a)(1) With respect to alcohol and drug abuse, for the purpose of carrying out this subpart and section 509D, there are authorized to be appropriated $953,000,000 for fiscal year 1990 and $703,000,000 for fiscal year 1991.

"(2) With respect to alcohol and drug abuse, for the purpose of carrying out sections 509D, 1921, and 1922, the Secretary shall obligate not less than 5 percent, and not more than 15 percent, of the amounts appropriated for a fiscal year pursuant to paragraph (1).

"(b)(1) With respect to mental health, for the purpose of carrying out this subpart and section 509D, there are authorized to be appropriated $252,000,000 for fiscal year 1990 and such sums as may be necessary for fiscal year 1991.

"(2) With respect to mental health, for the purpose of carrying out sections 509D, 1921, and 1923, the Secretary shall obligate not less than 5 percent, and not more than 15 percent, of the amounts appropriated for a fiscal year pursuant to paragraph (1).".

TITLE II—CATEGORICAL GRANTS WITH RESPECT TO SUBSTANCE ABUSE

SEC. 201. ESTABLISHMENT OF OFFICE FOR TREATMENT IMPROVEMENT.

(a) IN GENERAL.—Title V of the Public Health Service Act (42 U.S.C. 290aa et seq.) is amended by inserting after section 507 the following new section:

"OFFICE FOR TREATMENT IMPROVEMENT

"SEC. 507A. (a) There is established in the Administration an Office for Treatment Improvement (hereafter in this section referred to as the "Treatment Office"). The Treatment Office shall be headed by a Director appointed by the Secretary from among individuals with extensive experience or academic qualifications in the treatment of drug or alcohol abuse. The Secretary, acting through the Director of the Treatment Office, shall carry out this section.

"(b) With respect to alcohol and drug abuse, the Director of the Treatment Office shall—

"(1) collaborate with the Director of the Office for Substance Abuse Prevention in order to provide outreach services to identify individuals in need of treatment services, with emphasis on the provision of such services to racial and ethnic minorities, to adolescents, to pregnant and postpartum women and their infants, to individuals who abuse drugs intravenously, and to residents of publicly assisted housing;

"(2) collaborate with the Director of the National Institute on Drug Abuse and with the States to promote the study of the outcomes of treatment services in order to identify the manner in which such treatment services can most effectively be provided;

"(3) collaborate with the Director of the National Institute on Drug Abuse in order to promote the dissemination and implementation of research findings that will improve the delivery and effectiveness of treatment services;

"(4) evaluate plans submitted by the States pursuant to section 1916B in order to advise the Administrator on whether the plans adequately provide for the allocation of the treatment resources of the States;

"(5) carry out the program established in section 509E;

"(6) carry out the program established in section 509G(b), with emphasis on initiating and expanding programs for the provision of treatment services (including renovation of facilities, but not construction) in localities in which, and among populations for which, there is a public health crisis as a result of the inadequate availability of such services and a substantial rate of such abuse;

"(7) sponsor regional workshops on improving the quality and availability of treatment services;

"(8) provide technical assistance to public and nonprofit private entities that provide prevention and treatment services, including technical assistance with respect to the process of submitting to the Director applications for any program of grants carried out by the Director;

"(9) after consultation with organizations that represent providers of prehospital emergency medical services, carry out programs to train such providers with respect to responding to any emergency involving special problems that arise as a result of the abuse of alcohol or drugs by the victim of the emergency, including the problem of interacting with victims who are violent as a result of such abuse; and

"(10) encourage State and Federal agencies offering treatment opportunities for individuals addicted to drugs or alcohol to utilize and establish self-run, self-supported recovery homes based on the Oxford House Model, as described in section 1916A.

"(c) With respect to alcohol and drug abuse, the Director of the Treatment Office shall conduct or support programs—

"(1) to assist in the planning, initiation, administration, and expansion of programs for the provision of treatment services in rural communities through the provision of assistance to hospitals, community health centers, migrant health centers, health entities of Indian tribes and tribal organizations (as defined in section 1913(b)(5)), and other appropriate entities, and in providing such assistance, shall ensure that the assistance is equitably allocated among the principal geographic regions of the United States, subject to the availability of qualified applicants for the assistance;

"(2) to provide treatment services by making grants to grantees under any of sections 340, 329, and 330, and in making such grants, shall ensure that the grants are equitably allocated among the principal geographic regions of the United States, and between urban and rural areas, subject to the availability of qualified applicants for the grants;

"(3) improve coordination of the treatment resources of communities in order to ensure that the resources are applied in the manner most consistent with the needs of the communities, including referring individuals to the most appropriate provider of treatment services;

"(4) improve coordination between treatment facilities and agencies providing health, social, and employment services in order to assist, in a comprehensive manner, individuals undergoing treatment;

"(5) carry out activities to educate communities on the need for establishing treatment facilities within the communities;

"(6) encourage public and private entities that provide health insurance to provide

benefits for outpatient treatment services and for treatment services through other less intensive modes of treatment; and

"(7) develop programs to increase the number of health professionals providing treatment services and to promote the increased integration into the heath care system of the United States of programs for providing treatment services.

"(d) Grants under this section may be made only to public and nonprofit private entities.

"(e)(1) For the purpose of carrying out paragraph (1) of subsection (c), there is authorized to be appropriated $100,000,000 for each of the fiscal years 1990 and 1991.

"(2) For the purpose of carrying out paragraph (2) of subsection (c), there is authorized to be appropriated $50,000,000 for each of the fiscal years 1990 and 1991.".

(b) AVAILABILITY OF CERTAIN AMOUNTS.—Of the amounts made available under section 307, the Secretary shall reserve not less than 40 percent for carrying out subsection (c)(1), and not less than 20 percent for carrying out subsection (c)(2), of section 507A of the Public Health Service Act, as added by subsection (a) of this section.

SEC. 202. ESTABLISHMENT OF NATIONAL CAPITAL AREA DRUG ABUSE TREATMENT DEMONSTRATION PROGRAM.

Title V of the Public Health Service Act, as amended by section 201 of this Act, is amended by inserting after section 507A the following new section:

"MODEL COMPREHENSIVE PROGRAM FOR DRUG ABUSE TREATMENT

"SEC. 507B. (a) The Secretary, acting through the Director of the Office for Treatment Improvement, shall make a demonstration grant for the establishment, within the national capital area, of a model program for providing comprehensive treatment services for drug abuse.

"(b) The Secretary may not make a grant under subsection (a) unless, with respect to the comprehensive treatment services to be offered by the program under such subsection, the applicant for the grant agrees—

"(1) to ensure, to the extent practicable, that the program has the capacity to provide the services to all individuals who seek and would benefit from the services;

"(2) as appropriate, to provide education on obtaining employment and other matters with respect to assisting the individuals in preventing any relapse with respect to drug abuse, including education on the appropriate involvement of parents and sexual partners in preventing such a relapse;

"(3) to provide services in locations accessible to drug abusers and, to the extent practicable, to provide services through mobile facilities;

"(4) to give priority to providing services to individuals who abuse drugs intravenously, to pregnant women, to homeless individuals, and to residents of publicly-assisted housing;

"(5) with respect to women with dependent children, to provide child care to such women seeking treatment services for drug abuse;

"(6) to conduct outreach activities to inform individuals of the availability of the services of the program;

"(7) to provide case management services, including services to determine eligibility for assistance under Federal, State, and local programs providing health services, mental health services, or social services;

"(8) to ensure the establishment of one or more offices to oversee the coordination of the activities of the program, to ensure that treatment is available to those seeking it, to ensure that the program is administered efficiently, and to ensure that the public is informed that the offices are the locations at which individuals may make inquires concerning the program, including the location of available treatment services within the national capital area; and

"(9) to develop and utilize standards for certifying the knowledge and training of individuals, and the quality of programs, to provide treatment services for drug abuse.

"(c)(1) The Secretary may not make the grant under subsection (a) unless the applicant for the grant is an organization of the general-purpose local governments within the national capital area, or another public or nonprofit private entity, and the applicant submits to the Secretary assurances satisfactory to the Secretary that, with respect to the communities in which services will be offered, the local governments of the communities will participate in the program.

"(2) The grantee under subsection (a) may provide the services required by such subsection directly or through arrangements with public and nonprofit private entities.

"(d)(1) The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees, with respect to the costs to be incurred by the applicant in carrying out the purpose described in such subsection, to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount equal to not less than $1 for each $4 of Federal funds provided under the grant.

"(2) Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(e) The Director of the National Institute on Drug Abuse shall evaluate the effectiveness of the program carried out under subsection (a). In conducting the evaluation, the Director shall evaluate the extent to which the program has effectively utilized innovative methods for overcoming the resistance of the residents of communities to the establishment of treatment facilities within the communities.

"(f)(1) The Secretary shall make a determination of the appropriate criteria for carrying out the program required in subsection (a), including the anticipated need for, and range of, services under the program in the communities involved and the anticipated costs of the program. Not later than 90 days after the date of the enactment of the Emergency Drug Abuse Treatment Expansion Act of 1989, the Secretary shall submit to the Congress a report describing the findings made as a result of the determination.

"(2) Not later than 1 year after the date on which the grant is made under subsection (a), and annually thereafter, the Secretary shall submit to the Congress a report describing the extent to which the program carried out under subsection (a) has been effective in carrying out the purposes of the program.

"(g) For purposes of this section, the term 'national capital area' means the metropolitan Washington area, including the District of Columbia, the cities of Alexandria, Falls Church, and Fairfax in the State of Virginia, the counties of Arlington and Fairfax in such State (and the political subdivisions of such State located in such counties), and the counties of Montgomery and Prince Georges in the State of Maryland (and the political subdivisions of such State located in such counties).

"(h) Of the amounts made available in appropriations Acts for fiscal year 1990 for carrying out the programs administered by the Director of the Office for Treatment Improvement, the Secretary, acting through such Director, shall reserve not less than $35,000,000, and not more than $50,000,000, for carrying out this section.

"(i) For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for fiscal year 1991.".

SEC. 203. REVISION IN PROGRAM FOR REDUCTION OF WAITING PERIOD FOR DRUG ABUSE TREATMENT.

(a) ADMINISTRATOR OF PROGRAM.—Section 509E(a) of the Public Health Service Act (42 U.S.C. 290aa-12(a)) is amended by striking "the Administrator" and inserting "the Director of the Office for Treatment Improvement".

(b) USE OF GRANT.—Section 509E of the Public Health Service Act (42 U.S.C. 290aa-12) is amended—

(1) by striking subsection (d) and redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c) A grantee under subsection (a) may expend not more than 50 percent of the grant to develop and provide, directly or through arrangements with public and nonprofit private entities, follow-up services with respect to preventing the abuse of drugs by individuals to whom the entity has provided treatment services for such abuse.".

(c) FUNDING.—

(1) IN GENERAL.—Section 509E(f) of the Public Health Service Act (42 U.S.C. 290aa-12(f)) is amended—

(A) in paragraph (1), by striking "$100,000,000." and inserting "$165,000,000."; and

(B) in paragraph (3), by striking "$100,000,000" and inserting "$165,000,000".

(2) AVAILABILITY OF CERTAIN AMOUNTS.—Of the amounts made available under section 307, the Secretary shall reserve not less than 10 percent for carrying out section 509E of the Public Health Service Act.

SEC. 204. REVISION IN PROGRAM OF MODEL PROJECTS FOR REDUCING INCIDENCE OF ALCOHOL AND DRUG ABUSE AMONG PREGNANT AND POSTPARTUM WOMEN AND THEIR INFANTS.

(a) IN GENERAL.—Section 509F of the Public Health Service Act (42 U.S.C. 290aa-13) is amended by striking subsections (b) through (e) and inserting the following:

"(b) In making grants under subsection (a), the Director of the Office shall give priority—

"(1) to projects that will provide treatment services; and

"(2) to projects for which there are assurances satisfactory to the Director that non-Federal contributions will be available in excess of such contributions required in subsection (f).

"(c) With respect to treatment services for alcohol and drug abuse, the Director of the Office may not make a grant under subsection (a) for such services unless the applicant for the grant agrees that, directly or through arrangements with other public or nonprofit entities, the applicant will provide, for pregnant and postpartum women—

"(1) outreach services in the community involved to identify such women who are abusing alcohol or drugs and to encourage such women to undergo treatment for such abuse;

"(2) prenatal and postpartum health care for women undergoing such treatment;

"(3) with respect to the infants of such women, pediatric services for infants not exceeding 1 year of age;

"(4) child care, transportation, and other support services with respect to such treatment, including, as appropriate, visits to the home of such women;

"(5) as appropriate, referrals to facilities for necessary hospital services;

"(6) education on obtaining employment, and other appropriate follow-up services with respect to assisting such women in preventing any relapse with respect to alcohol or drug abuse;

"(7) case management services, including assistance in establishing eligibility for assistance under Federal, State, and local programs providing health services, mental health services, or social services; and

"(8) reasonable efforts to preserve and support the family unit and protect the infants involved.

"(d) The Director of the Office may not make a grant under subsection (a) unless the applicant for the grant agrees that the services required in subsection (c)—

"(1) will be provided at locations accessible to low-income pregnant and postpartum women; and

"(2) will be provided in the language and the cultural context that is most appropriate.

"(e) With respect to any health service under this section that is covered by the appropriate State plan approved under title XIX of the Social Security Act, the Director of the Office may not make a grant under subsection (a) unless—

"(1) the applicant for the grant will provide the health service directly, and the applicant has entered into a participation agreement under the appropriate State plan and is qualified to receive payments under such plan; or

"(2) the applicant for the grant has entered into a contract with an entity for the entity to provide the health service, and the entity has entered into such a participation agreement and is qualified to receive such payments.

"(f) The Director of the Office may not make a grant under subsection (a) unless the applicant for the grant agrees that, if a charge is imposed for the provision of services or activities under the grant, such charge—

"(1) will be made according to a schedule of charges that is made available to the public;

"(2) will be adjusted to reflect the income and resources of the woman involved; and

"(3) will not be imposed on any woman with an income of less than 100 percent of the official poverty line, as established by the Director of the Office for Management and Budget and revised by the Secretary in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981.

"(g) In making grants under subsection (a) for the provision of treatment services for alcohol and drug abuse, the Director of the Office shall ensure that the grants are reasonably distributed among projects that provide outpatient treatment and projects that provide residential treatment.

"(h)(1) The Director of the Office may not make a grant under subsection (a) unless the applicant for the grant agrees, with respect to the costs to be incurred by the applicant in carrying out the purpose described in such subsection, to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount equal to not less than—

"(A) $1 for each $9 of Federal funds provided for the first year of payments under the grant; and

"(B) $1 for each $3 of Federal funds provided in any subsequent year of such payments.

"(2) Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(i)(1) The Director of the Office may not, except as provided in paragraph (2), make a grant under subsection (a) unless the applicant for the grant agrees that the grant will not be expended—

"(A) to provide inpatient services, except with respect to residential treatment for alcohol and drug abuse provided in settings other than hospitals;

"(B) to make cash payments to intended recipients of services under the program involved;

"(C) to purchase or improve real property (other than minor remodeling of existing improvements to real property) or to purchase major medical equipment; or

"(D) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

"(2) If the Director of the Office finds that the purpose of the program involved cannot otherwise be carried out, the Director may, with respect to an otherwise qualified grantee, waive the restriction established in paragraph (1)(C).

"(j) The Director of the Office may not make a grant under subsection (a) unless the applicant for the grant agrees—

"(1) to submit to the Secretary an annual report that describes the utilization and costs of services provided under the grant;

"(2) to include in the report the number of women served, the number of infants served, and the type and costs of services provided; and

"(3) to include in the report such other information as the Secretary determines to be appropriate.

"(k) The Director of the Office may not make a grant under subsection (a) unless—

"(1) an application for the grant is submitted to the Secretary;

"(2) with respect to carrying out the purpose for which the grant is to be made, the application provides assurances of compliance satisfactory to the Secretary; and

"(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(l) The period during which payments are made by the Director of the Office under a grant under subsection (a) may not exceed 5 years.

"(m) The Director of the Office shall, after consultation with the Director of the National Institute on Drug Abuse, periodically conduct evaluations to determine the effectiveness of projects supported under subsection (a)—

"(1) in reducing the incidence of alcohol and drug abuse among women receiving the services of such projects;

"(2) in reducing, in the infants of such women, the incidence of drug addiction and other adverse health conditions (including congenital conditions) resulting from the abuse of alcohol or drugs by their mothers; and

"(3) in enabling women who have received services pursuant to this section to provide appropriate care and support to their infants.

"(n) The Director of the Office shall annually submit to the Congress a report describing programs carried out pursuant to this section. Each such report shall include any evaluations conducted under subsection (m) during the preceding fiscal year.

"(o) For the purpose of carrying out this section, there is authorized to be appropriated $100,000,000 for each of the fiscal years 1990 and 1991.".

(b) GRANTEES.—Section 509F(a) of the Public Health Service Act (42 U.S.C. 290aa-13(a)) is amended by adding at the end the following new sentence: "Such grants may be made only to public and nonprofit private entities and to appropriately qualified Indian tribes and tribal organizations (as defined in section 1913(b)(5)).".

(c) AVAILABILITY OF CERTAIN AMOUNTS.—Of the amounts made available under section 307, the Secretary shall reserve not less than 30 percent for carrying out section 509F of the Public Health Service Act.

SEC. 205. REVISIONS IN PROGRAM FOR DRUG ABUSE PROJECTS OF NATIONAL SIGNIFICANCE.

Section 509G of the Public Health Service Act (42 U.S.C. 290aa-14) is amended—

(1) in subsection (a)(1)—

(A) in the matter preceding subparagraph (A), by striking "the Administrator" and inserting "the Director of the National Institute on Drug Abuse"; and

(B)(i) by adding "and" at the end of subparagraph (A), and by striking "; and" at the end of subparagraph (B) and inserting a period; and

(ii) by striking subparagraph (C);

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by inserting after "Secretary" the following: ", acting through the Director of the Office for Treatment Improvement,";

(ii) by striking "States" the first place such term appears and inserting "States and other public or nonprofit private entities"; and

(iii) by striking "States" the second place such term appears and inserting "such entities"; and

(B) in paragraph (4), by striking "State" and inserting "public or nonprofit private entity"; and

(3) in subsection (c)(1), by striking "There are authorized" and all that follows and inserting the following: "For the purpose of carrying out this section, there is authorized to be appropriated $80,000,000 for each of the fiscal years 1990 and 1991.".

SEC. 206. TECHNICAL AND CONFORMING AMENDMENTS.

Part A of title V of of the Public Health Service Act (42 U.S.C. 290aa et seq.) is amended—

(1) in section 508(d)(1), by striking "sections 509, 509A, and 509F," and inserting "sections 509 and 509A,"; and

(2) in section 509F—

(A) in the heading, by striking "PREGNANT" and all that follows through "WOMEN" and

inserting "PREGNANT AND POSTPARTUM WOMEN";

(B) in subsection (a), by striking "pregnant" and all that follows through "women" and inserting "pregnant and postpartum women".

TITLE III—SEPARATE FORMULAS IN BLOCK GRANTS WITH RESPECT TO SUBSTANCE ABUSE AND MENTAL HEALTH

SEC. 301. ESTABLISHMENT OF SEPARATE FORMULAS.

(a) IN GENERAL.—Subpart 1 of part B of title XIX of the Public Health Service Act (42 U.S.C. 300x et seq.) is amended—

(1) in section 1912A, by amending the heading for such section to read as follows:

"ALLOTMENTS WITH RESPECT TO ALCOHOL AND DRUG ABUSE";

and

(2) by inserting after section 1912A the following new section:

"ALLOTMENTS WITH RESPECT TO MENTAL HEALTH

"SEC. 1912B. (a)(1) Subject to subsections (b) and (f), the Secretary shall, with respect to mental health, determine the amount of the allotment under this subpart for a State for a fiscal year in accordance with the following formula:

$$A\left(\frac{X}{U}\right)$$

"(2) For purposes of the formula specified in paragraph (1), the term "A" means the difference between—

"(A) an amount equal to the amount appropriated pursuant to section 1911(b)(1) for allotments under this subpart for the fiscal year involved; and

"(B) an amount equal to 1.5 percent of the amount referred to in subparagraph (A).

"(3) For purposes of the formula specified in paragraph (1), the term 'U' means the sum of the respective terms 'X' determined for each State under paragraph (4).

"(4)(A) For purposes of the formula specified in paragraph (1), the term 'X' means the product of—

"(i) an amount equal to the term 'P', as determined for the State involved under subparagraph (B); and

"(ii) the greater of—

"(I) 0.4; and

"(II) an amount equal to an amount determined for the State in accordance with the following formula:

$$1-.35\left(\frac{S}{N}\right)$$

"(B) For purposes of subparagraph (A)(i), the term 'P' means the sum of—

"(i) an amount equal to the product of—

"(I) 0.4; and

"(II) an amount equal to the number of individuals in the State who are between 18 and 24 years of age (inclusive), as indicated by the most recent data collected by the Bureau of the Census; and

"(ii) an amount equal to the product of—

"(I) 0.6; and

"(II) an amount equal to the number of individuals in the State who are between 25 and 44 years of age (inclusive), as indicated by the most recent data collected by the Bureau of the Census.

"(C) In the case of the several States, for purposes of the formula specified in subparagraph (A)(ii)(II), the term 'S' means the quotient of—

"(i) an amount equal to the most recent 3-year average of the total taxable resources of the State involved, as determined by the Secretary of the Treasury; divided by

"(ii) an amount equal to the term 'P', as determined for the State under subparagraph (B).

"(D) In the case of the several States, for purposes of the formula specified in subparagraph (A)(ii)(II), the term 'N' means the quotient of—

"(i) an amount equal to the sum of—

"(I) the sum of the respective amounts determined for each of the several States under subparagraph (C)(i); and

"(II) an amount equal to the most recent 3-year average of the total taxable resources of the District of Columbia, as determined by the Secretary of the Treasury; divided by

"(ii) an amount equal to the sum of the respective terms 'P' determined for each of the several States, and for the District of Columbia, under subparagraph (B).

"(E) In the case of the District of Columbia, for purposes of the formula specified in subparagraph (A)(ii)(II)—

"(i) the term 'S' means the quotient of—

"(I) an amount equal to the most recent 3-year average of the total personal income in such District, as determined by the Secretary of Commerce; divided by

"(II) an amount equal to the term 'P', as determined for such District under subparagraph (B); and

"(ii) the term 'N' means the quotient of—

"(I) an amount equal to the most recent 3-year average of the total personal income in the United States, as determined by the Secretary of Commerce; divided by

"(II) an amount equal to the sum of the respective terms 'P' determined for each of the several States, and for the District of Columbia, under subparagraph (B).

"(b) Each State shall, with respect to mental health, receive a minimum allotment under this subpart of the lesser of—

"(1) $4,000,000; and

"(2) an amount equal to 100 percent of the amount the State received, with respect to mental health, under section 1913 for fiscal year 1988 (as such section was in effect for such fiscal year).

"(c)(1) Subject to paragraph (2), the allotment, with respect to mental health, under this subpart for a territory of the United States shall be the product of—

"(A) an amount equal to the amounts reserved under paragraph (3)(A); and

"(B) a percentage equal to the quotient of—

"(i) the population of the territory, as indicated by the most recently available data; divided by

"(ii) the aggregate population of the territories of the United States, as indicated by such data.

"(2) Each territory of the United States shall, with respect to mental health, receive a minimum allotment under this subpart of the greater of—

"(A) $50,000; and

"(B) an amount equal to 100 percent of the amount the territory received, with respect to mental health, under section 1913 for fiscal year 1988 (as such section was in effect for such fiscal year).

"(3)(A) The Secretary shall reserve for the territories of the United States 1.5 percent of the amounts appropriated pursuant to section 1911(b)(1) for allotments under this subpart for each fiscal year.

"(B) If the amounts reserved under subparagraph (A) for a fiscal year are insufficient for providing the territories of the United States with the minimum allotments specified in paragraph (2), the Secretary shall, from the amounts specified in such subparagraph, reserve such additional amounts as are necessary for providing the minimum allotments (and the percentage specified in subsection (a)(2)(B) shall be deemed to be adjusted to equal the percentage of the total amounts reserved under this paragraph).

"(d) For purposes of subsections (a), (b), and (f), the term 'State' means each of the several States and the District of Columbia.

"(e)(1) If the amounts allotted to a State under this section for a fiscal year are less than the amounts allotted to the State for fiscal year 1989 with respect to mental health, the State may transfer amounts from the allotment under section 1912A for the fiscal year to the allotment under this section for the fiscal year, subject to paragraph (2).

"(2) The total amount transferred under paragraph (1) for a fiscal year may not exceed an amount equal to the difference between—

"(A) the amount allotted to the State for fiscal year 1989 with respect to mental health; and

"(B) the amount of the allotment under this section for the fiscal year.

"(f)(1) For fiscal years 1990 through 1992, if the amount available for allotment from appropriations under section 1911(b)(1) does not exceed the amount applicable under subsection (g) for the fiscal year involved, the amount of the allotment, with respect to mental health, under this subpart for the State for such fiscal year shall be the product of—

"(A) the amount available for allotments to the States from appropriations under section 1911(b)(1) for such fiscal year; and

"(B) a percentage equal to the quotient of—

"(i) an amount equal to the amount of the allotment, with respect to mental health, under this part for the State for fiscal year 1984; divided by

"(ii) an amount equal to the amount appropriated for allotments, with respect to mental health, under this part for fiscal year 1984.

"(2) For the fiscal years referred to in paragraph (1), if the amount available for allotment from appropriations under section 1911(b)(1) exceeds the amount applicable under subsection (g) for the fiscal year involved—

"(A) the amount of such excess shall be allotted in accordance with subsection (a), except that the amount referred to in subsection (a)(2)(A) shall be deemed to be an amount equal to the amount of such excess; and

"(B) the amount equal to such applicable amount shall be allotted in accordance with paragraph (1).

"(g) For purposes of subsection (f)—

"(1) the amount applicable for fiscal year 1990 is $123,000,000;

"(2) the amount applicable for fiscal year 1991 is $98,000,000; and

"(3) the amount applicable for fiscal year 1992 is $49,000,000.".

(b) APPLICATION OF FORMULA.—Effective October 1, 1992, subsections (f) through (g) of section 1912B of the Public Health Serv-

ice, as added by subsection (a) of this section, are repealed.

SEC. 302. REVISIONS IN FORMULA WITH RESPECT TO SUBSTANCE ABUSE.

(a) DETERMINATION OF URBAN POPULATION.—Section 1912A(a)(4)(B)(i)(II) of the Public Health Service Act (42 U.S.C. 300x-1a(a)(4)(B)(i)(II)) is amended by striking "as indicated" and all that follows and inserting the following: "as determined by multiplying the total population of the State, as indicated by the most recently available data, by a percentage equal to the percentage that, under data from the most recent decennial census conducted by the Bureau of the Census, is constituted by the ratio of the population of the State living in urbanized areas to the total population of the State;".

(b) MINIMUM ALLOTMENT FOR STATES.—Section 1912A(b) of the Public Health Service Act (42 U.S.C. 300x-1a(b)) is amended by striking paragraphs (1) and (2) and inserting the following:

"(1) $5,000,000; and

"(2) 105 percent of the amount the State received, with respect to alcohol and drug abuse, under this section for fiscal year 1989.".

(c) MINIMUM ALLOTMENT FOR TERRITORIES.—Section 1912A(c)(2) of the Public Health Service Act, as amended by Public Law 101-93, is amended—

(1) in subparagraph (A), by striking "$100,000" and inserting "$50,000"; and

(2) in subparagraph (B)(i), by inserting ", with respect to substance abuse," after "received".

(d) TRANSITION PERIOD.—Section 1912A(f) of the Public Health Service Act (42 U.S.C. 300x-1a(f)) is amended to read as follows:

"(f) For purposes of subsection (e)—

"(1) the amount applicable for fiscal year 1990 is $137,000,000;

"(2) the amount applicable for fiscal year 1991 is $102,000,000; and

"(3) the amount applicable for fiscal year 1992 is $51,000,000.".

SEC. 303. SET-ASIDE FOR WOMEN IN PROGRAM OF ALLOTMENTS WITH RESPECT TO SUBSTANCE ABUSE.

Section 1916(c)(14) of the Public Health Service Act (42 U.S.C 300x-4(c)(14)) is amended—

(1) by inserting after "allotted" the following: ", with respect to alcohol and drug abuse,";

(2) by striking "10 percent" and inserting "25 percent"; and

(3) by inserting before the period the following: ", which treatment services were not available prior to fiscal year 1989".

SEC. 304. REQUIREMENT OF AVAILABILITY OF TREATMENT SERVICES TO PREGNANT WOMEN.

Section 1916(c) of the Public Health Service Act (42 U.S.C 300x-4(c)) is amended by adding at the end the following new paragraph:

"(22) The State agrees—

"(A) to ensure that treatment services for the abuse of alcohol or drugs are available to each pregnant woman in the State who seeks and would benefit from such services; and

"(B) in carrying out subparagraph (A)—

"(i) to identify facilities in the State that provide such treatment services to such women, to publicize the availability to the women of services from the facilities, and to provide to the Secretary a list of the facilities; and

"(ii) to require that, in the event that a treatment facility has insufficient capacity with respect to any such woman, the facility refer the woman to the State for referral to a facility with the capacity to provide treatment services.".

SEC. 305. REQUIREMENTS WITH RESPECT TO INFANTS BORN TO SUBSTANCE ABUSING WOMEN.

Section 1916(c) of the Public Health Service Act, as amended by section 304 of this Act, is amended by adding at the end the following new paragraph:

"(23) The State agrees—

"(A) to establish procedures to ensure that a newborn infant of any woman determined by a qualified treating health care professional to be abusing alcohol or any drug, be tested and evaluated to determine if such infant has fetal alcohol syndrome, physical drug dependency, or other congenital condition caused by the substance abuse; and

"(B) if such testing and evaluation indicate that such an infant has such a syndrome, condition, or dependency, to take appropriate action—

"(i) under applicable State law to assure the health and safety of such infant; and

"(ii) to provide necessary health care services to such infant and his or her mother.".

SEC. 306. REQUIREMENTS WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME.

Section 1916(c) of the Public Health Service Act, as amended by section 305 of this Act, is amended by adding at the end the following new paragraph:

"(24) The State agrees that it will establish procedures to ensure that entities receiving funds under this part for drug abuse treatment services will routinely offer and encourage any individual receiving such treatment services to undergo counseling and testing with respect to infection with the etiologic agent for acquired immune deficiency syndrome. Such counseling and testing is to be undertaken voluntarily and with the informed consent of the individual and is not to be required as a condition of receiving other services. Test results shall not be used to deny appropriate drug treatment services. Information regarding such counseling, testing, and test results shall be confidential. Such counseling and testing shall include:

"(A) Appropriate pre-test counseling, including—

"(i) counseling on measures for the prevention of exposure to and transmission of the etiologic agent;

"(ii) counseling on the accuracy, reliability, and significance of test results;

"(iii) encouragement of such individuals, as appropriate, to undergo testing;

"(iv) information on the benefits of such testing, including the medical benefits of early diagnosis and treatment of the infection;

"(v) information on the applicable confidentiality protections regarding such counseling, testing, and resulting test results, including information on the availability of anonymous counseling and testing, if any; and

"(vi) information on the applicable protections against discrimination against infected individuals.

"(B) Such confirmatory and diagnostic tests as may be necessary to confirm the infection and, if the individual is infected, to inform the individual of the appropriate course of prophylaxis and treatment.

"(C) Appropriate post-test counseling, including—

"(i) review of the counseling provided before testing;

"(ii) if the individual is not infected, counseling regarding appropriate follow-up and further testing;

"(iii) if the individual is infected, the benefits of locating any person by whom the individual may have been infected or whom the individual may have exposed to infection;

"(iv) if the individual is infected, the availability, if any, of the services of public health authorities with respect to locating and counseling persons described in clause (iii); and

"(v) if the individual is infected, the availability in the geographic area of any appropriate services with respect to health care, including prophylaxis, early intervention, mental health, and social and support services.".

SEC. 307. PROJECTS WITH RESPECT TO CRITICAL NEEDS IN DRUG ABUSE PREVENTION AND CONTROL.

Of the amounts appropriated for fiscal year 1990 for allotments, with respect to alcohol and drug abuse, under subpart 1 of part B of title XIX of the Public Health Service Act, the Secretary shall make available $250,000,000 for carrying out programs with respect to the prevention and treatment of alcohol and drug abuse. The amounts reserved under this section shall not be subject to the requirements of subsection (a)(2) of section 1911 of the Public Health Service Act, as added by section 101 of this Act.

SEC. 308. TECHNICAL AND CONFORMING AMENDMENTS.

(a) SECTION 1912A.—Section 1912A of the Public Health Service Act, as amended by Public Law 101-93, is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "shall determine" and inserting "shall, with respect to alcohol and drug abuse, determine";

(B) in paragraph (2)(A), by striking "section 1911" and inserting "section 1911(a)(1)"; and

(C) in paragraph (4)(B), in clauses (ii) through (iv), by inserting a comma after "(inclusive)" each place such term appears;

(2) in subsection (c)—

(A) in paragraph (1), in the matter preceding subparagraph (A), by inserting ", with respect to alcohol and drug abuse," after "shall"; and

(B) in paragraph (3), by striking "section 1911" and inserting "section 1911(a)(1)";

(3) in subsection (d)(1), by inserting ", with respect to alcohol and drug abuse," after "allotted"; and

(4) in subsection (g)(1)(A), by striking "provided in subparagraph (B)," and inserting "provided in subparagraph (B) and in section 1912B(d),".

(b) REMAINING SECTIONS.—Subpart 1 of part B of title XIX of the Public Health Service Act, as amended by Public Law 101-93, is amended—

(1) in section 1913(b)(1), in the matter after and below subparagraph (B), by striking "subsection (a)" and inserting "this subpart";

(2) in section 1914(a)(1)—

(A) by striking "allotment under section 1912A" and inserting "allotments under this subpart"; and

(B) by adding at the end the following new sentence: "In the expenditure of such payments for purposes authorized in this subpart, payments received from the allotment under section 1912A may be expended only for such purposes with respect to alcohol and drug abuse, and payments received

from the allotment under section 1912B may be expended only for such purposes with respect to mental health.";

(3) in section 1915(a), in the matter preceding paragraph (1), by striking "and amounts transferred" and all that follows through "may be used" and inserting "may, subject to subsection (a)(1) of such section, be used";

(4) in section 1916—

(A) in subsection (a), by amending the first sentence to read as follows: "In order to receive the allotments under this subpart, each State shall submit to the Secretary a single application.";

(B) in subsection (b), by striking "section 1912A" and inserting "this subpart"; and

(C) in subsection (c)—

(i) in paragraph (1), by striking "alloted to it under section 1913" and inserting "allotted to it under this subpart"; and

(ii) by striking paragraph (6);

(5) in section 1916A(a), in the matter preceding paragraph (1), by inserting "with respect to alcohol and drug abuse" after "section 1914"; and

(6) in section 1917(b)(3), in the last sentence, by striking "section 1912A" and inserting "this subpart".

TITLE IV—STATEWIDE SUBSTANCE ABUSE TREATMENT PLAN

SEC. 401. ESTABLISHMENT OF REQUIREMENT.

(a) IN GENERAL.—Title XIX of the Public Health Service Act is amended by inserting after section 1916A (42 U.S.C. 300x-4a) the following new section:

"SEC. 1916B. STATEWIDE SUBSTANCE ABUSE TREATMENT PLAN.

"(a) NATURE OF PLAN.—To receive its allotment for a fiscal year under section 1912A, a State shall develop, implement and submit, as part of the application required by section 1916(a), an approved statewide Substance Abuse Treatment Plan, prepared according to standards issued by the Secretary, that shall contain—

"(1) a single, designated State agency for formulating and implementing the Statewide Substance Abuse Treatment Plan;

"(2) a description of the mechanism that shall be used to assess the needs for substance abuse treatment in localities throughout the State including the presentation of relevant data;

"(3) a description of a statewide plan that shall be implemented to expand treatment capacity and overcome obstacles that restrict the expansion of treatment capacity (such as zoning ordinances), or an explanation of why such a plan is unnecessary;

"(4) a description of performance-based criteria that shall be used to assist in the allocating of funds to substance abuse treatment facilities receiving assistance under this subpart;

"(5) a description of the drug-free patient and workplace programs, that must include some form of drug testing, to be utilized in substance abuse treatment facilities and programs;

"(6) a description of the mechanism that shall be used to make funding allocations under this subpart;

"(7) a description of the actions that shall be taken to improve the referral of substance abusers to treatment facilities that offer the most appropriate treatment modality;

"(8) a description of the program of training that shall be implemented for employees of treatment facilities receiving Federal funds, designed to permit such employees to stay abreast of the latest and most effective treatment techniques;

"(9) a description of the plan that shall be implemented to coordinate substance abuse treatment facilities with other social, health, correctional and vocational services in order to assist or properly refer those patients in need of such additional services; and

"(10) a description of the plan that will be implemented to expand and improve efforts to deter women from knowingly abusing drugs during pregnancy, to contact and treat pregnant women who abuse drugs, and to provide appropriate follow-up services to their affected newborns.

"(b) SUBMISSION OF PLAN.—The plan required by subsection (a) shall be submitted to the Secretary annually for review and approval. The Secretary shall have the authority to review and approve or disapprove such State plans, and to propose changes to such plans.

"(c) GUIDELINES.—

"(1) IN GENERAL.—The Secretary, in consultation with the States, shall develop guidelines for each area to be covered by the State plan prepared under subsection (a).

"(2) CONFORMITY.—Beginning in fiscal year 1991, no payment shall be made to a State from its allotment under section 1912A unless such State has submitted a plan under this section that is in reasonable conformance with the guidelines developed under paragraph (1), except that with respect to the performance criteria for treatment facilities described in subsection (a)(4), the State plan shall provide a reasonable time for such conformance.

"(3) MONITORING.—The Secretary shall monitor the compliance of the State with the plan submitted under this section and provide technical assistance to assist in achieving such compliance.

"(d) SUBMISSION OF PROGRESS REPORTS.—Each State shall submit reports, in such form, and containing such information as the Secretary may, from time to time, require, and shall comply with such additional provisions as the Secretary may from time to time find necessary to verify the accuracy of such reports and not overly burdensome on the State.

"(e) WAIVER OF PLAN REQUIREMENT.—At the discretion of the Secretary, the Secretary may waive any or all of the requirements of this section on the written request of a State, except that such waiver shall not be granted unless the State implements an alternative treatment plan that fulfills the objectives of this section.

"(f) MODEL STATE PLAN.—The Director of the Office for Treatment Improvement shall establish a model State substance abuse treatment plan to guide States in establishing State plans under subsection (a), and shall provide technical assistance to assist States in complying with such plan.

"(g) ADMINISTRATIVE COSTS.—Expenses incurred for the training of individuals as required under any plans submitted under this section shall not be included in determining the costs of administering funds made available under section 1914 with respect to alcohol and drug abuse.".

(b) STANDARDS.—The Secretary shall issue standards for plans under section 1916B of the Public Health Service Act (as added by subsection (a)) not later than 6 months following the date of enactment of this section.

(c) EFFECTIVE DATE.—Section 1916B of the Public Health Service Act (as added by subsection (a)) shall become effective on October 1 of the first fiscal year beginning after the date on which standards under subsection (b) are published in the Federal Register.

The SPEAKER pro tempore. Is a second demanded?

Mr. MADIGAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on H.R. 3630, the legislation under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to present to the House H.R. 3630, the Emergency Drug Abuse Treatment Expansion Act of 1989.

Today the House is considering the third major drug abuse bill in 4 years. It is doing so because of the importance that combating drug abuse is held by the Congress and the American people. It is doing so because the President has prepared his first national drug strategy and has requested enactment of legislation to facilitate the strategy's success.

However unlike previous drug bills, for the first time Congress is allocating significant new levels of Federal funding to curb the demand for drugs. Additional funds for drug treatment and prevention are long overdue.

The recently passed Department of Transportation appropriations bill for fiscal year 1990 provides an additional $700 million for drug and alcohol abuse prevention and treatment programs. Over half the increase—$415 million—is allocated for increases in the alcohol and drug abuse and mental health services block grant, boosting that program to approximately $1.2 billion. In addition, the DOT appropriations bill provided funding for a number of new categorical programs which the administration had proposed: $40 million to expand a categorical waiting list program; $30 million to provide crisis treatment grants to communities in need; $40 million in drug treatment improvement grants; and $40 million in drug treatment demonstration grants.

Several of these activities lack clear statutory authorization. Congressional action is required if they are to be properly administered. The authorization for these activities is provided by the bill.

Mr. Speaker, in preparing this legislation the committee was concerned that a $415 million increase in the ADM block grant in a single year is unmanageable. If the entire increase is allocated exclusively to the block grant, that program will exceed $1.2 billion and make it one of the largest programs within the Public Health Service.

Earlier this year the President submitted his proposed drug abuse budget. It was the President's considered judgment that States could only productively spread an increase of $165 million in fiscal year 1990. The funding levels contained in H.R. 3630 are consistent with the President's recommendations. Since States will be unable to properly expend more than $165 million in additional block grant funding next year, H.R. 3630 provides new authority to focus resources—through categorical grants—on some of the enormous problems which States have been unable or unwilling to properly address. Programs that would receive additional funding include:

First, $100 million in assistance to rural communities beset by drug abuse and requiring the startup or expansion of treatment services. This is a new program which will directly address for the first time the need to bring high quality drug treatment services to our Nation's rural communities;

Second, $75 million to initiate drug treatment services that are capable of treating the growing increase in the number of addicted mothers and their infants. The increasing number of addicted babies occupying our neonatal intensive care wards is clear evidence of our failure to put in place programs that can effectively treat pregnant addicts and insure the birth of drug-free babies.

Third, $50 million in assistance to primary health care providers to provide drug and alcohol assistance, such as community health centers, migrant health-care centers, and homeless health-care centers. Primary health-care providers are on the front lines of the drug abuse battlefield, particularly in the medically underserved areas of the inner city and rural community. Funds under this program would be equally divided between rural and urban areas.

Fourth, $25 million in additional funding for the highly successful waiting list program created in the 1988 drug bill. This program targets Federal funds at drug treatment programs with documented demand for treatment.

Tackling the drug abuse pandemic requires multiple solutions and strategies. It is abundantly clear from our hearings that the reason there are inadequate treatment services for pregnant women and in rural communities is because States have failed to view them as priority populations. The overwhelmingly majority of drug and alcohol treatment funds come from State and local sources. Historically, the Federal contribution represents a relatively small share of available funding. As such, Federal funding should be used to fill gaps in State programs rather than widen them. Providing States a 30-percent increase—$165 million in block grant support over fiscal year 1989—is a generous increase in what is increasingly a revenue sharing program. The committee does not believe that the States can use additional funds productively. In fact, such a large infusion of Federal funds—a 75-percent increase in a single year—may have the unintended effect of supplanting State raised revenues and making the drug treatment problem only a Federal effort.

In addition, the legislation establishes an Office for Treatment Improvement within ADAMHA modeled after the highly successful Office for Substance Abuse Prevention. Establishment of the new Office has already been proposed by the Department and will be given authority to administer the new drug treatment categorical programs proposed by the administration and proposed in this legislation.

Finally, the legislation gives a long overdue boost to efforts establishing a genuine national model drug abuse treatment system within the Nation's Capital and the surrounding communities of Virginia and Maryland. Despite the expenditure of billions during the 1980's to combat drug abuse, little has been done to develop a comprehensive regional approach to the provision of effective and accessible treatment services. There has been much talk and promises. Plans have been written, but until now, the money for such a bold initiative hasn't been available. Section 202 of the bill requires that the Director of the new Office for Treatment Improvement develop a model treatment system in the National Capital Area. The information gleaned from such a project will have direct relevance to the provision of high quality, accessible services in communities across the Nation.

I urge support for the legislation and reserve the balance of my time.

Mr. Speaker, I reserve the balance of my time.

Mr. MADIGAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as we are all made aware every night watching the news, the drug problem is rapidly getting worse. Drug-related crime is at alarmingly high rates, especially here in the streets of the District of Columbia. Drug use is destroying the fabric of many of our Nation's families and turning many neighborhoods into war zones. And, tragically, as many as 200,000 babies are born each year to mothers who use drugs. Today's drugs are potent, cheap, and available to almost anyone who wants them.

On September 5, President Bush introduced a national drug control strategy. In terms of treatment, the strategy calls for increasing the number of treatment slots, improving the effectiveness of treatment by holding programs accountable, and finding ways to get more drug-dependent individuals into treatment. This legislation helps achieve these goals.

I am supporting this legislation so that the President's drug strategy in the treatment area can move forward in an expeditious manner.

However, I and my fellow Republicans have some concerns with certain aspects of the legislation. We strongly disagree with taking money from the block grant and allocating it to categorical grants. Let me add that our position is strongly endorsed by the National Governors' Association.

Shifting some $250 million from the alcohol and drug abuse block grant to discretionary categorical programs reduces the flexibility of States to address the needs of their population. It would circumvent the State planning process, prevent States from prioritizing their own needs, and lead to a loss of State oversight and accountability. It takes the initiative away from local people who have the best grasp of their local environment and shifts it to Federal bureaucrats.

On the other hand, the block grant ensures that the citizens of all States will benefit from new resources, rather than allowing categorical grants to favor particular States who have the needed sophistication in grant writing. For example, in one of the new categorical grant programs Congress created in the 1988 Anti-Drug Abuse Act, approximately 50 percent of the moneys went to just three States—California, New York, and Florida. And, 34 States received no money whatsoever. Moreover, the consideration of grant proposals and announcements of awards under this program took a full fiscal year. In contrast, the block grant program provides immediate money to all States through a well established State network for prevention and treatment that can readily serve as the backbone in the uninterrupted delivery of well-planned, coordinated treatment services.

At full committee, I offered an amendment whose purpose was to shift the categorical moneys back into the block. This amendment received

the full support of Republican members of the committee and picked up the support of three Democratic members. It failed by just two votes. At conference, we intend to work with our colleagues from the Senate to correct this deficiency in the legislation.

Mr. Speaker, despite these reservations, we support this bill. If our treatment system is to do the job required of it, the system must be expanded and improved. This legislation will help get more drug-dependent people into treatment programs and therefore requires the bipartisan cooperation of all Members of Congress.

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Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of our time.

Mr. MADIGAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. COUGHLIN].

Mr. COUGHLIN. Mr. Speaker, this is the fourth bill that we will consider today that is part of the President's drug-control strategy, and I want to commend the very distinguished chairman, the gentleman from California [Mr. WAXMAN], and the gentleman from Illinois [Mr. MADIGAN], my friend and colleague, for bringing this bill to the floor today.

Mr. Speaker, this is important legislation. It is legislation that I hope that we can complete before this Congress adjourns, this session of Congress adjourns.

This legislation, there are parts of it that are part of the President's drug-control strategy which was passed by the Senate by a vote of 97 to 2 on September 27. It was a subject of a motion to instruct that passed this House on October 11 by a vote of 402 to 15. It was also the subject of a letter from the Speaker and the majority leader dated October 20 promising expeditious consideration of this legislation, and I am pleased that the committee has acted to expeditiously bring this legislation before us, and I hope that we can complete enactment of the legislation before Congress adjourns.

Mr. Speaker, this legislation does, as I said, implement the President's legislative package for the national drug control strategy, it considers the increased appropriation of over $700 million for drug and alcohol abuse prevention and treatment contained in the Department of Transportation appropriation bill originally, and it considers the Senate passed S. 1735, which establishes new categorical programs for pregnant addicts and makes changes in the funding for the ADM block grant.

Now, Mr. Speaker, I would have preferred if this bill had not gotten into the thicket of revising the formulas for the funding formulas for ADM block grants. I am afraid that might bog us down and not enable us to finish the legislation this fall. I would have also preferred to have seen the legislation simply provide for grants to the States instead of the categorical programs that are here. Although some believe we need categorical programs because the States are not serving pregnant women or the homeless or those waiting for treatment, and I know that Pennsylvania, for one, has developed a statewide strategy to combat drug abuse on all fronts and has taken the lead in the categorical grant areas we are addressing in this legislation. For example, Pennsylvania currently uses both ADM block grant funds and State funds to develop programs for pregnant women and to address the waiting list situation.

I am glad, however, this legislation has come to fruition. I hope that we can resolve the differences between the House and the Senate on these questions and that we can promptly proceed to resolve these differences and to pass the legislation because it is very much needed legislation.

Mr. MADIGAN. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I am pleased to rise in strong support of this measure. Treatment and rehabilitation is an area that is very urgently needed. We need to expand programs, we need to find better ways of treating and rehabilitating, and we certainly need the funding to do it.

For that reason, Mr. Speaker, I am pleased to support the measure.

Mr. MADIGAN. Mr. Speaker, one of the most important tools for making the treatment of drug addicts and alcoholics successful can be and is the self-run, self-supported recovery house. In the last Congress, we included a provision that required each State to set up a revolving fund to provide loans to start houses based on the very successful Oxford House model. Yesterday in the Washington Post Magazine, Peter Carlson wrote an excellent article on the Oxford House experience.

Mr. Speaker, I ask unanimous consent that the text of that article be printed in the RECORD immediately following my remarks.

The SPEAKER pro tempore (Mr. MCDERMOTT). Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MADIGAN. Mr. Speaker, since the passage of the Anti-Drug Abuse Act of 1988, Oxford House has done a remarkable job in helping to educate State and Federal officials about the self-run, self-supported Oxford Houses. They have visited 31 States to present technical assistance workshops. They conducted a 2-day national conference in August which was attended by representatives of 45 States. They have increased the number of Oxford Houses from 18 to 54—primarily using their own resources. In addition, they have organized a national network of houses and a national loan collection and data collection service that will facilitate mass replication of these cost-effective self-help houses within the next few months.

As I told this body last year, the Oxford House concept offers a way to prevent relapse by individuals trying to recover from alcoholism and drug addiction. More than 80 percent of the individuals who are accepted into an Oxford House do not use alcohol or drugs again. It is easy to understand why Oxford House works. They are democratically run, self-supporting, and they expel any individual who returns to using alcohol or drugs.

The Oxford Houses are rented in good neighborhoods, and the 15-year experience of the movement shows the power of self-help. I have included an amendment in this bill which requires the Secretary to put an emphasis on the development of this cost-effective tool for combating alcoholism and drug addiction. Not only should the Secretary make certain that the Oxford House National Organization has sufficient resources to expand and provide quality control for the expansion, but he should also enlist the support of other Federal agencies such as VA, the Department of Justice, and the Department of Labor. Each of those agencies has treatment programs which could achieve better results if more Oxford Houses were available to provide an alcohol- and drug-free, supportive living environment for recovering alcoholics and drug addicts after the completion of their formal treatment. I am convinced that the mass replication of Oxford Houses will greatly reduce the revolving door problem that affects many treatment programs.

The article follows:

THE OXFORD HOUSE EXPERIMENT

(By Peter Carlson)

Roommates wanted: To live in group house in good neighborhood. Must be recovering addicts or alcoholics willing to work hard, pay their own way—and help each other stay clean.

Paul Molloy invaded New Jersey in the cheapest rented car he could find, a beat-up Ford with no side-view mirror and a steering wheel that emitted ominous sounds whenever he turned it. He brought along piles of pamphlets, a videotape, a portable computer, an overhead projector, a cellular car phone as big as a shoe box, three recovering drug addicts and his financial adviser, a very respectable middle-aged businessman who jokes that trying to manage the paltry finances of Molloy's organizations, Oxford House, Inc., may yet drive him to drugs.

They got lost a few times in the streets around Princeton, but that didn't bother Molloy. He just kept puffing on his pipe and grinning impishly. He figures getting lost is

just another opportunity to cruise side streets looking for houses he can rent and fill up with recovering drunks and drug addicts.

Paul Molloy—former associate Republican counsel to the House Energy and Commerce Committee, former Republican counsel to the Senate Commerce Committee, former corporate attorney, former drinker of two-fifths of Canadian Club a day, former wife-beater, former mental patient, former street drunk—is now, at 51, a man driven by a grand vision: He wants to see thousands of self-supporting, self-governed homes for recovering alcoholics and addicts operating all over America.

And he's well on his way to realizing that grand vision.

Since 1975—when Molloy and a dozen other recovering drunks took over a halfway house that Montgomery County was closing for lack of money—he's helped set up 28 "Oxford Houses" in the Washington area and another 10 scattered around more distant parts of Maryland, Pennsylvania, Missouri, Vermont and Massachusetts. Not only that, but he also used his Capitol Hill connections to convince Congress to pass a law requiring every state to set up a $100,000 revolving fund to lend money to groups of recovering addicts so they can set up similar houses.

Now faced with a cutoff of federal Alcohol, Drug Abuse and Mental Health Administration block grants if they don't set up the funds, the states are deluging the Oxford House office—which is located in Molloy's basement in Silver Spring—with demands that he come and teach them how to do it. Which is why Molloy and his team invaded New Jersey on this sunny September morning.

They drove to Trenton, bounded past the bored cop sitting at the front door of a decrepit old government building and started transforming a dreary conference room into the stage for what Molloy calls his "dog and pony show." They set up their computer and their overhead projector, popped the Oxford House videotape into a VCR and sat waiting for antidrug bureaucrats to drift in from around the state. Igniting his ever-present pipe and smiling contentedly, Molloy looked confident. And why not? He'd come to deliver a message far more optimistic than most dispathes from the front lines of the war on drugs:

"I guarantee you it will work, and it will cost you nothing," he said. "The houses work in each and every case if you put them in good neighborhoods and throw out anybody who relapses."

Herbert sits on the edge of the couch and makes a confession: "Guys, I'm really sorry to tell you this, but this weekend I relapsed."

He tells the story: He was on his way to a Narcotics Anonymous meeting when he passed the parking lot on 16th Street NW where he used to cop his crack. "And I saw the guy I used to buy from and so on and so on. . . ."

He doesn't need to supply all the gory details. The other eight residents of the Oxford House on Garrison Street in Chevy Chase, D.C., are all recovering addicts too. They're sitting in their living room, which looks like something in a frat house. On the bulletin board is a photograph of some cheerfully obscene graffiti, and in the corner is Fred the Pig, a porcine statue wearing a baseball cap, a sword and a dungaree jacket with a Jesse Jackson button. This kind of interior decorating causes residents of some of the more staid Oxford Houses refer to the one on Garrison Street as "Animal House." That suits these guys just fine. They think the Oxford Houses with air conditioning and spotless wall-to-wall carpeting are a tad too uptight for their taste anyway. Every Oxford House is autonomous, and each takes on its own style. But they all have one thing in common: They evict anybody who drinks or uses drugs. Which is why Herbert knows he's got to leave tonight.

"So what's your plan?" somebody asks him.

Herbert says he's going to live with a relative for a few days. After that, he figures, he'll end up in a shelter. "If I stayed here over the weekend, it would never have happened, man," he says. "Now more than ever, I understand the importance of Oxford House."

"Don't beat yourself up, man," Big Mike tells him. "It doesn't help."

What will help, says John, is going to NA meetings every day and avoiding anybody still doing dope.

"You can stop by any time," Chris says. "And I really want to see you reapply."

"I really want to reapply," Herbert says. He gets up to go, and Big Mike gives him a hug. "I love you, man," he says. One by one, the other guys hug Herbert and wish him luck.

Walking out the door, Herbert passes a guy who just got out of a rehab program and heard that there's a vacancy in the house. Two other applicants are already waiting in the basement to be interviewed.

Pacing in a semicircle a cord's length from the telephone in the Oxford House office, Paul Molloy was talking to a reporter who had called from Burlington, Vt., where two Oxford Houses had just opened. The reporter was learning that you don't interview Molloy, you just sit back and let him roll. Molloy was rolling into one of his favorite stories: how he wrote the law that set up Amtrak while chasing shots of Canadian Club with bottles of Budweiser in the old Carroll Arms bar on Capitol Hill.

"I wrote everything on these napkins, and my secretary would bring them back to the Senate Office Building and type 'em up. And the sweat off the Budweiser bottles caused some inkblots on those napkins. And I'm sure it's in those inkblots that were the words that would have made Amtrak profitable." He burst out laughing. "But that's what you get when you have a drunk writing laws."

Back then, in the late '60s, Molloy was, he told the reporter, a "yuppie of my day." He was an attorney for the Senate Commerce Committee, and his wife, Jane, whom he'd met while on the University of Vermont debating team in the late '50s, was an attorney for an anti-poverty program. They were living in Silver Spring, raising five kids and trying to hide the fact that Molloy's drinking was out of control. At work, he got in trouble for insulting important pols. At home, he beat Jane. It went on like that for years until the end of 1973, when he overturned the Christmas tree in a drunken rage and then went through the family record collection, sorting out Jane's albums and smashing them. At that point, she had him committed to the psych ward of Holy Cross Hospital and filed for divorce.

After seven months in two hospitals that he likes to call "nut houses," Molloy was released. He ended up living in a seedy hotel in Washington and drinking like a man determined to drown himself. One night, he staggered out of a bar on Pennsylvania Avenue at closing time, seething with hatred for his wife and his life. He pulled his wedding ring off his finger and flung it into the night. Then, seized with contrition, he crawled around the gutters searching in vain for it.

"I'd ended up about as low as a Republican counsel to a Senate committee can end up," he said.

After a couple of months on the street, Molloy entered a halfway house for alcoholics on Fiddler Lane in downtown Silver Spring. Finally, he'd admitted to himself that he was an alcoholic, that he couldn't beat the bottle by himself. He started attending Alcoholic Anonymous meetings and putting his life back together. He even managed to land a job as a lawyer for the House Energy and Commerce Committee. But he still wasn't secure in his sobriety. You could only stay in the halfway house for six months. Molloy had watched a dozen men leave when their time was up, and he'd seen 11 of them back on the booze within 30 days. He figured it could happen to him too.

And then the house manager announced that Montgomery County was going to close the place for lack of money. That news scared the hell out of Molloy and the other five men living in the house.

How could they do this to us? Molloy and the others complained at AA meetings. Here we are, trying to change our lives, and the heartless bureaucrats are throwing us out into the street. How can they do this?

Self-pity is not a quality tolerated for long at AA meetings, and pretty soon somebody asked, Why don't you stop whining and rent it yourself?

But we don't have any money.

I'll loan you the money for the first month's rent, said one AA member.

But how are we going to pay a house manager and a cook?

Why don't you do it yourselves?

The thought had never occurred to them. But what choice did they have? So the original half-dozen residents recruited seven more recovering drunks and rented the house. Determined to run the place democratically, they elected officers and divided up the chores and the expenses. They voted to repeal the six-month time limit and abolish curfews and other petty rules from the old regime, replacing them with two simple laws: You can't drink or take drugs, and you have to work and pay rent. And they named the place Oxford House, a tribute to the Oxford Group, a religious organization that influenced the founders of AA.

"We were a little afraid," says John O'Neill, a freelance writer who was the first president of that first Oxford House. "We didn't know if we could act responsibly, which shows how low our self-esteem was. We agreed to kick out anybody who drank or used drugs, but we didn't know if we could do it. The inclination is to give 'em another chance. But we did it. The first guy who drank, we put him out, bag and baggage. And that set the precedent."

As that first Oxford House struggled to survive, unseen enemies were trying to destroy it. "People working directly for the alcoholism programs were making anonymous phone calls, sending in the fire marshals and the environmental protection people," recalls Riley Regan, director of New Jersey's Division of Alcoholism, who was then Montgomery County's alcoholism director. "They were motivated by a concern that 'My God, this might be able to work without our brilliance,' and they were beating up

on me regularly, saying, 'You gotta kick these guys out of there.' "

The harassment only served to psyche up the residents. "We had a chip on our shoulders because the professionals in Montgomery County said it wouldn't work," O'Neill says. "We really wanted to make it work just to demonstrate that we could." They painted the place, put up curtains and asked Regan to pay a visit. He did, and he found that the place was clean and the people were sober. "I told the staff that we should leave them alone," he recalls, "and they just might get some drunks sobered up."

After six months of operation, the Oxford House had a surplus of $1,200 in its treasury, and President O'Neill asked the members to decide what they should do with it. Buy a color TV? A stereo? Pay less rent? Instead, the residents voted to use the money to rent a second house. "We had something good, and we wanted to duplicate it," O'Neill recalls. "The impetus for expansion was the telephone: It would ring again and again. We had a safe place to live, and others wanted to get in. But there was no room at the inn. And so the idea was to do it again."

Perusing the paper, O'Neill spotted an ad for a house at 41st and Fessenden. He circled it, tossed the paper to Molloy and said, "Let's go."

That was in May 1976. They rented the place, seeded it with a few guys from the first house and recruited new residents at AA meetings. The second Oxford House worked as well as the first, and soon, fueled by a messianic fervor, they opened a third, a fourth, a fifth. By the end of 1977, 11 Oxford Houses were operating in Washington and Montgomery County. Some houses held men, some women. The only attempt at a coed house collapsed: One of the men began dating several of the women, and soon nearly everybody was tumbling off the wagon. But that was the sole failure. The other houses quickly became self-governing and self-supporting.

"We knew real fast that we had something good, and we knew it was replicable because we'd done it," O'Neill recalls. "A year earlier, nobody would listen to me because I was a babbling drunk. Suddenly I was leasing houses, taking people in, leading meetings, participating in the management of the house. So it was a heady time."

For Paul Molloy, the Capitol Hill veteran, it was a lesson in democracy. Residents of the first Oxford House had accepted self-government only because they had no other choice. But they quickly came to believe that it was self-government that made the houses work. "There's something about peer pressure that works better than rules and regulations," Molloy says.

Then, unable to resist turning a serious idea into a laugh line, he adds, "You've got to let the inmates run the asylum."

In the living room of the Garrison Street Oxford House, the residents are interviewing the first applicant for Herbert's place. Other candidates are down in the basement, waiting their turn.

The rent, John explains, is $265 a month, plus a $100 security deposit. Then he asks the standard opening question: Why do you want to live in an Oxford House?

"A drug-free, alcohol-free community is what I need," says the applicant, who washed out of the military on a sea of booze and drugs. Now he's in a 30-day rehabilitation program at the Psychiatric Institute of Washington, but his 30 days are almost up. "I get out Sunday," he says, "and I'm trembling a bit."

Where will you live if you don't get in here? somebody asks.

"With my mother," he says. Unfortunately, she lives in a drug-infested neighborhood in Anacostia. "I just hope I can convince you guys this is the place for me."

There's a knock at the door. It's another applicant, this one accompanied by his mother. They too are led downstairs to wait.

The second candidate is a blond Southern Californian who looks like he rode in on a surfboard. He just got out of a 30-day rehab, and he's staying with his uncle. "I need to live with sober people," he says.

He doesn't know much about Oxford House, so Gary explains: "The house is run democratically. If you get in, you'll have one-ninth say in what goes on here, and you'll have one-ninth of the responsibility . . ."

"If you don't get in, keep plugging away," John says. "It's the best thing that ever happened to me. By far."

The third candidate is a middle-aged alcoholic railroad worker who just got out of rehab yesterday. He was living with a woman, but he doesn't want to go back to her. "All my friends are alcoholics or drug addicts. I love 'em, but I don't want to go that way."

Do you have any problems with living in a group house? somebody asks.

He shakes his head no. "I can get along with anybody."

"You gotta be involved with it," Gary says. "You hang with us, you go to meetings with us. You'll find it's better for your recovery. This room has had different faces in it, and the ones who stuck are the ones who got involved. If there's anything that's gonna pull you away, tell us now . . ."

In 1977, after 2½ years in Oxford Houses, Paul Molloy moved out. So did John O'Neill and most of the other founding members. They still loved the organization—it saved their lives, they eagerly admit—but they needed to move on. "We reached a point," Molloy says, "where we just didn't want to be bothered."

For the next decade, Molloy didn't have much to do with Oxford House. He was putting his own life back together. In 1981, he left the House Energy and Commerce Committee for a lucrative post with Isham, Lincoln and Beale, which was, until it dissolved in 1988, one of the country's oldest law firms. And he began the slow, painful process of working his way back into the family that his drinking had nearly destroyed. For years, there were two separate families—Paul and the kids, and Jane and the kids—with separate vacations and separate holidays. But by the mid-'80s, tensions had cooled enough to permit a Christmas truce, and the whole family celebrated the holiday together. Soon Paul and Jane started dating. In 1987, Jane and the kids moved into Paul's house in Silver Spring—and Jane rented her place in Kemp Mill to a group of women who wanted to start an Oxford House.

Then, on June 18, 1988, 13 years after their divorce, the Molloys remarried, and Jane presented Paul with a new wedding ring to replace the one he'd hurled into the darkness over Pennsylvania Avenue in drunken despair years earlier.

As he repaired his own life, Molloy daydreamed about working for Oxford House again, injecting some new energy into the organization. Not that it was failing. It wasn't. In the previous decade, the profile of the average Oxford House resident had changed—now 60 percent were addicted to drugs other than alcohol—but the concept continued to work. Impressed, local rehabilitation programs were routinely encouraging their patients to apply at Oxford Houses. "They're very supportive environments for people coming out of treatment programs," says Joe Marmo, director of the Adult Drug Abstinence Program at the Psychiatric Institute of Washington. "It's a wonderful support system." Meanwhile, Oxford Houses were earning a good reputation among landlords, a group not known for fondness for drunks and addicts. "They're beautiful tenants," says Colette McDonald, co-owner of a development company that rents one Silver Spring home to an Oxford group and volunteered to rent two Baltimore properties to Oxford House. "We'll rent them as many as we can because it's a good cause, and they're good people and good tenants. They all get jobs and they all pay their rent."

Deep in his Republican soul, Paul Molloy was proud of that reaction—here, by God, were some people who didn't want government handouts—but he also believed that the country needed Oxford Houses and that Oxford House needed money to expand. So he sat down with Madigan and several House Staffers and came up with a compromise: a mandatory $100,000 fund in each state to provide loans to start "self-run and self-supported recovery housing throughout the country."

"We believe we have discovered a cost-effective program that has had great success in reducing relapse," Madigan told his congressional colleagues.

And in the fall of 1988, Paul Molloy's grand vision became the law of the land.

When Tim Mailly read that new law, he groaned.

"Who dreamed this up?" he thought. A $100,000 fund to provide loans of up to $4,000 for recovering alcoholics and drug addicts to rent houses? And run them without supervision? "They're crazy!"

Mailly, business manager of the Vermont Office of Alcohol and Drug Abuse, had reason to be skeptical. He'd run halfway houses for addicts, and they'd never worked very well. The residents avoided employment as long as possible, and then when they finally got a job and were asked to contribute to the support of the house, they usually moved out. A self-described cynic, Mailly couldn't imagine recovering addicts running their own houses.

"My reaction was, 'I'll set the fund up, and I'll just leave it there and never do anything with it.' That was my original intention."

Then he read some Oxford House literature, and he was impressed: The houses had been working for almost 15 years. So he called Paul Molloy. "Jeez, he can talk," Mailly says laughing. "He's really proud of his program, and he's out selling it. Paul's a salesman."

A good one, apparently. Last spring, the state of Vermont hired Oxford House to send up some organizers to help set up four houses. The cost to the state $35,000. "In this day and age, that's a steal," Mailly says.

On June 1, two Oxford House residents—Steve Polin, 37, a former Justice Department paralegal and a recovering cocaine addict, and Jack Strong, 72, a retired Air Force colonel and recovering alcoholic—arrived in Vermont. The first thing they did was drive to East Dorset to make a pilgrimage to the grave of Bill Wilson, the founder of AA. Then they started searching for houses and for recovering addicts to fill

them. Within two weeks, they had a men's house going in Burlington. A month later, a women's house opened in Colchester. A third house is due to open this month.

So why should these houses exist only in the Washington area? Paul Molloy asked himself. There ought to be Oxford Houses all over the country. John O'Neill agreed. After working at a big Washington public relations firm for several years, O'Neill had quit the rat race in 1984, built himself a cabin in California and started thinking about what really mattered in his life. His answer was Oxford House. So he moved back to Washington and started talking to Molloy about expanding the organization.

Their first opportunity came by pure chance.

Molloy was walking down Connecticut Avenue one summer day in 1987 when he happened to meet Fred Rooney, a former Democratic congressman from Pennsylvania.

Are you still dealing with those drunk houses? Rooney asked.

Molloy said he was.

Rooney, now a Washington consultant, said he wanted to sell his house in Bethlehem, Pa. Would Oxford House buy it?

Oxford House doesn't buy property, Molloy said, But we'd love to rent it.

Within a few months, Rooney's house had become an Oxford House, the first one outside the Washington area. It thrived and soon spawned a second house in Bethlehem. Molloy was thrilled. It proved that the concept would work outside Washington. Rooney was thrilled too. Like many Washington landlords, he'd worried how the neighbors would react to the house, and, also like the Washington landlords, he found there was no problem. "There are no complaints from the neighbors," he says. "Everybody loves them. It's a fantastic house."

Soon Rooney was avidly touting Oxford House to his old friends in Congress. So, of course, was Paul Molloy. In 1988, when the House was drafting an anti-drug bill, Molloy and his old friend Rep. Edward Madigan (R-Ill.) talked about adding a provision to use some federal grant money to help start new Oxford Houses around the country.

Eagerly, Molloy brought the issue to the Oxford House board, which is composed of the president of each house. They hated the idea. Government money means government control, they said, which means rules and regulations and bureaucrats to please. That'll be the end of self-support and self-governance. Besides, everything the government touches turns to . . .

Ian McDonald, then the director of the White House Drug Abuse Policy Office, heard the same sentiments when he visited the Oxford House on Northampton Street: "They expressed hostility about what the government would do to this program, which was working."

Watching that process, Tim Mailly started shedding some of his cynicism. "Before you knew it, [the residents] were all working," he says. "They feel like they're involved in it, that they have some stake and that they can stay as long as they want. And that's important."

While Polin and Strong were setting up houses in Vermont, John O'Neill and Nkosi Jackson, a resident of an Adams-Morgan Oxford House, were helping to start two houses—one male and one female—in Kansas City, Mo.

"They're doing well," says Lois Olson, director of the Missouri Division of Alcohol and Drug Abuse, which oversees the program. Still, she has worries about Oxford House. "It's a great concept," she says, but she fears that government money might ruin it. "Bureaucrats can get hold of things and put all kinds of regulations and provisos on them and end up killing a good thing."

That's a fear frequently voiced by those watching Oxford House expand, and it's not an unreasonable one. After all, the first Oxford House succeeded in spite of government, not because of it. The first month's rent was lent by a friend from AA, not by a faceless government bureaucracy. "Instead of one group of alcoholics helping another, now the state is helping them," says Paul Behnke, director of Arkansas' drug abuse programs. "All of a sudden Oxford House is getting a lot of money in grants to help them get these houses going. It's no longer one person helping another."

Paul Molloy laughs at such talk. A lot of money in grants? Oxford House is so broke that he has received only one month's pay in the last half-year. In fact, his wife has taken to posting the kids' college tuition bills on the refrigerator as a subtle reminder of financial realities.

Molloy understands the concerns about bureaucracy, but he believes it's a necessary evil. "You've got to be pragmatic. You can't expand unless you're highly organized. There's no way you can take this model and replicate it on a mass basis without a high degree of organization."

Besides, he says, the central office is designed to wither away within three years. "Our goal is to get rid of us. We're not needed. It will take three years to create several thousand houses, and then it's up to the houses themselves to decide what kind of central operation they want. I know that my own involvement will stop on July 1, 1992."

On that day, Molloy swears, he'll quit Oxford House cold turkey and find some other kind of work. Preferably work that provides a paycheck more than once every six months.

At the weekly meeting of the Garrison Street Oxford House, the issue is Tim. He hasn't been around the house much, he's been avoiding NA meetings, and he's seeing an old girlfriend who's still doing hard drugs.

"You're at a turning point," John says. "I've been there myself and by the grace of God I made it. People have made suggestions to you, and you've chosen not to take them. We have to deal with the disruption that has caused . . ."

"You're totally obsessed with her, it's like a drug," says Little Mike, who is Tim's roommate. "You're inching closer to the line, and one of these days you're going to step over, and you're gone . . ."

"Were you high last night?" Paul asks.

"I haven't been high, I haven't used," Tim says. His voice is heavy with emotion. "I was depressed. I've been depressed."

"I love you, man," Rick says, "and it really hurts to see your life go down the drain. All it takes is one wrong move."

"I tried, I tried," Tim says. His voice breaks and he begins to sob. "I got hung up on her. It's just like everybody says. I gotta drop her off and get back into the program."

Gary suggests a solution: If Tim attends an NA meeting with somebody from the house every day for the next three months, he can stay. If not, he'll be thrown out.

"I'd be more than happy to," Tim says.

With that settled, Little Mike brings up the next item on the agenda: "Who's gonna cut the grass?"

At his "dog and pony show" in Trenton, Paul Molloy told the Oxford House story—and his own—complete with dramatic flourishes and comic relief. He even managed to work in the anecdote about the Amtrak bill and the inkblots on the napkins. And his joke about how the residents of the first house had planned to call it "Sobriety Haven in Town" until they realized what the acronym would spell. When he finished, he introduced the three Oxford House veterans he'd brought along.

"My name is John, and I'm a recovering addict," said John Seeland, 33, who had a good job selling computers before cocaine and booze caught up with him. He'd kicked the habit a few times, but he always went back to it until he moved into the Garrison Street Oxford House three years ago. "The guys there cared about me, and they took me around to meetings and introduced me to their friends. That's when my recovery began. After three years, I've slowly progressed to the point where I'm helping the new guys who come in now. And they still help me, mainly just by reminding me how crazy you are when you first come in."

"I never learned to work clean and sober before," said Steve Polin, who moved into an Oxford House three years ago after doing 22 months in a federal prison on cocaine charges. "Oxford House taught me how to learn to do that."

"I couldn't have stayed straight if it wasn't for that house," said Susan DiGiovanni, 29, a recovering Dilaudid addict who is so excited about Oxford House that she has helped to start six of them. "Those girls helped me and showed me the way, and took me to meetings when I didn't want to go, and guided me and loved me. It's not an institution, it's a family."

"I feel like I'm at a revival meeting," joked Riley Regan, the New Jersey official who had convened the gathering. But Regan, who had, in his days as a Montgomery County official, watched the birth pains of the first Oxford House, couldn't resist doing a bit of testifying himself. "It works," he said, "and I just hope the various bureaucracies don't find ways of putting up barriers to stop this." He also announced that he planned to use New Jersey's $100,000 loan fund to start at least one Oxford House in each of the state's 21 counties.

Charles van der Burgh had an even grander goal in mind. Van der Burgh, 48, Oxford House's money man and technological wizard, used a computer, an overhead projector and a dozen charts and graphs to demonstrate how the state's revolving fund could produce 100 Oxford Houses in 50 months—if all the houses made their monthly loan payments on time.

It was a complicated presentation, and Molloy couldn't resist translating it into a one-liner. "It's a variation of the Ponzi scheme," he said.

There was just one voice of dissent. "The concept bothers me a little bit," said a man who runs a referral service for drug treatment centers. He couldn't believe that recovering addicts with only six months or a year of clean time were ready to help people getting out of 30-day rehabs. "There's not much clean time there," he said. "There isn't anything to go on."

"The fears I hear you expressing," said Steve Polin, "are typical of the halfway house community: How does this thing work

if there's nobody there to police these people? One of the reasons Oxford House works is precisely because there are no authority figures there. There's nobody to blame for your problems. It's peer pressure. The authority comes from the group and from what you want to do for your sobriety."

Watching this debate, Paul Molloy puffed his pipe and smiled. "It's a difficult concept to explain," he said, "but once you get it working, you'll have your own experience and your own group of experts, and you'll see that it will spread very quickly."

A couple of hours later, he was back in that rattletrap rented Ford, heading for Wilmington, Del., to see a man who might know about some houses he could rent.

Mr. WAXMAN. Mr. Speaker, will the gentleman yield?

Mr. MADIGAN. I yield such time as he may consume to the gentleman from California.

Mr. WAXMAN. Mr. Speaker, I yield the time just yielded to me to the gentleman from Ohio [Mr. ECKART] who played an important role in the development of this legislation.

Mr. ECKART. Mr. Speaker, the crisis for which we are here today on the floor involving its demonstration in our communities in the form of drug abuse and substance abuse obviously needs the full attention of this Nation and the Congress. There are a few people for whom they do not have any choice as to whether or not to address it however. Among those are prehospital emergency medical personnel who find themselves, like many in the counseling community and the medical community, on the front line of this war. Provisions in this legislation, which the gentleman from Illinois [Mr. MADIGAN] and the gentleman from California [Mr. WAXMAN] have so graciously consented to include, provide for an appropriate training regimen for prehospital emergency medical professionals to obtain the kind of training and curriculum that will help them to come to grips with this powerful new force in our community. We have discovered in several new major communities across this Nation a new phenomenon, and that is physical abuse of emergency medical personnel when they come to try to assist an individual who is involved in drugs or substance abuse. The provisions of this legislation go a long way toward helping these front-line emergency medical professionals deal with this new crisis in a meaningful and responsible new way, and I am grateful for this assistance to these individuals.

Mr. MILLER of California. Mr. Speaker, I rise in support of the Emergency Drug Abuse Treatment Expansion Act of 1989, particularly its provision for model projects for reducing incidence of alcohol and drug abuse among pregnant and postpartum women and their infants.

This legislation responds to the desperate lack of available drug treatment to all who seek it. In particular, the bill expands treatment opportunities for pregnant and postpartum women, for whom the shortage of treatment programs is exceptionally severe. In fact, the majority of pregnant women who seek drug treatment cannot obtain it—either because of long waiting lists or hesitation by the provider to treat pregnant women.

Beyond increasing treatment opportunities, the bill attempts to remove the external barriers which deny pregnant and postpartum women and their children services. To do so, the legislation promotes a case management system in which the providers help women and their children fight their way through the complicated process of obtaining services. Not only must the providers offer drug treatment, and medical and social services, but they must also help coordinate services beyond the program by determining the mother's eligibility for other Federal, State, or local services. Specifically, the bill requires that providers offer child care facilities, transportation, prenatal, and postpartum health care, pediatric care for the infants throughout the first year, and parenting education, to be eligible for the grant.

Behind today's legislation are endless stories of pregnant women who struggled to receive drug treatment but in the end could not. Each was ultimately thwarted by any of the mentioned barriers.

I am reminded of the story of a pregnant addict in California who had to travel 130 miles every day to a drug treatment program, which had no child care or even prenatal care. Although she was on welfare, she was forced to pay $200 a month for the care. Understandably, it grew more difficult to find rides every day, a babysitter for her other child, and the money for payments—so her visits grew erratic. Eventually, the treatment program released her, and there was no other program to take her. She returned to using drugs, and the baby was born drug exposed, although healthy. The district attorney criminally charged her for drug use.

This story flies in the face of common sense, common decency, and common fairness. Despite the recent trend to prosecute mothers for substance use during pregnancy, the real criminal is clearly a Nation that fails to provide these women treatment—particularly when they seek it.

The Nation is extremely concerned about the distressing increase in the number of children born exposed to drugs, as this bill reflects. Earlier this year, the Select Committee on Children, Youth and Families, which I chair, released a survey which found hospitals reporting three to four times the number of drug exposed births as in 1985, even with undercounting. Similarly, a recent National Association of Perinatal Research and Education [NAPARE] study estimated that as many as 375,000 drug-exposed infants will be born in 1989 alone.

Largely responsible for this increase is crack-cocaine—a drug so potent that one in six who are exposed to it become addicted. Since 1980 crack has in general become the drug of choice, with 55 to 90 percent of pregnant substance abusers reporting or testing positive for cocaine use, according to the Select Committee survey. In New York City, 1988 data shows that cocaine use among pregnant women is 20 times higher today than in 1980. This is crack at work.

The key to preventing drug-exposed births, as this bill suggests, is to attack the demand for this drug by providing treatment. However, our survey and hearing found a desperate lack of available treatment for pregnant women. Two-thirds of the hospitals surveyed reported that they had no place to send their pregnant substance abusers for treatment. Likewise, a study of treatment programs in New York found that 54 percent refused treatment to pregnant addicts, 67 percent would not treat pregnant addicts on Medicaid, and 87 percent denied treatment to pregnant addicts on Medicaid addicted to crack.

The Nation should be giving addicted mothers drug treatment not arrest warrants. According to experts in the field, fear of prosecution and of losing their babies to the State inhibits pregnant women from seeking drug treatment and, worse yet, prenatal care. It is the hope of this legislation that pregnant substance abusers will feel not only encouraged to seek treatment, but safe to do so.

The burden to provide care for these women does not rest solely on the Government. Community by community, the entire Nation must unite in the war against drugs and in caring for this population in need. The legislation today, through requiring programs to match Federal dollars, attempts to foster a sense of community responsibility for its citizens, which in the long run is how this war on drugs will be won.

I am pleased that Congress is acting to remedy the costly problem of lack of available drug treatment for pregnant and postpartum women and their children. The goal is treatment on demand, and its attainment is imperative. Our veritable future depends on it.

ADM BLOCK GRANT: MENTAL HEALTH PIECE

While I am pleased by the increased attention to and support of programs to prevent and treat substance abuse, I must express concern about continued underfunding of the mental health portion of the block grant. By authorizing $252,000,000 for fiscal year 1990—the same as last year—this bill continues an unacceptably low authorization level.

As the Select Committee has documented, as many as 9.5 million youth alone suffer from serious emotional problems; yet the majority (80 percent) receive either inappropriate treatment or none at all. Given recent upward trends in child abuse, homelessness, and drug abuse—coupled with cuts in basic programs for children and families over the past decade—there is little indication the need for mental health treatment (or prevention) efforts will decrease. Rather, our Nation faces a generation of youth at tremendous risk of developmental and psychological problems, which in turn threatens the very fabric of our society.

As an original sponsor of a 10 percent setaside for children's mental health services approved by Congress last year, I do not want to see the block grant further diminished. Instead, I encourage my colleagues to join me in seeking opportunities to increase the availability of community-based prevention and treatment services for those who suffer or are at risk for emotional problems.

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of H.R. 3630, the Emergency Drug Abuse Treatment Expansion Act of 1989, and I would like to commend the gentleman from Michigan [Mr. DINGELL] for his efforts on bringing this bill to the floor.

Mr. Speaker, H.R. 3630 expands funding in the area of drug abuse treatment, and I would like to especially support the language of H.R. 3630 which pertains to pregnant women.

The drug scourge in America has taken on a horrifying new aspect, as pregnant drug users are giving birth to drug addicted babies. These babies are innocent victims or our Nation's drug problem.

This bill increases the authorization for the demonstration program for pregnant women from $25 to $100 million in both fiscal years 1990 and 1991 and requires the development of treatment programs for pregnant women.

Mr. Speaker, our Nation's drug treatment and rehabilitation is not adequate. Rehabilitation experts have been reminding us that there is no sure treatment program for a crack addict. Our Nation cannot afford to turn a deaf ear to any drug abuser. This bill is a step in a positive direction, the direction of increased awareness and attention to the treatment and rehabilitation of drug abusers.

I urge my colleagues to join me in supporting this bill.

Mr. FAUNTROY. Mr. Speaker, I rise in support of H.R. 3630. The Emergency Drug Treatment Act of 1989 comes to us at a very opportune time. It addresses at the national level, the basic needs of a population group that is expanding day by day.

In particular, Mr. Speaker, H.R. 3630 calls for the establishment of National Capital Area Drug Abuse Treatment Program. It directs that $35 to $50 million be placed in reserve for the establishment of the program in the National Capital area. I applaud this effort and urge my colleagues on both sides of the aisle to vote for passage of H.R. 3630.

Mr. Speaker, no one here today is more concerned about the problem fo drug abuse and violence in the National Capital area than this gentleman. During the last 5 years I have chaired no less than 10 investigative oversight and legislative hearings on the subject of drug use, abuse, trafficking, education, and prevention. In the 99th, and again in the 100th Congress, I introduced legislation for the establishment of the Washington Metropolitan Area Drug Authority. Unfortunately, Mr. Speaker, these efforts were thwarted at every turn in action taken by the White House, the Justice Department and the minority members of the committee. And yet, I am ever hopeful that we will be able to bring about such a cooperative effort. Mr. Speaker, I am pleased the section defining the National Capital area was amended during full committee to reflect the language in the WMADA—Washington Metropolitan Area Drug Authority—bill. Also, Mr. Speaker, I want to express my gratitude to the Subcommittee on Health and the Environment for designating the Washington metropolitan area as the recipient of this special grant.

Mr. OXLEY. Mr. Speaker, I rise in reluctant support of H.R. 3630, the Emergency Drug Abuse Treatment Expansion Act of 1989. While this bill provides the necessary moneys for substance abuse treatment, it unfortunately redirects needed dollars in a way that may actually delay the delivery of that treatment.

I support the bill's provisions which require the States to have drug treatment plans which include availability and accountability for quality of treatment slots as a condition for Federal treatment funding. I also support the overall authorization levels called for in this bill, as it will give substance abuse treatment programs $965 million in fiscal year 1990 and $715 million in fiscal year 1991.

Unfortunately, I question the wisdom of taking $250 million out of the drug abuse block grants and placing it into categorical grants. Categorical grants severely limit the flexibility of States to spend treatment funds as they need. Categorical grants also prevent States from prioritizing their money and will undoubtedly lead to a loss of State oversight and accountability. Maybe most detrimental, however, is the fact that categorical grants will result in significant delays in getting the money out to the treatment facilities.

As a member of the Select Committee on Narcotics Abuse and Control, I have heard testimony repeatedly that States such as my State of Ohio, need treatment money and they need it now. We have also heard that States must have flexibility to meet local needs. Unfortunately, categorical grants will both delay funds and prevent the flexibility that States desperately need.

There are some good things about H.R. 3630. I am pleased that the bill recognizes that drug abuse problems are not solely located in the urban areas. Districts such as mine, which is predominately rural in nature, also have drug abuse problems. For this reason, I am pleased that H.R. 3630 extends certain programs for rural areas. I also am pleased to support efforts to ensure that States are doing all they can to deter pregnant women from using drugs.

In conclusion, Mr. Speaker, I believe H.R. 3630 is a good bill, but I hope the categorical grant section can be altered in conference so that the States have the flexibility and quick response time they need to put substance treatment funds to good use.

Mr. STARK, Mr. Speaker, the bill before us is a good first step in our efforts to fight an effective, constructive war on drugs. I happen to have strongly agreed with President Bush's State of the Union address, when he stated, "we will never win the war on drugs unless we stop demand for drugs." There is now a bipartisan consensus that the demand-side of the equation offers most promising, successful aspects of our drug war.

Currently, the administration admits that only one in seven addicts who seek to pay for available, affordable substance abuse treatment is able to receive help. In plain numbers: there are 5 million addicts in need of help; 1.5 million addicts will seek available, affordable treatment annually; yet, we have only 250,000 treatment slots available to help them.

Waiting lists for treatment are far too long—ranging from 1 month to 18 months. This is shameful, especially in light of data revealing that 10 percent of all cocaine users consume 50 percent of the total volume of this drug.

Every time an addict is turned away, we're asking for the number of felony crimes to increase. Every time a heroin addict is turned away, we're asking for the number of felony crimes to increase. Every time a heroin addict is turned away, we're asking for the spread of the AIDS in our heterosexual population to increase.

Yet, the disparity between States in the amount of spending for drug and alcohol treatment is disgraceful: Texas is dead last, spending $1.43 per person; Alaska spends the most, at over $50 per person. Access to drug and alcohol treatment should not depend on one's zip code.

The bill before us requires that a treatment on request program be developed, to be used as a model for every other community in the country.

This bill requires making some very important changes. It requires:

Quality standards for substance abuse treatment providers.

Requirements that addicts who complete treatment ought to stay drug free and participate in outpatient counseling.

A better system by which addicts are directed to the appropriate form of substance abuse treatment.

While H.R. 3630 answers many immediate concerns, the real challenge of funding true treatment on request in all communities and fighting a better war on drugs still must be addressed.

Mr. MADIGAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 3630, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

□ 1600

AUTHORIZING FUNDS FOR CONSTRUCTION OF A MOUSE RESEARCH LABORATORY

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1390) to authorize funds to be appropriated for the construction of a mouse research laboratory, and for other purposes, as amended.

The Clerk read as follows:

S. 1390

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORITY FOR CONTRACT FOR CONSTRUCTION OF BIOMEDICAL RESEARCH FACILITIES.

(a) IN GENERAL.—Of the aggregate amounts appropriated for fiscal years 1990 and 1991 to carry out the purposes of title IV of the Public Health Service Act through the National Institutes of Health, the Secretary of Health and Human Services, acting through the Director of the National Institutes of Health, may reserve not more than $25,000,000 for entering into a contract with

a public or nonprofit private entity for constructing facilities for the purpose of the development and breeding of specialized strains of mice (including inbred and mutant mice) for use in biomedical research.

(b) COMPETITIVE AWARD PROCESS.—The contract under subsection (a) may be awarded only on a competitive basis after review in accordance with section 4(a).

SEC. 2. TWENTY-YEAR OBLIGATION WITH RESPECT TO BREEDING OF SPECIALIZED MICE FOR BIOMEDICAL RESEARCH.

(a) IN GENERAL.—The Secretary may not enter into a contract under section 1 unless, subject to subsection (b), the applicant for the contract agrees that—

(1) throughout the 20-year period beginning 90-days after the date of the completion of the construction of facilities pursuant to the contract, the facilities will be utilized only for the purpose described in section 1(a);

(2) during such period, the applicant will, to the extent practicable, develop and breed such mice in numbers sufficient to assist in meeting the need for such mice in biomedical research conducted or supported by the Secretary; and

(3) during such period, the applicant will, upon the request of the Secretary, sell such mice to the Secretary for purposes of such research at a price reasonably related to the cost of the production of the mice.

(b) TRANSFER OF OBLIGATION.—

(1) IN GENERAL.—With respect to the obligation under subsection (a), the contractor under section 1 (and any transferee or purchaser under this subsection) may—

(A) transfer the obligation to a public or nonprofit private entity if the proposed transferee has entered into a contract with the Secretary to assume the obligation; and

(B) convey its interest in the facilities involved if the proposed purchaser of the interest is a public or nonprofit entity that has entered into a contract with the Secretary to assume the obligation.

(2) TRANSFER PRIOR TO COMPLETION OF CONSTRUCTION.—If, for purposes of paragraph (1), a transfer or conveyance is proposed to be made before the completion of the construction of facilities pursuant to section 1, the Secretary may not authorize the transfer or conveyance unless the agreement involved provides that the transferee or purchaser will assume all remaining responsibilities under any agreements made pursuant to this Act by the contractor under such section and the Federal Government.

(3) TERMINATION OF OBLIGATION.—If, for purposes of paragraphs (1) and (2), a transfer or conveyance is made in accordance with such paragraphs, the obligation pursuant to subsection (a), and all other responsibilities pursuant to this Act, of the transferor involved shall terminate.

(c) REQUIREMENT OF STATUS AS PUBLIC OR NONPROFIT PRIVATE ENTITY.—The Secretary may not enter into any agreement under subsection (a) or (b) unless the agreement provides that the obligation involved includes the requirement that the obligation may be satisfied only by a public or nonprofit private entity.

(d) ASSURANCES OF SUFFICIENT FINANCIAL RESOURCES.—

(1) ORIGINAL CONTRACTOR.—The Secretary may not enter into a contract under section 1 unless the applicant for the contract provides assurances satisfactory to the Secretary that, throughout the 20-year period described in subsection (a), the applicant will have access to financial resources sufficient to comply with the agreement under such subsection.

(2) TRANSFEREES AND PURCHASERS.—The Secretary may not approve a transfer or conveyance under subsection (b) unless the transferee or purchaser provides assurances satisfactory to the Secretary that, throughout the remaining portion of the 20-year period described in subsection (a), the transferee or purchaser will have access to financial resources sufficient to comply with its obligation pursuant to such subsection.

SEC. 3. REQUIREMENT OF MATCHING FUNDS.

(a) IN GENERAL.—The Secretary may not enter into a contract under section 1 unless the applicant for the contract agrees, with respect to the costs to be incurred by the applicant in carrying out the purpose described in such section, to make available (directly or through donations from public or private entities) contributions toward such costs in an amount equal to $1 for each $3 of Federal funds provided pursuant to the contract under section 1.

(b) DETERMINATION OF AMOUNT OF CONTRIBUTION.—Contributions required in subsection (a) may be in cash or in kind, fairly evaluated, including existing plant and equipment or services throughout the 20-year period described in section 2(a)(1) (and including such specialized strains of mice as the Secretary may request for purposes of biomedical research). Amounts provided by any agency of the Federal Government other than the Department of Health and Human Services, and services assisted or subsidized by any such agency, shall be included in the amount of such contributions.

SEC. 4. ADDITIONAL REQUIREMENTS.

(a) SUBMISSION AND APPROVAL OF CONSTRUCTION PLAN.—

(1) IN GENERAL.—The Secretary may not enter into a contract under section 1 unless the applicant for the contract submits to the Secretary a plan for the construction of facilities pursuant to such section and unless the Secretary approves the plan. The Secretary may not approve such a plan unless the plan has been recommended for approval by the panel convened under paragraph 2(A).

(2) EXPERT PANEL FOR ADVISING SECRETARY WITH RESPECT TO PLAN.—

(A) The Secretary shall convene a panel of appropriately qualified individuals for the purpose of providing architectural, financial, and scientific advice to the Secretary regarding appropriate standards and specifications for the construction, financing, and use of facilities pursuant to section 1. The panel may not approve a plan submitted under paragraph (1) unless the panel determines that amounts provided in the contract under section 1 will not, during the twenty-year period described in section 2(a), be expended to increase significantly, relative to April 1989, the sale of mice other than mutant and inbred strains of mice necessary for the conduct of biomedical research.

(B) Members of the panel convened under paragraph (1) who are officers or employees of the United States may not receive compensation for service on the panel in addition to the compensation otherwise received for duties carried out as such officers or employees. Other members of such panel shall receive compensation for each day (including traveltime) engaged in carrying out the duties of the panel. Such compensation may not be in an amount in excess of the maximum rate of basic pay payable for GS-18 of the General Schedule.

(b) SITE OF CONSTRUCTION.—The Secretary may not enter into a contract under section 1 unless—

(1) the applicant for the contract provides to the Secretary a description of the site for the construction of facilities pursuant to such section; and

(2) the Secretary determines that title to the site is vested in the applicant or that the applicant has a sufficient possessory interest in such site for the twenty-year period described in section 2(a).

(c) REQUIREMENT OF APPLICATION.—The Secretary may not enter into a contract under section 1 unless—

(1) an application for the contract is submitted to the Secretary;

(2) the application contains the agreements required in this Act and provides assurances of compliance satisfactory to the Secretary; and

(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this Act.

SEC. 5. FAILURE TO COMPLY WITH AGREEMENTS.

(a) REPAYMENT OF PAYMENTS.—

(1) IN GENERAL.—The Secretary may, subject to subsection (c), require the contractor under section 1 to repay any payments received under such section by the contractor that the Secretary determines were not expended by the contractor in accordance with the agreements required to be contained in the application submitted by the contractor pursuant to section 4(c).

(2) OFFSET AGAINST CURRENT PAYMENTS.—If a contractor under section 1 fails to make a repayment required in paragraph (1), the Secretary may offset the amount of the repayment against the amount of any payment due to be paid under such section to the contractor.

(b) WITHHOLDING OF PAYMENTS.—

(1) IN GENERAL.—The Secretary may, subject to subsection (c), withhold payments due under section 1 if the Secretary determines that the contractor under such section is not expending payments received under such section in accordance with the agreements required to be contained in the application submitted by the contractor pursuant to section 4(c).

(2) TERMINATION OF WITHHOLDING.—The Secretary shall cease withholding payments under paragraph (1) if the Secretary determines that there are reasonable assurances that the contractor under section 1 will expend amounts received under such section in accordance with the agreements referred to in such paragraph.

(3) EFFECT OF MINOR NONCOMPLIANCE.—The Secretary may not withhold funds under paragraph (1) from the contractor under section 1 for a minor failure to comply with the agreements referred to in such paragraph.

(c) OPPORTUNITY FOR HEARING.—Before requiring repayment of payments under subsection (a)(1), or withholding payments under subsection (b)(1), the Secretary shall provide to the contractor under section 1 an opportunity for a hearing conducted within the State in which facilities are constructed pursuant to such section.

SEC. 6. RECOVERY PROCEEDINGS FOR VIOLATION OF REQUIREMENT WITH RESPECT TO MINIMUM PERIOD OF BREEDING OF SPECIALIZED MICE.

(a) RIGHT OF RECOVERY.—If the contractor under section 1, or any transferee or purchaser under section 2, violates its obligation under such section (including any violation under subsection (c) of such section),

the United States shall be entitled to recover an amount equal to the sum of—

(1) an amount determined in accordance with paragraph (1)(A) of subsection (b); and

(2) an amount determined in accordance with paragraph (2)(A) of such subsection.

(b)DETERMINATION OF AMOUNTS.—

(1) FEDERAL PERCENTAGE OF FAIR MARKET VALUE.—

(A) The amount referred to in paragraph (1) of subsection (a) is the product of—

(i) an amount equal to the fair market value, during the period in which recovery is sought under subsection (a), of the facilities constructed pursuant to section 1, as determined in accordance with subparagraph (B); and

(ii) a percentage equal to the quotient of—

(I) the total amounts provided by the Federal Government for the construction of such facilities; divided by

(II) the total costs of the construction of such facilities.

(B) For purposes of subparagraph (A)(i), fair market value shall be determined through—

(i) an agreement entered into by the United States and the entity from whom the United States is seeking recovery under subsection (a); or

(ii) an action brought in the district court of the United States for the district in which the facilities involved are located.

(2) INTEREST.—

(A) The amount referred to in paragraph (2) of subsection (a) is an amount representing interest on the amount determined under paragraph (1). Such interest shall accrue during the period described in subparagraph (B) and shall accrue at a rate determined by the Secretary on the basis of the average of the bond equivalent of the weekly 90-day Treasury bill auction rate.

(B) The period referred to in subparagraph (A) is the period—

(i) beginning on the date of the violation of the obligation under section 2, or if the entity involved provides notice to the Secretary of the violation not later than 10 days after the date of the violation, beginning on the expiration of the 180-day period beginning on the date that the notice is received by the Secretary; and

(ii) ending on the date on which the United States collects the amount determined under paragraph (1).

(c) WAIVER OF RECOVERY RIGHTS.—The Secretary may waive, in whole or in part, the right of the United States to recover amounts under this section for good cause shown, as determined by the Secretary.

(d) CLARIFICATION WITH RESPECT TO LIEN ON FACILITIES.—The right of recovery of the United States under subsection (a) shall not constitute a lien on the facilities involved with respect to which such recovery is sought.

SEC. 7. DEFINITION.

For purposes of this Act, the term "Secretary" means the Secretary of Health and Human Services.

SEC. 8. TECHNICAL AMENDMENT WITH RESPECT TO AUTHORITY FOR CONSTRUCTION OF FACILITIES.

Section 496 of the Public Health Service Act (42 U.S.C. 289e) is amended—

(1) by striking the first sentence;

(2) by inserting "(a)" after the section designation; and

(3) by adding at the end the following new subsection:

"(b)(1) None of the amounts appropriated under this Act for the purposes of this title may be obligated for the construction of facilities (including the acquisition of land) unless a provision of this title establishes express authority for such purpose and unless the Act making appropriations under such provision specifies that the amounts appropriated are available for such purpose.

"(2) Any grants, cooperative agreements, or contracts authorized in this title for the construction of facilities may be awarded only on a competitive basis.".

The SPEAKER pro tempore. Is a second demanded?

Mr. MADIGAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes, and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 1390, the Senate bill now being considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to present to the House S. 1390, legislation authorizing funding for the construction of a mouse research laboratory.

On May 10, 1989, a fire swept through the mouse breeding facility of the Jackson Laboratory in Bar Harbor, ME. The fire destroyed the laboratory's animal production facility including the loss of over 400,000 research mice and 54,500 square feet of breeding space.

In a September 1989, report entitled "The Production and supply of Inbred Strains of Mice for Biomedical Research," an outside panel of consultants to the National Institutes of Health, concluded that: "The lost capability (of the Jackson Laboratory) does represent a significant loss of a resource to important national research efforts. It does constitute a national resource." The NIH panel recommended that steps be taken to rebuild the lost breeding facility and that production be restored as rapidly as possible.

Mr. Speaker, it is clear from the subcommittee's investigation of this matter that the NIH and many segments of the biomedical research community are dependent upon the unique strains of mutant and inbred mice developed at the Jackson Lab. Indeed, the subcommittee has received hundreds of letters from researchers across the Nation expressing concern about the loss to science that the Jackson Laboratory fire represents. Organizations such as the American Cancer Society, American Diabetes Association, and the National Organization of Rare Diseases have written urging that the Federal Government take steps to help the Jackson Laboratory resume production.

On August 4, 1989, S. 1390 was reported unanimously by the Senate. The legislation authorized the Secretary of Health and Human Services to award a $25 million competitive grant for the purpose of building a breeding facility for unique strains of mice. The subcommittee reviewed that Senate bill and while supporting the general intent of the legislation, believed that additional provisions were necessary to protect the substantial Federal investment in this important project. The committee amendment addressed five points absent from the Senate bill.

First, although Federal assistance is reserved for award of a competitive grant, the original Senate bill made no provision for cost sharing. The committee believed the successful applicant should share in the costs of building the new breeding facility. The committee amendment requires that 25 percent of the project construction costs be raised from private sources. This requirement is consistent with requirements for construction projects supported by the National Cancer Institute.

Second, the applicant is required, over a 20-year period, to operate the facility for the purpose of developing and breeding specialized strains of mice for use in biomedical research. In addition, the committee amendment requires that the successful applicant operate the facility in a manner which will assure that the requirements of biomedical research conducted and supported by the NIH will receive priority.

Third, funds for the project will be made available from the annual appropriations of the National Institutes of Health although contributions could be solicited from other Federal agencies. Although the scientific community preferred that funds for this project come from new, supplemental appropriations, the committee believes this is unrealistic. The breeding facility is of principal benefit to the National Institutes of Health and research supported through its extramural grant program. Although the committee amendment encourages NIH and the applicant to seek contributions from other Federal agencies, it is unrealistic to expect additional funding to be provided NIH for extramural construction. This policy is consistent with the fiscal year 1990 NIH appropriation which included $15 million in limited funding for authorized extramural construction projects.

Fourth, the amendment clarifies that the authorization of $25 million is considered to be a ceiling on the maximum amount of Federal support that may be provided to this special project. The Director of NIH has discretion in determining the specific level of Federal funding that will be made available for construction of the new breeding facility. The legislation provides that the maximum level of Federal support may not exceed $25 million but the Director is authorized to make a determination of the actual amount. It is our expectation that the NIH will work closely with the House and Senate Appropriations Committees in determining the actual level of Federal support required by this important project. Peer review, through establishment of an advisory panel with experts in the construction of such facilities, will provide essential, objective information on the appropriate size of the facility and recommended level of Federal support.

Finally, the committee amendment responds to a concern of the NIH's expert panel that "Any support from Government sources must contribute solely to restoration of the prior capability and not confer any further commercial advantage." The committee amendment requires that as a condition of Federal support the applicant not expand the level of its commercial production beyond the level in effect prior to the May 1989 fire. Federal assistance is intended for the sole purpose of enabling continued production of rare, mutant, and inbred strains of mice which are necessary for the conduct of biomedical research.

Mr. Speaker, passage of S. 1390 is important to the United States' continued leadership in the health sciences. I urge support for the legislation and reserve the balance of my time.

Mr. MADIGAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in May 1989, a fire at the Jackson Laboratory facility destroyed one of the world's leading suppliers of research mice. This facility produced highly specialized strains of mutant and inbred mice needed for research on cancer, AIDS, and other serious human diseases. As no other facility in the world can produce more than about a dozen of Jackson Laboratory's 1,700 strains of mice, an estimated $700 million of federally supported biomedical research has been affected. The National Institutes of Health have recognized the Jackson Laboratory as a unique national resource.

I support this legislation which authorizes up to $25 million for the construction of facilities for the purpose of breeding specialized strains of mice. Under this bill, these funds will be awarded on a competitive basis with full peer review of the construction plans. Also, the successful applicant will have to provide assurances to the Secretary of HHS concerning the entity's ability to efficiently operate the facility. I believe that authorizing these funds under the usual peer review process of HHS will provide for the successful completion of a new facility.

This legislation is supported by the administration and the National Institutes of Health.

I urge my colleagues to join me in supporting this bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WAXMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Maine [Mr. Brennan].

Mr. BRENNAN. Mr. Speaker, I rise today to urge my colleagues to support S. 1390, a bill that will help restore a major component of this Nation's effort in biomedical research.

I thank the distinguished chairman, the gentleman from California [Mr. WAXMAN], and the ranking member, the gentleman from Illinois [Mr. MADIGAN] for their able support on this very important issue.

In May of this year, a very devastating fire took place at the Jackson Laboratory in Barr Harbor, ME. The laboratory is a nonprofit institution that has served as a national resource providing 98 percent of the genetically refined inbred and mutant strains of mice that are very important in biomedical research, most of which are not available from any alternative source.

In September, officials of the National Institutes of Health met to discuss the problems created by the fire. The NIH officials concluded that the fire represents a very significant loss of a resource to important national research efforts, and recommended that the Federal Government provide funding quickly to help restore this resource.

Earlier this year, the Appropriations Committee provided funding for NIH to carry out a process to channel funds to meet the challenge posed by the damage of that fire. This authorizing legislation is required if NIH is to have all the tools necessary to ensure that the many medical laboratories throughout the country can continue their work into cancer research and other areas that rely on the supply that was lost in May.

Again, I want to commend the committees for their excellent work, the quick action that they took to make it possible to restore this lab to where it should be for the very important work that it does in cancer research; so I strongly urge support for S. 1390, which is of such great importance to the state of Maine, but I think even more importantly, to the entire Nation.

Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. McDERMOTT). Does the gentleman from Illinois wish to consume any additional time?

Mr. MADIGAN. Mr. Speaker, I have received word that the gentlewoman from Maine [Ms. SNOWE] wishes to speak on the bill. I understand that everyone else who wishes to speak has done so. I am not sure what the procedure is now, since I am a person of few words, a very soft-spoken person, not used to engaging in the normal type of Irish rhetoric that someone might attribute to a person having the last name that I have. I just do not know how to go on and on and keep talking.

I understand that the gentleman from California, the very respected chairman of my subcommittee, has quite a reputation for his ability to filibuster. I know that he can see that I am struggling here and dying on the vine.

Mr. WAXMAN. Mr. Speaker, will the gentleman yield to me?

Mr. MADIGAN. I am happy to yield to the gentleman from California.

Mr. WAXMAN. Mr. Speaker, if I have that reputation, it is certainly not deserved, but I would like to take a few minutes, if the gentleman will permit, to discuss a number of health issues while we await our colleague.

This bill before us is an important bill. It is a fairly modest one in terms of the scope which it covers, the issues that are before us pending in the Congress, but it is a bill that does address a need by the researchers in this country for a special breed of mice that evidently at the present time seems to come from this facility in Maine, which unfortunately due to fire has been destroyed, but with the authorization that we would provide, the Secretary might then assist them or some other facility that may wish to come in and compete, to provide that strain of mice so that researchers will have it available to them.

It is part of the larger effort in this country to provide support for biomedical research. I know that my friend, the gentleman from Illinois, and many others in the Congress of the United States have strongly supported research efforts.

□ 1610

The work done at NIH is something we can all be justifiably proud of in terms of the hope it brings for the future to lead to cures, control, prevention of some of these diseases. The investment that we make in biomedical research has already paid off enormously with the breakthroughs that have now come about, and I think will offer even more promise for the future

in both prevention, cure, and control of these diseases.

With these words, I would like to yield back to the gentleman from Illinois for any comments he wishes to make as we await our colleague's appearance in the House Chamber.

Mr. MADIGAN. Mr. Speaker, since I am not in a position to object, may I just say in continuation that the reputation of the gentleman from California obviously is well deserved, not only with regard to his ability to express himself so succinctly, and I believe I am being given a hand signal that the gentlewoman from Maine honors us with her presence.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. Mr. Speaker, I thank the gentleman from Illinois and the gentleman from California for their indulgence in giving me time to address this very important issue to the State of Maine.

Mr. Speaker, I rise today in support of S. 1390, the legislation authorizing the $25 million grant from the National Institutes of Health. I am out of breath.

Mr. Speaker, let me just say that this is very important legislation to address the Jackson Lab fire that took place last May and to continue providing its highly valued services to the national biomedical services.

I am sorry, I am out of breath, and I will have difficulty to further address this issue, but I really want to thank the gentleman from Illinois.

Mr. Speaker, I rise today in strong support of S. 1390, legislation authorizing a $25 million grant from the National Institutes of Health [NIH] for the construction of a facility designed to breed and distribute specialized mice used in certain kinds of research. Adopting this bill will, we hope, enable the Jackson Laboratory in Bar Harbor, ME, to recover from the disastrous effects of a tragic fire last May—and to continue providing its highly valued services to the Nation's biomedical research community.

But before I begin my remarks on S. 1390, I want to express my gratitude to the bipartisan leadership of the Energy and Commerce Subcommittee on Health and the Environment, Chairman HENRY WAXMAN, ranking minority member, and ED MADIGAN.

Throughout the process that brought us here, these two distinguished gentlemen have repeatedly demonstrated their commitment to providing the Nation's biomedical research facilities with the resources they need. On behalf of Jackson Lab and everyone who depends upon this remarkable facility, I want to recognize their fine work and commend them for their extraordinary efforts on this issue.

Mr. Speaker, there is a compelling need for the prompt passage and enactment of S. 1390: Jackson Laboratory is the top-rated research facility in America dedicated to studying the genetics of mammals. For more than 60 years, the laboratory has been on the cutting edge of national research into molecular biology, genetics, immunology and cell biology.

Recognizing its special status, the National Cancer Institute has designated Jackson Lab as a laboratory cancer research center. In addition to its own cancer work, Jackson Lab also conducts experiments into developmental biology and the aging process.

However, while conducting important research work of its own, the lab also supplies scientists in the United States and around the world with more than 2 million genetically defined inbred and mutant mice a year.

In fact, Jackson Lab maintains, breeds, and distributes a staggering total of 1,700 different strains of these research animals, all of which are used in research on AIDS, cancer, arthritis, diabetes, atherosclerosis, muscular dystrophy, and other serious illnesses.

Sadly, the accidental fire on May 10, 1989 completely ruined the laboratory's building with most of its animal breeding space, severely damaged an additional 25,000 square feet of the lab's facilities, and killed 400,000 mice. As a result, every major medical research facility in the United States was immediately—and adversely—affected.

Because Jackson Lab supplies more than 11,000 research laboratories with the mice they need for experiments, representing more than 20 percent of the market, the fire's effect on biomedical research was catastrophic. Hundreds of millions of dollars in federally funded pharmaceutical and biotechnology research and development work has been harmed.

Some experiments depending on Jackson Lab mice have either been postponed or, in some cases, cancelled due to the blaze.

The laboratory will be seeking the $25 million grant, provided for by S. 1390 under a competitive-bid process, to help finance the cost of constructing a temporary mouse production facility. The grant would also be used to assist in the construction of a permanent facility for the long-term production and distribution of mice.

In addition to the public funding that Jackson Laboratory seeks, the lab has also organized an aggressive private sector fundraising effort to help finance the recovery costs. In fact, S. 1390 contains provisions requiring that over the next 2 years the grant's recipient raise 25 percent of the total rebuilding costs in private sector funds.

With the passage and enactment of S. 1390, Jackson Lab will be able to apply for NIH appropriations to rebuild itself. Without this measure and these funds, hundreds of millions of dollars in vitally important research work will be jeopardized.

Failing to adopt S. 1390 means losing ground in the battle against some of mankind's most pressing disorders. Enacting this measure will allow important biomedical research work on AIDS, cancer, arthritis, and other diseases to continue moving forward, so that we can hopefully eradicate some of our most troubling disorders.

With this need in mind, Mr. Speaker, I hope that all of my colleagues in the House will join with me in supporting S. 1390.

Mr. MADIGAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCDERMOTT). The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the Senate bill, S. 1309, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the Senate bill, as amended, was passed.

The title of the Senate bill was amended so as to read: "An Act to provide for the construction of biomedical facilities in order to ensure a continued supply of specialized strains of mice essential to biomedical research in the United States, and for other purposes.".

A motion to reconsider was laid on the table.

POSTHUMOUS CITIZENSHIP FOR ACTIVE DUTY SERVICE ACT OF 1989

Mr. MORRISON of Connecticut. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 150) to amend the Immigration and Nationality Act to provide a procedure for an alien who dies while serving on active-duty with the United States armed forces during certain periods of hostilities to be considered a citizen of the United States at the time of the alien's death, as amended.

The Clerk read as follows:

H.R. 150

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Posthumous Citizenship for Active Duty Service Act of 1989".

SEC. 2. POSTHUMOUS CITIZENSHIP THROUGH DEATH WHILE ON ACTIVE-DUTY SERVICE IN THE ARMED FORCES DURING WORLD WAR I, WORLD WAR II, THE KOREAN HOSTILITIES, THE VIETNAM HOSTILITIES, OR IN OTHER PERIODS OF MILITARY HOSTILITIES.

(a) IN GENERAL.—Chapter 2 of title III of the Immigration and Nationality Act is amended by inserting after section 329 (8 U.S.C. 1440) the following new section:

"POSTHUMOUS CITIZENSHIP THROUGH DEATH WHILE ON ACTIVE-DUTY SERVICE IN THE ARMED FORCES DURING WORLD WAR I, WORLD WAR II, THE KOREAN HOSTILITIES, THE VIETNAM HOSTILITIES, OR IN OTHER PERIODS OF MILITARY HOSTILITIES

SEC. 329A. (a) PERMITTING GRANTING OF POSTHUMOUS CITIZENSHIP.—Notwithstanding any other provision of this title, the Attorney General shall provide, in accordance with this section, for the granting of posthumous citizenship at the time of death to a person described in subsection (b) if the Attorney General approves an application for that posthumous citizenship under subsection (c).

"(b) NONCITIZENS ELIGIBLE FOR POSTHUMOUS CITIZENSHIP.—A person referred to in subsection (a) is a person who, while an alien or a noncitizen national of the United States—

"(1) served honorably in an active-duty status in the military, air, or naval forces of the United States during any period described in the first sentence of section 329(a),

"(2) died as a result of injury or disease incurred in or aggravated by that service, and

"(3) satisfied the requirements of clause (1) or (2) of the first sentence of section 329(a).

The executive department under which the person so served shall determine whether the person satisfied the requirements of paragraphs (1) and (2).

"(c) REQUESTS FOR POSTHUMOUS CITIZENSHIP.—A request for the granting of posthumous citizenship to a person described in subsection (b) may be filed on behalf of the person only by the next-of-kin (as defined by the Attorney General) or another representative (as defined by the Attorney General). The Attorney General shall approve such a request respecting a person if—

"(1) the request is filed not later than 2 years after—

"(A) the date of the enactment of this section, or

"(B) the date of the person's death, whichever date is later;

"(2) the request is accompanied by a duly authenticated certificate from the executive department under which the person served which states that the person satisfied the requirements of paragraphs (1) and (2) of subsection (b); and

"(3) the Attorney General finds that the person satisfied the requirement of subsection (b)(3).

"(d) DOCUMENTATION OF POSTHUMOUS CITIZENSHIP.—If the Attorney General approves such a request to grant a person posthumous citizenship, the Attorney General shall send to the individual who filed the request a suitable document which states that the United States considers the person to have been a citizen of the United States at the time of the person's death.

"(e) NO BENEFITS TO SURVIVORS.—Nothing in this section or section 319(d) shall be construed as providing for any benefits under this Act for any spouse, son, daughter, or other relative of a person granted posthumous citizenship under this section.".

(b) CLERICAL AMENDMENT.—The table of contents of such Act is amended by inserting after the item relating to section 329 the following new item:

"Sec. 329A. Posthumous citizenship through death while on active-duty service in the armed forces during World War I, World War II, the Korean hostilities, the Vietnam hostilities, or in other periods of military hostilities.

The SPEAKER pro tempore. Is a second demanded?

Mr. SMITH of Texas. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Connecticut [Mr. MORRISON] will be recognized for 20 minutes, and the gentleman from Texas [Mr. SMITH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Connecticut [Mr. MORRISON].

Mr. MORRISON of Connecticut. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 150 is legislation introduced in the House by the gentleman from Massachusetts [Mr. DONNELLY].

This bill, which is supported by the Bush administration, is cosponsored by 44 Members of the House, and former President Reagan urged the adoption of this kind of legislation. The bill would simply state that men or women who give their lives in the defense of the United States as members of the U.S. Armed Forces are to be considered U.S. citizens at the time of their death. It would be a conferring of citizenship as an honorific action by the U.S. Government in recognition of the sacrifice involved. It does not confer benefits on the survivors and has no budgetary implications, but it makes a very strong statement that individuals who have not yet become citizens but who fight for this country and who, in the line of active duty, lose their lives ought to be honored by having earned the citizenship of the United States by their sacrifice.

I think this is legislation which is very well crafted to the purpose and very well conceived by the gentleman from Massachusetts.

Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. DONNELLY].

Mr. DONNELLY. Mr. Speaker, as the author of this legislation, I rise in strong support of H.R. 150. I would like to thank Mr. MORRISON, the chairman of the Immigration Subcommittee, and the full Judiciary Committee for favorably reporting this legislation to the House floor.

Mr. Speaker, H.R. 150 is modest, straightforward legislation and should, I suggest, be the law of the land. It establishes a procedure under which an alien who dies while on active duty with the U.S. Armed Forces would be considered a U.S. citizen at the time of death. Under the bill, the next-of-kin or another representative of the decrease determined by the Attorney General could apply for citizenship for the deceased.

My interest in this legislation dates back to 1984, when I filed legislation on behalf of an individual who lived in my district and was killed in the Vietnam war. This individual was a resident alien from Scotland and was killed while serving on active duty on July 7, 1967. My private relief bill was signed into law by President Reagan in October 1984.

At that time, President Reagan said that he supported a generic rule in our immigration laws which applied this policy to all aliens or noncitizen nationals who are killed in the line of duty while serving as American soldiers. He said, "We cannot repay these men for their sacrifice, valor, or patriotism; but it is only right that we bestow on each of them our Nation's highest honor: American citizenship." President Reagan submitted proposed legislation to the 99th Congress to make this change in the law.

H.R. 150, consequently, follows this proposal. The bill provides that any alien or noncitizen national of the United States who served honorably as a member of the Armed Forces during World War I, World War II, The Korean war, or the Vietnam war, and died as a result of that service, is deemed to be a U.S. citizen at the time of their death.

According to the Department of Defense, their casualty file does not distinguish aliens. However, in a letter to me, they suggest that approximately 2 percent of all casualties from 20th century wars were nonresident aliens. I would ask unanimous consent that a copy of the Defense Department's letter to me be included in the RECORD at this point.

Mr. Speaker, I am including a copy of the Defense Department letter in the RECORD as follows:

THE OFFICE OF THE ASSISTANT
SECRETARY OF DEFENSE,
Washington, DC, November 31, 1989.

Hon. BRIAN J. DONNELLY,
House of Representatives,
Washington, DC.

DEAR MR. DONNELLY: This is in reply to your request to obtain statistics on the number of resident aliens who have been killed in the line of duty while serving in the U.S. Armed Forces and advising that you have introduced H.R. 150 which would grant those individuals affected posthumous U.S. citizenship.

Unfortunately, the casualty file maintained by the Department of Defense does not provide the capability to distinguish resident aliens. While there is a category for citizenship, in the past entries have been annotated as U.S. citizens and the Department of Defense has not drawn any distinctions between casualties based upon citizenship.

We do collect data on accessions based upon citizenship, however. Based upon ac-

cession data, in FY88, 8,100 of our 400,000 accessions were resident aliens. We have no reason to believe that this as a percentage has varied significantly in the past and it can be assumed that the percentage of casualties is comparable. I have enclosed a department of Veterans Affairs list of deaths by war era.

While we are unable to provide the specific data you have requested I trust our estimate will assist.

Sincerely,

FRANCIS E. JEPSON,
Captain, SC, USN, Director, Personnel Administration and Services (Military Manpower and Personnel Policy).

Enclosure.

AMERICA'S WARS STATISTICS GIVEN IN VA RELEASE

The Veterans Administration has released a compilation of the number of participants in America's Wars as of December 31, 1970. The tally also includes the number of deaths in service and veterans and dependents on compensation and pension rolls as of that date.

The following are the wars and statistics:

American Revolution (1775-1784)

Participants	290,000
Deaths in Service	4,000

Last Veteran:
Daniel F. Bakeman, Freedom, N.Y.
Died April 5, 1869 Age 109

Last Widow:
Catherine S. Damon, Plymouth Union, Vt.
Died November 11, 1906 Age 92

Last Dependent:
Phoebe M. Palmeter, Brookfield, N.Y.
Died April 25, 1911 Age 90

War of 1812 (1812-1815)

Participants	287,000
Deaths in Service	2,000

Last Veteran:
Hiram Cronk, Ava, N.Y.
Died May 13, 1905 Age 105

Last Widow:
Carolina King, Cheektowaga, N.Y.
Died June 28, 1936 Age ?

Last Dependent:
Esther A.H. Morgan, Independence, Ore.
Died March 12, 1946 Age ?

Mexican War (1846-1848)

Participants	79,000
Deaths in Service	13,000

Last Veteran:
Owen Thomas Edgar, Washington, D.C.
Died September 3, 1929 Age 98

Last Widow:
Lena James Theobald, Louisiville, Ky.
Died June 20, 1963 Age 89

Last Dependent:
Jesse G. Bivens, Alton, Ill.
Died November 1, 1962 Age 94

Civil War (1861-1865)

Participants (Union)	2,213,000
Deaths in Service (Union)	364,000

Last Union Veteran:
Albert Woolson, Duluth, Minn.
Died August 2, 1956 Age 109

Last Confederate Veteran:
Walter W. Williams, Houston, Tex.
Died December 19, 1959 Age 117

Dependents on Compensation and Pension Rolls

(Approximately 65% Union, 35% Confederate)

Widows	478
Children	357

Indian Wars (Approx. 1817-1898)

Participants	106,000
Deaths in Service	1,000
Living Veterans	1

Veterans and Dependents on Pension and Compensation Rolls

Widows	148
Children	22
Veterans	1

Spanish-American War (1898-1902)

Participants	392,000
Deaths in Service	11,000
Living Veterans	4,000

Veterans and Dependents on Pension and Compensation Rolls

Widows	38,837
Children	1,726
Veterans	3,901

World War I (1917-1918)

Participants	4,744,000
Deaths in Service	116,000
Living Veterans	1,466,000

Veterans and Dependents on Pension and Compensation Rolls

Parents	1,164
Widows	620,753
Children	38,421
Veterans	724,338

World War II (Sept. 6, 1940-July 25, 1947)

Participants	[1] 16,535,000
Deaths in Service	406,000
Living Veterans	[2] 14,374,000

Veterans and Dependents on Pension and Compensation Rolls

Parents	156,879
Widows	313,166
Children	709,304
Veterans	1,800,455

[1] Includes 1,476,000 who served in both World War II and the Korean Conflict.
[2] Includes 1,263,000 with service in both World War II and the Korean Conflict.

Korean Conflict (June 27, 1950-Jan. 31, 1955)

Participants	[1] 6,807,000
Deaths in Service	55,000
Living Veterans	[2] 5,878,000

Veterans and Dependents on Pension and Compensation Rolls

Parents	29,664
Widows	33,770
Children	178,451
Veterans	267,599

[1] Includes 1,476,000 who served in both World War II and the Korean Conflict.
[2] Includes 1,263,000 with service in both World War II and the Korean Conflict.

Post-Korean Conflict (Service only between Feb. 1, 1955, and Aug. 4, 1964, Inclusive)

Participants	3,195,000
Deaths in Service	20,000
Living Veterans	3,122,000

Vietnam Era Veterans (Service after Aug. 4, 1964)

Participants	[1] 7,626,000
Deaths in Service from All Causes	82,000
Deaths from Action by Hostile Forces Only	44,000
Living Veterans	[2] 4,642,000

Veterans and Dependents on Pensions and Compensation Rolls

Parents	18,492
Widows	23,559
Children	53,596
Veterans	208,886

[1] Includes 887,000 who served in the Korean Conflict.
[2] Includes 280,000 who served in the Korean Conflict.

America's Wars (Total through Dec. 31, 1970)

Participants [1]	42,274,000
Deaths in Service	1,074,000
Living Veterans	27,943,000

Veterans and Dependents on Pension and Compensation Rolls

Parents	[2] 224,486
Widows	[3] 1,058,157
Children	[4] 1,018,148
Veterans	[5] 3,209,834

[1] Persons who served in more than one war period are counted as participants in each.
[2] Includes 19,145 parents of deceased peacetime veterans.
[3] Includes 26,881 widows of deceased peacetime veterans.
[4] Includes 22,544 children of deceased peacetime veterans.
[5] Includes 184,043 peacetime veterans who are receiving disability compensation.

Let me stress, Mr. Speaker, that this legislation involves no new benefits, and has no budgetary effects it would be, if passed into law and signed by President Bush, a simple statement of policy that these brave individuals were, in every sense of the word, American citizens, I would suggest that this noncontroversial measure should be the law of the land, and I urge the House to pass it.

In closing, let me note that a bipartisan group of 51 Members of the House have cosponsored this legislation with me. Former President Reagan has endorsed the concept I urge the legislation's adoption, and I would urge the Senate to act expeditiously on it as well. Once again, let me thank the gentleman from Connecticut [Mr. MORRISON] for has attention to his extraordinary cooperation.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we are here today to consider H.R. 150.

H.R. 150 was amended and passed unanimously by the Subcommittee on Immigration, Refugees, and International Law. It was also passed unanimously by the full Judiciary Committee.

H.R. 150, as amended at the subcommittee, provides posthumous naturalization for any alien who died as a result of injuries or diseases while on active duty in World War I or II, the Korean war, Vietnam, or during other designated periods of military hostitity. Application must be made by family members or a designated

person within 2 years after the date of enactment or after the date of the alien's death.

H.R. 150 has been amended to prohibit any survivor from receiving any benefits as a result of this act.

And H.R. 150 has been amended sufficienty to satisfy the administration's earlier concerns.

I urge my colleagues to support H.R. 150.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MORRISON of Connecticut. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Connecticut [Mr. MORRISON] that the House suspend the rules and pass the bill, H.R. 150, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

□ 1620

GENERAL LEAVE

Mr. MORRISON of Connecticut. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill, H.R. 150, just passed.

The SPEAKER pro tempore, (Mr. MCDERMOTT). Is there objection to the request of the gentleman from Connecticut?

There was no objection.

FILIPINO WORLD WAR II VETERANS NATURALIZATION ACT OF 1989

Mr. MORRISON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 525) to permit the naturalization of certain Filipino war veterans, as amended.

The Clerk reads as follows:

H.R. 525

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Filipino World War II Veterans Naturalization Act of 1989".

SEC. 2. NATURALIZATION OF NATIVES OF THE PHILIPPINES THROUGH ACTIVE-DUTY SERVICE IN THE ARMED FORCES DURING WORLD WAR II.

(a) WAIVER OF CERTAIN REQUIREMENTS.—Clauses (1) and (2) of section 329(a) of the Immigration and Nationality Act (8 U.S.C. 1440(a)) shall not apply to the naturalization of any person—

(1) who was born in the Phillippines and who was otherwise a noncitizen national of the United States residing in the Philippines before the service described in paragraph (2);

(2) who served honorably in an active-duty status in the military, air, or naval forces of the United States, including the Philippine Army, the Philippine Scouts, and recognized guerrilla units, at any time during the period beginning September 1, 1939, and ending December 1, 1946;

(3) who is otherwise eligible for naturalization under section 329 of such Act; and

(4) who applies for naturalization during the 2-year period beginning on the date of the enactment of this Act.

(b) WAIVER OF RESIDENCY REQUIREMENT.—Section 340(d) of the Immigration and Nationality Act (8 U.S.C. 1451(d)) shall not apply to a person who is naturalized pursuant to subsection (a).

The SPEAKER. pro tempore. Is a second demanded?

Mr. SMITH of Texas. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Connecticut [Mr. MORRISON] will be recognized for 20 minutes, and the gentleman from Texas [Mr. SMITH] will be recognized for 20 minutes.

The Chair recognized the gentleman from Connecticut [Mr. MORRISON].

Mr. MORRISON of Connecticut. Mr. Speaker, I yield myself such time as I many consume.

Mr. Speaker, H.R. 525 is introduced by the gentleman from California [Mr. DYMALLY]. This bill would permit the naturalization of Filipino veterans who fought valiantly in the Second World War for the United States as well as for their homeland of the Philippines.

Over 40 years ago Congress extended a promise to these Filipino soldiers by amending the Nationality Act of 1940 and allowing them to apply for naturalization.

Unfortunately, the opportunity to apply was rescinded when an executive decision was made to remove the naturalization examiners from the Philippines for a 9-month period during which applications could have been made.

Many lawsuits have arisen from that decision. In 1988 the Supreme Court ruled in the case of INS versus Pangilinan. The Court ruled it had no power to confer citizenship rights since Congress, in the exercise of its exclusive constitutional authority over naturalization, imposed limitations as to the time for filing naturalization petitions pursuant to the act. For that reason, many Filipino veterans have been cut off from any opportunity to exercise the naturalization rights which Congress extended to them back in the 1940's.

Mr. Speaker, we have the opportunity today in this legislation to extend to these heroic Filipino veterans the right to apply for United States citizenship 40 years after the time when we intended to have that go in effect.

This legislation is supported by the administration, by the American Legion, by the Filipino Ambassador to the United States, and by the United Filipino-American World War II Veterans Association.

In considering the legal immigration reform bill in this session of the 101st Congress, the Senate has passed similar legislation as amended.

The Veterans' Administration estimates that there are approximately 60,000 World War II veterans who may avail themselves of the benefits of this legislation. In order to avail themselves of the benefits of this legislation, the individuals will need to travel to the United States and make application for this naturalization process.

Mr. Speaker, I believe that this legislation is long in coming and long overdue, but will accomplish a purpose of fairness in keeping a promise that this country made to these individuals when we very much needed and wanted their assistance to fight the Japanese in the Philippines during the Second World War.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we are here today to consider H.R. 525.

H.R. 525 was amended and passed unanimously by the Subcommittee on Immigration, Refugees, and International Law. It was also passed unanimously by the full Judiciary Committee.

H.R. 525 allows Filipinos who have served honorably in active-duty status in the U.S. military, air or naval forces during World War II to naturalize. Also included are Filipinos who served in the Philippine Army, the Philippine Scouts and the recognized guerrilla units.

The applicant must otherwise be eligible for naturalization and must apply during the 2-year period beginning on the date of enactment. Section 304(d) requiring U.S. residency of newly naturalized citizens is waived as to applicants under H.R. 525.

The administration supports H.R. 525. And I urge my colleagues to support H.R. 525.

Mr. Speaker, I yield such time as he may consume to my colleague the gentleman from California [Mr. CAMPBELL], who is one of the authors of this legislation and has worked hard to ensure its passage.

Mr. CAMPBELL of California. Mr. Speaker, I thank the gentleman from Texas and the gentleman from Connecticut, and I rise in support of H.R. 525.

I would like to begin by recognizing the superb work of the gentleman from California [Mr. DYMALLY], who has carried this legislation in previous Congresses, and with whom I was privileged to work.

Let me note as well the effort of Mr. Eltapon, a leader of the Filipino community, whose expert assistance in draftsmanship assisted and allowed this resolution to proceed.

Mr. Speaker, today we redeem a pledge that was made at a time when we needed assistance and the Filipinos came to our assistance and the assistance of themselves and all the free world.

The estimated number of Filipino veterans who will take advantage of this is in the order of 80,000 who actually served in the Armed Forces of the United States, plus 50,000 guerillas and scouts.

Mr. Speaker, I appreciate the kindness and efforts of my colleague, the gentleman from California [Mr. DYMALLY] in accepting my language to extend the benefits, not only to those who served in the Armed Forces of the United States, but in the guerrillas and scouts of the Philippines as well.

Another provision which I am grateful to have seen included that was in the bill I introduced, H.R. 2407, extends for 2 years the application time period. I regret, however, that there is not as much accommodation as we might have had. I regret, for example, that we do not have officials of the Immigration and Naturalization Service authorized to travel to the Philippines and take applications there. That distinction is regrettable.

Nevertheless, this legislation is quite an important step, because it opens up what had been closed for so long and in such an unfair way.

This legislation puts no burden on the American taxpayer. It does not open up a class of individuals previously not eligible for medical benefits or Social Security benefits. What it does is to say when we make a promise, we Americans stand by our word, and in the instance of the promise we made to the Filipinos, today we redeem that pledge.

Mr. Speaker, I conclude with one last request to all Members in this Chamber. In that this bill does not include a provision that had been in H.R. 2407 to publicize the availability of this benefit of U.S. citizenship in the Philippines, I call on all Members to do their best to publicize the availability of this privilege in their own districts in the Filipino community so that the word can get out to those 80,000 to 50,000, whose numbers continue to dwindle as the years pass.

A final statement, it is with honor I submit my support for this bill today, and I appreciate the kindness of all Members who have worked on this.

Mr. SMITH of Texas. Mr. Speaker, I reserve the balance of my time.

Mr. MORRISON of Connecticut. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Speaker, I am happy to join in this legislation. In World War II I had the privilege of being an American soldier fighting side by side with the Filipinos.

We took Baguio, which was the summer capital of the Philippines.

At that point I left the American troops and went with the guerrillas and fought side by side with guerrillas in the Filipino Islands. So I have a great deal of personal knowledge about the good fighting qualities of these people. I have a great deal of gratitude for the fact that I am alive today because of them. I have a feeling of great joy in the idea that these people will become American citizens if they decide to do so.

Mr. Speaker, they certainly are prepared for that, with the background of their history, by the sacrifices they have made as allies with us in World War II, and by their dedication to the ideas of freedom, democratic processes, and inspirational activities for what is best for mankind.

Among my closest friends are Filipinos that I met during that period of my life. I am very deeply grateful to them.

I am very happy with this opportunity being made available to them. I appreciate the kindness of the gentleman from Texas [Mr. SMITH] in allowing me to make these remarks.

Mr. SMITH of Texas. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I rise to express my strong support for H.R. 525, and I commend the gentleman from California [Mr. DYMALLY], and the gentleman from California [Mr. CAMPBELL] for introducing this important legislation and I commend the distinguished subcommittee chairman, Mr. MORRISON and the ranking minority member, the gentleman from Texas [Mr. SMITH] for their support.

On July 26, 1941, President Roosevelt issued a military order, pursuant to the Philippines Independence Act of 1934, calling members of the Philippines Commonwealth Army into the service of the U.S. Forces of the Far East under the command of Lt. Gen. Douglas MacArthur.

H.R. 525 waives certain provisions of the Immigration and Nationality Act to allow those Filipinos who fought honorably in an active-duty status in the U.S. military, air or naval forces during World War II to become naturalized U.S. citizens.

I urge all my colleagues that share my belief that veterans of the U.S. Armed Forces should receive equal benefits for equal service to support H.R. 525 and send a clear message to our Filipino friends that the Philippine veterans' contributions have not gone unnoticed.

Hopefully, in the not too distant future, we will also extend veterans' benefits to all of our Filipino veterans. They deserve no less for their dedication and sacrifices.

Mrs. SAIKI. Mr. Speaker, I rise today in full support of H.R. 525, the Filipino war veterans naturalization bill.

I commend Congressman DYMALLY for having introduced this legislation. I believe we owe a debt of gratitude to Filipinos who served in the U.S. Armed Forces and fought for our country during World War II. This legislation also allows Filipinos who served in the Philippine Army, the Philippine Scouts, and recognized guerrilla units to be naturalized.

These individuals assisted this Nation during one of the most critical periods in American history. Their service to our country was all that we could expect of any citizen, and more than we should expect of citizens of other nations.

I feel that offering these individuals special naturalization status is the least we can do to show our gratitude for their unswerving support of this country. I urge my colleagues to show vigorous support for this measure.

Ms. PELOSI. Mr. Speaker, as a cosponsor of H.R. 525, I rise to urge my colleagues to support this bill, which would enable certain Filipino veterans who served with the United States forces in World War II to become naturalized citizens of the United States.

From the onset of the United States' active involvement in World War II, Philippine infantry forces stood side by side with American forces in a common cause. Many times, Filipino fighting units formed the backbone of the defense against invading Japanese ground forces. Often suffering under extremely adverse conditions and from high casualty rates, the courageous actions of the Filipino forces prolonged the defense of vital installations, including the Bataan Peninsula. Their contribution to the successful outcome of the war effort in the Pacific is immeasurable.

Tragically, these distinguished war heroes have been discriminated against in their quest for naturalization. Most of these heroes are at or near retirement age and have established families in this country. Human beings who risked their lives to assist the United States should be allowed to participate in the democratic process which they fought to protect—anything less would be a grave injustice.

Mr. Speaker, today we have an opportunity to rectify this injustice by passing H.R. 525 and enabling these brave veterans to become citizens of the United States. This past weekend, on Veterans Day, we honored all veterans of our military forces. It is fitting that we now honor those Filipino veterans who stood side by side with us in our hour of need. I urge my colleagues to vote for H.R. 525.

□ 1630

Mr. SMITH of Texas. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MORRISON of Connecticut. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCDERMOTT). The question is on the motion offered by the gentleman from Connecticut [Mr. MORRISON] that the House suspend the rules and pass the bill, H.R. 525, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to provide for the naturalization of natives of the Philippines through active-duty service in the Armed Forces of the United States during World War II.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MORRISON of Connecticut. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

ARMED FORCES IMMIGRATION ADJUSTMENT ACT OF 1989

Mr. MORRISON of Connecticut. Mr. Speaker, I move to suspend the rules and pass the bill (HR. 639) to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably in the Armed Forces of the United States for 4 years, as amended.

The Clerk read as follows:

H.R. 639

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Armed Forces Immigration Adjustment Act of 1989".

SEC. 2. SPECIAL IMMIGRANT STATUS FOR ALIENS WHO HAVE SERVED HONORABLY (OR ARE ENLISTED TO SERVE) IN THE ARMED FORCES OF THE UNITED STATES FOR AT LEAST 12 YEARS.

(a) IN GENERAL.—Section 101(a)(27) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(27)) is amended—

(1) by striking "or" at the end of subparagraph (H),

(2) by striking the period at the end of subparagraph (I) and inserting "; or", and

(3) by adding at the end the following new subparagraph:

"(J) an immigrant who has served honorably on active duty in the Armed Forces of the United States after October 15, 1978, and after original lawful enlistment outside the United States (under a treaty or agreement in effect on the date of the enactment of this subparagraph) for a period or periods aggregating—

"(i) 12 years and who, if separated from such service, was never separated except under honorable conditions, or

"(ii) 6 years, in the case of an immigrant who is on active duty at the time of seeking special immigrant status under this subparagraph and who has reenlisted to incur a total active duty service obligation of at least 12 years,

and the spouse or child of any such immigrant if accompanying or following to join the immigrant.".

(b) NUMERICAL LIMITATION.—

(1) IN GENERAL.—Subject to paragraph (2), the number of individuals who may be granted special immigrant status under section 101(a)(27)(J) of the Immigration and Nationality Act in any fiscal year (other than as a spouse or child described in such section) may not exceed—

(A) in the case of aliens who are nationals of a foreign state for which there is a numerical limitation treaty or agreement (as defined in paragraph (3)), the annual limit specified in such treaty or agreement as of the date of the enactment of this Act, or

(B) in the case of aliens who are nationals of any other state, 100.

(2) EXCEPTION FOR ALIENS CURRENTLY MEETING REQUIREMENTS.—The numerical limitations of paragraph (1) shall not apply to individuals who meet the requirements of section 101(a)(27)(J) of the Immigration and Nationality Act as of the date of the enactment of this Act.

(3) NUMERICAL LIMITATION TREATY OR AGREEMENT.—In paragraph (1), the term "numerical limitation treaty or agreement" means a treaty or agreement in effect on the date of the enactment of this Act which authorizes and limits the number of aliens who are nationals of such state who may be enlisted annually in the Armed Forces of the United States.

The SPEAKER pro tempore. Is a second demanded?

Mr. SMITH of Texas. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Connecticut [Mr. MORRISON] will be recognized for 20 minutes, and the gentleman from Texas [Mr. SMITH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Connecticut [Mr. MORRISON].

Mr. MORRISON of Connecticut. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 639 introduced by the gentleman from California [Mr. MINETA] a bill intended for a similar purpose was introduced by the gentleman from Virginia [Mr. PICKETT].

We have drawn heavily on the contributions of both bills in formulating H.R. 639 as it is now presented to the House. This bill has the strong support of the administration and of the Navy.

The legislation would provide special immigrant status for those individuals whose enlistment into the U.S. Armed Forces took place outside of the United States. Generally speaking, this enlistment only occurs in the United States but there are exceptions which apply to the Philippines by treaty, the Marshall Islands and the Federate States of Micronesia by agreement.

Currently 3,024 Filipinos and 10 individuals from the freely associated states are permitted to enroll as members of the U.S. Armed Forces and would be affected by this legislation.

Prior to October 15, 1978, these individuals were able to naturalize under section 329 of the Immigration and Nationality Act for active duty service during hostilities.

However, upon the declaration and the ending of the period of hostilities applicable to the Vietnam war, that is October 15, 1978, that right to make this application terminated. As a result of the termination of these benefits the naval officers would no longer be able to take advantage of U.S. citizenship when they had enlisted from outside of the United States.

This bill would alleviate the problem by allowing these individuals to gain permanent resident status after 12 years of service or after 6 years which is followed by a reenlistment period of 6 years.

This will free individuals who are in active service in the Navy from a number of restrictions on the kind of service that they can provide, the kind of duties to which they can be assigned and the kind of promotion opportunities which they may have.

This is in keeping with the policy of the Defense Department in continuing its recruitment of individuals under the treaty with the Philippines. It provides a much-needed opportunity for those individuals in being able to take full advantage of their service and benefit to the U.S. Armed Forces to take full advantage of the talent of these individuals.

This legislation will be very helpful and has been described as such by the Department of Defense.

Mr. Speaker, I hope it will have the unanimous support of the House.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we are here today to consider H.R. 639.

H.R. 639 was amended and passed unanimously by the Subcommittee on Immigration, Refugees, and International Law. It was also passed unanimously by the full Judiciary Committee.

H.R. 639 grants special immigrant status to aliens who have served honorably or are enlisted to serve in the armed forces of the United States for at least 12 years. Any alien who has already served 6 years on active duty and has reenlisted for another 6 years of active duty, will be eligible.

Spouses and children of successful applicants may accompany the alien.

All appropriate numerical limits apply, including relevant treaties or agreements. For all other countries, the limit is 100 per country.

The administration supports H.R. 639, as amended.

And I urge my colleagues to support H.R. 639.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MORRISON of Connecticut. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Connecticut [Mr. MORRISON] that the House suspend the rules and pass the bill, H.R. 639, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended was passed.

The title was amended so as to read: "A bill to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably (or are enlisted to serve) in the Armed Forces of the United States for at least 12 years.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MORRISON of Connecticut. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to request of the gentleman from Connecticut?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 5, rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today.

Votes will be taken in the following order: H.R. 3614, by the yeas and nays, and H.R. 3550, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

DRUG-FREE SCHOOLS AND COMMUNITIES ACT AMENDMENTS OF 1989

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 3614, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Washington [Mrs. UNSOELD] that the House suspend the rules and pass the bill, H.R. 3614, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 371, nays 0, not voting 62, as follows:

[Roll No. 346]

YEAS—371

Ackerman	Dwyer	Jontz
Anderson	Dyson	Kanjorski
Andrews	Early	Kaptur
Annunzio	Eckart	Kasich
Anthony	Edwards (CA)	Kastenmeier
Applegate	Emerson	Kennelly
Archer	Engel	Kildee
Armey	English	Kleczka
Aspin	Erdreich	Kolbe
Atkins	Evans	Kolter
AuCoin	Fascell	Kostmayer
Baker	Fawell	Kyl
Ballenger	Fazio	LaFalce
Barnard	Feighan	Lagomarsino
Bartlett	Fields	Lancaster
Bateman	Fish	Laughlin
Bates	Flake	Leach (IA)
Beilenson	Flippo	Leath (TX)
Bennett	Foglietta	Lehman (CA)
Bentley	Ford (MI)	Lehman (FL)
Bereuter	Frank	Levin (MI)
Berman	Frenzel	Levine (CA)
Bliley	Frost	Lewis (CA)
Boehlert	Gallegly	Lewis (FL)
Bonior	Gallo	Lewis (GA)
Borski	Gaydos	Lightfoot
Boucher	Gejdenson	Lipinski
Boxer	Gekas	Livingston
Brennan	Gephardt	Lloyd
Broomfield	Geren	Long
Browder	Gibbons	Lowery (CA)
Brown (CO)	Gillmor	Lowey (NY)
Bruce	Gilman	Luken, Thomas
Bustamante	Gingrich	Lukens, Donald
Callahan	Glickman	Machtley
Campbell (CA)	Gonzalez	Madigan
Campbell (CO)	Goodling	Markey
Cardin	Gordon	Marlenee
Carper	Goss	Martin (IL)
Carr	Gradison	Martinez
Chandler	Grandy	Matsui
Chapman	Grant	Mazzoli
Clarke	Gray	McCandless
Clay	Green	McCloskey
Clement	Guarini	McCollum
Clinger	Gunderson	McCrery
Coble	Hall (OH)	McCurdy
Coleman (MO)	Hall (TX)	McDade
Coleman (TX)	Hamilton	McDermott
Combest	Hammerschmidt	McEwen
Condit	Hancock	McGrath
Conte	Harris	McHugh
Cooper	Hastert	McMillan (NC)
Costello	Hawkins	McMillen (MD)
Coughlin	Hayes (IL)	McNulty
Courter	Hayes (LA)	Meyers
Cox	Hefley	Mfume
Coyne	Hefner	Michel
Craig	Herger	Miller (CA)
Crane	Hertel	Miller (OH)
Dannemeyer	Hiler	Miller (WA)
Darden	Hoagland	Moakley
de la Garza	Holloway	Mollohan
DeFazio	Hopkins	Montgomery
DeLay	Horton	Moody
Dellums	Hoyer	Moorhead
Derrick	Hubbard	Morella
DeWine	Huckaby	Morrison (CT)
Dicks	Hughes	Morrison (WA)
Dingell	Hunter	Mrazek
Dixon	Hutto	Murphy
Donnelly	Hyde	Murtha
Dornan (CA)	Jacobs	Myers
Douglas	James	Nagle
Downey	Jenkins	Natcher
Dreier	Johnson (SD)	Neal (MA)
Duncan	Johnston	Nielson
Durbin	Jones (GA)	Nowak
Oakar	Saiki	Stenholm
Oberstar	Sangmeister	Stokes
Obey	Sarpalius	Studds
Olin	Savage	Stump
Ortiz	Sawyer	Sundquist
Owens (UT)	Saxton	Swift
Oxley	Schaefer	Tallon
Packard	Scheuer	Tanner
Pallone	Schiff	Tauke
Panetta	Schneider	Tauzin
Parker	Schroeder	Taylor
Parris	Schulze	Thomas (CA)
Patterson	Schumer	Thomas (GA)
Paxon	Sensenbrenner	Thomas (WY)
Payne (VA)	Sharp	Torres
Pease	Shaw	Torricelli
Pelosi	Shays	Towns
Penny	Shumway	Traficant
Perkins	Shuster	Traxler
Petri	Sikorski	Udall
Pickett	Sisisky	Unsoeld
Pickle	Skaggs	Upton
Porter	Skeen	Valentine
Poshard	Skelton	Vander Jagt
Price	Slattery	Vento
Quillen	Slaughter (NY)	Volkmer
Rahall	Slaughter (VA)	Walgren
Rangel	Smith (FL)	Walker
Ravenel	Smith (IA)	Walsh
Regula	Smith (NJ)	Waxman
Rhodes	Smith (TX)	Weber
Ridge	Smith, Denny (OR)	Weiss
Rinaldo	Smith, Robert (NH)	Wheat
Ritter	Smith, Robert (OR)	Whittaker
Roberts	Snowe	Whitten
Robinson	Solarz	Williams
Rogers	Solomon	Wilson
Rohrabacher	Spence	Wise
Ros-Lehtinen	Spratt	Wolf
Rose	Staggers	Wolpe
Rostenkowski	Stallings	Wyden
Roth	Stangeland	Wylie
Roukema	Stark	Yates
Rowland (CT)	Stearns	Yatron
Roybal		Young (AK)
Russo		Young (FL)
Sabo		

NAYS—0

NOT VOTING—62

Akaka	Dymally	Mineta
Alexander	Edwards (OK)	Molinari
Barton	Espy	Neal (NC)
Bevill	Florio	Nelson
Bilbray	Ford (TN)	Owens (NY)
Bilirakis	Garcia	Pashayan
Boggs	Hansen	Payne (NJ)
Bosco	Hatcher	Pursell
Brooks	Henry	Ray
Brown (CA)	Hochbrueckner	Richardson
Bryant	Houghton	Roe
Buechner	Inhofe	Rowland (GA)
Bunning	Ireland	Schuette
Burton	Johnson (CT)	Smith (NE)
Byron	Jones (NC)	Smith (VT)
Collins	Kennedy	Synar
Conyers	Lantos	Visclosky
Crockett	Lent	Vucanovich
Davis	Manton	Watkins
Dickinson	Martin (NY)	Weldon
Dorgan (ND)	Mavroules	

□ 1700

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. BYRON. Mr. Speaker, on rollcall No. 346, I was detained in traffic, and had I been present I would have voted "yea."

PERSONAL EXPLANATION

Mrs. JOHNSON of Connecticut. Mr. Speaker, I was absent from the House during rollcall vote No. 346, and had I been present I would have voted in the affirmative.

PERSONAL EXPLANATION

Mr. INHOFE. Mr. Speaker, I was meeting in my district with officials from HUD, the Corps of Engineers, and the city of Sand Springs. During that meeting we corrected a housing problem that affected 181 Sand Springs homes. As such, I missed the vote on H.R. 3614, Drug Free Schools and Communities Act of 1989. Had I been here, I would have voted "yes."

H.R. 3614, which reauthorizes funding for programs established under the Drug-Free Schools and Communities Act of 1986 is an important part of the President's drug strategy. In my district of Tulsa OK, we have had phenomenal success with drug prevention education in our elementary and junior high schools. In particular, programs such as DARE and Operation AWARE have provided students in the first district with a strong foundation to say no to drugs.

If we are ever going to win the war on drugs, we need to support programs which teach our children the dangers of drug abuse before they become abusers. Therefore, I strongly support passage of H.R. 3614.

PERSONAL EXPLANATION

Mr. MAVROULES. Mr. Speaker, as a member of the National Commission on Drug-Free Schools on which you asked me to serve, I committed to hosting a hearing on November 13–14 in the Boston, MA area several weeks ago. As a result, I was unavailable to cast my vote during House consideration of H.R. 3550 and H.R. 3614, had I been present I would have voted "yea" on these rollcall votes, 446 and 447 respectively.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the additional motion to suspend the rules on which the Chair has postponed further proceedings today.

FORFEITURE AMENDMENTS ACT OF 1989

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 3550, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. HUGHES] that the House suspend the rules and pass the bill, H.R. 3550, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 375, nays 0, not voting 58, as follows:

[Roll No. 347]

YEAS—375

Ackerman	Evans	Leach (IA)
Anderson	Fascell	Leath (TX)
Andrews	Fawell	Lehman (CA)
Annunzio	Fazio	Lehman (FL)
Anthony	Feighan	Levin (MI)
Applegate	Fields	Levine (CA)
Archer	Fish	Lewis (CA)
Armey	Flake	Lewis (FL)
Aspin	Flippo	Lewis (GA)
Atkins	Foglietta	Lightfoot
AuCoin	Ford (MI)	Lipinski
Baker	Frank	Livingston
Ballenger	Frenzel	Lloyd
Barnard	Frost	Long
Bartlett	Gallegly	Lowery (CA)
Bateman	Gallo	Lowey (NY)
Bates	Gaydos	Luken, Thomas
Beilenson	Gejdenson	Lukens, Donald
Bennett	Gekas	Machtley
Bentley	Gephardt	Madigan
Bereuter	Geren	Markey
Berman	Gibbons	Marlenee
Bliley	Gillmor	Martin (IL)
Boehlert	Gilman	Martinez
Bonior	Gingrich	Matsui
Borski	Glickman	Mazzoli
Boucher	Gonzalez	McCandless
Boxer	Goodling	McCloskey
Brennan	Gordon	McCollum
Broomfield	Goss	McCrery
Browder	Gradison	McCurdy
Brown (CO)	Grandy	McDade
Bruce	Grant	McDermott
Bustamante	Gray	McEwen
Byron	Green	McGrath
Callahan	Guarini	McHugh
Campbell (CA)	Gunderson	McMillan (NC)
Campbell (CO)	Hall (OH)	McMillen (MD)
Cardin	Hall (TX)	McNulty
Carper	Hamilton	Meyers
Carr	Hammerschmidt	Mfume
Chandler	Hancock	Michel
Chapman	Harris	Miller (CA)
Clarke	Hastert	Miller (OH)
Clay	Hatcher	Miller (WA)
Clement	Hawkins	Moakley
Clinger	Hayes (IL)	Mollohan
Coble	Hayes (LA)	Montgomery
Coleman (MO)	Hefley	Moody
Coleman (TX)	Hefner	Moorhead
Combest	Herger	Morella
Condit	Hertel	Morrison (CT)
Conte	Hiler	Morrison (WA)
Cooper	Hoagland	Mrazek
Costello	Holloway	Murphy
Coughlin	Hopkins	Murtha
Courter	Horton	Myers
Cox	Hoyer	Nagle
Coyne	Hubbard	Natcher
Craig	Huckaby	Neal (MA)
Crane	Hughes	Nielson
Dannemeyer	Hunter	Nowak
Darden	Hutto	Oakar
de la Garza	Hyde	Oberstar
DeFazio	Inhofe	Obey
DeLay	Jacobs	Olin
Dellums	James	Ortiz
Derrick	Jenkins	Owens (UT)
DeWine	Johnson (CT)	Oxley
Dicks	Johnson (SD)	Packard
Dingell	Johnston	Pallone
Dixon	Jones (GA)	Panetta
Donnelly	Jontz	Parker
Dornan (CA)	Kanjorski	Parris
Douglas	Kaptur	Patterson
Downey	Kasich	Paxon
Dreier	Kastenmeier	Payne (VA)
Duncan	Kennelly	Pease
Durbin	Kildee	Pelosi
Dwyer	Kleczka	Penny
Dyson	Kolbe	Perkins
Early	Kolter	Petri
Eckart	Kostmayer	Pickett
Edwards (CA)	Kyl	Pickle
Emerson	LaFalce	Porter
Engel	Lagomarsino	Poshard
English	Lancaster	Price
Erdreich	Laughlin	Quillen
Rahall	Shumway	Tauzin
Rangel	Shuster	Taylor
Ravenel	Sikorski	Thomas (CA)
Regula	Sisisky	Thomas (GA)
Rhodes	Skaggs	Thomas (WY)
Ridge	Skeen	Torres
Rinaldo	Slattery	Torricelli
Ritter	Slaughter (NY)	Towns
Roberts	Slaughter (VA)	Traficant
Robinson	Smith (FL)	Traxler
Rogers	Smith (IA)	Udall
Rohrabacher	Smith (NJ)	Unsoeld
Ros-Lehtinen	Smith (TX)	Upton
Rose	Smith, Denny (OR)	Valentine
Rostenkowski	Smith, Robert (NH)	Vander Jagt
Roth	Smith, Robert (OR)	Vento
Roukema	Snowe	Volkmer
Rowland (CT)	Solarz	Walgren
Roybal	Solomon	Walker
Russo	Spence	Walsh
Sabo	Spratt	Waxman
Saiki	Staggers	Weber
Sangmeister	Stallings	Weiss
Sarpalius	Stangeland	Weldon
Savage	Stark	Wheat
Sawyer	Stearns	Whittaker
Saxton	Stenholm	Whitten
Schaefer	Stokes	Williams
Scheuer	Studds	Wilson
Schiff	Stump	Wise
Schneider	Sundquist	Wolf
Schroeder	Swift	Wolpe
Schulze	Tallon	Wyden
Schumer	Tanner	Wylie
Sensenbrenner	Tauke	Yates
Sharp		Yatron
Shaw		Young (AK)
Shays		Young (FL)

NAYS—0

NOT VOTING—58

Akaka	Dymally	Neal (NC)
Alexander	Edwards (OK)	Nelson
Barton	Espy	Owens (NY)
Bevill	Florio	Pashayan
Bilbray	Ford (TN)	Payne (NJ)
Bilirakis	Garcia	Pursell
Boggs	Hansen	Ray
Bosco	Henry	Richardson
Brooks	Hochbrueckner	Roe
Brown (CA)	Houghton	Rowland (GA)
Bryant	Ireland	Schuette
Buechner	Jones (NC)	Skelton
Bunning	Kennedy	Smith (NE)
Burton	Lantos	Smith (VT)
Collins	Lent	Synar
Conyers	Manton	Visclosky
Crockett	Martin (NY)	Vucanovich
Davis	Mavroules	Watkins
Dickinson	Mineta	
Dorgan (ND)	Molinari	

□ 1711

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. SKELTON. Mr. Speaker, I was present, and the gavel came down before I had the opportunity to vote on Rollcall No 347. Had I voted, I would have voted "yea."

PERSONAL EXPLANATION

Mr. DORGAN of North Dakota. Mr. Speaker, due to a death in my family, I missed two record votes. Had I been present, I would have voted "aye" on both H.R. 3614, Drug Free Schools and Communities Act of 1989, and H.R. 3550, drug forfeiture amendments.

PERSONAL EXPLANATION

Mr. NELSON. Mr. Speaker, had I been present I would have voted "aye" on rollcalls 346 and 347.

PERSONAL EXPLANATION

Mr. WATKINS. Mr. Speaker, I was absent on several votes. Had I been present I would have voted "Yea" on rollcall No. 346. "Yea" on rollcall No. 347.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. Alexander] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, yesterday I chaired an important conference on alternative fuels and the environment at Arkansas State University in Jonesboro, AR.

This important meeting focused on how farmers in Arkansas and across America can play a role in the coming transition to alternative motor fuels, which will clean America's air and reduce the Nation's dependence on foreign oil.

It brought agricultural and business leaders from Northeast Arkansas together with energy and environmental experts from around the Nation, including former Secretary of Energy James Schlesinger, to discuss the potential of fuel from the farm.

The conference was judged to be a success, and I will share more about it with my colleagues at a future time.

Unfortunately, because of my attendance at the conference I was absent from the House for rollcalls 346 and 347.

Rollcall 346 was on passage on H.R. 3614, the drug-free schools and communities amendments, and rollcall 347 was on passage of H.R. 3550, the Drug Forfeiture Amendments Act. Had I been present, I would have voted for both measures.

H.R. 3614 would direct nearly all new money above the fiscal year 1989 level for the Drug-Free Schools and Communities Program to local school districts. It would also require schools and institutions of higher education receiving Federal funds to adopt a drug-free school policy, and would create a program to assist children of substance abusers.

H.R. 3550 would extend the important authority for transfer of up to $150 million a year from the asset forfeiture fund in the Department of Justice to the special forfeiture fund under control of the drug czar. In return, it would require Secretary Bennett to designate certain high-intensity drug trafficking areas under the authority of the 1988 drug law not later than February 1, 1990. H.R. 3550 would also clarify the relationship between Federal and State forfeiture law.

Both of these bills will provide continued support of the troops in the war on drugs, and I support them wholeheartedly.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. HOUGHTON] is recognized for 5 minutes.

Mr. HOUGHTON. Mr. Speaker, I ask the RECORD to indicate that, although I missed voting on H.R. 3614 and H.R. 3550, rollcall Nos. 346 and 347, had I been present for those votes I would have voted "yea."

□ 1710

NOTICE OF MOTION TO INSTRUCT CONFEREES ON H.R. 3299

(Mr. TAUKE asked and was given permission to address the House for 1 minute.)

Mr. TAUKE. Mr. Speaker, I would like to serve notice that I am going to propose a motion to instruct conferees on H.R. 3299, the conference committee having been constituted over 20 days. My motion will be to instruct the conferees to substitute, in lieu of title III of the Education and Labor Committee section, those provisions of the Ways and Means Committee section to expand the title XX block grant and the earned-incomed tax credit.

REPORT ON S. 974, NEVADA WILDERNESS PROTECTION ACT OF 1989

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-353) on the resolution, House Resolution 974, providing for the consideration of the Senate bill (S. 974) to designate certain lands in the State of Nevada as wilderness, and for other purposes, which as referred to the House Calendar and ordered to be printed.

REPORT WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 2939, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT 1990 AND AGAINST CERTAIN AMENDMENTS IN DISAGREEMENT

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 100-352) on the resolution (H. Res. 288) waiving certain points of order against consideration of the conference report on H.R. 2939 and against certains amendments reported from conference in disagreement which was referred to the House Calendar and ordered to be printed.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE CONCURRENT RESOLUTION 147

Mr. MARTINEZ. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of House Concurrent Resolution 147.

The SPEAKER pro tempore. (Mr. OWENS of Utah). Is there objection to the request of the gentleman from California?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE CONCURRENT RESOLUTION 147

Mr. LEVIN of Michigan. Mr. Speaker, I ask unanimous consent that my name be withdrawn as cosponsor of House Concurrent Resolution 147.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERSONAL EXPLANATION

Mr. BUECHNER. Mr. Speaker, I ask the RECORD indicate that, although I missed votes on H.R. 3614 and H.R. 3550, that had I been present for those votes I would have voted in the affirmative.

SUMMARY OF REPORT BY AMNESTY INTERNATIONAL ON HUMAN RIGHTS ABUSES BY SANDINISTA GOVERNMENT IN NICARAGUA

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, I am inserting into the RECORD today a summary of the most recent report issued by Amnesty International about human rights abuses in Nicaragua by the Sandinista government.

While the report acknowledges some "notable improvements"—largely due to actions taken to support the reforms leading to elections in February—Amnesty International expressed concern about reports this year of human rights abuses that include summary killings and "disappearances."

In one of its key finding, Amnesty International reports that during the cease-fire that was in effect for the past 19 months, until Daniel Ortega announced its cancellation, there was no sign of a decline in "non-combat" killings and "disappearances" of civilians blamed on security forces. The report also refers to dozens of unarmed peasants being summarily executed during operations by Sandinista troops against Contra rebels.

This Amnesty International report serves to support the contention that Daniel Ortega's action to cancel the cease-fire is motivated more by fear or opposition to his government than by alleged Contra attacks.

[From the Washington Post, Nov 9, 1989]

RIGHTS GROUP CITES ABUSES IN NICARAGUA

LONDON, November 8—Nicaraguan troops have summarily executed dozens of unarmed peasants during operations against the contra rebels in remote border regions in the last three years. Amnesty International said in a report released Thurday.

The human rights organization also said that reports persist of forced recruitment, torture and executions of civilians by the

U.S.-backed rebels but that such abuses have dropped sharply in the past year.

Amnesty International praised the Nicaraguan government for prosecuting and jailing some soldiers for unlawful killings of civilians pledging to investigate other such killings, improving legal protection for detainees, and freeing more than 2,000 political prisoners since 1986.

It also said, however, that since a cease-fire was declared in April 1988, there has been no sign of a decline in non-combat killings and "disappearances" of civilians blamed on security forces. The Nicaraguan government rescinded the cease-fire last week.

Army units allegedly have killed dozens of unarmed civilians in provinces bordering Honduras and Costa Rica and in Indian-dominated regions on the Atlantic Coast, where fighting against the contra once was intense, the report said.

In many cases, the victims allegedly were singled out "in punishment or reprisal for no other reason than their suspected sympathy or support for the insurgent forces," the report said. Witnesses also have alleged that unarmed peasants have been shot to death while fleeing army patrols seeking to enforce military conscription, it said.

"It appears that, following the withdrawal of contra forces, some military units . . . are resorting to killings during operations to identify or neutralize networks of suspected contra support and sympathizers," the report said.

It says the precise circumstances of the killings are often difficult or impossible to establish because there are no independent witnesses.

The authorities contend that, in some cases, soliders acted in self-defense because victims were suspected of being armed, hostile or dangerous. Military investigations have suggested other killings were criminal acts involving "personal quarrels, or the reckless firing of weapons by drunken soldiers."

The report documents 56 cases of unlawful executions.

It cited how the mutilated bodies of five Catholic lay preachers were found a day after they were allegedly abducted by troops searching house-to-house for suspected contras in the village of Apantillo on March 21, 1988. A military commission cleared army troops in nearby Matiguas of involvement, but villagers insisted the troops were responsible.

Amnesty International said it based its findings on three visits to Nicaragua, and its sources included relatives of those killed, missing or imprisoned.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 5 minutes.

[Mr. OWENS of New York addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

TAKE PRIDE IN ACTIONS AND DEEDS OF OUR PRESIDENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MCEWEN] is recognized for 5 minutes.

Mr. MCEWEN. Mr. Speaker, on more than one occasion in the past year I have been moved to come to the well and speak a word about the performance of our President and our First Lady, and I have been remiss in doing so. But I think that with the conversation of this recent past weekend it is appropriate to take pride in the actions and deeds of our President, George Bush.

Mr. Speaker, as we know what happened this past weekend with the tearing down of the Berlin Wall, for all intents and purposes, this is, indeed, the greatest time in the history of man, for perhaps never in history has there not been a major confrontation or competition between political systems.

Over the past 30 months we have seen a total collapse as to the intellectual debate, as to the superiority of democracy over any other political system, and as a result of that, we see thoughout Eastern Europe today the collapse of a totalitarian system that has brought only misery and despair to the world.

As we watch what is happening in Poland and rejoice at what is happening in Hungary and thrill at the actions this weekend in East Germany as well as the changing of the leadership in Bulgaria and elsewhere, I believe it is appropriate for our national leadership, particularly the President and Secretary of State, to stand by our principles and to articulate the cause to which we are dedicated but yet not to gloat for this is, indeed, a very fragile and tenuous time.

□ 1720

An article in the newspaper this past weekend pointed out that out of 246 consumer basic staples that are necessary for convenient life in Moscow, things like cooking oil and soap and toilet paper, out of 246 that are judged basic consumer-necessary items, 221 are not available in Moscow.

We also understand that in the Soviet Union they are on the threshold of having a severe coal shortage as we face the new winter. Indeed, the situation there is very very tenuous at best.

So the General Secretary of the Communist Party that is leading the nation at the time has asked to meet with President Bush a few weeks from now. I believe that it is in our interest to stand by our principles, as I said, but yet not to encourage a destabilization that would bring the competition to Mr. Gorbachev, which is the military, to power.

As Members know, there are three basic political forces in the Soviet Union: the KGB, the Party, and the military. Mr. Gorbachev represents the leadership of the party. The military, the competition, basically through Mr. Yazov, has been seeking every opportunity to undermine him, and as a result Mr. Shevardnadze and Mr. Gorbachev have taken opportunities to point out the errors of the military wing, in Afghanistan, to encourage those in the Warsaw Pact to disassociate themselves if they so choose, thus weakening the military arm.

As we enter into this winter period and see the potential for riots throughout the Soviet Union in the next 90 to 150 days, we see the potential for a reaffirmation of control of the Soviet Union by the military wing.

That, ladies and gentlemen, would not be in the best interests of peace and stability throughout the world in my judgment.

Mr. Bush, the President of the United States, understands that well. He wishes to go through this time without giving an opportunity for those opponents to Mr. Gorbachev to say, "You can see that the ultimate goal of the United States is the destruction of the Soviet Union. You can see the boasting of the President. Therefore it is necessary for us to reassert our strength that we had under the Brezhnev regime."

Mr. Speaker, I say all of that to say this: This past weekend Sam Donaldson and Tony Coelho and certain other television commentators took a great deal of effort to attack the President for not having done more.

We have seen that when the President did not gloat and did not tweak the nose of the Chinese leadership, that they sought every effort to say that the reason they had to roll the tanks into Tiananmen Square was because of the things the United States did. They sought to make the United States the scapegoat, even though there was no reason or justification.

Mr. Bush and our Secretary of State, Mr. Baker, understand that well. They will not give that sword to the Soviet Union adversaries of Mr. Gorbachev. I believe they are behaving in a manner that makes all of us dedicated to peace and freedom, democracy and enterprise, proud, and I believe that Mr. Donaldson and Mr. Coelho and those other spokesmen for the politics of the left could do better by rearticulating the cause to which we are committed and less time attacking the President, who thus far has done a superb and stellar job in leading our Nation thus far.

The SPEAKER pro tempore (Mr. OWENS of Utah). Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

[Mr. ANNUNZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

AMERICA'S CHALLENGE TO HELP BUSINESS

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, the United States is in an economic war. To win this war we need to marshall our forces. The weapons to use, are our ideas and the resources of our buinesses and government.

In 1986 I introduced a bill to create a Marshall Plan for the United States, just as we created one for Europe after World War II. Remember after the war we helped build up Europe and Japan, now it is our turn—we need to do it here—now.

Until now, we have not been utilizing the best of our God-given talents. American businessmen have been innovative and creative. We have been the salesmen of the world. Historically, no challenge has been too great for us. We still accept a challenge—only we have been fighting a battle with one hand tied behind our back.

That hand tied behind our back has been the lack of resources of our Government combined with some of our own people engaged in selling off the country. While these former Government officials are selling their services to the Japanese, they are telling us what we must do to be good enough to win this economic war. Generally their advice is why we can and should get along with the Japanese, why we need them, and why the Japanese do better than Americans.

The message that comes through loud and clear is one that we often have given to our young people. We tell them you need to learn how to do this and when you learn—then and only then can you have your privileges.

Well, I have a message for all those so-called experts. We have learned, we do know how to do things—and we can win. Americans will roll up their sleeves and win this economic war. We have been in tight spots before and have turned the battle. But it means all Americans working together in behalf of America and not other countries.

I come from a State where we are very aware of what the American spirit can do. It was at Fort McHenry with the bombardment of the British that we turned the battle and saved the day for the future United States. It was there that Francis Scott Key wrote the Star Spangled Banner. We Americans did it before—we won the battle—and we can do it again.

We are now living in a global electronic village where ideas are the tools of competition and the structure of society. Our ideas are more important than ever for this Nation to keep its power. We not only need the tools to manufacture and produce in this country, but we must keep faith in ourselves that we have the ability now to meet this unprecedented economic challenge.

Our so-called Japanese experts—some of the best former stars in government and business—have found a way to continue their power by teaching the Japanese how to buy and takeover American firms. What strikes me is the Japanese do not sell their companies. They do not have groups of Japanese teaching Americans how to buy Japanese properties.

Only in America are Americans coaching our friendly adversary, Japan, on how to acquire our cultural industries, our films and media, our real estate, businesses, and schools in the United States. Only in America are the best using their talents in a $100 million lobbying campaign of the Federal Government and conducting a public relations campaign to sell Japan to the American people.

The Washington Post carried a story on November 10, 1989 about this exact issue. The story, U.S. Experts on Japanese Often Have Economic Ties with a subhead Critics Believe Objectivity Is Being Lost explains exactly what I am talking about.

It stated, "Last week, when two leading business organizations from Japan and the United States released a report on how to manage the trade problem between the two countries, a press release announced that former U.S. Trade Representative William D. Eberle led the U.S. side while Nissan Motor Co. Chairman Takashi Ishihara led the Japanese group."

What the press release did not say was that Eberle is president and half-owner of a Washington consulting firm, Manchester Associates Ltd. that lists Nissan as a major client.

The story went on, "The resulting dual roles are an example of how a number of American experts on Japan in business, academic, and politics have turned in recent years to Japan for clients or funding, while at the same time applying their special knowledge in the growing debate on U.S.-Japanese relations."

"While many observers defend such funding as perfectly benign, others worry that it could skew the debate about what America's Japan policy should be. Eberle said there was nothing improper about playing a leading role in a debate while his client was on the other side."

That is just the problem. Mr. Eberle is not actually playing a leading role in the debate—he is being paid by a foreign company representing an ally who is engaged in an economic war with us.

Let me remind you that I have stated before about Suburo Okita, a former Foreign Minister of Japan and distinguished opinion-maker on international issues, and what he wrote in his memoirs in 1985.

Okita's explanation is a striking clue to what drives Japan and "the feelings of those who, in 1943 already recognized the war was lost and looked ahead to the postwar challenges.

In that 1985 book, Okita wrote about the 1943 Japanese belief that "an army in uniform is not the only sort of army. Scientific technology and fighting spirit under a business suit will be our underground army. The Japanese-American war can be taken as the khaki losing to the business suits."

This explanation by a former Foreign Minister of Japan is most revealing. Just 4 short years ago, in 1985, he was calling this time a time of war waged by an underground army in business suits. It couldn't be stated much more clearly—we are in a war, only we call it an economic war.

We have always been free in America to pursue our interests, to live the America dream, as long as we do not hurt another citizen. Today in this economic war that choice is not being given to American business because of lack of support from the Government.

Before he left office Charles Wick, the former Director of the United States Information Office made a speech about the freedom of ideas. He said, the "Information Revolution"—which are ideas—"has transformed today's struggle into a high-tech global 'war of ideas.' It is a global war of ideas that transcends all national universities—even language."

"It is a globally televised 'war of ideas' that is fought in living rooms and in places of work, in cities and in countrysides throughout every hemisphere."

Wick concluded his speech, "America is a land with borders. Yet, her survival depends upon the moral support of people outside her borders. Without universal goodwill, America's alliance system, her worldwide commerce, and her foreign policy can only wither and die * * * We cannot loose the campaign for truth and freedom in the 'war of ideas.' It is a potential threat to the nation's security."

Winning that war of ideas also comes from the Government giving us the tools to win the battles and not be an impediment to business. Every news story that we read which is negative to the United States is one more burden for us.

So, it was with a heavy sigh that I read the story about U.S. exports in the Washington Times, November 8, 1989. The headline is "U.S. Lags Behind In Pushing Exports." The gist of the story is the Federal Government offices which should be helping American business in their export efforts are so strapped for funds that we are losing out to other governments in the export business.

We are losing out through funds and personnel. The story said the "U.S. export promotion: missing the boat."

The story explained that Japan External Trade Relations Organization

(JETRO), the chief representative of Japan's overseas commercial interests, has about 71 officers in the United States supported by a staff of 73 American professionals. This is in addition to its myriad of Japanese/American societies in the United States. which promote business and the culture of Japan. The United States has 10 commercial officers in Japan and 27 foreign nationals to conduct our business efforts. Quite a contrast, isn't it?

Mr. Speaker, I would like to read the Washington Times story by Karen Riley, and will leave it for the RECORD. It is a superior piece of reporting.

[From the Washington Times, Nov. 11, 1989]

U.S. LAGS BEHIND IN PUSHING EXPORTS

(By Karen Riley)

A Tokyo businessman recently passed up a major furniture show in North Carolina after the Canadian government offered to pay his passage if he took a look at its wares instead.

For Keith Bovetti, a Japan-based Commerce Department official charged with finding buyers for American-made products, it was the latest example of the United States coming up short in promoting its exports.

At other foreign posts, Commerce officers like Mr. Bovetti say they're so strapped for funds they can't return business phone calls or develop marketing brochures.

Such complaints are common. U.S. export promotion efforts were dead last compared with other major trading nations in an unpublished 1988 Commerce report. The U.S. ranked last or near last for total spending, per capita spending, spending as a percentage of gross national product, and amount of subsidies provided exporters.

The survey included Belgium, Britain, Canada, France, Italy, Sweden and West Germany but not Japan and South Korea.

"You'd almost think we were talking about a banana republic," said Howard Lewis, assistant vice president/international for the National Association of Manufacturers. "We're sending a signal on how seriously we take our trade problems."

Critics question whether it makes sense to assign so little priority to export promotion at a time when the U.S. trade deficit tops $110 billion and when export growth, sparked by an earlier falling dollar, is showing every sign of stalling out.

The United States is the only country in the developed world that's ambivalent about whether the government should take an aggressive role in drumming up business for the private sector, said William T. Archey, vice president international for the U.S. Chamber of Commerce.

"Looking into the 1990s, the U.S. no longer has the luxury of living in an isolated system, we have to export," he said.

The government's promotion effort mirrors the low priority business assigned to exporting. While 75 percent of all small manufacturers produce goods that could be marketable overseas, only 10 percent actually export.

For decades, U.S. export promotion programs were carried out by State Department officers stationed in embassies and consulates abroad.

In 1980, Congress created the Foreign Commercial Service and transferred these responsibilities to the Commerce Department. Domestic trade promotion officers had operated through the International Trade Administration, a separate arm of Commerce. It merged with the FCS in 1982, and the two became the U.S. and Foreign Commercial Service (US&FCS).

Today, 151 commercial officers work abroad, three less than before the FCS was created. The officers are stationed at 122 posts in 64 countries and their work is augmented by some 500 foreign nationals. Many locations are staffed by one officer or only foreign nationals.

The United States has 10 commercial officers in Japan and 27 foreign nationals. In contrast, the Japan External Trade Relations Organization (JETRO), the chief representative of Japan's overseas commercial interests, has about 71 officers in the United States supported by a staff of 73 American professionals.

State Department commercial officers provide export promotion services and counseling to business in the 84 developing countries where the FCS is not present.

At home, promotion services are provided by trade specialists in 48 district offices and 19 branch offices. Staffing is down from 368 persons in 1985 to about 291 today.

"Unfortunately, the aggressive role envisioned by the Congress for the US&FCS has not been realized," Allen Mendelowitz, director of trade, energy and finance issues for the General Accounting Office, told a House Government Operations subcommittee recently.

To begin correcting some of the perceived imbalances, the Bush administration requested a $6 million increase for the US&FCS budget for fiscal year 1990.

"We are aware that a number of program and management problems exist and we are committed to addressing these problems," said J. Michael Farren, Commerce Department undersecretary for international trade.

The Bush administration is reviewing the mission resources and programs of the US&FCS to prepare the agency "to lead an aggressive export promotion effort in the 1990s.," Mr. Farren told Congress.

The Small Business Administration also provides limited aid and counseling for exporters and the Export Import Bank offers limited mixed credit financing, less than the loans offered Brazilian and South Korean exporters.

Recognizing the federal government's export promotion limitations, the Reagan administration encouraged the states to increase their own marketing efforts abroad. In 1988, some 34 states had offices in Tokyo alone, The explosion of state offices amuses Japanese businessmen, who view it as a wasteful, duplicative effort.

The US&FCS budget has been standing still in recent years. In 1988, expenditures totaled $80 million—$40 million for foreign and $20 million for domestic, with the rest spent for activity in Washington.

The GAO points out that, because of the dollar-related loss of overseas purchasing power and increases in salaries, funds formerly available for direct program support activities have been virtually eliminated, making aggressive export promotion activities impossible.

While some U.S. commercial officers lacked money to return phone calls, others were unable to travel within the country to develop trade leads or make business contacts.

The GAO also criticized the government's tiny presence in Taiwan. U.S. trade with the nation has quadrupled over the last 10 years, while the U.S. trade deficit with Taiwan has soared.

Taiwan expects to buy $6 billion in foreign equipment for major commercial building projects, airport expansion and pollution control over the next several years. But the two commercial officers stationed in Taiwan told the GAO that they don't have the staff to track these developments.

Economists have never been able to draw a direct correlation between an aggressive government export marketing effort and rising sales abroad, says Georgetown University professor Michael Czinkota, a former Commerce Department trade official.

Nevertheless, "other countries are doing things that put us at a competitive disadvantage," Mr. Czinkota said.

A U.S. Chamber of Commerce survey indicates that the government's most important role is providing country-specific timely information such as whether a certain company is looking for a specific form of widget.

Congress is also looking at the issue. Rep. Tom Ridge, Pennsylvania Republican, is drafting a bill that would create a private-sector task force to make recommendations on how to streamline what the National Governor's Association has called the "current ad-hoc non-system of sibling rivalry," the hodgepodge of export promotion efforts at the local, state and federal levels.

The recommendations in turn would be implemented by a new interagency task force.

"Although programs are well-intentioned, they're basically ineffective. There's a lack of cooperation and coordination and a duplication of effort," said Charles Zogby, an aide to Mr. Ridge.

Not everyone wants the government to have a hand in export promotion. Conservatives in the early 1980s believed that export promotion should be left entirely up to business.

David Stockman, President Reagan's first budget director, proposed giving the FCS zero funding in the 1982 and 1983 budgets. There were even studies looking at the feasibility of privatizing the FCS, but it was ultimately rejected as impractical.

Katsuro Sakoh, research fellow at Johns Hopkins University is still skeptical about whether or not pouring money and manpower into government export promotion campaigns produces any actual results.

He said Japan's exporting clout is the result of its culture and the aggressive efforts of its massive private trading companies and not JETRO.

"They've done practically nothing. They have no idea of markets and what a product is about," Mr. Sakoh said, and it's "the same thing" for the FCS. Government simply doesn't have the marketing instincts of the private sector, he said.

Mr. Speaker, the foregoing story is explanation enough for the reason to create a Marshall plan. We need to provide American business with all the help we can instead of placing obstacles in their way. We tell them to go out and fight the good fight for American, but we tie one hand behind their back.

We created a country out of ideas. To be an American is to accept the idea of the spirit of freedom. To go as far as our talents can take us without hurting others. We have attracted,

and are continuing to attract to our shores, people from all over the world in pursuit of the American dream. We have been and are a mecca of freedom.

We must have the tools to continue to provide the freedom and standard of living that attracts people to the American way of life.

I am proud of being an American, but only you and I, and those of us in Government with the support of the American people, have the power to recapture the blossoming of an America that will leave an inheritance of greatness for our children and our children's children so they too may go forward in freedom.

The choice is up to us. Do we try the impossible to live without the opportunities of America—which we will surely lose without Government fulfilling its obligation to American business, or do we work together to follow and fulfill our dream—the American dream of freedom? Together we can meet any challenge. There is no going back in this economic battle. It is for keeps. The choice is ours. I choose to win.

□ 1750

THE JAPAN THAT CAN SAY "NO"

The SPEAKER pro tempore (Mr. OWENS of Utah). Under a previous order of the House, the gentleman from Michigan [Mr. LEVIN] is recognized for 60 minutes.

Mr. LEVIN of Michigan. Mr. Speaker, I have decided to insert into the CONGRESSIONAL RECORD, "The Japan That Can Say 'No'," a series of essays by Sony Corp. chairman Akio Morita, and Japanese Diet member, Shintaro Ishihara.

This publication was the subject of widespread comment in the press last week. It seems wise for Members of Congress to be able to peruse the entire document for themselves.

There is no more important relationship in the world today than that between the United States and Japan. This is true strategically. It is also true economically. There has been a persistent trade imbalance in Japan's favor of around $50 billion a year. This imbalance has major ramifications for both countries. It simply must be addressed and redressed.

To do so, we must talk candidly and directly to each other. Each must understand what the other is thinking and feeling. We must be willing to say to each other what we are saying to ourselves. We must be willing to let our ideas be tested both in our own forum of public opinion and that of the other. Indeed, a thesis of the authors of the essays is that only through candid dialog can America and Japan avoid misunderstanding and clarify what we have a right to expect of each other.

I am an internationalist who deeply believes in an America that understands, indeed welcomes, the ever-growing internationalization in the commerce of goods and ideas, and an America that becomes fully prepared to compete with this interdependent world.

In this decade we have been losing ground in our international economic standing. Some of this was inevitable, as other nations rebounded in the post-World War II era. But much was a reflection of conscious decisions—or the lack of them—in other industrialized nations and our own.

I venture that I have spent a quarter of my time these last years on issues relating to international trade and American competitiveness. I have worked with the American private sector on issues ranging from auto parts to the FSX.

After a study mission to Japan, several of us worked with the late Malcolm Baldrige, Secretary of Commerce, to insert issues of trade in auto parts into the M.O.S.S. [market oriented sector specific] talks with the Japanese. Unfortunately, marked by resistance from the Japanese and timidity from the administration, there is virtually nothing to show from years of these talks.

I returned several months ago from talking issues of trade with political leaders and American businessmen and women in the Philippines, Indonesia, Singapore, and Thailand. I was struck by how weak is our economic presence in those burgeoning nations and how underprepared, understaffed, and undertrained we are to compete in a market of many hundreds of millions—and growing.

One thing is increasingly clear—the status quo is unsatisfactory. We must open our eyes and our minds, and engage the issues of our economic future and the world of trade.

It is within this spirit that I have entered this series of essays in the CONGRESSIONAL RECORD. I have used the CONGRESSIONAL RECORD for the insertion of documents sparingly, only when I believed that they clearly served a valid public purpose. After considerable thought, I believe the public interest will be served by letting us read in full what the recent flurry of articles has quoted in bits and pieces.

These essays contain in my judgment, some views that are compelling and some that are pernicious.

Akio Morita's chapters contain most of what is enlightening about "The Japan That Can Say 'No' ".

Despite some lapses into bashing Lee Iacocca and ritually denying that America has any products Japanese want to buy, Mr. Morita offers an astute critique of United States neglect of a coherent international trade policy and inattention to our manufacturing base.

His thesis is that technological innovation goes hand in hand with the experience and resources gained from high-volume production of high-value-added manufactured goods. A service economy is not enough, in other words.

He believes the United States cannot become substantially more competitive unless it sustains and guards the American manufacturing base. He criticizes the lack of labor-management cooperation in the United States. And he points to Japan as a successful model of creativity in translating innovative technology into products that consumers want.

Also enlightening are Morita's acknowledgments of Japan's trade barriers. "Japan should open its markets to the extent where there would be no room for their complaints," he says. "Certainly the full opening of our markets and advancing large sums of money for developing countries is very painful," he adds. But "if we do not reorient our consciousness from the perspective of being international people," Morita says, "then I do not feel Japan will be able to continue to walk the globe as an economic power."

It is interesting that even Mr. Ishihara admits Japan has some egregious trade barriers. "The rice issue has its sentimental aspects in Japan as well as its practical aspects," says this urban legislator,

> Yet it is obvious that we must liberalize the market. Such is also true of construction projects. It is inevitable that we allow foreign construction firms to participate in Japanese public construction projects. Japanese general contractors have been maintaining prices as much as 40 percent higher in comparison to foreign bidders, due to bid-rigging traditions to assure a monopoly on business for themselves. There is no way these practices could ever be free of foreign criticism.

Most of what is troubling in the book comes from Mr. Ishihara, a former Cabinet member who was a dark-horse candidate to succeed Sousuke Uno as Prime Minister this year. Mr. Ishihara is an ultranationalist who sees international relations largely in terms of racial superiority and inferiority.

It is Mr. Ishihara's "firm conviction that the roots of the United States-Japan friction lie in the soil of racial prejudice." Mr. Ishihara believes Japan has technological superiority over the rest of the world, partly because of a manufacturing edge in semiconductors, and he would have Japan use the threat of withholding its computer chips as leverage in trade and security relations with the United States.

In the same vein, Mr. Ishihara says the FSX deal to coproduce a fighter plane with the United States comes

down to this: "In short, America wants to steal Japanese know-how." The ultranationalist flavor of Ishihara's thinking is further revealed in such comments as: "The FSX was a surprise to Americans, as were the Zero fighters at the beginning of the Second World War."

Mr. Ishihara is very wrong about the balance of technological benefits in the FSX deal. In matters of alliance politics he has equally bizarre notions, such as the likelihood of a United States-Soviet alliance against Japan—which, of course, Japan would thwart by using its technological superiority. He is as wrong about what is conceivable in the future as he is about what has happened in the past between our two countries.

The expressions from Mr. Ishihara send the wrong message to the world and to the Japanese people—that the basic source of conflict between the United States and Japan is somebody else's fault; namely, racist attitudes in the West. Our Nation must be willing to show Japan that we deeply disagree with that kind of thinking, and that it is harmful to efforts to resolve problems between our two nations and building ever-strong ties of friendship and understanding. I do not believe it helps those in Japan who fight against ultranationalism for us in the United States to be silent in the face of this type of extremism.

The dangers of ultranationalism can be openly seen when it moves a person of good will, like Mr. Morita, to say "Perhaps Mr. Ishihara is right in his contention that racial problems lie at the root of the problem." The United States has been far from colorblind throughout its history, but there is far more to our history, including the Bill of Rights, the Emancipation Proclamation, and Martin Luther King's "I have a Dream" than can be seen through the extremist lens of Mr. Ishihara.

□ 1800

THE EXTRAORDINARY VIOLENCE IN EL SALVADOR

The SPEAKER pro tempore (Mr. OWENS of Utah). Under a previous order of the House, the gentleman from Florida [Mr. MCCOLLUM] is recognized for 60 minutes.

Mr. MCCOLLUM. Mr. Speaker, this past weekend we have seen some extraordinary violence that started in El Salvador again. I am very disturbed about it, and I want to report to my colleagues on the subject a little bit and talk about some of the history of El Salvador for a few minutes.

That little country is just a few miles south of us. It is very close to us. It is a democracy. About 5 million people is the population of El Salvador, at least it was in 1985, though quite a large number of Salvadorans have come to the United States during that interval, so I am not sure of the exact population, but it is a small, country.

In the early part of this decade, we began to see a movement toward democracy in El Salvador that had been unheard of in that country. In 1984, we had an election in El Salvador for President. That was the first time in 50 years there had been a democratically elected President of El Salvador, an extraordinary event. President Jose Napolean Duarte was elected as President at that time.

There had been actually earlier elections in 1982, again a remarkable thing to have occurred in that country.

We in the United States supported the democratic evolution in El Salvador and we have continued to support it through this past election that occurred for a new President in March of this year. As a matter of fact, on March 19, 1989, I happened to attend the election process and participated as an official observer of President Bush. At that time, President Alfredo Cristiani was elected, and the people throughout that country massed in large numbers to go to the polls for an extraordinary showing of democratic will.

Throughout this period of time, as democracy has emerged and free elections have taken place for President on two occasions and for a legislative body on several more, we have seen a continued effort by Communist guerrillas to disrupt this process and to thwart democracy.

The organization calls itself the FMLN, and it was this Communist organization that over the weekend just past, starting Saturday night and continuing yesterday and still continuing today, that we have seen deaths occur in the city of San Salvador in particular. We have seen President Cristiani's official residence bombed and extensively damaged, so much so that some reports say that had he been present in his home at that time in his official residence, which thank goodness he was not, that he would not have survived that bombing.

We have seen a larger number of people who have been killed during that period of time. We do not know all the formal statistics, but we know that a large number have been killed during the last 48 to 72 hours.

The Salvadoran Army, the latest report I have, says that there have been 86 who have been killed in action, 189 more wounded. Of the FMLN, the Government reports at least that 202 of them have been killed, another 94 wounded in action, and approximately 17 civilians have been killed and an estimated 88 more wounded.

The point I am here to make today and to discuss is that it is just terribly tragic to see a democratic government like El Salvador that has been the apple of our eye in Central America deteriorate with this kind of fighting in the streets.

A few weeks ago we had some premonition of this, because we knew and we have known in this Congress for a long time that the FMLN had not accepted democracy. They did not choose to participate in those elections in March in any official way, other than to put a candidate on the ballot in a few places and have a few observers out, but they did not sanction that election and they have disagreed with it ever since then, despite the fact that it was clearly a free election that was held.

What we have seen is that caches of arms continue to go in to support these guerrillas in ever-increasing numbers. For example, very recently we had a report that was in my newspaper, the Orlando Sentinel, dated October 21, 1989, on an Associated Press report that says our State Department on that day accused Nicaragua of systematically violating the Central American peace agreements by continuing clandestine efforts to send military equipment to the leftist rebels in El Salvador.

Now, I can read, and I will in just a moment a little more from that, but I think the remarkable thing is the coincidence between the attack that has been made down there in the city of San Salvador and in the countryside of San Salvador in this democratic neighbor of Nicaragua's over this immediate past weekend and what happened the weekend before when President Ortega inside of Nicaragua boldly decided that he was going to break the peace agreements and the truce that had been held in that country with the Contras and went into the countryside at that point in time, doing something that may very well jeopardize the election process and free elections that are anticipated and hoped for in Nicaragua in the coming year that is coming up.

I go on to quote, this is in the news counts of October 21 just a few weeks ago:

> Department spokeswoman Margaret Tetwiler made the accusation after Honduran security forces found large numbers of weapons that she claimed originated in Nicaragua and were earmarked for the Salvadorans insurgents known by the Spanish initials FMLN. The seizure occurred at a border crossing between Nicaragua and Honduras, and according to Tetwiler included AK-47's, rifle grenades, explosives, thousands of rounds of ammunition, and FMLN instruction manuals. Honduran officials are currently evaluating the facts involved in their seizure.

And so on and so forth.

Now, this is a very current thing. We had caches of arms found inside Nicaragua much earlier. This is why some of us got so concerned about police

training and trying to get amendments through on the floor of this body, and were successful in the authorization bill on foreign operations just a few weeks ago.

The fact is that this whole process of trying to beef up the internal security and train the police, not just the military in El Salvador, occurred in 1985 and 1986 in this body as we saw the bombing occur in Santa Rosa where five of our Marines were killed, and nine civilians were killed by these same FMLN.

At that time, as it has become increasingly apparent, we realized that the guerrillas, these FMLN Communists, were no longer going to be content with any kind of open warfare in the countryside, which they had been unsuccessful as demonstrated by the election process and the people not really supporting them, but they were going to go instead into the cities, and particularly the city of San Salvador where the brunt of the attacks took place over the last few days.

Mr. DREIER of California. Mr. Speaker, will the gentleman yield?

Mr. McCOLLUM. Yes, I am going to yield to the gentleman from California, who has been so instrumental in this effort.

Mr. DREIER of California. Mr. Speaker, I thank my friend for yielding to me.

I would like to begin, Mr. Speaker, by extending congratulations to the gentleman for bringing out this special order.

You know, one would think that today would be a day of a special order in which we would simply be heralding what has become known as freedom weekend, that is what ABC called it last night, when we saw over the last few days this unprecedented historic development, with the crumbling of the Berlin Wall.

In fact, one of those who had just crossed over said in one of the interviews on television last night that if one had been asleep for a weekend had awakened and was told that the Berlin Wall had come down, they would have said that you were crazy if you would have told them that.

So here we are, not able to simply celebrate that great development. We are here tonight to underscore sort of a tragic aftermath of that, because the wall started coming down Thursday, Friday, and then it was Saturday night that we saw this unbelievable attack. It is one which frankly the gentleman is very wise in pointing to the fact that the cease-fire was lifted by Daniel Ortega in Nicaragua and then we saw a number of other developments out of Salvador.

One was interesting and also rather tragic. I spent about an hour with our colleague, the gentleman from New Hampshire [Mr. DOUGLAS] with a young man, Mr. Goya Martinez, who came to the United States just a couple of weeks ago and said that he was part of a death squad operation being perpetrated by the Salvadoran Government.

□ 1810

He leveled these great accusations in an attempt to garner support and sympathy from the United States and Members of this body and, of course, I have talked to a number of my colleagues on the other side of the aisle who were, frankly, totally drawn in by the arguments that Mr. Martinez offered, and it is interesting though that just a few days after these reports of death squad activities with someone who came to the United States to report on them, came to the forefront that we see this largest attack ever launched in El Salvador. The gentleman is very correct in pointing to the fact that on March 19 I was with him when we saw, and actually I was told that it was the largest in this decade, and I think that is more accurate, would it not be, and I think that we have seen some real problems that have gone on through this decade, but clearly that has been the largest attack which has taken place during this 10-year period, and I think it is important for us to recognize that on March 19 while the gentleman and I witnessed this election it was, in fact, the first time in the history of El Salvador we saw the transition from one democratically elected government to another.

I have been disturbed at the reports which have come out in the media in the last couple of days on this very tragic attack on the Presidential palace where we have seen tremendous loss of life, all perpetrated by the FMLN.

Mr. McCOLLUM. Reclaiming my time, why do we not talk about that election for just 1 minute, because I think that we need to lay a predicate here. We can say all we want about how democratic it is down there, but lots of people still do not understand the transition that has occurred. Back in 1980 we had Amnesty International reporting 750 death-squad victims a month down there, and by 1987, because of the transition to democracy and cleaning up their act, El Salvador only had an average of about 23 deaths like that. It has even improved much further since then.

Mr. DREIER of California. It has dropped down to about 12 a month.

Mr. McCOLLUM. About 12 a month at max. Then we saw this election last March which the gentleman and I observed, and what happened there, and the gentleman can fill in some with me, because we went out and looked at the countryside, and I flew in helicopters to the most remote areas where the guerrilla activities would be the greatest, and we saw all of these people coming out to vote. They had a very sophisticated Government voting system. They had registered a huge percentage of the population eligible to vote, those adults, and they had given them voter registration cards, and on the day of the election they had already set out these boxes, these kits for each one of the little precinct areas to be set up in the communities, however, large, the big cities or the small villages, and they had these election officials who were representing all of the various factions and, frankly, including these guerrillas, the FMLN, and they had a candidate, as I recall.

Mr. DREIER of California. If the gentleman would yield on that, I know that he and I both saw Salvadoran citizens who faced up against tremendous odds, being told by the FMLN that their thumb would be cut off if they voted, being told that they would be killed if they exercised their right to vote, yet as we moved throughout the country on March 19, we saw Salvadorans walk 3, 4, 5, 6, 7 kilometers to exercise that right to vote.

I think the product of that election day is an incredible one where we saw, against these tremendous odds, threats from the FMLN against the people of El Salvador, what we saw was a turnout larger than what we had in November 1988, in the United States elections.

Mr. McCOLLUM. Reclaiming my time just for a second, that very first town I went to by helicopter the morning of the election, they were setting up for the election. They were taking some bodies off of a square there who had been shot during a firefight the night before with the FMLN, and it was a battle between a few of the Government forces, and there were efforts being made throughout the countryside to break up this election, but in that little town, as one example, that did not keep them from opening up the ballot boxes, as the gentleman pointed out, and it did not keep them from, the people, from voting. There was an incredible desire to vote in the face of violence in the countryside, and I know people question how could those elections have been valid.

The gentleman and I watched how democratic it was, how they had this thing fixed when they went up to vote and when they showed their card, they had to actually be fingerprinted, and then they had to put their finger in an inkwell so they could not vote twice, in indelible ink. They had a secret ballot place to go to, and when they marked their paper ballot, they dropped it into a large plastic bag that was out in front of the place where they voted that was in public vision the whole time during the day of the election, and then at night when the polls closed, representatives of each

party came around together from the local election office and collected these ballots and counted them right then and there and decided which ones to throw out and which ones to save. I watched that. It was absolutely fabulous.

Mr. DREIER of California. If the gentleman will yield further, that was a very good point, and I am sure my friend recalls that I came back with that black ink on my finger, because I dipped my finger in there. It lasted several weeks.

The interesting thing is we are standing here as Republicans, but I think it is very important for us to recognize that our former colleague, my California colleague, Tony Coelho, was one of those who was part of that observer team. He was the third-ranking Democrat in the House, and he came back with the exact same conclusion that the gentleman and I drew. I think that it is important for us to recognize that both Democrats and Republicans in this House came to the conclusion that it was a very free, fair, and open election.

Mr. McCOLLUM. Reclaiming my time, while the gentleman is making that point, I have in my hand a draft of the election statement of the AFL-CIO observer who was also along with me on that. He came back, despite the fact that I think they were a little disappointed at who won the election, with the same conclusion, that this was an absolutely fair and free election. The people had their say, and Alfredo Cristiani was elected. Since that time he has proven to be even fairer than most of his supporters would have thought he could possibly have been in this whole process, and the critics all agreed on that, too.

Mr. DREIER of California. If the gentleman will yield further, that is exactly what I was going to say just as we moved to that. One of the things that has disturbed me is that over this weekend we have heard the Salvadoran Government described in simply two ways in reports I saw in Los Angeles over the weekend: the U.S.-backed rightist government, never stating at all on the television news reports that this was an unbelievably fair and open election, and that has disturbed me greatly to see these kinds of reports coming out in the media, because it clearly was a very free and open election.

What we have seen in the aftermath of this free and open election is a U.S. ally facing a major conventional assault on them, and that is why I think that is a very critical and serious issue for us to consider with that kind of attack from the FMLN, supplied with arms that have directly come through Nicaragua to El Salvador.

Mr. McCOLLUM. Reclaiming my time, the gentleman has supplied, and I know he is familiar with these, these photographs that are down here of some arms. I was talking about what had come through Honduras very recently that our Government believes that the Nicaraguan Sandinistas supplied. As the gentleman knows, the AK-47's are the Soviet weapon of choice.

Mr. DREIER of California. If the gentleman will yield further, the pictures that are standing next to my friend from Florida in the well were taken of the largest cache of weapons ever seized in El Salvador. These photographs were taken on May 30, literally the eve of the inauguration of Alfredo Cristiani, and I was fortunate to be there with our colleague from the other body, Senator LUGAR, and they had just taken these. We stood over this cache of weapons. It included 283 Soviet-made AK-47's, a wide range of other Eastern bloc weapons, including Hungarian pistols, North Korean devices, a wide range of items which were clearly going to be used in an attempt to disrupt the inauguration of President Cristiani.

Mr. McCOLLUM. These were taken, if I may reclaim my time, in the city of San Salvador, were they not?

Mr. DREIER of California. They were seized in El Salvador in a large cache; in fact, as I said, the largest cache ever seized, and obviously one of the things that I said at that point is that if we have here the largest cache ever seized, what other kinds of caches of weapons are there? It is apparent, with the developments which took place just this past weekend, that obviously that flow had continued.

We recall that on August 7 when he saw the agreement signed at Tela, President Cristiani, and my colleague from Florida [Mr. GOSS], and I were with Mr. Cristiani just before that summit in August, and he said that his priority was what he referred to as chapter 2, ensuring the Nicaraguans would not allow the flow of those weapons to move through Nicaragua into El Salvador.

What happened was on October 19, just a few weeks ago, a huge truck, and we have other photographs which we could show, of weapons which came through Nicaragua and directly into El Salvador were seized, which is clearly a violation of the Tela agreement which President Ortega signed in August in Tela, Honduras.

□ 1820

Mr. McCOLLUM. Mr. Speaker, I want to point out a New York Times article today before I yield to my other good friend, the gentleman from California [Mr. LAGOMARSINO].

There is mention of weapons that were seized down there during the last couple of days. Just in one case an Army unit captured at least 19 automatic weapons, seven Soviet-made grenade launchers. What are they doing down there? Several pounds of explosives, and large quantities of ammunition in one instance alone.

They are out there shooting up helicopters and so forth, and obviously not fighting anything but a guerrilla war in the city, doing the very thing that the gentleman I am about to recognize has worked with me and others on for quite some time to try to get the Salvadoran situation fixed so we could ferret this out and not have that sort of thing happen.

The gentleman from California [Mr. LAGOMARSINO] is our ranking member on the Committee on Foreign Affairs. I am delighted he could come out to be with us today.

Mr. LAGOMARSINO. Mr. Speaker, I thank the gentleman for yielding. I want to thank the gentleman from Florida [Mr. MCCOLLUM] for taking out this special order. It is an opportune time to do so, with what is going on in San Salvador and El Salvador generally as we are speaking.

It is interesting, with the great emotion and excitement of political openness sweeping Eastern Europe and the rest of the world, that these events in Central America seem grotesquely out of sync.

The combination of ending the cease-fire by the Sandinistas in particular, with the severe escalation of fighting in El Salvador, represents a serious setback to the hope of achieving a political solution to the crisis in Central America.

Daniel Ortega's decision to end the cease-fire seemed to reflect a concern more about his own political future than military fighting in his country.

In El Salvador, the decision of the Marxist guerrillas to undertake their biggest offensive in 10 years seems to reflect the recognition that their external and internal support is rapidly deteriorating. We have some at least indirect indication that the Soviet Union is getting tired of helping the FMLN and that perhaps Mr. Ortega is getting concerned about his ability to continue doing that, because, of course, the United Nations peacekeeping force is going to be put into effect here very rapidly.

It seems to me the events in both Nicaragua and El Salvador reflect desperate measures taken by desperate men.

Reference has been made here already to the October 18 seizure at the El Paraiso border crossing between Honduras and Nicaragua of a large cache of arms and armaments.

The captured weapons, for example, included 20 AKM assault rifles, 13 of which were manufactured in the Soviet Union. There were more than 300 rifle grenades and 800 mortar shells, which probably would have been used in this assault over the weekend, a large quantity of Soviet-

made hand grenades, 50 other assault weapons or machineguns, a large quantity of explosives and ammunition. Included with the weapons were instruction manuals with FMLN inscribed on their covers.

Many of the rifles and shells were packed in Nicaraguan newspapers. I might point out those instruction manuals instructed the people who read them on how to use this Soviet weaponry.

The driver of that truck was captured and is being interrogated by Honduran authorities. I understand that he has admitted to them he has been doing this for a long time about once a month.

So I do not think there can be any other conclusion than this was a shipment from Nicaragua to El Salvador, 2½ months after Daniel Ortega first admitted he was doing it, which he had never done before, and second, that he was going to stop, which obviously he did not do.

I attended two of the Presidential elections, the primary in 1984 and the final one that year, and I certainly had the impression very much like the gentleman from Florida [Mr. McCOLLUM] and my colleagues from California [Mr. DREIER] did, of the people walking for miles and enduring threats and so on to vote. Every indication I had was that the last election was every bit as free and fair.

As a matter of fact, the guerrilla parties, their political parties, took part in the election. They did not do very well, but they took part. They were there to choose if people wanted to select and vote for them.

It is interesting on Sunday Daniel Ortega in Managua made some comments that would seem to indicate that he knew what was going to happen and was happening in El Salvador. He condemned the Government of El Salvador for doing something they had not yet and did not do, and that is indiscriminate bombing of the population.

So I just feel there is a definite connection between what he did in canceling the truce unilaterally in Nicaragua and what happened here. Perhaps this should take pressure off of him. I do not know.

Mr. McCOLLUM. As the gentleman knows, there has been a long concern the gentleman and I and a number of other Members have shared about Nicaragua and the Ortega faction and the Communists down there, as much because of what they could do to El Salvador and their neighbors as anything else. Not trying to simply dictate what happens in Nicaragua, as much as we would like to see freedom there, but with a greater fear that if Ortega and his brand of communism succeeded in consolidating their revolution, they would step up the activity of exporting arms and revolution into El Salvador and maybe go into Guatemala and Honduras.

It is disturbing to hear what the gentleman says, though I agree with it. It does appear without any question that Ortega and his government have been shipping these arms, winking about how they are not going to support this sort of thing anymore, all throughout the time when we have been trying to get these free elections in their country and when we have been cooperating, though granted against the wishes the gentleman and I had, with not supplying the Contras with support, which this Congress should have done.

Mr. LAGOMARSINO. Good point the gentleman makes. Whereas we have stopped entirely shipping any kind of armaments to the Contras, through Nicaragua they have not stopped shipping the armaments to the guerrillas in El Salvador.

Mr. McCOLLUM. It is absolutely incredible. I am sure we are going to hear more about that.

Mr. KYL. Mr. Speaker, would the gentleman yield?

Mr. McCOLLUM. I yield to the gentleman from Arizona.

Mr. KYL. Mr. Speaker, let me commend and thank the gentleman for conducting this special order, and thank the gentleman from California [Mr. LAGOMARSINO] who just finished speaking. The gentleman and I met together for one of the first times in 1984 in El Salvador when we were both official observers to the presidential elections, I as a civilian and the gentleman from California as a member of the United States delegation, to observe the fairness of the presidential elections in 1984.

We returned as official observers in 1989. This time I was a member of the congressional delegation observing the fairness of elections in this country.

Mr. Speaker, I can attest to my colleagues that the elections held in El Salvador for Presidency of that country were as fair and good an election process as you would observe anywhere, including here in the United States of America.

It is in this time of need in this country of El Salvador that I believe those of us who are familiar with the country should stand behind the people of that brave country.

I have been there many times, as has been the gentleman from Florida [Mr. McCOLLUM] who is conducting this special event, as well as others who are with us today. I think we can attest to the fact that if that country had peace for any extended period of time, it could blossom into one of the great economic miracles in this hemisphere.

Its people really want nothing more than peace, because they have the freedom and democracy that we enjoy here in this country, something which again I attest to, having been an official observer to their elections the past two times they have been held.

I was also at the White House when the then President of El Salvador, Jose Napoleon Duarte, made his last state visit to the United States. He exchanged greetings with then President Reagan, and then walked down the podium where he and President Reagan had been speaking.

President Duarte walked all the way to a group of American soldiers who were participating in the ceremony, gathered up the American flag we were holding into his hands, kneeled down, and kissed the American flag.

This is a moment I will never forget, because this by then very frail cancer-ridden Jose Napoleon Duarte was telling us through his gesture to the American flag how very much he appreciated the support and the friendship of the American people to help his country rid itself of a former dictatorship and become a full-fledged democracy.

I think most of us in this body can be very proud of the fact that not too many weeks ago we supported a bill which provided assistance to the Government of El Salvador to continue to help them economically, and also, importantly, to try to assist their police force in becoming more modern, better trained, and able to deal with crises that develop in their country. Unfortunately not of the magnitude we are now witnessing over the last several days, but at least to help have order in their country and make sure they live under a rule of law that all of us would live under.

It is well known, it has been reported many times, that the assistance to the FMLN guerrillas that have been coming in through Cuba and Nicaragua, that there is a violation of the peace process that President Ortega from Nicaragua signed and pledged to support.

This is probably a part of his plan to divert attention from the activities in his own country, which will probably culminate not in free and fair elections, but a continuation of his dictatorship. Therefore, I think at this time, in their time of need, it is important for us to continue our support for our brave friends in El Salvador, for the Government of El Salvador, and to continue to let them know that we stand behind democracies, which is what El Salvador is, and we stand behind the yearning for peace and the good life that should stem from a democracy that we know can follow if there is peace in that land.

Again, I compliment the gentleman from Florida [Mr. McCOLLUM] for trying to bring this to the attention of our colleagues here. Mr. Speaker, I hope that our colleagues will continue to watch with interest as this situation unfolds, and to provide the continued

support for the people and the Government of El Salvador that it so deserves.

Mr. McCOLLUM. Mr. Speaker, I want to thank the gentleman for coming out and speaking on this issue. I would like to use what he said to make a point here. I have a report of a news conference that was held in Managua by one of the leaders of the FMLN on November 8, which was just about 3 days before this attack began.

□ 1830

And I think it is interesting to read or quote from it a little bit.

It says, "Today the FMLN announced its plan to intensify the armed struggle and political pressures to force the Alfredo Cristiani government to restart the dialog process," a process which frankly had been going on, as far as I know, for a long time. The two guerrilla commanders, in this case Gonzalez and Sinfuego of the FMLN directorate, "reiterated today that the FMLN will put all the military capability it has accumulated during the almost 10 years of war at the service of the negotiation process." That seems like a strange way to put it, considering the deaths that they have just caused. "We are going to employ all modes and tactics of our military strategy and break the Government's view that the guerrillas participate in a dialog because they are militarily weak," Gonzalez told Salvadoran newsmen in Managua.

"Sinfuego said the rebels will not return to the negotiating table until the authorities change the terms under which they want to hold these talks and until opposition organizations stop being the target of a wave of violence unleashed by the Army." It does not appear to me there has been that kind of a situation down there in the first place. We have not seen violence unleashed against these folks. In each case we have seen democracy move to try to stop that. What is so strange about it is, having had their opportunity to participate in the last election process, what more is it that the FMLN really wants? They appear to want an assured sharing of power, a sharing of dictating power. The only way I can see how they can share in power in a country that is truly democratic as this one is and as the Congressmen who already talked tonight and I have observed would be in some way that they would be nondemocratic. It is beyond me to understand what it is that these folks really want unless it is truly what Communists usually do, and that is a reversal of those democratic processes so that they can get it and they can control and they can dictate through their dictatorial manner much as Ortega has done in Nicaragua and as Castro has done in Cuba.

It is just a very strange set of circumstances.

My colleague from Florida has risen to join me in this discussion and I am pleased he has come out tonight, the gentleman from Florida [Mr. Goss], a good friend.

Mr. Speaker, I yield to the gentleman from Florida.

Mr. GOSS. I am very happy to have the opportunity to join with the gentleman, the gentleman from Florida, my distinguished colleague, because I very much appreciate his initiative. In fact, I have just come from a briefing trying to get an update on what the situation is right at this moment in El Salvador and what the outlook is going to be and what the early manifestations are of what has happened and why it has happened.

It appears that there is still rebel participation. They are tyring to enjoin the democratic army forces that are trying to preserve law and order and protect the citizens of El Salvador, in two of the suburban areas, Lontanos and Serapango.

I understand the rebels are beginning to fade away and that it is lessening. The outlook is that this will gradually break off and we will get back to a better semblance of order and, hopefully, more peacefulness in the city.

I gather they had an extremely difficult time on the university campus over the weekend and really had an outright military engagement there. The rebels were chased off, took a lot of casualties. I understand there were some casualties to the army also.

I think some things have come out that are very, very important here. The first one, it appears inescapable that the President of Nicaragua, Ortega, has certainly had foreknowledge of these events, has gone on the radio and is very knowledgeable during the weekend, made some very forceful statements about things that are supposed to be happening in El Salvador. It is clear to me that he is trying to create a diversion from his own problems. It was only a short time ago that he broke the peace in Nicaragua, presumably after he had determined that he was behind in the polls and that the ways that he has to wiggle now to live up to his pledges on providing democratic free elections are beginning to hem him in.

I think there is no question that what is happening in Salvador is not coincidental. It is clearly an orchestrated effort. There is no doubt that the evidence exists that the Nicaraguan Government, as we have said, as the gentleman from Florida has seen, including myself. The gentleman has presented evidence, there is more evidence. Within the month we have evidence of yet more arms shipments going through. They happened to be Soviet arms wrapped in Nicaraguan newspapers, smuggled in a truck from Nicaragua that went by Costa Rica to try to hide its purpose. Those arms 3 weeks ago were uncovered. On August 7, in Tela, the President, Ortega, took a solemn oath with the other Presidents of Central America that he would cease and desist any more arms shipments to the Communist rebels in San Salvador. That is a pretty good example of what that man's word is worth, and he wants us to believe that he is going to hold free, fair democratic elections in his country on his say-so. Well, his say-so is not worth a whole lot. There are a lot of dead people in Salvador, regrettably, today, who know that.

Second, we have it clearly understood that the rebels grotesquely underestimated their anticipation that if they got these arms in to Salvador, San Salvador, and got them into citizens' hands, there would be a popular uprising because the Cristiani Government is so unpopular.

Just the opposite happened. The rebels got chased out of town. The people of San Salvador looked to the Cristiani Government, as they should, to defend them, their democracy, their freedom, and their ability to come and go, to conduct business. The people have responded well to the Cristiani Government.

Consequently, the rebel uprising, as it were, has failed totally. It is a complete fiasco. They have no way to save face. I am going to be very interested to see how they try to do it in the newspapers.

The third thing that happens, quite obvious, they are trying to provoke the good democratic forces of Salvador into some type of response, some type of a military response, which they can hold up to the world as an atrocity of some type. These are the people who are smuggling bombs, doing terrorism, blowing up women and children in downtown San Salvador. They want to point to the army that is doing their job of preserving the public order, protecting the people of Salvador, and say that those people are the people who are out of step.

I think those people are the ones who are out of step.

Those things, those three things, emerge very clearly.

Fortunately, the prognosis is that the rebels are pretty badly beaten and are going with their tail between their legs out into the countryside where they will indeed continue to blow up power lines and people and buses and undefended people and undefended installations wherever they can.

Mr. McCOLLUM. Mr. Speaker, to piggyback on what the gentleman from Florida has just indicated, one of the things I know as a member of the Committee on Foreign Affairs that the gentleman has been observing is

we just fought a battle over here a few weeks ago, this whole business of the need for police training in urban warfare inside a city like San Salvador, because out in the countryside, while the gentleman is absolutely right, that is where they are going to continue to do some of this, the military has a better way of getting out and they observe them better. But they come into the city in the dead of night under the cover of large buildings in very congested areas, stash these arms, which Ortega supplies through the Soviet auspices, and then they come out and do all of these things.

So one of the things that the gentleman has been very instrumental in helping with and the Members here are going to have another chance to vote on here through the Foreign Operations appropriation bill tomorrow or the next day, is the training that we have given and we need to renew now on the Salvadoran Treasury Police and the National Guard, who are their police forces in the city of San Salvador, so that they can be better able to go ferret out these arms caches and still know good investigative police work to build a better case, to have an actual criminal lawsuit to press against somebody so that you actually have a judiciary system that is working down there as they have in the United States. It has been a marvelous thing to see the work over the last 3 or 4 years because back in 1985 and 1986 when some of us first proposed training them as a waiver of a worldwide prohibition to do anything like this, just because of the need down there, they did not even have radios for their cars. In fact, they did not even have any police cars in the city of San Salvador. And today they at least have, thanks to this program, they have radios, they have some degree of training. But it needs to be continued in order to protect the Americans as well as the Salvadorans in the cities and of course to instill in these folks a sense of what democratic police are all about, and human rights protections.

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Mr. GOSS. If the gentleman will continue to yield, the gentleman deserves tremendous credit for his visionary foresight to see these things and pass the necessary legislation, have the necessary legislation passed for that training to have begun in the years past, because I had the opportunity to speak with Colonel Ponce whose installation was attacked, along with the President's residence and everything else this weekend, and Colonel Ponce assured me on that point that that was the most important thing. It is the most important thing to have those people properly trained, whether they are police or military, or wherever we make the breakdown, so that they do not overrespond to the provocation that the Communist rebels are subjecting them to because that, of course becomes grist to the international propaganda mill, if we do overly respond. So this training is the critical key. The gentleman recognizes it, and we spoke at length about this. This is something that we are obviously going to have to continue.

As I say, I think that the book needs to be well-written with the praise of the gentleman who initiated that visionary effort sometime ago. I hope others will recognize it and sustain, as we go through our deliberations in the next day or two.

Mr. McCOLLUM. Mr. Speaker, I thank the gentleman for that. I see that the gentleman from California [Mr. HUNTER] has joined our debate. I am happy to yield to the gentleman.

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding.

I always listen very intently when the two gentlemen from Florida who are experts on Central America are talking about that issue. I think the gentleman from Florida [Mr. Goss] made a very important comment when he said that really you present overreaction by giving training, police-type training, to the people who will have to operate against these guerrillas in the inner city. It is actually something that supports safety, that supports a populace that does not want to see overreaction, and it does not want to see large-scale military operations by the Government of El Salvador in the cities.

One other thing I would like to mention to my colleagues is I think any person watching the news today has to conclude that we are living in very interesting times of great fundamental change in the Communist system. I think it is very interesting that while the rest of the world is shrugging off the Communist systems that have burdened them for many, many years, in most cases since World War II, we still seem to be bent to some degree on emplacing that system, or at least allowing it to be emplaced by the Soviet Union, on two very important countries in our own hemisphere: in El Salvador and Nicaragua.

I thought it was interesting that recently in the last month, the two offensive actions that have been taken, that is, the two orders to attack that have been taken by the Communists, by the Marxists in those two countries. In one case Nicaragua, in which the Marxists control the country in which they are the government, and they have determined that since they are behind in the polls, it is important to break the cease-fire at this point and portray the Contras, who have been without an ammunition resupply for 2 years, as proving to be a great danger to the security of that nation, and thereby justifying their attacking the Contras. In El Salvador, we have the rebels, the Marxist rebels attacking the democratic government of El Salvador.

I think it is important for people who find this moral symmetry in the two superpowers, and who are trying to really understand the context in which these world events are taking place, with the Berlin Wall coming down, with many Eastern Europeans getting their first taste of freedom. In both cases, in Nicaragua and in El Salvador, the United States supports free and fair elections. We support the people who want to go to the ballot box. In the case of Nicaragua, Violeta Chamorro and her comrades who want to see democracy in Nicaragua. In El Salvador, we support the people who went to the ballot box in overwhelming numbers and elected first Jose Duarte and now the present President.

It is the other side, it is the Soviet Union that supports, in both of those countries, the people who want to violently overthrow, in one case, a democratically elected government; and in the other case, violently prevent democracy from taking place. I think it is important for Americans in the next several months to focus on our own hemisphere and let Members see if we cannot give a taste of that democracy that we are celebrating for the East Germans who are now able to go through the Berlin Wall and see their friends and families in West Germany for the first time, or in West Berlin for the first time, and all the other Eastern Europeans we are so concerned about, let Members give the people of our own hemisphere a chance for democracy.

Mr. McCOLLUM. Mr. Speaker, if I may reclaim my time to engage the gentleman, I think he is making an excellent statement about policy overall. The President is going to meet with Mikhail Gorbachev very shortly in a built up not too important summit where they do not have a treaty to sign, and I am sure they will discuss the European events and what will happen. We are euphoric about it.

I think there are major things, as the gentleman pointed out, that are happening in Europe right now and elsewhere. It seems to me that while they are having that meeting, there ought to be some discussion, and the President needs to point out, and I am sure he will, I feel confident he will, to Mr. Gorbachev that we cannot truly move in the way that maybe he now is perceived as wanting to go in Europe, and move that way with our enthusiastic support toward the major changes, as long as he is going to continue in Latin America, to do the things he is doing, supporting Ortega and those causes. There are going to be some major desires to go beyond in Europe than where we are now. I will want to see that happen. Members will

want to see that happen, but we will be very reluctant to want to yield in certain respects over there beyond where we are headed at the present moment toward arms reductions and so on, if we do not see good will on the part of Gorbachev in pulling out his support for these puppet regimes like that of Ortega and the supply of arms going to these, FMLN guerrillas in El Salvador. That is so close to the United States. Members are aware of this, because, the gentleman is from California, I can get on a plane and go to the State of California in the time it takes, and in fact it is a lot longer for me, than to go from Miami, Florida, down to San Salvador. I have done it. It is not as long a plane ride, not as far away. In our own Capital, Washington, I can get there in the same time. Afghanistan is around the other side of the world, and Europe, of course, is quite a few hours away the other way. But El Salvador is right next door to the United States. I know the gentleman wants to get back in the foray.

Mr. HUNTER. Mr. Speaker, I think the gentleman made excellent comments that should be well taken by our own people, by the American people, and by our leaders, who will be meeting with the Soviets, and particularly our President. I think it will be difficult for Mr. Gorbachev to make a case that he needs economic aid when he seems to be able to divert $500 million to $600 million worth of military equipment circuitously albeit, to Cuba, and finally to Nicaragua, and then to El Salvador. As long as we have that $500 to $600 million a year of military equipment moving to the Marxist government in Nicaragua, and even though Mr. Gorbachev says he is not giving it, although it is Russian equipment, it is Russian made, it is not being given by the Soviet Union. He said it is being given by Cuba, to Nicaragua. We know that the principal supplier of Cuba is the Soviet Union. Obviously, there is an agreement between the intelligence agencies of the three Governments of the Soviet Union, Nicaragua, and Cuba. We still see the Soviet Union ultimately being the check writer for $500 million to $600 million worth of military equipment being shipped into our hemisphere, to kill Central Americans. I think it is going to be difficult for Mr. Gorbachev to move from that basic fact to a position in which he can justify the West, and particularly the United States opening up our pocketbooks, and our credit, and our commodities, to his people.

Mr. McCOLLUM. Mr. Speaker, I know it is moving to a broad view, but I think it is important, talking about this perspective of Gorbachev and the Soviets, to notice that maybe, and I hope it is not true, but maybe the same kind of distractions many of our colleagues have talked about that Ortega may be looking at with the FMLN in El Salvador to help him with, and with his efforts to break the peace accords and the cease-fire in Nicaragua, perhaps the distraction from his own election problems there, maybe Gorbachev's efforts in Europe, which we welcome, are efforts that, in part, are designed to distract Members and distract the Western World, for the moment, from the fact that while he has said he is pulling out of Afghanistan, he still left things in there, and they are still supplying millions and millions of dollars' worth of armament to a puppet regime that really still rules, might as well be the Soviets in there because the free forces of Afghanistan and the mujahidin have certainly not succeeded, and are not likely to with the kind of support the Soviets are giving them, and then moving away on over to Cambodia to see, while it appears that the Vietnamese are pulling out of Cambodia, they are leaving huge numbers of colleagues there with the Soviet blessing and moving on to our own hemisphere. With what is happening in Nicaragua and El Salvador and the obvious Soviet arms that have gone in there by the millions of dollars' worth in the last couple of years.

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It is a distraction to think about and an important one, and I do not want to diminish it and minimize it because I am encouraged by it, as well as the gentleman is, and others, but what is happening in Europe kind of is a distraction in a way that might, if we do not watch it, allow the Soviet Union to continue this kind of aggressive pattern of setting up puppet regimes, and still supplying them and asking us in essence to fund all of that by providing some kind of economic aid to take them off the hook, either in their satellite countries or the Soviet Union itself, and I just cannot concede that our Government would ever be a party to that, that we would be so foolish as to step into that vacuum while at the same time I am all for encouraging the steps toward democracy taking place in Eastern Europe today.

Mr. HUNTER. Mr. Speaker, I think the gentleman from Florida [Mr. McCOLLUM] is right. I think we cannot allow Mr. Gorbachev to take the position that he cannot control what happens to the $500 million, $600 million worth of military aid that he sends to Cuba which ultimately arrives in Nicaragua. It is obviously an agreement between intelligence agencies to move this aid through, and I think that it would be a good position for the President to take as a threshold position that it is not acceptable for Mr. Gorbachev to say that because the Soviet boatload of equipment stops in Cuba before it gets to Nicaragua, it is a Cuban aid program. The Cubans are as poor as church mice. They could not live for a few days without the Soviet Union keeping them going. Everything that happens in Cuba economically is a transfusion from the Soviet Union, and the Soviet Union, it appears to me, has absolutely a vice-like grip over the economy, that wretched Marxist economy, as it is in Cuba.

Mr. McCOLLUM. Mr. Speaker, as the gentleman from California [Mr. HUNTER] knows, we made an enormous policy mistake back in the early 1960's in allowing Castro to stay and come to power in Cuba, and since then that export of revolution from him has been fueled by the Soviet support that he has obviously received, and we have done very little about that. We have had a few opportunities, but we really have not done much about it, and I think we lose sight of the fact, coming back strictly to our hemisphere for the moment, not only the proximity of those little countries down there to us and the tremendous problems that could be caused by the deterioration of their societies from the standpoint of misery coming our way and our own national security concerns with our own border that is closer, frankly, to the gentleman than they are frankly to my own State, but we lose sight of the fact that this whole process, as we deal with Latin America, Central America particularly, that we are talking now about something that has been going on for a long time. We are talking now about almost close to 30 years of Soviet involvement and meddling in our hemisphere, and one wonders about whatever happened to the Monroe Doctrine at times like this.

I guess it is nice rhetoric to talk about this, and maybe it conjures up images that are gone, but the United States has a hemispheric concern that is paramount here. It needs to be here. If the Soviets can mess around in our backyard the way they have been doing and get away with it, they are probably going to continue to do that, and that is not something that should be acceptable to our people, it seems to me, and it is something that, if we look at what is going to happen, the domino effect we used to talk about in Southeast Asia is far more likely to occur in Latin America and Central America in particular if we do not see the encouragement of these democratic values and the strengthening of economies, like in El Salvador, and an end to the kind of violence the FMLN did this weekend.

Mr. HUNTER. Every Soviet admiral realizes that Hitler sunk 114 American vessels near the mouth of the Panama Canal in World War II and that the Caribbean is an absolute choke point for us, but beyond that the naval base at Corinto in Nicaragua would confer

an enormous strategic advantage to the Soviet Union if they are able to consolidate Nicaragua as a Soviet satellite because right now ships operating, more ships operating out of the Soviet Union, have to come out of Camranh Bay thousands of miles away from the American west coast, out of the Korean Peninsula or out of the Soviet Union, again traveling thousands of miles without a safe port to put into with a very, very long logistical tail, and they essentially have to go into a holding pattern off our coast to project power. If the Soviets are able to develop Corinto into a Soviet naval base, they will be able to project Soviet naval power directly into the heartland of the American Pacific Fleet. And it is, I think, because of that enormous strategic importance of Nicaragua and of this area in our own hemisphere that the Soviets realize that I think that the Soviets are going to be very reluctant to let go, and I would be interested in the gentleman from Florida [Mr. Goss] giving us his opinion, but it is my opinion that, when the Soviets have let go in Afghanistan, and indeed they have not yet; we have evidence that they are still bombing, according to U.N. contractors who have been near the border, and even though they may not let go in parts of Africa and other parts of the world, I think the Soviet Union, if it listens to the advice of its admirals and generals, will try to hang on in Central America, in our own hemisphere, as long as possible because of the enormous leverage that it confers on them.

Mr. McCOLLUM. Mr. Speaker, I would like to wrap up in a couple of minutes, but, before I do that, I would like to yield in the remaining 5 minutes or so some more time to the gentleman from Florida [Mr. Goss] to respond because I think both he and the gentleman from California have provided a great service in discussion of this today.

Mr. GOSS. Mr. Speaker, I appreciate my friend and colleague, the gentleman from Florida [Mr. McCOLLUM] for yielding, and I appreciate the observations from my friend from California [Mr. HUNTER] on what the Soviet strategic interest may very well be in the Pacific. I think at this stage the easiest thing to say, if it is a free opportunity, the Soviets are going to be very happy to accept it, and I think it is our duty to make sure that it is not a free opportunity for them. We so often in this Chamber talk about the Panama Canal, and we talk about the importance of commerce in the economy, not only to our east coast, but we forget sometimes that the economy of Latin America is very much dependent on the security and free use, free commercial use, of the Panama Canal for the well-being, the economic well-being, of all of the countries of the world, but particularly those in the Western Hemisphere. And if we shut off those trade routes for the people of west coast South America, through the canal to our markets and our east coast, and, if we shut off the Orient from the east coast of Latin America, South America, we have created a tremendous economic hardship, and that is not something that we want to entertain at this point because we are—one of the big things we talk about in terms of our well-being in Latin America—is helping the democratic nations there overcome the debt problems that they have got, particulary without relying on the drug problem, so this is all tied in together, and I do not think we can afford to lose a foot, and strategically I agree with our colleague from California [Mr. HUNTER] that it is in our best interest to make absolutely certain that there is no Soviet outpost in our backyard, and I think most of the people of the United States of America would buy that foursquare.

Mr. Speaker, I am equally concerned, as the gentleman has brought up, with the relationship of Cuba. I do not know whether it is a charade or not that is going on between Gorbachev and Castro. But either way the mischief is still going on. There is not doubt about that, and I do not know whether we are going to find out. The Cubans are making these overtures about becoming members of the OAS and so forth in 1991, and sitting on the Security Council now, increasing their hegemony in the area. I do not know whose flag they are really flying. They say they are flying their own. Most likely our history shows they have been flying the Soviet flag, and I think the gentleman has a point that is worthy of close consideration.

Mr. McCOLLUM. Mr. Speaker, I would like to reclaim my time from both gentlemen, but I really appreciate the fact that one from the Committee on Foreign Affairs and one from the Committee on Armed Services have been here today to help us discuss this issue and bring it back home just for a brief summary and a conclusion. What we have been talking about here with our colleagues this afternoon has been what has happened over the weekend in El Salvador, that tiny little country to the south of us that has about 5 million people in population, that has a democratically elected government, a government that I went down and observed the last election of their President in March of this year when thousands and thousands of Salvadorans went to the polls in one of the most open demonstrations of democracy ever in the history of the world. What we saw this weekend, what we are reporting on and what we are concerned about is the guerrilla activity the Communists supplied through Nicaragua, still with Soviet weapons, probably from Cuba in an intermediate way to allow them to kill a lot of people over there, to bomb the President's residence, this democratically elected President's residence in El Salvador, which probably would have killed him had he been in that residence, and to do all kinds of damage that really has no business being done in a free country. There are ways of going about democracy, but what Ortega is supporting there and what these guerrillas are doing is not the way to do it. We have a ballot box. We have an opportunity for an election in Nicaragua coming up in the first of the year. We need to support the freedom and the free people of El Salvador and the free opportunities for elections in Nicaragua, as they have been in El Salvador.

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So I urge my colleagues to take a close look at all these things, beware. The friendly bear from the Soviet Union may not be so friendly, even though he may be friendly on the one hand with one cheek in Europe, he is not so friendly this evening when it comes to what is happening with his allies and his puppet in Latin America which are right next door to us. Let us watch it carefully. Let us lend the support they need to the government of Alfredo Cristiani and let us above all else remember, our national security interests are at stake.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 60 minutes.

[Mr. DREIER of California addressed the House. His remarks will appear hereafter in the Extensions of Remarks.

CONFERENCE REPORT ON H.R. 2939

Mr. OBEY submitted the following conference report and statement on the bill (H.R. 2939) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1990, and for other purposes:

CONFERENCE REPORT (H. REPT. 101-344)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2939) "making appropriations for the Foreign Operations, Export Financing, and Related Programs for the fiscal year ending September 30, 1990, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 9, 14, 28, 29, 34, 39, 41, 50, 56, 57, 58, 59, 60, 61, 70, 71, 73, 80, 82, 88, 93, 99, 100, 101, 104, 106, 108, 109, 114, 119,

129, 130, 175, 176, 199, 242, 280, 282, 285, and 288.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 10, 16, 18, 27, 30, 32, 36, 37, 38, 45, 47, 53, 62, 68, 72, 92, 116, 118, 123, 125, 137, 138, 141, 143, 144, 145, 147, 148, 150, 151, 152, 153, 155, 157, 158, 159, 165, 166, 170, 171, 172, 173, 174, 177, 178, 181, 182, 183, 184, 186, 188, 189, 190, 191, 192, 193, 194, 195, 196, 198, 200, 202, 203, 204, 205, 206, 207, 208, 209, 210, 212, 213, 214, 217, 218, 219, 222, 223, 225, 226, 227, 228, 229, 230, 231, 232, 236, 237, 238, 239, 240, 241, 244, 249, 251, 254, 255, 256, 258, 261, 264, 265, 268, 269, and 271, and agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$137,948,091*; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$40,000,000*; and the Senate agree to the same.

Amendment numbered 40:

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$35,000,000*; and the Senate agree to the same.

Amendment numbered 43:

That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$31,000,000*; and the Senate agree to the same.

Amendment numbered 46:

That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$3,205,000,000*; and the Senate agree to the same.

Amendment numbered 77:

That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$20,000,000*; and the Senate agree to the same.

Amendment numbered 78:

That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$215,000,000*; and the Senate agree to the same.

Amendment numbered 81:

That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$168,614,000*; and the Senate agree to the same.

Amendment numbered 84:

That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows: *: Provided further,* That of the funds appropriated under this heading not less than $15,000,000 shall be available for Refugee Entrant Assistance; and the Senate agree to the same.

Amendment numbered 90:

That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$8,250,000*; and the Senate agree to the same.

Amendment numbered 94:

That the House recede from its disagreement to the amendment of the Senate numbered 94, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$4,297,404,194*; and the Senate agree to the same.

Amendment numbered 96:

That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

For expenses necessary for loans to enable to the President to carry out the provisions of section 23 of the Arms Export Control Act, $406,000,000: Provided: That any funds made available by this paragraph, except as otherwise specified, may be made available at concessional rates of interest: Provided further, That the concessional rate of interest on Foreign Military Financing Program loans shall be not less than 5 per centum per year: Provided further, That all country and funding level changes in requested concessional financing allocations shall be submitted through the regular notification procedures: Provided further, That during fiscal year 1990, gross obligations for the principal amount of direct loans under this heading, exclusive of loan guarantee defaults, shall not exceed $406,000,000.

And the Senate agree to the same.

Amendment numbered 243:

That the House recede from its disagreement to the amendment of the Senate numbered 243, and agree to the same with an amendment as follows:

In lieu of the section number stricken and inserted, insert: *572*; and the Senate agree to the same.

Amendment numbered 246:

That the House recede from its disagreement to the amendment of the Senate numbered 246, and agree to the same with an amendment as follows:

In lieu of the section number stricken and inserted, insert *574*; and the Senate agree to the same.

Amendment numbered 247:

That the House recede from its disagreement to the amendment of the Senate numbered 247, and agree to the same with an amendment as follows:

In lieu of the section number stricken and inserted, insert *575*; and the Senate agree to the same.

Amendment numbered 248:

That the House recede from its disagreement to the amendment of the Senate numbered 248, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

IRELAND

SEC. 576. It is the sense of the Congress that of the funds appropriated or otherwise made available for the International Fund for Ireland, the Board of the International Fund for Ireland should give great weight in the allocation of such funds to projects which will create permanent, full time jobs in the areas that have suffered most severely from the consequences of the instability of recent years. Areas that have suffered most severely from the consequences of the instability of recent years shall be defined as areas that have high rates of unemployment.

And the Senate agree to the same.

Amendment numbered 272:

That the House recede from its disagreement to the amendment of the Senate numbered 272, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

RESCISSION

SEC. 589. Of the funds appropriated by the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989, under the heading "Economic Support Fund", $50,000,000 of such funds are hereby rescinded: Provided, That such rescission may be derived only from unearmarked funds and funds earmarked under such heading for Sub-Saharan Africa and allocated for Sudan, Somalia, and Liberia.

And the Senate agree to the same.

Amendment numbered 273:

That the House recede from its disagreement to the amendment of the Senate numbered 273, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *590*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 4, 6, 8, 12, 13, 15, 17, 19, 20, 21, 22, 23, 24, 25, 26, 31, 33, 35, 42, 44, 48, 49, 51, 52, 54, 55, 63, 64, 65, 66, 67, 69, 74, 75, 76, 79, 83, 85, 86, 87, 89, 91, 95, 97, 98, 102, 103, 105, 107, 110, 111, 112, 113, 115, 117, 120, 121, 122, 124, 126, 127, 128, 131, 132, 133, 134, 135, 136, 139, 140, 142, 146, 149, 154, 156, 160, 161, 162, 163, 164, 167, 168, 169, 179, 180, 185, 187, 197, 201, 211, 215, 216, 220, 221, 224, 233, 234, 235, 245, 250, 252, 253, 257, 259, 260, 262, 263, 266, 267, 270, 274, 275, 276, 277, 278, 279, 281, 283, 284, 286, 287, 289, 290, 291, 292, 293, 294, and 295.

DAVID R. OBEY,
SIDNEY R. YATES (except amendment 292 and all military assistance to El Salvador),
MATTHEW F. MCHUGH (except on amendment 292 regarding police training in El Salvador),
WILLIAM LEHMAN,
CHARLES WILSON,
WILLIAM H. GRAY III,
R.J. MRAZEK (except amendment 292 and military assistance to El Salvador),
RONALD COLEMAN,
JAMIE WHITTEN,
MICKEY EDWARDS,
JERRY LEWIS,
JOHN PORTER,
DEAN GALLO,
Managers on the Part of the House.

PAT LEAHY,
DANIEL K. INOUYE,
J. BENNETT JOHNSTON,
DENNIS DECONCINI,
FRANK LAUTENBERG,
TOM HARKIN,
BARBARA A. MIKULSKI,

ROBERT C. BYRD,
ROBERT W. KASTEN, Jr.,
MARK O. HATFIELD,
ALFONSE D'AMATO,
WARREN B. RUDMAN,
ARLEN SPECTER,
DON NICKLES,
TED STEVENS,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2939) making appropriations for Foreign Operations, Export Financing, and Related Programs for the fiscal year ending September 30, 1990, and for other purposes submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

Amendment No. 1: Inserts $75,000,000 for the International Finance Corporation contributions for arrearages as proposed by the Senate, instead of $79,904,472 as proposed by the House.

Amendment No. 2: Deletes language proposed by the House and stricken by the Senate relating to annual contributions to the International Finance Corporation. The Senate excluded annual contributions from its limitation on stock purchases.

Amendment No. 3: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: $24,544,000

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to a lower level for fiscal year 1990 stock purchases for the International Finance Corporation due to the tight budgetary outlay situation.

INTER-AMERICAN DEVELOPMENT BANK

INTER-REGIONAL PAID-IN CAPITAL

Amendment No. 4: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides $31,617,983 for the United States paid-in share portion of the increase in capital stock for the Inter-American Development Bank.

INTER-AMERICAN DEVELOPMENT BANK

FUND FOR SPECIAL OPERATIONS

Amendment No. 5: Provides $63,724,629 as proposed by the House, instead of $53,724,629 as proposed by the Senate.

Amendment No. 6: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *: Provided, That the funds made available under this heading shall be withheld from obligation until the Secretary of the Treasury certifies that the Board of Executive Directors of the Inter-American Development Bank has adopted policies to ensure that all recipients of assistance must agree in writing that in general any procurement of goods or services utilizing Bank funds shall be conducted in a manner that does not discriminate on the basis of nationality against any member country, firm or person interested in providing such goods or services: Provided further, That the Secretary of the Treasury shall instruct the United States Executive Director of the Inter-American Development Bank to use the voice and vote of the United States to oppose any assistance by the Bank to any recipient of assistance who refuses to agree in writing that in general any procurement of goods or services utilizing Bank funds shall be conducted in a manner that does not discriminate on the basis of nationality against any member country, firm or person interested in providing such goods or services: Provided further,*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are concerned about the procurement practices of the Inter-American Development Bank. The conferees have included language withholding funding until the Secretary of the Treasury certifies that the Bank has adopted policies requiring all assistance recipients to agree generally not to discriminate in procurement practices on the basis of nationality. The conferees have also included language requiring the Secretary of the Treasury to instruct the U.S. Executive Director of the Bank to vote against assistance recipients who fail to agree to generally unbiased procurement practices.

ASIAN DEVELOPMENT FUND

Amendment No. 7: Appropriates $137,948,091 for the Asian Development Fund arrearages instead of $184,641,964 as proposed by the House or $84,641,964 as proposed by the Senate.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Amendment No. 8: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increases in capital stock, for the General Capital Increase, $50,000,795, to remain available until expended: Provided, That no such payment may be made while the United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a postion at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $50,000,795 in paid-in-capital for the General Capital Increase for the International Bank for Reconstruction and Development (World Bank). Prior year language limiting the pay of the United States Executive Directors to the Bank has also been included.

The conferees agreed to provide $50,000,795 in budget authority for the hard-loan window of the Bank but have declined in Amendment No. 9 to provide $2,241,863,586 in callable capital that would allow the Bank to make loans in that amount, including structural adjustment loans.

Congress will make its judgment on the provision of the callable capital contribution to the World Bank in a future supplemental.

The conferees have agreed to drop language inserted by the Senate relating to funding for El Salvador. That issue is addressed in later language in the Statement of the Managers.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

Amendment No. 9: Deletes language proposed by the Senate stating that the limitation on callable capital for the International Bank for Reconstruction and Development shall not exceed $2,241,863,586.

The conferees have agreed to delete the provision of callable capital for the Bank as explained in Amendment No. 8.

INTERNATIONAL FINANCE CORPORATION

Amendment No. 10: Deletes language proposed by the House providing $8,095,528 in annual contributions to the International Finance Corporation.

ASIAN DEVELOPMENT FUND

Amendment No. 11: Appropriates $40,000,000 for the Asian Development Fund annual contributions instead of $37,254,036 as proposed by the House or $67,750,072 as proposed by the Senate.

ENHANCED STRUCTURAL ADJUSTMENT FACILITY OF THE INTERNATIONAL MONETARY FUND

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

CONTRIBUTION TO THE ENHANCED STRUCTURAL ADJUSTMENT FACILITY OF THE INTERNATIONAL MONETARY FUND

For payment to the Interest Subsidy Account of the Enhanced Structural Adjustment Facility of the International Monetary Fund, $140,000,000 to remain available until expended: Provided, That such funds are available subject to authorization: Provided further, That none of the funds made available by this paragraph shall be available for obligation or disbursement until the Secretary of the Treasury has assured the Committees on Appropriations in writing that the current policy of the International Monetary Fund (IMF) and the United States Government requiring that all congressional inquiries to IMF employees be cleared through the office of the United States Executive Director of the IMF has been reversed thereby allowing unmonitored and unfettered contact between Congress and IMF employees.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have provided $140,000,000 for a United States contribution to the International Monetary Fund Interest Subsidy Account. Further, it has come to the attention of the conferees that informational

inquiries to the IMF offices are routinely being referred to the U.S. Executive Director's office. Assistance from the Executive Director's offices in obtaining information may on occasion be necessary and helpful. However, the conferees note that no similar policy or practice is followed at any other international financial institution receiving U.S. funding. The conferees object to the existing blanket referral policy.

The conferees believe that it is imperative for the United States Government to develop a centralized information system on all debt instruments issued by U.S. Government agencies. International and domestic debt issues continue to play a large role in U.S. Government financial matters. Executive and legislative policy development is constrained by the inability of the Executive Branch to rapidly and accurately respond to factual questions concerning principal and interest payments schedules, potential lost revenues, arrearages, applicable interest rates, deficit effects, public liabilities on guaranteed financial instruments, etc.

Consequently, the conferees direct that the Department of the Treasury and the Office of Management and Budget shall develop a plan to create a centralized financial debt and credit information system for the United States Government. The plan shall include an implementation schedule and cost estimates, and shall be provided to the Committee on Appropriations no later than March 5, 1990.

The conferees further direct that the Department of the Treasury in conjunction with the Office of Management and Budget shall develop a written report on receipts paid to agencies of the United States Government by foreign governments during the last five years and projected for the next five years on current debt under all U.S. Government programs. The receipts report shall be made on a country by country and program by progam basis. Receipts received shall be compared to receipts owed according to original loan repayment schedules. Loan repayment schedules affected by Paris Club reschedulings shall be clearly noted along with the dates of those reschedulings, as shall all payments of principal or interest currently in arrears. Such report shall be provided to the Appropriations Committees of the House and Senate no later than March 15, 1990.

Amendment No. 13: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert the following:

For necessary expenses to carry out the provisions of sections 301 and 103(g) of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1983, $265,115,000: Provided, That no fund shall be available for the United Nations Fund for Science and Technology: Provided further, That the total amount of funds appropriated under this heading shall be made available only as follows: $109,510,000 for the United Nations Development Program; $65,400,000 for the United Nations Children's Fund, of which amount 75 per centum (less amounts withheld consistent with section 307 of the Foreign Assistance Act of 1961 and section 526 of this Act) shall be obligated and expended no later than thirty days after the date of enactment of this Act and 25 per centum of which shall be expended within thirty days from the start of the United Nations Children's Fund fourth quarter of operations for 1990; $980,000 for the World Food Program; $1,500,000 for the United Nations Capital Development Fund; $800,000 for the United Nations Voluntary Fund for the Decade for Women; $200,000 for the United Nations International Research and Training Institute for the Advancement of Women; $100,000 for the Intergovernmental Panel on Climate Change; $2,000,000 for the International Convention and Scientific Organization Contributions; $2,000,000 for the World Meteorological Organization Voluntary Cooperation Program; $22,000,000 for the International Atomic Energy Agency; $12,000,000 for the United Nations Environment Program; $800,000 for the United Nations Educational and Training Program for Southern Africa; $110,000 for the United Nations Institute for Namibia; $500,000 for the United Nations Trust Fund for South Africa; $750,000 for the Convention on International Trade in Endangered Species; $220,000 for the World Heritage Fund; $100,000 for the United Nations Voluntary Fund for Victims of Torture; $245,000 for the United Nations Fellowship Program; $400,000 for the United Nations Center on Human Settlements; $500,000 for the UNIDO Investment Promotion Service; $10,000,000 for the Organization of American States; and $35,000,000 for the United States contributions to the third replenishment of the International Fund for Agricultural Development; Provided, That none of the funds appropriated under this heading shall be made available for the International Fund for Agricultural Development until agreement has been reached on the third replenishment of the Fund: Provided further, That funds appropriated under this heading may be made available for the International Trade Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency.

The managers on the part of the Senate will move to concur in the amendment of the House to the Senate.

The conference agreement specifies funding for the organizations within this account as follows:

Organization	House	Senate	Conference
U.N. Children's Fund (UNICEF)	$65,400,000	$65,000,000	$65,400,000
U.N. Development Program (UNDP)	108,990,000	109,630,000	109,510,000
Convention on Int. Trade in Endangered Species (CITES)	750,000	650,000	750,000
U.N. Environment Program	12,000,000	10,000,000	12,000,000
Int. Atomic Energy Agency (IAEA)	23,000,000	22,000,000	22,000,000
U.N. Afghanistan Emergency Trust Fund	(13,500,000)	13,500,000	(13,500,000)
Org. of American States (OAS)	10,000,000	10,000,000	10,000,000
Int. Convention Scientific Org. Contributions (ICSOC)	2,000,000	2,000,000	2,000,000
World Meteorological Or. (WMO)	2,000,000	2,000,000	2,000,000
U.N. Capital Development Fund (UNCDF)	1,500,000	1,500,000	1,500,000
U.N. Educational & Training Program for So. Africa (UNETPSA)	800,000	800,000	800,000
UNIDO Investment Promotion Service	500,000	500,000	500,000
U.N. Trust Fund for So. Africa	500,000	500,000	500,000
U.N. Voluntary Fund for Women (UNIFEM)	800,000	800,000	800,000
U.N. Fellowship Program	245,000	245,000	245,000
World Heritage Fund (WHF)	220,000	220,000	220,000
U.N. Voluntary Fund for Victims of Torture (UNVFVT)	100,000	100,000	100,000
Int. Panel on Climate Change (IPCC)	100,000	100,000	100,000
World Food Program	500,000	980,000	980,000
U.N. Int. Research & Training Institute for the Advancement of Women (INSTRAW)	200,000	200,000	200,000
Institute for Namibia	110,000	0	110,000
International Fund for Agricultural Dev. (IFAD)	40,000,000	(30,000,000)	35,000,000
U.N. Center on Human Settlements (Habitat)	400,000	400,000	400,000
Total	270,115,000	241,125,000	265,115,000

The conferences have also agreed to include a requirement that the United Nations Children's Fund (UNICEF) receive 75 per cent of its funding no later than thirty days after enactment. The remainder will be expended no later than within thirty days from the start of UNICEF's fourth quarter of operations for 1990. The International Fund for Agricultural Development (IFAD) will receive $35,000,000 from within this account subject to reaching agreement on the third replenishment of the Fund. The conference agreement provides $13,500,000 for the U.N. Afghanistan Emergency Trust Fund to be derived by transfer from the Private Sector, Environment, and Energy account within the Agency for International Development (Amendment No. 23).

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Amendment No. 14: Deletes funding for the International Fund for Agricultural Development proposed by the Senate. Funding for IFAD is provided under amendment No. 13.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

Amendment No. 15: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 103, $483,715,000: Provided, That up to $5,000,000 shall be provided for new development projects of private entities and cooperatives utilizing surplus dairy products: Provided further, That not less than $8,000,000 shall be provided for the Vitamin A Deficiency Program: Provided further, That, notwithstanding any other provision of law, up to $10,000,000 of the funds appropriated under this heading shall be made available, and remain available until expended, for agricultural activities in Poland which are managed by the Polish Catholic Church or other nongovernmental organizations: Provided further, That not less than $1,000,000 shall be available for a Farmer-to-Farmer program for Poland, notwithstanding any other provision of law.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House had included funding for agriculture, rural development and nutrition programs under a category for general development assistance. The Senate included a separate functional account for this purpose. The conferees have accepted the Senate position on functional accounts. If

there are future changes in the Foreign Assistance Act which would change the development assistance account structure then the restructuring of these accounts should be reviewed at that time.

The House had included $5,000,000 for surplus dairy products, $8,000,000 for Vitamin A Deficiency and $10,000,000 for agriculture activities in Poland in the general development assistance funding, while the Senate provided them under the functional account. The conferees agreed to provide these programs under the specific functional account.

The conferees encourage innovative approaches such as that advanced by the partnership of Puerto Rico, Massachusetts, and Hawaii in which Third World aquaculture development would enhance available supplies of protein as well as contribute to local economic development initiatives through private capital investment and job creation. As such, the conferees expect AID to allocate funds for this project to the organizations participating in this partnership, in the manner outlined in the testimony presented before the House Appropriations Subcommittee on Foreign Operations, Export Financing and Related Programs.

The conferees agreed to earmark $1,000,000 of the funds appropriated to the Agriculture, rural development and nutrition functional account for fiscal year 1990 to support a Farmer-to-Farmer program to assist Poland. The Farmer-to-Farmer program is expected to send at least 100 highly qualified United States volunteer farmers and agriculturalists to assist Polish farmers and agriculture-related organizations. Working at the people to people level, the volunteers will carry out assignments in such areas as crop and livestock production, farm input supply, post-harvest storage and handling, and food processing and marketing. Where feasible, Polish-speaking Americans should be recruited to carry out these activities.

The Farmer-to-Farmer program was initiated in the 1985 Farm Bill and is administered by the Volunteers in Overseas Cooperative Assistance (VOCA), a private voluntary organization which recently received the 1989 Presidential End Hunger Award for its worldwide program. VOCA operates in over 40 countries and has sent more than 300 volunteers abroad.

The conferees also encourage AID to supplement this earmark with local currencies, including those generated through food aid programs, so that the number of volunteers might be increased.

POPULATION, DEVELOPMENT ASSISTANCE

Amendment No. 16: Appropriates $220,000,000 as proposed by the Senate instead of $201,600,000 as proposed by the House.

Amendment No. 17: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides not less than $15,000,000 in Population, Development Assistance funds for the United Nations Population Fund. The provision requires that the United Nations Population Fund maintain these funds in a separate account and not commingle them with any other funds. The provision also prohibits the use of any funds made available for the United Nations Population Fund from being made available for programs for the People's Republic of China.

EGYPT, JORDAN, PAKISTAN, DEVELOPMENT ASSISTANCE

Amendment No. 18: Delegates developed assistance earmarks proposed by the House for Egypt, Jordan, and Pakistan. The conferees agreed to address these earmarks under the Economic Support Fund account.

HEALTH, DEVELOPMENT ASSISTANCE

Amendment No. 19: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

HEALTH, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 104(c), $125,994,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House had provided assistance for health programs under a general development assistance account. The conferees agreed to fund health programs under the functional Health account proposed by the Senate.

The revised provision on the Health account deletes a Senate earmark for River Blindness. However, this earmark was deleted with the understanding that the Agency for International Development is to make available at least $5,000,000 for the River Blindness Program of the World Health Organization in the manner described in the House report on this bill.

INTERNATIONAL AIDS PREVENTION AND CONTROL PROGRAMS

Amendment No. 20: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides $42,000,000 for the International AIDS Prevention and Control Program, of which $21,000,000 is earmarked for the World Health Organization for the use in financing the Global Program on AIDS, including activities implemented by the Pan American Health Organization. The House had included $42,000,000 for the AIDS program under a general development assistance account and an earmark of $25,000,000 for the World Health Organization.

The conferees are concerned about the lack of uniform implementation of AIDS control programs in Africa where, according to the World Health Organization as many as 2.5 million individuals have been infected with the HIV virus.

AIDS respects no national borders. The absence of AIDS control programs in some countries seriously undermines the effectiveness of existing programs elsewhere. The victims of this patchwork approach are not just those countries without an AIDS control program, but the entire continent. The conferees therefore urge WHO to ensure that AIDS control programs are implemented in those countries lacking such programs as quickly as possible.

CHILD SURVIVAL FUND

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides $71,000,000 for the Child Survival Fund. The House had provided Child Survival assistance as part of a general development account. The conferees agreed to provide Child Survival assistance as part of a functional account proposed by the Senate.

The conferees also agreed that funding from all sources for child survival activities for fiscal year 1990 should be targeted at $200,000,000.

EDUCATION AND HUMAN RESOURCES, DEVELOPMENT ASSISTANCE

Amendment No. 22: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

EDUCATION AND HUMAN RESOURCES DEVELOPMENT, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 105, $134,541,000: Provided, That $1,500,000 of the funds appropriated under this heading shall be made available for the Caribbean Law Institute: Provided further, That not less than $67,270,000 of the funds appropriated under this heading and under the heading "Sub-Saharan Africa, Development Assistance" shall be available only for programs in basic primary and secondary education: Provided further, That in fiscal year 1990 the Agency for International Development shall initiate three new bilateral projects in basic primary and secondary education, at least two of which shall be initiated in Sub-Saharan Africa: Provided further, That not less than $20,000,000 of the funds appropriated under this heading shall be made available for the International Student Exchange Program, of which $2,000,000 shall be available, notwithstanding any other provision of law, for students from Poland and Hungary: Provided further, That not less than $1,200,000 of the funds appropriated under this heading shall be made available for leadership programs for the Americas that have a demonstrated record of performance: Provided further, That not less than $2,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for technical training for the people of Poland and Hungary in skills which would foster the development of a market economy and the private sector, including training in management and agricultural extension: Provided further, That not less than $3,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for educational and cultural exchanges with Poland and Hungary, which shall be undertaken in cooperation with the United States Information Agency.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $134,541,000 for Education and Human Resources Development as proposed by the Senate. The House had included funding for education and human resources programs under an overall development assistance account.

The conferees agreed to earmark $67,270,000 for basic primary and secondary education programs. In fiscal year 1990 three new bilateral basic primary and secondary education projects are to be initiated, at least two of which shall be initiated in sub-Saharan Africa. Funds in the amount of $20,000,000 have been earmarked for the International Student Exchange Program, of which $2,000,000 is for students from Poland and Hungary. The conferees also agreed to earmark $1,200,000 for leadership programs for the Americas that have a demonstrated record of performance.

The conferees have agreed to provide $2,000,000 for technical training programs, and $3,000,000 for educational exchanges in Poland and Hungary.

PRIVATE SECTOR, ENVIRONMENT, AND ENERGY, DEVELOPMENT ASSISTANCE

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

PRIVATE SECTOR, ENVIRONMENT, AND ENERGY, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 106, $149,209,000: Provided, That not less than $7,500,000 shall be made available only for cooperative projects among the United States, Israel and developing countries of which not less than $5,000,000 shall be made available for the Cooperative Development Program, and of which not less than $2,500,000 shall be made available for cooperative development research projects: Provided further, That not less than $5,000,000 shall be made available only for the Central American Rural Electrification Support project: Provided further, That not less than $2,000,000 of the funds appropriated under this heading or under the heading "Sub-Saharan Africa, Development Assistance", shall be made available for assistance in support of elephant conservation and preservation: Provided further, That not less than $3,300,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for assistance to establish an air quality monitoring network in the Krakow, Poland metropolitan area, to improve water quality and the availability of drinking water in the Krakow metropolitan area, and to establish and support a regional environmental center in Budapest, Hungary for facilitating cooperative environmental activities, which activities shall be undertaken in cooperation with the Environmental Protection agency: Provided further, That not less than $10,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for support for retrofitting a coal-fired commercial plant in the Krakow, Poland region with clean coal technology and for assistance to assess and develop the capability within Poland to manufacture or modify equipment that will enable industrial activities within Poland to use fossil fuels cleanly, which activities shall be undertaken in cooperation with the Department of Energy: Provided further, That the Administrator of the Agency for International Development or his designee may vest title in any property acquired under the previous two provisos in an entity other than the United States: Provided further, That not less than $1,500,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for the provision of technical assistance to Poland and Hungary (1) for the implementation of labor market reforms, and (2) to facilitate adjustment during the period of transition to free labor markets and labor organizations, which activities shall be undertaken in cooperation with the Department of Labor and United States labor and business representatives.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement earmarks not less than $5,000,000 for the Cooperative Development Program, and not less than $2,500,000 for cooperative development research projects. Funds in the amount of $5,000,000 are earmarked for the Central American Rural Electrification Support project. Also, $2,000,000 has been earmarked for assistance in support of elephant conservation and preservation.

The conferees direct that the funds appropriated under this act in support of elephant conservation and preservation shall be applied toward new initiatives consistent with the African Elephant Conservation Plan. The conferees agree that this earmark is to be provided only from new funding resources and shall not be drawn from any existing environmental or conservation program. Current elephant management initiatives shall be continued.

The conferees agreed to provide $3,300,000 for air and water quality activities in Krakow and to establish an environmental center in Budapest, $10,000,000 for retrofitting coal fired commercial plants with clean coal technology and other equipment modifications in the Krakow area, and $1,500,000 for technical assistance related to labor reform needs and activities in Poland and Hungary.

SCIENCE AND TECHNOLOGY, DEVELOPMENT ASSISTANCE

Amendment No. 24: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which appropriates $8,662,000 for Science and Technology, Development Assistance. The House had provided funding for science and technology development programs under a general account for development assistance.

MICRO-ENTERPRISE DEVELOPMENT

Amendment No. 25: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks $75,000,000 in Development and Economic Support Fund assistance and local currencies for programs of credit and other assistance for micro-enterprises in developing countries.

The conferees agreed that the Agency for International Development is to submit by March 1, 1990 to the Committees on Appropriations a detailed evaluation of the Micro-Enterprise Program. This evaluation should review the success of the program to date, the ability of AID to provide and monitor loans of less than $300 in poor countries and make recommendations on the size and scale of any future Micro-Enterprise Program.

POLAND AND HUNGARY

Amendment No. 26: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which states that funds for Poland and Hungary provided under the Poland and Hungary section are made available from Development Assistance and from the Economic Support Fund.

Amendment No. 27: Provides $45,000,000 in Development Assistance and Economic Support funds for Poland. The House had provided $10,000,000 in assistance for Poland and the Senate provided $45,000,000. The $45,000,000 earmark is part of an overall initiative on assistance for Poland, and can, along with $5,000,000 made available in both bills for Hungary, provide capitalization of $50,000,000 for private enterprise funds.

Amendment No. 28: Deletes language proposed by the Senate indicating that funding for Poland and Hungary is to go through the regular notification procedures of the Committees on Appropriations. The conferees agreed that notification will be required even if specific language is deleted, since under section 523 notification is required for activities not previously justified to the Committees on Appropriations.

Amendment No. 29: Deletes langauge proposed by the Senate concerning the availability of funds for Poland. This issue is addressed under Amendment Number 289.

SUB-SAHARAN AFRICA, DEVELOPMENT ASSISTANCE

Amendment No. 30: Appropriates $565,000,000 in Development Assistance for sub-Saharan Africa as proposed by the Senate. The House had provided $515,000,000 for sub-Saharan Africa, Development Assistance. The funding recommended by the conferees includes $50,000,000 for activities supported by the Southern Africa Development Coordination Conference which the House had included under a separate account.

The conference agreement provides funding for the third year for the Development Fund for Africa (DFA). Except as otherwise provided in the bill, the conferees agree that this assistance should continue to be implemented in accordance with the statement of managers accompanying P.L. 100-202.

The DFA was established to provide an assured source of funding and maximum flexibility to AID to respond efficiently and expeditiously to the pressing development problems confronting countries in sub-Saharan Africa. Funding is to be directed to those countries making serious efforts to address their development problems. In refraining from earmarks, there was clear intention to give AID a unique instrument with few strings in order to address sub-Saharan Africa's special development requirements.

The conferees are agreed that AID should carefully allocate the DFA between countries and programs. There is growing concern that, in the face of declining availabilities of ESF for sub-Saharan Africa, some administration officials may see DFA funds as a convenient substitute. This was not the original intent, nor is it now acceptable to the conferees, and the administration should resist any such attempts. The allocation of DFA should not be politicized, and the administration should view the unique flexibility afforded by the DFA as an experiment in dealing with sub-Saharan Africa's development problems.

Amendment No. 31: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided further, That not less than $50,000,000 of the funds appropriated under this heading shall be made available only to assist activities supported by the Southern Africa Development Coordination Conference: Provided further, That funds appropriated under this heading which are made available for activities supported by the Southern Africa Development Coordination Conference shall be made available notwithstanding section 518 of this Act and section 620(q) of the Foreign Assistance Act of 1961*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to provide funding for activities supported by the Southern Africa Development Coordination Conference (SADCC) within funds provided for development assistance for Africa. A total of $50,000,000 has been earmarked within the Sub-Saharan Africa, Development Assistance account for SADCC. Waivers for SADCC funding proposed by the Senate have been included in the revised provision.

The $50,000,000 earmark for SADCC has been provided only to assist sector projects supported by the Southern Africa Development Coordination Conference to enhance the economic development of the nine member states forming that regional institution. The conferees agreed that funding for SADCC is to be made available for one or more of the following sectors: transportation; manpower development; agriculture and natural resources; energy (including the improved utilization of electrical power sources which already exist in the member states and offer the potential to swiftly reduce the dependence of those states on South Africa for electricity); and industrial development and trade (including private sector initiatives). Funding for SADCC provided under this earmark is in addition to any amounts otherwise made available for such purposes.

SOUTHERN AFRICA, DEVELOPMENT ASSISTANCE

Amendment No. 32: Deletes language proposed by the House providing a separate account for activities supported by the Southern Africa Development Coordination Conference (SADCC). Funding for SADCC has been included as an earmark within the funding provided for Sub-Saharan Africa, Development Assistance.

ZAIRE

Amendment No. 33: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which states that development assistance for Zaire is to be carried out under the provisions for development assistance in the Foreign Assistance Act of 1961.

ASSISTANCE FOR DISPLACED CHILDREN

Amendment No. 34: Restores language stricken by the Senate which provides $3,000,000 for programs and activities for children who have become orphans as a result of the effects of drought, civil strife and other natural and man-made disasters. The conferees agree that the Agency for International Development should follow the guidelines and reporting requirements specified in the House report accompanying H.R. 2939.

ASSISTANCE FOR VICTIMS OF WAR

Amendment No. 35: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

ASSISTANCE FOR VICTIMS OF WAR

Of the aggregate of the funds appropriated by this Act to carry out part I and chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $5,000,000 shall be made available, notwithstanding any other provision of law, for assistance for the provision of prostheses and related assistance for civilians who have been injured as a result of civil strife and warfare: Provided, That this amount shall be derived in equal amounts from part I and from chapter 4 of part II.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement earmarks $5,000,000 for assistance for the provision of prostheses and related assistance for civilians who have been injured as a result of civil strife and warfare. The Administration is to follow recommendations on this program as outlined in the Senate report.

SEPARATE ACCOUNTS

Amendment No. 36: Deletes language proposed by the House concerning Separate Accounts. The conferees agreed to provide one guideline for separate accounts under Amendment Number 275.

PRIVATE SECTOR REVOLVING FUND

Amendment No. 37: Provides a limitation of $5,000,000, as proposed by the Senate, on the amount of funds in the Private Sector Revolving Fund that may be derived by transfer from development assistance accounts. The House had recommended a transfer limitation of $4,611,502.

Amendment No. 38: Provides a limitation of $3,500,000 in direct loans for the Private Sector Revolving Fund, as proposed by the Senate. The House had provided a limitation of $3,228,051.

Amendment No. 39: Provides a limitation of $46,115,020 on commitments to guarantee loans for the Private Sector Revolving Fund as proposed by the House. The Senate had proposed a limitation of $100,000,000.

AMERICAN SCHOOLS AND HOSPITALS ABROAD

Amendment No. 40: Appropriates $35,000,000 for American Schools and Hospitals Abroad instead of $30,000,000 as proposed by the House and $40,000,000 as proposed by the Senate. The conference agreement provides funding for ASHA at last year's appropriated level.

Amendment No. 41: Deletes language proposed by the Senate concerning criteria for the American Schools and Hospitals Abroad program. The conferees are aware that the Agency for International Development has concluded that education programs for the disabled can be considered for ASHA funding within existing legislation and grant criteria. In dropping the Senate provision from the bill amending Section 214(a) of the Foreign Assistance Act to establish the eligibility of educational programs for the disabled for ASHA grants, the conferees rely on the good faith implementation of the decision by AID to consider applications from such programs on the same basis as all other applications. It is the conferees' intent that the term "schools" in Section 214(a) of the Foreign Assistance Act of 1961 shall be interpreted by AID to include "institutions which provide activities of daily life training, vocation education, and related services to the mentally and physically impaired." The two Foreign Operations subcommittees will continue to exercise close oversight of the ASHA program to ensure that the intent expressed in this Statement of the Managers is fully complied with by AID.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

Amendment No. 42: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$15,000,000 (except that payment may be made under this limitation only for those categories of services for which charges have been made under Foreign Affairs Administrative Support both in prior years and in the current year)*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to provide a limitation of $15,000,000 for Foreign Affairs Administrative Support as proposed by the Senate instead of the limitation of $21,000,000 as proposed by the House.

The conference agreement also stipulates that the Agency for International Development's FAAS payments under the limitation may cover only categories of services included in FAAS both in fiscal year 1990 and in previous years. This stipulation reflects the concern of the conferees that AID should not be forced to absorb substantial increases (estimated at more than $11,000,000) for services previously provided without charge and over which AID has little or no control.

The conferees are aware that a comprehensive interagency review of the FAAS system is underway, and believe it is premature for the Department of State to seek to shift any additional costs to AID prior to completion of this study.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

OFFICE OF THE INSPECTOR GENERAL

Amendment No. 43: Appropriates $31,000,000 for the Operating Expenses of AID's Office of the Inspector General instead of $30,000,000 as proposed by the House and $31,194,000 as proposed by the Senate.

HOUSING AND OTHER CREDIT GUARANTY PROGRAMS

Amendment No. 44: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided further, That section 222(a) of the Foreign Assistance Act of 1961 is amended by striking out "September 30, 1990" and inserting in lieu thereof "September 30, 1991": Provided further, That notwithstanding the prior limitation on total commitments to guarantee loans at not to exceed $125,000,000, during the fiscal year 1990, total commitments to guarantee loans shall not exceed $100,000,000 of contingent liability for loan principal*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes an extension of the authorization of the Housing and Other Credit Guaranty Programs through September 30, 1991. The conference agreement also sets the limitation on total commitments to guarantee loans at $100,000,000.

ECONOMIC SUPPORT FUND

Amendment No. 45: Inserts language proposed by the Senate change the reference of "Economic Support Assistance" to "Economic Support Fund".

Amendment No. 46: Appropriates $3,205,000,000 instead of $2,145,000,000 as provided by the House and $3,247,000,000 as proposed by the Senate.

Amendment No. 47: Earmarks $815,000,000 for Egypt as proposed by the Senate instead of $315,000,000 as proposed

by the House. Amendment No. 48: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *and of which sum cash transfer assistance may be provided, with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years, and of which*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement eliminates the limitation of $115,000,000 on cash transfer assistance to Egypt. The conferees have agreed, however, that cash transfer assistance for Egypt will be provided with the understanding that significant economic reforms, which are additional to those which were undertaken in previous fiscal years, will be undertaken. All cash transfer assistance to Egypt will be notified through the regular notification procedures of the Committees on Appropriations.

Amendment No. 49: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows Egyptian pounds generated from this account, or any other account in the bill, to be used to restore an endowment to a level of $50,000,000 Egyptian pound equivalent for the American University in Cairo. The conference agreement also allows an additional 20,000,000 Egyptian pounds to be used to endow other United States educational programs in Egypt. The conferees expect that funds from these endowments will be used to support a variety of educational institutions.

The conferees note that the American University in Cairo (AUC) provides subsidies, scholarships, and financial assistance, including student work programs and student aid, to the great majority of its Egyptian students. It is the conferees' hope that the financial support AUC receives from the United States through this endowment will, among other objectives, enable AUC to continue to extend a generous level of such assistance to its Egyptian students.

Amendment No. 50: Deletes language proposed by the Senate which would have limited expenditures from this account.

Amendment No. 51: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which makes clear that the funds in El Salvador's Special Investigative Unit can be used for bringing to justice those responsible for the murders of United States citizens in El Salvador.

The conferees are very disappointed that another year has passed without significant action on the expropriation of the San Salvador Electric Light Company (CAESS). Despite Committee report language and numerous letters from the respective House and Senate committees to the Secretary of State, the Salvadoran Government has as yet to comply with the dictates of its own Supreme Court and come to fair and equitable terms with CAESS.

Accordingly, the conference agreement contains language which requires a report from the President on the extent to which the Government of El Salvador has made demonstrable progress in settling outstanding expropriation claims on this matter prior to the obligation of fiscal year 1990 ESF funds.

In light of the rulings of its own Supreme Court, the Salvadoran government should move promptly to negotiate a fair value for the CAESS assets and reach an equitable settlement for all concerned.

The conferees agree that none of the funds provided to El Salvador under this Act shall be conditioned on any requirement that El Salvador accept any settlement with the FMLN which violates the democratic constitution of El Salvador of 1983.

Amendment No. 52: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which extends the applicability of section 534 of the Foreign Assistance Act of 1961 through September 30, 1990. This provision extends the authorization for the Administration of Justice program by one year.

Because of the extreme demands placed on the ESF account the conferees have not provided a full earmark for the Administration of Justice program. The amount of $7,000,000 was earmarked for the ICITAP program under amendment No. 292. The conferees wish to express their strong support for other aspects of this program and emphasize that they expect them to be fully funded by the Administration.

Amendment No. 53: Earmarks $35,000,000 for Jordan as proposed by the Senate instead of $18,000,000 as proposed by the House.

Amendment No. 54: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks not less than $230,000,000 for Pakistan.

Amendment No. 55: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks not less than $20,000,000 for Morocco.

Amendment No. 56: Deletes language proposed by the Senate which would have provided an earmark for Tunisia of not less than $12,500,000.

Amendment No. 57: Deletes language proposed by the Senate which would have provided an earmark of not less than $50,000,000 for Portugal.

Amendment No. 58: Restores language proposed by the House and stricken by the Senate which prohibits Zaire from receiving Economic Support Funds.

Amendment No. 59: Restores language proposed by the House and deleted by the Senate which provides that no economic support funds shall be made available for Zaire.

Amendment No. 60: Deletes language proposed by the Senate which would have required all Economic Support Funds for Zaire to be provided only through private and voluntary organizations.

Amendment No. 61: Deletes language proposed by the Senate which would have provided an earmark for Central American democracies of not less than $440,000,000.

Amendment No. 62: Deletes language proposed by the House on separate accounts for non-project sector assistance. This subject matter is addressed in Amendment No. 275.

Amendment No. 63: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *treated in accordance with section 592 of this Act.* The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This conference agreement clarifies that local currency generated from ESF cash transfers shall be treated in accordance with section 592 of this Act.

Amendment No. 64: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

Amendment No. 65: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

Amendment No. 66: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which clarifies that none of the ESF funds from this Act or prior foreign assistance appropriations shall be made available for tied-aid credits in accordance with any provision of law enacted after May 19, 1988.

Amendment No. 67: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides not less than $5,000,000 for humanitarian relief, medical treatment, education and vocational training for victims of the Armenian earthquake of December 7, 1988. These funds will be channeled through private and voluntary organizations and non-governmental organizations from the United States.

The conferees are aware of the severe damage done to the Leeward Islands and Dominica by Hurricane Hugo in September 1989, and commend the Office of Foreign Disaster Assistance for its prompt provision of plastic sheeting for roofless buildings, water purification tablets, and other emergency items.

In view of the damage to and destruction of hospitals, schools, roads, food crops, export crops, livestock and other segments of these island-economies, however, the conferees recognize the need for an American assistance program that goes beyond the short-term, immediate focus of emergency assistance, to the longer-term challenge of reconstruction, rehabilitation and recovery.

The conferees therefore strongly urge the Agency for International Development (AID) to commit not less than $5,000,000 in fiscal year 1990 ESF and DA for these purposes.

The determination of which islands will be beneficiaries, and in which sectors these funds will be allocated, is to be left to the discretion of AID.

Amendment No. 68: Earmarks $1,500,000 to support the independent Polish trade union "Solidarity" through the AFL-CIO's Free Trade Union Institute as proposed by

the Senate instead of $1,000,000 as proposed by the House.

Amendment No. 69: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided further, That not less than $200,000,000 of the funds appropriated under this heading shall be available, notwithstanding any other provision of law, for Poland: Provided further, That $2,500,000 of the funds appropriated under this heading shall be available, notwithstanding any other provision of law, to support independent, democratic organizations and activities in Poland and Hungary*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $200,000,000 for economic stabilization, private sector, and other activities aimed at developing a market-oriented economy in Poland. Also $2,500,000 is provided for independent democratic organizations and activities in Poland and Hungary.

The conferees note that the $1,500,000 provided for the AFL-CIO's Free Trade Union Institute and the $2,500,000 for other democratic organizations are in addition to the $200,000,000 provided for Poland.

The United States strongly supports peaceful, democratic change in Estonia, Latvia and Lithuania. United States interest in Baltic self-determination dates from 1922, when we recognized the independence of the three Baltic States, as the Soviet Union had already done following World War I.

During the past two years, through their courageous response to the glasnost/perestroika policies of the Soviet leadership, the Baltic peoples have signaled their desire to move the process of self-determination forward. Elections early next year for Supreme Soviets in the three Baltic republics will be milestones in this process.

The U.S. supports the advancement of democratic institutions throughout Eastern Europe.

Amendment No. 70: Deletes Senate language to earmark $10,000,000 to implement the South Pacific Tuna Act of 1988.

INTERNATIONAL FUND FOR IRELAND

Amendment No. 71: Restores language proposed by the House which provides $20,000,000 for the United States contribution to the International Fund for Ireland. The conferees note that this will bring United States contributions to the Fund to $150,000,000 since 1986. The Anglo-Irish Agreement Support Act of 1986 (Public Law 99-415) authorized $120,000,000 to support implementation of the Anglo-Irish Agreement.

The International Fund for Ireland was intended to be multilateral. Canada and New Zealand have provided small contributions. In a welcome move, the European Community has pledged three annual contributions of $18,000,000, with the first contribution made in March 1989. No other donors have participated in the Fund. As of fiscal year 1989, the United States has provided over 85 percent of the working capital of the Fund.

The conferees are concerned that the response from other nations has not been as forthcoming as had been hoped. While international assistance is necessary, Great Britain and Ireland bear the primary fiscal responsibility for dealing with problems of economic and social development and reconciliation. Given the present United States budget situation, the conferees believe it will be difficult to sustain support for additional United States contributions unless there is wider and more substantial international participation in the International Fund for Ireland.

MULTILATERAL ASSISTANCE INITIATIVE FOR THE PHILIPPINES

Amendment No. 72: Deletes language proposed by the House requiring that the President seek to provide not less than 25 percent of multilateral assistance initiative and development funds for the Philippines through private voluntary organizations.

Amendment No. 73: Deletes language proposed by the Senate encouraging the use of private voluntary organizations and cooperatives in meeting the objectives of the Philippine Multilateral Assistance Initiative.

Amendment No. 74: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided further, That the President shall seek to channel through indigenous and United States private voluntary organizations and cooperatives not less than $20,000,000 of the funds appropriated under this heading and of the funds appropriated and allocated for the Philippines to carry out sections 103 through 106 of such Act*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have provided very large increases in foreign assistance for the Philippines. A substantial proportion of these funds are for project assistance.

The conferees strongly believe that significant staffing increases in the mission of the Agency for International Development will be required in order to manage adequately these expanded responsibilities. This situation is made even more acute by the already existing project pipeline backlog and slow project disbursements in the Philippines AID programs.

The conferees are fully aware of the security risks in the Philippines. Nevertheless, the conferees believe that unless staffing increases are undertaken quickly it is likely that what is already a bad situation will deteriorate. Programs cannot be doubled in size without corresponding improvements and enlargements in both management systems and personnel.

The conferees require that the Agency for International Development provide to the Congress a management and staffing plan and an implementation schedule no later than December 15, 1989.

Amendment No. 75: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided further, That up to a total of $40,000,000 of the funds appropriated to carry out sections 103 through 106 and chapter 4 of part II of such Act may be transferred to and consolidated and merged with the funds appropriated under this heading notwithstanding the limitations on transfers between accounts contained in section 514 of this Act and sections 109 and 610 of the Foreign Assistance Act of 1961 : Provided further, That any funds transferred to carry out the purposes of this heading shall be made available only for projects and activities which are consistent with the purposes of those funds as initially appropriated: Provided further, That of the total amount of funds transferred to carry out the purposes of this heading not less than 50 per centum shall be derived from funds appropriated to carry out chapter 4 of part II of the Foreign Assistance Act: Provided further, That transfers of any funds to carry out the purposes of this heading shall be subject to the regular notification procedures of the Committees on Appropriations*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to provide $160,000,000 for the Philippines Multilateral Assistance Initiative for economic and structural reform programs critical to the Philippines' development and sustained economic growth. The funds will be made available for policy reform, private sector design and feasibility studies, financially viable projects aimed at creating job opportunities and increasing incomes, small and medium entrepreneurial activities, the effective management of environment and natural resources and infrastructure needs such as power, telecommunications, and transportation.

The conferees have agreed further to permit the transfer of an additional amount not to exceed $40,000,000 into the multilateral assistance initiative to be taken equally from available economic support funds and development assistance funds subject to the regular notification procedures of the Committees on Appropriations.

The conferees agreed that environmental and natural resource degradation in the Philippines has reached alarming proportions. This is largely due to the fact that those exploiting the natural resource base often are not directly dependent upon the land or coastal fisheries for their daily sustenance. The conferees recognize that local communities which are dependent upon natural resources for their immediate survival are most often in the best position to manage those resources in a sustainable manner.

Amendment No. 76: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

OVERSEAS PRIVATE INVESTMENT CORPORATION

Amendment No. 77: Limits direct loans for the Overseas Private Investment Corporation not to exceed $20,000,000, instead of $23,000,000 as proposed by the House or $17,000,000 as proposed by the Senate.

Amendment No. 78: Limits commitments to guarantee loans not to exceed $215,000,000 for the Overseas Private Investment Corporation, instead of $189,000,000 as proposed by the House or $229,000,000 as proposed by the Senate.

Amendment No. 79: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which states that not less than $40,000,000 of commitments to guarantee loans of the Overseas Private Investment Corporation

shall be used for projects for Poland notwithstanding any other provision of law.

Amendment No. 80: Deletes langauge proposed by the Senate restricting the use of Overseas Private Investment Corporation guarantee loans in Poland if martial law is declared or if members of the Polish Senate or Sejm are removed. This matter is addressed in Amendment Number 289.

PEACE CORPS

Amendment No. 81: Appropriates $168,614,000 for the Peace Corps instead of $163,614,000 as proposed by the House and $173,800,000 as proposed by the Senate. The conferees have agreed to provide an additional $5,000,000 of the $10,186,000 added by the Senate. Of the amount provided $2,000,000 is to be used for Peace Corps programs in Poland and Hungary.

Amendment No. 82: Deletes language proposed by the Senate which would have made $1,000,000 available for Peace Corps foreign currency fluctuations.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL

Amendment No. 83: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides such sums appropriated for International Narcotics Control as the President deems necessary may be made available for the funding of the United States participation in a multilateral antinarcotics strike force. Funding provided under this provision is to be notified through the Appropriations Committees' fifteen day notification process.

MIGRATION AND REFUGEE ASSISTANCE

Amendment No. 84: Earmarks $15,000,000 for the Refugee Entrant Assistance Program. These funds are to be provided to the Voluntary Agency Matching Grant Program. The House had provided an earmark of $21,900,000. The Senate provided no earmark.

The funds provided are necessary to provide entrant assistance for refugees funded for entrance under the fiscal year 1989 Supplemental. Although the Administration requested $100,000,000 in funding for the Migration and Refugee Assistance program, they failed to request any Supplemental or fiscal year 1990 funds for costs associated with resettlement in the United States.

The Administration's approach to budgeting for refugees coming to the United States is both misleading and inconsistent. In order to provide a workable refugee program the Administration should organize its program so that entrant assistance corresponds to funding provided for refugee resettlement.

Amendment No. 85: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided further, That of the funds appropriated under this heading not less than $46,000,000 shall be made available for the refugee admission program for first asylum refugees from East Asia: Provided further, That section 584(a)(3) of the Foreign operations, Export Financing, and Related Programs Appropriations Act, 1988 (as contained in section 101(e) of Public Law 100-202), is amended by striking "8 months" and inserting "one year"*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to provide the earmark proposed by the Senate of $46,000,000 for the program for first aslyum refugees from East Asia. An earmark proposed by the Senate of $156,500,000 for the refugee admissions program was not included in the conference agreement.

The conferees have deleted the Senate's earmark of $15,000,000 for the expedited resettlement of Amerasians and family members. The conferees are aware that the earmarked sum would not have been sufficient to meet the congressionally-stated goal of having all Amerasians and family members who desire to leave Vietnam by the end of FY 1990. The conferees strongly urge that the Department of State give high priority to the achievement of that goal, and believe that approximately $40,000,000 will be required for that purpose in fiscal year 1990.

The conferees have agreed to a provision that changes the valid period for Amerasian visas from 8 months to one year. The visa extension will permit more time for processing of Amerasian applicants and will provide savings to the United States on the cost of visa renewals.

The conferees are concerned about the precipitious drop in the number of refugees from Czechoslovakia interviewed and the percentage approved in FY 1989 compared to FY 1988. The number interviewed decreased from 1,214 to 358, while the percentage approved fell from 85% to 66%.

These decreases are difficult to understand given the fact that, unlike other East European nations, persecution continues unabated—and may be on the rise—in Czechoslovakia.

Thus, the conferees urge the Department of State and the Immigration and Naturalization Service to review this situation and to make every effort to increase the number of interviews, the approval rate, and the number of admissions for Czech refugees.

The conferees strongly condemn Malaysia's recent actions in pushing back and redirecting boats of Vietnamese asylum-seekers from Malaysia's shores. Over 2,000 asylum-seekers have been pushed back resulting in at least 4 deaths. These pushbacks by Malaysia are a clear breach of the Comprehensive Plan of Action and exacerbate an already tenuous first aslyum situation in Southeast Asia. The conferees calls upon Malaysia to immediately halt this practice and to work constructively toward the preservation of first aslyum in Southeast Asia.

Amendment No. 86: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks $1,500,000. for a Thailand-Cambodia border refugee protection program. The House had no similar language.

Amendment No. 87: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks $1,500,000 for the antipiracy program. The House had no similar language.

Amendment No. 88: Deletes language proposed by the Senate to earmark $5,000,000 to assist Iraqi Kurdish refugees in Turkey.

The conferees recognize the need for assistance for the Iraqi Kurdish refugees in southeastern Turkey. More than 36,000 of these refugees live in three separate camps in Turkey. Last year, 369 of these refugees died, 269 of whom were children under the age of five. The conferees are also aware that a number of European countries have agreed to contribute assistance to these refugees and that an agreement has been reached between the Turkish government and the United Nations High Commissioner for Refugees to assist these refugees. The conferees believe it would be a tragedy not to give immediate and direct assistance from the Migration and Refugee Assistance account for this purpose.

In order to prevent such deaths from occurring during the coming winter months, the conferees agree that no less than $5,000,000 under the "Migration and Refugee Assistance" account is to be allocated to assist the Iraqi Kurdish refugees in Turkey with sanitation facilities and winterized housing improvements at the camps, as well as to provide additional medical supplies.

Amendment No. 89: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks $10,000,000 for assistance for shelter, food and other basic needs to ethnic Turkish refugees fleeing Bulgaria. The House had no similar language.

The conferees recognize the importance of providing assistance for shelter, food and other basic needs to ethnic Turkish refugees fleeing the People's Republic of Bulgaria and resettling on the sovereign territory of Turkey. The Committee is concerned, however, about recent reports that the Turkish-Bulgarians have begun to settle in the occupied areas of Cyprus and want to make it clear that this money shall not be used to further settle Turkish Bulgarian refugees in the occupied areas of Cyprus or support Turkish-Bulgarian refugees who have already settled in the occupied areas of Cyprus.

Amendment No. 90: Provides a limitation of $8,250,000 for the administrative expenses of the Office of Refugee Programs. The House had proposed a limitation of $8,500,000 and the Senate a limitation of $8,000,000.

Amendment No. 91: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided further, That of the funds appropriated under this heading, $250,000 shall be made available, notwithstanding any other provision of law, for food, medicine, medical supplies, medical training, clothing, and other humanitarian assistance for displaced Burmese students at camps on the border with Thailand*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to provide an earmark of $250,000 for food, medicine, medical supplies, medical training, clothing, and other humanitarian assistance for displaced Burmese students (as well as persons related to those students) at camps located on either side of the border with Thailand.

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

Amendment No. 92: Deletes language proposed by the House providing $39,000,000 for expenses for the general costs of administering the military assistance program. The conferees agreed to provide this assistance under the Foreign Military Financing Program heading and the funding is addressed in Amendment Number 112.

INTERNATIONAL MILITARY EDUCATION AND TRAINING

Amendment No. 93: Restores language stricken by the Senate which permits any country with an annual per capita gross national product exceeding $2,349 to receive grant financed military education and training if that country agrees to fund from its own resources the transportation cost and living allowances of its students. The amendment also deletes proposed Senate language.

FOREIGN MILITARY FINANCING PROGRAM

Amendment No. 94: Appropriates $4,297,404,194 for Foreign Military Financing Program grants instead of $4,214,404,194 as proposed by the House or $4,703,404,194 as proposed by the Senate.

Amendment No. 95: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided further, That grants provided with funds made available by this paragraph shall be implemented by grant documents which do not include a requirement to repay the United States Government, notwithstanding any requirement in section 23 of the Arms Export Control Act*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 96: Appropriates $406,000,000 for Foreign Military Financing program loans instead of $410,000,000 as proposed by the House and $0 proposed by the Senate; limits gross obligations of direct loans not to exceed $406,000,000 instead of $410,000,000 as proposed by the House and $0 proposed by the Senate; and restores House language setting loan interest rates at not less than 5 percent and requiring country funding level changes to be subject to the regular notification procedures of the Committees on Appropriations.

The conferees have agreed to prior year language as proposed by the House and to a new level of Foreign Military Financing Program loans of $406,000,000.

Amendment No. 97: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which utilizes the phrase "Of the funds" instead of the House proposed "Funds".

Amendment No. 98: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$500,000,000 only shall be available for Turkey and $350,000,000 only shall be available for Greece and, if Turkey receives any funds under this heading on a grant basis then not less than $30,000,000 of the funds provided for Greece shall be made available as grants*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement earmarks $500,000,000 in Foreign Military Financing Program funds for Turkey and $350,000,000 for Greece. The conferees agreed that if Turkey receives any FMFP funds on a grant basis then not less than $30,000,000 of the funds provided for Greece is to be made available on a grant basis.

Amendment No. 99: Restores House language stricken by the Senate which limits foreign military financing program assistance for El Salvador to not more than $85,000,000.

Amendment No. 100: Restores language stricken by the Senate concerning a technical change on the wording of non-lethal assistance for Guatemala. The conferees agree that all military assistance provided to Guatemala is to be non-lethal.

In recent years the United States has provided high levels of economic assistance and significant amounts of non-lethal military assistance to Guatemala. The conferees continue to strongly support the consolidation of democratic civilian rule in Guatemala, and support similar levels of assistance for fiscal year 1990.

The conferees are pleased with the Guatemalan Government's efforts to adopt structural economic reforms and to revitalize the economy. However, much more needs to be done before these macro-economic improvements materially benefit the country's poor.

The conferees are also encouraged that for the second year the leadership of the Guatemalan army supported the civilian government and put down an attempted coup.

The conferees are disturbed, however, by a new wave of killings and bombings directed at students, labor activists, human rights monitors, political leaders and other civilians. Much of this violence appears to be the work of right-wing forces antagonistic to the civilian government, and of left-wing guerrillas opposed to the government. Some reports suggest that members of the army or security forces have been responsible for some of the reported human rights abuses, including harassment, death threats and murder of Guatemalan Indians who oppose conscription into the civil defense patrols.

The Congress has closely monitored events in Guatemala since the disastrous years of military dictatorship in the late 1970's and early 1980's. The conferees recognize the progress which has been made and have supported it with generous amounts of economic and military assistance. Present trends, however, suggest an inability of the civilian authorities to control forces that would prefer to see Guatemala return to a period of violence. The conferees wish to emphasize that unless the Guatemalan Government undertakes serious efforts to investigate human rights abuses and brings those responsible to justice, the conferees will no longer be able to continue current levels of assistance to Guatemala.

Amendment No. 101: Deletes language proposed by the Senate making a technical change on the requirement to provide nonlethal military assistance to Guatemala. This issue is discussed under Amendment Number 100.

Amendment No. 102: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken, insert: , *except through the regular notification procedures of the Committee on Appropriations, not more than*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement restores the House limitation of $3,000,000 in foreign military financing assistance for Zaire and adds a provision allowing assistance above that level only through the Committees on Appropriations' 15 day notification procedure.

Amendment No. 103: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the followings: *$43,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement earmarks $43,000,000 in Foreign Military Financing Program assistance for Morocco instead of $52,000,000 as proposed by the Senate. The House had no earmark.

Amendment No. 104: Deletes language proposed by the Senate which would have earmarked $30,000,000 in Foreign Military Financing Program assistance for Tunisia.

The conferees are encouraged by Tunisia's actions on both the political and economic fronts. Tunisia is making major strides towards democratization and liberalization of the economy and these actions should be supported by the providing of economic and military assistance.

On the political side, the elections held in April 1989 were Tunisia's most open and free since independence in 1956 with a wide range of opposition parties participating. Over 10,000 political prisioners were released and their full civil rights restored. Also, in 1982, Tunisia, at American urging, agreed to house the PLO leadership when they were evacuated from Beirut. This helped to defuse a possible Israeli-PLO confrontation in West Beirut.

The conferees believe that Tunisia needs to receive military assistance which will allow the maintenance of previously purchased U.S. military equipment, and the ability to meet a possible threat from Libya. Qadhafi is purchasing long-range Soviet SK-24 aircraft and helicopters which are capable of reaching all parts of Tunisia. Finally, the conferees note that Tunisia will repay more than $46,000,000 on previous FMS loans.

Economically, Tunisia implemented some difficult economic agreements with the World Bank and the International Monetary Fund calling for economic reforms and increased emphasis on private enterprise. Many enterprises owned by the government are continuing to be transferred to the private sector. Along with a total debt service of approximately $1,000,000,000 in 1988, economic growth predictions for 1989 decreased to 3.5%. Therefore, the conferees support the providing of economic aid to assure continued economic growth.

Amendment No. 105: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$30,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement earmarks $30,000,000 in Foreign Military Financing Program assistance for sub-Saharan Africa. The Senate had proposed a $50,000,000 earmark. The House had no earmark.

Amendment No. 106: Deletes language proposed by the Senate which would have earmarked $5,000,000 in sub-Saharan Africa

Foreign Military Financing Program assistance for Malawi.

Amendment No. 107: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided further, That none of the funds appropriated under this heading shall be available for Sudan or Somalia, except through the regular notification procedures of the Committees on Appropriations*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement prohibits Foreign Military Financing assistance to Sudan or Somalia unless assistance is proposed through the Committees on Appropriations' 15-day review procedure.

Amendment No. 108: Restores language proposed by the House limiting commercial sales.

The conferees have limited commercial foreign military credit sales to not more than $687,404,194 excluding commercial contracts involving Israel and Egypt.

Amendment No. 109: Restores language proposed by the House limiting funds for commercial contracts to specific countries.

Amendment No. 110: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *to countries other than Israel and Egypt: Provided further, That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have limited commercial foreign military credit sales to a specific list of countries as proposed by the Administration and the Senate.

Amendment No. 111: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

Amendment No. 112: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided further, That not more than $39,000,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to provide administrative expense funding for the Foreign Military Financing Program under that heading. The House had proposed providing a separate section for the funding. The conference agreement adds language, carried for a number of years in the Foreign Operations Appropriations Act, permitting the purchase of passenger motor vehicles.

Amendment No. 113: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which permits the funding of administrative expenses under the Foreign Military Financing Program heading. Previously this funding had been provided under the section for Military Assistance, and technical change was needed to provide the assistance as outlined in Amendment Number 112.

Amendment No. 114: Deletes language proposed by the Senate related to guidelines for Foreign Military Sales (FMS) financing of direct commercial contracts.

The conferees have agreed to drop Senate language requiring that FMS guidelines be promulgated as regulations under the Administrative Procedure Act. The conferees also agreed to drop language requiring the suspension of those guidelines until such time as the regulations were promulgated.

FOREIGN MILITARY SALES DEBT REFORM

Amendment No. 115: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which states that the interest rate included in prior Foreign Military Sales Debt Reform legislation is amended lowering it from 10 percent to 8 percent.

The conferees have agreed that foreign military loans with interest rates of 8 percent or higher may be refinanced by the private sector and shall be guaranteed by the United States at 90 percent.

TITLE IV—EXPORT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

LIMITATION ON PROGRAM ACTIVITY

Amendment No. 116: Limits the Export-Import Bank direct loan program to not more than $615,000,000 as proposed by the Senate instead of $595,000,000 as proposed by the House.

Amendment No. 117: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment insert: *: Provided, That gross obligations for the principal amount of direct loans pursuant to the medium-term financing program shall not exceed $215,000,000: Provided further, That the interest subsidy authority and the tied-aid grants authority provided under this heading are subject to authorization*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to include a medium-term direct loan financing limitation of $215,000,000 instead of $184,500,000 proposed by the Senate and no limitation proposed by the House.

The conferees have agreed further that the tied-aid and interest subsidy authorities provided in this Act are subject to authorization.

Amendment No. 118: Inserts the word "further" as proposed by the Senate. The conferees have provided $110,000,000 for a tied-aid grant program to be administered by the Export-Import Bank. If blended with commercial credits guaranteed by the Bank, these funds will provide approximately $300,000,000 of tied-aid export financing at minimum concessionality levels specified by international agreements. Since not all offers are successful, the Bank will be able to make an even larger volume of offers. In addition, the conference agreement allows up to $5,000,000 in ESF funds to be used for such tied-aid credits; if the President determines that it is in the national interest to do so, additional ESF funds may be used for this purpose.

The conferees believe that tied-aid credits result in trade distortions and thus support the Administration's efforts to negotiate further limits on their use. The funds provided in this legislation should encourage greater progress in those negotiations. At the same time, the conferees are troubled by the use of limited AID resources for this purpose since it is apparent that decisions that would otherwise be made on the basis of development or foreign policy criteria are being made to help American firms win contracts. This is a legitimate objective for the United States to support, but the integrity of the appropriations process requires a clear delineation of the purposes for which funds are being used.

The conferees believe the Export-Import Bank is the primary agency responsible for financing tied-aid credits, and that ESF and development aid funds available to AID should not be used for this purpose except as otherwise specifically provided by this Act. The conferees have consistently supported Administration requests for tied-aid credits in the past. If insufficient resources are available, the conferees encourage the Administration to request additional funds for the Bank rather than using limited ESF and development aid resources for this purpose.

The conferees intend that the figures of $110,000,000 and $20,000,000 specified for tied-aid grants and interest subsidy payments respectively are overall annual ceilings on appropriations for both porgrams. At any given time during the fiscal year, the actual amounts appropriated for such purposes would only be the amounts necessary to fund cumulative commitments under both programs made up to such time. Thus, if the Bank determines that it is not likely to use the full amount available under either program or that the Bank's resources could be better utilized under the regular direct loan program, amounts not yet committed under the tied-aid credit or interest subsidy payment programs would be available for use under Ex-Im Bank's regular direct loan program subject to the overall annual ceiling of $615,000,000.

In addition, the amount committed for each transaction under the interest subsidy payment program should be based on Ex-Im Bank's estimate of the present value of the full amount of the interest subsidy payments to be made over the life of such transaction. Under the program, private lenders will extend loans at fixed OECD consensus interest rates, while being assured of a market-related return based upon floating rates acceptable to Ex-Im Bank and the lenders. Consequently, the actual amount of the interest subsidy payments will depend on the rates in effect at the time of payment. If the interest payments exceed the amount estimated at the time of authorization, Ex-Im Bank should make up the difference from its operating revenues.

Amendment No. 119: Restores language proposed by the House and deleted by the Senate requiring that none of the Export-Import Bank interest subsidy funds may be used in conjunction with Export-Import Bank guaranteed loans.

The conferees have agreed to retain House language prohibiting the joint utilization of I Match and loan guarantee authority in order to avoid exceeding available credit authority.

Amendment No. 120: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which states that $20,000,000 of the funds made available for the Export-Import Bank interest subsidy program shall be subject to the Export-Import Bank direct loan limitation.

Amendment No. 121: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided further, That loan guarantee authority available to the Export-Import Bank of the United States may be used by the Bank to participate in the financing of commercial sales of defense articles and services destined for Greece and Turkey, notwithstanding any other provision of law: Provided further, That the authority provided by the previous proviso shall not be used for the procurement of defense articles or services for use on Cyprus*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to allow, on a one time basis only, for a period of one year only, the use of Export-Import Bank loan guaranty authority for financing of commercial sales of defense articles and services for Greece and Turkey. The conferees agree that future such proposals shall be resolved through the appropriate authorizations bill.

The conferees have agreed to prohibit the use of Ex-Im Bank resources for financing defense articles or services for use on Cyprus.

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

TRADE CREDIT INSURANCE PROGRAM

Amendment No. 122: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *for Central America and, notwithstanding any other provision of law, not to exceed $200,000,000 of contingent liability for loan principal for Poland pursuant to the authorities of section 224 of the Foreign Assistance Act of 1961: Provided, That section 224(c) of the Foreign Assistance Act of 1961 is amended by striking out "September 30, 1989" and inserting in lieu thereof "September 30, 1990"*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to provide not to exceed $200,000,000 in secondary loan guarantees for a new Trade Credit Insurance Program for Poland. The conferees also extended the authorization date for the Trade Credit Insurance Program until September 30, 1990.

TITLE V—GENERAL PROVISIONS

REPRESENTATIONAL ALLOWANCES

Amendment No. 123: Deletes the word "total" as proposed by the Senate.

Amendment No. 124: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which includes the general costs of administering military assistance and sales in the limitations of the provision. The conferees have agreed to include general costs of administering the military assistance programs in the Foreign Military financing program account.

Amendment No. 125: Deletes reference to the Foreign Military Financing Program Operating Expenses account as proposed by the Senate.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

Amendment No. 126: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which prohibits the obligation or expenditure of direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents to Angola, Cambodia, Cuba, Iraq, Libya, the Socialist Republic of Vietnam, South Yemen, Iran, or Syria.

Amendment No. 127: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which permits the President to waive prohibitions against funding for the Export-Import Bank or its agents if in the judgment of the President it is not in the national interest of the United States. The provision also requires the President to report to Congress on his decision.

TRANSFERS BETWEEN ACCOUNTS

Amendment No. 128: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows the President to transfer funds between accounts subject to the regular notification process of the Committees on Appropriations if he consults with the Committees and provides a written policy justification.

DEOBLIGATION/REOBLIGATION AUTHORITY

Amendment No. 129: Deletes language proposed by the Senate which would have limited reobligation authority for Development Assistance to $15,000,000.

Amendment No. 130: Restores language proposed by the House inserting the word "Provided".

Amendment No. 131: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

AVAILABILITY OF FUNDS

Amendment No. 132: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment, insert the following: *: Provided further, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended: Provided further, That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report, those funds allocated for cash disbursement for balance of payment and economic policy reform purposes*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

Amendment No. 133: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided, That this section and section 620(q) of the Foreign Assistance Act of 1961 shall not apply to funds made available in this Act for any narcotics-related activities in Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961, as amended, or the Arms Export Control Act*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to a provision which states that assistance under the Foreign Assistance Act for any narcotics-related activities in Colombia, Bolivia and Peru are exempted from the prohibition of funds to countries that are in default on payments to the United States Government. The conferees agreed that funding that would be provided to these countries under periods of default is to be only for counter-narcotics efforts.

NOTIFICATION REQUIREMENTS

Amendment No. 134: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides revised functional account and other headings changes. The corrections in the amendment are technical and are necessary to conform to the account headings included in the bill.

Amendment No. 135: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which states that the Administration is to inform the Committees on Appropriations on any changes regarding any Foreign Military Financing Program assistance for major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles not previously justified to Congress or 20 per centum in excess of the quantities justified to Congress. The House had proposed a similar provision specifying that major defense items be defined as major defense equipment and comparable equipment and sensitive items.

The conference agreement will place into law the notification requirments on Major Defense Equipment. In order to allow flexibility on the submission of items deemed to be sensitive in nature, the conferees agreed to the Senate proposal to drop that term from the bill. However, in accordance with

the agreement reached with the executive branch on the submission of changes under the Foreign Military Financing Program, sensitive program changes are still to be submitted through the Committees on Appropriations notification procedure.

Amendment No. 136: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires notification on development assistance activities whenever there is a 20-percent increase in a program activity regardless of whether the activity is new or ongoing. The House had proposed language requiring notification on development activities only for new projects, projects whose purpose was signficantly different from the original purpose, or when the activity was in excess of the total amount allocated under the Foreign Assistance Act or the Congressional Presentation, whichever was lower.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

Amendment No. 137: Inserts a new subsection designation as proposed by the Senate.

Amendment No. 138: Inserts "Africa People's" as proposed by the Senate instead of "African Peoples" as proposed by the House in designating the Southwest Africa People's Organization.

Amendment No. 139: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notification be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

Amendment No. 140: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which states that the United States shall not make contributions to the United Nations organizations or affiliated organizations which grant full membership to any entity lacking international recognized attributes of statehood.

UNITED NATIONS VOTING RECORD

Amendment No. 141: Deletes citation proposed by the House and inserts citation proposed by the Senate.

Amendment No. 142: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts a reference to Section 530 of the Foreign Assistance and Related Programs Appropriations Act, 1985. The conferees have agreed to include this section in the list of provisions to be repealed.

Amendment No. 143: Inserts new paragraph number as proposed by the Senate.

Amendment No. 144: Deletes citation proposed by the House and inserts citation proposed by the Senate.

Amendment No. 145: Inserts new paragraph number as proposed by the Senate.

Amendment No. 146: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which corrects a date citation.

Amendment No. 147: Inserts new paragraph number as proposed by the Senate.

Amendment No. 148: Inserts new paragraph number as proposed by the Senate.

Amendment No. 149: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which corrects a date citation.

Amendment No. 150: Inserts corrected statute citation as proposed by the Senate.

ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL

Amendment No. 151: Inserts heading change proposed by the Senate, which changes the heading from Economic Support Assistance to Economic Support Fund Assistance.

Amendment No. 152: Inserts technical reference to heading change as proposed by the Senate.

Amendment No. 153: Inserts technical change proposed by the Senate which changes the House reference to the Economic Support "Assistance" to the Economic Support "Fund".

ENVIRONMENTAL CONCERNS

Amendment No. 154: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which expands the category of projects for which multilateral development banks are expected to conduct environmental impact assessments.

Amendment No. 155: Inserts new punctuation as proposed by the Senate.

Amendment No. 156: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which expands the category or projects for which multilateral development banks are expected to perform assessments of environmental and economic costs.

Amendment No. 157: Inserts new reference to MDBs as proposed by the Senate.

Amendment No. 158: Deletes language inserted by the House as proposed by the Senate.

Amendment No. 159: Inserts additional punctuation and the word "and" as proposed by Senate.

Amendment No. 160: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires the Secretary of the Treasury to seek the convening of a special seminar on alternate investment opportunities and end-use energy efficiency and conservation.

Amendment No. 161: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides $10,000,000 for biological diversity activities, of which $2,000,000 is to be made available for Parks in Peril and $1,000,000 shall be for the National Science Foundation.

The conferees have also agreed that funding for AID's Office of Energy should be targeted at $20,000,000 in fiscal year 1990. The conferees expect that these funds will be used, among other things, to expand existing projects within the Office which provide assistance and training for the promotion of end-use energy efficiency and renewable energy. The conferees expect that the Conventional Energy Technical Assistance Project will not be expanded. The conferees agree that AID's energy efforts need expansion and should clearly focus on end-use energy efficiency, conservation and renewable energy resources, particularly in "key" developing countries which contribute significantly to global greenhouse gas emissions, and in which actions to promote energy efficiency, reliance on renewable energy resources, and forest conservation could significantly reduce those emissions.

AID's Office of Energy, in cooperation with country missions, should assist countries in developing and implementing energy plans that employ end-use analysis to identify cost effective actions to minimize reliance on fossil fuels. These plans should include an analysis of the effects of alternative energy systems and end-use energy efficiency on levels of greenhouse gas emissions. Wherever possible, nongovernmental organizations and academic institutions should be involved in the preparation of these plans.

Amendment No. 162: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires the Secretary of the Treasury to instruct U.S. Executive Directors on certain environmental issues.

GLOBAL WARMING INITIATIVE

Amendment No. 163: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts directives to implement a global warming initiative. The conferees have also agreed to provide an additional $15,000,000 to the Private Sector, Environment, and Energy account specifically to combat the global warming phenomenon and the long-term threat that emissions of greenhouse gases pose to the entire world. In order to ensure that the additional $15,000,000 is in fact additive, the conferees expect that obligations by AID to combat global warming in fiscal year 1990 will exceed those in fiscal year 1989 by at least $15,000,000.

The conferees' purpose is to raise the global warming threat to the top of AID's agenda, with a sharp focus in key developing countries including countries which do not currently receive AID assistance on the twin and linked problems of development and utilization of renewable energy sources and reversing the radical deforestation, above all tropical deforestation, which is damaging the biosphere. The additional funds the conferees are providing to promote energy efficiency and conservation are intended to be used to provide the resources AID needs to carry out this urgent mandate in these key countries.

In addition, the conferees have provided authority for AID to use its program funds to retain and increase its direct-hire and other personnel (including the operations of that staff) with expertise in the environment sector, in particular with regard to forestry, end-use energy efficiency, and renewable technologies.

Amendment No. 164: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

(d) EXPORT-IMPORT BANK.—(1) Of the financing provided by the Export-Import Bank that is utilized for the support of exports for the energy sector, the Bank shall seek to provide not less than 5 per centum of such financing for renewable energy projects.

(2) The Export-Import Bank shall take all appropriate steps to finance information exchanges and training whose purpose it is to help link United States producers in the re-

newable energy sector with assistance programs and potential foreign customers.

(3) Beginning on April 15, 1990, the Chairman of the Export-Import Bank shall submit an annual report to the Committees on Appropriations on the Bank's implementation of this subsection.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement specifies that the Export-Import Bank shall seek to provide 5 percent of their energy related financing to renewable energy projects.

PROHIBITION CONCERNING ABORTIONS AND INVOLUNTARY STERILIZATION

Amendment No. 165: Inserts section number proposed by the Senate.

AFGHANISTAN—HUMANITARIAN ASSISTANCE

Amendment No. 166: Inserts section number proposed by the Senate.

Amendment No. 167: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that not less than $70,000,000 be made available for the Afghanistan Humanitarian Assistance Program. This assures that the program will receive a minimum of $70,000,000.

The conferees continue to believe that there is a need for a strong bilateral program and a large international effort to rebuild Afghanistan. The conferees admire the courage and dedication of the Afghan people to determine their own destiny, and believe that the United States should support these efforts.

The conferees are, however, concerned about the lack of focus and direction in U.S. policy in Afghanistan since the Soviet withdrawal on February 15, 1989. Unless a coherent, long-term policy direction is set for the United States in Afghanistan, the conferees fear that future support for these activities may be undermined. The ultimate success of the fundamental goal of a free Afghanistan must not be jeopardized by drift and uncertainty in U.S. policy. The conferees urge the Administration to develop and explain to Congress and the American people a clear strategy for assisting the Afghan people in bringing the war to a close.

The conferees believe that the Agency for International Development should coordinate closely its humanitarian support with the appropriate ministries of the Afghan interim government. However, the conferees see a need to strengthen the Afghan interim government's financial and managerial practices. Without such an effort, foreign donors, including the U.S. Government, will be forced to re-evaluate the future direction of our assistance program to Afghanistan.

Amendment No. 168: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that $70,000,000 shall be made available for the Afghanistan Humanitarian Assistance program. This makes the earmark for this program mandatory.

Amendment No. 169: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment, insert: *: Provided, That of the funds appropriated under the heading "Private Sector, Environment, and Energy, Development Assistance", $13,500,000 shall be transferred to "International Organizations and Programs" and made available only for the United Nations Afghanistan Emergency Trust Fund*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to provide $13,500,000 for the Afghanistan Emergency Trust Fund. These funds are to be derived from the Private Sector, Environment and Energy, Development Assistance account and made available to the United Nations through the International Organizations and Programs account.

PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

Amendment No. 170: Inserts section number proposed by the Senate.

EL SALVADOR—INVESTIGATION OF MURDERS

Amendment No. 171: Inserts section number proposed by the Senate.

REFUGEE RESETTLEMENT

Amendment No. 172: Inserts section number proposed by the Senate.

Amendment No. 173: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

IMMUNIZATIONS FOR CHILDREN

Amendment No. 174: Inserts section number proposed by the Senate.

Amendment No. 175: Deletes subsection letter proposed by the Senate.

Amendment No. 176: Deletes language proposed by the Senate earmarking not less than $50,000,000 for immunizations for children, and requiring a report by April 1, 1991 on the extent to which the goal of universal access to childhood immunization has been achieved. The conferees agreed that the Agency for International Development is to carry out in fiscal year 1990 an immunization program of at least $50,000,000 and report to the Committee on Appropriations on the funding amount that has been made available.

ETHIOPIA—FORCED RESETTLEMENT, VILLAGIZATION

Amendment No. 177: Inserts section number proposed by the Senate.

SUDAN, SOMALIA, LEBANON, LIBERIA, AND ZAIRE NOTIFICATION REQUIREMENTS

Amendment No. 178: Inserts section number proposed by the Senate.

Amendment No. 179: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which adds Uganda to the countries that can receive U.S. foreign assistance only through the regular notification procedures of the Committees on Appropriations. As in prior years, this requirement does not apply to assistance made available "notwithstanding any other provision of law".

Amendment No. 180: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

Amendment No. 181: Inserts section number proposed by the Senate.

Amendment No. 182: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

CHILD SURVIVAL AND AIDS ACTIVITIES

Amendment No. 183: Inserts section number proposed by the Senate.

CHILE—LOANS FROM MULTILATERAL DEVELOPMENT INSTITUTIONS

Amendment No. 184: Inserts section number proposed by the Senate.

Amendment No. 185: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which adds a reference to a new subsection.

Amendment No. 186: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

Amendment No. 187: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

(c)(1) The Congress supports the democratic transition underway in Chile, and intends to assist the new democratically elected government, following its inauguration in March of 1990, with assistance to—

(A) strengthen democratic institutions; and

(B) establish a new relationship with the Chilean armed forces appropriate to a democratic system of government.

(2) Of the funds appropriated by this Act under the heading "International Military Education and Training", up to $50,000 may be made available for Chile for fiscal year 1990, subject to the following conditions—

(A) a civilian, democratically elected President is in power in Chile and has requested such funds;

(B) internationally recognized human rights are being respected and the civilian government is exercising independent and effective authority; and

(C) the Government of Chile is making good-faith efforts in attempting to resolve the murders of Orlando Letelier and Ronni Moffitt.

(3) Assistance may be provided under paragraph (2) without regard to the requirements of section 726(b) of the International Security and Development Cooperation Act of 1981.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to provide IMET assistance to Chile under limited conditions. The conferees are encouraged that Chile is moving forward toward democratic Presidential elections.

COMMODITY COMPETITION

Amendment No. 188: Inserts section number proposed by the Senate.

PROHIBITION OF FUNDING RELATED TO COMPETITION WITH UNITED STATES EXPORTS

Amendment No. 189: Inserts section number proposed by the Senate.

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

Amendment No. 190: Inserts section number proposed by the Senate.

ASSISTANCE FOR LIBERIA

Amendment No. 191: Inserts section number proposed by the Senate.

Amendment No. 192: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

RECIPROCAL LEASING

Amendment No. 193: Inserts section number proposed by the Senate.

DEFENSE EQUIPMENT DRAWDOWN

Amendment No. 194: Inserts new title as proposed by the Senate.

Amendment No. 195: Inserts section number proposed by the Senate.

Amendment No. 196: Inserts new subsection designation as proposed by the Senate.

Amendment No. 197: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

(b) Section 506(a) of the Foreign Assistance Act of 1961 is amended by—

(1) inserting "(1)" after "(a)";

(2) striking "(1)" and "(2)" and inserting in lieu thereof "(A)" and "(B)", respectively; and

(3) inserting the following new paragraph:

"(2)(A) If the President determines and reports to the Congress in accordance with section 652 of this Act that it is in the national interest of the United States to draw down defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training, he may direct—

"(i) the drawdown of such articles, services, and the provision of such training for the purposes and under the authorities of chapters 8 and 9 of part I, as the case may be; and

"(ii) the drawdown of defense services for the purposes and under the authorities of the Migration and Refugee Assistance Act of 1962.

(B) An aggregate value of not to exceed $75,000,000 in any fiscal year of defense articles, defense services, and military education and training may be provided pursuant to subparagraph (A) of this paragraph.

(c) Drawdowns made pursuant to section 506(a)(2) of the Foreign Assistance Act of 1961 shall be subject to the regular notification procedures of the Committees on Appropriations.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed that the President may use $75,000,000 in annual defense drawdown authority for purposes of international narcotics control assistance, international disaster assistance, or migration and refugee assistance in addition to $75,000,000 in annual defense drawdown authority for purposes of military assistance as already provided by law. Any use of the new authorities is to be provided only through the regular notification procedures of the Committees on Appropriations.

Amendment No. 198: Inserts section number proposed by the Senate.

Amendment No. 199: Restores language proposed by the House stating that the Committees on Appropriations shall be informed of the original acquisition cost of defense articles notified to the Committees as determined to be in excess of the needs of the United States.

AUTHORIZATION REQUIREMENT

Amendment No. 200: Inserts section number proposed by the Senate.

Amendment No. 201: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956: Provided, That of the funds appropriated by this Act for the "Economic Support Fund" and "Foreign Military Financing Program" accounts, not more than 33⅓ percent of the amounts made available by this Act for such account excluding amounts made available for Israel, Egypt, Poland and Hungary, may be obligated and expended prior to March 1, 1990, unless an Act authorizing appropriations for such account has been enacted.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement requires that not more than 33 and ⅓ percent of the funds made available for the Economic Support Fund and Foreign Military Financing Program accounts be obligated prior to March 1, 1990 unless there is an enacted authorization bill. Israel, Egypt, Poland and Hungary are exempted from the obligation ceiling. The provision is intended to permit further action on fiscal year 1990 authorizing legislation.

NOTIFICATION CONCERNING EL SALVADOR

Amendment No. 202: Inserts section number proposed by the Senate.

NOTIFICATION TO CONGRESS ON DEBT RELIEF AGREEMENTS

Amendment No. 203: Inserts section number proposed by the Senate.

MIDDLE EAST REGIONAL COOPERATION AND ISRAELI—ARAB SCHOLARSHIPS

Amendment No. 204: Inserts section number proposed by the Senate.

Amendment No. 205: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

Amendment No. 206: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

Amendment No. 207: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

MEMBERSHIP DESIGNATION IN ASIAN DEVELOPMENT BANK

Amendment No. 208: Inserts section number proposed by the Senate.

DEPLETED URANIUM

Amendment No. 209: Inserts section number proposed by the Senate.

EARMARKS

Amendment No. 210: Inserts section number proposed by the Senate.

Amendment No. 211: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

HAITI

Amendment No. 212: Inserts section number proposed by the Senate. The conferees recognize that it may not be possible for the Government of Haiti to restore in full the Haitian Constitution of March 1987 until new elections have been held and a new government inaugurated. The conferees also recognize that this may be taken into account should the President consider exercising the national interest waiver provision of this legislation.

Amendment No. 213: Makes a technical change deleting "or".

Amendment No. 214: Makes a technical change inserting "assistance; or".

Amendment No. 215: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows assistance for Haiti for the control and eradication of swine flu.

Amendment No. 216: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

ASSISTANCE FOR PANAMA

Amendment No. 217: Inserts section number proposed by the Senate.

Amendment No. 218: Inserts language proposed by the Senate making a technical correction to the spelling of "Noriega".

ELIMINATION OF THE SUGAR QUOTA ALLOCATION OF PANAMA

Amendment No. 219: Inserts section number proposed by the Senate.

Amendment No. 220: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *beneficiary countries of the Caribbean Basin Initiative and Bolivia*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees strongly urge that in reallocating Panama's sugar quota to the Caribbean Basin countries, not less than thirty percent of this reallocation should go to the smaller, poorer Caribbean Basin Countries known as the Caricom nations.

These countries have never benefited from past sugar quota reallocations. For example, they were excluded from the reallocation of South Africa's sugar quota in 1986, as well as from Nicaragua's reallocation in 1983.

In addition, because these countries are neither diversified nor advanced, and because they have been particularly hard hit by the overall cut in U.S. sugar quotas in recent years, this 30 percent combined reallocation would represent an important U.S. investment in Caricom economic stability.

The conferees note that all references to "quota year" in this provision are to be interpreted as indicating the current "quota period".

Amendment No. 221: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede

and concur in the amendment of the Senate which corrects a section number reference.

OPPOSITION TO ASSISTANCE TO TERRORIST COUNTRIES BY INTERNATIONAL FINANCIAL INSTITUTIONS

Amendment No. 222: Inserts section number proposed by the Senate.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

Amendment No. 223: Inserts section number proposed by the Senate.

Amendment No. 224: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notification be provided through the regular notification procedure of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

DETENTION OF CHILDREN

Amendment No. 225: Inserts section number proposed by the Senate.

MILITARY ASSISTANCE TO MOZAMBIQUE

Amendment No. 226: Inserts section number proposed by the Senate.

HONDURAS—RAMIREZ CASE

Amendment No. 227: Inserts section number proposed by the Senate.

Amendment No. 228: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

SOUTH AFRICA—SCHOLARSHIPS

Amendment No. 229: Inserts section number proposed by the Senate.

Amendment No. 230: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

NARCOTICS CONTROL PROGRAM

Amendment No. 231: Inserts section number proposed by the Senate.

Amendment No. 232: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

Amendment No. 233: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts Senate language clarifying that funds provided under the general provision for the Narcotics Control Program for Bolivia, Peru, Colombia and Ecuador are in addition to any other amounts provided in the bill.

Amendment No. 234: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which changes "earmarked" to amounts "provided".

Amendment No. 235: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *up to $2,000,000, except through the regular notification procedures of the Committee on Appropriations,*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to provide up to $2,000,000 in assistance for International Military Education and Training in Bolivia, Peru, Colombia and Ecuador. Funding above the $2,000,000 may be requested through the regular notification procedures of the Committee on Appropriations.

Amendment No. 236: Inserts section number reference proposed by the Senate.

Amendment No. 237: Inserts section number reference proposed by the Senate.

Amendment No. 238: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

Amendment No. 239: Inserts language proposed by the Senate making a punctuation change.

TURKISH AND GREEK MILITARY FORCES ON CYPRUS

Amendment No. 240: Inserts section number proposed by the Senate.

COMMERCIAL LEASING OF DEFENSE ARTICLES

Amendment No. 241: Inserts section number proposed by the Senate.

FAIR PRICING

Amendment No. 242: Deletes language proposed by the Senate titled "Fair Pricing" relating to charges recouped from foreign purchases of United States defense articles and services.

The conferees have agreed to drop fair pricing langauge proposed by the Senate. This matter is addressed in the Defense Appropriations Bill.

CAMBODIAN NONCOMMUNIST RESISTANCE FORCES

Amendment No. 243: Inserts new section number "572" instead of "571" as proposed by the House or "573" as proposed by the Senate.

The conferees understand that the non-Communist resistance forces in Cambodia recently have made gains that have opened up areas for civilian administration. This new situation may require that the program in support of the non-Communist resistance forces meet civilian needs in Cambodia as well as those of the forces themselves.

Amendment No. 244: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

MODERNIZATION OF MILITARY CAPABILITIES OF CERTAIN COUNTRIES

Amendment No. 245: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the first section number named in said amendment, insert: *573*

In lieu of "Section 503" cited in subsection (d), insert: *Section 632(d) of the Foreign Assistance Act of 1961*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to include authority to transfer excess defense articles to certain countries.

COMPETITIVE INSURANCE

Amendment No. 246: Inserts a new section number "574", instead of "572" as proposed by the House or "575" as proposed by the Senate.

PAY RAISES

Amendment No. 247: Inserts a new section number "575", instead of "573" as proposed by the House or "576" as proposed by the Senate.

IRELAND

Amendment No. 248: Restores language proposed by the House relating to the use of the International Fund for Ireland, and inserts a new section number "576".

ASSISTANCE TO AFGHANISTAN

Amendment No. 249: Inserts a new section number proposed by the Senate.

EL SALVADOR ECONOMIC SUPPORT FUNDS

Amendment No. 250: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that not less than 25 percent of El Salvador's Economic Support Funds shall be used for projects and activities in accordance with development assistance authorities.

DISADVANTAGED ENTERPRISES

Amendment No. 251: Inserts a new section number proposed by the Senate.

STINGERS IN THE PERSIAN GULF REGION

Amendment No. 252: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which prohibits the sale of Stingers to any country bordering the Persian Gulf except as provided in section 581 of this Act.

STINGERS FOR BAHRAIN

Amendment No. 253: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows Bahrain to retain Stinger missiles made available in fiscal year 1989 based on a Presidential determination and notification to Congress.

The conferees agreed to include a provision allowing for the retention of stinger missiles by Bahrain.

PROHIBITION ON LEVERAGING AND DIVERSION OF UNITED STATES ASSISTANCE

Amendment No. 254: Inserts a new section number proposed by the Senate.

Amendment No. 255: Inserts language proposed by the Senate which further clarifies the provision.

APPROPRIATIONS OF EXCESS CURRENCIES

Amendment No. 256: Inserts a new section number proposed by the Senate.

INTEREST ON LOCAL CURRENCIES

Amendment No. 257: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which changes the title of the provision to "Debt for Development".

Amendment No. 258: Inserts a new section number proposed by the Senate.

Amendment No. 259: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which clarifies that debt-for-development, and debt-for-nature exchanges are encouraged uses of the funds recouped under the provision.

Amendment No. 260: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which clarifies that interest earned may be used for the establishment of endowments among other activities in accord with the original purpose for which the funds were provided.

LEBANON

Amendment No. 261: Inserts new section number proposed by the Senate.

Amendment No. 262: Reported in technical disagreement. The managers on the part

of the House will offer a motion to recede and concur in the amendment of the Senate which clarifies that the sources of the Lebanon earmark are to be the Development Assistance accounts and the Economic Support Fund.

Amendment No. 263: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which clarifies that the assistance provided to Lebanon shall be made available under the general authorities of disaster assistance (i.e. notwithstanding any other provision of law). The conferees agree that this assistance can be used to provide support for the American University of Beirut and Beirut University College.

JOB-RELATED CRIMES

Amendment No. 264: Inserts a new section number proposed by the Senate.

Amendment No. 265: Inserts subsection designation as proposed by the Senate.

Amendment No. 266: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts the phrase "determined that there is".

Amendment No. 267: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

(b) Section 610(a) of the Foreign Service Act of 1980 is amended by inserting the following new paragraphs:

Notwithstanding the hearing required by this section, or procedures under any other provision of law, where there is reasonable cause to believe that a member has committed a crime for which a sentence of imprisonment may be imposed, and there is a nexus to the efficiency of the Service, the Secretary, or his designee, may suspend such member without pay pending final resolution of the underlying matter, subject to reinstatement with back pay if cause for separation is not established in a hearing before the Board.

(4) Any member suspended pursuant to subsection (a)(3) of this section shall be entitled to—

(A) advance written notice of the specific reasons for such suspension, including the grounds for reasonable cause to believe a crime has beem committed;

(B) a reasonable time, not less than seven days, to answer orally and in writing;

(C) be represented by an attorney or other representative; and

(D) a final written decision.

(5) Any member suspended pursuant to subsection (a)(3) of this section shall be entitled to grieve such action in accordance with procedures applicable to grievances under chapter 11. The Board review, however, shall be limited only to a determination of whether there exists reasonable cause to believe a crime has been committed for which a sentence of imprisonment may be imposed, and whether there is a nexus between the conduct and the efficiency of the Service.

(c) For purposes of the amendments made by subsection (a) and (b) of this section, reasonable cause to believe that a member has committed a crime for which a sentence of imprisonment may be imposed shall be defined as a member of the Service having been convicted of, and sentence of imprisonment having been imposed for, a job-related crime.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement clarifies that a Foreign Service employee may be suspended without pay, subject to reinstatement with back pay, if that employee has been convicted of a job-related crime for which a sentence of imprisonment has been imposed. The conferees urge the appropriate authorizing Committees to review the anomalies between Civil Service and Foreign Service legislation on this matter as soon as possible.

LOCATION OF STOCKPILES

Amendment No. 268: Inserts section number proposed by the Senate.

Amendment No. 269: Inserts a new subsection designation as proposed by the Senate.

Amendment No. 270: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which amends Section 514 of the Foreign Assistance Act of 1961 increasing the limitation on defense stockpiles from $77,000,000 to $165,000,000 and extending the provision for fiscal year 1990.

The conferees have agreed to increase the limitation on defense stockpiles located outside the United States to $165,000,000 for fiscal year 1990.

HONG KONG

Amendment No. 271: Inserts a new section number proposed by the Senate.

RESCISSION

Amendment No. 272: Restores and alters language proposed by the House and stricken by the Senate by inserting a new section number "589".

In addition the conferees agreed to rescind $50,000,000 from fiscal year 1989 Economic Support Funds instead of $59,000,000 proposed by the House. The rescission will be derived from unearmarked funds and funds allocated for Sudan, Somalia, and Liberia.

WEST BANK SCHOOLS

Amendment No. 273: Inserts new section number "590", instead of "585" as proposed by the House and "589" as proposed by the Senate.

ASSISTANCE FOR PAKISTAN

Amendment No. 274: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *591*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement inserts the Senate provision extending the applicability of Section 620E(d) of the Foreign Assistance Act of 1961 from April 1, 1990 until April 1, 1991.

SEPARATE ACCOUNTS

Amendment No. 275: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEPARATE ACCOUNTS

SEC. 592. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapter 1 of part I (including assistance for sub-Saharan Africa) or chapter 4 of part II of the Foreign Assistance Act of 1961 under arrangements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated, and

(ii) the terms and conditions under whcih the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapter 1 of part I or chapter 4 of part II (as the case may be), or

(B) for the administrative requirements of the United States Government.

(3) PROGRAMMING ACCOUNTABILITY.—The Agency for International Development shall take all appropriate steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapter 1 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—(1) If assistance is made available to the government of a foreign country, under chapter 1 of part I (including assistance for sub-Saharan Africa) or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as non-project sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Such funds may be obligated and expended nothwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Report No. 98-1159).

(3) NOTIFICATION.—At least fifteen days prior to obligating any such cash transfer or non-project sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the

economic policy reforms that will be promoted by such assistance).

(4) EXEMPTION.—Non-project sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed on a new provision related to the management of separate accounts.

GLOBAL REDUCTION OF POVERTY

Amendment No. 276: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amenement as follows:

In lieu of the section number named in said amendment, insert: *593*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement directs the Agency for International Development to establish a system of specific quantitative and qualitative indicators of poverty reduction on a country-by-country basis. The language also calls on AID to identify in its annual Congressional Presentation poverty reduction objectives and progress to date in meeting those objectives.

INTERNATIONAL MONETARY FUND

Amendment No. 277: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

INTERNATIONAL MONETARY FUND

SEC. 594. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the International Monetary Fund (IMF) to regularly and vigorously promote the following policy and staffing changes through formal initiatives before the Board and management of the IMF and through bilateral discussions with other member nations:

(1) The addition to the IMF's staff of natural resource experts, and development economists trained in analyzing the linkages between macro-economic conditions and the short- and long-term impacts on sustainable management of natural resources.

(2) In a manner consistent with the proposals of the IMF, the establishment in the IMF of a systematic process to review in advance, and take into account in policy formation, projected impacts of each IMF lending agreement on the long-term sustainable management of natural resources, the environment, public health and poverty.

(3) The creation of criteria to consider concessional and favorable lending terms to promote sustainable management of natural resources. Such capacity should seek the reduction of the debt burden of developing countries in recognition of domestic investments in conservation and environmental management.

(b) The Secretary of the Treasury shall prepare an annual report to the Congress on the progress made by the United States Executive Director to the IMF in implementing the reforms encompassed in this section.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes instructions to the Secretary of the Treasury on promoting various staffing and policy changes with the International Monetary Fund.

EL SALVADOR

Amendment No. 278: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

EL SALVADOR

SEC. 595. With respect to the ongoing political unrest and armed conflict in El Salvador, the Congress hereby—

(1) welcomes the negotiating process set in motion on September 13, 1989 in Mexico City by the Government of El Salvador and the leadership of the Farabundo Marti National Liberation Front and the expressed willingness of both parties to continue this process;

(2) urges the parties to these negotiations to achieve, as quickly as possible—

(A) a cessation of hostilities, and

(B) an overall political settlement of the ten-year-old conflict; and

(3) calls upon the Secretary of State to consult frequently with the Congress on the status of the Salvadoran negotiations and on the efforts being undertaken by the President to support these negotiations.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to limit military aid to El Salvador to $85,000,000. This limitation is contained in Amendment No. 99.

The conferees are concerned about the recent increase in violent abuse of human rights in El Salvador by both the Salvadoran armed forces and the FMLN. The conferees note and condemn the recent actions of guerrilla forces apparently designed to polarize the political situation and cause a hindrance to the current peace negotiations. Similarly the conferees are concerned about the recent increase in the number of persons arrested by the Army and security forces and allegations of gross mistreatment and torture of those taken into custody. The conferees are also concerned about continuing reports that agencies that administer or support humanitarian assistance programs to civilians in rural El Salvador are being prevented from traveling in areas of conflict. The conferees expect the Government of El Salvador and the FMLN to adhere fully to Article 23 of the Fourth Geneva Convention of 1949 regarding the passage of medical and hospital stores, and foodstuffs destined for certain classes of non-combatants.

CENTRAL AMERICAN DEVELOPMENT COORDINATION COMMISSION

Amendment No. 279: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *596*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes a provision proposed by the Senate, which provides support for the Central American Development Coordination Commission. Not less than $500,000 is provided from the Economic Support Fund to assist in the implementation of the Commission.

GUARANTEE RESERVE FUND INTEREST

Amendment No. 280: Deletes language proposed by the Senate amending the Arms Export Control Act in order to capture certain interest revenues for the Guaranty Reserve Fund, and to avoid letting the Department of the Treasury collect interest twice. twice.

The conferees direct the Department of the Treasury, in consultation with the Office of Management and Budget and the Defense Security Assistance Agency (DSAA), to revise the notes issued during fiscal year 1989 and fiscal year 1990 by DSAA, as the GRF manager, to (and accepted by) the Secretary of the Treasury in order to revise the note's provision regarding interest owed to the Treasury by the GRF pursuant to the third sentence of the paragraph under the heading "Guaranty Reserve Fund." The note should be revised to reduce or eliminate the GRF's obligation to pay the Treasury interest to the extent that the Treasury receives interest payments from the foreign borrowers with respect to GRF payments made under loans guaranteed by DSAA. The conferees wish to ensure that the Treasury is not reimbursed twice for interest, once from the foreign borrowers and again from the GRF.

ELIGIBILITY OF POLAND AND HUNGARY FOR OVERSEAS PRIVATE INVESTMENT CORPORATION

Amendment No. 281: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides eligibility for Poland and Hungary for Overseas Private Investment Corporation (OPIC) programs until September 30, 1992. The provision further states that OPIC shall support projects in Poland and Hungary in order to enhance the nongovernmental sector.

The conferees have agreed to provide Poland and Hungary eligibility for OPIC programs until September 30, 1992.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Amendment No. 282: Deletes language proposed by the Senate.

The conferees recognize that because of the nature of its programs, the Agency for International Development must often use consultants with specialized skills in carrying out programs directed at AIDS, child survival and global warming. Because of their specialized skills many of these consultants are not available for full-time federal service. Even if they were, A.I.D.'s requirement for their service is short-term assignments on an as-needed basis. Therefore, it would be exceedingly expensive for A.I.D. to bring specialists on board every time a new program is started, and then face the termination costs when these specialists are no longer needed.

However, the conferees also recognize the potential for conflicts of interest and other problems that can result from the use of contractors. Therefore, the conferees direct the Agency for International Development to take steps to prevent the occurrence of such problems. These steps should include, at a minimum, assurance that the Agency maintains the in-house expertise necessary to oversee the work of its contractors. These steps are designed to ensure that the Agency for International Development, and not its contractors, remains firmly in control of its programs and the decision-making that guides them.

INTERNATIONAL COFFEE AGREEMENT

Amendment No. 283: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *598*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes the provision proposed by the Senate which expresses the sense of the Congress on the importance of the International Coffee Agreement.

LATVIA, ESTONIA, AND LITHUANIA

Amendment No. 284: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

LATVIA, ESTONIA, AND LITHUANIA

SEC. 599. (a) The Congress finds that—

(1) the Baltic states of Latvia, Estonia, and Lithuania gained their independence from the Russian Socialist Federative Soviet Republic in 1918, a fact recognized by the government of the Russian Socialist Federative Soviet Republic in 1920;

(2) the governments of the Latvian Democratic Republic and the Russian Socialist Federative Soviet Republic (RSFSR) signed a Treaty of Peace in Riga, Latvia on August 11, 1920, in which the RSFSR "establishes the right of self-determination for all nations, even to the point of total separation from the States with which they have been incorporated" and declares that "Russia unreservedly recognizes the independence, self-subsistency and sovereignty of the Latvian State and voluntarily and forever renounces all sovereign rights over the Latvian people and territory which formerly belonged to Russia";

(3) similar treaties were signed by both the Republic of Estonia and the Republic of Lithuania with the RSFSR on February 2, 1920 and July 12, 1920, respectively;

(4) the independent republics of Latvia, Estonia, and Lithuania swiftly recovered from the ravages of World War I and became active in the world community, gaining membership in the League of Nations on September 22, 1921 and full recognition by the United States on July 28, 1922;

(5) the sovereign rights of the independent states of Latvia, Estonia, and Lithuania were violated by the Union of Soviet Socialist Republics in a Secret Protocol to the Nazi-Soviet Treaty of Nonaggression of August 23, 1939, which divided Eastern Europe into Nazi and Soviet "spheres of influence";

(6) the Union of Soviet Socialist Republics coerced the governments of Latvia, Estonia, and Lithuania to sign Pacts of Mutual Assistance in October 1939, which stipulated that the "contracting parties undertake not to enter into any alliances or to participate in any coalitions directed against one of the contracting parties" and that "the carrying into effect of the present pact must in no way affect the sovereign rights of the contracting parties, in particular their political structure, their economic and social system, and their military measures";

(7) the Union of Soviet Socialist Republics violated not only those bilateral agreements with the independent Baltic states but also international conventions on the changing of international borders by force when the Soviet Union issued ultimatums to the three independent nations on June 15-16, 1940, demanding the formation of governments to their liking, followed by armed invasions of Lithuania, Latvia, and Estonia on June 16-17, 1940;

(8) the occupation of the Baltic states was confirmed on July 14-15, 1940, with the irregular and illegal "election" of new parliaments, which then petitioned for admission into the Soviet Union, and these petitions were accepted by the Soviet Union, as follows: Lithuania's on August 3, 1940, Latvia's on August 4, 1940, and Estonia's on August 5, 1940;

(9) the Government of the United States continues its policy of standing by the 1922 recognition of the de jure independent governments in the Baltic states, and of refusing to recognize the forced incorporation of the Baltic states into the Soviet Union;

(10) the peoples of Latvia, Estonia, and Lithuania have never accepted the occupation of their native lands, and have demonstrated their resolve on numerous occasions since 1940, most notably in the last three years. The most striking demonstration of the desires of the Baltic people took place on August 23, 1989, the fiftieth anniversary of the Nazi-Soviet Treaty of Non-aggression, when nearly 2,000,000 citizens of Latvia, Estonia, and Lithuania joined hands in a 400-mile human chain stretching across the Batic states from the Estonian capital of Tallinn, through the Latvian capital, Riga, to the Lithuanian capital of Vilninus;

(11) the people of the Baltic states, through their elected representatives in the Populat Front of Latvia, the Popular Front of Estonia, and the Lithuanian Movement in Support of Perestroika "Sajudis", have declared their desire for the restoration of independence in the Baltic states; and

(12) even the Communist officials and regimes in each of the Baltic states have begun to respond to the drive for more autonomy.

(b) The Congress urges the President—

(1) to raise the issue of the political rights of the Baltic peoples in all diplomatic contacts with the Soviet Union including during the meeting between President Bush and President Gorbachev in December, 1989 and during the Presidential summit scheduled in 1990 between the United States and the Soviet Union; and

(2) to call upon the Soviet Union—

(A) to honor the international agreements it has voluntarily entered into, such as the Final Act of the Helsinki Conference on Security and Cooperation in Europe and the United Nations Declaration of Human Rights, as well as the bilateral agreements it has voluntarily entered into with the independent governments of Latvia, Estonia, and Lithuania,

(B) to allow the people of Latvia, Estonia, and Lithuania their right of self-determination, as guaranteed by the RSFSR in 1920 as well as by the current constiution of the Soviet Union,

(C) to recognize the human rights of all peoples both within the Soviet Union and under Soviet influence, and

(D) to replace the policy of aggressive industrialization in the Baltic states, which has poisoned the land, air, and water of Latvia, Estonia, and Lituania, with one of environmental responsibility.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides revised language on a congressional finding regarding Latvia, Estonia and Lithuania.

TIANANMEN SQUARE PARK

Amendment No. 285: Deletes language proposed by the Senate urging the naming of the park in the District of Columbia "Tiananmen Square Park". The conferees delected the bill language expressing the sense of the Senate on this matter but feel that consideration should be given to a designation of a park near the Embassy of the People's Republic of China in order to illustrate the United States outrage concerning the events that have taken place at Tiananmen Square in the People's Republic of China.

IMPORTATION OF CERTAIN DEFENSE ARTICLES FROM POLAND, CZECHOSLOVAKIA, AND HUNGARY

Amendment No. 286: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *599A*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The conference agreement includes a provision proposed by the Senate which clarifies that certain defense articles from Poland, Czechoslovakia, and Hungary have been lawfully imported, and shall be permitted to remain in the United States, and in museums or educational institutions without being subject to any penalty by reason of such importation.

HUMAN RIGHTS IN CUBA

Amendment No. 287: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: In lieu of the section number named in said amendment, insert: *599B*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement adds a provision concerning the human rights situation in Cuba. The Senate language revises a provision in prior year Foreign Assistance Appropriations Acts on human rights violations in Cuba.

CENTER FOR AGRICULTURAL RESEARCH

Amendment No. 288: Deletes language proposed by the Senate directing the Agency for International Development to conduct a feasibility study on establishing a center to conduct research on common argicultural problems in the United States and the Caribbean.

The conferees however note that producers of agricultural commodities in the Caribbean region (including the Caribbean Basin nations and those states in the United States abutting the Gulf of Mexico) have common prospects and problems. Among those common problems are pest managment, transportation, post-harvest handling and treatment, market penetration, and proper crop selection and management. As an example, the declining research on and availability of environmentally safe pesticides and pest management technologies are common problems for both the United States and Caribbean agricultural producers in the region. The conferees believe that it would be in the mutual benefit of United States and Caribbean agricultural interests jointly to seek solutions to these problems.

Such an effort would benefit United States argicultural production, and at the same time make a contribution to the objectives of the Caribbean Basin Initiative.

Therefore, the conferees require the Agency for International Development to study the feasibility and potential benefits of joint research and education on agricultural production in the region, including chemical, biological and biotechnology research. The study should identify priorities in terms of common problems facing producers of agricultural commodities in the region and, if warranted, propose a mechanism for conducting comprehensive research and development solutions to these problems. This study should be made available to the Committees on Appropriations of the House and Senate by April 1, 1990.

ASSISTANCE FOR POLAND AND HUNGARY

Amendment No. 289: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

ASSISTANCE FOR POLAND AND HUNGARY

SEC. 599C. (a) In addition to amounts appropriated under the heading "Trade and Development Program", there is hereby appropriated $2,000,000, to remain available until expended, to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, notwithstanding any other provision of law.

(b) Notwithstanding any other provision of this Act, any funds made available by this Act for a specific activity for Poland or Hungary instead may be obligated for Poland or Hungary for an activity with a similar purpose. The authority of section 515 fo this Act may also be used to deobligate such funds and reobligate them for Poland or Hungary for an activity with a similar purpose: Provided, That the authority of this subsection shall be exercised to the regular notification procedures of the Committees on Appropriations.

(c) Funds made available by this Act and obligated for the Government of Poland shall not be expended if the President of Poland, or any other Polish official, initiates martial law without the consent of the Polish Senate and Sejm, or if members of the Polish Senate or the Sejm are removed from office or are arrested through extra-constitutional processes: Provided, That, notwithstanding the restriction on expenditures contained in this subsection, the President of the United States may continue to expend funds made available to Poland if he determines and certifies to Congress that it is in the foreign policy interest of the United States to do so.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to a number of provisions throughout the Act providing assistance for programs in Poland and Hungary. The conferees intend that the $2,000,000 increase in appropriations for the Trade and Development Program be utilized for investment feasibility studies, training and other activities in Poland and Hungary. Similarly, the conferees intend that $2,000,000 of the increase above the House level for the Peace Corps be utilized for Peace Corps programs in Poland and Hungary.

The conferees have directly appropriated to the Agency for International Development and have earmarked $1,000,000 for the Farmer-to-Farmer program, up to $10,000,000 for agricultural activities in Poland; $2,000,000 for technical training for private sector development in Poland and Hungary; $3,000,000 for educational and cultural exchanges to be carried out in conjunction with the United States Information Agency; $2,000,000 for scholarships for Polish and Hungarian students in the United States; $3,300,000 for an air quality monitoring network and water supply in Krakow and to support of a regional environmental activities center in Budapest to be carried out in conjunction with the Environmental Protection Agency; $10,000,000 for an energy program related to clean coal technology to be carried out in conjunction with the Department of Energy; $1,500,000 for technical assistance for implementation of labor reforms to be carried out in conjunction with Department of Labor and United States labor and business community representatives; $50,000,000 for enterprise funds for private sector development; $1,500,000 to support Solidarity through the AFL-CIO's Free Trade Union Institute; $2,500,000 to support independent, democratic organizations and activities in Poland and Hungary; $2,000,000 for medical supplies and hospital equipment and training in Poland and $200,000,000 for economic stabilization, private sector, and other activities aimed at developing a market-oriented economy in Poland. Additionally, the conferees have provided $200,000,000 in secondary guarantees for the Trade Credit Insurance Program to insure the Export-Import Bank against further losses in Poland.

The conferees intend that the Agency for International Development be the central management and coordinating agency for Polish and Hungarian program. Consequently, funds, in almost every instance, have been appropriated to the Agency for International Development. Flexibility in management of the funds made available has been provided through the utilization of section 515 of this Act and through the regular notification procedures of the Committees on Appropriations.

The conferees also strongly support the provision of up to $125,000,000 in Public Law 480 food assistance.

The conferees direct that the Department of State take a leadership role in the G7 countries to organize a $1,000,000,000 fund for economic stabilization in Poland. Strong leadership is necessary in order to get the various donor countries to cooperate effectively in making cash resources available in order to have foreign exchange available to stabilize the Polish economy and currency. It is crucial that Western leadership respond with more than words and caution to the truly remarkable political and economic changes occurring in Eastern Europe. The cost of lost opportunity vastly exceeds the Western resources necessary to support continued progress toward democracy and open-market economies in Eastern Europe.

The conferees further agreed to deleted Senate proposed language on offsetting adjustments.

ESTABLISHING CATEGORIES OF REFUGEE APPLICANTS

Amendment No. 290: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

ESTABLISHING CATEGORIES OF ALIENS FOR PURPOSES OF REFUGEE DETERMINATIONS

SEC. 559D. (a) IN GENERAL.—In the case of an alien who is within a category of aliens established under subsection (b), the alien may establish, for purposes of admission as a refugee under section 207 of the immigration and Nationality Act, that the alien has a well-founded fear of persecution on account of race, religion, nationality, membership in a particular social group, or political opinion by asserting such a fear and asserting a credible basis for concern about the possibility of such persecution.

(b) ESTABLISHMENT OF CATEGORIES.—

(1) For purposes of subsection (a), the Attorney General, in consultation with the Secretary of State and the Coordinator for Refugee Affairs, shall establish—

(A) one or more categories of aliens who are or were nationals and residents of the Soviet Union and who share common characteristics that identify them as targets of persecution in the Soviet Union on account of race, religion, nationality, membership in a particular social group, or political opinion, and

(B) one or more categories of aliens who are or were nationals and residents of Vietnam, Laos, or Combodia and who share common characteristics that identify them as targets of persecution in such respective foreign state on such an account.

(2)(A) Aliens who are (or were) nationals and residents of the Soviet Union and who are Jews or Evangelical Christians shall be deemed a category of alien established under paragraph (1)(A).

(B) Aliens who are (or were) nationals of the Soviet Union and who are current members of, and demonstrate public, active, and continuous participation (or attempted participation) in the religious activities of, the Ukrainian Catholic Church or the Ukrainian Orthodox Church, shall be deemed a category of alien established under paragraph (1)(A).

(C) Aliens who are (or were) nationals and residents of Vietnam, Laos, or Cambodia and who are members of categories of individuals determined, by the Attorney General in accordance with the "Immigration and Naturalization Service Worldwide Guidelines for Overseas Refugee Processing" (issued by the Immigration and Naturalization Service in August 1983) shall be deemed a category of alien established under paragraph (1)(B).

(3) Within the number of admissions of refugees allocated for fiscal year 1990 for refugees who are nationals of the Soviet Union under section 207(a)(3) of the Immigration and Nationality Act, notwithstanding any other provision of law, the President shall allocate 1,000 of such admissions for such fiscal year to refugees who are within the category of aliens described in paragraph (2)(B).

(c) WRITTEN REASONS FOR DENIALS OF REFUGEE STATUS.—Each decision to deny an application for refugee status of an alien who is within a category established under this section shall be in writing and shall state, to the maximum extent feasible, the reason for the denial.

(d) PERMITTING CERTAIN ALIENS WITHIN CATEGORIES TO REAPPLY FOR REFUGEE STATUS.—Each alien who is within a category established under this section and who (after August 14, 1988, and before the date of the enactment of this Act) was denied refugee status shall be permitted to reapply for such status. Such an application shall be deter-

mined taking into account the application of this section.

(e) PERIOD OF APPLICATION.—

(1) Subsections (a) and (b) shall take effect on the date of the enactment of this Act and shall only apply to applications for refugee status submitted before October 1, 1990.

(2) Subsection (c) shall apply to decisions made after the date of the enactment of this Act and before October 1, 1990.

(3) Subsection (d) shall take effect on the date of the enactment of this Act and shall only apply to reapplications for refugee status submitted before October 1, 1990.

(f) GAO REPORTS ON SOVIET REFUGEE PROCESSING.—

(1) The Comptroller General shall submit to the Committees on the Judiciary of the Senate and of the House of Representatives reports on the implementation of this section in Italy and the Soviet Union. Such reports shall include a review of—

(A) the timeliness and length of individual interviews,

(B) the adequacy of staffing and funding by the Department of State, the Immigration and Naturalization Service, and voluntary agencies, including the adequacy of staffing, computerization, and administration of the processing center in Washington,

(C) the sufficiency of the proposed Soviet refugee processing system within the United States,

(D) backlogs (if any) by ethnic or religious groups and the reasons any such backlogs exist,

(E) sufficiency of the means of distributing and receiving applications for refugee status in Moscow,

(F) to the extent possible, a comparison of the cost of conducting refugee processing only in Moscow and such cost of processing in both Moscow and in Italy, and

(G) an evaluation of efforts to phase out Soviet refugee processing in Italy.

(2) The Comptroller shall submit a preliminary report under paragraph (1) by December 31, 1989, and a final report by March 31, 1990. The final report shall include any recommendations which the Comptroller General may have regarding the need, if any, to review or extend the application of this section.

ADJUSTMENT OF STATUS FOR CERTAIN SOVIET AND INDOCHINESE PAROLEES

Sec. 599E. (a) IN GENERAL.—The Attorney General shall adjust the status of an alien described in subsection (b) to that of an alien lawfully admitted for permanent residence if the alien—

(1) applies for such adjustment,

(2) has been physically present in the United States for at least 1 year and is physically present in the United States on the date the application for such adjustment is filed,

(3) is admissible to the United States as an immigrant, except as provided in subsection (c), and

(4) pays a fee (determined by the Attorney General) for the processing of such application.

(b) ALIENS ELIGIBLE FOR ADJUSTMENT OF STATUS.—The benefits provided in subsection (a) shall only apply to an alien who—

(1) was a national of the Soviet Union, Vietnam, Laos, or Cambodia, and

(2) was inspected and granted parole into the United States during the period beginning on August 15, 1988, and ending on September 30, 1990, after being denied refugee status.

(c) WAIVER OF CERTAIN GROUNDS FOR INADMISSIBILITY.—The provisions of paragraphs (14), (15), (20), (21), (25), (28) (other than subparagraph (F)), and (32) of section 212(a) of the Immigration and Nationality Act shall not apply to adjustment of status under this section and the Attorney General may waive any other provision of such section (other than paragraph (23)(B), (27), (29), or (33)) with respect to such an adjustment for humanitarian purposes, to assure family unity, or when it is otherwise in the public interest.

(d) DATE OF APPROVAL.—Upon the approval of such an application for adjustment of status, the Attorney General shall create a record of the alien's admission as a lawful permanent resident as of the date of the alien's inspection and parole described in subsection (b)(2).

(e) NO OFFSET IN NUMBER OF VISAS AVAILABLE.—When an alien is granted the status of having been lawfully admitted for permanent residence under this section, the Secretary of State shall not be required to reduce the number of immigrant visas authorized to be issued under the Immigration and Nationality Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to new bill language establishing categories of refugee applicants. The conference agreement requires the Attorney General to allow Soviet Jews and Evangelical Christians, along with certain Southeast Asians, to qualify for refugee status by asserting a fear of persecution and asserting a "credible basis for concern about the possibility of such persecution."

The conferees intend that a "credible basis for concern" is established if the applicant asserts: (1) acts of mistreatment, or prejudicial action against the individual personally such as, but not limited to—(a) inability to study or practice religious beliefs or ethnic heritage; (b) denial of access to educational, vocational or technical institutions for which he or she is otherwise qualified, based on the individual's membership in the group; (c) adverse treatment in the workplace stemming from prejudicial attitudes toward members of his or her group; or (2) acts of persecution committed against similarly situated individuals, in his or her geographic locale; or (3) instances of mistreatment or prejudicial actions based on the individual's request to depart the individual's homeland, including, but not limited to, loss of home, job or education opportunity; (4) knowledge, either from having read of or heard of, of situations like those in (a), (b), and (c) as affecting persons in the same category residing elsewhere in the home country.

Once a credible basis for concern about the possibility of persecution has been established, the burden of disproving eligibility for refugee status will fall upon the United States Government. The United States Government may meet this burden by establishing that assertions of the type proffered by the applicant are not credible given what is known about conditions in the individual's home country.

Regarding Ukrainians, the 1,000 refugee numbers (discussed in subsection (b)(3)) should be viewed as both a floor and ceiling; in effect, a set-aside.

REPEAL OF PROVISION

Amendment No. 291: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

REPEAL OF PROVISION

SEC. 599F. (a) The following provision under the heading "Salaries and Expenses, General Legal Activities," contained in the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations Act, 1990 (H.R. 2991), as enacted into law, is hereby repealed:" : Provided further, That for fiscal year 1990 and hereafter the Attorney General may establish and collect fees to cover the cost of identifying, copying and distributing copies of tax decisions rendered by the Federal Judiciary and that any such fees shall be credited to this appropriation notwithstanding the provisions of 31 U.S.C. 3302".

(b) The provisions of subsection (a) shall take effect upon the date of the enactment into law of the Department of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1990 (H.R. 2991).

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to delete language proposed by the Senate concerning a plan to eradicate the worst aspects of poverty. Although the conferees agree with the thrust of the language proposed by the Senate it was felt that the provision should be addressed in authorizing legislation. The conferees note that United States development assistance should contribute measurably to eradicating the worst aspects of absolute poverty by the year 2000 and that international cooperation should be sought in achieving this goal. The conferees have addressed other issues of poverty in amendment number 276.

The conferees upon request have agreed to include a new provision which repeals a provision in the Commerce, Justice, State Appropriations Bill which would permit the Attorney General to establish and collect fees to cover the cost of identifying, copying and distributing federal tax decisions. The repealed Commerce, State, Justice provision would have distorted the Supreme Court's recent decision in *Department of Justice* v. *Tax Analysts* and would have permitted the Attorney General to override fee provisions of the Freedom of Information Act that were carefully negotiated with the Justice Department only three years ago. The original proponents of this provision—including Commerce, Justice, State conferees and the Justice Department—have requested that this provision should be repealed.

CONDITIONAL ASSISTANCE FOR EL SALVADOR FOR POLICE TRAINING

Amendment No. 292: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

CONDITIONAL ASSISTANCE FOR EL SALVADOR FOR POLICE TRAINING

SEC. 599G. (a) CONDITIONAL ASSISTANCE.—In order to promote the professional development of the security forces in El Salvador and to encourage the separation of the law enforcement from the armed forces of El Salvador, funds made available under chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated to El Salvador may, notwithstanding section 660 of that Act, be provided to El Salvador for fiscal year 1990 for purposes otherwise prohibited by section 660 of the Act, if the following conditions are met:

(1) The training provides with such assistance is provided by United States civilian law enforcement personnel.

(2)(A) The assistance is to be used for the purposes of professional development and training of the security forces of El Salvador in such areas as human rights, civil law, investigative and civilian law enforcement techniques, and urban law enforcement training.

(B) Any such assistance that is made available for equipment for these forces is intended to be used for the purchase of equipment such as communication devices, transportation equipment, forensic equipment, and personal protection gear. No such assistance may be used for the purpose of any lethal equipment, except for small arms ammunition and rifle ammunition solely for training purposes.

(3) At least 30 days before obligating such assistance, the President certifies to the Committee of Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee of Foreign Relations and the Committee on Appropriations of the Senate that the Government of El Salvador has made significant progress during the preceding 6 months in eliminating any human rights violations, including torture, incommunicado detention, dentention of persons solely for their political views, or prolonged detention without trial. Any such certification shall include a full description of the assistance which is proposed to be provided and of the purposes to which it is to be directed. Any such certification shall also include a report on the status of all investigative action and prosecutions with respect to those responsible for the 1980 murders of Archbishop Oscar Romero and the four American churchwomen, the recent murder of Ana Casanova, and the recent bombings of the headquarters of the FENASTRAS union and the office of COMADRES, a human rights organization.

(4) REPROGRAMMING.—Funds made available under this subsection shall be subject to the regular reprogramming procedures of the Committees on Appropriations.

(b) DEFINITION.—For purposes of this section, the term "civilian law enforcement personnel" means individuals who are not members of the United States Armed Forces.

(c) Not more than $5,000,000 shall be made available in fiscal year 1990 to carry out the provisions of this section. Not less than $7,000,000 of the funds made available to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961 for fiscal year 1990 shall be made available for the purposes of subsection 534(b)(3) of the Foreign Assistance Act of 1961.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are deeply concerned about reports of human rights abuses by members of the Salvadoran police forces. The conferees wish to support efforts by the Administration and the Salvadoran Government to further professionalize the police forces and bring to justice those who have committed abuses. For this reason funds have been provided, notwithstanding the prohibition in section 660, for civilian training of police and non-lethal equipment, with the exception of small arms ammunition and rifle ammunition used only for training purposes. The conferees direct that the use of such ammunition shall occur only at the Salvadoran Police Academy.

Because of the history of police misconduct which led to the section 660 prohibition in the first place, this training and equipment are provided only on condition that the Administration certifies that significant progress is being made in eliminating human rights abuses and in bringing to justice those responsible for certain crimes, including the recent murder of Ana Casanova and the bombings of the FENASTRAS headquarters and the office of COMADRES.

Furthermore, in order to ensure that the training and equipment are accomplishing their intended purposes, the conferees direct the Administration to report on a biannual basis to the Committees on Appropriations of the House and Senate on the conduct of police who receive this training and equipment, including all efforts to bring to justice police who have engaged in abuses of human rights.

CROPS IN PERU, BOLIVIA AND JAMAICA

Amendment No. 293: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

CROPS IN PERU, BOLIVIA AND JAMAICA

SEC. 599H. Notwithstanding any other provision of law, the President may provide assistance under chapter 1 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 for Peru, Bolivia and Jamaica to promote the production, processing, or marketing of all crops which can be economically grown in areas of those countries which currently produce crops from which narcotic and psychotropic drugs are derived.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes a provision giving the President authority to provide assistance to Peru, Bolivia and Jamaica to promote production, processing, or marketing of all crops which can be economically grown in areas which currently produce crops from which narcotic and psychotropic drugs are derived.

LAND REFORM IN EL SALVADOR

Amendment No. 294: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

LAND REFORM IN EL SALVADOR

SEC. 599I. (a) It is the sense of the Congress that the success and continuation of land reform in El Salvador is vital to United States policy and to political stability, economic development and maintenance of democratic institutions in that country.

(b) Therefore, when allocating Economic Support Funds to El Salvador, the President shall take into consideration progress in the Salvadoran Land Reform Program.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The conference agreement includes sense of the Congress language on land reform in El Salvador.

TITLE VI—FUNDING LEVELS

Amendment No. 295: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

TITLE VI—FUNDING ADJUSTMENTS

REDUCTION OF APPROPRIATIONS

SEC. 601. Each appropriation item, direct loan obligation limit, loan guarantee commitment limit, or obligation limit provided by this Act shall be reduced by 0.43 percent: Provided, That such reduction shall be applied proportionally to each program, project, and activity as set forth in section 543 of this Act: Provided further, That programs and activities exempt from sequestration under Section 255 of the Deficit Control Act of 1985 shall be exempt from the uniform reduction required by this paragraph.

COUNTER-NARCOTICS PROGRAMS

SEC. 602. For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961 and the Arms Export Control Act, $125,000,000, which shall be made available only for counter-narcotics programs: Provided, That none of the funds appropriated under this heading shall be made available except as provided through the regular notification procedures of the Committees on Appropriations.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes two provisions relating to an initiative for the control of illicit drugs. The first provision above is an overall across the board cut needed to offset the additional costs associated with government-wide assistance for the control of illicit drugs. The provision is consistent with agreements reached on funding included in other appropriations bills.

The second provision provides an additional $125,000,000 in assistance beyond what has been provided in other titles in the bill for international counter-narcotics programs. These funds can be made available for counter-narcotics activities under the Foreign Assistance Act (FAA) and the Arms Export Control Act (AECA) and are to be used in accordance with the authorities that are applicable to the provisions of the FAA or AECA under which they will be used. The specific program and project uses of this $125,000,000 are to be provided through the notification procedures of the Committees on Appropriations.

The conferees agreed that the Administration is to follow non-conflicting recommendations in the House and Senate Committee Reports to the extent that they are not in conflict with this Statement of the Managers.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1990 recommended by the Committee of Conference, with comparisons to the fiscal year 1989 amount, the 1990 budget estimates, and the House and Senate bills for 1990 follow:

New budget (obligational) authority, fiscal year 1989	$14,390,032,000
Budget estimates of new (obligational) authority, fiscal year 1990	15,157,926,225
House bill, fiscal year 1990	14,284,613,131
Senate bill, fiscal year 1990	14,441,723,945
Conference agreement, fiscal year 1990	14,643,814,000

Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1989	+253,782,000
Budget estimates of new (obligational) authority, fiscal year 1990	−514,112,225
House bill, fiscal year 1990	+359,200,869
Senate bill, fiscal year 1990	+202,090,055

DAVID R. OBEY,
SIDNEY R. YATES
(except amendment 292 and all military assistance to El Salvador),
MATTHEW F. MCHUGH
(except amendment 292 regarding police training in El Salvador),
WILLIAM LEHMAN,
CHARLES WILSON,
WILLIAM H. GRAY III,
R.J. MRAZEK
(except amendment 292 and military assistance to El Salvador),
RONALD COLEMAN,
JAMIE WHITTEN,
MICKEY EDWARDS,
JERRY LEWIS,
JOHN PORTER,
DEAN GALLO,
Managers on the Part of the House.

PAT LEAHY,
DANIEL K. INOUYE,
J. BENNETT JOHNSTON,
DENNIS DECONCINI,
FRANK LAUTENBERG,
TOM HARKIN,
BARBARA A. MIKULSKI,
ROBERT C. BYRD,
ROBERT W. KASTEN, Jr.,
MARK O. HATFIELD,
ALFONSE D'AMATO,
WARREN B. RUDMAN,
ARLEN SPECTER,
DON NICKLES,
TED STEVENS,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ALEXANDER (at the request of Mr. GEPHARDT), for today, on account of official business.

Mr. BROOKS (at the request of Mr. GEPHARDT), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. WELDON) to revise and extend their remarks and include extraneous material:)

Mr. MCCOLLUM, for 60 minutes, today.

Mr. DREIER of California, for 60 minutes, today, November 15, 16, and 17.

Mr. MCEWEN, for 5 minutes, today.

(The following Members (at the request of Mr. LEVIN of Michigan) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GAYDOS, for 60 minutes, today and November 15.

Mr. LANTOS, for 60 minutes, on November 16.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. LEVIN of Michigan, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $6,776.

(The following Members (at the request of Mr. WELDON) and to include extraneous matter:)

Mr. PETRI.
Mr. LAGOMARSINO.
Mrs. MORELLA.
Mr. SOLOMON.
Mr. MARLENEE.
Mr. CLINGER.
Mrs. BENTLEY in two instances.

(The following Members (at the request of Mr. LEVIN of Michigan) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. BONIOR.
Mr. MONTGOMERY.
Mr. RANGEL.
Mr. LANTOS in two instances.
Mr. STARK in three instances.
Mr. OWENS of New York.
Mr. ACKERMAN.
Ms. OAKAR.
Mr. ATKINS.
Mr. MAZZOLI.
Mr. STOKES.
Mr. TORRICELLI.
Mr. RICHARDSON.
Mr. SOLARZ.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 280. An act to amend the Wild and Scenic Rivers Act by designating a segment of the Niobrara River in Nebraska as a component of the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

S. 561. An act to provide for testing for the use, without lawful authorization, of alcohol or controlled substances by the operators of aircraft, railroads, and commercial motor vehicles, and for other purposes; to the Committees on Energy and Commerce and Public Works and Transportation.

S. 1249. An act to amend the Federal Trade Commission Act to provide authorization of appropriations, and for other purposes; to the Committee on Energy and Commerce.

ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2991. An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1990, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, bills and joint resolution of the House of the following titles.

On November 9, 1989:

H.J. Res. 425. Joint resolution designating November 12 through 18, 1989, as "Community Foundation Week;"

H.R. 2710. An act to amend the Fair Labor Standards Act of 1938 to increase the minimum wage, and for other purposes; and

H.R. 1231. An act to establish a commission to investigate and report respecting the dispute between Eastern Airlines and the collective bargaining units, and for other purposes.

ADJOURNMENT

Mr. MCCOLLUM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 1 minute p.m.), the House adjourned until tomorrow, Tuesday, November 14, 1989, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2011. A letter from the Assistant Secretary of State for Legislative Affairs transmitting copies of the original report of political contributions by Stephen J. Ledogar, of Connecticut, U.S. Representative-designate to the Conference on Disarmament, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2012. A letter from the Assistant Secretary of State for Legislative Affairs transmitting copies of the original report of political contributions by Robert Gregory Joseph, of Virginia, U.S. Commissioner-designate on the U.S.-U.S.S.R. Standing Consultative Commission, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2013. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2014. A letter from the Administrator, Federal Aviation Administration, transmitting the semiannual report on the effectiveness of the Civil Aviation Security Program for the period July 1, 1988, through December 31, 1988, pursuant to 49 U.S.C. app. 1356(a); to the Committee on Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Submitted Nov. 11, 1989]

Mr. OBEY: Committee of conference. Conference report on H.R. 2939 (Rep. 101-344). Ordered to be printed.

[Submitted Nov. 13, 1989]

Mr. CLAY: Committee on House Administration. H.R. 2668. A bill to authorize the establishment with the Smithsonian Institution of the National Museum of the American Indian, to establish a memorial to the American Indian, and for other purposes; with amendments (Rep. 101-340, Pt. 2). Ordered to be printed.

Mr. MURTHA: Committee of conference. Conference report on H.R. 3072 (Rept. 101-345). Ordered to be printed.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 1602. A bill to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes; with an amendment (Rept. 101-346). Referred to the Committee of the Whole House on the State of the Union.

Mr. DE LA GARZA: Committee on Agriculture. H.R. 3589. A bill to amend the Disaster Assistance Act of 1989 to provide assistance to agricultural producers suffering from earthquakes; with an amendment (Rept. 101-347). Referred to the Committee of the Whole House on the State of the Union.

Mr. DE LA GARZA: Committee on Agriculture. H.R. 2134. A bill to amend the Federal Meat Inspection Act to authorize the distribution of wholesome meat for human consumption that has been condemned under that act to charity and public agencies; with amendments (Rept. 101-348). Referred to the Committee of the Whole House on the State of the Union.

Mr. HUGHES: Committee on the Judiciary. H.R. 3550. A bill to amend section 524 of title 28, United States Code, with respect to the Special Forfeiture Fund, to amend section 511 of the Controlled Substances Act to make technical, clarifying, and administrative changes, and for other purposes; with amendments (Rept. 101-349, Pt. 1). Ordered to be printed.

Mr. MORRISON of Connecticut: Committee on the Judiciary. H.R. 150. A bill to amend the Immigration and Nationality Act to provide a procedure for an alien who dies while serving on active duty with the U.S. Armed Forces during certain periods of hostilities to be considered a citizen of the United States at the time of the alien's death; with an amendment (Rept. 101-350). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRISON of Connecticut: Committee on the Judiciary. H.R. 525. A bill to permit the naturalization of certain Filipino war veterans; with amendments (Rept. 101-351). Referred to the Committee of the Whole House on the State of the Union.

Ms. SLAUGHTER: Committee on Rules. House Resolution 288. Resolution waiving certain points of order against the conference report on H.R. 2939, a bill making appropriations for the foreign operations, export financing, and related programs for the fiscal year ending September 30, 1990, and for other purposes, and against certain amendments reported from conference in disagreement (Rept. 101-352). Referred to the House Calendar.

Mr. DERRICK: Committee on Rules. House Resolution 289. Resolution providing for the consideration of S. 974, an act to designate certain lands in the State of Nevada as wilderness, and for other purposes (Rept. 101-353). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HASTERT (for himself, Mr. KYL, Mr. DOUGLAS, Mr. BARNARD, Mr. DONALD E. LUKENS, and Mr. HERGER):

H.R. 3643. A bill to provide savings in the compilation and distribution of Federal environmental impact statements, and to ensure the timely notification of all interested parties; to the Committee on Merchant Marine and Fisheries.

By Mr. MONTGOMERY (for himself, Mr. WHITTEN, Mr. ESPY, Mr. PARKER, Mr. TAYLOR, and Mr. MYERS of Indiana):

H.R. 3644. A bill to designate the general mail facility on Highway 49 in Gulfport, MS, as the "Larkin I. Smith General Mail Facility") to the Committee on Post Office and Civil Service.

By Mr. TRAXLER (for himself and Mr. HENRY):

H.R. 3645. A bill to require a study of what institutions are institutions for mental diseases for purposes of the Medicaid Program; to the Committee on Energy and Commerce.

By Mr. WHITTEN:

H.J. Res. 433. Joint resolution making further continuing appropriations for the fiscal year 1990, and for other purposes; to the Committee on Appropriations.

H.J. Res. 434. Joint resolution making further dire emergency supplemental appropriations to meet the needs of natural disasters of national significance and for emergency drug funding for the fiscal year 1990, and for other purposes; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. EMERSON introduced a bill (H.R. 3646) for the relief of Oscar H. McCormack; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 41: Mr. MANTON.

H.R. 58: Mr. YOUNG of Florida.

H.R. 60: Mr. PETRI, Mr. WALSH, Mr. OWENS of Utah, Mr. HUBBARD, Mr. NEAL of North Carolina, Mr. KYL, Mr. BONIOR, Mr. YOUNG of Alaska, and Mr. SKEEN.

H.R. 63: Mr. SHUMWAY.

H.R. 844: Mr. ROBERTS.

H.R. 917: Mr. LANTOS, Mr. GALLO, Mr. HUCKABY, Mr. YATES, Mrs. LLOYD, Mr. HAYES of Louisiana, Mr. ANDERSON, Mr. MACHTLEY, Mr. KOSTMAYER, Mr. MADIGAN, and Mr. SPENCE.

H.R. 930: Mr. FEIGHAN.

H.R. 1239: Mr. STEARNS.

H.R. 1693: Mr. HAYES of Illinois.

H.R. 2085: Mr. OLIN, Mr. LAGOMARSINO, and Mr. MCDADE.

H.R. 2192: Mr. DENNY SMITH, Ms. OAKAR, and Mr. SKEEN.

H.R. 2418: Mr. SYNAR, Mr. HOLLOWAY, and Mr. OBERSTAR.

H.R. 2564: Mr. HANSEN.

H.R. 2584: Mr. KASICH.

H.R. 2614: Mr. ROGERS.

H.R. 2648: Mr. POSHARD.

H.R. 2838: Mr. GRANT and Mrs. ROS-LEHTINEN.

H.R. 3004: Mr. SLATTERY and Mr. WILSON.

H.R. 3050: Mr. ESPY, Mr. STUDDS, and Ms. KAPTUR.

H.R. 3071: Mr. OWENS of Utah.

H.R. 3270: Mr. DURBIN, Mr. JONES of Georgia, Mr. MARTIN of New York, Mr. PICKLE, Mr. MCCURDY, Mr. INHOFE, Mr. BOEHLERT, Mr. HANCOCK, Mr. PRICE, Mr. ANDREWS, Mr. QUILLEN, and Mr. NEAL of North Carolina.

H.R. 3333: Mr. EMERSON, Mr. ARMEY, Mr. BAKER, Mr. RHODES, Mr. SKEEN, Mrs. BENTLEY, Mr. CRAIG, Mr. RINALDO, and Mr. LEWIS of California.

H.R. 3413: Mr. RITTER.

H.R. 3483: Mr. POSHARD.

H.R. 3512: Mrs. COLLINS, Mr. CRANE, and Mr. LANCASTER.

H.R. 3589: Mr. STARK, Mr. TOWNS, Mr. BERMAN, Mr. LAGOMARSINO, Mr. DIXON, and Mr. SHUMWAY.

H.R. 3622: Mr. BUSTAMANTE, Mr. PALLONE, Mr. GILMAN, Mr. NIELSON of Utah, and Mr. GALLO.

H.R. 3623: Mr. GILMAN, Mr. FALEOMAVAEGA, Mr. DONALD, E. LUKENS, Mr. NIELSON of Utah, Mr. HENRY, and Mr. GALLO.

H.J. Res. 59: Mr. HAMMERSCHMIDT.

H.J. Res. 127: Mr. HATCHER.

H.J. Res. 282: Mr. MARTINEZ, Mrs. BOGGS, Mr. THOMAS of Wyoming, Mrs. VUCANOVICH, Mrs. MARTIN of Illinois, Mr. BOEHLERT, Mr. HASTERT, Mr. GINGRICH, Mr. DUNCAN, Mr. ANDERSON, Mr. BATEMAN, Mr. MILLER of Washington, Mr. DURBIN, Mr. SAVAGE, Mr. PORTER, Mr. DELLUMS, Mr. LIVINGSTON, Mr. FRANK, and Mr. SYNAR.

H.J. Res. 409: Mr. DORNAN of California.

H.J. Res. 417: Mr. VISCLOSKY.

H. Con. Res. 6: Mr. DORNAN of California.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H. Con. Res. 147: Mr. LEVIN of Michigan and Mr. MARTINEZ.

EXTENSIONS OF REMARKS

NICARAGUA: THE HUMAN RIGHTS RECORD 1986-89, UPDATE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. LAGOMARSINO. Mr. Speaker, as I reported during my 1 minute speech today, I am inserting into the RECORD a summary of the most recent report issued by Amnesty International about human rights abuses in Nicaragua by the Sandinista Government.

While the report acknowledges some notable improvements—largely due to actions taken to support the reforms leading to elections in February—Amnesty International expresses concern about reports this year of human rights abuses that include summary killings and disappearances.

In one of its key findings, Amnesty International reports that during the cease-fire that was in effect for the past 19 months, until Daniel Ortega announced its cancellation, there was no sign of a decline in non-combat killings and disappearances of civilians blamed on security forces. The report also refers to dozens of unarmed peasants being summarily executed during operations by Sandinista troops against Contra rebels.

This Amnesty International report serves to support the contention that Daniel Ortega's action to cancel the cease-fire is motivated more by fear of opposition to his government than by alleged Contra attacks.

NICARAGUA: THE HUMAN RIGHTS RECORD 1986-89, UPDATE

1. BACKGROUND: THE TELA AGREEMENT

The evolution of the human rights situation in Nicaragua has been decisively influenced by successive negotiations between the presidents of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua, following their signature on 7 August 1987 of the Esquipulas Dos Agreement, also known as the Central American Peace Agreement. The impact on human rights of these diplomatic efforts to negotiate a solution to the armed conflict in Nicaragua is assessed in Amnesty International's report "Nicaragua: The Human rights Record 1986-1989."

On 7 August 1989 the five signatories of the Central American Peace Agreement met again at the coastal town of Tela, Honduras, where they signed a further agreement establishing mechanisms for the voluntary demobilization of the Nicaraguan opposition forces (the contra), which are based in Honduras. The agreement provides for the creation within 30 days of an International Commission of Support and Verification ("Comisión Internacional de Apoly y Verificación"), CIAV, under the joint auspices of the United Nations (UN) and the Organization of American States (OAS). The CIAV is given wide powers of supervision over the dismantling of the contra bases in Honduras, and over procedures for the repatriation of the contra combatants and their families to Nicaragua, or their relocation to third countries. It is expected to ensure "that the necessary conditions exist and are maintained to permit the full incorporation of repatriated people into civilian life", and its brief includes the setting up of offices to verify that the Nicaraguan Government complies with the guarantees offered under the agreement. The Tela agreement envisages that the demobilization process should be completed within 90 days of the formation of the CIAV. The CIAV would also play an important role in promoting the plan through direct contacts with the Nicaraguan Resistance (NR), the major contra force, and by seeking the assistance of relevant international organizations.

On 25 August the Secretaries General of the UN and the OAS officially announced their decision to form the CIAV in accordance with the agreement. However, press reports on the initial reaction of NR leaders to the plan indicated that they did not intend to order the disbandment of their forces at least until after the elections in Nicaragua scheduled for 25 February 1990, and that many of their number wished to continue fighting.

Four days prior to the Tela agreement, the Nicaraguan Government reached a broad agreement with representatives of 22 opposition parties. The latter agreed to support the plan for the voluntary demobilization of the opposition forces in return for a wide range of reforms on electoral procedures and civil liberties. Those with a direct bearing on human rights included a commitment to a "broad and unconditional amnesty" for political prisoners on completion of the demobilization process; the immediate release of prisoners certified to be in poor health; and consideration of the release of members of the political parties proven to be detained for their political activities, on the submission of lists by the political parties. The government also agreed to introduce legislation immediately to repeal the Public Order Law (Decree 1074) and to amend the Law on the Jurisdictional Functions of the Sandinista Police, rescinding those sections which assign judicial functions to police officials.

2. REPEAL OF THE PUBLIC ORDER LAW

Amnesty International was informed by the government during the first week of September that President Ortega had presented a bill to the National Assembly to repeal the Public Order Law (Law for the Maintenance of Public Order and Security, Decree 1074 of 6 June 1982). The bill was under consideration by a special parliamentary committee and was expected to be voted on in the next session of the Assembly.

Amnesty International welcomes this measure, as repeal would remove from the statute book the special penal provisions under which the great majority of political prisoners were charged and sentenced under the state of emergency, and which remained in force after the state of emergency was lifted in January 1988. Amnesty International was concerned that the summary procedures followed in trials under the Public Order Law significantly curtailed rights of defence (See "Nicaragua: the Human Rights Record 1986-1989," Chapter 4, published by Amnesty International simultaneously with this document). In addition, although most of those charged and sentenced under the Public Order Law were accused of collaborating with or supporting armed opposition groups (the contra), a large number of these prisoners are peasant farmers living in war zones who appear to have done little more than provide food or shelter to passing contra patrols, and have denied in court having any active involvement with them. Amnesty International was also concerned that some of the articles of the Public Order Law, particularly those relating to conspiracy and the dissemination of anti-government manifestos and propaganda, are loosely defined and provided a basis for the prosecution of government critics who had neither used nor advocated violence. Public Order Law prisoners have included members of opposition parties and their affiliated trade unions, some of whom Amnesty International believed to be prisoners of conscience.

3. AMENDMENT OF LEGISLATION ASSIGNING JUDICIAL FUNCTIONS TO THE POLICE

The government has also introduced a bill to the National Assembly to amend the Law of Jurisdictional Functions of the Sandinista Police (Decree 559 of 28 October 1980). Although Amnesty International has not seen the draft legislation, the agreement with the political parties was to rescind those sections of the law which assign police magistrates powers of adjudication and sentencing for certain minor offences. Under the law as it presently stands, police magistrates, who are Ministry of the Interior appointees and are not required to have legal training, may impose sentences of up to six months' imprisonment for certain offences defined under the Police Regulations and Laws. Such "police courts" have generally been used to provide a swift administrative procedure for dealing with misdemeanour and petty criminal offences. Although defendants may consult a lawyer, lawyers are not permitted to "obstruct the investigations" and, in practice, legal defence is non-existent. There is no judicial hearing or right of judicial review. In previous years, summary imprisonment by police magistrates was repeatedly used to curb opposition protest activity; in 1988 more than 20 opposition activists were imprisoned by police magistrates for up to six months without a trial or right of legal appeal. In its report "Nicaragua: The Human Rights Record 1986-1989" (Chapter 4.4), Amnesty International pointed out that the police court system failed to satisfy criteria for a fair and impartial trial, and in its recommendations urged that the government ensure that all prisoners were tried, with appropriate safeguards, by a properly constituted, independent judicial body.

The current time periods permitted for police investigation before detainees are brought before a judge are also laid down in the Law of Jurisdictional Functions of the Sandinista Police. As the law stands, al-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

though the Nicaraguan Constitution states that detainees must be brought before a "competent authority" within 72 hours, the police are currently allowed to detain suspects for 24 hours, after which they must release them, unless a formal investigation is ordered by a police magistrate. If an investigation is ordered, the police have a further six days to investigate before, alternatively, passing sentence, releasing the suspect, or referring the case to the public prosecutor. Under the Penal Procedure Reform Law of 13 April 1988, the Public Prosecutor has a further three days to decide whether to bring charges before a court. Under the law as it stands, therefore, detainees may be held for up to 10 days before being brought before a court of law. In its report "Nicaragua: the Human Rights Record 1986-1989" Amnesty International has urged the government to ensure that all detainees are brought before a judicial authority independent of the executive branch within 72 hours of their arrest, and that they should enjoy the right to appoint and consult a lawyer in private as soon as possible after their arrest.

4. PRISONER RELEASES

On 15 August 1989, during an outdoor rally in Pantasma, Junotega, President Ortega announced that approximately 1,200 peasants, imprisoned for being "directly or indirectly linked with counter-revolutionary activities" and tried under the Public Security Law, would be released on 3 September upon the submission of a list of such prisoners by the Union Nacional de Agricultors y Ganaderos (UNAG), the National Union of Farmers and Cattlemen.

Twenty-nine prisoners, reported to be serving up to three-year sentences, were released at the Pantasma rally; a further 179 prisoners were reported released on 24 August. By the end of September, although no news had been received of the block release announced by President Ortega, Amnesty International had received reports of the release of 239 prisoners since the signing of the Tela agreement. It was informed by the government that the Commission of Peace and Human Rights of the National Assembly was currently considering a proposal for the release of prisoners aged 60 or over and those in poor health, as well as a proposal submitted by the National Commission for the Promotion and Protection of Human Rights [CNPPDH], the government-sponsored human rights commission, for the release of the 14 remaining women prisoners detained under the Public Security Law. In addition the political parties had been asked to submit lists of their members or sympathizers in prison so that their early release might be considered.

Amnesty International is concerned that the structure and procedures of the special tribunals known as Popular Anti-Somozist Tribunals [TPAs], which tried the majority of Public Order Law prisoners, were inconsistent with international standards of fairness and impartiality. Although the courts were abolished in January 1988, when the government lifted the state of emergency, the ordinary courts which assumed jurisdiction in Public Order Law cases coninued to follow the special summary procedures which regulated TPA trials. Amnesty International believed these procedures allowed insufficient time for the full preparation of a defence, and was also concerned that in many cases, evidence was based on out-of-court "confessions" obtained, often allegedly under duress, while the defendants were being held incummunicado without access to a lawyer. Although Amnesty International has not established that any of the prisoners currently held are prisoners of conscience, it has investigated several cases in which there appeared to be little evidence that those accused had been actively involved with the opposition forces. In its report "Nicaragua: the Human Rights Record 1986-1989" Amnesty International urges the government to give all Public Order Law prisoners the opportunity of a review hearing by an independent judicial body, and to release all those who have neither used nor advocated violence.

News of the planned releases led to the reemergence of a long standing public disagreement between the government and opposition groups over the numbers of political prisoners still in detention. The Permanent Commission of Human Rights [CPDH], the non-governmental human rights commission, maintained that the government was in fact holding approximately 6,000 contra prisoners. In a news conference on 22 August, Tomas Borge, the Minister of the Interior, categorically denied this allegation, stating that there were 1,400 contra prisoners sentenced or awaiting trial in the prison system, and 15 currently held in General Directorate of State Security [DGSE] detention centres. The Minister invited international human rights organizations, including Amnesty International and Americas Watch, to visit all the country's prisons, including DGSE detention centres, to verify these figures.

In replying to this invitation, which was extended officially to Amnesty International on 24 August, the organization again welcomed the Nicaraguan Government's openness to international human rights organizations, but declined the invitation in view of its customary policy not to undertake systematic prison inspections or censuses of prisoners. It urged the Nicaraguan Government, however, to provide full and regular access to all detention facilities in the country to the International Committee of the Red Cross (ICRC), which is able to undertake such visits on a regular basis. On 31 August the government released new figures which it said were based on a census of prisons (not included DGSE detention centres) conducted by the ICRC during the last week of August. According to these figures, there were 1,306 remaining political prisoners, of whom 1,268 were contras, and 38 ex-members of the Somoza National Guard. The largest number were held in the Carcel Modelo, Tipitapa (800), and Juigalpa prison (279).

Amnesty International has seen no evidence on which to assert that there are a significantly higher number of political prisoners being held than the number acknowledged by the government. These numbers are in approximate accordance with the numbers in the prison system given to Amnesty International by the government on earlier occasions, and earlier figures attributed by the government to the ICRC which the government has made public. Although no organization has enjoyed regular access to government detention centres, there has been no evidence that thousands of prisoners are currently being held in unacknowledged detention in such detention centres or in other secret places of detention. Furthermore, to Amnesty International's knowledge, no independent human rights organization has been able to compile a reasonably accurate register of prisoners on the basis of updated information on arrests and releases.

5. KILLINGS AND "DISAPPEARANCES" IN WAR ZONES

At the end of August the Nicaraguan Government made available to Amnesty International the text of an official commentary on reports issued in 1988 and 1989 by Americas Watch, a non-governmental human rights organization, on alleged summary executions in Nicaragua's war zones. In a newsletter published in April 1989, Americas Watch referred to "detailed evidence suggesting a pattern of summary executions committed by government forces against suspected contra collaborators. . . . recent investigation by Americas Watch has found such executions to have continued".

The government's reply to Americas Watch closely reflects the oral comments made to Amnesty International by government representatives and human rights officials during its March 1989 mission, when Amnesty International expressed concern about reports of killings in war zones. The following is the text of part of the government statement:

"The government of Nicaragua does not deny that isolated violations of human rights have occurred, but this is neither an explicit nor a tacit policy of the government, which does not promote nor tolerate such violations. On the contrary, every allegation of a violation must be made known to and investigated by the relevant institutions in order to clarify the events and bring to justice those responsible. If the allegation is proved, a series of formal and informal channels exist in the country for registering complaints . . . these include the army's own complaints offices, and those of the Ministry of the Interior, the Presidency, the offices of the Regional Delegates of the government and of the Military Auditor. All of these offices are open to the public to present denunciations and to carry out the investigations merited in the case so that those responsible, if there are any, may be punished. There is also the National Commission for the Promotion and Protection of Human Rights, which is the government body with specialized competence in human rights and humanitarian affairs. In practice it can be seen that the absolute respect for the right of life which is the basic principle of the revolution is observed, as can be seen by the fact that Nicaragua is one of the very few countries in the whole continent which has a certain number of members of its armed forces serving prison sentences for infringing the law".

On the basis of information presently available, it is possible to give the following break-down of government responses to cases presented by Amnesty International to the Nicaraguan Government in its communications of June and November 1987, July 1988 and March 1989. These involve a total of 56 alleged victims of out-of-combat killings and "disappearance". Information has been received on trials and convictions in three cases of unlawful killing, which involved 10 out of the 56 victims. After being tried by military courts, a total of 17 military and police personnel were sentenced to prison terms ranging from six years to the maximum 30-year term on charges of homicide or "atrocious murder" (*assesinato atroz*).

In three other cases, however, the victims were determined by the official investigation to have been killed in cross-fire or during firefights in circumstances which were held to exonerate soldiers of criminal responsibility. Records of the military court

verdicts in these cases were made available to Amnesty International. In each case the version of the incident given by the military investigators as a result of their inquiries differs significantly from that reported originally to Amnesty International. The incompleteness of information regarding the evidence on which the military investigators based their findings, and the frequently long intervals before inquiries were initiated, makes it difficult to assess these investigations. However, in one case, that of Nemesio Obando González, who was shot dead by army troops on 11 March 1987 after running from a house in which contras were allegedly hiding, investigators appeared to concentrate on whether or not the troops were justified or not in opening fire on him. The court decision does not make clear whether the investigators examined evidence in the original denunciation that the fatal shot was fired while he lay wounded and defenceless on the ground.

In two cases dating from 1985 which involved a total of 20 individuals, investigations were suspended for lack of information, on the grounds that the areas where the incidents are alleged to have occurred had been evacuated and were now uninhabited, making it impossible to trace witnesses; one "disappearance" case (that of Pablo Manzanares Mairena, discussed above) was said to have been resolved with the reported reappearance of the person affected; in one case involving the reported killing in January 1988 of two brothers, Silvino de Jesús Escobar López and Lorenzo Escobar López, the alleged victims were said to be alive by relatives who testified to the court. Amnesty International continues to investigate this case, which it presented to the government on the basis of an oral testimony from the mother of the victims. One of the relatives said to have been interviewed by the military investigator was described as the "mother" of the victims, but had a quite different name. As of September 1989, Amnesty International is still awaiting the results of investigations into 12 alleged killings in 1987 (the Ubú, Zelaya cases), and three in 1988, which the government has informed it are still in progress. It has received no conclusive information on the results of investigations into the five cases of people who "disappeared" in 1987 and 1988 which Amnesty International submitted to the government in March 1989 and documented in "Nicaragua: the Human Rights Record: 1986-1989."

Amnesty International has continued to receive reports of cases of apparent summary execution of non-combatants in war zones during 1989 from both domestic and international human rights organizations. While it has not had an opportunity to verify these on the basis of independently conducted interviews with relatives or neighbors in Nicaragua, it has noted that several cases have been documented independently by more than one source. Amnesty International has also received information from non-governmental sources that some of those responsible for these abuses have been tried and sentenced to prison, but in past cases, by no means all have been investigated to date.

Amnesty International acknowledges and welcomes the efforts made by the CNPPDH and the relevant government offices during the current year to undertake serious investigations in the light of the concerns expressed by Amnesty International, Americas Watch and other organizations. It recognizes that there may be considerable logistical, economic and political obstacles to carrying out such investigations expeditiously and effectively. Nevertheless, the organization believes it to be of paramount importance to the promotion of human rights that the government redouble its efforts to guarantee the physical security of the residents of war zones. Human rights violations are often attributed to certain local commanders and officials who apparently enjoy considerable operational autonomy; this situation may have led to the commission of acts incompatible with the human rights principles publicly espoused by the government. Amnesty International urges the government to intensify the steps it has already taken to rectify this situation in the coming months, to ensure that such investigations are conducted promptly and thoroughly, with proper guarantees of independence and impartiality, and that their results are made public, along with the evidence on which the findings are based. The government should also seek to reinforce human rights instructions to troops and security personnel in war zones, stressing that violations are impermissable and subject to severe penalties. To assist investigations and to ensure that justice is seen to be done, post-mortem investigations should be routinely conducted. Unless relatives declare this to be against their wishes, exhumations should be carried out when the cause or circumstances of death remains in doubt.

THE ISRAELI STRATEGY FOR PEACE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. LANTOS. Mr. Speaker, in the realm of the diplomatic machinations that make up the Middle East peace process, it is imperative that our well-intentioned impatience for tangible progress not blind us to the complexities of the situation.

We are a nation geared toward "quick fix" solutions, but unfortunately there are no quick and easy answers to the current difficulties in the Middle East. Each step may be painstakingly slow, each movement necessarily cautious. The peace process, however, is far from stymied.

An Israeli initiative, backed by the United States and calling for elections in the territories, remains under consideration. Israel has expressed a willingness to talk with any Palestinian so long as they reside in the West Bank. The current pace reflects the political reality of years of rivalry, which has been prolonged by Arab belligerence and PLO terrorism.

With this in mind, Mr. Speaker, it is important that we repress any inclination to lay blame at Israel's doorstep. In actuality, Israel is only asking for the same guarantees that our Nation would insist upon were we facing similar circumstances. And when all things are considered, these guarantees may pave the way for eventual success in peace negotiations, should there be a willing and able Arab partner.

Mr. Speaker, I would like to place in the RECORD an excellent article by syndicated columnist Charles Krauthammer, which appeared in the Washington Post last week. It reminds us that Israeli attention to details, which may seem trivial to some, is driven by the need for national security and survival.

[From the Washington Post, Nov. 3, 1989]

WHY ISRAEL INSISTS ON ITS STRATEGY—PEACE IS MORE ATTRACTIVE TO PALESTINIANS INSIDE THE TERRITORIES THAN TO THE PLO IN TUNIS

(By Charles Krauthammer)

The Middle East peace process appears to have gotten so bogged down in arcana that only diplomats and specialists can follow its twists and turns. The public has lost interest. But the occasional reports and leaks that penetrate the public perplexity leave one clear impression: that behind the obfuscation, it is Prime Minister Yitzhak Shamir's niggling insistence on procedural details that is keeping us from the dawn of Middle East peace—and keeping this administration from a diplomatic triumph, the first ever Israeli-Palestinian talks.

The impression is false. Shamir has made a large issue of two points. But they are about as procedural as Churchill's refusal to negotiate with Hitler.

Point 1. Israel has proposed a peace initiative: free elections in the occupied territories to produce Palestinian negotiators to work out some interim peace ("autonomy") that would end the Israeli military occupation. After three years of living together this way, after having had time to reassess each other's worst assumptions about the other's ultimate intentions, then and only then do negotiations start on a final peace, because only then can they have any chance of success.

Elections, negotiation, interim solution, final status. Everybody but the PLO has accepted this idea in principle. Nevertheless, an Egyptian 10-point plan pointedly puts the ultimate "final status" issue—Israel's giving up the West Bank—on the table before the first words are exchanged or the first ballot cast.

Shamir's "wrangling" is about demands for an ironclad American guarantee that the initial talks will be about elections and not a Pandora's box of unresolvable "final status" questions. Israel does not want to start talks that are destined from day one to fail and for which failure it is sure to be blamed.

Point 2. The question of Palestinian representation. Israel's other wrangle is to insist that the Palestinian negotiators who will arrange the elections be insiders (West Bankers) and not outsiders (Palestinians living abroad and representing the PLO establishment in Tunis).

This is not a procedural point, because the only talks that can possibly succeed are talks between Israel and the insiders. It is true, of course, that insiders and outsiders both swear allegiance to PLO. (Those who refuse to have a way of getting shot: 125 of those killed during the intifada are Palestinians killed by other Palestinians). But there is a natural divergence of interests between insiders and outsiders in the Palestinian movement, just as there was a natural divergence between insiders and outsiders in the Algerian war and between insiders (Viet Cong) and outsiders (Hanoi) in South Vietnam.

On every major issue, the insiders' divergent interest is more favorable to peace:

Occupation. It is the insiders, not the outsiders, who suffer daily the dislocations and casualties of the intifada. Their objective is

thus to end the Israeli occupation quickly. For the outsiders, the intifada is a political boon. It puts them on the map. It revives an issue that had been dead for years. They are in no hurry. They can hold out to the last West Banker for their maximal demands.

Elections. The first freely elected Palestinian leadership ever, though nominally pledged to Yasir Arafat, will enjoy a status and legitimacy that will rival that of the aging rejectionists in Tunis. Precisely for that reason the PLO is not happy about elections. It will give West Bankers a potentially rivalrous, potentially more moderate political voice.

Final status. It is conceivable that West Bankers would trade an end to occupation for a Palestinian entity that truly renounces all designs on Israel proper. The outsiders will not. The vast majority of them come not from the West Bank but from Israel proper. Their interest, their program, is to use the West Bank as a staging point for returning to—retaking—what is now Israel.

In sum, the insiders have a more urgent need for the peace now and a more moderate objective for the final peace to come. That is what prompted Israel to propose, and the United States to back, West Bank elections. The whole point of the election idea is to get the peace process moving by exploiting the natural divergence of interests between insiders and outsiders and shifting the center of political gravity from the latter to the former.

Talks with outsiders—representatives of the PLO in Tunis—are guaranteed to fail. But don't you have to negotiate peace with your enemies? The answer to that fatuity is: There are enemies and there are enemies. You negotiate with enemies whose objective is somehow to settle with you. With those who want only to expunge you, there is nothing to negotiate.

Another fatuous argument is that one side does not have a right to interfere in choosing negotiators for the other side. Nonsense. Vietnamese, Cambodians, Angolans, Afghans, Nicaraguans routinely make demands regarding which of their enemies they will or will not sit down with. So did Churchill and Roosevelt. Because everybody understands that who you negotiate with determines whose legitimacy you recognize, whose agenda you are prepared to discuss and ultimately which outcome will prevail.

Israel does not want to negotiate with PLO outsiders because it understands that such negotiations can only be about a single issue: a PLO state. For most Israelis, that is a prescription for national suicide. They are not interested into entering a negotiation whose purpose is to work out the finer modalities of their demise.

That may look like procedure in Washington. In Jersualem, it is life and death.

AMERICAN LEGION DEMANDS CONSTITUTIONAL AMENDMENT TO PROTECT FLAG

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. SOLOMON. Mr. Speaker, every Member of this House knows you to be a man of your word. We all know you will live up to your promise to allow a vote on H.J. Res. 350, a constitutional amendment to protect the American flag.

That is why we were all pleased to discover that the American Legion, perhaps the leading veterans organization in America, shares our interest in H.J. Res. 350.

With more than 4 million members, the American Legion certainly speaks with a louder and more representative voice than the so-called veterans who burned American flags in Seattle and the four radicals arrested this week for the same offense on the steps of the Supreme Court.

The American Legion remains convinced, as do many Members of the House and Senate, that a mere statute cannot protect the American flag from desecration. People like Gregory Johnson, villain of the Texas flag-burning case, decided last summer by the Supreme Court, were itching to test the statute, and they wasted no time. They understand clearly what too many Members of this House are determined to ignore, that a Federal statute so similar to the Texas statute is sure to suffer the same fate in the courts. And those who hate this country, like Gregory Johnson, will be free to shove their contempt in the faces of all patriotric Americans.

Mr. Speaker, please listen to the American Legion. These are the Americans who fought for the freedoms listed in the Bill of Rights. As National Commander Miles S. Epling indicated in his letter to you, which all Members also received, these same Americans are not about to ride roughshod over those constitutional freedoms. I am pleased to place this letter in the RECORD, and I await your announcement on the date for a vote on H.J. Res. 350.

THE AMERICAN LEGION,
Washington, DC, October 20, 1989.

Hon. THOMAS S. FOLEY,
Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: On behalf of the 4.1 million members of The American Legion, the American Legion Auxiliary and the Sons of The American Legion, I urge you to keep your promise and allow a vote on H.J. Res. 350. Although we were disappointed and saddened as the Senate turned a deaf ear to the American people when it voted against a constitutional amendment to protect the American flag, we hope you will honor your previous assurance that the House will act to vote on a constitutional amendment.

An amendment, through the ratification process, will allow "We, the people" to voice our belief that the flag ought to be protected from those who would burn it as a means of getting attention for what they want to say. We have petitions from every district represented in the House of Representatives urging Congress to pass a constitutional amendment to protect the flag. The names on these petitions are not only veterans, but citizens from every walk of life.

As wartime veterans, we would be the last organization to try to suppress any rights guaranteed by the Constitution, especially the First Amendment. Those are the rights we fought to defend and many of our comrades died to preserve. We are not asking to take away any of these fundmental rights, but rather add just one more, the protection of our flag from physical desecration. We believe that a constitutional amendment is the only sure way to do that.

As always, we appreciate your consideration of our views and urge your support.

Sincerely,

MILES S. EPLING,
National Commander.

THE CASE FOR EMPLOYER SANCTIONS REPEAL

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. OWENS of New York. Mr. Speaker, 3 years ago when the Immigration Reform and Control Act of 1986 was passed by the Congress, I was one of many lawmakers and others who opposed its employer sanctions provisions, under which employers face legal penalties for knowingly hiring undocumented immigrants. We believed that most employers would take the line of the least resistance and simply refuse to hire individuals who "looked foreign", had "foreign" accents, or "foreign-sounding" last names. Now, 3 years after the measure's enactment, there is data that confirms those misgivings. Hundreds of people, particularly in New York City with its large populations of Puerto Ricans—who are, after all, United States citizens—have been refused work by timid employers who will not take the time to ascertain if these individuals are citizens or not.

On October 30, I cochaired a hearing in New York City of the House Subcommittee on Employment Opportunities concerning incidents of discrimination and civil rights violations stemming from misapplication of the employer sanctions provision of the Immigration Reform and Control Act. It was the first hearing of its kind. An essential element of the compromise that led to the enactment of the immigration law was that the implementation of employer sanctions would be closely monitored and that they would be repealed if there was evidence that they were causing discrimination. Judging from the overwhelming evidence presented in the testimony of the hearing's witnesses, the repeal of employer sanctions is very much in order.

One of those testifying, Aixa Torres, program director of the National Association for Puerto Rican Civil Rights, said that Puerto Ricans have been hard hit by the employer sanctions provision, due to a reluctance on the part of employers to hire individuals with accents and Spanish surnames.

Ms. Torres said younger people have an especially difficult time getting the necessary documentation because they do not have drivers licenses and a birth certificate is not sufficient. She said that the bill has created undocumented citizens, and what's worse is that banks and other institutions not affected by the law are now requiring the same documentation. The Puerto Rican Commonwealth is even issuing cards for American citizens born on the island that carry a fingerprint, an Orwellian "Big Brother" device that is one of the more odious by-products of the employer sanctions provision.

There have been two reports issued in the last 3 years which indicate a rise in hiring dis-

crimination against working people who appear "foreign" following the passage of the Immigration Reform and Control Act. A report by the New York State Inter-Agency Task Force on Immigration Affairs released last November concluded that a large percentage of the employers surveyed knew they could be fined but did not know what they should be doing to avoid the fines—a problem that could, and has, led to wrongful denial of employment.

The report found that a vast majority of employers will not hire until they receive the appropriate documents, which results in applicants either not being considered: Being denied employment for some waiting period, then hired; or being denied employment after some period of waiting. Large numbers of people have been denied work because they cannot get the appropriate documents quickly enough, according to the report; and a large number of people are subjected to selectively stringent screening practices.

The preliminary findings of a General Accounting Office review also issued last November—the second of three annual reports mandated by the Congress on the effects of the immigration law—found that of the 3.3 million employers surveyed who were aware of the law—22 percent were not aware it had passed—about 527,000, or 16 percent, had begun or increased employment practices not permitted under the law, such as adopting a policy of hiring only U.S. citizens. The 16 percent who admit to discrimination indicates a much wider pattern by those unwilling to admit to such discriminatory practices.

The employer sanctions provision has opened the way to numerous kinds of immigrant worker exploitation. For instance, an employer who finds someone who is undocumented can pay this worker $1 an hour instead of $3 an hour or more, and not turn the worker in. People are being forced into sweatshops rather than being forced to return to their countries of origin, as the law intended.

As of last month, 707 employment discrimination complaints had been received around the country by the Office of Special Counsel in the U.S. Justice Department, which probes employment discrimination charges under the Immigration Reform and Control Act. Of the total, 253 were in California and 62 in New York, according to special counsel Andrew Strojny, as quoted in the October 30 edition of New York Newsday. Settlements have thus far resulted in job reinstatement, job offers, and more than $180,000 in back pay for injured parties, according to Strojny.

The employer sanctions provision hurts those who are legally permitted to work, even temporary residents who obtained work authorization under the act, who have nonetheless been denied employment.

The employer sanctions provision has abridged some basic freedoms available to all working people in the United States, whether they are people of color born in the U.S., naturalized citizens, or temporary residents. It is simply not working, and must be repealed immediately. A more humane way must be found to regulate the influx of undocumented immigrants and protect the jobs of U.S. citizens, naturalized citizens, and those applying for citizenship, without penalizing immigrants and others who have a right to employment.

A SALUTE TO THE BALTIMORE JEWISH COUNCIL

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mrs. BENTLEY. Mr. Speaker, it is my great honor and privilege to salute the Baltimore Jewish Council on the occasion of the 50th anniversary of its foundation.

Over the years the Council has been a powerful and visible force in Baltimore, its membership consisting of some of the city's most important religious and social organizations. Groups like Har Sinai Congregation, the Jewish Labor Committee, and Jewish War Veterans—just to name a few—decided long ago to come together and create a forum responsive to issues affecting the entire Jewish community.

Mr. Speaker, the Baltimore Jewish Council is a wonderful example of a large and often diverse ethnic group coming together and working as one. In fact I had the chance to visit with its members recently when I attended its 50th anniversary celebration at the Baltimore Grand. Teddy Kollek, Mayor of Jerusalem, was the keynote speaker, and his words were indeed wise and inspiring.

I urge you, Mr. Speaker, and all of my colleagues in joining me in congratulating the Baltimore Jewish Council during this happy anniversary. May it thrive for another 50 years.

UNREALISTIC CLEAN AIR LEGISLATION

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. MARLENEE. Mr. Speaker, I rise today to fire some warning shots as Congress deliberates over various provisions of proposed clean air legislation.

We all want clean air. Does anybody like dirty air? But I smell something in the air. It's the odeous smell of half-baked, over-zealous regulation—of inflexible, unrealistic environmental law.

And in the euphoria of some Members of Congress to respond to the President's bugle call for clean air legislation, let's look at Congress' track record when it comes to environmental law. If we don't, as the old tried-but-true axiom puts it, "we're condemned to repeat it."

Here's a few of the blunders Congress has made in the past when it comes to environmental law, and I urge my colleagues to take a good, hard look:

Congress passed a law calling for stringent controls on landfills and now we've got rural communities on the brink of closing their landfills because they can't afford to comply. Can we really expect residents of these communities to drive hundreds of miles to dispose of their trash?

Congress, acting amidst hysteria over inconclusive asbestos studies, passed a law ordering the removal of asbestos from all public buildings. Schools and local governments—many of them with bare-boned budgets that have them scraping for dollars just to buy the next adding machine—are forced to come up with elaborate asbestos-removal plans. Yet conclusive tests now show that it's actually more dangerous to remove the stuff than to monkey with it.

Congress passed an iron-fisted law to halt the supposedly impending environmental dangers of leaking underground fuel storage tanks.

Thanks to this law, thousands of gas stations will soon be forced to close their doors. What's more, the demise of these stations is very likely to force rural Americans to install their own storage tanks, creating an even greater threat to the environment than if we'd passed a law that considered the realities of rural America.

Congress passed a law calling for stringent toxicity tests of sewage sludge and severely restricting application of sludge on fields after the EPA had spent years trying to encourage this method of waste recycling.

Again, rural America suffers, and so does the environment. Thousands of septage cleaning businesses will be eaten alive by these expensive test rules. And rural sewage treatment operations are pushed closer to shutting down.

If that happens, has Congress really helped the environment?

Let's not travel down the same road when it comes to passing clean-air law. The last time Congress tried doing something about clean air was in 1977—with a law that required scrubbers on utility smokestacks. The result: budding clean coal technologies that would have done a much better job of cleaning up the air were shelved in the rush to acquire the required scrubbers.

In addition, Congress must stop confusing Los Angeles with cities like Billings, MT. The intensity of response that's needed in Los Angeles, isn't the same for Billings, MT, or, for that matter, any other city in Montana.

Finally, where is the sense in penalizing coal-fired plants for having already achieved significant emissions improvements? That's what will happen if we don't make major changes in the clean air bills now before Congress. Montana's clean-air plants have sterling records on the clean air front, but some of the legislation under consideration essentially says, "You jumped the gun. You should have waited until Congress passed a new clean air law before trying to reduce your emissions. Since you didn't wait, we'll raise your costs." But who really pays?

Consumers, of course. American consumers are already spending $33 billion a year on clean air. And the air is getting purer. The number of cars on the road since the Clean Air Act was passed in 1970 has increased by 55 percent and utility and industrial output has also substantially increased. However, as President Bush himself noted, "lead concentrations in the air we breathe are down 98 percent, sulfur dioxide and carbon monoxide have been cut by over a third, particulate

matter cut by 21 percent. Even ozone-causing emissions have been cut by 17 percent."

In summary, efforts to produce this legislation must not—cannot—be made at the expense of fairness, common sense and economic realities. If we don't—if Congress chooses to rush wildly down the same old track—then the ghosts of history will again return to haunt us.

WALL STREET JOURNAL CRITICIZES YUGOSLAV GOVERNMENT FOR HUMAN RIGHTS ABUSES AGAINST ALBANIANS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. LANTOS. Mr. Speaker, the gross human rights violations by the Yugoslav government against the ethnic Alabanians of the Yugoslav province of Kosovo is one of the great tragedies now taking place. The dramatic events taking place in East Germany and Bulgaria have overshadowed the latest tragic events in southern Yugoslavia, but unfortunately the violence and the bloodshed and repression continue.

This past week reports from Western journalists indicated that six ethnic Albanians died in recent violence in Kosovo, although Albanian sources in the United States have reported that the figure is considerably higher than that number. Last spring scores of Albanians were killed, hundreds injured, and thousands arrested in clashes with Serbian authorities in Kosovo.

The Yugoslav newspaper *Delo,* published in Ljublana, reported last week that a French judge, Antoine Garpon, head of a delegation of the International Federation for Human Rights and two of his associates were told by police that they would be killed unless they left Kosovo.

Mr. Speaker, we in the Congress must speak out forcefully against these denials of human rights. It is incumbent upon us to call the attention of the American people to these abuses. We must demand that the Yugoslav government put an end to the violence and terror against a portion of its citizens.

Last week, Mr. Speaker, the European Edition of the Wall Street Journal published an excellent editorial dealing with the situation in Kosovo. I ask that it be placed in the RECORD for the benefit of my colleagues.

DARKNESS IN KOSOVO

[From the European Edition of the Wall Street Journal, Nov. 9, 1989]

The show trial, one of the most sinister manifestations of Stalinism, is apparently making a comeback in Yugoslavia. The former Communist Party chief of Kosovo, Azem Vlasi, along with 14 other ethnic Albanians are being tried on charges that harken back to the 1950's: "counter-revolutionary undermining of the social order." More specifically, the 15 are accused of having committed acts aimed at "smashing brotherhood and unity, destroying the equality of nations and nationalities, and undermining the economic basis of the country."

To the extent that there is—or can be—any truth in this sort of newspeak masquerading as an indictment, it is that the Albanians may well have been involved in the numerous demonstrations and strikes over the past couple of years in Kosovo. These were organized to protest Serbia's moves to reassert its control over the Kosovo Autonomous Region, whose population is at least 85 percent Albanian. When some of the region's powers were ceded to Serbia last spring, police clashed with demonstrators and 25 perished. The trial has led to a fresh wave of demonstrations and at least three have died in recent days.

The case, in Titova Mitrovica, is not the only trial in Yugoslavia with evidently political motives. In Subotica, in the Vojvodina autonomous Region, Karoly Vicel, an ethnic Hungarian, is being tried a second time for allegedly spreading "hostile propaganda" in complaining about discrimination at the hands of Serbians. Witnesses acknowledged in court that the secret police had made them sign dictated statements, which led to the initial conviction.

Behind all this is a blatant attempt by Serbia, led by a blustery demagogue named Slobodian Milosevic, to reconciliate Yugoslavia—under Serbian rule. The country's slide toward disintegration began after the death of Tito (Croat-Slovenian roots) in 1980. The more prosperous western republics of Croatia and Slovenia have been increasingly looking toward Western Europe for economic and cultural contact; Slovenia this September even amended its constitution to give itself the right to secede. Croats and Slovenes feel little kinship with the peoples of the other republics, Macedonia, Montenegro and Bosnia-Hercegovina. But they all distrust the expansionism of Serbs—the largest part, 22 percent, of Yugoslavia's population.

It bears keeping in mind that Yugoslavia escaped from the Soviet orbit four decades ago though, in the interest of keeping the Southslav concoction in one pot, wasted the opportunity to dismantle one party rule. Its experimentation with various half-baked socialist models like worker self-management has led to massive corruption, 1,500 percent inflation rates and effective bankruptcy for the state. Although the unofficial economy has made individuals relatively prosperous in the western regions, much of Yugoslavia's population lives hand-to-mouth. Recent demands by the International Monetary Fund for Belgrade to cover its internal deficits, to unify its welfare program, to normalize interest and exchange rates, and to establish securities and stock exchanges seem but cruel jokes.

The Kosovo and Vojvodina trials give a more ominous signal of Yugoslavia's direction. They indicate that while Poland, Hungary, the Soviet Union and even East Germany are beginning to see the light, Yugoslavia is rapidly sliding toward darkness.

ADVANCING THE CAUSE OF DEMOCRACY IN NICARAGUA

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. LaFALCE. Mr. Speaker, I am pleased to share with my colleagues an article in the November 8 edition of the Washington Post, "Keep Watch on Our Elections," by Violeta Chamorro, the Nicaraguan opposition parties' candidate for president. Mrs. Chamorro raises a key failing of U.S. foreign policy in Central America and offers constructive suggestions on how we can advance the cause of democracy in Nicaragua in the months to come.

For nearly a decade, United States foreign policy in Nicaragua saw only the right and the left, the Contras and the Sandinistas; a view which only encouraged the polarization of Nicaraguan society. Unfortunately, this narrow perception of Nicaraguan politics served only to detract from the legitimate, nonviolent democratic opposition, much of which had participated in the revolution of 1979. Aiding the Contras, at the expense of the Nicaraguan center, also discredited our policy in the eyes of our hemispheric neighbors and the international community as a whole. Worse, it allowed Daniel Ortega to manipulate Nicaraguan nationalism diverting blame away from the Sandinista front and toward the United States.

In the past year, however, much has changed following the Central American Peace Accords of the region's five presidents and the ongoing agreement between the Congress and President Bush. It appears that U.S. policy in the region has, in fact, been favorably reoriented toward greater coordination with our allies, active diplomacy to apply international pressure, and strong support for pluralism and the nonviolent opposition. These agreements offer great hope and practical steps to resolve the question of the Contras and hold accountable the repressive regime of Daniel Ortega.

Within the frame work of these agreements, the internal opposition in Nicaragua, composed of business, labor, religion, the press and political parties has arduously committed itself to the task of unseating, nonviolently, the regime which most of its members had fought to bring into power.

Free and fair elections offer great hope for an UNO victory, a victory which would begin a much-needed healing process and a working coalition to begin a common program for national reconciliation.

We have an opportunity, indeed an obligation, to offer constructive and effective assistance in the peace process, as well as to monitor and ensure the integrity of the February elections. On November 7, the United States joined the other members of the U.N. Security Council in voting to create a U.N. peacekeeping force charged with halting cross-border incursions in Central America.

Violeta Chamorro, widow of the slain editor of La Prensa, an original member of Nicaragua's first revolutionary junta and UNO's candidate for president, asks the United States to "keep watch on our elections," by sending as many observers as possible. I hope we will heed Mrs. Chamorro's call and lend to the Nicaraguan people a witness for democracy.

[From the Washington Post, Nov. 8, 1989]

KEEP WATCH ON OUR ELECTIONS

(By Violeta Chamorro)

From Manila to Mexico, from Budapest to Berlin to Beijing, a great gale of democracy is blowing. But not on the Nicaraguans. What a cruel blast we've received from fate!

In 1979 we were all part of "the beautiful revolution": a great coalition that was to rid us of tyranny forever, of corrupt officials, of bullying soldiers and police, of grinding poverty, of foreign tutelage, of one-party, one-family rule. Then we were the vanguard of the democratic revolution. Now we bring up the rear.

For one brief moment in July of 1979 our people rose in joy to greet our brave muchachos returning victorious to Managua: Davids who had vanquished Goliath. How could we imagine that soon we would behold them behind armored personnel carriers and helicopter gunships. Soon enough the heroes of the revolution were slaughtering one another. Soon enough the workers who struck against autocrarcy could no longer strike or organize; the political parties that had united against the dictator could not assemble; the newspaper that had spread the word of freedom could not publish; the church that had preached liberation from the pulpit was bound and gagged.

How sad that Nicaraguans, instead of enjoying the blessings of equality and prosperity for which they risked their lives, now flee their homeland in the hundreds of thousands. How sad that the government of which I once formed a part has become as corrupt as its predecessor, as cruel, as hated.

But we've had our fill of hatred and of opinionated warriors who promise paradise and deliver inferno. Ten years of living dangerously has brought civil war, an exodus of a fifth of our countrymen, an annual inflation of 30,000 percent, 40 percent unemployment and, for the first time in our history, mass hunger. Our industry and agriculture are paralyzed. We have gone from being the bread basket of Central America to being its basket case: an international beggar with the largest per-capita foreign debt in Latin America. Even a government-commissioned survey has found consumption to have fallen by 70 percent since the revolution. Of course the Sandinista media shout that all this is due to Mr. Reagan and now to Mr. Bush. But we Nicaraguans know full well that the shortages and the repression came before the war and the embargo.

Tired of war and warriors, of dogmas and slogans, we'd like to put our feet on the ground, our house in order. We want to be boring for a while—more like our neighbor to the south, Costa Rica—a country at peace with its neighbors where no family or party is above the law, with an army reduced to a minimum (and without any "State Security" forces at all), with no political party controlling the media, the military and the police, and with all parties allowed to compete freely at the ballot box. We do not look back: what has been positive in the revolution, we'd keep and extend. For example we would give peasants who farm nationalized lands clear title to them, and would distribute all remaining state farms to those peasants who have no land. We would like to find common ground.

We in the opposition have been able to find common ground among ourselves. Today I am proud to say that the opposition coalition includes every group that united against Somoza in 1979, except the Sandinistas, who many feel betrayed our revolution. The National Opposition Union (UNO) spans 14 parties of every political stripe: Communist, Socialist, Social Democratic, Populist, Liberal, Social Christian, Christian Democratic, Libertarian and Conservative. We are supported by all the independent labor unions, business organizations, and professional groups. Anyone who knows Nicaragua will tell you that forging unity among our diverse groups and tendencies is no small achievement, especially because our organizations have been restricted and repressed. But we have united around a common program for national reconciliation, economic reconstruction and social justice through democratic institutions.

Our common effort found fertile ground. Last month despite intimidation by Sandinista troops and myriad obstruction by government bureaucrats, a record 92 percent of eligible Nicaraguan voters formed long lines to register. As has been reported in The New York Times, the Sandinista military even went so far as to stage a sham battle in an unsuccessful attempt to stop voters from registration. To frighten the people, President Daniel Ortega has called us "traitors" and "mercenaries" and "CIA agents," and has declared that a vote for us is "a vote for the enemy of the people." Pronouncing the Sandinistas "sure winners," he has emphasized that people would "not be so foolish as to vote for a loser"—darkly intimating that after a Sandinista victory opposition voters will be treated as traitors. Our jails are filled already with "enemies of the people."

But the people remain steadfast. Despite the government's monopoly of television (we are allowed only 15 minutes per week on a feeble channel that cannot reach many areas), despite indiscriminate Sandinista use of state transport, telephones, offices, meeting places, telegraph and copiers, despite the fact that 50 percent of our desperately needed and profoundly appreciated donations are appropriated by the Sandinista-dominated electoral commission, the people are giving us their support. Just last week an independent survey showed us winning by a margin of nearly 2 to 1. Even though the Sandinistas have unleashed their mobs to disrupt our meetings, these meetings grow larger and larger. Recently even the Sandinista mayor of Managua acknowledged that his party is losing.

Accordingly the Sandinistas have resorted to a new, more desperate and dangerous diversion. Again turning their backs on their solemn commitment to their people and to the Central American presidents, they have broken the cease-fire with the rebels. Their helicopter gunships and automatic artillery have opened fire. Their 90,000-man army sweeps through our villages on the preposterous pretext that tiny groups of poorly equipped contras constitute a "threat to national security." Lacking arguments to defend their misgovernment, the Sandinistas wish to spread fear, to chill the people into submission. This stratagem must raise grave doubts about the supposed Sandinista commitment to free elections.

In view of these alarming developments I have come to this country to ask for help. With the solidarity of all those who support our cause, I believe we may secure a relatively free vote; without it we may be doomed to elections in the style of the Sandinistas' ally Gen. Noriega.

Keep watch. Send observers from Congress, from state and federal government, from political parties, from labor unions, from professional and human rights organizations. Send them now. They will be witnesses for democracy. Send journalists and cameras; let your news and polling organizations conduct independent voter surveys. Help give Nicaraguans the chance to feel again the breezes of democracy.

HONORING HIS EMINENCE ARCHBISHOP IAKOVOS

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. ACKERMAN. Mr. Speaker, I rise today to pay tribute to an outstanding religious world leader, Archbishop Iakovos, on the occasion of his 30th anniversary as the spiritual leader of over 2 million Greek Orthodox faithful in the Americas and as the dean of all religious leaders in the United States. This unique and vibrant leader has, over the past three decades worked diligently to bring greater vitality and unity to the church, initiating reforms and advancing the frontiers of eastern Orthodoxy throughout the world.

On April 1, 1959, his Eminence was made archbishop of the Greek Orthodox Church of North and South America. Since this date, he has presided over many landmark events, both in the field of human and civil rights and in the arena of religious dialog. Soon after his appointment as archbishop, His Eminence visited Pope John XXIII at the Vatican. This historic encounter marked the first time in 350 years that an archbishop of the Greek Orthodox Church was received by the Pope. His relationship with the Vatican blossomed and in 1969 he was the first archbishop of his church to preach in St. Patrick's Cathedral. His activities as an ardent ecumenist extended to the initiation of ongoing dialogues between the Orthodox Church and Judaism, and the establishment of Orthodox dialogues with Roman Catholics, Anglicans, Lutherans, Southern Baptists and Black church leaders.

A tireless champion of human and civil rights, Archbishop Iakovos joined forces with Dr. Martin Luther King at Selma, and lobbied vigorously for passage of the Civil Rights Act.

The archbishop is no stranger to honors in recognition of his outstanding service. During his illustrious career he has received honors from over 35 universities, from nations, and from church and world leaders. He is the recipient of our Nation's highest civilian award, the Presidential Medal of Freedom, presented by President Jimmy Carter in 1980. On October 27, 1986 he was accorded the Ellis Island Medal of Honor. The United Hellenic American Congress in Chicago is gathering today to recognize the 30th anniversary of this man's extraordinary career of leadership and service to the Greek American community.

The archbishop is a shining example of the imprint that one man's efforts can make on the world. I ask my colleagues to join me in this opportunity to wish the archbishop a very happy anniversary and to extend our warmest thanks and appreciation for his devoted efforts as a progressive religious leader who has brought guidance to millions.

TRIBUTE TO DAVID N. DINKINS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. RANGEL. Mr. Speaker, I rise in praise of David Norman Dinkins, the son of a barber, faithful husband and father, marine, lawyer, and public servant who today is the mayor-elect of the greatest city on Earth. Yesterday he was elected by the people of New York City to lead them for the next 4 years, and today he is the same warm, humble, and loving person that he has been for all of his 62 years.

Indeed, the occasion is filled with fitting irony in the ascendancy of this most unassuming of men—yet an inspiring leader—to accomplish one of the last remaining feats in New York City politics: the election of an African-American as mayor. I remember some of the days during the campaign when little children, especially the black ones, surrounded him with adoring cheers and laughter, as if they knew—before any of us could honestly say it—that he was the winner. Because of David, we all now know for sure that they too have another set of shoulders to stand on.

I speak so fondly of David not only because he is my friend and neighbor of many years in the Harlem community where we both live. I would extol his virtues even if all I had known of him was his conduct during this long, arduous political campaign. Throughout this often rough-and-tumble matchup, David remained the unflappable gentleman. While some others ranted and raved, he counseled, in that soothing way of his, reason and humanity. It will be a fitting tribute to him to go down in history as New York's great healer.

Already David has stood the test. To the amazement of many citizens of his own racially polarized city and elsewhere, his affable personality and sober leadership enabled the formation of a victorious coalition of African-Americans, Hispanic-Americans, Jews, and a multiplicity of ethnic whites. It was a task never before achieved by a black man in a city fractured more than ever by racial violence, drugs, and fiscal crisis. With an appeal to the majority of what he described as New York's "gorgeous mosaic," he has prevailed.

David Dinkins was born in Trenton, NJ, on July 10, 1927, to William and the late Sally Dinkins, who a year earlier had migrated from Newport News, VA. He attended public schools in Trenton and in New York City, and after serving in the Marine Corps, went on to graduate from Howard University in Washington with a degree in mathematics. In 1953, he graduated from Brooklyn Law School.

A protege of the great J. Raymond Jones, former Manhattan borough president and city councilman, David's political career began in 1965 with his election to the New York State Assembly, where he served one term before his district was redrawn in redistricting. He later served as New York City clerk and, in 1985, was elected to his current position as Manhattan borough president.

David has practiced well the instruction of his mentor, Mr. Jones, who just yesterday said of him, "He learned we had to make it on the issue of being good Democrats and not the fact that we were black."

For the last 26 years, David has lived with his wife, Joyce, in the same three-bedroom apartment in Harlem. They have two grown children, David, Jr., and Donna, and a grandchild, Jamal.

I wish David and his family my heartfelt congratulations, and may God guide him in the wise and successful governance of our great city.

ARTHUR A. BRESSI, FORMER PRISONER OF WAR

HON. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. MONTGOMERY. Mr. Speaker, I was saddened to learn today of the death of Mr. Arthur A. Bressi, of Tucson, AZ, a totally disabled former prisoner of war during World War II, and a former national commander of the American Defenders of Bataan and Corregidor.

Art was born and raised in Marion, PA, and graduated from Marion High School in 1938. He joined the Army and was shipped to Corregidor, the Philippines, in 1940. He was assigned to the 60th Coast Artillery and, after the attack on Pearl Harbor, was active in the defense of Corregidor until its fall on May 6, 1942. He was a prisoner of the Japanese for 3½ years, until the end of the war. During the final 2 years of his internment by the Japanese he worked in a steel mill in Hirahato, Japan. After the war, Art stayed in the service, working in Army Intelligence until retiring. He later worked for the Department of the Navy and the Commonwealth of Pennsylvania. During the years since his retirement Art performed many hours of voluntary service at the Department of Veterans Affairs medical center in Tucson, AZ, and was constantly active in functions of the American Defenders of Bataan and Corregidor as well as the American Ex-Prisoners of War.

I have known Art for many years as an outspoken leader in the cause for improving benefits for former prisoners of war. He was a man that people listened to and followed. He told it like it was and pulled no punches. You didn't have to agree with Art to know that his heart was always in the right place. He was stricken with a massive coronary and stroke on October 28 while performing one of his favorite activities, emceeing a function for former prisoners of war held in Mukden, Manchuria during World War II. He finally succumbed to these devastating occurrences on Veterans Day, November 11, 1989.

Art leaves behind his beloved wife Anna, a loving daughter, Barbara, and a granddaughter. Both Anna and Barbara exhibit the same spirit and tenacity of their husband and father and I am certain they will continue to be active in matters affecting former POW's and veterans. I am saddened that Art's name will now be added to the list of members of the Defenders of Bataan and Corregidor who have died since the organization's last convention. He usually led the beautiful candle ceremony during which these individuals are remembered.

We shall truly miss Art, but will remember him and honor him by carrying on the cause he lived and died for, to make certain our veterans are afforded the benefits and services they so rightly deserve. Had he not been stricken, Art surely would have participated in numerous activities honoring veterans this past Saturday. It is only fitting that we honor him today.

TRIBUTE TO JOHN T. "JOCK" MENZIES

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mrs. BENTLEY. Mr. Speaker, it is my great honor and privilege to salute Mr. John T. "Jock" Menzies upon being chosen as 1989 Port Leader of the Year by the Baltimore Junior Association of Commerce.

I have been closely associated with the Port of Baltimore and the maritime industry for over 40 years, so I possess a true understanding as to how important the port is to our city's economic well-being. Thus it always gives me great pleasure to honor someone like Jock Menzies—a man whose efforts have been invaluable in helping to guide our port into the next century.

Jock has demonstrated his leadership in a variety of ways. He serves as president of Terminal Corporation—a company which has helped to make Baltimore a major paper product port. He chairs the Private Sector Port Committee—an organization which is developing a common area of dialog among port interests in both the private and public sectors.

Yet it is as an outspoken and effective advocate of the port system that Jock's influence may be at its strongest. For he is a man personally dedicated to helping all interested groups—management, labor, and various levels of government—coordinate their efforts and work for the good of the port.

Mr. Speaker, Jock Menzies is certainly deserving of this award—as well as the thanks and admiration of all of us who are involved with the port.

Congratulation, Jock, and thanks for a job well done.

THE SERVICE OF DOROTHY BUSH

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Ms. OAKAR. Mr. Speaker, one of the finest Democratic women has retired as secretary of the National Democratic Party. She was respected and admired by us all.

When all the list is completed and all the tests are applied, one Alabama-Mississippi-national Democrat will have outshone and outlasted all the rest. Dorothy Bush, secretary of

the Democratic Party from 1944 to 1989, wielded ceremonial gavels at 12 national conventions before the American people. Her clear voice as she called the roll of members leaves a pleasant memory to all who attended and those who followed the conventions on television.

Busy with the day-to-day meetings, spending 13 years in Washington to better perform her duties, Dorothy never shirked a responsibility nor ever failed in her dedication to the people of the Nation by her service to the Democratic Party.

She was the first women to hold a top-level office in either major party. She enjoyed a front-row seat for the unfolding of the spectacle of American politics. On television from 1948 on, she prepared the way for acceptance of women in politics.

Among Dorothy's fond memories as she retires are tributes by the hundreds, among them:

From Democratic National Committee chairman Paul Kirk who called her the Party's "Living Legend";

From committee chairman John White who called her "The Den Mother of the Democratic Party";

From committee chairman Bob Strauss—"The Grand Lady of our Party";

And from Hubert Humphrey who said he wouldn't believe he was actually the party's nominee for President until he saw Dorothy Bush's signature attesting to the fact.

I can only add to those words of praise by pointing out that the Democratic Party of today would not be what it is without the invaluable contribution that Dorothy Bush made; she has been a source of inspiration to us all: Members of Congress, judges, governors, State and local legislators, and precinct captains.

We salute Dorothy Bush for a job well done.

HOUSE CONCURRENT RESOLUTION 214

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. BENNETT. Mr. Speaker, thank you for this opportunity to rise in support of House Concurrent Resolution 214, in support of regional efforts to end driftnet fishing in the South Pacific.

The economic and environmental damages associated with the widespread use of driftnets in the South Pacific are issues of great national and international importance. Plastic driftnets, also known as ghost driftnets, which are lost or discarded at sea continue to fish and indiscriminately kill fish, seabirds, and marine mammals. Driftnets are also an inefficient and wasteful method of harvesting fisheries resources. As much as 50 percent of the fish ensnared in driftnets die and drop out of the net before it is harvested onboard ship.

I have long been a proponent for legislation aimed at stopping this environmentally destructive practice. In both the 99th and 100th Congress, I introduced the Driftnet Monitoring, Assessment, and Control Act. The provisions of my bill were then incorporated in Public Law 100-220.

The unregulated use of driftnets has devasted the living marine resources of the Pacific Ocean for too long. The continued persistance of a few nations to use driftnets clearly indicates that this problem will not go away by itself. I commend this worthwhile and long overdue legislation and urge my colleagues to join in voting in favor of House Concurrent Resolution 214.

H.R. 3614, DRUG-FREE SCHOOLS AND COMMUNITIES ACT OF 1989

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. MILLER of California. Mr. Speaker, I rise in strong support of H.R. 3614, which amends the Drug-Free Schools and Communities Act of 1986. We, as a nation, are in the midst of a drug war which we can't afford to lose. Targeting our drug prevention and education efforts at our youth, as this bill does, is critical if we are to stop this crisis. I am pleased that this bill contains several new provisions which focus on several populations in critical need of our drug abuse prevention and education efforts.

I particularly want to note the inclusion of H.R. 3576, a bill which provides emergency protective and related services to children whose parents are substance abusers. Repeated testimony to the Select Committee on Children, Youth, and Families suggests that substance abuse is a primary factor in a majority of child abuse cases, including child abuse-related deaths.

This legislation is desperately needed by child protection agencies, which have been overwhelmed by—and often unable to serve—the rapidly growing numbers of children abused and neglected by drug-addicted parents. According to the National Committee for Prevention of Child Abuse, substance abuse is the most dominant characteristic of child protective services [CPS] caseloads in over two-thirds of the States. What this means in human terms is that, far too often, children are left in dangerous homes because appropriate services are just not there.

By supporting this legislation, which authorizes $40 million in fiscal year 1990—and such sums as necessary in subsequent years—we will enable State and local child protection agencies and nonprofit child abuse intervention and mental health organizations to better assist troubled youth and families by supporting the hiring of additional caseworkers, staff training, services, foster care and adoptive family recruitment, and coordination with other providers of appropriate services to abused youth.

Most importantly, by supporting this legislation, we help those hardest hit by drugs: Babies born hooked to alcohol or cocaine; neglected toddlers found in drug raids; 10-year olds forced to peddle drugs for food; children battered or killed by parents high on crack; and the millions of young children at risk of abuse by alcoholic parents.

In addition, I am pleased that this bill contains a provision to serve another needy and underserved population of our youth—those in our juvenile detention and correctional centers. As juvenile arrest rates for drug sales and possession have skyrocketed in the last several years, the numbers of youth incarcerated in these facilities have increased as well.

Many of these facilities face the same problems as those serving adults: They are overcrowded, underfunded, understaffed, unable to meet the service needs of their residents, and in too many instances, under court order to provide better services to youth in them. By requiring the Governors to first provide drug abuse education and prevention to these youth, we are advancing the rehabilitative goal of the juvenile justice system, and addressing a population in dire need of such services. If we hope to keep this youth out of the adult correctional system, we must target our resources on them now.

School systems around the country have reported great success in their drug abuse prevention efforts through the use of trained drug abuse counselors. I am pleased that H.R. 3601, which promotes antidrug counseling, has been included in this bill. Currently, there is a shortage of such counselors at the secondary level, and a severe shortage at the elementary school level.

I would like to highlight several other significant provisions in H.R. 3614. One amends the State plan to require that drug abuse education information and a list of local resources for substance abuse counseling and treatment be made available, so that people will be able to seek services in their communities. Recognizing that it is important to educate children as early as possible about the dangers of drug abuse, a new provision requires that information and materials about drug-abuse prevention and education be made available to parents of children in early childhood education programs. I am also pleased that the definition of "drug abuse education and prevention" has been amended to include information about the dangers of anabolic steroids, a growing problem among both high school and college athletes.

I urge my colleagues to join me in supporting this crucial bill.

THE JAPAN THAT CAN SAY "NO"

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. LEVIN of Michigan. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

THE JAPAN THAT CAN SAY "NO"—THE NEW UNITED STATES-JAPAN RELATIONS CARD

(By Akio Morita and Shintaro Ishihara)

THE NECESSITY FOR PRESENT DAY JAPANESE TO REFORM THEIR CONSCIOUSNESS

(Ishihara)

Japanese People Have Become Top Heavy

Each month, there is the Cabinet meeting for the economic report. I am one of those kinds of guys who gets up early and goes

before the cabinet meeting, which winds up by 9 am, or 8 at the earliest. While rubbing my sleepy eyes, I go over the reports by the Bureau Chief of the Economic Planning Agency and by the Director of the Bank of Japan. Each month, the reports are almost identical. Generally, the Cabinet ministers sleep through it. When I suggested to the Chief Cabinet Secretary that in this age of governmental administrative reform, why not give up these meetings, the response, not entirely unexpected on my part, was that these were absolutely necessary, even if there were some Party executives who did not attend.

Thus, each month, there is repetition of a nearly identical report.

The Bureau Chief of the Economic Planning Agency said this month, just as he did last month, that the magnitude of Japan's surplus in international revenues was tending to shrink. In other words, this means he is saying that it is perfectly alright for business not to be so good. The Cabinet members all nod and underline this in red.

Myself, I thought this was a really strange phenomenon, so I turned to the Minister for Home Affairs, Mr. Kajiyama, who was sitting beside me, and asked what was going on here. Everybody is thinking it's just great that business isn't prospering that much and eagerly red lining that information. Couldn't you say, however, that a country like that won't last long? Words, words—if the meaning of words keeps changing, you can never be really sure what is being said. In other words, aren't our values changing?

If we take Japan's vast trade surpluses as one type of crisis situation, then this points to the necessity of changing Japan's economic and industrial structure. While leaving undetermined for the moment of whether or not the conclusions of the Maekawa Report were valid, it is true that the "comprehensive and vast" industries are tending to recede and the lean and mean knowledge-intensive types are coming into their own. When the term "comprehensive and vast" [jukochodai] is applied to human beings, it is a form of praise, while the opposite, "light and small" would be to berate the same. However, when these terms are applied to the industrial structure, their meaning has come to change.

What matters, however, is whether or not this is good. Should we all be at ease, not that we are not dirtying our hands and sweating in order to make things with our own hands? Certainly know how comes about from one type of mental activity, and coming up with it is work worthy of respect. Looking at history, however, in cases where the whole society of the country was using their brains instead of their hands, not one has lasted to prosper today. In some sense, it may be true that the Japanese people are being forced into a new historical experience, but can we go on now, as we are, thinking we are the chosen people?

When looking at the actions of the Japanese people these days, I recall that these seem similar to ET, the extra-terrestrial, in the Spielberg films. I feel that it may well be the Japanese people will evolve into something like ET with pronounced eyes and noses and a big head making them top-heavy, over an abnormally thin body and slender arms and legs.

Therefore, it was impossible for Japan to get more than a few gold medals as the Seoul Olympics, which many Japanese read as being abnormal. While it may be that this is a sign that a new people has arisen to make contributions in other areas, it seems more natural to me that our descendants would be able to continue to sweat and work to keep the country strong.

Japan's Advanced Technology Is at the Heart of Military Strength

This is something advocated by Mr. Morita, who is a company leader that has driven Japan's advanced technology and who is known for manufacturing excellent products. He pointed out that the INF limitations (the restrictions on intermediate range nuclear forces) were something that the Soviet and American leaders came to each other on. While this was an epoch-making event, it was certainly not done because Americans and Russians had a new sense of the danger of nuclear weapons, they were not acting from the standpoint of human morality.

There may be some people who took the INF negotiations as a sign that both countries were beginning to act from their sense of humanity, but I think the reason why they got together on this is different.

Whether it be mid-range nuclear weapons or inter-continental ballistic missiles, what ensures the accuracy of weapons is none other than compact, high precision computers. As everyone knows, current ICBMs use the MIRV concept where there are multiple warheads. When an attacking missile gets near enough to be detected, the warhead splits into 8 or 9 separate heads. Not all of them contain hydrogen bombs, however, some are dummies designed just to dupe the enemy.

The remaining warheads lose speed, reenter from space, fall, run sideways and follow complicated paths, but in the end, they hit the targets picked for them by spy satellites and destroy them to within 1 second of latitudinal and longitudinal accuracy. For a Soviet ICBM, this would mean hitting the silo containing the retaliatory ICBM in Vandenburg AFB California.

These silos go 50 to 60 meters underground and are strong fortresses having thick walls of reinforced concrete. If a direct hit is not scored upon them, one cannot destroy the hydrogen bombs inside. The equipment will not even be affected as much as it is in an earthquake if a direct hit is not made. Thus, it is absolutely vital that a direct hit is made.

At the present time, Soviet technology allows these missiles to hit within a 60 meter accuracy, while for the U.S., it is 15 meters, and there is concern that this 15 meters has to be brought down to zero. This type of precision calls for a more complex orbit the further the attack proceeds, and only artificial intelligence can ensure accuracy. It may well be that America was the 4th generation leader and that the 1 megabit and several megabit devices which will support the next, the 5th generation, can be developed by American know how. However, to use this know how across diverse applications, including weapons, requires a country with dramatically advanced production management; it is only Japan that can deliver on it.

In sum, if Japanese semiconductors are not used, this accuracy cannot be assured. It has come to the point that no matter how much they continue military expansion, if Japan stopped selling them the chips, there would be nothing more they could do.

If, for example, Japan sold chips to the Soviet Union and stopped selling them to the U.S., this would upset the entire military balance. Some Americans say that if Japan were thinking of doing that, it would be occupied. Certainly, this is an age where things could come to that. The more technology advances, the more the U.S. and the Soviet Union will become dependent upon the initiative of the Japanese people—this is getting crazy now, but the point is clear.

The U.S. Defense Department's Science Commission recently prepared a huge classified report on electronic engineering. Looking at this, one can well understand the sense of crisis that the U.S. has with respect to Japan.

The report states that if Japan is left to go as it is, it will be impossible to get the lead back. This report is very accurate in assessing the areas of weakness in the U.S. and the strengths in Japan, but only the President and a few select people have seen the report. If it were seen by the general public, it would certainly raise quite a commotion. It is in this area where U.S. specialists have their greatest sense of danger, primarily centering on Japan's semiconductor technology.

—We have grown very dependent upon America's technological superiority in military strength. In that technology, electronic equipment is the most effective technology. Semiconductors are the "key" to preserving this superiority in electronic equipment, they are the "heart of the equipment." If competitive, mass production of semiconductors is the key, then this is in turn dependent upon having the market to support mass production.—

This dependence on the market for supporting mass production can be seen in that America did not have the vast and diverse needs for semiconductors, as Japan did in rice cookers and other household appliances. In Japan, these sizable and diverse needs created the market for semiconductor production. The report continues:

—America's Semiconductor Industry for its commercial mass production is losing its superiority minute by minute. There is a strong relationship between superiority in production technology and superiority in semiconductor technology, this is being transferred to foreign countries minute by minute. Very soon now, the defense of America will become dependent upon supply sources abroad. It is the opinion of the task team that this is something which is absolutely unacceptable for the United States—

What is meant in the report by "foreign supply sources" is none other than Japan. Further, they seem to worry about the following:

—What is more problematic is that electronic equipment systems are being transferred abroad, where they could more easily get transferred into the hands of the Soviet Union.—

In other words, their sense of crisis stems from the fact that semiconductor technology is absolutely vital in maintaining military superiority, and that this might flow from Japan to the Soviet Union. I feel that what is behind this abnormal hysteria on the part of this country is that this pivotal military technology is in the hands of another country, not even Europe, but in the hands of an Asian country, Japan.

Toshiba, etc. which was speared by COCOM is the fault of this hysteria by the U.S. If that had been criticism from the pure perspective of law, it would not for a moment have any basis at all.

The 1 megabit semiconductors which are used in the hearts of computers, which carry hundreds of millions of circuits in an area which is one-third the size of your little fingernail, are only made in Japan.

Japan has nearly a 100 percent share of these 1 megabit semiconductors.

The United States has the know how to make them, but when it comes down to actual production, they don't have the technicians; they don't have the employees. Further, they don't have the production management. Because they don't have development and production linked into one unit, they guard know how like a jewel.

America went after cheap labor and set up factories in Southeast Asia, where they could make 256k chips (¼ the capacity of 1 megabit chips), but they could not catch Japan. Now, Japan is at least 5 years ahead of the U.S. in this area and the gap is widening. There are even some kinds of basic research which cannot be accomplished without using one of these advanced computers, It takes excellent computers in order to develop other advanced computers—it is a cycle of technology. In other words, the bigger the gap in advanced computer technology, the more difficult it is to catch up.

The current situation in the world is that those kinds of computers are central to military strength and therefore central to national power. This is why the U.S. is being driven so hard. For example, in performing simulations of what elements would be needed by aircraft flying at mach 2, a regular computer might take 40 years to perform the necessary computations. If the same query is put to a new, advanced computer, however, the answer will come out in a year. Japan has almost the total share of the 1 megabit chips which are at the heart of these computers. In that sense, Japan has become a very important country.

There Is a Need for Japanese To Change Their Consciousness in Light of High Technology

As the world goes smaller, and issues in the world further settle down, whether it be China or Siberia, development will proceed. In order to get the needed access (participation in the market) the most important possibility lies in linear technology. Japan and West Germany are the most advanced countries in this research and development, and the theoretical base of Japanese technology if far superior. West Germany has given up in research on superconducting, but Japan has cleared the three technological obstacles which were envisioned by West Germany.

To make a long story short, the West German magnetic floating train development realized a levitation of only 8 mm, but Japan's "Maglevel" superconducting linear motorcar realized a levitation of 10 centimeters, and speeds of 500 kilometers per hour. This type of technology does not exist anywhere in the Soviet Union or the United States, it only exists in Japan and West Germany. If the giants in the economic field and the politicians can join together around this type of technology, it would open up new possibilities for our advancement. Whether or not this can be achieved depends upon our large and small choices in the future; in sum, it is a question involving the sensibilities of our politicians.

There is a Jiyu Shakai Kenkyu-kai (Free Society Research Association) which is presided over by Mr. Morita. This was formed more than 10 years ago as an association of politicians and businessmen. I am the youngest, but I also participate. We get together for discussions once or twice a year.

Recently, Mr. Kissinger predicted that Japan might become a military superpower. This, however, was not the foolish step of Japan getting ICBMs and refurbishing the old Yamato battleship, it pointed to the danger that no matter how much the U.S. or the Soviet Union developed space, equipped themselves with space platform weapons, the military initiative to control these would be dependent upon Japanese technology. The question now is whether Japan has politicians who accurately understand the history behind what we have now become.

We Japanese now face choices on whether we can boldly proceed or stand back quietly. It may be possible that Japan can secure a new culture for itself based upon the skeleton of the development of high level technology. We must not restrain ourselves to what we have done up to this point. The tax reform was one thing, we must boldly proceed in making a number of reforms. The dregs of the postwar period are too prominent in the consciousness of Japanese. I feel that however hesitatingly, the revolution in our consciousness has already begun.

The Soviet Union implemented a revolution in consciousness with its criticism of Stalinism, and China achieved the Great Cultural Revolution. The United States also realized a type of consciousness reform through its bitter experiences in the Vietnam War. Japan is the only one which has not felt the need for some kind of reform since the end of the war. We do not need a drastic reform of consciousness, but rather a smooth reform based upon the technology that we have developed for ourselves. I think that only by doing this will we realize a society which is mature in the true sense of the word.

THE DECLINE OF AN AMERICA WHICH CAN ONLY SEE 10 MINUTES AHEAD

(Morita)

America Neglects the Significance of Production

The gist of the Ishihara message is the importance of production activities.

I have had frequent occasion to deliver speeches, both in Europe and in the United States, due to the nature of my business activities, and have involved myself in many debates at international conferences. As a result of my conversations with Europeans and Americans, I have become very aware of and concerned about the fact that they appear to have forgotten the importance of production activities.

Americans make money by playing "money games," namely, M&A (mergers and acquisitions), by simply moving money back and forth. If you look at the exchange rate, for example, the dollar is now worth about 120 Japanese yen, and enormous and quick profits are made by just moving money by computer, satellite and even by telephone.

The summer before last, I had the opportunity to talk to a group of three thousand foreign currency dealers, who specialize in buying and selling money, at a conference on the future of money transfers and finance. I have been known to be critical of the floating exchange rate system. Talking to money dealers about my ideas was like telling stockbrokers that the movement of stock prices is wrong; it takes a lot of courage. I stressed that money should not be the subject of speculation, because the fundamental function of money should not be to enrich banks and security companies but to smooth the path of production activities. It has been said that America is entering a so-called post-industrial society where the weight of the service industry sector is growing. Yet, when people forget how to produce goods, and that appears to be the case in America, they will not be able to supply themselves even with their most basic needs.

Last summer, a friend of mine who is always criticizing Japan for being "unfair" invited me to his summer home to play golf. At the first tee, I pulled out my MacGregor driver whereas my friend had a Japanese Yonex club. I criticized him for using Japanese clubs since he had been telling everyone not to buy Japanese products. He responded simply. "These clubs give me better distance." Well, I was not able to convince him to sacrifice distance and so I kept quiet. After the game, he invited me to his house and while his wife was preparing dinner, he showed me around. In the garage, I saw a Kawasaki snowmobile, which he said he needed because winters in the northern part of New York State have a lot of snow. Next to it was a Japanese motor boat, which he said he needs because he house is surrounded by lakes. I also saw an off-road vehicle made in Japan.

Finally, dinner was ready and as I went into the house, I saw a Sony television and numerous other Japanese-made products. I said "You criticize us all the time for not buying American products while it's obvious that you prefer Japanese products. Are you asking us to buy something you won't buy yourself?"

Americans today make money by "handling" money and shuffling it around, instead of creating and producing goods and with some actual value.

America Looks 10 Minutes Ahead; Japan Looks 10 Years

I delivered a speech in Chicago entitled "Ten Minutes vs. Ten Years." I stated that we Japanese plan and develop our business strategies ten years ahead. When I asked an American money trader "how far ahead do you plan . . . one week?" The reply was "no, no . . . ten minutes." He was moving money through a computer, targeting the fate of that transaction ten minutes later. So, as I told the Americans, we are focusing on business ten years in advance, while you seem to be concerned only with profits ten minutes from now. At that rate, you may well never to able to compete with us.

A well-known economist, Peter Drucker, wrote recently; "Americans cannot live in a symbol economy where businessmen play only with numbers; Americans should come back to a real economy where money moves in accordance with real production activities."

Unfortunately, in America, stocks are owned and handled by institutional investors whose fund managers actually buy and sell stocks in huge numbers in an attempt to maximize profits in a given short period of time. At the slightest increase in stock prices, they sell, and when the profit margin of any company declines as a result of poor management, they sell before the company's stock prices begin to decline. For them, the name of the game is nothing but quick profits.

It is expected that the American service industry will flourish. This includes finance and financial services, where entrepreneurs and investors alike do not leave their money in long-term projects, such as the ten-year projects that have been implemented in Japan. The American economy is, then, an economy without substance. It must return to a real production economy.

In America, R&D is closely linked to the military budget. R&D in the private sector

is heavily dependent on military expenditure. As a result, a corporation can engage in the development of a new fighter without worrying about profit or loss. On the other hand, budget constraints on NASA and the military agencies will directly reduce the volume of R&D.

A ten-minute profit cycle economy does not permit companies to invest in long term development. There are some exceptions, such as IBM, AT&T, DuPont and some others. But they do not represent the mainstream of American business nowadays. Gradually but surely, American business is shifting toward a symbol economy. In addition, it seems fashionable to call the service industry the "futuristic third wave" and information and intelligence is the business of the future. But these produce nothing. Business, in my mind, is nothing but "value added;" we must add value and wisdom to things and this is what America seems to have forgotten. And this is the most deplorable aspect of America today.

Japan will do fine as long as it continues to develop and produce things of tangible value; a shift from high technology industry to quick profits from the money game will only serve to accelerate the degeneration of the country. We must take precautions against such developments, providing for, for example, tax advantages for long term investments.

It is even more the case in America. A quick profit from a stock deal should be taxed at a higher rate than those on long term investment. Capital gains should be subject to a lower rate of taxation.

Recently I said, "America is supposedly the number one industrial country in the world. Why don't you have a Department of Industry?" Seated next to me was the chairman of the Ford Motor Corporation, Mr. Caldwell, who replied "that's right—we are supervised by the Department of Transportation." The Department of Transportation is interested in emission control and highway safety, but has no interest in or jurisdiction over the future of the automobile industry in the United States.

America is the only nation among the advanced industrial countries that does not have a Department of Industry which is responsible for industrial policy. Instead, the Department of Commerce and USTR preside and their only real concern is trade related matters and they criticize others for the failure of American industry.

Japan's Impact on the World Economy Will Be Recognized

The American economy appears to be deteriorating. I assume that the Bush Administration will take steps to tackle the present problems, but the country as a whole seems to be extremely nonchalant about the so-called twin deficits: budget and trade.

There seems to be the feeling that Reaganomics raised the standard of living, taxes are relatively low, and they can buy goods from all over the world. When the Republicans captured the White House again, I began to wonder if there was any sector in America which was truly concerned about the twin deficits since Bush repeatedly denies any possibility of a tax increase. How in the world do the Americans expect to restore their economy?

Let's examine the price of gasoline. Consumption of gasoline is growing rapidly, yet the price is still below a dollar a gallon. The ongoing world price per gallon is $4 US. A one-cent per gallon tax-increase means an additional $10 billion; think what the government could get if they levied an additional 25 cents per gallon. Yet the government will not even begin to initiate such a move.

In fact, even with such an additional tax, American gasoline prices will still remain less than international prices. Politicians are simply afraid of losing votes by adopting unpopular policies. Some of my closest American friends have said that Bush could have been elected without promising not to raise taxes. He has so firmly committed himself and his administration to not raising taxes, yet it is so obvious that the twin deficits cannot be solved without additional national revenue.

Bush should have been more realistic if he was, and is, honestly concerned with the American budget crisis. Tactically, he could have said early on that he would not raise taxes, but as he gained support, he should have become more honest and direct, and told the people that it was necessary to pursue a more realistic financial policy. On the contrary, he confirmed his pledge after he was elected. Solutions to the deficit problem seem even more remote.

This being the case, the US dollar has continued to decline, and the US has had to increase interest rates to further attract foreign money to the US, for which it will have to pay a great deal of interest. The result is an increasingly vicious circle.

The US inflation situation might well become an even more chronic phenomenon. Economic growth without inflation is ideal, whereas endless inflation might well bring the dollar's value to the level of trash. This, in turn, will make European and Japanese assets trash since sizeable assets of both are in US dollars.

Both the Europeans and Japanese cannot sit idly by, ignoring or overlooking the trend in the American economy. At one time, when the US dollar was very high, the Japanese and Europeans asked Americans if "they could absorb the trade deficit caused by the high dollar?" At that time, Treasury Secretary Regan was of the opinion that the US dollar should stay high and strong. When James Baker became the new Secretary of the Treasury, he recognized the problem and entered into the Plaza Accord to lower the value of the dollar.

The American economy does not stand alone. It is not only a domestic issue. The collapse of the American economy would cause a worldwide disaster. 1987's Black Monday chilled all nations momentarily. I am not a pessimist, but I cannot help thinking that unless the Bush Administration handles economic issues very seriously, a worldwide collapse is not just a worry, but a very real possibility. The ever-growing American inflation and this economic crisis will not only make other nations catch cold, but bring their economies into crisis as well.

It is said that Japan contributed to efforts to stop a possible disastrous chain reaction ignited by Black Monday which began in America and soon affected the London stock market as well. At that point, the Japanese Ministry of Finance asked Japanese institutional investors to support prices for a time, which instantly normalized Japanese stock prices. Later, the chairman of one of the major US banks, who was visiting Japan, told me "it was Japan who put a stop to the chain reaction, and it was the Ministry of Finance who was able to move the Tokyo stock market. The Japanese government now has the clout to sustain Wall Street and the City of London. So-called Japanese guidance is truly powerful."

This gentleman went on to say "we are worried about the fact that the Japanese people are unaware of the fact that they have a significant impact on the world economy. And I believe it is true that Japan's economic status has been much enhanced.

Like it or not, this is the picture held by Americans, and the Japanese people have to recognize it and, inevitably, they have to behave in accordance with that status in the world community today.

RACIAL PREJUDICE IS AT THE ROOT OF JAPAN BASHING (ISHIHARA)

America Will Never Hold Its World Leadership Position Unless It Ends Its Racial Prejudice

I had the opportunity to visit Washington, D.C. in April a year ago, and was surprised at the very hostile atmosphere. It was only five days after Congress passed the resolution condemning Japan on the semiconductor issue. I met some of my old friends, senators and congressmen, who with subtle smiles admitted that racial considerations or more directly, racial prejudice, played a role in US-Japan relations. This was after I had discussed several concrete examples with them. Although they shied away from the subject of racial prejudice as if it were taboo, they did admit that it is there.

Initially, they violently denied my allegations, citing that the Pacific War of 40-some years ago as the only real source of prejudice against the Japanese. I declared that it was not as simple as that. It appears that the Americans were firmly of the opinion that it was the West, namely Euro-Americans, who established modernism. My reaction was as follows.

It may be true that the modern era is a creation of the white race, but you have become somewhat presumptous about it. In the pre-modern era, Asiatic races such as Genghis Khan and his armies raided the European continent, destroying towns and villages, looting and raping. Yet at that time, many Europeans actually irritated the style and behavior of Khan's hordes, cutting their hair short, shaving their eyebrows, and walking menacingly with knees apart. That was nothing compared to the strange ways modern Europeans and Americans adopt the style and fashions of some of the present era's heros, such as the Beatles and Michael Jackson. Even Asian kids do this. Probably Khan was some kind of cult figure then and white women regarded him as a "hero" of sorts.

Some say that the roots of the so-called "yellow peril" can be traced back to atrocities committed by Khan and his men. At any rate, we should keep in mind that there is prejudice against Orientals, as the following episode illustrates.

I had a chance to talk with the Secretary of the Navy about the Amber System. Amber is supposed to be the color of caution and danger and this system is named for this concept. Under the Amber System, ordinary vessels such as tankers and container ships, are equipped with sonar on their bows. The sonar can detect underwater objects. Some objects are rocks, etc., which navigational charts will show. What the system is looking for are nuclear submarines.

The Amber System alone cannot detect the nationality of the submarines detected; it cannot tell if they are American, Russian or whatever. It simply detects the presence of some foreign object and this information is relayed directly to the Pentagon, which knows what is on the navigational charts and also where U.S. subs are located, so

they will be able to ascertain whether the particular sub is American or not.

I suggested that the Navy equip all Japanese commercial vessels with this system. Japanese seamen are reliable and the Japanese merchant marine travels all the oceans and seas. Japanese vessels, including our oil tankers, could gather information along vital cargo routes and the U.S. could analyze the information received from the Japanese ships.

To my surprise, the Americans said that it was none of Japan's business. I asked that how, in light of the very limited number of U.S. ships, can you deny the need for such assistance. The answer, "We cannot leave such a critical matter with Japan." I asked if it was appropriate to involve the British and Germans, and they said it would be.

The fact of the matter is that Americans do not trust Japan. Japan would have no basis with which to analyze the information collected by the Amber System, yet they still worried about the Japanese reliability in merely collecting the information. It seems that in their minds, even the Soviets are more trustworthy than the Japanese. American racial prejudice toward Japan is very fundamental and we should always keep it in mind when dealing with the Americans.

During the Second World War, Americans bombed civilian targets in Germany, but only on Japan did they use the atomic bomb. While they refuse to admit it, the only reason they could use the atomic bomb on Japan was because of their racial attitude toward Japan. The fact that they actually dropped the atomic bomb on Japan is sufficient indication that racial prejudice was a factor.

It is my firm conviction that the roots of the US-Japan friction lie in the soil of racial prejudice. American racial prejudice is based upon the cultural belief that the modern era is the creation of the white race, including Americans. This confidence appears a bit overwhelming, probably due to America's relative youth as a nation, which tends to blind it to other cultures. If Americans were ever to be made aware of the presence of a real Japanese culture in the Azuchi-Momoyama period as did the Spanish and Portuguese missionaries, they may develop some respect for Japanese cultural history. Unfortunately, the present American education system does not teach children the value of other cultures. In the period noted above, there were over 20,000 "terakoya" schools all over Japan. No other nation had such an extensive schooling system at such an early point in their history.

During the Edo period, even farmers and peasants were able to read and write at least one or two thousand characters, including hiragana and katakana. Japan already, at that time, had a complete postal network, called "hikyaku" as far as the southernmost end of Kyushu. Documents and information of various kinds were available in libraries in many cities and towns.

This is the kind of information I give to Americans who exhibit ignorance of our culture. Unfortunately, most Americans don't like to see these facts, and they tend to change the subject. In short, their historical prejudice and cultural narrowness has reached a point where they cannot see another's point or see the value of another culture. All this has made Americans, in the post war period, very irritable on the issue.

The American position at this point seems to be that the British and Germans can play whatever role the Japanese could, and can do so without irritating the U.S. Americans are essentially an honest people, and in fact do admit to the existence of racial prejudice, if they are pressed on the subject, which I do. However, this is not enough. They should also admit that prejudice does not hold any solutions to the problems developing in the world today. It is important that they face the situation aware of the historical context, seeing that the reality is that the power in the world, including economic power, is shifting gradually from West to East. I may not be as strong a shift as is expressed in the expression the "Pacific era," but at any rate it is in America's interest to rid itself of prejudice against Asia, including that against Japan, in order to maintain a position of leadership in the world.

Japan Should Become More Cosmopolitan

The calendar clearly indicates that we are moving toward the end of a century, and with it is coming the end of the modern era as developed by white Westerners. History is entering a period of new genesis. The promoter of this new era is Japan as well as the U.S. It is a historical development which America's political leaders should make known, so that America will be better equipped to meet the tasks of the future.

The Japanese have their own problems. They may have to go through a mental evolution to meet the needs of this new era. As Mr. Morita has pride and confidence in the products of his company, an attitude which has made him a truly cosmopolitan man, so must the Japanese develop pride and confidence in our culture and our technology. We cannot become overbearing, which will not be tolerated in the new era, but by the same token, an inferiority complex is equally harmful. The Japanese people must move out of their current mental stagnation; I feel this is especially important for Japanese diplomats.

Except for the young and the especially qualified, most Japanese diplomats suffer from a peculiar inferiority complex and as a result are spreading the seeds of misunderstanding throughout the world. When I was young, I had the opportunity to live with one of Japan's ambassadors and his family. He was a hell of a nice guy—a really wonderful human being. However, he seldom socialized with anyone. At the end of a game of golf, if someone suggested dropping into the lounge for a beer, he would refuse saying that he preferred to have one when he got home. This is the same attitude that some Japanese have when they won't even accept a cup of tea while a guest in another's home. It may be for most Japanese that only in his home and only with his family can he really relax. If this is true, then the Japanese can never be truly cosmopolitan. When the heads of some of Japan's top trading companies, such as Mitsubishi and Mitsui, wanted to join prestigious country clubs in the countries in which they were stationed, their applications were rejected because it was felt that Japanese were too parochial, staying to themselves and not socializing with others. Some Japanese diplomats don't hesitate to show their inferiority complex. One ambassador even publicly said that the Japanese were a race of "pygmies." Such things happen all the time!

The Ministry of Foreign Affairs tried to cover up the news of the firing training by an American cruiser (the Towers, 3370 tons) last year in Tokyo Bay. A single cannon on the Towers, the Mark 42, can send a 32 kg ball over 23 kilometers at 36 rounds per minute. Americans authorities said non-explosive training ammunition was being used. But even these could easily damage of Uraga class Japanese Coast Guard frigate (33231 tons), not to mention what it could do to small fishing vessels. Tokyo Bay is a busy commercial habor, similar to New York Harbor, inside the Verranzano Bridge. American television reported that the American people would be furious if that happened in their country.

The Ministry of Foreign Affairs asked the Japanese media to hold the story until further notice, since that event was incidental. I was very angry and protested, saying that I would release the news on my own. This happened on Japanese sovereign territory in an area clearly barred from such firings due to the fact it was a vital maritime channel. It was a clear violation of Japan's sovereign rights. I observed that "it was like seeing a ranking Self Defence Agency official firing his service revolver at the Ginza junction." I still feel the same way.

Americans can say that they are here to protect Japan under the US-Japan Security Treaty. But at times, it appears to me that the Americans behave more like mad dogs instead of watch dogs.

I use the term "mad dogs" when referring to the Americans recalling that Mr. Shiina, Deputy President of the LDP, used it when he was Foreign Minister. This is another instance where "no" clearly said when that is what is meant would be useful. One must say "no" when he means "no" and failure to do so reduces credibility. In the case of the US-Japan relationship, such an attitude only further increases American racial prejudice. The Japanese people should know that they are in essence protecting American interests as the new era in international relations begins, something the Americans seem quicker to sense. This is the reality of the US-Japan relationship today.

BASHING JAPAN GETS VOTES (Morita)

The Paradox of Welcoming Investment but Criticism of Japan

I am worried about the tide of attitude in America with respect to Japan.

The U.S. government and the Congress have adopted a number of harsh policies with respect to Japan. Some 37 states in the U.S. have established offices in Tokyo. Since I am responsible for investment-related matterss in the Keidanren [Federation of Economic Organizations], when the state governors visit, I am the one to meet with them if my time permits.

It never fails, they are always coming to Japan saying "invest, please invest." Just when I am about to assume that America welcomes Japanese, U.S. congressmen elected from these same states are bashing Japan. The state government has no involvement with this, of course, but they are saying to Japan's big business, "come on, come on."

"What in the world is the meaning of this?" I wonder. In addition, recently a number of famous academics and journalists have published books which are critical of Japan. Recently, there has been a book, "Buying into America" which suggests that Japan is buying up America, and there is a book called "Yen" which envisions a future after the year 2000 in which Japan uses its financial power to control the world. The latter is rather calm in its perspective, but both books reveal a clear Japanese menace—the tides have really shifted since "Japan As Number One" was published.

A book written by a famous journalist which depicts Japan in a very harsh light has become a best seller, so this is indicative of the critical attitude on Japan held by the American masses. The more this attitude increases, politicians will beat up on Japan in an attempt to make votes for themselves, because getting votes is the most important aspect of being a politician.

The politicians themselves are not at all concerned, however. When asked why they bash Japan, they respond that if they say "Japan is good," votes will drop off. If Japan is bashed, further, if a Toshiba radiocassette player is smashed, this is not indicative of hating Toshiba, but they think if they do such things, votes will increase.

The state governments welcome Japanese industry because if they invest in their state, tax collections increase along with employment, but among the American people, the attitude with respect to Japan is becoming more and more critical.

The Keidanren has established a "Council for Better Investment in the United States," which is the English language name of the council (literally it is the "Council for Investment in the U.S.—translator). What we mean by "better investment" is the type of investment which will get Americans on Japan's side. If the number of Americans viewing things the way Japan does increases, then bashing Japan will cause lower vote counts. That would probably make politicians stop bashing Japan.

I think that it is vital that we help build a feeling of friendship among the American masses with respect to Japan. At the present time, everyone buys Japanese goods and is delighted with them. They do not hate Japanese products. What makes them hate Japan, however, is that when Japanese businesses enter the American society, they have the feeling that foreigners are coming.

Japanese Industries in the U.S. Should Work at Community Service

Direct investment in the United States is currently expanding very rapidly. The end result of this is that Japanese companies, including Sony, have established themselves in local districts throughout the country. When the English or French invest in a local area, the communities and local society do not see this as an invasion of foreigners. However, when the Japanese come, they feel that strangers, or something foreign has entered their midst. This gives them strong feelings of fear and anxiety.

To give a simple example, when Japanese go to the U.S., their children go to schools. The schools have an organization, the P.T.A. This stands for Parent and Teachers Association. The corresponding organization in Japan is called the "Fathers and Brothers Association" but no fathers and brothers participate, it is more of a "mothers and sisters" association. Myself, I have never attended the Fathers and Brothers Association in Japan. In the case of America, however, husbands go with their wives to attend meetings for their elementary school or local area school and discuss how those schools should be run. In Japan, it is the mother's duty to take care of educational matters for the children, so the father does not attend. In America, however, when the father takes off work to attend a PTA meeting, his company does not charge him leave. The man, therefore, must go to the PTA meetings.

When I was living in the U.S., I went to PTA meetings where I was able to associate with persons from various walks of life. My daughter went to the Nightingale Bonford School in Manhattan and my son went to St. Bernards. I got to know Stokowski (the late) conductor at one of the PTA meetings. John Gunther, a very influential behind-the-scenes man was also someone I met through PTA, he is now the Ambassador to Austria. Henry Grunwald, the editor of Time, was a classmate of my daughter's who I also got to know.

At a gathering of Japanese businessmen in the United States, I got up and told them, "to go as a couple to the PTA to get to know the other people involved and to start getting personally involved in the school." The people I was speaking to made such remarks as "I don't like to hear that," or "Why do we have to do that." When I told them there was actually a meeting the other night and asked what they did, the responses were "I was too busy, I sent my wife," or "My wife can't speak English so she just gossiped with the other Japanese women and came home." Because of instances like this, there is no doubt that the PTA would view them as the foreigners who'd come to town.

Also, when Sunday morning comes, the whole community dresses up and goes to church. At that time, however, the Japanese are all walking in the opposite direction to the country club. When they are asked why they are not going to church, they are likely to respond that "I'm a Buddhist," or a similar reply. I'm not saying that they should necessarily go to church, but it is natural for the people in the community to think that some really strange foreigners are in their midst when they see them all trotting off to the golf course on Sunday morning.

I golf in America too. But I always do it with foreigners. When Saturday night comes, I take my wife to the country club, have dinner and talk with the other members. However, golf for Japanese is usually a business-related event; there are usually guests from Japan and a group solely composed of Japanese people plays the course. This is another way in which a strange image is transmitted to the local community.

Another example is that American wives often volunteer their spare time for community service activities, such as preparing braille for the visually handicapped. Japanese housewives normally do not participate in such activities.

There are also public fund-raising dinner parties for local community centers, which does not involve mere contributions, it is a major social event where funds are raised. Tickets for the party are $30, $50, $100, and $200 which represent contributions for the fund raising event. They view participation in these events as a contribution to their local society. While this is a little different than the golf example above, it is another area where Japanese isolate themselves as strange foreigners.

It is vital that we participate in the local society in order to resolve any racial problems. When Japanese build factories in the United States, these usually go to the regional or rural areas due to the large amount of space they require. In such a small community context, if Japanese avoid contributing to the local community, they will be disliked in the area, and then the people of that area will cast their votes for Japan-bashing politicians.

One Japanese company that had established in the U.S. had its headquarters in Japan make a very substantial contribution to build a community center, in an effort to counter any adverse prejudice, even though the local company had not yet become profitable. The local community was delighted and named the hall after the company that had contributed. When the plant manager was reassigned back to Japan, the whole community threw a "sayonara" party for him.

I am not saying that all Japanese companies coming to the United States are bad, but just a little kindness and consideration can turn around attitudes about Japanese people. The Council for Better Investment in the United States is trying very hard to get this information out in an effort to have the Japanese company weave itself into the fabric of the local community in which it is locating.

At the current time, two hundred and forty or fifty companies who have invested in the U.S. are members of the Council, but it aims to attract even more members.

Information about these efforts is gradually becoming known in the U.S., and this has already done much to change perceptions there. I think Japanese people in the U.S. are also making better efforts.

Let's Build an American Society Where Japan Bashing Causes Votes To Decline

Therefore, I think that the only way to erase the perception Mr. Ishihara points to where Japanese are disliked just for being Japanese is to make the above types of efforts. This is because they [Americans] are stubborn and are not likely to be induced by saying "you guys change."

I have so many American friends myself that I have been accused of being an American. Since I have lived in America and have been counted as a friend by many Americans, I am not overly sensitive to what is said about me. As Ishihara has said, to Americans, they feel that because their hair color is different, it is difficult for them to know what Japanese are thinking. I think there is another important point. The way of delivering a message is different. The structure of the Japanese language and English is different, and this affects our discussions together.

I have written this elsewhere in a book, but when Japanese read Chinese, they put in arrows and symbols to change word order, but Chinese read it directly and understand the meaning of the sentence immediately. English is the same kind of language, which is read one word after the other. In sum, this means that American have a different sequential order in thought processes. Therefore, no matter if you use interpreters, it is impossible to interpret in the same sequential order as the thought process that generated the words in Japanese. Thus, when a message is to be delivered, it is regrettable but true, that the sequential thought process of Japanese is in the minority in the world. When communicating with occidentals, who are in the majority, if things are not communicated in an order they can comprehend, they do not understand what we are saying. It is necessary that we be cognizant of this disadvantage that Japan has in this area.

While the color of our hair will never be identical to Americans, from the point of view of practical businessmen, I think we must recognize that if the current trade imbalance with the U.S. is not rectified, America will always say Japan is at fault. If Japanese business does not go to the U.S. with manufacturing and sales to bring down the imbalance, there is no way the problem will be rectified. We must bring our factories to

foreign shores, and invest in these areas where our goods are sold.

At this point, if there are any racial problems, it would be the fault of the Americans, but that does nothing to resolve them. Through the successes of Japanese-American citizens groups, racial problems are not so prominent anymore. When the Second World War began, all Japanese-Americans were placed in detention camps.

In the United States, people having different colored skin have realized great successes. An example is the Wang company which was founded by a Chinese. In our quest to find why it is only Japan that is bashed, it would be a bit strange to say it is because Japan is not internationalized, but it is really because we have been lax in not following the "when in Rome, do as the Romans do" in incorporating ourselves in the local community. I think this is why we remain foreign. That is exactly why I am saying we need to make such efforts. I am not saying that everything they do is alright, but I am saying there is a need for internationalization by both parties, and we have the need to do business.

The internment of Japanese-Americans during the war was a prime example of the emotionalism that the U.S. displayed with respect to Japan. After the passage of 40 years, the President has finally publicly recognized that this was wrong. It would be nice if emotionalism with respect to Japan ended right there, but that is not the case. An example is the Toshiba clause in the Omnibus Trade and Competitiveness Bill—no buying of Toshiba products—Toshiba Machine is bad.

I said in a speech that this was a violation of the U.S. constitution. This was due to the provision in the constitution which proscribes the enactment of laws which would deal retroactively with crimes. It also allows anyone accused of a crime the opportunity to defend himself. In the process of compiling this bill, sanctions were put on Toshiba for its crime. Toshiba had already been punished for its crime under Japanese law; but by adopting these sanctions restricting Toshiba's business activities, the Bill would impose retroactive punishment.

When I recently spoke in Seattle, I suggested that this Bill was unconstitutional, that it was an emotional response, and that it should be treated as an emotional international issue, which was similar in substance to the internment of Japanese-Americans during the war.

When something can become this emotional, perhaps Mr. Ishihara is right in his contention that racial problems lie at the root of the problem.

During the occupation era, the Americans built fences and stayed inside and didn't mingle too much with the Japanese people. This created an unpleasant atmosphere. Now, however, there are no occupation zones and we are at peace, we must behave appropriately and associate with each other.

If we do make efforts in the direction I have indicated to establish a framework where Japan bashing politicians are rewarded by fewer votes for their efforts, there is no doubt that political pressure will be exerted to the point where there can be no reduction in frictions between the countries.

Thus, it is my way of thinking that Japan must take the kind of action this situation calls for.

AMERICA ITSELF IS UNFAIR (Morita)

America Lacks Business Creativity

Americans and Europeans are always saying "We're getting ripped off by Japan. They take the ideas we have invented, make products and then the onslaught comes. We are being damaged, they're disgraceful." Japan has certainly done better more recently, but the U.S. and Europe are very much advanced in basic research.

Last year, I was invited to speak to about 100 researchers who worked at the Bell Laboratories at ATT.

The Bell Laboratories have about 7 people who have won the Nobel Prize. To me, it seemed that I would be speaking before some of the greatest men of our time. Prior to the speech, I was shown around the Bell Laboratories, where a number of wonderful research projects were underway.

As you must know, the transistor and the semiconductor, which are at the root of the current revolution in industry were invented at the Bell Laboratories. It really brought home to me how wonderful America was.

The basic message I brought that day was that this type of research was extremely significant academically in terms of both science and culture, but to be significant from the standpoint of business and industry, two other types of creativity, in addition to the creativity required to make the original invention, were absolutely necessary.

Industry requires three types of creativity. The first, of course, is the basic creativity necessary to make technological inventions and discoveries. This alone, however, does not make for good business or good industry.

The second type of creativity that is necessary is that involving how to use this new technology, and how to use it in large quantities and in a manner that is appropriate. In English, this would be called "product planning and production creativity."

The third type of creativity is in marketing. That is, selling the things you have produced. Even if you succeed in manufacturing something, it takes marketing to put that article into actual use before you have a business.

The strength in Japanese industry is in finding many ways to turn basic technology into products and using basic technology. In basic technology, it is true that Japan has relied on a number of foreign sources. Turning technology into products is where Japan is number 1 in the world.

Sony was the first company in Japan to license the transistor patent from Bell Laboratories, back in 1953. At that time, the transistor was only being used in hearing aids. We were repeatedly told to take this transistor and manufacture hearing aids.

When we brought this new transistor back to Japan, however, Mr. Ibuka, of Sony said, "There is not much potential in hearing aids, let's make a new transistor and build radios." At this point, we put all our energies each day in developing radios which used transistors. One of our researchers during this development effort, Mr. Esaki, subsequently went to work for IMB where he earned a Nobel Prize, but it was at our company where he did work worthy of the Prize. There are a number of Japanese who have received the Nobel Prize, but Esaki was the only one who worked for a research laboratory of a company. We poured money into development of new transistors, and developed small radios for the market, an effort that was worthy of the Nobel Prize.

It was an American company, however, who made the first transistor radio. I became a salesman, and took my product with full confidence to the United States to sell it. Prior to this sales effort, the newest innovation was a vacuum tube type of amplifier which required a lot of space. When the American company, which was a famous radio manufacturer, was initially rebuffed by people telling him "since we have this great sound and large speakers, who would want to buy your little radio," that company just quit trying to manufacture transistor radios.

We, however, had something else in mind as a way to sell these radios. "Currently in New York, there are some 20 radio stations broadcasting 20 different programs during the same time frame. If everyone had their own radio, then each person could tune in to the program he or she wanted to listen to. Don't be satisfied with one radio for the whole family, get your own radio. The next step was to do the same for televisions." This was a new marketing concept. One radio for one person became a kind of catch phrase in this campaign and the result was that Sony transistor radios became famous throughout the world.

While it is true that Sony was second in developing the transistor radio, the company who did it first lacked the marketing creativity, so without much thought, they simply quit and pulled out of the market.

America has stopped manufacturing things, but this does not mean that they do not have the technology. The reason why the link between this technology and business has not been firmly connected is because they lack the second and third types of creativity, turning products made with the new technology into a business. I feel that this is a big problem for them. This exact area happens to be Japan's stronghold for the moment.

When I went to speak at Bell Laboratories, I got the chance to look at a lot of their research and advanced technology. I felt that they may well come up with something new that was even more important than the transistor, but since Bell Labs is a part of ATT, they are not thinking of anything except for telecommunications applications. There is not one person there who is thinking about how to use the new technology they are developing as a business. I think that this is one area where the U.S. comes up wanting. It is my feeling that even though times are good in America now and employment is up, the time will never again come when America will regain its strength in industry.

There is a television network in the U.S. called CBS. CBS has a weekly program which airs every Sunday evening called "60 Minutes," which has a very high viewership rating. This is a news program which devotes segments just under 20 minutes to various stories and opinion from around the whole world. More than 10 years ago, I was on the program. This is a program that takes a lot of money to produce. A crew followed me around Europe for about 6 months to prepare the segment.

Now they want me to do another one. A cameraman followed me to London, and when I went to Singapore, they followed me there too. The other day, a famous and beautiful interviewer in the U.S., Dianne Sawyer, came to Japan to interview me for the program. We spent a long time in front of the TV cameras, and the questions grew sharper. This made me mad and at the end, it was like we were in a fight.

She asked me what I thought of Lee Iacocca. Since this is a program he would be sure to see, I was frank in my statements. I said he was a disgrace, and that he was unfair. Iacocca comes to Japan and says Japanese are unfair. Very recently, he

headed his sentence with "Let me make myself very clear," and then he went on to slander Japan. I know he wrote that book which labeled Japan as "unfair" but I think it is Iacocca who is unfair, and this is what I said.

When I was asked why he was unfair, I answered clearly, in front of the camera.

The president of a Chrysler company came to Japan. I had met this person before. I knew he was involved in selling Chrysler automobiles, so I asked him how sales were going. He turned to me and said quite plainly that he had not come to Japan to sell cars, but he had come to purchase Japanese parts and engines. He said he had come to Japan to buy Japanese products so they could sell them in the U.S.

At the present time, the three big automobile manufacturers have purchased 250,000 automobiles from Japan in 1987. How many have they sold to Japan? Only 4,000. They make no effort at all to sell their cars in Japan, and then call Japan unfair because Japan sells too much in the U.S. and that Japan will not buy their products.

One of the reasons why U.S.-Japan relations are in such a mess is that Japan has not told the U.S. the things that need to be said.

Japan Has Not Forced Its Sales on the U.S.

When I go to foreign countries, I hear that Japanese work too much. But why is working too hard so bad? Our society cannot continue to eat unless we keep producing products. People have to have products in order to live. They use golf clubs, and drive automobiles. If they want these products and do not wish to import them, they must manufacture them. I am a businessman. I am not forcing my customers to buy things from me. We expend our energies on how to make our products most attractive to the customer.

The Americans say that there is a U.S.-Japan trade imbalance, and it is not because Japan is not buying U.S. products or because Japan is forcibly selling the products. There are few things in the U.S. that Japanese want to buy, but there are a lot of things in Japan that Americans want to buy. This is at the root of the trade imbalance. The problem arises in that American politicians fail to understand this simple fact. It could never be the case that we are selling too much; it is not because we are exporting, the imbalance arises as a result of commercial transactions based on preferences.

Therefore, the only thing that Americans or Europeans can do to correct this imbalance is reassess themselves and make an effort to produce products which are attractive to Japanese consumers. It is in this area where I would like to see Japanese politicians get courage enough to expound abroad to our trading partners.

Recently, U.S. Secretary of Commerce Verity brought representatives of 25 companies to Japan who wanted to sell their company's products in Japan. I was the person responsible for welcoming this group, and I told them that Japan would do its best to help out. I remarked, however, that I had been doing my best to sell Japanese products in the United States over the past 30 years. Yet, not once had the Minister of International Trade and Industry accompanied me and helped out in my efforts. I asked the Secretary of Commerce if it was his intention to finally create an "America Incorporated." Secretary Verity smiled, but everyone else laughed out loud.

The Government of Japan has, in both the good sense and the bad sense, passed along various types of administrative guidance, which has been criticized by foreign countries as being an alliance between government and business—even if the Minister of International Trade and Industry does not go on trade missions.

One of the Americans in the group then asked me why the Japanese government backed up Japanese industry. Let's think about it. Even though the government does not own one share of my stock, I pay more than half of my profits to the government in taxes. If my business does not do well, the government does not receive more revenues. Thus, the government, we feel, is a kind of partner. I asked them why American industries, which are paying taxes to the government say, "the government is trying to control industry; don't touch us." Your viewing of the government as the enemy seems strange.

During this visit, Secretary Verity did voice his support for cooperation between government and business to sell products, but it is my feeling that the establishment of a framework for this type of cooperation is still a long way off.

Let Us Think About the Role Japan Should Play in the World

On the other side of the question, however, there are certainly aspects of Japan which are "unfair" when viewed from the U.S. perspective. When you consider what Japan has done for the world in the course of its becoming the second largest economy, I think this is an area where Japan is in line for some critical reflection.

Recently, since the time of Prime Minister Takeshita, Japan has been making enormous efforts to become the second most open country in the world for trading. The long boiling problems over beef and citrus imports were gradually resolved through efforts directed at these problems. However, from the perspective of Americans, Japan still has not done what it should do. I am not saying we should put more money in defense spending, but if we are not to exceed 1% of GNP on defense, then the government should put a lot more money into Official Development Assistance (ODA) (foreign aid), which helps the other countries of the world.

In addressing the ODA to GNP ratio, of the 18 countries in the world who provide foreign aid, Japan is number 15. Also, if we look at the amount of non-loan foreign aid for which there is no remuneration, Japan is number eighteen of eighteen. I shrink when I am asked whether that record is something Japan can be proud of.

Almost all U.S. corporations make donations of about 1 percent of their pre-tax profits to the community—using some of their money for the community is a kind of custom with them. In Japan, too, we also make some contributions to return money to society, and at the current time many Japanese companies are returning more than 1 percent.

But when Japan is looked at as a state, it is perceived as unfair by the rest of the world because it is not returning some of the benefits it reaps from the world back into the world society.

Therefore, when I speak before Japanese groups, I emphasize what is meant when America says Japan is acting disgracefully. I tell them, "Shouldn't we review what we are doing once again?" Japan should be bold in telling the U.S. what it needs to be told, but at the same time, Japan must establish a code of standards for the role it should be playing in the world.

Japan should open its markets to the extent where there would be no room for their complaints, and money that Japan has should be provided to help developing countries where people are not being oppressed. This would be a magnificent behavior on Japan's part, and I think that Japan needs to become aware of its responsibilities.

Certainly the full opening of our markets and advancing large sums of money for developing countries is very painful. However, things will not get better in the world until the pain is shared more equitably. How much pain do you think was involved during the Meiji Restoration where the privileged class of samurai gave up their power, cut their special hair styles, and tossed out their swords? It allowed a bloodless revolution to take place within Japan.

Mr. Ishihara has said there is a need for a reform of consciousness in Japan. He is exactly on the mark. If we do not reorient our consciousness from the perspective of being international people, then I do not feel Japan will be able to continue to walk the globe as an economic power.

THE CRITICISM OF JAPAN AS AN IMITATOR IS OFF THE MARK (ISHIHARA)

The America Which Closes Its Eyes to Its Own Unfairness, and Criticizes Japan

The more I hear Americans bellowing complaints that Japan is unfair, the more I would like them to calm down and think. An example is a harsh exchange between myself and the U.S. Secretary of Commerce. It was a coincidence, but at a time when Commerce Secretary Verity visited Japan, there had been an agreement for an American company to participate in the second phase construction at Haneda International Airport. Verity was in Japan, and his mission included offering his thanks for this deal. However, I threw some cold water on him by saying that this would be the only time I would permit such a big commotion over such an issue.

The U.S. Congress had been criticizing Japan for having a "closed" market in large construction projects. In fact, however, there was only one U.S. construction firm that had been licensed to work in Japan—two, if you count pending applications. They say that the barriers are too thick, but I think that anyone wishing to do business in a foreign country has to make some adjustments to correspond to the local conditions.

After we went back and forth along that line, I commented that Japan's design for the Airport Building and the Shinkansen [bullet train] station, including the interior was poor—not refined enough and too idiosyncratic. I went on to say that this might well be something which could be consigned to a foreign country.

This was true of Narita International Airport too. I noticed the other day that the pillars were painted with rust-proofing primer coat. When I suggested to the person in charge that he get busy and have them painted, he said, "Mr. Minister, did you just notice this? They have been that way since the airport was completed." When I asked why, he replied that it was OK this way because of the contrast between the red, white and black. When I asked whose design that was, he calmly replied that the painting contractor had made the determination.

Actually, there is not even a bar in the whole airport. One might like to have a drink to ease one's tension about flying

before the flight, or one after to relax. Foreign airports always have a place where you can get a drink. Day or night, there is a place where the customer can get a drink. This is an integral part of air travel.

When I relayed these stories, Secretary Verity nodded his head, indicating that he understood my point. You could tell he was the Commerce Secretary, because when we went on to discuss the Kansai Airport, he said it would be a great idea if American companies could do the design.

Just that would be nice, he went on, but after it is completed, he said that the same number of U.S. aircraft should be permitted to fly from the airport as was permitted by Japanese carriers. I replied sharply, "No, that won't do." He turned colors and asked back, "Why not?"

There is an aviation treaty between the U.S. and Japan. It is a relic of the occupation era. Not only is it not balanced, it is outright unfair.

Among the mutually agreed upon rights in this treaty is the right for air transport to points in the signatory country, and for rights held unilaterally by the U.S. side. America can fly into whatever Japanese airport it pleases and then fly to anywhere else. In other words, it has unlimited rights to fly through Japan to destinations beyond.

Japan, however, only has the right to navigate through limited airports, the economically unprofitable routes from San Francisco-New York-Europe. Actually, these routes are not even being used. During the U.S.-Japan Summit in 1982, we were allowed two flights per week from Los Angeles to Rio and San Paulo Brazil. One of the concerns on the Japan side is that Nippon Cargo Airlines (NCA) was finally obtaining 9 flights weekly in 1985 on the Tokyo-San Francisco-New York route.

However, in exchange for this, America got the right to land jumbo jets in Japan, and then fly from there further in small cargo aircraft to Manila, Taiwan and Korea. The most profitable rights went to the U.S. in this agreement too. In the midst of all this, Japan cannot get the right to fly a cargo aircraft in and out of Chicago.

While points of origin are limited by land space, Japan is restricted to just three points, Tokyo, Nagoya, and Osaka. America can fly to Japan from 19 airports. Looking at the number of flights, according to a study made in November of 1988, Japan had 204.5 and the U.S. 371 passenger flights, and 60 cargo flights for Japan versus 170 for the U.S. This is really unfair of the U.S. to be party to the U.S.-Japan Aviation Treaty which gives it so overwhelming of an advantage.

American specialists are well aware of this situation, so they do not want to engage in further negotiations. This type of situation continues while the U.S. makes selfish assertions.

I explained to the Secretary that since the U.S. maintained that attitude, it was at fault. The Secretary said he knew nothing of these matters. I pointed out to him that we couldn't even begin talking about getting negotiations started if he knew nothing about these matters.

An official from the State Department was accompanying the Secretary on his visit. He was an honest guy, and told the Secretary that the Treaty was indeed unfair. Secretary Verity became troubled. It was a very strange atmosphere between the Commerce Secretary and the official from the State Department, standing there in front of me, a Japanese. America is not the solid rock we thought it to be.

For example, relations are extremely poor between the Department of Commerce and the U.S. Trade Representative. Yeutter and Verity quarreled like dogs and monkeys, they never got along and were always bad mouthing each other. While none of these references about these two went on in front of me, there was an official from the U.S.T.R. in the delegation who was there to keep an eye on things.

Anyway, once the potential for a scene between the Secretary and me had quieted down, the "spy" from the U.S.T.R. caught my eye and said "Hang in there." I laughed, thinking what an interesting country the U.S. was.

Japan, A Country Where Each Person Is Highly Creative

America closes its eyes to its own unfairness and criticizes others. I think that it should not be forgotten what such a shifty country has done.

As Mr. Morita has pointed out, it is off the mark to say that Japan has relied on the U.S. for the creativity to develop technology, and then has just cleverly developed and marketed it. Americans and Europeans say that Japan can do nothing but imitate, but it is not right for Japanese themselves to begin to agree with such a statement. The Japanese people have been possessed of creativity for ages.

There has been a gradual increase in the number of Americans and Europeans who recognize creativity in the Japanese. The same can be said for cultural creativity.

Take the field of literature. Some while ago, the French did not recognize Japanese literature at all. They did not think it had any value. More recently, however, the French have grown to appreciate Japanese literature more and more. The reason for this is quite interesting: it came about because of Japan's high technology. That is, foreigners who were interested in Japan's high technology began studying the Japanese language and started reading modern Japanese novels.

They recognized that modern Japanese literature was indeed quite interesting. It was not their masters of literature or translators who pointed this out, but the intelligencia who were coming from scientific backgrounds.

In any case, I do not think we should stand still and agree that outside of literature, we are still nothing but imitators as the Americans say. It is time that Japanese take pride in their own spontaneous creativity and march forward.

Sony developed the transistor and took it to the U.S. market and changed the way Americans thought. In other words, they ripped apart the immutable principle of one radio per each family. The concept of making radios a personal appliance was nothing other than an exhibition of creativity on the order of that shown by Columbus.

The bountiful creativity of the Japanese is not something which can only be seen in a few of the elite, but something which can be broadly witnessed across the board in the general citizenry.

Japanese technology has found its way to the very heart of the world's military forces. I think this the product of the integration of our creativity.

Even if you have one creative genius, unless you can produce the product of his creativity in a factory, it will not come to anything. It takes a large number of excellent general technicians and excellent employees or one will not begin to see the light of day.

The Excellence of Japanese Products Relates to the Educational High Level of the Employees

One can partially grasp the superiority of Japan's technological ability in the low rate of break down in Japanese products. The vital element in the excellence of technology and in tackling the problem of product break downs is possible because of the excellence in abilities of the general employees.

The U.S. Boeing Corporation which was scrutinized due to an aircraft crash was found to have problems with its employees' work methods, and they quickly set about making improvements. Certainly the re-education of the management could be undertaken quickly to the satisfaction of Japan and other countries, but since the level of the general employees was so low, concern remains in that area. When the president of Boeing's Seattle plant was asked: "How long will it take after re-education has begun before the technological strength [of your company] will begin bearing fruit?" His answer was seven years. Seven years! How can we ride around in jumbo jets for seven years not knowing what types of defects they might have?

As we learned from the tragic Boeing crash in Japan, all of those responsible got off, bearing no criminal responsibility. The legal systems in Japan and the U.S. are different; in Japan, a national inspector is sent out, but in America, aircraft manufacturers are not held responsible. The Boeing company did not even name the responsible persons. They say that it is better to prevent a recurrence than to spend all of their energies in finding fault, but the thinking that exemption from prosecution is the only way the truth can be told is something that is very hard to take for the families of those killed in the accident. According to an investigation by the Japanese police, there were four Boeing employees who should have been further pursued to assess their responsibility. The U.S. side acknowledges this.

The Boeing accident was nothing more than a worker's mistake—it happened well before the crash. There was no follow up after the crash except to say that the maintenance operations were sloppily done. While the specifications had called for three thick divider walls to be tightly bolted on, it just was not done.

Bolts had been placed on the left and right, but they did not reach through the three sheets, just to the second one. This caused a serious weakening of the aircraft strength. This tells the story of the low level of the people who are performing the maintenance.

Despite the fact that they are employees of the Boeing Corporation, a world-class manufacturer of aircraft, it would still take 7 years to re-educate them. This is a story which could not be comprehended in Japan's industrial circles.

The United States wants everyone to buy American-made semiconductors, and these are even being used in Japan, but the number of defective ones is amazingly high. When we complain, the answer is: Japan is the only country that is complaining, nobody else has any complaints. It leads me to think that there is no hope for the U.S.

The manufacturing defect rate in the United States has improved somewhat recently, but it is still 5 to 6 times higher than that in Japan—it used to be 10 times higher.

The report by the task team in the Pentagon also admits this.

To contrast this with Japan, I would like to insert the following episode.

This is an episode illustrating the exceptional knowledge and decision making capability of one female employee of the Kumamoto plant of Nippon Electric Corporation (NEC). For one reason or the other, the rate of rejects at the Kumamoto plant had been higher than it was at other NEC plants. No matter how hard they tried, they could not get the reject rate down. If it could be done in other plants, why couldn't it be done in Kumamoto? There were all-hands meetings with the plant supervisor daily on this problem.

One day, a female shift worker at the plant stopped at a crossing for the Kagoshima Line which ran in front of the factory. This was on her way to work. It was a rare event, but this day, she had to wait while a long freight train passed. Rumbling vibrations were sent through her legs as the train passed. The thought crossed her mind that these vibrations might have some sort of adverse effect on the products made at the plant. While she was working, she paid attention to the time and stopped when a train was scheduled to pass by. In the factory, however, she couldn't feel anything unusual. She still wondered, however, if the machines were not being affected. She reported her concerns to the foreman, suggesting that the precision machinery in the plant might be so affected.

The plant supervisor said, "That's it." He reacted immediately by digging a large ditch between the plant and the railroad tracks and filling it with water. The result was a drastic decline in the number of rejects.

That woman was 18 years old. This woman took pride in the products made by her company and identified with it. It is my feeling that this type of result is due to the vast differences in our formal education system.

In any case, when it comes to economics among the free world countries, the basis for existence is economic warfare, or, if that is too harsh a word, economic competition. It is probably natural, therefore, that various cheerleading groups of the other party will rough you up by calling you unfair, but we cannot stand still and be defeated just because our adversary is making a lot of noise. This is exactly the position Japan is in today.

IS AMERICA A COUNTRY WHICH PROTECTS HUMAN RIGHTS?

(Morita)

Workers' Rights Are Ignored by American Companies

American demands of Japan may increase in the future but America has a great many defects of its own, to which we must continuously direct its attention.

My long observation of American corporations leaves me puzzled about American human rights legitimacy. Human rights are held to be such high moral values in America and it preaches on the subject continuously all over the world. America has been criticizing and condemning nations such as South Africa and Afghanistan on human rights issues; however, I must ask Amercians if they are applying these same standards to their own workers.

American corporations hire workers right and left and build new plants all over whenever the market is bullish, in an attempt to maximize their profits. Yet once the tide shifts, they lay off workers simply to protect company profits. These laid-off workers have nothing to do with poor market conditions.

American corporate executives are of the opinion that it is a corporate right to pursue maximum profits and that fired workers should be able to live on their savings. However, people do not work for wages alone. Work has more meaning to most people than just as a means of subsistence. A Japanese worker has a sense of mission in holding his job for his lifetime as well as supporting the corporation which provides him with meaning to his life. This may well not be the case in America. American workers may only expect a comfortable wage for their work. However, this attitude could change. People can easily develop loyalty to a group or to a company to which they belong depending upon conditions and guidance provided. This sense of loyalty to the company is a formidable asset. Repetitive hiring and firing denies any possibility of cultivating a sense of loyalty.

I must ask American executives if they regard workers as mere tools which they can use to assure profits and then dump whenever the market sags. It seems that workers are treated simply as resources or tools rather than as human beings with inalienable rights. I would like to suggest that they should first do something to protect the human rights of workers in America before they start asking other nations to protect and enhance the human rights of their citizens. There are good reasons why American labor unions must be confrontational in protecting their members and attempting to assure maximum wages during periods of employment since they have no assurance that the jobs will continue. Attitudes of executives are not actually much different than those of the union to the extent that they grab whatever they can—as much as half the company's annual profits in the form of huge bonuses, claiming that this is just since they were responsible for the profits.

A corporate chairman with whom I am acquainted, complained that he has no use for all the money he receives. His company is doing well and his income is in the multimillion dollar a year range. His children are all grown and he and his wife already have vacation villas, a yacht and a private airplane; he said they just have no way to spend any more money on themselves.

Japanese executives work morning to night to improve the position of their companies, and yet the majority of their salaries are wiped out by taxes. The income gap between American and Japanese business executives is astounding. In Japan, even if one works very hard to increase his income to assure himself of some of the amenities of life, there is no way that he could expect to equal the luxuries enjoyed by American executives. Mr. Matsushita, probably the wealthiest man in Japan, when traveling abroad with his secretary, uses regular commercial flights. Having a private plane is simply out of his realm of consideration.

There is some talk in Japan concerning levying taxes on profits generated by the founder of a corporation. I am opposed to this proposal as I believe the spirit of free enterprise must be protected. While an unbridled pursuit of personal gain is not ideal, those who have created new business through extraordinary effort and who have made this contribution to society, should be rewarded financially to a certain extent as this will provide encouragement to young people, motivating them to follow their dreams and create new industries.

The current popular idea that everyone belongs in the middle class and the wealthy are suspect may undermine the very basis of a free economy. The Liberal Democratic Party, however, tends to accept this premise, as put forth by the opposition for the sole purpose of parliamentary manipulation, which is a shame since they have a 300-seat majority.

Japan has been a practicing free economy and a good majority of the people do in fact belong to the so-called middle class, which I think is marvelous. We have no real social classes and everyone is free to choose whatever profession or occupation they wish.

Today in Japan, nearly all company executives dine out on company accounts and ride in corporate-owned cars. As a child, I never saw this land of lavish living by corporate executives such as my father. He had a car and a chauffeur, but they were financed directly by him, out of his own pocket. It would be beyond his comprehension to use a company car and driver for his personal use. I am not particularly opposed to such benefits enjoyed by today's executives, as they can be correct rewards and incentives.

American corporate practices, from my personal observations, are extreme. An example is the so-called "golden parachute" which is the ultimate executive privilege. When one's reputation as an executive is well established and he is hired by another company, his contract may well contain these "golden parachutes." The executive may demand a certain percentage of corporate profits as his bonus, or perhaps some stock options. Upon retirement, he may still receive his salary for a number of years. Should he pass away during this period, his wife may be entitled to receive all or a percentage of these benefits. Should he be fired, for whatever reason, he may still collect his salary under his contract. A contract is a contract and "golden parachutes" are a part of the system.

So even though the corporation may stall or crash, the executive is equipped with his "golden parachute" and is thereby guaranteed to land safely and comfortably. He may go to Florida and elsewhere to enjoy a rich retirement life. Who suffers? Who suffers is America: the American economy suffers from this outrageous system.

American Executives Prefer Immediate Rewards

Poverty is very visible all over America, particularly among blacks and Hispanics. The minority issue is a crucial one in America. The gap between rich and poor is enormous. Only one percent of the population controls 36% of the national wealth, an outrageous condition that should somehow be corrected.

A free economy basically should assure profit to anyone who works. Yet if an individual's gains go to the extreme, he becomes a celebrity and an egotist. This is what I have seen to be the case in many corporations today.

Such individuals regard their employees as their own tools to enhance their personal performance for which they collect all the rewards. Should one fail and be fired, he will land comfortably on his feet, thanks to his golden parachute. As an example of an extreme case of such, a friend of mine mismanaged his company while he was its chairman. The company failed, but he and his wife are leading a luxurious life, something that would never happen in Japan. This man has simply played the American game. He had no real intention of remaining

with that company in any case; he was only working to maximize his personal income during that time.

I have been involved in a number of joint venture projects in America. I make every effort to improve my joint venture situations. I want to close the deal as quickly as possible whenever we are involved in substantial capital investment. When we spend capital on facilities investment, we are entitled to tax benefits. I like to utilize the extra profits generated by these tax benefits to get rid of debt service. Whenever I suggest that, my partners ask "why do we have to sacrifice our profits for people in the future?"

For me, the most critical objective is to make the company healthy and free of debt service, hoping that our successors will do the same for their successors by availing whatever profits we get from repaying the debt, while my joint venture partners feel that their personal gains should not be so sacrificed. They have no intention of remaining with these companies for very long and so they want to increase their personal income by maximizing disposable company profits in the short run.

For example, they moved production facilities to Singapore or Japan when the US dollar was high because they could not expect to maintain high profits when productions costs were high.

This is the case in the semiconductor industry as well. Production has been moved out of the US, leaving production primarily with Japan. This has deprived America of the capacity for anything other than 256 bit chips. It is cheaper and easier to buy them from Japan, rather than dealing with expensive, unionized workers in America. These very same business executives have been blaming the trade imbalance and the Japanese trade surplus for their difficulties while at the same time choosing to import these products from Japan. Japan has not forced them to buy its products, but it cannot begin to catch up on orders placed by American firms.

A Japanese Corporation is a Community Bound Together by a Common Destiny

The fundamental principles which govern a Japanese corporation are basically different from those of an American corporation, from the view-point of both executives and workers.

The structure of pre-war Japanese corporations bears some resemblance to American corporations today to the extent that the president could fire anyone at his discretion. A variety of labor activities were implemented to meet such situations. Taxes were low and executives were leading comfortable lives, able to have company stock allocated, assuring themselves of a comfortable retirement. A top executive was able to buy a house with just one bonus. By the time he retired, he could have several houses for rental, which alone would have ensured a luxurious life.

After the war, General MacArthur changed Japanese labor laws as well as tax laws, among other things, which put Japanese business executives in a different situation. First, they were now unable to fire employees at their discretion, not even to reduce the size of their labor force. At times a company must reduce the size of the work force if it cannot afford to keep them or if they are unproductive.

When I first found that American companies can hire and fire and rehire at will, I wondered perhaps if Japanese companies were more charitable organizations than profit making institutions. However, Japanese managers have developed a concept which, in essence binds the company, workers and management, into a community with a common fate or destiny. I have explained to American corporate managers that in Japan, once an individual is hired, he has been hired for life and unless he commits some serious offense, the company cannot fire him. Americans want to know how in the world we are capable of operating profitably. I say that since a Japanese company is a community bound together by a common destiny, like the relationship between a married couple, all must work together to solve common problems.

This concept of a fate-sharing community might sound particular to Japan. However, recently, it appears to have had some impact on American corporations, which are showing interest in the Japanese corporate management system. They seem anxious to absorb some of the positive elements of the Japanese system.

When I find an employee who turns out to be wrong for a job, I feel it is my fault because I made the decision to hire him. Generally, I would invest in additional training, education, or change of duty, even perhaps sending him overseas for additional experience. As a result, he will usually turn out to be an asset in the long run. Even if the positive return is only one out of every five, that one individual's productivity will cover the losses incurred by the other four. It is a greater loss to lose that one productive person than to maintain the presence of the four incompetents.

In a fate-sharing corporation, one capable individual can easily carry a number of other not-so-capable individuals. The confidence of Japanese employees in their company, knowing that he is employed for life, means that he will develop a strong sense of dedication to that company. For these reasons, Japanese corporate executives are anxious to train their employees well, as they will be their successors.

As the chief executive officer, it is my responsibility not only to pursue profit, but also to create a community where those I have employed can complete their careers 20-30 years from now with the feeling that he had truly made a good life with the company.

Japanese company employees know that they are members of a community bound together by a mutual fate for which they bear the hardships of today in anticipation of a better future. There are many company presidents today in Japan who at one time or another served as union leaders. This fact makes present union leaders feel that they too may, sometime in the future, move into management positions within their company, and therefore their long term interests are closely tied to the company. They do not pursue short term, myopic profits for the immediate future. When the company proposes a plan to save a certain portion of profits for facility investment or to pool for the following year, unions may well be willing to make compromises, because they know that the future of the workers is tied to the future of the corporation. I would like to ask presidents of American corporations if they ever heard of any American union leaders who have become heads of corporations. Japanese executives have a categorically different corporate philosophy than do American executives, who are more anxious to demonstrate profitability to please stockholders. I have asked Americans what, in their minds, is the meaning of "company." In my mind, it is a group of people conforming where interests are shared. I must point out that in the American interpretation of company, this concept does not exist. It is my firm conviction that man is created equal, irrespective of color of skin or nationality and it is natural that my concept of company includes the employees of my overseas Sony operations. My California plant opened in 1972, initially with 250 employees. Soon after the plant opened, we were hit with the worldwide oil crisis, which caused a recession. The California plant was not immune to this development and the facility lost business and was unable to support its 250 employees.

The president of Sony America was, of course, an American and he came to me saying that there was no other choice but to lay off some of the employees. I refused his proposal, telling him that I would take the responsibility for possible losses in order to retain the employees. We sent capital from the Japanese headquarters to sustain the 250 person work force for some time. During this period, there was not enough work to keep everyone busy, so we developed educational programs, out of which grew not only a sense of appreciation, but also a real emotional involvement with the company. They began to feel that the plant was their home, and began to clean and polish the facilities, and take care of their work sites on their own. These people became the central core of the California plant, which now employs 1,500 people. They don't even talk about unionizing themselves. American unions are basically industrial, which means that there are always active union leaders from outside who attempt to unionize our plant. Our workers had tee-shirts made, with their own money, saying "WE DON'T NEED THE UNION."

The United Kingdom has a unique law which unionizes every company. Sony UK is no exception. Yet some of our women union members insisted, in an interview on the BBC, that their union is different than other, ordinary ones. This is a positive demonstration of the feeling that we all share the same fate, no matter where we are in the world.

In the U.S. and UK, most employees never have even seen their top executives. When I go to one of our plants, I normally mingle with the employees and eat together with them in the company cafeteria. This helps in developing communication and trust. It may be a bit difficult to expect the same response from foreign employees, but it is still the best approach. The Japanese system is not completely applicable to the American system of course. Yet patient demonstration to show that the company truly wishes to protect their interests, even when business is at its worst, will show results. People tend to develop trust under these circumstances. The best thing a company can do is to treat its employees as dignified human beings.

The Japanese Approach Can Be Used Worldwide

European corporations appear to be treating their employees more humanely than their American counterparts, although they are still far from the concept of lifetime employment. Large corporations do not hesitate to lay off employees whenever business is down; they even close operations without notice or sell out, treating employees as if they were tools or equipment.

There is also obvious class discrimination within companies. Engineers, for example, wear white collars, stay in their offices, and

seldom show up in the factories. They want to tell workers what to do, rather than donning blues and showing them. In my company, all workers wear the same uniforms. I also wear the same uniform, not only in the plants, but also at company headquarters. All our plant managers do the same. Those who are in training have been instructed to walk through the plant frequently, establishing personal contacts with the workers. Those who become foremen or section managers are encouraged to hold brief meetings each morning with their subordinates to read their mood and detect problems in advance. They are instructed to talk with those who seem ill or depressed, to find out if they need medical care or if they are having family or personal problems. Should this be the case, they should be allowed to take time off and deal with these problems first, while the other workers cover for them. This also helps the sense of togetherness among workers.

On the occasion of 20th and 25th anniversaries of Sony America, my wife and I visited all our American plants, gave talks, had dinner with our employees and shook hands of all our workers. Since at some plants we had three shifts, we had dinner three times in one day, with the night shift taking their turn at 4:00 a.m. I told everyone that we greatly appreciated their contributions which helped make the 25th anniversary a celebration and shook everyone's hand. I was able to feel their response even physically. These employees told me that this experience was something they never would have had in an American company. I felt our Japanese approach was not foreign to them at all.

One episode made me particularly happy. I visited one of our rather small laboratories, and said that I wanted to meet all of its members. The head of the lab asked if he could take my picture. He took his camera from his desk drawer and took me to each member of his staff, introducing me to him or her and taking our picture as we shook hands. There were almost 80 people at this facility and he promised to make a print for each person. I was surprised that this typically Japanese activity was taking place in a facility where there were no Japanese! There again, I felt that we are all basically the same, irrespective of national and cultural differences.

Our style and our efforts have a ripple effect and make other members of our company feel the Sony spirit. I am not saying that whatever style and customs we have developed are automatically good and acceptable everywhere. What I am emphasizing here is that the basic attitude of a corporation and its philosophy can be understood worldwide, and certain aspects of Japanese tradition and style can be rooted overseas.

On the other hand, I recognize fully that certain aspects of American business administration, such as numerical and analytical operations, are excellent as we have sent many individuals from our company to American business schools to learn such matters. Combining good traditions and practices of both the Japanese and American systems will, I believe, make for a very strong corporation.

LET'S BECOME A JAPAN THAT CAN SAY NO

(Morita)

Saying "No" Actually Represents a Deepening of Mutual Understanding

It is inevitable that Japanese companies have been establishing American operations. America after the era of Reaganomics is now responding to the trend with new Bush Administration policies. In response, Japan should now begin to make it a habit to say no when its position is clearly negative. It is the rule in the West to say "no" whenever one's position is clearly negative. We are in a business environment where "well" or "probably" have no place in normal business conduct. I have been saying "no" to foreigners for the last thirty years. Clearly, the Japanese Government has missed many, many opportunities to say "no."

Take the auto trade issue, for example. America forced Japan to limit its auto exports to two million units per year under the guise of voluntary restrictions. When the American market became more lucrative, and the number of imported cars could have been increased, American auto manufacturers demanded that the quota be tripled. MITI and the Prime Minister gave in to American demands.

In my opinion, this was a great mistake. Both the MITI minister and the prime minister at that time should have taken the position that the American demands were unfair. The Big Three had already increased their profits enormously and individuals such as Lee Iacocca and Roger Smith were receiving more than a million dollars each in bonuses. They simply demanded special treatment in order to increase profits from the Japanese imports which they sold under their company brands when they requested that the quotas be tripled. That was the time for Japan to have said "you are being hypocritical, criticizing others as unfair when in fact what you are demanding is what is really unfair." The timing was crucial; unless one registers opposition or negative reaction at precisely the right time, Americans take the situation for granted and later insist that they were right as no opposition was registered at the time of the demand. This has always been the case in the past.

The trade imbalance is another case which should be scrutinized as to whether or not American demands are based on fact and reality. I once asked Americans to investigate what Americans had been importing from Japan.

American imports from Japan are mostly products which require a high tech capacity to produce. Many of these products fall into the area of military procurement, but it is true that even the private sector is buying Japanese products which are technologically indispensable. Even some of the inexpensive home electrical appliances may be obtained from Japanese manufacturers within a short time frame if they require high technological skills in the production process.

America has left the production responsibility with Japan, resulting in a heavy dependency upon Japan. American politicians only talk about the results of this situation, blaming Japan for the trade deficit to get votes. Yet it seems that these same politicians don't even know specifically what it is that America buys from Japan. If they took the time and made the effort to seriously investigate the matter, they could not condemn Japan so out of hand.

Japan should tell America that it may buy these quality products irrespective of the exchange rates, even when the US dollar falls to the 100 to 1 ratio. Artificial manipulation of the exchange rate does not benefit the American economy. Such products as transistors, which Sony originally marketed, may today be purchased anywhere outside Japan, and so are not a matter of friction between the US and Japan. Products recently developed in Japan are not as easily obtained elsewhere. There are some things that can only be found in Japan and Japan cannot be blamed for over exposing. Those who say otherwise simply do not know the facts.

Computer terminals are in short supply at present and are being rapidly developed in Japan. Japan should let America know what the situation is and make the US realize that the relationship between the two nations is increasingly mutually dependent.

My purpose in advocating saying "no" is to promote that awareness. "No" is not the beginning of a disagreement or a serious argument. On the contrary, "no" is the beginning of a new collaboration. If Japan truly says "no" when it means "no" it will serve as a means of improving the US-Japan relationship.

National Characteristics Which Make It Difficult for the Japanese to Say "No"

The question arises as to who should say "no?" Japan's Confucian background makes is very difficult for its people to say "no" within the context of normal human relationships. In a traditional hierarchy, subordinates dare not say "no" to higher ups without violating normal courtesy. The higher up take a "no" from a subordinate as insubordination. In a staff relationship, "no" is something to be avoided in order to maintain smooth human relationships.

Living in a homogeneous society since childhood, we Japanese have grown up without practical experience in quarreling and fighting in a heterocultural environment. Many of us feel that eventually other people will understand our true feelings on an issue without verbalizing them. In short, we expect a lot when it comes to mutual understanding. Americans may go directly to their boss to offer an explanation whenever they feel they are not properly understood. Japanese, on the other hand, even if they feel they are not properly understood, remain hopeful that they will eventually be understood or that the truth will reveal itself sooner or later. They do the same with foreigners in foreign countries. They feel that sincerity and effort should automatically be reciprocated. In my mind, this can happen only in Japan, but never in foreign countries. Wordless communication and telepathy will just not happen.

I admit that I may be more westernized than most Japanese, since I believe that we should be more straightforward as we become closer, and that a serious quarrel need not destroy a friendship. This may not be accepted in a traditional Japanese relationship; we avoid serious confrontation by turning away from the cold facts. Instead, we tend to make loose compromises. It is quite simply our tradition not to say "no" to our friends.

We should not expect to find a similar understanding from foreigners concerning this particular Japanese mentality. It is too easy to expect understanding of one's opposition without using "no." I could say it is a Japanese defect to expect something without using the rational verbal procedures.

If you stay silent when you have a particular demand or an opposing position to express, the other party will take it for granted that you have no demands or opposition. When you close your mind to the outside, remaining in a uniquely Japanese

mental framework, you will be isolated in this modern, interdependent world.

LET'S NOT GIVE IN TO AMERICA'S BLUSTER

(Ishihara)

Statesmen Ought to Make Best Use of All Available Cards

America has renewed its bluster in the last year. Politicians must sense that they will win more votes bashing Japan than bashing the Soviet Union. Criticism of Japan by U.S. politicians has taken on a rather hysterical tone these days. I experienced it personally when I was there and met with politicians who told me that was a new power shift between the U.S. and U.S.S.R., as if this development should scare Japan somehow. These same politicians indicated that since both Americans and the Soviets are white, at a final confrontation, they might gang up against a non-white Japan.

Japan should never give in to such irrational threats. Japan also holds very strong cards in high technology capabilities which is indispensable to military equipment in both the U.S. and U.S.S.R. Yet Japan could well have said "no" to making available specific technology. Japan has substantial national strength to deal with other nations, yet some of the powerful cards it holds have been wasted diplomatically.

I happened to be in America at the time the U.S. Congress passed a resolution to impose sanctions on Japan on the semiconductor issue. Congress seemed to be very excited, almost in the same mood as was the League of Nations was when it sent the Litton Mission to Manchuria to observe Japanese activities there in relation to the Manchukuo Incident.

I talked with members of Congress in this tense atmosphere, and I did not feel they were conducting matters on a rational basis. Some Congressmen were actually brandishing sledgehammers, smashing Toshiba electronic equipment, with their sleeves rolled up. It was just ugly to watch them behave so.

I commented at that time that the U.S. Congress is too hysterical to trust. Their faces turned red in anger and they demanded an explanation. I told them: "Look—only a few decades ago you passed the Prohibition Amendment. No sincere Congress would ever pass such irrational legislation." They all just grinned at me in response.

Yet I must admit, that it was Japan who aggravated the semiconductor issue to such a low level, by not saying "no" on the appropriate occasions.

After he was elected to a second term, Mr. Nakasone promised America that Japan would avail highly strategic technology without giving adequate thought to the significance of that kind of commitment. The strongest card, which he should have played, was virtually given away free to America. He probably wanted to impress America, hoping for a tacit reciprocity from a thankful U.S. Unfortunately, it was only Mr. Nakasone who recognized the value of that card at the time. Both the Liberal Democrats and opposition parties overlooked the significance of this issue. I assume that the leaders of those parties, such as Takeshita, Miyazawa and Abe did not know it either. It is such a pity that Japan's politicians are not aware of the political significance of Japan's high technology capabilities.

In reality, Japanese technology has advanced so much that America gets hysterical, an indication of the tremendous value of that card—perhaps our ace. My frustration stems from the fact that Japan has not, so far, utilized that powerful card in the arena of international relations.

What Mr. Nakasone got out of the free gift was Reagan's friendship, so-called. We all know that love and friendship alone cannot solve international conflicts and hardships.

Nakasone Bungled the Relationship

I truly regret that Japanese diplomacy has been based on a series of "yeses" instead of skillful manipulation of strong ace cards. Former prime minister Nakasone has done a substantial disservice to Japan in terms of his handling of relations with the U.S. These are among his most unfortunate mistakes. He boasted of the so-called "Ron-Yasu" relationship as if he had succeeded in bringing about a skillful policy toward the U.S. In reality, he was simply a lowly yes-man to Reagan.

It was actually I who introduced Mr. Nakasone to Mr. Reagan. I asked one of Mr. Reagan's assistants if he ever recalled a "no" from Nakasone to Reagan. He immediately replied he did not know of any, and Mr. Nakasone was a "nice guy with a sardonic smile."

Former Prime Minister Nakasone was in a position to know that Japan's leading edge technology was superior to that of the U.S. so much so that Americans had become nervous concerning the magnitude of Japan's superiority in the area. Yet he still did not say "no." Was he taken advantage of? Did he have some weak spot as did the prime minister (Tanaka) at the time of the Lockheed scandal during the Nixon Administration? Otherwise, Japanese leaders who hold such high cards should be able to play them in dealing with American demands.

The FSX, the next generation of fighters, developed by Mitsubishi Heavy Industries during the Nakasone era, has become another source of controversy in the U.S. as it relates to defense matters. Further development of the FSX appears to be quashed by the U.S. I am unaware of any deals made under the table, but there is considerable frustration in Japan over the matter.

Mitsubishi Heavy Industries is a conglomerate with a wide variety of technology used in manufacturing advanced products. The chief engineer there is a contemporary of mine who developed the most advanced land-to-air missile. He is also the man responsible for the design of the next generation fighter and he believes that Japan should have its own capacity to provide such equipment, which of course astonishes Americans.

The FSX is a marvelous and formidable fighter. No existing fighter, including the F-15 and the F-16 can match it in a dog fight. I recall when the Secretary of Defense Weinberger became serious about quashing the FSX Japanese development plan, strictly out of fear.

Unfortunately, Japan has not yet developed a powerful enough jet engine, although I advocated such development while I was a member of the Upper House. Japan still must purchase jet engines, which are mounted on the F-15 and F-16. If America gets really nasty, Japan could buy engines from France, which is quite anxious to export military equipment (at the same time that country's president is advocating truces all over the world, I might add). If France is reluctant to sell what we need, I would not mind going to the Soviet Union, although the quality of the Russian engines is not particularly impressive.

New Mitsubishi designed jet fighters equipped with Russian engines may only have a top speed of 95% of existing F-15 and F-16 class fighters, so one might think them inferior. On the contrary, their combat capability is far superior in a dog-fight situation. It can make a 380-degree turn with a third of the diameter needed by other top fighters. The F15 and 16 require 5000 meters; the Mitsubishi fighter only requires 1600 meters. Just think of war as a game of tag. What is necessary is not maximum speed but great maneuverability. Mitsubishi's FSX fighter can get right on an enemy plane and send heat-seeking missiles with 100% accuracy. Incidently, there are two types of air-to-air missiles, heat seeking and radar controlled. The radar controlled type may even fail to hit a jumbo jet, while the heat tracing type can fine tune its direction to head for the enemy's source of heat.

The FSX was a surprise to the Americans, as were the Zero fighters at the beginning of the Second World War. They never expected to see such an advanced fighter as the Zero, which virtually controlled the air at the beginning of the war. That such a formidable weapon as the FSX is in production today outside the US came as shock to Americans. The Japanese FSX is equipped with four vertical fins, similar to shark's fins. Each acts as a steering mechanism, like the steering wheel of a four-wheel drive automobile that can make a complete turn in a small area without moving back and forth. Such a marvelous idea probably is not the monopoly of Japan, but it was a Japanese manufacturer who developed the idea into reality, thanks to Japanese advanced high technology.

Russian fighters are also equipped using Japanese know-how, especially in the areas of ceramics and carbon fibers. Special paints on American reconnaissance planes which assist in avoiding radar detection are also made in Japan.

Shocked by the high standards of the FSX, I guess that the US pressured Mr. Nakasone, probably citing his earlier commitment on technology. His submission to American pressure eventually caused the mothballing of the FSX, to be replaced by future projects of a joint US-Japan development plan. In November 1988, the two governments signed an agreement that set the course for the joint development of the FSX; an agreement which leaves many unsolved problems at the industry level.

One of the manufacturers involved, General Dynamics, was very anxious to assume the initiative on the project, dividing it up among others. It met with resistance from Mitsubishi, and General Dynamics came up with a plan that would separate the development of the left and right wing—a very peculiar approach.

In short, America wants to steal Japanese know-how. They cannot manufacture the most technologically advanced fighters without advanced ceramic and carbon fiber technology from Japan. That is why America is applying so much pressure, attempting to force Japan to come to American terms. Some of Japan's industry representatives appear willing to deal with the Americans under the table, probably with the good intentions of smoothing US-Japan relations on the issue. I happen to disagree with such an approach. We just cannot give in on this issue. We must be persistent to the maximum degree. If America does not appreciate a rational division of labor on the project, we should discontinue the project and start all over from scratch.

The joint development idea is a legacy of the Reagan-Nakasone era. Both men are now out of power and we can retract the whole thing and tell the US that we have decided to develop our own project without its participation. It is our choice. We must bluff to counter American bluff, otherwise we will continue to be the loser.

I brought this subject up the other day to Mr. Nakasone. He responded: "Well you had a pretty sharp interest in that issue at the time." I said that I was "probably the only one concerned about the issue at the time." Mr. Nakasone then insisted that he made the decision to compromise in order to maintain good US-Japan relations. He also admitted that America was then already very much afraid of further Japanese technological advances. Well, compromise is fine, but in reality this was not a compromise: it was a sell-out—a simple sell-out of Japan's interests.

I don't regret it any less when we make the silly mistake of not saying "no" especially when we hold the strong cards. Such freebies are now taken for granted and America comes back with more bluff. On the record, USTR Yeutter stated that the "application of high pressure is the best way to manipulate Japan."

My position may draw some criticism in Japan, where it probably will be said that I am playing with dynamite in dealing with America in this fashion. It goes without saying that an equal partnership must be carried out without humiliating pressure or compromise as the result of such pressure. This is the reason I am advocating that Japan say "no." "No" is an important instrument in the bargaining process.

Diplomacy should be Free of External Pressures

Diplomacy which lacks the "no" factor cannot be diplomacy for the benefit of Japan. Japan has had a solid basis for saying "no" on many occasions. All we must do is play our cards wisely, playing our ace intelligently. Japan is very poor at diplomatic tactics. It is a wonder to me that Japan has failed to recognize that its initiatives are instrumental in the ultimate decision making process in the international arena.

Mr. Glen Fukushima, an American of Japanese descent in the office of the USTR (Deputy Assistant USTR for Japan and China), who was acquainted with Senator Aquino of the Philippines while both were at Harvard, is one of the most capable Asian specialists. His wife is an intellectual Keio University graduate, who prefers to live in Japan, forcing Glen to commute to Japan two or three times a month.

On one occasion, I had dinner with him and asked him what America's next Japan-bashing scenario would entail. He replied that the US would take up the distribution issue since this cannot be rectified by Japanese politicians without pressure from the US. I hate to use American pressure in order to accomplish a national objective, yet, I must admit that the distribution system is one of Japan's biggest headaches today. There is no question that high prices in Japan are caused by the distribution system itself, which is made worse by Japanese politicians.

There are domestic areas where we Japanese must say "no" also, even before we say "no" to outsiders. The liberalization of rice is one such issue. Opinions on the rice issue sharply divide politicians such as I, whose constituents are urban, from those representing farmers.

Former minister of agriculture Sato is a good friend of mine, but his advocacy of food security is becoming diminished. Inevitably, mutual dependence is becoming more and more a reality in our world today. America was not even able to place a ban on exports of grain to the Soviet Union when the Russians invaded Afghanistan. There would have been too much pressure from American farmers. If that is the case, it would probably be practically impossible to put a ban on agricultural exports to Japan. The rice issue has its sentimental aspects in Japan as well as its practical aspects, which make the overall issue more complicated. Yet it is obvious that we must liberalize the market. Such is also true of construction projects. It is inevitable that we allow foreign construction firms to participate in Japanese public construction projects. Japanese general contractors have been maintaining prices as much as 40% higher in comparison to foreign bidders, due to bid rigging traditions to assure a monopoly on business for themselves. There is no way these practices could ever be free of foreign criticism.

In the course of my conversation with Glen Fukushima, I asked whom among the Japanese negotiators he considers the best. He immediately came up with the name of MITI's Kuroda, whom the Japanese press used to criticize for his tough positions. The press claimed that his participation aggravated the problems with the US. The Americans criticized him for being stubborn. Strangely, the American negotiator named him the most effective. He is stubborn and is able to say "no" decisively whenever he should do so. The Americans usually try to overpower negotiations by increasing pressure. But Kuroda does not feel that he must say "yes" to American pressure. America is a giant in many ways and, in many ways, Japan is a dwarf. This obvious contrast has been exploited by the Americans often in the past. Mr. Kuroda kept pointing out that irrational pressure is not the result of reason or logic, and reinforced this position by withstanding increasing pressure. His "no" is not a no for its own sake; he always states his reasons. This is the proper approach and attitude in negotiations. In the past, there have been allegations that Japanese logic and opinions have not made any sense to the other side.

When the opposing side points out that Japanese opinions and demands have no logical basis, all of a sudden the illogical Japanese start saying "yes, yes, yes" in a panic. But these "yeses" do not necessarily mean yes in the sense of positive assertion. At any rate, the other side then comes to the conclusion that Japan will not take action unless pressure is placed on them. This is a rather unfortunate situation for the people of Japan. The Japanese image of being soft in the face of pressure does not help Japan's diplomatic efforts at all.

I have often suggested that at least half of Japan's diplomats stationed abroad be civilians. Those who are in business and other professions who have dealt with foreigners are in a better position to represent the interests of Japan than are career diplomats. Send Mr. Morita to America as our ambassador: a brilliant idea! But it should not be just an idea. I truly believe that it would be most beneficial to the US-Japan relationship to have such an ambassador from Japan to the US.

THE U.S. AND JAPAN ARE "INESCAPABLY INTERDEPENDENT" (Morita)

No Way To Avoid the Trade Frictions

Recently the expression, "inescapable interdependence" has been heard quite often among Americans. If we dare to explain this concept in a more extreme way, perhaps we can say it's a "fatal attraction". With this trend now prevailing in the world, we have no choice but to live cooperatively. Everyone on earth, not just the United States and Japan, is mutually dependent and this is unavoidable. This is the times that we are facing now. What does cooperation mean?

A Japanese tends to say, "Let's work together." But I often wonder whether they really understand its meaning. This can be applicable to Americans, as well. We are at home using this expression but it seems to only be used as a convenience. Furthermore it is out of the question to force "cooperation" through threats.

To cooperate is to maintain harmony. It is not harmonious to force your adversary. When they cope with you, you, too, must cope with them. You have to give up some of your interest; you must abandon something.

I tell people whenever I have a chance that we know what it is to be selfish but hardly anybody is aware when he himself is being selfish. We say that one is selfish but actually this person probably has no idea that he is perceived as such. In this sense, Japan also can be thought a little bit selfish by other countries, although we hardly have such idea.

Looking for the reason, we are so perceived, the opening of the domestic market can be one example. Everyone agrees that we should open our markets to foreign traders, but when it comes to individual, this is hard to actualize since someone says, "no, I cannot accept this", and then someone else says, "no, I cannot accept that." Although at summit meetings, Japanese leaders assure others that they will do their best, and they actually do try to open the market. In the end, however, this is never actualized since their promise goes against domestic interest groups and they are forced to back down. Only lip-service followed by no achievement might result in being called "liars" and this is surely worse than "selfish."

The development of communication technologies means this is a shrinking world and any country will be left alone if it does not talk frankly to its people and friendly countries about the compromises that they must accept.

Free people in the free world ask for their freedom but at the same time they respect the freedom of others. And I think it is genuine freedom to think "we should abandon some so that we can respect others". It will simply increase friction if we just look out for our own benefit, and put priority on winning the race based on the premise that we simply can focus on our interests alone since we are in the world of free economy.

We should also recognize that friction seldom occurs with those who are far from you. Friction occurs as we move close. We cannot escape from the trade friction as long as we belong to the world of "inescapable interdependence".

Japan's Central Role in Asia

The closer we become, the harsher the friction can be. So it would be wise for us to prepare for problems with neighboring Asian countries.

I went to Singapore recently to attend a ceremony marking the opening of our new plant, and had a chance to talk with President Lee Kuan Yew who has been a friend for a long time. He invited me to his home, we talked over the dinner and I stayed with him.

The plant our company opened this time in Singapore is operated automatically by robots. We use materials Singapore supplies and employ able engineers graduated from good schools in Singapore, producing special parts in large numbers. The plant itself will be a foothold to supply the products all over the world. When I proudly held forth my new plant, he was very pleased and said that in the past when Japanese firms opened plants in his country, they needed a large number of employees, where they in fact have never had enough personnel. Because of the nature of his country, that is, Singapore is a small island, this caused wage increases at a drastic pace. This is what they had wanted; a plant with sophisticated technology.

Transferring our technologies, not teaching management, I believe, is the best way to alleviate friction between Southeast Asian countries and Japan. These countries, NICS, then NIES, are now the Four Tigers or Five Tigers. It might be too much to say that they developed thanks to the Japanese economy and industrial technologies, but I believe we contributed to them in such a way that contributed to their current prosperity. From now on, Japan will need to take a major role in Asia. You already are able to see this is happening when you recognize that Tokyo has taken on a major role as a finance and money center like New York and London.

In the past, we yearned to go to New York when we were young. Similarly, the youth of Southeast Asia yearn to visit Tokyo or Disneyland in Japan. I should avoid the expression, "leadership", but Japan has begun to assume that role as a center in Asia.

To take on the role as an initiator means we must also be able to take on the role of arbitrator. That is, we must think carefully what constitutes a real leadership role in this mutually dependent world.

America, You Had Better Give Up Certain Arrogance

As you (Mr. Ishihara) mentioned before, rapprochement between the United States and the Soviet Union and Japan's involvement in their military strategies because of its highly-sophisticated technology directly affects new trends on the world scene.

I do not think anybody imagined a decade ago that these two superpowers would be mutually dependent on each other in a military sense and that there would be a strange structure in the power balance among the United States, the Soviet Union and Japan. Nobody can deny that we are going to have a totally new configuration in the balance of power in the world.

Facing this, most important to Japan in the practical sense, is the relationship between Japan and the United States. Japan needs the United States. I think the United States needs Japan as well. It is a bond we can never cut, and this might be the "fatal attraction" between us. Since we can never separate, we had better look for the way to develop through cooperation a healthy relationship through cooperation. And we want to ask you Americans, "what is going on now in your country? Do Americans really understand the meaning of 'freedom' and the role of Japan which is so necessary to the United States?" When you see present conditions, it is obvious that the United States is not strong enough in a fundamental and structural sense. So, I think what is most important is that we ask them frankly as an equal and not as a subordinate, "Are you really sure that you are all right?" We will be in trouble as will the whole world if the United States is not strong enough in the fundamentals and this means more than talking about something current. It must be recognized by Mr. Bush as well. In this sense, it is important for Mr. Takeshita to deliver our message correctly in the coming summit. In my understanding, however, these summit meetings are held according to an itinerary prepared at the working level and they decided what was supposed to be said by the leaders. In negotiations among business leaders, we, top management hold discussions face to face, saying "yes" or "no", or "if you will do that, we will do this." However, we have a tendency to prepare answers for negotiations even in business world in Japan. Take my case, for example. Once a chairman of a large Japanese firm was visiting me and I planned to talk with him face to face. Then, someone from that office called us and asked what I was going to talk about when we met. "Our chairman is going to say such and such. How will you respond?" They wanted to prepare all answers beforehand. I do not think we need to have meetings if the content is planned beforehand. I want Mr. Takeshita to say correctly how we, Japanese, see the present situation in the United States and tell them clearly what we want them to do. I think we should tell them, "please do not cling to the image that you are the superpower, but rather look for the way to get your economy on the road to recovery. We should tell them, "we are going to back up your dollar, so face the fact and issue yen-bonds, for example, as Carter Administration issued pound-bonds." Americans have to abandon the idea, such as, "our federal obligations do not bother us since we can print more green backs." They have to change the way they think about their own economy. To this end, we Japanese must deliver the message "if you cannot make both ends meet, we cannot either." We must do this even if it takes time to make them understand.

It is high time to let them know we might go bankrupt together if things are not resolved. The United States and Japan relationship is in serious trouble. Because of our historical discipline, Japan has adhered to the principle that "silence is golden", but I believe Japan must insist that the United States do what must be done. An outspoken person like me is easily criticized from every corner and I am sure Mr. Ishihara has had the same experience since he is also very outspoken. But to be silent and to put up with things do not work at all in the West. As Ishihara has suggested, I think we should say what we have to say. If not, I am afraid that we will lose our own identity as Japanese in the world.

JAPAN SHOULD LIVE IN HARMONY WITH ASIA

(Ishihara)

Restrain America!

When the time comes when Japan does say "no" decisively on a particular issue, there may be a dramatic reaction. It should come as a shock to the Americans, and a number of different reactions would be possible. Even now, some Americans suggest the possible physical occupation of Japan in case Japan engages in semiconductor trade with the Soviet Union.

Yet when the time comes, we may well dare to say "no." The relationship between Japan and the U.S., as Mr. Morita describes, it is unbreakable. However, the whole world does not exist for the sake of Japan and the U.S.-Japan's relationship with the rest of the world does not exist only in relation to or through the U.S. Should America behave unreasonably toward Japan, Japan must open channels to deal with the rest of the world from a different standpoint than on the basis of the U.S.-Japan relationship and must show that it is doing this to the Americans.

America itself has already exhibited certain indications that it is shifting towards a closer relationship with the Soviet Union, as Alvin Toffler stated, insinuating that Japan will be threatened once the U.S. establishes a more collaborative relationship with the Soviet Union, similar to the case of the U.S. movement toward China, which it did without keeping Japan advised. Beyond the shock of America's new relationship with China, which burst forth in December 1978, there was also an astonishing high technology demonstration.

I for one had a chance to observe some of that demonstration. It began with a set of satellite photos which Dr. Kissinger brought to China. At the time, Viet Nam was engaged in a military conflict with China, subsequent to the fall of the Saigon government in April 1970 and the Cambodian war. The Sino-Vietnamese war was recklessly provoked by Deng Shao Ping, chief of staff in China. In the initial encounters, China was severely defeated. The real power behind Viet Nam was the Soviet Union. The Soviets provided Viet Nam with detailed satellite photos illustrating the movements of the Chinese military, the number of soldiers and divisions, the number of tanks unloaded at Kuang Tong station and which direction all these troops took. Taking advantage of the superior information available to them, as provided by the Soviet Union, Viet Nam was able to lure Chinese troops deep into the mountains, then destroyed them with anti-tank missiles. This miserable battle was all recorded by American satellites, which Dr. Kissinger presented to the Chinese with the comment "what a silly war you people have conducted."

Needless to say, it was a shock to the Chinese leaders to see how, step by step their military was demolished.

I assume that the Americans showed another series of satellite pictures showing the horrible massacre of Chinese soldiers at the seige of Damansky Island (in Russian, or Chin Pao Island (in Chinese), which is located in the middle of the Amur (phonetic rendering) River. At first, only a small number of Russian soldiers occupied the island and they were soon driven off by the Chinese, who had many more troops than did the Russians. The Russians returned in greater numbers and recaptured the island. Finally, the Chinese sent the equivalent of a human wave of troops, almost flooding the island with soldiers. As the Chinese shouted victory, the island was surrounded by a sudden mist and eventually it was covered by a dense fog. The Russians exploited this climatic assistance, surrounding the island with tanks and opening a salvo. At dawn, there were a great many dead Chinese troops. The Russians landed their tanks, rolling over the dead, wounded, and living, reducing all to nothing.

The Americans showed clear pictures of the events, illustrating what had taken place using satellite pictures, a great demon-

stration of the combination of technology and intelligence gathering. China was shocked and disturbed that it could not effectively counter a situation like that as they simply did not have access to the technology required. They listened to the Americans, and agreed to the development of a bilateral relationship with the U.S. on American terms. America had played its high tech card quite effectively.

The normalization of relations with China, by-passing Japan, set a precedent and provided a basis for other such threats to Japan by the U.S. America can bluff Japan by indicating that it can develop a similar relationship with the Soviet Union, without consultation, so that Japan would be less needed within the framework of U.S. global strategy. But Japan has a similar card to play, to counter the American bluff.

Some of Japan's business leaders have long had an interest in Siberian development, which now appears to be a realistic possibility. Some of them are of the opinion that Japan could go neutral, revoking the U.S.-Japan Security Treaty, if the Soviets will return the northern islands, granted that Japan would be given the right to develop Siberian resources.

This may be a realistic choice from the Soviet point of view since some critical technologies such as linear technology are available from Japan. The U.S. simply does not have them. Japan had better start sending some signals of its own to America. My American friends comment that my behavior in the U.S. is too provocative; I feel that more of us should speak out like this more often.

Japan could have the Soviets formally request Japan's linear technology. The COCOM would claim that it is illegal for Japan to provide this technology. Japan would then mount a public relations campaign, appealing to the rest of the world that the use of its linear technology is simply to enhance the efficiency of the Soviet railroad system in Siberia so that travel time is shortened and the whole thing will be rationalized as an attempt to restrain American intervention. In fact, the UK and France are champions at this kind of public relations game, in combination with diplomacy. We need more skillful players in the game to counter the formidable American challenges in the international arena.

Japan Is Not Getting a Free Ride on the U.S.-Japan Security Pact

It goes without saying that the U.S.-Japan relationship is a vital one. The security treaty has certainly been helpful to Japan. America, however, has chosen to become involved for American interests; it did not want to see the restoration of Japanese military power. However, the so-called American nuclear umbrella as a deterrent power for Japan is not as valuable as the Americans have said. I verified this myself twenty years ago and put it into the official record. The American nuclear umbrella is just an illusion as far as the Japanese people are concerned. Also, the so-called "free ride" on the U.S.-Japan Security treaty is no such thing and has no earthly basis. I have stated this repeatedly. The Japanese people have been forced to thank the U.S. for an illusion. Both the U.S. and the USSR had to enter into the INF agreement due to the nature of a changing power shift in the world, which on the bottom line, is inevitable in light of the high technology dominance by Japan. This has been clearly seen by individuals such as Dr. Kissinger, who even foresaw the situation today long ago, a position he has stated on a number of occasions. Poor Japanese politicians have never studied these issues systematically and therefore can never provide a rebuttal to American allegations. Americans, for their part, seem to have emotional and intellectual difficulties in admitting to changes and new developments.

A Pentagon task force sent a warning on electronics, with particular emphasis on semiconductors, those who have nothing to worry about but Japan. America is very seriously concerned about losing power of any kind to Japan. Some Americans have been raising their voices in advocation of an increased Japanese defense capacity. This may be a worthwhile suggestion. We should overhaul our current defense system, although I am not advocating an abrupt cutting of ties with the U.S. We have accepted this absurd defense formula consisting of three defense forces. This system must be completely overhauled to suit present realities, including a much greater deterrent capacity, exploiting our high technology to the maximum. We should develop the most persuasive and demonstratable deterrent formula which would, without any doubt, show our adversaries that any attack on Japan will end with unbearable damage to the aggressor from both a strategic and a tactical viewpoint.

Production and maintenance of escort ships which can only exhaust their missiles and ammunition within a few minutes, and then sit and wait for death is absurd. Participation in RIMPAC with such equipment makes no sense. RIMPAC has nothing to do with the concept of active defense.

In a lecture that the Defense College of Japan, the commander of the US 7th Fleet declared that it is 100% unlikely that Soviet forces could land on Japanese territory. This is honest- but stupid-comment. Some time ago, we invited a famous Israeli tank division commander named Tam (phonetic rendering) to Japan. He kept annoying the Defense Agency by asking why Japan was building tanks. He was considered to be one of the top tank strategists in the world, and he told us that even on Hokkaido there was no need of tanks for defense. He said that Soviet attacks would have to be destroyed at sea. He also expressed doubt in the value of escort ships.

His points are absolutely valid. Tanks and escort ships were built and maintained at the direction of the Americans. America has imposed its defense formula for Japan on Japan, reproducing its own defense formula within Japan. Thus, Japan has ended up with the defense system it has simply because of one-sided, pro-American diplomacy: one in which Japan says only "yes."

I conducted my own cost analysis of Japanese defense systems and discovered the whole thing could be far less expensive if Japan developed its own system in accordance with its own initiatives and planning, in comparison to the expenditures forced on us today by the US. Despite the bowing under to American will by Japan, it still is the target of American politicians such as McClosky who charge that "Japan is protected by American blood shed in the Persian Gulf."

The time has come for Japan to tell the US that we do not need American protection. Japan will protect itself with its own power and wisdom. This will require a strong commitment and will on our part. We can do it as long as there is a national consensus to do so. There may be some political difficulties at this point in forming this consensus. From both a financial and a technological point of view, there are no barriers to accomplishing this goal in the near future. We can develop a more effective and efficient defense capability at less than we are paying today.

In reality, the abrupt cancellation of the security treaty is not feasible. But it is a diplomatic option and a powerful card. Outright refusal to consider such an option means giving up a valuable diplomatic card. The fact remains that we do not necessarily need the security treaty and a security system which will meet Japanese needs, can be built by Japan alone.

Both the right and left on this issue tend to become fanatical on the security treaty debate. It is most regrettable that we do not have a cool and rational forum where the objective profit and loss aspects of the issue can be analyzed. But the time will come when we will have to face this issue and this time is in the near future.

The current state of the Liberal Democratic Party means that it cannot afford a serious deliberation on this issue. Once the opposition parties disassociate themselves from a one-sided pro Russian and Chinese policy and demonstrate their capacity to be able to replace the LDP as alternative political parties fully recognized by the voters, we will be in the position to examine our options with greater flexibility.

Japan Should Live in Harmony With Asia

Japanese popular songs are heard all over Asia these days; it reminds me of the time when the Japanese became so interested in American pop music, which, at the time, conditioned our psycho-emotional base so that post-war Japan evolved into a consumer-oriented society. Structurally, there must be similar powers during such social phenomena and I wonder what it is today.

As a matter of fact, it has always been some technological breakthrough which has moved history into the next stage, during any given era, even as far back as the stone age or the copper epoch. Technology has always set the pace of civilization and cultures flourish on this basis. When we start seeing only the pretty flowers that are the result of this flourishing and forget about the roots that nourish the blossoms, we soon experience the decline of the civilization, as has been the case of nations in the past. This is the way I interpret history, in cool and orthodox terms.

With respect to the development of the commercial uses of the semiconductor, materialized by Japan in Asia, I must say that we can easily understand the reason why this happened. When the French Minister of Culture, Andre Malroux, came to Japan, he pointed out the distinction between Western religious artifacts and those of Japan. He told an audience that the Western expression of a crucified Christ is bloody and even grotesque and might well discourage a religious attachment to Christ. However, he said, the Miroku Buddha at the Horiyuji Temple emits such a sublime beauty, beyond the barriers of race and religion, that it is raised to the level of an eternal or ultimate object to be revered.

What he meant was that the type of beauty and the impression given in such an artifact as the Miroku Buddha or the Horiyuji Temple attracts interest and respect from all over the world, beyond national, racial, and cultural boundaries. These are products of refinement from Japanese people. The original image of Buddha came from India, by way of China and the

Korean peninsula. The image of Buddha in Japan is the product of the refinement of Japanese art. The process has been constantly refined and it becomes a product of Japanese intellectual processes, as the Minister explained, it is clearly Japanese.

In my judgment, Japan has acquired this ability primarily because of the particular geographical environment surrounding the Japanese archipelago. In the long journey from West to East, Japan is located at a dead end; there is nothing beyond except the Pacific Ocean. Japan is in no position to pass on to any other nations what it has received; it must live with what it receives for the rest of history. Everything stops at Japan; the Japanese people refine what has come their way; Japan is the last stop in cultural transition.

Among Japanese statesmen, Mr. Minora Genda is one I truly respect. He once said that Western swords were basically instruments of killing, although there are some variations, such as those used in the sport of fencing. But these swords are just tools and we cannot be impressed looking as Western swords. Japanese swords make viewers feel they are looking at artifacts and that they are being invited in the world of art and mystery. He went on to say that the Japanese people have converted these awful tools, made originally to butcher other people, into art objects.

Another time, Mr. Genda told me: "Mr. Ishihara—after all, in the end, Japan will be all right. It is able to defend itself." When I replied, "how," he said that "Japan's technology can be the basis of Japan's defense." What he had pointed out was that Japanese technology, which has been refined and polished to the ultimate extent, just like the swords, would provide the basis for Japan future existence.

Mr. Genda also affirmed the points I made, suggesting that in certain crucial technological areas, Japan should move at least five years ahead of other nations and if possible, further, to at least ten years. As long as Japan maintains that ten year advance, it will be in a safe position for the first twenty-five years of the 21st century. And this can be accomplished if politicians use their ace cards wisely.

I had an argument with an American correspondent recently. I asked him to look at those developing nations which were under American auspices. The Philippines and those in Africa, Central and South America are all in hopeless situations. Americans once called the Philippines "a showcase of democracy." I said that Americans are mistaken.

While the Philippines may have felt more comfortable under American administration than under Spanish colonial rule, and while they still listen to America, the US have never really imparted to them an understanding of genuine democracy. The chairman of the House Subcommittee on Southeast Asia once suggested to me that the US and Japan should split the cost of financial aid to the Philippines. I responded: "You're kidding!" He said that money alone cannot improve the situation in the Philippines because of the internal situation. The US does not even know where its aid money actually ends up. And most fundamentally, social conflict in a nation cannot be solved with an outsider's cash.

The most crucial task in the Philippines is to face the cause of social turmoil there. The cause is the role of the landowners; Philippine landowners have accumulated incredible power and wealth, syphoning everything from the ordinary people. These landowners will get no sympathy from me. The Philippines must act to redistribute the land and wealth in much the same manner as took place in Japan after the war. Landowners cannot remain landowners unless the country is stabilized. Should a military junta take power, and decide upon a socialist economic policy, these landowners would be wiped out.

Usurpers must be removed, otherwise there is no way the seeds of democracy can be planted. This so-called "showcase of democracy" is empty. And pouring additional aid money into the hands of the landowners on the form of compensation for losing their land is not only a utter waste of funds, but also ruins any basis for self-help and self-motivation.

There is a chieftain in the Truk Islands, who speaks Japanese, and who said that since the Japanese left, their children have only learned to be lazy as the Americans give aid—money and things which spoil human beings. If you give people lettuce seeds, he said, they will learn to grow lettuce, but if you give them money they will simply import lettuce and learn nothing.

America is reluctant to recognize the importance and value of local cultures. Christian missionaries do not permit the natives to chant their charms and they prohibit the use of herbs as medicine—herbs that have traditionally been used in healing sicknesses, found in certain localities and used according to local customs. Local festivals are banned, so that traditional songs and dances are forgotten. Tradition is dismantled. Americans force other cultures to give up their traditional value and impose the American culture upon them. And they do not even recognize that this is an atrocity—a barbaric act!

Natives who once has a traditional festival similar to Japan's ceremony of tasting the fruits of the first harvest. (Our ancestors may well have come from these southern islands, by the way). The festival was held on the night of the full moon. Beating drums and dancing, the people indulged in open sex as the festival had by its nature this element of fertility. Christian priests prohibited these festivals and instructed the natives to bring the fruits of the harvest to the church altar. One hour after this was done, the priests ate the gifts. The chieftain, still speaking Japanese, complained "we did not grow this to feed priests." This kind of misunderstanding goes on and on and Americans don't even realize it.

Those Asian nations where the economy has been a success story, such as Korea, Taiwan, and Singapore, were all, at one time or another, under Japanese administration. We are aware that some negative things happened under the Japanese administration, but it cannot be denied that many positive changes were left behind.

Among the resource supplying nations, the only Southeast Asian nations which have developed stable socio-economic systems are those where Japan has cooperated as a fellow Asian country. I pointed this out to that correspondent with whom I had the argument; in return he only kept silent.

In any case, these NICS are turning into NIES who are catching up to Japan, which makes Japan nervous. However, this is fine with me. Japan should work more positively, basing its approach on the premise that we must live in harmony with other Asian nations, developing constructive political strategies to assist these countries economically and politically. Entering a new era—the Pacific Age-Japan cannot remain prosperous without the rest of Asia. We need Asia more than we need America.

Japan Can be Admitted to the World Community by Saying "No."

Japan is not quite the tiny country most Japanese think it is. We should not be presumptuous or arrogant, ending up hated by others, but should have pride and dignity as respected members of the world community.

Our world view appears to be very peculiar, conditioned in part by our geography and our climate. In our mind, Japan and the rest of the world do not exist in a concentric circle. The rest of the world has its center and the center of Japan is somewhere outside this. I feel it is time to overhaul this concept and enter into the concentric world.

We want to enter that arena not through the kind of individual performance as given by Mr. Nakasone, but rather by saying "no" decisively. The Japanese people will define their position in facing the consequences and significance of their "no" and will be able to join the world community in the concentric circle as a truly "adult" member. It is therefore imperative to normalize our relationship with the US, so we can get on with becoming a true member of the world community.

I often suggested a G2 conference with the US. This would help establish Japan's status and America might well welcome the suggestion. When there are only two parties meeting, Japan will have no choice but to say "yes" or "no" without resorting to gray areas. Japan must be equipped with logic and reason whenever it says "no." Best of all, by holding a G2, Japan will have only itself and the US with which to be concerned, making it easier to stick to the "no." No other nation will pay attention to Japan is Japan cannot say "no" to the US. A good example is China.

Japan is flattered by many nations these days for no other reason than its wealth. Money is important, but Japan has many more valuable assets, such as tradition, culture, creativity, as well as powerful high technology; this last item is one that even the US and USSR cannot afford to ignore. In order to make the rest of the world realize that Japan has much more to offer than wealth, we must develop the logic and reasoning to be able to say "no," explain why, and stick to it at certain crucial moments.

IN HONOR OF THE CLEVELAND FOUNDATION

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Ms. OAKAR. Mr. Speaker, this week we commemorate Community Foundation Week across the country. I am proud that my hometown—Cleveland, OH—is the birthplace of the community foundation movement. Seventy-five years ago, Clevelander Fredrick Goff had an idea. That idea was to create a means by which any citizen could leave funds for projects directed toward the betterment of his or her community. Mr. Goff's idea began with the Cleveland Foundation, a community trust that today has assets in excess of $1 billion. This idea has grown to include more than 300 community foundations in the United States

with expansion in several other countries expected in the very near future.

The Cleveland Foundation has been at the forefront of civic life in greater Cleveland for decades. I know firsthand the good works of this great institution and I have seen the lives of countless people enriched because of the actions of the foundation. This is an institution that responds to requests for support to meet a wide variety of programs within the community—some to well-established organizations, others to new groups needing startup costs to work in some way to address the special needs of its neighborhood. Everyone has access to the foundation to present his or her case.

But the foundation not only simply responds to requests for financial assistance, it plays an active leadership role in community life by analyzing, investigating, and studying new ways to seek solutions to local community issues. This leadership is exemplified by the last four distinguished directors of the foundation whom I know personally: James A. (Dolph) Norton, Barbara Rawson, Homer Wadsworth, and it's current director Steve Minter. In addition, the foundation has always had a sensitive staff.

The dream that Fred Goff envisioned lives on—not only in Cleveland, but throughout the country. On behalf of the thousands of people who have benefited from its good work, I salute the Cleveland Foundation.

TRIBUTE TO MRS. BEATRICE BROWN

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. TORRICELLI. Mr. Speaker, it is with great respect and admiration that I address my colleagues in the House today, for I rise to extend my heartiest congratulations and warmest best wishes to Mrs. Beatrice Brown. On Sunday evening, November 12, the Israel Cancer Research Fund will honor Mrs. Brown at the Tower of Hope Ball.

Beatrice Brown is the vice president and founding board member of the Israel Cancer Research Fund, which this year will finance cancer research projects by 90 young Israeli scientists. Bea is the past president of the Pascack Valley Chapter of Hadassah in Bergen County, NJ. She founded the Annual Modern Art Show, which for 30 years has been the chapter's most successful community activity and fund raising event. Bea is also the past president of Pascack Valley American Field Service, which sent dozens of local students abroad to live in homes and attend high schools in Europe, Africa, and the Far East. The chapter brought to New Jersey dozens of foreign students for the school year, one of whom lived in Bea's home, while they attended Pascack Valley High School in New Jersey.

During World War II, Bea worked in Washington, DC, where she met and married naval officer Melvin Brown. The couple then moved to Hillsdale, NJ where they brought up three sons. In 1976 Mel passed away. Bea still resides in Hillsdale where she is a volunteer in hospital and hospice programs. She has three grandchildren.

Bea's warmth and spirit, energy and understanding, certainly define her as one of the special few who have truly made a difference. She is indeed a woman who deserves our respect and appreciation. I welcome this opportunity to join with family, friends, and the colleagues who honor her, in wishing Beatrice Brown continued success. Mr. Speaker, it is an honor and a privilege to participate in the tributes being extended on this occasion and I know my colleagues in the House will join me in saluting her efforts and accomplishments.

HONORING PANDIT JAWAHARLAL NEHRU

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. SOLARZ. Mr. Speaker, tomorrow marks the centennial of the birth of Pandit Jawaharlal Nehru, one of the great men of our century. As one of the principal founders of India, he has earned history's accolades as one of the great nation-builders of our time. Moreover, he was also one of the great democrats—with a small "d"—of this or any other age.

Mr. Speaker, last week the House demonstrated its esteem for Mr. Nehru by adopting House Concurrent Resolution 217, a resolution honoring the birth centennial of this political and intellectual giant. A few days later, India's new ambassador to the United States, His Excellency Karan Singh, paid tribute to Mr. Nehru in glowing words that poignantly explain why men and women of goodwill all around the world regard Mr. Nehru with such admiration. As an additional tribute to Mr. Nehru, and as a token of our friendship and respect for Ambassador Singh, I ask that the ambassador's words of praise for Mr. Nehru be printed in the RECORD.

JAWAHARLAL NEHRU, 1889–1989

Jawaharlal Nehru was a unique figure in India's freedom movement under Mahatma Gandhi, which itself was unparalleled in the annals of human history. Never before had hundreds of millions of oppressed people been led to freedom by a leader committed to peace and non-violence. Among the galaxy of colleagues surrounding Mahatma Gandhi, the brightest star was certainly Jawaharlal Nehru. Born and brought up in an affluent family, and educated from an early age in England, Jawaharlal Nehru grew into one of the most dynamic and charismatic leaders of the Indian freedom movement. Beginning in the early twenties, Jawaharlal began to play an increasingly important role in the affairs of the Indian National Congress, the party which was the main vehicle of the struggle for national liberation. He rose to become one of the youngest presidents of the party, and it was under his presidentship in 1929 that the famous Lahore Resolution was passed demanding complete independence from British Rule.

After spending long years in jail, Jawaharlal Nehru was ultimately called upon to head the Interim Government in 1946 and, after India became free on the 15th August 1947, to become India's first Prime Minister. For 17 years thereafter he made a historic contribution to strengthening democratic principles and practices in this vast and turbulent nation. In the early years he had colleagues from the days of the freedom movement, but in the last decade of his life he stood virtually alone as a giant among Indian leaders. In every sphere of national life—political and economic planning; administrative reconstruction and foreign policy; science and education—he left the impress of his boundless enthusiasm and deeply felt humanism.

Jawaharlal Nehru's contribution to politics was by no means confined to India. A passionate opponent of colonialism, he became the rallying point for spearheading the aspirations of vast millions of people of Asia and Africa who were then under colonial yoke. Along with President Nasser of Egypt and President Tito of Yugoslavia he founded the non-alignment movement, which today is subscribed to by over a hundred nations. Always opposed to a bi-polar world, Jawaharlal Nehru foresaw an era in which the two super-powers would shed their animosity and gradually develop a cooperative relationship. The astounding events in the Soviet Union and Eastern Europe this year, the year of Jawaharlal Nehru's birth centenary, are a dramatic vindication of his vision and farsightedness.

Jawaharlal Nehru also wrote with grace and lucidity, and while in jail produced a number of significant books, the most important being his Autobiography, the Discovery of India and Glimples of World History. He was a universal man, responding passionately to events within his own country and the world, revolting against oppression wherever he found it, urging and exhorting his fellow countrymen to rise to their full potentialities. On the occasion of his birth centenary we salute a great patriot and thinker; administrator and author; humanist and world leader.

KARAN SINGH,
Ambassador of India to the USA.

BOSTON LIVING CENTER TO OPEN THIS WEEK

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. ATKINS. Mr. Speaker, this week the Boston Living Center will open in my home State of Massachusetts. The opening of the living center creates a new and unique opportunity for those living with AIDS and HIV infection to lead more comfortable and fulfilling lives.

Mr. Speaker, far too often, those living with AIDS have been denied the opportunity to interact with other people, to enjoy the pleasure of other people's company. As a mother whose son died of AIDS 2 years ago put it, "with my son, the isolation was very difficult. There was no place he could socialize. He was left alone to his thoughts." The Boston Living Center has dedicated itself to breaking down such walls of isolation. They are committed to providing a place of emotional support, a place of social activity, and a place of companionship for all people living with AIDS.

The Boston Living Center is seeking to provide the simple comforts that many of us take for granted, but which are so vital in leading a dignified life.

Mr. Speaker, I commend the men and women who have made the Boston Living Center a reality. Their efforts will make a tremendous difference in the lives of those they serve.

IN SIGHT OF LOUISVILLE: A PERSPECTIVE OF LOUISVILLE ARTISTS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. MAZZOLI. Mr. Speaker, I am very excited that, beginning this week and running through December 15, artists from Louisville and Jefferson County—which I am privileged to serve in the U.S. Congress—will be participating in an exhibit at the Washington, DC Design Center which will provide a unique insight into the art and culture of Louisville.

Everyone in Louisville and Jefferson County is excited about this opportunity to "showcase" the artistic talent in our community. This exhibit, "In Sight of Louisville: A Perspective of Louisville Artists", will include the works of veteran artists as well as newer artists in our artistic community. And, it will illustrate the very wide variety of talent—and enthusiasm and energy—of our local artists.

The artists whose works are included in the exhibit are: Tom Butch, Ying Kit Chan, Madison Cawein, Gaela Erwin, Joyce Garner, Susan Gorsen, James Grubola, Kay Grubola, Ed Hamilton, Suzanne Mitchell, Pam Pfister, Chris Radtke, Andrew Speer, Chuck Swanson and Cathy Tuggle.

I hope that my colleagues will take the time to view this exhibit while it is in Washington. The design center is just off Capitol Hill at 300 E Street, SW.

A SALUTE TO SAM H. MILLER, "OUTSTANDING PHILANTHROPIST FOR 1989"

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. STOKES. Mr. Speaker, I rise today to salute an outstanding resident of the 21st Congressional District and a good friend, Mr. Sam H. Miller. On November 15, 1989, the National Society of Fund Raising Executives will honor Mr. Miller as "Outstanding Philanthropist for 1989." The award confirms what many Clevelanders have known about the civic and Jewish activist for more than 40 years: that he is a superb fundraiser.

The "Outstanding Philanthropist" award represents the latest in the assortment of international, national and local citations presented to Mr. Miller for his efforts. Even as he is being honored by the Society of Fund Raising Executives, Sam is in the midst of a huge project as chairman of the Passage to Freedom Campaign for Soviet Jewish resettlement. Already, he has helped to raise over $1 million for the campaign.

Mr. Speaker, I am pleased to join with others throughout the community in saluting Sam on this special occasion. He is an exceptional individual and certainly deserving of this special recognition. I want to share with my colleagues a recent article about Sam Miller which appeared in the Cleveland Jewish News.

"FUNDRAISERS' FUNDRAISER" HEADS PASSAGE CAMPAIGN

(By Vivian Witt)

When professional fundraisers say you're a fundraiser, you're really a fundraiser! So on November 15, when the National Society of Fund Raising Executives cites Sam H. Miller as "Outstanding Philanthropist for 1989," it will merely confirm what Clevelanders have known for 40 years: that the civic and Jewish activist is indeed a superb fundraiser. The Society's membership incudes the professional heads of philanthropic foundations throughout the country.

"I hate being called a philanthropist," Miller once told this reporter back in 1981 when B'nai B'rith International's highest honor, the Humanitarian Award, was then the latest in a slew of international, national and local citations, enough to paper a wall.

But the word "philanthropist," distasteful as it is to Miller, serves well to describe what he does so expertly, so passionately.

Right now, Miller is in the midst of a huge project as chairperson of the special local community drive for the national Passage to Freedom campaign for Soviet Jewish resettlement.

Cleveland's goal is $2.49 million (a share of the United Jewish Appeal's $75 million target), for what is termed an "historic exodus" of Soviet Jews. "We've already raised over a million dollars," he reports.

"It's a tough campaign," acknowledges Miller, but he expects "absolutely" that Clevelanders will respond by going over the top. "I'm not being optimistic, but realistic. I'm a pragmatist," says Miller, who considers himself a "very conservative businessman." Actually, it's not too farfetched to describe him as chief operating officer of more than one major multi-million-dollar undertaking—Forest City Enterprises, Inc., where he is vice chairman of the board—and any number of fundraising efforts. All at the same time.

Miller has had this lifelong "thing" about plucking Jews out of precarious situations wherever they may be, here or overseas, especially through fundraising. It dates back to the time his mother dropped two pennies into the proverbial blue pushke when the family lived in poverty at E. 63rd and Woodland. As a kid, Miller didn't speak a word of English—only Yiddish or Russian—until he was 7 years old, when his mother marched him off to the public library. Together, the two learned the language.

Later, Miller had a first-hand encounter with Soviet "justice" when he engaged in some behind-the-scenes exploits, one of which landed him in an NKVD prison.

He's pretty blunt about the current drive. "I don't want to talk figures, I don't want to talk politics—let's just get the Soviet Jews out!"

TOO WORRIED TO BE TIRED

One can't resist wondering out loud, why, after all these years of heading major fundraising drives, he takes on still another.

"So what if I'm tired?" he answers. "I have to worry about my people. We Jews have no choice, as long as there are Jews. When there are no more Jews, there'll be no more fundraising. You think it's fun to ask people to part with their money? Well, somebody's got to do it," he shrugs.

Miller also answers the "call" for others. He recently headed a fundraising effort for the Catholic Diocese at the request of his friend Bishop Anthony Pilla, and reports with some pride, "it was successful beyond their fondest dreams." He observes, "The easiest kind of a campaign is the one where the funds stay here."

Miller is also active in Lebanese War Relief International as well as Northern Ohio Region, National Conference of Christians and Jews which winds up its annual fundraising drive at a dinner on Oct. 30. (And those are just his current efforts!)

Miller credits his wife, Maria, for providing "all kinds of support" for his humanitarian projects which he dovetails with a fierce work ethic. Miller holds an honorary doctorate from Baldwin Wallace College, earned a master's degree from Harvard University School of Business, and is a Phi Beta Kappa graduate of Western Reserve University.

The astute businessman (who got all A's in college except for a "B" in economics) insists, "Whatever I've done in the field of philanthropy has come back to me a thousand times in business."

TAKOMA PARK INTERMEDIATE SCHOOL CELEBRATES 50 YEARS OF EXCELLENCE

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mrs. MORELLA. Mr. Speaker, I rise today to commemorate the 50th anniversary of the founding of Takoma Park Intermediate School in Montgomery County, MD. Takoma Park Intermediate is, without a doubt, one of the finest educational institutions in the county, and its golden anniversary is certainly an occasion worth celebrating.

Takoma Park Intermediate School is a winning institution because it comes from what is, undoubtedly, a winning community. Time and again, the students, parents, and teachers of Takoma Park Intermediate have gone to bat for their school. In 1983, the Takoma Park community successfully fought efforts to close down the school due to declining enrollment.

As a result of the community's active interest in the school, Takoma Park Intermediate is alive and well today. The school boasts a highly acclaimed math-science-computer magnet program which draws students from all over Montgomery County. Parents and teachers have been extremely supportive of the program, and the results have been outstanding. Many Takoma Park Intermediate students have received countywide and statewide math and science awards, and student interest in the program continues to grow by leaps and bounds. As a member of the Committee on Science, Space, and Technology, I

am especially proud to recognize Takoma Park Intermediate School for its efforts in this area.

But the math-science-computer magnet program is not the only notable program at Takoma Park Intermediate; the school's racially diverse student population enjoys excellent academic facilities in all areas and participates in a thriving athletics program. Indeed, Takoma Park Intermediate School produces extremely well-rounded students.

As a former teacher in the Montgomery County public school system, it is a great pleasure for me to congratulate Takoma Park Intermediate School on its 50th anniversary and to wish the students, parents, and faculty many more years of continued excellence.

ANNIVERSARY OF AMERICAN EDUCATION WEEK

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. CLINGER. Mr. Speaker, I rise today to acknowledge the anniversary of American Education Week which takes place from November 12–18. American Education Week [AEW] is 68 years old this year and deserves the respect accorded such a venerable age. The focus of this year's AEW is threefold: to increase public understanding and appreciation of the Nation's schools, to encourage parents and nonparents to visit schools, and to build civic and community support for education. Together, these goals will stress the theme of AEW 1989: Learning and Liberty: Our Roots, Our Future.

Learning and Liberty are very much a part of our Nation's roots. Our Founding Fathers had a deep understanding of the value of education and trusted that the future of the Republic lay in the instruction of all Americans. Knowledge not only allows liberty, but continues it. With education comes an appreciation and tolerance, of divergent viewpoints.

With its three goals for the week, AEW aims to strengthen the roots of American education. All of these goals are geared toward uniting our nation in its respect for education. A common understanding and appreciation of schools will re-establish schools, not as assemby halls for our Nation's youths, but as centers of our Nation's future. Parental and adult participation will set an example for our children to emulate while simultaneously adding the work of teachers. After all, education does not and should not stop at the schoolyard gate. Lastly, wide community support will garner individual commitment, by both youths and adults alike, to the perpetuation of quality education.

The liberty that education begets is apparent on all fronts. Economic security is just one aspect of the rewards of erudition. Undeniably, knowledge and skills facilitate success in the workplace which enables financial well-being. Additionally, social awareness makes people sensitive to others' needs and difficulties while also providing them with the means to solve these problems. But perhaps most significant is the personal liberty that knowledge enables. Standing educated, people have the confidence to feel secure in their convictions, whether individually or together as a Nation. Successful defense of a held belief is perhaps the most liberating of all experiences.

Yet, many people in America have never experienced this sense of exhilaration and triumph. In fact, it is estimated that annually over 700,000 high school graduates are unable to read. Often, drugs seem to take precedence over sports and extra-curriculars. We have a duty to our Nation, and Our Nation's youths, to provide quality education. The Educational Excellence Act which I have cosponsored is a step to ensuring this goal. American Education Week will raise awareness and assist us in our goal of producing educated, concerned Americans.

SOUND THE ALARM

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Mr. BOSCO. Mr. Speaker, I would like to insert in the RECORD the following article by Jacques Levy, a Santa Rosa, CA journalist and author. Mr. Levy is ever a provocative thinker, and I commend his insight on the flag-burning issue to my colleagues in the House.

The article follows:

SOUND THE ALARM

(By Jacques Levy)

As armed tanks lumbered down a street in Manila, a nun stepped out of the crowd and moved toward them. The tanks stopped. The Filipino people marched on to overthrow a tyrant and to restore their democracy.

The yearning for freedom and justice smolders in the hearts of most people. We saw it when other unarmed civilians confronted troops in China, Chile, Poland, Panama, South Africa and elsewhere.

Ever since we iginited our flame of freedom two centuries ago, others have joined the quest for liberty. But while many still strive to kindle their torch, Americans risk to see ours diminished.

It's time to sound the alarm.

Our catalogue of fundamental rights did not originate with the Declaration of Independence in 1776, nor did its growth end then. Anglo-Saxon democracy's roots developed a hundred years earlier in England during the Puritan Revolution. And Americans have gradually expanded their guaranteed liberties in the two centuries since our Constitution was ratified.

Among our advances: an end to slavery, expanding the vote to women, improving equal representation through the principle of one person one vote, new guaranteed rights to assure fair trials.

Today, however, for the first time in 200 years, our president advocates changes in our Bill of Rights. He would limit our right to protest and blur the strict separation between church and state. The Supreme Court, too, threatens to revoke every American's cherished right to privacy, and to reverse our progress in civil rights.

History suggests why we should sound the alarm. Look back to England, in 1642, when the Puritan revolt exploded. Charles I lost his head on an executioner's block, but a dictator, Oliver Cromwell, took his place.

Many Englishmen, however, had wanted freedom. They had rallied behind a flamboyant leader whose stubborn insistence on his rights as a "freeborn Englishman" had earned him the nickname "Freeborn John." His name was John Lilburne.

Freeborn John first fought against the despotic Charles I, then challenged Cromwell and Parliament when they, too, turned tyrannical. Lilburne's views were branded radical. In 1646 he wrote that men and women "were by nature all equal and alike in power, dignity, authority, and majesty."

In our Declaration of Independence, Thomas Jefferson, one of Lilburne's distant descendants, wrote that "all men are created equal."

Lilburne advocated a representative government elected by poor and rich alike. His opponents argued that would result in anarchy.

As a young man, Freeborn John fought for a free press a freedom of religion, both denied by the king and the Church of England. At his trial for printing illegal pamphlets, he refused to take what he called the "inquistion oath," which could have resulted in self-incrimination. Despite 200 lashes and imprisonment, he did not break.

Lilburne and his followers later fought for religious tolerance, a concept rejected by Parliament. One minister warned that if Lilburne prevailed, the people would never "ever after have command of wives, children, servants."

Protest petitions to Parliament generated by Lilburne were labeled seditious and ordered burned by the public hangman.

Today, the president proposes a constitutional amendment prohibiting the "physical desecration" of our flag. That suggests that Americans worship the flag, rather than the principles for which it stands.

Flag burners can only damage our nation if reaction to their acts abridges our Bill of Rights. The next step might then be an amendment prohibiting derogatory comments about the presidency, or the Congress. Pseudo-patriots would argue that disrespect for high government officials is more dangerous than disrespect for a silken symbol.

Consider what happened to Lilburne. Because he feared both Parliament and its leaders, he proposed that Englishmen should be protected by a constitution written by the people and ratified by their vote.

He and his supporters wrote "The Agreement of the People," the first draft of a written constitution in the history of democracy. When it was presented to Parliament, the House of Commons declared it "destructive to the being of Parliament and to the fundamental government of the Kingdom." Commons ordered it burned. Although Lilburne was imprisoned—where he died—he never gave up.

His spirit lives on today in Wu'er Kaixi, the Chinese student who helped lead the Tiananman Square demonstrations, and who lectured Premier Li Peng on national television. Lilburne's spirit also lives on in Soviet dissident Andrei Sakharov, Polish Solidarity leader Lech Walesa and Nelson Mendela in South Africa.

The spirit of Freeborn John must be rekindled here, too, that we may protect our birthright, expand the right of all citizens and assure freedom and justice for all.

SUPPORTING S. 931, THE GENESEE RIVER PROTECTION ACT

HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1989

Ms. SLAUGHTER of New York. Mr. Speaker, I am pleased to give my wholehearted support to the Genesee River Protection Act, S. 931. Letchworth State Park and the parts of the Genesee River within it are beautiful natural resources that I and many of my constituents enjoy. In a time and place where development continues to encroach on our open spaces, the Genesee River offers both urban and rural New Yorkers unparalleled opportunity to enjoy irreplaceable recreational and scenic wonders.

I joined in introducing the House version of the Genesee River Protection Act because the 17-mile stretch of the river within the park has been under threat of development. This stretch of the Genesee River should remain a recreational resource.

For years the Army Corps of Engineers explored the possibility of increasing the reservoir size of the Mount Morris flood control dam to allow hydroelectric power generation in the park. After strong citizen protest against the idea, the Corps of Engineers recommended that no further action be taken regarding the proposed modification of the dam.

Now, despite the expression of citizen concern and recommendation by the Corps of Engineers, a private organization has received a preliminary permit from the Federal Energy Regulatory Commission to study the possibility of developing hydro power in the park. This development would be a mistake.

Passage of S. 931 will prevent irreparable harm to this unique section of the Genesee River by providing it with protection equal to rivers listed for study as potential additions to the National Wild and Scenic Rivers System. This river is worth saving. I urge my colleagues to approve this important bill.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, November 14, 1989, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

NOVEMBER 15

8:00 a.m.
Veterans' Affairs
To hold hearings on health care for rural veterans.
SR-418

9:00 a.m.
Armed Services
To hold hearings on the nomination of Victor Stello, Jr., of Maryland, to be an Assistant Secretary of Energy for Defense Programs.
SR-222

Banking, Housing, and Urban Affairs
To continue hearings to review the stability of the U.S. economy.
SD-538

9:15 a.m.
Finance
Business meeting, to mark up H.R. 3275, to implement the steel trade liberalization program.
SD-215

9:30 a.m.
Energy and Natural Resources
Business meeting, on pending calendar business.
SD-366

Joint Economic
To resume hearings to examine changes in relative U.S. economic power and the impact of those changes on national security.
B352 Rayburn Building

10:00 a.m.
Environment and Public Works
Toxic Substances, Environmental Oversight, Research and Development Subcommittee.
To hold hearings to review the Environmental Protection Agency's enforcement program.
SD-406

Finance
To continue hearings on S. 712, to provide for a referendum on the political status of Puerto Rico; to be followed by a business meeting, to consider the nominations of Catalina V. Villalpando, of Texas, to be Treasurer of the United States, and Donald E. Kirkendall, of Maryland, to be Inspector General, Department of the Treasury.
SD-215

Foreign Relations
To hold hearings on the Montreal Aviation Protocols Nos. 3 and 4 (Ex. B, 95-1).
SD-419

Special on Aging
To hold hearings to examine the effects of drug abuse on the elderly in urban and rural settings.
SD-628

1:30 p.m.
Small Business
To hold hearings on the nomination of Kyo R. Jhin, of Maryland, to be Chief Counsel for Advocacy, Small Business Administration.
SR-428A

2:00 p.m.
Agriculture, Nutrition, and Forestry
To hold hearings on pending nominations.
SR-332

Environment and Public Works
Water Resources, Transportation, and Infrastructure Subcommittee
To hold hearings on S. 1804, to reduce the amount of Federal highway funds allocated to any State that does not provide for the revocation or suspension of the driver's license of any individual convicted of a drug offense.
SD-406

Judiciary
To hold hearings on the nominations of Edward W. Nottingham, to be United States District Judge for the District of Colorado, Edward J. Lodge, to be United States District Judge for the District of Idaho, and Arthur D. Spatt, to be United States District Judge for the Eastern District of New York.
SD-226

3:00 p.m.
Foreign Relations
East Asian and Pacific Affairs Subcommittee
To hold hearings to examine U.S. policy toward China.
SD-419

NOVEMBER 16

8:30 a.m.
Banking, Housing, and Urban Affairs
International Finance and Monetary Policy Subcommittee
To hold hearings to review the Department of the Treasury's report on the exchange rate.
SD-538

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold oversight hearings on the implementation of the Cable Telecommunications Act (P.L. 98-549).
SR-253

9:30 a.m.
Armed Services
To hold hearings to review the Department of the Navy's investigation into the gun turret explosion aboard the U.S.S. *Iowa*.
SH-216

Energy and Natural Resources
To resume hearings on a committee amendment to S. 406, Competitive Wholesale Electric Generation Act.
SD-366

Labor and Human Resources
To hold hearings on S. 930, to establish in the Occupational Safety and Health Administration an Office of Construction, Safety, Health, and Education to ensure safe and healthy working conditions in the performance of construction work.
SD-430

Special on Aging
To hold hearings to examine how individuals, hospitals, States, and governments from various countries attempt to purchase prescription drugs in the United States at a fair and reasonable cost, and to determine how successful their efforts have been.
SD-628

10:00 a.m.
Banking, Housing, and Urban Affairs
Business meeting, to mark up S. 648, to grant additional authorities to the Se-

curities and Exchange Commission to take certain actions in a market emergency, large trader reporting of program or block trades, and to facilitate coordinated clearing mechanisms and practices in the securities markets, S. 566, to provide for a revitalized national housing policy, and a proposed Market Reform Act.
SD-538

Governmental Affairs
To hold hearings on the nomination of Zinora M. Mitchell, to be an Associate Judge of the Superior Court of the District of Columbia.
SD-342

Judiciary
Business meeting, to consider pending calendar business.
SD-226

2:00 p.m.
Governmental Affairs
Business meeting, to consider pending legislation and nominations.
SD-342

3:00 p.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on proposals to revise corporate takeover procedures, including S. 1658, S. 1794, and S. 1244.
SD-538

NOVEMBER 17

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue oversight hearings on the implementation of the Cable Telecommunications Act (P.L. 98-549).
SR-253

9:30 a.m.
Governmental Affairs
Federal Services, Post Office, and Civil Service Subcommittee
To hold hearings on S. 166, to establish procedures for Federal agency contracting of advisory and assistance services.
SD-342

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 13791, to reauthorize various provisions of the Defense Production Act.
SD-538

Environment and Public Works
Toxic Substances, Environmental Oversight, Research and Development Subcommittee
To hold oversight hearings on the regulation of lawn chemicals.
SD-406

Foreign Relations
To hold hearings on the proposed sale of M1A2 tanks and other equipment to Saudi Arabia.
SD-419

NOVEMBER 20

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings on H.R. 3000, to provide standards for the manufacture and sale in interstate commerce of certain fasteners.
SR-253

Finance
Social Security and Family Policy Subcommittee
To hold hearings on the issue of mass mailings that deceive or mislead senior citizens about matters related to Social Security.
SD-215

NOVEMBER 21

10:00 a.m.
Judiciary
Constitution Subcommittee
To hold hearings on S. 1236, to provide for a waiting period before the sale, delivery, or transfer of a handgun.
SD-226

DECEMBER 5

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings on the Department of Energy's implementation of the civilian nuclear waste program.
SD-366

SENATE—*Tuesday, November 14, 1989*

(Legislative day of Monday, November 6, 1989)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable CHARLES S. ROBB, a Senator from the State of Virginia.

PRAYER

The Reverend Dr. James M. Barnett, pastor of Trinity Episcopal Church, Norfolk, NE, offered the following prayer:

Let us pray:

Almighty God, we praise You for this Nation and its institutions of government, and especially at this time for its Senate. May the Members of the Senate be guided by Your wisdom and strengthened by Your Spirit that they may strive to create new hope in us and in the other peoples of the Earth that the resources You have so abundantly provided on this planet for all humanity may fulfill the needs of every person in a just social order increasingly characterized by peace, harmony, and good will among all peoples and nations. We pray also for each Member of the Senate and their families that You will bless and sustain them in their daily lives that they may know Your steadfast love for them. To You, O Lord, we give honor and glory for ever and ever. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, November 14, 1989.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable CHARLES S. ROBB, a Senator from the State of Virginia, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. ROBB thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, following the time reserved for the two leaders, there will be a period for morning business until 10:30 a.m., with Senators permitted to speak therein for up to 5 minutes each. At 10:30, the Senate will resume consideration of S. 1582, the Poland-Hungary assistance bill.

Under the provisions of the unanimous-consent agreement entered into last evening, the only amendments which may be offered are three first-degree amendments relating to cargo preference; a first-degree amendment relating to tax extenders with second-degree amendments in order to that amendment which are relevant to the subject; and an amendment by Senator HUMPHREY on Solidarity. The yeas and nays have already been ordered on the Roth amendment, No. 1121, with that vote occurring once the above-mentioned amendments have been disposed of. Upon disposition of all amendments, the Senate could then proceed to final passage of the Poland-Hungary assistance bill.

I want to make clear that with respect to cargo preference, there are three amendments which may be offered. No decision finally has been made by the sponsors as to whether they will be offered. It is, therefore, possible that votes on the Roth amendment and final passage could occur relatively early this morning if the cargo preference amendments are not offered. If they are offered, then I anticipate those will require some debate, and it will be later in the morning or afternoon before we complete action on the bill.

The Senate will recess today from 12:30 p.m. until 2:15 p.m. for the party conferences. Upon reconvening at 2:15, there will be, pursuant to a previous order, 3 hours of debate on the Packwood-Roth capital gains and IRA proposal, with a vote to invoke cloture on that measure occurring at 5:15 p.m.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time, and I reserve all the time of the distinguished Republican leader.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SANFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRESIDENT PREPARING DISHONEST BUDGET

Mr. SANFORD. Mr. President, the shame of the President's fiscal year 1990 budget, which Congress has just approved, is that it does not tell the citizens the truth about their financial condition. Both Congress and the President had a part in this deceit.

The double shame is that right now the White House, the President's Office of Management and Budget, is preparing the fiscal year 1991 budget, and that budget is even more dishonest, and covers up an even greater amount of the growing debt.

The people must understand that the law requires the President to prepare and present to the Congress his budget. It is the President's budget. It was President Reagan's budget in fiscal year 1982, that began our $200 billion plus annual increases in the debt, that gave us the great Reagan legacy, the massive Federal debt of $3 trillion.

I find some people around the country who think that Congress writes the budget. Of itself, it is not important to place the blame on the President. There is plenty of blame to go around.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

The clear truth is that the President prepares the budget. The law requires him to do so, and gives him that authority. Congress takes the budget, makes a few changes around the edges, and then approves the President's budget.

While placing blame is a useless exercise, understanding who writes the budget is essential. If we are to have a balanced budget it should be understood that Congress cannot balance a budget that comes from the President, as it has for the past 8 years, almost one-quarter of a trillion dollars in the red. President Reagan was a smoothie. He pretended he didn't have much to do with the budget. He said he just took what Congress gave him. He also kept saying that he was reducing the deficit. A lot of smart—otherwise smart—people believe all that baloney even today, even after we have just increased the debt limit to cover the Reagan deficits and debt of over $3 trillion.

The truth of the matter is that the President has even more to do with the budget than he has to do with foreign policy. He is the director—the real director—of the budget. Congress can shift a few percentage points here or there, but it remains the President's budget.

Why is it important to make this point? Why is it important for the people to understand that our budget is the budget the President made?

It is important because we are going to be in deep trouble if the President keeps preparing dishonest budgets that conceal, this year, five-sevenths of the deficit, and soon, by their own account, to conceal 100 percent of the deficit.

The budget for fiscal year 1991 being prepared by the White House right now will have, any reliable CPA would agree, a deficit of approximately $280 billion. The President's budget will conceal two-thirds of this amount by unacceptable and dishonest accounting practices. The President will claim, falsely, that he has reduced the deficit to about $90 billion.

If we are going to have an honest budget it must start with a demand that the President give us an honest budget with the deficit reported forthrightly and in full. A taxpaying citizen doesn't have to study the details of a budget to know that it ought to be honest.

We know right now the President does not plan to send us an honest budget in January. We have every right to expect—to demand—honesty from the President. But right now, the President does not plan to give us simple honesty.

Mr. President, I yield the floor.

THE FALSEHOODS AGAINST DR. JONAS SAVIMBI

Mr. HELMS. Mr. President, the disinformation campaign against Dr. Jonas Savimbi, President of the Union for the Total Independence of Angola [UNITA] rests on a number of incorrect assertions. Among the most persistent is the allegation that UNITA violates internationally recognized human rights, or that it brutalizes or intimidates its members.

Ambassador Herman Cohen, Assistant Secretary of State for African Affairs, succinctly answered these charges during his confirmation hearings. Yet the crusade by supporters of the Communist Popular Movement for the Liberation of Angola [MPLA] regime in Luanda continues to malign UNITA and Dr. Savimbi personally. The goal is to suggest that neither the movement or its leader are worthy of United States or African support or assistance.

An excellent article appeared recently in Human Events of October 28. The article is another important contribution to the overwhelming preponderance of evidence that exposes allegations of human rights violations as fabrications and falsifications.

Mr. President, I ask unanimous consent that this fine article be printed in the RECORD in the hope that it will be a useful adjunct to ongoing debate.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INTELLIGENCE PANELS DISPUTE CHARGES AGAINST SAVIMBI

When Dr. Jonas Savimbi came to the United States to shore up his support in Congress and the Administration in early October, he was met with dependable opposition from the usual gaggle of left-wing groups and leaders, including Trans-Africa's Randall Robinson and Rep. Howard Wolpe (D.-Mich.), chairman of the House Foreign Affairs' Africa subcommittee.

The chief weapon used to try to discredit the Angolan rebel leader was the charge—aired earlier this year by the New York Times and the London papers—that Savimbi has systematically engaged in human rights violations in the territory he controls, including the torture and murder of innocent victims.

Robinson, Wolpe and the Marxist-Leninist government of Angola, the MPLA, also circulated with great gusto an August 18 article from *National Review*, which mainly rehashed many of the allegations against UNITA's charismatic leader, but, coming from a conservative magazine, was viewed as particularly damaging.

When we interviewed Savimbi at his headquarters at The Grand Hotel in Washington on October 7, he emphatically denied all the accusations. But it turns out he has support from two more impartial entities: both the Senate and House Intelligence committees.

Rep. John Rowland (R.-Conn.), a member of the House Intelligence panel, told us that when the charges against Savimbi surfaced earlier this year, the committee was briefed by the intelligence community and that the allegations just "didn't hold up."

Rowland imparted the same information to his colleagues on the House floor October 12. The Intelligence panel, he stressed, had looked at the various allegations against Savimbi "in depth" and that it had "found no information that substantiated allegations that have surfaced both in Europe and the United States that Dr. Savimbi has tortured or killed close associates."

An allegation had popped up that he had killed Gen. Anthony Fernandez, for instance, but as fate would have it, said Rowland, "Fernandez appeared with Savimbi" on his October trip to the U.S.

Another charge is that Tito Chingunji was tortured by Savimbi, a charge "categorically denied" by Chingunji himself. In fact, said Rowland, several Republican lawmakers, including Reps. Dan Burton (Ind.), David Dreier (Calif.) and Norman Shumway (Calif.), "met with Tito shortly after the allegations surfaced. They found him to be in good health and very indignant that anyone would insinuate that he had been tortured."

"Finally," Rowland said, "there is an often repeated allegation that Dr. Savimbi had several individuals burned at the stake in 1983. This story also has not been substantiated."

Rowland stressed to us that no member of the House Intelligence Committee, which includes such leftward tilting lawmakers as Rep. Stephen Solarz (D.-N.Y.) and Robert Kastenmeier (D.-Wis.), stood up to challenge his remarks in Savimbi's defense.

David Holliday, a special assistant to David Boren (D.-Okla.), chairman of the Senate Intelligence panel, echoed what Rowland told us. Over the past several years, he informed us, there have been "periodic charges against UNITA in general and Savimbi in particular, alleging everything from torture to murder.

"And the latest spate of them was several months ago. We did look at [the charges], as we had looked at them before. And we came to the same conclusion which was that we could not uncover any evidence that supported the charges."

Holliday added, "We talked to everyone who we thought might have knowledge of such things, or who others brought to our attention as having such knowledge. We talked to people in this country and in Angola. And we simply did not come up with anything that supported them."

The Senate Intelligence panel also has a passel of left-wingers, including Sen. Alan Cranston (D.-Calif.) and Howard Metzenbaum (D.-Ohio), but even they have not contradicted their own panel's findings.

There seems, in short, no reason anyone should buy into the theory that Savimbi is nothing but a totalitarian cutthroat unless far more persuasive evidence is presented.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to report to the Senate that it is now 1,704 days that Terry Anderson has been held captive in Beirut.

I would ask that we not lose sight of his continuing ordeal in the face of the daily work that confronts us. As Thanksgiving approaches, let us hope that Terry Anderson and his family will be together.

THE ISRAEL OCEANOGRAPHIC AND LIMNOLOGICAL RESEARCH INSTITUTE

Mr. SPECTER. Mr. President, today I call to the attention of my colleagues the important work of the Institute. Amid the strife and tension in the Middle East, this program offers a glimmer of hope that cooperation between Israel and her Arab neighbors will soon become commonplace.

On November 1, the North American Friends of Israel Oceanographic and Limnological Research Institute held its annual board meeting in Washington, DC. At that time, I had the opportunity to discuss with board members and with scientists the exciting work in which the Institute is involved. I heard first hand of the significant strides the Institute has made in only a short time.

The Institute, partially funded through the U.S. Agency for International Development's Regional Cooperation Program, is a model for shared scientific efforts in the Middle East and other regions of the world. The program's research has included studies related to the protection of shoreline, lakes management, fisheries and aquaculture, seafood toxins, pollution control, and wastewater reuse. The participants—from two dozen different organizations in Egypt and Israel—travel and communicate freely and frequently in each others' countries. Their laboratory studies are conducted in a cooperative and complementary manner. All data are shared equally and the participants are now beginning to co-author published papers.

As a member of the Foreign Operations Subcommittee, I have supported this program, especially when its future activity was endangered. The Institute and its sister programs represent an important and effective means of promoting mutual understanding between Israel and her Arab neighbors. This understanding naturally fosters the difficult process of achieving peace in this region. In this regard, I am highly enthusiastic about this program and am hopeful that similar projects will begin in the near future.

The ACTING PRESIDENT pro tempore. The Chair would note the absence of a quorum. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SIMON. Mr. President, for our colleagues and for their staffs who are monitoring this, I think it would be helpful if the Presiding Officer could delineate where we stand in the proceedings on the Poland and Hungary bill right now.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The Chair announces that morning business is closed.

SUPPORT FOR EAST EUROPEAN DEMOCRACY ACT

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of S. 1582, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1582) to amend the Foreign Assistance Act of 1961 to provide for certain forms of assistance to Poland to ensure the success of freedom and democracy in Poland.

The Senate resumed consideration of the bill.

Pending:

Roth amendment No. 1121, to express the sense of the Senate regarding increasing the quota of the International Monetary Fund (IMF).

The ACTING PRESIDENT pro tempore. The pending business is the committee substitute to which five first-degree amendments are in order, as printed in the inside page of the calendar. They are an amendment from Senator HARKIN, two from Senator DOLE, one from Senator HUMPHREY, one from Senator DANFORTH; and a second-degree amendment that is pending, also from Senator DANFORTH.

The only relevant second-degree amendment would be to the Danforth amendment. All other amendments would be precluded by the unanimous-consent agreement.

Mr. SIMON. I thank the Presiding Officer.

Unless someone seeks the floor, Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DIXON). Without objection, it is so ordered.

A TRUE HERO FOR ALL OF US

Mr. LEVIN. Mr. President, today the Congress, the President, and the American people join together in welcoming a freedom fighter, a true hero to the United States.

Crumbling walls and open borders and massive turnover in totalitarian governments tell a story of a region and a world being reinvented right before our eyes, but they do not tell the whole story. For that we need to remember decades of struggle across Eastern Europe.

From the ranks of those struggles came a man named Lech Walesa, the shipyard electrician who electrified the world first in 1980 while at the helm of the trade union movement of Solidarity. For his efforts, he and hundreds of other Solidarity men and women were jailed by Polish officials. Now that these men and women are the officials of Poland, there is certainly cause for celebration. But with equal certainty, the achievements of Lech Walesa and the Polish people raise before all of us a new set of challenges. And so it is with Hungary and much of Eastern Europe.

The challenge is to respond to the opportunities of lasting peace with the same vigor, the same aggressiveness with which we prepared for the dangers of war in that part of the world.

The measure before us here in the Senate is a package of economic assistance for Poland and Hungary. I feel it is important for us to put this discussion of this assistance in the proper context. It is not simply economic assistance; it is an investment in the security of the United States. In fact, it could almost more properly be a matter of defense spending.

Mr. President, on the Armed Services Committee, I serve as chairman of the Conventional Forces and Alliance Defense Subcommittee. In terms of strategic and conventional deterrence in partnership with our allies, for more than 40 years we prepared for the worst and we prepared well. The American people, especially, have sacrificed and continue to sacrifice a great deal in this effort contributing about $150 billion to the defense of Europe, more money, indeed, than Europe spends for its own defense.

We have met the challenge of the cold war, and we have met it successfully. Now, unmistakably, the challenge shifts. We are at a point of decision.

I said a moment ago that assistance to Eastern Europe and specifically the nearly three-quarters of a billion dollars in assistance to Poland and Hungary that is before us, an amount less than one-half of 1 percent of our NATO contribution each year, by the way. In other words, if you look at all the money we pour into NATO and the defense of Europe each year, this three-quarters of a billion dollars represents about one-half of 1 percent of what we spend in defense of Europe. We should view this in light of our national security.

The assistance, this assistance, today's assistance has an important role to play in the defense of our country. There is another context, the context defined by the word "investment." Since the end of World War II, we have made the security and stabili-

ty in Europe a key to our foreign policy. We have sought to guarantee a safe future for Americans and Europeans by investing heavily in weapons of war. Billions and billions of dollars remain committed to that effort.

The challenge before us is great, but it is not as great as the one that Lech Walesa has set for his nation. In August, he defined that challenge in a newspaper interview:

Nobody has previously taken the road that leads from socialism to capitalism. And we are setting out to do just that, to return to the pre-war situation when Poland was a capitalist country, after having gone through a long period of socialism.

More than a year ago, Mr. President, I met with Lech Walesa in Poland, and he made it clear how much of our country has to offer, not so much from government-to-government involvement, but small targeted investments in free enterprise that would allow the Polish economy to grow from the ground up. Our challenge is to maintain the safety and security we have gained through our efforts in the past. The time for investments in weaponry is not past by any means. We must still and always be wary of potential adversaries, but the day is here and the time is now for investments like the one before us that build allies.

Unlike the old comic strip character Pogo, we are not confronted with insurmountable opportunities; we are confronted by great, western value affirming opportunity. This is the change and that is the challenge and this is the spirit with which we greet Lech Walesa today and tomorrow, a true hero for all of us.

I thank the Chair.

Mr. SIMON. Will my colleague yield?

Mr. LEVIN. I am happy to yield.

Mr. SIMON. I concur in all the sentiment wholeheartedly. First, I point out that three-quarters of a billion is for 3 years, so when you say it is one-half of 1 percent of what we spend for the defense of Western Europe in terms of an annual budget, it is one-sixth of 1 percent, or a very small amount, indeed.

Mr. LEVIN. And it is a tremendous investment in our own security when we think—the Senator's point is exactly right—we spend about $150 billion a year in the defense of Europe. Just think what a free, independent, strong Poland will not only mean to the spirit of the world in terms of our Western values but to the security of Western Europe and the United States. So this is a true investment, and that is why I said it is such an investment in our own security that it could almost be part of the defense budget.

Mr. SIMON. Absolutely. As usual, the Senator from Michigan is right on target.

Mr. LEVIN. I thank my friend from Illinois.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the amendments pending be temporarily laid aside so I may offer an amendment.

The PRESIDING OFFICER. Is there objection to the request of the senior Senator from New Hampshire that he be permitted to offer an amendment out of turn?

Without objection, it is so ordered.

The senior Senator from New Hampshire.

AMENDMENT NO. 1128

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY], for himself and Mr. SIMON, proposes an amendment numbered 1128:

On page 18, after line 21, in section 201 of the amendment, insert at the appropriate place the following new subsection and renumber all succeeding subsections accordingly:

"( ) Not less than 10 percent of the funds expended pursuant to this section during fiscal year 1990 shall be provided to the Economic Foundation of NSZZ Solidarnosc, and the Confederacy of Independent Poland (KPN), for investment in private enterprise, providing that the Economic Foundation of NSZZ Solidarnosc and the Confederacy of Independent Poland (KPN) meet all criteria established by the Polish-American Enterprise Fund."

Mr. HUMPHREY. Mr. President, my amendment would set aside 10 percent of the 1990 funding for the Polish Private Investment Fund for assistance to the Solidarity Trade Union for privatization and economic investment in Poland.

The rationale behind this amendment is simple: The government of Tadeusz Mazowiecki may have only a limited time to bring economic reform to Poland before its window of opportunity slams shut. Over and over again, representatives of the Polish Parliament have told us of the absolute necessity for our assistance to flow to Poland immediately.

Because of the structure of the Polish-American Fund, the private investment provisions of the Polish aid package create a serious danger that our assistance will flow to the fund and remain there while investment proposals flow in over a half-year, a year, 2 years, or perhaps even longer. By the time the money actually arrives in Poland as a result of the submission, consideration, acceptance, and implementation of these proposals, the Mazowiecki government—which is even now implementing severe austerity measures—may have been forced out of power.

The clearest way to reduce this delay is to earmark part of the 1990 funds for an organization in Poland which already exists, which already has developed proposals for transforming the Polish economy into a capitalist economy, and which, preferably, has a track record which convinces us that it will spend the money wisely and in the best interests of a free Poland.

Channeling all or part of the private investment funds to such an organization also has the advantage of giving the Poles a voice in the dispensation of the investment money.

By these criteria, Solidarity is the obvious choice. Solidarity has been the catalyst for all of the exciting developments which have occurred in Poland. Solidarity is the major alternative political force to the Communist Party in Poland—and the only major alternative political force. Solidarity is the organization which has formed the coalition which now governs Poland. Solidarity is one organization which has examined options for privatization of various Polish state-owned industries. Solidarity has established an economic foundation under one of the preeminent free marketeers in Poland, Jacek Merkel—one of the few organizations in Poland which has the credibility and the expertise to implement de-socialization of the Polish economy. It is significant that the current Polish Finance Minister, Leszek Balcerowicz, before he received his government post, was an assistant to Merkel.

Fifty-six members of the Senate met with Merkel when he visited the United States in early October. As 1 of the 12 ranking leaders of Solidarity—and Lech Walesa's personal representative to the Polish Parliament—Merkel is thus far the highest-ranking Solidarity official who has ever visited the United States.

Mr. Merkel will oversee the economic foundation under the supervision of a 10-man board, which includes himself, Zbigniew Romaszewski, Stefan Jurczak, Alojzy Pietrazak, Andrzej Milczanowski, Krzysztof Zabinski, Wlodzimierz Mekarski, Szymanski, Odorowski, and Maciej Lopinski—all under the general supervision of the National Executive Commission of Solidarity and its president Lech Walesa. Although the foundation is still winding its way through the arduous approval procedures established by the Polish Government, Solidarity itself has a track record of which we are all aware, both as a political and economic force in that country.

The purposes of the foundation include support of common undertakings, including the development of private enterprise in Poland, with the support of foreign capital participation. In addition, the foundation will also perform functions beyond the scope of this particular funding set-aside, including the provision of assist-

ance to Solidarity members put out of work by economic restructuring and the provision of training, including professional training and foreign language training. Funding under this act, of course, will not go to these additional training programs, but rather will be directed exclusively to the development of private enterprise in Poland.

Solidarity will not, of course, operate in a vacuum. The underlying bill contains ample funds to provide United States economic experts to advise Solidarity and Poland on how to expend its money.

We make a mistake, however, if all we do is channel money to United States experts and businessmen to give Poland the benefit of our advice. Poland needs our advice. But it also needs our money. And this amendment would ensure that at least part of the money goes not to United States Government agencies, not to American businessmen, not to Western intermediaries, but to Poland itself. And it would ensure that it goes there soon enough to do some good.

I urge support of my amendment.

May I say this amendment has been cleared by the managers on both sides, having found it acceptable. The language amends section 201 that deals with the free enterprise aspects of this aid package.

Any applicants for funds under this section will have to be approved by, according to the bill, the Polish American Fund as it is called. That process of submitting applications and awaiting approval could take some months. We all know that the need is urgent. Our goal is to reinforce the changes in Poland and in Hungary as well. That means we have to act with some haste, some dispatch before we lose the opportunity to reinforce these changes. The Poles are undergoing some very difficult times, and their will and patience is going to be sorely and severely tried, even more so than is the case at present. So we need to proceed with all prudent haste, and the idea of this amendment is to set aside 10 percent of the funds under this section to be made available to Solidarity, that is, to its economic foundation and to a free enterprise party, namely the Confederacy of Independent Poland or CPF.

The floor managers on both sides I think are agreeable to this. I will yield the floor.

Mr. SIMON. Mr. President, we have no objection on this side to the amendment.

Mr. HELMS. Mr. President, the amendment is certainly acceptable on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1128) was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I thank the managers for their help on this amendment and the other two which I offered yesterday but, more than that, to thank them and commend them for this provisionary bill which in my view makes substantial improvement over the original efforts.

It almost sounds trite to say what is happening in Eastern Europe is mindboggling. Thank God for it. Let us do all we can afford to do to reinforce these changes so as soon as possible they become irreversible. That is our goal, and I think this bill makes the best attempt we can make under the fiscal circumstances which confront us to do just that.

I commend Senator SIMON in particular because he in a way is the originator of this substitute version, but also Senator HELMS for his splendid cooperation and farsightedness.

I thank the Chair.

Mr. SIMON. Mr. President, while the Senator from New Hampshire is very generous in commending others, let me say he was one of the first who said we have to respond more adequately to this opportunity that is given us in Poland, and I personally appreciate it. There was no question where he stood from moment one. I am appreciative of his leadership.

Mr. President, if no one seeks the floor, I question the presence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KOHL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Wisconsin is recognized.

Mr. KOHL. I thank the Chair.

GREAT LAKES SET-ASIDE

Mr. President, in 1985, Congress decided that it was in our national interest to require that 75 percent of our food aid to foreign countries be shipped on American-flag vessels. This requirement, called cargo preference, was designed to protect American jobs. Unfortunately, cargo preference has the opposite effect on jobs in the Great Lakes. Since U.S.-flagged, oceangoing ships are too large to come in and out of the Saint Lawrence Seaway, the Great Lakes ports are unable to compete for food aid being shipped on U.S. flags.

In 1985, to make sure that cargo preference did not preclude the shipment of food aid through the Great Lakes, the Great Lakes set-aside was established. The set-aside guaranteed that the Great Lakes would continue to be allowed their same quantity of shipments under the Public Law 480, Food for Peace Program, that they had prior to 1985. That compromise made sense. It was, as I said, an act of simple justice designed to make sure that the effort to protect American jobs did not disadvantage one area of America.

It also made sense since the Great Lakes represent a logical transportation route for a great deal of the food stuff which we produce and want to send abroad.

Unfortunately, the set-aside provision expires this year. What I have been seeking, along with my colleagues from the Great Lakes States, is an extension of the set-aside until we can debate this issue and resolve it, as it should be, in the farm bill next year. Some of my colleagues, primarily from the Gulf States, have resisted that effort because they believe that their States can pick up business if the Great Lakes are denied their fair share of transporting our food aid.

When we sought to include an extension of the set-aside as a part of the various cargo preference amendments which are in order to the Poland aid bill, we were told to expect a filibuster.

Now, Mr. President, this put us between a rock and a hard place. No one wants to slow down action on aid to Poland and Hungary; at the same time, I certainly do not want to see my State and my region disadvantaged as a result of the expiration of the set-aside. While we had Senators who were willing to include the set-aside in their amendments, my Great Lakes colleagues and I reached the conclusion that the best thing to do was to allow this aid package to move forward.

But we also decided that there were other legislative vehicles where the rock was not as large and the hard place was a lot softer. I fully intend to do whatever I can to get this issue before the Senate this year. And as I look at the legislative vehicles available and see bills like the reauthorization of the Commodity Futures Trading Commission, I see some opportunities for action.

I have always supported cargo preference and I want to continue to protect American jobs. But I cannot protect jobs in some parts of America when my State and my region lose business and employment as a result. I continue to hope that some compromise can be reached which will bring labor and the maritime industry to the table—an agreement which recognizes the legitimate interests of the Great Lakes. I do not want to take business away from the Gulf States—I just do not want them to get business at the expense of my State.

This is an issue which needs to be debated and fully considered—and it will be in the farm bill.

But I think it only fair that we begin that debate under the terms and conditions which now exist. It would be unfair to change the status quo before we begin debate on the farm bill. And that is why I am looking for a simple 1-year extension of the set-aside. If the set-aside provision is allowed to expire, then there is no reason not to modify the cargo preference provisions. If the cargo preference requirements stay the same, then treatment of my region ought to stay the same. I am willing to accept anything which preserves the status quo until the farm bill gives us the opportunity to comprehensively review the current situation. But I am unwilling to see us enter that review with the Great Lakes ports further disadvantaged.

So I warn my colleagues that I will be looking for an opportunity to raise this issue. If I am allowed to do that, I will live with the decision of the Senate. If I am prevented from doing that, I will do my best to prevent action on other issues which are related in any way to this issue.

This is a matter of fairness and equity. It is a matter of keeping faith with the agreement we reached in 1985. It is a matter of vital importance to my State, my region, and to me. I want my colleagues to understand that I will do whatever I can, whatever I need to, to make sure it is addressed one way or another.

Mr. GLENN. Mr. President, I am a strong supporter of aid to Poland in this transition period to a freer society and open economy. I have also been a strong supporter of cargo preference as a means of maintaining a merchant marine and jobs for our domestic maritime industry. However, cargo preference in its present form has not improved the merchant marine, and the impact of cargo preference on the maritime industry of the Great Lakes region, including the State of Ohio, has not been positive. Maritime policies related to cargo preference must be revised to be effective and more equitable for the Great Lakes ports. This is especially important in light of the pending expiration of the Great Lakes set-aside, established to begin to address just these issues.

I will be unable to continue supporting cargo preference for aid to Poland cargoes or any other cargoes as long as it is in conflict with the interest of employment in the Great Lakes maritime industry and the State of Ohio.

As cochair of the Senate Great Lakes Task Force and a member of the Senate Armed Services Committee, I support retailoring our maritime policies so that cargo preference achieves its objectives and does not fairly disadvantage Great Lakes ports. In July, I introduced S. 1350, the Great Lakes Maritime Trade Act of 1989, with 11 cosponsors from within and outside the region. S. 1350 provides an effective solution to issues related to cargo preference through removal of the 3-year waiting period for reflagging of foreign vessels for Great Lakes shipping. Any ships reflagged under this provision would be limited to Great Lakes service, required to carry U.S. crews, and required to carry out upgrading and maintenance at U.S. shipyards.

I endorse the initial objectives of cargo preference. However, some fundamental adjustments are needed to assure that these goals are in fact achieved. The solution proposed in my bill would not eliminate cargo preference, but make it more equitable and effective. My bill would also extend the Great Lakes set-aside, which I believe is a necessary beginning as long as a 75-percent cargo preference exists on Public Law 480 food-for-peace cargoes.

The Great Lakes set-aside was established in the 1985 farm bill to offset the negative impact on Great Lakes ports of an increase in cargo preference from 50 to 75 percent. The set-aside assures that a certain small percentage of Public Law 480 food aid cargoes are transported from Great Lakes ports.

The set-aside is flag neutral. If the set-aside did not exist, little or no such cargo would be shipped from Great Lakes ports because we have no regular ocean-going U.S.-flag ship service in the Great Lakes. The set-aside was intended to be a four year cushion during which the U.S.-flag service would be developed in the Great Lakes. However, it is now due to expire and nothing significant has changed with respect to the level of U.S.-flag service in the Great Lakes, despite the best efforts of all involved in promoting Great Lakes shipping. An extension of the Great Lakes set-aside is needed to provide continuity in the Great Lakes shipping industry at least until maritime issues can be properly debated and resolved.

I look forward to full and complete House and Senate reconsideration of maritime policies as they relate to cargo preference during deliberations on my bill and related legislation next session.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator from Wisconsin.

Mr. President, in response to the remarks of the distinguished Senator, let me just say that in the 1985 debate of the farm bill, we had 2 or 3 days of discussion on this floor of a compromise developed over a long period of time among agriculture, industry, and maritime interests to define the shipments of agricultural commodities to be covered by our cargo preference laws.

In that debate, those who represented the Great Lakes region felt that a temporary phased-in preference for Great Lakes ports ought to be included in the compromise.

Some of us did not think there should be any such preference, and we resisted very strongly. Over the course of that debate, however, involving some five rollcall votes here in the Senate, a temporary set-aside was approved by the Senate by about a 10-vote margin.

It was a difficult debate. The Senator now in the Chair offered the amendments that were the subject of those votes and successfully obtained the set-aside provision for the Great Lakes ports. That issue has continued to be an economic problem for many other port ranges, not just Gulf State ports, but ports in other parts of the country.

The heart of the issue is whether there should be any continuation of this set-aside, whether there is any economic justification for it, or any reason in law there should be a national policy of preference for one port range over another.

I would say to the Senate it would be unwise, certainly now, to attempt to change the law to provide an extension for Great Lakes ports.

I am happy the Senator is not seeking to amend this bill for assistance to Poland and Hungary to gain that kind of advantage over other port ranges. His statement, however, that he will be trying in every way possible to change the law between now and the end of this session to gain an extension in the set-aside troubles this Senator very, very much.

(Mr. KOHL assumed the chair.)

Mr. COCHRAN. I feel it necessary to respond by advising the Senate that this Senator thinks it would be terribly unwise to provide an extension of any length—1 year, 6 months, 1 month—of any set-aside in any Federal program that prefers one area of the country over the other. If such an amendment is offered, there will be a long and I hope successful debate against the action being discussed and urged by the Senator from Wisconsin.

Mr. DIXON. Will my friend from Mississippi yield for a question?

Mr. COCHRAN. I am very happy to yield to my friend from Illinois.

Mr. DIXON. I appreciate that very much. My friend from Mississippi remembers with great clarity that debate and recalls that this Senator led the fight at that time, along with the distinguished Senator from Minnesota [Mr. BOSCHWITZ] and others, as I recall, in connection with this issue.

Does my colleague not recall that what in effect inflamed the subject matter and brought about the debate

in the first instance was the change in the percentage on cargo preference laws from 50 percent to 75 percent? That was what really triggered, I think, the debate originally. Is that not the recollection of the Senator from Mississippi of the subject matter at hand?

Mr. COCHRAN. There was probably more than one reason the Senator from Illinois offered his amendments, but that was one of the arguments used in support of the effort of the Senator from Illinois. And I recall that the Senate rejected that argument on, I think, four rollcall votes, maybe five, before the cosponsors of the cargo preference compromise decided to make a change in the language to bring to an end that protracted debate and effort by the Senator from Illinois.

Mr. DIXON. I understand.

Mr. COCHRAN. We were trying to redefine the law so that the litigation then under way between maritime and agricultural interests and the departments of the Government responsible for administering those laws could be brought to an end, so that we could settle the very rancorous, very costly dispute that was not really serving the national interest.

One of the ways to bring that to an end was to define commercial cargo shipments as not being subject to cargo preference; Public Law 480 shipments and section 416 shipments would be covered, and, as a matter of fact, those shipments would be increased as they qualified for cargo preference classification.

Mr. DIXON. From 50 to 75 percent.

Mr. COCHRAN. Fifty percent was the current law. We increased that, over a period of 3 years, to 75 percent under the compromise.

The Senator was compelling in his argument and had his region protected by law as a way to phase in this new percentage so that it would not be as economically harmful, as I recall the argument made by the Senator, as it would have been otherwise. The Senator has been right, since the program costs because of that amendment have been increased by about $6 million. Hundreds of thousands of tons of cargo have been shipped out of the Great Lakes because of that amendment, and much business that would have gone to other ports have gone to the Great Lakes because of that amendment.

Mr. DIXON. Mr. President, will the Senator yield further?

Mr. COCHRAN. I am happy to yield.

Mr. DIXON. Is my friend aware of the fact that certain distinguished Members of both Houses of the Congress—for instance, the distinguished senior Senator from Maryland as an example, and on the other side the lady Congresswoman from Baltimore and others—have attempted to broaden even further the subject matter of the cargo preference law as it exists on the statute books now?

As a matter of fact, the lady from Maryland was successful in obtaining a provision in the Department of Defense authorization bill that this Senator and others had to work diligently to remove from that authorization this time that would have broadened the scope of the cargo preference law even further.

Does my friend understand that each of those things further imperils the existence of shipping and profitable shipping in the Great Lakes for our region of the country?

Mr. COCHRAN. Mr. President, I am aware of the strong argument the Senator is capable of making against cargo preference. But one fact remains, and this everybody should know, that cargo preference shipments out of the Great Lakes constitute only about 2 percent of the total tonnage that is shipped out of the Great Lakes.

Mr. DIXON. If it is so small, why does my friend object?

Mr. COCHRAN. Mr. President, I have not yielded for further comment on my comment. I will be happy to yield when I come to the point where I want to yield to the Senator, but I have the floor.

I would just say to the Senator that any suggestion to continue a preference for any region flies in the face of the provision of the U.S. Constitution that says—and I will read from the Constitution—"No preference shall be given by any regulation of commerce or revenue to the ports of one State over those of another." Mr. President, that is directly from article I, section 9, of the Constitution of the United States.

Mr. DIXON. Does my colleague yield for a further question with respect to that?

Mr. COCHRAN. I am glad to yield to the Senator at this point.

Mr. DIXON. But does my colleague seriously contend that the existence of these cargo preference laws, which are designed to protect American interests in the merchant marine, are not working to the disadvantage of the Great Lakes region of the country? Why will my colleague then not permit us to exempt the Great Lakes altogether from cargo preference laws?

We have no quarrel with my friend's representing the great State, and I have no quarrel with his State or ports from advantaging those ports over foreign competition, but what my friend does and what his colleagues do is to disadvantage American ports by cargo preference laws.

I do not have any quarrels with those laws, may I say to my friend from Mississippi, if they are only designed to protect his ports and other ports against foreign competition, as certain other things do, but this law, this cargo preference law, may I say to my friend from Mississippi takes what we have sometimes called in the country the Rust Belt and puts that part of the country which has had the longest and deepest recession and slowest recovery at disadvantage.

Why would my colleague want to do that?

Mr. COCHRAN. Mr. President, let me conclude my remarks at this point. If the Senator wants to debate this issue, he is certainly free to debate it, and I will be happy to meet him here on the floor at an appropriate time.

As I understand the order, there is no amendment in order that would relate to this issue on this bill, and, while there may be in order certain amendments on cargo preference issues, this is not one that is permitted under the order.

My purpose in rising was to respond to the suggestion of the Senator from Wisconsin that he would try in every way before the end of this session to extend the Great Lakes preference and to require a certain percentage or certain amount of tonnage shipped under cargo preference to be out of the Great Lakes region, regardless of shipments from any other port.

This is wrong under the Constitution. It is wrong under the economic realities that our country faces today, and this Senator is going to be prepared to argue here in the Senate against such an amendment.

I just want to put the Senate on notice that this is a very contentious subject. It is a disagreement that is not going to be easily resolved.

I will be happy to work with my friends from Wisconsin and Illinois to discuss the issue. But I have no hope that we will be able to reconcile the demand by the Great Lakes region that a preference be written into law that is an economic disadvantage for the ports of the Gulf States, the east coast, and the west coast, a preference for one region of the country in the shipment of cargo.

We debated the issue, as my friend from Illinois remembers, for hours and and hours and hours in 1985. I do not look forward to that kind of debate again in 1989 or 1990. But we will be prepared to engage in that debate and to defend the interests of our part of the country against discriminatory language in a piece of legislation that effectively prohibits us from competing for all of the shipments the United States will be making to our friends around the world.

I hope this morning that we can proceed to consider the other amendments that are in order and to pass the bill. I have nothing further to say on this subject.

I will be glad to yield the floor to the Senator at this point.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois.

Mr. DIXON. Mr. President, you know the distinguished senior Senator from Mississippi is my warm friend. He is a fine man who advocates in every way the interests of his State, and I respect him for that.

But this is not a matter that can be debated in the usual collegial atmosphere because a law ostensibly designed to advance the interests of the United States of America in international marketplaces, the so-called cargo preference law, is in fact a sword thrust into the heart, Mr. President, of the Midwest.

It is a spear aimed at the back of every Great Lakes State, and it is an outrage.

I am shocked by the fact that a pittance, Mr. President, a miniscule allowance to the Great Lakes of 245,000 metric tons would be denied us. These are the ports, Mr. President, that in the last several years have received the grossest considerations of the Congress with respect to home porting.

In the exercise of closing military bases in this country—a monstrous fraud—we saved less than we spent on the single idea for home porting all over America. And these same greedy folks that got their pork on home porting, demand every dime, every penny, Mr. President, in connection with this issue. And the Chair knows that this Senator was one that said, "Well, all right, then yield some, settle for only 200,000 metric tons." They rejected it, Mr. President.

Mr. President, what happened to the days when the South had its difficulties and the great administration of Franklin Delano Roosevelt brought the South back out of economic disaster? What happened to the days when we built the dams for the West?

Does anybody care that the Midwest has struggled with recession and unemployment, and to this very moment, as I stand in this hall, the man in the chair from Wisconsin, the other Senator from Illinois and this Senator pay a larger share of the support of this Government and get less tax dollars back in their States? Does anybody care?

Can it be true—can it be true, Mr. President—that my colleagues and friends are so selfish in their attitude for their States or so selfish in their view toward this country that we would be denied this slight request by our friends and colleagues? Is that what this place has come to?

And my friends in organized labor for whom I have fought on many occasions, are offended by the fact that I speak here for my part of the country, when, in reality, it is their very people, their own people, who have no work. So, when I go into their halls in Chicago, they are without income because of the outrage of this law, this cargo preference law designed to help us, which, instead, injures us.

Well, perhaps someday, Mr. President, there will be another Roosevelt. Perhaps someday there will be a President who sees that our region is losing representation in the congressional delegations because people leave our States by the numbers, and are being denied every consideration for every one of these simple things we need. I pray for that. I pray for that. I regret very much the intransigence of those who cannot see simple equity.

We are preparing to give hundreds of millions to Poland—and I am for it—and we will not give one dime to the States around the Great Lakes to keep their shipping intact. It is a remarkable outrage and one, Mr. President, that I deeply, deeply, deeply regret.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DIXON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, as I understand it, now, we have an agreement not to go forward with any cargo preference amendments on this legislation. I think it would delay. Obviously, I think our amendment would be very helpful to the people in Poland. They would get more food, more aid, and maybe others feel the same about their amendments. But I am also realistic enough to know if we are going to pass this bill, maybe even this session, this year, we have to make some accommodations.

So I want to say a brief word about my decision not to go foward with the amendments I had planned, amendments which would have waived the cargo preference for food shipments to Poland.

Let me be candid. I have decided not to offer these amendments because I do not have the votes. Now and then, that is the bottom line around here, how many votes do you have? I have a lot of votes and I think I would have more if all Senators could be on the floor and could be persuaded.

(Mr. KERRY assumed the chair.)

Mr. DOLE. I am not as persuasive as the man just leaving the Chair who had been speaking very eloquently, but despite all the hand wringing about how important it is that we help Poland, the majority of Senators, let me say frankly the vast majority of Senators on the other side of the aisle, really are a lot more concerned about maintaining these ridiculously large sudsidies for a few shipowners and maritime workers then they are about helping Poland. It is as simple as that.

There is nothing unfair about all this. I am no different from my colleagues, I am pursuing a particular cause and I am working for my constituents. If the other Senator is doing it, he is working for special interests. That is how we seem to divided it, so I am not laying any blame at anyone's doorstep.

I have no quarrel with people working on behalf of the big shipowners or who are trying to save the jobs of some very well-paid seamen. I do not see any well paid jobs lost—well paid thanks to the lavish subsidies received from the American taxpayer.

But it is a little frustrating, spending weeks hearing Senator after Senator—including very enthusiastic backers and some who oppose cargo preference—make speech after speech about how important it is to help Poland, and then have them gang up to block one easy way to help Poland. I thought the thrust of this was to help Poland, not shipowners or maritime unions. We could do that without costing one nickel.

Right now, Mr. Walesa is in Washington, speaking as the official guest of the AFL-CIO. He is speaking to their convention today. He is a great speaker. He ought to get an honorarium before they are outlawed, and I have a great idea for one—the AFL-CIO can agree to a temporary waiver of cargo preference for food aid to Poland. What a dramatic gesture for the unions to make. We want to help the people so we are going to have a temporary waiver, just for Poland and Hungary, of cargo preference.

It is the most important thing they could do for Poland. It would not cost them a nickel and it would not cost the U.S. taxpayer a nickel, which would be refreshing for an change.

I am also reminded Mr. Walesa will be speaking to a joint meeting of Congress on Wednesday. It is a real shame we cannot present the same honorarium to him, in the form of legislation waving cargo preference in this unique situation.

It was not to be. The combination of the shipowner and the maritime union interests was stronger for a majority of Senators than their desire to help Poland, and that is the bottom line. It seems to me we have not given up.

There will be CFTC, I think, coming out of here one of these days. Maybe we can help Poland then. But we will be back and in the interim those of our constituents who are deeply interested in what is going on in Eastern Europe will understand how important it is for us to respond positively to these developments. Hopefully, too, they will make their millions of voices heard.

I do not want to hold up this bill any more. We could have 3 or 4 days' debate. I know there are some who feel very strongly about this issue; some on both sides of the aisle. So I have agreed with the distinguished majority leader we will not offer either of the two cargo preference amendments that are pending, and that the Senator from Iowa, Senator HARKIN, will not offer his cargo preference amendment.

I will close by asking to have printed in the RECORD a letter from the Commercial Counselor's Office of the Embassy of the Polish People's Republic in support of our efforts. I will read:

Therefore I request you to carry this message to the Congress, which is about to vote an amendment waving cargo preference rule, proposed by Senator Chuck Grassley and supported among others by Senator Bob Dole, who learned our position in Poland while visiting our country recently. Your prompt action in this matter would be highly appreciated by the Government of the Polish People's Republic and Polish Nation.

In other words they said by eliminating such conditions the scale of U.S. food aid will be much greater. I think that is the whole point.

So I ask unanimous consent that the letter be printed in the RECORD to indicate it is supported by the very people we wish to help. Maybe the next time around, maybe not on this bill, we will have more success.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EMBASSY OF THE POLISH PEOPLE'S REPUBLIC, COMMERCIAL COUNSELOR'S OFFICE,

New York, NY.

DEAR MR. SECRETARY: In accordance to our information the U.S. Government granted 119 mio dol. in food aid for Poland. By law at least 75 percent of all U.S. food donations must be shipped on U.S. ship whose rates are at present higher than market rates by 3-4 times. These in turn will cut substantial part of food aid.

Therefore it is of utmost importance to waive the clause requiring that 75 percent of U.S. food aid shall be carried on U.S. flag vessels.

By eliminating such condition the scale of U.S. food aid will be much greater. Allocated financing will be spent on food rather than transportation.

Therefore I request you to carry this message to the Congress, which is about to vote an amendment waiving cargo preference rule, proposed by Senator Chuck Grassley and supported among others by Senator Bob Dole, who learned our position in Poland while visiting our country recently.

Your prompt action in this matter would be highly appreciated by Government of the Polish People's Republic and Polish nation.

Thanking you in advance for your understanding and assistance, I remain,

Sincerely yours,

JERZY KAPUSCINSKI,
Commercial Counselor,
Minister Plenipotentiary.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I simply want to thank the minority leader, Senator DOLE, and also Senator GRASSLEY, and also our colleague Senator HARKIN. We could have had very lengthy and extensive debate with the results not completely clear. But there is no question it would have held up this very critical bill for aid to Poland and Hungary. I appreciate the restraint that is being shown here.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I join in thanking Senator DOLE and Senator HARKIN for their willingness to permit this bill to proceed without offering the amendments. I know both of them feel very strongly on the issue that has been under discussion but their willingness to withhold to permit us to proceed with this important legislation regarding Poland is very helpful.

If I might, now, for the benefit of Senators, describe the schedule for the immediate future.

ORDER OF PROCEDURE

Mr. MITCHELL. The Senator from Missouri has an amendment which I believe will be accepted by the managers regarding tax extenders. Following that, there be no further amendments to be offered. Under the previous order, we will have a vote on the Roth amendment. And immediately following that, there will be a vote on final passage of the bill. So expect those two rollcall votes to occur, back-to-back, beginning in just a few minutes.

It is my intention to have the second vote be a 10-minute vote so Senators should be forewarned in that regard. We hope by that means to complete action on this bill just prior to the recess for the caucuses. We may run over a little bit to get the votes in. Then we will go back to the original schedule which is to go to capital gains at 2:15.

Mr. President, I thank all concerned and I yield the floor.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

AMENDMENT NO. 1129

(Purpose: To amend the Internal Revenue Code of 1986 to extend certain expiring tax provisions through June 30, 1990, and for other purposes)

Mr. DANFORTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. If no other Senator wishes to offer an amendment that is listed in the agreement on cargo preference, then the Senator from Missouri may send his amendment to the desk. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mr. DANFORTH], for himself, Mr. HEINZ, Mr. BOND, Mr. D'AMATO, Mr. MCCAIN, Mr. COHEN, Mr. BOREN, Mr. DURENBERGER, Mr. WARNER, Mr. HEFLIN and Mr. CHAFEE, proposes an amendment numbered 1129.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. DANFORTH. Mr. President, this is an amendment which would extend 12 expiring tax provisions through June 30, 1990, and pay for them by the acceleration of the payroll tax deposit system for employers who reach certain thresholds of income and FICA tax withholding from employers to agents.

Mr. COHEN. Mr. President, I am pleased to cosponsor the amendment offered by my colleague from Missouri [Mr. DANFORTH] to extend the tax provisions that are, under current law, scheduled to expire at the end of this year.

The expiring tax provisions include many important programs that I have supported enthusiastically for years. Three of these programs, namely, the low-income tax credit, qualified mortgage bonds and mortgage credit certificates, are vital to the housing needs of many Americans. For example, the low-income housing tax credit provides tax incentives for the development of affordable rental housing for low-income Americans. By the end of 1989, commitments will have been made for nearly 200,000 tax credit-assisted units to house over a half million needy Americans. It is crucial that the Congress act swiftly to extend this program now so that providers of low-income housing projects will be able to plan and continue their commitment to the housing program. Without such assurance to the participants of the programs, we risk a halt in the development of low-income housing, thus jeopardizing one of the few viable programs that aid the homeless.

This amendment would also extend programs that benefit employers, especially small businesses. It extends, for example, the authority to issue small issue industrial development bonds, a program that has been very successful in financing small manufacturing projects in my State of Maine, the health insurance deduction for self-employed individuals, the research and development tax credit, and the exclusion for employer-provided educational assistance program. I believe that it is especially important that we extend the health insurance deduction for the self-employed, which allows self-employed individuals to deduct 25 percent of the amounts that they pay

for health insurance for themselves, their spouses, and their dependents. This program is crucial to help these small businesses meet the spiraling costs of health care coverage for their families.

As my colleagues know, each of these programs were adversely affected in 1986 when the Congress allowed them to expire for a 10-month period before renewing them as part of the Tax Reform Act of 1986. This created severe and unnecessary disruption of the programs and made it difficult for businesses and individuals to plan. I urge my colleagues to act swiftly to renew these expiring tax provisions because this is only fair to the thousands of businesses and individuals who benefit greatly from these important programs each year.

Mr. DURENBERGER. Mr. President, I am pleased to join Senator DANFORTH in offering this amendment to temporarily extend the provisions of the Tax Code that are scheduled to expire at the end of this year, as well as those provisions which expired at the beginning of this year.

Mr. President, it seems that every year we hold expiring tax provisions hostage to another piece of legislation. Last year, the expiring provisions were temporarily saved at the last minute when we were finally able to resolve differences over the Technical Corrections Act. This year, the expiring provisions have become caught up in the debate over capital gains, the budget reconciliation process, and sequestration.

I think it is important for all of my colleagues to remember that if some of these provisions expire at the end of this year, it will be nearly impossible to rectify the damage that will result to the public policy objectives that underlie these provisions. For example, if authority to issue mortgage revenue bonds is not extended, this vital program for first time homebuyers will be stopped dead in its tracks on January 1, 1990. The same result will ensue in the low-income housing program and the small issue industrial development bond program. I can hardly think of a Member of the Senate who would want these important programs to end.

Mr. President, I also would note that if the expiring provisions are not extended, the self-employed will not be allowed to take advantage of the 25-percent tax deduction for health insurance. It is difficult enough for me to justify why we allow corporations to deduct 100 percent of the cost of their health insurance, and only allow independent businessmen a 25-percent deduction. Yet how can one explain to these same businessmen that we allowed the 25-percent deduction to expire because it got lost in reforming the budget reconciliation process?

Mr. President, the House and Senate reconciliation conferees have the opportunity to address the issue of extending these provisions, the R&D provisions and the alternative energy credit provisions. I urge them to include these provisions in the final conference agreement, and would urge my colleagues to support this amendment.

Mr. President, I ask unanimous consent that an article from the November 12, New York Times concerning the low-income housing credit program be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 12, 1989]

CRISIS IN CONGRESS: DON'T KILL LOW-COST HOUSING

(By John P. Mascotte)

As Congress contemplates to bring down the budget deficit, one of the rarest of government creations may be sacrificed in the process—a housing program that really works. The low-income housing tax credit, part of the Tax Reform Act of 1986, has served the diverse housing needs of urban and even suburban households in large to mid-sized communities in all parts of the country.

Because of the tax credit, desperate neighborhoods can build decent, low-cost housing and private investors can get a reasonable financial return from joining in the effort—15 to 20 percent a year. At the same time, the tax credit gives the Federal Government a stunning social return on a relatively small investment of about $205 million a year.

But the low-income housing tax credit will soon die quietly unless Congress votes to extend it. That is because the leadership of the House of Representatives decided not to attach the renewal of this program to last week's debt ceiling bill.

Since the tax credit is allocated and administered on a state-by-state basis, there is no need for a Federal bureaucracy to oversee the program and decide whether a given development should receive financing. It is also more efficient than previous tax incentives for housing because private investors have to make sure their projects will work in order to get the tax credits.

In addition, unlike a uniform, top-down housing plan drawn up in Washington, the tax credit is structured to allow for diversity. Single-family wood frame houses, trailers, multifamily brick buildings—whatever structures makes sense in a particular community—are all options. The program revolves around local decision making in a way that avoids the problems of the past.

Separate bills supporting the extension of the tax credit have been introduced in the Senate and in the House but have not yet been voted on. Most significantly, Jack Kemp, Secretary of Housing and Urban Development, has strongly stated his support for keeping the tax credit in place. But the Treasury Department opposes extending these credits, arguing that there is no room in the budget to provide the modest amount of money needed. But what the department fails to notice sufficiently is that unlike other Federal initiatives, the tax credit is a mechanism that leverages private dollars. Indeed, every dollar invested through the credit generates another two toward the final investment. Last year, as a result of this program, 80,000 needy families got low-cost, affordable housing. But the need is far greater.

It would be wrong for Congress to kill a measure that serves as a model of the public-private approach to solving some of our most intransigent social problems. In 1988 alone, innovative programs based on these tax credits attracted more than $100 million in investments from some of America's biggest corporations, including A.T.&T., the Continental Corporation, American Express, Pfizer and Prudential.

This approach does not demand that companies become developers of low-income housing. Instead financial intermediaries, like the Local Initiatives Support Corporation, turn companies into investors in projects sponsored by nonprofit, community-based development corporations.

Community-based development corporations that benefit from the tax credit are small and local, but their national impact is immense. A recent national survey of about half of America's estimated 1,700 community development corporations showed that 631 of these organizations created a total of nearly 125,000 housing units. More than 90 percent of this housing was built for low-income occupants. The community-based corporations surveyed completed about 23,000 of those units, or 19 percent, in 1986 and 1987. By comparison, H.U.D.'s program to create new public housing units for low-income families totaled only 24,740 for the fiscal years 1986 through 1988.

Because their ties to the community are so strong, community-based development corporations, supported by private investors using the tax credit, generally do a much better job than either private developers or the Federal Government does when going alone. Since community-based corporations operate close to the housing they develop, they have the added incentive to make sure that the property is well-maintained.

Strict Federal guidelines ensure that genuine low-income housing will be financed through the low-cost housing tax credit. That is because credits are allocated only on units actually occupied by low-income residents. Rent must be no more than 30 percent of the income of people who earn, at most, 50 to 60 percent of the area median income. These rents must be maintained at an affordable level for 15 years. In New York City, for example, this formula would yield monthly rents no higher than $450 for the average family of four for a two bedroom apartment.

Extending and expanding this effective program would provide the vehicle for a new national urban policy that works. In the long run, ending the tax credit won't save the Government money. The ensuing hardship for people with low incomes could end up costing taxpayers more. For example, in New York, the cost of housing a family of four in a welfare hotel is $36,000 a year.

Eliminating the tax credit would send an extremely distressing message to business leaders, politicians, community groups and citizens all over the country. It would say that we don't believe in the power of new alliances and that we are unable or unwilling to recognize success when we achieve it.

Given the scope of our housing problem, the low-income housing tax credit cannot meet the entire need. But by extending the low-income housing tax credit, the Federal Government can expand on a new approach that can provide decent and affordable housing for a modest outlay to as many as

100,000 American families a year. At the same time, it can help reclaim neighborhoods plagued by indifference and despair. For Congress to kill the credit would save a few dollars in the name of cutting the budget deficit. But it would postpone the day of reckoning with a worsening housing crisis that continues to cost society far more than just money.

The PRESIDING OFFICER. Is there further debate?

The Senator from Illinois.

Mr. SIMON. Mr. President, the amendment is acceptable on this side.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, this is a good time to thank various colleagues for their helpfulness in all this, and the chairman of our committee, Senator PELL, has been very helpful. The majority leader has worked with us. We have had—I do not know how many—meetings trying to get all this worked out. Senator CRANSTON played a very key role. He led a delegation over to Poland. His deep commitment is unquestioned, and he has been very supportive. Senator MIKULSKI; Senator SARBANES; Senator LAUTENBERG; Senator ROBB; Senator BOB GRAHAM; Senator RIEGLE; Senator LEVIN; the Presiding Officer, Senator KERRY; Senator KENNEDY—I am sure I am missing some people who have also been very supportive and helpful on this side.

On the other side, Senator DOLE, who also was over in Poland as we worked out a compromise that I think is a good one all the way around; Senator HELMS, the ranking Republican on the committee; Senator DOMENICI; Senator HUMPHREY; Senator BOSCHWITZ; Senator MURKOWSKI; Senator D'AMATO; and I am sure I am missing some I should be thanking. My colleague from Illinois, Senator DIXON, I should have included for his helpfulness.

On my personal staff, Jonathan Stein and Brian Kennedy have been very helpful. And on the committee staff, John Ritch has been very helpful. In addition, a great many others, including representatives of the Polish American Congress and others who have had an input and have been very helpful.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEFLIN. Mr. President, I rise today to commend the Senate for passing the amendment offered by Senator DANFORTH to the Support for East European Democracy Act of 1989. This amendment would extend vital parts of this Nation's Tax Code which are set to expire or which have already expired. I was a cosponsor of this amendment. Although I have some reservations about the bill to which this amendment is attached, I am pleased that the Senate has now voted to extend these important provisions.

As every Senator knows, these provisions were included in the part of the budget reconciliation bill that passed the Senate Committee on Finance. Unfortunately, in an attempt to strike some provisions creating new tax benefits in order to pass a clean bill, the Senate may have thrown the baby out with the bath water. The Senate removed provisions from the budget reconciliation bill which were fair, equitable, and extremely important to this Nation's economy.

These provisions include ones dealing with such vital matters as the low-income housing tax credit, the research and experimentation credit, the targeted jobs tax credit, employer-provided educational assistance, mortgage revenue bonds, small issue industrial revenue bonds, and the deduction for health insurance premiums paid by self-employed individuals. The value of these provisions is almost undisputed. I will take just a few minutes of the Senate's time to highlight a few of these provisions.

Under current law, small-issue industrial development bonds are carefully targeted. They are available only to finance manufacturing facilities. As a result, the funds raised through the issuance of these bonds help to directly create manufacturing jobs and stimulate the economy of many communities. These bonds are also the primary source of long-term fixed-rate financing for many small- and medium-sized businesses.

Small-issue industrial revenue development bonds are vital if our small- and medium-sized companies are to remain competitive with foreign businesses which receive a multitude of foreign government subsidies. Continuation of this program will result in little revenue loss to the Federal Treasury and therefore offers a low-cost and efficient means of providing Federal support for a growth sector of our economy. The authority for this program should be continued.

The low-income housing tax credit provides one of the few incentives for the construction, rehabilitation, and acquisition of housing to be provided to low-income families. It has been an effective means of stimulating low-income housing development. It should be continued.

Besides low-income housing development, this country needs to encourage and foster the ability of Americans to achieve a major part of the American dream—home ownership. Mortgage revenue bonds help to achieve this goal. These bonds are issued by State and local housing agencies to provide funds for home mortgages at slightly below market rates. This program helps young families to purchase their first homes. Yet this program is also expiring. It, too, should be continued.

The targeted jobs tax credit gives businesses an incentive to provide training and jobs for workers who might otherwise be unemployed. It also deserves to be renewed.

All of these programs are vital and meritorious. They should be continued. I congratulate my colleagues for supporting this amendment and I urge the House of Representatives to do the same.

Mr. KERRY. Mr. President, I rise in support of the amendment offered by my colleague from Missouri, Senator DANFORTH, to extend several expiring tax provisions. Of particular concern to me, Mr. President, is the extension of the low-income tax credit.

Mr. President, an extension of the low-income housing tax credit is one of the most important legislative goals the Congress can accomplish prior to adjournment this year. The low-income housing tax credit is an important and valuable tool in the production of affordable housing. That, Mr. President, is an objective we cannot either take lightly or overlook in our haste to adjourn.

An extension of the low-income housing tax credit is particularly important given the cutbacks in housing and housing production that we witnessed during the Reagan administration. Although Secretary Kemp has demonstrated much needed leadership at HUD and although it appears that there exists a commitment on the part of the Bush administration to begin to address the issue of housing, extension of the low-income housing tax credit is rightfully within the jurisdiction of the Congress and it is a responsibility that we cannot, in good conscience, ignore. The President can show real leadership in housing by supporting an extension of this important tax credit now.

The low-income housing tax credit is a program that has proven its effectiveness since its inception in 1986. In my home State of Massachusetts alone, the existence of the low-income housing tax credit has meant the production of more than 1,500 units of affordable housing. Nationally, Mr. President, the low-income housing tax

credit provides for the production of more than 100,000 units of low-income housing yearly.

The low-income housing tax credit works. It is an effective program that deserves the extension that this amendment would provide. It is a viable program that represents effective public private partnership. As representatives of the people, we need to send a clear signal to the States, localities and private investors that utilize the credit. In so doing, we also seek to fulfill our commitment to ensuring housing for the homeless and the poor.

Mr. CHAFEE. Mr. President, I am pleased to join as a cosponsor of this amendment to extend certain expiring tax provisions. This amendment provides us with the opportunity to vote for stability in our tax policy on issues that are important to every segment of this great Nation and its citizens.

Many of these provisions are important to the continued growth of our economy and the ability of our businesses to successfully compete in the international market. Other provisions are important to the accomplishment of important social goals, such as providing affordable housing for all Americans.

We are currently enjoying the benefits of the longest peacetime economic expansion in the history of the United States. At the same time, however, it is estimated that as many as 3 million Americans are homeless. These individuals are unable to find affordable housing, much less realize the American dream of owning a home.

In an effort to address this problem, we provided the States with authority to issue tax-exempt mortgage revenue bonds and, in 1986, created the low-income housing tax credit. This credit was for low-income Americans. It provides a valuable tax incentive to encourage developers to produce low-income rental housing.

By extending this tax credit, we will be continuing a program that directly benefits less fortunate Americans. In addition, we will be advancing a proposal endorsed in last year's Rouse-Maxwell report, a study that is widely considered to be the blueprint for future housing policy.

In my State, Rhode Island Housing has used the tax credits to create over 450 low-income housing units during the last 2 years. Without this valuable resource, none of these units would have been constructed in Rhode Island. In 1988, Rhode Island was one of only nine States to use 100 percent of its 1988 credit allocation, and the demand for the 1989 credit allocation far exceeded the available supply.

The loss of this tax credit would be a devastating blow to the efforts of Rhode Island Housing. Their program combines an equity investment fund raised through the sale of the low-income housing tax credits with bond financing and zero interest second mortgages to produce affordable housing in one of this country's most expensive housing markets.

Providing adequate housing for the poor is a long-term job, and Rhode Island Housing is in the initial planning stages of a new equity investment fund. If the credit is not extended before the end of this year, these efforts will have to be canceled, and all new projects under consideration by developers wil have to be put on hold. Our failure to extend this program prior to the end of the year will result in a delay in the construction of new low-income housing that could extend for all of 1990 and into 1991.

Besides providing affordable rental housing for all Americans, we must remember that homeownership is an important part of the American dream. In many States, such as Rhode Island, where housing is very expensive when compared to median incomes, we must provide tax incentives for programs that assist low-income Americans in acquiring their first home. We must reverse the declining homeownership trend that exists in this country.

The Mortgage Revenue Bond [MRB] Program authorizes States to issue tax-exempt mortgage revenue bonds to provide below market-rate financing for the purchase of homes by citizens in those States. This below market-rate financing allows many Americans to purchase a home, when they would not be able to buy a house with any of the conventional financing methods.

In 1986, we adopted a State volume cap which placed a limit on the total amount of private-purpose, tax-exempt bonds that could be issued by a State. The MRB Program expands the types of private-purpose bonds that can be issued by a State within its volume cap. I believe we should allow each State to utilize the volume cap to best meet the needs of its citizens.

The Mortgage Revenue Bond Program is a vital part of my State's housing program and its efforts to address the large affordability gap that exists in Rhode Island. The experiences of Rhode Island Housing, the manager of the MRB Program in my State, illustrate the importance of this program to fulfilling the homeownership dreams of low-income Americans.

In the 15 years that Rhode Island Housing & Mortgage Finance Corp. has existed, almost 35,000 families have been able to purchase a home utilizing a mortgage from our MRB Program. The managers of the MRB Program have calculated that approximately 80 percent of the families served by the MRB Program would not have been able to qualify for a conventional mortgage. Rhode Island Housing utilizes State resources to provide second mortgages and interest rate buydowns combined with the MRB Program to assist citizens of my State in the purchase of a home.

If the Mortgage Revenue Bond Program is not extended, the State housing agencies will have to cancel any existing plans for new issuances of mortgage revenue bonds. This could create an extended period of time in which the States do not have money available to provide low-interest mortgages. The leadtime required for financing new mortgages through the issuance of new bonds would be approximately 5 to 6 months.

I believe it is imperative for us to extend the authority of the States to issue tax-exempt bonds to provide mortgage financing to our young families, who would not otherwise be able to fulfill the American dream by purchasing a first home.

In addition to the problem with affordable housing in this country, we must also be concerned about the effect of our international competitiveness on the continued vitality of our economy. Government policies should be carefully scrutinized to ensure they enhance our ability to compete rather than hinder it. Our attention should be focused on helping American businesses succeed in today's worldwide market.

One area of tremendous importance in today's competitive environment is research and development which leads to technological innovation. The nations that are winning the competitiveness race are those that recognize the importance of advanced technology—because it results in new, marketable products and more efficient production and manufacturing.

These countries work to attract companies that will establish research and development facilities within their borders. To achieve greater economic competitiveness we must foster, not impede, U.S. investment in research and development. We must expand, not export, our technological base.

Without stability, we cannot expect our major investors in R&D to make the long-range plans that are critical to some of our most promising research efforts. The provisions in this amendment to extend the R&D tax credit and to renew the moratorium on the application of the section 861-8 R&D allocation rules are necessary to encourage the commitment of U.S. industries to long-term R&D investment.

We must provide these incentives to American businesses to increase and maintain higher levels of expenditures for R&D. Increased levels of research are necessary for America to regain the competitive edge that we have enjoyed for years, but which we have lost, in recent years, to other nations, such as Japan.

If we allow these important tax provisions to expire at the end of this year, we must be prepared to accept the negative consequences that will occur. I am hopeful that these short-term extensions of the expiring provisions will provide us with an opportunity to act early next year to enact permanent extensions of the low-income housing tax credit, the R&D tax credit, and the section 861-8 allocation rules.

In spite of my support for these extensions, I do have a reservation about the employer payroll tax collection speed-up that is used to pay for this amendment. The President may very well oppose this revenue raiser, since it effectively creates revenue in 1990 by borrowing from 1991. The majority of the tax revenue raised by this provision comes from the payroll taxes that would have been collected in fiscal 1991, and are now collected in 1990. I believe we must be prepared to find another way to pay for these important provisions, if the President classifies these revenues as phony.

Thank you, Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the Danforth amendment, if there is no further debate. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1129) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I rise to thank my colleagues, Senator HELMS, and Senator SIMON, who so notably led the extended debate yesterday on the Polish legislation. Unfortunately, the Senator from Alaska was traveling back from Alaska, and that takes all night or all day, depending on which way you go. So, unfortunately, I was not available for the debate. However, I do thank the Senator from Illinois for including the two amendments which I understand were accepted.

I think we all agree that the legislation which we are about to pass is a major compromise representing a very significant step forward in assuring our friends in Poland that we indeed stand behind the noble effort that has occurred in that country as a consequence of the commitment and diligence of the Polish people. I think it is a recognition that they have always had the ability to rally around the heritage of Poland, the church, which has meant so much to the cohesiveness of the people of that nation during a long and difficult road. What has been achieved is truly extraordinary, as we look at movement across Europe today, as evidenced by what is occurring in East Germany with the Berlin Wall coming tumbling down, so to speak, one might say that this all began in Poland. As a consequence, the commitment that we have to ensure that continued assistance from the United States and the Western world is very real is evidenced in this legislation.

Further, Mr. President, I think we recognize that when the people make a sacrifice as significant as has been made by the people of Poland, and the fact that they are willing to depart from a lifestyle that obviously is dictatorial in the sense of socialism and communism, there is a very significant void and that void must be filled by the commitment of assistance, and we are going to see the opportunity now for private investment in Poland.

We must be cautious to ensure that Poland does not become an outlet for other countries to utlize the productivity of Poland, that it truly is made on the basis of assuring assistance so that the national industry of Poland can be purchased by the people of Poland with joint ventures and other assistance from the United States interests.

Mr. President, yesterday in my absence, Senator HELMS offered two amendments on my behalf which I understand were accepted by the Senate.

I thank Senator HELMS for his actions on my behalf.

Very briefly, these amendments urge the President to take two actions in the coming weeks to address the emergency assistance and economic stabilization needs of the Polish people.

The first asks the President to work closely with the IMF in determining the possible balance of payment crisis the Poles may face this calendar year.

The Polish finance minister raised this issue with me directly during his visit to Washington in September.

He indicated the distinct possibility that the Poles may face a budget shortfall this year that would seriously affect their imports of agricultural inputs and pharmaceutical supplies.

The amendment urges the President to consider the extension of a bridge loan to the Poles to address any emergency need that may become apparent before funds from international lending institutions can be made available.

I believe this issue is of sufficient gravity as to merit specific reference in this bill.

The second amendment addresses the $200 million economic stabilization grant proposed by the President and contained in this bill.

It asks the President to call an urgent meeting of western democracies to build on the $200 million United States contribution to reach the level of $1 billion requested by the new Polish Government.

I understand the Senator from Michigan [Mr. RIEGLE] also had a similar amendment accepted yesterday.

Between the two of us we should have this issue covered.

Activity is ongoing between the United States and the European Community with this regard. This amendment underscores the need for quick action and United States leadership in fully funding the economic stabilization needs of the Poles.

In concluding, I applaud the managers for the progress that has been made on this legislation.

I believe that what has emerged from this process is a comprehensive and clearly targeted package of assistance to the Polish people.

Our action on this legislation could not come at a more significant and dramatic time in Eastern European affairs.

This weekend, the United States and the world watched in awe as the most powerful symbol of the divided Europe—the Berlin Wall—literally crumbled under the feet of East Germans seeking the freedom of the West.

Lech Walesa, the father of Polish Solidarity and the reform movement in Poland will speak to the joint Houses of this Congress tomorrow.

The artificial lines that carved Europe into opposing political blocs are disappearing, Mr. President, and there is no more important time for the United States to extend its hand in guidance and assistance to those left struggling to redefine their place on the continent and in the world.

The Senate extends that hand today, Mr. President, not just to Poland and Hungary but to all citizens of Eastern Europe seeking a better, more democratic and more productive way of life.

Once again, I commend my colleagues for the action we are about to take. And I thank the distinguished majority and minority leaders for accommodating me in order to speak on this very important piece of legislation.

I wish to acknowledge our administration and our President for the commitment which has been made to ensure that the aid as expressed in this legislation is forthcoming.

I thank my colleagues and I thank the Chair.

Mr. KERRY. Mr. President, remarkable changes are occurring in Eastern

Europe these days. For over 40 years, the United States has demanded that the Soviet Union change its political system and loosen its stranglehold over the countries of the Eastern bloc.

The Western alliances, formed to confront the threat of Soviet expansionism, has consistently urged the Soviet Union to decentralize its political and economic system and to grant every Soviet citizen the right to speak, to worship, and to emigrate freely.

Since World War II, the West has called for an end to Soviet domination of Eastern Europe and has tried to promote greater autonomy and freedom for those Soviet-controlled countries. There can be no doubt that today, many of the goals of our post World War II policy are on the verge of being realized.

Hungary has now declared itself a democratic republic. It has removed the barbed wire from its borders and allowed thousands of East Germans free passage to the West. The leader of the opposition faction within the Supreme Soviet has met with the President of the United States. A Solidarity-led government has been elected in Poland.

Glasnost has produced remarkable change within the Soviet Union as we continue to witness the most astounding admissions of past errors in that country. The latest coming from Soviet Foreign Minister Shevardnadze who stated this week that the invasion of Afghanistan violated Soviet laws, norms, and ethics. He stated further that the Krasnoyarsk radar was a clear violation of the ABM Treaty.

Now is the time for the United States to encourage and capitalize upon the changes we have sought for so long. Nobody is questioning the reality that the evolution within the Soviet Union and Eastern Europe will not create new hazards and new uncertainties. However, extraordinary political change provides extraordinary opportunity and does entail extraordinary risk.

For many of us in the Congress, there is not any question that the greatest risk is the failure of continued progress toward democratization and a reversion to the cold war politics of the past.

Today, we face the challenge of restructuring relations with countries ravaged not by fascism and war, but by the effects of a Communist ideology that has clearly failed to deliver economically, politically, and spiritually. Therefore, the task for U.S. foreign policy is to devise and implement policies that serve the interests of the United States. That means we have to be engaged in the process. This means we cannot be passive bystanders as Poland and Hungary struggle to revamp their failed political and economic systems and try to control their own destinies. Our commitment to support these nations must go beyond nods and meager gestures.

Poland's emergency needs alone, however, run into the billions. The country is suffering from a $39 billion external debt which needs to be rescheduled. Food supplies need to be provided until agricultural reforms yield results.

Nobody in the present Solidarity-led government seeks a blank check from the West. Warsaw understands that the medium- and long-term prospects for economic revival will have to be tied to austerity and looser state control. The Poles know exactly where they want to go.

The Poles want an economy that looks very much like those in Western Europe, with free markets and hard currency. Without aid from abroad this transition will impose great suffering as old jobs vanish, controlled prices leap upward, and the old benefits and patronage disappear. It could become painful enough to threaten the Government, thereby jeopardizing Poland's first, freely elected Government in well over half a century. That's why Western aid in credible amouns is necessary, and why speed is crucial.

One of the ways we could further assist Poland in revamping its agricultural sector would be to promote a farmer-to-farmer program with Poland through the agency for international development. Under the farmer-to-farmer program, United States volunteers with expertise in their field would go to Poland and provide technical assistance to Polish farmers on a variety of problems, from animal care to field crop cultivation, to food processing, farm credit, and marketing. The current aid-funded farmer-to-farmer program has been very successful and has sent over 200 United States farmers to over 35 countries since 1986. We have a strong model on which to build, and I hope that we will do so.

The United States must take the responsibility for our Nation's special stake in the transformation of communism. As the world's leading democracy, we stand as a beacon of hope for millions around the globe who want freedom and economic opportunity. Communism has failed to provide either. Therefore, democracy succeed peacefully, with the same energy and enthusiasm we have repeatedly demonstrated in the past to meet the Communist threat by military means. Therefore, I applaud and support the efforts by our distinguished colleague from Illinois, Senator PAUL SIMON, who is offering what I believe is a reasonable compromise between the administration's request and the Support for East European Democracy Act which we reported from the Committee on Foreign Relations.

Mr. PELL. Mr. President, the events we are witnessing in Eastern Europe are truly extraordinary. Each day, the television footage and newspaper headlines become more startling: Poland elects its first non-Communist government in more than 40 years; the new Hungarian Socialist Party announces it will step down if defeated in multiparty elections next spring; Todor Zhikov, the longest serving Communist leader in Eastern Europe relinquishes power in Bulgaria; hundreds of thousands of East Germans flock to the West; and the Berlin Wall, the cold war's starkest symbol, is tumbling down.

Throughout the past 40 years, the people of Eastern Europe have looked to the United States as the symbol of freedom and democracy, and we, for our part, called for the type of change that is now occurring. But few of us thought that we would actually see these events in our lifetime. Perhaps we were not creative enough; perhaps we underestimated the desire of freedom inherent in the people of Eastern Europe.

It has been easy for us to call for reform—to be the champion of democracy, human rights, and the free market. But now, words alone will not suffice. From across the Atlantic, we watch events unfold with a great sense of satisfaction; but that is not enough. We too, must engage in new thinking. The time for rhetoric is behind us; the time for creative action is ahead.

We have before us the opportunity to take action on important legislation to assist Poland and Hungary as they embark upon a changed course. This legislation provides the support that Poland and Hungary desparately need to carry out their ambitious reform programs: It establishes private enterprise funds to promote private sector development; it provides authorization for technical training and environmental initiatives; and it offers food aid.

Less than 2 weeks ago, Imre Posgay, Hungary's Minister of State and the Socialist Party's leading advocate of reform, met with members of the Foreign Relations Committee. At that time, we had to tell him that progress on this legislation was stalled by our own legislative process.

Tomorrow, Lech Walesa, Solidarity leader, Nobel Prize winner and architect of the new Polish Government, will address this body. Throughout the last 10 years, we have supported Mr. Walesa's actions with words, but now we must support our words with action. Mr. President, I urge that we take swift and decisive action to pass the legislation before us in time for Mr. Walesa's visit tomorrow.

Mr. MITCHELL. Mr. President, today the full Senate has a rare opportunity.

We have the chance to participate in one of the most dramatic changes in the international system since 1945—the movement of nations in Eastern Europe away from Soviet domination toward economic and political freedoms and national independence.

The change underway in Poland and Hungary is truly historic. The governments of these countries are being historic. The governments of these countries are being transformed. No longer is the Communist Party assured a monopoly of power. In fact, those parties are being swept away by democratic forces and have begun the process of internal reform. The Hungarian Communist Party has renamed itself Socialist and pledged to support a multiparty democracy. Solidarity, once outlawed, now leads Poland on its path toward democracy.

The people of Poland and Hungary are being given a chance to determine their own futures through a more open electoral process. They are increasingly gaining other democratic freedoms that we in America take for granted. Poland and Hungary are opening their controlled economies, beginning the painful adjustment necessary for a more competitive, free market economic system.

These tasks are not simple. They require steady and resourceful leadership and the understanding and support of the people. The transformation underway will be difficult and its success is by no means assured.

But the success of liberalization in Poland and Hungary is crucial, not simply for Poles, Hungarians, and the Communist neighbors who watch and judge their efforts, but also for the West.

We cannot underestimate the implications of success for the future of all aspects of East-West relations—the security, political, and economic arrangements that will shape that continent in the next century.

It is very much in our interest to ensure that Poland and Hungary succeed.

The bill before us—the Senate Foreign Relations Committee package as modified by Senator SIMON and Senator DOLE—is designed to help ensure that success.

Senator SIMON has played a vital role in moving the Senate, and the Bush administration, forward on the critical issue of aid to Poland and Hungary. His leadership and that of Senators MIKULSKI, CRANSTON, LEAHY, and others have been invaluable in helping to focus American attention on the importance of developments in those countries.

This bill offers a comprehensive and responsible route toward strengthening democracy and freedom in Poland and Hungary.

A great strength of this approach is that it is tailored to the specific needs of the Polish and Hungarian people. The bill establishes important programs to help institutionalize democratic structures and train Poles and Hungarians in the scientific and technical skills so crucial for the future development of industry.

This measure will enable Poland to begin modernizing its communications system, a prerequisite for an efficient market system. It provides necessary environmental cleanup assistance. It will enable Peace Corps volunteers to work in Poland and Hungary and will provide assistance to address critical shortages of medical supplies and health care.

To encourage trade, the bill extends generalized system of preferences eligibility to Poland and Overseas Private Investment Corporation programs to both Poland and Hungary.

This measure also builds upon the President's suggested private enterprise fund, expanding the program to ensure that it can fully exploit and encourage the entrepreneurial efforts of Hungarians and Poles. And it establishes a central clearinghouse to provide Americans with information about business needs and opportunities and voluntary assistance to countries in Eastern Europe.

This measure also authorizes $125 million this year for vitally needed food supplies in response to Poland's request for immediate food aid. The Polish people have been forced to tighten their belts. They live in fear of the escalating prices of food and other basic commodities that are the result of loosened central price controls. But this bill will help ensure that hunger is not the price for democracy.

As the President and the Polish Government requested, the bill includes an authorization for $200 million for the United States' contribution to a multilateral $1 billion stabilization fund.

Reflecting the widespread belief that the United States must play a leadership role in multilateral aid efforts, this bill urges the United States to actively encourage the World Bank and the International Monetary Fund to provide timely and appropriate assistance to Poland and Hungary. It calls on the administration to work with our Western allies to support the Polish Government's new economic plan and to move quickly to reschedule Poland's crushing debt burden. And it urges the administration to consider creative solutions to Poland's debt problem such as debt-for-equity and debt-for-nature swaps.

This is a reasonable bill. This is a responsible bill. It is carefully calibrated to foster private investment and production in Hungary and Poland as appropriate to the needs and capabilities of the growing private sector in those countries.

Those who would prefer to do less simply fail to understand the critical nature of this opportunity to help ensure the success of democracy and economic freedom in Eastern Europe.

Does anyone doubt that we would hesitate to respond if a military buildup were required to help East European States attain freedom? We would not hesitate for a moment. We would provide the necessary military resources.

Yet today we have an opportunity to contribute to freedom in Eastern Europe peacefully, by providing our expertise and assistance to shore up a free market and help reinforce democratic institutions in those countries.

Let us remember that President Bush this April, in Hamtramck, MI, declared that the United States would keep its promises to respond quickly and imaginatively to significant internal reforms in Poland. He said, "We can and must answer this call to freedom."

Then in July, President Bush went to Poland to tell the Polish people that "the United States will stand with Poland. We will support Poland's hopeful mission, unparalleled in your history."

But the President's proposals did not live up to his pledges.

I hope that my colleagues will recognize that we cannot pretend to fully support Poland and Hungary's movement toward freedom and democracy without acting accordingly. I believe that this body must play a responsible role in helping to ensure the success of reforms in Poland and Hungary.

Our allies realize how fleeting and crucial this opportunity is and they have responded accordingly. Italy alone has pledged aid almost equal to that proposed by the administration. France has pledged more. And Germany has offered Poland a package of assistance worth even more than the bill before us.

This overwhelming response from our allies should underscore to my colleagues the need to act boldly. The United States cannot continue to simply sit on the sidelines, saying that we support change in Poland and Hungary but refusing to make a significant contribution to ensuring its success.

Senator SIMON's efforts have led, in my judgment, to an effective American program to promote freedom in Eastern Europe. He has worked to create a bill that serves the interests of our Nation and those who long and work for democracy throughout the world. We now have a bill that will ensure that the United States remains true to its words, engaged in and supportive of democratic reforms.

The United States must play a leadership role in promoting precisely the changes in Eastern Europe that we have demanded for four decades, and

this bill will help to ensure that we do so.

It is fitting for the Senate to pass this long-delayed measure, and to urge an enhanced American role in supporting change in Eastern Europe, today, on the eve of Solidarity leader Lech Walesa's address to a joint session of Congress.

I urge my colleagues to support this bipartisan effort to foster democracy and freedom in Poland and Hungary.

Mr. LAUTENBERG. Mr. President, I rise in strong support of the Support For Eastern European Democracy Act of 1989 and am pleased to be an original cosponsor of this legislation. I commend Senator SIMON for the leadership role he has taken in putting this aid bill together.

By authorizing $738 million over 3 years, this comprehensive bill demonstrates that we are committed to supporting the freedom and democracy in Poland and Hungary and that we are serious about responding to the dramatic reforms underway in those countries.

Among its key provisions, the bill authorizes $325 million for private enterprise development in Poland and Hungary. It includes additional funds to assist Poland in stabilizing its economy, implementing labor market reforms, and providing technical training. It authorizes OPIC to operate in Poland and Hungary, and would through the extension of GSP, expand trade between Poland and Hungary, and the United States. It addresses the foreign debt problems that burden Poland. And it also addresses need for food and medical assistance.

The need to help Poland and Hungary as they head down the road of democracy is urgent. This August, I traveled with the Helsinki Commission to Poland where I had the opportunity to witness, firsthand, the Polish people's latest battle against oppression. Poland is at a critical juncture in her history. Indeed, it is an historic moment for the entire world. Poland's needs are urgent, and so is our need to respond.

The Polish people are reversing over 40 years of tyranny. They have accomplished what no other people in the world have been able to do: they have peacefully, through the democratic process, overturned a Communist government. Millions of people in other Eastern European countries, and around the world, will be profoundly affected by the success or failure of developments in Poland. They, and we, cannot afford to fail.

While in Poland, I witnessed the parliamentary election of Tadaeusz Mazowiecki to be the democratically selected head of government. I also met with Solidarity leader Lech Walesa, a visionary charismatic and compelling leader. He presented an image of courage and determination. That's why the whole world admires him. He epitomizes the will and strength of the Polish people to live as a free people.

In my meeting with Lech Walesa, he spelled out the incredible challenge facing Solidarity leaders and their coalition partners in government. But he also expressed hope and optimism and determination.

In light of the tentative situation in Poland right now, he stressed that it is crucial that the United States take the initiative in aiding Poland's economic recovery. Lech Walesa emphasized the need to move quickly in addressing Poland's economic problems, if political reform is to succeed. He emphasized again and again the importance of stimulating the Polish private sector. He said Poland needs a "healthy dose of capitalism"—Western business investment and management skills. This bill responds to that plea.

Similarly, we need to respond to the movement toward democracy in Hungary. There too the seeds of democracy have been planted and are beginning to blossom.

The Hungarian Government has recognized the 1956 uprising as a popular uprising and has taken steps to offer Imre Nagy an honored place in Hungarian history. The Government has demonstrated an astounding level of independence and commitment to human rights by assisting refugees fleeing from East Germany and Romania. Perhaps most importantly, the Government has allowed political associations to form and has scheduled free elections for 1990.

America must seize this opportunity to turn back communism and totalitarianism and promote freedom and democracy. The provisions on Poland and Hungary included in this bill will move us in that direction.

The Polish and Hungarian people have the tenacity to fight the war for freedom and reform if we provide the ammunition. But to succeed, they need our assistance in reviving their economies. They need investments, business experience, training, and a belief that they have the manifest power of the free world behind them.

I urge my colleagues to send a signal of support for the movement toward freedom and democracy in Poland and Hungary by supporting the Support for East European Democracy Act of 1989.

Mr. DURENBERGER. Mr. President, I wish to express my strong support for this measure to provide desperately needed assistance to Poland and Hungary. We have a truly historic opportunity to provide concrete, substantive, and meaningful support to the people of these countries to assist them in their noble and valiant quests to establish free and democratic societies. The rapid and dramatic changes that we have witnessed in Poland, Hungary, and now in East Germany as well as elsewhere in Eastern Europe, boggle the mind. As an American with a strong Polish heritage, I am proud and honored to support this measure.

In the past few months, we have read and listened to many important statements and speeches regarding United States aid to Poland and Hungary. The individuals and groups involved with this issue have presented different arguments and taken specific positions concerning the amount and form of aid that we should offer these countries.

There are certainly legitimate differences on these questions. Indeed, even in the Senate, there are differences of opinion on how best to proceed. Imagine that. Importantly however, there has been almost universal agreement that we should provide substantial assistance. With this bill, which we will shortly vote on, the U.S. Senate demonstrates its commitment and willingness to support the revolutionary changes taking place in Poland and Hungary.

As you know Mr. President, my interest and commitment to Poland is deep and long-standing. Several years ago, I visited Poland and saw for myself the deplorable state of affairs in which the majority of Poles live. The Communist system that ruled in Poland since the end of World War II had failed miserably.

But even amidst these depressing conditions, and at a time when most of the world had given up hope for Solidarity's resurgence, I saw first hand that the will and spirit of the people to reform their system and to achieve democracy and freedom for the nation had not dimmed at all. On the contrary, their fervent and undying yearning to determine their own fate burned intensely. The Solidarity movement was alive and strong, albeit underground. The Catholic Church continued to motivate and inspire the people.

At long last, earlier this year, the people of Poland had the opportunity too long denied them to vote in a free and open election. They voted overwhelmingly for Solidarity candidates, irrefutably rejecting the illegitimate Communist rulers. And finally, in what seemed an undeniable fate, the Communists failed to form a government, opening the way for Solidarity to establish the first non-Communist government in the Eastern bloc since the end of World War II.

And now, we in the United States and the rest of the industrialized free world, have the opportunity, indeed the obligation to assist the people of Poland and Hungary to achieve their democratic aspirations. Our vote today to pass this measure is a vote to help the people help themselves rid their countries of totalitarian regimes and

establish and institutionalize democracy and economic freedoms.

I am honored to participate in the process that will provide Poland and Hungary with the assistance they require to realize their aspirations. Surely there are risks involved, but also there is a great likelihood that the extraordinary political, economic, and societal changes in Poland and Hungary will succeed. This democratic transformation will serve as a triumphant example for all of Eastern Europe as well as for people around the world who yearn to be free to determine their own futures, to make their own choices, to make their own mistakes, and to achieve their own triumphs.

We all share their hopes and dreams, and pledge our support and commitment to assist them in realizing their aspirations to live free, to be free.

Mr. WALLOP. Mr. President, the changes in Poland and other countries in Eastern Europe do not appear to have touched one area of concern to our national security. That is the intelligence activities of these countries in the United States, especially on behalf of the Soviet Union.

I rise today in support of a provision in this legislation, which the managers of the bill graciously accepted, that requires a report from the President on the extent of Polish espionage in this country, in light of changes in the government there.

Polish intelligence was responsible for two of the most serious espionage cases in the early 1980's. William Holden Bell, a senior project manager for a major defense contractor, was recruited by a Polish intelligence officer operating under commercial cover in California. For 3 years Bell supplied extensive classified documents to Polish Intelligence on advanced radar systems.

In another case, James Durward Harper passed to Polish intelligence a vast array of classified materials on missile survivability and ballistic missile defense from a private firm doing contract research for the Army. On one occasion Harper took some 100 pounds of classified reports to Warsaw, where a team of 20 KGB experts flown in from Moscow declared them to be extremely valuable. The Chairman of the KGB at that time, Yuri Andropov, commended the Polish intelligence unit that handled Harper.

Mr. President, these two incidents alone included highly secret information on the B-1 and Stealth bombers quiet radar programs, details of the lookdown, shootdown radar for F-15 fighters, and all-weather radar system for U.S. tanks, information on the Phoenix air-to-air missile used on Navy F-14 fighters, and the list goes on.

Additionally, Mr. President, just 2 years ago a Polish citizen was arrested in Los Angeles while attempting to leave the country with 46,000 dollars worth of microprocessors. I am also informed that Polish intelligence, at least during the time when Solidarity was illegal in Poland, was monitoring the activities of Polish-Americans in this country who supported Solidarity.

The two cases involving Bell and Harper were cited in a report issued by the Senate Intellegence Committee in 1986. I would like to ask the vice chairman of the Intelligence Committee, Senator COHEN, whether the committee has any additional information about the current activities of Polish intelligence and other Warsaw Pact intelligence services that operate in this country.

Mr. COHEN. I appreciate the interest of the Senator from Wyoming in this matter. As a member of the Intelligence Committee several years ago, he took the lead in getting us to focus on counterintelligence problems. Since 1986 the Intelligence Committee has continued to follow counterintelligence developments closely. We have inquired specifically about the impact of recent events on Soviet and Eastern European Intelligence Operations. The most up-to-date information reaffirms the findings that the committee reported in 1986.

The intelligence services of Poland, East Germany, Czechoslovakia, Bulgaria, Hungary, and Cuba continue to conduct intelligence operations in this country, not only to serve their own national interests, but also as surrogates for Soviet intelligence. This appears to be one field where countries such as Poland continue to serve Soviet interests that directly injure the national security of the United States.

Mr. WALLOP. If this is the case, is there anything our government is doing to place limits on the intelligence operations of these countries in the United States?

Mr. COHEN. Yes, there are several measures that were put in place a few years ago and that remain in effect today. Polish diplomats at their embassy, their consulates, and their U.N. mission, as well as Polish Nationals working for the United Nations and for Polish commercial enterprises, must make travel arrangements through the State Department's Office of Foreign Missions. Their property acquisitions are also controlled by the Office of Foreign Missions and must be reviewed by the FBI and the Defense Department.

The same kinds of requirements are imposed on diplomats, U.N. employees, and commercial entities from other East European countries that act as Soviet intelligence surrogates.

Mr. WALLOP. Have there been any efforts to lift these restrictions.

Mr. COHEN. The Intelligence Committee has not been formally notified of any specific proposal to relax these controls, but there are signs that some State Department officials may have that in mind. The law has been written, however, so that changes in the travel requirements will have to be approved by the Secretary of State and reported to the intelligence and foreign relations committees by the President.

Speaking personally, I believe the National Security Council should formally review any such proposal very carefully and consult U.S. counterintelligence agencies before any change is made.

Mr. WALLOP. Is there anything the Senate can do in this area?

Mr. COHEN. During the mid-1980's several members, including Senator LEAHY, Senator DURENBERGER, Senator ROTH, Senator NUNN and myself, secured the enactment of legislation to strengthen these controls on Soviet surrogate intelligence operations. That legislation always gave the Secretary of State or the President the power to make exemptions. Thus far, that power has been used responsibly. But if it is exercised in blatant disregard of strong counterintelligence evidence, further legislation may be needed.

Mr. WALLOP. What can be done to make sure that the Office of Foreign Missions in the State Department works effectively to take these counterintelligence concerns into account,

Mr. COHEN. The Office of Foreign Missions has not had a Senate-confirmed Director for nearly 2 years, since its first Director, Ambassador James Nolan, a former senior FBI counterintelligence official, retired from Government service. An Acting Director from the State Department took his place, and now the job is vacant. The Office of Foreign Missions needs a strong Director, and I hope the administration will send up a nominee who has an in-depth understanding of counterintelligence requirements.

Mr. WALLOP. I appreciate the concern of the vice chairman of the Intelligence Committee for these problems, and I would like his assurance that the committee will continue to exercise vigilant oversight of the administration's policies in this area.

Mr. COHEN. You have that assurance. The chairman, Senator BOREN, and I have made this one of the committee's priority objectives, and we will continue to do so.

Mr. WALLOP. If I may ask the distinguished vice chairman of the Intelligence Committee one last question? As he knows, the language in this bill requires a report from the President on the extent of Polish intelligence activities. While I assume that his com-

mittee will have access to this information, and will follow the matter closely, does he think it is important to retain this part of the legislation in conference, given the likelihood that the Senate will be asked to act on subsequent legislation on Polish aid?

Mr. COHEN. I think the reporting requirement is extremely useful as a means for the full Senate to monitor Polish intelligence activities in this country at a time when there appears to be significant and lasting change in the structure of the Polish Government. The Intelligence Committee will, I know, want to closely look at the report when it is completed. I certainly think that Senators would want to be aware of the extent of these activities as we continue to review U.S. policies and economic assistance to Poland.

AID TO POLAND AND HUNGARY

Mr. BIDEN. Mr. President, aid to Poland and Hungary is in America's interest. This is the simple truth from which any further discussion of this bill should proceed. We are inspired and gratified to see the pictures of Poland and Hungary becoming free—what can be more inspiring than the birth of democracy to people long consigned to barren lives under Communist rule? But democracy in Eastern Europe will benefit America in very material ways, too.

The most obvious benefit is the relief we can feel when countries once aligned against us suddenly declare themselves to be with us—to be partisans of democracy, instead of minions of communism; to be pioneers of free enterprise, instead of victims of centralized planning. I have no doubt that the Polish and Hungarian people have never considered the United States of America to be their enemy, but for 40 years their governments have been pledged to a way of life opposed to ours. For 40 years in Europe there have been two armed camps poised to clash if crisis should come: Poland and Hungary were in the camp against us. Today, following the will of the Polish and Hungarian people, these nations decry this division. America is safer for it. America is relieved by it. America—our values and ideas and persistance—are triumphant in it.

The end of enmity between Communist Hungary and Poland and democratic America significantly reduces the military threat against which we must defend ourselves and our allies in Europe. Independence looms brightly in these countries' horizons, and as they achieve independence they will seek to be a threat neither to the West nor to the Soviet Union. This will diminish the military potency of the entire Warsaw Pact. Indeed, the Soviet Union has foreseen this inevitable weakening of military forces in the East and is urgently trying to extract a quid pro quo from the West. But no matter how the Warsaw Pact and NATO evolve, Hungary and Poland have declared their status as nonbelligerents—a major reduction in the threat the West faces.

The United States currently spends about $180 billion a year to defend Europe. As the brave people of Hungary and Poland—unimpeded by the new Soviet leadership—seek independence and a demilitarization of their relationships both with the Soviet Union and the West, the threat facing NATO decreases. We have an opportunity, through wise and earnest negotiations with the Warsaw Pact, to significantly reduce both sides' armed forces in Europe and ultimately save billions of dollars. Insofar as the continued progress of Hungary, Poland, and indeed, the Soviet Union toward democratization gives impetus to the reduction of military arsenals, America's relatively small financial investment in the democratization process could reap large dividends in reduced military expenditures.

Beyond the opportunity to save billions of dollars now spent on weapons, the changes occurring in Hungary, Poland and the rest of Eastern Europe open possibilities for major economic gains. The Solidarity-led Government of Poland, and no doubt the soon-to-be elected Government of Hungary, seek to open their countries to the capitalist world and to become market oriented systems themselves. Hungary, and especially larger and poorer Poland, are eager for Western investments in their economy. With well-educated, skilled, but inexpensive labor pools, these countries could be good bases for American manufacturers seeking to enter East and West European markets. As these countries develop, they will become markets for American products.

It is an axiom of capitalist economics, and a lesson of American history, that new open markets are a boon to those who have desirable goods and services to sell. If Poland and Hungary develop their economies and open their markets we will increase the potential growth of our own economy. Whether or not American firms are competitive enough to thrive in these new markets is not for Congress to determine: what we can do is assist those in Poland and Hungary who want to create this potential. In my view we must.

Can anyone doubt that it is in our interest that democracy and markets take hold in Poland and Hungary? Can anyone doubt that the people of Poland and Hungary are on the verge of accomplishing what we have been struggling for since 1945? The answer is clearly no. We are agreed on our goals; now, with the bill before us, we are agreed on the means to pursue them.

Finally, let's put this effort in perspective. Perhaps the most momentous event in American life this century was World War II. The goal was clear, its attainment was difficult. In the words of Franklin Delano Roosevelt and Winston Churchill, the goal was

> • • • to see established a peace which will afford to all nations the means of dwelling in safety within their own boundaries, and which will afford assurance that all the men in all the lands may live out their lives in freedom from fear and want.

The tragedy of the war's end was that countries in Central and Eastern Europe were deprived lives of "freedom from fear and want." So, too, were these countries denied the benefits of the Marshall plan, which was intended to ameliorate "hunger, poverty, desperation, and chaos," in General Marshall's words. Make no mistake, the people of Eastern Europe were victims of World War II, just as deserving of our assistance as the people of Western Europe. Only, their pain was compounded by more than 40 years of suffering under Soviet-protected Communist rule. The people of Hungary and Poland did not choose communism, it was imposed on them. They were victims of two wars: World War II and the cold war.

Today, led by courageous and visionary men such as Lech Walesa, the people of Poland and the people of Hungary are picking themselves up by the proverbial bootstraps. In Poland, the country to which most of the aid provided in this bill is dedicated, the sense of righting history's wrongs is palpable. As American leaders and the American people consider how we can help Poland in its time of great need and historic opportunity, we should draw on Lech Walesa's wisdom to determine whether and how to proceed. For the cause of Walesa and his colleagues—Mazowiecki, Geremek, Kuron, Michnik, to name a few—and the cause of the Polish people, is our cause. It is freedom, independence, and a new prosperity.

A reborn Poland, and a reinvigorated Hungary, can help bring a new and peaceful order to Europe. This has been the goal of American foreign policy for four decades, and is in the profound interest of the American people. We can reach these goals by augmenting the freedom and independence of Poland and Hungary. That is what the present bill is designed to do, and that is why I support it.

Mr. DURENBERGER. Mr. President, I am going to vote against this sense of the Senate resolution because at a time of extraordinary historic change, I do not think that the President's hands should be tied in any way in negotiating with our foreign partners concerning funding for the International Monetary Fund [IMF].

Mr. President, 44 years of steadfast commitment by the United States to the principle of containing totalitariansim and repression, and fighting for democracy and freedom are now paying off handsome dividends. Since the end of World War II, we have spent trillions of dollars in maintaining a military strength that has preserved the light of democracy throughout the globe, and have spent hundreds of billions of dollars, to provide economic assistance to help fledgling democratic societies emerge into the world economy.

In every society where democracy is beginning to emerge, economic tensions are sure to follow as centrally planned countries face the difficult transition towards a free market system. Many of these countries suffer under the weight of an enormous financial debt that will have to be adjusted if their economies and their new democracies stand a chance of real long-term survival. And I have no doubt that the IMF will play a critical role in shaping the economies of these countries in these critical times.

Is this any time for the Senate to tell the President, and I quote from this resolution: "that the administration should not take any action at this time that would imply a commitment to increase or to propose an increase in the resources of the IMF." Are we so bankrupt as an economy that the President of the United States, a country that just happens to have the largest and most vibrant economy in the world, cannot even imply or suggest that the United States would want to redirect more of its resources through the IMF to assist the countries of Eastern Europe, or Latin America or the Third World?

Mr. President, the Congress does not have to approve a single dollar of financial contribution to the IMF. But let us not micromanage the affairs of the executive branch to the point that the President cannot even suggest a willingness to increase resources for the IMF. I urge my colleagues to reject this resolution.

Ms. MIKULSKI. Over the last few years, prior to Poland's first free elections, tens of thousands of Poles fled the unsatisfactory human rights policies and political restrictions of the old regime. Thousands sought and obtained temporary asylum in Western Europe, including some 18,000 Polish refugees who registered with United States Embassies for an opportunity to be interviewed for our refugee admission program.

Some of these asylum seekers are legitimately still reluctant to return to Poland. They have not yet seen any change in their hometown conditions or their local police and party officials. Others, however, after years in exile, see that conditions in Poland are beginning to change, and might soon be willing to return home.

I want to be sure that there is nothing in this bill that would preclude using funds authorized by this legislation for internationally funded and monitored voluntary repatriation programs involving international organizations, like the Intergovernmental Committee for Migration, UNHCR, the International Catholic Migration Commission and local organizations in Poland including the Church. Such a program would plan and facilitate the return and reintegration of these refugees and would even seek to attract the return of some of the talent Poland needs.

Mr. SIMON. Although you are not seeking to earmark funds at this time, I agree that for these purposes, there is nothing in this legislation that would prevent using these funds for such a voluntary repatriation program. I hope that the administration would be willing to so design these new programs.

Ms. MIKULSKI. So, in the Senator's view is there anything in the legislation that would preclude such assistance to individuals or groups aiding returnees?

Mr. SIMON. No.

Ms. MIKULSKI. This then is good news for those Poles who have left Poland. They may need some seed money to get started in new ventures and would also probably welcome technical assistance and training to help ensure the opportunity to rebuild old businesses, start new businesses, develop new products and markets, and even expand employment opportunities for other Poles.

Mr. President, I thank the Senator for yielding. I hope that our Government would be willing to include this idea in the new Polish aid program. I also believe that the administration should take the lead in developing with our allies a comprehensive approach to the plight of Polish asylum seekers that would offer permanent solutions to their long years of suffering in exile.

Mr. HATCH. Mr. President, as we debate the assistance package for Poland and Hungary, extraordinary events are occurring in Eastern Europe. Throughout these countries, we are witnessing a growing impatience with the status quo—a restlessness building to a steady surge for greater political, economic, and social freedoms. These post World War II, Marxist state-controlled systems are not working, and the world is witnessing their inevitable demise.

In the Soviet Union, President Mikhail Gorbachev has taken bold steps to revamp all levels of the Soviet systems. His policies of perestroika and glasnost have brought about political and economic changes in the Soviet system. Political reforms have brought an elected Congress of Peoples Deputies and the beginnings of a potential multiplayer system. Efforts to buttress a state-controlled system are proving more difficult and have resulted in growing disturbances throughout the independent republics.

President Gorbachev's initiatives have also had an impact in Eastern Europe. In Poland, a non-Communist government has been elected. Hungary has removed the formal structures of its Communist party, declared itself a democratic republic, adopted new constitutional reforms, and scheduled free elections for next spring. Moreover, in East Germany, perestroika and glasnost have inspired tens of thousands to graphically display their dismay with their government by fleeing to the West and holding peaceful demonstrations.

As President Gorbachev struggles with rising nationalism throughout the Baltic region, strikes within the independent republics, and an increasingly confident and vocal media, we have reason to be optimistic. We have reason to be optimistic when we hear President Gorbachev say that the Soviet Union has no moral or political right to interfere with Eastern Europe moves toward democracy. We have reason to be optimistic when we are told by Soviet Foreign Minister Eduard Shevardnadze that the Soviet Union violated the 1972 Anti-Ballistic Missile [ABM] Treaty by their Krasnoyarsk radar station in Siberia and that their 9-year campaign in Afghanistan was "a serious violation of our own legislation, of party and civic norms, and ethical standards of the time."

Yet we should also be cautious and prudent in our response to these changes. As long as the Soviet Union pumps billions of dollars in military assistance into Nicaragua, Afghanistan, and Angola in support of regional conflicts, we must remain cautious. As long as the Soviet Union denies its citizens basic human rights, such as freedom of religious worship and freedom of emigration, we must remain prudent in granting them trade credits and most favored nation [MFN] status. As long as the Soviet Union continues to modernize and upgrade their military capability, we must remain strong and unified amongst our allies. We have every reason to see President Gorbachev succeed, but we must be ever mindful of the lessons of history which reveal a repeat pattern of reform followed by severe crackdown.

Built upon a foundation of democratic values, economic freedom, and social justice, the United States has an obligation to assist the change taking place throughout Eastern Europe. For decades this country has worked tirelessly to show the failings of a single

party, State-controlled political and ecomomic system. Now, as the long sought change is occurring, and the people from within the system reach outward for assistance, we must extend our hand in a constructive manner.

The President's approach and the package supported by the distinguished Republican leader establish a bipartisan program for long-term economic and political success in Poland and Hungary. The package establishes a model program for weaning State controlled economies and political systems into the less painful but perhaps more confusing system of private economic growth, development, and investment and social and political freedom.

The central feature of the program is to provide the Polish and Hungarian people with the opportunity to help themselves. By focusing on the development of private enterprise, the aid package will allow these people to grow increasingly less dependent on grant assistance and more self-sufficient in controlling their own economic futures. This approach assures that whatever assistance the American taxpayer affords will provide maximum benefit in the days, months, and years ahead.

Mr. President, the recent events in Eastern Europe are a vivid reminder of the indefatigable spirit that resides in all mankind. The minute the oppressive nature of these Communist societies began to lessen, this spirit erupted. We hope and pray that these developments continue and this remarkable surge for freedom that we are witnessing today never slackens.

Mr. MACK. Mr. President, as we near final passage of legislation to provide economic aid to Poland and Hungary, I would like to again commend the citizens of both countries for this most historic development. We are all hopeful that the political changes rapidly occurring in the Eastern bloc nations will being about simultaneous improvements in their depressed economic conditions.

I would like to call attention to one portion of the bill and thank the leadership on both sides of the aisle for accepting what I believe is an important amendment to the bill. This amendment, which is language I offered, establishes clear cut purposes and goals of the economic aid. Namely, the aid is to be used to promote individual economic rights, such as property rights, pro-growth taxation policies, access to individual investment in the private sector, privatization of the State sector, an open trade policy and limitations on excessive regulation. The amendment further requires that the President issue a report periodically which will assessess the realization of these goals.

Mr. President, I believe this is an important amendment as it establishes a clear link between political and economic reforms. I thank my colleagues for supporting my amendment.

The PRESIDING OFFICER. The Chair advises the managers of the bill that, under the previous order, the Senate was to have recessed until the hour of 2:15. The Chair will entertain a unanimous-consent request.

Mr. SIMON. Mr. President, I question the presence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded the call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. Will the managers of the bill make the unanimous-consent request with respect to the Senate's recess?

Mr. SIMON. Mr. President, I question the presence of a quorum. Frankly, the leadership will be coming in very shortly to make some announcements.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the vote on the remaining Roth amendment, No. 1121, and the vote on final passage of H.R. 3402 occur immediately following the cloture vote scheduled to begin at 5:15 p.m; that it be in order to ask for the yeas and nays on H.R. 3402 at this time; and that the time on these two rollcall votes be limited to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MITCHELL. Mr. President, therefore Senators should be aware that beginning at 5:15 p.m., there will be three rollcall votes in succession, the first one a cloture vote on the Packwood-Roth substitute on capital gains and IRA's; the second one a vote on the Roth amendment to the Poland-Hungary aid bill; and the third one on final passage of the Poland-Hungary aid bill.

Mr. DIXON. Will my friend, the majority leader, yield for a question? Would the majority leader be able to enlighten the Senate about what might transpire subsequent to the three votes he has alluded to that will occur this evening after 5:15?

Mr. MITCHELL. We are attempting to clear for consideration the transportation appropriations bill, a conference report, and related legislation involving the drug program.

I have to discuss that further with the distinguished Republican leader before being in a position to indicate definitely what time we will vote on that.

Mr. DIXON. I thank the majority leader. Then there is a possibility of subsequent votes after the three votes he has already mentioned?

Mr. MITCHELL. Yes, there is. I hope we will know that by sometime during the afternoon. I will announce it as soon as I learn that.

Mr. President, I yield the floor.

RECESS UNTIL 2:15 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:36 p.m., recessed until 2:15 p.m., when called to order by the Presiding Officer [Mr. SANFORD].

TEMPORARY REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS

The PRESIDING OFFICER. Under the previous order, the hour of 2:15 having arrived, the Senate will now proceed to the consideration of H.R. 3628, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3628) to temporarily reduce the capital gains tax for noncorporate taxpayers, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. Under the previous order, the Senator from Oregon [Mr. PACKWOOD] is recognized to offer an amendment.

AMENDMENT NO. 1127

(Purpose: To amend the Internal Revenue Code of 1986 to promote savings and long-term investment through a reduced capital gains tax rate and individual retirement plus accounts, and for other purposes)

Mr. PACKWOOD. Mr. President, I call up amendment No. 1127.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. PACKWOOD] proposes an amendment numbered 1127.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the read-

ing of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the enacting clause and insert:

SECTION 1. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

TITLE I—CAPITAL GAINS PROVISIONS

Subtitle A—Reduction in Capital Gains Tax

SEC. 101. REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS.

(a) GENERAL RULE.—Part I of subchapter P of chapter 1 (relating to treatment of capital gains) is amended by adding at the end thereof the following new section:

"SEC. 1202. REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS.

"(a) DEDUCTION ALLOWED FOR CAPITAL GAIN.—

"(1) IN GENERAL.—If, for any taxable year, a taxpayer other than a corporation has a net capital gain, an amount equal to the applicable percentage of the net capital gain shall be allowed as a deduction.

"(2) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under paragraph (1) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible by the income beneficiaries as gain derived from the sale or exchange of capital assets.

"(b) APPLICABLE PERCENTAGE.—For purposes of this subsection—

"(1) IN GENERAL.—The applicable percentage shall be the percentage determined in accordance with the following table:

"In the case of:	*The applicable percentage is:*
1-year gain	5
2-year gain	10
3-year gain	15
4-year gain	20
5-year gain	25
6-year gain	30
7-year gain	35.

"(2) QUALIFIED VENTURE CAPITAL STOCK.—If for any taxable year a taxpayer has any qualified venture capital stock net capital gain, paragraph (1) shall be applied—

"(A) by substituting '40 percent' for the applicable percentage determined for such gain which is 4-year or 5-year gain, and

"(B) by substituting '50 percent' for the applicable percentage determined for such gain which is 6-year or 7-year gain.

"(c) GAIN TO WHICH DEDUCTION APPLIES.—For purposes of this section—

"(1) 1-YEAR GAIN.—The term '1-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from the sale or exchange after October 1, 1989, of assets with a holding period of more than 1 year but not more than 2 years.

"(2) 2-YEAR GAIN, ETC.—The terms '2-, 3-, 4-, 5-, and 6-year gain' mean the amounts determined under paragraph (1)—

"(A) by reducing the amount of the net capital gain under subparagraph (A) thereof by the amount of net capital gain determined by taking into account only gain or loss from the sale or exchange of assets with a holding period less than the minimum holding period for any such category, and

"(B) by substituting 2, 3, 4, 5, or 6 years for 1 year and 3, 4, 5, 6, or 7 years for 2 years, respectively, in subparagraph (B) thereof.

"(3) 7-YEAR GAIN.—The term '7-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, reduced by 1-, 2-, 3-, 4-, 5-, and 6-year gain, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from the sale or exchange after October 1, 1989, of assets with a holding period of more than 7 years.

"(4) QUALIFIED VENTURE CAPITAL STOCK NET CAPITAL GAIN.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified venture capital stock net capital gain' means the lesser of—

"(i) net capital gain for the taxable year, or

"(ii) the net capital gain for the taxable year determined by only taking into account gain or loss from sales or exchanges after October 1, 1989, of qualified venture capital stock.

"(B) QUALIFIED VENTURE CAPITAL STOCK.—

"(i) IN GENERAL.—The term 'qualified venture capital stock' means stock which—

"(I) is issued by a qualified venture capital corporation after October 1, 1989,

"(II) is first acquired (whether directly or through an underwriter) by the taxpayer, and

"(III) is not issued in redemption of (or otherwise exchanged for) stock issued before October 2, 1989.

"(ii) QUALIFIED VENTURE CAPITAL CORPORATION.—For purposes of clause (i)—

"(I) IN GENERAL.—The term 'qualified venture capital corporation' means a corporation the cost basis (determined under section 1012) of all of the assets of which immediately after the date of issuance described in clause (i) is less than $20,000,000.

"(II) ACTIVE TRADE OR BUSINESS REQUIREMENT.—A corporation shall not be treated as a qualified venture capital corporation unless such corporation was engaged in the active conduct of a trade or business during the 5-year period ending on the date of issuance described in clause (i) (or if shorter, its period of existence), and is so engaged immediately after such date.

"(III) EXCEPTION FOR PERSONAL SERVICE CORPORATIONS.—The term 'qualified venture capital corporation' shall not include a personal service corporation (within the meaning of section 269A(b)(1)).

"(5) SPECIAL RULES FOR PASS-THRU ENTITIES.—

"(A) IN GENERAL.—In applying this subsection with respect to any pass-thru entity, the determination of when a sale or exchange has occurred shall be made at the entity level.

"(B) PASS-THRU ENTITY DEFINED.—For purposes of subparagraph (A), the term 'pass-thru entity' means—

"(i) a regulated investment company,

"(ii) a real estate investment trust,

"(iii) an S corporation,

"(iv) a partnership,

"(v) an estate or trust, and

"(vi) a common trust fund.

"(6) SPECIAL RULES FOR CARRYOVERS, ETC.—

"(A) CERTAIN CARRYOVERS.—For purposes of this subsection—

"(i) any amount treated as a loss under section 1212(b) for any taxable year beginning after October 1, 1989, shall be treated as a loss from a sale or exchange occurring after such date, and

"(ii) any such loss described in section 1212(b)(1)(B) shall be treated as a loss from the sale or exchange of a capital asset held for more than 1 year but not more than 2 years.

A similar rule shall apply to any loss carried to such a taxable year under section 465(a)(2) or 469(b).

"(B) RECAPTURE OF NET ORDINARY LOSS UNDER SECTION 1231.—For purposes of this subsection, if any amount is treated as ordinary income under section 1231(c) for any taxable year—

"(i) the amount so treated shall be allocated proportionately among the section 1231 gains (as defined in section 1231(a)) for such taxable year, and

"(ii) the amount so allocated to any such gain shall reduce the amount of such gain.

"(7) ORDERING RULES.—This section shall be applied separately (and in the following order) with respect to the following net capital gain:

"(A) Qualified venture capital stock net capital gain.

"(B) Net capital gain determined by taking into account only gain or loss from the sale or exchange of assets the holding period of which begins after October 1, 1989."

(b) TREATMENT OF COLLECTIBLES.—

(1) IN GENERAL.—Section 1222 is amended by inserting after paragraph (11) the following new paragraph:

"(12) SPECIAL RULE FOR COLLECTIBLES.—

"(A) IN GENERAL.—Any gain or loss from the sale or exchange of a collectible shall be treated as a short-term capital gain or loss (as the case may be), without regard to the period such asset was held. The preceding sentence shall apply only to the extent the gain or loss is taken into account in computing taxable income.

"(B) TREATMENT OF CERTAIN SALES OF INTEREST IN PARTNERSHIP, ETC.—For purposes of subparagraph (A), any gain from the sale or exchange of an interest in a partnership, S corporation, or trust which is attributable to unrealized appreciation in the value of collectibles held by such entity shall be treated as gain from the sale or exchange of a collectible. Rules similar to the rules of section 751(f) shall apply for purposes of the preceding sentence.

"(C) COLLECTIBLE.—For purposes of this paragraph, the term 'collectible' means any capital asset which is a collectible (as defined in section 408(m) without regard to paragraph (3) thereof)."

(2) CHARITABLE DEDUCTION NOT AFFECTED.—

(A) Paragraph (1) of section 170(e) is amended by adding at the end thereof the following new sentence: "For purposes of this paragraph, section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)."

(B) Clause (iv) of section 170(b)(1)(C) is amended by inserting before the period at the end thereof the following: "and section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)".

(c) MINIMUM TAX.—Section 56(b)(1) is amended by adding at the end thereof the following new subparagraph:

"(F) CAPITAL GAINS DEDUCTION DISALLOWANCE.—The deduction under section 1202 shall not be allowed."

(d) PASSIVE ACTIVITY.—Subsection (j) of section 469 (relating to special rules for passive activities) is amended by adding at the end thereof the following new paragraph:

"(13) COORDINATION WITH SECTION 1202.—In the case of the disposition of any interest in a passive activity, any gain from such interest shall be reduced by the amount of any unused deduction or credit allocable to such interest before such gain is taken into account in computing the net capital gain of the taxpayer."

(e) CONFORMING AMENDMENTS.—

(1) Section 62(a) is amended by inserting after paragraph (13) the following new paragraph:

"(14) CAPITAL GAINS DEDUCTION.—The deduction allowed by section 1202."

(2) Clause (ii) of section 163(d)(4)(B) is amended by inserting ", reduced by the amount of any deduction allowable under section 1202 attributable to gain from such property" after "investment".

(3)(A) Section 170(e)(1)(B) is amended by inserting "the nondeductible percentage" before "the amount of gain".

(B) Section 170(e)(1) is amended by adding at the end thereof the following new sentence: "For purposes of subparagraph (B), the term 'nondeductible percentage' means 100 percent minus the applicable percentage with respect to such property under section 1202(b), or, in the case of a corporation, 100 percent minus the deduction equivalent of the applicable percentage of section 1201.

(4)(A) Section 172(d)(2) (relating to modifications with respect to net operating loss deduction) is amended to read as follows:

"(2) CAPITAL GAINS AND LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.—In the case of a taxpayer other than a corporation—

"(A) the amount deductible on account of losses from sales or exchanges of capital assets shall not exceed the amount includible on account of gains from sales or exchanges of capital assets; and

"(B) the deduction provided by section 1202 shall not be allowed."

(B) Subparagraph (B) of section 172(d)(4) is amended by inserting ", (2)(B)," after "paragraph (1)".

(5)(A) Section 221 (relating to cross reference) is amended to read as follows:

"SEC. 221. CROSS REFERENCES.

"(1) For deduction for net capital gains in the case of a taxpayer other than a corporation, see section 1202.

"(2) For deductions in respect of a decedent, see section 691."

(B) The table of sections for part VII of subchapter B of chapter 1 is amended by striking "reference" in the item relating to section 221 and inserting "references".

(6) Paragraph (4) of section 642(c) is amended to read as follows:

"(4) ADJUSTMENTS.—To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain from the sale or exchange of capital assets held for more than 1 year, proper adjustment shall be made for any deduction allowable to the estate or trust under section 1202 (relating to deduction for net capital gain). In the case of a trust, the deduction allowed by this subsection shall be subject to section 681 (relating to unrelated business income)."

(7) Paragraph (3) of section 643(a) is amended by adding at the end thereof the following new sentence: "The deduction under section 1202 (relating to deduction for net capital gain) shall not be taken into account."

(8) Paragraph (4) of section 691(c) is amended by striking "1201, and 1211" and inserting "1201, 1202, and 1211".

(9) The second sentence of paragraph (2) of section 871(a) is amended by inserting "such gains and losses shall be determined without regard to section 1202 (relating to deduction for net capital gain) and" after "except that".

(10) Section 1402(i)(1) is amended to read as follows:

"(1) IN GENERAL.—In determining the net earnings from self-employment of any options dealer or commodities dealer—

"(A) notwithstanding subsection (a)(3)(A), there shall not be excluded any gain or loss (in the normal course of the taxpayer's activity of dealing in or trading section 1256 contracts) from section 1256 contracts or property related to such contracts, and

"(B) the deduction provided by section 1202 shall not apply."

(11)(A) Sections 7518(g)(6)(A) is amended by striking the last sentence.

(B) Section 607(h)(6)(A) of the Merchant Marine Act, 1936, is amended by striking the last sentence.

(f) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1202. Reduction in capital gains tax for noncorporate taxpayers."

(g) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by subsections (a) and (c) shall apply to taxable years ending after October 1, 1989.

(2) TREATMENT OF COLLECTIBLES.—

(A) IN GENERAL.—The amendment made by subsection (b) shall apply to taxable years beginning after October 1, 1989.

(B) SPECIAL RULE FOR 1989 TAXABLE YEAR.—In case of any taxable year which includes October 1, 1989, for purposes of sections 1201 and 1202 of the Internal Revenue Code of 1986 and section 1(g) of such Code, any gain or loss from the sale or exchange of a collectible shall (within the meaning of section 1222(12) of such Code) be treated as gain or loss from a sale or exchange occurring on or before October 1, 1989.

SEC. 102. NET CAPITAL GAIN NOT TAKEN INTO ACCOUNT UNDER PHASEOUT OF 15-PERCENT RATE AND PERSONAL EXEMPTIONS.

(a) GENERAL RULE.—Subparagraph (A) of section 1(g)(1) is amended to read as follows:

"(A) taxable income reduced by the excess (if any) of—

"(i) the qualified net capital gain, over

"(ii) the deduction allowed under section 1202, over".

(b) QUALIFIED NET CAPITAL GAIN.—Subsection (g) of section 1 is amended by adding at the end thereof the following new paragraph:

"(5) QUALIFIED NET CAPITAL GAIN.—The term 'qualified net capital gain' means the lesser of—

"(A) the net capital gain for the taxable year, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from sales or exchanges after October 1, 1989.

For purposes of the preceding sentence, the rules of paragraphs (4) and (5) of section 1202(c) shall apply."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after October 1, 1989.

SEC. 103. RECAPTURE UNDER SECTION 1250 OF TOTAL AMOUNT OF DEPRECIATION.

(a) GENERAL RULE.—Subsections (a) and (b) of section 1250 (relating to gain from disposition of certain depreciable realty) are amended to read as follows:

"(a) GENERAL RULE.—Except as otherwise provided in this section, if section 1250 property is disposed of, the lesser of—

"(1) the depreciation adjustments in respect of such property, or

"(2) the excess of—

"(A) the amount realized (or, in the case of a disposition other than a sale, exchange, or involuntary conversion, the fair market value of such property), over

"(B) the adjusted basis of such property, shall be treated as gain which is ordinary income. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(b) DEPRECIATION ADJUSTMENTS.—For purposes of this section, the term 'depreciation adjustments' means, in respect of any property, all adjustments attributable to periods after December 31, 1963, reflected in the adjusted basis of such property on account of deductions (whether in respect of the same or other property) allowed or allowable to the taxpayer or to any other person for exhaustion, wear and tear, obsolescence, or amortization (other than amortization under section 168 (as in effect before its repeal by the Tax Reform Act of 1976), 169, 185 (as in effect before its repeal by the Tax Reform Act of 1986), 188, 190, or 193). For purposes of the preceding sentence, if the taxpayer can establish by adequate records or other sufficient evidence that the amount allowed as a deduction for any period was less than the amount allowable, the amount taken into account for such period shall be the amount allowed."

(b) LIMITATION IN CASE OF INSTALLMENT SALES.—Subsection (i) of section 453 is amended—

(1) by striking "1250" the first place it appears and inserting "1250 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1989)", and

(2) by striking "1250" the second place it appears and inserting "1250 (as so in effect)".

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (E) of section 1250(d)(4) is amended—

(A) by striking "additional depreciation" and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(2) Subparagraph (B) of section 1250(d)(6) is amended to read as follows:

"(B) DEPRECIATION ADJUSTMENTS.—In respect of any property described in subparagraph (A), the amount of the depreciation adjustments attributable to periods before the distribution by the partnership shall be—

"(i) the amount of gain to which subsection (a) would have applied if such property had been sold by the partnership immediately before the distribution at its fair market value at such time, reduced by

"(ii) the amount of such gain to which section 751(b) applied."

(3) Subparagraph (D) of section 1250(d)(8) is amended—

(A) by striking "additional depreciation" each place it appears and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(4) Paragraph (8) of section 1250(d) is amended by striking subparagraphs (E) and (F) and inserting the following:

"(E) ALLOCATION RULES.—For purposes of this paragraph, the amount of gain attributable to the section 1250 property disposed of shall be the net amount realized with respect to such property reduced by the greater of the adjusted basis of the section 1250 property disposed of, or the cost of the section 1250 property acquired, but shall not exceed the gain recognized in the transaction."

(5) Subsection (d) of section 1250 is amended by striking paragraph (10).

(6) Section 1250 is amended by striking subsections (e), (f), and (g) and by redesignating subsections (h) and (i) as subsections (e) and (f), respectively.

(7) Paragraph (5) of section 48(q) is amended to read as follows:

"(5) RECAPTURE OF REDUCTION.—For purposes of sections 1245 and 1250, any reduction under this subsection shall be treated as a deduction allowed for depreciation."

(8) Clause (i) of section 267(e)(5)(D) is amended by striking "section 1250(a)(1)(B)" and inserting "section 1250(a)(1)(B) (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1989)".

(9)(A) Subsection (a) of section 291 is amended by striking paragraph (1) and redesignating paragraphs (2), (3), (4), and (5) as paragraphs (1), (2), (3), and (4), respectively.

(B) Subsection (c) of section 291 is amended to read as follows:

"(c) SPECIAL RULE FOR POLLUTION CONTROL FACILITIES.—Section 168 shall apply with respect to that portion of the basis of any property not taken into account under section 169 by reason of subsection (a)(4)."

(C) Section 291 is amended by striking subsection (d) and redesignating subsection (e) as subsection (d).

(D) Paragraph (2) of section 291(d) (as redesignated by subparagraph (C)) is hereby repealed.

(E) Subparagraph (A) of section 265(b)(3) is amended by striking "291(e)(1)(B)" and inserting "291(d)(1)(B)".

(F) Subsection (c) of section 1277 is amended by striking "291(e)(1)(B)(ii)" and inserting "291(d)(1)(B)(ii)".

(10) Subsection (d) of section 1017 is amended to read as follows:

"(d) RECAPTURE OF DEDUCTIONS.—For purposes of sections 1245 and 1250—

"(1) any property the basis of which is reduced under this section and which is neither section 1245 property nor section 1250 property shall be treated as section 1245 property, and

"(2) any reduction under this section shall be treated as a deduction allowed for depreciation."

(11) Paragraph (5) of section 7701(e) is amended by striking "(relating to low-income housing)" and inserting "(as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1989)".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to dispositions after October 1, 1989, in taxable years ending after such date.

Subtitle B—Alternative Capital Gains Rate for Corporations

SEC. 111. ALTERNATIVE CAPITAL GAINS RATE FOR CORPORATIONS.

(a) IN GENERAL.—Section 1201 is amended to read as follows:

"SEC. 1201. ALTERNATIVE TAX FOR CORPORATIONS.

"(a) GENERAL RULE.—If, for any taxable year, a corporation has an applicable net capital gain, then, in lieu of the tax imposed by sections 11, 511, and 831 (a) or (b), there is hereby imposed a tax (if such tax is less than the tax imposed) in an amount equal to the sum of—

"(1) a tax computed on the taxable income reduced by the sum of the applicable net capital gain, at the rate and in the manner as if this subsection had not been enacted, plus

"(2) a tax equal to the applicable percentage of the applicable net capital gain.

"(b) APPLICABLE PERCENTAGE.—For purposes of this section—

"(1) IN GENERAL.—The applicable percentage shall be the percentage determined in accordance with the following table:

"In the case of:	The applicable percentage is:
3-year gain	33
6-year gain	32
9-year gain	31
12-year gain	30
15-year gain	29.

"(2) QUALIFIED VENTURE CAPITAL STOCK NET CAPITAL GAIN.—Paragraph (1) shall be applied by substituting '29 percent' for the applicable percentage with respect to 6-year, 9-year, and 12-year gain.

"(c) TERMS RELATING TO GAIN.—For purposes of this section—

"(1) APPLICABLE NET CAPITAL GAIN.—The term 'applicable net capital gain' means 3-, 6-, 9-, 12-, or 15-year gain.

"(2) 3-year gain.—The term '3-year gain' means the lesser of—

"(A) the net capital gain for the year, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from the sale or exchange after October 1, 1989, of assets with a holding period of more than 3 years but not more than 6 years.

"(3) 6-YEAR GAIN, ETC.—The terms '6-, 9-, and 12-year gain' mean the amounts determined under paragraph (2)—

"(A) by reducing the amount of the net capital gain under subparagraph (A) thereof by the amount of net capital gain determined by taking into account only gain or loss from the sale or exchange of assets with a holding period less than the minimum holding period for any such category, and

"(B) by substituting 6, 9, or 12 years for 3 years and 9, 12, or 15 years for 6 years, respectively, in subparagraph (B) thereof.

"(4) 15-YEAR GAIN.—The term '15-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, reduced by the 3-, 6-, 9-, and 12-year gain, or

"(B) the net capital gain for the taxable year determined by taking into account only gain or loss from the sale or exchange after October 1, 1989, of assets with a holding period of more than 15 years.

"(5) QUALIFIED VENTURE CAPITAL STOCK NET CAPITAL GAIN.—The term 'qualified venture capital stock net capital gain' has the meaning given such term by section 1202.

"(6) SPECIAL RULE.—For purposes of this subsection, the rules of paragraphs (4), (5), and (6) of section 1202(c) shall apply.

"(d) CROSS REFERENCES.—For computation of the alternative tax—

"(1) in the case of life insurance companies, see section 801(a)(2),

"(2) in the case of regulated investment companies and their shareholders, see section 852(b)(3) (A) and (D), and

"(3) in the case of real estate investment trusts, see section 857(b)(3)(A)."

(b) CONFORMING AMENDMENT.—Clause (iii) of section 852(b)(3)(D) is amended by striking "66 percent" and inserting "66 percent (or in the case of applicable net capital gains, 100 percent minus the applicable percentage under section 1201(b))".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after October 1, 1989.

Subtitle C—Indexing of Certain Assets for Purposes of Determining Gain

SEC. 121. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN.

(a) IN GENERAL.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN.

"(a) GENERAL RULE.—

"(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—If an individual elects not to have the provisions of section 1201 apply for any taxable year, then, solely for purposes of determining gain on the sale or other disposition during such taxable year by such individual of an indexed asset which has been held for more than 2 years, the indexed basis of the asset shall be substituted for its adjusted basis.

"(2) SPECIAL RULE FOR RECAPTURE GAIN.—

"(A) IN GENERAL.—Paragraph (1) shall not apply for purposes of determining the amount of recapture gain on the sale or other disposition of an indexed asset, but the amount of any such recapture gain shall increase the adjusted basis of the asset for purposes of applying paragraph (1) to determine the amount of other gain on such sale or other disposition.

"(B) RECAPTURE GAIN.—For purposes of subparagraph (A), the term 'recapture gain' means any gain treated as ordinary income under section 1245, 1250, or 1254.

"(b) INDEXED ASSET.—

"(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means—

"(A) any stock in a corporation, and

"(B) any tangible property (or any interest therein),

which is a capital asset or property used in the trade or business (as defined in section 1231(b)).

"(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term 'indexed asset' does not include—

"(A) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

"(B) COLLECTIBLES.—Any collectible (as defined in section 408(m)(2) without regard to section 408(m)(3)).

"(C) OPTIONS.—Any option or other right to acquire an interest in property.

"(D) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (i)(3)).

"(E) CERTAIN PREFERRED STOCK.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(F) STOCK IN FOREIGN CORPORATIONS.—Stock in a foreign corporation.

"(G) STOCK IN S CORPORATIONS.—Stock in an S corporation.

"(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Paragraph (2)(F) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis or is authorized for trading on the national market system operated by the National Association of Securities Dealers other than—

"(A) stock of a foreign investment company (within the meaning of section 1246(b)),

"(B) stock in a passive foreign investment company (as defined in section 1296), and

"(C) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

"(c) INDEXED BASIS.—For purposes of this section—

"(1) INDEXED BASIS.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) APPLICABLE INFLATION RATIO.—The applicable inflation ratio for any asset shall be determined by dividing—

"(A) the CPI for the calendar year preceding the calendar year in which the disposition takes place, by

"(B) the CPI for the later of—

"(i) the calendar year preceding the calendar year in which the taxpayer's holding period for such asset began, or

"(ii) 1990.

The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest one-hundredth.

"(3) CONVENTIONS.—For purposes of paragraph (2), if any asset is disposed of during any calendar year—

"(A) such disposition shall be treated as occurring on the last day of such calendar year, and

"(B) the taxpayer's holding period for such asset shall be treated as beginning in the same calendar year as would be determined for an asset actually disposed of on such last day with a holding period of the same length as the actual holding period of the asset involved.

"(4) CPI.—For purposes of this subsection, the CPI for any calendar year shall be determined under section 1(f)(4).

"(d) SHORT SALES.—

"(1) IN GENERAL.—In the case of a short sale of an indexed asset with a short sale period in excess of 2 years, for purposes of this title, the amount realized shall be an amount equal to the amount realized (determined without regard to this paragraph) multiplied by the applicable inflation ratio. In applying subsection (c)(2) for purposes of the preceding sentence, the date on which the property is sold short shall be treated as the date on which the holding period for the asset begins and the closing date for the sale shall be treated as the date of disposition.

"(2) SHORT SALE OF SUBSTANTIALLY IDENTICAL PROPERTY.—If the taxpayer or the taxpayer's spouse sells short property substantially identical to an asset held by the taxpayer, the asset held by the taxpayer and the substantially identical property shall not be treated as indexed assets for the short sale period.

"(3) SHORT SALE PERIOD.—For purposes of this subsection, the short sale period begins on the day after property is sold and ends on the closing date for the sale.

"(e) TREATMENT OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—

"(1) ADJUSTMENTS AT ENTITY LEVEL.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, the adjustment under subsection (a) shall be allowed to any qualified investment entity (including for purposes of determining the earnings and profits of such entity).

"(B) EXCEPTION FOR CORPORATE SHAREHOLDERS.—Under regulations—

"(i) in the case of a distribution by a qualified investment entity (directly or indirectly) to a corporation—

"(I) the determination of whether such distribution is a dividend shall be made without regard to this section, and

"(II) the amount treated as gain by reason of the receipt of any capital gain dividend shall be increased by the percentage by which the entity's net capital gain for the taxable year determined without regard to this section exceeds the entity's net capital gain for such year determined with regard to this section, and

"(ii) there shall be other appropriate adjustments (including deemed distributions) so as to ensure that the benefits of this section are not allowed (directly or indirectly) to corporate shareholders of qualified investment entities.

For purposes of the preceding sentence, any amount includible in gross income under section 852(b)(3)(D) shall be treated as a capital gain dividend and an S corporation shall not be treated as a corporation.

"(C) EXCEPTION FOR QUALIFICATION PURPOSES.—This section shall not apply for purposes of sections 851(b) and 856(c).

"(D) EXCEPTION FOR CERTAIN TAXES IMPOSED AT ENTITY LEVEL.—

"(i) TAX ON FAILURE TO DISTRIBUTE ENTIRE GAIN.—If any amount is subject to tax under section 852(b)(3)(A) for any taxable year, the amount on which tax is imposed under such section shall be increased by the percentage determined under subparagraph (B)(i)(II). A similar rule shall apply in the case of any amount subject to tax under paragraph (2) or (3) of section 857(b) to the extent attributable to the excess of the net capital gain over the deduction for dividends paid determined with reference to capital gain dividends only. The first sentence of this clause shall not apply to so much of the amount subject to tax under section 852(b)(3)(A) as is designated by the company under section 852(b)(3)(D).

"(ii) OTHER TAXES.—This section shall not apply for purposes of determining the amount of any tax imposed by paragraph (4), (5), or (6) of section 857(b).

"(2) ADJUSTMENTS TO INTERESTS HELD IN ENTITY.—

"(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

"(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

"(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

"(3) QUALIFIED INVESTMENT ENTITY.—For purposes of this subsection, the term 'qualified investment entity' means—

"(A) a regulated investment company (within the meaning of section 851), and

"(B) a real estate investment trust (within the meaning of section 856).

"(f) OTHER PASS-THRU ENTITIES.—

"(1) PARTNERSHIPS.—

"(A) IN GENERAL.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners (but only for purposes of determining the income of partners who are individuals).

"(B) SPECIAL RULE IN THE CASE OF SECTION 754 ELECTIONS.—In the case of a transfer of an interest in a partnership with respect to which the election provided in section 754 is in effect—

"(i) the adjustment under section 743(b)(1) shall, with respect to the transferor partner, be treated as a sale of the partnership assets for purposes of applying this section, and

"(ii) with respect to the transferee partner, the partnership's holding period for purposes of this section in such assets shall be treated as beginning on the date of such adjustment.

"(2) S CORPORATIONS.—In the case of an S corporation, the adjustment made under subsection (a) at the corporate level shall be passed through to the shareholders. This section shall not apply for purposes of determining the amount of any tax imposed by section 1374 or 1375.

"(3) COMMON TRUST FUNDS.—In the case of a common trust fund, the adjustment made under subsection (a) at the trust level shall be passed through to the participants (but only for purposes of determining the income of participants who are individuals).

"(g) DISPOSITIONS BETWEEN RELATED PERSONS.—This section shall not apply to any sale or other disposition of property between related persons (within the meaning of section 465(b)(3)(C)) if such property, in the hands of the transferee, is of a character subject to the allowance for depreciation provided in section 167.

"(h) TRANSFERS TO INCREASE INDEXING ADJUSTMENT.—If any person transfers cash, debt, or any other property to another person and the principal purpose of such transfer is to secure or increase an adjustment under subsection (a), the Secretary may disallow part or all of such adjustment or increase.

"(i) SPECIAL RULES.—For purposes of this section—

"(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

"(A) A substantial improvement to property.

"(B) In the case of stock of a corporation, a substantial contribution to capital.

"(C) Any other portion of an asset to the extent that separate treatment of such por-

tion is appropriate to carry out the purposes of this section.

"(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—The applicable inflation ratio shall be appropriately reduced for periods during which the asset was not an indexed asset.

"(3) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property.

"(j) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section."

(b) GAINS AND LOSSES FROM INDEXED ASSETS NOT TAKEN INTO ACCOUNT UNDER LIMITATION ON INVESTMENT INTEREST.—Subparagraph (B) of section 163(d)(4) (defining investment income) is amended by adding at the end thereof the following new sentences:

"Gain from the sale or other disposition of an indexed asset (as defined in section 1022) held for more than 2 years shall not be taken into account for purposes of the preceding sentence. The preceding sentence shall not apply to gain from the sale or other disposition of any such asset if the taxpayer elects to waive the benefits of section 1022 in determining the amount of such gain."

(c) REPEAL OF SECTION 1(j).—

(1) IN GENERAL.—Subsection (j) of section 1 is hereby repealed.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (4) of section 691(c) is amended by striking "1(j)".

(B)(i) Subparagraph (B) of section 904(b)(2) is amended by striking so much of such subparagraph as precedes clause (i) and inserting the following:

"(B) SPECIAL RULE WHERE CORPORATE CAPITAL GAIN RATE DIFFERENTIAL.—In the case of a corporation for any taxable year for which there is a capital gain rate differential—".

(ii) Subparagraph (D) of section 904(b)(3) is amended to read as follows:

"(D) CAPITAL GAIN RATE DIFFERENTIAL.—There is a capital gain rate differential for any taxable year in the case of a corporation if any rate of tax imposed by section 11, 511, or 831 (a) or (b) (whichever applies) exceeds the alternative rate of tax under section 1201(a) (determined without regard to the last sentence of section 11(b)(1)).".

(iii) Subparagraph (E) of section 904(b)(3) is amended by striking clauses (ii) and (iii) and inserting the following:

"(ii) HIGHEST APPLICABLE TAX RATE.—For purposes of clause (i), the term 'highest applicable tax rate' means the highest rate of tax specified in section 11(b).

"(iii) ALTERNATIVE TAX RATE.—For purposes of clause (i), the term 'alternative tax rate' means the alternative rate of tax under section 1201(a)."

(d) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

"Sec. 1022. Indexing of certain assets for purposes of determining gain."

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to any disposition of property in any taxable year beginning after December 31, 1991.

(2) SUBSECTION (c).—The amendments made by subsection (c) shall apply to taxable years beginning after December 31, 1989.

TITLE II—INDIVIDUAL RETIREMENT PLUS ACCOUNTS

SEC. 201. ESTABLISHMENT OF INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

(a) IN GENERAL.—Subpart A of part I of subchapter D of chapter 1 (relating to pension, profit-sharing, stock bonus plans, etc.) is amended by inserting after section 408 the following new section:

"408A. INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

"(a) GENERAL RULE.—Except as provided in this section, an individual retirement plus account shall be treated for purposes of this title in the same manner as an individual retirement plan.

"(b) INDIVIDUAL RETIREMENT PLUS ACCOUNT.—For purposes of this title, the term 'individual retirement plus account' means an individual retirement plan which is designated at the time of the establishment of the plan as an individual retirement plus account. Such designation shall be made in such manner as the Secretary may prescribe.

"(c) CONTRIBUTION RULES.—

"(1) NO DEDUCTION ALLOWED.—No deduction shall be allowed under section 219 for a contribution to an individual retirement plus account.

"(2) CONTRIBUTION LIMIT.—

"(A) IN GENERAL.—Except in the case of rollover contributions, the aggregate amount which may be accepted as contributions to an individual retirement plus account shall not be greater than the excess (if any) of—

"(i) the nondeductible limit with respect to the individual for the taxable year under section 408(o) (after application of subparagraph (B)(ii) thereof), over

"(ii) the designated nondeductible contributions made by the individual for such taxable year to 1 or more individual retirement plans.

"(B) $1,000 INCREASE AFTER 1994.—In the case of any taxable year beginning after December 31, 1994, the amount determined under subparagraph (A)(i) (without regard to this subparagraph) shall be increased by $1,000.

"(C) SPECIAL RULE FOR MARRIED INDIVIDUALS.—The nondeductible limits under subparagraph (A) for an individual and for such individual's spouse shall be an amount equal to the excess (if any) of—

"(i) $2,000, over

"(ii) the sum of the amount allowed as a deduction under section 219 for contributions on behalf of such individual or such spouse, plus the amount determined under subparagraph (A)(ii) with respect to each.

In no event shall the sum of such limits exceed an amount equal to the sum of the compensation includible in the individual's and spouse's gross income for the taxable year, reduced by the sum of the amounts determined under clause (ii).

"(3) CONTRIBUTIONS AFTER AGE 70½.—Contributions may be made by an individual to an individual retirement plus account after such individual has attained the age of 70½.

"(4) LIMITATIONS ON ROLLOVER CONTRIBUTIONS.—No rollover contributions may be made to an individual retirement plus account unless such rollover contribution is a contribution of a distribution or payment out of—

"(A) another individual retirement plus account, or

"(B) an individual retirement plan which is not allocable to any amount transferred to such plan which represented any portion of the balance to the credit of an employee in a qualified trust (or any income allocable to such portion).

"(d) DISTRIBUTION RULES.—For purposes of this title—

"(1) IN GENERAL.—Except in the case of a qualified distribution, the rules of paragraphs (1) and (2) of section 408(d) shall apply to any distribution from an individual retirement plus account.

"(2) TREATMENT OF QUALIFIED DISTRIBUTION.—In the case of a qualified distribution from an individual retirement plus account—

"(A) the amount of such distribution shall not be includible in gross income; and

"(B) section 72(t) shall not apply.

"(3) QUALIFIED DISTRIBUTION.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified distribution' means any distribution—

"(i) made on or after the date on which the individual attains age 59½,

"(ii) made to a beneficiary (or to the estate of an individual) on or after the death of the individual,

"(iii) attributable to the employee's being disabled (within the meaning of section 72(m)(7)), or

"(iv) which is a qualified special purpose distribution (within the meaning of subsection (e)).

"(B) DISTRIBUTIONS WITHIN 5 YEARS.—No distribution shall be treated as a qualified distribution if—

"(i) it is made within the 5-taxable year period beginning with the 1st taxable year in which the individual made a contribution to an individual retirement plus account, or

"(ii) in the case of a distribution properly allocable to a rollover contribution (or income allocable thereto), it is made within 5 years of the date on which such rollover contribution was made.

"(4) SPECIAL RULES RELATING TO ROLLOVERS FROM REGULAR INDIVIDUAL RETIREMENT ACCOUNTS.—

"(A) IN GENERAL.—Except as provided in this paragraph, any amount paid or distributed out of an individual retirement plan on or before the earlier of—

"(i) the date on which the individual attains age 55, or

"(ii) January 1, 1992,

shall not be included in gross income (and section 72(t) shall not apply to such amount) if the individual receiving such amount transfers, within 60 days of receipt, the entire amount received to an individual retirement plus account.

"(B) TREATMENT OF TAX-FAVORED AMOUNTS.—

"(i) IN GENERAL.—Notwithstanding subparagraph (A), there shall be included in gross income (but section 72(t) shall not apply to) the portion of any amount transferred which bears the same ratio to such amount as—

"(I) the aggregate amount of contributions to individual retirement plans with respect to which a deduction was allowable under section 219, bears to

"(II) the aggregate balance of such plans.

"(ii) TIME FOR INCLUSION.—Any amount described in clause (i) shall be included in gross income ratably over the 4-taxable year period beginning with the taxable year in which the amount was paid or distributed out of the individual retirement plan.

"(e) QUALIFIED SPECIAL PURPOSE DISTRIBUTION.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified special purpose distribution' means—

"(A) a qualified first-time homebuyer distribution, or

"(B) an applicable medical or educational distribution.

"(2) 25 PERCENT ACCOUNT LIMIT.—A distribution shall not be treated as a qualified special purpose distribution to the extent it exceeds the amount (if any) by which—

"(A) 25 percent of the sum of—

"(i) the aggregate balance of individual retirement plus accounts established on behalf of an individual, plus

"(ii) the aggregate amounts previously treated as qualified special purpose distributions, exceeds

"(B) the amount determined under subparagraph (A)(ii).

"(3) DISTRIBUTIONS USED TO PURCHASE A HOME BY FIRST-TIME HOMEBUYER.—For purposes of paragraph (1)—

"(A) IN GENERAL.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by a first-time homebuyer from an individual retirement plan to the extent such payment or distribution is used by the individual before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence for such individual.

"(B) BASIS REDUCTION.—The basis of any principal residence described in subparagraph (A) shall be reduced by any amount excluded from the gross income of such first-time homebuyer by reason of this section.

"(C) RECOGNITION OF GAIN AS ORDINARY INCOME.—

"(i) IN GENERAL.—Notwithstanding any other provision of this subtitle, except as provided in clause (ii)—

"(I) gain (if any) on the sale or exchange of a principal residence to which subparagraph (A) applies shall, to the extent of the amount excluded from gross income under this section, be treated as ordinary income by such individual, and

"(II) section 72(t) shall apply to such amount.

"(ii) EXCEPTION.—Clause (i) shall not apply to any taxable year to the extent of any amount which, before the due date (without extensions) for filing the return for such year, the taxpayer contributes to an individual retirement plus account. Such amount shall not be taken into account for purposes of any provision of this title relating to excess contributions.

"(iii) COORDINATION WITH OTHER PROVISIONS.—In the event all or part of the gain referred to in clause (i) is treated as ordinary income under any other provision of this subtitle, such provision shall be applied before clause (i).

"(D) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If—

"(i) any amount is paid or distributed from an individual retirement plus account to an individual for purposes of being used as provided in subparagraph (A), and

"(ii) by reason of a delay in the acquisition of the residence, such amount cannot be so used,

the amount so paid or distributed may be paid into an individual retirement plus account as provided in section 408(d)(3)(A)(i) without regard to section 408(d)(3)(B), and, if so paid into such other plan, such amount shall not be taken into account in determining whether section 408(d)(3)(A)(i) applies to any other amount.

"(E) DEFINITIONS.—For purposes of this paragraph—

"(i) QUALIFIED ACQUISITION COSTS.—The term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(ii) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this paragraph applies.

"(iii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(iv) DATE OF ACQUISITION.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

"(4) APPLICABLE MEDICAL DISTRIBUTIONS.—For purposes of paragraph (1), the term 'applicable medical distributions' means any distributions made to an individual (not otherwise taken into account under this subsection) to the extent such distributions do not exceed the amount allowable as a deduction under section 213 for amounts paid during the taxable year for medical care (without regard to whether the individual itemized deductions for the taxable year).

"(5) DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLUS ACCOUNTS FOR EDUCATIONAL EXPENSES.—

"(A) IN GENERAL.—For purposes of paragraph (1), the term 'applicable educational distributions' means distributions to an individual to the extent that the amount of such distributions (not otherwise treated as qualified special purpose distributions, determined after application of paragraph (4)) does not exceed the qualified higher education expenses of the individual for the taxable year.

"(B) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of subparagraph (A)—

"(i) IN GENERAL.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, and equipment required for the enrollment or attendance of—

"(I) the taxpayer,

"(II) the taxpayer's spouse, or

"(III) the taxpayer's child (as defined in section 151(c)(3)) or grandchild,

at an eligible educational institution (as defined in section 135(c)(3)).

"(ii) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135.

"(f) ROLLOVER CONTRIBUTIONS.—For purposes of this section, the term 'rollover contributions' means contributions described in sections 402(a)(5), 402(a)(7), 403(a)(4), 403(b)(8), and 408(d)(3).

"(g) DETERMINATIONS.—For purposes of this section, any determinations with respect to aggregate contributions to, or the balance of, individual retirement plus accounts shall be made as of the close of the calendar year preceding the calendar year in which the taxable year begins."

(b) MINIMUM TAX.—Section 56(b) is amended by adding at the end thereof the following new paragraph:

"(4) EXCLUSIONS ON INDIVIDUAL RETIREMENT PLUS ACCOUNTS.—Section 408A(d)(2) shall not apply to any qualified distribution from an individual retirement plus account."

(c) CONFORMING AMENDMENT.—The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 408 the following new item:

"Sec. 408A. Individual retirement plus accounts."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1989.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, I yield myself such time as I may need.

The PRESIDING OFFICER. The time for debate on this amendment is limited to 3 hours to be equally divided and controlled between the two leaders or their designees.

The Senator from Oregon.

Mr. PACKWOOD. I thank the Chair.

Mr. President, this is the capital gains bill which lowers the capital gains rate from the current maximum 28-percent rate that exists in the Code.

When we vote at 5:15 p.m. this afternoon, make no mistake we are not voting on the Polish bill or budget reconciliation or an amalgam that has a half a dozen different subjects in it. While the vote is on the subject of cloture, it will be on the capital gains bill alone. This is not a procedural vote. This is a vote as to whether or not you favor or oppose the capital gains differential.

Having said that, Mr. President, let me explain, if I might, what this amendment does. It basically has a differential rate for capital gains. The longer you hold the asset, the lower the rate.

Individual capital gains: If you hold the asset 1 year, your top tax rate will be 26.6 percent. If you hold it 2 years, it will be 25.2 percent. And so on, until you hold it 7 years, the rate drops down to an 18.2 percent rate.

Corporate capital gains: The amendment reduces the corporate capital gains rate by 1 percent for each 3 years the corporation holds an asset up to a maximum of 15 years' ownership. Thus, the corporate tax rate goes from a top rate of currently 34 percent to 29 percent for assets held over 15 years.

Venture capital: The amendment includes an even more favorable capital

gains rate for new venture capital investments. Frankly, this is an idea we picked up from Senator BUMPERS.

Individual retirement accounts: The amendment includes Senator ROTH's IRA Plus proposal.

It is a simple bill, straightforward; it is not hard to understand.

The real issue to be debated today is twofold. One, does the bill raise or lose money? We have heard from economists all over the country. Depending on the way a capital gain proposal is structured, some would say it would gain money or lose money. But, fortunately, the way this amendment is now written, everyone, the Joint Tax Committee, Congressional Budget Office, Treasury all say that over the 5-year period this bill raises rather than loses money. It raises money in some parts and loses in others, but in the amalgam, overall the bill raises money.

So the argument cannot be made in attacking this bill over the 5-year period does it lose money. There is no one now that says it does.

To attempt to go beyond 5 years in predicting revenue effects is almost impossible. It is almost impossible because we have no idea of how the economy is going to grow, and with the economy growing whether or not we will raise more money or lose money.

I can give you an example. If the economy did nothing but grow at 4 percent a year rather than 3 percent a year—that is real growth, not growth at the rate of inflation. Just that 1 percent is a difference of about $260 billion in revenue collections to the Federal Government over 5 years, roughly $50 billion a year, on average.

Now, you tell me how fast the economy may grow in 1991, 1992, 1993. Honest people differ. So when we try to guess 8, 9, 10, 11, 12, 15 years out, is this bill going to raise money or lose money, we are best to confine ourselves to the 5-year period. And it raises money.

The second issue to ask yourself is, does this bill, even though it raises money, so disproportionately favor the rich as to offend our sense of fairness? And you have heard the arguments. I have heard different statistics cited, but it will be a figure something like this, 80 percent of the benefits go to people who make over $100,000.

You want to be careful with those kinds of statistics, because you can often be comparing apples and oranges. Some people who issue those statistics count as your income in that year the value of the capital asset that you sell. Let me give you an example.

You have worked all of your life. You and your spouse together have made $40,000, $45,000 a year maximum. You bought a house 15 years ago. You paid $40,000 for the house. Now you are going to retire. If you are in one of these real estate markets that boomed, the house is now worth $240,000. You will sell it. You are counted by some people who issue these statistics as someone who earns over $200,000 a year. They have you in the rich person's category.

You do not think of yourself as rich. You and your spouse have never made over $40,000, $45,000 a year in your life, and you are selling the one asset that you have. And in that year, you are counted as making over $200,000.

You can tell that until you are blue in the face to the barber, the person who owns the hardware store, or somebody else that owns a house. They do not think of themselves as rich.

A better way to look at the statistics is this. In 1987, even though we had abolished a capital gains differential rate in the 1986 tax reform bill, we kept in the law the classification of income as capital gains. So we can look at tax returns and see where people would have fallen had we had a capital gains rate.

In 1987, 72 percent of all the returns that would have claimed capital gains came from people who made $50,000 or less not counting their capital gains. And 47 percent of all of capital gains, all of the cash that is capital gains, comes from people who make under $50,000 of other income, not counting their capital gains. That is a fair way to look at it, not how much did you make in 1 year when you sold your house or in 1 year when you sold your beauty shop or hardware store.

You have worked all your life. You worked 70 hours a week. You finally are 65, employing 16 people in the hardware store, and you sell it for $300,000 or $400,000, and you are going to retire.

Well, you do not make $300,000 or $400,000 a year. You are lucky if you made $50,000 or $60,000 at the maximum as the owner of that hardware store, and you work and work to do it. If you sell your beauty shop and you have nine employees, same situation. Those people are not rich.

I want to emphasize the figure again; 72 percent of all the people who would have claimed capital gains had we had special capital gains treatment are people making $50,000 or less of other income; 47 percent of all of the capital gains, cash that would have been claimed, came from people that made $50,000 or less. This is not, Mr. President, a rich person's bill.

Second, I am intrigued with those who attack this as being a rich person's bill. Some of the other things that they will vote for really do favor the rich, comparatively speaking. They justify this by saying the objective to be obtained by allowing the rich to do something is sufficiently worthwhile; it is all right for the rich to have a lower tax rate. Example: Low-income housing.

Mr. President, I feel happy that when we passed the tax reform bill, I said there were three areas that I was not sure was going to work. One was capital gains; one was low-income housing; one was historic renovation, the old building where you keep the facade and rebuild the building.

So when we passed the tax reform bill, we were worried about low-income housing. We enacted a new tax credit to encourage investment in low-income housing. Also in the current law is a provision that limits deductions of passive losses. People who make under $250,000 a year generally cannot deduct passive losses from their other income. However, if they invest in low-income housing, they are entitled to take a maximum of $7,000 in tax credits, a maximum of $25,000 in what we would call passive losses, offsetting their passive losses against active income. We almost eliminated that for everyone else.

There are those who oppose the capital gains bill who are currently supporting a provision to change that law to take off the $250,000 cap and allow anybody, no matter how much money they make, to take these low-income housing credits. This is included in the budget reconciliation bill. The reason this is a peculiar benefit to the rich is that all of the States now operate under what are known as housing caps. They can only sell so much in the way of low-income housing credits. Almost all the States are up against those caps and all the credits are being sold under the present law to people who make under $250,000 a year.

When we take off the $250,000 lid, we are not increasing the cap of the credits the State can sell. There is not going to be one more dollar available for low-income housing. But it does mean that people who make over $250,000 can now take that credit. If they do, there will be somebody with income under $250,000 who cannot buy a credit because there is only so many to sell.

I understand the argument. Maybe one day we will lift the State housing caps and there will be more low-income housing credits to be sold, and because it is such a good program, we should not mind if the rich benefit tremendously. That is a fair argument.

But the people that make that argument will also make the argument that the rich are benefiting by capital gains, and what they have to be saying in that case is the benefit to society is not sufficiently worthwhile to allow the rich to make some money.

Mr. President, I yield without losing my right to the floor to Senator HEINZ, who would like to introduce an interparliamentary group who are guests of the Senate.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I thank my friend and colleague, the distinguished Senator from Oregon, for yielding very briefly, and I thank the chairman of the Finance Committee, Senator BENTSEN.

VISIT TO THE SENATE BY MEMBERS OF THE GLOBAL LEGISLATORS FOR A BALANCED ENVIRONMENT

Mr. HEINZ. It is my privilege to welcome to the floor of the Senate, Mr. President, an interparliamentary delegation, principally from the European Community, but also from the Japanese diet, representing an organization of parliamentarians from a variety of nations and political parties. The organization is the Global Legislators for a Balanced Environment.

We are privileged to have this very well-informed and now well-traveled group of legislators with us. I thank the Senate for its courtesy in welcoming them here to the Senate floor this afternoon.

Mr. PACKWOOD. Does the Senator want 2 or 3 minutes to meet them?

Mr. HEINZ. That would be very nice.

RECESS

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Senate stand temporarily in recess while we might go over and meet the delegation, and that the time be charged equally against both sides so we still vote at the appointed time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, the Senate, at 2:29 p.m., recessed until 2:31 p.m., when called to order by the Presiding Officer [Mr. SANFORD].

TEMPORARY REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. I have only a few more remarks, and then I will yield the floor.

Mr. President, let us take a worst-case scenario. Some say this bill unduly favors the rich and therefore should not be enacted for that reason. Let us take an example.

Let us say you are a wealthy individual; you are making $200,000 a year in salary; you are a highly paid corporate executive.

Under the present tax law you are paying at the top tax rate—28 percent. So on your $200,000 of income you are paying $56,000 in taxes.

Now, in addition, Mr. President, you have a piece of commercial property that you bought a number of years ago for $100,000 and today it is worth $200,000. You have not sold it. You have it, and it is worth $200,000.

You are thinking to yourself, maybe it will go up to $250,000 or maybe it will go up to $300,000. Maybe I will hold onto this property for a while. If we pass a capital gains tax that assesses capital gains at 20 percent instead of 33 percent, then you say to yourself, "I do not know how long this capital gains tax will remain in effect, I think I will sell it." You sell it for $200,000 and have a $100,000 capital gain upon which you pay $20,000 capital gains tax to the Federal Government.

That is in contrast to the situation where we had an individual who was making $200,000 and was paying $56,000 to the Federal Government. This individual has now made his $200,000 salary and he has made $100,000 selling his piece of property. Of the $100,000 he has paid $20,000 of that to the Federal Government. Now, instead of paying $56,000 in taxes he has paid $76,000 and he gets to keep $80,000 of the $100,000 increase in value of the property.

I say, "What is wrong with that?" The Federal Government has realized $20,000 that we would not otherwise have gotten and we can spend on programs for the poor.

Why should we care? It happens to come from this person who had a piece of property that would not have otherwise been sold and would not have otherwise had any income from. And we would not otherwise have had any additional taxes. Where is the loser?

The person has more money, but he does not have the whole $100,000. The Government has more revenues than it would have had if we had not passed the capital gains tax. And that is the theory of the capital gains tax. We cut the rates, the Government will realize more revenue.

I want to emphasize again I used that point for an example because I would say we could justify this, even if the only ones who received any benefit were those who made above $200,000, if the Federal Government collected more money that we can use for the poor. But I want to conclude with the statistics I used at the start, Mr. President.

Seventy-two percent of the tax returns that claim capital gains benefits come from people who have $50,000 or less of income other than the capital gain. And 47 percent of all capital gains are realized by people who make $50,000 or less, not counting their capital gain.

Mr. President, this is not a rich person's bill. There are bills that float around this Senate that are rich persons' bills. Taking the $250,000 cap off the current low-income housing credit is an amendment that can favor only those people who make over $250,000.

But this bill is a bill that many, many people will take advantage of when they sell their homes, when they sell their small businesses. People who never made over $20,000, $30,000, $40,000 a year in their life. And the Federal Government will receive more money that can be used for programs for the poor.

I very much hope, therefore, the Senate will adopt this amendment after we invoke cloture later this afternoon.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, I yield 15 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, the most serious problem our Nation faces is the question of becoming competitive in the emerging global economy. This is the age of technology and, if we are to effectively compete, it is essential that our industrial facilities be the most modern in the world; that they continue to incorporate the latest technology. That, in turn, means it is essential that this country have adequate capital at reasonable cost.

Unfortunately, it is well recognized that the United States is disadvantaged, that we are losing out because we do not have adequate domestic savings, domestic capital at reasonable prices. And that, in turn, means a loss of jobs, a loss of a higher standard of living and a loss of a future for our children.

So critically important is this matter that just last month, about 2 weeks ago, on the front page of the New York Times, one of the leading articles was talking about how Japan leads the United States in raising capital for corporations. In this article it points out that, "At a time when volatile swings and uncertainty on Wall Street have made it increasingly tough for American companies to raise money, the comparatively stable and strong Japanese stock market has been churning out record levels of fresh capital for Japanese corporations."

"The boom," it goes on, "in raising capital in Japan, carries a profound message for competition between American and Japanese banks and corporations. Japanese companies are finding it easier to raise relatively cheap capital to modernize, increase productivity, and expand. That could benefit them as they prepare for increasingly tough competition in the global marketplace."

Mr. President, in a recent article, Peter Drucker has pointed out that the cost of American capital is four times higher than it costs the Japa-

nese. As he points out in his article, that means we are unable to entertain opportunities because of the high cost of capital.

Likewise, this point is underscored in a MIT study, a major study by that venerable institution, as to what we need to do if we are to do something about productivity.

And there, again, the MIT study points out that the importance of the cost of capital in determining the rational time horizon for decisions is easily illustrated. As imagined, two corporations, A and J, similar except that for one firm, the cost of capital is 10 percent, while J pays only 3 percent.

If we assume that they will pay back the capital at the end of 2 years, A can invest $100 now only if the investment will return $121, while J can profitably undertake an activity if it only takes $106; $106 compared with $121. But the disparity is even greater if it is a 20-year investment. In a 20-year investment, A can afford to undertake only those investments that will yield more than $673, while J needs only $181.

Unfortunately, J is Japan, which would only need $181, whereas the United States would need $673. So the clear message is that we are handicapping ourselves unless we do something to make it possible to obtain capital at a reasonable cost.

That is exactly what the Packwood-Roth amendment seeks to do, to provide an answer, an approach of providing the capital necessary for the future growth and prosperity of this Nation. Our IRA-plus will promote private savings, provide a reservoir of individual savings. That means in turn we become less dependent on foreign capital, on foreign savings. And while I think we must be thankful for those foreign investments in view of our own shortage, here is an opportunity to do something about it.

Mr. President, IRA's do promote new savings. As a matter of fact, in 1986, the last year before the IRA's were modified, the IRA's provided something like $38 billion in savings. After Congress, regretfully, cut back on those who were eligible or limited their rights, that savings dropped to $14 billion per year. But this $38 billion was a tremendous reservoir of new capital. As I shall point out, it represented, according to most economists, new savings. As a matter of fact, testimony before the Finance Committee showed that of that $38 billion, 80 percent was new savings.

Let me mention that putting capital gains and IRA's together are so critically important. Capital gains unlocks resources, thereby helping to ensure the best utilization of capital. It helps promote investment in new entrepreneurships, critically important if we are to become competitive, in new products and in new businesses. Japan today is investing heavily in R&D, and it has the capital with which to exploit that R&D. We must make certain that the same is true here in the United States as well.

Just let me point out with respect to capital gains that many countries have no—or very little—capital gains taxes, and that includes Japan. Until recently, Japan had no capital gains tax. Currently, it is something between 2 and 5 percent. The same is true in West Germany and South Korea.

Mr. President, these countries represent the new industrial superpowers of this world. If we want the United States to continue to be an economic power, this problem, indeed, must be addressed. As I said, the IRA's have been a successful means of saving. In 1986, they brought about a total savings of $38 billion.

Some have questioned whether or not this has been a successful, desirable kind of savings to promote. But recently we had some hearings in the Finance Committee and there we had a number of economists testify as to the desirability of IRA's. For example, Mr. Skinner, a professor at the University of Virginia and National Bureau of Economic Research, testified that the IRA's enjoyed tremendous success by 1986 with new contributions amounting to $38 billion. He pointed out, or asked the question: Why were IRA's written out of existence in the 1986 Tax Act? He said the backlash against IRA's reflected a widely held and, I believe, incorrect view in Washington that IRA's provided no new savings, just a tax windfall to the wealthy.

But then he goes on to point out that as studies were made by distinguished professors, like Steven Venti of Dartmouth and David Wise of Harvard, they found that only 8 cents of every dollar were shuffled from previous savings. Of the remaining 92 cents, it represented new savings. These results, he said, have been confirmed by Professor Hubbard at Columbia University.

He then said he went out to disprove the Venti and Wise results, but after his careful study of the matter he, too, came to the conclusion that IRA's were, indeed, a great source of new private savings.

Mr. President, what we are proposing is an IRA-plus which is sometimes called a back-ended IRA because it allows contributions to be made to IRA's from after-tax income but, most important, allows the savings over time to remain tax free, and it does not tax permitted distributions at all.

The IRA-plus is a deficit-reducing Federal incentive to stimulate personal savings and to encourage retirement planning. In fact, the IRA-plus would raise $11 billion over the next 5 years. The net return of an IRA-plus is greater than a deductible IRA. For example, if a couple each contributes $2,000 a year from age 30 to 60 and receives an 8-percent yield on the account, from the age of 60 to 80, they could withdraw $23,076 each year in after-tax dollars. Under the Bentsen proposal, the same couple would only be able to withdraw $19,614 each year in after-tax dollars, assuming that they are in the 15-percent tax bracket. If they are in a higher tax bracket, then annual withdrawals are reduced considerably.

Because the number of tax brackets have been reduced from 14 to 3, the assumption that upon retirement individuals will be in a lower tax bracket may not be true. In addition, because of marginal tax rates and the Social Security surtax, many retirees are currently in a marginal tax bracket approaching 50 percent. Thus taxes at retirement could be higher than the taxes paid during working years, a real disincentive for front-loaded IRA's.

The IRA-plus, it is important to point out, does not discriminate against nonworking spouses. Under present law, a nonworking spouse could only contribute $250 to their IRA. Under our proposal, we would let them have a full IRA. We think this is only proper. The housewife or househusband contributes to the welfare of this country and in these days of divorce it would help provide some solvency, some protection to the housewife.

Under our IRA plus, individuals with existing IRA's would be allowed to convert their IRA's to the new account by paying a voluntary tax on their previously deductible contributions. This feature is what allows the Government to reap significant revenues on a voluntary basis without raising taxes. The Joint Committee on Taxation has estimated that this proposal could raise about $11 billion over the next 5 years.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ROTH. May I have 5 minutes?

Mr. PACKWOOD. I yield 5 minutes to the Senator from Delaware.

Mr. ROTH. I would point out, Mr. President, the IRA-plus would allow withdrawals of up to 25 percent without the imposition of any tax. In other words, under the IRA-plus these qualified expenses include the first-time purchase of your primary home. It would permit the IRA holder to withdraw for college education for himself, for his children, or grandchildren. We would also provide for major medical expenses, those that exceeded 7.5 percent.

These are very attractive aspects of the IRA because it means that the IRA takes care of many needs of the typical American family. By permitting withdrawal for these purposes, it becomes clear that it is desirable for

the young to put funds aside for their own welfare.

Finally, let me point out that the debate over IRA's has been on whether there should be an IRA or a capital gains tax. It is our view that the IRA-plus and the capital gains tax cut are both positive steps toward the end result of increasing personal savings. Though not dependent upon each other, a permanent capital gains cut in combination with a redesigned IRA would net the Treasury significant revenues as well as put into place effective incentives which are critical to national economic policy.

I believe both are needed as measures to ensure adequate capital at reasonable costs. So I hope that the Senate today will enact our legislation as the first step in making us competitive in this emerging global economy.

Mr. President, I ask unanimous consent that a paper titled "The IRA-Plus: Myths and Realities" be printed in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

THE IRA-PLUS: MYTHS AND REALITIES

The IRA-Plus is a new and innovative proposal designed to increase personal saving in this country. Under the proposal, individuals would be permitted to contribute up to $2,000 per year to an IRA-Plus account. Taxpayers would be allowed to withdraw their IRA contribution and internal build-up tax free rather than taking a deduction on the contribution. Taxpayers would be given an option to use either the IRA-Plus or the current law IRA. The IRA-Plus would be a powerful saving incentive, a potent weapon for addressing both the Nation's need for more savings and investment capital and the individual's need for increased personal saving.

The following are a number of frequently asked questions and answers regarding the need for and effectiveness of this new IRA proposal.

WHY SHOULD WE EVEN CONSIDER REVIVING THE IRA'S?

Federal Reserve Board Chairman Alan Greenspan said recently that the lack of savings is "our greatest national economic failure," a failure which could soon become an economic crisis. As a recent Joint Economic Committee study states, the "savings shortfall has pushed real interest rates to record highs, causing U.S. capital costs to soar well above those abroad and limiting investment and productivity."

Our national savings rate is now among the lowest in the industrialized world, and we must increase it if we are to remain a leader in the competitive world economy. Our major competitors all use their tax codes to encourage savings and investment, and their saving rates are three, four, and five times higher than ours. If we do not increase our savings, the fuel for economic growth and expansion, we run the risk of becoming a second-rate economic power, inducing wage and job stagnation and further burdening future generations with the debts of today.

In addition, individuals must begin preparing for the economic ramifications of longer lives. As society ages and life expectancy improves, people will require increased economic means to finance their retirement needs. Current personal saving is woefully short of providing for this future and as a result we are facing a demographic time bomb when the baby boom generation retires.

BUT ISN'T IT TRUE THAT IRA'S DO NOT REALLY INCREASE SAVING?

One of the largest myths about IRAs is that they do not increase personal saving but instead just shifted other savings. This is an incorrect assertion which has been refuted by a series of recent academic studies. In fact, the economic research literture is now overwhelmingly in support of the view that IRAs generate new savings. As economist Lawrence Summers recently stated, the "evidence strongly suggests that IRAs have a significant impact on savings." Studies by Boskin, Feldstein, Venti and Wise, Feenberg and Skinner, Carrol and Summers, the Joint Economic Committee, IRET, and Lewin/ICF all conclude that IRAs generate new savings for the economy.

When IRAs were curtailed in 1986, annual contributions dropped from nearly $38 billion in 1986—almost one-third of personal saving—to only $14 billion in 1987. The personal saving rate fell to 3.2 percent in 1987, the lowest rate since 1947. The personal saving rate has averaged 3.7 percent since 1986, compared to the average 5.3 percent saving rate when full IRA eligibility existed.

Finally, the international experience confirms the view that saving incentives do matter, as Carroll and Summers have concluded. As they point out, most of our competitors have higher savings rates than we do and most also have more generous saving incentives. Dramatic evidence comes from Canada, where a retirement saving plan went into effect in the mid-1970s. The Canadian saving rate, which for decades was similar to the U.S. saving rate, has increased dramatically to an average rate of better than 11 percent a year.

BUT DON'T IRA'S PRIMARILY BENEFIT THE RICH?

IRAs are clearly not a rich man's saving vehicle. According to the IRS Statistics of Income, two-thirds of IRA users were middle or lower income individuals, and they contributed nearly two-thirds of the funds added to IRAs in 1986. Of the more than 15 million tax returns with IRA contributions, 67 percent were of families and individuals with an adjusted gross income of $50,000 or less. These returns showed nearly 60 percent of the total dollars contributed to IRAs. Eighty-seven percent of all IRA contributors had adjusted gross income of $75,000 or less, and 83 percent of all IRA contributions came from these returns.

WHAT IS A BACK-END IRA AND HOW DOES IT DIFFER FROM A DEDUCTIBLE IRA?

Deductible IRAs and back-end IRAs (referred to as an IRA-Plus by Packwood and Roth) offer equivalent saving incentives to the individual. Only the timing of the tax benefit is changed. With deductible IRAs, the benefit is derived at the time of contribution in the form of a tax deduction. However, the contributions and the internal build-up are taxed when withdrawn at retirement. Back-end IRAs offer no tax deduction at the time of contribution, but the contributions and the earnings in the account are not taxed when withdrawn at retirement.

The equivalence of the two IRAs assumes the full deductibility of IRA contributions and that the taxpayer faces the same marginal rate before and after retirement. The back-end IRA would be a better savings incentive for taxpayers facing higher tax rates in the future.

THE IRA-PLUS CONTAINS A ROLLOVER PROVISION—HOW DOES IT WORK AND WHAT ARE THE BENEFITS?

The rollover provision would allow individuals who had previously contributed to deductible IRAs the option to convert to the IRA Plus by paying taxes on the amount previously contributed (and deducted). The tax rate would depend on the individual's tax bracket and, according to the Joint Committee on Taxation, would raise $11.5 billion through fiscal 1994. The benefits of this rollover provision are obvious. The Treasury will receive billions of dollars in revenue it would not otherwise have had on a voluntary basis. Furthermore, the rollover provision should encourage individuals with basically dormant IRAs to resume making contributions, increasing personal savings.

WITHOUT AN UP-FRONT TAX DEDUCTION, WHY WOULD INDIVIDUALS CONTRIBUTE TO A BACK-END IRA?

Recent tax changes have greatly enhanced the value and attraction of a back-end IRA and reduced the value of an up-front contribution. Under the old tax law, the value of an up-front tax deduction was considerably greater than it is now and the probability of being in a lower tax bracket at retirement was also greater.

For example, a $2,000 contribution used to save a taxpayer in the top bracket (50%) $1,000 in taxes. Today, a $2,000 contribution would save a taxpayer in the 28 percent bracket only $560. A 50 percent deduction would save the taxpayer only $280. So instead of receiving one dollar back for every two dollars contributed, a taxpayer would receive back only 28 cents for every two dollars contributed under the proposal to partially restore the deduction.

In addition, with only three tax brackets and Social Security earnings taxes in retirement, people can no longer be assured of facing lower taxes in retirement. Some studies have shown that up to 60 percent of all taxpayers face the same or higher marginal tax rates in retirement. Also, a large portion (87 percent according to one poll) of consumers are convinced that tax rates will be higher in the future when they retire.

As a result, people would be willing to contribute after-tax dollars now (and even forego a modest tax break if given the choice) in order to ensure a steady, dependable stream of tax-free retirement income. The back-end IRA clearly would provide greater economic value to an individual in retirement than would a deductible IRA, particularly a partially deductible IRA. Though people may not readily see the advantages, the institutions marketing IRAs will make the advantages well known.

Finally, the notion that back-end IRAs will provide little incentive to save is not supported by people's reaction to similar tax incentives. For example, premiums paid for individual annuities (after-tax investments for retirement income) totalled $77 billion for 1986–1988. Also, $6 billion in nondeductible IRA contributions have been made since 1986. Merrill Lynch, the institution with the largest share of IRA accounts, notes that one out of five IRA account holders made nondeductible contributions in 1988. Clearly, there is a constituency that already contributes after-tax dollars to saving vehicles. Adding the back-end incentive only promises to swell the saving pool further.

WHAT ABOUT THE REAL WORLD—WILL CONSUMERS ACTUALLY UNDERSTAND AND USE A BACK-END IRA?

One financial company, Merrill Lynch, has done consumer market research to test the back-end concept. Their findings conclude that consumers readily perceive the benefits of the back-end IRA, and felt that it would allow them to plan more effectively for their future retirement needs. According to the research, seven out of ten participants said they would be interested in a back-end IRA.

WON'T THE IRA-PLUS RESULT IN LARGE LONG-TERM REVENUE LOSSES?

The revenue "estimate" study prepared by the CBO is seriously flawed. After admitting that it was unable to produce revenue estimates beyond 1994, it proceeded to estimate a long-term revenue loss.

The long-term revenue loss estimates are flawed on two basic counts.

First, the estimate assumes that virtually all of the savings put into an IRA Plus would have been saved anyway, and in some taxable form. This is a totally unrealistic assumption, and results in a great overstatement of any revenue loss. While there is no doubt that some portion of the savings would be shifted from other forms of taxable saving, most of the IRA Plus savings would be net new saving. The research literature indicates that up to 80 percent of IRA contributions represent new saving. According to a study by the Institute of Research on the Economics of Taxation (IRET), it is highly likely that contributions to an IRA Plus will be at least 75 percent net new saving, with no more than 25 percent saving that would otherwise have been done in taxable form.

Clearly, that portion of IRA Plus saving which is new saving would not result in a revenue loss to the government. That is because earnings on net new savings are earnings that would not otherwise have occurred, and no tax would have been collected in any event.

Second, the revenue estimates do not take into account the positive economic effect of new saving on the overall economy. Any reasonable study of the revenue effects of IRAs should include at least some increased tax revenues from the increased savings, investment, employment, and economic growth which would surely occur.

WOULDN'T CUTTING THE BUDGET DEFICIT BE THE BEST WAY TO INCREASE SAVING?

Although cutting the budget deficit would help reduce our savings deficit, it would not be nearly enough to provide the saving our economy needs. As the Joint Economic Committee has noted, our "startling historic decline in national savings and the international disparities in savings are not due entirely to the widening budget deficits." According to economist Lawrence Summers, about three-fourths of the decline in the national saving rate since the 1970s is the result of the decline in private saving, while about one-fourth is the result of an enlarged public sector deficit.

As Summers notes, these statistics "make it very clear that even if the United States balanced its budget, U.S. national savings would be woefully inadequate by either historical or international standards. This reality combined with the apparent inability of the political process to produce balanced budgets suggest the importance of policies which stimulate private saving, of which personal savings is the most important component."

WON'T THE COMING DEMOGRAPHIC CHANGES SOLVE OUR SAVING PROBLEM?

As economist Summers has noted, "there is little evidence to support the idea that the changing age composition of the population will have a large impact on personal saving." According to a study conducted by Carroll and Summers, only a negligible fraction of the personal saving decline can be attributed to demographic changes, and the aging of "the yuppie generation" is unlikely to appreciably increase personal saving. A recent study by Merrill Lynch Research confirms their study, finding that the "empirical evidence provides little support for the hope that demographic trends will lead to a higher savings rate." The research report found that during the past 40 years, the saving rate has shown no link to demographic trends and that specific policy actions must be taken to increase the saving needed for economic growth and retirement. As the report concludes, "from a public policy perspective, the growth needs of the economy and the retirement needs of the baby boomers coincide: both point to a need for stronger incentives to save and invest."

One demographic trend is clear, and that is that there is a demographic tidal wave rolling through the American population. When the 75 million baby boomers become pensioners rather than earners, the strains on our benefit systems will be enormous. We must begin now to defuse this demographic time bomb by taking steps to encourage people to save for their retirement needs.

WHAT DIFFERENCE DOES IT MAKE IF OTHER COUNTRIES SAVE MORE THAN WE DO?

The dismal U.S. savings rate over the last few years has a direct bearing on our high interest rates, poor productivity growth rate, weak investment levels, and high cost of capital, and it will lead ultimately to a lower standard of living for all Americans. The U.S. national saving rate is less than half that of major industrialized countries and about one-fifth of the saving rate of Japan, and as a result our economic performance has lagged behind our foreign competition. As the Joint Economic Committee has noted, over the past decade, we had the lowest productivity growth rate of any G-7 nation, and the cost of capital in the U.S. is considerably higher than in Japan, the U.K. and West Germany.

The increased level of foreign investment in the U.S. is directly related to other countries' high savings rate and our low savings rate. These countries have the ability to export capital while we must import capital to cover our savings deficit.

Although foreign investment in the U.S. should not be discouraged, a reliance of foreign capital to finance high levels of consumption will ultimately have dire consequences.

As the Joint Economic Committee has noted, "the already diminished long-term U.S. economic prospects will continue to be eroded by Japan and other high savings societies until steps are taken to boost savings here."

And as economist Summers recently wrote, "the United States is a wealthy nation and so it can finance a high rate of consumption by selling off assets for a long time—but not forever. Unless our national saving rate is restored at least to its former level in the 7 percent range it is very likely that we will be overtaken by a number of our competitor nations in the next few years."

Mr. ROTH. Mr. President, I yield back the floor, asking whatever time I have not utilized be returned to Senator PACKWOOD.

Mr. BENTSEN. Mr. President, I yield myself 10 minutes.

Mr. President, there appears to be some sensitivity on the other side to the idea that this might be called a tax break for the wealthy. In response to their concern, let me cite a 1985 study by the Treasury Department under the Reagan administration. That study was probably the most comprehensive study on cutting the capital gains tax that they could do. Their conclusion was after 50 years, income for American workers would be one-tenth of 1 percent higher. What does the rest of America get for a tax break averaging $25,000 for the relatively few Americans making over $200,000? What does the average family of four get in return for this tax break for a select few? About $30. Dinner at McDonald's twice a year. That is what we are talking about. And that is a study done by the Reagan administration—the supply siders most likely to find a benefit, if there was one to be found.

It's interesting to see how they have crafted this particular approach. It is very creative. They are trying to push the actual costs of these two tax breaks beyond the 5-year budget window. So they have brought in a back-end, back-loaded IRA. Where are they going to get the money to help pay for that capital gains cut that the Joint Tax Committee says over 5 years is going to cost over $10 billion? Joint Tax estimates that the capital gains proposal alone may cost up to $37 billion over a 10-year period and a back-end IRA could cost up to $100 billion.

How are they going to pay for it over the 5-year budget period? One of the ways they are going to pay for it is to shift savings. That is one of the biggest criticisms that was made about IRA's, that it was not creating new savings; it was shifting savings, and that is why so many economists opposed it.

Now their proposal would allow tax payers who have money in an IRA account, to shift it into a back-end IRA. The taxpayer would be allowed to spread his other tax payments over a 4-year period. However, from then on, no tax—zero. Whatever you earn on it—interest, dividends, appreciation—is tax free even if it's 25 or 30 years from now. No tax.

Well, that is not an increase in savings. That is a shift in savings—a gimmick.

What is going to motivate people? A promise in the distant future? I don't think so. Most Americans don't know what the Congress is going to do on taxes 20 years from now. How much confidence do you think there would

be in this proposal? Think about how often we have changed the tax law over the last 10 years.

In the 1986 Tax Reform Act, the distinguished Senator from Oregon played a major role. It did away with the capital gains rate differential. I can recall how when we talked about eliminating the capital gains rate differential. The Treasury Department argued that we could pick up $22 billion over 5 years if we would increase the rate. Now this administration contends that if we drop that rate, we could pick up $16 billion. You just cannot have it both ways.

I am one who has fought time and time again to reduce the rate on capital gains, but I tell you I was much more enthusiastic about it when I saw the top tax rate on personal income at 90 and 70 and then 50 percent. Now Americans who make the most in this country are paying tax at the 28 percent rate.

The proponents for capital gains say that we need to stimulate the venture capital market. Well, how much incentive do you need then for venture capital? How does venture capital work? Most of the money that is going into venture capital today does not come from individuals. A great deal of it comes from pension funds that pay no taxes. So it is not a question of incentives. If you go out and invest in venture capital, you will find that those lemons mature very quickly; in the first 3, 4, 5 years you find the lemons in which you have invested. Then maybe you will have a couple of them that will be comatose and maybe another one making a little money. But what you have really invested for is the bell ringer. You are looking for the Apple computer. You are trying to hit the big one. And you really aren't concerned about paying a little more tax at that point.

Or you might invest in venture capital because your wife says you really ought to put some money in your brother-in-law's business. These are the types of incentives that really drive the venture capital market.

Now, let's look at the back-end IRA again. When the Secretary of the Treasury was testifying before the Finance Committee, he said that the back-end IRA just pushed off the cost to future generations. Oh, this is a cleverly crafted deal. You put together this kind of a capital gains proposal and you put together a back-end IRA and hope that carries it for the 5 years. But then you get an explosion of debt and a large loss to the Treasury. That has to be our concern and our principal motivation in this kind of a situation.

I listened to my friend from Delaware. He was talking about the need for savings in this country, and I could not agree more. I saw a picture in Fortune magazine—a man smiling, leaning up against a fast-food counter next to the FAX machine. He had FAX'd in his order down in Houston, TX, my hometown. Interesting—that FAX machine was invented in this country. It is not manufactured in this country. The color TV—RCA developed it. It was invented here. A vast majority of them are manufactured in other places today. In addition, the VCR was invented in this country and now is manufactured someplace else. Microwaves, invented in this country—almost all of them are manufactured someplace else.

Creativity in America—you bet we have it. Convertibility of that technology to commercial product, however, is slipping. One of the major reasons is because of cost of money in this country. Interest rates are too high. We are paying 10 percent prime now, and the rate has been dropping but it's still 10 percent. While the Germans are paying 8.5 percent and the Japanese are paying 4.8 percent. Of course we have to have an accumulation of savings in this country. That is why we need an IRA. We need the kind of classical IRA that I recently proposed. It would give taxpayers an immediate deduction and expand the use of deposited funds.

I congratulate my colleagues for having adopting some of those additional uses in their proposal. The young couple that wants to buy that first home need some help, so my proposal would let you take that money out without penalty to help make that down payment. We are finding more and more that young couples will not be able to live in the kind of housing their parents owned. Some of them want be able to live as well as their older brothers and older sisters. Many of those kids now have to live with mom and dad. They really want to be out on their own. Mom and dad think that is a pretty good idea, too—but they can't afford to move.

What is the other big problem? The other big problem is trying to pay for that college education.

Mr. President, I yield myself an additional 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Trying to pay for that college education is getting tougher and tougher to do, but being able to pull those IRA funds out will help to pay for that college education.

How do people use the IRA? Do you really seriously think they are going to contribute because 20 years from now they will be able to take it out tax free? Or do they contribute to an IRA because they are going to get a deduction on April 15 when they make out their tax return? They say, "I am not going to send that part of it in. This part is for me. This is for my family. I will put it in an IRA account and I am going to get my deduction now and credit now. I am not going to worry what Congress is going to do 20 years from now, and what the tax laws are then. I want it now in my savings account."

That is the principal motivation. That is why Money magazine conducted a poll on IRA's and they found overwhelmingly that people prefer the conventional IRA. That is the type of IRA that is going to bring the contributions.

Now, let's turn to the international competition we face. I do not care how smart American management is, how geared to the long term they are, or how much they try to do on R&D. I do not care how long the hours are that the labor force puts in, how well-trained they are, or how well-motivated they are. If you take a manufacturing plant that is building widgets, or whatever the product might be, and it has to pay over twice as much for its capital, as does its competition then that firm faces severe disadvantage. Those are the realities today. With this competition abroad you start out at an incredible disadvantage in international trade. That is one reason why we have seen the change in our country's, competitiveness.

Our budget deficits continue to keep our interest rates high. This proposal would result in an explosion of deficits and debt outside the 5 year budget estimating window. If we get those deficits down, that helps lower interest rates and the cost of capital the most.

Second, we must encourage people to save in this country—if we could get people in this country to save another $20 a week, you would have an increase of savings of almost 30 percent by individuals. That is what we ought to be encouraging, and that is what the kind of IRA I have proposed would accomplish, not this backloaded one that says someday off in the future we'll forgive your taxes if you shift your savings into it.

So, Mr. President, I feel very strongly that this particular provision should be defeated, that we ought to take another look at this next year and see what we can put together to truly accomplish the kind of objectives that we are talking about—that gets this deficit down, that sees us increase savings in our country, and that gets increase rates down. That is what would make this country more competitive in international trade. And if we do that, we will continue to have the standard of living that makes us an example for the rest of the world. We will continue to be that shining light for democracy that has helped erode a Russian empire, and is helping lead toward its decolonization. We see the rays of democracy is shining in Eastern Europe and into the Far East. But it has to be a policy that is not dependent on nownowism.

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I listened to Mr. Darman. I heard his statement where he said one of our problems is this idea of instant gratification in our country, now-nowism, not wanting to wait. I think this is a prime example, you get a capital gains cut now and set up situation where you have now-nowism and an explosion of debt and revenue loss in the future. The cost would be charged to our kids. I think that would be a serious mistake.

Mr. President, I yield the remainder of my time to our side.

The PRESIDING OFFICER (Mr. LIEBERMAN). Who yields time?

Mr. BENTSEN. I yield to the distinguished Senator from Tennessee, the chairman of the Budget Committee, 10 minutes.

Mr. SASSER. Mr. President, I thank this distinguished chairman of the Finance Committee for yielding to me.

May I inquire as to the time situation?

The PRESIDING OFFICER. Yes.

The Senator from Texas has 73 minutes and 9 seconds remaining; the Senator from Oregon has 55 minutes and 6 seconds.

Mr. SASSER. I request of the Senator from Texas if he would yield to me 15 minutes at this time?

The PRESIDING OFFICER. Will the Senator from Texas yield 15 minutes to the Senator from Tennessee?

Mr. SASSER. Mr. President, I renew my request to my distinguished friend from Texas and ask if he will yield me 15 minutes at this time.

Mr. BENTSEN. Mr. President, I yield 15 minutes to the distinguished Senator.

THE PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. SASSER. I thank the distinguished chairman of the Finance Committee.

Mr. President, I rise today to oppose the bill. In my view, the Packwood-Roth capital gains tax cut is bad tax policy, it is bad fiscal policy, and it is bad policy in general at this time in the fiscal history of the United States.

Make no mistake about it, this proposal will increase the deficit. It benefits the wealthiest Americans at the expense of middle-class taxpayers. it effects a giveaway of precious resources precisely at a time when they are critically needed to fund this Nation's fiscally constrained agenda, and certainly it breaks faith with the 1986 Tax Reform Act, and it will not, as is often claimed, increase savings and investment.

How often have we heard that siren song of supply side? Simply cut taxes enough and this is going to increase investment and increase savings. We saw that supply side cut in 1981, and, according to the figures of Reagan's Office of Management and Budget, the tax cut of 1981, the Economic Recovery Act of 1981, called earlier the Kemp-Roth tax cut, deprived the Federal Treasury of $1.8 billion in revenue from 1982 through 1988.

And there, Mr. President, is the story of the explosion of the Federal deficit in the decade of the 1980's, a time that saw the country go from the greatest creditor Nation on the face of this Earth in the space of just a few short years to the greatest debtor Nation on the face of this Earth.

So, Mr. President, what we are seeing here today is another big revenue loser. The enormous losses in revenue are initially disguised by a rollover gimmick that allows for the creation of a so-called IRS plus.

According to the estimates of the nonpartisan Joint Tax Committee, the capital gains aspect of the Packwood-Roth proposal will lose $10.2 billion between fiscal year 1990 and fiscal year 1994. But cleverly, the IRA-plus component has been tailored to offset this loss by raising some $11.5 billion over the same period.

And how is this done? As the distinguished Senator from Texas has outlined, it simply allows people to take their IRA's out of their own accounts, pay their taxes on them now, get the revenues in now, and then put the funds away and let them accumulate, and the taxes in the future are excused.

Once again, we are confronted with a proposal much like the grasshopper of the fable who eats everything in the summer, saves nothing for the winter, and perishes in the first frost.

Once again, we are living for today without a thought for tomorrow or without a thought for the tab that is going to come due on future generations.

The truth is that the IRA-plus is nothing more than a very artful way to mask and conceal the revenue losses created by a capital gains tax cut because, after fiscal year 1994, the contrived revenue neutrality of this package simply evaporates.

The Congressional Budget Office indicates that beyond fiscal year 1994, the rollover concept just rolls over and dies. The IRA-plus actually flips from being a revenue raiser to a revenue loser, at which time both components of the Packwood-Roth proposal will be contributing in full measure to our deficit problem.

And the result will be an even worse fiscal state of affairs than we are confronting at the present time. Ultimately, the Packwood-Roth proposal, the capital gains tax cut, geared and operating in concert with the IRA-plus concept, will team up in what amounts to a two-fisted pummeling of the Treasury of the United States.

In concrete terms, the Congressional Budget Office says that every dollar that the Federal Treasury collects in short-term tax receipts under this plan would cost $9.83 in lost future revenues out to the year 2000.

Mr. President, I will submit that this is budget gimmickry in its purest from, pushing receipts forward, taking the receipts now but incurring the far greater costs for the future. It is on a grand scale, almost a breathtaking scale, exactly the kind of shift maneuver that the administration is currently denouncing in the budget reconciliation package.

In fact, in the concept and in the context of the administration's born-again budgetary purity, this proposal would make absolutely no sense.

Once again, the undeniable fact is that a capital gains tax cut, like the tax cut that I alluded to earlier in 1981, is going to create massive deficit problems for the future.

In short, Mr. President, I submit to my colleagues that a tax cut now, just after this body has voted to extend the debt or the borrowing authority of the U.S. Government over $3 trillion, would be an act of gross irresponsibility.

I would submit it is also an act of social injustice. A capital gains rate cut is fundamentally unfair to the average American taxpayer, and it is not class rhetoric to come out and say it. We hear a lot of discussion these days about let us not talk about class, let us not raise the class issue, and perhaps some who are raising that argument remember the statements made 50 years ago by President Franklin Delano Roosevelt when he pointed his finger at the economic royalists who came close to destroying the economy of the country and called them what they were.

If it is class rhetoric to say that 80 percent of the benefits of capital gains legislation would flow to the Nation's wealthiest taxpayers, then so be it, because it would flow to those with annual income in excess of $200,000 per year.

I submit to my colleagues that it is simply inequitable to give the wealthiest Americans in the country a $24,000 tax cut.

The Congressional Budget Office indicates that the incomes of the richest 1 percent of Americans have gone up by 45 percent during the decade of the 1980's and these same people who have seen their incomes go up by 45 percent since 1980 are the same people who own 60 percent of the stock held by individuals in this country. They are doing quite nicely, thank you, without additional assistance from the Federal Government.

I had an interesting conversation a couple of days ago with two nationally known pollsters who just completed a very large sample or a very large poll conducted in all areas of this country including various so-called focus groups discussions. They indicated

that wherever they went in discussing what is occurring in this country now with middle-class Americans of all sexes, of all races, what they found was an enormous anxiety, an enormous frustration, a feeling that their lives were not getting any better, a feeling that they could not afford a home, their children could not afford one, a feeling that they could not afford an education for their children.

These same middle-class voters had a sense of absolute powerlessness. They felt that their Government and their country was in the hands of the wealthy and that only those who could afford the lobbyists and only those who could afford to compete for the attention of those who run the Government, whether in the executive branch or the legislative branch, by virtue of their economic strength were being listened to.

Well, the great middle class of this country should feel that way because, if this capital gains tax cut should pass this body and if it should be signed into law, then we will certainly be confirming, in my view, their worse suspicions about their Government.

Let us not delude ourselves about this, the revenues forfeited to a capital gains tax cut are not expendable. The resulting deficits are going to be paid by middle-class taxpayers one way or another. It is bad enough to offer a gift to those who need it least, but, in my judgment, it is unconsicionable to pass the bill on to average middle-class working Americans and their children.

With a deficit this year of $155 billion and with the national debt pushing upwards to $3 trillion, the resources of the Federal Government have never been scarcer. Yet we are considering a giveaway of these resources and giving them away to those who need them the very least.

In my judgment, Mr. President, that policy absolutely overturns the fundamental promise of the 1986 tax reform law. I well remember the earnest arguments that were made by the then chairman of the Finance Committee in 1986, the distinguished Senator from Oregon, and I would suggest to my colleagues that his arguments at that time were eloquent and they had the ring of authenticity and truth to them.

And not just 3 years ago an overwhelming majority of this body cast their votes for tax equity and they cast their votes for tax simplification. But if we take this action today or tomorrow or during this session of Congress to restore this so-called capital gains tax cut, I do not think any middle-class citizen will ever again believe that Congress can implement a tax code that is fair.

Mr. President, in 1986, we committed ourselves to lower the tax rate for the wealthiest Americans in this country in exchange for an elimination of the so-called tax loopholes, the so-called gimmicks that favored the wealthy. There were cynics who said the gimmicks would be back in 5 years. Well, they are back now in 3.

Having lowered the tax responsibility of the wealthiest Americans to 28 percent, there is simply no longer any equity in providing preferential treatment for any kind of investment or income.

If we return to that kind of preferential treatment, how in the world are we going to look the working people in this Nation in the face and tell them that our promise of fairness, of equal sharing of the tax burden in 1986, had been kept? How can we tell them that this is not a giveaway to the rich—a giveaway that the average American will in the long run have to pay for?

Finally, Mr. President, proponents of a capital gains cut make the same old supply-side argument that this tax cut will stimulate the economy, increase savings, increase investments and add to the Treasury in the long run.

Well, as I said earlier, we bought that bill of goods in 1981. The American people bought it in 1981 and have seen a tripling of the national debt. It took this country 200 years to build up an indebtedness of a trillion dollars. During that time we fought every major war in our history. And make no mistake about it, wars are very expensive. The majority of that trillion-dollar debt was incurred in fighting World War I, World War II, the Korean war and the war in Vietnam. It took us 200 years to build-up that trillion dollar deficit. But in the short space of less than 9 years, we have increased that less than $1 trillion deficit in 1980 to $3 trillion now.

This country is in hock up to its eyeballs. If the Japanese do not show up the next time we offer United States securities for sale, I say to my colleagues, we are in real trouble.

The Treasury's own analysis concludes that a capital gains tax cut poses a very small likelihood of increase in savings or spurring investment.

Moreover, a truly effective plan for national savings would induce middle-income Americans to save more. That is where the savings have to come from. Conversely, a capital gains cut is targeted to those who already have a high rate of savings, namely the wealthiest in this country. It is not an incentive for new savings, but merely rewards the highest income group for doing what they would have done anyway.

Studies have shown that the savings rate of upper-income people is twice that of those with middle incomes. A serious national savings initiative must tap the enormous savings potential of middle income Americans. A capital gains cut excludes these people from the outset.

A capital gains reduction is also an initial reward for divesting with no guarantee of reinvestment. There is the strong possibility that we could end up with bigger yachts in our marinas, not more capital deployed in productive ways. The Congressional Research Service estimates that a capital gains cut will actually reduce the amount of capital stock.

And the IRA component isn't much better. It will not promote more savings.

Let us recognize Packwood-Roth IRA-plus for what it is—a tax break on old assets, not an incentive to new investment.

If it is a savings plan we are looking for, the chairman of the Finance Committee, Senator BENTSEN, has a far superior plan—one that will offer a savings incentive to a much wider range of taxpayers than this proposal. And it will do so in a far more responsible way in terms to the Treasury.

But let us face it, Mr. President, this issue isn't about savings or investment. It's about handing out a political gift at the expense of billions to the Treasury, neglected national priorities, and untold pain for future generations.

We simply cannot afford it.

This Nation is in a fragile fiscal condition as it is. We cannot afford to gamble that revenues lost to a capital gains rate cut will be covered by increases in economic growth. There is simply no substantial evidence to justify the massive revenue losses that a rate reduction will generate.

Mr. President, we have made that mistake before, and we have been paying for it throughout the decade of the 1980's. Now is the time to acknowledge the mistakes of the past rather than blindly seeking to repeat them.

The PRESIDING OFFICER (Mr. BURDICK). Who yields time?

Mr. BRADLEY. Mr. President, I ask unanimous consent that I may yield 1 minute to the distinguished Senator from Hawaii on another matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I ask that the pending matter be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL MUSEUM OF THE AMERICAN INDIAN ACT

Mr. INOUYE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 978.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 978) entitled "An Act to authorize the establishment within the Smithsonian Institution of the National Museum of the American Indian, to establish a memorial to the American Indian, and for other purposes," do pass with the following amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Museum of the American Indian Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) there is no national museum devoted exclusively to the history and art of cultures indigenous to the Americas;

(2) although the Smithsonian Institution sponsors extensive Native American programs, none of its 19 museums, galleries, and major research facilities is devoted exclusively to Native American history and art;

(3) the Heye Museum in New York, New York, one of the largest Native American collections in the world, has more than 1,000,000 art objects and artifacts and a library of 40,000 volumes relating to the archaeology, ethnology, and history of Native American peoples;

(4) the Heye Museum is housed in facilities with a total area of 90,000 square feet, but requires a minimum of 400,000 square feet for exhibition, storage, and scholarly research;

(5) the bringing together of the Heye Museum collection and the Native American collection of the Smithsonian Institution would—

(A) create a national institution with unrivaled capability for exhibition and research;

(B) give all Americans the opportunity to learn of the cultural legacy, historic grandeur, and contemporary culture of Native Americans;

(C) provide facilities for scholarly meetings and the performing arts;

(D) make available curatorial and other learning opportunities for Indians; and

(E) make possible traveling exhibitions to communities throughout the Nation;

(6) by order of the Surgeon General of the Army, approximately 4,000 Indian human remains from battlefields and burial sites were sent to the Army Medical Museum and were later transferred to the Smithsonian Institution;

(7) through archaeological excavations, individual donations, and museum donations, the Smithsonian Institution has acquired approximately 14,000 additional Indian human remains;

(8) the human remains referred to in paragraphs (6) and (7) have long been a matter of concern for many Indian tribes, including Alaska Native villages, and Native Hawaiian communities which were determined to provide an appropriate resting place for their ancestors;

(9) identification of the origins of such human remains is essential to addressing that concern; and

(10) an extraordinary site on the National Mall in the District of Columbia (U.S. Government Reservation No. 6) is reserved for the use of the Smithsonian Institution and is available for construction of the National Museum of the American Indian.

SEC. 3. NATIONAL MUSEUM OF THE AMERICAN INDIAN.

(a) ESTABLISHMENT.—There is established, within the Smithsonian Institution, a living memorial to Native Americans and their traditions which shall be known as the "National Museum of the American Indian".

(b) PURPOSES.—The purposes of the National Museum are to—

(1) advance the study of Native Americans, including the study of language, literature, history, art, anthropology, and life;

(2) collect, preserve, and exhibit Native American objects of artistic, historical, literary, anthropological, and scientific interest;

(3) provide for Native American research and study programs; and

(4) provide for the means of carrying out paragraphs (1), (2), and (3) in the District of Columbia, the State of New York, and other appropriate locations.

SEC. 4. AUTHORITY OF THE BOARD OF REGENTS TO ENTER INTO AN AGREEMENT PROVIDING FOR TRANSFER OF HEYE FOUNDATION ASSETS TO THE SMITHSONIAN INSTITUTION.

The Board of Regents is authorized to enter into an agreement with the Heye Foundation, to provide for the transfer to the Smithsonian Institution of title to the Heye Foundation assets. The agreement shall—

(1) require that the use of the assets be consistent with section 3(b); and

(2) be governed by, and construed in accordance with, the law of the State of New York.

The United States District Court for the Southern District of New York shall have original and exclusive jurisdiction over any cause of action arising under the agreement.

SEC. 5. BOARD OF TRUSTEES OF THE NATIONAL MUSEUM OF THE AMERICAN INDIAN.

(a) IN GENERAL.—The National Museum shall be under a Board of Trustees with the duties, powers, and authority specified in this section.

(b) GENERAL DUTIES AND POWERS.—The Board of Trustees shall—

(1) recommend annual operating budgets for the National Museum to the Board of Regents;

(2) advise and assist the Board of Regents on all matters relating to the administration, operation, maintenance, and preservation of the National Museum;

(3) adopt bylaws for the Board of Trustees;

(4) designate a chairman and other officers from among the members of the Board of Trustees; and

(5) report annually to the Board of Regents on the acquisition, disposition, and display of Native American objects and artifacts and on other appropriate matters.

(c) SOLE AUTHORITY.—Subject to the general policies of the Board of Regents, the Board of Trustees shall have the sole authority to—

(1) lend, exchange, sell, or otherwise dispose of any part of the collections of the National Museum, with the proceeds of such transactions to be used for additions to the collections of the National Museum or additions to the endowment of the National Museum, as the case may be;

(b) purchase, accept, borrow, or otherwise acquire artifacts and other objects for addition to the collections of the National Museum; and

(3) specify criteria for use of the collections of the National Museum for appropriate purposes, including research, evaluation, education, and method of display.

(d) AUTHORITY.—Subject to the general policies of the Board of Regents, the Board of Trustees shall have authority to—

(1) provide for restoration, preservation, and maintenance of the collections of the National Museum;

(2) solicit funds for the National Museum and determine the purposes to which such funds shall be applied; and

(3) approve expenditures from the endowment of the National Museum for any purpose of the Museum.

(e) INITIAL APPOINTMENTS TO THE BOARD OF TRUSTEES.—

(1) MEMBERSHIP.—The initial membership of the Board of Trustees shall consist of—

(A) the Secretary of the Smithsonian Institution;

(B) an Assistant Secretary of the Smithsonian Institution appointed by the Board of Regents;

(C) 8 individuals appointed by the Board of Regents; and

(D) 15 Individuals, each of whom shall be a member of the board of trustees of the Heye Museum, appointed by the Board of Regents from a list of nominees recommended by the board of trustees of the Heye Museum.

(2) SPECIAL RULE.—At least 7 of the 23 members appointed under subparagraphs (C) and (D) of paragraph (1) shall be Indians.

(3) TERMS.—The trustee appointed under paragraph (1)(B) shall serve at the pleasure of the Board of Regents. The terms of the trustees appointed under subparagraph (C) or (D) of paragraph (1) shall be 3 years, beginning on the date of the transfer of the Heye Foundation assets to the Smithsonian Institution.

(4) VACANCIES.—Any vacancy shall be filled only for the remainder of the term involved. Any vacancy appointment under paragraph (1)(D) shall not be subject to the source and recommendation requirements of that paragraph, but shall be subject to paragraph (2).

(f) SUBSEQUENT APPOINTMENTS TO THE BOARD OF TRUSTEES.—

(1) MEMBERSHIP.—Upon the expiration of the terms under subsection (e), the Board of Trustees shall consist of—

(A) the Secretary of the Smithsonian Institution;

(B) an Assistant Secretary of the Smithsonian Institution appointed by the Board of Regents; and

(C) 23 individuals appointed by the Board of Regents from a list of nominees recommended by the Board of Trustees.

(2) SPECIAL RULE.—At least 12 of the 23 members appointed under of paragraph (1)(C) shall be Indians.

(2) TERMS.—The trustee appointed under paragraph (1)(B) shall serve at the pleasure of the Board of Regents. Except as otherwise provided in the next sentence, the terms of members appointed under paragraph (1)(C) shall be 3 years. Of the members first appointed under paragraph (1)(C)—

(A) 7 members, 4 of whom shall be Indians, shall be appointed for a term of one year, as designated at the time of appointment; and

(B) 8 members, 4 of whom shall be Indians, shall be appointed for a term of 2 years, as designated at the time of appointment.

(4) VACANCIES.—Any vacancy shall be filled only for the remainder of the term involved.

(g) QUORUM.—A majority of the members of the Board of Trustees then in office shall constitute a quorum.

(h) EXPENSES.—Members of the Board shall be entitled (to the same extent as provided in section 5703 of title 5, United States Code, with respect to employees serving intermittently in the Government service)

to per diem, travel, and transportation expenses for each day (including travel time) during which they are engaged in the performance of their duties.

SEC. 6. DIRECTOR AND STAFF OF THE NATIONAL MUSEUM.

(a) IN GENERAL.—The Secretary of the Smithsonian Institution shall appoint—

(1) A Director who, subject to the policies of the Board of Trustees, shall manage the National Museum; and

(2) other employees of the National Museum, to serve under the Director.

(b) OFFER OF EMPLOYMENT TO HEYE FOUNDATION EMPLOYEES.—Each employee of the Heye Museum on the day before the date of the transfer of the Heye Foundation assets to the Smithsonian Institution shall be offered employment with the Smithsonian Institution—

(1) under the usual terms of such employment; and

(2) at a rate of pay not less than the rate applicable to the employee on the day before the date of the transfer.

(c) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Secretary may—

(1) appoint the Director, 2 employees under subsection (a)(2), and the employees under subsection (b) without regard to the provisions of title 5, United States Code, governing appointments in the competitive service;

(2) fix the pay of the Director and such 2 employees without regard to the provision of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates; and

(3) fix the pay of the employees under subsection (b) in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, subject to subsection (b)(2).

SEC. 7. MUSEUM FACILITIES.

(a) NATIONAL MUSEUM MALL FACILITY.—The Board of Regents shall plan, design, and construct a facility on the area bounded by Third Street, Maryland Avenue, Independence Avenue, Fourth Street, and Jefferson Drive, Southwest, in the District of Columbia to house the portion of the National Museum to be located in the District of Columbia. The Board of Regents shall pay not more than ⅔ of the total cost of planning, designing, and constructing the facility from funds appropriated to the Board of Regents. The remainder of the costs shall be paid for non-Federal sources.

(b) NATIONAL MUSEUM HEYE CENTER FACILITY.—

(1) LEASE OF SPACE FROM GSA.—

(A) TERMS.—Notwithstanding section 210(j) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(j)), the Administrator of General Services may lease, at a nominal charge, to the Smithsonian Institution space in the Old United States Custom House at One Bowling Green New York, New York, to house the portion of the National Museum to be located in the city of New York. The lease shall be subject to such terms as may be mutually agreed upon by the Administrator and the Secretary of the Smithsonian Institution. The term of the lease shall not be less than 99 years.

(B) REIMBURSEMENT OF FEDERAL BUILDINGS FUND.—The Administrator of General Services may reimburse the fund established by section 210(f) of the Federal Property and Administrative Service Act of 1949 (40 U.S.C. 490(f)) for the difference between the amount charged to the Smithsonian Institution for leasing space under this paragraph and the commercial charge under section 210(j) of such Act which, but for this paragraph, would apply to the leasing of such space. There are authorized to be appropriated to the Administrator such sums as may be necessary to carry out this subparagraph for fiscal years beginning after September 30, 1990.

(2) CONSTRUCTION.—

(A) MUSEUM FACILITY.—The Board of Regents shall plan, design, and construct a significant facility for the National Museum in the space leased under paragraph (1).

(B) AUDITORIUM AND LOADING DOCK FACILITY.—The Administrator of General Services shall plan, design, and construct an auditorium and loading dock in the Old United States Customs House at One Bowling Green, New York, New York, for the shared use of all the occupants of the building, including the National Museum.

(C) SQUARE FOOTAGE.—The facilities to be constructed under this paragraph shall have, in the aggregate, a total square footage of approximately 82,500 square feet.

(3) REPAIRS AND ALTERATIONS.—After construction of the facility under paragraph (2)(A), repairs and alterations of the facility shall be the responsibility of the Board of Regents.

(4) REIMBURSEMENT OF GSA.—The Board of Regents shall reimburse the Administrator for the Smithsonian Institution's pro rata share of the cost of utilities, maintenance, cleaning, and other services incurred with respect to the space leased under paragaph (1) and the full cost of any repairs or alterations made by the General Services Administration at the request of the Smithsonian Institution with respect to the space.

(5) COST SHARING.—

(A) GENERAL RULES.—The Board of Regents shall pay 1/3 of the costs of planning, designing, and constructing the facility under paragraph (2)(A) from funds appropriated to the Board of Regents. The remainder of the costs shall be paid from non-Federal sources.

(B) RESPONSIBILITIES OF NEW YORK CITY AND STATE.—Of the costs which are required to be paid from non-Federal sources under this paragraph, the city of New York, and the State of New York have each agreed to pay $8,000,000 or an amount equal to 1/3 of the costs of planning, designing, and constructing the facility under paragraph (2)(A), whichever is less. Such payments shall be made to the Board of Regents in accordance with a payment schedule to be agreed upon by the city and State and the Board of Regents.

(C) LIMITATION ON OBLIGATIONS OF FEDERAL FUNDS.—Federal funds may not be obligated for actual construction of a facility under paragraph (2)(A) in a fiscal year until non-Federal sources have paid to the Board of Regents the non-Federal share of such costs which the Board of Regents estimates will be incurred in such year.

(6) DESIGNATION.—The facility to be constructed under paragraph (2)(A) shall be known and designated as the "George Gustav Heye Center of the National Museum of the American Indian".

(c) MUSEUM SUPPORT CENTER FACILITY.—The Board of Regents shall plan, design, and construct a facility for the conservation and storage of the collections of the National Museum at the Museum Support Center of the Smithsonian Institution.

(d) MINIMUM SQUARE FOOTAGE.—The facilities to be constructed under this section shall have, in the aggregate, a total square footage of at least 400,000 square feet.

(e) AUTHORITY TO CONTRACT WITH GSA.—The Board of Regents and the Administrator of General Services may enter into such agreements as may be necessary for planning, designing, and constructing facilities under this section (other than subsection (b)(2)(B)). Under such agreements, the Board of Regents shall transfer to the Administrator, from funds available for planning, designing, and constructing such facilities, such amounts as may be necessary for expenses of the General Services Administration with respect to planning, designing, and constructing such facilities.

(f) LIMITATION ON OBLIGATION OF FEDERAL FUNDS.—Notwithstanding any other provision of this Act, funds appropriated for carrying out this section may not be obligated for actual construction of any facility under this section until the 60th day after the date on which the Board of Regents transmits to Congress a written analysis of the total estimated cost of the construction and a cost-sharing plan projecting the amount for Federal appropriations and for non-Federal contributions for the construction on a fiscal year basis.

SEC. 8. CUSTOM HOUSE OFFICE SPACE AND AUDITORIUM.

(a) REPAIRS AND ALTERATIONS.—The Administrator of General Services shall make such repairs and alterations as may be necessary in the portion of the Old United States Custom House at One Bowling Green, New York, New York, which is not leased to the Board of Regents under section 7(b) and which, as of the date of the enactment of this Act, has not been altered.

(b) AUTHORIZATION OF APPROPRIATION.—There is authorized to be appropriated to the Administrator of General Services $25,000,000 from the fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)) to carry out this section and section 7(b)(2)(B).

SEC. 9. AUDUBON TERRACE.

(a) IN GENERAL.—The Board of Regents shall—

(1) assure that, on the date on which a qualified successor to the Heye Foundation at Audubon Terrace first takes possession of Audubon Terrace, an area of at least 2,000 square feet at that facility is accessible to the public and physically suitable for exhibition of museum objects and for related exhibition activities;

(2) upon written agreement between the Board and any qualified successor, lend objects from the collections of the Smithsonian Institution to the successor for exhibition at Audubon Terrace; and

(3) upon written agreement between the Board and any qualified successor, provide training, scholarship, technical, and other assistance (other than operating funds) with respect to the area referred to in paragraph (1) for the purposes described in that paragraph.

(b) DETERMINATION OF CHARGES.—Any charge by the Board of Regents for activities pursuant to agreements under paragraph (2) or (3) of subsection (a) shall be determined according to the ability of the successor to pay.

(c) DEFINITION.—As used in this section, the terms "qualified successor to the Heye Foundation at Audubon Terrace", "qualified successor", and, "successor" mean an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, and exempt from tax under section 501(a) of

such Code, that, as determined by the Board of Regents—

(1) is a successor occupant to the Heye Foundation at Audubon Terrace, 3753 Broadway, New York, New York;

(2) is qualified to operate the area referred to in paragraph (1) for the purposes described in that paragraph; and

(3) is committed to making a good faith effort to respond to community cultural interests in such operation.

SEC. 10. BOARD OF REGENTS FUNCTIONS WITH RESPECT TO CERTAIN AGREEMENTS AND PROGRAMS.

(a) PRIORITY TO BE GIVEN TO INDIAN ORGANIZATIONS WITH RESPECT TO CERTAIN AGREEMENTS.—In entering into agreements with museums and other educational and cultural organizations to—

(1) lend Native American artifacts and objects from any collection of the Smithsonian Institution;

(2) sponsor or coordinate traveling exhibitions of artifacts and objects; or

(3) provide training or technical assistance;

the Board of Regents shall give priority to agreements with Indian organizations, including Indian tribes, museums, libraries, and archives. Such agreements may provide that loans or services to such organizations may be furnished by the Smithsonian Institution at minimal or no cost.

(b) INDIAN PROGRAMS.—The Board of Regents may establish—

(1) programs to serve Indian tribes and communities; and

(2) in cooperation with educational institutions, including tribally controlled community colleges (as defined in section 2 of the Tribally Controlled Community College Assistance Act of 1978), programs to enhance the opportunities for Indians in the areas of museum studies, management, and research.

(c) INDIAN MUSEUM MANAGEMENT FELLOWSHIP.—The Board of Regents shall establish an Indian Museum Management Fellowship program to provide stipend support to Indians for training in museum development and management.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $2,000,000 for each fiscal year, beginning with fiscal year 1991, to carry out subsections (b) and (c).

SEC. 11. INVENTORY, IDENTIFICATION, AND RETURN OF INDIAN HUMAN REMAINS AND INDIAN FUNERARY OBJECTS IN THE POSSESSION OF THE SMITHSONIAN INSTITUTION.

(a) INVENTORY AND IDENTIFICATION.—The Secretary of the Smithsonian Institution, in consultation and cooperation with traditional Indian religious leaders and government officials of Indian tribes, shall—

(1) inventory the Indian human remains and Indian funerary objects in the possession or control of the Smithsonian Institution; and

(2) using the best available scientific and historical documentation, identify the origins of such remains and objects.

(b) NOTICE IN CASE OF IDENTIFICATION OF TRIBAL ORIGIN.—If the tribal origin of any Indian human remains or Indian funerary object is identified shall so notify any affected Indian tribe at the earliest opportunity.

(c) RETURN OF INDIAN HUMAN REMAINS AND ASSOCIATED INDIAN FUNERARY OBJECTS.—If any Indian human remains are identified by a preponderance of the evidence as those of a particular individual or as those of an individual culturally affiliated with a particular Indian tribe, the Secretary, upon the request of the descendants of such individual or of the Indian tribe shall expeditiously return such remains (together with any associated funerary objects) to the descendants of tribe, as the case may be.

(d) RETURN OF INDIAN FUNERARY OBJECTS NOT ASSOCIATED WITH INDIAN HUMAN REMAINS.—If any Indian funerary object not associated with Indian human remains is identified by a preponderance of the evidence as having been removed from a specific burial site of an individual culturally affiliated with a particular Indian tribe, the Secretary, upon the request of the Indian tribe, shall expeditiously return such object to the tribe.

(e) INTERPRETATION.—Nothing in this section shall be interpreted as—

(1) limiting the authority of the Smithsonian Institution to return or repatriate Indian human remains or Indian funerary objects to Indian tribe or individuals; or

(2) delaying actions on pending repatriation requests, denying or otherwise affecting access to the courts, or limiting any procedural or substantive rights which may otherwise be secured to Indian tribes or individuals.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,000,000 for fiscal year 1991 and such sums as may be necessary for succeeding fiscal years to carry out this section.

SEC. 12. SPECIAL COMMITTEE TO REVIEW THE INVENTORY, IDENTIFICATION, AND RETURN OF INDIAN HUMAN REMAINS AND INDIAN FUNERARY OBJECTS.

(A) ESTABLISHMENT; DUTIES.—Not later than 120 days after the date of the enactment of this Act, the Secretary of the Smithsonian Institution shall appoint a special committee to monitor and review the inventory, identification, and return of Indian human remains and Indian funerary objects under section 11. In carrying out its duties, the committee shall—

(1) with respect to the inventory and identification, ensure fair and objective consideration and assessment of all relevant evidence;

(2) upon the request of any affected party or otherwise, review any finding relating to the origin or the return of such remains or objects;

(3) facilitate the resolution of any dispute that may arise between Indian tribes with respect to the return of such remains or objects; and

(4) perform such other related functions as the Secretary may assign.

(b) MEMBERSHIP.—The committee shall consist of five members, of whom—

(1) three members shall be appointed from among nominations submitted by Indian tribes and organizations; and

(2) the Secretary shall designate one member as chairman.

The Secretary may not appoint to the committee any individual who is an officer or employee of the Government (including the Smithsonian Institution) or any individual who is otherwise affiliated with the Smithsonian Institution.

(c) ACCESS.—The Secretary shall ensure that the members of the committee have full and free access to the Indian human remains and Indian funerary objects subject to section 11 and to any related evidence, including scientific and historical documents.

(d) PAY AND EXPENSES OF MEMBERS.—Members of the committee shall—

(1) be paid the daily equivalent of the annual rate of basic pay payable for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code; and

(2) be entitled (to the same extent as provided in section 5703 of such title, with respect to employees serving intermittently in the Government service) to per diem, travel, and transportation expenses;

for each day (including travel time) during which they are engaged in the performance of their duties.

(e) RULES AND ADMINISTRATIVE SUPPORT.—The Secretary shall prescribe regulations and provide administrative support for the committee.

(f) REPORT AND TERMINATION.—At the conclusion of the work of the committee, the Secretary shall so certify by report to the Congress. The committee shall cease to exist 120 days after the submission of the report.

(g) NONAPPLICABILITY OF THE FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the committee.

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $250,000 for fiscal year 1991 and such sums as may be necessary for succeeding fiscal years to carry out this section.

SEC. 13. INVENTORY, IDENTIFICATION, AND RETURN OF NATIVE HAWAIIAN HUMAN REMAINS AND NATIVE HAWAIIAN FUNERARY OBJECTS IN THE POSSESSION OF THE SMITHSONIAN INSTITUTION.

(a) IN GENERAL.—The Secretary of the Smithsonian Institution shall—

(1) in conjunction with the inventory and identification under section 11, inventory and identify the Native Hawaiian human remains and Native Hawaiian funerary objects in the possession of the Smithsonian Institution;

(2) enter into an agreement with appropriate Native Hawaiian organizations with expertise in Native Hawaiian affairs (which may include the Office of Hawaiian Affairs and the Malama I Na Kupuna O Hawai'i Nei) to provide for the return of such human remains and funerary objects; and

(3) to the greatest extent practicable, apply, with respect to such human remains and funerary objects, the principles and procedures set forth in sections 11 and 12 with respect to the Indian human remains and Indian funerary objects in the possession of the Smithsonian Institution.

(b) DEFINITIONS.—As used in this section—

(1) the term "Malama I Na Kupuna O Hawai'i Nei" means the nonprofit, Native Hawaiian organization, incorporated under the laws of the State of Hawaii by that name on April 17, 1989, the purpose of which is to provide guidance and expertise in decisions dealing with Native Hawaiian cultural issues, particularly burial issues; and

(2) the term "Office of Hawaiian Affairs" means the Office of Hawaiian Affairs established by the Constitution of the State of Hawaii.

SEC. 14. GRANTS BY THE SECRETARY OF THE INTERIOR TO ASSIST INDIAN TRIBES WITH RESPECT TO AGREEMENTS FOR THE RETURN OF INDIAN HUMAN REMAINS AND INDIAN FUNERARY OBJECTS.

(a) IN GENERAL.—The Secretary of the Interior may make grants to Indian tribes to assist such tribes in reaching and carrying out agreements with—

(1) the Board of Regents for the return of Indian human remains and Indian funerary objects under section 11; and

(2) other Federal and non-Federal entities for additional returns of Indian human remains and Indian funerary objects.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,000,000 for fiscal year 1991 and such sums as may be necessary for succeeding fiscal years for grants under subsection (a).

SEC. 15. GRANTS BY THE SECRETARY OF THE INTERIOR TO ASSIST INDIAN ORGANIZATIONS WITH RESPECT TO RENOVATION AND REPAIR OF MUSEUM FACILITIES AND EXHIBIT FACILITIES.

(a) GRANTS.—The Secretary of the Interior may make grants to Indian organizations, including Indian tribes, museums, cultural centers, educational institutions, libraries, and archives, for renovation and repair of museum facilities and exhibit facilities to enable such organizations to exhibit objects and artifacts on loan from the collection of the Smithsonian Institution or from other sources. Such grants may be made only from the Tribal Museum Endowment Fund.

(b) INDIAN ORGANIZATION CONTRIBUTION.—In making grants under subsection (a), the Secretary may require the organization receiving the grant to contribute, in cash or in kind, not more than 50 percent of the cost of the renovation or repair involved. Such contribution may be derived from any source other than the Tribal Museum Endowment Fund.

(c) TRIBAL MUSEUM ENDOWMENT FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury a fund, to be known as the "Tribal Museum Endowment Fund" (hereinafter in this subsection referred to as the "Fund") for the purpose of making grants under subsection (a). The Fund shall consist of (A) amounts deposited and credited under paragraph (2), (B) obligations obtained under paragraph (3), and (C) amounts appropriated pursuant to authorization under paragraph (5).

(2) DEPOSITS AND CREDITS.—The Secretary of the Interior is authorized to accept contributions to the Fund from non-Federal sources and shall deposit such contributions in the Fund. The Secretary of the Treasury shall credit to the Fund the interest on, and the proceeds from sale and redemption of, obligations held in the Fund.

(3) INVESTMENTS.—The Secretary of the Treasury may invest any portion of the Fund in interest-bearing obligations of the United States. Such obligations may be acquired on original issue or in the open market and may be held to maturity or sold in the open market. In making investments for the Fund, the Secretary of the Treasury shall consult the Secretary of the Interior with respect to maturities, purchases, and sales, taking into consideration the balance necessary to meet current grant requirements.

(4) EXPENDITURES AND CAPITAL PRESERVATION.—Subject to appropriation, amounts derived from interest shall be available for expenditure from the Fund. The capital of the Fund shall not be available for expenditure.

(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Fund $2,000,000 for each fiscal year beginning with fiscal year 1992.

(d) ANNUAL REPORT.—Not later than January 31 of each year, the Secretary of the Interior, in consultation with the Secretary of the Treasury, shall submit to the Congress a report of activities under this section, including a statement of—

(1) the financial condition of the Fund as of the end of the preceding fiscal year, with an analysis of the Fund transactions during that fiscal year; and

(2) the projected financial condition of the Fund, with an analysis of expected Fund transactions for the six fiscal years after that fiscal year.

SEC. 16. DEFINITIONS.

As used in this Act—

(1) the term "Board of Regents" means the Board of Regents of the Smithsonian Institution;

(2) the term "Board of Trustees" means the Board of Trustees of the National Museum of the American Indian;

(3) the term "burial site" means a natural or prepared physical location, whether below, on, or above the surface of the earth, into which, as a part of a death rite or ceremony of a culture, individual human remains are deposited;

(4) the term "funerary object" means an object that, as part of a death rite or ceremony of a culture, is intentionally placed with individual human remains, either at the time of burial or later;

(5) the term "Heye Foundation assets" means the collections, endowment, and all other property of the Heye Foundation (other than the interest of the Heye Foudnation in Audubon Terrace) described in the Memorandum of Understanding between the Smithsonian Institution and the Heye Foundation, dated May 8, 1989, and the schedules attached to such memorandum;

(6) the term "Heye Museum" means the Museum of the American Indian, Heye Foundation;

(7) the term "Indian" means a member of an Indian tribe;

(8) the term "Indian tribe" has the meaning given that term in section 4 of the Indian Self-Determination and Education Assistance Act;

(9) the term "National Museum" means the National Museum of the American Indian established by section 3;

(10) the term "Native American" means an individual of a tribe, people, or culture that is indigenous to the Americas and such term includes a Native Hawaiian; and

(11) the term "Native Hawaiian" means a member or descendant of the aboriginal people who, before 1778, occupied and exercised sovereignty in the area that now comprises the State of Hawaii.

SEC. 17. AUTHORIZATION OF APPROPRIATIONS.

(a) FUNDING.—There is authorized to be appropriated to the Board of Regents to carry out this Act (other than as provided in sections 7(b)(1)(B), 8, 10, 11, 12, 14, and 15(c)(5))—

(1) $10,000,000 for fiscal year 1990; and

(2) such sums as may be necessary for each succeeding fiscal year.

(b) PERIOD OF AVAILABILITY.—Funds appropriated under subsection (a) shall remain available without fiscal year limitation for any period prior to the availability of the facilities to be constructed under section 7 for administrative and planning expenses and for the care and custody of the collections of the National Museum.

Amend the title so as to read: "An Act to establish the National Museum of the American Indian within the Smithsonian Institution, and for other purposes.".

Mr. INOUYE. Mr. President, as chairman of the Select Committee on Indian Affairs, I am most gratified and pleased to rise today to request the Senate's final consideration of S. 978, a bill to establish the National Museum of the American Indian within the Smithsonian Institution.

Mr. President, as you know, this legislation was conceived 2 years and 7 months ago, when the Secretary of the Smithsonian Institution, and Honorable Robert McCormick Adams, and I visited the Museum of the American Indian, Heye Foundation, and met with the chairwoman of the Heye board of trustees, Mrs. Wilmot H. Kidd III, in New York. Since that time, many people have been involved in the formulation, negotiation, and finally the realization of the long sought-after objective.

I have been inspired by the commitment of many, including officials of the State and city of New York, the Board of Regents of the Smithsonian Institution, the board of trustees of the Museum of the American Indian, Heye Foundation, and most recently, my colleagues in the House of Representatives, for their expeditious action on this historic measure.

When history records this event, the names of illustrious Members of the Congress will undoubtedly be honored, in the manner that history customarily treats events of this kind. All of us know that a measure of this magnitude entails the concerted effort of many people, some of whom are major contributors and some who are no less important. And so while we are engaged in making a record of the moment, I am going to take the dangerous step of singling out a few people who deserve to be recognized, a group that does not include any Member of the Congress.

First and foremost are the sometimes forgotten people—the Indian people. Without them, we would not be celebrating this great event. It is their extraordinary talent and magnificent works that we will honor—their art, their music, their culture, their religion, their scholarly works, their beauty, and their sensitivity will be forever memorialized in this great museum. The names of Indian artists known only to the creator will be commemorated in this memorial to American Indians.

Second, I want to recognize those who collected and guarded this collection so carefully over the years, and preserved it so well, that it will be capable of being enjoyed and appreciated by generations to come. Mrs. Julie Kidd, and her foundation, and Christian A. Johnson Endeavor Foundation, with no fanfare and at times even abuse, kept the collection alive for many years. The sometimes maligned curator of the Museum of the American Indian, Heye Foundation, Dr. Roland Force, whose care and concern for the Heye collection was both personal and professional.

Ms. Suzan Shown Harjo, in her dual role as executive director of the National Congress of American Indians and as a member of the board of trustees of the Museum of the American Indian, Heye Foundation, played a key and vital role in working with Smithsonian Secretary Adams to effect a resolution to the sensitive and significant matter of the repatriation of the human remains of native Americans that are currently in the possession of the Smithsonian Institution. Mr. Walter Echo-Hawk of the native American rights fund is also to be commended for the role he played in resolving the repatriation issue with the Smithsonian.

The lovely and persuasive representative of New York City Mayor Koch, Mrs. Diane Mulcahy Coffey, whose perseverance and whose vision that this museum could become a reality, and that any obstacle could be surmounted in achieving this goal was inspiring.

The capable and effective representative of the people of New York, whose great skills in negotiating a resolution to the legal issues, Mrs. Pamela Mann, should be commended, as should the attorney general of the State of New York, Mr. Robert Abrams, whose political leadership enabled a breakthrough at a time of impasse in negotiations.

Mr. David Rockefeller, who in his gentle way kept prodding everyone forward toward an objective that he believed could be accomplished, by opening his offices and lending his gracious statesmanship to the enterprise, has my highest respect. As does his capable and caring assistant, Mr. Peter Johnson, who facilitated so many important meetings in New York.

Mr. Edward Costikyan, the attorney representing the board of trustees of the Museum of the American Indian, Heye Foundation, for his tenacity and his spirit in forging an agreement between the two great museums should receive well-deserved recognition.

Seldom do lobbyists get praised, but there is one whose indefatigable efforts helped resolve the insoluable, and who was one of the best sources of information that the parties in interest relied upon throughout the long days of negotiation, Mr. Dale Snape of the Wexler, Reynolds, Fuller, Harrison and Schule firm of Washington.

Ms. Margaret Gaynor, whose efforts on behalf of the Smithsonian Institution were tireless and inspiring, has my deepest gratitude. And of course, I want to recognize Smithsonian Secretary Robert McCormick Adams, whose leadership and vision throughout the process enabled us to reach this point.

Then there are the staff, who are often times ignored by history, but whom we all know are integral to the process—the staff of Senator MOYNIHAN, the Senate Committee on Rules and Administration, the Select Committee on Indian Affairs, the House Interior and Insular Affairs Committee, the House Committee on Public Works and Transportation, and the House Committee on Administration.

As always happens, there are a few who spend more than the required time and who go far beyond what the task demands because they are dedicated and committed to the cause—Ms. Nan Stockholm of Senator MOYNIHAN's staff, Ms. Pablita Abeyta and Mr. Frank Ducheneaux of House Interior Committee Chairman Mo UDALL's staff, Mr. Peter Rutledge of House Administration Subcommittee on Libraries and Memorials Chairman CLAY's staff, Mr. John Cullifer of the House Public Works staff, and Dr. Patricia Zell, chief counsel of the Senate Select Committee on Indian Affairs.

Hundreds could be recognized, but I think these people that I have referred to should be singled out, because without them, we would not be here today.

I am certain that if the great Indian leaders of the past could express their feelings today, they would convey their gratitude to all of the Members of the Congress for recognizing the magnificence of their culture and the significant contributions the native people of this country have made to our Nation.

This is a proud day for all Americans.

Mr. MOYNIHAN. Mr. President, I would like to add my support for the National Museum of the American Indian Act. This bill represents years of negotiation about the future of the majestic Heye collection, which contains 1 million American Indian artifacts. Never in our history has there been a gift so grand to the Smithsonian. It is the greatest ethnological collection in the world. And as such, is priceless in its significance. If it were possible to assign a monetary value, it would certainly be in the billions.

George Gustav Heye, the son of a German immigrant, made his fortune in Standard Oil, and began over a half-century of collecting in 1897. Heye employed scores of anthropologists to collect artifacts from all over the Western Hemisphere. He continued with this passion until his death in 1957. The collection has remained since 1918 at Audubon Terrace, located in the Washington Heights section of Manhattan. It is also true that for almost as long we have recognized the site as being inadequate for this magnificent collection. And after a generation of efforts, New York City failed to find the means to establish a new and appropriate site for it. We now look to the Federal Government to do justice to Heye's genius.

The 1 million artifacts in the collection represent more than just the heritage of American Indians in the United States. It includes artifacts whose origin extends from Point Barrow to Tierra Del Fuego: the entire Western Hemisphere. While more than two-thirds of the collection has its origins in the continental United States, 11 percent is from Central America, 11 percent is from South America, 8 percent is from the Caribbean Islands, and 3 percent from Canada and the Arctic. This is a collection of all the Americas.

This bill establishes a National Museum of the American Indian on the Mall in Washington to display the largest part of the Heye collection. A significant part will remain in New York just as its founder George Gustav Heye desired. The U.S. Custom House, a splendid Beaux-Arts building located at One Bowling Green in Manhattan, will be home to the Heye collection of New York. A fitting one, might I add.

This bill also recognizes the unique relationship of Audubon Terrace to the Museum of the American Indian. In 1918, with the vision of establishing a cultural center, philanthropist Archer Huntington offered Mr. Heye space at Audubon Terrace for his treasure. While the collecton is now leaving Audubon Terrace, the Museum of the American Indian Act requires the Smithsonian to loan exhibits and provide technical assistance to the successor of the Heye Foundation at Audubon Terrace. Thus, the legacy of the collection at Audubon Terrace will be preserved.

The establishment of a National Museum of the American Indian is long overdue. We may all anticipate the day that George Gustav Heye's gift to the world will be displayed in a manner reflective of the great and living culture of the American Indian.

Mr. INOUYE. Mr. President, I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BRADLEY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BRADLEY. Mr. President, before I make comments on the pending matter, let me simply thank the distinguished Senator from Hawaii for being persistent in achieving this goal which is enormously important to all Native Americans. As an original cosponsor, I think 15, or 20 years from now when people come to Washington and go to that museum, I hope there will be a plaque there with the Senator's name on it.

TEMPORARY REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS

The Senate continued with the consideration of the bill.

Mr. BRADLEY. Mr. President, the pending matter before us is, of course, the infamous or famous capital gains IRA, back-end loading provision.

I find it helpful, from time to time, when we begin debate about taxes, a debate that is full of a lot of important issues, to focus on who we are really talking about; who the taxpayers are, how much income they have.

I propose, today, to try to provide the Senate with a profile of who the taxpayers are and some of the facts that relate to the taxpayers that are directly affected by the pending measure; to deal with a few economic arguments and political arguments, and then lastly with the current proposal as it is now drawn.

Mr. President, we sometimes forget who the taxpayers of this country are, how much income they make. So let me remind everyone that 30 percent of all the taxpayers in this country have adjusted gross incomes below $10,000.

Mr. President, 81 percent of all taxpayers in this country have adjusted gross incomes below $40,000; and 96 percent of all taxpayers in this country have adjusted gross incomes below $75,000.

Mr. President, we sometimes make the assumption that this income levels of Americans is higher than it is. And the debate on this floor sometimes makes those assumptions to the extreme. So let us remember who those taxpayers are.

For purposes later in this argument, less than 2 percent of all taxpayers make more than $100,000 a year.

Mr. President, we are not dealing only with numbers, and I will try to limit the amount of numbers I refer to, but sometimes we have to deal with numbers to make our points. So who are some of these people?

Not so long ago I was up in New Jersey, outside a Pathmark supermarket, shaking hands, campaigning for various politicians. An elderly woman came up to me and said, "Senator BRADLEY, could I talk to you a moment?"

I said, "Sure." She said, "You know, I am really worried. I have a fixed income. I make less then $10,000 a year. My utility bills are going up. This town is developing. Rents are going up; food prices are going up. How am I going to make it, Senator? Can you help me?"

Mr. President, that 30 percent of the taxpayers in this country who earn under $10,000 a year are not too dissimilar from the lady who stopped me outside the supermarket, saying, "How am I going to make it, Senator?"

Then, what about those people who are in the so-called middle-income categories, making $30,000, $35,000 a year? In many cases, those are families where both parents work; who do not have much leisure time activity; who do not get new clothes very often; who come home from work and maybe watch television. They usually only have one television.

Mr. President, those families are the backbone of this country.

And what about the 8 percent of the taxpayers who earn between $50,000 and $75,000 in this country? They are often young couples, professionals just beginning their careers. Both of them have jobs. They each bring home $25,000, $30,000, maybe $35,000. But the main point to be made once again is that 96 percent of the taxpayers in this country earn under $75,000 a year.

So, Mr. President, if that is the profile of the American taxpayers, let us think about the debate a little bit. This is a debate to cut the capital gains rate.

Who does this effect, really? Who, among the 107 million taxpayers, does this debate really effect? Taking 1987 data, there were 107 million tax returns. Of those 107 million tax returns, about 14 percent reported capital gains.

So, Mr. President, 85 percent of the tax returns did not report and capital gains; 85 million to 90 million taxpayers are not affected by this debate. It affects the 15 million taxpayers who, on an average basis, report a capital gain.

Mr. President, what was the value of all capital gains taken in 1987, the most recent year for which data is available? The value of all capital gains reported was about $133 billion.

Out of the $133 billion in capital gains, who reported them? Who got those capital gains? Well, Mr. President, about 6 percent of all capital gains went to people earning under $20,000 a year. They usually got $50, $80. That is about the size of their capital gain. And 6 percent of all capital gains went to them.

Ten percent of all capital gains went to those people earning between $20,000 and $50,000 a year; that hard-working two-earner couple.

About 15 percent of all capital gains went to people earning between $50,000 and $100,000 a year.

What about taxpayers with adjusted gross income over $100,000 a year, Mr. President? Remember, that represents less than 2 percent of all taxpayers. People who earn over the $100,000 a year took 68 percent of all the capital gains; only 2 percent of the taxpayers took 68 percent of all the capital gains.

So, Mr. President, let me make the point once more. When we talk about these issues and we are trying to identify the 14 percent of the taxpayers who actually reported capital gains, not to deal with the income levels that reported capital gains because we do not want to play polarization politics puts us into another category, which is a conspiracy of silence.

What, are we not going to talk about who reported capital gains? Mr. President, we simply have to get the facts out on the table so we can discuss them and decide what is the best way to go.

So, in sum, only about 14 percent of all taxpayers actually reported capital gains. And 68 percent of the value of all the capital gains went to 2 percent of the taxpayers, who made more than $100,000 a year.

I have heard the argument made on the other side by the proponents of this position that these numbers do not really reflect reality. They do not really reflect reality.

The usual point made by the opponents is what I call the smalltown hardware store argument, which is: The smalltown hardware store has been in the family all their life. They finally sell it. It is the only asset they have. That year they sell it, their income goes up and they have to pay tax on that capital gain.

I mean, that is a very touching story for the hardware store, the drug store, all the smalltown merchants who might have a once in a lifetime capital gain.

Is that the reality we are dealing with in this amendment, Mr. President? I do not really think so. But let us check some of the data. And one of the clues is, well, I mean, if you are that smalltown hardware store owner and you are selling your store, you are probably going to take the capital gain, and you only have one capital gain on your return. You do not have a lot of trades in stock or a lot of trades in land or a lot of trades in collectibles, or in a lot of others things. If you sell that one little hardware store, you will have only one capital gain on your return.

But, Mr. President, according to the Treasury Department, taxpayers who realized only one capital gain, represent less than 18 percent of all gains. Less than 18 percent.

So it is possible that only a relatively small number of Americans, out of 107 million taxpayers, fit into that category.

Mr. President, another argument made by the proponents of this capital gains cut is: Oh, but you do not understand. When you take that capital gain, that pushes your income above the $100,000 level, or above the $200,000 level, and if you did not have that capital gain, you probably would be back with that little lady outside the supermarket who asked me, "How am I going to make it through the week?"

Mr. President, let us take a look at the data. Again, the statistics are

there. What about those individuals who had noncapital gains income over $100,000: salary, interest, dividends, whatever. What percent of the capital gains did those people report?

Well, Mr. President, they took 58 percent of all capital gains.

(Mr. LIEBERMAN assumed the chair.)

Mr. BRADLEY. Mr. President, 58 percent of all capital gains, taken by individuals who had had noncapital gains income over $100,000. Mr. President, it is true, that is down from 68 percent. Remember, 68 percent of all capital gains go to people with adjusted gross income over $100,000. If you say noncapital gains income of $100,000 that figure drops to 58 percent, but the indisputable fact is there, Mr. President, and that is that fully 58 percent of all capital gains go to individuals with noncapital gains income of over $100,000.

So that we might just shed a little more light on these numbers and on this whole subject, the proponents of this measure like to say that 70 percent of all tax returns that report capital gains, earn under $50,000. I am not disputing that number. Let us assume it is right. How big a capital gain do these people report and how does that compare to the capital gains reported by people in higher income levels? The average capital gain realized by the lowest income families who report capital gains is about of $60, $70. Those hard-working families in the $35,000 category report an average capital gain of about $300. The top 1 percent of the population, Mr. President, people earning over $125,000 or $150,000, their average capital gain is over $100,000. So there's a big difference between middle-income families and people at the highest income levels.

Mr. President, a very interesting statistic, somewhat irrelevant and inflammatory perhaps, but it is important to get everything on the record. In 1985, the richest 100 taxpayers got an average tax benefit from the capital gains preference that was in the law then of $13 million each. Let us try to keep clear the profile of the population that this amendment addresses. First, in summary, it does not affect a lot of people. On average, about 14 percent of all taxpayers report capital gains. For some of them, this is a one-time event, but the bulk of them realize capital gain every year. So this amendment affects a relatively small number of people. It primarily benefits, with all due respect to the proponents of the measure, people who are not doing badly; people who are in fact pretty well off. That number, once more: people with noncapital gains income over $100,000, get 58 percent of all capital gains.

Again, what about the low-income individual who gets that $50 capital gain, $70 capital gain? You can maybe take your wife to dinner on that. Maybe you cannot in some restaurants. But how does that compare to some other things that benefit that low-income taxpayer? We increased the earned income tax credit in the 1986 tax reform bill. The increase in the earned income tax credit, to a family of three with a single parent is worth about $1,300 a year. So let us not confuse the issue by characterizing the capital gains cut as a boon for people who are not making a whole lot of money.

There is no mystery to this. These are just facts. I do not want to inflame this at all, but we want to have the facts out here. There is no mystery as to why this is so. There is no mystery why people in the upper income levels benefit the most from a capital gains preference. The top 10 percent of the population owns 90 percent of the stock and 80 percent of the bonds. It is almost axiomatic. It flows from that ownership pattern. A provision that would benefit those individuals would naturally benefit them disproportionately to the population that holds few if any, of these assets.

Mr. President, now that we have a clear picture of who the taxpayers are and who benefits from capital gains, let us move on to the 1986 Reform Act which the distinguished Senator from Oregon was absolutely staunch in support of and the leader in the Senate who made it happen. We knew that sooner or later we were going to have to deal with capital gains when we considered tax reform. The Senator from Oregon and I sat through, I do not know how many, 25, 30, 38 hearings. I only made 37, and the people would come in and he would ask them the same question, which is, What about capital gains? They largely fell into two categories. One category said, "Well, Mr. Chairman, if you can get the overall rate low enough, then maybe we do not need capital gains."

The distinguished Senator from Oregon would say or, if he was not there, I would say, how low does the rate have to go before you are willing to give up capital gains? They said, "Well, 25, 26, 27, 28 percent. Twenty-eight percent was where capital gains was in 1981. If you get the overall rate on wages, interest, and dividends down to 28 percent, we will give up the exclusion." That group I call the pragmatists.

Then we had another group that came before the committee. They said, "We do not care if the rate goes to 10 percent, 8 percent, 6 percent. We still need a differential." Mr. President, those are the individuals who I call the ideologs. As with anything when you move through a legislative process, you cannot always win with the pragmatists. You sometimes have to deal with the ideologs. They sometimes are decisive, particularly in committee situations and conference situations.

So, Mr. President, we dealt with the ideologs in the 1986 Tax Act. I would like to quote from the report: "The prior statutory structure for capital gains is retained in the code to facilitate reinstatement of a long-term capital gains rate differential if there is a future tax rate increase." There it is; right there in the act. That was to reassure those ideologs that if that rate went up from 28 percent to 35, 38 percent, they would automatically have their capital gains differential. It was reassuring to them, Mr. President. It was also laying a marker. It was saying very clearly, let us not touch this legislation. Let us let it go for a couple of years. Let us see how the economy responds. Do not come back in and try to stick something back in or raise the rates. Let us let it sit for a while. But if somebody comes in with an amendment and if we are going to raise the rate to 35, 40 percent, you automatically have your capital gains rate differential.

Mr. President, the flip side of that argument is equally plausible and that is, who is going to throw the first stone at the glass house? If the capital gains proponents throw the first stone at the glass house and shatter the fragile agreement that holds things together, you know what is going to happen: If rates go up, the differential comes back; if the differential comes back, the rates go up.

It is just that simple. And I do not believe anyone wants to make the argument for higher rates of tax.

So, Mr. President, that was what the distinguished Senator from Oregon wrought in 1986. I happen to think it was a good deal. And that is why I certainly hope the Senate would not throw the rock at the fragile house that will produce higher tax rates and, parenthetically, increase the deficit.

So, Mr. President, we have covered the profile of who the taxpayers are and who benefits from capital gains, and we have had a little rerun of the 1986 act. And now if I could just touch on a few of the economic arguments that have been made and that will inevitably be made whenever we debate capital gains.

Mr. SYMMS. Will the Senator yield for a question?

Mr. BRADLEY. I prefer to finish, and I will be pleased to answer any questions.

Now the question is, What is the economic rationale for this legislation? Why do we want to change the existing law?

Well, somebody says, "Because we need more investment and more economic growth, that's why we are going to change the 1986 act."

I see the Senator from Idaho nodding, a strong proponent of investment and growth, right? We want more investment and growth.

Mr. SYMMS. Amen.

Mr. BRADLEY. Mr. President, the 1986 act might be working better than the Senator from Idaho knows. Business investment is up 6 percent since 1986. In the previous 5 years, 1981 to 1986, it only rose 2 percent a year. It is up 6 percent annually since 1986. Investment in industrial equipment, that dropped in the previous 5 years by 8 percent, is now up 19 percent.

So, Mr. President, the Reform Act is actually working. It is producing more investment. It is producing more growth. We should not tinker around with it.

Another reason is when you have reformed the code, you have increased the efficiency of the economy. Increasing the efficiency of the economy is a very central component to improving productivity. Productivity improvement is central to America's long-term ability to compete.

So I say let us not go back to wasteful, inefficient tax shelters, the core element of which is capital gains. Let us keep tax rates low and let us allow the overall efficiency of the economy to improve our productivity and make us more competitive.

Other people are going to say, "Well, we have got to put back in capital gains to boost savings and economic growth. And what about venture capital?"

Mr. President, the pool of venture capital has never been bigger. In the first year of tax reform, there was more venture capital than ever. That was after we eliminated capital gains. The venture capital pool in this country is now $30 billion. Ten years ago it was $3 billion.

So this economy is not hurting for venture capital.

The Senator might say, "Well, but let us push ahead. I am an ideologue and I believe. I believe, that if we put back in a capital gains differential, there will be even more venture capital." You might believe that, but a lot of players in the venture capital market—pensions, universities, foreigners—are not going to be affected by the capital gains differential because they are not subject to taxes.

Mr. President, I hope that we will look long and hard at some of the arguments that have been made on the economic rationale for this.

The cost of capital argument which we have heard made today and which will be made again and again and again as this issue is revisited, the cost of capital is a very small part of overall productivity, point No. 1. And of cost of capital, taxes are only a small part.

Inflation rates are enormously important. If we put back in some giant tax subsidy to drain taxpayers' dollars into the pockets of a relatively few people and fuel inflation in the process our cost of capital has not been improved.

Exchange rates—the dollar moves one way or another. In an hour it can wipe out the value of anything you have put in the Tax Code. Interest rates. They go up. They wipe out the value of any subsidy you put back in the Tax Code.

Mr. President, I hope that we would at least hold back on this amendment until we have had a chance to allow the 1986 act to produce more evidence on which to base our judgment. Under certain circumstances, a capital gains differential might be important but not now. This is the wrong time.

This kind of leads to the political question: Why are we doing this? I do not get a lot of calls from my constituents saying cut the capital gains rate. I do not even get a lot of calls from Wall Street saying cut the capital gains rate. In fact, in candid moments some of my friends on Wall Street say to me, "Senator, what are you doing?"

Mr. PACKWOOD. The hardware store owner.

Mr. BRADLEY. "What are you doing? Do you not know the deficit is important? Do you not know we want you to reduce the budget deficit?" They say, "Senator, do not put the capital gains preference back in because we know what will happen to rates next year. They will go up and we like low rates. So keep the low rates, please. Do not change the code."

How many times have you heard that in town meetings: "What you people in politics ought to do is allow the Tax Code to stay the way it is and not change it next year on a midyear or quarter basis."

So what they tell me is, "We like the low rates; we want you to reduce the deficit; do not change the Tax Code."

Mr. President, the political advantage the proponents hope to wrest with this amendment baffles me to say the least. I am puzzled. I really am puzzled. I am sure that there are answers. But that now brings us to the present proposal.

Whatever one might want to say on the capital gains side—and I have been on both sides of that issue—I can deal with it under certain circumstances. In fact, on this floor I proposed to lower the capital gains tax rate to 15 percent when tax rates were 70. I got 14 votes. So I have lost a few as well as won a few on this issue.

But this proposal is not just capital gains. It has another side to it. The distinguished Senator from Delaware has, what does he call it, the back-end loaded IRA. I have heard of people, who wanting to get to a noble objective, take a path that sometimes prevents them from ever achieving their objective, and while I might say some positive things on capital gains under certain circumstances, it is not possible, I am sorry to say to the distinguished Senator from Delaware, for me to say anything positive about his back-end loaded IRA.

Mr. President, remember the IRA, the way we increase savings in America? That was in the early eighties. Increase savings in America. Put an IRA in the Tax Code and everybody is going to go home free and we are going to live happily ever after. That is what they said.

Well, to remind people, the IRA was to let you put up to $2,000 in a savings account, for which you got a tax deduction and your $2,000 builds up with no tax until you retire. You get older, your income is smaller, you take the money out of your IRA and, you pay tax at a lower rate.

That was the argument. Pay less tax now so your savings accumulate and they pay tax at a lower rate when you retire. This is supposed to encourage savings for your retirement.

Now, the Senator from Delaware has taken this proposal and turned it on its head. He say pay your tax on that IRA now and then when you take your money out you do not pay any tax on that accrued buildup.

And by the way, if you happen in the last 4 to 5 years to have put $2,000 into that IRA, from 1982 to 1986, you can pay the tax on what you put in now and you will never have to pay in the future. Mr. President, I think the distinguished Senator from Oregon in moments of greater—well, let me just say I think the distinguished Senator from Oregon would agree with me when I say why can I not pay all my taxes that way. I would like to settle now with the Federal Government on all the taxes I pay from this day until I die.

The distinguished majority leader has said that there are many others, 53 Democratic Senators who want to come to this floor and speak on this issue. So as soon as one comes, I will tell the leader, I am prepared.

So, Mr. President, let me say that the proposal of the distinguished Senator from Delaware does not merit adoption—far from it. It merits a little more scrutiny than I have been able to generate today.

I yield the floor.

Mr. PACKWOOD. Mr. President, I yield 5 minutes to the Senator from Idaho.

Mr. SYMMS. Mr. President, I thank the Senator from Oregon for yielding. I have to say I have been entertained by my colleagues on the floor here and appreciate their opinions on this issue.

I must say that I had not realized until today—according to my good friend from New Jersey—that somehow voting to reduce the capital gains is the same as voting to raise the per-

sonal income tax rate. I had not quite gotten that connection. I will look forward to his bill next year to increase the income tax rates on wages when we finally win this vote.

I think that the Senator from New Jersey was absolutely correct, however, when he said, and he quoted from the law, there is a differential, that the capital gains rate was kept in the bill so that in the event, in the future, the ordinary rates do go up, the rate on capital gains would remain lower. The capital gains rate would not be changed, the way I interpreted it, so we could keep it down, so we could have continued growth, and better jobs and more economic activity for people.

Mr. President, I have learned all kinds of things here today. I am sorry my good friend from Tennessee is not on the floor, for he was talking about all this "supply-side poppycock" that has happened, or words to that effect—I do not want to put words in his mouth—but pooh-poohing what has been achieved in economic policy.

We have had 83 months of uninterrupted economic growth in the United States of America. We have created 20 million new jobs since 1982, of which over half of those jobs are in the high-paying occupations.

Mr. President, the other thing that has happened is that the Berlin Wall, the Iron Curtain, and the Bamboo Curtain are crumbling around the world because of their exposure to our modern technology, to awaken the rest of the world to what is happening here and in other countries where people are allowed to keep most of the money that they earn. That is really what is happening. We are seeing a revolution take place worldwide.

The reason this is happening is there is a fellow named George Bush who ran for President—he started out in 1987, ran all through 1987, all through 1988, and this proposal was one of the cornerstones of his economic program. The American people said yes, we want the capital gains rate reduced.

I say to my friend from New Jersey that I do not have my friends from Wall Street asking me to lower this tax rate either, but I sure have the loggers, the farmers, the miners, and other people in my State asking for it because their grandmother has a house she wants to sell, or their Uncle Fred wants to sell the farm. The modest income, man-in-the-street is in favor of the President's proposal.

But even if it were rich people that are going to be able to benefit somewhat from the lower capital gains rate, why is it that the distinguished Senator finds fault with that? Somehow this Congress has decided the people who have more money are morally inferior to the rest of us that may have less. We shouldn't adopt laws that treat people equitably because somehow the people with assets don't deserve them.

In my view, if we can get them to roll over their assets, to buy and sell them without regard to tax rates that will generate more economic activity, restore more confidence to the future of this country, and in the process more revenue will flow into Treasury. I do not see what all the fuss is about.

I would like to point out that the so-called Bentsen IRA proposal actually has an income distribution where it is the higher-income people in this country who are going to benefit from it. Yet the capital gains rate is pretty evenly distributed across economic groups; 16 percent of the people who declared capital gains in 1986 had less than $10,000; in ordinary income; 16 percent, $10,000 to $20,000; 16 percent, $20,000 to $30,000; 25 percent, from $30,000 to $50,000; and it tapers down to only 1.8 percent of the people with ordinary incomes over $200,000 benefit from it.

Let there be no mistake about this vote today. Anyone who votes against cloture with the majority leader on this is saying to the American people they are against reducing the capital gains rate. I know that is going to cause some Senators here to perhaps have to correct the letters they have in their typewriters and in their computers because they have been writing to their constituents saying they want to reduce the capital gains rate.

We are going to get a chance here this afternoon to vote to reduce the capital gains rate. So do not believe that you can somehow come in here and vote on a procedural vote, and then have people out in the country believe you stand for their interests.

Last week when we were debating the minimum wage law, I drafted an amendment to enact the rural health care package, which my State and most of the rural areas of America so very badly need. I also had, as part of that proposal, this capital gains and IRA measure that we are debating here today.

I was asked by my colleagues not to offer that amendment at that time because we were negotiating then to have this time today to deal with the subject of capital gains taxation.

I want to say to all of my colleagues, we will be voting in a few minutes on some procedural measures. There are Senators here today who will vote against an opportunity to cut the capital gains tax, but the vote will be a technical vote on cloture.

This vote later today, however, Mr. President, is the vote the American people will be watching. This is the vote that will count as favoring an improvement in our tax laws. There is no way to dodge this issue, Mr. President. Either we repair the damage that was done to the savings and investment rates by the 1986 Tax Code today, or we will have to revisit this issue next year.

It is simply a wrong system to tax the proceeds of the sale of assets the same way we tax income from wages and salaries. We should have a tax system that would let a person who sells an asset calculate the average rate of increase, and pay a tax only on 1 year's increase during the year of sale. We would have to have a different way to fill income tax forms, of course, and I am not suggesting here any particular amendment that I would propose. My point is simply that our concepts of income from wages and salaries and from the sale and exchange of assets are confused.

My point is that when anyone sells an asset, all they are doing is exchanging one form of wealth for another, with no real gain in their total wealth. The increase in wealth had to have occurred earlier than the sale—sometimes years and years earlier. I am often reminded of the situation with timber. It takes decades for a stand of timber to grow, and yet the people who harvest and sell it have to declare all of that increase in wealth—all of the years of growing for those trees—as if they had all been planted in January and cut down in December of one year.

A new economic study issued by the National Center for Policy Analysis, demonstrates how much the working people of America would be helped by fixing the mistake in the 1986 tax bill that the President has campaigned on. We need to fix the way we levy income taxes on the proceeds from the sale and exchange of assets.

The President's proposal is a win-win proposal, because the treasury will gain more money in the long run as well as in the short run. The people who currently own assets will gain, of course, because they will be able to move their wealth into new places—they will be able to create more new wealth when they make their current wealth more useful. The gain they make, however, has already built up inside their assets. Simply allowing them to sell them and take cash and send less of the cash to the Treasury is not a giveaway to the rich, it is an act of mercy: to let people keep a little bit more of the wealth they have accumulated over their lifetimes, slowly.

Indeed, Mr. President, I am strongly in favor of indexing for capital assets. This single feature is probably the most important thing in the capital gains proposal we are debating. Most sales of capital assets are made by elderly people—people whose other income, not counting the proceeds of the sales of their assets, are in fact quite modest. Most people who take capital gains are not wealthy in the same way that an executive of a major

corporation is wealthy, with current earnings.

Most people who invest in assets, which they certainly hope will go up in value, do not actually perform much better than inflation. Therefore, when we tax their nominal gains as if these were real gains, we perform a double injustice—we rob them of their principal.

I believe the reason why our national savings rate is so low is because our tax laws and our inflationary, unstable monetary system, actually set up people who save and invest for a fall—and everybody knows it works that way. Why should anyone save and invest for the long run when they suspect the game is rigged by inflation and the tax collector to discriminate against the long-run investor?

In conclusion, Mr. President, let me just add that I want every Senator to know that the so-called Holy Grail that is being worshiped around here is the doctrinaire idea that some people are inferior—morally inferior—and I strongly object to the idea that anyone is inferior. People who happen to possess wealth are not morally inferior to those who do not; indeed, if they have gotten it through the grace of God, they are certainly not morally inferior in His eyes.

Therefore I concur with Warren Brookes it is just putrid green smoke to make the argument that fixing the capital taxation mistake in the 1986 tax bill is some kind of wrong or mean-spirited giveaway to the rich.

The PRESIDING OFFICER. The Senators time has expired.

Mr. PACKWOOD. Mr. President, I yield to the majority leader for a unanimous-consent request.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the 40 minutes immediately prior to the vote be reserved for the two leaders, with the Republican leader in control of the first 20 minutes, and the majority leader in control of the last 20 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I yield 5 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 5 minutes.

Mr. HEINZ. Mr. President, 5 minutes is not much time, but let me try to sort out very briefly what I think this debate is and is not about.

We have heard it is a debate that was started in 1988, and George Bush won. We have heard this was part of the President's budget submission. We heard that the majority of both the House and the Senate favor a cut in the capital gains rate of one kind or another.

And those are all perhaps valid points, but I do not think it is the key point, at least to this Senator. We heard at some length of the question as to who does a capital gains change help? Does it help the wealthy; middle-income people? We ought to know who it helps.

According to the Treasury Department, some 50 percent of all capital gains will be realized by taxpayers with less than $50,000 in adjusted gross income.

But I submit whether or not anyone chooses to take those particular figures into acccount, that is not the relevant issue either.

The questions in sum that we ought to ask are, first, what are we talking about; and second, how does it benefit the country? What we are really talking about, although it is described somewhat differently, is really a somewhat more sophisticated form of indexation of capital gains than in the Tax Code.

And I say that because based on the length of the holding period, there is an increase in the exempt portion from taxation, rising over 7 years to some 35 percent, in the way of an exclusion. It is interesting to note that in the 1986 Tax Reform Act we retained indexing for a lot of things. We retained indexing for the, the standard deduction, and for the threshold amount between 15-percent rate and the 28-percent rate; that bracket moves up as inflation moves up. We indexed a lot of things, but we did not index capital gains. Why do we index? We indexed because we did not want to tax illusory gains that have been created by inflation. Therefore, I suggest that there is no good reason not to index capital gains, unless we want to tax illusory gains, those that are produced by inflation.

I think there are two additional reasons to bear in mind what we are doing here. The tax rates of other countries on capital gains are much lower than in this country. In Japan, there is a 20-percent rate; in Canada, a 17.5-percent rate; in Germany and Korea, capital gains are not taxed, they are exempt, at least if held for any reasonable length of time.

It is also, I think, critical to look at this as an item of unfinished business from the 1986 Tax Reform Act. I remember in that debate, and since, that both the Senator from Oregon and the Senator from New Jersey have said—

> Let me tell you what one of the central principles in tax reform is; it is about making the Tax Code economically neutral. We do not want people to make the decision on how, what, or when they invest based on the Tax Code. It should be based on economics. Do not make the tax considerations a factor.

By and large we did that, but with one exception, and that exception is the treatment of capital gains. I say that because right now we have an incentive in our Tax Code to spend money and to make deals and to not hold assets for any length of time. It is better to cash them in and then consume them just as quickly as possible. Why? Because our Tax Code, as now structured, still does tax inflation. I ask unanimous consent to proceed for 1 additional minute.

Mr. PACKWOOD. I yield for 1 additional minute.

The ACTING PRESIDENT pro tempore. The Senator is recognized for 1 additional minute.

Mr. HEINZ. Ironically, our failure to index capital gains, as proposed by the Packwood-Roth substitute, creates exactly the kind of bias as in the Tax Code that the two authors of the 1986 Tax Reform Act say they did not want. So I say it is time to get on with the business of that 1986 act and correct the flaws in it. This remains a major flaw.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. MOYNIHAN. I yield 5 minutes to the Senator from Arkansas.

The ACTING PRESIDENT pro tempore. Only 27 seconds remain on the time not covered by the unanimous consent.

Mr. MOYNIHAN. I yield 5 minutes of the majority leader's time to the Senator from Arkansas.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, the Senator from Arkansas is recognized for 5 minutes on the time originally reserved for the majority leader.

Mr. BUMPERS. I thank the distinguished floor manager for yielding that time.

Mr. President, there is not much to be said on capital gains that has not already been said. The only thing I can do is perhaps say it a little differently and, hopefully, a little more forcefully in some areas.

Everybody here knows that the capital gains bill is going nowhere. Everybody is just making a record, which is a fine thing, because, obviously, this issue is going to resurface next year.

The last time this supply-side snake oil was sold to the U.S. Senate was in 1981. You will all recall the argument that we could cut taxes by 25 percent, and it was going to generate all this tremendous economic activity and was going to increase Government revenue. Now, Mr. President, right here is a chart which shows the revenue impact of the 1981 Tax Act. I ask unanimous consent that two charts and two tables be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Chart 1

REVENUE LOSS FROM 1981 "SUPPLY-SIDE" TAX CUT

Total revenue loss: $2.5 trillion.
Average annual revenue loss: $229 billion.
Average budget deficit: $180 billion.
Budget deficits accounted for: 127 percent.

Chart 2

REVENUE LOSS FROM ALL TAX MEASURES

[Includes 13 tax increases]

Total revenue loss: $1.6 trillion.
Average annual revenue loss: $141 billion.
Average budget deficit: $180 billion.
Budget deficits accounted for: 78 percent.

TABLE 1.—REVENUE LOSS FROM 1981 "SUPPLY-SIDE" TAX CUT

[Figures from annual Presidential budget submissions to Congress; in billions of dollars]

	Revenue loss	Grand total
Fiscal year:		
1982	36	36
1983	91	127
1984	136	263
1985	170	433
1986	210	643
1987	242	885
1988	264	1,149
1989	291	1,440
1990	323	1,763
1991	358	2,121
1992	398	2,522

[1] Estimate.

Note.—Average annual revenue loss: $229,000,000,000; average budget deficits run from 1982 through 1988: $180,000,000,000; percent of these budget deficits accounted for by 1981 tax cut: 127 percent.

TABLE 2.—NET REVENUE LOSS FROM ALL MEASURES (1981–89)

[Figures from annual Presidential budget submissions to Congress; in billions of dollars]

	Revenue loss	grand total
Fiscal year:		
1982	36	36
1983	73	109
1984	92	201
1985	111	312
1986	132	444
1987	118	562
1988	143	705
1989	171	[1]876
1990	195	[1]1,071
1991	220	[1]1,291
1992	258	[1]1,549

[1] Estimate.

Note.—Average annual revenue loss: $141,000,000,000; average budget deficits run from 1982 through 1988: $180,000,000,000; percent of these budget deficits accounted for by net tax cut: 78 percent.

Mr. BUMPERS. As chart 1 and table 1 indicate, the supply-side tax cut will cost the U.S. Treasury $2.5 trillion through 1992. The average annual revenue loss from that tax cut will be $229 million. If this were DALE BUMPERS, Senator from Arkansas, saying this, I would not expect anybody to pay much attention. But this estimate comes from President Bush and President Reagan as submitted to us in their annual budget messages. That is what they say the 1981 tax cut has lost in revenue.

Then, when some of the more noble members of the opposite party went to the White House and said, "Mr. President, we have an unmitigated disaster on our hands; we have to do something about this enormous tax cut, or the deficits are going to absolutely drown us," he did not like the idea of raising taxes. But, grudgingly he agreed to some tax increases. As you know, we then had 13 tax increases in the last 9 years. But even when we mitigated the damage that was done by the 1981 tax cut by increasing taxes, chart 2 and table 2 show us that we were still left with a $1.6 trillion reduction in revenue from the supply-side tax cut of 1981. The average annual revenue loss will be $141 million.

Do you want to know why the national debt has gone up $2 trillion in the last 9 years? Right there are President Reagan's and President Bush's explanations.

Mr. President, my party has been taking a pretty bad trashing in the 1980's. Last Tuesday there were a lot of elections, and Democrats got rhapsodic about it. I was elated, too. But before these recent successes I must say some of the things that offended me most was when I read these articles about how our Democratic Party is bankrupt for new ideas. Maybe that is a legitimate complaint in some areas, but I want to make this observation: Because an idea is new does not make it a good idea. Here was a new idea, the so-called Reagan revolution in motion. And you now have a $3 trillion national debt, which you are imposing on my 4-month-old grandson, who was not even invited to the party. Yet, he is being asked to pick up the tab.

What is the purpose of a capital gains preference? I have a farm down in Arkansas and it is for sale. I have slowed down the sale. I do not want to sell it quite yet. I was prepared to pay a 28-percent tax on my gains from my investment in this farm. My wife paid a 28-percent tax on her gains on a farm we sold last year that her father left her. She was not very happy about paying this tax. I am not particularly happy about paying a 28-percent tax, but I am prepared to do it.

If this capital gains tax cut passes I stand to reap quite a windfall. I have owned that farm for 20 years and I bought it expecting to pay a capital gains tax of nearly 50 percent. But, instead of paying 28 percent, under the Packwood amendment I am going to pay an 18.2-percent tax. And I am going to put about $30,000 in my pocket that I did not anticipate, free, gratis, a gift, a pure windfall, thanks to the U.S. Senate. That is what this is all about. This amendment is retroactive to capital investments made with no expectation of an 18.2 percent gains tax rate.

I did not buy that farm in 1966 hoping that the distinguished Senator from Oregon would come to my rescue and enrich me to the tune of $30,000. I bought it because I thought it was a good investment and I wanted to own it.

Here is the Joint Tax Committee saying this capital gains tax amendment—standing alone—is going to lose $10.2 billion the first few years and $37 billion over 10 years. I am not voting for anything that exacerbates that condition.

I ask unanimous consent that a third table appear at this point in the RECORD.

There being no objection the table was ordered to be printed in the RECORD, as follows:

TABLE 3.—REVENUE EFFECTS OF SENATOR PACKWOOD'S CAPITAL GAINS PROPOSAL—FISCAL YEARS 1990–99

[In billions of dollars]

Item	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	1990–99
I. Individuals: 35 percent sliding scale, option to index	.4	.3	−2.1	−2.5	−3.0	−3.2	−2.9	−3.9	−4.8	−6.1	−27.9
II. Adjusted corporate capital gains proposal	−.4	−.6	−.7	−.8	−.8	−.9	−1.0	−1.1	−1.2	−1.3	−8.8

Joint Committee on Taxation, October 20, 1989.

Mr. PACKWOOD. Will the Senator from Arkansas yield for a question on my time?

Mr. BUMPERS. I will be happy to yield.

Mr. PACKWOOD. In July 1981, what did the Congressional Budget Office predict would be the budget surplus in 1985?

Mr. BUMPERS. Mr. President, I cannot answer that question.

Mr. PACKWOOD. Here were the CBO projections in the summer of 1981: For 1981, a $48 billion deficit; for 1982, a $30 billion deficit; for 1983, an $18 billion surplus; and the projected surplus climbed to $76 billion for 1984, $138 billion for 1985, and $209 billion in 1986. These were the baseline projections by the Congressional Budget Office, which is the group we listen to, before the Reagan tax cuts. Alice Rivlin was the CBO Director from 1975 to 1983, hired by the Democrats when they controlled both Houses. Second——

Mr. BUMPERS. Do not count me in the "we." I am 1 of the 11 Senators who stood on this floor and said the 1981 Tax Act would create deficits that would "choke a mule."

Mr. PACKWOOD. All I want to say is when we made those tax cuts in 1981 the Reagan administration was faced with the likelihood that if we did not make the cuts, we would spend the money. Indeed that is what Congresses do and executive branches do.

So the Congressional Budget Office's baseline, assuming no change in the law, showed a $209 billion surplus by 1986. When the Treasury came forward and recommended the 1981 tax cuts, they projected almost a dollar-for-dollar loss for the tax cuts.

I do not mind if the Senator from Arkansas wants to argue about supply side or not supply side, but he is completely erroneous when he comes before this body and attempts to tell us that the tax cuts are the reasons for the deficits. We made the tax cuts because we knew or we thought we were going to have immense surplus and the Reagan Treasury Department said when we make these cuts there will be almost a dollar-for-dollar reduction of that surplus. We wanted to do it to get the deficit down to zero rather than having a $209 billion surplus.

Those, Mr. President, are the facts.

Mr. BUMPERS. Mr. President, since he asked me to yield on his time I will ask him for an additional 15 seconds to go ahead.

Mr. PACKWOOD. Go ahead.

Mr. BUMPERS. I did not believe Alice Rivlin and CBO in 1981. I certainly did not believe the Reagan administration. I was one of the Senators who voted against the supply side snake oil.

Now the figures I am giving—the $2.5 trillion revenue loss—that does not come from CBO; that comes from Ronald Reagan and George Bush. That is the estimate they have submitted to us. If these were my figures, I would not expect anybody to believe them.

This estimate is not what somebody is saying is going to happen in the future. This is what has happened in the past based on those promises in 1981 which I did not buy then and do not buy for your capital gains bill either.

The PRESIDING OFFICER (Mr. LIEBERMAN). The Senator's time has expired.

Who yields time?

Mr. PACKWOOD. I yield 5 minutes to the Senator from Maine. When he is finished, I am going to yield to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Maine is recognized for 5 minutes.

Mr. COHEN. Mr. President, the proponents of this measure claim this is the vote on capital gains. I would like to indicate for the record it is not the vote for me. The vote for me is going to come on final passage of a measure to reduce capital gains. Until that time I would classify this as procedural and not substantive.

President Bush made capital gains reduction an issue in his campaign and now a major issue in his administration. As I recall, the capital gains issue did not occupy nearly as high a profile as did Willie Horton or the issue of a strong national defense. Nonetheless, it was an issue and I believe that the President is entitled to have a vote on the merits of this particular measure.

We should not delude ourselves, however, on the size of this vote. I suspect that there are a number of Senators who are going to support the majority leader today who want to vote for a capital gains rate reduction and who will vote for one next year. Similarly, there may be some who will vote in the support of the minority leader and the President today, but who may want to change several of the provisions in the measures when it comes before us on the merits.

My concern is that we struck a bargain in passing the Tax Reform Act of 1986. There was a lot of political bloodshed during that debate, and the Senator from Oregon was right in the center of that particular battle.

That major tax reform was less than 3 years ago, and yet, the statements that we heard on this floor during the passage of the Tax Reform Act of 1986 have already faded from our memories. At that time, a bipartisan coalition agreed to establish lower tax rates and close tax loopholes in order to bring more equity to our tax laws and to stimulate savings and investment. Tough choices were made, some of which were unpopular because they scaled back tax loopholes and benefits that certain groups and industries had enjoyed for years and had come to expect. The goal of a fairer tax code, however, and one that would result in improved investment decisions based on economic reasons rather than tax-avoidance reasons, was worth the loss of some tax preferences, and we passed, on the whole, a workable tax reform law.

Taxing capital gains at ordinary income rates was a major part of that bargain. So, too, was the restriction of other tax benefits, even some restrictions on individual retirement accounts for persons already covered by other pension plans. I have especially strong concerns about breaking the compact made by the Tax Reform Act of 1986 so soon. I share the concerns of those who believe that if a lower capital gains rate is reinstated, we will quickly see the return of tax-avoidance schemes and inefficient tax shelters. As Charles Krauthammer wrote in a recent op-ed piece:

> The principle that underlay the Tax Reform of 1986 was that the best tax code is that which gets the government off the backs of the people and out of the minds of investors. Once that principle is undermined, there is no stopping the loophole writers. The capital gains plan will kill tax reform.

I hope this is not the case, but certainly that is a clear possibility.

I recognize the benefits of a lower capital gains rate for certain segments of the economy. I believe that strong arguments exist for a special capital gains rate for timber, due to the peculiarly long growing time for trees. I also recognize the plight of middle-income persons who are faced with a large capital gains tax upon selling a real estate or small businesses that he or she owns, simply because the property has appreciated dramatically due to inflation. I have yet to be satisfied that it is wise to reduce the capital gains rate on all assets. There is broad disagreement on the effects of a capital gains reduction on the deficit, and on which income classes will benefit most from such a cut.

Certainly, the Tax Reform Act of 1986 was not perfect. Inequities persist, such as those that provide the taxpayer with an approximate income level of between $45,000 and $104,000, with a marginal tax rate of 33 percent, while taxpayers at income levels above this level pay a marginal rate of 28 percent. Overall, however, we should not return to the days of tax-avoidance schemes and loopholes.

Mr. President, as I indicated before, this vote is procedural as far as I am concerned. I believe the President ought to have an opportunity to have the matter considered fully, and open to amendment. Indeed, I would suspect that when the measure does come before the Senate, there will be a number of amendments that will improve upon this proposal.

I yield back the remainder of my time.

Mr. PACKWOOD. I thank my good friend from Maine and yield 2 minutes to the Senator from Montana.

The ACTING PRESIDENT pro tempore. The Senator is recognized for 2 minutes.

Mr. BURNS. I thank the Senator for the opportunity.

Mr. President, I want to make just a couple of points.

Although there will be a lot of things said about capital gains, let us look at it from this. I am wondering if we are not missing the real point here of people who want to invest in the American economy. And they say the low-income earners will not benefit from this legislation. I am saying they will.

What if we give them the incentive; maybe they want to become high-income earners. If we do not give them the incentive to do that they will not.

I am not worrying about saving a rancher that bought a farm or ranch back in 1965 looking for this legislation to bail him out. He has not made any money anyway. So I do not worry about that.

What I am interested in is the investment capital that drives this economy and nothing forms venture capital faster than this kind of tax legislation.

People in wooded lots, cattle producers that have to run cow herds a long time and then are taxed when they sell them, they are taxed on the income that they make then. This just makes good sense for the heart of America and especially in agriculture, and agriculture has taken enough strife in the last 8 years. I will tell you, if you look at the heartland of this country, you would really understand that.

I just want to make that point, that we have to produce incentive for people to participate in the free enterprise system. And I really believe that this is the way you do it, give them incentive to do so.

Mr. President, since my arrival here in the U.S. Senate, I have been witness to a number of positive changes. This is especially true in light of the activities of the Senate last week to repeal section 89. I did not come here today to discuss these changes. I would, however, like to focus attention to the issue of investment strategy and the continued growth in the Nation's economy. Not a day goes by that we do not read about how competitive the world marketplace is. The Japanese, Koreans, and West Germans, to name a few, are constant reminders that the competitive edge we once enjoyed is in many instances no longer the case. There are many different arguments as to why we are not the overwhelmingly dominate economic force in the world today. Mr. President, I cannot provide the definitive answer. I do know, however, that we need to promote a sound policy conducive to economic expansion and development.

One of the more positive steps that could be taken would be to reduce the rate at which capital gains are taxed. By doing this, Mr. President, we are restoring incentives for long-term investment, spurring job creation, economic growth, and global competitiveness for the United States. As far as the U.S. investment growth rate is concerned, it has been one of the lowest in the industrialized world during the course of the 1980's. On the other side of the ocean, however, Japanese growth rates were among the highest and are projected to be about twice the level of the United States investment growth rate this year. I am in no way suggesting that by lowering our capital gains rate will we be able to immediately close this gap. However, I am strongly convinced that it will significantly enhance our long-term investment growth rate, placing us in a more competitive position not only with the Japanese, but with the rest of the world as well.

Turning to our other trading partners, I am astounded by the fact that of the industrial countries with which we compete, only Australia and the United Kingdom have higher capital gains rates than the United States. And these, Mr. President, are indexed for inflation. Furthermore, Germany, South Korea, Taiwan, and Hong Kong, levy no tax on long-term gains. How are we to compete effectively against these countries when their tax codes promote economic growth and expansion while ours chokes it to death?

Mr. President, far too often we have heard how a reduction in the capital gains tax will benefit only the wealthy. Frankly, I am confused. We must all be made aware that cutting capital gains increases the total amount of taxes paid by the more affluent. In fact, capital gains taxes paid by the wealthy more than doubled from $8.7 billion in 1979 to $18.4 billion in 1985.

I do not know about anybody else, but when we can decrease taxes and increase revenues to pay for earned-income tax credits for low-income working families, R&D tax credits to foster increased spending on research and development, and low-income housing credits to encourage the building of low-income housing, this represents a sound policy that not only encourages investment but also raises revenues to pay for programs for the less fortunate.

Mr. President, I have spoken with Al Koelzer of Billings, MT, who has informed me that a package they are attempting to put together is being jeopardized due to high capital gains taxes. They are attempting to buy 120 acres of land from a group of farmers for a development project which will consist of an office complex. Mr. President, the farmers have indicated that they do not intend to sell because of the outlandishly high taxes they would have to pay on their gains. They have informed him they are not as interested as they once thought. I believe this is a clear example of how economic growth and development can come to a halt because of excessively high taxes.

And how about all the cattlemen and ranchers in the State of Montana. Cattlemen in particular, who oftentimes must keep their stock for extended periods of time, are not only adversely affected by a high capital gains tax rate but are further hurt by the fact that no indexing on such gains occur. Mr. President, the same case can be made for the timber industry as well. As we all know it takes anywhere from 30 to 100 years for one single crop rotation to occur. In other words, if we would harvest and subsequently plant lodgepole pines today, they would not be ready for another 100 years. For the approximately 20,000 private woodlot owners in my State a reduction in the capital gains tax and, more importantly, the fact it will be indexed for inflation, provides a vital incentive to go forward with the President's "Greening of America" initiative.

Mr. President, small businesses make up 90 percent of business in Montana. It is through the hard work and dedication of the many individuals and families that has made this Nation prosper. We have built wealth by utilizing natural resources, labor, and capital. We have a willing and productive labor force. To make the best use of our labor and natural resources and to compete successfully in the 1990's, we must have an adequate supply of capital to promote small business development and growth in the private sector. It is through economic growth and development that will allow us to move forward.

Mr. President, I think one of the most important things I have learned since arriving is that this country must attempt to maintain a consistent policy on taxation. This body has plenty of other matters to address than to always be preoccupied with changing the Tax Code. Now I realize this will be no easy task but if we are to plan for long-term investments, we cannot continue to change course in the middle of the journey.

Mr. President, I strongly urge my colleagues to look at the capital gains debate in the context of what effects it will have upon the economic growth and development of this Nation and not upon the political advantages of choosing one side over the other.

Mr. President, I yield the floor.

I thank the floor manager and the Senator from Oregon. I appreciate that very much, and I yield the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. PACKWOOD. I yield 5 minutes to the Senator from Alabama.

The ACTING PRESIDENT pro tempore. The Senator from Alabama is recognized for 5 minutes.

Mr. SHELBY. Mr. President, today I rise in support of the reinstatement of the capital gains preference. It is my opinion that a rate reduction on the taxation of long-term capital gains will play a vital and instrumental role in the continued health of the economy, and I believe in our ability to compete competitively in the future.

To maintain and to upgrade our competitive edge, I believe it is necessary to implement a fiscal policy that encourages long-term investments. The benefits of such a policy includes,

but is not limited to, a greater infusion of capital into the domestic economy, enhanced consumer welfarism, increased wages and psychological reward on gains in saving itself.

The debate here over the capital gains issue has been healthy for the country. Views have been articulated and debated here regarding the procapital gains schools, and it is not composed of conservatives or just Republicans. Democrats—I am one of those—have contributed to the debate arguing over a reinstatement of the capital gains preference. Some of the more liberal economists in this country have also stated that a tax cut in the capital gains rate would be beneficial to the whole economy.

Mr. President, in addressing the capital gains issue there are several areas that I would like to discuss briefly. They include timber assets in capital gains preference proposals, increasing the U.S. savings rate, providing for corporate capital gains, and assisting the venture capital industry and the indexing of capital gains.

For many of our States, forestry is integral in its economic stability and development. My State of Alabama is no exception. Forests occupy two-thirds of Alabama land area and forest products compose Alabama's leading manufacturing industry. In terms of fairness, timber assets should be part of any capital gains proposal. The inclusion of timber assets would benefit the Pacific Northwest as well as my area of the Southeastern part of the United States.

Mr. President, to deny timberland owners benefits of a capital gains preference on gain that is many times illusory is punitive. Because of the long-term commitment that timber owners must make to each crop, the lack of providing a capital gains tax cut serves as a disincentive to efficient timber management. In the long run such disincentive will reduce future supplies of timber.

I am especially concerned about the current economic situation for small timberland owners. I am an original cosponsor of S. 1692. I believe that timberland owners should be able to return to the practice of deducting their business expenses as incurred, which will allow the timber owners to efficiently manage timber stands.

The bill does more than provide relief for timberland owners; it addresses a policy issue of securing a timber supply and very important policy of insuring conservation.

To deny small timberland owners the right to currently offset their cash expenditures against other sources of income requires these owners to capitalize at timber management expense until they sell their trees. I hope this legislation receives favorable treatment here.

INCREASING THE U.S. SAVINGS RATE

As a matter of public policy, assisting individuals to achieve financial objectives for the years ahead is a necessary and proper task for government. I believe that the satisfaction one receives from saving hard-earned money is enormous. The prudent role of Government, therefore, is to aid the American people in rediscovering the financial and psychological benefits of savings.

Since 1980 there has been a marked downward trend of the savings rate in the major industrial countries. We are not in a singular position per se. However, our savings rate is lower than the other group of seven countries. The marked downward trend is the result of several factors. From a macro-economic perspective, the downward trend is due to adverse effects on business and consumer confidence caused by the financial markets' concern about the prospects for effective action to deal with the imbalances facing the world economy.

One part of the solution to curtail Government dissaving is to reduce the budget deficit. A balanced budget amendment to the Constitution, with the adequate prudential measures, could ameliorate the negative consequences of the deficit. This is another area that must be discussed. In addition to curtailing Government dissavings, steps to increase private savings are also needed. Reduction of the tax rate on capital gains is a dispositive component of a fiscal policy to increase savings and capital accumulation.

Empirical evidence shows that savers do respond positively to higher aftertax rates of return. The capital gains tax increase of the Tax Reform Act of 1986 reduced aftertax rates of return to investors and, therefore, made savings considerably less attractive. This increase took place in the context of an increasingly competitive world where most nations tax capital gains more lightly than we did even before the 1986 Tax Act.

At this point in the discussion, I must emphasize that the capital gains tax is a voluntary tax. Taxpayers alone can decide if and when to realize their capital gains. Since capital gains taxes are voluntary, higher capital gains tax rates do not necessarily result in greater revenues to the Government because taxpayers may choose not to realize their gains if the tax is too high.

To the extent that a lower capital gains tax encourages the realization of gains that would otherwise not be triggered, the effective tax rate on that particular income rises from zero to the preferential tax rate for capital gains that maximizes revenue.

Involved in the savings aspect of preferential treatment of capital gains is a determination of what are the positive tax consequences for low and moderate income taxpayers. Many have stated that a capital gains tax cut will only benefit the wealthy. I disagree with this conclusion. It is not true that only high income taxpayers would benefit from a capital gains tax rate differential. In 1985, the latest year for which detailed tax return data have been analyzed, one-third of all tax returns with long-term capital gains reported other—noncapital gain—income of less than $20,000. Nearly three-fourths of all tax returns with capital gains had other income of less that $50,000. And less than 2 percent had other income of $200,000 or more.

It is true that economic studies of the behavioral reactions of individuals to changes in the taxation of capital gains suggest that lower income individuals are less responsive than higher income taxpayers to capital gains tax rate changes. However, this behavior can be altered by providing an extra measure of incentive to lower income taxpayers.

For example, individuals with ordinary income of $20,000 or less could be entitled to a 100-percent exclusion from capital gains.

I believe that a preferential tax rate for capital gains is an important part of a policy to keep America in the first rank of industrial powers. We must consciously adopt strategies to encourage companies and individuals to set aside more to invest in the future.

PROVIDING FOR CORPORATE CAPITAL GAINS

Corporate capital gains restoration would be highly beneficial to the economy. Corporate capital gains would improve U.S. productivity. A lower corporate capital gains tax rate is a key motivator to modernize plant and equipment. Competitiveness on the international playing field today is keyed directly to an ability to respond quickly and efficiently to change. As our international competitors have so clearly illustrated, the ability to make such responses is tied directly to flexibility in one's productivity capacity—and that requires state-of-art machinery and equipment.

It is instructive to notice that in 1988, Japan invested 22.3 percent of its GNP—$470 billion—on capital spending. During this same period, the United States invested 10.79 percent of its GNP—$430 billion. Incentives such as a capital gains tax reduction would encourage a reversal of this trend.

In 1987, roughly $203 billion of trade or business assets were sold by durable equipment manufacturers to the corporate sector, representing about two-thirds of total sales of this category. Clearly, availability of corporate capital gains treatment will enhance modernization of this substantial asset pool.

Additionally, since all taxes of corporations are ultimately paid by individuals, a reduction in the corporate capital gains rate is an incentive for individual equity investment in corporations. Thus, such a change would further reduce the United States cost of capital.

Corporations are responsive to tax rate changes. The potential level of corporate responsiveness is documented by recent data on tax returns filed in anticipation of the rate changes under the 1986 Tax Reform Act. With full knowledge that the corporate capital gains tax was about the increase 6 full percentage points January 1, 1987—from 28 to 34 percent, corporations responded with a 94-percent increase in capital gains realizations in 1986. This increase was identical to the capital gains response by individuals in that year.

Corporate/individual rate disparities force inefficient asset shifting. There is ample evidence that the rate of tax imposed on economic activity strongly influences the business form in which the activity is conducted. For example, the 6-point differential between corporate and individual rates created by the 1986 Tax Reform Act has resulted in an unprecedented level of disincorporation, the shifting of assets from corporate to noncorporate form. Preliminary tax return data from the Department of the Treasury confirms this trend. While total business return filings since the new rates were put in place are expected to increase by 5.2 percent in 1988, regular corporate returns will decrease by 2.4 percent, a record in recent years. It is also noteworthy that sub-S corporation passthrough entity filings are expected to increase by 25 percent.

To summarize, it is vital to the broad interests of the U.S. economy to include corporations in any proposal to extend capital gains tax relief. It is important to restore a level of rationality and logic to the treatment of various taxpayers under our Tax Code.

ASSISTING THE VENTURE CAPITAL INDUSTRY

Restoring a capital gains tax differential would have a particularly powerful impact on the entrepreneurial sector of the American economy, making possible new technological breakthroughs, new startup companies, and new jobs. Venture capital is a process requiring a number of participants; entrepreneurs, informal investors, venture capital funds, and finally healthy public markets. All of these participants are sensitive to aftertax rates of return. The key to successful venture capital investment is the ability to attract and motivate the entrepreneur. By taxing the entrepreneur's potential gain at a higher rate, either the pool of qualified entrepreneurs will be reduced or the investors will have to accept a lower rate of return. In either case, the implications for the American economy are clearly negative.

It is true that a portion of the organized venture capital pool comes from tax exempt entities but the informal pool is equally important. Data collected by the National Venture Capital Association documents the fact that private taxable investors, including corporate venture capital funds, provide on an informal basis, as much funding as does the organized venture capital industry.

Most importantly, it is the taxable investors who, more often than not, provide the seed corn for the new firms, with tax exempt pension funds and formal venture capital pools entering the funding process at a later stage. The willingness of tax exempt entities to participate in the venture capital process is also dependent, to a very large extent, on a vibrant stock market which is directly affected by the level of capital gains taxes.

Venture capital funds have fueled the development of new business and technologies in the United States. They have been the trend setters in capital investment, providing the initial driving source of capital for the new ideas and new enterprises that have changed American life. Venture capital funds help get these new developments out of an entrepreneur's garage and into a factory and the marketplace.

Venture capital funds are an integral part of the funding process for new developments in semiconductors, superconductors, supercomputers, biotechnology, and health care delivery. The venture capital entrepreneurial process contributes to America's quality of life and our strength in the international marketplace.

Making the entrepreneurial process work and flourish is dependent on the strengths and abilities of the various individuals involved, but their activities are greatly affected by government policy. The capital gains tax has a significant impact on the individual, group, and corporate decisions to invest in the venture capital entrepreneurial process. The historical record has been that when the capital gains tax is raised, the entrepreneurial process suffers.

There is a need for a tax incentive to encourage these investments. These investments do involve real and substantial risk. These are investments which investors are reluctant to make, but these are investments which must be made if we are to compete in international markets. A fiscal policy that provides a reduction in the tax rate on long term capital gains would be beneficial for the competitiveness of American business.

INDEXING FOR INFLATION

One unfair aspect of the Tax Code is the taxation of inflationary gain when capital assets are sold or exchanged. It is grossly unfair when illusory profits created by inflation are taxed at ordinary rates. In essence, a taxpayer is being penalized for making a long-term investment. I find this fiscally ironic in a period when many individuals are stressing the need for long-term investments and capital accumulation.

I believe that we should remove the effects of inflation on capital gains by allowing the tax base of eligible assets to be adjusted by the amount of inflation that has occurred since those assets were purchased. Indexation is a rational approach. Indexation protects investors from the value-eroding effects of high inflation in the future. The investors will have more incentive to save in capital assets today, instead of channeling their income into consumption.

With indexation there does not exist the misperception that one economic group is receiving preferential treatment at the expense of other economic groups. Nor does indexation allow for special interest exclusions which would redirect investment dollars toward certain categories of investments. Indexation, therefore, is an equitable solution to the current taxation of gain that is solely due to inflation.

CONCLUSION

In conclusion, it is my opinion that a reduction in the tax rate on long-capital gains is in the best interest of the economy. A reduction is responsible fiscal policy. Aiding and assisting U.S. businesses to strengthen their competitive edge vis-a-vis foreign competitors must be an integral part of any long-term economic policy. Encouraging individuals to save and reduce consumption has to be a part of a national economic agenda.

We know, based on empirical evidence, that because the capital gains tax is a voluntary tax, a reduction on the taxation of realization on capital gains will alter taxpayers' behavior so that more capital assets are sold or exchanged when the tax rate is reduced. The beneficial consequences of the rate reduction include more revenue for the Government, a lowering of capital costs, and an increase in the national savings rate. Lower marginal tax rates increase realizations. The reduction is good for the economy.

Attractive capital gains treatment can stimulate the economy and benefit both corporate America and individuals. Sound economic reasons exist for capital gains treatment. I will support a carefully crafted proposal that provides for the reinstatement of a capital gains preference.

Mr. DURENBERGER. Mr. President, in the past 3 years, we in the Congress have passed, on a bipartisan basis, several pieces of legislation that directly affects our Nation's competi-

tiveness in the global economy. Three years ago, we rewrote our tax laws with an eye toward leveling the competitive playing field for our Nation's industries so as to facilitate their worldwide competitiveness. Last year, we rewrote our trade laws from A to Z with the goal of opening and expanding the global marketplace.

Mr. President, I believe that the debate over capital gains should not take on the overtones of a partisan fight between the President and the Congress. I think the decision on capital gains should be viewed in the same perspective as we judged the 1986 tax bill and the 1988 trade bill. And the question to be asked then is how a capital gains differential will affect America's competitiveness in the global market.

In that vein, I would preliminarily note that nearly all of our major trading partners, including West Germany, Japan, Canada, Taiwan, South Korea and most of the EC countries, either exempt long-term gains from taxation, or impose a tax far lower than the United States tax. Although it would not be fair to attribute our short-term trade problems to how we tax long-term gains, I believe the issue is very important to the overall long-term health of our economy.

Mr. President, last year I introduced legislation that would have provided a sliding-scale long-term capital gains differential with a minimum 4-year holding period. I introduced that bill because I believed, and still believe, that a real long-term capital gains differential will help to encourage a shift in investment strategy away from the short-term and toward the long-term.

I believe the capital gains proposal now under consideration will go a long way toward achieving that goal for it would provide a very strong incentive for investors to hold investments for the long-term rather than churning assets for quick short-term gains.

Mr. President, I think it is important to point out that the current Tax Code makes almost no distinction between the entrepreneur who risks his capital on an unproven new-frontier technology and the arbitrage speculator who gets in the middle of the latest corporate takeover. In fact, our current system penalizes the long-term investor and entrepreneur because it does not factor in the impact of inflation on assets held for a substantial period of time. By allowing a sliding-scale exclusion for truly long-term gains, and providing an indexing option, this proposal diminishes the impact of inflation on asset values, and reduces the possibility that investors will be taxed on phantom gains.

Furthermore, establishing a differential for long-term gains will help to alleviate the current bias in the Tax Code which favors debt instead of equity, and encourages companies to saddle themselves with far more debt than I think is prudent. Although a capital gains differential will not completely eliminate this bias, it will reduce the cost of capital for American companies, while increasing the after-tax rate of return on equity. That, in itself, should lessen the pressure on corporate managers to focus on the short-term at the expense of long-term planning.

Mr. President, I hope that my colleagues will consider the positive long-term effects that this proposal will have, and will shed partisanship and vote to invoke cloture on this important issue.

Mr. HATCH. Mr. President, I rise today to express my support for the capital gain and IRA amendment of the Senator from Oregon.

Mr. President, this Nation is witnessing a tremendous debate over the issue of whether our Tax Code should differentiate between ordinary income and capital gains income. I congratulate President Bush for his leadership in making this issue an important part of his administration's agenda, and I applaud Senators PACKWOOD and ROTH for their work in developing this proposal and bringing it to the floor of the Senate. The capital gains debate seems to be focused on three key points of disagreement—fairness, economic benefit, and revenue effect. I would like to address each of these points.

Mr. President, some of my colleagues from the other side of the aisle have strongly stated that a cut in the capital gains tax rate would unfairly benefit this Nation's wealthiest taxpayers at the expense of middle and lower income taxpayers. They point to studies that purportedly demonstrate that more than 90 percent of the benefits of a capital gains tax reduction will be claimed by taxpayers with income of more than $100,000 per year. Many of the statements I have heard that are based on such studies are downright misleading, Mr. President. The income figures used in these studies are comprised of the entire income of the taxpayer, including the capital gains.

Let me give you an example. An elderly couple living in Cache Valley, UT has been farming on land they have owned for 40 years. The land was purchased for $50,000 in 1950. Because of health problems, they have decided to sell the farm and retire to St. George, a city in the State with a warmer climate. They sell the farm for $250,000. This couple has never reported more than $35,000 of gross income on their tax returns. But in the year of the sale, they report more than $200,000 of gross income. Are these people among the very wealthiest income earners of our Nation? Of course not. But opponents of the capital gains tax cut say that this family is extremely wealthy. This one-time capital gains represents the effects of inflation and the urbanization of our country. It is totally misleading to classify this couple as being in the upper income brackets simply because, for this 1 year only, they sold their major asset.

A far more accurate study of the distribution of capital gains benefits would include only recurring, or ordinary, income. One study using such methodology shows that 74 percent of taxpayers with capital gains have ordinary income of under $50,000, and that 49 percent of taxpayers with capital gains have ordinary income of under $30,000. Does this sound as though only the wealthy are able to take advantage of a capital gains tax reduction? It is the average American taxpayer who is, to a large degree, paying taxes on capital gains. I'll repeat, Mr. President, studies that indicate that a reduction in the capital gains rate will only benefit high income taxpayers are misleading.

I ask my colleagues who believe that a capital gains tax rate reduction is not fair this question: Is it fair to tax the effects of inflation? The capital gains tax is an additional tax on the rewards of saving and investing. The investor of a capital asset has paid tax once on the income used to purchase the asset. The gains accruing to a capital asset represent the reward to the investor and the effects of inflation. It is not fair to treat these gains the same as income earned through salaries or wages.

A second point of contention on this issue, Mr. President, is that of economic benefit. Opponents of the capital gains rate reduction do not believe that such a reduction will result in an economic benefit to the Nation commensurate to the loss of revenue. In all candor, the facts show otherwise. Investing in capital assets is a form of saving. Capital gains are the rewards investors receive for the risks of their investment. Taxing those capital gains creates a bias against saving and toward consumption. This, of course, discourages saving and encourages consumption. Most economists agree that one of our Nation's greatest needs is to encourage a higher savings rate. One way to do this is to reduce the capital gains tax.

Increasing the Nation's saving rate reduces the cost of capital. This leads to a greater amount of capital available for the formation of new ventures. New ventures lead to new jobs, and new jobs generate new revenues.

Another way the reduction in the capital gains tax rate will benefit the economy is by reducing the lock-in effect created by the capital gains tax. Because investors only pay the tax on capital gains when they sell their assets, the capital gains tax creates a disincentive to sell. Assets that would

otherwise be exchanged more freely are locked in because the owner doesn't wish to pay the tax. This impedes investors from moving their investments into other ventures that may offer a higher return and contribute more to the Nation's gross national product. The higher the capital gain tax, the greater the disincentive.

Mr. President, it is no secret that our major trading partners tax capital gains more lightly than we do. These nations generally enjoy a significantly higher savings rate than does the United States. By reducing the disincentive to saving, these nations find that capital is more readily available. I ask my colleagues, are we not being shortsighted by encouraging consumption rather than saving?

The crux of the debate capital gains, Mr. President, is the long-term revenue effect of lowering the rate. Opponents of lowering the rate contend that the proposal loses revenue over the long run. They cite studies that back up this contention. However, history indicates otherwise. After the capital gain rate cuts of both 1979 and 1982, the Treasury received large increases in revenue from capital gains transactions. The Joint Committee on Taxation estimated that President Bush's capital gain reduction proposal would produce a revenue loss in the 1989 to 1994 period. This estimate, however, does not take all relevant factors into consideration. The methodology employed in estimating the revenue effects of a lower capital gain tax only considers the unlocking effect produced when investors are induced to sell their assets because of a lower tax.

There are at least two other factors that would increase revenue to the government, yet are not considered in the Joint Committee's study. One is referred to by economists as the valuation effect. Because all capital assets obtain their value from the income they generate, the valuation effect increases the value of all capital assets when the tax rate is reduced. This is only common sense, Mr. President. By decreasing the tax rate, the cash flow to the investor is increased. Increasing the cash flow from an asset is going to increase that asset's value, which, in turn, increases the sales price and the amount of capital gain that is realized.

The second effect which will increase revenue from a capital gains rate reduction is the base broadening that would occur as a result of the increase in economic activity that comes from more accessible and cheaper capital. This economic activity will lead to more jobs and more jobs will lead to higher revenues.

Mr. President, a reduction in the capital gain tax rate makes good economic sense for our Nation. It benefits all of us, not just the rich. It promotes fairness; it enhances our economic well being; and it will increase revenue in both the short and long term.

We are experiencing the longest peacetime economic expansion in our history. This expansion is no accident. It is the direct result of lower taxes which have broadened our economic base and created jobs at an unprecedented rate. Federal revenues have greatly increased as a result of this economic expansion. Our budget deficit would be far worse than it is had not this revenue growth outpaced our out-of-control spending growth. We must keep this economic expansion going, Mr. President. A cut in the capital gains rate, in conjunction with an increased emphasis on saving, will help us reach this goal.

Mr. President, I would also like to comment briefly on the second part of the amendment before us, the IRA-plus account. I was very unhappy when the restrictions upon individual retirement accounts were passed as part of the 1986 Tax Reform Act. This is one of the reasons I voted against that legislation. The IRA was and is a sound policy, both for individuals in planning for retirement, and for the Nation in increasing the saving rate. I must admit, though, Mr. President, that the long-term benefits of the traditional IRA concept are not as great as they once were. The IRA concept began with a simple premise: Allow taxpayers to put away a modest amount of their annual earnings on a before tax basis and allow that money to grow tax deferred. The funds can be withdrawn when the indivdiual has reached retirement age and the tax on both the initial deposit and the earnings is paid at that time, when the individual is likely to be in a lower tax bracket. Unfortunately, this concept does not work as well as it used to. Because of the lower rates now in effect, combined with the taxation of part of their Social Security benefits, retiring taxpayers are likely to find themselves in a tax bracket as high as when they were working. So even for those taxpayers still eligible for the deduction of IRA contributions, the incentive to use the IRA has been diminished.

One of the reasons I am impressed with the IRA-plus concept introduced by the Senator from Delaware is that the taxpayer can withdraw his or her initial deposits plus earnings tax free. I believe, Mr. President, that this idea will induce more American taxpayers to plan for his or her retirement. The IRA-plus account will appeal to younger workers who will see the long-term benefits of this plan and increase their savings. As I mentioned before, Mr. President, an increased saving rate will help stimulate economic growth. Our economy will expand because of a lower cost of capital. This will lead to new jobs and new revenue for the Treasury.

Sustained economic growth is a key to our fiscal problems, Mr. President. I see the capital gain rate reduction, combined with the IRA-plus plan, as a solid step in the direction of sustaining our economic growth through increasing the saving rate. At the same time, this proposal promotes fairness to taxpayers and encourages them to plan for their future. I strongly urge my colleagues to support this amendment.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. PACKWOOD. What is the time situation?

The ACTING PRESIDENT pro tempore. The Senator has 7 minutes and 42 seconds on the unallocated portion of the unanimous-consent order.

Mr. PACKWOOD. I will allocate such of that time to myself as I need.

Mr. President, I ask unanimous consent to add Senator HELMS as a cosponsor of the amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I want to take issue with some of the statements of my good friend from New Jersey, Senator BRADLEY, who, indeed, was one of the staunch supporters of tax reform. In my judgment, he attempted to give an impression when he cited the income categories in this Nation that this capital gains bill unfairly affects the rich, because he said a certain percentage are below $10,000. I think he said only 1 percent of the income earners above $100,000, $200,000, I cannot remember which, were the ones that would unduly benefit.

As a matter of interest, a year ago, I asked the Joint Committee on Taxation—that is the professional group that advises the Ways and Means and Finance Committees—to do an estimate for me of how much money we could raise if we confiscated all of the income of all of those who made above $200,000. They would be subject to a 100-percent tax rate. Well, the Joint Committee sent me a letter. Here is what they projected.

If you were to do it late in the year, so it is too late for people who have already made the money, the Joint Committee said we would rasie $104 billion in 1989 if we imposed a 100-percent tax on incomes over $200,000. In 1990, we would raise $204 billion. In 1991, $232 billion; in 1992, $263 billion; and in 1993, $299 billion.

So I called the Joint Committee's chief of staff back and I said, "Wait a minute. Do you mean to tell me that even at a 100-percent tax rate you think we will keep getting these increased quantities of money?" They sent me another letter that has the same revenue projections but with a new footnote. The footnote says that these estimated taxes do not account

for any behavioral response. It assumes people will work if they have to pay all their money to the Government. They will work forever and pay all of the money to the Government, when clearly anyone in their right mind will not.

Of course, there will be a behavioral response. And here is where this country is indebted to Art Laffer and the Laffer curve, because his theory is correct. Here is what Professor Laffer says: There is a point, an elliptical curve, where there is an optimum level of taxation that produces the greatest amount of revenue for the Government. That is how he explains it. It is quite simple.

At a zero rate of taxation, the Government does not realize very much money; namely, zero. At a 100-percent rate of taxation, we do realize very much money because not many people are going to work if they have to give it all to the Government. So someplace between zero and 100 is a level of taxation that produces the most amount of money.

Now, let us take this example I have given you. We are really trying to reduce the deficit and today we pass a 100-percent rate of taxation on incomes of over $200,000. We would raise $104 billion this year. Next year, however, we do not raise the $204 billion that we had hoped. My hunch is we might get a little from people who simply could not get out of earning money next year. Maybe we would get $20 billion. My hunch is the third year we would get nothing.

So we would say to the Joint Committee on Taxation: "You told us we would raise all of this money; you included no behavioral change." But say; "There appears to have been a behavioral change. People are not working."

So we think to ourselves: We have this existing 100-percent tax rate on incomes of over $200,000. Perhaps we should cut it a bit. Maybe we could collect some money. Let us say the tax rate is 50 percent on incomes over $100,000, 75 percent on incomes over $150,000, and it is 100 percent on incomes over $200,000. We say to ourselves: let us cut that tax rate on incomes over $200,000 to 80 percent. Maybe we will get some money. Maybe some people will work if they only get to keep $40,000 and give $160,000 to the Government. So we get it to 80 percent and, lo and behold, we raise some money. Some people will work.

Some people will work, even if they only get to keep $40,000 out of the $200,000. Do you know what a critic might say? "Do you know who the only beneficiaries of that tax bill are? Those who make over $200,000. It does not affect anybody else. Only those who make over $200,000 are getting the only benefit from this bill because we have cut the tax rate from 100 percent to 80 percent."

Of course they are the only ones who benefit. They are the only ones who were paying a 100-percent tax rate. That is the theory of the capital gains tax cut and you can have an honest difference of opinion as to where the point on that curve is, at 100 percent, 80 percent, 60 percent, 40 percent, 20 percent, or zero; if you go below the optimum rate, you will lose money.

The Treasury Department says that on individual capital gains if we cut the tax rate from the present 28-percent rate to 20 percent we will raise money. Not just next year, not just the year after that, but for 5 years and beyond. We will raise money because there will be sufficient additional realizations of people making capital gains, that it will make up for the reduced rate.

I think they are right. And, if they are right, there is no question but what people who have greater capital gains will realize greater savings than people who have less capital gains.

Senator BRADLEY said the 10 richest people would have average gains of $13 million or something like that. Let us take the example I used earlier. Let us say you are a salaried employee of a corporation; they are paying you $200,000 a year and you are in the 28-percent tax bracket. You are paying $56,000 a year in taxes.

You have a piece of property that you bought for $100,000 some years ago. It is now worth $200,000 but you have not sold it. You are kind of hoping maybe there will be a capital gains rate decrease or the property will go up a bit in value. At any rate you have not sold it.

When you have not sold it, you have not made any money. You have a paper profit but you have not made any money because you have not sold it, and the Government has not collected any taxes on it because you have not sold it.

Now let us say the capital gains rate is reduced to 20 percent. And you, Mr. $200,000 a year income earner, decide to sell your property. You have a $100,000 capital gain; you keep $80,000 of it and the Government takes $20,000 of it.

Now, instead of paying the Government $56,000, on your $200,000 salary, you have paid them $76,000. The Government has collected $20,000 they would not have collected but for the passage of the capital gains differential.

Mr. President, Senator DOLE and I have agreed to split the 20 minutes that he has on his side so I will take another 5 minutes at the moment, if I might.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator is recognized for an additional 5 minutes.

Mr. PACKWOOD. On the sale, the Government has now realized $20,000 in income. Mr. $200,000 a year earner has paid $20,000 more of taxes; money that the Government would not have had but for the passage of the capital gains reduction. He gets to keep $80,000 of the gain—money he would not have otherwise have gotten had he not sold the property.

Now let us consider someone earning $20,000 a year. He has a piece of property that is worth $10,000 when he bought it and it is now worth $20,000 and he has not sold it. But we cut the capital gains tax rate. He decides to sell it. And on his $10,000 profit he gets to keep $8,000 and the Government takes $2,000.

Now, Mr. $200,000 gets to keep $80,000 and is giving the Government $20,000. Mr. $20,000 gets to keep $8,000 and gives the Government $2,000. A demogog can say, "Do you know who is getting the biggest benefit out of this bill? The person who makes $200,000 a year." Well, what has the person who makes $20,000 lost? Nothing.

If we did not have a capital gains differential, Mr. $200,000 would not have sold his property and Mr. $20,000 would not have sold his property, and the Government would have nothing. They would have pieces of property they choose not to sell.

So, in cutting the rate it is a win/win/win situation. Mr. $200,000 wins; Mr. $20,000 wins, and the Government picks up an additional $22,000 in revenue we can spend on poverty programs, programs for the poor.

But there are some people, so all-fired mad that somebody earning over $200,000 might realize some money, that they do not want Mr. $20,000 to get it and they do not want the Government to get it. Instead they are going to go out and borrow to pay for the poverty programs. That is what I find the opponents of this bill are saying.

I am going to yield in just a moment to Senator DOMENICI and Senator KASTEN, but I hope we will put to rest this rich/poor argument. This is one where everyone gains: Rich, middle income, poor, and the Government. We are not trying to get many deal better than that.

I yield 2 minutes to the Senator from New Mexico.

Mr. DOMENICI. May I have 5?

Mr. PACKWOOD. What I am up against is this: If someone can check with Senator DOLE how much time he wants, there is a unanimous consent. He wants a fair amount of time. Why does my colleague not start with 3.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico is recognized for 3 minutes.

Mr. DOMENICI. Mr. President, I congratulate the distinguished Sena-

tor, Senator PACKWOOD, from Oregon, on this issue. I think he is right on.

Let me suggest, I do not think the United States and her policy leaders will ever learn. Let me paraphrase Peter Drucker, for starters: The cost of capital in the United States is four times higher than it is in Japan.

Instead of complaining about how the Japanese are beating us in every market and in every new product line, instead of claiming unfair competition—some of which may be true—why do we not decide to go see what the competition is to make capitalism work better than we are.

For example consider the cost of capital.

The Japanese have found that if you want this system of democratic capitalism to work efficiently, make the cost of capital as cheap as you can.

How in the world can the United States compete with Japan when it is capital that drives American industry, and when it takes capital for American modernization? What does cheaper capital, modern plants and equipment and higher productivity do? They produce jobs for American people.

I will leave the argument of equity among taxpayers to those who have made it so well here today. I will just suggest to my colleagues that instead of wringing our hands about how we are being beaten by the competition, we should take a few basic lessons from them. We should go see how Germany is doing it and how Japan is doing it.

Mr. President, what they have done to the United States is utterly simple. They have taken a democratic capital model and, where we are doing it wrong, they are doing it right. We sit back and say, if we could only get them to be fair. Why do we not have some policy that is authentically calculated to help us do our own thing?

When the 1986 tax reform package was passed, there was a big, thick book from which the then-distinguished chairman worked. I have it. It is the report the Treasury Department did on tax simplification. And in it, when it got to capital gains, the tax policy experts unequivocally said: If you want one rate, that is fine, but eventually you must index for inflation for capital investment.

We have not even done that. That means, if we put $10,000 in equity in an American corporation, small or large, back in 1971 and if in 1989 you sold it for $30,000 you would owe taxes on the entire gain. This is true even though the entire gain was attributable to inflation.

Why would you invest it in a risky investment that creates jobs? Why would you not put it in a savings account and take the interest each year and still have the capital exactly as you had it before, with no risk? If there is anything we need, it is capital, and investors who will invest it.

We need small investors, who get to keep capital, from selling a house, to reinvest in business in the United States.

Mr. President, there are a lot of economic arguments for a capital gains differential. There are numerous injustices and inefficiencies caused by taxing capital gains. There is concern about the overtaxation that results from inflation and a high capital gains tax. There is the competitive disadvantage of our high cost capital as it pertains to our ability to compete internationally. And of course, there is the ever present debate on the revenue effect.

I am going to talk about these economic arguments later, but I think the debate should focus on people.

A cut in the capital gains rate would fulfill the American dream of many citizens. A permanent capital gains reduction will benefit more than half or all Americans. It would benefit farmers, small businessmen, and entrepreneurs.

For example, I know a farmer in New Mexico, Carl Fabian. In 1950, Carl bought a modest sized farm in the Mesilla Valley. Each planting season since that time, he has worked from dawn to dusk in the fields. He has invested much more than money, he has invested his life. His farm is his American dream.

In 1989, he is getting on in years and he wants to reap the benefits of those many years of sweat and labor. His land was his investment for retirement and he has been ready to sell the farm and settle into retirement for a couple of years. He wants a capital gains tax cut and he thinks we ought to index for inflation. Otherwise he cannot afford to retire after paying the capital gains taxes from the sale.

His many years of tending the land should afford him a small measure of comfort. He should not be taxed on the difference in 1950 purchasing power and 1990 purchasing power.

If Congress does not enact a capital gains tax cut, we will be waking Carl Fabian up in the middle of his American dream.

I have heard from an entrepreneur whose firm is aggressive enough to export his medical instruments on the world market. What chance does that firm have against Japanese, West German, or South Korean firms which sell the same product but operate under much lower capital gains rates?

Innovation is the driving force behind economic growth, and the entrepreneur is the agent behind innovation. It is the entrepreneur who moves resources from the old to the new, and from the obsolete to the productive. Unfortunately, it is the entrepreneur and the small businessman who suffers the most from our adversely high taxes on capital gains.

In New Mexico, we have an abundance of great scientists inventing exciting technologies. The sad fact is that there is a shortage of venture capital. Instead of hundreds of spinoff companies locating in New Mexico, we are exporting the technological ideas. And we are exporting jobs.

I tried to help several new companies. Most are high tech companies started to spinoff various technologies developed at Sandia and Los Alamos National Laboratories. In one case the entrepreneur wanted his company to grow in the State.

Unfortunately, he needed venture capital and eventually had to move his plant and the job opportunities to the west coast where the venture capitalists would finance his business.

Eighty percent of future job creation will come from these smaller, newer entreprises. There would be more venture capital for firms like these if Congress enacts a capital gains differential. Americans would be more willing to invest in venture capital if they paid a lower capital gains tax.

And it is a good investment in our economy and our ability to compete.

A recent National Venture Capital Association and the American Electronics Association Study documents the benefits to our economy of companies that have received an investment of these larger pools of capital. The study examined 200 companies financed by venture capital investment between 1981 and 1985, and found that they had created 38,616 jobs—an average of 193 jobs per company. Every $100 invested in these companies generated $22 in research, $12 in taxes and $34 in export sales.

Innovation is the driving force behind economic growth, and the entrepreneur is the agent behind innovation. For it is the entrepreneur who moves resources from the old to the new, and from the obsolete to the productive. Unfortunately, not only do the entrepreneurs and the small business persons suffer from our adversely high taxes on capital gains, big companies suffer too.

Earlier this year Intel, one of the biggest employers in New Mexico, announced a new, $400 million plant that it is going to build in Ireland. It will eventually employ 2,600 people at good jobs. There are people in Albuquerque, and Belen and Espanola who would like the opportunity to work at a new Intel plant.

But Intel is in the world market. It has to be aggressive and pay strict attention to its cost of capital. What chance do workers in Belen and Espanola have for jobs when Ireland, Japan, South Korea provide good

workers and a much lower capital gains rate?

Our factories are working smarter and harder to improve productivity and quality, diversity of product, but they are bumping hard against the cost of capital, a cost of production that they cannot control and a burden that their counterpart workers in other nations do not carry.

The overwhelming consensus among economists is that the optimum rate for maximizing capital formation and revenues into the Federal Treasury is a capital gains tax rate between 15 and 22 percent.

A capital gains rate in this range will keep risk-taking and job creation in America. This is what competitiveness is all about.

Americans need to focus on the long term rather than the next quarterly report. This is policy behind a long-term capital gains differential.

OMB Director Darman has criticized our current tax policy because it encourages the phenomenon he calls now-nowism. Sacrifice everything for the short term. Maximize profits. Think short term.

On Wall Street, analysts have little tolerance for long-term objectives. A project having a 5-year payout is in effect heavily discounted by investors because it will be of direct benefit to shareholders 7 to 10 generations in the future.

When I say generations I refer to the fact that most U.S. companies turn over their entire equivalent stock ownership in a matter of months. For semiconductor companies, the stock ownership turns over every 6 to 9 months. A company like Boeing does a little better with a turnover rate of 13.9 months. General Motors is on the stable side and turns over every 30.8 months—still a very short time.

The benefits of a capital gains differential have little to do with who claims a capital gain on their 1040 tax return. For some it might mean a new job. For others it might means a better job. Still for others it might mean better equipment and increased productivity leading to higher wages. In short, every American has much to gain from the reduction in the capital gains tax rate.

But since we will hear a lot during the debate about who a capital gains differential benefits, let me run through the numbers.

According to the most recent IRS data—1987—72.2 percent of the taxpayers who claimed capital gains on their tax returns had less than $50,000 of other income.

One-third of the taxpayers who report capital gains have other income of less than $20,0000.

The elderly file 11 percent of all tax returns, but the elderly file 26 percent of all tax returns reporting capital gains.

One senior in five would get a tax cut in the first year, giving them more for their retirement years.

Ten to fifteen percent of all taxpayers—14 million taxpayers—would benefit in the first year alone.

New Mexicans conform to the national pattern.

Mr. President, I hope the Senate will enact a meaningful capital gains differential.

The ACTING PRESIDENT pro tempore. The Senator's 3 minutes have expired.

Mr. DOMENICI. Are we finished?

Mr. PACKWOOD. I have to give a couple of minutes to the Senator from Wisconsin.

Mr. DOMENICI. I ask unanimous consent that two charts be printed in the RECORD. These charts compare the 5-year revenue estimate on capital gains to Chairman BENTSEN's IRA proposal; the child care proposal in reconciliation; and the new Medicaid proposal which was in in the reconciliation. You will see that they all exceed the cost of capital gains to the Treasury of the United States many times over.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL DEMOCRATIC PROPOSALS WITH LARGE OUT-YEAR COSTS

[By fiscal year; in billions of dollars]

	1990	1991	1992	1993	1994	5-yr total
Senate Finance reconciliation:						
IRA (Bentsen)	0.2	1.6	3.3	3.6	4.1	12.7
Child care		.2	2.7	2.7	2.8	8.4
Extension of tax credits	1.8	2.9	2.6	2.5	3.1	12.8
Miscellaneous tax modifications	.5	1.0	1.2	1.4	1.5	5.6
Finance reconciliation total	2.5	5.6	9.8	10.2	11.5	39.5
Medicaid (House reconciliation) [1]	.7	2.0	3.0	3.7	4.7	14.1
FHA eligibility expansion (Senate appropriations) [2]	−.2					

[1] OMB estimate.
[2] Increases loan guarantee commitments by $5.7 billion.
Notes.—Joint Tax Committee and CBO estimates.

PACKWOOD AMENDMENT

[By fiscal year; in billions of dollars]

Proposal	1990	1991	1992	1993	1994	5-yr total
Capital gains (individuals)	−0.4	−0.3	2.1	2.5	3.0	6.9
Capital gains (corporate)	.4	.6	.7	.8	.8	3.3
IRA plus	−(1)	−1.5	−3.4	−3.3	−3.3	−11.5
Venture capital initiative				+(1)	+(1)	+.1
Total	−(1)	−1.2	−.6	−.1	.6	−1.2

[1] Less than $50 million.
Notes.—A minus indicates a gain in revenues and a reduction in the deficit. Joint Tax Committee estimates.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. PACKWOOD. I yield 3 minutes to the Senator from Wisconsin.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin is recognized for 3 minutes.

Mr. KASTEN. Mr. President, 2 months ago the House of Representatives, on a bipartisan vote of 239 to 190, struck a major blow for economic growth and opportunity by approving a reduction in the capital gains tax.

Mr. President, I believe it is incumbent upon the Senate to followup on the House's action, and approve the Packwood amendment. Cutting the capital gain tax should be our No. 1 economic priority. Although our economy is in its 83d consecutive month of expansion, there are signs of trouble ahead. The stock market is weak, auto sales are soft, the durable goods sector is experiencing a profits recession and manufacturing employment is off by 133,000 since April.

Now more than ever, the U.S. economy needs a shot in the arm. America needs the economic stimulus that this tax cut would bring. Without it, the economy may tip into a recession.

In proposing a 19-percent capital gains tax rate, President John F. Kennedy argued that

> The tax on capital gains directly affects investment decisions, the mobility and flow of risk capital from static to more dynamic situations, the ease or difficulty experienced by new ventures in obtaining capital and thereby the strength and potential for growth of the economy.

President Kennedy's argument for a capital gains tax cut is as sound and applicable today as it was in 1961.

Investment, competitiveness, and jobs are the real issues in the capital gains debate. Unfortunately, much of today's debate over capital gains tax cuts has been clouded in a fog of class warfare rhetoric. Instead of dividing the American people, let us unite the American people behind a plan that will create economic opportunity for all.

I believe such a plan should include both a capital gains tax cut and a properly crafted expansion of IRA's. Contrary to the claims made by Senator BENTSEN, I believe we can afford both of these measures. Together, they would constitute a big step toward the elimination of the Tax Code's bias against savings and investment.

The key to the long-term health of the U.S. economy is investment. Unfortunately, our tax code today rewards consumption over investment and dims our long-term economic prospects. The reason is multiple taxation of investment. Income from salary and wages is not taxed when it is used for consumption. If, on the other hand, this money is saved and invested, it is subject to even more layers of Federal taxation. For example, parents who have already been taxed on income when they first earned it will be taxed on it again when they invest it and then cash in on that investment to pay for their children's education.

A capital gains tax cut is necessary to stem this antiinvestment bias—and more importantly, to provide more economic opportunity for all Ameri-

cans. A little over 200 years ago, America was a relatively unimportant colony mired in economic dependence on a global superpower.

Over the years since, America has transformed herself into a political and economic superpower. How did this happen. The answer is freedom—freedom which encourages political, social and economic mobility and progress. America has welcomed change and encouraged it, and thus benefited greatly from it.

A country that rides on its past reputation is a country that is surely headed for decline. America became a wealthy superpower because it was open to new people, new ideas, and new economic opportunities.

In economics, being open to change means increasing access to capital. Capital is the box of tools we use to create things our society wants and needs. Capital is the source of any increase in the amount of wealth produced by our society. Capital is essential to make each individual more productive, and thus more prosperous. The more individuals have access to this toolbox of capital the more likely it is that our society will be a creative, prosperous, fully employed and competitive one.

If access to capital is limited, people and companies who are wealthy—that is, who already have capital—will be able to avoid competition from new American businesses. They will stay wealthy but the country as a whole will suffer because of the countless opportunities denied to new people with new ideas—that is, those who are still looking for capital.

If the rich stay rich, the country will stand still. But if the nonrich get rich, the whole country will get wealthier. To make the nonrich better off, and thus make America wealthier, we have to give Americans who are not rich some access to the capital toolbox. Capital is the ticket these Americans need if they are going to be admitted to economic opportunity.

So the key to prosperity is the expansion of supply and accessibility of capital. The more hands into which we can distribute the capital, the better for our national prospect. How do we do it?

A significant cut in the capital gains tax would increase the availability of capital, and thus promote wealth creation, job growth, and a dramatic increase in the productivity and innovativeness of our businesses. The lower the tax rate on capital gains, the more incentive investors have to make risky investments in new and untested ventures—just the kind of ventures that built America from a colony into a superpower, and can make America reach greater height in the future.

The direct beneficiaries of a capital gains tax cut are those entrepreneurs who have difficulty raising capital under the current high tax rate. Clearly, a wealthy individual seeking capital for his business venture is more likely to find the funds he needs than a lower or middle income entrepreneur who's armed with little more than a new idea and a burning desire to succeed.

For the lower income entrepreneurs who are competing with the rich and powerful for a limited supply of capital, a lower capital gains tax rate spells the life-and-death difference between success and failure.

Which makes me very suspicious of the claim some have made that capital gains tax cuts are a giveway to the rich. Those who make this argument are more interested in punishing the successful than they are in creating opportunities for all Americans. A lower capital gains tax rate helps the nonrich entrepreneur compete with the rich businessman in the marketplace.

Also, economic history proves that when the tax rate on capital gains is cut, the rich realize more gains, and thus pay more taxes. From 1978 to 1985, the top capital gains tax rate was reduced from just under 50 percent to 20 percent. According to the Treasury Department, capital gains realized by the top 1 percent of all taxpayers increased from $31 billion in 1979 to $92 billion in 1985—and as a result, capital gains taxes paid by the wealthy more than doubled from $8.7 billion in 1979 to $18.4 billion in 1985.

The more Americans we can encourage to become entrepreneurs and help create our economic future, the more dynamic, competitive, and creative our economy will be. That is not a giveaway to the rich—it is a gameplan to make all Americans richer citizens of a richer and more hopeful country.

Mr. President, another important issue in the capital gains debate is the issue of fairness.

When are capital gains really gains? Most capital gains are due to purely inflationary increases. When adjusted for inflation, these so-called gains do not turn out to be gains at all—and in some cases they turn out to be real losses.

Since 1971, the price level has tripled. An asset purchased in 1971 for $1,000 and sold today for $3,000 would leave its owner no worse off in real terms. Yet, under current law, the investor would owe the Federal government as much as $660 in taxes despite the fact that there has been no real economic gain.

Mr. President, taxing gains due to inflation is fundamentally unfair. It is particularly unfair to America's family farmers who have seen their property values driven up by inflation. And it is unfair to America's elderly who purchased stock for their retirement only to see a significant portion of their investment taxed for illusory gains.

That is why any capital gains proposal must include inflation indexing. And the pending amendment would give taxpayers a choice between a tax rate differential and inflation indexing.

CAPITAL GAINS CRITICS ARE WRONG

Mr. President, opponents of a capital gains tax cut have made several misleading statements that I would like to correct.

First, opponents claim that the budget deficit has a more direct impact on the cost of capital for U.S. businesses than taxes levied on investment income. The budget deficit crowds out private spending and raises the cost of capital through the interest rate mechanism in financial markets. However, the relationship between deficits and interest rates is not well established.

In fact, in over a century of U.S. history, large deficits have never been associated with high interest rates. Postwar data offer little support for a positive relationship between deficits and interest rates. In the 1980's, the budget deficit and interest rates moved in opposite directions: From 1981 to 1986, the deficit from 2.6 percent of GNP to 5.3 percent of GNP and short-term interest rates fell from 14 percent in 1981 to 6 percent in 1986.

Mr. President, given the empirical evidence, it would seem that the impact of the budget deficit on the cost of capital via the interest rate mechanism is well established. On the other hand, taxes directly—and powerfully—raise the cost of capital which reduces resources available for the private sector to create investment goods.

The current high capital gains tax in particular raises the cost of capital for U.S. businesses because it raises the hurdle rate which new investment is required to meet in order for it to be profitable. If the capital gains tax is reduced, then the after-tax return required by investors for new investment is increased—and the pre-tax return required by investors is decreased. Lower pre-tax returns means a lower hurdle rate and a lower cost of capital for new investment.

For new investment in venture capital projects, the capital gains tax is the most important aspect in the cost of capital. Dr. J. Gregory Ballentine, an economist with Peat, Marwick, Main & Co., estimates that the cost of capital for investments yielding capital gains increased by 12 percent after the 1986 changes relative to investment yielding ordinary income.

Mr. President, the most effective and direct way to reduce the cost of capital in the United States and to improve U.S. competitiveness is to reduce the capital gains tax. We must also reduce the budget deficit—not by increasing taxes—but by reducing the growth rate of Government spending.

Mr. President, a capital gains tax cut will increase Federal tax revenue and to the extent that we can hold the line on spending, it will actually reduce the budget deficit.

The Packwood amendment would cut the top capital gains tax rate to 18.2 percent. Mr. Gary Robbins, a former Treasury Department revenue analyst under President Carter and Reagan, has produced the first dynamic estimate of a capital gains tax cut. The study was conducted under the auspices of the National Center for Policy Analysis, the Dallas-based think tank which produced the widely quoted study on high tax rates faced by the elderly.

Specifically, the NCPA study estimates that a permanent 19.6-percent tax rate would raise $31 billion in tax revenue over the next 10 years. Therefore, we can conclude that the Packwood proposal to cut the tax to 18.2 percent will reduce the budget deficit by more than $31 billion.

The NCPA capital gains study contradicts the Joint Committee on Taxation's static estimates which show a revenue gain in the first year followed by substantial revenue losses in the outyears. Joint tax estimates are flawed because they ignore how a reduction in capital gains tax rates will lead to a larger stock of capital.

Furthermore, the NCPA estimate is more in line with historical experience. When we cut capital gains taxes in 1978 and 1981, tax revenues from capital gains rose for 7 consecutive years—from $9.1 billion in 1978 to $24.5 billion in 1985.

Mr. President, the charge that a capital gains tax cut will lose revenue is not in line with historical experience. I believe that we should use history as a guide rather than the Joint Tax Committee's estimates which have been wrong on this issue time and time again.

Finally, Mr. President, the majority leader has said that it is highly misleading to make selective comparisons of capital gains tax rates between countries. Yet when all taxes are considered, the overall cost of capital in the United States is considerably higher than the cost of capital in countries with which we compete.

Mr. President, the cost of capital in the United States for equipment and machinery with a 20-year life is 22 percent higher than in Britain, 56 percent higher than in Japan, and 60 percent higher than in Germany. Most academic studies on the cost of capital suggest that our trading partners have an advantage.

The lower cost of capital in countries with which we compete suggest that our taxes on investment income—particularly the taxes on capital gains—are still too high. The current tax on capital gains discourages capital accumulation, slows the growth of worker productivity, and lowers the future wages of all U.S. workers.

Mr. President, here is a list of some of our competitors and how they tax long-term capital gains:

Canada, 17.51 percent; France, 16 percent; Sweden, 18 percent; Japan, 5 percent; Belgium, zero; Germany, zero; Italy, zero; Netherlands, zero; Hong Kong, zero; Malaysia, zero; Singapore, zero; South Korea, zero; Taiwan, zero.

United States, 33 percent, practically the highest in the world. This simply does not make any sense.

As Americans, our choice is clear. We can leave our capital gains tax as high as it is, and condemn America to keep on losing ground steadily in international competition, or we can cut that tax rate and pledge that America is as ready as any country to play on the competitive battlefield of the 21st century.

Keeping our capital gains tax rate as high as it is amounts to an export of jobs to other countries like West Germany, Japan, and others who are outcompeting us in the global marketplace because they impose little or no capital gains tax.

Mr. President, everyone else in the industrialized world recognizes that a cut in the capital gains tax is good economics. One of the most respected international journals the Economist recently stated that "the case for reforming America's capital gains tax is strong." They go on to say that a tax cut "would also encourage investors to take risks, and thus provide more welcoming financial climate for small, fast-growing companies. By doing that, it might well broaden the tax base and, in the long term as well as the short term, raise overall revenues."

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REFORM THEM, AGAIN—A PERMANENT CUT IN THE CAPITAL-GAINS TAX COULD BE GOOD ECONOMICS; A TEMPORARY CUT IS JUST BAD POLITICS

Politicians in democracies find it harder to talk sense about taxes than about any other subject. In no other area of policy is there such a direct link between speeches and votes. Taking this into account, the debate in Congress over the capital-gains tax has still been surprisingly inept. Intellectual honesty has been even scarcer than it was during the big tax-reform debates in 1985 and 1986—and that is saying a lot.

Cutting capital-gains tax from its present maximum rate of 33% (the same rate as applied to ordinary income) to 20% for just two years, it has been claimed, would raise tax revenues, not lower them, thus helping to cut the budget deficit. Not only that. It would also deliver more investment, lower interest rates, less reliance on debt finance, a higher rate of national savings. Critics say it would lose revenue (making the budget deficit even harder to crack), hand a windfall to the rich, start to unravel the tax reforms of 1986, and twist the tax system away from the "neutrality" beloved of economists.

Of these claims, only one is sure to be true. A capital-gains tax cut would indeed give the rich a windfall by encouraging them to cash in any unrealised capital gains. For a while, tax receipts would almost certainly rise; later, especially if the tax rate was raised again, there would be fewer asset sales than before, with tax receipts to match.

Supporters of the tax cut shrug innocently at any mention of the windfall; some even try to deny it. But their critics are equally unreliable. They think the windfall reason enough to rule out reform. Few manage to swallow their anger at lower taxes for the rich and go on to discuss the idea on its broader merits.

In fact, the case for reforming America's capital-gains tax is strong. Although the present system taxes capital gains at the same rate as income, it is not neutral between the two. To approach neutrality, this rate would need to apply only to real gains (that is, to gains in excess of inflation) after deducting any losses. Britain's capital-gains tax of 40% applies only to real gains; most other industrial countries, flinching at the difficulty of allowing for inflation, have set a lower tax rate for capital gains instead. The first Treasury blueprint of the American tax reforms enacted in 1986 included inflation allowances for capital gains; this was dropped.

On top of that, America's tax system, like most others has a strong bias against savings. People save out of income which has already been taxed, but then also have to pay tax on the interest, dividends, or capital gains that their savings generate. When investing in equities, savers indirectly surrender yet another slice to the taxman, because companies pay taxes on their profits. (In America, unlike in Britain, there is no tax relief to offset this double taxation of profits and dividends.) So America's tax system not only favours consumption over saving, it also favours debt over equity in the financing of companies. This second bias is powerfully reinforced by the tax-deductibility of interest payments.

These defects explain why many economists are unhappy with America's present tax code, and why they do not wish to see all talk of further changes smothered for fear of spoiling the far-from-perfect 1986 reforms.

A permanent cut in the capital-gains tax, other things being equal, would address some of the anti-saving, anti-equity distortions. It would also encourage investors to take risks, and thus provide a more welcoming financial climate for small, fast-growing companies. By doing that, it might well broaden the tax base and, in the long term as well as the short term, raise overall revenues. Against this, a lower capital-gains tax would invite tax avoidance through the use of shelters that disguise income as capital gains. The 1986 reforms closed many of the loopholes that could have been used to this end, so a lower capital-gains tax is now less of a gift to the tax-avoidance industry than it used to be. But a gift it still is.

There is no case at all for a temporary cut. Far from shifting attention to the long term, which should be the goal of any tax reform that aims to promote savings and investment, it would shrink horizons to a once-and-for-all opportunity to cash in assets. Since the reforms would not be ex-

pected to last, none of the supply-side advantage (more equity, less debt, more saving, more new ventures) would come through.

The best solution to the acknowledged defects of America's new tax code would be to undertake another radical reform, and move towards taxes on income that is spent (an expenditure tax) instead of taxes on all income indiscriminately. An expenditure tax has the great virtue of exempting savings from the first cut of the taxman's knife; later, when the savings (together with any interest and capital gains they have generated) are spent, they are taxed like any other sort of spent income.

That would be wonderful, but politically difficult. A second-best solution, perhaps easier to achieve, would be to leave the capital-gains tax at its present rate but apply it only to real gains, with full allowance for losses. If, however, politics insists on a choice between the present system with the present rate, or the present system with a permanently lower rate, better to cut regretfully than not at all.

Mr. KASTEN. Mr. President, there are several other myths about a capital gains tax cut which need to be addressed.

Myth: The poor and the middle-class will have to pay for a cut in the capital gains tax.

Fact: Under the Packwood proposal, all Americans would be allowed to exclude from income tax 35 percent of the gain from the sale of stocks, homes, farms, and small businesses; and tax statistics indicate that middle-income Americans will benefit greatly from this cut.

Half of all capital gains go to people earning less than $60,000 in ordinary income; 21 percent go to people earning under $10,000. Most capital gains are one-time, nonrecurring events that temporarily increase a taxpayer's income, like a small businessman selling his business, or a retiree cashing in his lifetime investments.

Myth: Preferential treatment of capital gains induces investors to convert ordinary income to capital gains in order to shelter their income from the tax collector.

Fact: In the past, tax sheltering was caused by three factors: high marginal tax rates, generous depreciation write-offs for long-lived assets, and inflation-induced hikes in asset values. Together, these factors led to low—and in some cases negative—effective tax rates on certain kinds of investment. Today, as a consequence of the 1981 and 1986 tax reforms and low inflation, these forces leading investors to tax shelters rather than profit-driven investments no longer exist.

Allowing investors to pay a lower rate of tax on long-term capital gains will thus not result in an increase of tax-sheltering activity. A lower capital gains rate simply mitigates the double taxation of capital income, and abates the taxation of purely inflationary capital gains.

Myth: Despite the 1986 increase in capital gains rates, tax revenues have been running well ahead of projections—which means that the higher capital gains tax hasn't discouraged investment.

Fact: An economic study by Victor A. Canto and Arthur B. Laffer found that the increase in the capital gains tax rate effective in 1987 created an incentive among investors to realize capital gains under the lower rates of 1986. Supply-side economists recognized the power of these incentives—and predicted a one-time surge in capital gains tax revenues. Conventional economic theorists understandably failed to foresee this effect, so they assumed that the subsequent increase was a permanent development—and projected higher capital gains tax revenues far into the next decade.

However, since the special incentives to realize capital gains no longer existed after 1986, the higher revenues did not materialize, Governors in over a dozen States faced budget deficits last year because of the "surprise" drop in capital gains tax receipts.

Myth: Capital gains still enjoy an unfair tax advantage, because investors can choose when to realize their gains—a privilege not granted to wage earners.

Fact: Wages and capital gains are fundamentally different. In general, funds for investment come from income that has already been taxed at ordinary income tax rates. This income is taxed once again when the investment produces income—the capital gain. Thus, taxing the capital gain amounts to adding a second layer of income tax to the same income.

Myth: Venture capital for risky new business start-ups accounts for only a small fraction of total capital gains. And most of this risk capital comes from investors like pension funds, which are not subject to U.S. taxes.

Fact: The amount of venture capital is small only because the capital gains tax is so high. The high tax rate reduces the after-tax return to risky investments; if the rate is reduced, venture capital will increase.

History proves this. After the capital gains tax cuts of 1978 and 1981, venture capital soared; but after the 1986 capital gains rate increase, it leveled off and then declined slightly. The 1978 cut is thus the basic cause of the resurgence in venture capital in the past decade.

If the capital gains tax not been cut in 1978, pension fund money would not have flowed into venture capital investments. The managers of this money have only one aim: to achieve the highest possible rate of return on investment. When the capital gains tax was cut in 1978, the market prices for growth stocks increased, and returns on investing in growth stocks increased substantially.

Pension fund investment, then, is far from a given on the venture capital landscape; it too must be fostered and encouraged by tax measures that ensure the health of risk capital.

Myth: A preferential tax rate for capital gains distorts investment decisions and impedes free-market efficiency.

Fact: A capital gains tax is a Government-imposed barrier to free market activity. This tax discourages investors from making prudent and timely adjustments in their asset holdings. It instills a tax motive for adjusting holdings less frequently than sound business sense would dictate—and thus impedes the effectiveness of market incentives in directing investment toward its most productive uses.

Clearly, a revenue-winning capital gains tax cut is necessary to spark upward mobility and expand the overall economic pie. But a tax break for IRA's would also be beneficial, resulting in a flood of savings and investment. The long-term result will be more jobs for Americans, more financial security, and more resources for America's future.

Critics will say the Federal Government simply can't afford both plans. And the Bentsen IRA proposal, which provides a 50-percent tax deduction for IRA contributions up to $2,000, actually would lose roughly $9 billion over the first 3 years after it is enacted.

The pending amendment offered by Senator PACKWOOD cuts the capital gains tax and provides for an alternative IRA plan. It would allow most of the tax benefits at the time of withdrawal, as opposed to the largely up-front tax deduction proposed by the Democrats. The money saved in this new IRA account, as well as all interest earnings, will be tax free upon retirement—thus protecting retirees from the scandalously high taxes they currently pay on retirement income. In addition, funds could be withdrawn tax free to buy a new home, pay for a college education, or cover the cost of catastrophic illness.

This proposal will not cost the Treasury any short-term revenues, and it may even gain revenue if current IRA holders choose to transfer their funds into this new kind of account. IRA's will not expand future deficits. IRA's are designed to increase saving and capital formation which, in turn, will expand the tax base.

Mr. President, I reject CBO's argument that the IRA-plus plan will enlarge the deficit over the long run. First of all, CBO assumes that IRA-plus will not increase overall saving. As with the Joint Committee on Taxation's estimates of capital gains, CBO assumes away the major reason that IRA-plus will result in long-term deficit savings.

As the chairman of the Finance Committee has stated in support of

his plan, IRA's create new savings. According to a recent National Bureau of Economic Research study by Professors Venti and Wise, most of the IRA saving was new saving. Venti and Wise also concluded that, "The data show almost no substitution of IRA's for other saving."

To the extent IRA's shift income that would otherwise be used for consumption to saving, no revenue loss should result. That is because the income that is consumed or invested in IRA-plus will result in no future Federal taxable income stream.

Furthermore, if new IRA-generated saving increases annual GNP growth by just one-quarter of 1 percent over the next 30 years, revenues would be $50 billion higher at the end of 30 years than it would otherwise be without IRA's.

Mr. President, the IRA-plus helps the middle-income earners much more than the Bentsen proposal. According to the Treasury Department, a full 84 percent of the benefits under the Bentsen plan would accrue to taxpayers earning over $50,000 per year. This is because most middle-income taxpayers already enjoy full deductibility of their IRA's.

Mr. President, the Packwood-Roth capital gains-IRA proposal is a better way to keep our economy sparking than the Bentsen IRA plan alone. The Bentsen proposal alone would confer a smaller benefit at a higher short-term cost to the Treasury.

Mr. President, I support the restoration of full deductibility for IRA's. However, I believe that we should enact a capital gains tax cut first—and expand IRA's in a way that does not increase the short-term deficit. I urge the Senate to vote for the Packwood-Roth plan to give America's small savers and investors the capital gains and IRA tax breaks our economy needs.

Mr. President, 5 years ago I introduced a tax reform bill with Representative Jack Kemp that lowered tax rates, broadened the tax base, and retained progrowth saving and investment incentives for capital gains and IRA's. Unfortunately, the final version of tax reform struck these incentives from the Tax Code. I voted for the bill with the hope that these incentives could be restored in the future.

In opposing a capital gains tax cut, Senator BILL BRADLEY has argued that it would unravel his vision of tax reform. In many respects, that vision was shared by Jack Kemp and myself when we introduced the Republican version of tax reform: the application of lower rates to a broader base in order to stimulate work, savings, and investment, and make the tax system more fair as well.

The differences between the Bradley-Gephardt and Kemp-Kasten tax reform plans boiled down to a difference of opinion on how tax reform would boost economic growth. By reducing tax benefits that distort investment decision, Bradley-Gephardt struck down the capital gains differential, IRA's, and other investment tax incentives. But Bradley-Gephardt missed a larger problem in the Tax Code: the multiple taxation of income that is saved and invested. While Kemp-Kasten also tried to reduce the distortion of investment decisions, we focused on reducing the overall tax bias against saving and investment—and we did this by retaining a capital gains differential and expanding IRA's.

Unfortunately, the final version of tax reform largely adopted the Bradley-Gephardt approach. The efficiency gains that flowed from the 1986 Tax Reform Act have been more than offset by the dramatic increase in the tax bias against saving and investment. President Reagan's last economic report estimated that the tax rate on investment rose 10 percent after tax reform. If not for the significantly lower income tax rates, tax reform would have been a complete disaster for the economy.

Expanding tax benefits for IRA's and enacting a permanent capital gains tax cut would reduce much of this tax bias against investment—and move America toward a truly progrowth tax system. Mr. President, while enacting these pro-growth measures might well be considered a departure from the spirit of 1986, I would respectfully suggest that Congress has never passed a measure that cannot be improved.

Two years ago this month, I introduced then-candidate George Bush's proposal to cut the capital gains tax to 15 percent. Earlier this year, I introduced S. 171, the first capital gains bill that combined a permanent tax cut and inflation-indexing.

Soon after, President Bush unveiled a similar capital gains plan. Last month, the House of Representatives approved a temporary reduction in the capital gains tax and permanent inflation-indexing. Today, we have before us an amendment that adopts the basic concepts of my original legislation. I am proud to have played a role in the capital gains tax cut debate. This proposal will strike a major blow for America's workers, investors, family farmers, savers, and small businesses. I urge the Senate to vote to invoke cloture and then adopt the Packwood amendment.

I yield the floor.

Mr. PRYOR. Mr. President, the Senate is aware of my constituent interest in a capital gains differential. In many ways, the timber growers in my State, personify the taxpayers you want to help with a capital gains rate: Risk-takers with their eyes toward the future—long-term investments with sometimes low net profits.

When a timber grower plants a seedling, he or she has no chance of recouping their investment for at least 15 years under the best growing conditions. Meanwhile, they risk drought, flood, pestilence, and fire. Not to mention inflation and price fluctuations. Any one of these can completely destroy their investment.

I believe that these sort of risk-takers in America should be encouraged. For these reasons, I want to one day support lowering the capital gains rate for certain investments. But, Mr. President, this is not the day.

The President has sent a capital gains proposal to the Congress to fulfill a campaign promise. He and his aides have spent the better part of this year lobbying Congress for a tax cut, ignoring most other domestic issues.

At this moment, as the White House lobbyists walk the Halls of Congress, the irrational knife of budget sequestration is cutting our defense forces and slicing up basic services for our constituents, like Social Security phone lines and agricultural programs.

At this moment, while the Secretary of the Treasury makes last minute calls to Senators on this vote, the budget deficit is forcing the Treasury to go out and borrow another $250 billion from foreign investors in order to finance the largest deficit in our Nation's history.

At this very moment, while the OMB Director figures out new ways of cooking the budget numbers to finance this tax cut, the Federal bureaucracy goes unmanaged. The agencies under his watch waste billions of dollars on high paid beltway consultants and on military hardware that does not work.

Yes, Mr. President, I may support a capital gains cut next year. But, only if it is part of a comprehensive economic and budget package. President Bush told the American people he was going to offer solutions to the budget deficit, the drug war, the educational system, and the environment. Instead, he has spent the resources of his administration in the last year trying to sell a tax cut.

There may come a time when this Congress will pass a capital gains money cut. But, Mr. President, this is not the time.

Mr. KOHL. Mr. President, President Bush is right on target when he says that we need to save and invest more in this country. Our productivity has sagged for 15 years. And our pool of savings is inadequate for the capital demands of the next decade.

The President is also correct in believing that the Federal Government can play an active role in stimulating savings and investment. The package

before us today contains the germ of some good ideas along these lines. However, in the final analysis this proposal is the wrong package and it's being offered at the wrong time. I cannot support it.

There is room for debate on the effect of a capital gains tax cut. I happen to believe that indexing offers the most promise, but even indexing has tremendous practical problems to overcome. Senator PACKWOOD's proposal is a clear improvement over earlier versions but it still runs the risk of imposing unrealistic burdens on investors.

And it is not just the investor who accepts a risk under this proposal. The whole country does. Let me spell out some of the problems I see.

First, this legislation would cost the Treasury billions of dollars over the long run. At a time when deficit reduction is—or at least should be—the No. 1 priority of our economic policy, it is simply irresponsible to enact such a policy. The losses caused by this legislation would have to be made up somehow, most likely by increased taxes or reduced services for middle-income families in Wisconsin and throughout the country. I was not elected to add that burden to their load.

Second, at a time when we are cutting back on vital, fundamental services for middle- and low-income families, it is hard to justify creating a tax break for the wealthiest among us.

One-fifth of all children live in poverty. Funding for education has not kept pace with inflation. Our roads and bridges are in dramatic disrepair. Drugs flow across our borders by the ton because we are so understaffed at the Customs and Drug Enforcement Agencies. And we even claim not to have enough money to provide prenatal care for pregnant women who live below the poverty line. How can we let all of these important needs go unmet and then turn around and spend billions of dollars on a tax break that disproportionately benefits the wealthy?

Third, even though I believe that the equity argument makes adoption of this proposal difficult, I might be willing to do it if I really thought it would help create the kinds of economic growth that benefits all of us. But the plain truth is that it will not. This approach to easing the tax on capital gains cannot stand on its own two feet. Instead of stimulating investment, this bill will only stimulate tax shelters and may actually hurt overall capital formation. Most economists agree that the most important factor that affects capital formation is interest rates. Tax considerations are way down the list.

And what is the best way to reduce interest rates? Just ask Mr. Greenspan: lower the deficit. By aggravating the deficit, then, restoring a tax break for capital gains could ultimately hurt capital formation.

In addition, we should ask which investments would benefit under this plan. Not all investments would benefit equally. Are timber producers in this one? Is real estate covered? What about assets held 364 days versus the same asset held 366 days? This bill makes many arbitrary choices on these issues. How were those decisions made? Who decides how these tax breaks are distributed?

By politicians, Mr. President, by politicians. We will cover some sorts of investments in this bill and exclude others. I recognize that politicians have to make many decisions; but we should stay out of decisions that are better made in the marketplace. Enactment of this capital gains proposal would put control back in the politicians' hands over where investment flows. That is a problem that the Tax Reform Act of 1986 addressed and we should not retreat from that position.

Finally, Mr. President, this package contains a peculiar version of the Individual Retirement Account Program. It is a very confusing proposal, but its bottom line is clear: a tax benefit will go to the current generation, while our children pick up the tab. The Congressional Research Service estimates that the IRA proposal contained in this bill will lose the equivalent of $20 billion in today's dollars. But most of this money will be paid in the late 1990's.

There is a stiff price to pay for even the best proposal. The problem here is that this "Backloaded IRA" won't even help stimulate savings. Study after study showed the importance of the immediate deduction for IRA's. The IRA contained in this bill allows no such deduction. The failure of this proposal to allow an immediate deduction is a fatal flaw.

Mr. President, not every money losing proposal is bad. Not every capital gains proposal is bad. But the cost of this package is just not justified by its merits. Over the coming months, I hope we take a long, careful look at these issues and devise more sensible approaches. I will work toward that end.

Mr. CONRAD. Mr. President, I plan to vote against cloture. The amendment before us is a curious hybrid: it would reduce taxes on capital gains and pay for the revenue losses in the short run by establishing a new type of individual retirement account. As economic policy, the proposals are seriously flawed; as budget policy, they are blatantly irresponsible.

Mr. President, the budget deficit for fiscal 1990 is estimated to be $141 billion. We should be doing everything possible to bring that deficit down. Instead, with this amendment, we would only make our job harder—and we make a mockery of the deficit reduction goals we're committed to reach under present law.

The key proposals in this amendment are both major revenue losers, although sponsors have constructed the IRA proposal in a way that they claim will produce some revenue in the near term. There should be absolutely no doubt, however, that both proposals will lose substantial revenue once we are beyond the 5-year budget window for which the estimates are made.

On capital gains, the Packwood-Roth amendment would:

Provide a new exclusion for individuals on a sliding scale, increasing in steps from 5 percent for assets held 1 year to 35 percent for assets held as long as 7 years;

Provide a capital gains differential for corporations on a more gradual sliding scale;

Allow the exclusion for gains on old assets as well as newly acquired assets, and give individuals the option of choosing indexing rather than the exclusion.

Provide special lower rates on gains received by investors in small companies—assets of less than $20 million—making new venture capital investments.

The revenue estimates from the Joint Tax Committee show the individual rate cut picking up some revenue at the outset, reflecting increased realizations of gains. But after fiscal 1991 the estimates show steady and growing losses: $2.1 billion in fiscal 1992, $2.5 billion in fiscal 1993, and $3 billion in fiscal 1994. By fiscal 1999, the annual revenue loss is $6.1 billion. The corporate rate cut reduces revenue right from the start, with losses growing from $400 million in fiscal 1990 to $1.3 billion in fiscal 1999. From 1990 to 94, the net effect of the capital gains proposal is a loss of $10.2 billion. Over the next 10 years, the loss is $36.7 billion: $27.9 billion from the individual rate cuts and $8.8 billion from the corporate rate cuts.

The main effect of the capital gains proposal is to alter the timing of tax collections: some investors will sell earlier than they otherwise might have, resulting in a higher initial volume of realizations. No one is arguing, however, that these higher realization levels continue indefinitely, and the revenue losses do mount steadily during the next decade. In addition, the 7-year holding period could produce some locking-in effects, which will reduce revenues in the longer term. The Packwood proposal is structured to give a significant break to people who've already held assets for at least 7 years—which doesn't strike me as an efficient way to encourage new investment.

The IRA proposal, which sponsors contend will offset the acknowledged

revenue losses from the capital gains tax cuts, works like this. People under the age of 55 can contribute non-deductible amounts of up to $2,000 a year to the new IRA-plus accounts. The interest in these accounts would accumulate tax free, and withdrawals from the IRA-plus accounts at retirement, age 59.5, taxpayers could choose to make tax-free and penalty-free withdrawals of 25 percent of the funds from these accounts at any age if used for education, catastrophic health expenses, or to buy a first home.

The amendment further allows taxpayers to convert conventional IRA's into IRA-plus accounts by paying tax on their deductible contributions. That's the source of the initial revenue gains, but this conversion feature also produces a significant new loophole later on. That's because earnings from conventional IRA's—which would normally have been taxed at the time of withdrawal—will escape tax altogether if this amendment becomes law.

The IRA-plus proposal works like this: Taxpayers can reduce their taxes in the future by paying some greater tax now when they roll-over conventional IRA's into the new accounts. A key question is why people who qualify for deductible IRA's would want to convert. If they have enough cash on hand to pay the tax due on their deductible contributions, they could save a lot of money later.

Some calculations by the Congressional Research Service show that a taxpayer who made the maximum deductible contributions to an IRA each year from 1975–89 would stand to owe more than $24,000 in taxes if he would have withdrawn from the IRA at retirement in 1995. However, by converting to an IRA-plus account, this same taxpayer would have to pay only $7,400 in taxes, spread out over the next 4 years. Taxpayers who have made nondeductible contributions to an IRA since 1987 can roll over these accounts to IRA-plus accounts, pay nothing in taxes now, and avoid tax on all the appreciation.

Another inducement could be the ability to make early withdrawals for education, homebuying, and health expenditures. If so, the future revenue losses will be greater. People who convert for this reason would be certain to withdraw money from the new accounts—costing the Treasury the tax on the buildup that would otherwise have been owed when people withdraw from conventional IRA's at retirement.

It's also possible that people in their fifties could find IRA-plus accounts an appealing alternative to ordinary savings accounts, since they could withdraw the money tax-free a few years later instead of having to pay tax each year on the interest buildup. The IRA-plus proposal cleverly avoids an immediate revenue loss from this feature by requiring people to be under the age of 55 to use the new accounts. Thus, the first revenue losses from the provision don't show up until 5 years later, when such taxpayers reach the age of 59.5.

According to a Congressional Budget Office study dated October 25, 1989, the long-term revenue losses from the IRA-plus proposal are explosive. Under existing law, substantial taxes would be paid on the $400 billion now in IRA's at the time of withdrawal: CBO calculates that the present value of such tax obligations is $84 billion. Assuming that all of these accounts were converted to IRA-plus accounts, CBO computes that the present value of the tax liability that results from these transfers is $39.4 billion. Thus, the proposal would lose more than $2 of future tax revenue for every $1 gained during 1990–94.

Based on its own assumptions about usage of IRA-plus accounts, the Joint Tax Committee estimated that the proposal would generate a short-term revenue gain of $11.5 billion. But again, CBO notes that in present value terms, this revenue "comes at the expense of about $22 billion in future revenues * * * so that the net revenue effect is a loss of about $10 billion in present value."

No close examination of these proposals can fail to detect their underlying cynicism. Sponsors have combined two tax cuts in a way that obscures the true costs—and once again shifts enormous costs to future generations. The issue of who will pay may be greeted with indifference at the White House, but I maintain the bill will come due. If this amendment passes, we will have to pay for it: either by raising other taxes to offset the inevitable revenue losses or by imposing larger cuts in defense and domestic spending programs or by watching the budget deficit veer even further out of control. I urge my colleagues to join me in voting against cloture and getting on with what should be our main responsibility at this point: to get the deficit reduced.

I thank the Chair and yield the floor.

Mr. THURMOND. Mr. President, I rise today in support of the motion to invoke cloture on the capital gains amendment offered by the distinguished Senator from Oregon [Mr. PACKWOOD]. This amendment provides for a permanent reduction in the capital gains tax on individuals and corporations and also establishes an individual retirement account plus which would encourage personal savings. I was pleased to cosponsor similar legislation that was previously introduced and I am pleased that this issue is before the Senate today.

Mr. President, it is imperative that the Congress act without further delay to reduce the capital gains tax for those hardworking Americans who deserve it. In a discussion of capital gains, it is often argued that a reduction would benefit only the rich. However, such a statement does not give the full picture. Over the past few months, I have received numerous calls from people in South Carolina strongly urging my support for a change like the one that is being proposed today. These people are concerned about selling their houses they have owned for a lifetime and having something left over for their support. Also, some are seeking to sell businesses that have taken a lifetime to build in hopes of providing for their retirement. These are not people who would stand to make a large profit. However, they are concerned that all of their hard-earned profits gained from these investments not be taken away by the Government.

A reduction in the capital gains rate would also apply to many industries and would generally encourage investment. Specifically, such a reduction would benefit the timber industry which is unique in its operation. In the normal course of business, it takes anywhere from 20 to 25 years to grow timber. However, extensive capital must be invested at the beginning for planting and growers are continually subject to high risks of bad weather, disease, insects and fire. A reduced capital gains tax encourages investment of capital in such businesses as timber. Without such treatment, investors are likely to turn to other crops thereby decreasing the supply of timber which may lead to increased prices.

Reduction of the capital gains tax will stimulate growth which will in turn strengthen the economy. This is an important vote and I ask my colleagues to vote to invoke cloture.

Mr. CRANSTON. Mr. President, regrettably, Mr. President, I rise to oppose cloture on this amendment. As a long-time supporter of a capital gains differential, I do not enjoy taking this position. I remain committed to a responsible capital gains proposal that emphasizes new, long-term investment—particularly in risky ventures. But it is clear that this debate has gotten out of hand and the capital gains issue cannot be considered in an objective way at this time.

We all know a lowering of the capital gains tax is not going to happen this year. The President and Republican leadership have admitted as much. Why then are we debating this?

We are debating this because the President wants a test vote. Why? What purpose does it serve? I am one of the leading advocates of a lower capital gains tax; I have been for over a decade, and I will continue to be. Nonetheless, I'm voting against the

President today. This vote today does not mean anything. We are simply engaging in a futile exercise to help the White House politically. But since many Senators such as myself are not voting as we would on the substance, little has been gained, and frankly, much good will has been lost.

Before we vote on capital gains, we should have a serious, substantive debate. We should have hearings and we should try to make sense of the drastically different revenue estimates. We should also take a close look at the specific package it is part of. Although I am a strong supporter of individual retirement accounts, important questions have been raised about the IRA-plus approach in this amendment. Does it help lower income families? Does it contribute to new savings? Is the conversion feature simply a budget gimmick? Before we enact legislation that could impose a severe financial hardship on future generations, we must answer these serious questions.

Mr. President, let me say one more time that I continue to support a well structured gains proposal, and my vote today should not be interpreted as a vote against capital gains. However, I believe we would be best served by lowering the rhetoric on both sides, letting the dust settle, and taking up this debate early next year when it can be considered under normal procedures and as part of the budget process.

Mr. DODD. Mr. President, I rise in somewhat reluctant opposition to the motion to invoke cloture on the Packwood-Roth capital gains/IRA-plus amendment.

Clearly, there is a strong and compelling need to increase capital formation in this country. Between our low personal savings rate—it is a third that of Germany and a quarter that of Japan—and our huge Federal deficit—which absorbs enormous quantities of what we do save—we have inadequate and overly costly resources to finance our economic growth.

However, there are different ways to address this problem. For example, on September 7, Senator D'AMATO and I introduced S. 1588, the Savings and Capital Formation Act of 1989. That bill would have restored the benefits of IRA's but in the form of a tax credit instead of a deduction. Shortly thereafter, Senator BENTSEN announced his plan to establish a 50-percent tax deduction for IRA's and I joined him on that legislation.

Another way to address capital formation, of course, is through restoration of a capital gains differential. In theory, there is much to commend such an approach, particularly as it relates to the financing of new ventures and to the creating of incentives for long-term investment.

If capital formation is so vital to our country, isn't the Packwood-Roth bill worthy of support? My answer, as I indicated earlier, is a reluctant "No." The reasons for my opposition involve the failure of the proposal to address other important national issues, most particularly the need to reduce our Federal budget deficit and to avoid putting off more expenses on future generations.

These problems stem from the financing mechanism the authors have chosen to avoid a negative budget impact over the next 5 years, Thus, while the capital gains provisions are estimated by the Joint Tax Committee to cost about $10.2 billion over the next 5 years, the IRA-plus provisions would generate about $11.5 billion, resulting in a net gain of about $1.5 billion. The main reason is that the bill would permit existing IRA accountholders, most of whom have already received tax deductions, to convert to IRA-plus accounts by paying taxes on the contributions which were previously made on a deductible basis, over a 4-year period. Taxpayers who avail themselves of this conversion opportunity would never have to pay taxes on the earnings that have already accrued in the IRA and would also not be obligated to pay taxes on all future earnings.

While the proposal would generate income over the next 5 years, it would be a long time loser, with CBO estimating "an expense of about $22 billion in future revenues in present value, so that the net revenue effect is a loss of about $10 billion in present value." Put another way, if one assumes that the average withdrawal will take place in 20 years, in nominal dollars the Federal Government would be losing over $114 billion in the long term in order to get an $11.5 billion revenue gain in the short term.

Thus, my first objection is that the proposal does not have a real financing mechanism. The lost future revenue would, therefore, undercut much of the benefit of the proposal. If one of the objectives of capital formation is for U.S. citizens to finance our own Federal budget deficit, then a capital formation proposal that would increase that deficit is self-defeating.

Second, all IRA's are not created equal. An IRA deduction or credit could be called a front-end IRA because its costs—and, I assume, an appropriate offset—would be borne by this generation. Moreover, a front-end IRA trades a tax break today for taxes at retirement, which would generate revenue in the future. By contrast, an IRA-plus type proposal, which would collect taxes today but provide for no taxes on the amount contributed to IRA's and the interest earned, is a back-end IRA. In return for a small short-term gain, it would saddle our future generations with enormous lost revenues.

I have other concerns about the Packwood-Roth bill. Its retroactive application to existing investments would generate significant revenue losses without creating any incentives for capital formation. Those investors already made their decisions, based on today's tax law. What societal benefit would there be to giving them a tax break? I think the answer is "none at all."

Finally, I think there are serious questions about whether the IRA-plus approach would work as well as my approach or Senator BENTSEN's approach. Studies of people's behavior between 1982 and 1986, when the old IRA law was in effect, showed that approximately 40 percent of the people who put money into IRA's did so in the year they filed their taxes rather than the taxable year for which they were claiming a deduction. This behavior is strong evidence that many people chose to put money into IRA's in lieu of paying taxes on those dollars. It is unclear whether as many people will put money into IRA's if they will not see the benefits for many years to come.

Mr. President, for the reasons I have outlined above, I will oppose the Packwood-Roth amendment. I hope that after the passions have cooled, sometime next year we can devise a carefully targeted bipartisan package that will improve capital formation in this country without worsening the budget deficit.

I urge defeat of the motion to invoke cloture.

Mr. JEFFORDS. Mr. President, when Congress passed the Tax Reform Act of 1986, it sought to bring fairness to a Tax Code widely perceived as unfair. The Tax Reform Act reduced tax rates in exchange for the elimination of credits, deductions, and loopholes that previously allowed wealthy taxpayers to avoid paying their fair share. Tax reform eliminated the remaining excesses of the 1981 tax cuts and brought greater progressivity and fairness to the Tax Code.

I swallowed hard at the elimination of some credits and deductions that I felt were important to the country and worth keeping. However, I believed that restoring fairness and uniformity to the Tax Code was more important than retaining certain desirable tax preferences, and I cast my vote in favor of the Tax Reform Act.

The law has been a success. Millions of lower income working Americans have been removed from the income tax rolls or had their taxes reduced. Wealthy Americans can no longer shelter their income and avoid paying taxes—the alternative minimum tax has seen to that.

An important part of the tax reform compromise was the decision to tax capital gains as ordinary income. The bill reduced the top marginal rate on ordinary income from 50 percent to 28 percent—33 percent for some upper-income taxpayers—thereby eliminating the need to provide preferential rates for capital gains. Ending preferential treatment of capital gains increased the top from 20 to 28 percent.

I supported this compromise, and I continue to believe that capital gains should be treated the same as ordinary income, provided that the current rate structure is retained, and provided that the asset basis is adjusted for inflation.

Under the law, however, capital gains income is not the same as ordinary income in one very important respect. The basis—cost—of an asset is not indexed for inflation. As a result, taxpayers are required to pay tax on gains that they never realized in real terms. The asset appreciation due to inflation is not a gain of income in real terms. Yet it is fully taxed. This is not fair.

Prior to the Tax Reform Act, a taxpayer was allowed to deduct 60 percent of the capital gain on a sale. This exclusion compensated for much or all of the inflationary impact on the gain. The Tax Reform Act repealed this exclusion.

I have long been a supporter of indexing income tax rates to prevent "bracket creep." In 1978, while serving in the House of Representatives, I cosponsored one of the first bills aimed at preventing "bracket creep" by indexing tax rates for increases in the cost of living. "Bracket creep" caused an increase in a person's taxes because their income was forced into a higher tax bracket solely due to inflation.

This indexing provision became law in 1981 as part of the Economic Recovery Tax Act, the so-called Kemp-Roth tax cut bill. Although I voted against this bill because of some excessive tax breaks and its budget implications, I was pleased that indexing was included.

The issue of indexing has been lost in the debate over the various proposals to reduce the rate of taxation on capital gains. Fairness dictates that a small business owner, farmer or landowner should not be taxed on the inflationary appreciation of his or her asset. Indexing rewards Americans who hold assets for a long period of time, not speculators who buy property or other assets and then sell them at a profit soon afterward. For many small business owners, particularly farmers, their assets provide retirement income. Taxing the inflationary appreciation of their assets is simply not fair.

Both the House bill and the Packwood-Roth amendment provide indexing for future inflationary gains on the basis of the asset. I strongly support indexing and would be willing to support a temporary capital gains rate cut to get permanent indexing provisions into the tax code. I am not willing to support a permanent capital gains rate differential in order to get indexing. Therefore, while I support the temporary House rate cut, I cannot support the Packwood-Roth proposal.

In addition to my concerns about the permanent capital gains differential in the Packwood-Roth amendment, I am even more troubled by the IRA-plus proposal. As politically popular as this proposal may be, I believe this proposal moves Federal tax and retirement policy in the wrong direction.

The IRA-plus provision would create a new type of individual retirement account. Taxpayers would be permitted to contribute up to $2,000 annually to this new type of IRA. Unlike current IRA's, interest earned on an IRA-plus account could be withdrawn tax free upon retirement—age 59½. IRA-plus funds could also be withdrawn to purchase a first home, pay college expenses, or meet catastrophic health care expenses. Current law IRA's could be converted into an IRA-plus account before January 1, 1992.

This proposal is politically popular, no question about it, and some proposals for penalty-free early withdrawls have merit. The Roth proposal would provide new savings opportunities for some Americans and reduce their taxes at the same time. In addition, the conversion of current law IRA's to the new IRA-plus would produce significant revenue in the short term. However, the proposal would create a large revenue loss in future years. It would make our job of reducing the Federal deficit even more difficult.

Retirement policy in this country is driven primarily through the use of tax incentives for employer-provided pensions and individual retirement savings. These private savings plans are supplemented by Social Security. As we seek ways to increase the number of Americans covered by employer-provided pensions, we are limited by budget constraints from providing additional tax expenditures. These constraints on tax expenditures make it very important that tax incentives are targeted and not duplicative.

Tax benefits and other Federal policies designed to increase retirement savings must first target those who are not already covered by pension or retirement plans, or those who are not adequately covered. In view of the serious need to provide pension coverage to those not currently covered, we cannot afford proposals such as the Roth IRA plan that provide new tax benefits to those who are already covered.

Mr. President, I will support the cloture motion today because I support the underlying House bill and believe it deserves to be considered by the Senate. However, should the cloture motion receive the necessary 60 votes, I will vote against the Packwood-Roth substitute.

Mr. LEVIN. Mr. President, I support taxing the gains from the sale of assets held for a long period of time at a lower rate than other income. I believe that a difference in the treatment of capital gains income and other income can be a useful tool in promoting the increased long-term investment that is necessary to enhance our Nation's productive capacity. The elimination of such a capital gains differential is one of the reasons that I voted against the Tax Reform Act of 1986.

I also support expanded eligibility for people who wish to establish individual retirement accounts. Expanded eligibility would have the doubly beneficial effect of providing individuals with additional ways of preparing in financial terms for their retirement and of providing the Nation with an increased pool of savings which can be used to promote productive investments and reduce our reliance on foreign capital. The imposition of new restrictions that were placed on IRA participation by the Tax Reform Act of 1986 was another reason that I voted against that legislation.

Today, we are asked to shut off debate on the Packwood-Roth proposal which has stated purpose of increasing investment and personal savings, but which has too many flaws in it to permit it to come to a vote at the present time.

First, this proposal will add to the deficit over the long run. This result, with its adverse impact on interest rates, would be inconsistent with the goal of promoting economic growth and investment. On its face, the proposal reduces the deficit by a small amount during the first 5-year period. From 1990 to 1994, the capital gains portion of this proposal, which would give up to a 35-percent exclusion from income for assets held for up to 7 years, would lose a little over $10 billion. During the same time frame, the so-called IRA-plus proposal would gain about $11 billion.

However, the 5-year revenue gain from the IRA provision results from the incentive in the legislation to convert existing IRA's, the contributions to which were tax deductible at the time they were made and the withdrawals from which were subject to taxation, into IRA's which would be exempt from taxation at the time that money is withdrawn for retirement. Under this IRA conversion proposal, the taxpayers would be required, in effect, to pay back the IRA deduction

they received in prior years. This payback period would be 4 years. In fact, this proposal requires that the newly converted IRA be held for 5 years prior to being withdrawn, thereby conveniently assuring that there will be no revenue loss during the 1990-94 time frame. In other words, during this 5-year period there would be a revenue gain as a result of the taxpayer's, in effect, paying back of the previously taken IRA deduction, but there would be no revenue loss resulting from newly tax free withdrawals because tax free withdrawals would not be permitted during that time frame.

Mr. President, let's recognize this IRA proposal for what it really is. It essentially takes revenues from the future into the present in order to offset the revenue loss resulting from the capital gains portion of the overall Packwood-Roth proposal. Also, unlike current law, this proposal would give tax-free treatment upon withdrawal to the interest earned on the IRA contribution. This change would further reduce revenues to the Treasury in the future from the levels currently anticipated. In the words of a report by the Congressional Research Service of the Library of Congress, "Thus, the IRA-plus conversion option shares a characteristic with many of the other proposals that have been suggested—and adopted—to meet the Gramm-Rudman-Hollings deficit targets; it would raise revenue in the near-term budget years at the expense of sacrificing more revenue in future years." Similarly, according to the Congressional Budget Office, "In summary, the IRA-plus proposal would lose revenue, on net, over the long term."

Second, this proposal will not add to overall national savings. The IRA conversion option does not increase savings. It only encourages a shift in savings from one kind of IRA to another. The color of the house may change from blue to yellow, but it is still only one house. In the words of the Congressional Research Service study, it is clear that the IRA conversion option of the Packwood-Roth proposal, "would not be expected to stimulate additional savings by taxpayers because it provides benefits to prior contributions, rather than future contributions, to IRA accounts."

Also, the current IRA allows for a deduction at the time that the contribution is made. Substantial evidence suggests that it is this immediate tax deduction that provides much of the incentive for people to contribute to IRA's. The IRA-plus proposal holds out a very real tax break for people down the road. However, reality requires that if we are to provide a meaningful and effective tax incentive for individuals to contribute to IRA's, that incentive must be visible in the near term. The Packwood-Roth proposal provides no near-term incentive, and therefore, it is very likely to have little impact on promoting new savings.

Third, the capital gains provision of the Packwood-Roth proposal represents a significant improvement over the bill passed by the House of Representatives. For example, it does not include a temporary sharp drop in the capital gains tax rate, which is a gimmick to generate a quick infusion of revenues for budgetary purposes. However, it could still be fine-tuned. But, it would be difficult to do that under the constrained procedural situation which would exist if cloture were invoked. It might not be possible to consider proposals to provide greater capital gains incentives for new investments, or to link a reduction in the capital gains rates with an increase in the maximum tax rate on other income earned by the wealthiest 1 percent of the taxpayers. A capital gains tax rate reduction should only be part of a broader revenue package that would address the tax inequities which would result from only reducing the capital gains tax rate.

Mr. President, it is possible to pass legislation to improve the tax treatment of capital gains and to improve the law relating to individual retirement accounts. However, the legislation before us today is not that legislation. In 1981, when talking about the tax bill passed that year, Richard Darman, who is now the Director of the Office of Management and Budget, was reported to have said, "We win it now, we fix it later." I think it is better for us to pass the legislation right the first time. That is why I will oppose the legislation before us today.

Mr. MACK. Mr. President, I think the question of who pays capital gains taxes and who doesn't miss the point of why a reduction in the capital gains tax is important. At the moment, the United States has by far the highest effective capital gains tax rate in the free industrial world. In a global economy, pushing the cost of capital up by a high capital punitive tax makes the United States less competitive. American industry currently pays from 55 percent to as much as 90 percent more for their capital investment in equipment, factories, and research than either Japan or Germany according to a study by economists Robert McCauley and Steve Zimmer of the New York Federal Reserve Bank. Encouraging captial investment in U.S. businesses and lowering the cost of capital to bring it more into line with the capital costs of our global competitors is an important product of a lower capital gains tax.

The indexing feature of this proposal is especially important because it eliminates the fundamental unfairness of taxing the phantom gains of inflation. When a capital investment is sold after being held for a number of years, part of the increase in value is due to inflation and the income associated with the sale is worth less in constant dollars than it would have been in the year of the investment. The part of the gain associated with the inflation is just a phantom gain and has not contributed to the wealth of the investor and should not be taxed as such.

Another point worth noting is the studies that were conducted by CBO and the Joint Tax Committee essentially assume that a reduction in capital gains will not have an effect on behavior and people will act the same after a tax cut as they did before it. This is outrageous and has nothing to do with our dynamic world. Estimates that show a capital gains tax cut losing revenue are based on the same faulty assumptions used in 1978 when Treasury Secretary Blumenthal predicted that a cut in the gains rate would cost the Treasury $2 billion per year. What actually happened was that revenues from capital gains climbed by over $2.5 billion.

The current level of capital gains taxation discriminates against capital income, discourages venture capital formation, impedes job creation. A capital gains differential will promote technological innovation, create new opportunities and raise revenue by stimulating economic growth and increasing capital gains realizations. I strongly urge the adoption of this amendment.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired. All time is reserved for the majority and Republican leaders.

Under the previous order, the Republican leader has 10 minutes remaining on his time, and 15 minutes is reserved for the majority leader. The Republican leader is recognized.

Mr. DOLE. I thank the Presiding Officer. I want to first commend all my colleagues, particularly my colleague from Oregon, Senator PACKWOOD, for their efforts.

I want to congratulate the President of the United States for this initiative. I want to assure Members on both sides of the aisle that this is a real vote on capital gains. It has been a long time in coming. I know probably what the outcome will be, but I think we can demonstrate to the American people that a majority in this Senate support a capital gains rate reduction.

I believe we have the question properly framed. This is not capital gains on some Polish aid bill or reconciliaton; it is a capital gains amendment devised by the distinguished Senator from Oregon, the Senator from Delaware, and others, on a House-passed so-called Jenkins proposal on capital gains which, in my view, is not a very

good proposal. But we have a much-improved proposal.

I want to indicate, as I think the President has on a number of occasions, that this is something that has been around for some time. President Bush carried 40 States. There was not any secret about it during the election; he supported a capital gains rate reduction. It was not something that came along to upset the 1986 tax reform bill, but he campaigned on a pledge to reduce our excessive double tax on savings and investment. At last we have this before the U.S. Senate.

I also want to commend the House of Representatives for the bipartisan support they had on the House side. Nearly every Republican but one, and 60-some Democrats, joined together in a smashing victory for capital gains rate reduction. So this is not partisanship. There is strong bipartisan support.

A vote for capital gains will not threaten the U.S. Treasury with default as it might have on the debt limit. We had a lot of talk about that. Some people criticized some on this side for not offering it on the debt limit. I might say, to keep the record straight, the White House does not want this on the debt limit. They did not want us to default for the first time in history. They did not want some extended debate on extending the debt ceiling.

So it seems to me this is the right place and the right time. If we can get 60 votes, we can wrap this up this afternoon. We will still be out of here before Thanksgiving. I think once we get 60 votes, we will probably end up with many more than that.

This is a procedural vote. We are only going to have two votes on this issue this year. I think, in fact, we have had more debate on this without ever having it up than any other matter I know of in recent memory. So everybody is pretty familiar with the issue.

We have heard it on the Senate floor; we heard it from the House; we heard it on the talk shows; we heard it from experts on both sides of the issue. This is a procedural vote. In every other respect, this vote is a vote on the merits of capital gains and no Senator should claim that he supports a reduction in capital gains tax rates if he votes against this today. Either you are for it or against it.

Mr. President, a compromise, a temporary reduction in the capital gains tax rate passed the House with a clear 50-vote margin. Under every economic analysis, the proposal which is before us today is far superior. The rate reduction is permanent, allowing the incentive to have its intended effect on capital formation. It is tied to the length and time that the asset is held, reserving the maximum benefit for the long-term investment this country so desperately needs.

Since 1986, the last year that our tax law provided a capital gains incentive, the amount of new equity capital raised by American business has fallen from a high of $68 billion in 1986, more than twice the amount raised in Japan, to $20 billion in 1988, less than one-fifth the amount raised in Japan.

Without the permanent "patient" capital which only equity investment provides, American business cannot make the commitments to plant, equipment and research necessary to compete in a global economy. Yesterday, Lee Iacocca responded to a television interviewer asking about the impact of foreign competition on the U.S. auto industry: If we can lower it, the problem would be solved.

That is what we are attempting to do, lower our cost of capital, become more competitive, create more jobs for more people. Reducing the punitive second tax on equity capital will meet the first of these criteria.

The United States is alone among its trading partners in imposing a full second tax on corporate earnings. Japan, West Germany, France and the United Kingdom all integate their corporate and individual tax regimes. In addition, the United States imposes the highest tax on capital gains of all these countries. No wonder our corporations are drowning in debt.

Mr. President, make no mistake about it, a vote against cloture today is a vote against capital gains tax relief this year. It is a vote for increased debt financing of American business and for a contribution of the current short-term profit orientation. It is a vote to deny assistance to Chrysler and other U.S. corporations which are trying to meet foreign competition head on.

Finally, Mr. President, I will say this: This is not a contest between the President of the United States and the majority leader of the U.S. Senate. We are talking about a very vital issue, an issue that transcends party lines.

As others have done more eloquently today, we are talking about competition, cost of capital, creating jobs, business expansion, all the things that all of us talk about when we are out on the stump somewhere.

Finally and finally and finally, we get an opportunity today to cast a vote. My view is it ought to be clear. There ought to be enough votes for cloture. Then we ought to go on and finish what we have started in the Senate, and go to conference with the House and yet this year provide capital gains tax relief.

This will not be the end, whether or not we are successful this year. We will be back again next year. It seems to me this is an opportunity, something we can do and do very quickly. There is not much controversy about it. This should not be a partisan issue.

I recall in earlier days when we reduced the capital gains rate, it was bipartisan: Senator Long and Senator Hansen on the Finance Committee, one Democrat and one Republican; the same was true on the House side.

I urge my colleagues to cast aside partisan politics; cast aside whatever you may think about what the President said in the campaign, but think about businesses in your State, about opportunities for jobs in your State, about lower cost of capital in your State, about creating more opportunities everywhere in America. And if you consider that on an objective basis, you will support us on the cloture vote.

Mr. WILSON. Will the Senator from Kansas yield for a question?

Mr. DOLE. Do I have any time remaining?

The PRESIDING OFFICER (Mr. KOHL). The Republican leader has 2 minutes, 12 seconds remaining.

Mr. DOLE. I will be happy to yield.

Mr. WILSON. I ask my friend if it does not strike him as somewhat ironic that among the many people who have taken the floor in opposing the Packwood-Roth proposal, there have been included many who have repeatedly chastised those who would seek foreign investment?

The ironic thing is they have been among some of the most eloquent Japan bashers, and yet here this afternoon they are saying we do not need capital gains because there is a flood of capital. On other occasions I have heard them be very eloquent, saying we really cannot be dependent upon foreign investment.

I think they ought not to be able to have it both ways. The fact is, if they do not like Japanese investment in Rockefeller Center, are they suggesting that there will be adequate Japanese or foreign investment for the small businesses that are the startups, the celebrated California garage, with a good idea? It strikes me as highly ironic, and I am just curious as to whether or not my friend, the Republican leader, sees that in the same light.

Mr. DOLE. I think all those who are quick to criticize President Bush for whatever he does and probably about what we do with Japan ought to think twice before they cast a vote against cloture. If we want to be competitive, we have to give our businessmen and women in America the tools to be competitive. We have to reduce the cost of capital. We cannot just bash the President.

As I pointed out, when we had the rate reduction, we raised more capital than the Japanese by a big margin, but not since that time. And so I agree with the distinguished Senator from

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California. Sooner or later there is going to be a capital gains rate reduction; hopefully sooner than later. I think the groundwork has been laid for the argument stated by the Senator from California and many others I may have missed earlier today. I hope we have broad bipartisan support when it comes. It should not be a partisan issue. We all have opportunities in our States that ought to be expanded, and this is one way to do it.

Mr. WILSON. Mr. President, I agree, It seems to me we want to encourage American investment and not be dependent upon foreign investment. Here is our opportunity to do so.

Mr. DOLE. I yield back the remainder of my time.

Mr. WILSON. I thank the Chair.

The PRESIDING OFFICER. The majority leader controls the remaining time.

Mr. MITCHELL. I favor a differential in the rate at which capital gains are taxed, as compared to ordinary income. In a fair and progressive tax system, a properly crafted differential can provide a modest benefit, especially if targeted to new and small business. That can and should occur only in a manner that does not have a serious adverse effect on the budget deficit.

I hope that next year we can consider a proposal that achieves those objectives. The amendment before us achieves none of them. It is not fair. It is not targeted. It will significantly increase the budget deficit.

That is why I oppose the amendment.

This amendment symbolizes the excesses of the last decade—especially the unprecedented irresponsibility in Federal fiscal policy.

This amendment is designed to hide its true effect on the deficit by delaying most of the revenue losses beyond the 5-year period used for budget purposes. After that point, however, the amendment will add billions of dollars to the Federal budget deficit. Those deficits don't seem to trouble the sponsors of this amendment because they will occur in the future. But they will deeply trouble, and adversely affect, our children and grandchildren.

There is no better example of short term thinking—"now nowism" as the President's budget director calls it—than and amendment which hides all of its cost beyond the budget window; an amendment which adds billions of dollars to Federal budget deficits, just beyond the horizon.

It is erroneous, even misleading, that this amendment is proposed in the name of encouraging long-term investment.

This amendment evinces no concern about investment or with the future. It is concerned only with the present and the political benefits that may flow from cutting taxes.

Why should this amendment, which will substantially increase the deficit, be seriously considered at all this year?

Because every so often in this process rationality takes flight. Reason is tossed out the door, and the public interest becomes irrelevant; and the obsession with short term political benefit takes precedence over the national interest. It is a time when otherwise intelligent people succumb to catchy slogans and misleading statistics.

Now is such a time. This is such an amendment.

Many Members of Congress in both parties will vote for a capital gains tax cut even though they are uncomfortable with that vote.

Republicans feel great pressure to support the President on an issue which has become the single most important domestic policy initiative of his administration. They know that fiscal responsibility rarely wins votes. But everyone likes a tax cut.

Democrats are tired of being on the wrong side of the public's strong feelings against taxes. They sorely want to be supportive of any proposal that cuts taxes.

But the American economy demands more. The American people deserve more.

We must look beyond the short-term political interest and consider the national interest.

It is important that the American people understand what this debate is really about.

It is not about economic growth and investment. Despite the rhetoric of its proponents, this is virtually irrelevant to that question. It is rather about fairness in Government, the values of our Nation, and whether during this period of enormous Federal budget deficits, when there are so many unmet needs in our society, we are going to give an enormous tax break to the very wealthiest of our citizens.

Proponents of a capital gains cut like to portray this issue in simple and misleading terms. You are either for economic growth or you are opposed to it. That is nonsense.

Every single Member of Congress, from both parties and from every part of the Nation, places the highest priority on policies which establish an environment that encourages productive investment to promote economic growth, create jobs, and improve the international competitiveness of U.S. industry.

Every Member of Congress is vitally concerned about these issues. So special interest groups realize that by using the right slogans—like "savings", or "investment" or "competitiveness"—the likelihood that Congress will give favorable consideration to a particular proposal is vastly increased, no matter how misguided the proposal.

Of course, Congress has a difficult time resisting any proposal to cut taxes. We all know taxes are unpopular. We all know that tax cuts are politically popular. We all agree that the level of taxes imposed on the American people should be as low as possible to fund necessary Government programs. The only thing more popular for a politician to proclaim than opposition to a tax increase is support for a tax cut.

It's even better if the politician can claim that this tax cut will benefit the economy.

And the allure of this tax cut becomes irresistible if the argument can then be made that the tax cut actually raises revenues to the Government.

There is only one problem with these arguments. They're false. Indeed, they're fantasy.

Especially with proposals that have such a substantial adverse effect on future budget deficits, Congress must look beyond the rhetoric to determine the true impact of major changes in tax policy.

The proponents of this amendment subscribe to the theory that if only the well-off don't have to pay as much in taxes, everyone else will be better off. To support this argument selective statistics, dubious comparisons, and irrelevant points are made. They seek to justify a proposal to increase the deficit by billions of dollars so that a type of income earned primarily by the wealthy is subject to a lower rate of taxation.

That the overwhelming beneficiaries of this proposed capital gains tax cut are the wealthiest persons in America is clear and indisputable. That these wealthy persons are the only Americans to have enjoyed real tax relief during this decade makes this proposal repugnant. That it will inevitably be the middle class and the poor who will pay for this tax break for the wealthy through higher deficits or increased taxes makes this amendment totally unacceptable.

Of course, proponents of a capital gains cut do not openly advocate tax cuts for the wealthy. Predictably, they cite a higher calling—that a lower tax on capital assets will increase savings and investment, leading to a stronger economy.

But there is no evidence that this proposed capital gains cut will have a major effect on the economy. And what effect it has will be negative—from the resulting higher deficits.

Proponents of a capital gains tax cut often make the argument that U.S. tax policy severely disadvantages business investment compared to the policies of other nations. Typically, comparison is made of the alleged lower cost of capital in other nations and their lower capital gains tax rates.

There have been many studies on the cost of capital, most suggesting our trading partners have an advantage. But, most economists also agree that our current tax system narrows the advantage other nations may have.

While it is true that some capital assets in Japan and Germany are subject to lower capital gains tax rates, many other capital assets are subject to far higher tax rates—as high as 53 percent in Germany and 50 percent in Japan. The overall level of taxation in both countries is higher than in the United States.

Businesses in the United States have a far lower tax burden than corporations in Japan and West Germany. They are subject to lower tax rates and have more beneficial cost recovery allowances. This difference alone gives us a cost of capital advantage. But the advantages of our tax system are more than offset by other factors, the most important of which is our fiscal policies which, by incurring a huge budget deficit, encourage a low level of savings and higher real interest rates than those of our major trading partners.

The single most important thing we can do to reduce the cost of capital in this country and make the United States more competitive is to reduce our annual budget deficits.

If the President and his economic advisers put half as much time and energy into an effort to reduce the budget deficit as they are now putting into this effort to reduce capital gains taxes, then they would truly be doing something to make American business more internationally competitive.

If the President proposed to spend half as much Federal money on infrastructure improvement, education, or basic research, as he proposes in this tax cut, then he would truly be doing something to increase U.S. productivity and make American business more internationally competitive.

PACKWOOD-ROTH IRA TRANSFER

It is particularly important to review for a moment the specific design of this amendment and why it would be such a mistake for the Senate to approve it.

In order to give President Bush a political victory on capital gains regardless of the cost, the sponsors of this amendment are attempting to hide the cost of this amendment from the Federal budget. Everyone in this Chamber should understand that the IRA part of this proposal will not increase savings. It is not intended to; it has only one purpose—to manipulate the budget process to hide the true cost of the capital gains tax cut.

This amendment includes a permanent cut in the capital gains tax rate and the establishment of a new individual retirement account. The IRA-plus provides for tax free accumulation of interest earnings rather than the upfront deduction of the IRA contribution provided under current law. Taken together, these two proposals will dramatically increase the Federal budget deficit. The capital gains cut will increase the deficit by about $4 billion a year. The IRA proposal will increase the deficit by even more when it is fully effective.

The sponsors of this amendment know that it would be politically difficult to propose, by itself, a capital gains tax cut that will add billions of dollars to the deficit. So they created this proposal to deal with their problem—not by cutting spending or raising revenue to pay for their capital gains tax cut—but by pushing the cost off to future generations and hiding its magnitude beyond the 5-year period within which Federal budget estimates are prepared.

This amendment does that by permitting taxpayers to prepay future taxes at a discount. In return for paying a tax over the next 4 years only on the amount originally deducted when the IRA contribution was made, the taxpayer will be relieved of paying any tax on the interest accumulated in the account. This will cause an increase in revenue over the 4-year period, followed by a much greater decline in revenue thereafter.

This tax benefit is intended to encourage the transfer of funds from existing savings accounts to savings and consumption accounts, from which a portion of the funds could be withdrawn to pay education, health care, or first time home purchase costs. This arrangement will confer substantial tax benefits on individuals. But it will reduce—not increase—savings because taxpayers will be given a substantial tax subsidy to convert from an existing account that is exclusively a savings account to an account that can be used for savings and consumption.

This is simply a method of paying for a new Government program by offering taxpayers a discount if they prepay their taxes. It is a flagrant budget gimmick. It is, in plain words, stealing from the future to pay for the present. Federal revenues will temporarily rise so the costs of this multibillion program can be hidden from the public. But then the revenue loss will begin and Federal deficits will shoot up.

The Congressional Budget Office has prepared an analysis of the Packwood-Roth proposal. It has quantified the true cost of this tax prepayment scheme. According to CBO, the proposal to encourage the transfer of IRA funds will lose substantial revenue over the long term because the typical individual transferring IRA funds will be given a discount on future taxes of approximately 53 percent. The Joint Tax Committee estimates that the revenue gain from transferring existing IRA's will be $11.5 billion over the 1990 to 1994 period. But, according to CBO calculations, this short-term revenue gain will eventually cost the Federal Government $22 billion, in present value. So the net revenue effect of this tax prepayment scheme is an increase in the deficit of about $10 billion in present value.

In other words, this amendment would spend $10 billion to purchase nothing more than a cover up of the cost of the capital gains tax cut. And remember, that is simply the revenue cost of the proposal to allow individuals to transfer existing IRA funds to an IRA-plus account. Much greater revenue losses will eventually occur from the proposals to cut capital gains taxes and establish the IRA-plus.

This is budget fraud that is astonishing in its audacity and irresponsibility.

It will not increase savings. It will not increase investment. It is designed to do only one thing: give President Bush a political victory on capital gains, no mater what the long term cost to the American people.

CONCLUSION

In his inaugural address to the Nation last January, President Bush spoke eloquently about the problems that face our Nation. He said "we have work to do." He went on:

> There are homeless, lost and roaming; there are the children who have nothing, no love, no normalcy; there are those who cannot free themselves of enslavement, to whatever addiction—drugs, welfare, the demoralization that rules the slums. There is crime to be conquered, the rough crime of the streets. There are young women to be helped who are about to become mothers of children they can't care for and might not love. They need our care, our guidance, and our education.

Then the President said we cannot solve these problems because we "have a deficit to bring down. Our will is greater than our wallet," he said.

President Bush was correct in his inaugural address. There are many unmet needs in our Nation that the Federal Government simply cannot now address.

Given our circumstances, when so many in our Nation are without decent housing, cannot afford an education, lack health insurance, it is a travesty that the Senate should now be seriously considering a huge tax cut for the very wealthy with no evidence that it will assist the economy.

Given our budget deficits, which can so adversely affect our Nation, it is wrong for the President to place a higher priority on cutting capital gains taxes than on reducing the Federal budget deficit.

This amendment is about the future of our Nation. It is also about the immediate past. That has been a period marked by unprecedented fiscal irresponsibility by a Federal Government bent on short-term political gratifica-

tion at the expense of our Nation's long-term interests.

It has been a period of enormous budget deficits fueled by disproportionate tax relief for the wealthy while so many other American needs have gone unaddressed. And it has been a period when America's politicians failed to provide the leadership necessary to prepare our Nation for the future.

I hope that changes. I look forward to a future when this Government no longer bends to the will of every special interest group out to get a benefit from the Government.

I look forward to a day when Government leaders are honest with the American people and admit that if we are really serious about encourging savings and investment that produce economic growth it will require the discipline to make the difficult choices that reduce the Federal budget deficit.

This amendment does not do that. It does just the opposite. We are struggling to reduce the deficit. This amendment will increase the deficit. It has been suggested by proponents of this amendment that this vote on cloture is a test of sentiment on capital gains. I suggest that it is a test of sentiment on the deficit.

A vote for cloture is a vote for fiscal irresponsibility. A Senator who votes for cloture cannot thereafter credibly claim concern over the budget deficit. A Senator who votes for cloture cannot with a straight face claim to be for reducing the deficit, since that Senator will have voted for a huge increase in the deficit.

A vote against cloture is a vote for fairness. A vote against cloture is a vote for fiscal responsibility. A vote against cloture is the right vote, for the Senate and the Nation.

DISTRIBUTION OF CAPITAL GAINS TAX CUT

When the Senate considered the Tax Reform Act of 1986, it had a choice between preserving the then existing 60 percent exclusion for capital gains with a top tax rate of approximately 40 percent on ordinary income, or repealing the capital gains exclusion and establishing a maximum tax rate of 27 percent on ordinary income. It chose the latter and now, 3 years later, Congress is contemplating a proposal that would destroy the compromise reached in tax reform by giving the rich both a low tax rate on ordinary income and a low rate on capital gains.

This should be viewed in the context of the trend in tax policy over the last 12 years which has been to increase or maintain existing tax levels for most Americans while reducing tax burdens for higher income households.

Contrary to much of the rhetoric we hear about the Reagan Presidency, the Federal tax burden on the American people is almost the same today, as a share of GNP, as it was in the year Ronald Reagan was elected President. The major difference, however, is that while most Americans pay a little more in taxes or about the same, the very wealthy pay much less as a result of recent tax policies.

According to a recent study by the Congressional Budget Office, compared to 1980 total Federal tax burdens today are either higher or about the same for the bottom 90 percent of the population by income. The top 10 percent of the population, however, pays about 10 percent less on average. The degree of tax relief increases with income such that the tax burden on the wealthiest 1 percent of the population is now about 15 percent below what it was in 1980.

A cut in capital gains tax rates will accelerate this trend because capital gains are overwhelmingly concentrated among those with the highest income. According to the Joint Tax Committee, 80 percent of the benefits of a capital gains cut will go to the 3 percent of all taxpayers with incomes in excess of $100,000. Thus, of the $67 billion in lost revenue that would be spent over the next decade if the President's proposal were enacted, $54 billion would be spent on the wealthiest 3 percent of all taxpayers; those with incomes in excess of $100,000.

In 1986, 71 percent of all capital gains were claimed by the 0.7 percent of all taxpayers with incomes in excess of $200,000. In 1985, less than one-tenth of 1 percent of all tax returns showed income in excess of $1 million. These taxpayers accounted for about 2.5 percent of total realized income for tax purposes, yet they accounted for fully 23 percent of all capital gains income.

The reason this amendment is so heavily tilted to the wealthy is that much of their income is from capital gains while middle-income families receive most of their income from wages and interest. For example, in 1985 the average family with income under $50,000 realized about 2 percent of their income in the form of capital gains. But for families with incomes between $200,000 and $500,000 capital gains accounted for about 30 percent of their income. For families with incomes over $1 million, capital gains accounted for almost 60 percent of their income on average. It follows, of course, that a cut in capital gains will be especially beneficial to those taxpayers who earn more of their income in the form of capital gains—that is the rich.

This effect shows up in the figures for 1986 returns which show that the capital gains deduction was worth an average of almost $42,000 to taxpayers with incomes in excess of $200,000, while it was worth less than $20 on average to taxpayers with incomes less than $50,000.

To be sure, millions of middle-income Americans will benefit from a reduction in capital gains taxes. From year to year, they will occasionally have capital gains income and I join many of my colleagues in Congress in a desire to reduce their tax burden.

A number of misleading references have been made on this floor about the number of middle-income Americans that benefit from a capital gains tax cut. For example, reference is made to a Joint Tax Committee estimate that 58 percent of all taxpayers who claim capital gains have incomes under $50,000. That's about 4½ million taxpayers; 4 percent of all tax returns filed.

But while many of the beneficiaries of a capital gains tax cut are middle class, their average benefit from this kind of tax cut is minimal compared to benefit for the wealthy. That this is so should be obvious when one considers that the President is choosing one type of income—income from capital gains—for favorable treatment. This particular type of income is the province of the rich. Most Americans earn their income from wages. In contrast, the rich earn most of their income from selling stocks, bonds, and real estate.

For example, for the typical middle-income family, capital gains comprise about 3 percent of their total income. But for the typical millionaire capital gains comprise on average about 60 percent of total income.

While taxpayers with incomes under $50,000 make up fully 82 percent of all taxpayers, they would receive only 8 percent of the benefit of this tax reduction.

The top 3 percent of the population is wealthy, they have a disproportionate share of national income, and currently pay a disproportionate share of total taxes; about 42 percent. Yet they would take 80 percent of this tax benefit.

We are asked in this amendment to single out one type of income—and income primarily earned by the rich—and give it special, preferential treatment even though there is almost no evidence that channeling investment into this area will produce better economic results. That is wrong. It is poor economic policy and even worse social policy.

VENTURE CAPITAL

One of the major claims by proponents of a capital gains cut is that it will encourage risk taking and productive investment increasing the flow of venture capital to startup companies. But if that is the aim, it is difficult to conceive of a more poorly targeted incentive because only a miniscule fraction of total capital gains is generated by startup companies.

In 1985, the Treasury Department released a study, "Report to Congress

on the Capital Gains Tax Reductions of 1978," which concluded that only 0.1 percent of outstanding corporate equity is associated with venture capital operations and that at least half of that amount is supplied by nontaxable entities, such as pension funds and foreign investors, unaffected by capital gains taxes. It is difficult to justify spending billions of tax dollars to encourage an activity that accounts for a miniscule fraction of total capital gains.

According to a study by MIT professor, James Poterba, there is little evidence that the 1978 and 1981 reductions in capital gains tax rates had a significant effect on the supply of venture capital funds. In fact, most of the growth of venture capital between 1978 and 1987 can be traced to foreign investors, corporations, pension funds, and nonprofit institutions. Individuals accounted for fully 32 percent of all venture capital in 1978. Yet, notwithstanding two capital gains tax rate reductions, individuals accounted for only 12 percent of all venture capital funding by 1987.

SAVINGS AND INVESTMENT

There is considerable question about the overall effect of a capital gains tax cut on the level of savings and investment in the economy and little reason to expect a more favorable economic response to this tax cut than to the 1981 tax cuts. In a recent study, Donald Kiefer, a senior specialist in economic policy with the Congressional Research Service, identifies three reasons why a capital gains tax cut will have only a very indirect and small effect on savings and hence investment.

First, only about a third of household savings are held in forms that are subject to capital gains taxes. Second, for many assets subject to capital gains tax, capital appreciation only represents a portion of the return on the asset so that less than one-third of the percentage cut in taxes flows through to increase the real after-tax return. Third, there is no agreement among economists that increasing the rate of return on savings will increase the amount of savings. A higher rate of return makes it more beneficial to save, but it also reduces the amount of savings necessary to have a given sum of money. An excellent illustration of this is the experience of the 1980's where the level of personal savings reached a postwar low in spite of the combination of the 1981 tax cuts and record high real interest rates.

LEVERAGED BUYOUTS

It would be ironic if the Congress, which began the year so consumed with exploring means to restrict leveraged buyouts [LBO's], ended the year with major legislation that will further encouraged LBO's. Yet that is what many economists believe will occur if a cut in capital gains taxes is approved.

Proponents of a capital gains tax cut make the argument that a reduction in the tax on corporate stock will increase stock values because investors with lower tax rates would be willing to pay more for the possible appreciation in the value of the stock. While there will be that effect, there are many factors that influence stock values that prevent a capital gains tax cut flowing through to stock market values. Certainly, the general confidence investors have in the economy and in the direction of interest rate and Federal budget deficits are far more important influences on the market. The Dow Jones index declined following the 1981 rate cut. In the 21 months since the capital gains exclusion was repealed as of January 1, 1988, the Dow Jones index has risen almost 800 points; or 40 percent in value.

But regardless of the indirect effect a capital gains tax will have on stock values overall, economists believe a capital gains cut will directly encourage LBO's. There are two influences at work here. The first, described in study by Jane Gravelle of the Congressional Research Service, is the effect a capital gains cut has on current holders of corporate equity. Because a capital gains tax increases their after-tax return when selling their stock, they are willing to accept a lower price premium above current market value when a tender offer is made in connection with an LBO takeover of a corporation. With reference to LBO's, Ms. Gravelle says "if the objective is to discourage these types of activities, one of the most important policies which can be undertaken is to maintain the full taxation of capital gains."

The second influence is a corollary of the first. An acquiring firm will be willing to offer a higher premium above market price for corporate stock because a cut in capital gains taxes will increase the after-tax yield of the investment. When an LBO firm such as KKR bids $109 for RJR Nabisco, twice what the stock was trading for on the New York Stock Exchange, part of the calculation in determining what price to pay involves an assumption about the after-tax return that will be obtained when RJR Nabisco stock is later sold by KKR through a public offering. If a cut in capital gains taxes permits KKR to keep more of price appreciation of the stock, it will be willing to pay a higher premium for the stock above market value.

The combination of stockholders willing to tender their shares for a smaller price premium, and LBO firms willing to pay a higher price premium, will increase LBO activity if capital gains taxes are reduced.

COMPARATIVE TAX BURDENS

Misleading comparisons are often made by looking at only selected tax policies in other nations. For example, we are told Japanese and German companies have a competitive advantage because those nations have a lower capital gains tax rate than the United States. The problem with this argument is that both Japan and Germany, or for that matter any nation, have a range of tax laws and other policies, some of which are more favorable and others which are less favorable. It is misleading to make selective comparisons.

Even if we were to assume that the United States imposes a high capital gains tax than that applied in Germany or Japan, we still must look at other tax policies. And it just so turns out that both nations impose far higher tax rates on all other income. Both nations impose far higher tax burdens on corporations. Both nations' tax policies have a greater effect on the cost of capital than tax policies in the United States.

The overall level of taxation in Germany is higher than in the United States while the overall level in Japan is about the same.

These are the facts but unfortunately facts tend to get lost in a debate such as this. Every American is vitally concerned about our ability to compete in international trade. We in Congress are suckers for any claim, no matter how ridiculous, that if we only spend a few billion dollars reducing someone's taxes, America will become competitive.

Most of our major trade partners have a higher level of overall taxation than the United States and almost all have higher maginal tax rates. While many of these nations do have lower capital gains tax rates on some categories of capital assets, it is not clear that the overall burden of taxation on all capital assets is lower.

The maximum tax rate in the United States is 28 percent. In contrast, the maximum rate in Japan is 50 percent; in Germany it is 53 percent; France, 57 percent; Taiwan, 50 percent; Korea, 64 percent; and the United Kingdom, 40 percent.

Total tax revenue as a percentage of gross domestic product is about 29 percent in the United States; almost identical to the level of taxation in Japan. In contrast, Canadian burdens are about 15 percent higher, German tax burdens are about 30 percent higher, British tax burdens are about 35 percent higher, and French tax burdens are about 53 percent higher.

It is particularly interesting to look at the trend in tax burdens over the last several years. From 1976 to 1986, Japanese tax burdens increased about 32 percent, French burdens were up about 14 percent, and British tax bur-

dens increased about 12 percent. In contrast, total tax burdens in the United States increased only about 2 percent.

U.S. tax policy is often criticized for encouraging consumption over investment. Yet taxes on consumption account for a far higher percentage of total tax revenue in this country than in Japan, about 30 percent higher. And at the same time, business taxes are far steeper in Japan—about 20 percent of total revenue compared to about 7 percent in the United States.

Since Japan is inevitably thrown up as a comparison of the nation whose tax policies we should emulate, a closer look at their tax system is in order. We have heard it mentioned repeatedly on this floor that Japan does not tax capital gains. That is simply untrue.

The Congressional Research Service recently examined the capital gains tax policies of Japan. It found that with respect to capital assets held less than 5 years, the capital gains tax burden is higher in Japan than in the United States. The maximum tax rate in Japan is 50 percent on these capital assets compared to 28 percent in the United States. For assets held longer than 5 years, the actual tax burden in Japan is probably higher, at least for higher income families. In the case of real estate held less than 10 years, the tax burden in Japan is unquestionably far higher. The capital gains tax rates on this property ranges from 40 to 55 percent. Only in the case of real estate held longer than 10 years and most stock transactions is the capital gains tax rate lower than in the United States. And then with respect to stock, the maximum tax rate is 20 percent.

While some of our trading partners have lower marginal capital gains tax rates on some assets, it is less clear that the actual effective tax rate on capital in the United States differs very much. For example, a study by Don Fullerton, a former Treasury Department Assistant Secretary in the Reagan administration, found that the effective tax rate on capital gains in the United States is less than 6 percent. This arises because of the ability to defer gains, to receive step-up basis at death, and because of the substantial corporate equity holdings by tax-exempt institutions. While Japan does not tax capital gains at death, it does require that the basis be carried over so that the tax is only deferred; not forgiven as in the United States.

Mr. President, is my time completed?

The PRESIDING OFFICER. There are 4 minutes and 10 seconds remaining.

Mr. MITCHELL. Mr. President, I reserve the balance of my time.

The Senator from Arkansas had expressed an interest in addressing the Senate briefly and I would like to yield that time to him, if I can.

Mr. WILSON. Mr. President, the Packwood-Roth proposal protects investors from the effects of inflation—and this encourages long-term investing.

The 5-percent exclusion per year—up to 7 years, totaling possible 35 percent exclusion—provides an incentive to hold investments. Without the exclusion, investors will demand instant gratification—instant returns. The Packwood-Roth proposal insulates capital investments from inflation, thus making it more attractive to hold them rather than turn them over for a quick buck. This is in the overall interests of the U.S. economy.

The Packwood-Roth proposal is also beneficial to small, startup companies—from which many of our country's best ideas were spawned. By granting a larger exclusion to gains from investments in small businesses, we are helping small business and helping maintain our international competitiveness.

Despite what some have said about startup companies, it takes more than a good idea and a garage in California to start a high-technology company; it takes money, too—and an enlightened Tax Code helped inventors generate the capital they needed in years past to start what are now major U.S. companies competing successfully worldwide. Companies such as Hewlett-Packard.

We still have good ideas being devised and developed in garages in California and elsewhere in the United States, but the entrepreneurs operating in them need capital to bring their ideas to market here and throughout the world. The Packwood-Roth proposal will help them get that capital. Are we going to rely upon Japan, Inc., to provide American small business the capital it requires?

Mr. President, in my colloquy with the distinguished Republican leader, I have noted the irony of bashing Japanese investment in one breath and arguing in the next that capital gains differential is not needed because we are flooded with foreign capital. Let us indeed encourage American investment in the United States and American saving.

The Packwood-Roth IRA proposal will benefit our economy greatly by encouraging savings.

Should full IRA deductibility be reinstated? Yes, but Packwood-Roth is a good start to encourage long-term savings.

The IRA proposal will not simply serve the national economic interests, but also the individual economic interests of families throughout the country at all levels of income. This is true, as the expanded IRA under the Packwood-Roth proposal is more flexible than the current IRA rules: Money may accumulate tax-free and be withdrawn without penalty not only for retirement, but also to fund education and the purchase of a home in a time when housing prices call for all the help we can give the home buyer in making a downpayment.

The IRA and capital gains tax provisions in the Packwood-Roth proposal also serve our international trade interests: Earlier this year we demanded talks with the Japanese over their "structural impediments" to our entering their markets. When they relented to sit down and talk, they presented their own agenda, including their demand that we change our Tax Code to encourage savings and investment—not consumption.

A capital gains reduction and an expanded IRA will encourage savings and investment. In response, the Japanese should make more of an effort to open their markets. The Packwood-Roth proposal is in our own domestic interests, but enactment can also help our negotiators in the trade talks with Japan.

Finally, Mr. President, the constituents who have most frequently, earnestly, and urgently pressed me to support the Packwood-Roth proposal are middle-income Californians who have or anticipate the need to sell some long-held major asset—a home, a farm, a small business. They are not a small coterie of high rollers. They are not the special interests against whom the opponents of this legislation have inweighted in such righteous demagoguery so often and again today. No, they are decent Americans entitled to a decent break. Let's give it to them.

Mr. MITCHELL. Mr. President, has all the time expired on the part of the proponents?

The PRESIDING OFFICER. Yes.

Mr. MITCHELL. I am advised that the Senator from Arkansas has left the floor. Accordingly, Mr. President, if the Senate is prepared to vote, I will yield back the remainer of my time.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, is it the sense of the Senate that debate on the substitute amendment to H.R. 3628, relative to capital gains, shall be brought to a close? The yeas and nays are required and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA] is absent because of illness.

Mr. PELL (when his name was called). Mr. President, on this vote, I have a pair with the distinguished Senator from Hawaii [Mr. MATSUNAGA]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 51, nays 47, as follows:

[Rollcall Vote No. 295 Leg.]

YEAS—51

Armstrong	Gramm	McClure
Bond	Grassley	McConnell
Boren	Hatch	Murkowski
Boschwitz	Hatfield	Nickles
Burns	Heflin	Packwood
Chafee	Heinz	Pressler
Coats	Helms	Roth
Cochran	Humphrey	Rudman
Cohen	Jeffords	Shelby
D'Amato	Johnston	Simpson
Danforth	Kassebaum	Specter
DeConcini	Kasten	Stevens
Dole	Lieberman	Symms
Domenici	Lott	Thurmond
Durenberger	Lugar	Wallop
Garn	Mack	Warner
Gorton	McCain	Wilson

NAYS—47

Adams	Exon	Metzenbaum
Baucus	Ford	Mikulski
Bentsen	Fowler	Mitchell
Biden	Glenn	Moynihan
Bingaman	Gore	Nunn
Bradley	Graham	Pryor
Breaux	Harkin	Reid
Bryan	Hollings	Riegle
Bumpers	Inouye	Robb
Burdick	Kennedy	Rockefeller
Byrd	Kerrey	Sanford
Conrad	Kerry	Sarbanes
Cranston	Kohl	Sasser
Daschle	Lautenberg	Simon
Dixon	Leahy	Wirth
Dodd	Levin	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Pell, for

NOT VOTING—1

Matsunaga

The PRESIDING OFFICER. On this vote, the yeas are 51, the nays are 47. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NUNN. Mr. President, I voted against the cloture motion on the Packwood-Roth capital gains-IRA proposal. I did so with some regret, given my long-held view that a capital gains differential encourages investment. In fact, I voted against the Tax Reform Act of 1986 in part because of my concern about the elimination of the capital gains rate. It was my belief then, and it remains my belief now, that a lower rate of taxation on the gains realized from sales of capital investments stimulates economic growth.

However, I cannot support the proposal before us today, or even its active consideration by the Senate, because it at best evades, and at worst actually undermines, the discharge of the most important responsibility we have before us in the closing days of this session. At this moment, the Federal Government is facing an imminent permanent sequester of funds under the Gramm-Rudman-Hollings procedure, due to our complete failure thus far to follow our own self-imposed goals for reducing the budget deficit. If it occurs, this across-the-board cut could have far-reaching implications for our defense program, for our education and housing efforts, for health care—indeed, for the entire national agenda. Institutionally, the sequester would represent an admission that we do not know how to raise the revenues sufficient to pay for the Federal initiatives we support.

At this low point in our fiscal history, it simply makes no sense to me that we should be seriously debating a measure, however worthy, and however well meaning, that does not contribute to deficit reduction, and that may on the contrary actually widen the gap between expenditures and revenues.

Proponents of the Packwood-Roth plan argue that any short-term loss of revenues created by a new capital gains rate will be offset by the revenues windfall produced by the amendment's IRA provisions.

Unfortunately, this argument reflects still more of the short-term fiscal perspective that has bedevilled our every effort to get the Federal budget under control. Perhaps the IRA provision of Packwood-Roth will generate some revenue in the first year or two, but the long-term revenue loss could be much more significant. Under certain assumptions, the Congressional Budget Office estimates the IRA-plus proposal could cost approximately $9.93 in lost future revenues for every dollar the Government collects in short-term tax receipts. I cannot imagine a worse signal we could send to financial markets or to the American people than to couple abandonment of our responsibility to manage the Federal budget with a measure that might make future management even more difficult.

There is much in the Packwood-Roth amendment that I find valuable, and that I hope we can act upon at the right time, and in the right manner. For example, I strongly support Senator PACKWOOD's concept of a graduated capital gains rate that reserves the strongest incentives for the most long-range investments.

But precisely because it is the long-range economic strength of this country that is at issue in the capital gains debate, we should consider it in the context of a comprehensive look at our economic policy. Next year, I hope that the President and the congressional leadership will jointly address the questions we have to address to get our country back on track: What is the best way to encourage savings and long-term investment? How can we responsibly offset any revenue loss from a capital gains or an IRA proposal? What do we need to do over the next 5 years to make meaningful reductions in the deficit while we encourage capital formation and long-term economic planning?

I urge those many Americans who support restoration of the capital gains tax to support this comprehensive look at our economic policy, while resisting the current effort to rush through a politically charged and fiscally uncertain proposal.

Many Members of Congress have spent much of the last year bewailing the inability of both the administration and of Congress to set priorities for our Nation. The only priority we can responsibly set right now is to avoid the mindless approach of a budget sequester, and deal with the Federal budget deficit before we adjourn. Then next year, we should take off the blinders and address all of our fiscal and economic policies in an intelligent and far-reaching manner.

SUPPORT FOR FAST EUROPEAN DEMOCRACY ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 1121

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA] is absent because of illness.

The PRESIDING OFFICER. Is there any other Senator in the Chamber desiring to vote?

The result was announced—yeas 36, nays 63, as follows:

[Rollcall Vote No. 296 Leg.]

YEAS—36

Armstrong	Garn	McConnell
Baucus	Grassley	Nickles
Bradley	Hatch	Pressler
Breaux	Heflin	Reid
Burns	Helms	Roth
Coats	Hollings	Sasser
Cochran	Humphrey	Shelby
DeConcini	Kerrey	Symms
Dixon	Lott	Thurmond
Exon	Mack	Wallop
Ford	McCain	Warner
Fowler	McClure	Wilson

NAYS—63

Adams	Bryan	Cranston
Bentsen	Bumpers	D'Amato
Biden	Burdick	Danforth
Bingaman	Byrd	Daschle
Bond	Chafee	Dodd
Boren	Cohen	Dole
Boschwitz	Conrad	Domenici

Durenberger	Kennedy	Packwood
Glenn	Kerry	Pell
Gore	Kohl	Pryor
Gorton	Lautenberg	Riegle
Graham	Leahy	Robb
Gramm	Levin	Rockefeller
Harkin	Lieberman	Rudman
Hatfield	Lugar	Sanford
Heinz	Metzenbaum	Sarbanes
Inouye	Mikulski	Simon
Jeffords	Mitchell	Simpson
Johnston	Moynihan	Specter
Kassebaum	Murkowski	Stevens
Kasten	Nunn	Wirth

NOT VOTING—1

Matsunaga

So the amendment (No. 1121) was rejected.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. EXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, the vote about to occur will be the last rollcall vote this evening. We will continue, Senator DOLE and I, hopefully, to act on some measures which do not require rollcall votes and the Senate will return to consideration of one of the appropriations conference reports or authorization conference reports at 10 a.m. tomorrow morning.

I remind Senators, those who wish to attend the joint meeting to hear Mr. Walesa should be present in the Senate at 10:40 a.m. tomorrow morning when Senators will depart for the House Chamber. I thank my colleagues and I thank the managers of the Poland-Hungary aid bill for their patience and persistence.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill (S. 1582) was ordered to be engrossed for a third reading, was read the third time.

The PRESIDING OFFICER. Under the previous order, the clerk will now report the House companion bill. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3402) to promote political and economic democracy in Poland and Hungary as those countries develop and implement programs of comprehensive economic reform.

The PRESIDING OFFICER. Under the previous order, all after the enacting clause of H.R. 3402 is stricken and the text of S. 1582, as amended by the Senate, is substituted in lieu thereof and the bill is deemed read a third time.

The bill having been read the third time, the question is, Shall it pass?

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA] is absent because of illness.

The PRESIDING OFFICER (Mr. KERREY). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 297 Leg.]

YEAS—99

Adams	Fowler	McClure
Armstrong	Garn	McConnell
Baucus	Glenn	Metzenbaum
Bentsen	Gore	Mikulski
Biden	Gorton	Mitchell
Bingaman	Graham	Moynihan
Bond	Gramm	Murkowski
Boren	Grassley	Nickles
Boschwitz	Harkin	Nunn
Bradley	Hatch	Packwood
Breaux	Hatfield	Pell
Bryan	Heflin	Pressler
Bumpers	Heinz	Pryor
Burdick	Helms	Reid
Burns	Hollings	Riegle
Byrd	Humphrey	Robb
Chafee	Inouye	Rockefeller
Coats	Jeffords	Roth
Cochran	Johnston	Rudman
Cohen	Kassebaum	Sanford
Conrad	Kasten	Sarbanes
Cranston	Kennedy	Sasser
D'Amato	Kerrey	Shelby
Danforth	Kerry	Simon
Daschle	Kohl	Simpson
DeConcini	Lautenberg	Specter
Dixon	Leahy	Stevens
Dodd	Levin	Symms
Dole	Lieberman	Thurmond
Domenici	Lott	Wallop
Durenberger	Lugar	Warner
Exon	Mack	Wilson
Ford	McCain	Wirth

NAYS—0

NOT VOTING—1

Matsunaga

So the bill (H.R. 3402), as amended, was passed.

TITLE AMENDMENT

Mr. SIMON. Mr. President, I send to the desk an amendment to the title of the bill and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

Amend the title so as to read "An act to promote political democracy and economic pluralism in Poland and Hungary by assisting those nations during a critical period of transition and abetting the development in those nations of private business sectors, labor market reforms, and democratic institutions; to establish, through these steps, the framework for a composite program of Support for East European Democracy (SEED).".

Mr. SIMON. Mr. President, the title amendment is self-explanatory.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SIMON. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DRUG-FREE SCHOOLS AND COMMUNITIES ACT OF 1989, AMENDMENTS TO PUBLIC HEALTH SERVICE ACT, DRUG SPECIAL FORFEITURE FUND, AND COMBATING INTERNATIONAL NARCOTICS PRODUCTION AND TRAFFICKING

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate receives H.R. 3614, the Drug-Free Schools and Communities Act of 1989, H.R. 3630, a bill to amend the Public Health Service Act with respect to the prevention of treatment of substance abuse, H.R. 3550, a bill with respect to the drug special forfeiture fund, and H.R. 3611, a bill to combat international narcotics production and trafficking, all after the enacting clause of each bill be deemed stricken; that the text of S. 1735, as passed the Senate on October 5, be inserted in lieu thereof; that each bill be considered as having been read for the third time, passed and the motion to reconsider each bill respectively be laid upon the table.

I further ask unanimous consent that the Senate insist on its amendments, request a conference with the House and that the Chair be authorized to appoint conferees on the part of the Senate.

Mr. DOLE. Mr. President, reserving the right to object——

Mr. MITCHELL. Mr. President, I ask that action by the Chair on my request be withheld pending discussion with one further Senator, and I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOSING OF SCHOOLS IN THE WEST BANK

Mr. CHAFEE. Mr. President, it is with deep regret that I report the Is-

raeli Government is closing all the schools in the occupied West Bank today until January 10.

The Israeli Government has offered no explanation for this new order to shut down the schools, which have been open only since July 22—a brief 3½ months. Before that, the schools had been closed for a period of 18 months. I join our State Department in registering my profound dismay over this development.

My colleagues will remember that on July 20, this body approved an amendment that I offered to the State Department authorization bill regarding this issue. The amendment read:

The United States Congress commends Israel's decision to open the schools on the West Bank beginning on July 22, 1989. The Congress expresses the hope that all schools will be opened at an early date and will remain open, will not be closed or caused to be closed for political purposes, and will be respected and regarded as centers of education.

This was the word of the Senate on Israel's policy of closing schools. As the distinguished junior Senator from Kansas [Mrs. KASSEBAUM] said during debate on this amendment, of which she was also a sponsor, "Just as we so often argue in this body that food should not be used as a weapon, nor should education be used as a weapon."

On May 22, Secretary of State James Baker called on both the Palestinians and Israel to take steps "to move toward a serious negotiating process, to create the atmosphere for a renewed peace process." "Allow schools to reopen," he exhorted Israel.

And the Israelis did so, but for a period of only a little more than 3 months. And that was after the 320,000 Palestinian students in the West Bank had lost out on nearly 2 full academic years. Now it appears that they will be held back another 2 months, at least.

Now it appears that they will be held back another 2 months at least. As I have argued before, Mr. President, school closings are far more than a preventive measure on the part of the Israelis. They are a punitive measure. Loss of literacy and scholarship is a devastating blow to a people that prides itself on its high level of education.

I will make the point again that school closures controvert international law. It appears that the school closings violate the Geneva Convention which prohibit collective punishment. It is against the conventions to deny education to a kindergartener who has never thrown a stone. Indeed, not even South Africa has engaged in a systematic closure of schools in a particuliar area.

Further, article 50 of the Geneva Convention relative to the protection of civilian persons in time of war, Convention IV, states:

The occupying power shall, with the cooperation of the local and national authorities, facilitate the proper working of all institutions devoted to the care and education of children.

Clearly, Israel has chosen once again to disregard this important protection. The timing of the closure renewal is a sharp rebuff to the United States on the eve of the Israeli Prime Minister's visit to this country.

I urge my colleagues to make clear to our friend Israel that education, which is prized by Americans and Israelis alike, has no place in the middle of a political dispute. When Mr. Shamir arrives in Washington on Thursday, we must tell him in no uncertain terms that school closures are repugnant and intolerable. Schools should be reopened immediately and should stay open.

We must stand fast by our principles, and communicate vigorously our distress when our values are trampled upon.

I want to thank the Chair.

Mr. KOHL. Mr. President, I ask unanimous consent to speak as if in morning business for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection it is so ordered.

The Senator from Wisconsin is recognized.

Mr. KOHL. I thank the Chair.

(The remarks of Mr. KOHL pertaining to the introduction of S. 1876 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Chair notes the absence of a quorum. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I renew my unanimous-consent request as last stated regarding H.R. 3614, H.R. 3630, H.R. 3550, and H.R. 3611.

The PRESIDING OFFICER. Without objection, it is so ordered.

So, the bills, H.R. 3614, H.R. 3630, H.R. 3550, and H.R. 3611, as amended, were passed.

Pursuant to the above order, the Chair appointed Mr. KENNEDY, Mr. DODD, Mr. PELL, Mr. HOLLINGS, Mr. INOUYE, Mr. BIDEN, Mr. SARBANES, Mr. HATCH, Mr. COATS, Mr. DANFORTH, Mr. THURMOND, Mr. HELMS, and Mr. GRAMM conferees on the part of the Senate.

Mr. DOLE. Mr. President, I indicate for the RECORD that we may have a change in conferees tomorrow. If it is all right with Senator THURMOND, I am going to ask Senator WILSON to serve as a conferee in his stead.

CONFERENCE REPORT—H.R. 3015

Mr. MITCHELL. Mr. President, I ask that the Chair lay before the Senate the conference report on H.R. 3015, the Transportation appropriations bill.

The PRESIDING OFFICER. The Chair lays before the Senate a message from the House.

The assistant legislative clerk read as follows:

The House recedes and concurs with an amendment to Senate amendment No. 136.

Mr. MITCHELL. Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 136.

Mr. HOLLINGS. Mr. President, I rise today to lend my strong support for the passage of the conference report on H.R. 3015, the fiscal year 1990 Transportation appropriations bill, which includes urgently needed moneys to accelerate the war on drugs.

As my colleagues will recall, immediately after the President outlined his plan to combat illegal drug use in this country, the Subcommittee on Commerce, Justice, State, and the Judiciary approved my amendment to mount a real attack on drugs. I am pleased that this amendment, totaling $1,916,940,000 in additional funding for drug law enforcement programs, is included in title IV of the conference report now before us.

This additional funding for the Department of Justice, the judiciary, and the State Justice Institute, exceeds by $186 million the amounts requested by the administration to combat violent crime and illegal narcotics trafficking during fiscal year 1990. More specifically, my amendment fully funds President Bush's national drug control strategy for programs under the jurisdiction of Commerce, Justice, State, and the Judiciary Appropriations Subcommittee, while also restoring budget cuts he proposed in certain law enforcement programs, including the Juvenile Justice and Delinquency Prevention Program and the regional information sharing system—programs critical to an effective crackdown on drug use in this country.

Mr. President, title IV of H.R. 3015, now before the Senate for final approval, is $1.1 billion more than the total amount requested in the President's national drug control strategy and represents weeks of bipartisan negotiations between the White House, Senate, and House of Representatives. As a member of the task force appointed by our distinguished leader, Senator MITCHELL, I am particularly delighted to see the drug agreement includes substantially more than the President requested to combat drugs—particularly in the key areas of prevention, treatment, and interdiction.

The drug amendment which emerged from these negotiations is truly comprehensive across all fronts and represents a war of action, rather than simply a war on words. I urge the Senate's prompt adoption of this conference report.

Mr. LAUTENBERG. Mr. President, I want to clarify the intent of the conference committee with regard to eligibility guidelines for communities receiving subsidies under the Essential Air Service Program.

It is the intent of this committee that these guidelines, including the subsidy cap and mileage limitations specified in the conference report, are not to be applied beyond fiscal year 1990. Further, it is our intention that those airports listed in the report, because they meet the specified guidelines, should continue to receive EAS service for all of fiscal year 1990.

Should an airport's subsidy requirement rise above the $200 per passenger guideline during fiscal year 1990, it is our intention that the community will not lose service.

Mr. CRANSTON. Mr. President, I would like to take this opportunity to congratulate the distinguished Senator from West Virginia [Mr. BYRD] for his extraordinary efforts to secure passage of this legislation which markedly increase the appropriations for antidrug activities. In particular, close to $1 billion in new money will go for a variety of drug treatment, prevention, and research activities. Thousands more addicts will be able to receive treatment with the funding provided by this legislation, and we will be making substantial progress toward the goal of treatment on demand.

Mr. President, this legislation would also begin to reverse what I believe has been a period of neglect of critical drug prevention activities. During the 8 years of the Reagan administration we poured billions of dollars into drug interdiction and law enforcement efforts while only a small fraction of all antidrug funds and efforts have been devoted to drug prevention and education for our kids and our communities.

If we are going to succeed, we must provide our kids with real alternatives to the drug culture and the profitable criminal activities of drug-trafficking gangs. We must expose our children to positive role models and give them something to reach for and the tools to get there.

Over the last year, I have been holding public forums and meeting with community leaders throughout California on how best to reduce the demand for drugs. Working at the grassroots level, these parents, teachers, and community leaders are truly the foot soldiers in the war on drugs. But they need help. They need the financial assistance to put together comprehensive, effective and communitywide drug prevention programs. And they need the technical assistance to develop the strategies most likely to succeed.

I am delighted that the conference agreement before us would provide $40 million for comprehensive community substance abuse prevention activities. Together with the $10 million provided for these activities in the fiscal year 1990 Labor-HHS appropriations conference report, a total of $50 million will go directly to communities struggling to find ways to keep their kids off of drugs.

NATIONAL DRUG CONTROL STRATEGY LEGISLATION

Mr. President, enactment of this legislation makes passage of certain provisions of S. 1711, the national drug control strategy bill, even more imperative. That bill, as passed by the Senate on October 5, includes an amendment I authored that would provide a blueprint for implementing the $50 million for community substance abuse prevention efforts. The amendment was based on legislation I had introduced earlier, S. 1233, the Comprehensive Community Substances Abuse Prevention Act, that was inspired by the community forums I have been holding.

The amendment would require the Office of Substance Abuse Prevention to develop model programs for community prevention activities and to support coalitions consisting of public and private organizations that represent law enforcement, schools, health and social service agencies, community-based organizations and substance abuse prevention specialists in their efforts to develop substance abuse prevention programs; representatives from among the clergy, academia, business, parents, youth, the media, civic and fraternal groups would also be included in the community coalitions.

Mr. President, the House has not yet taken up its counterpart to our drug bill. I urge that provisions regarding community prevention efforts be included in the final package and that such action be taken expeditiously.

Mr. President, I firmly believe that whether the war on drugs will ultimately be won or lost depends on the success or failure of local grassroots efforts to decrease the demand for drugs. This legislation will provide much needed support for community efforts. I again thank and congratulate all Senators who were involved in conferencing the Byrd amendment and, most especially, the distinguished chairman of the Appropriations Committee, Mr. BYRD, the chairman of the Subcommittee on Labor-HHS, Mr. HARKIN, and the chairman of the Subcommittee on Transportation, Mr. LAUTENBERG, who is the manager of the bill.

Mr. BYRD. Mr. President, title IV of the conference agreement on H.R. 3015, the fiscal year 1990 Department of Transportation appropriation bill, contains antidrug funding for fiscal year 1990 totaling $3.183 billion. Senators will recall that this is the bill in which the Senate agreed, by a vote of 97 to 2, to include these additional antidrug funds.

I am pleased that the conference agreement contains virtually the same level of funding as passed by the Senate; it also retains the same funding ratio of 69:31 for supply versus demand. This compares to a 73:27 supply/demand ratio proposed by the President in his antidrug amendment. In order to offset the costs of the increased antidrug funding, the conference agreement contains the necessary reductions for each Appropriations Subcommittee. Entitlement programs are not reduced.

The antidrug outlay increases for fiscal year 1990 are fully offset by these cuts throughout the Government so that there is no increase in the fiscal year 1990 deficit.

Mr. President, the Senate also included 57 pages of antidrug legislation in H.R. 3015. These legislative provisions were included in the transportation appropriation bill pursuant to the bipartisan task force agreement, because the members of the task force felt that they were closely associated with the antidrug funding contained in the transportation appropriation bill.

The House insisted that their authorizing committees should be allowed to take up these legislative provisions. When it became clear that the House would not name conferees on the transportation appropriation bill because of these legislative provisions in the Senate-passed bill, the Senate (with the agreement of the leadership) passed these exact same provisions as a freestanding authorization bill, S. 1735.

The House then named conferees to the Transportation appropriation bill and the conference was completed.

In order to assure the Senate that the House intended to expeditiously consider the provisions of S. 1735, on October 20, the Speaker and the majority leader of the House wrote a letter to Senator MITCHELL providing such assurances and committing themselves to quick House action on these antidrug legislative provisions and to a reconciliation of the differences between the House and Senate on them before adjourning for the year.

Mr. President, based on the assurance by the House that they would take up these important antidrug legislative provisions, the Senate conferees on the transportation bill agreed to delete them from this bill.

Yesterday, November 13, 1989, the House took up and passed four measures that deal with these antidrug leg-

islative provisions: H.R. 3611, International Drug Trafficking; H.R. 3614, Drug-Free Schools; H.R. 3550, Drug Forfeiture Fund; and H.R. 3630, House Energy and Commerce Committee's issues.

So, Mr. President, the House leadership has met its commitment. We have also named conferees from the appropriate Senate legislative committees and can now go to conference and settle any differences between the two Houses.

It is my understanding that the relevant Senate committees—Labor, Judiciary, Foreign Relations, and Commerce—are prepared to go to conference on these measures and to complete those conferences quickly.

I want to express my appreciation to the majority and minority leaders, as well as all Senators who participated in the bipartisan task force that enabled us to provide these additional antidrug funds, and I urge the Senate to adopt the remaining amendment numbered 136 so that this measure may be sent to the President this evening. In addition, I want to again thank the chairman of the Transportation Appropriation Subcommittee, Senator LAUTENBERG, as well as the ranking Republican Senator D'AMATO for their excellent work in bringing this conference agreement to the Senate in a form that meets the transportation needs of this Nation in a balanced and effective way while still remaining within the budgetary constraints placed upon them. The conference report on the appropriation for the Department of Transportation for fiscal year 1990 requires the Secretary of Transportation to provide a report to the Congress annually, with updates every 6 months, on the exact nature of foreign participation in all airline acquisitions or mergers in the previous year, and their impact on our national security as well as on the goal of continued control of our airlines by Americans. The report is straightforward and simple, but it will provide us with a systematic data base on the question of foreign penetration of our civilian aviation industry, at a time when most major U.S. carriers are apparently the targets of various takeover efforts by speculators.

Mr. President, such data are needed by the Congress on a regular basis.

Every month we focus on the trade figures, the deficits between America and our foreign trading partners in merchandise and in services. The figures are precise, the trend lines charted, and attempts to correct it a matter of deep interest to all Senators. The omnibus trade bill which passed last year addressed this issue and, among other things, set into motion a process, known as Super 301 dealing with unfair trading practices by other nations. Less well understood, with no reliable regular data, is the steady acquisition of American companies by citizens and companies of other nations. Just recently, it was the cash purchase of Columbia pictures for over $3 billion by the Sony Corp. of Japan. Then, it was the computer business of the Zenith Corp. by a French Co. We do not know the long-term impacts of these various acquisitions. Without data it is impossible to evaluate the specific impact of such purchases of valuable American assets.

These assets are now being bought on the cheap, because the dollar is low in order to allow us to compete more effectively in the global market. My concern is that by the time the dollar's devaluation has the effect of making us once again truly competitive and our trade balances get back into the black ink, Americans will no longer own the crown jewels of the economy of the United States. A report just issued by the Treasury Department, according to a story in the Washington Post on October 28, 1989, projected continued high negative trade flows in 1990.

There are some controls over the acquisition of American companies in some sectors, but they are sporadic, without real rationality. The Congress does not even have the basic data to make judgments about the ownership of our economy—where the dangers of foreign ownership are, where the benefits are, how we control the mix, and what kinds of measures we should be taking when things have gone too far in one industry or another.

The airline industry is a very specific, timely case in point. Our airlines are under pressure by speculators carrying very large debt, in so-called leveraged buyouts. Airlines do have some regulatory framework, but it is vague and needs to be sorted out with the American national interest in mind. The authority of the Secretary of Transportation to act to refashion, limit, otherwise restrict, approve or disapprove such acquisitions is in doubt. The distinguished Senator from Kentucky has drafted legislation to clarify and expand the Secretary of Transportation's authority in this area. But even if the Secretary has the authority to act, we are still wrestling with the specific standards that he should be using, that he should be basing his actions upon. The purpose of this regular reporting provision is to develop an ongoing database so that we have a better understanding of what is happening and what we should be doing on both ends of Pennsylvania Avenue to protect our national economic interest.

Foreign airlines are being used to provide up-front cash in the buyouts of U.S. carriers. For instance, an American investor group recently bought Northwest Airlines and most of the upfront cash was put up by a Dutch airline, KLM. United Airlines was recently being pursued by an American employee-management group, with most of the up-front cash, or equity, provided by British Airways. Other airlines, such as Delta, are acquiring interests in foreign carriers in exchange for those foreign carriers' acquisition of parts of U.S. carriers. Where does all this lead us? How do we differentiate among these acquisitions? Which ones are good, which should be curtailed, which should be encouraged?

I would note, Mr. President, that the severe downturn and panic selling on the stock market on October 13, 1989, was precipitated by the collapse of the United Airlines buyout attempt, and that the deal was reported to have collapsed largely because Japanese banks pulled out of the financing arrangements. It was then reported that the Wall Street panic did not become a full-fledged stock market disaster because the Japanese markets remained calm. The report, in the New York Times of October 22, 1989, said:

> Had it not been for the Japanese, the recent 190-point drop in the Dow Jones Industrial Average could have gone from a scary market aberration to a disastrous financial freefall, with global exchanges now linked, as trading closed in New York that Friday, all eyes were on how Tokyo would open the following Monday. But because Japan remained calm, disaster was averted.

These events lead me to question the amount of control Japanese institutions have over our economy. First our markets are thrown into a panic partly as a result of decisions by Japanese banks, then we are to be grateful when the panic is calmed down by who?—by Japanese investors and traders. This does not say a lot for the extent of basic American control over the ebbs and flows of our own economy. When does the preponderance of foreign control, be it through various forms of ownership or leverage, become dangerous? Where are the thresholds signifying dangers? I believe that we do not have the answers to these questions. And I suggest we begin to find them.

The purpose of this amendment is to bring some coherence and develop sound policy standards into an area of increasing concern and fundamental national importance. I would hope that, in the long run, the data collected by the Department of Transportation will help chill the current takeover frenzy now gripping the airlines, and ensure that the ownership, control, and management of our carriers will be American, stay American, be economically healthy, and promote airline safety, service, and the American economy.

Mr. President, I ask unanimous consent that the aforementioned articles be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Oct. 28, 1989]

ADMINISTRATION PESSIMISTIC ABOUT CUTTING TRADE DEFICIT

(By Dave Skidmore)

In a pessimistic assessment of trade prospects, the Bush administration said yesterday it is unclear the trade deficit can be shrunk further and warned it may grow next year.

The current account deficit, the broadest measure of U.S. trade measuring investment flows as well as payments for goods and services, narrowed sharply in 1988 to $126.6 billion, down from a record $143.7 billion in 1987.

But progress has stalled this year, with the gap running at only a slightly better $122.8 billion annual rate from January through June.

The administration, in a report prepared by the Treasury Department, warned that the current account deficit may start widening again unless the Group of Seven industrial nations—the United States, Japan, West Germany, Britain, France, Canada and Italy—do a better job of coordinating economic policies, including currency rates.

"It would appear further improvement in the U.S. current account position in 1990, if any is to occur at all, is likely at best to be very modest," the Treasury said in its semiannual "Report to the Congress on International Economic and Exchange Rate Policy."

"Furthermore, the possibility of deterioration in the current account next year cannot be excluded," the report said.

A key element in the fight to reduce the U.S. trade deficit has been Group of Seven efforts this year to check an increase in the value of the dollar. A strong dollar can hurt the trade deficit by making American goods more expensive overseas and foreign imports cheaper on U.S. markets.

The Treasury report acknowledged that skepticism among currency traders is hindering the effort. Most private analysts believe that sales of dollars by central banks—the Federal Reserve System and its counterparts—can do less and less to buck market trends because they are increasingly a smaller proportion of total trading.

Group of Seven "cooperation has frequently come into question in the market during short periods of strong one-way exchange rate movements," the report said. "Such doubts appear to minimize the cumulative impact of G-7 operations."

The Group of Seven launched a new effort to contain the dollar in mid-September, which included dollar selling and interest rate increases in Japan and West Germany. However, the report noted that it took the Oct. 13 stock sell-off in the United States to subdue the dollar.

In light of that, the report said longer-term and broader efforts to coordinate economic policy by reducing U.S. demand for imports and bolstering foreign economic growth "will play a critical role."

The report was prepared under a provision of the Trade Act of 1988 that requires the administration to look for cases of currency manipulation by American competitors in world trade and to negotiate to halt such practices.

Under the law, the administration has singled out South Korea and Taiwan. Yesterday's report expressed approval of Taiwan's effort to boost its currency and lower its trade surplus, but sharply criticized South Korea. The two countries have for many years used some of the money earned through their trade surpluses to buy and sell currencies on the open market to keep their own currencies weak in relation to the dollar, marking their products cheaper for Americans than they would otherwise be.

However, the report noted that the Taiwanese dollar has appreciated 12 percent over the past year against the U.S. dollar. It said Taiwan put in place a new exchange rate system in April and took other significant steps to curb its trade surplus, which has been declining this year and is expected to continue falling. "We are encouraged by [these] significant steps," the report said.

Despite an appreciation of the South Korean won in 1988, the report rebuked Seoul for the 0.75 percent fall in the value of that currency since April. "We are quite concerned that Korea avoid any depreciation of the won," the report said.

[From the New York Times, Oct. 22, 1989]

THE REALITIES OF "FRIDAY THE 13TH"

(By Leslie Wayne)

Thank you, Tokyo.

Had it not been for the Japanese, the recent 190-point drop in the Dow Jones industrial average could have gone from a scary market aberration to a disastrous financial freefall. With global exchanges now linked, as trading closed in New York that Friday, all eyes were on how Tokyo would open the following Monday. But because Japan remained calm, disaster was averted. "If it weren't for Japan holding up, I'd say that internationalization was a disaster," said Barton M. Biggs, a managing director at Morgan Stanley & Co.

But the fact that Japan held firm illustrates the benefits—and the risks—of continued market globalization. Financial theory teaches that there are no returns without risk and greater stock market links give investors the opportunity to make more money in more places. With that, however, comes new risks: of a system that is far more vulnerable to sudden jolts and of individual central banks that are increasingly unable to do anything about it.

"The danger of globalization is that if everyone goes crazy at the same time, you've got a bigger problem than before," said Hans Stoll, director of financial markets research at the Owen Graduate School of Management at Vanderbilt University. Said Richard Levich, a finance professor at New York University's Stern School of Business: "You've got more eyes focused and when news comes out you've got more people running through a small door."

And that rush is what almost took place when the Dow plunged 190 points in the last 45 minutes before the New York Stock Exchange closed on Oct. 13. The Federal Reserve Board took advantage of the weekend, when most markets were closed, to try to calm the markets by promising liquidity.

Financial experts say the event adds several points to the debate about the impact of greater market internationalization:

The appetite for foreign equities will increase despite such terrifying market plunges because these securities help provide diversification that reduces portfolio risk.

On any single day, except for times of worldwide panic, most stock exchanges generally act independent of one another. In general, they respond to specific economic, cultural and regulatory environments in their countries—differences that keep the various equity markets from marching in lock step. A rise in prices in London doesn't automatically spell a rise that day in Tokyo.

Over time, globalization will reduce the power governments have over their nation's economy. The increased ease with which money can flow across borders means policy makers can no longer assume that their nation's capital is captive. Because of this, some say financial markets will play a larger role in overriding, or even setting, economic policy.

When a worldwide market panic sets in, globalization can take a bad situation in one market and create an international crisis. This took place during the stock market plunge in October 1987 when "hot money" from investors seeking to liquidate their positions at any price circled the globe.

Investors have less of a safety net than they once had because there is now no single lender of last resort. In the past, jittery American markets could be calmed by assurances of ample liquidity from the Federal Reserve. While such assurances are still powerful, globalization lessens their impact. This is because central banks all have different national interests and cannot be expected to act as a united front during a crisis.

"It doesn't really matter whether globalization is good or bad," said James Rogers, a finance professor at the Columbia University Business School. "Nothing can be done about it. Electronics and communications are changing the world. There's lots of money sloshing around the world and it's got to go somewhere. Many of the economies are closely linked and that means their markets will closely linked. Now, everyone has to worry."

CROSS-BORDER CRAZE

Certainly, nothing appears to be halting the trend toward greater cross-border equity trading. As American firms set up shop overseas and foreign investment houses settle here, it has become increasingly easy for investors to buy the stocks of other nations.

Since 1980, foreign trading in United States securities has increased by 19 percent annually to reach $384 billion at the end of 1988. American purchases of foreign equities have increased by about 30 percent annually, reaching about $151 billion in 1988, according to the Securities Industry Association.

From an investment perspective, globalization provides investors a safe way to get greater portfolio diversification without reducing their expected returns. The notion is that investing in many countries provides safety since as one country's market goes up, another's may go down.

As a result, overseas investments are becoming a standard part of most institutional portfolios. And, increasingly, mutual funds made up of stocks from a single country or geographic region are being bought by retail investors. Since 1985, global equity funds have grown faster than the mutual fund industry in general. With about $20 billion in assets, they now represent about 10 percent of the total mutual fund market, according to the Investment Company Institute.

Years of returns can be wiped out in one terrifying moment if investors panic. While long-term investors may be fine, those with short-term focus can be devastated.

"This time we saw the Frankfurt market drop after our market dropped," said John J. Phelan, chairman of the New York Stock Exchange. "But that seemed to be a local condition rather than enormous amounts of hot money running around the world. Hot money makes the markets riskier, more volatile, for short periods of time. What we

saw after 1987, is that if you hung on, in most markets in the world you would have been better off than before 1987 occurred."

Ironically, for all the market linkages, studies show that exchanges generally perform independently of one another. "The evidence shows that markets are driven by what happened in local economies," said Gary P. Brinson, president of Chicago-based Brinson Partners, which manages about $12.5 billion.

Of course, there are global economic trends that can affect many markets similarly. For instance, most world markets have rebounded since the 1987 crash, largely due to sustained global economic growth. The tendency of markets to respond to different cues, while still keeping an eye on one another, was also evident in the Dow's recent 190-point plunge. New York fell on Friday and then recovered on Monday. London and Tokyo remained firm on Monday.

JAPANESE COMPOSURE

"When the Japanese market didn't overreact, other markets sensed what was happening and came back into synch," said Joseph R. Hardiman, president of the National Association of Securities Dealers Inc.

The events also reflect the influence that investor psychology affects the markets. For instance, Japanese investors are generally less sensitive to risk considerations and are more likely to ride out a storm. "They have been through an ebullient period of their economy," he said. "Their currency and their markets are strong. It's given the Japanese a great deal of self-confidence about their situation."

Likewise, the unexpectedly steep decline of 13 percent in the Frankfurt exchange reflected unique West German attitudes. "We were flabbergasted that the German market went down as far as it did," Mr. Brinson said. "German investors are almost hyper risk-averse and if any global event takes place, it is amplified within the minds of the German people."

In fact, these differing responses to the 190-point drop in New York has turned some notions about the German and Japanese markets on their heads. Theoretically, the underpriced German market should be considered a less risky investment than the Japanese market, where stocks are considered overpriced. But that theory did not hold in the most recent drop.

"German individuals panicked because of what was happening in the United States," said Mr. Biggs of Morgan Stanley. "After what happened last week, the risk premium for Germany should go up, and for Japan it should go down. What all professionals agree is that Japan, the most overpriced market in the world, consistently understands panic better than anyone else."

Increased market globalizaton is also bringing about shifts in power between financial markets and their home governments. "The most significant implication of globalization is that a domestic government cannot really control the economic destiny of a country because the capital will leave," said Michael A. Petrino, president of Matric Capital Management in Greenwich, Conn. "For instance, if you have a disadvantageous tax policy, the capital will leave, unemployment will go up and you get thrown out of office. This means that markets will determine economic policy to a larger degree than they did when we had highly segmented markets."

And this means a new role for the central banks. Steven Einhorn, chairman of the investment policy committee at Goldman Sachs, said that increased market links have brought about heightened international economic policy coordination, with the Group of Seven's attempts to stabilize foreign exchange rates one prominent example. After October 1987, virtually all major central banks provided liquidity to their economies. "They acted like our central bank, and going forward, they would continue to do that," Mr. Einhorn said.

But others aren't so sure. "Averting a crisis requires coordination of central banks; and when there are national interests that diverge, you may not be able to assure that," said William L. Silber, a professor of finance at New York University's Stern School of Business. "A crisis in Japan, for instance, may lead the Japanese central bank to do something that may not be in the best interest of all other countries. You do not have the safety net of a single central bank except to the extent that central banks agree to cooperate. That's a safety net, with holes."

GLOBAL LIMITATIONS

Still, for all these links, barriers remain that prevent the world's exchanges from becoming more fully integrated. The limitations are real: back-office operations are often cumbersome and time-consuming, settlements in different currencies can be problematic and regulations vary significantly among countries, as do corporate accounting standards.

"The major barrier to greater globalization is regulation," said Morris Mendelson, a professor of finance of the Wharton School of business. "America doesn't like Americans being taken for a ride on foreign exchanges. And there are significant clearing and settlement problems. Let's say you want to trade Jananese securities in Tokyo. You've got to ship them off to Tokyo and convert your money to yen. That's a lot of delays."

But Steven H. Reynolds, managing director of the investment group at the Bankers Trust Company, noted that many of these barriers are falling. "Ten years ago, the limitations were infinite," he said. "Day by day, they are being broken down. The world is changing rapidly toward a more unified system."

What is more, informal contacts among traders and bankers are solidifying. Mr. Reynolds said that after the October 1987 crash, "there was little cooperation and coordination among market participants." But, this time; "principals in this country contacted people overseas and exchanged knowledge so that investors didn't act irrationally."

GROUP FAILS TO FINISH UAL DEAL—NEW TERMS SOUGHT BY BANKS TO FINANCE $6.75 BILLION BUYOUT

(By Agis Salpukas)

The group seeking to acquire the UAL Corporation, the parent of United Airlines, said yesterday that it had failed to complete the financing of its $6.75 billion buyout. But the group said its banks had advised that the deal could be financed "on revised terms."

The announcement by the group, which includes United's pilots' union, UAL executives and British Airways P.L.C., helped bring on a plunge in the stock market yesterday.

The New York Stock Exchange halted trading of UAL stock shortly after 3 P.M. While the stock was down $3.50 a share, to $285.25, at the halt of trading, the West Coast brokerage firm Jefferies & Company, which trades stock after the markets close in New York, said UAL stock was trading at $230 a share in London, down more than $55, late yesterday. The buyout price is $300 a share.

The problems with financing and the sharp drop in the market could put pressure on buyout proposals like Donald J. Trump's offer to buy the AMR Corporation, parent of American Airlines, for $120 a share. Jefferies said AMR stock was trading at $81 a share in after-hours markets yesterday, down from $98.625 at closing on the New York Stock Exchange.

Financial advisers to unions and Wall Street analysts said several factors about financing the UAL deal troubled potential lenders, particularly the Japanese. One was the fierce opposition to the buyout by the machinists' union at United Airlines, which has argued that the buyout would put UAL too heavily in debt that it had been based on overly optimistic projections and that it could threaten the viability of the union's pension plans.

TOUGH NEGOTIATIONS

Another factor, they said, was the tough stance taken by UAL management in negotiating with lender banks on interest rates and terms for the financing. A third was attempts in Congress and the Administration to put more controls on leveraged buyouts.

The UAL buyout appeared to be moving toward completion until two days ago, when the machinists asked the Labor Department to review the proposed deal.

The buyout group had a letter of commitment that Citibank and the Chase Manhattan Bank had agreed to provide $3 billion in financing for the transaction and that they would make their best efforts to secure an additional $4.2 billion. Both banks had said they were confident that they could find the rest of the financing.

* * * * *

LENDERS SPURN FINANCING FOR UAL BUYOUT

"Lenders are getting more chary," said Robert A Joedicke, a securities analyst with Shearson Lehman Hutton.

Although no one involved would comment on what aspect of the deal had torpedoed the arrangement, there was widespread speculation that the key to the collapse may have been a reported decision by Japanese banks not to participate in the financing.

Japanese lenders were leading participants in the recent takeover of NWA Inc., the parent of Northwest Airlines, but in the case of the UAL deal, sources speculated that they may have declined to participate.

The UAL deal has been challenged by the International Association of Machinists, the largest union at United, and is facing scrutiny by the U.S. Department of Transportation, which has raised concerns about foreign investment in airline transactions.

* * * * *

In addition, some analysts have questioned the underlying assumptions used to demonstrate that the deal could work without undermining the airline's financial viability—even in the event of a recession. At the same time, Congress is pursuing legislation that would make the UAL transaction and similar deals harder to complete.

"My speculation is that the bankers got cold feet at the last minute," said Raymond E. Neidl, a junk bond analyst with Dillon, Read & Co.

Even so, hardly anyone was willing to bet that the wave of restructuring in the airline industry was over.

"The airline companies are still a very attractive investment opportunity for a number of reasons," said Rep. James Oberstar (D-Minn.).

Oberstar's aviation subcommittee of the House Public Works Committee will meet Monday to consider a bill that would give DOT more authority to review proposed airline buyouts before they take place.

Despite its impact on the rest of the market, UAL's stock price was not as hard hit as others, evidence to some analysts that there is still investor interest in the airline stocks. UAL dropped 5½ to 279¾; Delta fell 7¾ to 69¼; AMR was off ⅛ to close at 98⅝. * * *

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENT ON CONFERENCE REPORT—H.R. 2461

Mr. MITCHELL. Mr. President, I ask unanimous consent that the majority leader, after consultation with the Republican leader, may turn to the consideration of the conference report accompanying the Department of Defense authorization bill, H.R. 2461, and that it be considered in the following time limitation:

Two and a half hours on the conference report to be divided as follows:

One hour under the control of Senator NUNN; 50 minutes under the control of Senator WARNER; 10 minutes under the control of Senator WALLOP; and 30 minutes under the control of Senator GLENN.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE MAKING OF THE TWO DAKOTAS

Mr. DASCHLE. Mr. President, Rand McNally may not know where the two Dakotas are located, but Helen Graham Rezatto definitely does.

Helen was born and raised in Ellendale, ND, and now resides with her husband in Rapid City, SD.

Her book, "The Making of the Two Dakotas," is a superb centennial history of our two States. It recounts the frontier foundation of States whose values to this day underpin the very best our Nation has to offer.

Helen's abilities and her perceptive understanding of the Dakotas are underscored both by publication of her works in the New York Times, Reader's Digest, and elsewhere, and by her selection of my State over its northern neighbor as her adult residence.

I commend this fine book to my colleagues and congratulate Helen Rezatto on her achievement.

CORRECTING RUMOR CONCERNING IRS ACTIVITY

Mr. BENTSEN. Mr. President, many of my colleagues in the Senate and in the other body are receiving communications from their constituents asserting that the Internal Revenue Service is planning to impose income tax on accrued, but unpaid, vacation pay and sick leave benefits.

This is totally incorrect. As chairman of the Finance Committee, I authored legislation, which was enacted into law last year as part of the Technical and Miscellaneous Revenue Act of 1988, to ensure that these accrued, but unpaid, benefits are not taxed before they are paid.

Somehow, a rumor has started which has confused and upset a large number of Federal, State, and local employees. I ask unanimous consent to have printed in the RECORD some information from the IRS which should clear up this matter.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

INTERNAL REVENUE SERVICE,
Washington, DC, October 13, 1989.

Mr. TERRY ROGERS,
Director, Legislative Affairs, American Federation of Government Employees, Washington, DC.

DEAR MR. ROGERS: This is in response to a memorandum circulated by Chapter 495 of the American Federation of Government Employees among the employees of a number of governmental entities claiming that the Internal Revenue Service intends to tax governmental employees on vacation and sick pay which has been earned but not yet paid out. This memo, a copy of which is attached, is totally incorrect. It has caused unnecessary concern to many recipients and has prompted numerous phone calls and letters to us from members of Congress concerning the federal income tax treatment of accrued but unused sick and vacation pay earned by governmental employees. For your information, we have enclosed a copy of a fact sheet we have prepared in response to this memo, explaining the basic rules regarding the taxation of vacation and sick pay.

Although we cannot determine the source of the incorrect information being circulated, the confusion regarding the taxation of accrued but unpaid vacation and sick pay apparently originated from a misreading of a notice issued by the Service in 1987 regarding the tax treatment of nonelective deferred compensation under section 457, as amended by the Tax Reform Act of 1986. Upon becoming aware of concerns expressed by some governmental employees that they would be taxed on these benefits when they were earned rather than when they were received or paid, the Service issued a revised notice in June 1988, which was essentially codified in the Technical and Miscellaneous Revenue Act of 1988 (TAMRA). This notice and the TAMRA provision specify that certain bona fide benefit plans, including vacation leave and sick leave plans, are not deferred compensation plans subject to the section 457 requirements. Furthermore, we should emphasize that section 457, by its terms, is applicable to employees of state and local governmental units and of tax-exempt organizations, but not to employees of the Federal government. Therefore, any concern about the taxation, under section 457, of accrued but unpaid vacation and sick pay (which was resolved in 1988 as explained in the fact sheet) is completely inapplicable to Federal employees.

The memorandum also refers to an "H.R. 4221" which is said to be designed to overturn the (nonexistent) IRS decision to tax unpaid vacation and sick pay. Our research indicates that this bill was introduced in 1988 during the second session of the 100th Congress and died without action at the end of that Congressional session. As explained above and in the attached fact sheet, this bill was not necessary to prevent the taxation of unpaid vacation and sick pay in light of the recently enacted TAMRA provision regarding bona fide vacation and sick leave plans.

We hope that you will find the information in the enclosed fact sheet helpful, and we request that your office immediately inform your local chapters, particularly Local 495, regarding the current state of the law. This may help to allay the fears of many employees about taxation of their benefits. If you have further questions on this matter, you may contact John Tolleris of my staff at 566-3060.

Sincerely,

MARY E. OPPENHEIMER,
Acting Assistant Chief Counsel (Employee Benefits and Exempt Organizations).

EXAMPLE OF ERRONEOUS FLYER

The Internal Revenue Service has declared that government (State and Federal) employees benefits are taxable. The IRS will begin taxing the cost of employer-paid benefits such as Health, Welfare, and disability payments. Also, the IRS will tax all unused sick leave and vacation at the end of each year at the appropriate value.

Example: If you earn $10.00 per hour and work an 8 hour day, each work day is worth $80.00. If you have 20 sick days and 20 vacation days accumulated at the end of the year they would have a total value of $3200. You would have to add this amount to your total income before paying your taxes.

(Reprint from Pennsylvania Postmaster Newsletter)

All employees alert! The above article is fact. The decision by the IRS to tax our sick, annual, and disability, payments has already been made an will affect your income taxes this year. Only you can stop this outrage. H.R. 4221 (House of Representatives Bill 4221) is an attempt to overturn this unfair treatment. It is strongly urged that all public employees write their Senators and Representatives to ask their support for H.R. 4221 to overturn this ruling by the IRS.

INTERNAL REVENUE SERVICE,
Washington, DC, November 6, 1989.

DEAR MEMBER OF CONGRESS: This is in response to your communication requesting clarification of the federal income tax treatment of accrued but unused sick and vacation pay earned by governmental employees. Incorrect information is being circulated which claims that the Internal Revenue Service intends to tax governmental employees on such benefits when earned but not yet used or paid out.

Let me begin by explaining that vacation and sick pay of federal, state and local governmental employees falls under the basic income tax rule for compensation for service. That is, vacation and sick pay is includible as gross income for the year in which it is received. Thus, payments for annual or sick leave are taxed when the leave is actually used or when employees are paid for the accumulated but unused leave, usually upon retirement.

The misinformation concerning the taxation of accrued but unpaid vacation and sick pay apparently stems from the mistaken notion that the benefits are subject to section 457 rules regarding nonelective deferred compensation. Let me emphasize that section 457, by its terms, does not apply at all to federal employees. In any event, vacation and sick leave plans are not considered deferred compensation plans covered by section 457. Therefore, the same tax treatment discussed above applies to vacation and sick pay for all governmental employees. These benefits are not taxed when earned, but, rather, when the employee receives the benefit by using it or being paid for it.

Some confusion existed following the amendment of section 457 by the Tax Reform Act of 1986. A clarification was eventually codified in section 6064 of the Technical and Miscellaneous Revenue Act of 1988 (TAMRA). That legislation excepted from section 457 any bona fide vacation leave, sick leave, and certain other, benefit plans.

A Legislative Fact Sheet explaining this in some detail is enclosed. We hope that you will find this information helpful in responding to your constituents. Copies of the referenced documents are available from Legislative Affairs Division. Requests may be forwarded to Debbie Palomino at 566-3914.

For further information, you may contact A. Thomas Brisendine of the Office of Assistant Chief Counsel (Employee Benefits and Exempt Organizations) at 566-3050.

With best regards,

Sincerely,

GAYLE G. MORIN,
Assistant to the Commissioner
(Legislative Liaison).

Enclosure

LEGISLATIVE FACT SHEET

TAXATION OF GOVERNMENTAL EMPLOYEES' VACATION AND SICK PAY

The Internal Revenue Service has been made aware of ongoing confusion regarding the tax treatment of accrued but unpaid vacation and sick pay earned by governmental employees. Some taxpayers mistakenly believe that such benefits are subject to taxation as deferred compensation under section 457 of the Internal Revenue Code, and, thus, must be included in income before being paid. This fact sheet explains the rules for taxation of vacation and sick pay; and clarifies that section 457 does not apply to vacation and sick pay earned by governmental employees.

The longstanding basic income tax rule is that compensation for service in any form is generally includible in gross income for the year in which it is actually or constructively received, under sections 61(a)(1) and 451(a) of the Internal Revenue Code and applicable regulations. Certain fringe benefits and other compensatory items are exempt from federal income tax under specific Code provisions. Payments for annual or sick leave, however, are not exempted under any such provision. Bona fide annual or sick leave, therefore, is not taxed when it is earned, but when the leave is actually used or when employees are paid for the accumulated but unused leave, usually right after their retirement.

Section 457 of the Code, entitled "Deferred Compensation Plans of State and Local Governments and Tax-Exempt Organizations," allows the deferral of a limited amount of compensation for services rendered to a state or local government or a tax-exempt organization. If certain requirements are satisfied, the deferred compensation is includible in gross income when it is actually received or is made available (usually after separation from service). If these requirements are not satisfied, the amounts deferred are subject to taxation under section 457(f) when the employee has a nonforfeitable right to receive them, even though the actual payment may be delayed until a later date.

Section 457, by its terms, applies only to state and local governmental units and to tax-exempt organizations, not to the federal government. Accordingly, vacation and sick pay earned by federal employees remains subject to the general rule for taxation of compensation for service discussed above. Payments for annual or sick leave for such employees are taxed when the leave is used or when payment is made for accumulated but unused leave, not when such benefits are earned.

There was some early uncertainty regarding state and local employees when section 457 was amended by Section 1107 of the Tax Reform Act of 1986 (P.L. 99-514). Guidelines were issued by the IRS in January 1987 with the publication of Notice 87-13. The notice did not specifically discuss vacation or sick leave with regard to nonelective deferred compensation, but governmental employees expressed concerns that they would be taxed on these benefits under section 457, that is, when they were earned rather than when they were received or paid. In response to these concerns, the IRS issued subsequent guidelines, Notice 88-8 and Notice 88-68, that further explained that bona fide vacation and sick leave benefits were not subject to section 457 and that they would continue to be treated in the same way they had previously been treated.

This IRS position was codified by section 6064(a)(1) of the Technical and Miscellaneous Revenue Act of 1988 (TAMRA), enacted on November 10, 1988. As amended by TAMRA, section 457 now contains a statutory exception for any "bona fide vacation leave, sick leave, compensatory time, severence pay, disability pay, or death benefit plan". These benefits are not subject to the section 457 requirement for deferred compensation plans. Instead, vacation and sick pay earned by state and local governmental employees, like that of federal employees, remains subject to the general rule for taxation of compensation for service discussed above. Payments for annual or sick leave for such employees are taxed when the leave is used or when payment is made for accumulated but unused leave, not when such benefits are earned.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT—PM 75

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

I hereby report to the Congress on developments since the last report of May 23, 1989, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979, and matters relating to Executive Order No. 12613 of October 29, 1987. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9. This report covers events through September 6, 1989, including those that occurred since the last report under Executive Order No. 12170, dated May 23, 1989. That report covered events through March 28, 1989.

1. Since the last report, there have been no amendments to the Iranian Assets Control Regulations, 31 C.F.R. Part 535 (the "IACR"), or the Iranian Transactions Regulations, 31 C.F.R. Part 560 (the "ITR"), administered by the Office of Foreign Assets Control ("FAC"). The major focus of licensing activity under the ITR remains the importation of certain non-fungible Iranian-origin goods, principally carpets, which were located outside Iran before the embargo was imposed, and where no payment or benefit accrued to Iran after the effective date of the embargo. Since March 28, 1989, FAC has made 151 licensing determinations under the ITR.

During the reporting period, the Customs Service has effected numerous detentions and seizures of Iranian-origin merchandise, primarily carpets, caviar, and pistachios, for violations of the Iranian Transactions Regulations. FAC and Customs Service investigations of these violations have resulted in forfeiture actions and imposition of civil monetary penalties amounting to more than $2.6 million. Numerous additional forfeiture and civil penalties actions are under review.

In the case of *United States v. Benham Tahriri*, the defendant (who is also subject to forfeiture and civil penalty actions) was sentenced to 90 days in a halfway house and 2 years' probation. Criminal proceedings in eleven (11) additional cases involving several individuals and corporate entities are pending in various jurisdictions. One arrest warrant is outstanding. Indictments have been issued in the case of *United States v. Ahmad Elyasian*, which is now pending in the United States District Court for the Western District of North Carolina.

Finally, FAC has issued a Directive License to the Federal Reserve Bank of New York ("FRBNY") authorizing disbursement to the Iran-United States Claims Tribunal by FRBNY of $316,361.17, plus accrued interest. This amount represents an award granted by the Tribunal in December 1987 in favor of a U.S. national. An FAC investigation revealed the award had been obtained by fraudulent means. The return of this award to the Tribunal demonstrates to Iran the commitment of the United States to the continued viability of the Tribunal as a legal forum for the resolution of claims arising from the Iranian hostage crisis.

2. The Iran-United States Claims Tribunal (the "Tribunal"), established at The Hague pursuant to the Algiers Accords, continues to make progress in arbitrating the claims before it. In the period since the last report through September 6, 1989, the Tribunal has rendered 20 awards, for a total of 438 awards. Of that total, 321 have been awards in favor of American claimants: 197 of these were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 124 were decisions adjudicated on the merits. The Tribunal has dismissed a total of 26 other claims on the merits and 59 for jurisdiction reasons. Of the 32 remaining awards, two were withdrawn, and 30 were in favor of Iranian claimants. As of September 6, 1989, awards to successful American claimants from the Security Account held by the NV Settlement Bank stood at $1,282,257,009.20.

As of September 6, 1989, the Security Account has fallen below the required balance of $500 million 30 times. Iran has replenished the account 29 times, as required by the Algiers Accords, by transferring funds from the separate account held by the NV Settlement Bank in which interest on the Security Account is deposited. Iran has also replenished the account once when it was not required by the Accords, for a total of 30 replenishments. The total amount in the Security Account as of September 6, 1989, was $496,118,287.84. The amount in the interest account as of September 6, 1989, was $112,138,515.00. The aggregate amount that has been transferred from the interest account to the Security Account is $667,998,999.39.

On July 7, 1989, Mohammad K. Eshragh resigned from his position as Iranian agent to the Tribunal. He had served as the Iranian agent since the Tribunal's inception. He was replaced by Ali Heyrani-Nobari, who had been serving as Iran's deputy agent.

3. The Tribunal continues to make progress in the arbitration of claims of U.S. nationals for $250,000 or more. Over 70 percent of the nonbank claims have now been disposed of through adjudication, settlement, or voluntary withdrawal, leaving 153 such claims on the docket. The largest of the large claims, the progress of which has been slowed by their complexity, are finally being decided, sometimes with sizable damage awards to the U.S. claimant. Since the last report, 16 large claims have been decided. One U.S. company received a judgment of $110 million.

4. The Tribunal continues to process claims of U.S. nationals against Iran of less than $250,000 each. As of September 6, 1989, a total of 394 small claims have been resolved, 32 of them since the last report, as a result of decisions on the merits, awards on agreed terms, or Tribunal orders. Four contested claims have been decided since the last report, raising the total of contested claims decided to 28, 17 of which favored the American claimant. These decisions will help in establishing guidelines for the adjudication or settlement of similar claims. To date, American claimants have also received 56 awards on agreed terms reflecting settlements of claims under $250,000.

The Tribunal's current small claims docket includes approximately 160 active cases. It is anticipated that the Tribunal will issue new scheduling orders later this fall to bring its active docket to approximately 225 active cases.

5. In coordination with concerned Government agencies, the Department of State continues to present U.S. Government claims against Iran, as well as responses by the U.S. Government to claims brought against it by Iran. Since my last report, the Department has filed pleadings in ten government-to-government claims. The Department defended a claim brought by an Iranian individual against the United States in a hearing before the Tribunal. In addition, two claims have been settled.

6. Between March 28, 1989, and October 17, 1989, seven bank syndicates have completed negotiations which Bank Markazi Jomhouri Islami Iran ("Bank Markazi," Iran's central bank) and have been paid a total of $2,016,007.17 for interest accruing for the period of January 1-18, 1981 ("January Interest"). These payments were made from Dollar Account No. 1 at the Federal Reserve Bank of New York ("FRBNY"). Moreover, under the April 13, 1988, agreement between the FRBNY and Bank Markazi, the FRBNY returned $2,961,225.28 of Iranian funds to Bank Markazi. That transfer represents the excess of amounts reserved in Dollar Account No. 1 to pay off each bank syndicate with a claim for January Interest against Bank Markazi.

7. Since the last report, there have been no amendments to the Iranian Assets Control Regulations, 31 CFR Part 535, administered by the Office of Foreign Assets Control. There have been no amendments to the Iranian Transactions Regulations, 31 CFR Part 560, since their publication on November 17, 1988.

8. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. The Iranian Assets Control Regulations issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States properly to implement the Algiers Accords. Similarly, the Iranian Transactions Regulations issued pursuant to Executive Order No. 12613 continue to advance important objectives in combatting international terrorism. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

GEORGE BUSH.

THE WHITE HOUSE, *November 14, 1989.*

MESSAGES FROM THE HOUSE

At 11:45 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 978. An act to authorize the establishment within the Smithsonian Institution of the National Museum of the American Indian, to establish a memorial to the American Indian, and for other purposes.

The message also announced that the House has passed the following

bill, in which it requests the concurrence of the Senate:

H.R. 2459. An act to authorize appropriations for the Coast Guard for fiscal year 1990, and for other purposes.

At 6:15 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1465. An act to establish limitations on liability for damages resulting from oil pollution, to establish a fund for the payment of compensation for such damages, and for other purposes.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 2459. An act to authorize appropriations for fiscal year 1990, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1921. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Air Force's letter of offer to Korea for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-1922. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a report entitled "Providing Supportive Services to the Frail Elderly in Federally Assisted Housing"; to the Committee on Banking, Housing, and Urban Affairs.

EC-1923. A communication from the Administrator of the Federal Aviation Administration, transmitting, pursuant to law, the semiannual report on the effectiveness of the Civil Aviation Security program for the period July 1 to December 31, 1989; to the Committee on Commerce, Science, and Transportation.

EC-1924. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1925. A communication from the Acting Administration of General Services, transmitting, pursuant to law, an informational copy of a lease prospectus for the Federal Emergency Management Agency and the Federal Labor Relations Authority in Washington, D.C.; to the Committee on Environment and Public Works.

EC-1926. A communication from the Acting Administrator of General Services, transmitting, pursuant to law, informational copies of certain prospectuses; to the Committee on Environment and Public Works.

EC-1927. A communication from the Acting Administrator of General Services, transmitting, pursuant to law, an informational copy of a Building Project Survey Report for Nashville, Tennessee; to the Committee on Environment and Public Works.

EC-1928. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, an informational copy of a lease prospectus for Anchorage, Alaska; to the Committee on Environment and Public Works.

EC-1929. A communication from the United States Trade Representative, transmitting, pursuant to law, a report on recent developments regarding implementation of section 301 of the Trade Act of 1974; to the Committee on Finance.

EC-1930. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, language to authorize $200 million for assistance to Poland; to the Committee on Foreign Relations.

EC-1931. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-105 adopted by the Council on October 10, 1989; to the Committee on Governmental Affairs.

EC-1932. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-107 adopted by the Council on October 24, 1989; to the Committee on Governmental Affairs.

EC-1933. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-108 adopted by the Council on October 24, 1989; to the Committee on Governmental Affairs.

EC-1934. A communication from the Secretary to the Postal Rate Commission, transmitting for the information of the Senate, notice of the promulgation of procedures for consideration of contract rates; to the Committee on Governmental Affairs.

EC-1935. A communication from the Chairman of the National Credit Union Administration, transmitting, pursuant to law, notice of the establishment of an Office of Inspector General within the National Credit Union Administration; to the Committee on Governmental Affairs.

EC-1936. A communication from the Chairman of the Federal Communications Commission, transmitting, pursuant to law, a report on compliance with the Inspector General Act Amendments of 1988; to the Committee on Governmental Affairs.

EC-1937. A communication from the Chairman of the Board of Directors of the Corporation for Public Broadcasting, transmitting, pursuant to law, a report on compliance with the Inspector General Act Amendments of 1988; to the Committee on Governmental Affairs.

EC-1938. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "General Services Administration—Sustained Attention Required to Improve Performance"; to the Committee on Governmental Affairs.

EC-1939. A communication from the Chairman of the Administrative Conference of the United States, transmitting, pursuant to law, a report on compliance with the Inspector General Act Amendments of 1988; to the Committee on Governmental Affairs.

EC-1940. A communication from the Chairman of the Interstate Commerce Commission, transmitting, pursuant to law, a report on the establishment of an Office of Inspector General within the Commission; to the Committee on Governmental Affairs.

EC-1941. A communication from the Chairman of the Board for International Broadcasting, transmitting, pursuant to law, a report on compliance with the Inspector General Act Amendments of 1988; to the Committee on Governmental Affairs.

EC-1942. A communication from the Director of the Peace Corps, transmitting, pursuant to law, a report on compliance with the Inspector General Act Amendments of 1988; to the Committee on Governmental Affairs.

EC-1943. A communication from the Director of Selective Service, transmitting, pursuant to law, a report on compliance with the Inspector General Act Amendments of 1988; to the Committee on Governmental Affairs.

EC-1944. A communication from the General Counsel of the Department of the Treasury, transmitting a draft of proposed legislation to raise the authorized pay level of the Treasurer of the United States to Executive Level IV; to the Committee on Governmental Affairs.

EC-1945. A communication from the General Counsel of the Department of the Treasury, transmitting a draft of proposed legislation to change the statutory authority for the pay level of the Director of the United States Mint to Executive Level V; to the Committee on Governmental Affairs.

EC-1946. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, a report on compliance with the Inspector General Act Amendments of 1988; to the Committee on Governmental Affairs.

EC-1947. A communication from the Chairman of the Federal Communications Commission, transmitting, pursuant to law, notice of the resignation from government service of the Commission's Inspector General; to the Committee on Governmental Affairs.

EC-1948. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Income Contingent Loan Program, Subpart E—Due Diligence; to the Committee on Labor and Human Resources.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-375. A joint resolution adopted by the Legislature of the State of California; to the Committee on Commerce, Science, and Transportation.

"ASSEMBLY JOINT RESOLUTION NO. 51

"Whereas, The National Rail Passenger Corporation (AMTRAK) continues to serve California residents with alternative transportation at an increasingly efficient level, thereby reducing the harmful environmental effects of smog-producing automobile transportation; and

"Whereas, Section 306(i) of the Rail Passenger Service Act (45 U.S.C. Sec. 546(i)) exempts AMTRAK from the sanitation regulations of the United States Surgeon General adopted under Section 361 of the Public Health Service Act (42 U.S.C. Sec. 264); and

"Whereas, One effect of this exemption is to permit AMTRAK to discharge human waste from its trains and to prevent the states from controlling that situation; and

"Whereas, This discharge creates a health and safety problem for both railway employees and the general public who come in direct contact with or in close proximity to the railroad right-of-way; and

"Whereas, This practice causes pollution of streams and rivers, thereby adversely impacting our precious natural resources and the environment; and

"Whereas, This problem could be solved if AMTRAK were to install proper holding tanks for human waste on its trains and to discharge these tanks only at terminal areas for proper waste disposal; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the California Legislature respectfully memorializes the President and Congress to require the installation of proper holding tanks on AMTRAK trains to eliminate the problem of the discharge of human waste on the right-of-way and to make available the necessary funding, separate from and exclusive of federal funding otherwise provided for AMTRAK operations and subsidies, for AMTRAK to retrofit its trains with the necessary equipment in this regard; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the National Railroad Passenger Corporation."

POM-376. A resolution adopted by the 1989 Older Iowans' Legislature relative to further taxation of Social Security benefits; to the Committee on Finance.

POM-377. A resolution adopted by the 1989 Older Iowans' Legislature favoring the repeal of the surtax on the Medicare Catastrophic Act of 1988; to the Committee on Finance.

POM-378. A resolution adopted by the 1989 Older Iowans' Legislature favoring actions by all Americans to complete and return the 1990 census form to assure the most accurate census count possible; to the Committee on Governmental Affairs.

POM-379. A resolution adopted by the 1989 Older Iowans' Legislature favoring the implementation of an adequate national health care program; to the Committee on Labor and Human Resources.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations:

Treaty Doc. 101-4. United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (Exec. Rept. No. 101-15).

Treaty Doc. 101-2. ILO Convention No. 160 (Exec. Rept. No. 101-16).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. EXON (for himself and Mr. KERREY):

S. 1875. A bill to redesignate the Calamus Dam and Reservoir authorized under the Reclamation Project Authorization Act of 1972 as the Virginia Smith Dam and Calamus Lake Recreation Area; to the Committee on Environment and Public Works.

By Mr. KOHL (for himself, Mr. HATCH, Mr. HARKIN, Mr. BUMPERS, Mr. BOSCHWITZ, and Mr. KERREY):

S. 1876. A bill to amend the Internal Revenue Code of 1986 to provide a refundable tax credit for the costs of small businesses in providing accessibility for disabled individuals; to the Committee on Finance.

By Mr. KENNEDY (for himself and Mr. HATCH):

S. 1877. A bill to improve the operational efficiency of the James Madison Memorial Fellowship Foundation, and for other purposes; placed on the calendar.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon) as indicated:

By Mr. MITCHELL (for himself and Mr. DOLE):

S. Res. 208. A resolution to authorize testimony and document production by Senate employee in *Springfield Terminal Railway Co.* v. *United Transportation Union*, No. 88-0117P; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. KASSEBAUM:

S. 1874. A bill to amend the Public Health Service Act to provide for the establishment of a national program for tropical medicine and infectious disease, and for other purposes; to the Committee on Labor and Human Resources.

INFECTIOUS DISEASE CONTROL ACT OF 1989

Mrs. KASSEBAUM. Mr. President, I rise today to introduce legislation aimed at improving our Nation's ability to cope with the potentially devastating threat of infectious viruses imported from abroad. Despite growing evidence that diseases from the world's virus-rich tropical regions pose a serious danger to U.S. citizens, Federal efforts to better understand and control such infections remain meager and disorganized.

Long dismissed as distant afflictions of faraway populations, tropical diseases have in recent years begun to show resurgent strength in the United States, as well as in other developed nations. The AIDS epidemic, with its probable origins in the tropics of central Africa, is perhaps the most dramatic illustration of this threat—but it is certainly not the only one. Facilitated by the ever-increasing volume of international travel and commerce, tropical diseases of many varieties are surfacing within our borders with increasing frequency.

Though malaria was eradicated from the United States in 1946, the Centers for Disease Control estimate that it now afflicts about 1,000 persons in this country every year. Two outbreaks have occurred in southern California within the past 4 years, and health officials in New York have reported new strains of the disease which are resistant to existing treatments.

Another point of concern to tropical disease scientists is the resurgence of dengue fever, a viral disease often fatal to children. Though it was eradicated in most of this hemisphere by the mid-1950's, dengue has now reappeared in southern Texas, and its mosquito carrier has been reported in 17 States.

In addition to malaria and dengue, epidemiologists also worry that other, newly recognized tropical viruses such as lassa, rift valley, marburg, and ebola fevers pose serious potential hazards to American citizens. As Nobel laureate Dr. Joshua Lederberg has put it, "The microbe that felled one child in a distant continent yesterday can reach yours today and seed a global epidemic tomorrow."

Mr. President, despite the potent health threat posed by tropical viruses, U.S. research and prevention efforts remain badly splintered and dangerously underfunded. A number of Federal agencies do support tropical disease research of one kind or another, but nowhere does there exist a central clearinghouse for the coordination of these efforts. Furthermore, despite the involvement of agencies as varied as the National Institute of Allergy and Infectious Diseases, the Centers for Disease Control, and the Department of Defense, Federal spending on tropical disease research adds up to less than 2 percent of our total biomedical research budget.

In 1987, the Institute of Medicine at the National Academy of Sciences published a report examining the state of United States efforts against tropical disease. Noting a critical shortage of trained experts in the field, the report concluded that the current system of tropical disease research and prevention is "insufficient to ensure U.S. ability to cope with more than occasional domestic cases of [such] diseases."

Mr. President, the legislation I am introducing today authorizes the creation of a National Program for Tropical Medicine within the Department of Health and Human Services. The chief function of the program will be to act as an interagency coordinating body for the various Federal agencies involved in tropical disease research and prevention. In addition, the program's director will be charged with submitting a plan to Congress outlining an efficient allocation of resources and responsibilities among the various affected agencies.

The legislation also authorizes the establishment of an expert committee to provide guidance to the program's

director. Members of the committee, to be appointed by the Secretary of Health and Human Services, will include tropical disease researchers, family physicians and internists, State and local health officials, Members of Congress, and representatives of Federal agencies involved in tropical disease research and control.

Introduced in the House by Representative RALPH REGULA and the late Representative Claude Pepper, this bill has won the unanimous support of the Federal agencies currently involved in tropical disease research, including the National Institutes of Health, the Centers for Disease Control, and the Department of Defense. It has also been endorsed by the American Society of Tropical Medicine and Hygiene, as well as the National Foundation for Infectious Diseases.

Mr. President, this is a modest proposal designed to provide the basic organizational framework for more effective United States efforts against tropical infectious diseases. Combined with enhanced appropriations for tropical disease research and prevention, the changes authorized in this bill will significantly improve America's ability to respond to emerging viral threats, both at home and abroad.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1874

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Infectious Disease Control Act of 1989".

SEC. 2. ESTABLISHMENT OF NATIONAL PROGRAM FOR TROPICAL INFECTIOUS DISEASES.

(a) IN GENERAL.—The Public Health Service Act is amended by inserting after title XI (42 U.S.C. 300b-1 et seq.) the following new title:

"TITLE XII—TROPICAL DISEASES

"SEC. 1201. ESTABLISHMENT OF NATIONAL PROGRAM FOR TROPICAL MEDICINE.

"The Secretary shall establish a National Program for Tropical Medicine to achieve optimal prevention of human infectious diseases originating in the tropics and to plan and coordinate governmental and nongovernmental activities including research, epidemiology, data collection and sharing, drug and vaccine evaluation and licensing, professional training, and public education. The program shall be administered by a Director (hereinafter referred to in this title as the Director) who shall be appointed by the Secretary.

"SEC. 1202. PROGRAM RESPONSIBILITIES.

"(a) IN GENERAL.—The Director shall, through the plan established under section 1201—

"(1) coordinate and provide direction to the agencies of the Public Health Service, the Department of Defense, and the Agency for International Development on training of clinicians and scientists for the development and maintenance of national expertise to prevent or avert infectious diseases on a national and worldwide basis;

"(2) coordinate and provide direction to the agencies of the Public Health Service, the Department of Defense, and the Agency for International Development to increase and maintain global epidemic intelligence sufficient to ensure prevention of the spread of tropical infectious diseases;

"(3) coordinate and provide direction for research carried out in or through the National Institutes of Health, the Centers for Disease Control, the Food and Drug Administration, the Department of Defense, and the Agency for International Development on all research and clinical studies aimed at reducing tropical infectious diseases;

"(4) coordinate and provide direction for activities carried out in or through the National Institutes of Health, the Centers for Disease Control, the Food and Drug Administration, the Department of Defense, and the Agency for International Development to develop the techniques needed to produce and test safe and effective drugs and vaccines to be used against tropical infectious disease, and to ensure speedy licensing of those products and techniques proven safe and effective;

"(5) coordinate and provide direction to the agencies of the Public Health Service, the Department of Defense, and the agency for International Development on the needs for production, procurement and distribution of medicines and related products to prevent and to control the spread of tropical infectious diseases that threaten the United States or the global economy, that shall include efforts to encourage public acceptance and use of drugs, vaccines and techniques to prevent and control such diseases;

"(6) facilitate the appropriate exchange of information between Federal agencies involved in the implementation of this title and nongovernmental entities engaged in research and the development and production of products for tropical medicine, and encourage the investment of nongovernmental resources complementary to the government activities under this subchapter; and

"(7) make funds and technical assistance available to Federal agencies involved in the implementation of this title to supplement the funds otherwise available to such agencies for such purposes.

"(b) CONSULTATION.—In implementing the responsibilities of subsection (a) the Director shall consult with all Federal agencies involved in research and training in the area of tropical medicine.

"SEC. 1203. PLAN.

"The director shall prepare and issue a plan for the implementation of the responsibilities of the Director as described in section 1202(a). The plan shall establish priorities in training, research, development, testing, licensing, procurement, and distribution of products related to tropical medicine. The plan shall identify resources and describe how each of the various Federal agencies will carry out their functions in consultation and coordination with the program and in conformity with the plan's priorities and within their own resources. The initial plan under this section shall be prepared not later than January 1, 1991, and shall be revised not later than January 1, of each succeeding year.

"SEC. 1204. REPORT.

"Not later than January 1, 1991, and biennially thereafter, the Director shall prepare and submit, to the appropriate Committees of Congress, a report concerning the implementation of the program and plan as established under this title.

"SEC. 1205. NATIONAL COMMITTEE ON TROPICAL MEDICINE.

"(a) ESTABLISHMENT.—The Secretary shall establish a National Committee on Tropical Medicine. The members of such Committee shall be appointed by the Secretary, in consultation with the director of the National Institute of Medicine, and shall include individuals who are engaged in tropical medicine research or training, family physicians and internists, State or local health agencies, Federal agencies, and Members of Congress.

"(b) DUTIES.—The Committee established under subsection (a) shall—

"(1) recommend training and career opportunities regarding tropical medicine to ensure an adequate supply of trained clinicians;

"(2) recommend research priorities and other measures to the Director regarding tropical medicine;

"(3) advise the Director on opportunities for public education needed to prevent the spread of tropical diseases within the United States;

"(4) identify annually for the Director those areas of government and nongovernmental cooperation that should be considered in imlementing this title; and

"(5) advise the director concerning the implementation of this title.

"SEC. 1206. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this title, such sums as may be necessary for each of the fiscal years 1991 through 1993.".

By Mr. KOHL (for himself, Mr. HATCH, Mr. HARKIN, Mr. BUMPERS, Mr. BOSCHWITZ, and Mr. KERREY):

S. 1876. A bill to amend the Internal Revenue Code of 1986 to provide a refundable tax credit for the costs of small businesses in providing accessibility for disabled individuals; to the Committee on Finance.

SMALL BUSINESS REHABILITATION RELIEF ACT

Mr. KOHL. Mr. President, I rise to introduce legislation that would provide a refundable tax credit to help small businesses defray the cost of making their establishments accessible to the disabled.

I am introducing this bill on behalf of myself and Senators HATCH, HARKIN, BOSCHWITZ, and BUMPERS. In addition, Congressman MOODY is introducing parallel legislation in the other body.

The Senate recently passed the Americans with Disabilities Act. I support that legislation. Under the ADA, business will be required to make their premises accessible to disabled employees and customers. Our economy needs the contribution of the disabled. The ADA should facilitate that contribution.

All of society will benefit by the renovations that business undertakes. As a consequence, we believe it is proper that society shares in the costs of those renovations. We should not

force business to shoulder the entire cost of the ADA.

The bill we are introducing today addresses this concern. The proposal builds on an amendment offered by Senator HATCH during debate on the Americans with Disabilities Act. That approach has since been embodied in legislation introduced by Senators PRYOR and HATCH and others.

While both of our approaches utilize tax credits, this bill employs a different structure for that credit. I base this change on two principles.

First, providing access to the disabled is, at least in part, a cost of doing business. Second, any credit should encourage the most economical renovations possible

Our bill incorporates those principles. Under the bill, business would receive a refundable 80-percent tax credit for eligible expenditures between $250 and $4,000. This amounts to a maximum annual refundable credit of $3,000. After spending $250, businesses would be eligible for a tax credit amounting to 80 cents on every dollar spent.

Businesses eligible for the credit would have a choice over what to do with expenditures exceeding the $4,000 cap. They can carry forward these excess amounts and apply them against the tax credit in future years—again, subject to the annual $4,000 cap. Or, they can deduct expenditures over $4,000 as already allowed under section 190 of the Internal Revenue Code.

In addition, our tax credit is targeted to small businesses for whom the costs of renovations would be most onerous. A business qualifies for the tax credit if it has fewer than 30 full-time employees or less than $4 million in annual gross receipts.

In addition, the tax credit is refundable so it can help even those start-up businesses that are not yet profitable. These features should insure that businesses most strained by the expenses of renovation are the ones we help.

Finally, we think the bill complements and furthers the goals of the ADA. While ADA would require many businesses to undergo renovations, some businesses are not covered by the act. Our bill's tax credit would be available even to these noncovered businesses. The bill thus provides an incentive for business to make worksites accessible to and usable by the disabled even when the ADA imposes no such requirement.

This legislation has been developed in cooperation with many people. I would like to introduce in the RECORD letters from the Wisconsin Restaurant Association, the Wisconsin Merchants Federation, the Wisconsin Independent Businesses, Inc., the Wisconsin Grocers Association, the Wisconsin Manufacturers, and Commerce Association, the National Federation of Independent Businesses, the Small Business Legislative Council and the National Small Businesses United, and I ask unanimous consent that the letters be printed in the RECORD, at the end of my statement.

The National Restaurant Association has also endorsed the bill. Other organizations, including the National Federation of Independent Businesses—Wisconsin, the Independent Business Association of Wisconsin and the National Grocers Association, have also been very helpful in putting this legislation together and I thank them.

Mr. President, we face a very competitive world economy. If we are to succeed in that marketplace, we must all pull together. We cannot afford to allow anyone to stand on the sidelines. The Americans with Disabilities Act will help by bringing the disabled into the game. Our bill, the Small Business Rehabilitation Act, will in turn help small business as they bring these important workers into our economy.

Thank you, Mr. President. I ask unanimous consent that this legislation be printed at the close of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1876

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business Rehabilitation Relief Act of 1989".

SEC. 2. REFUNDABLE TAX CREDIT FOR COSTS ASSOCIATED WITH PROVIDING ACCESSIBILITY FOR DISABLED INDIVIDUALS.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

"SEC. 35. COSTS OF PROVIDING ACCESSIBILITY TO DISABLED INDIVIDUALS.

"(a) ALLOWANCE OF CREDIT.—In the case of an eligible small business, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to 80 percent of so much of the eligible access expenditures for the taxable year as exceed $250 but do not exceed $4,000.

"(b) CARRYFORWARDS.—If a taxpayer has eligible access expenditures for any taxable year exceeding $4,000, such excess expenditures shall be considered eligible access expenditures in the succeeding taxable year.

"(c) ELIGIBLE SMALL BUSINESS.—For purposes of this section, the term 'eligible small business' means a person which elects the application of this section for the taxable year, and—

"(1) which has gross receipts for the preceding taxable year not exceeding $4,000,000, or

"(2) in the case of a person with such receipts exceeding $4,000,000, which employs not more than 30 full-time employees during such year.

For purposes of paragraph (2), an employee shall be considered full-time if such employee is employed at least 30 hours per week for 20 or more calendar weeks in the taxable year.

"(d) ELIGIBLE ACCESS EXPENDITURES.—For purposes of this section—

"(1) IN GENERAL.—The term 'eligible access expenditures' means amounts paid or incurred—

"(A) for the purpose of removing architectural, communication, physical, or transportation barriers which prevent an eligible small business from being accessible to, or usable by, an individual with a disability,

"(B) to provide qualified interpreters or other effective methods of making aurally delivered materials available to individuals with hearing impairments,

"(C) to provide qualified readers, taped texts, or other effective methods of making visually delivered materials available to individuals with visual impairments,

"(D) to acquire or modify equipment or devices for individuals with disabilities, and

"(E) to provide other similar services and actions for individuals with disabilities.

"(2) EXPENSES IN CONNECTION WITH NEW CONSTRUCTION ARE NOT ELIGIBLE.—The term 'eligible access expenditures' shall not include expenses described in paragraph (1)(A) which are paid or incurred in connection with the design and construction of any facility the first occupancy of which occurs after December 31, 1989.

"(e) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) DISABILITY.—The term 'disability' means, with respect to an individual—

"(A) a physical or mental impairment that substantially limits one or more of the major life activities of such individual,

"(B) a record of such an impairment, or

"(C) being regarded as having such an impairment.

"(2) CONTROLLED GROUPS.—

"(A) IN GENERAL.—All members of the same controlled group of corporations (within the meaning of section 52(a)) and all persons under common control (within the meaning of section 52(b)) shall be treated as 1 person for purposes of this section.

"(B) DOLLAR LIMITATION.—The Secretary shall apportion the dollar limitation under subsection (a) among the members of any group described in subparagraph (A) in such manner as the Secretary shall by regulations prescribe.

"(3) PARTNERSHIPS AND S CORPORATIONS.—In the case of a partnership, the limitation under subsection (a) shall apply with respect to the partnership and each partner. A similar rule shall apply in the case of an S corporation and its shareholders.

"(4) NO DOUBLE BENEFIT.—No deduction or credit shall be allowed under this chapter with respect to any amount for which a credit is allowed under subsection (a).

"(f) REGULATIONS.—The Secretary shall prescribe regulations necessary to carry out the purposes of this section, including regulations for determining what expenditures are to be treated as eligible access expenditures."

(b) CONFORMING AMENDMENT.—The table of sections for subpart C of part IV of subchapter A of chapter 1 of such Code is amended by striking the item relating to section 35 and inserting:

"Sec. 35. Costs of providing accessibility to disabled individuals.

"Sec. 36. Overpayments of tax."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1989.

WISCONSIN MANUFACTURERS & COMMERCE,
November 14, 1989.

Hon. Senator HERBERT KOHL,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR KOHL: It is our understanding that you are about to introduce a bill entitled "The Small Business Rehabilitation Act of 1989" regarding a refundable tax credit to small businesses to help them provide greater accessibility for disabled individuals. The WMC Small Business Committee would support such a bill.

This bill takes on greater importance in light of the Americans with Disabilities Act, which was recently passed by the Senate. Most changes required by the Act can be made fairly easily, while others may be very expensive for small businesses to carry out. Your bill will lessen the burden for these small businesses.

WMC believes the Small Business Rehabilitation Act of 1989 balances the needs of the disabled with the concerns of small businesses. We support your bill and wish you success.

Sincerely,

NICK GEORGE, Jr.,
Director, Legislative Relations.

NATIONAL SMALL BUSINESS UNITED,
November 14, 1989.

Hon. HERBERT KOHL,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR KOHL: National Small Business United is very pleased to have learned of your intention to introduce legislation designed to provide relief to small businesses attempting to comply with a future Americans with Disabilities Act (ADA). We are not supportive of this Act because of its potential to place extraordinary financial burdens on the small businesses owners who can least afford it—which is why we support your approach; it recognizes the need to shield many of our smallest, most financially strapped businesses from bearing the full costs of this bill alone.

The plan you are introducing (along with Representative Moody in the House) institutes a tax credit for small businesses who must undergo reconstruction of their facilities in order to comply with the ADA. We believe that it is only appropriate for society at large, through its government, to take some responsibility for helping small businesses accommodate the disabled—rather than simply requiring those businesses to meet the requirements as best they can. Otherwise, many work-places would not always be able to comply with the coming law.

We want to take the opportunity to thank you for introducing this much-needed legislation and commit ourselves to working with you to win its final passage.

Sincerely yours,

JOHN PAUL GALLES,
Executive Vice President.

SMALL BUSINESS LEGISLATIVE COUNCIL,
November 2, 1989.

Hon. HERB KOHL,
U.S. Senate, Washington, DC.

DEAR SENATOR KOHL: On behalf of the Small Business Legislative Council (SBLC), I wish to express our support for your efforts to provide an incentive to small firms to provide access to disabled individuals. Specifically, we believe pursuit of a tax credit for expenses incurred by small firms for providing access is a step in the right direction.

While we have expressed concern about the impact of the American with Disabilities Act upon small business, we have asserted with equal vigor that Congress can, and must find opportunities to create a positive environment for compliance. We applaud your initiative to introduce a bill to provide a credit as the kind of leadership on small business matters Congress can provide.

As you know, the Small Business Legislative Council (SBLC) is a permanent, independent coalition of nearly one hundered trade and professional associations that share a common commitment to the future of small business. Our members represent the interests of over four million small businesses in manufacturing, retailing, distribution, professional and technical services, construction, transportation and agriculture. While our policies are developed through consensus among our membership, we respect the right of individual associations to express their own views. For your information, a list of our members is enclosed.

Sincerely,

JOHN S. SATAGAJ,
President.

MEMBERS OF THE SMALL BUSINESS LEGISLATIVE COUNCIL

Air Conditioning Contractors of America.
Alliance of Independent Store Owners and Professionals.
American Animal Hospital Association.
American Association of Nurserymen.
American Collectors Association, Inc.
American Consulting Engineers Council.
American Council of Independent Laboratories.
American Dental Trade Association.
American Floorcovering Association.
American Institute of Architects.
American Machine Tool Distributors Association.
American Road & Transportation Builders Association.
American Society of Travel Agents, Inc.
American Sod Producers Association.
American Subcontractors Association.
American Textile Machinery Association.
American Trucking Associations, Inc.
American Warehousemen's Association.
Architectural Precast Association.
Associated Builders & Contractors.
Associated Equipment Distributors.
Associated Landscape Contractors of America.
Association of Physical Fitness Centers.
Association of Small Business Development Centers.
Association of the Wall and Ceiling Industries-International.
Automotive Service Association.
Bowling Proprietors Association of America.
Building Service Contractors Association International.
Business Advertising Council.
Christian Booksellers Association.
Council of Fleet Specialists.
Electronics Representatives Association.
Florists' Transworld Delivery Association.
Helicopter Association International.
Independent Bakers Association.
Independent Bakers Association of America.
Independent Medical Distributors Association.
International Association of Refrigerated Warehouses.
International Bottled Water Association.
International Communications Industries Association.
International Franchise Association.
Latin American Manufacturers Association.
Machinery Dealers National Association.
Manufacturers Agents National Association.
Mechanical Contractors Association of America, Inc.
Menswear Retailers of America.
NMTBA-The Association for Manufacturing Technology.
National Asphalt Pavement Association.
National Association for the Self-Employed.
National Association of Brick Distributors.
National Association of Catalog Showroom Merchandisers.
National Association of Chemical Distributors.
National Association of Development Companies.
National Association of Home Builders.
National Association of Investment Companies.
National Association of Manufacturing Opticians.
National Association of Passenger Vessel Owners.
National Association of Personnel Consultants.
National Association of Plumbing-Heating-Cooling Contractors.
National Association of Realtors.
National Association of Retail Druggists.
National Association of Small Business Investment Companies.
National Association of Remodeling Industry.
National Association of Truck Stop Operators.
National Association of Women Business Owners.
National Campground Owners Association.
National Candy Wholesalers Association.
National Chimney Sweep Guild.
National Coffee Service Association.
National Council for Industrial Innovation.
National Electrical Contractors Association.
National Fastener Distributors Association.
National Grocers Association.
National Independent Dairy-Foods Association.
National Knitwear & Sportswear Association.
National Lumber & Building Material Dealers Association.
National Moving and Storage Association.
National Office Products Association.
National Paperbox & Packaging Association.
National Parking Association.
National Precast Concrete Association.
National Shoe Retailers Association.
National Society of Public Accountants.
National Tire Dealers & Retreaders Association.
National Tooling and Machining Association.
National Tour Association.
National Venture Capital Association.
Opticians Association of America.
Organization for the Protection and Advancement of Small Telephone Companies.
Petroleum Marketers Association of America.
Printing Industries of America, Inc.
Professional Plant Growers Association.

Retail Bakers of America.
SMC/Pennsylvania Small Business.
Small Business Council of America, Inc.
Society of American Florists.
Specialty Advertising Association International.
United Bus Owners of America.

NATIONAL FEDERATION OF INDEPENDENT BUSINESS
November 8, 1989

SENATOR HERB KOHL,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR KOHL: On behalf of the 570,000 business owner members of the National Federation of Independent Business, I want to commend you for your bill entitled "Small Business Rehabilitation Act of 1989". It would provide a much needed refundable tax credit to small businesses to help them provide greater accessibility for disabled individuals.

The Senate recently passed the Americans with Disabilities Act which will require business owners to make changes in their facilities to accommodate the disabled. While many accommodations can be made fairly easily, others can be very expensive, particular to smaller businesses where additional costs can have serious consequences for the stability of a business.

As I read your bill, no tax credit would be available if the alterations, equipment, or services to provide access cost less than $250. However if the expenses exceed $250, the bill would provide a tax credit of 80% of the costs up to a maximum of $4,000.

The bill is targeted to help small businesses by limiting the credit to those businesses grossing less than $4,000,000 per year in revenues and which employ no more than 30 employees.

Currently, the Internal Revenue Code includes a provision to permit a $35,000 tax deduction for making structural alterations to accommodate the disabled. The bill would leave in place the deduction for larger businesses, but would give small businesses the option to decide whether the deduction or the credit best suits the needs of the particular business. This is particularly important because many businesses do not make enough money to take advantage of a tax deduction.

Your tax credit bill seeks to balance the needs for the disabled with the ability of businesses to meet those needs. The bill and other similar measures recognize that small businesses cannot meet the burdens of the ADA bill alone.

I urge your colleagues to cosponsor the Small Business Rehabilitation Act of 1989. It is a fair, thoughtful and balanced approach to increasing accessibility.

Sincerely yours,

JOHN J. MOTLEY III,
Director, Federal Government Relations.

WISCONSIN INDEPENDENT BUSINESSES, INC.
November 9, 1989.

Hon. HERBERT KOHL,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR KOHL: Wisconsin Independent Businesses enthusiastically endorses your proposal provide a small business tax business tax credit for small businesses that make their workplaces accessible to disabled employees and customers. Your proposal is a major step forward in the fight to increase accessbility for disabled Americans and to enhance our nation's economy by bringing still more disabled persons into good quality jobs.

As Wisconsin's largest representative of small businesses, with over 13,000 members, Wisconsin Independent Businesses has long recognized the desire of many small firms to make their places of business more accessible. Your new bill, if it becomes law, will turn that desire into reality.

On a personal note, as a longtime volunteer with the Easter Seal Society of Wisconsin I am excited about this legislative opportunity for disabled Americans. I am confident the Washington office of the National Easter Seal Society will share this enthusiasm. I look forward to sharing details of your proposal at the convention of the National Easter Seal Society in Nashville November 16-18 and with the board of directors of the Easter Seal Society of Wisconsin in January.

Please let me know of any way Wisconsin Independent Businesses can assist.

Very truly yours,

WAYNE COREY,
Executive Director.

WISCONSIN MERCHANTS FEDERATION,
November 9, 1989.

U.S. SENATOR HERB KOHL,
Senate Office Building, Hart 708, Washington, DC.

DEAR SENATOR KOHL: The Wisconsin Merchants Federation supports your proposal to provide small business a tax credit for expenditures to make their worksites accessible to and usuable by the disabled. Legislation sensitive to the problems of Wisconsin's small business community is necessary in constructing responsible cost effective solutions addressing the needs of the disabled. Your proposal is just that and has earned our support.

Thank you. Keep in touch.

Best personal regards,

CHRIS C. TACKETT,
President.

DOUGLAS Q. JOHNSON,
Vice President and General Counsel.

WISCONSIN RESTAURANT ASSOCIATION,
November 8, 1989.

U.S. SENATOR HERB KOHL,
Senate Office Building, Hart 708, Washington, DC.

RE: Wisconsin Restaurant Association Position on Senator Kohl's Proposal to Provide Refundable Tax Credit For Small Business in providing Accessibility for Individuals.

DEAR SENATOR KOHL: The Wisconsin Restaurant Association applauds your efforts on the above matter. Your proposal is certainly one that is very favorable to small business and should provide a stimulus to creating incentives for small business to provide accessibility for handicapped individuals.

Having said this, we wish to make two comments:

1. The refundable tax credit available will be extremely useful to businesses who are not actually making profits or not likely to be showing a profit anytime in the near future. This will encourage all small businesses, not just the very profitable ones, to modify their businesses to increase accessibility for the disabled.

2. Even with this act in place the Wisconsin Restaurant Association would still not be able to support the current language in the proposed American Disabilities Act.

Thank you for providing us an opportunity to have input and thank you for your support of small business. If you have any question, please feel free to contact us again.

Sincerely,

ED LUMP,
Executive Vice President.

WISCONSIN GROCERS ASSOCIATION, INC.,
November 14, 1989.

SENATOR HERB KOHL,
U.S. Senate, 702 Hart Senate Office Building, Washington, DC.

HELLO SENATOR KOHL: The Wisconsin Grocers Association is the statewide trade association for all segments of our food industry. Our membership includes over 1,500 food stores, warehouse distribution firms and industry-related businesses.

Our association supports the ADA Tax Credit Bill to provide small business a tax credit for expenditures to make their worksites accessible to and usable by the disabled. We are committed to this bill to also provide some additional financial support to the eligible small businesses.

We are pleased to lend our support to this important piece of legislation and we recognize your important role in sponsoring it.

Sincerely,

JOHN H. ELLINGSON,
President.

ADDITIONAL COSPONSORS

S. 511

At the request of Mr. INOUYE, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 511, a bill to recognize the organization known as the National Academies of Practice.

S. 672

At the request of Mr. HEINZ, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 672, a bill to increase and extend the authorization of appropriations for highway bridge replacement and rehabilitation, and for other purposes.

S. 856

At the request of Mr. MURKOWSKI, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 856, a bill to amend title 13, United States Code, and the International Investment and Trade in Services Survey Act to improve the quality of data on foreign investment in the United States.

S. 891

At the request of Mr. REID, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 891, a bill to provide for the modernization of testing of consumer products which contain hazardous or toxic substances.

S. 1245

At the request of Mr. MITCHELL, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 1245, a bill to amend the Federal Meat Inspection Act to expand the meat inspection programs of the United States by establishing a comprehensive inspection program to

ensure the quality and wholesomeness of all fish products intended for human consumption in the United States, and for other purposes.

S. 1651

At the request of Mr. McCAIN, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1651, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the United Services Organization.

S. 1653

At the request of Mr. SPECTER, his name was added as a cosponsor of S. 1653, a bill to preserve the solvency of the railroad retirement system.

S. 1779

At the request of Mr. BENTSEN, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1779, a bill to change the tariff treatment of certain brooms wholly or in part of broom corn.

S. 1782

At the request of Mr. KENNEDY, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1782, a bill to amend the Public Health Service Act to provide for the establishment of an AIDS treatment assistance program for low income individuals, and for other purposes.

S. 1791

At the request of Mr. ROCKEFELLER, the names of the Senator from Washington [Mr. ADAMS] and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of S. 1791, a bill to amend the International Travel Act of 1961 to assist in the growth of international travel and tourism into the United States, and for other purposes.

S. 1804

At the request of Mr. LAUTENBERG, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of S. 1804, a bill to amend title 23, United States Code, to reduce the amount of Federal highway funds allocated to any State that does not provide for the revocation or suspension of the driver's license of any individual convicted of a drug offense.

S. 1835

At the request of Mr. WILSON, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Colorado [Mr. WIRTH], the Senator from Nevada [Mr. REID], and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of S. 1835, a bill to amend the Drug-Free Schools and Communities Act of 1986 to provide for the awarding of grants for drug abuse resistance education instruction for students, and for other purposes.

S. 1858

At the request of Mrs. KASSEBAUM, the names of the Senator from Alabama [Mr. SHELBY] and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of S. 1858, a bill to amend the Federal Aviation Act of 1958 relating to bankruptcy transportation plans.

S. 1869

At the request of Mr. NICKLES, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 1869, a bill to provide for a statement of costs for congressional mass mailings, and that no more mass mailings of franked mail may be mailed by a Member of the Congress, if necessary additional funds are not appropriated, and for other purposes.

SENATE JOINT RESOLUTION 205

At the request of Mr. BIDEN, the names of the Senator from Idaho [Mr. SYMMS], the Senator from Utah [Mr. HATCH], the Senator from Montana [Mr. BURNS], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 205, a joint resolution designating December 3 through 9, 1989, as "National Cities Fight Back Against Drugs Week."

SENATE JOINT RESOLUTION 223

At the request of Mr. GARN, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Michigan [Mr. LEVIN], and the Senator from Indiana [Mr. COATS] were added as cosponsors of Senate Joint Resolution 223, a joint resolution to authorize and request the President to issue a proclamation designating May 1990 as "Neurofibromatosis Awareness Month."

SENATE JOINT RESOLUTION 224

At the request of Mr. BYRD, the names of the Senator from Virginia [Mr. ROBB] and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of Senate Joint Resolution 224, a joint resolution to designate the month of May 1990 as "National Trauma Awareness Month."

AMENDMENT NO. 1127

At the request of Mr. HELMS, his name was added as a cosponsor of amendment No. 1127 proposed to H.R. 3628, a bill to temporarily reduce the capital gains tax for noncorporate taxpayers, and for other purposes.

SENATE RESOLUTION 208—AUTHORIZING TESTIMONY AND DOCUMENT PRODUCTION BY A SENATE EMPLOYEE

Mr. MITCHELL (for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 208

Whereas, in the case of Springfield Terminal Railway Co. v. United Transportation Union, No. 88-0117 P, pending in the United States District Court for the District of Maine, counsel for the plaintiff has served a deposition subpoena for testimony and the production of documents on Mary Anne Marsh, an employee on the staff of Senator John F. Kerry;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for use in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved, That Mary Anne Marsh is authorized to testify and to produce records, including telephone records of the Senate Telecommunications Office pertaining to the office of Senator John F. Kerry, relevant to the case of Springfield Terminal Railway Co. v. United Transportation Union, except concerning matters for which a privilege should be asserted.

AMENDMENTS SUBMITTED

ASSISTANCE TO POLAND

HUMPHREY (AND SIMON) AMENDMENT NO. 1128

Mr. HUMPHREY (for himself and Mr. SIMON) proposed an amendment to the bill (S. 1582) to amend the Foreign Assistance Act of 1961 to provide for certain forms of assistance to Poland to ensure the success of freedom and democracy in Poland, as follows:

On page 18, after line 21, in section 201 of the amendment, insert at the appropriate place the following new subsection and renumber all succeeding subsections accordingly:

"( ) Not less than 10 percent of the funds expended pursuant to this section during fiscal year 1990 shall be provided to the Economic Foundation of NSZZ Solidarnosc and the Confederacy of Independent Poland (KPN), for investment in private enterprise, providing that the Economic Foundtion of NSZZ Solidarnosc and Confederacy of Independent Poland (KPN) meet all criteria established by the Polish-American Enterprise Fund."

DANFORTH (AND OTHERS) AMENDMENT NO. 1129

Mr. DANFORTH (for himself, Mr. HEINZ, Mr. BOND, Mr. D'AMATO, Mr. MCCAIN, Mr. COHEN, Mr. BOREN, Mr. DURENBERGER, MR. WARNER, Mr. HEFLIN, Mr. CHAFEE, and Mr. SYMMS) proposed an amendment to the bill S. 1582, supra, as follows:

At the end add the following new title:

TITLE —TEMPORARY EXTENSION OF EXPIRING TAX PROVISIONS

SEC. 00. AMENDMENT OF 1986 CODE.

Whenever in this title an amendment or repeal is expressed in terms of an amend-

ment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

Subtitle A—Temporary Extension of Expiring Tax Provisions

SEC. 01. EXTENSION OF EMPLOYER-PROVIDED EDUCATIONAL ASSISTANCE.

(a) IN GENERAL.—Subsection (d) of section 127 (relating to educational assistance programs) is amended by striking "December 31, 1988" and inserting "June 30, 1990".

(b) CERTAIN OTHERWISE TAXABLE EMPLOYER-PROVIDED EDUCATIONAL ASSISTANCE MAY BE EXCLUDABLE AS WORKING CONDITION FRINGE.—Subsection (h) of section 132 (relating to certain fringe benefits) is amended by adding at the end thereof the following new paragraph:

"(9) APPLICATION OF SECTION TO OTHERWISE TAXABLE EMPLOYER-PROVIDED EDUCATIONAL ASSISTANCE.—Amounts which would be excludable from gross income under section 127 but for subsection (a)(2) thereof or the last sentence of subsection (c)(1) thereof shall be excluded from gross income under this section if (and only if) such amounts are a working condition fringe."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1988.

SEC. 02. EXTENSION OF EMPLOYER-PROVIDED GROUP LEGAL SERVICES.

(a) IN GENERAL.—Subsection (e) of section 120 (relating to group legal services plans) is amended by striking "ending after December 31, 1988" and inserting "beginning after June 30, 1990".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years ending after December 31, 1988.

SEC. 03. EXTENSION AND MODIFICATION OF TARGETED JOBS CREDIT.

(a) 6-MONTH EXTENSION.—Paragraph (4) of section 51(c) (relating to termination) is amended by striking "December 31, 1989" and inserting "June 30, 1990".

(b) EXTENSION OF AUTHORIZATION.—Paragraph (2) of section 261(f) of the Economic Recovery Tax Act of 1981 is amended by striking "and 1989" and inserting "1989 and 1990".

(c) MODIFICATION OF REQUEST FOR CERTIFICATION.—

(1) IN GENERAL.—Paragraph (16) of section 51(d) is amended by adding at the end thereof the following new subparagraph:

"(C) EMPLOYER REQUEST MUST SPECIFY POTENTIAL BASIS FOR ELIGIBILITY.—In any request for a certification of an individual as a member of a targeted group, the employer shall—

"(i) specify each subparagraph (but not more than 2) of paragraph (1) by reason of which the employer believes that such individual is such a member, and

"(ii) certify that a good faith effort was made to determine that such individual is such a member."

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to individuals who begin work for the employer after December 31, 1989.

SEC. 04. ALLOCATION OF RESEARCH AND EXPERIMENTAL EXPENDITURES.

Section 864 (relating to definitions and special rule) is amended by adding at the end thereof the following new subsection:

"(f) ALLOCATION OF RESEARCH AND EXPERIMENTAL EXPENDITURES.—

"(1) IN GENERAL.—For purposes of sections 861(b), 862(b), and 863(b), qualified research and experimental expenditures shall be allocated and apportioned as follows:

"(A) Any qualified research and experimental expenditures expended solely to meet legal requirements imposed by a political entity with respect to the improvement or marketing of specific products or processes for purposes not reasonably expected to generate gross income (beyond de minimis amounts) outside the jurisdiction of the political entity shall be allocated only to gross income from sources within such jurisdiction.

"(B) In the case of any qualified research and experimental expenditures (not allocated under subparagraph (A)) to the extent—

"(i) that such expenditures are attributable to activities conducted in the United States, 64 percent of such expenditures shall be allocated and apportioned to income from sources within the United States and deducted from such income in determining the amount of taxable income from sources within the United States, and

"(ii) that such expenditures are attributable to activities conducted outside the United States, 64 percent of such expenditures shall be allocated and apportioned to income from sources outside the United States and deducted from such income in determining the amount of taxable income from sources outside the United States.

"(C) The remaining portion of qualified research and experimental expenditures (not allocated under subparagraphs (A) and (B)) shall be apportioned, at the annual election of the taxpayer, on the basis of gross sales or gross income, except that, if the taxpayer elects to apportion on the basis of gross income, the amount apportioned to income from sources outside the United States shall at least be 30 percent of the amount which would be so apportioned on the basis of gross sales.

"(2) QUALIFIED RESEARCH AND EXPERIMENTAL EXPENDITURES.—For purposes of this section, the term 'qualified research and experimental expenditures' means amounts which are research and experimental expenditures within the meaning of section 174. For purposes of this paragraph, rules similar to the rules of subsection (c) of section 174 shall apply. Any qualified research and experimental expenditures treated as deferred expenses under subsection (b) of section 174 shall be taken into account under this subsection for the taxable year for which such expenditures are allowed as a deduction under such subsection.

"(3) SPECIAL RULES FOR EXPENDITURES ATTRIBUTABLE TO ACTIVITIES CONDUCTED IN SPACE, ETC.—

"(A) IN GENERAL.—Any qualified research and experimental expenditures described in subparagraph (B)—

"(i) if incurred by a United States person, shall be allocated and apportioned under this section in the same manner as if they were attributable to activities conducted in the United States, and

"(ii) if incurred by a person other than a United States person, shall be allocated and apportioned under this section in the same manner as if they were attributable to activities conducted outside the United States.

"(B) DESCRIPTION OF EXPENDITURES.—For purposes of subparagraph (A), qualified research and experimental expenditures are described in this subparagraph if such expenditures are attributable to activities conducted—

"(i) in space,

"(ii) on or under water not within the jurisdiction (as recognized by the United States) of a foreign country, possession of the United States, or the United States, or

"(iii) in Antarctica.

"(4) AFFILIATED GROUP.—

"(A) Except as provided in subparagraph (B), the allocation and apportionment required by paragraph (1) shall be determined as if all members of the affiliated group (as defined in subsection (e)(5)) were a single corporation.

"(B) For purposes of the allocation and apportionment required by paragraph (1)—

"(i) sales and gross income from products produced in whole or in part in a possession by an electing corporation (within the meaning of section 936(h)(5)(E)), and

"(ii) dividends from an electing corporation,

shall not be taken into account, except that this subparagraph shall not apply to sales of (and gross income and dividends attributable to sales of) products with respect to which an election under section 936(h)(5)(F) is not in effect.

"(C) The qualified research and experimental expenditures taken into account for purposes of paragraph (1) shall be adjusted to reflect the amount of such expenditures included in computing the cost-sharing amount (determined under section 936(h)(5)(C)(i)(I)).

"(D) The Secretary may prescribe such regulations as may be necessary to carry out the purposes of this paragraph, including regulations providing for the source of gross income and the allocation and apportionment of deductions to take into account the adjustments required by subparagraph (C).

"(E) Paragraph (6) of subsection (e) shall not apply to qualified research and experimental expenditures.

"(5) APPLICATION OF SUBSECTION.—This subsection shall apply to taxable years beginning after August 1, 1989, and beginning before July 1, 1990."

SEC. 05. EXTENSION OF QUALIFIED SMALL ISSUE BONDS.

Subparagraph (B) of section 144(a)(12) is amended by striking "substituting '1989' for '1986'" and inserting "substituting 'June 30, 1990' for 'December 31, 1986'".

SEC. 06. EXTENSION OF SPECIAL RULES FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

(a) GENERAL RULE.—Paragraph (5) of section 162(1) (relating to special rules for health insurance costs of self-employed individuals) is amended by striking "December 31, 1989" and inserting "June 30, 1990".

(b) SPECIAL RULE FOR CERTAIN S CORPORATION SHAREHOLDERS.—Subsection (1) of section 162 (as amended by subsection (a)) is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

"(5) TREATMENT OF CERTAIN S CORPORATION SHAREHOLDERS.—This subsection shall apply in the case of any individual treated as a partner under section 1372(a), except that—

"(A) for purposes of this subsection, such individual's wages (as defined in section 3121) from the S corporation shall be treated as such individual's earned income (within the meaning of section 401(c)(1)), and

"(B) there shall be such adjustments in the application of this subsection as the Secretary may by regulations prescribe."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1989.

SEC. 07. ENERGY INVESTMENT CREDIT FOR SOLAR, GEOTHERMAL, AND OCEAN THERMAL PROPERTY.

The table contained in section 46(b)(2)(A) (relating to energy percentage) is amended by striking "Dec. 31, 1989" in clauses (viii), (ix), and (x) and inserting "June 30, 1990".

SEC. 08. QUALIFIED MORTGAGE BONDS.

(a) IN GENERAL.—Paragraph (1) of section 143(a) (defining qualified mortgage bond) is amended by striking "December 31, 1989" in the text and heading and inserting "June 30, 1990".

(b) MORTGAGE CREDIT CERTIFICATES.—Section 25(h) is amended by striking "calendar year after 1989" and inserting "period after June 30, 1990".

(c) SUSPENSION OF MORTGAGE CREDIT CERTIFICATES TIME LIMIT.—With respect to bond authority exchanged before August 15, 1986, but not issued as of such date, the 2-year period under section 25(e)(3)(B) of the Internal Revenue Code of 1986 shall begin on the date of the enactment of this subsection.

SEC. 09. EXTENSION OF TRANSFER TO RAILROAD RETIREMENT ACCOUNT.

Subsection (c)(1)(A) of section 224 of the Railroad Retirement Solvency Act of 1983, as amended by section 9034 of the Omnibus Budget Reconciliation Act of 1987, is amended by striking "October 1, 1989" and inserting "July 1, 1990".

SEC. 10. EXTENSION OF LOW-INCOME HOUSING CREDIT; MODIFICATIONS TO CREDIT.

(a) 6-MONTH EXTENSION OF CREDIT.—Section 42(n) (relating to termination of low-income housing credit) is amended—

(1) by striking "calendar year after 1989" and inserting "period after June 30, 1990", and

(2) by striking "1989" and inserting "June 30, 1990".

(b) 1-YEAR CARRYOVER OF UNUSED CREDIT AUTHORITY.—

(1) IN GENERAL.—Section 42(h)(3) (relating to housing credit dollar amount for agencies) is amended by redesignating subparagraphs (D), (E), and (F) as subparagraphs (E), (F), and (G), respectively, and by striking subparagraph (C) and inserting the following new subparagraphs:

"(C) STATE HOUSING CREDIT CEILING.—The State housing credit ceiling applicable to any State for any calendar year shall be an amount equal to the sum of—

"(i) $1.25 multiplied by the State population,

"(ii) the unused State housing credit ceiling (if any) of such State for the preceding calendar year,

"(iii) the amount of State housing credit ceiling returned in the calendar year, plus

"(iv) the amount (if any) allocated under subparagraph (D) to such State by the Secretary.

For purposes of clause (ii), the unused State housing credit ceiling for any calendar year is the excess (if any) of the amount described in clause (i) over the aggregate housing credit dollar amount allocated for such year. For purposes of clause (iii), the amount of State housing credit ceiling returned in the calendar year equals the housing credit dollar amount previously allocated within the State to any project which does not become a qualified low-income housing project within the period required by this section or the terms of the allocation or to any project with respect to which an allocation is cancelled by mutual consent of the housing credit agency and the allocation recipient.

"(D) UNUSED HOUSING CREDIT CARRYOVERS ALLOCATED AMONG CERTAIN STATES.—

"(i) IN GENERAL.—The unused housing credit carryover of a State for any calendar year shall be assigned to the Secretary for allocation among qualified States for the succeeding calendar year.

"(ii) UNUSED HOUSING CREDIT CARRYOVER.—For purposes of this subparagraph, the unused housing credit carryover of a State for any calendar year is the excess (if any) of the unused State housing credit ceiling for such year (as defined in subparagraph (C)(ii)) over the excess (if any) of—

"(I) the aggregate housing credit dollar amount allocated for such year, over

"(II) the amount described in clause (i) of subparagraph (C).

"(iii) FORMULA FOR ALLOCATION OF UNUSED HOUSING CREDIT CARRYOVERS AMONG QUALIFIED STATES.—The amount allocated under this subparagraph to a qualified State for any calendar year shall be the amount determined by the Secretary to bear the same ratio to the aggregate unused housing credit carryovers of all States for the preceding calendar year as such State's population for the calendar year bears to the population of all qualified States for the calendar year. For purposes of the preceding sentence, population shall be determined in accordance with section 146(j).

"(iv) QUALIFIED STATE.—For purposes of this subparagraph, the term 'qualified State' means, with respect to a calendar year, any State—

"(I) which allocated its entire State housing credit ceiling for the preceding calendar year, and

"(II) for which a request is made (not later than May 1 of the calendar year) to receive an allocation under clause (iii)."

(2) CONFORMING AMENDMENTS.—

(A) Subparagraph (E) of section 42(h)(5) is amended by striking "subparagraph (E)" and inserting "subparagraph (F)".

(B) Paragraph (6) of section 42(h) is amended by striking subparagraph (B) and by redesignating subparagraphs (C), (D), and (E) as subparagraphs (B), (C), and (D), respectively.

(c) BUILDINGS ELIGIBLE FOR CREDIT ONLY IF MINIMUM LONG-TERM COMMITMENT TO LOW-INCOME HOUSING.—

(1) IN GENERAL.—Section 42(h) (relating to limitation on aggregate credit allowable with respect to projects located in a State) is amended by redesignating paragraphs (6) and (7) as paragraphs (7) and (10), respectively, and by inserting after paragraph (5) the following new paragraph:

"(6) BUILDINGS ELIGIBLE FOR CREDIT ONLY IF MINIMUM LONG-TERM COMMITMENT TO LOW-INCOME HOUSING.—

"(A) IN GENERAL.—No credit shall be allowed by reason of this section with respect to any building for the taxable year unless an extended low-income housing commitment is in effect as of the end of such taxable year.

"(B) EXTENDED LOW-INCOME HOUSING COMMITMENT.—For purposes of this paragraph, the term 'extended low-income housing commitment' means any agreement between the taxpayer and the housing credit agency—

"(i) which requires that the applicable fraction (as defined in subsection (c)(1)) for the building for each taxable year in the extended use period will not be less than the applicable fraction specified in such agreement,

"(ii) which allows individuals who meet the income limitation applicable to the building under subsection (g) (whether prospective, present, or former occupants of the building) the right to enforce in any State court the requirement of clause (i),

"(iii) which is binding on all successors of the taxpayer, and

"(iv) which, with respect to the property, is recorded pursuant to State law as a restrictive covenant.

"(C) ALLOCATION OF CREDIT MAY NOT EXCEED AMOUNT NECESSARY TO SUPPORT COMMITMENT.—

"(i) IN GENERAL.—The housing credit dollar amount allocated to any building may not exceed the amount necessary to support the applicable fraction specified in the extended low-income housing commitment for such building, including any increase in such fraction pursuant to the application of subsection (f)(3) if such increase is reflected in an amended low-income housing commitment.

"(ii) BUILDINGS FINANCED BY TAX-EXEMPT BONDS.—If paragraph (4) applies to any building the amount of credit allowed in any taxable year may not exceed the amount necessary to support the applicable fraction specified in the extended low-income housing commitment for such building. Such commitment may be amended to increase such fraction.

"(D) EXTENDED USE PERIOD.—For purposes of this paragraph, the term 'extended use period' means the period—

"(i) beginning on the 1st day in the compliance period on which such building is part of a qualified low-income housing project, and

"(ii) ending on the later of—

"(I) the date specified by such agency in such agreement, or

"(II) the date which is 15 years after the close of the compliance period.

"(E) EXCEPTIONS IF FORECLOSURE OR IF NO BUYER WILLING TO MAINTAIN LOW-INCOME STATUS.—

"(i) IN GENERAL.—The extended use period for any building shall terminate—

"(I) on the date the building is acquired by foreclosure (or instrument in lieu of foreclosure), or

"(II) on the last day of the period specified in subparagraph (I) if the housing credit agency is unable to present during such period a qualified contract for the acquisition of the low-income portion of the building by any person who will continue to operate such portion as a qualified low-income building.

Subclause (II) shall not apply to the extent more stringent requirements are provided in the agreement or in State law.

"(ii) EVICTION, ETC. OF EXISTING LOW-INCOME TENANTS NOT PERMITTED.—The termination of an extended use period under clause (i) shall not be construed to permit before the close of the 3-year period following such termination—

"(I) the eviction or the termination of tenancy (other than for good cause) of an existing tenant of any low-income unit, or

"(II) any increase in the gross rent with respect to such unit, except if such tenant's income exceeds 100 percent of the income limitation under subsection (g)(1), then only to the extent such increase does not exceed 30 percent of such tenant's income.

"(F) QUALIFIED CONTRACT.—For purposes of subparagraph (E), the term 'qualified contract' means a bona fide contract to acquire (within a reasonable period after the contract is entered into) the low-income portion of the building for an amount not less

than the applicable fraction (specified in the extended low-income housing commitment) of—

"(i) the sum of—

"(I) the outstanding indebtedness secured by, or with respect to, the building,

"(II) the adjusted investor equity in the building, plus

"(III) other capital contributions not reflected in the amounts described in subclause (I) or (II), reduced by

"(ii) cash distributions from (or available for distribution from) the project.

The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this paragraph, including regulations to prevent the manipulation of the amount determined under the preceding sentence.

"(G) ADJUSTED INVESTOR EQUITY.—

"(i) IN GENERAL.—For purposes of subparagraph (E), the term 'adjusted investor equity' means, with respect to any calendar year, the aggregate amount of cash taxpayers invested with respect to the project increased by the amount equal to—

"(I) such amount, multiplied by

"(II) the cost-of-living adjustment for such calendar year, determined under section 1(f)(3) by substituting the base calendar year for 'calendar year 1987'.

An amount shall be taken into account as an investment in the project only to the extent there was an obligation to invest such amount as of the beginning of the credit period and to the extent such amount is reflected in the adjusted basis of the project.

"(ii) COST-OF-LIVING INCREASES IN EXCESS OF 5 PERCENT NOT TAKEN INTO ACCOUNT.—Under regulations prescribed by the Secretary, if the CPI for any calendar year (as defined in section 1(f)(4)) exceeds the CPI for the preceding calendar year by more than 5 percent, the CPI for the base calendar year shall be increased such that such excess shall never be taken into account under clause (i).

"(iii) BASE CALENDAR YEAR.—For purposes of this subparagraph, the term 'base calendar year' means the calendar year with or within which the 1st taxable year of the credit period ends.

"(H) LOW-INCOME PORTION.—For purposes of this paragraph, the low-income portion of a building is the portion of such building equal to the applicable fraction specified in the extended low-income housing commitment for the building.

"(I) PERIOD FOR FINDING BUYER.—The period referred to in this subparagraph is the 1-year period beginning on the date (after the 14th year of the compliance period) the taxpayer submits a written request to the housing credit agency to find a person to acquire the taxpayer's interest in the low-income portion of the building.

"(J) SALES OF LESS THAN LOW-INCOME PORTION OF BUILDING.—In the case of a sale or exchange of only a portion of the low-income portion of the building, only the same portion (as the portion sold or exchanged) of the amount determined under subparagraph (F) shall be taken into account thereunder.

"(K) EFFECT OF NONCOMPLIANCE.—If, during a taxable year, there is a determination that an extended low-income housing agreement was not in effect as of the beginning of such year, such determination shall not apply to any period before such year and subparagraph (A) shall be applied without regard to such determination if the failure is corrected within 1 year from the date of the determination.

"(L) PROJECTS WHICH CONSIST OF MORE THAN 1 BUILDING.—The application of this paragraph to projects which consist of more than 1 building shall be made under regulations prescribed by the Secretary."

(2) CONFORMING AMENDMENT.—Subparagraph (C) of section 42(b)(3) is amended by striking "subsection (h)(6))" and inserting "subsection "(h)(7)".

(d) CREDIT FOR ACQUISITION OF EXISTING BUILDING TO APPLY ONLY IF BUILDING TO BE REHABILITATED; INCREASE IN REQUIRED REHABILITATION EXPENDITURES.—

(1) IN GENERAL.—Subparagraph (B) of section 42(d)(2) (relating to eligible basis of existing buildings) is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding at the end thereof the following new clause:

"(iv) a credit is allowable under subsection (a) by reason of subsection (e) with respect to the building."

(2) CREDIT PERIOD FOR EXISTING BUILDINGS NOT TO BEGIN BEFORE REHABILITATION CREDIT ALLOWED.—Section 42(f) (relating to definition and special rules relating to credit period) is amended by adding at the end thereof the following new paragraph:

"(4) CREDIT PERIOD FOR EXISTING BUILDINGS NOT TO BEGIN BEFORE REHABILITATION CREDIT ALLOWED.—The credit period for an existing building (other than a federally-assisted building with respect to which a waiver is granted under subsection (d)((6)(C)) shall not begin before the 1st taxable year of the credit period for rehabilitation expenditures with respect to the building."

(3) INCREASE IN REQUIRED REHABILITATION EXPENDITURES.—Paragraph (3) of section 42(e) (relating to rehabilitation expenditures treated as separate new building) is amended—

(A) by striking "$2,000" in the text of subparagraph (A) and inserting "$3,000", and

(B) by striking "$2,000" in the heading and inserting "$3,000".

(e) RENT RESTRICTION DETERMINED ON BASIS OF NUMBER OF BEDROOMS, ETC.—

(1) Section 42(g)(2) is amended by redesignating subparagraph (C) as subparagraph (D) and by inserting after subparagraph (B) the following new subparagraph:

"(C) IMPUTED INCOME LIMITATION APPLICABLE TO UNIT.—For purposes of this paragraph, the imputed income limitation applicable to a unit is the income limitation which would apply under paragraph (1) to individuals occupying the unit if the number of individuals occupying the unit were as follows:

"(i) In the case of a unit which does not have a separate bedroom, 1 individual.

"(ii) In the case of a unit which has 1 or more separate bedrooms, 1.5 individuals for each separate bedroom.

In the case of a project with respect to which a credit is allowable by reason of this section and for which financing is provided by a bond described in section 142(a)(7), the imputed income limitation shall apply in lieu of the otherwise applicable income limitation for purposes of applying section 142(d)(4)(B)(ii)."

(B) Subparagraph (A) of section 42(g)(2), as amended by paragraph (1), is further amended by striking "the income limitation under paragraph (1) applicable to individuals occupying such unit" and inserting "the imputed income limitation applicable to such unit".

(f) ADDITIONAL BUILDINGS ELIGIBLE FOR WAIVER OF 10-YEAR PERIOD APPLICABLE TO ACQUISITIONS OF EXISTING BUILDINGS.—

(1) IN GENERAL.—Subparagraph (A) of section 42(d)(6) (relating to credit allowable for certain federally-assisted buildings acquired during 10-year period described in paragraph (2)(B)(ii)) is amended by striking "or" at the end of clause (i), by striking the period at the end of clause (ii) and inserting a comma and "or", and by adding at the end thereof the following new clause:

"(iii) to facilitate the sale of the building if—

"(I) the mortgage loan on the building is held by the Department of Housing and Urban Development,

"(II) the building is owned by such Department following its acquisition (by such Department or the mortgage loan lender) by foreclosure (or by instrument in lieu of foreclosure), or

"(III) the building is owned by the Farmers Home Administration."

(2) LOW-INCOME BUILDINGS WHERE MORTGAGE MAY BE PREPAID.—Section 42(d)(6) is amended by adding at the end thereof the following new subparagraphs:

"(C) LOW-INCOME BUILDINGS WHERE MORTGAGE MAY BE PREPAID.—A waiver may be granted under subparagraph (A) (without regard to any clause thereof) with respect to a federally-assisted building described in clause (ii) or (iii) of subparagraph (B) if—

"(i) at any time within 1 year after the date of the application by the taxpayer for such a waiver, the mortgage on such building is eligible for prepayment under subtitle B of the Emergency Low Income Housing Preservation Act of 1987 or under section 502(c) of the Housing Act of 1949, and

"(ii) the appropriate Federal official certifies to the Secretary that it is reasonable to expect that if the waiver is not granted such building will cease complying with its low-income occupancy requirements.

If a waiver is granted under subparagraph (A) with respect to such building, no person shall be eligible to prepay such mortgage without the approval of the appropriate Federal official."

"(D) BUILDINGS ACQUIRED FROM INSURED DEPOSITORY INSTITUTIONS IN DEFAULT.—A waiver may be granted under subparagraph (A) (without regard to any clause thereof) with respect to any building acquired from an insured depository institution in default (as defined in section 3 of the Federal Deposit Insurance Act) or from a receiver or conservator of such an institution."

(3) CERTAIN MULTI-FAMILY HOUSING.—Subparagraph (B) of section 42(d)(6) is amended by adding at the end thereof the following new sentence: "Such term also includes any building which has more than 4 residential rental units and the mortgage on which was originated by, or is insured or guaranteed by, the Federal Government."

(g) INCREASE IN CREDIT FOR BUILDINGS IN HIGH COST AREAS.—Paragraph (5) of section 42(d) (relating to eligible basis) is amended by adding at the end thereof the following new subparagraph:

"(D) INCREASE IN CREDIT FOR BUILDINGS IN HIGH COST AREAS.—

"(i) IN GENERAL.—In the case of any building located in a qualified census tract or difficult development area which is designated for purposes of this subparagraph—

"(I) in the case of a new building, the eligible basis of such building shall be 130 percent of such basis determined without regard to this subparagraph, and

"(II) in the case of an existing building, the rehabilitation expenditures taken into account under subsection (e) shall be 130 percent of such expenditures determined without regard to this subparagraph.

"(ii) QUALIFIED CENSUS TRACT.—

"(I) IN GENERAL.—The term 'qualified census tract' means any census tract in which 50 percent or more of the households have an income which is less than 60 percent of the area median gross income.

"(II) LIMIT ON MSA'S DESIGNATED.—The portion of a metropolitan statistical area which may be designated for purposes of this subparagraph shall not exceed an area having 20 percent of the population of such metropolitan statistical area.

"(III) DETERMINATION OF AREAS.—For purposes of this clause, each metropolitan statistical area shall be treated as a separate area and all nonmetropolitan areas in a State shall be treated as one area.

"(iii) DIFFICULT DEVELOPMENT AREAS.—

"(I) IN GENERAL.—The term 'difficult development areas' means any area designated by the Secretary of Housing and Urban Development as an area which has high construction, land, and utility costs relative to area median gross income.

"(II) LIMIT ON AREAS DESIGNATED.—Only 20 percent of the metropolitan statistical areas in the United States may be designated for purposes of this subparagraph and only 20 percent of nonmetropolitan areas in the United States may be so designated.

"(iv) SPECIAL RULES AND DEFINITIONS.—For purposes of this subparagraph—

"(I) population shall be determined on the basis of the most recent decennial census for which data are available,

"(II) area median gross income shall be determined in accordance with subsection (g)(4),

"(III) the term 'metropolitan statistical area' has the same meaning as when used in section 143(k)(2)(B), and

"(IV) the term 'nonmetropolitan area' means any county (or portion thereof) which is not within a metropolitan statistical area."

(h) CHANGES IN RULES RELATING TO BUILDINGS FOR WHICH CREDIT MAY BE ALLOWED.—

(1) SINGLE-ROOM OCCUPANCY UNITS RENTED ON A MONTHLY BASIS.—Subparagraph (B) of section 42(i)(3) (relating to low income unit) is amended by adding at the end thereof the following new sentence: "For purposes of the preceding sentence, a single-room occupancy unit shall not be treated as used on a transient basis merely because it is rented on a month-by-month basis."

(2) SPECIAL NEEDS HOUSING.—

(A) CONSIDERATION OF REQUIRED FEES FOR SUPPORTIVE SERVICES IN CALCULATION OF GROSS RENT.—Subparagraph (B) of section 42(g)(2) (relating to gross rent) is amended—

(i) in clause (i), by striking "and" at the end,

(ii) in clause (ii), by striking the period at the end and inserting ", and", and

(iii) by adding at the end the following:

"(iii) includes any fee assessed for a supportive service (as defined in paragraph (8)) if payment of the fee is required as a condition of occupancy, unless the fee is paid to the owner of the unit by any governmental program of assistance or by a qualified nonprofit organization (as defined in subsection (h)(5)(C)).

If the fee described in clause (iii) is included in gross rent, the gross rent limitation under subparagraph (A) shall be increased by 20 percent."

(B) ELIGIBILITY OF SPECIAL NEEDS HOUSING.—Section 42(g) (relating to qualified low-income housing project) is amended by adding at the end the following new paragraph:

"(8) ELIGIBILITY OF SPECIAL NEEDS HOUSING.—

"(A) IN GENERAL.—A residential rental property shall not be treated as failing to be a qualified low-income housing project for purposes of this section solely because individuals occupying residential units in the property are provided supportive services. The preceding sentence shall not apply if section 7872 does not apply to any individual occupying a residential unit in the property (or such individual spouse) by reason of subsection (g) thereof.

"(B) SUPPORTIVE SERVICE.—For purposes of this paragraph, the term 'supportive service' means any service provided under a planned program of services designed to enable residents of a residential rental property to remain independent and avoid placement in a hospital, nursing home, or intermediate care facility for the mentally or physically handicapped."

(3) SCATTERED SITE PROJECTS.—Section 42(g) (relating to qualified low-income housing project) is further amended by adding at the end thereof the following new paragraph:

"(9) SCATTERED SITE PROJECTS.—Buildings which would (but for their lack of proximity) be treated as a project for purposes of this section shall be so treated if all of the dwelling units in each of the buildings are rent-restricted (within the meaning of paragraph (2)) residential rental units."

(4) OWNER-OCCUPIED BUILDINGS HAVING 4 OR FEWER UNITS ELIGIBLE FOR CREDIT WHERE DEVELOPMENT PLAN.—Section 42(i)(3) (defining low-income unit) is amended by adding at the end thereof the following new subparagraph:

"(D) OWNER-OCCUPIED BUILDINGS HAVING 4 OR FEWER UNITS ELIGIBLE FOR CREDIT WHERE DEVELOPMENT PLAN.—

"(i) IN GENERAL.—Subparagraph (C) shall not apply to the acquisition or rehabilitation of a building pursuant to a development plan of action sponsored by a State or local government or a qualified nonprofit organization (as defined in subsection (h)(5)(C)).

"(ii) LIMITATION ON CREDIT.—In the case of a building to which clause (i) applies, the applicable fraction shall not exceed 80 percent of the unit fraction.

"(iii) CERTAIN UNRENTED UNITS TREATED AS OWNER-OCCUPIED.—In the case of a building to which clause (i) applies, any unit which is not rented for 90 days or more shall be treated as occupied by the owner of the building as of the 1st day it is not rented."

(5) BUILDINGS RECEIVING SECTION 8 MODERATE REHABILITATION ASSISTANCE OR SIMILAR ASSISTANCE NOT ELIGIBLE FOR CREDIT.—Section 42(b)(1) (relating to applicable percentage for buildings placed in service during 1987) is amended by adding at the end thereof the following new flush sentence:

"A building shall not be treated as described in subparagraph (B) if, at any time during the credit period, moderate rehabilitation assistance is provided with respect to such building under section 8(e)(2) of the United States Housing Act of 1937."

(i) ELIGIBLE BASIS FOR NEW BUILDINGS TO INCLUDE EXPENDITURES BEFORE CLOSE OF 1ST YEAR OF CREDIT PERIOD.—

(1) NEW BUILDINGS.—Paragraph (1) of section 42(d) (relating to eligible basis for new buildings) is amended by inserting before the period "as of the close of the 1st taxable year of the credit period".

(2) EXISTING BUILDINGS.—Subparagraph (A) of section 42(d)(2) (relating to eligible basis for existing buildings) is amended by striking "subparagraph (B)" and all that follows through the end of clause (i) and inserting "subparagraph (B), its adjusted basis as of the close of the 1st taxable year of the credit period, and".

(3) CONFORMING AMENDMENTS.—

(A) Subparagraph (C) of section 42(d)(2) is amended by striking "ACQUISITION COST" in the heading and inserting "ADJUSTED BASIS" and by striking "cost" in the text and inserting "adjusted basis".

(B) Paragraph (5) of section 42(d), as amended by subsection (g), is further amended by striking subparagraph (A), by redesignating subparagraphs (B), (C), and (D) as subparagraphs (A), (B), and (C), respectively, and by striking the paragraph heading and inserting the following:

"(5) SPECIAL RULES FOR DETERMINING ELIGIBLE BASIS.—".

(C) Paragraph (5) of section 42(e) is amended by striking "subsection (d)(2)(A)(i)(II)" and inserting "subsection (d)(2)(A)(i)".

(j) HOUSING CREDIT MAY BE ALLOCATED ON PROJECT BASIS.—

(1) IN GENERAL.—Section 42(h)(1) (relating to credit may not exceed credit amount allocated to building) is amended by adding at the end thereof the following new subparagraph:

"(F) ALLOCATION OF CREDIT ON A PROJECT BASIS.—

"(i) IN GENERAL.—In the case of a project which includes (or will include) more than 1 building, an allocation meets the requirements of this subparagraph if—

"(I) the allocation is made to the project for a calendar year during the project period,

"(II) the allocation only applies to buildings placed in service during or after the calendar year for which the allocation is made, and

"(III) the portion of such allocation which is allocated to any building in such project is specified not later than the close of the calendar year in which the building is placed in service.

"(ii) PROJECT PERIOD.—For purposes of clause (i), the term 'project period' means the period—

"(I) beginning with the 1st calendar year for which an allocation may be made for the 1st building placed in service as part of such project, and

"(II) ending with the calendar year the last building is placed in service as part of such project."

(2) CONFORMING AMENDMENT.—Subparagraph (B) of section 42(h)(1) is amended by striking "or (E)" and inserting "(E), or (F)".

(3) PROJECTS WITH MORE THAN 1 BUILDING MUST BE IDENTIFIED.—Section 42(g)(3) (relating to date for meeting requirements) is amended by adding at the end thereof the following new subparagraph:

"(D) PROJECTS WITH MORE THAN 1 BUILDING MUST BE IDENTIFIED.—For purposes of this section, a project shall be treated as consisting of only 1 building unless, before the close of the 1st calendar year in the project period (as defined in subsection (h)(1)(F)(ii)), each building which is (or will be) part of such project is identified in such form and manner as the Secretary may provide."

(k) CHANGES IN RULES RELATED TO DEEP RENT SKEWED PROJECTS.—

(1) Clause (iii) of section 142(d)(4)(B) (relating to deep rent skewed project) is amended by striking "⅓" and inserting "½".

(2) Section 42(g)(4) (relating to certain rules made applicable) is amended by striking "(other than section 142(d)(4)(B)(iii))".

(l) HOUSING CREDIT AGENCIES MUST ADOPT PLANS FOR ALLOCATION OF CREDIT AMONG PROJECTS.—Subsection (h) of section 42 (relating to limitation on aggregate credit allowable with respect to projects located in a State), as amended by subsection (c), is further amended by inserting after paragraph (7) the following new paragraph:

"(8) HOUSING CREDIT AGENCIES MUST ADOPT PLANS FOR ALLOCATION OF CREDIT AMONG PROJECTS.—

"(A) IN GENERAL.—Notwithstanding any other provision of this section, the housing credit dollar amount with respect to any building shall be zero unless such amount was allocated pursuant to a qualified allocation plan of the housing credit agency which is approved by the governmental unit (in accordance with rules similar to the rules of section 147(f)(2) (other than subparagraph (B)(ii) thereof)) of which such agency is a part.

"(B) QUALIFIED ALLOCATION PLAN.—For purposes of this paragraph, the term 'qualified allocation plan' means any plan—

"(i) which sets forth selection criteria to be used to determine housing priorities of the housing credit agency which are appropriate to local conditions, and

"(ii) which gives preference in allocating housing credit dollar amounts among selected projects to—

"(I) projects serving the lowest income tenants, and

"(II) projects obligated to serve qualified tenants for the longest periods.

"(C) CERTAIN SELECTION CRITERIA MUST BE USED.—The selection criteria set forth in a qualified allocation plan must include—

"(i) project location,

"(ii) housing needs characteristics,

"(iii) project characteristics,

"(iv) sponsor characteristics,

"(v) participation of local tax-exempt organizations,

"(vi) encouragement of mixed-use housing,

"(vii) tenant populations with special housing needs, and

"(viii) project financial feasibility and viability as described in paragraph (9).

"(D) APPLICATION TO BOND FINANCED PROJECTS.—Paragraph (4) shall not apply to any project unless the project satisfies the requirements for allocation of a housing credit dollar amount under the qualified allocation plan applicable to the area in which the project is located."

(m) CREDIT ALLOCATED NOT TO EXCEED AMOUNT NECESSARY TO ASSURE PROJECT FEASIBILITY.—Subsection (h) of section 42 is further amended by inserting after paragraph (8) the following new paragraph:

"(9) CREDIT ALLOCATED TO BUILDING NOT TO EXCEED AMOUNT NECESSARY TO ASSURE PROJECT FEASIBILITY.—

"(A) IN GENERAL.—The housing credit dollar amount allocated to a project shall not exceed the amount the housing credit agency determines and certifies is necessary for the financial feasibility of the project and its viability as a qualified low-income housing project throughout the compliance period or such longer period as such agency determines to be appropriate.

"(B) AGENCY EVALUATION.—In making the determination under subparagraph (A), the housing credit agency shall consider—

"(i) the sources and uses of funds and the total financing planned for the project, and

"(ii) any proceeds or receipts expected to be generated by reason of tax benefits.

Such a determination shall not be construed to be a representation or warranty as to the feasibility or viability of the project.

"(C) DETERMINATION MADE WHEN CREDIT AMOUNT APPLIED FOR AND WHEN BUILDING PLACED IN SERVICE.—

"(i) IN GENERAL.—A determination under subparagraph (A) shall be made as of each of the following times:

"(I) The application for the housing credit dollar amount.

"(II) The allocation of the housing credit dollar amount.

"(III) The date the building is placed in service.

"(ii) CERTIFICATION AS TO AMOUNT OF OTHER SUBSIDIES.—Prior to each determination under clause (i), the taxpayer shall certify to the housing credit agency the full extent of all Federal, State, and local subsidies which apply (or which the taxpayer expects to apply) with respect to the building.

"(D) APPLICATION TO BOND FINANCED PROJECTS.—Paragraph (4) shall not apply to any project unless the governmental unit which issued the bonds (or on behalf of which the bonds were issued) makes a determination under rules similar to the rules of subparagraphs (A) and (B)."

(n) APPLICATION OF AT-RISK RULES WITH RESPECT TO CERTAIN FINANCING PROVIDED BY QUALIFIED NONPROFIT ORGANIZATIONS.—Subparagraph (D) of section 42(k)(2) (relating to application of at-risk rules) is amended by adding at the end thereof the following new flush sentence:

"In the case of a qualified nonprofit organization which is not described in section 46(c)(8)(D)(iv)(II) with respect to a building, clause (ii) of this subparagraph shall be applied as if the date described therein were the 90th day after the earlier of the date the building ceases to be a qualified low-income building or the date which is 15 years after the close of a compliance period with respect thereto."

(o) TIME FOR CERTIFICATION.—Section 42(l)(1) (relating to certification with respect to 1st year of credit period) is amended—

(1) by striking "Not later than the 90th day following" and inserting "Following", and

(2) by inserting "at such time and" before "in such form".

(p) CERTAIN PURCHASE OPTIONS DISREGARDED.—Section 42(i) (relating to definitions and special rules) is amended by adding at the end thereof the following new paragraph:

"(7) CERTAIN PURCHASE OPTIONS DISREGARDED.—

"(A) IN GENERAL.—For purposes of this title, the determination of whether any qualified low-income building is owned by the taxpayer shall be made without regard to any qualified purchase option by a qualified nonprofit organization (as defined in subsection (h)(5)(C)) or a limited equity cooperative or resident management group recognized by the Department of Housing and Urban Development to acquire such building at less than fair market value after the close of the compliance period if no financing with respect to such building is provided during such period by such organization (or a related person (as defined in subsection (d)(2)(D)(iii)) to such organization) or such cooperative group.

"(B) QUALIFIED PURCHASE OPTION.—For purposes of subparagraph (A), the term 'qualified purchase option' means an option exercisable at the price which equals or exceeds an amount equal to the sum of—

"(i) the principal amount of outstanding indebtedness secured by the building (other than indebtedness incurred within the 5-year period ending on the date of the sale), and

"(ii) all Federal, State, and local taxes attributable to such sale.

Except in the case of Federal income taxes, there shall not be taken into account under clause (ii) any additional tax attributable to the application of clause (ii)."

(q) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to determinations under section 42 of the Internal Revenue Code of 1986 with respect to housing credit dollar amounts allocated from State housing credit ceilings for calendar years after 1989.

(2) BUILDINGS NOT SUBJECT TO ALLOCATION LIMITS.—Except as otherwise provided in this subsection, to the extent paragraph (1) of section 42(h) of such Code does not apply to any building by reason of paragraph (4) thereof, the amendments made by this section shall apply to buildings placed in service after December 31, 1989.

(3) 1-YEAR CARRYOVER OF UNUSED CREDIT AUTHORITY.—The amendments made by subsection (b) shall apply to calendar years after 1989, but clauses (ii), (iii), and (iv) of section 42(h)(3)(C) of such Code (as added by this section) shall not apply to unused allocations for 1989 or any preceding year.

(4) ADDITIONAL BUILDINGS ELIGIBLE FOR WAIVER OF 10-YEAR RULE.—The amendments made by subsection (f) shall take effect on the date of the enactment of this Act.

(5) CERTIFICATIONS WITH RESPECT TO 1ST YEAR OF CREDIT PERIOD.—The amendment made by subsection (o) shall apply to taxable years ending on or after December 31, 1989.

(6) CERTAIN RULES WHICH APPLY TO BONDS.—Paragraphs (8)(D) and (9)(D) of section 42(h) of such Code, as added by this section, shall apply to obligations issued December 31, 1989.

(7) CLARIFICATIONS.—The following amendments shall apply as if included in the amendments made by section 252 of the Tax Reform Act of 1986:

(A) Paragraph (1) of subsection (h) (relating to units rented on a monthly basis).

(B) Subsection (i) (relating to eligible basis for new buildings to include expenditures before close of 1st year of credit period).

(8) REGULATIONS ON DIFFICULT DEVELOPMENT AREAS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Housing and Urban Development shall prescribe initial regulations on the designation of difficult development areas under section 42(d)(5)(C) of such Code, as added by this section.

SEC. 11. EXTENSION OF RESEARCH CREDIT; MODIFICATIONS TO CREDIT.

(a) 6-MONTH EXTENSION.—

(1) IN GENERAL.—Section 41(i) (relating to termination) is amended—

(A) by striking "December 31, 1989" each place it appears and inserting "June 30, 1990", and

(B) by striking "January 1, 1990" each place it appears and inserting "July 1, 1990".

(2) CONFORMING AMENDMENT.—Subparagraph (D) of section 28(b)(1) is amended by striking "December 31, 1989" and inserting "June 30, 1990".

(b) CHANGES IN COMPUTATION OF INCREMENTAL CREDIT.—

(1) IN GENERAL.—Subsection (c) of section 41 is amended to read as follows:

"(c) BASE AMOUNT.—

"(1) IN GENERAL.—The term 'base amount' means the product of—

"(A) the fixed-base percentage, and

"(B) the average annual gross receipts of the taxpayer for the 4 taxable years preceding the taxable year for which the credit is being determined (hereinafter in this subsection referred to as the 'credit year').

"(2) MINIMUM BASE AMOUNT.—In no event shall the base amount be less than 50 percent of the qualified research expenses for the credit year.

"(3) FIXED-BASE PERCENTAGE.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, the fixed-base percentage is the percentage which the aggregate qualified research expenses of the taxpayer for taxable years beginning after December 31, 1983, and before January 1, 1989, is of the aggregate gross receipts of the taxpayer for such taxable years.

"(B) START-UP COMPANIES.—

"(i) TAXPAYERS TO WHICH SUBPARAGRAPH APPLIES.—The fixed-base percentage shall be determined under this subparagraph if there are fewer than 3 taxable years beginning after December 31, 1983, and before January 1, 1989, in which the taxpayer had both gross receipts and qualified research expenses.

"(ii) FIXED-BASE PERCENTAGE.—In a case to which this subparagraph applies, the fixed-base percentage is 3 percent.

"(iii) TREATMENT OF DE MINIMIS AMOUNTS OF GROSS RECEIPTS AND QUALIFIED RESEARCH EXPENSES.—The Secretary may prescribe regulations providing that de minimis amounts of gross receipts and qualified research expenses shall be disregarded under clauses (i) and (ii).

"(C) MAXIMUM FIXED-BASE PERCENTAGE.—In no event shall the fixed-base percentage exceed 16 percent.

"(D) ROUNDING.—The percentages determined under subparagraph (A) be rounded to the nearest 1/100th of 1 percent.

"(4) CONSISTENT TREATMENT OF EXPENSES REQUIRED.—

"(A) IN GENERAL.—Notwithstanding whether the period for filing a claim for credit or refund has expired for any taxable year taken into account in determining the fixed-base percentage, the qualified research expenses taken into account in computing such percentage shall be determined on a basis consistent with the determination of qualified research expenses for the credit year.

"(B) PREVENTION OF DISTORTIONS.—The Secretary may prescribe regulations to prevent distortions in calculating a taxpayer's qualified research expenses or gross receipts caused by a change in accounting methods used by such taxpayer between the current year and a year taken into account in computing such taxpayer's fixed-base percentage.

"(5) GROSS RECEIPTS.—For purposes of this subsection, gross receipts for any taxable year shall be reduced by returns and allowances made during the taxable year. In the case of a foreign corporation, there shall be taken into account only gross receipts which are effectively connected with the conduct of a trade or business within the United States."

(2) CONFORMING AMENDMENTS.—

(A) Subparagraph (B) of section 41(a)(1) is amended to read as follows:

"(B) the base amount, and".

(B) Clause (ii) of section 41(e)(7)(C) is amended by striking "base period research expenses" and inserting "base amount".

(C) Paragraph (1) of section 41(f) (relating to aggregation of expenditures) is amended by striking "proportionate share of the increase in qualified research expenses" each place it appears and inserting "proportionate shares of the qualified research expenses and basic research payments".

(D) Subparagraph (A) of section 41(f)(3) is amended—

(i) by striking "June 30, 1980" and inserting "December 31, 1983", and

(ii) by inserting before the period ", and the gross receipts of the taxpayer for such periods shall be increased by so much of the gross receipts of such predecessor with respect to the acquired trade or business as is attributable to such portion".

(E) Subparagraph (B) of section 41(f)(3) is amended—

(i) by striking "June 30, 1980" and inserting "December 31, 1983", and

(ii) by inserting before the period ", and the gross receipts of the taxpayer for such periods shall be decreased by so much of the gross receipts as is attributable to such portion".

(F)(i) Subparagraph (C) of section 41(f)(3) is amended by striking "for the base period" and all that follows and inserting "for the taxable years taken into account in computing the fixed-base percentage shall be increased by the lesser of—

"(i) the amount of the decrease under subparagraph (B) which is allocable to taxable years so taken into account, or

"(ii) the product of the number of taxable years so taken into account, multiplied by the amount of the reimbursement described in this subparagraph."

(ii) The heading for such subparagraph (C) is amended to read as follows:

"(C) CERTAIN REIMBURSEMENTS TAKEN INTO ACCOUNT IN DETERMINING FIXED-BASE PERCENTAGE.—".

(G) Paragraph (4) of section 41(f) is amended by inserting "and gross receipts" after "qualified research expenses".

(b) TRADE OR BUSINESS REQUIREMENT DISREGARDED FOR IN-HOUSE RESEARCH EXPENSES OF CERTAIN STARTUP VENTURES.—Subsection (b) of section 41 (defining qualified research expenses) is amended by adding at the end thereof the following new paragraph:

"(4) TRADE OR BUSINESS REQUIREMENT DISREGARDED FOR IN-HOUSE RESEARCH EXPENSES OF CERTAIN STARTUP VENTURES.—In the case of in-house research expenses, a taxpayer shall be treated as meeting the trade or business requirement of paragraph (1) if, at the time such in-house research expenses are paid or incurred, the principal purpose of the taxpayer in making such expenditures is to use the results of the research in the active conduct of a future trade or business—

"(A) of the taxpayer, or

"(B) of 1 or more other persons who with the taxpayer are treated as a single taxpayer under subsection (f)(1)."

(c) FULL DISALLOWANCE OF DEDUCTION FOR QUALIFIED RESEARCH EXPENSES.—

(1) Subsection (c) of section 280C, as amended by subtitle H, is further amended by striking "50 percent of" each place it appears.

(2) Paragraph (2) of section 196(d) is amended by inserting before the period "for a taxable year beginning before January 1, 1990".

(d) ONLY REASONABLE RESEARCH EXPENDITURES ELIGIBLE FOR SECTION 174.—Section 174 is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) ONLY REASONABLE RESEARCH EXPENDITURES ELIGIBLE.—This section shall apply to a research or experimental expenditure only to the extent that the amount thereof is reasonable under the circumstances."

(e) EFFECTIVE DATE.—The amendments made by this section (other than subsection (a)) shall apply to taxable years beginning after December 31, 1989.

SEC. 12. EXTENSION OF WAIVER OF EARLY WITHDRAWAL TAX FOR ESOPS.

Subparagraph (C) of section 72(t)(2) is amended by striking "January 1, 1990" and inserting "July 1, 1990".

Subtitle B—Acceleration of Deposit Requirements

SEC. 13. ACCELERATION OF DEPOSIT REQUIREMENTS.

(a) IN GENERAL.—Section 6302 (relating to mode or time for collection) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) DEPOSITS OF SOCIAL SECURITY TAXES AND WITHHELD INCOME TAXES.—

"(1) IN GENERAL.—If, under regulations prescribed by the Secretary, a person is required to make deposits of taxes imposed by chapters 21 and 24 on the basis of eight-month periods, such person shall, for the year specified in paragraph (2), make deposits of such taxes on the applicable banking day after any day on which such person has an amount equal to or exceeding the threshold amount of such taxes for deposit. Rules similar to the rules of section 5061(e)(3) shall apply to the threshold amount in the preceding sentence.

"(2) SPECIFIED YEARS.—For purposes of paragraph (1)—

"In the case of:	"The applicable banking day is:
1990	1st
1991	3rd
1992	3rd
1993	1st
1994	2d.

"In the case of:	"The threshold amount is:
1990	$1,950,000
1991	$1,500,000
1992	$1,600,000
1993	$1,700,000
1994	$1,775,000."

(b) EFFECTIVE DATE.—

(1) GENERAL RULE.—Except as provided in paragraph (2), the amendment made by subsection (a) shall apply to amounts required to be deposited after July 31, 1990.

(2) RULE FOR 1995 AND THEREAFTER.—For calendar year 1995 and thereafter, the Secretary of the Treasury shall prescribe regulations with respect to the date on which deposits of such taxes shall be made in order to minimize the unevenness in the revenue effects of the amendment made by subsection (a).

NOTICES OF HEARINGS

SPECIAL COMMITTEE ON AGING

Mr. PRYOR. Mr. President, I would like to announce for the public the Senate Special Committee on Aging has changed the time for the Novem-

ber 15, 1989, scheduled hearing on how the drug crisis is affecting the elderly, particularly poor and minority elderly in both urban and rural settings.

The hearing has now been set to start at 1:30 p.m.

For further information, please contact Christopher Jennings at (202) 224-5364.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the full committee of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, November 14, 1989, 9:30 a.m. to receive testimony on alternative energy fuels (sequel to October 17 hearing) such as compressed natural gas, reformulated gasoline, ethanol, and electricity (electric vehicles).

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Tuesday, November 14, at 9:30 a.m. for a hearing on the subject: DOE's 5-year plan.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation and the National Ocean Policy Study, be authorized to meet during the session of the Senate on November 14, 1989, at 9:30 a.m. to hold a hearing on global warming and U.S. atmospheric policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ANTITRUST, MONOPOLIES, AND BUSINESS RIGHT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Antitrust, Monopolies, and Business Rights, of the Committee on the Judiciary, be authorized to meet during the session of the Senate on November 14, 1989, at 9:30 a.m., to hold a hearing on sports programming and cable television.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, November 14, 1989, at 9 a.m. to hold a closed meeting on intelligence matters and at 2 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate Tuesday, November 14, 1989, at 10 a.m. for a hearing on "American Math, Science, and Engineering Education."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate on Tuesday, November 14, 1989, to conduct hearings on whether the American economy is in decline relative to our major competitors, and, if so, the implications this has for America's position in the world.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet on November 14, 1989, beginning at 9:30 a.m., in 485 Russell Senate Office Building, to consider for report to the Senate S. 1096 (S. 1336), to provide for the use and distribution of funds awarded the Seminole Indians; S. 1781, the Native American Language Act and S. 1846, to make miscellaneous amendments to Indian laws, and for other purposes, and to meet on Indian veterans.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on November 14, 1989, at 10 a.m. to hold a hearing on S. 712, a bill allowing Puerto Rico to hold a referendum on its political status.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SUPERFUND, OCEAN AND WATER PROTECTION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Superfund, Ocean and Water Protection, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Tuesday, November 14, beginning at 9:30 a.m., to conduct a markup of S. 657, the Indoor Air Quality Act of 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENVIRONMENTAL PROTECTION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Environmental Protection, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Tuesday, November 14, beginning at 10 a.m., to conduct a markup of a committee print concerning acid rain.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO LEO SUMNER

● Mr. SHELBY. Mr. President, it is with great pleasure that I ask my colleagues in the Senate to join with me in paying tribute to a great Alabamian. Leo Sumner of Tuscaloosa is a compassionate and caring man, a good friend and a concerned citizen.

On October 29, 1989, the Cosmetology Building at Shelton State Community College in Tuscaloosa was named the Leo Sumner Cosmetology Building. Leo was granted this honor as a result of his 15 years of service to Shelton State Community College.

A native of Moundville, AL, Leo received his early education from the Hale County School system. In 1951, he received a bachelor of science degree from the University of Alabama, and in 1956, he received a masters degree from the same university. In 1983 Leo received an honorary doctorate of laws degree from Livingston State University.

A World War II Navy veteran, Leo possesses a deep love for his country and a strong commitment to our Government. Leo served his country for 33 months in the U.S. Navy.

Leo's connection with Shelton State Community College began in 1973 when he became dean of instruction. In 1976, Leo became president of Shelton State Technical College, and in 1979, he was appointed as president of Shelton State Community College.

In 1985, Leo was honored by the city of Moundville when the town celebrated "Leo Sumner Day." The athletic area of Hale County High School has also been named in his Honor. The Shelton State Community College Foundation honored Leo in 1986 with a dinner and portrait unveiling. Leo's portrait now hangs in the conference room at the junior college division of Shelton State Community College.

During his 36 years in education, Leo touched the lives of many people. He has been instrumental in decisionmaking and funding for the State of Alabama. Known as a compassionate and caring man and a concerned citizen, Leo has left a remarkable legacy with the many students he touched throughout his career as an educator.

In addition to his work at Shelton State Community College, Leo's commitment to his community has extended to the realm of civic and charitable endeavors. He is a member of the

Tuscaloosa Rotary Club, the Tuscaloosa Chamber of Commerce, the Alabama Vocational Association, the Moundville Masonic Lodge, the Moundville Quarterback Club, and the Alabama Education Association. Leo also serves on the board of directors of West Alabama Rehabilitation Services and the board of trustees for Forest Lake United Methodist Church.

Mr. President, I know I join Leo's wife, Rebecca, his three children and their families in sharing pride in Leo's accomplishments at Shelton State Community College. I am proud to serve as one of Leo's representatives in Washington and even prouder to call him my friend.●

TRIBUTE TO WALTER JUDD

● Mr. BOSCHWITZ. Mr. President, I rise today to pay tribute to a former Congressman from Minnesota, the Honorable Walter Judd.

Walter Judd served with distinction in the U.S. Congress for 18 years, and was revered by both colleagues and constituents as an honorable, highly principled representative.

This year Walter celebrated his 91st birthday, and to recognize that occasion, I would like to enter into the RECORD a commemorative written by another Minnesotan, Mr. Ralph Marlatt, whom I regard with great admiration, and about whom I'd like to speak for a moment.

Ralph Marlatt's story is a shining example of the American dream. Ralph Marlatt grew up around public service, and that experience has helped shape his life. His father served as Walter Judd's administrative assistant for several years, and instilled in Ralph a sense of public service. That sense of public service has stayed with him.

After graduating from St. Bonaventure University, Ralph served his country in the U.S. Army. Then he brought his talents to Congress, serving Congressman William Stinson of Washington. Later, after becoming ordained as a Catholic priest, Ralph returned to Capitol Hill and delivered the opening invocation for a session of the House of Representatives.

Ralph's ties to Congress have remained through the years. He served as vice president of Government and Industry Affairs for the Professional Insurance Agents here in Washington. He currently serves as president of the Insurance Federation of Minnesota, and has continued his involvement in public affairs. It is with great pleasure that I ask that his tribute to Congressman Walter Judd be placed in the CONGRESSIONAL RECORD.

The tribute follows:

TRIBUTE TO THE HONORABLE WALTER JUDD

(By Ralph J. Marlatt)

Congressman Judd was probably one of the true statesmen ever to serve in the Congress of the United States, and one of the most admired persons in the country. He was a commanding speaker and in great demand everywhere.

Walter Judd was born in Rising City, Nebraska, September 25, 1898. He graduated from the University of Nebraska and from the Medical Department of that same school. He served in the United States Army during World War I, enlisting as a private and discharged as a Second Lieutenant. He was awarded a Fellowship in Surgery at Mayo Foundation in Rochester, Minnesota. He served as a medical missionary in China and left there after being forced out by the Communists in 1938, after a dramatic flight by Mrs. Judd and their newly-born daughter; he was imprisoned, actually facing execution at one point.

He returned to the United States to travel extensively around the United States at his own expense on a lecture tour. He warned against the menace of Japan's military expansion in the Far East and the threat of Communism in that part of the world. He later practiced medicine in Minneapolis. It is from that city he was drafted by a group of concerned citizens to run for Congress and was elected to the House of Representatives in 1942.

Walter Judd was an intensely dedicated man, unrelentless in fighting for what he believed to be right, with great compassion and understanding of all individuals. He was completely non-racist and while a devoted Christian, zealous in his conviction in the principle of religious freedom.

My father, Ralph H. Marlatt, was Walter Judd's Administrative Assistant from 1952 to 1955. I also worked part-time in the Judd Congressional Office while in high school. My father told me of a memorable occasion when a group of visiting students from Asia were gathered in a hotel room to meet informally with Dr. Judd, whose name was a byword throughout the Far East. The room was packed with young people from China, Japan, India, Malaysia and other Asian countries of many differing religions. The furniture had been pushed back against the walls and everyone, including the Congressman, was seated around on the floor. The discussion turned to religion and the intolerance of one sect for another. One particularly eloquent youth from India had just finished an impressive statement charging that American missionaries degraded the people in the lands where they came to spread the gospel of Christianity, by failing to acknowledge any truth or good in other forms of religion or other cultures, demanding full and immediate acceptance of Christian beliefs and the American culture.

When the young man finished, Dr. Judd acknowledged the wonders, beauty and wisdom contained in other cultures, and the deep inner meaning of many other religions as all human beings on earth, whatever their form of religious worship, turned instinctively to a single source of Power as the Supreme Force within us all. He concluded, "The key word is only," Dr. Judd declared. "All of us, and probably Americans more than most, feel that our beliefs and our ways are the only true beliefs and right ways. When in reality each man in every place must make his own individual decisions as to how he lives and to which god he prays to so that he may chart his own salvation and at the same time make his contribution to the world around him and leave his imprint on those who will follow."

In their lives, Dr. and Mrs. Judd practiced this kind of tolerance, quietly and without fanfare, but with lasting affect upon people in many lands and many stations in life.

He was a leading authority on the Orient and its people with a special knowledge of China from his many years of service there. He spoke all of the dialects and his Congressional mail was filled with requests for assistance, not only from Chinese in his own District, but throughout the country. He was a member of the House Committee on Foreign Affairs and frequent consultant to the White House and State Department, especially during the period John Foster Dulles was Secretary of State.

Congressman Judd was one of the first prominent Republicans to urge Dwight Eisenhower to run for President. He made a special trip to Paris to visit the General, and in a private meeting, pointed out the importance of his accepting the leadership of the Nation in the crucial period in which the Nation found itself engaged; the war in Korea was raging and the United States was sitll not fully recovered from World War II. Judd took an active role in the 1952 Republican Convention in Chicago, which nominated General Eisenhower as its candidate for President in a bitterly fought contest with Robert Taft of Ohio. He was principal speaker for the Republican ticket in the 1952 campaign, and introduced Eisenhower when he was in Minnesota.

Walter Judd was defeated by Don Fraser in 1960. Dr. Judd had served nine terms in the House of Representatives. At 91 Walter Judd continues to give speeches on foreign policy.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

● Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 for Mr. Dan Rich, a member of the staff of Senator CRANSTON, to participate in a program in the People's Republic of China, sponsored by the Chinese People's Institute of Foreign Affairs, from December 8 to 22, 1989.

The committee has determined that participation by Mr. Rich in the program in the People's Republic of China, at the expense of the Chinese People's Institute of Foreign Affairs, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mr. J.D. Crouch, a member of the staff of Senator WALLOP, to participate in a program in West Germany, sponsored by the Konrad Adenau-

er Stiftung, from December 11 to 18, 1989.

The committee has determined that participation by Mr. Crouch in the program in West Germany, at the expense of the Konrad Adenauer Stiftung, is in the interest of the Senate and the United States.●

NICARAGUA'S ELECTIONS

● Mr. BOSCHWITZ. Mr. Speaker, in a little more than 3 months, on February 25 to be exact, the people of Nicaragua will be going to the polls. At that time, they will be presented with a stark choice. The electoral contest pits the ruling Marxist Sandinista candidate, Daniel Ortega, against a 14-party opposition coalition led by Violeta Chamorro, publisher of the newspaper La Prensa.

Mrs. Chamorro is the widow of the slain editor of La Prensa. Her husband was murdered in 1978 by assassins working for then dictator Anastasio Somoza. She originally supported the Sandinistas, and even participated in their first junta until 1980. But, like so many others, she became disillusioned with their cynical manipulation of the political system and their intimidation of freedom loving Nicaraguans.

Recently, Mrs. Chamorro was in Washington for talks with President Bush and congressional leaders. In connection with that visit, she wrote an article, which appeared in the Minneapolis Tribune, entitled "Nicaraguans Want Sandinistas Out." It eloquently discusses the situation in Nicaragua, the various ways in which the Sandinistas are attempting to distort the electoral process, and why she needs American help if she is to have a fair chance at winning the election. I ask that the article be placed in the RECORD and I commend it to my colleagues' attention.

The article follows:

NICARAGUANS WANT SANDINISTAS OUT

(By Violeta Chamorro)

WASHINGTON.—From Manila to Mexico, from Budapest to Berlin to Beijing, a great gale of democracy is blowing. But not on the Nicaraguans. What a cruel blast we've received from fate.

In 1979 we were all part of "the beautiful revolution," a great coalition that was to rid us of tyranny forever, of corrupt officials, of bullying soldiers and police, of grinding poverty, of foreign tutelage, of one-party, one-family rule.

For one brief moment in July of 1979 our people rose in joy to greet our brave muchachos returning victorious to Managua: Davids who had vanquished Goliath. How could we imagine that soon we would behold them behind armored personnel carriers and helicopter gunships? Soon enough the heroes of the revolution were slaughtering one another. Soon enough the workers who struck against autocracy could no longer strike or organize; the political parties that had united against the dictator could not assemble; the newspaper that had spread the word of freedom could not publish; the church that had preached liberation from the pulpit was bound and gagged.

How sad that Nicaraguans, instead of enjoying the blessings of equality and prosperity for which they risked their lives, now flee their homeland in the hundreds of thousands. How sad that the government of which I once formed a part has become as corrupt as its predecessor, as cruel, as hated.

But we've had our fill of hatred and of opinionated warriors who promise paradise and deliver inferno. Ten years of living dangerously has brought civil war, an exodus of a fifth of our countrymen, an annual inflation of 30,000 percent, 40 percent unemployment and, for the first time in our history, mass hunger. Our industry and agriculture are paralyzed. We have gone from being the breadbasket of Central America to being its basket case: an international beggar with the largest per-capita foreign debt in Latin America. Even a government-commissioned survey has found consumption to have fallen by 70 percent since the revolution. Of course the Sandinista media shout that all this is due to Ronald Reagan and now to George Bush. But we Nicarguans know full well that the shortages and the repression came before the war and the embargo.

Tired of war and warriors, of dogmas and slogans, we'd like to put our feet on the ground, our house in order. We want to be boring for a while—more like our neighbor to the south, Costa Rica, a country at peace with its neighbors where no family or party is above the law, with an army reduced to a minimum, with all parties allowed to compete freely at the ballot box. We do not look back: what has been positive in the revolution, we'd keep and extend. We would give peasants who farm nationalized lands clear title to them and would distribute all remaining state farms to those peasants who have no land. We would like to find common ground.

We in the opposition have been able to find common ground among ourselves. Today I am proud to say that the opposition coalition includes every group that united against Somoza in 1979, except the Sandinistas. The National Opposition Union (UNO) spans 14 parties of every political stripe: Communist, Socialist, Social Democratic, Populist, Liberal, Social Christian, Christian Democratic, Libertarian and Conservative. We are supported by all the independent labor unions, business organizations and professional groups. Anyone who knows Nicaragua will tell you that forging unity among our diverse groups and tendencies is no small achievement, especially because our organizations have been restricted and repressed. But we have united around a common program for national reconciliation, economic reconstruction and social justice through democratic institutions.

Our common effort found fertile ground. Last month, despite intimidation by Sandinista troops and myriad obstruction by government bureaucrats, a record 92 percent of eligible Nicaraguan voters formed long lines to register. As has been reported in the the New York Times, the Sandinista military even went so far as to stage a sham battle in an unsuccessful attempt to stop voters from registering. To frighten the people, President Daniel Ortega has called us "traitors" and "mercenaries" and "CIA agents," and has declared that a vote for us is "a vote for the enemy of the people." Pronouncing the Sandinistas "sure winners," he has emphasized that people would "not be so foolish as to vote for a loser"—intimating that after a Sandinista victory opposition voters will be treated as traitors. Our jails are filled already with "enemies of the people."

But the people remain steadfast. Despite the government's monopoly of television (we are allowed only 15 minutes per week on a feeble channel that cannot reach many areas), despite indiscriminate Sandinista use of state transport, telephones, offices, meeting places, telegraph and copiers, despite the fact that 50 percent of our desperately needed and profoundly appreciated donations are appropriated by the Sandinista-dominated electoral commission, the people are giving us their support. Just last week an independent survey showed us winning by a margin of nearly 2 to 1. Even though the Sandinistas have unleashed their mobs to disrupt our meetings, these meetings grow larger and larger. Recently even the Sandinista mayor of Managua acknowledged that his party is losing.

Accordingly, the Sandinistas have resorted to a new, more desperate and dangerous diversion. Again turning their backs on their solemn commitment to their people and to the Central American presidents, they have broken the cease-fire with the rebels. Their helicopter gunships and automatic artillery have opened fire. Their 90,000-man army sweeps through our villages on the preposterous pretext that tiny groups of poorly equipped contras constitute a "threat to national security." Lacking arguments to defend their misgovernment, the Sandinistas wish to spread fear, to chill the people into submission. This stratagem must raise grave doubts about the supposed Sandinista commitment to free elections.

In view of these alarming developments I have come to this country to ask for help. With the solidarity of all those who support our cause, I believe we may secure a relatively free vote; without it we may be doomed to elections in the style of the Sandinista's ally, Gen. Manuel Noriega.

Keep watch. Send observers from Congress, from state and federal government, from political parties, from labor unions, from professional and human-rights organizations. Send them now. They will be witnesses for democracy. Send journalists and cameras; let your news and polling organizations conduct independent voter surveys. Help give Nicaraguans the chance to feel again the breezes of democracy.●

BUDGET SCOREKEEPING REPORT

● Mr. SASSER. Mr. President, I hereby submit to the Senate the latest budget scorekeeping report for fiscal year 1990, prepared by the Congressional Budget Office in response to section 308(b) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $8 billion in budget authority, and over the budget resolution by $10.2 billion in outlays. Current level is under the revenue floor by $4.9 billion.

The current estimate of the deficit for purposes of calculating the maximum deficit amount under section

311(a) of the Budget Act is $120.5 billion, $20.5 billion above the maximum deficit amount for 1990 of $100 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 13, 1989.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate,
Washington, DC.

DEAR MR. CHAIRMAN: The attached reports shows the effects of Congressional action on the budget for fiscal year 1990 and is current through November 9, 1989. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the 1990 Concurrent Resolution on the Budget (H. Con. Res. 106). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my report dated October 31, 1989, the President has signed into law the Statutory Debt Limit Increase (P.L. 101-140) and the Veterans, HUD Appropriations Bill (P.L. 101-144). These actions changed the current level estimate of budget authority, outlays, and revenues.

Sincerely,

ROBERT D. REISCHAUER,
Director.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 101ST CONG., 1ST SESS. AS OF NOV. 9, 1989

[In billions of dollars]

	Current level [1]	Budget resolution H. Con. Res. 106	Current level +/− resolution
Budget authority	1,321.4	1,329.4	−8.0
Outlays	1,175.4	1,165.2	10.2
Revenues	1,060.6	1,065.5	−4.9
Debt subject to limit	2,861.0	3,122.7	−261.7
Direct loan obligations	17.9	19.3	−1.4
Guaranteed loan commitments	110.8	107.3	3.5
Deficit	120.5	[2] 100.0	[3] 20.5

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval and is consistent with the technical and economic assumptions of H. Con Res. 268. In addition, estimates are included of the direct spending effects for all entitlement or other mandatory programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions. In accordance with Sec. 102(a) of the Balanced Budget and Emergency Deficit Control Reaffirmation Act (101 Stat. 762) the current level deficit amount compared to the maximum deficit amount does not include asset sales.

[2] Maximum deficit amount [MDA] in accordance with section 3(7)(E) of the Congressional Budget Act, as amended.

[3] Current level plus or minus MDA.

PARLIAMENTARIAN STATUS REPORT 101ST CONG., 1ST SESS. SENATE SUPPORTING DETAIL, FISCAL YEAR 1990 AS OF CLOSE OF BUSINESS NOV. 9, 1989

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			1,068,600
Permanent appropriations and trust funds	966,154	796,867	
Other appropriations		214,199	
Offsetting receipts	−193,106	−193,106	
Total enacted in previous sessions	773,048	817,960	1,068,600

PARLIAMENTARIAN STATUS REPORT 101ST CONG., 1ST SESS. SENATE SUPPORTING DETAIL, FISCAL YEAR 1990 AS OF CLOSE OF BUSINESS NOV. 9, 1989—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
II. Enacted this session:			
Adjust purchase price for certain dairy products (Public Law 101-7)		−25	
Implementation of the bipartisan accord on Central America (Public Law 101-14)	13	7	
Dire emergency and urgent supplemental appropriations (Public Law 101-45)	−21	802	
Apex project, Nevada Land and Water Transfer Act (Public Law 101-67)	−2	−2	
Financial Institutions Reform, Recovery and Enforcement Act (Public Law 101-73)	2,200	1,400	594
Allow planting of alternative crops on permitted acreage (Public Law 101-81)	−10	−10	
Disaster Assistance Act of 1989 (Public Law 101-82)	502	504	
Sec. 107: Disaster relief and emergency assistance (Public Law 101-100)		443	
Energy and water development appropriations (Public Law 101-101)	18,625	11,254	
Performance Management and Recognition Systems Reauthorization Act (Public Law 101-103)		−125	
Extension of certain veterans programs (Public Law 101-110)	[1]	[1]	
Interior appropriations (Public Law 101-121)	11,018	7,352	
Sec. 108: Emergency supplemental to meet the needs of natural Disasters (Public Law 101-130)	2,850	1,067	
Disaster Assistance Act (Public Law 101-134)	9	9	
Treasury-Postal appropriations, 1990 (Public Law 101-136)	18,394	16,268	500
Offsetting receipts	−5,212	−5,212	
Defense Production Act Extension (Public Law 101-137)	−3	−190	
Statutory debt limit increase (Public Law 101-140)			−157
Veterans, HUD appropriations, 1990 (Public Law 101-144)	66,788	38,679	
Total enacted this session	115,151	72,221	937
III. Continuing resolution authority: Further continuing appropriations (Public Law 101-130)	463,046	312,383	
IV. Conference agreements ratified by both Houses: Child Nutrition and WIC Reauthorization Act (H.R. 24)	[1]	[1]	
V. Entitlement authority and other mandatory items requiring further appropriation action, continued:			
FEMA: Disaster relief	−1,100	−883	
Firefighting adjustments	−624	−192	
Administration of territories	−1		
Compensation	457	412	
Payment to civil service retirement	(84)	(84)	
Government payment for annuitants	−3	−3	
Readjustment benefits	−62		
Pensions	−62		
Burial benefits and miscellaneous assistance	−4		
Loan guarantee revolving fund	279	279	
Total entitlement authority	−1,113	−387	
VI. Adjustment for economic and technical assumptions	−28,685	−26,763	−8,900
Total current level as of November 9, 1989	1,321,447	1,175,414	1,060,637
1990 budget resolution H. Con. Res. 106	1,329,400	1,165,200	1,065,500
Amount remaining:			
Over budget resolution		10,214	
Under budget resolution	−7,953		4,863

[1] Extension of certain veterans programs (Public Law 101-110) decreases the current law estimate for Loan Guaranty Revolving Fund shown in category V; the Child Nutrition-WIC Reauthorization Act (H.R. 24) increases current law for Child Nutrition Programs and is included in the amounts shown for Further Continuing Appropriations (Public Law 101-130).

Notes.—Number may not add due to rounding. Amounts shown in parentheses are interfund transactions that do not add to totals.●

29-059 O-90-29 (Pt. 20)

U.N. POPULATION FUND

● Ms. MIKULSKI. Mr. President, on Tuesday President Bush indicated in his press conference that he would veto the foreign aid appropriations bill if it includes funding for the United Nations Population Fund [UNFPA].

It is not clear to me if the President fully understands what the UNFPA provision does and the implications for world population if we continue to turn our back on our responsibility to global population efforts.

My amendment to the foreign aid bill earmarks $15 million for the U.N. Population Fund. Because of reports of forced abortions and sterilizations by some local officials in China, my amendment specifically prohibits the transfer of even $1 to the UNFPA Program in China. Further, it mandates the establishment of a separate account for United States funds to make sure that our money stays out of China.

But President Bush and some Members of Congress are determined to keep the United States out of the UNFPA whether or not our presence affects the China program. They have made the following arguments:

We should not aid and abet the abuses which take place in China. I agree. The reports of forced abortions are repugnant, and such occurrences are totally objectionable to me. That is why no United States funds would go to China under my amendment.

Because the UNFPA has a presence in China, it may be assisting in these abuses. Wrong. The UNFPA does not promote or assist in abortion in China or anywhere else. UNFPA has exactly four employees in China, and its program consists of education on and distribution of contraceptives, education on maternal and child health care, and training of demographers.

By training demographers UNFPA helps the Chinese Government track people who are having too many children. This is pretty farfetched. An accurate national census is important to all nations, which is why the United States Census Bureau has been helping the Chinese.

If the United States fails to fund UNFPA the $15 million will still be used in population programs. True, but UNFPA has a presence in 141 countries around the world; in many of those there is no U.S. program. The fund is in 43 African countries, where the population problem is critical, while the Agency for International Development has a bilateral program in only a handful.

If the United States withholds its funds, it will force the UNFPA out of China. The United States has withheld its funding since 1986, and UNFPA has just extended its China program to 1994. Besides, forcing out UNFPA's small presence will not en-

courage Chinese officials to make any changes in their program.

Money is fungible, and the United States will free up other funds which can be channeled to China. In June, the UNFPA formally voted to fund its China program for 1991-94 at the level of $57 million. Thus, we have an official spending figure for China as of today. If the UNFPA spends at a rate over and above this level, we will know about it and will be justified in withdrawing our funding.

This is an abortion issue. UNFPA does not promote or assist in abortion in China or anywhere else as a matter of policy; therefore, a United States contribution to the fund will not fund abortions.

In fact, the fund's education on and distribution of contraceptives will reduce the number of abortions. One estimate indicates that recent population programs in China have reduced the number of abortions there by 50 percent.

This is a critical point—restrictions on family planning programs like UNFPA's increase the number of abortions around the world.

Half a million women die every year from complications of pregnancy and childbirth. An estimated 200,000 women die every year in the Third World as a result of botched abortions. Every year 10 million children fail to reach their first birthday due to poor prenatal care, unsafe delivery and poor care after birth. We need to care about children after they are born as well as before. The United States can help reduce these terrible statistics if only it will meet its responsibilities in international family planning programs.

Mr. President, I ask to include in the RECORD at this point several recent editorials dealing with U.S. funding for the U.N. Population Fund.

The material follows:

[From the New York Times, Oct. 23, 1989]

ABORTION AND THE REAL GEORGE BUSH

In 1980, private citizen, George Bush said he opposed Federal funds for abortion except in cases of rape, incest or threats to the mother's life. In 1984, Vice Presidential candidate George Bush couldn't recall having said that; indeed, he said he opposed exceptions. A week ago, President George Bush repeated that opposition but left "room for flexibility." The man who told America to read his lips on taxes seemed to be asking America to read his mind on abortion.

Mr. Bush's real instincts are now all too clear. On Saturday he vetoed a bill that would have permitted the use of Federal money to pay for the abortions of poor, pregnant victims of rape and incest. He also is prepared to block United States participation in the United Nations Fund for Population Activities.

In both cases, he seems out of step with a growing number of Americans. But he is certainly in tune with the restive right-to-lifers he courted in his campaign. Mr. Bush seems to place greater value on their tranquility than on the peace of mind of cruelly abused women who are too poor to afford wholly legal medical help.

Some pro-choice advocates had found hope in Mr. Bush's years of waffling. They convinced themselves that his inconsistencies arose from a temporary need to tailor his public utterances to political demands, and that once he had finally unhitched himself from Ronald Reagan's star, he would act differently.

He has not. Whether from conviction or political fear, he seems determined to convince the right-to-lifers that he is one of them. The veto is one sign of that determination; another is his opposition to the modest proposal to use foreign aid funds to teach family planning abroad. This is less controversial than using Medicaid funds to help poor women get abortions, but it is still a litmus test for right-to-lifers.

The amendment to the foreign aid bill sponsored by Senator Barbara Mikulski of Maryland would restore America's participation in the U.N. population fund. The U.S. withdrew from the program three years ago after a conservative outcry over abortion in China.

Under the amendment, none of the U.S. contribution—it would amount to only $15 million, down from $46 million—would go to China. Furthermore, the agency's new China program concentrates on contraceptive research and maternal and child health. Mr. Bush says he'll veto the legislation anyway, thus joining Mr. Reagan in rejecting a global consensus that the U.S. helped forge: that galloping population growth is everybody's concern.

When the Supreme Court upheld Missouri's restrictions on abortion this summer, it returned the issue to the political arena—and put a lot of politicians out on limbs. The right-to-life forces still carry political clout but the pro-choice groups stirred by the Court's decision may carry even more. Mr. Bush's rigid fealty to the right could leave him on a dangerous limb of his own.

[From the Miami Herald, Nov. 9, 1989]

FAMILY-PLANNING BILL, GO!

Congressman William Lehman of Dade has engineered the rescue—at least for now—of a sensible strategy by which the United States might resume funding an important international family-planning program. Then-President Reagan ended funding for the United Nations Population Fund in 1986, to the detriment of poor people in 140 countries who urgently need help spacing their children. The program was accused of supporting China's birth-control efforts, which allegedly included forced abortions and sterilizations.

The Senate recently adopted an amendment from Sen. Barbara Mikulski, Democrat of Maryland, earmarking $15 million for the program. The amendment stipulated that no U.S. money would go to China.

On Monday, Representative Lehman urged a House-Senate conference commitee to support the Mikulski amendment despite the House committee chairman's and its ranking Republican's objections. The Lehman motion passed, 8-3. The full House would be remiss not to pass it next week.

Mr. Lehman says that there are enough votes in Congress to fund the program. But to assure enough votes to override a threatened veto, he asks the women's lobby to flex its political muscle. That it should. Poor women need this family-planning help.

[From the Burlington (VT) Free Press, Oct. 3, 1989]

FIVE BILLION AND COUNTING

By 2020, 8.5 billion humans will crowd the planet. Millions and millions of them will be starving. They will have burned enough forest to cover more than 40 Californias and exterminated more than 10,000 species of plants and animals. Hunger, poverty and inhuman crowding will raise the threat of violent mass migrations.

Yet the explosive growth of population was absent from President Bush's list when he talked to the United Nations last week about "urgent challenges—the global challenges of the 21st century."

Bush talked about war, the environment and economic growth in the Third World. He talked, in other words, about the symptoms of illness, not the virus.

Population growth, for example, is expected to touch off new regional conflicts in the 21st century, as the unbearably crowded countries of Asia, Latin America and Africa struggle for room to grow. By 2025, Nigeria's population will nearly triple, from 105 million to 301 million. Mexico's will nearly double, from 85 million to 150 million.

Bush's Task Force on Combatting Terrorism noted in 1986 that half the population of the Third World is under 20. "These population pressures create a volatile mixture of youthful aspirations that when coupled with economic and political frustrations help form a large pool of potential terrorists," the report said.

Population growth may be the single greatest danger to Earth's environment. By 2000, one-half the world's population will be cutting fuelwood faster than the forests can grow back. Human pollution of the air and water may make megacities like Calcutta and Cairo uninhabitable. Human hunger will destroy fertile farmland through too-intensive farming; hunger will destroy the tropical rain forest.

Population growth makes economic growth more difficult—in some countries, impossible. In sub-Saharan Africa, the population is doubling every 25 years and per capita food production has declined in the last 20 years.

With its combination of riches and power, the United States bears a particular responsibility. Washington must help Third World countries struggling to control their birth rates. Ronald Reagan abdicated that responsibility.

In 1986, he cut off all U.S. money to the U.N. Fund for Population Activities. Washington had provided 20 percent of the program's funds. Under pressure from the right-to-life movement, Reagan objected on grounds that China, one recipient of aid, used forced abortions as a population control tool. China strongly denies the allegation and has satisfied other contributors to the Fund.

But Bush need not resolve the China question in order to restore U.S. support. The Fund assists 130 countries where coercive family planning is not an issue; birth control, in fact, deters abortion. U.S. aid can be earmarked for those nations.

As ambassador to the United Nations in 1971, Bush described exponential population growth as "a prescription for tragedy and chaos." He urged that the Population Fund grow rapidly "to a point where it will be making an important impact on world population."

Tragedy and chaos are closer now than they were then. Population assistance is no

longer a matter of compassion or good planning alone. Moderating the global birth rate is a matter of national security.

[From the Dallas Morning News, Oct. 8, 1989]

FAMILY PLANNING—U.S. SHOULD CONTRIBUTE TO U.N. POPULATION FUND

The population of the world is growing by 90 million people every year, and there is good reason to be concerned. To some observers, population growth is a net plus because a skyrocketing population can translate into more markets and more workers. Baby booms imply vibrancy and dynamism. Yet the tragic flip side of unbridled population growth is to be found in Africa or Bangladesh, where mass starvation and disease are increasing because more and more people are competing for limited resources.

In truth, experts point out that there are dozens of countries in the world that will double their populations in 30 years, even though they cannot feed their own populations today. Sen. Patrick Leahy, R-Vt., asks: "How will the world feed that many people, at the same time that we are losing 24 billion tons of topsoil every year? This is not just a Third World problem. Our own way of life is at stake." He is correct to cite the potential for conflict as the number of hungry, impoverished people in the world multiplies. And what about the threat to democracy and the environment?

It is against this backdrop that the U.S. Senate will soon vote on whether to resume its funding of the U.N. Population Fund, the largest multilateral family planning organization in the world. As Sen. Leahy points out, the U.S. ceased contributing to the fund when Congress passed a law prohibiting U.S. support for any organization that participates in the management of coercive abortion or involuntary sterilization. Yet the bill now before the Senate expressly prohibits U.S. funds from being used for those purposes.

Other critics are trying to turn the vote into a referendum on China. But he bill specifically says that U.S. funds will not be used in China. In fact, the bill requires the U.N. Population Fund to keep U.S. money in a separate account.

The bill before the Senate has therefore addressed all legitimate issues of concern, while the tangible good that the U.N. Population Fund does for the entire world is indisputable. The Senate has every reason to vote for this important piece of legislation; it is in the interests of the United States and the entire world.

[From the Lubbock Avalanche-Journal, Oct. 12, 1989]

GLOBAL FAMILY PLANNING—U.S. SHOULD CONTRIBUTE

Americans should not fool themselves into thinking that the overpopulation problems of the Third World countries don't affect them as well.

U.S. Senators should remember this as they prepare to vote on whether to resume funding of the U.N. Population Fund, the largest multilateral family planning organization in the world.

At the current growth rates, today's world population of 5.2 billion people is expected to double by the year 2028. With a huge portion of that population explosion occurring between the Rio Grande and Panama, refugees will head north in masses.

Not only will they be looking for places to live, but also they—and the entire world—will be faced with food shortages of major proportions.

Werner Fornos, president of The Population Institute, says that the brewing environmental crises of the 21st century, including enormous loss of forest lands and vanishing water supplies, are tied directly to rapid world population growth.

Fornos noted also that the faster populations grow, the more environmental problems are aggravated. "These problems can be directly traced to declining forests with 70 percent of Third World families dependent on wood for their fuel."

Solutions will require bold and imaginative actions, Fornos said; actions that may include industrial countries forgiving debts of Third World nations that adopt sound environmental policies, efforts calling for a speedy halt to all new chlorofluorocarbon production worldwide, and the promotion of alternative sources of energy rather than the burning of fuel.

This Congress must make a firm commitment to support population control activities worldwide.

The U.S. stopped contributing to the U.N. Population Fund during the Reagan administration, when Congress passed a law prohibiting support for any organization that participates in the management of coercive abortion or involuntary sterilization.

The current bill before the Senate specifically prohibits U.S. funds from being used for those purposes.

In fact, the bill requires the U.N. Population Fund to keep U.S. money in a separate account. Our contributions will not be used to fund abortions, but could support education and methods of family planning.

The U.S. again must assume its responsibility for educating people regarding family planning. It is in the highest interest of this generation of Americans and those yet to come.

[From the Milwaukee Journal, Sept. 28, 1989]

U.S. GETTING REAL AGAIN ON POPULATION CONTROL

Family planning agencies abroad, under attack since 1984 by an American government increasingly hostile to population control, have learned to content themselves with small successes. Recently, however, they scored a major triumph when the Senate voted to restore aid to the United Nations Population Fund, which lost its US subsidy four years ago in a dispute over abortion.

Opponents of the subsidy charge that the UN agency is too involved in China's family planning program, which they say coerces couples into having abortions. They make the point that any US contribution to the agency frees up the same amount within the fund for use in China.

That may have been the case in the past, but it isn't now. The fund already has made its grant to China for the year, and any US contribution at this point wouldn't alter the amount available to that nation. Moreover, language in the legislation, which earmarks $15 million for the fund, specifically bars its use for abortion activities, in China or elsewhere. In fact, none of the money may be sent to China at all.

Clearly, the US contribution to UN population control activities should be restored. It still must be approved by the House, where a subcommittee headed by Wisconsin Rep. David Obey can point the way by concurring with the Senate's recommendation.

Even if the subsidy is defeated, the renewal of congressional interest in family planning is a good sign. It suggests that Congress perceives the Bush administration to be less doctrinaire on population control than was its predecessor, which argued foolishly that an expanding economy and free marketplace were the best checks on population growth. The Senate, as shown by its vote, knows better. Surely the House must, too.

[From the Seattle Post-Intelligencer, Oct. 1, 1989]

GLOBAL BIRTH CONTROL

The U.S. Senate has voted by a narrow margin to end a rather strait-laced and ill-advised administration stricture on American aid to the United Nations Population Fund.

Spurred by high-volumed anti-abortion lobbyists, the Reagan administration in 1985 began to withdraw support of the fund. Ostensibly, the fund ban was based on reports that the U.N. agency bankrolled draconian Chinese population controls, including coerced abortions. The United Nations has denied those allegations.

In any event, administration objections to the funding likely had far more to do with what was going on in the United States than in China. Zealous anti-abortion elements in this country simply opposed any birth control funding that might go toward abortions, forced or voluntary. Indeed, one suspects that among those elements were those who opposed U.S. support of any sort of international birth control.

The Bush administration is apparently content to continue the funding ban. Hence, the Senate vote sets the stage for an ideological battle in the House.

In the developing countries of the world especially, struggling people's own fertility can be their own worst enemy. In broad global terms, excessive population and attendant demands upon resources and risk to the environment pose a direct effect on all residents of this fragile planet. The United States would seem to have a clear obligation to support any safe, fair and legitimate global efforts to limit the world's population. This $15 million to the United Nations Population Fund is a worthy contribution toward fulfilling that obligation.

[From the Kansas City Star, Oct. 3, 1989]

HOPEFUL SIGNS OF A RETURN TO SANITY

There is hope for a return to reason regarding the United States' role as a leader in international family planning. The Senate has approved restoration of some funding of the United Nations Fund for Population Activities, which was cut off in 1985 by the Reagan administration following a flap over abortion in China.

It did not seem to matter to Congress at the time, however, that no money was being spent by the U.N. fund for abortion—in China or anywhere else. The appeasement of the anti-abortion constituency had to be made.

It was made at the expense of population control in the poorest countries of the world and the U.S. role as an example and leader for other countries in international family planning. For years, the industrialized nations looked to the U.S. in determining what their own efforts would be in providing contraceptive services and help to underdeveloped nations. The message which was sent under Reagan set back unified effort.

Under the Senate action, none of the money can be used in China, and the fund must be kept in a segregated account so they can be monitored. These safeguards mean there is absolutely no reason for any legislator to vote against this proposal. The money could not be used for any program which included abortion. Despite this, Sen. Nancy Kassebaum of Kansas was the only Kansan or Missourian in the Senate to see the importance of this move to the world population control effort.

The world adds people at the rate of 1 billion every 10 years. Most of these come in the places which can least afford it, and the consequences are maternal and child deaths and ill health, poverty, malnutrition and hunger, ravaged natural resources, illiteracy and despotism. By voting to restore at least $15 million of U.S. funding to UNFPA, the Senate has put this country back as part of the team effort to help needy countries develop their own plans to fight this worldwide disaster.

[From the Minneapolis Star-Tribune, Sept. 29, 1989]

A BRAVE STROKE FOR WORLD FAMILY PLANNING

The U.S. Senate has just produced a pleasant little surprise of earth-shaking implication. The surprise was the approval last week of a foreign-aid bill that includes $15 million for the U.N. Fund for Population Activities (UNFPA). The earth-shaker was the setback to anti-abortion forces which had succeeded four years ago in ending U.S. support for the international family-planning agency. While $15 million isn't much, we'll take it as a sign of better things to come. And we applaud the political courage that voting for UNFPA required.

By daring to restore U.S. support for UNFPA, the Senate took a priceless stand against a powerful right-wing political constituency that has exercised a reign of terror over Congress in recent years. Frustrated by court decisions at home, these determined, well-organized forces used a sympathetic Reagan administration and cowardly Congress to export their antiabortion agenda overseas. UNFPA was on the hit list for providing information and contraceptive services to China's birth-control program, which was accused of forcing women to undergo abortion or sterilization.

China insisted its family-planning program was voluntary and took steps to prevent abuses, but coercion happens in a coercive society. The irony was that weakening U.S. support for family planning left millions of desperate women in China and other developing countries with no alternative to abortion. Worldwide, some 55 million unwanted pregnancies end in abortion every year; botched abortion is a leading cause of death among Third World women of childbearing age.

The UNFPA amendment, sponsored by Maryland Sen. Barbara Mikulski, only partially undoes the damage. No. U.S. money can be spent in China. Nor will UNFPA's spending in China increase as a result of the U.S. contribution. The American dollars will go only to help people in other Third World countries obtain the information and services they need to control the size of their families.

That much is progress. But the Senate faces strong opposition from the House and the Bush administration, which favors continuing the regressive policy of the past four years. The Senate should stand firm. The $15 million will help UNFPA do a little more good work in the world. Finding the courage to do what's right on this issue may set a precedent for Congress on the tough decisions to come.

[From the Ithaca Journal, Sept. 30, 1989]

GOOD SENSE RETURNS TO FAMILY PLANNING

Sometimes good news travels slowly. Generally unnoticed amid this week's flurry of happenings was a Senate vote, 52 to 48, to resume aid to the United Nations family planning programs. In one of President Reagan's more myopic decisions, U.S. aid was canceled two years ago.

The Senate earmarked $15 million for the United Nations Population Fund. This must still pass muster with the House and President Bush. But there's reason to hope that good sense will return to the government's position on this crucial issue.

The Population Fund helps nations around the world provide contraceptives, education about birth spacing, and maternal and child health services. The work is essential: Without it, populations would soar far beyond the earth's ability to sustain them, especially in the Third World countries.

From its start 20 years ago, the fund had strong U.S. support. But U.S. aid was partially withdrawn several years ago, in reaction to rumors that the People's Republic of China used coercion in population control. Later President Reagan cut off all aid to the fund to please the right-to-life movement.

Yet the Population Fund does not support abortion and has never sanctioned coercion as methods of family planning. Grant applicants are screened and use of the funds is watched to assure that its money is not channeled into financing such programs.

Recent evidence indicates that China's official policy is not coercive. But to allay lingering doubts among members of Congress and the Bush administration, the Senate bill requires that the $15 million be set up in a separate account and does not allow any of the money to be sent to China.

How badly is the money needed? The world population, now at 5 billion, is expected to reach 6.2 billion in the year 2000 and 8.5 billion by 2025. And in many of the poorest and hungriest nations, populations are likely to double in the next 30 years.

Aid to family planning is not only humanitarian, but vital to the preservation of life on this planet. We trust that all three of our congressmen, McHugh, Houghton and Boehlert, will support the refunding of the United Nations Population Fund when the issue reaches the House floor.

[From the Sacramento Bee, Sept. 22, 1989]

DEMOGRAPHIC COMMON SENSE

The United Nations Fund for Population Activities has increased its budget by about 20 percent since 1986, no thanks to U.S. churlishness. The Reagan administration that year cut off $25 million in annual support for family planning programs through the U.N. agency, and the Bush administration has continued that myopic policy. Yet despite the fact that UNFPA, with help from others, has survived, Washington's return to the fold would be salutary, both financially and to give a morale boost to global efforts to control population growth.

Last week, the Senate took a modest step in that direction by approving $15 million for UNFPA as part of a mammoth foreign aid bill. Unfortunately, the measure must still survive a House-Senate conference committee and win the assent of President Bush, neither of which is certain.

Congress acted in 1985 to deny U.S. funds to any country or agency that coerces women into having abortions, a response to reports that China, as a means of implementing its one-child-per-family policy, was doing just that. Independent researchers found that, to the extent that China has engaged in such practices, it was as a consequence of unauthorized actions at the local level by overzealous officials. Morever, UNFPA finances barely 1 percent of China's family planning budget and bars the use of its funds to pay for abortions. But with anti-abortion hawks like Sen. Jesse Helms breathing down its neck, the Reagan administration disregarded all of that and cut off UNFPA without a penny.

Family planning experts say one reason U.S. support for UNFPA is so vital is the timidity of many smaller countries in the face of such controversial questions as the use of condoms or birth control pills, without the protective cover that U.S. leadership can provide. The Senate has recognized that obligation in seeking to reverse a shortsighted and harmful policy.

[From the Pittsburgh (PA) Post-Gazette, Oct. 13, 1989]

A TEST ON POPULATION CONTROL

It is unfortunate that President Bush has informed congressional leaders that he will veto a foreign-aid bill that includes a renewal of support for the the United Nations Population Fund. If he does, Congress should override the veto.

The president's threat is designed to persuade an eventual House-Senate conference committee to scotch a Senate vote that for the first time since 1985 challenged the Reagan-Bush bias against international family-planning programs. At a time when the mushrooming growth of population in many Third World countries is overtaking economic-development efforts, that action was highly significant.

What the Senate did was to uphold an amendment to the foreign-assistance appropriations bill (HR 2939) calling for restoration of U.S. contributions to the U.N. Population Fund. That action came a week after the Appropriations Committee adopted by a 15-12 vote the controversial amendment offered by Sen. Barbara Mikulski, a Maryland Democrat, providing $15 million to the U.N. agency in the fiscal year that began Oct. 1.

The Mikulski amendment was conditioned on a prohibition against the use of any of the $15 million in China because of that country's controversial one-child-per-family program. Opponents have charged that China uses abortion as one component of that program. But Sen. Mikulski insisted, "It is clear to me that the Fund does not engage in, or support forced abortions, sterilization or coercive family planning."

Family-planning proponents contend that pressures from anti-abortion forces have caused the Reagan and Bush administrations to use China as a straw man to block any U.S. participation in the international effort to contain the population explosion. That world total now has passed the 5 billion mark, with another 85 million people being added each year for an expected total of 6.1 billion by the year 2000.

UNFPA has been in the distressing position of being punished for alleged action by China over which UNFPA has no control. Fortunately, other countries have picked up America's financial slack in recent years. But the Reagan-Bush recalcitrance on the issue has made it harder to persuade gov-

ernments to push population-control programs.

Congress finally has seen the folly of this shortsighted approach. Now citizens who support this breakthrough for America's obligation to help stem the population tide so perilous for the developing world should contact their senators and representatives, asking continued support for the Mikulski amendment, including a veto override attempt it if comes to that.

[From the Atlanta (GA) Constitution, Oct. 12, 1989]

BUSH KOWTOWS TO LOBBY

Never mind that both polling and work-a-day politics are making it clear that Americans reject the marxiamalist goals of anti-abortion militants. The extremists still dominate the Republican Party and thus the presidency.

So President Bush has told congressional leaders he will veto the foreign aid bill if it includes renewed support for the United Nations Population Fund.

The fund is a crucial part of international efforts to promote birth control and reduce runaway birthrates that are literally eating up economic and social progress, dooming millions to malnutrition and even starvation and overpopulating Earth in ways that degrade the ecosphere dangerously.

The Senate apparently had thought, and certainly hoped, that Mr. Bush had shaken Reaganism at least enough to let the United States rejoin this important international program, but that is not so. The anti-abortion lobby has persuaded the president to throw the barriers up once again, because the fund has, not direct relationships with abortion, but some secondhand ones.

That noise you just heard was the sound of the United States shooting itself in the foot.

[From the Charleston (WVA) Gazette, Oct. 1, 1989]

BUSH THREAT

Events of this week have shown that America generally supports a woman's right to choose abortion, and that extreme abortion foes are a minority.

Why, then, is President Bush still threatening to veto the entire U.S. foreign aid package because of a far-right abortion complaint so erroneous that it is ridiculous?

For years, the Reagan and Bush administrations have refused to support the U.N. Population Fund because some extremists think the fund aids abortions in China. This isn't true. The fund works for birth control, not abortion. Its guidelines specifically prohibit spending on abortion. But that hasn't prevented the one-issue religious fanatics from attacking the fund, nor has it prevented the White House from bowing to the fanatics.

When the $14 billion foreign aid bill was before the Senate last month, Sen. Barbara Mikulski, D-Md., succeeded in tacking on $15 million for the U.N. fund. Her amendment specified that none of the money may be used in China for any reason.

Now the foreign aid bill is before a House-Senate conference committee, and Sen. Robert C. Byrd, D-W.Va., is one of the conferees. There is speculation that the committee will scuttle the U.N. Money to avoid a Bush veto.

We hope not. Overpopulation is one of the worst threats facing the human race. Many poor nations are breeding themselves into disaster. The only cure is birth control, and the U.N. fund is the chief instrument to achieve it.

We hope that Byrd and fellow conferees retain the U.N. money—and that Bush finally breaks free from the extremist minority and signs the foreign aid bill.●

SEVENTY YEARS OF FACILITATING INTERNATIONAL UNDERSTANDING

● Mr. SIMON. Mr. President, the Institute of International Education is now celebrating its 70th anniversary. On October 25, the Institute presented President George Bush with an award for his contributions to international education. The award was presented by Dr. Henry Kaufman, Chairman of the Institute's Board of Trustees and also included remarks by Richard M. Krasno, the president of the Institute of International Education.

The IIE works at fostering mutual understanding, promoting both economic and social developments abroad, and also strengthening the international capabilities of U.S. citizens. IIE works through universities, corporations, both the United States and foreign governments, international agencies and other organizations to achieve these goals.

The Institute administers almost 250 noteworthy exchange programs that enable over 10,000 men and women to study internationally each year. They serve foreign graduate students, U.S. students, professionals and international visitors, artists, musicians, and other individuals who benefit greatly from the experience.

The award is being presented to the President in recognition of his longtime support of international education, beginning in the 1950's, when the President and Mrs. Bush served as a volunteer host family for IIE's Houston Office. The award acknowledges the President's international efforts as reflected in his foreign service in China, and as Ambassador to the United Nations.

I congratulate the IIE on their 70 years of achievement. International education has had a vital role to play in the past and will certainly be important to generations to come. The programs which IIE administers have long-term benefits in many areas. For these reasons I commend the institute of International Education and I request that the remarks made at this awards presentation be submitted in full in the RECORD.

The Material follows:

REMARKS BY RICHARD M. KRASNO, PRESIDENT, INSTITUTE OF INTERNATIONAL EDUCATION

Mr. President and friends of International Education. This had indeed been an informative hour, and the Institute is grateful for the opportunity to learn more about the administration's policies with regard to educational exchange.

I must say that being here evokes fond memories for me. It was in this building, in December of 1981, that I brought 107 young men and women from developing countries—all of them participants in the USIA's Hubert Humphrey North-South Fellowship Program—to meet with you. Because of your busy schedule, you were, I recall, a little late and the original 10 minutes allocated for this meeting was reduced to 5 minutes by your conscientious staff. When you arrived, the multilingual chattering became a hush as the fellows awaited their brief encounter with the Vice President of the United States.

Forty-five minutes later you were still in that room. You discussed community health care with a young Tanzanian woman who is now the head of a U.S. NGO in Tanzania and a professor of pediatrics. You discussed development planning with a young man from Pakistan who is now his country's Consul General for Quebec Province and Trade Commissioner for all of Canada. You inquired about nutrition programs when speaking with a Guatemalan who is now chief of planning and development for the Institute of Nutrition of Cental America. And you discussed the importance of volunteerism with the woman who now heads policy planning for the Government of Thailand.

Frankly, Mr. President, you dazzled this somewhat skeptical group with your knowledge. And more than that, you demonstrated, at the highest levels of Government, that the United States stands solidly behind efforts to promote mutual understanding and the sharing of knowledge throughout the world through educational exchange.

There are currently 366,000 foreign students studying in U.S. colleges and universities. The future leaders you met that day are representative of the young men and women who come here to study. In addition to developing the skills to build their respective home countries, these students get to know Americans better and gain exposure to—and appreciation of—our free and democratic society. They have the opportunity to experience the most previous virtues of our country, including an educational system that values open academic inquiry and the highest standards of scholarship. Moreover, the knowledge these future leaders gain of our ways of doing business and of the high quality of our technology provides a solid foundation for productive economic and commercial ties.

We are equally aware that programs that send U.S. students abroad help strengthen international competence among our own citizens and our ability to function more competitively in an integrated global economy.

Mr. President, we believe that international educational exchange will become even more important as we move into the 1990's. We look to you and to the energetic people in your administrative, such as Bruce Gelb, to join with corporations, foundations educational institutions, not-for-profit agencies, and the thousands of dedicated volunteers who work in international education to provide leadership and support to our efforts. Working together, we can meet head on the educational challenges of the new decade.

Now, I would like to introduce Dr. Henry Kaufman, Chairman of the board of IIE.

REMARKS BY HENRY KAUFMAN, CHAIRMAN OF THE BOARD, INSTITUTE OF INTERNATIONAL EDUCATION

Mr. President, your support of international education—going back to your years

in Houston in the 1950's when you and Mrs. Bush served as a host family for IIE's Houston office—is deeply appreciated.

Your own internationalism—serving as Ambassador to the U.N. and to China—and your awareness of the importance of international experience in shaping an individual's life stand as important symbols to young people around the world.

It is a great honor for the Institute, in its 70th anniversary year, to present you with this award for your contributions to international education. The eagle represents the leadership and strength of the United States; the globe, the worldwide nature of our challenges.

International education—by training future leaders, developing international competence among our own citizens, and encouraging mutual understanding and cooperation among nations—is a wise investment in our future. Mr. President, you have indicated your wish to be known as the "education president." It is the Institute's hope, and the hope of those gathered in this room and of countless others around the globe, that you will also be known as the "International Education President."

REMARKS BY PRESIDENT BUSH TO INSTITUTE OF INTERNATIONAL EDUCATION

Thank you all very much. It's eight years later and I'm still 10 minutes late. (Laughter). But thank you very much, Dick, and distinguished Dr. Henry Kaufman. And I know I should say thank you to one of our own, Sichan Siv, over here—your former manager of Asian and Pacific programs, and now a key member of our administration. And let me also say it's a delight to be among the supporters of the—I recognize many of you—of the Institute, the IIE. And then I had opportunity to greet some of the students that are here from foreign lands.

Let me tell you how I came to know of your achievements and, through that, appreciate what you do. Barbara and I were—we moved down to Houston from Midland and were raising our family. And we have many fond memories of those days. But among our fondest is the delight of having young men and women from so many countries joining us for conversation and supper at our home.

And we became involved with the Institute as a host family through Alice Pratt, whose dedicated work there is now being carried on by Fentress Bracewell down in Houston. I don't know whether Fentress is here, so I haven't spotted—oh, here he is, right here in front. Delighted to see you.

But it was Alice who taught us how rewarding it is to show a young foreign friend the way through the academic, business and social maze of a vibrant American city. And because of Alice, we learned that by seeing our country through another's eyes, we could almost be like tourists in our own home.

And today at the White House, when Barbara and I dine with foreign visitors, our guests are rarely students. Rather, they are often foreign leaders and presidents and prime ministers and foreign secretaries and ambassadors. But we've notice something that makes us think back to our Houston days. Many of our foreign guests once worked and studied in the United States. I was most impressed, Dick, by just that menu you read off there of how these kids come and then move into positions of leadership. And this is bound to be of benefit not just to the United States, but to the other countries, as well.

But you do more than bring the world to America. You open the cultures of the world to our people as well. Mark Twain said that the "broad, wholesome, charitable views of men and things cannot be acquired by vegetating in one little corner of the Earth all one's lifetime."

Thomas Jefferson, our magnificent education president, enhanced such a broad, wholesome and charitable view when he left Piedmont, his beloved Piedmont of Virginia, to represent the American cause in France. And in more recent times, many Americans have had the liberating experience of living abroad. Certainly, Barbara and I felt transformed by the time that we spent living in China; a time when we sometimes traveled those dusty streets, always on our bicycles. But it was tremendous experience, days we'll never forget. And of course, we learned a lot about the Chinese people. Most of all, we learned an awful lot more about ourselves. And every American who lives abroad returns home with a new perspective and I believe a deeper feeling for our own country.

Your Institute promotes just exactly this kind of understanding through 249 programs, assisting more than 10,000 people from 155 countries every year. Innumerable are the new friendships made; incalculable the goodwill that is generated.

When your organization was founded 70 years ago, there was a belief that the exchange of students, scholars and professionals from country to country would promote peace and understanding. Some regarded that ideal as hopelessly naive. Well, now we know that that's not true. It is true that international exchanges are not a great tide to sweep away all differences. But they will slowly wear away at the obstacles to peace as surely as water wears away a hard stone.

And I am honored to be here. I would simply add, keep it up. We are living in perhaps the most exciting time of change certainly in the nuclear age, and maybe in terms of the entire history of the United States as we look at what's happening, particularly in Eastern Europe, as we see what's happening in Asia, see what's happening, indeed, in the Soviet Union itself. And I can tell you that the interaction that we had with this wonderful organization makes me feel a little more confident as I wrestle with these problems. But far more important than that I think is that the insight that the kids that come here get into our great, free, wonderful country.

So I'm grateful to you. I wanted to come and thank you all very, very much for what you're doing. Please keep it up. And God bless you all. Thank you. (Applause.)●

'89 SCHOOL REPORT CARDS SHOW SPENDING CAN PAY

● Mr. SIMON. Mr. President, the other day the Chicago Tribune ran an exceptionally fine story titled, "'89 School Report Cards Show Spending Can Pay" written by Casey Banas, an education writer for the Tribune.

The lead paragraph says something we tend to try to ignore:

Chicago area elementary schools with the top reading and mathematics scores on a state test are spending nearly 40 percent more money to educate their pupils than the schools with the lowest scores, according to the 1989 state-mandated report cards.

Later in the same story are these three paragraphs:

A Tribune computer analysis of the report cards shows that in the six-county Chicago metropolitan area, school districts with the 10 lowest scores in the 3rd, 6th, and 8th grade statewide reading and mathematics tests spent an average of $4,098 per pupil in the 1987-88 school year.

The 10 districts scoring highest on the same tests spent an average of $5,722 on each pupil, 39.7 percent more.

But in nearly all of the highest-scoring districts, less than 5 percent of the pupils come from low-income families. Many of the lowest-scoring districts have more than 50 percent of their children from poverty-level homes.

I appreciate the fact that there is now a report card, and we can make these analyses.

Also, I appreciate a journalist who is doing the kind of solid job that should stimulate some reflection and some action.

I ask to insert the article into the RECORD at this point.

The article follows:

1989 SCHOOL REPORT CARDS SHOW SPENDING CAN PAY

(By Casey Banas)

Chicago area elementary schools with the top reading and mathematics scores on a state test are spending nearly 40 percent more money to educate their pupils than the schools with the lowest scores, according to the 1989 state-mandated report cards.

This finding gives ammunition to the fledgling campaign of Robert Leininger, state superintendent of education, to reduce funding disparities in Illinois public schools.

"We need to bring the bottom up," Leininger said. "We do not need to bring the top down."

The report cards, required by state law to be issued by Illinois public schools every year by Oct. 31, also show that:

The Chicago school reform movement faces a monumental challenge because city high school performance on the American College Test continues to be extremely low. Among the city's 64 high schools, 31 scored in the bottom 1 percent of the nation.

All Chicago high schools should reach the state average score, now 18.8, in 10 years, believes G. Alfred Hess Jr., executive director of the Chicago Panel on Public School Policy and Finances, a leader in the school reform push. But right now, he said, "it should be a goal that not one school be in the bottom 1 percent."

Glenbard South High School in Glen Ellyn has the top ACT score, 22.7, among the 200 Chicago area public high schools issuing report cards. In the four years of the report cards, five high schools have been in the top 10 every year. The five are Glenbarb South, Wheaton North, Naperville North, Deerfield and New Trier in Winnetka.

A perfect score is 35 on the 219-question ACT exam, which many colleages use to determine entrance eligibility.

The report cards provide statistics for debate on school funding and student achievement throughout Illinois.

In June the legislature added $475 million in state school aid for 1989-90, bring the total state package for school operations to $2.988 billion. Schools are financed primarily by local property taxes.

Over the years, the fight over state aid has concerned adequacy—whether there is enough money.

But Leininger is mounting a campaign for equity, in addition to adequacy, by stumping the state and highlighting funding disparities between school districts. A chief reason for the inequity is that some districts have far higher property values than others.

Spending per pupil ranges from a high of $12,866 in McAuley Elementary School near West Chicago—the charming "little red schoolhouse" with 22 children—to $2,085 in Dalzell Grade School, a Bureau County school with an enrollment of 98.

Of 958 Illinois school districts, 133 spend more than $5,000 for each pupil and 186 spend less than $3,000. Many of the higher-spending districts are in the Chicago area, and many of the lower-spending districts are outside the metropolitan area.

A Tribune computer analysis of the report cards shows that in the six-county Chicago metropolitan area, school districts with the 10 lowest scores in the 3d, 6th and 8th grade statewide reading and mathematics tests spent an average of $4,098 per pupil in the 1987-88 school year.

The 10 districts scoring highest on the same tests spent an average of $5,722 on each pupil, 39.7 percent more.

But in nearly all of the highest-scoring district, less than 5 percent of the pupils come from low-income families. Many of the lowest-scoring districts have more than 50 percent of their children from poverty-level homes.

Courts in Kentucky and Texas this year have struck down school finance systems in those states because of inequities and have ordered them to develop new ways to pay for the schools.

Leininger is calling for statewide debate on the equity question, not endorsing any solution. He is urging discussion on possible changes such as a statewide property tax for schools and distribution of local property taxes on a countywide basis instead of to individual school districts.

Though equity is surfacing as the new school finance issue in Illinois, one school district has shown that reading scores can be improved dramatically by a shift in instruction methods without a big infusion of cash.

The top 8th grade reading score in the Chicago area is 363 in Antioch, up from 260 last year; the state average is 255. Spending per pupil in Antioch, a northwest community just beyond the suburban belt, was $3,063, far below the state average of $4,215.

The reason for the big gain in score, said Antioch School Supt. Donald Skidmore, is that Antioch changed its reading curriculum last year.

National reading exams test a child's ability to read a passage and find the right answer among four or five possibilities in a multiple-choice format. But the Illinois reading test is different. Youngsters must find the "best" answers when others may be partially correct. It takes analytical thinking, a skill that state school officials are emphasizing.

Skidmore said Antioch teachers now focus on analytical thinking as well as basic reading instruction. "We want to teach our kids to think in these kinds of patterns," he said.

The report cards show that Antioch 8th graders outperformed their counterparts in the affluent North Shore communities of Kenilworth, Highland Park, Wilmette and Glencoe, which spent more than twice as much money per child as Antioch.

The report cards also dramatize the uphill battle for Chicago school reform forces.

Students at the Illinois Mathematics and Science Academy in Aurora had an average ACT score of 29.5, tops in the nation. The Aurora school is under the jurisdiction of the Illinois Board of Higher Education and is not required to issue a report card.

Glenbard South has the highest average ACT score, 22.7, among Illinois public high schools under the report card mandate.

But four private schools with selective admission policies topped that score: St. Ignatius College Preparatory High School, Chicago, 24.9; Benet Academy, Lisle, 24.5; University of Chicago Laboratory High School, 23.4; and Loyola Academy, Wilmette 22.9.

Though Glenbard South and all of the other 20 Du Page County public high schools have ACT scores above the state average, only two of the 64 Chicago public high schools do. They are Lane Tech, 20.3, and Young, 19.9. Both choose their students from a large pool of high achievers.

Even worse, 31 Chicago public high schools where 40 or more students took the ACT scored in the bottom 1 percent of schools in the nation. Six more would have been at the 1 percent level but had fewer than 40 students taking the test, thus distorting the average score.

Also, 57 of the 64 high schools scored in the bottom 4 percent in the nation.

Hess believes all 64 can reach the state average, but this will take at least 10 years. "I'm not sure, given the problems of many students, it would ever be possible to bring Chicago schools up to the level of suburban schools," he said.

The problems—so familiar to observers of inner city schools—include deteriorated housing, drugs, gangs and violence in communities, poor nutrition, local unemployment, no quiet place to do homework and no role models for young children.

"They see adults who are dropouts driving Cadillacs because they make money selling drugs," Hess said.

He emphasized that the only way for masses of Chicago public school students to move toward their suburban counterparts in school performance is a two-pronged strategy of improving schools and communities at the same time.

That approach has yet to surface as a serious public policy issue in Chicago. Instead, politicians and community leaders are joyous over last month's elections of local school councils, trumpeting that this alone provides the framework for improving Chicago schools.

Hess is optimistic that the new councils, which have authority to design school improvement plans, will have some impact on improving student achievement. This year each council will have an average of $95,000 to allocate as it chooses for changes, though some will have more and some less.

James Coleman, University of Chicago professor of sociology, said one reason why many students in Catholic schools excel is that their parents create "a sense of community" by establishing and reinforcing standards and values that support teachers and bring good results in the classrooms.

Suburban educators say their students perform well partly because of this same sense of schools as being a place "where excellence is tradition." That is the motto of the Glenbard High School district, which includes Glenbard South, this year's ACT pacesetter.

Educators warn that ACT scores alone cannot be used to rank schools. They say one should look also at the quality of teachers and student performance in academic competitions and music, debate and speech contests, as several examples.

However, the only common performance indicator for Illinois high schools on the report cards is the ACT score.

The 1985 School Reform Act specifies that beginning next year, every Illinois public high school must give the same state-developing reading test to all juniors, and in 1991 the first statewide mathematics test will be given to high school students, as it was this year for the first time to all elementary school pupils.

The report cards, required annually by the school reform law, also include other student achievement, demographic and financial data. Every school must give a copy of its report card to any citizen upon request by Oct. 31 each year.●

THE TRIUMPH OF FREEDOM

● Mr. McCAIN. Mr. President, there is such eloquence in the economy of newspaper headlines. At moments when the course of history is profoundly affected and its great lurch forward visible to even the casual observer, newspapers will herald the occasion in simple, unadorned language. The images that the understated language evokes are so common and unremarkable that they contrast dramatically with the gravity of the event as we witness it on television. This is a natural and, in its own way, quite lyrical approach to rendering achievements that surpass our imagination easier to understand.

"Men Walk on Moon." That is how the New York Times proclaimed that singular accomplishment of American will and ingenuity. Beautiful in its simplicity and effective in its depiction of an event too fateful and complex to fully comprehend.

Now, comes a moment in history that is easily as difficult to comprehend as that first lunar landing was 20 years ago. And no matter how often we in the West proclaimed our desire for and our expectation of its ultimate arrival, the shock of this moment is overwhelming and only barely softened by the prosaic headlines of our newspapers: "The Wall Is Gone"; "East Germany Opens Berlin Wall and Borders"

Only the large type of the headlines conveys the importance and urgency of the story. In America, we often take our freedom for granted. We may leave our country freely and reenter our country freely. We are free men and women and we come and go as we please. To us there is nothing remarkable about such an exercise of our civil rights.

However, for East Germans, stepping a single foot outside their country may be the most transforming event of their lives.

For the first time in the history of that artificial state, East Germany's Government acquiesced to popular

sentiment and, thus, the starkest symbol of the betrayal endured by half a continent—the sacrifice of Eastern Europe for the sake of postwar stability—is no more. The wall in its fragments now represents communism in its fragments unable to stand beyond 40 years as an obstacle to the determination of Eastern Europeans' to be liberated from the control of a succession of tyrants and to exercise the freedoms that should have been theirs many long years ago.

The Berlin wall has been breached.

In consequence, all nations are less divided and all peoples are closer to freedom. The United States long ago answered President Kennedy's call to come to Berlin to watch the triumph of freedom. And we stayed in Berlin throughout "the long twilight struggle" that followed as the ultimate guarantor of peace and freedom for West Germans. We are still standing with them as they welcome their countrymen from the East. We will stand with them tomorrow as we begin a new era in world history.

For now we join all of Germany in the celebration of the consequence of our mutual steadfastness—freedom.

Mr. President, the Berlin wall has been breached.●

THE 50TH AND 40TH ANNIVERSARY OF CERTAIN VOLUNTEERS IN CROTON HOSE COMPANY 3, OWEGO FIRE DEPARTMENT

● Mr. D'AMATO. Mr. President, I rise today to pay recognition to five outstanding members of the Croton Hose Company No. 3 who have been active members for 40 and 50 years.

Mr. Thomas Smith has been a dedicated, reliable, and trustworthy member since 1939. Mr. Richard Franz, Mr. Kenneth Haeling, Mr. Patrick Panetti, and Mr. Myron Van Housen have been outstanding members for 40 years demonstrating the same qualities as Mr. Smith. Along with being ready volunteers, each has held a position vital to the running of the company such as captain of the emergency squad held by Dick Franz and lieutenant of the fire police held by Tom Smith.

Volunteer firefighters are essential to every community. With limited funding available for professional firefighters, the all-volunteer staff becomes increasingly more valuable. It is always a pleasure to salute fellow firefighters for their community service.

I would like to congratulate these fine volunteers on their years of service and wish them continued good luck for the future.●

S. 1270, TO ESTABLISH AN INDIAN MENTAL HEALTH DEMONSTRATION GRANT PROGRAM

● Mr. McCAIN. Mr. President, I rise today in support of the passage of S. 1270, a bill to establish an Indian Mental Health Demonstration Grant Program. Today, I ask unanimous consent that S. 1270 be adopted by the Senate.

I introduced S. 1270 on June 23, 1989, with Senators MURKOWSKI and DECONCINI as cosponsors. I want to express my appreciation to Mr. MURKOWSKI and Mr. DECONCINI for their support and assistance on this bill. I also want to express my gratitude to the chairman of the Select Committee on Indian Affairs, Senator INOUYE, for his leadership and assistance on this bill.

S. 1270 was approved by a unanimous vote of the Select Committee on Indian Affairs on November 9 with a recommendation for approval by the full Senate. This bill was the subject of a hearing in the Select Committee on Indian Affairs on September 14, 1989. At that time we received testimony from Indian tribes, mental health professionals, and Federal officials. These witnesses provided many excellent suggestions for improving and strengthening S. 1270. Those suggestions have now been incorporated into the bill.

S. 1270 authorizes 10 demonstration grants during the 3 years following enactment. Each grantee will be expected to develop a community based comprehensive mental health program. Traditional Indian and native healing practices can be combined with modern clinical practices. The problem of alcohol and substance abuse can be addressed as part of a comprehensive program. At the end of the 3-year demonstration period, the grantees and the Director of the Indian Health Service will report to the Congress on the results of these programs.

Mr. President, we have not done nearly enough over the years to assist the tribes and native communities in developing effective programs to meet their mental health needs. I believe that S. 1270 will provide us with the information we need to find ways to better assist tribes and native communities in this vital area.

I thank my colleagues for their support.●

S. 1783, TO REGULATE CHILD PROTECTION AND PREVENT CHILD ABUSE ON INDIAN RESERVATIONS

● Mr. McCAIN. Mr. President, I am pleased to rise in support of the passage of S. 1783, which was introduced by myself and Senator DECONCINI on October 24, 1989. I want to thank Senators INOUYE, COCHRAN, BURDICK, and HATCH for their cosponsorship and support on this bill.

On November 9, 1989, the Select Committee on Indian Affairs unanimously approved S. 1783 and recommended approval by the full Senate. Today, I am asking unanimous consent that S. 1783 be adopted by the Senate.

Mr. President, S. 1783 is aimed at correcting one of the most terrible problems ever uncovered in the administration of Indian affairs. In many hours of public hearings and private interviews the Select Committee on Indian Affairs and the Special Committee on Investigations found a pervasive pattern of abuse, including sexual abuse, of Indian children. Most disturbing to me is the fact that all too often the abuse was perpetrated by Federal employees. Over a period of several years the Bureau of Indian Affairs demonstrated a lack of ability or willingness to deal with this problem. Those of us here in the Congress have waited too long to provide clear direction on this issue. I believe that S. 1783 provides the needed direction.

I also want to say that I am aware that this is a very complex and emotional issue. I have heard concerns from some who say this bill goes too far. At the same time, I have heard from some who say that the bill does not go far enough to address the problems of child abuse in Indian country. In our hearings, we have heard from dozens of witnesses including parents, law enforcement officials, children, social workers, and mental health professionals. This bill is based on the best recommendations of these witnesses.

I fully expect that S. 1783 will undergo revisions and be the subject of further hearings in the House. I look forward to continuing to work on this issue to fashion the best possible legislative solution. For now, I believe that it is imperative that we adopt this bill so that we may reasonably expect to secure final passage of legislation during the second session of this Congress. We can no longer sit idle while Indian children are victimized on a daily basis.

I thank my colleagues for your support.●

APPOINTMENT OF A COMMITTEE TO ESCORT THE HONORABLE LECH WALESA

Mr. MITCHELL. Mr. President, I ask unanimous consent that the President of the Senate be authorized to appoint a committee on the part of the Senate to join with a like committee on the part of the House of Representatives to escort the Honorable Lech Walesa into the House Chamber for the joint meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEEP SEABED HARD MINERAL RESOURCES ACT AUTHORIZING

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 356, H.R. 2120 a bill to reauthorize the Deep Seabed Hard Mineral Resources Act of 1980.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2120) to amend the Deep Seabed Hard Mineral Resources Act to authorize appropriations to carry out the provisions of the Act for fiscal years 1990, 1991, 1992, 1993, and 1994.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. Without objection, the bill is considered read a third time and passed.

So the bill (H.R. 2120) was passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. CONRAD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER TO CHANGE THE ENGROSSMENT OF S. 1838

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate engrossment of S. 1838, the agricultural products bill reflect the change I now send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE PLACED ON THE CALENDAR—S. 1877

Mr. MITCHELL. Mr. President, I ask unanimous consent that S. 1877, a bill to improve the operational efficiency of the James Madison Foundation be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZING TESTIMONY AND DOCUMENT PRODUCTION BY A SENATE EMPLOYEE

Mr. MITCHELL. Mr. President, on behalf of myself and the distinguished Republican leader, Senator DOLE, I send to the desk a resolution on authorization of testimony and document production by a Senate employee and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 208) to authorize testimony and document production by Senate employee in *Springfield Terminal Railway Co.* v. *United Transportation Union*, No. 88-0117 P.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MITCHELL. Mr. President, the plaintiff in this civil action, a railroad seeking to overturn an arbitration award in a railway labor safety dispute, has served a deposition subpoena for testimony and documents on a member of Senator JOHN F. KERRY's staff named Mary Anne Marsh. Ms. Marsh was assigned by Senator KERRY to monitor for him this railway labor safety dispute, which had a serious impact on New England transportation.

In October 1988 the Senate agreed to Senate Resolution 494 of the 100th Congress, which authorized the Senate legal counsel to represent Senator KERRY and his staff in connection with this matter. The district court granted in part a motion filed by the legal counsel to issue a protective order limiting the scope of discovery pertaining to Senator KERRY's office in connection with this dispute. However, the court declined to grant the legal counsel's request that the subpoena be quashed entirely. The court held that a deposition should be held and that the legal counsel should raise objections on behalf of Senator KERRY and Ms. Marsh in the context of specific questioning at the deposition.

At Senator KERRY's request, this resolution would authorize the subpoenaed employee on Senator KERRY's staff to testify and to produce documents, including records of the Telecommunications Office pertaining to Senator KERRY's office, at a deposition, consistently with the court's order. The resolution authorizes the provision of relevant testimony and documents only to the extent consistent with the privileges of the Senate.

The PRESIDING OFFICER. Without objection, the resolution is agreed to and the preamble is agreed to.

So the resolution (S. Res. 208) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 208

Whereas, in the case of Springfield Terminal Railway Co. v. United Transportation Union, No. 88-0117 P, pending in the United States District Court for the District of Maine, counsel for the plaintiff has served a deposition subpoena for testimony and the production of documents on Mary Anne Marsh, an employee on the staff of Senator John F. Kerry;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for use in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved, That Mary Anne Marsh is authorized to testify and to produce records, including telephone records of the Senate Telecommunications Office pertaining to the office of Senator John F. Kerry, relevant to the case of Springfield Terminal Railway Co. v. United Transportation Union, except concerning matters for which a privilege should be asserted.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR WEDNESDAY, NOVEMBER 15, 1989

RECESS UNTIL 10 A.M. AND MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 10 a.m. tomorrow, Wednesday, November 15, and that following the time for the two leaders there be a period for morning business until 10:40 a.m. with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS FROM 10:40 A.M. TO 12 NOON

Mr. MITCHELL. Mr. President, I ask unanimous consent that on tomorrow the Senate stand in recess from 10:40 a.m. to 12 noon so that the Senate may attend a joint meeting with the House to hear an address by Lech Walesa.

The PRESIDING OFFICER. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, following consultation with the distinguished Republican leader, it is my intention that at 12 noon, when the Senate returns to session, it will take up the Defense authorization bill which has just been the subject of a

unanimous-consent agreement regarding time, and that on tomorrow we will dispose of that matter. Hopefully, we will be able to take up the foreign operations appropriation conference report and dispose of that matter, as well as complete action on the second cloture vote on the Packwood-Roth substitute on capital gains and IRA's.

So Senators should expect votes during the day on tomorrow.

We may also act on defense appropriations, and of course the continuing resolution expires at midnight tomorrow. So we will have to act with respect to that. So Senators should expect the possibility of several votes tomorrow and, if necessary, a session continuing into the evening.

RECESS UNTIL 10 A.M. TOMORROW

Mr. MITCHELL. Mr. President, if the distinguished Republican leader has no further business, and if no further Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess under the previous order until 10 a.m. on Wednesday, November 15, 1989.

There being no objection, the Senate, at 6:55 p.m., recessed until Wednesday, November 15, 1989, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate November 14, 1989:

DEPARTMENT OF AGRICULTURE

LA VERNE G. AUSMAN, OF WISCONSIN, TO BE ADMINISTRATOR OF THE FARMERS HOME ADMINISTRATION, VICE VANCE L. CLARK, RESIGNED.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. JAMES W. CRYSEL, 422-42-6710, U.S. ARMY.

IN THE MARINE CORPS

THE FOLLOWING-NAMED BRIGADIER GENERALS OF THE MARINE CORPS FOR PROMOTION TO THE PERMANENT GRADE OF MAJOR GENERAL, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 624:

MARTIN L. BRANDTNER
GEORGE L. CATES
NORMAN E. EHLERT
WILLIAM P. ESHELMAN
FRANCIS X. HAMILTON, JR.
RICHARD D. HEARNEY
HARRY W. JENKINS, JR.
ROBERT B. JOHNSTON
JOHN J. SHEEHAN
CLYDE L. VERMILYEA
DUANE A. WILLS

HOUSE OF REPRESENTATIVES—*Tuesday, November 14, 1989*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. GEPHARDT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
November 14, 1989.

I hereby designate the Honorable RICHARD A. GEPHARDT to act as Speaker pro tempore on today.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Give us, we pray, O God, a new appreciation for the gift of truth, not a truth that seeks to distract, but a truth that illuminates where it is dark, and points the way to justice. Temper, O God, our natural enthusiasm to describe truth with our own mark or with a color that gives us profit and gain, but let us speak and live the truth that surely makes us free. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. SOLOMON. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 300, nays 106, not voting 27, as follows:

[Roll No. 348]

YEAS—300

Ackerman	Fish	McCrery
Akaka	Florio	McCurdy
Alexander	Foglietta	McDade
Anderson	Ford (MI)	McDermott
Andrews	Frank	McEwen
Annunzio	Frost	McHugh
Anthony	Gallo	McMillan (NC)
Applegate	Gaydos	McMillen (MD)
Archer	Gejdenson	McNulty
Atkins	Gephardt	Meyers
Barnard	Geren	Mfume
Bartlett	Gibbons	Miller (CA)
Bateman	Gillmor	Miller (WA)
Bates	Gilman	Moakley
Beilenson	Glickman	Mollohan
Bennett	Gonzalez	Montgomery
Bereuter	Gordon	Moody
Berman	Gradison	Morella
Bevill	Grant	Morrison (CT)
Bilbray	Gray	Morrison (WA)
Boggs	Green	Mrazek
Bonior	Guarini	Murtha
Borski	Gunderson	Myers
Bosco	Hall (OH)	Nagle
Boucher	Hall (TX)	Natcher
Boxer	Hamilton	Neal (MA)
Brennan	Hammerschmidt	Neal (NC)
Broomfield	Hansen	Nelson
Browder	Harris	Nielson
Brown (CA)	Hatcher	Nowak
Bruce	Hawkins	Oakar
Bryant	Hayes (IL)	Oberstar
Bustamante	Hayes (LA)	Obey
Byron	Hefner	Olin
Callahan	Hertel	Ortiz
Campbell (CA)	Hoagland	Owens (NY)
Campbell (CO)	Hochbrueckner	Owens (UT)
Cardin	Horton	Oxley
Carper	Houghton	Packard
Carr	Hoyer	Pallone
Chapman	Hubbard	Panetta
Clarke	Huckaby	Parker
Clement	Hutto	Patterson
Clinger	Jenkins	Payne (VA)
Coleman (TX)	Johnson (SD)	Pease
Collins	Johnston	Pelosi
Combest	Jones (GA)	Penny
Condit	Jones (NC)	Perkins
Conte	Jontz	Petri
Conyers	Kanjorski	Pickett
Costello	Kasich	Pickle
Coyne	Kastenmeier	Porter
Crockett	Kennedy	Poshard
Darden	Kennelly	Price
Davis	Kildee	Quillen
de la Garza	Kleczka	Rahall
DeFazio	Kolter	Rangel
Dellums	Kostmayer	Ravenel
Derrick	LaFalce	Rinaldo
Dicks	Lancaster	Ritter
Dingell	Lantos	Robinson
Dixon	Laughlin	Rose
Donnelly	Lehman (CA)	Rostenkowski
Downey	Lehman (FL)	Roth
Durbin	Lent	Rowland (CT)
Dwyer	Levin (MI)	Rowland (GA)
Dymally	Levine (CA)	Roybal
Dyson	Lewis (GA)	Russo
Early	Lipinski	Sabo
Eckart	Livingston	Saiki
Edwards (CA)	Lloyd	Sangmeister
Edwards (OK)	Long	Sarpalius
Emerson	Lowey (NY)	Savage
Engel	Luken, Thomas	Sawyer
English	Manton	Scheuer
Erdreich	Markey	Schiff
Espy	Martinez	Schulze
Evans	Matsui	Schumer
Fascell	Mavroules	Sharp
Fawell	Mazzoli	Shaw
Fazio	McCloskey	Shumway
Feighan	McCollum	Shuster
Sisisky	Stokes	Vander Jagt
Skaggs	Studds	Vento
Skeen	Swift	Visclosky
Skelton	Synar	Volkmer
Slattery	Tallon	Walgren
Slaughter (NY)	Tanner	Walsh
Smith (FL)	Tauzin	Watkins
Smith (IA)	Taylor	Weiss
Smith (NE)	Thomas (GA)	Wheat
Smith (NJ)	Thomas (WY)	Whitten
Smith (VT)	Torres	Williams
Solarz	Torricelli	Wilson
Spence	Towns	Wise
Spratt	Traficant	Wolpe
Staggers	Traxler	Wyden
Stallings	Udall	Wylie
Stark	Unsoeld	Yates
Stenholm	Valentine	Yatron

NAYS—106

Armey	Henry	Roberts
Baker	Herger	Rogers
Ballenger	Hiler	Rohrabacher
Bentley	Holloway	Ros-Lehtinen
Bilirakis	Hopkins	Roukema
Bliley	Hunter	Saxton
Boehlert	Hyde	Schaefer
Brown (CO)	Inhofe	Schroeder
Buechner	Ireland	Schuette
Bunning	Jacobs	Sensenbrenner
Chandler	James	Shays
Clay	Kolbe	Sikorski
Coble	Kyl	Slaughter (VA)
Coleman (MO)	Lagomarsino	Smith (TX)
Coughlin	Leach (IA)	Smith, Denny (OR)
Courter	Lewis (CA)	Smith, Robert (NH)
Cox	Lewis (FL)	Smith, Robert (OR)
Craig	Lightfoot	Solomon
Crane	Lowery (CA)	Stearns
Dannemeyer	Lukens, Donald	Stump
DeLay	Machtley	Sundquist
DeWine	Madigan	Tauke
Dickinson	Marlenee	Thomas (CA)
Dornan (CA)	Martin (NY)	Upton
Douglas	McCandless	Vucanovich
Dreier	McGrath	Walker
Duncan	Michel	Weber
Frenzel	Miller (OH)	Weldon
Gallegly	Moorhead	Whittaker
Gekas	Murphy	Wolf
Gingrich	Parris	Young (AK)
Goodling	Pashayan	Young (FL)
Goss	Paxon	
Grandy	Pursell	
Hancock	Regula	
Hastert	Rhodes	
Hefley	Ridge	

NOT VOTING—27

Aspin	Flippo	Molinari
AuCoin	Ford (TN)	Payne (NJ)
Barton	Garcia	Ray
Brooks	Hughes	Richardson
Burton	Johnson (CT)	Roe
Cooper	Kaptur	Schneider
Dorgan (ND)	Leath (TX)	Snowe
Fields	Martin (IL)	Stangeland
Flake	Mineta	Waxman

□ 1220

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. GEPHARDT). The Chair will ask the gentleman from California [Mr. LANTOS] if he would kindly come for-

ward and lead the membership in the Pledge of Allegiance.

Mr. LANTOS led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H.R. 215. An act to amend title 5, United States Code, with respect to the method by which premium pay is determined for irregular, unscheduled overtime duty performed by a Federal employee;

H.R. 3544. An act to authorize the transfer of a specified naval landing ship dock to the Government of Brazil under the leasing authority of chapter 6 of the Arms Export Control Act; and

H.J. Res. 278. Joint resolution to designate the period commencing on November 20, 1989, and ending on November 26, 1989, as "National Adoption Week."

The message also announced that the Secretary be directed to return to the House of Representatives its message informing the Senate that the House had passed the joint resolution (S.J. Res. 216) "Joint resolution designating November 12 through 18, 1989, as 'Community Foundation Week'," in compliance with a request of the House for the return thereof.

HISTORIC OPPORTUNITY FOR AMERICA, FREEDOM AND THE WORLD

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, in just a matter of days the President of the United States is going to meet with Mr. Gorbachev on a military ship off Malta in the Mediterranean. This new Yalta-to-Malta conference, as it is now being called, is of grave importance for the future not only of the United States and the Soviet Union but the whole world.

Back in the 1940's when the Yalta Conference was held, they split up and divided Europe and made the Iron Curtain and the Eastern bloc under the sway of the Soviet Union. That has now been shattered. That fabric is gone. It is laying in ruins.

We have now an opportunity to knit back a Europe that is democratic, free, provides human rights and has governments that are democratically and freely elected.

The President of the United States has a unique, historic opportunity. So far he has been sitting on the sidelines. This is the time he must come out and provide the kind of leadership that he was elected to provide.

This is a historic opportunity for America, for freedom, and for the world.

REPORT ON H.R. 3566, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1990

Mr. NATCHER, from the Committee on Appropriations, submitted a privileged report (Rept. No. 101-354) on the bill (H.R. 3566) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1990, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

Mr. CONTE reserved all points of order on the bill.

REQUEST TO MAKE IN ORDER ON WEDNESDAY, NOVEMBER 15, 1989, OR ANY DAY THEREAFTER CONSIDERATION OF H.R. 3566, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT 1990

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Wednesday, November 15, 1989, or any day thereafter, to consider the bill H.R. 3566, making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1990, and for other purposes, as reported from the Committee on Appropriations.

The SPEAKER pro tempore (Mr. LEVIN of Michigan). Is there objection to the request of the gentleman from Kentucky?

Mr. WALKER. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

PERSONAL EXPLANATION

Mr. SYNAR. Mr. Speaker, yesterday I was absent when two rollcall votes were taken on H.R. 3614, Drug-Free Schools and Communities Act of 1989 and H.R. 3550, drug forfeiture amendments. Had I been present, I would have voted yea on both of these bills. Both are important steps to assist in the drug war.

HELP UNITED NATIONS VOLUNTARY FAMILY PLANNING PROGRAMS

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, today we will consider a motion renewing our country's commitment to voluntary family planning through support for the United Nations Population Fund.

Opponents will attempt to portray this as a vote for China's Population Control Program. It is not. All $15 million of U.S. funds will go to the 120 other member countries where the United Nations supports voluntary family planning, none of which is alleged to have coercive programs. Not a single dollar goes to China, nor releases other funds for China.

Opponents will say this is an abortion vote. It is not. No one favors coercive abortion. Though I am prochoice, I have consistently opposed Government funding for abortion. Abortion is not an acceptable birth control method. But voluntary family planning is. Support for voluntary family planning—contraception—helps to obviate the abortion question. Regardless of one's position on abortion, we should all support voluntary family planning.

Mr. Speaker, the issue is whether the United States will provide $15 million in funding to help the United Nations voluntary family planning programs in 120 countries who desperately need the help, and who are not conducting coercive programs of any type. The answer should be a resounding yes.

REPORT ON H.R. 3610, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1990

Mr. DIXON, from the Committee on Appropriations, submitted a privileged report (Rept. No. 101-355) on the bill (H.R. 3026) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1990, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

Mr. GALLO reserved all points of order on the bill.

REQUEST TO MAKE IN ORDER ON WEDNESDAY, NOVEMBER 15, 1989, OR ANY DAY THEREAFTER CONSIDERATION OF H.R. 3610, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1990

Mr. DIXON. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Wednesday, November 15, 1989, or any day thereafter, to consider the bill H.R. 3610, making appropriations for the District of Columbia and other activities

chargeable in whole or in part against the revenues of said District for the year ending September 30, 1990, and for other purposes, as reported from the Committee on Appropriations.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. WALKER. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

WE ARE AT THE HINGE OF HISTORY—WESTERN UNITY IS ESSENTIAL

Mr. LANTOS. Mr. Speaker, we are at the hinge of history. Europe is being reshaped before our very eyes. The President of France has invited all of the leaders of the European Economic Community to meet this Saturday to formulate an EC position on these historic events.

I am calling on President Bush to extend an invitation to these same leaders who will gather in Paris this weekend to meet with him so we can jointly formulate a strategy before the summit meeting that will take place in December between Mr. Gorbachev and Mr. Bush.

There is growing resentment in Europe. Europeans do not want another summit meeting between the United States and the Soviet Union to determine the fate of Europe. The President must invite the leaders of Europe if we are to continue a united front in the turbulent and difficult times that lie ahead.

This is a historic opportunity—it will be missed if we are not united.

□ 1230

NAVY EXPLOSIVES ACCIDENTS

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, why is the U.S. Navy having such horrible problems with their own explosives?

On April 17, a gun turret blast killed 47 men aboard the U.S.S. *Iowa.* On October 11, the U.S.S. *El Paso* fired at the U.S.S. *Iwo Jima*—one officer died. On October 30, a Navy fighter dropped a 500-pound bomb on the U.S.S. *Reeves.* On October 31, 4 million dollars' worth of bombs were swept overboard the U.S.S. *Eisenhower.* On November 11, two Navy attack jets dropped 12 bombs on a campsite in California.

Now we find out that for 30 years, the Navy has been dropping bombs on public lands used by hikers and sportsmen in Nevada. Some bombs never exploded, and have sat dormant on these lands for several years. Even worse, the Navy never warned State officials or the public of the potential danger.

Mr. Speaker, a mother doesn't let her child play with matches. Perhaps this Congress should keep the Navy from playing with explosives for the same reason.

ADMINISTRATION SHOULD EXERT LEADERSHIP FOR FREE WORLD

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, as the Berlin Wall and the Iron Curtain get reduced to a mere speed bump, the time has come for bold action by the President. We have not seen such bold action.

Today I am sending the President a letter recommending that we propose to reduce our troops in Europe and they reduce theirs on the Eastern bloc side. I think that would make everything much healthier.

We saw today the French are no longer going to wait for the United States to decide to leave. They are going to move forward and leave.

Mr. Speaker, we just saw on this House floor what kind of leadership the President is engaged in as members of his party moved literally to stop both Labor-HHS and District of Columbia appropriations from coming to this floor over the issues of rape and incest.

I think we look very silly and the world must be laughing at us as we tie ourselves in knots and threaten to stop the entire Government on those issues, and are missing the whole arena where we should be playing. We should be exerting our leadership for the free world.

THANK YOU, RONALD REAGAN: WITHOUT YOU IT NEVER WOULD HAVE HAPPENED

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, isn't it funny that while liberals in this Congress and in the media are trying to rub out every trace of the Reagan years, millions of people all over Eastern and Central Europe are reaping the benefits of the Reagan vision.

Mr. Speaker, we ought to view the recent events in Berlin against the backdrop of President Reagan's 1987 speech, in which he challenged Mikhail Gorbachev to tear down that Berlin Wall.

Mr. Speaker, that speech was reprinted in last Friday's Wall Street Journal, and I hope you all saw it.

My colleagues, some of you will rush to say that dismantling of the Berlin Wall, and other signs of perestroika, refute Mr. Reagan's description of the Soviet Union as the "evil empire." If so, then you know nothing about cause and effect, in this case, between Mr. Reagan's statements, his defense buildup, his liberation of Grenada, his bombing of Libya, his deployment of intermediate range missiles, and the retreat of communism all over the world.

Mr. Speaker, on behalf of those slaves of communism who are now enjoying a measure of freedom, let me say "thank you Ronald Reagan." Without you, it never would have happened.

PASS COP KILLER DEATH PENALTY BILL

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, yesterday a prisoner by the name of Tony Harrison in New York was taken to a district attorney's office in Queens. He was there to discuss a plea bargain. He is a suspect for murder and had once bit off the ear of one of his girlfriends. Pretty rough customer.

While he was there, he stole a gun from a police locker. When he was being transported back by two detectives, he brought out the gun, he ordered them to pull to the side of the road, and he then methodically executed them both, shooting them in the back of the head.

Why not? Statistically a cop killer is back on the street in America in less than 6 years. Every second day a police officer is killed in America.

Congress should start protecting the rights of innocent people and victims and stop worrying about murderers like Harrison. It is time to pass a cop killer death bill and a death penalty bill for anybody who murders American citizens.

PROMOTE EXPORTS AS A NATIONAL PRIORITY

(Mr. RIDGE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIDGE. Mr. Speaker, I had the opportunity to participate recently in a trade forum sponsored by the National Association of Manufacturers. I also had the good fortune of sharing the podium with Fred Bergsten, a former Treasury official and now director of the Institute for International Economics. During our discussions, Mr. Bergsten laid out a frightening scenario for the future of America's international economic position. It is one we should not take lightly.

The news is not good. Based on current policies, Mr. Bergsten predicts a steady increase in our trade deficit to

over $200 billion by 1992. That's right, $200 billion—a sum that is as unthinkable as it is unsustainable.

This scenario is not inevitable and it need not be self-fulfilling prophecy. We have that ability to halt a deterioration in our trade posture. This nation has the tools to turn the trade numbers around. The key in a word is exports.

For it is exports that have been the very strength behind our progress to date in trade deficit reduction. It is exports that have come to be an important factor in economic growth and job expansion. It is exports that can make America the truly competitive trading nation that it needs to be.

My colleagues, we must get about the serious business of promoting exports as a national priority. The choice is ours.

IN SUPPORT OF VOLUNTARY FAMILY PLANNING

(Mr. McHUGH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McHUGH. Mr. Speaker, while I have supported a woman's right to choose abortion, I have opposed the expenditure of Federal Funds to pay for abortions unless the mother's life is in jeopardy.

Later this afternoon we will vote on a motion that some may characterize as a vote to fund abortions. It's not that at all. The motion, if passed, will appropriate a $15 million U.S. contribution to the United States Fund for Population Activities [UNFPA]. UNFPA is the largest provider of voluntary family planning services in the world. UNFPA does not fund abortions, and none of the funds we are recommending for UNFPA can be used for abortions. In fact, the programs it funds are alternatives to abortion.

Some opponents of the motion will claim that our contribution to UNFPA will fund family planning activities in China. That is also not true. None of our funds can be used in China, nor will they free up other funds for use in that country.

I therefore urge my colleagues to support the motion to fund UNFPA. It is not a vote on abortion or on China. It is, rather, a vote to support alternatives to abortion in countries other than China.

VOTE TO RESTORE U.S. CONTRIBUTION FOR UNFPA

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, I urge my colleagues to vote today to restore the U.S. contribution to the United Nations Fund for Population Activities [UNFPA]. The conference agreement earmarks $15 million for this vital voluntary family planning organization. The United Nations Fund for Population Activities provides family planning services to over 140 developing nations, 90 of which have populations expected to double over the next 30 years. In last year alone, the world's population grew by 92 million.

This funding issue has nothing to do with abortion—UNFPA has never funded abortions in any of its programs. Instead, its population programs have resulted in fewer abortions, as a result of its education efforts in birth control, health care, and other solutions. In addition, none of the $15 million can be used in China. The United States contribution will not even result in indirect funding for China.

In view of our most serious world population problems, it is imperative that we support voluntary international family planning programs. These efforts save lives, and contribute substantially to population control by providing women who want assistance to limit the size of their families.

UNITED STATES MUST LEAD IN EASTERN EUROPE

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, as the son of Slovak and Croatian parents, I've attended lodge meetings, banquets, and annual ceremonies for over 40 years during which the Soviet Union's actions to deprive whole nation's of their basic rights were decried.

Recent events in Eastern Europe were but hollow dreams.

But dreams have become tangible as Eastern Europe awakens from the long night of Soviet oppression.

We must not lose this opportunity. The United States must lead.

As Representative LEE HAMILTON said in a speech, last month, "The President should not just await Gorbachev's next dramatic gesture, but should himself exercise leadership." The greater risk for U.S. policy is not that it will be too bold, but not bold enough.

In Eastern Europe we must not lose this awesome historical opportunity. We are beginning to achieve the goals there that we have sought since 1945—free elections, free markets, and free countries.

We have compelling interest that requires the leadership of President Bush.

Mr. President, history is in the making. Be a player, not a spectator.

PASS BALANCED BUDGET AMENDMENT

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, sometime this week the House is said to take up the issue of ethics reform, also involving a pay adjustment for Members of Congress. We also are witnessing the fact that this Nation this year authorized the national debt to exceed over $3 trillion.

One of the ways I think we can indicate to the American people that we are deserving of an adjustment of our compensation is to pass the balanced budget amendment to the Constitution which would require that we have a balanced budget, currently offered by 243 of our colleagues.

□ 1240

I firmly believe that if we can produce 300 Members of this House to adjust our compensation, we should be able to produce 300 Members of the House to pass a balanced-budget amendment of the Constitution, which is supported by three-fourths of the American people.

If the Congress approves the constitutional amendment for the balanced budget, this Member would then be inclined to support the adjustment of our compensation.

I intend to go to the Rules Committee to get an amendment in order which would condition the adjustment of our compensation on the production by Congress of a balanced-budget amendment to the Constitution.

THE ISSUE IS FAMILY PLANNING

(Mrs. BOXER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOXER. Mr. Speaker, today we have a chance to come together to prevent abortions worldwide. What an opportunity we have from all sides of the issue to come together and support the Senate language and concur with the Senate that we can finally begin making a contribution again, albeit a small one, to the U.N. Population Fund. By teaching family planning all over the world, we will save countless lives in 120 countries.

Now, not 1 penny of the United States contribution may go to China. It is very clearly stated. It may not go for abortion, it may not go to China.

So for those who use that argument, it is a completely phony issue. I would urge my colleagues to read the language.

The issue is family planning. If you are for preventing abortions, please let us come together on all sides of this issue, Republicans and Democrats, and

support the motion to recede and concur to the Senate language.

FROM YALTA TO MALTA

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, what exciting times to think that we are alive to see the time when the East bloc Communist countries may castrate Castro and thereby make eunuchs of the Ortega brothers.

Will the East bloc cut off his trade? Well, Castro, in the paper yesterday, says that he is very, very sad. He says what is happening in the other socialist nations can cause serious difficulties for Cuba.

Around the fringes of the Communist empire people are still dying. The bullets that Mr. Gorbachev authorized to go to Cuba last year and Cuba sent them to Nicaragua and Nicaragua pumped them up to the FMLN in El Salvador, the net result is 300 dead people.

Yalta-schmalta, if our President does not bring up this murder on the edges of the decaying and dying Soviet Union, Mr. Speaker, then Malta will be no more than Yalta.

Look at this great front page, Mr. Speaker. I never thought I would live to see it.

Hallelujah, hallelujah.

UNFPA DOES NOT FUND ABORTIONS

(Mr. ATKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ATKINS. Mr. Speaker, later today the House will consider the conference report to the Foreign Operations appropriations bill, which sets aside $15 million for the United Nations fund for population activities. Some will insist that this is an abortion vote and that a vote of UNFPA funding is a vote for coercive family planning practices in China. They are wrong on both counts.

The issue before us today is family planning, not abortion. UNFPA does not fund abortions.

Its guidelines specifically preclude such finding. None of UNFPA's assistance is used for abortion services and no United States money goes to family planning programs in China.

The UNFPA has never been found to participate in coercive family planning practices in China or anywhere else.

The U.S. Agency for International Development, which administers family planning assistance, went looking for proof that UNFPA took part in coercive practices, but it had to admit that it could not find it.

DEPARTMENT OF LABOR AUDITS OF 1,533 PENSION PLANS

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, I bring to the attention of my fellow colleagues here the recent audit by the Department of Labor of 1,533 American pension plans. There are violations in 492 of these pension plans, almost one-third. The Government is the final insurer of many of these private pension plans. If these pension plans go bust, taxpayers have to pay for it, just like the S&L crisis, just like the HUD crisis.

I am providing a warning today to my colleagues that the Department of Labor has provided us warnings about the American pension plan violations. Let us not ignore them. The cost to American taxpayers and to our economy could be staggering.

WE NEED TO BE WATCHING ROMANIA

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, Romania is one of the last Stalinist bastions in the Warsaw Pact. Last week we watched in amazement the opening of the Berlin Wall in East Germany. In Romania, meanwhile, the regime of Nicolae Ceausescu was trying desperately to suppress the news of this historic event by not reporting it and cutting off telephone lines to Bucharest.

The Ceausescu regime's export of basic food staples has caused severe food shortages. The destruction of churches and entire villages continues. Human rights abuses are directed against the few outspoken dissidents, religious believers, and members of Romania's Hungarian minority. Religious repression alone covers a litany of recent abuses: several Romanian Orthodox priests have faced severe beatings, and at least one has been killed, at the hands of plainclothes securitate agents; a Hungarian reformed pastor has been attacked and threatened with removal to a remote village; the congregation of a Baptist church bulldozed last May remains under heavy pressure from authorities; the Eastern Rite Catholic Church remains outlawed altogether.

What about Romania, Mr. Speaker? In Bulgaria, the aging Communist leader has been replaced following public protests. Massive demonstrations have taken place in Czechoslovakia. But Romania, plagued with starvation, repression, and all pervasive despair, finds its aspirations comatose under the rubble. The regime holds the line on dissent and stops all attempts to create organized opposition groups. The dictator Ceausescu treats the whole Romanian nation and the country's resources as his personal belongings. He has flouted the United Nations Human Rights Commission, the Helsinki human rights process, and direct United States appeals.

The Romanian people have been betrayed by a regime that once enjoyed most-favored-nation status from the United States when its Warsaw Pact allies were perceived as the East block scourges.

Mr. Speaker, we need to be watching Romania.

Mr. Speaker, the administration, Congress, and the free world should focus attention back on Romania.

THOSE REMARKABLE EVENTS IN EASTERN EUROPE

(Mr. LAUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAUGHLIN. Mr. Speaker, it is a pleasure to speak to the remarkable events in Eastern Europe, in particular, the destruction of the Berlin Wall.

It is also my fervent wish that the United States play a role in deciding the new future of Europe.

In fact, history tells us that we must play a role.

Last week, I helped dedicate a statue of a doughboy in my district, and the lessons from that time were obvious.

American soldiers were called upon to end World War I, and they did.

President Woodrow Wilson opposed the harsh measures in the Versailles Treaty, but he was ignored. We lost the peace.

Twenty years later, Adolph Hitler unleashed World War II, and again American GI's were called on to put Europe's house in order, and they did.

Mr. Speaker, America must have a voice in shaping the peace, or else we all know that we will be called on again to win the war, at great cost and sacrifice.

I understand President Bush's desire to proceed with caution, but America must have a place at the table now.

We must put forth our vision of the future now.

Because we know that if our voice is not heard, and the new solution to Europe fails, America will be called on again to restore order.

The time for leadership is now.

And I think I speak for the generations of America's veterans when I urge a strong role for America in shaping the peace.

□ 1250

THE KEMP-KASTEN-INOUYE LAW SETS UP A TEST

(Mr. SMITH of New Jersey asked and was given permission to address

the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, Members should be aware, before they vote today, that the Kemp-Kasten-Inouye law that we seek to retain does not in and of itself deny the U.N. population fund, or any organization, from receiving funds. It does, however, set up an important test.

The test is this: No organization that supports or comanages coercive programs may be eligible for U.S. funds. Current law, which is the House position, then requires the President to make a determination as to whether or not the anticoercion criterion applies. If it does and the President determines that an organization comanages or supports coercion, that organization then becomes ineligible for U.S. funds.

Based on the evidence, Mr. Speaker, the U.N. population fund has been found in violation. Starting in 1985, and each year since, the President through the USAID, after a great deal of study and investigation, has determined that UNFPA has clearly violated the law, the anticoercion law, and thus rendered itself ineligible for U.S. contributions.

MAKING FAMILY PLANNING AVAILABLE TO THE POOREST COUNTRIES IN THE WORLD

(Mr. LEHMAN of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEHMAN of Florida. Mr. Speaker, there has been so much disinformation about the issue of international family planning, but today, when we take up in the House the conference report on foreign operations appropriations, we will have an opportunity to vote for making available family planning services for men and women who voluntarily request them in the poorest countries of the world. In many sub-Saharan African countries where population and the diseases associated with famine and starvation are rampant, the United States has no bilateral family planning program. The only organization that works in these countries and in over 140 countries is the United Nations population fund.

Unfortunately, Mr. Speaker, due to allegations that abuses had occurred in rural areas of China, those who oppose family planning have punished the UNFPA because it continued to give assistance to China. Guilt by association is not the American way. The UNFPA provides a safe alternative for women who would otherwise use ineffective, even dangerous, birth control methods.

In the final analysis this is an amendment for the poorest women in the world and for child health in the Third World. Do not pay a phony China card to trump this program.

THE TREMENDOUS DEVELOPMENTS IN THE EASTERN BLOC ARE OVERSHADOWED BY WHAT IS HAPPENING IN EL SALVADOR

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, how wonderful it is that we were able to celebrate freedom weekend as we saw the Berlin Wall crumble. We also saw a number of other developments which have not gotten a great deal of play. Not everyone knows that in Lithuania the announcement was made that they are going to be changing their currency, moving away from the ruble. We saw the resignation of Todor Zhivkov in Bulgaria, and then just this morning we got the news that Czechoslovakia has announced that they are going to allow people to leave that country without visas.

Mr. Speaker, these are tremendous developments which we are seeing in the Eastern bloc, but tragically this has all been overshadowed by the developments in Central America and, of course, El Salvador, the news that over 300 people have been killed since we celebrated Veterans Day just in the last couple of days, clearly the worst battle over one weekend in the history of El Salvador.

It is obvious where all this has come from. I stood earlier this year over a huge cache of weapons which had come from actually munitions factory 13. They were produced in 1988 in Cuba. This flow of weapons has got to stop, and we must do everything that we can to support our important ally, the duly elected government of Alfredo Cristiani.

WHY NOT "GEORGE, GEORGE," INSTEAD OF "GORBY, GORBY"?

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, events are moving at breakneck speed in Eastern Europe. The mayors of East and West Berlin reached across breaches in the Berlin Wall to clasp hands. Democracy races across the barren wasteland of communism.

Exciting times, Mr. Speaker, but where is the United States? One and a half million East Germans take to the streets chanting, "Gorby, Gorby." The President meets with Mr. Gorbachev in a few weeks. This meeting off Malta may well be another Yalta. But are we prepared?

The United States must take a more active role. As Europe rearranges itself, the United States cannot sit idly by.

We know these winds of freedom blow from the United States 200 years of democracy, but history alone will not do it. President Bush must be more active now. When Eastern Europe is linking a tradition of freedom with a modern-day personality, I have to ask, "Why aren't those hundreds of thousands marching in the streets of Leipzig—why aren't they chanting, 'George, George' instead of 'Gorby, Gorby'?"

VOTING FOR UNFPA IS VOTING IN FAVOR OF COERCIVE ABORTION

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, today on the House floor we will discover how radical the agenda of the proabortionists really is. Today they will go much further than suggesting that their agenda consists of only doing something about rape and incest to victims. Today they will suggest to us that, at least insofar as the world is concerned, they are willing to countenance coercion abortions, and just in case my colleagues think this is an issue which is raised out of something other than whole cloth, I have before me information that relates to the aid review of what takes place within the Chinese program.

Mr. Speaker, what this indicates is that the kind of quality of assistance provided by UNFPA contributed significantly to China's ability to manage and implement a population program in which coercion was pervasive.

In other words, if my colleagues vote for funding for UNFPA, they are voting in favor of coercive abortion. I do not think that is a stand that this country should countenance in any way.

MR. BUSH AND MR. GORBACHEV SHOULD REMOVE TROOPS FROM EUROPE

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. APPLEGATE. Mr. Speaker, Jack Kennedy said that the most powerful force in the world is not the hydrogen bomb or the guided missile. It is man's eternal desire to be free.

Mr. Speaker, the desire for freedom has torn down many barriers over the years, and it is now tearing down walls. Eastern Europe is crying out to be free. The doors opened, the wall is coming down, and, yes, there are some skeptics. There are people who say,

"Well, I don't trust the Communists," and this and that, but we do not have any choice, and we ought to be thankful that Gorbachev is there.

Mr. Speaker, we have got to start worrying when Gorbachev is not there, but the people's momentum is there, and I think that when Mr. Bush and Mr. Gorbachev meet there should be momentum to the degree that they should talk about this peace in Europe. They should talk about helping to set people free, to breaking all barriers, and one way they can start is by both sides removing all troops from Europe.

SUPPORT VOLUNTARY FAMILY PLANNING

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOSTMAYER. Mr. Speaker, we will, later this afternoon, take up the conference report on the foreign aid appropriations bill.

When we do, Chairman OBEY will offer a motion to recede and concur with a Senate provision appropriating $15 million to the United Nations population fund, or UNFPA.

The Senate language provides that these funds shall be held in a special segregated account in order that they not go to China, whose population program has been the subject of serious allegations.

This is similar to the method by which U.S. funds are provided to the United Nations relief and works agency for relief work on the West Bank while being withheld from the PLO.

None of these funds will go to China. Not a single dime, Mr. Speaker, further, the Helms language prohibiting any U.S. funds from being used for abortions remains in the law and in force. This vote is not about China or its controversial population program. It is about providing voluntary family planning assistance to the poorest women in the Third World.

WE NEED TO DEVELOP A STRATEGY FOR THE MEETING BETWEEN BUSH AND GORBACHEV

(Mr. HOAGLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOAGLAND. Mr. Speaker, we are truly witnessing extraordinary events around the world. We are seeing in our lifetime, we are seeing in this year, the collapse of Stalin's empire, the empire Stalin so diligently put together over 40 years ago, and we in America can be proud of what is happening now because without our stalwart defense of freedom in Europe in the last 40 years these events very likely would not be happening.

But we also have to capitalize; no pun intended, on these events to be sure that we do not have a return to communism in these countries to be sure that these Eastern European countries are indeed successful in establishing democratic institutions permanently, and in order to do that we clearly need leadership. We need leadership from the United States. We need to develop a comprehensive strategy for assuring that these changes in Eastern Europe are permanent.

Most of all, Mr. Speaker, we need to develop a strategy for the meeting between the President and the General Secretary early next month because, unless we are fully equipped with a well-thought-through proposal, yes, we could be taken to the cleaners at that meeting, and we do not want that to happen.

□ 1300

A TRIBUTE TO LILLIAN HART

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, last Thursday night 230 Kentuckians attended a retirement dinner to honor Mrs. Lillian Hart of Falmouth, KY. Mrs. Hart, a very talented, efficient and attractive lady, has served for the past 8½ years as Kentucky's State director of the Agricultural Stabilization and Conservation Service.

I had planned to be among those paying tribute to Mrs. Hart last Thursday night in Lexington, KY, but I could not miss the final votes in this Chamber on the oilspill liability bill late Thursday afternoon.

Lillian Hart, who has served in various ASCS positions in Kentucky over a 30-year period, was the first female ASCS district director in the United States, representing 12 northern Kentucky counties.

Lillian Hart was the second female ASCS State director in the Nation when she was appointed in early 1981.

Lillian Hart, in her third term as State ASCS director, served longer than any State director in Kentucky history.

In 1986, here in Washington, DC, Lillian Hart was awarded the Distinguished Service Award, one of only eight presented that year nationwide. It was pointed out at that ceremony that Lillian Hart, over 20 years, had averaged traveling 100 miles a workday serving ASCS and the many Kentuckians she assisted.

It's obvious I admire Lillian Hart. But so do thousands of Kentuckians who know this outstanding public official.

Best of everything to Lillian Hart as she begins to enjoy retirement and a lighter schedule.

EL SALVADOR NO LONGER A COUNTRY, BUT A BATTLEFIELD

(Mr. MOAKLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOAKLEY. Mr. Speaker, El Salvador is no longer a country, it is a battlefield.

The latest news accounts estimate that there have been over 400 deaths as a result of the most recent fighting and there seems to be no end to the violence.

That means more tragedy, more suffering and more pain, for the people of El Salvador.

Mr. Speaker, 3 weeks ago this House overwhelmingly passed a bill I sponsored that would temporarily halt the deportation of Salvadoran nationals currently in the United States. Similar legislation is now pending before the Senate.

Today, in light of the escalated violence, I again call upon the administration to use its discretionary powers, and promptly halt Salvadoran deportations.

Failure to provide protection to the war refugees from El Salvador—could very well mean adding to the death toll.

We must act now. Lives are literally in the balance.

CONDEMNING VIOLENT AND BLOODY MILITARY OFFENSIVES IN EL SALVADOR

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, I rise today to condemn the violent and bloody military offensives begun over the weekend by the Marxist guerrillas in El Salvador and which are continuing today. These actions taken against the democratically elected Government of El Salvador represent a dangerous threat to the prospects for a negotiated settlement to that country's civil war and deserve only our contempt.

The most recent reports of those killed run as high as 340, including an American teacher, and over 400 wounded. These military actions reveal, once again, that the FMLN is a desperate and violent organization that hopes to achieve through terror in the cities what it cannot achieve at the ballot box.

Mr. Speaker, as we condemn the FMLN, we should also take this opportunity to convey support to the Cristiani government, which appears, so

far, to be handling the situation with considerable restraint. It is because of incidents such as these, Mr. Speaker, that we should continue our current policy of supporting President Cristiani as long as he attempts to bring El Salvador out of its present mess and negotiate with the FMLN.

These provocations also strengthen the argument that we should continue our efforts to train El Salvador's security forces to respond with professionalism and restraint in the face of these extreme provocations.

Mr. Speaker, El Salvador is a fragile democracy under siege by extremes of both the right and the left. As long as the Government of El Salvador proves it is worthy of our support, we should offer our firm commitment to President Cristiani and demand that the FMLN stop shooting and start negotiating.

BEHIND THE HEADLINES

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, the third quarter figure on umemployment released by the Government last week was headlined in the Washington Post "Jobless Rate Held Steady in October at 5.3 Percent." Hooray.

However, when one reads farther into the article, it is obviously unexpected that the economy is doing that well and the reporter writes the "surprising economic strength" is for "continued local government hiring for the school year." And that "automobile manufacturing led the overall decline in the industrial sector."

Also, it is reported that "unexpected job growth and persistent wage inflation" will keep "the Federal Reserve from immediately easing its hold on credit, which in turn would have triggered lower interest rates."

The real downer is in the last paragraph which points out that the goods-producing sector lost 3,000 jobs in the quarter offset by modest gains in mining and construction softening the effect of a 13,000 drop in manufacturing employment.

This followed a revised drop of 88,000 factory jobs in September alone. In the last 5 months, the durable goods sector has lost more than 150,000 jobs.

Mr. Speaker, I think the headline writer should have more appropriately titled this story, "The U.S. Moves Ever Closer to Becoming the Servants of the World."

HELP FOR BANGLADESH

(Mr. MOODY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOODY. Mr. Speaker, when I went to Bangladesh in 1961 with the Peace Corps, the population of that country was 45 million people, approximately tenfold that of my own State of Wisconsin with the same geographic square mile area.

Today the population of Bangladesh is approximately 110 million people, living in a state of virtual starvation, with the population size regulated only by weather and food supply, a kind of Malthusian existence. We have a chance to help relieve that problem here in that country and in many other countries today by restoring funds for the United Nations family planning activities.

That vote today to recede to the Senate language is not about two things. It is not about abortion, because the Helms language segregating any U.S. funds from any abortion activities still holds, and it is not about China, because all moneys under that would be totally separate from anything going to China; but it is about alleviating starvation, misery; it is about preventing abortion and that is also very important because most abortions, in fact, take place when there is no access to family planning.

So Mr. Speaker, help us prevent untold misery around the world by restoring these funds to that agency.

THE NEED FOR FAMILY PLANNING IN POVERTY STRICKEN COUNTRIES

(Ms. SLAUGHTER of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SLAUGHTER of New York. Mr. Speaker, in the year since the United States has restricted the ability of family planning information to be given to poor women throughout the world, tens of thousands of them have died with unsafe medical procedures. Millions of children live below the poverty line, with an age expectation of not much above 5.

Those women would have been alive today had family planning information been available to them. We can stop that today.

CONFERENCE REPORT ON H.R. 2939, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1990

Ms. SLAUGHTER of New York. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 288 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H.J. RES. 288

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report on the bill (H.R. 2939) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1990, and for other purposes, and all points of order against consideration of the conference report for failure to comply with the provisions of clause 2 of rule XXVIII are hereby waived. All points of order against the motions printed in the joint statement of the managers to dispose of Senate amendments numbered 22, 23, 44, 69, 122, 201, 289, and 295 for failure to comply with the provisions of clause 7 of rule XVI are hereby waived.

The SPEAKER pro tempore (Mr. LEVIN of Michigan). The gentlewoman from New York [Ms. SLAUGHTER] is recognized for 1 hour.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield the customary 30 minutes, for the purposes of debate only, to the gentleman from New York [Mr. SOLOMON], and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 288 provides for the consideration of the conference report on H.R. 2939, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1990.

This resolution waives clause 2 of rule XXVIII, which prohibits consideration of conference reports until the third day after the report has been printed in the CONGRESSIONAL RECORD. The waiver will allow the House to expeditiously consider this important measure.

In addition, the rule waives clause 7 of rule XVI, prohibiting nongermane amendments, against motions to dispose of specified amendments reported from the conference in disagreement. Without this waiver, motions to dispose the Senate amendments numbered 22, 23, 44, 69, 122, 201, 289, and 295 might be ruled out of order because language in the House amendments is not germane to the Senate amendments. These amendments in disagreement provide aid to Poland and Hungary and implement the recent agreement on antidrug funding.

The conference report on H.R. 2939 appropriates $14.6 billion to conduct the foreign assistance programs of the United States. These include bilateral programs to support nations of strategic and political importance to the United States, as well as multilateral assistance disbursed through international organizations. Our foreign assistance programs, while less than 2 percent of the fiscal year 1990 budget, enable the United States to strengthen our allies and friends around the world, promote democratic institutions, and assist with the development needs of the world's poorest people. H.R. 2939 also includes funding for those persecuted in their native countries who are seeking a better life here in the United States. All of these pro-

grams are critical to the implementation of American foreign policy.

Mr. Speaker, today we are 45 days into the 1990 fiscal year. As lawmakers we have a responsibility to act as expeditiously as possible on this and other overdue appropriations measures. This rule will allow the House to consider this important conference report, while protecting Members' rights to debate and vote on its provisions. I ask my colleagues to support the rule so that we may proceed with consideration of the merits of this legislation.

□ 1310

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join the gentlewoman from New York in supporting this rule, which will facilitate the immediate consideration by the House of the conference report on H.R. 2939. This conference report authorizes fiscal year 1990 appropriations for foreign operations, export financing, and related programs.

Mr. Speaker, I support this rule because we have reached the point in the year when general appropriations bills are overdue and such legislation must be brought to the floor immediately if we are to avoid the embarrassment of still being in session when Santa Claus makes his appointed rounds.

Members of the House, the waivers contained in this rule apply to eight provisions with which the House is in technical disagreement with the Senate. The germaneness rule is being waived—and the House will be in the position of being able to recede to the Senate position, in some cases with a further amendment of our own, on issues involving international antidrug efforts and aid to Poland and Hungary.

Mr. Speaker, I normally would oppose waivers of this type, but, under these circumstances, they are necessary to move the process forward. And so I urge support of this rule.

Having said that, Mr. Speaker, I must advise Members back in their offices, that there are at least two serious problems with this conference report, problems serious enough to imperil the bill altogether. The administration is threatening a veto if either amendment 17 and/or amendment 255 stay in this conference report.

Amendment 17—with which, I would point out, the House is in technical disagreement with the Senate, provides $15 million in funding for the U.N. population fund. The amendment provides further, maybe I should say legislates further than the U.N. population fund is to keep these funds in a separate account and none are to be used in support of programs in mainland China.

This provision is, of course, a figleaf to cover the U.N. population fund's continuing complicity in the coercive population planning policies of the People's Republic of China, policies which feature millions of coerced abortions and which encourage such atrocities as female infanticide. Given the fact that the House is in disagreement with the Senate on this point, Members will have an opportunity to make a motion against receding to the Senate position in support of amendment 17.

The second problem which puts this bill at risk of veto is amendment 255. I think we should all pay attention to this. This provision is a new variation of the so-called Moynihan amendment, and it prohibits executive branch officials from undertaking activities to obtain support from non-American sources for policies or purposes which are prohibited under U.S. law.

In other words, to use an example, if U.S. law were to prohibit aid and investment to some country, either, let us say, because it is Communist or because it has defaulted on loans from the United States, our executive officials would be prohibited from encouraging some other country which receives U.S. aid from helping the country in question, even if providing that help was in our interest as well.

This, of course, is not the real intent of amendment 255. What this amendment is getting at is yet another nitpicking, unenforceable attempt by Congress to control the executive branch on the issue of Central America. We might call this amendment the great-great grandson of the Boland amendment because it does the exact same thing. There have been so many generations and variations on this theme, I have lost count.

Mr. Speaker, the intent may be concerning Central America, but amendment 255 is worded so loosely as to have a very dangerous and potentially chilling effect on the conduct of U.S. diplomacy generally, and it most certainly would have a devastating effect on the ability of any President of the United States to carry out his consitutional duty to conduct foreign policy.

As a part of our mania for mismicromanagement, this amendment would apply to all acts of executive branch personnel whether these acts are done in an official capacity or not. In short, Mr. Speaker, amendment 255 is unworkable, and it represents a crude slap in the face of this new administration which has tried so hard to cooperate with Congress on sensitive foreign policy issues.

For this reason, I cannot support passage of the conference report; if necessary, at the appropriate time I, or other Members, will offer a motion to recommit with instructions to knock out the Moynihan amendment No. 255.

Members should be advised again that we are running the risk of having this conference report vetoed if we do not clean it up. Let me tell the Members something else, and I think they all ought to pay attention to this: If this conference report goes ahead and the President vetoes this appropriation bill, and if he vetoes the bill coming right after it, the State Department authorization bill, my friends, we can kiss Thanksgiving goodbye, and we will be here in December singing Christmas Carols to each other.

Keeping that in mind, my colleagues, I urge support for this rule that is before us today even though it has some drawbacks. I think we ought to get right to the consideration of the bill.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I think the President should veto this bill, not for the provision that was discussed earlier by the fine Member from New York, but simply because we here in America are having our family home foreclosed upon, and we are paying the rent bills of our neighbor.

In the last 10 years we have cut housing, education, revenue sharing, urban development action grants, Medicare, school lunches, Head Start, legal services, research and development. We have roads and bridges falling apart, we have water lines in our great cities that need repair, we have sewers that are ruptured, and we do not know what to do with our toxic wastes. We have trash problems on barges and railroad cars transported all around the country. No one has the money to take care of it.

No one wants to handle the problems, and we are spending now $14.6 billion in foreign aid. What bothers me though is we had a little bit of a cut when this authorizing bill came out of the House. The other body not only put that money back in, they added another $200 million. This turkey is $359 million more than it was.

If we really want to talk about foreign aid, there is a good article in the paper today. Ferdinand Marcos' skyscraper in New York was sold at auction for $77 million. Americans bought back a skyscraper from the Marcos estate that Marcos bought with foreign-aid money that was supposed to go to the Philippines, and that is about the bottom line around here.

□ 1320

We have got a country going bankrupt. Right now we are on automatic pilot. Everybody is trying to figure where to get the money, and we are adding more money in here for foreign aid.

I think it is time that Congress cuts the NATO subsidy, starts cutting foreign aid, and takes care of America first. I know there are not too many Members listening to me around here. That is evident by the way they vote.

So I think President Bush should veto this bill, not because of the family planning element, but because it is time we start earmarking and making a priority out of America first. How about some aid to Cleveland? Pittsburgh? Los Angeles? New York?

Mr. SOLOMON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. (Mr. LEVIN of Michigan). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and made the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 362, nays 45, not voting 26, as follows:

[Roll No. 349]

YEAS—362

Ackerman	Campbell (CA)	Eckart
Akaka	Campbell (CO)	Edwards (CA)
Alexander	Cardin	Edwards (OK)
Anderson	Carper	Emerson
Andrews	Carr	Engel
Annunzio	Chandler	English
Anthony	Chapman	Erdreich
Applegate	Clarke	Espy
Aspin	Clay	Evans
Atkins	Clement	Fascell
AuCoin	Clinger	Fawell
Baker	Coleman (MO)	Fazio
Barnard	Coleman (TX)	Feighan
Bartlett	Collins	Fish
Bateman	Condit	Flake
Bates	Conte	Foglietta
Beilenson	Conyers	Ford (MI)
Bennett	Cooper	Frank
Bentley	Costello	Frost
Bereuter	Coughlin	Gallo
Berman	Courter	Gaydos
Bevill	Coyne	Gejdenson
Bilbray	Crockett	Gephardt
Bilirakis	Darden	Geren
Bliley	Davis	Gibbons
Boehlert	de la Garza	Gillmor
Boggs	DeFazio	Gilman
Bonior	Dellums	Gingrich
Borski	Derrick	Glickman
Bosco	DeWine	Gonzalez
Boucher	Dickinson	Goodling
Boxer	Dicks	Gordon
Brennan	Dingell	Goss
Broomfield	Dixon	Gradison
Browder	Donnelly	Grandy
Brown (CA)	Dorgan (ND)	Grant
Bruce	Downey	Gray
Bryant	Durbin	Green
Buechner	Dwyer	Guarini
Bustamante	Dymally	Gunderson
Byron	Dyson	Hall (OH)
Callahan	Early	Hall (TX)
Hamilton	McDermott	Saiki
Hammerschmidt	McEwen	Sangmeister
Harris	McGrath	Sarpalius
Hastert	McHugh	Savage
Hatcher	McMillan (NC)	Sawyer
Hawkins	McMillen (MD)	Saxton
Hayes (IL)	McNulty	Schaefer
Hayes (LA)	Meyers	Scheuer
Hefley	Mfume	Schiff
Hefner	Michel	Schneider
Hiler	Miller (CA)	Schroeder
Hoagland	Miller (OH)	Schuette
Hochbrueckner	Miller (WA)	Schulze
Houghton	Moakley	Schumer
Hoyer	Mollohan	Sharp
Hubbard	Montgomery	Shaw
Huckaby	Moody	Shays
Hunter	Morella	Sikorski
Hutto	Morrison (CT)	Skaggs
Hyde	Morrison (WA)	Skeen
Inhofe	Mrazek	Skelton
Ireland	Murphy	Slattery
Jacobs	Murtha	Slaughter (NY)
James	Myers	Slaughter (VA)
Jenkins	Nagle	Smith (FL)
Johnson (CT)	Natcher	Smith (IA)
Johnson (SD)	Neal (MA)	Smith (NE)
Johnston	Neal (NC)	Smith (NJ)
Jones (GA)	Nelson	Smith (TX)
Jones (NC)	Nielson	Smith, Denny (OR)
Jontz	Nowak	
Kanjorski	Oakar	Snowe
Kaptur	Oberstar	Solarz
Kasich	Obey	Solomon
Kastenmeier	Olin	Spence
Kennedy	Ortiz	Staggers
Kennelly	Owens (NY)	Stallings
Kildee	Owens (UT)	Stangeland
Kleczka	Oxley	Stearns
Kolbe	Pallone	Stenholm
Kolter	Panetta	Stokes
Kostmayer	Parker	Studds
Kyl	Parris	Sundquist
LaFalce	Pashayan	Synar
Lagomarsino	Patterson	Tallon
Lancaster	Paxon	Tanner
Laughlin	Payne (VA)	Tauke
Leach (IA)	Pease	Taylor
Lehman (CA)	Pelosi	Thomas (GA)
Lehman (FL)	Penny	Thomas (WY)
Lent	Perkins	Torres
Levin (MI)	Pickett	Torricelli
Levine (CA)	Pickle	Towns
Lewis (GA)	Poshard	Traxler
Lipinski	Price	Unsoeld
Livingston	Pursell	Valentine
Lloyd	Quillen	Vento
Long	Rahall	Visclosky
Lowery (CA)	Rangel	Volkmer
Lowey (NY)	Ravenel	Vucanovich
Luken, Thomas	Ray	Walgren
Lukens, Donald	Regula	Walker
Machtley	Rhodes	Walsh
Madigan	Ridge	Watkins
Manton	Rinaldo	Waxman
Markey	Ritter	Weber
Marlenee	Roberts	Weldon
Martin (IL)	Robinson	Wheat
Martin (NY)	Rogers	Whittaker
Martinez	Ros-Lehtinen	Whitten
Matsui	Rose	Williams
Mavroules	Rostenkowski	Wilson
Mazzoli	Roth	Wise
McCandless	Roukema	Wolf
McCloskey	Rowland (CT)	Wolpe
McCollum	Rowland (GA)	Wyden
McCrery	Roybal	Wylie
McCurdy	Russo	Yates
McDade	Sabo	Yatron

NAYS—45

Archer	Frenzel	Rohrabacher
Armey	Gallegly	Sensenbrenner
Ballenger	Gekas	Shumway
Brown (CO)	Hancock	Shuster
Bunning	Hansen	Smith (VT)
Coble	Henry	Smith, Robert (NH)
Combest	Herger	
Craig	Holloway	Smith, Robert (OR)
Crane	Hopkins	
Dannemeyer	Lewis (CA)	Stump
DeLay	Lewis (FL)	Thomas (CA)
Dornan (CA)	Lightfoot	Traficant
Douglas	Moorhead	Upton
Dreier	Packard	Young (AK)
Duncan	Petri	Young (FL)
Fields	Porter	

NOT VOTING—26

Barton	Horton	Sisisky
Brooks	Hughes	Spratt
Burton	Lantos	Stark
Cox	Leath (TX)	Swift
Flippo	Mineta	Tauzin
Florio	Molinari	Udall
Ford (TN)	Payne (NJ)	Vander Jagt
Garcia	Richardson	Weiss
Hertel	Roe	

□ 1338

Mr. LAUGHLIN changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1440

Mr. OBEY. Mr. Speaker, pursuant to the provisions of House Resolution 288, I call up the conference report on the bill (H.R. 2939) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1990, and for other purposes.

The Clerk read the title of the bill.

Mr. OBEY. Mr. Speaker, I ask unanimous consent that the joint statement of the managers be read in lieu of the report, and that the conference report be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. LEVIN of Michigan). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

(For conference report and statement, see proceedings of the House of Monday, November 13, 1989, at page 28571.)

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. OBEY] will be recognized for 30 minutes and the gentleman from Oklahoma [Mr. EDWARDS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. OBEY].

GENERAL LEAVE

Mr. OBEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and that I may include tabular and extraneous material on the conference report on H.R. 2939, now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. OBEY. Mr. Speaker, I yield myself 17 minutes.

Mr. Speaker, before I begin the descriptioned bill, I would simply like to express my appreciation to the committee staff, both the committee corps staff, the associate staff, staff on both sides of the aisle, as well as a number of agency staff, especially Bob Lester from the Agency for International De-

velopment who helped with the technical work necessary to bring this bill before Members today. I would especially like to thank our staff, Lori Maes, Georgia Sambunaris, Bill Schourch, Mark Murray, Mike Marek, and Terry Peel. I would also like to express my appreciation to all members of the subcommittee, particularly the gentleman from New York [Mr. McHUGH] on our side of the aisle who has always spent a great deal of time on this bill, and the gentleman from Oklahoma [Mr. EDWARDS], the ranking Republican on the bill, who has worked with members very closely and very professionally.

Mr. Speaker, this bill is a bill which any Member can vote for. It cuts $514 million from the President's request. It contains new initiatives to provide assistance to Poland and Hungary to the tune of $533 million. It largely has resisted the budget gimmicks which the Senate added to the bill which would have added seriously to our budget problems for next year. There will be a straight vote on the amendment which relates to the United Nations' Population Control Program, and we can debate that later.

I would simply like to make two points in support of the conference report today. First of all, this bill is aimed at carrying our moral weight in attacking some of the incredible conditions of human poverty and wretchedness around the world; but in reality, this bill can do very little, so long as the Third World debt crisis continues to hang over the heads of the world economy.

There is an item in this bill which relates directly to that question. The administration asked the committee to provide $90 million in paid-in capital, and $2.2 billion in callable capital for the hard loan windows at the World Bank. Any Member, who knows me, understands that I have always regarded our international obligations to the World Bank as being among the highest priority items in this bill. Nonetheless, this year, the House declined to provide the money requested by the administration for a very simple reason: Much of the money contributed to the international bank would be used under the Baker, and now under the Brady plan, to guarantee payments by Third World countries to American money center banks, payments which would remain after those money center banks had negotiated debt reduction packages with American banks.

The problem, Mr. Speaker, is that in the commercial banks, in the 1970's, those banks made many bad loans. They had been collecting large amounts of interest on those loans since that time. At this point those loans are so huge that when the economies of many of the Third World recipients of those loans collapsed for a variety of reasons—some of which include their own economic mismanagement—the result has been that those Latin American countries, especially, have not been able to do very much more except repay those commercial loans. They have had to devote a large share of their foreign exchange to repayment of those commercial bank loans, and as a result, they have had very little left with which to either expand their own economies or to purchase American export goods.

The Baker plan was put in place several years ago to try to deal with that problem. It did not meet with much success. The Brady plan, which is now the policy being followed by the administration, has been a welcome change in the previously announced plan. However, very frankly, the commercial banks have still not demonstrated a sufficient degree of cooperation with Secretary Brady in order to justify the expenditure of public money by way of contribution to the World Bank at this time. The commercial banks were asked to reduce the paper value of their bad loans, to reduce the amount that would be required to be repaid to those commercial banks, under the Brady plan, and the World Bank would then guarantee repayment of those reduced loans. The problem is that if those banks do not sufficiently reduce the amount of outstanding loans or the amount of debt service which will be paid to those commercial banks, then the taxpayer, because of the guarantees which are going to be provided by the World Bank, the taxpayer runs the risk of having to foot large bills for these guarantees, because the bank did not accept sufficient risk to reflect their own bad judgment in the first place.

□ 1350

Mr. Speaker, that is why the House declined to fund the World Bank's hard loan window this year. The administration tried to get the commercial banks to cooperate, but so far they have not had sufficient cooperation. The conference report worked out a compromise which simply delays this decision.

Mr. Speaker, we provide $50 of the $90 million which the administration asked for for the direct contribution, but we have, for the moment, held the $2.2 billion in callable capital. The committee has agreed to place that callable capital appropriation in a supplemental next year, but we have not yet agreed to support it, and our position as to whether or not we will actually support the provision of that callable capital on the House floor will be determined by the performance of the commercial banks in cooperating with Secretary Brady in his efforts.

Second issue: Members need to know that even as we speak there are efforts being made to negotiate on a second issue which remains in this bill. The administration is suggesting that the President will be advised to veto this bill if language which it presently contains with respect to leveraging of foreign aid in an illegal way is retained.

Mr. Speaker, I want to read the language which the administration says it will veto. This is what the bill says:

None of the funds appropriated by this Act may be obligated or expended for the purpose of furthering any military or foreign policy activity which is contrary to United States law.

Second paragraph says:

None of the funds appropriated by this Act may be used to solicit the provision of funds by any foreign government including any instrumentality or agency thereof, foreign person or United States person, for the purpose of furthering any military or foreign policy objective which is contrary to United States law.

Mr. Speaker, why is that language in the bill? The language is here because our committee was told in April 1987 by witnesses testifying for the administration's foreign aid budget that the United States had never in any fashion linked foreign aid funds to any country to their support for the Contra activities in Central America.

But documents which were released in the North trial demonstrated that that simply was not a fact. Documents showed that in February 1985 a plan was hatched to provide the expedited release of economic support funds to Honduras as a direct incentive for them to support the Contras. Documents released in that trial also showed that Honduras did in fact received expedited delivery of some 109 million dollars' worth of foreign aid funds including economic support funds, military assistance funds, and CIA support. They received that in March 1985. Copies of those documents were initiated by officials of the administration including President Reagan, and the documents also showed that that plan was carried out despite administration awareness that the activity was contrary to congressional intent.

The documents also pointed out that United States military personnel in Salvador funded under the accounts in this bill were intimately involved in facilitating the use of the Ilipango Air Force base to supply arms to the Contras when that was prohibited by law, and the General Accounting Office concluded that 65,000 gallons of fuel paid for in this bill were then sold by the Salvadoran Air Force to the Contras in violation of FMS sales agreements, fuel costing the taxpayer $800,000.

Mr. Speaker, the language which we have in the bill simply is an effort to suggest that that will not happen again. This is not an effort to resurrect the Iran-Contra controversy. Let

us all hope that is behind us. But what we have here is a right of the Congress as an institution to determine that moneys spent in this bill will be spent in accordance with the U.S. law. That is all this language does.

This bill, I would point out, is very narrowly drawn. This language is very narrowly drawn. It makes no effort to limit the President's authority to conduct foreign policy. There is no effective limit on the President's authority to consult with any other nation about actions that that nation might wish to take. The President under this language can discuss anything he wants. So can most other officials within the administration.

Mr. Speaker, this language is very narrow. It simply says that, if the administration wants to use taxpayers' dollars to accomplish a purpose in conflict with U.S. law, that it must use funds other than those in this bill to accomplish that purpose. I do not think that is too much to ask.

In fact, Mr. Speaker, I am amazed at how little we are asking of the administration, and I would simply ask this question: If the American people cannot be assured that foreign aid dollars, which are appropriated today, will be expended for a lawful purpose, a purpose consistent with U.S. law, then why should they be expected to fork over any taxpayer dollars at all for foreign aid? If the administration wants to veto this language, I would ask my colleagues: What then becomes of the rule of law?

Mr. Speaker, there is one question I would ask the administration. "If you don't want this language, what laws are on the books that you intend to violate? What dollars in this bill do you want to spend for purposes which are contrary to U.S. law?"

Mr. Speaker, I think that is a legitimate question, and any legislative body worth its salt would insist on the right answer before we provide these funds.

Mr. Speaker, I should explain to Members of the House that even as we speak efforts are being made to try to negotiate this language. My staff went to State Department representatives seven different times and asked them whether they wanted to explore report language which would clarify the intent of this language so that the President's authority to conduct foreign policy was not inadvertently affected in any deleterious way. We heard nothing specific from the administration until about 20 minutes to noon today when I was informed that discussions were being held on language in another bill which might affect this limit that I am talking about right now.

□ 1400

Mr. Speaker, I would say that I still remain open to discussions on compromise language. If we could reach compromise language that would meet the approval of all parties, I would be willing on one of the subsequent amendments here yet today to offer a unanimous-consent request that that compromise language be included in lieu of or in addition to this language. If that does not happen, I would still be willing to explore, after this bill passes, compromise language which might be inserted in the Senate, provided that language had been precleared with the authorities on both sides of the aisle on our subcommittee, but I do not know if that is going to happen.

I would simply say that the reason this language is here is very simple. Because the Congress was lied to. And because we were lied to, we could not tell the people we represent, with accuracy, how money in previous foreign aid bills was spent.

I think we have an obligation to assure that in the future we will be able to tell our constituents that money expended under this bill, which is not a very popular bill, is being expended in a manner which is consistent with American law. That is all we are asking for. Any attempt at clarification, I welcome. Any attempt at subversion of this language, I simply will not support.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, bringing a freestanding foreign aid bill to the floor is never easy to do. This is only the second one to reach the floor on its own in a good many years. Because of the severe budget constraints that we face this year, the process has been especially difficult.

First of all, as the vice chairman of the subcommittee, I would like to compliment not only the subcommittee chairman, the gentleman from Wisconsin, but all the Members on both sides of the aisle who worked for so many hours to get us to this point. Our conference with the Senate lasted many hours late into the night and there was a good deal of effort by everybody who served on this subcommittee on a very difficult task, made even more difficult by the fact that we were in the process of trying to negotiate out a number of differences with the administration.

This bill contains funding for our very best allies around the world. For these nations, many of whom play a critical role in preventing the Soviet Union from gaining a military advantage and many of which allow United States forces access to forward bases, United States military aid is essential.

This bill also provides funding for fragile democracies in Central America, where in El Salvador, for example, the democratically elected government is currently under attack at this very moment by Communist guerrillas, and urgently needs our help. Among other things, this bill provides money for training of the police in El Salvador to help them maintain the human rights record that we hope will not only stay as it is, but continually improve, a human rights record which has improved drastically over recent years because of assistance from the United States.

This bill also provides for other areas of emerging importance. We stand here just one day before Lech Walesa's speech in this Chamber, and this bill provides more than $600 million in aid to Poland and Hungary, including $200 million for Poland's economic stabilization fund.

Passage of this conference report will send an important message to the people of Poland who are striving for freedom and democracy, as well as to all of Eastern Europe, that the United States stands behind them in this new quest for freedom and democracy behind the Iron Curtain.

This bill adds an additional $125 million for Peru, Colombia and Bolivia, to fight the international war on drugs.

This bill is not without its problems. The President has already said that he will veto the conference report if it contains money for the United Nations population fund, which provides assistance to China, which has a policy of coerced abortion. In a few minutes each Member of this body is going to have a chance to vote on this issue separately.

The House version that we passed earlier had very little money earmarked for the economic security fund and foreign military sales, areas in which we allow the President and his administration maximum flexibility. Unfortunately, the other body added a lot of earmarking, and while we got rid of some of it, there are now more earmarks than I would like to see or that the chairman would like to see, and I regret that.

This bill restricts the release of funds for the World Bank and it provides no new money for the callable capital fund of the World Bank. That is a restriction that I strongly support.

Finally, let me say a word about the so-called leveraging amendment in this bill which the chairman has just referred to and which prohibits the use of funds in this bill for the furthering of policies contrary to U.S. law. As the chairman pointed out, the administration has very strong disagreements with that language. At this moment there are attempts being made by the President and his representatives, along with myself and the chairman of subcommittee and Members of the other body who have worked on this bill, to work out compromise language that will be acceptable and allow the

President not to veto the bill on those grounds.

Having said that, I have to say also that I do not agree with the administration on this issue. I think the President is perfectly correct in trying to maintain as much control as he can over those areas which he believes the Constitution puts in his domain, the area of foreign policy, but the language that is in this bill, partially crafted by the chairman and with which I agree, merely says that none of the money, none of the taxpayers' funds that we are appropriating today, may be used to further a policy that is contrary to United States law.

I have read this language over and over and over again, and if there is something wrong with it, I cannot find it.

I would sincerely hope that our friends in the administration do not have any problem with the concept of following U.S. law, properly determined by the Congress of the United States in making their foreign policy determinations and setting their foreign policy actions.

Now, having said that, I have to repeat, as the chairman did, it is my hope that the negotiations which we are currently having with the administration will allow us later on the floor in this bill, or afterwards when the bill goes to the Senate for their consideration, to make the changes that will make it acceptable both to us and the administration. I hope that happens, but I regret that the administration chose this place to make a fight.

I would hope that as we proceed on this course and bring this bill to a vote that Members as they make their decisions about whether to vote for the conference report or not, and everybody will have a different view, partly based on their views of the U.N. funding program, that we will not lose sight of the fact that this bill for the second time in a row, and I might say as a Member of this body who does not have a long track record of supporting foreign assistance programs, that the reason I did not previously support foreign assistance programs is because they did not represent the priorities of the administration. This one does in terms of where the money goes, what programs it supports, what countries it aids, how much it provides assistance to our military allies, economic support funds, foreign military sales, things that strengthen our ability to promote freedom and democracy around the world, this bill strongly reflects the priorities of the administration. So I would hope that we are able to work something out so it can be signed into law. It would be a shame to lose this carefully crafted program and end up going back to a battle that may provide a bill that the administration will not like at all.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Mr. Speaker, I rise in strong support of the conference report. I strongly support this legislation and would stress the particular importance of the $3 billion aid package for Israel at this critical point in history.

Mr. Speaker, this funding is essential not only to the security of Israel, but also to the potential for real peace in the Middle East. Israel is our closest ally in the Middle East. In international forums, Israel has a long-standing record of being at our side. Likewise, our security interests and prospects for peace in the region are served by a strong Israel.

These are difficult times for Israel, but in the face of dramatic pressures, it has retained its democratic institutions. Israel has, from the beginning, been a democracy. As we know in the United States, a democratic system forces us to confront controversies and to reflect public sentiment in government policies. We also know that a democratic form of government fosters peace and long-range stability. Israel is a democracy surrounded by repressive regimes which have not been willing to subject their policies to the will of their people. This legislation clearly keeps the United States on the side of Israel and of its commitment to democratic principles.

In July, I joined a top-level congressional delegation that visited both Israel and Egypt. During this trip, Israeli leaders from both major parties detailed the threat to Israel's existence that is posed by a perilous new arms race throughout the Middle East. A helicopter trip to the Golan Heights provided a stark reminder of Israel's vulnerability to attack from Syria and other surrounding nations that remain committed to Israel's destruction. It made clear not only the essential nature of our alliance, but also the importance of giving Israel the flexibility to address geographic realities which it confronts every day.

Further, the threat of terrorism continues to be a daily fact of life throughout Israel. Despite the public pronouncements of PLO leaders, terrorist attacks continue on a routine basis in Israel. Moreover, rather than promote a peaceful resolution of the conflict in the West Bank and Gaza, the PLO initimidates and terrorizes moderate Arabs, prolonging the violence and bloodshed in these regions.

The fact of the matter is that Israel's security will never be assured so long as it is surrounded by threatening nations and exposed to the constant threat of terrorist violence. The people of Israel want peace. It should be our role to continue to provide a generous and fair aid package for this very special ally in support of peace.

This measure will help preserve Israel's security, and it will help guard the critical United States-Israeli alliance. In doing so, it will most certainly serve the cause of peace. I urge all of my colleagues to join in strong support of this measure today.

The United States Congress has established a long and very commendable record of strong support for Israel. Today, we should maintain that record, which is of crucial importance to the United States, to Israel, and to democratic nations everywhere. I urge my colleagues to strongly support this measure.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. PORTER], a member of the subcommittee.

Mr. PORTER. Mr. Speaker, I thank the gentleman from Oklahoma for yielding me this time.

Mr. Speaker, I rise in support of the conference report and urge its adoption.

This bill had made major strides in several areas. First, in this legislation we provided for voluntary family planning, both bilaterally and in the U.N. The bilateral support is up to $220 million. The committee also voted to support the Senate's decision to refund UNFPA. This will reestablish the United States historic role in support of voluntary family planning worldwide.

I was also pleased to see increased funding for the International Finance Corp. In one single debt-for-equity swap, the IFC reduced the debt of Mexico by as much as the entire Brady plan. The IFC promotes private sector growth in dozens of countries and has managed to turn a profit for its own account in even the poorest countries.

The bill also begins a "global warming initiative" in the private sector environment and energy account that will go a long way to beginning our efforts to combat this threat to our environment.

This bill also contains funding to combat the spread of the AIDS virus which is a fight we are only beginning to turn the corner on in Africa. Thanks to AID and WHO, blood is now screened in most large African hospitals for the virus. At least now, the virus is not being spread by the major health care systems of Africa.

This bill also promotes microenterprise activities in many countries and especially the Philippines. I will look forward to the progress of the new Philippine MAI in this field of small and microenterprise development.

Finally, this measure provides for the followthrough on our efforts in the Helsinki process to win freedom for Refusniks and Pentacostals for whom we have been working for so long. While the funding in this bill will have to be augmented soon, quick passage is needed to take care of the backlogs of refugees now waiting in Rome and Moscow.

Mr. Speaker, the chairman, Mr. OBEY, and our able ranking member, Mr. EDWARDS, and members of the subcommittee should be commended for their fine work. I also want to thank personally Terry Peel, Bill Schuerch, Mark Murray, Georgia Sambunaris, and Lori Maes of the majority staff, and Jim Fairchild and Chris Walker of the minority staff.

Mr. Speaker, this bill is a good piece of bipartisan work, including the provision on UNFPA, and I urge its adoption.

□ 1410

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey [Mr. GALLO].

Mr. GALLO. Mr. Speaker, I rise in support of this conference agreement on the foreign aid bill.

I would like to commend both Chairman OBEY and the ranking member, MICKEY EDWARDS, for their hard work in crafting this compromise.

Mr. Speaker, I rise in support of the conference report on H.R. 2939, the Foreign Operations, Export Financing and Related Programs Appropriations bill for 1990. Chairman OBEY and ranking member, MICKEY EDWARDS, deserve a great deal of credit for managing this bill and for forging this compromise. This foreign aid bill is one of the least popular spending bills in Congress. Yet, it furthers some of our most important foreign policy goals.

In this bill, we have responded to the dramatic changes in Eastern Europe by providing $647 million in support for reforms in Poland and Hungary. We have also provided substantial moneys to combat the cultivation and importation of illegal drugs from South American countries.

I am also pleased that the conference committee agreed to provide $50 million for the general capital increase of the World Bank. Although I remain concerned about the lack of a callable capital contribution, it is important that we stand behind Secretary Brady's efforts to forge difficult agreements on Third World debt reduction.

Without this contribution, U.S. leadership in the international financial system would be at risk. The World Bank is a key player in implementing a sound debt reduction strategy, as is the case in Mexico and the Philippines. The World Bank is also expected to play an important role in economic reforms in Poland and failure to make our payments undermines our ability to influence these policies.

In general, the conference agreement maintains, if not strengthens, our economic and security commitments to United States allies, such as Israel, Egypt, Greece, Turkey, and Central American democracies. We continue the important humanitarian and development assistance provided through the Agency for International Development, as well as through such key international organizations as UNICEF. We further America's commitment to international environmental efforts and we continue our commitment to refugee assistance programs worldwide.

And, within very limited resources, we maintain export promotion programs of the Export Import Bank. With regard to the Ex-Im, I am disappointed that we were not able to provide the use of guarantee loan authority with the new I-Match Program. In future legislation, it is my hope that we can resolve this issue and allow this new initiative to proceed. I am also concerned about the limitation imposed on Ex-Im mid-term loans which could have an adverse impact on small- and medium-sized small businesses.

Overall, however, this conference report is a good compromise and deserves our support. I urge my colleagues to vote in favor of the conference report.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, my colleagues, first I want to commend the gentleman from Wisconsin [Mr. OBEY] and the gentleman from Oklahoma [Mr. EDWARDS], because I know they have done yeoman work on this legislation. It is one of the more serious bills that we have to deal with every year, and as a former member of the Committee on Foreign Affairs, I know how difficult that can be.

I am, again, so concerned that the Congress is trying to micromanage the foreign policy of this Nation. If we read the language that is being proposed, which both the gentleman from Wisconsin [Mr. OBEY] and the gentleman from Oklahoma [Mr. EDWARDS] have spoken to so eloquently here, it says, "None of the funds appropriated by this act may be obligated or expanded for the purpose of furthering any," and here is where it gets a little crusty here, "for furthering any foreign policy activity which is contrary to U.S. law."

That sounds simple enough. We should not be doing anything that is contrary to U.S. law. But let me give the Members an example: Several years ago the gentleman fron Florida, Mr. Mica, and I sponsored a series of amendments which reduced funds to the United Nations as an incentive for the United Nations to put its fiscal house in order. If we want to carry this present bill technically to its logical conclusion, we come to the issue of what actions may be "contrary to U.S. law." If there were U.N. money in this bill, to pay our assessments, let us say, this language means that no one in the White House could go to Great Britain or France or Italy or any of the other U.N. member countries and say, "We are reducing aid to force them to put their house in order, but we do not want to bankrupt the United Nations, so why do you not continue? Why do you not continue funding the United Nations? Meanwhile, we will keep their nose to the grindstone." That is just one example.

Another example, there is money in this bill for Poland. Suppose Poland is in violation of the Brooke amendment on the Hickenlooper amendment, suppose they are doing things that are in violation of our law and we want to cut off Poland to make them tow the line, but we want to say, "Great Britain and France, Italy, West Germany, or anyone else, why do you not keep helping them? We cannot do it."

What we have not talked about here is the fact that this kind of language was originally intended to apply to Nicaragua, but now we are extending it across the board again. It says, "None of the funds appropriated by this act may be used to solicit the provision of funds by any foreign government which may be contrary to United States law."

Back in 1985, as a conferee on the foreign aid authorization, I contributed to report language which clarified these concerns as far as Nicaragua was concerned. That report language that we wrote to accompany the conference report said, "This section does not prohibit United States Government officials from discussing United States policy in Central America with recipients of United States assistance or purchasers of United States military equipment, nor does it prohibit recipients of United States assistance from furnishing assistance to any third party on their own volition, and from their own resources." I think that the language in this conference report here today negates this report language that we supported overwhelmingly with the support of the two gentlemen sitting on either side of me here; that is not what we are taking into consideration today.

That is what the administration is so concerned about. Otherwise, why would they be threatening a veto?

I call this to the Members' attention. I know that probably nothing is going to be done about it today.

I also criticize the administration a little bit, because I share the concern of the gentleman from Wisconsin [Mr. OBEY] and the gentleman from Oklahoma [Mr. EDWARDS] that the administration is not timely sometimes. They do not get out front and talk to us in advance, and this may be one of those times. Maybe the administration is getting what it deserves. Maybe we ought to teach them a lesson; that is, if this were not such an important measure, which really is going to hinder the President of the United States, whoever he may be in the future, from conducting the foreign policy which is delegated to him in the Constitution of the United States.

I would hope at some point this language could be dropped before it finally gets to the President's desk for a veto.

The issue here is whether or not Congress should continue to dictate nit-picking, unenforceable requirements to the executive branch. The fact that no report language explaining this provision in the conference report has been written suggests to me that this provision is, indeed, unexplainable.

We don't have to wait on the executive branch to write report language. This provision was cooked up in Congress, and it is incumbent on us to explain what we mean. At the very least, this new provision should have been accompanied by report language.

Otherwise, this provision is so vague—so diffuse in its implications—that any future Congress can interpret it any way it pleases. It becomes one more weapon to use against the executive branch.

Mr. OBEY. Mr. Speaker, I yield myself 2 minutes simply to respond to the statements made by the gentleman from New York which, in my judgment, are in significant error.

Mr. Speaker, let me point out that the example that he uses with respect to the United Nations is not a valid example, because we do not provide assessed contributions in this bill. The President would have the authority to do anything he wanted with the assessed contributions because they are not funded in this bill.

With respect to Poland, that question is moot. We are providing almost $600 million to Poland in this bill, so there is no problem with the President talking to anybody about providing aid to Poland.

As to the suggestion that he could not talk to Great Britain or France or Italy about providing aid to any country that was not supposed to receive aid, the fact is that Great Britain and France and Italy do not get money in this bill, so the President can talk to them until the cows come home. There is no illegality with respect to his talking to countries like that.

I would also point out that this bill does not apply to the President, because this President's salary is not paid for out of the AID bill. The President's salary is paid for out of, I believe, the Treasury, Post Office bill, and general Government bill, and so if we had a limitation on that bill, he then, indeed, would not be able to talk to the people talked about, but as a practical matter, this bill does not pay his salary. This bill does not pay the salary of the Secretary of State.

All that this bill says is that those two gentlemen are free to talk to whomever they want to talk to about whatever they want to talk about. They simply cannot promise the use of money in this bill to accomplish that other purpose. I think we need to keep that clear.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. DONALD E. "BUZ" LUKENS].

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of H.R. 2929, this conference report, especially for those provisions that are being helpful economically in terms of long-term assistance and stabilization for Poland and Hungary.

□ 1420

The walls of Marxism are crumbling, both literally and figuratively. From the cocoon of the bureaucratically stifling environment of Marxism, we are seeing an openness in those countries that we previously thought of as unalterable.

I am particularly concerned that in some areas, such as the area of agricultural development, which is going to be in direct competition with our own farmers, and air and water quality, $3.3 million which they need desperately, and the Western world has led in terms of developing the technique and equipment to accomplish. Even clean coal, we are giving them $10 million to accomplish something which my own State of Ohio needs.

In spite of that, I think it is important we Americans particularly take a long look at the world today and realize we have an historic opportunity to help these islands of freedom manifest themselves into a world of freedom with the proper amount of help.

Some Members think it is not enough. It may not be enough money, but it certainly is a commendable initiative. It is a great start. It is enough money to see if they can really use the assistance that I know the rest of the world, the free world, is willing to give this former Marxist island of a police state.

Mr. Speaker, I am pleased to be part of the effort. Although I am not a member of this particular committee, in the Committee on Foreign Affairs we certainly have the same concern. Our authorization bill addressed the same matters.

Mr. Speaker, I am delighted to rise in strong support of this bill.

Mr. Speaker, I rise in strong support of this legislation, especially those provisions that supply economic assistance to Poland and Hungary.

The walls of Marxism are crumbling both literally and figuratively. From the cocoon of the bureaucratically stifling environment of Marxism, we are seeing a real openness even in those countries that we previously thought of as unalterable. We want to help our brothers and sisters in Eastern Europe who yearn for freedom of speech, freedom of assembly, freedom of religion, and other rights that we all take for granted every day.

Some would tell you that the amount of money contained in this bill is not enough, but we must realize that this is just the seed money for fostering islands of freedom in the socialist world. We welcome this perestroika or opening to the West and wish prosperity to these citizens under systems of their choosing.

Mr. Speaker, I am willing to withdraw my blanket opposition to foreign aid so that others can enjoy the freedom and economic success that we have had in this country for years.

I urge my colleagues to strongly support this bill.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. PANETTA], the chairman of the Committee on the Budget.

Mr. PANETTA. Mr. Speaker, I rise in support of the conference report accompanying H.R. 2939, the foreign operations, export financing and related program appropriations bill for fiscal year 1990. The conference agreement for this bill is within the 302(b) budget authority and outlay subdivisions of the Foreign Operations Subcommittee.

The conference report provides $13,852 billion for discretionary budget authority and $11,607 billion of discretionary outlays in 1990. These amounts are equal to the subdivision for discretionary budget authority and outlays. The discretionary direct loan programs in this bill are under the allocation by $31 million. However, I would like to note that the loan guarantee programs are over their allocation by $1.9 billion due to the refinancing provision for foreign military sales.

I would like to compliment subcommittee Chairman OBEY and ranking member EDWARDS on producing a bill that is within the budget authority and outlay subdivisions assigned to their subcommittee by the full Appropriations Committee, and, hence is consistent with the 1990 budget resolution budget authority and outlay totals.

HOUSE OF REPRESENTATIVES
COMMITTEE ON THE BUDGET,
Washington, DC., November 13, 1989.

DEAR COLLEAGUE: Attached is a fact sheet on the conference report to accompany H.R. 2939, Foreign Operations, Export Financing, and Related Programs Appropriations bill for fiscal year 1990. This conference report is scheduled to be considered on Tuesday, November 14.

I hope this information will be helpful to you.

Sincerely,

LEON E. PANETTA,
Chairman.

Attachment.

[Fact Sheet]

CONFERENCE REPORT TO ACCOMPANY H.R. 2939, FOREIGN OPERATIONS, EXPORT FINANCING AND RELATED PROGRAMS APPROPRIATIONS FOR BILL FISCAL YEAR 1990 (H. REPT. 101-344)

On Tuesday, November 14, 1989 the House is scheduled to consider the conference report to accompany H.R. 2939, the Foreign Operations, Export Financing and Related Programs Appropriations Bill for Fiscal Year 1990. The conference report was filed on Saturday, November 11, 1989 (H. Rept. 101-344).

COMPARISON TO THE 302(b) SUBDIVISION

This bill provides $13,852 million in discretionary budget authority and $11,607 million in discretionay budget outlays. Thus, enactment of this bill would result in a discretionary spending total for the subcommittee that is equal in budget authority and

equal in outlays to the subcommittee's subdivision.

COMPARISON TO SPENDING ALLOCATION

[In millions of dollars]

	Foreign Operations appropriations bill		Appropriations Committee 302(b) subdivision		Bill over (+)/ under (−) 302(b) subdivision	
	BA	O	BA	O	BA	O
Discretionary	13,852	11,607	13,852	11,607		
Mandatory [1]	805	805	805	805		
Total	14,657	12,412	14,657	12,412		

[1] Conforms to budget resolution estimates of existing law.

Note: BA—New budget authority; O—Estimated outlays.

The direct loan levels in the bill are $31 million under the discretionary subdivision for this subcommittee. The primary loan guarantees are $2 billion over the subdivision. This overage is not contained in the conference report, but rather in amendment #115, reported ir technical disagreement. A detailed comparison follows:

COMPARISON TO CREDIT ALLOCATION

[In millions of dollars]

	Foreign Operations appropriations bill		Appropriations Committee 302(b) subdivision		Bill over (+)/ under (−) 302(b) subdivision	
	DL	LG	DL	LG	DL	LG
Discretionary	1,040	8,373	1,071	6,414	−31	+1,959
Mandatory						
Total	1,040	8,373	1,071	6,414	−31	+1,959

Note: DL—New direct loan obligations; LG—New loan guarantee commitments.

Pursuant to Section 302(b) of the 1974 Budget Act as amended by P.L. 99-177 (Gramm-Rudman-Hollings), the Committees of the House are required to subdivide the spending authority and credit authority allocated to them in the Budget Resolution for Fiscal Year 1990 (shown in H. Rept. 101-50). The Appropriations Committee reported its current 302(b) subdivisions on October 24, 1989 (shown in H. Rept. 101-302). These subdivisions are the official scorekeeping targets for appropriations subcommittees.

The following are the major program highlights for the Foreign Operations, Export Financing and Related Programs Appropriations Bill contained in the conference report for H.R. 2939 for Fiscal Year 1990:

PROGRAM HIGHLIGHTS

[In millions of dollars]

	Budget authority	New outlays
Multilateral Economic Assistance	1,883	199
International Financial Institutions	(1,618)	(43)
International Organizations and Programs	(265)	(156)
Bilateral Economic Assistance	6,670	2,860
Economic Support Assistance	(3,173)	(1,774)
Military Assistance	5,504	2,662
Foreign Military Sales	(4,664)	(1,861)
Direct Loan	(406)	
Export Assistance	647	113
Export-import Bank	(615)	(85)
Direct Loan	(615)	
Primary Guarantees	(6,050)	

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. WEBER].

Mr. WEBER. Mr. Speaker, I thank the gentleman for yielding.

First of all I do rise in support of the conference report. I want to commend the distinguished chairman and ranking member for the good work they have done.

Mr. Speaker, I support the work of the subcommittee. It is not always a popular bill to vote for. I think they do a good job with a difficult bill, and I am proud to say I support the bill.

I am rising because of one of the provisions I do not support right now, and that is the Senate amendment on the issue of the United Nations Fund for Population Activities.

Mr. Speaker, Members are going to have a separate opportunity to debate that issue. I want to take just a bit of time in the general debate to try to educate Members on exactly what the rather difficult issue is we are going to be facing in a few minutes.

First of all, it is important for Members to understand what we are going to be facing. After the conference report is passed we will go through the amendments in disagreement.

One of the amendments in disagreement is the Mikulski amendment from the Senate that has to do with the United Nations Fund for Population Activities.

It is our presumption that a Member on the other side of the aisle at that point will move to recede and concur to the Senate language, and we will be asking Members not to vote to recede and concur with the Senate on the issue of the Mikulski amendment, which again would permit $15 million in funding for the United Nations Funds for Population Activities.

Members need a understand what we are asking when we ask that they not vote to recede and concur to the Senate on the issue of UNFPA. First of all, we are asking Members not to change policy, not to embark in some radical new direction, but to maintain a policy that has been in effect basically since 1985.

This has been a much fought policy, but it has been developed over these many years. It is called the Kemp-Kasten language. Basically it says that the United States is not going to provide funds to international agencies that involve themselves in providing abortion and coercion abortion programs. That includes the United Nations Fund for Population Activities.

Second of all, we are asking Members to support a policy that basically has worked. At the time that this policy was enacted, the basic argument against Kemp-Kasten was that there would be no other alternative agencies available. In other words, we were told the only way that the Congress of the United States could provide support for population control activities in the Third World was to provide them through agencies that were deeply involved in many cases in the providing of abortions.

We now know after several years of experience with Kemp-Kasten that that simply is not the case. We have found it eminently possible to provide taxpayer funds to international agencies that do positive constructive work in the area of population control in Third World countries, but do not involve themselves in the practice of abortion.

One such agency is the International Planned Parenthood—Western Hemisphere, which conducts much of the planned parenthood activities through Central and South America, and which has basically removed itself from the practice of abortion, and continues to receive funds under this bill.

The point I want to make to Members is when they vote to not recede and concur to the Senate, they are not voting to cut one nickel, not one nickel, out of our country's commitment to family planning and population control activities in the Third World.

Those moneys will be provided to other well-respected, well-established agencies that have for many years been doing positive constructive work in Third World countries to enable them to pursue their own goals in terms of population control.

So there is no question of whether or not we are supporting or not supporting population control or family planning funding. If we wanted to do that, we would simply try to strike the money for family planning. There is no attempt to do that.

Members on both sides of this issue basically understand that we are going to be supporting international efforts to help Third World countries deal with their population control problems. The question is will we be supporting a brutal policy of coercion abortion in the People's Republic of China? That is exactly what the Senate is asking us to do.

This is a point that I think Members need to understand. We are being asked not to repeal Kemp-Kasten, not to say we are going to fund any population control activity across the planet, regardless of its involvement with the abortion issue. We are creating an exception. We are saying there is one program that we find so meritorious that we are going to create an exception to Kemp-Kasten, and we will allow the agency that funds that program to receive United States funds in contradiction to the policy of the last 5 years, and that agency is UNFPA, and that country we are making an exception for is China.

I would say that is offensive. I would say to Members on both sides of the issue, if you want to look at the worst possible example of a country's population control activities, the country

you would look at is the People's Republic of China.

Mr. Speaker, I ask Members to vote against the motion to recede and concur.

Mr. OBEY. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I would simply like to say there is one consideration I think all of us ought to keep in mind on this bill. We have heard a lot about what is happening in Eastern Europe. We are going to hear a whole lot more, because it is apparent that the world is undergoing the most fundamental change since the end of World War II.

We have a significant amount of funding in this bill for Poland and Hungary, which tries to in a small way affect the change which is now sweeping that part of the world.

Mr. Speaker, I would suggest that this bill really does not sufficiently reflect the change which is encompassing and engulfing us. I think we need to have significant new thinking applied to the question of what kind of foreign assistance the United States ought to be providing for the remainder of the century. I think that we are already late in seeing that new thinking applied.

□ 1430

The military threat which lies behind a significant portion of the money which we are providing for the Third World, in fact, has significantly changed and evaporated, and it seems to me that it is imperative that beginning with the next fiscal year the administration send down to us a foreign assistance bill which reflects the way the world is going to be, not the way the world used to be.

I would also say in that respect that I personally regret very much the fact that we have not been able to see the authorization process produce legislative changes which are needed in the Foreign Assistance Act.

Our committee is limited in what we can do because we are simply an appropriations committee, but I really do believe that Members of the other body, as well as the administration, have a special obligation because of the changing nature of the world with which we are trying to deal, to try to see to it that next year the authorization bill does in fact move forward because that is the proper vehicle in which to address the changing nature of the world which we will be experiencing over the next 5 to 10 years.

Mr. Speaker, I thought it important to state that before we vote on the conference report today.

Mr. MCHUGH. Mr. Speaker, I rise in support of H.R. 2939 and urge its adoption by the House. As with any conference report, this agreement reflects some difficult compromises and there are some items with which I disagree.

For example, I am disappointed that the conferees agreed to provide any funding for police training in El Salvador. On balance, however, the conference agreement is a good one and I commend the gentlemen from Wisconsin [Mr. OBEY] and Oklahoma [Mr. EDWARDS] for putting together a compromise all of us can support.

Mr. Speaker H.R. 2939 provides $14.6 billion in new budget authority. I am advised that it is precisely on target in terms of the 302(b) budget allocation provided to our Foreign Operations Subcommittee.

The conference report is also consistent with the budget summit agreement adopted by the administration and Congress earlier this year. Although I did not support the budget resolution reflecting that agreement because I did not believe that it dealt honestly or effectively with our massive Federal budget deficits, I believe we have an obligation to keep within the spending ceilings agreed to in the budget summit agreement. This conference agreement does so.

The bill includes funding for some new and very important initiatives. Most notably, it provides $200 million in economic support assistance for Poland, as well as an additional $200 million in trade credits for that nation. It also includes $40 million to guarantee United States investment in Poland through the Overseas Private Investment Corporation, and $50 million in enterprise funds for Poland and Hungary. Smaller amounts are provided under a number of other accounts to support the movement toward democracy in Poland and Hungary, a movement that we all enthusiastically support.

Mr. Speaker, I think that is appropriate that we are considering this conference report at the very time Lech Walesa is in the United States. He and his colleagues in Solidarity have done as much as anyone to initiate the process of change that is still unfolding in eastern Europe and for which all of us have such great hope. Passage of this bill will demonstrate in concrete terms United States support for this process.

Two other important new initiatives are funded in this bill as well. First, the conferees agreed to provide $140 million for the Enhanced Structural Adjustment Facility [ESAF] of the International Monetary Fund. This facility is designed to alleviate the debt problems of the world's poorest nations, particularly those in sub-Saharan Africa.

The conference report also includes $160 million for the Multilateral Assistance Initiative [MAI], which will be used to support democracy and economic reform in the Philippines. While the President requested $200 million for this initiative, budget constraints made it impossible to provide full funding this year. However, the conference agreement includes transfer authority that would allow the President to provide the full $200 million if he chooses to do so.

In terms of our regular accounts, I would note that funding for military assistance would be reduced modestly below the amounts we provided last year. In contrast, funding for development assistance programs would increase by more than $300 million. This reflects our continuing effort to insure a more balanced foreign assistance program.

I am particularly pleased that the conference report will substantially reduce our arrears to the multilateral development banks, and I am hopeful that the Bush administration will now respond by agreeing to support a replenishment of the International Development Association that maintains the value of the previous replenishment in real terms.

In addition, the conference report includes $35 million to fund the first installment of our contribution to the third replenishment of the International Fund for Agricultural Development [IFAD], and provides increased funding for UNICEF. Both of these programs have proven track records and enjoy broad bipartisan support in Congress. These increases deserve our support.

Funding for bilateral development programs is also increased, but whether the increase is sustained depends largely upon whether the administration goes forward with sequestration. If it does, the Agency for International Development could suffer substantial funding reductions from those recommended in this bill.

Finally, on the positive side, I am pleased to note that H.R. 2939 also includes an additional $20 million United States contribution to the International Fund for Ireland. This funding reflects our continuing support for those working to foster constructive change by peaceful means in Northern Ireland.

There are, of course, some shortcomings in this bill. As I mentioned, I am particularly disappointed that the bill includes $5 million for police training in El Salvador. While some important conditions must be met before these funds can be used, I think that events over the weekend should remind us that a purely military solution to the conflict in El Salvador is not possible. What is needed is a negotiated solution.

Unfortunately, a negotiated solution will elude us as long as abuses of human rights continue in El Salvador and as long as those responsible for those abuses are not brought to justice. To some, that might suggest the need for more police training. However, we have funded such training in the past and virtually no progress has been made in improving the criminal justice system in El Salvador.

In short, the issue is not one of imparting the necessary skills. The primary issue is one of political will, and unfortunately the Salvadoran Government seems to lack the will to take decisive steps to bring those responsible for human rights abuses to justice.

Despite these reservations, this conference report deserves the support of our colleagues, and I urge its adoption.

Mr. COLEMAN of Texas. Mr. Speaker, I rise in strong support of this conference agreement. It took a long time to produce this agreement. As a new member of the subcommittee, I will confine my remarks to a small number of subjects.

First, as the chairman has stated, the agreement keeps faith with the vast majority of House positions. On the Export-Import Bank, we have been able to retain the integrity of the programs despite the efforts of the administration and of the other body to make this another foreign military sales account. We have resisted earmarks wherever possible.

We have attempted to strike a reasonable compromise on El Salvador—and given the events of the last few days, I do not see how anyone can second guess the appropriate policy response at this point.

Members who have tried to make the case that this bill ties the President's hands on foreign policy are simply wrong. Our language says that the executive may not use the funds in this bill to break the law. This is hardly an unusual concept, but in light of revelations regarding funding for the Contras and our past policy in Honduras, it is obviously defensible and desirable.

This agreement makes good on this country's obligation to support the transformation toward democracy in Poland and Hungary. It does so while we wait for the other body to demonstrate its intentions with regards to authorizing legislation in behalf of those two nations. It offers a reasonable compromise on the new multilateral assistance initiative for the Philippines and it brings back to the House a bill which keeps faith with the budget summit agreement despite the other body's initial preference for budget scoring gimmickry.

On one issue, I want to go a little bit greater detail. This conference agreement contains a change from the original House position on our contribution to the World Bank. The bill we passed during the summer contained no funding for the U.S. general capital increase to the Bank. I strongly supported that position. Earlier this year, when the private commercial banks that are creditors of Mexico were offering resistance to the Brady plan, this House passed a resolution, House Concurrent Resolution 86. My resolution expressed the sense of the Congress that these creditor banks should recognize their obligation to an important ally and should conclude agreements to reduce Mexico's principal, reduce the interest payable on outstanding loans or provide new lending. It also said plainly that this House would not stand for putting U.S. taxpayers first in bearing the brunt of these costs.

In July, President Bush traveled to France for the economic summit and announced, along with President Salinas, that a Brady plan package had been negotiated and that the banks done right by Mexico. In August and September, we were told that negotiations had been concluded in the cases of Costa Rica and the Philippines. But disturbingly, President Salinas just 2 weeks ago stated that he was beginning to worry that the debt reduction and the new loans were not coming forward as they had been promised.

We should not pretend that the conference agreement solves all of our problems in this area. Every dollar provided in this bill for the multilateral banks could be "roundtripped" and repaid to the commercial banks. This money is fungible. There is simply no way to separate these funds. What this conference report says is that we agree with the Treasury Department that this account is an important one. We agree that if the United States wants to retain influence at the Bank, we need to be full participants. But in holding off on the callable capital contribution until a supplemental bill later in this fiscal year, it also says that we don't want to be manipulated by the creditors and our commercial banks.

I know that this conference agreement is not popular. There are already enough no votes on any foreign aid spending bill without controversy. There is already a sufficient amount of hyprocrisy here which says in effect "We need to spend money at home and not send it abroad, but if we're going to send it abroad I want to make sure it doesn't go here and it doesn't go there." I urge you to disregard that sort of rhetoric and to support this compromise.

Mr. DURBIN. Mr. Speaker, I rise today to express my concern that the moneys we are providng the Andean countries of Colombia, Bolivia, and Peru to combat the illegal drug trade may hurt, not help, the cause. I say this because the exclusive focus of our effort will be aiding the military and police forces in those countries, with no thought given to providing economic alternatives to those who are participating in the drug trade.

It is a well-established fact that the economies of the Andean countries depend heavily on the drug trade for economic growth, employment, and debt repayment. A report issued by the Department of Agriculture estimates that illegal drug exports represent between 20 and 40 percent of legal exports in the three countries. Other reports suggest that over 20 percent of GDP in these countries is attributable to coca production and processing.

As the statistics suggest, the real problem is that coca production is profitable for Andean farmers and processors, particularly compared to the alternatives. A farmer in Peru who needs to put food on the table for his family, or a middleman in Colombia who enjoys the social services provided by the drug cartels, will not stop his involvement until he is presented with other viable means of making a living.

Mr. Speaker, U.S. policy has been slow to recognize this economic reality. We have chosen to wield the stick without at the same time offering the carrot. We have sprayed dangerous herbicides on Andean coca fields in an effort to eradicate coca plants; given aid to police forces in these countries; sent our own Drug Enforcement Agency agents into the field to supervise narcotics interdiction efforts; and threatened a cut-off of foreign aid if these activities were interfered with. The one thing we have not tried is helping the Andean people to rid themselves of their economic dependence on the drug trade.

Apparently, President Bush wants to continue the failed policies of the past. While the "Andean Initiative" contemplates a 5-year commitment of $2 billion, including some economic assistance, his request for fiscal year 1990 asks only for an 11-fold increase in military and police aid—from $14.8 million to $159.5 million. Furthermore, his administration has loosened guidelines on dispensing this aid to permit United States soldiers to train Andean military and police forces outside secure areas.

Mr. Speaker, an exclusive focus on military and police aid will not work. With United States assistance, the Andean countries have destroyed thousands of acres of coca plants, confiscated thousands of kilograms of cocaine, and destroyed hundreds of processing labs and airstrips. The result: coca production has increased by 27 percent over the past 3 years and street prices in the United States have dropped by half since 1984.

Furthermore, there is a danger that such policies, because they offer no means for weaning these countries off their dependence on drugs, will be viewed simply as an attempt to force U.S. solutions to the drug problem. An exclusive focus on crop eradication and police aid will identify the U.S. with repressive policies, and will further complicate the delicate political situation in these countries.

Numerous reports have criticized this preoccupation with narcotics interdiction at the expense of economic assistance. A recent report of the House Foreign Affairs Committee notes the success of those economic development projects we have conducted in the Andean countries. Even the State Department, in its most recent International Narcotics Control Strategy Report, stated that "If we are to make a difference in cocaine control, a massive infusion of economic assistance will be needed."

Mr. Speaker, we need to hold the President to his word when it comes to providing greater economic assistance to the Andean countries. We also need to carefully monitor the administration's use of military and police aid. When the President proposes his budget for fiscal year 1991, we should examine it carefully to see whether he has presented a realistic strategy for reducing the drug trade in Colombia, Peru, and Bolivia.

If he has not presented such a plan, then I think we should push ahead with our own foreign aid strategy, one whose goal is to provide economic alternatives to the people living in the Andean countries. Specifically, we should consider providing Andean farmers with cash assistance if they agree to substitute other crops for coca, and technical assistance to help them grow new crops and locate markets for them. We should also think about allocating money to build roads from the growing regions in these countries to the large urban distribution centers. In all three countries, the price of producing and marketing crops is driven up by the lack of transportation networks; the drug cartels avoid this problem by using small planes.

Mr. Speaker, the problems facing this country and the three Andean countries in stemming the flow of illegal drugs are enormous. Any policy will be difficult to implement, and it may take some time before the results show. But we do know that our current policy of relying on military and police aid to win the day is a bust. It is time to admit that the roots of the problem are economic, and fashion a strategy to address them. I hope my colleagues will join me in working toward that end in the future.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. OBEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. HAYES of Louisiana). The question is on the conference report.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 324, nays 93, not voting 16, as follows:

[Roll No. 350]

YEAS—324

Ackerman	Donnelly	Jenkins
Akaka	Dorgan (ND)	Johnson (CT)
Alexander	Dornan (CA)	Johnson (SD)
Anderson	Douglas	Johnston
Andrews	Downey	Jones (GA)
Annunzio	Dreier	Jontz
Anthony	Durbin	Kanjorski
Aspin	Dwyer	Kaptur
Atkins	Dymally	Kasich
Baker	Dyson	Kennedy
Ballenger	Eckart	Kennelly
Bartlett	Edwards (CA)	Kildee
Bateman	Edwards (OK)	Kleczka
Bates	Emerson	Kolbe
Beilenson	Engel	Kostmayer
Bennett	Erdreich	LaFalce
Bentley	Espy	Lagomarsino
Bereuter	Evans	Lancaster
Berman	Fascell	Laughlin
Bevill	Fawell	Leach (IA)
Bilbray	Fazio	Lehman (CA)
Boehlert	Feighan	Lehman (FL)
Boggs	Fish	Lent
Bonior	Flake	Levin (MI)
Borski	Florio	Levine (CA)
Bosco	Foglietta	Lewis (GA)
Boucher	Ford (MI)	Lightfoot
Boxer	Frank	Lipinski
Brennan	Frost	Livingston
Broomfield	Gallegly	Long
Browder	Gallo	Lowery (CA)
Brown (CA)	Gejdenson	Lowey (NY)
Brown (CO)	Gephardt	Luken, Thomas
Bruce	Geren	Lukens, Donald
Bryant	Gillmor	Machtley
Buechner	Gilman	Madigan
Bustamante	Glickman	Manton
Campbell (CA)	Gonzalez	Martin (IL)
Campbell (CO)	Goodling	Martin (NY)
Cardin	Gordon	Martinez
Carper	Goss	Matsui
Carr	Gradison	Mavroules
Chandler	Grandy	Mazzoli
Chapman	Grant	McCloskey
Clarke	Gray	McCollum
Clay	Green	McCrery
Clement	Guarini	McCurdy
Clinger	Gunderson	McDade
Coble	Hall (OH)	McDermott
Coleman (MO)	Hamilton	McGrath
Coleman (TX)	Harris	McHugh
Collins	Hastert	McMillan (NC)
Condit	Hatcher	McMillen (MD)
Conte	Hawkins	McNulty
Cooper	Hayes (IL)	Meyers
Costello	Hertel	Mfume
Courter	Hiler	Michel
Cox	Hoagland	Miller (CA)
Coyne	Hochbrueckner	Miller (OH)
Crockett	Holloway	Miller (WA)
Darden	Horton	Moakley
Davis	Houghton	Moody
de la Garza	Hoyer	Morella
DeFazio	Hughes	Morrison (CT)
Dellums	Hutto	Morrison (WA)
Derrick	Hyde	Mrazek
Dicks	Inhofe	Murtha
Dingell	Ireland	Myers
Dixon	James	Nagle
Natcher	Rostenkowski	Stenholm
Neal (MA)	Roukema	Stokes
Nelson	Rowland (CT)	Sundquist
Nielson	Rowland (GA)	Swift
Nowak	Roybal	Synar
Oakar	Sabo	Tallon
Oberstar	Saiki	Tauke
Obey	Sangmeister	Thomas (CA)
Olin	Sarpalius	Thomas (GA)
Ortiz	Sawyer	Thomas (WY)
Owens (NY)	Saxton	Torres
Owens (UT)	Schaefer	Torricelli
Oxley	Schiff	Towns
Pallone	Schneider	Traxler
Panetta	Schroeder	Udall
Parker	Schuette	Unsoeld
Pashayan	Schulze	Vander Jagt
Patterson	Schumer	Vento
Paxon	Sharp	Visclosky
Payne (VA)	Shaw	Volkmer
Pease	Shays	Vucanovich
Pelosi	Sikorski	Walgren
Penny	Sisisky	Walsh
Pickett	Skaggs	Waxman
Pickle	Skeen	Weber
Porter	Skelton	Weiss
Poshard	Slattery	Weldon
Price	Slaughter (NY)	Wheat
Pursell	Smith (FL)	Whitten
Quillen	Smith (IA)	Wilson
Rangel	Smith (NJ)	Wise
Ravenel	Smith (TX)	Wolf
Regula	Smith (VT)	Wolpe
Rhodes	Smith, Denny (OR)	Wyden
Ridge	Snowe	Wylie
Rinaldo	Solarz	Yates
Ritter	Spratt	Yatron
Rohrabacher	Stallings	Young (AK)
Ros-Lehtinen	Stearns	
Rose		

NAYS—93

Applegate	Hefner	Rogers
Archer	Henry	Roth
Armey	Herger	Russo
Barnard	Hopkins	Savage
Bilirakis	Hubbard	Sensenbrenner
Bliley	Huckaby	Shumway
Bunning	Hunter	Shuster
Byron	Jacobs	Slaughter (VA)
Callahan	Jones (NC)	Smith (NE)
Combest	Kastenmeier	Smith, Robert (NH)
Coughlin	Kolter	Smith, Robert (OR)
Craig	Kyl	Solomon
Crane	Leath (TX)	Spence
Dannemeyer	Lewis (CA)	Staggers
DeLay	Lewis (FL)	Stangeland
DeWine	Lloyd	Stark
Dickinson	Marlenee	Studds
Duncan	McCandless	Stump
Early	McEwen	Tanner
English	Mollohan	Tauzin
Fields	Montgomery	Taylor
Frenzel	Moorhead	Traficant
Gaydos	Murphy	Upton
Gekas	Neal (NC)	Valentine
Gibbons	Packard	Walker
Gingrich	Parris	Watkins
Hall (TX)	Perkins	Whittaker
Hammerschmidt	Petri	Williams
Hancock	Rahall	Young (FL)
Hansen	Ray	
Hayes (LA)	Roberts	
Hefley	Robinson	

NOT VOTING—16

AuCoin	Ford (TN)	Payne (NJ)
Barton	Garcia	Richardson
Brooks	Lantos	Roe
Burton	Markey	Scheuer
Conyers	Mineta	
Flippo	Molinari	

□ 1452

Messrs. MOLLOHAN, STUMP, BUNNING, GAYDOS, and STANGELAND changed their vote from "yea" to "nay."

Messrs. DOUGLAS, DREIER of California, THOMAS of Wyoming, Mrs. VUCANOVICH, and Mr. COX changed their vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore (Mr. HAYES of Louisiana). The Clerk will designate the first amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 3: Page 3, line 4, strike out "$30,800,000" and insert "$26,250,000".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 3, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert: "$24,544,000".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma.

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Mr. OBEY. Mr. Speaker, I ask unanimous consent that Senate numbered amendments 4, 20, 21, 24, 25, 26, 33, 49, 64, 65, 66, 67,76, 79, 86, 87, 89, 97, 111, 113, 120, 124, 126, 127, 128, 131, 134, 135, 136, 139, 140, 142, 146, 149, 154, 156, 160, 161, 162, 163, 167, 168, 179, 180, 211, 215, 216, 221, 224, 233, 234, 257, 259, 260, 262, 263, 270, 281, be considered en bloc, and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The texts of the various Senate amendments referred to in the unanimous-consent request are as follows:

Senate amendment No. 4: Page 3, line 9, after "share" insert "of the paid-in share portion of the increase in capital stock, $31,617,983, and for the United States share".

Senate amendment No. 20: Page 12, after line 23 insert:

INTERNATIONAL AIDS PREVENTION AND CONTROL PROGRAM

For necessary expenses to carry out the provisions of chapter 1 of part I of the Foreign Assistance Act of 1961, $42,000,000, which shall be made available only for activities relating to research on, and the

treatment and control of, acquired immune deficiency syndrome (AIDS) in developing countries: Provided, That of the funds made available under this heading $21,000,000 shall be provided directly to the World Health Organiztion for its use in financing the Global Program on AIDS, including activities implemented by the Pan American Health Organization.

Senate amendment No. 21: Page 12, after line 23, insert:

CHILD SURVIVAL FUND

For necessary expenses to carry out the provisons of section 104(c)(2), $71,000,000.

Senate amendment No. 24: Page 12, after line 23, insert:

SCIENCE AND TECHNOLOGY, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 106, $8,662,000.

Senate amendment No. 25: Page 12, after line 23, insert:

MICRO-ENTERPRISE DEVELOPMENT

Of the funds appropriated by this Act to carry out chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $75,000,000 shall be made available for programs of credit and other assistance for micro-enterprises in developing countries: *Provided,* That local currencies which accrue as a result of assistance provided to carry out the provisions of the Foreign Assistance Act of 1961 and the Agricultural Trade Development and Assistance Act of 1954 may be used for assistance for micro-enterprises: Provided further, That such local currencies which are used for this purpose shall be in lieu of funds earmarked under this heading and shall reduce the amount earmarked for assistance for micro-enterprises by an equal amount.

Senate amendment No. 26: Page 12, line 26, strike out all after "appropriated" over to and including "Assistance", "in line 1 on page 13 and insert "by this Act to carry out chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961,".

Senate amendment No. 33: Page 14, line 22, strike out all after "Funds" down to and including "Assistance" " in line 25, and insert "appropriated to carry out chapter 1 of part I which are allocated for Zaire".

Senate amendment No. 49: Page 21, line 6, after "assistance" insert ": *Provided further,* That sufficient Egyptian pounds generated from funds made available under this heading or any other heading of this Act shall be made available to the United States pursuant to the United States-Egypt Economic, Technical and Related Assistance Agreements of 1978 (which provide for local currency requirement for programs of the United States in Egypt to be made available to the United States in the manner requested by the United States Government), to enable the United States Embassy in Cairo to restore the endowment entitled "U.S. Government Trustee" to the Egyptian pound equivalent level, at the commercial rate of exchange, of $50,000,000, the level of endowment established by Congress in Public Law 99-88: *Provided further,* That an additional 20,000,000 Egyptian pounds generated from the same sources shall be made available pursuant to the same agreements to enable the United States Embassy in Cairo to establish an endowment to support other United States educational programs in Egypt".

Senate amendment No. 64: Page 23, line 12, strike out all after "the" down to and including "to" in line 14 and insert: "regular notification procedures of".

Senate amendment No. 65: Page 24, line 2, strike out all after "procedures" down to and including "1961" in line 3 and insert: "of the Committees on Appropriations".

Senate amendment No. 66: Page 24, line 9, strike out all after "prior" down to and including "priations" in line 11 and insert: "foreign assistance appropriations".

Senate amendment No. 67: Page 24, line 13, after "1988" insert ": *Provided further,* That not less than $5,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for the humanitarian relief, medical treatment, education and vocational training of victims of the Armenian earthquake of December 7, 1988, which amount shall be channeled through United States private and voluntary organizations and other United States nongovernmental organizations".

Senate amendment No. 76: Page 26, line 5, strike out all after "dures" down to and including "1961" in line 6 and insert "of the Committees on Appropriations.".

Senate amendment No. 79: Page 28, line 3, after "principal" insert ": *Provided,* That not less than $40,000,000 of such amount shall be used for projects for Poland, notwithstanding any other provision of law".

Senate amendment No. 86: Page 30, line 1, after "Assistance" insert ": *Provided further,* That of the funds appropriated under this heading not less than $1,500,000 shall be made available for a Thailand-Cambodia border refugee protection program".

Senate amendment No. 87: Page 30, line 1, after "Assistance" insert ": *Provided further,* That of the funds appropriated under this heading not less than $1,500,000 shall be made available for the antipiracy program, none of which funds shall be used by any government to deny asylum to individuals seeking asylum".

Senate amendment No. 89: Page 30, line 1, after "Assistance" insert ": *Provided further,* That not less than $10,000,000 shall be made available to the Republic of Turkey for assistance for shelter, food and other basic needs to ethnic Turkish refugees fleeing the People's Republic of Bulgaria and resettling on the sovereign territory of Turkey".

Senate amendment No. 97: Page 33, line 8, strike out "Funds" and insert "Of the funds".

Senate amendment No. 111: Page 34, line 8, strike out all after "procedures" down to and including "1961" in line 9 and insert "of the Committees on Appropriations".

Senate amendment No. 113: Page 34, line after "heading" insert "*Provided further,* That section 515(d) of the Foreign Assistance Act of 1961 is amended by inserting immediately after the word "chapter" the phrase "or the Arms Export Control Act", and section 636(g) of that Act is amended by inserting immediately after the phrase "for the purposes of part II" the phrase "or the Arms Export Control Act" ".

Senate amendment No. 120: Page 38, line 14, after "purposes" insert "and $20,000,000 of the funds made available for interest subsidy payments".

Senate amendment No. 124: Page 43, line 11, after "Act" insert "for general costs of administering military assistance and sales".

Senate amendment No. 126: Page 44, line 23, after "Syria" insert ": *Provided,* That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents".

Senate amendment No. 127: Page 44, line 23, after "Syria" insert ": *Provided further,* That such prohibition shall not apply to the Export-Import Bank or its agents if in the judgment of the President its application is not in the national interest of the United States and so reports to Congress".

Senate amendment No. 128: Page 45, line 11, after "appropriated" insert, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate. *Provided further,* That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations".

Senate amendment No. 131: Page 46, line 1, strike out all after "with" down to and including "1961" in line 2 and insert "regular notification procedures of the Committees on Appropriations".

Senate amendment No. 134: Page 49, strike out all after line 20 over to and including "advance" in line 18 on page 50 and insert:

SEC. 523. For the purposes of providing the Executive Branch with the necessary administrative flexibility, none of the funds made available under this Act for "Agriculture, rural development, and nutrition, Development Assistance", "Population, Development Assistance", "Child Survival Fund", "Health, Development Assistance", "International AIDS Prevention and Control Program", "Education and human resources development, Development Assistance", "Private Sector, environment, and energy, Development Assistance", "Science and technology, Development Assistance", "Sub-Saharan Africa, Development Assistance", "International organizations and programs", "American schools and hospitals abroad", "Trade and development program", "International narcotics control", "Economic support fund", "Peacekeeping operations", "Operating expenses of the Agency for International Development", "Operating expenses of the Agency for International Development Office of Inspector General", "Anti-terrorism assistance", "Foreign Military Financing Program", "International military education and training", "Inter-American Foundation", "African Development Foundation", "Peace Corps", or "Migration and refugee assistance", shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operation not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings for the current fiscal year unless the Appropriations Committees of both Houses of Congress are previously notified fifteen days in advance.

Senate amendment No. 135: Page 50, line 23, strike out all after "defense" over to and including "ammunition" in line 1 on page 51, and insert "equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles".

Senate amendment No. 136: Page 51, line 4, strike out all after *"further,"* down to and including "lower" in line 20, and insert That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 20 per centum of the amount previously justified to the Congress for obligation for such

activity, program, or project for the current fiscal year".

Senate amendment No. 139: Page 52, line 18, strike out all after "procedures" down to and including "1961" in line 19 and insert "of the Committees on Appropriations".

Senate amendment No. 140: Page 52, after line 26, insert:

(b) The United States shall not make any voluntary or assessed contribution—

(1) to any affiliated organization of the United Nations which grants full membership as a state to any organization or group that does not have the internationally recognized attributes of statehood, or

(2) to the United Nations, if the United Nations grants full membership as a state in the United Nations to any organization or group that does not have the internationally recognized attributes of statehood,

during any period in which such membership is effective.

Senate amendment No. 142: Page 55, after line 22, insert:

(2) Section 530 of the Foreign Assistance and Related Programs Appropriations Act, 1985 (Public Law 98-473, 98 Stat. 1837).

Senate amendment No. 146: Page 56, line 2, strike out "1937" and insert "1987".

Senate amendment No. 149: Page 56, line 11, strike out "1988" and insert "1989".

Senate amendment No. 154: Page 59, line 25, after "projects" insert ", or projects with potential significant environmental impacts,".

Senate amendment No. 156: Page 60, line 12, after "proposed" insert "projects with significant potential environmental impacts, or".

Senate amendment No. 160: Page 61, after line 10, insert:

(9) seek the convening of a special seminar for board members and senior staff of each MDB concerning alternate energy investment opportunities and end-use energy efficiency and conservation.

Senate amendment No. 161: Page 63, after line 18, insert:

(4)(A) Section 119(b) of the Foreign Assistance Act of 1961 is amended by inserting ", notwithstanding section 660," after "this part".

(B) Not less than $10,000,000 of the funds appropriated to carry out the provisions of sections 103 through 106 of such Act (including funds for sub-Saharan Africa) shall be made available for biological diversity activities, of which $2,000,000 shall be made available for the Parks in Peril project, pursuant to the authority of section 119(b) and $1,000,000 shall be available for the National Science Foundation's international biological diversity program.

(C) Funds obligated in prior fiscal years pursuant to the authority of section 119(b) may be expended in fiscal year 1990 pursuant to the authority of such section as amended by subparagraph (A).

Senate amendment No. 162: Page 63, after line 18, insert:

(e) The Secretary of the Treasury shall—

(1) instruct the United States Executive Directors to the International Bank for Reconstruction and Development, the International Development Association, the Inter-American Development Bank, the African Development Bank, the Asian Development Bank, and the International Monetary Fund, to actively support lending portfolios which allow debtor developing countries to reduce or restructure debt in concert with the sustainable use of their natural resources. As a part of any such debt restructing program, the United States Executive Director should require a thorough review of opportunities this initiative may offer for providing additional financial resources for the management of natural resources. The Secretary shall submit a report to the Committees on Appropriations on the progress of this program by April 30, 1990;

(2) instruct the United States Executive Directors to the international financial institutions to seek the support of other donor countries in the implementation of this policy; and

(3) instruct the United States Executive Director to the International Bank for Reconstruction and Development to actively seek the implementation by the World Bank of the recommendations set forth in its April 1, 1988, report on "Debt-for-Nature swaps", including the setting up of a pilot debt-for-nature swap program in one or more interested countries. The Secretary shall submit a progress report on the implementation of this program to the Committees on Appropriations by April 1, 1990.

(f) The Secretary of the Treasury shall seek to incorporate natural resource management initiatives throughout the implementation of the Brady Plan. The Secretary shall submit to the Committees on Appropriations a report by April 15, 1990, describing how such initiatives have been incorporated into the Brady Plan and identifying any such initiatives undertaken to date.

(g) The Secretary of the Treasury shall instruct the United States Executive Director to the Inter-American Development Bank to—

(1) seek implementation of the environmental reform measures agreed to as part of the Bank's 7th Replenishment;

(2) seek adoption of Bank policies regarding indigenous people, relations with nongovernmental organizations, and the protection of wildlife and unique natural and cultural features;

(3) require the Bank to demonstrate how it has improved, and will improve, the monitoring of environmental and social components of loans; and

(4) within four months after the date of enactment of this Act report to the Commitees on Appropriations on the progesss the Bank has made in implementing each of these reforms.

Senate amendment No. 163: Page 63, after line 18, insert:

GLOBAL WARMING INITIATIVE

SEC. 534. (a) TROPICAL FORESTRY ASSISTANCE.—(1) In order to achieve the maximum impact from activities relating to tropical forestry, the Agency for International Development shall focus tropical forestry assistance programs on the key middle- and low-income developing countries (hereinafter "key countries") which are projected to contribute large amounts of greenhouse gases related to global warming as a result of industrialization and the burning of fossil fuels, and destruction of tropical forests.

(2) Funds appropriated to carry out the provisions of sections 103 and 106 of the Foreign Assistance Act of 1961, as amended, may be used by the Agency for International Development, notwithstanding any other provision of law, for the purpose of supporting tropical forestry programs aimed at reducing emissions of greenhouse gases with regard to the key countries in which deforestation makes a significant contribution to global warming, except that such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(3) In providing assistance relating to tropical forests, the Administrator of that Agency shall, to the extent feasible and appropriate, assist countries in developing a systematic analysis of the appropriate use of their total tropical forest resources, with the goal of developing a national program for sustainable forestry.

(b) ENERGY ASSISTANCE.—(1) In order to achieve the maximum impact from activities relating to energy, the Agency for International Development shall focus energy assistance activities on the key countries, where assistance would have the greatest impact on reducing emissions from greenhouse gases. Such assistance shall be focused on improved energy efficiency, increased use of renewable energy resources and national energy plans (such as least-cost energy plans) which include investment in end-use efficiency and renewable energy resources.

(2) Funds appropriated to carry out the provisions of sections 103 and 106 of the Foreign Assistance Act of 1961, as amended, may be used by the Agency for International Development, notwithstanding any other provision of law, for the purpose of supporting energy programs aimed at reducing emissions of greenhouse gases related to global warming with regard to the key countries, except that such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(3) It is the sense of the Congress that the Agency for International Development should increase its efforts in the fields of energy efficiency, renewable energy, and energy planning. Such increase should take place with respect to key countries and countries with large Economic Support Fund project assistance. Such efforts should include—

(A) an increase in the number of Agency for International Development staff with energy expertise, including staff with expertise in renewable energy technologies and end-use efficiency;

(B) assistance to develop analyses of energy-sector actions that could minimize emissions of greenhouse gases at least cost, while at the same time meeting basic economic and social development needs. Such assistance should include country-specific analyses which compare the economic and environmental costs of actions to promote energy efficiency and nonconventional renewable energy with the economic and environmental costs of investments to provide additional conventional energy supplies;

(C) assistance to develop energy-sector plans that employ end-use analysis and other techniques to identify the most cost-effective actions to minimize increased reliance on fossil fuels, ensuring to the maximum extent feasible that nongovernmental organizations and academic institutions are involved in this planning;

(D) insuring that AID energy assistance—including support for private-sector initiatives—is consistent with the analyses and plans described in subparagraphs (B) and (C) above, and that environmental impacts (including that on global warming) and alternatives have been fully analyzed;

(E) assistance to improve efficiency in the production, transmission, distribution and use of energy. Such assistance should focus on the development of institutions to (i) promote energy efficiency in all sectors of energy production and use, (ii) provide training and technical assistance to help energy producers and users identify cost-effective actions to improve energy efficiency, (iii) finance specific investments in energy efficiency in all sectors of energy production

and use, and (iv) improve local capabilities in the research, development, and sale of energy efficient technologies;

(F) assistance in exploiting nonconventional renewable energy resources, including wind, solar, small-hydro, geothermal, and advanced biomass systems. This assistance should also promote efficient use of traditional biomass fuels through improved fuelwood management and improved methods of charcoal production;

(G) expanding efforts to meet the energy needs of the rural poor through the methods described in subparagraphs (E) and (F). Specifically these efforts should promote improved efficiency in the use of biomass fuels for household energy, improved systems of fuelwood management, and the development of the non-conventional renewable energy systems described in subparagraph (F);

(H) encouraging host countries to sponsor meetings with officials from the United States utility sector who are leaders in energy efficiency and other United States experts to discuss the application of least-cost planning techniques;

(I) developing a cadre of United States experts from industry, academia, nonprofit organizations, and government agencies capable of providing technical assistance to developing countries concerning energy policy and planning, energy efficiency and renewable energy resources;

(J) in cooperation with the Department of Energy, the Environmental Protection Agency, the World Bank, and the Development Assistance Committee of the OECD, supporting research concerning the ways developing nations can meet their energy needs while minimizing global warming and how to meet those needs; and

(K) strengthening the Agency for International Development's partnership with the Department of Energy in order to ensure that the Agency's energy efforts take full advantage of United States expertise and technology.

(c) REPORTS AND AUTHORITIES.—(1) The Agency for International Development, in consultation with the Environmental Protection Agency (EPA), the Department of State, and other appropriate agencies, shall submit to Congress no later than April 15, 1990, a report which (1) examines the potential contributions of developing countries to future global emissions of greenhouse gases under different economic growth scenarios, (2) estimates the relative contributions of those countries to global greenhouse gas emissions, and (3) identifies specific key countries which stand to contribute significantly to global greenhouse gas emissions, and in which actions to promote energy efficiency, reliance on renewable energy resources, and conservation of forest resources could significantly reduce emissions of greenhouse gases. This report should utilize existing data, including the models and methodologies already developed by the EPA for their report to Congress on policy options for stabilizing global climate.

(2) Of the funds appropriated to carry out the provisions of sections 103 and 106 of the Foreign Assistance Act of 1961, as amended, the Agency for International Development may use such amounts as may be necessary to reimburse United States Government agencies, agencies of State governments, and institutions of higher learning for the full costs of employees detailed or assigned to the Agency for International Development for the purpose of carrying out activities relating to forestry and energy programs aimed at reducing emissions of greenhouse gases related to global warming. Personnel who are detailed or assigned for the purposes of this section shall not be included within any personnel ceiling applicable to any United States Government agency during the period of detail or assignment.

Senate amendment No. 167: Page 64, line 23, after "Act," insert "not less than".

Senate amendment No. 168: Page 64, line 23, strike out "may" and insert "shall".

Senate amendment No. 179: Page 67, line 12, after "Sudan," insert "Uganda,".

Senate amendment No. 180: Page 67, line 14, strike out all after "procedures" down to and including "1961" in line 15 and insert "of the Committees on Appropriations".

Senate amendment No. 211: Page 78, line 14, strike out all after "procedures" down to and including "1961" in line 15 and insert "of the Committees on Appropriations".

Senate amendment No. 215: Page 80, after line 11, insert:

(9) assistance necessary for the control and eradication of swine flu.

Senate amendment No. 216: Page 80, line 14, strike out all after "procedures" down to and including "1961" in line 16, and insert "of the Committees on Appropriations".

Senate amendment No. 221: Page 85, line 14, strike out "564(a)" and insert "561(a)".

Senate amendment No. 224: Page 87, line 1, strike out all after "procedures" down to and including "1961" in line 2 and insert "of the Committees on Appropriations".

Senate amendment No. 233: Page 89, line 8, after "to" insert any".

Senate amendment No. 234: Page 89, line 9, strike out "earmarked" and insert "provided".

Senate amendment No. 257: Page 100, strike out line 15 and insert:

DEBT-FOR-DEVELOPMENT

Senate amendment No. 259: Page 100, line 16, strike out "A" and insert "in order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including debt-for-development and debt-for-nature exchanges, a".

Senate amendment No. 260: Page 100, line 20, after "used" insert ", including for the establishment of an endownment,".

Senate amendment No. 262: Page 100, line 23, strike out all after "act" over to and including "sistence"," in line 1 on page 101 and insert "to carry out chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961".

Senate amendment No. 263: Page 101, line 2, after "Lebanon" insert ": *Provided,* That such funds may be provided in accordance with the general authorities contained in section 491 of the Foreign Assistance Act of 1961".

Senate amendment No. 270: Page 101, after line 20, insert:

(b) Section 514 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h) is amended—

(1) in subsection (b)(1), by striking out "greater than" and inserting in lieu thereof "that"; and

(2) in subsection (b)(2), by striking out "$77,000,000 for fiscal year 1989" and inserting in lieu thereof "$165,000,000 for fiscal year 1990."

Senate amendment No. 281: Page 102, after line 20 insert:

ELIGIBILITY OF POLAND AND HUNGARY FOR OVERSEAS PRIVATE INVESTMENT CORPORATION

SEC. 597. (a) PROGRAMS.—Section 239(f) of the Foreign Assistance of 1961 is amended by inserting "Poland, Hungary," after "Yugoslavia,".

(b) PARTICIPATION BY NONGOVERNMENTAL SECTOR.—(1) In accordance with its mandate to foster private initiative and competition and enhance the ability of private enterprise to make its full contribution to the development process, the Overseas Private Investment Corporation shall support projects in Poland and Hungary which will result in enhancement of the nongovernmental sector and reduction of state involvement in the economy.

(2) For purposes of this subsection, the term "nongovernmental sector" in Poland and Hungary includes private enterprises, cooperatives (insofar as they are not administered by the Governments of Poland or Hungary), joint ventures (including partners which are not the Governments of Poland or Hungary or instrumentalities thereof), businesses in Poland or Hungary that are wholly or partly owned by United States citizens, including those of Polish or Hungarian descent, religious and ethnic groups (including the Catholic Church), and other independent social organizations.

(c) DEFINITION OF ELIGIBLE INVESTOR.—Notwithstanding subsection (b), the term "eligible investor" with respect to OPIC's programs in Poland and Hungary has the same meaning as contained in section 238(c) of the Foreign Assistance Act of 1961.

(d) EFFECTIVE DATE.—The authority of the Overseas Private Investment Corporation to issue insurance, reinsurance, guarantees, and to provide any assistance under its direct loan and equity programs with respect to projects undertaken in Poland and Hungary shall take effect upon the date of enactment of this Act and shall remain in effect until September 30, 1992.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreements to the amendments of the Senate numbered 4, 20, 21, 24, 25, 26, 33, 49, 64, 65, 66, 67, 76, 79, 86, 87, 89, 97, 111, 113, 120, 124, 126, 127, 128, 131, 134, 135, 136, 139, 140, 142, 146, 149, 154, 156, 160, 161, 162, 163, 167, 168, 179, 180, 211, 215, 216, 221, 224, 233, 234, 257, 260, 262, 263, 270, 281, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 6: Pages 3, lines 11 and 12, strike out : "*Provided,*" and insert ": *Provided,* That the funds made available under this heading shall be withheld from obligation until January 1, 1990: *Provided further,* That such funds withheld from obligation may be obligated after January 1, 1990, only if the President certifies that the Board of Governors of the Inter-American Development Bank has adopted a resolution providing that any recipient of any assistance provided by the institution must agree in writing that any procurement of goods or services to be procured with such assistance shall be conducted in a manner that does not discriminate against any United States person interested in providing such goods or services. *Provided further,* That should the Board of Governors of the Inter-American Development Bank fail to adopt such a resolution, the Secretary of the Treasury shall instruct the United States Executive Direc-

tor of the Inter-American Development Bank to use the voice and vote of the United States to oppose any assistance by the institution using funds appropriated or made available pursuant to this or any other Act unless the recipient of assistance agrees in writing that any procurement of goods or services to be procured with such assistance shall be conducted in a manner that does not discriminate against any United States person interested in providing such goods or services: *Provided further,*".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 6, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert ": *Provided,* That the funds made available under this heading shall be withheld from obligation until the Secretary of the Treasury certifies that the Board of Executive Directors of the Inter-American Development Bank has adopted policies to ensure that all recipients of assistance must agree in writing that in general any procurement of goods or services utilizing Bank funds shall be conducted in a manner that does not discriminate on the basis of nationality against any member country, firm or person interested in providing such goods or services: *Provided further,* That the Secretary of the Treasury shall instruct the United States Executive Director of the Inter-American Development Bank to use the voice and vote of the United States to oppose any assistance by the Bank to any recipient of assistance who refuses to agree in writing that in general any procurement of goods or services utilizing Bank funds shall be conducted in a manner that does not discriminate on the basis of nationality against any member country, firm or person interested in providing such goods or services: *Provided further*".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 8: Page 5, after line 4, insert:

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increases in capital stock, for the General Capital Increase, $50,000,795, to remain available until expended: *Provided,* That no such payment may be made while the United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code: *Provided,* That no funds provided to El Salvador under this Act shall be conditioned on any requirement that El Salvador accept any settlement with the FMLN guerrillas which violates the democratic constitution of El Salvador of 1983.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 8, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increases in capital stock, for the General Capital Increase, $50,000,795, to remain available until expended: *Provided,* That no such payment may be made while the United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 12: Page 8, strike out lines 8 to 15.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 12, and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

CONTRIBUTION TO THE ENHANCED STRUCTURAL ADJUSTMENT FACILITY OF THE INTERNATIONAL MONETARY FUND

For payment to the Interest Subsidy Account of the Enhanced Structural Adjustment Facility of the International Monetary Fund, $140,000,000 to remain available until expended: *Provided,* That such funds are available subject to authorization: *Provided further,* That none of the funds made available by this paragraph shall be available for obligation or disbursement until the Secretary of the Treasury has assured the Committees on Appropriations in writing that the current policy of the International Monetary Fund (IMF) and the United States Government requiring that all congressional inquiries to IMF employees be cleared through the office of the United States Executive Director of the IMF has been reversed thereby allowing unmonitored and unfettered contact between Congress and IMF employees.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 13: Page 8, strike out all after line 16 over to and including line 18 on page 9 and insert:

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1983, $241,125,000: *Provided,* That no funds shall be available for the United Nations Fund for Science and Technology: *Provided further,* That the total amount of funds appropriated under this heading shall be made available only as follows: $109,630,000 for the United Nations Development Program; $65,000,000 for the United Nations Children's Fund; $980,000 for the World Food Program; $1,500,000 for the United Nations Capital Development Fund; $800,000 for the United Nations Voluntary Fund for the Decade for Women; $200,000 for the United Nations International Research and Training Institute for the Advancement of Women; $100,000 for the Intergovernmental Panel on Climate Change; $2,000,000 for the International Convention and Scientific Organization Contributions; $2,000,000 for the World Meterological Organization Voluntary Cooperation Program; $22,000,000 for the International Atomic Energy Agency; $10,000,000 for the United Nations Environment Program; $800,000 for the United Nations Educational and Training Program for Southern Africa; $500,000 for the United Nations Trust Fund for South Africa; $650,000 for the Convention on International Trade in

Endangered Species; $220,000 for the World Heritage Fund; $100,000 for the United Nations Voluntary Fund for Victims of Torture; $245,000 for the United Nations Fellowship Program; $400,000 for the United Nations Center on Human Settlements; $500,000 for the UNIDO Investment Promotion Service; $10,000,000 for the Organization of American States; and $13,500,000 for the United Nations Emergency Trust Fund for Afghanistan: *Provided further,* That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 13, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following:

For necessary expenses to carry out the provisions of sections 301 and 103(g) of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1983, $265,115,000: *Provided,* That no funds shall be available for the United Nations Fund for Science and Technology: *Provided further,* That the total amount of funds appropriated under this heading shall be made available only as follows: $109,510,000 for the United Nations Development Program; $65,400,000 for the United Nations Children's Fund, of which amount 75 per centum (less amounts withheld consistent with section 307 of the Foreign Assistance Act of 1961 and section 526 of this Act) shall be obligated and expended no later than thirty days after the date of enactment of this Act and 25 per centum of which shall be extended within thirty days from the start of the United Nations Children's Fund fourth quarter of operations for 1990; $980,000 for the World Food Program; $1,500,000 for the United Nations Capital Development Fund; $800,000 for the United Nations Voluntary Fund for the Decade for Women; $200,000 for the United Nations International Research and Training Institute for the Advancement of Women; $100,000 for the Intergovernmental Panel on Climate Change; $2,000,000 for the International Convention and Scientific Organization Contributions; $2,000,000 for the World Meteorological Organization Voluntary Cooperation Program; $22,000,000 for the International Atomic Energy Agency; $12,000,000 for the United Nations Environment Program; $800,000 for the United Nations Educational and Training Program for Southern Africa; $110,000 for the United Nations Institute for Namibia; $500,000 for the United Nations Trust Fund for South Africa; $750,000 for the Convention on International Trade in endangered Species; $220,000 for the World Heritage Fund; $100,000 for the United Nations Voluntary Fund for Victims of Torture; $245,00 for the United Nations Fellowship Program; $400,000 for the United Nations Center on Human Settlements; $500,000 for the UNIDO Investment Promotion Service; $10,000,000 for the Organization of American States; and $35,000,000 for United States contributions to the third replenishment of the International Fund for Agricultural Development: *Provided,* That none of the funds appropriated under this heading shall be made available for the International Fund for Agricultural Development until agreement has been reached on the third replenishment of the Fund: *Provided further,* That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY.]

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate Amendment No. 15: Page 10, strike out all after line 1, over to and including line 16 on page 11, and insert:

AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 103, $483,715,000: *Provided,* That up to $5,000,000 shall be provided for new development projects of private entities and cooperatives utilizing surplus dairy products: *Provided further,* That not less than $8,000,000 shall be provided for the Vitamin A Deficiency Program: *Provided further,* That, notwithstanding any other provision of law, up to $10,000,000 of the funds appropriated under this heading shall be made available, and remain available until expended, for agricultural activities in Poland which are managed by the Polish Catholic Church or other nongovernmental organizations.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 15, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert:

AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 103, $483,715,000: *Provided,* That up to $5,000,000 shall be provided for new development projects of private entities and cooperatives utilizing surplus dairy products: *Provided further,* That not less than $8,000,000 shall be provided for the Vitamin A Deficiency Program: *Provided further,* That, notwithstanding any other provision of law, up to $10,000,000 of the funds appropriated under this heading shall be made available, and remain available until expended, for agricultural activities in Poland which are managed by the Polish Catholic Church or other nongovernmental organizations: *Provided further,* That not less than $1,000,000 shall be available for a Farmer-to-Farmer program for Poland, notwithstanding any other provision of law.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 17: Page 11, line 25, after "zation" insert ": *Provided further,* That notwithstanding the previous proviso, not less than $15,000,000 of the funds appropriated under this heading shall be made available only for the United Nations Population Fund: *Provided further,* That the United Nations Population Fund shall be required to maintain these funds in a separate account and not commingle them with any other funds: *Provided further,* That none of the funds made available under this heading for the United Nations Population Fund shall be made available for programs for the People's Republic of China".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 17, and concur therein.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WEBER. Mr. Speaker, I demand that the question be divided.

The SPEAKER pro tempore. The question will be divided.

The gentleman from Wisconsin [Mr. OBEY] will be recognized for 30 minutes, and the gentleman from Oklahoma [Mr. EDWARDS] will be recognized for 30 minutes.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I ask unanimous consent that the 30 minutes allotted to me may be controlled by the gentleman from New Jersey [Mr. SMITH].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The gentleman from New Jersey [Mr. SMITH] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, this issue is a close call. I have no doubt that the Chinese population program is a coercive program. I am frankly deeply troubled by the United Nation's description of it as noncoercive.

My instinct, however, would be that the most effective way for the United States to deal with the problem would be for us to pay our dues, weigh in, and exert leadership for change if we want to change the way the United Nations program affects the China program. That is what I would urge the President to consider as a more effective alternative come next year.

Meanwhile, I personally feel required to support the original position of the House, as an agent of the House, and so while the motion at the desk is to recede and concur, I will vote against receding when the motion comes.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. WEBER].

Mr. WEBER. Mr. Speaker, I thank the gentleman from New Jersey for yielding me this time.

First of all, I want to commend the distinguished chairman of the subcommittee again for his good work on the bill and commend the gentleman for taking the position that he has just articulated.

I urge the rest of the membership to join the chairman and the ranking member of the subcommittee in voting against the motion to rescind to the Senate position on the question of the Mikulski amendment.

I have already had a chance to speak on this issue in general debate, so I will limit my comments rather considerably. The point that I want to make about this particular policy in China is that this ought to be a policy vote that unites Members. I understand that it will not be. This ought to be a vote that unites Members on different sides of the very difficult issue of abortion, although I realize that will not happen.

Prolife Members obviously are going to be opposed to the motion to recede because they are opposed to the China policy of coercive abortion.

My point is that Members on the other side of the issue, Members who articulate their position as a prochoice position, ought to find common ground with us in this one area, because the Chinese policy is anything but a choice policy. Millions of women, 50-some million women so far in China have been denied the choice that they would make of bringing their pregnancy to term and giving birth to the baby because of the coercive abortion policy of the Chinese.

In Tibet, the policy is that much more vicious because the Tibetan people do not cooperate with the Chinese Government, and so in many cases it has been verified that in Tibet the policy of coercive abortion of the Chinese Government becomes a policy of coercive infanticide, where the child is actually killed upon birth.

This is not a policy that anyone in this body wants to support, and yet the United Nations Fund for Population Activities not only continues to support it, but gave it its highest award, gave it an award for population control.

The Members should not be rewarding the United Nations Fund for Population Activities for, first, supporting this policy, and second, giving it an award for international excellence.

Finally, let me just say to the Members, the President's position on this is clear. Members who are concerned about expediting the passage and signature of this bill into law ought to be aware that the President has communicated to the ranking member on October 6, and I will quote from his letter to the gentleman from Oklahoma:

> As you know, on September 20th the Senate narrowly adopted the Mikulski Amendment to the Foreign Operations Appropriations bill for Fiscal Year 1990. The Mikulski Amendment would in effect exempt the UNFPA from the requirements of the Kemp-Kasten Amendment, and mandate a resumption of U.S. funding to the UNFPA, so long as U.S. funds are maintained in a segregated account.
>
> I strongly support family planning programs which do not condone or encourage abortion ro coercive measures. I believe that the current Kemp-Kasten law, along with the Mexico City Policy, must be maintained without dilution, in order to preserve both the pro-life and pro-human rights character of the population assistance program.
>
> Therefore, if the FY 1990 foreign operations bill as presented to me contains the Mikulski Amendment or any other language which would weaken the current Kemp-Kasten provision, or place the UNFPA or any other organization outside the full application of Kemp-Kasten, I will veto it.
>
> Sincerely,
>
> GEORGE BUSH.

For us to pass this bill in a responsible way, consistent with our policy on life and human rights, vote against the motion to recede.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. MCHUGH].

Mr. MCHUGH. Mr. Speaker, I urge my colleagues to support this motion to recede to the Senate and appropriate $15 million as a U.S. contribution to the United Nations Fund for Population Activities [UNFPA].

UNFPA is the largest provider of voluntary family planning services in the world. It works in about 120 developing countries where efforts to promote economic growth are often overwhelmed by rapid population growth. In 90 of those countries, including important countries to us like Mexico, the population is expected to double within 30 years. The United States has an interest in promoting stability, economic growth, and development in those countries, and therefore has an interest in supporting the work of UNFPA.

During this debate some may claim that our contribution to UNFPA will fund abortions. That is not true. I do not support the use of taxpayers' dollars to pay for abortions, and UNFPA does not fund abortions. In fact, the programs it does fund are alternatives to abortion.

During this debate some may claim that our contributions to UNFPA will fund programs in China. That is also not true. The legislation specifically prohibits the use of these funds in China.

Our contribution will also not free up other funds that can be used in China. That is because UNFPA has already set its funding level for China and nothing we do here today will change that.

In short, this is not a vote on abortion or on China. It is a vote to support voluntary family planning programs other than abortion in countries other than China. I urge a yes vote on this motion to recede.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself 30 seconds.

First of all, I want to say in response to the distinguished gentleman from New York that UNFPA recently awarded $57 million additional to the coercive program in the People's Republic of China. They have been notoriously the chief defenders of the Chinese program, most recently saying that it is totally voluntary, which is absurd. It is not voluntary.

Today this vote, and we will be urging Members to vote no on receding, stay with the House position, is on coercion and on the atrocities that are occurring in the People's Republic of China. That is the issue.

Family planning moneys are not disturbed one iota by this language and by insisting on the House position. They will remain intact dollar for dollar. Not a penny will be reduced by retaining that pro-human rights Kemp-Kasten language.

Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Speaker, I hope that we do not in any way confuse this debate here today with our domestic national debate on the subject of abortion, in which we argue whether or not we should spend U.S. taxpayers' dollars to fund abortions, where we refer to the respective sides of the issue as prochoice or prolife.

□ 1510

Prolife or prochoice is not the issue in the measure before us here today. What we are talking about here, should the motion to stick with the

House's position fail, is providing funds, perhaps indirectly, but providing funds nonetheless, to a group that does, indeed, promote coercive abortion.

No one can absolutely assure us that the money in this bill, by a juggling of accounts, will not fund those coerced abortions. There is a big difference, a big difference between our domestic debate and coercive abortion. There is no choice in coercive abortion, and we do not have guarantees in the measure before us that the funds contained would be denied to entities that promote coercive abortion.

I strongly, strongly recommend a no vote, and that we stick with the House position opposing coercive abortion.

Mr. OBEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. Mr. Speaker, I rise in support of the conference report.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Speaker, the world's population topped 5 billion last year and is adding another 80 million people annually. To respond, six Presidents, including Republicans and Democrats, strongly endorse an American policy of voluntary family planning through the United Nations.

Unbridled population growth depresses economic progress and degrades the environment. Over the last 40 years, India became the 10th largest industrial nation while the standard of living of the average Indian is no better than his grandfather's. As Brazilian population growth topped 148 million, experts predicted the Amazon rain forest will be a thing of the past in our children's lifetime.

In the Philippines, where family planning was not important, the civil war continues, their environment deteriorates and aid requests double. Meanwhile under the leadership of UNFPA, Thailand took family planning seriously and has since doubled per capita income and is phasing our United States foreign aid.

Our ability to help countries like Thailand was derailed in 1984 when we cut off funding for UNFPA because of China. As chairman of the human rights caucus, I stand second to none in condemning what happened in China, and have worked actively for years to advance the cause of human rights in Chna, in Tibet, and in Hong Kong.

But human rights violations in China cannot be used as an excuse to cut off funding for voluntary family planning in UNFPA's other 120 countries. UNFPA's charter prevents it from any funding of abortion. The bill clearly prohibits any funding for China. UNFPA assures that no additional dollars will go to China when we pass this measure. The funds will be used exclusively to support voluntary family planning in 120 countries where no reports of abuses exist. These programs will attack the problem of unintended pregnancy which is the root cause of abortion. Family planning not only prevents abortion, academics, and development experts agree it is the single most effective way to improve child and maternal health. This vital work must go on.

If you are concerned about Pakistan and Kenya, rapidly growing countries which serve our stragetic interests in Afghanistan and the Persian Gulf, then support UNFPA. If you are concerned about the stability of Mexico, then support UNFPA. If you are concerned about the most effective way to help mothers and children, support UNFPA.

I urge members to join the full Senate and House Appropriations Committee's decision to restart the important work of UNFPA for the sake of the world's women, children and environment.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Mr. Speaker, today we are voting for voluntary family planning worldwide. The world is growing at the rate of 90 million people every year. Such rapid population growth has social, political, and environmental consequences that must be dealt with today, not sometime in the future.

Family planning services are still not available to one-half of the world's people. The poorest and least developed nations generally have the highest birth rates and the greatest need for family planning services, and they are least able to afford them.

This is not a vote for abortion. Not one penny of these funds will be used for abortion. The $15 million appropriation will be used for family planning, for education, for contraceptives, so that the number of abortions can be reduced.

This is not a vote for China's family planning policy; none of this $15 million will go to China. This money will go to the 140 other nations who so desperately need our leadership, our technology, and our willingness to teach.

We must restore our Nation's support for UNFPA and international family planning efforts. We must today vote for the conference agreement.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 1 minute to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Speaker, we keep seeming to want to couch this in the abortion-antiabortion terminology, and I do not think that is what we are talking about here at all.

People keep referring to voluntary family planning. There are very few of us who would not agree that voluntary family planning makes some sense, but the UNFPA does support China's program. The Members heard just a few moments ago that they did give an award to China's program that it is a program that is exemplary. They gave $57 million in the last grant, and I believe $50 million in the grant before that.

Just a week ago on the floor of this House of Representatives we had a chance to explore that exemplary program that China has for family planning, and we said on the floor of this House a week ago by a vote of 300 to 115 that we do not think that is a very good way to do it, to force people not only to have abortions but to be sterilized if they violate the rules about the number of pregnancies that they have.

Mr. Speaker, I would encourage a no vote on the motion.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 2 minutes to the gentlewoman from Rhode Island [Ms. SCHNEIDER].

Ms. SCHNEIDER. Mr. Speaker, I rise in strong support of the motion of the gentleman from Wisconsin [Mr. OBEY]. It is imperative that the United States reaffirm not only its commitment, but traditional leadership, to population stabilization.

World population growth is a timebomb. Every 13 months the world adds the population equivalent of a Mexico, every 13 years it adds a China. The tragedy is that 19 out of 20 of these new children are born into life-long poverty. UNFPA funding is a key step toward supporting universal family planning services, which is essential if we are to stabilize world population.

UNFPA funding is also consistent with title 11 of the Global Warming Prevention Act. Rapid population growth leads to depletion of natural resources, and makes reduction of poverty more difficult.

The UNFPA promotes maternal and child health. It helps provide for contraception production and increased availability. It also provides for women's education and training. The UNFPA does not and never has supported abortion as a method of family planning. Furthermore, the Mikulski amendment explicitly states that no funds will go to the UNFPA Program in China.

It saddens me that responsible funding for the UNFPA has been misrepresented as an abortion vote. It is not another referendum on reproductive rights. This vote is a vote for responsible global policy.

I strongly urge my colleagues to support the motion of the gentleman from Wisconsin [Mr. OBEY] to recede and concur.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself 15 seconds just

to respond. This vote today will be on coercion versus voluntarism.

The UNFPA, unfortunately, has allied itself with the forces in Beijing who are committed to coercion, compulsory abortion, compulsory sterilization, and that is what we are objecting to.

I urge the Members to vote no on the motion to recede.

Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr WALKER].

Mr. WALKER. Mr. Speaker, as the abortion issue has been discussed in recent weeks, it has been discussed as a difference between the pro-life position and the right-to-choose position. There has been a lot of talk during that time about extremism on both sides, but I think today we have a definition of extremism, because what we have here being debated is not the question of the right to choose but it is the question of the power to coerce.

If there is any doubt in anyone's mind about whether or not we are talking about coercive abortion in this particular funding, let me read to the Members from a report of the AID on what went on in the UNFPA programs in the past. The AID says flatly:

The kind and quality of assistance provided by UNFPA contributed significantly to China's ability to manage and implement a population program in which coercion was pervasive.

In other words, the money in this fund has, in fact, been used for coercive abortion.

To vote for this money is to say that we are on the extreme side of coercing people into abortions. I do not think that that is a position for which we ought to take the taxpayers' money. I do not even think it is a position that most Americans would agree should be taken in any kind of a policy position.

We really are down to a question here of voting on an extreme position. If we vote with the gentleman from New Jersey [Mr. SMITH], it seems to me what we are doing is saying, "Let us have a rational position here, no coercive abortion."

□ 1520

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Speaker, if the $15 million in amendment is given to the United Nations Family Planning Agency, not one penny will go to China. Not one penny will be spent on abortion. Not a single penny will be spent for coerced abortions.

What Members will do in denying these funds is deny family planning funds to other countries around the world.

One has to wonder who designs the legislative agenda for those on the side of the aisle who oppose abortion. How can Members who oppose abortion oppose family planning? It is the failure of family planning, it is the absence and failure of birth control, which leads to abortion.

I condemn what occurred in Tiananmen Square. I despise coerced abortion in China. But I am not prepared to cut off family planning funds to poor women in other countries all around the world to prove it.

Those who oppose abortion have a moral and political obligation to provide family planning alternatives.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I want to say that is a disingenuous argument to suggest that this money is not going to be used for family planning.

Every dollar that does not go to the UNFPA goes to other family planning programs in the developing world. I have a list of all the different programs to which it was reprogrammed, when they disqualified themselves by participating in the brutal coercive program in China. They have again put $100 million in the last decade, including the $57 million just approved, into that coercive program. Every dollar has been reprogrammed to family planning programs, including Planned Parenthood—Western Hemisphere, and including other programs throughout the world.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, as one of the senior women here in the House, I talked to women legislators all over the world. They constantly say to me, "Why does America let women down?" What they mean by that is our Mexico City policy of not supporting family planning.

Today we can say to people around the world, we are not letting you down. We understand how important family planning is. We understand that the United Nations family planning group is one that we should be out there for.

I think all the talk about China has nothing to do with the issue. The list of countries that the United Nations contributes to is all over the world. It is shameless that we are not part of that group. Shameless.

Today we can put that aside by supporting Senator BARBARA MIKULSKI's amendment, and I hope everybody votes aye to recede and concur and say to the people of the world, we do care.

Mr. Speaker, this is a very important environmental vote and women's vote and sensible vote.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Speaker, if this U.N. organization, this Population Fund, were dealing with South Africa in some way, we would not be so generous about talking about fencing funds off and then letting the organization go ahead and deal with a State that is considered a pariah State.

Here is an example that I think should be read for the RECORD. It is the story of Dr. Kerr, who wrote in the Washington Post. They saw fit to publish it earlier this year.

Here is a story of what some of these mobile teams in China did with money, not United States' dollars, that was spent, but with their general fund. They trained these mobile teams to hold down population in Tibet.

Dr. Kerr quotes from two refugee Buddhist monks who witnessed a team in action descend on their village less than 2 years ago.

"The villagers were informed that all women had to report to the tent for abortions and sterilizations or there would be grave consequences. The women who refused were taken by force, operated on, and no medical care was given. Women 9 months pregnant had their babies taken out. We saw girls crying, heard their screams as they waited for their turn to go into the tent, and saw the growing pile of fetuses build outside the tent, which smelled horrible. Since 1987 there has been a tremendous increase in the number and frequency of the teams that move from town to town, and to nomad areas."

That was from an article entitled "Witness to China's shame," by Dr. Kerr.

Now, I again make the point if this somehow or other were a situation where we fenced United States' money, but let this United Nations Population Fund organization go on and deal with South Africa in some sort of far less heinous way, we would hear all sorts of righteous indignation from the liberals in this House.

I think that it is the United Nations Population Fund that has become a pariah organization, because they give money that facilitates this type of infanticide. That is what it is, and that is why I say no to this funding to this U.N. organization.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. KOSTMAYER].

Mr. KOSTMAYER. Mr. Speaker, how many times must we say it? None of this money goes to China. What is happening in China is not the issue. This money does not go to China. Let us say it over and over and over again. This money is held in a separate segregated account.

I do not approve of what is happening in China either. This money does not go to China.

We fund other agencies of the United Nations in a similar way. The United Nations Relief and Works Agency does refugee work on the West

Bank. We make sure that none of that money goes to the PLO.

One hundred thirty countries will be denied these funds. The world's population grows by almost 2 million people a week. That is a Philadelphia a week. A Philadelphia a week is what we are adding to the world's population.

This vote is about voluntary family planning for the poorest women in the world. The population of Africa is growing at 3.1 percent. The food supply is growing at 1.1 percent. Anyone can see what is happening.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 30 seconds to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Speaker, trying to pick up on the rhythm of the last speaker, the gentleman from Pennsylvania [Mr. KOSTMAYER], the United Nations gave the population prize to guess who? The United Nations gave the population prize to China.

Suppose the United Nations gave the crowd control prize to South Africa? Suppose the United Nations gave the crowd control prize to South Africa, with special note for skillful use of the jumba, the whip. The analogy is perfect. It is perfect. Population control prize to China; crowd control prize to South Africa. The same thing.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, I think we can understand this not-too-complicated situation in three steps.

First of all, I think all Members stipulate that the Chinese program is something Hitler would have done. It coerces pregnant women to either have an abortion, if they have more than one child, or they coerce them into being sterilized. They mutilate their body.

Those people who orchestrated the atrocity at Tiananmen Square are still at it in Tibet and elsewhere in China.

So, Mr. Speaker, all Members agree, I think. I have not heard anyone defend the Chinese coerced abortion, coerced sterilization program. So we concede that.

Second, the United Nations supports the China program, and these folks want us to support the United Nations.

Now, you do not have to be a rocket scientist, to understand money is fungible. If we give money to the United Nations but say none goes to China, we free up other United Nations money to go to China.

So it is like pushing in a water bed. You know what a water bed is? So it is fungible. If the United Nations is the friend of the Chinese program, why ask us to support the United Nations?

Fencing it off is like keeping a double set of books. You sure do not kid anyone.

Mr. MOODY. Mr. Speaker, will the gentleman yield?

Mr. HYDE. Mr. Speaker, I yield to my friend, the gentleman from Wisconsin.

Mr. MOODY. Mr. Speaker, the gentleman is generous for yielding to me.

As the gentleman knows, I hope he knows, the amount of money that will go to China under the title is totally independent of what we do today. That has been present for the fiscal year upcoming. It will not be affected. It does go the general revenues.

Mr. HYDE. Mr. Speaker, I will reclaim my time and suggest to the gentleman money is fungible. If we give the money, they are freed up to give their own money to support China.

□ 1530

Now the way to stop the Chinese program is for the United States, the big Uncle Sam who funds everything everywhere, to stop funding the United Nations Population Fund. They will get the message and stop funding the Chinese coercive program.

Now the great cause of family planning is not impaired, because other agencies will get every nickle of this money including the International Planned Parenthood Federation for the Western Hemisphere, the Population Council of New York, and some others.

So the cause of family planning will be funded with this money. But not to the United Nations. Why? Because the United Nations supports China which supports coercive abortion. Is that complicated?

Mr. MOODY. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Wisconsin.

Mr. MOODY. I thank the gentleman for yielding.

Mr. Speaker, there is a list of 18 countries in Africa which will get nothing unless they get this through the United Nations Family Planning Association because that is the only family planning program there.

Mr. HYDE. Then take the money from China and give it to Africa then.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 2 minutes to the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. Mr. Speaker, I rise in support of the motion to recede and concur in the Senate's amendment to restore the contribution of the United States to the United Nations Fund for Population Activities.

Those who oppose this motion, Mr. Speaker, have but one, faulty premise for blocking these funds: UNFPA money, they seem to contend, is equivalent to abortion money. It is that simple; it is also simply wrong.

Let's cut through that rhetoric to the facts. We all agree that China's policy of coerced abortions is both appalling and contemptible. That's why our money is not going to China's program. That's why not one dime of UNFPA money goes for such heinous practices—and so we should not punish an outstanding organization for sins of which they are not guilty.

In fact, there is no documentation that UNFPA money goes for abortions. And here is no documentation that UNFPA money goes for coercive measures.

What we do have documentation for paints a vastly different picture than opponents would have us see.

We have the Executive Director of UNFPA stating unequivocally that—

> Our Guidelines on family planning stipulate that since abortion is not a method of contraception, the Fund does not extend assistance for supplies or services for this purpose . . . we are especially vigilant to ensure that none of our support is channelled into abortion programs.

And we have the program review by our own AID stating, again unequivocally, that "UNFPA neither funds abortions nor supports coercive family planning practices through its programs."

Further, the so-called "fungibility" question is moot: renewal of our contributions will not increase the availability of funds for China.

Mr. Speaker, one of the "dear colleagues" sent out by opponents of this motion cited a 1985 AID memo, which said, "the United States should take strong action to disassociate itself from the China program." Well, that is precisely what would occur under this motion—a sharp break from the China program.

So to say this debate is about abortion is either a red herring or a canard—take your pick.

What it is about is something quite different. It's about family planning. It's about a woman's access to safe and effective birth control methods. It's about babies born in Africa being 10 times likelier to die in infancy than babies born in the United States. It's about high maternal mortality, and children who manage to survive infancy growing up motherless.

It is also about the fact that populations of some 90 developing countries are expected to double within only 30 years.

Mr. Speaker, it is past time for the United States to resume our historical leadership on international family planning. We have the chance to do just that today. And it would be a cruel irony—cruel, Mr. Speaker—if we fail to support an institution which help reduce the likelihood of abortion, illness and poverty.

I urge adoption of this motion.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I point out to my colleagues that it is incorrect to say that AID has found that UNFPA has not been involved with the coercive practices in China.

AID has said—in keeping with the Kemp-Kasten requirement for a Presidential determination—that each year since 1985 the UNFPA has comanaged the coercive population control program in the People's Republic of China.

They have been found guilty each and every year. To respond to that the opponents of this language want to repeal it.

I think we ought to force compliance and encourage compliance on the part of UNFPA in China.

I also point out, since it was noted by the previous speaker, that the Executive Director of UNFPA said that UNFPA firmly believes and so does the Government of the People's Republic of China that the program is totally voluntary. That is not true, it is simply not a voluntary program. It is unfortunate that the UNFPA is fronting for this terrible atrocity.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentlewoman from Kansas [Mrs. MEYERS].

Mrs. MEYERS of Kansas. Mr. Speaker, I rise in strong support of Chairman OBEY's motion. This is not an abortion vote. None of this money goes to China.

This is a family planning vote. If Members vote "no" on this they do not effect China. They take family planning money away from 120 countries. This is a vote about the lives of women in 120 countries.

Family planning saves the lives of women. An African woman's chances of dying as a result of childbirth are 1 in 14. In industrialized nations, the chances are 1 in 4,000 to 1 in 7,000. Pregnancy-related deaths account for one-fourth of all deaths among women aged 15 to 49 in developing countries.

In most of Africa, women average between six and eight pregnancies. In sub-Saharan Africa, one of the most desperately poor regions of the world, the average number of births per woman is 6.5.

Spacing births saves the lives of children. Infants born less than 2 years after their previous sibling have a much higher probability of dying—in some countries, as much as twice as high—in the first year of life.

A baby born in Africa is 10 times more likely to die in infancy than a baby born in the United States.

In Africa, less than one-fourth of women not wanting any more births are practicing contraception, 43 percent in Asia, and 57 percent in Latin America. If all women who said they wanted no more children were able to stop bearing children, the number of births would be reduced 27 percent in Africa, 33 percent in Asia, and 35 percent in Latin America (World Fertility Survey, 1972-84).

Save the lives of women and children.

Vote "yes" for Chairman OBEY's motion.

Mr. SMITH of New Jersey. Mr. Speaker, I reserve the balance of my time.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Speaker, today we can stand up for family planning. Now what did George Bush say about family planning in 1973? These are his words which I am going to place in the RECORD. This is from a foreword by George Bush, U.S. Representative to the U.N., on World Population Crisis, the U.S. Response.

"I was impressed by the arguments that economic development overseas would be a miserable failure unless the developing countries have the knowledge and supplies their families needed to control fertility." This is George Bush 1973.

Let us not go backward, folks. These funds will not go to China. These funds will not go to China. They will go to more than 100 countries who desperately need this help.

Now this is not about China. This is not about coerced abortion, this is not about abortion. It is about family planning.

Now what do some of the groups say about family planning? I want to quote to you. Joseph Scheidler, director of Pro-Life Action League, "I think contraception is disgusting."

Now there are people on this floor who are carrying out that radical view.

Vote "yes."

The article referred to by George Bush, Jr., U.S. Representative to the United Nations, follows:

FOREWORD

(By George H. Bush, Jr.)

Few issues in the world have undergone such a rapid shift in public attitudes and government policies over the last decade as the problems of population growth and fertility control.

My own first awareness of birth control as a public policy issue came with a jolt in 1950 when my father was running for the United States Senate in Connecticut. Drew Pearson, on the Sunday before Election Day, "revealed" that my father was involved with Planned Parenthood. My father lost that election by a few hundred out of close to a million votes. Many political observers felt a sufficient number of voters were swayed by his alleged contacts with the birth controllers to cost him the election. The subject was taboo—not only because of religious opposition but because at that time a lot of people were unwilling to discuss in public what they considered a private matter.

Today, the population problem is no longer a private matter. In a world of nearly 4 billion people increasing by 2 percent, or 80 million more, every year, population growth and how to restrain it are public concerns that command the attention of national and international leaders. The per capita income gap between the developed and the developing countries is increasing, in large part the result of higher birth rates in the poorer countries.

World Population Crisis: The United States Response recounts and analyzes the events which mobilized the United States leaders to action. Dr. Piotrow presents a story of determined and sometimes disruptive advocates, of conscientious, careful scientists, of political leaders striving to reach a new consensus, of vigorous officials building action programs. It is, above all, a story of individuals and institutions struggling to solve a new kind of worldwide problem within the framework of individual choice and responsible government.

The population problem does not have easy answers. As a member of the U.S. House of Representatives in the late 1960s, I remember very well how disturbed and perplexed my colleagues and I were by this issue. Famine in India, unwanted babies in the United States, poverty that seemed to form an unbreakable chain for millions of people—how should we tackle these problems? I served on the House Ways and Means Committee. As we amended and updated the Social Security Act in 1967 I was impressed by the sensible approach of Alan Guttmacher the obstetrician who served as president of Planned Parenthood. It was ridiculous, he told the committee, to blame mothers on welfare for having too many children when the clinics and hospitals they used were absolutely prohibited from saying a word about birth control. So we took the lead in Congress in providing money and urging—in fact, even requiring—that in the United States family planning services be available for every woman, not just the private patient with her own gynecologist.

I remember another bill before the Ways and Means Committee. This one successfully repealed the prohibition against mailing information about birth control devices or sending the devices themselves through the mails. Until 1970 the mailing of this information had been heaped in with the mailing of "pornographic" material.

As chairman of the special Republican Task Force on Population and Earth Resources, I was impressed by the arguments of William H. Draper, Jr. that economic development overseas would be a miserable failure unless the developing countries had the knowledge and supplies their families needed to control fertility. Congress constantly pressed the rather nervous federal agencies to get on with the job. General Draper continues to lead through his tireless work for the UN Population Fund.

Congressional interest and support in population problems was remarkably bipartisan—including Jim Scheuer, Ernest Gruening, Bob Taft, Bill Fulbright, Joe Tydings, Bob Packwood, Alan Cranston, and many others from both parties and every section of the country. Presidents Johnson and Nixon both were seriously concerned about the problem, too. In fact, early in 1969 President Nixon delivered an official Message on Population to Congress. In the federal agencies there were at first only a few determined individuals like R.T. Ravenholt in AID and Philander P. Claxton, Jr. in the State Department who were willing to urge their superiors ahead. Now the recommendations of the Commission on Population Growth and the American Future, chaired by John D. Rockefeller 3rd, have urged many agencies to take on a larger role and have called for the U.S. government to adopt a national population policy.

When I moved to the United Nations in 1971 as United States Ambassador, I found that the population problem was high on the international agenda, though lacking some of the urgency the matter deserves. The General Assembly had designated 1974 as World Population Year with a major conference of governments scheduled. The UN Fund for Population Activities, which has raised some $50 million, now stands ready to help agencies and governments develop appropriate programs. It is quite clear that one of the major challenges of the 1970s, the Second United Nations Development Decade, will be to curb the world's fertility.

The United Nations population program, including the Fund and specialized agencies, stands today at the threshold of international impact. The problem has been recognized; the organizations exist; the resources are at hand. But policy making on the international level no less than on the national one is an educational process. In developing the programs needed, the public as well as government leaders learn from one another. New technologies lead to new policies and laws, new public and private values, new insights into our own problems as well as those of others. We all proceed by trial and error. Will we learn fast enough from one another and with one another how to defuse the population bomb?

One fact is clear: in a world of nearly 4 billion people, with some 150 independent governments, myriad races, religions, tribes and other organizations, major world problems like population and environmental protection will have to be handled by large and complex organizations representing many nations and many different points of view. How well we and the rest of the world can make the policies and programs of the United Nations responsive to the needs of the people will be the test of success in the population field. Success in the population field, under United Nations leadership, may, in turn, determine whether we can resolve successfully the other great questions of peace, prosperity; and individual rights that face the world.

Dr. Piotrow's study of evolving population policy, in the United States and in the United Nations, is necessarily a story without an ending, it is not a blueprint for the future, but rather a search for the meaning of the past, an exploration of the means, the arguments, the individuals and the events which did, in fact, influence U.S. policy making over the last decade and a half. But the lessons suggested here—about leadership, about innovation, about national and international organizations—surely have continuing application for the future. Dr. Piotrow was in a unique position to observe and even participate in many of the actions taken.

I worked with Phyllis Piotrow on some of these issues. This book is far too modest about her own efforts, for she has contributed significantly herself to public understanding and support of population activities through her work with the Population Crisis Committee. Certainly the private organizations, like the Population Crisis Committee, Planned Parenthood—national and international—the Population Council, the Population Reference Bureau, the Population Institute, Zero Population Growth, and others, have played a major role in assisting government policy makers and in mobilizing the United States response to the world population challenge that is described in this volume.

GEORGE BUSH,
U.S. Representative to the United Nations.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself 1 minute.

First of all, the previous speaker said today we stand up for family planning. I would add and strongly say that today we stand up for voluntary family planning. The issue is coercion versus voluntarism.

Those who want to insist on the House position which has been enforced since 1985 will vote against the motion to recede.

So I urge Members to vote against the motion to recede and also point out that we will vote to stay with the House position. The UNFPA is not the only provider of family planning in the world. There are many other organizations. And every dollar that does not go to UNFPA will go to organizations that truly believe in voluntarism. I tell Members we have lists of those organizations that have received these funds and will be the recipients of those dollars. So dollar for dollar it is all reprogrammed. It goes right into family planning. So not anything is lost.

Mr. Speaker, I reserve the balance of my time.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Speaker, when I was in AID in the late 1970's, running the population program of the agency, we wrestled with this problem. I want to say to the gentleman from New Jersey and the gentleman from Illinois there are a couple of problems with their approach. It does not work.

First of all, what it means is that you cut off funds for voluntary programs in numerous other countries and for hundreds of thousands of other people.

□ 1540

That is the practical effect. There is another practical effect of the approach, and that is we have no voice in UNFPA at all. If it gives out an award and we do not like it, we are outside shouting.

In practical terms, if a person believes in voluntarism, we will contribute and participate. The real fact here is that none of the money is going to go to China. It has all been allocated, and we are on the outside, shouting, instead of being on the inside, working for voluntary family training programs throughout this world.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself 30 seconds.

I will just respond, the United States does have representation. We did vote against the new $57 million grant to China.

Mr. LEVIN of Michigan. Mr. Speaker, if the gentleman will yield, on the governing?

Mr. SMITH of New Jersey. We did vote.

Mr. LEVIN of Michigan. I think on the governing, but we are not active in UNFPA when we do not contribute, so the gentleman is essentially sterilizing his own position in terms of volunteerism.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Mr. Speaker, if we recede to the Senate in this amendment to support family planning in poor countries through UNFPA, not one penny will go to China. The amount of UNFPA support to China for 1990 is totally preset already and will not alter one penny no matter what we do here today.

However, what we do have an opportunity to accomplish today is to send the family planning support to desperately poor women in over 100 nations. When I went to Bangladesh with the Peace Corps in 1961, the population of the country was 45 million people. Today it is 110 million people, many living in near starvation with almost no access to family planning. In this desperate scenario, by the way, abortion sometimes becomes a desperate way for poor women to limit family size to what they can feed.

If we truly want to limit abortion, if we want to provide access to voluntary family planning, increased standard of living, and if we want to help poor people all over the world, we will not retain the Kasten-Kemp language which has resulted in these desperate people from being helped.

If we want to get at China, why punish women and children all over the world. For under this bill, not one penny of family planning money goes to China.

Maybe a better way would be to stop coproduction of the F-8 fighter. If we want to punish China, there are other ways. China is not in this bill.

Let's not punish millions of families seeking to limit family size to family resources, let's not punish millions of poor women seeking to limit the number of children they can healthly bear, lets not punish millions of poor children to a life of near starvation.

Restore funding to the U.N. Population and Voluntary Family Planning Program.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentlewoman from New York [Ms. SLAUGHTER].

Ms. SLAUGHTER of New York. Mr. Speaker, today we are voting on a public policy, public health issue here, and not China's abortion policy. A vote for the Mikulski amendment saves the lives of thousands of women and infants in more than 100 nations.

Until 1985, the United States was a leading contributor to this vital United Nations program. We have to renew our commitment to it, and the poor women in developing nations who rely on this family planning program to be able to participate in voluntary family planning.

The services mean the difference between life and death for women and for their children. Access to voluntary family planning is a prerequisite to a successful development policy that fully involves women in all economic and social progress.

We know that spacing children at least 2 years apart increases their chances of surviving past their first birthday. We know that 500 million women want access to family planning and cannot get it. We know that UNFPA makes a difference.

Please join me. Women are dying, children are starving. Let Members stop it.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself 30 seconds.

The issue of whether or not we are providing funds for family planning is not in doubt. According to Deputy Administrator Jay Morris—

The U.S. is the largest international supporter of family planning, voting $244 million in fiscal 1988 to population activities in 90 countries, up from $190 million in 1981. This amounts to 40 percent of all donor support for family planning in developing countries. The U.S. has spent nearly $2 billion on international family planning programs since 1981.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. ATKINS].

Mr. ATKINS. Mr. Speaker, I do not think there is a single Member of this body who supports the coercive families in China. However, that is not the issue before Members.

The issue is how do we effectively deal with these practices, and how do we do it not only in China but in the other countries where they have existed? The single most effective thing that we can do in the United States is rejoin and begin funding the U.N. family planning activities. They are the most effective voice to switch that Chinese policy from a coercive policy to a voluntary policy. They are the most effective voice in terms of establishing an international presence. Indeed, their policy is to decide freely and responsibly the number and spacing of their children, and to have the information, education, and means to do so.

I would hope that all Members would agree that that ought to be the policy. The U.N. Fund for Family Planning Activities does not fund any abortions, does not fund any coercive family planning activities. Indeed, we are the most effective voice against those coercive practices.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Speaker, to the issues before Members, we have a strawman. If Members cannot beat the United Nations Family Planning Agency, bring up a strawman, the Chinese, attack the Chinese as a way to attack the United Nations program.

My friend from Illinois says that funds are fungible. Well, he is correct. If we want to get out the funds that allow the Chinese to carry out their program, stop the programs we in the United States Government have with China that enrich that country, stop the military programs, stop the economic programs with China. Do not damn the women of Africa to death from birth to a situation where their families are in starvation, or their countries are in turmoil. Do not leave Members in a situation where we have destabilization because societies cannot provide for the basic services because of population growth that outstrip any ability to provide either food assistance or economic assistance.

One in 21 women in some African countries die at childbirth. This is a life and death issue.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself 15 seconds.

The gentleman previously said moneys would not be going to Africa, and was concerned. Normally, I would share that concern, except moneys reprogrammed from UNFPA did go to Africa. In 1987, of the $25 million budgeted for UNFPA, $14,500,000 went to Africa.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Speaker, at the last meeting of the North Atlantic Assembly held last month in Rome, the United States was among 15 nations that dealt with a very sensitive subject of global environmental change.

Let me quote from a report issued by the Committee on Science, Space, and Technology. It says, "It took 17 centuries for the Earth's population to double from its level at the time of Christ. Since then, it has doubled 3 more times, so that it now stands at about 5 billion. By 2025, it is expected to rise between 8 and 10 billion and to reach 14½ billion by 2070." The report goes on to say, "This will put a tremendous strain on the world's resources and will inevitably add to the world's population problems. Consequently, greater international support should be given to population programs, with a goal of making family planning services universally available to every individual who wants them."

To that I say amen. This group should support the UNFPA.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1½ minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Speaker, this amendment should be approved. This amendment should not be controversial and should be approved on its merits.

To be clear, none of the $15 million can be used in China. UNFPA does not pay for abortions in any of the programs it funds anywhere, even in countries where abortion is legal. The "abortion" objections are diversions and not substantive.

This vote today is a vote to support the largest voluntary international family planning program. By supporting this program we can assist poor countries that are struggling with rapid population growth. The consequences, therefore, are more hunger, more disease, more poverty, and more political unrest.

The UNFPA does not and has never supported abortion as a method of family planning. This program only promotes maternal and child health, access to contraception, and education training of nurses and doctors.

The most important point to remember about this program is that access to safe and effective family planning prevents abortions.

The United States contribution would not result in direct aid to China's family planning program. The United States contribution will be placed in a U.S. monitored, segregated account to avoid comingling with other funds.

The Senate provision leaves intact the prohibition against the use of U.S. population aid for abortion, coercive abortion, or involuntary sterilization.

Let me share with my colleagues my knowledge gained as the ranking member of the Select Committee on Hunger. I was made painfully aware of the importance of family planning, when several years ago, I traveled to Ethiopia and witnessed first hand death due to starvation, and the overcrowded feeding camps. The famine was compounded by explosive population growth, far outstripping agricultural production.

Many experts agree that the Earth's biological systems are declining in parts of the world where the human population is swelling. Today the world's population exceeds 5.2 billion and is growing at the rate of 90 million people per year.

At current rates of growth, the world's population will double in 35 years, and 95 percent of those new births will occur in the developing countries. Forty percent of the population of Third World countries is under the age of 15.

In virtually every one of the developing countries population growth outpaces economic growth and destroys the natural resource base on which

those countries depend for their livelihood. Unless this trend is reversed we will see more hunger, more disease, more poverty, and more political disruptions. Our own economy and way of life, so dependent on the world economy and environment, will not escape unscathed.

In the past the United States has been the leader in international family planning, but today we are providing less assistance for these programs than in fiscal year 1984. The decline in U.S. funding for international family planning has hampered our ability to aggressively respond to this crisis.

Millions of people in these developing countries want access to contraceptives and cannot get them, while others lack the information necessary to make informed decisions about controlling their family size.

As the economic and political leader of the free world we can do no less than support these humane and progressive programs for the poorest of the poor.

□ 1550

Mr. SMITH of New Jersey. Mr. Speaker, I yield 4 minutes to the gentleman from West Virginia [Mr. MOLLOHAN].

Mr. MOLLOHAN. Mr. Speaker, I rise in opposition to the Senate language earmarking $15 million to the United Nations Fund for Population Assistance.

Mr. Speaker, at the beginning I would like to clarify a point that has been made by those who support this earmarking. A number of comments have been made and arguments made that this $15 million, if it does not go to the UNFPA, will be lost for population assistance. That simply is not accurate. This is a $15 million earmarking out of the population assistance account, and if this $15 million does not go to the UNFPA because of their supporting the China abortion program, it will go to other population control, population planning, family planning agencies that do not support coercive abortion.

So, Mr. Speaker, this $15 million will not be lost for family planning purposes, and I think everybody in the body ought to understand that.

The arguments in support of the Senate language are internally inconsistent. We are told, on the one hand, that we should support this appropriation because the UNFPA, quote, "does not and has never supported abortion as a method of family planning." Yet, on the other hand, we are reassured that none of this $15 million can be used in China.

These twin arguments do not complement one another. If my colleagues argue against all evidence that the UNFPA does not support abortion programs in China, then why do they include language that prohibits the use of the $15 million in China? If the UNFPA is innocent of the allegations against its involvement in the Chinese programs, then why restrict the money going to this organization?

Mr. Speaker, this restriction is a tacit admission that China's population control problem does include coercive abortion. Once this is admitted, why are we supposed to be reassured that none of the American taxpayers' $15 million will be spent in that country? Money, after all, as has been pointed out today, is the most fungible of commodities. If we get $15 million, or even a single dollar, to an entity that supports coercive abortion, we are supporting the existence and the actions of that entity.

Mr. Speaker, I am not opposed to family planning. I support it. But the coercion of families into aborting children they eagerly want is not family planning. It is a violation of the grossest nature of human rights. The Government of the People's Republic of China has admitted that they consider forced abortions to be an effective means of the implementation of their one-child policy. This one-child policy has resulted in cases where women have been loaded into trucks and transported to abortion clinics where they are forced to have abortions. The spouses of pregnant women are also threatened with prosecution, confiscation of farm animals, destruction of their homes.

Mr. Speaker, there is one reported instance where the husband was placed in a confined tank of water until his wife agreed to report to the abortion clinic. This, Mr. Speaker, is the family planning policy we are being asked to support this afternoon.

In summary, Mr. Speaker, there is no question that China's one-child population control policy includes forced abortion and sterilization. There is no question that the United Nations Fund for Population Assistance is closely involved with China's population control problems.

There is finally, Mr. Speaker, no question that the United States financial assistance to UNFPA, regardless of whether it is legislatively segregated, enhances that organization's work in China, and I urge rejectment of the Senate language.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in support of the motion to recede and concur with the Senate amendment.

Let me be absolutely clear here that no one supports China's policy of forced abortion and forced sterilization. No one supports that policy.

Mr. Speaker, the issue is whether or not American funds are sufficiently walled off from supporting that kind of activity in China, and I say the answer to that question is yes.

The second question is: How important is it that American funds go through the UN program rather than through our own aid program, and I say the answer to that is that it is very important because the U.N. program reaches 140 countries, rather than 80 countries, and reaches those countries through a highly sophisticated, highly successful, carefully developed program.

The world's population is expected to double in 35 years. U.S. assistance has been reduced by 20 percent in the last 3 years. We cannot allow that record of reduced support to continue when the world's population is growing at the rate of 3.1 percent a year, while its capacity to feed its people is expanding at 1.1 percent a year.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself 15 seconds.

Mr. Speaker, the preceding speaker said that no one supports China's policy of forced abortion, and I find that extremely encouraging. No one except UNFPA. The U.N. population control fund fully supports it, applauds it, and provides extensive dollars to it.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1½ minutes to the gentleman from New York [Mr. GREEN].

Mr. GREEN. Mr. Speaker, this is a family planning and women's rights issue. It is not an abortion issue. We must not deny women and families in poor and developing nations access to safe and effective family planning services because we in the Congress are afraid to examine the important facts on this issue.

We are not in any way supporting the Government of China today. The Senate language absolutely prohibits that. The authors of the provision were careful to ensure that the United States contribution would not even result in indirect aid to China's family planning program.

Further, the Senate provision leaves intact the Kemp-Kasten prohibition against the use of U.S. population aid for abortion, coercive abortion, or involuntary sterilization.

Today we are supporting women and families in developing nations who are seeking voluntary family planning assistance which will provide them with the means to space births and avoid high-risk pregnancies—thereby greatly enhancing the chances that both mother and child will be healthy.

Opponents of this family planning assistance have repeatedly sabotaged the issue of refunding UNFPA by trying to turn it into a debate on abortion, despite the fact that AID has made it clear that UNFPA does not, and never has, paid for abortions in any of the programs it funds any-

where, even in countries where abortion is legal.

Even in 1985, when then-U.S. AID Administrator M. Peter McPherson announced the decision to begin withholding part of the U.S. contribution to UNFPA, he stated plainly that AID's own internal review of the UNFPA Program had "demonstrated satisfactorily that UNFPA neither funds abortions nor supports coercive family planning practices through its programs."

With specific regard to China, the AID report concluded:

The evidence available indicates that UNFPA does not support, facilitate, or condone coercive family planning practices in China but rather provides alternative approaches to family planning that can reduce the incidence of coercive procedures.

(See page 6 of the full AID report.)

Despite the McPherson findings the United States began withdrawing support for UNFPA in 1985 and has completely withheld its UNFPA contribution since 1986, thereby denying our support to the largest internationally funded source of aid to population and family planning programs worldwide.

UNFPA population programs have resulted in fewer, not more, abortions in China and elsewhere. By discouraging abortions through providing high quality education in the areas of birth control methods, child spacing, and maternal and child health care, UNFPA is part of the solution, not the problem.

Opponents of today's amendment argue that U.S. funding for population assistance has been reprogrammed but not diminished in the last several years. That is simply not the truth.

In recent years the United States has substantially weakened its commitment to voluntary family planning programs. In fiscal 1985, population assistance represented 14.3 percent of our Nation's development assistance. By fiscal year 1989, that amount had fallen to 11 percent.

From fiscal year 1985 to fiscal year 1987, AID transferred over $20 million of population funds to such nonpopulation activities as the private enterprise revolving fund, disaster assistance, aid to Afghanistan, and strategic reserves. In fiscal year 1988 alone, over $14 million of population funds were eventually programmed for nonpopulation activities.

The global overpopulation problem has not gone away. Without strong leadership supporting voluntary international family planning programs, experts predict that in just 35 years the world's population is likely to double in size to 10 billion. UNFPA provides voluntary family planning assistance to more than 140 nations—90 of them with populations expected to double within the next 30 years.

As my colleagues have pointed out, nowhere is UNFPA more important than in the impoverished nations in Africa. A baby born in Africa has more than 10 times a greater chance of dying in infancy than a child born in the United States. The World Bank estimates that more than 100 million people in Africa go hungry every day—lacking enough food for normal health and activity. Nearly one-third of Ethiopians are undernourished. According to the Bank, "Africa's food shortage is not only serious, it is deteriorating."

And yet my opponents would deny the mothers and children of those poor nations access to quality maternal and child health care by continuing to oppose UNFPA efforts in Africa.

The important fact is: Family planning saves lives. Experts estimate that the lives of 5.6 million children and 200,000 women could be saved every year if all the women who wanted to limit their families had access to family planning. The World Health Organization estimates that most of those 200,000 women who die each year are the victims of unsafe abortions in developing countries. Family planning provides a healthy and safe alternative to abortion.

This is a women's issue, a family issue, and a public health issue. Vote to accept the Senate language refunding the UNFPA.

Mr. LEHMAN of Florida. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, this seems to be a difficult vote, a tough vote, but it really is not because simply this is an easy vote because this is not a China vote. This is not even an abortion vote. This simply is a vote to help poor women and poor children in the poorest of the countries on this Earth to have a chance for a better, a more decent life.

□ 1600

Let us not play a phony China card and trump the opportunity for the poor women in this world to have, in the words of our President, "a kinder and gentler life."

Mr. SMITH of New Jersey. Mr. Speaker, I yield 30 seconds to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, I just want to say something. You know, a lot of people do not like Saudi Arabia, a moderate Arab state, and refuse to sell them any AWAC's or other weapons because they support the PLO, and I can understand that reluctance. "Who is the friend of my enemy, is my enemy."

Now, here is the U.N. Population Fund supporting the Chinese coerced abortion program, and so it seems to me that we ought not to support the United Nations. That is very simple, and I agree, we should not support any institution that supports coerced abortion or sterilization as the Chinese program does.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, I urge Members to vote "no", on the motion to recede from the House position. The House should not retreat today—or ever—from its principled stand against coercion and forced abortions in population control programs.

To vote "no," on receding Mr. Speaker, is to vote in favor of voluntary family planning programs and against the human rights violations of forced sterilization and forced abortion that have become commonplace in China's brutal one-child-per-couple policy.

A "no" vote on receding from the House position, Mr. Speaker, will retain crucial human rights provisions that have been part of U.S. policy since 1985, which insist that the United States wants no part whatsoever of a program that includes coercion and forced abortion.

A "no" vote, Mr. Speaker, assures that U.S. dollars will go only to those family planning progams that are truly voluntary. It is important to note that U.S. funds for family planning have not been reduced by 1 cent—not 1 penny—as a result of this humane policy.

All funds denied to UNFPA are reprogrammed to other family planning organizations, or countries or projects.

So the issue at hand today, Mr. Speaker, is not whether or not the United States supports family planning. That is a given.

According to the Agency for International Development Deputy Administrator Jay F. Morris:

The United States is the world's largest international supporter of family planning, devoting $244 million in fiscal 1988 to population activities in 90 nations, up from $190 million in 1981. This amounts to 40 percent of all donor support for family planning in developing countries. The United States has spent nearly $2 billion on international family planning programs since 1981.

Instead we are faced with the option of making a clear distinction between voluntary and coercive programs. A "no" vote is a vote for voluntary family planning.

Members should be aware before they vote today that the Kemp-Kasten-Inouye law that we seek to retain does not in and of itself deny any U.N. Population Fund to the United Nation or anywhere else. It does, however, set up a test. The test is this: No organization that supports or comanages coercive programs may be eligible for U.S. funds.

Current law, the House position, says and requires that the President make a determination as to whether or not the anticoercion criteria applies. If it does and the President determines that an organization comanages or supports coercion, that organi-

zation becomes ineligible for U.S. funds.

Based on the evidence, Mr. Speaker, the U.N. Population Fund has been found guilty. It has been found in violation of U.S. law.

Starting in 1985 and each year since, the President, through the U.S. Agency for International Development, after a great deal of study and investigation, has determined that the UNFPA has clearly violated the anti-coercion law, and has thus rendered itself ineligible for U.S. contributions.

That is to say that after careful review, analysis, and scrutiny, the President has determined that UNFPA supports, and comanages, coercive population control policies in China. That anyone in this Chamber is willing to overlook, belittle, or dismiss these findings is, at best, disappointing.

A brief look at the last 3 years of Presidential determinations make this point.

In 1987, for example, AID found that:

The Chinese program remains systematically coercive.

AID quoted Chinese spokesmen at a 1987 family planning conference that:

Births not covered by the plan must be strictly banned and prescribed penalties should be applied firmly and promptly until pregnancies outside the plan are terminated. There is no basis for changing the previous AID determination that China has a coercive program. Official statements clearly say that abortion and/or sterilization not freely chosen by couples is a publicly approved remedy for births outside the state plan.

In 1988 AID said:

Funds budgeted for UNFPA were first shifted in 1985 after a determination that it participated in the management of a program of coercive abortion and involuntary sterilization through its assistance to the population program of the People's Republic of China. A review of the program, conducted by the Census Bureau at U.S. AID's request, indicated that the significant changes that would warrant resumption of support have not occurred."

In 1989 AID reported:

Unfortunately, no significant changes in the nature of the China population program or in UNFPA's assistance to China have occurred which would warrant resumption of U.S. support for UNFPA.

Despite the overwhelming evidence of coercion, UNFPA continues to applaud, actually applaud and support and comanage this despicable program. UNFPA also provides extensive cover as part of a cover-up for Beijing's actions. For example, Dr. Nafis Sadik, Executive Director of the UNFPA said on May 24, 1989, that "the UNFPA firmly believes, and so does the Government of the People's Republic of China, that their program is a totally voluntary program."

I do not see anybody here today defending that so-called totally voluntary program, because it is not. The UNFPA, though, defends it.

Mr. Speaker, does anybody in this Chamber assert that this program is voluntary? I have not heard anybody suggesting that today.

Leading Chinese scholars, including Dr. John Aird, who is a former senior research specialist on China for the United States Census Bureau said that the situation has not been abating but getting worse since 1988, and even worse since 1989 began, and decisively worse since Tiananmen Square. In correspondence dated September 27, 1989, Dr. Aird writes:

The evidence is quite clear that despite the denials of the Beijing regime and its foreign apologists, coercion is a central and intentional feature of the Chinese family planning program. Those who maintain that the Chinese program is not coercive, or that the question of coercion in the Chinese program is a "controversial" matter that is still in doubt, or that the program has been greatly moderated since 1983 so that coercion is no longer as issue are simply not in touch with reality.

He goes on to write there has been "marked escalation"; within the last year and a half. The situation had clearly gone from bad to worse.

In their exhaustive 1988 study on population trends in the People's Republic of China, China experts Judith Banister and Karen Hardee-Cleaveland, of the United States Census Bureau, conclude:

Today Chinese couples still are not given a choice about whether they practice family planning, how many children they have, when they have the allowed birth or births, whether or not to sign family planning contracts or what form of birth control they will use. It is forced on them.

Mr. Speaker, one-fifth of the world population is living under this kind of coercion, and of course, the U.N. Population Fund continues to support, comanage, and publicly laud this program.

Mr. Speaker, this outrageous persecution of women, this rape of the women of China by the Government of China, cries out for compassion and decisive action from those committed to human rights. Embracing coercion—which voting "yes" will do—ought to be out of the question.

Finally, Mr. Speaker, the evidence is compelling that China continues to brutally oppress its citizenry—especially its women—by forced abortion, forced sterilization, and other coercive means of population control. UNFPA works hand in hand with the oppressors in Beijing—you know the ones—the folks who told us no one was hurt in Tiananmen Square. UNFPA provides extensive management training, vital demographic support, helps determine birth quotas throughout the country and other assistance, and provides again the best shield against international criticism.

And that cover or shield is desparately coveted by China's population fanatics. After receiving a United Nations award for its population control efforts in 1983, for example, China's senior population official claimed that the award had put the "imprimature of the world body" on China's population control program.

Since China apparently has no immediate interest in changing and UNFPA fronts for the program and award the Chinese with more money and awards, the remedy the congressional supporters of abortion have planned for us is to repeal the law and substitute a sham in its place.

So what if coercion is pervasive—and getting worse—in the People's Republic of China and that the UNFPA encourages and supports it. And the President has made that determination each and every year since 1985. Let's play a little bookeeping trick, let's jiggle the books a bit and set up separate accounts—never mind that money is fungible. Let's engage in a little intellectual fraud, anything to get UNFPA its money. That approach, Mr. Speaker, is a wholesale sham—and absolutely belittles and undercuts U.S. opposition to coercion in population control.

I sincerely hope Members are not fooled today into buying into this shell game. Mr. Speaker, if we reverse current law today, we give the green light to coercion and forced abortions.

Vote "no" on the motion to recede.

Mr. LEHMAN of Florida. Mr. Speaker, I yield the balance of the time to the distinguished majority whip, the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY. Mr. Speaker, this is a strange debate. We are told to oppose this funding because it will pay for coerced abortions in China, yet not a dollar of these funds go to China, not a dollar. The bill explicitly prohibits it.

The facts get even stranger. The UNFPA does not fund abortions, period, not in China, not anywhere in the world, and again the bill explicitly prohibits it.

Let me read to you the language of the bill:

Provided further, That none of the funds made available under this heading for the United Nations Population Fund shall be made available for programs for the People's Republic of China.

Provided further, That none of the funds made available under this heading may be used for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortion.

Mr. Speaker, that is the language of the bill. If you had listened to this debate for the last hour, you would have believed there was something else here.

Then what will a no vote do? It will hurt United State interests abroad,

people in the developing world, particularly in sub-Saharan Africa, where there is a need for maternal and child health services. This program is about healthy babies, healthy mothers, and that is why you ought to vote, "yes."

□ 1610

This program is about healthy babies, healthy mothers, and that is why we ought to vote yes. We ought to read the language, and if we read the language, we will see for ourselves that we have wasted almost an hour of debate about a nonissue, because the bill says either of the things cannot be done that have been debated for the longest time.

My friends, there are people who need health referral, health information, and that is what this is about. It is about it in sub-Saharan Africa and the poor nations of the world.

I urge the Members to vote yes, and I urge them to read before they vote, and when they do, they will find that no money goes to China, and no money can be used for abortions in this bill.

Mr. BATES. Mr. Speaker, I would like to emphasize the importance and necessity of the the United Nations Fund for Population Activities [UNFPA]. The UNFPA provides voluntary family planning assistance to over 140 developing nations where economic development efforts are often overwhelmed by rapid population growth. Of the countries that receive family planning assistance, dozens cannot even feed their people today.

The UNFPA provides alternatives to abortions. It provides women with access to contraceptives and education about birth spacing and maternal and child health.

The United Nations Fund for Population Activities does not pay for abortions in any of the programs it funds anywhere, even in countries where abortion is legal. Furthermore, none of the money can be used in China.

Bringing family planning options to women in developing countries will enable them to improve the quality of their lives and the lives of their children.

If the world's population continues to grow at its present rate of 90 million people per year, the most serious problems facing humanity, including proverty, hunger, and destruction of the environment, will magnify.

In light of these facts, in light of the human suffering caused by uncontrollable population growth, and in light of the fact that we possess the resources to help women control their fertility, it seems to me that we have an obligation to help.

We are not talking about abortion today, we are talking about the right of every woman to be aware of the options she has to control the number of children she will bear before pregnancy makes abortion her only option. I support family planning programs and urge my colleagues to do the same.

Mrs. LLOYD. Mr. Speaker, when the House adopted the foreign aid appropriations bill for fiscal year 1990 earlier this year, it did not include any assistance for the United Nations Fund for Population Activities Fund [UNFPA].

The UNFPA had not been funded by the Congress since 1985 when the House voted to eliminate its earmark because of the Fund's support for the People's Republic of China's population control program.

I have not traditionally supported funding for the UNFPA because of my strong opposition to their support for the coercive and restrictive abortion policy in China and I state unequivocally that I do not condone China's one couple one child coercive abortion policy in any manner.

I do believe, however, that family planning is a matter of global concern and when the Senate moved to include language providing $15 million for the UNFPA, I was very pleased to see that they added a strict stipulation which requires that the UNFPA maintain United States funds in a separate account while strictly prohibiting any United States funds from being made available for programs for the People's Republic of China.

Because of these absolute restrictions on condoning China's one couple one child coercive abortion policy, I am confident that subsequent funding for the UNFPA will be beneficial to the many developing countries in the world in supporting their population control efforts.

Those of us who are concerned about the quality of life recognize that birth control should be readily available in developing nations. We should all be concerned over the plight of children in many nations who are condemned to a life of misery and hunger and we should act responsibly so that their parents have a choice in their family planning decisions. Restoration of funding for the UNFPA, without supporting China's program, is a solid step toward that end.

I think it's important to reiterate the actual language of the bill. It is as follows:

Not less than $15,000,000 of the funds appropriated under this heading shall be made available only for the United Nations population fund: *Provided further*, That the UNFPA shall be required to maintain these funds in a separate account and not comingle them with any other funds: *Provided further*, That none of the funds made available under this heading for the UNFPA shall be made available for programs for the People's Republic of China: *Provided further*, That none of the funds made available under this heading may be used for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, information about access to, a broad range of family planning methods and services . . .

I also believe it is essential that the House adopt language to grant the President of the United States the authority to withhold funds from the UNFPA until he certifies that the UNFPA does not provide support for, or participate in, the management of a program of coercive abortion or involuntary sterilization in China. This is sound language which I strongly support to ensure with absolute certainty that no United States taxpayer dollars will be used to condone China's abhorrent program of population control.

I urge my colleagues to join with me in receding to the Senate language on funding for the UNFPA.

Mr. DORGAN of North Dakota. Mr. Speaker, I rise in support of the Senate amendment to the fiscal year 1990 foreign operations appropriations bill which earmarks and segregates $15 million for the United Nations Fund for Population Activities [UNFPA].

Let me emphasize at the outset that I deplore the coercive birth control policies of the Republic of China. I cannot express how much I object to either coercive sterilization or coercive abortion. The Government of China deserves our condemnation for these practices. We have already done this by voting to give preferential immigration status to Chinese citizens who fear persecution because of their views on coercive birth control.

Opponents of the $15 million account suggest that it will be used to support the Chinese program. But that simply is not the case. The U.S. contribution is earmarked in a separate account which cannot be used to fund any UNFPA activities in China. Furthermore, current U.S. law barring aid for abortions will continue to stand. Furthermore, UNFPA regulations themselves prohibit aid for abortions.

So this debate is not about abortions but about the pressing need for family planning.

We should not deny the benefits of legitimate family planning to millions of poor people in the developing world merely because China pursues its own deplorable policies. Every year, some 90 million births challenge the world's ability to feed and care for all of its people—now numbering 5.2 billion.

The grim reality is that 40,000 people die every day from hunger and complications from severe malnutrition. Surely we must exert ourselves as a wealthy nation to feed the hungry and to provide health care for those plagued by disease.

But we must also offer all parents the hope of family planning so they can care for all of their children. Right now, this hope can only become a reality if family planning education and methods can be delivered to every corner of the globe. So I urge my colleagues to support the $15 million for UNFPA and to find other vehicles to express an outrage, which I share, about China's coercive population control program.

Ms. PELOSI. Mr. Speaker, I rise today in support of language in the conference agreement which earmarks $15 million to the United Nations Fund for Population Activities [UNFPA].

The UNFPA funding is for family planning and cannot be used in China. If we do not fund UNFPA, we ignore the existence of the global population crisis and the consequences we face if we decrease funds for international family planning. It is estimated that in Africa alone by the year 2000, the population will probably grow by over 300 million. In the next 20 years, the current world population of 5.1 billion is likely to increase by one-third. This rapid growth of population, especially in poor, less-developed countries, will make it difficult for people to attain a decent quality of life. Of the 800 million couples of reproductive age in

the world, most of them in the Third World, only 40 percent are estimated to use modern contraceptives.

We have had many debates this year on the issue of a woman's right to choice and many of the Members here do not support a woman's right to choice. Today, we have the opportunity to reduce the number of abortions performed each year, as well as to save women's lives from dangerous pregnancies. Third World women who become pregnant face a risk of death due to pregnancy that is 50 to 200 times higher than women in industrial countries. Many of these deaths could be prevented if proper prenatal care and basic health care were provided to these women.

I urge my colleagues to support the Senate language and allow women in less-developed countries an opportunity to a better quality of life and to a dignified and respectable life.

Mr. LEHMAN of Florida. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCCLOSKEY). The question is, will the House recede from its disagreement to the amendment of the Senate numbered 17?

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SMITH of New Jersey. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 244, nays 178, not voting 11, as follows:

[Roll No. 351]

YEAS—244

Ackerman	Condit	Ford (MI)
Akaka	Conte	Ford (TN)
Alexander	Cooper	Frank
Anderson	Coughlin	Frenzel
Andrews	Courter	Frost
Annunzio	Coyne	Gallo
Anthony	Crockett	Gejdenson
Atkins	Darden	Gekas
AuCoin	Davis	Gephardt
Bates	DeFazio	Geren
Beilenson	Dellums	Gibbons
Bentley	Derrick	Gilman
Bereuter	Dickinson	Glickman
Berman	Dicks	Gonzalez
Boehlert	Dingell	Goodling
Bonior	Dixon	Gordon
Borski	Donnelly	Gradison
Bosco	Dorgan (ND)	Gray
Boucher	Downey	Green
Boxer	Durbin	Guarini
Brennan	Dwyer	Hamilton
Brown (CA)	Dymally	Hatcher
Bryant	Early	Hawkins
Bustamante	Edwards (CA)	Hayes (IL)
Campbell (CA)	Engel	Hefner
Campbell (CO)	English	Hertel
Cardin	Espy	Hoagland
Carper	Evans	Hochbrueckner
Carr	Fascell	Horton
Chandler	Fawell	Houghton
Chapman	Fazio	Hoyer
Clarke	Feighan	Hubbard
Clay	Fish	Hughes
Clement	Flake	Jacobs
Coleman (TX)	Florio	Jenkins
Collins	Foglietta	Johnson (CT)
Johnson (SD)	Morrison (CT)	Sisisky
Johnston	Morrison (WA)	Skaggs
Jones (GA)	Mrazek	Slattery
Jones (NC)	Myers	Slaughter (NY)
Jontz	Nagle	Smith (FL)
Kaptur	Neal (MA)	Smith (IA)
Kastenmeier	Neal (NC)	Smith (TX)
Kennedy	Nelson	Smith (VT)
Kennelly	Oakar	Snowe
Kleczka	Olin	Solarz
Kolbe	Ortiz	Spratt
Kostmayer	Owens (NY)	Stark
Lancaster	Owens (UT)	Stokes
Lantos	Pallone	Studds
Leach (IA)	Panetta	Sundquist
Leath (TX)	Payne (VA)	Swift
Lehman (CA)	Pease	Synar
Lehman (FL)	Pelosi	Tanner
Levin (MI)	Penny	Thomas (CA)
Levine (CA)	Pickett	Thomas (GA)
Lewis (GA)	Pickle	Torres
Lipinski	Porter	Torricelli
Lloyd	Price	Towns
Long	Pursell	Traficant
Lowey (NY)	Rangel	Traxler
Machtley	Ravenel	Udall
Madigan	Regula	Unsoeld
Markey	Richardson	Upton
Martin (IL)	Roberts	Valentine
Martinez	Rose	Vento
Matsui	Roukema	Visclosky
Mavroules	Rowland (GA)	Walgren
McCandless	Roybal	Walsh
McCloskey	Russo	Watkins
McCurdy	Sabo	Waxman
McDermott	Saiki	Weiss
McHugh	Sangmeister	Wheat
McMillen (MD)	Savage	Whittaker
McNulty	Sawyer	Williams
Meyers	Scheuer	Wilson
Mfume	Schiff	Wise
Miller (CA)	Schneider	Wolpe
Miller (WA)	Schroeder	Wyden
Moakley	Schumer	Yates
Moody	Sharp	
Morella	Shays	

NAYS—178

Applegate	Gaydos	Mazzoli
Archer	Gillmor	McCollum
Armey	Gingrich	McCrery
Aspin	Goss	McDade
Baker	Grandy	McEwen
Ballenger	Grant	McGrath
Barnard	Gunderson	McMillan (NC)
Bartlett	Hall (OH)	Miller (OH)
Bateman	Hall (TX)	Mollohan
Bennett	Hammerschmidt	Montgomery
Bevill	Hancock	Moorhead
Bilbray	Hansen	Murphy
Bilirakis	Harris	Murtha
Bliley	Hastert	Natcher
Boggs	Hayes (LA)	Nielson
Broomfield	Hefley	Nowak
Browder	Henry	Oberstar
Brown (CO)	Herger	Obey
Bruce	Hiler	Oxley
Buechner	Holloway	Packard
Bunning	Hopkins	Parker
Byron	Huckaby	Parris
Callahan	Hunter	Pashayan
Clinger	Hutto	Patterson
Coble	Hyde	Paxon
Coleman (MO)	Inhofe	Perkins
Combest	Ireland	Petri
Costello	James	Poshard
Cox	Kanjorski	Quillen
Craig	Kasich	Rahall
Crane	Kildee	Ray
Dannemeyer	Kolter	Rhodes
de la Garza	Kyl	Ridge
DeLay	LaFalce	Rinaldo
DeWine	Lagomarsino	Ritter
Dornan (CA)	Laughlin	Robinson
Douglas	Lent	Rogers
Dreier	Lewis (CA)	Rohrabacher
Duncan	Lewis (FL)	Ros-Lehtinen
Dyson	Lightfoot	Roth
Eckart	Livingston	Rowland (CT)
Edwards (OK)	Lowery (CA)	Sarpalius
Emerson	Luken, Thomas	Saxton
Erdreich	Lukens, Donald	Schaefer
Fields	Manton	Schuette
Flippo	Marlenee	Schulze
Gallegly	Martin (NY)	Sensenbrenner
Shaw	Solomon	Volkmer
Shumway	Spence	Vucanovich
Shuster	Staggers	Walker
Sikorski	Stallings	Weber
Skeen	Stangeland	Weldon
Skelton	Stearns	Whitten
Slaughter (VA)	Stenholm	Wolf
Smith (NE)	Stump	Wylie
Smith (NJ)	Tallon	Yatron
Smith, Denny (OR)	Tauke	Young (AK)
Smith, Robert (NH)	Tauzin	Young (FL)
Smith, Robert (OR)	Taylor	
	Thomas (WY)	
	Vander Jagt	

NOT VOTING—11

Barton	Garcia	Payne (NJ)
Brooks	Michel	Roe
Burton	Mineta	Rostenkowski
Conyers	Molinari	

□ 1630

The Clerk announced the following pairs:

On this vote:

Mr. Payne of New Jersey for, with Mr. Burton of Indiana against.

Mr. Mineta for, with Mr. Barton against.

Mr. DELAY changed his vote from "yea" to "nay."

Mr. ENGLISH changed his vote from "nay" to "yea."

So, the House receded from its disagreement to the amendment of the Senate numbered 17.

The result of the vote was announced as above recorded.

PREFERENTIAL MOTION OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. SMITH of New Jersey moves to concur with the Senate amendment (number 17) with an amendment, as follows: at the end of Senate amendment 17, insert:

Provided further, That notwithstanding the previous provisos, no funds under this heading shall be made available to the United Nations Population Fund unless the President of the United States certifies that the United Nations Population Fund does not provide support for, or participate in the management of, a program of coercive abortion or involuntary sterilization in the People's Republic of China.

The SPEAKER pro tempore (Mr. MCCLOSKEY). The gentleman from New Jersey [Mr. SMITH] will be recognized for 30 minutes, and the gentleman from New York [Mr. MCHUGH] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in talking to some of my colleagues after that previous vote, I found there was a great deal of uncertainty as to what we were actually about on this House floor. Uncertainty as to whether or not we were truly cutting family planning, whether or not this was an antipopulation-control type of issue.

I want to assure Members now that this motion that I am offering, that the intention of the amendment is

very simple, to try to preserve family planning as voluntary and not coercive, to disassociate ourselves from those programs that either comanage or support a program of involuntary sterilization or coercive abortion.

The issue now before the House is very clear. There will be an up or down vote on the motion that I have just offered that is pro-family planning, that very simply says that we will not engage in supporting those organizations that support coercion.

We set up a test whereby the President has to certify whether or not that organization is indeed supporting or comanaging coercion.

I would like to read the language so that Members will take note. I will read it as slowly as I can: "Provided further that notwithstanding the previous provisos, no funds under this heading shall be made available to the United Nations Population Fund unless the President of the United States certifies that the United Nations Population Fund does not provide support for, or participate in the management of, a program of coercive abortion or involuntary sterilization in the People's Republic of China."

The issue could not be clearer. We are talking about whether or not Members want to be on the record supporting an organization that the President then will have determined to have supported or comanaged coercion. We are talking about forced abortion, ladies and gentlemen.

□ 1640

We are talking about involuntary sterilization. I think it is outrageous that in the PRC, the People's Republic of China, more than 100 million abortions occurred since 1979, most of which have been coerced and involuntary.

The issue that will be before the membership is whether or not we want to be part of that, and this language will disassociate us from that, or whether we want to reverse policy of 5 years' standing.

Mr. Speaker, I urge Members to look at the language, look carefully at the language. I urge Members to support this motion to the Mikulski amendment.

Mr. McHUGH. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin [Mr. OBEY], the chairman of the subcommittee.

Mr. OBEY. Mr. Speaker, I would like to ask a question of the gentleman from New Jersey [Mr. SMITH]. I am trying to determine whether or not there is an intention to take the full hour, or whether we can proceed rather quickly to a vote because we still have a lot of amendments to wade through here today.

I yield to the gentleman from New Jersey.

Mr. SMITH. of New Jersey. Mr. Speaker, I would be more than happy to limit debate, if that is the gentleman's intention.

Mr. OBEY. Mr. Speaker, I am trying to find out if the gentleman has any idea how many other people intend to speak.

Mr. SMITH of New Jersey. If the gentleman will continue yielding, we could keep it to three speakers if the gentleman would do likewise, 10 minutes on each side.

Mr. OBEY. Mr. Speaker, I would very much like to see it, if we could work it out informally, because we have a lot of amendments to go. I think we know how the vote is going to come out.

I understand people want to express themselves, but I hope they do it very briefly.

Mr. McHUGH. Mr. Speaker, I yield myself such time as I may consume.

I would urge the Members who voted yes on the last motion to vote no now. Essentially this is the same issue we considered just a few minutes ago.

The gentleman from New Jersey, in effect, would restore current law if his motion is agreed to. Under current law, the President has refused to certify under the Kemp-Kasten provisions that UNFPA is not involved in China impermissibly, and therefore no money has been going to the UNFPA for its programs anywhere in the world. It is for that very reason that the legislative language was included in the Senate bill, and it is for that very reason that we receded to the Senate a few moments ago.

What we have done in light of the President's refusal to certify under current law is to earmark $15 million for UNFPA with the express provisos that the funds cannot be used in China or for abortion.

What the gentleman's motion seeks to do is to reverse what we have just done, to put Members in the same position that we were before we adopted the prior motion. Therefore, if the gentleman's motion is accepted, the UNFPA will get absolutely no contribution from the United States for the programs it now funds in countries other than China, and for programs which are voluntary programs, excluding abortion.

Therefore, I would urge the Members who voted yes on the prior motion to vote no now. It is the very same vote.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, I think this is very simple, and need not take a lot of time on this issue.

It seems to me if Members want to support the United Nations which supports a program, or manages a program of coerced abortion or forced sterilization, then vote no on this. Then Members will end up supporting the U.N. population fund, which, in turn, supports the Chinese program.

On the other hand, if Members are offended by the Chinese program of coercion, then do not help the United Nations which does not take our money and give it to China, but takes some of its own money. Any agency that supports or encourages or facilitates coerced sterilization, coerced abortion, ought to be anathema.

However, if Members want to support that, go right ahead. This is a clear opportunity to say all this money goes for family planning, but so long as the Chinese program is supported by the United Nations, we are not going to support the United Nations. It is that simple. Family planning is supported all over the world, but not through the United Nations, so long as the United Nations supports the Chinese program. It is that simple. Not convoluted at all.

I hope Members will vote yes on this amendment.

Mr. McHUGH. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Mr. Speaker, one has to almost wonder if this amendment is germane since it deals strictly with the condition in China. Our last vote decided to help countries other than China.

I think the previous debate and vote made it very clear that this body chooses to help countries other than China through the UNFPA and voluntary family planning activities in poor countries.

This amendment by Representative SMITH would suddenly reverse that. It would restore the Kasten-Kemp language and therefore remove the ability to help those other countries, given President Bush's current policies. So the amendment almost borders on being nongermane since it goes to conditions in China. When the support we just passed does not deal with China.

That measure was carefully crafted to prevent any United States money from going to China through UNFPA, and that is exactly why many Members supported it. This amendment would simply wipe out what we just did, and say that because what is happening in China, which Congress does not approve of, we do not want any UNFPA money going to Bangladesh or Mexico or Haiti or South America or sub-Sahara Africa. We would be saying we do not want any United States family planning money going to UNFPA anywhere on Earth because of what is happening in China.

We just made the decision that what is happening in China is not going to let Members punish other countries.

Do not let it punish other countries. Do not let it punish poor women, poor

families. Please vote no on this amendment.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. MOODY Mr. Speaker, I yield to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. The gentleman does not surely mean that South America will be cut out of family planning?

The gentleman knows that the $15 million that will not go to the United Nations will go to International Planned Parenthood for the Western Hemisphere, and as far as I know the Western Hemisphere includes Latin America.

Mr. MOODY. The gentleman is correct, there would be money for family planning in poor countries, but no U.S. money through UNFPA.

Let me remind the gentleman that there are 18 countries in Africa that have no bilateral U.S. AID program. If we want United States support for family planning in, for example, Ivory Coast, Gabon, or Sierra Leone, the only way to do it is through UNFPA. Don't refuse to help those countries.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 2 minutes to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, it seems to me that this amendment is very clear in its stated purpose and its language. It is an amendment that everybody in this body can vote yes on.

If Members believe that it is the responsibility of the U.S. Federal Government to protect the life of unborn children everywhere, Members can vote yes. If Members believe that we ought to use the taxpayer money for forced abortion and forced sterilization anyplace in the world, Members ought to vote yes. If Members believe that it is a woman's right to unilaterally decide the life or death of an unborn child, Members can still vote yes and protect her from being forced to have an abortion.

If Members believe that family planning should not include abortion of an unborn child, Members can still vote yes.

I would like to know how any Member who fights for the woman's right to unilaterally choose the life and death of a child can justify a no vote on this. That would ask Members to use American tax dollars to support an agency that, in turn, supports a policy of mandating that women must abort the life of their unborn child.

I say vote yes on this and represent all Americans and all beliefs on this critical issue of abortion.

Mr. McHUGH. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I will vote with the gentleman from New Jersey. I will vote with the gentleman because I made a commitment to do that, and I stick by my commitments.

However, I do have a request to make of the President before we vote on this bill. It seems to me that if the goal of the President is to discourage abortion, and if the goal of the President is to specifically affect the conduct of the population control program in China, then I do think it would be useful for him to consider following another tack.

□ 1650

It seems to me that we could just as constructively, perhaps even more effectively, affect the conduct of the program in China, which I think none of us likes, if the President would simply appoint a very hardnosed person to represent his views in the U.N. population control program and try to work from within as a contributor to that program to get them to change their evaluation of the Chinese program because I happen to think that the United Nations evaluation of the Chinese program is in error.

I would urge the President, rather than getting us into a position where virtually every single appropriation bill is vetoed and hung up because of an ancillary issue, I would urge the President to look for a more constructive way to deliver our message and to implement our values in these international programs.

Mr. SMITH of New Jersey. Mr. Speaker, in the interest of time, I just want to again say to my colleagues, "Read the language of the amendment. It clearly puts before this House the choice between coercive population control and voluntary."

Please; I urge Members to read the language of the amendment.

Mr. McHUGH. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. LEHMAN].

Mr. LEHMAN of Florida. Mr. Speaker, the old adage is "If you can't beat them, confuse them."

Do not be confused by this amendment. It is simply a mirror image of the vote we just took. If my colleagues voted aye for family planning in the previous question, vote no to defeat this amendment.

Mr. SMITH of New Jersey. Mr. Speaker, I just want to make one final point, and that is, if this amendment were to be adopted, the President would sign this legislation, so that is with regard to the objection that he raised relative to this amendment.

Mr. Speaker, I yield back the balance of my time and I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore (Mr. McCLOSKEY). The question is, Will the House concur in the amendment of the Senate numbered 17 with an amendment?

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. SMITH of New Jersey. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 219, nays 203, not voting 11, as follows:

[Roll No. 352]

YEAS—219

Applegate	Hefner	Poshard
Archer	Henry	Pursell
Armey	Herger	Quillen
Aspin	Hertel	Rahall
Baker	Hiler	Ravenel
Ballenger	Hochbrueckner	Ray
Barnard	Holloway	Regula
Bartlett	Hopkins	Rhodes
Barton	Hubbard	Ridge
Bateman	Huckaby	Rinaldo
Bennett	Hunter	Ritter
Bentley	Hutto	Roberts
Bevill	Hyde	Robinson
Bilbray	Inhofe	Rogers
Bilirakis	Ireland	Rohrabacher
Bliley	Jacobs	Ros-Lehtinen
Boggs	James	Roth
Bonior	Kanjorski	Rowland (CT)
Broomfield	Kaptur	Rowland (GA)
Browder	Kasich	Sarpalius
Brown (CO)	Kildee	Saxton
Bruce	Kolter	Schaefer
Buechner	Kyl	Schiff
Bunning	LaFalce	Schuette
Byron	Lagomarsino	Schulze
Callahan	Lancaster	Sensenbrenner
Chapman	Laughlin	Shaw
Clinger	Leath (TX)	Shumway
Coble	Lent	Shuster
Coleman (MO)	Lewis (CA)	Sikorski
Combest	Lewis (FL)	Skeen
Costello	Lightfoot	Skelton
Cox	Livingston	Slattery
Craig	Lloyd	Slaughter (VA)
Crane	Lowery (CA)	Smith (NE)
Dannemeyer	Luken, Thomas	Smith (NJ)
Darden	Lukens, Donald	Smith (TX)
DeLay	Madigan	Smith, Denny (OR)
DeWine	Manton	Smith, Robert (NH)
Dickinson	Marlenee	Smith, Robert (OR)
Dornan (CA)	Martin (NY)	Solomon
Douglas	Mazzoli	Spence
Dreier	McCandless	Staggers
Duncan	McCollum	Stallings
Dyson	McCrery	Stangeland
Early	McDade	Stearns
Eckart	McEwen	Stenholm
Edwards (OK)	McGrath	Stump
Emerson	McMillan (NC)	Sundquist
English	McNulty	Tallon
Erdreich	Michel	Tauke
Fields	Miller (OH)	Tauzin
Fish	Mollohan	Taylor
Flippo	Montgomery	Thomas (GA)
Gallegly	Moorhead	Thomas (WY)
Gaydos	Murphy	Traxler
Gillmor	Murtha	Upton
Gingrich	Myers	Vander Jagt
Gonzalez	Natcher	Volkmer
Goodling	Neal (MA)	Vucanovich
Goss	Neal (NC)	Walker
Gradison	Nielson	Weber
Grandy	Nowak	Weldon
Grant	Oberstar	Whittaker
Gunderson	Obey	Whitten
Hall (OH)	Oxley	Wilson
Hall (TX)	Packard	Wolf
Hammerschmidt	Parker	Wylie
Hancock	Parris	Yatron
Hansen	Pashayan	Young (AK)
Harris	Patterson	Young (FL)
Hastert	Paxon	
Hayes (LA)	Perkins	
Hefley	Petri	

NAYS—203

Ackerman	Frost	Oakar
Akaka	Gallo	Olin
Alexander	Gejdenson	Ortiz
Anderson	Gekas	Owens (NY)
Andrews	Gephardt	Owens (UT)
Annunzio	Geren	Pallone
Anthony	Gibbons	Panetta
Atkins	Gilman	Payne (VA)
AuCoin	Glickman	Pease
Bates	Gordon	Pelosi
Beilenson	Gray	Penny
Bereuter	Green	Pickett
Berman	Guarini	Pickle
Boehlert	Hamilton	Porter
Borski	Hatcher	Price
Bosco	Hawkins	Rangel
Boucher	Hayes (IL)	Richardson
Boxer	Hoagland	Rose
Brennan	Horton	Roukema
Brown (CA)	Houghton	Roybal
Bryant	Hoyer	Russo
Bustamante	Hughes	Sabo
Campbell (CA)	Jenkins	Saiki
Campbell (CO)	Johnson (CT)	Sangmeister
Cardin	Johnson (SD)	Savage
Carper	Johnston	Sawyer
Carr	Jones (GA)	Schneider
Chandler	Jones (NC)	Schroeder
Clarke	Jontz	Schumer
Clay	Kastenmeier	Sharp
Clement	Kennedy	Shays
Coleman (TX)	Kennelly	Sisisky
Collins	Kleczka	Skaggs
Condit	Kolbe	Slaughter (NY)
Cooper	Kostmayer	Smith (FL)
Coughlin	Lantos	Smith (IA)
Courter	Leach (IA)	Smith (VT)
Coyne	Lehman (CA)	Snowe
Crockett	Lehman (FL)	Solarz
Davis	Levin (MI)	Spratt
de la Garza	Levine (CA)	Stark
DeFazio	Lewis (GA)	Stokes
Dellums	Lipinski	Studds
Derrick	Long	Swift
Dicks	Lowey (NY)	Synar
Dingell	Machtley	Tanner
Dixon	Markey	Thomas (CA)
Donnelly	Martin (IL)	Torres
Dorgan (ND)	Martinez	Torricelli
Downey	Matsui	Towns
Durbin	Mavroules	Traficant
Dwyer	McCloskey	Udall
Dymally	McCurdy	Unsoeld
Edwards (CA)	McDermott	Valentine
Engel	McHugh	Vento
Espy	McMillen (MD)	Visclosky
Evans	Meyers	Walgren
Fascell	Mfume	Walsh
Fawell	Miller (CA)	Watkins
Fazio	Miller (WA)	Waxman
Feighan	Moakley	Weiss
Flake	Moody	Wheat
Florio	Morella	Williams
Foglietta	Morrison (CT)	Wise
Ford (MI)	Morrison (WA)	Wolpe
Ford (TN)	Mrazek	Wyden
Frank	Nagle	Yates
Frenzel	Nelson	

NOT VOTING—11

Brooks	Garcia	Roe
Burton	Mineta	Rostenkowski
Conte	Molinari	Scheuer
Conyers	Payne (NJ)	

□ 1711

The Clerk announced the following pair:

On this vote:

Mr. Burton of Indiana for, with Mr. Payne of New Jersey against.

Messrs. BUSTAMANTE, DONNELLY, and MAVROULES changed their vote from "yea" to "nay."

Mr. TRAXLER, Ms. KAPTUR, and Messrs. LEATH of Texas, LANCASTER, GOODLING, HEFNER, and MADIGAN changed their vote from "nay" to "yea."

So the House concurred in Senate amendment No. 17, with an amendment.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 19: Page 12, after line 23, insert:

HEALTH, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 104(c), $125,994,000: *Provided,* That of this amount $2,500,000 shall be made available for the River Blindness Program of the World Health Organization.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 19, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

HEALTH, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 104(c), $125,994,000.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 22: Page 12, after line 23, insert:

EDUCATION AND HUMAN RESOURCES DEVELOPMENT, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 105, $134, 541,000: *Provided,* That $1,500,000 of the funds appropriated under this heading shall be made available for the Caribbean Law Institute: *Provided further,* That not less than $67,270,000 of the funds appropriated under this heading and under the heading "Sub-Saharan Africa, Development Assistance" shall be available only for programs in basic primary and secondary education: *Provided further,* That in each of fiscal years 1990 and 1991, the Agency for International Development shall initiate three new bilateral projects in basic primary and secondary education, at least two of which in each fiscal year shall be initiated in Sub-Saharan Africa: *Provided further,* That not less than $20,000,000 of the funds appropriated under this heading shall be made available for the International Student Exchange Program: *Provided further,* That not less than $1,200,000 of the funds appropriated under this heading shall be made available for the Leadership Center for the Americas program.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 22, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

EDUCATION AND HUMAN RESOURCES DEVELOPMENT, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 105, $134,541,000: *Provided,* That $1,500,000 of the funds appropriated under this heading shall be made available for the Caribbean Law Institute: *Provided further,* That not less than $67,270,000 of the funds appropriated under this heading and under the heading "Sub-Saharan Africa, Development Assistance" shall be available only for programs in basic primary and secondary education: *Provided further,* That in fiscal year 1990 the Agency for International Development shall initiate three new bilateral projects in basic primary and secondary education, at least two of which shall be initiated in Sub-Saharan Africa: *Provided further,* That not less than $20,000,000 of the funds appropriated under this heading shall be made available for the International Student Exchange Program, of which $2,000,000 shall be available, notwithstanding any other provision of law, for students from Poland and Hungary: *Provided further,* That not less than $1,200,000 of the funds appropriated under this heading shall be made available for leadership programs for the Americas that have a demonstrated record of performance: *Provided further,* That not less than $2,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for technical training for the people of Poland and Hungary in skills which would foster the development of a market economy and the private sector, including training in management and agricultural extension: *Provided further,* That not less than $3,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for educational and cultural exchanges with Poland and Hungary, which shall be undertaken in cooperation with the United States Information Agency.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 23: Page 12, after line 23, insert:

PRIVATE SECTOR, ENVIRONMENT, AND ENERGY, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 106, $135,709,000: *Provided,* That not less than $7,500,000 shall be made available only for cooperative projects among the United States, Israel and developing counties of which not less than $5,000,000 shall be made available for the Cooperative Development Program, and of which not less than $2,500,000 shall be made available for cooperative development research projects: *Provided further,* That not less than $5,000,000 shall be made available only for the Central American Rural Electrification Support project: *Provided further,* That not less than $2,000,000 of the funds appropriated under this heading or under the heading "Sub-Saharan Africa, Development Assistance", shall be made available for assistance in support of elephant conservation and preservation.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 23, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

PRIVATE SECTOR, ENVIRONMENT, AND ENERGY, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 106, $149,209,000: *Provided,* That not less than $7,500,000 shall be made available only for cooperative projects among the United States, Israel and developing countries of which not less than $5,000,000 shall be made available for the Cooperative Development Program, and of which not less than $2,500,000 shall be made available for cooperative development research projects: *Provided further,* That not less than $5,000,000 shall be made available only for the Central American Rural Electrification Support project: *Provided further,* That not less than $2,000,000 of the funds appropriated under this heading or under the heading "Sub-Saharan Africa, Development Assistance", shall be made available for assistance in support of elephant conservation and preservation: *Provided further,* That not less than $3,300,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for assistance to establish an air quality monitoring network in the Krakow, Poland metropolitan area, to improve water quality and the availability of drinking water in the Krakow metropolitan area, and to establish and support a regional environmental center in Budapest, Hungary for facilitiating cooperative environmental activities, which activities shall be undertaken in cooperation with the Environmental Protection Agency: *Provided further,* That not less than $10,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for support for retrofitting a coal-fired commercial plant in the Krakow, Poland region with clean coal technology and for assistance to assess and develop the capability within Poland to manufacture or modify equipment that will enable industrial activities within Poland to use fossil fuels cleanly, which activities shall be undertaken in cooperation with the Department of Energy: *Provided further,* That the Administrator of the Agency for International Development or his designee may vest title in any property acquired under the previous two provisions in an entity other than the United States: *Provided further,* That not less than $1,500,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for the provision of technical assistance to Poland and Hungary (1) for the implementation of labor market reforms, and (2) to facilitate adjustment during the period of transition to free labor markets and labor organizations, which activities shall be undertaken in cooperation with the Department of Labor and United States labor and business representatives.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 31: Page 13, line 19, after "law" insert ": *Provided further,* That funds appropriated under this heading which are made available for activities supported by the Southern Africa Development Coordination Conference shall be made available notwithstanding section 518 of this Act and section 620(q) of the Foreign Assistance Act of 1961".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 31, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following ": *Provided further,* That not less than $50,000,000 of the funds appropriated under this heading shall be made available only to assist activities supported by the Southern Africa Development Coordination Conference: *Provided further,* That funds appropriated under this heading which are made available for activities supported by the Southern Africa Development Coordination Conference shall be made available notwithstanding section 518 of this Act and section 620(q) of the Foreign Assistance Act of 1961".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 35: Page 15, after line 10, insert:

ASSISTANCE FOR VICTIMS OF WAR

Of the aggregate of the funds appropriated by this Act to carry out part I and chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $5,000,000 shall be made available, nothwithstanding any other provision of law, for assistance for the provision of prosthetic and related assistance for civilians who have been injured as a result of civil strife and warfare: *Provided,* That this amount shall be derived in equal amounts from part I and from chapter 4 of part II.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 35, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

ASSISTANCE FOR VICTIMS OF WAR

Of the aggregate of the funds appropriated by this Act to carry out part I and chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $5,000,000 shall be made available, nothwithstanding any other provision of law, for assistance for the provision of prostheses and related assistance for civilians who have been injured as a result of civil strife and warfare: *Provided,* That this amount shall be derived in equal amounts from part I and from chapter 4 of part II.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 42: Page 19, line 1, strike out "$21,000,000" and insert "$15,000,000".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 42, and concur therein with an amendment, as follows: In lieu of

the matter stricken and inserted by said amendment, insert the following "$15,000,000 (except that payment may be made under this limitation only for those categories of services for which charges have been made under Foreign Affairs Administrative Support both in prior years and in the current year)".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 44: Page 20, line 16, after "1990" insert ": *Provided further*, That section 222(a) of the Foreign Assistance Act of 1961 is amended by striking out "September 30, 1990" and inserting in lieu thereof "September 30, 1991" ".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 44, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following ": *Provided further*, That section 222(a) of the Foreign Assistance Act of 1961 is amended by striking out "September 30, 1990" and inserting in lieu thereof "September 30, 1991": *Provided further*, That notwithstanding the prior limitation on total commitments to guarantee loans at not to exceed $125,000,000, during the fiscal year 1990, total commitments to guarantee loans shall not exceed $100,000,000 of contingent liability for loan principal".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 48: Page 20, line 26, strike out all after "basis," over to and including "and" in line 4 on page 21 and insert "of which".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 48, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "and of which sum cash transfer assistance may be provided, with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years, and of which".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 51: Page 21, line 21, "Unit" insert, including for the purpose of bringing to justice those responsible for the murders of United States citizens in El Salvador".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 51, and concur therein.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 52: Page 21, line 21, after "Unit" insert ": *Provided further*, That section 534(e) of the Foreign Assistance Act of 1961 is amended by (1) striking "each of fiscal years 1988 and 1989" and inserting in lieu thereof "fiscal year 1990"; and (2) striking "September 30, 1989" and inserting in lieu thereof "September 30, 1990" ".

MOTION OFFERED BY MR. OBEY

Mr. OBEY Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 52, and concur therein.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 54: Page 22, line 4, after "Cyprus" insert ": *Provided further*, That not less than $230,000,000 of the funds appropriated under this heading shall be made available for Pakistan".

MOTION OFFERED BY MR. OBEY

Mr. OBEY Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 52, and concur therein.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 55: Page 22, line 4, after "Cyprus" insert ": *Provided further*, That not less than $20,000,000 of the funds appropriated under this heading shall be made available for Morocco".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 55, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by

the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 63: Page 23, line 7, strike out all after "shall be" down to and including "1961" in line 9 and insert "treated in accordance with section 591 of this Act".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 63, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert: "treated in accordance with section 592 of this Act".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 69: Page 24, line 23, after "Poland" insert ": *Provided further,* That $1,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, to support other independent, democratic organizations and activities in Poland".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 69, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ": *Provided further,* That not less than $200,000,000 of the funds appropriated under this heading shall be available, notwithstanding any other provision of law, for Poland: *Provided further,* That $2,500,000 of the funds appropriated under this heading shall be available, notwithstanding any other provision of law, to support independent, democratic organizations and activities in Poland and Hungary".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request from the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 74: Page 25, line 26, after "Act" insert ": *Provided further,* That the President shall channel at least 25 per centum of the funds appropriated and allocated for the Phlippines to carry out sections 103 through 106 of such Act through private and voluntary organizations and cooperatives".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 74, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further,* That, the President shall seek to channel through indigenous and United States private voluntary organizations and cooperatives not less than $20,000,000 of the funds appropriated under this heading and of the funds appropriated and allocated for the Philippines to carry out sections 103 through 106 of such Act".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

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The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 75: Page 25, line 26, after "Act" insert ": *Provided further,* That up to a total of $40,000,000 of the funds appropriated to carry out sections 103 through 106 and chapter 4 of part II of such Act may be transferred to and consolidated and merged with the funds appropriated under this heading notwithstanding the limitations on transfers between accounts contained in section 514 of this Act and sections 109 and 610 of the Foreign Assistance Act of 1961".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 75, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ": *Provided further,* That up to a total of $40,000,000 of the funds appropriated to carry out sections 103 through 106 and chapter 4 of part II of such Act may be transferred to and consolidated and merged with the funds appropriated under this heading notwithstanding the limitations on transfers between accounts contained in section 514 of this Act and sections 109 and 610 of the Foreign Assistance Act of 1961: *Provided further,* That any funds transferred to carry out the purposes of this heading shall be made available only for projects and activities which are consistent with the purposes of those funds as initially appropriated: *Provided further,* That of the total amount of funds transferred to carry out the purposes of this heading not less than 50 per centum shall be derived from funds appropriated to carry out chapter 4 of part II of the Foreign Assistance Act: *Provided further,* That transfers of any funds to carry out the purposes of this heading shall be subject to the regular notification procedures of the Committees on Appropriations

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 83: Page 29, line 2, after "efforts" insert ": *Provided further,* That of the funds made available under this heading, such funds as the President deems necessary may be made available for the funding of United States participation in a multilateral anti-narcotics strike force not including any communist or warsaw pact troops: *Provided further,* That funds for such a force may only be provided if the Committees on Appropriations of the House of Representatives and of the Senate are notified at least 15 days in advance of the obligation of funds".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 83, and concur therein.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 85: Page 30, line 1, after "Assistance" insert ": *Provided further*, That of the funds appropriated under this heading not less than $156,500,000 shall be made available for the refugee admissions program, including AIDS screening, of which (1) not less than $46,000,000 shall be made available for first asylum refugees from East Asia, and (2) not less than $15,000,000 shall be available for costs of the expedited resettlement of Vietnamese Amerasians and their family members eligible for refugee benefits".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 85, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following

": *Provided further*, That of the funds appropriated under this heading not less than $46,000,000 shall be made available for the refugee admission program for first asylum refugees from East Asia: Provided further, That section 584(a)(3) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988 (s contained in section 101(e) of Public Law 100-202), is amended by striking "8 months" and inserting "one year" ".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 91: Page 30, line 17, after "State" insert ": *Provided further*, That of the funds appropriated under this heading, $250,000 shall be available only for food, medicine, medical supplies, medical training and clothing, and other humanitarian assistance for displaced Burmese students at camps on the border with Thailand".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 91, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following ": *Provided further*, That of the funds appropriated under this heading, $250,000 shall be made available, notwithstanding any other provision of law, for food, medicine, medical supplies, medical training, clothing, and other humanitarian assistance for displaced Burmese students at camps on the border with Thailand".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 95: Page 32, line 17, after "development" insert ": *Provided further*, That grants shall be provided with the funds appropriated under this heading notwithstanding any requirement in section 23 of the Arms Export Control Act for repayment and shall be implemented by grant documents which do not include a requirement to repay for United States Government with respect to any funds provided under this heading".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY. moves that the House recede from its disagreement to the amendment of the Senate numbered 95, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following ": *Provided further*, That grants provided with funds made available by this paragraph shall be implemented by grant documents which do not include a requirement to repay the United States Government, notwithstanding any requirement in section 23 of the Arms Export Control Act".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 98: Page 33, line 8, strike out all after "heading" down to and including "ratio" in line 10 and insert "$500,000,000 only shall be available for Turkey and $350,000,000 only shall be available for Greece".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 98, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following "$500,000,000 only shall be available for Turkey and $350,000,000 only shall be available for Greece and, if Turkey receives any funds under this heading on a grant basis then not less than $30,000,000 of the funds provided for Greece shall be made available as grants".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 102: Page 33, line 20, strike out "not more than".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 102, and concur therein with an amendment, as follows: In lieu of the matter stricken, insert ", except through the regular notification procedures of the Committees on Appropriations, not more than".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 103: Page 33, line 21, after "Zaire" insert ": *Provided further*, That of the funds appropriated under this heading $52,000,000 shall be available for Morocco".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 103, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert the following "$43,000,000".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 105: Page 33, line 21, after "Zaire" insert ": *Provided further*, That of the funds appropriated under this heading $50,000,000 shall be available for countries in sub-Saharan Africa".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 105, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert the following "$30,000,000".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 107: Page 33, line 21, after "Zaire" insert "; *Provided further*, That none of the funds appropriated under this heading shall be available for Sudan or Somalia".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 107, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ": *Provided further*, That none of the funds appropriated under this heading shall be available for Sudan or Somalia, except through the regular notification procedures of the Committees on Appropriations".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 110: Page 34, line 1, strike out all after "Act" down to and including "Egypt" in line 2 and insert "except for those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal 1989 congressional presentation for security assistance programs".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 110, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "to countries other than Israel and Egypt: *Provided further*, That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 112: Page 34, line 21, after "heading" insert ": *Provided further*, That not more than $39,000,000 of the funds appropriated under this heading may be obligated for necessary expenses for the general costs of administering military assistance and sales".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 112, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ": *Provided further*, That not more than $39,000,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales".

Mr. EDWARDS of California (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 115: Page 35, line 3, after "1990" insert ": *Provided*, That such subsection and subsection (a) under such heading are amended by striking "ten" in all places in which that word appears and inserting in lieu thereof "eight" ".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 115, and concur therein.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 117: Page 37, line 22, after "$595,000,000" insert ": *Provided*, That gross obligations for the principal amount of direct loans pursuant to the medium-term financing program shall not exceed $184,500,000".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 117, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert ": *Provided*, That gross obligations for the principal amount of direct loans pursuant to the medium-term financing program shall not exceed $215,000,000: *Provided further*, That the interest subsidy authority and the tied-aid grants authority provided under this heading are subject to authorization."

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 121: Page 38, line 19, after "law" insert ": *Provided further*, That loan guarantee authority available to the Export-Import Bank of the United States may be used by the Bank to participate in the financing of commercial sales of defense articles and services destined for NATO countries".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 121, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further*, That loan guarantee authority available to the Export-Import Bank of the United States may be used by the Bank to participate in the financing of commercial sales of defense articles and services destined for Greece and Turkey, notwithstanding any other provision of law: *Provided further*, That the authority provided by the previous proviso shall not be used for the procurement of defense articles or services for use on Cyprus".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 122: Page 40, line 16, after "principal" insert ": *Provided*, That section 224(c) of the Foreign Assistance Act of 1961 is amended by striking out "September 30, 1989" and inserting in lieu thereof "September 30, 1990" ".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 122, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following "for Central America and, notwithstanding any other provision of law, not to exceed $200,000,000 of contingent liability for loan principal for Poland pursuant to the authorities of section 224 of the Foreign Assistance Act of 1961: *Provided*, That section 224(c) of the Foreign Assistance Act of 1961 is amended by striking out "September 30, 1989" and inserting in lieu thereof "September 30, 1990" ".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 132: Page 46, line 17, strike out all after "Act" over to and including "purposes" in line 9 on page 47.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 132, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following ": *Provided further*, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended: *Provided further*, That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report, those funds allocated for cash disbursement for balance of payment and economic policy reform purposes".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 133: Page 47, line 16, after "Act" insert ": *Provided*, That this section shall not apply to funds made available in this Act for any narcotics-related activities in Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961 as amended".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 133, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following ": *Provided*, That this section and section 620(g) of the Foreign Assistance Act of 1961 shall not apply to funds made available in this Act for any narcotics-related activities in Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961, as amended, or the Arms Export Control Act".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 164: Page 63, after line 18, insert:

"(d) EXPORT-IMPORT BANK.—(1) Of the financing provided by the Export-Import Bank under the authorities contained in this Act for the support of exports for the energy sector, not less than 5 per centum of the financing for such support shall be used for renewable energy projects.

"(2) The Export-Import Bank shall take all appropriate steps to finance information exchanges and training whose purpose it is to help link United States producers in the renewable energy sector with assistance programs and potential foreign customers.

"(3) Beginning on April 15, 1990, the Chairman of the Export-Import Bank shall submit an annual report to the Committees on Appropriations on the Bank's implementation of this subsection."

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 164, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

"(d) EXPORT-IMPORT BANK.—(1) Of the financing provided by the Export-Import Bank that is utilized for the support of exports for the energy sector, the Bank shall seek to provide not less than 5 per centum of such financing for renewable energy projects.

"(2) The Export-Import Bank shall take all appropriate steps to finance information exchanges and training whose purpose it is to help link United States producers in the renewable energy sector with assistance programs and potential foreign customers.

"(3) Beginning on April 15, 1990, the Chairman of the Export-Import Bank shall submit an annual report to the Committees on Appropriations on the Bank's implementation of this subsection."

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 169: Page 64, line 26, strike out all after "law" over to and including "Programs" in line 5 on page 65.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 169, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert ": *Provided*, That of the funds appropriated under the heading "Private Sector, Environment, and Energy, Development Assistance", $13,500,000 shall be transferred to "International Organizations and Programs" and made available only for the United Nations Afghanistan Emergency Trust Fund".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 185: Page 69, line 24, after "1981," insert "and assistance under subsection (c) of this section,".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 185, and concur therein.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 187: Page 70, after line 2, insert:

(c)(1) The Congress supports the democratic transition underway in Chile, and intends to assist the new democratically elected government, following its inauguration in March of 1990, with assistance to—

(A) strengthen democratic institutions; and

(B) establish a new relationship with the Chilean armed forces appropriate to a democratic system of government.

(2) Of the funds appropriated by this Act under the heading "International Military Education and Training", up to $50,000 may be made available for Chile for fiscal year 1990, subject to the following conditions—

(A) a civilian, democratically elected President is in power in Chile and has requested such funds;

(B) internationally recognized human rights are being respected and the civilian government is exercising independent and effective authority; and

(C) the Government of Chile is making good-faith efforts in attempting to resolve the murders of Orlando Letelier and Ronni Moffitt.

(3) Assistance may be provided under paragraph (1) without regard to the requirements of section 726(b) of the International Security and Development Cooperation Act of 1981.

(d) Section 726(c) of the International Security and Development Cooperation Act of 1981 is amended—

(1) by inserting "(1)" after "export, of"; and

(2) by inserting before the period at the end ", or (2) components, parts, tools, technical manuals, technical changes to technical orders (TCTOs), TCTO retrofits, or related repair services for C-130 E/H aircraft owned by the Chilean Air Force to enhance the safety of the aircraft and its crew and passengers".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 187, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

(c)(1) The Congress supports the democratic transition underway in Chile, and intends to assist the new democratically elected government, following its inauguration in March of 1990, with assistance to—

(A) strengthen democratic institutions; and

(B) establish a new relationship with the Chilean armed forces appropriate to a democratic system of government.

(2) Of the funds appropriated by this Act under the heading "International Military Education and Training", up to $50,000 may be made available for Chile for fiscal year 1990, subject to the following conditions—

(A) a civilian, democratically elected President is in power in Chile and has requested such funds;

(B) internationally recognized human rights are being respected and the civilian government is exercising independent and effective authority; and

(C) the Government of Chile is making good-faith efforts in attempting to resolve the murders of Orlando Letelier and Ronni Moffitt.

(3) Assistance may be provided under paragraph (2) without regard to the requirements of section 726(b) of the International Security and Development Cooperation Act of 1981.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 197: Page 73, after line 11, insert:

(b) Section 506(a) of the Foreign Assistance Act of 1961 is amended by—

(1) inserting "(1)" after "(a)";

(2) striking "(1)" and "(2)" and inserting in lieu thereof "(A)" and "(B)", respectively; and

(3) inserting the following new paragraph:

"(2) If the President determines and reports to the Congress in accordance with section 652 of this Act that it is in the national interest of the United States to draw down defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and traning, he may direct—

"(A) the drawdown of such articles, services, and the provision of such training for the purposes and under the authorities of chapters 8 and 9 of part I, as the case may be; and

"(B) the drawdown of defense services for the purposes and under the authorities of the Migration and Refugee Assistance Act of 1952.".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 197, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

(b) Section 506(a) of the Foreign Assistance Act of 1961 is amended by—

(1) inserting "(1)" after "(a)";

(2) striking "(1)" and "(2)" and inserting in lieu thereof "(A)" and "(B)", respectively; and

(3) inserting the following new paragraph:

"(2)(A) If the President determines and reports to the Congress in accordance with section 652 of this Act that it is in the national interest of the United States to draw down defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training, he may direct—

"(i) the drawdown of such articles, services, and the provision of such training for the purposes and under the authorities of chapters 8 and 9 of part I, as the case may be; and

"(ii) the drawdown of defense services for the purposes and under the authorities of the Migration and Refugee Assistance Act of 1962.

"(B) An aggregate value of not to exceed $75,000,000 in any fiscal year of defense articles, defense services, and military education and training may be provided pursuant to subparagraph (A) of this paragraph.".

(c) Drawdowns made pursuant to section 506(a)(2) of the Foreign Assistance Act of 1961 shall be subject to the regular notification procedures of the Committees on Appropriations.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 201: Page 73, line 22, strike out all after "may" down to and including "enacted" in line 24 and insert "be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 201, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following "be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1996: *Provided*, That of the funds appropriated by this Act for the Economic Support Fund and Foreign Military Financing Program accounts, not more than 33⅓ percent of the amounts made available by this Act for each such account excluding amounts made available for Israel, Egypt, Poland and Hungary, may be obligated and expended prior to March 1, 1990, unless an Act authorizing appropriations for such account has been enacted".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 220: Page 84, line 25, strike out all after "among" over to and including "elections" in line 1 on page 85, and insert "beneficiary countries of the Caribbean Basin Initiative and the Philippines".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 220, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "beneficiary countries of the Caribbean Basin Initiative and Bolivia".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 235: Page 89, line 25, strike out "up to $2,000,000" and insert "such funds as are necessary".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 235, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "up to $2,000,000, except through the regular notification procedures of the Committees on Appropriations.".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 245: Page 95, after line 6, insert:

MODERNIZATION OF MILITARY CAPABILITIES OF CERTAIN COUNTRIES

SEC. 574. (a) AUTHORITY TO TRANSFER EXCESS DEFENSE ARTICLES.—

(1) NATO SOUTHERN FLANK COUNTRIES.—The President may transfer—

(A) to any NATO southern flank country which is eligible for United States security assistance and which is integrated into NATO's military structure; and

(B) to any major non-NATO ally on the southern and southeastern flank of NATO which is eligible for United States security assistance, such excess defense articles as may be necessary to help modernize the defense capabilities of such country.

(2) MAJOR ILLICIT DRUG PRODUCING COUNTRIES.—Subject to subsection (f), the President may transfer to any country—

(A) which is a major illicit drug producing country,

(B) which has a democratic government, and

(C) whose armed forces do not engage in a consistent pattern of gross violations of internationally recognized human rights, such excess defense articles as may be necessary to carry out subsection (f)(1).

(3) TERMS OF TRANSFERS.—Excess defense articles may be transferred under this section without cost to the recipient country.

(b) LIMITATIONS ON TRANSFERS.—The President may transfer excess defense articles under this section only if—

(1) they are drawn from existing stocks of the Department of Defense;

(2) funds available to the Department of Defense for the procurement of defense equipment are not expended in connection with the transfer; and

(3) the President determines that the transfer of the excess defense articles will not have an adverse impact on the military readiness of the United States.

(c) NOTIFICATION TO CONGRESS.—

(1) ADVANCE NOTICE.—The President may not transfer excess defense articles under this section until thirty days after the President has provided notice of the proposed transfer to the committees specified in paragraph (2). This notification shall include—

(A) a certification of the need for the transfer;

(B) an assessment of the impact of the transfer on the military readiness of the United States; and

(C) the value of the excess defense articles to be transferred.

(2) COMMITTEES TO BE NOTIFIED.—Notice shall be provided pursuant to paragraph (1) to the Committee on Foreign Affairs, and the Committee on Appropriations of the House of Representatives and the Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate.

(d) WAIVER OF REQUIREMENT FOR REIMBURSEMENT OF DOD EXPENSES.—Section 503 does not apply with respect to transfers of excess defense articles under this section.

(e) MAINTENANCE OF MILITARY BALANCE IN EASTERN MEDITERRANEAN.—

(1) UNITED STATES POLICY.—The Congress intends that excess defense articles be made available under this section consistent with the United States policy, established by section 841 of the International Cooperation Act of 1989, of maintaining the military balance in the Eastern Mediterranean.

(2) MAINTENANCE OF BALANCE—Accordingly, the President shall ensure that, over the three-year period beginning on October 1, 1989, the ratio of—

(A) the value of excess defense articles made available for Turkey under this section, to

(B) the value of excess defense articles made available for Greece under this section, closely approximates the ratio of—

(i) the amount of foreign military financing provided for Turkey, to

(ii) the amount of foreign military financing provided for Greece.

(3) EXCEPTION TO REQUIREMENT.—This subsection shall not apply if either Greece or Turkey ceases to be eligible to receive excess defense articles under subsection (a).

(f) MAJOR ILLICIT DRUG PRODUCING COUNTRIES IN LATIN AMERICA AND THE CARIBBEAN.—

(1) PURPOSE.—Excess defense articles shall be transferred under subsection (a)(2) for the purpose of encouraging the military forces of an eligible country in Latin America and the Caribbean to participate with local law enforcement agencies in a comprehensive national antinarcotics program, conceived and developed by the government of that country, by conducting activities within that country and on the high seas to prevent the production, processing, trafficking, transportation, and consumption of illicit narcotic or psychotrophic drugs or other controlled substances.

(2) USES OF EXCESS DEFENSE ARTICLES.—Excess defense articles may be furnished to a country under subsection (a)(2) only if that country ensures that those excess defense articles will be used only in support of antinaroctics activities.

(3) ROLE OF THE SECRETARY OF STATE.—The Secretary of State shall determine the eligibility of countries to receive excess defense articles under subsection (a)(2) and ensure that any transfer is coordinated with other antinarcotics enforcement programs assisted by the United States Government.

(4) LIMITATION.—The aggregate value of excess defense articles transferred to a country under subsection (a)(2) in any fiscal year may not exceed $10,000,000.

(g) DEFINITIONS.—As used in this section—

(1) the term "excess defense article" has the meaning given that term by section 644(g);

(2) the term "made available" means that a good faith offer is made by the United States to furnish the excess defense articles to a country;

(3) the term "major non-NATO ally" includes Australia, Egypt, Israel, Japan, and New Zealand;

(4) the term "NATO" means the North Atlantic Treaty Organization; and

(5) the term "NATO southern flank countries" means Greece, Italy, Portugal, Spain, and Turkey.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 245, and concur therein with an amendment, as follows:

In lieu of the first section number named in said amendment, insert "573".

In lieu of the "section 503" cited in subsection (d), insert "section 632(d) of the Foreign Assistance Act of 1961".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 250: Page 96, after line 12, insert:

EL SALVADOR ECONOMIC SUPPORT FUNDS

SEC. 578. Not less than 25 per centum of the Economic Support Funds made available for El Salvador by this Act shall be used for projects and activities in accordance with the provisions applicable to assistance under chapter 1 of part I of the Foreign Assistance Act of 1961.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 250, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 252: Page 99, after line 15, insert:

STINGERS IN THE PERSIAN GULF REGION

SEC. 580. Except as provided in section 581, the United States may not sell or otherwise make available any Stingers to any country bordering the Persian Gulf under the Arms Export Control Act or chapter 2 of part II of the Foreign Assistance Act of 1961.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 252, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 253: Page 99, after line 15, insert:

STINGERS FOR BAHRAIN

SEC. 581. (a) PREVIOUSLY TRANSFERRED STINGERS.—Notwithstanding section 580, section 573(b)(4) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, and section 566(b)(4) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989, shall cease to apply with respect to Stingers made available to Bahrain under those sections if the President determines, and notifies the Committees on Appropriations and the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate, that—

(1) the Stingers are needed by Bahrain to counter an immediate air threat or to contribute to the protection of United States personnel, facilities, equipment, or operations;

(2) no other appropriate system is available from the United States;

(3) Bahrain has agreed, in writing, to such safeguards to protect against diversion of

the Stingers as may be required by the United States; and

(4) Bahrain has agreed in writing to return to the possession and control of the United States all Stingers made available under those sections and subsection (b) of this section, other than Stingers which have been fired or otherwise destroyed, at any time the United States determines, subject to subsection (c).

(b) REPLACEMENT STINGERS.—Notwithstanding section 580, Stingers may be made available to Bahrain under the Arms Export Control Act or the Foreign Assistance Act of 1961 after September 30, 1989, in order to replace, on a one-for-one basis, Stingers previously made available under this subsection, section 573 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, or section 566 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989, that have been fired or otherwise destroyed, subject to the following conditions:

(1) DETERMINATIONS.—Replacement Stingers may be made available to Bahrain pursuant to this subsection only if the President makes the determinations specified in paragraphs (1) through (4) of subsection (a).

(2) NOTICE TO CONGRESS BEFORE STINGERS ARE TRANSFERRED.—At least 3 days before making any replacement Stingers available to Bahrain pursuant to this subsection, the President shall notify the committees designated in subsection (a) that he has made the determinations required by paragraph (1). Any such notification shall include the information required in a certification under section 36(b) of the Arms Export Control Act. This paragraph applies without regard to the value of the Stingers to be made available.

(c) RETURN OF STINGERS TO THE UNITED STATES.—All Stingers made available to Bahrain pursuant to subsections (a) and (b), other than those fired or otherwise destroyed, shall be returned to the possession and control of the United States not later than September 30, 1991, unless the President—

(1) determines that each of the conditions specified in subsection (a) continues to apply; and

(2) notifies the committees designated in subsection (a) not later than September 15, 1991, in accordance with the regular reprogramming procedures of such committees, that the United States intends to waive the requirements that the Stingers be returned to the United States by the date specified in the subsection.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 253, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 266: Page 101, line 8, after "has" insert "determined that there is".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 266, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 267: Page 101, after line 13, insert:

(b) Section 610(a) of the Foreign Service Act of 1980 is amended by inserting the following new paragraphs:

"(3) Notwithstanding the hearing required by this section, or procedures under any other provision of law, where there is reasonable cause to believe that a member has committed a crime for which a sentence of imprisonment may be imposed, and there is a nexus to the efficiency of the Service, the Secretary, or his designee, may suspend such member without pay pending final resolution of the underlying matter.

"(4) Any member suspended pursuant to subsection (a)(3) of this section shall be entitled to—

"(A) advance written notice of the specific reasons for such suspension, including the grounds for reasonable cause to believe a crime has been committed;

"(B) a reasonable time, not less than seven days, to answer orally and in writing;

"(C) be represented by an attorney or other representative; and

"(D) a final written decision.

"(5) Any member suspended pursuant to subsection (a)(3) of this section shall be entitled to grieve such action in accordance with procedures applicable to grievances under chapter 11. The Board review, however, shall be limited only to a determination of whether there exists reasonable cause to believe a crime has been committed for which a sentence of imprisonment may be imposed, and whether there is a nexus between the conduct and the efficiency of the Service.".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 267, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

(b) Section 610(a) of the Foreign Service Act of 1980 is amended by inserting the following new paragraphs:

"(3) Notwithstanding the hearing required by this section, or procedures under any other provision of law, where there is reasonable cause to believe that a member has committed a crime for which a sentence of imprisonment may be imposed, and there is a nexus to the efficiency of the Service, the Secretary, or his designee, may suspend such member without pay pending final resolution of the underlying matter, subject to reinstatement with back pay if cause for separation is not established in a hearing before the Board.

"(4) Any member suspended pursuant to subsection (a)(3) of this section shall be entitled to—

"(A) advance written notice of the specific reasons for such suspension, including the grounds for reasonable cause to believe a crime has been committed;

"(B) a reasonable time, not less than seven days, to answer orally and in writing;

"(C) be represented by an attorney or other representive; and

"(D) a final written decision.

"(5) Any member suspended pursuant to subsection (a)(3) of this section shall be entitled to grieve such action in accordance with procedures applicable to grievances under chapter 11. The Board review, however, shall be limited only to a determination of whether there exists reasonable cause to believe a crime has been committed for which a sentence of imprisonment may be imposed, and whether there is a nexus between the conduct and the efficiency of the Service.".

(c) For purposes of the amendments made by subsections (a) and (b) of this section, reasonable cause to believe that a member has committed a crime for which a sentence of imprisonment may be imposed shall be defined as a member of the Service having been convicted of, and sentence of imprisonment having been imposed for, a job-related crime.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 274: Page 102, after line 20, insert:

ASSISTANCE FOR PAKISTAN

SEC. 590. Section 620E(d) of the Foreign Assistance Act of 1961 is amended by striking out "April 1, 1990" and inserting in lieu thereof "April 1, 1991".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 274, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "591".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the

motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 275: Page 102, after line 20, insert:

SEPARATE ACCOUNTS

SEC. 591. (a) SPECIAL ACCOUNTS.—If assistance is furnished to the government of a foreign country under chapter 1 of part I (including assistance for sub-Saharan Africa) or chapter 4 of part II of the Foreign Assistance Act of 1961 under arrangements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

(1) require that local currencies be deposited in a special account established by the government;

(2) enter into an agreement with that government which sets forth—

(A) the amount of the local currencies to be generated, and

(B) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(3) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the special account.

(b) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a special account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(1) to carry out chapter 1 of part I or chapter 4 of part II (as the case may be), or

(2) for the administrative requirements of the United States Government.

(c) PROGRAMMING ACCOUNTABILITY.—The Agency for International Development shall take all appropriate steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (b)(1) from the special account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(d) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapter 1 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a special account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 275, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

SEPARATE ACCOUNTS

SEC. 592. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapter 1 of part I (including assistance for sub-Saharan Africa) or chapter 4 of part II of the Foreign Assistance Act of 1961 under arrangements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated, and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapter 1 of part I or chapter 4 of part II (as the case may be), or

(B) for the administrative requirements of the United States Government.

(3) PROGRAMMING ACCOUNTABILITY.—The Agency for International Development shall take all appropriate steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapter 1 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—(1) If assistance is made available to the government of a foreign country, under chapter 1 of part I (including assistance for sub-Saharan Africa) or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as non-project sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Report No. 98-1159).

(3) NOTIFICATION.—At least fifteen days prior to obligating any such cash transfer or non-project sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) EXEMPTION.—Non-project sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was on objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 276: Page 102, after line 20, insert:

GLOBAL REDUCTION OF POVERTY

SEC. 592. (a) The Congress finds that the reduction of poverty on a global basis is a fundamental goal of United States foreign assistance. Therefore, to measure progress toward that goal, the Administrator of the Agency for International Development shall, in consultation with the Congress and other appropriate governmental agencies and nongovernmantal agencies and nongovernmental organizations, establish a system of quantitative and qualitative indicators of poverty reduction, which shall be established on a country-by-country basis. These indicators shall include the percentage of persons living below the absolute poverty level, rates of infant and child mortality, rates of literacy for men and women, per capita income and purchasing power, rate of employment, and other factors measuring poverty reduction and economic growth as the Administrator of the Agency for International Development shall deem appropriate.

(b) As part of its annual congressional presentation to Congress, the Agency for International Development shall indentify those reduction objectives that have been set for each country receiving development assistance, and the progress that has been achieved in past years and future steps to be taken to achieve them.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 276, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "593".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the

motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 277: Page 102, after line 20, insert:

INTERNATIONAL MONETARY FUND

SEC. 593. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the International Monetary Fund (IMF) to regularly and vigorously promote the following policy and staffing changes through formal initiatives before the Board and management of the IMF and through bilateral discussions with other member nations:

(1) The addition to the IMF's staff of natural resource experts, and development economists trained in analyzing the linkages between macro-economic conditions and the short- and long-term impacts on sustainable management of natural resources.

(2) The establishment in the IMF of a systematic process to review in advance, and take into account in policy formation, projected environmental, public health, and poverty impacts of each IMF lending agreement.

(3) The establishment in the IMF of long-term sustainable management of natural resources as an integral part of its stabilization and adjustment policies and programs. A central component of such management should be the promotion of energy efficient economies that minimize contributions to global warming and provide for least cost energy use.

(4) The creation of a special facility which concessional lending terms to promote sustainable management of natural resources. Such a facility should direct part of its activities toward reducing the debt burden of developing countries in exchange for domestic investments in conservation and environmental management.

(b) The Secretary of the Treasury shall prepare an annual report to the Congress on the progress made by the United States Executive Director to the IMF in implementing the reforms encompassed in this section.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 277, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

INTERNATIONAL MONETARY FUND

SEC. 594. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the International Monetary Fund (IMF) to regularly and vigorously promote the following policy and staffing changes through formal initiatives before the Board and management of the IMF and through bilateral discussions with other member nations:

(1) The addition to the IMF's staff of natural resource experts, and development economists trained in analyzing the linkages between macro-economic conditions and the short- and long-term impacts on sustainable management of natural resources.

(2) In a manner consistent with the purposes of the IMF, the establishment in the IMF of a systematic process to review in advance, and take into account in policy formation, projected impacts of each IMF lending agreement on the long-term sustainable management of natural resources, the environment public health and poverty.

(3) The creation of criteria to consider concessional and favorable lending terms to promote sustainable management of natural resources. Such capacity should seek the reduction of the debt burden of developing countries in recognition of domestic investments in conservation and environmental management.

(b) The Secretary of the Treasury shall prepare an annual report to the Congress on the progress made by the United States Executive Director to the IMF in implementing the reforms encompassed in this section.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 278: Page 102, after line 20, insert:

EL SALVADOR

SEC. 594. (a) Of the amounts appropriated by this Act under the heading "Foreign Military Sales Program," not more than $90,000,000 shall be available for El Salvador.

(b) SENSE OF CONGRESS.—With respect to the ongoing political unrest and armed conflict in El Salvador, the Congress hereby—

(1) welcomes the negotiating process set in motion on September 13, 1989, in Mexico City by the Government of El Salvador and the leadership of the Farabundo Marti National Liberation Front and the expressed willingness of both parties to continue this process;

(2) urges the parties to these negotiations to achieve, as quickly as possible—

(A) a cessation of hostilities, and

(B) an overall political settlement of the ten-year-old conflict; and

(3) calls upon the Secretary of State to consult frequently with the Congress on the status of the Salvadoran negotiations and on the efforts being undertaken by the President to support these negotiations.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 278, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

EL SALVADOR

SEC. 595. With respect to the ongoing political unrest and armed conflict in El Salvador, the Congress hereby—

(1) welcomes the negotiating process set in motion on September 13, 1989 in Mexico City by the Government of El Salvador and the leadership of the Farabundo Marti National Liberation Front and the expressed willingness of both parties to continue this process;

(2) urges the parties to these negotiations to achieve, as quickly as possible—

(A) a cessation of hostilities, and

(B) an overall political settlement of the ten-year old conflict; and

(3) calls upon the Secretary of State to consult frequently with the Congress on the status of the Salvadoran negotiations and on the efforts being undertaken by the President to support these negotiations.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 279: Page 102, after line 20, insert:

CENTRAL AMERICAN DEVELOPMENT COORDINATION COMMISSION

SEC. 595. (a) FINDINGS.—The Congress finds that multi-donor foreign assistance funds made available to the Central American region should be channeled through regional institutions which have strong participation in decisionmaking by Central Americans to ensure adequate coordination among donors.

(b) ASSISTANCE FOR CADCC.—Upon the request of the governments of Central America, the President shall provide appropriate support and assistance in the development of a coordination mechanism agreed to by the governments of Central America, which shall be designated as the Central American Development Coordination Commission (CADCC). In providing such support and assistance, the President shall, in concert with the governments of Central America, with other nations providing assistance, with the United Nations, and with other concerned international and regional organizations—

(1) encourage and participate in the creation of a multi-donor, multi-sectoral coordinating mechanism known as the CADCC; and

(2) provide not less than $500,000 or more than $1,000,000 of funds appropriated to

carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the Economic Support Fund) to be used to assist in the implementation of such Commission, and United States participation therein.

(c) FACTORS IN ESTABLISHING CADCC.—In establishing the CADCC, consideration should be given to:

(1) involving representatives from both the public and private sectors, including representatives from the trade unions and business communities, and nongovernmental organizations at the regional level;

(2) involving regional institutions and multi-lateral organizations such as the Inter-American Bank, the Central American Bank for Economic Integration (CABEI), the Central American Monetary Council (CMCA), the Economic Commission for Latin America (ECLAC), the International Bank for Reconstruction and Development, and the United Nations in project design, implementation, and coordination; and

(3) establishing in each country a National Recovery and Development Commission, modeled after the National Reconciliation Commissions called for in the Esquipulas II Accords agreed to by the presidents of the five countries of Central America in Guatemala on August 6-7, 1987.

(d) SECRETARIAT OF THE CADCC.—The United Nations Development Programme shall be designated as the social service and refugee and displaced persons technical assistance secretariat for the CADCC.

(e) ELIGIBILITY FOR ASSISTANCE.—The President is authorized to furnish assistance under this section to each country in Central America which is in compliance with the Esquipulas II Accords.

(f)(1) ENCOURAGEMENT OF MULTILATERAL CONTRIBUTIONS.—The Congress urges the President to take the necessary steps to encourage and secure greater international cooperation in, and support for, implementing the recommendations of the International Commission for Central American Recovery and Development.

(2) It is the sense of the Congress that, in carrying out paragraph (1), the President should exert leadership in multilateral and regional forums, and at economic summits to further a multidonor, multisector solution to the crisis in Central America.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 279, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "596."

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 283: Page 102, after line 20, insert:

INTERNATIONAL COFFEE AGREEMENT

SEC. 599. It is the Sense of the Congress that the International Coffee Agreement is an important measure in promoting economic and political stability in many developing countries, including Colombia, that the collapse of the Agreement would seriously undermine Colombia's efforts at fighting illegal drugs, and that the Administration should undertake every possible effort to successfully conclude a renewal of the Agreement.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 283, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "598."

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. the Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 284 page 102, after line 20, insert:

LATVIA, ESTONIA, AND LITHUANIA

SEC. 599A. (a) The Congress finds that—

(1) the Baltic states of Latvia, Estonia, and Lithuania gained their independence from the Russian Socialist Federative Soviet Republic in 1918, a fact recognized by the government of the Russian Socialist Federative Soviet Republic in 1920;

(2) the governments of the Latvian Democratic Republic and the Russian Socialist Federative Soviet Republic (RSFSR) signed a Treaty of Peace in Riga, Latvia on August 11, 1920, in which the RSFSR "establishes the right of self-determination for all nations, even to the point of total separation from the States with which they have been incorporated" and declares that "Russia unreservedly recognizes the independence, self-subsistency and sovereignty of the Latvian State and voluntarily and forever renounces all sovereign rights over the Latvian people and territory which formerly belonged to Russia";

(3) similar treaties were signed by both the Republic of Estonia and the Republic of Lithuania with the RSFSR on February 2, 1920 and July 12, 1920, respectively;

(4) the independently republics of Latvia, Estonia, and Lithuania swiftly recovered from the ravages of World War I and became active in the World community, gaining membership in the League of Nations on September 22, 1921 and full recognition by the United States on July 28, 1922;

(5) the sovereign rights of the independent states of Latvia, Estonia, and Lithuania were violated by the Union of Soviet Socialist Republic in a Secret Protocol to the Nazi-Soviet Treaty of Nonaggression of August 23, 1939, which divided Eastern Europe into Nazi and Soviet "spheres of influence";

(6) the Union of Soviet Socialist Republics coerced the governments of Latvia, Estonia, and Lithuania to sign Pacts of Mutual Assistance in October 1939, which stipulated that the "contracting parties undertake not to enter into any alliances or to participate in any coalitions directed against one of the contracting parties" and that "the carrying into effect of the present pact must in no way affect the sovereign rights of the contracting parties, in particular their political structure, their economic and social system, and their military measures";

(7) the Union of Soviet Socialist Republics violated not only those bilateral agreements with the independent Baltic states but also international conventions on the changing of international borders by force when the Soviet Union issued ultimatums to the three independent nations on June 15-16, 1940, demanding the formation of governments to their liking, followed by armed invasions of Lithuania, Latvia, and Estonia on June 16-17, 1940;

(8) the occupation of the Baltic states was confirmed on July 14-15, 1940, with the irregular and illegal "election" of new parliaments, which then petitioned for admission into the Soviet Union, and these petitions were accepted by the Soviet Union, as follows: Lithuania's on August 3, 1940, Latvia's on August 4, 1940, and Estonia's on August 5, 1940;

(9) Sumner Welles, Acting Secretary of State, declared on July 23, 1940 that "the devious processes whereunder the political independence and territorial integrity of the three small Baltic republics—Estonia, Latvia and Lithuania—were to be deliberately annihilated by one of their more powerful neighbors, have been rapidly drawing to their conclusion. The people of the United States are opposed to predatory activities no matter whether they are carried on by the use of force or by the threat of force. They are likewise opposed to any intervention on the part of one state, however powerful, in the domestic concerns of any other state, however weak. The United States will continue to stand by these principles";

(10) the Government of the United States continues its policy of standing by the 1922 recognition of the de jure independent governments in the Baltic states, and of refusing to recognize the forced incorporation of the Baltic states into the Soviet Union;

(11) the peoples of Latvia, Estonia, and Lithuania have never accepted the occupation of their native lands, and have demonstrated their resolve on numerous occasions since 1940, most notably in the last three years. The most striking demonstration of the desires of the Baltic people took place on August 23, 1989, the fiftieth anniversary of the Nazi-Soviet Treaty of Nonaggression, when nearly 2,000,000 citizens of Latvia, Estonia, and Lithuania joined hands in a 400-mile human chain stretching across the Baltic states from the Estonian capital of Tallinn, through the Latvian capital, Riga, to the Lithuanian capital of Vilnius;

(12) the people of the Baltic states, through their elected representatives in the Popular Front of Latvia, the Popular Front

of Estonia, and the Lithuanian Movement in Support of Perestroika "Sajudis", have declared their desire for the restoration of independence in the Baltic states; and

(13) even the Communist officials and regimes in each of the Baltic states have begun to respond to the drive for more autonomy.

(b) The Congress urges the President—

(1) to raise the issue of the political rights of the Baltic peoples in all diplomatic contacts with the Soviet Union and, more especially, in the talks between Secretary Baker and Foreign Minister Shevardnadze scheduled for later in September 1989; and

(2) to call upon the Soviet Union—

(A) to honor the international agreements it has voluntarily entered into, such as the Final Act of the Helsinki Conference on Security and Cooperation in Europe and the United Nations Declaration of Human Rights, as well as the bilateral agreements it has voluntarily entered into with the independent governments of Latvia, Estonia, and Lithuania,

(B) to allow the people of Latvia, Estonia, and Lithuania their right of self-determination, as guaranteed by the RSFSR in 1920 as well as by the current constitution of the Soviet Union,

(C) to recognize the human rights of all peoples both within the Soviet Union and under Soviet influence, and

(D) to replace the policy of aggressive industrialization in the Baltic states, which has poisoned the land, air, and water of Latvia, Estonia, and Lithuania, with one of environmental responsibility.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 284, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

LATVIA, ESTONIA, AND LITHUANIA

SEC. 599. (a) The Congress finds that—

(1) the Baltic states of Latvia, Estonia, and Lithuania gained their independence from the Russian Socialist Federative Soviet Republic in 1918, a fact recognized by the government of the Russian Socialist Federative Soviet Republic in 1920;

(2) the goverments of the Latvian Democratic Republic and the Russian Socialist Federative Soviet Republic (RSFSR) signed a Treaty of Peace in Riga, Latvia on August 11, 1920, in which RSFSR "establishes the right of self-determination for all nations, even to the point of total separation from the States with which they have been incorporated" and declares that "Russia unreservedly recognizes the independence, self-subsistency and sovereignty of the Latvian State and voluntarily and forever renounces all sovereign rights over the Latvian people and territory which formerly belonged to Russia",

(3) similar treaties were signed by both the Republic of Estonia and the Republic of Lithuania with the RSFSR on February 2, 1920 and July 12, 1920, respectively";

(4) the independent republics of Latvia, Estonia, and Lithuania swiftly recovered from the ravages of World War I and became active in the World community, gaining membership in the League of Nations on September 22, 1921 and full recognition by the United States on July 28, 1922;

(5) the sovereign rights of the independent states of Latvia, Estonia, and Lithuania were violated by the Union of Soviet Socialist Republics in a Secret Protocol to the Nazi-Soviet Treaty of Nonaggression of August 23, 1939, which divided Eastern Europe into Nazi and Soviet "spheres of influence";

(6) the Union of Soviet Socialist Republics coerced the governments of Latvia, Estonia, and Lithuania to sign Pacts of Mutual Assistance in October 1939, which stipulated that the "contracting parties undertake not to enter into any alliances or to participate in any coalitions directed against one of the contracting parties" and that "the carrying into effect of the present pact must in no way affect the sovereign rights of the contracting parties, in particular their political structure, their economic and social system, and their military measures";

(7) the Union of Soviet Socialist Republics violated not only those bilateral agreements with the independent Baltic states but also international conventions on the changing of international borders by force when the Soviet Union issued ultimatums to the three independent nations on June 15–16, 1940, demanding the formation of governments to their liking, followed by armed invasions of Lithuania, Latvia, and Estonia on June 16–17, 1940;

(8) the occupation of the Baltic states was confirmed on July 14–15, 1940, with the irregular and illegal "election" of new parliaments, which then petitioned for admission into the Soviet Union, and these petitions were accepted by the Soviet Union, as follows: Lithuania's on August 3, 1940, Latvia's on August 4, 1940, and Estonia's on August 5, 1940;

(9) the Government of the United States continues its policy of standing by the 1922 recognition of the de jure independent governments in the Baltic states, and of refusing to recognize the forced incorporation of the Baltic states into the Soviet Union;

(10) the peoples of Latvia, Estonia, and Lithuania have never accepted the occupation of their native lands, and have demonstrated their resolve on numerous occasions since 1940, most notably in the last three years. The most striking demonstration of the desires of the Baltic people took place on August 23, 1989, the fiftieth anniversary of the Nazi-Soviet Treaty of Nonaggression, when nearly 2,000,000 citizens of Latvia, Estonia, and Lithuania joined hands in a 400-mile human chain stretching across the Baltic states from the Estonian capital of Tallinn, through the Latvian capital, Riga, to the Lithuanian capital of Vilnius;

(11) the people of the Baltic states, through their elected representatives in the Popular Front of Latvia, the Popular Front of Estonia, and the Lithuanian Movement in Support of Perestroika "Sajudis", have declared their desire for the restoration of independence in the Baltic states; and

(12) even the Communist officials and regimes in each of the Baltic states have begun to respond to the drive for more autonomy.

(b) The Congress urges the President—

(1) to raise the issue of the political rights of the Baltic peoples in all diplomatic contacts with the Soviet Union including during the meeting between President Bush and President Gorbachev in December, 1989 and during the Presidential summit scheduled in 1990 between the United States and the Soviet Union; and

(2) to call upon the Soviet Union—

(A) to honor the international agreements it has voluntarily entered into, such as the Final Act of the Helsinki Conference on Security and Cooperation in Europe and the United Nations Declaration of Human Rights, as well as the bilateral agreements it has voluntarily entered into with the independent governments of Latvia, Estonia, and Lithuania,

(B) to allow the people of Latvia, Estonia, and Lithuania their right of self-determination, as guaranteed by the RSFSR in 1920 as well as by the current constitution of the Soviet Union,

(C) to recognize the human rights of all people both within the Soviet Union and under Soviet influence, and

(D) to replace the policy of aggressive industrialization in the Baltic states, which has poisoned the land, air, and water of Latvia, Estonia, and Lithuania, with one of environmental responsibility.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 286: Page 102, after line 20, insert:

IMPORTATION OF CERTAIN DEFENSE ARTICLES FROM POLAND, CZECHOSLOVAKIA, AND HUNGARY

SEC. 599C. Notwithstanding section 38 of the Arms Export Control Act (22 U.S.C. 2276) or any other provision of law, any article that—

(1) is a defense article for purposes of section 38 of the Arms Export Control Act,

(2) is from Poland, Hungary, or Czechoslovakia,

(3) was imported or temporarily imported into the United States before June 30, 1989, by, or on behalf of, a museum or educational institution that is described in section 5012(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code,

(4) was manufactured at least 20 years before its importation into the United States,

(5) has been disabled so that no weapon or weapons system is functional, and

(6) is to be used only for display to the public by the museum or educational institution for educational purposes,

shall be considered to have been lawfully imported into the United States and shall be permitted to remain in the United States, and the museum or educational institution shall not be subject to any penalty by reason of such importation.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 286, and concur there-

in with an amendment, as follows: In lieu of the section number named in said amendment, insert "599A."

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 287: Page 102, after line 20, insert:

HUMAN RIGHTS IN CUBA

SEC. 599D. (1) FINDINGS.—The Congress finds that—

(A) the United Nations in 1989 issued its first report on humans rights in Cuba this year, the result of a year-long investigation that concluded on the 30th year of Fidel Castro's rise to power;

(B) the report extensively documented across-the-board human rights abuses that include cases of torture, missing people, religious persecution, violations of civil and political rights and violations of economic and social rights;

(C) The United Nations received 137 complaints of "torture, cruel, inhuman or degrading treatment or punishment";

(D) among the abuses reported to the United Nations were sensory deprivation, immersion in a pit latrine, mock executions, overcrowding in special cells, deafening loudspeakers, keeping prisoners naked in front of relatives, and forcing a prisoner about to be executed to carry his own coffin or dig his own grave;

(E) the United Nations commissioners also charged the Cuban regime with carrying out reprisals against Cuban citizens who offered testimony to the United Nations group, a clear violation of the Castro's government's promise not to harass those who complained about human rights;

(F) at least 22 Cuban human rights activists who were arrested are currently serving prison sentences or being held without trial;

(G) The Human Rights Commission approved a resolution on March 9, 1989, calling on the Cuban government to cooperate with the Secretary General of the United Nations in settling unresolved issues raised by the human rights study group;

(H) since March 9, 1989, the United Nations has failed to take any substantive action to follow up on the March 9 resolution. The United Nations also has failed to intervene on behalf of those who are now imprisoned because of their attempts to testify before the United Nations human rights investigative group last fall.

(2) STATEMENT OF POLICY.—In the interest of promoting respect for human rights in Cuba, the Congress—

(A) calls on the Secretary General of the United Nations to act upon the resolution approved by the Commission on Human Rights March 9, 1989, calling on the Secretary General to take appropriate follow up action on the Commission's report;

(B) calls on the Secretary General to specifically urge the Cuban government to release the 22 persons still being held in detention because of their human rights activities;

(C) calls on the United States Ambassador to the United Nations to make known in the strongest terms the dissatisfaction of the United States with the failure by the United Nations to continue to act on its own resolution; and

(D) calls on the Secretary General of the United Nations to expand the United Nation's investigation of Cuba to include an examination of labor rights in recognition of current Cuban law which prohibits the formation of independent unions and which has led to the imprisonment of those Cuban workers who have tried to organize themselves.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 287, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "599B".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 289: Page 102, after line 20, insert:

OFFSETTING ADJUSTMENTS

SEC. 599F. (a) Notwithstanding any other provision of this Act, each amount appropriated, and each allocation of appropriated funds made, by title I of this Act, by title II of this Act (other than the appropriations under the headings "PEACE CORPS" and "PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND"), by title III of this Act shall be reduced by 133 percent. Nothing in this subsection may be construed as applying the reductions required by this subsection to the loan program level under the heading "HOUSING AND OTHER CREDIT GUARANTY PROGRAMS" or to the exercise of authority under the heading "GUARANTY RESERVE FUND".

(b) Notwithstanding any other provision of this Act or, in the case of paragraph (2), any other provision of law (other than sections 1342(a) and 1517 of title 31, United States Code)—

(1) none of the funds made available by this Act or any prior Act shall be expended if such expenditure would cause the total fiscal year 1990 expenditures for Economic Support Fund programs or activities contained in this or prior year Acts to exceed $3,300,636,000; and

(2) not more than $1,700,293,000 shall be expended before October 1, 1990, pursuant to the discretionary budget authority made available by this Act.

(c) Notwithstanding any other provision of this Act, no allocation of funds for, and no expenditures for, Israel or Egypt shall be restricted in any manner in order to accomplish the reductions made in title II or III of this Act by subsection (a) or the limitations made by subsection (b).

(d) To the maximum extent feasible, fiscal year 1990 expenditures for programs, projects, or activities subject to the dollar limitations of paragraphs (1) and (2) of subsection (b) shall be reduced proportionally in order to reflect the lower dollar limitations imposed by those paragraphs.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 289, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

ASSISTANCE FOR POLAND AND HUNGARY

SEC. 599C. (a) In addition to amounts appropriated under the heading "Trade and Development Program", there is hereby appropriated $2,000,000, to remain available until expended, to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, notwithstanding any other provision of law.

(b) Notwithstanding any other provision of this Act, any funds made available by this Act for a specific activity for Poland or Hungary instead may be obligated for Poland or Hungary for an activity with a similar purpose. The authority of section 515 of this Act may also be used to deobligate such funds and reobligate them for Poland or Hungary for an activity with a similar purpose: *Provided*, That the authority of this subsection shall be exercised subject to the regular notification procedures of the Committees on Appropriations.

(c) Funds made available by this Act and obligated for the Government of Poland shall not be expended if the President of Poland, or any other Polish official, initiates martial law without the consent of the Polish Senate and Sejm, or if members of the Polish Senate or the Sejm are removed from office or are arrested through extra-constitutional processes: *Provided*, That, notwithstanding the restriction on expenditures contained in this subsection, the President of the United States may continue to expend funds made available to Poland if he determines and certifies to Congress that it is in the foreign policy interests of the United States to do so.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. SOLOMON. Mr. Speaker, reserving the right to object, I will not object, but may this gentleman ask

how many more of these amendments there are?

Mr. EDWARDS of Oklahoma. If the gentleman would yield, there are six more.

Mr. SOLOMON. Did they not ever hear of the committee system over there in the other body? Does the gentleman mean they offered 286 amendments on the floor?

Mr. EDWARDS of Oklahoma. If the gentleman would yield further, had the gentleman participated in the conference in which my colleague from Wisconsin [Mr. OBEY] and I participated, he would have far more questions than that to ask about the other body.

Mr. SOLOMON. I think we owe the two gentlemen a merit of valor or something for having put up with all of this.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 290: Page 102, after line 20, insert:

ESTABLISHING CATEGORIES OF REFUGEE APPLICANTS

SEC. 599G. (a)(1) The Attorney General is directed to establish, in consultation with the Secretary of State, categories of refugee applicants which would identify applicants with a strong likelihood of qualifying for admission as refugees due to well established histories of persecution, pursuant to section 207 of the Immigration and Nationality Act.

(2) The following refugee applicants are deemed to be categories established under paragraph (a)(1):

(A) Soviet nationals who are Jews or Evangelical Christians,

(B) Holders of Letters of Introduction in the Orderly Departure Program in Vietnam, who do not immediately qualify for immigrant visas.

(3) The Attorney General may designate other groups of refugee applicants for which such categories may be appropriate, including Soviet nationals who are Ukrainian Catholic and Ukrainian Orthodox.

(b) If a refugee applicant is within any of the categories, he or she may qualify for refugee status by demonstrating one of the following:

(1) acts of mistreatment, or prejudicial actions against him or her personally such as, but not limited to:

(A) inability to study or practice religious beliefs or ethnic heritage; or

(B) denial of access to educational, vocational or technical institutions for which he or she is otherwise qualified, based on membership in one of the above categories; or

(C) adverse treatment in the workplace stemming from prejudicial attitudes toward members of his or her category; or

(2) acts of persecution committed against other persons in his or her category, in his or her geographical locale; or acts, regardless of locale, which give rise to a well-founded fear of persecution; or

(3) instances of mistreatment or prejudicial actions based on his or her personal request to depart his or her homeland, including, but not limited to, loss of home, job, or educational opportunity.

(c) Decisions made to deny applications for refugee status shall be made in writing and shall state, to the maximum extent feasible, the reasons why the application was denied.

(d) Aliens who fall within categories established by this Act, or by the Attorney General pursuant to this Act, and who have been denied refugee status between August 15, 1988 and the date of enactment of this Act, shall be permitted to reapply and shall be readjudicated for refugee status under the terms of this Act.

(e) This section shall take effect on the date of enactment of this Act and shall terminate on September 30, 1990.

PUBLIC INTEREST PAROLE POWER

SEC. 599H. (a) The Attorney General shall, subject to the requirements in subsection (b) and (c) of this section, adjust to lawful permanent resident status those nationals of the Soviet Union or Vietnam who entered the United States on or after September 1, 1988 and before September 30, 1990, through the exercises of his public interest parole power after being denied refugee status.

(b) Soviet or Vietnamese nationals described in this section shall not be eligible for adjustment under subsection (a) unless—

(1) they have been physically present in the United States for at least one year;

(2) they apply for adjustment within one year after the date upon which they become eligible for such adjustment; and

(3) they pay a fee to provide for the processing of their application, as determined by regulation by the Attorney General.

(c) Persons described in subsection (a) shall not be subject to the numerical limitations in section 201(a) or section 202(a) of the Immigration and Nationality Act, but shall be subject to the exclusions in section 212(a) of such Act (except for paragraphs (14) and (28)).

REPORT BY THE COMPTROLLER GENERAL

SEC. 5991. (a) The Comptroller General of the United States shall provide reports to the Committees on the Judiciary of the United States Senate and the United States House of Representatives on the implementation of this provision in Italy and the Soviet Union. Such reports shall include, but not be limited to, the timeliness and length of individual interviews, the adequacy of staffing and funding by the State Department, Immigration and Naturalization Service and voluntary agencies, the denial rates by ethnic or religious group, the sufficiency of the proposed Soviet refugee processing system within the United States, backlogs by ethnic or religious group and the reasons backlogs exist, if they do exist, the sufficiency of the means of distributing and receiving applications in Moscow, to the extent possible, a comparison of the cost of conducting processing only in Moscow as opposed to permitting processing also in Italy, and an evaluation of efforts to phase out Soviet refugee processing in Italy.

(b) The Comptroller General shall provide a preliminary report to the Committees on the Judiciary by December 31, 1989, and a final report no later than March 31, 1990. The final report shall include any recommendations which the Comptroller General may have regarding the need, if any, to extend or revise this provision.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 290, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

ESTABLISHING CATEGORIES OF ALIENS FOR PURPOSES OF REFUGEE DETERMINATIONS

SEC. 599D. (a) IN GENERAL.—In the case of an alien who is within a category of aliens established under subsection (b), the alien may establish, for purposes of admission as a refugee under section 207 of the Immigration and Nationality Act, that the alien has a well-founded fear of persecution on account of race, religion, nationality, membership in a particular social group, or political opinion by asserting such a fear and asserting a credible basis for concern about the possibility of such persecution.

(b) ESTABLISHMENT OF CATEGORIES.—

(1) For purposes of subsection (a), the Attorney General, in consultation with the Secretary of State and the Coordinator for Refugee Affairs, shall establish—

(A) one or more categories of aliens who are or were nationals and residents of the Soviet Union and who share common characteristics that identify them as targets of persecution in the Soviet Union on account of race, religion, nationality, membership in a particular social group, or political opinion, and

(B) one or more categories of aliens who are or were nationals and residents of Vietnam, Laos, or Cambodia and who share common characteristics that identify them as targets of persecution in such respective foreign State on such an account.

(2)(A) Aliens who are (or were) nationals and residents of the Soviet Union and who are Jews or Evangelical Christians shall be deemed a category of alien established under paragraph (1)(A).

(B) Aliens who are (or were) nationals of the Soviet Union and who are current members of, and demonstrate public, active, and continuous participation (or attempted participation) in the religious activities of, the Ukrainian Catholic Church or the Ukrainian Orthodox Church, shall be deemed a category of alien established under paragraph (1)(A).

(C) Aliens who are (or were) nationals and residents of Vietnam, Laos, or Cambodia and who are members of categories of individuals determined, by the Attorney General in accordance with the "Immigration and Naturalization Service Worldwide Guidelines for Overseas Refugee Processing" (issued by the Immigration and Naturalizatin Service in August 1983) shall be deemed a category of alien established under paragraph (1)(B).

(3) Within the number of admissions of refugees allocated for fiscal year 1990 for refugees who are nationals of the Soviet Union under section 207(a)(3) of the Immigration and Nationality Act, notwithstanding any other provision of law, the President shall allocate 1,000 of such admissions for such fiscal year to refugees who are

within the category of aliens described in paragraph (2)(B).

(c) WRITTEN REASONS FOR DENIALS OF REFUGEE STATUS.—Each decision to deny an application for refugee status of an alien who is within a category established under this section shall be in writing and shall state, to the maximum extent feasible, the reason for the denial.

(d) PERMITTING CERTAIN ALIENS WITHIN CATEGORIES TO REAPPLY FOR REFUGEE STATUS.—Each alien who is within a category established under this section and who (after August 14, 1988, and before the date of the enactment of this Act) was denied refugee status shall be permitted to reapply for such status. Such an application shall be determined taking into account the application of this section.

(e) PERIOD OF APPLICATION.—

(1) Subsections (a) and (b) shall take effect on the date of the enactment of this Act and shall only apply to applications for refugee status submitted before October 1, 1990.

(2) Subsection (c) shall apply to decisions made after the date of the enactment of this Act and before October 1, 1990.

(3) Subsection (d) shall take effect on the date of the enactment of this Act and shall only apply to reapplications for refugee status submitted before October 1, 1990.

(f) GAO REPORTS ON SOVIET REFUGEE PROCESSING.—

(1) The Comptroller General shall submit to the Committee on the Judiciary of the Senate and of the House of Representatives reports on the implementation of this section in Italy and the Soviet Union. Such reports shall include a review of—

(A) the timeliness and length of individual interviews,

(B) the adequacy of staffing and funding by the Department of State, the Immigration and Naturalization Service, and voluntary agencies, including the adequacy of staffing, computerization and administration of the processing center in Washington,

(C) the sufficiency of the proposed Soviet refugee processing system within the United States,

(D) backlogs (if any) by ethnic or religious groups and the reasons any such backlogs exist,

(E) the sufficiency of the means of distributing and receiving applications for refugee status in Moscow,

(F) to the extent possible, a comparison of the cost of conducting refugee processing only in Moscow and such cost of processing in both Moscow and in Italy, and

(G) an evaluation of efforts to phase out Soviet refugee processing in Italy.

(2) The Comptroller shall submit a preliminary report under paragraph (1) by December 31, 1989, and a final report by March 31, 1990. The final report shall include any recommendations which the Comptroller General may have regarding the need, if any, to revise or extend the application of this section.

ADJUSTMENT OF STATUS FOR CERTAIN SOVIET AND INDOCHINESE PAROLEES

SEC. 599E. (a) IN GENERAL.—The Attorney General shall adjust the status of an alien described in subsection (b) to that of an alien lawfully admitted for permanent residence if the alien—

(1) applies for such adjustment,

(2) has been physically present in the United States for at least 1 year and is physically present in the United States on the date the application for such adjustment is filed,

(3) is admissible to the United States as an immigrant, except as provided in subsection (c), and

(4) pays a fee (determined by the Attorney General) for the processing of such application.

(b) ALIENS ELIGIBLE FOR ADJUSTMENT OF STATUS.—The benefits provided in subsection (a) shall only apply to an alien who—

(1) was a national of the Soviet Union, Vietnam, Laos, or Cambodia, and

(2) was inspected and granted parole into the United States during the period beginning on August 15, 1988, and ending on September 30, 1990, after being denied refugee status.

(c) WAIVER OF CERTAIN GROUNDS FOR INADMISSIBILITY.—The provisions of paragraphs (14), (15), (20), (21), (25), (28), (other than paragraph (F)), and (32) of section 212(a) of the Immigration and Nationality Act shall not apply to adjustment of status under this section and the Attorney General may waive any other provision of such section (other than paragraph (23)(B), (27), (29), or (33)) with respect to such an adjustment for humanitarian purposes, to assure family unity, or when it is otherwise in the public interest.

(d) DATE OF APPROVAL.—Upon the approval of such an application for adjustment of status, the Attorney General shall create a record of the alien's admission as a lawful permanent resident as of the date of the alien's inspection and parole described in subsection (b)(2).

(e) NO OFFSET IN NUMBER OF VISAS AVAILABLE.—When an alien is granted the status of having been lawfully admitted for permanent residence under this section, the Secretary of State shall not be required to reduce the number of immigrant visas authorized to be issued under the Immigration and Nationality Act.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 291: Page 102, after line 20, insert:

PLAN TO ERADICATE WORST ASPECTS OF POVERTY

SEC. 599J. (a) DEVELOPMENT OF PLAN.—It is the sense of Congress that the President should, in consultation with host country governments, international organizations, and United States and indigenous nongovernmental organizations which represent the poor in developing countries, develop a plan consistent with basic objectives set forth in sections 101 and 102(a) of the Foreign Assistance Act of 1961 to ensure that United States development assistance contributes measurably to eradicating the worst aspects of absolute poverty by the year 2000, and seek international cooperation in achieving the goals developed in the plan.

(b) GOALS OF PLAN.—The plan developed pursuant to paragraph (1) shall include specific measurable poverty-reducing goals and the target dates for reaching these goals, including the following goals for the year 2000:

(1) Reduction of under-five-mortality rates by at least 50 percent of the 1980 mortality rates or to not more than 70 per thousand live births, whichever achieves the greater reduction.

(2) Achievement of universal primary education, and at least 80 percent female literacy for those age groups defined by each country.

(3) Reduction of the proportion of the population living in absolute poverty by at least 50 percent of that proportion in 1980.

(4) Such other specific measurable goals, consistent with the achievement of the basic objective set forth in sections 101 and 102(a) of the Foreign Assistance Act of 1961 as the President determines to be crucial to measurably eliminating the worst aspects of absolute poverty.

(c) SUBMISSION OF PLAN TO CONGRESS.—The President shall submit the plan developed pursuant to this subsection to the Congress not later than 6 months after the date of the enactment of this Act. This plan shall be used by the administering agency in planning and providing funds for development assistance projects under this Act.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 291, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

REPEAL OF PROVISION

SEC. 599F. (a) The following provision under the heading "Salaries and Expenses, General Legal Activities", contained in the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1990 (H.R. 2991), as enacted into law, is hereby repealed: ": *Provided further*, That for fiscal year 1990 and hereafter the Attorney General may establish and collect fees to cover the cost of identifying, copying and distributing copies of tax decisions rendered by the Federal Judiciary and that any such fees shall be credited to this appropriation notwithstanding the provisions of 31 U.S.C. 3302".

(b) The provisions of subsection (a) shall take effect upon the date of the enactment into law of the Department of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1990 (H.R. 2991).

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

□ 1740

The SPEAKER pro tempore (Mr. MCCLOSKEY). The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 292: Page 102, after line 20, insert:

CONDITIONAL ASSISTANCE FOR EL SALVADOR FOR POLICE TRAINING

SEC. 599K. (a) CONDITIONAL ASSISTANCE.—In order to promote the professional development of the security forces of El Salvador and to encourage the separation of the law enforcement forces from the armed forces of El Salvador, funds made available under chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated to El Salvador may, notwithstanding section 660 of that Act, be provided to El Salvador for fiscal year 1990 for purposes otherwise prohibited by section 660 of the Act, if the following conditions are met:

(1) The training provided with such assistance is provided by United States civilian law enforcement personnel.

(2)(A) The assistance is to be used for the purposes of professional development and training of the security forces of El Salvador in such areas as human rights, civil law, investigative and civilian law enforcement techniques, and urban law enforcement training.

(B) Any such assistance that is made available for equipment for these forces is intended to be used for the purchase of equipment such as communication devices, transportation equipment, forensic equipment, and personal protection gear. No such assistance may be used for the purchase of firearms.

(3) At least 30 days before obligating such assistance, the President certifies to the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate that the Government of El Salvador has made significant progress during the preceding 6 months in eliminating any human rights violations, including torture, incommunicado detention, detention of persons solely for their political views, or prolonged detention without trial. Any such certification shall include a full description of the assistance which is proposed to be provided and of the purposes to which it is to be directed.

(4) REPROGRAMMING.—Funds made available under this subsection shall be subject to the regular reprogramming procedures of the Committees on Appropriations.

(b) DEFINITION.—For purposes of this section, the term "civilian law enforcement personnel" means individuals who are not members of the United States Armed Forces.

(c) Not more than $12,000,000 shall be made available in fiscal year 1990 to carry out the provisions of this section and of subsection 534(b)(3) of the Foreign Assistance Act of 1961.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 292, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

CONDITIONAL ASSISTANCE FOR EL SALVADOR FOR POLICE TRAINING

SEC. 599G. (a) CONDITIONAL ASSISTANCE.—In order to promote the professional development of the security forces of El Salvador and to encourage the separation of the law enforcement forces from the armed forces of El Salvador, funds made available under chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated to El Salvador may, notwithstanding section 660 of that Act, be provided to El Salvador for fiscal year 1990 for purposes otherwise prohibited by section 660 of the Act, if the following conditions are met:

(1) The training provided with such assistance is provided by United States civilian law enforcement personnel.

(2)(A) The assistance is to be used for the purposes of professional development and training of the security forces of El Salvador in such areas as human rights, civil law, investigative and civilian law enforcement techniques, and urban law enforcement training.

(B) any such assistance that is made available for equipment for these forces is intended to be used for the purchase of equipment such as communication devices, transportation equipment, forensic equipment, and personal protection gear. No such assistance may be used for the purchase of any lethal equipment, except for small arms ammunition and rifle ammunition solely for training purposes.

(3) At least 30 days before obligating such assistance, the President certifies to the Committee of Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee of Foreign Relations and the Committee on Appropriations of the Senate that the Government of El Salvador has made significant progress during the preceding 6 months in eliminating any human rights violations, including tortue, incommunicado detention, detention of persons solely for their political views, or prolonged detention without trial. Any such certification shall include a full description of the assistance which is proposed to be provided and of the purposes to which it is to be directed. Any such certification shall also include a report on the status of all investigative action and prosecutions with respect to those responsible for the 1980 murders of Archbishop Oscar Romero and the four American churchwomen, the recent murder of Ana Casanova, and the recent bombings of the headquarters of the FENASTRAS union and the office of COMADRES, a human rights organization.

(4) REPROGRAMMING.—Funds made available under this subsection shall be subject to the regular reprogramming procedures of the Committees on Appropriations.

(b) DEFINITION.—For purposes of this section, the term "civilian law enforcement personnel" means individuals who are not members of the United States Armed Forces.

(c) Not more than $5,000,000 shall be made available in fiscal year 1990 to carry out the provisions of this section. Not less than $7,000,000 of the funds made available to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961 for fiscal year 1990 shall be made available for the purposes of subsection 534(b)(3) of the Foreign Assistance Act of 1961.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 293: Page 102, after line 20, insert:

SEC. 599L. Notwithstanding any other provision of law, the President may provide assistance under chapter 1 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 for Peru and Bolivia to promote the production, processing, or marketing of all crops which can be economically grown in areas of those countries which currently produce crops from which narcotic and psychotropic drugs are derived.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 293, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

CROPS IN PERU, BOLIVIA AND JAMAICA

SEC. 599H. Notwithstanding any other provision of law, the President may provide assistance under chapter 1 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 for Peru, Bolivia and Jamaica to promote the production, processing, or marketing of all crops which can be economically grown in areas of those countries which currently produce crops from which narcotic and psychotropic drugs are derived.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 294: Page 102, after line 20, insert:

LAND REFORM IN EL SALVADOR

SEC. 599M. (a) It is the sense of the Senate that the success and continuation of land reform in El Salvador is vital to United States policy and to political stability, eco-

nomic development and maintenance of democratic institutions in that country.

(b) Therefore, when allocating Economic Support Funds to El Salvador, the President shall take into consideration progress in the Salvadoran Land Reform Program.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 294, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

LAND REFORM IN EL SALVADOR

SEC. 599I. (a) It the sense of the Congress that the success and continuation of land reform in El Salvador is vital to United States policy and to political stability, economic development and maintenance of democratic institutions in that country.

(b) Therefore, when allocating Economic Support Funds to El Salvador, the President shall take into consideration progress in the Salvadoran Land Reform Program.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the last amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 295: Page 102, strike out all after line 20, over to and including line 5 on page 103.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 295, and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

TITLE VI—FUNDING ADJUSTMENTS

REDUCTION OF APPROPRIATIONS

SEC. 601. Each appropriation item, direct loan obligation limit, loan guarantee commitment limit, or obligation limit provided by this Act shall be reduced by 0.43 percent: *Provided,* That such reduction shall be applied proportionally to each program, project, and activity as set forth in section 543 of this Act: *Provided further,* That programs and activities exempt from sequestration under Section 255 of the Deficit Control Act of 1985 shall be exempt from the uniform reduction required by this paragraph.

COUNTER—NARCOTICS PROGRAMS

SEC. 602. For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961 and the Arms Export Control Act, $125,000,000, which shall be made available only for counter—narcotics programs: *Provided,* That none of the funds appropriated under this heading shall be made available except as provided through the regular notification procedures of the Committees on Appropriations.

Strike out Sec. 577 of the House bill and insert:

PROHIBITION ON LEVERAGING AND DIVERSION OF UNITED STATES ASSISTANCE

SEC. 582. (a) None of the funds appropriated by this Act may be obligated or expended for the purpose of furthering any military or foreign policy activity which is contrary to United States law.

(b) None of the funds appropriated by this Act may be used to solicit the provision of funds by any foreign government (including any instrumentality or agency thereof), foreign person, or United States person, for the purpose of furthering any military or foreign policy objective which is contrary to United States law.

(c) Nothing in this section shall be interpreted as in any way interfering with assistance being provided for the voluntary reintegration or relocation of Members of the Nicaraguan Resistance consistent with the Bipartisan Accord on Central American of March 24, 1989, or pursuant to regional peace agreement.

(d) Definitions.—(1) For the purposes of this section the term "any military or foreign policy activity", and "any military or foreign policy objective" includes only

(A) assistance of any kind under the Foreign Assistance Act of 1961;

(B) sales, credits, and guaranties under the Arms Export Control Act; and

(C) export licenses issued under the Arms Export Control Act.

(2) For the purposes of this section the term "contrary to United States law" means those provisions of law which expressly prohibit all United States assistance, or all assistance under a specified United States assistance account, from being provided to any specified foreign region, country, government, group or individual for all or specified activities.

(3) For the purposes of this section, the term "United States assistance account" means an appropriations account contained in this Act.

(e) Nothing in this section shall be construed to limit—

(1) the ability of the President, the Vice President, or any official or employee of the United States to make statement or otherwise express his views to any party on any subject;

(2) the ability of an official or employee of the United States to communicate with any foreign country, government, group, or individual, either directly or through a third party, with respect to the prohibition of this section including the reasons for such prohibitions, and the actions, terms, or conditions which might lead to the removal of the prohibitions of this section.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. OBEY. Mr. Speaker, I would like to be heard on this amendment.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I too, would like to be heard on this amendment.

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. OBEY] will be recognized for 30 minutes, and the gentleman from Oklahoma [Mr. EDWARDS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I will not take very long I simply want to explain that I am offering an amendment to the amendment to amendment 295 which tries to accommodate the administration's concerns that the leveraging language which they raised questions about in this conference report, their concerns related to the fact that they felt the language was somewhat unclear. Therefore, we simply provide a clarification of the intent of the language in this amendment.

This amendment would do as follows: It would incorporate both elements of the original motion reflecting the conference agreement. Those elements are an across-the-board cut of .43 percent to account for the increased funding for various drug programs, and they provide for $125 million for Contra narcotics program for the Andean countries.

In addition, the amendment would further clarify the leveraging prohibition section 577 of the House bill by doing the following: By making clear that the scope of the provision applies only to assistance provided in the Foreign Assistance Act of 1961; to sales, credits, and guarantees under the Arms Export Control Act and export licenses issued under the Arms Export Control Act. It also makes clear that this amendment has the effect of limiting the prohibition in the bill to apply only to foreign assistance funds and not the multilateral banks or any other funds in this bill used to pay salaries. It makes clear that the scope of the provision applies only to those provisions of law which expressly prohibit U.S. assistance from oeing provided. It clarifies that nothing in this bill shall be construed to limit the ability of the President, the Vice President, or any other U.N. officials to express his or her views on this subject.

This clarification, in my view, gives the President all the authority he needs to conduct whatever foreign policy discussions he wants. It is silent on the issue of intelligence matters because there are no funds of this kind in the bill, and the prohibition does not relate. It prefers the most important aspects of the prohibition, that simply being that it applies to the foreign assistance funds in this bill.

Mr. EDWARDS of Oklahoma. Mr. Speaker, this is a difficult one. We have been working to try to come up

with a solution that would be satisfactory to the executive branch.

As I stated in my remarks during the general debate on this bill, I agree with the concept. A legislation should prohibit any Chief Executive of the United States or his employees from doing those things which are contrary to the laws of the United States. At the same time, we have received a number of objections from the executive branch, for fear that the language that we had put in the bill was overly broad and overly vague, and that it made it very difficult for the executive branch to comply.

We have taken language proposed at various times by officials with the State Department and the White House and used that language to craft a substitute for the language already in this bill, in an effort to move closer toward the White House's position, and to alleviate their concerns.

This new language spells out, in the terms provided for Members by the White House, what assistance means, what contrary to U.S. law means. It spells out clearly it is not a prohibition on the President or the Vice President or their employees from speaking and expressing views on policy with anybody whatsoever.

I have to be very honest with my colleagues and tell them that the White House has not agreed to this substitute language. They still have objections, but I also have to say that I have tried very diligently to get the White House and its attorneys to tell Members what it is they object to. We cannot get an answer. They merely object. I have asked for a very specific rendering of those objectionable provisions so that we might further refine the language and try to change it and make it even more acceptable. I cannot get an answer, merely that "we object." So I have to say, and I will say to my colleague, the gentleman from Wisconsin [Mr. OBEY], the chairman of the subcommittee, that this is not without warning. I told the White House I was going to do it. The only thing I can do is say in all honesty that we do not want to suggest that the White House agrees with this language. We have gone to the White House. We have asked them what is wrong with it, and apparently they cannot find anything wrong with it except they object to it.

I am pleased to support the language. I can tell Members that a great many of my colleagues on this side of the aisle do, as well.

Mr. OBEY. Mr. Speaker, I appreciate the gentleman's comments.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Kalbaugh, one of his secretaries.

MAKING IN ORDER ON WEDNESDAY, NOVEMBER 15, 1989, OR ANY DAY THEREAFTER, CONSIDERATION OF H.R. 3566, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1990

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Wednesday, November 15, 1989, or any day thereafter, to consider the bill H.R. 3566, making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1990, and for other purposes, as reported from the Committee on Appropriations.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

MAKING IN ORDER ON WEDNESDAY, NOVEMBER 15, 1989, CONSIDERATION OF H.J. RES. 435, FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1990

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that it shall be in order on Wednesday, November 15, 1989, to consider in the House, any rule of the House to the contrary notwithstanding, House Joint Resolution 435, a joint resolution making further continuing appropriations for the fiscal year 1990, and for other purposes, and that debate be limited to 1 hour, the time to be equally divided between the chairman [Mr. WHITTEN] and the gentleman from Massachusetts [Mr. CONTE] and that the previous question shall be considered as ordered on the resolution to final passage without intervening motion, except one motion to recommit.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

□ 1750

MAKING IN ORDER ON WEDNESDAY, NOVEMBER 15, 1989, OR ANY DAY THEREAFTER, CONSIDERATION OF H.R. 3610, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1990

Mr. DIXON. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Wednesday, November 15, 1989, or any day thereafter, to consider the bill H.R. 3610, making appropriations for the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the year ending September 30, 1990, and for other purposes, as reported from the Committee on Appropriations.

The SPEAKER pro tempore (Mr. MCCLOSKEY). Is there objection to the request of the gentleman from California?

There was no objection.

SPEAKER'S ACCESS TO INTELLIGENCE MEETINGS AND INFORMATION

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 268 to amend the Rules of the House of Representatives to clarify the right of the Speaker to attend any meeting and to have access to any information in the possession of the permanent Select Committee on Intelligence, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 268

Resolved, That clause 7(c) of rule XLVIII of the rules of the House of Representatives is amended—

(a) in subparagraph (1) by striking out "subparagraph (2)" and inserting in lieu thereof "subparagraphs (2) and (3)";

(b) in the second sentence of subparagraph (2) by inserting "(other than to the Speaker)" after "available"; and

(c) by inserting at the end thereof the following new subparagraph:

"(3) The select committee shall permit the Speaker to attend any meeting of the committee and to have access to any information in the possession of the committee.".

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from New York [Mr. SOLOMON], and pending that I yield myself such time as I may consume.

Mr. Speaker, I would like to advise the Chair that all time yielded, during debate on the pending resolution, is yielded for the purposes of debate only.

Mr. Speaker, House Resolution 268 is a privileged report from the Rules Committee that clarifies the right of the Speaker of the House of Repre-

sentatives to attend any meeting and to have access to any information in the possession of the Permanent Select Committee on Intelligence.

Currently under House rule 48, only two designated leadership officials—the majority leader and the minority leader—serve as ex officio members of the Select Committee on Intelligence.

However, as members are aware, the Speaker has always had access by custom and practice of the House to information within the purview of the Permanent Select Committee on Intelligence ever since that committee was created: the Speaker appoints all of the members of the select committee.

In addition, as a member of the "Gang of 8" who consult with the President on the most secret and sensitive intelligence matters, the Speaker has access to information denied to most members of both House and Senate Intelligence Committees.

Mr. Speaker, an interim rule was adopted by the Intelligence Committee in the 101st Congress to ensure the Speaker's right of access to Intelligence Committee meetings and records. It was offered at the suggestion of the minority of the Permanent Select Committee on Intelligence, and the majority concurred in their recommendation.

Mr. Speaker, House Resolution 268, is a resolution that will simplify the interpretation of House Rule 48 and correct the anomaly in current House rules by allowing the Speaker to attend any committee meeting and review any documents in its possession.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as my colleague from Massachusetts has indicated, this is a privileged resolution which will enable the Speaker to have routine access to the proceedings and information of the Permanent Select Committee on Intelligence. I believe most members will be as surprised as I was to learn that the Speaker does not, at present, have this opportunity.

This anomaly is House Rule 48 is all the more surprising when we consider the Speaker's unique constitutional position which places him second in the line of succession to the President. Therefore, I support the passage of House Resolution 268. This is a necessary and proper correction in House rules.

The point needs to be made, however, that this change should have been made before the arrangement was worked out whereby a member of the Speaker's staff was given blanket access to all of the Intelligence Committee's information, proceeding with that particular arrangement first, before rule 48 was amended, was not, in my view, a proper thing to do. And even with the change in the rules that we will make today, I would hope that this arrangement would be reexamined.

It is surprising to me that the former professional staff member on the Intelligence Committee who now serves on the Speaker's staff has been placed back on the Intelligence Committee payroll this time at a token salary and with the job designation of clerk. This does not make sense to me, and I suspect it suggests to other members as well that something a little unusual is going on here.

When someone starts out as general counsel and is now designated as a clerk, that person appears to be climbing down the ladder of success—unless some other factor unbeknownst to most of us is also involved. In any event, I do support the resolution before us.

But I also believe, Mr. Speaker, that the time has come to take a good look at what this resolution and all of the other incremental changes affecting the Intelligence Committee add up to. This resolution is the fourth such change this year alone. And the cumulative affects since 1977 of various changes made in the committee's structure and operations needs to be the subject of a comprehensive review.

I had hoped that the presentation of this resolution might have provided such an opportunity. However, the skids had been greased in favor of this resolution long before the Rules Committee even met to discuss it.

As a way of providing further discussion—and, indeed, examination—of what needs to be done, the ranking Republican on the Intelligence Committee, Mr. HYDE, will be making an effort later today to defeat the previous question on the resolution. I will support his motion, and I urge all members to support it. At the very least, defeating the previous question will afford the House an occasion to take a closer look at how the Intelligence Committee operates.

If any member believes that all of the incremental tinkering with the committee, that has taken place over the past 12 years has served to stem the flow of damaging leaks, that members has not been heard from. This very week, for example, a new book has arrived in the bookstores and purports to contain the details of a very serious leak of highly sensitive intelligence data concerning U.S. policy in Central America.

I have no way of knowing if what this book says is true. And even if I did know, I would not make any statement to confirm or deny it one way or the other. But all of us have to be appalled at cases such as this when Members of Congress are cited by name in the public media as sources of leaked information.

Now, I know that the statement will be made by our friends on the other side of the aisle that hearings need to be held before we rush into changes affecting the Intelligence Committee. My point is: Those changes are being made incrementally, by stealth so to speak. Let's see what those changes add up to.

Mr. HYDE has identified several areas that need to be examined and there are probably any number of others. But let's at least get started. And as far as hearings are concerned, House Resolution 268 was introduced on October 18. This kind of rapid movement to the floor suggests that the means are there to consider ideas that are politically advantageous to the majority.

Other bills and resolutions affecting the Intelligence Committee have been languishing in the Rules Committee for many months, in some cases years. So let's not use the need for hearings as an excuse.

I will not steal any more of Mr. HYDE's thunder, and I reserve the balance of my time.

Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Illinois [Mr. HYDE], the ranking Republican of the Permanent Select Committee on Intelligence.

Mr. HYDE. Mr. Speaker, I thoroughly concur in this resolution. I want to make it as clear as I can, but I do think it is an anomaly that the Speaker under our rules is not in the loop. The majority leader is, but not the Speaker, and I think it is unusual, to say the least, and inefficient that the Speaker not understand what is going on in the House Permanent Select Committee on Intelligence because he is certainly the head of the House and is the Speaker.

□ 1800

Now, as a matter of fact, the Speaker has been told and informed what has transpired in our committee from time to time. The only thing that bothers me is that our rules have not permitted that process. Wise and sensible and efficient as it is, it has been outside the rules.

Now, rules are about all there is around here to protect the minority. We are told to observe the rules quite often when it suits people, so it just seems to me we ought to have enough respect for the rules to change them, to accommodate what we all agree needs accommodation, namely, have the Speaker privy to what goes on in our committee.

It also seems to me, rather than to go through the convoluted method that we are, we ought to change the rules to make the Speaker privy ex-officio along with the majority leader, and permit him to designate someone on his staff to provide him with this information, instead of appointing someone on his staff to a dual staff position as a clerk, when clearly his

duties will not be those of a clerk. I do not know why we have to do this the hard way, but ours is not to reason why, and so be it.

I, on the other hand, look upon this as an opportunity to bring to the attention of the House at 6 o'clock in the evening, again unfortunate, but still nonetheless important, a proposal that I have that members of the Intelligence Committee at least take a secrecy oath. We deal with the most sensitive intelligence information in our Government.

Now, an oath is very important. Benjamin Franklin took an oath when he was chairman of the Committee of Secret Correspondence. You take an oath when you are sworn in to this body. You take an oath when you are going to be a witness in court. You take an oath when you are going to serve as a juror. You take an oath when you are married. All solemn occasions, important occasions, require, it seems to me, or at least it is appropriate that they be solemnized by an oath.

We who sit on the Intelligence Committee ought to be hypersensitive to the leaks that go on day after day of sensitive classified information. I do not for a second say that only the House Permanent Select Committee on Intelligence leaks. I would not say our committee leaks at all, but I would say we can do something about one body that has access to this information, members and staff, 12 Democrats, 7 Republicans and staff, by taking an oath of secrecy, just elevates certainly the importance of what we are doing. It raises our consciousness, I was going to say our conscience, too, and that would not hurt, but it impresses on us really the importance of the material we are handling and how we cannot talk about it outside the committee. That needs repetition. That needs emphasis, and all I am asking is that we recognize members of the House Permanent Select Committee on Intelligence are different from the average Member. We have access on a daily basis to some of the most sensitive secrets in the Government. Acknowledge that access by requiring those of us on the committee to at least take the secrecy oath.

Now, if I am successful in defeating the previous question, I will offer such an amendment. I have two other amendments that interest me. One, of course, is for security clearance for every member of the committee. The staff is cleared for security. The members of the executive branch are cleared. I know Members who feel they were elected and are above that. I do not feel that way. I do not mind having a security clearance if one is required, and I would like to require it, because I think the importance of what we are dealing with is critical.

The SPEAKER pro tempore (Mr. MCCLOSKEY). The time of the gentleman from Illinois has expired.

Mr. SOLOMON. Mr. Speaker, I yield 2 additional minutes to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, I thank my friend for yielding me this additional time.

So what I am asking this body to do, and it is the only way we can do it, is to defeat the previous question, at which point I will offer an amendment requiring members of the Select Committee on Intelligence of the House to take a secrecy oath. All that will do will be to elevate in the minds of people and ourselves the importance, the sensitivity of the secrets that we are daily given and privy to.

Again, I have no objection, I encourage the amendment of the gentleman to the rules to include the Speaker in the loop and to include the Speaker's designee, Mr. O'Neal. I have no problem with that. I want the rules respected, and most importantly, I want us to become conscious of the leaks that go on and perhaps we can set an example, be a paradigm for the Executive, for the other body, that we take our responsiblity seriously.

Leaks are dangerous. They are dangerous to our national security and we ought to set an example where we can.

So I hope you will vote to defeat the previous question so that I may offer the amendment.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Florida [Mr. YOUNG], a former longstanding member of the Intelligence Committee.

Mr. YOUNG of Florida. Mr. Speaker, I rise in support of this resolution.

Frankly, as a former member of the Intelligence Committee, I was quite surprised when I learned the Speaker did not have that direct access, and certainly he should; but I think while we are correcting the rules and while we are doing something about bringing us into compliance with the rules, now is a good time to consider some of the other problems that we have in maintaining the secrecy of our national security secrets.

The gentleman from Illinois [Mr. HYDE] has so eloquently made the point that members of the Intelligence Committee have access to some of the most sensitive national security secrets that our Government has. What he did not point out quite as emphatically is that also members of the staff of that committee have the same type of access.

Mr. Speaker, this is a staggering responsibility. You only have to sit through several hearings or meetings of that committee to realize just how serious this responsibility is.

I think from time to time there have been those who felt that maybe it was not quite as serious and maybe a minor leak did not make any difference. Well, a leak of classified material, whether major or minor or somewhere in-between, is a threat to the Nation's security.

Here is a Wall Street Journal article of just a few days ago talking about a big covert action program that may or may not be in existence. Those on the Intelligence Committee know whether or not this story is true. Those on the Defense Subcommittee that I work on know whether this is true.

The fact is, if it is, it is classified and secret and it should not be released.

I think this is an ideal time while we are considering this resolution to defeat the previous question and to allow amendments to be offered that will in fact create more security for those who have access to the information available through the Intelligence Committee.

I recall not too many years ago before a secret session of this House pointing out to our colleagues, Mr. Speaker, specific cases of leaks from that Intelligence Committee, leaks that I considered to be extremely important. That has got to stop. We cannot have that. A minor leak is almost as bad as a major leak. It is very costly to our national security effort. I think everybody agrees with that, and this is a great time to solve the problem, to put into effect some rules and regulations that we will abide by, that we will go by to make sure that those who serve in those important capacities understand their obligation, understand the seriousness of the responsibility with which they have been entrusted.

Again, the members of that committee and the members of the staff of that committee have access basically to the same intelligence information that the President of the United States reviews on a daily basis. Again I say, that is a staggering responsibility, and members and staff with that kind of access have to understand that.

I believe we can amend this resolution to make it a powerful tool in preserving the national security secrets of our Nation.

Mr. Speaker, I thank the gentleman for yielding me this time. It is an extremely important subject.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. LIVINGSTON], another member of the Permanent Select Committee on Intelligence.

Mr. LIVINGSTON. Mr. Speaker, I hope the Members will support the gentleman from Illinois [Mr. HYDE] and vote no on the previous question.

The Hyde amendment supports the bill and resolution in toto. They do not disagree with them at all, but they address an extraordinary important subject. There are leaks in this Congress. Our Members, our staff have obtained

classified information. Over the years we can read about those divulgences, those instances in which classified secret ultrasensitive information has been divulged to the press. It is an unjustice to the entire Nation when that happens.

□ 1810

All the gentleman from Illinois [Mr. HYDE] does is require in his resolutions that all members and staff of the Intelligence Committee should take a simple oath of secrecy, to undergo security clearances before they gain access to those secrets. The oath is very simple. It says, "I do solemnly swear or affirm that I will not directly or indirectly disclose to any unauthorized person any classified information received in the course of my duties on the Permanent Select Committee on Intelligence except with the formal approval of the committee or the House." It cannot get any more simple than that. It is very basic. It is very fundamental. It underscores to all of the Intelligence Committee members and staff the importance of not disclosing information to unauthorized persons. We should not even have a debate over this. It just seems to me to be so fundamental.

We require at times witnesses who come before us to take an oath of secrecy under penalties of perjury and that sort of thing. It just seems that the people who are receiving that very same information ought to be required to take that simple oath.

I support the Hyde motion. I hope that all of the Members will again vote against the previous question. I would like to see the security clearances imposed, and I urge a no vote on the previous question.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. COMBEST], a member of the Permanent Select Committee on Intelligence.

Mr. COMBEST. Mr. Speaker, I rise in strong support of this resolution and feel that not only is it proper that the Speaker of the House have information privy to the Committee on Intelligence but that it should have happened a long time ago.

I also rise in strong support of the efforts of the gentleman from Illinois to defeat the previous question so that we can get at what I think are some very, very fundamental issues about the further activities of the House committee, the Permanent Select Committee on Intelligence. Under the arrangement which has been reached and providing the opportunity for the Speaker to have information in the Intelligence Committee is unprecedented in the history of the House Intelligence Committee in that there is a staff member who is serving dual roles, one as a paid staff member by the Committee on Intelligence, one as a paid member of the Speaker's permanent staff.

The question that I would address to the gentleman from California, if he would respond, my concerns would be that we could also ensure, since we are taking an unprecedented situation here, that we could ensure to the rights of the minority leader the same privileges which have been afforded to the Speaker if the minority leader so wished to exercise that option and have a similar type of staff member available to him or her as the case may be in the future on the committee staff.

Mr. BEILENSON. Mr. Speaker, will the gentleman yield?

Mr. COMBEST. I am happy to yield to the gentleman from California.

Mr. BEILENSON. Mr. Speaker, the answer of this gentleman is certainly yes. As far as this gentleman understands, it is totally within the competence of our committee to agree to those kinds of staffing arrangements and, yes, of course, anything that the distinguished minority leader would like in the way of staffing would be, so far as this gentleman is concerned, agreed to by us.

Mr. COMBEST. Mr. Speaker, I appreciate the gentleman's response.

Once again, I would just state that I think that it is very important that the previous question be defeated so that we can discuss very, very significant issues here. I do not know how one can oppose the idea of requiring, at a minimum, and I would much prefer that Members of the House who are members of the Select Committee on Intelligence have to go through security clearances, but at the least should take an oath requiring that they would not divulge any of the information, and I feel that there should be severe penalties for Members of Congress to be paid for divulging classified information.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. Goss], a member of the Committee on Foreign Affairs, and a very distinguished member of that committee, I might add.

Mr. GOSS. Mr. Speaker, I want to rise in support of Mr. HYDE's proposals and H.R. 268 to share with you my own special perspectives. I believe I am unique among Members of this House as the only former CIA career intelligence officer. I served more than 10 years as an operations officer in the clandestine services—meeting and working discreetly with men and women in foreign areas who support the same democratic principals that have made our country great.

I realize that much of this debate on intelligence leaks has historically focused on the specific dangers of releasing classified information—and how such disclosure hurts a particular project or individual who has endangered himself to provide sensitive information to the U.S. Government.

Yet I believe each and every one of us should consider the broader residual damage which infects our intelligence aparatus when a leak appears on the front pages of our newspapers. When sensitive information hits the news—the impact is felt immediately—worldwide.

Cooperative sources overseas become demoralized, reluctant and fearful. That hurts our intelligence agencies abilities to collect and analyse up-to-date information on topics vital to our national defense. Sources dry up everywhere. Not even our best friends can stick with us if their well being is unnecessarily at risk because of unwitting—or worse yet—witting release of sensitive material to the media.

More troubling—news of intelligence leaks makes it that much harder to develop new contacts. People who had considered meeting confidentially with U.S. Government officials fear their information could be tomorrows' compromising news—and they remain mute.

Sadly some of the strongest criticism of the Panama situation focused on our Government's lack of information. The critics charged that we didn't have enough contacts to really know what was happening. I have to wonder whether potentially cooperative sources remained silent out of fear of leaks.

Those of us who have the privilege of receiving classified information must always remember that leaks have a profound and enduring impact on this Government's ability to collect sensitive information. For this reason I fully endorse Mr. HYDES's efforts to establish reasonable guidelines regarding handling of and access to classified materials.

Mr. Speaker, I would add that I had the privilege of reviewing material prior to some previous legislative action, and in all of my years of being involved in the intelligence business, I have seen no place where compartmentalization is as broken down as it is in the information that is made available to our Intelligence Committee. That is a good thing, but it means extra safeguards. That is an excellent thing. But those extra safeguards have to be in place, and for that reason I think the gentleman from Illinois [Mr. HYDE] is on the right track.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. BEILENSON], the chairman of the Permanent Select Committee on Intelligence.

Mr. BEILENSON. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, for Members who may not be listening carefully, I do want to reiterate the point that some of our

friends across the aisle have themselves made, and that is that the gentleman from Illinois [Mr. HYDE], the gentleman from New York [Mr. SOLOMON], and the others do support the resolution that is before us.

Let me quote just for a moment if I may from the additional views of the Republican members of the Committee on Rules:

House Resolution 268 is aimed at correcting an obscure anomaly in House Rule XLVIII (48), which concerns the organization and activities of the House Permanent Select Committee on Intelligence [HPSCI]. As presently written, rule 48 denies routine access by the Speaker to HPSCI's proceedings and information. * * *

This anomaly in rule 48 appears to be a sin of omission rather than commission. As presently written, Rule 48 provides for two designated leadership officials—the majority leader and the minority leader—to be ex officio members of HPSCI. No mention is made of the Speaker. We find this anomaly to be very surprising, particularly in view of the Speaker's unique constitutional position which places him second in the line of succession to the Presidency.

Accordingly, we support the prompt passage of House Resolution 268. We believe the Speaker should have immediate access to any and all proceedings and information at HPSCI.

We appreciate the gentleman's and the lady's, the gentlewoman from Illinois [Mrs. MARTIN], feelings about this, but I did want to bring it to the attention of all of the Members in case, as I said, they had not been listening all that carefully.

The minority people on the Committee on Rules, however, went on to say, and I quote again just very briefly:

We also believe the time has come to take a careful look at the way in which HPSCI is structured. * * *

Fair enough. Nothing is perfect. Our committee is certainly not perfect, and certainly can be made better. In fact, the two previous chairmen of that committee who still serve in the House, the gentleman from Ohio [Mr. STOKES] and the gentleman from Indiana [Mr. HAMILTON] and I have some proposals of our own that we feel, we ourselves feel, will improve the workings of that committee. Other Members have similar proposals. The gentleman from Minnesota [Mr. OBERSTAR] has submitted a resolution to change some of the rules regarding length of service in terms of service on the committee.

□ 1820

Other Members have submitted various other proposals, perhaps a dozen of which are currently resting before the Committee on Rules to be heard. The gentleman from Illinois [Mr. HYDE] himself, as many Members probably know, has at least one major proposal other than the ones the gentleman spoke of earlier today, the three spoken of earlier today, mainly one to form a single Joint Intelligence Oversight Committee with the Senate to take the place of the two separate Oversight Committees we now have. That is pending too before the Committee on Rules.

I would say to my friends across the aisle and other Members who may be listening, these are all pretty substantive and major proposed changes. Most of them are controversial as well.

Frankly, in this gentleman's opinion, they all need and they all deserve some sorting out, some discussion, some real thought and attention. In short, they need to be the subject of serious and thoughtful and careful committee hearings and of committee markup.

They ought not, any of them, to be offered to the full membership in the manner that these three proposals are being offered today, although as I understand it perhaps only one is being pushed at this moment by my friend, the gentleman from Illinois [Mr. HYDE].

What is being proposed today in the resolution before us is a very modest change, one which I think all Members agree does not and did not require a great deal of consideration, other than the half hour or 40 minutes or so it might have taken in the Committee on Rules late last week.

The gentlemen across the aisle supported this themselves, and they stated themselves it corrects an oversight, an anomaly in the rules as they currently are.

I would say finally to my friends, and they are my friends, across the aisle, the gentleman from Illinois, the gentleman from New York, and the other gentlemen as well who have participated in this debate so far this evening, that this Member, as chairman of our committee, intends to ask the Committee on Rules to take up the whole slew of proposals that various Members have submitted concerning the makeup and the workings of the Permanent Select Committee on Intelligence early next year when we are back in session, when we are back in Washington.

We will have the opportunity at that time, as I think in truth and fact we do not have now, to take up and carefully consider these several proposals, some of which this Member believes have some considerable merit.

So I ask Members to approve this particular resolution, which is not opposed, and get on with the business of ending the session, if at all possible, in the next few days.

We will certainly revisit many, if not all, of the measures in the proposals which our friends across the aisle have spoken about today, and many others as well.

Mr. SOLOMON. Mr. Speaker, before yielding the balance of our time to the gentleman from Illinois [Mr. HYDE], let me just take a minute to first of all praise the gentleman from California [Mr. BEILENSON], our chairman, and the gentleman from Illinois [Mr. HYDE], our ranking member, for the outstanding job they have done.

We in this Congress feel very comfortable with the gentlemen in their respective positions. We wish it was reversed.

Let me just say also that the gentleman from California [Mr. BEILENSON] read from the minority views, and the gentleman is correct, and I concur with what was read. We do urge the Members to vote for this resolution. It is an anomaly in the rules and it should be corrected.

Mr. Speaker, Let me point out that of the leaks we see and hear about, probably 99 percent of them are unintentional. That is too bad. But I believe that if the gentleman from Illinois [Mr. HYDE] is successful in defeating the previous motion and is allowed to offer his secrecy oath amendment, that is going to make the Speaker and myself and every Member of this House more aware of all the information that we receive day by day, year in and year out, that it could be classified, and we do have a responsibility.

So I hope the Members back in their offices would come over here, vote to defeat that previous question, and then after the successful passage of the amendment of the gentleman from Illinois [Mr. HYDE], let Members vote from this resolution, which is a good resolution.

Mr. Speaker, I yield the balance of our time to the gentleman from Illinois [Mr. HYDE], the ranking member.

The SPEAKER pro tempore. (Mr. MCCLOSKEY). The gentleman from Illinois is advised he has 6 minutes.

Mr. HYDE. Mr. Speaker, I certainly hope I do not use the 6 minutes. At this point I do not intend to.

Let me just say in response to the gentleman from California [Mr. BEILENSON] that he has no idea how delighted I am that he has indicated support for hearings on some of these issues.

My proposal for a Joint House and Senate Intelligence Committee, which, by the way, is supported by every living and at least one deceased, that I know of, Director of the Central Intelligence Agency, the Vice President, and many other intelligence professionals, has been languishing in the Bermuda Triangle that sometimes makes up a corner of the Committee on Rules since August of 1984, 5 years.

I wrote repeatedly to the predecessor of the gentleman from Massachusetts [Mr. MOAKLEY], the very esteemable Mr. Pepper, but he never quite got around to scheduling hearings. I hope

the remarks of the chairman of our committee are prophetic.

Let me also point out that hearings sometimes are used to delay things. I do not say that is a suggestion here, but I would point out we have expanded our committee without hearings, and it would seem to me shrinking our committee without hearings would be appropriate. But if we do get hearings, at least as I say, that is something.

Mr. Speaker, I am going to ask that the previous question be defeated. Not to defeat the gentleman's great resolution, important resolution, because it will pass in any event. I do not think any Member objects to it. But I wish to offer an amendment to it to require Members of the House permanent Select Committee on Intelligence to take an oath of secrecy, to swear that they will not reveal the very sensitive, highly classified information Members get on a daily basis.

This is simply to psychologically impress upon Members, myself and all of us, the importance of the information we are getting, the importance to our allies, to our national security, to our military forces, to the intelligence community.

We are different from other Members in that we meet in a very segregated place that is swept for listening devices. One has to get through doors and be recognized.

It seems to me that taking an oath simply solemnizes something that we admit deserves solemnity, importance.

So taking the oath, it seems to me, is a minimal step toward emphasizing the need for secrecy. Therefore, since it applies to all Members, there is certainly no partisan intent. It is just meant to elevate in the minds of all Members the importance of preserving secrecy.

Mr. Speaker, I appreciate the courtesy that we have received. I look forward to the hearings on the joint bill, and on restructuring the committee, which is now 12 to 7. I would like to see it 7 to 6. Actually, I would like to see a joint committee, but that is an argument for another day.

I thank the Speaker for his indulgence and courtesy. I want to commend the gentleman from Massachusetts [Mr. MOAKLEY] for being courteous and patient and understanding, and the gentleman from California [Mr. BEILENSON] for doing a superb job as leader of our committee.

Mr. SOLOMON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. KENNELLY. Mr. Speaker, I rise in strong support of House Resolution 268, which would make clear that the Speaker may attend any meeting of the Intelligence Committee or have access to information available to the committee. Like many members of the committee, I was surprised to note that the Speaker's relationship to the Intelligence Committee was not clearly spelled out by the rule. Obviously, this is a necessary change, one that should have been made in 1977 when the rule was adopted.

In any event, I want to note that insofar as I can determine, the committee has never operated in a fashion that questioned the right of the Speaker to have complete access to the Intelligence Committee. It was always understood. In fact, I always thought that one of the great advantages of choosing our former colleague, Eddie Boland, as the first chairman of the Intelligence Committee was that he enjoyed Speaker O'Neill's unreserved trust. Tip O'Neill counted on Eddie Boland to keep him informed of intelligence matters that required his attention as Speaker.

Mr. Speaker, this is simply a technical correction of the House rules. It is, as far as I can determine, supported by both leaderships and by all the members of the Intelligence Committee on both sides.

I want to point out, however, that the proposals that have been offered by our friend from Illinois [Mr. HYDE], which seek other changes in the rule, do not enjoy bipartisan support. Mr. HYDE has explained his proposals as an effort to prevent leaks. I reject the underlying assumption that the Intelligence Committee in this House has been responsible for leaks while I have been a Member. I find some of these proposals, such as requiring security clearances for Members of Congress, who like the President and Vice President are elected constitutional officers of the Government, inconsistent with both the Constitution and the best traditions of this body. I don't think we need security oaths to supplement the oath of office that we all take in the well of this House when we are sworn in. When this suggestion was brought up in the Intelligence Committee earlier this year, it was rejected. My own view is that it offered a rhetorical rather than a real solution to any imagined security problem.

Mr. Speaker, I urge the adoption of the resolution.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time. However, prior to bringing this matter to a vote, I wish to make very clear to Members what we are voting on.

The pending resolution makes a very small amendment in the Rules of the House to clarify that the Speaker may have access to certain records of the Intelligence Committee. There is no disagreement with the rule, and the minority supports it.

The vote on the previous question is intended to obtain some kind of vote on a large package of rules changes proposed by the gentleman from Illinois. His amendments, are contained in House Resolution 279, which was introduced only 14 days ago. Obviously, neither the Rules Committee nor the Intelligence Committee have had an opportunity to seriously review these rules.

Mr. HYDE. Mr. Speaker, would the gentleman yield?

Mr. MOAKLEY. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, I just want to suggest that I am only going to offer the one amendment, to require an oath of secrecy by the members of the Permanent Select Committee on Intelligence. I will not offer the security clearance, although I would like to, and I will not offer the restructuring of the committee. I would like to, but I will not. It is just the one, the oath of secrecy.

Mr. MOAKLEY. Mr. Speaker, neither House Resolution 279, nor any part of it is germane to the pending resolution. I fully expect the previous question to be ordered.

However, if the Hyde amendment were to be considered, I would make a point of order on germaneness, and I anticipate that the point of order would be sustained.

So I do want Members to understand that a vote against the previous question does not provide any opportunity to vote on the amendment.

The resolution is an important matter and should not be delayed by unrelated issues. I urge the House to order the previous question on the resolution, and I move the previous question.

Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HYDE. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make a point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 245, nays 176, not voting 12, as follows:

[Roll No. 353]

YEAS—245

Ackerman	Cardin	Edwards (CA)
Akaka	Carper	Engel
Alexander	Carr	English
Anderson	Chapman	Erdreich
Andrews	Clarke	Espy
Annunzio	Clay	Evans
Anthony	Clement	Fascell
Aspin	Coleman (TX)	Fazio
Atkins	Collins	Feighan
AuCoin	Condit	Flake
Barnard	Cooper	Flippo
Bates	Costello	Foglietta
Beilenson	Coyne	Ford (MI)
Bennett	Crockett	Ford (TN)
Berman	Darden	Frank
Bevill	de la Garza	Frost
Bilbray	DeFazio	Gaydos
Boggs	Dellums	Gejdenson
Bonior	Derrick	Gephardt
Borski	Dicks	Geren
Bosco	Dingell	Gibbons
Boucher	Dixon	Glickman
Boxer	Donnelly	Gonzalez
Brennan	Dorgan (ND)	Gordon
Browder	Downey	Gray
Brown (CA)	Durbin	Guarini
Bruce	Dwyer	Hall (OH)
Bryant	Dymally	Hall (TX)
Bustamante	Dyson	Hamilton
Byron	Early	Harris
Campbell (CO)	Eckart	Hatcher

Hawkins	McHugh	Sawyer
Hayes (IL)	McMillen (MD)	Scheuer
Hayes (LA)	McNulty	Schroeder
Hefner	Mfume	Schumer
Hertel	Miller (CA)	Sharp
Hoagland	Moakley	Sikorski
Hochbrueckner	Mollohan	Sisisky
Hoyer	Montgomery	Skaggs
Hubbard	Moody	Skelton
Huckaby	Morrison (CT)	Slattery
Hughes	Mrazek	Slaughter (NY)
Hutto	Murphy	Smith (FL)
Jenkins	Murtha	Smith (IA)
Johnson (SD)	Nagle	Solarz
Johnston	Natcher	Spratt
Jones (GA)	Neal (MA)	Staggers
Jones (NC)	Neal (NC)	Stallings
Jontz	Nelson	Stark
Kanjorski	Nowak	Stenholm
Kaptur	Oakar	Stokes
Kastenmeier	Oberstar	Studds
Kennedy	Obey	Swift
Kennelly	Olin	Synar
Kildee	Ortiz	Tanner
Kleczka	Owens (NY)	Tauzin
Kolter	Owens (UT)	Taylor
Kostmayer	Pallone	Thomas (GA)
LaFalce	Panetta	Torres
Lancaster	Parker	Torricelli
Lantos	Patterson	Towns
Laughlin	Payne (VA)	Traficant
Leath (TX)	Pease	Traxler
Lehman (CA)	Pelosi	Udall
Lehman (FL)	Penny	Unsoeld
Levin (MI)	Perkins	Valentine
Levine (CA)	Pickett	Vento
Lewis (GA)	Pickle	Visclosky
Lipinski	Poshard	Volkmer
Lloyd	Price	Walgren
Long	Rahall	Watkins
Lowey (NY)	Rangel	Waxman
Luken, Thomas	Richardson	Weiss
Manton	Roe	Wheat
Markey	Rose	Williams
Martinez	Rowland (GA)	Wilson
Matsui	Roybal	Wise
Mavroules	Russo	Wolpe
Mazzoli	Sabo	Wyden
McCloskey	Sangmeister	Yates
McCurdy	Sarpalius	Yatron
McDermott	Savage	

NAYS—176

Applegate	Fish	Lightfoot
Archer	Frenzel	Livingston
Armey	Gallegly	Lowery (CA)
Baker	Gallo	Lukens, Donald
Ballenger	Gekas	Machtley
Bartlett	Gillmor	Madigan
Barton	Gilman	Marlenee
Bateman	Gingrich	Martin (IL)
Bentley	Goodling	Martin (NY)
Bereuter	Goss	McCandless
Bilirakis	Gradison	McCollum
Bliley	Grandy	McCrery
Boehlert	Grant	McDade
Broomfield	Green	McEwen
Brown (CO)	Gunderson	McGrath
Buechner	Hammerschmidt	McMillan (NC)
Bunning	Hancock	Meyers
Callahan	Hansen	Michel
Campbell (CA)	Hastert	Miller (OH)
Chandler	Hefley	Miller (WA)
Clinger	Henry	Moorhead
Coble	Herger	Morrison (WA)
Coleman (MO)	Hiler	Myers
Combest	Holloway	Nielson
Conte	Hopkins	Oxley
Coughlin	Horton	Packard
Courter	Houghton	Parris
Cox	Hunter	Pashayan
Craig	Hyde	Paxon
Crane	Inhofe	Petri
Dannemeyer	Ireland	Porter
Davis	Jacobs	Pursell
DeLay	James	Quillen
DeWine	Johnson (CT)	Ravenel
Dornan (CA)	Kasich	Ray
Douglas	Kolbe	Regula
Dreier	Kyl	Rhodes
Duncan	Lagomarsino	Ridge
Edwards (OK)	Leach (IA)	Rinaldo
Emerson	Lent	Ritter
Fawell	Lewis (CA)	Roberts
Fields	Lewis (FL)	Robinson
Rogers	Skeen	Sundquist
Rohrabacher	Slaughter (VA)	Tallon
Ros-Lehtinen	Smith (NE)	Tauke
Roth	Smith (NJ)	Thomas (CA)
Roukema	Smith (TX)	Thomas (WY)
Rowland (CT)	Smith (VT)	Upton
Saiki	Smith, Denny (OR)	Vander Jagt
Saxton	Smith, Robert (NH)	Vucanovich
Schaefer	Smith, Robert (OR)	Walker
Schiff	Snowe	Walsh
Schneider	Solomon	Weber
Schuette	Spence	Weldon
Schulze	Stangeland	Whittaker
Sensenbrenner	Stearns	Wolf
Shaw	Stump	Wylie
Shays		Young (AK)
Shumway		Young (FL)
Shuster		

NOT VOTING—12

Brooks	Florio	Morella
Burton	Garcia	Payne (NJ)
Conyers	Mineta	Rostenkowski
Dickinson	Molinari	Whitten

□ 1849

The Clerk announced the following pair:

On this vote:

Mr. Payne of New Jersey for, with Mr. Burton of Indiana against.

Mr. McCANDLESS changed his vote from "yea" to "nay."

Mr. CONDIT changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. McCLOSKEY). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken tomorrow.

NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 101-109)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed.

(For message, see proceedings of the Senate of today, Tuesday, November 14, 1989.)

PERSONAL EXPLANATION

Mr. DENNY SMITH. Mr. Speaker, I would like the record to show that I was incorrectly paired on the final passage of H.R. 1465, the comprehensive oilspill liability bill, when it was voted on by the full House last Thursday, November 9, 1989.

I would like to take this opportunity to set the record straight. I was unable to be in the House Chamber for the final passage vote. Had I been there, I would have voted for the bill. In my absence, I requested that my vote be paired for the bill. I support the bill as a strong step toward protecting our environment, and ensuring that any future spill will be cleaned up.

Unfortunately, I was incorrectly paired on this vote, so it appeared that I voted against the bill. I would ask unanimous consent that the permanent RECORD of the House be corrected to accurately reflect my position in favor of this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

HURRICANE HUGO FORESTRY RESTORATION ACT

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3482) to provide disaster assistance to private timber producers for the reestablishment of timber stands necessitated by Hurricane Hugo, as amended.

The Clerk read as follows:

H.R. 3482

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Hurricane Hugo Forestry Restoration Act".

SEC. 2. COST-SHARE ASSISTANCE.

(a) ESTABLISHMENT.—For the purpose of encouraging tree owners to reestablish stands of trees damaged by Hurricane Hugo, the Secretary of Agriculture shall develop and implement a cost-share program to provide financial assistance to owners of private timber stands that were damaged, as determined by the Secretary, in 1989 by Hurricane Hugo. This assistance shall only be made available in those counties or equivalent local subdivisions in South Carolina, North Carolina, Virginia, Puerto Rico, and the United States Virgin Islands declared by the President to be disaster areas as a result of Hurricane Hugo and any county or subdivision contiguous to those counties or subdivisions.

(b) ELIGIBLE PRACTICES.—Practices eligible for cost-share assistance under this Act are—

(1) reforestation;

(2) site preparation; and

(3) such other timber stand reestablishment practices as may be prescribed by the Secretary.

(c) PRIVATE TIMBER STANDS.—(1) For the purpose of this Act, the term "private timber stand" means a stand of trees dam-

aged by Hurricane Hugo held continuously during the period described in paragraph (2) for commercial purposes by a private individual, group, association, corporation, Indian tribe or other native Indian group, or other legal entity, owning 1,000 acres or less of land planted to trees, except agencies of Federal, State, or local governments. Such term does not include a stand of trees transferred after the date on which such stand was damaged by Hurricane Hugo except for a stand of trees transferred by bequest, devise or inheritance, or acquired from a decedent by reason of death because of the form of ownership (including trees acquired through the exercise or nonexercise of a power of appointment).

(2) The period referred to in paragraph (1) is the period beginning on the date on which such trees were damaged by Hurricane Hugo and ending at the time the request is made for assistance under this Act.

(d) INDIVIDUAL FOREST MANAGEMENT PLANS.—The Secretary may provide assistance under this Act only after a management plan for the private timber stand has been developed by the holder of the stand in cooperation with, and approved by, the State forester or equivalent State official. Such management plan shall—

(1) include provision for the replacement of the timber stand through reforestation by tree plantings or other means; and

(2) be the basis for an agreement between the holder and the Secretary under subsection (e).

(e) COST SHARE.—The Secretary shall enter into agreements to share the cost of implementing eligible practices with holders who agree to implement those eligible practices. The amount of the Federal cost-share (including labor) for an eligible practice shall be 75 percent of the total cost of implementing eligible practices. The Secretary may consider, in determining the total cost of implementing eligible practices, any revenue from the sale of timber from private timber stands.

(f) DEADLINE.—Requests for assistance under this Act must be filed with the Secretary not later than December 31, 1993.

(g) TRANSFER.—The Director of the Federal Emergency Management Agency may transfer to the Secretary of Agriculture to carry out the provisions of this Act an amount not to exceed $100,000,000 of the funds provided under the section 108(a) of the fiscal year 1990 Dire Emergency Supplemental to Meet the Needs of Natural Disaster of National Significance (Public Law 101-130), if the Director notifies the Committee on Agriculture of the House of Representatives, the Committee on Appropriations of the House of Representatives, the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Committee on Appropriations of the Senate at least 15 days prior to such transfer.

(h) PAYMENT LIMITATION.—The total amount of payments that a person shall be entitled to receive under this Act may not exceed $50,000. The Secretary shall issue regulation defining the term "person" which shall conform, to the extent practicable, to the regulations defining the term "person" issued under section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308).

(i) REGULATIONS.—The Secretary shall issue regulations to implement the provisions of this Act as soon as practicable after the date of the enactment of this Act, without regard to the requirement for notice and public participation in rulemaking prescribed in section 553 of title 5, United States Code or in any directive of the Secretary.

The SPEAKER pro tempore. Is a second demanded?

Mr. MORRISON of Washington. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 20 minutes and the gentleman from Washington [Mr. MORRISON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I rise today in support of H.R. 3482, as amended, the Hurricane Hugo Forestry Restoration Act.

As a survivor of the many hurricanes that have struck the south Texas coastline, I can attest firsthand to the devastating effects of a hurricane on the people and the land.

Hurricane Hugo left a path of destruction in its wake as it wound its way up through the Southeastern United States from its origins in the Caribbean. Puerto Rico and the U.S. Virgin Islands, as well as North and South Carolina and parts of Virginia, bore the brunt of the storm and suffered the greatest damage.

As the television cameras revealed after the hurricane had departed, cities like Charleston, SC, and the surrounding communities were, for a time, crippled in the wake of the storm. However, thanks to the emergency services provided by the Red Cross, and the Federal Emergency Management Agency [FEMA], these areas are recovering.

Less visible than the damage incurred by places like Charleston, was the damage sustained by rural areas. Of particular concern was the damage to forestlands and timber, which, in dollar terms, is a substantial portion of the damage done by Hugo.

Timber and wood fiber production is the lifeblood of many of the areas in North and South Carolina and Virginia affected by the hurricane. Unfortunately, the damage done to forest lands and timber resources by Hugo will severely hamper the ability of these areas to recover from the effects of the storm.

The force of Hugo in these areas, as well as in Puerto Rico and the Virgin Islands, literally wrenched trees from the ground and scattered them across the landscape. Many of the trees left standing were broken off at mid-height, rendering them useless for timber production. Much of the timber was blown down as if to resemble a child's game of pick up sticks.

The destruction to woodlands that resulted has a number of short and long term consequences for the affected areas. The most urgent problem is that this downed timber, as it dries, will serve as a source of fuel and greatly increase the risk of wildfires this spring. If action is not taken in short order to alleviate this problem, the region could face devastating forest fires in the near term.

In the long run, the damage done to these forests will affect the economies of the communities in the region, and limit their ability to rebound from the storm. With an abundance of wood fiber now, remaining markets for wood pulp are likely to plummet, making it difficult to justify the costs of harvesting what remains. However, failing to salvage the downed and damaged timber will further increase the risk of wildfire and interfere with efforts to reforest the area.

H.R. 3482, as amended, will help to deal with both the short-term problem of clearing downed and damaged timber and long-term need to reforest damaged areas to promote their reestablishment and development as potential sources of future commercial timber.

Specifically, H.R. 3482, as amended, would establish a cost-share assistance program to benefit private forest land owners of 1,000 acres or less who suffered timber stand losses due to Hurricane Hugo. Assistance would be available for: First, reforestation; second, site preparation; and third, other timber stand reestablishment practices prescribed in a forest management plan to be developed by the landowner.

Each individual seeking such assistance must work with the State forester or equivalent State officials to develop an individual forest management plan. This plan, which is to be approved by that official, must include provisions for the reforestation of the stand affected by Hugo, and is to serve as the basis for agreements between the timber holder and the Secretary for cost-share assistance. This process for completing forest management plans and developing agreements to obtain cost-share assistance is thus intended to be administered in a manner which is similar to the way in which the Forest Service currently administers its Forestry Incentives Program [FIP].

H.R. 3482 permits the Secretary to consider any revenue from the sale of timber from private timber stands damaged by the hurricane in determining the total cost of implementing eligible practices by the timber holder. In this way, the Secretary may adjust the amount provided for an approved cost-share practice to take into consideration the landowner's ability to pay. In addition, any individual would be prohibited from receiving more than $50,000 in Federal cost-share assistance under the act.

Finally, H.R. 3482 would authorize the transfer of $100 million from FEMA to USDA for implementation of this act, upon prior notification of the affected committees. These funds were previously allocated for such purposes under section 108(a) of the fiscal year 1990 Dire Emergency Supplemental To Meet the Needs of Natural Disaster of National Significance (Public Law 101-130).

Mr. Speaker, I want to compliment the gentleman from South Carolina [Mr. TALLON], for introducing this legislation. I also want to thank the chairman of the Agriculture Subcommittee on Forests, Family Farms, and Energy, the Honorable HAROLD VOLKMER, for convening a hearing in Moncks Corner, SC, soon after the hurricane, to hear from those affected and to survey the damage first hand. His interest in this issue and the urgency which he placed on this matter upon his return from that field hearing, have helped to bring this bill to the House today. I must also thank the chairman of the Committee on Appropriations, Mr. WHITTEN, for his assistance in helping to develop appropriate language to provide funding for this bill.

Mr. Speaker, I urge my colleagues to support H.R. 3482, as amended.

Mr. MORRISON of Washington. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the measure before us is as described by our distinguished chairman of the Committee on Agriculture, the gentleman from Texas [Mr. DE LA GARZA]. This is an effort to recognize the tremendous amount of damage done by Hurricane Hugo and to provide for a cost-share program on getting certain areas of South Carolina, North Carolina, Virginia, Puerto Rico, and the Virgin Islands reforested.

Mr. Speaker, it is a reasonable measure. It restricts the eligibility to smaller land owners. It requires individual forest plans, has a payment limitation, which I think is important to us so that money goes as far as possible and transfers the fund from the Federal emergency management area.

Mr. Speaker, this is a reasonable answer to a distressing circumstance, and I urge the passage of this measure.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri [Mr. VOLKMER], a distinguished chairman of the subcommittee.

Mr. VOLKMER. Mr. Speaker, I rise in support of H.R. 3482, the Hurricane Hugo Forestry Assistance Act. I commend the sponsor of the legislation, the gentleman from South Carolina [Mr. TALLON], for bringing the matter to our attention and for his flexibility in addressing concerns with the original bill. I also wish to thank the ranking member of our subcommittee, Mr. MORRISON, as well as Chairman DE LA GARZA and Mr. MADIGAN, for their cooperation in expediting consideration of this bill through the committee.

Mr. Speaker, our subcommittee held a field hearing in Moncks Corner, SC, last week to review the damage caused by Hurricane Hugo to forest resources. We heard from a number of witnesses, but I doubt if any of our members were prepared for the sight we witnessed as we toured the area. Entire stands of timber were virtually obliterated. Mature trees were twisted and snapped, leaving 20-foot tall snags in their place. Woody debris covered the ground over hundreds of thousands of acres.

According to Forest Service estimates, Hurricane Hugo damaged or destroyed about 6.7 million board-feet of sawtimber in South Carolina alone, more than three times the State's normal annual harvest. Nearly three-fourths of the sawtimber stands in the coastal Francis Marion National Forest sustained heavy blowdown.

The vast amounts of downed timber represents an unprecedented potential fuel supply for wildlife in the region. Clearing the debris soon will be necessary in order to avoid widespread forest fires as the timber dries.

Damages to forests have also caused economic hardships. Many nonindustrial, private landowners, in particular, have lost a significant portion of their timber.

In addition to these immediate problems, the severe damage to forest resources will be evident for decades. Even if all affected lands are completely reforested, it will take years to replace growth that was lost. Some of the lands will not be reforested, which will serve to compound the damage. The nonindustrial, private landowners, who account for a significant share of the region's forest lands, are unlikely as a group to have the capital to invest in reforestation.

Existing Federal salvage and reforestation assistance programs are inadequate for damage of this magnitude. Current funding levels for programs such as the agricultural conservation program and forestry incentive program could provide only marginal assistance in this situation. In addition, existing programs are not intended to address many of the unique problems associated with a widespread forestry disaster of this type, such as the threat of wildfire.

To address the problems created by the hurricane, H.R. 3482 established a Federal Cost-Share Assistance Program. Persons who own 1,000 acres or less of forest land are eligible for 75 percent Federal cost-share for both tree planting and site preparation, including clearing timber debris left by the storm. In this way, the program will provide assistance to meet long-term reforestation needs as well as to reduce the more immediate wildfire danger.

This bill also provides for the transfer of up to $100 million from funds appropriated for disaster assistance to the Federal Emergency Management Agency, to the Secretary of Agriculture to carry out the Cost-Share Program. This funding level may still fall short of the needs of the affected areas, but more adequately addresses these needs than current program funding levels.

I want to emphasize that this is not a wide-open bail-out bill. The committee recognizes the present budget constraints, and has added reasonable limits to this program. In addition to the 1,000-acre woodland ownership ceiling, Federal payments are capped at a maximum of $50,000 for any one person.

Once again, Mr. Speaker, I commend the gentleman from South Carolina for his hard work in this matter, and I urge an "aye" vote on this bill.

□ 1900

Mr. DE LA GARZA. Mr. Speaker, I yield such time as he may consume to the gentleman from South Carolina [Mr. TALLON], the author of the legislation we are considering.

Mr. TALLON. Mr. Speaker, I would like to personally thank the chairman, the gentleman from Texas [Mr. DE LA GARZA], the subcommittee chairman, the gentleman from Missouri [Mr. VOLKMER], and also the subcommittee members, the gentleman from Alabama [Mr. HARRIS], the gentleman from California [Mr. HERGER], the gentleman from Virginia [Mr. OLIN], who came to a timber hearing in South Carolina 2 weeks ago to personally review the damage, the incredible damage that was wrought on over 4 million acres of timberland in just a 6-hour period of time.

Also, I would like to thank the gentleman fom Michigan [Mr. TRAXLER], of the Subcommittee on Appropriations who has jurisdiction over our FEMA and, or course, the Appropriations Committee chairman, the gentleman from Mississippi [Mr. WHITTEN] for their support of this legislation.

Mr. Speaker, I rise in strong support of H.R. 3482, legislation to provide replanting and clearing assistance to timber farmers damaged by Hurricane Hugo.

Almost 2 months ago, South Carolina was devastated by the worst storm of this century.

We have had a half million people displaced, a quarter of million out of work and damage to physical property exceeding $4 billion.

It will take us years to recover.

But, as the people of our State begin the long, painful process of piecing their lives and belongings back together, it has become clear that one of the greatest casualties was our forests.

This should not come as a great surprise. Timberland accounts for 12.2 million acres of 63 percent of South Carolina's total land area. Of that, 68 percent is owned by nonindustrial private landowners. Little guys use this as a savings account. They have used it to finance their children's education, for collateral for operating loans on small family farm operations, and many, many other very personal things, but it is all gone now, because Hugo prematurely harvested over 3 years' worth of South Carolina's timber, the State's largest cash crop. It left over 6.5 billion board feet of saw timber on the ground.

Mr. Speaker, that is just enough to build 470,000 homes, and for a $4.3 billion industry, this sort of damage is crippling for the entire State's economy.

One of my constituents said, "It looks like a giant walked through the forest and snapped off trees. Trees 30 inches in diameter are snapped like twigs."

Perhaps even more threatening is the enormous amount of debris from the pine forests littering almost all of the acreage in my district and much across the State. Right now my district is a forest fire waiting to happen. It's a powder keg.

Yet unlike other crop producers, timber farmers have no real Federal assistance program to fall back on.

Congress enacted the Disaster Assistance Act of 1989 to provide disaster assistance payments to farmers who suffered losses in production due to damaging weather including hurricane.

As well, the Farmers Home Administration has low interest emergency loans for loss of farms and equipment.

But the timber farmer is largely left to his own devices.

This is bad news for those concerned about the production and conservation of the 4 million-plus acres affected by Hurricane Hugo.

H.R. 3482, which was originally introduced by the entire South Carolina delegation and members of the North Carolina delegation, would set up a cost-sharing program for the clearing and reforestation of timber acreage damaged by Hurricane Hugo. I wanted to note as well that Puerto Rico, while it does not have counties per se, would be eligible for these funds.

This program will encourage tree owners to reestablish their damaged stands by assisting in the reforestation of damaged stands, site preparation, and other necessary timber stand reestablishment.

It recommends that FEMA provide up to $100 million for this program and assumes 75 percent of the cost of implementation for private timber stands of 1,000 acres or less. A payment limitation of $50,000 is also put into place.

This program is modeled on the Forestry Incentive Program which has been extremely effective in encouraging reforestation but which if funded at current levels would take 111 years to reforest South Carolina.

Mr. Speaker, timber is a costly, long-term investment.

Most of South Carolina's small timber owners simply don't have the means to clear debris or replant damaged and destroyed stands.

In the long term this will be a severe blow to our national conservation efforts and to South Carolina's economy. In the short term it will mean forest fires the like of which this country has never seen.

I urge my colleagues to help prevent even further disaster and to let South Carolina, North Carolina, and Puerto Rico begin to restore their most important natural resource—her forests.

Mr. DE LA GARZA. Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise to urge support for H.R. 3482, the Hurricane Hugo Timber Assistance Act.

Hurricane Hugo devastated timber throughout the Carolinas and caused great damage in Puerto Rico and the Virgin Islands as well. In South Carolina, timber is our largest cash crop, and forest products are the State's third largest manufacturing industry. The paper and forest products industry create 40,000 jobs and generate over $4 billion in income each year.

Until Hugo, the benchmark for hurricanes was Camille. Hugo destroyed 5 times as much saw timber as Camille and 20 times as much pulpwood. Hugo destroyed more timber than Hurricanes Frederick and Camille, the Yellowstone wildfires, and Mount St. Helens combined. In South Carolina, the State hardest hit, 6.7 million board feet with a value estimated at $1 billion lie on the ground. Stands of trees that individual growers planted and nurtured for decades, hoping to harvest for retirement or education of their children or grandchildren, were demolished or vastly diminished in value. Many of these growers do not have the incentive, much less the resources, to reforest their tracts. Their loss was uninsurable, and despite all the disaster programs offered by FEMA, the Small Business Administration, and the Department of Agriculture, there is nothing offering any real relief for timber growers.

This bill would give timber growers help in reforesting. It would authorize $100 million in Federal cost-sharing to help pay for reforestation. It redirects $100 million which Congress already has appropriated for FEMA to the U.S. Department of Agriculture. It applies only to individuals owning less than 1,000 acres of land planted in trees; for these timber growers, the Government would share 75 percent of the cost of reforestation. Payments under the bill would be available only in counties in South Carolina, North Carolina, Puerto Rico, and the U.S Virgin Islands that were designated as disaster areas by the President following the hurricane and in counties contiguous to those counties, where damage was sustained. The measure specifies that no person may receive more than $50,000 in cost-sharing payments, and that all requests for such assistance must be filed with the U.S. Department of Agriculture [USDA]. Many timber owners whose land was devastated will have trouble making mortgage payments on their property and are in no position to hear the total cost of tree replanting. This bill will provide aid and relief they critically need.

Indirectly, this bill will deal with another disaster waiting to happen: forest fires. With millions of cords of timber on the ground, our forests are becoming tinder boxes. Once the dry season begins in February, lightning or an accidental spark or arsonists could cause entire forests to go up in flames. Since most of these timber stands surround farms and rural homes and communities, thousands of residences will be in jeopardy. This bill cannot fully remove the risk, but it will help reduce the danger by making debris removal a site preparation cost which the Government will share.

This bill does not begin to give timber growers in my State all they need to be whole again after Hugo. But if timber growers hit by Hugo are ever to recover and reforest their tracts, this type of assistance is absolutely essential. I urge my colleagues to join me and vote for this bill.

Mr. KANJORSKI. Mr. Speaker, I rise today in strong support of H.R. 3482, the Hurricane Hugo Assistance Act of 1989. As a Representative of an area that has experienced the devastation that can be wrought by hurricanes, I know first-hand the long-term economic and environmental damage they are capable of causing.

After the immediate destruction caused by Hurricane Hugo is cleaned up—the houses are rebuilt and the roads repaired—much of the Nation's attention is likely to wander elsewhere. South Carolina, North Carolina, the Virgin Islands, and Puerto Rico, however, will feel the economic ramifications for years to come.

Congress must make it clear that we too have a sense not only of the immediate needs, but also what should be done to encourage long-term economic recovery.

Timbering is South Carolina's hurricane-impacted No. 1 cash industry, and the hurricane destroyed a large part of that crop. Staff members of both the Banking and Post Office and Civil Service Committees recently conducted an investigative trip to the area. As a member of both committees, I was very interested in their report, and they have identified reforestation as one of the top priorities if economic recovery is to occur.

Mr. Speaker, H.R. 3482 is a sensible means of encouraging economic recovery in an area that has already suffered a great loss. I rise today in support of the bill, and urge my colleagues to do the same.

Mr. DE LA GARZA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCCLOSKEY). The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, H.R. 3482, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

CLARIFYING THE FOOD SECURITY ACT OF 1985

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3620) to clarify the Food Security Act of 1985, as amended.

The Clerk read as follows:

H.R. 3620

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT AFFECTING THE 1989 CROPS.

Effective only for the 1989 crops, subparagraph 1001(5)(D) of the Food Security Act of 1985 (7 U.S.C. 1308(5)(D)) is amended to read as follows:

"(D)(i) Except as provided in clause (ii), any person that conducts a farming operation to produce a crop subject to limitations under this section as a tenant that rents the land for cash (or a crop share guaranteed as to the amount of the commodity to be paid in rent) and that makes a significant contribution of active personal management but not of personal labor shall be considered the same person as the landlord unless the tenant makes a significant contribution of equipment used in the farming operation.

(ii) A tenant that because of any act or failure to act would otherwise be considered the same person as the landlord under clause (i) shall not be considered the same person as the landlord if the Secretary has at any time made a determination, for purposes of this section, regarding the number of persons with respect to the tenant's operation on such land for the 1989 crop year and the landlord did not consent to or knowingly participate in such act or failure to act.

(iii) Any tenant that would be considered to be the same person as the landlord but for the operation of clause (ii) shall be eligible to receive any payment specified in paragraph (2) or subtitle D of title XII with respect to such land only to the extent that the tenant would be eligible for such payments if the tenant were to be considered the same person as the landlord under the regulations in place immediately prior to the enactment of this subparagraph.".

SECTION 2. AMENDMENT AFFECTING THE 1990 CROPS.

Effective only for the 1990 crops, subparagraph 1001(5)(D) of the Food Security Act of 1985 (7 U.S.C. 1308(5)(D)) is amended to read as follows:

"(D) Any person that conducts a farming operation to produce a crop subject to limitations under this section as a tenant that rents the land for cash (or a crop share guaranteed as to the amount of the commodity to be paid in rent) and that makes a significant contribution of active personal management but not of personal labor shall be ineligible to receive any payment specified in paragraph (2) or subtitle D of title XII with respect to such land unless the tenant makes a significant contribution of equipment used in the farming operation.".

SEC. 3. EQUITABLE RELIEF.

Nothing in this Act shall be construed in any way to limit the authority of the Secretary to provide equitable relief under any provision of law.

The SPEAKER pro tempore. Is a second demanded?

Mr. EMERSON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 20 minutes, and the gentleman from Missouri [Mr. EMERSON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3620 makes a technical correction to the law regarding the limitation on payments under the Federal farm programs.

The purpose of H.R. 3620 is to protect innocent landlords from being penalized for the acts or omissions of their tenants.

The effect of the Department of Agriculture's current interpretation of the law is to combine, for payment limitation purposes, a landlord with his or her tenant if the tenant is held to be out of compliance with the payment limitation regulations. This would punish the landlord for the acts or omissions of the tenant.

The current application of the law could work a special hardship on Indian tribes who participate in Federal farm programs. If a tenant who rents land from an Indian tribe is found to be out of compliance with the payment limitation regulations, the tenant would be combined with the tribal venture as one person, and the tribal venture could lose its payment limitation exemption and be restricted to only one $50,000 payment. This could be harmful to Indian tribes who depend on income from the tribal farm to fund the tribal government and enhance the tribal economy.

Mr. EMERSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the bill before the House of Representatives today, H.R. 3620. This bill seeks to clarify section 1001(5) of the Food Security Act of 1985, as amended in 1987, with regard to payments in landlord-tenant situations. H.R. 3620 was introduced by our distinguished colleague from Arizona [Mr. RHODES] to correct a situation that arose with regard to Indian reservations. The Committee on Agriculture considered the bill and determined, upon advice from the Department of Agriculture, that changes and clarifications should apply to all persons covered by payment limitations of the act.

The bill before the House provides that in landlord-tenant situations, in which the tenant fails to abide by the USDA approved farm operating plan and the landlord does not knowingly participate in the tenant's failure to meet the requirements of the farm operating plan, the tenant will be denied 1990 payments under the Food Security Act. However, for 1989, the tenant will not automatically be denied payments but will be combined with the landlord, for payment limitation purposes, under the regulations in effect prior to the enactment of this bill. Landlords, both for 1989 and for 1990, will not be subjected to any disqualifications, if the landlord did not consent to or knowingly participate in the tenant's failure to meet the payment limitations requirements of the Food Security Act.

I urge my colleagues to support the bill before the House today. This is a fair resolution and a necessary clarification of the Food Security Act of 1985. I congratulate the gentleman from Arizona, my good friend, Mr. RHODES, and the chairman of the Committee on Agriculture for bringing this bill before us today.

Mr. BEREUTER. Mr. Speaker, will the gentleman yield?

Mr. EMERSON. I yield to the gentleman from Nebraska.

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Mr. BEREUTER. Mr. Speaker, I thank the gentleman for yielding me this time.

I want to commend the gentleman, the chairman, and the committee for taking this step. It is an issue that this Member and many Members have brought to the attention of the Committee on Agriculture. They have responded well, and in a timely fashion, and I want to endorse their efforts here today. I thank them very much for their initiative on both sides of the aisle.

Mr. EMERSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES. Mr. Speaker, I rise in support of H.R. 3620, a bill to clarify the Food Security Act of 1985, as amended by the Committee on Agriculture.

I introduced this bill, along with Mr. UDALL and Mr. STUMP, to correct an unintended hardship that threatens to be imposed upon several Indian Tribes resulting from the administration's regulatory application of the 1987 amendments to the Food Security Act of 1985.

In 1978, the Department of Agriculture payment limitation regulations were amended to exempt Indian tribes from the requirements for the number and amount of payments which could be received under USDA programs. The tribal exemption placed an upper limit on the amount of payments based upon tribal member population. Since 1978, tribal farming operations for land which is held communally for the entire tribal member population have been planned and conducted in reliance on this regulation.

However, in 1988, the Department of Agriculture issued final regulations eliminating the tribal exemption, even though there is nothing in the Food Security Act of 1985, the amendments to that act contained in the Agricultural Reconciliation Act of 1987, or the legislative histories thereof, indicating that Congress either considered or contemplated eliminating the tribal exemption.

USDA interpretation of its 1988 regulations has the effect of penalizing a tribe for noncompliance by a third-party lessee who leases tribal farm land pursuant to Bureau of Indian Affairs regulations, and over whose internal operations the tribe has no control. It is the consensus of the Committee on Agriculture and the Department of Agriculture that the law was never intended to have this effect.

Additionally, the Agricultural Committee amendment extends the protection from this unintended consequence in broader fashion to non-Indian farming operations whose lessees may also be found out of compliance without the knowledge of the landlord. Furthermore, the language as amended seeks to clarify the manner in which a lessor may or may not be deemed to have had knowledge of a lessee's failure to comply with USDA requirements. This should avoid possible ambiguous interpretations of the law.

I urge my colleagues to support the passage of H.R. 3620. I also want to thank the gentleman from Louisiana [Mr. HUCKABY] the committee chairman, Mr. DE LA GARZA, and the ranking Republican member, Mr. MADIGAN and good friend, the gentleman from Missouri [Mr. EMERSON], for their understanding and help in passing this technical amendment to the Food Security Act.

Mr. EMERSON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCCLOSKEY). The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, H.R. 3620, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3620 and H.R. 3482, the bills just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

TRAUMA CARE SYSTEMS PLANNING AND DEVELOPMENT ACT OF 1989

Mr. WAXMAN. Mr. Speaker, I move the House suspend the rules and pass the bill (H.R. 1602) to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1602

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Trauma Care Systems Planning and Development Act of 1989".

SECTION 2. FINDINGS.

The Congress finds that—

(1) the Federal Government and the governments of the States have established a history of cooperation in the development, implementation, and monitoring of integrated, comprehensive systems for the provision of emergency medical services throughout the United States;

(2) physical trauma is the leading cause of death of Americans between the ages of 1 and 44 and is the third leading cause of death in the general population of the United States;

(3) physical trauma in the United States results in an aggregate annual cost of $135,000,000,000 in medical expenses, insurance, administrative costs, property damage, and indirect costs (including more than an annual $31,000,000,000 in lost wages of individuals who are in their most productive work years); and

(4) the number of incidents of physical trauma in the United States is a serious medical and social problem, and the number of deaths resulting from such incidents can be substantially reduced by improving the trauma-care components of the systems for the provision of emergency medical services in the United States.

SEC. 3. ESTABLISHMENT OF PROGRAMS WITH RESPECT TO TRAUMA CARE

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended by inserting after title XI the following new title:

"TITLE XII—TRAUMA CARE

"PART A—GENEAL AUTHORITY AND DUTIES OF SECRETARY

"SEC. 1201. ESTABLISHMENT.

"(a) IN GENERAL.—The Secretary shall—

"(1) conduct and support research, training, evaluations, and demonstration projects with respect to trauma care systems;

"(2) foster the development of appropriate, modern trauma care systems through the sharing of information among agencies and individuals involved in the study and provision of trauma care;

"(3) collect, compile, and disseminate information on the achievements of, and problems experienced by, State and local agencies and private entities by, State and local agencies and private entities in providing trauma care;

"(4) provide to State and local agencies technical assistance relating to trauma care systems; and

(5) sponsor workshops and conferences on trauma care.

"(b) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—The Secretary may make grants, and enter into cooperative agreements and contracts, for the purpose of carrying out subsection (a).

"SEC. 1202. ADVISORY COUNCIL ON TRAUMA CARE SYSTEMS.

"(a) ESTABLISHMENT.—The Secretary shall establish an advisory council to be known as the Advisory Council on Trauma Care Systems.

"(b) DUTIES.—The Council shall—

"(1) periodically conduct assessments of the needs in the United States with respect to trauma care, including special consideration of the unique needs of rural areas, and the extent to which the States are responding to such needs;

"(2) submit to the Secretary the findings made as a result of such assessments; and

"(3) Advise the Secretary with respect to activities carried out under this title.

"(c) MEMBERSHIP.—

"(1) The Sectetary shall appoint to the Council 12 appropriately qualified representatives of the public who are not officers or employees of the United States. Of such members—

"(A) 4 shall be individuals experienced or specially trained in trauma surgery (including a critical care nurse);

"(B) 3 shall be individuals experienced or specially trained in emergency medicine;

"(C) 1 shall be an individual experienced or specially trained in the care of injured children;

"(D) 1 shall be an individual experienced or specially trained in physical medicine and rehabilitation; and

"(E) 3 shall be individuals experienced or specially trained in the development, administration, or financing of trauma care systems.

"(2) The Secretary may designate as ex officio members of the Council appropriately

qualified representatives of the Department of Health and Human Services, the Department of Transportation, the Federal Emergency Management Agency, and such other agencies of the Federal Government as the Secretary determines to have functions affecting emergency medical services.

"(d) TERMS.—

"(1) Except as provided in paragraph (2), members of the Council appointed under subsection (c)(1) shall serve for a term of 4 years.

"(2) Of the members first appointed to the Council under subsection (c)(1), the Secretary shall appoint 4 members to serve for a term of 4 years, 4 members to serve for a term of 3 years, and 4 members to serve for a term of 2 years.

"(e) VACANCIES.—

"(1) Any member of the Council appointed under subsection (c)(1) to fill a vacancy occurring before the expiration of the term of the predecessor of the member shall be appointed for the remainder of the term of the predecessor.

"(2) A member of the Council appointed under subsection (c)(1) may continue to serve after the expiration date of the term of the member until a successor is appointed.

"(f) CHAIRPERSON.—The Secretary, or the designee of the Secretary, shall serve as chairperson of the Council.

"(g) MEETINGS.—The Council shall meet at the call of the chairperson and shall meet not less than once each 3 months.

"(h) COMPENSATION AND REIMBURSEMENT OF EXPENSES.—

"(1) Members of the Council who are officers or employees of the United States may not receive compensation for service on the Council in addition to the compensation otherwise received for duties carried out as such officers or employees of the United States may not receive compensation otherwise received for duties carried out as such officers or employees.

"(2) Members of the Council appointed under subsection (c)(1) shall received compensation for each day (including traveltime) engaged in carrying out the duties of the Council. Such compensation may not be in an amount in excess of the maximum rate of basic pay payable for GS-18 of the General Schedule.

"(i) STAFF.—The Secretary shall provide to the Council such staff, information, and other assistance as may be necessary to carry out the duties of the Council.

"(j) TERMINATION.—Notwithstanding section 14(a) of the Federal Advisory Committee Act, the Council shall continue in existence until otherwise provided by law.

"SEC. 1203. ESTABLISHMENT OF PROGRAMS FOR IMPROVING TRAUMA CARE IN RURAL AREAS.

"(A) IN GENERAL.—The Secretary may make grants to public and nonprofit private entities for the purpose of carrying out research and demonstration projects with respect to improving the availability and quality of emergency medical services in rural areas—

"(1) by developing innovative uses of communications technologies and the use of new communications technology;

"(2) by developing model curricula for training emergency medical services personnel, including first responders, emergency medical technicians, emergency nurses and physicians, and paramedics—

"(A) in the assessment, stabilization, treatment, preparation for transport, and resuscitation of seriously injured patients, with special attention to problems that arise during long transports and to methods of minimizing delays in transport to the appropriate facility; and

"(B) in the management of the operation of the emergency medical services system;

"(3) by making training for original certification, and continuing education, in the provision and management of emergency medical services more accessible to emergency medical personnel in rural areas through telecommunications, home studies, providing teachers and training at locations accessible to such personnel, and other methods;

"(4) by developing innovative protocols and agreements to increase access to prehospital care and equipment necessary for the transportation of seriously injured patients to the appropriate facilities; and

"(5) by evaluating the effectiveness of protocols with respect to emergency medical services and systems.

"(b) SPECIAL CONSIDERATION FOR CERTAIN RURAL AREAS.—In making grants under subsection (a), the Secretary shall give special consideration to any applicant for the grant that will provide services under the grant in any rural area identified by a State under section 1215(b)(1).

"(c) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurance, and information as the Secretary determines to be necessary to carry out such subsection.

"PART B—FORMULA GRANTS WITH RESPECT TO MODIFICATIONS OF STATE PLANS

"SEC. 1211. ESTABLISHMENT OF PROGRAM.

"(a) REQUIREMENT OF ALLOTMENTS FOR STATES.—Subject to section 1232(c), the Secretary shall for each fiscal year make an allotment for each State in an amount determined in accordance with section 1219. The Secretary shall make payments each fiscal year to each State from the allotment for the State if the Secretary approves for the fiscal year involved in application submitted by the State pursuant to section 1218.

"(b) PURPOSE OF ALLOTMENTS.—The Secretary may not make payments under subsection (a) for a fiscal year unless the State involved agrees that, with respect to the trauma-care component of the State plan for the provision of emergency medical services, the payments will be expended only for the purpose of developing, implementing, and monitoring the modifications to such component described in section 1213.

"SEC. 1212. REQUIREMENT OF MATCHING FUNDS FOR FISCAL YEARS SUBSEQUENT TO FIRST FISCAL YEAR OF PAYMENTS.

"(a) IN GENERAL.—

"(1) The Secretary may not make payments under section 1211(a) unless the State involved agrees, with respect to the costs described in paragraph (2), to make available non-Federal contributions (in cash or in kind under subsection (b)(1)) toward such costs in an amount equal to—

"(A) for the second fiscal year of such payments to the State, not less than $1 for each $1 of Federal funds provided in such payments for such fiscal year; and

"(B) for any subsequent fiscal year of such payments to the State, not less than $3 for each $1 of Federal funds provided in such payments for such fiscal year.

"(2) The costs referred to in paragraph (1) are—

"(A) the costs to be incurred by the State in carrying out the purpose described in section 1211(b); or

"(B) the costs of improving the quality and availability of emergency medical services in rural areas of the State.

"(3) The Secretary may not require a State to make non-Federal contributions as a condition of receiving payments under section 1211(a) for the first fiscal year of such payments to the State.

"(b) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTION.—With respect to compliance with subsection (a) as a condition of receiving payments under section 1211(a)—

"(1) a State may make the non-Federal contributions required in such subsection in cash or in kind, fairly evaluated, including plant, equipment, or services;

"(2) the Secretary may not, in making a determination of the amount of non-Federal contributions, include amounts provided by the Federal Government or services assisted or subsidized to any significant extent by the Federal Government; and

"(3) the Secretary shall, in making such a determination, include only non-Federal contributions in excess of the amount of non-Federal contributions made by the State during fiscal year 1989 toward—

"(A) the costs of providing trauma care in the State; and

"(B) the costs of improving the quality and availability of emergency medical services in rural areas of the State.

"SEC. 1213. REQUIREMENTS WITH RESPECT TO CARRYING OUT PURPOSE OF ALLOTMENTS.

"(a) MODIFICATIONS TO STATE PLAN.—The Secretary may not make payments under section 1211(a) for a fiscal year unless the State involved agrees to develop, implement, and monitor, in accordance with this section, modification to the trauma-care component of the State plan for the provision of emergency medical services. With respect to such component, the State plan will be modified—

"(1) to specify that the modifications required pursuant to paragraphs (2) through (10) will be implemented by the principal State agency with respect to emergency medical services or by the designee of such agency;

"(2) to specify any public or private entity that will designate trauma care regions and trauma centers in the State;

"(3) to contain standards and requirements for the designation of trauma centers (including trauma centers with specified capabilities and expertise in the care of the pediatric trauma patient) by such entity, including standards and requirements for—

"(A) the number and types of trauma patients for whom such centers must provide care in order to ensure that such centers will have sufficient experience and expertise to be able to provide quality care for victims of injury;

"(B) the resources and equipment needed by such centers; and

"(C) the availability of rehabilitation services for trauma patients;

"(4) to contain standards and requirements for the implementation of regional trauma systems, including standards and guidelines for medically directed triage and transportation of trauma patients (including patients injured in rural areas) prior to care in designated trauma centers;

"(5) to contain standards and requirements for medically directed triage and transport of severely injured children to

designated trauma centers with specified capabilities and expertise in the care of the pediatric trauma patient;

"(6) to specify procedures for the evaluation of designated trauma centers (including trauma centers described in paragraph (5)) and trauma centers described in paragraph (5)) and trauma care systems;

"(7) to provide for the establishment in the State of a central data reporting and analysis system—

"(A) to identify the number of severely injured trauma patients within regional trauma care systems in the State;

"(B) to identify the cause of the injury and any factors contributing to the injury;

"(C) to identify the nature and severity of the injury; and

"(D) to monitor trauma patient care (including prehospital care) in each designated trauma center within regional trauma care systems in the State (including relevant emergency-department discharges and rehabilitation information);

"(8) to provide for the use of procedures by paramedics and emergency medical technicans to assess the severity of the injuries incurred by trauma patients;

"(9) to provide appropriate transportation and transfer policies to ensure the delivery of patients to designated trauma centers and other facilities within and outside of the jurisdiction of such system, including policies to ensure that only individuals appropriately identified as trauma patients are transferred to designated trauma centers;

"(10) to conduct public education activities concerning injury prevention and obtaining access to trauma care; and

"(11) with respect to the requirements established in this subsection, to provide coordination and cooperation between the State and any other State with which the State shares any standard metropolitan statistical area.

"(b) CERTAIN STANDARDS WITH RESPECT TO TRAUMA CARE CENTERS AND SYSTEMS.—

"(1) The Secretary may not make payments under section 1211(a) for a fiscal year unless the State involved agrees that, in carrying out paragraphs (3) and (4) of subsection (a), the State will adopt guidelines for the designation of trauma centers, and for triage, transfer, and transportation policies, equivalent to the applicable guidelines developed by the American College of Surgeons and by the American College of Emergency Physicians.

"(2)(A) If the guidelines described in paragraph (1) are revised by the American College of Surgeons or the American College of Emergency Physicians—

"(i) the Secretary shall notify States receiving payments under section 1211(a) that the guidelines have been revised and shall provide to such States a description of the revisions; and

"(ii) the Secretary may not consider any such State to be in compliance with the agreement under paragraph (1) if the State fails to adopt guidelines equivalent to the revised guidelines by the end of the fiscal year in which the period described in subparaph (B) ends.

"(B) The period referred to in subparagraph (A)(ii) is the 1-year period beginning on the date on which the guidelines described in paragraph (1) are revised.

"(c) WAIVER OF CERTAIN STANDARDS—

"(1) The Secretary may, with respect to any guideline required to be adopted by a State pursuant to subsection (b), waive the requirement for a State if—

"(A) the State, acting through the principal State agency with respect to emergency medical services, submits to the Secretary an application for the waiver, including a statement of the facts upon which the State justifies the request for the waiver; and

"(B) the Secretary determines that granting the waiver will not result in the diminishment of the availability or quality of trauma care in the State.

"(2) The Secretary may grant a waiver under paragraph (1) only after—

"(A) providing notice to the public that the State is applying for the waiver;

"(B) soliciting and considering comments from the public with respect to the application for the waiver; and

"(C) permitting the public not less than a 30-day period in which to respond to the solicitation for such comments, which period shall commence on the day after the Secretary provides the notice required in subparagraph (A).

"(3) The notice and the solicitation of comments required in paragraph (2) shall be made through publication in the Federal Register.

"(d) RULE OF CONSTRUCTION WITH RESPECT TO NUMBER OF DESIGNATED TRAUMA CENTERS.—With respect to compliance with subsection (a) as a condition of the receipt of a grant under section 1211(a), such subsection may not be construed to specify the number of trauma care centers designated pursuant to such subsection.

"SEC. 1214. REQUIREMENT OF ANNUAL REPORT BY DESIGNATED TRAUMA CENTERS.

"The Secretary may not make payments under section 1211(a) for a fiscal year unless the State involved agrees to require each designated trauma center in the State to provide to the Emergency medical system of the State each fiscal year a report that—

"(1) specifies the number of trauma patients cared for by such facility during the fiscal year;

"(2) specifies the total number of inpatient hospital days used by such patients during the fiscal year; and

"(3) describes the diagnoses, treatment, and treatment outcomes for such patients.

"SEC. 1215. REQUIREMENT OF PROVISION OF CERTAIN INFORMATION TO SECRETARY.

"(a) INFORMATION RECEIVED BY STATE REPORTING AND ANALYSIS SYSTEM.—The Secretary may not make payments under section 1211(a) for a fiscal year unless the State involved agrees that the State will, not less than once each year, provide to the Secretary the information received by the State pursuant to section 1213(a)(7).

"(b) AVAILABILITY OF EMERGENCY MEDICAL SERVICES IN RURAL AREAS.—The Secretary may not make payments under section 1211(a) for a fiscal year unless—

"(1) the State involved identifies any rural area in the State for which—

"(A) there is no system of access to emergency medical services through the telephone number 911;

"(B) there is no basic life-support system; or

"(C) there is no advance life-support system; and

"(2) the State submits to the Secretary a list of rural areas identified pursuant to paragraph (1) or, if there are no such areas, a statement that there are no such areas.

"SEC. 1216. RESTRICTIONS ON USE OF PAYMENTS.

"(a) IN GENERAL.—The Secretary may not, except as provided in subsection (b), make payments under section 1211(a) for a fiscal year unless the State involved agrees that payments will not be expended—

"(1) for any purpose other than developing, implementing, and monitoring the modifications required by section 1213(a) to be made to the State plan for the provision of emergency medical services;

"(2) to make cash payments to intended recipients of services provided pursuant to such section;

"(3) to purchase or improve real property (other than minor remodeling of existing improvements to real property) or to purchase major medical or communication equipment, ambulances, or aircraft;

"(4) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds; or

"(5) to provide financial assistance to any entity other than a public or nonprofit private entity.

"(b) EXCEPTION.—If the Secretary finds that the purpose described in section 1211(b) cannot otherwise be carried out, the Secretary may, with respect to an otherwise qualified State, waive the restriction established in subsection (a)(3).

SEC. 1217. REQUIREMENT OF REPORTS BY STATES.

"(a) IN GENERAL.—The Secretary may not make payments under section 1211(a) for a fiscal year unless the State involved agrees to prepare and submit to the Secretary an annual report in such form and containing such information as the Secretary determines (after consultation with the states and the Comptroller General of the United States) to be necessary for—

"(1) securing a record and a description of the purposes for which payments received by the State pursuant to such section were expended and of the recipients of such payments; and

"(2) determining whether the payments were expended in accordance with the purpose of the program involved.

"(b) AVAILABILITY TO PUBLIC OF REPORTS.—The Secretary may not make payments under section 1211(a) unless the State involved agrees that the State will make copies of the report described in subsection (a) available for public inspection.

"(c) EVALUATIONS BY COMPTROLLER GENERAL.—The Comptroller General of the United States shall, from time to time, evaluate the expenditures by States of payments under section 1211(a) in order to assure that expenditures are consistent with the provisions of this part.

"SEC. 1218. REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS AND ASSURANCES.

"The Secretary may not make payments under section 1211(a) to a State for a fiscal year unless—

"(1) the State submits to the Secretary an application for the payments containing agreements in accordance with sections 1211(b) through section 1217;

"(2) the agreements are made through certification from the chief executive officer of the State;

"(3) with respect to such agreements, the application provides assurances of compliance satisfactory to the Secretary;

"(4) the application contains the information required to be submitted to the Secretary pursuant to section 1215(b)(2); and

"(5) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.

"SEC. 1219. DETERMINATON OF AMOUNT OF ALLOTMENT.

"(a) MINIMUM ALLOTMENT.—Subject to the extent of amounts made available in appropriations Acts, the amount of an allotment under section 1211(a) for a State for a fiscal year shall be the greater of—

"(1) $500,000; and

"(2) an amount determined under subsection (b).

"(b) DETERMINATION UNDER FORMULA.—The amount referred to in subsection (a)(2) is the product of—

"(1) an amount equal to the amount made available under section 1232(b)(3) for the fiscal year involved; and

"(2) a percentage equal to the quotient of—

"(A) an amount equal to the population of the State involved, as indicated by the most recent data collected by the Bureau of the Census; divided by

"(B) an amount equal to the population of the United States, as indicated by the most recent data collected by the Bureau of the Census.

"(c) DISPOSITION OF CERTAIN FUNDS APPROPRIATED FOR ALLOTMENTS.—

"(1) Amounts described in paragraph (2) shall, in accordance with paragraph (3), be allotted by the Secretary to States receiving payments under section 1211(a) for the fiscal year (other than any State referred to in paragraph (2)(C)).

"(2) The amounts referred to in paragraph (1) are any amounts made available pursuant to 1232(b)(2) that are not paid under section 1211(a) to a State as a result of—

"(A) the failure of the State to submit an application under section 1218;

"(B) the failure, in the determination of the Secretary, of the State to prepare within a reasonable period of time such application in compliance with such section; or

"(C) the State informing the Secretary that the State does not intend to expend the full amount of the allotment made for the State.

"(3) The amount of an allotment under paragraph (1) for a State for a fiscal year shall be an amount equal to the product of—

"(A) an amount equal to the amount described in paragraph (2) for the fiscal year involved; and

"(B) the percentage determined under subsection (b)(2) for the State.

"SEC. 1220. FAILURE TO COMPLY WITH AGREEMENTS.

"(a) REPAYMENT OF PAYMENTS.

"(1) The Secretary may, in accordance with subsection (b), require a State to repay any payments received by the State pursuant to section 12211(a) that the Secretary determines were not expended by the State in accordance with the agreements required to be made by the State as a condition of the receipt of payments under such section.

"(2) If a State fails to make a repayment required in paragraph (1), the Secretary may offset the amount of the repayment against any amount due to be paid to the State under section 1211(a).

"(b) OPPORTUNITY FOR A HEARING.—Before requiring repayment of payments under subsection (a)(1), the Secretary shall provide to the State an opportunity for a hearing.

"SEC. 1221. PROHIBITION AGAINST CERTAIN FALSE STATEMENTS.

"(a) IN GENERAL.—

(1) A person may not knowingly and willfully make or cause to be made any false statement or representation of a material fact in connection with the furnishing of items or services for which payments may be made by a State from amounts paid to the State under section 1211(a).

"(2) A person with knowledge of the occurrence of any event affecting the right of the person to receive any payments from amounts paid to the State under section 1211(a) may not conceal or fail to disclose any such event with the intent of fraudulently securing such amount.

"(b) CRIMINAL PENALTY FOR VIOLATION OF PROHIBITION.—Any person who violates a prohibition established in subsection (a) may for each violation be fined in accordance with title 18, United States Code, or imprisoned for not more than 5 years, or both.

"SEC. 1222. TECHNICAL ASSISTANCE AND PROVISION BY SECRETARY OF SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.

"(1) TECHNICAL ASSISTANCE.—The Secretary shall, without charge to a State receiving payments under section 1211(a), provide to the State (or to any public or nonprofit private entity designated by the State) technical assistance with respect to the planning, development, and operation of any program carried out pursuant to section 1211(b). The Secretary may provide such technical assistance directly, through contract, or through grants.

"(b) PROVISION OF SECRETARY OF SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.—

"(1) Upon the request of a State receiving payments under section 1211(a), the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the State in carrying out section 1211(b) and, for such purpose, may detail to the State any officer or employee of the Department of Health and Human Services.

"(2) With respect to a request described in paragraph (1), the Secretary shall reduce the amount of payments to the State under section 1211(a) by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"SEC. 1223. REPORT BY SECRETARY.

"Not later than October 1, 1991, the Secretary shall report to the Congress on the activities of the States carried out pursuant to section 1211. Such report may include any recommendations of the Secretary for appropriate administrative and legislative initiatives with respect to trauma care.

"PART C—GENERAL PROVISIONS

"SEC. 1231. DEFINITIONS.

"For purposes of this title:

"(1) The term 'Council' means the Advisory Council on Trauma Care Systems established pursuant to section 1202(a).

"(2) The term 'designated trauma center' means a trauma center designated in accordance with the modifications to the State plan described in section 1213.

"(3) The term 'plan for the provision of emergency medical services' means a plan for comprehensive, organized system to provide for the access, response, triage, field stabilization, transport, hospital stabiliation, definitive care, and rehabilitation of patients of all ages with respect to emergency medical services.

"(4) The term 'State' means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(5) The term 'trauma' means an injury resulting from exposure to a mechanical force.

"(6) The term 'trauma-care component of the plan for the provision of emergency medical services' means a plan for a comprehensive health care system, within rural and urban areas of the State, for the prompt recognition, prehospital care, emergency medical care, acute surgical and medical care, rehabilitation, and outcome evaluation of seriously injured patients.

"SEC. 1232. FUNDING.

"(a) AUTHORIZING OF APPROPRIATIONS.—For the purpose of carrying out this title, there are authorized to be appropriated $50,000,000 for fiscal year 1990 and such sums as may be necessary for each of the fiscal years 1991 and 1992.

"(b) ALLOCATION OF FUNDS BY SECRETARY.—

"(1) For the purpose of carrying out part A other than section 1203, the Secretary shall make available 10 percent of the amounts appropriated for a fiscal year pursuant to subsection (a).

"(2) For the purpose of carrying out section 1203, the Secretary shall make available 10 percent of the amounts appropriated for a fiscal year pursuant to subsection (a).

"(3) For the purposes of making allotments under section 1211(a), the Secretary shall, subject to subsection (c), make available 80 percent of the amounts appropriated for a fiscal year pursuant to subsection (a).

"(c) EFFECT OF INSUFFICIENT APPROPRIATIONS WITH RESPECT TO ALLOTMENTS.—

"(1) If the amounts made available pursuant to subsections (a) and (b)(3) are insufficient for providing, in accordance with section 1219(a), each State with an allotment under section 1211(a) of not less than $500,000, the Secretary shall, from such amounts as are made available pursuant to such subsections, make grants to the States for carrying out the purpose described in section 1211(b).

"(2) Paragraph (1) may not be construed to require the Secretary to make a grant under such paragraph to each State.".

SEC. 4. REQUIREMENT OF CERTAIN STUDIES RELATING TO HEALTH CARE.

(a) PROVISION OF UNCOMPENSATED SERVICES.—

(1) The Secretary of Health and Human Services (hereafter in this section referred to as the "Secretary") shall conduct a study for the purpose of identifying programs established by the States or the political subdivisions of the States in order to reimburse trauma care centers and other health care providers for the uncompensated provision of health care.

(2) In carrying out the study required in paragraph (1), the Secretary shall, with respect to any program identified under such paragraph—

(A) identify the manner in which funding is provided for the program;

(B) determine whether the program is established for the purpose of providing health care to individuals with no health insurance or with inadequate such insurance; and

(C) if the program is established for such purpose, determine the adequacy of the program with respect to providing health care to such individuals and determining the financial impact of the program on the health care providers involved.

(b) MEDICAID POLICIES OF STATES WITH RESPECT TO TRAUMA CARE.—The Secretary shall

conduct a study for the purpose of identifying the policies adopted by the states in reimbursing trauma centers, and providers of ambulance services, pursuant to title XIX of the Social Security Act. The study shall assess the adequacy and appropriateness of the reimbursements provided pursuant to such title by the States to such centers and providers and shall include recommendations with respect to whether the requirements imposed under such title should be modified in order to ensure that such centers and providers are appropriately reimbursed.

(c) TIME FOR COMPLETION.—The Secretary shall, not later than 1 year after the effective date of this Act, complete the studies required in subsections (a) and (b) and submit to the Congress a report describing the findings made as a result of the studies.

SEC. 5. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect October 1, 1989, or upon the date of the enactment of this Act, whichever occurs later.

The SPEAKER pro tempore. Is a second demanded?

Mr. BILIRAKIS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection a second will be considered ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes and the gentleman from Florida [Mr. BILIRAKIS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN]

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days on which to revise and extend their remarks on H.R. 1602, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I many consume.

Mr. Speaker, I am pleased to present to the House H.R. 1602, the Trauma Care Systems Planning and Development Act of 1989. The principal purpose of the legislation is to reduce death and disability due to injury.

The legislation authorizes $50 million for establishment of a formula grant program to States for the planning and development of trauma care systems and the designation of trauma care centers in both urban and rural regions. Each participating State would receive a minimum grant of $500,000 and the remaining funds would be allocated on the basis of population.

In addition, the legislation authorizes the Secretary of Health and Human Services to support a program of research to improve the delivery of trauma care services and a program of grants to rural areas to improve the delivery of emergency medical care. The emphasis placed on developing trauma care in rural communities is particularly important because the relative risk of death due to trauma is actually higher in rural areas than urban communities. The legislation also establishes a process through which States identify and remedy serious deficiencies that exist in the availability of basic EMS and advanced life support services.

Mr. Speaker, the decision of a State or community to develop trauma systems can make the difference between life and death, or between good health and permanent disability.

Trauma centers perform medical miracles. When seriously injured patients are transported rapidly to trauma centers, deaths and permanent disabilities can be significantly reduced.

When former President Reagan and his Press Secretary, Jim Brady, were wounded in 1981, it was the trauma center at George Washington University Hospital that rapidly mobilized its medical staff to save their lives. That they are alive today is a tribute to the experience and skill of the medical personnel and the wisdom of the trauma center concept.

Those living in the Washington, DC, area are fortunate to be surrounded by a system of excellent trauma centers such as George Washington University and the Washington Hospital Center. Unfortunately, the Washington metropolitan area is an exception. The American College of Surgeons has testified that fewer than 20 percent of the U.S. population resides in areas served by trauma centers. As a result, an estimated 25,000 trauma deaths occur each year unnecessarily.

This underscores the importance of taking steps to encourage the development of trauma centers.

By providing incentive grants to States, we hope to encourage States and communities to establish trauma care systems and to designate trauma centers. As they establish trauma care systems, and designate trauma centers communities will stop the dangerous practice of taking seriously injured patients simply to the closest hospital. Instead, they will quickly transport patients to the hospital with the staff, training, and equipment most appropriate to the patient's needs.

Severely injured patients require swift and highly specialized medical care. The trauma system concept requires that seriously injured patients be transported to designated centers with specialized personnel and equipment on duty 24 hours a day.

I am pleased to report that the legislation enjoys broad support from medical, consumer, and health care organizations. Thirty-three medical, consumer and health care groups, including the American Medical Association, American College of Surgeons, American College of Emergency Physicians, and the American Academy of Pediatrics, have committed their support to this legislation.

During the 100th Congress, a bill virtually identical to the measure before us was passed by the full House. Unfortunately, the Senate was unable to complete action on a companion measure before the 100th Congress adjourned.

I want to express my appreciation to and acknowledge the contribution of the bill's author, the gentleman from California [Mr. BATES] for his commitment and leadership in the field of trauma care. The gentleman is an active member fo the Subcommittee on Health and the Environment and has been instrumental in focusing greater public and congressional attention on the need for and the lifesaving benefits of trauma care systems.

I also want to commend another member of the subcommittee, the gentleman from Tennessee [Mr. COOPER] for his assistance in assuring that the legislation adequately addresses the serious deficiencies in trauma care and emergency medical services within rural areas.

Finally, I would like to express appreciation to the ranking minority member of the subcommittee, the gentleman from Illinois [Mr. MADIGAN] for his assistance in the development of this bill over the past 2 years.

Mr. Speaker I urge support the legislation.

Mr. BILIRAKIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, ever year, approximately 140,000 Americans die from trauma and in addition, 80,000 suffer permanent disability due to severe head and spinal cord injuries. The American College of Surgeons estimates that 20,000 of these injury victims die unnecessarily because they do not receive appropriate treatment.

The bill we are considering today will assist States in developing trauma care systems needed to save lives and to reduce the number of permanently disabling injuries.

One of the primary reasons I am so interested in trauma care results from my concern about the training of emergency personnel for trauma victims. In my own district, a teenage girl was struck by lightning and suffered serious injuries. Fortunately, this young person is alive today but her parents believe that the medical personnel involved in their daughter's emergency care could have been better trained and equipped for treating lightning victims.

I am hopeful that through enactment of this bill, greater numbers of these victims will completely recover from their accidents because medical

priorities for the treatment and transportation of trauma victims will be in place through this legislation and that trauma victims will receive the immediate treatment needed thus reducing the number of permanently disabling injuries that require care in long-care facilities. In addition, I am pleased that this measure will eliminate the needless loss of life by requiring States to adopt guidelines that will ensure that regional trauma centers will exist.

Although the Republicans on the committee support the general concept of the bill we had some concerns about specific provisions.

I am pleased that the sponsor, Mr. BATES and the chairman of the health subcommittee were willing to accommodate many of our concerns in the bill before us today.

H.R. 1602 reflects these accommodations in the following six areas:

First. The State minimum allotment is increased from $250,000 to $500,000 and the standards for designated trauma centers include requirements for standards for the triage and transportation of trauma patients injured in rural areas. Both of these provisions will improve access to trauma services in rural areas.

Second. States are given the options of using new funds spent for the development of emergency medical services in rural areas as in-kind contributions for the purpose of meeting the Federal matching requirements mandated under this bill.

Third. A provision stating that this legislation may not be construed to specify the number of trauma care centers that a State may designate under this act.

Fourth. The Secretary is authorized to waive compliance with regard to the standards for designated trauma centers for a State if the Secretary determines that granting the waiver will not result in the diminishment of the availability or quality of trauma care in the State.

Fifth. The authorization levels are decreased from $60 million for each year to $50 million in fiscal year 1990 and such sums as necessary in fiscal year 1991 and fiscal year 1992.

Sixth. Ten percent of the appropriated funds will be set aside for demonstration projects in rural areas to improve the availability and quality of emergency services in rural areas.

Given these accommodations, I am willing to support this bill. I add my commendation to Mr. BATES of California for principally sponsoring this bill.

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Mr. WAXMAN. Mr. Speaker, I thank the gentleman from Florida [Mr. BILIRAKIS] for his comments in support of this legislation. We have tried to work out various problems and make accommodations so we could have unanimous bipartisan support for this legislation.

The credit for this bill goes to the gentleman from California [Mr. BATES] who has been leading this effort for a number of years now because of the overwhelming importance to our country to have good trauma care centers planned and put into place all around this Nation.

Mr. Speaker, it is an honor for me to recognize the gentleman from California at this time to give further explanation of the legislation and arguments for it.

Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. BATES].

Mr. BATES. Mr. Speaker, we are here today to consider H.R. 1602, the Trauma Care Systems Planning and Development Act of 1989.

I would like to thank several of my colleagues for their excellent work in getting this measure to the floor today. Health and the Environment Subcommittee Chairman HENRY WAXMAN, ranking minority member EDWARD MADIGAN and my distinguished colleague from Tennessee, JIM COOPER, have all been instrumental in crafting a bill that addresses the needs of our constituents in urban areas and rural areas as well as addressing the demands placed on trauma centers.

This bill will save 20,000 lives per year by providing assistance to States to develop and implement organized systems of trauma care for seriously injured people. Each year 20,000 people in the United States die from their injuries unnecessarily. That is 20,000 deaths each year that could have been prevented if organized trauma systems were in place across the United States.

This bill has been drafted with the near unanimous consent of the medical community. The American College of Surgeons, the American Medical Association, the American Association of Retired Persons, and the National Association of EMS Physicians are some of the groups that support the enactment of H.R. 1602. This legislation is cosponsored by over 100 of our colleagues.

Trauma, severe accidental injury, is the leading cause of death for Americans up to age 44. Older Americans are particularly susceptible to dying from trauma. Each year 140,000 people die unnecessarily from injuries in the United States and another 80,000 become permanently disabled from a brain, or spinal cord injury due to a traumatic injury such as an automobile accident, a gunshot wound, or a knife stabbing. Trauma research has shown that it is the first 60 minutes after a serious injury, known as the golden hour, that determines whether a victim lives or dies. That is what this bill addresses and that is why it will improve access to trauma centers, which is one of the key components to the success of a trauma network.

However, those who live in the few areas of the country that have instituted organized systems of trauma care are the lucky ones. Fully 80 percent of the U.S. population does not live in an area that is part of an organized system of trauma care. There is an especially high injury and death rate from trauma in rural areas because of transportation difficulties. A trauma patient injured in an area serviced by a regional trauma center has a chance for survival nearly double that of a trauma patient treated by a conventional hospital emergency room. During committee consideration of this legislation, an amendment was adopted that provides 10 percent of the funding authorized by this legislation for set-asides for rural emergency medical services systems. Transportation difficulties, long response time for personnel, and the lack of trauma systems, are reasons why we have such a high injury and death rate from trauma in rural areas.

We have a crisis in trauma care in this country. Nationwide, trauma networks are near financial collapse. Ten of Los Angeles county's 23 trauma centers have closed. Chicago has had to close two trauma centers, and in Dade County, FL, only one of six trauma centers remain.

Yet despite these financial problems and the frequency of injury and death, there is a great deal we can do to reduce the death and disability toll from traumatic injury. Organized systems of trauma care—which operate on the principle that people with severe injuries require special medical capabilities—saves lives. A study in San Diego showed that the trauma death rate fell by 55 percent after the implementation of a trauma care system.

This legislation will allot $50 million for fiscal year 1990 and such sums as may be necessary for fiscal years 1991 and 1992. The funding is for the States to develop, implement, and improve regional trauma care systems. H.R. 1602 will provide incentives for States to continue the development of State emergency communications systems. The bill will establish matching Federal funds to the State providing State compliance with established Federal guidelines.

The human costs of trauma to our Nation—in the form of grief over the loss of a loved one—cannot be measured. The economic costs are staggering. Trauma costs the Nation $135 billion each year through lost wages, medical expenses, insurance administration costs, and property damage. The cost of this bill is very modest in relation to the actual cost savings that will be accured—particularly in view of

the major public health problem it address.

H.R. 1602 will go a long way toward reducing the needless loss of lives.

Mr. COOPER. Mr. Speaker, I rise in support of H.R. 1602, the Trauma Care Systems Planning and Development Act. This bill should go a long way toward addressing our serious public health problem of injury.

I'm especially pleased that during committee consideration of this legislation, several changes were made that should improve the effectiveness of this legislation in rural areas. This is especially important because 70 percent of highway deaths occur in rural areas, and studies show you're twice as likely to die from a bad accident in a rural area than if you had that same accident in the city.

These alarming statistics can be explained in part by the great distances and sometimes rugged terrain in rural areas. But it's not just geography—it's the EMS infrastructure itself that's causing the trouble.

When Federal funds dried up at the beginning of this decade, many rural areas did not have the resources to fill in. Instead, they depend on bake sales and raffles to raise funds. In the worst cases, they don't even have an ambulance. That's the case in one county in my district. If you're lucky, there'll be a pickup truck to take you to the hospital in the next county. For these kinds of rural areas, it's unrealistic to expect that on their own, they could implement the triage and transport policies required by H.R. 1602.

Rural trauma care—like all rural health care—needs help. The bill before us today includes an amendment I offered in the Energy and Commerce Committee. It set aside $5 million for rural EMS research and demonstration projects in communications technology, model curricula, making EMS courses more available to folks in rural areas, and promoting the regional pooling of resources, especially transportation equipment.

This is a modest but important first step in addressing the serious problems of rural EMS. It should help get us the information we need to improve rural trauma care. I urge my colleagues to support H.R. 1602.

Mr. HAYES of Illinois. Mr. Speaker, as a cosponsor of H.R. 1602, the Trauma Care Systems Planning and Development Act of 1989, I rise in strong support of its passage.

Mr. Speaker, given the daily accidents and violence in major urban areas, the availability of trauma care is of vital importance to inner city residents. Today, in my home city of Chicago, we are facing a crisis with respect to the delivery of trauma care. No doubt, Chicago is not alone in this dilemma.

In Chicago, of the 10 hospitals originally designated as level I trauma centers, there are only 7 remaining in the network. Of those remaining, one was close to leaving but has since agreed to remain. The question is—for how long?

To compound the situation, Chicago is also facing a health care delivery crisis due to the closure of community hospitals. I am sure many of our colleagues share that dilemma as well. This is an issue that Chairman WAXMAN and I have talked about and I want him to know that I appreciate his understanding on this matter. As he is well aware, across the country, 81 community hospitals closed their doors in 1988. In Chicago alone, four closed in 1988, and since 1986, six others closed as well.

The closure of 10 hospitals in 3 years is nothing to take lightly. In my district, Provident Hospital, the first African-American-owned hospital in the Nation, sits idle and unused because its owners went into bankruptcy. Although it is still fully equipped and ready to serve the community, its fate is caught up in bureaucratic and political maneuvering. Meanwhile, my constituents must travel across town to have access to hospital care.

With 31 million Americans in poverty, and 37 million without health insurance, the ability of our Nation's hospitals to provide uncompensated care is fast approaching the breaking point, if it hasn't passed that point already.

For the Nation's third largest city, the closing of 10 hospitals, coupled with the loss of 6 or 7 trauma care centers, is clearly inadequate for the needs of city residents.

H.R. 1602, while not a cure all, will certainly enhance efforts to provide necessary trauma care expertise and services so vitally needed not only in cities such as Chicago, but also in underserved rural areas as well.

In closing, I would like to commend our colleague, the gentleman from California [JIM BATES], for his leadership in introducing this measure. I urge all Members of this Chamber to vote in support of H.R. 1602

Mr. BILIRAKIS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCCLOSKEY). The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 1602, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

ACQUISITION OF CERTAIN LANDS ADJACENT TO ROCKY MOUNTAIN NATIONAL PARK

Mr. VENTO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 737) to authorize the Secretary of the Interior to acquire certain lands adjacent to the boundary of Rocky Mountain National Park in the State of Colorado, with House amendments thereto, and insist on the House amendments.

The Clerk read the title of the Senate bill.

The Clerk read the amendments, as follows:

Strike out all after the enacting clause and insert:

SECTION 1. BOUNDARY ADJUSTMENT.

(a) ACQUISITION AND BOUNDARY CHANGE.—The Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to acquire, by donation, purchase with donated or appropriated funds, or by exchange, lands or interests therein within the area generally depicted as "Proposed Park Additions" on the map entitled "Proposed Park Additions, Rocky Mountain National Park", numbered 121-80, 106-A and dated May, 1989, which map shall be on file and available for public inspection in the Office of the National Park Service, Department of the Interior. Upon acquisition of such lands, the Secretary shall revise the boundary of Rocky Mountain National Park to include such lands within the park boundary and shall administer such lands as part of the park subject to the laws and regulations applicable thereto.

(b) BOUNDARY ADJUSTMENT FOR ROOSEVELT NATIONAL FOREST.—Upon acquisition of such lands by the Secretary, the Secretary of Agriculture shall revise the boundary of the Roosevelt Forest to exclude such lands from the national forest boundary.

Amend the title so as to read: "An Act to adjust the boundary of Rocky Mountain National Park.".

Mr. VENTO (during the reading). Mr. Speaker, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

Mr. BROWN of California. Mr. Speaker, reserving the right to object, I yield to the gentleman from Minnesota [Mr. VENTO] for an explanation.

Mr. VENTO. Mr. Speaker, the main purpose of S. 737 is to authorize the addition of certain lands to Rocky Mountain National Park. The legislation was initially considered and passed by the Senate on September 15, 1989. The House passed S. 737 with amendments on September 25, 1989. Subsequently the Senate considered S. 737 on November 3, 1989, disagreed with the House amendments and returned the measure to the House.

While the House and Senate are in agreement on the additions of land to Rocky Mountain National Park that are made by the bill, there have been differences over a provision contained in the Senate bill that deals with a private landowner within the park boundary. We are now very close to resolving those differences. Action by the House today to return S. 737 to the Senate will keep open the parliamentary process to that we can complete action on the bill without having to resort to more cumbersome legislative procedures.

Mr. BROWN of Colorado. Mr. Speaker, I want to commend the chairman for the outstanding job done on this bill and the extraordinary effort put into resolving a very difficult problem in Colorado. We deeply appreciate the gentleman's leadership.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Minnesota?

There was no objection.

A motion to reconsider was laid on the table.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT REFORM ACT OF 1989

Mr. GONZALEZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1) to amend Federal laws to reform housing, community and neighborhood development, and related programs, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Department of Housing and Urban Development Reform Act of 1989".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title and table of contents.

TITLE I—REFORMS TO DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Subtitle A—Ethics

Sec. 101. Allocation of housing assistance.
Sec. 102. Public announcement of funding decisions and housing assistance allocations.
Sec. 103. Prohibition of advance disclosure of funding decisions.
Sec. 104. Consideration of low-income tax credit in awarding housing assistance.
Sec. 105. Reform of headquarters reserve.
Sec. 106. Reform of CDBG discretionary fund and provision of technical assistance.
Sec. 107. Waiver of regulation requirements and handbook provisions.
Sec. 108. Civil money penalties against mortgagees and lenders.
Sec. 109. Civil money penalties against multifamily mortgagors.
Sec. 110. Civil money penalties against section 202 mortgagors.
Sec. 111. Civil money penalties against GNMA issuers.
Sec. 112. Civil money penalties for violations of Interstate Land Sales Full Disclosure Act.
Sec. 113. Registration of consultants.

Subtitle B—Management Reform

Sec. 121. Establishment of HUD Chief Financial Officer.
Sec. 122. Establishment of FHA Comptroller.
Sec. 123. Expediting rulemaking.
Sec. 124. Funding for program evaluation and monitoring.
Sec. 125. Targeting of community development block grants for low- and moderate-income beneficiaries.
Sec. 126. Refinancing of section 235 mortgages.
Sec. 127. Sanctions for improper conveyances under urban homestead programs.
Sec. 128. Annual adjustment factors for section 8 rents.

Subtitle C—Federal Housing Administration Reforms

Sec. 131. Annual audited financial statements.
Sec. 132. Elimination of private investor-owners from single family mortgage insurance program.
Sec. 133. Limitation on secondary residences in single family mortgage insurance program.
Sec. 134. Credit reviews of persons acquiring mortgaged properties under single family program for life of mortgage.
Sec. 135. Repeal of title X land development program.
Sec. 136. Civil money penalties for improper dealer and loan broker participation in origination of property improvement loans.
Sec. 137. Notification regarding suspended mortgages.
Sec. 138. FHA foreclosed properties.
Sec. 139. Report regarding providing foreclosed properties to 1989 disaster victims.
Sec. 140. Report regarding actions to improve direct endorsement program.

TITLE II—EMERGENCY LOW INCOME HOUSING PRESERVATION

Sec. 201. Extension of prepayment moratorium.
Sec. 202. Applicability to voluntary termination of insurance.
Sec. 203. Prohibition on prepayment of new rural housing loans.
Sec. 204. Equity takeout incentive for new rural housing loans.

TITLE III—HOUSING PROGRAM EXTENSIONS AND CHANGES

Sec. 301. Reform of moderate rehabilitation program.
Sec. 302. Flexible subsidy program.
Sec. 303. Section 235 homeownership.
Sec. 304. Continuation of public housing economic rent.
Sec. 305. Indian tribes as community development entitlement communities.

TITLE I—REFORMS TO DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Subtitle A—Ethics

SEC. 101. ALLOCATION OF HOUSING ASSISTANCE.

(a) ASSISTANCE SUBJECT TO FORMULA ALLOCATION.—Section 213(d)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 1439(d)(1)) is amended to read as follows:

"(d)(1)(A) Except as provided by subparagraph (B), the Secretary shall allocate assistance referred to in subsection (a)(1) the first time it is available for reservation on the basis of a formula that is contained in a regulation prescribed by the Secretary, and that is based on the relative needs of different States, areas, and communities, as reflected in data as to population, poverty, housing overcrowding, housing vacancies, amount of substandard housing, and other objectively measurable conditions specified in the regulation. In allocating assistance under this paragraph for each program of housing assistance under subsection (a)(1), the Secretary shall apply the formula, to the extent practicable, in a manner so that the assistance under the program is allocated according to the particular relative needs under the preceding sentence that are characteristic of and related to the particular type of assistance provided under the program.

"(B) The formula allocation requirements of subparagraph (A) shall not apply to—

"(i) assistance that is approved in appropriation Acts for use under sections 9, 14, and the rental rehabilitation grant program under section 17, of the United States Housing Act of 1937; or

"(ii) other assistance referred to in subsection (a) that is approved in appropriation Acts for uses that the Secretary determines are incapable of geographic allocation, including amendments of existing contracts, renewal of assistance contracts, assistance to families that would otherwise lose assistance due to the decision of the project owner to prepay the project mortgage or not to renew the assistance contract, assistance to prevent displacement or to provide replacement housing in connection with the demolition or disposition of public and Indian housing, and assistance in support of the property disposition and loan management functions of the Secretary.

"(C) Any allocation of assistance under subparagraph (A) shall, as determined by the Secretary, be made to the smallest practicable area, consistent with the delivery of assistance through a meaningful competitive process designed to serve areas with greater needs.

"(D) Any amounts allocated to a State or areas or communities within a State that are not likely to be used within a fiscal year shall not be reallocated for use in another State, unless the Secretary determines that other areas or communities (that are eligible for assistance under the program) within the same State cannot use the amounts within that same fiscal year.".

(b) ALLOCATION TO NONMETROPOLITAN AREAS.—The second sentence of section 213(d)(2) of the Housing and Community Development Act of 1974 (42 U.S.C. 1439(d)(2)) is amended by striking "such assistance" and inserting "the assistance that is subject to allocation under paragraph (1)(A)".

(c) COMPETITION FOR ASSISTANCE.—Section 213(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 1439(d)) is amended by adding at the end the following new paragraph:

"(5)(A) The Secretary shall not award assistance to specific recipients subject to paragraph (1)(A), unless the assistance is first allocated on the basis of the formula contained in such paragraph and then awarded to the recipient pursuant to a competition.

"(B) Any competition referred to in subparagraph (A) shall be conducted pursuant to specific criteria for the selection of recipients of assistance. The criteria shall be contained in—

"(i) a regulation promulgated by the Secretary after notice and public comment; or

"(ii) to the extent authorized by law, a notice published in the Federal Register.

"(C) Subject to the times at which appropriations for assistance subject to paragraph (1)(A) may become available for obligation in any fiscal year, the Secretary shall take such steps as the Secretary deems appropriate to ensure that, to the maximum extent practicable, the allocation of such assistance is made with similar frequency and at similar times for each fiscal year.

"(D) This paragraph shall not apply to assistance referred to in paragraph (4).".

SEC. 102. PUBLIC ANNOUNCEMENT OF FUNDING DECISIONS AND HOUSING ASSISTANCE ALLOCATIONS.

Section 7 of the Department of Housing and Urban Development Act (42 U.S.C.

3535) is amended by adding at the end the following new subsections:

"(q)(1) The Secretary shall notify the public of all funding decisions made by the Department. The notification shall include, for each funding decision, the following elements:

"(A) The name and address of each funding recipient.

"(B) The name or other means of identifying the project, activity, or undertaking for each funding recipient.

"(C) The dollar amount of the funding for each project, activity, or undertaking.

"(D) The citation to the statutory, regulatory, or other criteria under which the funding decision was made.

"(E) Any additional information that the Secretary deems appropriate for a clear and full understanding of the funding decision.

"(2) The notification referred to in paragraph (1) shall be published as a notice in the Federal Register at least quarterly.

"(3) For purposes of this subsection, the term 'funding decision' means the decision of the Secretary to make available grants, loans, or any other form of financial assistance to an individual or to any entity, including a State or local government or agency thereof (including a public housing agency), an Indian tribe, and a nonprofit organization, under any program administered by the Department that provides, by statute, regulation, or otherwise, for the competitive distribution of financial assistance.

"(r) The Secretary shall publish a notice in the Federal Register at least annually informing the public of the allocation of assistance under section 213(d)(1) of the Housing and Community Development Act of 1974.

"(s) The Secretary shall ensure that there is documentation and information with respect to each application for any assistance provided by the Secretary sufficient to indicate the basis on which the determination was made regarding whether the applicant will receive such assistance.".

SEC. 103. PROHIBITION OF ADVANCE DISCLOSURE OF FUNDING DECISIONS.

The Department of Housing and Urban Development Act (42 U.S.C. 3531 et seq.) is amended by adding at the end the following new section:

"PROHIBITION OF ADVANCE DISCLOSURE OF FUNDING DECISIONS

"SEC. 12. (a) PROHIBITED ACTIONS.—

"(1) APPLICANTS.—During any selection process, no applicant nor any officer, employee, representative, agent, or consultant of any applicant shall knowingly solicit or obtain, directly or indirectly, from any officer or employee of the Department of Housing and Urban Development, any covered selection information regarding such selection process.

"(2) DEPARTMENT OFFICERS AND EMPLOYEES.—During any selection process, no officer or employee of the Department of Housing and Urban Development shall knowingly disclose any covered selection information regarding such selection, directly or indirectly, to any person other than a person authorized by the Secretary to receive such information.

"(b) ADMINISTRATIVE REMEDIES.—If the Secretary receives or obtains information providing a reasonable basis to believe that a violation of subsection (a) has occurred, the Secretary shall—

"(1) in the case of a selection that has not been made, determine whether to terminate the selection process or take other appropriate actions; and

"(2) in the case of a selection that has been made, determine whether to—

"(A) void or rescind the selection, subject to review and determination on the record after opportunity for a hearing;

"(B) impose sanctions upon the violating applicant selected, subject to review and determination on the record after opportunity for a hearing;

"(C) permit the violating applicant selected to continue to participate in the program; or

"(D) take any other actions that the Secretary considers appropriate.

"(c) CIVIL MONEY PENALTIES.—

"(1) IN GENERAL.—Whenever any employee of the Department violates the prohibition in subsection (a), the Secretary may impose a civil money penalty on the employee in accordance with the provisions of this subsection. This penalty shall be in addition to any other available civil remedy or any available criminal penalty and may be imposed whether or not the Secretary takes other disciplinary actions.

"(2) AMOUNT.—The amount of the penalty, as determined by the Secretary, may not exceed $10,000 for each violation.

"(3) AGENCY PROCEDURES.—

"(A) ESTABLISHMENT.—The Secretary shall establish standards and procedures governing the imposition of civil money penalties under this subsection. The standards and procedures—

"(i) may provide for the Secretary or other official of the Department to make the determination to impose a penalty or for use of an administrative entity to make the determination;

"(ii) shall provide for the imposition of a penalty only after the employee has been given an opportunity for a hearing on the record; and

"(iii) may provide for review of any determination or order, or interlocutory ruling, arising from a hearing.

"(B) FINAL ORDERS.—If no hearing is requested within 15 days of receipt of the notice of opportunity for hearing, the imposition of the penalty shall constitute a final and unappealable order. If the Secretary reviews the determination or order, the Secretary may affirm, modify, or reverse that determination or order. If the Secretary does not review the determination or order within 90 days of the issuance of the determination or order, the determination or order shall be final.

"(C) FACTORS IN DETERMINING AMOUNT OF PENALTY.—In determining the amount of a penalty under paragraph (2), consideration shall be given to such factors as the gravity of the offense, any history of prior disclosures of information on pending funding decisions made after the date of enactment of this section, ability to pay the penalty, injury to the public, benefits received, deterrence of future violations, and such other factors as the Secretary may determine in regulations to be appropriate.

"(D) REVIEWABILITY OF IMPOSITION OF A PENALTY.—The Secretary's determination or order imposing a penalty under paragraph (1) shall not be subject to review, except as provided in paragraph (4).

"(4) JUDICIAL REVIEW OF AGENCY DETERMINATION.—

"(A) IN GENERAL.—After exhausting all administrative remedies established by the Secretary under paragraph (3)(A), an employee against whom the Secretary has imposed a civil money penalty under paragraph (1) may obtain a review of the penalty and such ancillary issues (such as any administrative sanctions under 24 CFR part 25) as may be addressed in the notice of determination to impose a penalty under paragraph (3)(A)(i) in the appropriate court of appeals of the United States, by filing in such court, within 20 days after the entry of such order or determination, a written petition praying that the Secretary's order or determination be modified or be set aside in whole or in part.

"(B) OBJECTIONS NOT RAISED IN HEARING.—The court shall not consider any objection that was not raised in the hearing conducted pursuant to paragraph (3)(A) unless a demonstration is made of extraordinary circumstances causing the failure to raise the objection. If any party demonstrates to the satisfaction of the court that additional evidence not presented at such hearing is material and that there were reasonable grounds for the failure to present such evidence at the hearing, the court shall remand the matter to the Secretary for consideration of such additional evidence.

"(C) SCOPE OF REVIEW.—The decisions, findings, and determinations of the Secretary shall be reviewed pursuant to section 706 of title 5, United States Code.

"(D) ORDER TO PAY PENALTY.—Notwithstanding any other provision of law, in any such review, the court shall have the power to order payment of the penalty imposed by the Secretary.

"(5) ACTION TO COLLECT PENALTY.—If any employee fails to comply with the Secretary's determination or order imposing a civil money penalty under paragraph (1), after the determination or order is no longer subject to review as provided by paragraphs (3)(A) and (4), the Secretary may request the Attorney General of the United States to bring an action in an appropriate United States district court to obtain a monetary judgment against the employee and such other relief as may be available. The monetary judgment may, in the court's discretion, include the attorneys fees and other expenses incurred by the United States in connection with the action. In an action under this subsection, the validity and appropriateness of the Secretary's determination or order imposing the penalty shall not be subject to review.

"(6) SETTLEMENT BY SECRETARY.—The Secretary may compromise, modify, or remit any civil money penalty which may be, or has been, imposed under this subsection.

"(7) DEPOSIT OF PENALTIES.—The Secretary shall deposit all civil money penalties collected under this subsection into miscellaneous receipts of the Treasury.

"(d) CRIMINAL PENALTIES.—Whoever willfully violates subsection (a)(1) or willfully violates subsection (a)(2) by making a disclosure prohibited by subsection (a)(2) to any applicant, or any officer, employee, representative, agent, or consultant of any applicant, shall be imprisoned not more than 5 years, or fined in accordance with title 18, United States Code, or both.

"(e) DEFINITIONS.—For purposes of this section:

"(1) APPLICANT.—The term 'applicant' means any applicant or candidate that is being considered for receiving assistance.

"(2) ASSISTANCE.—The term 'assistance' means any grant, loan, subsidy, guarantee, or other financial assistance under a program administered by the Secretary that provides by statute, regulation, or otherwise for the competitive distribution of such assistance. The term does not include any mortgage insurance provided under a program administered by the Secretary.

"(3) COVERED SELECTION INFORMATION.—The term 'covered selection information' means—

"(A) any information that is contained in any application or request for assistance, or any information regarding the decision of the Secretary to make available assistance or other information that is determined by the Secretary to be information that is not generally available to the public (not including program requirements and timing of the decision to make assistance available); and

"(B) any information that is required by statute, regulation, or order to be confidential.

"(4) SELECTION.—The term 'selection' means the determination of which applicants for assistance are to receive assistance under the program.

"(5) SELECTION PROCESS.—The term 'selection process' means the period with respect to a selection for assistance that begins with the development, preparation, and issuance of a solicitation or request for applications for the assistance and concludes with the selection of recipients of assistance, and includes the evaluation of applications.

"(e) REGULATIONS.—The Secretary shall issue such regulations as the Secretary deems appropriate to implement this section.

"(f) APPLICABILITY.—This section shall apply only with respect to violations that occur on or after the date of the enactment of the Department of Housing and Urban Development Reform Act of 1989.".

SEC. 104. CONSIDERATION OF LOW-INCOME TAX CREDIT IN AWARDING HOUSING ASSISTANCE.

(a) IN GENERAL.—In order to maximize the availability of low-income housing, for any applicant for housing assistance or recipient of housing assistance, the Secretary shall include in any calculation or determination regarding the amount of the assistance to be provided with respect to the housing, the extent to which any tax credit is provided under section 42 of the Internal Revenue Code of 1986 (26 U.S.C. 42) with respect to the housing.

(b) DEFINITION OF HOUSING ASSISTANCE.—For purposes of this section, the term "housing assistance" means any grant, loan, subsidy, guarantee, or other financial assistance for housing under a program administered by the Secretary. The term does not include any mortgage insurance provided under a program administered by the Secretary.

SEC. 105. REFORM OF HEADQUARTERS RESERVE.

(a) FUNDING CATEGORIES.—Section 213(d)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 1439(d)(4)) is amended to read as follows:

"(4)(A) Notwithstanding any other provision of law, with respect to fiscal years beginning after September 30, 1990, the Secretary may retain not more than 5 percent of the financial assistance that becomes available under programs described in subsection (a)(1) during any fiscal year. Any such financial assistance that is retained shall be available for subsequent allocation to specific areas and communities, and may only be used for—

"(i) unforeseen housing needs resulting from natural and other disasters;

"(ii) housing needs resulting from emergencies other than such disasters;

"(iii) housing needs resulting from the settlement of litigation; and

"(iv) housing in support of desegregation efforts.

"(B) Any amounts retained in any fiscal year under subparagraph (A) that are unexpended at the end of such fiscal year shall remain available for the following fiscal year under the program under subsection (a)(1) from which the amount was retained. Such amounts shall be allocated on the basis of the formula under subsection (d)(1).".

(b) EFFECTIVE DATE.—Any assistance made available under section 213(d)(4) of the Housing and Community Development Act of 1974 before October 1, 1990, or pursuant to a commitment for such assistance entered into before such date, shall be governed by the provisions of section 213(d)(4) as such section existed before the date of the enactment of this Act.

(c) INDIAN HOUSING.—In accordance with section 201(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437aa(b)(2)), the amendment made by subsection (a) and the provisions of subsection (b) of this section shall also apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority.

SEC. 106. REFORM OF CDBG DISCRETIONARY FUND AND PROVISION OF TECHNICAL ASSISTANCE.

(a) SPECIAL PURPOSE GRANTS.—Section 107(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5307(a)) is amended—

(1) by striking "in a special discretionary fund" in the first sentence; and

(2) by striking all that follows the period at the end of the second sentence.

(b) AUTHORIZED USES.—Section 107(b) of the Housing and Community Development Act of 1974 (42 U.S.C. 5307(b)) is amended—

(1) by striking paragraphs (1) and (3);

(2) by striking the period at the end of paragraph (5) and inserting a semicolon;

(3) by redesignating paragraphs (2) and (5) (as amended) as paragraphs (1) and (2), respectively;

(4) by inserting after paragraph (2) (as so redesignated) the following new paragraph:

"(3) to historically Black colleges; and"; and

(5) in paragraph (4)—

(A) by striking "and" after the third semicolon and all that follows through "and" after the fourth semicolon;

(B) by striking "and" at the end and inserting the following: "for purposes of this paragraph the term 'technical assistance' means the facilitating of skills and knowledge in planning, developing, and administering activities under this title in entities that may need but do not possess such skills and knowledge, and includes assessing programs and activities under this title; except that any recipient of a grant under this paragraph that provides technical assistance pursuant to this paragraph shall provide for the notification of the availability of such assistance and shall have specific criteria for selection of recipients of such assistance that are published and publicly available.".

(c) FUNDING CRITERIA.—Section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307) is amended by adding at the end the following new subsection:

"(f) Any grant made under this section shall be made pursuant to criteria for selection of recipients of such grants that the Secretary shall by regulation establish and which the Secretary shall publish together with any notification of availability of amounts under this section.".

(d) APPLICABILITY.—

(1) IN GENERAL.—Except as provided in this paragraph and paragraph (2), the amendments made by this section shall apply with respect to any grants made under section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307) on or after the date of the enactment of this Act, except a grant made under the third sentence of section 107(a) of Housing and Community Development Act of 1974, as such sentence existed immediately before such date, and grants for specific activities (referred to in House Report Number 101-297) pursuant to the amount appropriated for use under section 107 by the enactment of the bill, H.R. 2916, of the One Hundred First Congress.

(2) PRIOR GRANTS.—Any grant made under section 107 of the Housing and Community Development Act of 1974 before the date of the enactment of this Act or pursuant to a grant award notification made before such date shall be governed by the provisions of such section as it existed immediately before the date of the enactment of this Act.

(e) CONFORMING AMENDMENT.—The section heading of section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307) is amended to read as follows:

"SPECIAL PURPOSE GRANTS".

SEC. 107. WAIVER OF REGULATION REQUIREMENTS AND HANDBOOK PROVISIONS.

Section 7 of the Department of Housing and Urban Development Act (42 U.S.C. 3535), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

"(t)(1) Any waiver of regulations of the Department shall be in writing and shall specify the grounds for approving the waiver.

"(2) The Secretary may delegate authority to approve a waiver of a regulation only to an Assistant Secretary, or officer of the Department of equivalent rank, who is authorized to issue the regulation to be waived.

"(3) The Secretary shall notify the public of all waivers of regulations approved by the Department. The notification shall be included in a notice in the Federal Register published not less than quarterly. Each notification shall cover the period beginning on the day after the last date covered by the prior notification, and shall—

"(A) identify the project, activity, or undertaking involved;

"(B) describe the nature of the requirement that has been waived and specify the provision involved;

"(C) specify the name and title of the official who granted the waiver request;

"(D) include a brief description of the grounds for approval of the waiver; and

"(E) state how more information about the waiver and a copy of the request and the approval may be obtained.

"(4) Any waiver of a provision of a handbook of the Department shall—

"(A) be in writing;

"(B) specify the grounds for approving the waiver; and

"(C) be maintained in indexed form and made available for public inspection for not less than the 3-year period beginning on the date of the waiver.".

SEC. 108. CIVIL MONEY PENALTIES AGAINST MORTGAGEES AND LENDERS.

(a) IN GENERAL.—Title V of the National Housing Act is amended by adding at the end the following new section:

"CIVIL MONEY PENALTIES AGAINST MORTGAGEES AND LENDERS

"SEC. 536. (a) IN GENERAL.—

"(1) AUTHORITY.—Whenever a mortgagee approved under this Act, or a lender holding a contract of insurance under title I of this Act, violates any of the provisions of subsection (b), the Secretary may impose a civil money penalty on the mortgagee or lender in accordance with the provisions of this section. The penalty shall be in addition to any other available civil remedy or any available criminal penalty, and may be imposed whether or not the Secretary imposes other administrative sanctions.

"(2) AMOUNT OF PENALTY.—The amount of the penalty, as determined by the Secretary, may not exceed $5,000 for each violation, except that the maximum penalty for all violations by any particular mortgagee or lender during any 1-year period shall not exceed $1,000,000. Each violation of a provision of subsection (b)(1) shall constitute a separate violation with respect to each mortgage or loan application. In the case of a continuing violation, as determined by the Secretary, each day shall constitute a separate violation.

"(b) VIOLATIONS FOR WHICH A PENALTY MAY BE IMPOSED.—

"(1) VIOLATIONS.—The Secretary may impose a civil money penalty under subsection (a) for any of the following violations by a mortgagee or lender:

"(A) Except where expressly permitted by statute, regulation, or contract approved by the Secretary, transfer of a mortgage insured under this Act to a mortgagee not approved by the Secretary, or transfer of a loan to a transferee that is not holding a contract of insurance under title I of this Act.

"(B) Failure of a nonsupervised mortgagee, as defined by the Secretary—

"(i) to segregate all escrow funds received from a mortgagor for ground rents, taxes, assessments, and insurance premiums; or

"(ii) to deposit these funds in a special account with a depository institution whose accounts are insured by the Federal Deposit Insurance Corporation through the Bank Insurance Fund for banks and through the Savings Association Insurance Fund for savings associations, or by the National Credit Union Administration.

"(C) Use of escrow funds for any purpose other than that for which they were received.

"(D) Submission to the Secretary of information that the mortgagee or lender knew, or should have known, was false, in connection with any mortgage insured under this Act, or any loan that is covered by a contract of insurance under title I of this Act.

"(E) With respect to an officer, director, principal, or employee—

"(i) hiring such an individual whose duties will involve, directly or indirectly, programs administered by the Secretary, with knowledge that the person was under suspension or debarment by the Secretary; or

"(ii) retaining in employment such an individual who continues to be involved, directly or indirectly, in programs administered by the Secretary, with knowledge that the person was under suspension or debarment by the Secretary.

"(F) Falsely certifying to the Secretary or knowingly submitting to the Secretary a false certification by another person or entity.

"(G) Failure to comply with an agreement, certification, or condition of approval set forth on, or applicable to—

"(i) the application of a mortgagee or lender for approval by the Secretary; or

"(ii) the notification by a mortgagee or lender to the Secretary concerning establishment of a branch office.

"(H) Violation of any provisions of title I, II, or X (as such title existed immediately before the effective date of the Department of Housing and Urban Development Reform Act of 1989) or this Act or any implementing regulation, handbook, or mortgagee or title I letter that is issued under this Act.

"(2) NOTIFICATION TO ATTORNEY GENERAL.—Before taking action to impose a civil money penalty for a violation under paragraph (1)(D) or paragraph (1)(F), the Secretary shall inform the Attorney General of the United States.

"(c) AGENCY PROCEDURES.—

"(1) ESTABLISHMENT.—The Secretary shall establish standards and procedures governing the imposition of civil money penalties under subsection (a). These standards and procedures—

"(A) may provide for the Secretary or other department officials to make the determination to impose the penalty or for use of an administrative entity (such as the Mortgagee Review Board, established pursuant to 24 CFR part 25) to make the determination;

"(B) shall provide for the imposition of a penalty only after the mortgagee or lender has been given an opportunity for a hearing on the record; and

"(C) may provide for review of any determination or order, or interlocutory ruling, arising from a hearing.

"(2) FINAL ORDERS.—If no hearing is requested within 15 days of receipt of the notice of opportunity for hearing, the imposition of the penalty shall constitute a final and unappealable order. If the Secretary reviews the determination or order, the Secretary may affirm, modify, or reverse that determination or order. If the Secretary does not review the determination or order within 90 days of the issuance of the determination or order, the determination or order shall be final.

"(3) FACTORS IN DETERMINING AMOUNT OF PENALTY.—In determining the amount of a penalty under subsection (a), consideration shall be given to such factors as the gravity of the offense, any history of prior offenses (including those before enactment of this section), ability to pay the penalty, injury to the public, benefits received, deterrence of future violations, and such other factors as the Secretary may determine in regulations to be appropriate.

"(4) REVIEWABILITY OF IMPOSITION OF PENALTY.—The Secretary's determination or order imposing a penalty under subsection (a) shall not be subject to review, except as provided in subsection (d).

"(d) JUDICIAL REVIEW OF AGENCY DETERMINATION.—

"(1) IN GENERAL.—After exhausting all administrative remedies established by the Secretary under subsection (c)(1), a mortgagee or lender against whom the Secretary has imposed a civil money penalty under subsection (a) may obtain a review of the penalty and such ancillary issues (such as any administrative sanctions under 24 CFR part 25) as may be addressed in the notice of determination to impose a penalty under subsection (c)(1)(A) in the appropriate court of appeals of the United States, by filing in such court, within 20 days after the entry of such order or determination, a written petition praying that the Secretary's determination or order be modified or be set aside in whole or in part.

"(2) OBJECTIONS NOT RAISED IN HEARING.—The court shall not consider any objection that was not raised in the hearing conducted pursuant to subsection (c)(1) unless a demonstration is made of extraordinary circumstances causing the failure to raise the objection. If any party demonstrates to the satisfaction of the court that additional evidence not presented at the hearing is material and that there were reasonable grounds for the failure to present such evidence at the hearing, the court shall remand the matter to the Secretary for consideration of the additional evidence.

"(3) SCOPE OF REVIEW.—The decisions, findings, and determinations of the Secretary shall be reviewed pursuant to section 706 of title 5, United States Code.

"(4) ORDER TO PAY PENALTY.—Notwithstanding any other provision of law, in any such review, the court shall have the power to order payment of the penalty imposed by the Secretary.

"(e) ACTION TO COLLECT PENALTY.—If any mortgagee or lender fails to comply with the Secretary's determination or order imposing a civil money penalty under subsection (a), after the determination or order is no longer subject to review as provided by subsections (c)(1) and (d), the Secretary may request the Attorney General of the United States to bring an action in an appropriate United States district court to obtain a monetary judgment against the mortgagee or lender and such other relief as may be available. The monetary judgment may, in the court's discretion, include the attorneys fees and other expenses incurred by the United States in connection with the action. In an action under this subsection, the validity and appropriateness of the Secretary's determination or order imposing the penalty shall not be subject to review.

"(f) SETTLEMENT BY SECRETARY.—The Secretary may compromise, modify, or remit any civil money penalty which may be, or has been, imposed under this section.

"(g) REGULATIONS.—The Secretary shall issue such regulations as the Secretary deems appropriate to implement this section.

"(h) DEPOSIT OF PENALTIES IN INSURANCE FUNDS.—Notwithstanding any other provision of law, all civil money penalties collected under this section shall be deposited in the appropriate insurance fund or funds established under this Act, as determined by the Secretary.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply only with respect to—

(1) violations referred to in the amendment that occur on or after the effective date of this section; and

(2) in the case of a continuing violation (as determined by the Secretary of Housing and Urban Development), any portion of a violation referred to in the amendment that occurs on or after such date.

SEC. 109. CIVIL MONEY PENALTIES AGAINST MULTIFAMILY MORTGAGORS.

(a) IN GENERAL.—Title V of the National Housing Act (as amended by the preceding provisions of this Act) is further amended by adding at the end the following new section:

"CIVIL MONEY PENALTIES AGAINST MULTIFAMILY MORTGAGORS

"SEC. 537. (a) IN GENERAL.—The penalties set forth in this section shall be in addition to any other available civil remedy or any available criminal penalty, and may be imposed whether or not the Secretary imposes other administrative sanctions.

"(b) PENALTY FOR VIOLATION OF AGREEMENT AS CONDITION OF TRANSFER OF PHYSICAL ASSETS, FLEXIBLE SUBSIDY LOAN, CAPITAL IMPROVEMENT LOAN, MODIFICATION OF MORTGAGE TERMS, OR WORK-OUT AGREEMENT.—

"(1) AUTHORITY.—Whenever a mortgagor of property that includes 5 or more living units and that has a mortgage insured, coinsured, or held pursuant to this Act, who has agreed in writing, as a condition of a transfer of physical assets, a flexible subsidy loan, a capital improvement loan, a modification of the mortgage terms, or a workout agreement, to use nonproject income to make cash contributions for payments due under the note and mortgage, for payments to the reserve for replacements, to restore the project to good physical condition, or to pay other project liabilities, fails to comply with any of these commitments, the Secretary may impose a civil money penalty on that mortgagor in accordance with the provisions of this section.

"(2) AMOUNT OF PENALTY.—The amount of the penalty, as determined by the Secretary, for a violation of this subsection may not exceed the amount of the loss the Secretary would experience at a foreclosure sale, or a sale after foreclosure, of the property involved.

"(c) VIOLATIONS OF REGULATORY AGREEMENT FOR WHICH PENALTY MAY BE IMPOSED.—

"(1) VIOLATIONS.—The Secretary may also impose a civil money penalty under this section on any mortgagor of property that includes 5 or more living units and that has a mortgage insured, co-insured, or held pursuant to this Act for any of the following violations of the regulatory agreement executed by the mortgagor:

"(A) Conveyance, transfer, or encumbrance of any of the mortgaged property, or permitting the conveyance, transfer, or encumbrance of such property, without the prior written approval of the Secretary.

"(B) Assignment, transfer, disposition, or encumbrance of any personal property of the project, including rents, or paying out any funds, except for reasonable operating expenses and necessary repairs, without the prior written approval of the Secretary.

"(C) Conveyance, assignment, or transfer of any beneficial interest in any trust holding title to the property, or the interest of any general partner in a partnership owning the property, or any right to manage or receive the rents and profits from the mortgaged property, without the prior written approval of the Secretary.

"(D) Remodeling, adding to, reconstructing, or demolishing any part of the mortgaged property or subtracting from any real or personal property of the project, without the prior written approval of the Secretary.

"(E) Requiring, as a condition of the occupancy or leasing of any unit in the project, any consideration or deposit other than the prepayment of the first month's rent, plus a security deposit in an amount not in excess of 1 month's rent, to guarantee the performance of the covenants of the lease.

"(F) Not holding any funds collected as security deposits separate and apart from all other funds of the project in a trust account, the amount of which at all times equals or exceeds the aggregate of all outstanding obligations under the account.

"(G) Payment for services, supplies, or materials which exceeds $500 and substantially exceeds the amount ordinarily paid for such services, supplies, or materials in the area where the services are rendered or the supplies or materials furnished.

"(H) Failure to maintain at any time the mortgaged property, equipment, buildings, plans, offices, apparatus, devices, books, contracts, records, documents, and other related papers (including failure to keep copies of all written contracts or other instruments which affect the mortgaged property) in reasonable condition for proper audit and for examination and inspection at any reasonable time by the Secretary or any duly authorized agents of the Secretary.

"(I) Failure to maintain the books and accounts of the operations of the mortgaged property and of the project in accordance with requirements prescribed by the Secretary.

"(J) Failure to furnish the Secretary, by the expiration of the 60-day period beginning on the 1st day after the completion of each fiscal year, with a complete annual financial report based upon an examination of the books and records of the mortgagor prepared and certified to by an independent public accountant or a certified public accountant and certified to by an officer of the mortgagor, unless the Secretary has approved an extension of the 60-day period in writing.

"(K) At the request of the Secretary, the agents of the Secretary, the employees of the Secretary, or the attorneys of the Secretary, failure to furnish monthly occupancy reports or failure to provide specific answers to questions upon which information is sought relative to income, assets, liabilities, contracts, the operation and condition of the property, or the status of the insured mortgage.

"(L) Failure to make promptly all payments due under the note and mortgage, including mortgage insurance premiums, tax and insurance escrow payments, and payments to the reserve for replacements when there is adequate project income available to make such payments.

"(2) AMOUNT OF PENALTY.—A penalty imposed for a violation under this subsection, as determined by the Secretary, may not exceed $25,000.

"(d) AGENCY PROCEDURES.—

"(1) ESTABLISHMENT.—The Secretary shall establish standards and procedures governing the imposition of civil money penalties under subsections (b) and (c). These standards and procedures—

"(A) may provide for the Secretary or other department official (such as the Assistant Secretary for Housing) to make the determination to impose a penalty;

"(B) shall provide for the imposition of a penalty only after the mortgagor has been given an opportunity for a hearing on the record; and

"(C) may provide for review of any determination or order, or interlocutory ruling, arising from a hearing.

"(2) FINAL ORDERS.—If no hearing is requested within 15 days of receipt of the notice of opportunity for hearing, the imposition of the penalty shall constitute a final and unappealable order. If the Secretary reviews the determination or order, the Secretary may affirm, modify, or reverse that determination or order. If the Secretary does not review the determination or order within 90 days of the issuance of the determination or order, the determination or order shall be final.

"(3) FACTORS IN DETERMINING AMOUNT OF PENALTY.—In determining the amount of a penalty under subsection (b) or (c), consideration shall be given to such factors as the gravity of the offense, any history of prior offenses (including offenses occurring before enactment of this section), ability to pay the penalty, injury to the public, benefits received, deterrence of future violations, and such other factors as the Secretary may determine in regulations to be appropriate.

"(4) REVIEWABILITY OF IMPOSITION OF PENALTY.—The Secretary's determination or order imposing a penalty under subsection (b) or (c) shall not be subject to review, except as provided in subsection (e).

"(e) JUDICIAL REVIEW OF AGENCY DETERMINATION.—

"(1) IN GENERAL.—After exhausting all administrative remedies established by the Secretary under subsection (d)(1), a mortgagor against whom the Secretary has imposed a civil money penalty under subsection (b) or (c) may obtain a review of the penalty and such ancillary issues as may be addressed in the notice of determination to impose a penalty under subsection (d)(1)(A) in the appropriate court of appeals of the United States, by filing in such court, within 20 days after the entry of such order or determination, a written petition praying that the Secretary's order or determination be modified or be set aside in whole or in part.

"(2) OBJECTIONS NOT RAISED IN HEARING.—The court shall not consider any objection that was not raised in the hearing conducted pursuant to subsection (d)(1) unless a demonstration is made of extraordinary circumstances causing the failure to raise the objection. If any party demonstrates to the satisfaction of the court that additional evidence not presented at such hearing is material and that there were reasonable grounds for the failure to present such evidence at the hearing, the court shall remand the matter to the Secretary for consideration of such additional evidence.

"(3) SCOPE OF REVIEW.—The decisions, findings, and determinations of the Secretary shall be reviewed pursuant to section 706 of title 5, United States Code.

"(4) ORDER TO PAY PENALTY.—Notwithstanding any other provision of law, in any such review, the court shall have the power to order payment of the penalty imposed by the Secretary.

"(f) ACTION TO COLLECT PENALTY.—If a mortgagor fails to comply with the Secretary's determination or order imposing a civil money penalty under subsection (b) or (c), after the determination or order is no longer subject to review as provided by subsections (d)(1) and (e), the Secretary may request the Attorney General of the United States to bring an action in an appropriate United States district court to obtain a monetary judgment against the mortgagor and such other relief as may be available. The monetary judgment may, in the court's discretion, include the attorneys fees and other expenses incurred by the United States in connection with the action. In an action under this subsection, the validity and appropriateness of the Secretary's determination or order imposing the penalty shall not be subject to review.

"(g) SETTLEMENT BY SECRETARY.—The Secretary may compromise, modify, or remit any civil money penalty which may be, or has been, imposed under this section.

"(h) REGULATIONS.—The Secretary shall issue such regulations as the Secretary

deems appropriate to implement this section.

"(i) DEPOSIT OF PENALTIES IN INSURANCE FUNDS.—Notwithstanding any other provision of law, all civil money penalties collected under this section shall be deposited in the appropriate insurance fund or funds established under this Act, as determined by the Secretary.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply only with respect to violations referred to in the amendment that occur on or after the effective date of this section.

SEC. 110. CIVIL MONEY PENALTIES AGAINST SECTION 202 MORTGAGORS.

(a) IN GENERAL.—Title II of the Housing Act of 1959 is amended by inserting after section 202 the following new section:

"CIVIL MONEY PENALTIES AGAINST SECTION 202 MORTGAGORS

"SEC. 202a. (a) IN GENERAL.—The penalties set forth in this section shall be in addition to any other available civil remedy or criminal penalty, and may be imposed whether or not the Secretary imposes other administrative sanctions.

"(b) PENALTY FOR VIOLATION OF AGREEMENT AS CONDITION OF TRANSFER OF PHYSICAL ASSETS, FLEXIBLE SUBSIDY LOAN, CAPITAL IMPROVEMENT LOAN, MODIFICATION OF MORTGAGE TERMS, OR WORK-OUT AGREEMENT.—

"(1) IN GENERAL.—Whenever a mortgagor of property that includes 5 or more living units and that has a mortgage held pursuant to section 202, who has agreed in writing, as a condition of a transfer of physical assets, a flexible subsidy loan, a capital improvement loan, a modification of the mortgage terms, or a work-out agreement, to use nonproject income to make cash contributions for payments due under the note and mortgage, for payments to the reserve for replacements, to restore the project to good physical condition, or to pay other project liabilities, fails to comply with any of these commitments, the Secretary may impose a civil money penalty on the mortgagor in accordance with the provisions of this section.

"(2) AMOUNT.—The amount of the penalty, as determined by the Secretary, for a violation of this subsection may not exceed the amount of the loss the Secretary would incur at a foreclosure sale, or sale after foreclosure, with respect to the property involved.

"(c) VIOLATIONS OF REGULATORY AGREEMENT.—

"(1) IN GENERAL.—The Secretary may also impose a civil money penalty on a mortgagor or property that includes 5 or more living units and that has a mortgage held pursuant to section 202 for any of the following violations of the regulatory agreement executed by the mortgagor:

"(A) Conveyance, transfer, or encumbrance of any of the mortgaged property, or permitting the conveyance, transfer, or encumbrance of such property, without the prior written approval of the Secretary.

"(B) Assignment, transfer, disposition, or encumbrance of any personal property of the project, including rents, or paying out any funds, except for reasonable operating expenses and necessary repairs, without the prior written approval of the Secretary.

"(C) Conveyance, assignment, or transfer of any beneficial interest in any trust holding title to the property, or the interest of any general partner in a partnership owning the property, or any right to manage or receive the rents and profits from the mortgaged property, without the prior written approval of the Secretary.

"(D) Remodeling, adding to, reconstructing, or demolishing any part of the mortgaged property or subtracting from any real or personal property of the project, without the prior written approval of the Secretary.

"(E) Requiring, as a condition of the occupancy or leasing of any unit in the project, any consideration or deposit other than the prepayment of the first month's rent, plus a security deposit in an amount not in excess of 1 month's rent, to guarantee the performance of the covenants of the lease.

"(F) Not holding any funds collected as security deposits separate and apart from all other funds of the project in a trust account, the amount of which at all times equals or exceeds the aggregate of all outstanding obligations under the account.

"(G) Payment for services, supplies, or materials which exceeds $500 and substantially exceeds the amount ordinarily paid for such services, supplies, or materials in the area where the services are rendered or the supplies or materials furnished.

"(H) Failure to maintain at any time the mortgaged property, equipment, buildings, plans, offices, apparatus, devices, books, contracts, records, documents, and other related papers (including failure to keep copies of all written contracts or other instruments which affect the mortgaged property) in reasonable condition for proper audit and for examination and inspection at any reasonable time by the Secretary or any duly authorized agents of the Secretary.

"(I) Failure to maintain the books and accounts of the operations of the mortgaged property and of the project in accordance with requirements prescribed by the Secretary.

"(J) Failure to furnish the Secretary, by the expiration of the 60-day period beginning on the 1st day after the completion of each fiscal year, with a complete annual financial report based upon an examination of the books and records of the mortgagor prepared in accordance with requirements prescribed by the Secretary, and prepared and certified to by an independent public accountant or a certified public accountant and certified to by an officer of the mortgagor, unless the Secretary has approved an extension of the 60-day period in writing.

"(K) At the request of the Secretary, the agents of the Secretary, the employees of the Secretary, or the attorneys of the Secretary, failure to furnish monthly occupancy reports or failure to provide specific answers to questions upon which information is sought relative to income, assets, liabilities, contracts, the operation and condition of the property, or the status of the insured mortgage.

"(L) Failure to make promptly all payments due under the note and mortgage, including tax and insurance escrow payments, and payments to the reserve for replacements when there is adequate project income available to make such payments.

"(M) Amending the articles of incorporation or by-laws, other than as permitted under the terms of the articles of incorporation as approved by the Secretary, without the prior written approval of the Secretary.

"(2) AMOUNT OF PENALTY.—A penalty imposed for a violation under this subsection, as determined by the Secretary, may not exceed $25,000 for a violation of any of the subparagraphs of paragraph (1).

"(d) AGENCY PROCEDURES.—

"(1) ESTABLISHMENT.—The Secretary shall establish standards and procedures governing the imposition of civil money penalties under subsections (b) and (c). These standards and procedures—

"(A) shall provide for the Secretary or other department official (such as the Assistant Secretary for Housing) to make the determination to impose a penalty;

"(B) shall provide for the imposition of a penalty only after the mortgagor has been given an opportunity for a hearing on the record; and

"(C) may provide for review of any determination or order, or interlocutory ruling, arising from a hearing.

"(2) FINAL ORDERS.—If no hearing is requested within 15 days of receipt of the notice of opportunity for hearing, the imposition of the penalty shall constitute a final and unappealable order. If the Secretary reviews the determination or order, the Secretary may affirm, modify, or reverse that determination or order. If the Secretary does not review the determination or order within 90 days of the issuance of the determination or order, the determination or order shall be final.

"(3) FACTORS IN DETERMINING AMOUNT OF PENALTY.—In determining the amount of a penalty under subsection (b) or (c), consideration shall be given to such factors as the gravity of the offense, any history of prior offenses (including offenses occurring before enactment of this section), ability to pay the penalty, injury to the public, benefits received, deterrence of future violations, and such other factors as the Secretary may determine in regulations to be appropriate.

"(4) REVIEWABILITY OF IMPOSITION OF PENALTY.—The Secretary's determination or order imposing a penalty under subsection (b) or (c) shall not be subject to review, except as provided in subsection (e).

"(e) JUDICIAL REVIEW OF AGENCY DETERMINATION.—

"(1) IN GENERAL.—After exhausting all administrative remedies established by the Secretary under subsection (d)(1), a mortgagor against whom the Secretary has imposed a civil money penalty under subsection (b) or (c) may obtain a review of the penalty and such ancillary issues as may be addressed in the notice of determination to impose a penalty under subsection (d)(1)(A) in the appropriate court of appeals of the United States, by filing in such court, within 20 days after the entry of such order or determination, a written petition praying that the Secretary's order or determination be modified or be set aside in whole or in part.

"(2) OBJECTIONS NOT RAISED IN HEARING.—The court shall not consider any objection that was not raised in the hearing conducted pursuant to subsection (d)(1) unless a demonstration is made of extraordinary circumstances causing the failure to raise the objection. If any party demonstrates to the satisfaction of the court that additional evidence not presented at such hearing is material and that there were reasonable grounds for the failure to present such evidence at the hearing, the court shall remand the matter to the Secretary for consideration of such additional evidence.

"(3) SCOPE OF REVIEW.—The decisions, findings, and determinations of the Secretary shall be reviewed pursuant to section 706 of title 5, United States Code.

"(4) ORDER TO PAY PENALTY.—Notwithstanding any other provision of law, in any such review, the court shall have the power to order payment of the penalty imposed by the Secretary.

"(f) ACTION TO COLLECT PENALTY.—If a mortgagor fails to comply with the Secretary's determination or order imposing a civil money penalty under subsection (b) or (c), after the determination or order is no

longer subject to review as provided by subsections (d)(1) and (e), the Secretary may request the Attorney General of the United States to bring an action in an appropriate United States district court to obtain a monetary judgment against the mortgagor and such other relief as may be available. The monetary judgment may, in the court's discretion, include the attorneys fees and other expenses incurred by the United States in connection with the action. In an action under this subsection, the validity and appropriateness of the Secretary's determination or order imposing the penalty shall not be subject to review.

"(g) SETTLEMENT BY SECRETARY.—The Secretary may compromise, modify, or remit any civil money penalty which may be, or has been, imposed under this section.

"(h) REGULATIONS.—The Secretary shall issue such regulations as the Secretary deems appropriate to implement this section.

"(i) DEPOSIT OF PENALTIES IN INSURANCE FUNDS.—Notwithstanding any other provision of law, all civil money penalties collected under this section shall be deposited in the fund established under section 202.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply only with respect to violations referred to in the amendment that occur on or after the effective date of this section.

SEC. 111. CIVIL MONEY PENALTIES AGAINST GNMA ISSUERS.

(a) IN GENERAL.—Title III of the National Housing Act is amended by adding at the end the following new section:

"CIVIL MONEY PENALTIES AGAINST ISSUERS

"SEC. 317. (a) IN GENERAL.—

"(1) AUTHORITY.—Whenever an issuer or custodian approved under section 306(g) violates any provisions of subsection (b), the Secretary of Housing and Urban Development may impose a civil money penalty on the issuer or the custodian in accordance with the provisions of this section. The penalty shall be in addition to any other available civil remedy or any available criminal penalty and may be imposed whether or not the Secretary imposes other administrative sanctions.

"(2) AMOUNT OF PENALTY.—The amount of the penalty, as determined by the Secretary, may not exceed $5,000 for each violation, except that the maximum penalty for all violations by a particular issuer or custodian during any one-year period shall not exceed $1,000,000. Each violation of a provision of subsection (b)(1) shall constitute a separate violation with respect to each pool of mortgages. In the case of a continuing violation, as determined by the Secretary, each day shall constitute a separate violation.

"(b) VIOLATIONS FOR WHICH A PENALTY MAY BE IMPOSED.—

"(1) VIOLATIONS.—The Secretary may impose a civil money penalty under subsection (a) for any of the following violations by an issuer or a custodian, as applicable:

"(A) Failure to make timely payments of principal and interest to holders of securities guaranteed under section 306(g).

"(B) Failure to segregate cash flow from pooled mortgages or to deposit either principal and interest funds or escrow funds into special accounts with a depository institution whose accounts are insured by the National Credit Union Administration or by the Federal Deposit Insurance Corporation through the Bank Insurances Fund for banks or through the Savings Association Insurance Fund for savings associations.

"(C) Use of escrow funds for any purpose other than that for which they were received.

"(D) Transfer of servicing for a pool of mortgages to an issuer not approved under this title, unless expressly permitted by statute, regulation, or contract approved by the Secretary.

"(E) Failure to maintain a minimum net worth in accordance with requirements prescribed by the Association;

"(F) Failure to promptly notify the Association in writing of any changes that materially affect the business status of an issuer.

"(G) Submission to the Association of information that an issuer or custodian knew, or should have known, was false in connection with any securities guaranteed, or mortgages pooled, under section 306(g).

"(H) Hiring, or retaining in employment, an officer, director, principal, or employee whose duties involve, directly or indirectly, programs administered by the Association with knowledge that the person is under suspension or debarment by the Secretary.

"(I) Submission to the Association of a false certification either on its own behalf or on behalf of another person or entity.

"(J) Failure to comply with an agreement, certification, or condition of approval set forth on, or applicable to, the application for approval as an issuer of securities under section 306(g).

"(K) Violation of any provisions of this title or any implementing regulation or handbook issued under authority of this title.

"(2) NOTIFICATION TO ATTORNEY GENERAL.—Before taking action to impose a civil money penalty for a violation under paragraph (1)(G) or paragraph (1)(I), the Secretary shall inform the Attorney General of the United States.

"(c) AGENCY PROCEDURES.—

"(1) ESTABLISHMENT.—The Secretary shall establish standards and procedures governing the imposition of civil money penalties under subsection (a). The standards and procedures—

"(A) may provide for the Secretary or other department official to make the determination to impose the penalty;

"(B) shall provide for the imposition of a penalty only after an issuer or a custodian has been given notice of, and opportunity for, a hearing on the record; and

"(C) may provide for review of any determination or order, or interlocutory ruling, arising from a hearing.

"(2) FINAL ORDERS.—If no hearing is requested within 15 days of receipt of a notice of opportunity for hearing, the imposition of a penalty shall constitute a final and unappealable order. If the Secretary reviews the determination or order, the Secretary may affirm, modify, or reverse that determination or order. If the Secretary does not review the determination or order within 90 days of the issuance of the determination or order, the determination or order shall be final.

"(3) FACTORS IN DETERMINING AMOUNT OF PENALTY.—In determining the amount of a penalty under subsection (a), consideration shall be given to such factors as the gravity of the offense, any history of prior offenses (including offenses occurring before enactment of this section), ability to pay the penalty, injury to the public, benefits received, deterrence of future violations, and such other factors as the Secretary may determine by regulations.

"(4) REVIEWABILITY OF IMPOSITION OF PENALTY.—The Secretary's determination or order imposing a penalty under subsection (a) shall not be subject to review, except as provided in subsection (d).

"(d) JUDICIAL REVIEW OF AGENCY DETERMINATION.—

"(1) IN GENERAL.—After exhausting all administrative remedies established by the Secretary under subsection (c)(1), an issuer or a custodian against which the Secretary has imposed a civil money penalty under subsection (a) may obtain a review of the penalty and such ancillary issues as may be addressed in the notice provided under subsection (c)(1)(A) of determination to impose a penalty in the appropriate court of appeals of the United States, by filing in such court, within 20 days after the entry of such order or determination, a written petition praying that the Secretary's order or determination be modified or be set aside in whole or in part.

"(2) OBJECTIONS NOT RAISED IN HEARING.—A court shall not consider any objection that was not raised in the hearing conducted pursuant to subsection (c)(1) unless a demonstration is made of extraordinary circumstances causing the failure to raise the objection. If any party demonstrates to the satisfaction of the court that additional evidence, which was not presented at such hearing, is material and that there were reasonable grounds for the failure to present such evidence at the hearing, the court shall remand the matter to the Secretary for consideration of such additional evidence.

"(3) SCOPE OF REVIEW.—The decisions, findings, and determinations of the Secretary shall be reviewed pursuant to section 706 of title 5, United States Code.

"(4) ORDER TO PAY PENALTY.—Notwithstanding any other provision of law, the court shall have the power in any such review to order payment of the penalty imposed by the Secretary.

"(e) ACTION TO COLLECT PENALTY.—If any issuer or custodian fails to comply with the Secretary's determination or order imposing a civil money penalty under subsection (a), after the determination or order is no longer subject to review as provided by subsections (c)(1) and (d), the Secretary may request the Attorney General of the United States to bring an action in an appropriate United States district court to obtain a monetary judgment against the issuer or custodian and such other relief as may be available. The monetary judgment may, in the discretion of the court, include any attorneys fees and other expenses incurred by the United States in connection with the action. In an action under this subsection, the validity and appropriateness of the Secretary's determination or order imposing the penalty shall not be subject to review.

"(f) SETTLEMENT BY SECRETARY.—The Secretary may compromise, modify, or remit any civil money penalty which may be, or has been, imposed under this section.

"(g) REGULATIONS.—The Secretary shall issue such regulations as the Secretary deems appropriate to implement this section.

"(h) DEPOSIT OF PENALTIES.—The Secretary shall deposit all civil money penalties collected under this section into moneys of the Association pursuant to section 307.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply only with respect to—

(1) violations referred to in the amendment that occur on or after the effective date of this section; and

(2) in the case of a continuing violation (as determined by the Secretary of Housing and

Urban Development), any portion of a violation referred to in the amendment that occurs on or after such date.

SEC. 112. CIVIL MONEY PENALTIES FOR VIOLATIONS OF INTERSTATE LAND SALES FULL DISCLOSURE ACT.

(a) IN GENERAL.—The Interstate Land Sales Full Disclosure Act (15 U.S.C. 1701 et seq.) is amended by inserting after section 1418 the following new section:

"CIVIL MONEY PENALTIES

"SEC. 1418a. (a) IN GENERAL.—

"(1) AUTHORITY.—Whenever any person violates any of the provisions of this title or any rule, regulation, or order issued under this title, the Secretary may impose a civil money penalty on such person in accordance with the provisions of this section. The penalty shall be in addition to any other available civil remedy or any available criminal penalty, and may be imposed whether or not the Secretary imposes other administrative sanctions.

"(2) AMOUNT OF PENALTY.—The amount of the penalty, as determined by the Secretary, may not exceed $1,000 for each violation, except that the maximum penalty for all violations by a particular person during any 1-year period shall not exceed $1,000,000. Each violation of this title, or any rule, regulation, or order issued under this title, shall constitute a separate violation with respect to each sale or lease or offer to sell or lease. In the case of a continuing violation, as determined by the Secretary, each day shall constitute a separate violation.

"(b) AGENCY PROCEDURES.—

"(1) ESTABLISHMENT.—The Secretary shall establish standards and procedures governing the imposition of civil money penalties under subsection (a). The standards and procedures shall—

"(A) provide for the imposition of a penalty only after a person has been given an opportunity for a hearing on the record; and

"(B) may provide for review of any determination or order, or interlocutory ruling, arising from a hearing.

"(2) FINAL ORDERS.—If no hearing is requested within 15 days of receipt of the notice of opportunity for hearing, the imposition of the penalty shall constitute a final and unappealable order. If the Secretary reviews the determination or order, the Secretary may affirm, modify, or reverse that determination or order. If the Secretary does not review the determination or order within 90 days of the issuance of the determination or order, the determination or order shall be final.

"(3) FACTORS IN DETERMINING AMOUNT OF PENALTY.—In determining the amount of a penalty under subsection (a), consideration shall be given to such factors as the gravity of the offense, any history of prior offenses (including offenses occurring before enactment of this section), ability to pay the penalty, injury to the public, benefits received, deterrence of future violations, and such other factors as the Secretary may determine in regulations to be appropriate.

"(4) REVIEWABILITY OF IMPOSITION OF PENALTY.—The Secretary's determination or order imposing a penalty under subsection (a) shall not be subject to review, except as provided in subsection (c).

"(c) JUDICIAL REVIEW OF AGENCY DETERMINATION.—

"(1) IN GENERAL.—After exhausting all administrative remedies established by the Secretary under subsection (b)(1), a person aggrieved by a final order of the Secretary assessing a penalty under this section may seek judicial review pursuant to section 1411.

"(2) ORDER TO PAY PENALTY.—Notwithstanding any other provision of law, in any such review, the court shall have the power to order payment of the penalty imposed by the Secretary.

"(d) ACTION TO COLLECT PENALTY.—If any person fails to comply with the determination or order of the Secretary imposing a civil money penalty under subsection (a), after the determination or order is no longer subject to review as provided by subsections (b) and (c), the Secretary may request the Attorney General of the United States to bring an action in any appropriate United States district court to obtain a monetary judgment against the person and such other relief as may be available. The monetary judgment may, in the discretion of the court, include any attorneys fees and other expenses incurred by the United States in connection with the action. In an action under this subsection, the validity and appropriateness of the Secretary's determination or order imposing the penalty shall not be subject to review.

"(e) SETTLEMENT BY SECRETARY.—The Secretary may compromise, modify, or remit any civil money penalty which may be, or has been, imposed under this section.

"(f) REGULATIONS.—The Secretary shall issue such regulations as the Secretary deems appropriate to implement this section.

"(g) USE OF PENALTIES FOR ADMINISTRATION.—Civil money penalties collected under this section shall be paid to the Secretary and, upon approval in an appropriation Act, may be used by the Secretary to cover all or part of the cost of rendering services under this title.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply only with respect to—

(1) violations referred to in the amendment that occur on or after the effective date of this section; and

(2) in the case of a continuing violation (as determined by the Secretary of Housing and Urban Development), any portion of violation referred to in the amendment that occurs on or after such date.

SEC. 113. REGISTRATION OF CONSULTANTS.

The Department of Housing and Urban Development Act (42 U.S.C. 3531 et seq.), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new section:

"REGISTRATION OF CONSULTANTS

"SEC. 13. (a) RECORD OF EXPENDITURES.—

"(1) REQUIREMENT TO MAINTAIN.—Each person who makes an expenditure to influence the decision of any officer or employee of the Department, through communication with such officer or employee, with respect to—

"(A) the award of any financial assistance within the jurisdiction of the Department, or

"(B) any management action involving a change in the terms and conditions or status of financial assistance awarded to any person,

shall keep records, as required by this section. The preceding sentence shall not apply to expenditures incurred in complying with conditions, requirements, or procedures imposed by the Secretary in connection with any financial assistance.

"(2) COVERED INFORMATION.—Each person referred to in paragraph (1) shall keep a detailed and exact account of—

"(A) all such expenditures made by or on behalf of such person; and

"(B) the name and address of every person to whom any such expenditure is made and the date of the expenditure.

"(3) MAINTENANCE OF RECORDS.—Each person making such an expenditure shall obtain a bill, stating the particulars, for every such expenditure, and shall retain all records required by this section for not less than the 2-year period beginning on the date of the filing of the report required by subsection (b), which shall include the information under paragraph (2).

"(b) REPORTS OF EXPENDITURES FILED WITH THE SECRETARY.—

"(1) REPORT.—Each person making an expenditure for the purposes designated in subsection (a)(1) shall file with the Secretary, between the 1st and 10th day of each calendar year, a report specifying the total expenditures made by or on behalf of such person during the year and the information required by subsection (a)(2)(B).

"(2) REGULAR EMPLOYEES.—The requirements of this subsection shall not apply in the case of a payment of reasonable compensation made to any regularly employed officer or employee of the person who requests or receives assistance within the jurisdiction of the Department, or who is involved in any management action with respect to such assistance.

"(3) MINIMUM DOLLAR REQUIREMENTS.—The requirements of this subsection shall not apply to any person whose total expenditures for purposes described in subsections (a)(1)(A) and (B) are less than $10,000 in any calendar year.

"(4) FILING AND RETENTION.—A report required by this subsection—

"(A) shall be considered properly filed when deposited in a post office within the prescribed time, stamped, registered, and addressed to the Secretary, but if the Secretary does not receive the report, the person shall promptly file a duplicate report when the Secretary notifies the person that the original report has not been received; and

"(B) shall be retained by the Secretary for the 2-year period beginning on the date of filing, shall constitute part of the public records of the Department, and shall be open to public inspection.

"(5) PUBLICATION OF INFORMATION.—The Secretary shall compile all expenditure information as soon as practicable after the close of the calendar year with respect to which the information is filed and shall publish it as a notice in the Federal Register.

"(c) REGISTRATION BY PERSONS ATTEMPTING TO INFLUENCE DEPARTMENT DECISIONS.—

"(1) REQUIREMENT AND INFORMATION.—Each person receiving payment or any consideration for the purpose described in subsection (a)(1), shall, not later than 14 days after being retained for such purpose, register with the Secretary. The registration shall be in writing and shall include the name and business address of the registrant, the name and address of the registrant's employer and of any person or entity in whose interest the registrant appears or works, and a statement of whether the registrant has been employed by the Federal Government during the 2-year period ending on the date of the registration and in what capacity. Each registrant shall, between the 1st and 10th day of each calendar year, file with the Secretary a detailed report of all money received and expended by the registrant during the preceding year in carrying out the work, including informa-

tion as to whom money was paid, and for what purposes.

"(2) MINIMUM DOLLAR REQUIREMENT.—The requirements of the last sentence of paragraph (1) shall not apply with respect to any calendar year to any person whose total compensation for attempting to influence a decision with respect to assistance within the jurisdiction of the Department or a management action with respect to such assistance is less than $10,000 in such year.

"(3) PUBLICATION OF INFORMATION.—The Secretary shall compile all registration information as soon as practicable after the close of the calendar year with respect to which the information is filed and shall publish it annually as a notice in the Federal Register.

"(d) CIVIL MONEY PENALTIES.—

"(1) AUTHORITY.—Whenever any person fails to file a report required under subsection (b), or any person fails to register and file a report required under subsection (c), the Secretary may impose a civil money penalty on that person in accordance with the provisions of this subsection. The penalty shall be in addition to any other available civil remedy or any available criminal penalty, and may be imposed whether or not the Secretary imposes other administrative sanctions.

"(2) AMOUNT OF PENALTY.—The amount of the penalty, as determined by the Secretary, shall be the greater of—

"(A) $10,000 for each violation; or

"(B) the total amount received for any services performed for any applicant to which the violation under paragraph (1) relates.

"(3) AGENCY PROCEDURES.—

"(A) ESTABLISHMENT.—The Secretary shall establish standards and procedures governing the imposition of civil money penalties under paragraph (1). These standards and procedures may—

"(i) provide for the Secretary or other department official to make the determination to impose the penalty or for use of an administrative entity to make the determination;

"(ii) provide for the imposition of a penalty only after the person has been given an opportunity for a hearing on the record; and

"(iii) provide for review of any determination or order, or interlocutory ruling, arising from a hearing.

"(B) FINAL ORDERS.—If no hearing is requested within 15 days of receipt of the notice of opportunity for hearing, the imposition of the penalty shall constitute a final and unappealable order. If the Secretary reviews the determination or order, the Secretary may affirm, modify, or reverse that determination or order. If the Secretary does not review the determination or order within 90 days of the issuance of the determination or order, the determination or order shall be final.

"(C) REVIEWABILITY OF IMPOSITION OF PENALTY.—The Secretary's determination or order imposing a penalty under paragraph (1) shall not be subject to review, except as provided in paragraph (4).

"(4) JUDICIAL REVIEW OF AGENCY DETERMINATION.—

"(A) IN GENERAL.—After exhausting all administrative remedies established by the Secretary under paragraph (3)(A), a person against whom the Secretary has imposed a civil money penalty under paragraph (1) may obtain a review of the penalty and such ancillary issues as may be addressed in the notice of determination to impose a penalty under paragraph (3)(A)(i) in the appropriate court of appeals of the United States, by filing in such court, within 20 days after the entry of such order or determination, a written petition praying that the Secretary's order or determination be modified or be set aside in whole or in part.

"(B) OBJECTIONS NOT RAISED IN HEARING.—The court shall not consider any objection that was not raised in the hearing conducted pursuant to paragraph (3)(A) unless a demonstration is made of extraordinary circumstances causing the failure to raise the objection. If any party demonstrates to the satisfaction of the court that additional evidence not presented at the hearing is material and that there are reasonable grounds for the failure to present such evidence at the hearing, the court shall remand the matter to the Secretary for consideration of such additional evidence.

"(C) SCOPE OF REVIEW.—The decisions, findings, and determinations of the Secretary shall be reviewed pursuant to section 706 of title 5, United States Code.

"(D) ORDER TO PAY PENALTY.—Notwithstanding any other provision of law, in any such review, the court shall have the power to order payment of the penalty imposed by the Secretary.

"(5) ACTION TO COLLECT PENALTY.—If any person fails to comply with the Secretary's determination or order imposing a civil money penalty under paragraph (1), after the determination or order is no longer subject to review as provided by paragraphs (3)(A) and (4), the Secretary may request the Attorney General of the United States to bring an action in an appropriate United States district court to obtain a monetary judgment against the person and such other relief as may be available. The monetary judgment may, in the discretion of the court, include any attorneys fees and other expenses incurred by the United States in connection with the action. In an action under this paragraph, the validity and appropriateness of the Secretary's determination or order imposing the penalty shall not be subject to review.

"(6) SETTLEMENT BY SECRETARY.—The Secretary may compromise, modify, or remit any civil money penalty which may be, or has been, imposed under this subsection.

"(7) DEPOSIT OF PENALTIES.—The Secretary shall deposit all civil money penalties collected under this subsection into miscellaneous receipts of the Treasury.

"(e) PROHIBITION ON CONSULTING ACTIVITIES.—

"(1) IN GENERAL.—Whoever is fined under subsection (d) shall be prohibited, for the 3-year period beginning on the date of the imposition of the fine, from receiving any payment or thing of value for performing any services (with respect to any application for financial assistance within the jurisdiction of the Department) for any applicant.

"(2) CRIMINAL PENALTY.—Whoever violates the prohibition under paragraph (1) shall, upon conviction, be guilty of a felony and shall be fined under title 18, United States Code, or imprisoned not more than 5 years, or both.

"(f) DEFINITIONS.—For purposes of this section:

"(1) The term 'person' means an individual, corporation, company, association, authority, firm, partnership, society, State, local government, or any other organization or group of people.

"(2) The term 'expenditure' includes a payment, distribution, loan, advance, deposit, gift of money, or anything else of value, and includes a contract, or agreement, whether or not legally enforceable, to make an expenditure.

"(3) The term 'financial assistance within the jurisdiction of the Department' includes any contract, grant, loan, cooperative agreement, or other form of assistance, including the insurance or guarantee of a loan, mortgage, or pool of mortgages.

"(4) The term 'reasonable compensation' means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to or not furnished in cooperation with the Department.

"(5) The term 'regularly employed' means working or having contracted to work not less than 20 hours per week, on average for a calendar year.

"(g) REGULATIONS.—The Secretary shall issue any regulations necessary to implement this section.

"(h) EFFECTIVE DATE.—This section shall take effect on the date specified in regulations implementing this section that are issued by the Secretary after notice and public comment. The regulations shall establish standards that include determinations of what types of activities constitute influence with respect to the decisions of the Department described in subsection (a)(1)(A) and (B).".

Subtitle B—Management Reform

SEC. 121. ESTABLISHMENT OF HUD CHIEF FINANCIAL OFFICER.

Section 4 of the Department of Housing and Urban Development Act (42 U.S.C. 3533) is amended by adding at the end the following new subsection:

"(e) There shall be in the Department a Chief Financial Officer, designated by the Secretary, who shall—

"(1) serve as the principal advisor to the Secretary on financial management;

"(2) develop and maintain a financial management system for the Department (including accounting and related translated transaction systems, internal control systems, financial reporting systems, credit, and cash and debt management);

"(3) supervise and coordinate all financial management activities and operations of the Department;

"(4) assist in the financial execution of the Department's budget in relation to actual expenditures and prepare timely performance reports for senior managers; and

"(5) issue such policies and directives as may be necessary to carry out this section.".

SEC. 122. ESTABLISHMENT OF FHA COMPTROLLER.

Section 4 of the Department of Housing and Urban Development Act (42 U.S.C. 3533), as amended by section 121, is further amended by adding at the end the following new subsection:

"(f) There shall be in the Department a Federal Housing Administration Comptroller, designated by the Secretary, who shall be responsible for overseeing the financial operations of the Federal Housing Administration.".

SEC. 123. EXPEDITING RULEMAKING.

Section 7(o) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(o)) is amended—

(1) in paragraph (2)(A)—

(A) by striking "first period of 15 calendar days of continuous session of Congress which occurs" in the first sentence and inserting "15-calendar day period beginning on the day"; and

(B) by striking "of continuous session" in the second sentence;

(2) in paragraph (2)(B), by striking "of continuous session of Congress";

(3) in paragraph (3)—

(A) by striking "first period of 30 calendar days of continuous session of Congress which occurs" in the first sentence and inserting "expiration of the 30-calendar day period beginning on the day"; and

(B) by striking all that follows the period at the end of the first sentence; and

(4) by striking paragraphs (5) and (6) and inserting the following new paragraph:

"(5) For purposes of this subsection, the term 'rule or regulation' does not include the setting of interest rates pursuant to section 235 of the National Housing Act.".

SEC. 124. FUNDING FOR PROGRAM EVALUATION AND MONITORING.

Section 7 of the Department of Housing and Urban Development Act (42 U.S.C. 3535), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

"(u)(1) For the programs listed in paragraph (2), amounts appropriated under this subsection shall be available to the Secretary for evaluating and monitoring of all such programs (including all aspects of the public housing and section 202 programs). The Secretary shall expend amounts made available under this subsection in accordance with the need and complexity of evaluating and monitoring each such program.

"(2) The programs subject to this subsection shall be the programs authorized under—

"(A) titles I and II of the United States Housing Act of 1937 (other than section 9);

"(B) section 202 of the Housing Act of 1959;

"(C) section 106 of the Housing and Urban Development Act of 1968;

"(D) the Fair Housing Act;

"(E) title I and section 810 of the Housing and Community Development Act of 1974;

"(F) section 201 of the Housing and Community Development Amendments of 1978;

"(G) the Congregate Housing Services Act of 1978;

"(H) section 222 of the Housing and Urban-Rural Recovery Act of 1983;

"(I) section 561 of the Housing and Community Development Act of 1987; and

"(J) title IV of the Stewart B. McKinney Homeless Assistance Act.

"(3) In conducting evaluations and monitoring pursuant to the authority under this subsection, the Secretary shall determine any need for additional staff and funding relating to evaluating and monitoring the programs under paragraph (2).

"(4)(A) The Secretary may provide for evaluation and monitoring under this subsection directly or by grants, contracts, or interagency agreements. Not more than 50 percent of the amounts made available under paragraph (1) may be used for grants, contracts, or interagency agreements.

"(B) Any amounts not used for grants, contracts, or interagency agreements under subparagraph (A) shall be used in a manner that increases and strengthens the ability of the Department to monitor and evaluate the programs under paragraph (2) through officers and employees of the Department.

"(5) The Secretary shall submit to the Congress a report regarding the use of amounts made available under this subsection, including an analysis of the ability of the Department to monitor and evaluate the programs under paragraph (2) and a statement of any needs determined under paragraph (3). The report shall be submitted not later than the termination date referred to in paragraph (6).

"(6) There is authorized to be appropriated to carry out this subsection $25,000,000 for fiscal year 1991. Such amounts shall remain available until expended.".

SEC. 125. TARGETING OF COMMUNITY DEVELOPMENT BLOCK GRANTS FOR LOW- AND MODERATE-INCOME BENEFICIARIES.

Section 104(b)(3) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(b)(3)) is amended by striking "60 percent" in clause (A) and inserting "75 percent".

SEC. 126. REFINANCING OF SECTION 235 MORTGAGES.

(a) IN GENERAL.—Section 235 of the National Housing Act (12 U.S.C. 1715z) is amended by adding at the end the following new subsection:

"(r)(1) The Secretary is authorized, upon application of a mortgagee, to insure under this subsection a mortgage the proceeds of which are used to refinance a mortgage insured under this section.

"(2) To be eligible for insurance under this subsection, a mortgage must be executed by a mortgagor meeting the requirements of paragraph (3) and shall—

"(A) be a first lien on real estate held in fee simple, or on a leasehold under a lease—

"(i) for not less than 99 years which is renewable; or

"(ii) having a period of not less than 10 years to run beyond the maturity date of the mortgage;

"(B) have been made to, and held by, a mortgagee approved by the Secretary;

"(C) be in an amount not exceeding the outstanding principal balance, including any unpaid interest, due on the mortgage being refinanced;

"(D) have a maturity not exceeding the unexpired term of the mortgage being refinanced;

"(E) bear an interest rate not exceeding such percent per annum on the amount of the principal obligation outstanding at any time as the Secretary finds necessary to meet the mortgage market, taking into consideration the yields on mortgages in the primary and secondary markets; to the extent that the amounts described in paragraphs (4)(A) and (B) are not otherwise paid by the Secretary, the foregoing interest rate may be increased, in the discretion of the Secretary, to compensate the mortgagee for its payment to, or on behalf of, the mortgagor of such amounts; and

"(F) meet the criteria for refinancing as determined by the Secretary.

"(3) Notwithstanding the provisions of subsection (h)(2), assistance payments in connection with mortgages insured under paragraph (2) shall be made only with respect to a family who is eligible for, and receiving assistance payments with respect to, the insured mortgage being refinanced.

"(4) The Secretary is authorized and, to the extent provided in appropriation Acts, may pay to the mortgagor (directly, through the mortgagee, or otherwise)—

"(A) an amount, as approved by the Secretary, as an incentive to the mortgagor to refinance a mortgage insured under this section; and

"(B) an amount as approved by the Secretary for costs incurred in connection with the refinancing, including but not limited to discounts, loan origination fees, and closing costs.

"(5) Amounts of budget authority required for assistance payments contracts with respect to mortgages insured under this subsection shall be derived from amounts recaptured from assistance payments contracts relating to mortgages that are being refinanced. For purposes of subsection (c)(3)(A), the amount of recaptured budget authority that the Secretary commits for assistance payments contracts relating to mortgages insured under this subsection shall not be construed as 'unused'.

"(6) The Secretary is authorized to take any actions to identify and communicate with any mortgagor of a mortgage insured under this section to implement the refinancing of such mortgages with insurance under this subsection. The Secretary may take such actions directly, or under contract. Notwithstanding the restriction of section 552a(b) of title 5 of the United States Code, upon the request of an approved mortgagee, the Secretary may disclose to such mortgagee the name and address of any mortgagor of a mortgage insured under this section that meets the criteria for refinancing, pursuant to paragraph (2)(F), and the unpaid principal balance and interest rate on such mortgage.

"(7) The Secretary shall implement the provisions of this subsection by a notice published in the Federal Register.".

(b) EXCESS RECAPTURED AMOUNTS.—Section 235(c)(3)(C) of the National Housing Act (12 U.S.C. 1715z(c)(3)(C) is amended by inserting after the period at the end the following new sentence: "Notwithstanding the preceding sentence, any amounts of budget authority recaptured from assistance payments contracts relating to mortgages that are being refinanced that are not required for assistance payments contracts relating to mortgages insured under this subsection, shall be used by the Secretary for monitoring and evaluation of programs under the National Housing Act.".

(c) CONFORMING AMENDMENTS.—Section 235 of the National Housing Act (12 U.S.C. 1715z) is amended—

(1) in subsection (c)(1), by inserting ", other than a contract in connection with a refinancing under subsection (r)," in the second sentence after "any new contract";

(2) in subsection (c)(3)(A), by inserting "(except to the extent provided in subsection (r) for mortgages insured under such subsection)" in the second sentence after "refinanced,";

(3) in subsection (e), by striking "or (j)(7)," and inserting "(j)(7), or (r),";

(4) in subsection (h)(1)—

(A) by inserting "(other than obligations in connection with mortgages insured under subsection (r))" in the third sentence after "October 1, 1983";

(B) by inserting "(except under subsection (r))" in the sixth sentence after "under this section" the first place it appears; and

(C) by inserting "(other than a contract in connection with a mortgage insured under subsection (r))" in the seventh sentence after "under this section";

(5) in subsection (h)(3), by inserting after the period at the end the following: "The preceding sentence shall not apply to contracts in connection with mortgages insured under subsection (r).";

(6) in subsection (m), by inserting "(except a mortgage insured under subsection (r))" after "No mortgage"; and

(7) in subsection (n), by inserting "or to a mortgage insured under subsection (r)" before the period at the end.

(d) SAVINGS PROVISION.—Notwithstanding the termination of the program under section 235 pursuant to section 401(d) of the Housing and Community Development Act of 1987 (12 U.S.C. 1715z note), the Secretary of Housing and Urban Development shall have authority to insure mortgages under section 235(r), to make assistance payments with respect to such insured mortgages, and to make any other payment or take any other action related to the refinancing of mortgages insured under section 235.

SEC. 127. SANCTIONS FOR IMPROPER CONVEYANCES UNDER URBAN HOMESTEAD PROGRAMS.

(a) IN GENERAL.—Section 810 of the Housing and Community Development Act of 1974 (12 U.S.C. 1706e) is amended by adding at the end the following new subsection:

"(m) If the Secretary determines that any property transferred for use under an urban homestead program under this section has been conveyed or used under the program in a manner contrary to the provisions of this section, the Secretary may take action as the Secretary considers appropriate, including taking any of the following actions:

"(1) The Secretary may impose a civil penalty on the unit of general local government or the State or the qualified community organization or public agency designated by a unit of general local government, or the transferee of such entity, as appropriate, in an amount not less than any profit realized with respect to the conveyance or use of the property contrary to the provisions of this section.

"(2) The Secretary may revoke the conveyance of the property pursuant to subsection (b)(4) and revoke the transfer of the property to the unit of general local government or State or the qualified community organization or public agency designated by a unit of general local government, except that the Secretary may not revoke the conveyance of any property under this paragraph if the Secretary determines that the conveyance was made to an individual or family who has substantially complied with the requirements of this section for participation in an urban homestead program and who has no knowledge of the conveyance or use of the property contrary to the provisions of this section. If any tenants of any property for which a conveyance is revoked under this paragraph would be displaced by such revocation and the Secretary determines that the tenants are not responsible for or involved in the actions for which the revocation has been imposed, the Secretary shall, if practicable, take actions that would allow the tenants to remain on the property and maintain the property under an urban homestead program.".

(b) CONFORMING AMENDMENT.—Section 810(b)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 1706e(b)(4)) is amended by inserting before the semicolon at the end the following: "or by the Secretary under subsection (m)(2)".

(c) APPLICABILITY.—The amendments made by this section shall apply to any property transferred for use in an urban homestead program under section 810 of the Housing and Community Development Act of 1974 (42 U.S.C. 1706e) after January 1, 1981.

SEC. 128. ANNUAL ADJUSTMENT FACTORS FOR SECTION 8 RENTS.

(a) EFFECT OF PRIOR COMPARABILITY STUDIES.—

(1) IN GENERAL.—In any case in which, in implementing section 8(c)(2) of the United States Housing Act of 1937, the use of comparability studies by the Secretary as an independent limitation on the amount of rental adjustments resulting from the application of an annual adjustment factor under such section has resulted in the reduction of the maximum monthly rent for units covered by the contract or the failure to increase such contract rent to the full amount otherwise permitted under the annual adjustment factor, the Secretary shall provide to the project owner an amount equal to the benefit resulting from any increase in the maximum monthly rents permitted under the contract due to the application of the appropriate annual adjustment factor (not utilizing the comparability study) to the difference of the contract rent less any debt service for the project.

(2) APPLICABILITY.—

(A) IN GENERAL.—Subsection (a) shall apply with respect to any use of comparability studies referred to in such subsection occurring before the effective date of the regulations issued under subsection (e).

(B) FINAL LITIGATION.—Subsection (a) shall not apply to any project with respect to which litigation regarding the authority of the Secretary to use comparability studies to limit rental adjustments under section 8(c)(2) of the United States Housing Act of 1937 has resulted in a judgment before the effective date of the regulations issued under subsection (e) that is final and not appealable (including any order of settlement).

(b) 3-YEAR PAYMENTS.—The Secretary shall provide the amounts under subsection (a) over the 3-year period beginning on the effective date of the regulations issued under subsection (e). The Secretary shall provide such amounts from amounts reserved for the original contract for such projects. There is authorized to appropriated such sums as may be necessary to provide any amounts under subsection (a) not covered by amounts described in the preceding sentence.

(c) COMPARABILITY STUDIES.—Section 8(c)(2)(C) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)(2)(C) is amended by inserting after the period at the end of the first sentence the following: "In carrying out the requirement of the preceding sentence, the Secretary may conduct studies regarding the comparability of rents only as provided under this subparagraph. The Secretary may conduct such studies upon the request of any owner of any project, or as the Secretary determines appropriate and shall establish an annual adjustment factor for such market area, as the Secretary shall designate, that is geographically smaller than the applicable housing area used for the establishment of the annual adjustment factor under subparagraph (A). The Secretary shall establish the annual adjustment factor under this subparagraph on the basis of the results of a study conducted by the Secretary of the rents charged, and any change in such rents over the previous year, for assisted units and unassisted units of similar quality and age in the smaller market area.".

(d) APPLICATION OF ANNUAL ADJUSTMENT FACTOR.—Section 8(c)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)(2)) is amended by inserting at the end the following new subparagraph:

"(D) For any project for which any amounts available to the owner that are in excess of operating expenses, debt service, and any reasonable reserve requirements exceed (i) in the case of a project for elderly tenants, 6 percent of the project equity, or (ii) in the case of a project for nonelderly tenants, 10 percent of project equity, the Secretary shall apply the annual adjustment factor to only the portion of the contract rent that does not include debt service.".

(e) REGULATIONS.—The Secretary shall issue regulations to carry out this section and the amendments made by this section. The Secretary shall issue such regulations not later than the expiration of the 180-day period beginning on the date of the enactment of this Act.

Subtitle C—Federal Housing Administration Reforms

SEC. 131. ANNUAL AUDITED FINANCIAL STATEMENTS.

Title V of the National Housing Act (as amended by the preceding provisions of this Act) is further amended by adding at the end the following new section:

"ANNUAL AUDITED FINANCIAL STATEMENTS

"SEC. 538. With respect to fiscal year 1989 and for every fiscal year thereafter, the Secretary shall make available to the public audited financial statements of the insurance funds established under this Act that will present their financial condition on a cash and accrual basis, consistent with generally accepted accounting principles. Each financial statement shall be prepared by an independent accounting firm selected by the Secretary.".

SEC. 132. ELIMINATION OF PRIVATE INVESTOR-OWNERS FROM SINGLE FAMILY MORTGAGE INSURANCE PROGRAM.

(a) RETENTION OF PUBLIC AND NONPROFIT INVESTOR OWNERS.—Section 203(g)(3) of the National Housing Act (12 U.S.C. 1709(g)(3)) is amended—

(1) in subparagraph (A), by striking the semicolon at the end and inserting the following: ", or any other State or local government or an agency thereof;"; and

(2) in subparagraph (B), by striking the semicolon at the end and inserting the following: ", or other private nonprofit organization that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and intends to sell or lease the mortgaged property to low or moderate-income persons, as determined by the Secretary;".

(b) ELIMINATION OF PRIVATE INVESTOR-OWNERS.—Section 203(g) of the National Housing Act (12 U.S.C. 1709(g)), as amended by subsection (a), is further amended—

(1) by striking paragraph (2); and

(2) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(c) APPLICABILITY.—The amendments made by this section shall apply only with respect to—

(1) mortgages insured—

(A) pursuant to a conditional commitment issued on or after the date of the enactment of this Act; or

(B) in accordance with the direct endorsement program, if the approved underwriter of the mortgagee signs the appraisal report for the property on or after the date of the enactment of this Act; and

(2) the approval of substitute mortgagors, if the original mortgagor was subject to such amendments.

(d) TRANSITION PROVISIONS.—Any mortgage insurance provided under title II of the National Housing Act, as it existed immediately before the date of the enactment of this Act, shall continue to be governed (to the extent applicable) by the provisions amended by subsections (a) and (b) as such

provisions existed immediately before such date.

SEC. 133. LIMITATION ON SECONDARY RESIDENCES IN SINGLE FAMILY MORTGAGE INSURANCE PROGRAM.

(a) LIMITATION ON SECONDARY RESIDENCES.—Section 203(g)(1) of the National Housing Act (12 U.S.C. 1709(g)(1)) is amended by inserting after the period at the end the following: "In making a determination with respect to the occupancy of secondary homes, the Secretary may not permit such occupancy unless the Secretary determines that it is necessary to avoid undue hardship to the mortgagor. In no event may a secondary residence under this subsection include a vacation home, as determined by the Secretary.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply only with respect to—

(1) mortgages insured—

(A) pursuant to a conditional commitment issued on or after the date of the enactment of this Act; or

(B) in accordance with the direct endorsement program, if the approved underwriter of the mortgagee signs the appraisal report for the property on or after the date of the enactment of this Act; and

(2) the approval of substitute mortgagors, if the original mortgagor was subject to such amendment.

(c) TRANSITION PROVISIONS.—Any mortgage insurance provided under title II of the National Housing Act, as it existed immediately before the date of the enactment of this Act, shall continue to be governed (to the extent applicable) by the provisions of section 203(g)(1) of the National Housing Act, as such provisions existed immediately before such date.

SEC. 134. CREDIT REVIEWS OF PERSONS ACQUIRING MORTGAGED PROPERTIES UNDER SINGLE FAMILY PROGRAM FOR LIFE OF MORTGAGE.

(a) IN GENERAL.—Section 203(r) of the National Housing Act (12 U.S.C. 1709(r)) is amended—

(1) by amending the first sentence to read as follows: "The Secretary shall take appropriate actions to reduce losses under the single-family mortgage insurance programs carried out under this title.";

(2) by amending paragraphs (2) and (3) to read as follows:

"(2) requiring that at least one person acquiring ownership of a one- to four-family residential property encumbered by a mortgage insured under this title be determined to be creditworthy, whether or not such person assumes personal liability under the mortgage (excluding acquisitions by devise or descent); and

"(3) in any case where personal liability under a mortgage is assumed, requiring that the original mortgagor be advised of the procedures by which he or she may be released from liability."; and

(3) inserting after the period at the end the following: "In order to ensure full compliance with the requirements under this subsection, the Secretary may require inclusion in each insured mortgage of a due-on-sale provision permitting the mortgagee to accelerate and require payment of the mortgage obligation. Any such due-on-sale provision shall not be subject to section 341(d)(6) of the Garn-St Germain Depository Institutions Act of 1982.".

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply only with respect to—

(1) mortgages insured—

(A) pursuant to a conditional commitment issued on or after the date of the enactment of this Act; or

(B) in accordance with the direct endorsement program, if the approved underwriter of the mortgage signs the appraisal report for the property on or after the date of the enactment of this Act; and

(2) the approval of substitute mortgagors, if the original mortgagor was subject to such amendments.

(c) TRANSITION PROVISIONS.—Any mortgage insurance provided under title II of the National Housing Act as it existed immediately before the date of the enactment of this Act, shall continue to be governed (to the extent applicable) by the provisions of section 203(r) of the National Housing Act, as such section existed immediately before such date.

SEC. 135. REPEAL OF TITLE X LAND DEVELOPMENT PROGRAM.

(a) REPEAL.—Title X of the National Housing Act (12 U.S.C. 1749 et seq.) is hereby repealed.

(b) APPLICABILITY.—On or after the date of enactment of this Act, no mortgage may be insured under title X, as such title existed immediately before such date, except pursuant to a commitment to insure made before such date.

(c) SAVINGS PROVISION.—Any contract of insurance entered into under title X before the date of enactment of this Act shall be governed by the provisions of such title as such title existed immediately before the such date.

(d) CONFORMING AMENDMENTS.—The National Housing Act (12 U.S.C. 1701 et seq.) is amended—

(1) in section 1, by striking "X," each place it appears;

(2) in section 212(a), by striking the seventh sentence;

(3) in section 512, by striking "X," in the first sentence;

(4) in section 522, by inserting ", as such title existed immediately before the date of the enactment of the Department of Housing and Urban Development Reform Act of 1989," after "title X of this Act"; and

(5) in section 530, by striking "X,".

SEC. 136. CIVIL MONEY PENALTIES FOR IMPROPER DEALER AND LOAN BROKER PARTICIPATION IN ORIGINATION OF PROPERTY IMPROVEMENT LOANS.

(a) IN GENERAL.—Section 2(b) of the National Housing Act (12 U.S.C. 1703(b)) is amended by adding at the end the following new paragraph:

"(7) With respect to the financing of alterations, repairs, and improvements to existing structures or the building of new structures as authorized under clause (i) of the first sentence of section 2(a), any loan broker (as defined by the Secretary) or any other party having a financial interest in the making of such a loan or advance of credit that in providing assistance to the borrower in preparing the loan application or otherwise assisting the borrower in obtaining the loan or advance of credit submits to any such financial institution or to the Secretary information that such broker or other interested party knew, or should have known, was false, shall be subject to a civil money penalty in the amount and manner provided under section 536 with respect to mortgagees and lenders under this Act.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply only with respect to—

(1) violations referred to in the amendment that occur on or after the date of the enactment of this Act; and

(2) in the case of a continuing violation (as determined by the Secretary of Housing and Urban Development), any portion of a violation referred to in the amendment that occurs on or after such date.

SEC. 137. NOTIFICATION REGARDING SUSPENDED MORTGAGEES.

Section 203 of the National Housing Act (12 U.S.C. 1709) is amended by adding at the end the following new subsection:

"(s) Whenever the Secretary has taken any action to suspend or revoke the approval of any mortgagee to participate in any mortgage insurance program under this title, the Secretary shall provide prompt notice of the action and a statement of the reasons for the action to—

"(1) the Secretary of Veterans Affairs;

"(2) the chief executive officer of the Federal National Mortgage Association;

"(3) the chief executive officer of the Federal Home Loan Mortgage Corporation;

"(4) the Administrator of the Farmers Home Administration;

"(5) if the mortgagee is a national bank or District bank, or a subsidiary or affiliate of such a bank, the Comptroller of the Currency;

"(6) if the mortgagee is a State bank that is a member of the Federal Reserve System or a subsidiary or affiliate of such a bank, or a bank holding company or a subsidiary or affiliate of such a company, the Board of Governors of the Federal Reserve System;

"(7) if the mortgagee is a State bank that is not a member of the Federal Reserve System or is a subsidiary or affiliate of such a bank, the Board of Directors of the Federal Deposit Insurance Corporation; and

"(8) if the mortgagee is a Federal or State savings association or a subsidiary or affiliate of a savings association, the Director of the Office of Thrift Supervision.".

SEC. 138. FHA FORECLOSED PROPERTIES.

(a) MAINTENANCE.—Section 204(a) of the National Housing Act (12 U.S.C. 1710(a)) is amended by inserting after the period at the end of the third sentence the following new sentence: "As a condition of the receipt of such benefits, the mortgagee shall maintain or assure the maintenance of the mortgaged property (in such manner as the Secretary shall by regulation provide) during the period beginning on the taking of the possession or other acquisition of the mortgaged property by the mortgagee and ending on conveyance to the Secretary or other disposition of the mortgaged property in accordance with this section, and funds expended by the mortgagee in meeting such obligation shall be included, to the extent provided in this subsection or in subsection (k), in debentures or other insurance payment pursuant to this section.".

(b) DISPOSITION OF PROPERTIES ON CREDIT TERMS.—Section 204(g) of the National Housing Act (12 U.S.C. 1710(g)) is amended by inserting after the period at the end of the first sentence the following new sentence: "The Secretary shall, by regulation, carry out a program of sales of such properties and shall develop and implement appropriate credit terms and standards to be used in carrying out the program.".

SEC. 139. REPORT REGARDING PROVIDING FORECLOSED PROPERTIES TO 1989 DISASTER VICTIMS.

(a) HUD.—

(1) STUDY.—The Secretary of Housing and Urban Development shall conduct a study

regarding the feasibility of making available, to low-income persons whose homes in areas declared by the President as disaster areas as a result of hurricane Hugo or the Loma Prieta earthquake during 1989 were destroyed by such disasters, any available properties (including multifamily properties) owned by the Secretary.

(2) REPORT.—The Secretary of Housing and Urban Development shall submit to the Congress, not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, a report regarding the results and conclusions of the study under paragraph (1), together with any recommendations for legislation regarding providing such property.

(b) FARMERS HOME ADMINISTRATION.—The Secretary of Agriculture shall conduct a study regarding the feasibility of making available, as provided in subsection (a)(1), any available properties (including multifamily properties) owned by the Secretary through the Farmers Home Administration and shall submit a report regarding such study as provided in subsection (a)(2).

(c) CONSULTATION.—The Secretary of Housing and Urban Development and the Secretary of Agriculture shall consult in conducting the studies under subsections (a) and (b) and may submit a single report meeting the requirements of subsections (a)(2) and (b).

SEC. 140. REPORT REGARDING ACTIONS TO IMPROVE DIRECT ENDORSEMENT PROGRAM.

(a) IN GENERAL.—With respect to the direct endorsement program in connection with single-family mortgage insurance under title II of the National Housing Act, the Secretary shall submit to the Congress a report describing any actions the Secretary determines are necessary to take, to—

(1) improve monitoring and supervision under the program;

(2) reduce defaults under the program; and

(3) decrease the potential for fraud under the program.

(b) TIME OF SUBMISSION.—The Secretary shall submit the report under subsection (a) to the Congress not later than the expiration of the 6-month period beginning on the date of the enactment of this Act.

TITLE II—EMERGENCY LOW INCOME HOUSING PRESERVATION

SEC. 201. EXTENSION OF PREPAYMENT MORATORIUM.

Section 203(a) of the Housing and Community Development Act of 1987 (12 U.S.C. 1715*l* note) is amended by striking "the expiration of the 2-year period beginning on the date of the enactment of this Act" and inserting "September 30, 1990".

SEC. 202. APPLICABILITY TO VOLUNTARY TERMINATION OF INSURANCE.

(a) PRIOR APPROVAL OF PLAN OF ACTION.—Section 221(a) of the Housing and Community Development Act of 1987 (12 U.S.C. 1715*l* note) is amended by adding at the end the following new sentence: "An insurance contract with respect to eligible low income housing may be terminated pursuant to section 229 of the National Housing Act only in accordance with a plan of action approved by the Secretary under this subtitle.".

(b) ALTERNATIVE PREPAYMENT MORATORIUM.—Section 221(b) of the Housing and Community Development Act of 1987 (12 U.S.C. 1715*l* note) is amended—

(A) by striking the first comma and inserting "(1)"; and

(B) by inserting before the period at the end the following: "; and (2) an insurance contract with respect to eligible low income housing located in the geographic area subject to the jurisdiction of such court may not be terminated pursuant to section 229 of the National Housing Act during the 2-year period following the date of such invalidation".

(c) NOTICE OF INTENT.—The first sentence of section 222 of the Housing and Community Development Act of 1987 (12 U.S.C. 1715*l* note) is amended by inserting after "agreement" the following: ", or requesting termination of the insurance contract pursuant to section 229 of the National Housing Act,".

(d) CONFORMING AMENDMENTS.—

(1) SECTION 229.—Section 229 of the National Housing Act (12 U.S.C. 1715t) is amended by inserting after the first sentence the following new sentence: "Any termination of insurance pursuant to this section shall be subject to the restrictions set forth in subtitle B of the Emergency Low Income Housing Preservation Act of 1987.".

(2) DEFINITION OF ELIGIBLE LOW INCOME HOUSING.—Subparagraph (B) of section 233(1) of the Housing and Community Development Act of 1987 (12 U.S.C. 1715*l* note) is amended to read as follows:

"(B) that—

"(i) under regulation or contract in effect before the date of the enactment of this Act, is or will within 1 year become eligible for prepayment without prior approval of the Secretary; or

"(ii) is eligible for voluntary prepayment with or without prior approval of the Secretary under section 229 of the National Housing Act.".

SEC. 203. PROHIBITION ON PREPAYMENT OF NEW RURAL HOUSING LOANS.

(a) IN GENERAL.—Section 502(c)(1) of the Housing Act of 1949 (42 U.S.C. 1472(c)(1)) is amended—

(1) by inserting "(A)" after "(c)(1)";

(2) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively; and

(3) by adding at the end the following new subparagraph:

"(B) The Secretary may not accept an offer to prepay, or request refinancing in accordance with subsection (b)(3) of, any loan made or insured under section 514 or 515 pursuant to a contract entered into on or after the date of the enactment of the Department of Housing and Urban Development Reform Act of 1989.".

(b) CONFORMING AMENDMENT.—Section 502(c)(1) of the Housing Act of 1949 (42 U.S.C. 1472(c)(1)) is amended—

(1) by striking "after the date of enactment of this subsection," and inserting the following: "after December 21, 1979, but before the date of the enactment of the Department of Housing and Urban Development Reform Act of 1989,"; and

(2) by striking "after the date of enactment of this subsection and" and inserting the following: "after December 21, 1979, but before the date of the enactment of the Department of Housing and Urban Development Reform Act of 1989, and".

SEC. 204. EQUITY TAKEOUT INCENTIVE FOR NEW RURAL HOUSING LOANS.

Section 515 of the Housing Act of 1949 (42 U.S.C. 1485), as amended by the preceding provisions of this Act, is amended by adding at the end the following new subsection:

"(u) EQUITY TAKEOUT LOANS.—

"(1) AUTHORITY.—With respect to a loan made or insured under subsection (a) or (b), the Secretary may guarantee an equity loan (in the form of a supplemental loan) to the owner of housing financed with such a loan (under subsection (a) or (b)) made or insured pursuant to a contract entered into after the date of the enactment of the Department of Housing and Urban Development Reform Act of 1989, for the purpose of an equity takeout, subject to this subsection.

"(2) TIMING.—The Secretary shall provide for the guarantee of an equity loan under this subsection upon the expiration of the 20-year period beginning on the date that the loan under this section was made or insured, as the Secretary shall provide.

"(3) AMOUNT OF TAKEOUT.—A equity loan under this subsection may not exceed the lesser of—

"(A) 90 percent of the appraised value of the project, such appraised value being the value determined by 1 of 2 appraisals (as the Secretary and owner shall agree), 1 secured by the Secretary and 1 secured by the owner, or if the difference between the 2 appraisals is more than 5 percent, such appraised value being the value determined by a third appraisal conducted by an appraiser agreed to by the owner and the Secretary; or

"(B) 75 percent of the value of the equity in the project, as determined by the Secretary with annual adjustments for inflation (each such adjustment not to exceed 5 percent).

"(4) RESERVE ACCOUNT PAYMENTS.—For each loan made or insured under subsection (a) or (b) pursuant to a contract entered into after the date of the enactment of the Department of Housing and Urban Development Reform Act of 1989, the owner shall pay to the Secretary annually, as provided by the Secretary, a payment of $2 for each dwelling unit in the project. The payment under this paragraph may not be required of any owner after the making and guarantee of an equity loan under this subsection.

"(5) RESERVE ACCOUNT.—

"(A) The Secretary shall establish an account for each owner making payments under paragraph (4) that shall be credited with any amounts collected under paragraph (4). Upon the making and guarantee of an equity loan under this subsection, the Secretary shall provide for annual payments for the project on behalf of low income families or persons in the project from amounts in the account (subject to the limitation in subparagraph (B)). Payments shall be made for the purpose of maintaining the affordability of the project for such families and persons.

"(B) Any amounts in the account under this paragraph in excess of the amount determined under paragraph (3) shall, upon the making and guarantee of an equity loan under paragraph (1), be credited to the miscellaneous receipts of the Treasury.

"(C) The Secretary shall make payments from accounts under this paragraph only to the extent provided in appropriation Acts.

"(6) REAMORTIZATION.—In connection with the guarantee of an equity loan under this subsection, the Secretary may reamortize the loan made under subsection (a) or (b).".

TITLE III—HOUSING PROGRAM EXTENSIONS AND CHANGES

SEC. 301. REFORM OF MODERATE REHABILITATION PROGRAM.

Section 8(e)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(e)(2)) is amended—

(1) by striking the period at the end of the first sentence and inserting the following: ", and which shall involve a minimum expend-

iture of $3,000 for a unit, including its prorated share of work to be accomplished on common areas or systems.";

(2) by inserting after the period at the end the following new sentence: "In order to maximize the availability of low-income housing, in providing assistance under this paragraph, the Secretary shall include in any calculation or determination regarding the amount of the assistance to be made available the extent to which any proceeds are available from any tax credits provided under section 42 of the Internal Revenue Code of 1986 (or from any syndication of such credits) with respect to the housing."; and

(3) by inserting after the period at the end (as inserted by paragraph (2)) the following: "For each fiscal year, the Secretary may not provide assistance pursuant to this paragraph to any project for rehabilitation of more than 100 units. Assistance pursuant to this paragraph shall be allocated according to the formula established pursuant to section 213(d) of the Housing and Community Development Act of 1974, and awarded pursuant to a competition under such section. The Secretary shall maintain a single listing of any assistance provided pursuant to this paragraph, which shall include a statement identifying the owner and location of the project to which assistance was made, the amount of the assistance, and the number of units assisted.".

SEC. 302. FLEXIBLE SUBSIDY PROGRAM.

Section 236(f)(3) of the National Housing Act (12 U.S.C. 1715z-1(f)(3)) is amended by striking "September 30, 1989" and inserting "September 30, 1991".

SEC. 303. SECTION 235 HOMEOWNERSHIP.

(a) ASSISTANCE PAYMENTS AUTHORITY.—Section 235(h)(1) of the National Housing Act (12 U.S.C. 1715z(h)(1)) is amended by striking "September 30, 1989" in the last sentence and inserting "September 30, 1991".

(b) INSURANCE AUTHORITY.—Section 235(m) of the National Housing Act (12 U.S.C. 1715z(m)) is amended by striking "September 30, 1989" and inserting "September 30, 1991".

(c) HOUSING STIMULUS AUTHORITY.—Section 235(q)(1) of the National Housing Act (12 U.S.C. 1715z(q)(1)) is amended by striking "September 30, 1989" in the last sentence and inserting "September 30, 1991".

(d) EXTENSION OF PROGRAM.—Section 401 of the Housing and Community Development Act of 1987 is amended by striking subsection (d).

SEC. 304. CONTINUATION OF PUBLIC HOUSING ECONOMIC RENT.

Section 3(a)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(2)) is amended—

(1) in subparagraph (A)—

(A) by striking "(A)"; and

(B) by striking "for not more than a 3-year period"; and

(2) by striking subparagraph (B).

SEC. 305. INDIAN TRIBES AS COMMUNITY DEVELOPMENT ENTITLEMENT COMMUNITIES.

(a) ELIMINATION FROM DEFINITION OF NONENTITLEMENT AREAS.—Section 102(a)(7) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(7)) is amended by striking the period at the end and inserting the following: "and does not include Indian tribes.".

(b) ALLOCATION.—Section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5305) is amended—

(1) in subsection (a)—

(A) by inserting "and Indian tribes" before the period at the end of the first sentence; and

(B) by striking the period at the end and inserting the following: "Indian tribes shall receive grants from such allocation pursuant to subsection (b)(7).";

(2) in subsection (b)(1), by striking "The" and inserting "After taking into account the set-aside for Indian tribes under paragraph (7), the";

(3) in subsection (b)(2), by striking "The" and inserting "After taking into account the set-aside for Indian tribes under paragraph (7), the";

(4) in subsection (b), by adding at the end the following new paragraph:

"(7)(A) For each fiscal year, the Secretary shall reserve for grants to Indian tribes, from amounts approved in appropriation Acts under section 103 for grants for the year under subsection (a), not more than 1 percent of the amounts appropriated under such section.

"(B) The Secretary shall provide for distribution of amounts under this paragraph to Indian tribes on the basis of a competition conducted pursuant to specific criteria for the selection of Indian tribes to receive such amounts. The criteria shall be contained in a regulation promulgated by the Secretary after notice and public comment."; and

(5) in subsection (d), by striking paragraph (4).

(c) OFFICE OF INDIAN AND ALASKA NATIVE PROGRAMS.—The Secretary of Housing and Urban Development shall administer grants to Indian tribes under title I of the Housing and Community Development Act of 1974 through the Office of Indian and Alaska Native Programs of the Department of Housing and Urban Development.

(d) REGULATIONS.—The Secretary shall issue any regulations necessary to carry out this section and the amendments made by this section in a manner and by such time to provide for the effectiveness of such regulations with respect to amounts appropriated for fiscal year 1991 under section 103 of the Housing and Community Development Act of 1974.

(e) APPLICABILITY.—The amendments made by this section shall apply to amounts approved in any appropriation Act under section 103 of the Housing and Community Development Act of 1974 for fiscal year 1991 and each fiscal year thereafter.

The SPEAKER pro tempore. Is a second demanded?

Mr. WYLIE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. GONZALEZ] will be recognized for 20 minutes, and the gentleman from Ohio [Mr. WYLIE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I ask the House to pass H.R. 1, the Department of Housing and Urban Development Reform Act of 1989, which contains vitally needed provisions designed to reform practices that led to fraud and abuse at HUD and several other provisions, including an extension until September 30, 1990, of the prepayment moratorium provisions contained in the 1987 Housing Act. This bill represents the efforts put forth by our Housing Subcommittee members, particularly Representatives SCHUMER, FRANK, MORRISON, and KANJORSKI who have each contributed a great deal to this bill. Provisions have been added from legislation contained in H.R. 3191 and H.R. 3391 introduced by Representative SCHUMER. H.R. 3377, introduced by Representative ROUKEMA and H.R. 3145, introduced by Representative KANJORSKI. This bill would not have been possible without the extensive cooperation of the ranking member of the full committee, CHALMERS WYLIE, and the ranking minority member of the subcommittee, MARGE ROUKEMA. Both were indispensable to this effort.

We are on the floor today to take up one part of the comprehensive housing authorization package the subcommittee developed in H.R. 1180—the HUD reform provisions—because of the tight timeframe before we recess this year. I fully expect to take up the other portions of H.R. 1180 before the House during the 101st Congress. I believe that the bill before the House today allows us to get the HUD scandals behind us and to get to the consideration of the more fundamental programmatic housing and community development reauthorization provisions.

It must be clear that the provisions relating to the cleaning up of fraud and abuse at HUD can be done for the most part administratively without legislation. In this bill, however, we have put these administrative provisions in the statute in order to assure that future HUD administrations will be bound by statute instead of administrative regulation insofar as influence peddling and similar abuses are concerned.

The House should take great pride in the fact that the Housing Subcommittee spotted the problems at HUD early on in 1981, the first year long before the dreary story we read recently. This bill is a culmination of efforts that began in 1984 when I first raised the need to investigate widespread complaints about officials and former officials abusing the HUD programs.

H.R. 1 was marked up and reported out by the Housing Subcommittee on Thursday, November 9, 1989, by voice vote. The Housing Subcommittee recognizes the need to pass these HUD reform provisions in as expeditious a fashion as possible. Given the fact that the Congress received the Bush administration's HUD reform provisions on October 30, 1989, I believe the Housing Subcommittee has met this

legislative challenge. We are now hopeful that the Senate will consider this legislation as expeditiously as the House has done.

H.R. 1 contains three titles. Title I contains reforms to the Department of Housing and Urban Development including HUD ethics, management and Federal Housing Administration [FHA] reforms.

Title I includes various provisions designed to reform practices that led to fraud and abuse at HUD including: A proposal to institute fair and open competition for Federal housing funds; a proposal to require all consultants doing business with HUD to register with the Department and to fully disclose their fees; a requirement that all regulatory waivers be published in the Federal Register; a proposal to establish a chief financial officer at HUD to oversee the financial management of programs; and proposals to restore financial soundness to the FHA mortgage insurance programs, including the termination of high-risk programs of land development and vacation homes.

Title II contains provisions relating to emergency low-income housing preservation including the extension of the prepayment moratorium until September 30, 1990, applies the prepayment requirements to the voluntary termination of insurance, prohibits prepayment of rural housing loans, and provides equity takeout incentives for new rural housing loans. We always intended that the 1987 Preservation Act was applicable to any termination of low-income occupancy use restrictions, by whatever means, including the termination of mortgage insurance, changes in the regulatory agreement or prepayment of the mortgage. We are aware that several such terminations have occurred and it is the Congress' position that they are contrary to the act. This amendment was necessary only to clarify what was intended by the passage of the original 1987 Housing Act.

Title III provides various reforms of the section 8 Moderate Rehabilitation Program, extends the flexible subsidy program through fiscal year 1991, extends the section 235 homeownership through fiscal year 1991, and eliminates the 3-year restriction of the availability of economic rents for public housing tenants.

The Housing Subcommittee has deleted the provisions on the Inspection General originally included in the subcommittee print of the bill. This was done to afford the committee of jurisdiction, the House Government Operations Committee, an opportunity to review the role of the Inspector General's Office in hearings it plans to hold soon. We have also clarified any concerns that the House Judiciary Committee had on provisions contained in title I of the bill. Finally, we have included the revision of the Indian CDBG Program so that this program is no longer funded through the Secretary's discretionary fund.

I ask that the House pass H.R. 1, the HUD Reform Act of 1989.

SUMMARY OF H.R. 1, THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT REFORM ACT OF 1989

On Thursday, November 9, 1989, the House Housing Subcommittee by voice vote reported out H.R. 1, the HUD Reform Act of 1989, which contains provisions that statutorily mandate certain reforms of the Department of Housing and Urban Development (HUD). In addition to programmatic revisions, provisions are also included such as Section 8 Moderate Rehabilitation Program improvements and an extension until September 30, 1990, of the prepayment provisions contained in Title II, Preservation of Low Income Housing provisions of the 1987 Housing Act (P.L. 100-242).

TITLE I—REFORMS TO HUD

Subtitle A—HUD Ethics—would require HUD to allocate housing assistance on a formula basis contained in regulation taking into account (1) relative needs of States, areas and communities, (2) population, poverty, and housing conditions, and (3) program characteristics. The Subtitle would require public announcement of HUD funding decisions and housing assistance allocations, prohibit advance disclosure of funding decisions, and provide civil money penalties for any violations, would require HUD to consider low-income tax credits in calculating HUD assistance. The Subtitle would reform the HUD headquarters reserve for housing assistance, the CDBG discretionary fund, and revises the Indian CDBG Program so that it is operated through the Office of Indian Housing and no longer under the CDBG Secretary's Discretionary Fund; and defines CDBG technical assistance. HUD would be required to submit program regulations in writing and notify the public in the Federal Register of any waiver of regulations. The Subtitle would impose civil money penalties for violations due to fraudulent practices by HUD-approved mortgagees and Title I lenders, multifamily mortgagors, Sec. 202 mortgagors, GNMA mortgage-backed security issuers and for violations by land developers under the Interstate Land Sales Full Disclosure Act. HUD consultants and lobbyists would be required to register with HUD, report fees for services rendered and would be subject to civil penalties per violation of these requirements. Program applicants would also be required to maintain records and file information annually on the use of consultants and lobbyists.

Subtitle B—HUD Management Reform—would establish a HUD Chief Financial Officer, a Federal Housing Administration (FHA) Comptroller and would expedite HUD rulemaking by changing Congressional review of rulemaking to 15 calendar days and requiring that HUD rules be published within 30 calendar days. The Subtitle would increase from 60 percent to 75 percent the percentage of Community Development Block Grant (CDBG) program assistance that must be used to benefit low and moderate income persons. The Subtitle would authorize up to $25 million in FY 1991 for HUD program evaluation and monitoring and authorize HUD to refinance Sec. 235 mortgages and to use any recaptured funds for FHA monitoring. The Subtitle would provide sanctions for improper conveyances under the Sec. 810 Urban Homesteading Program and would provide modification to the HUD calculations of annual adjustments factors for Sec. 8 new construction and substantial rehabilitation rents.

Subtitle C—Federal Housing Administration (FHA) Reforms—would require HUD to have annual audited FHA financial statements, eliminate private investor-owners from the FHA Single-Family Mortgage Insurance Program, limit the insuring of secondary residences under the FHA program, require credit reviews on all FHA assumptions, and repeal the Title X Land Development Program. The Subtitle would impose civil money penalties for improper dealer and loan broker participation in originating Title I Property Improvement Loans, require HUD to notify other appropriate federal agencies and secondary mortgage market institutions when mortgagees are suspended under an FHA Insurance Program. The Subtitle would require mortgagees to maintain foreclosed FHA properties until the properties are conveyed, require HUD to report on the feasibility of making FHA foreclosed homes available to disaster victims, and require HUD to submit to Congress a report on monitoring and supervision under the FHA Direct Endorsement Program within 6 months of the enactment date.

Title II—Emergency Low Income Housing Preservation—would also (1) extend through FY 1990 the prepayment provisions contained in Title II, Preservation of Low Income Housing provisions of the 1987 Housing Act (P.L. 100-628); (2) apply the prepayment provisions of the 1987 Housing Act to the voluntary termination of insurance contracts; (3) prohibit the prepayment of Sec. 514 and 515 rural housing loans insured or made after the enactment date; and (4) authorize to guarantee loans for equity takeout for rural housing loans to avoid prepayment.

Title III—Housing Program Extensions and Changes—would (1) provide various programmatic reforms of the Sec. 8 Moderate Rehabilitation Program; (2) authorize the use of excess Sec. 236 funds for the Flexible Subsidy Program; (3) extend the Sec. 235 Homeownership Program through FY 1991; and (4) eliminate the 3-year restriction on the availability of economic rents for public housing tenants.

H.R. 1—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT REFORM ACT OF 1989

Sec. 1. Short title and table of contents.

TITLE I—REFORMS TO DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Subtitle A—Ethics

Sec. 101. Fund Allocation by Formula and Competition. Amends Section 213(d)(1) of the Housing and Community Development Act of 1974 which requires all public and Indian housing development, Section 8, Section 202, Section 235 and Section 236 assistance to be allocated through a "fair share" formula. The formula must be based on the needs of different states, areas, and communities as reflected by population, poverty, housing overcrowding, housing vacancies, substandard housing and other criteria. The Department is required to develop formulas that take into account the unique characteristics, objectives, and eligibility requirements of each program for which a formula is developed. Formula allocation requirements do not apply to assistance that the Secretary determines incapable of geographic allocation, including existing con-

tract amendments, contract renewals, assistance to families affected by prepayment, displacement assistance, and property disposition and loan management assistance.

To the maximum extent possible, allocations must be made to the smallest practicable area. Allocations to an area that are not likely to be used in a fiscal year cannot be reallocated to another state unless the Secretary determines that other eligible areas in the same state cannot use the allocations.

Allocations to specific recipient can only be made after formula allocations and according to specific and public competition criteria. The Department is required, to the maximum extent practicable, to time funding allocations at similar times and frequencies for each fiscal year.

Sec. 102. Public notice of funding decisions. Requires all grants, loans or other assistance decisions to be published at least quarterly in the Federal Register. Notices must include the name and address of each recipient, the project or activity name, the dollar amount of assistance and the law, regulation or other criteria under which the assistance was made. Requires "fair share" allocations to be published annually. Requires documentation of the basis for decisions.

Sec. 103. Information disclosure. Prohibits applicants, their employees, and consultants from knowingly soliciting information regarding the selection process under any grant, loan guarantee, direct loan or other assistance program that requires competitive selection. Prohibits Department officials from knowingly disclosing selection information to persons other than those authorized by the Secretary. Information subject to the prohibition includes information found in any application, about the Secretary's decision, or confidential information. The prohibition does not apply to mortgage insurance or to information regarding actual program requirements or the timing when a decision will be made.

If the Secretary reasonably concludes that a violation has occurred, the Secretary may terminate the selection process involved, rescind a funding decision, impose sanctions on the violating applicant, and determine whether to permit the applicant to continue participating in the program.

The Secretary may impose a civil money penalty of up to $10,000 on Department employees who violate prohibitions. The Secretary must establish procedures for imposing penalties. Employees have an opportunity for a hearing on the record and may appeal decisions to the appropriate U.S. court of appeals.

Department employees, applicants, or consultants who wilfully violate prohibitions are subject to criminal penalties, including 5 years imprisonment, fines, or both.

Sec. 104. Consideration of Tax Credits in Awarding Housing Assistance. In calculating the amount of assistance to be provided to any housing, the Secretary must consider the extent to which tax credits are provided under Section 42 of the 1986 IRS Code.

Sec. 105. Reform Headquarters Reserve. Amends Sec. 214(d)(4) of the 1974 Act to permit up to 5 percent of assistance available for allocation under the fair share formula to be reserved for the Headquarters Reserve. Only four categories are eligible for funding under the Headquarters Reserve: unforeseen housing needs due to disasters; housing needs due to emergencies other than disasters; housing needs due to settlement of litigation; and housing to support desegregation efforts. Unused amounts must return to program budgets in the following fiscal years. Effective FY 1991 and applicable to the Indian public housing program.

Sec. 106. Reform of CDBG Discretionary Fund. Amends Sec. 107 of the 1974 Act by replacing the Discretionary Fund under CDBG with Special Purpose Grants. New Communities, Indian Tribes, and Special Project grant authority are eliminated. Special Purpose Grants may be used for territories and trusts, for correcting CDBG allocation errors, for historically Black colleges, and for technical assistance to States, local governments, Indian tribes or community planning organizations. Technical assistance is defined as facilitating the skills for planning, developing, and administering eligible CDBG activities, including assessing programs.

CDBG grantees must give public notice of the availability of technical assistance funding and establish and publish criteria for awarding technical assistance. The Secretary must award technical assistance grants according to criteria that are published together with notices of the availability of technical assistance grants. Criteria must be established in regulation.

Sec. 107. Regulation and Handbook Waivers. Requires that approval of a regulation waiver be in writing, specifying the grounds for approval. Waivers must be made by the Secretary, Assistant Secretary, or equivalent level staff authorized to issue waivers. Waivers must: be published in the Federal Register; identify the activity; describe the regulation waived; identify the official approving the waiver; describe the grounds for approval; and state how to obtain more information on the waiver. Handbook waivers must be in writing, specify the grounds for approval, and be maintained and available for public inspection for three years.

Sec. 108. Civil Money Penalties on Mortgagees and Lenders. Amends Title V of the National Housing Act to authorize the Secretary, other HUD officials, or the Mortgagee Review Board to impose civil money penalties on HUD-approved mortgagees and Title I lenders for the following violations of FHA program requirements: (1) transfers of a mortgage to a mortgagee not approved by HUD; (2) transfer of a Title I loan to a lender that does not have a valid insurance contract with HUD; (3) failure to properly segregate escrow funds and use of these funds for purposes other than that which they were received; (4) violation of any contract with HUD; (5) submission of false information, or falsely certifying, to HUD; (6) knowingly hiring an individual suspended or debarred from HUD programs; or (7) any other written program requirements.

The penalty is $5,000 per violation with a $1 million cap per violator. An opportunity is provided for an administrative hearing on the record and judicial review by a U.S. court of appeals. In certain cases, the Secretary is required to notify the Attorney General.

Sec. 109. Civil Money Penalties on Multifamily Mortgagors. The Secretary may impose civil money penalties against mortgagors of properties that have five or more living units and have mortgages insured, coinsured or held under the National Housing Act. Penalties may be imposed for violations of (A) an agreement entered into as a condition of transfer or physical assets, a flexible subsidy loan, a capital improvement loan, a modification of the mortgage terms or a work-out agreement; or (B) the regulatory agreement executed by the mortgagor. The maximum penalty for violations under (A) could not exceed the loss HUD would experience at a foreclosure sale, or a sale after foreclosure. Penalties under (B) would be capped at $25,000 for each violation. An opportunity is provided for an administrative law hearing on the record and judicial review by a U.S. court of appeals.

Sec. 110. Civil Money Penalties Against Section 202 Mortgagors. Adds a section to Title II of the Housing Act of 1959 providing civil penalties against mortgagors of Sec. 202 elderly/handicapped housing. The Secretary may impose civil penalties against mortagors who fail to use non-project income for mortgage payments, rehabilitation payments or other payments, when such payments are a condition of a change in the mortgage terms, a work-out agreement, a flexible subsidy loan, a capital improvement loan, or an agreement to transfer physical assets. The penalty may not exceed the amount of the loss the Secretary would incur at or after a foreclosure sale.

The Secretary may also impose civil money penalties for violations of the regulatory agreement. Such violations include: transferring the property without the Secretary's written approval; physically modifying or demolishing the property without the Secretary's approval; requiring tenants to deposit more than 2 months rent; failure to maintain the property, records, and other items in a condition ready for audit; failure to furnish an annual financial report within 60 days of the end of each fiscal year; and failure to make prompt payments. The penalty may not exceed $25,000 per violation. Penalties are deposited in the Sec. 202 mortgage insurance fund. A hearing on the record is provided with appeal to the appropriate U.S. court of appeals.

Sec. 111. Civil Money Penalties for GNMA Issuers. Amends Title III of the National Housing Act to authorize the Secretary to penalize GNMA mortgage-backed security issuers or GNMA custodians for the following violations: (1) failure to make timely payments; (2) failure to properly segregate cash flow from mortgages; (3) improper use of escrows; (4) transfesr of pool servicing to an issuer not approved by GNMA; (5) failure to maintain minimum net worth; (6) failure to notify GNMA of a change in business status; (7) submission of false information or false certification to GNMA; (8) knowingly hiring an individual suspended or debarred from HUD programs; (9) violation of any contract with GNMA; (10) failure to comply with any other program requirements.

Penalty is $5,000 per violation with a maximum of $1 million per violator. An opportunity is provided for an administrative hearing on the record with judicial review by a U.S. court of appeals.

Sec. 112. Civil Money Penalties for Violations of the Interstate Land Sales Full Disclosure Act. Amends Sec. 1418 of the Interstate Land Sales Full Disclosure Act to authorize HUD to impose civil money penalties against land developers for violations of the Act which relate to: the failure to register non-exempt subdivisisons; the failure to provide full and accurate disclosure to consumers; and the use of deception, misrepresentation, or fraud in the promotion and sale of properties. The penalities are $1,000 per violation, up to $1 million per year per violator. Provides for administrative hearing on the record and judicial review under the existing provisions of the Interstate Lands Sales Full Disclosure Act.

Sec. 113. Consultant Reforms. Adds a new section to the Dept. of HUD Act. Funding applicants must maintain records for 2 years of consultants and individuals hired to influence the Department and the fees paid for such services. Applicants must file information with the Secretary at the beginning of each calendar year. Requirements apply to expenditures over $10,000 per year. The Secretary must keep records available for inspection for 2 years and publish the information in the Federal Register after the end of the calendar year.

Any person being hired to influence any award or financial assistance must register with the Secretary within 14 days of being retained by an applicant and disclose who retained them. Consultants and lobbyists must dislose if they have been employed with the Federal Government during the prior 2 year period. Consultants and lobbyists must report fees received and expended to perform services and for what purposes if all such fees exceed $10,000 per year.

Failure on the part of applicants or consultants to abide by these provisions may result in a civil penalty of up to $10,000 per violation or the amount in fees received. Violators have an opportunity for an administrative hearing on the record and may appeal to the appropriate U.S. court of appeals.

Consultants who are fined are barred from being paid to perform services for any applicant for 3 years after receiving a penalty. Violating this provision is a felony, subject to fines and/or imprisonment for up to 5 years.

Subtitle B—Management reform

Sec. 121. Appoints a Chief Financial Officer to advise the Secretary, implement a financial management system, supervise financial operations, assist in executing the Department's budget, and issue policies regarding the financial management of the Department.

Sec. 122. Establishes the Federal Housing Administration Comptroller, responsible for overseeing the financial operations of the FHA.

Sec. 123. Expedited Rulemaking. Amends Section 7(o) congressional review procedures by changing Banking Committee review period to 15 calendar days in which to review a proposed rule before it is published. Rules could not be final until 30 calendar days after publication.

Sec. 124. Program Evaluation and Monitoring. Adds a subsection to Sec. 7 of the HUD Act to authorize $25 million for FY 1991 for evaluating and monitoring the following programs: Sec. 8 public and Indian housing, Sec. 202, Sec. 106 nonprofit sponsor assistance, Fair Housing, CDBG, Urban Homesteading, Flexibile Subsidy, Congregate Housing Services, Public Housing Childcare Grants, Fair Housing Initiatives Program, and McKinney homeless assistance.

No more than 50 percent of evaluationm authority may be used for grants, contracts or interagency agreements. Amounts not used for grants, contracts or interagency agreements must be used to increase the Department's own monitoring and evaluation abilities. In conducting evaluations, the Secretary must assess the need for additional staff and funding for evaluation and monitoring. The Secretary must report to Congress the funds used for evaluation, an analysis of the ability of the Department to evaluate and monitor programs, and a statement of any staff or funding needs.

Sec. 125. CDBG targeting. Under Sec. 104(b)(3), grantees must target 75 percent of CDBG funds to benefit low/moderate-income persons. (This is an increase from 60 percent.)

Sec. 126. Section 235 Refinancing. Authorizes HUD to insure mortgages resulting from the refinancing of Section 235 mortgages. Authorizes assistance payment contracts for refinanced mortgages. Excess recaptured funds to be used for FHA monitoring.

Sec. 127. Sanctions for Improper Conveyance under Urban Homesteading. Amends Sec. 810 of the 1974 Act to authorize the Secretary to take actions upon determining that property assisted through the urban homesteading program has been conveyed or used contrary to program requirements. The Secretary may impose a penalty not less than the profit realized from the conveyance or contrary use. The Secretary may revoke conveyance unless it is found that the owner has complied with program requirements.

Sec. 128. Section 8 Annual Adjustment Factors. In determining Sec. 8 contract rent adjustments for Sec. 8 new construction or substantial rehabilitation owners: where such rents were reduced or not adjusted upward by the application of the automatic annual adjustment factor, the Secretary shall make rental adjustments by applying the appropriate annual adjustment factor to the contract rent of the project unit, minus the debt service of the unit. This procedure applies to projects where the reductions or less than full adjustments were applied prior to the effective date of regulations to implement this section.

For annual contract adjustments after enactment, the owner may request or the Secretary may establish an annual adjustment factor for a submarket area based on a comparability study of rents charged in assisted and unassisted units of similar quality and age in the submarket area.

In the future, in projects where HUD has verified that project profits are in excess of 6 percent return on equity for an elderly project and 10 percent return on equity for a family project, the appropriate annual adjustment factor shall be applied to the contract rent of the Sec. 8 project minus debt service. Regulations shall be issued within 180 days of enactment. The plaintiffs covered by the 9th Circuit Court decision in *Rainier View Associates* v. *the U.S.* are not affected by these changes.

Subtitle C—FHA reform

Sec. 131. FHA Financial Statements. Requires HUD to prepare and make available annual audited financial statements of the FHA funds. Statements will be prepared by an independent accounting firm.

Sec. 132. Elimination of FHA Private Investors. Amends Sec. 203(g)(3) of the National Housing Act. Eliminates private investor-owners from participation in the FHA single-family insurance programs. Non-profit housing providers and state and local housing finance agencies may continue to participate. Amendment only affects mortgages insured after date of enactment.

Sec. 133. Limitation on Second Residences. Amends Sec. 203(g)(1) of the National Housing Act to limit FHA authority to insure secondary residences such as vacation homes. Permissible cases include situations where the mortgagor is required to move but is unable to sell the first home or where seasonal employment requires two residences.

Sec. 134. Credit Checks on FHA Assumptions. Amends Sec. 203(r) of the National Housing Act to require lenders to undertake a credit check of any person seeking to acquire an FHA-insured single-family property. If the assumptor takes on liability, the original mortgagor must be informed how to be released from liability. The Secretary may include a due-on-sale clause in any FHA single-family mortgage in order to accelerate mortgage payment only if the credit check is not properly undertaken.

Sec. 135. Repeals Title X land development insurance program under the National Housing Act.

Sec. 136. Civil Money Penalties in Title I Program. Sec. 2(b) of the National Housing Act is amended to authorize the Secretary to impose civil money penalties on individuals who have a financial interest in Title I home improvement loans, who assist borrowers in applying for such loans, and knowingly submit false information to lenders or the Secretary regarding such applications. Civil penalties are the same as those that apply to mortgagees and lenders under Section 118 above ($5,000 per violation up to $1 million).

Sec. 137. Notification Regarding Suspended Mortgagees. Amends Sec. 203 of the National Housing Act that upon suspending a mortgagor from a mortgage insurance program, the Secretary must notify the Veterans Administration, the Federal National Mortgage Association, The Federal Home Loan Mortgage Corporation, the Farmers Home Administration and the appropriate regulatory agency that oversees the type of financial institution suspended.

Sec. 138. FHA Foreclosed Properties. Amends Sec. 204(a) of the National Housing Act requiring mortgagees to properly maintain foreclosed FHA properties until properties are conveyed to FHA or otherwise disposed of.

Sec. 139. Report on Foreclosed Properties to Disaster Victims. The Secretaries of HUD and FmHA must study and report to Congress the feasibility of making available properties owned by the Secretaries to low-income persons whose homes in declared disaster areas were destroyed by hurricane Hugo or the Loma Prieta earthquake. The report is due within 90 days of enactment, containing conclusions and any legislative recommendations for providing the properties.

Sec. 140. FHA Direct Endorsement Report. Within 6 months of enactment, the Secretary must submit a report on the actions necessary to improve the monitoring of the FHA direct endorsement program, reduce defaults under the program, and decrease fraud in the program.

TITLE II—EMERGENCY LOW INCOME HOUSING PRESERVATION

Sec. 201. Amends Section 203(a) of Title II of the 1987 Housing Act to extend the low-income housing mortgages prepayment and preservation provisions until September 30, 1990.

Sec. 202. Amends Title II of the 1987 Housing Act to apply prepayment provisions to the voluntary termination of mortgage insurance contracts on eligible low-income housing at any time during the term of the mortgage.

Sec. 203. Amends Section 502 of the 1949 Housing Act to prohibit the prepayment of Section 514 and 515 rural housing loans insured or made after enactment of this legislation.

Sec. 204. Adds a new subsection to Section 515 of the 1949 Housing Act authorizing the Agriculture Secretary, to the extent ap-

proved in appropriations acts, to guarantee loans to owners of certain Section 515 projects for the purpose of accessing equity and maintaining projects for the intended low-income beneficiaries. Such loans can be made no sooner than the 20th year of the original 515 loan. Equity loans may not exceed the lesser of 90 percent of the appraised value of the property or 75 percent of the equity in the project. A sinking fund is established by a contribution of $2 per month for each unit which will be used to offset any rent increases that might occur as a result of the additional costs associated with the equity take-out loan.

TITLE III—HOUSING PROGRAM EXTENSIONS AND CHANGES

Sec. 301. Amends Section 8(e) of the 1937 Housing Act to reform the Moderate Rehabilitation Program. Limits assistance in any project (which may contain more than 100 units total) to 100 units or less; requires rehabilitation costs to be at least $3,000 per unit; requires HUD to take benefits from tax credits into account when determining assistance; assistance must be allocated by formula and awarded by competition; requires HUD to maintain a listing of assisted projects at Headquarters.

Sec. 302. Extends until September 30, 1991 the authority to use excess Section 236 rent charges for the Flexible Subsidy Program.

Sec. 303. Extends Section 235 homeownership assistance payments authority, insurance authority, and housing stimulus authority until September 30, 1991 and removes Section 235 program sunset.

Sec. 304. Economic Rent. Amends Section 3(a)(2) of the 1937 Housing Act to eliminate the 3-year restriction on the availability of economic rents (which are less than 30 percent of income) for public housing tenants.

Sec. 305. Indian Tribes as CDBG Entitlement Communities. Amends Sec. 102 of the Housing and Community Development Act of 1974 to eliminate Indian tribes from the definition of nonentitlement communities. Sec. 106 is amended to reserve 1 percent of CDBG funds for allocation for Indian CFBG activities. The Indian CDBG program is revised to be administered through the Office Indian and Alaska Native Programs.

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Mr. Speaker, with that I reserve the balance of my time.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would follow the example of the chairman, the gentleman from Texas [Mr. GONZALEZ], and revise and extend my remarks and not get too specific as to the provisions of the bill but rather indicate my reasons as to why we need to pass this bill here this evening.

The Department of Housing and Urban Development came to us early, through Secretary Jack Kemp, who moved quickly and promptly and forthrightly to respond to the revelations of waste, fraud, and favoritism in the HUD programs.

On October 31, 1989, Secretary Kemp submitted his legislation to the House of Representatives. On November 1 I joined the distinguished chairman of our Committee on Banking, Finance and Urban Affairs, the gentleman from Texas [Mr. GONZALEZ], and our ranking member, the gentlewoman from New Jersey [Mrs. ROUKEMA], in introducing the Secretary's legislation as House bill H.R. 3570.

Mr. Speaker, we can take pride in the bipartisan spirit in which the Banking Committee has worked to craft a good HUD reform package. Without the exemplary leadership of our committee chairman, HENRY GONZALEZ, this could not have been achieved. Through effective compromise and fair-handed discussion, the concerns of all parties, including the administration, were addressed, and the bill was quickly and successfully reported out of Committee.

Mr. Speaker, the legislation before us today, is based in large part on Secretary Kemp's reform proposal. H.R. 1 was modified by the Banking Committee to include various legislative proposals from House Members, as well as reform task forces within HUD. In addition, the Government Operations Committee will be addressing the provisions regarding HUD's inspector general, which were included in the bill as reported by the Banking Committee, but were deleted in recognition of the jurisdiction of that committee.

Two specific provisions recommended by Secretary Kemp were not included in H.R. 1: The CDBG antipoverty strategy; and the proportional counting amendment to CDBG. The committee believes that the changes proposed by the Secretary in these two cases need further consideration. Chairman GONZALEZ has stated his intention to hold hearings on these CDBG issues early next year in the context of the continuing markup of housing authorization legislation. In addition, during this markup, other issues such as section 312 property disposition also will be considered by the committee.

Several of the key provisions in H.R. 1 deserve to be highlighted. These include:

A proposal to institute fair and open competition for Federal housing funds;

Proposals to eliminate discretionary funding and require public notification of all funding decisions and housing assistance allocations;

A proposal to require all consultants doing business with HUD to register with the Department and to fully disclose their fees;

A requirement that all regulatory waivers be published in the Federal Register;

A proposal to authorize funding to support adequate evaluation and monitoring of HUD programs;

An effective compromise proposal to resolve the Ranier View dispute over section 8 contract rent adjustments;

A proposal to establish a chief financial officer at HUD to oversee the financial management of programs; and

Proposals to restore financial soundness to the FHA mortgage insurance programs, including the termination of high-risk programs of land development and vacation homes.

In addition to HUD reform, this bill includes two additional titles. Title II extends the moratorium on prepayment provision originally created in the 1987 Housing Act to September 30, 1990. That moratorium is set to expire on February 5, 1990. This extension will allow time to develop a more permanent solution through the authorization process. Title III contains several extensions to current housing programs which have already expired.

Mr. Speaker, this is a fair and workable bill addressing the systemic flaws in our housing and community development programs which have come to light in the past several months. I must say that H.R. 1 represents a determined effort to reduce the susceptibility of HUD programs to waste, fraud, abuse, and political influence. I urge consideration and passage of H.R. 1 as the significant first step in reforming HUD.

I believe that passage of this reform bill will set the stage for passage of needed comprehensive housing legislation during the second session. In this regard, I welcome the announcement last Friday by President Bush and Secretary Kemp concerning the administration's new housing initiative. This forward-looking plan for housing is called HOPE—Homeownership and Opportunity for People Everywhere. This proposal, along with others now pending before our committee, will contribute significantly to the adoption of comprehensive housing legislation next year.

Mr. Speaker, at this point I will include in the RECORD an explanation of specific sections of the bill.

COMMENTS ON SPECIFIC SECTIONS OF H.R. 1

SEC. 101—ALLOCATION OF HOUSING ASSISTANCE

This proposal is designed to eliminate the "total discretion" and the "political" emphasis that characterized all too many of the Department's housing assistance programs in the past. Problems were first identified in the Section 8 Mod Rehab program, and in funding from the Headquarters Reserve. A competitive process with publicly articulated selection factors will help ensure a fair funding system for all HUD housing assistance programs.

SEC. 102—PUBLIC ANNOUNCEMENT OF FUNDING DECISIONS AND HOUSING ASSISTANCE ALLOCATIONS

The disclosure requirements in this section are designed to eliminate program funding based on political favoritism. Publishing funding decisions in the Federal Register quarterly should eliminate the possibility of "secret processes" based on "who you know."

SEC. 113—REGISTRATION OF CONSULTANTS

Would-be influence peddlers will be subject to full public scrutiny. Consultants and lobbyists doing business with HUD would have to register with the Department, and

could be legally penalized for not doing so. This proposal should eliminate instances in which, for example, nontechnical consultants in the Mod Rehab program were paid $1,000 per unit to arrange funding awards in advance of public notice.

SECS. 121, 122—ESTABLISHMENT OF HUD CHIEF FINANCIAL OFFICER AND FHA COMPTROLLER

Recent testimony from the GAO states that "an important part of the solution to HUD/FHA's problems is to establish a Chief Financial Officer within HUD and a corresponding Comptroller within FHA." These positions would be responsible for ensuring the maintenance of sound internal control and financial management systems. As the "Robin HUD" scandal clearly illustrated, such financial controls in the past received inadequate attention.

SEC. 124—PROGRAM EVALUATION AND MONITORING

The recent revelations of program mismanagement and abuse have, among other things, identified a significant void in the management structure at HUD. Whether it occurred as a result of continual reductions in Departmental staff or neglect on the part of HUD's previous managers, or because in its struggle over the past eight years to authorize new housing programs the Congress failed to consider the additional administrative burden new programs imposed upon the Department, HUD is now fundamentally incapable of operating its programs effectively.

What this provision would do is to institutionalize program monitoring and evaluation within the Offices of Housing, Public and Indian Housing, Community Planning and Development, Fair Housing and Equal Opportunity, and Administration. Oversight entities would be established and operated through annual appropriations with an authorization of $25 million for Fiscal Year 1991. Initially, to enhance expertise within the HUD staff, outside experts could be used (just as the private firm of Price Waterhouse might support GAO). However, the intent is for HUD to develop a dependable institutional review and evaluation process, which will not happen until adequate funding for this function is provided.

SEC. 125—TARGETING OF COMMUNITY DEVELOPMENT BLOCK GRANTS FOR LOW- AND MODERATE-INCOME BENEFICIARIES

This section includes the recommendation made by Secretary Kemp, which requires that at least 75 percent of the aggregate total funds under CDBG must be used to principally benefit low- and moderate-income persons. The Committee supports increased overall targeting for CDBG, as demonstrated by the 51% to 60% change made in the 1987 Housing Act.

SEC. 126—REFINANCING OF SECTION 235 MORTGAGES

The bill contains a provision for HUD to initiate a program to offer incentives for homeowners who refinance Sec. 235 FHA-insured loans. Many homes insured under Sec. 235 carry high interest rate mortgages, on which HUD pays for all interest over a certain level. HUD will realize substantial savings, therefore, if it can induce homeowners to refinance. At current market rates, the Treasury could recover an estimated $200 million by refinancing. It is expected that HUD will implement this provision in a manner that will not unnecessarily impact secondary market operations, home buyers, state pension funds, and savings and loans. The money saved from these refinancings will go directly into a fund for HUD program monitoring and evaluation.

SEC. 128—ANNUAL ADJUSTMENT FACTORS FOR SECTION 8 RENTS

Retains Rainier View 9th Circuit Court decisions:

1. First, the amendment does not interfere or modify in any way the court's decision in the Rainier View Associates v. U.S.

Retroactive Treatment:

2. With respect to the retroactive treatment and procedures, which HUD will put in place, in determining Section 8 contract rent adjustments in any year for Section 8 project owners (excluding the 9th Circuit Court Plaintiffs) where such rents were reduced or not adjusted upward by the application of the automatic annual adjustment factor the Secretary of HUD shall make such rental adjustments for such year by applying the appropriate annual adjustment factor to the contract rent of the project unit minus the debt service of the project unit. This procedure shall apply to all such projects prior to the effective date of the regulations issued to implement these changes.

Prospective Treatment:

3. With respect to the prospective treatment of annual contract rent adjustments (made after the date of enactment), the Secretary shall implement the following procedures. Either the project owner may request or HUD may establish an annual adjustment factor for a submarket area based on a comparability study of rents charged in assisted and unassisted units of similar quality and age in the submarket area.

In projects where HUD has verified that project profits are in excess of 6 percent return on equity for an elderly project and 10 percent return on equity for a family project, the appropriate annual adjustment factor shall be applied to the contract rent of the section 8 project minus debt service. In the event that the submarket comparable projects are not available, the Secretary shall be permitted to utilize the broader market annual adjustment factor. Regulations shall be issued within 180 days of enactment.

SEC. 131—ANNUAL AUDITED FINANCIAL STATEMENTS

Annual audited financial statements are the most basic of all management requirements. Yet, FHA did not have annual reports from 1974 until 1989, which resulted in an absence of necessary accounting controls and reporting. Whereas FHA had claimed a $856 million loss of FY 1988, the GAO reported a $4.2 billion loss based on an audited annual financial statement. This provision will require published statements prepared by an independent accounting firm, and the newly-created position of FHA Comptroller will be accountable for the results.

SEC. 132—ELIMINATION OF PRIVATE INVESTOR-OWNERS FROM SINGLE FAMILY MORTGAGE INSURANCE PROGRAM

FHA's single family programs are designed to provide homeownership opportunities to families who will occupy their own homes. Investors are much more likely to walk away from their homes in an economic downturn, and are responsible for the majority of the fraudulent schemes in FHA programs. Investors account for only 2.5% of FHA's new policies, yet roughly 15% of the losses. In the future, private investors will be excluded from FHA insurance in homes they do not occupy. Public purpose investors, such as state and local housing finance agencies, and multi-unit structures (living in one unit and renting out the other) will still be permitted. Also, this provision is not intended to preclude model homes used by subdivision developers from being eligible for mortgage insurance. Model homes would be classified as new homes for the purpose of eligibility for mortgage insurance.

SEC. 133—LIMITATION OF SECONDARY RESIDENCES IN SINGLE FAMILY MORTGAGE INSURANCE PROGRAM

Under existing law, an FHA borrower can qualify as an "owner-occupant" for more than one home. A "secondary residence", occupied for part of the year, is eligible for an FHA loan with a 15% downpayment. This loophole allowed for high-risk investment properties used as vacation homes to be insured under FHA. This provision closes the loophole, allowing for second homes only in bona fide hardship cases.

SEC. 135—TERMINATION OF TITLE X LAND DEVELOPMENT PROGRAM

Of the 58 Title X Land Development projects endorsed for insurance since 1977, 25 have defaulted at an estimated loss of almost $100 million. The program was intended to help build subsdivisions, but instead went towards highly speculative residential communities with little regard for affordable housing. The program will be terminated.

Mr. GONZALEZ. Mr. Speaker, I wish to first thank my distinguished colleague, the ranking minority member of the full committee, the gentleman from Ohio [Mr. WYLIE], who has been most active on the housing front, for his kind and generous remarks.

I want the RECORD to show were it not for the leadership and total cooperation of the gentleman from Ohio so that we could work as we have successfully up to now this whole year in some of the most critical legislation that has faced this committee in its history, we could not have done it successfully if it had not been for his ability and leadership and willingness to reconcile differences and march along a mutual path of advancement.

Mr. Speaker, I yield 2 minutes to the gentlewoman from South Carolina [Mrs. PATTERSON], a member of the subcommittee.

Mrs. PATTERSON. Mr. Speaker, I rise in support of H.R. 1, the HUD Reform Act. Over the past few months, we have all been disgusted by the reports of past fraud and mismanagement in the Department of Housing and Urban Development. The waste, political favoritism, and influence peddling have harmed our ability to reach out to this country's poorest citizens.

I commend Chairman GONZALEZ and the ranking minority member, Mrs. ROUKEMA, for their leadership in taking swift action to address the need for reform at HUD. I also commend Secretary Kemp for his actions in dealing with scandals that were not of his making. He has moved swiftly to

fix the things that needed fixing and to return HUD's focus to its mission.

The bill contains a number of excellent reforms. The registration of consultants, the prohibitions against inside information and the creation of a chief financial officer for HUD are significant reforms that deserve our support. They will create greater accountability in HUD and ensure that the funding goes where it belongs.

Mr. Speaker, I also want to extend my thanks to the members of the subcommittee on both sides of the aisle for their support of the provision in this bill to investigate the feasibility of using properties in the HUD inventory to alleviate the housing problems resulting from the recent natural disasters in South Carolina and California. The magnitude of the destruction from these disasters demands that we investigate every possibility of aid to those left homeless by them.

I urge my colleagues to support this bill.

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Mr. WYLIE. Mr. Speaker, I yield such time as he may consume to the gentleman from Colorado [Mr. BROWN].

Mr. BROWN of Colorado. Mr. Speaker, I rise in support of H.R. 1. I commend the gentleman from Ohio [Mr. WYLIE] and the gentleman from Texas [Mr. GONZALEZ].

Mr. Speaker, on August 3, I introduced H.R. 3101, the first comprehensive HUD reform bill designed to clean up shoddy practices and prevent future abuse at the Department. I am pleased that the Housing Committee has included many of my provisions in the Department of Housing and Urban Development Reform Act of 1989, H.R. 1, being considered today.

One such provision requires competitive bidding for assisted housing application processing. Under current law, regulation of project bidding is under the control of HUD officials, not Federal statute. Reports have indicated that in the past HUD officials have frequently bypassed these regulations in the award of projects. Federal investigators have pointed to the lax regulation of the bidding process as the source of recent Department problems regarding influence peddling.

Another adopted provision requires public disclosure of Federal housing assistance allocations. It is vital that we ensure that the HUD grants reach needed projects, and not the pocketbooks of the developers. By shedding light on the activities at HUD, we can avoid some of the shady practices of the past.

My bill suggested that the Department's discretionary fund be limited to 5 percent of annual HUD appropriations. Although not addressing discretionary funds, H.R. 1 does reform HUD headquarter reserves so that the Secretary cannot retain more than 5 percent of housing assistance for unforeseen circumstances, such as natural disasters and settlement of litigation. This ceiling on headquarter reserves reduces the potential for abuse of programs at the highest levels of HUD while giving the Secretary some latitude to cover contingencies.

My HUD reform package strictly forbids the use of HUD funds for lobbying Congress or HUD officials for housing assistance approval. Additionally, it prohibits housing assistance applicants for hiring consultants except for limited, technical purposes, Unfortunately, the HUD Reorganization Act takes a less stringent approach. It simply requires applicants who hire consultants or lobbyists to influence HUD officials to register and maintain records of services and fees. Although this is a move in the right direction, it does not eliminate the possibility of influence peddling using taxpayers' money.

As addressed in my bill, H.R. 1 also orders the Secretary to review all loans under the Section 235 Lower Income Home Ownership Program for possible refinancing. The HUD inspector general said that in 1987 this would have saved $844 million in program costs.

I am encouraged that the committee included these pieces of my reform package in their final bill. The American people expect and deserve an efficient, honest Federal housing programs that does not benefit special interests. Congress must ensure that funds go toward needed housing projects, not into the pockets of developers. The Department of Housing and Urban Development Reform Act of 1989 is a positive step forward.

Mr. WYLIE. Mr. Speaker, I yield 5½ minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA] who had a considerable amount to do with the drafting of this legislation and seeing that we are here today.

Mrs. ROUKEMA. Mr. Speaker, as the ranking minority member of the Subcommittee on Housing and Community Developmemt, I have been especially concerned about the "swamps" at HUD, to use Secretary Kemp's term, which have come to light over the last several months.

Again, as I have many times, I want to compliment Secretary Kemp for facing the problems squarely and providing admirable leadership to solve them. I also want to thank the chairman of our subcommittee, Mr. GONZALEZ, for his leadership and cooperation, and the gentleman from Ohio [Mr. WYLIE] for his help.

This is a major and urgently needed package of reforms. It would not have been possible to put this kind of legislation together if we had not had dedicated people of sincere purpose on both sides of the aisle working together to frame a tough effective bill which passed our subcommittees without dissents.

The package before us now contains a great deal of what the administration requested, much of what I and other members had proposed in earlier reform bills introduced earlier. Significant portions of proposals by the gentleman from New York [Mr. SCHUMER] and the gentleman from Pennsylvania [Mr. KANJORSKI] are included.

Among the most egregious abuses exposed during the Government Operations investigations were:

Well-connected consultants, many of whom are former administration officials, used their influence to obtain HUD grants and benefits for their clients. Usually, these consultants collected a fat fee, as influence peddlers plain and simple. In the case of former Secretary Jim Watt, for example, he did little more than make a couple of phone calls to Sam Pierce, his former Cabinet colleague, and for that he picked up in excess of $300,000 from the developer.

Often these consultants had the advantage of insider information, not available to everyone. In the case of the section 8 Mod Rehab Program, for example, there was no formal system of determining distribution of the grants. There was not even public notice that grants were available.

And, in at least one instance uncovered, it has been alleged that Ms. Debbie Dean, the Secretary's executive assistant, passed valuable Department information along to a friend and developer outside the Department, giving that friend an unfair advantage.

These are just some of the most serious examples of loopholes in the law and mismanagement by top Department officials. This bill seeks to close those loopholes in several ways.

One of the most significant provisions requires public disclosure of consulting activities. Entities hiring consultants and the consultants themselves would have to register with the Department and disclose payments made to the consultant, contacts made with Government officials, and other pertinent information, such as consultants' names and addresses. Violations of this provision can carry either civil penalties of $10,000 per violation or a criminal penalty of up to 5 years in prison. Further, anyone violating this section would be barred from HUD-related activities for 3 years.

This legislation also requires that the Department publish in the Federal Register any time it vacates a current rule or regulation. This bill would also make illegal the advance disclosure by a Department official of any information which could benefit from the information. Again, I cite the example of Ms. Dean passing along valuable information to her friend. Such abuses occurred during the last administration, and, as I have said many times during the course of this scandal, "If such activities were not illegal, they should have been." Well, here are two good examples of where we are making it illegal. And, again, if there are violations, we provide both civil money penalties—$10,000 per violation—and criminal penalties—5 years imprisonment.

Probably all of us could agree that the financial management practices of HUD during the last administration were repleat with incompetence, mismanagement, and abuse. Perhaps most serious, there was incredible neglect of financial transactions. Hard as this is to fathom, many officials at the Department simply did not pay any attention to whether financial matters were being handled in a standard, business-like way.

Important financial transactions were left to the private sector, and, in some cases, there was no oversight or followup by Department officials. This was the height of irresponsibility, and may have involved malfeasance or conspiracy to defraud. One of the most outrageous examples involved a woman who has been dubbed "Robin HUD." She was not an employee of the Department, but was a private settlement agent under contract to dispose of FHA foreclosed properties. Well, she disposed of the properties but kept the money, calculated to be approximately $5 million. The unbelievable part of the story, however, is that no one at HUD was overseeing this, no one asked her for the money.

Therefore, one of the most important reforms was recommended first by GAO, and is one which I include in my bill. The administration endorsed it, and I am pleased to say that in this bill we create a chief financial officer at HUD.

This official will supervise and coordinate all financial management activities and operations of the Department. This will be a new watchdog position at HUD, one which will have authority and responsibility to oversee financial matters, a position of importance and with the teeth of enforcement. The chief financial officer will be responsible for all internal control systems, financial reporting systems, credit, and cash and debt management. This is simply elementary financial practice which any business would employ.

If only we had had such management over the last several years.

There are, of course, many other reforms contained in this bill, too many to list individually, but there are other management reforms and reforms of certain FHA procedures.

Now, let me be absolutely clear. I helped put this compromise package together, and I support it strongly.

However, there are three other items which I must mention and about which I am deeply disappointed.

First, I included in my reform bill several provisions to strengthen the investigative functions of inspectors general. These were designed to create in that office a vigorous watchdog and a whistleblower in the best meaning of those words. The Banking Committee included these and one or two others in this bill.

These would have:

Granted IG's subpoena power for testimony, as they now have for documents;

Required the IG to report directly to Congress if he found serious and flagrant abuses, and the Secretary failed to report to Congress;

Established an Office of Legal Counsel within IG's office;

Required the Secretary to provide Congress an "accountability report" on his actions following recommendations by the IG; and

Given the HUD IG a fixed term of 5 years in order to increase his independence.

The Inspector General Act falls under the jurisdiction of the Government Operations Committee.

I have worked closely with the members of that committee this year, especially the Employment and Housing Subcommittee, as the investigations into the scandals continued.

I had hoped that the leaders of that committee would review what we have done with respect to the IG provisions, and would conclude that they are reasonable, and, therefore, they would not insist on their jurisdictional prerogative.

Unfortunately, that is not the case, and these very important provisions related to the IG have been dropped out of the bill.

From my communications with the Government Operations Committee, I understand that this does not necessarily reflect any substantive opposition to any of the provisions. Rather, this action is strictly the result of committee jurisdiction.

Further, I am informed that the Committee on Government Operations intends to hold hearings on these and other IG issues early in the spring.

Removing the IG powers greatly diminishes the effectiveness and impact of these reforms. This is a major omission. Unless there is immediate action by the Committee on Government Operations, the IG's will be hampered in their efforts to uncover mismanagement and wrong-doing.

However, I do understand the committee system, and I look forward to working with the members of the Government Operations Committee in the near future on these matters.

Second, this bill contains a section increasing the CDBG targeting from 60 to 75 percent. This will cause significant difficulty for many communities in my district, many of which would have to radically change the kinds of projects they are planning in order to try to comply. This really is not a reform proposal in the first place, and should not even be in this bill. I hope to work with others to see if some type of compromise can be reached at some point.

Third and last, current law provides a de facto moratorium on the prepayment of certain mortgages under the 236 and 221(d)(3) programs. This moratorium is due to expire February 5, 1990. I do not like the moratorium. We need to find some type of permanent solution to entice the owners of these projects to retain them for low-income use.

However, the committee really had no choice but to extend the moratorium for 9 months to give us time to work out that permanent solution. Clearly, we could have not have simply let the moratorium expire; that would have raised the possibility of thousands of elderly, low-income families, and women and children being displaced and evicted from their homes.

While we have not solved the problem yet, this extension will not give us time to work on the permanent solution we all seek.

In summary, Mr. Speaker, this is a good bill. It represents significant reforms; and they should be important additions to the arsenal of powers Secretary Kemp needs. I strongly support passage and urge my colleagues to vote for this urgently needed bill.

Mr. GONZALEZ. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Speaker, I thank the gentleman for yielding time to me, for his leadership, and working together with the ranking minority member on what is a very important piece of legislation.

We ought to, once again, remind ourselves that just because something is not controversial does not make it unimportant. This legislation, which is going to pass apparently with little opposition, since almost every Member I see on the floor here is waiting to claim credit for the bill, so I do not think there is any Member here who will object to it, and justly, since a lot of people worked together for it. It is a very important bill.

We have, sometimes, been criticized for lack of followthrough. In this case, we are seeing very important followthrough. The subcommittee under the Committee on Government Operations, the Subcommittee on Employment and Housing, working in conjunction with members of the Subcommittee on Housing and Community Development, had a very good bipartisan set of hearings about problems with HUD. Some of those problems are the result of individual failings, and Members cannot legislate against there being people who do not do their job well for lack of personal commitment. In other cases, the hearings showed that there were structural problems.

What we have today is a piece of legislation which came in part from the

information developed in the hearings. It was jointly produced by the Secretary, by Republican and Democrat members of the subcommittee, and with the exception of the Inspector General, as the gentleman from New Jersey mentioned, and we believe those will be in a subsequent bill to be passed next spring that had to be left out because we have jurisdictional sharing here with the Committee on Government Operations, I am not aware of any idea for reform that was not incorporated in this bill. That is, we now have given the Secretary, I believe, everything he has asked for, everything that has been thought of. In fact, we have reached a point where some of those who may be governed by this are nervous.

That is one thing I want to mention. I was visited today by some who managed housing for HUD, and I want to pay tribute to the great majority of people who managed housing for HUD.

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They are decent and reasonable. There are a minority who abuse things. There was some fear on their part that the broad powers that we give the Secretary in this bill to find people in a civil proceeding might be abused.

Mr. Speaker, I have spoken to the chairman, and I have spoken to the ranking minority member, and I think I speak for all of us when I say that we did not give these powers with any intention that they be used cavalierly. We believed that the Secretary will use them in a judicious fashion, and we also, I would hope, would have some hearings so that we could make clear with the Secretary and with those who are going to be regulated that we expect this to be done in a fair way.

So, I think we want to reassure people that this is not going to be used punitively.

The next point to make is a very important one. This is part of the housing bill. This is a compromise which says to the Secretary, "Yes, we will give you the reform pieces now, but we need to do more on the constructive side in terms of getting housing," and again I think all of us agree, the chairman, and I was pleased to hear the ranking minority member of the subcommittee allude to the need for further legislation.

Mr. Speaker, this is only the first step, and we will have failed our obligations if we do not follow this up with a more comprehensive bill that does the program.

We were told that we could not expect simply to have visits as usual. We, I think, are meeting our obligation here. We are putting through a very tough reform bill. It is not controversial, but that is because frankly a good job was done of putting this together in a consensus way.

Mr. Speaker, it is a tough bill. Having passed this, I think we will have the right to come before our colleagues again and say that we have made HUD more efficient. We have protected the taxpayer. Now please cooperate with us as we try to build more housing for people who need it.

Mr. WYLIE. Mr. Speaker, I yield an additional minute to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Speaker, I yield to the gentleman fom Ohio [Mr. WYLIE], the minority member.

Mr. WYLIE. Mr. Speaker, I want to say that I think the gentleman from Massachusetts [Mr. FRANK] made a very significant statement. Apartment owners and HUD managers also came to me today, and they were quite apprehensive about the civil money penalty provisions in this bill in that we do get rather specific in some cases, and they were very apprehensive that HUD might examine some of the operations with minutia which might cause them some apprehensions as far as what could happen as far as imposing civil money penalties and so forth.

So, Mr. Speaker, I think that we do want to be sure that that does not happen, and, as I say, I think the gentleman from Massachusetts [Mr. FRANK] made a statement that ought to be pointed out.

Mr. FRANK. Make it very clear. One, the bill gives these powers, not to minor functionaries, but to the Secretary, and that is some assurance. Two, Jack Kemp is not known, I think, as one whose life's mission is to lay waste to private enterprise. We have put these in the hands of Jack Kemp. We have a subcommttee to supervise, and I do not think people need to have those fears.

Mr. WYLIE. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I rise today to state my concerns regarding a particular provision of H.R. 1 relative to the Community Development Block Grant [CDBG] Program. While I, in general, strongly support the Kemp reform package for HUD which is, for the most part, incorporated in H.R. 1, I have serious reservations about that part of their legislation which involves the CDBG Program.

I would like to commend the gentleman from Texas [Mr. GONZALEZ], the chairman, and the gentleman from Ohio [Mr. WYLIE], the ranking member, and the ranking member of the subcommittee and others who have crafted this legislation specifically to respond to the requests from Secretary Kemp to give him this reform legislation to help him bring order and improvement to the U.S. Department of Housing and Urban Development, and particularly to the chairman I would say, "Knowing some of the pressures that undoubtedly came on you to delay this or to put it a part of the overall comprehensive legislation, I am particularly grateful for your initiative."

This provision to which I object provides for the increase of CDBG targeting from the current 60 percent to 75 percent for low- and moderate-income individuals; that is a programmatic change and not a reform like the other provisions. I cosponsored the Secretary's reform package as introduced by Representative WYLIE (H.R. 3570) with the understanding that I would support any attempts to omit these CDBG changes from the measure.

On November 9, 1989, the House Banking Subcommittee on Housing and Community Development completed the markup of H.R. 1 which is now before this body. The bill as marked up includes a section which provides for the increase of CDBG targeting from the current 60 percent to 75 percent for low- and moderate-income individuals. Again, I expressed my opposition to the subcommittee with regard to this provision in H.R. 1 and indicated my further intentions to offer an amendment to delete this section during the full committee markup. However, the subcommittee took the unusual step of advancing the bill to the House floor without a full committee markup, which in turn preclude my efforts to offer such an amendment.

The CDBG Program since its inception was intended to develop viable communities by providing housing, economic opportunity, and quality living environments. It was developed to be flexible while primarily assisting low- to moderate-income people. It was developed to provide area as well as direct benefit.

The program is intended to meet the needs of the community but weighted to provide low- and moderate-income benefit. However, raising the low-moderate benefit requirement would make the qualification of CDBG projects more difficult to achieve, especially in smaller rural communities.

While HUD's Small Cities Programs involve communities with populations under 50,000, in my State of Nebraska it is in large part much smaller cities and villages that also benefit from CDBG grants. In Nebraska in 1989, Nebraska received 82 applications requesting approximately $15.1 million. Of this total, $9.6 million in CDBG awards were made to 48 Nebraska communities. Twenty-four of these grants were awarded to communities in Nebraska with populations under 1,000. Of these 24 grants, 19 of them were made to communities with populations under 500. The smaller population base of these small communities

means that they have less of an opportunity to meet the income targets for low- and moderate-income people. These very small rural communities will be unduly hurt by the increase in the low-moderate benefit requirement.

Now, I would like to engage the chairman and ranking minority member of the Banking Committee in a colloquy if they are willing.

Under section 104(b)(3) of the Housing and Community Development Act of 1974, as amended, provision is made for an exception to the low-moderate benefit requirement concerning urgent community needs in relation to existing conditions which pose a serious and immediate threat to the health or welfare of the community. In Nebraska over the last several years, a significant number of the CDBG awards were granted to small communities experiencing serious and immediate problems because of the pollution of their municipal water wells with dangerous levels of nitrates and carbon tetrachloride. Now, the question: I would ask the chairman of the Banking Committee and the ranking minority member of the House Banking Committee that, notwithstanding the increase in the low-moderate benefit requirement from 60 percent to 75 percent, would section 104(b)(3) still apply so as to provide an exception for these communities whose current water systems pose a serious and immediate threat to the health or welfare of the community for the reasons I've given or for other life-threatening conditions that municipalities might face?

Perhaps exercising undue caution, but nevertheless having a concern that relates to my own State, under section 104(b)(3) of the Housing and Development Community Act of 1974, as amended, provision is made for exception to low moderate benefit requirement concerning urgent community needs in relation to existing condition which poses serious and immediate threat to the health or welfare of the community. In my State over the last several years a significant number of the CDBG awards granted to small comunities experiencing serious and immediate problems because of the pollution of their municipal water wells with dangerous levels of nitrates and carbontetrachloride.

Mr. Speaker, the question I would ask the chairman of the Committee on Banking, Finance and Urban Affairs, the gentleman from Texas [Mr. GONZALEZ], and the gentleman from Ohio [Mr. WYLIE], the ranking minority member of the Committee on Banking, Finance and Urban Affairs is that notwithstanding the increase in the low moderate benefit requirements from 60 to 75 percent, would section 104(b)(3) still apply so as to provide an exception for these communities whose current water systems pose a serious and immediate threat to the health or welfare of the community for the reasons I have given or for other life-threatening conditions municipalities might face?

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, the gentleman from Nebraska [Mr. BEREUTER] is correct. This change will not affect an individual community's ability to use CDBG for urgently needed projects. It will require, as the gentleman stated, the State to meet the 75 percent targeting requirement in the aggregate of all of its funds, but the gentleman is correct in his conclusions and interpretation.

Mr. BEREUTER. Mr. Speaker, I thank the gentleman from Texas [Mr. GONZALEZ] for that reassurance.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, I would say to the gentleman from Nebraska [Mr. BEREUTER] that I believe he is correct also. Section 104(b)(3), as contained in title I of the Housing and Community Development Act of 1974, will continue to permit CDBG funds to be used in meeting urgent community needs as described by the gentleman, and the modifications made by H.R. 1 do not in my opinion affect this authority.

Mr. BEREUTER. Mr. Speaker, I note the response of the gentleman from Texas [Mr. GONZALEZ], the chairman, is that the aggregate requirement will still apply to the State for its communities, and that will create some additional problems that I am concerned about, but I appreciate the responses of both the gentlemen from Texas [Mr. GONZALEZ] and the gentleman from Ohio [Mr. WYLIE].

I ask my colleagues to carefully consider the impact that this provision of H.R. 1 will have on our Nation's rural communities that are still struggling to survive. The economic boom in our country has not been felt by the majority of small communities in nonmetropolitan areas. Most rural areas have not seen their fortunes improve as a result of the rising economic tide. We must begin to work together to revitalize our small communities and rural America. We should not pull the rug out from under our rural communities by further burdening them with this change in the CDBG Program.

Mr. GONZALEZ. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. SCHUMER] who has had a separate package of reform and has been one of those who has been a main instrumentality in forging what we have today.

Mr. SCHUMER. Mr. Speaker, I thank the gentleman from Texas [Mr. GONZALEZ] for his unrelenting and persevering leadership on this issue. I also want to thank the gentleman from Ohio [Mr. WYLIE], the ranking minority member, for his concern and the many people who worked on this package of reform in this House.

Mr. Speaker, I worked closely with the gentleman from Massachusetts [Mr. FRANK], the gentleman from Connecticut [Mr. MORRISON], the gentleman from Pennsylvania [Mr. KANJORSKI], as well as the gentlewoman from New Jersey [Mrs. ROUKEMA], and it is an excellent bipartisan effort.

What we did I think, Mr. Speaker, is very simple. We looked at what was the matter with HUD. We put together some of the reform package that some of us had introduced early on. Much of that reform package was reintroduced by the Secretary and modified some and took what we thought was the best parts of his package, added to it, deleted some of the policy suggestions from it, and I think this is an effort that is both bipartisan in terms of Democrat and Republican, as well as between the Congress and the executive branch, and it will go a long way.

Mr. Speaker, today is an eventful day. I sat through months and months of hearings and was appalled by what went on at HUD. Today begins the challenge of turning the ugly duckling known as the Department of Housing and Urban Development into, if not a beautiful swan, at least an efficient, accountable Federal agency. Having sat through the hearings of the Committee on Government Operations, which I must say were run superbly by the gentleman from California [Mr. LANTOS], the chairman, and many of the Members; I see the gentleman from Connecticut here who made such an outstanding contribution in those hearings, and I can assure this panel that there is much to do.

The picture of HUD during these hearings was an ugly one full of black and blue colors that depicts an American public beaten up by a shocking combination of negligence, greed, and unchecked corruption. Emerging from this rubble will require serious and thorough reform.

HUD is an agency that needs particular scrutiny. It is not like any other agency for a number of reasons. First, because very few of the housing programs, if any, are entitlements. There is tremendous discretion. We cannot avoid it. We would like to build 202's or section 8's in every little town in the country for every person who needs it. We do not have the money, so there is a lot of discretion. At the same time, the winner of each contract gets tremendous profit. That is reasonable, although this bill cuts back on it because they may get lost, and if we are going to ask someone in

private enterprise to risk loss, then of course we have to give them some chance of profit.

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But to put those two combinations together, discretion, a lot of money to be made, and you are looking for problems. This bill recognizes that. It says there may well be problems.

The SPEAKER pro tempore (Mr. BILBRAY). The time of the gentleman from New York [Mr. SCHUMER] has expired.

Mr. GONZALEZ. Mr. Speaker, I yield an additional 30 seconds to the gentleman from New York.

Mr. SCHUMER. I guess I will have to sum up before I put in my written remarks here. I will put my entire statement in the RECORD after these remarks.

I guess what I would say, Mr. Speaker, is that we have pulled back the rug at HUD and discovered the grime underneath. After disposing of this mess, we must remove the rug itself, return the shine to the original foundation.

Mr. Speaker, this bill is just a beginning. We can reform HUD. Our next step must be to implement the kind of programs that bring housing in an uncorrupt and decent way to the people of this country.

Accountability must be restored at HUD. Last summer, I offered legislation to establish the safeguards that have so obviously been lacking. The bipartisan HUD reform package which is now before us includes many of these reforms.

Elements of my HUD reform bill which are now part of the bipartisan reform package include:

The prohibition of disclosure of insider information. Under this reform, HUD employees and officials would be prohibited from disclosing, and applicants and consultants would be banned from soliciting or obtaining, insider information in a HUD selection process.

This bill also includes the requirement that all consultants on HUD-related work disclose their involvement in HUD projects and their corresponding fees and profits, a provision which both Congressman KANJORSKI and myself proposed as well as Secretary Kemp.

Further, to eliminate the freewheeling award procedures that dominated the Pierce era, both Secretary Kemp and I have proposed that HUD be required to establish and adhere to standard criteria when making any fund selection decisions.

In addition, this legislation includes a requirement from my HUD reform bill that HUD provide documentation for every fund selection decision made in every HUD program.

This bill also includes several provisions, which I proposed, designed to cleanup the mess at FHA and restore FHA's financial health.

Finally, to ensure both efficient use of Federal dollars and defend against inflated costs, I proposed, and this bill includes, the requirement that proceeds from the low-income housing tax credit syndication be considered by HUD in awarding all HUD funds.

Mr. WYLIE. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut [Mr. SHAYS], a very active and effective participant in the hearings in the Employment and Housing Subcommittee of the Committee on Government Operations.

Mr. SHAYS. Mr. Speaker, I rise in support of H.R. 1, the Housing and Urban Development Reform Act of 1989.

I also rise to congratulate the Members of the Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs for bringing this bill forward so quickly. It has been 6 months since the Employment and Housing Subcommittee began its investigation of HUD, 20 hearings and 50 witnesses. We found problems everywhere we looked.

H.R. 1 begins to address many of these problems.

I am grateful for the bipartisan effort to clean up HUD and for the cooperation that exists between committees within the Congress, particularly the Government Operations Committee and the Committee on Banking, Finance and Urban Affairs, and also the cooperation that existed between Congress and the administration.

I am particularly grateful for the assistance we received from Secretary Jack Kemp. H.R. 1 may be just the beginning, but what a great beginning. I have nothing but admiration for those who brought it forward.

Mr. GONZALEZ. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. KANJORSKI. Mr. Speaker, I want to commend our distinguished chairman, the gentleman from Texas [Mr. GONZALEZ]; the ranking minority member of the Housing Subcommittee, the gentlewoman from New Jersey [Mrs. ROUKEMA]; the gentleman from New York [Mr. SCHUMER]; the gentleman from Massachusetts, the chairman of the Administrative Law Subcommittee [Mr. FRANK]; and the majority and minority staffs for their excellent work on the HUD reform bill, H.R. 1, in general, and the consultant disclosure section in particular.

As you are aware, I have taken a special interest in consultant disclosure ever since I first suggested to Secretary Kemp at the Housing Subcommittee's July 12, 1989, hearing that we needed a system to rack the activities of consultants, and to detect and deter actual influence peddling.

On August 4, 1989, I introduced the Consultant Disclosure and Fraud Prevention Act of 1989, H.R. 3145, comprehensive legislation to curb influence peddling at all Federal agencies.

On September 6, 1989, Whitney North Seymour, the independent counsel in the Mike Deaver case, issued a blistering attack on executive branch lobbying and called on the Congress to enact consulting disclosure requirements virtually identical to those in H.R. 3145. Seymour's report concluded, "The single most important result that could come out of the Deaver case would be enactment of legislation to require the disclosure of all high-fee lobbying contracts aimed at the Executive Branch." He further pointed out that, "The Congress of the United States is the only force that can effectively cry 'enough' to the unbridled lobbying of the Executive Branch of the Federal Government."

Today, the full House of Representatives acts to correct that abuse, and to close that loophole. The days of "Dialing for Dollars" at HUD will finally come to an end. The legislation we are considering is a mixture of the best parts of my bill, H.R. 3145, additional bills subsequently introduced by other Members, and the recommendations of the independent counsel.

When enacted into law it will put an end to the belief that at the Department of Housing and Urban Development, "Money talks, and merit walks."

Since the need to enact this high-priority legislation quickly has precluded the issuance of a full committee report on the HUD reform bill, I would like to establish legislative history, and the intent of the committee in adopting this section of H.R. 1, by reiterating several points made during the original markup of this legislation.

First, this legislation requires reporting not only by first-degree consultants who exceed the $10,000 threshold, but also by second-degree consultants who exceed the $10,000 threshold, that is, consultants to consultants. For example, if an applicant hires consultant A, and consultant A hires consultant B, both A and B have to file under this legislation if they meet the other requirements of the section.

Second, this legislation covers indirect, as well as direct efforts to influence the decisionmaking process at HUD. If, for example, an applicant hires a consultant and that consultant meets the other requirements of this section but uses an unpaid third party such as a political official to lobby HUD, the consultant is still required to file even though the consultant did not directly contact HUD.

Third, this legislation is designed to cover all forms of contact with HUD regardless of whether they are in person, over the phone, by letter, tele-

gram, mailgram, or other form of electronic communication.

Fourth, the legislation requires that in addition to being published annually in the Federal Register, the information filed under this act with the Secretary is considered to be public information, available to the press and the public under the Freedom of Information Act.

As this legislation continues to work its way through the legislative process, I will be glad to work on a bipartisan basis with other members to refine the language of this section and to clarify the intent of the Congress.

Once again, I want to thank the chairman, Mr. WYLIE, Mrs. ROUKEMA, Mr. SCHUMER, and Mr. FRANK, and the majority and minority staff for their excellent work in this area. This important section of the HUD reform bill shows what bipartisan cooperation among the members of the committee, and with the administration, can accomplish.

Mr. Speaker, the former HUD officials who have been so prominent at the Government Operations Committee's hearings have disgraced their names and their positions by their unscrupulous, money-grubbing, influence-peddling activities. They succeeded in shifting Federal funds from the needy to the greedy. Today, we take the first step toward putting these funds back where they belong.

Mr. GONZALEZ. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. PANETTA.].

Mr. PANETTA. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of H.R. 1 and to take the opportunity to discuss a number of provisions in the bill which are budget concerns.

I want to state clearly that H.R. 1 is a priority legislative item which deserves strong support. This legislation represents the necessary action by the Congress to ensure that we do not have a repeat of the HUD scandals. However, this legislation must be further supported by the clear and total commitment by the President and the Congress to make sure that our scarce low-income housing dollars are carefully spent.

The provisions which raise budget policy concerns include the refinancing of section 235 loans, the elimination of investors from the FHA mortgage programs, and the provision providing for changes in the annual adjustment factors for section 8 rents.

The refinancing of the section 235 loans is clearly meant to save the Federal Government moneys but this bill would use some $30 million in recaptured funds for program monitoring whereas the just-enacted VA-HUD appropriations bill would rescind these funds. There are ways to resolve the differences in these two positions so that no budget concerns were inolved.

The provision to eliminate investors from the FHA mortage programs results in a CBO estimated loss of $14 million from lower FHA premiums in 1990. While I am concerned about the loss of premiums in the current fiscal year, I do support the intent of the legislation which will yield savings and improve the FHA programs.

The provision that adjusts the annual section 8 rental adjustments reflects a recently decided Federal court decision in the ninth circuit court, the Rainer View housing project case. The bill extrapolates this decision on a national basis and intends to reduce Federal expenditures by changing the methodology for rent adjustments to more clearly reflect true inflation costs. However, the budget resolution baseline did not assume the settlement of this court case nor did it reflect the potential national costs involved. While on a technical basis this provision could be viewed as new spending not assumed in the budget resolution, the costs would be greater if this change were not made.

Again, I believe that the concerns raised by these provisions can be effectively addressed at a later stage in the legislative process, and I believe that when this legislation is enacted it will address these concerns appropriately.

Mr. WYLIE. Mr. Speaker, I yield 5 minutes of my time to the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that I may be permitted to yield time out of this additional 5 minutes that the gentleman from Ohio has yielded to me.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I rise in reluctant support of this legislation, H.R. 1, that will provide for necessary statutory reforms at the Department of Housing and Urban Development and for an extension of the moratorium on the conversion of subsidized housing through September 30, 1990.

My support for a cleanup of the incredible abuses at HUD should be self-evident. As a Member, who for 8 years worked for the often thwarted quest for decent affordable housing for all Americans during the previous administration, it is fair to say, that I and others have been both angered and astonished by the outrageous actions of HUD personnel, and the private sector abuse of HUD programs. Within 20/20 hindsight, it appears that for the past 8 years, HUD political appointees functioned as facilitators in reality reverse Robin Hoods; robbing from the poor to give to the rich.

However, I am disappointed that the compromise worked out last week precluded the retention most housing programs needs. Where is the rest of H.R. 1? Where is the beef, the laws for new policy that was the core of H.R. 1? Apparently the reason that this measure is H.R. 1 has been lost to reform enthusiasm, the headstrong rush to be in favor of HUD reform. I am disappointed that in our haste to accommodate the Secretary of HUD in his October 29, 1989 request for reform legislation, the committee has overlooked our overall responsibility to examine and improve our housing programs, and deferred on our obligation to authorize these programs for the coming fiscal year. We have left almost all the important Housing programs behind.

Mr. Speaker, despite my serious concerns regarding timing, and omissions HUD reform is needed some now, more tomorrow. This proposal will redirect the allocation of housing assistance on a formula basis and focus sunshine on HUD funding decisions by requiring public announcements of allocations. This measure will impose a number of reforms on the use of consultants, including registration and civil money penalties for violations of requirements. It established a Chief Financial Officer and a Federal Housing Administration [FHA] Comptroller to focus on fiscal soundness. Program evaluation and monitoring will occur through a specific $25 million authorization in 1991 for those purposes.

Additionally, the bill will increase the community development block grant [CDBG] low- to moderate-income targeting requirement from 60 percent to 70 percent of funding. It provides programmatic reforms of the section 8 moderate rehabilitation program along with extending through fiscal year 1990 the incentives for low-income housing preservation that were approved in the 1987 Housing Act to address the prepayment issue. These reforms are good as far as they go, but the best laws and rules will not work if the Presidential appointees spurn them. The current administration appointees deserve our support.

Mr. Speaker, I urge my colleagues to support this bill while at the same time hope that they will keep in mind the original and remaining unmet need the real spirit of H.R. 1 introduced as the first bill of the 101st Congress. This need for housing must once again wait. While the House rightly thumps it chest in reform of HUD but says thumbs down to housing for those with need in 1989. The poor have paid the most in the past because of these HUD abuses. I only hope that

these reforms today smooth the path for good housing policy tomorrow.

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Mr. GONZALEZ. Mr. Speaker, I yield 1 minute to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, I want to commend the chairman and the subcommittee for their work on this reform package, and having sat on the Employment and Housing Subcommittee for many hearings, I know what they are up against.

I am hoping this will help redirect housing funds to the people who desperately need them. Low-income citizens should not have to depend upon high-income consultants for their housing.

Mr. Speaker, there is an issue I would like to explore further with the chairman as he works on the reauthorization bill next session. I am concerned, because there are rural areas such as in West Virginia rural areas with a population under 50,000 that are not receiving adequate housing assistance, particularly under the fair-share formula. HUD does not target these areas, and in many cases neither does Farmers Home. Farmers Home regulations allow them to target only areas basically under 10,000, sometimes between 10,000 and 20,000, but there is a large crack that develops in areas between 20,000 and 50,000.

There are many people in rural areas, either homeless or living in substandard conditions, caught in these 20,000 to 50,000 areas, and I look forward to working with the chairman in the next session to correct this.

Mr. WYLIE. Mr. Speaker, I yield myself the remainder of my time.

Mr. Speaker, the administration has just sent word that it strongly supports the passage of this bill and says H.R. 1 represents a serious effort to make the Department of Housing and Urban Development [HUD] less susceptible to waste, fraud, abuse, and political influence.

The administration does have some concerns about H.R. 1 which I mentioned a little earlier during debate. However, the administration feels that this is a good, comprehensive package and will restore ethical integrity to HUD's program.

H.R. 1 includes most of the ehtics reforms proposed by the administration. Accordingly, the administration strongly supports provisions to institute fair and open competition in the allocation of housing funds, stringent limitations on the use of discretionary funds by HUD, public notification of funding decisions, and strict disclosure requirements for consultants doing business with the Department.

In addition, H.R. 1 contains civil money penalties requested by the administration.

We have an excellent bipartisan bill which I urge all Members to support.

Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 1, the Department of Housing and Urban Development Reform Act of 1989 and I thank the distinguished Banking Committee chairman, the gentleman from Texas [Mr. GONZALEZ], the Ranking Republican member from Ohio [Mr. WYLIE], as well as the gentlelady from New Jersey [Mrs. ROUKEMA], for their diligent efforts to bring this legislation before Congress.

Mr. Speaker, it continues to be my belief that one of the most pressing issues facing our great Nation today is the matter of affordable housing. If our Nation is to live up to its potential for greatness, all Americans must believe that they are shareholders in the American dream of one day being able to own a home.

However, today too many Americans find home ownership virtually an impossible dream. The lack of decent, safe, affordable housing has become so pronounced in some regions of the country, as in my own 22d Congressional District, that many people despair that they will never have a home that they can call their own.

For this reason, I am a strong supporter for H.R. 1, which will provide reform initiatives to govern the Department of Housing and Urban Development.

This legislation will provide many welcome initiatives which Secretary Kemp has requested in his attempt to clean up the special interest influence which currently plagues HUD and its programs.

Mr. Speaker, throughout the past year we have heard much discussion with regard to HUD's past mismanagement and conduct. However, today we have a chance to vote for this reform legislation in order to enhance the continuation of the American dream and I would like to commend the Secretary for his continuing efforts to win the war against homelessness and affordable housing.

Mr. Speaker, Secretary Kemp and H.R. 1 provide the support needed to have the administration to establish a policy enhancing decent, affordable housing for the people of the United States. We cannot afford to let an essential ingredient to the American dream—permanent homeownership—remain only a dream and not a reality. For this reason, I urge my collegues to support H.R. 1.

Mr. HILER. Mr. Speaker, I rise in support of H.R. 1, and I urge my colleagues to vote in favor of this important reform legislation.

I particularly want to congratulate Secretary Jack Kemp for his dedication to restoring integrity to HUD and placing it above reproach. I am sure that his first 10 months at HUD have seen him focus on a different agenda than he had planned. But internal reforms must be made before new authorizations and reauthorizations take place. It would make no sense to authorize more of the same without knowing what works and what doesn't; where fraud and abuse is and where it isn't.

At the same time, we must recognize that the goal of creating more affordable housing alternatives for the American people is both a challenge and a goal that must be addressed upon completion of this reform package.

Mr. Speaker, over the last two decades, American taxpayers from coast to coast, border to border, have paid taxes to help house families who could not afford decent shelter otherwise; to help rebuild communities and neighborhoods that were slowly crumbling away; and to help expand homeownership opportunities to all who were willing to work toward that dream. But instead of helping people at the end of the line, many of those tax dollars went to pad the bottom lines of unscrupulous developers, investors, and consultants.

Our job today, then, is to restore the confidence of the public by closing the doors of unethical influence peddlers and opening the door, again, for those who need our help.

The legislative package before us contains over 50 specific legislative changes that replace business as usual with good business practices. Under this reform package, our housing and community development dollars will be allocated using formulas that determine what people need rather than who people know. The bill establishes strict standards of conduct for people working at HUD and for people outside the Government who want to influence them. H.R. 1 enacts civil penalties—and in some cases criminal penalties—to punish misconduct and to deter those who are tempted to challenge these reforms. The bill tightens evaluation and monitoring procedures for all of HUD's programs and restores control and accountability to the FHA insurance fund.

In short, the HUD reform package barricades the avenues to abuse that have been traveled far too often by too many people in past years, and lays the groundwork for a new direction for housing in the years ahead.

There are one or two provisions in the bill that concern me, however, and I would be remiss if I did not mention one here—the change in the Community Development Block Grant Program. The CDBG Program has not been the subject of any scandal, reports of abuse, or any rumor of either. Indeed, by allowing the States and local governments the flexibility to use these funds in ways best suited to their communities, the CDBG Program has been the source of some great successes.

Mr. Speaker, I think we all want to help those who most need our assistance, but by further restricting the targetting provisions, I am concerned that many smaller entitlement cities and nonentitlement communities will have difficulty qualifying for CDBG funds. As a result, some extraordinarily good projects may be left at the wayside, and that troubles me.

I should also note that Secretary Kemp would like to refocus the CDBG Program into strictly a poverty-fighting program. As I believe this would be a significant change in thrust for CDBG's, I am pleased that the committee left that question for next year when we consider comprehensive housing legislation. This will give us the opportunity for hearings and more analysis.

Mr. Speaker, a fine and dedicated group of people were mobilized and motivated to bring this reform package to fruition. Secretary Kemp and the honest, hardworking people at HUD—at all levels—deserve our thanks for their candor, recommendations, and desire to

solve HUD's problems swiftly and surely. The chairman of the Housing Subcommittee and the full Banking Committee, our esteemed ranking members, and indeed the members of the subcommittee from both sides of the aisle should be congratulated for their firm, quick, bipartisan action to ensure the passage of a reform bill this session.

But let me save my last works for those who, by their inexcusable actions, made H.R. 1 necessary.

Today we seek to arm Secretary Kemp and all future Secretaries with the resources they need to ensure that such arrogant abuses are no longer expensive for the American taxpayer—but become very expensive indeed to those who think they stand above the law and the will of the people.

And I strongly recommend that anyone who believes that HUD reform is a passing fancy listen carefully to what we say here and to the message this bill sends: What once happened behind the scenes will now be displayed in the full, bright glare of public disclosure. What used to be met with winks and nods will now be met with fines and incarceration. The American public will not tolerate the abuse of their trust. And waste, fraud, and abuse at any level, to any degree, and by anybody will draw the full weight of the law. Consider this fair warning.

Mr. PRICE. Mr. Speaker, I rise today in support of H.R. 1, a bill to reform the Department of Housing and Urban Development [HUD]. This is the first step toward ensuring that our housing programs begin to work once again for the homeless, the ill-housed, and those aspiring to homeownership, rather than for bureaucratic wheeler-dealers, lobbyists, and political insiders.

I want to compliment the chairman of the Housing Subcommittee, HENRY GONZALEZ, and the ranking Republican, MARGE ROUKEMA, for working to build a consensus on these important reforms. Secretary Kemp proposed some very important initiatives, and the House Banking Committee has, in my view, improved on these in major ways.

This bill is only part of the solution; many of the necessary reforms at HUD can only be accomplished administratively. This scandal for the most part is a failure of administration, not a lack of legislative authority, and the most critical task facing Congress in the future is aggressive oversight of HUD. No matter how committed Secretary Kemp is, he still has to overcome the perception of favoritism created in past years and the weak management structure left by the past administration, which bears direct responsibility for this outrage.

The bill today proposes many critical reforms. It will open up the selection process at HUD to public scrutiny. Assistance will have to be allocated on the basis of fair share rather than on whom you know. And the insider trading of information regarding selection decisions will be stopped.

H.R. 1 will also allow the Secretary of HUD to assess civil money penalties on lenders and mortgagees who violate the FHA program requirements, on mortgagors who have mortgages insured or coinsured under the National Housing Act, and on Ginnie Mae mortgage-backed security issuers. It strengthens the Office of Inspector General in HUD so that the IG has more independence and is less subject to the whims and fancies of the HUD Secretary.

Because of the leadership of Mr. Kemp and our colleague, CHUCK SCHUMER, the bill also makes some important changes in the FHA program. It requires HUD to prepare and make available annual audited financial statements of FHA funds. It requires lenders to undertake a credit check of any person seeking to acquire an FHA-insured single-family property. And it eliminates private investor-owners from participating in the FHA single-family insurance programs. These reforms, I believe, will go a long way toward ensuring the continued viability of the FHA program which is so critical to first-time homebuyers. With these reforms in place, I hope we can make changes in the next session of Congress to make the program even more responsive to the needs of first-time homebuyers.

The reforms today are a first step toward ensuring that HUD plays a constructive role in our Nation's housing policy. In the next session, we must focus our attention on a new and innovative housing policy which responds to the need of the homeless, the near-homeless, and first-time homebuyers.

I was glad to see the President finally recognize the housing problems facing our country. His speech last week finally acknowledged that something needs to be done.

There were several features of the Bush plan that particularly caught my eye. He touted an IRA proposal, which House Democrats had already proposed, and Mr. Bush helped to defeat. And he tied the fate of the low-income housing tax credit to the passage of capital gains tax cuts. It is unfortunate that in his quest for his own pet tax break, he would be willing to sacrifice a popular bipartisan incentive for the creation of housing. President Bush does have some promising initiatives like grants to increase homeownership opportunities for low-income families and increased assistance for the long-term homeless, who are not adequately served by the current homeless programs. But in general his program is lacking in vision and commitment and it will be up to Congress to find cost-effective and fair solutions to the housing problems we face.

I ask my colleagues to support the reform package before us today. It is necessary if we are to ensure that HUD once again serves the people it was intended to serve rather than those with big-time political connections and insatiable appetities for consulting fees and tax writeoffs. And this reform bill will lay the foundation for our future efforts to address our Nation's housing needs.

Mrs. MORELLA. Mr. Speaker, I am pleased to rise in support of H.R. 1, the Department of Housing and Urban Development Reform Act of 1989. I commend Secretary Kemp, and the distinguished chairman and ranking minority member of the Housing Subcommittee, Mr. GONZALEZ and Mr. WYLIE, for their work on this vital legislation.

It is imperative that this reform package is approved before adjournment. H.R. 1 will help to prevent any future abuse of HUD program funding, and will also go a long way toward raising the morale of the HUD employees who have made, and continue to make substantial contributions to meeting our Nation's housing needs.

The bill includes provisions to institute fair and open competition for Federal housing funds, and to require public notification of all funding decisions. The legislation would require full disclosure and registration of all consultants who do business with HUD, and would require any waivers to be published in the Federal Register. Funding would be authorized to ensure adequate oversight of HUD programs, including the establishment of a chief financial officer to oversee the financial management of programs. Provisions are also included to restore the financial well-being of the FHA mortgage insurance programs.

I urge my colleagues to support this worthy package of reforms, and I applaud the work of Secretary Kemp and the members of the Housing Subcommittee.

Mr. ROTH. Mr. Speaker, as a cosponsor of the recently introduced Housing and Urban Development reform legislation, on which the current version of H.R. 1 is based, I rise in support of this bill. For several weeks our Housing Subcommittee has worked to perfect legislation to address the long-standing and systemic problems that have plagued HUD for years. The bill we have here today does not solve all those deficiencies, but it is a good start and should be passed.

This bill does make the most urgently needed changes, including:

Instituting fair and open competition for Federal housing funds;

Requiring public notice of all funding decisions and allocations, eliminating discretionary funding;

Requiring full disclosure of all HUD contracting arrangements;

Stronger monitoring of HUD programs;

Establishment of a chief financial officer to tighten the Department's financial management; and

Improvements in the financial soundness of the Federal Housing Administration's mortgage insurance programs, by ending high-risk insuring practices.

This bill is essential for two reasons: First because HUD must end the waste of taxpayers' funds at this agency and apply these resources more efficiently to local housing needs, and second because it is our job to insist on high standards of integrity in the Federal establishment. I share the public's outrage at the misuse of public funds and the bureaucrats' subversion of the housing programs which Congress has enacted over the years to address housing needs. HUD must do better and with Secretary Kemp's leadership, we have a completely new team and a new attitude. This bill today is as much a product of his leadership as it is of our committee's.

However in passing this bill, we must not lose sight of the fact that there is a more basic problem with Federal housing programs. Too much of the focus has been on providing funds to middlemen, both private and governmental, instead of directing the funds to those who need it: American families.

That is why I favor a shift of policy toward the use of housing vouchers. We have proven that they work well. In Green Bay, WI, we conducted a successful experiment under which

more than 1,000 families received direct Federal assistance. We need to apply the lessons we learned in that project across the Nation.

We need to enact H.R. 1 immediately, but I urge my colleagues to join me in returning to work in the Housing Subcommittee on a more basic redirection of Federal housing programs to meet the real needs of American families. That is my goal. Today we have taken the first step. Now, let's finish the job.

Mr. KYL. Mr. Speaker, I rise in support of H.R. 1, the HUD Reform Act of 1989, and I want to commend Chairman GONZALEZ and the ranking member of the Banking Committee, Congressman WYLIE, for moving this legislation to the House floor so quickly.

During the last 6 months, the Government Operations Committee's Employment and Housing Subcommittee, on which I serve, has been investigating alleged fraud and mismanagement which occurred at the Department of Housing and Urban Development over the last 20 years.

What the subcommittee has found are conflicts of interest, vastly inflated "consultant fees," influence-peddling, and years of negligence by both Democratic and Republican administrations. Funding decisions were being made not on the basis of the relative merit of housing projects, but rather on who was promoting the specific projects.

Some of the projects were quality projects, and may have been funded in any event. But, when we are all dealing with scarce resources, projects ought to compete against each other. That way, everyone has an equal chance of securing funding for their project, and we can be sure that only those that are the most beneficial receive taxpayer support.

The Bush administration was quick to recognize the problem at HUD. Secretary Jack Kemp immediately suspended the section 8 moderate rehabilitation program when his inspector general reported that its allocation process was not competitive and that a strong perception of favoritism existed. He also suspended the title X Land Development Program and the Retirement Service Centers Program due to fundamental problems in their operations.

Secretary Kemp made it clear he would not reopen the programs until reforms were implemented. He subsequently proposed sweeping reforms of these and other HUD programs so that projects are judged on their merits and that any future problems will be discovered and dealt with quickly. The bulk of those reforms are included in H.R. 1, which is before us today.

This legislation will ensure that funding decisions are subject to public scrutiny every step of the way. It will establish stiff penalties for those who defraud the Government or violate agency guidelines. It will restrict the ability of lobbyists to influence HUD decisions. It will establish the new positions of Chief Financial Officer and FHA Comptroller at HUD to better track Department funding and ensure that tax dollars are used as wisely and efficiently as possible.

Mr. Speaker, I urge my colleagues to support this very important legislation.

Mr. GONZALEZ. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BILBRAY). The question is on the motion offered by the gentleman from Texas [Mr. GONZALEZ] that the House suspend the rules and pass the bill, H.R. 1, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend Federal laws to reform housing, community and neighborhood development, and related programs, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

RESIGNATION AS CONFEREE AND APPOINTMENT AS CONFEREE ON H.R. 2712, EMERGENCY CHINESE ADJUSTMENT OF STATUS FACILITATION ACT OF 1989

The SPEAKER pro tempore laid before the House the following resignation as a conferee:

COMMITTEE ON THE JUDICIARY,
Washington, DC, November 10, 1989.

Hon. THOMAS S. FOLEY,
Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: As you know, on October 4, 1989, I was appointed as a House conferee on the bill, H.R. 2712, the Emergency Chinese Adjustment of Status Facilitation Act of 1989. As passed by the House on July 31 of this year, H.R. 2712 responds to the Chinese government's repression of the pro-democracy movement and actions against pro-democracy students by granting those students a waiver from the requirement that they return to China for two years before being eligible to change their immigrant status.

It now appears that the House may be concluding the business of the First Session within the next few days. I would not want my absence from the Congress for medical reasons to impede the enactment of this critically needed piece of legislation, leaving thousands of Chinese students in doubt as to their immigration status. Accordingly, in order to expedite resolution of this matter, I am submitting my resignation as a conferee on this bill.

With every good wish, I am

Sincerely,

JACK BROOKS,
Chairman.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

The SPEAKER pro tempore. Without objection, the Chair appoints the gentleman from Wisconsin [Mr. KASTENMEIER] as a conferee to the bill, H.R. 2712, to fill the existing vacancy.

There was no objection.

The SPEAKER pro tempore. The Clerk will notify the Senate of the change in conferees.

THE CIVIL RIGHTS COMMISSION REAUTHORIZATION ACT OF 1989

Mr. EDWARDS of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3532) to extend the U.S. Commission on Civil Rights, as amended.

The Clerk read as follows:

H.R. 3532

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "The Civil Rights Commission Reauthorization Act of 1989".

SEC. 2. REAUTHORIZATION.

The United States Commission on Civil Rights Act of 1983 is amended—

(1) in section 7, by striking "1989" and inserting "1990"; and

(2) in section 8, by striking "six years after its date of enactment" and inserting "on May 31, 1990".

The SPEAKER pro tempore. Is a second demanded?

Mr. GEKAS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

Mr. SENSENBRENNER. Mr. Speaker, I object to the ordering of the second, and on that I demand tellers.

Mr. EDWARDS of California. Mr. Speaker, I withdraw my motion.

THE CIVIL RIGHTS COMMISSION REAUTHORIZATION ACT OF 1989

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SEC. 3. STAFF DIRECTOR.

Section 6(a)(1) of the United States Commission on Civil Rights Act of 1983 is

amended by striking "the President with the concurrence of a majority of".

PARLIAMENTARY INQUIRIES

Mr. GEKAS. Mr. Speaker, point of parliamentary inquiry. It is my understanding that the gentleman from California had withdrawn the motion to consider the very bill which he now brings to the desk again. What is the difference between the original motion made and then withdrew and the presentation of the matter as it now obtains?

The SPEAKER pro tempore. The original motion was with an amendment. The bill presently before the House is as introduced originally.

Mr. SENSENBRENNER. Mr. Speaker, further parliamentary inquiry, does not the gentleman's motion to suspend the rules include the amendment that was adopted by the Committee on the Judiciary this morning?

Mr. EDWARDS of California. That was correct, the first motion.

Mr. SENSENBRENNER. And a further parliamentary inquiry, the motion to suspend the rules contains the provision that takes away the power of the President to appoint the staff director of the Commission invested in the Commission itself?

Mr. EDWARDS of California. Is that a parliamentary inquiry to me, Mr. Speaker?

The SPEAKER pro tempore. The Chair can only answer that the bill offered for passage under the pending motion is the bill as introduced and referred to committee.

Mr. SENSENBRENNER. I thank the Chair.

The SPEAKER pro tempore. Under the rule, a second is not required on this motion.

The gentleman from California [Mr. EDWARDS] will be recognized for 20 minutes, and the gentleman from Pennsylvania [Mr. GEKAS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. EDWARDS].

Mr. EDWARDS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3532 simply buys Congress more time, 6 months, to address the future of the Civil Rights Commission. If we do not extend the Commission for 6 months, the Commission will die on November 30, 1989.

The Subcommittee on Civil and Constitutional Rights, which I chair, began reauthorization hearings in April, 1989. There was clear consensus then, from Members on both sides of the aisle, that this Nation needs a strong, independent, credible and effective Civil Rights Commission. But no one then had an effective plan of how to bring this about.

It was not until October that proposals were finally introduced on the Commission's future. Four proposals have been introduced within the last month, and all deserve careful and respectful study.

The President asked Congress, in June, to join him in a new partnership to reauthorize the Civil Rights Commission, with the goal of launching a renewed civil rights mission. But he did not present a proposal until November 8, last week.

The White House proposal does not address the serious financial and administrative management problems found by the GAO in 1986, and never acted upon by the Commission. The White House proposal simply extends the Commission for 6 more years.

Like the other proposals, the White House proposal will be carefully considered by the Subcommittee as soon as we return after the recess. But it should not be rammed through in the closing rush of Congress.

I received a letter last week from the White House, dated November 7. The President's Chief of Staff, Governor John Sununu, indicated that the President is troubled by the contentious nature of the Commission in recent years.

I, too, have been troubled by this contentiousness. But the problems and troubles of the Commission extend beyond contentious meetings and conflicting personalties. The Commission has been troubled by management problems which have not been addressed.

In the mid 1980's, allegations were raised regarding administrative and financial mismanagement at the Commission. The General Accounting Office reported its findings of mismanagement to the Congress in 1986, yet the Commission has taken no actions to address the troubling issues raised by the GAO.

The Commission has been without a permanent staff director since 1986. The President has authority to appoint the staff director, but has not done so. I was hopeful that upon taking office the President would have appointed a permanent staff director, as a critical first step toward revitalizing the Commission.

It would not be good public policy to extend the Commission for a substantial period of time, such as 6 years, without addressing fundamental problems at the Commission. A 6-year extension, as proposed by the White House, does not address these problems.

A number of interesting proposals have been introduced in the last month, including one from the gentleman from Wisconsin. These proposals merit careful consideration by the Congress, but this cannot be accomplished in the closing days of the session.

Finally, Governor Sununu claims that the President will not be able to attract top quality people to serve on the Commission for only 6 months.

But this differs from the facts. A number of prominent and well qualified Americans have already indicated their eagerness to serve as members of the Commission as Presidential appointees. A 6-month extension gives the President the opportunity to appoint these people to the Commission.

I am pleased to note that this bill, the 6-month extension, is endorsed by the Leadership Conference on Civil Rights, a coalition of 185 national civil rights organizations.

This will be our only chance to vote on whether to continue the Civil Rights Commission. I urge my colleagues to vote for this short term extension. Don't vote to kill the Commission.

□ 2020

Mr. GEKAS. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin [Mr. SENSENBRENNER].

Mr. SENSENBRENNER. Mr. Speaker, on November 8 of last week the Washington Post ran a five-column headline that reads, "Bush Accuses Congress of Blocking Everything I Try to Do."

Here we are, at 8:21 in the evening before an empty Chamber, and the majority party is attempting to thwart the will of the President of the United States again.

Let the record be clear: this motion to suspend the rules is not the bill that was reported from the Committee on the Judiciary this morning which extended the life of the Civil Rights Commission for 6 months. It adds one extra element, and that is that it transfers the power to appoint the staff director of the Civil Rights Commission from the Office of the President of the United States and places it in the hands of the Commission.

If that will not guarantee that this bill will be vetoed, I do not know what will.

So this is an attempt to further politicize a Commission that has been very contentious for the past several years. It is a move purely and simply designed to ensure failure for President Bush's first Commission on Civil Rights.

Now, let us look at what has been going on in the Civil Rights Commission. The Commission was reauthorized 6 years ago, in 1983. Four of the members of the Commission were appointed by the President without confirmation by the Senate, and one member each of the Commission was appointed by the majority and minority leaders of both the Senate and the House of Representatives, for a total of eight members of the Commission.

The Commission has denigrated itself into personal name calling, and contentious backbiting so that it has become a laughing stock in the

Nation, and is a waste of the taxpayers' money.

Both Republicans and Democrats have joined to significantly reduce the funding of the Commission. If this Commission continues the way it is going, it deserves to die a peaceful death when its present lease on life expires on November 30, 1989.

The terms of four of the members of the Commission expire within the next month. With a 6-month extension, it will be impossible for the President, the Senator from Kansas, [Mr. DOLE], and the Republican leader, the gentleman from Illinois [Mr. MICHEL], to find qualified persons willing to serve for this short period of time while the fate of the Commission rests in the hands of Congress.

Furthermore, there is no permanent staff director in the Commission. It will be even harder to find someone to do those managerial improvements that the gentleman from California [Mr. EDWARDS] and I both agree are essential if this Commission is to get back on track and serve a useful purpose, advancing the cause of civil rights in this country.

All Members have known that the life of the Civil Rights Commission expires on November 30, and it is at this late hour that a move is made in Congress to suspend the rules and pass a bill that will continue all of the problems that we have been discussing for another 6 months while the Commission's members and while the Commission's mission are left dangling to the winds that blow in this U.S. Capitol Building.

Mr. Speaker, it is for this reason that the Chief of Staff at the White House, Governor Sununu, wrote the gentleman from California [Mr. EDWARDS] and myself, stating that the President is opposed to a 6-month extension.

Governor Sununu's letter reads in part:

> The administration would be unable to attract the qualified kind of individuals the President seeks to serve on the Board, given the uncertainty associated with the 6-month reauthorization. We view such a short reprieve as a hollow gesture that constitutes a disservice to the Commission and to the cause of civil rights in this Nation, while merely delaying a decision we should be prepared to make today.

The administration has come out in favor of a 6-year reauthorization of the Commission, leaving the appointment structure the same as it is now.

While I would prefer that all of the Members of the Commission be presidential appointees with Senate confirmation, I am willing to yield to this desire on the part of the White House.

The White House also would like to make sure that the Commission can start afresh and that none of the existing members of the Commission who have contributed so greatly to the backbiting and personal bickering and the disgrace that has come upon this Commission will be on a reconstituted Commission.

So I have an amendment which I would have offered had this bill not come up in a nonamendable form to reauthorize the Commission for 6 months, to have a 1-day gap so that the terms of the holdover commissioners would expire and all the members of the Commission would start afresh beginning on December 2, and to provide a savings clause so that the Civil Service employees would be transferred from the old Commission to the new Commission without losing their jobs.

If we really want to stop a hemorrhage of the managerial mismanagement, the backbiting, and the waste of taxpayers' money that this Commission has gotten itself so unfortunately and regrettably involved in, then the motion to suspend the rules by the gentleman from California [Mr. EDWARDS] should be defeated when it comes up for a vote.

If we really want to depoliticize this Commission, the worst thing in the world to do would be to turn the power of appointment of the staff director from the President to the Commission itself, because this will certainly result in a veto of the bill, and then there will be no Commission, we will have a lot of ill will when we start afresh looking at what to do about this Commission, and it would be better to stop the ill will now, once and for all, by defeating this motion to suspend the rules.

Mr. GEKAS. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Speaker, I am concerned about what is happening to the Civil Rights Commission. I believe that our country needs a strong and effective Commission to guarantee the civil rights of the people of this country.

Certainly this 6-month extension guarantees that we will not have an effective Commission over the next 6-month period. We will only be continuing the problems that exist there at the present time.

After the month of December there will be only four members of the Commission that remain. The other terms will have expired.

The administration strongly supports a 6-year extension of the Civil Rights Commission, time enough to have an opportunity to work out the commitment of this President to civil rights.

□ 2030

The bill does not even give him a chance to succeed. It would be impossible over a short period of 6 months to get people who would serve on the Commission, who would actually take time away from their employment to do the kind of work that is necessary if the Civil Rights Commission is to be effective.

Mr. Speaker, I urge a "no" vote on H.R. 3532 and urge my colleagues to support the administration's proposal when it is allowed to be offered to reauthorize the Commission for 6 years with the 1-day gap to relieve the current Commissioners and staff director of their duties.

Let us give the President a chance to make a difference in civil rights.

Mr. EDWARDS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me point out to my colleagues that the life of the U.S. Commission on Civil Rights expires. The Commission dies in 2 weeks unless this bill is passed. A "no" vote on this bill that we have before us tonight is a vote to kill the U.S. Commission on Civil Rights.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have seen this happen quite often during the time I have been in the Congress of the United States with a Republican President, Reagan and now Bush, it seems that the Congress time and time again in so many fields has forgotten or is willing to ignore the fact that those individuals were elected by a majority of the people of the United States to be President, not just to occupy the White House but to give them the fundamental power of appointment to the courts, to the commissions, to the various functions that the President has the duty to fill through the power of appointment.

Here we have, again, a supreme example of the majority party in the House attempting to defy the President, rob him of that inherent constitutional power of appointment, which ironically the Congress conferred on him in the first place with respect to the Civil Rights Commission.

Here is an opportunity for us to sit down again with a "no" vote on this suspension tomorrow or however we can set this aside and allow a proper process to allow the President of the United States to do the duty for which he was elected by a majority of the people of the United States and not to allow the Congress to meddle with that any further.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DANNEMEYER. Mr. Speaker, the debate over H.R. 3532 and over the future of the U.S. Commission on Civil Rights is nothing less than a battle for the soul of the Bush administration on civil rights issues.

H.R. 3532 would extend the U.S. Commission on Civil Rights for a 6-month period, during which time the civil rights activists here

in Washington will deliver an ultimatum to President Bush. They will look him in the eye and say: Either you accept our view on a race-conscious civil rights agenda, complete with quotas and results-oriented legislation, or we will oppose your efforts in this area, no matter how reasonable. We will oppose your nominees to important civil rights posts in the administration; we will oppose your legislation initiatives; and we will oppose your regulatory interpretations of recent Supreme Court decisions.

In short, if the Bush administration insists that the appropriate course is to adhere to the color-blind policy envisioned by the late Senator Hubert Humphrey, these civil rights activists will sabotage the President's civil rights agenda.

The 6-month reauthorization in H.R. 3532 is inappropriate because it would hold the Commission hostage to political considerations during this period and prolong the agony, the bickering, and the intolerance of the current Commission. A 6-year reauthorization, however, would enable the administration to attract top quality candidates for the open slots and address the emerging issues of the nineties, including the discrimination practiced by universities across America against highly qualified Asian-American students.

The recent attempts to silence the outspoken former Chairman of the Commission, William Allen, call to mind some observations by former Judge Robert Bork in his excellent new book, "The Tempting of America." Describing the tactics of the radical left to influence the courts on civil rights matters, Bork observes:

The American left regularly bypasses rational argument to challenge the moral character of those with whom it has substantive differences. The techniques is one of intimidation and it has sometimes been at least partially effective with Courts that were sensitive about their image with the press and in public perception.

Such is the strategy to prevent former Chairman Allen from expressing his opinion on a wide range of matters affecting the civil rights of all Americans. Allen, with his enormous intellect and his rare gift for eloquence, poses a difficult target for the ideologues on the left. But, unfortunately, a concerted and well-organized campaign of intimidation to prevent him from airing his views ultimately prevailed, forcing him to relinquish his position as Chairman, although he remains on the Commission.

If this bill passes, President Bush faces a choice. He can kowtow to the left and nominate Commissioners who will adhere to the leftist party line of group entitlements and results-oriented legislation, or he can stand tall and nominate men and women like former Chairman Allen, who will advocate laws and policies that promote a society where no person will be judged on the basis of his or her membership in a particular group, and where merit will be the final arbiter of the fruits of our society, including hirings, promotions, and admittance to educational institutions.

The SPEAKER pro tempore (Mr. BILERAY). The question is on the motion offered by the gentleman from California [Mr. EDWARDS] that the House suspend the rules and pass the bill, H.R. 3532.

The question was taken; and on a division (demanded by Mr. SENSENBRENNER) there were—ayes 4, noes 3.

Mr. EDWARDS of California. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed until tomorrow.

GENERAL LEAVE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT ON H.R. 2712, EMERGENCY CHINESE IMMIGRATION RELIEF ACT OF 1989

Mr. MORRISON of Connecticut submitted the following conference report and statement on the bill (H.R. 2712), to facilitate the adjustment or change of status of Chinese nationals in the United States by waiving the 2-year foreign residence requirement for "J" nonimmigrants:

CONFERENCE REPORT (H. REPT. 101-360)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the amendment of the Senate to the bill (H.R. 2712) to facilitate the adjustment or change of status of Chinese nationals in the United States by waiving the 2-year foreign residence requirement for "J" nonimmigrants, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment to the Senate amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Chinese Immigration Relief Act of 1989".

SEC. 2. STATUS OF CERTAIN NATIONALS OF THE PEOPLE'S REPUBLIC OF CHINA.

(a) WAIVER OF FOREIGN RESIDENCE REQUIREMENT FOR "J" NONIMMIGRANTS.—The 2-year home country residence and physical presence period requirement under section 212(e) of the Immigration and Nationality Act (8 U.S.C. 1182(e)) is hereby waived in the case of any national of the People's Republic of China (in this Act referred to as "China") if—

(1) the alien is present in the United States on the date of the enactment of this Act (or who would have been present in the United States but for a brief, casual, and innocent departure from the United States),

(2) the alien would otherwise be subject to that 2-year home residence requirement because of having had the status of a nonimmigrant described in section 101(a)(15)(J) of such Act (8 U.S.C. 1101(a)(15)(J)), and

(3) not later than 4 years after the date of the enactment of this Act, the alien files a nonfrivolous application for adjustment or any change of status under section 245 or 248 of such Act (8 U.S.C. 1255, 1258).

(b) PRESUMPTION OF CONTINUOUS RESIDENCE FOR CERTAIN PRC NATIONALS.—For purposes of any adjustment of status under section 245 of the Immigration and Nationality Act (8 U.S.C. 1225) of any change of status under section 248 of such Act (8 U.S.C. 1258) in the case of an alien who is a national of China and who, as of June 5, 1989, was present in the United States in the lawful status of a nonimmigrant (or who would have been present in the United States in that status but for a brief, casual, and innocent departure from the United States), such an alien shall be considered as having continued to maintain lawful status as such a nonimmigrant (and to have maintained continuously a lawful status) for the period described in subsection (d).

(c) EMPLOYMENT AUTHORIZATION.—Any national of China described in subsection (b) who, as of June 5, 1989, was present in the United States in the lawful status of a nonimmigrant described in subparagraph (F), (J), or (M) of section 101(a)(15) of the Immigration and Nationality Act (or who would have been present in the United States in that status but for a brief, casual, and innocent departure from the United States) shall be granted authorization to engage in employment in the United States and shall be provided with an "employment authorized" endorsement or other appropriate work permit during the period described in subsection (d).

(d) DURATION OF STATUS.—The period referred to in subsections (b), (c), and (e) is the period during which the Attorney General has in effect a deferral of enforced departure for nationals of China.

(e) NOTIFICATION.—In the case of any alien who is a national of China and who is eligible for deferral of enforced departure pursuant to a directive of the Attorney General during the period described in subsection (d) and whose authorized period of stay as a nonimmigrant has expired, the Attorney General shall, instead of initiating deportation proceedings against the alien (including the service of an order to show cause) during the period described in subsection (d), issue to the alien a notice of expiration of nonimmigrant status. Such notice shall be nonadversarial in nature and shall contain an explanation of the options available to such aliens under the directive of the Attorney General and under the Immigration and Nationality Act.

SEC. 3. GUIDELINES TO BE APPLIED IN ADJUDICATING APPLICATIONS FOR ASYLUM, WITHHOLDING OF DEPORTATION, AND REFUGEE STATUS FROM CHINESE FLEEING COERCIVE POPULATION CONTROL POLICIES.

(1) IN GENERAL.—With respect to the adjudication of all applications for asylum, withholding of deportation, or refugee status from nationals of China filed before, on, or after the date of the enactment of this Act, careful consideration shall be given to such an applicant who expresses a fear of persecution upon return to China related to China's "one couple, one child" family planning policy.

(b) REGULATIONS ESTABLISHING GUIDELINES.—Not later than 60 days after the date of the enactment of this Act, the Attorney General shall promulgate regulations establishing guidelines to implement subsection (a). Such guidelines shall provide that an applicant described in subsection (a) shall be considered to have established a well-founded fear of persecution based on political opinion if returned to China if the applicant establishes that—

(1) the applicant (or applicant's spouse) has refused to abort a pregnancy or resisted sterilization in violation of China's family planning policy directives, and

(2)(A) in the case of an applicant for asylum or refugee status, there is good reason to believe that the applicant will be required to abort the pregnancy or to be sterilized or will otherwise be persecuted if the applicant were returned to China, or (B) in the case of an applicant for withholding of deportation, there is a likelihood that the applicant will be required to abort the pregnancy or to be sterilized or will otherwise be persecuted if the applicant were returned to China.

Such regulations shall be effective immediately on an interim basis pending the promulgation of final regulations and shall be applied throughout the Department of Justice.

(c) CONSIDERATION OF OTHER FACTORS.—All other factors (such as overt political activities, membership in an ethnic or religious minority, and family background and history) which may contribute to a determination that an applicant described in subsection (a) is eligible for asylum, withholding of deportation, or refugee status are to be given additional weight.

And the House agree to the same.

ROBERT W. KASTENMEIER,
BRUCE A. MORRISON,
HOWARD L. BERMAN,
Managers on the Part of the House.

EDWARD M. KENNEDY,
PAUL SIMON,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the Senate amendment to the bill (H.R. 2712) to facilitate the adjustment or change of status of Chinese nationals in the United States by waiving the 2-year foreign residence requirement for "J" nonimmigrants, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment to the Senate amendment to the text of the bill struck out all after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the House amendment to the Senate amendment to the text of the House bill with an amendment which is a substitute for the Senate amendment to the text and the House amendment to the Senate amendment to the text. The differences among the Senate amendment to the text, the House amendment to the Senate amendment to the text, and the substitute agreed to in conference are noted below, except for conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SCOPE OF WAIVER OF 2-YEAR FOREIGN RESIDENCE REQUIREMENT

The Senate amendment limited the availability of the wiaver of the 2-year foreign residence requirement to Chinese nationals who are "otherwise eligible for adjustment of status under the Immigration and Nationality Act" during the period of time during which the Attorney General has in effect a deferral of enforced departure for nationals of the People's Republic of China.

The House amendment to the Senate amendment made the waiver available without regard to the alien's eligibility for adjustment of status and imposed no limitation on the period of time during which aliens would have had to apply for the waiver.

The Conference substitute adopts the Senate provision with two modifications. First, the waiver would be available during a 4-year period (beginning on the date of enactment). Second, in order to qualify for the waiver an alien would have to file, during the four-year period, a nonfrivolous application for adjustment of status under section 245 (immigrants) or change of status under 248 (nonimmigrants) of the Immigration and Nationality Act.

The Conferees note that the substitute language does not make the availability of the waiver contingent upon the alien's ultimate success in obtaining adjustment of status. Instead, any timely application for adjustment of status that on its face presents an honest and plausible case for adjustment shall have the effect of permanently waiving the foreign residence requirement that otherwise would have applied to that individual.

The Conference substitute, by waiving the foreign residence requirement for individuals who file nonfrivolous applications for adjustment, effectively lifts the limitations on adjustment of status of "J" nonimmigrants contained in section 248(3) of the Immigration and Nationality Act.

CHINESE FLEEING COERCIVE POPULATION CONTROL POLICIES

The Senate amendment require all adjudicators of asylum or refugee status to give the fullest possible consideration to applications from nationals of the People's Republic of China who express a fear of persecution upon return to that country because they refuse to abort a pregnancy or resist surgical sterilization in violation of Chinese Communist Party directives on population.

The House amendment to the Senate amendment included no similar position.

The conference substitute requires all officers and employees of the Department of Justice to give careful consideration to all applications for asylum, withholding of deportation, and refugee status filed by Chinese nationals who express a fear of persecution upon return to China because of China's one couple, one child family planning policy. The substitute also requires the Attorney General to promulgate regulations that specify that an applicant who has violated that policy by becoming pregnant or by refusing to abort a pregnancy or resisting sterilization shall be considered to have established a well founded fear of politicial persecution if evidence exists that the individual will be persecuted if returned to China.

ROBERT W. KASTENMEIER,
BRUCE A. MORRISON,
HOWARD L. BERMAN,
Managers on the Part of the House.

EDWARD M. KENNEDY,
PAUL SIMON,
Managers on the Part of the Senate.

THE PRESIDENT'S HOUSING PROPOSALS

(Mr. FRANK asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FRANK. Mr. Speaker, the President correctly last week acknowledged the fact that we have got a housing crisis in this country and proposed some measures to help. The measures he proposed in themselves are good ones, but as the Washington Post points out in an editorial today, they are hardly enough.

The entire thrust of the President's proposal is to help poor people buy homes. I am for helping poor people buy homes. But we ought to understand that when people buy homes, they will not be poor anymore.

In fact, trying to give every poor person a chance to buy a home would clearly exceed our financial capability.

Home ownership as one part of a program for some small percentage of the poor is a good idea. But a program like the President's, which ignores those who rent, ignores the various forms of rental assistance, which ignores trying to get more housing constructed for low-income people where they can live and rent, as the Washington Post points out, will do very little in terms of its cumulative impact.

The President is right in his analysis of the problem but his solution, as the Washington Post points out, simply leaves most of those who are hurt by the housing crisis untouched.

The article referred to follows:

THE PRESIDENT'S HOUSING PROPOSALS

One thing to do when an answer get too hard is to change the question. That is what the president did in his housing speech last week in Dallas, saying that "the true measure of success isn't how many families we add to housing assistance rolls" but "how many families move up and out, and into the ranks of homeowners."

The speech was accompanied by the administration's HOPE (Homeownership and Opportunity for People Everywhere) initiative, a series of proposals aimed mainly at helping poor people buy either the public or subsidized housing units they now rent or residential properties on which the government has had to foreclose. This has long been a dream of housing secretary Jack Kemp, who describes such conversions as a step toward the weaning and empowerment of the poor. The proposals also included the enterprise or tax-forgiveness zones he has long urged as a way of inducing businesses to return to or start up in inner cities, thereby in theory providing the poor with jobs.

It would be a great mistake to denigrate Mr. Kemp's enthusiastic vision. In an area where successes have been depressingly few, his strongly held ideas deserve the trial that

the president now asks that they be given. But it would be an equal mistake to think that these ideas go anywhere near the central housing problem of the poor. Most poor people rent, and it is not defeatist to say that as far as the policy eye can see, they will continue to. The rents they are called upon to pay far outstrip their incomes.

The government already spends $15 billion a year on subsidized housing, yet fewer than a third of the renting poor are covered by the programs—in part because many of the more than 4 million units go to the almost equally needy near-poor. Some 45 percent of the renting poor, or most of those not covered by the government programs, pay more than 70 percent of their already meager incomes in rent. What does that leave? Preferable as it would be to see housing-assisted families move into their own homes, a decent policy now requires that we actually add families to the housing assistance rolls. The program decribed last week will add too few.

In fairness, most of the alternatives put forward in Congress would also add too few. The problem is money. But on that, too, the president hid behind a diversionary tactic, attacking Congress for failing to reduce spending and the deficit even as he proposed another unfinanced program to increase both. Where, if not from the tax increase he continues to resist or the spending cuts he will not specify, will the money for even his own modest housing program come? Busily denouncing fiscal irresponsibility, he does not say. The president embraced some interesting ideas last week, but they do not amount to a serious national housing program.

MEDITERRANEAN SUMMIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. ECKART] is recognized for 60 minutes.

Mr. ECKART. I thank the Speaker.

Mr. Speaker, this is indeed a very exciting time in the history of the world. It was just almost 45 years ago that two preeminent leaders of the world joined by another colleague were also traveling on battleships in the Mediterranean Sea to provide for a fundamental redrawing or a carving-up, if you will, of the map of Europe.

Almost 50 years later, leaders from both the Soviet Union and the United States will once again be traveling on Navy ships in the Mediterranean Sea, not to carve up the Earth, as was once done before, but to participate in the most open dialog and the greatest opportunity since World War II to help shape the face of democracy.

In this evening's special order I will be joined by my colleagues from the States of West Virginia, New Jersey, and Florida to talk a little bit about the expectations, the opportunities for this summit. Indeed, for a President who has wandered like an accidental tourist in the foreign policy realm, the opportunities for Mr. Bush indeed here are legendary.

The first of my colleagues to participate in this special order, representing the State of New Jersey, is my colleague, the gentleman from New Jersey [Mr. TORRICELLI].

Mr. Speaker, I yield to my colleague such time as he may consume.

Mr. TORRICELLI. Mr. Speaker, I thank the gentleman for yielding and for giving us this opportunity this evening.

As the gentleman from Ohio notes, history is taking a dramatic turn. The recent events in Europe assure the world, as we have known it for four decades, is going to be different. Indeed, it is never going to be the same again.

Mr. Jefferson's idea of human dignity, the idea of universal sufferage and freedom is now becoming the dominant form of government in the world. Indeed, perhaps for the first time in human history, democracy could represent more than half the people on this globe.

□ 2040

For America, for all Americans, it should be a great triumph. We have, after all, lost thousands of lives in this struggle, and spent billions of dollars. Tragically it would appear that the administration is not meeting this challenge with either the vision nor the courage that has typified either our history or our very participation in this struggle.

It has been a blessing of America that at each time of challenge in our history, be it Lincoln, during a great division in the Republic, or Wilson or Roosevelt or Kennedy, even within the struggles of this cold war, we have the good fortune of bold leadership. People who were as large as the opportunity, who understood not only the dangers but the opportunities, and rose to them.

Well, Mr. Speaker, now my fears at this moment of triumph. Something different is happening in our land. There is a fear, there is a hesitancy about change, a hesitancy to act. It is as if we have won the battle of the cold war and now are prepared to lose the larger struggle itself. Not because of a failure of our ideas. Our ideas are prevailing. Not because of a lack of resolve of our people. Indeed, we are not triumphing the cold war because of the resolve of our people, but because of a timidity, a lack of vision by our leader.

The loss, I believe, takes on many aspects. For one, it is a loss defined by the fact that a new generation in the world will never fully understand that it is American ideas, American idealism, and American resolve which will have brought the blessings of democracy to all corners of the Earth. But also, a failure that as a new world takes form, borders are changed, security changes, trading routes are redrawn. American hands will not be molding a new future. It appears, Mr. Speaker, that rather than being inspired by these possibilities, we are fearing change. It is almost as if the administration harbored some nostalgia for the dark days of the cold war when the world was simpler, if not far more dangerous. This hesitation, I believe, is producing one of the great ironies of history. That is, that after 40 years of American allied sacrifice for a new generation of people on this Earth, it is Mr. Gorbachev and his nation who are going to be credited with having brought the blessings of freedom and an end of conflict. For all of his contributions, for all the vision Mr. Gorbachev might have that is a distinction that he does not deserve. That distinction, based on our sacrifices and our leadership should be American.

There is still time. In only a few days President Bush will go to the Mediterranean for his summit meeting with President Gorbachev. The question is whether he is going to listen, or whether he is going to lead. Whether he can be as large as the opportunity, whether he will bring proposals and seize the initiative, or simply listen and continue to cower in the fear of change. That is an open question.

Mr. Speaker, what should be done I believe is clear. Go to that summit with clear, with precise, with bold proposals to challenge the Soviets to reduce troops in Europe now; to integrate the Soviet economy into the world economy lest they never have the incentive again to go their separate ways; to restructure the divisions and the conflicts of Europe; to think in as bold, as large of terms as the opportunities.

Mr. Speaker, there are dangers in delay. Not only the failure to perceive America's role or sacrifices, not only the loss of leadership in the Western world, but other larger delays. Dangers in those delays because as quickly as opportunities have appeared, opportunities can be lost, for if reforms are not rewarded they, too, can be lost. Incentives must be clear for continued reform and change, or they will be too late.

Mr. Speaker, if this chance is lost to alter the course of history, to make permanent the events of the last few days, to make the blessings of democracy available for all people, history will never forgive Members. It is, Mr. Speaker, a tragedy that America, facing a first-rate opportunity to remake the world as we have known it has, perhaps, a second rate leadership. However, it is not too late. He is the only President we have. We wish George Bush well and hope that he can think in terms as large as the opportunity.

I thank the gentleman for yielding the time to me.

Mr. ECKART. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. SMITH], who in his service on the Committee

on Foreign Affairs has persistently and consistently raised questions of great significance to the United States.

It is just a few hours from this moment that at that very podium, from the areas from which my friend, the gentleman from New Jersey just spoke, one of the great leaders who has helped create an aura, an opportunity in Europe, will be addressing this august body. The leader of Solidarity, Lech Walesa, represents for many Members, the tremendous ideals, some of whose spirits are emblazoned on the walls of this very Chamber; a rainmaker, Mr. Walesa, has helped bring about this tide, the flood of democracy which he idealed for 8 years, and it took less than 8 weeks in East Germany.

However, to my friends from Florida who have worked hard on the question of human rights and our introduction, we welcome this opportunity to share with Members the kind of items that will be necessary in order to have a successful summit in the next 3 weeks.

Mr. SMITH of Florida. Mr. Speaker, I thank the gentleman for yielding time to me.

I very much appreciate his asking for the time this evening on this special order so that we may discuss some of the challenges that face not only those countries emerging from behind the Iron Curtain, as it crumbles, emerging into the light of day, into the sphere of freedom and democracy that is the hallmark of Western Europe, but also as we face challenges ourself.

The United States is at, and I do not mean to use an old worn phrase, but it really applies, the United States is at the crossroads of history. It has been to a large degree, because of the actions of the United States from Yalta, now to Malta, that the whole range of democracy options have been put into place from the time that the agreements were made, literally setting up Soviet domination over Eastern Europe, and ensuring that a number of states would become Communist, and the Iron Curtain became a reality. From the time the United States has set about in almost every way possible to get the Iron Curtain lifted, to bring about a change. It has taken over 40 years, but it worked.

Now we are faced with the fruits of our labor. We are faced with what could not be accomplished by the Second World War, and the loss of so many American lives, as well as the lives of many others, and the armies, and of course the civilian losses on the Allied side. We are now faced with the possibility that we will achieve, after all those years, after over 43 years that the war has ended, we will now achieve the very thing we fought for then, and that is not only peace, but freedom, democracy, pluralistic societies in many of the Eastern European countries as well as the Western.

□ 2050

Mr. Speaker, we ought to be proud of that. It is something unique. It is something incredibly joyful in a way to watch as one country after another, almost like children learning to walk, discover that standing upright gets them there faster, and when they begin that movement forward, things begin to happen.

We visited, a number of us, Hungary just 1 year ago, just 1 year ago in November, Mr. Speaker, and we went with parliamentarians, the speaker of the Hungarian house and a number of his colleagues, and they told us about their grandiose plans. And what were their grandiose plans, their dreams 1 year ago? To try to get a parliament that could pass some small pieces of legislation that would be implemented without the necessity for the approval of the Communist Party and the possibility that would exist that they would have some kind of multicandidate, not multiparty, just multicandidate elections, all supervised by the Communist Party.

Mr. Speaker, we met with dissident groups who were thinking that maybe for the first time they might have a small voice, some opinion, that could be voiced without their being beaten over the head or arrested, and 1 year later what do we see? Not just Hungary, where they have had multiparty, multicandidate elections, where they have cut down the fences between themselves and other nations, where they now have changed the name of the Communist Party; it does not exist any longer in Hungary; but we see Poland, the second country, which moved from a repressive society with an almost dictatorial figure at its head to a country where Solidarity, as the gentleman from Ohio [Mr. ECKART], my friend, has just indicated, actually won elections, that which was 9 years ago started in a shipyard and has now moved forward to actually be the governing sentiment and party taking most of the seats in the first open election they had in over 40 years.

And now East Germany, where just a few weeks ago Mr. Honecker stepped down, appointed a man whose first utterances were that there would be no reforms at all, Mr. Krenz. That is almost a direct quote, that there will be no reforms at all. A month later, the wall, the Berlin Wall, that despised symbol of the Iron Curtain of repression, of people penned in, is almost gone. We are waiting right now for the section of the wall that is in front of the Brandenburg Gate, the most, I guess, notable section, because it separates the highway that runs between what is East Berlin and West Berlin; that main highway in front of the Brandenburg Gate is about to be taken down, and we are waiting for it, the most symbolic act that would have happened so far for the East and West Berliners, that which our President in 1963 went to see, John F. Kennedy, and talked about its disastrous effect on the people inside that wall and talked about being a Berliner in his heart, as many Americans felt, solidarity with those people walled in, penned in by a system which was repressive and totalitarian. And now in just a matter of a few weeks they have broken out, and they are announcing more reforms. And this is what we are faced with.

Mr. Speaker, where are we? Mr. Speaker, we see Helmut Kohl, the Chancellor of West Germany, going to Poland, sitting down at a table and setting up by treaty, by agreement, trade, economic and other multilateral and bilateral ties with Poland, meeting in East Germany and talking with the leaders of East Germany. We have at the North Atlantic assembly, the political arm of NATO, both representatives from Poland and Hungary invited to the meeting that we had in October. We see participation by groups all over Western Europe in aiding these new countries.

What do we see mostly? We see in the Soviet Union a regime which has made no attempt whatsoever to stifle these reforms and these changes. We see a man, Mr. Gorbachev, who has problems in his own country, but to his credit, for the most part, has refused to become repressive, who has not at all attempted to stifle what we want in Hungary or Poland, and now in East Germany, and which may be catching even to the extent that in Bulgaria the 35-year Mr. Zhivkov—35-year dictator—just resigned.

What a challenge to us, but sadly, Mr. Speaker, as my colleague, the gentleman from New Jersey [Mr. TORRICELLI] has indicated, what has been the reaction of this administration and this President? The President was quoted as saying yesterday as to his lack of any kind of real response, "I'm not an emotional kind of guy."

Mr. Speaker, that is really very nice. Nobody asked the President to jump up and down and clap his hands. What we expect from the President is leadership.

What are we going to do about what is going on? How are we going to seize the advantage? How are we going to help these countries institutionalize these reforms so that they cannot slide back? Where are our programs? Hungary for over a year, Poland for the last 8 or 9 months? Even now, East Germany in just a few short weeks? Have we announced any program other than the President saying he wanted a small package of economic aid which both this House and the Senate, people from his own party, as

well as Democrats, were gravely disappointed in because they were too little, too short-sighted without a real challenge to them in capability to allow us to help them?

What happened to this country and its administration as these incredibly unique, important and, in very many ways unexpected things took place? We stayed with our old line. We have to be cautious. Mr. Speaker, we do. We have to be cautious. But caution should not mean indecision. And we have to be politic. But politic does not mean indifference.

Mr. Speaker, that is what we are beginning to see that our policy is just that, indifference, and to some degree an incapability to devise some strategy to do what others are doing in their political sense. We have had on the table at the negotiation that we have been involved with, for instance, proposals to reduce tremendous amounts of troops in Eastern and Western Europe. We have tabled significant proposals. In the last few months the Soviet Union has scooped us, literally, while we were fighting about small little items. Mr. Gorbachev tabled the proposal to reduce troop strength by 50 percent. We were unprepared. They talked about reducing military hardware by huge numbers. We were unprepared. Not only the United States, even the NATO allies, and we have yet, frankly, to come back to them with any significant proposal.

□ 2100

Now, in that area, of course, caution is very important. These reforms are not institutionalized. These reforms still could be reversed. The possibility still exists of Soviet tanks being used like they were in Hungary in 1956 or in Czechoslovakia. That could happen. But what are we doing to ensure that it does? At the moment, practically nothing.

Giving Mr. Walesa a Medal of Freedom is a wonderfully symbolic thing to do, but helping the people that he represents build their country's infrastructure, giving them an economy that will push them in the direction of free enterprise, give people jobs and make people want to stay in the sphere of freedom and democracy and put the lie to those who say you can only get along in a Communist society where the state runs everything should be our goal. I have yet to hear any statement from the administration on how they intend to do that. So these symbolic acts must be matched by on-the-table proposals.

Mr. Speaker, what is going to happen when Mr. Gorbachev and Mr. Bush sit down on those naval ships near Malta? Well, we pray that it will not be as it was in 1945 at Yalta. But are we going to do?

It is quite conceivable that the Soviet Union will come in and Mr. Gorbachev will table a proposal to take all of the American and Soviet forces out of Europe. Are we prepared for that? What would happen?

Our President has been calling this a meeting, a discussion, not wanting to use the word "summit," not wanting I guess to raise, but rather to lower expectations about what can be accomplished. But the timing of this could not be better to accomplish a major step toward world peace. It could not be better, and if the President insists on downplaying this to a mere discussion, then he is missing and his advisers are missing and the Secretary of State is missing a unique opportunity not only to break that curtain completely, but to move it apart forever by virtue of the kind of new reforms that could be adopted in the military, in the economic, in the social and in the political arena by discussions with a man who still to some degree has sway over that orbit.

Will we reduce our troops? Will they? Will we build mutually beneficial security facilities which are monitored, which are verified? Will we reduce our missiles, our tanks, our planes? Will they do the same on their end? These things need to be discussed now.

And what needs really to be discussed is how we are going to accomplish institutionalizing what has happened in those countries and what we and the Soviets will now decide to do vis-a-vis our alliance commitments, they with the Warsaw Pact and us with the NATO allies.

Mr. Speaker, the Poles have already indicated, as have the Hungarians, that they want Soviet troops out of their country. Well if they succeed, how are we going to justify keeping 350,000 troops in Western Europe? These are all questions of grave importance.

What about the missiles and their technological upgrades, the modernization of our missile force, if, in fact, the missiles of the Soviets are pulled back behind the Urals and many dismantled, as they are very possibly going to do? These are questions of grave importance, and I would hope that the President of the United States would not miss this opportunity to begin to discuss these now.

But that is not the only question, and that is why this summit is so important. Will we discuss the broadening of human rights, of the capability to institutionalize democratic process reforms for elections and for open and free markets and for the free transit of people across borders? Will we do all of that? This is the challenge. This is again the unique crossroads challenge for the United States.

I hope that the President of the United States sees this challenge the way many of us in this Chamber do, both Democrats and Republicans. We hope that he rises to this challenge. We hope that he believes, as we hope he can believe, that he is equal to this task. It is a grave important task.

The future of many of these countries and the future of our country to a large degree rides on what Mr. Bush will be able to accomplish in these next few months, and the programs and policies that the foreign policy of the United States will dictate that he come up with.

We hope, Mr. Speaker, in short, that the United States will again be the leader and will reap the fruits of its policies that it has followed for the last 45 years.

Mr. ECKART. Mr. Speaker, I thank my colleague, the gentleman from Florida, for his comments and participation.

My colleague, the gentleman from Florida, briefly mentioned that President Bush's aides have been instructed to call this a meeting, not a summit. It is said this is going to be a time in which they are to get to know each other, as the President said, "Getting acquainted."

Well, Mr. President, this is not a blind date. You have met Mr. Gorbachev before. In fact, you were riding in the car with him just about a year and a half ago when he decided to get out and make that famous walk down the street in Washington to meet the real people on the sidewalks.

Mr. President, this is not a time simply for talking and sharing and being together. You did not get this appointment by calling a 1-900 number because you were lonely somewhere. This represents a real opportunity for significant breakthroughs, as my colleague, the gentleman from Florida has suggested.

One of my colleagues, the gentleman from West Virginia, who has followed the question of nuclear arms and trade reductions as well has an important point to make in that regard.

Mr. Speaker, I yield to my colleague, the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, I thank the gentleman for yielding to me.

I just point out that I agree with the gentleman also that the President and Mr. Gorbachev have met before. I mean, here are two guys out on warships. They do not need a male bonding experience. They are going to have the opportunity, and it is going to be very serious.

Mr. Gorbachev is coming with a map, make no mistake about it, and he wants to move things around on that map. They may be troops, they may be missiles, they may be arms depositories, conventional arms agreements, or whatever, but he is going to make some significant proposals.

The question is whether we will be prepared to meet those or whether we

are going to be simply participating and sitting and being a spectator, and then as has happened in Reykjavik, be embarrassed because we are not able to adequately respond.

I think that it is important that our administration be preparing in nuclear arms. What is it we intend to be doing? Do you know what we want out of this? It is not just a question of what we hope to get out of it, what the Soviets want. Do we know what we want, what goals we have?

The nuclear arms, for instance, how much of a reduction can we absorb at one point? What do our NATO allies want?

Remember what happened at Reykjavik, where a 50-percent reduction was proposed and immediately we find out that that is not what our NATO allies wanted. Indeed, the Pentagon had some grave misgivings about it.

In conventional arms reductions, the Soviet Union has already put something on the table. I am not saying it is something that should be adhered to, but the point is they are showing leadership. Where are we? Where are our proposals?

In trade relations, my goodness, all the economies that are up in the air right now, the transit back and forth in East Germany and West Germany, Hungary, Czechoslovakia, and so on.

Do we know what we will give in concessions? Do we know what we will give in assistance?

Lech Walesa will stand in this Hall tomorrow. When George Bush visited Lech Walesa, Lech Walesa said, "Our country needs $10 billion to move into this new era."

George Bush offered $100 million. He was matched within a couple days by one heiress to the Johnson & Johnson fortune who wrote a $100 million check to the Gdansk shipyard. One individual matched what the entire U.S. Government said that they would put on the table. Happily, due to a democratic initiative, that amount has been ante'd up.

To those who say, and I understand the concern for foreign aid, we cannot just be throwing money at problems. We spend conservatively over $100 billion a year maintaining NATO forces. NATO is now up in the air. So how many millions is it worth not to spend the hundreds of billions of dollars that are spent over a several year period of time? Billions on NATO or millions for peace?

George Bush says that he is a prudent man, and I respect prudence, but I know what is going to be on that warship off Malta.

□ 2110

You are going to have someone making hard proposals, and so prudence is one thing, and people can always say, "I understand and respect prudence," but they respect, they admire and, more significantly, they follow real leadership.

I would just note that many, many years ago when the Berlin Wall was being constructed and before John F. Kennedy actually went himself as that wall was being constructed, he sent his Vice President. As that wall is coming down, should we not be doing something more significant? Should we not be participating?

I note that the East German and West German mayors stretched their hands out across the wall and shook hands and then walked in each other's area. I note that the President of France has already called for a summit. I note that German leaders of East and West Germany have already agreed to their own summit meeting sometime before the first of the year.

Where are we in Europe? Are we going to a conference on the warships off Malta, are we going to a conference in which, once again, we are forgetting to consult somebody and to talk to somebody and to get their advice; namely, those being the people, the NATO allies, whom we say we represent?

There are so may issues that have to be prepared, for we are all excited, and we want the best for the President, but we want also the President to be at this best as he represents us.

Mr. ECKART. Mr. Speaker, I thank my colleague.

As he mentioned the question of prudence, I think we all should really closely keep in mind that there is a significant difference, as a columnist mentioned today, between prudence and paralysis. Unfortunately, this administration has all too often substituted one for the other.

Both of my colleagues who serve on the Foreign Relations Committee touched upon in their remarks, the need for significant changes, not to come home empty-handed.

One of the most important matters that I would think which would be part of it is the time this country has spent in leading along with a number of other nations efforts at human rights reforms; the Helsinki commitments which we are so interested in preserving and expanding. It would occur to me, and I would welcome my two colleagues' discussion of the opportunities to involve this summit in a major initiative on the Vanik-Jackson law passed here so many years ago by my immediate predecessor, Congressman Charles Vanik from the Cleveland, OH, area.

Let me ask my colleague from New Jersey and my colleagues from Florida and West Virginia, as well, to comment on the significance of a major breakthrough in the area of Vanik-Jackson as a part of the terms for a successful summit.

Mr. TORRICELLI. I thank the gentleman for yielding.

There is virtually a constellation of opportunities, of different measures that George Bush can bring to this meeting with Mikhail Gorbachev, and one of those is certainly to recognize the dramatic changes in Soviet emigration.

Our goal, and the United States established some years ago, was under the pressure of withholding normal trade relationships with the Soviet Union in Jackson-Vanik, to withhold that relationship unless the Soviet Union made some dramatic changes in the rights of emigration, a basic human right for its citizens.

In recent months, indeed, throughout this year and last, the numbers of those Soviet Jews, ethnic Germans, evangelists, Christians who have been permitted to leave the Soviet Union has grown into the thousands, indeed, beyond our own ability to absorb them.

Have the Soviets made all the changes we would like? Of course, they have not. There are still things to be done. We would like to see them codify the law. We would like to see some more domestic respect for differences among their population, but the fact is there have been these dramatic changes.

My fear is that this opportunity will be lost, to go to Mr. Gorbachev and say, "We recognize the dramatic changes that have been made and, therefore, under the powers of the Jackson-Vanik law, we will not repeal it until those changes in your country are permanent, but we will waive it," and the President has that power today for a year, for less if he chooses, to provide both a recognition and an incentive particularly within the internal politics of the Soviet Union that those who would be reformers clearly can return home with a recognition that we have responded, and those who would counsel that there is no improvement in relations with the West, no chance for a better relationship with America no matter what actions are taken, would be proven wrong.

Does that involve a risk? I do not think so, because the President can reenact the law if he does not like actions that are taken, but I suppose what bothers me most as the administration prepares for this summit is the belief that no risks should be taken.

I would remind my colleagues in these last 40 years we have risked everything to bring this day about when the triumph of democracy might be realized. We have risked every life in this country in the possibility of conflict. We have spent precious resources. We have spilled blood. We are now failing to respond, to offer alternatives, to challenge the Soviets to go further, because we are afraid of the risks. Mr. Bush seems to cite caution as a virtue. I would suggest this to the

Members, that caution in the face of opportunity is careless.

The administration's policy, if they do not seize these intiatives, is careless, and the gentleman correctly notes that Jackson-Vanik is one of those opportunities. I hope the President thinks about his possibilities when he travels to Malta.

Mr. SMITH of Florida. Mr. Speaker, I thank the gentleman for yielding.

I think the gentleman makes an excellent point about the opportunities that exist.

Let me first say that it is interesting to note, as the gentleman from New Jersey pointed out, that at least for the previous administration and this one, it seems as if the risk of war was less of a risk to them than the risk for peace. Not only did we put our lives on the line and risk everything, but the nuclear deterrent which was the United States role to a large degree in the NATO alliance put us at risk significantly for our European allies, and we were willing to take that risk. Now when that risk is rolling itself back because of the actions of people in those, what were once satellite countries, we have not come up with anything on the civic, political, and social side which matches the risk that we were willing to take on the military/nuclear side. That is a very surprising posture for the United States to be in, and it is a challenge for us that we ought to be able to meet, the kinds of intentions we have in this country, the kind of capability, but more so, the desire to help the people that we have helped over those years.

The gentleman from West Virginia rightly points out that we have spent in this country billions upon billions upon billions. Last year about $80 billion alone was spent to protect the countries in Western Europe. We, in fact, have spent ourselves into a huge deficit because we operated the military to meet all of these theoretical challenges that existed from the Soviet Union and the Warsaw Pact countries.

What is our response now that the walls are crumbling? We have none. We have none. Even Mr. Cheney, the Secretary of Defense, admits that NATO will have to be revised significantly. But we need to start talking about that.

With reference now to the challenge of, as my friend from Ohio likes to refer to it, Vanik-Jackson, and since Charlie Vanik is a wonderful man and one of the authors, we shall refer to it as the Vanik-Jackson, and while I agree with most of what the gentleman from New Jersey said, I take a slightly different tack, and that is that while I am willing to use Vanik-Jackson as a lure for the Soviets to continue to be forthcoming, I do not believe that until some institutionalization is in fact made and ensured that we ought to be still as quick to extend the virtues of that economic policy that Jackson-Vanik represents.

I believe it is very important for us to continue to hold that out as a carrot. The Soviet Union needs it desperately, and they ought to be able. They were a much more advanced society than many of these other satellite nations in terms of their political capability. They ought to be able to institutionalize some of these reforms so that they cannot go back either.

□ 2120

The one thing we have to be very scared about is that Gorbachev will fail. If he fails, we can see worse repression. There will be another Brezhnev, another Stalin even perhaps.

Are we prepared to help him do that? We have to be, as much as it strikes us as unique and odd that we are now looking to help a person and society who just a few years ago the President of the United States called the evil empire.

The point is, however, it is in our best interests to do that. We may be able some day to bring about this peace, save American lives, put America less at risk, save American dollars, and have a world that looks a whole heck of a lot more like we wanted it to look back in 1945.

Mr. Speaker, I thank the gentleman for yielding.

Mr. ECKART. Mr. Speaker, I thank my colleagues from New Jersey, West Virginia, and Florida for their participation.

In the concluding moment here, let us not fail to remember, as the Nation that liberated Berlin in 1945, that sustained Berlin in 1948, that has, as my colleague from New Jersey reflected so wonderfully, exported its most viable products, its ideals and its idealism throughout the world, expects a lot from this summit. The American people expect much; the world population wants much; and all of us who hope for peace know that we need concrete results.

This headline, "Bush Administration Taken by Surprise as Events Unfold," must not be the hallmark of this summit. Mr. President, as Ronald Reagan was known as the great communicator, we hope you are not known as the great hesitator.

Mr. Speaker, I yield back the balance of my time.

"ETHICS" BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. CRANE] is recognized for 60 minutes.

Mr. CRANE. Mr. Speaker, on Thursday we are scheduled to take up an ethics reform/pay raise bill.

The underlying premise behind the Government Ethics Reform Act of 1989 is that if we reform our errant ways, we are entitled to a 25-percent pay raise in 1991. To link these two issues is, to me, indefensible. Moreover, I would challenge both what is being defined as unethical behaviour as well as the package designed to guarantee ethical reform.

Outside earned income, with some interesting exceptions, is assumed to be unethical. The Founding Fathers, who never anticipated the concept of career politicians, would have deemed this absurd. They wanted citizen legislators, who derived their primary source of income outside of government, to bring some of that private sector experience and talent to Washington in the service of their country.

To be sure, times and institutions change. On the other hand, lecturing for a livelihood is a time-honored profession. I lectured professionally to help pay my way through graduate school. And with six children at the time, there is no way I could have afforded the luxury of teaching history at Bradley University without substantially augmenting my salary through outside lectures.

After coming to Congress, my wife and I had two more children. Faced with the expenses we had as a family, I continued lecturing professionally. But working overtime this way came at the cost of being away from my family more than I liked. Yet my family situation dictated it. Those with no children or grown children were under no pressure to Moonlight. It varies from Member to Member.

I do not favor any limitation whatsoever on outside earned income. With full disclosure requirements, it is a matter to be resolved between a Member and his constituents. If any Member were invited to Japan and paid $2 million for a couple of speeches, I can assure you that it would do more than raise the eyebrows of any Member's staunchest supporters back home.

Then again, all the major media personalities—some with million dollar salaries—dwarf Members of Congress in the amounts thay are paid in the form of honoraria, and yet they have not come under public condemnation for it.

But there are other actions this bill implies are unethical. Why should a physician or dentist, for example, be required to give up his practice as a condition for holding a seat in Congress. Yet, that is required under this so-called ethics bill.

Somehow, teaching—another honorable profession—is exempt from this prohibition. As a former history professor, I am flattered. Yet, I don't understand the rationale behind viewing the practice of medicine as unethical while teaching is not.

On the question of this package guaranteeing ethical reform, there are some provisions that jump out at one that raise questions. For example, there is no cap on spousal honoraria. I look forward to traveling with my wife and listening to her speak for a change. This will permit an enormous increase in our family income, on the one hand, and permit me more time on the golf course at these conventions on the other. This kind of ethical reform I could get used to.

Then there is no ban on royalties from book sales. Recent Ethics Committee investigations have focused on alleged improprieties in putting book deals together to circumvent the misguided restrictions on outside earned income. Why should royalties from book sales be classified any differently than earning honoraria for speaking engagements? One of the charges against former Speaker Jim Wright was that his staff "suggested" to organizations, once the Speaker had reached his limit in honoraria, book purchases in lieu of honoraria. This would still be permissible in this "ethics reform" package. What ethical objective is being served by pressuring Members into creative financing of this nature? Why not be up front? With full disclosure of outside earnings, let that most important jury—each Member's constituency—render their judgment on their Member at the ballot box.

And for those Members who complain that only the powerful Members of Congress get invited to speak, would not the same apply to the popularity of one's book? Is this not the basis for most of the criticism Sarah Ferguson has received over her controversial budgie books? Of course, Fergie doesn't have to stand for election, but there should be a lesson there for those who do.

Another questionable ethical reform has to do with the repeal of the grandfather clause enabling Members who came to Congress before 1980 to retire and keep all the money they have in their campaign accounts. I have not favored this double standard for Members. If it is wrong for one, it should be wrong for all. We shouldn't have two classes of Members. The ethics package does indeed call for an end to the grandfather clause. It states that a Member can only retire with what he has in his campaign account at the time of passage of the bill and that he must retire before January 1993 to be able to keep this money personally.

Since the 25-percent pay raise would go into effect in January 1991, why didn't the reformers make that the deadline for pocketing one's campaign kitty? According to "Roll Call" it was designed to recruit support for the package from some of the senior Members of Congress.

Our retirement pay is based upon the 3 highest years of earnings on the Government payroll. With a 7.9-percent cost-of-living adjustment in 1990, and then a 25-percent pay hike in 1991, these Members could significantly enhance their retirement benefits while still keeping handsome amounts in their campaign accounts.

Is this kind of ethical reform really designed to inspire confidence on the part of American voters?

Frankly, I think the questions should be separated. No voter is going to fall for this excuse for a pay raise: namely, either perpetuate unethical practices at no expense to the taxpayer, or enact ethical reforms at the expense of a tax increase to the voters. If, in fact, this package constitutes ethical reform, pass it on its own merits. If Congress deems a pay raise in order, vote for it on its own merits.

Contrary to what some of my colleagues believe, I can support a pay raise. And it can be funded at no increased cost to the taxpayers. Take it out of the franking allowance. Simultaneously, lift all restrictions on outside earned income, with full and timely disclosure, and let the folks back home be the judge as to the propriety.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BROOKS (at the request of Mr. GEPHARDT) for today and the balance of the week on account of illness.

Mrs. MORELLA (at the request of Mr. MICHEL) after 5:30 p.m. today and for November 15, 1989, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SENSENBRENNER) to revise and extend their remarks and include extraneous material:)

Mr. CRANE, for 60 minutes, today.

Mr. RIDGE, for 60 minutes, on November 16.

(The following Members (at the request of Mr. WISE) to revise and extend their remarks and include extraneous material:)

Mr. BORSKI, for 5 minutes, today.

Mr. ALEXANDER, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. WISE, for 5 minutes, on November 15, 16, 17, 18, and 19.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SENSENBRENNER) and to include extraneous matter:)

Mr. GEKAS.

Mrs. ROS-LEHTINEN.

Mr. PURSELL.

Mr. SCHULZE.

Mr. LAGOMARSINO.

Mr. BUNNING.

Mr. DONALD E. "BUZ" LUKENS in two instances.

Mr. MCEWEN.

Mr. GILLMOR.

Mr. MACHTLEY.

Mr. CRANE.

Mr. BUECHNER.

Mr. LIGHTFOOT.

Mr. MCDADE.

(The following Members (at the request of Mr. WISE) and to include extraneous matter:)

Mr. JOHNSON of South Dakota.

Mr. KILDEE.

Mr. PANETTA.

Mr. JACOBS.

Mr. SOLARZ.

Mr. CROCKETT.

Mr. MOODY.

Mr. DORGAN of Indiana in two instances.

Mr. NELSON of Florida.

Mr. MCCLOSKEY.

Mr. ROE.

Mr. MCMILLEN of Maryland.

Mr. OBEY.

Mr. COLEMAN of Texas.

Mr. TRAFICANT in two instances.

Mr. BATES.

Mr. THOMAS A. "BUZ" LUKEN.

Mr. STARK in three instances.

Mr. GUARINI.

Mr. RAY.

Mr. MATSUI.

Mr. DOWNEY.

Mr. MILLER of California.

Mrs. SCHROEDER.

Mr. MAVROULES.

BILL PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 2991. An act, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1990, and for other purposes.

ADJOURNMENT

Mr. CRANE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 30 minutes p.m.) the House adjourned until tomorrow, Wednesday, November 15, 1989, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2015. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to Korea for defense articles and services estimated to cost $55 million (Transmittal No. 90-13), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2016. A letter from the National Labor Relations Board, transmitting a report on the implementation of the Inspector General Act Amendments of 1988, pursuant to Public Law 100-504, section 111 (102 Stat. 2529); to the Committee on Government Operations.

2017. A letter from the Secretary, Department of the Interior, transmitting certification that a portion of land within the Dolores Project, Colorado, Ute Mountain Service Area, has had an adequate soil survey, land classification has been made and that the lands to be irrigated are susceptible to agricultural production by irrigation, pursuant to 43 U.S.C. 390a; to the Committee on Interior and Insular Affairs.

2018. A letter from the Chairman, Nuclear Regulatory Commission, transmitting the report of the nondisclosure of safeguards information for the quarter ending September 30, 1989, pursuant to 42 U.S.C. 2167(d); jointly to the Committees on Energy and Commerce and Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. H.R. 1216. A bill to provide Federal assistance and leadership to a program of research, development, and demonstration of renewable energy and energy efficiency technologies, and for other purposes; with an amendment (Rept. 101-308, Pt. 2). Referred to the Committee on the Whole House on the State of the Union.

Mr. NATCHER: Committee on Appropriations. H.R. 3566. A bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1990, and for other purposes; (Rept. 101-354). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIXON: Committee on Appropriations. H.R. 3610. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1990, and for other purposes (Rept. 101-355). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Select Committee on Children, Youth, and Families. U.S. children and their families: Current conditions and recent trends, 1989 (Rept. 101-356). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROE: Committee on Science, Space, and Technology. H.R. 94. A bill to amend the Federal Fire Prevention and Control Act of 1974 to allow for the development and issuance of guidelines concerning the use and installation of automatic sprinkler systems and smoke detectors in places of public accommodation affecting commerce, and for other purposes; with an amendment (Rept. 101-357). Referred to the Committee of the Whole House on the State of the Union.

Mr. DE LA GARZA: Committee on Agriculture. H.R. 3620. A bill to clarify the Food Security Act of 1985; with an amendment (Rept. 101-358). Referred to the Committee of the Whole House on the State of the Union.

Mr. DE LA GARZA: Committee on Agriculture. H.R. 3482. A bill to provide disaster assistance to private timber producers for the reestablishment of timber stands necessitated by Hurricane Hugo; with an amendment (Rept. 101-359). Referred to the Committee of the Whole House on the State of the Union.

Mr. KASTENMEIER: Committee of conference. Conference report on H.R. 2712 (Rept. 101-360). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BORSKI (for himself and Mr. CLINGER):

H.R. 3647. A bill to prohibit the use of refrigerated motor vehicles for the transportation of solid waste, to restrict the use of cargo tanks in providing motor vehicle transportation of food and nonfood products, to require dedicated motor vehicles for the transportation of asbestos, infectious waste, and certain other products, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. DE LUGO (for himself, Mr. FUSTER, Mr. UDALL, Mr. MILLER of California, Mr. RANGEL, Mr. GUARINI, Mrs. BYRON, and Mr. FALEOMAVAEGA):

H.R. 3648. A bill to help Puerto Rico and the Virgin Islands recover from devastation caused by Hurricane Hugo; to the Committee on Agriculture.

H.R. 3649. A bill to help Puerto Rico and the Virgin Islands recover from devastation caused by Hurricane Hugo; jointly, to the Committees on Interior and Insular Affairs and Banking, Finance and Urban Affairs.

By Mr. ERDREICH:

H.R. 3650. A bill to amend the Internal Revenue Code of 1986 to increase the basic standard deduction allowed for child dependents with earned income; to the Committee on Ways and Means.

By Mr. MACHTLEY:

H.R. 3651. A bill to amend title 10, United States Code, to require sealed bids and competitive proposals for the procurement of professional services by the Department of Defense to be evaluated on the basis of a 40-hour work week; to the Committee on Armed Services.

By Mr. MOODY:

H.R. 3652. A bill to amend the Internal Revenue Code of 1986 to provide a refundable tax credit for the costs of small businesses in providing accessibility for disabled individuals; to the Committee on Ways and Means.

By Mr. RANGEL (for himself, Mr. GUARINI, Mr. UDALL, Mr. DE LUGO, Mr. FUSTER, Mr. MILLER of California, Mrs. BYRON, and Mr. FALEOMAVAEGA):

H.R. 3653. A bill to help Puerto Rico and the Virgin Islands recover from devastation caused by Hurricane Hugo; to the Committee on Ways and Means.

By Mr. SCHULZE (for himself and Mr. HAMMERSCHMIDT):

H.R. 3654. A bill to amend the Internal Revenue Code of 1986 to provide incentives for any newspaper with a circulation of more than 150,000 copies daily to use recycled newspaper; to the Committee on Ways and Means.

By Mr. SPRATT:

H.R. 3655. A bill to provide tax assistance for forest landowners who suffered timber damage and loss as a result of Hurricane Hugo; to the Committee on Ways and Means.

By Mr. MARKEY (for himself, Mr. RINALDO, Mr. RICHARDSON, and Mr. BRYANT):

H.R. 3656. A bill to amend the Securities Exchange Act of 1934 to improve the clearance and settlement of transactions in securities and related instruments, and for other purposes; to the Committee on Energy and Commerce.

H.R. 3657. A bill to amend the Securities Exchange Act of 1934 to provide additional authorities to the Securities and Exchange Commission to prevent disruptions to the Nation's securities markets; to the Committee on Energy and Commerce.

By Mr. TORRICELLI:

H.R. 3658. A bill to promote environmental remediation of transferred real property and to assess a possible role for the Federal Government in such transfers; to the Committee on Energy and Commerce.

By Mr. WHITTEN:

H.J. Res. 435. Joint resolution making further continuing appropriations for the fiscal year 1990, and for other purposes; to the Committee on Appropriations.

By Mr. OWENS of Utah (for himself, Mr. NIELSON of Utah, and Mr. HANSEN):

H. Con. Res. 226. Concurrent resolution providing for acceptance of a statue of Philo T. Farnsworth, presented by the State of Utah, for placement in National Statutory Hall, and for other purposes; to the Committee on House Administration.

By Mr. SOLARZ (for himself and Mr. PORTER):

H. Con. Res. 227. Concurrent resolution concerning the establishment of a multilateral initiative to promote confidence among the people of Hong Kong; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 94: Mr. KASICH.

H.R. 156: Mr. MARKEY.

H.R. 303: Mr. SMITH of New Jersey, Mr. BROWDER, Ms. OAKAR, Mr. ROGERS, Mr. BROWN of Colorado, Mr. JOHNSTON of Florida, and Mr. WALKER.

H.R. 927: Mr. TRAXLER and Mrs. BOXER.

H.R. 1227: Mr. SHUMWAY.

H.R. 1239: Mr. ROHRABACHER.

H.R. 1250: Mr. DONALD E. LUKENS.

H.R. 1356: Mr. MFUME.
H.R. 1438: Mr. BONIOR.
H.R. 2116: Mr. SLATTERY and Mr. ROBERTS.
H.R. 2285: Mr. MURTHA and Mr. WELDON.
H.R. 2288: Mr. ATKINS, Mr. FROST, Mr. NEAL of Massachusetts, Mr. GINGRICH, and Mr. MILLER of Washington.
H.R. 2320: Mr. JONTZ and Mr. WHEAT.
H.R. 2386: Ms. PELOSI, Mr. NEAL of North Carolina, Mr. DELLUMS, Mr. SCHEUER, Mr. DEFAZIO, and Mr. FUSTER.
H.R. 2410: Mr. SMITH of New Jersey.
H.R. 2502: Mr. UDALL, Mr. BATES, Mr. BUSTAMANTE, Mrs. BOXER, Mr. BROWN of California, Mrs. COLLINS, Mr. DEFAZIO, Mr. DELLUMS, Mr. FAUNTROY, Mr. FRANK, Mr. FLORIO, Mr. GEJDENSON, Mr. GLICKMAN, Mr. GONZALEZ, Mr. JONTZ, Mr. RANGEL, Mr. ROWLAND of Georgia, Mr. SCHEUER, Mr. SIKORSKI, Mr. TOWNS, Mr. WEISS, Mr. WOLPE, and Mr. WYDEN.
H.R. 2615: Mr. DWYER of New Jersey.
H.R. 2674: Mr. BARTON of Texas and Mr. HAMMERSCHMIDT.
H.R. 2870: Mrs. LOWEY of New York.
H.R. 2881: Mrs. COLLINS and Mr. MOLLOHAN.
H.R. 3120: Mr. BENNETT and Mr. JONES of North Carolina.
H.R. 3126: Mrs. COLLINS, Mr. JONTZ, Mr. TOWNS, Mr. FRANK, Ms. PELOSI, Mr. JOHNSON of South Dakota, and Mr. ENGEL.
H.R. 3164: Mr. WOLPE, Mr. JACOBS, Mr. PEASE, Mr. RAY, Mr. ROBERTS, Mr. BEREUTER, Mr. COLEMAN of Missouri, Mr. GILLMOR, Mr. TRAXLER, and Mr. HAMILTON.
H.R. 3172: Mr. DAVIS and Mr. ARMEY.
H.R. 3204: Mr. SYNAR, Mr. TAUKE, Mr. CHAPMAN, Mr. CLINGER, Mr. COMBEST, Mr. COOPER, Mr. DAVIS, Mr. DEFAZIO, Mr. EMERSON, Mr. GUNDERSON, Mr. HARRIS, Mr. HATCHER, Mr. JOHNSON of South Dakota, Mr. LANCASTER, Mrs. LLOYD, Mr. POSHARD, Mr. RAHALL, Mr. SKELTON, and Mr. STANGELAND.
H.R. 3252: Mr. CONYERS, Mr. BRYANT, Mr. GARCIA, Mr. SOLARZ, Mr. BUSTAMANTE, Mr. GEJDENSON, and Mr. WILLIAMS.
H.R. 3284: Mr. LAGOMARSINO, Mr. COLEMAN of Missouri, Mrs. COLLINS, Mr. KOLTER, Mr. CAMPBELL of Colorado, Mr. ATKINS, Mr. FROST, Mr. BEVILL, Mr. DE LA GARZA, Mr. YOUNG of Alaska, Mr. ROE, and Mr. SMITH of Vermont.
H.R. 3285: Mr. ATKINS, Mr. ACKERMAN, Mr. DURBIN, and Mr. MACHTLEY.
H.R. 3286: Mr. ATKINS, Mr. ACKERMAN, Mr. DURBIN, Mr. MACHTLEY, and Mr. BONIOR.
H.R. 3292: Mr. ENGEL, Mr. ROSE, Mr. CONDIT, Mr. MARTIN of New York, and Mr. GEREN.
H.R. 3321: Mr. NIELSON of Utah, Mr. DEFAZIO, Mr. MARTIN of New York, and Mr. HUTTO.
H.R. 3346: Mr. RANGEL, Mr. COUGHLIN, Mr. BENNETT, Mr. WALKER, Mr. WILSON, Mr. LIVINGSTON, Mr. CHAPMAN, Mr. COMBEST, Mr. PORTER, Mr. CONDIT, Mr. ARMEY, Mr. NIELSON of Utah, Mr. LIPINSKI, Mr. WHITTAKER, Mr. INHOFE, and Mr. OXLEY.
H.R. 3377: Mr. MADIGAN, Mr. DONALD E. LUKENS, Mr. GALLO, Ms. SLAUGHTER of New York, and Mrs. MEYERS of Kansas.
H.R. 3387: Mr. HOLLOWAY.
H.R. 3397: Mr. ROE and Mrs. COLLINS.
H.R. 3471: Mr. FALEOMAVAEGA, Mr. POSHARD, Mr. TOWNS, Mrs. COLLINS, and Mr. FUSTER.
H.R. 3475: Mr. HILER, Mr. THOMAS of California, Mr. CLAY, Mr. GOSS, Mr. GUNDERSON, Mr. MCDADE, Mr. DELAY, Mr. ROHRABACHER, Mr. LAFALCE, and Mr. DICKINSON.
H.R. 3485: Mr. HAYES of Illinois, Mr. POSHARD, Mr. GINGRICH, Mr. TOWNS, Mr. SLATTERY, and Mr. GALLEGLY.
H.R. 3501: Mr. DEFAZIO, Mr. PAYNE of Virginia, and Mr. ECKART.
H.R. 3508: Mr. NEAL of North Carolina, Ms. SCHNEIDER, and Mr. FASCELL.
H.R. 3511: Mr. MARKEY, Mr. MRAZEK, Mr. EVANS, Mr. MCHUGH, Mr. MANTON, Mr. TRAXLER, Mr. COYNE, Mr. FRANK, Mr. MCGRATH, and Mr. BERMAN.
H.R. 3521: Mr. PAYNE of New Jersey, Mr. WYDEN, Mr. OWENS of Utah, Mr. MRAZEK, and Mr. WALGREN.
H.R. 3527: Mrs. COLLINS and Mr. ACKERMAN.
H.R. 3539: Mr. GUNDERSON and Mr. FIELDS.
H.R. 3575: Mr. NIELSON of Utah, Mr. HYDE, Mr. LEPINSKI, and Mr. MACHTLEY.
H.R. 3621: Ms. SNOWE, Mrs. SAIKI, and Mr. REGULA.
H.J. Res. 146: Mr. LAFALCE, Mr. CLINGER, and Mr. VENTO.
H.J. Res. 223: Ms. LONG.
H.J. Res. 286: Mr. GILLMOR, Mr. HILER, and Mr. EARLY.
H.J. Res. 291: Mr. CLAY, Mr. DEFAZIO, Mr. SANGMEISTER, Mr. CRAIG, Mrs. LLOYD, Mr. GUARINI, Mr. COYNE, Mr. GINGRICH, Mr. CLEMENT, Mr. YATRON, Mr. RINALDO, Mr. CONDIT, and Mr. NEAL of North Carolina.
H.J. Res. 338: Mr. ECKART.
H.J. Res. 367: Mr. LANCASTER, Mr. TRAXLER, Mr. HERTEL, and Mr. SISISKY.
H.J. Res. 420: Mr. ATKINS, Mr. DEFAZIO, Mrs. MARTIN of Illinois, Mr. LAGOMARSINO, Mr. WOLPE, Mr. LANCASTER, Mr. SAWYER, and Mr. TRAXLER.
H.J. Res. 426: Mr. BLILEY, Mr. COLEMAN of Texas, Mr. DIXON, Mr. DWYER of New Jersey, Mr. FROST, Mr. FUSTER, Mr. GEREN, Mr. LEVINE of California, Mr. LEWIS of Georgia, Mr. MCNULTY, Mr. MANTON, Ms. PELOSI, Mr. SMITH of Florida, and Mr. TORRES.
H. Con. Res. 149: Mr. RIDGE.
H. Con. Res. 156: Mr. MCMILLAN of North Carolina, Mrs. VUCANOVICH, and Mr. WYLIE.
H. Con. Res. 166: Mr. VENTO.
H. Con. Res. 197: Mr. ATKINS, Mr. ACKERMAN, Mr. DURBIN, and Mr. MACHTLEY.
H. Res. 18: Mr. SAXTON, Mr. DOUGLAS, Mr. YOUNG of Alaska, Mr. EMERSON, Mr. COURTER, Mr. HAYES of Louisiana, Mr. VANDER JAGT, Mr. CALLAHAN, Mr. STEARNS, Mr. SPENCE, Mr. SCHAEFER, Mr. HANCOCK, Mr. DELAY, Mr. STALLINGS, Mr. JAMES, Mr. LANCASTER, Mr. MCCURDY, Mr. ROHRABACHER, Mr. SKAGGS, Mr. EDWARDS of Oklahoma, Mr. PARKER, Mr. BEREUTER, and Mr. BARNARD.
H. Res. 41: Mr. MORRISON of Washington.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS

The following registrations were submitted for the third calendar quarter 1989:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . .

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
	(Mark one square only)			

Is this an Amendment? ☐ YES ☐ NO

IDENTIFICATION NUMBER

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee".*—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer".*—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."

STATEMENT OF VERIFICATION

[Omitted in printing]

Organization or Individual Filing	Employer/Client
Wayne W. Adams, 611 East Druid Road, #405 Clearwater, FL 34616	
G. Colburn Aker, 1212 New York Ave., NW, #500 Washington, DC 20005	Aker Associates, Inc. (For:Product Liability Coordinating Committee)
Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036	California Institute of Technology
Do	Hoylake Investments Limited
Do	Loral Corp
Do	Martin Marietta Corp
Do	Trump Organization
John M. Albertine, 1107 Princess Anne Street Fredericksburg, VA 22401	Farley Industries
C. Eddie Aldrete, 7007 Bright Avenue McLean, VA 22101	National Turkey Federation
Jonathan Alexander, 206 G Street, NE Washington, DC 20002	Evergreen Associates, Ltd. (For:Gindle Lining Systems, Inc)
Do	Evergreen Associates, Ltd. (For:Suffolk County, NY)
Do	Evergreen Associates, Ltd (For:United Video)
Koteles Alexander, 8601 Georgia Ave., #805 Lee Plaza Silver Spring, MD 20910	Gartrell & Alexander (For:Washington Metropolitan Area Transit Authority)
John O. Ambler, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc
American Cement Alliance, Inc, 1331 Pennsylvania Ave., NW, #910 Washington, DC 20004	
American Pilots Association, 1055 Thomas Jefferson Street, NW, #404 Washington, DC 20007	
Bette B. Anderson, 1030 15th St., NW, #700 Washington, DC 20036	KCI (For:DeLa Rue Giori of America, Inc)
Do	KCI (For:SICPA Industries of America, Inc)
Do	KCI (For:US Banknote Corp)
Jon A. Anderson, 1100 Connecticut Ave., NW, #410 Washington, DC 20036	Eaton Corp
Lewis D. Andrews Jr., 1825 Eye Street, NW, #400 Washington, DC 20006	Glass Packaging Institute
Andrews' Associates, Inc, 2550 M St., NW, #450 Washington, DC 20037	Westinghouse Electric Corp
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339	HECO, Inc
Do	Mobile Diagnostic Systems, Inc
Do	Popular Democratic Party
Do	Stant, Inc
Anthony Armstrong, 1701 N. Caroline Street Baltimore, MD 21213	
Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036	AFL-CIO
Do	Geriatric Pharmaceutical Corp
Do	Golodetz Trading Corp
Do	Honeywell, Inc
Do	Occidental Petroleum Corp
Do	PNC Financial Corp
L. Wayne Arny III, 11 Canal Center Plaza, #250 Alexandria, VA 22314	Fritz Companies
Automotive Refrigeration Products Institute, 5100 Forbes Blvd. Lanham, MD 20706	
APCO Associates, 1155 21st Street, NW, #1000 Washington, DC 20036	Excess Deferred Tax Coalition
Do	Lyphomed, Inc
Do	Tennessee Valley Public
Baker & Botts, 555 13th Street, NW, #500 East Washington, DC 20004	Federation of German Industries
Do	National Machine Tool Builders Assn
Do	U.S. West
Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Camp Barsh Bates & Tate
Do	Employee Health Programs, Inc
Do	Homedco
Do	Institute for Circadian Physiology
Do	MMI Companies, Inc
Do	National Assn of State Directors of Vocational Education
Do	National MRO, Inc
Do	Society of Cardiovascular & Interventional Radiology
Do	Substance Abuse Management, Inc
Baker Worthington Crossley Stansberry & Woolf, 1001 Pennsylvania Ave., NW #1201 Washington, DC 20004	Los Angeles County Transportation Commission
Elizabeth Baldwin, 2401 Virginia Ave., NW, #303 Washington, DC 20037	American Psychological Assn
William Lewis Ball, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corporation
Ball Janik & Novack, 601 Pennsylvania Ave., NW, 9th Floor Washington, DC 20004	Clackamas County
Do	Northwest Woodland Owners Council
Do	Port of Tillamook Bay
Linda W. Banton, 7900 Westpark Drive, #A524 McLean, VA 22102	Honeywell Inc, Government Systems Marketing
Haley R. Barbour, P.O.Box 960 Yazoo City, MS 39194	American Rice Incorporated
Barnes Richardson & Colburn, 1819 H St., NW, #400 Washington, DC 20006	American Association of Fastener Importers
Do	Miles, Inc
Do	Sundstrand Corp
Ray A. Barnhart, 2602 Dellana Lane Austin, TX 78746	Consumers for Competitive Fuels
Do	Marathon Oil Company
Dave Barrows & Associates, 1201 SW, 12th Avenue, #200 Portland, OR 97205	Madison Public Affairs Group, Inc (for Philip Morris USA)
Catharine R. Batky, 50 F Street, NW, #1080 Washington, DC 20001	Bulington Northern Railroad
James Beard, 218 D Street, SE Washington, DC 20003	Environmental Policy Institute
Norman R. Beebe, 15 Progress Parkway Maryland Heights, MO 63043	Medtex Products
Kenneth J. Beirne, 777 14th Street, NW Washington, DC 20005	National Association of Realtors
A. Edgar Benton, 1700 Lincoln St., #4100 Denver, CO 80203	Holme Roberts & Owen (For:Shell Oil Co)
Leonard Bickwit Jr., 655 15th Street, NW Washington, DC 20005	Miller Chevalier & Chartered (For:Ameribanc Investors Group)
Do	Miller & Chevalier, Chtd (For:American Continental Corp)
Do	Miller Chevalier & Chartered (For:Long Island Assn)
Birch Horton Bittner and Cherot, 1155 Connecticut Ave., NW, #1200 Washington, DC 20036	Entergy Services Corp
Bishop Cook Purcell & Reynolds, 1400 L Street, NW, #1000 Washington, DC 20005-3502	Houston Agricultural Credit Corp
Do	National Cotton Council
Do	Northern Christmas Tree Growers & Nursery
Do	Oakland County Board of Commissioners
Do	Popular Democratic Party (PDP)
Do	Rohm & Haas Company
Black Manafort Stone & Kelly, P.C., 211 North Union Street, #300 Alexandria, VA 22314	Mortgage Insurance Co of America
Do	Trump Organization
Judith Ann Boddie, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute
Bogle and Gates, One Thomas Circle, NW, #900 Washington, DC 20005	Cruiseship Alliance
Bond Donatelli, Inc, 211 North Union Street, #210 Alexandria, VA 22314	American Financial Corporation
Do	American Petroleum Institute
Henry Borelli, 14589-053 P.O. Box 1000 Leavenworth, KS 66048-1000	
Stephen Bosworth, 19 Silvermine Road New Canaan, CT 06840	Fidelity Pacific Group Inc
Bracewell & Patterson, 2000 K St., NW, #500 Washington, DC 20006	Genetech, Inc
Do	Quantum Chemical
Do	Sterling Chemicals, Inc
Brand & Lowell, 923 15th Street, NW, Fifth Fl. Washington, DC 20005	Platte River Whooping Crane Trust
Do	Schnitzer Investment Inc
David A. Brody, 1050 Seventeenth Street, NW Washington, DC 20036	Corn Coalition
Robert M. Brooks, 206 G St., NE Washington, DC 20002	Evergreen Associates, Ltd. (For:National Indian Impacted Schools)
Do	Evergreen Associates, Ltd (For:1990 Goodwill Games)
William E. Brown, 1667 K Street, NW #420 Washington, DC 20006	Mead Corporation
Clarence J. Brown and Co., Inc, 1101 Connecticut Avenue, NW, #1000 Washington, DC 20036	Ohio Edison
Broydrick Associates Inc, 600 East Mason Street Milwaukee, WI 53202	Aurora Health Care
Do	Children's Hospital of Wisconsin
Do	Waste Management
Do	Watertown Memorial Hospital
David P. Burford, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Southern Company Services, Inc
Burgum and Grimm, Ltd, 106 North Carolina Ave., SE Washington, DC 20003	Parsons Brinkerhoff Quade & Douglas, Inc
Burridge Associates, 1612 K St., NW, #204 Washington, DC 20006	Madison Public Affairs Group, Inc (for: Philip Morris)
Business Committee for Fair Civil RICO Legislation, 1400 16th Street, NW #400 Washington, DC 20036-2220	
James J. Butera, 4901 Quebec Street, NW Washington, DC 20016	Community Federal Savings & Loan Assn
Thomas Caldwell, 4-30-1-202 Nishi-Shinjuku Tokyo 160	
Camp Barsh Bates & Tate, 2550 M St., NW, #275 Washington, DC 20037	California Pipe Trades Council
Do	Home Intensive Care, Inc
Do	Invacare Corporation
John G. Campbell, 1111 Jefferson Davis Highway, # 508 Arlington, VA 22202	John G. Campbell, Inc (For:Ebasco)
Thomas D. Campbell & Associates, Inc, 113 South Alfred Street Alexandria, VA 22314	Madison Public Affairs Group, Inc (for: Philip Morris USA)
Capital Consultants, 1122 Colorado, #307 Austin, TX 78701	Madison Public Affairs Group (for Philip Morris, USA)

Organization or Individual Filing	Employer/Client
Capitol Associates, Inc, 426 C Street, NE Washington, DC 20002	American Assn of Nurse Anesthetists
Do	American Assn of Retired Persons
Do	American Society of Nephrology
Do	Child Welfare League of America
Do	Hutchinson Cancer Center
Do	Ringling Brothers
Do	Wistar Institute
Michael J. Carey, 111 West Washington Street, #1017 Chicago, IL 60602	City of Chicago
Rose-Marie T. Carlisle, 1001 Pennsylvania Ave., NW, #310 Washington, DC 20004	Holland & Hart
Robert E. Carlstrom Jr., 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group (For:Conundrum Joint Venture)
Do	Jefferson Group (For:Zinc Corp of America)
Phyllis D. Carnilla, 1700 17th Street, NW, #301 Washington, DC 20009	Arctic Sounder Enterprises, Inc
Cashdollar-Jones & Company, 426 C Street, NE Washington, DC 20002	United Foods, Inc
Cassidy and Associates, Inc, 655 15th St., NW, #1100 Washington, DC 20005	AmeriFlora '92
Do	U.S. Healthcare, Inc.
Casson Harkins & LaPallo, 1233 Twentieth Street, NW, #800 Washington, DC 20036	Foundation for Eye Research, Inc
Do	Healthcare Recoveries, Inc
Linda Z. Chapman, 1400 L Street, NW, #400 Washington, DC 20005	Biscuit & Cracker Manufacturers Assn
Chayet Consulting Group, Inc, One Financial Center Boston, MA 02111	Society of Cardio Vascular & Interventional Radiologist
Michael R. Chellis, 739 S 22nd Street Arlington, VA 22202	Penco International
Chernikoff & Company, 1826 Jefferson Place, NW, #101 Washington, DC 20036	American Museum of Natural History
Do	Bishop Museum
Do	Cincinnati Museum of Natural History
Do	Denver Museum of Natural History
Do	Field Museum of Natural History
Do	Fine Arts Museums of San Francisco
Do	Friends of the New Jersey State Museum
Do	Grimes Production, Inc
Do	Los Angeles County Museum of Art
Do	Milwaukee Public Museum
Do	Museum of Northern Arizona
Do	George Seybolt (Family Trust)
Do	University of Nebraska State Museum
Do	University of Pennsylvania Museum
Cleary Gottlieb Steen & Hamilton, 1752 N Street, NW Washington, DC 20036	Harry Frank Guggenheim Foundation
Pilar M. Cloud, 1201 Pennsylvania Ave., NW, #807 P.O. Box 7566 Washington, DC 20044	BSA Business Software Assn, Inc
Coffield Ungaretti Harris & Slavin, 3500 Three First National Plaza Chicago, IL 60602	Comdisco, Inc
Do	Northern Trust Company
Cogeneration & Independent Power Coalition of America(CIPCA), 1133 21st Street, NW, #420 Washington, DC 20036	
Harriet Cohen, 105 East 22nd Street New York, NY 10010	Community Service Society
Cole Corette & Abrutyn, P.C., 1110 Vermont Avenue, NW, #900 Washington, DC 20005	Int'l Electronics Manufacturers & Consumers of America, Inc
Do	Matsushita Electric Corp (for Intn'l Electronics Manuftrs..)
Collier Shannon & Scott, 1055 Thomas Jefferson St., NW, #306 Washington, DC 20007	Leather Industries of America
Jeffrey W. Combos, c/o Tennessee Petroleum Council 211 7th Ave. North Nashville, TN 37219	American Petroleum Institute
Michael Conlon, 1818 N Street, NW, #200 Washington, DC 20036	Automotive Refrigeration Products Institute
John J. Connolly, 499 South Capitol St., SW, #507 Washington, DC 20003	Hecht Spencer & Associates, Inc (For:Airtrax)
Do	Hecht Spencer & Associates (For:Bixby Ranch Co)
Do	Hecht Spencer & Associates (For:Boy Scouts of America)
Jack L. Copeland, 3633 M Street, NW Washington, DC 20007	Fidelity Pacific Group Inc
James M. Copeland, 1101 Connecticut Avenue, NW, #801 Washington, DC 20036	McAuliffe Kelly Raffaelli & Siemens (For:National Telephone Services, Inc)
Felicia B. Coppola, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc
Corman Law Offices, 1420 16th Street, NW Washington, DC 20036	Majestic Realty Co
Susan M. Cousins, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce
John F. Cove, 918 16th St., NW, #702 Washington, DC 20006	Grumman Corporation
Covington & Burling, 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044	BSA Business Software Assn, Inc
Do	Lin Broadcasting Corp
Do	Maui Land & Pineapple Co, Inc
Jerry W. Cox, 2300 M Street, NW #130 Washington, DC 20037	Murphy & Demory, Ltd (For:American Mobile Satellite Corporation)
Kelly A. Crawford, 206 G Street, NE, #201 Washington, DC 20002	Foley & Company (For:PolyPhaser)
Richard C. Creighton, 1331 Pennsylvania Ave., NW, #910 Washington, DC 20004	American Cement Alliance
David T. Crow, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group (For:Apache Powder)
Do	Jefferson Group (For:Conundrum Joint Venture)
Do	Jefferson Group (For:Doe Run Company)
Do	Jefferson Group (For:International Minerals and Chemical Corp)
Do	Jefferson Group (For:Lockheed Corp)
Crowell & Moring, 1001 Pennsylvania Ave., NW Washington, DC 20004-2505	American Forest Resource Alliance
Do	Minnesota Mining & Manufacturing
John D. Cuaderes, 1235 Jefferson Davis Highway Arlington, VA 22202	Emerson Electric Co
David M. Culp, 653 E. Capitol Street, SE, #304 Washington, DC 20003	Plutonium Challenge
Randall L Currier, 412 Morris Avenue, #37 Summit, NJ 07901	New Jersey State Bar Association
Wayne T. Curtin, 228 East Capitol Street, NE Washington, DC 20002	Motorcycle Riders Foundation, Inc
Curtis Thaxter Lipez Stevens Broder & Micoleau, 1 Canal Plaza P.O. Box 7326 Portland, ME 04112	Madison Public Affairs Group, Inc (for Philip Morris USA)
CEHP Inc, 1333 Conn. Ave., NW, #400 Washington, DC 20036	Society for American Archeology
Davis Wright & Jones, 1752 N St., NW, #800 Washington, DC 20036	American Honda Motor Co., Inc
Do	Klukwan Forest Products, Inc
Susie Deller, 4828 Alton Place, NW Washington, DC 20016	Argyle & Associates (For:Ford Motor Company)
Do	Argyle & Associates (For:Mapco, Inc)
Do	Argyle & Associates (For:National Council of Savings Institutions)
Janet Ann Denton, 1275 Pennsylvania Ave., NW, #400 Washington, DC 20004	Pacific Telesis Group
Dewey Ballantine Bushby Palmer & Wood, 1775 Pennsylvania Ave., NW, #500 Washington, DC 20006	CNW Corporation
Do	Edgcomb Corporation
Do	Wickes Companies, Inc
Alex J. DeBoissiere, 490 L'Enfant Plaza, SW, #2202 Washington, DC 20024	Tenneco Gas
Gaelynn DeMartino, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn
Christine DeVries, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses Assn
Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037	Illinois Dept of Children & Family Services
Dorothea M. Diemer, 7373 Hunt Avenue Garden Grove, CA 92642	Hyundai Motor America
Michael Dinnerstein, 900 15th Street, NW Washington, DC 20005	United Mine Workers of America
Dixon Arnett Associates, 905 16th Street, NW, #310 Washington, DC 20006	Foundation Health Corp
Gerard D. DiMarco, Two State Street, Crossroads Bldg, #400 Rochester, NY 14614	Mackey & DiMarco (For:Tom Gosnell)
Do	Mackey & DiMarco (For:Mario Rodriguez)
Donelan Cleary Wood & Maser, P.C., 1275 K Street, NW, #850 Washington, DC 20005-4006	Cascade Natural Gas Corporation
Dow Lohnes & Albertson, 1255 23rd St., NW Washington, DC 20037	American Integrity Insurance Co
Do	Board of Cooperative Educational Services
Do	General Aviation Manufacturers Assn
Duane Morris & Heckscher, 1201 Market Street, #1500 P.O. Box 195 Wilmington, DE 19899	State of Delaware
Duberstein Group, Inc, 2100 Pennsylvania Ave., NW Washington, DC 20037	Fiber Optic Competition US, Inc
Do	General Motors Corp
Do	National Cable TV Assn
Do	Warner Communications
John Dudinsky Jr., 201 Massachusetts Ave., NE, #C-9 Washington, DC 20002	Hvide Shipping, Inc
Mac S. Dunaway, Dunaway & Cross 1146 19th Street, NW Washington, DC 20036	Lord Corporation
Dutko & Associates, 412 First St., SE, #100 Washington, DC 20003	American Nuclear Energy Council
Do	McDonalds Corp
Do	National Cellular Resellers Assn.
Do	Waste Conversion Systems, Inc.
Dyer Ellis Joseph & Mills, 600 New Hampshire Ave., NW, #1000 Washington, DC 20037	Bay Area Renal Stone Center
Do	Medical Care International
Do	Renal Physician Assn
Do	Surgical Care Affiliates
Do	T/2 Medical, Inc
DGA International, Inc, 1818 N Street, NW Washington, DC 20036	Teledyne Brown Engineering
Anthony S. Earl, One South Pinckney Street P.O. Box 2113 Madison, WI 53701-2113	Quarles & Brady (For:Allen-Bradley Company, Inc)

Organization or Individual Filing	Employer/Client
Myron Ebell, 1919 Pennsylvania Ave., NW, #300 Washington, DC 20006	National Inholders Assn and Multiple-Use Land Alliance
Albert A. Eisele, 1201 Pennsylvania Ave., NW, #370 Washington, DC 20004	Cornerstone Associates, Inc
Earl B. Eisenhart, 1320 Braddock Place, #720 Alexandria, VA 22314	National Private Truck Council
Jon Englund, 1225 Eye Street, NW, #950 Washington, DC 20005	American Electronics Association
David Eppler, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen
Mark A. Epstein, 2300 M Street, NW, #600 Washington, DC 20037	International Advisers Inc (For:Embassy of Turkey)
Pamela K. Ernest, 1100 Connecticut Ave., NW, #710 Washington, DC 20036	Honeywell Inc
Billy Lee Evans, 1301 Connecticut Ave., NW, #700 Washington, DC 20036	B.L. Evans & Associates (For:Boy Scouts of America)
Do	B.L. Evans & Associates (For:Brown & Williamson Tobacco Corp)
Do	B.L. Evans & Associates (For:BATUS)
Do	B.L. Evans & Associates (For:Great Western Financial Corp)
Cindy Evans, 1250 Connecticut Ave., NW, #210 Washington, DC 20036	National Forest Products Assn
Dave Evans Associates, 4076 Rosamora Court Arlington, VA 22207	Association for Regulatory Reform (ARR)
Evans Group, Ltd, 1010 Wisconsin Ave., #810 Washington, DC 20007	Matteson Investment Corp
Do	Remodelers National Funding Corp
Joseph B. Fallon, 1825 Connecticut Ave., NW, #200 Washington, DC 20009	National Organization Against Invisible Disease Spread
Farragut Group, 1825 K Street, NW, #807 Washington, DC 20006	Southern Company Services
Marcus G. Faust, 332 Constitution Ave., NE Washington, DC 20002	Edwards McCoy & Kennedy
Do	Nevada Power Company
Chai Rachel Feldblum, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union
Betsy Ferguson, 1875 EYE Street, NW, #110 Washington, DC 20006	Public Securities Assn
William Ferguson Jr., 1730 Rhode Island Ave., NW, #400 Washington, DC 20036	City of Livermore, CA
Do	Oceanside Small Craft Harbor, California
Do	Ferguson Company (For:Via Metro Transit)
Gregory W. Ferraro, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council
Fidelity Pacific Group L.P., 10 South Broadway Irvington-on-Hudson, NY 10533	
Donald L. Fierce, Fierce and Associates 600 New Hampshire Ave., NW #1010 Washington, DC 20037	Dyer Ellis Joseph & Mills (For:Intertanko)
Alan D. Fiers, 919 18th Street, NW, #400 Washington, DC 20006	W. R. Grace & Co /World Headquarters
Ben Finkelstein, 1350 New York Ave., NW, #1100 Washington, DC 20005	Spiegel & McDiarmid (For:South Hadley Electric Light Department)
Janet S. Fisher, 1333 New Hampshire Avenue, NW Washington, DC 20036	Arco Chemical Company
Mary Clare Fitzgerald, 1155 21st Street, NW, #850 Washington, DC 20036	Secura Group
Daniel V. Flanagan Jr., 12 Third Street, NE Washington, DC 20002	Flanagan Group, Inc (For:Dominion Resources, Inc)
Do	Flanagan Group, Inc (For:Port of San Francisco)
Maureen Flanagan, 2200 Clarendon Blvd., #1006 Arlington, VA 22201	Ball Aerospace Systems Group
Fleishman-Hillard, Inc, 1301 Connecticut Ave., NW, 7th Floor Washington, DC 20036	Centel Federal Systems
Do	Spectacor Management Group
Florida Business Associates, 1146 19th St., NW, #400 Washington, DC 20036-3703	Control Data Corporation
Do	State University System
Do	University of Alaska
Foley & Lardner, 1775 Pennsylvania Avenue, NW, #1000 Washington, DC 20006-4680	American Red Cross
Do	Aurora Health Care, Inc & Sinai Samaritan Medical Center,Inc
Do	Central Bank of Tampa
Do	Council of Community Blood Centers
Edward H. Forgotson, 1627 K St., NW 10th Floor Washington, DC 20006	GNB, Inc
Do	Northern Indiana Public Service Company
Do	Superior National Insurance Group
Maria Foscarinis, 1439 Rhode Island Avenue, NW Washington, DC 20005	National Law Center on Homelessness and Poverty
Stephen R. Frank, 607 Azure Hills Drive Simi Valley, CA 93065	Calcitek
Free Iran Coalition, P.O. Box 65192 Washington, DC 20035-5192	
David W. Freer, 1150 Connecticut Ave., NW, #717 Washington, DC 20036	Southern California Gas Co
French & Company, 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004	Batus, Inc
Gay H. Friedmann, 1150 Connecticut Ave., NW, #717 Washington, DC 20036	Northern States Power Company
R. Roger Fries, 1801 K Street, NW, #1105-L Washington, DC 20006	Glass Packaging Institute
Fulbright & Jaworski, 1150 Connecticut Ave., NW, #400 Washington, DC 20036	Crysen Corp
Do	Federal Home Loan Bank Board of Dallas
FMR Group, Inc, 1000 Potomac Street, NW, #401 Washington, DC 20007	Exhaust Systems Professional Assn
Do	Songwriters Guild of America
Galland Kharasch Morse & Garfinkle, P.C., 1054 31st Street, NW Second Floor Washington, DC 20007	Soule Corp
Henry M. Gandy, 1717 Main 2800 Momentum Place Dallas, TX 75201	Americans for the SSC
Cheryl Gannon, 2000 K Street, NW Washington, DC 20006	National Committee to Preserve Social Security and Medicare
Theodore J. Garrish, 11 Canal Center Plaza, #250 Alexandria, VA 22314	Flanagan Group, Inc (For:American Nuclear Energy Council)
Do	Flanagan Group, Inc (For:California Desert Coalition)
Gerard Byler & Associates, 1155 Conn. Ave., NW, #300 Washington, DC 20036	Santa Clara Indian Pueblo
Gerico, Inc, 12520 Grant Drive Box 33755 Denver, CO 80233	
William C. Gibb, 1050 Thomas Jefferson St., NW, 6th Fl Washington, DC 20007	Providential Home Inc. Plan
Gibson Dunn & Crutcher, 1050 Connecticut Ave., NW, #900 Washington, DC 20036	Int'l Electronics Manufacturers & Consumers Of America, Inc
Michael B. Gillett, 1425 N. 46th Street Seattle, WA 98103	American Petroleum Institute
Brad Gilman, 1050 Thomas Jefferson Street, NW, 6th Fl Washington, DC 20007	Robertson Monagle & Eastaugh (For:Aleutians East Borough)
Do	Robertson Monagle & Eastaugh (For:Anchorage School District)
Do	Robertson Monagle & Eastaugh (For:Coastal Coalition)
Jere W. Glover, 1725 K Street, NW, #308 Washington, DC 20006	Associated Enterprises, Inc
Law Offices of Alan M. Gnessin, 1220 19th Street, NW, #400 Washington, DC 20036	CHP
Do	Family Health Plan, Inc
Gold & Liebengood, Inc, 1455 Pennsylvania Ave., NW, #950 Washington, DC 20004	Alaska Loggers Assn
Do	Georgia Power Company
Do	International Committee of Passenger Lines
William Gonnelly, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers' International Association
Alan Goodfader, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Company, Inc)
Robert K. Gray, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:American Arlines)
Do	Hill & Knowlton (For:AMR Corp)
Ed Greelegs, 3900 Wisconsin Ave., NW Washington, DC 20016	Federal National Mortgage Assn (Fannie Mae)
Lynn S. Green, 1120 19th Street, NW, #310 Washington, DC 20036-3605	Institute of Makers of Explosives
Suzanne Greenfield, 2030 M Street, NW Washington, DC 20036	Common Cause
Greyhound Lines, Inc, 1101 14th Street, NW, #1201 Washington, DC 20005	
Griffin Johnson & Associates, 1211 Connecticut Ave., NW, #700 Washington, DC 20036	Outdoor Advertising Assn of America
Grogan Graffam McGinley & Lucchino, P.C., 22nd Floor, Three Gateway Center Pittsburgh, PA 15104	Steel Valley Authority
Groom & Nordberg, Chtd, 1701 Pennsylvania Avenue, NW, #1200 Washington, DC 20006	Nebraska Public Power District
Do	True Oil Company
Steven A. Grossman, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:Gerber Products Corp)
Gene Guerrero, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union
Mary Scott Guest, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Pacific Corp
C. McClain Haddow, 8150 Leesburg Pike, #900 Vienna, VA 22182	National Subacute Care Assn
Barry Hager, 444 North Capitol St., #711 Washington, DC 20001	Fund for Private Assistance in International Development
Anne Hall, 100 East Broad Street Columbus, OH 43271-0251	Banc One Corporation
Carol Boyd Hallett, 1667 K Street, NW, #700 Washington, DC 20035-5192	Free Iran Coalition
William A. Hanbury, 4914 W. Genesee Street Camillus, NY 13031	Citizens Against Public Subsidy
P. S. Hannas, 919 18th Street, NW, #400 Washington, DC 20006	W. R. Grace & Co /World Headquarters
Frederick J. Hannett, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group (For:Children's Health System, Inc)
Do	Jefferson Group (For:Maxicare Health Plans, Inc)
Dolly A. Hanrahan, 1030 15th Street, NW, #1100 Washington, DC 20005	Hima
Arthur V. Harris, P.O. Box 96 Valencia, PA 16059	
Robert L. Harris, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group (For:Conundrum Joint Venture)
Do	Jefferson Group (For:Lockheed Corp)
James M. Hawes, 5527 Briar Drive Houston, TX 77506	Fidelity Pacific Group Inc
William H. Hecht, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates, Inc (For:Airtrax)
Do	Hecht Spencer & Associates (For:Marwais Steel Co)
Hecht Spencer & Associates, Inc, 499 South Capitol Street, SW, #507 Washington, DC 20003	Airtrax
Robert W. Helm, 1000 Wilson Boulevard, #2300 Arlington, VA 22209	Northrop Corporation
Heron Burchette Ruckert & Rothwell, 1025 Thomas Jefferson St., NW, #700 Washington, DC 20007	City of Birmingham, AL
Do	Management Recruiters International, Inc
Do	United Van Lines, Inc
George K. Hickox, 246 Willcrest Houston, TX 77042	Fidelity Pacific Group Inc
J. Thomas Higginbotham, 1455 Pennsylvania Ave., NW Washington, DC 20004	American Institute of Certified Public Accountants

Organization or Individual Filing	Employer/Client
John Hildreth, 1300 Guadalupe, #100 Austin, TX 78701	Consumers Union
Karen K. Hillenbrand, 1155 15th Street, #600 Washington, DC 20005	Pennzoil Company
Hogan & Hartson, 555 13th St., NW Washington, DC 20004-1109	American Medical International, Inc
Holland & Hart, 1001 Pennsylvania Ave., NW, #310 Washington, DC 20004	Alyeska Pipeline Service Co
Holland & Knight, 888 17th St., NW, #900 Washington, DC 20006	Florida Celery Exchange
Engin Inel Holmstrom, 2300 M Street, NW, #600 Washington, DC 20037	International Advisers, Inc (For:Embassy of Turkey)
Holt Miller & Associates, 2111 Wilson Blvd., #531 Arlington, VA 22201-3008	Interstate Natural Gas Association of America (INGAA)
Hoog & Associates, 1877 Broadway, #405 Boulder, CO 80302	ASSE International
Do	Myrias Research Corp
Do	Tera Computer Company
Michael J. Hoogendyk, 706 E. Bell Road, #101 Phoenix, AZ 85022	National Assn of Mortgage Brokers
Lindsay Hooper, 453 New Jersey Ave., SE Washington, DC 20003	Winburn VanScoyoc & Hooper (For:Donaldson Lufkin & Genrette Securities, Corp)
Do	Winburn VanScoyoc & Hooper (For:Jackson National Life Insurance Co)
Do	Winburn VanScoyoc & Hooper (For:MCorp)
Do	Winburn VanScoyoc & Hooper (For:Odyssey Partners, LP)
Do	Winburn VanScoyoc & Hooper (For:Utilicorp United, Inc)
Hopkins Sutter Hamel & Park, 888 16th Street, NW Washington, DC 20006	Comdisco
Do	Infinite Research, Inc
Bernard Horn, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc
Hoving Group, 910 17th St., NW, #318 Washington, DC 20006	American Film Marketing Assn
Do	Saul Ewing Remick & Saul (For:Barnes & Tucker Co)
Walter D. Huddleston, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates, Inc (For:Airtrax)
J. Michael Hudson, 555 13th Street, NW Washington, DC 20004	McCamish Martin Brown & Loeffler (For:Citicorp)
Thomas H. Hudson, P.O. Box 2787 Baton Rouge, LA 70821	Coastal Corporation
Do	Louisiana State University Foundation
F. Michael Hugo, 3414 N. Emerson Street Arlington, VA 22207	Michael Hugo & Associates (For:Geo Centers, Inc)
B. Jeanine Hull, 1001 30th Street, NW, #340 Washington, DC 20007	Hadson Power Systems
Hunton & Williams, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20036	Pittston Company
Gary Hymel, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:AMR Corporation)
Do	Hill & Knowlton (For:Textron, Inc)
I. A. B., 14 Dayton Street Westover, NY 13790	
Kris H. Ikejiri, 2200 Mill Road, #600 Alexandria, VA 22314	Interstate Truckload Carriers Conference
Margaret B. Ingraham, 7476 Fountain Head Drive Annandale, VA 22003	
International Assn of Fire Fighters, 1750 New York Ave., NW Washington, DC 20006-5395	
Sandra Isaacson, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group (For:Veterans Affairs Department, Chiefs of Staff)
Ivins Phillips & Barker, Chtd, 1700 Pennsylvania Ave., NW, #600 Washington, DC 20006	Bayer USA, Inc
Khalil E. Jahshan, 2033 M Street, NW, #300 Washington, DC 20036	National Assn of Arab Americans
Jellinek Schwartz Connolly & Freshman, Inc, 1015 15th Street, NW, #500 Washington, DC 20005	National Agricultural Chemicals Association
Michael A. Johnson, 200 West Adams Street, #2625 Chicago, IL 60606	Sonnenberg Anderson O'Donnell & Rodriguez (For:Trek Bicycle Corp)
Susan E. Johnson, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Coldwell Banker Real Estate Group
Johnson & Gibbs, P.C., 1001 Pennsylvania Ave., NW #745 Washington, DC 20004	Church Alliance
Do	El Paso Health Care Systems, Ltd
Do	EPIC Healthcae Group, Inc.
Do	HealthTrust, Inc
Do	Oryx Energy Corporation
Do	Permanente Medical Group, Inc
Do	Redman Industries
Do	Republic Health Corporation
C. Darrell Jones, 1101 King Street, #601 Alexandria, VA 22314	Figueroa South Investment Associates, Inc
Edwin M. Jones, 970 Summer Street Stamford, CT 06905-5518	Bentley Mosher & Babson, PC (For:United Engineering, Inc)
Jones Day Reavis & Pogue, 1450 G Street, NW, #600 Washington, DC 20005-2088	Day Kimball Hospital
Do	First Church of Christ-Scientists
Do	Windham Community Memorial Hospital, Inc
Jeffrey Judah, 602 E St., SE Washington, DC 20003	Thacher Proffitt & Wood (For:Citicorp)
Miles F. Kanne, 925 S. Curry Pike P.O. Box 489 Bloomington, IN 47402	Cook Group Incorporated
Kevin B. Kearney, 14 Webb Road Cabin John, MD 20818	American Sunbathing Assn, Inc
Keck Mahin & Cate, 1201 New York Ave., Penthouse Washington, DC 20005	American Petroleum Institute
Do	Arkla, Inc
Do	Williams Companies
John R. Keeling, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation
Kelley Drye & Warren, 2300 M Street, NW Washington, DC 20037	Society for Human Resources Management
Brian J Kelly, One Constitution Square New Brunswick, NJ 08901-1500	New Jersey State Bar Association
Mary Linda Kemp, 4849 Connecticut Ave., NW, #131 Washington, DC 20006	Kemp & Associates
Kemp and Associates, 900 17th Street, NW, #900 Washington, DC 20006	Fresno County Cal.
Do	San Joaquin County Cal.
Do	Tulare County Cal.
Kemper Reinsurance Company, Long Grove, IL 60049	
Evelyn Verna Keyes, 4601 Connecticut Avenue, NW #316 Washington, DC 20008	Farley Industries
King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Alliance for Capital Access
Do	Georgia International Investment Coalition
Theodore Knappen, 1101 14th Street, NW, #1201 Washington, DC 20005	Greyhound Lines, Inc
Kogovsek & Associates, Inc, 1801 Broadway, #1420 Denver, CO 80202	Conejos Water Conservancy District
Do	CF&I Steel Corporation
Do	Greater Denver Corporation
Stephen M. Koslow, 1300 19th Street, NW, #404 Washington, DC 20036	AFL-CIO Maritime Committee
Joan M. Kovalic, 955 L'Enfant Plaza, SW, 6th Fl. Washington, DC 20024	BASF Corp
Andrea S. Kramer, 3500 Three First National Plaza Chicago, IL 60602	Coffield Ungaretti Harris & Slavin (For:Comdisco, Inc)
Alan M. Kranowitz, 1725 K Street, NW, #710 Washington, DC 20006	National Assn of Wholesaler-Distributors
Krooth & Altman, 2101 L Street, NW, #210 Washington, DC 20037	Housing Study Group
Ronald W. Kuehn, 2 East Mifflin Street, #600 Madison, WI 53703	DeWitt Porter Huggett Schumacher & Morgan, SC (For:Becker CPA Review Courses)
Kurrus & Kirchner, P.C., 1055 Thomas Jefferson St., NW, #418 Washington, DC 20007	American Pilots' Assn
Do	St. Lawrence Seaway Pilots Assn
Kutak Rock & Campbell, 1101 Connecticut Ave., NW, #1000 Washington, DC 20036	Financial Security Assurance & Capital Markets Assurance
Katherine D. Ladd, 1500 K Street, NW, #650 Washington, DC 20005	Glaxo, Inc
Delbert L. Latta, 516 Hillcrest Dr. Bowling Green, OH 43402	Freedom Fund of New Jersey, Inc
Paul C. Lavery, 206 G Street, NE, #201 Washington, DC 20002	Foley & Company (For:Poly Phaser)
Laxalt Corporation, 1455 Pennsylvania Ave., NW, #985 Washington, DC 20004	Boone Company
Laxalt Washington Perito & Dubuc, 1120 Connecticut Ave., NW Washington, DC 20036	Cohen Flax Management
Do	Healthdyne, Inc
Jennifer Layman-Heitman, 2030 M Street, NW Washington, DC 20036-0	Common Cause
Lepon McCarthy & Jutkowitz, 1146 19th Street, NW, Third Floor Washington, DC 20006	Chilean Exporters' Assn
Frank J. Lessen, 120 7th Street, SE Washington, DC 20003	Association of Biotechnology Companies
Lipsen Whitten & Diamond, 1725 DeSales St., NW, #800 Washington, DC 20036	Federal Record Service Corp
Debra J Lipson, 122 C Street, NW Washington, DC 20001	Children's Defense Fund
E. Geoffrey Littlehale, 1100 15th Street, NW Washington, DC 20005	Glaxo, Inc
Lobby of American Witnesses (L.A.W.), 1204 Rennie Ave., #4 Richmond, VA 23227	
W. Timothy Locke, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates, Inc (For:Airtrax)
Do	Hecht Spencer & Associates (For:Bixby Ranch Company)
Do	Marwais Steel Company
Laura Loeb, 730 11th Street, NW, #300 Washington, DC 20001	Older Women's League
Patricia Davitt Long, 313 Williamsburg Drive Silver Spring, MD 20901	Farley Industries
Long Law Firm, 8550 United Plaza Blvd., #800 Baton Rouge, LA 70809	Baker Manufacturing Company, Inc
Do	Champion International Corporation
Do	International Paper
Do	ITT Corporation
Marshall L. Lynam, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036	Dallas-Fort Worth International Airport
Do	Kelly Hart & Hallman (for: Perry R. Bass)
Do	Kelly Hart & Hallman (For:Tandy Corporation)
Robert A. Macari, 3500 Three First National Plaza Chicago, IL 60602	Coffield Ungaretti Harris & Slavin (For:Comdisco, Inc)
Do	Coffield Ungaretti Harris & Slavin (For:Northern Trust Company)
Cliff Madison Government Relations, Inc, 1611 Landfall Drive Wilmington, NC 28403	Greater Cleveland Regional Transit Authority
Do	Los Angeles County Transportation Commission
Madison Public Affairs Group, Inc, 2033 M Street, NW, #900 Washington, DC 20036	Northern States Power Company

Organization or Individual Filing	Employer/Client
Shayne M. Madsen, 3050 Broadway, #202 Boulder, CO 80304	Madison Public Affairs Group, Inc (For Philip Morris USA)
James J. Magner, 2033 M Street, NW, #900 Washington, DC 20036	James J. Magner & Associates, Inc. (For:Government Affairs)
David L. Mahan, 1818 N St., NW, #600 Washington, DC 20036	DGA International, Inc (For:Teledyne Brown Engineering)
Karen J. Malachi, 8601 Georgia Ave., #805 Lee Plaza Silver Spring, MD 20910	Washington Metropolitan Area Transit Authority
Robert H. Maloney, 3900 Wisconsin Ave., NW Washington, DC 20016	Fannie Mae
Manatt Phelps Rothenberg & Phillips, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036	Edison Electric Institute
Do	Federal Express Corp
Manchester Group, Ltd, 1155 15th St., NW, #302 Washington, DC 20005	America Committee for Vietnam Claims Justice
Frank Mankiewicz, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:AMR Corp)
Do	Hill & Knowlton (For:Textron, Inc)
Mary Jo Manning, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Thomson Consumer Electronics)
Marc Associates, Inc, 1030 15th Street, NW, #468 Washington, DC 20005	Helen Keller National Center
Louis T. March, 1432 Brooks Avenue Raleigh, NC 27607	Americans For Immigration Control, Inc
David F. Martin, 3807 North Chesterbrook Rd. Arlington, VA 22207	CM Services, Inc.
Donald F. Massey, 901 31st Street, NW Washington, DC 20007	Gerber Products Corporation
Marshall L. Matz, 888 17th Street, NW, #900 Washington, DC 20006	Holland & Knight (For:Abbott/Ross Laboratories)
Do	Holland & Knight (For:Carnival Cruise Lines)
Do	Holland & Knight (For:City of Orlando)
Do	Hospice Care of Deleware, Inc
Peter G. Mayberry, 1150 17th Street, NW, #1000 Washington, DC 20036	Keller and Heckman (For:INDA (Association of the Nonwoven Fabrics Industry))
Mayer Brown & Platt, 2000 Pennsylvania Avenue, NW Washington, DC 20006	Arkansas Electric Cooperative Corporation
Do	Brambles USA, Inc
Do	Corn Products Co
Do	Entergy Corporation
Do	Nestle, SA
Do	Shell Oil Co
Ellen Mazer, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the United States
Harry E. McAdams, 555 13th Street, NW #300 East Washington, DC 20004	McCamish Martin Brown & Loeffler (For:Citicorp)
Jennifer McAdoo, 218 D Street, SE Washington, DC 20003	Environmental Policy Institute
McAuliffe Kelly Raffaelli & Siemens, 555 New Jersey Ave., NW, #880 Washington, DC 20001	American Tunaboat Assn
Do	National Telephone Services, Inc
Do	Wine Institute
Susan P. McCaffrey, 1828 N. Meridian Indianapolis, IN 46202	Community Service Council of Central Indiana, Inc
McCamish Martin Brown & Loeffler, P.C., 1200 First Republic Bank Tower 175 East Houston San Antonio, TX 78205	Sematech
Sharon McCloe, 818 Connecticut Ave., NW, 200 Washington, DC 20016	U.S. English
McClure & Trotter, 1100 Connecticut Ave., NW, #600 Washington, DC 20036	Columbia Pictures Entertainment, Inc
Robert A. McConnell, 1050 Connecticut Ave., NW, #900 Washington, DC 20036	Gibswon Dunn & Crutcher (For:Int'l Electronics Manufacturers & Consumers of America, Inc)
G. McConnell & Associates, Inc, 4716 Neptune Drive Alexandria, VA 22309	Grumman Corp
Jack McDonald, 1001 Pennsylvania Avenue, NW, #625-S Washington, DC 20004	Jack McDonald Co (For:Ameritech)
Marian E. McDowell, 1275 Pennsylvania Ave., NW, 4th Floor Washington, DC 20004	Pacific Telesis Group
Patrick M. McLain, 1000 Vermont Avenue, NW, #1000 Washington, DC 20005	Rowan & Blewitt, Inc (For:Par Pharmaceutical, Inc)
Tara McMahon, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Association of America, Inc
McNair Law Firm, P.A., 1155 15th Street, NW, #400 Washington, DC 20005	Joesph E. Seagram & Son, Inc.
Do	South Carolina Research Authority
Ray McNally & Associates, Inc, 1817 Capitol Ave., #A Sacramento, CA 95814	Madison Public Affairs Group, Inc (for Philip Morris USA)
John P. McNicholas, 2001 L Street, NW #1000 Washington, DC 20036	Unisys Corporation
Kathleen P. McTighe, 485 Lexington Ave. New York, NY 10017	New York State Bankers Assn
Vernon H. Meier, 1448 Duke Street Alexandria, VA 22314	National Rural Letter Carriers Assn
Howard A. Menell, 1747 Pennsylvania Ave., NW, #900 Washington, DC 20006	Coffield Ungaretti Harris & Slavin (For:Comdisco, Inc)
Merle D. Menssen, 3M Center-Bldg 220-6E-02 St. Paul, MN 55144-1000	3M
Steven J. Metalitz, 555 New Jersey Ave., NW, #800 Washington, DC 20001	Information Industry Assn
Karl Leonard Meyer, 201 N. Heritage Circle Burnsville, MN 55337	
John B. Meyers, P.O. Box 4067 Louisville, KY 40204	
Meyers & Associates, 412 First St., SE, #40 Washington, DC 20003	Alnor Oil Company, Inc
John L. Mica, 201 Massachusetts Ave., NE, #C-9 Washington, DC 20002	Hvide Shipping, Inc
Chaz Miller, 1801 K Street, NW, #1105-L Washington, DC 20006	Glass Packaging Institute
Hydi Miller, 818 Connecticut Ave., NW, #200 Washington, DC 20016	U.S. English
Martha L. Miller, 1301 Connecticut Ave., NW, #700 Washington, DC 20036	Citizens for Sensible Control of Acid Rain
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	Ameribanc Investors Group
Do	American Continental Corporation
Do	Long Island Assn
Do	Varian Associates, Inc
Thomas H. Miner & Associates, 150 North Michigan Avenue, #2120 Chicago, IL 60601	Madison Public Affairs Group, Inc (for Philip Morris, USA)
Mintz Levin Cohn Ferris Glovsky & Popeo, P.C., 1825 I Street, NW, #1200 Washington, DC 20006	Mortgage Insurance Companies of America
Lawrence W. Mitchell, 100 Maryland Ave., NE, #500 Box 69 Washington, DC 20002	American Agriculture Movement, Inc
Mitchell Friedlander & Gittleman, 1201 Conn. Ave., NW Washington, DC 20036	National Bank Of Liberia
Martha Mohler, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Committee to Preserve Social Security and Medicare
Powell A. Moore, 1133 Connecticut Ave., NW Washington, DC 20036	Ginn Edington Moore and Wade (For:American League for Exports and Security Assistance (ALESA))
Timothy X. Moore, Timothy Moore & Co 2900 M Street, NW, #300 Washington, DC 20007	International Environmental Policy Coalition
Randall B. Moorhead, 2000 K Street, NW, #201 Washington, DC 20006	North American Philips Corp
Morgan Lewis & Bockius, 1800 M St., NW, #800 N. Washington, DC 20036	Presbyterian Hospital City of New York, et al.
John W. Morrison, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services
Motorcycle Riders Foundation, Inc, P.O. Box 1808 Washington, DC 20013-1808	
Muldoon Murphy & Faucette, 5101 Wisconsin Ave., NW, #508 Washington, DC 20016	Manufacturers Life Insurance Co
MWW/ Strategic Communications, Inc, 70 Grand Ave River Edge, NJ 07661	Coalition for American Youth Opportunity
Do	Environmental Compliance Service
Do	First Jersey Securities
National Assn of Mortgage Brokers (NAMB), 706 E. Bell Road, #101 Phoenix, AZ 85022	
National Organization Against Invisible Disease Spread, 1825 Connecticut Ave., NW, #200 Washington, DC 20009	
Neill & Company, Inc, 815 Connecticut Ave., NW, #800 Washington, DC 20006	American Methanol Institute
Neill Mullenholz & Shaw, 815 Connecticut Ave. NW Washington, DC 20006	City of Fergus Falls
Do	National Assn of Chapter 13 Trustees
Louis H. Nevins, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Great Western Savings, Federal Savings & Loan)
New Jersey State Bar Assn, One Constitution Square New Brunswick, NJ 08901-1500	
Nixon Hargrave Devans & Doyle, One Thomas Circle, NW, #800 Washington, DC 20005	CP Rehab Corp
Do	Eastman Savings & Loan Assn
Jeffrey P. Noah, 729 15th Street, NW Washington, DC 20005	Associated Builders and Contractors, Inc
H. James Nunes, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group (For:City of San Juan)
Do	Jefferson Group (For:Gibraltar P.R., Inc)
Do	Jefferson Group (For:Lockheed Corp)
Jack O. Nutter II, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group (For:Lockheed Corp)
Do	Jefferson Group (For:3M Safety & Security Systems)
Nancy O'Brien, 2251 Wisconsin Avenue, NW Washington, DC 20007	National Assn of Trade & Technical Schools
Quinn O'Connell, 1001 Pennsylvania Ave., NW #310 Washington, DC 20004	Holland & Hart
Kelley E. O'Connor, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	Carreecom Corp
Do	Government of El Salvador
Do	Hutchinson Island Limited, Inc
Do	Outdoor Advertising Assn of America, Inc
Bartley M. O'Hara, 1919 Pennsylvania Ave., NW, #300 Washington, DC 20006	Metpath, Inc
O'Neill and Athy, P.C., 1310 19th Street, NW Washington, DC 20036	Compu Chem Corp
Do	P.W. Gillibrand and Co
Olsson Frank & Weeda, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Vicam
Oppenheimer Wolff & Donnelly, 1020 19th Street, #400 Washington, DC 20036	State of Delaware (For:Duane Morris & Heckscher)
Orbital Sciences Corporation, 12500 Fair Lakes Circle Fairfax, VA 22033	
Jose A. Ortiz-Daliot, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group (For:City of Carolina, PR)
Do	Jefferson Group (For:City of San Juan, PR)
Richard N. Parsons, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc
Melissa B. Patack, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Committee
Patton Boggs & Blow, 2550 M St., NW Washington, DC 20037	Casio
Do	Federation of Postal Police Officers
Do	Genstar Container Corporation

Organization or Individual Filing	Employer/Client
Do	Goldbelt, Inc
Do	Itel Containers International Corp
Do	Magnuson Act Coalition
Do	Save Chanute Committee
Do	Thornycraft Giles & Co., Inc
Do	Trans Ocean Ltd
Do	Triton Container
Do	XTRA Corp
Paul Weiss Rifkind Wharton & Garrison, 1615 L Street, NW, #1300 Washington, DC 20036	Municipal Assistance Corp for the City of New York
Norman E. Pearson, 1303 New Hampshire Ave., NW Washington, DC 20036	Fleet Reserve Assn
John M Pelkey, 2000 Eye Street, #600 Washington, DC 20036	American Electronics Association
Francisco J. Pereiro, 3500 Three First National Plaza Chicago, IL 60602	Coffield Ungaretti Harris & Slavin (For:Comdisco, Inc)
Perkins Coie, 1110 Vermont Ave., NW, #1200 Washington, DC 20005	Arctic Alaska Fishing Corp
Do	Wood Heating Alliance
Mary Jo Peterson, 1957 E Street, NW Washington, DC 20006	National Automobile Dealers Assn
Dayna Petete, 1325 G Street, NW, #1003 Washington, DC 20005	Population Environment Balance
Laura M. Pettey, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers
Mitchell S. Pettit, 1133 Connecticut Ave., NW, #1000 Washington, DC 20036	Madison Public Affairs Group (for: Philip Morris USA)
Thair R. Phillips, 8150 Leesburg Pike, #900 Vienna, VA 22182	National Subacute Care Assn
Piliero Tobin and Mazza, Farragut Square 888 17th Street, NW Washington, DC 20006	Ad Hoc Committee of Mutual Fund Managers
Do	Fujitec America, Inc
Do	National Fire Protection Assn
Pillsbury Madison & Sutro, 1667 K St., NW, #1100 Washington, DC 20006	Chevron Corporation
Do	Intermedia Partners
Piper & Marbury, 1200 19th Street, NW, #700 Washington, DC 20036	Association for Governmental Leasing and Finance
Do	National Assn of Independent Colleges and Universities
Marc R. Poirier, Spiegel & Mcdiarmid 1350 New York Ave., NW Washington, DC 20005	South Hadley Electric Light Department
J. Craig Potter, 1233 20th Street, NW, #400 Washington, DC 20036	
Powell Goldstein Frazer & Murphy, 1001 Pennsylvania Ave., NW, 6th Floor Washington, DC 20004	Committee for Equitable Compensation
Do	Computer & Business Equipment Manufacturers Assn
Do	Hadson Electric, Inc
Preston Thorgrimson Ellis & Holman, 1735 New York Avenue, NW, #500 Washington, DC 20006	American Forest Resource Alliance
Do	Arctic Sounder Enterprises, Inc
Do	Fusion Power Associates
Do	Jackson Laboratory
Price Waterhouse, 1801 K St., NW, #700 Washington, DC 20006	Southmark Corporation
Mary A. Procida, 1155 Avenue of the Americas New York, NY 10036	White & Case (For:Bankers Trust Company)
Stuart E. Proctor Jr., 11812 Hitchings Post Lane Rockville, MD 20852	National Turkey Federation
Robert A. Radcliff, 100 East Broad Street Columbus, OH 43271-0251	Banc One Corporation
Radio-Television News Directors Assn, 1717 K Street, NW, #615 Washington, DC 20006	
John D. Raffaelli, 1400 L Street, NW 10th Floor Washington, DC 20005-3502	McAuliffe Kelly Raffaelli & Siemens (For:National Telephone Services, Inc)
Kelly Rahach, P.O. Box 67174 Cuyahoga Falls, OH 44222	
Thomas F. Railsback, 2000 M Street, NW Washington, DC 20036	Holland America Line Westours, Inc (For:Graham & James)
Do	Graham & James (For:Mutual of Omaha)
Reed Smith Shaw & McClay, 8201 Greensboro Drive, #820 McLean, VA 22102	National Assn of Minority Business
Do	National Cellular Resellers Assn
Do	National Rifle Assn
Do	Radio-Television News Directors Assn
Joseph M. Rees, Francis Mcginnis & Rees, Inc 1000 Potomac Street, NW, #401 Washington, DC 20007	Exhaust Systems Professional Assn
Do	Songwriters Guild of America
John J. Regan, 648 Anderson Hall 4400 Massachucsetts Ave. Washington, DC 20016-8101	I and J Associates
R. Brent Regan, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp
Reid & Priest, 1111 19th St., NW, #1100 Washington, DC 20036	Pride Refining, Inc
Robert J. Reinshuttle, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc
Lee P. Reno, 122 C Street, NW, #875 Washington, DC 20001	Reno Cavanaugh & Hornig (For:Amerind Risk Management Corp)
Do	Housing Authority Insurance, Inc
Wm. Bradford Reynolds, 888 16th Street, NW Washington, DC 20006-4103	Ross & Hardies (For:Citicorp North America, Inc)
Alan K. Richards, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc
Mark Robertson, The Power House 3255 Grace Street, NW Washington, DC 20007	Hill & Knowlton (For:Republic of Turkey)
Mims Rogers, P.O.Box 1064 Florence, AL 35631	Madison Public Affairs Group, Inc (for Philip Morris ,USA)
Rogers & Wells, 1737 H Street, NW Washington, DC 20006	Futures Industry Association
Bruce Rohde, One Central Park Plaza, #1100 Omaha, NE 68102	McGrath North Mullin & Kratz, PC (For:Nebraska Catholic Conference)
Do	McGrath North Mullin & Kratz, PC (For:Septemberfest Salute to Labor, Inc)
Do	McGrath North Mullin & Kratz, PC (For:UNO Maverick Boosters, Inc)
Michael Rolnick, 818 Connecticut Ave., NW, 200 Washington, DC 20006	U.S. English
Paul C. Rooney, 1155 Avenue of the Americas New York, NY 10036	White & Case (For:Bankers Trust Company)
Ropes & Gray, 1001 Pennsylvania Ave., NW, #1200 Washington, DC 20004	Butler Capital Corp
Albert B. Rosenbaum III, 499 South Capitol Street, SW, #520 Washington, DC 20003	Allwaste, Inc
J. Patrick Rowland, 1023 15th Street, NW, 7th Fl Washington, DC 20005	Labor Policy Association
Rowland Government Relations, 1023 15th Street, NW, 7th Fl Washington, DC 20005	Labor Policy Association
Elisabeth Rubin, 2000 P Street, NW, #305 Washington, DC 20036	Foresight Science & Technology (For:Hartford Stream Boiler)
Robert E. Ruddy, 9106 Drumaldry Drive Bethesda, MD 20817	Mortgage Insurance Companies of America
RBC Associates, 324 Fourth Street, NE Washington, DC 20002	Turbomeca Engine Corp
Lawrence E. Sabbath, 1023 15th Street, NW, 7th Fl Washington, DC 20005	Labor Policy Association
James D. Santini, 1101 King Street, #350 Alexandria, VA 22314	Hecla Mining Company
Steffan B. Sarkin, 74 River Road Cos Cob, CT 06807	Fidelity Pacific Group Inc
Sartain Law Offices, 219 Boulevard, NE Gainesville, GA 30501	Madison Public Affairs Group, Inc (for Philip Morris USA)
Thomas J. Scanlon, 3248 Prospect Street, NW Washington, DC 20007	Benchmarks, Inc
Eric V. Schaeffer, Morgan Lewis & Bockius 1800 M St., NW Washington, DC 20036	National Lime Association
Do	Safety-Kleen Corp
Sam Schertz, P.O. Box 2121 Corpus Christi, TX 78403	Central Power and Light Company
Ken Schlossberg Consultants, 317 Massachusetts Avenue, NE, #200 Washington, DC 20002	Bowman Gray School of Medicine
Schwabe Williamson & Wyatt, 2000 Pennsylvania Ave., NW, #8335 Washington, DC 20006	Oregon State University
Do	Oregon Steel Mills, Inc
Aaron R. Schwartz, 10 South Shore Drive Galveston, TX 77551	American Insurance Assn
Melanie Scofield, 901 Main Street, #2555 Dallas, TX 75202	Greyhound Lines, Inc
Jane Seigler, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc
Norman F. Sharp, 1100 17th Street, NW, #1201 Washington, DC 20036	Pipe Tobacco Council
Susan Shaw, 1730 K Street, NW, #1100 Washington, DC 20006	National Treasury Employees Union
Shaw Pittman Potts & Trowbridge, 2300 N Street, NW Washington, DC 20037	American Savings and Loan of Florida
Do	Florida Citrus Mutual
Do	INCO-US, Inc
Do	Product Liability Coordinating Committee
Do	Public Service of New Hampshire
Do	Texas Air Corporation
Arline M. Sheehan, 1800 M Street, NW Washington, DC 20036	Morgan Lewis & Bockius (For:Safety-Kleen Corp)
Sidley & Austin, 1722 Eye Street, NW Washington, DC 20006	North West Timber Assn
Do	Tootsie Roll Industries, Inc
Richard D. Siegel, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Business Committee for Fair Civil RICO Legislation
Mary Silveira, 317 Massachusetts Avenue, NE Washington, DC 20002	Ken Schlossberg Consultants (for:Woods Hole Marine Bio Lab)
Steve Silver, 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Robertson Monagle & Eastaugh (For:Anchorage School District)
Do	Robertson Monagle & Eastaugh (For:City of Kotzebue)
Do	Robertson Monagle & Eastaugh (For:Puget Sound Cruiseship Alliance)
David C. Simons, 1100 Connecticut Ave, NW, #410 Washington, DC 20036	Eaton Corp
Paul Sinclair, Box 1010-59556 Canon City, CO 81212	
Skadden Arps Slate Meagher & Flom, 1440 New York Avenue, NW Washington, DC 20005	Akzo America, Inc
Do	Blackstone Financial Management
Do	Canada Malting Co., Ltd.
Do	City Federal Savings & Loan Assn
Do	Deposit Guaranty Corporation
Do	Hoylake Investments, Ltd
Do	Maxwell Communications Co., PLC
Do	McMillan, Inc

Organization or Individual Filing	Employer/Client
Do	UAL Corp
Glen J. Skovholt, Honeywell Plaza Minneapolis, MN 55408	Honeywell Inc
G. Wayne Smith, Potomac Visions, Ltd 1111 14th Street, NW Washington, DC 20005	National Greyhound Association
Do	Southwest Marine Corp
Kirkland Smith, Docs# 83-A-4548 Sullivan Correctional Facility Fallsburg, NY 12733	
Paul C. Smith, 1776 K Street, NW Washington, DC 20006	Wiley Rein & Fielding (For:National Assn of Public TV Stations)
Do	Wiley Rein & Fielding (For:Public Broadcasting Services)
Do	Wiley Rein & Fielding (For:United Parcel Service)
Philip S. Smith, 10900 Wilshire Boulevard Los Angeles, CA 90024	Castle & Cooke, Inc
Do	Castle & Cooke (For:Dole Fresh Fruit Company)
Do	Flexi Van Leasing, Inc
William C. Smith, 317 Massachusetts Ave., NE #200 Washington, DC 20002	Ken Schlossberg Consultants (For:Bowman Gray School of Medicine)
Do	Ken Schlossberg Consultants (For:Brandeis University)
Ronald J. Somerville, 1000 Connecticut Ave., NW, #1002 Washington, DC 20036	Wildlife Legislative Fund of America
Sonnenschein Carlin Nath & Rosenthal, 1201 Pennshlvania Ave., #700 Washington, DC 20004	Geneva Steel
Bonnie Souza, 218 D Street, SE Washington, DC 20003	Environmental Policy Institute
D. Dean Sparkman, 1925 N. Lynn Street, #308 Arlington, VA 22209	Sparkman & Cole, Inc (For:Air Transport Assn of American)
Do	Sparkman & Cole, Inc (For:Regional Airport Authority of Louisville)
Sparkman & Cole, 1925 N. Lynn Street, #308 Arlington, VA 22209	Air Transport Assn of America
Do	Delta Air LInes
Do	National Business Aircraft Assn
Do	Regional Airport Authority of Louisville
Do	
William B. Spencer, 729 15th Street, NW Washington, DC 20005	Associated Builders and Contractors, Inc
Spiegel & McDiarmid, 1350 New York Ave., NW Washington, DC 20005-4798	Town of South Hadley Massachusetts
Squire Sanders & Dempsey, 1201 Pennsylvania Ave., NW P.O. Box 407 Washington, DC 20044	California Steel Industries Inc
Do	Lakeshore Cryotronics, Inc, et al.
St. Lawrence Seaway Pilots Assn, 54 Bayley Road Massena, NY 13662	
Barbara E. Steakley, 918 16th Street, NW, #402 Washington, DC 20006	American Furniture Manufacturers Assn
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Christie's
Do	National Antique & Art Dealers Assn of America
Do	Sotheby's
Neal Stine, 1667 K Street, NW, #710 Washington, DC 20006	Baxter
Kaye L Stinson, 1575 I Street, NW, #200 Washington, DC 20005	American Cyanamid
Raymond L. Strassburger, 1020 19th Street, NW, #700 Washington, DC 20036	Northern Telecom Inc
Sullivan & Cromwell, 1701 Pennsylvania Ave., NW, #800 Washington, DC 20006	BHP Holdings (USA) Inc.
Donald B. Susswein, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Great Western Savings, Federal Savings & Loan)
Sutherland Asbill & Brennan, 1275 Pennsylvania Avenue, NW, #1000 Washington, DC 20004	Windom Brannon, et al.
Sylvia E. Swanson, 1801 K Street, NW, #1105-L Washington, DC 20006	Glass Packaging Institute
Swidler & Berlin, Chtd, 3000 K Street, NW, #300 Washington, DC 20007	American Bakers Assn
Do	Business Coalition For RICO Reform
Do	Akin Gump Strauss Hauer & Feld (For:Drexel Burnham Lambert)
Do	New Energy Company of Indiana
Do	Renewable Fuels Assn
Mary T. Tavenner, 1725 K Street, NW, #710 Washington, DC 20006	National Assn of Wholesaler-Distributors
Gene Taylor, 453 New Jersey Ave., SE Washington, DC 20003	Empire Gas Corp
John A. Taylor, 11 Canal Center Plaza, #250 Alexandria, VA 22314	Virginia Power
Thacher Proffitt & Wood, 1500 K Street, NW, #200 Washington, DC 20005	Apple Bank for Savings
Do	Binghamton Savings Bank
Do	Great Western Savings, Federal Savings & Loan
Do	New Hampshire Savings Bank
Do	Peoples Westchester Savings Bank
Do	River Bank America
Do	Rochester Community Savings Bank
Robert G. Thoma, 2100 Pennsylvania Ave., NW, #755 Washington, DC 20037	BASF Corp
John L. Thomas, P.O. Box 796322 Dallas, TX 75379-6322	Visual Information Technologies, Inc
Sara L. Thommason, 1500 K Street, NW, #650 Washington, DC 20005	Glaxo
Thompson Mann & Hutson, 3000 K Street, NW, #600 Washington, DC 20007	Milliken & Co
Joseph Thorndike, 1522 K Street, NW, #836 Washington, DC 20005	Consortium of Social Science Assn's (COSSA)
Timothy B. Tierney, 5100 Forbes Blvd Lamham, MD 20706	Automotive Refrigeration Products Institute
Julie Tippens, 254A Maryland Avenue, NE Washington, DC 20003	National Abortion Rights Action League
Touche Ross & Co, 1900 M Street, NW Washington, DC 20036-3564	Ahold USA
Do	Beatrice Community Hospital and Health Center
Do	Coastal Corporation
Do	Daishowa America Co, Ltd
Do	Dart Drug Stores, Inc
Do	Dutch Property Investments, Ltd.
Do	Federation of American Immigration Reform
Do	Fujitec America
Do	Memorial Hospital of Dodge County
Do	Rheem Manufacturing Co
Charles H. Tower, 1026 16th Street, NW, #503 Washington, DC 20036	Dun & Bradstreet
Jeffrey B. Trammell, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:Hertz Corp)
Do	Hill & Knowlton (For:Republic of Turkey)
Do	Hill & Knowlton (For:Textron, Inc)
Tretter-Gorman, Inc, 711 N. Eleventh Street St. Louis, MO 63101	Madison Public Affairs Group (for: Philip Morris USA)
Tucker & Associates, 1701 Pennsylvania Ave., NW, #1000 Washington, DC 20006	New York Life Insurance Company
Garry R. Turner, 1666 Connecticut Ave., NW, #400 Washington, DC 20009	Federation for American Immigration Reform (FAIR)
Jane L. Turner, 1250 Connecticut Ave., NW, #200 Washington, DC 20036	National Forest Products Assn
Joseph D. Tydings, 2000 Pennsylvania Avenue, NW #7500 Washington, DC 20006	Population Crisis Committee
U.S. English, 818 Connecticut Ave., NW, 200 Washington, DC 20016	
Elizabeth Ulmer, 1531 P Street, NW, #200 Washington, DC 20005	Sierra Club Legal Defense Fund
Charles K. Unger, 717 Pendleton Street Alexandria, VA 22314	America Orthotic & Prosthetic Assn
Anne I. Urban, 311 First Street, NW Washington, DC 20001	Computer & Business Equipment Manufacturers Assn
Van der Voort Associates, Ltd, 1134 Westmoreland Road Alexandria, VA 22308	Orbital Sciences Corporation
Van Ness Feldman Sutcliffe & Curtis, P.C., 1050 Thomas Jefferson St., NW, 7th Floor Washington, DC 20007	America First Companies
Verner Liipfert Bernhard McPherson & Hand, Chtd, 901 15th Street, NW #700 Washington, DC 20005-2301	New Progressive Party
David Vienna & Associates, 401 Wythe Street, #2-A Alexandria, VA 22314	California Franchise Tax Board
Vinson & Elkins, 1455 Pennsylvania Ave., NW, #800 Washington, DC 20004-1007	Allied Signal, Inc
Do	E.I. Du Pont de Nemours & Co., Inc
Do	National Corporation for Housing Partnerships
Ian D. Volner, 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	Cohn & Marks (For:Maclean Hunter Cable TV)
Vorys Sater Seymour & Pease, 1828 L Street, NW, #1111 Washington, DC 20036	Ohio Advanced Technology Center, Inc
Do	Ohio Broadcasters Assn
Do	Ohio Forestry Assn
Do	Snow Aviation International, Inc
Jay J. Vroom, 1155 15th Street, NW, #900 Washington, DC 20005	National Agricultural Chemicals Assn
Thomas D. Wacker, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn
Debra Waggoner, 1615 H Street, NW Washington, DC 20062	American Electronics Assn
Frederick P. Waite, 1200 19th Street, NW, #500 Washington, DC 20036	Davis Graham & Stubbs (For:American Wire Producers Assn)
Charls E. Walker Associates, Inc, 1730 Pennsylvania Ave., NW Washington, DC 20006	Hollywood Calling
R. Duffy Wall & Associates, Inc, 1317 F Street, NW, #400 Washington, DC 20004	Brown-Forman Corporation
Do	BHP Holdings, Inc
Wallace & Edwards, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Alaska Pulp Corp
Wallace Dover & Dixon, 1400 L Street, NW Washington, DC 20005-3502	Louisiana Holding Co
J. Allen Wampler, 2301 S. Jefferson Davis Hwy., #332 Arlington, VA 22202	Louisiana Land and Exploration Co
Michael A. Waring, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters
Barbara J. Washburn, 1660 L Street, NW Washington, DC 20036	General Motors Corp
Washington Policy Advocates, 655 15th Street, NW, #310 Washington, DC 20005	Spill-Net Inc
Julian K. Watson, 1226 Prince Street, #1 Alexandria, VA 22314	Citizens For A Drug Free America
James B. Watt, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors
David Weaver, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc
Rebecca Weaver, 1616 P St., NW #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control

Organization or Individual Filing	Employer/Client
Webster & Sheffield, 2000 Pennsylvania Ave., NW, #7400 Washington, DC 20006	Magma Copper Corp
Webster Chamberlain & Bean, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Commercial Law League of America
Do	INTERARMS
Weil Gotshal & Manges, 1615 L Street, NW, #700 Washington, DC 20036	Noranda, Inc
S. Ariel Weiss, 1 Financial Center Boston, MA 02111	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Ormat Energy Systems, Inc)
Earl V. Wells, 1511 K Street, NW, #824 Washington, DC 20005	Griffin Media Group
Wexler Reynolds Fuller Harrison and Schule, Inc, 1317 F Street, NW, #600 Washington, DC 20004	Simon Wiesenthal Center/Museum of Tolerance
Gordon B. Wheeler, 1025 Connecticut Ave, NW Washington, DC 20036	Health Insurance Assn of America, Inc
John C. White, White Consulting Group, Suite 380 2000 M Street, NW Washington, DC 20036	AMGEN
John Thomas White III, 490 L'Enfant Plaza East, SW, #2202 Washington, DC 20024	Tenneco Gas
Stephanie A. White, 1900 L Street, NW, #500 Washington, DC 20036	Pitney Bowes, Inc
White & Case, 1155 Avenue of the Americas New York, NY 10036	Bankers Trust Company
Barbara Wierzynski, 1825 Eye Street, NW, #1040 Washington, DC 20006	Futures Industry Assn, Inc
Wildlife Legislative Fund of America, 1000 Connecticut Ave., NW, #1002 Washington, DC 20036	
Lanny F. Wiles, 499 S. Capitol Street, SW, #507 Washington, DC 20003	City of Jacksonville, FL
Wiley Rein & Fielding, 1776 K St, NW, 12th Fl. Washington, DC 20006	American Newspaper Publishers Assn
Do	Association of Telemessaging Services, International
Do	Certified Color Manufacturers' Assn
Do	Operator Service Providers of America
Do	Pharmaquest
Do	Prodigy Services Company
Wilkinson Barker Knauer & Quinn, 1735 New York Ave., NW Washington, DC 20006	Independence County, Arkansas
Willard & Auge, Inc, 405 Capitol Street, Mezzanine Charleston, WV 25314	Madison Public Affairs Group, Inc
Richard T. Williams, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn
Williams & Jensen, P.C., 1101 Connecticut Ave., NW, #500 Washington, DC 20036	FAIR
Do	Pittston Co
Willkie Farr & Gallagher, Three Lafayette Center 1155 21st St., NW Washington, DC 20036	Time Warner
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	Amerada Hess Corporation
Do	Bankers Trust Co
Do	Common Fund
Do	Dow Chemical USA
Do	Pepsico, Inc
Do	Southeast Banking Corporation
Do	Trans-Alaska Pipeline Liability Fund
Chapin E. Wilson Jr., 80 7 Street, NW Washington, DC 20001	American Federation of Government Employees
John P. Winburn, 453 New Jersey Ave., SE Washington, DC 20003	Winburn VanScoyoc & Hooper (For:Matteson Investment Corporation)
Winthrop Stimson Putnam & Roberts, 1133 Connecticut Ave., NW, 1200 Washington, DC 20036	Bassett Sole Community Provider
Do	Grocery Manufacturers of America
Do	Snappy Car Rental
Do	Westinghouse Electric Corp
Jim Wise Associates, 1707 Duke St., #300 Alexandria, VA 22314	San Francisco Bar Pilots Assn
Robert V. Witeck, The Power House 3255 Grace Street, NW Washington, DC 20007	Hill & Knowlton (For:Republic of Turkey)
Clara D Wittler, #A151937-Box 351 P.O. Box 8540 Broward Correctional Institution Pembroke Pines, FL 33024	
S.R. Wojdak and Associates, Inc, 1401 Walnut St., #1000 Philadelphia, PA 19102	Health Industry Manufacturers Assn
Do	Western Pennsylvania Hospital
Kenneth L. Wolf, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Hertz Corp)
Melissa A. Wolford, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	(For:American Insurance Assn)
Irvin M. Woods, 4601 N Fairfax Drive, #720 Arlington, VA 22203	Maule Air, Inc
Wunder Ryan Cannon & Thelen, 1615 L St., NW, #650 Washington, DC 20036	Aermacchi Spa
Do	American Iron & Steel Institute
Do	Bermuda, Government of
Do	Electronic Industries Assn
Do	Finanziaria Mirabella SpA
Do	Gesamtverband der Deutschen Versicherungswirtschart e.V.
Do	Intermarine SpA
Do	Kraft
Do	RJR Nabisco
Admiral Zumwalt & Consultants, Inc, 1500 Wilson Boulevard Arlington, VA 22209	Robert E. Derecktor of Rhode Island, Inc

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the third calendar quarter 1989:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data, and Page 2 deals with financial data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . .

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

IDENTIFICATION NUMBER

Is this an Amendment? ☐ YES ☐ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee".*—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer".*—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐ terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."

STATEMENT OF VERIFICATION

[Omitted in printing]

NOTE on ITEM "D."—*(a)* IN GENERAL. The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In general.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $.....Dues and assessments
2. $.....Gifts of money or anything of value
3. $.....Printed or duplicated matter received as a gift
4. $.....Receipts from sale of printed or duplicated matter
5. $.....Received for services (e.g., salary, fee, etc.)
6. $.....TOTAL for this Quarter (Add "1" through "5")
7. $.....Received during previous Quarters of calendar year
8. $.....TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . *loan* . . ."—§ 302(a).

9. $.....TOTAL now owed to others on account of loans
10. $.....Borrowed from others during this Quarter
11. $.....Repaid to others during this Quarter

12. $....."Expense Money" and Reimbursements received this Quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": .....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("*Period*" from Jan. 1 through....., 19.....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—*(a)* IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) IN CONNECTION WITH LEGISLATIVE INTERESTS:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the spaces following the number.

Expenditures (other than loans)

1. $.....Public relations and advertising services
2. $.....Wages, salaries, fees, commissions (other than Item "1")
3. $.....Gifts or contributions made during Quarter
4. $.....Printed or duplicated matter, including distribution cost
5. $.....Office overhead (rent, supplies, utilities, etc.)
6. $.....Telephone and telegraph
7. $.....Travel, food, lodging, and entertainment
8. $.....All other expenditures
9. $.....TOTAL for this Quarter (Add "1" through "8")
10. $.....Expended during previous Quarters of calendar year
11. $.....TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . *loan* . . ."—§ 302(b).

12. $.....TOTAL now owed to person filing
13. $.....Lent to others during this Quarter
14. $.....Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More*_____

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7–11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7–15, 8–15, 9–15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
A-K Associates, Inc, 1024 10th Street, #300 Sacramento, CA 95814	Golden Gate Bridge Highway & Transportation District	6,300.00	4,706.39
Do	Reclamation District 1000		206.39
Do	Tobacco Institute	37,875.00	13,706.39
Robert J. Aagre, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	120.00	16.00
Leanne J. Abdnor, 2000 Pennsylvania Avenue, NW, #3580 Washington, DC 20006	Koch Industries	3,000.00	2,419.89
Paul C. Abenante, 1111 14th St., NW, #300 Washington, DC 20005	American Bakers Assn		
Thomas G. Abernethy Sr., 3973 Stuart Place Jackson, MS 39211	U.S. Cane Sugar Refiners' Assn		
Georgia Abraham, 2033 M Street, NW, #905 Washington, DC 20036	National Assn of Arab Americans	7,749.96	
Matthew J. Abrams, 1120 19th Street, NW, #202 Washington, DC 20036	CANAMCO (For:Aerospace Industries Assn of Canada)	1,000.00	
Do	CANAMCO (For:Canadian Shipowners Assn)	500.00	
Abukari, 322 D Street, NE Washington, DC 20002	Rainbow Lobby, Inc	4,464.00	3,842.63
Elaine Acevedo, 216 7th Street, SE Washington, DC 20003	Florist's Transworld Delivery Assn	2,000.00	
Luis Acle Jr., 818 Connecticut Avenue, NW, #201 Washington, DC 20006	Barnaby Zall, Law Offices of (For:U.S. English)		9,400.00
Charles A. Acquard, 2301 M Street, NW, Washington, DC 20037	American Public Power Assn	2,000.00	
Action for Children's Television, 20 University Road Cambridge, MA 02138		7,530.00	909.76
Ad Hoc Coalition to Reconsider FS-X, 1924 N Street, NW Washington, DC 20036			
John J. Adams, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20006	Ethyl Corporation		
Do	Hunton & Williams (For:Vepco)		
John M. Adams, 225 N. Washington St. Alexandria, VA 22314	The Retired Enlisted Association	1,038.00	420.00
Kenneth R. Adams, 2211 Congress Street Portland, ME 04122	UNUM Life Insurance Co	500.00	98.00
Adams Quackenbush Herring & Stuart, P.O. Box 394 Columbia, SC 29202	Empire of America	13,902.60	562.67
Robert O. Aders, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	200.00	
Elmer E. Adkins, 89 East Avenue Rochester, NY 14649-0001	Rochester Gas & Electric Corp	503.00	
Terrance M. Adlhock, 1111 19th St., NW, #303 Washington, DC 20036	Southern California Edison Co	4,950.00	1,500.00
Aerospace Industries Assn of America, Inc, 1250 Eye Street, NW, #1100 Washington, DC 20005		13,607.80	13,607.80
David A. Affeldt, 10404 Joiners Lane Potomac, MD 20854	American Assn of Retired Persons	6,502.60	
Agendas International, 820 Second Avenue, #1302 New York, NY 10017	Ministerio del Exterior, Republic of Nicaragua		
Creigh H. Agnew, 2001 L St., NW, #304 Washington, DC 20036	Weyerhaeuser Company		
Agricultural Policy Working Group, 517 C Street, NE Washington, DC 20002	Lesher Russell & Moos, Inc		
Agricultural Policy Working Group, 517 C Street, NE Washington, DC 20002		26,364.90	9,297.59
David J. Aho, 1667 K Street, NW, #710 Washington, DC 20006	Baxter	2,000.00	280.00
Robert S. Aiken, 1735 I Street, NW, #916 Washington, DC 20006	Pinnacle West Capital Corp	2,000.00	619.31
Donald R. Aikens, 1050 Thomas Jefferson Str., NW, 6th Fl. Washington, DC 20007	Leonard & Ralston (For:Krueger, Inc)	21,336.15	
Herbert Allen Ailsworth, 1615 L Street, NW, #420 Washington, DC 20036	Sandoz Corp		66.00
Air Conditioning & Refrigeration Institute, 1501 Wilson Boulevard, #600 Arlington, VA 22209			
Air Products & Chemicals, Inc, 1730 Pennsylvania Ave., NW, #265 Washington, DC 20006			1,800.00
Air Traffic Control Assn, Inc, 2020 North 14th Street, #410 Arlington, VA 22201		1,054.16	1,054.16
Air Transport Assn of America, 1709 New York Ave., NW Washington, DC 20006		97,676.79	97,676.79
Aircraft Owners & Pilots Assn, 421 Aviation Way Frederick, MD 21701		5,489,161.00	73,171.00
Randolf H. Aires, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Sears Roebuck & Co	2,450.00	436.00
Michael A. Aisenberg, 1331 Pennsylvania Ave., NW, #600-2 Washington, DC 20004	Digital Equipment Corp	19,500.00	
Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036	A.E. Staley Manufacturing	914.00	19.00
Do	Amerada Hess Corp	232.00	
Do	American Nuclear Energy Council		
Do	American Telephone & Telegraph Co		
Do	Bank of New York		
Do	Bank of Nova Scotia	843.00	
Do	Boone Co		
Do	Buckeye Pipeline Co, L.P.	612.00	19.00
Do	California Institute of Technology	630.00	19.00
Do	Cambridge Information Group	1,980.00	38.00
Do	Citizens & Southern Corp	4,016.00	76.00
Do	Clark/Bardes Organization, Inc	293.00	
Do	CRS Sirrine, Inc	942.00	19.00
Do	Distilled Spirits Council of the U.S., Inc		
Do	Drexel Burnham Lambert, Inc	7,616.00	152.00
Do	Eastern Air Lines, Inc		
Do	First City Bankcorporation of Texas, Inc	4,569.00	95.00
Do	Fujitsu America, Inc		
Do	W. R. Grace & Co	1,523.00	38.00
Do	Guardian Savings and Loan Assn	1,121.00	19.00
Do	Houston Oilers		
Do	Hoylake Investments Limited	18,935.00	361.00
Do	Industrial Indemnity Financial Corp		
Do	Peter Kiewit Son's, Inc	351.00	
Do	Levi Strauss & Co	1,044.00	19.00
Do	Lone Star Steel Co		
Do	Long Island Lighting Co	4,759.00	95.00
Do	Loral Corp	7,194.00	133.00
Do	MacAndrews & Forbes Holdings, Inc	11,556.00	228.00
Do	Martin Marietta Corp	2,521.00	57.00
Do	McDonnell Douglas Corp	1,382.00	19.00
Do	Mesa Petroleum Co	1,196.00	19.00
Do	Metropolitan Transit Authority of Harris County	3,927.00	76.00
Do	Minnesota Power	232.00	
Do	Morgan Stanley & Co, Inc	2,816.00	57.00
Do	Motion Picture Assn of America, Inc	4,364.00	76.00
Do	Mutual Fairness Taxation Assn		
Do	National Football League		
Do	National Health Laboratories	1,424.00	19.00
Do	Nevada Resorts Assn		
Do	News America	780.00	19.00
Do	Pepsico, Inc	444.00	
Do	Pillsbury Company	1,769.00	38.00
Do	R. Lacey, Inc		
Do	Reebok International, Ltd		
Do	RJR Nabisco, Inc	266.00	
Do	Sara Lee Corporation		
Do	Shell Oil Co	3,653.00	76.00
Do	Southern California Edison Co	2,019.00	38.00
Do	Texas Air Corp	1,023.00	19.00
Do	Texas Education Agency		
Do	Texas National Research Laboratory Commission		
Do	Textron, Inc	265.00	
Do	Trump Organization	3,243.00	57.00
Do	Union Carbide Corporation		
Do	United Gas Pipe Line		
Do	United Illuminating Co		
Do	Warner-Lambert Co	514.00	19.00
Do	Wertheim & Co		
Julia L. Akins, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Alagia Day Marshall Mintmire & Chauvin, 1000 Thomas Jefferson St., NW, #600 Washington, DC 20007	Dairymen, Inc	10,780.00	717.17
Do	Santa Fe Pacific Pipelines, Inc		
Do	Sierra Pacific Industries, Inc	64.00	
Albanian American Civic League, 1220 19th Street, NW, #400 Washington, DC 20036		7,686.30	12,377.10
William E. Albers, 1731 Connecticut Ave., NW, 2nd Fl. Washington, DC 20009-1146	Albers & Company (For:May Department Stores Co)		
David Alberswerth, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	1,671.71	
Susan Alberts, 2033 M Street, NW, #300 Washington, DC 20036	National Assn of Arab Americans	6,700.00	20.00
C. Eddie Aldrete, 7007 Bright Avenue McLean, VA 22101	National Turkey Federation		28.00
Donald C. Alexander, 1333 New Hampshire Ave., NW, #700 Washington, DC 20036	Cadwalader Wickersham & Taft (For:Air Products & Chemicals, Inc)		
Do	Cadwalader Wickersham & Taft (For:Air Transport Assn of America)		
Do	Cadwalader Wickersham & Taft (For:American Financial Corp)		
Do	Cadwalader Wickersham & Taft (For:Bechtel Group, Inc)	125.38	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Cadwalader Wickersham & Taft (For:Bechtel Investments, Inc)	50.19	
Do	Cadwalader Wickersham & Taft (For:Family Life Insurance Co)	100.30	
Do	Cadwalader Wickersham & Taft (For:Mortgage Guaranty Insurance Corp)	75.23	
Do	Cadwalader Wickersham & Taft (For:Nationwide Mutual Insurance Co)	25.08	
Do	Cadwalader Wickersham & Taft (For:PepsiCo, Inc)		
Do	Cadwalader Wickersham & Taft (For:United Brands Co)	25.08	
Jonathan Alexander, 206 G Street, NE Washington, DC 20002	Evergreen Associates, Ltd. (For:Gindle Lining Systems, Inc)		
Do	Evergreen Associates, Ltd. (For:Suffolk County, NY)		
Nancy C. Alexander, 245 Second Street, NE Washington, DC 20002	Friends Comm on National Legislation	4,904.19	
Alexander & Associates, Inc, 400 C Street, NE Washington, DC 20002	Investment Company Institute	20,000.00	
Alexandra Allen, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	5,394.06	
Barbara Allen, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	10,371.00	260.02
William E. Allen, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
Alliance for Acid Rain Control, 444 N. Capitol Street, #526 Washington, DC 20001		52,500.00	2,161.00
Alliance for Capital Access, 1919 Pennsylvania Ave., NW, #704 Washington, DC 20006		105,000.00	93,414.22
Alliance of American Insurers, 1501 Woodfield Road, #400 West Schaumburg, IL 60195			52,006.29
Alliance of Nonprofit Mailers, 2001 S Street, NW, #540 Washington, DC 20009		603.00	2,437.07
Alliance to Save Energy, 1925 K Street, NW, #914 Washington, DC 20006			938.14
Alliance Against Handguns, P.O. Box 75700 Washington, DC 20013			
Robert F. Allnut, 1100 15th St., NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	1,000.00	
J. Michael Allred, 3460 Lotus Drive Plano, TX 75075	Visual Information Technologies, Inc		
Alpha Lyracom d/b/a Pan American Satellite, One Pickwick Plaza Greenwich, CT 06830			2,845.00
Loren J. Alter, 800 North Plaza Drive Schaumburg, IL 60196	Zurich-American Insurance Companies		
Michael J. Altier, 1000 Connecticut Avenue, NW Washington, DC 20036	National Retail Merchants Assn	5,000.00	16.00
Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue, NW Washington, DC 20016			5,000.00
John O. Ambler, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc	12.84	
Jerome A. Ambro Associates, 4734 Timber Ridge Dr. Mountclair, VA 22026	Associated Universities	9,000.00	9,045.75
Robert P. Ambrose, 14615 Lone Oak Road Eden Prairie, MN 55344	Cooperative Power Association	5,000.00	38.37
American Academy of Family Physicians, 8800 Ward Parkway Kansas City, MO 64114		19,106.64	19,106.64
American Amusement Machine Assn, 205 The Strand Alexandria, VA 22314			12,990.55
American Arts Alliance, 1319 F Street, NW, #307 Washington, DC 20004-1182			7,723.79
American Assn for Respiratory Care, 11030 Ables Lane Dallas, TX 75229		20,006.93	19,976.36
American Assn of Blood Banks, 1117 North 19th St., #600 Arlington, VA 22209		1,250.00	1,250.00
American Assn of Equipment Lessors, 1300 North 17th St., #1010 Arlington, VA 22209			
American Assn of Meat Processors, P.O. Box 269 Elizabethtown, PA 17022		99.11	50.00
American Assn of University Women, 2401 Virginia Avenue, NW Washington, DC 20037			396.35
American Automobile Assn, 500 E Street SW, #950 Washington, DC 20024			
American Bankers Assn, 1120 Connecticut Avenue, NW Washington, DC 20036		85,863.49	85,863.49
American Camping Association, Bradford Woods Martinsville, IN 46151			
American Cement Alliance, Inc. 1331 Pennsylvania Ave., NW, #910 Washington, DC 20004		134,076.68	27,485.91
American Cemetery Assn, 5201 Leesburg Pike, #1111 Falls Church, VA 22041			
American Conservative Union, 38 Ivy Street, SE Washington, DC 20003			9,742.00
American Council for Capital Formation, 1850 K Street, NW, #400 Washington, DC 20006		8,348.00	7,668.00
American Council of Life Insurance, Inc, 1001 Pennsylvania Avenue, NW Washington, DC 20004		49,817.72	49,817.72
American Dental Assn, 211 E. Chicago Ave. Chicago, IL 60611			6,000.00
American Family Assn Education and Legal Defense Foundation, P.O. Drawer 2440 Tupelo, MS 38803		12,000.00	12,000.00
American Farm Bureau Federation, 225 Touhy Ave Park Ridge, IL 60068		143,148.00	143,148.00
American Fed of Labor & Congress of Industrial Organizations, 815 16th St., NW Washington, DC 20006			150,782.67
American Feed Industry Assn, 1701 N. Ft. Myer Dr. Arlington, VA 22209		3,240.00	3,240.00
American Fiber Manufacturers Assn, Inc, 1150 17th St., NW, #310 Washington, DC 20036			29,129.15
American Financial Services Assn, 1101 14th St., NW Washington, DC 20005		250.00	
American Hellenic Institute Public Affairs Committee, Inc, 1730 K Street, NW, #1005 Washington, DC 20006			
American Hospital Assn, 50 F Street NW, # 1100 Washington, DC 20001		80,610.85	80,610.85
American Hotel & Motel Assn, 1201 New York Ave., NW Washington, DC 20005		22,525.20	8,206.17
American Institute of Merchant Shipping, 1000 16th Street, NW, #511 Washington, DC 20036			4,267.45
American Insurance Assn, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036		5,878.00	5,878.00
American Israel Public Affairs Comm, 500 N. Capitol St., NW, #300 Washington, DC 20001		150,533.00	148,381.85
American Land Title Assn, 1828 L St., NW, #705 Washington, DC 20036			2,425.00
American League for Exports & Security Assistance, Inc, 122 C St., NW, #740 Washington, DC 20001		6,250.00	14,871.89
American Library Assn, 50 E. Huron St. Chicago, IL 60611		547.00	9,789.23
American Life Lobby, Inc, P.O. Box 490 Stafford, VA 22554		15,000.00	15,000.00
American Logistics Association, 1133 15th Street, NW, #640 Washington, DC 20005			
American Lung Assn of Maryland, 1840 York Rd., #K-M Timonium, MD 21093			
American Malting Barley Assn, Inc, 735 North Water Street, #908 Milwaukee, WI 53202		14,472.45	2,587.40
American Managed Care & Review Assn, 5410 Grosvenor Lane, #210 Bethesda, MD 20814			2,400.00
American Meat Institute, P.O. Box 3556 Washington, DC 20007			9,121.38
American Medical Assn, 535 North Dearborn St. Chicago, IL 60610			580,572.06
American Medical Peer Review Assn, 810 First Street, NE, #410 Washington, DC 20002			
American Movers Conference, 2200 Mill Road Alexandria, VA 22314			3,704.00
American Newspaper Publishers Assn, Box 17407 Dulles International Airport Washington, DC 20041		47,432.66	47,432.66
American Nuclear Energy Council, 410 1st St., SE Washington, DC 20003		27,076.88	152,935.77
American Nurses' Assn, 2420 Pershing Rd Kansas City, MO 64108		32,144.30	32,144.30
American Optometric Assn, 1505 Prince Street, #300 Alexandria, VA 22314			
American Paper Institute, Inc, 260 Madison Ave. New York, NY 10016			5,350.00
American Petroleum Institute, 1220 L St., NW Washington, DC 20005		356,683.01	273,265.76
American Physical Therapy Assn, 1111 N. Fairfax St. Alexandria, VA 22314		6,643.14	6,643.14
American Podiatric Medical Assn, 9312 Old Georgetown Road Bethesda, MD 20814-1621			33,882.01
American Postal Workers Union, AFL-CIO, 1300 L Street, NW Washington, DC 20005		98,173.56	109,898.47
American Public Transit Assn, 1201 New York Avenue, NW Washington, DC 20005		39,066.00	39,066.00
American Pulpwood Assn, 1025 Vermont Avenue, NW Washington, DC 20005			
American Radio Relay League, Inc, 225 Main St. Newington, CT 06111			7,998.00
American Retreaders' Assn, P.O. Box 17203 Louisville, KY 40217		500.00	500.00
American Seed Trade Assn, 1030 15th Street, NW, #964 Washington, DC 20005			14,385.00
American Soc of Anesthesiologists, 1111 14th Street, NW, #501 Washington, DC 20005			48,439.62
American Soc of Hospital Pharmacists, 4630 Montgomery Avenue Bethesda, MD 20814			12,000.00
American Society of Cataract and Refractive Surgery, 3702 Pender Drive, #250 Fairfax, VA 22030			15,460.00
American Soybean Association, 1300 L Street, NW, Suite 950 Washington, DC 20005-4107		15,018.00	1,101.33
American State of the Art Prosthetic Assn, 1404 26th Street, NW, #1 Washington, DC 20007		18,000.00	11,410.79
American Subcontractors Assn, 1004 Duke St. Alexandria, VA 22314			2,400.00
American Textile Machinery Assn, 7297 N. Lee Hwy. Falls Church, VA 22042			
American Textile Manufacturers Institute, Inc, 1801 K Street, NW, #900 Washington, DC 20006		36,596.06	48,265.96
American Veterans of World War II, Korea & Vietnam (AMVETS), 4647 Forbes Boulevard Lanham, MD 20706			20,400.00
American Veterinary Medical Assn, 1023 15th Street, NW, #300 Washington, DC 20005		1,000.00	375.00
American Waterways Operators, Inc, 1600 Wilson Boulevard, #1000 Arlington, VA 22209		398,244.00	482.24
Americans for the National Voter Initiative Amendment, 3115 N St., NW Washington, DC 20007			
Americans for Immigration Control, Inc, P.O. Box 738 Monterey, VA 24465		18,271.91	18,271.91
Americans for Nonsmokers' Rights, 2054 University Ave., #500 Berkeley, CA 94704		5,565.00	5,564.73
Joanne Ames, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
Morris J. Amitay, P.C., 444 N. Capitol Street, NW, #712 Washington, DC 20001	Coalition for American Energy Security	4,500.00	
Do	International Advisers, Inc	12,499.98	
Do	ITT/Gilfillan	8,000.00	
Do	Nathan Lewin (for 47th Street Photo)	7,500.00	
Do	Northrop Corp	9,000.00	
Do	Thompson Medical Co	5,000.00	
Eiji Amito, 955 L'Enfant Plaza, SW, #5300 Washington, DC 20024	American Honda Motor Co, Inc	400.00	
John G. Ams, 1660 L St., NW, #601 Washington, DC 20036	Interstate Natural Gas Assn of America		
Anadarko Petroleum Corp, 16855 Northchase Drive Houston, TX 77251-1330			
Anthony A. Anderson, 1818 N St., NW Washington, DC 20036	Eckert Seamans Cherin & Mellott (For:Metropolitan Transportation Authority)		
David J. Anderson, 1000 Wilson Boulevard, #2700 Arlington, VA 22209	TRW, Inc	500.00	
H. Kim Anderson, Virginia Petroleum Council 1001 E. Broad Street Richmond, VA 23219	American Petroleum Institute	50.00	
James A. Anderson Jr., 1725 K Street, NW, #710 Washington, DC 20006	National Assn of Wholesaler-Distributors		
Kevin N. Anderson, 215 South State Street 12th Floor Salt Lake City, UT 84111	Fabian & Clendenin (For:Nevada Electric Investment Company, Inc)	747.50	110.14
Paul S. Anderson, 200 West Adams Street, #2625 Chicago, IL 60606	Sonnenberg Anderson O'Donnell & Rodriguez (For:Silvestri Corp)	500.00	23.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Susan S. Anderson, 490 L'Enfant Plaza East, SW, #4200 Washington, DC 20024	Xerox Corp	200.00	202.00
Anderson & Pendleton, 1000 Connecticut Avenue, NW, S.1200 Washington, DC 20036	Corporacion Nacional del Cobre de Chile		
Do	Military Mission of Chile		
Elaine Andrews, 1455 Pennsylvania Ave., NW, #1250 Washington, DC 20004-0401	National Assn of Life Companies	300.00	187.20
Michael Andrews, 1455 Pennsylvania Ave., NW, #325 Washington, DC 20004	Salomon Brothers, Inc	875.00	26.00
Robert B. Andrews, 1100 Connecticut Avenue, NW, #620 Washington, DC 20036	Mobil Corp	500.00	
William Robert Andrews, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International Corp	3,000.00	1,549.89
Andrews & Kurth, 1701 Pennsylvania Avenue, NW, #200 Washington, DC 20006	Secondary Lead Smelters Assn, Inc	12,106.52	12,106.52
Andrews' Associates, Inc, 2550 M St., NW, #450 Washington, DC 20037	Mars, Inc		
Do	Royal Trusto Ltd		
Do	Safeguard America's Family Enterprises		
Animal Health Institute, 119 Oronoco Street P. O. Box 1417-D50 Alexandria, VA 22313			365.00
J. Donald Annett, 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc	1,000.00	
Philip H. Anns, 1101 Vermont Avenue, NW, #405 Washington, DC 20005	A. H. Robins Co	3,000.00	454.71
Decker Anstrom, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	4,950.00	
Thomas D. Anthony, 2500 Central Trust Center 201 E. Fifth Street Cincinnati, OH 45202	Comprehensive Medical Imaging of Kentucky, Inc		
Do	Benesch Friedlander Coplan & Aronoff (For:Comprehensive Medical Imaging, Inc)		
Do	Louisville Imaging Services, Inc		
Do	Western Hills Imaging Center, Inc		
Virginia Antos, 1717 Connecticut Avenue, NW, 7th Floor Washington, DC 20009	Association of American Publishers		
Apartment & Office Building Assn, 1413 K Street, NW, #600 Washington, DC 20005			
Apple Computer, Inc, 1550 M Street, NW, #1000 Washington, DC 20005			2,013.64
Paul W. Arcari, 201 N. Washington Street Alexandria, VA 22314	Retired Officers Assn	2,894.50	
John Archer, 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
R. M. Julie Archuleta, 1747 Pennsylvania Avenue, NW, 3rd Fl. Washington, DC 20006	Occidental Chemical Corp	60.00	18.00
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339	American Assn of Bioanalysts	10,335.23	813.31
Do	American Medical Imaging Corp	556.69	553.06
Do	Ameritech		
Do			106.48
Do	Aris Anagnos Properties	32,682.60	225.86
Do	Association of Professeional Flight Attendants	4,047.00	453.80
Do	California Steel Industries, Inc		1,569.00
Do	Central States SE & SW Areas Health Welfare & Pension Funds	44,575.50	490.18
Do	City of San Diego		907.47
Do	Guardian Life Insurance Co of America	28,735.50	746.02
Do	HECO, Inc		
Do	Independent Federation of Flight Attendants	30,000.00	206.00
Do	Mercy Hospital of Des Moines, Iowa	9,974.09	205.99
Do	Mobile Diagnostic Systems, Inc	4,029.88	44.92
Do	Motor and Equipment Manufacturers Association		
Do	National Assn of College Stores	2,772.00	472.29
Do	National Field Selling Assn	1,980.00	
Do	National Nutrition Coalition	10,079.69	207.69
Do	National Parking Association		2,152.07
Do	Popular Democratic Party		966.15
Do	Salem Medical Laboratory, Ltd		
Do	SO-PAK-CO, Inc	2,546.50	98.94
Do	Toshiba America, Inc		5,521.56
Do	Toshiba International Corp		
Do	Toyota Motor Corporation		
Do	Video Software Dealers Assn	19,800.00	526.74
John W. Arlidge, P.O. Box 230 Las Vegas, NV 89151	Nevada Power Company	7,000.00	
Fred Armstrong Jr, 1620 Eye Street, NW, #520 Washington, DC 20006	Portland Cement Assn		
Tertia R. Armstrong, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S	42.00	
Carl F. Arnold, 617 Rivercrest Drive McLean, VA 22101	American Iron & Steel Institute	600.00	
Do	Ashland Oil Co	937.50	
Do	Corporate Property Investors	999.99	
John E. Arnold, 2001 L Street NW, Suite 1000 Washington, DC 20036	Unisys Corporation	1,000.00	
Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036	Jay P. Altmayer	258.75	14.25
Do	American Institute of Certified Public Accountants	6,300.00	37.75
Do	Asea AB		
Do	Asocolflores		
Do	Avis, Inc	4,347.50	
Do	AFL-CIO		
Do	Board of Estimate	1,704.00	
Do	Building & Construction Trades Dept, AFL-CIO		
Do	Continental Corporation	2,247.50	40.98
Do	Donohue & Associates, Inc		
Do	Earthquake Project		
Do	Fluor Corporation		
Do	Geriatric Pharmaceutical Corp		
Do	Golodetz Trading Corp	455.00	33.40
Do	Grain & Feed Trade Assn		
Do	Honeywell, Inc		
Do	International Commodities Clearing House		
Do	London Fox		
Do	London International Financial Futures Exchange, Ltd		
Do	Metal Market & Exchange Co, Ltd		
Do	Mutual of America		
Do	National Coordinating Comm for Multiemployer Plans	15,313.00	1,328.00
Do	Occidental Petroleum Corp		
Do	Philip Morris Cos, Inc		15.75
Do	PNC Financial Corp		
Do	Recording Industry Assn of America, Inc	121.50	
Do	Republic of Panama	661.50	
Do	Sacramento Municipal Utility District	114.75	
Do	State Farm Mutual Automobile Insurance Co	18,837.50	2,095.21
Do	Survival Technology, Inc		
Do	Unilever United States, Inc		0.75
Arnold Grobmyer & Haley, P.O. Box 70 Little Rock, AR 72203	Arkansas Assn of Securities Dealers		
Do	Mid-South International Trade Assn		
Nan Aron, 600 New Jersey Avenue, NW Washington, DC 20001	Alliance for Justice	52.08	
Thomas M. Arrasmith, 1801 K Street, NW, #1200 Washington, DC 20006	IBM Corp	395.50	46.18
Asbill Junkin Myers & Buffone, 1607 New Hampshire Ave., NW Washington, DC 20009	Coalition on Smoking or Health	19,955.50	15,583.56
Michael Ashford, 2030 M Street, NW Washington, DC 20036	Common Cause	2,576.89	
Thomas Ludlow Ashley, 730 15th St., NW Washington, DC 20005	Association of Bank Holding Companies	2,875.00	
Nicholas J. Ashooh, 1000 Elm Street P.O. Box 330 Manchester, NH 03105	Public Service Co of New Hampshire	800.00	1,177.79
Asian Pacific Economic Educational Cultural Organization, P.O. Box 891 Manila, Philippine			
Asphalt Roofing Manufacturers Association, 6288 Montrose Road Rockville, MD 20852			
Mark D. Aspinwall, 1627 K Street, NW, #1200 Washington, DC 20006	United Shipowners of America	2,375.00	4.00
Associated Builders & Contractors, Inc, 729 15th St., NW Washington, DC 20005		17,500.00	
Associated Credit Bureaus, Inc, 16211 Park 10 Place Houston, TX 77084		1,500.00	
Associated General Contractors of America, 1957 E St., NW Washington, DC 20006			15,000.00
Association for Commuter Transportation, Inc, 1776 Massachusetts Ave., NW, #521 Washington, DC 20036			
Association of American Law Schools, One Dupont Circle, NW, #370 Washington, DC 20036			
Association of American Publishers, 1718 Connecticut Avenue, NW Washington, DC 20009-1148		13,049.00	13,049.00
Association of American Railroads, American Railroads Building 50 F Street, NW Washington, DC 20001		137,221.15	137,221.15
Association of American Veterinary Medical Colleges, 1023 15th Street, NW, 3rd Floor Washington, DC 20005			
Association of Junior Leagues, Inc, 660 First Avenue New York, NY 10016		15,000.00	11,089.00
Association of Maximum Service Telecasters, Inc, 1730 M St., NW, #713 Washington, DC 20036			13,024.50
Association of Trial Lawyers of America, 1050 31st St., NW Washington, DC 20007		8,384.25	8,384.25
Association of Urban Universities, 501 I St. S.W. Washington, DC 20024		24,000.00	7,759.99
George J. Aste, 1707 L St., NW, #300 Washington, DC 20036-4202	United Airlines, Inc	500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Michael G. Atieh, 1615 L St., NW, #1320 Washington, DC 20036	Merck & Co, Inc	1,000.00	133.27
Victor Atiyeh & Co, 519 SW Park St., #208 Portland, OR 97205	Fujitsu, Ltd		
Do	Seiko Epson		
Fritz E. Attaway, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	765.00	319.75
Leslie Aubin, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	3,189.00	200.00
John J. Auciello, P.O. Box 269 Elizabethtown, PA 17022	American Assn of Meat Processors		
Robb Austin, 2500 Virginia Avenue, NW, #1150-S Washington, DC 20037	Robb Austin and Associates (For:Madison Public Affairs Group)	1,800.00	130.00
Ronald R. Austin, 1201 16th Street, NW, #210 Washington, DC 20036	Overseas Education Assn, Inc	699.19	
Automotive Parts Rebuilders Assn, 6849 Old Dominion Drive Mclean, VA 22101			
John S. Autry, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp	1,000.00	1,061.33
Rebecca Avila, 2030 M St., NW Washington, DC 20036	Common Cause	7,338.78	1,127.81
Avon Products, Inc, 9 West 57th St. New York, NY 10019			
Marguerite D. Ayers, 10 Light Street P. O. Box 987 Baltimore, MD 21203	MNC Financial, Inc		
Aylward & Finchem, 888 17th Street, NW, 12th Floor Washington, DC 20006	Omak Wood Products Co		200.75
Do	Unimar International, Inc		200.75
Michael G. Ayre, P.O. Box 130 Levis P.Q. Canada G6V 6N7	Mil Davie Inc		
Merribel Symington Ayres, Metropolitan Square #205 655 15th Street, NW, Washington, DC 20005	National Independent Energy Producers		
Richard E. Ayres, 1350 New York Ave., NW, #300' Washington, DC 20005	Natural Resources Defense Council, Inc	7,644.22	56.35
ADAPSO - The Computer Software & Services Industry Assn, 1300 North 17th Street, #300 Arlington, VA 22209			667.81
ARCO Chemical Co, 3801 West Chester Pike Newtown Square, PA 19073			602.83
Edward J. Babbitt, 400 Broadway Cincinnati, OH 45202	Western-Southern Life Insurance Co	8,425.00	920.12
Hope M. Babcock, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society		
Dale R. Babione, 1700 N. Moore St. Rosslyn, VA 22209	Boeing Company	1,690.00	78.16
Kenneth L. Bader, 777 Craig Road St. Louis, MO 63141	American Soybean Assn	2,500.00	75.00
Richard Anthony Baenen, 1735 New York Avenue, NW, #600 Washington, DC 20006	NANA Regional Corp, Inc		
Do	People's Republic of Angola		
Do	Shee Atika, Inc		
Joan N. Baggett, 815 15th St., NW Washington, DC 20005	International Union of Bricklayers & Allied Craftsmen	17,000.00	452.53
Brent A. Baglien, 725 15th Street, NW, #500 Washington, DC 20005	National Grain & Feed Assn		
George F. Bailey Jr., P.O. Box 21 Montgomery, AL 36101	CSX Transportation		
William W. Bailey, 1700 Pennsylvania Ave., NW, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	2,000.00	339.64
David Baime, 122 C Street, NW, #750 Washington, DC 20001	National Ass'n of Independent Colleges & Universities	6,000.00	15.00
Sheila Bair, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Judith L. Baird, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	400.00	
Edward R. Bajer, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	587.50	
Emil F. Baker, 1303 New Hampshire Ave., NW Washington, DC 20036	Fleet Reserve Assn		
Gerald E. Baker, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	6,000.00	531.14
James A. Baker IV, 555 13th Street, NW, #500 East Washington, DC 20004	Baker & Botts (For:Cabot Corp)		
Do	Baker & Botts (For:Sonat, Inc)	19,030.00	218.96
James Jay Baker, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,670.70	134.04
Quinter S. Baker, P.O. Box 8091 Falls Church, VA 22041	Friendship Hill Assn		
R. Garrity Baker, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	225.00	26.00
Baker & Botts, 555 l3th Street, NW, #500 East Washington, DC 20004	National Machine Tool Builders Assn		
Do	Rhone-Poulec		
Do	U.S. West		
Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	American Protestant Health Assn	21,301.63	5.87
Do	Biotechnology General, Inc		
Do	Cleveland Clinic Foundation	32,594.98	1,442.43
Do	Committee on Problems of Drug Dependence (CPDD)	2,271.86	78.00
Do	Elyria Memorial Hospital & Medical Center	17,702.03	334.56
Do	Greater New York Hospital Assn	10,160.65	37.00
Do	Hermann Hospital	4,024.48	52.37
Do	Hospital Insurance Forum	3,483.50	
Do	Hyatt Corp		
Do	Institute for Circadian Physiology		37.00
Do	INVACARE Corporation	49,120.08	
Do	Life Gift Organ Donor Center	221.75	37.00
Do	Lorain Community Hospital	33,414.39	506.68
Do	Missouri Baptist Hospital		
Do	National Assn of State Directors of Vocational Education		
Do	Organ Recovery Systems		
Do	Renal Physicians of Texas	2,185.07	
Do	Society of Cardiovascular & Interventional Radiology		19.42
Do	St Joseph Hospital & Health Center	44,047.38	732.65
Do	Uniden Corp of America		
Baker Worthington Crossley Stansberry & Woolf, 1001 Pennsylvania Ave., NW #1201 Washington, DC 20004	United Methodist Assn of Health & Welfare Ministries		
Do	American Airlines, Inc	4,185.00	
Do	Contel Corporation	7,920.00	
Do	Day & Zimmerman, Inc		
Do	Dunigan Enterprises	4,230.00	
Do	Federal Express Corp	7,492.50	48.00
Do	International Barrier Corp	2,925.00	
Do	Lawler/Wood, Inc	5,940.00	28.98
Do	National Corporation for Housing Partnerships	5,535.00	
Do	National Label Co., Inc	1,125.00	
Do	Philip Morris Management Corp	19,137.50	36.84
Do	Public Service Company of New Mexico		
Do	Warner-Lambert Company		
Patricia A. Baldi, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society		
H. R. Balikov, 333 Thornall St. Edison, NJ 08818	J. M. Huber Corp		
Stanley W. Balis, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))	135.00	8.68
Helen M. Ball, 1016 16th St., NW, #100 Washington, DC 20036	Brown Bridgman & Co, Inc	6,250.00	
William L. Ball III, 1101 16th Street, NW Washington, DC 20036	National Soft Drink Assn	198.32	
William Lewis Ball, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corporation	3,000.00	4,415.88
Ball Janik & Novack, 601 Pennsylvania Ave., NW, 9th Floor Washington, DC 20004	AeroLift, Inc	5,787.50	1,114.82
Do	City of Portland, Oregon	15,000.00	2,631.21
Do	Clackamas County	9,825.00	1,122.92
Do	Fujitsu Microelectronics	3,771.50	493.14
Do	Greenbrier Leasing, Inc	23,483.50	4,483.42
Do	Lower Columbia Regional Navy Task Force	15,000.00	2,087.05
Do	Mt. Hood Meadows Oregon, Ltd	17,943.50	1,612.79
Do	Northwest Industrial Gas Users	738.50	419.93
Do	Northwest Marine Iron Works	8,767.00	1,735.21
Do	Northwest Woodland Owners Council	8,825.50	1,114.17
Do	Oregon Graduate Center	5,717.00	318.04
Do	Port of Tillamook Bay	5,826.50	607.79
Do	Riedel Environmental Services		
Do	Section 8 Housing Group	12,544.00	727.49
Charles E. Bangert, P.C., 662 Mallard Court Arnold, MD 21012	Business Roundtable	2,000.00	
Bank of Boston Corporation, 100 Federal St. Boston, MA 02110			
Bank Capital Markets Assn, National Press Building, 2nd Fl. Washington, DC 20045			
Barbara A. Bankoff, 3733 Yuma Street, NW Washington, DC 20016	Eli Lilly & Co	3,000.00	150.00
James T. Banks, 1155 Connecticut Avenue, NW, #800 Washington, DC 20036	Waste Management, Inc	3,550.00	
Kathryn Bannan, 1050 Connecticut Ave., NW, #401 Washington, DC 20036	Hoffmann-La Roche, Inc		
M. Graeme Bannerman, 888 16th St., NW Washington, DC 20006	Bannerman and Associates, Inc (For:Beirut University College)	1,000.00	
Do	Bannerman & Associates, Inc (For:Government of Bangladesh)	3,000.00	86.41
Do	Bannerman and Associates, Inc (For:Government of Tunisia)	3,000.00	100.76
Do	Bannerman & Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines))	5,000.00	281.22
Martha G. Bannerman, One Greenwich Plaza P.O. Box 2568 Greenwich, CT 06836-2568	NAC Re Corp		
Emory W. Baragar, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	3,240.02	734.42
Haley R. Barbour, P.O.Box 960 Yazoo City, MS 39194	Americans Against Unfair Gas Taxes	20,000.00	3,103.72
Do	Joint Maritime Congress	22,500.00	2,539.97

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	A. L. Williams & Company	16,000.00	546.54
Rebecca T. Barbour, 1025 Connecticut Ave., NW Washington, DC 20036	Shell Oil Company	500.00	
Leslie A. Barhyte, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	4,000.00	24.25
Robert H. Barker, 1150 17th Street, NW Washington, DC 20036	American Fiber Manufacturers Assn, Inc	500.00	129.15
William J. Barloon, 1875 Eye Street, NW, #1250 Washington, DC 20006	United Telecommunications, Inc	4,450.00	
William J. Barnds, 1000 Connecticut Avenue, NW Washington, DC 20036	Japan Economic Institute of America	500.00	
Michael D. Barnes, 1050 Connecticut Avenue, NW Washington, DC 20036	Arent Fox Kintner Plotkin & Kahn (For:American Consulting Engineers Council)	11,637.56	93.22
Do	Arent Fox Kintner Plotkin and Kahn (For:Temistocles Ramirez De Arellano)		8.00
Barnes Richardson & Colburn, 1819 H St., NW, #400 Washington, DC 20006	American Association of Fastener Importers	5,515.38	688.55
Larry P. Barnett, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	13,455.48	
Barnett D'Amours Sivon & Shay, P.C., 1400 L Street, NW, #600 Washington, DC 20005	American Council for State Savings Supervisors	1,200.00	6.00
Do	Citibank, N.A.	1,560.00	24.00
Do	Credit Union National Assn, Inc		
Do	Investors in Industry		
Ray A. Barnhart, 2602 Dellana Lane Austin, TX 78746	Consumers for Competitive Fuels	9,000.00	10,096.27
Do	Marathon Oil Company	9,000.00	9,713.05
James C. Barr, 1840 Wilson Blvd Arlington, VA 22201	National Milk Producers Federation	3,300.00	
Terry N. Barr, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
Thomas S. Barrett, 1815 H Street, NW, #600 Washington, DC 20006	Public Resource Associates	50.00	
Robert W. Barrie, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	3,500.00	
Robert E. Barrow, 1616 H Street, NW Washington, DC 20006	National Grange	5,000.00	
Dave Barrows & Associates, 1201 SW, 12th Avenue, #200 Portland, OR 97205	Madison Public Affairs Group, Inc (for Philip Morris USA)	1,200.00	176.75
Roger V. Barth, 1735 Eye St., NW, #715 Washington, DC 20006	American Assn for Clinical Chemistry Inc		
Doyle C. Bartlett, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors	2,625.00	222.15
Linda L. Bartlett, 1341 G Street, NW, 9th Floor Washington, DC 20005	Kraft, Inc	750.00	
Robert G. Bartlett, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
James E. Bartley, 1090 Vermont Avenue, NW, #410 Washington, DC 20005	National Industrial Transportation League	8,500.00	25.00
Jo-Anne R. Basile, 1990 M Street, NW, #610 Washington, DC 20036	Cellular Telecommunications Industry Assn	3,125.00	130.00
Bass and Howes, 1601 Connecticut Ave., NW, #801 Washington, DC 20009	Women's Legal Defense Fund	24,650.00	4,097.00
Stephen R. Bassett, 421 Aviation Way Frederick, MD 21701	Aircraft Owners & Pilots Assn	2,000.00	
Diane Bateman, 501 2nd Street, NE Washington, DC 20002	Fertilizer Institute	9,000.00	1,650.93
Christopher M. Bates, 1325 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Motor & Equipment Manufacturers Assn	1,500.00	1,517.00
Douglas P. Bates, 1001 Pennsylvania Ave., NW Washington, DC 20004-2599	American Council of Life Insurance	2,000.00	
Robert E. Bates Jr., 1100 Connecticut Ave, NW, #620 Washington, DC 20036	Mobil Corp	1,125.00	
Catharine R. Batky, 50 F Street, NW, #1080 Washington, DC 20001	Bulington Northern Railroad	1,750.00	65.93
Erica M. Battaglia, 519 C Street, NE Washington, DC 20002	National Assn for Home Care	5,823.79	468.33
Robin Battaglini, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Corporation	1,000.00	50.00
Anthony R. Battista, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Defense Technology Corp	400.00	45.00
Gary Lee Bauer, 601 Pennsylvania Ave., NW, #901 Washington, DC 20004	Focus on the Family	875.00	
Barbara Bauman, 1990 M Street, NW, #480 Washington, DC 20036	Detroit Edison Company	700.00	25.00
Lori Baux, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Gas Taxes	12,500.00	
Ann F. Bavaria, 35 North Sixth Street Reading, PA 19601	Meridian Bancorp, Inc		53.58
Richard 'Sandy' Beach, 805 15th Street NW, #300 Washington, DC 20005-2207	Credit Union National Assn, Inc	300.00	168.22
Tina Marts Beach, 1331 Pennsylvania Avenue, NW, #700-S Washington, DC 20004	General Electric Co	372.00	
Bruce A. Beam, 1667 K St., NW, #450 Washington, DC 20006	American Electric Power Service Corp	399.50	383.51
Hubert Beatty, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Edward A. Beck III, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	7,155.00	420.29
Robert G. Beckel, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Taxes	6,000.00	
Lee Becker, 1111 14th St., NW Washington, DC 20005	American Bakers Assn		
Stacey Beckhardt, 1522 K Street, NW, #836 Washington, DC 20005	Consortium of Social Science Assn	291.67	
Steven M. Beckman, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	8,467.42	10.00
Elizabeth W. Beckwith, 300 5th Street, NE Washington, DC 20002	American Osteopathic Assn	3,125.00	
William W. Beddow, 1730 Pennsylvania Ave., NW, #750 Washington, DC 20006	Caterpillar, Inc	2,500.00	64.32
Howard Bedlin, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	593.65	
Beer Institute, 1225 'Eye' Street, NW, #825 Washington, DC 20005			
Robert M. Beers, 2101 E Street, NW Washington, DC 20037	American Foreign Service Assn	6,255.00	
Margaret M. Bees, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp		
William A. Behan, 1700 N. Moore St., #820 Arlington, VA 22209	Magnavox Government & Industrial Electronics Co	6,389.00	5,124.30
Edwin L. Behrens, 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	135.00	
Kenneth J. Beirne, 777 14th Street, NW Washington, DC 20005	National Association of Realtors	2,500.00	
James Beizer, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Mark Belanger, 805 Third Avenue New York, NY 10022	Major League Baseball Players Assn		
Peter M. Belanger, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	200.00	
Denise Bell, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	501.80
R. Steve Bell, 444 North Capitol Street, NW #845 Washington, DC 20001	National Air Traffic Controllers Assn		
Stephen E. Bell, 1455 Pennsylvania Ave., NW, #350 Washington, DC 20004	Salomon Brothers, Inc	1,000.00	30.00
Mary K. Bellamy, 1800 M St., NW Washington, DC 20036	Investment Company Institute		
Benito Advertising, Inc, 600 N. Westshore Blvd., #1100 Tampa, FL 33609	Madison Public Affairs Group, Inc (for Philip Morris, USA)	940.00	151.05
Mike Benner, 1300 L St., NW Washington, DC 20005	American Postal Workers Union	2,923.34	
Daniel J. Bennet, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Benoit Smith & Laughlin, 2001 Jefferson Davis Highway, #501 Arlington, VA 22202	Econopure		
Do	Hughes Aircraft Company		
Frederick S. Benson III, 2001 L Street, NW, #304 Washington, DC 20036	Weyerhaeuser Company		
A. Edgar Benton, 1700 Lincoln St., #4100 Denver, CO 80203	Holme Roberts & Owen (For:Shell Oil Co)	500.00	847.88
Hu A. Benton, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Ranieri Wilson & Co, Inc)	897.93	
James E. Benton, N. J. Petroleum Council 150 W. State Street Trenton, NJ 08608	American Petroleum Institute	170.00	
George L. Berg Jr., 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	6,563.00	56.43
Rebecca J. Berg, 1331 Pennsylvania Ave., NW, #560 Washington, DC 20004	Sea-Land Corporation		
Richard Scott Berg, 1250 Connecticut Avenue, NW, #210 Washington, DC 20036	National Forest Products Assn		
Douglas L. Berger, 1333 F Street, NW, #710 Washington, DC 20004-1108	Third Class Mail Assn	2,775.00	
Bob Bergland, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	350.00	
Martha Bergmark, 7316 Piney Branch Road Takoma Park, MD 20912	Project Advisory Group	1,357.76	13.00
Bergner Boyette & Bockorny, Inc, 1016 16th Street, NW, #700 Washington, DC 20036	Avianca, Inc	1,500.00	415.00
Do	Bell Atlantic Corp	2,000.00	890.00
Do	China External Trade Development Council	2,000.00	1,635.00
Do	Dead Pigeon River Council		
Do	Electronic Industries Assn	3,000.00	2,380.00
Do	Eli Lilly & Company	900.00	623.00
Do	First Boston Corp	3,500.00	3,425.00
Do	Flo-Sun Land Corp	2,000.00	2,020.00
Do	Friendship in Freedom Assn	1,500.00	750.00
Do	Landmark Hotel Corp	1,500.00	1,385.00
Do	Mallinckrodt, Inc	7,500.00	435.00
Do	McDonnell Douglas Corp	3,000.00	445.00
Do	National Assn of Business & Educational Radio	2,000.00	1,045.00
Do	Natural Gas Supply Assn	3,000.00	2,525.00
Do	Okeelanta Corp	2,000.00	1,390.00
Do	Orange & Rockland	1,100.00	1,786.00
Gene S. Bergoffen, 1320 Braddock Place, #720 Alexandria, VA 22314	National Private Truck Council		
Edwin M. Bergsmark, 4544 Crossfields Road Toledo, OH 43623	Bergsmark & Associates (For:Rudolph/Libbe Companies, Inc & subsidiaries)		
Jane W. Bergwin, 1016 16th Street, NW, 5th Floor Washington, DC 20036	Consumers Power Co	3,448.00	6,998.00
Dayle Berke, 519 C Street, NE Washington, DC 20002	National Assn for Home Care	5,054.74	450.55
Antoinette C. Berkely, P.O. Box 2972 Washington, DC 20013			
Peter M. Berkery Jr., 1010 N. Fairfax Street Alexandria, VA 22314	National Society of Public Accountants		
Nathan R. Berkley, 2200 Mill Road Alexandria, VA 22314	American Movers Conference	400.00	
Peter A. A. Berle, 950 Third Avenue New York, NY 10022	National Audubon Society	1,000.00	
Ellen Berman, 2000 L St., NW, #802 Washington, DC 20036	Consumer Energy Council of America		
Richard B. Berman, 1025 Connecticut Ave. NW, #1010 Washington, DC 20036	Burger King Corp		
Do	Pillsbury Company		
Do	S&A Restaurants Corp		
William R. Berman, 8111 Gatehouse Rd. Falls Church, VA 22047	American Automobile Assn		
Mary E. Bernhard, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	324.00	92.60
George K. Bernstein, 1730 K St., NW Washington, DC 20006	Jauch & Hubener, O.H.G.		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Nationwide Insurance Companies	27,825.00	
Bernstein & Lipsett, 1920 L Street, NW, #602 Washington, DC 20036	National Assn of Police Organizations	18,481.88	5,862.25
Craig A. Berrington, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Max N. Berry, 3213 O St., NW Washington, DC 20007	American Importers Meat Products Group		
Do	Centre National Interprofessionnel de L'Economic Laitiere		
Do	Committee to Assure the Availability of Casein		
Do	Federation des Exportateurs de Vins & Spiritueux de France		
Michael J. Bertelsen, 453 New Jersey Ave., SE Washington, DC 20003	Perkinson & Associates, Inc (For:Alliance for America's Homeowner)		
Do	Perkinson & Associates, Inc (For:Beneficial Management Corp)		
Do	Perkinson & Associates, Inc (For:National Second Mortgage Assn)		
Margot Bester, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Co, Inc)		
Do	Murphy & Demory, Ltd (For:Prodigy Services Corporation)		
Do	Murphy & Demory, Ltd (For:United States Telephone Association)		
Gerald M. Bestler, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	BMC Industries, Inc		
John F. Betar, 730 15th Street, NW Washington, DC 20005	Association of Bank Holding Cos	3,776.00	
Ed Bethune, 1825 Eye Street, NW, 400 Washington, DC 20006	FBI Agents Assn (FBIAA)	8,000.00	1,600.00
Robert Betz, 1010 Vermont Avenue, NW, #1116 Washington, DC 20005	Robert Betz Associates, Inc (For:Alabama Hospital Association)	15,000.00	826.73
Do	American Assn of Eye & Ear Hospitals	15,000.00	289.16
Beveridge & Diamond, P.C., 1350 Eye Street, NW, #700 Washington, DC 20005	City of Bluefield, WV, et al.	139.00	155.00
Do	Pacific Dunlop-GNB	13,846.00	21,536.00
Beverly Enterprises, Inc, 1901 N. Fort Myer Drive, #302 Rosslyn, VA 22209			25,504.08
Cheryl Beversdorf, 1640 Wisconsin Ave., NW, Washington, DC 20007	American College of Surgeons		
Sheldon D. Beychok, P.O. Box 2924 Baton Rouge, LA 70821	Camp Dresser & McKee, Inc		
Do	Community Health Network of Louisiana, Inc		
Do	First Boston Corp		
Do	Lamar Corporation		
Do	Ramsay Hospital Corporation of Louisiana, Inc		
Sander M. Bieber, 1500 K Street, NW Washington, DC 20005	Dechert Price & Rhoads (For:Ryland Acceptance Advisers, Inc)		
John C. Biechman, 655 15th St., NW, #1200 Washington, DC 20005	Safe Buildings Alliance		
Joan T. Bier, 1726 M Street, NW, #701 Washington, DC 20036	International Minerals & Chemical Corp		
Richard H. Bierly, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp		
Moe Biller, 1300 L St., NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	11,892.51	
Robert D. Billings, 25 West Glebe Road, Apt. C-7 Alexandria, VA 22172	American Conservative Union		5,645.00
Leon G. Billings, Inc, 901 15th St., NW, #570 Washington, DC 20005	Oxford Energy	6,000.00	
Do	South Coast Air Quality Management District	16,899.35	
Andrea Bilson, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Stuart Binstock, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Bipartisan Budget Appeal, P.O. Box 9 Bowling Green Station New York, NY 10004			
Birch Horton Bittner and Cherot, 1155 Connecticut Ave., NW, #1200 Washington, DC 20036	Alaska Pacific Refining, Inc		
Do	Alaska Teamsters-Employer Pension Trust		
Do	City of St. George		
Do	Gerry Cooney Enterprises		
Do	Kodiak Island Borough		
Do	North Slope Borough		
Do	Old Harbor Corp		
Do	Sealaska Corp		
Do	St. George Tanaq Corp		
Do	Tanadgusix Corporation		
Do	U.S. Central, Inc		
Do	Westinghouse Electric Corp		
Do	Wildlife Legislative Fund of America		
Do	Yukon Pacific Corp		
McNair Bishop, 1725 k Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Bishop Cook Purcell & Reynolds, 1400 L Street, NW, #1000 Washington, DC 20005-3502	Aleut Corporation	3,000.00	
Do	Aleutian/Pribilof Islands Assn, Inc	870.00	
Do	American Honey Producers Assn	6,735.20	1,408.33
Do	American Rice, Inc	510.00	0.48
Do	Bonneville Pacific Corp		
Do	City of St. Paul	2,500.00	
Do	Compaq Computer Corp	740.00	
Do	CompuServe Incorporated		1,265.00
Do	CSR, Ltd	4,490.00	243.04
Do	Government of the US Virgin Islands	4,500.00	
Do	IBP, Inc		
Do	Milk Industry Foundation/Internat'l Ice Cream Manufacturers	3,750.00	50.00
Do	Mississippi Department of Economic Development	23,901.72	5,764.28
Do	National Mass Retailing Institute	1,000.00	
Do	Natural Gas Pipeline Coalition		
Do	Northern Christmas Tree Growers & Nursery	260.00	17.78
Do	Popular Democratic Party (PDP)	25,523.18	
Do	U.S. Rice Producers' Legislative Group	5,840.00	576.54
Do	Wal-Mart	1,000.00	
Gerrie Bjornson, 1825 Eye Street, NW, #400 Washington, DC 20006	B.F. Goodrich Co	100.00	
Judy Black, 665 Fifth Ave. New York, NY 10022	International Council of Shopping Centers	50.00	
Wayne V. Black, Keller and Heckman 1150 17th Street, NW, #1000 Washington, DC 20036	INDA, Assn of the Nonwoven Fabrics Industry		
Black Crotty Sims Hubka Burnett & Samuels, 501 North Grandview Ave. P.O. Box 5488 Daytona Beach, FL 32018	Aetna Life Insurance Company		
Do	Electronic Data Systems Corp		
Do	Security First Federal Savings & Loan Assn		
Black Manafort Stone & Kelly, P.C., 211 North Union Street, #300 Alexandria, VA 22314	Aetna Life & Casualty	7,000.00	284.30
Do	Allied-Signal Corp	22,500.00	671.89
Do	Bethlehem Steel Corp	22,500.00	101.29
Do	Casino Association of New Jersey	9,000.00	
Do	Circle K Corporation	30,000.00	
Do	Clark Construction Group	9,000.00	181.44
Do	Cooper's Ferry Development Assn, Inc	5,000.00	223.35
Do	Edison Electric Institute	45,000.00	86.91
Do	Financial Security Assurance	22,500.00	
Do	Home Intensive Care	15,000.00	
Do	Johnson & Johnson, Inc	30,000.00	294.30
Do	Kaman Aerospace Corp	25,000.00	
Do	Large Public Power Council	22,500.00	338.22
Do	MacAndrews & Forbes Holdings, Inc / Revlon Group, Inc	6,000.00	257.43
Do	Massa Products Corp	15,000.00	
Do	NOVA University	30,000.00	273.60
Do	Partnership for Improved Air Travel		
Do	Puerto Rico Federal Affairs Administration	9,000.00	181.79
Do	Regional Transit Authority	9,000.00	158.36
Do	Republic of Kenya	31,250.00	221.65
Do	Somali Democratic Republic		69.26
Do	South Carolina Economic Development Board	2,000.00	403.23
Do	Tobacco Institute	22,500.00	93.89
Do	Trans World Airlines, Inc	18,000.00	
Do	Trump Organization	18,000.00	59.32
Do	Union for National Action		581.67
Do	Union Pacific Corp	22,500.00	
Do	UNITA	75,000.00	
Joseph W. Blackburn, P.O. Box 55727 2222 Arlington Ave., So. Birmingham, AL 35255	McAbee Construction		
Robert J. Blackwell Jr., 1025 Connecticut Avenue, NW, #1014 Washington, DC 20036	Enserch Corporation	3,038.00	1,368.24
Bev D. Blackwood, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation		
Stephen Blair, 2251 Wisconsin Ave., NW Washington, DC 20007	National Assn of Trade & Technical Schools	750.00	
Roy Blake, 900 University Dr. Nacogdoches, TX 75961	Reese Communications Companies	2,250.00	845.17
Helen Blank, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	6,842.52	
Julia M. Blankenship, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	2,118.46	665.62

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Beatrice K. Bleicher, 1200 18th St. NW Washington, DC 20036	Owens-Illinois, Inc	5,600.00	150.00
Michael E. Bleier, Mellon Bank N.A. One Mellon Bank Center, #1905 Pittsburgh, PA 15258-0001	Mellon Bank N.A.	2,500.00	
Richard W. Bliss, 1079 Papermill Court, NW Washington, DC 20007	Amax, Inc	290.00	20.38
Do	Brother International Corp		
Do	Fluor Corporation		
Do	National Paint & Coatings Assn, Inc	2,230.00	197.63
Do	Philip Morris Cos, Inc		
Do	PB-KBB, Inc		
Do	Texstor	1,180.00	47.18
John R. Block, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Peter L. Blocklin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,200.00	
Patricia Blood, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,000.00	1,617.92
Anne Bloom, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	5,250.00	
Douglas M. Bloomfield, 13712 Wagon Way Silver Spring, MD 20906	VanKloberg & Associates, Ltd (For:Government of Zaire)	9,000.00	
Mark Bloomfield, 1850 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation	1,979.00	
Shirley A. Bloomfield, 2626 Pennsylvania Ave., NW Washington, DC 20037	National Telephone Cooperative Assn	12,000.00	830.36
John B. Blount Jr., 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	208.68
Charles H. Blum, 1238 Wisconsin Ave., NW, #204 Washington, DC 20007	International Advisory Services Group, Ltd (For:Steel Service Center Institute)	210.00	12.00
Jared O. Blum, 1731 Connecticut Ave., NW, 2nd Fl. Washington, DC 20009-1146	Albers & Company (For:Direct Marketing Assn)		953.13
Do	Albers & Company (For:May Department Stores Co)		
Robert A. Blum, 600 Montgomery Street San Francisco, CA 94111	Orrick Herrington & Sutcliffe (For:Permanente Medical Group, Inc)		260.00
Charles R. Blumenfeld, Bogle & Gates 2100 Bank of California Center Seattle, WA 98164	Pacific Seafood Processors Assn		
Patti Blumer, 1667 K Street, NW, #430 Washington, DC 20007	American Dietetic Assn	1,000.00	483.91
Wayne F. Boan, Box 5369 Galveston, TX 77554-0369	Employers Council on Flexible Compensation	200.00	
John A. Boardman, 815 16th Street, NW, #408 Washington, DC 20006	Food & Allied Service Trades Dept, AFL-CIO	2,875.00	93.00
Boat Owners Assn of the U.S., 880 S. Pickett St. Alexandria, VA 22304		90,000.00	90,000.00
Judith Ann Boddie, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	1,339.56	408.91
Timothy A. Boggs, 1133 21st Street, NW, #400 Washington, DC 20036	Warner Communications, Inc	16,000.00	10,717.57
Bogle and Gates, One Thomas Circle, NW, #900 Washington, DC 20005	Cruiseship Alliance	7,500.00	
Do	National Apparel & Textile Assn	5,000.00	
Robert Z. Bohan, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn		
Patricia Boinski, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	288.00	
Carol Bok, 1133 15th St., NW, #640 Washington, DC 20005	American Logistics Association		
Benjamin C. Bolusky, 1250 Eye Street, NW, #500 Washington, DC 20005	American Assn of Nurserymen		
Joseph C. Bonanno Jr., 4068 Keith Drive Campbell, CA 95008			
Edward N. Bond, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	3,000.00	99.00
John E. Bonitt, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc	1,000.00	270.00
Brian C. Bonnet, 1199 N. Fairfax Street, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators		
Gaylon B. Booker, 1918 N. Parkway Memphis, TN 38112	National Cotton Council of America		
Steven A. Bookshester, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	431.25	4.00
John K. Booth, 1001 Pennsylvania Ave., NW Washington, DC 20006	American Council of Life Insurance, Inc	100.00	
Henry Borelli, 14589-053 P.O. Box 1000 Leavenworth, KS 66048-1000			
Lydia A. Borland, 2300 M Street, NW, #600 Washington, DC 20037	International Advisers, Inc (For:Embassy of Turkey)	2,103.78	58.38
Laurence D. Bory, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council		
Ken Bossong, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	3,000.00	
G. Stewart Boswell, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc	2,558.00	17.80
Stephen Bosworth, 19 Silvermine Road New Canaan, CT 06840	Fidelity Pacific Group Inc	24,000.00	197.00
Charles G. Botsford, 1730 M St., NW, #911 Washington, DC 20036	McDonnell Douglas Helicopters, et al	1,000.00	115.00
John C. Bottenberg, 702 Jayhawk Tower 700 S.W. Jackson Topeka, KS 66603	Reese Communications Cos (for: Philip Morris, USA)	2,450.00	500.21
Claude P. Boudrias, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn	400.00	97.00
Mary M. Bourdette, 122 C St., NW, 4th Fl. Washington, DC 20001	Children's Defense Fund of the Washington Research Project	7,804.98	217.50
Albert D. Bourland, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
Laura L. Bourne, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Wayne A. Boutwell, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	5,600.00	
John Bowers Jr., 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	11,723.40	4,992.31
M. Kenneth Bowler, 1455 Pennsylvania Ave., NW Washington, DC 20004	Pfizer, Inc	3,000.00	1,218.64
Richard P. Bowling, 1020 Princess Street Alexandria, VA 22314	Truck Trailer Manufacturers Assn	1,000.00	
Gina M. Bowman, P.O. Box 7305, Dept. 178 Kansas City, MO 64116	Farmland Industries, Inc		
Joan Costain Bowyer, 1015 15th St., NW, #909 Washington, DC 20005	Phelps Dodge Corp	150.00	
John G. Boyd, 1801 K St., NW Washington, DC 20006	International Business Machines Corp	440.00	127.10
Robert K. Boyd, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	1,000.00	209.42
Paul Boyle, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	6,475.00	145.15
Bracewell & Patterson, 2000 K St., NW, #500 Washington, DC 20006	Centex Corporation	430.00	171.57
Do	Chemical Manufacturers Assn, Inc	645.00	257.35
Do	Coalition of Funeral Directors		
Do	Enron Corp	645.00	257.35
Do	Graham Resources, Inc		
Do	Liberty Bank & Trust of New Jersey		
Do	Louisiana Land & Exploration Co	430.00	171.57
Do	Massachusetts Mutual Life Insurance	1,200.00	478.00
Do	MEPC American Properties	185.00	73.82
Do	National Cable Television Assn, Inc	430.00	171.57
Do	Pennsylvania Natural Gas Assn		
Do	Southdown/Pelto Oil Company		
Do	Torch Energy Advisors, Incorporated		
Do	Valero Energy Corporation	1,290.00	514.71
Bracy Williams & Company, 1000 Connecticut Avenue, NW, #304 Washington, DC 20036	American Home Satellite Association	3,000.00	110.00
Do	American Southwest Financial Corp	5,000.00	110.00
Do	Arkla, Inc	7,000.00	245.00
Do	Batman Corporation	10,000.00	450.00
Do	City of Klamath Falls	8,000.00	115.00
Do	City of Tucson	7,000.00	90.00
Do	Coin Coalition	13,705.80	3,995.80
Do	Rocky Company (For:Daishowa America Co Ltd.)	6,000.00	135.00
Do	Energy Absorption Systems, Inc	8,000.00	90.00
Do	Estes Company		
Do	Fieldstone Co	1,000.00	35.00
Do	Millicom, Inc	4,000.00	80.00
Do	Pratt & Whitney Aircraft Group	4,000.00	45.00
Do	Satellite Broadcast Network	1,000.00	75.00
Bradbury Bliss & Riordan, 431 West 7th Ave., #201 Anchorage, AK 99501	Akhiok-Kaguyak, Inc	14,328.27	
Martha Braddock, 6808 Hathaway Street Springfield, VA 22152	Electronic Data Systems Corp	6,025.00	194.99
Stephen E. Bradley, 600 18th Street North Birmingham, AL 35291	Alabama Power Company	33,354.92	
Wayne W. Bradley, 535 North Dearborn Street Chicago, IL 60610	American Medical Assn		
Dennis M. Bradshaw, 8224 Old Courthouse Road Vienna, VA 22180	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Sarah Brady, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	4,846.17	
Charles G. Bragg, P.O. Box 12285 Memphis, TN 38182	National Cotton Council of America		
Raymond F. Bragg Jr., 1133 21st Street, NW, #500 Washington, DC 20036	Federal Stategies, Inc (For:American Independent Refiners Assn)	50.00	
Do	Federal Strategies, Inc (For:Consolidated Natural Gas Company)	75.00	
Do	Federal Strategies, Inc (For:Enviromental Power Corp)	50.00	
Do	Federal Strategies, Inc (For:National Hydropower Assn)	75.00	
Do	Federal Strategies, Inc (For:Tosco)	75.00	
Stuart J. Brahs, 655 15th St., NW, #950 Washington, DC 20005	Principal Financial Group	296.27	
Sally M. Brain, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Barbara Bramble, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	1,301.14	
Brand & Lowell, 923 15th Street, NW, Fifth Fl. Washington, DC 20005	Arnall Golden... (for Amer Colleges for the Applied Arts)	200.00	
Do	National Assn for Home Care		
Do	Platte River Whooping Crane Trust		
Do	Schnitzer Investment Inc	400.00	
Do	Seafarers International Union		
Do	West Group		
William C. Brashares, Mintz Levin Cohn Ferris Glovsky & Popeo 1825 Eye St., NW, #1201 Washington, DC 20006	Smith Barney Harris Upham & Co, Inc		
Jean A. Brashears, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	250.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Christian N. Braunlich, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	125.00	
Roy Braunstein, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	14,087.42	1,054.14
Donald H. Brazier, P.O. Box 12266 Seattle, WA 98102	Dollar Savings Bank, et al		
Harold E. Brazil, 1900 Pennsylvania Avenue, NW Washington, DC 20068	Potomac Electric Power Co	88.27	
Noel Brazil, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Edward T. Breathitt, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Roy S. Bredder, 1111 14th St., NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
George W. Breece, P.O. Box 2801 Fayetteville, NC 28302	American State of the Art Prosthetic Assn	9,000.00	2,383.79
Bregman Abell & Kay, 1156 15th St., NW, #1212 Washington, DC 20005	Air Transport Assn of America		
Do	American Fed of Labor & Congress of Industrial Organizations		
Do	American Federal Savings Bank		
Do	Car Rental Coalition	5,000.00	
Do	Committee to Eliminate Equipment Giveaways	2,500.00	
Do	Federal Home Loan Bank of San Francisco		
Do	Temistocles Ramirez		
Do	Trans World Airlines, Inc	1,500.00	
Do	Truck Renting & Leasing Assn	1,200.00	
Carolyn L. Brehm, 1660 L Street, NW Washington, DC 20036	General Motors Corp	3,000.00	3,186.38
Michael J. Brennan, 1750 New York Ave., NW Washington, DC 20006	International Assn of Bridge Struct & Ornamental Iron Wkrs	10,800.00	310.71
Richard Brescia, N.Y.S. Petroleum Council 150 State Street Albany, NY 12207	American Petroleum Institute	600.00	
Thomas M. Bresnahan III, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron USA, Inc	1,500.00	
William O. Bresnick, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc	250.00	
Paul J. Breuer, 807 Maine Ave., SW Washington, DC 20024	Disabled American Veterans	14,683.20	270.00
Albert E. Brewster, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp	1,500.00	59.10
Bricker & Eckler, 1575 Eye Street, NW, #1020 Washington, DC 20005	Commonwealth of Puerto Rico	1,500.00	
Bobbe J. Bridge, 1011 Western Ave., 10th Floor Seattle, WA 98104	Garvey Schubert & Barer (For:Reese Communications Cos (for: Philip Morris, USA))	3,000.00	38.11
Sue M. Briggum, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	
Karen B. Brigham, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	2,350.00	96.95
Stephen W. Broadie, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers	1,500.00	15.44
Bradly A. Broadwell, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	2,750.00	1,154.73
David M. Brockman, 725 15th St., NW, #500 Washington, DC 20005	National Grain & Feed Assn		
Mary Broderick, 1625 K St., NW, 8th Fl. Washington, DC 20006	National Legal Aid & Defender Assn	1,500.00	12.65
William M. Brodhead, 900 Marquette Building Detroit, MI 48226	Plunkett & Cooney (for Blue Cross & Blue Shield of Michigan)	6,000.00	
Do	Plunkett & Cooney (for City of Detroit, Michigan)	8,625.00	767.40
Do	Plunkett & Cooney (for Detroit Educational TV Foundation)		
Do	Plunkett & Cooney (for Humane Soc of the U.S.)	127.50	
Do	Plunkett & Cooney (for Michigan Consolidated Gas Co)	10,500.00	3,333.12
Do	Plunkett & Cooney (for Michigan Humane Society)	757.50	
David A. Brody, 1050 Seventeenth Street, NW Washington, DC 20036	American Fiber Manufacturers Assn		
Do	Anti-Defamation League of B'nai B'rith		
Marcia D. Brody, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn	200.00	
Michael J. Brokovich, 2001 L Street, NW, Suite 1000 Washington, DC 20036	Unisys Corp	1,000.00	
Michael D. Bromberg, 1111 19th St., NW, #402 Washington, DC 20036	Federation of American Health Systems	13,500.00	
David Bronheim, 1300 Crystal Drive Arlington, VA 22202	CASA, USA	10,000.00	55.00
Brook Associates, Inc, 1620 Eye Street, NW, #716 Washington, DC 20006	Northern Textile Assn	8,268.00	8,268.00
Dale E. Brooks, 1700 K St., NW Washington, DC 20006	Chevron USA, Inc	5,125.00	
E. R. Brooks, 2121 San Jacinto Street, #2500 Dallas, TX 75201	Central & South West Corp	2,416.65	210.91
Mary E. Brooks, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	5,661.46	
Robert M. Brooks, 206 G St., NE Washington, DC 20002	Evergreen Associates, Ltd (For:Clover Park School District)	2,550.00	
Do	Evergreen Associates, Ltd (For:Democratic Party of Washington State)		
Do	Evergreen Associates, Ltd (For:DCL Industries)		
Do	Evergreen Associates, Ltd (For:Military Impacted Schools Assn)		
Do	Evergreen Associates, Ltd (For:Suffolk County, NY)	11,000.00	
Do	Evergreen Associates, Ltd (For:SuperComputers, Inc)		
Do	Evergreen Associates, Ltd. (For:Washington State Impact Aid Assn)		
Cynthia A. Brown, 1640 Wisconsin Ave., NW, Washington, DC 20007	American College of Surgeons		
Cynthia L. Brown, 1110 Vermont Ave., NW, #1250 Washington, DC 20005	Shipbuilders Council of America	15,000.00	
Dale E. Brown, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	10,000.00	1,720.71
David C. Brown, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	1,135.00	573.78
David S. J. Brown, 1101 17th St., NW, #604 Washington, DC 20036	Monsanto Co	700.00	85.14
E. Cooper Brown, 6935 Laurel Ave., #204 Takoma Park, MD 20912			
Gary A. Brown, 1722 Eye Street, NW, 6th Fl Washington, DC 20006	Powers Harsch & Kinder (For:Pyropower Corporation)		
George L. Brown, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corporation	1,250.00	1,118.64
Ralph Brown, Suite 107 701 S. 22nd Street Omaha, NB 68102	M.O.A.A.I.O.A. & Subs, Inc		
S. M. Henry Brown Jr., P.O.Box 61000 New Orleans, LA 70161	Entergy Corp	4,666.02	544.47
Vincent D. Brown, Nebraska Petroleum Council P.O. Box 95063 Lincoln, NB 68509	American Petroleum Institute	1,500.00	38.50
Virginia Brown, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Castine Partners)		
Do	Thacher Proffitt & Wood (For:Citicorp Mortgage Finance, Inc)		60.36
Do	Thacher Profitt & Wood (For:Federal Home Loan Mortgage Corp)	2,150.00	87.22
Do	Thacher Proffitt & Wood (For:General Electric Mortgage Insurance Cos)	11,825.00	238.65
Do	Thacher Proffitt & Wood (For:Ranieri Wilson & Co, Inc)	50.00	
Do	Thacher Proffitt & Wood (For:Standard Federal Savings & Loan)	3,870.00	45.00
Will Rolland Brown, 1731 Connecticut Ave., NW Washington, DC 20009	Albers & Company (For:May Department Stores Company)		
William R. Brown, 122 C Street, NW, #200 Washington, DC 20001	Council of State Chambers of Commerce	332.21	
William Y. Brown, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	3,550.00	30.00
Clarence J. Brown and Co., Inc, 1101 Connecticut Avenue, NW, #1000 Washington, DC 20036	BHC, Inc	1,800.00	
Do	Chris-Craft Industries, Inc		
Do	Ohio Edison		
Do	United Television, Inc		
Brown Coates & McCarthy Inc, 1825 K Street, NW, #807 Washington, DC 20036	Avco Research Lab, Inc	1,000.00	
Do	Royal Teton Ranch	500.00	
Arthur W. Brownell, 1620 Eye St., NW, #700 Washington, DC 20006	International Paper Co	5,000.00	1,719.82
Brownstein Hyatt Farber & Madden, 410 17th Street, 22nd Floor Denver, CO 80202	Alliance for Capital Access	3,180.00	
Do	American West, et al	122,153.34	65,970.13
Do	Hertz Corporation	228.68	
Do	Republic Health Corp	43,497.85	9,559.20
Do	Western Union Corp	1,330.65	481.88
Broydrick Associates Inc, 600 East Mason Street Milwaukee, WI 53202	Aurora Health Care	1,168.75	517.10
Thomas P. Bruderle, 4630 Montgomery Ave. Bethesda, MD 20814	American Society of Hospital Pharmacists		4,500.00
Wolf Brueckmann, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
Kathryne M. Bruner, 1100 17th Street, NW, #1200 Washington, DC 20036	General Atomics	2,207.00	457.37
William K. Brunette, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	599.03	
J. M. Brunkenhoefer, 400 First Street, NW, #704 Washington, DC 20001	United Transportation Union	6,250.00	572.44
Michael E. Brunner, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	2,000.00	
J. Charles Bruse, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Allstate Insurance Cos	1,815.00	579.63
Victor A. Bryant, 1801 K Street, NW #900 Washington, DC 20006	American Textile Manufacurers Institute	500.00	54.70
Don C. Buchanan, 1750 New York Ave., NW Washington, DC 20006	Sheet Metal Workers International Assn	15,000.00	
Virginia M. Buckhold, 1722 Eye Street, NW Washington, DC 20006	Sidley & Austin (For:Commerce Clearing House)		
Robert Buckler, 405 Sibley St., #120 St. Paul, MN 55101	National Board of Fur Farm Organizations	9,000.00	
Jeremiah S. Buckley, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Citicorp Mortgage Finance, Inc.)		
Do	Thacher Proffitt & Wood (For:Massachusetts Bankers Assn)		
Thomas L. Buckmaster, 1301 Connecticut Avenue, NW, #700 Washington, DC 20036	Citizens for Sensible Control of Acid Rain	370.00	
Roy C. Buckner, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron	600.00	150.00
Douglas W. Bulcao, 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc	900.00	24.00
Thomas J. Bulger, Government Relations, Inc 1620 Eye Street, NW, #300 Washington, DC 20006	Metropolitan Transportation Commission	26,749.98	13,434.33
Kim H. Bullerdick, 7227 North 16th Street Phoenix, AZ 85020	Giant Industries, Inc		
Linda Knell Bumbalo, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	7,530.00	834.00
Darrel D. Bunge, Minnesota Petroleum Council 350 St. Peter Street, #1025 St. Paul, MN 55102	American Petroleum Institute	1,626.88	
David A. Bunn, 1211 Connecticut Avenue, NW, #406 Washington, DC 20036	Hearst Corporation	1,000.00	
Do	Parcel Shippers Assn		
T. Scott Bunton, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	10,000.00	615.43
Norman D. Burch, 1101 Vermont Ave., NW, #604 Washington, DC 20005	College of American Pathologists	9,000.00	196.50
Barbara G. Burchett, 1615 L Street, NW, #1220 Washington, DC 20036	Hallmark Cards, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
David G. Burden, 200 E. Randolph Dr. Chicago, IL 60601	Amoco Corporation		
Paul F. Burdett, 1776 Eye Street, NW, #575 Washington, DC 20036	Merrell Dow Pharmaceuticals, Inc		91.50
Burger King Corp, P.O. Box 520783 Gen. Mail Facility Miami, FL 33152			2,132.50
William J. Burhop, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	11,801.62	
Gerard P. Burke, 1117 Spotswood Drive Silver Spring, MD 20904	International Air Leases, Inc		
Kevin M. Burke, 1111 14th St., NW Washington, DC 20005	American Bakers Assn	560.00	180.00
Francis X. Burkhardt, 1750 New York Ave., NW Washington, DC 20006	International Brotherhood of Painters & Allied Trades		
Burley & Dark Leaf Tobacco Export Assn, 1100 17th St., NW Washington, DC 20036		38,713.50	1,075.00
Phillip C. Burnett, P.O. Box 12285 Memphis, TN 38182	National Cotton Council of America	3,375.00	55.25
Burnham & Heller, 4140 Miller Road Ann Arbor, MI 48103	Accident Fund of Michigan		
Charles S. Burns, 1015 15th St., NW, #909 Washington, DC 20005	Phelps Dodge Corp	1,200.00	
Kevin R. Burns, 1920 N Street, NW Washington, DC 20036	American Mining Congress	100.00	
Michael Burns, 601 Pennsylvania Ave., NW, #700 Washington, DC 20004-2602	Business Executives for National Security		
Timothy F. Burns, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	3,000.00	124.00
Burridge Associates, 1612 K St., NW, #204 Washington, DC 20006	Madison Public Affairs Group, Inc (for: Philip Morris)	1,000.00	1,697.51
Burson-Marsteller, 1850 M Street, NW, #900 Washington, DC 20036	American Assn of Dental Schools	1,100.00	10.50
Do	Arthur Andersen & Co		
Do	Chicago & Northwestern Transportation Co		
Do	City of Philadelphia	330.00	21.00
Do	Hankin Management-Arsenal Business Center Associates		
Do	Independence Blue Cross	220.00	14.00
Do	Lever Brothers Company	1,500.00	
Do	Pan American World Airways		
Do	Pennwalt Corp	1,500.00	35.00
Do	Philadelphia Industrial Development Corp		
Do	Philadelphia Port Corp	220.00	14.00
Do	Saudi Refining, Inc		
Do	Temple University	1,320.00	70.00
Do	Thomson-CSF, Inc	2,500.00	
Larry D. Burton, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc	4,400.00	
Barbara L. Bush, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	200.00	
Business Committee for Fair Civil RICO Legislation, 1400 16th Street, NW #400 Washington, DC 20036-2220		8,000.00	6,525.74
Donald G. Butcher, c/o N.Y.S. Petroleum Council 150 State Street Albany, NY 12207	American Petroleum Institute	2,800.00	1,209.16
Henry Butler, 3707 Woodview Trace Indianapolis, IN 46268	Crop Insurance Research Bureau		
Patrick Butler, 1875 Eye Street, NW, #1110 Washington, DC 20006	Times Mirror Co		
Mrs. H. E. Butt, 2700 Ocean Drive Corpus Christi, TX 78411			
Bruce Butterfield, 1745 Jefferson Davis Hwy, #511 Arlington, VA 22202	Manufacturing Housing Institute	70.00	
John J. Byrne, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	3,000.00	
Patrick J. Cacchione, 625 Slaters Lane, #200 Alexandria, VA 22314	National Assn of Medical Equipment Suppliers		
John R. Cady, 1401 New York Avenue, NW, #400 Washington, DC 20005	National Food Processors Assn	500.00	100.00
Morrison G. Cain, 1901 Pennsylvania Ave., NW, #200 Washington, DC 20006	International Mass Retail Assn	6,250.00	
Thomas Cain, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Gas Taxes		
Christopher G. Caine, 1801 K St., NW, #1200 Washington, DC 20006	IBM Corp	11,000.00	671.67
Tony Calandro, 2251 Wisconsin Ave., NW Washington, DC 20007	National Assn of Trade & Technical Schools	1,750.00	
Alan Caldwell, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	2,155.25	
Bonnie Caldwell, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	494.94
Antonio J. Califa, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	8,300.00	10.00
John C. Callihan, 299 Park Avenue New York, NY 10171	Westvaco Corporation		
Calorie Control Council, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342			
Cambridge International, Inc, 1600 Wilson Boulevard, #713 Arlington, VA 22209	Eastern Technologies, Inc	500.00	
Do	FMC Corporation	500.00	
Do	General Dynamics Land Systems	1,000.00	
Do	General Dynamics Valley Systems Division	250.00	
Do	McDonnell Douglas Helicopter Company	600.00	
Do	Optic-Electronic Corp	500.00	
Do	Textron Lycoming	500.00	
Arthur E. Cameron, 1111 14th Street, NW, #1001 Washington, DC 20005	Amerace Corporation	1,500.00	
Do	Lukens General Industries, Inc	1,500.00	
Do	National Greyhound Assn	4,500.00	
Do	Potters Industries, Inc	2,250.00	
Do	Safetran Systems Corporation	3,375.00	
Do	Syro Steel Co, et al	2,100.00	
Do	3M Company	7,140.00	
Nancy Camm, 1800 K Street, NW, #900 Washington, DC 20006	Bank of America	206.16	224.93
Kim Hosch Camp, 7104 Old Stage Road Rockville, MD 20852	Camp Barsh Bates & Tate		
Camp Barsh Bates & Tate, 2550 M St., NW, #275 Washington, DC 20037	Advance Petroleum Inc	353.60	
Do	Associated Financial Corp		
Do	ARA Services		
Do	Blue Cross & Blue Shield Assn		
Do	California Pipe Trades Council		
Do	Campbell Soup Co		
Do	CenTrust Savings Bank		
Do	Chemical Manufacturers Assn, Inc	600.00	
Do	Citgo Petroleum Crop		
Do	Cleveland Clinic Foundation	62.40	
Do	Columbia Gas Systems		
Do	Committee for Equitable Compensation	437.50	
Do	CIC Enterprises		
Do	EG&G, Inc		
Do	Fashion Accessories Shippers Assn (FASA)		
Do	Goldbelt, Inc	687.50	
Do	Home Intensive Care, Inc		
Do	Invacare Corporation	20.80	
Do	K-Mart Corp		
Do	Management Insights, Inc		
Do	Missouri Baptist Hospital of Sullivan		
Do	Mobil Oil Corp		
Do	Natural Gas Supply Assn		
Do	Olin Corporation		
Do	Pennzoil Co		
Do	Pierce Kennedy Hearth		
Do	Presidential Airways, Inc		
Do	PGA Tour		
Do	PPG Industries, Inc		
Do	Russ Berrie & Co, Inc		
Do	Sears Roebuck & Co	262.50	
Do	Shell Oil Co	561.60	
Do	Southland Corporation	83.20	
Do	SMS, Inc		
Do	Texaco, Inc		
Do	Union Pacific Resources, Inc		
Do	VRAIN Company		
Do	Western Mobilehome Assn		
Do	World Airways		
Campaign for U.N. Reform-Political Education Committee, 418 7th St., S.E. Washington, DC 20003		13,851.02	11,045.23
C. R. Campbell Jr., 1850 M St., NW, #1200 Washington, DC 20036	GTE Corporation	5,000.00	
Charles O. Campbell, 1420 King Street Alexandria, VA 22314-2715	National Society of Professional Engineers	2,000.00	
David Campbell, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	156.31	
Jeanne Campbell, Campbell-Raupe, Inc 1010 Pennsylvania Avenue, SE Washington, DC 20003	American Airlines, Inc		
Do	American Nuclear Energy Council		
Do	Invest to Compete Alliance		
Do	LTV Aerospace & Defense Co		
Do	The New England		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Product Liability Alliance		
Do	Securities Industry Assn		
Do	Stone & Webster Engineering Corp		
Do	Texas Utilities Services, Inc		
Do	Union Pacific Corp		
Do	United Illuminating Co		
Do	Westinghouse Electric Corp		
Jerry L. Campbell, 1201 Chestnut St. Chattanooga, TN 37402	Tennessee Valley Public Power Assn		
John G. Campbell, 1111 Jefferson Davis Highway, # 508 Arlington, VA 22202	John G. Campbell, Inc (For:Akin Gump...(Loral Systems Manufacturing Co of NY))	10,000.00	
Do	John G. Campbell, Inc (For:ARCO Power Technologies, Inc)	12,000.00	
Do	John G. Campbell, Inc (For:BDM International, Inc)		
Do	John G. Campbell, Inc (For:Ebasco)		
Do	John G. Campbell, Inc (For:General Electric Co)	7,830.00	
Do	General Motors Corp	13,500.00	
Do	West Virginia University	25,200.00	
Do	John G. Campbell, Inc (For:3M Company)	8,000.00	
Kelly A. Campbell, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
Thomas D. Campbell & Associates, Inc, 113 South Alfred Street Alexandria, VA 22314	Cyprus Minerals Co	5,000.00	1,155.85
Do	Madison Public Affairs Group, Inc (for: Philip Morris USA)		
Charles J. Campisi, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security	13,454.00	40.63
Canadian Coalition on Acid Rain, 112 St. Clair Avenue, #401 Toronto, Ontario Canada M4V 2Y3		1,009.50	12,561.09
Robert P. Canavan, 701 N Fairfax Street Alexandria, VA 22314-7807	United Way of America		100.00
Sharon M. Canavan, 1125 15th St., NW Washington, DC 20005	Mortgage Bankers Assn of America	10,950.00	1,146.00
Candlelighters, 123 C St., SE Washington, DC 20003		100.00	
Sharon F. Canner, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	186.80	
W. Dean Cannon Jr., 9800 S. Sepulveda Blvd., #500 Los Angeles, CA 90045	California League of Savings Institutions	3,000.00	3,243.50
Howard W. Cannon & Associates, 1919 Pennsylvania Avenue, NW, #800 Washington, DC 20006	Rockwell International Corp		
David L. Cantor, 1233 20th St., NW, #400 Washington, DC 20036	Porter Wright Morris & Arthur (For:Coalition for Environmental-Energy Balance)		
Charles Hollister Cantus, 555 13th Street, NW, #450 west Washington, DC 20004	Union Pacific Corporation	8,000.00	517.00
Capital Consultants, 1122 Colorado, #307 Austin, TX 78701	Madison Public Affairs Group (for Philip Morris, USA)	22,500.00	133.00
Capital Representation Group, Inc, 1127 11th Street, #1003 Sacramento, CA 95814	Reese Communications Cos (for: Philip Morris, USA)	595.00	175.50
Capitol Associates, Inc, 426 C Street, NE Washington, DC 20002	America Society of Tropical Medicine and Hygiene	200.00	
Do	American Assn for Cancer Research	300.00	
Do	American Foundation for Aids Research		
Do	Arthritis Foundation	937.50	
Do	Cambridge BioScience	687.50	
Do	Carnation Co	2,000.00	
Do	Cedars-Sinai Medical Center		
Do	Citizen's for the Treatment of High Blood Pressure	500.00	
Do	Citizens Comm for Medical Research & Health Education	300.00	
Do	Cystic Fibrosis Foundation	1,200.00	
Do	Endocrine Society	400.00	
Do	FDA Council	7,500.00	
Do	Illinois Collaboration on Youth	88.00	
Do	Joint Council of Allergy & Immunology	433.13	
Do	Merck & Co, Inc	375.00	
Do	Museum of Science & Industry	450.00	
Do	National Assn of Pediatric Nurse Associates & Practitioners	1,188.00	
Do	National Center for Health Education	1,050.00	
Do	National Coalition for Cancer Research	375.00	
Do	National Coalition for Volunteer Protection		
Do	National Crime Protection Council	675.00	
Do	National Multiple Sclerosis Society	633.23	
Do	National Renal Administrators Assn	1,800.00	
Do	Rehabilitation Institute of Chicago		
Do	Technicon Data Systems Corp	750.00	
Do	University of Alabama	1,200.00	
Do	University of California Los Angeles		
Caplin & Drysdale, Chtd, One Thomas Circle, NW, #1100 Washington, DC 20005	Association of American Publishers		
Do	Children's Television Workshop		
Do	Council on Foundations, Inc	3,107.00	
Do	National Council of YMCA of the USA		
Do	National Wildlife Federation		
Do	Wisconsin Alumni Research Foundation (WARF)	825.00	
John M. Capriccioso, 1776 Eye St., NW, #575 Washington, DC 20006	Dow Chemical USA	500.00	5,496.00
Denise A. Cardman, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Michael J. Carey, 111 West Washington Street, #1017 Chicago, IL 60602	City of Chicago	15,000.00	7,366.17
Norval E. Carey, 1100 17th St., NW, #1200 Washington, DC 20036	General Atomics	28,482.00	917.82
Caribbean Trade and Apparel Coalition (C-TAC), 1215 17th Street, NW Washington, DC 20036			
Maurice E. Carino Jr., 1667 K St. N.W., #600 Washington, DC 20006	Bethleham Steel Corp	250.00	
Linda E. Carlisle, 1333 New Hampshire Ave., NW Washington, DC 20036	Cadwalader Wickersham & Taft (For:Clayton & Dubilier, Inc)		
Do	Cadwalader Wickersham & Taft (For:GAF Corporation)		
Do	Cadwalader Wickersham & Taft (For:Mercedes-Benz of North America, Inc)		
Anne E. Carlson, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	5,375.00	
Catherine A. Carlson, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	1,281.03	
Eileen Shannon Carlson, 2000 M St., NW Washington, DC 20036	Graham & James (For:American Insurance Assn)		
Do	Graham & James (For:Attorney's Title Guaranty Fund, Inc)		
Do	Graham & James (For:R. R. Donnelley & Sons Company)		
Do	Graham & James (For:Federal Administrative Law Judges Conference)		
Do	Federal Judges Assn		
Do	Graham & James (For:Illinois Health Facilities Authority)		
Do	Graham & James (For:Stock Information Group)		
Do	Graham & James (For:Walt Disney Co)		
Robert E. Carlstrom Jr., 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group, Inc (For:Doe Run Company)	1,125.00	115.68
Gerald P. Carmen, 1667 K St., NW, #777 Washington, DC 20006	Financial Institution Services Corp (For:Northeast Savings)		
Carmen & Muss, 1901 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Carmen Group (for CareerCom)	4,250.00	36.25
Do	Financial Institution Services Corp (for: Northeast Savings)	13,437.50	
Carmen Group, 1667 K Street, NW, #700 Washington, DC 20006	CareerCom	4,250.00	4,286.25
William Carney, 217 3rd St., SE Washington, DC 20003	American Nuclear Energy Council	10,500.00	
Do	Clare Rose, Inc		
Do	Edison Electric Institute	28,000.00	
Do	Lipsen Hamberger & Whitten	18,000.00	
Phyllis D. Carnilla, 1700 17th Street, NW, #301 Washington, DC 20009	Arctic Sounder Enterprises, Inc		9.25
Do	Birting Fisheries, Inc	101.25	
Do	JOMM Limited Partnership	33.75	
Julia Carol, 2054 University Avenue, #500 Berkeley, CA 94704	Americans for Nonsmokers' Rights	1,475.00	
Bertram W. Carp, 111 Massachusetts Ave., NW, 3rd Fl. Washington, DC 20001	Turner Broadcasting System, Inc	6,750.00	
George D. Carpenter, 6110 Center Hill Road Cincinnati, OH 45224	Procter & Gamble Co		
Susan Carr, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	1,350.00	
John R. Carson, 9312 Old Georgetown Rd. Bethesda, MD 20814-1621	American Podiatric Medical Assn	18,000.00	
R. D. Carson Jr., P.O. Box 2021 40 Franklin Rd., SW Roanoke, VA 24022	Appalachian Power Company		513.81
David C. Carter, 1156 15th St., NW, #1019 Washington, DC 20005	U.S. Beet Sugar Assn		
John R. Carter, 1000 Wilson Blvd., #2600 Arlington, VA 22209	TRW, Inc	253.00	
Joseph L. Carter Jr., 50 F Street, NW, #1200 Washington, DC 20001-1564	Association of American Railroads	1,141.28	603.12
Tristan Carter, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,000.00	819.96
Melanie Carter-Maguire, 600 Maryland Ave., SW, #607 Washington, DC 20024	Northern Telecom, Inc		1,425.00
James P. Carty, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	500.00	
George L. Cary, 1700 Pennsylvania Ave., NW, #500 Washington, DC 20006	Mutual of Omaha Insurance Co		
Cascade Natural Gas Corp, 222 Fairview Avenue N Seattle, WA 98109			
Daniel L. Casey, 6622 Dorset Drive Alexandria, VA 22310	American Conservative Union		4,097.00
Cashdollar-Jones & Company, 426 C Street, NE Washington, DC 20002	United Foods, Inc	17,500.00	367.73
Paul S. Caskey, 1700 K Street NW, #1200 Washington, DC 20006	Chevron USA, Inc	650.00	100.00
Allen R. Caskie, 1001 Pennsylvania Ave, NW Washington, DC 20004	American Council of Life Insurance, Inc	5,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Eugene I. Casraiss Jr., 1757 N St., NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	17,155.33	90.90
William E. Casselman II, 1800 M Street, NW, #300-South Washington, DC 20036	Popham Haik Schnobrich & Kaufman, Ltd (For:Ova Noss Family Partnership)		
J. Warren Cassidy, 1600 Rhode Island Avenue, NW Washington, DC 20036	National Rifle Assn of America	2,437.50	
Lawrence J. Cassidy, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	30,262.50	
Cassidy and Associates, Inc, 655 15th St., NW, #1100 Washington, DC 20005	Acorn Data Systems, Inc		
Do	Alexander Graham Bell Assn for the Deaf	75.00	
Do	American Dredging Company	250.00	
Do	American Hospital in Shanghai Foundation	75.00	
Do	American Science and Engineering, Inc	150.00	6.50
Do	AmeriFlora '92		
Do	Anatolia College Board of Trustees		
Do	Arizona State University		
Do	Association for the Safe Handeling of Biomedical Waste		
Do	Atlantic Financial	287.40	
Do	Barry University		
Do	Biopure		
Do	Bolt Beranek & Newman, Inc	225.00	
Do	Boston Carmen's Union		
Do	Boston College		
Do	Boston University		
Do	Cardinal Hill Hospital	200.00	7.75
Do	Catholic University of America	150.00	
Do	Centex Communications, Inc		
Do	Challenger Center		
Do	Children's Hospital and Health Center of San Diego	375.00	
Do	Children's Hospital in Michigan	75.00	
Do	Children's Hospital National Medical Center	150.00	
Do	Clark-Atlanta University		
Do	Columbia University	250.00	
Do	Community Care Systems, Inc		
Do	Community College Assn for Technology Transfer		
Do	Critical Languages & Area Studies Consortium, Inc	450.00	24.00
Do	DataCom Systems Corporation		
Do	Deleware State Dept of Transportation	991.60	
Do	Drexel University		
Do	Experiment in International Living	225.00	
Do	Friends of the American Tel Aviv Museum of Art		
Do	Fudan Foundation	75.00	
Do	Gonzaga University		
Do	Great Lakes Dredge and Dock Company	500.00	
Do	Hawaii Dept of Business & Economic Development	375.00	7.75
Do	Hexagon Technical Company, Inc		
Do	Infirmary Health Systems, Inc	150.00	
Do	International Data Group		
Do	ITT Gilfillan	375.00	
Do	T.L. James & Company	500.00	
Do	Kerr-McGee	150.00	
Do	Thomas H. Lee Co	75.00	
Do	Lehigh University	300.00	22.30
Do	Loma Linda University Medical Center, Inc		
Do	Louisiana Public Facilities Authority	241.60	
Do	Loyola College (Baltimore)	225.00	
Do	Loyola Marymount University	75.00	
Do	Loyola University of Chicago	250.00	
Do	Massachusetts Corp for Education Telecommunication		
Do	Massachusetts League of Banks		
Do	Medical College of Wisconsin	525.00	
Do	Medical University of South Carolina	150.00	
Do	Michigan Biotechnology Institute	212.40	
Do	Michigan Technological University	375.00	
Do	Monterey Institute of International Studies	225.00	11.15
Do	Mt. Sinai Medical Center of Greater Miami	150.00	9.92
Do	Mt. Sinai Medical Center of New York City		
Do	Mutual Interest Transactions		
Do	National Jewish Center for Immunology & Respiratory Medicine		
Do	NeoRx		
Do	Northwestern University		
Do	O'Connell Management Co, Inc		
Do	Ocean Spray Cranberries, Inc	975.00	7.75
Do	Pennsylvania Turnpike Commission	300.00	
Do	Pirelli Cable Co		
Do	Polytechnic University	750.00	
Do	PHH Corp	75.00	
Do	Rochester Institute of Technology	1,249.80	34.80
Do	Saint Joseph's University		
Do	Schutz American School		
Do	Societa Cavi Pirelli S.p.A.		
Do	Spring Garden College		
Do	St. Norberts College	225.00	
Do	State of Indiana Dept of Commerce	150.00	
Do	State of Indiana, Office of the Governor	375.00	8.00
Do	Thomas Jefferson University	366.00	
Do	Tougaloo College	150.00	
Do	Tread Corporation		
Do	Tufts University	300.00	
Do	Twentieth Century Fox		
Do	U.S. Healthcare, Inc		
Do	Universal Med Center/U of TX Health Science Center at Dallas		
Do	University of the Arts		11.15
Do	University of Bridgeport		
Do	University of Hawaii	587.40	7.75
Do	University of Kentucky Research Foundation	450.00	5.00
Do	University of Nebraska	375.00	16.50
Do	University of Pennsylvania	300.00	
Do	University of Pittsburgh-Presbyterian Univ. Hospital		
Do	University of Scranton	300.00	
Do	University of Southern Mississippi	300.00	
Do	University of Utah		
Do	University of Vermont	300.00	
Do	Valley Children's Hospital	375.00	
Do	Western Townships Utilities Authority		2.17
Do	Wojdak & Assocs, Inc for: Children's Hospital of Pittsburgh		
Do	World Trade Center Boston	150.00	
Do	George D Zamias	150.00	
Mark A. Casso, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	912.50	
G. Thomas Cator, 1050 17th Street, NW Washington, DC 20036	Neece Cator & Associates, Inc (For:Southeastern Lumber Manufacturers Assn)	2,000.00	2,550.00
Harvey E. Cauthen Jr., 2 Dexter Ave. Montgomery, AL 36104	Alabama Power Company	11,600.00	1,583.52
Mary Cavanagh, 305 Third St., SE Washington, DC 20003	Mercury Stainless Corp		
Gordon Cavanaugh, 122 C Street, NW, #875 Washington, DC 20001-2109	Reno Cavanaugh & Hornig (For:Council of Large Public Housing Authorities)	15,833.33	241.44
Red Cavaney, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc	1,200.00	
Rosario Ceballo, 2030 M St., NW Washington, DC 20036	Common Cause	847.56	
Cederberg & Associates, 7100 Sussex Place Alexandria, VA 22307	Grumman Corporation	200.00	
Do	Martin Marietta Corp	200.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Cendrowski & Selecky, P.C., 2050 N. Woodward, #310 Bloomfield Hills, MI 48013	Taubman Company, Inc	6,545.00	
Centerior Energy Corp, P.O. Box 94661 Cleveland, OH 44101-4661			2,604.60
David Certner, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	608.46	356.09
Chadbourne & Parke, 1101 Vermont Ave., NW, #900 Washington, DC 20005	Amalgamated Metal Corp PLC		
Do	American Paper Institute, Inc		
Do	Napp Chemicals, Inc		
Do	Ormat Energy Systems, Inc	5,890.00	70.00
Do	Oxbow Geothermal Corp		
Do	Ruan Transportation Management Systems		
Chadwell & Kayser, Ltd, 35 West Wacker Drive—#3300 Chicago, IL 60601	Chicago Board Options Exchange		
Do	Corn Coalition	10,000.00	
Do	Harza Engineering Co		
Michael J. Chakarun, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Terry M. Chamberlain, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Chambers Associates, Inc, 1625 K Street, NW, #200 Washington, DC 20006	American Assn of Retired Persons	750.00	
Do	American Express Co		
Do	American Postal Workers Union, AFL-CIO	4,069.00	
Do	Coalition of Publicly Traded Limited Partnerships	313.00	
Do	Manville Corporation	4,275.00	
Do	Metcalf & Eddy/KVB Group		
Maxine Champion, 1025 Thomas Jefferson St., NW, #511 Washington, DC 20007	LTV Corporation	3,000.00	975.00
Robert T. Chancler, 1101 Connecticut Ave., NW Washington, DC 20036	American Wire Producers Assn		
Ed Chandler, 7901 Westpark Drive McLean, VA 22102	National Machine Tool Builders' Assn	12,375.00	500.00
William J. Chandler, 1511 K Street, NW, #1100 Washington, DC 20005	Natural Resources Defense Council, Inc		
Linda Z. Chapman, 1400 L Street, NW, #400 Washington, DC 20005	Biscuit & Cracker Manufacturers Assn		
Michael D. Chapman, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	683.34
Thomas B. Chapman, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners and Pilots Assn	11,798.00	2,442.40
William C. Chapman, 2801 Fort Scott Drive Arlington, VA 22202	Multinational Business Services, et al	27,562.00	746.00
O. Donaldson Chapoton, 555 13th Street, NW, #500 East Washington, DC 20004	Baker & Botts (For:Rhone-Poulenc)		
Peggy Charren, 975 Memorial Drive, #504 Cambridge, MA 02138	Action for Children's Television	630.00	
Richard A. Charter, 6947 Cliff Ave. Bodega Bay, CA 94923	County Administrative Office County of Santa Cruz	12,614.67	11,482.21
William Chasey Organization, 855 La Jolla Corona Court La Jolla, CA 92037	Indian American Forum for Political Education		
Do	Industrial Data Link		
Do	Life Insurance Coalition of America		
Do	Professional Asset Management, Inc		
Do	Real Property Services Corp		
Do	Syncrotech Software Corp		
David F. Chavkin, 733 15th Street, NW, #912 Washington, DC 20005	National Center for Clinical Infant Programs	1,367.66	657.68
Chayet Consulting Group, Inc, One Financial Center Boston, MA 02111	Society of Cardio Vascular & Interventional Radiologist	1,000.00	500.00
Leslie Cheek III, 1025 Connecticut Avenue, NW, #414 Washington, DC 20036	Crum & Forster Corp	27,750.00	885.00
Chemical Manufacturers Assn, Inc, 2501 M Street, NW Washington, DC 20037			47,866.00
Chemical Specialties Manufacturers Assn, Inc, 1001 Connecticut Avenue, NW, #1120 Washington, DC 20036			
William B. Cherkasky, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Chernikoff & Company, 1826 Jefferson Place, NW, #101 Washington, DC 20036	American Museum of Natural History	4,000.00	430.00
Do	Arena Stage	1,162.00	1,268.75
Do	Bishop Museum	2,000.00	430.00
Do	Buffalo Museum of Science		430.00
Do	Capital Childrens Museum	1,076.00	1,182.75
Do	Cincinnati Museum of Natural History	1,000.00	430.00
Do	Corcoran Gallery of Art	1,205.25	1,312.00
Do	Denver Museum of Natural History	1,000.00	430.00
Do	Directors Guild of America	14,365.00	14,780.13
Do	Field Museum of Natural History		430.00
Do	Fine Arts Museums of San Francisco	500.00	430.00
Do	Ford's Theater	1,076.00	1,182.75
Do	Friends of the New Jersey State Museum	300.00	430.00
Do	Grimes Production, Inc	4,500.00	4,750.00
Do	Meridian House International	1,032.75	1,139.50
Do	Milwaukee Public Museum	2,000.00	430.00
Do	Museum of Northern Arizona	1,000.00	430.00
Do	National Museum of Women in the Arts	1,076.00	1,182.75
Do	National Symphony	1,248.50	1,355.25
Do	Natural History Museum of Los Angeles County		430.00
Do	Phillips Collection	1,000.00	430.00
Do	Rochester Museum & Science Center	1,000.00	430.00
Do	George Seybolt (Family Trust)		
Do	Shakespeare Theater at the Folger	1,076.00	1,182.75
Do	Textile Museum	1,032.50	1,139.25
Do	University of Nebraska State Museum	1,000.00	430.00
Do	University of Pennslvania Museum	1,000.00	430.00
Do	Washington Ballet	1,032.75	1,139.50
Do	Washington Opera	1,119.00	1,225.75
Do	Washington Performing Arts Society	1,119.00	1,225.25
Samuel D. Chilcote Jr., 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute, Inc	1,525.00	
Children's Television Workshop, One Lincoln Plaza New York, NY 10023			
William W. Chip, 1333 New Hampshire Ave., NW, #700 Washington, DC 20036	Cadwalader Wickersham & Taft (For:Bechtel Group, Inc)		
Nam-Hong Cho, 1030 15th Street, NW, #776 Washington, DC 20005	Korea Foreign Trade Assn	600.00	570.00
Joseph L. Choquette III, Vermont Petroleum Assn P.O. Box 566 Montpelier, VT 05602	American Petroleum Institute	1,617.00	7.42
Hal M. Christensen, 317 Massachusetts Ave., NE, #100 Washington, DC 20002	Delta Dental Plans Assn	1,500.00	
Samuel W. Christine III, 1129 20th St., NW, #200 Washington, DC 20036	Greater Washington Board of Trade		
James T. Christy, 1730 Pennsylvania Ave., NW, #265 Washington, DC 20006	Air Products & Chemicals, Inc	1,800.00	
Chugach Electric Assn, Inc, P.O. Box 196300 Anchorage, AK 99519-6300			1,682.79
Alan L. Chvotkin, 14829 Dufief Drive Gaithersburg, MD 20878	Sundstrand Corporation	2,465.00	1,421.98
Chwat/Weigend Associates, 400 First Street, NW, #100 Washington, DC 20001	American Home Sewing Assn, Inc	500.00	500.00
Do	American Pipe & Accessories League	1,000.00	1,000.00
Do	American Radio Relay League, Inc	3,000.00	3,000.00
Do	Associated Locksmiths of America	1,200.00	1,200.00
Do	National Licensed Beverage Assn	3,000.00	3,000.00
Do	National Weather Service Employees Organization	300.00	300.00
Do	Texas Truck Safety Alliance (TTSA)	3,150.00	3,150.00
Charisse Victoria Ciambrone, 1705 South 17th Street Las Vegas, NV 89104			
Donna M. Cirolia, 1001 Connecticut Ave., NW, #407 Washington, DC 20036	Water Quality Association		
Citizens for Free Choice, P.O. Box 9588 Virginia Beach, VA 23452			
Citizens for Sensible Control of Acid Rain (CSCAR), c/o 1301 Connecticut Avenue, NW Washington, DC 20036			25,440.72
Citizens Comm for the Right to Keep & Bear Arms, Liberty Park, 12500 NE Tenth Place Bellevue, WA 98005		509,519.13	192,439.72
Citizens Political Action Committee, P.O. Box 645 228 South A Street, #2 Oxnard, CA 93032			
Donald D. Clancy, 6507 Leeds Lane Cincinnati, OH 45215	Grocery Manufacturers of America, Inc		
Do	Tele-Press Associates, Inc (For:Japan Fisheries Association)		
Fred D. Clark Jr., 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	25.00	
Gilbert Clark, 1117 N. 19th Street, NW, #600 Arlington, VA 22209	American Assn of Blood Banks		
James F. Clark, P.O. Box 2121 Juneau, AK 99802-1211	Alaska Loggers Assn	2,000.00	
Jordan Clark, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Julie Clark, 1625 K St., NW, #800 Washington, DC 20006	National Legal Aid & Defenders Assn	11,386.00	67.82
Robert G. Clark, 400 Madison St., #1908 Alexandria, VA 22314	Ryder Systems, Inc		
Rudy I. Clark, 5342 Woodbury Woods Lane Fairfax, VA 22032	Air Force Sergeants Assn, Inc		
Vernon A. Clark, 555 New Jersey Ave., NW, #255 Washington, DC 20001	Vern Clark & Associates (For:Metromedia Company)		1,779.04
Do	Vern Clark & Associates (For:Outdoor Advertising Assn of America, Inc)	11,557.50	242.61
Do	Vern Clark & Associates (For:RJR-Nabisco Washington, Inc)	5,692.50	1,702.29
Sara F. Clary, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers	500.00	
Joan Claybrook, 2000 P Street, NW, #605 Washington, DC 20036	Public Citizen, Inc	1,000.00	
Bill Clayton, 1122 Colorado, #307 Austin, TX 78701	Advanced Telecommunication Corp	4,500.00	
Cleary Gottlieb Steen & Hamilton, 1752 N Street, NW Washington, DC 20036	Columbia Savings & Loan Assn	727.18	
Do	Crompton & Knowles Corp	328.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Day-Glo Color Corp	198.38	
Do	Harry Frank Guggenheim Foundation		
Do	Ministry of Finance & Public Credit of the United Mexican St		
Do	Security Pacific National Bank	1,774.50	
Do	Union Oil Co of California, et al	562.50	
Ronald D. Clements, 1111 19th St., NW, 9th Floor Washington, DC 20036	Edison Electric Institute	4,614.51	1,690.46
Cleveland Electric Illuminating Co, 55 Public Square P.O. Box 5000 Cleveland, OH 44113			
Cleveland-Cliffs, Inc, 1100 Superior Avenue Cleveland, OH 44114-2589			
W. M. Click, 2711 N. Haskell P.O. Box 511 Dallas, TX 75221	Southland Corporation		
Clifford & Warnke, 815 Connecticut Ave., NW Washington, DC 20006	Australian Meat & Live-Stock Corp	10,000.00	4,462.59
Do	J. C. Maxtone-Mailer	600.00	206.00
Do	The Nonprescription Drug Manufacturers Assn		
Clohan & Dean, 1101 Vermont Ave., NW, #400 Washington, DC 20005	Student Loan Funding Corp of Ohio	750.00	
Edward T. Cloonan, 70 Pine Street, 39th Floor New York, NY 10270	American International Group, Inc		
Pilar M. Cloud, 1201 Pennsylvania Ave., NW, #807 P.O. Box 7566 Washington, DC 20044	BSA Business Software Assn, Inc		
Stephen J. Cloud, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	400.00	
Guy Clough, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	14,165.06	
W. Dewey Clower, 1199 North Fairfax, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators, Inc		
Coalition for American Energy Security, 1050 Thomas Jefferson St., NW, 6th Floor Washington, DC 20007			
Coalition of Americans to Protect Sports (CAPS), 200 Castlewood Drive North Palm Beach, FL 33408	Product Liability - Sports		
Coalition to Keep Alaska Oil, AFL-CIO Building 815 16th Street, NW, #309 Washington, DC 20006		3,662.50	90.15
Coalition to Preserve Low Income Housing Tax Credit, 2300 M St., NW Washington, DC 20037		1,065.00	1,000.00
Alan J. Cobb, 1120 Vermont Avenue, NW, #1130 Washington, DC 20005	Petroleum Marketers Assn of America	8,500.00	1,000.95
Richard B. Cobb, Petroleum Council of Ga 230 Peachtree St., NW, #1500 Atlanta, GA 30303	American Petroleum Institute	200.00	76.80
Coffield Ungaretti Harris & Slavin, 3500 Three First National Plaza Chicago, IL 60602	Comdisco, Inc	49,572.50	2,424.69
Cogeneration & Independent Power Coalition of America (CIPCA), 1133 21st Street, NW, #420 Washington, DC 20036			
Amy A. Coggin, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
Don V. Cogman, 1100 Connecticut Avenue, NW, #535 Washington, DC 20036	RCF Group, Inc	5,000.00	12.40
Albert P. Cohen, 405 Kemper Rd. Joppatowne, MD 21085	American Lung Assn of Maryland		
Dan Cohen, 500 North Capitol Street, NW, #300 Washington, DC 20001	American Israel Public Affairs Comm	12,349.98	603.43
Daniel L. Cohen, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	2,000.00	100.00
David Cohen, 1616 P St., NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control	7,353.06	56.00
Jacqueline Abelman Cohen, 1199 N. Fairfax St., #701 Alexandria, VA 22314	National Assn of Tobacco Distributors	2,500.00	
John Cohen, 1331 Penn Ave., NW, #1500-North Washington, DC 20004-1703	National Association of Manufacturers	130.00	
Joseph L. Colaneri, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		948.09
George T. Coldeway, 8245 NW 53rd St., #200 Miami, FL 33166-4609	South Florida Hospital Assn	859.04	859.04
Douglas Cole, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd	1,500.00	
E. William Cole, 1050 Connecticut Avenue, NW, #760 Washington, DC 20036	Union Oil Co of California	500.00	85.00
Ken W. Cole, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc		
Randall I. Cole, 50 F St., NW, #1080 Washington, DC 20001	BR Services, Inc -	1,000.00	2,172.62
Timothy R. Cole, 1925 North Lynn Street, #308 Arlington, VA 22209	Sparkman & Cole, Inc (For:Air Transport Association of America)	1,125.00	
Do	Sparkman & Cole (For:Delta Air Lines, Inc)	1,125.00	
Do	Sparkman & Cole, Inc (For:National Business Aircraft Assn)	1,125.00	
Do	Sparkman & Cole, Inc (For:Regional Airport Authority of Louisville, KY)		
Cole Corette & Abrutyn, P.C., 1110 Vermont Avenue, NW, #900 Washington, DC 20005	Adidas U.S.A		
Do	Chase Manhattan Bank, N.A		
Do	Government of the Netherlands Antilles		
Do	int'l Electronics Manufacturers & Consumers of America, Inc		1,920.63
Do	Louisiana Land & Exploration Co		56.84
Do	Millipore Corporation		
Colette R. Coleman, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Coleman & Christison, Inc, 545 Fort Road Sr. Paul, MN 55102			
Jessie M. Colgate, 51 Madison Avenue New York, NY 10010	New York Life Insurance Company	102.00	
Emilio G. Collado III, Collado Associates 1405 Montague Drive Vienna, VA 22180	American Watch Assn		
Collier Shannon & Scott, 1055 Thomas Jefferson St., NW, #306 Washington, DC 20007	Alliance for Capital Access	30,000.00	30,000.00
Do	American Car Rental Assn	6,918.75	6,918.75
Do	American Couplings Coalition		
Do	American Frozen Food Institute		
Do	American Institute of Steel & Iron		
Do	American Meat Institute		
Do	American Soybean Association		
Do	American Textile Machinery Assn		
Do	Bicycle Mfgrs Assn of Amer, Inc	1,000.00	1,000.00
Do	Coalition for Safe Ceramicware	100.00	100.00
Do	Committee of American Ammunition Manufacturers	380.00	380.00
Do	Crop Insurance Research Bureau	400.00	400.00
Do	Ferrous Scrap Consumers Coalition		
Do	Food Marketing Institute		
Do	Footwear Industries of America	240.00	240.00
Do	Gerico	1,150.00	1,150.00
Do	Independent Lubricant Manufacturers Assn	4,125.00	4,125.00
Do	Inland Steel Corp	1,900.00	1,900.00
Do	Leather Industries of America	140.00	140.00
Do	Lykes Brothers, Inc		
Do	Municipal Castings Fair Trade Council		
Do	National Assn of Convenience Stores	9,781.25	9,781.25
Do	National Assn of Mutual Insurance Cos	650.00	650.00
Do	National Broiler Council		
Do	National Coalition of Fresh Potato Processors		
Do	National Cosmetology Assn, Inc	160.00	160.00
Do	National Juice Products Assn		
Do	National Pasta Assn		
Do	Norris Industries	380.00	380.00
Do	Outdoor Power Equipment Institute		
Do	Petroleos de Venezuela, S.A	7,225.00	7,225.00
Do	PetroJam, Ltd	8,625.00	8,625.00
Do	Pittsburgh Corning Corporation		
Do	Shipbuilders Council of America		
Do	Society of Independent Gasoline Marketers of America	10,312.50	10,312.50
Do	Specialty Steel Industry of the United States	140.00	140.00
Do	Zurich-American Insurance Companies	650.00	650.00
Paul Edward Michael Collin, 4521 Campus Drive, #191 Irvine, CA 92713			
Michael A. Collins, 13106 Ivy Drive Beltsville, MD 20705	United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry	6,000.00	281.78
Paula J. Collins, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co		
R. J. Collins, 1667 K Street, NW, #300 Washington, DC 20006	Amdahl Corp	1,000.00	
William P. Collins, 5055 Seminary Road Alexandria, VA 22311	Southern Company Services, Inc	1,000.00	
Camilla L. Collova, 1025 Connecticut Ave., NW, #1007 Washington, DC 20036	Armstrong World Industries, Inc		
Dominique Colon, 2000 L Street, NW, #200 Washington, DC 20036	Medtronic, Inc		28.00
Kent W. Colton, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S		
Tim Colton, 600 New Hampshire Ave., NW, #1020 Washington, DC 20037-2403	Colton and Company		
Mary Colville, 1155 15th St., NW Washington, DC 20005	National Broiler Council	1,250.00	
Lori A. Comeau, 805 15th Street, NW #610 Washington, DC 20005-2207	CF Industries, Inc	500.00	25.12
Comfort Lipe & Green, P.C., 2100 Mid-Continent Tower 401 South Boston Avenue Tulsa, OK 74103	Thrifty Rent-A-Car System, Inc	840.00	21.56
Committee for America's Copyright Community, 2000 K Street, NW, #600 Washington, DC 20006-1809		3,727.50	3,727.50
Committee for Do-It-Yourself Household Moving, 2011 Eye Street, NW, #500 Washington, DC 20006			
Committee for Fair Trade with China, Evergreen Point Rd., Box 288 Medina, WA 98039			
Committee for Humane Legislation, Inc, 1506 19th Street NW, #3 Washington, DC 20001		19,840.00	29,107.91
Committee on U.S. Business Canadian Life & Health Ins. Assn, c/o Dykema Gossett 1752 N St., NW Washington, DC 20036			
Committee to Assure the Availability of Casein, 3213 O St., NW Washington, DC 20007		18,250.00	
Committee to Protect the Family, 8001 Forbes Place, #102 Springfield, VA 22151		53,389.00	65,432.58
Committee to Support the Antitrust Laws, 1401 New York Avenue, NW, #740 Washington, DC 20005		19,000.00	11,250.00
Commodity Exchange, Inc, 1331 Pennsylvania Ave, NW #550 Washington, DC 20004			
Common Cause, 2030 M St., NW Washington, DC 20036		2,397,038.39	573,819.16

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Community Service Council of Central IN, Inc, 1828 North Meridian Indianapolis, IN 46202			
Competitive Enterprise Institute, 233 Pennsylvania Avenue, SE,#200 Washington, DC 20003		123,000.00	
Compressed Gas Assn/Helium Advisory Council, Crystal Gateway #1, Suie 501 1235 Jefferson Davis Highway Arlington, VA 22202.		21,277.00	21,377.00
Veronica Compton, Reg. #276077 P.O Box 17 Gig Harbor, WA 98335-0017			
Harry J. Conaway, 1001 22nd Street, NW, #400 Washington, DC 20037	Mercer Meidinger Hansen, Inc		
Bert M. Concklin, 1500 Planning Research Drive Mclean, VA 22102	Planning Research Corporation		453.49
Conference of State Bank Supervisors, 1015 18th St., NW Washington, DC 20036			3,224.57
Gary L. Conkling, P.O. Box 500, 50-705 Beaverton, OR 97077	Tektronix, Inc	10,200.00	3,593.37
Michael Conlon, 1818 N Street, NW, #200 Washington, DC 20036	Automotive Parts Rebuilders Assn		
Jeanne K. Connelly, 1875 Eye St., NW, #540 Washington, DC 20006	Champion International Corp		
John J. Connolly, 499 South Capitol St., SW, #507 Washington, DC 20003	Hecht Spencer & Associates, Inc (For:Airtrax)		
Do	Hecht Spencer & Association (For:Brown & Williamson Tobacco)		
Do	Hecht Spencer & Association (For:BATUS)		
Do	Hecht Spencer & Oglesby, Inc (For:Hong Kong Trade Development Council)		
Brian L. Connor, 1235 Jefferson Davis Hgwy., #606 Arlington, VA 22202	National Utility Contractors Assn	10,000.00	
Richard J. Connor Jr., 1455 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Joseph E. Seagram & Sons, Inc	562.50	
Jerry C. Connors, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202	Manufactured Housing Institute	8,500.00	447.40
David Conover, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,011.05	42.12
David R. Conrad, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	6,041.10	
Conservative Action Lobby, P.O. Box 931602 Los Angeles, CA 90093		42.00	
Consolidated Rail Corporation, P.O. Box 23451 Washington, DC 20026			14,641.86
Consortium of Social Science Assns, 1522 K Street, NW, #836 Washington, DC 20005		64,733.00	3,330.06
Consumer Energy Council of America Research Foundation, 2000 L St., NW, #802 Washington, DC 20036			
Consumers Union of U.S., Inc, 256 Washington St. Mount Vernon, NY 10553			13,370.00
John J. Contney, Suite B 1130 E. Hallandale Blvd. Hallandale, FL 33009	Textile Rental Services Assn of America		
Daniel J. Conway, 1819 L St., 7th Floor Washington, DC 20036	Reinsurance Assn of America		
John A. Conway, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
John J. Coogan, 1776 Eye Steet, NW, #1050 Washington, DC 20006	Eastman Kodak Co	250.00	172.00
Alexandra W. Cook, 1331 Pennsylvania Avenue, NW, #1300N Washington, DC 20004	Electronic Data Systems Corp	64.00	103.00
Cheryl L. Cook, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-operative Union of America	6,215.06	95.86
K. Richard Cook, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	300.00	
Thomas M. Cook, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Cook Group, Inc, 925 S. Curry Pike P.O. Box 489 Bloomington, IN 47402-0489			37,212.30
Eileen D. Cooke, 110 Maryland Ave., NE, Suite 101 Washington, DC 20002	American Library Assn	1,845.00	
Robert M. Coon Jr., 65 Pondfield Road Bronxville, NY 10708	National Comm to Preserve Social Security		
Bente E. Cooney, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	2,308.00	
Brian D. Cooney, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	8,763.00	293.00
Benjamin Y. Cooper Jr., 1730 North Lynn St. Arlington, VA 22209	Printing Industries of America, Inc	10,000.00	
C. William Cooper, 203 Pittsburgh Nat'l Bank Building Sewickley, PA 15143	United Distribution Companies		
Cherry E. Cooper, 2301 Market Street, S13-1 Philadelphia, PA 19101	Philadelphia Electric Co		
Mitchell J. Cooper, 1001 Connecticut Ave., NW Washington, DC 20036	Rubber & Plastic Footwear Manufacturers Assn	22,500.00	1.60
Stephen H. Cooper, 74 North Pearl St. Albany, NY 12207	Hospital Assn of New York State	760.00	5,258.40
Darrell Coover, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	2,000.00	817.00
Jack L. Copeland, 3633 M Street, NW Washington, DC 20007	Fidelity Pacific Group Inc	40,836.73	382.00
Jim Copeland & Associates, 555 New Jersey Ave., NW, #880 Washington, DC 20001	Pacific Mutual Life Insurance Co	1,200.00	
Felicia B. Coppola, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc	1,500.00	
Michael J. Copps, 1700 North Moore Street Arlington, VA 22209	American Meat Institute	5,938.00	4,121.38
Copyright Remedies Coalition, 2000 K Street, NW, #600 Washington, DC 20006-1809		10,600.00	7,475.00
John F. Corcoran, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Patrick H. Corcoran, 1725 K St., NW, #1205 Washington, DC 20006	Association of Oil Pipelines		
Tom Corcoran, 360 E. Randolph, #2402 Chicago, IL 60601	Wallace Associates Corp		
Frank W. Corley, 8430 Blakiston Lane Alexandria, VA 22308	ITT Electro-Optical Products Div	9,000.00	1,876.33
Do	Pilkington Optronics, Inc	9,000.00	750.00
Do	Spectran	8,250.00	785.97
Corman Law Offices, 1420 16th Street, NW Washington, DC 20036	American Newspaper Publishers Assn	4,250.00	
Do	Kelso & Company		
Do	MCA, Inc	2,600.00	
Do	National Structured Settlements Trade Assn	12,650.00	
Do	Republic National Bank of New York	3,000.00	
Do	Tropicana International, Inc	5,900.00	
Do	U.S. League of Savings Institutions		
Corn Refiners Assn, Inc, 1100 Connecticut Ave., NW, #1120 Washington, DC 20036		5,702.00	2,934.00
David L. Cornwell, 2217 Casemont Drive Falls Church, VA 22046			
Ernest J. Corrado, 1000 16th St., NW, #511 Washington, DC 20036	American Institute of Merchant Shipping	4,158.00	109.45
Mary Marcotte Corrigan, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		
Richard L. Corrigan, 655 15th Street, NW, Suite #444 Washington, DC 20005	CH2M Hill	2,000.00	
Marty Corry, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	774.03	401.78
Allan D. Cors, 1455 Pennsylvania Avenue, NW, #500 Washington, DC 20004	Corning Glass Works	500.00	
Anthony R. Corso, 1100 Connecticut Avenue, NW, #620 Washington, DC 20036	Mobil Corp	900.00	
Philip S. Corwin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
Cosmetic Toiletry & Fragrance Assn, Inc, 1110 Vermont Ave., NW, #800 Washington, DC 20005			
Gregory Costa, 1000 Vermont Avenue, NW, #800 Washington, DC 20005	Public Securities Assn	7,500.00	
J. Daniel Costello, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce	1,630.00	150.00
Michael E. Costello, 1025 Connecticut Ave., NW, #404 Washington, DC 20036	Panhandle Eastern Corporation		1,553.76
Donna J. Costlow, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004	National Assn of Manufactuers	500.00	
Jeffrey Neal Cotton, 329 East Ridgewood Ave., 1F Ridgewood, NJ 07450			
Daniel T. Coughlin, 1155 15th Street, NW, #502 Washington, DC 20005	Bristol Myers Co	25,000.00	
Council for Rural Housing and Development, 2300 M St., NW Washington, DC 20036			
Council of Institutional Investors, 1420 16th Street, NW, #405 Washington, DC 20036			1,500.00
Council of State Chambers oi Commerce, 122 C St., NW, #200 Washington, DC 20001		1,031.99	680.39
Council on Alternate Fuels, 1225 Eye St., NW, #320 Washington, DC 20005			
James Cousins, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	10,000.00	
Mark J. Covall, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
John F. Cove, 918 16th St., NW, #702 Washington, DC 20006	Cove Associates, Inc (For:Association of U.S. Night Vision Manufacturers)		
Do	Grumman Corporation		
Covington & Burling, 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044	American Watch Assn		
Do	Amoco Corporation		
Do	Arkansas Department of Human Services		15.90
Do	Association of Maximum Service Telecasters, Inc	12,373.00	
Do	BSA Business Software Assn, Inc		
Do	Coalition to Preserve the Integrity of American Trademarks	22,000.00	600.00
Do	Commonwealth of Puerto Rico	705.00	120.00
Do	ERISA Industry Committee		20.00
Do	Investment Company Institute		6.00
Do	Lin Broadcasting Corp		
Do	Michigan Department of Social Services		15.90
Do	National Football League	1,800.00	
Do	New York State Office of Mental Retardation and Devel		15.90
Do	Post-Newsweek Stations, Inc		
Do	Rhode Island Department of Human Services		15.90
Do	State of Idaho		15.90
Mark D. Cowan, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group, Inc (For:Industrial Safety Equipment Assn)		
Do	Jefferson Group, Inc (For:Kelly Services, Inc)		
Eugene S. Cowen, 2759 Unicorn Lane, NW Washington, DC 20015	Capitol Cities/ABC, Inc		
C. Deming Cowles, 6th Floor 1050 Thomas Jefferson Street, NW Washington, DC 20007	Bering Sea Fishermen's Assn	6,500.00	802.19
Do	Cordova District Fishermen United	5,000.00	217.42
Do	Fairbanks/North Star Borough	3,585.00	134.14
Do	Pacific Marine Fisheries Commission	3,175.00	266.49
Do	United Fishermen of Alaska	1,500.00	795.78
Archibald Cox, 2030 M St., NW Washington, DC 20036	Common Cause	6,045.00	
Eric Cox, 418 7th St., SE Washington, DC 20003	Campaign for U.N. Reform-Political Education Committee	2,250.00	7.00
Jerry W. Cox, 2300 M Street, NW #130 Washington, DC 20037	Murphy & Demory, Ltd (For:American Mobile Satellite Corporation)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Bruce Craig, P.O. Box 677 Harpers Ferry, WV 25425	National Parks & Conservation Association	1,650.00	82.00
James P. Cramer, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects		
Mary T. Cramer, 1830 Platte St. Denver, CO 80202	Reese Communications Cos (for: Philip Morris, USA)	8,000.00	
Eric F. Craven, P.O. Box 2943 Fort Worth, TX 76113	Texas-New Mexico Power Co	1,386.20	2,536.54
Donald J. Crawford, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	1,050.00	
Richard C. Crawford, 1825 Samuel Morse Drive Reston, VA 22090	National Grocers Assn	500.00	
Richard L. Crawford, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Robin Crawford, Box M Allentown, PA 18105-5000	Mack Trucks, Inc		
Creative Dynamics, Inc, 1143 N. General Pershing Hammond, LA 70401	Reese Communications Cos (for: Philip Morris U.S.A.)	2,250.00	2,099.19
Richard C. Creighton, 1331 Pennsylvania Ave., NW, #910 Washington, DC 20004	American Cement Alliance	11,250.02	
Ken A. Crerar, 600 Pennsylvania Ave., SE, #211 Washington, DC 20003	National Assn of Casualty & Surety Agents	4,000.00	2,641.23
Douglas P. Crew, 100 N.E. Adams Street Peoria, IL 61629-1430	Caterpillar Tractor Co	1,000.00	1,471.49
Anne Crichton Crews, 8787 Stemmons Freeway Dallas, TX 75247	Mary Kay Cosmetics, Inc		33.56
Joseph M. Cribben, 6900 Valley Brook Dr. Falls Church, VA 22042	United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry	1,750.00	
Mary Dent Crisp, 601 Pennsylvania Ave., NW, #700 Washington, DC 20004-2602	Business Executives for National Security		
Robert W. Crolius, 1620 Eye Street, NW, #520 Washington, DC 20006	Portland Cement Assn		
Robert W. Cromartie, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Charles H. Cromwell, Inc, 6709 Georgia Street Chevy Chase, MD 20815	EDO Corp		
Do	McDonnell Douglas Helicopters		
Do	Northrop Corp		
Rae E. Cronmiller, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	150.00	
Crop Insurance Research Bureau, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268			
David T. Crow, 1823 Jefferson Place, NW Washington, DC 20036	Fertilizer Institute	3,500.00	779.18
Crowell & Moring, 1001 Pennsylvania Ave., NW Washington, DC 20004-2505	Asarco Inc	435.00	10.00
Do	Associated Gas Distributors		
Do	Avon Products, Inc		
Do	Brooklyn Union Gas Co		
Do	Central Nebraska Public Power & Irrigation District		
Do	Chesapeake Utilities Corp		
Do	City of North Miami		
Do	Communications Satellite Corp		
Do	Cook Inlet Region, Inc		
Do	Eagle-Picher Industries, Inc	362.50	10.00
Do	Eli Lilly & Company	1,957.50	10.00
Do	Emery Worldwide		
Do	Meridian Minerals Co		
Do	National Assn of Wholesaler-Distributors	3,625.00	10.00
Do	National Risk Retention Assn	10,145.00	20.00
Do	Nebraska Public Power District		
Do	Pan American World Airways, Inc, et al		
Do	Regional Airline Association		
Do	Sterling Drug, Inc		
Do	Tiffany & Co		
Do	Trust for Public Lands	967.50	
Do	United Cities Gas Co		
Do	Western Governors' Assn		
Do	Wyatt Company		
Crowell & Moring International L.P., 1001 Pennsylvania Ave., NW Washington, DC 20004-2505	Avon Products, Inc		
Do	Board of Foreign Trade, Gov't of the Republic of China		
Do	Singapore Trade Development Board		
Cuba Claims Association, P.O. Box 014004 Miami, FL 33101			
Cuban American Foundation, Inc, 7300 N.W. 35th Terrace, #105 Miami, FL 33122		41,212.00	41,367.13
Culley-Foster & Co, P.O. Box 17370 Washington, DC 20041			
Philip Cummings, 1455 Pennsylvania Ave., NW Washington, DC 20004	McCutchen Doyle Brown & Enersen (For:American Iron & Steel Institute)		30,692.60
Do	McCutchen Doyle Brown & Enersen (For:Browning-Ferris Industries)		8,565.17
Do	McCutchen Doyle Brown & Enersen (For:Carlsmith Wichman Case... (for Hilo Coast Proscessing), et a).		4,898.50
Do	McCutchen Doyle Brown & Enersen (For:Castle & Cooke, Inc)		
Do	McCutchen Doyle Brown & Enersen (For:Gulf Coast Waste Disposal Authority)		21,498.51
Do	McCutchen Doyle Brown & Enersen (For:New York Dept of Environmental Conservation).		
Do	McCuthchen Doyle Brown & Enersen (For:Rohr Industries, Inc)		3,075.00
Do	McCutchen Doyle Brown & Enersen (For:Southern California Assn of Governments)		14,488.11
Do	McCutchen Doyle Brown & Enersen (For:Sterling Drug, Inc)		
Law Ofs of Jonathan W. Cuneo, 1401 New York Ave., NW, #740 Washington, DC 20005	Committee to Support the Antitrust Laws	11,250.00	66.75
Do	National Assn of Securities and Commercial Law Attorneys	19,848.00	514.00
Do	National Coalition of Petroleum Retailers, Inc	11,500.00	28.00
William J. Cunningham, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,088.41	1,208.08
Randall L Currier, 412 Morris Avenue, #37 Summit, NJ 07901	New Jersey State Bar Association	9,500.00	407.30
Kathleen L. Curry, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	3,225.00	31.00
Curtis Thaxter Lipez Stevens Broder & Micoleau, I Canal Plaza P.O. Box 7326 Portland, ME 04112	Madison Public Affairs Group, Inc (for Philip Morris USA)	1,350.00	109.98
M. Rupert Cutler, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife		11.50
Cutler & Stanfield, 1850 M Street, NW Washington, DC 20036	General Atomics	975.00	50.00
Do	University of Colorado	9,750.00	60.00
Everett E. Cutter, 620 SW Fifth Avenue Bldg., Suite 300 Portland, OR 97204	Oregon Railroad Assn		
CF Industries, Inc, Salem Lake Dr. Long Grove, IL 60047			1,000.00
CR Associates, 317 Massachusetts Ave., NE, #100 Washington, DC 20002	Alzheimer's Assn	2,100.00	
Do	American Assn for Dental Research	958.50	
Do	Association of University Programs in Health Administration	489.00	
Do	Conjoint Comm on Diagnostic Radiology	1,200.00	
D'Amore & Doyle, Inc, 1156 15th St., NW, #1100 Washington, DC 20005	Gafney Bennett & Associates, Inc	12,000.00	458.54
Do	Institute for Human Resource Development	1,000.00	556.54
William K. Dabaghi, Arter & Hadden 1919 Pennsylvania Ave., NW, #400 Washington, DC 20006	Central Union of Agricultural Cooperatives (ZENCHU)		
Do	Houston Clearing House Assn		
Susan Dahlquist, 2000 K St., NW, 8th Foor Washington, DC 20006	National Committee to Preserve Social Security	12,692.00	983.58
Stephen J. Daigler, 1601 Duke Street Alexandria, VA 22314	Society of American Florists		
William Kay Daines, 1616 H St., NW Washington, DC 20006	American Retail Federation	250.00	75.00
Donna M. Daley, 1200 17th St., NW, Suite 106 Washington, DC 20036	American Psychological Assn	2,412.67	50.00
Donald W. Dalrymple, 1575 I St., NW Washington, DC 20005	American Cynamid Company (For:Lederle Laboratories)	1,740.00	888.21
James G. Dalton, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	2,500.00	
Brian Daly, 1625 I Street, NW, #911 Washington, DC 20006	Consortium of Social Science Associations	498.19	
John M. Damgard, 1825 Eye Street, NW, #1040 Washington, DC 20006	Futures Industry Assn, Inc		
John E. Daniel, 1233 20th St., NW, #701 Washington, DC 20036	International Technology Corporation		
David S. Danielson, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
David E. Danovitch, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	6,000.00	
Cynthia L. Darcy, 245 Second St., NE Washington, DC 20002	Friends Committee on National Legislation	3,923.34	
Richard C. Darling, 1156 15th St., NW Washington, DC 20005	J. C. Penney Co. Inc		
Diane Davenny Darneille, 1850 K Street, NW, Suite 1195 Washington, DC 20006	Schering-Plough Corp	11,625.00	9,116.00
Mark C. Darrell, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))		
John C. Datt, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	12,300.00	
Theodore S. J. Davi, 624 South Quincy Street Green Bay, WI 54301			
Earl F. David, 1825 K St., NW, #1107 Washington, DC 20006	Phillips Petroleum Co	1,000.00	
John C. David, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	500.00	
Davidoff & Malito, 100 East 42nd Street New York, NY 10017	Long Island University	9,000.00	331.00
Do	Nassau-Suffolk Hospital Council, Inc	9,000.00	780.42
Do	National Passenger Traffic Assn		
Do	SPC Securities Services Corp	22,500.00	1,323.61
James H. Davidson, 1211 Connecticut Avenue, NW, #610 Washington, DC 20036	James H. Davidson & Associates, Inc (For:American Advertising Federation)	5,435.43	
Do	James H. Davidson & Associates Inc (For:American Assn of Advertising Agencies)	5,435.43	
Do	James H. Davidson & Associates, Inc (For:American Newspaper Publishers Assn)	5,435.43	
Do	James H. Davidson & Associates Inc (For:Association of National Advertisers)	5,435.43	
Do	James H. Davidson & Associates, Inc (For:Direct Marketing Assn)	5,435.43	
Do	James H. Davidson & Associates, Inc (For:Magazine Publishers of America, Inc)	16,561.85	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	James H. Davidson & Associates, Inc (For:Miller & Chevalier)	15,500.01	
Do	James H. Davidson & Associates, Inc (For:National Assn of Broadcasters)	19,347.10	
Do	James H. Davidson & Associates, Inc (For:National Assn of Industrial & Office Parks)	13,902.28	
Do	James H. Davidson & Associates, Inc (For:Rouse Co)	6,250.16	
Do	James H. Davidson & Associates, Inc (For:Yellow Pages Publishers Assn)	5,435.43	
Dionne M. Davies, 1120 Connecticut Ave., NW, #727 Washington, DC 20036	American Bankers Assn	1,500.00	
Drew M Davis, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn	486.81	151.00
Edward M. Davis, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	9,000.00	1,210.72
Edwin H. Davis, 2030 M St., NW Washington, DC 20036	Common Cause	9,828.00	
Fred G. Davis, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	3,538.90	775.70
John W. Davis, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	200.00	
Kenneth E. Davis, Suite 1210 1667 K St., NW Washington, DC 20006	Rohm & Haas Co	500.00	2,196.15
Margaret N. Davis, 1020 16th Street, NW Washington, DC 20036-5754	Enron Corp	2,000.00	
Michael Davis, 735 North Water St., #908 Milwaukee, WI 53202-4105	American Malting Barley Assn, Inc	1,425.00	
Ovid R. Davis, P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company		
Richard S. Davis, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond, P.C. (For:City of Bluefield, WV, et al.)	139.00	155.00
Robert Davis, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	1,900.00	989.07
Davis & Harman, 1455 Pennsylvania Avenue, NW, #1200 Washington, DC 20004	Ad Hoc Comm of Life Insurance Companies		
Do	Alcoma Packing Company, Inc	5,000.00	15.00
Do	American General Life Insurance Co	526.50	57.90
Do	American Horse Council	947.50	80.90
Do	American Insurance Association	5,000.00	27.00
Do	Armco Steel Co	2,340.00	65.55
Do	Bethlehem Steel Corp	2,340.00	65.55
Do	Chicago Board of Trade	5,625.00	80.90
Do	Committee of Annuity Insurers	2,370.00	53.00
Do	Dresser Industries, Inc	3,060.50	30.00
Do	First Penn-Pacific Life Insurance Co		
Do	Florida Power & Light	1,161.84	33.00
Do	Florida Sugar Cane League, Inc	900.00	32.90
Do	Hughes & Luce	808.60	8.00
Do	James Graham Brown Foundation	500.00	
Do	Lincoln National Life Insurance Co	776.50	25.00
Do	National Assn of Life Companies	400.00	
Do	National Cattlemen's Assn	312.50	48.00
Do	Stock Information Group	62,357.63	454.67
Do	Travelers Companies	2,280.22	34.00
Do	U.S. Sugar Corp	1,500.00	80.90
Do	Underwriters of Lloyd's, London	7,162.90	16.50
Davis Polk & Wardwell, 1575 Eye St., NW, #400 Washington, DC 20005	American Inst of Certified Public Accountants	1,800.00	23.50
Do	Kohlberg Kravis Roberts & Co		
Do	LTV Corp		
Do	Morgan Guaranty Trust Co	1,000.00	11.00
Do	Morgan Stanley & Co, Inc		
Do	Norwest Corporation	275.00	6.00
Do	Occidental International Corp	637.50	17.00
Davis Wright & Jones, 1752 N St., NW, #800 Washington, DC 20036	Pacific Northwest Coalition for Maritime Law Reform		
Do	Tri-City Nuclear Industrial Council, Inc		
Donald S. Dawson, 1133 Connecticut Ave., NW, #1000 Washington, DC 20036	Michael Gaughan		
Do	Opticians Assn of America		
Do	Virgin Islands Gift & Fashion Shop Assn		
Do	Virgin Islands Merchants Assn		
Robert M. Dawson, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Brenda T. Day, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	6,249.00	563.19
Harry F. Day, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Gaston De Bearn, 1050 Connecticut Avenue, NW, #401 Washington, DC 20036	Hoffmann-La Roche, Inc		
Mark A. De Bernardo, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S		57.25
Ralph De La Cruz, 1201 New York Avenue, NW Washington, DC 20005	American Public Transit Assn	3,380.00	221.00
De La Salle Institute, P.O. Box 3720 Napa, CA 94558-0372			2,071.09
O. Mark De Michele, 411 N. Central Avenue Phoenix, AZ 85004	Arizona Public Service Company		
Maryann M. Dean, 1875 Eye Street, NW, #400 Washington, DC 20006	Georgia-Pacific Corp	1,000.00	
John Russell Deane III, 888 17th Street, NW, #500 Washington, DC 20006	Auto Internacional Assn	545.17	260.36
Do	Coalition of Automotive Assns	1,875.94	861.55
Do	Specialty Equipment Market Assn	7,503.75	3,447.10
Debevoise & Plimpton, 555 13th Street, NW Suite 1100E Washington, DC 20004	Sony Corp of America		
Mark O. Decker, 1129 20th Street, NW, #705 Washington, DC 20036	National Assn of Real Estate Investment Trusts, Inc		
Do	Pension Real Estate Assn		
William E. Deegans, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation		
Richard A. Deem, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	25.00	
William R. Deere, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	5,877.07	2,088.75
Brian Deery, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
George K. Degnon Associates, Inc, 6728 Old McLean Village Drive Mclean, VA 22101	Association of State & Territorial Health Officials		1,000.00
Do	Nurses Organization of the Veterans Administration		1,000.00
Gene A. Del Polito, 1333 F Street, NW, #710 Washington, DC 20004-1108	Third Class Mail Association	1,250.00	
Edward N. Delaney & Associates, Chtd, 1629 K Street, NW, #1000 Washington, DC 20006	Harcourt Brace Jovanovich, Inc		
Do	National Assn of Independent Insurers	16,000.00	851.46
Susie Deller, 4828 Alton Place, NW Washington, DC 20016	Argyle & Associates (For:Ford Motor Company)		800.00
Do	Argyle & Associates (For:National Council of Savings Institutions)		
Regis J. Delmontagne, 1899 Preston White Drive Reston, VA 22091	National Printing Equipment & Supply Association, Inc		
Tania Demchuk, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	100.00	
Willard L. Demory, 2300 M St., NW, #130 Washington, DC 20037	Murphy & Demory, Ltd. (For:American Mobile Satellite Consortium)		
Do	Murphy & Demory, Ltd (For:California Energy Co, Inc)		
Do	Murphy & Demory, Ltd. (For:Prodigy Services Company)		
Do	Murphy & Demory Ltd (For:United States Telephone Association)		
George H. Denison, 4801 Massachusetts Ave., NW, #400 Washington, DC 20016	American Nuclear Energy Council		
Do	Edison Electric Institute	300.00	
Do	N U S Corporation		
Do	National Office Products Assn		
Do	Westinghouse Electric Corp		
John H. Denman, Missouri Oil Council 428 E. Capital St., #203 Jefferson City, MO 65101	American Petroleum Institute	450.00	1,070.79
Robert A. Denman, 600 Maryland Avenue, SW, #202w Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	6,600.29	
Thomas J. Dennis Sr., 1111 19th St., NW, #303 Washington, DC 20036	Southern California Edison Co	7,013.00	1,500.00
Janet Ann Denton, 1275 Pennsylvania Ave., NW, #400 Washington, DC 20004	Pacific Telesis Group	15,450.00	
Wells Denyes, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Co	1,250.00	178.18
Brian R. Detter, 1199 N. Fairfax Street, #204 Alexandria, VA 22314	International Council of Shopping Centers	150.00	
Jo Ellen Deutsch, 1625 Massachusetts Avenue, NW Washington, DC 20036	Association of Flight Attendants, AFL-CIO	6,600.00	
Samuel L. Devine, 170 Burning Tree Drive Naples, FL 33942	Grocery Manufacturers of America, Inc		
Devine Millimet Stahl & Branch, 111 Amherst Street Manchester, NH 03105	State of New Hampshire, Attorney General	13,874.36	11,817.83
R. Daniel Devlin, 808 17th Street, NW, #520 Washington, DC 20006	Trans World Airlines, Inc	600.00	
Dewey Ballantine Bushby Palmer & Wood, 1775 Pennsylvania Ave., NW, #500 Washington, DC 20006	Amax, Inc		
Do	American Iron & Steel Institute	325.00	
Do	Bankers Trust Co		
Do	Bell Atlantic Corp		
Do	Beneficial Corporation	715.00	6.00
Do	Catholic Health Assn of the U.S		
Do	Chase Manhattan Corp		
Do	Chrysler Corporation		
Do	CNW Corporation	1,625.00	
Do	Digital Equipment Corp	162.50	
Do	Disk Drive Consortium		
Do	Duke Endowment		
Do	Edgcomb Corporation	1,625.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Federal National Mortgage Assn		
Do	Federation of American Health Systems	4,875.00	
Do	General Electric Pension Trust		
Do	General Reinsurance Corp		
Do	Hanschell Inniss, Ltd		
Do	Health Insurance Assn of America, Inc		
Do	Hershey Foods Corp		
Do	Household International	9,750.00	
Do	Integrated Resources, Inc		
Do	Intel Corporation		
Do	Man-Made Fiber Producers Assn, Inc		
Do	McCormack Baron & Associates		
Do	McCown De Leeuw & Company		
Do	Morgan Stanley Group, Inc	650.00	
Do	National Assn of Wholesaler-Distributors		
Do	National Trust for Historic Preservation	3,250.00	
Do	Norfolk Southern Corp		
Do	Paramount Communications, Inc		
Do	Pfizer, Inc		
Do	Premark International		
Do	Primerica, Inc		
Do	Prudential Insurance Co of America	812.50	
Do	Joseph E. Seagram & Sons, Inc	9,750.00	
Do	Squibb Corporation		
Do	SEMATECH	1,626.00	
Do	Teachers Insurance & Annuity Assn of America		
Do	Tribune Broadcasting Co		
Do	U.S. Coalition for Fair Lumber Imports		
Do	U.S. Telephone Assn	812.50	
Do	Union Pacific Corp		
Do	Walt Disney Co		
Do	West Indies Rum & Spirits Producers Assn		
Do	Wickes Companies, Inc	1,625.00	
Do	Xerox Corp	1,625.00	
Doris J. Dewton, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Nicholas DeBenedictis, 2301 Market Street, #13-1 Philadelphia, PA 19101	Philadelphia Electric Co		
Alex J. DeBoissiere, 490 L'Enfant Plaza, SW, #2202 Washington, DC 20024	Tenneco Gas		
James E. DeClusin, 14000 San Bernardino Ave. P.O. Box 5080 Fonatana, CA 92335	California Steel Industries, Inc		4,980.00
Michael DeEmilio, 400 First St., NW, #801 Washington, DC 20001	Brotherhood of Maintenance of Way Employes	10,000.00	
James U. DeFrancis, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	3,187.00	1,178.71
Lisa M. DeFusco, Public Affairs Office 600 New Hampshire Ave., NW, #1111 Washington, DC 20037	Society of Real Estate Appraisers	612.00	
Mary Elise DeGonia, c/o Jane Gilmore Chateau Apartments, #636 Rt. 54 By-Pass Carrboro, NC 27510	Alternative Schools Network		20.00
Do	ACBE, et al		20.00
Do	National Council of La Raza		20.00
Do	National Puerto Rican Forum		20.00
Do	US Basics		20.00
Law Offices of Paul H. DeLaney, Jr., 1920 N Street, NW, #610 Washington, DC 20036	Embassy of Japan	5,000.00	
Gail DeLoach, P.O. Box 8091 Falls Church, VA 22041	Friendship Hill Assn		
Martin L. DePoy, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	857.61
Gregory L. DePriest, 1400 16th Street, NW, #610 Washington, DC 20036	Association of Maximum Service Telecasters, Inc		
William R. DeReuter, 1828 L Street, NW, #906 Washington, DC 20036	Merrill Lynch & Co, Inc	2,000.00	
Bonnie S. DeWitt, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	500.00	98.82
Thomas R. DeYulia, 7361 Calhoun Place Rockville, MD 20850	CNA Insurance Cos		
John M. Dickerman, 1015 15th St., NW, #700 Washington, DC 20005	National Lumber & Building Material Dealers Assn		
Chester T. Dickerson Jr., c/o Bernadette Hammond 1101 17th St., NW, #604 Washington, DC 20036	Monsanto Co		560.94
Ann Sanders Dickey, 300 Maryland Avenue, NE Washington, DC 20002	Federal Express Corp	6,000.00	
Elaine Dickinson, 880 S. Pickett Street Alexandria, VA 22304	Boat Owners Assn of the U.S	7,000.00	
Dickinson Wright Moon Van Dusen & Freeman, 1901 L St., NW, #801 Washington, DC 20036	United Technologies Corporation	10,000.00	557.26
Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037	Advance Publications		
Do	American Greyhound Track Operators Assn	1,230.00	
Do	Apple Computer Corp		
Do	Avondale Industries, Inc	750.00	
Do	ABD Securities Corp		
Do	Bear Stearns & Co	2,000.00	
Do	Boundary Gas, Inc		
Do	BATMAN Corp		
Do	California Assn of Thrift & Loan Companies		
Do	Car Audio Specialists Assn (CASA)		
Do	Coalition for Competitive Capital	16,987.50	
Do	Cordova District Fishermen United, Inc	28.13	
Do	Embassy of Malaysia		
Do	Federal National Mortgage Assn	1,150.00	
Do	Federated Cash Management Systems	11,000.00	
Do	First Annapolis Savings Bank F.S.B		
Do	Guess, Inc		
Do	Harbour Group Ltd	5,881.25	
Do	Home Box Office, Inc		
Do	Illinois Dept of Children & Family Services	375.00	
Do	Iroquois Gas, Inc	7,470.00	
Do	IPP Working Group	3,235.00	
Do	Marine Engineers' Beneficial Assn		
Do	Medtronic, Inc		
Do	J. P. Morgan Securities, Inc		
Do	National Fed of Societies for Clinical Social Work	8,425.00	
Do	Newport Group	750.00	
Do	North Carolina Dept of Natural Resources and Community Devlp		
Do	Ocean State Power	745.75	
Do	Paulucci Enterprises	2,985.50	
Do	Security Life Insurance Co		
Do	State of Connecticut	1,550.00	
Do	States of Arkansas, et al		
Thomas C. Diederich, 2170 Piedmont Road, NE Atlanta, GA 30324	Orkin Exterminating Co., Inc		
Rick Diegel, 1125 15th Street, NW Washington, DC 20005	International Brotherhood of Electrical Workers, AFL-CIO-CLC	2,281.25	150.00
Dorothea M. Diemer, 7373 Hunt Avenue Garden Grove, CA 92642	Hyundai Motor America	100.00	
Diepenbrock Wulff Plant & Hannegan, P.O. Box 3034 Sacramento, CA 95812-3034	Methodist Hospital of Sacramento	500.00	23.95
Thomas A. Dine, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	22,299.98	5,367.91
Michael F. Dineen, 600 Pennsylvania Ave., SE, #206 Washington, DC 20003	Lumbermens Mutual Casualty Co (For:Federal Kemper Life Assurance Co)	627.75	475.38
Do	Lumbermens Mutual Casualty Co (For:Kemper Financial Companies, Inc)	93.00	124.76
Do	Lumbermens Mutual Casualty Co (For:Kemper Financial Services, Inc)	279.00	124.76
Do	Lumbermens Mutual Casualty Co (For:Kemper Investors Life Insurance Co)	186.00	145.76
Do	Lumbermens Mutual Casualty Company (For:Kemper Reinsurance Company)	232.50	121.00
Do	Lumbermens Mutual Casualty Company	2,100.00	312.08
James C. Dinegar, 1575 Eye Street, NW Washington, DC 20005	American Soc of Assn Executives	300.00	
Direct Selling Association, 1776 K Street, NW Washington, DC 20006			
Dale P. Dirks, 511 Capitol Court, NE, Suite 300 Washington, DC 20002	Health & Medicine Counsel of Washington		
Mary Ann Dirzis, 9 West 57th Street New York, NY 10019	Avon Products, Inc		
Disabled American Veterans, 3725 Alexandria Pike Cold Spring, KY 41076		141,688.73	141,688.73
Patsy B. Dix, 1201 16th St., NW Washington, DC 20036	National Education Assn	3,348.10	42.00
Barbara A. Dixon, 1600 Eye Street, NW Washington, DC 20006	Motion Picture Assn of America, Inc	1,290.00	
Dixon Arnett Associates, 905 16th Street, NW, #310 Washington, DC 20006	Fresno Surgery & Recovery Care Center	16,000.00	3,939.64
Charles J. DiBona, 1200 L St., NW Washington, DC 20005	American Petroleum Institute	5,000.00	
Gerard D. DiMarco, Two State Street, Crossroads Bldg, #400 Rochester, NY 14614	Mackey & DiMarco (For:Tom Gosnell)	10,900.00	1,024.48
Do	Mackey & DiMarco (For:Mario Rodriguez)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Nicholas J. DiMichael, 1275 K Street, NW, #850 Washington, DC 20005-4006	National Industrial Transportation League		
Anthony F. DiPasquale, 902 Renfroe Road Talladega, AL 35160			
J. Chris Dobbs, 2711 North Haskell Avenue Dallas, TX 75204	Southland Corporation		3,372.78
J. Graham Dodson, P.O. Box 21106 Shreveport, LA 71156	Southwestern Electric Power Co	212.00	15.00
Steven P. Doehler, 805 15th Street NW, Suite 1110 Washington, DC 20005	Mortgage Insurance Companies of America	6,600.00	173.20
Julie Domenick Doerr, 1600 M St., NW Washington, DC 20036	Investment Company Institute		
Daniel P. Doherty, 2001 S St., NW, #540 Washington, DC 20009	Alliance of Nonprofit Mailers	1,350.00	13.60
James F. Doherty, 1129 20th St., NW, #600 Washington, DC 20036	Group Health Assn of America, Inc	1,761.04	
John D. Doherty Jr., 901 31st Street, NW Washington, DC 20007	Federal Leg Assocs, Inc (for Assn of Bank Holding Cos)		
Dolphin Group, Inc, 1047 Gayley Avenue, 2nd Fl Los Angeles, CA 90024	Madison Public Affairs Group, Inc (for Philip Morris USA)		
Donelan Cleary Wood & Maser, P.C., 1275 K Street, NW, #850 Washington, DC 20005-4006	Cascade Natural Gas Corporation		
Andrew J. Donelson, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	2,500.00	
Mary Elizabeth Donnelly, 1233 20th St., NW, #200 Washington, DC 20036	Newmont Mining Corp		
Thomas F. Donnelly, 955 L'Enfant Plaza, SW, #1202-N Washington, DC 20024	National Water Resources Assn	7,500.00	
Sally S. Donner, 1341 G Street NW, 9th Floor Washington, DC 20005	Kraft General Foods, Inc	1,437.50	
Donohue & Associates, Inc, 11445 Isaac Newton Square So. Reston, VA 22090			
Charles Donovan, 601 Pennsylvania Ave., NW, #901 Washington, DC 20004	Focus on the Family		
William Donovan, 3138 N. 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	2,500.00	127.37
Linda L. Doorfee, 1601 Duke Street Alexandria, VA 22314	Society of American Florists	500.00	
Ira Dorfman, 1111 14th St., NW, #300 Washington, DC 20005	American Bakers Assn	373.50	12.00
Doris Day Animal League, 111 Massachusetts Ave., NW, #200 Washington, DC 20001		221,259.00	584,631.00
James A. Dorsch, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Dean R. Dort II, 1667 K Street, NW, #1230 Washington, DC 20006	Deere & Company	986.00	
Terrie M. Dort, 1023 15th Street, NW, 7th Fl Washington, DC 20007	Rowland Government Relations (For:Job Opportunities Business Symposium)		
W. Carter Doswell, 1825 Eye Stree, NW, #450 Washington, DC 20006	Goldman Sachs & Co	1,000.00	
Robert J. Dotchin, 2550 M Street, NW, #300 Washington, DC 20037	Smokeless Tobacco Council, Inc	76.92	6.00
R. J. Doubrava, 1629 K Street, NW, #501 Washington, DC 20006	Delta Air Lines, Inc	170.00	92.25
Russell E. Dougherty, 8280 Greensboro Drive, #900 McLean, VA 22102	Military Impacted School Districts Assn		
Dougherty Consulting, P.O. Box 819 Sioux Falls, SD 57101-0819	Madison Public Affairs Group, Inc (for Philip Morris, USA)	800.00	
Sally L. Douglas, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	4,875.00	100.00
Dow Lohnes & Albertson, 1255 23rd St., NW Washington, DC 20037	General Aviation Manufacturers Assn		
Do	National Business Aircraft Assn		
Michael G. Dowd, 1233 20th Street, NW, #400 Washington, DC 20036	Coalition for Environmental-Energy Balance (CEEB)		
Charles P. Downer, 7901 Westpark Drive McLean, VA 22102	National Machine Tool Builders' Assn	1,375.00	250.00
John P. Doyle Jr., 8600 Boundbrook Lane Alexandria, VA 22309	J. P. Doyle Enterprises, Inc	1,000.00	
Ronald W. Drach, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	19,479.00	
David P. Drake, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006	Ciba-Geigy Corp	3,000.00	82.51
James E. Drake, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	5,272.00	
Andrea N. Dravo, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	11,375.01	230.61
Paul A. Drazek, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	8,800.00	
Anthony V. Dresden, 444 N. Capitol Street, NW, #801 Washington, DC 20001	National Air Traffic Controllers Assn		
Dressendorfer-Laird, Inc, 1730 Rhode Island Avenue, NW, #210 Washington, DC 20036	American Newspaper Publishers Assn		
Do	General Dynamics Corp	250.00	
Do	Metropolitan Life Insurance Cos		
Do	Science Applications Int'l Corp	250.00	
Joan Albert Dreux, 1700 Pennsylvania Ave., NW, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	4,000.00	582.40
Charles T. Drevna, 7421 Huntland Drive Knoxville, TN 37919	Sun Coal Company	1,000.00	5,000.00
Elizabeth J. Dribben, 2201 Leeland Drive Falls Church, VA 22043	Humane Society of the United States	3,555.77	15,603.96
Stephen D. Driesler, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	8,000.00	213.04
William B. Driggers Jr., 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments, Inc	186.00	18.10
Drinker Biddle & Reath, 901 15th Street, NW, #900 Washington, DC 20005	Chubb & Sons, Inc	7,650.00	106.92
Do	National Union Fire Insurance Co of Pittsburgh, PA	1,725.00	524.00
Alvin Drischler, 3420 Reedy Drive Annandale, VA 22003	PHLCORP	36,000.00	506.06
Kevin J. Driscoll, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Fran Du Melle, 1726 M Street, NW, #902 Washington, DC 20036	American Lung Assn	2,890.00	5,100.00
Stan Dublinske, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Morgan D. Dubrow, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	165.00	
Dudek Communications, 902 Pennsylvania Avenue, SE Washington, DC 20003	Lyonnaise Marianas America, Inc	4,000.00	8,701.60
Dana D. Duden, 1819 L St., NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Michael J. Duff, 1101 16th Street, NW Washington, DC 20036	Scientific Apparatus Makers Assn	1,400.00	7.00
Stephen C. Duffy, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	3,750.00	356.58
C. Ray Duggan, 815 16th St., NW Washington, DC 20006	Transportation - Communications Union	2,000.00	1,000.00
Robert H. Dugger, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Evelyn Dukovic, 3 East 85th Street New York, NY 10028	Morality in Media, Inc	57.94	
Deborah A. Dull, 2200 Mill Road Alexandria, VA 22314	American Movers Conference	1,000.00	
Mac S. Dunaway, Dunaway & Cross 1146 19th Street, NW Washington, DC 20036	Crown Control Corp		
Do	Industrial Truck Assn		
Do	Walbro Corp		
Amy K. Dunbar, P.O. Box 19230 Washington, DC 20036	National Assn of Bond Lawyers	16,250.01	84.31
Don R. Duncan, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Co	5,000.00	53.52
William C. Duncan, 1050 17th Street, NW, #410 Washington, DC 20036	Japan Automobile Manufacturers Assn	2,100.00	
Duncan Weinberg Miller & Pembroke, P.C., 1615 M Street, NW, #800 Washington, DC 20036	Kenai Natives Assn, Inc		
Do	Lake Andes-Wagner Water Systems, Inc		
Do	Mid-West Electric Consumers' Assn, Inc		
Do	National Assn of State Energy Officials		
Do	Western Fuels Association, Inc		
Diane R. Dungan, 2001 L Street, NW, #506 Washington, DC 20036	Chlorine Institute, Inc	467.69	176.57
Mari Lee Dunn, 1850 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation		
Michael V. Dunn, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	11,679.29	791.67
John H. Dunne, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
William C. Dunning, P.O. Box 619500 Dallas, TX 75261	Caltex Petroleum Corp		
James A. Dupree, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	3,250.00	1,051.10
Ed Durkin, 101 Constitution Ave., NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America		
Katherine M. Dutilh, 214 Massachusetts Ave., NE, #420 Washington, DC 20002	Milliken & Company		
Dutko & Associates, 412 First St., SE, #100 Washington, DC 20003	Miguel H. Agosto	4,000.00	
Do	American Nuclear Energy Council	8,000.00	
Do	Anchor Industries, Inc	2,450.00	
Do	Association of Progressive Rental Organizations	35,000.00	139.38
Do	Citgo Petroleum Corp	35,337.00	1,071.87
Do	Communications Satellite Corp	8,000.00	10,292.00
Do	Council for Solid Waste Solutions	60,000.00	874.93
Do	Sims Walker & Steinfeld, P.C. (For:Creditors Alliance for Freight)	16,000.00	
Do	D & B Wholesale Cosmetics, Inc	2,000.00	
Do	DSC Communications Corp	32,362.50	198.53
Do	International Telecharge, Inc	47,500.00	292.63
Do	Jewish National Fund	30,000.00	577.53
Do	Lusk Company	5,725.00	
Do	McDonalds Corp	12,000.00	199.74
Do	National Cellular Resellers Assn	10,000.00	162.31
Do	Oklahoma State University	9,000.00	
Do	PacifiCare Health Systems	9,768.75	
Do	Paramount Communication, Inc	22,500.00	
Do	Rmax, Inc	53,974.05	301.10
Do	Waste Conversion Systems, Inc		
Do	Wespar Financial Services	32,012.50	25.85
Lloyd L. Duxbury, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	10,385.00	223.04
Ernest DuBester, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,088.41	457.79
William P. DuBose IV, 1050 17th St., NW, #700 Washington, DC 20036	National Ocean Industries Assn	1,556.00	
Robert F. DuPree Jr., 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute	857.39	22.95
Roderick T. Dwyer, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Dyer Ellis Joseph & Mills, 600 New Hampshire Ave., NW, #1000 Washington, DC 20037	Alliance for Corporate Growth		
Do	Bobbie Brooks, Inc		
Do	International Air Trannsport Assn (IATA)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	PubCo Corp	81.25	13.79
Do	Smith Corona Corp	2,071.00	209.73
Do	The Torrington Company	10,500.00	464.16
Dykema Gossett, 1752 N St., NW, 6th Fl. Washington, DC 20036	Committee on U.S. Business Canadian Life & Health Ins. Assn		
Do	Military Boot Manufacturing Assn		
Do	Total Petroleum, Inc		
Talis Dzenitis, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	500.00	
DC Statehood Party, 1742 Massachusetts Ave., SE Washington, DC 20003			56.71
DGA International, Inc, 1818 N Street, NW Washington, DC 20036	Dir Intl Aff of the Gen Del for Armements	219.00	
Do	Societe Nationale D'Etude et de Const de Moteurs D'Aviation	1,870.00	100.57
Do	Sofreavia	564.00	100.02
Do	Teledyne Brown Engineering		
E.D.E.A., Inc, 1151 Acquidneck Avenue Middletown, RI 02840	American Ship Building Co	21,750.00	372.90
Anthony S. Earl, One South Pinckney Street P.O. Box 2113 Madison, WI 53701-2113	Quarles & Brady (For:Allen-Bradley Company, Inc)	550.00	
Do	Quarles & Brady (For:Miller Brewing Company)		
Do	Quarles & Brady (For:Milwaukee Tanning Coalition)	175.00	
Do	Quarles & Brady (For:Wisconsin Electric Power Company)	11,050.00	1,020.64
Hope B. Eastman, 4800 Hampden Lane, 7th Floor Bethesda, MD 20814	Paley Rothman Goldstein Rosenberg & Cooper (For:National Assn of Women Business Owners).	2,700.00	
Charles H. Eaton, 1725 K St., NW, #1111 Washington, DC 20006	Eaton Associates, Inc		
Robert E. L. Eaton, 1725 K St., NW, #1111 Washington, DC 20006	Eaton Associates, Inc		
Eaton Associates, Inc, 1725 K St., NW, #1111 Washington, DC 20006			
Robert E. Ebel, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	1,450.00	757.00
Charles J. Eby, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Monsanto)		
N. Boyd Ecker, 1100 Connecticut Ave., NW,#620 Washington, DC 20036	Mobil Oil Corp	1,500.00	18.85
Robert C. Eckhardt, 122 3rd Street SE, Washington, DC 20003	Certain Claimants Lawyers		
Patricia K. Economos, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Helen H. Edge, 700 N. Fairfax St. Alexandria, VA 22314	Railway Progress Institute	589.69	
Edison Electric Institute, 9th Floor 1111 19th St., NW Washington, DC 20036		18,514.70	68,134.88
V. Anne Edlund, 1620 Eye St., NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc		
Christine A. Edwards, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Dean Witter Financial Services Group	292.00	
J. Rodney Edwards, 260 Madison Ave. New York, NY 10016	American Paper Institute, Inc		
Jack Edwards, 3000 First Natonal Bank Bldg. P.O. Box 123 Mobile, AL 36601	Fiat USA		
Do	Societe Nationale d'Etude et de Const de Moteurs d'Aviation	2,431.00	
Michael D. Edwards, 1201 16th Street, NW Washington, DC 20036	National Education Assn	3,773.80	260.37
Edwards Associates, 507 Second St., NE Washington, DC 20002	Confederated Tribes of Warm Springs Reservation		
Paul S. Egan, 1325 15th Street, NW, #503 Washington, DC 20005	Vietnam Veterans of America, Inc	11,250.00	145.75
Stephen Ege, 734 15th Street, NW Washington, DC 20005	Elias Matz Tiernan & Herrick (For:Federal Savings Bank)		
Do	Elias Matz Tiernan & Herrick (For:FAIC Security, Inc)		
Roy L. Eiguren, 350 North 9th Street, #400 Boise, ID 83702	Lindsay Hart Neil & Weigler (For:Idaho Cooperative Utilities Assn)		49.89
Jill W. Eiland, 121 SW Salmon Portland, OR 97204	Portland General Electric Co		
Phyllis Eisen, 1331 Pennsylvania Ave., #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	500.00	
Albert C. Eisenberg, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects	13,250.00	89.53
Earl B. Eisenhart, 1320 Braddock Place, #720 Alexandria, VA 22314	National Private Truck Council		
Linda S. Eisnaugle, 225 W. 34th Street New York, NY 10122	National Commercial Finance Assn	13,125.00	521.00
H. J. Elam III, 110 S. Park Dr. Greensboro, NC 27401	First American Savings Bank	8,618.75	2,072.13
Stephen A. Elbert, 1615 M St., NW, #200 Washington, DC 20036	Amoco Corporation		
Timothy L. Elder, 100 N.E. Adams Street Peoria, IL 61629-1430	Caterpillar, Inc	125.00	19.50
George K. Eliades, 7297-P Lee Highway Falls Church, VA 22042	Society of American Wood Preservers, Inc	5,000.00	1,280.00
Elias Matz Tiernan & Herrick, 734 15th Street, NW Washington, DC 20005	Federal Savings Bank		
Do	First Atlanta Investment Corporation		
J. Burton Eller Jr., 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Charles W. Elliott, Wisconsin Petroleum Council 25 W. Main St., #703 Madison, WI 53703	American Petroleum Institute	1,160.00	1,487.21
John M. Ellis, 1120 Fairfield Avenue Roseville, CA 95678	Alliance of Government Managers		
Do	Nor-Cal Federal Coalition		
Mark G. Ellis, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Mark M. Ellison, 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004	Batus, Inc	650.00	
Do	French & Company (For:Int'l Electronics Mnfctrs & Consumers of America, Inc)	550.00	
Do	French & Company (For:Montgomery Ward & Co., Inc)	300.00	
Do	French & Company (For:Wheels, Inc)	175.00	
Gary Elmestad, P.O. Box 3153 St Charles, MO 63302	Industrial Development Auth of St. Charles Co	11,750.00	805.76
Nancy C. Elwood, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Emergency Committee for American Trade, 1211 Connecticut Ave., NW, #801 Washington, DC 20036		65,138.38	63,840.65
John M. Emery, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	25.00	
Michael J. Emig, 1125 15th St., NW Washington, DC 20005	International Brotherhood of Electrical Workers	17,817.25	149.75
Randy Eminger, 5205 West 37th Street Amarillo, TX 79109	Southwestern Public Service Co	1,253.12	5.72
Employee Relocation Council, 1720 N St., NW Washington, DC 20036			
Irene R. Emsellem, 1800 M Street, NW Washington, DC 20036	American Bar Assn	400.00	50.00
End Notch Discrimination, 59 West La Sierra Drive Arcadia, CA 91006			
Energy Consumers & Producers Assn, Box 1726 Seminole, OK 74868		9,575.00	
Gary D. Engebretson, 1350 New York Ave., NW, #200 Washington, DC 20005	Contract Services Assn		207.90
Ralph Engel, 1001 Connecticut Ave., NW, #1120 Washington, DC 20036	Chemical Specialties Manufacturers Assn, Inc		
Judith S. Engelberg, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Gas Taxes	5,000.00	
John T. Engelen, 1575 Eye Street, NW, #200 Washington, DC 20005	American Cyanamid Co	450.00	138.00
English First, 8001 Forbes Place, #102 Springfield, VA 22151		163,837.08	172,657.20
Jon Englund, 1225 Eye Street, NW, #950 Washington, DC 20005	American Electronics Association		
Christopher Engquist, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Richard Engram Jr., P.O. Box 506 Merchants & Miners Bank Bldg. Welch, WV 24801			
David Eppler, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	6,750.00	
Epstein Becker & Green, P.C., 1140 19th St., NW, #900 Washington, DC 20036	American Medical Care & Review Assn	2,400.00	
Do	Anheuser Busch		1,750.00
Do	Edison Electric Institute		1,750.00
Do	General Cellular Corporation		750.00
Do	National Shorthand Reporters Association		
Do	Voluntary Hospitals of America, Inc	11,250.00	
Paul A. Equale, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	28,846.00	
James C. Erickson, 2000 Piper Jaffray Tower 222 South 9th Street Minneapolis, MM 55402	Larkin Hoffman Daly & Lindgren, Ltd. (For:Reese Communications Co. (for: Philip Morris USA)).	1,875.00	291.00
John n. Erlenborn, 815 Connecticut Ave., NW Washington, DC 20006-4004	Seyfarth Shaw Fairweather & Geraldson (For:Dresser Industries, Inc)	9,143.75	39.45
John Ernst, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	790.75	
James L. Ervin, 1667 K Street, NW, #310 Washington, DC 20006	Baldt, Inc	137.50	
Ingolf G. Esders, 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	9,871.20	1,472.79
Sherry Ettleson, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	6,500.00	
European Travel Commission, 630 Fifth Avenue New York, NY 10111			
Billy Lee Evans, 1301 Connecticut Ave., NW, #700 Washington, DC 20036	Hecht Spencer & Associates (For:Bixby Ranch Co)		
Do	Hecht Spencer & Associates (For:Boy Scouts of America)		
Do	Hecht Spencer & Associates, Inc (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Associates (For:BATUS, Inc)		
Do	Hecht Spencer & Associates, Inc (For:Great Western Financial Corp)		
Do	Hecht Spencer & Associates (For:Hong Kong Trade Development Council)		
C. Lawrence Evans Jr., 51 Louisiana Avenue, NW Washington, DC 20001	Acacia Mutual Life Insurance Company	25,000.00	
Donald C. Evans Jr., 655 15th St., NW, #310 Washington, DC 20005	American Family Corp		
Do	Hoechst Celanese Corp		
Do	IFRB Corp		
Do	Michigan Consolidated Gas Company		
Do	Stepan Company		
Robert B. Evans, 1101 14th Street, NW Washington, DC 20005	American Financial Services Assn	250.00	
Robert D. Evans, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Dave Evans Associates, 4076 Rosamora Court Arlington, VA 22207	Association for Regulatory Reform	1,000.00	
Do	ACA		
Do	Downey Assn		
Do	MICA	1,000.00	
Do	SIA	2,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Evans Group, Ltd, 1010 Wisconsin Ave., #810 Washington, DC 20007	Cotraco, Inc		
Do	Embassy of Cyprus	6,250.00	
Do	Federal Home Loan Bank of Pittsburgh	4,000.00	
Do	First Federal of Pittsburgh	6,000.00	
Do	Home Owners Savings Bank	7,000.00	
Do	Matlack, Inc	6,250.00	
Do	Mortgage Bankers Assn of America	5,750.00	
Do	Towers Financial Corp	5,000.00	
Fawn K. Evenson, 1420 K Street NW, #600 Washington, DC 20005	Footwear Industries of America	2,000.00	327.01
Wayne S. Ewing, Associated Petroleum Industries of Pa P.O. Box 925 Harrisburg, PA 17108	American Petroleum Institute		
Paul K. Eyer, 300 5th Street, NE Washington, DC 20002	American Osteopathic Assn	2,000.00	
EDS Corporation, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004			1,202.91
F/P Research Associates, 1700 K St., NW, #404 Washington, DC 20006	American Iron & Steel Institute		
Do	National Cable Television Assn, Inc	500.00	
Dan L. Fager, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron USA, Inc	1,500.00	
Leslie Fain, 1506 19th Street, NW, #3 Washington, DC 20036	Committee for Humane Legislation	7,500.00	
Dale W. Fallat, P.O. Box 119 Maumee, OH 43537	Andersons		
Joseph B. Fallon, 1825 Connecticut Ave., NW, #200 Washington, DC 20009	National Organization Against Invisible Disease Spread		20.00
Frank J. Farfone, 1776 Eye Street, NW, Suite 575 Washington, DC 20006	Dow Chemical USA		5,546.00
Cheri L. Farha, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners and Pilots Assn	8,000.00	306.54
Thomas B. Farley II, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	4,650.00	133.00
David M. Farmer, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers	7,000.00	
Greg Farmer, 600 Maryland Ave., SW, #607 Washington, DC 20024	Northern Telecom, Inc		1,425.00
Martin T. Farmer, P.O. Box 40789 Jacksonville, FL 32203-0789	Barnett Banks, Inc	26,125.00	7,952.00
Farmers' Educational & Co-Operative Union of America, 600 Maryland Ave., SW, #202w Washington, DC 20024		176,085.50	99,090.99
Dagmar T. Farr, 1750 K Street, N.w. Washington, DC 20006	Food Marketing Institute	300.00	
J. Dent Farr, 2000 M St., NW, #550 Washington, DC 20036	North American Telecommunications Assn	12,846.80	
Farragut Group, 1825 K Street, NW, #807 Washington, DC 20006	Southern Company Services	12,500.00	
Christopher G. Farrand, 122 C Street, NW, #240 Washington, DC 20001	Peabody Holding Co, Inc		140.00
Michael Farrar, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc	200.00	
Joseph A. Farrell, 1600 Wilson Boulevard, #1000 Arlington, VA 22209	American Waterways Operators, Inc		
Richard T. Farrell, 1133 15th St., NW, #210 Washington, DC 20005	Syntex (USA) Inc	4,125.00	1,440.43
Marcus G. Faust, 332 Constitution Ave., NE Washington, DC 20002	Central Utah Water Conservancy District	15,768.75	1,853.58
Do	Clark County, Nevada	1,350.00	576.13
Do	Desert Research Institute	3,625.00	97.22
Do	Echo Bay Mining Co	1,031.25	7.65
Do	Kirton McConkie & Bushnell	1,250.00	186.43
Do	Public Service Co of New Mexico	15,038.00	727.66
Do	Sierra Pacific Power Co	16,417.50	2,072.07
Do	Standard Oil Co (Ohio)	11,250.00	
Do	University of Nevada School of Medicine	2,406.25	338.03
Jane Fawcett-Hoover, 801 18th St., NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	77.07	
Robert C. Fay, 205 The Strand Alexandria, VA 22314	American Amusement Machine Assn		
Federal Judges Association, 2188 U.S. Courthouse 75 Spring Street Atlanta, GA 30303		22,150.00	22,006.97
Federation of American Controlled Shipping, 50 Broadway New York, NY 10004		644.03	644.03
Federation of American Health Systems, 1111 19th St., NW, #402 Washington, DC 20036		9,000.00	9,000.00
Federation of American Scientists, 307 Massachusetts Ave., NE Washington, DC 20002			2,138.09
Donald M. Fehr, 805 Third Ave. New York, NY 10022	Major League Baseball Players Assn		806.98
Scott Feierabend, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	1,316.82	
Feingerts & Kelly, PLC, Poydras Center, #2750 650 Poydras Street New Orleans, LA 70130-6161	Middle South Utilities, Inc		
Do	New Orleans Public Service, Inc		
Douglas J. Feith, 2300 M Street, NW—#600 Washington, DC 20037	International Advisers Inc (For:Embassy of Turkey)	4,950.00	3.30
Mark B. Feldman, 2300 M Street, NW—#600 Washington, DC 20037	International Advisers Inc	4,950.00	26.65
Kenneth E. Feltman, 927 15th St., NW, #1000 Washington, DC 20005	Employers Council on Flexible Compensation	200.00	
Karen S. Fennell, 1522 K St., NW, #1000 Washington, DC 20005	American College of Nurse-Midwives		
Randolph Fenninger, 1030 15th St., NW, #468 Washington, DC 20005	National Hemophilia Foundation		
Do	Samaritan Health Services		
Judith W. Fensterer, 242 E. 80th Street New York, NY 10021	Generic Pharmaceutical Industry Assn		
Fensterwald Alcorn & Vangellow, 2112C Gallows Road Vienna, VA 22180	Concerned Federal Railroad Administration Employees		
George F. Fenton Jr., 1920 N Street, NW Washington, DC 20036	American Mining Congress	180.00	
Edward T. Fergus, 100 Gold St. New York, NY 10292	Prudential-Bache Securities, Inc	750.00	
Betsy Ferguson, 1875 EYE Street, NW, #110 Washington, DC 20006	Times Mirror Co		
Denise G. Ferguson, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co		
Stephen L. Ferguson, CFC, Inc 405 N. Rogers St. Bloomington, IN 47401	Cook Group, Inc	2,725.00	100.00
John H. Ferman, 1050 20th Street Sacramento, CA 95816	California Assn of Hospitals & Health Systems	15,000.00	2,924.40
Gregory W. Ferraro, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	3,379.33	136.68
John L. Festa, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Fiber Fabric & Apparel Coalition for Trade, 1801 K Street, NW, #900 Washington, DC 20006		49,477.00	56,792.00
Fidelity Pacific Group L.P., 10 South Broadway Irvington-on-Hudson, NY 10533			71,010.73
Fred C. Fielding, 1725 Jefferson Davis Hwy, #900 Arlington, VA 22202	AM General Corporation		
Dallas N. Fields, 1448 Duke St., #1000 Alexandria, VA 22314	National Rural Letter Carriers Assn	32,105.00	
Donald L. Fierce, Fierce and Associates 600 New Hampshire Ave., NW #1010 Washington, DC 20037	A.L. Williams & Company	16,000.00	27.62
Do	Americans Against Unfair Gas Taxes	15,000.00	
Do	AB Hagglund & Soner	12,900.00	588.18
Do	Bollinger Machine Shop & Shipyard, Inc	14,850.00	321.04
Do	Pinnacle Data Corporation	11,250.00	
Do	SPAR Aerospace, Ltd	13,500.00	592.95
Richard G. Fifield, P.O. Box 11000 Montgomery, AL 36198	Alabama Farmers Federation	1,775.00	834.89
Marshall S. Filler, 1330 Connecticut Ave. NW Suite 250 Washington, DC 20036	Continental Airlines, Inc, et al	2,900.00	417.88
Do	Eastern Air Lines, Inc	2,320.00	
Do	Texas Air Corp		
Financial Institution Services Corp, 1667 K Street, NW, #777 Washington, DC 20006	Northeast Savings	26,200.17	13,682.69
William J. Finch, 403 East Sixth St. Bloomington, IN 47401	Cook Group, Inc	1,425.00	669.71
Joseph Findaro Jr., P.O. Box 61000 New Orleans, LA 70161	Entergy Services, Inc	1,512.56	40.40
David Fine, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp		1,267.00
Fine Geddie & Associates, 405 S. Hull Street Montgomery, AL 36104	Douglas Oil Co		
Lawrence A. Fineran, 1331 Pennsylvania Ave., NW, #1500 N Washington, DC 20004	National Assn of Manufacturers	125.00	
Matthew P. Fink, 1600 M St., NW Washington, DC 20036	Investment Company Institute		
Nelson L. Fink, 378 Valley Oak Court Waldorf, MD 20601-3500	Air Force Sergeants Assn, Inc		
Patricia M. Fink, 5410 Grosvenor Lane, #120 Bethesda, MD 20814	Mechanical Contractors Assn of America, Inc		
Ben Finkelstein, 1350 New York Ave., NW, #1100 Washington, DC 20005	Spiegel & McDiarmid (For:South Hadley Electric Light Department)		
Thomas D. Finnigan, 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Corp		
M. J. Fiocco, 1090 Vermont Ave., NW, #410 Washington, DC 20005	National Industrial Transportation League	6,500.00	66.00
Fire Equipment Manufacturers & Services Assn, Inc, 1776 Massachusetts Avenue, NW, #521 Washington, DC 20036			69.50
First National Bank of Boston, 100 Federal St. Boston, MA 02110			21,822.68
Richard L. Fischer, 1615 M St., NW, #200 Washington, DC 20036	Amoco Corporation		
Deborah A. Fischione, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange		
Carleton W. Fish, P.O. Box 35106 Minneapolis, MN 55435	American Collectors Assn	1,000.00	539.84
Madeline Fishel, 420 C Street, NE, 2nd Fl Washington, DC 20002	Trust for Public Land	1,800.48	1,909.11
Donald W. Fisher, 3814 Ivanhoe Lane Alexandria, VA 22310	American Group Practice Assn, Inc	739.00	
Gary K. Fisher, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron USA, Inc	1,025.00	
J. Paris Fisher, 1801 K St., NW, #800 Washington, DC 20006	Westinghouse Electric Corp	1,500.00	
Janet S. Fisher, 1333 New Hampshire Avenue, NW Washington, DC 20036	Arco Chemical Company	79.00	
William P. Fisher, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn		
Fisher Wayland Cooper & Leader, 1255 23rd Street, NW, #800 Washington, DC 20037-1125	International Communications Assn		
Charles L. Fishman, P.C., 1717 K Street, NW, #502 Washington, DC 20036	Westinghouse Corp/State of Alaska		
John Fitzgerald, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	1,333.86	24.75
Mary Clare Fitzgerald, 1155 21st Street, NW, #850 Washington, DC 20036	Secura Group	145,900.00	9,781.63
Thomas H. Fitzpatrick, Connecticut Petroleum Council 60 Washington Street, #908 Hartford, CT 06106	American Petroleum Institute	600.00	565.01
Alan M. Fitzwater, 3800 Continental Plaza 777 Main Street Fort Worth, TX 76102	Burlington Northern Railroad	25,000.00	2,136.44
Donald Fix, 2100 Pennsylvania Ave., NW, #710 Washington, DC 20037	Hyjek & Fix, Inc (For:Intermec Corporation)	3,375.00	575.64
Hilliard J. Fjord, 602 Main St., #600 Cincinnati, OH 45202	Ohio River Co	3,000.00	1,125.99
Susan G. Flack, 1320 19th St., NW, #400 Washington, DC 20036	Dayton Hudson Corp	100.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	National Assn of Chain Drug Stores, Inc	100.00	
Do	Flack, Inc (For:Spiegel, Inc)	300.00	
Robert B. Flagg, 3214 White Flint Ct. Oakton, VA 22124	Chemical Manfacturing Assn	750.00	1,054.18
Daniel V. Flanagan Jr., 12 Third Street, NE Washington, DC 20002	Flanagan Group, Inc (For:Dominion Resources, Inc)		
Do	Flanagan Group, Inc (For:Port of San Francisco)		
Do	Virginia Power		
Fleishman-Hillard, Inc, 1301 Connecticut Ave., NW, 7th Floor Washington, DC 20036	American Ambulance Assn	18,000.00	284.94
Do	Automotive Refrigeration Products Institute	39,000.00	3,151.55
Do	Centel Federal Systems	5,000.00	
Do	Citizens for a Drug Free America	47,500.00	1,122.32
Do	Coalition for Responsible Juice Companies c/o Apple & Eve	22,500.00	
Do	Coastal Barrier Relief Fund	21,000.00	51.97
Do	Eveready	14,000.00	
Do	Murdock International	1,667.50	
Do	National Spiritual Assembly of the Baha'is of the U.S.	18,225.00	1,225.00
Do	Pathology Practice Assn	24,000.00	214.26
Do	Processed Apples Institute		
Do	Spectacor Management Group	6,000.00	
Do	Syva Company	30,000.00	421.24
Do	United Network of Organ Sharing	18,000.00	2,572.62
Michael Fleming, 1300 N. 17th St., # 1010 Arlington, VA 22209	American Assn of Equipment Lessors		
Terry P. Fleming, Ohio Petroleum Council 88 E. Broad St., #1960 Columbus, OH 43215	American Petroleum Institute	1,000.00	1,169.27
Felipe M. Floresca, 67 Wall Street, #2509 New York, NY 10005			
Florida Business Associates, 1146 19th St., NW, #400 Washington, DC 20036-3703	MEDCO Containment	6,321.48	
Do	Westinghouse Electric Corp	6,118.94	
Ruth Flower, 245 Second Street, NE Washington, DC 20002	Friends Committee on National Legislation	4,904.19	
David H. Foerster, 1201 16th St., NW Washington, DC 20036	National Education Assn		
Joseph P. Foley, 206 G St., NE, #201 Washington, DC 20002	American Security Fence Corp		
Do	Coalition Against Noneffective Technologies		
Do	PolyPhaser Corp		
Foley & Lardner, 1775 Pennsylvania Avenue, NW, #1000 Washington, DC 20006-4680	American Red Cross		
Do	Aurora Health Care, Inc & Sinai Samaritan Medical Center,Inc		
Do	Central Bank of Tampa		
Do	Coldwell Banker Real Estate Group		
Do	Council of Community Blood Centers		
Do	Kohlberg Kravis Roberts & Co		
Do	United Savings of America		6.00
R. D. Folsom, 1440 New York Ave., NW, #320 Washington, DC 20005	Capital Legislative Services (For:Glaxo Inc)	3,750.00	71.00
Do	Capital Legislative Services (For:United States Tobacco)	3,000.00	
Food & Allied Service Trades Dept, AFL-CIO, 815 16th Street, NW, #408 Washington, DC 20006		17,232.00	17,232.00
Food Marketing Institute, 1750 K St., NW Washington, DC 20006			5,050.00
Foodservice & Packaging Institute, Inc, 1025 Connecticut Ave., NW Washington, DC 20036			
Mari S. Forbes, 1731 Connecticut Ave., NW Washington, DC 20009	Albers & Company (For:May Department Stores Co)		
David Ford, 1250 Connecticut Ave., NW, #200 Washington, DC 20036	National Forest Products Assn	1,500.00	
James E. Ford, 1333 New Hampshire Avenue, NW Washington, DC 20036	Atlantic Richfield Co		
Forest Farmers Assn, P.O. Box 95385 Atlanta, GA 30347			8,461.57
Mark A. Forman, 8th & Eaton Avenues Bethlehem, PA 18018	Union Pacific Corp	1,250.00	
Sallie H. Forman, 1331 Pennsylvania, NW, #700-South Washington, DC 20004	National Broadcasting Co, Inc	700.00	
James R. Forrester, P.O. Box 94661 Cleveland, OH 44101	Centerior Energy Corp, et al	1,436.54	2,604.60
Larry Forrester, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos		
Fort and Schlefer, 1401 New York Ave., NW, #1200 Washington, DC 20005-2187	Bollinger Machine Shop & Shipyard, Inc		
Alison B. Fortier, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International	19,900.00	264.75
Richard D. Fortin, 1275 K Street, NW, #850 Washington, DC 20005-4006	National Industrial Transportation League		
Richard C. Fortuna, 1440 New York Ave., NW, #310 Washington, DC 20005	Hazardous Waste Treatment Council	750.00	375.00
Maria Foscarinis, 1439 Rhode Island Avenue, NW Washington, DC 20005	National Law Center on Homelessness and Poverty	500.00	
Bruce Foster, 1111 19th Street, NW, #303 Washington, DC 20036	Southern California Edison Co	4,881.00	1,500.00
Nancy E. Foster, 1300 L Street, NW, Suite 950 Washington, DC 20005-4107	American Soybean Association	1,080.00	224.66
Donald L. Fowler, P.O. Box 50627 Columbia, SC 29250	Ambase		20,804.02
Do	Chem-Nuclear Systems		1,935.19
Do	Giant Cement Company		1,826.52
Do	Providence Hospital		381.80
Fox Group, USA Ltd, P.O. Box 1831 Charleston, SC 29402	Camp Barsh Bates & Tate (for Sears Roebuck & Co), et al	6,000.00	
John R. Frahm, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	3,000.00	
Jacob Fraire, 1010 Vermont Ave., NW, #1100 Washington, DC 20005	Bank of Horton	1,950.00	
Do	Bank One	625.00	
Do	California Student Aid Commission	2,375.00	
Do	Colorado Student Loan Program	4,500.00	
Do	Fame	4,500.00	
Do	Illinois State Scholarship Commission	1,237.50	
Do	Just Kids	2,250.00	
Do	Nebraska Higher Education Loan Program, Inc	1,125.00	
Do	Nebraska Student Loan Program		
Do	Texas Guaranteed Student Loan Corp	1,350.00	
Do	Union Bank		
Douglas L. Francisco, 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		62.00
Anthony M. Franco, Inc, 400 Renaissance Center, #600 Detroit, MI 48243	Madison Public Affairs Group, Inc (for Philip Morris, USA)	15,000.00	
Peter M. Frank, 1667 K St., NW, #250 Washington, DC 20006	Kerr-McGee Corp	2,500.00	
Richard L. Frank, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Olsson Frank & Weeda (For:Ad Hoc Pizza Standard Rulemaking Group)		
Stephen R. Frank, 607 Azure Hills Drive Simi Valley, CA 93065	Calcitek	4,000.00	1,439.56
Do	Eagle Group (For:Design Systems, Inc)		
Do	Eagle Group (For:Tailored Baby, Inc)	1,500.00	
Faye B. Frankfort, 9312 Old Georgetown Road Bethesda, MD 20814-1621	American Podiatric Medical Assn	4,000.00	
David C. Frankil, 918 16th Street, NW, #402 Washington, DC 20006	American Furniture Manufacturers Assn	750.00	487.41
Walter L. Frankland Jr., 1717 K St., NW Washington, DC 20006	Silver Users Assn, Inc	1,613.64	25.00
Ellis B. Franklin, 5025 Wisconsin Ave., NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Kevin Frankovich, 1350 New York Ave., NW, #200 Washington, DC 20005	Contract Services Assn		7.40
Thomas C. Franks, 1220 L St., NW, #510 Washington, DC 20005	American Resort & Residential Development Assn	1,500.00	156.79
John B. Franz, P.O. Box 10568 Pompano Beach, FL 33061-6568			
Marian C. Franz, 2121 Decatur Place, NW Washington, DC 20008	National Campaign for a Peace Tax Fund	825.00	366.20
Fraternal Order of Police, Legislative Committee, 2100 Gardiner Lane Louisville, KY 40205			569.71
Charles L. Frazier, 475 L'Enfant Plaza, SW, #2250 Washington, DC 20024	National Farmers Organization	4,333.00	3,546.00
Robert M. Frederick, 1616 H St., NW Washington, DC 20006	National Grange	6,000.00	
John S. Fredericksen, 1101 Connecticut Ave., NW, #700 Washington, DC 20036	Regional Airline Association	1,000.00	
Free the Eagle, 25 E Street, NW, 8th Floor Washington, DC 20001		10,294.02	173,929.83
Free Iran Coalition, P.O. Box 65192 Washington, DC 20035-5192			
Joel Freedman, 1600 M St., NW, 5th Floor Washington, DC 20036	Hartford Fire Insurance Co	10,000.00	
James O. Freeman, 324 9th Street, SE Washington, DC 20003	U.S. League of Savings Institutions		
James T. Freeman, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	1,069.00	
Lewis R. Freeman Jr., 1275 K Street, NW, #400 Washington, DC 20005	Society of the Plastics Industry, Inc		
David W. Freer, 1150 Connecticut Ave., NW, #717 Washington, DC 20036	Southern California Gas Co	5,000.00	
Paula D. Freer, 818 Connecticut Avenue, NW, #900 Washington, DC 20006	USX Corp		
Verrick O. French, French & Company 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004	French & Company (For:BATUS, Inc)	1,275.00	
French & Company, 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004	Batus, Inc	1,925.00	
Do	International Electronics Mfgrs & Consumers of America, Inc	1,750.00	
Do	Montgomery Ward & Co, Inc	1,800.00	
Do	Wheels, Inc	775.00	
Annette P. Fribourg, 3900 Wisconsin Ave., NW Washington, DC 20016	Federal National Mortgage Assn	28,423.00	452.57
Ronald A. Fried, 888 17th Street, NW, #900 Washington, DC 20006	Holland & Knight (For:Hialeah Hospital)		
Do	Holland & Knight (For:St. Johns Home Health)	2,000.00	
Fried Frank Harris Shriver & Jacobson, 1001 Pennsylvania Ave., NW, #800 Washington, DC 20004	Forstmann-Little & Co		
Do	General Electric Co		
Do	Lonza, Inc	2,346.12	186.86
Do	Virgin Islands Rum Industries, Ltd		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Philip P. Friedlander Jr., 1250 Eye Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn		
James M. Friedman, 1100 Citizens Bldg. Cleveland, OH 44114	Centerior Energy	51,059.00	1,015.66
Do	Coalition for Environmental-Energy Balance	18,345.00	947.78
Do	Reese Communications Cos (for: Philip Morris, USA)	750.00	
Friends of the Columbia Gorge, 319 SW Washington, #420 Portland, OR 97204			31,389.42
Friends Committee on National Legislation, 245 2nd St., NE Washington, DC 20002			11.00
Ellen Frishberg, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	3,900.00	
Edward O. Fritts, 1771 N Street Washington, DC 20036	National Assn of Broadcasters	2,500.00	
Charles H. Fritzel, 499 S. Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	400.00	720.00
Jeffrey Fritzlen, 555 13th Street, NW, #450-W Columbia Square Washington, DC 20004	Union Pacific Corp	12,500.00	556.60
Marcy Masters Frosh, 2030 M Street, NW Washington, DC 20036	Common Cause	6,117.48	
Gordon H. Fry, 1111 19th Street, NW, #900 Washington, DC 20036	Edison Electric Institute		
Fulbright & Jaworski, 1150 Connecticut Ave., NW, #400 Washington, DC 20036	Federal Home Loan Bank Board of Dallas	7,475.00	47.50
Nancy R. Fulco, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce	8,223.00	188.50
Don Fuqua, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	2,950.00	
Futures Industry Assn, Inc, 1825 Eye Street, NW, #1040 Washington, DC 20006			
David H. Fyock, 600 Maryland Ave., SW, #520 Washington, DC 20024	GPU Service Corporation		
FMR Group, Inc, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Gas Taxes	90,000.00	75,491.00
Do	National Coalition of Burn Center Hospitals	7,500.00	6,244.18
Eric Keith Gabrielle, P.O. Box 12532 Gainsville, FL 32604			
James E. Gaffigan, 1201 New York Ave., NW Washington, DC 20005	American Hotel & Motel Assn	2,650.00	
William C. Gager, 6849 Old Dominion Dr., #352 McLean, VA 22101	Automotive Parts Rebuilders Assn		
Janne G. Gallagher, 3373 Rittenhouse Street, NW Washington, DC 20015	Human Services Forum on Government Relations	266.00	12.70
Galland Kharasch Morse & Garfinkle, P.C., 1054 31st Street, NW Second Floor Washington, DC 20007	Air Jamaica, Ltd	59,202.30	10,656.66
Do	South Africa Sugar Association	3,460.00	396.66
Karl Gallant, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	3,900.00	362.25
Mark Gallant, 40 Ivy Street, SE Washington, DC 20003	National Lumber & Building Material Dealers Assn	4,500.00	
Galvin Fox & Palmer, 425 Park Avenue New York, NY 10022	Herman's Sporting Goods, Inc		
Do	Voyager International, Inc		
Bruce Gamble, 122 C St., NW, #580 Washington, DC 20001	National Bankers Assn		486.06
Cheryl Gannon, 2000 K Street, NW Washington, DC 20006	National Committee to Preserve Social Security and Medicare	3,029.00	32.00
John B. Gantt, 2000 Pennsylvania Ave., NW, #900 Washington, DC 20006	Associated Aviation Underwriters		
Nicole Gara, 950 North Washington Street Alexandria, VA 22314	American Academy of Physician Assistants		
Isabella Garcia, 1201 16th St., NW, #624 Washington, DC 20036	National Education Assn	2,655.40	30.00
Raymond Garcia, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International Corp	3,000.00	51.08
Gardner Carton & Douglas, 1001 Pennsylvania Ave, NW, #750-N Washington, DC 20004	Alamo Rent-A-Car, Inc		
Do	Andrew Corp	3,800.00	7.25
Do	Ansell, Inc	300.00	
Do	Midcon Corp		
Do	Minnesota Mining and Manufacturing Company		
Nancy Garland, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Theodore J. Garrish, 11 Canal Center Plaza, #250 Alexandria, VA 22314	Flanagan Group, Inc (For:American Nuclear Energy Council)		
Do	Flanagan Group, Inc (For:California Desert Coalition)	650.00	
Do	National Outdoor Coalition	650.00	
John C. Gartland, 214 Massachusetts Ave., NE, #210 Washington, DC 20002	Amway Corp	8,250.00	
Ann Lakin Garver, 600 Pennsylvania Ave., SE, #211 Washington, DC 20003	National Assn of Casualty and Surety Agents	1,500.00	
Garvey Schubert & Barer, 1000 Potomac St., NW Washington, DC 20007	American Iron & Steel Institute	29,298.56	
Do	Canadian Embassy	6,156.75	
Do	City of Aberdeen	21,206.25	
Do	Early Winters Resorts, Inc	3,111.00	
Do	J & B Management Company	6,612.81	
Do	Ministry of the Environment	11,190.27	
Do	Province of Manitoba Department of Natural Resources	1,545.61	
Do	Space Industries, Inc	2,320.00	
Do	Totem Ocean Trailer Express, Inc	28,251.86	
Do	Washington Citizens for World Trade	43,204.50	
Gas Appliance Manufacturers Assn, Inc, 1901 North Moore Street Arlington, VA 22209			
Lillian B. Gaskin, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Philip Gasteyer, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	2,000.00	
Bruce A. Gates, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Fred Gebler, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004	Electronic Data Systems Corp	76.00	
Craig Gehrke, 1400 Eye Street, NW Washington, DC 20005	Wilderness Society	1,549.60	244.00
Ruthann Geib, 1156 15th Street, NW, #1020 Washington, DC 20005	American Sugarbeet Growers Assn		
Robert C. Gelardi, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)		
Do	Robert H. Kellen Co (For:Infant Formula Council)		
Morton A. Geller, Corporate Tax Department 100 Federal Street Boston, MA 02110	First National Bank of Boston		
General Aviation Manufacturers Association, 1400 K Street, NW, #801 Washington, DC 20005			12,076.00
General Instrument Corporation, 767 Fifth Avenue New York, NY 10153		2,675.00	167.60
Generic Pharmaceutical Industry Assn, 200 Madison Ave., #2404 New York, NY 10016		8,081.79	8,081.79
Diane J. Generous, 1331 Pennsylvania Ave., NW, #1500 North Washington, DC 20004-1703	National Assn of Manufacturers		
John Gentille, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Jawad F. George, 2033 M Street, NW, #300 Washington, DC 20036	National Assn of Arab Americans	3,499.99	93.75
Nancy Whorton George, 555 13th Street, NW, #1010 E Washington, DC 20004-1109	Natural Gas Alliance for the Generation of Electricity	5,000.00	
Do	Transco, Inc	2,000.00	
George W. Gephart, P.O. Box 1475 Baltimore, MD 21203	Baltimore Gas & Electric Co	203.51	1,735.49
Joseph G. Gerard, 918 16th St., NW, #402 Washington, DC 20006	American Furniture Manufacturers Assn	1,500.00	1,266.61
Gerard Byler & Associates, 1155 Conn. Ave., NW, #300 Washington, DC 20036	Santa Clara Indian Pueblo	346.50	
Gerard Byler & Associates, Inc, 1155 Conn., Ave., NW, #300 Washington, DC 20036	Commissioned Officers Assn of the U.S. Public Health Service	150.00	
Do	Havasupai Tribal Council	396.00	
Do	Leech Lake Reservation Business Committee	263.25	
Do	San Carlos Apache Tribe	414.25	
Do	Saulte Ste Marie Tribe of Chippewa Indians	405.00	
Do	Siletz Tribal Council	248.60	
Do	Tohono O'odham Nation		
Do	Tulalip Tribes	990.10	
Do	White Earth Tribal Council	453.00	
Ted P. Gerarden, 1275 K Street, NW, #850 Washington, DC 20005	Donelan Cleary Wood & Maser (For:Cascade Natural Gas Corp)		
Louis Gerber, 1925 K St., NW Washington, DC 20006	Communications Workers of America	6,927.09	117.35
Gerico, Inc. 12520 Grant Drive Box 33755 Denver, CO 80233		1,150.00	1,150.00
Matthew Gerson, 1600 Eye Street, NW Washington, DC 20006	Motion Picture Assn of America, Inc	2,336.00	543.80
Gerst Heffner Foldes & Podgorsky, 1700 K Street, NW, #1107 Washington, DC 20006	Local Railroad Coalition		
Kenneth Gersten, 1116-C West Street Annapolis, MD 21401	Sierra Club	358.00	
Alvin J. Geske, 1016 16th St., NW, 6th Floor Washington, DC 20036	Benchmarks, Inc	1,000.00	6.60
Do	Grupo Industrial Alfa, SA		
Dorothy F. Gevinson, 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	40.00	
Danny Ghorbani, 8014 Falstaff Road McLean, VA 22102	Association for Regulatory Reform	2,000.00	673.00
Clair Ghylin, 1700 K Street NW, #1200 Washington, DC 20006	Chevron USA, Inc	7,500.00	
William C. Gibb, 1050 Thomas Jefferson St., NW, 6th Fl Washington, DC 20007	Providential Home Inc. Plan		
William T. Gibb, 1001 Pennsylvania Ave., NW9 Washington, DC 20004	American Council of Life Insurance, Inc	2,000.00	
Wayne Gibbens, 1919 Pennsylvania Ave., NW, #503 Washington, DC 20006	Mid-Continent Oil & Gas Assn		
Anne Marie Gibbons, Third Floor 2301 M Street, NW Washington, DC 20037	American Public Power Assn	1,500.00	
William L. Gifford, 100 Interpace Parkway Parsippany, NJ 07054	GPU Service Corporation		
Lucie Kriste Gikovich, 866 Second Avenue New York, NY 10017	Watts & Company Communications, Inc	25,000.00	
Robert C. Gilardi, 1235 Jefferson Davis Highway Crystal Gateway #1, Suite 501 Arlington, VA 22202	Compressed Gas Assn/Heliun Advisory Council		
Pamela Gilbert, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	5,538.48	
Richard Gilbert, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	1,222.00	
James E. Gilchrist, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Michael Gildea, 815 16th St., NW #309 Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,624.53	
Mary E. Gill, 200 West Adams Street, #2625 Chicago, IL 60606	Sonnenberg Anderson O'Donnell & Rodriguez (For:Aplix, Inc)		
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:Silvestri Corp)	708.00	39.00
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:Trek Bicycle Corp)	552.00	12.00
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:THK America, Inc)		
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:West Bend Company)	72.00	5.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Mary Ann Gilleece, Lepon McCarthy Jutkowitz & Holzworth 1146 19th Street, NW, 3rd Floor Washington, DC 20036	Astra Holdings Corp	200.00	
Do	Bishop Cook Purcell & Reynolds	400.00	
Do	DynCorp	300.00	
Do	IPAC, Inc	400.00	
Do	Lepon McCarthy & Lutkowitz		
Neal P. Gillen, 1725 K Street, NW, #1210 Washington, DC 20006	American Cotton Shippers Assn	37,500.00	861.63
Annelise Gillespie, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,200.00	
Michael B. Gillett, 1425 N. 46th Street Seattle, WA 98103	Pacific Lumber & Shipping Co	15,000.00	1,239.67
Daniel F. Gilligan, 1701 K Street, NW, #400 Washington, DC 20006	National Manufactured Housing Federation	1,000.00	
Brad Gilman, 1050 Thomas Jefferson Street, NW, 6th Fl Washington, DC 20007	Robertson Monagle & Eastaugh (For:Alaska Loggers Assn)		
Do	Robertson Monagle & Eastaugh (For:Aleutians East Borough)	7,500.00	
Do	Robertson Monagle & Eastaugh (For:Anchorage School District)	1,400.00	
Do	Robertson Monagle & Eastaugh (For:Bristol Bay Native Corp)	600.00	
Do	Robertson Monagle & Eastaugh (For:Coastal Coalition)	3,500.00	
Do	Robertson Monagle & Eastaugh (For:Municipality of Anchorage)	5,800.00	
Do	Robertson Monagle & Eastaugh (For:Puget Sound Cruiseship Alliance)	15,000.00	
Do	Robertson Monagle & Eastaugh (For:Reeve Aleutian Airways)	4,500.00	
Gilmartin Poster & Shafto, One William Street, 5th Floor New York, NY 10004	B & B Dredging Corp		723.00
Jim Gilmore, 1735 New York Avenue, NW, #500 Washington, DC 20006	Alaska Factory Trawler Assn	15,000.00	140.82
Ginn Edington Moore & Wade, 803 Prince Street Alexandria, VA 22314	Agusta Aviation Corp		
Do	Allied Signal Aerospace Co	4,200.00	27.25
Do	AB BOFORS	10,000.00	68.14
Do	Chrysler Corporation	10,000.00	71.55
Do	Citizens & Southern National Bank	3,200.00	20.44
Do	Equifax		
Do	Lockheed Corporation	10,000.00	64.74
Do	Oglethorpe Power Corp		
Do	Rockwell International Corp	12,000.00	81.77
Do	Turner Broadcasting System, Inc		
Do	U.S. Cane Sugar Refiners' Assn		
Do	Watkins Associated Industries, Inc		
Ginsburg Feldman & Bress, Chartered, 1250 Connecticut Ave., NW, #800 Washington, DC 20036	Chugai-Upjohn, Inc		
Do	United States Telephone Association	350.00	12.00
Gerard Giovaniello, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	691.08
Brenda M. Girton, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	570.00	22.00
Michael J. Giuffrida, 204 E Street, NE Washington, DC 20002	National Frozen Food Association	1,000.00	
Nicholas J. Glakas, 1600 M Street, NW Washington, DC 20036	ITT Corporation	33,750.00	93.00
Ronald R. Glancz, 901 15th Street, NW, #900 Washington, DC 20005	Drinker Biddle & Reath (For:National Union Fire Insurance Company)	2,500.00	
Donna Siss Gleason, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp		
Law Offices of Thos Gleason, 26 Broadway, 17th Floor New York, NY 10004	International Longshoremen's Assn, AFL-CIO		
Robert E. Gleason, 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	9,914.40	82.01
Donald R. Glenn, 1627 K Street, NW, #200 Washington, DC 20006	Energy Research Corp		
Martha Cole Glenn, 4637B S. 36th Street Arlington, VA 22206	Humane Society of the United States	5,093.00	247.73
Sara B. Glenn, 1100 Connecticut Ave., NW Washington, DC 20036	Mobil Corp	1,125.00	
Global USA, Inc, 2121 K St., NW, #650 Washington, DC 20037	All Nippon Airways Co, Ltd		
Do	Fanuc, Ltd		
Do	Hitachi, Ltd	36.05	
Do	Hyundai Motor America	60.09	
Do	Jackson Madison County General Hospital	108.16	
Do	Japan Fed of Construction Contractors, Inc	36.05	
Do	Komatsu Ltd	96.15	
Do	Kyocera Corporation		
Do	Mazak Corporation	108.17	
Do	Murata Machinery, Ltd	144.22	
Do	Sisters of Charity of the Incarnate Word		
Do	South Louisiana Port Commission		
Do	Teco Transport & Trade Corp		
Law Offices of Alan M. Gnessin, 1220 19th Street, NW, #400 Washington, DC 20036	CHP		
Do	Family Health Plan, Inc		
Stephanie R. Godley, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc	1,000.00	50.00
James W. Godlove, 1825 K Street, NW, #1107 Washington, DC 20006	Phillips Petroleum Co	1,050.00	20.69
Kevin C. Goebel, 2054 University Avenue, #500 Berkeley, CA 94704	Americans for Nonsmokers' Rights	446.00	
Judith M. Goff, 375 Jackson Street St. Paul, MN 55101	Farm Credit Services	630.00	340.80
Kerry J. Goforth, 725 15th Street, NW, #500 Washington, DC 20005	National Grain & Feed Assn		
A. James Golato, 2300 M St., NW, #800 Washington, DC 20037	H&R Block, Inc		
Harvey S. Gold, 8100 Oak Street Dunn Loring, VA 22027	National Pest Control Assn		
Gold & Liebengood, Inc, 1455 Pennsylvania Ave., NW, #950 Washington, DC 20004	Alaska Loggers Assn		1,437.00
Do	American Academy of Ophthalmology	7,700.00	1,837.00
Do	American Medical Assn	19,500.00	1,837.00
Do	American Resort and Development Association	1,400.00	1,740.00
Do	Bausch and Lomb	1,500.00	1,437.00
Do	Beretta U.S.A. Corp	5,620.00	1,837.00
Do	BAA plc	2,400.00	1,837.00
Do	Camp Barsh Bates & Tate	183.00	1,670.00
Do	Chemical Manufacturers Assn, Inc	4,418.00	1,837.00
Do	College of American Pathologists	3,333.00	1,837.00
Do	Electronic Data Systems Corp	6,835.00	1,833.00
Do	Energy Research Corp	16,800.00	1,837.00
Do	Equitable Life Assurance Society of the U.S.	25,000.00	1,837.00
Do	Eye Bank Assn of America	1,250.00	1,641.00
Do	Federal Express Corp		1,437.00
Do	Federated Investors, Inc	7,500.00	1,729.00
Do	Fiat, USA	36,000.00	1,837.00
Do	Ford Motor Co	3,271.00	1,622.00
Do	Fort Howard Corporation	1,125.00	1,456.00
Do	Georgia Power Company		478.00
Do	Hopi Tribe	60,000.00	1,437.00
Do	International Committee of Passenger Lines	6,000.00	1,545.00
Do	Investment Company Institute	1,468.00	1,664.00
Do	J & B Management Co	8,062.00	1,631.00
Do	Martin Marietta Corp	356.00	1,437.00
Do	MCI Communications Corp	11,700.00	1,837.00
Do	National Business Aircraft Assn, Inc	1,200.00	1,837.00
Do	National Cattlemen's Assn	469.00	1,837.00
Do	National Football League	4,260.00	1,826.00
Do	National Restaurant Assn	15,750.00	1,837.00
Do	National School Transportation Assn	7,000.00	1,724.00
Do	Pacific Enterprises	9,900.00	1,837.00
Do	Pennzoil Co	2,000.00	1,837.00
Do	Philip Morris Company	30,000.00	1,837.00
Do	Phillips Petroleum Co	7,500.00	1,837.00
Do	Public Securities Assn	6,000.00	1,837.00
Do	Salomon Brothers, Inc	6,000.00	1,837.00
Do	Thomson-CSF, Inc	8,000.00	1,837.00
Do	Ticor Title Insurance Co	2,000.00	1,437.00
Do	Times Mirror Co	3,300.00	1,837.00
Do	Washington Metropolitan Area Transit Authority	34,875.00	1,437.00
Gold Fields Operating Co-Mesquite, HCR 76, Glamis 100 Brawley, CA 92227	Alpha Lyracom d/b/a Pan American Satellite	405.00	
Goldberg & Spector, 1229 19th St., NW Washington, DC 20036	Washington Independent Writers, Inc		
Ronald L. Goldfarb, Goldfarb & Singer 918 16th Street, NW, #503 Washington, DC 20003	Swidler & Berlin (For:Ferroalloys Association)		
H.P. Goldfield, 3000 K St., NW, #300 Washington, DC 20007	Texaco, Inc		3,050.00
Max Goldman, 1050 17th Street, NW, #500 Washington, DC 20036			
Goldman Sachs & Co, 1825 Eye St., NW, #450 Washington, DC 20006			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Janice Goldman-Carter, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	2,070.04	
Robert H. Goldsborough, 5508 Lombardy Place Baltimore, MD 21210	Americans for Immigration Control, Inc	6,600.00	
William Gonnelly, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers' International Association	15,000.00	
John A. Gonzalez, 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	5,000.00	2,565.92
David R. Goode, 8 N. Jefferson Street Roanoke, VA 24042	Norfolk Southern Corp		
Alan Goodfader, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Company, Inc)		
Do	Murphy & Demory, Ltd (For:Prodigy Services Corportion)		
Richard F. Goodstein, 1150 Connecticut Avenue, NW, #500 Washington, DC 20036	Browning-Ferris Industries, Inc	1,500.00	407.78
Robert F. Goodwin, 1850 K St., NW, Suite 275 Washington, DC 20006	Meredith Corp	25.00	32.00
Linda Goold, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	218.29
John Gordley, 1150 Connecticut Avenue, NW, #507 Washington, DC 20036	Hill & Knowlton, Inc (for Nebraska Wheat Board)	28,500.00	3,109.43
Do	Iowa Pork Producers Assn	4,500.00	254.50
Do	National Sunflower Assn	24,000.00	1,804.87
Do	Nebraska Wheat Board	28,500.00	3,109.43
Do	Renewable Fuels Assn	10,500.00	544.16
Do	U.S. Canola Association	12,500.01	3,288.96
Mary S. Gordon, 600 Maryland Ave, SW, #607 Washington, DC 20024	Northern Telecom, Inc		1,425.00
Randall C. Gordon, 725 15th Street, NW Washington, DC 20005	National Grain & Feed Assn		
John C. Gore, 1776 Eye Street NW Suite 1000 Washington, DC 20006	BP America, Inc		
Millicent Gorham, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
David W. Gorman, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	18,642.40	381.63
Mark S. Gorman, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
James D. Gormley, 1400 K Street, NW, #801 Washington, DC 20005	General Aviation Manufacturers Association	1,962.00	
Ann M. Gosier, 1920 N St., NW Washington, DC 20036	American Mining Congress	15.00	6.00
Deborah Gottheil, 812 L N. Kalaheo Avenue Kailua, HI 96734	Artic Slope Regional Corp		
Margaret A. Gottlieb, 1101 17th Street, NW, #900 Washington, DC 20036	Direct Marketing Assn		
John T. Gould Jr., 475 Park Ave. South New York, NY 10016	Soap & Detergent Assn		
Government Strategies, Inc, 1712 Walnut Street,#300 Philadelphia, PA 19103	Lukens, Inc	13,543.76	8,251.10
Emerson F. Gower Jr., 411 Fayetteville St. Mall, #1925 Raleigh, NC 27601	Carolina Power & Light Co	10,493.00	1,142.00
Edmund Graber, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	3,000.00	500.00
James E. Graf II, 555 13th Street NW, #480 W. Washington, DC 20004-1109	Contel Corp	9,000.00	25.00
John R. Graff, 4230 King Street Alexandria, VA 22302	International Assn of Amusement Parks & Attractions	100.00	240.00
David W. Graham, 1776 Eye Street, NW, Ste. 575 Washington, DC 20006	Dow Chemical USA		5,540.00
Elaine Z. Graham, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Lawrence T. Graham, 1401 New York Avenue, NW, #400 Washington, DC 20005	National Food Processors Assn	500.00	100.00
Graham & James, 2000 M Street, NW, #700 Washington, DC 20036	Contact Lens Manufacturers Assn	147.56	
Frances Turk Granahan, 1025 Connecticut Avenue, NW, #404 Washington, DC 20036	Panhandle Eastern Corporation		328.65
Grange Mutual Casualty Co, 650 South Front Street Columbus, OH 43206			
Grant Thornton, 1850 M St., NW, #300 Washington, DC 20036			
James L. Granum, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Andrew N. Grass Jr., One World Trade Center, #4511 New York, NY 10048	National Security Traders Assn, Inc	2,000.00	
Carol J. Gray, 1001 Pennsylvania Ave., NW Washington, DC 20004-2599	American Council of Life Insurance	2,700.00	
David C. Gray, 3728 Kanawha Street, NW, Washington, DC 20015	American Camping Association	300.00	
Do	Portsmouth-Kittery Armed Services Committee, Inc		
James A. Gray, 7901 Westpark Dr. McLean, VA 22102	National Machine Tool Builders' Assn	2,250.00	25.00
Robert K. Gray, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Budd Company)		
Do	Hill and Knowlton, Inc (For:Church of Scientology International)		
Do	Hill & Knowlton, Inc (For:First American Bank, N.A.)		
Do	Hill & Knowlton, Inc		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)		
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)		
Do	Hill & Knowlton, Inc (For:Tesoro Petroleum Corp)		
Do	Hill & Knowlton, Inc (For:Tobacco Institute)		
Mary R. Grealy, 1111 19th Street, NW, #402 Washington, DC 20036	Federation of American Health Systems	1,500.00	
Greater Wash/MD Service Station & Automotive Repair Assn, 9420 Annapolis Rd., #307 Lanham, MD 20706		500.00	500.00
Greater Washington Board of Trade, c/o Ellie Weilenmann 1129 20th Street, NW, #200 Washington, DC 20036			
James R. Greco, P.O. Box 3151 Houston, TX 77253	Browning-Ferris Industries, Inc		
Ed Greelegs, 3900 Wisconsin Ave., NW Washington, DC 20016	Federal National Mortgage Assn (Fannie Mae)	3,269.23	31.70
Donald R. Greeley, 919 18th St., NW, #700 Washington, DC 20006	Hoechst Celanese Corp	4,000.00	240.81
Edward M. Green, 1920 N St., NW Washington, DC 20036	American Mining Congress		
George R. Green, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	450.00	
Gretchen Green, 1000 Connecticut Ave, NW Washington, DC 20036	Japan Economic Institute of America	500.00	
John K. Green, 800 American Charter Center 1623 Farnam St. Omaha, NE 68102-2130	Papillion-Lavista School District	570.00	49.95
Micah S. Green, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	1,019.09
Robert H. Green, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	1,536.78
Wayne Green, Enterprises, Inc Route 202 North Peterborough, NH 03458	73, Inc		
Judith M. Greenberg, 1825 I Street, NW, #400 Washington, DC 20006	Miller & Steuart (For:Coastal Corporation)		
Do	Miller & Steuart (For:E.R. Squibb and Sons, Inc)		
Fred Greene, 3434 Pinetree Terrace Falls Church, VA 22041	Denny Miller Associates	2,500.00	
H. Thomas Greene, 412 1st St., SE Washington, DC 20003	National Automobile Dealers Assn	10,000.00	
Suzanne Greenfield, 2030 M Street, NW Washington, DC 20036	Common Cause	3,484.86	135.89
Lynn Greenwalt, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	82.74	
Greenwich Capital Markets, Inc, 600 Steamboat Road Greenwich, CT 06830-7149		1,750.00	496.00
Arthur J. Gregg, 7736 Rockledge Court Springfield, VA 22152	Cable TV Assn of MD, DE & DC	11,875.00	
Sarah Massengale Gregg, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
John D. Gregory, P.O. Box 12458 Columbia, SC 29211	Norfolk Southern Corp		
Gregory Company, 2300 N Street, NW, #600 Washington, DC 20037	T. Ramirez & Co, Inc	4,500.00	126.06
William G. Greif, 1155 15th St., NW Washington, DC 20005	Bristol-Myers Co	25,000.00	
Greyhound Lines, Inc, 1101 14th Street, NW, #1201 Washington, DC 20005			48,000.00
David J. Gribbin IV, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Federation of Independent Business (NFIB)	3,401.00	200.00
Jeffrey J. Grieco, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy, Inc)	10,000.00	
Do	Murphy & Demory, Ltd (For:Korea Tacoma Marine Industries, Ltd)	3,000.00	
Do	Murphy & Demory, Ltd (For:Tridec Westinghouse)		
Ellen Griffee, 1413 K Street, NW, 10th Fl. Washington, DC 20005	Association of Science-Technology Centers	9,775.00	136.02
Robert T. Griffin, 1100 Connecticut Ave., NW, #900 Washington, DC 20035	Chrysler Corporation		
Griffin Johnson & Associates, 1211 Connecticut Ave., NW, #700 Washington, DC 20036	Air Transport Assn of America	600.00	18.00
Do	American Assn of Airport Executives		
Do	American Insurance Assn		
Do	American Petroleum Institute	800.00	24.00
Do	American Psychological Assn	2,400.00	72.00
Do	Arthur Andersen & Co		
Do	Blue Cross & Blue Shield Association	1,200.00	36.00
Do	Camp Barsh Bates & Tate		
Do	CBS, Inc	1,600.00	48.00
Do	COMSAT Corp	400.00	12.00
Do	Grumman Corporation	2,000.00	60.00
Do	McCaw Communications Cos	2,200.00	66.00
Do	Merck & Co, Inc		
Do	Motorcycle Industry Council	400.00	12.00
Do	Outdoor Advertising Assn of America		
Do	Pharmaceutical Manufacturers Assn	200.00	6.00
Do	Puyallup Tribe of Indians	600.00	18.00
Do	Specialty Vehicle Institute of America	400.00	12.00
Do	Tobacco Institute	800.00	24.00
Do	United Cable Television Corp	200.00	6.00
Edward D. Griffith, 3801 West Chester Pike Newtown Square, PA 19073	ARCO Chemical Co	400.00	
Gary E. Griffith, 3209 Mockingbird Lane Dallas, TX 75205	EPIC Healthcare Group	2,000.00	764.18
A. Jack Grimes, 8100 Oak Street Dunn Loring, VA 22027	National Pest Control Assn		
Craig N. Grimm, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Norman E. Grimm Jr., 12600 Fair Lakes Circle Fairfax, VA 22033-4904	AAA Potomac		
Olga Grkavac, 1300 North 17th St., #300 Arlington, VA 22209	ADAPSO, the Computer Software & Services Industry Assn		
Mark W. Grobmyer, P.O. Box 70 Little Rock, AR 72203	Arnold Grobmyer & Haley (For:Arkansas Assn of Securities Dealers)		
Do	Arnold Grobmyer & Haley (For:Mid-South International Trade Assn)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Grocery Manufacturers of America, Inc, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007			
James N. Groninger, 1101 16th Street, NW Washington, DC 20036	Independent Petroleum Assn of America		592.11
Beverly Bennett Groom, 1001 Pennsylvania Ave., NW Washington, DC 20006	American Council of Life Insurance, Inc	2,500.00	
Groom & Nordberg, Chtd, 1701 Pennsylvania Avenue, NW, #1200 Washington, DC 20006	Ad Hoc MGA Group		
Do	Ad Hoc PFIC Group		
Do	American Petroleum Institute		
Do	Chevron Corp	1,000.00	70.00
Do	Eli Lilly & Company		
Do	Goldman Sachs & Co		
Do	Murphy Oil USA, Inc	300.00	50.00
Do	Nebraska Public Power District	500.00	75.00
Do	New York City Teachers Retirement System		
Do	Phillips Petroleum Co		
Do	Physicians Mutual Insurance Co	200.00	25.00
Do	Principal Financial Group		
Do	Prudential Insurance Co of America	2,000.00	200.00
Do	Prudential-Bache Securities, Inc		
Do	Puerto Rico, USA Foundation		
Do	Reading & Bates Corporation		
Do	Southern California Edison Co	500.00	75.00
Do	True Oil Company	1,000.00	100.00
Do	Union Texas Petroleum Corp		
Do	Westinghouse Electric Corp	500.00	75.00
George Gross, 1211 Connecticut Ave., NW, #406 Washington, DC 20036	Magazine Publishers of America	5,000.00	
Steven A. Grossman, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:Gerber Products Corp)	460.00	
Do	Hill Knowlton (For:Nintendo of America, Inc)	805.00	
Page Groton, 400 First Street, NW, #814 Washington, DC 20001	International Brotherhood of Boilermakers	298.00	
Walter B. Grubbs, P.O. Box 841 Abilene, TX 79604	West Texas Utilities Co		
John T. Grupenhoff, 6410 Rockledge Drive, #203 Bethesda, MD 20817	American Academy of Dermatology	1,500.00	125.00
Do	American Academy of Otolaryngology-Head & Neck Surgery	1,100.00	125.00
Do	American Soc of Clinical Oncology	975.00	156.70
Do	Association of American Cancer Institutes	1,925.00	146.70
Do	Cooley's Anemia Foundation	310.00	161.40
Gerald M. Guarilia, 70 North Main Street Wilkes-Barre, PA 18711	Blue Cross of Northeastern Pennsylvania		
Carlos A. Guerra, 7227 North 16th Street Phoenix, AZ 85020	Giant Industries, Inc		
Gene Guerrero, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union		
Mary Scott Guest, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Marketing Service International, Inc		
Do	O'Connor & Hannan (For:Blanchfield & Moore)	1,900.00	
Do	Dillon Read & Co, Inc		
Do	Michigan State Housing Development Authority		
Do	Morris Communications	11,400.00	
Do	Naegle Outdoor Advertising	1,700.00	
Do	O'Connor & Hannan	25,000.00	
Do	Paine Webber Group, Inc		
Do	Riverton Investment Corp		
Do	Simpson Thacher & Bartlett (for Sol Goldman Estate)	20,500.00	
Clark J. Guild Jr., Guild & Hagen, Ltd 100 West Liberty St., #800 Reno, NV 89501	Motion Picture Assn of America, Inc		
Shannon P. Guiney, 555 13th Street, NW, #1010 East Washington, DC 20004-1109	Sun Company, Inc	1,003.00	509.43
James E. Guirard Jr., 1730 Rhode Island Avenue, NW, #419-19 Washington, DC 20036	BASF Chemicals Corp	3,000.00	160.00
Do	KMS Fusion, Inc	1,050.00	70.00
Do	Walk-Haydel & Associates, Inc		
Lewis Gulick, 1911 Ft. Myer Drive, #702 Arlington, VA 22209	TCR Services, Inc	5,000.00	
Gun Owners of America, Inc, 8001 Forbes Place Springfield, VA 22151		193,774.30	204,634.29
Richard E. Gutting Jr., 2000 M St., NW, #580 Washington, DC 20036	National Fisheries Institute	6,000.00	78.68
Alvin M. Guttman, 1924 N Street, NW Washington, DC 20036	Towing & Recovery Assn of America, Inc	600.00	
Z. Lou Guttman, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange	4,750.00	2,886.00
Milton S. Gwirtzman, 1250 24th St., NW, #600 Washington, DC 20037	Lazare Kaplan International, Inc	600.00	45.00
GA Assn of Petroleum Retailers, Inc, 900 N. Hairston Road, Suite D Stone Mountain, GA 30083			
GPIA Animal Drug Alliance, 200 Madison Ave., #2404 New York, NY 10016			
Jane Scherer Haake, 1667 K Street, NW, #420 Washington, DC 20006	Mead Corporation	75.00	15.00
Dana W. Haas, 1800 K Street, NW, #1018 Washington, DC 20006	Kansas City Power & Light Co, et al	14,250.00	8,169.13
Charles W. Hackney Jr., 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
William G. Haddeland, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Gene P. Haflich, Indiana Petroleum Council 714 Harrison Building Indianapolis, IN 46204	American Petroleum Institute		
Thomas M. Hagan, 1005 Congress Ave., #795 Austin, TX 78701	Central & South West Services, Inc	3,014.00	12,249.84
Tom Hagedorn Associates, 1704 23rd St., So. Arlington, VA 22202	BRS, Inc		
Barry Hager, 444 North Capitol St., #711 Washington, DC 20001	Fund for Private Assistance in International Development	2,843.33	27.20
Peter H. Hahn, 10409 La Costa Dr. Austin, TX 78747	Chromalloy American Corp		
John F. Haifley, 8111 Gatehouse Road Falls Church, VA 22047	American Automobile Assn		
Nancy A. Hailpern, 316 Pennsylvania Ave., SE, #200 Washington, DC 20003	American Cancer Society	1,875.00	
Jay D. Hair, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	1,167.10	
Thomas F. Hairston, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California	7,000.00	945.48
Randolph M. Hale, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004	National Assn of Manufacturers		
Hale and Dorr, 1455 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Boston Redevelopment Authority		
Do	Dakota Wesleyan University	135.00	11.30
Do	Gay Head Taxpayers Assn		
Do	Metalor USA Refining Corp		
Do	Northeastern University	2,227.50	277.46
Do	Prime Computer, Inc		
Do	State Street Development Corp	532.00	
Do	Town of Mashpee		
Hale Foundation, 422 First Street, SE, #208 Washington, DC 20003			
Angelynn Hall, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	12,749.16	
Edwin K. Hall, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	5,000.00	297.85
Elliott S. Hall, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	1,440.00	881.84
Michael L. Hall, 201 Massachusettes Ave., NE Suite C-4 Washington, DC 20002	National Corn Growers Assn		
Richard F. Hall, 1700 K Street, NW, #502 Washington, DC 20006	Pacific Resources, Inc	500.00	
Marian Hall-Crawford, 316 Pennsylvania Avenue, SE, #301 Washington, DC 20003	San Diego Gas & Electric	1,500.00	2,580.64
Paul W. Hallam, 600 Pennsylvania Ave., #211 Washington, DC 20003	National Assn of Casualty and Surety Agents		
Carol Boyd Hallett, 1667 K Street, NW, #700 Washington, DC 20035-5192	Free Iran Coalition		
Paul Hallisay, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	6,250.00	480.06
Maurice E. Halsey, P.O. Box 190 Aurora, IL 60507	Northern Illinois Gas Company	2,000.00	
Paul T. Haluza, 1325 Pennsylvania Ave., NW, #600 Washington, DC 20004	Motor and Equipment Manufacturers Association	6,000.00	6,294.00
Martha R. Hamby, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	240.00	56.00
David S. Hamilton, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	4,730.76	
J. Lee Hamilton, 1331 Pennsylvania Avenue, NW, #1550N Washington, DC 20004-1703	National Assn of Manufacturers	281.00	
James L. Hamilton III, 818 Connecticut Ave., NW Washington, DC 20006	USX Corporation	675.00	
Joyce Hamilton, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Philip W. Hamilton, 1825 K St., NW, #218 Washington, DC 20006	American Soc of Mechanical Engineers		
Ronald P. Hamm, 1620 Eye St., NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	6,500.00	
Amy R. Hammer, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation	850.00	627.95
Thomas A. Hammer, 2100 Pennsylvania Ave, NW, #695 Washington, DC 20037	Sweetener Users Assn	19,700.00	200.00
Timothy A. Hanan, 1100 Connecticut Avenue, NW, #620 Washington, DC 20036	Mobil Corp	1,500.00	
Nolan W. Hancock, 1126 16th St., NW Washington, DC 20036	Oil Chemical & Atomic Workers International Union	6,244.63	
William G. Handfield, 50 F Street, NW Washington, DC 20001	Association of American Railroads	1,442.77	364.75
Donald K. Hanes, 50 F St., NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
Rose M. Hanes, 1325 G Street, NW, #1003 Washington, DC 20005	Population-Environment Balance		
Elisabeth Hanlin, 2000 L St., NW, #1000 Washington, DC 20036	Unisys Corp		
Thomas H. Hanna, 7430 Second Ave, #300 Detroit, MI 48202	Motor Vehicle Manufacturers Assn of the U.S., Inc	125.00	
Hannaford Co, Inc, 655 15th St., NW, #200 Washington, DC 20005	Financial Assistance Inequity Relief Coalition		
Do	Royal Embassy of Saudi Arabia		
Do	Trans World Airlines, Inc		
Do	3M Corporation		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Richard L. Hanneman, 700 North Fairfax Street, #600 Alexandria, VA 22314-2040	Salt Institute		
M. Arnita Hannon, 1726 M Street, NW, #902 Washington, DC 20036-4502	American Lung Assn	1,826.40	1,533.16
Erling Hansen, 1129 20th Street, NW, #600 Washington, DC 20036	Group Health Assn of America, Inc		
Brian T. Hanson, 1667 K Street, NW, #1230 Washington, DC 20006	Deere & Company	87.50	
Daniel J. Hanson Sr., 501 School Street, SW, #800 Washington, DC 20024	American Road & Transportation Builders Assn	20,000.00	390.00
Robert N. Harbor, P.O. Box 1492 El Paso, TX 79978	El Paso Natural Gas Co		
Stuart B. Hardy, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
Patricia L. Harmening, 316 Pennsylvania Ave., SE, #301 Washington, DC 20003	San Diego Gas & Electric	900.00	2,627.92
Diane Harper, 1000 Wilson Blvd. Arlington, VA 22209	Grumman Corporation	625.00	718.76
Wiley C. Harrell Jr., 1211 Connecticut Ave., NW, #502 Washington, DC 20036	Anheuser-Busch Companies, Inc		
Toni Harrington, 950 L'Enfant Plaza North, SW, #5300 Washington, DC 20024	Honda North America, Inc	400.00	56.86
A. J. Harris II, 1825 Eye Street, NW, #750 Washington, DC 20006	CIGNA Corp	4,673.00	179.00
Leslie Harris, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	4,600.00	10.50
Marilyn A. Harris, 818 Connecticut Avenue, NW Washington, DC 20006	USX Corporation	150.00	
Milton E. Harris, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Harris Steel Group, Inc		
Robert L. Harris, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group, Inc (For:Alumax)	3,000.00	50.00
Do	Jefferson Group, Inc (For:Doe Run)	3,000.00	50.00
Do	Jefferson Group, Inc (For:Zinc Corporation of America)	3,500.00	50.00
Harris & Ellsworth, 1101 30th Street, NW, #103 Washington, DC 20007	American Railway Car Institute		
Do	Association of Food Industries, Inc		
Do	Cheese Importers Assn of America, Inc		
Do	Committee of American Axle Producers	1,375.00	37.00
Do	Committee of Domestic Steel Wire Rope & Specialty Cable Mfrs	2,150.00	30.00
Jack E. Harrison, West Virginia Petroleum Council 1250 One Valley Square Charleston, WV 25301	American Petroleum Institute	413.00	618.69
Jim Harrison, 501 I Street, SW Washington, DC 20024	Association of Urban Universities	5,625.00	
Mark Harrison, 711 G Street, SE Washington, DC 20003	SANE/FREEZE, Inc	6,166.67	
Paul M. Harrison, P.O. Box 4079 Gulfport, MS 39502	Mississippi Power Co	4,245.00	3,487.62
Robert W. Harrison, 1213 Jefferson Davis Highway, #1400 Arlington, VA 22202	CAE-LINK Corporation		
Anne Harrison-Clark, 1725 K Street, NW, #814 Washington, DC 20006	March of Dimes Birth Defects Foundation	4,125.00	30.00
Jayne A. Hart, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,750.00	88.77
Lynn S. Hart, 1111 19th St., NW, #402 Washington, DC 20036	Federation of American Health Systems	3,000.00	
Thomas D. Hart, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc		
Harter Secrest & Emery, 700 Midtown Tower Rochester, NY 14604-2070	Genesee & Wyoming Industries, Inc	10,140.00	
Hartford Fire Insurance Co, Hartford Plaza Hartford, CT 06115			70,800.00
Vance Hartke, 7637 Leesburg Pike Falls Church, VA 22043	Alliance of Foreign Medical Graduates	12,500.00	
Gabriel A. Hartl, 2020 N. 14th Street, #410 Arlington, VA 22201	Air Traffic Control Assn, Inc		
Arthur W. Hartmann, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Christopher E. Harty, 1250 Connecticut Ave., #620 Washington, DC 20036	Winkelman & Associates, Inc (For:Fairfield Communities, Inc)	2,775.00	
Fanny L. Haslebacher, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	400.00	
Holly Hassett, 1730 Rhode Island Avenue, NW, #206 Washington, DC 20036	Hershey Foods Corp		
James C. Hassett, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Edgar Hatcher, 1225 Eye Street, NW, #950 Washington, DC 20005	American Electronics Assn	2,000.00	264.85
Janet S. Hathaway, 1350 New York Ave., NW, #300 Washington, DC 20005	Natural Resources Defense Council	9,906.00	240.45
Hauck & Associates, 1255 23rd Street, NW Washington, DC 20037	National Oilseed Processors Assn	5,215.24	5,215.24
Howard M. Haug, 100 East 42nd St. New York, NY 10017	National Foreign Trade Council, Inc	1,500.00	
James N. Haug, 55 E. Erie Street Chicago, IL 60611	American College of Surgeons		
Barbara S. Haugen, 1401 New York Ave., NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc		
Marilyn Beth Haugen, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Barbara J. Haugh, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		1,567.31
Charles W. Havens III, 1333 New Hampshire Avenue, NW, #1100 Washington, DC 20036	Leboeuf Lamb Leiby & MacRae		
James M. Hawes, 5527 Briar Drive Houston, TX 77506	Fidelity Pacific Group Inc		
Kathryn Joann Hawes, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Sidney G. Hawkes, 1667 K St., NW, #420 Washington, DC 20006	Mead Corporation	1,400.00	
Charles E. Hawkins III, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
James W. Hawkins III, 1030 15th Street, NW, #1100 Washington, DC 20005	Health Industry Manufacturers Association (HIMA)	3,500.00	941.57
Paul M. Hawkins, 1 Whispering Pines Court Hilton Head Island, SC 29926	Colonial Life & Accident Insurance Co		
Edmund S. Hawley, 555 13th St., NW, #450 West Columbia Square Washington, DC 20004	Union Pacific Corp	12,500.00	144.09
John F. Hay, 1801 K Street, NW, #800 Washington, DC 20006	Westinghouse Electric Corp	1,200.00	
David J. Hayes, 555 13th Street, NW Washington, DC 20004	Hogan & Hartson (For:American Electronics Assn)	2,500.00	12.11
Do	Hogan & Hartson (For:Mayhews Landing Associates)	1,637.50	3.29
Do	Hogan & Hartson (For:Semiconductor Industry Association)	937.50	25.44
Do	Hogan & Hartson (For:Tektronix, Inc)	1,125.00	13.68
Peter M. Hayes, 214 Massachusetts Ave., NE #530 Washington, DC 20002	Salt River Project	3,521.00	1,586.53
R. Michael Haynes, 1156 15th Street, NW, #1101 Washington, DC 20005	National Assn of Small Business Investment Cos	3,000.00	
Robert A. Haynos, 4711 Hunt Circle Harrisburg, PA 17112	Harsco Corporation	24,000.00	2,893.69
Holly Elisabeth Hazard, 111 Massachusetts Ave., NW, #200 Washington, DC 20001	Doris Day Animal League	6,313.00	4,570.00
Paul Hazen, 1401 New York Ave., NW, #1100 Washington, DC 20005	National Cooperative Business Assn	10,000.00	31.50
Robert (Rob) Healy Jr., 1201 New York Ave., NW Washington, DC 20005	American Public Transit Assn	4,280.00	38.00
Robert L. Healy, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	150.00	
Anne A. Heanue, 110 Maryland Avenue, NW, #101 Washington, DC 20002	American Library Assn	921.00	
David E. Hebert, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	2,000.00	198.00
William H. Hecht, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates, Inc (For:Airtrax)		
Do	Hecht Spencer & Associates, Inc (For:Bixby Ranch Co)		
Do	Hecht Spencer & Associates, Inc (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Associates, Inc (For:BATUS, Inc)		
Do	Hecht Spencer & Associates, Inc (For:Great Western Financial Corp)		
Do	Hecht Spencer & Associates, Inc (For:Hong Kong Trade Development Council)		
Do	Hecht Spencer & Associates, Inc (For:Los Angeles Raiders)		
Hecht Spencer & Associates, Inc, 499 South Capitol Street, SW, #507 Washington, DC 20003	Bixby Ranch Co	1,000.00	
Do	Boy Scouts of America	1,000.00	
Do	Brown & Williamson Tobacco Corp	2,500.00	
Do	BATUS, Inc	3,000.00	
Do	Great Western Financial Corp	1,500.00	
Do	Harmer-Eyring	250.00	
Do	Hong Kong Trade Development Council	1,500.00	
Do	Los Angeles Raiders		
Do	Marwais Steel Co	500.00	
Do	Texas Clinical Laboratories, Inc		
Do	Traditional Industries, Inc	1,000.00	
Herbert A. Hedden, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Jay Hedlund, 2030 M St., NW Washington, DC 20036	Common Cause	12,551.28	459.90
Mark G. Heesen, 1725 K St., NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Edward D. Heffernan, 1019 19th St., NW, Penthouse #1 Washington, DC 20036	Chicago Board Options Exchange	1,000.00	
Do	CSX Corporation	5,000.00	
Do	Ductile Iron Pipe Research Assn		
Do	Harza Engineering Co	9,000.00	
Do	Renewable Fuel Association	3,000.00	160.50
Do	Sealaska Corp	1,000.00	
John Heffner, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
John F. Heilman, 807 Maine Ave., SW Washington, DC 20024	Disabled American Veterans	23,266.60	318.00
Robert M. Heine, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
Scott E. Heisel, 735 N. Water Street, #908 Milwaukee, WI 53202-4105	American Malting Barley Assn, Inc	675.00	
Richard Helfer, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange	237.00	198.00
Helicopter Assn International, 1619 Duke Street Alexandria, VA 22314			16,513.00
Richard A. Hellman, 2013 Que Street, NW Washington, DC 20009	Christians' Israel Public Action Campaign (CIPAC)		
Richard L. Hellwege, 1225 Jefferson Davis Highway, #402 Arlington, VA 22202	Smiths Industries		
DeWitt F. Helm Jr., 155 East 44th Street New York, NY 10017	Association of National Advertisers, Inc		
Robert W. Helm, 1000 Wilson Boulevard, #2300 Arlington, VA 22209	Northrop Corporation	3,000.00	21.11
Edward A. Helme, 444 N. Capitol Street, #526 Washington, DC 20001	Alliance for Acid Rain Control	1,493.00	
Nancy Ginn Helme, Box 723 Washington Grove, MD 20880	Weil & Howe, Inc (for Champlain Pipeline Co)	3,037.50	197.74
Thomas M. Helscher, 1101 17th St., NW, #604 Washington, DC 20036	Monsanto Co		179.60
Mike D. Helton, Kentucky Petroleum Council 305 Ann St., #403 Frankfort, KY 40601	American Petroleum Institute	250.00	447.00
Carol C. Henderson, 110 Maryland Ave., NE, #101, Box 54 Washington, DC 20002	American Library Assn	1,185.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Leonard N. Henderson, 1615 L St., NW, #1210 Washington, DC 20036	Metropolitan Life Insurance Co	1,000.00	
Karen Hendricks, 1319 F Street, NW, #604 Washington, DC 20004	Association of Junior Leagues, Inc	4,375.00	765.00
C. Dayle Henington, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange		
George F. Hennrikus Jr., 201 N. Washington St. Alexandria, VA 22314	Retired Officers Assn	8,333.50	
John Hugh Henry, 1735 Eye St., NW, #814 Washington, DC 20006	McDermott, Inc	7,700.00	1,256.43
LeAnn Hensche, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	1,190.00	242.37
Charlotte W. Herbert, 555 New Jersey Avenue, NW, #255 Washington, DC 20001	Vern Clark & Associates (For:Metromedia Company)		
Do	Vern Clark & Associates (For:Outdoor Advertising Assn of America)	1,360.94	216.13
Do	Vern Clark & Associates (For:RJR-Nabisco, Inc)	670.31	
M. Lyn Herdt, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc	4,400.00	
William Hermelin, 2215 Constitution Ave, NW Washington, DC 20037	American Pharmaceutical Assn		73.31
Catherine L. Heron, 1600 M St., NW Washington, DC 20036	Investment Company Institute		
Heron Burchette Ruckert & Rothwell, 1025 Thomas Jefferson St., NW, #700 Washington, DC 20007	Ad Hoc Committee on Export Controls		4.32
Do	Aerojet-General Corp		1.75
Do	Agri-Business Corp of America		370.51
Do	Airship International Ltd		245.19
Do	Ambase	8,372.92	1,341.51
Do	American Meat Institute	7,862.50	214.59
Do	American Medical Technologists	4,042.91	43.26
Do	American Sod Producers Assn		999.20
Do	Claudia Ashton		1.69
Do	Asia Satellite Telecommunications, Ltd		863.02
Do	Association of Floral Importers of Florida		
Do	ARCO		36.15
Do	Balanced Trade Group	498.49	18.07
Do	Bay Area Rapid Transit District		1.69
Do	Bechtel	458.44	1.69
Do	Bramelea Pacific		
Do	BKK Corp	112.50	1.69
Do	C.B.I. Sugar Group, Inc	5,000.00	3,123.16
Do	California Almond Growers Exchange	2,164.06	28.88
Do	California Central Valley Project Water Users Assn	2,407.81	818.20
Do	California CH2M Hill	4,305.94	363.70
Do	California Energy Commission	8,054.10	1,800.62
Do	California Kiwi Commission	5,581.25	5.19
Do	California League of Food Processors	2,900.63	2,096.58
Do	California State Teachers' Retirement System		808.82
Do	Canada Cement LaFarge, Ltd		3.25
Do	Carteret Savings and Loan Assn	5,031.25	1,141.76
Do	Central Utah Water Conservancy District	2,626.88	365.95
Do	Chattanooga Neighborhood Enterprise	1,958.44	794.83
Do	City and County of Sacramento	8,601.29	689.06
Do	City of Birmingham, AL	1,248.56	1,046.00
Do	City of Newark	10,261.60	1,341.16
Do	Clark County	2,074.16	1,030.54
Do	Colorado-Ute Electric Assn, Inc	9.88	282.13
Do	Council of American Overseas Research Centers		16.87
Do	Desert Research Institute	592.19	172.38
Do	Downey Savings and Loan	1,171.88	60.75
Do	East Kentucky Power Cooperative	14,080.63	177.26
Do	Electronic Data Systems Corp	4,070.63	1.69
Do	Farm Labor Alliance	8,750.00	1,309.70
Do	Friant Water Users	5,889.70	31.32
Do	General Atomics	3,694.88	793.78
Do	Girling Health Care, Inc		1.69
Do	Good Sam Club	1,780.00	20.35
Do	Government of the Virgin Islands		5.19
Do	Granite Rock Co	711.85	186.19
Do	Greenbrier Intermodal	6,053.13	8.25
Do	Halogenated Solvents Industry Alliance	2,900.00	164.00
Do	Independent Cement Corp		1.69
Do	Inland Cement Limited		1.69
Do	International Apple Institute	18.75	2.57
Do	Elizabeth (Becky) Johnson		152.50
Do	Kings River Conservation District	234.38	1.69
Do	Lake Ontario Cement, Ltd		1.69
Do	Las Vegas YMCA		1.69
Do	Carl J. Maggio		384.94
Do	Management Recruiters International, Inc		21.25
Do	Massport/Commonwealth of Massachusetts	3,750.00	1,186.69
Do	Metropolitan Dade County Office of County Manager		2.57
Do	Mid-Valley Water Authority	1,112.81	32.95
Do	Mutual Benefit Life	5,004.76	1,436.96
Do	National Council on Teacher Retirement	6,617.31	1,192.73
Do	National Judicial College		651.96
Do	National Medical Care	8,523.40	2,257.07
Do	National Potato Council	5,250.00	564.79
Do	New York University	12,499.50	2,130.27
Do	Northern California Power Agency	644.06	111.94
Do	NTEC - Northeast Texas Electric Cooperative, Inc		185.01
Do	Ogden, Utah		244.47
Do	Organization of Professional Employees of USDA	831.25	257.86
Do	Orion Air	774.06	1.69
Do	Renselear Development Corp		161.00
Do	Riverside Resorts	1,946.56	2.13
Do	Ryder Systems, Inc	7,295.38	86.35
Do	Sabine River Authority	3,256.19	4.82
Do	Solano Water Authority	2,378.13	1,486.69
Do	South Dade Land Corp	19,537.81	1,952.83
Do	St. Lawrence Cement		21.95
Do	St. Mary's Cement		1.69
Do	Stroh Brewing Company	1,750.00	2,133.06
Do	Sunkist Growers, Inc		195.06
Do	Tex-La		184.07
Do	Thai Steel Pipe Industry Assn		63.32
Do	Trustees of Florida Lime & Avocado	5,993.77	1,287.26
Do	U.S. Mink Export Development Council	2,628.11	102.94
Do	United Van Lines, Inc	5,419.69	
Do	University of Medicine and Dentistry of New Jersey	2,116.81	1,676.69
Do	University of Miami	4,166.50	2,584.22
Do	University of Nevada/Las Vegas Research Center	1,250.00	843.25
Do	University of Nevada/Reno	6,653.47	1,234.32
Do	Vermont Electric Cooperative	32.81	1.69
Do	W.E.S.T.	814.06	1.69
Do	Walnut Street Bridge Commission		
Do	Watsonville Neighborhood Enterprise	312.50	711.22
Do	Welch Foods, Inc	595.31	35.44
Do	Westlands Water District	18.75	2.57
John A. Heslip, P.O. Box 781 Herndon, VA 22070	National Concrete Masonry Assn		231.07
Hessian McKasy & Soderberg, 1275 K Street, NW, #900 Washington, DC 20005	Midwest Federal Savings and Loan Assn		
Heublein, Inc, 16 Munson Road Farmington, CT 06034-0388		17,250.00	10,427.66
Ted Allen Heydinger, 311 First Street, NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	2,325.00	125.14
Dale E. Heydlauff, 1667 K St., NW, #450 Washington, DC 20006	American Electric Power Service Corp	343.61	727.13

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
David B. Hickerson, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Company	135.00	4.00
George K. Hickox, 246 Willcrest Houston, TX 77042	Fidelity Pacific Group Inc		
Donita Hicks, 1511 K Street, NW, #941 Washington, DC 20005	Americans for Democratic Action		
Paul T. Hicks, Rhode Island Petroleum Assn 395 Smith Street, #2 Providence, RI 02908	American Petroleum Institute	200.00	
Barbara L. Hiden, 1101 16th Street, NW Washington, DC 20036	National Soft Drink Assn	65.84	59.78
Hal D. Hiemstra, 216 7th Street SE, Washington, DC 20003	Scenic America	2,000.00	475.00
J. Thomas Higginbotham, 1455 Pennsylvania Ave., NW Washington, DC 20004	American Institute of Certified Public Accountants		5,100.00
John S. Hightower, 5700 Florida Blvd., #310 Baton Rouge, LA 70806	Louisiana-Pacific Corp	7,125.00	3,285.00
Vivian A. Hightower, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	200.00	
Clifton T. Hilderley Jr., 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Anne R. Hill, 1101 Connecticut Ave., NW, #500 Washington, DC 20036	Kids Project	6,874.98	10,895.57
Damian P. Hill, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Gerald 'Jerry' Hill, 6 Executive Park Drive, NE Atlanta, GA 30329	Amoco Corporation		
J. Eldred Hill Jr., 600 Maryland Ave., SW, #603 Washington, DC 20024	UBA, Inc	2,000.00	
Patricia Hill, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Robert B. Hill, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	600.00	851.70
Shepard William Hill, 11003 Burywood Lane Reston, VA 22094	Rockwell International Corp	6,300.00	2,358.21
Thomas M. Hill, 1726 M St., NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	1,275.00	
Karen K. Hillenbrand, 1155 15th Street, #600 Washington, DC 20005	Pennzoil Company	519.23	
Edward Joseph Hillings, 1020 16th Street, NW Washington, DC 20036	Enron Corp	7,500.00	
John L. Hills, Rt. 1, Box 645 Purcellville, VA 22132	Sundstrand Corporation	1,539.00	968.49
John M. Himmelberg, 888 17th Street, NW, #900 Washington, DC 20006	Florida Fruit & Vegetable Assn	3,000.00	
Do	Florida Tomato Exchange	1,500.00	
Grace L. Hinchman, 1331 Pennsylvania Ave., NW, #600-2 Washington, DC 20004	Digital Equipment Corp	18,590.50	
Rick Hind, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	6,576.90	
Robert A. Hirsch, 1320 Braddock Place, #720 Alexandria, VA 22314	National Private Trucking Assn		
J. D. Hittle, 3137 S. 14th St. Arlington, VA 22204	KMS Industries, Inc	1,500.00	126.25
Kenneth Hoagland, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	3,173.00	
Lawrence S. Hobart, 2301 M St., NW, #300 Washington, DC 20037	American Public Power Assn	500.00	
Hobbs Straus Dean & Wilder, 1819 H St., NW, #800 Washington, DC 20006	Oglala Sioux Tribe Public Safety Commission	260.00	6.00
Karen L. Hobert, 2030 M St., NW Washington, DC 20036	Common Cause	4,938.56	178.50
Philip M. Hocker, 20 West Chapman Street Alexandria, VA 22301	Mineral Policy Center	443.44	25.00
Scott Hodes, 180 North La Salle St., #3800 Chicago, IL 60601	Investment Company Institute	15,000.00	
Deanna Hodge, 606 North Washington Street Alexandria, VA 22314	Society for Human Resource Management	15,000.00	
Ann C. Hodges, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners and Pilots Assn	8,000.00	705.02
Sheridan T. Hodges, 23/333 Piedmont Ave. Atlanta, GA 30308	Georgia Power Company	8,070.00	2,383.24
Irvin A. Hoff, 20 N. Live Oak Rd. Hilton Head Island, SC 29928	U.S. Cane Sugar Refiners' Assn		
Gail Hoffman, 1225 Eye St., NW #1100 Washington, DC 20005	Handgun Control, Inc	11,038.44	
William L. Hoffman, 516 First Street, SE Washington, DC 20003	American University of Beirut	11,856.00	2,999.68
F. Nordy Hoffmann and Assoc, Inc, 400 N. Capitol St., NW, #327 Washington, DC 20001	Archer Daniels Midland Company		
Do	Coca-Cola Company		
Do	Marine Engineers' Beneficial Assn		
Do	Wilmorite, Inc		
Elizabeth Hogan, 1133 19th St., NW Washington, DC 20036	MCI Communications Corp	7,000.00	242.65
Joseph Michael Hogan Jr., 1701 Clarendon Boulevard Arlington, VA 22209	American Chiropractic Assn		
Hogan & Hartson, 555 13th St., NW Washington, DC 20004-1109	American Medical International, Inc		
Do	American Physical Therapy Assn	237.50	
Do	Amgen, Inc	3,117.50	27.20
Do	C C Distributors, Inc, et al		
Do	Caremark Homecare, Inc		
Do	Champon Flavors & Fragrances, Inc		
Do	Coalition of American Steel Using Manufacturers	8,487.50	177.11
Do	Dianon Systems, Inc		
Do	Freightliner Corp		
Do	Manufacturers Hanover Trust Co		
Do	May Department Stores Co	340.00	
Do	Mercedes-Benz of North America, Inc	1,360.00	
Do	Mutual Life Insurance Co of New York	12,768.75	442.00
Do	National Hospice Organization	4,374.80	20.00
Do	National Telecommunications Network	4,128.75	105.00
Do	Ontario Ministry of Industry, Trade & Technology		
Do	Payload Systems, Inc		
Do	Software Co Task Force on Foreign Market Penetration	2,957.99	84.50
Do	Telecom USA, Inc	632.50	18.60
Do	Timex Corporation	4,270.00	
Do	Toyota Motor Sales, USA, Inc	1,510.00	26.28
Do	Underwriters at Lloyd's London		
Do	University of Pennsylvania		
Richard F. Hohlt, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	5,850.00	138.75
Bruce E. Holbein, 111 Powdermill Rd. (b79) Maynard, MA 01754	Digital Equipment Corp	21,000.00	
Philip C. Holladay Jr., 1025 Connecticut Avenue, NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Holland & Knight, 888 17th St., NW, #900 Washington, DC 20006	Florida Celery Exchange		
Do	General Development Corp	2,500.00	
Do	Indian River Citrus League	500.00	
Do	Pan American Satellite Corp	2,280.00	
Wendell M. Holloway, 815 Connecticut Ave., NW, #900 Washington, DC 20006	Ford Motor Co	5,362.50	3,404.84
Diane S. Holmes, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	518.21	528.56
Moses D. Holmes Jr., 1201 16th St., NW Washington, DC 20036	National Education Assn	3,155.25	106.50
E. Y. Holt Jr., 3138 North 10th St., Arlington, VA 22201	National Assn of Federal Credit Unions		
Fred H. Holt, 119 Oronoco Street Box 1417-D50 Alexandria, VA 22313	Animal Health Institute	120.00	
John W. Holt, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	350.00	
John F. Holtz, NJ Petroleum Council 150 West State Street Trenton, NJ 08608	American Petroleum Institute		
Home Recording Rights Coalition, P.O. Box 33576 1145 19th Street, NW Washington, DC 20033		90,000.00	101,731.58
Michael J. Hoogendyk, 706 E. Bell Road, #101 Phoenix, AZ 85022	National Assn of Mortgage Brokers	875.00	875.00
Billy E. Hooper, 1023 15th Street NW 3rd floor Washington, DC 20005	Association of American Veterinary Medical Colleges		
Candice Shy Hooper, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	5,570.00	4,760.74
Helen Hooper, 1785 Massachusetts Avenue, NW Washington, DC 20036	National Trust for Historic Preservation	2,958.03	
Lindsay Hooper, 453 New Jersey Ave., SE Washington, DC 20003	Winburn VanScoyoc & Hooper (For:Donaldson Lufkin & Genrette Securities, Corp)		
Do	Winburn VanScoyoc & Hooper (For:Hallmark Cards)	12,500.00	
Do	Winburn VanScoyoc & Hooper (For:Jackson National Life Insurance Co)		
Do	Winburn VanScoyoc & Hooper (For:Kansas City Southern Industries)	30,000.00	
Do	Winburn VanScoyoc & Hooper (For:KKR)	24,000.00	
Do	Winburn VanScoyoc & Hooper (For:MCorp)		
Do	Winburn VanScoyoc & Hooper (For:Odyssey Partners, LP)		
Do	Winburn VanScoyoc & Hooper (For:Oppenheimer & Co, Inc)	15,000.00	
Do	Winburn VanScoyoc & Hooper (For:Phlcorp)	18,750.00	
Do	Winburn VanScoyoc & Hooper (For:Utilicorp United, Inc)		
Virginia E. Hopkins, 1620 Eye St., NW, #800 Washington, DC 20006	Taft Stettinius & Hollister (For:Great American Broadcasting Co)		
Do	Taft Stettinius & Hollister (For:Kings Entertainment Co)	50.00	
Do	Taft Stettinius & Hollister (For:Telephone & Data Systems, Inc)		
Do	Taft Stettinius & Hollister (For:Wald Manufacturing Co, Inc)	650.75	6.00
Hopkins & Sutter, Three First National Plaza, #4200 Chicago, IL 60602	Cash Station, Inc	3,575.00	
Hopkins Sutter Hamel & Park, 888 16th Street, NW Washington, DC 20006	Alaska Joint Venture Seafoods, Inc		
Do	Cook Inlet Land Exchange, Inc		
Do	Estate of Helen Wodell Halbach		2.55
Do	Geonex Corp	2,581.00	27.50
Do	Grand Trunk Corp	6,366.25	
Do	Greenwich Capital Markets, Inc	2,370.00	137.94
Do	Louisiana Pacific Corp	8,020.00	226.72
Do	Safe Travel America		
Do	Tandy Corporation	603.00	
Do	United Video		
Darnell K. Horio, 600 Maryland Ave., SW, #520 Washington, DC 20024	GPU Service Corporation	55.50	215.76

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Bernard Horn, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	531.37	
Robert Jack Horn, 1990 M St., NW, #480 Washington, DC 20036	Detroit Edison Company	1,250.00	35.00
Hospital Association of New York State, 74 N. Pearl St. Albany, NY 12207		5,258.00	5,258.00
Sarah Hospodor, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	1,250.00	30.18
Richard Leland Hosto, 1025 Connedcticut Ave., NW Washington, DC 20036	Panhandle Eastern Corp		2,193.26
Jack W. Houston, 900 N. Hairston Road, Suite D Stone Mountain, GA 30083	GA Assn of Petroleum Retailers, Inc		
Hoving Group, 910 17th St., NW, #318 Washington, DC 20006	American Film Marketing Assn	1,666.66	1,090.10
Do	Eagle-Picher Industries, Inc	62,000.00	30,472.51
Do	Western-Southern Life Insurance	23,700.00	563.97
Gerald M. Howard, National Assn of Home Builders 15th & M St., NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
John Howard, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
R. Michael Howard, 3460 Lotus Drive Plano, TX 75075	Visual Information Technologies, Inc		200.00
Robert M. Howard, 815 Connecticut Avenue, NW 9th Floor Washington, DC 20006	Ford Motor Co	2,026.00	1,629.26
Roger W. Howard, 3253 E. Chestnut Expressway Springfield, MO 65802	Burlington Northern Railroad		
Allynn Howe, 80 F Street, NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	11,850.00	1,199.16
Christopher W. Howe, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron USA, Inc	825.00	
Jonathan Howe, 1200 18th Street NW, #200 Washington, DC 20036	National Business Aircraft Assn	1,250.00	
Susan Howe, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Gary Howell, 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments, Inc	1,000.00	
J. William Howell, 1801 K St., NW, #1200 Washington, DC 20006	International Business Machines Corp	220.00	
James P. Howell, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	1,147.50	
Mary Lynch Howell, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	1,500.00	280.00
John A. Howes, 1016 16th St., NW, 5th Floor Washington, DC 20036	Consumers Power Co	6,000.00	6,998.00
Clifford T. Howlett Jr., 1875 Eye St., NW, #400 Washington, DC 20006	Georgia-Pacific Corp	8,000.00	
Paul R. Huard, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	5,500.00	
David S. Hubbard, 1331 Pennsylvania Ave., NW, #910 Washington, DC 20004	American Cement Alliance	3,660.97	51.45
John J. Huber, 2200 Mill Road, #600 Alexandria, VA 22314	Interstate Truckload Carriers Conference		
Walter D. Huddleston, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates, Inc (For:Airtrax)		
Do	Hecht Spencer & Associates, Inc (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Associates, Inc (For:BATUS, Inc)		
Terry D. Hudgins, P.O. Box 53999 Station 9910 Phoenix, AZ 85072-3999	Arizona Public Service Company	12,286.00	45.00
J. Michael Hudson, 555 13th Street, NW Washington, DC 20004	McCamish Martin Brown & Loeffler (For:Citicorp)	123.00	
Margaret Renken Hudson, 600 Maryland Avenue, SW, #700 Washington, DC 20024	National Fed of Independent Business	3,401.75	300.00
Stewart Hudson, 1412 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	3,029.97	
Thomas H. Hudson, P.O. Box 2787 Baton Rouge, LA 70821	Coastal Corporation	7,500.00	3,054.26
Do	Louisiana State University Foundation	6,000.00	
Do	Madison Public Affairs Group (for Philip Morris, USA, Inc)	5,000.00	411.37
Do	United Gas Pipe Line Company	3,000.00	3,565.21
Steven D. Huff, 111 East Wisconsin Avenue, #1800 Milwaukee, WI 53202	National Employee Benefits Institute		
Gary E. Hughes, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
James R. Hughes, 1020 19th St., NW, #700 Washington, DC 20036	U S West, Inc	2,000.00	
Richard H. Hughes, P.O. Box 880 Valley Forge, PA 19482	Avtex Fibers, Inc		
Sharon M. Hughes, 1735 I St., NW, Suite 704 Washington, DC 20006	National Council of Agricultural Employers	700.00	240.00
Vester T. Hughes Jr., 1717 Main Street, Suite 2800 Dallas, TX 75201	Mrs. H. E. Butt		
Do	Holly Corp		
Do	Sammons Enterprises, Inc		
William Hughes, 1023 15th Street, NW, #300 Washington, DC 20005	National Assn of Federal Veterinarians	23.97	
F. Michael Hugo, 3414 N. Emerson Street Arlington, VA 22207	Michael Hugo & Associates (For:Geo Centers, Inc)	562.50	0.72
B. Jeanine Hull, 1001 30th Street, NW, #340 Washington, DC 20007	Hadson Power Systems		21,800.45
Helen P. Hull, 1111 19th Street, NW, #303 Washington, DC 20036	Southern California Edison Company	1,425.00	1,500.00
Margot Smiley Humphrey, 1150 Connecticut Avenue, NW Washington, DC 20036	Koteen & Naftalin (For:Alascom, Inc)		
Do	Koteen & Naftalin (For:Telephone & Data Systems, Inc)	15,707.50	32.50
Frances A. Hunt, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	609.42	
Francis M. Hunt, 1776 Eye Street , N.W. Suite 575 Washington, DC 20006	Dow Chemical Co	500.00	5,546.00
James C. Hunter, 1747 Pennsylvania Avenue, NW, #300 Washington, DC 20006	OXY USA, Inc	314.50	69.75
Janet L. Hunter, Int'l Business-Gov't Counsellors, Inc 818 Connecticut Ave., NW, 12th Floor Washington, DC 20006	Xerox Corp	7,863.06	
Michael M. Hunter, 1600 M St., NW Washington, DC 20036	International Telephone & Telegraph Corporation	4,300.00	72.00
William N. Hunter, 2104-A Gallows Road Vienna, VA 22180	W N Hunter & Associates	2,000.00	
W. N. Hunter & Associates, 2104-A Gallows Road Vienna, VA 22180			2,000.00
Milton F. Huntington, Maine Petroleum Assn 283 Water St. Augusta, ME 04330	American Petroleum Institute		
Hunton & Williams, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20036	Edison Electric Institute	17,840.00	166.51
Do	Long Island Lighting Co	1,000.00	
Adele M. Hurley, 112 St. Clair Ave., West, #401 Toronto, Ontario Canada M4V 2Y3	Canadian Coalition on Acid Rain	1,000.00	1,627.65
Gerard F. Hurley, 1625 I St., NW, #609 Washington, DC 20006	National Club Association		
Ronald A. Hurst, 1127 25th Street, NW, #610 Washington, DC 20037	American Managed Care & Review Assn		
Geoffrey B. Hurwitz, 1667 K St., NW, #1210 Washington, DC 20006	Rohm & Haas Co	500.00	
Michael Hussey, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	439.26
Philip A. Hutchinson, 490 L'Enfant Plaza, #7204 Washington, DC 20024	Volkswagen of America, Inc	150.00	15.00
Suzanne C. Hutchinson, 805 15th Street NW, Suite 1110 Washington, DC 20005	Mortgage Insurance Companies of America	4,000.00	408.72
James L. Hutchison, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
Karen Hutchison, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Helena C. Hutton, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	2,500.00	
Randy Huwa, 2030 M St., NW Washington, DC 20036	Common Cause	11,203.11	
B. F. Hyde, Tennessee Petroleum Council 211 7th Avenue, North, 4th Fl. Nashville, TN 37219	American Petroleum Institute	350.00	
Steven M. Hyjek, 2100 Pennsylvania Ave., NW, #710 Washington, DC 20037	Hyjek & Fix, Inc (For:Intermec Corp)	2,250.00	279.00
Gary Hymel, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Asarco Inc)		
Do	Hill and Knowlton (For:Brush/Wellman)		
Do	Hill & Knowlton, Inc (For:Budd Company)		
Do	Hill & Knowlton, Inc (For:Church of Scientology International)	1,500.00	
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)		
Do	Hill & Knowlton, Inc (For:Newmont Mining Corp)		
Do	Hill & Knowlton, Inc (For:Palm Oil Registration & Authority)		
Do	Hill & Knowlton, Inc (For:Panhandle Eastern Corp)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)	1,150.00	
Do	Hill & Knowlton Inc (For:Ryder Systems Inc)	150.00	
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)		
Do	Hill & Knowlton (For:Textron, Inc)	1,200.00	
Robert D. Hynes Jr., 1331 Pennsylvania Ave., NW Washington, DC 20004	National Broadcasting Co, Inc	1,000.00	236.11
Brian M. Hyps, 2215 Constitution Avenue, NW Washington, DC 20037	American Pharmaceutical Assn	500.00	55.00
J. William Ichord, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Unocal Corporation		590.50
Richard H. Ichord, 1001 Pennsylvania Ave., NW, #850 Washington, DC 20004	AAI Corporation	446.41	35.40
Kevin J. Igli, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	7.00
Kris H. Ikejiri, 2200 Mill Road, #600 Alexandria, VA 22314	Interstate Truckload Carriers Conference		
Catherine L. Imus, 1112 16th Street, NW, #210 Washington, DC 20036	Braun & Company	26.40	
Independent Data Communications Manufacturers Assn, c/o Squire Sanders & Dempsey 1201 Pennsylvania Ave., NW Washington, DC 20004.		4,657.05	4,657.05
Independent Federation of Flight Attendants, 630 Third Ave., 5th Floor New York, NY 10017			7,140.70
Independent Insurance Agents of America, Inc, 127 S. Peyton Street Alexandria, VA 22314		41,873.00	41,873.00
Industrial Biotechnology Assn, 1625 K Street, NW, #1100 Washington, DC 20006		1,924.01	1,924.01
Industrial Gas Cleaning Institute, Inc, 1707 L St., NW Washington, DC 20036			
Industrial Union Department, AFL-CIO, 815 16th St., NW, #301 Washington, DC 20006		19,047.78	19,047.78
Infant Formula Council, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342			
Marie Infante, 1200 15th Street, NW Washington, DC 20005	American Health Care Assn		
Charles E. Ing, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc	5,150.00	219.21
Edwin T. C. Ing, 2000 Pennsylvania Ave., NW, #7400 Washington, DC 20006	Hawaiian Electric Industries, Inc		
Do	Kamehameha Schools/Estate of Bernice P. Bishop		
Do	U.S. Windpower, Inc		
Doug Inkley, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	1,451.04	
Larry R. Innis, 695 Americana Drive, #23 Annapolis, MD 21403	Marine Retailers Assn of America	15,000.00	1,700.00
Institute of International Bankers, East Building, 4th Floor 280 Park Ave. New York, NY 10017			
Institute of International Container Lessors, Bedford Consultants Building Box 605 Bedford, NY 10506			
Int'l Union, United Auto Aerospace & Agric Implement Workers, Workers of America (uaw) 8000 E. Jefferson Avenue Detroit, MI 48214.		148,043.16	148,043.16

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
International Advisers Inc, 2300 M Street, NW, #600 Washington, DC 20036	Embassy of Turkey	218,750.00	35,637.92
International Advisory Services Group, 1238 Wisconsin Ave., NW, #204 Washington, DC 20007	Steel Service Center Institute	630.00	222.00
International Assn of Bridge Struct & Ornamental Iron Wkrs, 1750 New York Ave., NW Washington, DC 20006		11,590.54	45,017.10
International Brotherhood of Painters & Allied Trades, 1750 New York Ave., NW Washington, DC 20006			
International Brotherhood of Teamsters, 25 Louisiana Ave., NW Washington, DC 20001			45,583.50
International Business-Government Counsellors, Inc, 818 Connecticut Ave., NW 12th Floor Washington, DC 20006	Totes, Inc	75.00	10.00
Do	Uniroyal Chemical Company, Inc	913.76	913.76
International Communications Industries Assn, 3150 Spring St. Fairfax, VA 22031		12,060.00	5,531.00
International Council of Shopping Centers, 665 Fifth Ave. New York, NY 10022		5,957.43	5,957.43
International Longshoremen's Assn, AFL-CIO, 17 Battery Place, #1500 New York, NY 10004			72,928.75
International Taxicab Assn, 3849 Farragut Avenue Kensington, MD 20895			
International Union of Bricklayers & Allied Craftsmen, 815 15th St., NW Washington, DC 20005			20,452.53
Investment Company Institute, 1600 M St., NW Washington, DC 20036			45,773.39
Peter A. Iovino, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	2,275.00	1,348.77
Kathy D. Ireland, 1600 M Street, NW Washington, DC 20036	Investment Co Institute		
Charles C. Irions, 2200 Mill Rd. Alexandria, VA 22314	American Movers Conference	500.00	
Thomas L. Irmen, P.O. Box 119 Maumee, OH 43537	Andersons		
Iron Ore Lessors Assn, Inc. W-2081 First National Bank Bldg. Saint Paul, MN 55101		7,734.74	13,241.71
William Robert Irvin, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	1,783.78	
Edrie Irvine, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	230.00	
Amy F. Isaacs, 1411 K Street, NW, #850 Washington, DC 20005	Americans for Democratic Action	6,000.00	7,500.00
Robert R. Isaacs, 711 South Fifth Ave. Nashville, TN 37203	Greyhound Lines, Inc	6,000.00	7,500.00
William A. Isokait, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Ivins Phillips & Barker, Chtd, 1700 Pennsylvania Ave., NW, #600 Washington, DC 20006	American Textile Manufacturers Institute, Inc		
Do	Employee Relocation Council		
Do	Family Holding Company Advocacy Group		
Do	Oberlin College		
Do	Rochester Tax Council		
Kenneth M. Iwashita, 29400 Lakeland Boulevard Wickliffe, OH 44092	Lubrizol Corp		
ICI Americas, Inc, 1600 M Street, NW, #702 Washington, DC 20036		15,000.00	
Ill Dimension of Indiana, Inc, 730 Century Bldg. 36 S. Pennsylvania St. Indianapolis, IN 46204	Reese Communications Cos (for: Philip Morris, USA)	500.00	213.76
Dennis J. Jackman, 1850 K Street, NW, #1195 Washington, DC 20006	Schering-Plough Corp	12,675.00	463.49
Bobby J. Jackson, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Charles R. Jackson, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	8,900.00	23,739.60
Cindy S. Jackson, 1615 Q Street, NW, #201 Washington, DC 20009	Evergreen Associates, Ltd. (For:Suffolk County New York)		
Glenn Jackson, 555 13th Street, NW, #300 West Washington, DC 20004	Interstate Natural Gas Assn of America	1,000.00	
Julia Jackson, 2626 Pennsylvania Ave., NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	739.45
William P. Jackson Jr., Jackson & Jessup, P.C. 3426 N. Washington Boulevard Arlington, VA 22201	Peeples Industries, Inc		
Jeff P. Jacobs, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	1,200.00	
Stephen Jacobs, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,800.00	723.69
E. A. Jaenke & Associates, Inc, 777 14th St., NW, #666 Washington, DC 20005	National Cooperative Bank		
Daniel L. Jaffe, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		217.04
Jaffe Snider Raitt & Heuer, P.C., 1800 First National Building Detroit, MI 48226			
Edward L. Jaffee, 1730 Rhode Island Avenue, NW, #713 Washington, DC 20036	PPG Industries, Inc	39.00	6.00
Khalil E. Jahshan, 2033 M Street, NW, #300 Washington, DC 20036	National Assn of Arab Americans	5,625.00	359.10
Claudia James, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	7,500.00	229.45
Jerry James, 816 Congress Ave., #501 Austin, TX 78701	ATC-ClayDesta Communications		
Jamin Ebell Bolger & Gentry, 323 Carolyn Street Kodiak, AK 99615	Old Harbor Native Corp	15,565.00	13,467.03
Japan Economic Institute of America, 1000 Connecticut Ave., NW Washington, DC 20036		1,393.00	1,393.00
Japanese American Citizens League, 1765 Sutter Street San Francisco, CA 94115			
Joseph J. Jaquay, 5025 Wisconsin Ave., NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Marc R. Jartman, 175 Admiral Cochrane Drive Annapolis, MD 21401	UNC, Inc		
T. Destry Jarvis, 1800 N. Kent Street, #1120 Arlington, VA 22209	Student Conservation Association (SCA)	356.20	14.00
Jerry J. Jasinowski, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	2,000.00	
Jellinek Schwartz Connolly & Freshman, Inc, 1015 15th Street, NW, #500 Washington, DC 20005	Adolph Coors Co	12,786.00	481.00
Do	ASARCO, Inc	147,794.00	5,923.00
Do	Colorado School of Mines Foundation	3,001.00	80.00
Do	East Bay Municipal Utility District		
Do	Los Angeles County Sanitation District	27,313.00	27,144.00
Do	National Agricultural Chemicals Association	35,970.00	811.00
Do	National Assn of Wheat Growers, et al	13,408.00	211.00
Do	Rhone-Poulenc Ag Co	3,683.00	37.00
Do	Union Pacific Corp	21,044.00	730.00
Do	Waste Management Lawncare		
Joseph S. Jenckes, Suite 300 1710 Rhode Island Ave., NW Washington, DC 20036	Abbott Laboratories	5,000.00	
Linda Jenckes, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Jenner & Block, 21 Dupont Circle, NW Washington, DC 20036	Adhesive & Sealant Council, Inc		
Do	American Assn of Electromyography & Electrodiagonosts		
Do	American Dental Trade Assn		
Do	American Diabetes Assn		
Do	American Film Marketing Assn		
Do	American Soc for Cataract & Refractive Surgery		
Do	Dental Gold Institute		
Do	International Soc for Hybrid Microelectronics		
Do	MCI Communications Corp		
Do	National Glass Association		
Carole P. Jennings, 7812 12th Street, NW Washington, DC 20012	American Academy of Nurse Practitioners	6,000.00	300.00
James C. Jennings, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc		
Rusty L. Jesser, 1120 Connecticut Avenue, NW Washington, DC 20036	American Bankers Assn	4,100.00	
Nancy H. Jessick, 1331 Pennsylvania Ave., NW, #720 Washington, DC 20004	Hiram Walker & Sons, Inc		
Jet, Inc, 1100 Huntington Building Cleveland, OH 44115			1,268.50
Charles B. Jiggetts, 1331 Pennsylvania Ave., NW, #1300 North Washington, DC 20004	Electronic Data Systems Corp		
Calvin P. Johnson, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,088.41	742.95
Carl T. Johnson, 1235 Jefferson Davis Highway Crystal Gateway #1, Suite 501 Arlington, VA 22202	Compressed Gas Assn/Helium Advisory Council		
James W. Johnson Jr., 1156 15th Street, NW, #1019 Washington, DC 20005	United States Beet Sugar Assn		
Jane Leonard Johnson, P.O. Box 19109 Greensboro, NC 27419	Unifi, Inc		
Joel L. Johnson, 1250 Eye street, NW Washington, DC 20005	Aerospace Industries Association of America, Inc	1,096.80	
John W. Johnson, P.O. Box 35106 Minneapolis, MN 55435	American Collectors Assn	1,000.00	
Kenneth A. Johnson, 4524 Hillsboro Ave. North New Hope, MN 55428	Pillsbury Company		
Mark R. Johnson, 1667 K Street, NW, #350 Washington, DC 20006	Maersk, Inc	2,500.00	
Michael A. Johnson, 200 West Adams Street, #2625 Chicago, IL 60606	Sonnenberg Anderson O'Donnell & Rodriguez (For:Aplix, Inc)	1,138.00	5.00
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:Silvestri Corp)		
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:West Bend Company)	974.00	22.00
Nancie S. Johnson, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	340.00	
Patricia L. Johnson, 413 First Street, SE Washington, DC 20003	Sellers Company (For:Cable Access Legal Action Council (CALAC))		
Rady A. Johnson, 200 East Randolph Drive P.O. Box 87703 Chicago, IL 60680-9978	Amoco Corporation		
Richard W. Johnson Jr., 225 N. Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	7,274.88	105.00
Stanley L. Johnson, 5344 29th St., NW Washington, DC 20015	Texaco, Inc		
Susan E. Johnson, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Coldwell Banker Real Estate Group		
Do	Sears Roebuck & Co	322.00	98.40
Tom L. Johnson, P.O.Box 2185 Austin, TX 78768	Associated General Contractors of Texas		
Johnson & Gibbs, P.C., 1001 Pennsylvania Ave., NW #745 Washington, DC 20004	Reese Communications Cos (for Philip Morris, USA, Inc)	1,875.00	223.54
Johnson Research Associates, 4429 Yuma Street, NW Washington, DC 20016	City of Virginia Beach	7,612.25	143.03
Barbara W. Johnston, 1700 K Street, NW, #502 Washington, DC 20006	BHP-UTAH International, Inc		199.06
David A. Johnston, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
George A. Johnston, 2000 K St., NW, 8th Foor Washington, DC 20006	National Comm to Preserve Social Security	5,321.00	76.16
James D. Johnston, 1660 L St., NW, #401 Washington, DC 20036	General Motors Corp	3,600.00	5,948.42
Mary K. Jolly, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,117.02	48.16
Herbert A. Jolovitz, 7531 Sebago Road Bethesda, MD 20817	Owens-Corning Fiberglas	1,068.75	
Beverly E. Jones, 1819 L Street, NW, #900 Washington, DC 20036	Consolidated Natural Gas Co	1,500.00	5,653.62
Edwin M. Jones, 970 Summer Street Stamford, CT 06905-5518	Bentley Mosher & Babson, PC (For:United Engineering, Inc)	1,944.00	443.71
Ernest W. Jones Jr., 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Franklin Jones, P.O. Box 1945 Albuquerque, NM 87103	Sutin Thayer & Browne, P.C. (For:R.J. Reynolds Tobacco USA)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Gerald R. Jones, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp		
Randall T. Jones, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	5,850.00	
T. Lawrence Jones, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20006	Marsh & McLennan Cos, Inc		
Theodore L. Jones, 412 First St. SE, #60 Washington, DC 20003	Hartford Group		
Do	Lafourche Telephone Company, Inc		
Do	Mall Properties, Inc		
Do	Maxicare Health Plans, Inc		
Do	South Central Bell Telephone		
Do	United Companies Life Insurance Companies		
Do	Zapata Corporation		
Do	Zapata Gulf Marine Corp		
Wiley N. Jones, 816 Connecticut Ave., NW, 8th Floor Washington, DC 20006	Southern Pacific Transportation Co	1,000.00	500.00
Jones Day Reavis & Pogue, 1450 G Street, NW, #600 Washington, DC 20005-2088	AmeriTrust Co, Nat'l Assn		
Do	Castle-Harlan Inc	7,469.00	10.00
Do	Centex Corp	3,534.00	18.00
Do	Chevy Chase Savings Bank	579.50	
Do	Cleveland Cliffs Iron Co		
Do	Consumers for Competitive Fuels	9,170.25	
Do	Consumers United for Rail Equity (C.U.R.E.)		
Do	Day Kimball Hospital	830.00	
Do	Embassy of the People's Republic of China		
Do	Empire of America Federal Savings Bank	17,426.00	
Do	Fairfield Communities Inc	5,444.00	46.00
Do	First Church of Christ-Scientists	1,615.00	19.75
Do	Greyhound Lines, Inc		
Do	Health Policy Coalition		
Do	Heron International, Ltd	2,358.00	
Do	International Telecharge, Inc		
Do	Kentucky Utilities	17,658.75	30.00
Do	Los Angeles County	4,290.75	38.00
Do	Marathon Oil Co	393.75	
Do	National Assn of State Auditors Comptrollers & Treasurers		
Do	Pfizer, Inc	1,326.00	43.35
Do	Preussag A.G.	192.50	6.00
Do	Royal Trustco Ltd	39,570.25	
Do	RJR Nabisco, Inc		
Do	Southern California Edison Company		9.00
Do	Standard Federal Savings Bank		
Do	State Assn of County Retirement Systems		
Do	United Savings of America	1,350.00	
Do	USAA Federal Savings Bank		
Do	Westinghouse Electric Corp	7,765.00	41.00
Do	Windham Community Memorial Hospital, Inc	1,811.50	
G. Harris Jordan, 1575 Eye Street, NW Washington, DC 20005	American Soc of Assn Executives	300.00	
Ray Jordan, RR 6 Box 147 Starkville, MS 39759	Roy Jordan		
David C. Jory, 1275 Pennsylvania Ave., NW, #503 Washington, DC 20004	Citicorp Washington, Inc	500.00	
Mary Lou Joseph, 2025 M Street, NW Washington, DC 20036	National Public Radio	21,731.25	361.20
Andrew P. Jovanovich, 2801 N. Somerset Street Arlington, VA 22213	Technology Services Group, Inc		
Ardon B. Judd Jr., 1100 Connecticut Ave., NW, #310 Washington, DC 20036	Dresser Industries, Inc		
Kathy L. Judd, 1700 K St., NW, #1204 Washington, DC 20006	Chevron Chemical Co	75.00	
Amy E. Judy, 2030 M St., NW Washington, DC 20036	Common Cause	5,835.00	
Robert E. Juliano Associates, 2555 M Street, NW, #303 Washington, DC 20037	American Express Co	15,000.00	
Do	ADAPSO, Inc		
Do	Hotel Employees & Restaurant Employees Int'l Union	29,750.00	1,114.39
Do	International Speedway Corp	9,000.00	
Do	National Academies of Practice		
Do	Stock Information Group	15,000.00	
Justice Fellowship, P.O. Box 17181 Washington, DC 20041			1,023.00
Geza Kadar Jr., 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Marilyn Kalusin, 7300 NW 35th Terrace, # 105 Miami, FL 33122	Cuban American Foundation	7,122.00	
Laurel B. Kamen, 1020 19th St., NW, #600-Washington, DC 20036	American Express Co		
Dennis R. Kanin, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	Cambridge Redevelopment Authority	10,256.00	544.53
Do	Humane Society of the U.S., et al.	3,216.50	292.18
Do	Iroquois Gas Transmission Systems	3,174.00	
Do	National Venture Capital Assn	1,827.00	526.36
Martin B. Kanner, 2301 M St., NW Washington, DC 20037	American Public Power Assn	4,000.00	
S. Steven Karalekas, 1250 Connecticut Avenue, NW, #318 Washington, DC 20036	Karalekas & McCahill (For:Firestone Tire & Rubber Co, et al.)	1,200.00	137.20
Do	Karalekas & McCahill (For:Gates Rubber Company)	3,600.00	95.84
Do	Karalekas & McCahill (For:National Agriculture Aviation Assn)	3,000.00	32.87
Gene Karpinski, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	7,730.76	
George Kassouf, 600 New Jersey Ave., NW Washington, DC 20001	Alliance for Justice		
Michael E. Kastner, 1350 New York Ave., NW, #800 Washington, DC 20005-4797	National Truck Equipment Assn	3,000.00	204.60
Robert C. Kaufmann, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc		
Everett E. Kavanaugh, 1110 Vermont Ave., NW, #800 Washington, DC 20005	Cosmetic Toiletry & Fragrance Assn, Inc		
Bronwen A. Kaye, 1575 Eye St., NW, #200 Washington, DC 20005	American Cyanamid Co	328.80	549.64
Kevin B. Kearney, 14 Webb Road Cabin John, MD 20818	American Sunbathing Assn, Inc		
Richard F. Keating, 1211 Connecticut Ave., NW, #502 Washington, DC 20036	Anheuser-Busch Companies, Inc		8,792.35
Keck Mahin & Cate, 1201 New York Ave., Penthouse Washington, DC 20005	American Assn for Marriage & Family Therapy	120.00	30.50
Do	General Instrument Corporation		675.00
Robert J. Keefe, 444 N. Capitol Street, #711 Washington, DC 20001	Keefe Company (For:Alarm Industry Communications Committee)		
Do	TKC International (For:International Public Relations Co, Ltd)		
Do	Keefe Co (For:Sanders Associates, Inc)		
Do	TKC International (For:UNIAO Nacional Para Independencia Total DeAngola)		
Mary Catherine Keegan-Ayer, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	9,231.00	
J. Michael Keeling, Zuckert Scoutt & Rasenberger 888 17th Street, NW, #600 Washington, DC 20006	American Truck Dealers	340.00	
Do	ESOP Association of America	4,000.00	
Vicki R. Keenan, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	5,250.00	
Keith Keeney, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)		
Kendell W. Keith, 725 15th Street, NW Washington, DC 20005	National Grain & Feed Assn		
Jay C. Keithley, 1875 Eye Street, NW, #1250 Washington, DC 20006	United Telecommunications, Inc	6,062.00	
Robert H. Kellen, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 20342	Robert H. Kellen Co (For:Calorie Control Council)		
Keller & Heckman, 1150 17th Street, NW, #1000 Washington, DC 20036	Specialty Advertising Assn Int'l		
John T. Kelley, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	500.00	
Paul J. Kelley, 2727 North Central Ave. Phoenix, AZ 85004	U-Haul Intl, Inc	4,000.00	
Kelley Drye & Warren, 2300 M Street, NW Washington, DC 20037	City of Baltimore	11,999.98	11,999.98
Do	Coalition to Preserve the Low Income Housing Tax Credit	1,000.00	
Do	Council for Rural Housing & Development	500.00	
Do	Cushman & Wakefield		
Do	Fuji Electric Co, Ltd		
Do	National Glass Assn	900.00	900.00
Do	National Independent Automobile Dealers Assn	10,800.00	10,800.00
Do	National Leased Housing Assn	500.00	
Do	Tokyo Electric Co, Ltd		
Do	U.S. League of Savings Assns		
Joseph T. Kelliher, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	2,025.00	1,054.00
Stephen S. Kellner, 1001 Connecticut Ave., NW, #1120 Washington, DC 20036	Chemical Specialties Manufacturers Assn, Inc		
Brian J Kelly, One Constitution Square New Brunswick, NJ 08901-1500	New Jersey State Bar Association	12,000.00	534.23
Carol A. Kelly, 1700 Pennsylvania Ave, #525 Washington, DC 20006	Equitable Financial Companies		
Donald E. Kelly, Public Affairs Office 600 New Hampshire Ave., NW, #1111 Washington, DC 20037	Society of Real Estate Appraisers	1,750.00	
Edward L. Kelly, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
Ernest B. Kelly III, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp	1,500.00	
Harold V. Kelly, 1025 Thomas Jefferson St., NW, #511 W. Washington, DC 20007	LTV Corporation		
John F. Kelly, 1828 L Street, NW # 906 Washington, DC 20036	Merrill Lynch & Co, Inc	2,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Paul T. Kelly, 1701 Clarendon Boulevard Arlington, VA 22209	American Chiropractic Assn		
Susan N. Kelly, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))		
Mark L. Kemmer, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	2,500.00	3,962.19
Coletta Kemper, 1401 New York Avenue, NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc		
Jackson Kemper Jr., 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic/Retrieval Systems, Inc	8,750.00	
Kemper Financial Companies, 120 South LaSalle Street Chicago, IL 60603			217.76
Kemper Financial Services, Inc, 120 South Lasalle Street Chicago, IL 60603			403.76
Kemper Investors Life Insurance Co, 120 South Lasalle Street Chicago, IL 60603			1,162.61
Kemper Reinsurance Company, Long Grove, IL 60049			353.50
Jonathan Kempner, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	National Multi Housing Council	3,930.00	3,930.00
Kendall & Associates, Inc, 50 E St., SE Washington, DC 20003	ALC Communications Corp		
Do	Manville Corporation	1,500.00	
Do	Perkinson and Associates		
Do	Rose Communications		
Do	Toyota Motor Sales, USA, Inc	2,000.00	
Do	Worldwide Information Resources, Inc		
John Kendrick, 1000 Wilson Blvd., #2800 Arlington, VA 22209	Grumman Corporation	625.00	2,022.32
Joseph W. Kennebeck, 490 L'enfant Plaza, SW, #3210 Washington, DC 20024	Volkswagen of America, Inc	350.00	50.00
Art Kennedy, Box 200576 Anchorage, AK 99520	Koniag, Inc	16,240.00	4,413.99
David Kennedy, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners and Pilots Assn	5,000.00	1,713.13
James J. Kennedy Jr., 400 First St., NW, #804 Washington, DC 20001	Railway Labor Executives' Assn	11,250.00	
Michael E. Kennedy, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Patricia Kennedy, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	2,100.00	569.00
Erica G. Kenney, 499 South Capitol St., SW, #520 Washington, DC 20003	Petroleum Marketers Assn of America	1,250.00	11.00
Jeremiah J. Kenney Jr., 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Corp		32.00
Edward B. Kenney & Associates, Inc, 499 S. Capitol St., SW, #520 Washington, DC 20003	Lockheed Aeronautical Systems Co		
Do	LTV Aerospace & Defense		
Do	Textron, Inc		
Brendan Kenny, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	5,050.00	531.14
Henry J. Kenny, 122 C Street, NW, #740 Washington, DC 20001	American League for Exports & Security Assistance	6,250.00	61.13
J. H. Kent, Kent & O'Connor, Inc 1825 K Street, NW, #305 Washington, DC 20006	American Soc of Plastic & Reconstructive Surgery	5,000.00	2,518.74
Do	American Supply Association	3,000.00	11,533.14
Do	International Assn of Airport Duty Free Stores	2,186.25	1,095.11
Do	National Customs Brokers & Forwarders Assn of America	4,500.00	2,244.95
Elizabeth Kepley, 601 Pennsylvania Ave., NW, #901 Washington, DC 20004	Focus on the Family	8,229.15	
Vytautas Kerbelis, P.O. Box 336 Seal Harbor, ME 04675	ARAS		
Michael L. Kerley, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	4,800.00	180.00
Susan Akers Kernus, 1330 Connecticut Ave., NW, #300 Washington, DC 20036	Synthetic Organic Chemical Manufacturers Assn, Inc	1,000.00	336.01
Suzanne S. Kerr, 305 7th Street, SE, #204 Washington, DC 20003	Women's Action for Nuclear Disarmament, Inc, et al	1,600.00	
Michael J. Kerrigan, 2550 M Street, NW, #300 Washington, DC 20037	Smokeless Tobacco Council, Inc	1,251.84	12.00
Robert M. Ketchel, 1331 Pennsylvania Ave., NW, #895 Washington, DC 20004	General Electric Co		
Gilbert W. Keyes, P.O. Box 3999 (Mail Stop 8c-68) Seattle, WA 98124	Boeing Aerospace Co		
G. Chandler Keys III, 1301 Pennsylvania Avenue, NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Richard F. Kibben, 200 Park Ave., #2222 New York, NY 10166	Business Roundtable		
William S. Kies, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	200.00	
Ingolf N. Kiland Jr., 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	5,010.53
Thomas J. Kilcline, 201 North Washington Street Alexandria, VA 22314	Retired Officers Assn	1,009.75	
John J. Killeen, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Mary K. Killorin, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	2,500.00	
Phillips Kimball Jr., 8224 Old Courthouse Road Vienna, VA 22180	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Richard H. Kimberly, 1201 Pennsylvania Avenue, NW, #730 Washington, DC 20004	Kimberly-Clark Corp	1,965.96	97.25
Kimberly-Clark Corp, Texas Commerce Bank Building 545 E. Carpenter Freeway Irving, TX 75062-3931			2,643.21
James L. Kimble, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn		
Aubrey C. King, 1133 21st Street, NW Washington, DC 20036	Travel & Tourism Gov't Affairs Council	2,000.00	
Lewis O. King, P.O. Box 10045 Austin, TX 78766	National Guard Assn of Texas	7,000.00	80.12
W. Russell King, 50 F St., NW, #1050 Washington, DC 20001	Freeport McMoran D.C., Inc	5,000.00	144.87
King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Alliance for Capital Access		
Do	Charter Medical Corp		94.88
Do	Generic Pharmaceutical Industry Assn		
Do	Georgia International Investment Coalition		
Do	GPIA-Animal Drug Alliance		
Do	Lincoln Property Co, et al		
Do	National Assn of Bond Lawyers		
Do	National Pharmaceutical Alliance		
Do	Trammell Crow Co		
King Shapiro Cohen & Young, 3100 Breckinridge Blvd., Bldg. 1200 Duluth, GA 30136	A. L. Williams Corp		
Ruby King-Williams, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Kathleen N. Kingscott, 1801 K Street, NW, #1200 Washington, DC 20006	IBM Corp	5,775.00	27.00
Daniel T. Kingsley, 1655 N. Fort Myer Dr., #700 Arlington, VA 22209	National Venture Capital Association	17,600.00	8,204.50
Roger P. Kingsley, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Janie A. Kinney, 1615 L Street, NW, #1320 Washington, DC 20036	Merck & Co, Inc	575.00	175.00
Marcia Y. Kinter, 10015 Main Street Fairfax, VA 22031-3489	Screen Printing Assn International		
Cecilia Anne Kirby, 1201 New York Ave., NW Washington, DC 20005	American Hotel & Motel Assn		
James C. Kirie, 1644 N. 77th Court Elmwood Park, IL 60635	Metro Water Reclamation District of Greater Chicago		
John R. Kirk, Bingham, Dana & Gould 150 Federal Street Boston, MA 02110	First National Bank of Boston		
Kirkpatrick & Lockhart, 1800 M St., NW, S. Lobby, #900 Washington, DC 20036	Asociacion de Bancos de Ahorro de Puerto Rico	2,227.50	
Do	Columbia Pictures Industries, Inc		
Do	Federal Home Loan Bank of Boston	1,705.00	
Do	Federal Home Loan Bank of Cincinnati	1,705.00	
Do	Federal Home Loan Bank of New York	1,705.00	
Do	Goldman Sachs & Co		
Do	Grocery Manufacturers of America, Inc		
Do	Tuscaloosa Steel Corp		
Kirlin Campbell & Keating, One Farragut Square South Second Floor Washington, DC 20006	Council of European & Japanese National Shipowners' Assn	32,760.00	304.49
Robert A. Kirshner, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	500.00	
Mary Brice Kirtley, 888 17th Street, NW, #300 Washington, DC 20006	ConAgra, Inc	1,000.00	
David M. Kiser, 1919 Pennsylvania Ave., NW, #705 Washington, DC 20006	Eastman Kodak Co	350.00	58.00
Sam Kito Jr., P.O. Box 210575 Anchorage, AK 99521-0575	Kito, Inc (For:North Slope Borough)	3,000.00	5,322.21
Do	Kito, Inc (For:Sealaska Corporation)	22,250.00	7,950.47
Lisa K. Kjaer, 1722 Eye St., NW #300 Washington, DC 20006	Electronic Industries Assn	800.00	
Sandra D. Kjellberg, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development	3,730.00	881.00
Dean Kleckner, 225 Touhy Avenue Park Ridge, IL 60068	American Farm Bureau Federation	3,575.00	
William Klinefelter, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	2,505.94	
Jeffery L. Klinger, 122 C Street, NW, #240 Washington, DC 20001	Peabody Holding Company, Inc		311.78
Mary Jane Klocke, 1025 Connecticut Ave., NW Washington, DC 20036	Shell Oil Co	500.00	
David M. Klucsik, 1415 Wyckoff Road Wall, NJ 07719	New Jersey Natural Gas Co		
Glenn Knapp, 773 Dartmouth Ave. San Carlos, CA 94070			
Theodore Knappen, 1101 14th Street, NW, #1201 Washington, DC 20005	Greyhound Lines, Inc	18,000.00	
John A. Knebel, 1920 N Street, NW, #300 Washington, DC 20036	American Mining Congress	1,170.00	247.42
Peter E. Knight, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	14,000.00	3,168.16
Knights of Columbus, 1275 Pennsylvania Ave., NW, #501 Washington, DC 20004-2404			170.00
Keith R. Knoblock, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Albert B. Knoll, 555 13th Street, NW, #1010 East Washington, DC 20004-1109	Sun Co, Inc	2,000.00	1,158.78
Mark S. Knouse, 555 Thirteenth Street, NW, #450 West Washington, DC 20004	Union Pacific Corporation	13,750.00	441.61
C. Neal Knox, Neal Knox Associates Box 6537 Silver Spring, MD 20906		10,000.00	650.00
Bradley R. Koch, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	110.45	
George W. Koch, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	100.00	
David G. Koenig, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc	60.00	
Gary J. Kohn, 1600 M Street, NW Washington, DC 20036	Investment Company Institute		
Stanley E. Kolbe Jr., 305 4th Street, NE Washington, DC 20002	Sheet Metal & Air Conditioning Contractors National Assn		64.25
Michael S. Koleda, 1225 Eye St., NW, #320 Washington, DC 20005	Council on Alternate Fuels		
Ann Kolker, 1616 P Street, NW, #100 Washington, DC 20036	National Women's Law Center		51.95
Diane J. Koller, 1101 17th St., NW, #600 Washington, DC 20036	American Airlines, Inc	2,500.00	450.52

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Nicholas Kominus, 1001 Connecticut Ave., NW Washington, DC 20036	U.S. Cane Sugar Refiners' Assn		
Koniag, Inc, 4300 B Street, #407 Anchorage, AK 99503			120,794.20
Stephen Koplan, 1455 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Joseph E. Seagram & Sons, Inc	1,600.00	
George S. Kopp, 2121 K Street, NW, #650 Washington, DC 20037	Global USA, Inc (For:Earth Observation Satellite Company (EOSAT))	14.42	
Steven Kopperud, 1701 N. Ft. Myer Drive Arlington, VA 22209	American Feed Industry Assn	3,240.00	
Kerrill K. Kornegay, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	2,093.00	2,348.48
Ronald W. Kosh, 12600 Fair Lakes Circle Fairfax, VA 22033-4900	AAA Potomac		
Nicholas P. Koskores, 518 Boyston Street Boston, MA 02116	New England Council, Inc		
Stephen M. Koslow, 1300 19th Street, NW, #404 Washington, DC 20036	AFL-CIO Maritime Committee	6,300.00	300.00
Marilyn S. Koss, 600 New Hampshire Ave., NW Washington, DC 20037	New York Life Insurance Company	120.00	39.47
Kostmayer Communications, Inc, 2300 M Street, NW #920 Washington, DC 20037	Coalition for Auto Repair Choice		
Do	Coalition of American Steel Using Manufacturers		
Gerald J. Kovach, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	2,000.00	76,206.18
Kenneth S. Kovack, 815 16th St., NW, #706 Washington, DC 20006	United Steelworkers of America	12,458.44	
Joan M. Kovalic, 955 L'Enfant Plaza, SW, 6th Fl. Washington, DC 20024	BASF Corp	76.00	7.00
Mylio S. Kraja, 1608 K St., NW Washington, DC 20006	American Legion	4,056.00	381.60
Andrea S. Kramer, 3500 Three First National Plaza Chicago, IL 60602	Coffield Ungaretti Harris & Slavin (For:Comdisco, Inc)	32,737.50	
Joseph H. Kramer III, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Budd Company)		
Alan M. Kranowitz, 1725 K Street, NW, #710 Washington, DC 20006	National Assn of Wholesaler-Distributors		
Stephen W. Kraus, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	1,000.00	
Raymond R. Krause, 3771 Pillsbury Center Minneapolis, MN 55402	Pillsbury Company	1,500.00	604.00
Robert S. Krebs, 8111 Gatehouse Road Falls Church, VA 22042	AAA Potomac		
Earl R. Kreher, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	188.46	
Kroger Company, 1014 Vine St. Cincinnati, OH 45201			5,328.60
Krooth & Altman, 2101 L Street, NW, #210 Washington, DC 20037	Healthcare Financing Study Group		
Do	Housing Study Group		
Robin L. Kropf, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	25.00	
Keith R. Krueger, 1527 Wisconsin Avenue, NW Washington, DC 20007	Tele-Systems Assn, Inc		
Do	US West Communications	6,000.00	817.48
Paul R. Kruse, 1155 15th St., NW, #600 Washington, DC 20005-2770	Pennzoil Co	625.00	
James S. Krzyminski, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
Ronald W. Kuehn, 2 East Mifflin Street, #600 Madison, WI 53703	DeWitt Porter Huggett Schumacher & Morgan, SC (For:Becker CPA Review Courses)	880.00	229.39
M. J. Kuehne, P.O. Box 11346 Tacoma, WA 98411	Northwest Independent Forest Manufacturers	5,500.00	2,014.00
Philip Kugler, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers		
Herb B. Kuhn, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	3,766.70	449.31
Thomas R. Kuhn, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	1,450.55	
Ester Kurz, 440 First Street, NW, 6th Floor Washington, DC 20001	American Israel Public Affairs Comm	22,350.00	334.02
James M. Kuszaj, P.O. Box 31608 Raleigh, NC 27615	Dow Chemical USA		
Kutak Rock & Campbell, 1101 Connecticut Ave., NW, #1000 Washington, DC 20036	America First	5,971.71	
Do	Financial Security Assurance	42,026.25	1,265.39
Do	Municipal Bond Insurance Assn	1,433.75	276.46
John R. Kyte, 201 Massachusetts Avenue, NE, #5 Washington, DC 20002	BMc Strategies, Inc	2,250.00	1,865.66
James La Sala, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Labor Bureau, Inc, 1101 15th Street, NW, #1010 Washington, DC 20005			
Labor Policy Assn, Inc, 1015 15th St., NW, #1200 Washington, DC 20005			
Labor-Management Maritime Committee, Inc, 444 Capitol Street, 8th Fl Washington, DC 20001		3,982.00	4,195.00
Joseph L. Lach, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corp	500.00	
Janice R. Lachance, 80 F Street, NW Washington, DC 20001	American Federation of Government Employees	12,014.64	
Kathryn Ann Lachelt, 1615 L Street, NW, #950 Washington, DC 20036	Foley Hoag & Eliot (For:United Savings Bank)	360.00	
Marc E. Lackritz, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	234.98
John D. Lacopo, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004	EDS Corporation		
Bruce C. Ladd Jr., 1776 K Street, NW Washington, DC 20006	Motorola, Inc	16,500.00	88.00
Robert A. Ladig, Scott Plaza Philadelphia, PA 19113	Scott Paper Co	2,750.00	961.23
Myron F. Laible, 1212 New York Ave., NW #1210 Washington, DC 20005	Outdoor Advertising Assn of America, Inc		
Ellen C. Lamb, 1015 18th St., NW Washington, DC 20036	Conference of State Bank Supervisors	275.00	101.80
Robert Lamb, 1627 Eye St., NW Washington, DC 20006	McGuire Woods Battle & Boothe (For:Armstrong World Industries, Inc)	5,000.00	
Do	McGuire Woods Battle & Boothe (For:Combined Sewer Overflow)	5,000.00	
Do	Doe Run Company	5,000.00	
Do	James River Corp	5,000.00	
Do	National Paint & Coatings Assn	5,000.00	
Do	Occidental Chemical Corp	5,000.00	
Do	Occidental Petroleum Corp	5,000.00	
Do	Sun Company, Inc	5,000.00	
David F. Lambert III, 1401 New York Ave., NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc		
David P. Lambert, 1800 K St., NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
David R. Lambert, 1030 15th St., NW, #964 Washington, DC 20005	American Seed Trade Assn	6,000.00	
Stephen K. Lambright, One Busch Place St. Louis, MO 63118	Anheuser-Busch Companies, Inc		
Martha D. Lamkin, P.O. Box 3005 Columbus, IN 47202	Cummins Engine Co, Inc	385.00	
Henry Lancaster Inc, 550 West Seventh Ave., #1395 P.O. Box 10-3461 Anchorage, AK 99510	BP Exploration (Alaska), Inc	16,500.00	19,477.29
Ray H. Lancaster, 555 13th Street, NW, #430 West Washington, DC 20004	Texas Gas Transmission Corp	3,000.00	77.58
L. Charles Landgraf, 1333 New Hampshire Avenue, NW Washington, DC 20036	Leboeuf Lamb Leiby & MacRae		
Thomas M. Landin, P.O.Box 7929 One Franklin Plaza Philadelphia, PA 19101	SmithKline Beckman Corp		
Landis Cohen Rauh & Zelenko, 1019 19th St., NW, #500 Washington, DC 20036	American Soc of Composers Authors & Publishers		
Do	National Council for Japanese American Redress	1,300.00	
Do	NFL Players Association	5,250.00	
David W. Landsidle, 1710 Rhode Island Avenue, NW, #300 Washington, DC 20036	Abbott Laboratories	4,000.00	
Bruce Alan Landy, 2601 Virginia Avenue, NW Washington, DC 20037	B.A.L. Co		
Do	Cryogenic Vacuum Technology Co		
Do	FAA-Congress Watch		
Do			
Scott H. Lane, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,300.00	
William C. Lane, 100 N.E. Adams Street Peoria, IL 61629-1460	Caterpillar, Inc	500.00	916.87
Lane Powell Moss & Miller, 1301 Fifth Ave. Seattle, WA 98101	Afognak Joint Venture	30,961.00	3,088.85
Adrienne C. Lang, 1111 14th Street, NW, #501 Washington, DC 20005	American Soc of Anesthesiologists	5,000.00	
Robert K. Lange, 1700 N. Moore St., #2120 Arlington, VA 22209	Boeing Company	4,290.00	1,755.43
Roger W. Langsdorf, 1600 M Street, NW Washington, DC 20036	ITT Corporation	5,000.00	10.00
Robin W. Lanier, 1000 Connecticut Ave., NW Washington, DC 20036	National Retail Merchants Assn	4,000.00	21.00
J. Stephen Larkin, 9225 Katy Freeway, #310 Houston, TX 77024	Petroleum Equipment Suppliers Assn	2,250.00	1,027.16
Peter J. Larkin, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	200.00	
Richard Eugene Larochelle, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	250.00	
Mary Ellen Larson, 1420 King Street Alexandria, VA 22314-2715	National Soc of Professional Engineers	1,250.00	
Reed E. Larson, 8001 Braddock Road, #600 Springfield, VA 22160	National Right to Work Committee		
Warren Lasko, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America		
Latham & Watkins, Sears Tower, #5800 Chicago, IL 60606	Ocenco, Inc	355.66	
Delbert L. Latta, 516 Hillcrest Dr. Bowling Green, OH 43402	Calderon Automation, Inc	7,375.00	2,190.47
Do	Freedom Fund of New Jersey, Inc	5,000.00	
Do	M.G. Zorkin		
K.P. Lau, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	2,662.26	296.52
Daniel Lauwers, 1840 Wilson Blvd Arlington, VA 22201	National Milk Producers Federation	2,080.00	
Lorraine Lavet, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S	2,100.00	270.28
Charles B. Lavin Jr., 7101 Wisconsin Ave., #1390 Bethesda, MD 20814	National Burglar & Fire Alarm Assn, Inc		
Kathryn M. Lavriha, P.O. Box 1417-D49 Alexandria, VA 22313	National Association of Chain Drug Stores, Inc	500.00	
Law Offices of Peter L. Eleey, 304 Victory Road Marina Bay, MA 02171	Dana Farber Cancer Institute	2,250.00	
Do	Fox Chase Cancer Center	2,250.00	
Do	Fred Hutchinson Cancer Research Center	2,250.00	
Do	Kenneth Norris Jr. Comprehensive Cancer Center	2,250.00	
Do	Roswell Park Memorial Institute	2,250.00	
Jonathan Lawnniczak, 925 15th St., NW Washington, DC 20005	National Council of Senior Citizens	8,237.00	150.00
Lloyd R. Lawrence Jr., Bob Lawrence & Associates 803 Prince Street Alexandria, VA 22314	Valmont Industries, Inc	3,000.00	400.00
Bob Lawrence & Associates, 803 Prince St. Alexandria, VA 22314	Mechanical Technology Incorporated	6,000.00	400.00
Elizabeth Lawson, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S	4,310.71	
Keith Lawson, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	95.60	7.00
Laxalt Corporation, 1455 Pennsylvania Ave., NW, #985 Washington, DC 20004	Boone Company	3,300.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Mesa Limited	2,000.00	
Do	Milliken & Co		
Do	Motion Picture Assn of America, Inc	1,500.00	
Laxalt Washington Perito & Dubuc, 1120 Connecticut Ave., NW Washington, DC 20036	American College of Neuropsychopharmacology	157.50	
Do	Appraisal Foundation		
Do	AVW Electronics		
Do	BTS Development Corp		
Do	City of Oakland		
Do	Cohen Flax Management	273.00	
Do	Government of Antigua		
Do	Greenebaum & Rose Associates		
Do	Healthdyne, Inc		
Do	Home Group		
Do	Martin Marietta Corporation		
Do	Nordisk-USA	800.00	
Do	Optur	1,350.00	
Do	Standard Federal Savings Bank	1,200.00	
Do	Yukon Pacific Corp		
Jennifer Layman-Heitman, 2030 M Street, NW Washington, DC 20036-0	Common Cause	1,184.84	
Sandra L. LaFevre, 1819 L St., NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Sally Ann LaHue, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	13,000.00	612.87
Wayne R. LaPierre Jr., 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	2,112.50	2,000.00
Joan H. LaVor, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
League of Women Voters of the U.S., 1730 M St., NW Washington, DC 20036		36,480.89	36,480.89
League to Save Lake Tahoe, 2197 Lake Tahoe Blvd. P.O. Box 10110 South Lake Tahoe, CA 95731			916.52
Edward R. Leahy, 1500 K Street, NW, #200 Washington, DC 20005	Chicago Board Options Exchange		
Alisa J. Learner, 1100 Connecticut Ave., NW Washington, DC 20036	Chrysler Corporation	4,725.00	582.00
Thomas B. Leary, Hogan & Hartson 555 13th St., NW Washington, DC 20004-1109	Business Roundtable		
Richard J. Lease, 2145 Boise Drive Las Cruces, NM 88001			
Cynthia C. Lebow, 1050 Connecticut Ave., NW, #900 Washington, DC 20036	Gibson Dunn & Crutcher (For:Prudential Insurance Co of America)		
Wendy Lechner, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Federation of Independent Business (NFIB)	3,401.75	100.00
Cara Lee, 9 Vassar Street Poughkeepsie, NY 12601	Scenic Hudson, Inc		
L. Courtland Lee, Inc, 3814 West Street Landover, MD 20785	Minerals Exploration Coalition, Inc	500.00	115.00
Peter A. Lefkin, 1730 Rhode island Ave., NW, #1117 Washington, DC 20036	Firemans Fund Insurance Cos	4,500.00	657.00
Marsha P. Lefkovits, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	1,160.00	851.51
Mary James Legatski, 1330 Connecticut Ave., NW, #300 Washington, DC 20036	Synthetic Organic Chemical Manufacturers Assn	500.00	78.00
C. Hoke Leggett, 1875 I St., NW, #800 Washington, DC 20006	Tobacco Institute		
Leslie A. Lehmann, 111 SW Columbia, #800 Portland, OR 97201	Nerco, Inc	6,765.00	214.16
Leibowitz & Spencer, 3050 Biscayne Blvd., #501 Miami, FL 33137	Curt Gowdy Broadcasting, et al		
G. Timothy Leighton, 1101 14th St., NW Washington, DC 20005	American Financial Services Assn		
Leighton & Regnery, 1667 K Street, NW Washington, DC 20006	American Cordage and Netting Manufacturers		
Do	American Dairy Products Institute	200.00	
Do	ALPO Petfoods, Inc		
Do	Clorox Company		
Do	Express Foods Co, Inc		
Do	General Instrument Corporation		
Do	GTE Products Corp		
Do	Leprino Foods, Inc		
Do	Merrick's, Inc		
Do	Visiting Nurse Assn of America	500.00	
Terry L. Leitzell, One Thomas Circle, NW, #900 Washington, DC 20005	Bogle & Gates (For:Northern Jaeger)	2,000.00	
Do	Bogle & Gates (For:Wright Schuchart, Inc)	2,000.00	
Joseph L. Leitzinger, Bank of California Building 1201 Third Ave., #4900 Seattle, WA 98101-3009	Simpson Investment Co	550.00	123.00
Robert A. Lembo, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	2,000.00	100.00
Laverne Still Lemen, 1100 Vermont Avenue, NW, Suite 430 Washington, DC 20005	National Cotton Council of America	257.50	24.80
Lynette Lenard, 815 Connecticut Avenue, NW, #900 Washington, DC 20006	Ford Motor Company	2,500.00	1,034.20
Burleigh C. W. Leonard, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	2,720.00	414.41
Earl T. Leonard Jr., P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company	572.00	917.78
Jerris Leonard, 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Leonard & Ralston (For:Krueger, Inc)	21,336.15	
Lloyd Leonard, 1730 M St., NW Washington, DC 20036	League of Women Voters of the U.S.	6,036.23	175.84
Lepon McCarthy & Jutkowitz, 1146 19th Street, NW, Third Floor Washington, DC 20006	Manhattan Apartments, LP	2,000.00	
Charles Leppert Jr., 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Co	170.09	
Richard L. Lesher, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce		
William Gene Lesher, 517 C Street, NE Washington, DC 20002	Lesher Russell & Moos, Inc		
Daniel Lesmez, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
William J. Lessard Jr., 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security	3,566.00	
Gilbert B. Lessenco, 1200 New Hampshire Ave., #300 Washington, DC 20036	Wilner & Scheiner (For:Graco, Inc)	2,671.00	35.08
Craig S. Lesser, 23/333 Piedmont Ave Atlanta, GA 30308	Georgia Power Co	8,397.00	9,188.31
Joseph S. Lester Jr., 1201 Pennsylvania Ave., NW, #370 Washington, DC 20004	Control Data Corporation		
Dale Lestina, 1201 16th St., NW Washington, DC 20036	National Education Assn	3,422.95	153.00
Leventhal Senter & Lerman, 2000 K Street, NW, #600 Washington, DC 20006-1809	Aeronautical Radio, Inc		
Do	Committee for America's Copyright Community	3,727.50	5.15
Do	Copyright Remedies Coalition	7,475.00	17.00
S. R. Levering, Route 2 Ararat, VA 24053	U.S. Committee for the Oceans		
Betsy Levin, One Dupont Cirle, NW, #370 Washington, DC 20036	Association of American Law Schools		
Barbara W. Levine, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	634.50	
Lawrence E. Levinson, 1875 Eye St., NW, #1225 Washington, DC 20006	Paramount Communications, Inc	2,750.00	320.00
Roger N. Levy, 901 15th Street, NW, #520 Washington, DC 20005-2301	Travelers Companies	2,500.00	
Howard Lewis, National Association of Manufacturers 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Association of Manufacturers	800.00	100.00
Michael R. Lewis, 1133 15th St., NW, #640 Washington, DC 20005	International Longshoremen's & Warehousemen's Union	11,700.00	376.15
Richard Lewis, 1025 Vermont Ave., NW Washington, DC 20005	American Pulpwood Assn		
Richard W. Lewis, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron USA, Inc	779.00	
Robert J. Lewis, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	1,150.00	
Stuart A. Lewis, 1919 Pennsylvania Ave., NW, #850 Washington, DC 20006	First Interstate Bancorp	1,500.00	
Do	Manufacturers Hanover Corp	2,200.00	
William H. Lewis, Morgan Lewis & Bockius 1800 M Street, NW Washington, DC 20036	U.S. Gypsum Co	1,000.00	50.00
John F. Leyden, 815 16th Street, NW, #308 Washington, DC 20006	Public Employee Department, AFL-CIO	4,992.26	
LeBoeuf Lamb Leiby & MacRae, 1333 New Hampshire Ave., NW, #1100 Washington, DC 20036	Maritrans Operating Partners, LP	2,437.50	46.00
Do	Physicians Insurers Assn of America		
Do	Underwriters at Lloyd's London		
Harris W. LeFew, 300 Pratt Street Luke, MD 21540-1099	Westvaco Corporation		
Lawson LeGate, 177 East 900 South, #102 Salt Lake City, UT 84111	Sierra Club	2,112.65	3,224.34
Lynn H. LeMaster, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	1,587.69	186.63
William J. Lhota, 215 N. Front Street Columbus, OH 43215	Columbus Southern Power Co		
Fern Z. Liang, 4630 Montgomery Ave. Bethesda, MD 20814	American Society of Hospital Pharmacists		3,000.00
Richard A. Lidinsky Jr., 1440 New York Ave., NW, #430 Washington, DC 20005	Sea Containers America, Inc		
William C. Lienesch, 238 10th St., SE Washington, DC 20003	National Parks & Conservation Association	1,385.00	32.50
Ross W. Lillard, 920 Main Street Kansas City, MO 64105	Stinson Mag & Fizzell (For:Farmland Industries, Inc)		
Lincoln National Corp, 1300 South Clinton Street Fort Wayne, IN 46801			9,539.18
Karl W. Lindberg, 2322 Easter Lane New Orleans, LA 70114	Southern Forest Products Assn	2,079.00	
Roger Lindberg, 901 31st St., NW Washington, DC 20007	Hill & Knowlton (For:Brush Wellman, Inc)	112.50	
Do	Hill & Knowlton (For:Church of Scientology International)		
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)		
Do	Hill & Knowlton (For:Nintendo of America, Inc)		
Do	Hill & Knowlton, Inc (For:Panhandle Eastern Corp)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)		
Do	Hill & Knowlton (For:Ryder)		
Do	Hill & Knowlton, Inc (For:Shaklee Corp)		
Victor E. Lindenheim, 1945 Old Gallows Rd., #550 Vienna, VA 22180	American Wood Preservers Institute	282.95	
George E. Lindow, 625 Liberty Avenue Pittsburgh, PA 15222-3197	Peoples Natural Gas Co	342.70	522.34
Lindsay Hart Neil & Weigler, 1225 19th Street, NW, #200 Washington, DC 20036	Agriculture Ocean Transportation Coalition		227.55
Do	AVIA Footwear, Inc		
Do	Crowley Maritime Corp	514.50	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	E.I. du Pont de Nemours & Co	6,030.75	494.18
Do	Oregon Economic Development Dept, Marine Div		
Do	Pacific Coast Council of Freight Forwarders	6,000.00	1,690.54
Do	Port of Portland	7,500.00	296.38
Do	Reebok International Ltd	17,558.50	897.74
Donald Lindsey, 400 First Street, NW, #819 Washington, DC 20001	Brotherhood of Locomotive Engineers (OH)	415.17	53.68
Paul E. Linet, 176 Federal Street Boston, MA 02210	The Afa Corporation	5,250.00	387.50
Linda A. Lipsen, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	2,160.00	
Lipsen Whitten & Diamond, 1725 DeSales St., NW, #800 Washington, DC 20036	Electronic Data Systems Corp		
Debra J Lipson, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	189.00	
Barbara A. Little, 1155 15th St., NW, #611 Washington, DC 20005	Ethyl Corporation	2,500.00	
Charles B. Little, 600 Maryland Ave., SW, #603 Washington, DC 20024	UBA, Inc	1,000.00	
William F. Little, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	520.00	493.00
Roy Littlefield, 15900 Pinecroft Lane Bowie, MD 20716	American Retreaders' Assn	500.00	
Do	Greater Washington/Maryland Service Station Assn	500.00	
E. F. Livaudais Jr., 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co		1,051.72
Robert W. Lively, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	115.00	
Livestock Marketing Association, 7509 Tiffany Springs Parkway Kansas City, MO 64190-1402			15,875.00
Lobel Novins Lamont & Flug, 1275 K St., NW, #770 Washington, DC 20005	Generic Pharmaceutical Industry Assn	22,683.00	176.88
Gene L. Locke, 3303 Main Street, #300 Houston, TX 77002-6392	Reese Communications Cos (for Philip Morris, USA)	2,100.00	214.73
W. Timothy Locke, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates, Inc (For:Airtrax)		
Do	Hecht Spencer & Associates (For:Boy Scouts of America)		
Do	Hecht Spencer & Associates (For:Brown & Williamson Tobacco)		
Do	Hecht Spencer & Associates (For:BATUS)		
Do	Hecht Spencer & Associates (For:Great Western Financial Corp)		
Do	Hecht Spencer & Associates (For:Hong Kong Trade Development Council)		
Robert F. Lockhart Jr., 1667 K Street, NW #300 Washington, DC 20006	Amdahl Corporation	1,000.00	
Stephen G. Lodge, 1401 New York Ave., NW, #400 Washington, DC 20005	National Food Processors Assn	500.00	100.00
Thomas G. Loeffler, 1200 Republic of Texas Plaza 175 E. Houston Street San Antonio, TX 78205	McCamish Martin Brown & Loeffler (For:Central & South West Corp)		
Do	McCamish Martin Brown & Loeffler (For:Citicorp)	830.00	
Do	McCamish Martin Brown & Loeffler (For:Sematech)		
Do	McCamish Martin Brown & Loeffler (For:United Services Automobile Assn)		
Linda A. Long, 1156 15th Street, NW, #550 Washington, DC 20005	Montgomery McCracken Walker & Rhoads (For:National Check Cashers Coalition)	6,012.50	47.25
Long Law Firm, 8550 United Plaza Blvd., #800 Baton Rouge, LA 70809	Baker Manufacturing Company, Inc	200.00	194.68
Do	Champion International Corporation	3,587.50	
Do	CIGNA Corp		
Do	Greater New York Hospital Assn	175.00	
Do	International Paper	3,587.50	
Do	ITT Corporation	175.00	
Do	Kelso & Co	5,075.00	
Dennis Longoria, Central Power & Light Co P.O. Box 3400 Laredo, TX 78044	Central Power & Light Co		2,560.00
Peter A. Loomis, One Commercial Place Norfolk, VA 23510-2103	Sovran Financial Corp	4,062.50	4,521.75
Susan J. Loomis, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	5,000.00	500.00
Loomis Owen Fellman & Howe, 2020 K St., NW, #800 Washington, DC 20006	Association of Bituminous Contractors		
Do	Classroom Publishers Assn		
Do	First Co		
Do	Industrial Diamond Assn		
Do	National Assn of Theatre Owners		
Do	Optical Manufacturers Assn		
Do	Textile Rental Services Assn of America		
Ann Looper, 1735 New York Ave. Washington, DC 20006	American Institute of Architects	250.00	
Gerald D. Lore, 1050 Connecticut Avenue, NW, #401 Washington, DC 20036	Hoffmann-La Roche, Inc		
Philip J. Loree, 50 Broadway New York, NY 10004	Federation of American Controlled Shipping	200.00	
Robert E. Losch, P.C., 1716 New Hampshire Ave., NW Washington, DC 20009	American Dredging Co, et al	33,126.00	4,921.01
Timothy Lovain, 3713 Gunston Road Alexandria, VA 22302	Denny Miller Associates	5,000.00	
Celia C. Lovell, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Stephanie P. Loving, 1101 Vermont Ave., NW, #405 Washington, DC 20005	A. H. Robins Co	8,245.50	696.43
Stephen R. Lozowick, 9 West 57th Street New York, NY 10019	Avon Products, Inc		
Arthur M. Luby, 1300 L Street, NW, #200 Washington, DC 20005-4178	O'Donnell Schwartz & Anderson (For:Transport Workers Union of America, AFL-CIO)	4,000.00	850.00
Paula D. Lucak, 815 16th Street, NW, #308 Washington, DC 20006	Public Employee Department, AFL-CIO	11,025.04	12.00
Mrs. Freddie H. Lucas, 1660 L St., NW Washington, DC 20036	General Motors Corp	3,000.00	1,353.82
William L. Lucas, 2021 K Street, NW, #300 Washington, DC 20006	Michigan Consolidated Gas Co	500.00	
Mary Riddle Ludke, 1700 K St., NW, #1200 Washington, DC 20006	Chevron USA, Inc	110.00	28.00
Leslie G. Ludwick, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,750.00	
Thomas A. Luebbers, 425 Walnut Street, #2200 Cincinnati, OH 45202	Reese Communications Cos (for Philip Morris, USA)	450.00	
David R. Lukens, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Sylvester Lukis, 1155 15th St., NW, #510 Washington, DC 20005	Carey Technical Institute		
Do	City of Miami	7,500.00	
Do	City of Miami Beach	12,500.00	
Do	Dade County, Florida	30,832.00	
Lumbermens Mutual Casualty Company, Long Grove, IL 60049			3,485.08
Michael L. Lunceford, 8787 Stemmons Freeway Dallas, TX 75247	Mary Kay Cosmetics, Inc		
Lund & O'Brien, 1625 Eye St., NW, #406 Washington, DC 20006	Pennsylvania Power & Light Co	1,160.00	126.46
Carla J. Lunetta, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	4,000.00	441.55
Francis M. Lunnie Jr., 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004	National Assn of Manufacturers		
Howard T. Lyman, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	6,424.58	427.84
Marshall L. Lynam, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036	Dallas-Fort Worth International Airport		395.03
Do	Kelly Hart & Hallman (for: Perry R. Bass)	1,983.85	8.78
Do	Kelly Hart & Hallman (For:Tandy Corporation)	1,983.85	35.97
Timothy P. Lynch, 1901 N. Fort Myer Dr., #204 Arlington, VA 22209	Roadway Express, Inc	425.00	200.00
Margaret Lyons, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006	Ciba-Geigy Corp	3,625.00	
M.O.A./AIOA & Subs, Inc, 701 S. 22nd, #107 Omaha, NB 68102			
Robert A. Macari, 3500 Three First National Plaza Chicago, IL 60602	Coffield Ungaretti Harris & Slavin (For:Comdisco, Inc)	9,100.00	64.81
James E. Mack, 9005 Congressional Court Potomac, MD 20854	National Assn of Mirror Manufacturers		
Do	Peanut Butter & Nut Processors Assn		
James H. Mack, 7901 Westpark Dr. Mclean, VA 22102	National Machine Tool Builders' Assn	20,955.00	500.00
Olivia C. Mackin, 1776 Eye St., NW, #700 Washington, DC 20006	Phillips Petroleum Co	1,000.00	
Mackin Sorensen Peizer Richards & Edwards, PS, 2201 Sixth Avenue, #1301 Seattle, WA 98121	Shee Atika, Inc		
Robert A. Macrory, C/O Alabama Petroleum Council P.O. Box 4220 Montgomery, AL 36195	American Petroleum Institute	814.16	
Mark MacCarthy, 6305 32nd Street, NW Washington, DC 20015	Capital Cities/ABC, Inc	330.00	
Timothy MacCarthy, 1620 I Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	9,690.00	
Jack A. MacDonald, 1901 N. Fort Meyer Drive, #302 Rosslyn, VA 22209-1606	Beverly Enterprises, Inc	6,250.00	75.00
Alan MacLeod, 2000 K Street, NW 8th Floor Washington, DC 20006	National Committee to Preserve Social Security and Medicare	2,562.00	95.59
Paul MacMurdy, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	856.25	154.17
Cliff Madison Government Relations, Inc, 1611 Landfall Drive Wilmington, NC 28403	Burbank-Glendale-Pasadena Airport Authority	7,500.00	
Do	City of Buenaventura	10,500.00	
Do	Federal Express Corp	10,500.00	
Do	Greater Cleveland Regional Transit Authority	9,000.00	
Do	Mark Air, Inc	15,000.00	
Do	Quantas Airways, Ltd		
Do	Regency Outdoor Advertising		
Do	Southern California Rapid Transit District	3,652.00	
Do	Ventura Port District	9,000.00	
Madison Public Affairs Group, Inc, 2033 M Street, NW, #900 Washington, DC 20036	GE-Government Services	4,567.50	3,045.00
Do	Northern States Power Company	7,997.50	5,331.66
Do	Philip Morris USA		
Do	Stratco, Inc	2,700.00	1,800.00
Shayne M. Madsen, 3050 Broadway, #202 Boulder, CO 80304	Madison Public Affairs Group, Inc (For Philip Morris USA)	500.00	265.44
Bill Magavern, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	3,846.13	
James N. Magill, 200 Maryland Avenue, NE Washington, DC 20002	Veterans of Foreign Wars of the U.S.	4,500.00	
Paul J. Magliocchetti, 9527 Wallingford Drive Burke, VA 22015	Paul Magliocchetti Associates, Inc (For:United Technologies Corp)	12,501.00	
James J. Magner, 2033 M Street, NW, #900 Washington, DC 20036	Lachelli, Waller & Magner (For:ASARCO, Inc)		
James W. Magner, Reg # 38670-019 Box 4000 Springfield, MO 65808	Prisoners With AIDS-Rights Advocacy Group (PWA-RAG)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
A. John Maguire, 1110 Vermont Ave. NW Suite 430 Washington, DC 20005	National Cotton Council of America	28,000.00	5,275.61
W. Terry Maguire, Box 17407 Dulles International Airport Washington, DC 20041	American Newspaper Publishers Assn	1,125.00	967.11
David L. Mahan, 1818 N St., NW, #600 Washington, DC 20036	DGA International, Inc (For:Societe Nationale D'Etude et de Const de Moteurs D'Aviation).		
Do	DGA International, Inc (For:Sofreavia)		
Do	DGA International, Inc (For:Teledyne Brown Engineering)		
Linda F. Maher, 9000 Montgomery Ave Chevy Chase, MD 20815	Turner Broadcasting System, Inc	550.00	
Mary Mahon, 380 Second Avenue New York, NY 10010	Planned Parenthood of New York City, Inc		
James E. Mahoney, 2200 Concord Pike Wilmington, DE 19899	Rollins Jamaica Ltd	3,250.00	274.00
Kieran Mahoney, Capitol Strategists 1220 19th Street, NW, #400 Washington, DC 20036	Albanian American Civic League	6,000.00	
Terence P. Mahony, 1331 Pennsylvania Ave., NW, #700 South Washington, DC 20004	National Broadcasting Co, Inc	500.00	166.95
Michael C. Maibach, Intel Corporation, GR1-63 3535 Garrett Drive Santa Clara, CA 95051-8119	Intel Corporation	17,500.00	16,249.72
Major League Baseball Players Assn, 805 Third Avenue New York, NY 10022			806.98
Anthony S. Makris, 2508A South Walter Reed Drive Arlington, VA 22206	National Rifle Assn of America		
K. Wayne Malbon, 1250 I Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	489.00	15.00
Andrew T. Malleck, 400 First Street, NW Washington, DC 20001	Brotherhood of Maintenance of Way Employes	14,922.46	
Conrad L. Mallett Jr., 1800 First National Bldg Detroit, MI 48226	Jaffe Snider Raitt & Heuer, P.C.		
David Mallino, 915 16th Street, NW, #301 Washington, DC 20006	Industrial Union Department, AFL-CIO	8,056.50	1,081.13
Lawrence R. Malone, 1211 Avenue of The Americas New York, NY 10036	Hoechst Celanese Corp.		
Robert H. Maloney, 3900 Wisconsin Ave., NW Washington, DC 20016	Fannie Mae	12,980.79	764.39
Manatt Phelps Rothenberg & Phillips, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036	American Assn of Nurse Anesthetists		
Do	American Institute of Real Estate Appraisers		
Do	Bowling Proprietors Assn of America		
Do	Briscoe Co		
Do	California Bankers Assn		
Do	Centre Pointe Associates		
Do	Chronar Corporation		
Do	Connecticut National Bank		
Do	Edison Electric Institute		
Do	EDU-DYNE Systems, Inc		
Do	Fairfield Communities, Inc		
Do	Federal Express Corp		
Do	First Bank System, Inc		
Do	Flying Tiger Line, Inc	3,397.50	
Do	Home Group, Inc	97.75	
Do	Manufacturers Hanover		
Do	Matlack, Inc		
Do	Melrose Company		
Do	Missouri Assn of Private Career Schools		
Do	Money Store		
Do	National Cable Television Assn, Inc	11,187.00	
Do	North Beach Property Owners' Assn		
Do	Northrop Corp	5,025.00	
Do	NEC Corporation		
Do	Occidental Petroleum Corp		
Do	Phillip Morris Management Corp	6,891.25	
Do	Security First Group, Inc		
Do	Donald T. Sterling & Associates		
Do	Superior Training Services		
Do	United Airlines	825.00	
Do	Vero Beach Oceanfront Investors Limited Partnership		
Do	Watt-Albrecht		
Do	Western Bank	434.50	
Katherine T. Mance, 1616 H Street, NW Washington, DC 20006	American Retail Federation	200.00	113.00
Anne Mancer, P.O. Box 7497 Birmingham, AL 35253	Vulcan Materials Company	1,909.00	1,804.00
Manchester Associates, Ltd, 1707 L Street, NW, #725 Washington, DC 20036	Nissan Motor Company, Ltd		
Do	Nissan Motor Manufacturing Corp, USA	8,287.00	7,882.00
Manchester Group, Ltd, 1155 15th St., NW, #302 Washington, DC 20005	America Committee for Vietnam Claims Justice	22,400.00	
Susan Rachel Weiss Manes, 2030 M Street, NW Washington, DC 20036	Common Cause	14,400.00	60.00
Frank Mankiewicz, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Republic of Turkey)		
Do	Hill & Knowlton (For:Textron, Inc)	1,500.00	
Mary Jo Manning, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:American Newspaper Publishers Assn)		
Do	Hill & Knowlton, Inc (For:Thomson Consumer Electronics)	4,850.00	
Cynthia Mansfield, 600 Maryland Ave., SW, #520 Washington, DC 20024	GPU Service Corporation	4,721.72	379.45
Robert C. Manship, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corporation	1,000.00	
Manufactured Housing Institute, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202			18,183.30
Albert Manville II, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	711.51	58.11
Geoffrey Manville, 1249 South Carolina Ave., SE Washington, DC 20003	Technology Services Group, Inc		
Anthony Manzanares Jr., 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
John V. Maraney, 324 East Capitol St., NE Washington, DC 20003	National Star Route Mail Contractors Assn		
Marc Associates, Inc, 1030 15th Street, NW, #468 Washington, DC 20005	Am. College of Nuclear Physicians-Soc. of Nuclear Medicine	8,000.00	
Do	American Ass'n of Colleges of Oesteopathic Medicine	1,666.00	
Do	American Society for Bone and Mineral Research	1,000.00	
Do	American Society for Gastrointestinal Endoscopy	2,500.00	
Do	American Society of Anesthesiologists	19,625.00	
Do	American Society of Clinical Pathology	2,000.00	
Do	National Association of Epilipsy Centers		
Do	National Hemophilia Foundation	4,000.00	
Do	NI Industries	6,000.00	
Do	Recording for the Blind, Inc	1,000.00	
Do	Research Society on Alcoholism	2,000.00	
Do	Samaritan Health Services		
Do	Village of Palentine		
March for Life, Inc, P.O. Box 90300 Washington, DC 20090		8,630.85	27,920.04
Michael Marchese Jr., 1300 South Clinton Street Fort Wayne, IN 46801	Lincoln National Corp	900.00	520.00
R. V. Mariani, 815 16th St., NW Washington, DC 20006	Transportation - Communications Union	3,000.00	4,000.00
Maritime Institute for Research & Industrial Development, 1133 15th St., NW, #600 Washington, DC 20005			22,505.00
Lawrence D. Markley, P.O. Box 196300 Anchorage, AK 99519	Chugach Electric Assn, Inc	4,682.79	
Marc L. Marks, 1801 K Street, NW, #800 Washington, DC 20006	Westinghouse Electric Corp		
Ramon P. Marks, 400 Park Ave. New York, NY 10022	Japan Steel Works, Ltd		
Luther A. Markwart, 1156 15th St., NW, #1020 Washington, DC 20005	American Sugarbeet Growers Assn		
Ernest Robert Marlow, 1126 16th Street, NW, #200 Washington, DC 20036-1081	International Chemical Workers Union	2,500.00	
Marlowe & Company, 1667 K Street, NW, #660 Washington, DC 20006	City of Venice, Florida		
Do	Coalition to Keep Alaska Oil	3,662.50	90.15
Do	End Notch Discrimination		
Do	Graphic Communications International Union		
Do	Lazare Kaplan International, Inc		
Do	Memphis-Shelby County Airport Authority		
William G. Marqaritis, 1747 Pennsylvania Ave., NW, 3rd Flr Washington, DC 20006	Occidental Chemical Corp		
Chalmers H. Marquis, 1350 Connecticut Avenue, NW, #200 Washington, DC 20036	Association for Public Broadcasting	3,000.00	82.34
Do	Children's Television Workshop		
C. Travis Marshall, 1350 Eye Street, NW, #400 Washington, DC 20005	Motorola, Inc	1,500.00	
Thomas A. Martens, P.O. Box 10110 SO. Lake Tahoe, CA 95731	League to Save Lake Tahoe	916.52	
Cynthia L. Martin, 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic Retrieval Systems, Inc	6,500.00	
Danea Kehoe Martin, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	6,000.00	141.00
Donald N. Martin, Donald N. Martin & Company, Inc 630 Fifth Ave. #565 New York, NY 10111			
Fred J. Martin Jr., 1800 K Street, NW Washington, DC 20006	Bank of America	403.83	2,029.25
J. Ross Martin, Kansas Petroleum Council 1005 Merchants Tower Topeka, KS 66612	American Petroleum Institute		
John M. Martin Jr., 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Katherine E. Martin, 50 F Street, NW Washington, DC 20001	Association of American Railroads	247.52	341.34
Larry K. Martin, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc	2,600.00	75.00
Maureen A. Martin, 60 Wall Street New York, NY 10260	Morgan Guaranty Trust Co		
Robert L. Martin, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S	2,500.00	188.50

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Stephen I. Martin, Hartford Plaza Hartford, CT 06115	Hartford Fire Insurance Co		
Judith Marty, 85 Ridge St. North Sydney, NSW 2060 Australia			
Joseph J. Martyak, 655 15th Street, NW, #225 Washington, DC 20005	Rhone-Poulenc, Inc.		
Maryland People's Counsel, 231 E. Baltimore Street, 9th Fl. Baltimore, MD 21202			
Mike M. Masaoka, Suite 520, The Farragut Bldg. 900 17th St., NW Washington, DC 20006	American Japanese Trade Comm		
Do	Japan Telescope Manufacturers Assn	200.00	
Do	Nisei Lobby		
Do	Toyota Motor Sales, USA, Inc	750.00	
Do	West Mexico Vegetable Distributors Assn	600.00	
Mark A. Maslyn, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	6,638.00	85.00
Arthur K. Mason, 1220 19th Street, NW, #700 Washington, DC 20036	Leva Hawes Mason Martin & Bebchick (For:Association of the U.S. Army)		
Michael J. Mason, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	10,200.00	126.05
Ned W. Massee, 299 Park Avenue New York, NY 10171	Westvaco Corporation		1,826.03
Donald F. Massey, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Church of Scientology International)	450.00	
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)		
Do	Gerber Products Corporation	1,050.00	
Do	Hill & Knowlton, Inc (For:Monsanto Co)		
Do	Hill and Knowlton, Inc (For:Nintendo)	3,250.00	
Do	Hill & Knowlton, Inc (For:Panhandle Eastern Corp)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)	3,300.00	
Do	Hill and Knowlton, Inc (For:Ryder, Inc)		
Do	Hill & Knowlton, Inc (For:Tesoro Petroleum Corp)		
Do	Hill & Knowlton, Inc (For:Wilfred American Education, Corp)		
Masson Grimm & Burgum, Ltd, 106 North Carolina Ave., SE Washington, DC 20003	JEFCO		
Do	Parsons Brinkerhoff Quad & Douglas, Inc		
Noel D. Matchett, 1001 Spring St., #123 Silver Spring, MD 20910	Information Security, Inc	10.00	
Mary Cheryl Matheis, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	638.07	178.32
Dawson Mathis, 919 18th Street, NW, #800 Washington, DC 20006	Dawson Mathis & Associates (For:Crowley Maritime Corp)	3,000.00	
Do	Dawson Mathis & Associates (For:Massachusetts Mutual Life Insurance Co)	3,000.00	
Do	United Parcel Service	3,000.00	
Dawson Mathis & Associates, 919 18th Street, NW Suite 800 Washington, DC 20006	Crowley Maritime Corp	3,000.00	
Do	Massachusetts Mutual Life Insurance Co	3,000.00	
Ann H. Mattheis, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc		
Charles D. Matthews, 1050 17th St., NW, #700 Washington, DC 20036	National Ocean Industries Assn	3,250.00	
Robert A. Matthews, 700 North Fairfax St. Alexandria, VA 22314	Railway Progress Institute	1,260.63	
Suzette Matthews, 2020 North 14th Street, #410 Arlington, VA 22201	Air Traffic Control Assn, Inc	1,054.16	
Joseph M. Mattingly, 1901 North Moore Street, #1100 Arlington, VA 22209	Gas Appliance Manufacturers Assn, Inc		
Daniel J. Mattoon, 1133 21st St., NW, #900 Washington, DC 20036	BellSouth Corp		2,547.77
Marshall L. Matz, 888 17th Street, NW, #900 Washington, DC 20006	Holland & Knight (For:Abbott/Ross Laboratories)	4,543.27	
Do	American School Food Service Assn	9,000.00	531.40
Do	Holland & Knight (For:Carnival Cruise Lines)		
Do	Holland & Knight (For:City of Orlando)	750.00	
Robert V. Maudlin, 1511 K Street, NW Washington, DC 20005	C.V. & R.V Maudlin (For:Southern Company Services, Inc)	1,500.00	220.00
Alan R. Mauk, 1201 New York Avenue, NW Washington, DC 20005	American Public Transit Assn	167.00	
William W. Maurer, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics Corp	1,000.00	931.00
Michael Mawby, 2030 M Street, NW Washington, DC 20036	Common Cause	12,298.74	193.75
William A. Maxwell, 311 First Street, NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	4,000.00	46.32
James C. May, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	10,000.00	48.00
Peter G. Mayberry, 1150 17th Street, NW, #1000 Washington, DC 20036	Keller and Heckman (For:INDA (Association of the Nonwoven Fabrics Industry))		
Joseph T. Mayer, 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	15,925.00	1,175.89
Marion R. Mayer, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	628.19	162.00
Mayer Brown & Platt, 2000 Pennsylvania Avenue, NW Washington, DC 20006	Accountants' Liability Assurance Co, Ltd		
Do	Arkansas Electric Cooperative Corporation		
Do	Attorneys' Liability Assurance Society Ltd		
Do	Brambles USA, Inc		9.70
Do	Brunswick Corp		
Do	Business Roundtable		
Do	Cabot Cabot & Forbes Realty Advisors, Inc		
Do	Comdisco, Inc		
Do	Continental Bank, N.A		
Do	Corn Products Co		
Do	Entergy Corporation		
Do	First Chicago Corp		
Do	FMC Corporation		
Do	Goldman Sachs & Co		
Do	Grocery Manufacturers Assn of America, Inc		
Do	GATX Corporation		
Do	Hewlett-Packard Co		
Do	Household Commercial Financial Services, Inc		
Do	Inland Steel Corp		
Do	JMB Realty Corp		
Do	Lasalle Partners, Inc		
Do	Lehndorff & Babson Real Estate Counsel		
Do	Merrill Lynch Capital Markets		
Do	Nalco Chemical Co		
Do	Nestle, SA		
Do	Quaker Oats Company		
Do	RJR Nabisco, Inc		
Do	Sara Lee Corp		
Do	Sears Roebuck & Co		
Do	Shearson Lehman Brothers, Inc		
Do	Smith Barney Harris Upham & Co, Inc		
Do	Solid Waste Agency of Northern Cook County		
Do	Tele-Communications, Inc		
Do	Vulcan Materials Company, Midwest Division	206.00	
Martin Mayfield, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	850.00	182.59
Maurice W. Maynard, 44 Fifth Avenue Brooklyn, NY 11217			
Jeffrey G. Mays, 1505 Prince Street, Suite 300 Alexandria, VA 22314	American Optometric Assn		
Ellen Mazer, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the United States	346.75	
Donald S. Mazzullo, 700 Midtown Tower Rochester, NY 14604-2070	Genesee & Wyoming Industries, Inc	10,140.00	
Maryln Lee McAdam, 1010 Vermont Ave., NW, #1100 Washington, DC 20005	Bank of Horton	1,950.00	7.51
Do	Bank One	625.00	
Do	California Student Aid Commission	2,375.00	85.62
Do	Colorado Student Loan Program	4,500.00	61.59
Do	FAME	4,500.00	62.70
Do	Illinois State Scholarship Commission	1,237.50	71.31
Do	Just Kids		
Do	Nebraska Higher Education Loan Program, Inc	1,125.00	12.64
Do	Nebraska Student Loan Program		12.64
Do	Texas Guaranteed Student Loan Corp		67.01
Do	Union Bank		
Michael J. McAdams, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc	4,000.00	1,036.93
H. Wesley McAden, 1155 15th St., NW, #504 Washington, DC 20005	J. G. Boswell Co	3,000.00	
Do	New York Cotton Exchange	2,000.00	
Do	Supima Association of America	2,000.00	
Timothy McAnarney, 312 South 4th Street, #3 Springfield, IL 62701	Reese Communications Cos (for: Philip Morris, USA)	1,875.00	162.06
Jerry McAndrews, 120 Maryland Ave., NE Washington, DC 20012	Competitive Telecommunications Assn		
Mary E. McAuliffe, 555 Thirteenth Street, NW, #450 West Columbia Square Washington, DC 20004	Union Pacific Corporation	13,750.00	974.78
McAuliffe Kelly Raffaelli & Siemens, 555 New Jersey Ave., NW, #880 Washington, DC 20001	American Chiropractic Assn	1,600.00	
Do	Arlington Cancer Center	1,000.00	
Do	Bay Area Rapid Transit District	2,500.00	
Do	Browning Ferris, Inc	3,000.00	
Do	Cellular Telecommunications Industry Assn	330.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Chicago Mercantile Exchange	250.00	
Do	Coalition for Affordable Home Financing	5,000.00	
Do	COSTEP	1,000.00	
Do	D/FW Railtran System	500.00	
Do	Dean Witter Realty	1,500.00	
Do	Gulf Coast Waste Disposal Authority	3,000.00	
Do	International Franchise Assn	900.00	
Do	Lawyers' Mutual Insurance Co		
Do	Lincoln Property Co		
Do	Lloyd's U.S.	1,000.00	
Do	Philip Morris Co	1,000.00	
Do	Sweetener Users Assn		
Do	Taylor & Mizell		
Do	Transamarica Corporation	650.00	
Do	Wine Institute	2,000.00	
Ann McBride, 2030 M St., NW Washington, DC 20036	Common Cause	16,540.02	146.98
Charlie McBride Associates, Inc, 1101 Connecticut Ave., NW, #906 Washington, DC 20036	Oxford Energy Co	9,000.00	249.63
Susan P. McCaffrey, 1828 N. Meridian Indianapolis, IN 46202	Community Service Council of Central Indiana, Inc		
John D. McCallum, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co	195.25	
McCamish Martin Brown & Loeffler, P.C., 1200 First Republic Bank Tower 175 East Houston San Antonio, TX 78205	Central & South West Corp		
Do	Citicorp	2,950.00	953.00
Do	Sematech	450.00	93.75
Do	U.S. Automobile Assn		
Katherine S. McCarter, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	2,566.00	
Carolyn Kim McCarthy, 1455 Pennsylvania Ave., NW, #500 Washington, DC 20004	Corning Glass Works	2,000.00	
Sharon McCloe, 818 Connecticut Ave., NW, 200 Washington, DC 20016	U.S. English		9,400.00
McClure & Trotter, 1100 Connecticut Ave., NW, #600 Washington, DC 20036	Coca-Cola Company		409.67
Do	Columbia Pictures Entertainment, Inc		27.81
Do	Mobil Oil Corp		82.55
Do	Motion Picture Association of America, Inc		68.46
Do	Paramount Communications Inc.		99.18
Do	Rank Video Services America		26.35
Robert S. McConnaughey, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
G. McConnell & Associates, Inc, 4716 Neptune Drive Alexandria, VA 22309	Grumman Corp	35.00	
Margaret M. McCormick, 236 Hamburg Hall 5000 Forbes Ave. Pittsburgh, PA 15213	Carnegie-Mellon University	11,000.00	1,430.89
Molly McCormick, 2301 Market Street, box 8699 Philadelphia, PA 19101	Philadelphia Electric Company		
Meredith McCoy, 1800 Mass. Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	148.00	
Steven A. McCoy, 1030 15th Street, NW #1020 Washington, DC 20005	North American Export Grain Assn, Inc		96.00
Tidal W. McCoy, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates (For:Harmer-Eyring)		
Do	Hecht Spencer & Associates (For:Marwais Steel Company)		
John McDavitt, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	2,993.00	
Francis O. McDermott, 888 16th Street, N.W. Suite 624A Washington, DC 20006	Association Management Corp		
Frank X. McDermott, Apruzzese McDermott Mastro & Murphy 500 Morris Ave. P.O. Box 329 Springfield, NJ 07081	Reese Communications Cos (for: Philip Morris, USA)	900.00	
Marianne McDermott, 1350 New York Avenue, NW, #615 Washington, DC 20005	Resources for Group Management, Inc (For:Greeting Card Assn)		
Mark T. McDermott, Joseph Powell McDermott & Reiner, P.C. 1300 19th Street, NW, #400 Washington, DC 20036	Civil Pilots for Regulatory Reform		
Craig McDonald, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	4,000.00	
Edward T. McDonald, 815 16th St., NW Washington, DC 20006	Transportation - Communications Union	2,000.00	1,000.00
Jack McDonald, 1001 Pennsylvania Avenue, NW, #625-S Washington, DC 20004	Jack McDonald Co (For:American Express Corp)		
Do	Jack McDoanld Co (For:Belz Enterprises)		
Do	Jack McDonald Co (For:Dow Corning Corp)		
Do	Jack McDonald Co (For:Hitachi America, Ltd)		
Do	Jack McDonald Co (For:Hitachi Sales Corp of America)		
Do	Jack McDonald Co (For:Minorco Societe Anonyme)		
Do	Jack McDonald Co (For:Royal Zenith Corp)		
Do	Jack McDonald Co (For:Societe Generale de Surveillance, S.A.)		
Do	Jack McDonald Co. (For:WMW Machinery, Inc)		
Michael D. McDonald, Maryland Petroleum Council 60 West St., #403 Annapolis, MD 21401	American Petroleum Institute	250.00	
Patricia McDonald, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Tom McDonald, Arter & Hadden 1100 Huntington Bldg. Cleveland, OH 44115	Jet, Inc	1,268.50	
Jack McDonald Co, 1001 Pennsylvania Avenue, NW, #625-S Washington, DC 20004	American Express Corp		
Do	Belz Enterprises		
Do	Dow Corning Corp		
Do	Hitachi America, Ltd		
Do	Hitachi Sales Corp of America	199.90	34.00
Do	Minorco Societe Anonyme		
Do	Royal Zenith Corp		
Do	Societe Generale de Surveillance, S.A.		
Do	WMW Machinery, Inc	2,500.00	
Sandra McDonough, 1730 M St., NW, Suite 900 Washington, DC 20036	Pacific Power & Light Co	499.07	584.05
Dinah D. McElfresh, 1255 23rd Street, NW, #850 Washington, DC 20037	Hauck & Associates, Inc (For:Hearing Industries Assn)		
McElroy & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	OAAA	41,665.00	1,237.22
Christine W. McEntee, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	293.27	28.65
William S. McEwen, 1101 17th St., NW, #604 Washington, DC 20036	Monsanto Co		90.14
Robert H. McFadden, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	3,480.00	
Paul J. McGeady, 27 Hampton Place Nutley, NJ 07110	Morality in Media, Inc	1,226.00	
Becky McGee, P.O. Box 2880 Dallas, TX 75221-2880	Oryx Energy Company	500.00	
Dana McGee, 1000 Wilson Blvd. Arlington, VA 22209	Grumman Corp	1,250.00	1,632.34
Donna Lee McGee, 1001 Connecticut Ave., #701 Washington, DC 20036	Burlington Industries, Inc	1,500.00	350.00
Gale W. McGee, 901 31st St., NW Washington, DC 20007	Hill & Knowlton, Inc (For:Republic of Turkey)		
Meredith McGehee, 2030 M St., NW Washington, DC 20036	Common Cause	10,101.24	78.90
Michael McGehee, 555 13th Street, #500E Washington, DC 20036	Research to Prevent Blindness, Inc	4,938.00	812.50
P. Anne McGhee, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	500.00	
Robert M. McGlotten, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	18,282.55	1,931.25
Phyllis M. McGovern, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute		
Richard L. McGraw, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp	2,500.00	
McGuiness & Williams, 1015 15th Street, NW, #1200 Washington, DC 20005	Borg-Warner Corp		
Do	International Theatrical Agents Assn		
Do	National Assn of Orchestra Leaders		
Do	National Manufactured Housing Assn		
Do	Pony Express Courier Corp		
Do	Wells Fargo Armored Service Corp		
Joseph M. McGuire, 1501 Wilson Boulevard, #600 Arlington, VA 22209	Air Conditioning & Refrigeration Institute		
Monica M. McGuire, 1331 Pennsylvania Ave., NW, #1500 North Lobby Washington, DC 20004-1703	National Assn of Manufacturers	125.00	
McGuire Woods Battle & Boothe, P.O. Box 25047 Alexandria, VA 22313	Aaronson Properties, Inc		
Do	RF&P Railroad		
Do	Savage/Fogarty Companies, Inc		
Do	Vulcan Materials Co		
McHale Cook & Welch, P.C., 1100 Chamber of Commerce Building Indianapolis, IN 46204	Indiana Bell Telephone Co	1,000.00	600.00
James E. McInerney Jr., 122 C Street, NW, #740 Washington, DC 20001	American League for Exports & Security Assistance, Inc	7,083.00	82.76
McIntyre Kahn & Kruse Co., L.P.A., The Galleria & Towers At Erieview 1301 East Ninth Street, #1200 Cleveland, OH 44114			
John J. McKechnie III, 805 15th St., NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	162.84
Ira E. McKeever, 1224 17th Street, NW Washington, DC 20036	Western Coal Traffic League	6,125.00	
McKenna Conner & Cuneo, 303 East 17th Ave., #600 Denver, CO 80203	Cigar Assn of America		
Jan E. McKenzie, 1111 19th St., NW, #702 Washington, DC 20036	Edison Electric Institute	1,515.88	250.47
Larry McKenzie, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	4,399.00	57.00
Robert T. McKernan, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc		
William Colm McKeveny, Chadbourne Park Law Firm 30 Rockefeller Plaza New York, NY 10112	American Pulpwood Assn		
C. A. 'Mack' McKinney, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	11,000.00	609.79
Steven G. McKinney, P.O. Box 306 Birmingham, AL 35201	Balch & Bingham (For:Alabama Power Company)		
Do	Balch & Bingham (For:Southern Company Services, Inc)		
Monette McKinnon, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Committee to Preserve Social Security and Medicare		
Patrick M. McLain, 1000 Vermont Avenue, NW, #1000 Washington, DC 20005	Rowan & Blewitt Inc (For:Cosmetic Toiletry and Fragrance Assn)	210.00	
Do	Rowan & Blewitt, Inc (For:Par Pharmaceutical, Inc)	41,921.45	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
James D. McLaughlin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,100.00	
John R. McLaurin, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd	5,370.00	
Bob McLean, 490 L'Enfant Plaza, SW, #3200 Washington, DC 20024-2120	National Assn of Postal Supervisors	9,069.00	42.74
Thomas J. McLeod, 50 West Publishing Company St Paul, MN 55164	West Publishing Company		
Tara McMahon, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Association of America, Inc		
William F. McManus, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	435.00	
C. W. McMilian, 2021 K Street, NW, #306 Washington, DC 20006	McMillan & Farrell Associates, Inc		
Sandra H. McMullan, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	4,368.00	79.00
McNair Group, Inc, 1155 15th St., NW, #400 Washington, DC 20005	Bombardier Corporation	2,558.58	
Do	Clemson University	19,343.70	1,610.55
Do	GTE Corporation	9,508.08	199.12
Do	Harmon Industries, Inc	5,318.65	60.37
Do	Illinois Central Railroad	26,095.51	312.55
Do	McNair Law Firm, P.A., (for Gateway Freight Services, Inc)	36.67	
Do	McNair Law Firm, PA (for GTE)	15,402.42	1,235.47
Do	Norfolk Southern Corp		
Do	Railstar Control Technology, Inc	4,059.61	205.32
Do	Riedel Environmental Services, Inc	2,064.31	2,546.49
Do	Riedel Omni Products, Inc	11,476.19	68.78
Do	South Carolina State College	2,643.65	999.41
Do	Texas Instruments, Inc		648.44
Do	University of Deleware	12,000.00	1,297.45
Do	Virginia Tech	5,309.17	1,156.38
Do	Westinghouse Environmental Services	2,794.09	93.02
McNair Law Firm, P.A., 1155 15th Street, NW, #400 Washington, DC 20005	Allied-Signal, Inc		
Do	American Insurance Assn	915.30	0.65
Do	Association of Independent Television Stations, Inc		
Do	Edison Electric Institute	3,000.00	35.00
Do	Gasoline Alliance to Preserve Competition		
Do	Georgia-Pacific Corp	603.80	
Do	GSX Corporation	30.67	
Do	GTE Government Systems Corporation		3,080.49
Do	Insurance/Financial Affiliates of America		
Do	International Assn for Financial Planning	832.50	8.00
Do	Milliken Mills		
Do	New York State Bankers Assn	12,000.00	264.91
Do	Norfolk Southern Corp	180.00	8.80
Do	Pharmaceutical Manufacturers Assn		
Do	South Carolina Research Authority		29.25
Do	State of Hawaii		
Do	Times Mirror Co		
Do	Westinghouse Electric Corp	247.90	5.70
Susan McNally, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
Ray McNally & Associates, Inc, 1817 Capitol Ave., #A Sacramento, CA 95814	Madison Public Affairs Group, Inc (for Philip Morris USA)	160.00	204.61
Kathryn M. McNamara, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Dean Witter Reynolds, Inc	550.00	432.00
Laramie Faith McNamara, 1000 Wilson Blvd., #2700 Arlington, VA 22209	TRW, Inc	1,000.00	
Michael J. McNamara, 2300 M Street, NW, #600 Washington, DC 20037	International Advisers, Inc	5,362.50	133.53
John P. McNerney, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Michael J. McShane, 1101 30th Street, NW, #500 Washington, DC 20007	National Computer Systems		
Martha McSteen, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	11,908.00	
Brose McVey, 1255 23rd Street, NW Washington, DC 20037	Hauck & Associates (For:National Oilseed Processors Assn)	5,000.00	215.24
George G. Mead, 1500 K St., NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Leslie S. Mead, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	66.00	
Joseph F. Meadow, 7307 Baltimore Avenue, #112 College Park, MD 20740	United Action for Animals, Inc	1,900.00	
William A. Meaux, 1600 M Street, NW, #702 Washington, DC 20036	ICI Americas, Inc	5,000.00	
Joseph J. Meder, 1730 M St., NW, #515 Washington, DC 20036	Acme Steel Company	1,500.00	
Do	Interlake Corp	3,000.00	
Colise G. Medved, 1800 Diagonal Rd., #500 Alexandria, VA 22314	Penn Central Corporation		
William H. Megonnell, 1111 19th St., NW, 9th Floor Washington, DC 20036	Edison Electric Institute	1,231.32	47.54
Katherine Meier, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn	1,125.00	
Michelle Meier, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	2,000.00	
Stan Meirfeld, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange	237.00	462.00
Susan R. Meisinger, 606 North Washington Street Alexandria, VA 22314	Society for Human Resource Management	15,000.00	
John Melcher, 2550 M Street, NW, #275 Washington, DC 20037	Fairchild Aircraft Corp	15,000.00	9,778.00
Do	Humane Society of the United States	3,000.00	1,138.00
Do	Marine Engineers Beneficial Assn	2,400.00	1,373.00
Do	National Committee to Preserve Social Security & Medicare	7,500.00	9,270.00
Do	Potomac Marine International, Inc	18,000.00	11,306.00
Do	Society for Aminal Protective Legislation	4,500.00	3,620.00
Kenneth F. Melley, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Margaret Mellon, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	839.53	
Carol Melton, 1133 21st St., NW, #400 Washington, DC 20036	Warner Communications, Inc	9,250.00	
Howard H. Menaker, 1199 North Fairfax Street, #801 Alexandria, VA 22313	National Assn of Truck Stop Operators, Inc		
John R. Mendenhall, Martin Tower 8th & Eaton Avenues Bethlehem, PA 18018	Union Pacific Corp	5,000.00	
David Mengebier, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	14,269.22	
William P. Mengebier, 655 15th Street, NW, #225 Washington, DC 20005	Rhone-Poulenc, Inc	540.00	130.48
Edward L. Menning, 1023 15th Street, NW, #300 Washington, DC 20005	National Assn of Federal Veterinarians	21.85	
J. Roger Mentz, 1333 New Hampshire Ave., NW Washington, DC 20036	Cadwalader Wickersham & Taft (For:Clayton & Dubilier, Inc)	51.00	
Do	Cadwalader Wickersham & Taft (For:Coalition for Capital Import Neutrality)		
Do	Cadwalader Wickersham & Taft (For:Government of Puerto Rico)	600.00	
Do	Cadwalader Wickersham & Taft (For:Mercedes-Benz of North America, Inc)		
Do	Cadwalader Wickersham & Taft (For:PFIC Group)		
Jane Mentzinger, 2030 M Street, NW Washington, DC 20036	Common Cause	4,095.00	
Sandra K. Meredith, 1818 N Street, NW Washington, DC 20036	DGA International, Inc. (For:Dir Intl Aff of the Gen Del for Armements)		
Do	DGA International, Inc. (For:Sofreavia)		
Do	DGA International, Inc. (For:SNECMA)		
Edward L. Merrigan, 6000 Connecticut Ave., NW Washington, DC 20815	Central Gulf Lines, Inc		
Do	Rolls-Royce Motors Cars, Inc		4.50
Nancy Jo Merrill, 1725 K St., NW, #814 Washington, DC 20006	March of Dimes Birth Defects Foundation		
Merrill Lynch & Co, Inc, 1828 L St., NW, #906 Washington, DC 20036			27,900.00
Richard P. Merski, 1455 Pennsylvania Avenue, NW, #900 Washington, DC 20004	American International Group, Inc	5,000.00	660.31
Neil T. Messick, 1331 Pennsylvania Ave., NW Washington, DC 20004	General Electric Co	800.00	
Howard M. Messner, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	625.00	
Jean L. Mestres, 1747 Pennsylvania Avenue, NW, #300 Washington, DC 20006	OXY USA, Inc	1,218.62	508.69
Matthew S. Metcalfe, P.O. Box 6422 Mobile, AL 36660	American Family Corp		
Jeremy Metz, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
David A. Metzner, 499 S Capitol St., SW, #520 Washington, DC 20003	MOVAN Enterprises, Ltd	7,500.00	
Do	Van Fleet Associates	7,749.99	
Alden M. Meyer, 1616 P Street, NW Washington, DC 20036	Union of Concerned Scientists	5,458.00	
Ferd. C. Meyer Jr., 2121 San Jacinto Street, #2500 Dallas, TX 75266-0164	Central and South West Corp	3,200.00	2,259.57
M. Barry Meyer, 900 19th Street, NW Washington, DC 20006	Aluminum Assn	50.00	
John B. Meyers, P.O. Box 4067 Louisville, KY 40204			
Larry D. Meyers, 412 First Street, SE #40 Washington, DC 20003	American Beekeeping Federation	1,500.00	
Do	Concerned Shrimpers of America	4,500.00	
Do	CEPEX Pacific, Inc		
Do	International Assn of Refrigerated Warehouses	2,250.00	
Do	National Agricultural Chemicals Assn	18,000.00	
Do	National Peanut Growers Group	6,000.00	
Do	Rice Belt Warehouse, Inc	4,500.00	
Do	Texas A&M Research Foundation	15,000.00	
Do	Texas Cotton Marketing		
Meyers & Associates, 412 First St., SE, #40 Washington, DC 20003	American Sheep Industry	16,500.00	
Do	Golf Course Superintendents Assn of America		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Texas International Education Consortium	15,000.00	
David R. Mica, Florida Petroleum Institute 215 South Monroe Street, #800 Tallahassee, FL 32301	American Petroleum Institute	1,197.90	1,066.20
Mark A. Micali, 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	3,750.00	1,255.00
Laurie J. Micciche, 1747 Pennsylvania Ave., NW Third Floor Washington, DC 20006	Occidental Chemical Corp	87.50	42.00
Michael G. Michaels, P.O. Box 150160 Lakewood Station Box PMB Atlanta, GA 30315			
Michaels & Wishner, P.C., 1726 M St., NW, #500 Washington, DC 20036	Medco Containment Services, Inc	30,000.00	54,779.90
Do	National Assn for Ambulatory Care		
Do	Watts Health Foundation, Inc	26,966.50	29,888.30
Frank G. Michelena, 17925 Sky Park Cir. Irvine, CA 92714	Landsdell Co		3,291.81
Kathleen Michels, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	4,415.00	111.11
Mid-Continent Oil & Gas Assn, 1919 Pennsylvania Ave., NW, #503 Washington, DC 20006		465.55	25,179.43
Mid-West Electric Consumers Assn, 1441 York Street, #305 Denver, CO 80206			
Michael C. Middleton, Ten Light Street P.O. Box 987 Baltimore, MD 21203	MNC Financial, Inc		
Roger E. Middleton, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S	2,100.00	289.13
Edmund Mierzwinski, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S Public Interest Research Group	4,615.38	
Evan M. Migdail, 888 17th Street, NW Washington, DC 20006	Zuckert Scoutt & Rasenberger (For:Advance Petroleum, Inc)	12,250.00	668.75
Migrant Legal Action Program, Inc, 2001 S St., NW, #310 Washington, DC 20009			
Rene Milam, Box 17407 Washington Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	5,000.00	38.95
Janice I. Milazzo, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc		
Miles & Stockbridge, 1701 Pennsylvania Ave., NW, #500 Washington, DC 20006	Black and Decker Corp		125.00
Do	PepsiCo, Inc		50.00
Do	Pizza Hut, Inc		350.00
Milgrim Thomajan & Lee, P.C., 1025 Connecticut Ave, NW, #1000 Washington, DC 20036	Lloyds U.S		
Do	New York Mercantile Exchange (NYMEX)	12,789.00	16,781.10
Military Boot Manufacturers Assn, Belleville Shoe Manufacturing Co P.O. Box 508 Belleville, IL 62222			
Brent V. B. Miller, 4207 South 7th Road Arlington, VA 22204	American Group Practice Assn	133.00	
Carolynn E. Miller, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	3,189.00	200.00
Dale Miller, 4000 Reno Road, NW Washington, DC 20008	Texasgulf, Inc		
Deborah Imle Miller, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S		
Denny Miller, 409 South Barton St. Arlington, VA 22204	Denny Miller Associates	7,500.00	
Francine Miller, 1627 Lamont Street, NW, Apt #41 Washington, DC 20010	Rainbow Lobby, Inc	7,280.00	321.57
Grant Miller, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	125.00
Hydi Miller, 818 Connecticut Ave., NW, #200 Washington, DC 20016	U.S. English		9,400.00
Lawrence E. Miller, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn		
Pamela A. Miller, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	723.94	
Richard G. Miller, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	3,900.00	1,083.07
Sandra Miller, 409 South Barton St. Arlington, VA 22204	Denny Miller Associates	1,250.00	
Sarah Miller, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn		
William T. Miller, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))		
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	Boeing Company		
Do	De La Salle Institute		
Do	Electronic Industries Assn		
Do	Great Northern Insured Annuity Corp		
Do	Hudson City Savings Bank	1,530.00	
Do	John Hopkins University		
Do	Martin Marietta Corp		
Do	McDonnell Douglas Corp		
Do	Pacific Medical Center		
Do	Professional Services Council		
Do	United States Fidelity and Guaranty Company	1,125.00	
Do	Varian Associates, Inc		
Miller & Steuart, 1825 I Street, NW, #400 Washington, DC 20006	Coastal Corporation		
Do	E.R. Squibb and Sons, Inc		
Denny Miller Associates, Inc, 400 N. Capitol St., NW, #325 Washington, DC 20001	Boeing Company	3,000.00	2,460.00
Do	Makah Tribal Council	300.00	245.00
Do	Marine Engineers' Beneficial Assn	4,000.00	3,265.00
Do	Momentum 88	1,875.00	1,530.00
Do	Olin Corporation	3,000.00	2,460.00
Do	Pacific Nuclear Systems, Inc	1,062.50	862.00
Do	Port of Tacoma	1,125.00	928.00
Do	State of Washington, Dept of Transportation	1,500.00	1,235.00
Do	Tri-City Industrial Development Council (TRIDEC)	4,000.00	3,265.00
Miller Cassidy Larroca & Lewin, 2555 M St., NW, #500 Washington, DC 20037	Independent Insurance Agents of America, Inc, et al		
Do	National Assn of Life Underwriters, et al	783.50	
Do	47th Street Photo	1,000.00	
Kenneth Y. Millian, 919 18th Street, NW Washington, DC 20006	W. R. Grace & Co		837.06
C.G. Pete Milligan, 1442 S.W. Troon Circle Palm City, FL 33490	American Telephone & Telegraph Co	2,100.00	242.26
Richard V. Minck, 1001 Pennsylvania Ave., N.W. Washington, DC 20004	American Council of Life Insurance, Inc	1,750.00	
Thomas H. Miner & Associates, 150 North Michigan Avenue, #2120 Chicago, IL 60601	Madison Public Affairs Group, Inc (for Philip Morris, USA)	600.00	3,000.00
Joseph G. Minish, 66 Sheridan Avenue West Orange, NJ 07052	Caguas Central Federal Savings Bank	10,000.00	
Do	Prudential Insurance Co of America	1,667.00	238.00
J. Robert Minter, 1130 Connecticut Ave, NW, #830 Washington, DC 20036	Southern Company Services, Inc		4,029.27
Bennett L. Minton, 900 19th Street, NW, #800 Washington, DC 20006-2102	U.S. Telephone Assn		
Mintz Levin Cohn Ferris Glovsky & Popeo, P.C., 1825 I Street, NW, #1200 Washington, DC 20006	Cablevision		
Do	Coalition for High Definition TV	6,100.00	
Do	Communications Industry Assn of Japan	24,000.00	
Do	Home Recording Rights Coalition	4,160.00	
Do	Houghton Mifflin Company	2,172.50	
Do	Mortgage Insurance Companies of America		
Do	National Cable Television Assn, Inc	7,500.00	
Do	Siemens Capital Corp	15,900.00	
Do	Smith Barney Harris Upham & Co, Inc		
Do	Turner Broadcasting System, Inc	1,350.00	
Charles P. Mitchell, 1501 16th Street, NW Washington, DC 20036	Center for Science in the Public Interest	354.00	28.85
Edward F. Mitchell, 1900 Pennsylvania Avenue, NW Washington, DC 20068	Potomac Electric Power Co	760.98	
Gina Shea Mitchell, 1100 17th Street, NW, #1203 Washington, DC 20036	Financial Executives Institute		
Lawrence W. Mitchell, 100 Maryland Ave., NE, #500 Box 69 Washington, DC 20002	American Agriculture Movement, Inc	3,000.00	
Stacey J. Mobley, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
David T. Modi, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
John Moehring, 2200 Mill Road Alexandria, VA 22314	American Movers Conference	1,600.00	
Martha Mohler, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Committee to Preserve Social Security and Medicare	1,454.00	
Brian R. Moir, 1255 23rd Street, NW, #800 Washington, DC 20037	Fisher Wayland Cooper & Leader (For:International Communications Assn)		
Peter A. Molinaro, 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Crop		5,573.34
Robert M. Moliter, 1331 Pennsylvania Ave., NW, #865 Washington, DC 20004	General Electric Co		
John V. Moller, 1707 L Street NW, #725 Washington, DC 20036	Manchester Associates, Ltd (For:Nissan Motor Company, Ltd)		
Do	Manchester Associates, Ltd (For:Nissan Motor Manufacturing Corp, USA)	6,126.00	74.00
Robert H. Mollohan, 912 Sylvan Avenue Fairmount, WV 26554	Airspace Technology, Inc	600.00	
Do	Lynch Associates		
Robert A. Molofsky, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO	5,000.00	96.00
C. Manly Molpus, P.O. Box 3556 Washington, DC 20007	American Meat Institute	1,000.00	
Eric Mondres, 1601 Duke Street Alexandria, VA 22314	Society of American Florists	2,000.00	
Christopher Monek, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Charles A. Monfort, 1616 P Street . NW, #310 Washington, DC 20036	Union of Concerned Scientists		
Montana Market Development Co, 305 West Mercury St., #307 Butte, MT 59701	Madison Public Affairs Group	825.00	313.50
Karl R. Moor, P.O. Box 306 Birmingham, AL 35201	Balch & Bingham (For:Southern Company Services Inc)	237.50	247.64
Alan J. Moore, 1001 Pennsylvania Ave., NW, #675 Washington, DC 20004	Atchison Topeka & Santa Fe Railway Co	1,000.00	
Albert W. Moore, 7901 Westpark Drive McLean, VA 22102	NMTBA	1,000.00	25.00
Alvis J. Moore, 23733 North Scottsdale Road Scottsdale, AZ 85255	Giant Industries, Inc		
Carlos Moore, 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc	710.00	
Frank B. Moore, 3003 Butterfield Road Oak Brook, IL 60521	Waste Management, Inc	5,000.00	2,391.97
Obie Moore, 1156 15th St., NW, #1015 Washington, DC 20005	JC Penney Co, Inc		
Powell A. Moore, 1133 Connecticut Ave., NW Washington, DC 20036	DGA International, Inc (For:Societe Nationale d'Dtude et de Const de Moteurs d'Aviation).		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Timothy X. Moore, Timothy Moore & Co 2900 M Street, NW, #300 Washington, DC 20007	Design Protection Coalition	500.00	
Do	Software Rental Coalition	1,500.00	
Do	Swidler & Berlin, Chtd	2,000.00	
Do	Typeface Design Coalition	1,000.00	
Paul Moorehead, 606 Massachusetts Ave., NE Washington, DC 20002	Penco International		
Ann Moorhead, 2571 Vernon Drive, NE Palm Bay, FL 32905	Press Television		
Randall B. Moorhead, 2000 K Street, NW, #201 Washington, DC 20006	North American Philips Corp	3,000.00	530.00
Eugene Moos, 517 C Street, NE Washington, DC 20002	Lesher Russell & Moos, Inc		
Richard M. Moose, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co		
Morality in Media, Inc, 475 Riverside Dr., #239 New York, NY 10115		1,472.65	1,472.65
Lori M. Moran, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	3,375.00	
Judith Morehouse, 1700 N. Moore Street Rosslyn, VA 22209	Boeing Company	1,296.00	1,670.22
Dudley Digges Morgan III, 4900 Baronne Street New Orleans, LA 70115	Southern Forest Products Assn	13,389.00	
E. Joyce Morgan, 1920 N St., NW Washington, DC 20036	American Mining Congress		
J. Railton Morgan, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	750.00	551.02
Peter Denis Morgan, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	
Stephen L. Morgan, 5201 Leesburg Pike, #1111 Falls Church, VA 22041	American Cemetery Assn		
Morgan Lewis & Bockius, 1800 M St., NW, #800 N. Washington, DC 20036	Business Roundtable		
Do	Coalition to Stop the Raid on America		
Do	Consolidated Natural Gas Co		
Do	Scotch Whisky Assn		
William G. Morin, 1331 Pennsylvania Avenue, NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	139.30	
James A. Morrill, 1726 M St., NW, #901 Washington, DC 20036	Scott Paper Co	6,000.00	230.99
Gerald D. Morris, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers, AFL-CIO	17,209.68	140.00
Tessa Morris, 1701 K Street, NW, Suite 503 Washington, DC 20006	Security Pacific Corp		
Tom C. Morris, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Co	1,800.00	
W. Patrick Morris, 1110 Vermont Avenue, NW Suite 1250 Washington, DC 20005	Shipbuilders Council of America	750.00	
James Morrison, 601 Pennsylvania Ave, NW, #700 Washington, DC 20004-2602	Business Executives for National Security		
John W. Morrison, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	675.00	
William C. Morrison, 2001 North Adams St. Arlington, VA 22201	Meat Importers Council of America, Inc		
Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006	California Bankers Clearing House Assn		
Do	City and County of San Francisco		
Do	Federal Home Loan Bank of Des Moines	12,087.50	630.16
Do	Federal Home Loan Bank of Seattle	12,087.50	630.16
Do	Federal Home Loan Bank of Topeka	12,087.50	630.16
Do	Ford Motor Co	10,660.00	77.25
Do	Mastercard International, Inc, et al	5,292.50	245.50
Do	Matteson Investment Corp	11,357.50	154.50
Do	National Electrical Manufacturers Assn		
Do	RREEF Funds, Inc	450.00	58.00
Evelyn M. Morton, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	561.34	542.89
Russell N. Mosher, 950 N. Glebe Rd., #160 Arlington, VA 22203	American Boiler Manufacturers Assn, Inc		
Laurie A. Moshier, 2001 Eye Street, NW Washington, DC 20006	Electronic Industries Assn	500.00	
Jack Moskowitz, 701 N. Fairfax Street Alexandria, VA 22314-7807	United Way of America	17,156.25	127.76
Dorothy J. Moss, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	25.00	
Moss Associates, Inc, 2450 Virginia Ave., NW Washington, DC 20037	Association of Bank Holding Cos	900.00	
Gerald J. Mossinghoff, 1100 15th Street, NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	1,000.00	
Motion Picture Assn of America, Inc, 1600 Eye Street, NW Washington, DC 20006		15,353.08	16,334.17
John J. Motley, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	9,570.00	300.00
L. A. Motley and Company, 1800 K Street, NW, #1000 Washington, DC 20006	Abecitrus - Brazilian Citrus Assn	10,000.00	29.42
Do	Adical		148.47
Do	ANIC - National Assn of Citric Industries	9,970.00	27.08
Motor and Equipment Manufacturers Association, 1325 Pennsylvania Ave., NW, #600 Washington, DC 20004			7,811.00
Motor Vehicle Manufacturers Assn of the U.S., Inc, 7430 Second Avenue, #300 Detroit, MI 48202		34,111.00	34,111.00
Katharine R. Mountcastle, 2030 M St. NW Washington, DC 20036	Common Cause	5,011.26	81.20
Susan Connolly Moya, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce	2,500.00	
Steve Moyer, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	2,321.12	
Mudge Rose Guthrie Alexander & Ferdon, 2121 K Street, NW, #700 Washington, DC 20037	Japan Lumber Importers Assn	285.00	15.80
Muldoon Murphy & Faucette, 5101 Wisconsin Ave., NW, #508 Washington, DC 20016	Anchor Savings Bank, FSB	79,812.50	4,518.66
Do	Carteret Savings Bank, F.A	76,730.00	3,289.63
Do	Empire of America, FSB		1,216.85
Do	Financial Assistance Inequity Relief Coalition (FAIR)	10,000.00	13,505.20
Do	Franklin Federal Savings Bank	1,143.75	133.62
Do	Glendale Federal Savings & Loan Assn	71,245.00	3,937.31
Do	Goldman Sachs & Company		104.45
Do	Household International Corp		34.61
Do	Long Island Savings Bank	71,487.50	3,416.82
Do	Merabank, FSB		46.53
Do	National City Corporation	2,400.00	
Do	Northeast Savings, F.A	78,595.75	5,653.07
Do	Pelican Homestead and Savings Assn	93,295.00	3,434.72
Do	Provident Federal Savings Bank, FSB, et al		136.92
Do	Star States Corp	46,328.75	2,209.83
Do	Talman Home Federal Savings and Loan Assn	77,825.00	4,045.76
Do	United Savings of Texas, FSB	4,668.75	1,623.02
James S. Mulhern, 1840 Wilson Boulevard Arlington, VA 22201	National Milk Producers Federation	4,300.00	
John A. Mullett, 1627 K St., NW, #500 Washington, DC 20006	FMC Corporation	2,300.00	42.00
Albert E. Mullin Jr, 111 Powdermill Rd. (b79) Maynard, MA 01754	Digital Equipment Corp	15,000.00	
Tracy Mullin, 1000 Connecticut Ave., NW, #700 Washington, DC 20036	National Retail Merchants Assn	4,000.00	50.00
William F. Mullin, 1615 L St., NW, #1210 Washington, DC 20036	Metropolitan Life Insurance Cos	1,000.00	
Betty J. Munis, 1301 Pennsylvania Ave., #300 Washington, DC 20004	Public Lands Council	1,000.00	
James Brian Munroe, 1050 Connecticut Avenue, NW, #401 Washington, DC 20036	Hoffmann-La Roche, Inc		
Daniel J. Murphy, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Co, Inc)		
Do	Murphy & Demory, Ltd (For:Korea Tacoma Marine Industries, Ltd)		
Do	Murphy & Demory, Ltd (For:Tridec Westinghouse)		
Elizabeth A. Murphy, 1901 N. Fort Myer Drive, #204 Arlington, VA 22209	Roadway Express, Inc		
James F. Murphy, 6200 Oaktree Blvd. Independence, OH 44131	Centerior Energy Corp, et al		
James Jackson Murphy, 1720 I Street, NW 7th Floor Washington, DC 20006	American Academy of Actuaries		
Jeanne Marie Murphy, 805 15th St., NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	204.13
Lester L. Murphy Jr., 5709 W. 21st St., P.O. Box 4267 Topeka, KS 66604	Kansas Electric Cooperatives, Inc		
Michael M. Murphy, 1101 17th St., NW, #400 Washington, DC 20036	American President Companies, Ltd, et al	9,300.00	
Paul T. Murphy, P.O. Box 619500 Dallas, TX 75261	Caltex Petroleum Corp		
Daniel H. Murray, 1133 21st St., NW, #900 Washington, DC 20036	BellSouth Corp		6,414.52
James E. Murray, 815 Connecticut Avenue, NW, #701 Washington, DC 20006	Brown & Wood (For:Citicorp Investment Bank, et al.)		
Rosemary Griffin Murray, Crystal Park Four, 2345 Crystal Drive Arlington, VA 22207	USAir, Inc		
Murray & Scheer, 2715 M Street, NW, #300 Washington, DC 20007	Bear Stearns & Co	500.00	
Do	Cleveland Cliffs Iron Co	250.00	
Do	Connecticut Mutual Life Insurance Co	500.00	
Do	Home Life Insurance Co	500.00	
Do	Industry Council for Tangible Assets	400.00	
Do	Iron Ore Assn	250.00	
Do	LTV Corporation	450.00	
Do	National Council of Coal Lessors	300.00	
Do	New England Mutual Life Insurance Co	500.00	
Do	Pacific Mutual Life Insurance Co	500.00	
Do	Penn Mutual Life Insurance Co	500.00	
Do	Provident Mutual Life Insurance Co of Philadelphia	500.00	
Do	PHP Healthcare Corp		
Do	Shubert Organization, Inc	400.00	
Do	Swaziland Sugar Assn	400.00	
Do	Sweetner Users Assn	500.00	
Robert Musil, 1616 P Street, NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control	7,536.76	14,886.54
Mutual Life Insurance Co Tax Committee, 720 East Wisconsin Avenue Milwaukee, WI 53202		5,000.00	7,000.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Fred J. Mutz, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	4,100.00	
Paul J. Myer, 600 Maryland Ave., SW, #605-607 Washington, DC 20024-2520	Northern Telecom Inc		1,425.00
Gary D. Myers, 501 2nd Street, NE Washington, DC 20002	Fertilizer Institute	4,500.00	63.96
Karen Magee Myers, 1331 Pennsylvania Ave., #1300-N Washington, DC 20004	Electronic Data Systems Corp	72.00	262.91
MOVAN Enterprises, Ltd, 499 S Capitol St., SW, #520 Washington, DC 20003	Magnavox Government & Industrial Electronics Co	16,200.00	7,500.00
Alan Y. Naftalin, 1150 Connecticut Avenue, NW Washington, DC 20036	Koteen & Naftalin (For:Alascom, Inc)		
Do	Koteen & Naftalin (For:Telephone & Data Systems, Inc)		
David Scott Nance, 808 17th Street, NW, #300 Wasshington, DC 20006-3910	Stewart and Stewart		
Karen J. Nardi, 1455 Pennsylvania Avenue, NW, #650 Washington, DC 20004	McCuthchen Doyle Brown & Enersen (For:Southern California Ass'n of Governments)		
Diane M. Nash, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	9,715.00	
John Francis Nash Jr., 214 Massachusetts Ave., NE, #420 Washington, DC 20002	Milliken & Company	5,000.00	3,600.00
Mark K. Nasseri, 1275 K Street, NW, #850 Washington, DC 20005	Donelan Cleary Wood & Maser (For:Cascade Natural Gas Corp)		
Gary M. Nateman, 1225 'Eye' Street, NW, #825 Washington, DC 20005	Beer Institute		
Hardy L. Nathan, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	500.00	
National Abortion Rights Action League, 1101 14th Street, NW, 5th Floor Washington, DC 20005			11,946.40
National Air Carrier Assn, 1730 M St., NW, #710 Washington, DC 20036			
National Air Traffic Controllers Assn, 444 N. Capitol Street, NW, #845 Washington, DC 20001			
National Assn for Biomedical Research, 818 Connecticut Ave., NW, #303 Washington, DC 20006		158,050.00	15,191.69
National Assn for Neighborhood Schools, Inc, 335 Locust St. Pittsburgh, PA 15218		634.51	1,030.61
National Assn for Stock Car Auto Racing, Inc (NASCAR), 1801 Speedway Boulevard Daytona Beach, FL 32015			
National Assn for Uniformed Services, 5535 Hempstead Way Springfield, VA 22151		2,731.73	6,100.68
National Assn of Auto Fleet Buyers, Inc, 66 Bay 19th Street Brooklyn, NY 11214			
National Assn of Broadcasters, 1771 N Stret, NW Washington, DC 20036		69,896.20	69,896.20
National Assn of Chain Drug Stores, Inc, P.O. Box 1417-049 Alexandria, VA 22313			
National Assn of Federal Fmployees, 3500 Maple Avenue, Suite 1650 Dallas, TX 75219			
National Assn of Federal Veterinarians, 1023 15th Street, NW, #300 Washington, DC 20005			45.82
National Assn of Independent Colleges & Universities, 122 C St., NW, #750 Washington, DC 20001			51,102.00
National Assn of Insurance Brokers, Inc, 1401 New York Ave., NW, #720 Washington, DC 20005			
National Assn of Life Companies, 1455 Pennsylvania Ave., #1250 Washington, DC 20004			
National Assn of Manufacturers, 1331 Pennsylvania Ave., NW, #1500 Washington, DC 20004-1703		112,775.35	112,775.35
National Assn of Mortgage Brokers (NAMB), 706 E. Bell Road, #101 Phoenix, AZ 85022		1,368.00	1,087.00
National Assn of Mutual Insurance Cos, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268		1,400.00	1,400.00
National Assn of Real Estate Investment Trusts, Inc, 1129 20th St., NW, #705 Washington, DC 20036			
National Assn of Securities and Commercial Attorneys, 1401 New York Ave., #740 Washington, DC 20005		18,000.00	19,848.00
National Assn of Trade & Technical Schools, 2251 Wisconsin Ave., NW Washington, DC 20007		9,250.00	9,250.00
National Assn of Truck Stop Operators, Inc, 1199 N. Fairfax Street, #801 Alexandria, VA 22314			
National Automobile Dealers Assn, 8400 Westpark Drive Mclean, VA 22102			19,005.00
National Broiler Council, 1155 15th St., NW Washington, DC 20005		3,170.00	3,170.00
National Business Aircraft Assn, 1200 18th St., NW, #200 Washington, DC 20036-2598			13,306.40
National Cable Television Assn, Inc, 1724 Massachusetts Ave., NW Washington, DC 20036		57,749.10	57,749.10
National Cattlemen's Assn, 5420 S. Quebec Street P.O. Box 3496 Englewood, CO 80155			
National Club Association, 1625 Eye St., NW, #609 Washington, DC 20006			
National Coal Assn, 1130 17th Street, NW Washington, DC 20036		1,430,073.74	17,857.48
National Coalition for Marine Conservation, Inc, P.O. Box 23298 Savannah, GA 31403		20,236.31	21,459.70
National Coalition of Fresh Potato Processors, c/o Collier Shannon Rill & Scott 1055 Thomas Jefferson St., NW Washington, DC 20007.			
National Coalition to Ban Handguns, 100 Maryland Ave., NE Washington, DC 20002		37,436.00	9,740.00
National Comm of Cities & States for Airline Service, Transportation Bldg., #417 St. Paul, MN 55156		2,626.29	4,100.00
National Comm to Preserve Social Security, Attention Robin Jacobson 2000 K Street, NW, 8th Floor Washington, DC 20006		993,617.00	993,617.00
National Comm Against Repressive Legislation, 236 Massachusetts Avenue, NE, #406 Washington, DC 20002		1,773.00	5,543.74
National Commercial Finance Assn, 225 W. 34th St. New York, NY 10122			13,646.00
National Community Action Foundation, Inc, 2100 M Street, NW, #604A Washington, DC 20037		197,224.41	42,340.75
National Cooperative Business Assn, 1401 New York Ave., NW, #1100 Washington, DC 20005		27,500.00	14,141.75
National Cotton Council of America, P.O. Box 12285 Memphis, TN 38182		57,792.58	57,792.58
National Council for Languages & Int'l Studies, 300 Eye Street, Suite 211 Washington, DC 20002		13,492.54	23,874.81
National Council of Agricultural Employers, 499 S. Capitol Street, SW, #411 Washington, DC 20003		1,000.00	1,085.00
National Council of Farmer Cooperatives, 50 F Street, NW, #900 Washington, DC 20001		23,936.89	13,133.04
National Council of Savings Institutions, 1101 15th St., NW, #400 Washington, DC 20005			
National Electrical Manufacturers Assn, 2101 L Street, NW, #300 Washington, DC 20037		2,300.97	2,300.97
National Employee Benefits Institute, 2550 M St., NW, #785 Washington, DC 20037		9,832.50	2,322.05
National Fed of Independent Business, 150 W. 20th Ave. San Mateo, CA 94403		51,106.25	51,106.25
National Food Processors Assn, 1401 New York Avenue, NW, #400 Washington, DC 20005		2,400.00	2,400.00
National Grain & Feed Assn, 725 15th St., NW, #500 Washington, DC 20005			
National Grange, 1616 H St., NW Washington, DC 20006		15,875.00	15,875.00
National Grocers Assn, 1825 Samuel Morse Drive Reston, VA 22090		3,000.00	1,879.95
National Guard Assn of the U.S., One Massachusetts Ave., NW Washington, DC 20001		31,726.93	12,261.44
National Independent Automobile Dealers Assn, 2521 Brown Blvd., Suite 100 Arlington, TX 76006-5203			22,129.60
National Industrial Transportation League, 1090 Vermont Ave., NW, #410 Washington, DC 20005		18,000.00	15,806.00
National Knitwear & Sportswear Assn, 386 Park Avenue South New York, NY 10016		1,312.50	
National Leased Housing Assn, 2300 M St., NW, #260 Washington, DC 20037		500.00	500.00
National Milk Producers Federation, 1840 Wilson Blvd. Arlington, VA 22201			
National Motorsports Comm of Accus, 1501 Skokie Boulevard, #101 Northbrook, IL 60062			
National Multi Housing Council, 1250 Connecticut Ave., NW, #620 Washington, DC 20036		8,857.63	8,857.63
National Organization Against Invisible Disease Spread, 1825 Connecticut Ave., NW, #200 Washington, DC 20009			20.00
National Parking Association, 1112 16th St., NW, #2000 Washington, DC 20036			32,061.79
National Pest Control Assn, 8100 Oak St. Dunn Loring, VA 22027			
National Public Affairs Corp, 6296 Dunaway Court McLean, VA 22101	Westinghouse Electric Corp		
National Realty Committee, 1250 Connecticut Ave., NW, #630 Washington, DC 20036		1,000.00	1,000.00
National Retail Merchants Assn, 1000 Connecticut Avenue, NW Washington, DC 20036			21,769.07
National Right to Work Committee, 8001 Braddock Rd., #600 Springfield, VA 22160		8,204.61	8,204.61
National Rural Electric Cooperative Assn, 1800 Massachusetts Ave., NW Washington, DC 20036			4,085.49
National Rural Letter Carriers Assn, 1448 Duke St., #100 Alexandria, VA 22314		24,824.00	27,820.00
National Security Traders Assn, Inc, One World Trade Center, #4511 New York, NY 10048			7,375.00
National Society of Professional Engineers, 1420 King Street Alexandria, VA 22314		10,100.00	10,100.00
National Soft Drink Assn, 1101 16th St., NW Washington, DC 20036			210.78
National Stone Assn, 1415 Elliot Place, NW Washington, DC 20007			
National Strategies, Inc, 888 17th Street, NW, 12th Floor Washington, DC 20006	Alliance for Capital Access	30,000.00	
Do	Brownstein Hyatt Farber & Madden (for American West), et al	20,116.47	4,606.03
Do	Columbia Savings & Loan Assn	20,332.81	567.14
Do	Manor Care	5,616.28	63.15
Do	Trian Group	1,270.63	119.49
National Telephone Cooperative Assn, 2626 Pennsylvania Ave., NW Washington, DC 20037		27,000.00	2,684.43
National Tire Dealers & Retreaders Assn, 1250 Eye Street, NW, #400 Washington, DC 20005		6,379.00	6,379.00
National Truck Equipment Assn, 38705 Seven Mile Road, #345 Livonia, MI 48152		57,847.35	5,566.52
National Venture Capital Association, 1655 N. Fort Meyer Dr., #700 Arlington, VA 22209			60,912.81
National Wildlife Federation, 1400 16th Street, NW Washington, DC 20036-0001			10,356.13
National-American Wholesale Grocers' Assn, 201 Park Washington Court Falls Church, VA 22046		12,000.00	12,000.00
Natural Gas Supply Assn, 1129 20th St. nw #300 Washington, DC 20036			
Natural Gas Vehicle Coalition, Two Lafayette Centre 1133 21st Street, NW, #500 Washington, DC 20036			
Patrick D. Nave, 2815 West Glen Dr., #22 Falls Church, VA 22046			
Michael W. Naylor, 1001 Pennsylvania Ave, NW, #700 Washington, DC 20004-2502	Allied-Signal, Inc		
Richard W. Neal, 1301 Pennsylvania Ave., #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Karen J. Neale, 2501 M Street N.w. Washington, DC 20037	Chemical Manufacturers Assn, Inc	750.00	65.75
Jeffrey Nedelman, 1010 Wisconsin Avenue, NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	218.50	
Allen Neece Jr., 1050 17th Street, NW Washington, DC 20036	Neece Cator & Associates, Inc (For:National Small Business United)	9,000.00	1,010.00
Neece Cator & Associates, Inc, 1050 17th Street, NW, #810 Washington, DC 20036	Design Professionals Coalition		
Do	National Small Business United	9,000.00	1,010.00
Frederick W. Neill, 600 5th Street Aurora, IL 60505			
Neill & Company, Inc, 815 Connecticut Ave., NW, #800 Washington, DC 20006	Arab Republic of Egypt	189,000.00	29,265.77
Do	General Electric Industrial and Power Systems	36,000.00	1,777.24
Do	Government of Jamaica		11,665.48
Do	Hashemite Kingdom of Jordan		10,845.47
Do	Islamic Republic of Pakistan		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Kingdom of Morocco		8,073.60
Do	Republic of Guinea	50,000.00	1,399.49
Do	Republic of Kenya	235,960.38	9,454.70
Neill Mullenholz & Shaw, 815 Connecticut Ave. NW Washington, DC 20006	Florida East Coast Railway Co	1,000.00	
Do	National Council Social Security Management Assns, Inc	4,000.00	255.00
Do	North American Equipment Dealers Assn	1,500.00	
Do	Senior Executives Assn	5,000.00	256.00
Do	Soo Line Corporation	2,500.00	
Do	TACA International Airlines		
Joseph L. Nellis, 1015 15th Street, NW, #1100 Washington, DC 20005	Pharmacy Freedom Fund		381.50
Mark D. Nelson, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20036	E. I. du Pont de Nemours & Co		
Mark E. Nelson, 555 13th Street, NW Washington, DC 20004	McCamish Martin Brown & Loeffler (For:Sematech)	93.75	
Do	McCamish Martin Brown & Loeffler (For:United Services Automobile Assn)		
Janis A. Nero, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		
Lynda L. Nersesian, 1100 15th St., NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	30.00
Mark Nestlen, 1300 L Street, NW, #950 Washington, DC 20005-4107	American Soybean Assn	1,125.00	285.72
Network, 806 Rhode Island Ave., NE Washington, DC 20018		52,453.00	44,923.00
E. John Neumann, 1130 Connecticut Avenue, NW, #830 Washington, DC 20036	Southern Company Services, Inc	6,631.87	5,875.19
Louis H. Nevins, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:American Savings Bank, FSB)		19.76
Do	Thacher Proffitt & Wood (For:Apple Bank for Savings)		
Do	Thacher Proffitt & Wood (For:Binghamton Savings Bank)		
Do	Thacher Proffitt & Wood (For:Boston Five Cents Savings Bank, FSB)		19.76
Do	Thacher Proffitt & Wood (For:Castine Partners)		
Do	Thacher Proffitt & Wood (For:Dollar Bank, FSB)		19.76
Do	Thacher Proffitt & Wood (For:Great Western Savings, Federal Savings & Loan)		
Do	Thacher Proffitt & Wood (For:New Hampshire Savings Bank)		
Do	Thacher Proffitt & Wood (For:Peoples Westchester Savings Bank)		
Do	Thacher Proffitt & Wood (For:Ranieri Wilson & Co, Inc)		35.00
Do	Thacher Proffitt & Wood (For:River Bank America)		
Do	Thacher Proffitt & Wood (For:Rochester Community Savings Bank)		
Do	Thacher Proffitt & Wood (For:Standard Federal Savings & Loan)		
New Jersey State Bar Assn, One Constitution Square New Brunswick, NJ 08901-1500		37,500.00	941.53
New York State Bankers Assn, 485 Lexington Avenue New York, NY 10017		65,000.00	41,770.00
Lilian Ann Newby, 2301 M Street, NW Washington, DC 20037	American Public Power Assn	1,500.00	
Cynthia E. Newman, 400 North Washington Street Alexandria, VA 22314	Professional Insurance Agents	500.00	200.00
George S. Newman, 7915 Jones Branch Dr. McLean, VA 22102	BDM International, Inc		
William B. Newman Jr., P.O. Box 23451 Washington, DC 20026	Consolidated Rail Corporation	5,500.00	
Newman & Holtzinger, P.C., 1615 L St., NW, #1000 Washington, DC 20036	Utility Nuclear Waste Management Group		
Sharon Newsome, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	3,355.77	
E. Archie NeSmith Jr., 1001 Pennsylvania Ave., NW, #700 Washington, DC 20004	Allied-Signal Aerospace Co		
E. Bruce Nicholson, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Marlene Nicholson, 1722 Eye St., NW, Fifth Floor Washington, DC 20006	Barclays Bank PLC	4,200.00	1,456.86
Daniel E. Nickelson, 2000 L St., NW, #200 Washington, DC 20036	Cleveland Clinic Foundation		
Patrick J. Nilan, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	15,139.61	3,029.21
Nixon Hargrave Devans & Doyle, One Thomas Circle, NW, #800 Washington, DC 20005	American Free Trade Assn	2,115.00	56.75
Do	Bausch & Lomb		
Do	Eastman Savings & Loan Assn	1,762.50	57.50
Do	Thompson Medical Co		
Barbara D. Nocera, 955 L'Enfant Plaza, SW, #5300 Washington, DC 20024	Honda North America, Inc	400.00	110.51
A. Allan Noe, 655 15th Street, NW, #975 Washington, DC 20005	Unilever United States, Inc	1,500.00	172.48
Robert W. Nolan, 1303 New Hampshire Ave., NW Washington, DC 20036	Fleet Reserve Assn	100.00	
Walker F. Nolan, 1111 19th St., NW, 9th Fl. Washington, DC 20036	Edison Electric Institute	9,719.23	213.46
Nonprescription Drug Manufacturers Assn, 1150 Connecticut Ave., NW, #1200 Washington, DC 20036	Proprietary Association		4,212.50
James A. Noone, 1250 Connecticut Avenue, NW, #318 Washington, DC 20036	Karalekas & McCahill (For:Firestone Tire & Rubber Co, et al.)	800.00	220.65
Do	Karalekas & McCahill (For:Gates Rubber Company)	2,400.00	62.91
Do	Karalekas & McCahill (For:National Agriculture Aviation Assn)	3,000.00	71.22
Robert I. Nooter, 600 Maryland Avenue, SW, #800 Washington, DC 20024	American Farm Bureau Federation	6,700.00	225.00
David F. Norcross, 1010 Kings Highway So., #2-C Cherry Hill, NJ 08034	National Check Cashers Coalition	21,000.00	292.33
Julia J. Norrell, 1001 Pennsylvania Avenue, NW Washington, DC 20004	American Council of Life Insurance, Inc	5,325.00	54.05
North American Export Grain Assn, Inc, 1030 15th Street, NW, #1020 Washington, DC 20005			34.45
North American Telecommunications Assn, 2000 M St., NW, #550 Washington, DC 20036		12,846.80	12,846.80
Patrice North-Rudin, 1133 21st Street, NW Washington, DC 20036	Travel & Tourism Gov't Affairs Council	2,280.00	
Northeast Utilities Service Co, Selden St. Berlin, CT 06037			1,781.41
Northwest Strategies, 111 Queen Anne Avenue North, #500 Seattle, WA 98109	Pacific Lumber and Shipping	2,125.00	692.84
Edward M. Norton Jr., 1400 16th Street, NW, #300 Washington, DC 20036	Grand Canyon Trust		
Nossaman Guthner Knox & Elliott, 1140 19th St., NW, #600 Washington, DC 20036	California Co-Compost Systems		
Do	California Student Loan Finance Corp		
Russell C. Notar, 1401 New York Ave., NW, #1100 Washington, DC 20005	National Cooperative Business Assn	2,000.00	40.25
Steven R. Nousen, P.O. Box 3529 Portland, OR 97208	Port of Portland	12,628.00	130.94
Patrick J. Nugent, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	2,000.00	4,215.81
Silas O. Nunn, 1110 Vermont Avenue, NW, #1250 Washington, DC 20005	Shipbuilders Council of America		
Ralph D. Nurnberger, 500 North Capitol Street, NW, #300 Washington, DC 20001	American Israel Public Affairs Comm	14,250.00	717.65
Jack O. Nutter II, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group (For:John Morrell Co)		
Do	Jefferson Group (For:Pittston Coal Co)		
C. D. Nyberg, 103 S.W. 24th Street Austin, MN 55912	Geo. A. Hormel & Co		
Hubert K. O'Bannon, 50 F Street, NW Washington, DC 20001	Association of American Railroads	1,854.87	594.29
George O'Bea Jr., 815 16th Street, NW, #701 Washington, DC 20006	United Paperworkers International Union		
Dinah K. O'Berry, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	8,579.00	422.54
Coleman C. O'Brien, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	8,750.00	22.00
David D. O'Brien, O'Brien & Associates 600 New Hampshire Avenue, NW, #1010 Washington, DC 20037	Harley-Davidson, Inc	12,000.00	459.62
Nancy O'Brien, 2251 Wisconsin Avenue, NW Washington, DC 20007	National Assn of Trade & Technical Schools	1,750.00	
Raymond V. O'Brien, 1600 M St., NW Washington, DC 20036	ITT Corporation	1,000.00	75.00
Rosemary L. O'Brien, 805 15th Street, NW, #610 Washington, DC 20005-2207	CF Industries, Inc	500.00	88.83
David O'Brien & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	A. L. Williams & Company	16,000.00	277.27
James J. O'Connell, 1201 Pennsylvania Avenue, NW, #370 Washington, DC 20004	Control Data Corporation		
Terrence M. O'Connell II, 444 N. Capitol Street, NW, #711 Washington, DC 20001	Keefe Co (For:Sanders Associates, Inc)	10,500.00	
Do	TKC International (For:UNIAO Nacional Para Independencia Total DeAngola)		
William B. O'Connell, 111 East Wacker Dr. Chicago, IL 60601	U.S. League of Savings Institutions		
James E. O'Connor, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	20,000.00	
K. James O'Connor Jr., 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	400.00	
Kelley E. O'Connor, 1015 15th Street, NW, #802 Washington, DC 20005	Society of American Florists		
Patrick C. O'Connor, 1825 K Street, NW, #305 Washington, DC 20006	Kent & O'Connor, Inc (For:American Supply Association)	3,000.00	1,561.86
Do	American Warehousemen's Association		
Do	National Assn of Fleet Administrators	3,975.00	2,008.12
Do	Steel Tank Institute	3,000.00	1,505.88
Do	Transportation Lawyers Assn		
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Bus Assn	5,625.00	
Do	American Clinical Laboratory Assn	1,000.00	
Do	American Family Life Assurance Co	2,500.00	
Do	American Health Care Assn	2,951.88	
Do	American Insurance Assn	1,000.00	
Do	American Maritime Transport, Inc		
Do	American Orthotic & Prosthetic Assn	4,614.21	
Do	American Soc of Assn Executives	4,058.96	
Do	Arthur Andersen & Co	1,000.00	
Do	California Student Loan Finance Corp		
Do	Center for Marine Conservationion, Inc	1,720.00	
Do	ChemWaste Management, Inc		
Do	China External Trade Development Council	9,510.23	
Do	City of Minneapolis		
Do	Coca-Cola Company		42,455.00
Do	Connaught Laboratories, Inc	3,695.19	
Do	Crescent Cities Jaycees Foundation, Inc	2,095.06	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Alfredo Cristiani	30,000.00	
Do	CNA Insurance Co	4,610.68	
Do	Distilled Spirits Council of the U.S., Inc	1,000.00	
Do	Eastern Michigan University	200.15	
Do	Electronic Data Processing Auditors Association	2,312.16	
Do	Electronic Data Systems Corp	2,850.00	
Do	Embassy of Bolivia		
Do	Federal Home Loan Bank of Seattle	17,500.00	
Do	Federal Home Loan Bank of Topeka	17,500.00	
Do	Federal Home Loan Bank DesMoines	17,500.00	
Do	Gaming Industry Assn of Nevada, Inc		
Do	Glass Packaging Institute		
Do	Government of Netherlands Antilles	39,295.00	
Do	Hennepin County		
Do	Homeowners Federal Savings	15,500.00	
Do	Hutchinson Island Limited, Inc	1,500.00	
Do	Independent Advertising Council		
Do	Investment Company Institute	4,700.00	
Do	J.C. Penney Company, Inc	11,884.00	
Do	Kawasaki Kisen Kaisha, Ltd		
Do	Martin Marietta Corp	2,200.00	
Do	MasterCard International, Inc	5,250.00	
Do	Mercedes-Benz of North America, Inc	43,832.00	
Do	Minnesota Mutual Life Insurance Co	2,500.00	
Do	Mitchell Sweet & Associates	2,000.00	
Do	National Apartment Assn	3,000.00	
Do	National Assn of Off-Track Betting		
Do	National Assn of Optometrists and Opticians, Inc	3,000.00	415.43
Do	National Assn of Portable X-Ray Providers	5,000.00	
Do	National Assn of Private Enterprise of El Salvador		
Do	National Funeral Directors Assn	6,675.00	
Do	National Retail Hardware Association	4,227.73	
Do	Nevada Resort Assn		
Do	New York State Assembly	1,200.00	
Do	Philadelphia Stock Exchange		
Do	Joseph E. Seagram & Sons, Inc	49.44	
Do	SmithKline Beckman Corp	8,757.62	
Do	State of Alaska	13,335.00	
Do	Summer Island, Inc	3,705.00	
Do	SCS Business and Technical Institute, Inc		
Do	U.S. Tuna Foundation	12,180.00	
Do	Visa, USA, Inc	5,250.00	
Do	Westinghouse Electric Corp	2,616.83	
Paul T. O'Day, 1150 17th Street, NW Washington, DC 20036	American Fiber Producers Assn, Inc		
Thomas A. O'Day, 1629 K St., NW, #1010 Washington, DC 20006	Alliance of American Insurers	450.00	
John F. O'Donnell, 1111 14th St., NW, #1100 Washington, DC 20005	American Dental Assn	1,000.00	
Karen O'Donnell, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Bridget O'Grady, 955 L'Enfant Plaza, SW, #1202 N Washington, DC 20024	National Water Resources Assn	3,750.00	
Jane O'Grady, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,361.80	165.04
Terri O'Grady, 1600 Rhode Island Avenue, NW Washington, DC 20036	National Rifle Assn of America	1,150.00	169.24
Janet O'Keeffe, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	3,000.00	46.00
James A. O'Malley, 555 New Jersey Ave., NW, #255 Washington, DC 20001	Vern Clark & Associates (For:Metromedia Company)		87.35
Do	Vern Clark & Associates (For:Outdoor Advertising Assn of America)	5,025.00	
Do	Vern Clark & Assocs (For:RJR Nabisco)	2,475.00	248.76
O'Melveny & Myers, 555 13th St., NW Washington, DC 20004	Amax, Inc		
Law Offices of John O'Neal, P.C., 1455 Pennsylvania Ave., NW, #1200 Washington, DC 20004	National Rural Telecom Assn	4,812.50	
Joseph O'Neil, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Defense Technology Corp	1,000.00	50.00
John Vincent O'Neill, 13411 Running Pump Ct. Herndon, VA 22071	Institute of Electrical & Electronics Engineers	2,425.00	1,327.91
Joseph P. O'Neill, 1616 H Street, NW Washington, DC 20006	American Retail Federation	500.00	82.00
O'Neill and Athy, P.C., 1310 19th Street, NW Washington, DC 20036	Allegheny County Commission		
Do	American Bankers Assn	3,250.00	
Do	Bank of New England	1,200.00	
Do	Beth Israel Hospital		
Do	Brigham and Women's Hospital		
Do	Coalition of Boston Teaching Hospitals		
Do	Connecticut Bank & Trust Corp		
Do	Cruise America Line, Inc		
Do	Glass Packaging Institute		
Do	Massachusetts General Hospital		
Do	Massachusetts Hospital Assn		
Do	Milk Industry Foundation		
Do	National Football League		
Do	National Gas Pipeline Coalition		
Do	New England Deaconess Hospital		
Do	New England Medical Center		
Do	Northwestern Mutual Life		
Do	Pyrotechnic Signal Manufacturers Assn		
Do	Source Data Network		
Do	Texas Utilities Co		
Do	University Hospital		
Do	USTA		
Do	USX Corporation		
Do	Viacom International		
John T. O'Rourke, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	837.00	
J. Denis O'Toole, 1120 Connecticut Avenue, NW Washington, DC 20036	U.S. League of Savings Institutions	35,000.00	
John E. O'Toole, 666 Third Avenue New York, NY 10017	American Assn of Advertising Agencies	2,500.00	
M. Diane O'Toole, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp	1,400.00	245.77
Stephen E. O'Toole, 1660 L St., NW Washington, DC 20036	General Motors Corp	3,000.00	3,609.45
Jana R. Oakley, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	425.00	
Paul C. Oakley, 50 F Street, NW Washington, DC 20001	Association of American Railroads		
Obadal & O'Leary, P.C., 1612 K St., NW, #1400 Washington, DC 20006	Associated Equipment Distributors		
Harry R. Obley, One Mellon Bank Center, #1905 Pittsburgh, PA 15258-0001	Mellon Bank N.A., et al	2,000.00	920.04
Kim M. Oboz, 1020 19th Street, NW, #700 Washington, DC 20036	U S West, Inc	650.00	1,905.04
Ocenco, Inc, 400 Academy Dr Northbrook, IL 60062			355.66
Thomas J. Oden, 1503 N. Filmore St. Arlington, VA 22201	National Milk Producers Federation	5,000.00	
Neil H. Offen, 1776 K Street, NW, #600 Washington, DC 20006	Direct Selling Association		
Donald G. Ogilvie, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,500.00	
Marion Browne Oglesby Jr., 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	1,750.00	
Michael D. Oldak, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	148.00	
R. Teel Oliver, 1615 L Street, NW, #1320 Washington, DC 20036	Merck & Co, Inc	1,375.00	500.00
Lawrence Olsen, 400 W. 15th, #417 Austin, TX 78701	Texas Good Roads/Transportation Assn		1,163.00
Van R. Olsen, 1156 15th St., NW, #1019 Washington, DC 20006	U.S. Beet Sugar Assn		
Eric Olson, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	4,049.85	
Richard C. Olson, 2000 Edmund Valley Drive, #400 Reston, VA 22091	Citibank, N.A.		
Do	DynCorp	3,679.00	120.00
Do	Hydrocarbon Research, Inc	200.00	
Olsson Frank & Weeda, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Duramed Pharmaceuticals, Inc	400.00	
Do	Pillsbury Company	1,900.00	
Do	Schwan's Sales Enterprises	1,300.00	
Do	U.S. Surgical Corporation	750.00	
Do	Vicam	2,900.00	
Omega International, Inc, 11 Carriage House Circle Alexandria, VA 22304	Los Angeles-Long Beach Harbor Repair Council	300.00	
Do	Signal Landmark	500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	United Engineers & Constructors	300.00	
Clark Onstad, 901 15th St., NW, #500 Washington, DC 20005	Texas Air Corp, et al	12,500.00	7,171.00
Ronald S. Oppenheimer, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange	9,900.00	2,518.00
Oppenheimer Wolff & Donnelly, 1020 19th Street, #400 Washington, DC 20036	Andersen Corporation	1,116.00	25.00
Opperman Heins & Paquin, 1401 New York Ave., NW #740 Washington, DC 20005	West Publishing Company	1,440.00	51.35
Charles J. Orasin, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	12,115.39	
Michel Orban, American Express Company World Financial Center 200 Vesey Street New York, NY 10285-4890	American Express Co		
Edward R. Osann, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	5,973.50	
J. F. Otero, 815 16th Street, NW Washington, DC 20006	Transportation Communications Union	1,000.00	
Cliff Ouse, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	25.00	
Arthur R. Ouslander, P.O. Box 23451 Washington, DC 20026	Consolidated Rail Corporation	2,667.00	
Gene E. Overbeck, 1101 17th Street, NW Washington, DC 20036	American Airlines, Inc	2,125.00	22.30
Overseas Education Assn, 1201 16th Street, NW Washington, DC 20036		1,000.00	814.53
Thomas E. Owens, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
Thomas J. Owens, P.O. Box 12266 Seattle, WA 98102	Continental Savings Bank	42,100.00	4,763.28
Do	Dollar Savings Bank, et al	65,950.00	11,778.99
Do	Pacific First Financial Corp	42,900.00	4,763.28
William J. Owens, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202	Manufactured Housing Institute	525.00	
Joel Packer, 1201 16th Street, NW Washington, DC 20036	National Education Assn	3,348.10	47.00
Eileen E. Padberg, 2081 Business Center Drive, #205 Irvine, CA 92715	Reese Communications Cos (for: Philip Morris, USA)	2,400.00	
Lee W. Paden, P.O. Box 201 Tulsa, OK 74102	Public Service Co of Oklahoma		
Pagonis & Donnelly Group, Inc, 1620 I Street, NW, #202 Washington, DC 20006	Air Products & Chemicals Inc	7,200.00	163.56
Do	Algoma Steel Corp, Ltd, et al		
Do	Americans for National Dividend Act, Inc	18,000.00	16.35
Do	Association of High Medicare Hospitals	19,530.00	156.09
Do	ABB, Inc	1,000.00	
Do	Burroughs Wellcome Co	3,500.00	121.48
Do	Dow Chemical USA	7,687.50	317.10
Do	Harrah's, Inc		
Do	Holiday Corp	14,887.50	81.81
Do	Nord Resources Corp		
Benjamin L. Palumbo, 1629 K St., NW Washington, DC 20006	European Community		
Palumbo & Cerrell, Inc, 1629 K St., NW, # 1100 Washington, DC 20006	American Insurance Assn	10,750.00	
Do	American Soc of Composers Authors & Publishers	10,000.00	
Do	Atlantic Richfield Co	30,000.00	
Do	RJR Nabisco, Inc	8,000.00	
Do	Southern California Rapid Transit District	18,750.00	
Marcia M. Pape-Daniels, 655 15th Street NW, Suite #444 Washington, DC 20005	CH2M Hill	750.00	
G. Oliver Papps, N.J. Petroleum Council 150 W. State St. Trenton, NJ 08608	American Petroleum Institute		
Stephen J. Paradise, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Jonathan R. Paret, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	1,904.00	
Alan A. Parker, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	5,000.00	100.00
John N. Parker, 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corp	375.00	
Kimberly C. Parker, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	10,295.92	435.52
Tom V. Parker, Arkansas Petroleum Council One Riverfront Place, #460 North Little Rock, AR 72114	American Petroleum Institute		
Carl M. Parks, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	5,000.00	322.00
Ann M. Parman, 1701 K Street NW, Suite 400 Washington, DC 20005	National Manufactured Housing Federation	100.00	
Ken Parmelee, 1448 Duke Street, #100 Alexandria, VA 22314	National Rural Letter Carriers Assn	14,730.00	2,610.00
Ronald L. Parrish, 1800 One Tandy Center Fort Worth, TX 75102	Tandy Corp	5,613.79	20.09
Amber Parson, 7901 Westpark Drive McLean, VA 22102	National Machine Tool Builders' Assn	1,100.00	500.00
Richard M. Parsons, 1652 Wainwright Dr. Reston, VA 22090	Handgun Control, Inc	7,538.44	
Partnership on Health Benefits and Employment, P.O. Box 27414 Washington, DC 20038		55,170.00	52,923.35
Charles C. Partridge, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	2,625.00	
Jack Partridge, 1014 Vine St. Cincinnati, OH 45201	Kroger Company	2,500.00	750.60
Robert D. Partridge, 511 Janneys Lane Alexandria, VA 22302	Burns & McDonnell	750.00	15.45
Richard E. Pasco, 501 School Street, SW, #400 Washington, DC 20024	National Pork Producers Council	2,000.00	9.00
Peter R. Pastre, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	1,250.00	
Melissa B. Patack, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Committee	8,471.80	
Gary B. Patterson, Delaware Petroleum Council P.O. Box 1429 Dover, DE 19903	American Petroleum Institute	179.00	14.20
Jerry M. Patterson, 3200 Park Center Dr., #650 Costa Mesa, CA 90630	City of Bell & Bell Community Redevelopment Agency		
Richard M. Patterson, 1776 EYE St., NW, #575 Washington, DC 20006	Dow Chemical Co	500.00	5,596.00
C. James Patti, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Reseach & Industrial Development	10,434.00	890.00
Kenton H. Pattie, 3150 Spring St. Fairfax, VA 22031	International Communications Industries Assn	5,000.00	
David J. Pattison, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Thomas B. Patton, 2000 K Street, NW, #201 Washington, DC 20006	North American Philips Corporation	25,000.00	4,480.00
Patton Boggs & Blow, 2550 M St., NW Washington, DC 20037	Advanced Technology, Inc	1,710.00	50.00
Do	Air Products & Chemicals, Inc	660.00	5.00
Do	Aiwa America, Inc	0.35	0.04
Do	Akai America, Ltd	0.28	0.04
Do	Alain Wertheimer	762.00	
Do	Alaska Crab Coalition		
Do	Alexander & Baldwin, Inc		
Do	American Assn of Equipment Lessors	660.00	5.00
Do	American Congress on Surveying & Mapping		
Do	American Express Co		
Do	American International Automobile Dealers Assn		
Do	American Logistics Assn		
Do	American Maritime Assn		
Do	American Stock Exchange		
Do	Armco, Inc	660.00	5.00
Do	Association of Professional Flight Attendants		
Do	Association of Trial Lawyers of America	376.25	8.00
Do	Avon Products, Inc		
Do	Bath Iron Works Corp		
Do	Bethlehem Steel Corp	660.00	5.00
Do	Bic Corporation		
Do	Biogen		
Do	BATUS, Inc	5,830.00	14.00
Do	Casio	0.14	0.02
Do	Castle & Cooke, Inc	610.00	
Do	Charles Center-Inner Harbor Management, Inc	1,500.00	
Do	Chemfix Technologies, Inc		
Do	Cherokee Nation of Oklahoma	2,250.00	400.00
Do	Cherokee Nation Industries, Inc	9,225.00	670.00
Do	Chicago Board Options Exchange	642.50	37.00
Do	Chrysler Corporation	660.00	5.00
Do	City & County of Denver	7,437.50	60.00
Do	Coalition on State Use Taxes	15,000.00	
Do	College Savings Bank	315.00	10.00
Do	Columbia Farm Credit District		
Do	Columbia, Inc	0.14	0.02
Do	Corridor Broadcasting Corp	675.00	30.00
Do	Costa Rican Foreign Trade Committee		
Do	Council of Graduate Schools		
Do	Cryolife, Inc		
Do	CIGNA Corporation		
Do	Dealer Action Association		
Do	Dole Fresh Fruit Co	220.00	20.00
Do	Dredging Industry Size Standards Committee (DISSC)		
Do	Duty Free Shoppers Group, Ltd		
Do	DOYON, Ltd		
Do	Federation of Postal Police Officers	387.50	10.00
Do	Fiart Cantieri Italiani, S.P.A	720.00	20.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Fidelity Investors		
Do	Fishing Vessel Owner's Assn		
Do	Flexi-Van Leasing, Inc	56.25	2.50
Do	Freedom to Advertise Coalition		
Do	Fuji Photo Film USA, Inc	1.40	0.18
Do	Fundacion de Defensa del Comerio Exterior		
Do	Fundacion Pro Imagen de Columbia		
Do	Gana-A'Yoo, Limited		
Do	Genstar Container Corporation	56.25	2.50
Do	Goldbelt, Inc	196.25	20.00
Do	Government of the Marshall Islands		
Do	Government of Iceland		
Do	Charles Heilbronn, et al	762.50	
Do	Hitachi Sales Corp of America	6.30	0.81
Do	Hobby Industries Assn		
Do	Immune Response Corp		
Do	Incorporated Research Institutions for Seismology		
Do	Institute of Scrap Iron & Steel, Inc	1,050.00	
Do	International Thomson, Inc		
Do	Itel Containers International Corp	56.25	2.50
Do	Kaiser Aluminum & Chemical Corp		
Do	Kenwood USA Corporation	0.63	0.08
Do	Loop, Inc	2,410.00	5.00
Do	Magnuson Act Coalition	440.00	
Do	Marathon Oil Co	1,400.00	
Do	Mars, Inc		
Do	Mass Mutual	1,288.75	206.50
Do	Matson Navigation Co		
Do	Matsushita Electric Corp of America	17.50	2.25
Do	Maxell Corp of America	2.10	0.27
Do	May Department Stores Co		
Do	Metropolitan Life	570.00	51.00
Do	Minerals Marketing Corp of Zimbabwe		
Do	Mitsubishi Electric Sales American, Inc	4.20	0.54
Do	Mocatta Metals Corp		
Do	Mutual Benefit Life		
Do	Mutual Legislative Committee	3,420.00	316.00
Do	MCI Telecommunications, Inc	1,477.50	42.00
Do	Nakajima USA		
Do	Nakamichi USA	0.28	0.04
Do	National Assn of Life Underwriters	285.00	16.00
Do	National Assn of Retail Druggists		
Do	National Cable Television Assn, Inc	100.00	10.00
Do	National Con-serv, Inc	412.50	
Do	National Intergroup, Inc		
Do	National Marine Manufacturers Assn	1,050.00	8.00
Do	National Soft Drink Assn		
Do	Navajo Nation		
Do	New Process Co		
Do	New York Life Insurance Co	572.50	38.66
Do	Newmont Mining Corp		
Do	Northwestern Mutual Life		
Do	NCNB Texas National Bank		
Do	NEC Electronics (USA) Inc	2.10	0.27
Do	NMTBA-National Machine Tool Builder's Assn	660.00	5.00
Do	Olympic Fibers		
Do	Onkyo USA Corp	0.42	0.05
Do	Options Clearing Corp		
Do	OSG Bulk Ships, Inc	166.25	11.00
Do	Paine Webber, Inc		
Do	Pioneer Electronics (USA), Inc	0.70	0.09
Do	Prince George Center, Inc	5,062.50	
Do	Reader's Digest Assn, Inc		
Do	Reinsurance Assn of America	315.00	
Do	Reliance Group Holdings, Inc	56.25	2.50
Do	Retail Industry Trade Action Coalition		
Do	Retail Tax Committee		
Do	Rice Millers' Assn		
Do	Royal Trustco, Ltd	1,010.00	20.00
Do	Sansui Electronics Corp	0.07	0.01
Do	Sanyo Electronics, Inc	4.90	0.63
Do	Save Chanute Committee	4,545.00	30.00
Do	Seafood Wholesalers, Inc	1,980.00	
Do	Sharp Electronics Corp	6.30	0.81
Do	Charles E. Smith Companies		
Do	Smokeless Tobacco Council, Inc	7,276.25	244.00
Do	Sony Corp of America	7.70	0.99
Do	Specialty Seafoods		
Do	Squibb Corporation		
Do	Standard Federal Savings Bank	192.50	10.00
Do	Sultantate of Oman	1,100.00	
Do	Teac Corp of America	0.21	0.03
Do	Teknika Electronics Corp	0.07	0.01
Do	Thornycraft Giles & Co., Inc	8,255.00	6.00
Do	Toshiba America, Inc	3.50	0.45
Do	Trans Ocean Ltd	56.25	2.50
Do	Transamerica Leasing, Inc	56.25	2.50
Do	Triton Container	56.25	2.50
Do	TDK USA Corp	2.10	0.27
Do	U.S. Air, Inc		
Do	U.S. Tobacco Co		
Do	Union Pacific Corp	660.00	5.00
Do	Universal Lottery Co		
Do	University of Arizona Foundation	6,961.77	
Do	US JVC Corporation	8.40	1.08
Do	USX Corp	660.00	5.00
Do	Waste Management Inc		
Do	Wayne County Michigan	775.00	10.00
Do	Westinghouse Electric Corp	956.25	20.00
Do	WWL-TV		
Do	XTRA Corp	56.25	2.50
Do	Yamaha Electronics Corp, USA	0.42	0.05
Andrew R. Paul, 1875 Eye Street, NW, #1225 Washington, DC 20006	Paramount Communications, Inc	3,850.00	124.90
Paul Hastings Janofsky & Walker, 1050 Connecticut Avenue, NW, #1200 Washington, DC 20036	Allegheny Power System Inc, et al	6,750.00	
Do	Amdahl Corporation	1,235.00	
Do	CalMat Company		
Do	GAF Corporation		
Do	Kawasaki Motors Corp, USA	2,021.25	
Do	Paul D. Lieb	3,120.00	
Do	New Thrift Owners Group	2,755.00	
Do	Security Life of Denver	6,800.00	
Do	Tobacco Institute		
Larry E. Paulick, 2111 Eisenhower Avenue Alexandria, VA 22314	National Spa & Pool Institute		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Nell Payne, 111 Massachusetts Ave., NW, 3rd Floor Washington, DC 20001	Turner Broadcasting System, Inc	1,800.00	
Tommy J. Payne, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	2,100.00	141.48
Richard A. Paysor, 1415 Elbridge Payne Rd., #135 St. Louis, MO 63017	First Capitol Associates - Gateway, Inc		
Ronald Pearson, 422 First Street, SE, #208 Washington, DC 20003	Embassy of South Africa		
Russell H. Pearson, 1156 15th Street, NW, #1015 Washington, DC 20005	J. C. Penney Co, Inc		
Pearson and Pipkin, Inc, 422 First Street, SE, #208 Washington, DC 20003	Embassy of South Africa	15,000.00	439.08
Joe P. Peck Jr., 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Shelley Peck, 122 C St., NW Washington, DC 20001	Children's Defense Fund	2,925.60	
Lee Peckarsky, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	37,500.00	
Randall G. Pence, P.O. Box 781 Herndon, VA 22070	National Concrete Masonry Assn	5,000.00	706.32
Penco International, 606 Massachusetts Ave., NE Washington, DC 20002	Penco international		
Nicholas J. Penning, 1801 N. Moore Street Arlington, VA 22209	American Assn of School Administrators	7,800.30	
James C. Pennington 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	2,625.00	
Pennsylvania Power & Light Co, 2 North 9th Street Allentown, PA 18101			1,286.46
Pennwalt Corporation, Three Parkway Philadelphia, PA 19102			5,429.00
Pension Real Estate Assn, 1129 20th Street, NW, #705 Washington, DC 20036			
Pepper & Corazzini, 1776 K St., NW Washington, DC 20006	Tempo Enterprises, Inc		
Barbara K. Pequet, 609 Bonifant Street Silver Spring, MD 20910	American Soc for the Prevention of Cruelty to Animals	1,500.00	1,500.00
Francisco J. Pereiro, 3500 Three First National Plaza Chicago, IL 60602	Coffield Ungaretti Harris & Slavin (For:Comdisco, Inc)	7,735.00	
Victor J. Perini Jr., 1776 Massachusetts Ave., NW Washington, DC 20036	Highway Users Federation for Safety & Mobility		
James W. Perkins, 1 Beacon Street, Rm. 2200 Boston, MA 02108	Palmer & Dodge (For:National Assn of Bond Lawyers)		
Perkins Coie, 1110 Vermont Ave., NW, #1200 Washington, DC 20005	Boeing Company		
Do	Burlington Resources		
Do	Cook Inlet Region, Inc		
Do	Kootznoowoo, Inc		
Do	Wood Heating Alliance		
Gary J. Perkinson, 453 New Jersey Ave., SE Washington, DC 20003	Perkinson & Associates, Inc (For:Alliance for America's Homeowners)		
Do	Perkinson & Associates, Inc (For:Beneficial Management Corp of America)		
Do	Perkinson & Associates, Inc (For:National Second Mortgage Assn)		
Perkinson & Associates, Inc, 453 New Jersey Ave., SE Washington, DC 20003	Alliance for America's Homeowners		
Do	Beneficial Management Corp		
Do	National Second Mortgage Assn		
Ernest Michael Perley, 112 St. Clair Avenue, West, #401 Toronto, Ontario M4V 2Y3	Perley & Hurley Ltd (For:Canadian Coalition on Acid Rain)	1,800.00	7,253.77
Jeffry L. Perlman, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	3,000.00	305.96
Leonard Perlman, 5312 Trailway Drive Rockville, MD 20853	American Assn for Counseling & Development		
Franklyn G. Perry, #22870-048 P.O. Box 1000 Leavenworth, KS 66048-1000			
Susan Perry, 1015 15th Street, NW Washington, DC 20005	American Bus Assn	2,687.50	75.00
Mark Pertschuk, 2054 University Ave., #500 Berkeley, CA 94704	Americans for Nonsmokers' Rights	2,420.00	
Roxanne Perugino, 888 16th St., NW Washington, DC 20006	Bannerman and Associates, Inc (For:Beirut University College)	1,000.00	25.00
Do	Bannerman & Associates, Inc (For:Government of Tunisia)	990.00	95.35
Do	Bannerman and Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines)).	250.00	64.60
Phillips S. Peter, 1331 Pennsylvania Avenue, NW, #800-S Washington, DC 20004	General Electric Co	100.00	
Gordon A. Peters, 9191 West Tulip Drive Columbus, IN 47201	Juvenile Products Manufacturers Assn	11,550.00	
Michael W. Peters, 5709 W. 21st St., P.O. Box 4267 Topeka, KS 66604	Kansas Electric Cooperatives, Inc		
Robert Peters, 342 West 15th Street New York, NY 10011	Morality in Media, Inc		
Esther Peterson, 2001 S St., NW, #510 Washington, DC 20009	International Organization of Consumers Unions		
Kenneth W. Peterson, Kansas Petroleum Council 1005 Merchants Bank Tower Topeka, KS 66612	American Petroleum Institute		
Lars E. Peterson, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	500.00	
Mary Jo Peterson, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	1,000.00	250.00
Sheryl L. Peterson, 1101 14th St, NW Washington, DC 20005	American Financial Services Assn	250.00	
Peterson Engberg & Peterson, 1730 M St., NW, #907 Washington, DC 20036	Federated Research Corp	23,467.00	663.11
Susan F. Petniunas, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corporation	500.00	
Michael J. Petrina Jr., 1110 Vermont Avenue, NW, #800 Washington, DC 20005	Cosmetic Toiletry & Fragrance Assn, Inc		
Petroleum Marketers Assn of America, 1120 Vermont Ave., NW, #1130 Washington, DC 20005		20,000.00	18,272.17
Stephan Petry, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	298.75	
Laura M. Pettey, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	375.00	
Mitchell S. Pettit, 1133 Connecticut Ave., NW, #1000 Washington, DC 20036	Madison Public Affairs Group (for: Philip Morris USA)	4,200.00	1,900.00
Pettit & Martin, 1800 Massachusetts Avenue, NW, #600 Washington, DC 20036	American Suzuki Motor Corp	82,319.00	805.00
Do	Nippon Yesun Kaisha (NYK) Line		
Brian T. Petty, 1901 L St., NW, #702 Washington, DC 20036	International Assn of Drilling Contractors		
Peyser Associates, Inc, 1000 Vermont Ave., NW, #400 Washington, DC 20005	City of Philadelphia	46,000.00	
Do	Jacques Borel Enterprises, Inc		
Do	MacAndrews & Forbes Holdings, Inc	48,825.00	
Do	Metro	9,200.00	
Do	Metropolitan Toledo Consortium	12,000.00	
Do	Mothers Against Drunk Driving (MADD)	8,000.00	
Do	National School Health Education Coalition	6,800.00	
Do	New York State Bridge Authority	10,000.00	
Do	Regional Transit Authority	4,750.00	
Do	Southeastern Pennsylvania Transit Authority	9,750.00	
Steven J. Pfister, 1000 Connecticut Avenue, NW Washington, DC 20036	National Retail Merchants Assn	3,000.00	182.07
James R. Phalen, 1200 19th Street, NW, #606 Washington, DC 20036	RCF Group	10,000.00	
Pharmaceutical Manufacturers Assn, 1100 15th Street, NW, #900 Washington, DC 20005		23,322.70	23,322.70
Marshall A. Pharr, 6103 Adirondack Amarillo, TX 79106	Southwestern Public Service Co	4,577.25	249.44
Dennis J. Phelan, 1101 17th St., N.W., #609 Washington, DC 20036	Pacific Seafood Processors Assn	18,000.00	396.00
Mary Frances Phelps, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		
William C. Phelps, 2929 Allen Parkway Houston, TX 77019	American General Corporation	6,800.00	6,482.72
Deborah M. Phillips, 1155 21st Street, NW, #400 Washington, DC 20036	General Instrument Corporation		
Deirdre B. Phillips, 100 Federal Street Boston, MA 02110	Bank of Boston Corporation		
Do	First National Bank of Boston	345.00	622.00
Patricia Lynn Phillips, P.O. Box 10891 McLean, VA 22102	National Assn of State Agencies for Food Distribution	2,415.00	
William G. Phillips, 417 Sixth Street, SE Washington, DC 20003	Association of Univ Environmental Health Science Centers	6,000.00	588.01
Do	Association of Univ Programs in Occupational Health & Safety	11,050.00	1,385.92
Do	Metal Trades Department, AFL-CIO	2,550.00	301.94
Phillips Nizer Benjamin Krim & Ballon, c/o Tibero Schwartz 40 West 57th Street, 32nd floor New York, NY 10019	Riverbay Corp	3,570.00	112.89
Dan Phythyon, 1771 N St., NW Washington, DC 20036	National Assn of Broadcasters	2,000.00	988.52
Joan Piccolo, 1776 K Street, NW, #300 Washington, DC 20006	Motorola, Inc	4,500.00	
Paulette C. Pidcock, 1100 Connecticut Avenue, NW, #530 Washington, DC 20036	Baltimore Gas & Electric Co	683.11	900.00
Wayne Pierce, 101 Constitution Avenue, NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	31,850.00	161.82
Pierson Semmes & Finley, 1054 31st Street, NW Washington, DC 20007	American Land Title Assn		
Do	Mauritius Sugar Syndicate	4,405.00	
Do	Oklahoma Natural Gas Company		
Do	Six Flags Corporation		
Susan G. Pikrallidas, 8111 Gatehouse Road Falls Church, VA 22047	American Automobile Assn		
John H. Pilcher, 1331 Pennsylvania Ave.,NW, #1500 Washington, DC 20004-1703	National Assn of Manufacturers	125.00	
Piliero Tobin and Mazza, Farragut Square 888 17th Street, NW Washington, DC 20006	Ad Hoc Committee of Mutual Fund Managers	2,541.69	
Do	Fujitec America, Inc		
Do	National Fire Protection Assn		
Pillsbury Madison & Sutro, 1667 K St., NW, #1100 Washington, DC 20006	D. L. Berger Associates, Inc		
Do	Federal Home Loan Bank of San Francisco	850.00	35.00
Do	Geneva Steel		
Do	Grocery Manufacturers of America, Inc		
Do	Pfizer, Inc		
Do	Temis Ramires de Arellano		
Valerie F. Pinson, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	1,340.00	
Emily C. Piper, P.O. Box 3556 Washington, DC 20007	American Meat Institute	2,000.00	
Piper & Marbury, 1200 19th Street, NW, #700 Washington, DC 20036	Association for Governmental Leasing and Finance	3,308.34	
Do	Edison Electric Institute	362.50	1.20
Do	National Assn of Independent Colleges and Universities	1,263.36	
Robert Pipkin Jr., Pearson & Pipkin, Inc 422 First Street, SE, #208 Washington, DC 20003	Embassy of South Africa		
William P. Pitts, 1667 K Street, NW, #300 Washington, DC 20006	Amdahl Corp	1,000.00	
Peggy Pizzo, 733 15th Street, NW, #912 Washington, DC 20005	National Center for Clinical Infant Programs	708.44	335.50

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Plains Cotton Growers, Inc, 4510 Englewood Lubbock, TX 79414			
Plaintiff Employment Lawyers Assn, 911 Mercantile Library Bldg. 414 Walnut Street Cincinnati, OH 45202	Nerco, Inc	5,250.00	756.01
Reuben C. Plantico, 111 SW Columbia, #800 Portland, OR 97201	Brown & Root, Inc		
Wyll W. Pleger, 1150 Connecticut Ave., NW, #205 Washington, DC 20036	United Transportation Union	2,500.00	
E. R. Plourd, 400 First Street, NW, #704 Washington, DC 20001	American Newspaper Publishers Assn	4,230.00	307.66
Podesta Associates, Inc, 424 C Street, NE Washington, DC 20002	Digital Equipment Corp	1,800.00	
Do	Genentech, Inc	1,200.00	
Do	National Artists Equity Assn		58.14
Do	CNG Transmission Corp	500.00	
Rebecca S. Poe, P.O. Box 2450 Clarksburg, WV 26302-2450	Columbia Gulf Transmission Co	15,000.00	
John A. Poindexter, 3803 West Alabama Houston, TX 77027	South Hadley Electric Light Department	175.00	
Marc R. Poirier, Spiegel & Mcdiarmid 1350 New York Ave., NW Washington, DC 20005	National Wildlife Federation	157.39	
Gerald Poje, 1400 16th Street, NW Washington, DC 20036-0001	NAC Re Corp		
Mindy Pollack, One Greenwich Plaza P.O. Box 2568 Greenwich, CT 06836	American Assn of Retired Persons	617.88	
Michele Pollak, 1909 K Street, NW Washington, DC 20049	Security Pacific Corp		
Alfred M. Pollard, 1701 K Street, NW, #503 Washington, DC 20006	American Veterinary Medical Assn		
Amy L. Pomplin, 1023 15th Street, NW, #300 Washington, DC 20005	Metropolitan Life Insurance Cos	1,000.00	
Edward T. Porcaro, 1615 L Street, NW, #1210 Washington, DC 20036	American Medical Records Assn	3,000.00	
Porte Stafford & Associates, Inc, 1050 17th Street, NW, #840 Washington, DC 20036	Council on Accreditation of Services for Families & Children	5,000.00	
Do	Dietary Managers Assn	4,000.00	
Do	National Assn of Medical Directors of Respiratory Care	6,000.00	
Do	National Dialysis Assn	6,000.00	
Do	Coalition for Environmental-Energy Balance		6,050.92
Porter Wright Morris & Arthur, 41 South High Street Columbus, OH 43215	Reese Communications Cos (for Philip Morris, USA)	1,800.00	231.01
John C. Pouland, 5757 Martel, B-9 Dallas, TX 75206	Ogilvy & Mather		
Joseph L. Powell Jr., 1901 L Street, NW, #320 Washington, DC 20036	American Council on Education		
Powell Goldstein Frazer & Murphy, 1001 Pennsylvania Ave., NW, 6th Floor Washington, DC 20004	Bayley Seton Hospital		
Do	Belz Investment Co	1,680.00	
Do	Committee for Competitive Marketing	1,596.00	
Do	CORETECH	24,240.00	
Do	Federal National Mortgage Assn	2,456.00	
Do	Flood Control Advisory Committee		
Do	Flour Corporation	5,568.00	
Do	Hadson Electric, Inc		
Do	Hitachi Sales Corp of America	2,531.00	
Do	Massachusetts Housing Finance Agency		
Do	National Multi Housing Council		
Do	Public Service Company of Indiana, Inc	8,615.00	
Do	Starrett Housing Corp		
Do	Sunbelt Corp	7,556.00	
Do	Westinghouse Electric Corp	30,763.00	
John J. Power, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,361.80	704.20
Graydon R. Powers Jr., 1101 16th St., NW Washington, DC 20036	Scientific Apparatus Makers Assn		
Powers Harsch & Kinder, 1722 Eye Street, NW Washington, DC 20006	Aspen Technology, Inc		
Do	City of Cranston (RI)		963.75
Do	Pyropower Corp		
Prather Seeger Doolittle & Farmer, 1600 M Street, NW, 7th Floor Washington, DC 20036	Salzgitter, A.G	120,300.00	5,243.88
David J. Pratt, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	700.00	235.00
Robert L. Pratt, 303 Wyman Street Waltham, MA 02154	Thermo Electron Corporation	9,200.00	3,170.00
Sarah J. Pratt, 1050 17th Street, NW, #700 Washington, DC 20036	National Ocean Industries Assn	750.00	
Preston Thorgrimson Ellis & Holman, 1735 New York Avenue, NW, #500 Washington, DC 20006	Alaska Loggers Assn	1,705.00	
Do	American Forest Resource Alliance		
Do	American President Lines		
Do	Arctic Sounder Enterprises, Inc		
Do	Bay Tankers Inc		
Do	Bellingham Cold Storage		
Do	Burlington Northern Railroad		
Do	Calista Corp	275.00	
Do	Coastal Transportation, Inc		
Do	Council on Research & Technology	1,750.00	
Do	COMPACT		
Do	Data General Corp	322.50	
Do	Hewlett-Packard Co	412.50	
Do	Instituto Latinoamericano del Fierro y el Acero (ILAFA)	2,515.50	2,367.14
Do	Intelsat		
Do	Jackson Laboratory		
Do	Lutheran Medical Center		
Do	Marine Management, Inc		
Do	Martin's Point Health Care Center		
Do	National Council on Compensation Insurance	1,505.00	
Do	National Private Truck Council	350.00	
Do	OMI Corp	4,416.50	
Do	Pacific Medical Center		
Do	Pitney Bowes	435.00	
Do	Port of Seattle		
Do	Seattle Organizing Comm		
Do	South Dakota Dept of Transportation	330.00	
Do	Sunmar Shipping, Inc	300.00	
Do	Tele-Communications, Inc	2,736.75	
Do	Transportation Institute		
Do	Tri-City Industrial Development Council		
Do	University of Washington	1,245.00	
Do	Wheelabrator		
James M. Price, 730 Polk Street San Francisco, CA 94109	Sierra Club		
Woodruff M. Price, 1331 Pennsylvania Ave., NW, #560 Washington, DC 20004	CSX Corporation	6,000.00	312.59
Price Waterhouse, 1801 K St., NW, #700 Washington, DC 20006	Investment Company Institute	670.00	
Do	John D. & Catherine T. McArthur Foundation		
Patricia Pride, 1129 20th St., NW Washington, DC 20036	Financial Accounting Foundation	607.75	63.34
George W. Pritts Jr., 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	1,875.00	208.23
Mary A. Procida, 1155 Avenue of the Americas New York, NY 10036	White & Case (For:Bankers Trust Company)		
Procompetitive Rail Steering Committee, c/o Vuono, Lavelle & Gray 2310 Grant Building Pittsburgh, PA 15219		22,000.00	17,728.38
Profit Sharing Council of America, 20 N. Wacker Drive Chicago, IL 60606			
Project Advisory Group, 1029 Vermont Ave., NW, #860 Washington, DC 20005			1,814.99
Gerald R. Prout, 1627 K St., NW, #500 Washington, DC 20006	FMC Corporation	2,950.00	
Peter D. Prowitt, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd	11,874.00	
Prudential-Bache Securities, Inc, 100 Gold St. New York, NY 10292			750.00
James C. Pruitt, 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc	141.54	
Public Citizen Health Research Group, 2000 P St., NW, #700 Washington, DC 20036		2.01	2.01
Public Citizen, Inc, 2000 P Street, NW Washington, DC 20036		43,150.00	45,950.00
Public Employee Department, AFL-CIO, 815 16th St., NW Washington, DC 20006		65,196.66	24,831.46
Public Land Users Society, 6824 19th West P.O. Box 282 Tacoma, WA 98466		179.73	
Public Resource Associates, 1815 H Street, NW, #600 Washington, DC 20006			50.00
Public Strategies, 620 Congress, #310 Austin, TX 78701	Sammons Enterprises, Inc	18,750.00	683.42
Do	Southwest Airlines Co	3,000.00	2,192.85
Theresa Pugh, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers		
Philip N. Pulizzi Jr., 1667 K Street, NW, #600 Washington, DC 20006	Bethlehem Steel Corp	255.00	
David E. Pullen, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corporation	1,000.00	
John R. Purcell, 204 E Street, NE Washington, DC 20002	National Frozen Food Association	1,000.00	
Thomas W. Purcell, 1730 North Lynn Street Arington, VA 22209	Printing Industries of America, Inc	2,500.00	
Sue P. Purvis, P.O. Box 14042 St. Petersburg, FL 33733	Florida Power Corp	2,475.00	97.37
Do	Florida Progress Corp	625.00	
Earle W. Putnam, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Howard Pyle III, 1050 17th Street, NW, #550 Washington, DC 20036	Houston Lighting & Power Company	5,600.00	
Robert N. Pyle & Associates, 3222 N Street, NW, #32 Washington, DC 20007	Elkem Metals Company	4,250.00	
Do	Independent Bakers Assn	3,000.00	
Do	International Investors, Inc	2,000.00	250.00
Do	Stratcor	3,000.00	260.00
Do	Welch Foods, Inc	3,750.00	
John R. Quarles Jr., Morgan Lewis & Bockius 1800 M St., NW Washington, DC 20036	National Environmental Development Assn		
William A. Quinlan, 3045 Riva Rd. Riva, MD 21140	National Candy Wholesalers Assn, Inc		
Do	Retail Bakers of America		
Earl C. Quist, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
George Gregory Raab, 2000 L Street, NW, #200 Washington, DC 20036	Medtronic, Inc		109.66
Mark J. Raabe, 1615 L St., NW, #1320 Washington, DC 20036	Merck & Co, Inc	500.00	300.00
Theresa Rabel, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	4,300.00	1,024.90
Steve Rabin, 1901 L Street, NW, #320 Washington, DC 20036	Ogilvy & Mather		
Peri Jude Radecic, 1517 U Street, NW Washington, DC 20009	National Gay & Lesbian Task Force (NGLTF)	7,500.00	
Alex Radin, 1200 New Hampshire Ave., NW, #507 Washington, DC 20036	Tennessee Valley Public Power Assn	375.00	
Do	Radin & Associates Inc (For:Washington Public Power Supply System)	262.50	
Do	Washington Public Utility Districts Assn	1,200.00	
W. A. Radziewicz, 400 First Street, NW, #708 Washington, DC 20001	Brotherhood of Railroad Signalmen	350.00	
Tess A. Rae, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Ragan & Mason, 1156 15th Street, NW, #800 Washington, DC 20005	American Bureau of Shipping	5,000.00	61.85
Do	American Ship Building Co	5,000.00	118.46
Do	Bechtel Corp	562.50	
Do	Childrens Television Workshop	50,000.00	
Do	Diagnostic/Retrieval Systems, Inc	24,000.00	
Do	Government of Bermuda		
Do	Marco Shipyard-Seattle		
Do	National Bulk Carriers, Inc	4,500.00	
Do	R.J. Reynolds Nabisco, Inc		
Do	R.J. Reynolds Tobacco Co	7,000.00	
Do	Sea-Land Industries, Inc	20,000.00	175.40
Do	Security Pacific Leasing Corporation		
Do	Security Pacific National Bank		
Do	Stimson Lumber Co & Miller Redwood Co	3,000.00	
Do	Territorial Savings & Loan Assn		
Do	U.S. Telephone Assn	24,000.00	
Tanya A. Rahall, 2033 M Street, NW, #900 Washington, DC 20036	American Task Force for Lebanon	9,999.96	4.00
Roderic W. Rahe Jr., 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	2,250.00	
Richard W. Rahn, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S	80.00	94.27
Thomas F. Railsback, 2000 M Street, NW Washington, DC 20036	Graham & James (For:American Hawaii Cruises)		
Do	Graham & James (For:American Insurance Association)		
Do	Graham & James (For:Attorneys' Title Guaranty Fund, Inc)		
Do	Graham & James (For:R. R. Donnelley & Sons Company)	250.00	
Do	Graham & James (For:Federal Administrative Law Judges Conference)	3,000.00	
Do	Graham & James (For:Federal Judges Association)	3,500.00	
Do	Holland America Line Westours, Inc (For:Graham & James)	3,000.00	
Do	Graham & James (For:Illinois Health Facilities Authority)	500.00	
Do	Graham & James (For:Mutual of Omaha)		
Do	Graham & James (For:National Council of U.S. Magistrates)	2,000.00	
Do	Graham & James (For:Stock Information Group)	4,875.00	
Do	Graham & James (For:Walt Disney Company)		
Railway Labor Executives' Assn, 400 First St., NW, #804 Washington, DC 20001		579,285.00	316,338.77
Railway Progress Institute, 700 North Fairfax St. Alexandria, VA 22314			
Rainbow Lobby, 1660 L Street, NW, #204 Washington, DC 20036		413,147.08	409,043.46
Elizabeth L. Raisbeck, 801 Pennsylvania Ave., SE, #301 Washington, DC 20003	National Audubon Society	19,000.00	
John C. Ramig, 900 SW Fifth Avenue, #2300 Portland, OR 97204-1268	Stoel Rives Boley Jones & Grey (For:Association of O & C Counties)	138.00	
Do	Stoel Rives Boley Jones & Grey (For:Beverly Johnson)		
Do	Stoel Rives Boley Jones & Grey (For:Capital Markets)		
Do	Stoel Rives Boley Jones & Gray (For:Gregory Affiliates, Inc)	31,008.00	6,470.51
Do	Stoel Rives Boley Jones & Grey (For:Pacificorp)	725.00	6,668.03
Kathleen Marie Ramsey, 1010 Wisconsin Avenue, NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Kristen M. Rand, 2001 S St., NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	1,000.00	
Donald A. Randall, 321 D Street, NE Washington, DC 20002	Automotive Service Assn	20,426.52	
Do	National Independent Dairy-Foods Assn	252.96	
James D. Range, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	3,550.00	
Rebecca G. Range, 901 15th Street, NW, #500 Washington, DC 20005	Texas Air Corp	22,500.00	6,736.00
D. Michael Rappoport, P.O. Box 52025 Phoenix, AZ 85072	Salt River Project	1,680.00	3,721.76
Larry Rasky, 253 Summer Street Boston, MA 02127	Rasky & Company (For:National Cable Television Assn)	12,000.00	416.50
Magda A. Ratajski, Three Commercial Place Norfolk, VA 23510-2191	Norfolk Southern Corp		
Robert Ratliffe, 5808 Lake Washington Blvd., 3rd Fl. Kirkland, WA 98033-7397	McCaw Communications Cos	500.00	2,220.00
John W. Rauber Jr., 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	500.00	116.60
Carol L. Raulston, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc	3,000.00	150.00
William R. Rawson, 950 N. Glebe Road, #160 Arlington, VA 22203-1824	American Boiler Manufacturers Assn		
Bruce A. Ray, Bruce Ray & Company 420 C Street, NE Washington, DC 20002	American Committee for Shaare Zedek Hospital in Jerusalem	3,000.00	
Do	Bayley Seton Hospital	2,000.00	107.06
Do	Cumberland Packing Company	2,418.75	22.76
Do	United Gerer Institutions	3,000.00	92.00
John K. Rayburn, 1801 K Street, NW Washington, DC 20006	Westinghouse Electric Corp	235.00	30.00
Ralph Rayburn, 403 Vaughn Bldg. 807 Brazos Austin, TX 78701	Texas Shrimp Assn	225.00	104.40
Helene Rayder, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Company		
David A. Raymond, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	3,379.00	1,273.93
Floyd C. Raynard, 3169 Holcomb Bridge Rd., #505 Norcross, GA 30071	Stellar Technology Enterprises, Inc		
Linda S. Rearick, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Recording Industry Assn of America, Inc, 1020 19th St., NW #200 Washington, DC 20036		14,137.50	14,137.50
John M. Rector, 205 Daingerfield Rd. Alexandria, VA 22314	National Assn of Retail Druggists	700.00	150.00
Robert E Redding, 7315 Wisconsin Ave., #325 E Bethesda, MD 20814	Shippers National Freight Claim Council, Inc		
Fred J. Redeker, 811 Rusk, #200 Houston, TX 77002	Houston Bankers Association		
Donald L. Redfoot, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	550.57	
Dwight C. Reed, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn		
Jo Reed, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	679.80	
Mary Reed, 600 Maryland Ave., Sw, #700 Washington, DC 20024	National Federation of Independent Business (NFIB)	3,189.00	200.00
Michael L. Reed, 1100 15th Street, NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	28.00
Joseph M. Rees, Francis Mcginnis & Rees, Inc 1000 Potomac Street, NW, #401 Washington, DC 20007	National Coalition Burn Center Hospitals	6,000.00	
J. Mitchell Reese, 1700 K Street, NW, #1204 Washington, DC 20006	Chevron USA, Inc	500.00	25.00
William D. Reese, Annex 6, Room 200 1407 West North Temple Salt Lake City, UT 84140	Utah Power & Light Co		
Reese Communications Companies,Inc., 2111 Wilson Boulevard, #900 Arlington, VA 22201	Citizens for Sensible Control of Acid Rain (CSCAR)		
Do	Philip Morris USA	155,504.71	128,308.42
Benjamin F. Reeves, 1100 17th Street, NW Washington, DC 20036	Burley & Dark Leaf Tobacco Export Assn	1,075.00	
J. Ronald Reeves, 2345 Crystal Drive Arlington, VA 22227	U.S. Air, Inc	2,000.00	100.00
Martin A. Regalia, 1101 15th Street, NWn #400 Washington, DC 20005	National Council of Saving Institutions		187.16
Timothy J. Regan, 1455 Pennsylvania Ave., NW, #500 Washington, DC 20004	Corning Glass Works	6,000.00	683.63
Regional Airline Association, 1101 Connecticut Ave., NW Washington, DC 20036		2,000.00	1,100.00
David K. Rehr, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	4,875.00	400.00
Reichler, Choate, Appelbaum & Wippman, 1701 K Street, NW, #700 Washington, DC 20006	Republic of Guatemala	18,000.00	1,032.58
Do	Republic of Nicaragua	16,000.00	
Do	United Coconut Assn of the Philippines	50,059.99	1,375.89
Do	Rodolfo Zelaya		436.57
Michael W. Reid, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	2,970.60	71.47
Reid & Priest, 1111 19th St., NW, #1100 Washington, DC 20036	Anheuser-Busch Companies, Inc		
Do	City of Philadelphia		
Do	Committee of Corporate Telecommunications Users		
Do	CIAC Group		9.00
Do	National Spa & Pool Institute		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Pennsylvania Shipbuilding Co		
Do	Philadelphia Industrial Development Corp	18,060.00	
Do	Phillip Morris		
Do	Pride Refining, Inc	7,500.00	
Do	Rhode Island, Inc		
Do	SPD Technologies		
Do	Transol USA, Inc	1,500.00	
Do	Utility Decommissioning Tax Group	110.00	9.00
Burke G. Reilly, 815 Connecticut Ave., NW, #900 Washington, DC 20006	Ford Motor Company	2,250.00	1,034.20
Mary Lynn Reilly, 3805 Alton Place, NW Washington, DC 20016	Neighborhood Housing Services of America		
Joseph J. Reilly, Jr, 2414 Leighton Street Fort Lee, NJ 07024	Morality in Media, Inc		
Reinsurance Assn of America, 1819 L St., NW, 7th Floor Washington, DC 20036			
Diane Rennert, 1718 Connecticut Avenue, NW Washington, DC 20009	Association of American Publishers	5,000.00	875.20
Lee P. Reno, 122 C Street, NW, #875 Washington, DC 20001	Housing Authority Insurance, Inc	550.00	
Barclay T. Resler, 1627 K St., NW, #800 Washington, DC 20006	Coca-Cola Co	416.00	445.21
Resource Technical Consultants (USA), Inc, d/b/a TECNA 330 Seventh Avenue, #1902 New York, NY 10001			
Resources Fund, Inc, 1535 P Street, NW Washington, DC 20005			4,000.00
Retired Officers Assn, 201 N. Washington St. Alexandria, VA 22314		97,718.85	40,517.91
Vincent P. Reusing, 1615 L Street, NW, #1210 Washington, DC 20036	Metropolitan Life Insurance Companies	1,000.00	
Alan V. Reuther, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	21,546.95	198.60
Allan R. Rexinger, 1150 Connecticut Ave., NW, #1200 Washington, DC 20036	Nonprescription Drug Manufacturers Assn	4,062.00	150.00
Renee Reymond, 1331 Pennsylvania Ave, NW, #1500 N Washington, DC 20004	National Assn of Manufacturers		
Mary Anne Reynolds, 12600 Fair Lakes Circle Fairfax, VA 22333-4904	AAA Potomac		
Frederick W. Rhodes, 1111 Jefferson Davis Highway, #811-E Arlington, VA 22202	Loral Corporation	4,250.00	
Grace Ellen Rice, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	7,975.00	98.02
Lois D. Rice, 1201 Pennsylvania Avneue, NW, #370 Washington, DC 20004	Control Data Corporation	305.00	
James E. Rich Jr., 1025 Connecticut Ave., NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Alan K. Richards, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc	72.00	
Richard Richards, Law Office of Richard Richards 1050 Thomas Jefferson Street, NW, 6th Fl Washington, DC 20007	Hughes Aircraft Company	2,500.00	
Do	Universidad Autonoma de Guadalajara	300.00	
Alan H. Richardson, 2301 M St., NW Washington, DC 20037	American Public Power Assn	750.00	
Donna Richardson, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	4,935.00	181.62
John C. Richardson, 101 Park Avenue New York, NY 10178	Morgan Lewis & Bockius (For:Underwriters at Lloyd's, London)		
John G. Richardson, 1130 Connecticut Ave, NW, #830 Washington, DC 20036	Southern Company Services, Inc	1,250.00	4,092.27
K. O. Richardson, 815 16th Street, NW, #511 Washington, DC 20006	Transportation - Communications Union	3,000.00	124.51
Kevin C. Richardson, 2001 Eye St., NW Washington, DC 20006	Electronic Industries Assn	3,000.00	1,044.27
Warren S. Richardson, 325 Pennsylvania Ave., SE Washington, DC 20003	Washington Lobby Group, Inc (For:Preston Corp)	3,000.00	
Wesley S. Richardson, P.O. Box #65 Washington Grove, MD 20880	Washington Lobby Group, Inc (For:Preston Corp)	1,500.00	
Lois Richerson, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	1,499.00	
Les Richter, 1801 Speedway Boulevard Daytona Beach, FL 32015	National Assn for Stock Car Auto Racing, Inc (NASCAR)		
Do	National Motorsports Comm of ACCUS, FIA, Inc		
Max Richtman, 2000 K Street, NW 8th Floor Washington, DC 20006	National Committee to Preserve Social Security and Medicare	19,038.00	720.19
Larry D. Rickards, 600 Maryland Ave., SW, #208 Washington, DC 20024	National Assn of Area Agencies on Aging	2,500.00	24.10
Lowell J. Ridgeway, North Dakota Petroleum Council P.O. Box 1395 Bismarck, ND 58502	American Petroleum Institute	750.00	
E. George Riedel, 1000 Wilson Blvd., #3000 Arlington, VA 22209	International Telephone & Telegraph Corporation	1,000.00	50.00
Dr. Mark J. Riedy, 1101 15th Street, NW, #400 Washington, DC 20005	National Council for Savings Institutions	10,000.00	
Mark Joesph Riedy Esq, 1775 Pennsylvania Ave., NW, 7th Floor Washington, DC 20006	Shea & Gould (For:Haiti West Indies, S.A.)	4,208.00	444.52
Garth B. Rieman, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	1,500.00	299.70
E. Philip Riggin, 1608 K St., NW Washington, DC 20006	American Legion	14,790.00	230.80
P. Robert Rigney Jr., 1117 North 19th Street, #600 Arlington, VA 22209	American Assn of Blood Banks	1,250.00	
Wesley J. Riker, 4647 Forbes Blvd. Lanham, MD 20706	AMVETS	6,800.00	
Russell C. Ring, 1700 Pensylvania Ave., SE, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	2,000.00	103.84
Dale P. Riordan, 3900 Wisconsin Avenue, NW Washington, DC 20016	Federal National Mortgage Assn		
John S. Rippey, 730 15th St., NW Washington, DC 20005	Association of Bank Holding Cos	4,969.00	
Riselli & Pressler, P.C., 1225 19th Street, NW, #850 Washington, DC 20036	Professional Managers' Assn		
Carol A. Risher, 1718 Connecticut Ave., NW 7th Floor Washington, DC 20009-1148	Association of American Publishers	2,000.00	
Edward W. Rissing, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute (EEI)	230.77	34.00
Delbert A. Ritchhart, 1530 Jamacha Road, #K330 El Cajon, CA 92019	General Dynamics Laser Systems Laboratory	33,471.32	11,377.37
Jeanne M. Ritchie, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Valentin J. Riva, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
Ivette E. Rivera, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,000.00	
Phillip W. Rivers, 1050 17th St., NW #500 Washington, DC 20036	Texaco, Inc		
Rivers Trainor Doyle & Leicht, Inc, One Catamore Blvd East Providence, RI 02914	Madison Public Affairs Group, Inc	5,000.00	2,395.25
Rivkin Radler Dunne & Bayh, 1575 I Street, NW, #1025 Washington, DC 20005	ALC Communications Corp	1,806.25	100.00
Do	Chemical Bank	27,500.00	5,450.00
Do	Committee of National Security Cos, Inc		
Do	Cook Group	11,157.13	325.00
Do	National Soft Drink Assn		
Do	Public Service Company of Indiana		
Do	Real Estate Capital Recovery Assn (Asset Managers Coalition)	3,319.16	140.00
Do	Texas Savings & Loan League	10,000.00	250.00
Liz Robbins Associates, 420 7th St., SE Washington, DC 20003	Access Corporation	1,050.00	4,564.93
Do	Authors Guild	12,750.00	4,564.93
Do	Babcock & Brown	3,000.00	4,564.93
Do	Baldwin Company	2,737.80	4,564.93
Do	Carlan Homes	1,404.00	4,564.93
Do	City of Denver (Colorado)		
Do	City of Oakland (California)		
Do	City of San Francisco		
Do	DeLeun/Greeley/Hyman		
Do	Farmland Dairies	7,200.00	4,564.93
Do	Gaymar Industries, Inc	1,620.00	4,564.93
Do	Goldman Sachs & Co		
Do	J.M. Peters Co, Inc	2,737.80	4,564.93
Do	J.P. Rhodes	912.60	4,564.93
Do	Lewis Homes	2,737.80	4,564.93
Do	Montifiore Medical Center	4,500.00	4,564.93
Do	Morgan Lewis & Bockius	3,000.00	4,564.93
Do	Mt. Sinai Hospital	4,500.00	4,564.93
Do	MDC-Hold	2,737.80	4,564.93
Do	New York Hospital	4,500.00	4,564.93
Do	New York Public Library	3,750.00	4,564.93
Do	New York State Housing Finance Agency	4,050.00	4,564.93
Do	NYU Medical	4,500.00	4,564.93
Do	Phoenix House	900.00	4,564.93
Do	Presbyterian Hospital	4,500.00	4,564.93
Do	Presley of Southern California	2,737.80	4,564.93
Do	Public Securities Assn		
Do	San Francisco Dept of Social Services		
Do	Scholastic, Inc	1,800.00	4,564.93
Do	Southern Baptist Press Assn	125.00	4,564.93
Do	Spectrascan	4,500.00	4,564.93
Do	Standard Pacific, L.P.	1,687.50	4,564.93
Do	Town of Vail (Colorado)		
Do	Warburg Pincus Capital Corp	9,600.00	4,564.93
Do	Wespray Corporation	1,500.00	4,564.93
Do	William Lyon Co	3,737.80	4,564.93
Do	WTVT-13	3,750.00	4,564.93
Carole T. Roberts, 901 15th Street, NW, #520 Washington, DC 20005	Travelers Companies	1,995.00	15.91
Richard R. Roberts, 402 8th Street, N.E. Washington, DC 20002	American Council of Highway Advertisers	1,500.00	3,627.74
William A. Roberts, 444 North Capitol St., #711 Washington, DC 20001	Keefe Company (For:Broward County Governmental Center)	1,800.00	
Do	Keefe Company (For:Dallas Area Rapid Transit)	1,250.00	
Do	Keefe Company (For:Hillsborough Area Regional Transit)	1,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Keefe Co (For:Sanders Associates, Inc)	500.00	
Do	Keefe Company (For:Seminole Tribe of Florida)	1,500.00	
Do	Keefe Company (For:Tom Bulger & Co (for County of Fairfax))	500.00	
Do	Keefe Company (For:Tres Grande Vitesse (TGV-USA, Inc))	1,000.00	
Do	Keefe Company (For:University of Miami)	1,000.00	
Do	TKC International, Inc (For:UNIAO Nacional Para Independencia Total DeAngola)	12,500.00	
Do	TKC International, Inc (For:Westinghouse Electric Corp)		
Steve A. Robertson, 1608 K Street, NW Washington, DC 20006	American Legion	7,704.00	63.39
Nathan Robfogel, 700 Midtown Tower Rochester, NY 14604-2070	Genesee & Wyoming Industries, Inc	10,140.00	
Robins Kaplan Miller & Ciresi, 1627 Eye St., NW, #610 Washington, DC 20006	City of St. Paul	1,615.00	
Do	Dominium Group, Inc		
Do	Madison Public Affairs Group, Inc (for Philip Morris)	680.00	1,836.69
Do	Polaris Industries	1,600.00	
Do			
Betty S. Robinson, 1757 N St., NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	17,047.87	41.00
Ernestine S. Robinson, 1575 Eye Street, NW Washington, DC 20005	American Soc of Assn Executives	300.00	
Kenneth L. Robinson, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions		
Nancy J. Robinson, 7509 Tiffany Spgs. Pkwy. Kansas City, MO 64190-1402	Livestock Marketing Association	14,000.00	800.00
Thomas E. Robinson, 1129 20th Street, NW, #705 Washington, DC 20036	National Assn of Real Estate Investment Trusts, Inc		
Do	Pension Real Estate Assn		
Tom Robinson, 1400 Eye Street, NW Washington, DC 20005	Sierra Club Legal Defense Fund	2,492.64	3,430.63
Robinson Lake Lerer & Montgomery, 1667 K St., NW, #900 Washington, DC 20006	A.E. Staley	2,000.00	
Do	Atari Games Corp	1,000.00	
Do	Commission on Self-Determination	1,000.00	
Do	Futures Industry Association	5,000.00	
Do	Napa Flood Control and Water Conservation District	1,000.00	
Do	National Venture Capital Association	7,000.00	
Do	Sun-Diamond Growers of California	1,000.00	
Do	Suzuki Motors of America, Inc		
Robison International, Inc, 2300 N St., NW, #600 Washington, DC 20037	FMC Corporation	4,500.00	5,078.00
Do	McDonnell Douglas Corp	7,500.00	5,483.00
Do	Royal Ordnance, Inc	12,000.00	8,772.00
Nancy Robleski, 1825 K Street, NW, #218 Washington, DC 20006	American Society of Mechanical Engineers		
James Anthony Rock, 1730 M Street, NW, #607 Washington, DC 20036	Montana Power Co, et al	2,000.00	105.17
Phillip Rodenberg, 1400 K Street, NW, #801 Washington, DC 20005	General Aviation Manufacturers Assn	7,385.00	
Quincy Rodgers, 1155 21st Street, NW, #400 Washington, DC 20036	General Instrument Corporation	2,000.00	167.60
Raymund Rodriguez, P.O. Box 982 El Paso, TX 79960	El Paso Electric Co		
Charles L. Roff, 1100 15th Street, NW, #700 Washington, DC 20005	Sonat Inc		
Mims Rogers, P.O.Box 1064 Florence, AL 35631	Madison Public Affairs Group, Inc (for Philip Morris ,USA)	5,000.00	338.67
Terrence L. Rogers, 80 F St., NW Washington, DC 20001	American Fed of Government Employees	11,664.72	30,884.59
Rogers & Wells, 1737 H Street, NW Washington, DC 20006	Liz Claiborne, Inc		
Do	Compagnie Financiere de Paribas		
Do	Futures Industry Association	3,850.00	1,483.92
Do	Internor Trade, Inc		
Do	Jockey Club		
Do	Liga Agricola Industrial de la Cana de Azucar		
Do	Merrill Lynch & Co, Inc		
Do	Republic National Bank		
Do	Teachers Insurance & Annuity Assn/CREF		
Carole M. Rogin, 1255 23rd Street, NW, #850 Washington, DC 20037	Hauck & Associates, Inc (For:Hearing Industries Assn)		
Richard A. Rohrbach, 1615 M Street, NW, #570 Washington, DC 20036	Boise Cascade Corp	34,200.00	55.51
Stephen F. Rohrkemper, 150 S. Washington St., #403 Falls Church, VA 22046	International Technical Expertise Ltd		
Ian M. Rolland, 1300 South Clinton Street Fort Wayne, IN 46801	Lincoln National Corp	900.00	520.00
Jackie Rollins, 1201 16th Street, NW Washington, DC 20036	Overseas Education Assn, Inc		
Michael Rolnick, 818 Connecticut Ave., NW, 200 Washington, DC 20006	U.S. English		9,400.00
George L. Rolofson, P.O. Box 18300 Greensboro, NC 27419	CIBA-GEIGY Corp	3,450.00	2,768.00
John F. Rolph III, 1275 Pennsylvania Ave, NW, #503 Washington, DC 20004	Citicorp Washington, Inc	1,000.00	
Kenneth S. Rolston Jr, 1025 Vermont Ave., NW, #1020 Washington, DC 20005	American Pulpwood Assn		
Emil A. Romagnoli, 180 Maiden Lane New York, NY 10038	Asarco, Inc	1,200.00	
Daniel Romanko, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Canadian Steel Producers Assn		
Joseph D. Romer, 304 N. Virginia Avenue Falls Church, VA 22046	Brown Bridgman & Company		
Michael J. Romig, 1001 Pennsylvania Avenue, nw Washington, DC 20004-2599	American Council of Life Insurance, Inc	2,500.00	
Francis P. Rooney, 1400 L Street, NW, #400 Washington, DC 20005	Biscuit & Cracker Mfgrs Assn		
Fred B. Rooney, 1050 Connecticut Ave., NW, #1200 Washington, DC 20036	American Iron & Steel Institute	258.00	
Do	Association of American Railroads	425.00	
Do	Specialty Vehicle Institute of America	360.00	
Paul C. Rooney, 1155 Avenue of the Americas New York, NY 10036	White & Case (For:Bankers Trust Company)		
James Roosevelt, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Committee to Preserve Social Security	2,250.00	
Ropes & Gray, 1001 Pennsylvania Ave., NW, #1200 Washington, DC 20004	Butler Capital Corp		
Clifton Peter Rose, 1825 Eye Street, NW, #450 Washington, DC 20006	Goldman Sachs & Co	1,000.00	
Rose Communications, Inc, 901 15th Street, NW, #570 Washington, DC 20005	Johnson Matthey, Inc	1,720.00	8,000.00
Rose Schmidt Hasley & DiSalle, 1701 Pennsylvania Ave., NW, #1040 Washington, DC 20006	Equimark Corporation		
Do	Joy Technologies, Inc		
Do	Social Security Protection Bureau		
Burt E. Rosen, 1155 15th St. NW., #502 Washington, DC 20005	Bristol-Myers Co	25,000.00	
Hilary Rosen, 1020 19th St., NW, #200 Washington, DC 20036	Recording Industry Assn of America	4,300.00	
Albert B. Rosenbaum III, 499 South Capitol Street, SW, #520 Washington, DC 20003	Allwaste, Inc	3,000.00	
Do	National Tank Truck Carriers, Inc		
Sara Rosenbaum, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	1,116.00	
Robert M. Rosenberg, 8100 Oak Street Dunn Loring, VA 22027	National Pest Control Assn		
Herb Rosenbleeth, 1811 R Street, NW Washington, DC 20009	Jewish War Veterans of the USA	10,711.49	
Roger C. Rosenthal, 2001 S St., NW, #310 Washington, DC 20009	Migrant Legal Action Program, Inc		
Nancy Ross, 1830 17th Street NW Washington, DC 20009	Rainbow Lobby	5,400.00	4,545.51
William F. Ross, South Carolina Petroleum Council 1340 Bull Street, #250 Columbia, SC 29201	American Petroleum Institute	1,314.00	2,214.75
Ross & Hardies, 888 16th Street, NW, 3rd Floor Washington, DC 20006	Intertek Services International, Ltd		
Richard Rosser, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	1,261.00	
Barry N. Roth, 1120 20th Street, NW, #700 Washington, DC 20036	Williams Companies	500.00	
Batya Roth, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the United States		126.50
Rhond Rudolph Roth, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	National Multi Housing Council	1,500.00	1,500.00
John C. Rother, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	1,507.70	
Linda Rothleder, 315 Bonifant Road Silver Spring, MD 20904	Marconi Electronics, Inc	18,000.00	1,204.13
Emily B. Rothrock, 1455 Pennsylvania Ave., NW, #900 Washington, DC 20004	American International Group, Inc	2,000.00	
Donald D. Rounds, South Dakota Petroleum Council 222 E. Capitol, #16 Pierre, SD 57501	American Petroleum Institute		
William C. Rountree, Suite 1000 1776 Eye Street, NW Washington, DC 20006	BP America, Inc		
Michael O. Roush, 600 Maryland Avenue, SW. #700 Washington, DC 20024	National Fed of Independent Business	4,875.00	300.00
Brigette M. Rouson, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	6,000.00	182.84
Eugene F. Rowan, 2550 M Street, NW Washington, DC 20037	National Assn of Chain Drug Stores, Inc		
J. Patrick Rowland, 1023 15th Street, NW, 7th Fl Washington, DC 20005	Rowland Government Relations Associates (For:Baker Industries)	1,500.00	
Do	Rowland Government Relations Associates (For:Borg-Warner Automotive, Inc)	2,000.00	
Do	Rowland Government Relations (For:Coalition for Uniform Product Liability Law)	2,000.00	
Do	Rowland Government Relations (For:GE Plastics)	1,000.00	
Do	Labor Policy Association	1,000.00	
Rowland Government Relations, 1023 15th Street, NW, 7th Fl Washington, DC 20005	GE Plastics	2,000.00	
Do	Labor Policy Association	1,000.00	
Do	Security Companies Organized for Legislative Action (SCOLA)	7,810.16	
Charles Rowton, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation	270.00	
Roxton, Inc, 2000 S. Eads Street, #1003 Arlington, VA 22202	Medical Identification Card		
Elisabeth Rubin, 2000 P Street, NW, #305 Washington, DC 20036	Foresight Science & Technology (For:Hartford Stream Boiler)	4,143.75	1,021.75
Eric M. Rubin, 1730 M Street, NW, #412 Washington, DC 20036	Rubin Winston & Diercks (For:Outdoor Advertising Assn of America, Inc)		
Do	Rubin Winston & Diercks (For:Wayne Phillips)		
Eldon Rudd, Shimmel Hill Bishop & Gruender, P.C. 3700 North 24th Street Phoenix, AZ 85016	Central Arizona Project Assn		
Robert E. Ruddy, 9106 Drumaldry Drive Bethesda, MD 20817	Mortgage Insurance Companies of America	2,550.00	105.00
Lois J. Rude, 50 F Street, NW, #1080 Washington, DC 20001	BR Services, Inc	500.00	374.62

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Barbara A. Rudolph, 1901 N. Fort Myer Drive, #302 Rosslyn, VA 22209-1606	Beverly Enterprises, Inc	3,375.00	319.33
Henry C. Ruempler, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Nicholas L. Ruggiere, 1667 K Street, NW, #410 Washington, DC 20006	Johnson & Johnson	1,000.00	225.00
Ronald R. Rumbaugh, 5205 Leesburgh Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers of America	500.00	
Kurt Rumsfeld, 606 North Washington Street Alexandria, VA 22314	American Society for Personnel Administration	15,000.00	
John Runyan, 1730 North Lynn St., #409 Arlington, VA 22209	Printing Industries of America, Inc	1,000.00	
Morgan S. Ruph, 4647 Forbes Boulevard Lanham, MD 20706	AMVETS		
Robert A. Rusbuldt, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	20,354.00	
Tonda F. Rush, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn		
R.K. Rushin, 1919 Pennsylvania Ave., NW, #705 Washington, DC 20006	Eastman Kodak Co	1,500.00	261.00
Barry Russell, 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		43.00
Christine Anne Russell, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S	9,875.00	84.00
James A. Russell, 122 C St., NW, #740 Washington, DC 20001	American League for Exports & Security Assistance, Inc	500.00	
Randall M. Russell, 517 C Street, NE Washington, DC 20002-5809	Lesher Russell & Moos, Inc		
Robert M. Russell, 2170 Piedmont Rd., NE Atlanta, GA 30324	Orkin Pest Control		
William Russell & Associates, Inc, 1701 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Golbal Broadcasting System	12,000.00	466.52
Do	Pacific Telecom, Inc		
Wally Rustad, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	250.00	
Herman Max Ruth 71990-158, FCI La Tuna P.O. Box 1000 Anthony, NM 88021			
George J. Ryan, 915 Rockefeller Building Cleveland, OH 44113	Lake Carriers' Assn		
John G. Ryan, 655 15th Street, NW, #410 Washington, DC 20005	Squibb Corporation	1,000.00	
Patricia Ryan, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
Thomas L. Ryan, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA		
John Ryan Associates, 8447 Portland Place McLean, VA 22102	MPB Corp		
Ryan-McGinn, Inc, 1110 Vermont Avenue, NW, #820 Washington, DC 20005	Cabot Energy Corporation	16,056.25	800.86
Do	Massey Coal Services, Inc	6,690.00	541.13
Do	(For:Oregon Assn of Hospitals)	9,000.00	1,127.68
Do	West Virginia Bankers Assn	3,000.00	218.40
Do	West Virginia Hospital Assn	6,000.00	343.02
Do	West Virginia Independent Oil & Gas Assn	7,500.00	547.16
Kermit W. Ryman, 1700 K St., NW, #1200 Washington, DC 20006	Chevron USA, Inc	34.00	9.00
RADAR, 4949 S 25A Tipp City, OH 45371			
RBC Associates, 324 Fourth Street, NE Washington, DC 20002	Ann Arbor Railroad	1,995.00	5,835.06
Do	Bangor & Aroostook Railroad	9,750.00	
Do	Chicago & North Western Railroad	36,000.00	5,835.07
Do	Delaware Otsego System	16,000.00	5,835.07
Do	Regional Railroads of America	20,000.00	5,835.07
RJR Nabisco, Inc, 300 Galleria Parkway, NW Atlanta, GA 30339-3149			24,194.62
S.A.F.E.S.T., 1120 G St., NW, #800 Washington, DC 20005			
Lawrence E. Sabbath, 1023 15th Street, NW, 7th Fl Washington, DC 20005	Rowland Government Relations (For:GE Plastics)	1,000.00	
Do	Labor Policy Association		
Do	Rowland Government Relations (For:Security Companies Organized for Legislative Action (SCOLA)).	7,810.16	
Kevin M. Sabo, 1100 17th Street, NW, #1203 Washington, DC 20036	Financial Executives Institute		
Susan L. Sadtler, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	630.56
Anthony J. Saggese Jr., 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc		
Frank Max Salinger, 1101 14th St., NW, 4th Floor Washington, DC 20005	American Financial Services Assn	250.00	
James H. Sammons, 535 North Dearborn Street Chicago, IL 60610	American Medical Assn	14,000.00	
Sammons Enterprises, Inc, 403 South Akard Dallas, TX 75202			
Brian Sanderoff, 7500 Jefferson St., NE #250 Albuquerque, NM 87109	Reese Communications Companies (for Philip Morris, USA)	2,250.00	252.87
James C. Sanders, 1225 'Eye' Street, NW, #825 Washington, DC 20005	Beer Institute		
Petronella C. Sanders, 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	500.00	
Rose Marie Sanders, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	400.00	63.50
Sanders Schnabel & Brandenburg, P.C., 1110 Vermont Avenue, NW, #600 Washington, DC 20005	American Soc of Assn Executives	3,279.00	295.06
Stuart A. Sanderson, 1920 N Street, NW, Washington, DC 20036	American Mining Congress		
Myron G. Sandifer III, 1001 Pennsylvania Ave., NW, #625-South Washington, DC 20004	Jack McDonald Co (For:Belz Enterprises)		
Do	Jack McDonald Co (For:Dow Corning Corp)		
Do	Jack McDonald Co (For:Hitachi America, Ltd)		
Do	Jack McDonald Co (For:Hitachi Sales Corp of America)		
Do	Jack McDonald Co (For:Minorco Societe Anonyme)		
Do	Jack McDonald Co (For:Royal Zenith Corp)		
Do	Jack McDonald Co (For:Societe Generale de Surveillance, S.A.)		
Do	Jack McDonald Co (For:WMW Machinery, Inc)		
Charles E. Sandler, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	6,000.00	
Peter G. Sandlund, 1725 Eye St., NW, #315 Washington, DC 20006	Council of European & Japanese National Shipowners' Assn	300.00	
Robin K. Santangelo, 1828 L Street, NW, #705 Washington, DC 20036	American Land Title Assn	2,300.00	
James D. Santini, 1101 King Street, #350 Alexandria, VA 22314	American Escrow Assn	4,500.00	1,440.33
Eric Sapirstein, 1333 H St., NW, #400 Washington, DC 20005	California Assn of Sanitation Agencies	4,000.00	2,628.75
Do	Cure Corp		
Do	In-Situ, Inc	125.00	
Do	Las Virgenes Municipal Water District		
Do	ENS Resources, Inc (For:Orange County Sanitation Districts)		
Do	Western Research Institute	1,430.00	99.91
Betty O. Sapp, 1601 Duke Street Alexandria, VA 22314	Society of American Florists		
Ronald A. Sarasin, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Steffan B. Sarkin, 74 River Road Cos Cob, CT 06807	Fidelity Pacific Group Inc		
Sartain Law Offices, 219 Boulevard, NE Gainesville, GA 30501	Madison Public Affairs Group, Inc (for Philip Morris USA)	1,750.00	752.50
Klara B. Sauer, 9 Vassar Street Poughkeepsie, NY 12601	Scenic Hudson, Inc		
Albert C. Saunders, 1100 15th St., NW #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	33.70
Charles P. Saunders, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Southern Company Services, Inc	975.00	4,029.27
Save Our Security, 1201 16th St., NW, #222 Washington, DC 20036		100,095.00	45,334.00
Richard N. Sawaya, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co		
Eric V. Schaeffer, Morgan Lewis & Bockius 1800 M St., NW Washington, DC 20036	Hazardous Waste Action Coalition		50.00
Do	National Lime Association		535.76
Do	Safety-Kleen Corp		50.00
Do	U.S. Gypsum Co		50.00
Victoria V. Schaff, Missouri Electric Utitlies 1800 K Street, NW, #1018 Washington, DC 20006	Kansas City Power & Light, et al	3,150.00	2,182.40
Schagrin Associates, 1112 16th St., NW, #200 Washington, DC 20036	Committee on Pipe & Tube Imports	9,346.25	162.28
Do	Sprinkler Pipe Producers Group	6,452.51	
Do	Weirton Steel Corporation	5,724.38	16.74
William T. Schapaugh, 1030 15th Street, NW Washington, DC 20005	American Seed Trade Assn	5,000.00	
Thomas A. Schatz, 1511 K Street, NW, #643 Washington, DC 20002	Council for Citizens Against Government Waste	1,500.00	24.50
C. M. Schauerte, 2929 Allen Parkway Houston, TX 77019	American General Corporation		
Jay T. Scheck Jr., Rt. 202-206 North Somerville, NJ 08876	Hoechst Celanese Corp		
Robert H. Scheerschmidt, 490 L'Enfant Plaza East, SW, #4200 Washington, DC 20024	Xerox Corp	750.00	
James P. Schlicht, 655 15th Street NW #410 Washington, DC 20005	Squibb Corporation	1,000.00	
Kenneth D. Schloman, 499 South Capitol, SW, #401 Washington, DC 20003	National Assn of Independent Insurers	400.00	442.70
Richard M. Schmidt Jr., 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	Association of American Publishers	500.00	
Do	National Assn of Trade & Technical Schools	1,250.00	
Robert Richard Schmitt, #12453-047 PO Box 1000 Leavenworth, KS 66048-1000			
John Noehl Schmitz, P.O. Box 47 Olney, MD 20832-0047			214.93
Schnader Harrison Segal & Lewis, Suite 1000 1111 19th St., NW Washington, DC 20036	Toyota Motor Corporate Services U.S.A., Inc	4,995.00	424.31
Robert V. Schneider, 901 31st Street, NW Washington, DC 20007	Hill and Knowlton, Inc (For:Brush/Wellman)		
Theresa A. Schneider, 1120 19th Street, NW, #310 Washington, DC 20036-3605	Institute of Makers of Explosives		
Thomas J. Schneider, 1300 19th Street, NW, #400 Washington, DC 20036	AFL-CIO Maritime Committee	9,760.00	635.40
Frank Schneller, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Kim Schnoor, 1667 K Street NW, #900 Washington, DC 20006	Robinson Lake Lerer & Montgomery (For:Napa Flood Control and Water Conservation District).		
Paul Schoellhamer, 900 17th St., NW, #526 Washington, DC 20006	Northwest Airlines, Inc	1,000.00	100.00
Martha J. Schoonover, Fulbright & Jaworski 1150 Connecticut Ave., NW Washington, DC 20036	Merichem Company		
Charles G. Schreiber, 1 Massachusetts Ave., NW Washington, DC 20001	National Guard Assn fo the U.S	7,800.00	460.00
A. Kolbet Schrichte, 1133 15th Street, NW, #640 Washington, DC 20005	American Logistics Association		161.04
H. B. W. Schroeder, 1016 16th Street, NW, 5th Floor Washington, DC 20036	Consumers Power Co	8,000.00	6,998.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Leah Webb Schroeder, 1030 15th Street, NW, #1100 Washington, DC 20005	Health Industry Manufacturers Assn	1,450.00	282.22
N. Donald Schroeder, Maryland Petroleum Council 60 West St., #403 Annapolis, MD 21401	American Petroleum Institute	260.00	
Judy Schub, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	712.11	904.96
Mark Schultz, 918 16th Street, NW, #406 Washington, DC 20006	Professional Services Council	1,500.00	18.00
Richard F. Schultz, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	15,416.80	403.81
William B. Schultz, Suite 700 2000 P St., NW Washington, DC 20036	Public Citizen, Inc	1,200.00	
Robert L. Schulz, c/o Iowa Petroleum Council 1012 Fleming Bldg. Des Moines, IA 50309	American Petroleum Institute		
Richard Schum, 1901 N. Moore Street, #1100 Arlington, VA 22209	Gas Appliance Manufacturers Assn, Inc		
Ralph D. Schumack, 1800 M Street, NW, #325 South Washington, DC 20036	Dow Corning Corp		
Schwabe Williamson & Wyatt, 2000 Pennsylvania Ave., NW, #8335 Washington, DC 20006	Investment Co Institute		
Do	Oregon State University	2,374.40	2,834.89
Do	Oregon Steel Mills, Inc	1,295.00	781.04
Do	Physicians Medical Laboratories		1,398.50
Do	Public Generating Pool	4,605.00	2,772.21
Do	Tri-Met	7,944.13	15,256.21
Aaron R. Schwartz, 10 South Shore Drive Galveston, TX 77551	American Insurance Assn		829.20
Adam D. Schwartz, 1101 15th St., NW, #400 Washington, DC 20005	National Council of Savings Institutions	2,000.00	337.70
Arthur E. Schwartz, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	1,000.00	
Elinor Schwartz, 318 S. Abingdon Street Arlington, VA 22204	California State Lands Commission	32,925.00	1,043.37
Do	Washington State Department of Natural REsources	6,594.50	1,017.62
Elizabeth Nash Schwartz, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	5,069.00	990.60
Linda B. Schwartz, 1000 Potomac Street, NW, #401 Washington, DC 20007	Americans Against Unfair Gas Taxes	2,500.00	178.82
Richard Schwartz, 880 S. Pickett St. Alexandria, VA 22304	Boat Owners Assn of the U.S.	14,000.00	
Stephen I. Schwartz, 1436 U Street, NW Washington, DC 20009	Greenpeace USA	1,404.00	174.00
Richard S. Schweiker, 1001 Pennsylvania Ave, NW Washington, DC 20004	American Council of Life Insurance, Inc	950.00	
Scientific Apparatus Makers Assn, 1101 16th St., NW Washington, DC 20036		6,989.57	1,407.00
Michael Sciulla, 880 S. Pickett St. Alexandria, VA 22304	Boat Owners Assn of the U.S.	14,000.00	
Melanie Scofield, 901 Main Street, #2555 Dallas, TX 75202	Greyhound Lines, Inc	8,000.00	7,500.00
Harold B. Scoggins Jr., 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		7.25
David A. Scott, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	8,000.00	898.71
Ellen Scott, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	7,423.00	
James L. Scott, 1919 Pennsylvania Ave., NW, #703 Washington, DC 20006	American Healthcare Institute	11,125.00	194.97
John Havens Scott, 1101 Vermont Ave., NW 12th Floor Washington, DC 20005	American Medical Assn	3,750.00	
Michael Scott, 1400 Eye St., NW, 10th Fl. Washington, DC 20005	Wilderness Society	1,568.76	31.85
R. Denny Scott, 101 Constitution Ave., NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America		
Scribner Hall & Thompson, 1850 K Street, NW, #1100 Washington, DC 20006	CNA Financial Corp		
Do	Provident Life & Accident Insurance Co		
Do	Security Life of Denver Insurance Co	11,850.00	
Do	Transamerica Corporation		
Timothy Scully, 25 Louisiana Avenue, NW Washington, DC 20001	International Brotherhood of Teamsters	12,502.38	
Walter J. Sczudlo, 1025 Connecticut Ave., NW Washington, DC 20036	Shell Oil Company	500.00	
Earl W. Sears, P.O. Box 12285 Memphis, TN 38182	National Cotton Council of America		
James E. Secrist, 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	2,000.00	646.51
Securities Industry Assn, 1850 M Street, NW Washington, DC 20036			450,064.00
Pamela Sederholm, 1919 Pennsylvania Avenue, NW #504 Washington, DC 20006	Foodservice and Lodging Institute		
Charles M. Seeger III, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange	3,200.00	
Ruth L. Segal, 1212 New York Avenue, NW Washington, DC 20005	Outdoor Advertising Assn of America	23,500.00	1,359.55
Harold L. Segall, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond, P.C. (For:City of Bluefield, WV, et al.)	139.00	155.00
Merrill K. Seggerman, 1025 Connecticut Ave., NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Frances Seghers, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	55.00	91.54
Carl J. Seiberlich, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd	10,767.00	
George H. Seidel Jr., Associated Petroleum Industries of PA P.O. Box 925 Harrisburg, PA 17108	American Petroleum Institute	326.25	293.70
Richard D. Sellers, 413 First Street, SE Washington, DC 20003	Sellers Company (For:Cable Access Legal Action Council (CALAC))	6,000.00	
Marlissa Senchak, 3900 Wisconsin Ave.,NW Washington, DC 20016	Federal National Mortgage Assn	16,000.00	1,058.40
Stanton P. Sender, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	625.00	76.01
Peter M. Seremet, 16 Munson Road Farmington, CT 06034-0338	Heublein, Inc	17,250.00	10,427.66
Terry L. Serie, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		167.00
Seven Months Session for Congress, 4210 Spicewood Road, #202 Austin, TX 78759	Florida Power & Light Co	3,000.00	2,026.89
J. Richard Sewell, 1800 K St., NW, #1110 Washington, DC 20006	Agricultural Producers		
Seyfarth Shaw Fairweather & Geraldson, 815 Connecticut Ave., NW, #500 Washington, DC 20006	American Soc of Pension Actuaries	13,800.00	
Do	Employers Council on Flexible Compensation	15,000.00	
Do	Flxible Corp		
Do	Pitney Bowes	20,717.50	
Victoria McKenzie Shain, 1710 Rhode Island Avenue, NW, #300 Washington, DC 20036	Abbott Laboratories	2,000.00	
Thomas A. Shallow, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
James M. Shamberger, 1819 L St., NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Ali A. Shami, 6863 Calhoun Dearborn, MI 48126	United Lebanese Lobby of America		
Deborah L. Shannon, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
Gary J. Shapiro, 2001 Eye Street, NW Washington, DC 20006	Electronic Industries Assn	2,000.00	95.42
John Hunter Sharp, 1129 20th St., NW, #300 Washington, DC 20036	Natural Gas Supply Assn		
Daniel E. Shaughnessy, 1911 North Ft. Myer Drive, #702 Arlington, VA 22209	Western Great Lakes Maritime Assn		
Shaw Pittman Potts & Trowbridge, 2300 N Street, NW Washington, DC 20037	Utility Nuclear Waste and Transportation Program	2,000.00	140.00
Shea & Gardner, 1800 Massachusetts Avenue, NW Washington, DC 20036	Societe Generale de Surveillance, S.A.		
James V. Sheahan, 1666 Manhasset Drive Atlanta, GA 30338	Siemens Energy & Automation, Inc		
Gail E. Shearer, 2001 S St., NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	4,000.00	
Arline M. Sheehan, 1800 M Street, NW Washington, DC 20036	Morgan Lewis & Bockius (For:Safety-Kleen Corp)		15.00
John J. Sheehan, 815 16th St., NW, #706 Washington, DC 20006	United Steelworkers of America	13,088.25	
John Thomas Sheehan, 733 15th Street, NW, #700 Washington, DC 20005	UST, Inc		
Peggy A. Sheehan, 1401 New York Avenue, NW, #1100 Washington, DC 20005	National Cooperative Business Assn	1,770.00	
Kathleen Sheekey, 3rd Floor 2030 M Street, NW Washington, DC 20036	Common Cause	14,400.00	1,039.35
C. Douglas Shelby, Florida Petroleum Council 215 South Monroe Street, #800 Tallahassee, FL 32301	American Petroleum Institute	1,441.66	1,093.55
Jay Sherman, 2001 S Street, NW, #500 Washington, DC 20009	National Family Farm Coalition	18,000.00	
Judith C. Sherman, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
Nancy Sherman, 1025 Connecticut Ave., NW Washington, DC 20036	Foodservice & Packaging Institute, Inc		
Nelson T. Shields, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	7,269.22	
R. Philip Shimer, 444 N. Capitol St., NW, #526 Washington, DC 20001	Western Governors Assn		
Carl Shipley, 475 Galleon Dr. Naples, FL 33940	Eagle-Picher Ind., Inc		
Harvey A. Shipman, 1800 Diagonal Road, #500 Alexandria, VA 22314	Penn Central Corporation		
Shippers National Freight Claim Council, Inc, 120 Main Street Huntington, NY 11743			
Julie Shisler, P.O. Box 85608 San Diego, CA 92138	General Atomics	1,760.00	1,150.10
John B. Shlaes, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute		
Elaine Shocas, 555 New Jersey Avenue, NW Washington, DC 20001	American Fed of Teachers	17,209.68	140.00
T. V. Shockley III, P.O. Box 2121 Corpus Christi, TX 78403	Central Power & Light Co		
John G. Shortridge, 818 Connecticut Ave., NW Washington, DC 20006	USX Corporation	300.00	
Scott Shotwell, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	2,475.00	
Harold A. Shoup, 1899 L Street, NW Washington, DC 20036	American Association of Advertising Agencies	2,500.00	750.00
A. Z. Shows, 1801 Columbia Rd., NW, #203 Washington, DC 20009			
Eric Shulman, 925 15th Street, NW Washington, DC 20005	National Council of Senior Citizens	11,800.00	100.00
Kathy Shulman, 1730 M St., NW Washington, DC 20036	League of Women Voters of the U.S.	3,028.67	150.00
Walter Shur, 51 Madison Ave. New York, NY 10010	New York Life Insurance Co		
William H. Shute, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp		1,878.16
Sidley & Austin, 1722 Eye Street, NW Washington, DC 20006	Donrey, Inc	875.96	
Do	Federal Home Loan Bank of Chicago		
Richard D. Siegel, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Business Committee for Fair Civil RICO Legislation	6,000.00	
Do	Guilford Glazer & Assoc	2,537.50	256.10
Susan Siemietkowski, 1730 North Lynn Street Arlington, VA 22209	Printing Industries of America	2,000.00	
Alexander W. Sierck, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond (For:Pacific Dunlop-GNB)	1,107.00	16,424.00
Christine Sigler, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	3,150.00	
Stephan Silberfarb, 500 North Capitol St., NW, #300 Washington, DC 20001	American Israel Public Affairs Comm	10,500.00	1,393.70
Mark Silbergeld, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	4,000.00	20.00
David Silver, 1600 M St., NW Washington, DC 20036	Investment Company Institute		
Howard J. Silver, 1522 K Street, NW, #836 Washington, DC 20005	Consortium of Social Science Assns	1,325.00	7.50

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Steve Silver, 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Robertson Monagle & Eastaugh (For:Alaska Loggers Assn)	9,500.00	
Do	Robertson Monagle & Eastaugh (For:Alaska Pulp Corp)		
Do	Robertson Monagle & Eastaugh (For:Anchorage School District)	6,500.00	
Do	Robertson Monagle & Eastaugh (For:Bristol Bay Native Corp)	1,900.00	
Do	Robertson Monagle & Eastaugh (For:BP America, Inc)	2,500.00	
Do	Robertson Monagle & Eastaugh (For:BP Minerals America)	3,400.00	
Do	Robertson Monagle & Eastaugh (For:City of Kotzebue)	9,500.00	
Do	Robertson Monagle & Eastaugh (For:Puget Sound Cruiseship Alliance)	450.00	
Silver Users Assn, Inc, 1717 K St., NW Washington, DC 20006		414.50	3,639.02
Marcia Silverman, 1901 L Street, NW, #320 Washington, DC 20036	Ogilvy & Mather Public Affairs		
Curtis Silvers, 888 16th St., NW, #606 Washington, DC 20006	Bannerman & Associates, Inc (For:Government of Bangladesh)	750.00	15.00
Do	Bannerman & Associates, Inc (For:Government of Tunisia)	750.00	
Do	Bannerman & Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines)).	750.00	64.90
Silverstein & Mullens, 1776 K Street, NW, #800 Washington, DC 20006	Association for Advanced Life Underwriting	5,000.00	
Do	Bristol-Myers Co		
Do	Cushman & Wakefield		
Do	Music Corp of America, Inc		
Do	National Assn of Home Builders of the U.S.		
Do	Rolls-Royce Motor Cars, Inc		
Gary D. Simms, 1720 Eye Street, NW, 7th Floor Washington, DC 20006	American Academy of Actuaries		
David J. Simon, 1504 Colonial Terrace Arlington, VA 22209	National Parks and Conservation Assn	375.00	25.00
Michael E. Simon, 1666 K St., NW Washington, DC 20006	Arthur Andersen & Co	626.00	8.00
Neil A. Simon, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Simon & Company, Inc, 1001 Connecticut Ave., NW #435 Washington, DC 20036	City of Erie, PA	4,999.98	4,871.71
Do	City of Fresno, CA	10,371.57	6,770.23
Do	City of Portland, OR	9,410.36	5,045.08
Do	Elkhart, IN	4,811.89	4,460.54
Do	Gary, Indiana	7,829.11	4,477.76
Do	Newark, Ca	4,869.50	4,518.15
Do	San Bernardino, CA		
Do	San Leandro, CA	4,321.50	4,570.15
Do	Tacoma, WA	2,220.96	4,494.61
Do	Water Department in San Bernadino, CA	5,149.31	4,297.98
Talmage E. Simpkins, 444 North Capitol Street, #801 Washington, DC 20001	Labor-Management Maritime Committee, Inc	1,632.00	172.00
C. Kyle Simpson, 9 Greenway Plaza, #714 Houston, TX 77046	Coastal Corporation		
Thomas D. Simpson, 700 N. Fairfax Street Alexandria, VA 22314	Railway Progress Institute	574.06	
William G. Simpson, 1155 15th St., NW, #504 Washington, DC 20005	First Mississippi Corp	2,000.00	
Do	Mississippi Power & Light Company	2,000.00	
Do	State of Mississippi	4,000.00	
Albert M. Sims, 11006 Hampton Rd. Fairfax Station, VA 22039	Performance Engineering, Inc		
Ivan E. Sinclair, 1000 Wilson Boulevard, #2700 Arlington, VA 22209	TRW, Inc	1,000.00	
James W. Singer III, 1100 15th Street, NW Suite 900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	
Donna L. Singletary, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Federation of Independent Business (NFIB)	3,189.00	300.00
Richard L. Sinnott, 1917 Broadway E Seattle, WA 98102	Dallas/Ft. Worth International Airport	1,250.00	225.25
Do	Galena Resort Co		
Do	Richard L. Sinnott & Company (For:Intermec Corp)	1,662.50	180.00
Do	New United Motor Manufacturing, Inc	3,000.00	921.60
Richard L. Sinnott & Co, 1917 Broadway Seattle, WA 98102	Port of Oakland	18,750.00	3,055.61
Constantine Sirigos, 1730 K Street, #1005 Washington, DC 20006	American Hellenic Institute Public Affairs Committee, Inc		
Skadden Arps Slate Meagher & Flom, 1440 New York Avenue, NW Washington, DC 20005	Akzo America, Inc	2,000.00	
Do	American Medical International	9,000.00	
Do	Amoco Corp	500.00	
Do	Anadarko Petroleum Corp	500.00	
Do	Anheuser-Busch Companies, Inc	4,000.00	200.00
Do	ATMOS Energy Corp	500.00	
Do	Bethlehem Steel Corp	10,000.00	
Do	Blackstone Financial Management	2,890.00	
Do	Boise Cascade Corporation	3,000.00	
Do	Carson Pirie Scott		460.00
Do	City Federal Savings & Loan Assn		
Do	Deposit Guaranty Corporation		
Do	Drexel Burnham Lambert, Inc		
Do	General Development Corp	10,000.00	2,000.00
Do	General Mills	5,000.00	
Do	Hoylake Investments, Ltd	10,000.00	
Do	Maxwell Communications Co., PLC	2,000.00	
Do	McMillan, Inc	3,000.00	
Do	Merrill Lynch & Co, Inc	2,000.00	
Do	Merrill Lynch Capital Markets		
Do	Mesa Limited Partnership	234.00	
Do	Oryx Energy Co		
Do	Questar Corporation	4,000.00	
Do	Sara Lee	2,000.00	
Do	Sonat Exploration Co	270.00	
Do	South Florida Water Management District	2,000.00	
Do	Time/Warner, Inc	10,000.00	
Do	Vista Chemical Co	3,000.00	
Edmund J. Skernolis, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	47.00
James H. Skidmore, 1156 15th St., NW, #1201 Washington, DC 20005	NCR Corporation		
Barney J. Skladany Jr., 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corp	1,125.00	
Steven A. Skonberg, 3138 North 10th Street, Arlington, VA 22201	National Assn of Federal Credit Unions	1,250.00	
Glen J. Skovholt, Honeywell Plaza Minneapolis, MN 55408	Honeywell Inc		
Dale D. Skupa, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos	150.00	150.00
Jonathan Slade, 444 North Capitol St., NW, #711 Washington, DC 20001	Cuban American Foundation	6,750.00	101.50
Do	TKC International (For:Free Angola Information Service)	10,000.00	
Do	Keefe Company (For:Hadassah Medical Relief Organization)	8,250.00	141.00
Do	Keefe Company (For:Seminole Tribe of Florida)	6,000.00	535.00
F. Slatinshek & Associates, Inc, 1102 Belle Vista Dr. Alexandria, VA 22307	Grumman Aero Corp, et al	100.00	
Robert G. Slaughter, 1615 M ST., NW, #200 Washington, DC 20036	Amoco Corporation		
Albert J. Slechter, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corp	4,998.00	630.51
R. Barry Sleight, 5840 Cameron Run Terrace, #1413 Alexandria, VA 22303	CFIDS Assn		1,104.00
William T. Slider, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Ronald J. Slinn, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
Catherine Reiss Sloan, 120 Maryland Ave., NE Washington, DC 20002	Competitive Telecommunications Assn		
John E. Sloan Jr., Capital Gallery East, #695 600 Maryland Avenue, SW, #700 Washington, DC 20024	National Fed of Independent Business	1,150.00	200.00
Slover & Loftus, 1224 17th St., NW Washington, DC 20036	Western Coal Traffic League	34,010.00	2,441.66
Stephan K. Small, 1850 M Street, NW, Washington, DC 20036	Securities Industry Assn	1,689.00	
Small Business Council of America, Inc, P.O. Box 4299 Columbus, GA 31904		8,251.27	29,560.13
Smathers Hickey & Smathers, 1050 Connecticut Avenue, NW, #1230 Washington, DC 20036	Florida East Coast Railway Co	750.00	
Do	National Hockey League		
Do	Pennzoil Co	6,000.00	
Robert G. Smerko, 2001 L St., NW, #506 Washington, DC 20036	Chlorine Institute, Inc		
Donald E. Smiley, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation		
C. Douglas Smith, 1850 M St., NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
Carlos C. Smith, 400 Krystal Building, One Union Square Chattanooga, TN 37402	Strang Fletcher Carriger Walker Hodge & Smith (For:Chattanooga Production Credit Assn, et al.).	550.00	
Caroline A. Smith, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	7,500.00	
Daniel T. Smith, P.O. Box 660074 Dallas, TX 75266	International Airline Passengers Assn, Inc		
Elizabeth M. Smith, 815 16th St., NW, #507 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	6,669.00	328.87
Jeffrey A. Smith, 1600 Wilson Boulevard, #1000 Arlington, VA 22209	American Waterways Operators, Inc		
Jennifer L. Smith, 900 17th Street, NW, #520 Washington, DC 20006	West Mexico Vegetable Distributors Assn	300.00	
Julian H. Smith Jr., 600 North 18th Street Birmingham, AL 35291	Alabama Power Co	20,165.82	1,407.46

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Kern Smith, 400 First St., NW, #710 Washington, DC 20001	Alliance of Foreign Medical Graduates	12,500.00	
Kevin R. Smith, 1020 19th Street, NW, #700 Washington, DC 20036	U S West	350.00	
Marc Smith, 200 Renaissance Place 714 Jackson Street Dallas, TX 75202			
Michael E. Smith, P.O. Box 5000 Cleveland, OH 44101	Cleveland Electric Illuminating Co.		
Michael P. Smith, 485 Lexington Ave. New York, NY 10017	New York State Bankers Assn	2,100.00	639.00
Owen T. Smith, 345 Mill River Road Oyster Bay, NY 11771	Reese Communications Cos (for: Philip Morris, USA)	3,000.00	265.50
Patricia Smith, 1909 K St., NW Washington, DC 20049	American Assn of Retired Persons	690.57	543.37
Paul C. Smith, 1776 K Street, NW Washington, DC 20006	Next Number to be assigned	1,408.00	12.00
Do	Wiley Rein & Fielding (For:Public Broadcasting Services)	2,715.00	9.00
Do	Wiley Rein & Fielding (For:United Parcel Service)	1,408.00	12.00
Do	Wiley Rein & Fielding (For:UtiliCorp United)		
Philip S. Smith, 10900 Wilshire Boulevard Los Angeles, CA 90024	Castle & Cooke, Inc		
Do	Castle & Cooke (For:Dole Fresh Fruit Company)		
Do	Flexi Van Leasing, Inc	225.00	10.00
Richard F. Smith, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Robert E. Smith, 1730 K St., NW, #1300 Washington, DC 20006	Olin Corporation	6,000.00	180.00
Sara Hope Smith, 1275 Pennsylvania Ave, NW, #400 Washington, DC 20004	Pacific Telesis Group	15,450.00	
Susan Snyder Smith, 7900 Westpark Drive, #A320 Mclean, VA 22102	Chocolate Manufacturers Assn of the USA	300.00	359.10
Tim Smith, 410 1st St., SE Washington, DC 20003	American Nuclear Energy Council	3,668.75	693.04
William A. Smith, 453 New Jersey Ave., SE Washington, DC 20003	Perkinson & Associates, Inc (For:Alliance for America's Homeowners)		
Do	Perkinson & Associates, Inc (For:Beneficial Management Corp)		
Do	Perkinson & Associates, Inc (For:National Second Mortgage Assn)		
Smith Dawson & Andrews, Inc, 1000 Connecticut Ave., NW, #304 Washington, DC 20036	Bank Street College	2,000.00	
Do	City of Eugene, Oregon	11,750.00	
Do	Illinois Diversatech Corp		
Do	N.Y. Metropolitan Transportation Agency	16,666.00	475.00
Do	National Assn of Foreign Trade Zones	4,053.00	300.00
Do	Power Packaging, Inc		
Do	S & F Warehouses, Inc	2,805.50	250.00
Do	San Francisco Public Utilities Commission	8,250.00	
Smokeless Tobacco Council, Inc, 2250 M Street, NW, #300 Washington, DC 20037		9,229.01	9,229.01
Larry S. Snowhite, 1825 Eye St., NW, #1201 Washington, DC 20006	Massachusetts Education Loan Authority		
Do	New England Education Loan Authority		
David F. Snyder, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn	500.00	20.00
Edward F. Snyder, 245 2nd St., NE Washington, DC 20002	Friends Committee on National Legislation	6,860.16	
Gene Snyder, 205 North Third Street LaGrange, KY 40031	Arthur Cameron	9,000.00	17.73
Do	Cincinnati Microwave, Inc	15,000.00	2,564.22
Do	Norfolk Southern Corp	15,000.00	2,595.32
Do	United Parcel Service	16,500.00	2,720.91
John M. Snyder, 600 Pennsylvania Ave., SE, #205 Washington, DC 20003	Citizens Comm for the Right to Keep & Bear Arms	9,000.00	
Snyder Ball Kriser & Assoc, Inc, 499 S. Capitol St., SW, #520 Washington, DC 20003	Alloy Surfaces		
Do	General Motors Corp	192.00	583.81
Do	Puget Sound Naval Bases Assn, Inc (PSNBA)		
Do	Service Engineering Company		
Alan C. Sobba, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Society for Animal Protective Legislation, P.O. Box 3719 Georgetown Station Washington, DC 20007		200,675.34	52,472.82
Society for Human Resource Management, 606 North Washington Street Alexandria, VA 22314	American Soc for Personnel Administration	45,000.00	
Society of Real Estate Appraisers, Public Affairs Office 600 New Hampshire Ave., NW, #1111 Washington, DC 20037		2,362.00	2,362.00
Thomas J. Soles Jr., 8224 Old Courthouse Road Vienna, VA 22180	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Sandra M. Solowiej, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Nancy C. Somerville, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects	2,500.00	
Judah C. Sommer, 1825 Eye Street, NW, #450 Washington, DC 20006	Goldman Sachs & Co	1,000.00	
James E. Sommerhauser, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Steven P. Sonnenberg, 200 West Adams Street, #2625 Chicago, IL 60606	Sonnenberg Anderson O'Donnell & Rodriguez (For:Aplix, Inc)		
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:Trek Bicycle Corp)	258.00	5.00
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:THK America, Inc)		
Do	Sonnenberg Anderson O'Donnell & Rodriguez (For:West Bend Company)		
Sonnenberg Anderson O'Donnell & Rodriguez, 200 West Adam St., #2625 Chicago, IL 60606	Florsheim Shoe Co		
William A. Sonntag, 1101 Connecticut Ave., NW, #700 Washington, DC 20036	Smith Bucklin & Associates (For:National Assn of Metal Finishers)		
Southern Forest Products Assn, P.O. Box 52468 New Orleans, LA 70152		36,096.95	36,096.95
Susan E. Spangler, 1615 L Street, NW, #1350 Washington, DC 20036	Business Roundtable	450.00	450.00
Sparber and Associates, Inc, 1325 Pennsylvania Ave., NW, #500 Washington, DC 20006	Appleton Papers, Inc		
Do	National Volunteer Fire Council		
Do	Tobacco Institute	5,250.00	
D. Dean Sparkman, 1925 N. Lynn Street, #308 Arlington, VA 22209	Sparkman & Cole, Inc (For:Air Transport Assn of American)	1,125.00	
Do	Sparkman & Cole, Inc (For:National Business Aircraft Assn)	1,125.00	
Do	Sparkman & Cole, Inc (For:Regional Airport Authority of Louisville)	1,125.00	
John S. Sparkman, 1100 Connecticut Ave., NW, #530 Washington, DC 20036	Baltimore Gas & Electric Company	705.93	626.29
Sparkman & Cole, 1925 N. Lynn Street, #308 Arlington, VA 22209	Air Transport Assn of America	5,000.00	
Do	Delta Air Lines	12,000.00	
Do	National Business Aircraft Assn		
Do	Regional Airport Authority of Louisville	3,317.00	
Ian D. Spatz, 1785 Massachusetts Avenue, NW Washington, DC 20036	National Trust for Historic Preservation	1,284.69	
Specialized Carriers & Rigging Assn, Inc, 2200 Mill Road, #616 Alexandria, VA 22314			
Sandra Spence, 1776 Massachusetts Ave., NW, #521 Washington, DC 20036	Spence Group (For:Association for Commuter Transportation, Inc)		
Do	Spence Group (For:Fire Equipment Manufacturers & Services Assn, Inc)	62.50	
William C. Spence, 3805 W. Alabama Houston, TX 77027	Columbia Gulf Transmission Co		
William B. Spencer, 729 15th Street, NW Washington, DC 20005	Associated Builders and Contractors, Inc	2,500.00	
Ray L. Spickler, 444 North Capitol Street, NW, #845 Washington, DC 20001	National Air Traffic Controllers Assn		
Frances Spivy-Weber, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society		
William M. Spodak, 1801 K St., NW Washington, DC 20006	Westinghouse Electric Corp	2,500.00	80.00
Lisa M. Sprague, 1615 H Street, NW Washington, DC 20062	United States Chamber of Commerce	2,500.00	93.80
Spriggs & Hollingsworth, 1015 15th St., NW, 11th Floor Washington, DC 20005	Eagle-Picher Industries, Inc	19,375.35	327.47
Martha Ann Spudis, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	6,800.00	
Earl C. Spurrier, The Madison Building, #900 1155 15th Street, NW Washington, DC 20005	National Agricultural Chemicals Assn	300.00	
Mark G. Spurrier, 400 Kenilworth Drive Towson, MD 21204	Baltimore County Police Department, et al		
Squire Sanders & Dempsey, 1201 Pennsylvania Ave., NW P.O. Box 407 Washington, DC 20044	American Chamber of Commerce in Germany		
Do	American Soc of Anesthesiologists		
Do	ADAPSO, the Computer Software & Services Industry Assn		
Do	California Steel Industries Inc		909.39
Do	Independent Data Communications Manufacturers Assn	4,603.75	26.50
Do	Lakeshore Cryotronics, Inc, et al	400.00	6.00
Do	National Collegiate Athletic Assn	12,888.75	42.65
Do	Public Securities Assn		
Do	Samaritan Health Services		
Cecile Srodes, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
John W. Sroka, 8224 Old Courthouse Road Vienna, VA 22180	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Janet G. St. Amand, 23 Wall Street New York, NY 10015	Morgan Guaranty Trust Co	375.00	
Connell Stafford, P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company	300.00	1,059.31
Elvis J. Stahr Jr., 1815 H Street, NW, #600 Washington, DC 20006	Public Resource Associates		
Tyrone Stallworth, 220 North Devillers Street Pensacola, FL 32501			
David P. Stang, P.C., 1629 K St., NW, #601 Washington, DC 20006	McDermott International		
Do	McDermott, Inc	5,006.15	
Joseph M. Stanton, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Jane Sutter Starke, 1818 N St., NW, #700 Washington, DC 20036	Eckert Seamans Cherin & Mellott (For:Media General, Inc)	3,034.12	196.08
Do	Eckert Seamans Cherin & Mellott (For:Metropolitan Transportation Authority)		
Lois Starkey, Suite 511 1745 Jefferson Davis Hwy. Arlington, VA 22202	Manufactured Housing Institute	8,125.00	515.90
David Michael Staton, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	5,900.00	
James D. Staton, 320 Timberbrook Drive Waldorf, MD 20601	Air Force Sergeants Assn, Inc		
Mick Staton Associates, Inc, 4607 Lillian Drive Alexandria, VA 22310	Delchamps, Inc		
Randolph J. Stayin, 1815 H Street, NW, Suite 800 Washington, DC 20006	Barnes & Thornburg (For:Empire Resources, Inc)	545.00	
Do	Barnes & Thornburg (For:Special Comm for Workplace Product Liability Reform)	986.00	
Do	Barnes & Thornburg (For:Westland Oil Development Corp)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Barbara E. Steakley, 918 16th Street, NW, #402 Washington, DC 20006	American Furniture Manufacturers Assn	750.00	433.21
Kathryn A. Steckelberg, 1111 19th Street, NW Washington, DC 20036-3691	Edison Electric Institute	2,185.16	591.61
Jeffrey V. Steele, 2033 M Street, NW, #300 Washington, DC 20036	National Association of Arab Americans	3,900.00	
Carol Higgins Steenland, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	150.52	102.86
Allan Stein, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Kristin Stelck, 2401 Virginia Avenue, NW Washington, DC 20037	American Assn of University Women	5,000.00	122.57
Charles W. Stellar, 5410 Grosvenor Lane, #210 Bethesda, MD 20814	American Managed Care & Review Assn		
Jack L. Stempler, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	75.00
Jackson T. Stephens, 114 East Capitol Little Rock, AR 72201	Stephens Group		
Stephens Group, Inc, 114 East Capitol Little Rock, AR 72201			495.00
Stephens Overseas Services, Inc, 114 East Capitol Avenue Little Rock, AR 72201			10.50
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Association of Private Pension & Welfare Plans, Inc	7,211.25	305.67
Do	Bear Stearns & Co	619.56	
Do	Canadian Sugar Institute		
Do	Christie's		69.44
Do	Citizens Savings Financial Corp	164.50	
Do	Co-Operative Central Bank	802.35	
Do	Coast Savings and Loan Assn	3,252.67	
Do	Commercial Federal Savings and Loan Assn	1,148.25	
Do	CSO Company	251.39	
Do	Glendale Federal Savings and Loan Assn	3,252.67	
Do	Harley-Davidson Motor Co, Inc		
Do	MeraBank	3,252.67	
Do	Mutual Life Insurance Company Tax Committee		
Do	National Antique & Art Dealers Assn of America		
Do	Sotheby's		69.44
Do	Western Financial Savings Bank	2,433.12	
Paula Stern, 1133 Connecticut Ave., NW, #1000 Washington, DC 20036	Coalition of American Steel Using Manufacturers		
Richard W. Sternberg, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	110.00	
George C. Steuart, 1825 I Street, NW, #400 Washington, DC 20006	Miller & Steuart (For:Coastal Corporation)		
Do	Miller & Steuart (For:E.R. Squibb and Sons, Inc)		
Michael E. Steward, 1730 M Street, NW, #607 Washington,, DC 20036	Puget Sound Power & Light Co	2,210.00	108.59
Eugene L. Stewart, 808 17th Street, NW, #300 Washington, DC 20006-3910	Floral Trade Council		
Do	Monsanto Co		
Do	Roses, Inc		
Do	Timken Co		
Robert B. Stewart, 1050 17th St., NW, #700 Washington, DC 20036	National Ocean Industries Assn	2,200.00	
Terence P. Stewart, 808 17th Street, NW, #300 Washington, DC 20006-3910	Cabot Corporation		
Do	Floral Trade Council		
Do	Monsanto Co		
Do	PPG Industries, Inc		
Do	Roses, Inc		
Do	Smith Corona Corp		
Do	(For:Stewart & Stewart)	3,307.00	10,846.58
Do	Timken Co		
Do	Torrington Company		
Don Stillman, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	2,038.93	9.00
Lee J. Stillwell, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	750.00	
Bonny S. Stilwell, 3803 Densmore Ct. Alexandria, VA 22309			80.00
Edward W. Stimpson, Suite 801 1400 K St., NW Washington, DC 20005	General Aviation Manufacturers Association	1,788.00	
David J. Stirpe, 1501 Wilson Blvd., #600 Arlington, VA 22209	Air Conditioning & Refrigeration Institute		
Heidi A. Stirrup, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	3,000.00	500.00
John J. Stocker, 1110 Vermont Avenue, NW Suite 1250 Washington, DC 20005	Shipbuilders Council of America	3,300.00	
Stockholders of America, Inc, 1625 Eye Street, NW, #724A Washington, DC 20006		7,983.00	612.28
Steven F. Stockmeyer, 499 South Capitol Street, SE #103 Washington, DC 20004	Stockmeyer & Company (For:Federal Home Loan Mortgage Corp)	1,680.00	
Do	Manville Corporation	1,150.00	
Do	National Assn of Business PACs	1,800.00	
Do	Springs Industries	2,550.00	
Stoel Rives Boley Jones & Grey, 1730 M Street, NW, #900 Washington, DC 20036	A-dec, Inc	400.00	775.11
Do	Beverly Johnson		
Dennis C. Stolte, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	6,638.00	208.63
Robin E. Stombler, 1640 Wisconsin Avenue, NW, Washington, DC 20007	American College of Surgeons		181.16
Floyd E. Stoner, 1120 Connecticut Avenue, NW Washington, DC 20036	American Bankers Assn	3,800.00	
Richard B. Storey, 304 East Brunswick Street Sterling Park, VA 22170	Multi Management Associates, Inc (For:American Assn of Fast Food Soft Serve Pizza Operators).		
Do	Multi-Management Associates, Inc (For:International Military Executives Assn)		
Do	Pennsylvania Restaurant Assn		
Todd A. Stottlemyer, 7915 Jones Branch Drive McLean, VA 22102	BDM International, Inc		
William M. Stover, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	1,000.00	
John L. Stowell, 1800 K St., NW, #1018 Washington, DC 20006	Public Service Co of Indiana	6,875.00	9,784.66
Michael L. Strang, 218 2nd St., SE Washington, DC 20003	ATR Defense Group		
Strang Fletcher Carriger Walker Hodge & Smith, 400 Krystal Building, One Union Square Chattanooga, TN 37402	Chattanooga Production Credit Assn, et al	4,800.00	1,945.45
Luther J. Strange III, 1100 15th Street, NW, #700 Washington, DC 20005	Sonat, Inc		
Raymond L. Strassburger, 1020 19th Street, NW, #700 Washington, DC 20036	Northern Telecom Inc		1,425.00
Strategic Resources Corp, 3000 K Street, NW, #300 Washington, DC 20007	Matsushita Electric Corp of America	31,135.00	
Do	National Machine Tool Builders' Assn		
Terrence D. Straub, 818 Connecticut Avenue, N.w. Washington, DC 20006	USX Corporation	250.00	98.38
Richard H. Streeter, Federal Bar Building 1815 H Street, NW, #800 Washington, DC 20006	Cast North America (1983), Inc		
Stephen P. Strickland, 110 Maryland Ave., NE, #409 Washington, DC 20002	National Peace Institute Foundation	807.66	
Strooock & Stroock & Lavan, 1150 17th St., NW Washington, DC 20036	J. Aron & Co, Inc	500.00	15.00
Do	Dreyfus Corporation		
William M. Stroud, 800 North Plaza Drive Schaumburg, IL 60196	Zurich-American Insurance Company		
Cory N. Strupp, 60 Wall Street New York, NY 10260	Morgan Guaranty Trust Co	2,927.00	131.00
Stryker Weiner Associates, Inc, 737 Bishop Street, #2860 Honolulu, HI 96813	Madison Public Affairs Group, Inc (for Philip Morris, USA)		
Ed Stucky, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	Pinnacle Data Corporation	11,250.00	538.50
Donald B. Studley, 127 Brookmoor Road Avon, CT 06001	Yankee Gas Services Company	802.98	580.75
Charlene A. Sturbitts, 901 15th Street, #570 Washington, DC 20005	Interstate Natural Gas Assn of America	12,000.00	
John N. Sturdivant, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	20,826.00	13,205.17
Eugene F. Sturgeon, 182 Crater Lane Kensington, CT 06037	Northeast Utilities Service Co	1,162.10	619.31
Lawrence J. Suffredin Jr., 55 West Wacker Drive #702 Chicago, IL 60601	Harza Engineering Co	2,500.00	
Glenn Sugameli, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	35.46	
Arthur E. Sullivan Jr., 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic/Retrieval Systems, Inc	3,250.00	
Austin P. Sullivan Jr., P.O. Box 1113 Minneapolis, MN 55440	General Mills, Inc		
Charles S. Sullivan, 11 15th Street, NE, #6 Washington, DC 20002	Citizens United for Rehabilitation of Errants	2,691.32	2,685.64
Gael M. Sullivan, 1025 Thomas Jefferson St., NW, #511 Washington, DC 20005	LTV Corporation	2,344.00	755.40
Harold R. Sullivan, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	600.00	
Jay R. Sullivan, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Company, Inc)	3,000.00	
Do	Murphy & Demory, Ltd (For:Korea Tacoma Marine Industries)		
Do	Murphy & Demory (For:Parsons Brinckerhoff Quade & Douglas)	3,000.00	
Do	Murphy & Demory, Ltd (For:TRIDEC/Westinghouse)		
Margaret Cox Sullivan, 1625 Eye St., NW, #724A Washington, DC 20006	Stockholders of America, Inc		
Pauline Sullivan, #11 15th St., NE, #6 Washington, DC 20002	Citizens United for Rehabilitation of Errants	300.00	
Sullivan & Cromwell, 1701 Pennsylvania Ave., NW, #800 Washington, DC 20006	American International Group, Inc		
Do	BHP Holdings (USA) Inc		10.00
Do	Grand Met USA, Inc		100.00
Do	Securities Industry Assn		
Sullivan & Worcester, 1025 Connecticut Ave., NW Washington, DC 20036	American Petroleum Institute		
Do	Marion Laboratories, Inc	7,018.00	
Bruce W. Sumner, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security		
Charles Sunderlin, 21480 Pacific Boulevard Sterling, VA 22170	Heckler & Koch, Inc		225.00
Thomas M. Susman, 1001 Pennsylvania Ave., NW, #1200-S Washington, DC 20004	Ropes & Gray (For:Digital Equiptment Corp)		
Do	Ropes & Gray (For:Dunkin' Donuts)		
Do	Ropes & Gray (For:Eastern Enterprises)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Resolve, Inc		
Donald B. Susswein, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:American Savings Bank, FSB)		9.37
Do	Thacher Proffitt & Wood (For:Apple Bank for Savings)		9.37
Do	Thacher Proffitt & Wood (For:Binghamton Savings Bank)		9.37
Do	Thacher Proffitt & Wood (For:Great Western Savings, Federal Savings & Loan)		9.37
Do	Thacher Proffitt & Wood (For:New Hampshire Savings Bank)		9.37
Do	Thacher Proffitt & Wood (For:Peoples Westchester Savings Bank)		9.37
Do	Thacher Proffitt & Wood (For:River Bank America)		9.37
Do	Thacher Proffitt & Wood (For:Rochester Community Savings Bank)		9.37
Sutherland Asbill & Brennan, 1275 Pennsylvania Avenue, NW, #1000 Washington, DC 20004	Ad Hoc Comm for a Competitive Electric Supply System	1,300.00	
Do	American Council on Education		
Do	Committee Against Revising Staggers	8,569.50	
Do	Council of Industrial Boiler Owners	6,651.50	
Do	Duke University		
Do	Industrial Oil Consumers Group		
Do	Process Gas Consumers Group	20,653.00	
W. Thomas Suttle, 1521 Vermont Avenue, NW Washington, DC 20005	Institute of Electrical & Electronics Engineers	3,212.50	728.46
Stephen Sutton, 1000 Wilson Blvd., #2800 Arlington, VA 22209	Grumman Corporation	625.00	664.79
Douglass W. Svendson Jr., 1730 Rhode Island Avenue, NW, #417-19 Washington, DC 20036	Hollywood Marine Service, Inc	1,500.00	
Do	Shell Oil Co		
David L. Swanson, Craft & Loesch 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Combustion Engineering	11,156.25	16.62
Do	Edison Electric Institute	17,150.00	373.50
Do	General Atomics	53,718.75	1,332.88
Deborah Swartz, 1225 19th Street, NW, #210 Washington, DC 20036	Luggage & Leather Goods Manufacturers of America, Inc	500.00	
Do	Neckwear Assn of America, Inc	500.00	
Do	Non-Ferrous Metals Producers Committee	500.00	
David A. Sweeney, 25 Louisiana Ave., NW Washington, DC 20001	International Brotherhood of Teamsters	21,929.25	
William R. Sweeney Jr., 536 7th Street, SE Washington, DC 20003	China External Trade Development Council		
Do	Embassy of Japan		
Frederic H. Sweet, 720 East Wisconsin Avenue Milwaukee, WI 53202	Northwestern Mutual Life Insurance Co	850.00	
Leland H. Swenson, 10065 East Harvard Avenue Denver, CO 80251	Farmers' Educational & Co-Operative Union of America	9,375.00	397.61
Robert D. Swezey Jr., 1133 19th St., NW Washington, DC 20036	MCI Communications Corp	250.00	
Swidler & Berlin, Chtd, 3000 K Street, NW, #300 Washington, DC 20007	American Hoechst Corporation		
Do	Assn of Data Processing Service Organizations (ADAPSO)	3,854.38	
Do	Design Protection Coalition	7,847.50	
Do	Hyundai Motor Company	771.25	
Do	International Environmental Policy Coalition	2,875.00	2,875.00
Do	National Assn of Wholesaler-Distributors		
Do	New England Power		
Do	Republic of Haiti	8,440.00	100.00
Do	Software Publishers Assn	3,854.38	
Do	Software Rental Coalition	22,937.50	
Do	Typeface Design Coalition	107.50	
Do	Warner Communications		
Carol A. Swift, 311 First St., NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	1,300.00	
Tricia L. Swift, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,200.00	
Randall Swisher, 2301 M Street, NW Washington, DC 20037	American Public Power Assn		
Ronald G. Sykes, 1660 L Street, NW Washington, DC 20036	General Motors Corp	2,500.00	9,598.03
David A. Sykuta, Illinois Petroleum Council P.O. Box 12047 Springfield, IL 62791	American Petroleum Institute	560.00	1,620.46
Christopher U. Sylvester, 1831 Briar Ridge Court Mclean, VA 22101	Garrison Diversion Conservancy District	3,750.00	203.18
Ronald P. Szabat, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	400.00	
SKC & Associates, 1825 K Street, NW Washington, DC 20006	Seldovia Native Assn		
Do	Southern Company Services	5,000.00	
Janis Tabor, 1825 K Street, NW, #218 Washington, DC 20006	American Society of Mechanical Engineers		
Robert Taft Jr., 1620 Eye St., NW, #800 Washington, DC 20006	Taft Stettinius & Hollister (For:Dosimeter Corp of North America)		
Do	Taft Stettinius & Hollister (For:Great American Broadcasting Co)		
Do	Taft Stettinius & Hollister (For:Kings Entertainment Co)		
Do	Taft Stettinius & Hollister (For:Special Comm for Workplace Product Liability Reform)		
Do	Taft Stettinius & Hollister (For:Telephone & Data Systems, Inc)		
Do	Taft Stettinius & Hollister (For:Wald Manufacturing Co, Inc)		
Do	Taft Stettinius & Hollister (For:Westland Oil Development Corp)		
George C. Tagg, 300 Maryland Ave., NE Washington, DC 20002	Federal Express Corp	6,000.00	
Taggart & Associates, Inc, 1155 15th Street, NW, #1108 Washington, DC 20005	Animal Health Institute		
Do	Association of American Railroads		
Do	M&M/Mars		
Do	Marion Laboratories, Inc		
Do	Telephone & Data Systems, Inc		
Do	Uniroyal Chemical, Inc		
Ronald L. Tammen, 1750 Pennsylvania Avenue, NW, #1201 Washington, DC 20006	Tammen Group (For:Cray Research, Inc)	2,400.00	
Do	Tammen Group (For:Johnson Controls, Inc)	390.00	
Do	Tammen Group (For:Population-Environment Balance)	500.00	
Do	Tammen Group (For:Standard Federal Savings Bank)	24,600.00	
Tanaka Ritger & Middleton, 1919 Pennsylvania Ave., NW, #303 Washington, DC 20006	Electronic Industries Assn of Japan		
Do	Japan Automobile Tire Manufacturers Assn (JATMA)		
Susan Tannenbaum, 2030 M St., NW Washington, DC 20036	Common Cause	6,642.48	136.58
William E. Tanner, 10803 Norman Ave. Fairfax, VA 22030	Coalition for Environmental-Energy Balance	72,000.00	1,637.27
Thomas N. Tate, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	6,729.00	
Taubman Company, Inc, P.O. Box 200 Bloomfield Hills, MI 48303-0200			29,546.00
Graca Da Silva Tavares, 17 Perkins Street West Newton, MA 02165			450.00
Charles A. Taylor III, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	1,500.00	
Gene Taylor, 453 New Jersey Ave., SE Washington, DC 20003	Gene Taylor Associates, Inc (For:Associated Electric Cooperative, Inc)	15,000.00	
Do	Gene Taylor Associates, Inc (For:Eagle-Picher Industries, Inc)	15,000.00	
Do	Gene Taylor Associates, Inc (For:Empire District Electric Company)	15,000.00	
Do	Empire Gas Corp	2,000.00	
Do	Gene Taylor Associates, Inc (For:FAG Bearings Corporation)	15,000.00	
Do	Gene Taylor Associates, Inc. (For:National Assn of Postmasters of the United States)	6,000.00	
Do	Gene Taylor Associates, Inc (For:Norfolk Southern Corporation)	15,000.00	
Jefferson D. Taylor, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	
John A. Taylor, 11 Canal Center Plaza, #250 Alexandria, VA 22314	Virginia Power	1,000.00	125.00
Patricia Taylor, 1501 16th St., NW Washington, DC 20036	Center for Science in the Public Interest	98.00	50.00
Peggy Taylor, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,881.67	349.40
R. William Taylor, 1575 Eye Street, NW Washington, DC 20006	American Soc of Assn Executives	300.00	
Sandra E. Taylor, 1600 M St., NW, #702 Washington, DC 20036	ICI Americas	15,000.00	188.95
Randy Teach, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	500.00	
T. Daniel Tearno, 1341 G Street, NW, #900 Washington, DC 20005	Miller Brewing Company	103.65	
Technology Services Group, Inc, 1625 K Street, NW, #375 Washington, DC 20006			22.80
Telos Corp, 3420 Ocean Park Blvd. Santa Monica, CA 90405			
James M. Temenak, P.O. Box 16614 Arlington, VA 22215	National Steel & Shipbuilding Company	3,380.00	527.79
Norman J. Temple, 155 Dresden Avenue Gardiner, ME 04345	Central Maine Power Co, et al	375.00	
Tempo Enterprises, Inc, P.O. Box 702160 Tulsa, OK 74170			
Paul M. Tendler, 1090 Vermont Ave., NW, #1200 Washington, DC 20005	Tendler & Biggins, Chtd (For:American Licensed Practical Nurses Assn)		
Do	Tendler & Biggins, Chtd (For:Bascom, Inc)		
Do	Tendler & Biggins, Chtd (For:Geodesco)		
Do	Tendler & Biggins, Chtd (For:Hugo Boss Fashions, Inc)		
Do	Tendler & Biggins, Chtd (For:Joseph and Feiss, Inc)		
Do	Tendler & Biggins, Chtd (For:Mears International Sales Co)		
Do	Tendler & Biggins, Chtd (For:Rasche Elektroniks)		
Do	Tendler & Biggins, Chtd (For:Solargistics Corp)		
Joshua P. Tenuta, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	379.46	
Cheryl Terio, 1957 New York Avenue, NW Washington, DC 20006	Associated General Contractors of America		
Betty-Grace Terpstra, 1726 M St., NW, #901 Washington, DC 20036	Scott Paper Co	4,000.00	
John H. Terry, P.O. Box 4878 Syracuse, NY 13221	Hiscock & Barclay (For:Niagara Mohawk Power Corp)	2,952.00	650.65

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Richard Paul Teske, 1500 K Street, NW, #625 Washington, DC 20005	Burroughs Wellcome Co	25,000.00	1,560.00
Robert D. Testa, 1726 M Street, NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	884.50	58.37
James G. Tetirick, 1156 15th Street, NW, #1015 Washington, DC 20005	J. C. Penney Co, Inc		
Textron, Inc, 40 Westminster St. Providence, RI 02903		4,650.00	1,030.00
Thacher Proffitt & Wood, 1500 K Street, NW, #200 Washington, DC 20005	American Savings Bank, FSB		767.09
Do	Apple Bank for Savings		767.09
Do	Binghamton Savings Bank	1,250.00	767.09
Do	Boston Five Cents Savings Bank, FSB	6,431.49	767.09
Do	Castine Partners	4,000.00	767.09
Do	Chicago Board Options Exchange	1,000.00	767.09
Do	Citicorp Mortgage Finance, Inc.	5,500.00	767.09
Do	Dollar Bank, FSB		767.09
Do	Federal Home Loan Mortgage Corp	16,676.58	2,917.09
Do	General Electric Mortgage Insurance Co	15,000.00	12,592.09
Do	Great Western Savings, Federal Savings & Loan	5,000.00	767.09
Do	Massachusetts Bankers Assn		767.09
Do	New Hampshire Savings Bank		767.09
Do	Peoples Westchester Savings Bank		767.09
Do	Ranieri-Wilson	20,000.00	817.09
Do	River Bank America		767.09
Do	Rochester Community Savings Bank	5,000.00	767.09
Do	Standard Federal Savings & Loan		4,637.09
Mary Kay Thatcher, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	6,313.00	205.07
Karen E. Theibert, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	400.00	
E. Wayne Thevenot, c/o Concord Associates 1455 Pennsylvania Ave., NW, #560 Washington, DC 20004	National Reality Committee	1,000.00	
Janelle C. Morris Thibau, 1828 L Street, NW, #906 Washington, DC 20036	Merrill Lynch & Co, Inc	1,500.00	
Douglas E. Thierwechter, 818 Connecticut Avenue, NW, #900 Washington, DC 20006	USX Corp		
Third Class Mail Association, 1333 F Street, NW, #710 Washington, DC 20004-1108		6,470.00	6,470.00
Robert G. Thoma, 2100 Pennsylvania Ave., NW, #755 Washington, DC 20037	BASF Corp	330.00	16.00
Doris I. Thomas, 15th & M St, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Gordon M. Thomas, 1090 Vermont Avenue, NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
John L. Thomas, P.O. Box 796322 Dallas, TX 75379-6322	Visual Information Technologies, Inc	200.00	
John W. Thomas, 119 Oronoco Street Box 1417-D50 Alexandria, VA 22313	Animal Health Institute	175.00	
Peter William Thomas, 1404 26th Street, NW, #1 Washington, DC 20007	American State of the Art Prosthetic Assn		
Robert L. Thomas, 1319 F St., NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
W. Dennis Thomas, 1620 Eye St., NW, #700 Washington, DC 20006	International Paper Co	12,500.00	770.80
Sara Thomasson, 1200 15th St., NW Washington, DC 20005	American Health Care Assn		
Bruce E. Thompson Jr., 1828 L Street, NW, #906 Washington, DC 20036	Merrill Lynch & Co, Inc	7,500.00	
Dana S. Thompson, 305 4th Street, NE, Washington, DC 20002	Sheet Metal & Air Conditioning Contractors National Assn		
Duane R. Thompson, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Gary C. Thompson, 1126-16th St., N.w. Washington, DC 20036	Oil Chemical & Atomic Workers International Union		
Kenneth W. Thompson, 1919 Pennsylvania Ave., NW, 8th Floor Washington, DC 20006	Michigan Consolidated Gas Company	6,250.00	32.00
Patrick Thompson, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange	2,194.00	218.00
Richard L. Thompson, 655 15th Street, NW, #410 Washington, DC 20005	Squibb Corporation	1,500.00	
Robert L. Thompson Jr., P.O. Box 70 Fort Mill, SC 29715	Springs Industries, Inc		
W. Reid Thompson, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co		
Thompson Mann & Hutson, 3000 K Street, NW, #600 Washington, DC 20007	Bechtel Group, Inc		
Do	Combustion Engineering, Inc		
Do	Fluor-Daniel, Inc	2,207.50	52.46
Do	M.W. Kellogg Company		
Do	Milliken & Co	6,572.50	57.27
Do	Morrison-Knudsen Co, Inc	2,207.50	52.46
Do	National Dual Shop Coalition		739.50
Robert E. Thomson, 59 Maiden Lane New York, NY 10038	Ambase	4,084.62	1,722.40
Margo Thorning, 1850 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation	878.00	
John Thornton, 444 North Capitol Street, NW, #845 Washington, DC 20001	National Air Traffic Controllers Assn		
Gary Thorup, 2564 Wilmington Avenue Salt Lake City, UT 84109	Reese Communications Cos (for: Philip Morris, USA)	750.00	9.86
Julianne S. Thrift, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	3,375.00	290.00
Tighe Curhan & Piliero, 1750 Pennsylvania Avenue, NW, #1201 Washington, DC 20006	Standard Federal Savings Bank		
Susan K. Till, 955 L'Enfant Plaza, SW, #1202 Washington, DC 20024	National Water Resources Assn	1,500.00	
Rebecca E. Tillet, 1275 K St., NW, #750 Washington, DC 20005	National Women's Political Caucus	7,000.00	
Wallace Tillman, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	149.00	
Patti A. Tilson, Suite 520 900 17th Street, NW Washington, DC 20006	Toyota Motor Sales USA, Inc	500.00	
Gary G. Timmons, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Timmons & Co, Inc, 1850 K St., NW Washington, DC 20006	American Petroleum Institute	2,025.00	
Do	American Trucking Assns, Inc	1,312.50	
Do	Amoco Corporation	1,306.25	
Do	Anheuser-Busch Companies, Inc	2,131.25	
Do	Association of Trial Lawyers of America	500.00	
Do	Brown Group, Inc	1,062.50	
Do	Capital Cities/ABC, Inc	687.50	
Do	Chrysler Corporation	1,856.25	
Do	Entergy Services, Inc	1,443.71	
Do	H. J. Heinz Co	1,031.25	
Do	Major League Baseball	1,718.75	
Do	Morgan Stanley & Co, Inc	1,168.75	
Do	Mutual Fairness Taxation Association	1,581.25	
Do	National Rifle Assn of America	1,031.25	
Do	Northern Telecom, Inc	1,168.75	
Do	Northrop Corp	2,186.22	
Do	NutraSweet Co	1,031.25	
Do	G. D. Searle & Co	687.50	
Do	U.S. League of Savings Institutions	3,437.50	
Alan R. Timothy, 601 Pennsylvania Ave., NW, #500 Washington, DC 20004	Adolph Coors Co	12,109.50	7,379.96
G. Wayne Tingle, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	125.00
Eben S. Tisdale, 900 17th Street NW,#1100 Washinmgton, DC 20006	Hewlett-Packard Co	4,500.00	65.50
Francis M. Tivnan, Massachusetts Petroleum Council 11 Beacon Street Boston, MA 02108	American Petroleum Institute	500.00	
Tobacco Associates, Inc, 1725 K Street, NW, #512 Washington, DC 20006			5,971.60
James S. Todd, 535 North Dearborn Street Chicago, IL 60610	American Medical Assn		
M. Douglas Todd, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp	1,400.00	
David R. Toll, 1155 Connecticut Ave., NW, #400 Washington, DC 20036	Public Service Co of Colorado		
Do	Western Utilities Clean Air Group		
Kathryn R. Tollerton, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	2,332.45	75.45
Edward Tonat, 6723 Brigadoon Drive Bethesda, MD 20817	Robert Goff & Associates, Inc		
Jean R. Toohey, 655 15th Street, NW #225 Washington, DC 20005	Rhone-Poulenc Inc	700.00	339.01
Michael J. Toohey, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	1,371.13
William D. Toohey, Two Lafayette Centre 1133 21st Street, NW Washington, DC 20036	Travel Industry Assn of America	4,892.00	
Peter W. Tooker, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
William T. Torgerson, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Company		
Total Petroleum, Inc, 999 18th Street, Suite 2201 Denver, CO 80202			
Touche Ross & Co, 1900 M Street, NW Washington, DC 20036-3564	Beatrice Community Hospital and Health Center		
Do	Coastal Corporation	11,000.00	
Do	Dart Drug Stores, Inc	500.00	
Do	Fujitec America		
Do	Memorial Hospital of Dodge County	7,000.00	
Do	Money Store Investment Co	2,975.00	219.00
Gilbert D. Tough, 70 North Main St. Wilkes-Barre, PA 18711	Blue Cross of Northeastern Pennsylvania		
Wanda Townsend, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	1,457.00	
Joseph P. Trainor, 400 1st Street, NW, #804 Washington, DC 20001	National Assn of Retired Veteran Railroad Employees	1,200.00	300.00
Do	Railway Labor Executives' Assn	2,000.00	500.00
Jeffrey B. Trammell, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:Nintendo of America, Inc)		
Do	Hill & Knowlton (For:Republic of Turkey)	445.00	
Do	Hill & Knowlton Inc (For:Ryder Systems Inc)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Transafrica, 545 8th Street, SE, #200 Washington, DC 20003		52,837.38	39,296.04
Transportation - Communications Union, 815 16th St., NW, #511 Washington, DC 20006		11,000.00	18,124.51
Travel & Tourism Government Affairs Policy Council, 1133 21st Street, NW Washington, DC 20036		4,280.00	4,300.00
Travel Industry Assn of America, Two Lafayette Centre 1133 21st Street, NM Washington, DC 20036			9,192.00
Eric E. Tressler, 1401 New York Ave., NW, #400 Washington, DC 20005	National Food Processors Assn	500.00	100.00
Tretter-Gorman, Inc, 711 N. Eleventh Street St. Louis, MO 63101	Madison Public Affairs Group (for: Philip Morris USA)	492.50	546.31
Tripp Scott Conklin & Smith, 110 Tower, 28th Floor 110 Southeast 6th Street Fort Lauderdale, FL 33301	Alamo Rent-A-Car, Inc		2,783.22
Michael G. Troop, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	17,500.00	
George G. Troutman, Suite 1100 1090 Vermont Ave., NW Washington, DC 20005	Bell Helicopter Textron, Inc	150.00	
Alexander B. Trowbridge, 1331 Pennsylvania Avenue, NW Washington, DC 20004	National Assn of Manufacturers	1,125.00	
Gregory A. Troxell, 1800 K Street, NW, #1018 Washington, DC 20006	Public Service Co of Indiana	5,000.00	6,135.50
Thomas L. Trueblood, 401 North Michigan Ave. Chicago, IL 60611	Navistar International Transportation Corp	1,000.00	2,297.46
E.F. Trumble Public Relations Inc, 700 New Hampshire Ave., NW, #1017 Washington, DC 20037	National Investor Relations Institute		
Laurie K. Tryfiates, 370 L'Enfant Promenade, SW, #800 Washington, DC 20024	Concerned Women for America Legislative Action Committee		
Paul E. Tsongas, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	Cambridge Redevelopment Authority	3,300.00	1,293.42
Do	Humane Soc of the U.S., et al	1,650.00	74.10
Do	Iroquois Gas Transmission Systems		
Do	National Venture Capital Assn	1,980.00	
Do	Northeast Solvents Recovery		
Do	Sierra Club of America		
Do	Thermedics, Inc		
Tucker & Associates, 1701 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Regional Transportation District	2,500.00	
Shannon B. Tuel, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Stanley F. Turesky, 1250 24th Street, NW, #600 Washington, DC 20037	Van Dyke Associates, Inc (For:American Gas Assn)		
Do	Van Dyk Associates, Inc (For:Boston Company)		
Do	Van Dyke Associates, Inc (For:USF&G Corp)		
Audrey Schumacher Turner, 1001 22nd Street, NW, #400 Washington, DC 20037	Mercer Meidinger Hansen, Inc		
J. Terry Turner, 2200 Mill Road Alexandria, VA 22314	Interstate Truckload Carriers Conference	500.00	1,500.00
Jane L. Turner, 1250 Connecticut Ave., NW, #200 Washington, DC 20036	American Mining Congress		
John M. Turner, 1875 Eye St., NW, #400 Washington, DC 20006	Georgia-Pacific Corp	4,000.00	
Pamela Turner, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn	3,750.00	
William F. Turner, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	200.00	
Turner Broadcasting System, Inc, 111 Massachusetts Ave., N.W. Third Floor Washington, DC 20001		13,512.50	13,512.50
Richard F. Turney, 1725 K St., NW, #710 Washington, DC 20006	Courtney McCamant & Turney	300.00	
Max Turnipseed, 1155 15th Street, NW, #611 Washington, DC 20005	Ethyl Corporation	1,120.00	99.53
St. Clair J. Tweedie, 1575 Eye Street, NW, #200 Washington, DC 20005	American Cyanamid Co	15,000.00	
Jeannine Dowling Twomey, 5 Virginia Place Larchmont, NY 10538	Madison Public Affairs Group, Inc (for Philip Morris USA)	2,250.00	564.00
John R. Tydings, 1129 20th Street, NW Washington, DC 20036	Greater Washington Board of Trade		
Craig Tyle, 1600 M Street, NW Washington, DC 20036	Investment Company Institute		
U.S. Cane Sugar Refiners' Assn, 1001 Connecticut Ave., NW Washington, DC 20036			
U.S. Committee for the Oceans, Route 2, Box 91 Ararat, VA 24053			
U.S. English, 818 Connecticut Ave., NW, 200 Washington, DC 20016			9,400.00
U.S. League of Savings Institutions, 111 E. Wacker Dr. Chicago, IL 60601			296,291.52
U.S. Public Interest Research Group, 215 Pennsylvania Avenue, SE Washington, DC 20003		79,046.61	102,477.09
Jerry G. Udell, 1616 H St., NW Washington, DC 20006	American Retail Federation	55.00	42.00
Robert D. Umphrey Jr., 919 18th St., NW, #700 Washington, DC 20006	Hoechst Celanese Corp	3,000.00	622.59
Charles K. Unger, 717 Pendleton Street Alexandria, VA 22314	America Orthotic & Prosthetic Assn	150,000.00	49,000.00
Unifi, Inc, P.O. Box 19109 Greensboro, NC 27419			
Unilever United States, Inc, 390 Park Ave. New York, NY 10022			4,275.89
United Brotherhood of Carpenters & Joiners of America, 101 Constitution Ave., NW Washington, DC 20001			45,060.98
United Gas Pipe Line Co, P.O. Box 1478 Houston, TX 77251-1478			
United International Consultants, 1800 Diagonal Road Alexandria, VA 22314	Republic of South Africa	90,000.00	24,999.00
United Services Automobile Assn, P.O. Box 4525 Reston, VA 22090-1489			
United Shareholders Assn, 1667 K St., NW, #770 Washington, DC 20006		7,572.90	7,507.34
Anne I. Urban, 311 First Street, NW Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	3,000.00	
Utility Nuclear Waste and Transportation Program, c/o Edison Electric Institute 1111 19th St., NW Washington, DC 20036	Utility Nuclear Waste Management Group		
Robert E. Vagley, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn		
Anthony Valanzano, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	6,000.00	1,024.67
Jack J. Valenti, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	677.08	
Reginald T. Valliere, 8 Herbert Street Alexandria, VA 22305-2600	National Assn of Postmasters of the United States	13,041.36	7,532.39
Van der Voort Associates, Ltd, 1134 Westmoreland Road Alexandria, VA 22308	Orbital Sciences Corporation	500.00	
Do	Pharmaceutical Manufacturers Assn	500.00	
R. Thomas Van Arsdall, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
Richard Van Deuren, 111 E. Wisconsin Avenue, NW, #1800 Milwaukee, WI 53202	National Employee Benefits Institute		
William R. Van Dresser, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn		
Nancy Van Duyne, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	4,250.28	
Van Dyk Associates, Inc, 1250 24th St.,N.W. Suite 600 Washington, DC 20037	American Gas Assn	4,000.00	
Do	Boston Company		
Do	USF&G Corp		
Van Fleet Associates, Inc, 499 South Capitol St., SW, #520 Washington, DC 20003	Cadillac Gage Co	14,250.00	
Do	Cincinnati Electronics	3,300.00	
Do	Cypress International, Inc		
Do	Harsco Corp	33,745.81	9,745.81
Van Fleet Metzner and Meredith Corporation, 499 S. Capitol Street, #520 Washington, DC 20003	Diagnostic/Retrieval Systems, Inc	7,500.00	
Do	Electrospace Corporation	7,500.00	
Do	Miltope Corp	7,500.00	
Henry B. Van Gieson, 1700 North Moore St., 2120 Arlington, VA 22209	Boeing Company	1,598.00	236.25
Matthew Van Hook, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Nick L. Van Nelson, Suite 540 1875 Eye Street, NW Washington, DC 20006	Champion International Corp		
Van Ness Feldman Sutcliffe & Curtis, P.C., 1050 Thomas Jefferson St., NW, 7th Floor Washington, DC 20007	Alaska Eskimo Whaling Commission		
Do	America First Companies		
Do	American Inst of Certified Public Accountants	3,600.00	
Do	American President Lines		
Do	Arctic Slope Regional Corp	1,840.00	
Do	Bumble Bee Seafoods, Inc	67.50	
Do	BRAE Corporation		
Do	Capital Registry, Inc		
Do	Clean Coal Technology Coalition	787.50	
Do	Collier Company		
Do	Committee of Hydroelectric Dam Owners		
Do	Consumers United for Rail Equity (C.U.R.E.)		
Do	Department of Water & Power	329.13	
Do	Energy Fuels Nuclear Inc		
Do	Fidelity Management & Research Co		
Do	Geothermal Resources Assn	2,992.50	
Do	Lower Colorado River Authority	100.00	25.06
Do	LUZ International Ltd	8,865.00	
Do	McKesson Corporation	2,767.50	
Do	National Nutrition Coalition	530.00	
Do	Postal Square Associates		
Do	Seneca Resources, Inc	7,762.50	
Do	Southern California Edison Co	658.37	
Do	Tranquillity Irrigation District		
Do	Uraniurp Producers of America	8,100.00	
Do	Wagner & Brown		
John A. Vance, 1726 M St., NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	3,740.00	6.00
Marjorie Vanderbilt, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Association	3,500.00	228.53
Norman C. VanderNoot, New Hampshire Petroleum Council 15 N Main Street Concord, NH 03301	American Petroleum Institute	166.00	
H. Stewart VanScoyoc, 453 New Jersey Ave., SE Washington, DC 20003	Winburn VanScoyoc & Hooper (For:Champion International Corp)	5,000.00	
Do	Winburn VanScoyoc & Hooper (For:Coalition of EPSCoR States)	21,000.00	
Do	Winburn VanScoyoc & Hooper (For:E. I. Du Pont de Nemours & Co)	5,000.00	
Do	Winburn VanScoyoc & Hooper (For:International Paper)	5,000.00	
Do	Winburn VanScoyoc & Hooper (For:Quanex)	15,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Winburn VanScoyoc & Hooper (For:Scott Paper Co)	5,000.00	
Do	Winburn VanScoyoc & Hooper (For:University of Alabama System)	21,000.00	
Do	Winburn VanScoyoc & Hooper (For:USF&G Corp)	3,000.00	
Do	Winburn VanScoyoc & Hooper (For:Weyerhaeuser)	5,000.00	
Donald R. Vaughan, P.O. Box 2909 Asheboro, NC 27203	Stedman Corporation		
Nicholas A. Veliotes, 1718 Connecticut Avenue, NW Washington, DC 20009	Association of American Publishers	4,000.00	125.35
Carol Verby, 7361 Calhoun Place Rockville, MD 20850	CNA Insurance Co		
William P. Verdon, 1627 K Street, NW, #1200 Washington, DC 20006	United Shipowners of America	13,125.00	2.35
Jerry T. Verkler, 555-13th Street, NW, Suite 300 West Washington, DC 20036	Interstate Natural Gas Assn of America	6,250.00	120.15
Vern Clark & Associates, 555 New Jersey Avenue, NW, #255 Washington, DC 20001	Metromedia Company	15,000.00	416.38
Frank Verrastro, 1155 15th Street, NW, #600 Washington, DC 20005	Pennzoil Co	1,084.50	
Linda Vickers, 1706 23rd St., South Arlington, VA 22202	Communicating for Agriculture, Inc	9,000.00	
Do	National Assn of Crop Inusrance Agents		
Victoria E. Vidal, 1101 15th St., NW, #400 Washington, DC 20005	National Council of Savings Institutions	4,000.00	36.96
David Vienna & Associates, 401 Wythe Street, #2-A Alexandria, VA 22314	California Public Employees' Retirement System	5,981.25	
Do	International Assn of Amusement Parks & Attractions		
Do	Pacific Stock Exchange, Inc	26,175.00	
Do	State Board of Equalization (Calif)	577.50	
Robert J. Vilhauer, 1700 N. Moore Street, #2120 Arlington, VA 22209	Boeing Company	1,835.00	547.48
Ralph Vinovich, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	1,000.00	263.63
Vinson & Elkins, 1455 Pennsylvania Ave., NW, #800 Washington, DC 20004-1007	Allied Signal, Inc	600.00	5.50
Do	Bank Tax Group	2,342.50	6,150.00
Do	Citicorp Washington, Inc	775.00	5,836.50
Do	E. M. Warburg Pincus & Co, Inc	675.00	1,284.00
Do	E.I. Du Pont de Nemours & Co., Inc	600.00	5.50
Do	Goldman Sachs & Co	1,000.00	3,470.00
Do	Merrill Lynch & Co, Inc		2,675.00
Do	National Corporation for Housing Partnerships		
Walter D. Vinyard Jr., Zuckert, Scoutt, Rasenberger & Johnson 888 17th St., NW, 7th Fl. Washington, DC 20006	United Savings Assn of Texas FSB	740.00	21.00
Do	Continental Insurance Companies	8.00	
Virginia Association of Railway Patrons, P.O. Box 867 Richmond, VA 23207	National Fraternal Congress of America	7.00	
George A. Viverette Jr., 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
M. Allan Vogelson, 35 Kings Highway East Haddonfield, NJ 08033	Reese Communications Cos (for: Philip Morris, USA)	1,800.00	484.41
Nick J. Volcheff, 7325 Del Norte Drive Scottsdale, AZ 85258	AT&T		
Volkswagen of America, Inc, 490 L'Enfant Plaza, SW, #7204 Washington, DC 20024			500.00
Douglas K. Vollmer, 801 18th St., NW Washington, DC 20006	Paralyzed Veterans of America	12,725.61	
Ian D. Volner, 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	National Assn of Trade & Technical Schools	1,250.00	
Volpe Boskey & Lyons, 918 16th Street, NW, #602 Washington, DC 20006	American Assn of Equipment Lessors		
Voluntary Hospitals of America, Inc, 1150 Connecticut Ave., NW, #800 Washington, DC 20036			11,250.00
Ann Hadley Vom Eigen, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	7,263.00	1,191.00
Ingrid A. Voorhees, 311 First STreet, NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	125.00	100.00
Kurt Vorndran, 925 15th Street, NW Washington, DC 20005	National Council of Senior Citizens	7,828.00	
Vorys Sater Seymour & Pease, 1828 L Street, NW, #1111 Washington, DC 20036	Bell Communications Research	1,922.25	
Do	Committee of Publicly Owned Companies	1,017.08	80.44
Do	Dale Michael A/K/A Riviera Bowling Lanes		59.35
Do	Fraternal Order of Police - National Headquarters		
Do	Grocery Manufacturers of America, Inc		
Do	HPM Corporation		
Do	Ohio Deposit Guaranty Fund		
Do	Ohio Manufacturers Assn		
Do	Snow Aviation Internctional, Inc		
Frank J. Voyack, 1750 New York Ave., NW Washington, DC 20006	International Assn of Bridge Struct & Ornamental Iron Wkrs	11,590.54	900.35
John A. Vuono, Vuono Lavelle & Gray 2310 Grant Building Pittsburg, PA 15219	Procompetitive Rail Steering Committee	15,165.00	
Thomas D. Wacker, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	484.06
Rex B. Wackerle, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp	1,400.00	
Robert J. Wade, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
Robert Waffle, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects	1,250.00	
Joan Wages, 160 24th Street, NW #904 Washington, DC 20037	Independent Federation of Flight Attendants	6,280.00	823.13
Marvin Wagner, 21480 Pacific Boulevard Sterling, VA 22170	Heckler & Koch, Inc		562.50
Wagner Hines & Avary, Inc, 1615 L Street, NW, #750 Washington, DC 20036	Association of Business Publishers		
Do	Charter Federal Savings & Loan Assn	11,475.00	2,083.66
Do	Kabumoto & Malany		
Do	National Beer Wholesalers of America	3,262.50	1,299.30
Do	National Debt Repayment Foundation		
Do	Rainbow Navigation, Inc		
Frederick P. Waite, 1200 19th Street, NW, #500 Washington, DC 20036	Davis Graham & Stubbs (For:American Wire Producers Assn)		
Herbert R. Waite, 100 Federal Street Boston, MA 02110	Bank of Boston Corporation		
Do	First National Bank of Boston	11,700.00	9,154.98
Michael Waldman, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	6,750.00	
Angela S. Waldorf, N.C. Petroleum Council P.O. Box 167 Raleigh, NC 27602	American Petroleum Institute		
Robert E. Waldron, Associated Petroleum Industries of Michi 930 Michigan Natl Tower, PO Box 10070 Lansing, MI 48901	American Petroleum Institute	990.00	1,183.82
Barbara J. Walker, P.O. Box 1417-D50 119 Oronoco Street Alexandria, VA 22313	Animal Health Institute	70.00	
Robert Joseph Walker, 1909 K St., NW Washington, DC 20049	American Assn of Retired Persons	837.30	28.61
Charls E. Walker Associates, Inc, 1730 Pennsylvania Ave., NW Washington, DC 20006	Aluminum Company of America		
Do	American Institute of Certified Public Accountants	2,000.00	
Do	American Pioneer Savings Bank	2,000.00	
Do	American Telephone & Telegraph Co	1,500.00	
Do	Anheuser-Busch Companies, Inc	4,500.00	
Do	Broadcast Music, Inc	5,625.00	
Do	Burlington Northern, Inc		
Do	Consolidated Gold Fields PLC		
Do	CBS Records Group	9,375.00	
Do	CSX Corporation	4,500.00	
Do	Enron Corp		
Do	Federal Home Loan Mortgage Corp	3,600.00	
Do	Goodyear Tire & Rubber Co		
Do	John Zink Company	2,812.50	
Do	Lone Star Technologies, Inc		
Do	National Assn of Small Business Investment Cos	1,000.00	
Do	National Stone Association	6,250.00	
Do	Northville Industries Corp	1,500.00	
Do	Northwestern Mutual Life Insurance Co	1,875.00	
Do	Pinnacle West Capital Corp		
Do	Southern Company Services, Inc	9,375.00	
Do	Texas Ozone Task Force	1,125.00	
Do	U.S. Fidelity & Guaranty Co	3,000.00	
Do	Vulcan Materials Co		
Do	Weyerhaeuser Company	3,000.00	
R. Duffy Wall & Associates, Inc, 1317 F Street, NW, #400 Washington, DC 20004	Ad Hoc Comm on Coal Taxation	1,500.00	
Do	Bell Atlantic Corp	500.00	
Do	Brown-Forman Corporation	1,000.00	
Do	Footwear Retailers of America	1,500.00	
Do	Hong Kong Trade Development Council	1,500.00	
Do	National Assn of Temporary Services, Inc	1,000.00	
Do	Peabody Holding Company	1,000.00	
Do	Pharmaceutical Manufacturers Assn	1,500.00	
Do	Pittston Group	1,000.00	
Do	Securities Industry Assn	500.00	
Do	Torchmark Corporation	1,000.00	
Do	United Company	1,000.00	
Henry Scott Wallace, 1110 Vermont Ave., NW, #1150 Washington, DC 20005	National Assn of Criminal Defense Lawyers	14,000.00	50.00
Raymond C. Wallace, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Wallace & Edwards, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Alabama Farmers Federation	1,500.00	
Do	Alaska Pulp Corp	3,000.00	
Do	American Society of Farm Managers and Rural Appraisers	1,250.00	
Do	American Sugar Cane League	4,375.00	404.15
Do	Amstar Corp	3,750.00	
Do	Avtex Fibers, Inc	500.00	63.40
Do	Cotton Warehouse Assn of America	4,550.00	
Do	Federal Compress & Warehouse Co		
Do	Fiber Fabric & Apparel Coalition for Trade	2,000.00	
Do	Flue-Cured Tobacco Cooperative Stabilization Corp	2,500.00	
Do	Merchants Grain & Transportation, Inc		
Do	Service Corporation International	1,875.00	257.91
Do	Southern Company	5,833.33	180.86
Do	U.S. Canola Association	1,250.00	
Lionel L. Wallenrod, 260 Madison Ave. New York, NY 10016	American Paper Institute, Inc		
Bethany Waller, 500 23rd Street, NW, B907 Washington, DC 20037	Entrepreneurs of America	3,750.00	
Anne Marie Walsh, 1025 Connecticut Ave, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Charles S. Walsh, Fleischmen & Walsh 1400 16th Street, NW Washington, DC 20036	National Cable Television Assn, Inc		
James P. Walsh, 1752 N Street, NW, #800 Washington, DC 20036	American Tunaboat Assn	8,600.00	
Do	Davis Wright & Jones (For:F/V American Empire)	886.00	
Richard J. Walsh, 6770 Lake Eltanor Drive Orlando, FL 32859-3330	General Mills Restaurants, Inc	800.00	839.49
Samuel J. Walsh, 1608 K Street, NW Washington, DC 20006	American Legion	10,794.00	49.00
William C. Walsh, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	4,351.42	
John C. Walton, 1401 North Oak Street, #302 Arlington, VA 22209	John E. Chance & Associates, Inc	24,000.00	
Do	General Dynamics Corp	12,499.98	
Do	General Electric Co	3,300.00	127.95
Do	ISC Defense & Space	14,000.00	
Do	Martin Marietta Corp	8,700.00	721.32
Do	Stone & Webster Engineering Corp	6,150.00	
Do	Textron, Inc	13,749.99	740.37
Bonnie B. Wan, 1201 Pennsylvania Ave., NW, #730 Washington, DC 20004	Kimberly-Clark Corp		
John F. Wanamaker, 201 N. Washington, St. Alexandria, VA 22314	Retired Officers Assn	2,861.25	
Alan S. Ward, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Baker & Hostetler (For:Soap & Detergent Assn)		
Gregg Ward, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects		
Stephen E. Ward, 1919 Pennsylvania Avenue, NW, #503 Washington, DC 20006	Mid-Continent Oil & Gas Assn	3,569.00	56.00
Richard D. Warden, 1757 N St., NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	23,709.71	180.00
Michael O. Ware, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	2,500.00	
Michael A. Waring, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,000.00	184.85
Jenifer Warkenthien, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Peter F. Warker, Suite 2700 1000 Wilson Boulevard Arlington, VA 22209	TRW, Inc	1,250.00	
Ernest R. Warner Jr., 1818 N St., NW Washington, DC 20036	DGA International, Inc (For:Dir Intl Aff of the Gen Del for Armements)		
Do	DGA International, Inc (For:Sofreavia)		100.02
Do	DGA International, Inc (For:SNECMA)		100.57
Do	DGA International, Inc (For:Teledyne Brown Engineering)		
B. Jack Warren, P.O. Box 95385 Atlanta, GA 30347	Forest Farmers Assn	275.00	516.00
Betsy R. Warren, 2555 Pennsylvania Avenue, NW Washington, DC 20037	Allied-Signal Inc	150.00	
Barbara J. Washburn, 1660 L Street, NW Washington, DC 20036	General Motors Corp	3,000.00	606.42
Washington Financial Information Services, Inc, 406 Third Street, SE Washington, DC 20003	Downey Savings and Loan Assn	4,000.00	485.00
Washington Gas Light Co, 1100 H St., NW Washington, DC 20080			864.00
Washington Independent Writers, Inc, 733 15th St., NW, #220 Washington, DC 20005			
Washington Lobby Group, Inc, 325 Pennsylvania Ave., SE Washington, DC 20003	Preston Corp	9,000.00	
Ronald D. Waterman, 900 2nd Street, NE, #109 Washington, DC 20002	Milwaukee County-Intergovernmental Relations	13,125.00	3,654.00
Do	Wisconsin Counties Assn	7,500.00	3,654.00
Jerry B. Waters, 777 14th Street, NW, #680 Washington, DC 20005	Farmland Industries, Inc	5,000.00	
Clarke R. Watson, 1111 Ash Street Denver, CO 80220	Westland Companies, Inc		
John L. Watson III, One World Trade Center, #4511 New York, NY 10048	National Security Traders Assn, Inc	5,375.00	
Julian K. Watson, 1226 Prince Street, #1 Alexandria, VA 22314	Citizens For A Drug Free America		
Leroy Watson, 1616 H Street, NW Washington, DC 20006	National Grange	4,875.00	
Carl E. Watt Jr., 1745 Jefferson Davis Hwy, #1200 Arlington, VA 22202	Rockwell International Corp	9,250.00	3,809.09
James B. Watt, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors		
Carolyn Herr Watts, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	50.00	
Douglas R. Watts, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	2,200.00	
George B. Watts, 1155 15th St., NW, #614 Washington, DC 20005	National Broiler Council	1,500.00	
Norman E. Watts Jr., RR 1, Box 854 Woodstock, VT 05091	Grocery Manufacturers of America, Inc		
William H. Weatherspoon, North Carolina Petroleum Council PO Box 167 Raleigh, NC 27602	American Petroleum Institute	500.00	
A. Vernon Weaver, 114 East Capitol Ave. Little Rock, AR 72201	Stephens Group, Inc		
Charles R. Weaver, 8990 Springbrook Dr., #250 Coon Rapids, MN 55433	Larkin Hoffman Daly & Lindgren (For:Reese Communications Cos (for: Philip Morris, USA)).		
David Weaver, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	650.00	
Gerald Weaver, 206 G Street, NE Washington, DC 20002	First Lithotripsy Group	2,100.00	99.45
Do	Evergreen Associates (For:Gundle Lining Systems)	9,000.00	1,106.32
Do	Evergreen Associates, Ltd (For:United Video)	11,540.00	183.89
Andrew H. Webber, 810 First Street, NE, #410 Washington, DC 20002	American Medical Peer Review Assn		
Frederick L. Webber, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	11,250.00	
Webster & Sheffield, 2000 Pennsylvania Ave., NW, #7400 Washington, DC 20006	Asarco Corporation		
Do	Liggett Group, Inc		
Do	Magma Copper Corp		
Do	Mazda Motor Manufacturing (USA) Corp		
Do	Security Capital Corp		
Do	Tobacco Institute	550.00	20.00
Webster Chamberlain & Bean, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006	International Taxicab Assn		
Do	Miller Brewing Co	700.00	140.00
Lee J. Weddig, Suite 580 2000 M St., NW Washington, DC 20036	National Fisheries Institute	4,000.00	
Edward L. Weidenfeld, 1155 21st Street, NW, #400 Washington, DC 20036	Pillsbury Madison & Sutro (for Southern Company Services)		
Fred B. Weil, One California Street San Fransisco, CA 94111-5482	Broad Schulz Larson & Wineberg (For:De La Salle Institute)	259.00	31.31
Weil & Howe, Inc, Two Central Plaza Augusta, ME 04330	Champlain Pipeline Co	3,037.50	3,235.24
Weil Gotshal & Manges, 1615 L Street, NW, #700 Washington, DC 20036	Marine Shale Processors, Inc	10,000.00	250.00
Steven A. Wein, 1090 Vermont Avenue, NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Mark Weinberg, 11300 Rockville Pike, #1200 Rockville, MD 20852	Mark B. Weinberg, P.C. (For:Coalition for a Free Marketplace of Ideas)		
Nancy Weinberg, 1801 K St., NW, #900 Washington, DC 20006	American Textile Manufacturers Institue, Inc	450.00	61.70
Deborah Feldman Weiner, 19 Turnham Court Gaithersburg, MD 20878	American Society for the Prevention of Cruelty to Amimals	1,442.29	850.00
Donald G. Weinert, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	1,500.00	
Douglas B. Weinfield, 1350 I Street NW, #700 Washington, DC 20005	Beveridge & Diamond, P.C. (For:Pacific Dunlop-GNB)	13,846.00	21,536.00
Sandra G. Weis, 445 Hamilton Ave. White Plains, NY 10601	Prodigy Services Company		700.00
Arthur E. Weisberg, 2200 First Bank Place East Minneapolis, MN 55402	Dorsey & Whitney		
Arthur A. Weiss, 1800 First National Building Detroit, MI 48226	Jaffe Snider Raitt & Heuer, P.C		
Stanley A. Weiss, 601 Pennsylvania Ave., NW, #700 Washington, DC 20004-2602	Business Executives for National Security Education Fund Inc		
Bryant L. Welch, 1200 17th St., NW, Suite 106 Washington, DC 20036	American Psychological Assn	3,750.00	30.00
Don Welch, P.O. Box 841 Abilene, TX 79604	West Texas Utilities Co		
John F. Welch, 655 15th Street, NW, #1200 Washington, DC 20005	Safe Buildings Alliance		
Jerry Welcome, P.O. Box 3556 Washington, DC 20007	American Meat Institute	2,000.00	
Kent M. Wells, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp		772.03
L. H. Wells, Suite 200 1025 Connecticut Avenue, NW Washington, DC 20036	Shell Oil Co	500.00	
Wendorf & Associates, Inc, 53 D Street, SE Washington, DC 20003	Central & South West Services, Inc	5,172.00	
Do	Oklahoma Gas & Electric	5,625.00	
Thomas F. Wenning, 1825 Samuel Morse Dr. Reston, VA 22090	National Grocers Assn	500.00	
Fred Wertheimer, 2030 M St., NW Washington, DC 20036	Common Cause	18,136.26	469.00
Charles M. West, 205 Daingerfield Road Alexandria, VA 22314	National Assn of Retail Druggists	1,500.00	300.00
Ford B. West, 501 Second Street, NE Washington, DC 20002	Fertilizer Institute	25,000.00	811.61
G. Franklin West, 1530 North Key Blvd., #122 Arlington, VA 22209	Church Alliance	15,000.00	
W. P. West Jr., 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	2,500.00	476.40
West Mexico Vegetable Distributors Assn, P.O. Box 848 Nogales, AZ 85621			
J. C. West, P.C., 1511 K Street, NW, #1100 Washington, DC 20005	City of Detroit	24,052.70	10,263.53

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Western Coal Traffic League, 1224 17th St., NW Washington, DC 20036		54,558.56	44,861.37
Paul L. Weston, 655 Fifteenth Street, NW Metropolitan Square, #310 Washington, DC 20005	Melchizedek Seminars		18.00
Michelle Westover, 1785 Massachusetts Ave., NW Washington, DC 20036	National Trust for Historic Preservation	3,065.19	
John F. Wetzel Jr., 50 F St., NW Washington, DC 20001	Association of American Railroads	353.02	246.34
Wexler Reynolds Fuller Harrison and Schule, Inc, 1317 F Street, NW, #600 Washington, DC 20004	Allied-Signal, Inc		7.00
Do	American Airlines, Inc	400.00	
Do	American Institute for Foreign Study Scholarship Foundation	3,000.00	
Do	Americans For Safe & Competitive Trucking		
Do	Blue Cross & Blue Shield Assn		
Do	Communications Satellite Corp	3,600.00	6.50
Do	Consortium of State Maritime Schools		
Do	Coopers & Lybrand	1,200.00	4.00
Do	Foothills Pipe Lines (Yukon) Ltd	700.00	22.50
Do	General Motors Corp		
Do	Hughes Aircraft Company		
Do	Massachusetts Maritime Academy		6.00
Do	Monarch Capitol Corp	1,550.00	12.00
Do	Motion Picture Assn of America, Inc	765.00	26.00
Do	MCI Communications Corp	5,460.00	105.00
Do	Natioanl Assn of Social Workers	580.00	378.05
Do	National Gypsum Co	500.00	6.50
Do	New England Electric System		
Do	Nova, An Alberta Corp		
Do	Novacor Chemicals, Ltd		
Do	Oceanic Institute		115.95
Do	Paul Weiss Rifkind Wharton & Garrison	2,650.00	57.05
Do	Radio Assn Defending Airwave Rights, Inc		
Do	Regional Planning Commission		19.90
Do	Simon Wiesenthal Center/Museum of Tolerance	1,300.00	32.00
Do	Training Media Distributors Assn	250.00	5.45
Brian B. Whalen Jr., 401 N. Michigan Ave. Chicago, IL 60611	Navistar International Transportation Corp	1,250.00	60.06
Ellan Wharton, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
Leonard P. Wheat, 1111 14th St., NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
David W. Wheeler, 600 North 18th Street Birmingham, AL 35291	Alabama Power Company	27,025.00	11,641.28
Gordon B. Wheeler, 1025 Connecticut Ave, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Jeffrey T. Whipple, 20 S. Clark Street, #800 Chicago, IL 60603	Reese Communications Cos (for: Philip Morris, USA)	2,625.00	187.66
John C. Whitaker, 2021 L Street, NW, #320 Washington, DC 20036-4909	Union Camp Corporation	1,848.00	27.00
Deborah A. White, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	63.72	
John C. White, White Consulting Group, Suite 380 2000 M Street, NW Washington, DC 20036	AMGEN	4,000.00	
Do	Camp Barsh Bates & Tate	11,500.00	
Do	Chicago Mercantile Exchange	6,250.00	
Do	Coastal Corp	12,500.00	
Do	Tobacco Institute	4,800.00	
John Thomas White II, Suite 2202 490 L'Enfant Plaza East, SW Washington, DC 20024	Tenneco, Inc		
John Thomas White III, 490 L'Enfant Plaza East, SW, #2202 Washington, DC 20024	Tenneco Gas		
Larry White, 1909 K St., NW Washington, DC 20049	American Assn of Retired Persons	593.65	344.86
Leland J. White, 1235 Jefferson Davis Highway, #606 Arlington, VA 22202	National Utility Contractors Assn	7,400.00	1,264.80
Margita E. White, 1730 M Street, NW, #713 Washington, DC 20036	Association of Maximum Service Telecasters, Inc	532.00	
Raymon M. White Jr., 5501 Seminary Road, Apt. 2211-South Falls Church, VA 22041	Harris Corporation	3,500.00	2,083.31
Richard H. White, 1875 I Street, NW, #800 Washington, DC 20006	Tobacco Institute	600.00	104.42
Sam White, 412 First St., SE, #100 Washington, DC 20003	American Beekeeping Federation	1,500.00	
Do	Concerned Shrimpers of America	4,500.00	
Do	Independent Cattlemen's Assn		
Do	National Agricultural Chemicals Assn	18,000.00	
Do	National Peanut Growers Group	6,000.00	
Stephanie A. White, 1900 L Street, NW, #500 Washington, DC 20036	Pitney Bowes, Inc		13.25
Steven C. White, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Toni D. White, 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments	264.50	108.20
William R. White, Kaplan, Russin & Vecchi 1215 17th Street, NW Washington, DC 20036	Caribbean Trade and Apparel Coalition (C-TAC)		
Do	Edison Electric Institute		
White & Associates, 412 First St., SE, #40 Washington, DC 20003	Golf Course Superintendents Assn of America		
White & Case, 1155 Avenue of the Americas New York, NY 10036	Bankers Trust Company		591.47
Richard M. Whiting, 730 15th Street, NW Washington, DC 20005	Association of Bank Holding Cos	1,431.00	
Elizabeth D. Whitley, 600 Maryland Ave., SW Washington, DC 20024	Americana Farm Bureau Federation	7,250.00	312.44
James A. Whitman, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	500.00	
William F. Whitsitt, 1212 New York Avenue, NW, Suite 1200 Washington, DC 20005-6419	Oryx Energy Company	1,250.00	304.21
Pamela J. Whitted, 1700 K St., NW, #502 Washington, DC 20006	Pacific Resources, Inc	500.00	
Whitworth & Associates, 1455 Pennsylvania Ave., NW, #985 Washington, DC 20004	Mesa Limited Partnership	3,000.00	
William E. Wickert Jr., 1667 K Street, NW, #600 Washington, DC 20006	Bethlehem Steel Corp	250.00	
Wickwire Gavin, PC, 1133 21st St., NW, #500 Washington, DC 20036	ANR Venture Management Co		
Do	Cogeneration & Independent Power Coalition of America, Inc	100.00	
Do	Consolidated Natural Gas Service Co	100.00	
Do	Energy Factors, Inc		
Do	Environmental Power Corp		
Do	Great River Gas Co		
Do	HYDRA-CO Enterprises, Inc		
Do	Indeck Energy Services, Inc		
Do	Mercer Companies, Inc		
Do	National Hydropower Assn	100.00	
Do	Natural Gas Vehicle Coalition	100.00	
Do	Racquette Hydro, Ltd		
Do	Solar Turbines, Inc		
Do	Thermo-Electron Corp		
Do	Tri-Energy Pipeline Co		
Do	TBG Cogen Partners		
Mary Frances Widner, 1455 Pennsylvania Ave, NW Washington, DC 20004	American Inst of Certified Public Accountants	500.00	16,440.00
Helen C. Wiederhorn, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Company	3,000.00	2,981.21
Phillip R. Wiedmeyer, 600 North 18th Street Birmingham, AL 35203	Alabama Power Co	16,551.93	14,354.36
Barbara Wierzynski, 1825 Eye Street, NW, #1040 Washington, DC 20006	Futures Industry Assn, Inc		
W. Scott Wilber, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,975.00	
Brian Wilcox, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	4,000.00	49.00
Wiley Rein & Fielding, 1776 K St, NW, 12th Fl. Washington, DC 20006	American Newspaper Publishers Assn		
Do	Association of Telemessaging Services, International	2,508.00	39.00
Do	Certified Color Manufacturers' Assn	8,400.00	150.43
Do	Chaparral Steel Co	606.50	2.00
Do	Operator Service Providers of America	2,400.00	25.00
Do	Pharmaquest		
Do	Prodigy Services Company	2,288.00	18.00
Guenther O. Wilhelm, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation		
Carl B. Wilkerson, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Horace Wilkins Jr., 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp		
E. John Wilkinson, 1225 19th Street, NW, #300 Washington, DC 20036	Vulcan Materials Co	1,730.00	540.00
Wilkinson Barker Knauer & Quinn, 1735 New York Ave., NW Washington, DC 20006	Bonneville International Corp	1,279.00	
Do	Empire Blue Cross & Blue Shield	20,000.00	889.94
Do	Fleet/Norstar Financial Group	46,793.00	2,928.07
Do	Hobbs Straus Dean & Wilder		
Do	J. C. Penney Co, Inc	20,000.00	174.19
Do	Security Pacific National Bank	9,239.00	68.28
Do	Solano Water Authority	380.00	
Willard & Auge, Inc, 405 Capitol Street, Mezzanine Charleston, WV 25314	Madison Public Affairs Group, Inc		
Wythe Willey, 4040 First Ave., NE Cedar Rapids, IA 52402	Reese Communications Cos (for: Philip Morris, USA)	1,875.00	
Ralph E. Willham, 1750 New York Ave., NW Washington, DC 20006	Sheet Metal Workers International Assn	15,000.00	
Faith Williams, 600 New Hampshire Ave., NW Washington, DC 20037	New York Life Insurance Company	105.00	90.62

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Floyd L. Williams, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Jack L. Williams, 451 New Jersey Avenue, SE Washington, DC 20003	American Ins. Ass'n	1,500.00	225.00
Do	Ark-Best Co	1,500.00	225.00
Do	Ark-La Gas	1,500.00	225.00
Do	Cooper Communities, Inc	1,500.00	225.00
Do	Electro Com Automation, Inc	1,500.00	225.00
Do	Riceland Foods	1,500.00	225.00
Do	Tyson Foods, Inc	1,500.00	225.00
Lee Williams, 1616 H St., NW Washington, DC 20006	American Retail Federation	900.00	95.00
Leonard B. Williams, 1667 K Street, NW, #600 Washington, DC 20006	Bethlehem Steel Corp	115.00	
Loretta Morris Williams, 1725 K Street, NW, #814 Washington, DC 20006	March of Dimes Birth Defects Foundation	1,131.25	4.45
Lucinda L. Williams, 1155 15th Street, NW, #510 Washington, DC 20005	National Medical Enterprises, Inc	4,980.00	
Marcia E. Williams, 1150 Connecticut Avenue, NW, #500 Washington, DC 20036	Browning-Ferris Industries, Inc		
Merrill Williams, 3701 Connecticut Ave., NW, #802 Washington, DC 20008	Freshwater Press, Inc		
Do	Galactica Biochemical		
Do	National Credit Improvement Group		
Patrick H. Williams, 1722 Eye St., NW, #4040 Washington, DC 20006	Telecommunications Industry Assn	3,500.00	1,762.16
Perry F. Williams, 225 Main St. Newington, CT 06111	American Radio Relay League, Inc	287.00	211.00
Peter Williams, 2030 M St., NW Washington, DC 20036	Common Cause	400.00	
Richard T. Williams, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn	2,000.00	
Robert E. Williams, 1707 L Street, NW, #300 Washington, DC 20036-4202	United Airlines, Inc	1,500.00	
Robin L. Williams, 1667 K St., NW, #1210 Washington, DC 20006	Rohm & Haas Co	500.00	201.93
Williams & Connolly, 839 17th St., NW Washington, DC 20006	Air Transport Assn of America		1,375.40
Do	National Comm to Preserve Social Security		
Williams & Jensen, P.C., 1101 Connecticut Ave., NW, #500 Washington, DC 20036	American Home Products	225.00	15.69
Do	American Real Estate Committee		
Do	Association of Family Farmers	125.00	7.12
Do	Robert M. Bass Group	3,406.00	202.46
Do	Century 21 Real Estate Corp		
Do	College Construction Loan Insurance Assn	250.00	15.69
Do	CIGNA Corporation	587.50	31.37
Do	Estee Lauder, Inc	450.00	31.37
Do	Financial Security Assurance		
Do	First Boston Corp	1,875.00	106.93
Do	Goldome FSB		
Do	GAMMA Corp		
Do	Higher Education Assistance Foundation		
Do	Kelly Appleman Hart & Hallman	175.00	15.69
Do	Keystone Provident Life Insurance Co		
Do	Mustang Fuel Corporation		
Do	National Assn of Rehabilitation Agencies		
Do	National Board for Professional Teaching Standards	1,075.00	77.00
Do	Norfolk Southern Corp	225.00	15.69
Do	Paralyzed Veterans of America		
Do	Pharmaceutical Manufacturers Assn	2,525.00	45.62
Do	Recording Industry Assn of America, Inc		183.92
Do	Southwest Airlines		
Do	Southwestern Bell Corp		
Do	Student Loan Marketing Assn	200.00	15.69
Do	Texaco, Inc	425.00	31.37
Do	Texas Air Corp		919.66
Do	Trailer Train Co		
Do	Turner Broadcasting System, Inc	3,062.50	115.50
Do	U.S. Telephone Assn		
Do	Universal Foods, Inc		
Do	USAA Financial Service Co	2,250.00	118.34
Alan R. Willis, Box 3529 Portland, OR 97208	Port of Portland	9,772.00	
Wayne D. Willis, 1100 17th Street, NW, #1200 Washington, DC 20036	General Atomics	863.98	30.00
Willkie Farr & Gallagher, Three Lafayette Center 1155 21st St., NW Washington, DC 20036	Automobile Importers of America	5,996.25	
Do	Brazilian Iron and Steel Institute (IBS)	4,057.50	
Do	Golodetz Corporation	262.50	
Do	Institute of Resource Recovery (IRR)	3,648.75	
Do	National Assn of Independent Fee Appraisers	1,831.25	36.66
Do	Shearson Lehman Hutton		
Do	Telecommunications Industry Assn	1,006.25	
Do	Time Warner	700.00	
Do	Westinghouse Electric Corp	17,160.00	
Do	Yamaha Motor Co, Ltd, et al	8,103.75	
Do	Yamaha Motor Manufacturing Corp of America	320.00	
Cindy J. Wilmer, 1455 Pennsylvania Ave., NW, #900 Washington, DC 20004	American International Group, Inc	2,000.00	
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	Aetna Life & Casualty Co	6,165.00	
Do	American Broadcasting Co, Inc, et al		
Do	American Honda Motor Co, Inc	3,055.00	53.90
Do	Bank Capital Markets Assn		
Do	Bankers Trust Co		12.00
Do	Capital Cities/ABC, Inc		
Do	Citicorp		
Do	CPC International, Inc		252.65
Do	Dow Chemical USA		12.00
Do	Federal Home Loan Bank of San Francisco	18,460.00	
Do	Federal National Mortgage Assn	2,075.00	
Do	Government of Tibet in Exile		45.00
Do	International Swap Dealers Assn	12,001.25	1,114.72
Do	Long Island Savings Bank	24,390.00	
Do	McDonald's Corporation	63.75	169.80
Do	National Assn of Broadcasters		
Do	National Corp for Housing Partnerships		
Do	Peoples Heritage Savings Bank		
Do	Pepsico, Inc		
Do	Shearson Lehman Hutton, Inc		
Do	Southeast Banking Corporation		
Do	Unisys Corp		58.05
Do	World Savings & Loan Assn	4,620.00	
Charles D. Wilson, 1919 South Broadway, Box 19130 Green Bay, WI 54307-9130	Fort Howard Corp	2,153.76	6,676.41
Dena L. Wilson, Suite 1000 1600 Wilson Blvd. Arlington, VA 22209	American Waterways Operators, Inc	4,500.00	482.24
Don A. Wilson, 106 Dartmouth Waxahachie, TX 75165			
Don T. Wilson, 1250 I Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	860.00	15.00
G. Peter Wilson, 249 Maitland Avenue Altamonte Springs, FL 32701-4201	Institute of Internal Auditors, Inc		
Michael J. Wilson, 815 16th St., NW, #507 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	4,375.00	78.00
Robert Dale Wilson, 1900 L Street, NW, #500 Washington, DC 20036	Wilson & Wilson (For:Hecla Mining Company)	600.00	100.00
Robert Gary Wilson, 1730 Rhode Island Avenue, NW, #715 Washington, DC 20036	PPG Industries, Inc		
Warren A. Wilson III, 624 US Highway 19 South Palm Harbor, FL 34684	Reese Communications Companies	2,250.00	491.30
William F. Wilson, 231 W. Michigan Street Milwaukee, WI 53201	Wisconsin Electric Power Co	510.00	538.64
John P. Winburn, 453 New Jersey Ave., SE Washington, DC 20003	Winburn VanScoyoc & Hooper (For:American Assn of Equipment Lessors)	22,500.00	
Do	American Automotive Leasing Assn	6,000.00	
Do	Winburn VanScoyoc & Hooper (For:Burlington Northern Railroad Company)	15,000.00	
Do	Winburn VanScoyoc & Hooper (For:Burlington Northern Services, Inc)	15,000.00	
Do	Coalition to Preserve Group Worker's Compensation Funds		
Do	Winburn VanScoyoc & Hooper (For:FAG Bearings Corp)	15,000.00	
Do	Winburn VanScoyoc & Hooper (For:Hartford)	45,000.00	
Do	Winburn VanScoyoc & Hooper (For:Independent Stave Co, Inc)	10,000.00	
Do	Winburn Associates, Inc (For:Leggett & Platt)	12,000.00	
Do	Winburn VanScoyoc & Hooper (For:Matteson Investment Corporation)	25,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Winburn VanScoyoc & Hooper (For:National Assn of County Office Employees (NASCOE)).	3,000.00	
Do	Winburn VanScoyoc & Hooper (For:Pennzoil)	9,000.00	
Do	Winburn VanScoyoc & Hooper (For:Philip Morris)	25,000.00	
Do	Winburn VanScoyoc & Hooper (For:University of Michigan)	15,000.00	
Stephen H. Wines, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development	6,570.00	
Eileen M. Winkelman, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	600.00	112.97
Joseph B. Winkelmann, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	American Resort & Residential Development Assn		
Do	Winkelmann & Associates, Inc (For:Fairfield Communities, Inc)	13,675.00	414.37
Do	National Assn of Industrial & Office Parks		
Kathleen J. Winn, 1155 15th St., NW, #600 Washington, DC 20005-2770	Pennzoil Co	690.00	
Lars Winoy, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects	9,230.00	
David A. Winston, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	787.50	79.00
Winthrop Stimson Putnam & Roberts, 1133 Connecticut Ave., NW, 1200 Washington, DC 20036	Alaska Native Coalition		
Do	America West Airlines, Inc	1,182.50	170.00
Do	Amoco Performance Products, Inc		
Do	Association of Seat Lift Manufacturers	14,351.25	54.00
Do	Bowater, Inc		
Do	Brown & Bain		
Do	BASF Structural Materials, Inc		
Do	BASF, Corp		
Do	Connecticut Liquidity Investment Fund, Inc		
Do	Fiberite Corp		
Do	Hercules Aerospace Co		
Do	IBJ Schroder Bank & Trust Co		
Do	Macrovision	6,821.25	26.00
Do	National Vehicle Leasing Assn		
Do	Navajo Nation	21,402.50	45.00
Do	Norsk Forsvarsteknologi A/S		
Do	Queen City Home Health Care	5,470.00	237.40
Do	Thrifty Rent-A-Car System, Inc	24,110.00	32.25
Phillip J. Wise Jr., 255 South Orange Avenue Orlando, FL 32801	American Pioneer Savings Bank		4,675.11
Jim Wise Associates, 1707 Duke St., #300 Alexandria, VA 22314	National Assn of Credit Management	11,500.00	908.00
Marcia A. Wiss, 1215 I7th Street, NW Washington, DC 20036	Canned and Cooked Meat Importers Association	5,107.00	52.90
Robert V. Witeck, The Power House 3255 Grace Street, NW Washington, DC 20007	Hill & Knowlton (For:Republic of Turkey)	210.00	
Lyn M. Withey, 1620 Eye Street, NW, #700 Washington, DC 20006	International Paper Co	5,625.00	59.00
Cynthia D. Witkin, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	3,000.00	500.00
Hope R. Wittenberg, 1101 Vermont Ave., NW, #604 Washington, DC 20005	College of American Pathologists	7,500.00	274.21
Judith A. Wittig, 1213 Jefferson Davis Hwy., #1414 Arlington, VA 22202	Defense Products Marketing, Inc		
Richard J. Wittig, 1213 Jefferson Davis Highway, #1414 Arlington, VA 22202	Defense Products Marketing, Inc	1,000.00	118.00
Clara D Wittler, #A151937-Box 351 P.O. Box 8540 Broward Correctional Institution Pembroke Pines, FL 33024			
Marshall Wittmann, 1533 New Hampshire Ave., NW Washington, DC 20036	National Assn of Retired Federal Employees	6,028.00	
Sandra W. Wobbe, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	2,832.00	
James E. Wolf, 2020 14th St., North Arlington, VA 22201	American Standard, Inc	3,000.00	
Wolf Block Schorr & Solis-Cohen, 12th Floor Packard Building 15th & Chestnut Streets Philadelphia, PA 19102	CIGNA Corporation		
Do	Revlon Group, Inc	2,000.00	3,701.00
Do	SmithKline Beckman, Inc		
Sidney M. Wolfe, 2000 P St., NW, #708 Washington, DC 20036	Public Citizen Health Research Group		
Melissa A. Wolford, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	(For:American Insurance Assn)	117.00	
Ronald Wolsey, 1615 M Street, #200 Washington, DC 20036	Amoco Corporation	1,200.00	94.64
Christopher C. Womack, 600 North 18th Street Birmingham, AL 35291	Alabama Power Company	8,542.83	5,323.87
Don Womack, Suite 303 1825 K St., NW Washington, DC 20006	Texas Utilities Services, Inc	3,375.00	116.35
Linda Womack, 2100 E. Exchange Place Tucker, GA 30085-1349	Oglethorpe Power Corp	5,333.60	2,956.90
Burton C. Wood, 1125 15th St., NW Washington, DC 20005	Mortgage Bankers Assn of America	19,875.00	3,522.00
S. Roy Woodall Jr., 1455 Pennsylvania Ave., NW, #1250 Washington, DC 20005	National Assn of Life Companies	1,500.00	27.00
G. Kent Woodman, 1818 N Street, NW, #700 Washington, DC 20036	Eckert Seamans Cherin & Mellott (For:Metropolitan Transportation Authority)		
Do	Baskin & Steingut, P.c. (For:Norfolk Southern Corp)		
Irvin M. Woods, 4601 N Fairfax Drive, #720 Arlington, VA 22203	Maule Air, Inc		1,212.50
Cynthia Woodside, 701 N. Fairfax Street Alexandria, VA 22314-2045	(For:United Way of America)	4,282.68	8.20
Michele T. Woodward, 5584 Lee Highway Arlington, VA 22207	Communications Satellite Corp (COMSAT)	1,500.00	155.51
Robert W. Woody, 1333 New Hampshire Ave, NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae		
Perry W. Woofter, Suite 530 1800 K St. NW Washington, DC 20006	Tesoro Petroleum Corp	3,000.00	
Edward A. Woolley, Bedford Consultants Building P.O. Box 605 Bedford, NY 10506	Institute of International Container Lessors		
Howard E. Woolley, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	4,300.00	906.01
Linda Anzalone Woolley, 1600 M St., NW Washington, DC 20036	International Telephone & Telegraph Corporation	6,000.00	100.00
Noel C. Woosley, 4647 Forbes Boulevard Lanham, MD 20706	AMVETS	6,800.00	
Willard A. Workman, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
Worldwide Information Resources, Ltd, 1717 K Street, NW, #706 Washington, DC 20006	Avon Products, Inc		
Do	Equitable Life Assurance Society of the U.S.		
Do	Toshiba America, Inc		
Do	Toyota Motor Sales, USA, Inc		
W. Robert Worley, 190 St.Clair Drive St. Simmons Island, GA 31522	Southern Company Services, Inc	2,060.00	1,362.00
Worthington Associates, 2132 Southbay Lane Reston, VA 22091	HRM		
David L. Wray, 20 North Wacker Drive Chicago, IL 60606	Profit Sharing Council of America		
Andrew S. Wright, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	362.50	100.00
David L. Wright, Anderson Hill Rd. Purchase, NY 10577	Pepsico, Inc		933.84
Wunder Ryan Cannon & Thelen, 1615 L St., NW, #650 Washington, DC 20036	Airship Industries, Ltd	10,000.00	
Do	Alliance of American Insurers		
Do	American International Group, Inc		
Do	Association of American Railroads	833.50	26.39
Do	BellSouth Corp		
Do	Bond International Gold	375.00	42.05
Do	Business Council on Indoor Air		
Do	Dominion Resources		
Do	Dresser Industries		
Do	Environmmental Air Control, Inc	937.34	
Do	Falcon Safety Products	123.63	5.35
Do	Ford Motor Co		
Do	General Aviation Manufacturers Association		
Do	Georgia-Pacific Corp		
Do	Grocery Manufacturers of America, Inc	1,146.25	63.14
Do	GTE Corporation	9,000.00	179.48
Do	Hook-SupeRx, Inc		
Do	HDTV 1125/60 Group	2,000.00	54.80
Do	Interlocking Directorate Reform Coalition	1,013.60	43.68
Do	Investment Company Institute	500.00	15.07
Do	ITT Corporation		
Do	Kohlberg Kravis Roberts & Co.	4,638.13	663.72
Do	Manville Corporation	954.00	6.02
Do	Metropolitan Insurance Co	4,000.00	109.26
Do	Mutual Life Insurance Co Tax Committee		
Do	Mylan Laboratories, Inc	7,425.00	1,284.88
Do	National Cable Television Assn, Inc	625.00	4.80
Do	North American Phillips Corp	3,584.25	117.98
Do	Northwestern Mutual Life Insurance Co		
Do	NEC Home Electronics (USA) Inc		
Do	NYNEX Corp		
Do	Pfizer, Inc	798.25	10.94
Do	Philip Morris Management Corp	1,500.00	145.01
Do	Polaris Industries		
Do	Product Liability Coordinating Committee	4,500.00	145.26
Do	Rohm & Haas		
Do	Shared Medical Systems (SMS)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Sony Corp of America	7,367.50	211.33
Do	Squibb Corp		
Do	Thomson Consumer Electronics		
Do	U.S. Telephone Assn	8,800.00	1,045.00
Do	Wheelabrator Technologies		
Thomas L. Wylie, 555 13th St., NW, #1010 East Washington, DC 20004-1109	Sun Co, Inc	1,519.00	72.40
Wyman Bautzer Kuchel & Silbert, 1919 Pennsylvania Avenue, NW, #800 Washington, DC 20006	American Boiler Manufacturers Assn, Inc		
Do	Eklutna, Inc		
David S. Wynett, 1629 K Street, NW, #501 Washington, DC 20006	Delta Air Lines, Inc	110.00	80.00
Marc D. Yacker, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc	800.00	
Deborah K. Yamada, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co		
T. Albert Yamada, Suite 520 900 17th St., NW Washington, DC 20006	Toyota Motor Sales USA, Inc	500.00	
Do	West Mexico Vegetable Distributors Assn	500.00	
Nancy Foster Yanish, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	400.00	
Yankee Gas Services Company, 999 West Street Rocky Hill, CT 06067-4002			1,383.73
Mary J. Yarrington, 2000 K St., NW, 8th Foor Washington, DC 20006	National Comm to Preserve Social Security	3,198.00	
Edward R. Yawn, 1111 19th St., NW Washington, DC 20036-3691	Edison Electric Institute	1,358.02	180.02
Kim Yelton, 8120 Fenton St. Silver Spring, MD 20910	Americans United for Separation of Church and State	9,678.74	196.58
Jack Yelverton, 1303 New Hampshire Ave., NW Washington, DC 20036	Fleet Reserve Assn		
Edward L. Yingling, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	6,000.00	136.85
Larry E. Yoakam, 650 S. Front Street Columbus, OH 43206	Grange Mutual Casualty Co		
John S. Yodice, 500 E Street, SW, #930 Washington, DC 20024	Yodice Associates (For:Aircraft Owners & Pilots Assn)	467.10	
D. Scott Yohe, 1629 K St., NW, #501 Washington, DC 20006	Delta Air Lines, Inc	390.00	167.40
Andrew Yood, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
Robert A. Young, 12248 Turkey Creek Ct. Maryland Heights, MO 63043	Brown & Associates	1,500.00	
Do	United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry	1,500.00	
Thomas F. Youngblood, 1201 New York Ave, NW, #600 Washington, DC 20005	American Hotel & Motel Assn	1,952.00	
Betsy Younkins, 1220 L Street, NW, #1200 Washington, DC 20005	American Petroleum Institute	8,000.00	278.27
Eugene A. Yourch, 50 Broadway New York, NY 10004	Federation of American Controlled Shipping	200.00	
Elizabeth Ysla, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn		
David E. Yudin, 1225 Eye Street NW, #300 Washington, DC 20005	Bus Transit Caucus		
Do	Regional Transportation District	1,830.00	78.00
Michael Zagorac Jr., 8333 Bryan Dairy Rd. P.O. Box 4689 Clearwater, FL 33518	Jack Eckerd Corp		
Edward R. Zajonc, 16461 Chapin Way Lake Oswego, OR 97034	Tonkon Torp Galen Marmaduke & Booth		
Paulette Zakrzeski, 1110 Vermont Ave., NW, #430 Washington, DC 20005	National Cotton Council of America	13,750.00	767.38
Albert C. Zapanta, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Company (ARCO)		
John S. Zapp, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	4,900.00	
Thomas K. Zaucha, 1825 Samuel Morse Drive Reston, VA 22090	National Grocers Assn	500.00	
Leo C. Zeferetti, 9912 Fort Hamilton Parkway Brooklyn, NY 11209	Building & Construction Trades Dept, AFL-CIO		
Do	New York Telephone		
Do	Sikorsky Aircraft		
Denis R. Zegar, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Geoffrey Zeh, 12050 Woodward Avenue Detroit, MI 48203-3596	Brotherhood of Maintenance of Way Employes		
Eugene J. Zeiszler, 7901 Westpark Drive McLean, VA 22102	NMTBA	1,200.00	250.00
Don J. Zeller, 1615 M Street, NW, #200 Washington, DC 20036	Amoco Corporation	1,850.00	338.03
Ronald L. Ziegler, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	1,000.00	
Arlene Zielke, 3724 West 107th Street Chicago, IL 60655	National Congress of Parents and Teachers		
Judith Ziewacz, 1840 Wilson Boulevard Arlington, VA 22201	National Milk Producers Federation	2,816.00	
Fred Everett Zillinger II, 501 Second Street, NE Washington, DC 20002	Fertilizer Insititue		45.55
John H. Zimmerman, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	1,250.00	
Kathleen Zimmerman, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	146.14	
Ziontz Chestnut Varnell Berley & Slonim, 2121 Fourth Avenue, #1230 Seattle, WA 98121	Makah Indian Tribe		
Zuckert Scoutt & Rasenberger, 888 17th St., NW, #600 Washington, DC 20006-3959	Advance Petroleum, Inc	12,250.00	12,919.05
Do	National Comm of Cities & States for Airline Service	3,916.20	849.40
Admiral Zumwalt & Consultants, Inc, 1500 Wilson Boulevard Arlington, VA 22209	Robert E. Derecktor of Rhode Island, Inc		
Zurich-American Insurance Co, 800 North Plaza Drive Schaumburg, IL 60196			
Charles O. Zuver, 805 15th St., NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	379.50
Murray Zweben, 1140 19th St., NW, #600 Washington, DC 20036	New Hampshire Yankee		2,000.00
Do	Sanford Weiner		
Kurt D. Zwikl, 2024 Lehigh Street Allentown, PA 18103	Merchants Bank		
23rd Congressional District Action Comm, 575 Charles St. St. Marys, PA 15857			

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the second calendar quarter of 1989 were received too late to be included in the published reports for that quarter:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data, and Page 2 deals with financial data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . .

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

IDENTIFICATION NUMBER

Is this an Amendment? ☐ YES ☐ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee".*—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer".*—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."

STATEMENT OF VERIFICATION

[Omitted in printing]

NOTE on ITEM "D."—*(a)* IN GENERAL. The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In general.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $.....Dues and assessments
2. $.....Gifts of money or anything of value
3. $.....Printed or duplicated matter received as a gift
4. $.....Receipts from sale of printed or duplicated matter
5. $.....Received for services (e.g., salary, fee, etc.)
6. $.....TOTAL for this Quarter (Add "1" through "5")
7. $.....Received during previous Quarters of calendar year
8. $.....TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . *loan* . . ."—§ 302(a).

9. $.....TOTAL now owed to others on account of loans
10. $.....Borrowed from others during this Quarter
11. $.....Repaid to others during this Quarter

12. $......"Expense Money" and Reimbursements received this Quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": .....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("*Period*" from Jan. 1 through....., 19.....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—*(a)* IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302 (b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) IN CONNECTION WITH LEGISLATIVE INTERESTS:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the spaces following the number.

Expenditures (other than loans)

1. $.....Public relations and advertising services
2. $.....Wages, salaries, fees, commissions (other than Item "1")
3. $.....Gifts or contributions made during Quarter
4. $.....Printed or duplicated matter, including distribution cost
5. $.....Office overhead (rent, supplies, utilities, etc.)
6. $.....Telephone and telegraph
7. $.....Travel, food, lodging, and entertainment
8. $.....All other expenditures
9. $.....TOTAL for this Quarter (Add "1" through "8")
10. $.....Expended during previous Quarters of calendar year
11. $.....TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . *loan* . . ."—§ 302 (b).

12. $.....TOTAL now owed to person filing
13. $.....Lent to others during this Quarter
14. $.....Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More*_____

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
A-K Associates, Inc, 1024 10th Street, #300 Sacramento, CA 95814	Golden Gate Bridge Highway & Transportation District	6,300.00	4,720.54
Do	Reclamation District 1000		220.54
Do	Tobacco Institute	28,575.00	13,720.54
Leanne J. Abdnor, 2000 Pennsylvania Avenue, NW, #3580 Washington, DC 20006	Koch Industries	3,000.00	2,122.65
Ablondi & Foster, P.C., 2100 Pennsylvania Ave. NW Washington, DC 20037	Rhone-Poulenc, Inc		
Do	Taiwan Textile Federation		
Adams Quackenbush Herring & Stuart, P.O. Box 394 Columbia, SC 29202	Empire of America		84.50
Marsha Nye Adler, 2000 M Street, NW, #400 Washington, DC 20036	People for the American Way	4,678.50	
Donald R. Aikens, 1050 Thomas Jefferson Str., NW, 6th Fl. Washington, DC 20007	Leonard & Ralston (For:Krueger, Inc)	8,225.25	
Air Transport Assn of America, 1709 New York Ave., NW Washington, DC 20006		107,528.46	107,528.46
Kenneth B. Allen, 555 New Jersey Ave., NW, #800 Washington, DC 20001	Information Industry Assn	7,500.00	
Marjorie D. Allen, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	8,776.26	728.47
Laura L. Allendorf, 1101 Vermont Avenue, NW Washington, DC 20005	American Society of Internal Medicine		327.77
Alliance Against Handguns, P.O. Box 75700 Washington, DC 20013			
Thomas H. Altmeyer, 1130 17th St., NW Washington, DC 20036	National Coal Assn	11,500.00	171.50
Robert P. Ambrose, 14615 Lone Oak Road Eden Prairie, MN 55344	Cooperative Power Association	5,000.00	1,171.47
American Assn of Airport Executives, 4212 King Street Alexandria, VA 22302			16,326.00
American Assn of Exporters & Importers, 11 West 42nd Street, 30th Fl. New York, NY 10036			
American Assn of Museums, 1225 Eye Street, NW, #200 Washington, DC 20005		33,290.00	12,554.07
American Fed of State County & Municipal Employees, 1625 L St., NW Washington, DC 20036			101,378.84
American Gas Assn, 1515 Wilson Boulevard Arlington, VA 22209		33,151.00	33,151.00
American Hospital Assn, 50 F Street NW, # 1100 Washington, DC 20001		193,994.53	193,994.53
American Humane Association, 9725 East Hampden Denver, CO 80231		41,192.00	21,527.00
American Subcontractors Assn, 1004 Duke St. Alexandria, VA 22314			3,850.00
Americans for the National Voter Initiative Amendment, 3115 N St., NW Washington, DC 20007			
Bette B. Anderson, 1030 15th St., NW, #700 Washington, DC 20036	Anderson Benjamin Read & Haney (For:SICPA Industries of America, Inc)		
Do	KCI (For:SICPA Industries of America, Inc)		
Do	Anderson Benjamin Read & Haney (For:U.S. Banknote Corp)		
James A. Anderson Jr., 1725 K Street, NW, #710 Washington, DC 20006	National Assn of Wholesaler-Distributors		
Scott G. Anderson, 50 F St., NW, #1080 Washington, DC 20001	Burlington Northern Railroad Company	1,900.00	451.56
Anderson Hibey Nauheim & Blair, 1708 New Hampshire Ave., NW Washington, DC 20009	Alamo Rent-A-Car, Inc	4,010.00	295.69
Do	Amerop Sugar Corporation		
Do	Bay Area Rapid Transit District		
Do	Communication Industries Assn of Japan	4,298.50	145.25
Do	Eco Corporation		
Do	Steven Eggers		
Do	Electronic Industry Assn of Japan	13,120.00	370.75
Do	Enterprise Leasing Co	4,010.00	231.70
Do	Institute for Financial & Fiscal Studies		
Do	Japan Machine Tool Builders Assn	306.00	10.20
Do	Navajo Nation	35,191.00	9.52
Do	Project Orbis, Inc	472.00	57.50
David R. Andrews, Three Embarcadero Center San Francisco, CA 94111	McCutchen Doyle Brown & Enersen (For:Castle & Cooke, Inc)		
Do	McCutchen Doyle Brown & Enersen (For:Rohr Industries, Inc)		
Do	McCutchen Doyle Brown & Enersen (For:Sterling Drug, Inc)		
Andrews & Kurth, 1701 Pennsylvania Avenue, NW, #200 Washington, DC 20006	Secondary Lead Smelters Assn, Inc	3,123.64	3,123.64
Thomas D. Anthony, 2500 Central Trust Center 201 E. Fifth Street Cincinnati, OH 45202	Comprehensive Medical Imaging of Kentucky, Inc	135.00	
Do	Benesch Friedlander Coplan & Aronoff (For:Comprehensive Medical Imaging, Inc)	135.00	
Do	Louisville Imaging Services, Inc	135.00	
Do	Western Hills Imaging Center, Inc	135.00	
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339	Toshiba America, Inc	57,094.46	1,617.66
Do	Toshiba International Corp		
Tertia R. Armstrong, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	28.00	
Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036	National Coordinating Comm for Multiemployer Plans	15,313.00	716.00
Asian Pacific Economic Educational Cultural Organization, P.O. Box 891 Manila, Philippine			
Asphalt Roofing Manufacturers Association, 6288 Montrose Road Rockville, MD 20852			
Associated Builders & Contractors, Inc, 729 15th St., NW Washington, DC 20005		17,500.00	
ADAPSO - The Computer Software & Services Industry Assn, 1300 North 17th Street, #300 Arlington, VA 22209			146.23
AFL-CIO Maritime Committee, 444 North Capitol Street, #820 Washington, DC 20001		5,825.00	7,103.10
APCO Associates, 1155 21st Street, NW, #1000 Washington, DC 20036	J.P. Altmayer		15.40
Do	Asocolflores		
Do	Canadian Meat Council		
Do	City Utilities of Springfield		5.97
Do	Ferroalloy Association		
Do	Heart of America Northwest		
Do	Honeywell, Inc		
Do	Japan Fair Trade Center		
Do	Philip Morris Management Corp		
Do	Profilo Holding A.S.		6.00
Do	Province of Manitoba		
Do	Recording Industry Assn of America		
Do	Sacramento Municipal Utility District	562.50	3.00
Do	Tulane University		
Dale R. Babione, 1700 N. Moore St. Rosslyn, VA 22209	Boeing Company	507.00	7.00
Gregory R. Babyak, 1747 Pennsylvania Ave., NW Washington, DC 20006	Contact Lens Institute		
Do	Municipal Finance Industry Assn		
Do	John Nuveen & Co, Inc		
Do	Securities Industry Assn		
Victor Bach, 105 East 22nd Street New York, NY 10010	Community Service Society	539.10	263.00
George F. Bailey Jr., P.O. Box 21 Montgomery, AL 36101	CSX Transportation		
Edward R. Bajer, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	587.50	
Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	American Protestant Health Assn	29,007.00	262.56
Do	American Resort & Residential Development Assn	5,000.00	5,000.00
Do	Biotechnology General, Inc		
Do	Chubb Group of Insurance Cos	500.00	500.00
Do	Cleveland Clinic Foundation	12,904.71	1,914.98
Do	Committee on Problems of Drug Dependence (CPDD)	2,013.82	660.25
Do	Continental Insurance Co	500.00	500.00
Do	CIGNA Corp	500.00	500.00
Do	CNA Insurance Cos	500.00	500.00
Do	Edison Electric Institute	2,000.00	2,000.00
Do	Elyria Memorial Hospital & Medical Center	1,430.00	481.26
Do	Federal Deposit Insurance Corp	5,000.00	5,000.00
Do	Firemans Fund	500.00	500.00
Do	Greater New York Hospital Assn	5,436.20	340.81
Do	Hartford Insurance Group	500.00	500.00
Do	Hermann Hospital	4,800.00	351.22
Do	Hospital Insurance Forum	6,833.64	10.00
Do	Hyatt Corp		
Do	INVACARE Corporation		367.10
Do	Life Gift Organ Donor Center		22.56
Do	Lorain Community Hospital	1,430.00	433.85
Do	Missouri Baptist Hospital		
Do	National Assn of Insurance Brokers	500.00	500.00
Do	National Assn of Nuclear Pharmacies	8,072.50	
Do	National Assn of Professional Insurance Agents	500.00	500.00
Do	North American Co	500.00	500.00
Do	Organ Recovery Systems	2,416.33	11.86
Do	Renal Physicians of Texas	5,296.29	
Do	St Joseph Hospital & Health Center	1,430.00	428.01
Do	St. Paul Fire & Marine	500.00	500.00
Do	Travelers Insurance Co	500.00	500.00
Do	U.S. Fidelity & Guaranty Corp	500.00	500.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	United Methodist Assn of Health & Welfare Ministries	74.05	
Do	West Point Pepperell, Inc		
Patricia A. Baldi, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society	1,000.00	950.00
Donald Baldwin, 1140 Connecticut Ave., NW, #804 Washington, DC 20036	Diagnostic/Retrieval Systems, Inc		
Do	Federal Criminal Investigators Assn		
Do	Law Enforcement Assistance Foundation		
Do	Mack Trucks, Inc		
Do	National Commission Against Drunk Driving		
Michael Baly III, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	7,500.00	582.48
M. Graeme Bannerman, 888 16th St., NW Washington, DC 20006	Bannerman and Associates, Inc (For:Beirut University College)	1,000.00	
Do	Bannerman & Associates, Inc (For:Government of Bangladesh)	3,000.00	75.00
Do	Bannerman and Associates, Inc (For:Government of Tunisia)	3,000.00	25.00
Do	Bannerman & Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines)).	5,000.00	405.57
Robert D. Bannister, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Baraff Koerner Olender & Hochberg, P.C., 2033 M Street, NW, #203 Washington, DC 20036	College Football Association	700.00	
Do	National Assn of Collegiate Directors of Athletics		
Do	National Basketball Assn	1,135.00	
Jim Barnes, 218 D St., SE Washington, DC 20003	Environmental Policy Institute		
Barnes Richardson & Colburn, 1819 H St., NW, #400 Washington, DC 20006	American Association of Fastener Importers	4,450.00	855.84
Do	American Int'l Knitters Corp		
Do	Florida Citrus Mutual		75.00
Do	Magid Glove & Safety Mfg Co		
Do	Miles, Inc		600.27
Do	Sundstrand Corp	2,665.00	324.42
Do	Uniroyal Chemical Co, Inc		
Larry P. Barnett, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	13,709.90	
Dave Barrows & Associates, 1201 SW, 12th Avenue, #200 Portland, OR 97205	Madison Public Affairs Group, Inc (for Philip Morris USA)	12,000.00	12,000.00
Doyle C. Bartlett, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors	2,625.00	1,890.00
Kristin Bass, 1250 Connecticut Ave., NW, #600 Washington, DC 20036	Government Research Corp		
Anthony R. Battista, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Defense Technology Corp	500.00	50.00
John L. Bauer Jr., 1667 K St., NW, #650 Washington, DC 20006	Armco, Inc	2,300.00	1,170.16
Barbara F. Beatty, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Stacey Beckhardt, 1522 K Street, NW, #836 Washington, DC 20005	Consortium of Social Science Assn	875.00	14.60
Beer Drinkers of America, 150 Paularino Avenue, #190 Costa Mesa, CA 92626			
Robert R. Belair, 1800 M Street, NW South Lobby, 9th Floor Washington, DC 20036	Kirkpatrick & Lockhart (For:National Institute for Citizen Education in the Law)	6,170.00	1,228.01
R. Steve Bell, 444 North Capitol Street, NW #845 Washington, DC 20001	National Air Traffic Controllers Assn		
Benito Advertising, Inc, 600 N. Westshore Blvd., #1100 Tampa, FL 33609	Madison Public Affairs Group, Inc (for Philip Morris, USA)		
Daniel J. Bennet, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Alan R. Bennett, 1714 Massachusetts Ave., NW Washington, DC 20036	Fox Weinberg & Bennett (For:Bristol-Myers Co)		
Do	Fox Weinberg & Bennett (For:Hoffmann La Roche, Inc)		
George L. Berg Jr., 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	6,563.00	115.75
Edwin M. Bergsmark, 4544 Crossfields Road Toledo, OH 43623	Trustcorp, Inc		
Ellen Berman, 2000 L St., NW, #802 Washington, DC 20036	Consumer Energy Council of America		
Mary E. Bernhard, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S	81.00	
Charles Bernhardt, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees	70.11	
Robert E. Berry, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	1,950.00	168.84
Gerald M. Bestler, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	BMC Industries, Inc	410.00	799.65
Sheldon D. Beychok, P.O. Box 2924 Baton Rouge, LA 70821	American Waste & Pollution Control Co		
Gregory J. Bien, 714 Capitol Federal Building Topeka, KS 66603	Slone Listrom Eisesnbarth Sloan & Glassman (For:Kansas Bankers Surety)		
Bishop Cook Purcell & Reynolds, 1400 L Street, NW, #1000 Washington, DC 20005-3502	American Honey Producers Assn	2,307.00	381.72
Do	American Rice, Inc	1,843.75	221.22
Do	Baxter Healthcare Corp		
Do	Compaq Computer Corp	1,620.00	
Do	CNA Insurance Co of Chicago, Illinois	900.00	
Do	CSR, Ltd	8,298.75	507.37
Do	IBP, Inc		
Do	Mississippi Department of Economic Development	23,614.00	1,385.00
Do	Texaco, Inc	1,200.00	
Do	Texas Gas Transmission Corp	833.31	
Do	U.S. Rice Producers' Legislative Group	13,140.00	1,305.80
Black Crotty Sims Hubka Burnett & Samuels, 501 North Grandview Ave. P.O. Box 5488 Daytona Beach, FL 32018	Aetna Life Insurance Company		
Do	Security First Federal Savings & Loan Assn		
Roger Blacklow, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	9,000.44	456.33
Brent Blackwelder, 218 D St., SE Washington, DC 20003	Environmental Policy Institute	231.78	
Bev D. Blackwood, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation		
Beatrice K. Bleicher, 1200 18th St. NW Washington, DC 20036	Owens-Illinois, Inc	5,600.00	150.00
Jim Blomquist, 408 C Street, NE Washington, DC 20002	Sierra Club	8,151.88	
Anne Bloom, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	5,250.00	
Alice Bodley, 1016 16th Street, NW Washington, DC 20036	National Federation of Federal Employees		
Michael J. Bolen, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Edward N. Bond, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	2,950.00	135.00
Bond Donatelli, Inc, 211 North Union Street, #210 Alexandria, VA 22314	Akin Gump Strauss... (MacAndrews & Forbes Holdings, Inc)	8,000.00	
Do	FMC Corporation		
Do	Yin Choy Oen	3,200.00	42.45
Do	Republic of Panama (Govt of President Eric Arturo Devalle)	2,700.00	
Do	Tuscaloosa Steel Corp		
Do	US Sprint	13,500.00	
Michael V. Bonner, 1010 Vermont Ave., NW, #1120 Washington, DC 20005			
Richard H. Bornemann, 10 Fourth Street, SE Washington, DC 20003	United Illuminating Co	3,500.00	778.91
Laurence D. Bory, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	2,681.25	
Ken Bossong, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	3,120.00	
Josh Bowers, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
Barbara Bramble, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	1,119.23	
Peter E. Brereton, 900 Euclid Avenue P.O. Box 5937 Cleveland, OH 44107	Ameritrust Co, Nat'l Assn		
Larry K. Brewer, 1235 Jefferson Davis Highway Arlington, VA 22202	Emerson Electric Co		582.62
Bradly A. Broadwell, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	2,000.00	
Nancy B. Broff, 618 D Street, SE Washington, DC 20003	National Abortion Rights Action League	4,611.15	
Brook Associates, Inc, 1620 Eye Street, NW, #716 Washington, DC 20006	Northern Textile Assn	8,268.00	8,268.00
Donald K. Brown, 1121 L St., #810 Sacramento, CA 95814	Crowley Maritime Corp		
Do	Summa Corporation		
Brown Coates & McCarthy Inc, 1825 K Street, NW, #807 Washington, DC 20036	Avco Research Lab, Inc	1,000.00	
Do	Royal Teton Ranch	500.00	
Brownstein Hyatt Farber & Madden, 410 17th Street, 22nd Floor Denver, CO 80202	Columbia Savings & Loan Assn		
Brownstein Zeidman & Schomer, 1401 New York Ave., NW, #900 Washington, DC 20005	New York City Housing Development Corp	11,922.15	
Do	New York State Mortgage Loan Enforcement & Admin Corp	17,181.50	
John Buchanan, 2000 M Street, NW, #400 Washington, DC 20036	People for the American Way Action Fund	3,750.00	
Thomas J. Bulger, Government Relations, Inc 1620 Eye Street, NW, #300 Washington, DC 20006	County of Fairfax	28,000.00	7,034.20
Do	Metropolitan Transportation Commission	26,749.98	14,068.41
Do	Oakland County	7,508.00	7,034.20
Linda Knell Bumbalo, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	7,530.00	495.00
William J. Burhop, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	12,024.11	
Diane B. Burke, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	11,815.26	401.80
J. J. Burke Jr., 40 E. Broadway Butte, MT 59701	Montana Power Co		47.41
Larry D. Burton, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc	4,400.00	415.04
James J. Butera, 4901 Quebec Street, NW Washington, DC 20016	Albany Savings Bank	3,000.00	400.00
Do	Community Federal Savings & Loan Assn		280.00
Do	Dime Savings Bank of New York	4,500.00	250.00
Do	Federal Home Loan Bank of Boston	6,000.00	700.00
Do	Federal Home Loan Bank of New York	6,000.00	700.00
Do	Lake Sunapee Savings Bank	3,000.00	400.00
Do	Mid Maine Saving Bank	3,000.00	400.00
Do	Municipal Savings Bank		250.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	New Jersey Council of Savings Institutions	3,000.00	100.00
Do	People's Bank		250.00
Do	Poughkeepsie Savings Bank	3,000.00	400.00
Do	River Bank America	11,000.00	200.00
Do	Rochester Community Savings Bank	2,500.00	200.00
Do	Savings Bank of the Finger Lakes	3,000.00	400.00
Do	Savings Banks Assn of New York	6,000.00	800.00
Do	Security Savings & Loan	4,500.00	75.00
Do	Wilmington Savings Fund Society	10,000.00	250.00
BP America, Inc, 1776 Eye Street, NW Suite l000 Washington, DC 20006			99,660.18
BZS Capitol Strategies, LP, 1401 New York Ave., NW, #900 Washington, DC 20005	Commuter Transportation Services, Inc	3,500.00	
Do	National Multi Housing Council	9,000.00	
Do	NY City Housing Development Corp	15,000.00	
Do	NY State Mortgage Loan Enforcement and Admin. Corp		
Do	Related Companies	6,000.00	
Do	Sentinel Holdings Inc	2,000.00	
John D. Cahill, 1310 19th St., NW Lower Level Washington, DC 20036	Massachusetts Bay Transportation Authority		
Do	Massachusetts Port Authority		
Do	Massachusetts Water Resources Authority		
Tony Calandro, 2251 Wisconsin Ave., NW Washington, DC 20007	National Assn of Trade & Technical Schools	1,750.00	
James D. Calaway, 711 West Bay Area Blvd., #320 Webster, TX 77598-4001	Space Industries, Inc		
Campaign for U.N. Reform-Political Education Committee, 418 7th St., S.E. Washington, DC 20003		9,811.84	12,072.18
Anne D. Campbell, 3050 K Street, NW, #330 Washington, DC 20007	Campbell Falk & Selby (For:Commonwealth of Puerto Rico)	13,000.00	
Campbell Falk & Selby, 3050 K Street, NW, #330 Washington, DC 20007	Commonwealth of Puerto Rico	35,000.00	
Robert P. Canavan, 701 N Fairfax Street Alexandria, VA 22314-7807	United Way of America		
Sharon M. Canavan, 1125 15th St., NW Washington, DC 20005	Mortgage Bankers Assn of America	10,950.00	813.00
Candlelighters, 123 C St., SE Washington, DC 20003		100.00	
William F. Canis, 1730 Pennsylvania Avenue, NW, #750 Washington, DC 20006	Caterpillar, Inc	5,000.00	528.62
William Carney, 217 3rd St., SE Washington, DC 20003	American Nuclear Energy Council	5,000.00	
Do	Clare Rose, Inc		
Do	Edison Electric Institute		
Do	Lipsen Hamberger & Whitten	18,000.00	
Do	Lipsen, Whitten & Diamond (for Vickers Ship Building Ltd)		
Mary Carroll, 555 West 57th Street New York, NY 10019	Greater New York Hospital Assn	531.00	26.00
Melanie Carter-Maguire, 600 Maryland Ave., SW, #607 Washington, DC 20024	Northern Telecom, Inc		1,425.00
Susan B. Carver, 1130 17th Street, NW Washington, DC 20036	National Coal Assn	1,375.00	1,048.92
Marwin S. Cassel, 175 Northwest First Ave., #2000 Court House Center Miami, FL 33128-9965	Broad and Cassel (For:U.S. Strategies Corp (for: Cancer Treatment Holdings, Inc))	3,669.67	
William E. Casselman II, 1800 M Street, NW, #300-South Washington, DC 20036	Popham Haik Schnobrich & Kaufman, Ltd (For:Ova Noss Family Partnership)	1,500.00	
Cassidy and Associates, Inc, 655 15th St., NW, #1100 Washington, DC 20005	Emerson College	75.00	
Do	Enid Joint Industrial Foundation		
Do	Kohler, Co		
Do	Medical College of Ohio, Toledo	300.00	
Do	O'Connell Development Corp		
Do	United Hospital, Inc		
Do	University of Alabama in Huntsville		
Do	West Virginia University	125.00	
Ann Casso, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects		
Mark A. Casso, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	912.50	
Rita L. Castle, 100 NE Adams Street Peoria, IL 61629	Caterpillar, Inc	2,500.00	2,295.60
G. Thomas Cator, 1050 17th Street, NW Washington, DC 20036	Neece Cator & Associates (For:National Assn of Development Companies)	2,000.00	1,400.00
Do	Neece Cator & Associates, Inc (For:Southeastern Lumber Manufacturers Assn)	1,975.00	1,975.00
Center for Law and Education, Inc, Larsen Hall, 6th Floor 14 Appian Way Cambridge, MA 02138		830.86	4,428.76
Michael D. Chapman, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,507.96
John H. Chettle, 1050 Connecticut Ave., NW, #825 Washington, DC 20036	Chamber of Mines of South Africa	10,000.00	81,875.00
Do	Universal Frutrade Co-operative, Ltd	12,000.00	300.00
James F. Clark, P.O. Box 2120 Juneau, AK 99802-1211	Alaska Loggers Assn	1,500.00	
Julie Clark, 1625 K St., NW, #800 Washington, DC 20006	National Legal Aid & Defenders Assn	11,387.00	175.53
Michael S. Clark, 218 D St., SE Washington, DC 20003	Environmental Policy Institute		
Joan Claybrook, 2000 P Street, NW, #605 Washington, DC 20036	Public Citizen, Inc	1,000.00	
Guy Clough, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	14,432.24	
Coalition to Oppose Energy Taxes, 1100 15th St., NW, #1200 Washington, DC 20005		60,000.00	556.53
Coalition to Promote America's Trade, c/o Steptoe & Johnson 1330 Connecticut Avenue, NW Washington, DC 20036			
Coastal Corporation, Nine Greenway Place Houston, TX 77046-0559			
Ellen M. Cohen, 236 Massachusetts Ave., NE, #608 Washington, DC 20002	Neighbor to Neighbor Action Fund	5,266.00	
Harriet Cohen, 105 East 22nd Street New York, NY 10010	Community Service Society	31.02	
Jacqueline Abelman Cohen, 1199 N. Fairfax St., #701 Alexandria, VA 22314	National Assn of Tobacco Distributors	2,500.00	
Timothy R. Cole, 1925 North Lynn Street, #308 Arlington, VA 22209	Sparkman & Cole, Inc (For:Air Transport Association of America)	1,125.00	
Do	Sparkman & Cole (For:Delta Air Lines, Inc)	4,500.00	
Do	Sparkman & Cole, Inc (For:National Business Aircraft Assn)	1,125.00	
Do	Sparkman & Cole, Inc (For:Regional Airport Authority of Louisville, KY)	1,125.00	
Collier Shannon & Scott, 1055 Thomas Jefferson St., NW, #306 Washington, DC 20007	Leather Industries of America	480.00	480.00
Do	National Coalition of Fresh Potato Processors		
Paul Edward Michael Collin, 4521 Campus Drive, #191 Irvine, CA 92713			
Eileen M. Collins, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	7,669.35	
William P. Collins, 5055 Seminary Road Alexandria, VA 22311	Southern Company Services, Inc	1,000.00	
Dominique Colon, 2000 L Street, NW, #200 Washington, DC 20036	Medtronic, Inc		17.10
Kent W. Colton, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Tim Colton, 600 New Hampshire Ave., NW, #1020 Washington, DC 20037-2403	Colton and Company		
Community Nutrition Institute, 2001 S St., NW, #530 Washington, DC 20009			
Community Service Society, 105 East 22nd Street New York, NY 10010			1,226.92
Concerned Women for America, 370 L'Enfant Promenade, SW, #800 Washington, DC 20024		39,172.29	39,172.29
Conference of State Bank Supervisors, 1015 18th St., NW Washington, DC 20036			9,541.21
Robert J. Conner, 1100 Connecticut Ave., NW Washington, DC 20036	Chrysler Corporation	500.00	348.05
Francis J. Conners, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	4,777.33	
Catherine Connor, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council		
Consortium of Social Science Assns, 1522 K Street, NW, #836 Washington, DC 20005		47,533.00	3,602.00
Consumer Federation of America, 1424 16th St., NW, #604 Washington, DC 20036		90,713.00	77,434.00
Brian D. Cooney, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	8,610.00	671.00
Edward Cooney, 1319 F St., NW, #500 Washington, DC 20004	Food Research & Action Center	1,456.92	
C. William Cooper, 203 Pittsburgh Nat'l Bank Building Sewickley, PA 15143	United Distribution Companies		
Mark N. Cooper, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	300.00	
Stephen H. Cooper, 74 North Pearl St. Albany, NY 12207	Hospital Assn of New York State	720.00	7,003.97
Maria C. Cordone, 1300 Connecticut Ave, NW Washington, DC 20036	International Assn of Machinists and Aerospace Workers	12,634.98	
Walter Couillard, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	9,287.18	
Council for a Livable World, 20 Park Plaza, #603 Boston, MA 02116			24,338.44
Eric Cox, 418 7th St., SE Washington, DC 20003	Campaign for U.N. Reform-Political Education Committee	2,250.00	33.50
Mary T. Cramer, 1830 Platte St. Denver, CO 80202	Reese Communications Cos (for: Philip Morris, USA)	8,000.00	123.51
Anne Crichton Crews, 8787 Stemmons Freeway Dallas, TX 75247	Mary Kay Cosmetics, Inc		14.30
Jay B. Cutler, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	7,685.00	837.06
CRS, P.O. Box 118 Cold Spring Harbor, NY 11724-0118			
Lewis I. Dale, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	3,080.37
Donna M. Daley, 1200 17th St., NW, Suite 106 Washington, DC 20036	American Psychological Assn	2,412.67	
Brian Daly, 1625 I Street, NW, #911 Washington, DC 20006	Consortium of Social Science Associations	625.00	
Mark C. Darrell, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))		
Linda Daschle, 4224 King Street Alexandria, VA 22302	American Assn of Airport Executives		6,931.00
John C. Datt, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	12,300.00	
Gregory L. Davis, 1411 K Street, NW, #500 Washington, DC 20005	District of Columbia Chamber of Commerce		
Davis Wright & Jones, 1752 N St., NW, #800 Washington, DC 20036	Star-Kist Foods, Inc		
Dewey Ballantine Bushby Palmer & Wood, 1775 Pennsylvania Ave., NW, #500 Washington, DC 20006	Amax, Inc		
Do	American Iron & Steel Institute	1,625.00	
Do	Bell Atlantic Corp		
Do	Chase Manhattan Corp		
Do	Chrysler Corporation	59.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Federal National Mortgage Assn		
Do	Federation of American Health Systems	2,600.00	
Do	General Reinsurance Corp		
Do	Hanschell Inniss, Ltd	1,300.00	
Do	Hershey Foods Corp		
Do	McCown De Leeuw & Company	1,950.00	
Do	Norfolk Southern Corp		
Do	Paramount Communications, Inc	2,450.00	
Do	Pfizer, Inc		
Do	Premark International		
Do	Primerica, Inc		
Do	Prudential Insurance Co of America		
Do	Squibb Corporation		
Do	Tribune Broadcasting Co		
Do	U.S. Telephone Assn	3,493.75	
Do	Walt Disney Co		
Mary Elise DeGonia, c/o Jane Gilmore Chateau Apartments, #636 Rt. 54 By-Pass Carrboro, NC 27510	Alternative Schools Network	410.00	
Beth DeGrasse, 100 Maryland Avenue, NE Washington, DC 20002	Council for a Livable World		
Gail DeLoach, P.O. Box 8091 Falls Church, VA 22041	Friendship Hill Assn		
Michael J. DeLoose, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors	753.78	
Fred R. DeLuca, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects		
Bonnie S. DeWitt, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	500.00	69.45
Michael F. Dineen, 600 Pennsylvania Ave., SE, #206 Washington, DC 20003	Lumbermens Mutual Casualty Co (For:Federal Kemper Life Assurance Co)	511.77	288.20
Do	Lumbermens Mutual Casualty Co (For:Kemper Financial Companies, Inc)		
Do	Lumbermens Mutual Casualty Co (For:Kemper Financial Services, Inc)		
Do	Lumbermens Mutual Casualty Co (For:Kemper Investors Life Insurance Co)		
Do	Lumbermens Mutual Casualty Company (For:Kemper Reinsurance Company)	83.66	184.75
Do	Lumbermens Mutual Casualty Company	2,100.00	832.00
Michael Dinnerstein, 900 15th Street, NW Washington, DC 20005	United Mine Workers of America	9,125.00	
James F. Doherty, 1129 20th St., NW, #600 Washington, DC 20036	Group Health Assn of America, Inc	1,716.34	
Brian J. Donadio, 300 5th Street, NE Washington, DC 20002	American Osteopathic Assn	3,503.00	
Thomas J. Donohue, 2200 Mill Road Alexandria, VA 22314	American Trucking Assns, Inc	11,000.00	
Francis X. Dooley, 525 School St., SW Washington, DC 20024	American Road & Transportation Builders Assn		
James A. Dorsch, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Dorsey & Whitney, 1330 Connecticut Avenue, NW, #200 Washington, DC 20036	Automobile Importers of America, Inc	2,700.00	66.00
Do	Texas Assn of Steel Importers		
Dougherty Consulting, P.O. Box 819 Sioux Falls, SD 57101-0819	Madison Public Affairs Group, Inc (for Philip Morris, USA)		
Dow Lohnes & Albertson, 1255 23rd St., NW Washington, DC 20037	BMC Industries Inc	932.82	
Do	California Wine Commission	2,255.50	
John C. Doyle Jr., 218 D St., SE Washington, DC 20003	Environmental Policy Institute	796.25	
Paul A. Drazek, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	8,800.00	
Anthony V. Dresden, 444 N. Capitol Street, NW, #801 Washington, DC 20001	National Air Traffic Controllers Assn		
Evelyn Dubrow, 1710 Broadway New York, NY 10019	International Ladies' Garment Workers Union	13,455.00	266.00
John Dudinsky Jr., 201 Massachusetts Ave., NE, #C-9 Washington, DC 20002	Harris Government Systems		
Douglas A. Durante, 1129 20th St., NW, #500 Washington, DC 20036	Clean Fuels Development Coalition	2,000.00	
Dyer Ellis Joseph & Mills, 600 New Hampshire Ave., NW, #1000 Washington, DC 20037	Alliance for Corporate Growth	6.00	3.65
Do	Bobbie Brooks, Inc		
Do	International Air Trannsport Assn (IATA)	5,756.00	351.10
Do	PubCo Corp	245.00	42.68
Do	Smith Corona Corp	3,150.00	716.69
Do	The Torrington Company	6,400.00	984.91
E.D.E.A., Inc, 1151 Acquidneck Avenue Middletown, RI 02840	American Ship Building Co	21,750.00	2,721.00
Marsha A. Echols, Law Offices of Max N. Berry 3213 O Street, NW Washington, DC 20007	National Assn for the Specialty Food Trade, Inc	3,750.00	
Douglas E. Eckert, 4242 South 35th Street Arlington, VA 22206	Eckert International, Inc	7,500.00	
Fred J. Eckert, 3268 History Drive Oakton, VA 22124	Eckert International, Inc	62,500.00	5,278.46
Stephen Ege, 734 15th Street, NW Washington, DC 20005	Elias Matz Tiernan & Herrick (For:Federal Savings Bank)	30,553.00	
Do	Elias Matz Tiernan & Herrick (For:FAIC Security, Inc)	20,934.00	48.00
Jill W. Eiland, 121 SW Salmon Portland, OR 97204	Portland General Electric Co		
Jane Elder, 214 N. Henry St., #203 Madison, WI 53703	Sierra Club	2,929.33	2,818.96
Electronic Industries Assn, 2001 Eye St., NW Washington, DC 20006		6,454.36	39,572.20
George K. Eliades, 7297-P Lee Highway Falls Church, VA 22042	Society of American Wood Preservers, Inc	5,000.00	1,190.00
Elias Matz Tiernan & Herrick, 734 15th Street, NW Washington, DC 20005	Federal Savings Bank	23,304.00	25,324.84
Do	First Atlanta Investment Corporation	20,161.00	17,978.30
John M. Ellis, 1120 Fairfield Avenue Roseville, CA 95678	Alliance of Government Managers	2,300.00	2,300.00
Dorothy A. Ellsworth, 1300 Connecticut Ave., NW Washington, DC 20036	International Assn of Machinists & Aerospace Workers	15,550.58	158.67
Nancy C. Elwood, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Emerson Electric Co, 8000 W. Florissant St. Louis, MO 63136			1,945.06
Energy Fuels Nuclear, Inc, One Tabor Center, #2500 1200 Seventeenth Street Denver, CO 80202			38,624.09
Clinton W. Ensign, 2600 Virginia Avenue, NW, #901 Washington, DC 20037	Sinclair Oil Corporation	3,000.00	241.72
Keren Ensor, 408 C Street, NE Washington, DC 20002	Sierra Club		
J. Barry Epperson, 324 Main Mall, #900 Tulsa, OK 74103	Associated Wire Rope Fabricators		5,719.44
Cheryl Anthony Epps, 1110 North Glebe Road, #200 Arlington, VA 22201	International Assn of Chiefs of Police	10,483.56	1,814.03
Paul A. Equale, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	33,654.00	
John Ernst, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	734.26	
Sherry Ettleson, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	6,500.00	
Andreas W. Evans, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
Robbie G. Exley, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
Donald C. Fair, 1346 Chestnut Street, #800 Philadelphia, PA 19107	Greater Philadelphia Chamber of Commerce		
Family Holding Company Advocacy Group, 88 East Broad Street, #1560 Columbus, OH 43215			6,418.75
Greg Farmer, 600 Maryland Ave., SW, #607 Washington, DC 20024	Northern Telecom, Inc		1,425.00
Martin T. Farmer, P.O. Box 40789 Jacksonville, FL 32203-0789	Barnett Banks, Inc	525.00	1,775.00
William D. Fay, 818 Connecticut Ave., N.W., #900 Washington, DC 20006	National Coal Assn	8,750.00	4,132.07
Frederick Fedeli, 1400 K St., NW Washington, DC 20005	American Psychiatric Assn	2,417.00	1,037.00
Federal Kemper Life Assurance Co, Kemper Bldg. D-3 Long Grove, IL 60049			1,258.15
Mimi A. Feller, 1100 Wilson Blvd Arlington, VA 22209	Gannett Co., Inc	1,450.00	
Jack Ferguson Associates, Inc, 203 Maryland Ave., NE Washington, DC 20002	Alaska Loggers Association, Inc	2,875.00	629.35
Do	Conoco, Inc	6,250.00	810.50
Do	Crystal Cruises, Inc	2,140.62	636.08
Do	Dillingham Construction Group	1,795.52	818.35
Do	Foss Maritime Co	500.00	754.36
Do	Global Marine, Inc	3,125.00	663.30
Do	Haida Corporation	4,341.25	695.56
Do	Tacoma Boatbuilding Co	1,500.00	682.20
Do	U.S. Borax & Chemical Corp	6,531.87	679.82
Do	Western Forest Industries Assn	2,500.00	654.58
Do	Williams Companies	1,500.00	775.66
John H. Ferman, 1050 20th Street Sacramento, CA 95816	California Assn of Hospitals & Health Systems	15,000.00	2,687.07
Robert J. Fersh, 1319 F St., NW, #500 Washington, DC 20004	Food Research & Action Center	122.25	
Dallas N. Fields, 1448 Duke St., #1000 Alexandria, VA 22314	National Rural Letter Carriers Assn	17,884.00	
Fine Geddie & Associates, 405 S. Hull Street Montgomery, AL 36104	Douglas Oil Co		
William A. Finerfrock, 950 North Washington Street Alexandria, VA 22314	American Academy of Physician Assistants	11,463.33	
Mary Ellen Fise, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	4,218.00	69.00
Donald W. Fisher, 3814 Ivanhoe Lane Alexandria, VA 22310	American Group Practice Assn, Inc	715.00	
Janet S. Fisher, 1333 New Hampshire Avenue, NW Washington, DC 20036	Arco Chemical Company	230.00	
Mary Clare Fitzgerald, 1155 21st Street, NW, #850 Washington, DC 20036	Secura Group (For:Chase Manhattan Bank, N.A.)		
Alan M. Fitzwater, 3800 Continental Plaza 777 Main Street Fort Worth, TX 76102	Burlington Northern Railroad	25,000.00	2,697.94
Shira A. Flax, 330 Pennsylvania Ave., SE Washington, DC 20003	Sierra Club	5,401.50	158.56
Fleishman-Hillard, Inc, 1301 Connecticut Ave., NW, 7th Floor Washington, DC 20036	Home Satellite Services		
Do	T.F. Energy		
Felipe M. Floresca, 67 Wall Street, #2509 New York, NY 10005			
Florida Business Associates, 1146 19th St., NW, #400 Washington, DC 20036-3703	CSX Transportation	1,050.00	
Do	MEDCO Containment	10,368.42	
Footwear Retailers of America, 1319 F St., NW, #700 Washington, DC 20004			1,650.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
John P. Ford, One Kellogg Square Battle Creek, MI 49016	Kellogg Co	2,000.00	283.00
Foreman & Heidepriem, 1751 N Street, NW, #301 Washington, DC 20036	Camp Barsh Bates & Tate		
Do	Coalition to Protect the Integrity of American Trademarks	200.00	
Do	Columbia Hospital for Women Medical Center		
Do	United Food & Commercial Workers Int'l Union	1,050.00	
Richard C. Fortuna, 1440 New York Ave., NW, #310 Washington, DC 20005	Hazardous Waste Treatment Council	750.00	375.00
Maria Foscarinis, 1439 Rhode Island Avenue, NW Washington, DC 20005	National Coalition for the Homeless		
Allan M. Fox, 750 17th Street NW, # 1100 Washington, DC 20006	Fox Weinberg & Bennett (For:Bristol-Myers Co)		
Do	Fox Weinberg & Bennett (For:National Coalition for Cancer Research)		
Chuck Fox, 218 D Street, SE Washington, DC 20003	Environmental Policy Institute	341.84	
Fox Weinberg & Bennett, 750 17th Street NW, #1100 Washington, DC 20006	Battery Council International		
Do	Bristol-Myers Co		
Do	Courtaulds North America, Inc		
Do	Hoffmann-La Roche, Inc		
Do	Johnson & Johnson		
Do	Lederle Laboratories		
Do	Memorial Sloan-Kettering Cancer Center	780.00	205.00
Do	National Assn for Plastic Container Recovery (NAPCOR)		
Do	National Coalition for Cancer Research		
Do	New MediCo Associates, Inc		
Do	Pickens County Medical Center		
Do	Serono Laboratories, Inc	390.00	
Do	Wireless Cable Assn, Inc	366.25	
Phillip L. Fraas, 2501 M Street, NW, #400 Washington, DC 20037	McLeod & Pires (For:American Soybean Assn)	1,879.70	
Robert S. Frank, 206 G Street, NE, #201 Washington, DC 20002	Foley and Company, Inc (For:Coalition Against Noneffective Lightning Protection Tech).		
George Franklin, 1 Kellogg Square Battle Creek, MI 49016-3599	Kellogg Company	1,500.00	150.00
James T. Freeman, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	1,043.00	101.00
David W. Freer, 1150 Connecticut Ave., NW, #717 Washington, DC 20036	Southern California Gas Co	5,000.00	
Fried Frank Harris Shriver & Jacobson, 1001 Pennsylvania Ave., NW, #800 Washington, DC 20004	Copley Investors Limited Partnership, et al	20,000.00	1,500.00
Gordon H. Fry, 1111 19th Street, NW, #900 Washington, DC 20036	Edison Electric Institute		
Galland Kharasch Morse & Garfinkle, P.C., 1054 31st Street, NW Second Floor Washington, DC 20007	Air Jamaica, Ltd	58,855.75	9,572.98
Mark Gallant, 40 Ivy Street, SE Washington, DC 20003	National Lumber & Building Material Dealers Assn	4,500.00	
John Paul Galles, 1155 15th St., NW, #710 Washington, DC 20005	National Small Business United	1,000.00	
Curtis B. Gans, 421 New Jersey Avenue, SE Washington, DC 20003	Committee for the Study of the American Electorate	37,562.50	585.00
Harry D. Garber, 787 7th Avenue New York, NY 10019	Equitable Financial Companies	4,400.00	36.00
David McLane Gardiner, 330 Pennsylvania Ave., SE Washington, DC 20003	Sierra Club	7,865.00	137.51
Nancy Garland, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Karl Gawell, 1400 16th St., NW, #320 Washington, DC 20036	Zero Population Growth	1,472.00	
Karen M. Geers, 370 L'Enfant Promenade, SW, #800 Washington, DC 20024	Concerned Women for America	6,078.48	
Craig Gehrke, 1400 Eye Street, NW Washington, DC 20005	Wilderness Society	642.80	
Georgia Power Co, 333 Piedmont Ave Atlanta, GA 30308		8,070.00	473.79
Gerard Byler & Associates, Inc, 1155 Conn., Ave., NW, #300 Washington, DC 20036	Commissioned Officers Assn of the U.S. Public Health Service	150.00	
Do	Havasupai Tribal Council	555.26	
Do	Leech Lake Reservation Business Committee	371.00	
Do	San Carlos Apache Tribe	970.00	
Do	Saulte Ste Marie Tribe of Chippewa Indians	202.00	
Do	Tulalip Tribes	540.00	
Do	White Earth Tribal Council	622.00	
John J. Gersuk, 3100 Windwood Farms Drive Oakton, VA 22124	Bechtel Group, Inc		
David Wesley Gibbons, 1735 Jeff Davis Hwy., #403 Arlington, VA 22202	Morton Thiokol	22,271.00	33,523.00
Neal P. Gillen, 1725 K Street, NW, #1210 Washington, DC 20006	American Cotton Shippers Assn	37,500.00	1,081.04
Maureen Gilman, 1730 K Street, NW, #1100 Washington, DC 20006	National Treasury Employees Union	13,000.00	413.04
Gerard Giovaniello, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,032.17
Donald R. Glenn, 1627 K Street, NW, #200 Washington, DC 20006	Energy Research Corp		
Jere W. Glover, 1725 K Street, NW, #308 Washington, DC 20006	American Academy of Environmental Medicine	300.00	300.00
Do	Fair Franchising Coalition		
Do	National Assn for the Self-Employed		
Ronald L. Goldfarb, Goldfarb & Singer 918 16th Street, NW, #503 Washington, DC 20003	Washington Independent Writers, Inc		
Patricia R. Goldman, 50 F St., NW, #1100 Washington, DC 20001	American Hospital Assn	9,057.75	695.65
John Gordley, 1150 Connecticut Avenue, NW, #507 Washington, DC 20036	Evans Grain Co		
Mary S. Gordon, 600 Maryland Ave, SW, #607 Washington, DC 20024	Northern Telecom, Inc		1,425.00
Stephen Gordon, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
Brenda J. Gore, 1000 Wilson Blvd., 2600 Arlington, VA 22209	TRW, Inc	225.00	3,279.00
George B. Gould III, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	13,624.52	1,723.63
Government Liaison Project, 6313 Tulsa Lane Bethesda, MD 20817			63.94
Emerson F. Gower Jr., 411 Fayetteville St. Mall, #1925 Raleigh, NC 27601	Carolina Power & Light Co	920.00	1,102.00
Gerald W. Grandey, One Tabor Center, #2500 1200 Seventeenth Street Denver, CO 80202	Energy Fuels Nuclear, Inc	6,000.00	1,866.77
Ruth P. Graves, 600 Maryland Ave., SW, #500 Washington, DC 20560	Reading Is Fundamental, Inc	507.00	85.25
Greater New York Hospital Assn, 555 West 57th Street 15th Floor New York, NY 10019			66,247.00
John K. Green, 800 American Charter Center 1623 Farnam St. Omaha, NE 68102-2130	Papillion-Lavista School District	1,350.00	47.68
Wayne Green, Enterprises, Inc Route 202 North Peterborough, NH 03458	73, Inc		
Phyllis Greenberger, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	2,718.00	1,631.98
Greyhound Lines, Inc, 1101 14th Street, NW, #1201 Washington, DC 20005			8,900.00
Melanie Griffin, 330 Pennsylvania Ave., SE Washington, DC 20003	Sierra Club	3,757.93	45.00
Gary E. Griffith, 3209 Mockingbird Lane Dallas, TX 75205	EPIC Healthcare Group	2,000.00	979.37
Olga Grkavac, 1300 North 17th St., #300 Arlington, VA 22209	ADAPSO, the Computer Software & Services Industry Assn		401.05
Grocery Manufacturers of America, Inc, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007			375.25
Jerome Grossman, 20 Park Plaza, #603 Boston, MA 02116	Council for a Livable World	7,589.28	
Gene Guerrero, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union		
Clark J. Guild Jr., Guild & Hagen, Ltd 100 West Liberty St., #800 Reno, NV 89501	Motion Picture Assn of America, Inc		
Lewis Gulick, 1911 Ft. Myer Drive, #702 Arlington, VA 22209	TCR Services, Inc	5,000.00	
Ned H. Guthrie, 209 Hayes Avenue Charleston, WV 25314	American Fed of Musicians	4,356.25	3,071.61
Haight Gardner Poor & Havens, 1401 New York Avenue, NW, #740 Washington, DC 20005	Messerschmitt Bolkow-Blohm Gmbh, et al	2,514.50	
Jay D. Hair, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	2,579.94	
Hale and Dorr, 1455 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Town of Mashpee		
Heide Halik, 408 C Street, NE Washington, DC 20002	Sierra Club	3,146.36	
Angelynn Hall, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	12,988.77	
Julius L. Hall, 1016 16th Street, NW Washington, DC 20036	National Federation of Federal Employees	5,814.02	
William F. Hall, P.O. Box 803887 Chicago, IL 60680-3887	Midwest Public Affairs-Management Consulting Group		
Amy R. Hammer, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation	720.00	156.49
Hannaford Co, Inc, 655 15th St., NW, #200 Washington, DC 20005	Financial Assistance Inequity Relief Coalition	386.25	13.28
Erling Hansen, 1129 20th Street, NW, #600 Washington, DC 20036	Group Health Assn of America, Inc		
Eric R. Hanson, 3060 Porter Street, NW Washington, DC 20008	U.S. Strategies Corp (For:Cancer Treatment Holdings, Inc)		
Do	U.S. Strategies Corp (For:Healthsouth Rehabilitation Corp)		
Robert N. Harbor, P.O. Box 1492 El Paso, TX 79978	El Paso Natural Gas Co		
Sandra K. Harding, 7981 Eastern Avenue Silver Spring, MD 20910	National Assn of Social Workers	4,598.00	1,388.00
Donna Akers Harman, 1776 Eye Street, NW, #575 Washington, DC 20006	Dow Chemical USA		5,546.00
Marra Harris, 729 15th St., NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Richard M. Harris, 501 School St., SW 8th Floor Washington, DC 20024	American Road & Transportation Builders Assn	10,000.00	549.35
Harter Secrest & Emery, 700 Midtown Tower Rochester, NY 14604-2070	Genesee & Wyoming Industries, Inc		
James C. Hassett, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Charles E. Hawkins III, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Laurie L. Hawkins, 1346 Chestnut Street, #800 Philadelphia, PA 19107	Greater Philadelphia Chamber of Commerce		
Deanne Watts Hay, 714 Capitol Federal Building Topeka, KS 66603	Sloan Listrom Eisenbarth Sloan & Glassman (For:Kansas Bankers Surety)		170.82
Robert T. Hayden, 1120 Connecticut Avenue, NW, #469 Washington, DC 20036	Maurer Anderson Conway Communications (For:Coalition for Safe & Responsible Railroads).	3,750.00	100.00
Health Insurance Assn of America, Inc, 1025 Connecticut Ave., NW Washington, DC 20036		25.20	25.20
James B. Hedlund, 1200 18th St., NW Washington, DC 20036	Association of Independent Television Stations, Inc	10,000.00	
Dan C. Heinemeier, 1722 Eye Street, NW Washington, DC 20006	Electronic Industries Assn	875.00	
Heller Ehrman White & McAuliffe, 6100 Columbia Center Seattle, WA 98104	Arctic Slope Regional Corp		
Donald E. Henderson, 130 E. Washington Street Indianapolis, IN 46204	Indiana Farm Bureau, Inc	6,000.00	2,113.96
M. Lyn Herdt, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc	4,400.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Heron Burchette Ruckert & Rothwell, 1025 Thomas Jefferson St., NW, #700 Washington, DC 20007	Ad Hoc Committee on Export Controls	5,324.07	6.88
Do	Aerojet-General Corp		6.13
Do	Agri-Business Corp of America		1,308.56
Do	Airship International Ltd	1,250.00	957.44
Do	Ambase	4,746.76	3,878.16
Do	American Meat Institute	1,625.00	566.41
Do	American Medical Technologists	1,828.68	97.56
Do	American Sod Producers Assn		28.59
Do	Claudia Ashton		3.44
Do	Asia Satellite Telecommunications, Ltd		838.63
Do	Asocoflores		1.69
Do	Association of Floral Importers of Florida		
Do	ARCO	28.13	3.44
Do	Balanced Trade Group		13.50
Do	Bay Area Rapid Transit District		1.69
Do	Bechtel	111.88	6.06
Do	Bramelea Pacific		3.44
Do	BKK Corp		
Do	C.B.I. Sugar Group, Inc	125.00	4,770.19
Do	California Almond Growers Exchange	2,075.71	264.69
Do	California Central Valley Project Water Users Assn	335.32	551.88
Do	California CH2M Hill	197.50	1,853.63
Do	California Energy Commission	7,182.18	2,348.25
Do	California Kiwi Commission		97.19
Do	California State Teachers' Retirement System	1,250.00	1,397.70
Do	Canada Cement LaFarge, Ltd		1.69
Do	Carteret Savings and Loan Assn	4,159.36	3,583.39
Do	Central Utah Water Conservancy District	4,489.66	731.50
Do	Chattanooga Neighborhood Enterprise		72.09
Do	City and County of Sacramento	1,263.22	108.44
Do	City of Chattanooga	321.25	556.53
Do	City of Newark		1,754.95
Do	Clark County	3,630.00	2,959.09
Do	Colorado-Ute Electric Assn, Inc	3,921.75	75.97
Do	Council of American Overseas Research Centers		180.53
Do	Dalton Construction Co		5.13
Do	Desert Research Institute	403.13	173.00
Do	Downey Savings and Loan	7,500.00	4,095.28
Do	East Kentucky Power Cooperative	8,094.43	189.44
Do	Electronic Data Systems Corp		777.03
Do	Farm Labor Alliance	8,750.00	1,922.39
Do	Friant Water Users	9,839.38	66.78
Do	General Atomics	3,169.10	1,007.87
Do	Girling Health Care, Inc	634.69	446.69
Do	Globos International, Inc	1,500.00	3.44
Do	Good Sam Club	4,839.06	962.53
Do	Government of the Virgin Islands		2,630.09
Do	Granite Rock Co	272.50	162.97
Do	Greenbrier Intermodal	6,540.63	111.72
Do	Halogenated Solvents Industry Alliance		54.28
Do	Independent Cement Corp		3.44
Do	Inland Cement Limited		3.44
Do	International Apple Institute	215.00	39.47
Do	John Hancock Mutual		2.56
Do	Elizabeth (Becky) Johnson	476.75	164.84
Do	Kings River Conservation District	80.94	11.31
Do	Lake Ontario Cement, Ltd		1.69
Do	Las Vegas YMCA		1.69
Do	Carl J. Maggio		10.94
Do	Massport/Commonwealth of Massachusetts	5,000.00	1,295.44
Do	Metropolitan Dade County Office of County Manager		253.34
Do	Mid-Valley Water Authority	2,307.82	389.81
Do	Mutual Benefit Life	5,797.78	1,191.62
Do	National Council on Teacher Retirement	4,500.00	1,493.72
Do	National Judicial College		
Do	National Medical Care	12,962.57	5,343.41
Do	National Potato Council	1,750.00	1,862.82
Do	New York University		2,387.57
Do	Northern California Power Agency	413.64	366.25
Do	NTEC - Northeast Texas Electric Cooperative, Inc	4,961.57	130.22
Do	Ogden, Utah		
Do	Organization of Professional Employees of USDA	287.50	480.17
Do	Orion Air	1,005.26	14.56
Do	Phillips Petroleum Company (Phillips 66)	458.75	1.69
Do	Riverside Resorts	76.57	179.97
Do	Ryder Systems, Inc	6,214.25	158.59
Do	Sabine River Authority	5,828.75	28.44
Do	Sioux Honey Assn		3.44
Do	Solano Water Authority	6,232.50	1,581.25
Do	South Dade Land Corp	4,120.63	2,035.34
Do	St. Lawrence Cement	167.42	105.53
Do	St. Mary's Cement		3.44
Do	Sunkist Growers, Inc	2,015.63	76.34
Do	Tex-La	2,259.38	341.81
Do	Thai Steel Pipe Industry Assn		117.06
Do	Trustees of Florida Lime & Avocado	4,000.31	1,343.29
Do	U.S. Mink Export Development Council	3,180.00	401.84
Do	University of Medicine and Dentistry of New Jersey	926.69	1,383.72
Do	University of Miami	8,333.00	3,425.39
Do	University of Nevada/Las Vegas Research Center	1,877.76	1,250.11
Do	University of Nevada/Reno	8,330.19	1,810.75
Do	Vermont Electric Cooperative	92.82	15.70
Do	W.E.S.T.		3.44
Do	Walnut Street Bridge Commission		
Do	Watsonville Neighborhood Enterprise		40.72
Do	Welch Foods, Inc		4.72
Richard A. Herrett, 1600 M St., NW, #702 Washington, DC 20036	ICI Americas, Inc	15,000.00	
Heublein, Inc, 16 Munson Road Farmington, CT 06034-0388		17,250.00	9,589.50
Donita Hicks, 1511 K Street, NW, #941 Washington, DC 20005	Americans for Democratic Action		
Hal D. Hiemstra, 216 7th Street SE, Washington, DC 20003	Scenic America	2,000.00	4.75
Hobbs Straus Dean & Wilder, 1819 H St., NW, #800 Washington, DC 20006	Quinault Indian Tribe/Quinault Allottees Assn	50.00	
Do	Three Affiliates Tribes of the Fort Berthold Reservation	235.00	
Walter F. Hoffmann, 418 7th Street, SE Washington, DC 20003	Campaign for U.N. Reform-PEC	624.99	
William J. Holayter, 1300 Connecticut Avenue, NW Washington, DC 20036	International Assn of Machinists & Aerospace Workers	8,552.77	
Holt Miller & Associates, 2111 Wilson Blvd., #531 Arlington, VA 22201-3008	American Council of International Personnel	17,500.00	1,998.55
Do	AmBase Corp	56,205.00	4,332.37
Do	Irish Immigration Reform Movement	7,959.00	1,419.65
Do	U.S. English	2,112.00	352.73
Lois Holwerda-Hoyt, 600 Maryland Avenue, SW, #770 Washington, DC 20024	American Academy of Family Physicians	2,814.50	414.32
Hoog & Associates, 1877 Broadway, #405 Boulder, CO 80302	Colorado State University	7,500.00	7,500.00
Do	McAndrews & Forbes Holdings, Inc	7,500.00	7,500.00
Do	United Technologies Corporation	4,500.00	4,500.00
Hospital Association of New York State, 74 N. Pearl St. Albany, NY 12207		7,958.00	7,958.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Gerald M. Howard, National Assn of Home Builders 15th & M St., NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Karen Howard, 1400 K St., NW Washington, DC 20005	American Psychiatric Assn	1,953.00	1,228.46
Robert M. Howard, 815 Connecticut Avenue, NW 9th Floor Washington, DC 20006	Ford Motor Co	1,919.93	1,469.80
Allynn Howe, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	11,115.47	
Susan Howe, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Betty Hudson, 1627 K Street, NW, #300 Washington, DC 20006	Fluor Corporation	15,000.00	688.70
Steven D. Huff, 111 East Wisconsin Avenue, #1800 Milwaukee, WI 53202	National Employee Benefits Institute		
Brett Hulsey, Midwest Office 214 N. Henry St., #203 Madison, WI 53703	Sierra Club	1,385.59	112.72
Hunton & Williams, 2000 Pennsylvania Ave., NW, #9000 P.O. Box 19230 Washington, DC 20036	Copyright Justice Coalition		
Do	Long Island Lighting Co	1,000.00	
HCA The Healthcare Co, One Park Plaza P.O. Box 550 Nashville, TN 37202-0550			
Independent Insurance Agents of America, Inc, 127 S. Peyton Street Alexandria, VA 22314		45,376.00	45,376.00
Charles W. Ingram, 305 C Street, NE, #309 Washington, DC 20002	S.K.C. & Associates	6,000.00	
Institute of International Bankers, East Building, 4th Floor 280 Park Ave. New York, NY 10017			
Int'l Union, United Auto Aerospace & Agric Implement Workers, Workers of America (uaw) 8000 E. Jefferson Avenue Detroit, MI 48214.		309,149.84	309,149.84
International Assn of Machinists & Aerospace Workers, 1300 Connecticut Ave., NW Washington, DC 20036			43,831.78
Investment Counsel Assn of America, Inc, 20 Exchange Place New York, NY 10005			
Edrie Irvine, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	288.00	
John Isaacs, 100 Maryland Ave., NE Washington, DC 20002	Council for a Livable World	2,976.67	
Ivins Phillips & Barker, Chtd, 1700 Pennsylvania Ave., NW, #600 Washington, DC 20006	American Textile Manufacturers Institute, Inc		
Do	Borg-Warner Corp		
Do	Employee Relocation Council		
Do	Family Holding Company Advocacy Group	6,418.75	
Do	Oberlin College		
Do	Rochester Tax Council		
Al Jackson, 100 Indiana Avenue, NW Washington, DC 20001	National Association of Letter Carriers	10,500.00	122.02
Benjamin R. Jackson, 14500 Avion Parkway,#300 Chantilly, VA 22021	TechLaw (For:Shutler & Low (for Nissan Research & Development))	600.00	
Do	Techlaw	600.00	
William P. Jackson Jr., Jackson & Jessup, P.C. 3426 N. Washington Boulevard Arlington, VA 22201	Peeples Industries, Inc	550.00	385.00
Jellinek Schwartz Connolly & Freshman, Inc, 1015 15th Street, NW, #500 Washington, DC 20005	Adolph Coors Co	15,042.00	156.00
Do	ASARCO, Inc	87,377.00	2,635.00
Do	Colorado School of Mines Foundation	6,205.00	155.00
Do	East Bay Municipal Utility District	9,101.00	379.00
Do	Los Angeles County Sanitation District	23,320.00	798.00
Do	Monsanto Agricultural Products Co, et al	41,815.00	840.00
Do	National Assn of Wheat Growers, et al	11,370.00	227.00
Do	Rhone-Poulenc Ag Co	10,645.00	265.00
Do	Union Pacific Corp	14,875.00	563.00
Do	Waste Management Lawncare	3,379.00	62.00
Linda Jenckes, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Kempton B. Jenkins, 1667 K St., NW, #650 Washington, DC 20006	Armco, Inc	300.00	753.43
James C. Jennings, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc		
Richard H. Jenrette, 787 7th Avenue New York, NY 10019	Donaldson Lufkin & Jenrette (for Equitable Financial Cos)	3,200.00	12.00
Kay Johnson, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	1,197.00	
Nancie S. Johnson, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	340.00	
Johnson & Gibbs, P.C., 1001 Pennsylvania Ave., NW #745 Washington, DC 20004	Reese Communications Cos (for Philip Morris, USA, Inc)	1,875.00	378.15
Joint Corporate Comm on Cuban Claims, c/o Lone Star Industries, Inc PO Box 5050 Greenwich, CT 06830			180.00
Allan R. Jones, 2200 Mill Rd. Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	
Theodore L. Jones, 412 First St. SE, #60 Washington, DC 20003	Mall Properties, Inc		
Jones Day Reavis & Pogue, 1450 G Street, NW, #600 Washington, DC 20005-2088	Embassy of the People's Republic of China	188.00	
Do	International Telecharge, Inc		
Do	Los Angeles County	22,656.00	2,217.16
Do	National Assn of State Auditors Comptrollers & Treasurers		
Do	Royal Trustco Ltd		950.36
Do	State Assn of County Retirement Systems		
Do	Teleconnect Co		
Mary Lou Joseph, 2025 M Street, NW Washington, DC 20036	National Public Radio	16,551.25	1,178.78
Andrew P. Jovanovich, 2801 N. Somerset Street Arlington, VA 22213	Technology Services Group, Inc		
Kathy L. Judd, 1700 K St., NW, #1204 Washington, DC 20006	Chevron Chemical Co	75.00	
Geza Kadar Jr., 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Hans Kaehler, P.O. Box 118 Cold Spring Harbor, NY 11724			
Laurel B. Kamen, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co		
James L. Kane Jr., 1315 Vincent Place Mclean, VA 22101			
James W. Kanouse, 1700 North Moore Street, 21st Floor Rosslyn, VA 22209	Boeing Company	7,177.00	1,540.75
Barbara J. Katz, 1424 16th Street, NW, #604 Washington, DC 20036	Consumer Federation of America	3,738.00	47.00
Steven L. Katz, 2000 M Street, NW, #400 Washington, DC 20036	People for the American Way	5,117.64	127.24
Anthony P. Kavanagh, 410 First Street, SE Washington, DC 20003	Consolidated Edison Co of New York, Inc	2,115.00	1,439.70
Bronwen A. Kaye, 1575 Eye St., NW, #200 Washington, DC 20005	American Cyanamid Co	415.63	483.75
David L. Keating, 18 9th Street, NW Washington, DC 20002	National Taxpayers Union	3,029.00	
Mary Catherine Keegan-Ayer, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	10,769.00	
Vicki R. Keenan, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	5,250.00	
Keiki Kehoe, 218 D St., SE Washington, DC 20003	Environmental Policy Institute		
Kemp and Associates, 900 17th Street, NW, #900 Washington, DC 20006	Fresno County Cal	6,136.35	6,136.35
Do	San Joaquin County Cal	2,500.00	2,500.00
Do	Tulare County Cal	5,000.00	5,000.00
Kemper Financial Companies, 120 South LaSalle Street Chicago, IL 60603			
Kemper Financial Services, Inc, 120 South Lasalle Street Chicago, IL 60603			17,500.00
Kemper Investors Life Insurance Co, 120 South Lasalle Street Chicago, IL 60603			293.30
Kemper Reinsurance Company, Long Grove, IL 60049			268.41
Art Kennedy, Box 200576 Anchorage, AK 99520	Koniag, Inc	14,405.00	6,742.70
Timothy C. Kernan, 1627 K Street, NW, #300 Washington, DC 20006	Fluor Corporation	8,000.00	1,107.99
T. Michael Kerr, 1625 L St., NW Washington, DC 20036	American Fed of State County & Municipal Employees	11,072.52	279.00
Kilpatrick & Cody, 2501 M St., NW, #500 Washington, DC 20037	Chicago Research & Trading Group, Ltd		
Do	Flying Tigers Line, Inc	1,460.00	
Do	Forest Farmers Assn	1,633.50	24.00
Do	Georgia Tech Research Corp	1,102.50	8.00
Do	Granite Industrial Development		
Do	Kootznoowoo, Inc		
Do	PepsiCo, Inc	12,500.00	30.00
Do	U.S. Sprint Telecommunications Co	4,060.00	18.00
Do	United Airlines	1,860.00	12.00
Do	University of Georgia	1,963.00	29.50
Gene Kimmelman, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	10,161.00	451.00
King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Alabama State Docks Department		
Do	Antitrust Remedies Reform Group, et al		
Do	Camberent Firfancial Group		
Do	Fuqua Industries, Inc		
Do	West Point-Pepperell, Inc		
Robert B. Kingsley, 1411 K Street, NW, #1005 Washington, DC 20005	United Electrical Radio & Machine Workers of America	7,172.58	
Marcia Y. Kinter, 10015 Main Street Fairfax, VA 22031-3489	Screen Printing Assn International		
Ronald Kipke, 1016 16th Street, NW Washington, DC 20036	National Federation of Federal Empolyees	1,121.28	
James C. Kirie, 1644 N. 77th Court Elmwood Park, IL 60635	Metro Water Reclamation District of Greater Chicago		
Kirkpatrick & Lockhart, 1800 M St., NW, S. Lobby, #900 Washington, DC 20036	County of Suffolk, New York		
Do	Search Group, Inc	1,256.00	254.08
Carla Kish, D & R International 962 Wayne Avenue, #800 Silver Spring, MD 20910	Florida Solar Energy Center	3,000.00	
Do	University of Oregon	2,000.00	
Lisa K. Kjaer, 1722 Eye St., NW #300 Washington, DC 20006	Electronic Industries Assn	800.00	
Jerry D. Klepner, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	22,500.00	537.35
William Klinefelter, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	6,985.12	
Theodore Knappen, 1101 14th Street, NW, #1201 Washington, DC 20005	Greyhound Lines, Inc	8,750.00	
Kogovsek & Associates, Inc, 1801 Broadway, #1420 Denver, CO 80202	Animas-La Plata Water Conservancy District, Durango County	11,000.00	
Do	City of Pueblo, Pueblo County	4,500.00	3,010.17

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Dolores Water Conservancy District		1,106.31
Do	Public Employees Retirement Assn of Colorado	5,325.00	688.74
Do	Rio Grande Water Conservation District	4,500.00	1,786.67
Do	Rocky Mountain Health Care Corp	8,340.00	2,021.40
Do	Southern Ute Indian Tribe		8,424.10
Do	Southwestern Water Conservation District, Durango County		9,732.77
Do	U.S. Olympic Committee	1,875.00	45.45
Do	Upper Yampa Water Conservation District	3,575.00	897.40
Do	Ute Mountain Ute Tribe	18,500.00	
Timothy S. Kolly, 2805 Meadow Vista Drive Charlottesville, VA 22906	Worrell Enterprises, Inc		
Lawrence E. Kreider, 1015 18th St., NW Washington, DC 20036	Conference of State Bank Supervisors		
Steven Kroll, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		
Philip Kugler, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers		
Herb B. Kuhn, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	6,797.98	308.67
Labor-Management Maritime Committee, Inc, 444 Capitol Street, 8th Fl Washington, DC 20001		5,046.00	4,806.00
Janice R. Lachance, 80 F Street, NW Washington, DC 20001	American Federation of Government Employees	14,017.08	
Lachelli Waller & Magner, 600 Maryland Ave., SW, West Wing #302 Washington, DC 20024	ASARCO, Inc	28,132.50	22,491.94
Do	Kaibab Forest Products Co	16,154.00	15,310.67
Bruce C. Ladd Jr., 1776 K Street, NW Washington, DC 20006	Motorola, Inc	16,500.00	120.00
Ellen C. Lamb, 1015 18th St., NW Washington, DC 20036	Conference of State Bank Supervisors	275.62	79.30
Gerard F. Lamb, 2341 Jefferson Davis Hwy, #1100 Arlington, VA 22202	Bath Iron Works Corp	5,000.00	
James E. Lamble, 4000 Tunlaw Road, NW, #324 Washington, DC 20006	Bechtel Group, Inc		
Jill Lancelot, 7100 Sycamore Avenue Takoma Park, MD 20912	National Taxpayers Union	4,425.00	
Robert D. Landis, 777 14th St., NW Washington, DC 20005	National Assn of Realtors		
Phyllis Landrieu, 4600 Venus Street New Orleans, LA 70112	National Medical Enterprises, Inc		
Bruce Alan Landy, 2601 Virginia Avenue, NW Washington, DC 20037	B.A.L. Co		
Do	Cryogenic Vacuum Technology Co		
Do	FAA-Congress Watch		
Do			
Lane Powell Moss & Miller, 1301 Fifth Ave. Seattle, WA 98101	Afognak Joint Venture		10,136.98
Robert K. Lange, 1700 N. Moore St., #2120 Arlington, VA 22209	Boeing Company	6,105.00	5,035.08
J. Stephen Larkin, 9225 Katy Freeway, #310 Houston, TX 77024	Petroleum Equipment Suppliers Assn	2,250.00	1,000.00
Warren Lasko, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America		
George H. Lawrence, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	4,000.00	
Leadership Conference on Civil Rights, 2027 Massachusetts Ave., NW Washington, DC 20036		181,721.25	48,405.31
Peter A. Lefkin, 1730 Rhode island Ave., NW, #1117 Washington, DC 20036	Firemans Fund Insurance Cos	4,500.00	725.00
Dale Leibach, 1901 L Street, NW, #320 Washington, DC 20036	Ogilvy & Mather Public Affairs		
Arnold H. Leibowitz, 1707 H Street, NW, #500 Washington, DC 20036	Cameron Hornbostel & Butterman (For:Hebrew Immigrant Aid Society (HIAS))	13,500.00	366.00
Cynthia R. Lenhart, 801 Pennsylvania Avenue, SE, #301 Washington, DC 20003	National Audubon Society	8,000.00	5,963.54
Jerris Leonard, 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Leonard & Ralston (For:Krueger, Inc)	8,225.25	
Rodney E. Leonard, 2001 S Street, NW, #530 Washington, DC 20009	Community Nutrition Institute		
Elaine B. Lesser, 59 Maiden Lane New York, NY 10038-4548	AmBase Corp	18,000.00	24,257.43
S. R. Levering, Route 2 Ararat, VA 24053	U.S. Committee for the Oceans		
Herbert J. Levy, 1614 King St. Alexandria, VA 22314	National Assn of Housing Cooperatives		
David A. Lewis, 1000 16th St., NW., #810 Washington, DC 20036	Physicians for Social Responsibility	3,697.28	
Stuart A. Lewis, 1919 Pennsylvania Ave., NW, #850 Washington, DC 20006	First Interstate Bancorp	600.00	
Do	Manufacturers Hanover Corp	1,000.00	
Robert G. Liberatore, 1100 Connecticut Avenue, NW, #930 Washington, DC 20036	Chrysler Corporation	4,168.00	302.00
William C. Lienesch, 238 10th St., SE Washington, DC 20003	National Parks & Conservation Association	1,540.00	52.75
Paul E. Linet, 176 Federal Street Boston, MA 02210	The Afa Corporation	1,750.00	220.00
Linton Mields Reisler & Cottone, 1225 Eye Street, NW, #300 Washington, DC 20005	Iowa Department of Transportation	5,467.50	
Do	Madison Gas & Electric Co	1,816.42	
Do	Metropolitan Sanitary District of Greater Chicago	9,228.45	51.98
Do	Michigan Dept of Transportation	4,440.00	52.00
Do	Northern States Power Co	3,273.91	
Do	Oregon Department of Transportation	3,750.00	
Do	State of Colorado, Dept of Highways	4,500.00	51.10
Do	State of IL, Dept of Transportation	8,137.50	110.66
Do	State of IL, Dept of Transportation, Div of Water Resources	3,060.00	
Do	Wisconsin Electric Power Co	7,964.32	
Do	Wisconsin Power & Light Co	13,408.59	
Do	Wisconsin Public Service Corp	3,294.67	
Lipsen Whitten & Diamond, 1725 DeSales St., NW, #800 Washington, DC 20036	American Dehydrated Onion & Garlic Assn	459.42	
Do	Dallas County Utility & Reclamation District	304.42	
Do	Dinamo/OVIA	6,805.50	
Do	Enserch Corporation	612.76	
Do	McKesson Corp	1,075.11	
Do	Meridian Bancorp, Inc	715.24	
Do	National Rural Letter Carriers Assn		
Do	Olivetti USA, Inc	1,842.49	
Do	Perot Group	667.07	
Do	Perot Systems	1,204.28	
Do	Pharmaceutical Card System, Inc	4,207.68	
Do	Pioneer Seed Co, Inc	10,907.09	
Do	Rolls Royce, Inc	2,673.81	
Do	RJR Nabisco, Inc	42,673.54	
Do	Tobacco Institute		
Do	Westinghouse Electric Corp	10,559.49	
Susan Liss, 2000 M Street, NW, #400 Washington, DC 20036	People for the American Way	4,316.64	
David A. Litvin, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc		
Livestock Marketing Association, 7509 Tiffany Springs Parkway Kansas City, MO 64190-1402			
Louisiana State University Foundation, P.O. Box 25198 Baton Rouge, LA 70894			
Charles M. Loveless, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	13,978.74	1,481.34
Lumbermens Mutual Casualty Company, Long Grove, IL 60049			22,061.75
Michael L. Lunceford, 8787 Stemmons Freeway Dallas, TX 75247	Mary Kay Cosmetics, Inc		
John E. Lynn, 2200 Mill Road Alexandria, VA 22314	American Trucking Assns, Inc	15,000.00	
James Lyon, 218 D St., SE Washington, DC 20003	Environmental Policy Institute	14.93	
Thomas L. Mack, 13529 Haddonfield Lane Darnestown, MD 20878	Bechtel Group, Inc		
Robert E. Mackin, 122 South Swan Street Albany, NY 12210	National Conference of Insurance Legislators	7,500.00	1,569.96
Sheila MacDonald, 3231 Beech Street, NW Washington, DC 20015	National Taxpayers Union	2,322.00	
Madison Public Affairs Group, Inc, 2033 M Street, NW, #900 Washington, DC 20036	Stratco, Inc	2,306.00	1,538.00
Shayne M. Madsen, 3050 Broadway, #202 Boulder, CO 80304	Madison Public Affairs Group, Inc (For Philip Morris USA)		
Catherine Maentanis, 370 L'Enfant Promenade, SW, #800 Washington, DC 20024	Concerned Women for America Legislative Action Committee	5,457.74	
Mimi Mager, 2027 Massachusetts Ave., NW Washington, DC 20036	Leadership Conference on Civil Rights	10,831.20	105.30
James J. Magner, 2033 M Street, NW, #900 Washington, DC 20036	Lachelli, Waller & Magner (For:ASARCO, Inc)	16,879.50	458.06
Do	Lachelli, Waller & Magner (For:Kaibab Forest Products Co)	9,692.40	265.41
James E. Mahoney, 2200 Concord Pike Wilmington, DE 19899	Rollins Jamaica Ltd	3,250.00	268.00
James Timothy Mahoney, 330 Pennsylvania Ave., SE Washington, DC 20003	Sierra Club	11,558.78	71.00
Michael C. Maibach, Intel Corporation, GR1-63 3535 Garrett Drive Santa Clara, CA 95051-8119	Intel Corporation	17,500.00	15,749.82
Anne Mancer, P.O. Box 7497 Birmingham, AL 35253	Vulcan Materials Company	1,909.00	3,912.00
Peter T. Mangione, 1319 F Street, NW, #700 Washington, DC 20004	Footwear Retailers of America	150.00	
Geoffrey Manville, 1249 South Carolina Ave., SE Washington, DC 20003	Technology Services Group, Inc		
Marc L. Marks, 1801 K Street, NW, #800 Washington, DC 20006	Westinghouse Electric Corp		
Robert F. Martin, 1275 Pennsylvania Ave, NW, 4th Floor Washington, DC 20004	Pacific Telesis Group		
Maryland People's Counsel, 231 E. Baltimore Street, 9th Fl. Baltimore, MD 21202			
Mark A. Maslyn, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	6,637.00	69.50
James D. Massie, 50 F Street, NW, #1050 Washington, DC 20001	Freeport McMoran D.C., Inc		
K. Michael Matthews, 629 Constitution Ave., NE, #201 Washington, DC 20002	U.S. Strategies Corp (For:Cancer Treatment Holdings, Inc)		
Mike Matz, 408 C Street, NE Washington, DC 20002	Sierra Club	4,870.45	
William W. Maurer, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics Corp	1,000.00	1,166.10
William A. Maxwell, 311 First Street, NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	2,000.00	
Donald S. Mazzullo, 700 Midtown Tower Rochester, NY 14604-2070	Genesee & Wyoming Industries, Inc		
Patrick H. McCarthy, 2700 Fidelity Building 123 S. Broad St Philadelphia, PA 19109	Dilworth Paxson Kalish & Kauffman (For:Automatic Data Processing, Inc)		58.89

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Todd McCracken, 1155 15th Street, NW, #710 Washington, DC 20005	National Small Business United	4,000.00	
McDermott Will & Emery, 1850 K St., NW, #500 Washington, DC 20006	American Imaging Assn	22,000.00	
Do	International Minerals & Chemical Corp		
Do	Technicon Instruments Corp		
Craig McDonald, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	4,000.00	
Christine W. McEntee, 50 F Street, NW, #900 Washington, DC 20001	American Hospital Assn	1,916.03	
Rosemary McFadden, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange		
Larry McKenzie, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	5,625.00	64.20
Law Offs of James D. McKevitt, 1101 16th Street, NW, 500 Washington, DC 20036	Kelly Assisted Living		
Do	Kelly Services, Inc		
Do	National Assn of Wholesaler-Distributers		
Do	National Fed of Independent Business		
Francis X. McLaughlin Jr., 1730 K St., NW, #1100 Washington, DC 20006	National Treasury Employees Union	10,280.25	
Michael R. McLeod, 2501 M Street, NW, #400 Washington, DC 20037	American Assn of Crop Insurers	4,533.30	45.32
Do	McLeod & Pires (For:American Peanut Product Manufacturers, Inc)	6,693.75	46.37
Do	McLeod & Pires (For:American Soybean Association)	565.10	54.88
Do	McLeod & Pires (For:Chicago Board of Trade)	9,375.00	188.20
Do	McLeod & Pires (For:Mushroom Council)	1,414.40	44.89
Do	McLeod & Pires (For:State of Florida Department of Citrus)	301.50	
Do	United Egg Producers	1,200.00	
Joseph E. McMahon, 1331 Pennsylvania Avenue, NW, #909 Washington, DC 20004	Rodale Press	2,300.00	78.98
Rosemary McManus, 3900 Wisconsin Ave., NW Washington, DC 20016	Fannie Mae	9,187.50	130.46
C. W. McMillan, 2021 K Street, NW, #306 Washington, DC 20006	McMillan & Farrell Associates, Inc		
James D. McMillan, 1899 L St., NW, #1100 Washington, DC	Exxon Corporation	800.00	70.48
Larry McNickle, 1129 20th St., NW, #400 Washington, DC 20036	American Assn of Homes for the Aging	518.50	45.25
Mead Data Central, Inc, 9393 Springboro Pike P.O. Box 933 Dayton, OH 45401			3,756.00
Medical-Dental Diversified Services, Inc, 15600 San Pedro, #107 San Antonio, TX 78232-3738	U.A.G. Alumni Assn		
Medtronic, Inc, 7000 Central Ave., NE Minneapolis, MN 55432			18.70
Larry Mehlhaff, 23 N. Scott Sheridan, WY 82801	Sierra Club	3,309.28	3,309.28
Howard M. Messner, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	625.00	
Larry D. Meyers, 412 First Street, SE #40 Washington, DC 20003	International Assn of Refrigerated Warehouses	750.00	
John L. Mica, 201 Massachusetts Ave., NE, #C-9 Washington, DC 20002	Harris Government Systems		
Do	Harris-RF Communications		
Do	Harris/3M Document Products, Inc		
Eileen F. Michaels, 1317 F Street, NW, #202 Washington, DC 20004	Lisboa Associates, Inc (For:University of the Virgin Islands)	275.00	
Fred Millar, 218 D St., SE Washington, DC 20003	Environmental Policy Institute	189.63	
Brent V. B. Miller, 4207 South 7th Road Arlington, VA 22204	American Group Practice Assn	757.00	
Linda B. Miller, 1625 Eye St., NW, #810 Washington, DC 20006	Volunteer Trustees of Not-For-Profit Hospitals		
Marye T. Miller, 1200 East Capitol Street, NE, #6 Washington, DC 20002	Cristal Services, Ltd	2,500.00	45.52
Do	Mobil Oil Corp		
Paul J. Miller, 8000 Sears Tower Chicago, IL 60606	Investment Counsel Assn of America, Inc		
Peggy Miller, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	8,448.00	
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	De La Salle Institute	1,610.00	
Do	Export Source Rule Coalition		
Do	First American State Bank of Iowa	2,850.00	
Do	Hewlett Packard	3,705.00	
Do	Hudson City Savings Bank	28,715.00	36.75
Miller Cassidy Larroca & Lewin, 2555 M St., NW, #500 Washington, DC 20037	47th Street Photo	1,000.00	
Miller Hamilton Snider & Odom, P.O. Box 46 Mobile, AL 36601	American Pioneer Corporation		7,382.76
Do	Charter Federal Savings & Loan Assn	300.00	1,777.90
Do	Colonial Bancgroup, Inc		
Joseph H. Miltenberger, 2939 Van Ness Street, NW, #839 Washington, DC 20008	U.S. Strategies Corp (For:American Medical EEG Assn)	1,500.00	328.32
Do	U.S. Strategies Corp (For:Cancer Treatment Holdings, Inc)	833.33	
Thomas H. Miner & Associates, 150 North Michigan Avenue, #2120 Chicago, IL 60601	Madison Public Affairs Group, Inc (for Philip Morris, USA)	600.00	8,000.00
Montana Market Development Co, 305 West Mercury St., #307 Butte, MT 59701	Madison Public Affairs Group		
Obie Moore, 1156 15th St., NW, #1015 Washington, DC 20005	JC Penney Co, Inc		
Lori M. Moran, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	3,375.00	
Anne L. Morgan, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
John Morgan, 1925 K St., NW Washington, DC 20006	Communications Workers of America		
Morgan Lewis & Bockius, 1800 M St., NW, #800 N. Washington, DC 20036	Scotch Whisky Assn		
Tessa Morris, 1701 K Street, NW, Suite 503 Washington, DC 20006	Security Pacific Corp		
James W. Morrison Jr., 815 Connecticut Ave., NW, #800 Washington, DC 20006	ARA Services, Inc	6,249.99	
Do	Morrison Associates (For:Blue Cross & Blue Shield Assn)	27,621.00	1,137.05
Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006	Consolidated Freightways	7,306.25	451.97
Michael L. Morton, 910 16th Street, NW, #402 Washington, DC 20006	Florida Sugar Cane League, Inc		
Do	Rio Grande Valley Sugar Growers		
Beth Moten, 1016 16th St., NW, Washington, DC 20036	National Fed of Federal Employees	9,034.02	
Thomas O. Moulton Jr., 1275 Pennsylvania Ave., NW, #400 Washington, DC 20004	Pacific Telesis Group	12,000.00	
Steve Moyer, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	4,644.84	
Mudge Rose Guthrie Alexander & Ferdon, 2121 K Street, NW, #700 Washington, DC 20037	Government of Hong Kong, Trade Dept	720.00	10.00
Do	Japan Lumber Importers Assn	106.25	
Do	Toshiba Corp	614.90	55.98
Do	U.S. Assn of Importers of Textile and Apparel (USITA)	1,803.00	147.10
T. J. Mullen, 118 N. 3rd Street 4th Floor Philadelphia, PA 19106	Beer Drinkers of America		
Evelyn Fieman Munley, 1129 20th Street, NW, #400 Washington, DC 20036	American Assn of Homes for the Aging		
Patricia Collins Murdock, 1625 L St., NW Washington, DC 20036	American Fed of State County & Municipal Employees	8,776.26	174.25
Edward L. Murphy, 1313 L Street, NW, 2nd Floor Washington, DC 20005	National Assn of Government Employees	10,000.00	150.00
Margaret R. Murray, 2501 M Street,NW, #400 Washington, DC 20037	McLeod & Pires (For:American Assn of Crop Insurers)	1,183.00	13.32
Do	McLeod & Pires (For:National Rural Telecom Assn)	3,506.80	30.00
Do	United Egg Producers	1,200.00	
Fred J. Mutz, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	4,100.00	
Paul J. Myer, 600 Maryland Ave., SW, #605-607 Washington, DC 20024-2520	Northern Telecom Inc		1,425.00
MHD Industrial Forum, 1825 K Street, NW, #807 Washington, DC 20036			
MWW/ Strategic Communications, Inc, 70 Grand Ave River Edge, NJ 07661	Coalition for American Youth Opportunity	22,500.00	24,185.50
Do	Environmental Compliance Service	15,000.00	16,611.28
Do	Fidelity Environmental Insurance Co	15,000.00	16,271.34
Do	First Jersey Securities	1,131.25	1,401.53
Do	GAF Corporation	24,343.75	25,125.41
Do	Kaselaan & D'Angelo Associates, Inc	22,500.00	27,036.73
Do	Winters Original Chocolate Liquor Bottles, Inc	6,525.00	8,044.17
Diane M. Nash, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	11,335.00	
National Abortion Rights Action League, 1101 14th Street, NW, 5th Floor Washington, DC 20005			8,606.36
National Air Carrier Assn, 1730 M St., NW, #710 Washington, DC 20036			
National Air Traffic Controllers Assn, 444 N. Capitol Street, NW, #845 Washington, DC 20001			
National Assn for Uniformed Services, 5535 Hempstead Way Springfield, VA 22151		2,565.46	5,442.10
National Assn of Home Builders of the U.S., 15th & M Sts., NW Washington, DC 20005		168,967.47	157,041.80
National Assn of Letter Carriers, 100 Indiana Ave., NW Washington, DC 20001		6,262,382.12	221,216.31
National Assn of Realtors, 777 14th St., NW Washington, DC 20005			45,885.61
National Assn of Wheat Growers, 415 2nd St., NE, #300 Washington, DC 20002		5,750.00	7,775.00
National Beer Wholesalers' Assn, 5205 Leesburg Pike, #1600 Falls Church, VA 22041		184,225.00	33,359.19
National Child Care Assn, P.O. Box 161206 Austin, TX 78716-1206		3,000.00	3,000.00
National Coal Assn, 1130 17th Street, NW Washington, DC 20036		1,519,114.37	17,147.80
National Coalition for Marine Conservation, Inc, P.O. Box 23298 Savannah, GA 31403		16,630.00	15,479.75
National Comm of Cities & States for Airline Service, Transportation Bldg., #417 St. Paul, MN 55156		1,556.17	3,903.89
National Education Assn, 1201 16th St., NW Washington, DC 20036		86,053.74	86,053.74
National Employee Benefits Institute, 2550 M St., NW, #785 Washington, DC 20037			4,985.93
National Family Planning & Reproductive Health Assn, Inc, 122 C St., NW, #380 Washington, DC 20001		126,453.00	1,531.00
National Fed of Federal Employees, 1016 16th Street, NW Washington, DC 20036		25,712.84	23,149.20
National Hearing Aid Society, 20361 Middlebelt Livonia, MI 48152		350.00	350.00
National Independent Automobile Dealers Assn, 2521 Brown Blvd., Suite 100 Arlington, TX 76006-5203			16,073.52
National League of Postmasters of the U.S., 1023 North Royal Street Alexandria, VA 22314			30,212.00
National Parking Association, 1112 16th St., NW, #2000 Washington, DC 20036			65,589.93
National Rifle Assn of America, 1600 Rhode Island Ave., NW Washington, DC 20036		425,994.69	477,640.33

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
National Rural Letter Carriers Assn, 1448 Duke St., #100 Alexandria, VA 22314		18,892.00	23,699.00
National Taxpayers Union, 325 Pennsylvania Ave., SE Washington, DC 20003		21,273.00	11,900.00
National Tour Assn, Inc, 546 E. Main Street Lexington, KY 40508		57,044.00	57,044.00
Natural Gas Supply Assn, 1129 20th St. nw #300 Washington, DC 20036		289,487.00	25,706.56
Isabel M. Navarrete, 810 First Street, NE, 3rd Fl Washington, DC 20002	National Council of La Raza	11,584.21	11,589.21
Ralph G. Neas, 2027 Massachusetts Ave., NW Washington, DC 20036	Leadership Conference on Civil Rights	14,307.72	649.21
Allen Neece Jr., 1050 17th Street, NW Washington, DC 20036	Neece Cator & Associates, Inc (For:National Small Business United)	4,500.00	505.00
Neece Cator & Associates, Inc, 1050 17th Street, NW, #810 Washington, DC 20036	National Small Business United	4,500.00	505.00
Do	Southeastern Lumber Manufacturers Assn	1,975.00	1,975.00
Christine V. Nelson, 2501 M Street, NW, #400 Washington, DC 20037	McLeod & Pires (For:United Egg Assn)	670.00	10.37
Do	McLeod & Pires (For:United Egg Producers)	1,200.00	
E. Colette Nelson, 1004 Duke St. Alexandria, VA 22314	American Subcontractors Assn	2,100.00	
Janis A. Nero, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		86.19
Neal Neuberger, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	6,652.58	849.58
E. Bruce Nicholson, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Daniel E. Nickelson, 2000 L St., NW, #200 Washington, DC 20036	Cleveland Clinic Foundation		16.00
Anne L. Nicoll, 50 F St., NW, #1100 Washington, DC 20001	American Hospital Assn	93.23	
Ellen Nissenbaum, 236 Massachusetts Avenue, NE, #305 Washington, DC 20002	Center on Budget & Policy Priorities	2,269.14	5.50
Robert I. Nooter, 600 Maryland Avenue, SW, #800 Washington, DC 20024	American Farm Bureau Federation	6,700.00	545.60
Michael P. O'Brien, 1004 Duke Street Alexandria, VA 22314	American Subcontractors Assn	1,750.00	
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Family Life Assurance Co	2,000.00	
Do	Michigan Consolidated Gas Co		
Do	Miller & Schroeder Financial, Inc		
Bartley M. O'Hara, 1919 Pennsylvania Ave., NW, #300 Washington, DC 20006	Burlington Northern, Inc	200.00	
Do	Metpath, Inc	1,575.00	
Jerry J. O'Keefe Jr., 8225 Florida Blvd., 3rd Floor Baton Rouge, LA 70806	Physicians Reliance Assn		
Eric Olson, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	4,279.54	
Olwine Connelly Chase O'Donnell & Weyher, 1701 Pennsylvania Ave, NW, #1000 Washington, DC 20006	Ad Hoc Comm for Small Hydro Power		
Do	Alexander & Alexander Services, Inc		
Do	Energy Factors, Inc		
Do	Family Service America		
Do	Grants & Contracts Projects		
Do	Intercontinental Energy Corp		
Do	Long Lake Energy Corp		
Do	Manville Corp		
Do	National Corp for Housing Partnerships		
Do	National Independent Energy Producers	2,400.00	
Do	Sithe Energies USA, Inc		
Organ. for Protection & Advancement of Small Telephone Cos, 2000 K Street, NW, #205 Washington, DC 20006		6,950.00	7,210.00
David S. Osterhout, 1825 Eye Street, NW, #1100 Washington, DC 20006	Lockheed Corporation	3,600.00	2,527.87
Karl Ottosen, 208 G Street, NE Washington, DC 20002	NL Industries, Inc	11,250.00	
Do	U.S. Federation of Small Businesses, Inc	1,500.00	
Allen Scott Pack, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Algoma Steel Corp, Ltd, et al		
Preston R. Padden, 1200 18th St., NW Washington, DC 20036	Association of Independent Television Stations, Inc	5,000.00	
Pagonis & Donnelly Group, Inc, 1620 I Street, NW, #202 Washington, DC 20006	Government of the Republic of Transkei	13,200.00	
Palumbo & Cerrell, Inc, 1629 K St., NW, # 1100 Washington, DC 20006	Atlantic Richfield Co	30,000.00	
Do	European Community	13,200.00	
Sara Lynn Parker, 1319 F St., NW, #500 Washington, DC 20004	Food Research & Action Center		
Prudence H. Parks, 11301 Popes Head Road Fairfax, VA 22030	Washington Gas Light Co	812.50	
Ken Parmelee, 1448 Duke Street, #100 Alexandria, VA 22314	National Rural Letter Carriers Assn	17,144.00	1,642.00
Ronald L. Parrish, 1800 One Tandy Center Fort Worth, TX 75102	Tandy Corp	11,702.49	1,580.46
Richard M. Parsons, 1652 Wainwright Dr. Reston, VA 22090	Safari Club International		
Charles C. Partridge, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	2,625.00	
David J. Pattison, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Paul Weiss Rifkind Wharton & Garrison, 1615 L Street, NW, #1300 Washington, DC 20036	McDonnell Douglas Corp		
Do	National Music Publisher's Assn, Inc		
Do	NEC Corp and NEC America, Inc		
Jude C. Payne, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Peace Political Action Committee, 100 Maryland Avenue, NE Washington, DC 20002			7,083.59
James M. Peirce Jr , 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees	1,863.96	
Edward F. Pembleton, 801 Pennsylvania Ave., SE Washington, DC 20003	National Audubon Society	2,200.00	495.00
James C. Pennington, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	2,625.00	
Pension Rights Center, 918 16th St., NW, #704 Washington, DC 20006			392.42
Monica S. Penwell, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		339.13
Pepper & Corazzini, 1776 K St., NW Washington, DC 20006	Tempo Enterprises, Inc		
Leonard Perlman, 5312 Trailway Drive Rockville, MD 20853	American Assn for Counseling & Development		
Roxanne Perugino, 888 16th St., NW Washington, DC 20006	Bannerman and Associates, Inc (For:Beirut University College)	1,000.00	45.00
Do	Bannerman & Associates, Inc (For:Government of Tunisia)	990.00	50.00
Do	Bannerman and Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines)).	250.00	93.72
Esther Peterson, 2001 S St., NW, #510 Washington, DC 20009	International Organization of Consumers Unions		
Petrillo & Hordell, 2000 L Street, NW, #504 Washington, DC 20036	International Computaprint Corp		
Susan M. Pettey, 1129 20th Street, NW, #400 Washington, DC 20036	American Assn of Homes for the Aging	357.50	23.25
Pettit & Martin, 1800 Massachusetts Avenue, NW, #600 Washington, DC 20036	American Suzuki Motor Corp	20,294.00	645.00
Do	Nippon Yesun Kaisha (NYK) Line	2,157.00	74.19
Peyser Associates, Inc, 1000 Vermont Ave., NW, #400 Washington, DC 20005	City of Philadelphia	16,000.00	
Do	Jacques Borel Enterprises, Inc		
Do	MacAndrews & Forbes Holdings, Inc	40,600.00	
Do	Metro	6,900.00	
Do	Metropolitan Toledo Consortium	12,000.00	
Do	Mothers Against Drunk Driving (MADD)	6,000.00	
Do	National School Health Education Coalition	11,900.00	
Do	New York State Bridge Authority		
Do	Regional Transit Authority	15,000.00	
Do	Southeastern Pennsylvania Transit Authority	6,000.00	
Laura Phelps, 2501 M Street, NW, #400 Washington, DC 20037	American Assn of Crop Insurers	3,656.38	25.32
Do	McLeod & Pires (For:Mushroom Council)	3,985.80	
Do	McLeod & Pires (For:United Egg Producers)	1,200.00	
Physicians for Social Responsibility, 1000 16th Street, NW, #810 Washington, DC 20036		8,791.75	10,487.16
Pierson Ball & Dowd, 1200 18th St., NW, #1000 Washington, DC 20036	American Academy of Pediatrics	7,500.00	616.11
Do	American College of Osteopathic Surgeons	9,000.00	388.41
Do	Amgen	9,000.00	1,306.96
Do	Contel ASC	2,500.00	
Do	Genentech		
Do	Infectious Diseases Society of America	12,000.00	2,636.56
Do	National Assn for Biomedical Research	52.00	5.37
Do	Securities Industry Assn	2,750.00	
Do	Society of Critical Care Medicine	5,250.00	536.52
Piper & Marbury, 1200 19th Street, NW, #700 Washington, DC 20036	Association for Governmental Leasing and Finance		
Do	National Assn of Independent Colleges and Universities		
James H. Pissot, 801 Pennsylvania Ave., SE, #301 Washington, DC 20003	National Audubon Society	7,250.00	5,963.54
Charles P. Pizzi, 1346 Chestnut Street, #800 Philadelphia, PA 19107	Greater Philadelphia Chamber of Commerce		
Ronald L. Plesser, 1200 19th St., NW Washington, DC 20036	Piper & Marbury (For:Mead Data Central, Inc)	6,000.00	
Gerald Poje, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	870.48	
Jean S. Polatsek, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	1,587.83	518.65
Richard J. Pollack, 50 F Street, NW #1100 Washington, DC 20001	American Hospital Assn	15,795.78	192.20
John F. Pontius, 130 North Carolina Avenue, SE Washington, DC 20003	New Beginnings At Meadows		
Donna Potemken, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	1,259.72	
Powell Goldstein Frazer & Murphy, 1001 Pennsylvania Ave., NW, 6th Floor Washington, DC 20004	Alliance for Medical Nutrition	4,446.00	
Prather Seeger Doolittle & Farmer, 1600 M Street, NW, 7th Floor Washington, DC 20036	Banker's Assn for Foreign Trade	8,540.00	3,764.64
Do	John Hancock Mutual Life Insurance Co	5,337.50	849.79
Richard H. Prendergast, 1020 19th St., NW Washington, DC 20036	Anderson Benjamin Read & Haney (For:SICPA Industries of America, Inc)		
Lesley Primmer, 2010 Massachusetts Avenue, NW, 5th Fl. Washington, DC 20036	Planned Parenthood Fed of America, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Pro-Life Congressional District 11, P.O. Box 727 San Carlos, CA 94070		720.00	1,611.16
Public Citizen, Inc, 2000 P Street, NW Washington, DC 20036		35,995.00	38,470.00
Harold P. Quinn Jr., 1130 17th St., NW Washington, DC 20036	National Coal Assn	5,600.00	15.00
George Gregory Raab, 2000 L Street, NW, #200 Washington, DC 20036	Medtronic, Inc		1.60
Roderic W. Rahe Jr., 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	2,250.00	
Elizabeth L. Raisbeck, 801 Pennsylvania Ave., SE, #301 Washington, DC 20003	National Audubon Society	19,000.00	
Kathleen Marie Ramsey, 1010 Wisconsin Avenue, NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Craig J. Rancourt, 1050 17th Street NW., #210 Washington, DC 20036	American Assn of Classified School Employees	16,249.98	1,103.27
Kenneth E. Raske, 555 West 57th Street New York, NY 10019	Greater New York Hospital Assn	2,063.00	63.00
Larry Rasky, 253 Summer Street Boston, MA 02127	Rasky & Company (For:National Cable Television Assn)	12,000.00	1,948.04
David A. Raymond, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	3,379.00	1,123.05
Reading Is Fundamental, Inc, 600 Maryland Ave., SW, #500 Washington, DC 20560			883.65
Recording Industry Assn of America, Inc, 1020 19th St., NW #200 Washington, DC 20036		8,143.00	8,143.00
William D. Reese, Annex 6, Room 200 1407 West North Temple Salt Lake City, UT 84140	Utah Power & Light Co		
John Regnier, 1025 Connecticut Ave., NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Renewable Fuels Assn, 201 Massachusettes Ave, NE, #C-4 Washington, DC 20002		184,416.99	182,591.88
Reserve Officers Assn of the US, 1 Constitution Ave., NE Washington, DC 20002		3,725.97	15,406.08
Paul C. Rettig, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		
Mark E. Rey, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,500.00	
Grace Ellen Rice, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	7,975.00	405.26
Richard Richards, Law Office of Richard Richards 1050 Thomas Jefferson Street, NW, 6th Fl Washington, DC 20007	Hughes Aircraft Company	500.00	
Do	Universidad Autonoma de Guadalajara	600.00	
Kevin C. Richardson, 2001 Eye St., NW Washington, DC 20006	Electronic Industries Assn	3,000.00	1,550.55
Christine R. Riddiough, 114 15th St., NE Washington, DC 20002	Gay & Lesbian Democrats of America	1,800.00	
Mark Joesph Riedy Esq, 1775 Pennsylvania Ave., NW, 7th Floor Washington, DC 20006	Shea & Gould (For:Haiti West Indies, S.A.)	7,480.00	339.70
Susan Riley, 1401 New York Ave., NW, #900 Washington, DC 20005-2102	Capital Strategies, Inc (For:Camera de la Industria de Transformacion de Nueve Leon).		
Do	BZS/Capitol Strategies (For:Export Packers Co, Ltd)		
Do	BZS/Capitol Strategies (For:Forest City Residential Development, Inc)		
Do	BZS/Capitol Strategies (For:Kidder Peabody & Co, Inc)		
Do	BZS/Capitol Strategies (For:South Bay Foundry)	1,000.00	
Do	BZS/Capitol Strategies (For:Tri-Star Electronics)		
Do	BZS/Capitol Strategies (For:Universal Furniture Industries, Inc)		
Do	BZS/Capitol Strategies (For:Vitrocrisa Cristaleria, S.A.)		
Delbert A. Ritchhart, 1530 Jamacha Road, #K330 El Cajon, CA 92019	General Dynamics Laser Systems Laboratory	23,625.00	8,281.50
Rivkin Radler Dunne & Bayh, 1575 I Street, NW, #1025 Washington, DC 20005	Akin Gump... (Drexel Burnham Lambert, Inc)	531.25	
Do	Allstate Insurance Co	981.25	
Do	American Bakers Assn	781.25	43.55
Do	Business Coalition for RICO Reform	19,495.15	225.48
Do	City of South Bend		
Do	Merrill Lynch & Co, Ins	9,048.75	95.73
Do	New Energy Co of Indiana		
Do	Renewable Fuels Assn	1,538.75	94.55
Robert Branand International, Four E Street, SE Washington, DC 20003	E.W. Bliss Company	72,767.00	73,918.00
Perry A. Roberts, 8000 W. Florissant St. Louis, MO 63136	Emerson Electric Co		1,362.44
William A. Roberts, 444 North Capitol St., #711 Washington, DC 20001	Keefe Company (For:Broward County Governmental Center)	1,800.00	
Do	Keefe Co (For:City of Tampa)	1,500.00	
Do	Keefe Company (For:Dallas Area Rapid Transit)	1,250.00	
Do	Keefe Company (For:Hillsborough Area Regional Transit)	1,000.00	
Do	Keefe Co (For:Sanders Associates, Inc)	500.00	
Do	Keefe Company (For:Seminole Tribe of Florida)	1,500.00	
Do	Keefe Company (For:Tom Bulger & Co (for County of Fairfax))	500.00	
Do	Keefe Company (For:Tres Grande Vitesse (TGV-USA, Inc))	1,000.00	
Do	Keefe Company (For:University of Miami)	1,000.00	
Do	TKC International, Inc (For:UNIAO Nacional Para Independencia Total DeAngola)	12,500.00	
Nathan Robfogel, 700 Midtown Tower Rochester, NY 14604-2070	Genesee & Wyoming Industries, Inc		
Michelle Robinson, 100 Maryland Avenue, NE Washington, DC 20002	Peace Political Action Committee	4,590.54	
Robison International, Inc, 2300 N St., NW, #600 Washington, DC 20037	FMC Corporation	4,500.00	5,078.00
Do	McDonnell Douglas Corp	7,500.00	5,483.00
Do	Royal Ordnance, Inc	12,000.00	8,772.00
Michael J. Rock, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	9,553.59	1,219.87
Michael F. Rodgers, 1129 20th St., NW, #400 Washington, DC 20036	American Assn of Homes for the Aging	231.50	81.50
Martha Romans, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		
Fred B. Rooney, 1050 Connecticut Ave., NW, #1200 Washington, DC 20036	American Iron & Steel Institute	196.00	
Do	Association of American Railroads	316.00	
Do	CalMat Company		
Do	Crawford Fitting Co		
Do	Kawasaki Motors Corp, USA		
Do	Security Life of Denver		
Do	Specialty Vehicle Institute of America	220.00	
Do	Victaulic Company of America		
Hilary Rosen, 1020 19th St., NW, #200 Washington, DC 20036	Recording Industry Assn of America	3,300.00	
Ross Marsh Foster Myers and Quiggle, 888 16th St., NW Washington, DC 20006	Church Alliance		
Joseph L. Rosso, 2200 Mill Road Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	
William C. Rountree, Suite 1000 1776 Eye Street, NW Washington, DC 20006	BP America, Inc		
Charles Rowton, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation	450.00	
Robert S. Royer, 1747 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Citizens Savings Bank		
Do	Long Island Savings Bank		
Do	MacAndrews & Forbes Holdings, Inc		
Do	Municipal Finance Industry Assn		
Do	Securities Industry Assn		
Royer Shacknai & Mehle, 1747 Pennsylvania Avenue, NW, #900 Washington, DC 20006	John Nuveen & Co, Inc		
Do	Securities Industry Assn		
Elisabeth Rubin, 2000 P Street, NW, #305 Washington, DC 20036	Foresight Science & Technology (For:Hartford Stream Boiler)	500.00	244.55
Eric M. Rubin, 1730 M Street, NW, #412 Washington, DC 20036	Rubin Winston & Diercks (For:Wayne Phillips)	1,800.00	
James S. Rubin, Kleinfeld Kaplan & Becker 1140 19th Street, NW Washington, DC 20036	Research Corp Technologies		
Lois J. Rude, 50 F Street, NW, #1080 Washington, DC 20001	BR Services, Inc	500.00	497.23
Robert A. Rusbuldt, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	24,231.00	
J. T. Rutherford & Associates, Inc, 1301 N. Courthouse Rd., #1802 Arlington, VA 22201	American College of Radiology		305.30
Do	American Optometric Assn		622.10
Do	Association of Federal Investigators		50.20
John G. Ryan, 655 15th Street, NW, #410 Washington, DC 20005	Squibb Corporation	1,000.00	
Kevin M. Sabo, 1100 17th Street, NW, #1203 Washington, DC 20036	Financial Executives Institute		
Felix R. Sanchez, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	2,000.00	1,818.77
James D. Santini, 1101 King Street, #350 Alexandria, VA 22314	American Escrow Assn	4,500.00	948.73
Do	National Tour Assn, Inc	23,913.00	5,041.29
Do	Truckee-Carson Irrigation District	4,000.00	1,041.79
Donna Scampoli, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
Eric V. Schaeffer, Morgan Lewis & Bockius 1800 M St., NW Washington, DC 20036	Hazardous Waste Action Coalition		20.00
Do	U.S. Gypsum Co		15.00
Vicki Schafer, 701 W. Packard Avenue Fort Wayne, IN 46808	Telos Corp		
Thomas A. Schatz, 1511 K Street, NW, #643 Washington, DC 20002	Council for Citizens Against Government Waste	1,500.00	30.25
Sandra A. Schlicker, McMahon and Associates 1331 Pennsylvania Avenue, NW Washington, DC 20004	Rodale Press	7,700.00	171.61
Ken Schlossberg Consultants, 317 Massachusetts Avenue, NE, #200 Washington, DC 20002	Bowman Gray School of Medicine	10,000.00	8,029.00
Do	Brandeis University	12,500.00	8,368.00
Do	Marine Biological Laboratory	10,000.00	8,967.00
Schmeltzer Aptaker & Sheppard, 2600 Virginia Ave., NW, #1000 Washington, DC 20037	American Honda Motor Co, Inc	3,236.00	10.25
Herbert K. Schmitz, 1600 M St., NW, #702 Washington, DC 20036	ICI Americas, Inc	20,000.00	
Thomas J. Schneider, 1300 19th Street, NW, #400 Washington, DC 20036	AFL-CIO Maritime Committee		
Carl J. Schramm, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Sherri Ann Schultz, 100 Maryland Ave., NE Washington, DC 20002	Council for a Livable World	3,276.15	
William B. Schultz, Suite 700 2000 P St., NW Washington, DC 20036	Public Citizen, Inc	7,500.00	25.00
Schwabe Williamson & Wyatt, 2000 Pennsylvania Ave., NW, #8335 Washington, DC 20006	Investment Co Institute		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Oregon State University	1,679.83	1,473.86
Do	Oregon Steel Mills, Inc	841.65	738.09
Do	Physicians Medical Laboratories	2,309.13	2,025.23
Do	Public Generating Pool	1,169.03	1,025.10
Do	Tri-Met	5,628.00	4,933.65
Elizabeth Nash Schwartz, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	6,234.50	648.60
Carl F. Schwensen, 415 2nd St., NE, #300 Washington, DC 20002	National Assn of Wheat Growers	2,150.00	
Norman Scott, 1937 E Atlantic Blvd. #14 Pompano, FL 33061	Expeditions Unlimited, Inc (For:Ova Noss Family Partnership)	6,800.00	19,662.47
Scrivens Goldstone & Co, 325 Lexington Ave. Xenia, OH 45385			
Law Offices of John Sears, 818 Connecticut Avenue, NW Washington, DC 20006	Embassy of the Republic of South Africa	15,000.00	968.01
Debbie Sease, 408 C St., NE Washington, DC 20002	Sierra Club	6,760.00	8.00
James E. Secrist, 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	2,000.00	250.80
M. Mark Seklecki, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	840.75	
Steven K. Selby, 3050 K Street, NW, #330 Washington, DC 20007	Campbell Falk & Selby (For:Commonweath of Puerto Rico)	10,000.00	
John Hunter Sharp, 1129 20th St., NW, #300 Washington, DC 20036	Natural Gas Supply Assn	17,250.00	1,675.25
Daniel E. Shaughnessy, 1911 North Ft. Myer Drive, #702 Arlington, VA 22209	Western Great Lakes Maritime Assn		
Shaw Pittman Potts & Trowbridge, 2300 N Street, NW Washington, DC 20037	Alabama Contruction Contractors	2,316.88	71.31
Do	American Insurance Assn	1,204.06	17.02
Do	Aronov Realty		
Do	Auburn University	3,000.00	290.62
Do	ADDSCO Industries, Inc		
Do	Bristol-Myers Co		
Do	Citmoco Services, Inc		
Do	Drummond Company, Inc	1,250.00	123.94
Do	Emerson Electric Co		
Do	Federation of Bankers Assn of Japan		
Do	Institute of International Bankers		
Do	Intergraph Corporation	413.13	51.76
Do	Investment Counsel Assn of America, Inc		
Do	INCO-US, Inc		
Do	Jim Walter Corp	1,875.00	184.33
Do	Michelin Tire Company	5,960.94	483.01
Do	Minimum Wage Coalition to Save Jobs	3,619.06	
Do	Munitions Carrier Conference		
Do	National Industries	2,091.88	308.54
Do	Pfizer, Inc	6,750.00	42.83
Do	Private Child Care Providers	7,639.20	664.18
Do	Public Service of New Hampshire		
Do	Rust Engineering	6,100.63	119.30
Do	South Central Bell		
Do	Southern Company Services, Inc	3,750.00	316.74
Do	Texas Air Corporation		
Do	Utility Nuclear Waste and Transportation Program		
Do	Vulcan Materials Co	7,213.75	356.05
Shea & Gould, 1775 Pennsylvania Ave, NW, #700 Washington, DC 20006	Group Health, Inc	2,875.00	
John Thomas Sheehan, 733 15th Street, NW, #700 Washington, DC 20005	UST, Inc		
R. Parker Sherrill, One Park Plaza P.O. Box 550 Nashville, TN 37202-0550	HCA The Healthcare Company		
Carl Shipley, 475 Galleon Dr. Naples, FL 33940	Eagle-Picher Ind., Inc	3,000.00	110.00
Andrew Siegel, 100 Maryland Ave., NE Washington, DC 20002	Council for a Livable World	2,223.19	
Sierra Club, 730 Polk Street San Francisco, CA 94109		430,431.52	430,431.52
William A. Signer, 444 North Capitol St., NW, #711 Washington, DC 20001	Keefe Company (For:A.P.G. Corp)		
Do	Keefe Company (For:Alarm Industry Communications Committee)		
Do	Keefe Company (For:Corporate Growth Concepts)		
Do	Keefe Company (For:CIC Enterprises)		
Do	Keefe Co (For:Foodservices & Lodging Institute)		
Do	Keefe Company (For:Greater New York Hospital Assn)		
Do	Keefe Company (For:HADASSAH Medical Relief Organization)		
Do	Keefe Company (For:Management Insights, Inc)		
Do	Keefe Co (For:National Restaurant Assn)		
Do	Keefe Company (For:New York Hospital)		
Do	Keefe Company (For:Targeted Management Consultants)		
Stephen Silbiger, 2027 Massachusetts Ave, NW Washington, DC 20036	American Jewish Congress	16,250.00	282.00
Mary Silveira, 317 Massachusetts Avenue, NE Washington, DC 20002	Ken Schlossberg Consultants (for:Woods Hole Marine Bio Lab)	8,025.00	111.32
Howard J. Silver, 1522 K Street, NW, #836 Washington, DC 20005	Consortium of Social Science Assns	1,325.00	22.50
Bruce A. Silverglade, 1501 16th Street, NW Washington, DC 20036	Center for Science in the Public Interest	5,000.00	225.00
Curtis Silvers, 888 16th St., NW, #606 Washington, DC 20006	Bannerman & Associates, Inc (For:Government of Bangladesh)	750.00	84.00
Do	Bannerman & Associates, Inc (For:Government of Tunisia)	750.00	
Do	Bannerman & Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines)).	750.00	52.85
Talmage E. Simpkins, 444 North Capitol Street——#801 Washington, DC 20001	AFL-CIO Maritime Committee	300.00	333.59
Do	Labor-Management Maritime Committee, Inc	1,631.00	244.00
William G. Simpson, 1155 15th St., NW, #504 Washington, DC 20005	First Mississippi Corp	2,000.00	
Do	Mississippi Power & Light Company	2,000.00	
Do	State of Mississippi	4,000.00	
Albert M. Sims, 11006 Hampton Rd. Fairfax Station, VA 22039	Performance Engineering, Inc		
Richard L. Sinnott, 1917 Broadway E Seattle, WA 98102	Dallas/Ft. Worth International Airport	9,000.00	534.08
Do	Galena Resort Co		
Do	Richard L. Sinnott & Company (For:Intermec Corp)	8,000.00	1,478.10
Do	New United Motor Manufacturing, Inc	12,000.00	606.45
Richard L. Sinnott & Co, 1917 Broadway Seattle, WA 98102	Port of Oakland	18,750.00	3,362.83
Skadden Arps Slate Meagher & Flom, 1440 New York Avenue, NW Washington, DC 20005	American Electronics Association		
Do	Computer & Business Equipment Manufacturers Association		
Do	Council on Research & Technology	4,400.00	35.00
William J. Skinner, 751 Rockville Pike, # 27B Rockville, MD 20852	U.S. Pharmaceopeial Convention, Inc	810.21	5.90
Barry S. Slevin, 1000 Potomac Street, NW, #204 Washington, DC 20007	Seifman Semo & Slevin, P.C. (For:United Food & Commercial Workers International Union).		
Sloan Listrom Eisenbarth Sloan & Glassman, 714 Capitol Federal Building Topeka, KS 66603	Kansas Bankers Surety	3,724.00	286.39
Caroline A. Smith, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	1,875.00	
Debbi L. Smith, 374 Jamie Ct. Glen Burnie, MD 21061	Center for Electrochemical Systems & Hydrogen Research	6,562.50	637.78
Edward Del Smith, 905 16th Street, NW Washington, DC 20006	E. Del Smith and Company (For:American Assn of Petroleum Geologists)	2,830.00	101.64
Do	E. Del Smith and Company (For:California Independent Oil Producers Assn)	4,500.00	1,046.32
Do	E. Del Smith and Company (For:Cement Free Trade Assn)	7,500.00	933.77
Do	E. Del Smith & Co (For:City of Anaheim Public Utilities)	4,860.00	3,861.15
Do	E. Del Smith and Company (For:City of Laguna Beach, CA)	2,400.00	
Do	E. Del Smith and Company (For:City of Long Beach, CA, Dept. of Oil Properties)	3,150.00	2,795.82
Do	E. Del Smith and Company (For:City of Long Beach, CA, Intergovernmental Relations).	3,911.86	
Do	E. Del Smith and Company (For:City of Santa Monica)	2,400.00	
Do	E. Del Smith and Company (For:Clark County Regional Flood Control District)	3,000.00	
Do	E. Del Smith and Company (For:County of L.A. Community Development Commission).	2,430.00	
Do	E. Del Smith and Company (For:County of Los Angeles)	10,399.66	223.39
Do	E. Del Smith and Company (For:Dalan/Jupiter, Inc)		
Do	E. Del Smith and Company (For:Davis Walker Corp)		
Do	E. Del Smith and Company (For:Hidden Valley Resources Inc)	1,500.00	
Do	E. Del Smith and Company (For:Long Beach Naval Shipyard Employees Assn)	2,100.00	
Do	E. Del Smith and Company (For:Northern California Power Agency)	13,300.00	1,387.93
Do	E. Del Smith and Company (For:Port of Hueneme, CA, Oxnard Harbor District)	5,833.34	
Do	E. Del Smith and Company (For:Port of Long Beach, CA)	26,200.00	9,977.78
Do	E. Del Smith and Company (For:Port of Santa Cruz, CA)	1,950.00	
Do	E. Del Smith and Company (For:Prado Oil Company)		
Do	E. Del Smith and Company (For:Rancho Palos Verdes)	1,350.00	
Do	E. Del Smith and Company (For:Signal Landmark, Inc)	12,000.00	4,024.67

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	E. Del Smith and Company (For:U.S. Escrow)	6,950.00	996.25
Ellen S. Smith, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	3,083.00	1,519.39
Patrick F. Smith Jr., 1730 K Street, NW, #1101 Washington, DC 20006	National Treasury Employees Union	19,125.00	
Velma Smith, 218 D Street, SE Washington, DC 20003	Environmental Policy Institute	339.58	
William C. Smith, 317 Massachusetts Ave., NE #200 Washington, DC 20002	Ken Schlossberg Consultants (For:Bowman Gray School of Medicine)	6,249.00	108.00
Do	Ken Schlossberg Consultants (For:Brandeis University)	6,249.00	18.50
Laurie J. Snyder-Cavell, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc		
Vincent R. Sombrotto, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	5,888.75	
Space Industries, Inc, 711 West Bay Area Blvd., #320 Webster, TX 77598-4001			12,333.75
Susan E. Spangler, 1615 L Street, NW, #1350 Washington, DC 20036	National Assn of Manufacturers	500.00	
Thomas J. Spangler, 1730 K Street, NW, #1100 Washington, DC 20006	National Treasury Employees Union	12,500.00	276.45
D. Dean Sparkman, 1925 N. Lynn Street, #308 Arlington, VA 22209	Sparkman & Cole, Inc (For:Delta Airlines, Inc)	1,125.00	
Ray L. Spickler, 444 North Capitol Street, NW, #845 Washington, DC 20001	National Air Traffic Controllers Assn	350.40	
Frances Spivy-Weber, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society	1,000.00	950.00
Martha Ann Spudis, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	6,800.00	
Kristin Stelck, 2401 Virginia Avenue, NW Washington, DC 20037	American Assn of University Women	5,000.00	240.76
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Alliance for Cannabis Therapeutics		
Do	Association of Private Pension & Welfare Plans, Inc	5,219.25	293.63
Do	Canadian Sugar Institute		
Do	Cement Importers Assn		
Do	Coalition to Promote America's Trade		42.00
Do	Harley-Davidson Motor Co, Inc		
Kenneth F. Stinger, 2200 Mill Rd Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	
Dennis C. Stolte, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	6,637.00	84.65
R. Keith Stroup, Suite 500A, Box 69 100 Maryland Ave., NE Washington, DC 20002	American Agriculture Movement, Inc		
Stryker Weiner Associates, Inc, 737 Bishop Street, #2860 Honolulu, HI 96813	Madison Public Affairs Group, Inc (for Philip Morris, USA)		
Dorothy E. Stucke, 1111 14th Street, NW, #900 Washington, DC 20005	National Apartment Assn	7,615.38	400.00
Jay R. Sullivan, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Company, Inc)	3,000.00	
Judy M. Sullivan, 1614 King Street Alexandria, VA 22314	National Assn of Housing Cooperatives		
Jeffrey Sumberg, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
David A. Super, 1319 F Street, NW, #500 Washington, DC 20004	Food Research & Action Center	56.49	
Sutherland Asbill & Brennan, 1275 Pennsylvania Avenue, NW, #1000 Washington, DC 20004	American Industrial Clay & Georgia Kaolin	10,829.44	1,886.47
Do	Anglo-American Clays Corp	10,829.44	1,886.47
Do	Engelhard Minerals & Chemicals Corp	10,829.44	1,886.47
Do	J. M. Huber Corp	10,829.44	1,886.47
Do	Nord Resources Corp	10,829.44	1,886.47
Do	Thiele Kaolin Co	10,829.44	1,886.47
Stephen L. Swann, 1005 North Glebe Road, #250 Arlington, VA 22201			
Rosemarie Sweeney, Suite 770 600 Maryland Ave., SW Washington, DC 20024	American Academy of Family Physicians	3,750.00	2,118.46
Carol A. Swift, 311 First St., NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	1,300.00	52.00
Scott R. Swirling, 122 C St., NW, #380 Washington, DC 20001	National Family Planning & Reproductive Health Assn, Inc	615.00	48.00
SKC & Associates, 1825 K Street, NW Washington, DC 20006	Seldovia Native Assn		
Do	Southern Company Services	5,000.00	
Margaret J. Taylor, 50 F Street, NW, #1080 Washington, DC 20001	BN Services, Inc	1,750.00	36.09
Sandra E. Taylor, 1600 M St., NW, #702 Washington, DC 20036	ICI Americas	15,000.00	131.00
William S. Taylor, 239 W. New York Avenue Las Vegas, NV 89107			
Technology Services Group, Inc, 1625 K Street, NW, #375 Washington, DC 20006			
Telos Corp, 3420 Ocean Park Blvd. Santa Monica, CA 90405			
Elayne L. Tempel, 1016 16th St., NW, Washington, DC 20036	National Fed of Federal Employees		
Tempo Enterprises, Inc, P.O. Box 702160 Tulsa, OK 74170			
Mary Kay Thatcher, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	6,313.00	216.16
Virginia Lamp Thomas, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
W. Dennis Thomas, 1620 Eye St., NW, #700 Washington, DC 20006	International Paper Co	4,000.00	550.00
Richard L. Thompson, 655 15th Street, NW, #410 Washington, DC 20005	Squibb Corporation	1,500.00	
Thompson & Company, 529 14th St., NW, #425 Washington, DC 20004	CareerCom Corp	6,000.00	122.66
Do	Chicago Research & Trading Group, Ltd	18,750.00	1,922.87
Do	Consolidated Bank		162.06
Do	Hinderliter Industries, Inc	720.00	3.44
Do	Mitsubishi Electronics America, Inc	15,000.00	2,751.83
Do	Joesph J. Ritchie		891.18
Do	Suzuki of America Automotive Corp	22,500.00	1,865.58
Do	Trans World Airlines, Inc	3,000.00	2,258.23
Thompson & Mitchell, 1120 Vermont Avenue, NW, #1000 Washington, DC 20005	Cold Finished Steel Bar Institute		580.55
Do	Midland Enterprises, Inc	12,000.00	826.40
Do	Mutual Fairness Taxation Assn	31,250.00	7,887.67
Thompson Hine & Flory, 1920 N St., NW, #700 Washington, DC 20036	American Tie Fabric Assn		
Do	National Pork Producers Council		
Thompson Mann & Hutson, 3000 K Street, NW, #600 Washington, DC 20007	Bechtel Group, Inc		
Do	Combustion Engineering, Inc		
Do	Fluor-Daniel, Inc	1,842.50	35.74
Do	M.W. Kellogg Company		
Do	Morrison-Knudsen Co, Inc	1,842.50	35.74
Do	National Dual Shop Coalition		
Robert E. Thomson, 59 Maiden Lane New York, NY 10038	Ambase	2,723.08	1,661.07
James L. Thorne, 490 L'Enfant Plaza, SW, #2202 Washington, DC 20024	Tenneco Gas		
John Thornton, 444 North Capitol Street, NW, #845 Washington, DC 20001	National Air Traffic Controllers Assn		
William J. Tobin, 3612 Bent Branch Ct. Falls Church, VA 22041	National Child Care Assn	3,000.00	18.00
Do	National Hearing Aid Society	350.00	9.00
Transafrica, 545 8th Street, SE, #200 Washington, DC 20003		12,762.78	96,383.06
Travis & Gooch, 1100 15th St., NW, #1200 Washington, DC 20005	Anadarko Petroleum Corp	1,200.00	
Do	Coalition to Oppose Energy Taxes		
Tretter-Gorman, Inc, 711 N. Eleventh Street St. Louis, MO 63101	Madison Public Affairs Group (for: Philip Morris USA)	362.50	624.20
Laurie K. Tryfiates, 370 L'Enfant Promenade, SW, #800 Washington, DC 20024	Concerned Women for America Legislative Action Committee	6,698.76	
Paul E. Tsongas, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	Cambridge Redevelopment Authority	6,039.00	4.91
Do	Humane Soc of the U.S., et al	4,290.00	548.75
Do	Iroquois Gas Transmission Systems	5,610.00	1,060.50
Do	National Venture Capital Assn		
Do	Northeast Solvents Recovery	594.00	
Do	Sierra Club of America		
Do	Thermedics, Inc		
U.S. Recreational Ski Association, P.O. Box 25469 Anaheim, CA 92852-5469			
U.S. Strategies Corp, 104 North Carolina Ave., SE Washington, DC 20003	Cancer Treatment Holdings, Inc	26,193.42	8,876.92
Do	Healthsouth Rehabilitation Corp	8,000.00	3,903.15
Uranium Producers of America, c/o Covington & Burling 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044		97,000.00	60,245.11
Reginald T. Valliere, 8 Herbert Street Alexandria, VA 22305-2600	National Assn of Postmasters of the United States	13,839.51	1,938.61
Richard Van Deuren, 111 E. Wisconsin Avenue, NW, #1800 Milwaukee, WI 53202	National Employee Benefits Institute		
Narcy Van Duyne, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	4,330.94	
Van Fleet Metzner and Meredith Corporation, 499 S. Capitol Street, #520 Washington, DC 20003	Electrospace Corporation	5,000.00	
Henry B. Van Gieson, 1700 North Moore St., 2120 Arlington, VA 22209	Boeing Company	1,665.00	7.00
Jerry T. Verkler, 555-13th Street, NW, Suite 300 West Washington, DC 20036	Interstate Natural Gas Assn of America	6,250.00	120.15
Verner Liipfert Bernhard McPherson & Hand, Chtd, 901 15th Street, NW #700 Washington, DC 20005-2301	Atlantic Richfield Co		
Do	Bell Atlantic Corp	120.00	
Do	Brown & Root, Inc		
Do	Central Gulf		
Do	Continental Airlines		
Do	General Aviation Manufacturers Association	2,830.00	
Do	General Dynamics Corp	1,000.00	
Do	GenCorp	2,640.00	
Do	Investment Company Institute	3,240.00	
Do	John F. Kennedy Center for the Performing Arts		
Do	Mars, Inc	5,053.75	
Do	Martin Marietta Corp	1,000.00	
Do	McDonnell Douglas Corp	1,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	STV Engineers		
Do	Travelers Corporation	3,051.25	
Do	TRW, Inc	1,535.00	
Do	UNC, Inc	2,238.75	
Do	Wings Holdings Inc	10,590.00	
Jean Vernet, 105 East 22nd Street New York, NY 10010	Community Service Society	37.70	356.10
Virginia C. Vertiz, 1801 North Moore Street Arlington, VA 22209	American Assn of School Administrators	6,786.75	
Melanne Verveer, 2000 M STreet, NW, #400 Washington, DC 20036	People for the American Way	6,499.98	109.50
Robert J. Vilhauer, 1700 N. Moore Street, #2120 Arlington, VA 22209	Boeing Company	363.00	24.00
Vinson & Elkins, 1455 Pennsylvania Ave., NW, #800 Washington, DC 20004-1007	United Savings Assn of Texas FSB	1,575.00	25.50
Volunteer Trustees of Not-For-Profit Hospitals, 1625 Eye St., NW, #810 Washington, DC 20006		74,500.00	11,330.00
Ann Hadley Vom Eigen, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	7,155.00	275.00
Vorys Sater Seymour & Pease, 1828 L Street, NW, #1111 Washington, DC 20036	Trustcorp, Inc	8,948.15	1,079.39
Debra Waggoner, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	231.00	
Michael Waldman, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	6,750.00	
Wallace Dover & Dixon, 1400 L Street, NW Washington, DC 20005-3502	Louisiana Holding Co	18,040.00	
Anne Marie Walsh, 1025 Connecticut Ave, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Charles S. Walsh, Fleischmen & Walsh 1400 16th Street, NW Washington, DC 20036	National Cable Television Assn, Inc		
Barbara F. Warden, 1710 Broadway New York, NY 10019	International Ladies' Garment Workers Union	8,638.11	251.38
Jenifer Warkenthien, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
B. Jack Warren, P.O. Box 95385 Atlanta, GA 30347	Forest Farmers Assn		
Ronald D. Waterman, 900 2nd Street, NE, #109 Washington, DC 20002	Milwaukee County-Intergovernmental Relations	13,125.00	3,475.00
Do	Wisconsin Counties Assn	7,500.00	3,475.00
Lucy R. Watkins, 236 Massachusetts Ave., NE, #504 Washington, DC 20002	Center for Law and Education, Inc	1,300.00	
Clarke R. Watson, 1111 Ash Street Denver, CO 80220	Westland Companies, Inc		
Jerry B. Watson Jr., P.O. Box 90257 Washington, DC 20090-0096		2,337.00	1,932.00
Susan Weber, 1400 16th Street, NW, #320 Washington, DC 20036	Zero Population Growth, Inc	11.00	
Paul Weckstein, 236 Massachusetts Ave., NE, #504 Washington, DC 20002	Center for Law and Education, Inc	1,570.83	
Theodore F. Weihe, 1800 Massachusetts Avenue, NW 3rd Floor Washington, DC 20036	U.S. Overseas Cooperative Development Committee	2,812.00	
Suzanne E. Weiland, 1133 15th Street, NW, #640 Washington, DC 20005	American Logistics Assn		36.30
Suzanne Weiss, 1129 20th Street, NW, #400 Washington, DC 20036	American Assn of Homes for the Aging	36.38	7.60
Bryant L. Welch, 1200 17th St., NW, Suite 106 Washington, DC 20036	American Psychological Assn	3,750.00	30.00
Wexler Reynolds Fuller Harrison and Schule, Inc, 1317 F Street, NW, #600 Washington, DC 20004	Aetna Life & Casualty		
Do	Allied-Signal, Inc	450.00	
Do	American Airlines, Inc	1,090.90	5.45
Do	American Institute for Foreign Study Scholarship Foundation	2,100.00	37.70
Do	American International Manufacturing Corp		
Do	Americans For Safe & Competitive Trucking	2,450.00	176.05
Do	Bank Capital Markets Assn		
Do	Blue Cross & Blue Shield Assn		
Do	Communications Satellite Corp	2,100.00	17.45
Do	Consortium of State Maritime Schools		
Do	Coopers & Lybrand	450.00	15.00
Do	Ethigen Corp		
Do	General Motors Corp		
Do	Gulf South Engineers, Inc		
Do	Health Policy Agenda for the American People		
Do	Hughes Aircraft Company	500.00	21.35
Do	Manhattan Building Companies, Inc		
Do	Massachusetts Maritime Academy		33.80
Do	Monarch Capitol Corp	4,250.00	26.00
Do	Motion Picture Assn of America, Inc	7,110.25	296.00
Do	Mullen Advertising		
Do	MCI Communications Corp	3,420.06	83.90
Do	Natioanl Assn of Social Workers	700.00	70.45
Do	National Gypsum Co	250.00	31.50
Do	New England Electric System		
Do	New England Fisheries Development Foundation, Inc		
Do	Nova, An Alberta Corp		
Do	Novacor Chemicals, Ltd		
Do	Oceanic Institute		5.45
Do	Paul Weiss Rifkind Wharton & Garrison	2,900.00	16.35
Do	Radio Assn Defending Airwave Rights, Inc		
Do	Regional Planning Commission		5.45
Do	Schaefer & Associates		
Do	Spanish International Communications Corp		
Do	Training Media Distributors Assn	400.00	
Do	Viacom International, Inc		
Do	Woods Hold Oceanographic Institution		
Curtis E. Whalen, 555 13th Street, NW, Suite 430W Washington, DC 20024	Transco Energy Company	7,000.00	5,112.10
Leonard P. Wheat, 1111 14th St., NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
White & Case, 1155 Avenue of the Americas New York, NY 10036	Moody's Investor Services, Inc	225.00	60.00
Elizabeth D. Whitley, 600 Maryland Ave., SW Washington, DC 20024	Americana Farm Bureau Federation	7,250.00	343.39
Andrew F. Wiessner, Kogovsek & Associates 1801 Broadway #1420 Denver, CO 80202	Bonneville Pacific Corp		1,421.01
Paul H. Wikerd, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Buckbee-Mears Cortland	245.00	621.58
Jack L. Williams, 451 New Jersey Avenue, SE Washington, DC 20003	American Ins. Ass'n	1,500.00	225.00
Do	Ark-Best Co	1,500.00	225.00
Do	Ark-La Gas	1,500.00	225.00
Do	Cooper Communities, Inc	1,500.00	225.00
Do	Electro Com Automation, Inc	1,500.00	225.00
Do	Riceland Foods	1,500.00	225.00
Do	Tyson Foods, Inc	1,500.00	225.00
Lawrence F. Williams, 330 Pennsylvania Avenue, SE Washington, DC 20003	Sierra Club	6,234.70	40.25
Willkie Farr & Gallagher, Three Lafayette Center 1155 21st St., NW Washington, DC 20036	Automobile Importers of America	2,101.25	
Do	ASEAN Federation of Textile Industries (AFTEX)		
Do	Brazilian Iron and Steel Institute (IBS)	1,811.25	
Do	Companhia Siderurgica Paulista (COSIPA)		
Do	Ferro Union		
Do	Golodetz Corporation	175.00	
Do	Institute of Resource Recovery (IRR)	3,587.50	
Do	Japan Iron & Steel Exporters' Assn		
Do	National Assn of Independent Fee Appraisers	1,957.50	
Do	Shearson Lehman Hutton	1,897.50	
Do	Telecommunications Industry Assn	1,575.00	
Do	Westinghouse Electric Corp	3,780.00	
Do	Yamaha Motor Co, Ltd, et al	6,661.25	157.13
Do	Yamaha Motor Manufacturing Corp of America	4,650.00	
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	Handgun Control, Inc		202.08
D. Reid Wilson, 408 C Street, NE Washington, DC 20002	Sierra Club		
Marie Winslow, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees	7,762.44	
Winston & Strawn, 2550 M St., NW, #500 Washington, DC 20037	City of Tucson		
Winthrop Stimson Putnam & Roberts, 1133 Connecticut Ave., NW, 1200 Washington, DC 20036	Bassett Sole Community Provider		
Do	Bowater, Inc		
Do	Connecticut Liquidity Investment Fund, Inc		
Raymond S. Wittig, 4618 Holly Ridge Road Rockville, MD 20853	Geocenters, Inc	855.00	74.90
S.R. Wojdak and Associates, Inc, 1401 Walnut St., #1000 Philadelphia, PA 19102	All Children's Hospital	3,000.00	112.15
Do	Cardinal Glennon Children's Hospital	675.00	62.02
Do	Children's Hospital of Buffalo	3,000.00	146.17
Do	Children's Hospital of Los Angeles	3,000.00	134.14
Do	Children's Hospital of Michigan	3,000.00	124.14
Do	Children's Hospital of Pittsburgh	109,500.00	2,799.02
Do	Children's Hospital Medical Center of Akron	5,100.00	203.77
Do	Children's Memorial Medical Center	3,675.00	158.61

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Hahnemann University	112,500.00	1,251.60
Do	Health Industry Manufacturers Assn	6,000.00	
Do	Henrietta Egleston Hospital for Children	3,000.00	112.64
Do	Magee-Womens Hospital	22,500.00	2,440.62
Do	Medical College of Pennsylvania		
Do	Mercy Catholic Medical Center	28,500.00	1,469.57
Do	National Assn of Children's Hospitals & Related Institutions	12,000.00	1,059.21
Do	National League of Nursing	9,600.00	824.10
Do	Spring Garden College	15,000.00	929.67
Do	St. Christopher's Hospital for Children	67,500.00	2,860.62
Do	St. Francis Medical Center		
Do	St. Louis Children's Hospital	675.00	62.02
Do	University of Pennsylvania	12,000.00	1,307.26
Do	Western Pennsylvania Hospital	5,200.00	140.29
Do	Wyler Children's Hospital	675.00	62.02
Burton C. Wood, 1125 15th St., NW Washington, DC 20005	Mortgage Bankers Assn of America	19,875.00	2,495.00
Irvin M. Woods, 4601 N Fairfax Drive, #720 Arlington, VA 22203	Woods And Associates (For:Helicopter Assn International)		
Dalton Yancey, 910 16th St., NW, #402 Washington, DC 20006	Florida Sugar Cane League, Inc		24.93
Do	Rio Grande Valley Sugar Growers		24.93
Caryl Yontz, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	8,776.26	528.38
Roberta Lynn Youmans, 122 C Street, NW, #875 Washington, DC 20001-2109	National Housing Law Project	2,312.50	
Robert A. Young, 12248 Turkey Creek Ct. Maryland Heights, MO 63043	Brown & Associates	1,500.00	
Do	United Assn of Jnymen & Appren of Plmbg & Pipefttg Industry	1,500.00	
Edward R. Zajonc, 16461 Chapin Way Lake Oswego, OR 97034	Tonkon Torp Galen Marmaduke & Booth	2,400.00	1,782.78
Sharon G. Zedd, 1945 Old Gallows Road, #550 Vienna, VA 22182	American Wood Preservers institute	10,625.00	2,097.30
Zero Population Growth, Inc, 1400 Sixteenth St.,N.W.,#320 Washington, DC 20036		2,407.00	2,382.00
Carl A. Zichella, 214 N. Henry St., #203 Madison, WI 53703	Sierra Club	4,819.50	878.90
Elaine Ziemba, 1515 Wilson Boulevard Arlington, VA 22209	American Ga: Assn	1,321.88	2,010.13
Bradley P. Ziff, 3841 Newark Street, NW Apt. A451 Washington, DC 20016	International Swap Dealers Assn Inc		1,081.95
Kathleen Zimmerman, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	214.23	

EXTENSIONS OF REMARKS

THE ELECTORAL PROCESS IN NICARAGUA

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. LAGOMARSINO. Mr. Speaker, A recent commentary by Allen Weinstein published in the November 10 edition of the Wall Street Journal offers an insightful analysis of the electoral process in Nicaragua and the threat to elections represented by Daniel Ortega's decision to cancel the cease-fire.

Mr. Weinstein is president of the Center for Democracy, which is one of the few officially recognized organizations tasked with observing the electoral process in Nicaragua. I believe his comments bear serious attention.

[From the Wall Street Journal, Nov. 10, 1989]

SAVING THE NICARAGUAN ELECTION

(By Allen Weinstein)

The fate of next February's Nicaraguan election may be decided today at the United Nations, as representatives of the Sandinista government, the anti-Sandinista resistance and the Honduran government meet with U.N. and Organization of American States officials. The discussions, which began yesterday, will focus on prospects and preconditions for the voluntary demobilization of the Honduran-based Contra rebels, as called for in the Central American peace accords.

President Daniel Ortega's announcement that the Nicaraguan army would discontinue its cease-fire—agreed to by earlier Sandinista-Contra negotiations—has thrust the prospect of full-scale renewed warfare between the two sides squarely into the middle of the current election campaign. Should the electoral climate within Nicaragua become re-militarized, it is difficult to see how a calm, civilian-run election campaign and vote can take place.

Prior to Mr. Ortega's announcement, the mood among ordinary Nicaraguan voters in recent weeks seemed upbeat, despite the backdrop of a decade-long civil war. Registration figures were high (over 1,750,000 registered voters—more than 90 % of those eligible) and enthusiasm for the electoral process ran even higher.

The shift from indifference to active enthusiasm is especially encouraging if one considers that several serious electoral problems remain unresolved: the presence of armed soldiers at some polling places as "electoral police"; uniformed paramilitary troops in similar roles at many more polling places (a change into civilian grab and storage of the AK-47s would deal with this problem on election day); and an unbalanced allocation of media time to the opposition. these are negotiable issues, of course, but the full renewal of large-scale military action in the midst of an election campaign—with its obvious capacity for intimidating voters—must also be negotiable.

What steps taken in New York today might save the fragile Nicaraguan electoral process form falling victim to a fully renewed civil war? Three seem particularly appropriate within any overall settlement. If accepted by both sides in the framework of a demobilization agreement, they could put the election back on track.

(1) Part of any demobilization and repatriation agreement should include a provision for special registration of Contras and their families planning to return to Nicaragua so that they can still participate fully in the electoral process. Our center's efforts to raise this issue—and the related one of registering the Nicaraguan refugees now living elsewhere in Central America—failed to elicit meaningful government interest when broached on a number of occasions in recent months. Nevertheless, an absolute commitment that the Contras can exchange bullets for ballots would ease the road to reconciliation in Nicaragua.

(2) Both the government and the opposition coalition—headed by presidential candidate Violeta Chamorro—have identified various towns, villages and voting places as trouble spots where they claim their representatives have been harassed or worse. Why not organize unarmed, joint patrols of observers from the U.N. and the OAS, accompanied by government and opposition representatives, to cover such areas? This could be done after the fashion of joint U.S., British, French and Soviet patrols in Austria during a pivotal postwar period in that country's history. If reducing the level of fear is a necessary precondition to holding fair and free elections in Nicaragua, these "electoral patrols" could be a valuable aid to the process.

(3) The immediate goal of reaching agreements such as those above would be to strengthen the "confidence-building measures" required to make fully credible both Contra demobilization and the overall Nicaraguan electoral process. One byproduct could be the opening of bilateral discussions between the governments of Nicaragua and the U.S. on restoring full diplomatic relations between the two countries and on other issues of pressing concern to both parties.

Assuming the good faith of all those involved in the Nicaraguan electoral process, it is difficult to see how any group or side loses through adopting these proposals. But without steps that ease the current confrontation and raise the level of trust on all sides, it will be difficult for the Nicaraguan election of 1990 to serve as the catalyst for democratization, economic development and national reconciliation—all of which that embittered and impoverished nation desperately needs.

UNITED NATIONS FINDS NICARAGUA OPEN-MINDED AND FLEXIBLE ON ELECTION PREPARATIONS

HON. GEO. W. CROCKETT, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. CROCKETT. Mr. Speaker, from time to time I am inserting in the RECORD, for the information of my colleagues, objective information about the Nicaraguan elections.

Today I would like to share with my colleagues the conclusions of a U.N. report issued October 17 entitled "Evolution of the Electoral Process in Nicaragua: First Report of the United Nations Observer Mission to Verify the Electoral Process in Nicaragua to the Secretary General."

Following the concluding section of that report, I include a Center for International Policy press release on the report entitled "U.N. Finds Nicaragua Open-Minded and Flexible on Election Preparations."

This information constitutes further encouragement to believe that the election will be free and fair.

The material follows:

VI. CONCLUSIONS

49. The present report covers the period between 5 July, the date of the exchange of letters between the Government of Nicaragua and the Secertary-General of the United Nations by which the Mission was established, and the end of September. During that period, all levels of the electoral authority were put in place, and the main stages in the organization of parties and coalitions were completed.

50. With regard to the composition of the electoral authority, and despite the fact that the make-up of certain electoral bodies may not entirely meet the opposition's expectations or demands, the fact of the matter is that an objective analysis of the specific decisions adopted by the Supreme Electoral Council reveals that to date no undue benefits have accrued to FSLN. There is no reason to infer that partiality has been shown towards that party; rather, there is appreciable concern on the part of members of the Council to ensure the broadest possible participation by political groups and citizens in the electoral process and to take a broad-based and flexible approach against the background of a receptive general attitude. Since, however, the question of the impartiality of the electoral authority is central to the electoral process, the Mission will continue to moniter, on a permanent basis, any decisions adopted.

51. The process of organizing political parties and coalitions cannot be considered to have been completed altogether, because candidates still have to be nominated for the municipal councils and the regional councils of the autonomous regions of the Atlantic coast. But the most important

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

phase, the acquisition of legal status by a number of parties (a controversial issue in the past), has reached a satisfactory conclusion. There have been no problems with regard to the formation of coalitions or the registration of candidates for the executive and legislative branches. The only significant complaint on the part of certain opposition parties is about the composition and the aforementioned decisions of the Council of Political Parties, decisions that were later rescinded by the Supreme Electoral Council.

52. The parties began political and electoral activity at an early stage, and already there have been certain differences of opinion concerning the mobilization of political parties and campaigning, items that come under the Mission's terms of reference. Perhaps the most sensitive issue has to do with mobilization for reservist military service. On this and on other matters referred to in the report, the sole aim has been to outline the main aspects of the disagreement and the positions of the parties, inasmuch as the items are still under discussion. As suggested in the text, some of them will be dealt with in later reports.

U.N. FINDS NICARAGUA "OPEN-MINDED AND FLEXIBLE" ON ELECTION PREPARATIONS

The United Nations' election-monitoring unit in Nicaragua reported on October 17 that the Nicaraguan electional authority has granted "no undue benefits" or partiality to the governing Sandinista party and has extended legal status to nine more opposition parties, making a total of twenty legal opposition parties in the country. The acquisition of legal status for these parties, the UN reported, has "reached a satisfactory conclusion."

Rather than favoring the Sandinista party, the Supreme Electoral Council's decisions on important issues do "not reveal bias towards the governing party. On the contrary, the decisions referred to show the Council as open-minded and flexible and its decisions seem rather to benefit the opposition parties." The decisions included extending the deadlines for opposition representation on regional and local electoral commissions and for appointment of opposition poll-watchers.

Also, the UN said, the electoral council relaxed the rules for formation of political parties and for foreign political contributions. It said that various controversies have arisen over mobilization of political parties and campaigning. Among these, "perhaps the most sensitive issue has to do with mobilization for reservist military service."

In an August agreement with the political parties, the government promised to defer conscription for the "Patriotic Military Service" until next March. However, it has continued conscription for reservist military service, which opposition parties have labeled a violation of the agreement. The government says it only meant to defer active-duty service. Commenting, the UN report noted a Defense Ministry pledge not to draft into the reserves any leaders or activists of the political parties until next March. It termed the wording of the joint declaration of the government and the political parties on conscription "infelicitous" and "regrettable" for its lack of precision.

The UN concluded, "With regard to the composition of the electoral authority, and despite the fact that the make-up of certain electoral bodies may not entirely meet the opposition's expectations or demands, the fact of the matter is that an objective analysis of the specific decisions adopted by the Supreme Electoral Council reveals that to date no undue benefits have accrued to FSLN. There is no reason to infer that partiality has been shown towards that party; rather, there is appreciable concern on the part of members of the Council to ensure the broadest possible participation by political groups and citizens in the electoral process and to take a broad-based and flexible approach against the background of a receptive general attitude. Since, however, the question of the impartiality of the electoral authority is central to the electoral process, the Mission will continue to monitor, on a permanent basis, any decisions adopted."

The report was the first issued by the United Nations Observer Mission to verify the electoral process in Nicaragua (ONUVEN in Spanish acronym). Establishment of the mission was proposed by the five Central American presidents at the summit meeting in Tesoro Beach, El Salvador last February.

UN Secretary-General Javier Perez de Cuellar named former U.S. Attorney General and Secretary of Defense Elliott Richardson as his personal representative to oversee the mission's activities. On October 18, Richardson arrived in Managua to begin a five-day visit in order to, in his words, "personally assess the progress of the electoral process."

Commenting on the U.S. Congress's decision to spend $9 million on the Nicaraguan electoral process and opposition, Richardson said, "The nine million will help the election process in a number of ways including strengthening the electoral machinery whereby the election itself is conducted.

"Some of the funds will also support the opposition parties," Richardson added, declining comment on that decision.

Richardson was scheduled to meet with the Supreme Electoral Council, President Daniel Ortega and opposition presidential candidates, and Cardinal Miguel Obando y Bravo. He was also to visit Granada, Leon, and Matagalpa to observe voter registration.

The Nicaraguan mission is the UN's first observation of an election in a sovereign country; its previous monitoring was of emerging colonies and territories.

DON'T EVEN IGNORE THEM

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. OBEY. Mr. Speaker, sometimes the only thing that stands between the kooks and the oblivian they really deserve is the attention they get from the media or the politicians.

Recently, Gregory Johnson, who burned the flag at the Republican Convention showed his willingness to go to any absurd extent to generate attention for himself and his views. The Milwaukee Sentinel this week has written an editorial which in a clearheaded fashion tells us wisely that the most effective thing we can do to fight the destructiveness that some of these oddballs display is to deny them the attention and the publicity that they are so cynically seeking.

I commend the Sentinel editorial to my colleagues:

DON'T EVEN IGNORE THEM

Whatever the fate of federal legislation banning desecration of the American flag, United States attorneys have found a way to keep Gregory Johnson from making a martyr of himself over the issue.

Johnson was the man who was arrested for burning a flag at the 1984 Republican National Convention in Dallas, an act which led to a US Supreme Court finding that the Texas law under which he was charged violated his freedom of speech and was unconstitutional.

Congress subsequently approved a federal law forbidding physical desecration of the flag, which was designed to avoid constitutional deficiencies in the Texas statute. As expected, Johnson and three others challenged that law in a public flag burning demonstration in Washington, D.C.

US Atty. Jay Stephens dismissed the charges against Johnson, however, saying the evidence for his arrest was insufficient. Showing his true colors, Johnson called the dismissal "an act of cowardice."

Being pushed out of the spotlight really got his goat. And his petulance clearly shows that he, like many involved in similar incidents, are more concerned with calling attention to themselves than in any constitutional principle.

Some might argue that if Congress had passed a constitutional amendment banning flag destruction, this situation would not have occurred. But that's not so. Rather, it would have added to the misguided sense of importance flag burners attach to themselves.

Indeed, the next step may be for Johnson and his ilk to fight for a constitutional amendment requiring that all flag burners be put to trial.

The free speech issue involved, of course, is important. And flag desecration is a despicable act. But there is no sense tearing the Constitution apart to satisfy the egos of every reprobate who otherwise would be distinguished only by his own insignificance.

To borrow a phrase from Yogi Berra: Don't even ignore them.

H.R. 3630, THE EMERGENCY DRUG ABUSE TREATMENT EXPANSION ACT OF 1989

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. DANNEMEYER. Mr. Speaker, yesterday, the House passed H.R. 3630, the Emergency Drug Abuse Treatment Expansion Act of 1989 under suspension of the rules. There are some aspects of this legislation with which I disagree, notably the dilution of the State block grant through the creation of several new Federal programs authorized at $250 million to administer drug abuse treatment funds. Along with many of my colleagues on this side of the aisle, I want to retain the integrity of the current block grant so that States will enjoy the maximum amount of flexibility in applying Federal resources to the drug problem. The drug problem, as we all know, varies dramatically from State to State. The block grant approach recognizes that State officials are better equipped to address these needs than are Federal bureaucrats inside the beltway.

Having said that, I would like to draw my colleagues' attention to a provision which will greatly expand the level of voluntary HIV test-

ing at drug treatment centers across America. The inclusion of this language in H.R. 3630 reflects the growing recognition that HIV testing, partner notification, and counseling should be a routine part of the health care services offered to high risk individuals, and to those who have sexual relations with these individuals or live in areas with significant pools of HIV infection. Glasnost, it seems, may have arrived in this arena of policymaking, and I welcome that development.

Intravenous drug abuse and the rapid increase in the use of crack cocaine, we all know, have contributed to the spread of HIV infection among persons who use drugs or who are the sexual partners of those who do. Especially on the east coast, intravenous drug-related AIDS is the most rapidly growing part of the epidemic. Unfortunately, in spite of the explosion of HIV infection among this group, routine HIV testing and counseling is not yet the norm at our nation's drug treatment facilities.

ROUTINE HIV TESTING AT ALL FEDERALLY-FUNDED DRUG ABUSE CLINICS

Under an agreement reached with the distinguished chairman of the Subcommittee on Health, Mr. WAXMAN, these drug treatment centers will have to offer and encourage HIV testing and counseling to persons who use these facilities. The testing is purely voluntary, and cannot be linked to the receipt of other services offered by the clinic. The HIV counseling must include information on measures to prevent exposure to and transmission of the AIDS virus, along with information relating to the medical benefits of early diagnosis and treatment of the infection. The individuals will also have to be made aware of applicable State confidentiality and antidiscrimination laws, if any.

Voluntary HIV testing and counseling of drug abusers must be made an integral part of our drug treatment system. Study after study demonstrate the frightening spread of the HIV epidemic in drug-ravaged innercity neighborhoods across America. In many areas. AIDS now rivals drugs and homocide as the leading cause of death among young men and women. A recent study of patients admitted to the emergency room at the Johns Hopkins Hospital in Baltimore in 1988 found that 28.8 percent of those who acknowledged using intravenous drugs were HIV positive, up from 21.8 percent the year before. This upward trend of infection in urban areas has been reported elsewhere and described by New York City Health Commissioner Stephen Joseph as an implosion of infection, with dire consequences for our health care system.

It is my hope that the HIV testing and counseling included in this legislation will help interrupt the spread of HIV among these vulnerable individuals.

For those who test positive, counseling will include the benefits of locating any person who the infected individual might have exposed to infection, or who might have been the source of the individual's infection. The counseling must also describe the availability of public health services to locate and counsel these individuals. Finally, infected individuals must be made aware of appropriate health care, mental health, social, and support services.

Partner notification efforts are crucial because too many drug users believe that they are not at risk. Significantly, a surprisingly high percentage of their partners do not use drugs. One study documented the sexual-behavior patterns of drug users and found that 40 percent of the women and 70 percent of the men have sex with people who do not use drugs. We need to do all we can to alert these unsuspecting individuals of their vulnerability to this fatal virus. This provision does much to guarantee that they will learn of their risk status at the earliest possible moment.

I want to thank Mr. WAXMAN for his willingness to work with me on this very important health issue.

TV NEVER LETS FACTS STAND IN THE WAY OF A GOOD STORY

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. JACOBS. Mr. Speaker, truth crushed to Earth will probably not rise again on television.

But at least some correction should be included in the CONGRESSIONAL RECORD inasmuch as this matter is of enormous historic proportions.

[From the Indianapolis New Times, November 1989]

CROSS OF FIRE—TV EXECS TEND NEVER TO LET THE FACTS STAND IN THE WAY OF A GOOD STORY

(By M. William Lutholtz)

I was elated when I heard last January that NBC was working on Cross of Fire, a TV mini-series about the life of D.C. Stephenson. Stephenson, of course, was the Grand Dragon of Indiana's Ku Klux Klan. In that capacity he quite literally controlled Indianapolis policies during a brief time in the 1920s.

At first I couldn't believe it. I, after all, have spent ten years conducting research for a biography of Stephenson, which I've finished. Typically, whenever I explain my project to people, they stare back at me blankly, as if to say, "Well, some people are fascinated by obscurity." So here was vindication of a sort—a major television network had agreed that Stephenson was worth talking about!

My elation quickly faded, however. Who was doing this project for the small screen? And how was it that, in ten years of research, I had never crossed paths with this person?

I started calling librarians and other researchers, asking if they'd heard of anyone working on a Stephenson screenplay. They had not. Hmm, I thought. Well, maybe the NBC screenwriter simply hadn't announced his project to the librarians.

I went back to the Indiana Historical Society, where key Stephenson materials must be signed before they can be examined. Again, no one had seen any TV guys working with the historical papers.

Had someone decided to write a screenplay based merely on the scant amount of previously published materials about Stephenson? At first I couldn't believe that anyone would do that. There is so little out there about that strange, bombastic man. Surely not enough to work into a four-hour mini-series!

HELLO, HOLLYWOOD? . . . HELLO?

I called NBC. But their publicity office in California was reluctant to discuss the project over the telephone. I wrote a letter, detailing my research and expressing my interest in sharing my information with them since they were still in the production stage. No reply.

A few days later, when I learned the name of the producer, I wrote directly to him, repeating the officer I'd made to NBC. More silence.

In the spring, I learned that the miniseries would be filmed in Kansas—historic Indiana shooting locations having been rejected by the production company.

Eventually, I got my hands on a copy of the *Cross of Fire* script—through neither NBC nor the producer—and soon realized why they had not replied to my offers of historical assistance. Theirs was to be a history from Hollywood, not from Indiana, nor, for that matter, from facts. Reality need not apply.

In fairness to the *Cross of Fire* script, it could have been worse. The writer had decided to leave the story set in Indiana in the 1920s. And he had focused on Stephenson's relationship with Madge Oberholtzer, the 28-year-old Statehouse employee who died of self-administered poison after Stephenson abducted her and attacked her sexually on a train bound for Hammond.

NEW, IMPROVED REALITY!

But in typically Hollywood style, the truth just didn't provide enough of that, oh, I don't know, certain *something*—the kind of thing that captures people's imaginations and causes them to tune in even at the expense of *Married with Children* or *Unsolved Mysteries.* A little sprucing up was needed:

Three real-life humans—Asa Smith, the Oberholtzer family attorney; Will Remy, the Marion County Prosecutor; and Stanley Hill, Madge's boyfriend—were condensed into one composite character. The fellow forms the third side of a romantic triangle with Madge and Stephenson and, after Madge's death, decides to get revenge by prosecuting her killer.

Madge herself benefits handsomely from NBC's make-over. In reality, she was just a downtown office worker. She ran a lending library for school teachers. But in the script she becomes a sort of Mother Teresa, driving out to the farms of poor black sharecroppers to teach children to read.

Boyd Gurley, the hard-drinking, office-bound editor of the *Indianapolis Times,* benefits similarly. On TV, he becomes "Boyd Curley," a crusading reporter/editor—sort of a cross between Lou Grant and Joe Rossi—who covers the trial and wins a Pultizer! The *Times* did, in fact, win a Pulitzer in 1928, but the award was for its subsequent investigation of the Klan, not its coverage of the trial. And the paper won the award—not Boyd. It's ironic that the reporters and editors who did the actual work on the story and who were not named by the Pulitzer committee back in 1928 continue to reside in obscurity in 1989.

Most glaringly of all, *Cross of Fire* assumes that the Indiana Klan of the 1920s was the same as the Klan of today—a group of white supremacists bent on making life rough for blacks. But in truth, there were no lynchings of blacks in Indiana during Stephenson's reign as head of the Indiana Klan. Stephenson was smoother than that. His group was a political organization, closely aligned with the state's Republican party. Most blacks in the state were Republican at

that time ("Mr. Lincoln's party"), and so they didn't have to be terrorized into voting the "right" way. In fact, most acts of Klan violence in Indiana during the 1920s were directed against other whites—Democrats, Catholics, and Jews—not blacks. TV viewers, therefore, will continue to see the Klan as merely the "black man's problem" rather than as a universal scourge capable of leaping across racial boundaries. Perhaps network executives nixed the idea of portraying white Klansmen beating up on other whites because they thought it "too strange" for television audiences, who of course are used to thinking in stereotypes.

UPDATE! UPDATE! UPDATE: KEEPING THE STORY CURRENT

Just as the movie *Mississippi Burning* tried to rewrite the history of the FBI, *Cross of Fire* tries to rewrite a bizarre piece of Indiana's history to fit current moral notions about the Klan. Two black witnesses who testified at the trial against Stephenson are transformed into the heroes of the TV story since their testimony helps put the Grand Dragon away. A nice contemporary touch, but factually wrong. Stephenson was nailed by Madge's own "deathbed declaration" and the testimony of medical experts who convinced the jury that he was directly responsible for Madge's suicide/murder.

Fortunately, there are so many things that *Cross of Fire* misses that the Stephenson "gold mine" of stories remains virtually untapped. There's plenty of real material left if anyone wants to do the story right. There are even real locations around Indiana where filming could be done in the very rooms where it all happened.

Unfortunately, millions will watch the NBC docudrama and walk away believing that they understand what happened to Indiana in the 1920s.

TRIBUTE TO FRANK ZACCARIA, PRINCIPAL OF THE PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. ROE. Mr. Speaker, I rise today to join in honoring a man of great compassion and selfless ambition, Mr. Frank Zaccaria, the principal of the Passaic County Technical and Vocational High School which, I am proud to say, is located in my Eighth Congressional District of New Jersey.

Mr. Zaccaria has long recognized the value education holds for all members of society, including those with special needs and requirements. His long and distinguished career has made him one of the true leaders in the field of education both in New Jersey and around the country.

Mr. Speaker, in recognition of Frank Zaccaria's outstanding contribution to education and the way he has made his State and our Nation a better place to live, the Passaic County Technical and Vocational High School Board of Education recently voted to name the school's main auditorium in his honor. The ceremony at which this facility will officially be named the Frank D. Zaccaria Auditorium will be held on November 21, 1989, at the school.

For the RECORD, Mr. Speaker, I would like to insert the text of the Board of Education Resolution establishing this most fitting honor for Mr. Zaccaria:

RESOLUTION OF THE BOARD OF EDUCATION OF THE VOCATIONAL SCHOOL IN THE COUNTY OF PASSAIC NAMING THE MAIN AUDITORIUM IN HONOR OF FRANK D. ZACCARIA

Whereas Frank D. Zaccaria has devoted nearly 19 years of his life to the Passaic County Technical and Vocational High School, and

Whereas Frank D. Zaccaria has contributed to the lives of literally thousands of students, first as a special education teacher, then coordinator, supervisor, principal, and

Whereas Frank D. Zaccaria has been instrumental in improving the image and academic soundness of the Passaic County Technical and Vocational High School, and

Whereas Frank D. Zaccaria has announced his impending retirement, and

Whereas the Board of Education of the Passaic County Technical and Vocational High School, on behalf of the entire community, wishes to express gratification to Frank D. Zaccaria for his contributions to the Passaic County Technical and Vocational High School, now, therefore, be it

Resolved, that the main auditorium at the Passaic County Technical and Vocational High School shall hereafter be known as the Frank D. Zaccaria Auditorium, and it is further

Resolved that the Superintendent shall schedule a ceremony at which time the auditorium will be dedicated to Frank D. Zaccaria, and it is further

Resolved, that a framed copy of this resolution, executed by the members of the Board of Education, the Superintendent, the Board Secretary, the Business Administrator, and the Board Attorney, shall be presented to Frank D. Zaccaria.

Mr. Speaker, at this time I would also like to insert into the RECORD a brief history of Mr. Zaccaria's distinguished career which includes a wide range of private, civic, and public duties:

TRIBUTE TO MR. FRANK ZACCARIA, PRINCIPAL OF THE PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

Frank was born in Totowa on August 8, 1930, and has been a resident of West Paterson for the past eighteen years. He attended local schools and graduated from Passaic Valley High School in 1947. At the outbreak of the Korean conflict, Frank joined the U.S. Air Force, served four years, and achieved the rank of Staff Sergeant, while serving with the European Occupation Forces in Germany and Italy.

After his discharge, he returned to civilian life and married Mary Brosnan, resumed his job at Continental Can Co., and enrolled at Seton Hall University earning a Bachelor of Arts Degree in Sociology. Frank continued his education and received a Masters Degree in Education from William Paterson College.

After 22 years in a business career, which saw him rise from a factory line worker to Production Control Manager, Frank chose to pursue a long desired career in the field of Education for the Handicapped. In 1971, he joined the staff of the Passaic County Technical and Vocational High School as a teacher of the handicapped. It wasn't long after that he was appointed to the position of Coordinator of Cooperative Industrial Education, placing handicapped students in jobs. In 1985, Frank became Supervisor of Career and Vocational Education. The Board of Education appointed Mr. Zaccaria principle of that school in January 1987.

In addition to his membership in the New Jersey Principal and Supervisors Association, the Epsilon Pi Tau Professional Society of Industrial Arts and Vocational Education the American Vocational Association, and the New Jersey Cooperative Industrial Education Coordinators Association, he was elected to "Who's Who" in American Cooperative Education in 1980.

Frank's civic activities and interests include serving as Vice President of the Board of Trustees of Tombrook College for five years, Secretary to the West Paterson Planning Board, member of the Passaic County Boy Scouts of America's Executive Board, one of the founders of the Italian American Forum, member of the West Paterson Bi-Centennial Committee, and membership in the West Paterson American Legion Post #238.

He has been an elected councilman of the West Paterson governing body since 1973, having held the various positions of Council President, Police Commission, Fire Commissioner and Finance Commissioner.

He and Mary are members of Our Lady of Pompeii Church in Paterson. Their five children, Frank X., Kathleen and her husband Richard Dellanno, Karyn, Mary, and Pamela, are the delight of their lives and a lovely tribute to their 33 years of married life.

Mr. Speaker, I believe it is most apparent that Frank is a self-made man, who turned from a successful business career to re-channel his efforts into a career where his love of knowledge could be passed on to others. Education is the most precious commodity we can pass on to our children, and it is important to remember that education must be flexible to meet the needs of everyone who desires to learn. Schools such as Passaic County Vo-Tech give students an option, allowing them to learn valuable and much needed job skills for New Jersey's booming economy, while still providing a solid background in the traditional studies thus allowing them to continue their education beyond high school.

Frank Zaccaria has been intimately involved in the school both as an instructor and administrator for 15 years. He is a concerned educator, one dedicated not merely to supervising children while their parents work, but to a complete, well rounded education where the parents are involved in the process as the students. Mr. Speaker, the world today is a demanding one, but if we can find men and women like Frank Zaccaria. who care enough to prepare our youth to be active and productive in it, then I am confident we will leave our communities and our country in very capable hands.

CAPRI CONFERENCE

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. McEWEN. Mr. Speaker, I want to call attention today to the groundbreaking cancer research which is being conducted everyday

at a private research center located in America's heartland of southern Ohio. I am speaking of the Hipple Cancer Research Center in Dayton, OH.

Because of the pioneering research efforts of the Hipple Cancer Research Center, Dayton, OH, its director, Dr. Martin J. Murphy, Jr., was asked recently by the International Menarini Foundation of Milan, Italy, to organize a conference on blood cell growth factors. This meeting, held in Capri, Italy, was attended by distinguished scientists from around the world to pool knowledge and report on discoveries in this revolutionary field at the leading edge of molecular biology.

Blood cell growth factors are naturally occurring proteins in the human body that control the production of blood cells in the bone marrow. Regulation of the production of blood cells has long been the hematologist's holy grail," according to Dr. David W. Golde, chief of hematology/oncology at UCLA School of Medicine. The conference brought this lofty goal into sight with profound implications for the understanding and treatment of cancer, AIDS, kidney disease, and a host of other life-threatening maladies.

The clinical applications of the discoveries reported at the Capri Conference will transform the practice of medicine into the next century, and in the judgment of at least one scientist, "these discoveries are a revolution in medicine equal to antibiotics."

Think of having the capability to cause your body to manufacture an abundance of red blood cells before surgery go that your own blood can be stored for your transfusions when necessary. It eliminates the fear of contracting AIDS or other blood-borne infections.

Think of the boon to cancer and AIDS patients it is to be able to overcome the toxic effects of powerful drugs used to successfully combat these dreaded diseases. What a far superior quality of life is afforded rheumatoid arthritis sufferers who, because of the severe anemia that often accompanies that condition, were formerly unable to undergo needed surgery.

Imagine a substance that turns inactive white blood cells into what might be termed "killer cells" that can recognize and destroy melanoma, a particularly aggressive form of skin cancer.

All of this and more is possible with the use of blood cell growth factors. Some factors are already approved by the U.S. Food and Drug Administration for clinical trials, and others are on their way. On the business side, the impact of the blood cells growth factors, because of their vast and fundamental implications for clinical medicine, portends a boom for biotechnology firms. Biotechnology companies synthesize the proteins after they have been identified and purified in research laboratories.

Supported by both Federal Government funds and contributions from the private sector, the Hipple Cancer Research Center identified and partially purified a blood cell growth factor, G-CSF. It is now in clinical trials, giving a new lease on life to cancer patients worldwide. Scientists at Hipple are currently working on still another factor called Meg-CSF. Meg-CSF regulates the production of platelets, the clotting mechanism of the blood, and will prevent the life-threatening bleeding episodes that so often accompany radiation and chemotherapy used to fight cancer.

Liver cancer claims the lives of more people than any other form of cancer. The Hipple Cancer Research Center has recently been awarded a 2-year, $500,000 grant by the National Cancer Institute to investigate the means to detect and cure liver cancer by the use of monoclonal antibodies. The study will involve three different but related uses of monoclonal antibodies: diagonsing the tumor, locating it within the body and destroying the tumor. Subsequent research may lead to the treatment of liver cancer by antibodies that will be armed with a poisonous, radioactive warhead. In this way, when the antibody specifically links to the liver cancer cell, it will bring along with it a warhead that will kill the tumor.

The liver cancer project resulted from a collaboration between the Hipple Cancer Research Center and the Shanghai Institute of Cell Biology in China. This is another instance of the impact that the Hipple Cancer Research Center has on the international scientific community.

Hipple has been at the forefront of collaborating with top researchers from all over the world, not just China. However, as you can imagine, the work of these Chinese scientists: Dr. Zhao-geng, Dr. De-Lin Du, and Dr. Wei Dai, has become even more critical since the Chinese Government's massacre in Tiannemen Square on June 5 of this year. I am happy to have been able to assist these fine scientists in the past so they could come to the United States and contribute their talents to the cutting-edge research at Hipple.

The cancer center's research benefits those nearest it—the people of Ohio. But as a stone cast into a pond generates ripples in an ever-widening, and ultimately, all-encompassing circle, so do the center's exciting and vital discoveries touch all the peoples of the world.

SMALL BUSINESS REHABILITATION RELIEF ACT

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. MOODY. Mr. Speaker, I am pleased to join my colleague from Wisconsin, Senator HERB KOHL, in introducing the Small Business Rehabilitation Relief Act of 1989. This bill authorizes a refundable tax credit to help small businesses engaged in operating a public accommodation defray costs incurred in making them accessible to the disabled. The tax credit is also authorized to encourage small businesses to make reasonable accommodations to the needs of disabled employees or customers.

Our bill is an outgrowth of Senate debate on the Americans with Disabilities Act, S. 933. The ADA would bar discrimination against our largest minority—the 43 million Americans with physical or mental disabilities. S. 933 was approved by the Senate on September 7 by an overwhelming 76 to 8 vote.

I agree with the objectives of the ADA, which builds on our long-held notions of civil liberties to ensure that Americans are not denied access to employment or public accommodations simply because they are disabled.

The ADA has been aptly characterized as a bill of rights for disabled Americans, many of whom are frustrated in their efforts to hold jobs and pay taxes by antiquated attitudes equating disability with lack of ability.

Title I of the Senate-passed ADA (S. 933) would require small businesses with 15 or more employees to make reasonable efforts to remove access barriers to disabled employees.

Title III of the Senate-passed ADA would bar discrimination against the disabled in areas of public accommodations, including retail businesses and other private entities that serve the public, such as grocery stores, pharmacies, and so on. There is no size-related threshold to this section, which is broader in scope than the Civil Rights Act of 1964.

As a society, we ought to be willing to bear the costs of providing access to the disabled. But we should also recognize that there may be substantial costs to very small businesses in opening up to the disabled. As a matter of basic public policy, we should provide very small businesses both with an incentive to improve access and a means of offsetting such expenses, particularly if we move forward with legislation such as the ADA.

The bill I am introducing with Senator KOHL addresses these concerns. It would authorize a refundable tax credit for expenses incurred by small businesses in complying with requirements for providing public accessibility for disabled individuals to such businesses—as currently proposed under title III of S. 933.

The bill would also authorize the refundable tax credit to small businesses for compliance with title I of the Senate-passed version of the ADA, which deals with employment.

Eligible expenses for the credit would be those for the purpose of removing barriers to access by the disabled, or for those incurred in accommodating the needs of disabled employees.

Eligible businesses would be those with no more than 30 employees or with annual gross receipts of not more than $4,000,000.

The credit would be 80 percent of expenses from $250 to $4,000. Thus, the maximum credit is $3,000. In order to ensure that there is a serious effort at improving access, the credit would in effect require businesses to pay a $250 deductible to qualify for the full $3,000 credit.

Title I of the Senate-passed ADA would exempt small business of fewer than 15 employees from coverage. It's important to note that our bill would not in any way subject these very small businesses to coverage under title I of the Senate-passed ADA. However, if these businesses choose on their own to rehabilitate their workplace to accommodate their disabled employees, they should be eligible for the same tax credit as we provide for compliance with title III of the Senate-passed ADA, which contains no eligibility threshold.

This is a stand alone bill. It is designed to complement the mandates in the ADA by providing strong incentives for small businesses to ensure that the disabled have full access to public accommodations in this country.

The bill will also encourage small businesses which are specifically exempted from title I to voluntarily comply with those requirements as a matter of public interest. As such, our bill serves the interests of the disabled population, and assists small businesses in meeting those interests.

Any tax credit legislation such as the bill I am introducing today has the effect of reducing Federal revenues, at least in the short term. Given our current struggles to meet Gramm-Rudman targets and the need to limit revenue losses from new proposals, this bill may have to be amended in light of possible revenue effects.

Nevertheless, I hope my colleagues in the House will join me in supporting this practical approach to improving access by the disabled to the work force. The legislation is supported by the National Federation of Independent Business, the Small Business Legislative Council, the Wisconsin Restaurant Association, the Wisconsin Independent Businesses, Inc., and the Wisconsin Merchant's Federation, among others.

TRIBUTE TO DR. WILLIAM D. MOSLEY, JR.

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Dr. William Mosley, Jr. who will be honored at his retirement dinner on November 18. Dr. Mosley is being honored for his 12 years of service to the Second Baptist Church and to our community.

Dr. Mosely was ordained a Baptist Pastor on May 24, 1940. Since that time he has ministered at churches in Charleston, WV, Athens, Cincinnati, and Warren, OH. In addition to the work he has done with his congregations, he has held other positions such as, president of the Cincinnati Baptist Bible College, director of Christian Education, The Ohio Baptist General Convention, Inc., and a faculty member at the University of Cincinnati, as well as Kent State University where he taught sociology and African Studies.

Dr. Mosley has also been deeply involved in helping his community. He is the secretary of the Warren Civil Service Commission, member of the board of directors of the Trumbull County American Red Cross and member of the board of trustees of Valley Counseling Service. He is also the director of the Police/Clergy Crises Counseling Team of the Warren Police Department, and the "One Church, One Child" Minority Adoption Program of Trumbull County. Dr. Mosley has been active in many other community projects but they are too numerous to mention them all.

Moreover, Dr. Mosley should be commended for his service to his country. He is a Veteran of World War II where he served in the 372d Infantry Regiment and the 92d Infantry Division. He served for 5 years and received an honorable discharge with the rank of master sergeant. He is married to Ruth Geneva Mosley and they have 7 children and 15 grandchildren.

Mr. Speaker, I would like to take this opportunity to thank Dr. William Mosley for his work and dedication to his community, State and country. He is a giving person who is concerned with the welfare of his fellow man. It is my honor to represent this outstanding individual.

A TRIBUTE TO CONSTANCE SOARES

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. STARK. Mr. Speaker, I rise today to pay tribute to Constance Soares, a remarkable woman who dedicated her life to serving others. Connie was, among other things, a volunteer in my district office for a number of years. She will be sorely missed. I would like to include the following eulogy in the RECORD. It was written by Connie's husband, Manny Soares, and is an eloquent tribute to an extremely giving human being:

On October 17, at 4:40 pm, just moments before a massive earthquake struck the San Francisco Bay Area, Connie Soares died quietly in the Hospice Unit of Kaiser Hospital in Hayward, California. It was an appropriately grand exit for a woman who had devoted much of the last decades to relieving human tragedy and toward the uplifting of the human spirit.

Many of those who will read this eulogy will know Connie best for her six years as a dedicated member of the board of directors of the Emergency Shelter Program (E.S.P.), a Hayward shelter for battered women and their children, during a period when the shelter itself was in a time of transition and even crisis. As eventual president of the board, Connie helped the project to continue and to exist today as the oldest established shelter for battered women in the state of California. There were many other facets to Connie's life, and we hope that by sharing them we can enrich your memories of this woman who had a special place in the hearts of so many people.

Constance Emily Josephine Metcalfe Soares was born on January 6, 1921. Her father, Hugh A. Metcalfe, was a native of Carlisle, England. He was a member of the then famous D'Oyle Carte Opera Company, formed by Gilbert and Sullivan to produce their operettas, and based at the Savoy Theater, London. While performing in New York City as part of a world touring company he met and married Connie's mother, Francesca Schoenfeld, a young actress. Francesca had fled her native Austria with her mother and step-father, an anarchist. Hugh and Francesca travelled to the West Coast seeking work in the "picture business", where Connie was born. They already had a son, Charles, ten years Connie's senior.

Connie spent her childhood in San Leandro, California, where she attended public schools. As her father was already a retired actor in his sixties by the time Connie was born, the family led a poor but respectable existence in San Leandro during the Depression years.

When she graduated from San Leandro High School in 1939, Connie was awarded an academic scholarship to Stanford University by the American Association of University Women. While at Stanford, Connie missed a year of her studies when she was stricken with polio, which she successfully overcame. When she graduated near the top of her class with a degree in political science in 1944 it was made clear to her that a scholarship to law school would not by wasted on her, a woman who would no doubt get married and raise children.

Connie joined the war effort by becoming a civilian worker in the Wage and Classification Office of what was to become the Naval Civilian Personnel Command. For most of the following thirty-five years, with an extended hiatus to raise her son, Connie served the federal government, working for the Department of the Navy and the Office of Personnel Management. Her work involved the evaluation and classification of hundreds of different jobs in the federal government, from shipyard workers and aircraft mechanics to physicists and engineers, an often delicate task which she always handled with her characteristic sensitivity and tact.

Following the war, Connie had another character-forming experience; her mother became an invalid after suffering a paralyzing stroke. She supported herself and her mother on her limited civil-servant's salary. This trying experience put into motion her subsequent dedication and deep commitment to fellow human beings caught up in adverse circumstances. As she later said, "Not only is there a need to help, always with love, but above all there is the vital need of preserving the dignity of the recipient."

Connie's association with the Chanticleers, an area little theater group, brought her husband of the past thirty-five years into her life. Manuel Soares is a Hayward native and a longtime area small businessman. Their son, David F. Soares, helped Connie to realize one of her long-cherished dreams by joining the Santa Clara County District Attorney's Office as a Deputy District Attorney.

Democratic Party politics were a joyous, lifelong pursuit for Connie. Always a feminist and a progressive, Connie was often drawn to act as campaign committee member, precinct worker, coffee klatsch organizer, and fund raiser, especially for women office-seekers. Her political involvement led to participation on various boards and commissions. In the early seventies she was instrumental in the formation of the Volunteers in Public Service (V.I.P.S.) program for the Hayward Unified School District. In the late seventies and early eighties she enjoyed the close involvement with the Emergency Shelter Program mentioned earlier. After serving as the president of the board of directors of E.S.P., Connie served on the City of Hayward's Human Services Commission. Most recently, Connie was a member of the Hayward Public Library Commission.

Sadly, Connie was diagnosed as a victim of mesothelioma, a rare and difficult to detect cancer caused by exposure to asbestos fibers. Connie had been experiencing discomfort for some months preceding the diagnosis, and while the original prognosis gave her a good bit of time, her decline was precipitous. During the three and a half weeks following her diagnosis Connie was

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kept comfortable and free of pain. No treatments were available for her disease, and as Connie was greatly influenced by the Hospice Movement in the wake of her experiences with her own mother, no extraordinary measures were taken to prolong the inevitable. Connie's only wish was to be allowed to die with the same dignity she had always worked to preserve in the lives of others.

Connie's life can be summed-up by the motto she kept pasted to her refrigerator door: "This is no ordinary housewife you're dealing with."

FIFTY YEARS OF SERVICE TO REFUGEES AND DISPLACED PERSONS: THE LUTHERAN IMMIGRATION AND REFUGEE SERVICE

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. SOLARZ. Mr. Speaker, I take great pleasure in saluting the work of the Lutheran Immigration and Refugee Service [LIRS] on its 50th Anniversary, which we celebrate this fall. Sponsored by the Evangelical Lutheran Church in America, the Lutheran Church-Missouri Synod, and the Latvian Evangelical Luthern Church in America, LIRS exists soley to develop and carry out programs in response to the needs of the world's uprooted people.

Since 1939, LIRS has been responsible for the resettlement of over 15,000 refugees through partnership with Lutheran social ministry organizations, congregations and community people. Moreover, LIRS has mobilized thousands of congregational sponsors in its efforts to foster the well-being and self-sufficiency of refugees, and their full participation in American life.

The very special humanitarian commitment of this organization is demonstrated in many ways. For example, LIRS has attempted to meet the resettlement needs of newcomers from around the world, and the organization's programs have served refugees from Southeast Asia, Africa, the Near East, and Europe. In addition, LIRS has demonstrated a commitment to the most vulnerable of the refuge population, and has been deeply involved in efforts to resettle Amerasian children from Vietnam. Moreover, LIRS is one of two U.S. resettlement agencies authorized to place unaccompanied refugee children with foster families. I should also note that LIRS has not restricted its activities to refugee resettlement, but has attempted to meet the broad array of needs faced by the world's uprooted people. For example, LIRS supports social and legal service projects designed to assist undocumented aliens in the United States.

LIRS has not confined itself simply to social services activities as they are conventionally defined, but has also been involved in efforts to chart a more humane immigration and refugee policy within the United States and among the nations of the world. In the United States, this has involved, among other things, attempts to encourage Congress to expand protection for persons seeking temporary "safe haven" from civil unrest and other conditions that would threaten them if forced to return to their home countries. On the international level, LIRS advocacy has involved, among other things, efforts to encourage Southeast Asian countries to maintain the humanitarian practice of granting first asylum to Indochinese asylum-seekers arriving by boat.

In conclusion, I also want to express my appreciation to LIRS for the invaluable information, advice, and assistance its officers have provided me on the full range of refugee and immigration issues throughout my 15 years in the Congress.

TRIBUTE TO JOHN BURTON

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. PURSELL. Mr. Speaker, it is with great pleasure that I rise to recognize the accomplishments of John H. Burton, of Ypsilanti, MI, who later this week will be honored by his community in a tribute dinner and establishment of an endowed scholarship in his name at Eastern Michigan University.

John Burton has played an important role in the Ypsilanti community since he became a resident in 1936. In his early days, he was associated with the auto industry, working for the Ford Rouge Plant and later at the Kaiser-Frazer Motor Co. While at Kaiser-Frazer, he served as the bargaining committee chairman for UAW Local 142, and then was tapped by the later Walter Reuther to join the staff of the International Union, UAW in 1954. John continued his career with the UAW until 1975, when at the time of his retirement, he was the regional servicing representative for several plants in southeast Michigan.

While his considerable responsibilities with the UAW were time-consuming, John sought out the opportunities to be of service to his community in a number of capacities. From 1967 to 1976, John served as the mayor of Ypsilanti and for 3 years served as a member of the Washtenaw County Board of Commissioners. His years in these positions were marked with genuine concern and appreciation for his constituents, their problems, and workable solutions. Additionally, John gave of his talents to many organizations, including the Washtenaw County United Way where he served on the executive board from 1975–78. His work with United Way earned him the "Big W" award, the county's highest recognition for services to local and State United Way organizations. Other awards include the Ford Motor Co.'s Liberty Bell, the UAW's Douglas A. Fraser Community Services Common Swift Award, Ypsilanti NAACP Recognition, the Ypsilanti Area Chamber of Commerce Distinguished Service Award, and Eastern Michigan University's Distinguished Award for Humanitarianism.

John's career in public service has not ended, however. In 1985, John was appointed to the Eastern Michigan University Board of Regents to fill an unexpired term. He was then reappointed to a full 8-year term in 1987 and in 1989 was elected chairman of the board. At age 79, when most would be enjoying a restful retirement, John continues to devote time and energy to public service and leadership to his community.

In the tribute to John this week, many will cite his accomplishments, his work on behalf of the UAW, his service to the public, and the love he shares with his family. I am pleased to join the Ypsilanti community in honoring John Burton, a man who exemplifies the qualities we know are important and worthy of recognition.

Mr. Speaker, I congratulate John Burton, his wife Willie, and the members of his family on this very special day and hope that the memories of the evening and the benefits of the scholarship in his name will linger for years to come.

KILDEE HONORS REV. REUBEN E. RUSSELL

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. KILDEE. Mr. Speaker, I want to urge my colleagues in the House of Representatives to join me in honoring Rev. Reuben E. Russell, a man who has done so much to improve the quality of life in my hometown of Flint, MI.

Born in Alabama, Reverend Russell came to Flint over 28 years ago to become the pastor of the Vernon Chapel AME Church. Throughout these years, Reverend Russell has become one of the most respected and admired persons in our community. He is a man of the highest integrity, a man who has dedicated his life to serve the Lord in improving human dignity for all people. Not only has he been a source of strength for his congregation, but it is known throughout our city that if you are in need of assistance, you need only turn to Reverend Russell. He has helped feed the hungry, house the homeless, educate the children, and care for the elderly. Indeed, Rev. Reuben Russell is a pastor for the entire city of Flint.

Mr. Speaker, Reverend Russell has truly made a difference in our city. As Pastor of the Vernon Chapel AME Church, Reverend Russell has worked diligently to improve the infrastructure of the church. In fact, through Reverend Russell's leadership, the church was able to pay off its 20-year mortgage in just over 8 years. As a man of the cloth, he has taken God's word and put it to work. Reverend Russell has also been involved in a wide diversity of community organizations, including the American Red Cross, March of Dimes, Greater Flint OIC, Concerned Pastors for Social Action, Human Relations Commission, NAACP, Greater Flint Council of Churches, Kearsley Manor Homes, Metropolitan Chamber of Commerce, and several other State and local groups. Reverend Russell also hosts a popular weekly radio show where he discusses the important issues facing our city, State, and Nation. In addition to all of their efforts in our community, Reverend and Mrs. Russell have raised four children and are proud grandparents and great-grand parents.

Reverend Russell has worked endlessly to improve the quality of life for all of our citi-

zens, and in doing so, he has helped us all to be better people. He has shown us that we must help each other if we are to help ourselves, and that we must care about people and respect and uphold their human dignity. We in Flint consider ourselves fortunate to have a person like Reverend Russell living in our community. And as we strive to improve ourselves, we will continue to look to Reverend Russell for his spiritual support and his moral guidance.

Mr. Speaker, it is indeed fitting that we honor Reverend Russell for his 28 years of service as a dedicated pastor, and as a person who has given so much of himself to make the city of Flint a better place to live.

TRIBUTE TO FIGHTING LITTLE RED MEN FOOTBALL, INC.

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Fighting Little Redman Football, Inc. The Little Redmen are celebrating their 20th year of service to the youth of the Youngstown commuity.

The Fighting Little Redmen were organized in 1969. During those 20 years more than 3,000 children from all over the Youngstown area have participated in the program. The organization was formed with the purpose of preparing young people for their futures at Wilson High School. The teams were also formed to build a stronger team at Wilson. Since its founding the Little Redmen have won 22 championships including 1984 when all three of the Littie Redmen teams took the title. This year 105-pound team took the championship, 120-pound team was the runner-up in the championship and 90-pound was the runner-up in the playoffs.

The Fighting Little Redmen Organization has done more than just create a stronger high school football team, it has helped influence young people to excel in their future lives. Some have gone on to participate in professional sports such as Ray "Boom Boom" Mancini, J. Streetchek and Bob Sikora. Other people who were involved in the program have become doctors, attorneys, and councilmen.

The Little Redmen have made generous contributions to our community. They have bought weight lifting equipment for Wilson High School and bleachers that are used at Ipes Field. Presently there are 39 trustees who support the organization. These trustees meet at Kraskusy Hall every last Thursday of the month.

Mr. Speaker, I would like to take this opportunity to congratulate the Fighting Little Redmen Football, Inc. on its 20th anniversary. The organization represents the caring our community has for its young people. I would like to thank all the people who are and have been involved in the program. It is people like this who make our community the type of place someone would want to raise a family. I am proud to represent the fine people who are part of this outstanding organization.

NO, MR. PRESIDENT, EVERYONE DOESN'T GET HEALTH CARE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. STARK. Mr. Speaker, I would like to include in the RECORD at this point a very moving column by medical and science columnist Peter Aleshire which appeared in the Oakland Tribune November 7, 1989.

It is somber reading as we approach another holiday season.

THE ILLUSION OF UNIVERSAL HEALTH CARE

President George Bush is having a press conference all about his plans for a summit with the Soviets.

I watch as I knot my tie.

Bush fields one question about health care.

"Isn't it time for a health-care summit?" asks a reporter. "Isn't it time to talk about the lack of medical care for some 37 million uninsured Americans?"

The president dismisses the questions. "It's just not true," he says. "Everyone gets care here," he adds, with a wave of his hand.

I straighten my tie, check to make sure I have a pen and a notebook, and head for my first interview of the day. I spend the next few hours with the family of 3 month-old Thomas Tenuta, who is dying ever so slowly as a result of his faltering liver.

Thomas is being poisoned by the toxins his liver is unable to remove from his blood. If he doesn't get a liver transplant in the next few months, he'll be dead.

Thomas is a beautiful baby, if you allow for the enormously swollen belly and yellowish skin.

He's a calm, cheerful soul. The nurses call him "the charmer."

His father can almost always make Thomas laugh. It's something to see Thomas laugh. His whole face lights up, his mouth opens wide, exposing his little baby gums.

Thomas is a curious baby. He constantly reaches out, trying to bring the world into the grasp of his wonderfully formed little fingers. He loves to get a good grip on his father's chest hairs. Sometimes, however, he seems startled by his own hand as it passes in front of his enormous brown eyes. He stares at his fingers, as though trying to figure out what they are and to whom they belong.

He has beautiful eyes, deep and quiet and full of trust. The whites of his eyes are actually yellow, tinted by the inability of his liver to keep his blood clear of toxins. The yellow makes his eyes look both babylike and ancient.

Thomas is likely to die because his father made the mistake of starting his own business and going without medical insurance. The family put everything they had into the business. So they had nothing left when they found it would cost $100,000 just to get Thomas onto a liver-transplant waiting list.

I head to the office.

I leaf through a report on the millions of American children without medical insurance. Since 1980, a million children have been added to the ranks of the medically uninsured because of cuts in the federal Medicaid program, according to the report by the National Association of Children's Hospitals and Related Institutions.

The study notes that a quarter of the children who are eligible don't actually enroll in Medicaid programs simply because most of the application forms are so complicated that their mothers never manage to complete the process.

No time to read the report in depth. I have another appointment in the afternoon.

Just as I get ready to leave, I got a phone call from Cindy Geiger, a 32-year-old mother of two with breast cancer. She had a mastectomy three years ago, but didn't follow-up radiation and chemotherapy because she had no medical insurance.

The cancer has come back. She needs additional treatments. She has run up $15,000 in medical bills.

Medicaid will pay for the medical care of people bankrupted by medical bills. But to qualify she has to amass another $4,000 in unpaid medical bills.

She's trapped in a strange Catch-22. She needs more medical bills to qualify for help, but the doctors and hospitals won't extend her any more credit. Meanwhile, the cancer spreads.

And then there's tomorrow. I have an appointment with Karen Ramirez, a 36-year-old woman with a teenage son and a failing liver. She has been sent home to die.

Her liver was destroyed by hepatitis. Nonetheless, she has worked all her life. She was a pharmacy technician. But her boss refused to let her join the health plan because of her health problems. He said that the insurance company would cancel the group's insurance.

She might be able to qualify for Medicaid, but Medicaid won't pay for liver transplants for adults.

This has been a very long day.

I feel helpless, ashamed. I have a folder in my filing cabinet full of such cases. I have written similar stories in the past year, mostly about people now dead.

But then, this sort of thing doesn't actually happen in the United States of America.

Just ask the president.

PRIME MINISTER BHUTTO PROVIDES LEADERSHIP

HON. DAVID R. NAGLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. NAGLE. Mr. Speaker, last night the National Assembly of Pakistan decisively beat back an attempt by the opposition to bring down the democratically elected government of Prime Minister Benazir Bhutto of Pakistan. For all of us who believe in democracy, this is a very significant and important day.

From the outset of the Pakistan People's Party decisive victory all across Pakistan last November, the forces that had been allied with the previous military dictatorship of General Zia ul Haq have done whatever they could do to undermine not only the Prime Minister, but also the constitutional framework of the nation. It is remarkable, that under these difficult conditions, Prime Minister Bhutto has been able to achieve an extraordinary record over her first year in office—freeing all policical prisoners, remanding all sentences of the martial law courts, legalizing free trade unions and student organizations, creating a free press for the first time in Pakistan's history

open to regular access of the opposition, increasing the education budget of the nation by 40 percent, and the housing and health budgets by over 50 percent, eliminating de jure discrimination against women, and taking a leading role in the international arena.

Small but strident extremists in the National Assembly have constantly challenged Benazir Bhutto's authority to govern, despite her electoral mandate. In fact, a small number of members of the national assembly have tried to keep the assembly hostage to their factional demands. It is to the Prime Minister's great credit that she has not been derailed from here national course, trying to build a strong national consensus behind new domestic priorities and the institutions of democracy. Despite the efforts of some to provoke confrontation and controversy, we must all be very pleased today that not only did Prime Minister Bhutto survive this constitutional test to her leadership, but she emerges from the test in a strengthened position.

For all of us who believe that the United States must help to shape the crest of democracy sweeping across the world, the progress in Pakistan over the last year is most encouraging. We urge the Bush administration to stand by our democratic ally, Prime Minister Benazir Bhutto, and help to nuture the young democratic institutions of this great nation of 110 million people. We send to all in Pakistan who believe in liberty, justice and democracy, our congratulations on this day. We urge all Pakistanis, and especially responsible members of the opposition, to unite for the good of the Nation in a spirit of civility and good will. And to this remarkable world leader, Prime Minister Bhutto, we send our congratulations, our respect and a pledge of solid and continuing support for all she is trying to accomplish for her people.

CALCULATION OF PREMIUMS BY FARM CREDIT SYSTEM INSURANCE CORPORATION

HON. CHARLES W. STENHOLM

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. STENHOLM. Mr. Speaker, I am pleased to join several of my colleagues including the distinguished chairman of the House Committee on Agriculture, Congressman E. (KIKA) DE LA GARZA and the committee's ranking minority Member, Congressman ED MADIGAN, in supporting the passage of S. 1793.

In particular, section 6 of S. 1793, as amended, will provide the Farm Credit System Insurance Corporation with the authority to reduce the insurance premiums paid by Farm Credit System institutions on loans that are guaranteed by the Federal Government or by a State Government. This adjustment in the insurance premiums will reflect the lower risk represented by Government-guaranteed loans and allow Farm Credit System institutions to offer lower interest rates to their borrowers.

The insurance program was established under the Agriculture Credit Act of 1987 and is designed to protect investors in System bonds. System institutions are required to pay a 15 basis points insurance premium on accruing and 25 basis points on nonaccruing loans until a secure base—equal to 2 percent of all outstanding insured obilgations (debt obligations)—is reached.

The insurance program is supported by the System. However, the program had the unintended effect of making the System less competitive for certain loans supported by Federal guarantees. The statute establishing the insurance program does not provides clear authority to implement a special insurance premium schedule that would reflect the reduce risk for Government guaranteed loans.

There is ample precedent for establishing a risk-based premium schedule for federally guaranteed loans. For example, the Comptroller of the Currency issued final regulations dealing with capital requirements for commercial banks on January 27, 1989. The regulations set risk-based capital guidelines for commercial banks, reducing the capital requirements for Federally guaranteed loans. The Comptroller issued these regulations to eliminate the incentive banks had to hold high risk assets which had the same capital requirements as low risk assets.

Specifically, the regulations assigned a zero percent risk-weight to loans guaranteed by the U.S. Government and its agencies. The Farm Credit Administration's capital adequacy regulations similarly recognizing the reduced risk associated with state and Federally guaranteed loans.

This provision would provide a remedy to a similar problem for the Farm Credit System with regard to the insurance program. The provision would require the Insurance Corporation to adjust downward the insurance premium applied for federally and State guaranteed loans and reduce the secure base accordingly.

This will help System lenders to remain competitive—especially for export loans guaranteed by the Department of Agriculture's Commodity Credit Corporation. These federally guaranteed export loans account for over $2 billion of the System's $3.4 billion in guaranteed loans.

Since 1981, the Farm Credit System's banks for cooperatives have been authorized to make loans to facilitate the foreign purchase of U.S. farm products. To date, over $9 billion in exports—involving about 30 products—have been financed under this authority.

However, CoBank estimates that it will lose between $200 and $400 million in U.S. agricultural export financings in 1989 if an adjustment is not made to insurance premiums applied to loans guaranteed by the Commodity Credit Corporation. This export financing business is being lost largely to foreign banks who can offer more attractive financing packages.

There are two reasons for this: First, most U.S. money-center banks have opportunities that yield more than CoBank receives on a loan guaranteed by CCC and, therefore, are not active in the agricultural export market; and second, foreign banks generally have lower return on equity and return on assets requirements and, therefore, are willing to compete for the lower spreads in the export market.

In closing, I am pleased to join several of my colleagues in supporting this needed legislation and urge this body to approve S. 1793 on final passage.

LETTER ON JUDICIAL PAY

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. RAY. Mr. Speaker, I would like to share with my colleagues a letter I recently received from a Federal judge in Georgia concerning pay raises for Federal judges. I believe this letter makes a number of valid points which Members may wish to consider when debating any pay reform package in the future. Therefore, Mr. Speaker, I strongly urge the Congress when considering any reforms in pay to consider including Federal judges in that reform package.

U.S. DISTRICT COURT,
SOUTHERN DISTRICT OF GEORGIA,
Augusta, GA, October 18, 1989.

Hon. RICHARD RAY,
Cannon Office Building,
Washington, DC.

DEAR CONGRESSMAN RICHARD RAY: The current status of judicial, congressional, and executive pay is an inequity, an indignity, and an invitation to disaster. I do not know any other way to put it. I am sure that many people in Congress wish the issue would simply "go away." It won't.

Those of us who depend entirely upon our federal salary struggle daily with car payments, repair bills, house notes, enormous education expenses, etc., on an income which is a fraction of our potential in the private sector. While we judges may struggle, our families are deprived of the rightful expectation which they have earned by their efforts through the years. All this "stuff" about the prestige and honor of serving the public sounds good but doesn't count for much when compared with the daily insult of being paid in parity with a lawyer of less than five years experience. I now earn about half of what I did in 1979.

If these conditions create an environment wherein a person may serve the Republic with pride and a sense of fulfillment, I am the most mistaken man in Georgia. I don't want to resign. I've opened enough new offices in my time. I just want to continue to be the best district judge I can without being the brunt of a gross injustice born of a timid Congress.

Whether or not you admit it, your situation is as bad as mine, or worse! It's true that senators, congressmen, judges and some executives earn more than many Americans. They should! The earnings of others are set by the marketplace. The issue is whether the Congress will make an informed salary decision based upon reason and common sense to preserve the dignity and independence of the separate branches of government; or, whether it will react to the negativistic rhetoric of little minds espousing thumb-worn creeds.

With every good wish and my kindest regards, I am

Respectfully,
DUDLEY H. BOWEN, Jr.,
Judge.

BUDGET FOR A STRONG AMERICA

HON. GEORGE MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. MILLER of California. Mr. Speaker, we have begun a crucial new debate in the Congress and in the Nation—a debate about the future course of our national budget and our national military policies.

These past few weeks have witnessed miraculous and irreversible changes in the political and economic destinies of Eastern Europe. The people of Poland, Hungary, East Germany, and even Bulgaria have taken the first important steps towards democracy. We must take comparable steps to encourage and support those reforms, both in economic and in defense policy in conjunction with our own allies.

Last week, the House discussed a proposal to reduce our military spending in a planned but steady manner in the early 1990's, focusing on reduced overseas spending, elimination of waste and duplication, paring back unnecessary weapons systems, and procurement reform. Our savings—and they could reach $100 billion—could then be devoted to a wide range of unmet domestic policy needs, including reduction in the deficit.

I want to share my completed prepared remarks with the House:

STATEMENT OF HON. GEORGE MILLER

Mr. Speaker, today's debate on a "Budget for a Strong America" inaugurates an overdue re-examination of our budgetary priorities as we enter a new decade, and prepare for a new century.

More than a decade ago, the adequacy of our national security was called into serious question. Our weapons systems were inadequate; our troops underpaid and underskilled; our research and development lagging. A determination was made, on a bipartisan basis, to increase military spending to meet the security dangers that confronted America.

As a result of that decision, we more than doubled our annual military spending, and we committed hundreds of billions of dollars in public resources to the Pentagon. We simultaneously made substantial reductions in domestic spending, although poverty rates were climbing, while serious deficiencies in health care and education persisted, and while homelessness and drugs were becoming national scourges. We continued both that military build-up and a policy of opposition to tax increases—a deadly fiscal combination that has tripled the national debt in a decade.

Today, we revisit the debate over the allocation of our national resources under drastically different circumstances.

The past year has recorded one of the greatest political revolutions in history. For reasons we can only speculate—glasnost, economic dissatisfaction, emerging nationalism—the men and women of Eastern Europe have risen up to proclaim the rebirth of democracy.

Within the Soviet Union itself, political evolution, economic innovation and military reform that was unthinkable just a few short years are now the stories of nightly news broadcasts. And it is not just talk.

President Gorbachev has achieved half of the manpower and weapons reductions in Eastern Europe that he promised last December would occur by 1991.

Since late 1987, according to the Rand Corporation, 200 Soviet design bureaus and several hundred manufacturing plants have been converted from military to defense production.

The American people are naturally enthusiastic for these long-overdue changes. But we must be more than pleased. And we must offer something more tangible than encouragement.

Just as we made dramatic fiscal, budgetary and policy changes in the 1970s to meet our national security needs, so must we in the 1990s confront the urgent, unmet, and ominous dangers that face us here at home. That requires a re-examination of military spending.

A generation ago, General Dwight D. Eisenhower observed that, "The problem in defense is how far you can go without destroying from within what you are trying to defend from without."

Only a few years later, as President, Eisenhower warned of the power of the military-industrial complex to consume vast quantities of our national treasure and dominate our national economy.

Mr. Speaker, we cannot continue to spend hundreds of billions of dollars every year—an additional $1.7 trillion by 1994 according to the Pentagon's projections, more than $800 million every day of the year—without allowing severe crises to destroy the Nation from within:

A doubling of the national debt in the eight years of the Reagan Administration, despite massive cutbacks in domestic spending programs;

An increase in interests costs on the debt of more than $100 billion a year, every year;

Thirty-one million Americans without health care;

Fewer than 4 percent of Superfund toxic waste sites cleaned up;

A shortage of 3.7 million housing units for those earning less than $10,000 a year;

One million dropping out of school each year, and millions more undereducated and unable to qualify even for minimal jobs.

Haven't the American people had enough of sending billions of dollars in America's hard earned tax dollars overseas and into wasteful military hardware?

Today, we are issuing a call for no less than the redeployment of America's fiscal, creative and investment resources.

As Fortune Magazine noted last July, "With the cold war cooling, the Pentagon budget could be cut by a third without weakening defense. Think what America could do with the extra $100 billion a year."

We agree.

We need a strong defense; but the needs of the military cannot render America weak in every other value, every other measure of greatness and wealth.

We believe America can be strong only if we are well-educated, well-housed, and well-trained; if we treat our infants and children as irreplaceable investments in our future; if we apply our unlimited research and intellectual capacities to innovative scientific, commercial and consumer development.

And we can afford both forms of national security.

Spending levels alone are not an accurate indicator of a commitment to national security. Our failure to recognize that fact was the great fallacy in the military build-up of the past decade.

As Pentagon analyst Franklin Spinney detailed in the Wall Street Journal last week, Pentagon spending has not been driven by what is needed to protect American security, but by number manipulation, inadequate cost control, system duplication, and waste that would never be tolerated in the private sector.

Nearly half a century after the end of World War II, when military experts tell us the Soviets could not launch a ground attack on NATO, can the United States continue to shoulder the $100 billion a year burden of maintaining more than one-third of a million active troops in Europe, with nearly double that number of support personnel and dependents?

Given our other urgent needs, can we spend $80 billion, and probably much more, on the B-2 Stealth bomber, an airplane that literally costs more than its weight in solid gold; a weapon whose chief proponent has testified was designed to mop up after the "virtual nuclear annihilation" of U.S. and U.S.S.R.?

Do we really need to be spending over $3 billion a year, and consuming the careers of tens of thousands of our best scientists and physicists, to develop the Star Wars system, the most expensive bargaining chip in the history of arms negotiations, and one which its skeptical developers overwhelmingly doubt will work?

Americans need not reach a consensus about how to apply the savings we hope to achieve from military reform before we agree that reform, itself, is overdue. We all know how many legitimate alternatives exist.

The recent hurricane and earthquake destruction highlighted the serious problems of our infrastructure. Over 132,000 bridges—23 percent of our total—are structurally unsound. Two thirds of the interstate highway system, our domestic transportation lifeline, is in substandard condition, and there are 3,000 unsafe dams in populated areas.

Nation-wide, we must spend $65 billion annually on infrastructure just to stay even, and "even" isn't good enough.

But we are not only overlooking our physical investments. As even a cursory reading of business journals demonstrates, major American employers are rightly alarmed by the educational deficiencies of young workers.

David Kearns, the chairman of Xerox, says the mismatch between our employment needs to remain competitive and the quality of young workers industry must choose from, has all of the "the makings of a national disaster class work force, and we cannot have a world class work force without world class schools."

Mr. Kearns and his fellow corporate leaders know that the average 21-25 year old reads significantly below the level required by the average job available in 1984, let alone the job of 2000, when he or she will only be in the mid-forties!

Half of those future workers will be minorities, half of whom are growing up poor, 25-percent of whom leave school early, and another 25 percent of whom lack basic skills.

That is one reason why the corporate leaders who comprise the Committee on Economic Development predict that we will have 20 million undereducated, undersocialized people added to our population by the year 2000: dependent, unproductive, and raising millions of children in homes of dubious quality.

Even in the military, we are ignoring serious problems that require urgent, and expensive attention, like the 15,000 suspected contaminated military waste dumps that are going to cost $150-billion to clean up, including radioactive waste from the Department of Energy's 17 nuclear warhead production facilities.

We are, my colleagues, at one of those cross-roads that confront a civilization only periodically in history, where the way in which we respond to new opportunities and urgent needs will determine the future course of this Nation, whether we remain a dominant culture, and powerful country, a leading economy.

The change in East-West relations, the crushing burden of debt, and the basic needs of the American people to retain a high standard of living and to remain competitive in the world—all these compel a reexamination of our budget priorities and a reallocation of our national wealth, not after the next election, but next year.

The American people know this, even if we, in this chamber, do not yet acknowledge the enormity of the challenge. By overwhelming numbers, our constituents are looking to government, in partnership with their own community and business resources, to play a constructive and helpful role in restructuring our national goals.

I have not a moment's hesitation in predicting that, presented with both sides of the military spending debate, voters would agree that fighting drugs, housing the homeless, educating our children, providing basic health care for all Americans, assuring quality child care and elderly services, reducing the debt, and upgrading our infrastructure and physical plant are all of higher priority than increasing military spending to $400 billion a year.

I have no doubt that the American people would rather devote resources to converting unnecessary weapons industries to productive, growth-inducing, job creating, internationally competitive businesses than to continue to base the wealth of their communities, and to consume their labor, building the unneeded and unproductive weapons of war.

Those who fail to recognize the uniqueness and the opportunity of this moment are going to be left behind by history and by voters. But if we follow that course as a Nation, then it is we who will surely be left behind, spending our treasure and our promise preparing for our worst fears instead of planning and investing for our greatest opportunities.

To those who call us naive, I respond: we recognize that mutual arms reduction, negotiated military cuts, and international agreements, not unilateral actions, are essential. But do people truly believe our government has pursued those opportunities as rapidly and with as much creativity as we could in recent years?

Neither I, nor any other speaker this evening, pretends to know how best to apportion the money by which we can reduce our military budget over the next decade. Maybe it's by $5 billion a year; maybe by 10.

Maybe we should apply all that saving to the deficit. Maybe some of it should go to health, or highways, or child care, or toxic clean-up.

But let the debate begin, and let it focus on the real needs of the future, not over the myths or the past threats to our security.

That is the goal of this special order: to begin the debate over this redeployment of American resources, to begin it here in this chamber, and to begin it now.

No generation in the history of the world has ever had the ability to exterminate not humankind, but the weapons and the hatreds that threaten the future of our planet and our species. If we have no other responsibility as legislators, if we take no other risks in our careers or our lives, let us resolve today not to allow this historic opportunity to pass through our hands.

PACIFIC BELL PROVIDES FREE COMMUNITY TELEPHONES FOR CALIFORNIA'S HOMELESS AND NEEDY

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. STARK. Mr. Speaker, it gives me great pleasure to announce that Pacific Bell has introduced an important Community Telephone Program in California.

A phone call can cost as little as 20 cents. Not an unreasonable sum for most, but for those with neither funds nor facilities—the homeless, and those with little or no income—placing phone calls to get jobs, medical assistance, or even beds for the night, can be difficult, if not impossible.

To make telephones accessible to many who can't afford service, Pacific Bell has started a statewide free telephone service for the homeless in California. The program is similar to the Community Connection Program in Oregon, which this House acclaimed last year. Pacific Bell's response is a gratifying answer to a letter, written in December 1988 for Congresspersons BOXER, DELLUMS, LANTOS, MILLER, PELOSI, and me encouraging the utility's participation in such a program.

The California-based telephone utility has installed 18 free telephone lines on a trial basis in 9 community service agencies throughout the State. Pacific Bell's Community Telephone Program offers free local telephone calls for anyone seeking essential services such as employment, welfare assistance, health care, and shelter.

For many people, not having access to a phone means not finding a place to spend the night. The Pacific Bell Community Telephone Program is for people who would otherwise be isolated from services that may be just a telephone call away.

The hope is that the telephone will lessen the disadvantage homeless people face in the job market when employes can't reach them. The Los Angeles Times reported that, on the first day the telephones went into service, Connie, a women who lives in a shelter in Costa Mesa, received a call regarding a position she had been trying to get as a nanny. A volunteer took the call and Connie was able to call right back. Connie got the job.

Phone locations and host community service agencies were selected by an oversight team of representatives from the California Homeless Coalition, the California Mental Health Directors Association, and the California-Nevada Community Action Association [Cal/Neva]. The host agencies are responsible for the day-to-day management of the telephones.

One of the host agencies is East Oakland Recovery Center in my district. This 24-hour drop-in center is finding the telephone program to be a welcome addition to the services they offer. Many calls are coming in and being made each day and jobs have been obtained as a result of calls.

Pacific Bell's costs to provide these free telephone lines are being paid for by shareholders of Pacific Telesis Group.

I commend Pacific Bell for taking this action. My hope is that other corporations will find a way to expand this program or will offer other appropriate assistance to our country's poor people.

THE ARAB WAR AGAINST ISRAEL: STILL THE ISSUE

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. BUECHNER. Mr. Speaker, on the eve of Israeli Prime Minister Yitzhak Shamir's visit to the United States, I would like to share with my colleagues an article prepared by the Anti-Defamation League which accurately underscores the fact that until all the Arab States recognize Israel's right to exist, any peace initiative will raise profound and legitimate concerns for Israel's national security.

The article also reflects the point that if the peace process is to commence, it must have the expressed intention of guaranteeing the security of all parties concerned. The success of the Israel-Egypt accords are evidence of the potential for peace in the Mideast; however, a treaty with no intention of peaceful coexistence is essentially void of meaning.

It is my hope, indeed the hope of all Americans, that discussions between President Bush, Prime Minister Shamir, and Egyptian President Hosni Mubarak will bring Israelis and Palestinians closer to a peace settlement. To that end, Mr. Speaker, this article is insightful as it sheds some light on the difficulties that Israel must address.

The article follows:

THE ARAB WAR AGAINST ISRAEL: STILL THE ISSUE

(By Janice Ditchek)

(Ms. Ditchek is director of the Anti-Defamation League's Middle Eastern Affairs Department.)

An interesting but inaccurate script is now being written about the Middle East conflict in some newspaper commentaries and public forums across the country. In it, Israel is being falsely cast as the obstructionist to the effort to resolve the Middle East conflict. The Arabs and the Palestine Liberation Organization, on the other hand, are often positively portrayed as the more conciliatory parties, ready to join in the pursuit of peace if only Israel would be more flexible.

But a look beyond the headlines and wishful reporting of recent date reveals another, more realistic story. Israel's reservations about the current initiative are rooted in profound and legitimate concerns for its national security. The underlying cause of this sense of insecurity and of the difficulty in resolving the conflict is one and the same:

the unwillingness for more than 40 years now of all Arab leaders but one to make peace with Israel. Israel's response to that singular exception in Arab resistence—Sadat's historic visit to Jerusalem during which he spoke of peace and acceptance before the Israel people—demonstrates just how forthcoming Israel can be in an atmosphere built on even a hint of goodwill.

Israel's May 14 peace initiative addresses this point, calling on Arab countries to end their policy of rejection and, in so doing, create a positive environment for future dialogue. In response, most Arab leaders have condemned the plan while others have sat silently by as Egypt's President Hosni Mubarak has helped Washington search for a way to bring Israelis and Palestinians together.

Showing a similar lack of initiative, not one of these Arab heads of state has taken positive steps toward serving the interests of the Palestinian people. If satisfying Palestinian aspirations through peaceful means was their intent, Arab leaders would urge an end to violence againt Israel in order to set the stage for talks. Instead, they remain united in their pledge to "extend every means of support and aid" to "continue to resist and to escalate the uprising" as stated last May at the Arab League Summit in Khartoum. And if furthering the cause of peace is truly their agenda, Arab leaders would recognize that compromise is necessary on all sides. Rather than demand that Israel increase its vulnerability by withdrawing from territory while surrounded by hostile states, they would end their war against her.

The problem is not merely rhetorical. The Arab states have contributed millions of dollars to finance the Palestinian uprising now being waged against Israel. Their armies are large enough to threaten Israel's existence and they have twelve times the number of active forces to mobilize in a combat situation against her. In addition to the war fought on the battlefield, the Arab states have conducted an economic campaign aimed at strangling Israel financially through a worldwide economic boycott that has gone on for decades. On the political level, Arab countries are unceasing in their efforts to delegitimize Israel by seeking her exclusion from international events and forums, including their annual attempt to strip Israel of its credentials and oust it from the United Nations General Assembly.

This is the atmosphere of hostility that spirals around Israel as conditions for Israeli-Palestinian talks are now being formulated with the U.S. and Egypt. It it any wonder then, that in an environment still rife with Arab and Palestinian violence, Israel has been reticent to treat seriously the PLO's half-baked assurances of moderation? Granted, the PLO has slightly softened its rhetoric of implacable hostility toward Israel since Yasir Arafat's stated recognition of Israel in Geneva last year. But, such language can only be viewed as cosmetic in light of the PLO's continued adherence to the Palestine National Covenant which calls for the "elimination of Zionism in Palestine."

And, while the PLO has attempted to convince the West of its resolve to live peacefully alongside Israel, the organization nevertheless continued to reassure its own constituents that its diplomatic maneuvers are merely part of a phased approach to the liquidation of Israel. Thus, as recently as April of this year, Arafat reaffirmed the goal of the "complete liberation of the Palestinian soil and the establishment of a Palestinian state on every part of it." The same month, Farrouk Kaddoumi, head of the PLO's political department, when asked on BBC Arabic Radio whether the PLO seeks to recover "all the Palestinian land, including that of 1948" responded that the PLO will ultimately plant its "tent in those places where our bullets can reach. It is the range of the power at the Palestinian people's disposal that determines the site of the tent, which acts as a base from which it will deal with its next phase."

Against this background, it is clear that it is not unreasonable for Jerusalem to seek an end to the Arab state of war against israel as part of any negotiating process with the Palestinians. While it has become fashionable in the West to view the Arab-Israel conflict as a dispute primarily between the Arab and Jewish communities in the areas now controlled by Israel, Israel itself cannot afford to join in such illusions. So long as 21 Arab states remain dedicated to their ideology of rejectionism, Jerusalem must resist the pressure to accept this naive proposition and risk jeopardizing its security in the process.

It may well be that through true acceptance, compromise and concessions on all sides, Palestinian aspirations will eventually be satisfied. In the meantime, however, it is the Arab and PLO leadership, not Israel, who through their refusal to accept Israel without ambiguity, will bear direct responsibility for sustaining Palestinian political frustrations.

ENLIGHTENING SERIES ON "THE NEW EUROPE" BY McCLATCHY NEWS

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. MATSUI. Mr. Speaker, I would like to enter into the CONGRESSIONAL RECORD a series of articles by McClatchy News Washington bureau chief Leo Rennert and a group of McClatchy reporters on the emergence of "the New Europe." The series is quite possibly the most extensive and comprehensive look yet in any American newspaper at the new economic reality emerging from the European Community. The series reflects countless hours of research and interviews and offers a poignant look forward to the unification of the European market in 1992. The effects on U.S. trade and specific industries are well documented as is the general unawareness on American soil of the situation. Because the unification of the European Community has important implications for this country and this body of legislators, the information included in these stories should be very useful to many of my colleagues in Congress. I will be submitting parts of the series in the CONGRESSIONAL RECORD over the next 3 days.

EUROPEANS SEEK CLOUT IN UNITY

(By Leo Rennert)

BRUSSELS, Belgium.—After getting bogged down during the 1970s and most of the 1980s, the drive for European unification has moved into high gear and now appears irreversible.

Under intense pressure from business leaders eager to expand markets, Western Europe is breaking down centuries-old barriers as it confidently pushes forward with an ambitious agenda of economic and political integration.

The objective is nothing less than creation of a new giant force on the world stage with sufficient economic muscle to challenge Japan and the United States. For the United States still struggling to cope with a flood of Japanese imports, a unified Europe may pose an even bigger competitive challenge.

After visits to half a dozen Western European countries and extended interviews with scores of political figures, plant managers, bankers, bureaucrats, lobbyists and diplomats, a reporter is left with a couple of inescapable conclusions:

Americans are only dimly aware of how far Europeans have progressed in overcoming ancient divisions, of the rapid pace of this transformation and of what it portends for U.S. leadership and prosperity in coming years.

Western Europe is aiming at far more than becoming a potent new economic factor. As first-rank players on the global chessboard, its leaders also are determined to carve out an increasingly important diplomatic and political role, particularly in shaping Western relations with the Soviet bloc.

That could mean a shrinking of U.S. influence in the councils of the Western alliance just as Moscow is loosening its grip on Eastern Europe.

The most obvious example—exhibit A—of Western European resurgence is the drive by the 12-nation European Community to create a unified market for unhampered movement of goods, services, capital and people by the end of 1992.

It will be market of 324 million consumers—a third larger than the American market and more than double the Japanese—with a well-trained work force and an age-old capacity for carving out new trade frontiers. The EC already accounts for 19 percent of world trade, compared with 13 percent for the United States and 12 percent for Japan.

Some economists predict that elimination of barriers and emergence of larger, leaner and more efficient business aggregations will boost EC economic growth by 7 percent, create 5 million jobs and reduce prices by 6 percent. Actually, an economic boom of sorts already is under way as investors—European and foreign—are making their moves in anticipation of 1992.

Companies that once operated within national borders are concluding partnership deals and mergers across old frontiers. The era of European giants—multibillion-dollar concerns known as Eurogiants because they are capable of locking horns with the biggest U.S. and Japanese multinations—has arrived. What Napoleon and Hitler couldn't achieve by military force—a united Europe—is being cobbled together in the boardrooms of Paris, Frankfurt, London and Milan. And it's happening at a time of serious political malaise in Japan, shrinking economic growth in the United States and rising ethnic and labor unrest in the Soviet Union.

"Europtimism" is in the air and talk of "Eurosclerosis" and "Europessimism" is no longer fashionable. After a sluggish economic performance for most of this decade, the EC is expected to show more robust growth than the United States this year. Bullish forecasts extend well into the 1990s.

Pulling the strings of European integration are some 14,000 Eurocrats in huge new office complexes on the edge of Belgium's capital, which is the headquarters of the EC. They're weaving together the diverse strands and interests of a dozen countries into a single set of economic ground rules, including unified product standards, cross-border acceptance of professional diplomas, liberalization of financial markets and compatible tax policies.

The process is neither simple nor easy. It moves by fits and starts. And the results are not uniformly pleasing. Italian police officials recently warned that, with 1992 in the offing, creating of Eurobanks could play into the hands of Mafia chieftains by giving them more points of access to launder ill-gotten gains.

British Prime Minister Margaret Thatcher is fighting a rear-guard action to prevent Brussels from becoming a supranational government and promulgating workers rights and welfare policies that her government dismantled over the last 10 years. But she is increasingly isolated. Other European leaders are determined to move ahead, with or without her.

"We have embarked on an exciting journey toward political union in Europe," says Jacques Delors, president of the European Commission, who often tangles with Thatcher. At the moment, public opinion and political sentiment, even in Britain, are on his side.

"The countries on the continent see Europe as the way to higher things, the way to the stars," remarks David Lomax, a top economic adviser at the National Westminster Bank in London.

Fueling the drive for unification is a major change in loyalties—away from narrow nationalism to greater identification, at one and the same time, with local regions like Provence, Catalonia or Yorkshire, and with the vision of a unified Europe. Power is draining away from Europe's old capitals to Brussels and to local and regional authorities.

With a few exceptions like Thatcher, Europe's new leaders are not hung up on the notion that national sovereignty must be defended at all costs.

"Sovereignty means nothing unless it represents the ability to control our destiny," says Sir Leon Britain, Britain's EC commissioner for competition policy. "And in the modern world, that means forming alliances and pooling influence. As someone remarked recently, a man standing alone and naked in a desert is sovereign. He cannot be influenced by anyone or any power. Yet he is impotent."

To pull its diverse parts together, the EC has turned into a new Tower of Babel as officials work with nine languages requiring 4,000 translators and linguistics specialists. English and French are commonly used by EC staff. But for communitywide meetings, provisions must be made for simultaneous translations in all nine languages—a situation with 72 potential back-and-forth combinations.

Yet, through it all, the EC already is moving beyond its 1992 unified-market plan to higher levels of political and monetary union. Since the approval of the Single European Act, which went into effect in 1987, most EC decisions no longer require unanimity. Under a weighted majority system, Brussels can act faster and reach farther into each country's affairs.

For example, the EC recently ordered Thatcher to reduce levels of nitrate, derived from fertilizers, in Britain's water supplies. After London balked, the EC filed suit in the European Court of Justice, which will have the final word.

Besides preparing for 1992, the EC already is in the business of setting common policies for a wide range of international relations, external trade, farm production, environmental protection, corporate mergers and public health. It has ordered health warnings on cigarette packs and has been considering directives to limit tobacco advertising and tar content—a move that infuriates French smokers who love their filterless Gauloises.

Perhaps the most telling evidence of the EC's evolution into a supranational government is its fast-growing budget. At $50 billion, it's on a par with California's state budget. The EC has a monopoly on customs duties and gets a slice of each country's value-added tax, a widely used sales tax that generates vast amounts of revenue.

On the spending side, the lion's share goes into farm subsidies. But those expenditures are receding, while the fastest growing part of the EC budget now encompasses a vast income redistribution program from wealthy members to poor areas like Ireland, Spain, Portugal, Scotland, southern Italy and Greece. Last year the EC decided to double these outlays to $16 billion by 1993.

The money is used to stimulate growth and investment in economically depressed regions with construction of roads, airports and harbors, and high-tech training for young and unemployed workers.

These "Robin Hood" grants are at the heart of what makes the EC tick politically. With London on the sidelines, West Germany and France are the lead players and pay for half the EC budget. Britain kicks in only 13 percent, which is a shade under Italy's contribution.

To cement European unity, Paris and Bonn are willing to lavish vast subsidies on poorer members and get them hooked on largesse from the EC. West Germany gets back only 50 cents on each dollar it sends to Brussels, but the formula appears to be working.

The EC budget already matches or exceeds that of several of the smaller EC nations and it's rising fast. It is a clear signal of Brussels' growing influence in European affairs.

Universal use of a single European currency and creation of a European central bank may not be realized for another 15 years. But a fledgling currency—the European Currency Unit—already exists and its use is spreading. The ECU (worth about $1.10) anchors the European Monetary System, which keeps the exchange rates of most EC-member currencies within a very narrow band, a development highly welcomed by investors who prize currency stability in cross-border transactions. The EC figures its budget in ECUs, and ECU travelers' checks are becoming available.

In moving toward the 1992 goal of a single market, the EC still has important hurdles to overcome, most notably the harmonization of value-added taxes. VAT rates vary from zero on essential goods in Britain and Ireland to 38 percent on luxury items in Italy. High-tax nations are reluctant to lose income, and politicians in low-VAT countries are afraid to raise taxes.

For its part, the EC is not pushing for uniformity but for margins of 4 percent to 9 percent for essential products and 14 to 20 percent on others. But that's still a tall order. And nobody at this point is willing to bet that Brussels will pull it off.

The 1992 single market will require approval and implementation of some 280 directives. So far, 240 have been drafted and 130 accepted by the Council of Ministers. But the remaining ones represent the toughest hurdles.

"In climbing a mountain, the last 100 meters are usually more difficult than the previous 1,000," says EC spokesman Nico Wegter. "We must have acceleration (to meet the 1992 target)."

But the process already is so far under way that nobody is looking back. "Although much still remains to be done, I am confident that our drive for closer economic integration had acquired a self-sustaining momentum," says Frans Andriessen, the EC commissioner for external relations.

Along with completion of the 1992 agenda, the EC also must come to grips with making its own institutions more accountable to European voters and to resolving some difficult identity problems.

Some EC leaders resist any notion of expanding the community to include outsiders like Austria, Switzerland or Sweden. Turkey, a Moslem state, is being kept out even though it's a loyal member of NATO. And there are conflicting views about how far the EC should go in forging closer ties with Eastern Europe.

According to Delors and others struggling to complete the 1992 agenda, the EC should stick to its own business before branching out. West Germany, with some support from France, favors a more outwardlooking approach, hoping for eventual reunification with East Germany.

"The community is not the whole of Europe," says West German Foreign Minister Hans-Dietrich Genscher. "Europe's future is openness."

NEW PLANTS WOULD ELUDE TRADE CURBS

(By Leo Rennert)

SUNDERLAND, England.—In this northern corner of England, where Roman legions once patrolled the frontiers of their far-flung empire, Japan is leading a new "invation" of Europe.

The Japanese flag-bearer here is Nissan, which is investing $1 billion in an ultramodern car-production plant in one of Britain's most economically depressed areas.

The plant, a dramatic showcase of Japan's aggressive push into Europe, reflects a bargain born of mutual self-interest.

For Nissan, it's a vital insurance policy in case the 12-nation European Community clamps sharp import restrictions on foreign-made cars after it eliminates all internal trade barriers by the end of 1992.

Each Nissan car rolling off the assembly line at Sunderland has a 60 percent content of European-made parts—and that will rise to 80 percent by 1993. As a result, Nissan will be able to sell its midrange Bluebirds and mini-Micras throughout the EC as "European" products—not as Japanese imports subject to quotas and other barriers.

For the British, Nissan means a huge payroll—2,500 jobs today rising to 3,500 by 1993—in a region of industrial decline and high unemployment. To sweeten the deal, the British government, local authorities and the EC offered Nissan nearly $200 million in special inducements.

It's an economic marriage blessed at the highest levels. Prime Minister Margaret Thatcher was on hand for the opening in 1986 and Prince Charles accepted keys for the first car produced at Sunderland. This year, production will hit 76,000 cars, reach-

ing 200,000 by 1993 when the European unified market will be open for business.

Other Japanese carmakers, including Toyota and Honda, are joining Nissan in establishing EC beachheads in Britain. England is becoming pockmarked with Japanese car, engine and parts production plants. Investments so far total nearly $3 billion. In five years, Japanese firms will account for one out of every three British-made cars.

The Japanese see Europe as a major competitive opportunity—and are racing to get in. After 1992, France, Italy and other EC countries that traditionally subsidized and protected their own automobile industries are supposed to let go and permit demand-and-supply forces to take over. That should open major new markets to carmakers who haven't been able to compete on equal terms with Fiat in Italy or Renault in France. Italy, for example, has been holding Japanese car imports to 3,000 a year.

Nissan also sees a big new market potential for small cars in the poorer sections of southern Europe—Italy, Spain, Portugal—which are getting a big infusion of EC money to help their economies.

American auto producers, led by Ford and General Motors, have been in Europe longer than the Japanese and similarly making plans to increase their share of the market. But they're casting a wary eye on the Japanese, who are moving in with state-of-the-art technology, huge start-up subsidies from London and special labor-management deals.

"The Japanese presence is growing stronger," says Volker Leichsering, vice president for public and governmental affairs of Ford's European operations. "The British are virtually inviting them in. The Japanese realize the only major growth market is Europe. They're actually being helped by some European governments. I'm not sure that's wise."

Ford, with nearly 12 percent of the European car market, far outstrips all Japanese competitors at this point. But Ford must cope with 16 different British unions and modernize aging plants, while Nissan is able to deal with only one union and boasts of major productivity gains.

Nissan dismisses Ford's complaint that Britain is giving the Japanese a special advantage at the expense of longer-established companies.

"Everybody tries for a business advantage," says Ian Gibson, managing director of the Nissan plant, "We got a drop in the bucket. The European motor industry is one of the most subsidized in the world. Ford and GM also received subsidies."

While Nissan brought along a distinctly Japanese management philosophy, with strong emphasis on individual responsibility and a finely honed collective work ethic, it also has worked to ease culture shock.

All but three of the 37 management slots are held by British executives. The entire production force is British. There are no obligatory exercise programs at the start of each shift, although the company provides a physical fitness center.

While Nissan-USA successfully has warded off the United Auto Workers at its Tennessee plant, Gibson goes out of his way to encourage Nissan employees here to join the Amalgamated Engineering Union. Britain, he notes, has a strong tradition of union membership—unlike Tennessee.

"When one of our people goes to the pub after work, he's going to mix with mates who are also union members," says Gibson. "He ought to be able to feel right at home."

The union actually is not a major presence at the plant. Labor-management consultations, including salary negotiations, are handled by a separate company council of 10 workers and six Nissan representatives.

On the shop floor, production is split up in teams of 20 workers, each headed by a supervisor. With thousands more applications than there are positions, Nissan puts jobseeker through a rigorous screening process. The work force is young and eager to perform in exchange for job security and good benefits.

From the start, there are extensive instruction programs and an average of eight days a year is set aside for training sessions. Since the plant opened, 250 workers have been sent to Japan to learn special skills. Along the assembly line, each worker's name is listed on a board with his picture and a progress chart showing the full extent and level of his technical skills—a not-so-subtle pressure tactic to obtain higher productivity levels.

There are no special parking spaces or dining rooms for executives. The work uniform is the same for everybody. Each assembly-line team holds daily meetings to discuss problems and ideas for improving the operation.

Overhead, there's an electronic scoreboard that flashes up-to-the-minute production totals each day—and whether the operation is ahead or behind schedule. Supervisors on the line, not executives in a remote office, control the operation. Nobody gets hired unless a team supervisor gives his approval.

"Things are not done from the top down, but from the bottom up," says Clive Griffiths, general manager for press, body, paint and plastic operations, who worked for Austin-Rover before joining Nissan.

"The biggest difference here is that the commitment to people is outstanding," he says. "We expect a lot and we get a lot. In the last two years, productivity has risen by 26 percent. And it's all been driven from the shop floor."

Terence Hogg, director of production control, is confident about Nissan's future in Europe. "The Japanese can develop technology faster than the rest of the field," he says.

HOW THE EC WORKS

EUROPEAN COMMISS ON

17 members named by member countries for four-year terms. Commissioners propose legislation and administer policies approved by the Council of Ministers. They manage growing bureaucracy in Brussels. Can take action against individual countries that violate EC rules. Bigger countries—France, Italy, Germany, Spain and Britain—have two commissioners each; the others one.

COUNCIL OF MINISTERS

The EC's final decision-making body. Meetings on transportation policy attended by transportation ministers from member nations; sessions on farm policy by agriculture ministers, etc. Voting power according to size of each country. Under weighted-majority rules, 54 votes out of 76 must be cast by at least seven of the 12 members. Heads of state or government hold EC summits twice a year. Council presidency rotates every six months.

EUROPEAN PARLIAMENT

Limited legislative powers, but increasing political influence. Must be consulted before many rules are adopted by council. Can reject budget and dismiss commission. 518 members, apportioned by population, are elected directly for five-year terms. Meets in Strasbourg, France.

EUROPEAN COURT OF JUSTICE

The EC's highest legal authority. Opinions on EC directives and treaty provisions are binding and take precedence over national laws. Cases may be brought by governments, the commission, the Parliament, companies or individuals. The 13 judges meet in Luxembourg.

RESPECT LIFE SUNDAY

HON. JIM LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. LIGHTFOOT. Mr. Speaker, as the debate over abortion once again heats up, it's time to use cool heads and logical reasoning rather than emotional demagoguery. The following homily was presented by Rev. Robert Marciano, to his congregation in Woonsocket, RI, on "Respect Life Sunday." For those who are undecided or troubled by the abortion issue, I'd recommend Reverend Marciano's words to them.

RESPECT LIFE SUNDAY 1989

(By Rev. Robert L. Marciano)

It was a brisk day in November, 1979 in Stockholm, Sweden as a slightly stooped, sweater-clad and soft spoken woman stepped to the battery of microphones to address a gathered audience of thousands of well wishers and notable heads of state. Mother Teresa of Calcutta, the gentle and loving woman of faith was about to accept the Noble Prize for Peace. As her words, soft in character yet strong in conviction cut the chilled air an eery and reverent hush fell over the crowd. She said:

"The greatest obstacle to peace in the world is abortion."

No truer words could be spoken, no more critical an issue could be addressed, no more vital a cry to action could be announced, for since that very day, some ten years ago, the sinful and scarring fact remains that over 16 million unborn infants have been put to a painful death in this, our country alone. To date, since the 1973 Supreme Court Decision legalizing abortion on demand in this country, over 24 million infants have been put to death at the abortionist hands. Incredibly, that number of dead is more than was claimed by all the wars that this nation has ever fought. But these dead are mere children. Tiny innocent human beings with immortal souls, created in the image and likeness of God. Little boys and little girls, with talents and personalities, with humor and possibility, with health and vitality, grasped from the dawn of life at the most defenseless time for being guilty of one irreversible and unforgiveable crime: Human Existence.

For what was once the safest place in all the world, their mother's womb, is now the most treacherous!

The battle for legalized abortion in this land began long before we realized or expected it. In fact, the language changed rapidly around us to cosmetically conceal the actual reality of the killing of babies lest the abortion industry offend the general, cash carrying and often confused public.

And so: Pro abortion became pro choice, pro life became a Single issue, the unborn

child became a fetus, and a dead child following a successful abortion became fetal waste.

If a child lived after an unsuccessful abortion, and they very often do, then it became fetus ex utero.

The subsequent procedure to solve this "problem" is two-fold: first to leave the child in a container in the corner of the operating room with a sign attached: "Do not feed" or to the abortionist doctor to physically drown the struggling infant lest he be sued for malpractice if this "evidence", that is, the live child would live!

And so, before we knew it, this nation of ours which prides itself on defending the most dejected and saving the hopeless, on embracing immigrants and granting freedom and protection to escaped victims of foreign oppression, has a full media and seemingly total societal stamp of approval that the, quote, "termination of a pregnancy" is perfectly acceptable and even very American.

Harsh facts, bold statements, even un-settling news from a church pulpit. But you and I, on this Respect Life Weekend, and on every day our lives cannot be silent! We cannot choose to be innocent bystanders in this fight for human life, for if we do, and say nothing, then we are guilty as well. For as was once said:

"All it takes for evil to triumph is for good people to do nothing!"

My friends, the facts were all falsified, the language laundered, and the truth twisted beyond recognition. Death has become a way of life here in America as doctors who has taken the Hippocratic Oath volunteer to Take Life or to Save Life whatever they will be paid to do. But the chilling fact remains, that in our major cities, even as I speak, the numbers of aborted babies outnumber the numbers of live birth.

A few months ago, I stood at the bedside of a young mother whose tiny premature infant, born 5 months into her pregnancy, was fighting for his life. Just hours earlier he had been delivered with many medical problems and many physical difficulties and now he was clinging to the fragile thread, the great gift of life. We prayed together, the mother, the father and myself and with earnest desire in our hearts we ask the Good Lord to send His strength of healing to this tiny loved one of His and loved one of ours, if it be His Divine Will. A few moments later, as I left the room and left their company I met in the hospital hallway her doctor, who had been frantically working to save the newborn infant's life. He was visibly upset and frustrated by his medical efforts and lack of success and told me that all hope was now lost and that this little one was about to die. He thought it might be wise, and very consoling for the mother if she could hold her tiny son in her arms these last few moments of his short life. I agreed, and as I spoke I noticed his name on his ID Badge affixed to his white doctor's lab coat. He was, without a doubt, an enemy of the "Pro Life Cause", an outspoken and noted abortionist, a participant in the smear and lie campaign of Planned Parenthood that has systematically infected our nation and polluted the morality of our society and our precious youth. He had, I knew, through abortion, ended the lives of countless infants, the very same age in months as this little one that he was trying desperately to save. And so, as he turned to leave, and to give this dying child to a sorrowful mother I took him gently by the arm and facing him squarely said quietly:

Doctor, please tell her and tell John not to cry, nor to grieve. For what she holds in her arms, by your own admission and your abortion work, is nothing but a glob of cells, a mass of tissue. Don't let her name it, nor kiss it, nor will we dignify it with the reverence of burial for it is NOT a human being . . . or is it?" With eyes sunken with confusion, and what I hope and pray was remorse, he silently walked away.

I buried little Allan Charles with solemn ritual and devout prayers in consecrated ground not far from here. I embraced his parents and grandparents on that grey rainy Thursday morning and expressed my deepest sorrow over their great loss. And I prayed then, and pray every day, that little Alan's death will not be in vain.

My friends, the pro life movement is our movement, and it must be an act of love or it will be nothing at all. We must re-check our motivations not only to choose life but to choose love as well.

Love for little children,

Love for would-be mothers, and yes, love even for erring and confused doctors, for love alone can triumph our cause.

For when we love then God Himself will act!

For only He can bring an end to this intolerable destruction of human life. Not as a result of our anger, nor as a result of our cowardly silence, but as a result of a love within us that dares to speak out.

In our Diocese of Providence, as in every diocese, every girl and every woman offering her baby for adoption is encouraged to write a letter to the baby that the baby may choose to read years later. She is also encouraged to write a letter to the adoptive parents of the baby that she is offering for adoption. In either event, anonymity is always preserved.

Mary, a young girl of 19 years of age, an unmarried college student, wrote this:

DEAR PARENTS OF MOSES: I've spent the past two days being quite heroic, cheerful, level-headed, about the birth of this wonderful new person. When he was born my only thoughts were, "Thank God he's alive and so happy. He hadn't joined the ranks of the prolific number of aborted fetuses." Now it's Tuesday, late in the evening, and my tears are finally flowing. Not because I have any doubts about the quality of life he is sure to have with you but because of the sadness of parting with this tiny, perfect creature whom I have delighted in these past two days and the past nine months. I know that he should be with you.

I'm calling him Moses because he lives. Twice I scheduled abortion appointments and decided it wasn't his fault or folly that he had been conceived. I knew he would be beautiful, healthy, and in some way a very welcome addition to this earth. I feel that I am placing Moses in his reed basket and sailing him down the Nile, his Nile, your Nile, mine. I know that he and I will not share life together on a day-to-day, face-to-face basis, but we do share other dimensions. That of time and another subtle dimension because he grew within me for nine months.

I am told that Moses has 20-some cousins already—fantastic. I feel as though my family is expanding to include you and all your relatives. Please let him know he was given out of love, he was conceived in love, and I feel so good and sure that your love is now what he mostly needs. He is my greatest gift to the world.

Congratulations,

MARY.

When we love, we open the channels for God's grace to flow into and heal our hurting and broken world. It is He and His grace alone that can empower us to choose life and not death! For our pro life struggle must now, and always be, an act of love, and then, the Good Lord, will surely do the rest.

My friends, on that famous day in 1979 of Nobel Peace Prize awarding, Mother Teresa was asked:

"Mother, how do you judge success in the work you do?" The saintly, meek sister looked puzzled for a moment and then replied:

"I don't remember the Lord ever talking about success. I only remember that He spoke of faithfulness. He asked us to Love and to be faithful. It is only the success of these that He asks of us now."

May He hear our prayers, guide our steps, and encourage our efforts. For human life, my friends, hangs in the balance.

God Love you!

TRIBUTE TO REV. H. MASON BROWN

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. THOMAS A. LUKEN. Mr. Speaker, as Representative of the First Congressional District of Ohio, I ask my colleagues to join me in extending a sincere congratulations to Rev. H. Mason Brown for his 12 years of dedicated service to his fellowship at the Allen Temple in Cincinnati.

Reverend Brown has truly been a steadfast servant of the Lord. He was ordained in 1965 and started pastoring in 1966. Since then, he has been a faithful and devoted minister.

In addition to being a successful minister, Reverend Brown is also a devoted family man. He and his wife Odessa have a daughter, Mrs. Patricia Ann Robinson and a son, Harry Mason Brown, Jr. and three grandchildren, Kecia, Christopher, and Darryl.

The Reverend Brown has attended Wright State University, Wilberforce University, Payne Theological Seminary, and Whittenberg University, and he holds two honorary degrees.

The Allen Temple is the oldest black church in Cincinnati. Since its founding on February 4, 1824, it has ministered not only to the needs of the black community, but also to the world-wide community of God. Reverend Brown was instrumental in relocating the Allen Temple from downtown to its present location on Reading Road.

Mr. Brown's active involvement in community and civic affairs has been greatly appreciated. In addition to other posts, he currently serves as vice chairman of the South Ohio Conference Trustee Board and as vice chairman of the board of trustees of Wilberforce University. He is the third Episcopal district statistician of the AME Church; this district includes all of Ohio and West Virginia and the western part of Pennsylvania. Reverend Brown has also served on the Ohio Consumer's Counsel Governing Board.

Mr. Speaker, we not only honor the length of Reverend Brown's service to the church and the city of Cincinnati, but the quality of

that service as well. His contributions of talent, leadership, and responsibility have fostered significant and lasting improvement in the community.

Reverend Brown will surely be missed by his congregation at the Allen Temple, but those at his new house of worship, Cincinnati's Bethel AME Church, will be gaining a truly great minister. I thank Reverend Brown on behalf of all of those he served, and will continue to serve, for his unselfish time and effort. His contributions will have a lasting and resounding effect on our community.

THE 10TH ANNIVERSARY OF IMPACT II

HON. ARTHUR RAVENEL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. RAVENEL. Mr. Speaker, this year marks the 10th anniversary of IMPACT II, a nationwide, educational, nonprofit organization that recognizes and rewards innovative teachers by giving grants for the development of fresh and creative in-school programs.

IMPACT II began in 1979 as an experimental pilot program codeveloped by the Exxon Education Foundation with the New York City board of Education. A second pilot program was initiated in Houston, TX, 3 years later; and today IMAPCT II is a national program with 30 sites ranging in size from a single school district to an entire State. More than 15,000 teachers participate across the country.

Last year IMPACT II programs begin in Berkeley, Charleston, and Dorchester counties in South Carolina with the funding of 13 developer grants. These grants are given to teachers who actually create new programs. Two workshop fairs were held where the developers presented their programs to other interested teachers, and last spring the first catalogue was distributed with information on these programs.

This year the Lowcountry Educators' Cooperative Program expects to award not just developer grants but also adaptor grants, which are awarded to teachers who wish to adapt another's program for use in their classroom.

The IMPACT II Program is made possible thanks to support from the Lowcountry Educators' Cooperative, an association of colleges and school districts in the tricounty area. This group includes the public schools that prepare teachers: The Citadel, the college of Charleston, and the Baptist College at Charleston. And next year's expansion will be supported by a generous grant from the Trident Community Foundation.

I am proud to say that even the tragedy and destruction wrought by Hurricane Hugo will not prevent this program from going forward and continuing to grow and to reach more teachers and more students. I applaud all of the teachers and administrators who participate as well as the donors who support their efforts.

AEROSPACE FUTURE

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Ms. ROS-LEHTINEN. Mr. Speaker, I call attention today to a group reaching out to the minority youth of today and preparing them for the jobs of tomorrow. The Aerospace Opportunities Clearinghouse, founded to increase participation of minorities in the aerospace industry recently convened a conference on "New and Emerging Aerospace-Related Business and Career Opportunities." Held in Washington, it attracted many commercial sector and Government agencies.

Our Nation's aerospace industry is of vital importance to national security and minority involvement is necessary for its continued success. Although the minority sector constitutes 27 percent of the population, only 4 percent of aerospace engineers and scientists are minorities. Some statistics claim that the United States will lack half a million engineers by the year 2000. It was these statistics which helped establish the conference and formulate its key issues.

One of the many suggestions that resulted from this conference was the creation of a comprehensive awareness and training program for elementary and junior high schools. Programs such as these will help create interest in the science and space industry, as well as recruit students. This conference is a confirmation of America's promising aerospace future.

IN FAVOR OF DRUG-FREE ENVIRONMENT

HON. JIM BUNNING

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. BUNNING. Mr. Speaker, due to previously scheduled open door meetings in my district, I was unable to attend the proceedings of the House on Monday, November 13, 1989. However, I would like the RECORD to show that I would have voted for H.R. 3614, the Drug-Free Schools and Communities Act of 1989, and H.R. 3550, the drug forfeiture amendments.

Since the passage of the Drug-Free Schools and Communities Act in 1986, the programs authorized under this law have proven their necessity and usefulness. H.R. 3614 contains expansions of some of the old programs and initiates new ones, such as special grants to areas with a high intensity of drug use. H.R. 3550, the drug forfeiture amendments, makes necessary technical and administrative changes needed to maintain the wealth of fresh ideas coming out of the newly created Office of National Drug Control Policy.

Combating the drug problem starts with education, and these bills are sorely needed to continue to wage the war on drugs. By promoting a drug-free environment in our Nation's schools and communities, we can help our young people continue to say no to drugs and put those drug lords and cartels out of business.

DEDICATION OF NEW ST. PETER AND ST. PAUL UKRAINIAN CATHOLIC CHURCH

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. GUARINI. Mr. Speaker, on Saturday, November 18, 1989, at 2 p.m., the Ukrainian Catholic Church of St. Peter and St. Paul, located at the corner of Bergen Avenue and Bentley Avenue, in Jersey City, will be blessed and consecrated by Philadelphia Archbishop Stephen Sulyk, Metropolitan for all Ukrainian Catholics in the United States.

For Ukrainian Catholics, the parish of St. Peter and St. Paul is known as the mother church for New Jersey, New York, and New England. It was the first parish established by Ukrainian immigrants in New Jersey in 1886. For over 100 years, thousands of parishioners worshipped as a community and received the sacraments while passing on their faith to their children and grandchildren. It was those new generations of parishioners who helped to build this new church.

The $2.5 million Ukrainian Baroque style edifice was designed by Bohdan Kotys of New Brunswick, NJ, and built by Miller Construction of Jersey City, NJ. The design of the building includes five golden tear-shaped domes. The arches on either side of the flat facade typify the churches of Western Ukraine from which many of the parishioners emigrated in the 1800's. The three bells that will be used in the arches are the original ones that were handconstructed by master craftsmen and imported from Europe for the church built in 1892. These bells will remind the parishioners of the long history of the parish and encourage the parish to continue to be a vibrant and thriving part of the history of Jersey City. Jersey City is the headquarters for the Ukrainian National Association of the United States and Canada, the largest fraternal Ukrainian organization in the free world. Jersey City has the third largest branch worldwide of the Self-Reliance Credit Union, and it has a thriving Ukrainian Community Center, at a time when most ethnic organizations do not have one. The new church is thus a fitting complement to the already well-established Ukrainian Community in Jersey City.

The ceremony for the dedication will begin at 2 p.m., with a procession around the block. Escorting the archbishop will be clergy, Church Sisterhood of Women, youth organizations, civic and fraternal groups, parishioners, and guests The archbishop will bless the cornerstone and then proceed into the church to bless it. The altar, which was hand carved by Mykola Holodye, of New York City, will be blessed according to the Ukrainian rite with the ceremony symbolic of the death, burial, and resurrection of Christ. At that time, the relics of the Ukrainian martyr, St. Josaphat, will be placed on the alter.

Rt. Rev. Msgr. Joseph Fedorek of Elizabeth, dean of the North Jersey Deanery, will preach the English sermon, and the Very Rev. John Bura, a native son of the parish, now the rector of St. Josaphat Seminary in Washington, DC, will deliver the Ukrainian sermon.

The dedication banquet will be held at 5 p.m. at the Ukrainian Center in Jersey City. The children of the parish will be highlighted during a special play prepared by the pastor, Rev. Roman Mirchuk.

On Sunday, November 19, 1989, Archbishop Sulyk will concelebrate the First Divine Liturgy in the new Sts. Peter and Paul Ukrainian Catholic Church in Jersey City.

A reception will follow at 5 p.m. in the auditorium of St. Peter and St. Paul Ukrainian Catholic School, 16 Bentley Avenue, Jersey City, NJ.

I am sure that my colleagues here in the House of Representatives will want to join me in extending best wishes to the parishioners of St. Peter and St. Paul Ukrainian Catholic Church in Jersey City and all Ukrainian Catholics on this happy occasion.

TRIBUTE TO JEAN C. BURNS

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. PANETTA. Mr. Speaker, I rise today to pay tribute to a woman who has contributed her time and experience to educating our Nation's youth. Ms. Jean C. Burns started to selflessly give her time to the advancement and enlightenment of youngsters when she was merely a junior high school student herself.

Ms. Burns started her teaching career instructing a grade school religion class on Saturday mornings. After she completed her day at school, she took a class at her high school to teach the catechism to grade school age children. It was this experience that made up her mind that she would make a career of the tutelage of our Nation's future, our children.

Having taught junior high school and high school for the last 14 years, with a total of 17 years of experience, Ms. Burns has received the 1990 San Luis Obispo County Teacher of the Year Award. Ms. Burns understands the necessity of education and the power it holds. She teaches with an infectious enthusiasm which cannot help but influence her students with a positive attitude.

Mr. Speaker, I ask my colleagues to join me now in congratulating a woman who is leaving her mark in the most important of professions. It is with great respect and pride that I salute the achievements of Ms. Jean Burns.

IN PRAISE OF CAREGIVERS

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. DOWNEY. Mr. Speaker, as the chairman of the House Select Committee on Aging's Subcommittee on Human Services, I rise in support of House Joint Resolution 282, designating the week of November 19 as "National Family Caregivers Week." I would like to commend the ranking minority member of the subcommittee, Representative OLYMPIA J. SNOWE for once again introducing this resolution.

It is currently estimated that more than 12 million seniors have some degree of limitation in daily activity due to a chronic condition. Of this group, nearly 5 million need help in one or more basic physical activities or need the help of another person in carrying out home management activities. There are two factors that are certain about these numbers. One is they will only increase in the coming years. Two, the overwhelming majority of the care that is being provided to these seniors comes from family, friends, and neighbors. It is estimated that there are over 2.2 million caregivers providing help to elderly family members residing in the community.

The issue of caring for elders is not a new one. It is also a complicated situation, because past roles and relationships between the caregiver and the aged relative have changed. In the past, the Federal response to the growing numbers of caregivers has been fragmentary. In a Senate Aging Committee report issued a few years ago, there was an estimate of at least 80 Federal programs which assist persons with long-term care problems—either directly or indirectly through cash assistance, inkind transfers, or the provisions of goods and services. Yet, most of these programs are for institutional care, despite the fact that our long-term care needs are both for institutional and community and home-based programs.

I am pleased that we are making some progress in terms of redirecting Federal resources to programs that can directly or indirectly help caregivers. Specifically, there is one piece of legislation—the Older Americans Act—last reauthorized in 1987 which moves in the right direction. A new provision was included in this law, a new title III–D, that has a direct bearing on caregivers. Title III–D is called "In Home Services for Frail Older Individuals." Under this program, States are to distribute funds to area agencies on aging to supplement existing programs which provide inhome services to the frail elderly, including inhome supportive services for older Alzheimer's disease victims. I am extremely pleased that the Labor Health and Human Services-Education appropriations bill for fiscal year 1990, H.R. 2990, contains an appropriation level of $6.8 million, which is $2 million above the fiscal year 1989 level.

It is also worth noting that the Older Americans Act already has provisions aimed at helping caregivers. There is a separate home delivered meals program to help meet the nutritional needs of the homebound older person, and today, the average age of the senior being served by this program is almost 80 years of age. In addition, title III–B provides funds for a variety of inhome services as well as respite care and adult day care programs.

I was pleased, earlier this year, to participate in the inaugural ceremony of the New York City Department for the Aging's Partnership for Eldercare Program. This 2-year demonstration project, financed through grants from participating corporations, is designed to serve the working caregiver by providing employers with a menu of services from which they may tailor a program to fit their employees' caregivers needs.

These services could include advice hot lines, one-on-one counseling, a nursing home and home care referral service and a range of consumer education materials and others.

As we pause to acknowledge those who provide caregiving to our elderly, we must reemphasize the need for more public-private partnerships, and the importance of a greater Federal commitment to the caregiver. It is appropriate that Thanksgiving week has been designated by Congress as "National Family Caregivers Week" so that we may give thanks to the millions of Americans who contribute their time and energy caring for their aged loved ones.

DR. RICHARD H. KEATES

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. GILLMOR. Mr. Speaker, I would like to take this opportunity to recognize and salute an Ohioan who is an impressive national leader in the field of ophthalmology. I refer to Dr. Richard H. Keates.

Dr. Keates, who is currently a professor of ophthalmology at the Ohio State University hospitals, is an internationally recognized ophthalmologist. He broke new ground in his field in 1987, when he became the first eye surgeon in the country to implant bifocal lens in cataract patients.

This breakthrough gave cataract patients the hope of never having to wear glasses again. Dr. Keates' accomplishments represent the great American tradition of striving for new technologies that can help people in need.

While I am sorry to learn that Ohio will be losing this outstanding medical leader, I want to take this opportunity to wish Dr. Keates well as he assumes a new responsibility as professor and chairman of the Department of Ophthalmology at the University of California at Irvine. I am certain that he will quickly gain the respect and admiration of his peers in California in the same way he did in Ohio.

As a Member of Congress, I like to help place the spotlight on those whose genius and vision benefit the societies in which they live. Mr. Speaker, Dr. Richard H. Keates is just such an individual. I wish him the best in his future endeavors.

INTRODUCING FOOD TRANSPORTATION SAFETY LEGISLATION

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. BORSKI. Mr. Speaker, I rise today to introduce H.R. 3647 which will restore the confidence of American consumers in the safety and reliability of our food supply. As a

member of the subcommittee charged with oversight of transportation, I am proud of the speed and insight which the Public Works Committee brought to bear on this issue. This legislation is a prime example of how the congressional oversight process works at its best.

This past year, men and women across this Nation were shocked to discover that foodstuffs and garbage, juices, and chemicals, were being shipped by the same trucks on consecutive trips.

After the subcommittee held hearings on the backhauling of garbage and food, Jim and Rikki Pomerenke, two truckdrivers from Yakima, WA, decided last spring that they would no longer backhaul foods and chemicals. This cost them their jobs, but they felt strongly that the American people deserved to know how their food was transported. Their story formed the basis for a series of investigative articles by James Wallace for the Seattle Post-Intelligencer about chemical backhauling, which caused national concern over the reliability and safety of our food transportation system.

In hearings before the Public Works Subcommittee on Investigations and Oversight, we learned that trucks which carried garbage to midwestern landfills also brought meats and vegetables to the east coast.

We learned that milk and orange juice were carried by tanker trucks which also carried formaldehyde and marine oil. These hearings, particularly the testimony of the truckdrivers and State regulatory officials, demonstrated that these practices constituted a danger not only to our food supply, but to public confidence in the safety of our food chain.

This bill, Mr. Speaker, will restore safety and confidence to the system which carries meat, produce, and liquids across America. The hearings before the Public Works Investigations and Oversight Subcommittee answered three vital questions:

First, what products are carried in the trucks which bring food and drink to our tables?

The answer is that an appalling range of products including municipal waste and industrial chemicals are carried across the country in the same trucks which carry our meats and vegetables, and our juice and milk.

Second, can we be confident of the cleanup and the certification of loads carried in these trucks?

According to witnesses who have spent years driving thousands of loads across America, the answer is no. They, and other professionals who have come forward privately, have told the subcommittee that haulers can be pressured to falsify the documents which tell what loads have been hauled in that truck. They also say that some washout procedures are inadequate.

Third, how can we protect the American people from the risk of adulterated foods?

After the hearings and careful research by the subcommittee, the conclusion was clear: These practices constitute a Federal problem which demands a legislative solution. This bill is that solution.

It proposes straightforward remedies to the risks posed by these practices. This legislation would prohibit refrigerated trucks which transport food from carrying household garbage. Its provisions would also require that cargo tanks be permanently marked as either food grade or nonfood grade.

Food grade tankers would only be permitted to carry food grade products, except for those nonfood grade products specifically approved by the Secretary of Transportation. Permanently marked nonfood grade tankers will never be able to transport food grade products. Under this legislation, not only the carrier, but also the shipper, receiver, and broker would be held responsible for violations. Violations would result in both civil and criminal penalties.

In addition, this legislation would require that asbestos and infectious waste be transported only in dedicated truck lines. The Investigations Subcommittee is currently investigating reports that asbestos and infectious waste, like garbage, are being backhauled to Midwest landfills. Because of the life threatening nature of these materials, it is necessary to restrict their transport to dedicated vehicles.

The bill would require the Secretary of Transportation to issue regulations to ensure that cargo tanks were completely and safely washed out. The Secretary would also undertake a study to determine if there are other types of backhauling, not identified in this legislation, which need to be addressed.

Mr. Speaker, the overriding issue at stake is the transportation of our food supply. I urge my colleagues to join me in prompt support of H.R. 3647, which will ensure that Americans can be confident of the system which carries foodstuffs across America and onto our tables.

TRIBUTE TO LEN DeANGELIS

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. MACHTLEY. Mr. Speaker, I rise today to pay tribute to Mr. Len DeAngelis who was recently named to "1990 Rhode Island Teacher of the Year."

Mr. DeAngelis was chosen from a field of 16 applicants by the Rhode Island Department of Education and was notified of his honor by the Rhode Island education commissioner, J. Troy Earhart.

Mr. DeAngelis teaches English at the Middletown High School and is known for his innovative methods of teaching. Mr. DeAngelis assists his students with their problems both in and out of school and does not hesitate to take extra time for those in need.

A further tribute to Mr. DeAngelis is the fact that he was the second teacher from Middletown High School to be named Teacher of the Year in as many years. Against great odds, Mr. DeAngelis prevailed to prove his superiority.

I would like to thank Len DeAngelis for his devotion to his job. He has demonstrated a love for his work which transcends the classroom while pushing his students to the zenith of their ability. I hope that others will follow the advice of Mr. DeAngelis when he says "Learn as if you were to live forever. Live as if you were to die tomorrow."

THE NEED FOR PARTNERSHIPS IN EDUCATION

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. ANDREWS. Mr. Speaker, Mirabeau B. Lamar, the second President of the Republic of Texas, said: "Education is the guardian genius of our democracy."

The education of our children is not just for their sake, it is for the sake of our Nation.

As the baby boom generation grows older, the labor market will become increasingly tight. At the same time, the job market will require technical skills and a proficiency in science and mathematics.

Women will comprise 64 percent of the growth in the labor force in the next decade. Minorities will make up one-third of all new workers by the year 2000. Both of these groups are among those traditionally least served by our educational system.

The shortcomings in our education system are clear. The national dropout rate is 25 percent. In my State of Texas, the dropout rate is 45 percent. And in many urban areas, the dropout rate among minorities—especially Hispanics—is as high as 50 percent.

Many of our students are struggling with the basics. Everyone is familiar with the studies showing the poor performance of U.S. students at all age levels on math and science compared to students in other developed and even some developing countries.

Perhaps even more discouraging is that on top of our dropout rate, every year 700,000 high school graduates receive their diplomas even though they can barely read.

Although the challenges are formidable, educational partnerships between the business community and our school systems have proven that we can rise to these challenges. In Houston we are fortunate to have one of the strongest programs in the country. The Volunteers in Public Schools Program was created in 1970 to provide an umbrella for parents, community volunteers and businesses for the children of the Houston Independent School District. This organization now consists of over 20,000 volunteers which give nearly 900,000 hours to the program a year.

In 1980, a Business/School Partnership Program began under the VIP umbrella. Today it boasts over 200 participating companies which provide over 2,000 employees to volunteer in the schools. In addition these businesses provide leadership examples, scholarships and summer jobs.

The businesses do this not just for altruistic reasons. The business community knows that their productivity relies on the productivity of our work force. They have seen the writing on the wall.

Chrysler reports that while its training and technical manuals are written at an eighth grade level, at least 25 percent of its employees now read at or below a sixth grade level.

At Motorola, 80 percent of the applicants cannot pass a simple seventh grade English comprehension exam or a fifth grade math test.

The time has past for the business community to blame educators for an inadequate work force. The ability of our State and our community to attract new businesses, relies on the investment everyone makes in our school systems.

In Houston, the business community and the volunteers have been energized by the volunteers in public schools programs. They have instilled hope in children and pride in volunteers. In addition, I believe their efforts will better prepare our children to meet the economic and intellectual challenges in the next decades.

Congressional activism in this area began in 1987 with the work of Senator Lawton Chiles, of Florida. He secured funds in the fiscal year 1988 Education appropriations bill for school volunteer and partnership programs and the National Association of Partners in Education for a national data base and training.

Senator Chiles had a vision of the future in which the Congress was an active partner with educators and the business community. Together we would work toward lowering the dropout rate and raise the competency of our youth.

Today many of us in Congress are working diligently to build on this foundation. We are at the point when we need to move beyond simply appropriating funds on a year-to-year basis and instead set up a permanent framework to support these programs. We must institutionalize this program enabling it to survive and grow on a long-term basis.

That is why the Business and Citizen School Volunteer Act was introduced. I am a proud sponsor of this bill because I believe it has served as a vehicle to increase awareness on this subject. As written, this legislation provides $5 million to State and local programs. As well as earmarking funds for the national center.

It is critical for Congress to be involved in this movement. Congressional action can provide an arena for dialog.

I know that when I met Jean Davis Myers of the Houston Independent School District and listened to the impact her partnership program was having in the lives of our children, I was struck with the potential these programs have. They have the power to fill in the cracks where so many of our children have fallen.

The business we are about, is our future. As Henry Brook Adams said "A teacher affects eternity, he can never tell where his influence stops."

IN RECOGNITION OF AN EAGLE SCOUT

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. GEKAS. Mr. Speaker, I rise today to ask my colleagues to join me in recognizing an exceptional young man from my congressional district in Pennsylvania.

William Joseph Hudson joins the ranks of students from the 17th District who have attained the honor of eagle scout. This month, Bill will be initiated into this prestigous and elite group of young people, a group that represents integrity, honor, dedication, diligence, and duty.

Bill, a resident of Sunbury, graduated from Shikellamy High School last June. While in school, he was vice president of the Key Club, a member of the yearbook staff, and participated on the football and track teams. Bill was a member of the Hesline-Wormley National Honor Society and Who's Who Among American High School Students. While committed to all of these activities and his schoolwork, Bill still found time to hold down a part-time job.

Bill received 31 merit badges in his pursuit of eagle scout, and is now a freshman in the College of Science at Penn State University, where he has received a Naval Reserve Officers Training Corps 4-year scholarship.

Mr. Speaker, William Joseph Hudson represents the best of America's youth. We congratulate him on his impressive achievements and wish him the best of luck in his future endeavors.

AMENDMENTS TO THE FOOD STAMP ACT OF 1977

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. EMERSON. Mr. Speaker, thank you. The chairman of the Committee on Agriculture has asked for consideration of a bill that will, among other things, extend for 1 year the exclusion of specific housing assistance payments from income for the purposes of the Food Stamp Act of 1977. The cost is $3 million for 1990. This exclusion was initially included in the 1987 Stewart B. McKinney Homeless Assistance Act for the period of 2 years, which therefore means that it expired on September 30, 1989. The bill before the House today extends the income exclusion for 1 year and makes that exclusion retroactive to September 30, 1989.

This provision, both in 1987 and now, will exempt those payments made to welfare hotels from inclusion as income in determining food stamp benefits. As I said back in 1987, families placed in these so-called welfare hotels have special needs. They have limited access to grocery stores, limited food storage, and food preparation facilities. That is the reason for this special treatment of vendor payments made to hotels on their behalf. Nevertheless, the real problem rests with the housing situation. In 1987 I believed that keeping families in these welfare hotels and paying huge amounts for grossly inadequate living quarters did not make sense—the same statement is true today.

The Congress determined that this provision should only be in place for 2 years because it was a situation that must be changed. Unfortunately it has not been changed totally. I am informed that in 1987 there were approximately 4,500 families living in welfare hotels who were covered by this food stamp provision. Today, that number has been reduced to 3,600 families, half of which are in New York City and the remainder in the rest of the State, with New York City doing more to reduce this population than the rest of the State. It makes no sense to permanently continue to subsidize welfare hotels which provide grossly inadequate housing.

On November 19, 1986, the New York Times commented on this situation stating:

* * * But what New Yorker who can count can help calculating what the Federal, State, and city governments spend every month to keep (a) * * * family sleeping in squalor and eating junk? * * * That's $35,424 a year, $3,000 more than the median American income for a family of five. And what does the * * * family get for that? Hunger. Mice. Continued dependency * * *.

I do not object to this provision in the bill offered by the chairman. However, the 1 year gives New York additional time to resolve this terrible situation. I do not believe that the Federal Government should contribute to decisions allowing families to stay in these conditions for any longer.

UTILIZING RECYCLED NEWSPRINT

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. SCHULZE. Mr. Speaker, every day a crisis in our Nation deepens without a resolution in sight. The crisis is our inability to utilize recycled newsprint. Municipal landfills are filled beyond capacity. The world's rain forests are being wiped out. In fact, each Sunday, an average edition of the New York Times uses as many as 75,000 trees to go to print. We must develop immediate avenues to ensure that newsprint is recycled.

Today, I am introducing the Newspaper Incentive Recycling Conservation Act. This legislation provides a 10-percent investment tax credit for construction of recycling facilities. It also penalizes newpapers who fail to utilize recycled newsprint after a generous 5-year transition period.

Newsprint today is the largest identifiable item in our landfills; 16 billion pounds of newsprint are thrown away each year; 30 million cubic yards of landfill space are lost to newsprint each year; yet, the Japanese recycle 95 percent of their newsprint and avoid these problems. While recycled newsprint in the United States once brought in $30 a ton, it now costs up to $25 a ton to haul away for disposal. We have a supply, but no demand.

Americans are recycling newsprint across the Nation, but our large newspapers won't do their part. My bill, endorsed by the Sierra Club, provides a carrot for recycling in the form of tax credits. It also includes a stick—tax penalties against the largest papers who fail to utilize recycled newsprint. I urge my colleagues to support my legislation to bring about the recycling of newsprint.

KIWANIS CLUB OF CROFTON, MD

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. McMILLEN. Mr. Speaker, on Friday, November 17, 1989, the Kiwanis Club of Crofton, MD, will play host to the governor of the Kiwanis Capital District, Kavanaugh Y. "Spike" Thrift. The Capital District encompasses all of the Kiwanis clubs in Delaware, Maryland, Virginia, and the District of Columbia.

The purpose of his visit is to meet with the leaders of all of the Kiwanis clubs in division 14, which includes clubs in Anne Arundel, Howard, and Prince Georges counties. The lieutenant governor of division 14 is James W. Alford of Crofton.

It is appropriate that the Kiwanis Club of Crofton—to which I am proud to belong—has been selected to host the governor's visit. With more than 100 members, our club is the largest in Anne Arundel County and one of the seven largest Kiwanis clubs in Maryland.

More importantly, since its founding in May 1976, the club has compiled an outstanding record of community leadership and public service. It sponsors a regular blood drive in Crofton—which has earned the club a community service award from Kiwanis International—as well as the annual Crofton Halloween Parade, the Arundel High School Key Club, the Crofton Junior High School Builders Club, and many more worthwhile programs and projects.

In recent years, the club has emphasized the serious problem of drug and alcohol abuse among our young people. Using its own funds and a grant from the State of Maryland, the club has sponsored a number of innovative programs aimed at this problem. Among them have been several "Just Say No" days and "Positive Peer Scene Theatre," a group of high school youngsters who present powerful improvisational theater performances about adolescent problems to school assemblies, civic and community service organizations, and others.

One need only look at this club's membership roster to understand why it has become a positive force in the community. Among its members are State delegate Marsha Perry, the current and four past presidents of the Crofton Civic Association, and the current president of the greater Crofton Council. Furthermore, less than 2 weeks ago, the immediate past president of the club Donald B. Everitt, received the prestigious "Crofton Citizen of the Year" award.

Mr. Speaker, I am pleased to welcome Governor "Spike" Thrift to our area and to congratulate the Kiwanis Club of Crofton and its president, Steven Mehlman, for their outstanding accomplishments.

TRIBUTE TO MOTOROLA, INC., A LEADING GLOBAL COMPETITOR

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. CRANE. Mr. Speaker, it is important that all public policy makers take note of the article, "The Rival Japan Respects," the cover story in the Business Week edition of November 13, 1989. The article concerns a leading global competitor, Motorola, Inc., which is headquartered in Schaumburg, IL, in the 12th Congressional District. If the Congress and the Bush administration are looking for examples of U.S. companies that know how to manufacture quality products and to successfully market them throughout the world, then this article about Motorola is "must" reading for them. It traces the company's performance from its inception in 1928 to its becoming the first winner of the Malcolm Baldrige National Quality Award in 1988. It is a proud record, indeed. Under the leadership of Chairman Bob Galvin and CEO George Fisher, we expect Motorola to be even more competitive and more successful in the years to come.

Mr. Speaker, I submit for the RECORD a copy of the Business Week article as follows:

THE RIVAL JAPAN RESPECTS—MOTOROLA'S SECRETS: STRONG R&D, BUILT-IN QUALITY, AND ZEALOUS SERVICE

With a gentle summer breeze wafting across the lake, the chairmen of two of the world's leading high-tech companies put thoughts of U.S.-Japan trade friction behind them. The business at hand was windsurfing. Robert W. Galvin, the athletic, sexagenarian head of Motorola Inc., had coaxed Sony Corp's silver haired Akio Morita into taking a stab at the sport. After some coaching on the shore of the pond on Galvin's estate in Barrington, Ill., the two plunged into the water, and soon Morita was skimming over the waves.

Since that 1986 initiation to windsurfing, Morita often refers lightheartedly to Galvin as "my teacher" Morita also harbors a sincere respect for Galvin's company, "It has kept up a strong emphasis on R&D," says Morita, "and it is willing to invest in research for the long term."

But teaching the Japanese lessons in competitiveness is anything but sport for Galvin and Chief Executive George M. C. Fisher. Motorola is waging a noholds-barred battle in a half-dozen world markets, from semiconductors and automotive electronics to pagers and cellular phones. "We intend to be the best manufacturer of electronics hardware in the world," Fisher insists.

SHRINKING ACTS

The wins are beginning to stack up. In just the past six months, Motorola knocked the wind out of the sails of Japanese telecommunications rivals with two new products, both marvels of miniaturization. First come the MicroTac cellular phone, a Star Trekky unit that slips into a coat pocket and flips open for use. It is far sleeker and a third lighter than the next closest portable phone, from Japan's Matsushita Electric Industrial Co. Despite the MicroTac's hefty $2,500 price, dealers haven't been able to satisfy demand since its April debut, either in the U.S. or Japan.

This summer, the company followed that act with the first wristwatch pager. This ultrasmall product, which resembles the wrist-radio familiar to Dick Tracy fans, has also garnered accolades. The wrist-pager, says John J. Egidio, president of Metromedia Paging Services Inc., seems to have "scooped the world by a year or two."

Compared with Motorola's fortunes of just a few years ago, this is a radical reversal. In the early and mid-1980s, Japanese dumping of better-quality products shattered the Schaumburg (Ill.) company's virtual lock on U.S. markets for pagers and cellular phones. And Motorola's Phoenix-based Semiconductor Products Sector suffered a body blow: It was forced out of dynamic random-access memories (DRAMs), the largest-selling type of chip. In a few short years, Motorola slid from being No. 2 in worldwide chip sales to tagging along behind NEC, Toshiba, Hitachi, and archrival Texas Instruments. At its ebe in early 1986, the company even kicked around a proposal to merge its semiconductor operations with those of Toshiba Corp.

BANDING TOGETHER

Instead, Motorola embarked on a daring plan to out-Japan Japan Inc. The company embraced such Japanese tactics as driving relentlessly for market share, sharply upgrading quality, and constantly honing manufacturing processes to pare costs. And it continues to pour billions into research and development, training, and capital improvements—$1.8 billion, or 19% of revenues, this year alone.

Motorola shook off its not-invented-here bias to become an ardent supporter of R&D consortiums, particularly Sematech, the semiconductor industry's last-ditch effort to stave off the Japanese by developing the best chipmaking technologies available. In addition, the company has been forging strategic alliances with chipmakers here and abroad. Most notable: a 1987 pact with Toshiba, which enabled Motorola to reenter the DRAM business, and a just-signed linkup with IBM to develop cutting-edge chipmaking methods.

Not content simply to copy the Japanese, Motorola has added a distinctive American flair to its efforts. It is exploiting Yankee know-how in areas where Japanese companies have been notoriously weak, such as marketing and software development. And it is pulling out all the stops to become a major force in Japan's home markets.

The payoff has been startling. In semiconductors, Motorola is now king of the U.S. hill, No. 4 in the world—and on the rise in Japan, thanks to its ties to Toshiba (page 121). Chip sales in Japan's sheltered market—the world's largest—jumped 70 percent last year, hitting an estimated $290 million.

Despite some entrenched opponents in Europe—Philips, SGS-Thomson Microelectronics, and TI in chips and L.M. Ericsson in telecommunications—Motorola is gaining ground there, too. And in Southeast Asia, the world's fastest-growing chip market, Motorola has become the No. 3 supplier.

Whether judged by U.S. or by Japanese standards, Motorola builds an unusually broad line of chips. It is strong in two crucial areas—microprocessors and memory chips—and it is a leader in the burgeoning automotive electronics market. Its microprocessors, the "brains" of computerized equipment, dominate most markets other than IBM-compatable personal computers, where Intel Corp. reigns supreme.

Last year, Motorola leapfrogged other chipmakers with a jazzy new breed of digital signal-processing (DSP) chip. Such chips are a sort of special-purpose microprocessor, tailored to handle images, sounds, and similar streams of analog signals. To gear up for high-definition television and other futuristic applications, Motorola plans by yearend to launch a still more powerful design. "Motorola builds chips so it can build things with chips," explains Carl Cobb, who left Motorola's management team in 1987.

What's really the feather in Motorola's cap is the soaring cellular-phone market. Split off from Motorola's communications division, whose principal products are two-way radios and pagers, cellular is bringing new growth potential—$1.3 billion this year. And smaller units in information systems and government electronics will generate revenues of roughly $650 million each. For example, Motorola is the world's largest maker of modems, which enable computers to "talk" to each other over phone lines.

All told, sales and operating profits should climb 13% this year, to $9.5 billion and $512 million respectively, predicts Andrew J. Kessler, an analyst for Morgan Stanley & Co. And that's after taking a $43 million charge in the third quarter for costs associated with trimming the payroll by 2,500. Next year, the staff cuts could add $100 million to the bottom line, Kessler says. Investors obviously like what's happening: Motorola's stock is up to 56, while archrival Texas Instruments Inc.'s has dropped to 32, after both started the year at around 42.

By the mid '1990s, cellular phones, pagers, and other telecom products should kick in a full 70% of total profits and sales, up from less than 50% now. Some of that growth will come from a new thrust in services. For example, in the U.S. and Japan, Motorola is installing nationwide radio networks through which fleet operators can keep in constant touch with their drivers.

The company does have its sour spots, particularly the computer business, acquired in 1982 when Motorola bought minicomputer-maker Four-Phase Systems Inc. Despite its estimated $310 million in sales last year, the unit hasn't chalked up an annual profit since 1984. Morgan Stanley's Kessler expects it to lose $38 million in 1989, bringing the red ink that started in 1985 to more than $200 million.

NO RETREAT

To come as far as it has in just a few years required a top-to-bottom overhaul of Motorola's corporate culture. Founded in 1928 by Galvin's father to hawk car radios—its name came from linking motor with Victrola—the company is no stranger to change. An earlier round of Japanese dumping forced the younger Galvin to sell Motorola's television business. In 1989, the company even bowed out of car radios.

But Galvin, who controls 6% of the company's stock, has now drawn the line. He is determined to leave a healthy legacy for his four children and 13 grandchildren. Many Motorola watchers expect that his 39-year-old son, Christopher, a senior vice-president and chief corporate staff officer, will one day take over as chairman. So Galvin and Fisher, his hand-picked successor as CEO since early 1988, have dyed the white flag red. There will be no more retreating or surrendering markets.

Their game plan calls for Galvin, 67, to spend much of his time in Washington briefing legislators on the realities of international competition and lobbying for the changes that he believes are essential to ensure America's competitiveness. Taking a cue from the Japanese, Galvin shed the laissez-faire attitude that once was a hallmark of high-tech companies. Now, Motorola has no compunction about calling in the cavalry and working hand-in-glove with Washington, especially when it comes to rooting out the various roadblocks that Japan throws in the way of imports. "We cannot allow our competition to have a sanctuary," Galvin declares.

In 1982 and 1984, Motorola convinced the Commerce Dept. that Japanese companies were illegally dumping pagers and cellular phones. Washington socked those imports with tariffs of up to 106%. Last spring, Motorola prodded Commerce into forcing the Japanese government to make good on an earlier promise by coughing up additional radio-spectrum frequencies so Motorola's cellular phone system could operate in the densely populated Tokyo-Nagoya corridor.

GLITCH PATROL

Implementing the company's internal competitiveness measures has fallen mainly to Fisher, 48, who left AT&T Bell Laboratories 13 years ago to join Motorola's mobile-radio unit. His mission has been distilled into a handful of key goals, capped by attaining Six Sigma quality. That's statistical jargon for near-perfect manufacturing—a rate of just 3.4 defects per million products. Only relatively simple products, such as calculators, have reached this level, but Motorola expects to do so across the board by 1992.

Another top priority is still higher customer satisfaction. Fisher wants Motorola to anticipate customer desires and have a solution ready by the time a client wakes up to its need. The company's semiconductor group may have the chip industry's most solicitous customer-service organization. Canon Inc. was so taken with the company's desire to please that it uses a Motorola microprocessor as the heart of its hot-selling EOS 35mm camera (page 118).

Like the Japanese, Motorola has discovered that better quality pays for itself. "Americans used to fall into the trap that high quality costs more," notes Fisher. "But high quality and low cost go hand in hand." That's because good quality reduces the so-called hidden plant: people, floor space, and equipment used for nothing but finding and fixing things that should have been done right the first time. This typically represents 25% to 35% of total production costs.

This lesson hit home for Fisher in 1982, when he directed a pivotal push to crack the Japanese telecom market, then rigorously protected. His team developed a pager that met the exacting demands of Nippon Telegraph & Telephone Corp. It was produced to quality standards at least five times better than Motorola's U.S. pager. But it turned out to be more profitable. Motorola now holds a leading share of the Japanese paging market.

That's because Motorola didn't rest on its laurels. It knew competitors would be burning the midnight oil, and Fisher didn't want to wind up with a me-too product beause "follower positions are secondary financial positions." So Motorola began developing the wrist-pager. Over a three-year period, with Timex Corp. as a partner, engineers shrank the number and size of parts until they could all be squeezed into a watch. They succeeded so well that they added some new features: It is the first pager on the U.S. market to time-stamp incoming messages, for example. It sells for $300, triple the price of many pagers.

To instill its far-flung work force with the new corporate goals, Motorola has launched a massive educational drive for all 105,000 employees. Some courses explore global competitiveness and risk-taking. Others hone practical skills in statistical process control or ways of reducing product cycle times. Workers and managers alike are now expected to keep their noses in books throughout their careers. This type of commitment doesn't come cheap: In 1989, the company will spend $60 million on education.

The emphasis on quality gets even more personal. "It's one thing to give this lip service," notes former executive Cobb. "It's another to make promotions, bonuses, and raises tied to quality improvement." Over the past three years, bonuses pegged in part to quality gains have averaged 3% of Motorola's total payroll. In order to qualify for such incentive awards, workers look beyond the immediate task. "Their job includes not just doing work but analyzing how it's done and fixing problems," says Merle L. Gilmore, general manager of portable communications products.

MIND SET

Overall, employees seem enthusiastic. Take paging. One production step involves putting alphabetic letters on a keyboard, then checking to make sure each key is placed correctly. So a group of workers fashioned a clear template with the letters positioned slightly off-center. By holding the template over a keyboard, assemblers can quickly spot mistakes. Motorola has even borrowed a quaint Japanese custom. Several senior managers bought *daruma* dolls in Japan. These pâpier-maché figures come without eyes. The ritual calls for blacking one eye when you make a wish, then blacking in the other only after the wish comes true. What did the Motorola exècs ask for? "Six Sigma quality."

To foster more team spirit, Motorola is tearing down the traditional walls that isolate various departments, such as design, manufacturing, and marketing. Now, people from each discipline get involved in new projects early on, so products are designed from the outset to be cost-effective to build and to provide the features that customers want.

Similar barriers between business units are also tumbling down. Collaborations involving two, three, or more divisions are common. For instance, government electronics and cellular communications designed a "secure" cellular phone that encrypts its signals so classified subjects can be discussed. And auto electronics, chips, and communications are developing futuristic systems to ease urban traffic by linking "smart" cars and traffic-control computers.

TOTAL MOBILIZATION

Motorola's gains in quality, efficiency, and costs have been nothing short of spectacular. On one line turning out two-way radios, it now takes just three days from receipt of an order to shipment. Eighteen months ago, that process took 30 days. For cellular phones, the goal is to begin production of new models just six months after the start of the design phase. There's still a way to go—it now takes up to 15 months. But that's down from three years in 1985.

Companywide, defects have been slashed from nearly 3,000 per million products in 1983 to less than 200, estimates Richard C. Buetow, director of quality. Since 1987, a vigorous attack on high-cost "find it and fix it" quality control has been saving $250 mil-

lion annually—nearly 41% of last year's pretax income. Such improvements were a major reason that Motorola won last year's Malcolm Baldrige National Quality Award.

All of the new thrusts came together in the MicroTac—especially collaborative design and engineering. "We were able to mobilize the whole company," says Robert N. Weisshappel, general manager for the North American subscriber division. The upshot: The pocket-slim phone has just 400 parts, about 12% as many as Motorola's first portable cellular phone in 1978. And at the MicroTac's state-of-the-art plant in Arlington Heights, Ill., those 400 parts are assembled by robots and workers in only two hours, down from the 40 hours required to build cellular phones in 1985.

The MicroTac would never have happened if Motorola had not been prepared to make a long-term investment, pumping in $100 million over 10 years before it saw any return. While that type of investment is standard for Japanese companies, it took grit for Motorola. The company is only a fraction of the size of Matsushita Electric, with revenues of $42 billion, and NEC Corp., at $24 billion. While these Goliaths can afford to wait patiently for long-term payoffs, "Motorola is held hostage to Wall Street's quarterly earnings fixation," notes Rudyard L. Istvan, a senior vice-president at Boston Consulting Group Inc. So, says Galvin, "we've learned to put capital to work faster and get the return much quicker."

But Motorola's risky 10-year wait now look prescient indeed. Market researchers predict that in the 1988-90 period, U.S. cellular subscribers will have doubled, to 4.5 million, then will skyrocket to 15 million by the mid-1990s. Rapid growth is expected in Europe and Japan, too. More important, each subscriber requires $1,500 in additional system equipment—a market in which Motorola is a world leader.

Of course, Motorola's competitors are hardly standing pat. One of the more formidable threats may come from a proposed merger involving communications units of Ericcson and General Electric Co. In September, Ericcson introduced a 14.8-oz. cellular phone. Although it costs more than MicroTac and won't be sold outside Scandinavia until next year, it could give Motorola a run for the market. NTT is also hustling to develop a smaller and lighter unit.

With an eye on customers who balk at the MicroTac's stiff price, Motorola in mid-October unveiled a slightly heavier, 16.5-ounce portable. But it still is lighter than most Japanese offerings—and less expensive, at $1,200. With this product lineup, Motorola should grab 50% of new U.S. cellular phone sales by 1990, says Herschel Shosteck, president of a Silver Spring (Md.) consulting firm.

Motorola has sunk even more into Japan—$200 million (excluding investments in a joint chipmaking venture with Toshiba), and only now is Nippon Motorola Ltd., a wholly owned subsidiary, finally earning its keep. And it is winning grudging praise from some Japanese customers: "Motorola is not inferior to domestic suppliers on matters of quality, price, or delivery," says a purchasing manager at Matsushita's VCR plant near Osaka. Yet total sales in Japan, from semiconductors to pagers and cellular phones, last year ran a mere $750 million, or 7.8% of Motorola's worldwide revenues.

TOUGH SWIM

That's barely a token of what the company believes it could achieve. While the U.S. remains the world's most open marketplace, Japan continues to litter obstacles in the path of foreign makers. Observe Clyde V. Prestowitz, former trade counselor at Commerce: "You can be a fantastic swimmer, but you can't go too fast if you're swimming in wet cement."

So this American samurai isn't about to ease its hard-nosed stance—or allow Washington to look the other way because U.S. consumers may be reaping bargains from Japanese dumping. That cost the U.S. its consumer-electronics industry in the 1970s. "Until we have market shares in Japan comparable to those in the rest of the world, I don't think we can feel we've come close to our goals," insists Fisher. That goes for U.S. industry as a whole, too.

(By Lois Therrien in Chicago, with bureau reports)

TAKING ON JAPAN: WHY U.S. BUSINESS WANTS BACKUP

Tokyo police got their first taste of Motorola, Inc.'s communications savvy in 1946, when U.S. occupation forces lent them some mobile radio equipment. Then, to help spur industrial recovery, the Army told the Japanese they could copy the equipment. Motorola engineers even stood by with technical advice. There was no mention of patents or license fees.

Back then, no one could anticipate Japan's microelectronics miracle and the havoc it would wreak on U.S. industry. Within 40 years, Motorola would be driven out of color TVs, then computer memory chips, by some of the same companies it helped raise from the rubble of World War II. Other American companies suffered worse fates: They no longer exist.

With the casualties mounting, some U.S. politicians have called for an industrial policy patterned on Japan's. But cloning Japan, with Uncle Sam designating winning industries and sheltering fledging technologies from offshore competition, will never fly on Capitol Hill. Too many legislators recognize, thankfully, that Washington isn't up to that challenge. So American high-tech companies are pioneering their own industry-led policy: What they ask is that the government apply some political leverage with countries prone to treat trade as a one-way street.

RADIO DAZE

This approach has worked. In the summer of 1988, IBM and a handful of supporters enlisted the Commerce Dept. to block a plan by the Japanese Ministry of Posts & Telecommunications to impose standards that would have locked the U.S. out of a profitable niche in international data communications. This summer, it was Motorola's turn. The ministry tried to shut Motorola out of Tokyo's lucrative market for cellular phones, saying that there was a shortage of radio frequencies. In fact, the ministry was sitting on extra bandwidth—reserved for a group of Japanese companies. Threatened with retaliatory trade sanctions, Japan gave Motorola some of that voice-communications spectrum.

Were Washington to backpedal now, Japan's bureaucrats would take it as a sign of weakness and edge the door shut again. But U.S. Trade Representative Carla A. Hills may have sent a crossed signal on her recent visit to Tokyo. She made conciliatory gestures to Posts Minister Senpahci Oishi, then publicly railed against managed trade.

Yet managed trade is exactly what the U.S. is insisting on. Japan is voluntarily curbing exports to the U.S. of autos, machine tools, and textiles. And Japanese dumping of DRAM computer chips was ended by the Semiconductor Trade Agreement. Hills's puzzling behavior will only make it tougher to convince Tokyo that the U.S. cannot go on paying for manufactured products with real estate and capital assets that Japan must instead accept U.S.-made goods in return.

Japan's high-tech policies, while hard-hitting, provide some important lessons for Washington. Hitachi, Matsushita, Toshiba, and other giants were allowed to savage the U.S. consumer electronics industry in the 1970s. Now, they reap all profits on car stereos and large-screen TVs sold in America—and plow those profits back into projects to expand Japan's worldwide markets. Billions are being lavished on chipmaking techniques, for example. Hitachi Ltd. is already testing equipment for making the 64-megabit memory chips that won't be introduced until a decade from now.

So Japan seems destined to control more and more of the chip and chip-equipment markets, making Motorola, IBM, and other equipment manufacturers increasingly dependent on their competitors. And as the innovation lead shifts inexorably to Japan, U.S. companies can't hope to stay in the running without access to Japanese markets. Only resolute pressure from Washington can crack that door and keep it open, because Tokyo officials are worried about more domestic competition from the likes of Motorola and IBM. Both have strong manufacturing arms, cutting-edge technology in chips and electronic systems, and reputations for high quality.

MEMORIES

Until the Japanese pay more than lip service to freer trade Washington has little choice but to redress the disadvantages under which U.S. companies operate. That's why more and more U.S. executives argue that in markets faced with substantial foreign competition, cooperation of any type, including manufacturing, should be exempt from antitrust laws. That would pave the way for consortiums such as U.S. Memories Inc., the co-op that plans to produce memory chips. U.S. Memories "needs to be done," says Robert N. Noyce, vice-chairman of Intel Corp., "for the sake of national security and the national economy."

In addition, the American Electronics Assn. believes a national program in high-definition television is vital to revive the U.S. consumer electronics industry. Others feel that the Bush Administration should make certain the U.S. loses no more ground in semiconductor production equipment. At the same time, they say, Washington must keep pressing Japan to buy more U.S.-made chips.

Unfortunately, the trends are in the opposite direction. Commerce is backing off from its flirtation with an HDTV project, and it is no longer insisting that Japan honor its commitment to help U.S. chipmakers win a 20% share of the Japanese semiconductor market. Nor is Washington paying much heed to the plight of the small but technology-rich companies in the chip-equipment industry.

In 1946, Mitsubishi, Matsushita, and NEC had Motorola to show them the ropes in mobile communications. Should the shoe ever be on the other foot, would any Japanese giant return the favor?

DOWN IN PHOENIX, EVERYTHING IS CHIP-SHAPE—THE MOTOROLA SEMICONDUCTOR UNIT GETS LOTS OF RESPECT THESE DAYS

It has always been the other Motorola, the stepchild a half-continent and a full mindset away from Motorola Inc.'s suburban Chicago headquarters. Chicago was where people made real products, like car radios and walkie-talkies. Those slightly wacky, entrepreneurial types who made seminconductors in Phoenix just supplied the components.

Well, the stepchild has grown up, and Chicago is taking notice. Motorola's Semiconductor Products Sector now sells more chips than any other U.S. company. For the first time ever, a semiconductor manager, Gary L. Tooker, has been promoted to top corporate management. The Phoenix folks still have a chip on their shoulder, though. When Tooker was named chief operating officer, recalls one wag, the reaction in Arizona was: "Why's our guy only No. 2?"

FRONT-RUNNER

Last year, when market researcher Dataquest Inc. surveyed chip purchasers for their assessments of vendors in terms of products, price, quality, delivery, and technical support, no one came close to Motorola's ratings. "Motorola sticks by its customers with product lines that others have long since vacated," says Charles M. Clough, president of Wyle Laboratories and a longtime veteran of Motorola's archrival, Texas Instruments Inc.

Computer memory chips exemplify Motorola's commitment to its customers. In 1985, when Japanese dumping of DRAMs, or dynamic random-access memory chips, finally drove Motorola from that business, "we made the decision to get back in on the same day we decided to get out," recalls James A. Norling, head of chip operations. Motorola reasoned that because DRAMs are the workhorse of the whole electronic industry, it could hardly claim to be a full-service supplier without these chips.

Nine months later, Motorola was back in—putting slivers of silicon from Japan's Toshiba Corp. into Motorola packages. That arrangement soon blossomed into a far-reaching technology-exchange agreement: Toshiba would put Motorola back in the business of making DRAMs in exchange for Motorola's crown-jewel microprocessors—a field where the U.S. retains a distinct advantage over Japan.

Motorola has always vied for the leadership role with microprocessor pioneer Intel Corp. But after IBM in 1981 selected Intel's design for its personal computers, other customers began considering the Intel chip. So Motorola decided "we had to have something much better," says Murray A. Goldman, senior vice-president at the Microprocessor Group. "We changed to a leapfrog strategy."

SLOW START

It worked. Today, Motorola's designs dominate most markets apart from IBM-compatible PCs. And now, high-powered engineering workstations with Motorola "engines" are slowly moving in on the top-end PC market.

Motorola has also staked a claim in the emerging top-end microprocessor technology dubbled RISC, for reduced instruction-set computing. The idea is to boost processing speed by trimming the number of commands that a chip must mainpulate. Motorola dallied in developing its own RISC processor—for what many analysts worried was too long—but its chip is now being shipped. And Alice Leeper, a Dataquest market researcher, is confident that "Motorola will emerge as one of the standards."

The Phoenix chipmaker is also taking steps to ensure that it is one the cutting edge of semiconductor manufacturing technology. In late October, Motorola teamed up with IBM to develop ways of using X rays to "print" the ultrathin circuit lines that will be essential to 21st century superchips.

With the cost of world-class semiconductor factories now $500 million and climbing, Motorola's marriage with deep-pocketed Toshiba is often held up as a model for U.S. chipmakers. Observers especially admire Motorola's tactic of making sure it gets as much as it gives. Many previous U.S. Japan deals have been criticized because the U.S. company sold the store up front and got nothing of on-going value in return. But Motorola is doling out microprocessor technology only in exchange for increased market share in Japan.

That's one reason why Motorola is coming on strong in Japan, now the world's biggest chip market. Since 1987, its business there has more than doubled, and the future looks still brighter. Motorola will supply the next generation of engine-control chips in Toyota cars and a circuit to enhance picture quality in Panasonic video products.

So Motorola's chipmakers are proving they aren't so wacky after all. They can drive bargains as hard as the best of the street fighters back in Chicago.

(By Larry Armstrong in Phoenix, with bureau reports.)

INTRODUCTION OF THE SECURITIES MARKETS STABILIZATION ACT OF 1989, AND THE COORDINATED CLEARING AND SETTLEMENT ACT OF 1989

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. MARKEY. Mr. Speaker, today I, along with Mr. RINALDO, the ranking minority member of the Subcommittee on Telecommunications and Finance, which I chair; and my subcommittee colleague from New Mexico, Mr. RICHARDSON, am introducing the Securities Markets Stabilization Act of 1989 and the Coordinated Clearance and Settlement Act of 1989, both of which were unanimously approved this morning by the subcommittee.

The Securities Markets Stabilization Act of 1989 represents the first legislative step toward reform of the stock market in the aftermath of the frightening crashes of October 1987 and October 1989, events that have shaken investor confidence to its very core. This long-awaited and much-needed first step comes after nearly 2 years of extensive consideration of all the issues surrounding market reform, a process that has included 12 hearings by this subcommittee, 4 in this year alone; in-depth expert analyses by the Brady Commission, the Katzenbach Commission, the Securities and Exchange Commission, and the working group on financial markets; as well as a further series of 6 SEC investigations of program trading and other related issues initiated in response to requests of this subcommittee. I first introduced comprehensive market reform legislation in the 100th Congress, with H.R. 4997. And earlier this year, at the request of the Securities and Exchange Commission, Chairman JOHN DINGELL and I introduced similar legislation, H.R. 1609, the "Stock Market Reform Act of 1989."

The Stabilization Act contains four provisions necessary to market reform: (1) a grant to the SEC of authority to halt all trading in a market emergency, (2) a directive to the SEC to require large traders to report their transactions, (3) a directive to the SEC to assess the financial health of parents and affiliates of broker/dealers, and (4) a grant of authority to the SEC to constrain program trading. A fifth provision would direct the Commission to facilitate coordinated clearing and settlement with other Government agencies. This provision stands alone in the coordinated clearance and settlement committee print.

All these provisions have been the subject of extensive negotiation with the SEC and Treasury, who strongly support moving forward on market reform. The provisions we have negotiated with the SEC and the securities industry on large trader reporting, risk assessment and others are extremely valuable from a market surveillance standpoint. In addition, the section concerning powers to prohibit certain trading practices addresses the one issue at the top of every investors list—the habitual, excessive, and violent market volatility that has driven the individual investor out of the stock market. This manufactured volatility has turned Wall Street into the mean streets of investing. It's as if we turned off all the Nation's stop lights, made all speed limits voluntary, stopped filling the pot holes, or repairing the bridges—and told the American public to go it alone. Such a retreat from common sense would not be tolerated in any of our hometowns, yet we are treating Wall Street with the kind of appalling disregard that can only result in financial disrepair. For this reason, the Securities Markets Stabilization Act committee print includes a provision that would authorize the SEC to suspend or constrain manipulative, abusive, or disruptive practices that feed volatility—such as program trading—during times of excessive market volatility.

Right now, we are faced with the tyranny of our own ingenuity. Somewhere along the way our regulators and our Government forgot the fundamental notion that technology must exist to serve, not suppress, human needs. Technology must continue to serve as an instrument to nurture our financial markets, markets which were first established to serve the capital raising needs of Amercia's corporations. And technology must serve to allow individual Americans to invest in a piece of corporate America. But since October 1987, I have received numerous calls and letters from angry investors who have withdrawn their money from the market because they find no security in a stock market that behaves more like a yo-yo than an orderly mechanism for buying and selling shares in corporate America.

I do not believe that Congress can or should legislate up markets or down markets—what we should do is legislate fair markets. Right now we have unfair markets—mar-

kets that are dominated by a few 1-minute stockholders at the expense of the many. In the words of one recent subcommittee witness, comparing a program trader to an investor is like comparing a shark to a gourmet diner. We have large institutional shareholders who have engaged in trading strategies that are based on the erroneous notion that our markets contain unlimited liquidity. And we have aggressive traders whom I believe engage in manipulative trading strategies that profit from the volatility created by the lack of liquidity in our markets.

Excessive volatility in our securities markets is a national problem that demands a national solution. The SEC must have the necessary legal authority to address the impact of all of these trading strategies, legal, and illegal, that fuel harmful market volatility. By the same token, we are not banning program trading—this bill will only give the SEC authority to suspend or constrain such trading practices during periods of high volatility.

I want to add in closing that our financial markets are a national treasure and a national resource. We should treat them with respect. The actions we take here today on market reform in particular are a true measure of that respect and are the first step in restoring the integrity and stability of our securities markets.

Mr. Speaker, for the benefit of my colleagues, I am enclosing section-by-section analyses of the two bills introduced today.

I urge my colleagues to join me in cosponsoring this legislation.

SECTION-BY-SECTION ANALYSIS OF "SECURITIES MARKETS STABILIZATION ACT OF 1989"

Section 1. Short Title

This section provides that the bill may be cited as the "Securities Markets Stabilization Act of 1989".

Section 2. Emergency Authority; Trading Halts

This section of the bill amends Section 12(k) of the Securities Exchange Act of 1934 by clarifying and broadening the Commission's authority to suspend trading and to take temporary actions in the event of an emergency. The Commission would be authorized to take such action in order to maintain or restore fair and orderly securities markets and to ensure prompt and accurate clearance and settlement of securities transactions. This section also specifically authorizes the SEC to suspend trading for stated periods of time, subject to some limitations. In the case of a market-wide trading halt, in lieu of the President's approval, the new subsection (k)(1) would require the Commission to notify the President of its decision and be notified by the President that the President does not disapprove of such a halt before a market-wide halt could be put into place. And finally the section defines an emergency as a major market disturbance characterized by, or constituting a substantial threat of sudden and excessive fluctuations of securities prices that threaten fair and orderly markets, or as a substantial disruption of the safe or efficient operation of the national system for clearance and settlement of securities.

Subsection (k)(1)—Trading Suspensions. Under existing Section 12(k) of the Exchange Act, the Commission is authorized to (i) suspend trading in any security (other than an exempted security) for a period of time not exceeding ten days, and (ii) with the approval of the President, summarily to suspend all trading on any national securities exchange or otherwise, in securities other than exempted securities, for a period not exceeding ninety days. It also prohibits a member of a national securities exchange, broker, or dealer from acting in contravention of a Commission suspension order.

Subsection (k), as amended, would preserve the Commission's present authority to suspend trading in individual securities without change. However, with respect to potential market-wide trading halts, in lieu of the President's approval, the new subsection (k)(1) would require the Commission to notify the President of its decision and be notified by the President that he does not disapprove of such decision.

The exisitng prohibition on actions by brokers, dealers or exchange members contained in Section (k) is altered slightly and transferred to new subsection (k)(4), which is discussed below.

Paragraph (k)(2)—Emergency Actions. This new subparagraph (A) would authorize the Commission, by order, to take temporary emergency action with respect to any matter subject to regulation under the Exchange Act. The Commission's authority to take summary action under this subsection would extend to all matters subject to regulation under the Exchange Act by the Commission, and the securities self-regulatory organizations, including, but not limited to, the ability to alter, supplement, suspend, or impose requirements or restrictions with respect to hours of trading, position limits, and clearance and settlement. Thus, the Commission's emergency authority could be used to relax or to impose more stringent requirements or restrictions in an emergency.

Emergency actions ordered by the Commission under subparagraph (B) would remain in effect for the time specified by the Commission. The Commission would be authorized to extend the effectiveness of emergency actions, but in no event would any action taken in response to a particular emergency remain in effect for more than ten business days, including extensions. This limitation would not apply with respect to actions taken in response to any other emergency that might occur during the ten business day period. While many of the measures authorized under this paragraph would be necessary only for very short periods, perhaps hours or minutes, other matters, such as those relating to hours of business and clearance and settlement, might be required for longer periods, up to ten days, in order to be effective.

Prior to taking temporary emergency action, the Commission would be required to make only the findings required by this paragraph, and would not be required to make findings or observe procedures prescribed by any other provisions of the Exchange Act. To ensure that the Commission would be able to take emergency action without procedural delay, the paragraph would expressly exempt the Commission, in excercising its emergency authority, from the agency rule-making requirements prescribed by the Administrative Procedure Act, and from the requirements prescribed by the Exchange Act Section 19(c) for abrogating, adding to, or deleting from the rules of a self-regulatory organization.

Paragraph (k)(3)—Presidential Override. This paragraph expressly limits the Commission's authority to act to halt trading on any national securities exchange as provided in subsection (k)(1)(B) and to take emergency action pursuant to subsection (k)(2). This paragraph provides that the President may terminate any suspension of trading or other summary action taken by the Commission under those subsections.

Paragraph (k)(4)—Compliance. This paragraph provides that no member of a national securities exchange, broker, or dealer shall act in contravention of a Commission order entered under subsection (k) of Section 12, unless such order has been stayed, modified, or set aside as provided in paragraph (k)(5) of Section 12.

Paragraph (k)(5)—Judicial Review. Emergency action taken by the Commission under subsection (k) would be subject to judicial review in the United States Courts of Appeals as provided in Section 25(a) of the Exchange Act, based on an examination of all information before the Commission at the time such action was taken subject to the assertion of any applicable privilege by the Commission. The reviewing court would be prohibited from entering a stay, writ of mandamus or similar relief unless the courts finds, after notice and hearing before a panel of the court, that the Commission's action is arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law. Thus, a court reviewing emergency action, taken by the Commission under subsection (k) would be permitted to act only after the Commission had an opportunity to explain the basis for its action.

Paragraph (k)(6)—Definition of "Emergency." This paragraph defines "emergency" to mean a major market disturbance characterized by, or constituting a substantial threat of sudden and excessive fluctuations of securities prices generally that threaten fair and orderly markets, or a substantial disruption of the safe or efficient operation of the national system for clearance and settlement of securities.

Section 3. Large Trader Reporting

Section 3 adds a new subsection (h) to Section 13 of the Securities Exchange Act of 1934 providing for the filing of reports concerning substantial securities transactions. This new subsection is designed to assist the Commission in its surveillance of the U.S. securities markets, clarifying and expanding its broad authority to adopt record-keeping and reporting rules for the purpose of monitoring the impact on the securities markets of large transactions. Generally speaking, the section would authorize the Commission to establish a two-tiered information-gathering and reporting system for monitoring large securities transactions. The first tier requires large traders to report their identity, and all the accounts which such large traders have used to effect such transactions. The second tier requires every registered broker or dealer to keep records of large trader transactions and provide such records to a self-regulatory organization or the Commission on request. The Commission could use the information required by this new subsection to reconstruct trading activities in periods of market stress, and for surveillance, enforcement and other appropriate regulatory purposes.

Paragraph (h)(1)—Large Trader Reporting. This paragraph woud authorize the Commission to adopt rules requiring any person effecting large transactions to provide information. The information provided would identify the "large trader" and also identify the accounts in and through which he effects large securities transactions. It is anticipated that each such "large trader" reporting under this paragraph will obtain a unique identifying number.

Paragraph (h)(2)—Broker-Deal Transaction Reporting. This paragraph requires brokers and dealers effecting transactions for large traders to keep records of such transactions that equal or exceed a limit to be set by the Commission from time to time. Such records must be available for immediate reporting to the Commission (or any designated self-regulatory organization) at the opening of business on the business day following the day the transactions were effected. In addition, the paragraph requires that the records and reports be maintained and transmitted to the Commission in a format and in a manner to be prescribed by the Commission (including, but not limited to, machine readable form). It is anticipated that brokers and dealers will utilize the large trader's unique identifying number in order to record and report the large trader's transaction.

Paragraph (h)(3)—Aggregation. This paragraph authorizes the Commission to prescribe rules governing the manner in which transactions shall be aggregated. Generally, aggregation of accounts among different broker-dealers will occur at the self-regulator level or at the Commission, through use of the unique large trade identifying number.

Paragraph (h)(4)—Examinations. The paragraph reiterates authority currently contained in Section 17(b) of the Securities Exchange Act. It would require that all records made by brokers and dealers pursuant to subsection (h) be available at any time to reasonable, special, or other examinations by representatives of the Commission.

Paragraph (h)(5)—Considerations. This paragraph provides that, in exercising its authority under this subsection, the Commission shall take into account existing reporting systems, and the costs associated with maintaining information with respect to transactions effected by large traders and reporting such information to the Commission or self-regulatory organizations. The Commission understands the need for setting parameters for reporting securities transactions and making available records of such transactions. Every effort would be made to minimize the economic burdens of record-keeping and reporting whenever possible. Moreover, the costs and benefits of beneficial ownership reporting would be carefully considered, and the Commission would not impose requirements on broker-dealers to report beneficial ownership information that is not recorded in the normal course of business. For example, many broker-dealers currently maintain no beneficial ownership record of transactions of foreign persons that are carried out through banks, particularly foreign banks, which serve as the record holder of such securities. Finally, the paragraph requires the Commisison, in adopting any rules under subsection (h), to consider the relationship between the U.S. domestic markets and the international marketplace for securities.

Paragraph (h)(6)—Exemptions. This paragraph would permit the Commission by rule, regulation, or order, to exempt any person, transactions, or classes or persons or transactions, either conditionally or upon specified terms and conditions or for stated periods of time, from the operation of subsection (h) and the rules and regulations thereunder.

Paragraph (h)(7)—Confidentiality. This paragraph provides that the Commission (or any other Federal department or agency) could not be compelled to disclose publicly any information required to be reported under this section for which disclosure might otherwise be required pursuant to the Freedom of Information Act, 5 U.S.C. 552, or of any other law. However, the Commission is not prevented under this paragraph from complying with information requests from Congress, any other Federal department or agency requesting the information for purposes within the scope of its jurisdiction, or a court of the United States in any action commenced by the United States or the Commission.

Paragraph (h)(8)—Definitions. This paragraph contains definitions necessary to carry out the purposes of this subsection.

(A) The term "large trader" means every person who for his own account or an account for which he exercises investment discretion, effects transactions for the purchase or sale of any publicly traded security in an aggregate amount equal to or in excess of the identifying activity level. Large traders may include, among others, individuals, banks, broker-dealers, insurance companies, investment advisors, mutual funds, pension funds, and trust companies.

(B) The term "publicly-traded security" means any equity security (including an option on individual equity securities, and an option on an index or group or equity securities) listed, or admitted to unlisted trading privileges on a national securities exchange, or quoted in an automated inter-dealer quotation system.

(C) The term "identifying activity level" means transactions in publicly traded securities at or above a level of volume or dollar amount, which occur over a set period of time, both items of which shall be set by the Commission from time to time.

(D) The term "reporting activity level" means largely the same as "identifying activity level."

(E) In addition to the entities described in Section 3(a)(9) of the Exchange Act, the term "person" is deemed to include two or more persons acting as a partnership, limited partnership, syndicate or other group for the purpose of trading, acquiring, holding or disposing of any publicly traded security, except a foreign central bank.

Section 4. Risk Assessment for Holding Company Systems

This section amends section 17 of the Securities Exchange Act of 1934 by adding a new subsection (h). The new subsection is intended to assist the Commission in obtaining information regarding the financial activities of affiliates of broker-dealers that are part of holding company systems that are reasonably likely to have a material impact on the financial and operational condition of broker-dealers under the Commission's jurisdiction. Over the past decade, an increasing number of broker-dealers have formed holding company systems and have moved many potentially risky activities (such as bridge loan financing, interest rate swaps, and foreign currency transactions) outside of the broker-dealer and into affiliates or holding companies that are not under direct regulatory oversight. Many of these activities may involve significant potential exposure to the broker-dealer entity. In periods of adverse market conditions, it is particularly important for the Commission to have access to information regarding the extent of such activities in order to assess the stability of broker-dealer participants in the marketplace.

The new subsection builds on the Commission's existing authority contained in the Exchange Act (i) to adopt rules concerning safeguards with respect to financial responsibility and related practices of brokers and dealers; (ii) to require record-keeping and reporting requirements for brokers, dealers, and municipal securities dealers; and (iii) to examine brokers, dealers, municipal securities dealers, and government securities brokers and dealers for which it is the appropriate regulatory agency. This new subsection, however, requires only record-keeping and reporting relating to the financial and securities activities of associated persons. It does not in itself provide the Commission with any new authority to regulate directly the activities of such associated persons.

Paragraph (h)(1)—Record-keeping and Summary Reporting. This paragraph would require registered brokers and dealers, and registered municipal securities dealers for which the Commission is the appropriate regulatory authority, to obtain information and make and keep records regarding the registered person's policies, procedures or systems for monitoring and controlling activities of any of its associated persons. The paragraph would not require information concerning the activities of any associated person that is a natural person. The information and records to be kept pursuant to this paragraph, to be prescribed by the Commission by rule, shall describe in the aggregate each of the financial and securities activities conducted by, and customary sources of capital and funding of, those of its associated persons whose business activities are reasonably likely to have a material impact on the financial or operational condition of such registered person. Financial and securities activities would include, but not be limited to, activities of securities firms, futures, forwards, and spot market commodity transaction; commercial paper factoring and dealing; purchases of financial assets for sale as securities; merchant banking (including bridge financing); lending; and the exchange rate or foreign currency obligations. The record-keeping and reporting obligation would not extend to non-financial, non-securities activities, such as manufacturing. This paragraph also would enable the Commission to require, by rule, summary reports of the records kept pursuant to this paragraph to be filed with the Commission no more frequently than quarterly.

Paragraph (h)(2)—Call Reports.—This paragraph would empower the Commission to require special "call" reports, containing more detailed information than is required pursuant to paragraph (h)(1), concerning the financial and securities activities of an associated person of a broker-dealer. In addition to covering registered brokers and dealers and registered municipal securities dealers for which the Commission is the appropriate regulatory agency, paragraph (h)(2) would permit the Commission also to request "call" reports from registered government securities brokers or dealers for which the Commission is the appropriate regulatory agency.

As a result of adverse market conditions or as a result of the summary information provided to the Commission pursuant to paragraph (h)(1) or based on other available information, the Commission may require further reports concerning the financial and securities activities of a broker-dealer's associated persons if it reasonably concludes that it has concerns regarding the broker-dealer's financial or operational condition. For example, pursuant to this authority, the Commission may require registered persons to disclose the trading positions of

their affiliates. Again, the paragraph would not require information to be required concerning the activities of any associated person that is a natural person. Special call reports required under this paragraph (h)(2) shall specify the information required, the period for which it is required, the time and date on which the information must be furnished, and whether the information is to be furnished directly to the Commission or to a self-regulatory organization with primary responsibility for examining the registered person's financial and operational condition.

Paragraph (h)(3)—Exclusion for Small Affiliates of International Holding Companies. This paragraph provides for an exclusion for entities with a net worth of less than $25 million that are part of an international holding company that, on a consolidated basis, does not devote a significant amount or proportion of its assets to, or obtain significant revenue from, activities in the U.S. securities markets.

Paragraph (h)(4)—Commission Exemptive Authority. This paragraph permits the Commission to provide exemptions by rule, regulation or order from the record-keeping and reporting requirements contained in paragraphs (h)(1) and (h)(2), either condtionally or upon specified terms and conditions or for stated periods. In granting such exemptions, the paragraph requires the Commission to consider the primary business of any associated person; the nature and extent of domestic or foreign regulation of the associated person's activities; the nature and extent of the registered persons securities activities; and, with respect to the registered person and its associated persons, on a consolidated basis, the amount and proportion of assets devoted to, and revenues derived from, activities in the United States securities markets. Moreover, with respect to regulated entities, the Commission must consider whether information of the type required by the section is available to the Commission, from a supervisory agency as defined in section 1101 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401(6)), a state insurance commission or similar state agency, the Commodity Futures Trading Commission, or a similar foreign regulator.

Paragraph (h)(5)—Confidentiality. Paragraph (h)(5) provides that the Commission could not be compelled to disclose publicly any information required to be reported under paragraph (h) for which disclosure might otherwise be required pursuant to the Freedom of Information Act, 5 U.S.C. 552, or any other laws. However, the Commission is not prevented from providing information to Congress, any other Federal department or agency requesting the information for purposes within the scope of its jurisdiction or a court of the United States in an action commenced by the United States or the Commission.

Subsection (b)—Conforming Amendments. In conforming amendments to be made to the Government Securities Act contained in section 15C of the Securities Exchange Act of 1934 (15 U.S.C. 780-4), the Secretary of the Treasury would be given similar rulemaking authority with respect to government securities brokers and dealers registered under section 15C(a)(1)(A) of the Exchange Act, i.e., those that are not registered brokers or dealers or financial institutions. In exercising that authority the Secretary would be required to avoid unnecessary duplicative requirements concerning holding company systems that have both registered brokers and dealers and registered government securities brokers and dealers. Specifically, the section requires that the requirements applicable to associated persons of government securities brokers and dealers who are also associated persons of registered broker dealers reporting to the Commission conform, to the greatest extent practicable, to the reporting and record-keeping requirements established by the Commission under Section 17(h).

Section 5. Limitation on Practices Which Result in High Levels of Volatility

This section amends section 9 of the Securities Exchange Act of 1934 by adding a new subsection (h). This new subsection authorizes the SEC by rule or regulation to prohibit or constrain manipulative or abusive practices that will result or are reasonably likely to result in levels of volatility that may adversely affect the integrity or stability of the securities markets. This provision is aimed at arming the SEC with the necessary tools to control excessive volatility and thereby to restore and retain the confidence of the investing public in our nation's securities markets. The SEC's authority to control and prevent such volatility does not extend beyond its currently authorized jurisdictional domain—the securities markets.

Paragraph (2) of this subsection provides for the Commission to seek monetary penalties in judicial proceedings for violations of this section. The penalties shall be determined by the court in light of facts and circumstance, but may not exceed the greater of either $100,000 for a natural person or $500,000 for any other person or the pecuniary gain to such defendant as a result of the violation.

Paragraph (3)(A) of this subsection provides the Commission, after notice and the opportunity for hearing, to issue a cease and desist order to persons violating, to those who have violated or to those who are planning to violate regulations or rules prescribed under this subsection. Subparagraph (B) provides that if the Commission determines that that violation is likely to cause significant disruption of the securities markets or otherwise significantly harm investors prior to the completion of the proceeding, the Commission may issue a temporary order requiring the respondent to cease and desist from any such violation and to take action to prevent such disruption or harm pending completion of such proceeding. Subparagraph (C) provides the Commission to recover through a civil action a penalty on those who violate a cease and desist order. Such penalty shall not exceed $100,000 in the case of a natural person, or $500,000 in the case of any other person, for each violation.

THREE ST. CROIX YOUTHS PROVIDE OUTSTANDING SERVICE DURING HURRICANE

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. DE LUGO. Mr. Speaker, as St. Croix and the U.S. Virgin Islands rebuild from the devastation of Hurricane Hugo, we now have a moment to look around and express our appreciation for some of the local heroes who performed so well in our time of need.

Today, I want to commend three young men from St. Croix who were instrumental in preserving the safety and the lives of many people on that island during the dark hours of this howling hurricane when the winds gusted to 200 miles per hour. Carl Wells, Edgar Austrie, and Marlon Tonge were absolutely heroic in their efforts to help their neighbors in the community of Croixville.

When the storm hit in the dark of night, and the lights went out, and the radios went dead, and people were uncertain and afraid for their safety, these young men stepped into guide people from their battered homes through the darkness to the safety of shelters. Their action was spontaneous, caring, and courageous. Many people owe their health and safety to Carl, Edgar, Marlon, and others who performed with equal bravery.

In those desperate hours, they took it upon themselves to take care of their neighbors. I want to commend these three fine young men for their action. I also want the U.S. Congress to know that Carl Wells, Edgar Austrie, Marlon Tonge, and many other people of St. Croix reached out in concern and bravery to help one another during this terrible storm.

I am proud to say that these three young men represent the best spirit of the Virgin Islands and our determination to build a better future. Their performance is an inspiration to our community as it begins the long road of reconstruction.

ON THE LOSS OF LESTER F. BURLEIN

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. McDADE. Mr. Speaker, northeastern Pennsylvania has lost a good friend and a good neighbor. Lester F. Burlein of Honesdale, passed away Friday, November 10 following an illness.

He was the chariman of the Pennsylvania Turnpike Commission for 15 years and also served as deputy secretary of highways of Pennsylvania.

He served as the Wayne County Republican chairman for 33 years and was a graduate of Penn State University where he earned his engineering degree.

He was a member of St. John's Evangelical Lutheran Church in Honesdale, Blue Lodge 218, Anthony Wayne Chapter 204, Savona Commandery 89, Irem Temple, Wilkes-Barre, and Wayne-Pike Shrine Club. He was a life member of Texas No. 4 Fire Department and president of Wallerville Hunting Club, Equinunk.

Our thoughts go out to his wife, the former Una Foster; his son, Dr. John P. Burlein of Honesdale; his two daughters, Mrs. Richard (Joyce) Osborne of Honesdale, and Mrs. Aldon (Joan) Michelotti of Mechanicsburg; and all the members of his family.

Lester was a good friend, a trusted adviser, and a great American. We will all miss him.

YMCA CELEBRATES 100TH ANNIVERSARY IN HAMILTON

HON. DONALD E. "BUZ" LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, I am proud to say that tomorrow marks the 100th anniversary of the YMCA in Hamilton, OH. I rise to commend this organization, which has provided a valuable, much-needed service, "ministering to body, mind, and spirit," for a century in my district. Since incorporating in November 15, 1989, the Hamilton YMCA has grown dramatically, and now, known as the Hamilton-Fairfield YMCA, consists of four branches with an annual budget of over $2 million.

Tomorrow night the Hamilton community will gather to commemorate this centennial, and although I will be unable to attend I would like to take this opportunity to publicly salute the YMCA, its staff and all those who have made the program successful for so long, and to offer my best regards and wishes for another successful 100 years and beyond.

Mr. Speaker, I submit for the RECORD a brief history of the YMCA in Hamilton, OH, written by Jim Blount.

YMCA: CENTURY OF SERVICE

Hamilton civic and religious leaders recognized the need for YMCA services in the expanding industry city in 1889.

In fact, the YMCA's original mission was directly related to the industrial growth, which was attracting hundreds of young, single men from farms and smaller towns to work in Hamilton factories.

Local leaders saw the YMCA as a place where those young men could find pleasant companionship, sympathetic advice and other services for their physical and moral well-being.

December 3, 1889, an old house at the northwest corner of the Third and Dayton Streets in Hamilton was purchased for $13,000. It was remodeled and expanded to serve as the city's first YMCA.

The first major expansion of YMCA facilities came 75 years ago when the present downtown building—at the northwest corner of N. Second and Market Streets—was completed and dedicated in September, 1914.

The Central YMCA building—the result of a successful $150,000 fund-raising effort in 1910—had a rough beginning. Construction had started on the four-story structure when Hamilton was devastated by the flooding Great Miami River in March, 1913. The flood washed away the foundation of the new YMCA building, requiring construction to be restarted.

Twelve years later, as part of the Association's continued effort to serve young men, Camp Campbell Gard was added. It was partially opened in June, 1926, and completed and dedicated in July, 1927.

In the late 1960's, as the YMCA's emphasis shifted to family service, more than $1.2 million was raised in the Hamilton-Fairfield community to build the Fairfield and Hamilton West, branches, which completed their first full year of operation in 1972.

The YMCA's varied facilities—during a distinguished century of service—have multiplied from that single, renovated house in 1889 to four multi-purpose locations today—Central YMCA, Fairfield, Hamilton West, and Camp Campbell Gard.

Now, 100 years later, instead of focusing on young men who had just moved to the community, the YMCA is offering a variety of programs and services for males and females of all ages, plus families.

Throughout the 100 years—which have included several wars, a major depression and other local and national crises—the YMCA has maintained its commitment to molding and strengthening the body, mind, and spirit.

H.R. 525

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1989

Mr. DYMALLY. Mr. Speaker, I would like to thank you and the rest of the Members of the House for voting unanimously to pass H.R. 525, a bill to provide for the naturalization of natives of the Philippines through active-duty service in the Armed Forces of the United States during World War II. I would also like to commend the distinguished gentleman from Connecticut [Mr. MORRISON], chairman of the Subcommittee on Immigration, Refugees, and International Law for the leadership he demonstrated in getting this bill to the House floor, and for his diligence in substantively amending this bill.

In 1941, President Roosevelt, faced with growing Japanese strength in the Pacific, called the Philippine Army into military service under General MacArthur. Soon after, the war with Japan erupted and America's position in the Pacific was seriously threatened. The Filipinos responded bravely when the United States needed them most.

For example, during the notorious Bataan Death March, Filipino guerrillas risked their lives by dropping food from trees to starving American POW's, an act punishable by death. Japanese soldiers would openly execute Filipinos alongside the road whenever they fell too far behind or collapsed from exhaustion.

At one point, 300 Filipinos were brutally beheaded during the march. In the end, of the 78,000 Filipinos who started the journey, 10,000 perished from hunger, disease, or execution. However, these terrible conditions did not deter the Filipinos from assisting United States soldiers in need and saving many American soldiers in the process. They fought with great determination against terrible odds, and died by the thousands.

During the course of the war, the Filipinos were an indispensible part of America's effort against Japan and contributed significantly to America's eventual victory. But sadly, the heroic acts of the Filipinos went unrewarded, and America's wartime promises were unjustly rescinded through a series of ignoble acts.

In 1942, Congress acted to reestablish the policy it had set forth during World War I, by providing for the naturalization of aliens honorably serving in the Armed Forces of the United States during World War II. However, many veterans were unable to meet the filing deadline because of the Attorney General's wrongful decision not to accept naturalization petitions by not assigning an examiner in the Philippines for a period of 9 months.

Since that time, Filipino veterans have sought retribution in the courts, winning three circuit court judgments. In each case, the court found that the Government lacked authority to have revoked the naturalization authority in the Philippines and as such could not deny naturalization by enforcing the filing deadline. The third district court in the case of Pangilinan versus INS, held that the courts' powers were sufficiently broad to offer a remedy for what it found to be the wrongful decision of the Attorney General—not to provide continuous naturalization authority in the Philippines during the filing period.

Paradoxically enough for these valiant veterans, the Supreme Court in INS versus Pangilinan, overturned the three ninth circuit court decisions on a technicality, rather than on the merits of their case. The Supreme Court essentially stated, that the courts do not possess the legal authority to override a statutory deadline imposed by Congress on naturalization benefits that it has conferred. Only Congress, which previously recognized the contribution made by these veterans during World War II, is capable of restoring naturalization rights to them.

Mr. Speaker, the bill that I have introduced, H.R. 525, would permit the naturalization of these veterans, and resolve their long battle for justice. This legislation would extend United States citizenship to all war veterans who were born in the Philippines and served honorably in an active duty status in the military, air, or naval forces of the United States between September 1, 1939, and December 31, 1946. It is my understanding that the Department of Justice, and the Veterans' Administration support this bill. In fact, H.R. 525 was redrafted carefully in accordance with the Department of Justice's recommendations to extend the filing deadline to 2 years and include veterans who are currently residing outside the United States. These provisions would effectively include all Filipinos who bravely fought against the Japanese under United States command. I am pleased to note that this bill, as amended by the distinguished chairman of Subcommittee on Immigration, Refugees, and International Law, applies to all members of the recognized guerrilla units, who continued the fight against the Japanese invaders until the liberation of the Philippines, as well as the Filipino Scouts whose assistance was invaluable for our forces during the war.

District courts have ruled in favor of Filipino claims, but were overturned by the Supreme Court on the premise that only Congress had the authority to remedy the situation.

Mr. Speaker, the continuing plight of the Filipino veterans, now over four decades old, needs to be resolved. These veterans fought bravely against the Japanese during World War II, and were promised United States citizenship in return. However, this promise was never kept, effectively denying thousands of Filipinos their guaranteed right to naturalize.

Mr. Speaker, we are legally and morally obligated to return to the promise of the Congress of 1942. As a nation that promotes

equality, fairness, and justice globally, we must keep our promise to the Filipinos.

Mr. Speaker, fulfilling our promise to these Filipino veterans is a simple matter of justice. For as Judge Renfrew of the U.S. District Court for the Northern District of California once stated, "Loyalty is a matter of the heart and mind, not of race, creed, or color." It is time we repay the loyalty of these Filipino war veterans by reestablishing their right to naturalization. In the words of one of the counsels in the Pangilinan case, "the least our country [can] do for them in return for their heroic service during the war would be to provide the opportunity for naturalization which Congress originally provided in March of 1942."

HOUSE OF REPRESENTATIVES—*Wednesday, November 15, 1989*

The Reverend Thomas B. Curran, member of the Oblates of St. Francis de Sales, Philadelphia, PA, offered the following prayer:

Heavenly Father, we ask You to send Your spirit upon these lawmakers of the 101st Congress. Endow them with inspiration, courage, and selfless leadership. May their deliberations and decisions address the true needs of our Nation.

We recall the words of our first President, George Washington, who prayed for the protection of Almighty God upon these United States. We repeat his prayer that God might dispose our leaders to do justice, to love mercifully, and to act in imitation of the ruler of all humanity.

For we can be that "city upon a hill." The eyes of all people may be upon us but our eyes are fixed upon You. For You, Heavenly Father, are the source of our strength and guidance. We are confident that You will lead us into the next century and into Your presence forever.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Missouri [Mr. BUECHNER] come forward and lead the House in the Pledge of Allegiance?

Mr. BUECHNER led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 2120. An act to amend the Deep Seabed Hard Mineral Resources Act to authorize appropriations to carry out the provisions of the act for fiscal years 1990, 1991, 1992, 1993, and 1994.

The message also announced that the Senate agrees to the amendments of the House to the bill (S. 978) entitled "An Act to authorize the establishment within the Smithsonian Institution of the National Museum of the American Indian, to establish a memorial to the American Indian, and for other purposes."

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3402. An act to promote political and economic democracy in Poland and Hungary to those countries develop and implement programs of comprehensive economic reform.

WELCOME TO FATHER THOMAS CURRAN, TODAY'S GUEST CHAPLAIN

(Mr. BORKSI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BORKSI. Mr. Speaker, I would like to thank Father Thomas Curran for giving today's opening prayer.

For each of the last 3 years, Mr. Speaker, Father Curran has invited me to address his civics class at Father Judge High School in northeast Philadelphia.

Today I am delighted to return the favor.

Father, welcome to my job.

As an Oblate of St. Francis de Sales, Father Curran taught for 7 years at Father Judge.

I can tell you from personal experience in his classroom that he was a dedicated teacher who inspired respect, interest, and enthusiasm in his students.

His commitment to the Catholic Church and to helping people stimulated his interest in the law, and earlier this year, he began law school at Catholic University here in Washington.

When he completes his legal education, Father Curran hopes to become an advocate for the poor, possibly as a public defender.

I am especially pleased that Father Curran could join us on such a historic day.

We will soon convene a joint session of Congress to receive Polish solidarity leader Lech Walesa.

It is the first time in 165 years that a joint session has been called for a private citizen.

Mr. Speaker, one of the greatest of my predecessors said that "in this House, sir, the people govern."

I am proud to be a Member of the body which today honors a man who has done as much for the cause of giving people the power to govern as any man in this century.

So, Father Curran, and our other distinguished guest "Vee-Tom" Pon Vah-Wen-Sa.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

The Chair announces that during the joint meeting to receive the Honorable Lech Walesa, only the doors immediately opposite the Speaker and those on his left and right will be open.

RECESS

The SPEAKER. Pursuant to the order of the House of Thursday, November 9, 1989, the House will stand in recess subject to the call of the Chair.

Accordingly (at 10 o'clock and 5 minutes a.m.), the House stood in recess subject to the call of the Chair.

JOINT MEETING OF THE HOUSE AND SENATE TO HEAR AN ADDRESS BY THE HONORABLE LECH WALESA, CHAIRMAN, SOLIDARNOSC

The Speaker of the House presided.

The Doorkeeper, the Honorable James T. Molloy, announced the Vice President and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to escort the Honorable Lech Walesa, Chairman, Solidarnosc, into the Chamber:

The gentleman from Missouri [Mr. GEPHARDT];

The gentleman from Pennsylvania [Mr. GRAY];

The gentleman from Florida [Mr. FASCELL];

The gentleman from Michigan [Mr. BONIOR];

The gentleman from Maryland [Mr. HOYER];

The gentleman from Illinois [Mr. MICHEL];

The gentleman from Georgia [Mr. GINGRICH];

The gentleman from Michigan [Mr. BROOMFIELD];

The gentleman from California [Mr. LEWIS];

The gentleman from Oklahoma [Mr. EDWARDS];
The gentleman from Michigan [Mr. DINGELL];
The gentleman from Illinois [Mr. ROSTENKOWSKI];
The gentleman from Michigan [Mr. VANDER JAGT];
The gentleman from Ohio [Mr. GRADISON];
The gentleman from New York [Mr. NOWAK];
The gentleman from New York [Mr. SOLARZ];
The gentleman from California [Mr. FAZIO];
The gentleman from Oklahoma [Mr. SYNAR];
The gentleman from Michigan [Mr. HERTEL];
The gentleman from California [Mr. HUNTER];
The gentlewoman from Illinois [Mrs. MARTIN];
The gentleman from Florida [Mr. MCCOLLUM];
The gentleman from Minnesota [Mr. WEBER];
The gentleman from Pennsylvania [Mr. BORSKI];
The gentlewoman from Ohio [Ms. KAPTUR];
The gentleman from Illinois [Mr. LIPINSKI];
The gentleman from Minnesota [Mr. SIKORSKI];
The gentleman from Wisconsin [Mr. KLECZKA]; and
The gentleman from Pennsylvania [Mr. KANJORSKI].

The VICE PRESIDENT. The President of the Senate, at the direction of that body, appoints the following Senators as members of the committee on the part of the Senate to join a like committee on the part of the House to escort the Honorable Lech Walesa into the House Chamber:

The Senator from West Virginia [Mr. BYRD];
The Senator from Maine [Mr. MITCHELL];
The Senator from California [Mr. CRANSTON];
The Senator from Arkansas [Mr. PRYOR];
The Senator from Illinois [Mr. DIXON];
The Senator from Michigan [Mr. LEVIN];
The Senator from Massachusetts [Mr. KERRY];
The Senator from Illinois [Mr. SIMON];
The Senator from Maryland [Ms. MIKULSKI];
The Senator from Florida [Mr. GRAHAM];
The Senator from Kansas [Mr. DOLE];
The Senator from Wyoming [Mr. SIMPSON];
The Senator from Colorado [Mr. ARMSTRONG];
The Senator from Rhode Island [Mr. CHAFEE];
The Senator from Mississippi [Mr. COCHRAN];
The Senator from New Mexico [Mr. DOMENICI];
The Senator from North Carolina [Mr. HELMS];
The Senator from Indiana [Mr. LUGAR];
The Senator from South Dakota [Mr. PRESSLER]; and
The Senator from Alaska [Mr. MURKOWSKI].

The Doorkeeper announced the ambassadors, ministers, and chargés d'affaires of foreign governments.

The ambassadors, ministers, and chargés d'affaires of foreign governments entered the Hall of the House of Representatives and took the seats reserved for them.

The Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 11 o'clock and 5 minutes a.m., the Doorkeeper announced the Honorable Lech Walesa, Chairman, Solidarnosc.

The Honorable Lech Walesa, Chairman, Solidarnosc, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk.

[Applause, the Members rising.]

The SPEAKER. Members of the Congress, it is my great privilege, and I deem it a high honor and personal pleasure to present to you the Honorable Lech Walesa, Chairman, Solidarnosc.

[Applause, the Members rising.]

ADDRESS BY THE HONORABLE LECH WALESA, CHAIRMAN, SOLIDARNOSC

(The following is an English translation of the address delivered in Polish by Chairman Lech Walesa before the joint meeting, through an interpreter.)

Mr. WALESA. Mr. Speaker, Mr. President, members of the Cabinet, distinguished Members of the House and Senate, ladies and gentlemen,

"We the people * * *."

With these words I wish to begin my address. I do not need to remind anyone here where these words come from. And I do not need to explain that I, an electrician from Gdansk, am also entitled to invoke them.

"We the people * * *."

I stand before you as the third foreign non-head-of-state invited to address the joint Houses of Congress of the United States. The Congress, which for many people in the world, oppressed and stripped of their rights, is a beacon of freedom and a bulwark of human rights. And here I stand before you, to speak to America in the name of my nation. To speak to citizens of the country and the continent whose threshold is guarded by the famous Statue of Liberty. It is for me an honor so great, a moment so solemn, that I can find nothing to compare it with.

The people in Poland link the name of the United States with freedom and democracy, with generosity and high-mindedness, with human friendship and friendly humanity. I realize that not everywhere in the world is America so perceived. I speak of her image in Poland. This image was strengthened by numerous favorable historical experiences, and it is a very well-known thing that Poles repay warm-heartedness in kind.

The world remembers the wonderful principle of the American democracy: "government of the people, by the people, for the people."

I too remember these words; I, a shipyard worker from Gdansk, who has devoted his entire life—along with other members of the Solidarity movement—to the service of this idea: "government of the people, by the people, for the people." Against privilege and monopoly, against violations of the law, against the trampling of human dignity, against contempt and injustice.

Such in fact are the principles and values—reminiscent of Abraham Lincoln and the Founding Fathers of the American Republic, and also of the principles and ideas of the American Declaration of Independence and the American Constitution—that are pursued by the great movement of Polish Solidarity; a movement that is effective. I know that Americans are idealistic, but at the same time practical people endowed with common sense and capable of logical action. They combine these features with a belief in the ultimate victory of right over wrong. But they prefer effective work to making speeches. And I understand them very well. I, too, am not too fond of speeches. I prefer facts and work. I treasure effectiveness.

Ladies and gentlemen, here is the fundamental, most important fact I want to tell you about. I want to tell you that the social movement bearing the beautiful name of Solidarity, born of the Polish Nation, is an effective movement. After many long years of struggle it bore fruit which is there for all to see. It pointed to a direction and a way of action which are today affecting the lives of millions of people speaking different languages. It has swayed monopolies, overturning some altogether. It has opened up entirely new horizons.

And this struggle was conducted without resorting to violence of any

kind—a point that cannot be stressed too much. We were being locked up in prison, deprived of our jobs, beaten and sometimes killed. And we did not so much as strike a single person. We did not destroy anything. We did not smash a single windowpane. But we were stubborn, very stubborn, ready to suffer, to make sacrifices. We knew what we wanted. And our power prevailed in the end.

The movement called Solidarity received massive support and scored victories because at all times and in all matters it opted for the better, more human, and more dignified solution, standing against brutality and hate. It was a consistent movement, stubborn, never giving up. And that is why after all these hard years, marked by so many tragic moments, Solidarity is today succeeding and showing the way to millions of people in Poland and other countries.

Ladies and Gentlemen, it was 10 years ago, in August 1980, that there began in the Gdansk shipyard the famous strike which led to the emergence of the first independent trade union in Communist countries, which soon became a vast social movement supported by the Polish Nation. I was 10 years younger then, unknown to anybody but my friends in the shipyard, and somewhat slimmer. And I must frankly say, it was important. An unemployed man at that time, fired from my job for earlier attempts to organize workers in the fight for their rights, I jumped over the shipyard wall and rejoined my colleagues who promptly appointed me the leader of the strike. This is how it all began. When I recall the road we have traveled I often think of that jump over the fence. Now others jump fences and tear down walls, they do it because freedom is a human right.

But there is also another reflection that comes to my mind when I think of the road behind us. In those days, at the beginning, many warnings, admonitions, and even condemnations were reaching us from many parts of the world. "What are those Poles up to?" we heard. "They are mad, they are jeopardizing world peace and European stability. They ought to stay quiet and not get on anybody's nerves."

We gathered from those voices that the other nations have the right to live in comfort and well-being, they have the right to democracy and freedom, and it is only the Poles who should give up these rights so as not to disturb the peace of others.

In the days before the Second World War there were many people who asked: Why should we die for Gdansk? Isn't it better to stay at home? But war soon paid them a visit, and they had to start dying for Paris, for London, for Hawaii. This time, too, there were many who complained: There is that Gdansk again disturbing our peace.

But the recent developments in Gdansk carried a different message. This was not the beginning but the true end of that war. This was the beginning of a new, better, democratic and safe era in the history of our world. There is no longer a question of dying for Gdansk, but of living for it.

Looking at what is happening around us today we may state positively that the Polish road of struggle for human rights, struggle without violence, the Polish stubbornness and firmness in the quest for pluralism and democracy show many people today, and even nations, how to avoid the greatest dangers. If there is something threatening European stability today, it certainly is not Poland. Poland's drive toward profound transformations, transformations achieved through peaceful means, through evolution, negotiated with all the parties concerned, makes it possible to avoid the worst pitfalls, and may be held up as a model for many other regions. And as we know, changes elsewhere are not so peaceful.

Peacefully and prudently, with their eyes open to dangers, but not giving up what is right and necessary, the Poles gradually paved the way for historic transformations. We are joined along this way, albeit to various extents, by others: Hungarians and Russians, the Ukrainians and people of the Baltic Republics, Armenians and Georgians, and, in recent days, the East Germans. We wish them luck and rejoice at each success they achieve. We are certain that others will also take our road, since there is no other choice.

So I ask now: Is there any sensible man understanding the world around him who could now say that it would be better if the Poles kept quiet because what they are doing is jeopardizing world peace? Couldn't we rather say that Poles are doing more to preserve and consolidate peace than many of their frightened advisers? Could we not say that stability and peace face greater threats from countries which have not yet brought themselves to carry out long-ranging and comprehensive reforms, which do their utmost to preserve the old and disgraced ways of government, contrary to the wishes of their societies?

Things are different in Poland. And I must say that our task is viewed with understanding by our eastern neighbors and their leader, Mikhail Gorbachev. This understanding lays foundations for new relations between Poland and the U.S.S.R. much better than before. These improved mutual relations will also contribute to stabilization and peace in Europe, removing useless tensions. Poles have had a long and difficult history, and no one wants peaceful coexistence and friendship with all nations and countries—and particularly with the Soviet Union—more than we do. We believe that it is only now that the right and favorable conditions for such coexistence and friendship are emerging.

Poland is making an important contribution to a better future for Europe, to a European reconciliation—also to the vastly important Polish-German reconciliation—to overcoming of old divisions and to strengthening of human rights on our continent. But it does not come easily for Poland.

In the Second World War Poland was the first country to fall victim to aggression. Her losses in terms of human life and national property were the heaviest. Her fight was the longest; she was always a dedicated member of the victorious alliance; and her soldiers fought in all the war's theaters. In 1945 Poland, theoretically speaking, was one of the victors. Theory, however, had little in common with practice. In practice, as her allies looked on in tacit consent, there was imposed on Poland an alien system of government, without precedent in Polish tradition, unaccepted by the nation, together with an alien economy, an alien law, and alien philosophy of social relations. The legal Polish Government, recognized by the nation and leading the struggle of all Poles throughout the war was condemned, and those who remained faithful to it were subjected to the most ruthless persecution. Many were murdered, thousands vanished somewhere in Russia's east and north. Similar repression befell soldiers of the underground army fighting the Nazis. It is only now that we are discovering their bones in unmarked graves scattered among forests.

These atrocities were followed by persecutions of all those who dared think independently. All the solemn pledges about free elections in Poland that were made in Yalta were broken.

This was the second great national catastrophe, following the one of 1939. When other nations were joyously celebrating victory, Poland was again sinking into mourning. The awareness of this tragedy was doubly bitter, as the Poles realized that they had been abandoned by their allies. The memory of this is still strong in the minds of many.

Nonetheless, the Poles took to rebuilding their devastated country and in the first years following the war they were highly successful. But soon a new economic system was introduced, in which individual entrepreneurship ceased to exist and the entire economy ended up in the hands of a state run by people who were not elected by the nation. Stalin forbade Poland to use aid provided by the Marshall plan, the aid that was used by everyone in Western Europe, including

countries which lost the war. It is worth recalling this great American plan which helped Western Europe to protect its freedom and peaceful order. And now it is the moment when Eastern Europe awaits an investment of this kind—an investment in freedom, democracy, and peace—an investment adequate to the greatness of the American Nation.

The Poles have traveled a long way. It would be worthwhile for all those commenting on Poland, often criticizing Poland, to bear in mind that whatever Poland has achieved she achieved through her own effort, through her own stubbornness, her own relentlessness. Everything was achieved thanks to the unflinching faith of our nation in human dignity and in what is described as the values of Western culture and civilization.

Our Nation knows well the price of all this.

Ladies and gentlemen, for the past 50 years the Polish nation has been engaged in a difficult and exhausting battle. First to preserve its very biological existence, later to save its national identity. In both instances Polish determination won the day. Today Poland is rejoining the family of democratic and pluralistic countries, returning to the tradition of religious and European values.

For the first time in half a century Poland has a non-Communist and independent government, supported by the nation.

But on our path there looms a serious obstacle, a grave danger. Our long subjection to a political system incompatible with national traditions, to a system of economy incompatible with rationality and common sense, coupled with the stifling of independent thought and disregard for national interests—all this has led the Polish economy to ruin, to the verge of utter catastrophe. The first government in 50 years elected by the people and serving the people has inherited from the previous rulers of the country a burden of an economy organized in a manner preventing it from satisfying even the basic needs of the people.

The economy we inherited after almost five decades of Communist rule is in need of thorough overhaul. This will require patience and great sacrifice. This will require time and means. The present condition of the Polish economy is not due to chance, and is not a specifically Polish predicament. All the countries of the Eastern bloc are bankrupt. The Communist economy has failed in every part of the world. One result of this is the exodus of the citizens of those countries, by land and by sea, by boat and by plane, swimming and walking across borders. This is a mass-scale phenomenon, well known in Europe, Asia, and Central America.

But Poland entered its new road and will never be turned back. The sense of our work and struggle in Poland lies in our creating situations and prospects that would hold Poles back from seeking a place for themselves abroad, that would encourage them to seek meaning in their work and a hope for a better future in their own country, their own home.

One hears sometimes that people in Poland do not care to work well. But even those who say this, know that Poles work well and effectively if only they see the sense and usefulness of their toil. The working people know their arithmetic too. They are working much harder and in worse conditions than their opposite numbers abroad, and on top of that are paid much lower wages. The economic system around them is absurd. To make matters worse, every several or dozen years the country has suffered a new crisis, a new crunch, and time and time again it turned out that past efforts went to waste. Show me people who would have worked well, stuck for decades under such a system. Wouldn't they too have succumbed to pessimism? But I wish no one experiences such as these.

This system had to be changed. And the Poles took it upon themselves to change it.

I know that America has her own problems and difficulties, some of them very serious. We are not asking for charity. We are not expecting philanthropy. But we would like to see our country treated as a partner and a friend. We would like cooperation under decent and favorable conditions. We would like Americans to come to us with proposals of cooperation bringing benefits to both sides.

We believe that assistance extended to democracy and freedom in Poland and all of Eastern Europe is the best investment in the future and in peace, better than tanks, warships, and war planes, an investment leading to greater security.

Poland has already done much to patch up the divisions existing in Europe, to create better and more optimistic prospects. Poland's efforts are viewed with sympathetic interest by the West—and for this thanks are in order. We believe that the West's contribution to this process will grow now. We have heard many beautiful words of encouragement. These are appreciated, but, being a worker and a man of concrete work, I must tell you that the supply of words on the world market is plentiful, but the demand is falling. Let deeds follow words now.

The decision by the Congress of the United States about granting economic aid to my country opens a new road. For this wonderful decision, I thank you warmly. I promise you that this aid will not be wasted, and will never be forgotten.

Ladies and gentlemen, from this podium, I'm expressing words of gratitude to the American people. It is they who supported us in the difficult days of martial law and persecution. It is they who sent us aid, they protested against violence. Today, when I am able to freely address the whole world from this elevated spot, I would like to thank them with special warmth.

It is thanks to them that the word "Solidarity" soared across borders and reached every corner of the world. Thanks to them the people of Solidarity were never alone. In this chain of people linked in solidarity there were many, very many Americans. I wish to mention here with warm gratitude our friends from the U.S. Congress, the AFL-CIO trade unions, from the institutions and foundations supporting freedom and democracy, and all those who lent us support in our most difficult moments. They live in all States, in small and large communities of your vast country. I thank all those who through the airwaves or printed word spread the truth. I also wish to say thank you and to greet all Polish Americans who maintain warm contacts with their old fatherland. Their support was always priceless for us. And the support of American Polish was always tremendously worth it to us.

Wholeheartedly thank the President of the United States and his administration for involvement im my country's affairs. I will never forget the then Vice President George Bush speaking in Warsaw over the tomb of the Reverend Jerzy Popieluszko, the martyr for Poland. And I will not forget President George Bush speaking in Gdansk in front of the monument of the Fallen Shipyard Workers. It's from there that the President of the United States was sending a message of freedom to Poland, to Europe, to the world.

Pope John Paul ll once said: "Freedom is not just something to have and to use, it is something to be fought for. One must use freedom to build with it personal life as well as the life of the nation."

I thank this weighty thought can equally well be applied to Poland and to America.

I wish all of you to know and to keep in mind that the ideals which underlie this glorious American Republic and which are still alive here, are also living in faraway Poland. And although for many long years efforts were made to cut Poland off from these ideals, Poland held her ground and is now reaching for the freedom to which she is justly entitled. Together with Poland, other nations of Eastern Europe are following this path. The wall that was separating people from freedom has collapsed. And I hope

that the nations of the world will never let it be rebuilt.

[Applause, the Members rising.]

At 12 o'clock and 10 minutes p.m., the Honorable Lech Walesa, Chairman, Solidarnosc, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The Members of the President's Cabinet.

The Ambassadors, Ministers, and chargés d'affaires of foreign governments.

JOINT MEETING DISSOLVED

The SPEAKER. The Chair declares the joint meeting of the two Houses dissolved.

Accordingly, at 12 o'clock and 10 minutes p.m., the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The House will continue in recess until 12:45 p.m.

□ 1250

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mrs. SCHROEDER] at 12 o'clock and 50 minutes p.m.

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mr. BRENNAN. Madam Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maine?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON CIVIL AND CONSTITUTIONAL RIGHTS OF COMMITTEE ON THE JUDICIARY AND SUBCOMMITTEE ON CIVIL SERVICE OF THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE TO SIT ON TOMORROW DURING 5-MINUTE RULE

Mr. EDWARDS of California. Madam Speaker, I ask that the Subcommittee on Civil and Constitutional Rights of the Committee on the Judiciary and the Subcommittee on Civil Service of the Committee on Post Office and Civil Service may be permitted to sit while the House is reading for amendments under the 5-minute rule on Thursday, November 16.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LECH WALESA: AN INSPIRATION FOR FREEDOM

(Mr. BRENNAN asked and was given permission to address the House for 1 minute.)

Mr. BRENNAN. Madam Speaker, the moving words we have just heard from Lech Walesa were truly inspirational and show that the call for freedom cannot be stifled.

Lech Walesa's struggles in forming the trade union Solidarity were rewarded by the true political reforms taking place today in Poland. His courage and determination led a nation in breaking the bonds of repression they had known for 40 years, but never accepted.

A key part of Lech Walesa's strategy for political reform in Poland, was the strength and unifying force of organized labor—Something we have seen in our country, but many seem to forget. Organized labor serves as a force for change and improvement in many important aspects of our daily lives—through improved working conditions and improved compensation.

The United States has a special responsibility to Lech Walesa and his fellow Poles. We must not remain on the sideline offering little more than words of encouragement. The time is now for economic assistance to keep democracy and freedom alive in Poland. We cannot let Poland fail.

THE NAVY NEEDS TO ANSWER QUESTION ON ACCIDENTS

(Mr. SCHULZE asked and was given permission to address the House for 1 minute.)

Mr. SCHULZE. Madam Speaker, for some time now, I have been trying to focus attention on the problems of the U.S. Navy, which had three more accidents yesterday—a sad day in the history of our Armed Forces.

Some questions must be answered. Chief of Naval Operations Trost. The Navy has an accident a day and sailors are dying. Why is this happening? Our other services are not having this problem.

Navy Secretary Garrett. Mothers are coming up to me on the street asking me if their sons are safe on naval ships. Why is this happening? A GAO study I requested documented the extreme number of naval fatalities. Have you read it? Have you finally noticed?

Defense Secretary Cheney. How many more of our sons and daughters will die before the Navy solves this crisis? What are you doing, Mr. Secretary, to address this matter of life and death?

CUT LARGESSE AT PENTAGON

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Madam Speaker, the Soviets are cutting defense spending, and America should do likewise. The truth of the matter is we are going broke around here. What really hurts is the Air Force has a B-1 bomber. It was shot down by a pelican; the Navy has a rocket that acts like Shamu, it does cartwheels; the Army has a tank that couldn't hit the ocean if it was fired from dockside. To boot, none of these great lethal weapons have any spare parts.

Congress should cut the largesse at the Pentagon, straighten out our budget and economic ills, which is the first place to start, and take a look at NATO spending.

AIDS: A PUBLIC HEALTH PROBLEM, NOT A CIVIL RIGHTS PROBLEM

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Madam Speaker, a very significant event took place in the efforts of the Nation to deal with the AIDS epidemic yesterday in New York City when the New York City Board of Health, on the recommendation of Dr. Joseph, the health officer of New York City, recommended to the State health officer, Dr. Axelrod of New York State that we treat HIV carriers, report them in confidence to public health, and conduct contact tracing.

This is significant because New York State has the largest number of AIDS cases in America. It is significant because the voice of organized medicine in New York State, the New York State Medical Society, sued Dr. Axelrod to prepare a list of HIV carriers as a reportable disease. It is significant because the voice of organized medicine in the State with the largest number of AIDS cases is finally waking up to the fact we have to treat this epidemic as a public health problem, not a civil rights problem.

A NEW AGE BEGINS

(Mr. NAGLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NAGLE. Madam Speaker, the historian Page Smith titled his "people's history" of the American Revolution, "A New Age Now Begins."

That title seems to describe, as well, the dramatic impact of the rapid changes taking place in Eastern Europe. We do, indeed, appear to be witnessing what one television correspondent described as the "almost

hourly disintegration of the Soviet empire."

But while we may well be witnessing a new age now beginning, it is important to remember that what we are seeing is just that—only a beginning, in fact, only the beginning of a beginning.

The transformation of Eastern Europe is far from complete; the outcome far from certain.

While the President's cautious response to these developments is, generally, appropriate, there is one area where he must be bolder.

Mr. Gorbachev's policies of perestroika and glasnost—the historic changes in Soviet policy which allow these developments to unfold—place him at grave political risk at home. If he does not survive, all that we have witnessed may go crashing down with him.

We can help ourselves and the cause of freedom by acting now to increase our trade with the Soviet Union, to help the Soviet Union meet the basic domestic needs of its own people.

For in the final analysis, Mr. Gorbachev will be judged by the hardliners at home by whether or not his reforms help put bread on Soviet shelves and consumer goods in the hands of the Soviet people.

The time has come for the President to lift the Jackson-Vanick trade sanctions, extend most-favored-nation trading status and begin aggressively marketing American products to the Soviet Union.

Countries which trade together have a harder time pursuing hostilities, and Mr. Gorbachev's survival seems to rest, in part, on his obtaining that goal.

CONDEMN TERRORIST ACTIVITIES IN EL SALVADOR

(Mr. DOUGLAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOUGLAS. Madam Speaker, earlier today right here in this Chamber we heard from a man who believes very strongly in democracy, Lech Walesa. Unfortunately, today in El Salvador a democratically elected government is under attack by Communist-backed guerrillas. Over 500 people have been killed in the fighting.

What is unique about this is the attack has been on civilian neighborhoods, not military targets. That is what makes the difference between a guerrilla who fights the military and a terrorist who goes after civilian homes of elected officials and tries to kill the spouses and children of men and women who are elected and chosen in a democratic process.

I would like to say to the other side of the aisle that Jim Wright, when he was Speaker, stood right where the Speaker is, and said he concluded it was a fair election in El Salvador. I was down there in March during the election with Tony Coelho. We flew out and watched that election. That election is now under attack.

I certainly hope that our Committee on Foreign Affairs will have a resolution of condemnation of this Communist attempt to destroy a democratically elected government.

NEW ALLIANCE WITH AN OLD ADVERSARY

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Madam Speaker, Mikhail Gorbachev reminds us that one man can challenge the world for change, but is still requires two people, two voices, to bring that change.

In a few days George Bush will have an opportunity to play an historic role. He can be that second person. He can end his observation of a new and evolving world, and he can join the architects of a new order.

George Bush seeks to control expectations for his upcoming summit. I believe that our expectations should soar. We have no less of an opportunity than to end the cold war and to begin a new alliance with an old adversary, to join in a fight against our traditional enemies of hunger, of homelessness, of disease.

Those are the opportunities for this summit, and those should be the expectations of all Americans.

HOPE: FIGHTING THE TRAGEDY OF HOMELESSNESS

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Madam Speaker, we here in Washington have long grown accustomed to the hundreds of thousands of men, women, and children who travel—literally, from all over the world—to witness the majestic sights and symbols of this Nations's Capital.

Sadly, some sights in this city aren't so pretty. What tourists and residents regularly see each day, in our parks and in our streets, from the White House to Capitol Hill, is the tragic face of homelessness.

The President has seen this tragedy. So has the Secretary of Housing and Urban Development. In response, as part of a bold new legislative initiative called Hope, this administration is taking a fresh look at meeting the needs of our Nation's homeless.

Two-thirds of the homeless living on the streets of our country suffer from drug dependency or mental illness. Theirs is a larger life tragedy in which homelessness is merely one symptom of a much greater problem.

Project Hope—by recognizing both the root causes of homelessness and the comprehensive strategy required to get at those roots—can help extend the social safety net for the hard core homeless.

Under Hope, Federal housing funds will be coupled with State and local service resources, including the community health block grant, to provide not only shelter, but the professional treatment that nearly 70 percent of all homeless Americans require to lead normal, dignified lives.

A NO VOTE URGED ON BILL TO EXTEND CIVIL RIGHTS COMMISSION

(Mr. SENSENBRENNER asked and was given permission to address the House for 1 minute.)

Mr. SENSENBRENNER. Madam Speaker, within a matter of minutes the House of Representatives will be voting on legislation to extend the Civil Rights Commission. I strongly urge the House to defeat the motion to suspend the rules and pass this bill.

One of the features of the motion to suspend the rules takes the power to appoint the staff director away from the President of the United States and instead vests it in the Commission itself. The Office of Management and Budget has a letter in the works that says that if the bill lands on the President's desk in this form, it will be vetoed.

The Civil Rights Commission under new management can perform a very useful function in bringing civil rights issues to the attention of the American public, but to change the structure of the Commission at this late date is not good public policy, and I urge the membership to defeat the motion to suspend the rules.

EXPRESSING SUPPORT OF LEGISLATION TO EXTEND U.S. COMMISSION ON CIVIL RIGHTS

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute.)

Mr. EDWARDS of California. Madam Speaker, in a few minutes we will be voting on the life of the Civil Rights Commission, that wonderful organization that has existed for the benefit of minorities and other people for many years.

A "no" vote on this bill will mean the end of the life of the U.S. Commission on Civil Rights. I urge my colleagues to vote "aye" on the bill to extend the life of the U.S. Commission on Civil Rights for 6 months.

BIPARTISAN SUPPORT NOTED FOR AMERICANS WITH DISABILITIES ACT

(Mr. HOYER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. HOYER. Madam Speaker, yesterday the Education and Labor Committee, by a vote of 35 to 0 passed out the Americans With Disabilities Act. I want to observe that that event occurred because of the bipartisan work of a number of us, the support of the President of the United States, and the overwhelming vote given to the document by the U.S. Senate.

The Americans With Disabilities Act will fairly and reasonably extend civil rights protection to 43 million disabled Americans and ensure that the words, "and justice for all," will ring true for all Americans.

Madam Speaker, yesterday's markup and the support of the gentleman from Texas and the minority whip of the House reemphasize the bipartisan support for this landmark legislation. I expect and hope that the three remaining committees of jurisdiction will soon complete their work. I look forward to House passage and enactment of the bill sponsored by our former majority whip, Tony Coelho, the Americans With Disabilities Act, early next year.

BERLIN WALL CRUMBLES, IS SYMBOLIC OF RISE OF CAPITALISM

(Mr. McMILLEN of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McMILLEN of Maryland. Madam Speaker, like so many of you I was moved by the dramatic events of last week. The almost unbelievable sight of Germans from both East and West Germany celebrating together on top of the Berlin Wall.

The opening of East Germany's borders signals once again the ongoing worldwide movement toward capitalism. The victory of Adam Smith over Karl Marx. Everywhere one looks, in Eastern Europe, Latin America, and yes even in China, capitalism grows in influence. More and more the economics of socialism are thrown by the wayside, in recognition of the economic promise of capitalism. The debate no longer is communism versus capitalism, but the degree and speed to which socialist economies are converted to free market economies.

These are historical times. The actions taken by the East German Government are irreversable. The crack in the wall cannot be patched. The transformation of their political system cannot be stopped.

We in the United States must recognize the magnitude of these changes in Eastern Europe. The President needs to act swiftly in offering economic assistance to the increasing number of nations in the East bloc moving toward democracy. It is time for us to offer our hand to those behind the Iron Curtain, to help pull them over the wall.

THE CIVIL RIGHTS COMMISSION REAUTHORIZATION ACT OF 1989

The SPEAKER pro tempore. (Mrs. SCHROEDER). The unfinished business is the question of suspending the rules and passing the bill, H.R. 3532.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. EDWARDS], that the House suspend the rules and pass the bill, H.R. 3532, on which the yeas and nays are ordered.

PARLIAMENTARY INQUIRIES

Mr. GEKAS. Madam Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. GEKAS. Madam Speaker, when the present bill was passed out of the Judiciary Committee, it was in one form, and that was the form in which the original motion to have the vote on suspension was created. My point of parliamentary inquiry is this: How does the House now know that the bill that is about to be voted on is substantially different from that which was passed by the Judiciary Committee? How do we explain to the House that that is so?

The SPEAKER pro tempore. The gentleman can look at yesterday's RECORD. It carries a copy of the bill in the form in which the motion was made, and all Members have had 1 day to reflect upon that.

Mr. GEKAS. Madam Speaker, I have a further parliamentary inquiry.

What I really want to know is, why is it that the Clerk cannot read the bill as it now is constituted prior to this vote?

The SPEAKER pro tempore. Without objection, the Clerk will read the bill.

Mr. GEKAS. I would like to hear that, Madam Speaker.

The SPEAKER pro tempore. Is the gentleman making a request that the Clerk read the bill?

Mr. GEKAS. Yes, Madam Speaker, I am.

The SPEAKER pro tempore. Without objection, the Clerk will read the bill.

There was no objection.

The Clerk read the bill, as follows:

H.R. 3532

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "The Civil Rights Commission Reauthorization Act of 1989".

SEC. 2. REAUTHORIZATION.

The United States Commission on Civil Rights Act of 1983 is amended—

(1) in section 7, by striking "1989" and inserting "1990"; and

(2) in section 8, by striking "six years after its date of enactment" and inserting "on May 31, 1990".

SEC. 3. STAFF DIRECTOR.

Section 6(a)(1) of the United States commission on Civil Rights Act of 1983 is amended by striking "the President with the concurrence of a majority of".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. EDWARDS] that the House suspend the rules and pass the bill, H.R. 3532, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 278, nays 135, not voting 20, as follows:

[Roll No. 354]

YEAS—278

Ackerman	Engel	Leach (IA)
Akaka	English	Leath (TX)
Alexander	Erdreich	Lehman (CA)
Anderson	Espy	Lehman (FL)
Andrews	Evans	Levin (MI)
Annunzio	Fascell	Levine (CA)
Anthony	Fazio	Lewis (GA)
Applegate	Feighan	Lipinski
Aspin	Fish	Lloyd
Atkins	Flake	Long
AuCoin	Flippo	Lowey (NY)
Barnard	Florio	Luken, Thomas
Bates	Foglietta	Machtley
Beilenson	Ford (MI)	Manton
Bennett	Ford (TN)	Markey
Berman	Frank	Martinez
Bevill	Frost	Matsui
Bilbray	Gaydos	Mavroules
Boggs	Gejdenson	Mazzoli
Bonior	Gephardt	McCloskey
Borski	Geren	McCurdy
Bosco	Gibbons	McDade
Boucher	Gilman	McDermott
Boxer	Glickman	McGrath
Brennan	Gonzalez	McHugh
Browder	Gordon	McMillen (MD)
Brown (CA)	Gradison	McNulty
Brown (CO)	Gray	Mfume
Bruce	Green	Mineta
Bustamante	Guarini	Moakley
Byron	Hall (OH)	Mollohan
Campbell (CO)	Hall (TX)	Montgomery
Cardin	Hamilton	Morrison (CT)
Carper	Harris	Morrison (WA)
Carr	Hatcher	Mrazek
Chapman	Hawkins	Murphy
Clarke	Hayes (IL)	Murtha
Clay	Hayes (LA)	Nagle
Clement	Hefner	Natcher
Coleman (TX)	Henry	Neal (MA)
Collins	Hertel	Nelson
Condit	Hoagland	Nowak
Conte	Hochbrueckner	Oakar
Conyers	Hopkins	Oberstar
Cooper	Horton	Obey
Costello	Hoyer	Olin
Coughlin	Hubbard	Ortiz
Courter	Huckaby	Owens (NY)
Coyne	Hughes	Owens (UT)
Crockett	Hutto	Pallone
Darden	Jacobs	Panetta
de la Garza	James	Parker
DeFazio	Jenkins	Parris
Dellums	Johnson (SD)	Patterson
Derrick	Johnston	Payne (VA)
Dicks	Jones (GA)	Pease
Dingell	Jones (NC)	Pelosi
Dixon	Jontz	Penny
Donnelly	Kaptur	Perkins
Dorgan (ND)	Kasich	Pickett
Downey	Kastenmeier	Pickle
Duncan	Kennelly	Porter
Durbin	Kildee	Poshard
Dwyer	Kolter	Price
Dymally	Kostmayer	Pursell
Dyson	LaFalce	Rahall
Early	Lancaster	Rangel
Eckart	Lantos	Richardson
Edwards (CA)	Laughlin	Rinaldo

Roe	Slattery	Towns
Ros-Lehtinen	Slaughter (NY)	Traficant
Rose	Smith (FL)	Traxler
Rostenkowski	Smith (IA)	Udall
Rowland (CT)	Smith (NJ)	Unsoeld
Rowland (GA)	Smith (VT)	Valentine
Roybal	Snowe	Vento
Russo	Solarz	Visclosky
Sabo	Spratt	Volkmer
Sangmeister	Staggers	Walgren
Sarpalius	Stallings	Walsh
Savage	Stark	Watkins
Sawyer	Stenholm	Waxman
Saxton	Stokes	Weiss
Scheuer	Studds	Weldon
Schneider	Synar	Wheat
Schroeder	Tallon	Whitten
Schuette	Tanner	Williams
Schumer	Tauke	Wise
Sharp	Tauzin	Wolpe
Shays	Taylor	Wyden
Sikorski	Thomas (GA)	Yates
Skaggs	Torres	Yatron
Skelton	Torricelli	

NAYS—135

Archer	Gunderson	Regula
Armey	Hammerschmidt	Rhodes
Baker	Hancock	Ridge
Ballenger	Hansen	Ritter
Bartlett	Hastert	Roberts
Barton	Hefley	Robinson
Bateman	Herger	Rogers
Bentley	Hiler	Rohrabacher
Bereuter	Houghton	Roth
Bilirakis	Hunter	Roukema
Bliley	Hyde	Saiki
Boehlert	Inhofe	Schaefer
Broomfield	Johnson (CT)	Schiff
Buechner	Kolbe	Schulze
Bunning	Kyl	Sensenbrenner
Callahan	Lagomarsino	Shaw
Campbell (CA)	Lent	Shumway
Chandler	Lewis (CA)	Shuster
Clinger	Lewis (FL)	Skeen
Coble	Lightfoot	Slaughter (VA)
Coleman (MO)	Livingston	Smith (NE)
Combest	Lowery (CA)	Smith (TX)
Cox	Lukens, Donald	Smith, Denny (OR)
Craig	Madigan	
Crane	Marlenee	Smith, Robert (NH)
Dannemeyer	Martin (IL)	
Davis	Martin (NY)	Smith, Robert (OR)
DeLay	McCandless	
DeWine	McCollum	Solomon
Dickinson	McCrery	Spence
Dornan (CA)	McMillan (NC)	Stangeland
Douglas	Meyers	Stearns
Dreier	Michel	Stump
Emerson	Miller (OH)	Sundquist
Fawell	Moody	Thomas (CA)
Fields	Moorhead	Thomas (WY)
Frenzel	Myers	Upton
Gallegly	Nielson	Vander Jagt
Gallo	Oxley	Vucanovich
Gekas	Packard	Walker
Gillmor	Pashayan	Weber
Gingrich	Paxon	Whittaker
Goodling	Petri	Wolf
Goss	Quillen	Wylie
Grandy	Ravenel	Young (AK)
Grant	Ray	Young (FL)

NOT VOTING—20

Brooks	Kanjorski	Morella
Bryant	Kennedy	Neal (NC)
Burton	Kleczka	Payne (NJ)
Edwards (OK)	McEwen	Sisisky
Garcia	Miller (CA)	Swift
Holloway	Miller (WA)	Wilson
Ireland	Molinari	

□ 1327

The Clerk announced the following pairs:

On this vote:

Mr. Kleczka for, and Mrs. Morella with Mr. McEwen against.

Mr. BUECHNER, Mr. PASHAYAN, and Mrs. MEYERS of Kansas changed their vote from "yea" to "nay."

Mr. KASICH and Mr. HENRY changed their vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. NATCHER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3566 and to include extraneous matter along with tables and charts.

The SPEAKER pro tempore (Mrs. SCHROEDER). Is there objection to the request of the gentleman from Kentucky?

There was no objection.

PERSONAL EXPLANATION

Mr. MOODY. Mr. Speaker, on rollcall vote No. 354, H.R. 3552, the Civil Rights Commission Reauthorization Act of 1989, it was my intention to vote "yes," and I believe I voted "yes." Unfortunately, my vote was recorded as "no." I would like the RECORD to reflect that it was my intention to vote "yes" on reauthorizing the Civil Rights Commission.

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1990

Mr. NATCHER. Madam Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3566) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1990 and for other purposes, and pending that motion, Madam Speaker, I ask unanimous consent that the general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Massachusetts [Mr. CONTE] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

□ 1330

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3566, with Mr. SHARP in the chair.

The Clerk read the title of the bill.

By unanimous consent, the bill was considered as having been read the first time.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Kentucky [Mr. NATCHER] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. CONTE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, as you know, this is the second bill which I have presented to the House this year making appropriations for fiscal year 1990 for the Departments of Labor, Health and Human Services, and Education and related agencies. This is necessary because of the veto of H.R. 2990 which the House did not override.

In this bill we have $156,700,000,000, the exact amount, Mr. Chairman, that was in the vetoed bill.

For the Department of Labor we have $6,728,000,000; for the Department of Health and Human Services we have the sum of $124,803,000,000; for the Department of Education we have the sum of $24,151,000,000.

This bill is the best bill that has ever been presented to the Congress for the Department of Labor, for the Department of Health and Human Services, and for the Department of Education.

Mr. Chairman, we believe on this subcommittee and full committee that if you educate your children and take care of the health of your people, you continue living in the strongest country in the world.

As Members will recall, when we presented the bill H.R. 2990 to the House, we said to the Members at that time that this is the best Labor-HHS appropriations bill that has ever been presented to the Congress. That bill was passed in the House, sent to the Senate, the Senate passed the bill, and then we went to conference. Unfortunately the bill which went to the President was vetoed on October 21.

Mr. Chairman, we now present a new bill to the House. Following the veto of H.R. 2990 I introduced a new bill, H.R. 3566. We reported it out yesterday to the House. There are no changes in any of the numbers in the bill for the amounts agreed to in H.R. 2990. The only matter in the bill that is different is the matter pertaining to abortion funding.

Mr. Chairman, we carry in this bill current law. No funds shall be appropriated for abortion, unless the life of the mother is endangered if the fetus is carried to term.

As we have seen again this year, the issue of Federal funding for abortion provokes deeply held beliefs on both sides. I must remind the Members, however, that the House did not have the votes to override the President's veto, and I therefore urge my colleagues to support this new bill. It represents the best we can do for the many important programs that are funded within it. These programs have been held hostage by the abortion issue too long. And the longer this impasse continues, the more these critical activities will be hurt.

Since we do not have an enacted bill, the programs of the Departments of Labor, Health and Human Services, and Education are currently funded at the rate specified in the continuing resolution. This rate is the lower of the House or Senate as provided for in H.R. 2990. Compared to the levels in the vetoed bill, the continuing resolution provides at least $1.87 billion less in 1990 budget authority. Just to cite a few examples of programs that are being penalized by the continuing resolution:

[In millions of dollars]

Chapter 1 Grants	−327
Low Income Home Energy Assistance	−114
Pell Grant Shortfall	−131
Homeless Assistance	−52
Vocational Rehabilitation State Grants	−48
Math and Science Grants	−37
Mental Health Research	−30
Community Services Block Grant	−27
Dislocated Workers	−20

In addition, at least 15 new program starts are being delayed, including $20 million for home-based AIDS care and $15 million for comprehensive head injury grants.

It is not right for these programs and many others like them that do so much to improve the health of our country and the education of our children to be further jeopardized while we debate the abortion matter. I urge my colleagues to support H.R. 3566.

Mr. Chairman, we recommend this bill to the House at this time.

Mr. CONTE. Mr. Chairman, I yield myself such time as I may consume.

Mr. CONTE. Mr. Chairman, I rise in support of this bill, H.R. 3566, the second Labor, Health and Human Services, and Education appropriations bill for fiscal year 1990, for a very good reason. Every appropriation that was in here when the first conference report passed the House 364-56 on October 11 is in here now. You name it, this bill does it. And in some programs, by carefully setting priorities, and holding many programs at the current level, it does it better than ever before: Retraining for displaced workers, up $186 million; AIDS research and services, up $318 million; National Institutes of Health, up $586 million; Head Start, up $170 million; education for the disadvantaged, up $855 million; and student aid, up $360 million.

These are the reasons why we need to pass this bill and get it signed.

The veto, and the fact that the veto was sustained, make it clear that the Congress and the President can get into a lengthy battle over this bill. We can go back and forth for weeks and months, as we have in the past, when we have searched for consensus on the abortion funding issue.

But there are very good reasons why we ought to pass this bill as a first step in trying to get a bill signed into law, and those reasons are the ones I just gave—the millions of people who receive help from this bill—the young, the old, the handicapped, the poor, the disadvantaged, the sick, the unemployed. These people get hurt if we don't enact a bill into law.

What could be worse than to see months of work, of hard choices, of deliberation, cooperation, and accommodation, go out the window. What could be worse than forcing this bill into a continuing resolution at last year's rate. Then, nobody, nobody, would get any benefits out of what we have tried to accomplish this year.

I must temper my words, however, because much of our effort is at risk from another front, the grim reaper of Gramm-Rudman-Hollings sequestration. We have worked for months to comply with the balanced budget agreement reached last April. We have met our targets. We have made difficult choices. Many, many programs are kept at last year's level. Most other programs probably do not keep up with current services. I nearly busted my gut trying to get a lousy $10 million increase for low-income energy assistance.

Yet, because other committees in this Congress, Ways and Means, Merchant Marine, and others, have not met their targets under the budget agreement, the programs in this bill get hit with a 5.3-percent across-the-board, meat-ax cut. The Social Security Administration has described the impact as devastating and staggering. So if people want to make a responsible contribution to the process, one thing to do is to urge passage of a reconciliation bill that makes $14 billion in savings and repeals sequester.

With respect to the abortion funding provision, this bill retains the Hyde language prohibiting funding for abortion with the Conte exception where the life of the mother would be endangered if the fetus were carried to term. There is always the possibility that something further can be worked out. I hope it can.

□ 1340

The only way that this will happen, however, is if we go to conference with a little elbow room to work it out. And I pledge that I will do all I can to do something here to get a bill so that we can have it signed and get on with our work.

I sincerely believe the passage of this bill is the best way to move forward.

I ask for the support of everyone in this Chamber interested in assuring that this bill is passed, which assists so many people in this country. Let us get it signed into law.

Mr. Chairman, I yield 1 minute to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Chairman, when we debated this issue last, I spoke about the fragility of life and the senselessness of compounding that fragility by robbing a soul of a chance in life. I spoke of my twin granddaughters and their struggle for survival, after having been born prematurely.

Many in this body would like to continue the debate over the rape and incest exceptions, riding the wave of the recent election cycle. Many may be justifiably heartened by the action of the Pennsylvania Legislature. However, shouldn't this body concern itself less with the cycle of elections and political opinion and conern itself more with the cycle of life?

There are some of my very special women colleagues in this body who have addressed their concerns over this issue with President Bush. I have deep respect for their willingness to stand up for their beliefs and to discuss openly and candidly their concerns with the President. However, there are other women in this body on both sides of the aisle who support the President on this issue, and I am one of them. We are also willing to stand up for our beliefs in the sanctity of human life.

I urge my colleagues to support the Labor-HHS-Education appropriations bill in its current form. I urge you to support the President.

The CHAIRMAN. The Chair reminds our guests that they are here as guests of the House and that any manifestation of approval or disapproval

of the proceedings is in violation of the rules of the House.

Mr. NATCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. I thank the gentleman for yielding.

Mr. Chairman, in regard to funds for demonstration programs under subpart 1 of part B of title IV of the Perkins Act, would not joint labor-management training funds organized under section 302(c) of the National Labor Relations Act be eligible for such funds?

Mr. NATCHER. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the chairman of the subcommittee, the gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. I thank the gentleman for yielding.

Mr. Chairman, in answer to the gentleman's question, I am not aware of any reason why these programs would not be eligible.

Mr. PERKINS. I thank the chairman.

Mr. HOYER. Mr. Chairman, the President vetoed the Labor, Health and Human Services, and Education appropriations bill because it contained a provision that permitted the use of Federal funds for abortions in cases of rape or incest.

My colleagues are probably well aware of my views of this subject. I believe that the President's veto was unreasonable. The President's veto was unfair. The President's veto was wrong.

Worst of all, the President's veto, reflected a surprising indifference—a willingness to turn away from poor women who are victims of brutal and heinous crimes.

I hope that as this legislation emerges from conference, we will have crafted language that encourages the President to join a majoirty of the American people and majority of their elected representatives in considering the emotional and physical condition of poor women who have been the victims of rape or incest.

However, we should not permit the consideration of the people's bill by this body for the third time this year to pass without reminding the President of the important national priorities funded in this legislation.

President Bush strives to be the education President. Consider the impact of his veto and his preference for permitting the sequestration order to stand.

A $250 million cut in chapter 1 will deprive 400,000 disadvantaged children of extra help in reading and math.

Under the Gramm-Rudman ax, Head Start looses $70 million and 26,000 kids lose access to one of the most successful early childhood programs funded by the Federal Government.

More than 100 historically black colleges and universities would suffer if the estimated $10 million is cut from the Title III Developing Institutions Programs.

The sequester would eliminate 40,000 students from the trio programs designed to prepare low-income students for post-secondary education, students who are the first generation in their families to attend college.

The sequester would also deny 35,000 students part-time employment under the College Work Study Program, and 1 million needy students would not receive Pell grants.

Mr. Chairman, the President's veto focuses on a very narrow issue in an attempt to deny Medicaid funded abortions for poor women who are the victims of horrible crimes.

But I believe that we fail the children of this Nation, that we endanger their future and perhaps their very lives, when the President places the programs in this bill in jeopardy through his intransigence on this important issue.

Mr. Chairman, I hope the President will think on these things as we seek to conclude work on the Labor, Health and Human Services appropriations bill for fiscal year 1990.

Mr. MILLER of Washington. Mr. Chairman, today I rise in support of this bill's increased funding for the Head Start Program. The bill includes $165 million more than last year. This money will allow 45,000 more children to be served by the program. Head Start provides child care and education to low-income preschoolers, currently only serves 16 percent of those who are eligible. Head Start is designed to help the disadvantaged child get a better start in life, and it can make a profound difference in the life of that child. I am proud this Congress and administration have so clearly demonstrated their support of this worthwhile program. We must continue to invest in our children and in our future.

Mr. CONTE. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. NATCHER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 3566

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1990, and for other purposes, namely:

TITLE I—DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, $64,693,000 together with not to exceed $53,817,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

TRAINING AND EMPLOYMENT SERVICES

For expenses necessary to carry into effect the Job Training Partnership Act, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Job Training Partnership Act, $3,907,746,000, plus reimbursements, to be available for obligation for the period July 1, 1990, through June 30, 1991, of which $58,996,000 shall be for carrying out section 401, $70,000,000 shall be for carrying out section 402, $9,474,000 shall be for carrying out section 441, $2,000,000 shall be for the National Commission for Employment Policy, $4,100,000 shall be for all activities conducted by and through the National Occupational Information Coordinating Committee under the Job Training Partnership Act, and $5,150,000 shall be for service delivery areas under section 101(a)(4)(A)(iii) of the Job Training Partnership Act in addition to amounts otherwise provided under sections 202 and 251(b) of the Act; and, in addition, $50,432,000 is appropriated for the Job Corps, in addition to amounts otherwise provided herein for the Job Corps, to be available for obligation for the period July 1, 1990 through June 30, 1993; and, in addition, $13,000,000, of which $1,500,000 shall be available for obligation for the period October 1, 1990 through September 30, 1991, is appropriated for activities authorized by title VII, subtitle C of the Stewart B. McKinney Homeless Assistance Act: *Provided,* That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers.

For Job Corps program operations authorized by the Job Training Partnership Act, $13,492,000, in addition to amounts otherwise provided herein for these purposes, to be available for obligation for the period July 1, 1989, through June 30, 1990.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

To carry out the activities for national grants or contracts with public agencies and public or private nonprofit organizations under paragraph (1)(A) of section 506(a) of title V of the Older Americans Act of 1965, as amended, $282,360,000.

To carry out the activities for grants to States under paragraph (3) of section 506(a) of title V of the Older Americans Act of 1965, as amended, $79,640,000.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of benefits and payments as authorized by title II of Public Law 95-250, as amended, and of trade adjustment benefit payments and allowances under part I, and for training, for allowances for job search and relocation, and for related administrative expenses under part II, subchapter B, chapter 2, title II of the Trade Act of 1974, as amended, $284,000,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year: *Provided,* That amounts received or recovered pursuant to section 208(e) of Public Law 95-250 shall be available for payments.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For activities authorized by the Act of June 6, 1933, as amended (29 U.S.C. 49-49l-1; 39 U.S.C. 3202(a)(1)(E)); title III of the Social Security Act, as amended (42 U.S.C. 502-504); necessary administrative expenses for carrying out 5 U.S.C. 8501-8523, and sections 225, 231-235 and 243-244, title II of the Trade Act of 1974, as amended; as authorized by section 7c of the Act of June 6, 1933, as amended, necessary administrative expenses under sections 101(a)(15)(H)(ii), 212(a)(14), and 216(g) (1), (2), and (3) of the Immigration and Nationality Act, as amended (8 U.S.C. 1101 et seq.); and necessary administrative expenses to carry out the Targeted Jobs Tax Credit Program under sec-

tion 51 of the Internal Revenue Code of 1986, $22,000,000 together with not to exceed $2,575,200,000 (including not to exceed $3,000,000 which may be used for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980), which may be expended from the Employment Security Administration account in the Unemployment Trust Fund, and of which the sums available in the basic allocation for activities authorized by title III of the Social Security Act, as amended (42 U.S.C. 502-504), and the sums available in the basic allocation for necessary administrative expenses for carrying out 5 U.S.C. 8501-8523, shall be available for obligation by the States through December 31, 1990, and of which $19,148,000 of the amount which may be expended from said trust fund shall be available for obligation for the period April 1, 1990, through December 31, 1990, for automation of the State activities under title III of the Social Security Act, as amended (42 U.S.C. 502-504 and 5 U.S.C. 8501-8523), and of which $20,800,000 together with not to exceed $768,900,000 of the amount which may be expended from said trust fund shall be available for obligation for the period July 1, 1990, through June 30, 1991, to fund activities under section 6 of the Act of June 6, 1933, as amended, including the cost of penalty mail made available to States in lieu of allotments for such purpose, and of which $12,500,000 of the amount which may be expended from said trust fund shall be available for obligation for the period October 1, 1990, through June 30, 1991, for automation of the State activities under section 6 of the Act of June 6, 1933, as amended, and of which $193,468,000 shall be available only to the extent necessary to administer unemployment compensation laws to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic allocation was based, which cannot be provided for by normal budgetary adjustments based on State obligations as of December 31, 1990.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, as amended, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954, as amended; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, and to the "Federal unemployment benefits and allowances" account, to remain available until September 30, 1991, $33,000,000.

LABOR-MANAGEMENT SERVICES

SALARIES AND EXPENSES

For necessary expenses for Labor-Management Services, $75,207,000, of which $6,400,000 for a pension plan data base shall remain available until September 30, 1991: *Provided,* That of the amount appropriated by Public Law 100-202 for a pension plan data base, up to $1,500,000 of unobligated balances as of September 30, 1989 shall remain available for such pension plan data base until September 30, 1990.

PENSION BENEFIT GUARANTY CORPORATION

PENSION BENEFIT GUARANTY CORPORATION FUND

The Pension Benefit Guaranty Corporation is authorized to make such expenditures, including financial assistance authorized by section 104 of Public Law 96-364, within limits of funds and borrowing authority available to such Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program through September 30, 1990, for such Corporation: *Provided,* That not to exceed $42,301,000 shall be available for administrative expenses of the Corporation: *Provided further,* That contractual expenses of such Corporation for legal and financial services in connection with the termination of pension plans, for the acquisition, protection or management, and investment of trust assets, and for benefits administration services shall be considered as non-administrative expenses for the purposes hereof, and excluded from the above limitation.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, $218,322,000, together with $1,019,000 which may be expended from the Special Fund in accordance with sections 39(c) and 44(j) of the Longshore and Harbor Workers' Compensation Act.

SPECIAL BENEFITS

(INCLUDING TRANSFER OF FUNDS)

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by title V, chapter 81 of the United States Code; continuation of benefits as provided for under the head "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; and sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); and 50 per centum of the additional compensation and benefits required by section 10(h) of the Longshore and Harbor Workers' Compensation Act, as amended, $255,000,000, together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to September 15 of the current year: *Provided,* That in addition there shall be transferred from the Postal Service fund to this appropriation such sums as the Secretary of Labor determines to be the cost of administration for Postal Service employees through September 30, 1990.

BLACK LUNG DISABILITY TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

For payments from the Black Lung Disability Trust Fund, $640,985,000, of which $590,486,000 shall be available until September 30, 1991, for payment of all benefits as authorized by section 9501(d) (1), (2), and (7), of the Internal Revenue Code of 1954, as amended, and of which $28,640,000 shall be available for transfer to Employment Standards Administration, Salaries and Expenses, and $21,350,000 for transfer to Departmental Management, Salaries and Expenses, and $509,000 for transfer to Departmental Management, Office of Inspector General, for expenses of operation and administration of the Black Lung Benefits program as authorized by section 9501(d)(5)(A) of that Act: *Provided,* That in addition, such amounts as may be necessary may be charged to the subsequent year appropriation for the payment of compensation or other benefits for any period subsequent to June 15 of the current year: *Provided further,* That in addition, such amounts shall be paid from this fund into miscellaneous receipts as the Secretary of the Treasury determines to be the administrative expenses of the Department of the Treasury for administering the fund during the current fiscal year, as authorized by section 9501(d)(5)(B) of that Act.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Occupational Safety and Health Administration, $270,748,000 including not to exceed $60,633,000, which shall be the maximum amount available for grants to States under section 23(g) of the Occupational Safety and Health Act, which grants shall be no less than fifty percent of the costs of State occupational safety and health programs required to be incurred under plans approved by the Secretary under section 18 of the Occupational Safety and Health Act of 1970: *Provided,* That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 which is applicable to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs ten or fewer employees: *Provided further,* That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, order or administrative action under the Occupational Safety and Health Act of 1970 affecting any work activity by reason of recreational hunting, shooting, or fishing: *Provided further,* That no funds appropriated under this paragraph shall be obligated or expended to administer or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 with respect to any employer of ten or fewer employees who is included within a category having an occupational injury lost work day case rate, at the most precise Standard Industrial Classification Code for which such data are published, less than the national average rate as such rates are most recently published by the Secretary, acting through the Bureau of Labor Statistics, in accordance with section 24 of that Act (29 U.S.C. 673), except—

(1) to provide, as authorized by such Act, consultation, technical assistance, educational and training services, and to conduct surveys and studies;

(2) to conduct an inspection or investigation in response to an employee complaint, to issue a citation for violations found during such inspection, and to assess a penalty for violations which are not corrected within a reasonable abatement period and for any willful violations found;

(3) to take any action authorized by such Act with respect to imminent dangers;

(4) to take any action authorized by such Act with respect to health hazards;

(5) to take any action authorized by such Act with respect to a report of an employment accident which is fatal to one or more employees or which results in hospitalization of five or more employees, and to take any action pursuant to such investigation authorized by such Act; and

(6) to take any action authorized by such Act with respect to complaints of discrimination against employees for exercising rights under such Act:

Provided further, That the foregoing proviso shall not apply to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs ten or fewer employees.

MINE SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Mine Safety and Health Administration, $170,593,000, including purchase and bestowal of certificates and trophies in connection with mine rescue and first-aid work, and the purchase of not to exceed twenty passenger motor vehicles for replacement only; the Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private; the Mine Safety and Health Administration is authorized to promote health and safety education and training in the mining community through cooperative programs with States, industry, and safety associations; and any funds available to the Department may be used, with the approval of the Secretary, to provide for the costs of mine rescue and survival operations in the event of major disaster: *Provided*, That none of the funds appropriated under this paragraph shall be obligated or expended to carry out section 115 of the Federal Mine Safety and Health Act of 1977 or to carry out that portion of section 104(g)(1) of such Act relating to the enforcement of any training requirements, with respect to shell dredging, or with respect to any sand, gravel, surface stone, surface clay, colloidal phosphate, or surface limestone mine.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, $193,771,000, together with not to exceed $49,518,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for Departmental Management, including the hire of 5 sedans, and including $2,880,000 for the President's Committee on Employment of People With Disabilities, $115,072,000 together with not to exceed $285,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING

Not to exceed $162,623,000 may be derived from the Employment Security Administration account in the Unemployment Trust Fund to carry out the provisions of 38 U.S.C. 2001-10 and 2021-26.

OFFICE OF THE INSPECTOR GENERAL

For salaries and expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $41,997,000, together with not to exceed $5,194,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

GENERAL PROVISIONS

SEC. 101. Appropriations in this Act available for salaries and expenses shall be available for supplies, services, and rental of conference space within the District of Columbia, as the Secretary of Labor shall deem necessary for settlement of labor-management disputes.

SEC. 102. None of the funds appropriated under this Act shall be used to grant variances, interim orders or letters of clarification to employers which will allow exposure of workers to chemicals or other workplace hazards in excess of existing Occupational Safety and Health Administration standards for the purpose of conducting experiments on workers health or safety.

SEC. 103. Notwithstanding any other provision of this Act, no funds appropriated by this Act may be used to execute or carry out any contract with a non-governmental entity to administer or manage a Civilian Conservation Center of the Job Corps which was not under such a contract as of September 1, 1984.

SEC. 104. None of the funds appropriated in this Act shall be used by the Job Corps program to pay the expenses of legal counsel or representation in any criminal case or proceeding for a Job Corps participant, unless certified to and approved by the Secretary of Labor that a public defender is not available.

SEC. 105. (a) Within sixty days after the enactment of this Act, the United States, acting through the Secretary of Labor (or an official of the Department of Labor duly authorized by the Secretary of Labor) shall convey to the State of Oregon without consideration, all rights, title, and interest of the United States, in real property described in subsection (b) (and any improvements thereon).

(b) The real property referred to in subsection (a) is that property commonly known as the "Emerald Heights Housing Complex" located in the city of Astoria, Clatsop County, Oregon.

This title may be cited as the "Department of Labor Appropriations Act, 1990".

TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

PROGRAM OPERATIONS

For carrying out titles III, VII, VIII, X, XXIV, XVI, and XXVI of the Public Health Service Act, section 427(a) of the Federal Coal Mine Health and Safety Act, title V of the Social Security Act, and the Health Care Quality Improvement Act of 1986, as amended, $1,782,271,000, of which $11,885,000 for health care for the homeless shall be available for obligation for the period October 1, 1990 through September 30, 1991, of which $889,000, to remain available until expended, shall be available for renovating the Gillis W. Long Hansen's Disease Center, 42 U.S.C. 247e, of which $494,000 shall remain available until expended for interest subsidies on loan guarantees made prior to fiscal year 1981 under part B of title VII of the Public Health Service Act and of which $4,400,000 shall be made available until expended to make grants under section 1610(b) of the Public Health Service Act for renovation or construction of non-acute care intermediate and long-term care facilities for AIDS patients: *Provided*, That notwithstanding section 838 of the Public Health Service Act, not to exceed $10,000,000 of funds returned to the Secretary pursuant to section 839(c) of the Public Health Service Act or pursuant to a loan agreement under section 740 or 835 of the Act may be used for activities under titles III, VII, and VIII of the Act: *Provided further*, That when the Department of Health and Human Services administers or operates an employee health program for any Federal department or agency, payment for the full estimated cost shall be made by way of reimbursement or in advances to this appropriation: *Provided further*, That of this amount, $30,000,000 is available until expended for grants to States for Human Immunodeficiency Virus drug reimbursement, pursuant to section 319 of the Public Health Service Act: *Provided further*, That user fees authorized by 31 U.S.C. 9701 may be credited to appropriations under this heading, notwithstanding 31 U.S.C. 3302.

MEDICAL FACILITIES GUARANTEE AND LOAN FUND

FEDERAL INTEREST SUBSIDIES FOR MEDICAL FACILITIES

For carrying out subsections (d) and (e) of section 1602 of the Public Health Service Act, $21,000,000, together with any amounts received by the Secretary in connection with loans and loan guarantees under title VI of the Public Health Service Act, to be available without fiscal year limitation for the payment of interest subsidies. During the fiscal year, no commitments for direct loans or loan guarantees shall be made.

HEALTH PROFESSIONS GRADUATE STUDENT LOAN FUND

For carrying out title VII of the Public Health Service Act, $25,000,000, to remain available until expended, for payments on defaulted loans for the Health Education Assistance Loan program.

VACCINE INJURY COMPENSATION

For payments from the Vaccine Injury Compensation Trust Fund, such sums as may be necessary for claims associated with vaccine-related injury or death resolved during the current fiscal year with respect to vaccines administered after September 30, 1988, pursuant to subtitle 2 of title XXI of the Public Health Service Act as amended by Public Law 100-203.

For compensation of claims resolved by the United States Claims Court related to the administration of vaccines before October 1, 1988, $74,500,000, of which such sums as may be necessary shall be used to reimburse the Vaccine Injury Compensation Trust Fund for any payment of such claims made from the Trust Fund prior to the current fiscal year: *Provided*, That necessary expenses of the Department of Health and Human Services under the National Childhood Vaccine Injury Act of 1986, not to exceed $1,500,000, shall be reimbursed from the Trust Fund.

CENTERS FOR DISEASE CONTROL

DISEASE CONTROL, RESEARCH, AND TRAINING

To carry out titles III, XVII, XIX, and section 1102 of the Public Health Service Act, sections 101, 102, 103, 201, 202, and 203 of the Federal Mine Safety and Health Act

of 1977, and sections 20, 21, and 22 of the Occupational Safety and Health Act of 1970; including insurance of official motor vehicles in foreign countries; and hire, maintenance, and operation of aircraft, $1,101,559,000, of which $2,000,000 shall remain available until expended for equipment and construction and renovation of facilities: *Provided*, That training of private persons shall be made subject to reimbursement or advances to this appropriation for not in excess of the full cost of such training: *Provided further*, That funds appropriated under this heading shall be available for payment of the costs of medical care, related expenses, and burial expenses hereafter incurred by or on behalf of any person who had participated in the study of untreated syphilis initiated in Tuskegee, Alabama, in 1932, in such amounts and subject to such terms and conditions as prescribed by the Secretary of Health and Human Services and for payment, in such amounts and subject to such terms and conditions, of such costs and expenses hereafter incurred by or on behalf of such person's wife or offspring determined by the Secretary to have suffered injury or disease from syphilis contracted from such person: *Provided further*, That collections from user fees may be credited to this appropriation: *Provided further*, That amounts received by the National Center for Health Statistics from reimbursable and interagency agreements and the sale of data tapes may be credited to this appropriation and shall remain available until expended: *Provided further*, That in addition to amounts provided herein, up to $19,000,000 shall be available from amounts available under section 2613 of the Public Health Service Act, to carry out the National Center for Health Statistics surveys: *Provided further*, That employees of the Public Health Service, both civilian and Commissioned Officer, detailed to States or municipalities as assignees under authority of section 214 of the Public Health Service Act in the instance where in excess of 50 per centum of salaries and benefits of the assignee is paid directly or indirectly by the State or municipality, and employees of the National Center for Health Statistics, who are assisting other Federal organizations on data collection and analysis and whose salaries are fully reimbursed by the organizations requesting the services, shall be treated as non-Federal employees for reporting purposes only; and, in addition, for high priority construction projects of the Centers for Disease Control, $5,000,000.

National Institutes of Health

NATIONAL CANCER INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cancer, $1,664,000,000.

NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

For carrying out sections 301 and 1105 and title IV of the Public Health Service Act with respect to cardiovascular, lung, and blood diseases, and blood and blood products, $1,091,264,000.

NATIONAL INSTITUTE OF DENTAL RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to dental diseases, $138,053,000.

NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to diabetes and digestive and kidney diseases, $591,887,000.

NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE

For carrying out section 301 and title IV of the Public Health Service Act with respect to neurological disorders and stroke, $497,096,000.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to allergy and infectious diseases, $846,318,000.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to general medical sciences, $691,866,000.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

For carrying out section 301 and title IV of the Public Health Service Act with respect to child health and human development, $450,593,000.

NATIONAL EYE INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to eye diseases and visual disorders, $241,205,000.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For carrying out sections 301 and 311, and title IV of the Public Health Service Act with respect to environmental health sciences, $233,264,000.

NATIONAL INSTITUTE ON AGING

For carrying out section 301 and title IV of the Public Health Service Act with respect to aging, $243,509,000.

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to arthritis, and musculoskeletal and skin diseases, $171,681,000.

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS

For carrying out section 301 and title IV of the Public Health Service Act with respect to deafness and other communication disorders, $119,000,000.

RESEARCH RESOURCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to research resources and general research support grants, $354,191,000: *Provided*, That none of these funds, with the exception of funds for the Minority Biomedical Research Support program, shall be used to pay recipients of the general research support grants program any amount for indirect expenses in connection with such grants.

NATIONAL CENTER FOR NURSING RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to nursing research, $33,969,000.

NATIONAL CENTER FOR HUMAN GENOME RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to human genome research, $60,000,000.

JOHN E. FOGARTY INTERNATIONAL CENTER

For carrying out the activities at the John E. Fogarty International Center, $15,556,000.

NATIONAL LIBRARY OF MEDICINE

For carrying out section 301 and title IV of the Public Health Service Act with respect to health information communications, $83,311,000.

OFFICE OF THE DIRECTOR

For carrying out the responsibilities of the Office of the Director, National Institutes of Health, $108,987,000, including purchase of not to exceed five passenger motor vehicles for replacement only: *Provided*, That $34,000,000 of this amount shall be available only for the purchase of an advanced design supercomputer: *Provided further*, That in addition, the Secretary shall transfer $15,000,000 from appropriations available to each of the Institutes which shall be available for extramural facilities construction grants if authorized in law and if awarded competitively including such amount as he may deem appropriate for research animal production facilities.

BUILDINGS AND FACILITIES

For construction of, and acquisition of equipment for, facilities of or used by the National Institutes of Health, $61,600,000, to remain available until expended.

Alcohol, Drug Abuse, and Mental Health Administration

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

For carrying out the Public Health Service Act with respect to mental health, drug abuse, alcohol abuse, and alcoholism, section 3521 of Public Law 100-690, and the Protection and Advocacy for Mentally Ill Individuals Act of 1986, $1,934,177,000, of which $7,359,000 for homeless activities shall be available for obligation for the period October 1, 1990 through September 30, 1991, and of which $198,000 for renovation of government owned or leased intramural research facilities shall remain available until expended.

FEDERAL SUBSIDY FOR SAINT ELIZABETHS HOSPITAL

To carry out the Saint Elizabeths Hospital and District of Columbia Mental Health Services Act, $18,000,000, which shall be available in fiscal year 1990 for payments to the District of Columbia as authorized by section 9(a) of the Act: *Provided*, That any amounts determined by the Secretary of Health and Human Services to be in excess of the amounts requested and estimated to be necessary to carry out sections 6 and 9(f)(2) of the Act shall be returned to the Treasury: *Provided further*, That funds appropriated for Federal activities authorized by sections 6 and 9 of the Act, shall remain available through September 30, 1991, and may be used for administrative and maintenance functions in implementing the Act.

Assistant Secretary for Health

OFFICE OF THE ASSISTANT SECRETARY FOR HEALTH

For the expenses necessary for the Office of Assistant Secretary for Health and for carrying out titles III, XVII, XX, and XXI of the Public Health Service Act, Public Law 100-505, and subtitle D of title II of Public Law 100-607, $77,352,000, together with not to exceed $1,037,000 to be transferred and expended as authorized by section 201(g) of the Social Security Act from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds referred to therein, and, in addition, amounts received by the Public Health Service from Freedom of Information Act fees, reimbursable and interagency

agreements and the sale of data tapes shall be credited to this appropriation and shall remain available until expended: *Provided*, That in addition to amounts provided herein, up to $14,681,000 shall be available from amounts available under section 2611 of the Public Health Service Act, to carry out the National Medical Expenditure Survey and the Hospital Studies Program.

RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits of Public Health Service Commissioned Officers as authorized by law, and for payments under the Retired Serviceman's Family Protection Plan and Survivor Benefit Plan and for medical care of dependents and retired personnel under the Dependent's Medical Care Act (10 U.S.C. ch. 55), and for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), such amounts as may be required during the current fiscal year.

MEDICAL TREATMENT EFFECTIVENESS

For expenses necessary for the Public Health Service to support medical effectiveness research, $27,000,000, together with not to exceed $5,000,000 to be transferred and expended as authorized by title VIII, subsection E, section 8413 of the Technical and Miscellaneous Revenue Act of 1988 from the Federal Hospital Insurance and Supplementary Medical Insurance Trust Funds referred to therein.

HEALTH CARE FINANCING ADMINISTRATION

GRANTS TO STATES FOR MEDICAID

For carrying out, except as otherwise provided, titles XI and XIX of the Social Security Act, $30,136,654,000, to remain available until expended.

For making, after May 31, 1990, payments to States under title XIX of the Social Security Act for the last quarter of fiscal year 1990 for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

For making payments to States under title XIX of the Social Security Act for the first quarter of fiscal year 1991, $10,400,000,000, to remain available until expended.

Payment under title XIX may be made for any quarter with respect to a State plan or plan amendment in effect during such quarter, if submitted in or prior to such quarter and approved in that or any subsequent quarter.

PAYMENTS TO HEALTH CARE TRUST FUNDS

For payment to the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as provided under sections 217(g) and 1844 of the Social Security Act, sections 103(c) and 111(d) of the Social Security Amendments of 1965, and section 278(d) of Public Law 97-248, $36,338,500,000.

PROGRAM MANAGEMENT

For carrying out, except as otherwise provided, titles XI, XVIII, and XIX of the Social Security Act, title XIII of the Public Health Service Act, the Clinical Laboratories Improvement Act of 1988, and section 4005(e) of Public Law 100-203, $101,908,000 together with not to exceed $1,917,172,000 to be transferred to this appropriation as authorized by section 201(g) of the Social Security Act, from the Federal Hospital Insurance, the Federal Supplementary Medical Insurance, the Federal Catastrophic Drug Insurance, and the Federal Hospital Insurance Catastrophic Coverage Reserve Trust Funds: *Provided*, That $100,000,000 of said trust funds shall be expended only to the extent necessary to meet unanticipated costs of agencies or organizations with which agreements have been made to participate in the administration of title XVIII and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: *Provided further*, That all funds derived in accordance with 31 U.S.C. 9701 are to be credited to this appropriation.

HEALTH MAINTENANCE ORGANIZATION LOAN AND LOAN GUARANTEE FUND

For carrying out subsections (d) and (e) of section 1308 of the Public Health Service Act, $5,000,000, together with any amounts received by the Secretary in connection with loans and loan guarantees under title XIII of the Public Health Service Act, to be available without fiscal year limitation for the payment of prepayment premiums and interest subsidies. During the fiscal year, no commitments for direct loans or loan guarantees shall be made.

SOCIAL SECURITY ADMINISTRATION

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For payment to the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance Trust Funds, as provided under sections 201(m), 228(g), and 1131(b)(2) of the Social Security Act, $191,968,000.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Mine Safety and Health Act of 1977, including the payment of travel expenses on an actual cost or commuted basis, to an individual, for travel incident to medical examinations, and when travel of more than 75 miles is required, to parties, their representatives, and all reasonably necessary witnesses for travel within the United States, Puerto Rico, and the Virgin Islands, to reconsideration interviews and to proceedings before administrative law judges, $648,862,000, to remain available until expended: *Provided*, That monthly benefit payments shall be paid consistent with section 215(g) of the Social Security Act.

For making, after July 31 of the current fiscal year, benefit payments to individuals under title IV of the Federal Mine Safety and Health Act of 1977, for costs incurred in the current fiscal year, such amounts as may be necessary.

For making benefit payments under title IV of the Federal Mine Safety and Health Act of 1977 for the first quarter of fiscal year 1991, $215,000,000, to remain available until expended.

SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out the Supplemental Security Income Program, title XI of the Social Security Act, section 401 of Public Law 92-603, section 212 of Public Law 93-66, as amended, and section 405 of Public Law 95-216, including payment to the Social Security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, $9,098,758,000, to remain available until expended: *Provided*, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury.

For making, after July 31 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.

For carrying out the Supplemental Security Income Program for the first quarter of fiscal year 1991, $3,157,000,000, to remain available until expended.

LIMITATION ON ADMINISTRATIVE EXPENSES

For necessary expenses, not more than $3,837,389,000 may be expended, as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: *Provided*, That travel expense payments under section 1631(h) of such Act for travel to hearings may be made only when travel of more than seventy-five miles is required: *Provided further*, That $97,870,000 of the foregoing amount shall be apportioned for use only to the extent necessary to process workloads or meet other costs not anticipated in the budget estimates and to meet mandatory increases in costs of agencies or organizations with which agreements have been made to participate in the administration of titles XVI and XVIII and section 221 of the Social Security Act, and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: *Provided further*, That none of the funds appropriated by this Act may be used for the manufacture, printing, or procuring of social security cards, as provided in section 205(c)(2)(D) of the Social Security Act, where paper and other materials used in the manufacture of such cards are produced, manufactured, or assembled outside of the United States.

FAMILY SUPPORT ADMINISTRATION

FAMILY SUPPORT PAYMENTS TO STATES

For making payments to States or other non-Federal entities, except as otherwise provided, under titles I, IV-A and -D, X, XI, XIV, and XVI of the Social Security Act, section 903 of Public Law 100-628, and the Act of July 5, 1960 (24 U.S.C. ch. 9), $9,007,946,000, to remain available until expended.

For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under titles I, IV-A and -D, X, XI, XIV, and XVI of the Social Security Act, for the last three months of the current year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

For making payments to States or other non-Federal entities under titles I, IV-A and -D, X, XI, XIV, and XVI of the Social Security Act, and the Act of July 5, 1960 (24 U.S.C. ch. 9) for the first quarter of fiscal year 1991, $3,000,000,000, to remain available until expended.

PAYMENTS TO STATES FOR AFDC WORK PROGRAMS

For carrying out aid to families with dependent children work programs, as authorized by part F and part C (including registration of individuals for such programs, and for related child care and other supportive services as authorized by section 402(a)(19)(G)) of title IV of the Social Security Act, $349,975,000, together with such additional amounts as may be necessary for unanticipated costs incurred for the current fiscal year for carrying out those programs: *Provided*, That the total amount appropriated under this paragraph shall not exceed the limit established in section 403(k)(3) of the Act (as added by section 201(c) of the Family Support Act of 1988): *Provided further*, That a State may not receive more than one-fourth of the amount of its fiscal year 1989 allotment under part C for each quarter in fiscal year 1990 during which part C applies to that State, and a State may not receive more than one-fourth of its

annual limitation determined under section 403(k)(2) for each quarter in fiscal year 1990 during which part F applies to that State: *Provided further,* That the quarterly amounts specified in this paragraph shall be the maximum amounts to which the States may become entitled for these purposes.

LOW INCOME HOME ENERGY ASSISTANCE

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, $1,393,000,000, of which $60,000,000 shall become available for making payments on September 30, 1990.

REFUGEE AND ENTRANT ASSISTANCE

For making payments for refugee and entrant assistance activities authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 (Public Law 96-422), $368,822,000, of which $210,000,000 shall be available for State cash and medical assistance.

INTERIM ASSISTANCE TO STATES FOR LEGALIZATION

Funds appropriated for fiscal year 1990 under section 204(a)(1) of the Immigration Reform and Control Act of 1986 shall be reduced by $555,244,000: *Provided,* That for fiscal year 1992 $555,244,000 shall be available to States for obligation for the period October 1, 1991 through September 30, 1994 for purposes of section 204 of the Immigration Reform and Control Act of 1986 for unreimbursed costs incurred after September 30, 1989 if these costs would have been eligible for reimbursement under the original appropriation prior to the enactment of this Act.

COMMUNITY SERVICES BLOCK GRANT

For making payments under the Community Services Block Grant Act and the Stewart B. McKinney Homeless Assistance Act, $396,680,000, of which $8,041,000 for homeless activities shall be available for obligation for the period October 1, 1990 through September 30, 1991, of which $20,254,000 shall be for carrying out section 681(a)(2)(A), $4,013,000 shall be for carrying out section 681(a)(2)(D), $2,948,000 shall be for carrying out section 681(a)(2)(E), $9,669,000 shall be for carrying out section 681(a)(2)(F), $236,000 shall be for carrying out section 681(a)(3), $3,512,000 shall be for carrying out section 408 of Public Law 99-425, and $2,418,000 shall be for carrying out section 681A with respect to the community food and nutrition program.

PROGRAM ADMINISTRATION

For necessary administrative expenses to carry out titles I, IV, X, XI, XIV, and XVI of the Social Security Act, the Act of July 5, 1960 (24 U.S.C. ch. 9), title XXVI of the Omnibus Budget Reconciliation Act of 1981, the Community Services Block Grant Act, title IV of the Immigration and Nationality Act, section 501 of the Refugee Education Assistance Act of 1980, Public Law 100-77, Public Law 100-628, and section 126 and titles IV and V of Public Law 100-485, $86,806,000.

ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT SERVICES

SOCIAL SERVICES BLOCK GRANT

For carrying out the Social Services Block Grant Act, $2,700,000,000.

HUMAN DEVELOPMENT SERVICES

For carrying out, except as otherwise provided, the Runaway and Homeless Youth Act, the Older Americans Act of 1965, the Developmental Disabilities Assistance and Bill of Rights Act, the Child Abuse Prevention and Treatment Act, section 404 of Public Law 98-473, chapters 1 and 2 of subtitle B of title III of the Anti-Drug Abuse Act of 1988, the Family Violence Prevention and Services Act (title III of Public Law 98-457), the Native American Programs Act, title II of Public Law 95-266 (adoption opportunities), title II of the Children's Justice and Assistance Act of 1986, chapter 8-D of title VI of the Omnibus Budget Reconciliation Act of 1981 (pertaining to grants to States for planning and development of dependent care programs), the Head Start Act, the Comprehensive Child Development Centers Act of 1988, the Child Development Associate Scholarship Assistance Act of 1985, the Abandoned Infants Assistance Act of 1988 and part B of title IV and section 1110 of the Social Security Act, $2,784,090,000.

PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

For carrying out part E of title IV of the Social Security Act, $1,380,048,000.

DEPARTMENTAL MANAGEMENT

GENERAL DEPARTMENTAL MANAGEMENT

For necessary expenses, not otherwise provided, for general departmental management, including hire of six medium sedans, $80,577,000, of which $19,281,000 shall be available for expenses necessary for the Office of the General Counsel, together with $31,201,000, of which $26,116,000 shall be available for expenses necessary for the Office of the General Counsel, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

OFFICE OF THE INSPECTOR GENERAL

For expenses necessary for the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $50,600,000, together with not to exceed $44,300,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, $17,567,000, together with not to exceed $4,000,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

POLICY RESEARCH

For carrying out, to the extent not otherwise provided, research studies under section 1110 of the Social Security Act, $5,012,000.

GENERAL PROVISIONS

SEC. 201. None of the funds appropriated by this title for grants-in-aid of State agencies to cover, in whole or in part, the cost of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any State which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees.

SEC. 202. None of the funds made available by this Act for the National Institutes of Health, except for those appropriated to the "Office of the Director", may be used to provide forward funding or multiyear funding of research project grants except in those cases where the Director of the National Institutes of Health has determined that such funding is specifically required because of the scientific requirements of a particular research project grant.

SEC. 203. Appropriations in this or any other Act shall be available for expenses for active commissioned officers in the Public Health Service Reserve Corps and for not to exceed 2,400 commissioned officers in the Regular Corps; expenses incident to the dissemination of health information in foreign countries through exhibits and other appropriate means; advances of funds for compensation, travel, and subsistence expenses (or per diem in lieu thereof) for persons coming from abroad to participate in health or scientific activities of the Department pursuant to law; expenses of primary and secondary schooling of dependents in foreign countries, of Public Health Service commissioned officers stationed in foreign countries, at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools available in the locality are unable to provide adequately for the education of such dependents, and for the transportation of such dependents, between such schools and their places of residence when the schools are not accessible to such dependents by regular means of transportation; expenses for medical care for civilian and commissioned employees of the Public Health Service and their dependents, assigned abroad on a permanent basis in accordance with such regulations as the Secretary may provide; rental or lease of living quarters (for periods not exceeding five years), and provision of heat, fuel, and light and maintenance, improvement, and repair of such quarters, and advance payments therefor, for civilian officers, and employees of the Public Health Service who are United States citizens and who have a permanent station in a foreign country; purchase, erection, and maintenance of temporary or portable structures; and for the payment of compensation to consultants or individual scientists appointed for limited periods of time pursuant to section 207(f) or section 207(g) of the Public Health Service Act, at rates established by the Assistant Secretary for Health, or the Secretary where such action is required by statute, not to exceed the per diem rate equivalent to the rate for GS-18.

SEC. 204. None of the funds contained in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

SEC. 205. Funds advanced to the National Institutes of Health Management Fund from appropriations in this Act shall be available for the expenses of sharing medical care facilities and resources pursuant to section 327A of the Public Health Service Act.

SEC. 206. Funds appropriated in this title shall be available for not to exceed $37,000 for official reception and representation expenses when specifically approved by the Secretary.

SEC. 207. Amounts received from employees of the Department in payment for room and board may be credited to the appropriation accounts which finance the activities of the Public Health Service.

SEC. 208. None of the funds made available by this Act shall be used to provide special

retention pay (bonuses) under paragraph (4) of 37 U.S.C. 302(a) to any regular or reserve medical officer of the Public Health Service for any period during which the officer is assigned to the clinical, research, or staff associate program administered by the National Institutes of Health.

SEC. 209. None of the funds appropriated in this title shall be used to transfer the general administration of programs authorized under the Native American Programs Act from the Department of Health and Human Services to the Department of the Interior.

SEC. 210. Funds provided in this Act may be used for one-year contracts which are to be performed in two fiscal years, so long as the total amount for such contracts is obligated in the year for which the funds are appropriated.

SEC. 211. The Secretary shall make available through assignment not more than 60 employees of the Public Health Service to assist in the child survival activities and to work in AIDS programs through and with funds provided by the Agency for International Development, the United Nations International Children's Emergency Fund or the World Health Organization.

SEC. 212. For the purpose of insuring proper management of federally supported computer systems and data bases, funds appropriated by this Act are available for the purchase of dedicated telephone service between the private residences of employees assigned to computer centers funded under this Act, and the computer centers to which such employees are assigned.

SEC. 213. Funds available in this title for activities related to Human Immunodeficiency Virus may be transferred by the Secretary of Health and Human Services between appropriation accounts, except that this section shall not apply to funds made available for fiscal year 1990.

SEC. 214. No funds appropriated under this Act shall be used by the National Institutes of Health, or any other Federal agency, or recipient of Federal funds on any project that entails the capture or procurement of chimpanzees obtained from the wild. For purposes of this section, the term "recipient of Federal funds" includes private citizens, corporations, or other research institutions located outside of the United States that are recipients of Federal funds.

SEC. 215. None of the funds appropriated by this title shall be used to pay for any research program or project or any program, project, or course which is of an experimental nature, or any other activity involving human participants, which is determined by the Secretary or a court of competent jurisdiction to present a danger to the physical, mental, or emotional well-being of a participant or subject of such program, project, or course, without the written, informed consent of each participant or subject, or a participant's parents or legal guardian, if such participant or subject is under eighteen years of age. The Secretary shall adopt appropriate regulations respecting this section.

SEC. 216. In administering funds made available under this title for research relating to the treatment of AIDS, the National Institutes of Health shall take all possible steps to ensure that all experimental drugs for the treatment of AIDS, particularly antivirals and immunomodulators, that have shown some effectiveness in treating individuals infected with the human immunodeficiency virus are tested in clinical trials as expeditiously as possible and with as many subjects as is scientifically acceptable.

SEC. 217. None of the funds appropriated in this title for the National Institutes of Health and the Alcohol Drug Abuse and Mental Health Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of $120,000 per year.

SEC. 218. The Consolidated Office Building is hereby named the William H. Natcher Building; the Child Health/Neurosciences Building (building 49) is hereby named the Silvio O. Conte Building; the Stone House (building 16) is hereby named the Lawton Chiles International House; the Building numbered 36 is hereby named the Lowell P. Weicker Building.

SEC. 219. Of the funds appropriated in this Act for the National Institutes of Health, a reduction of $4,000,000 is to be applied to all appropriations as a result of improved procurement practices and a reduction of $10,000,000 is to be applied to all appropriations as a result of savings achieved under section 217 of this title.

SEC. 220. Notwithstanding any other provision of this Act, AIDS education programs that receive assistance from the Centers for Disease Control and other education curricula dealing with sexual activity that receive assistance under this Act—

(1) shall not be designed to promote or encourage, directly, intravenous drug abuse or sexual activity, homosexual or heterosexual; and

(2) with regard to AIDS education programs and curricula—

(A) shall be designed to reduce exposure to and transmission of the etiologic agent for acquired immune deficiency syndrome by providing accurate information; and

(B) shall provide information on the health risks of promiscuous sexual activity and intravenous drug abuse.

SEC. 221. During the twelve-month period beginning October 1, 1989, none of the funds made available under this Act may be used to impose any reductions in payment, or to seek repayment from or to withhold any payment to any State pursuant to section 427 or 471 of the Social Security Act, as a result of a disallowance determination made in connection with a compliance review for any Federal fiscal year preceding Federal fiscal year 1990, until all judicial proceedings, including appeals, relating to such disallowance determination have been finally concluded, nor may such funds be used to conduct further compliance reviews with respect to any State which is a party to such judicial proceeding until such proceeding has been finally concluded.

This title may be cited as the "Department of Health and Human Services Appropriations Act, 1990".

TITLE III—DEPARTMENT OF EDUCATION

COMPENSATORY EDUCATION FOR THE DISADVANTAGED

For carrying out the activities authorized by chapter 1 of title I of the Elementary and Secondary Education Act of 1965, as amended, and by section 418A of the Higher Education Act, $5,434,777,000, of which $5,408,581,000 shall become available on July 1, 1990 and shall remain available until September 30, 1991: *Provided,* That $4,427,250,000 shall be available for basic grants under section 1005, $400,000,000 shall be available for concentration grants under section 1006, $285,938,000 shall be available for migrant education activities under subpart 1 of part D, $148,200,000 shall be available for handicapped education activities under subpart 2 of part D, and $33,197,000 shall be available for delinquent and neglected education activities under subpart 3 of part D: *Provided further,* That no State shall receive less than $340,000 from the amounts made available under this appropriation for concentration grants under section 1006: *Provided further,* That no State shall receive less than $375,000 from the amounts made available under this appropriation for State administration grants under section 1404: *Provided further,* That funds made available under sections 1437 and 1463 may be expended by the Secretary at any time, provided that notices of proposed rules for all currently operating programs authorized under chapter 1 have been published.

From the amounts appropriated for part A of chapter 1, an amount not to exceed $125,000,000 may be obligated to carry out a new Merit Schools program and an amount not to exceed $50,000,000 may be obligated to carry out a new Magnet Schools of Excellence program only if such programs are specifically authorized in law prior to March 1, 1990.

IMPACT AID

For carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C. ch. 13), $717,354,000, of which $578,500,000 shall be for payments under section 3(a), $123,500,000 shall be for payments under section 3(b), and $15,354,000 shall be for payments under section 2 of said Act.

For carrying out the Act of September 23, 1950, as amended (20 U.S.C. ch. 19), $14,998,000, which shall remain available until expended, shall be for construction and renovation of school facilities as authorized by said Act.

SCHOOL IMPROVEMENT PROGRAMS

For carrying out the activities authorized by chapter 2 of title I, titles II, III, IV, V, and part B of title VI of the Elementary and Secondary Education Act of 1965, as amended; the Stewart B. McKinney Homeless Assistance Act; the Civil Rights Act of 1964; title V of the Higher Education Act, as amended; part B of title III and title IV of Public Law 100-297; section 5051 of Public Law 100-690; section 6115 and chapter 5 of subtitle A of title VI of Public Law 100-418; and the Follow Through Act, $1,232,895,000, of which $899,494,000 shall become available on July 1, 1990, and remain available until September 30, 1991, and $2,500,000 shall be for evaluation studies of the magnet schools and chapter 2 block grant programs; $8,892,000 shall be for national program activities under section 2012 and $128,440,000 shall be for State grants under part A of title II of the Elementary and Secondary Education Act; $3,964,000 shall be for grants for schools and teachers under subpart 1 and $4,500,000 shall be for family school partnerships under subpart 2 of part B of title III of Public Law 100-297; and $31,084,000 shall be for national programs under part B and $461,477,000 shall be for State and local programs under part A of chapter 2 of title I of the Elementary and Secondary Education Act.

BILINGUAL, IMMIGRANT, AND REFUGEE EDUCATION

For carrying out, to the extent not otherwise provided, title VII and part D of title IV of the Elementary and Secondary Education Act, $188,674,000, of which $31,913,000 shall be for part C of title VII including not more than $2,000,000 for the support of not to exceed 200 fellowships under section 7043.

EDUCATION FOR THE HANDICAPPED

For carrying out the Education of the Handicapped Act, $2,083,776,000, of which $1,564,017,000 for section 611, $255,000,000 for section 619, and $80,624,000 for section 685 shall become available for obligation on July 1, 1990, and shall remain available until September 30, 1991.

REHABILITATION SERVICES AND HANDICAPPED RESEARCH

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, title I of Public Law 100-407, and the Helen Keller National Center Act, as amended, $1,804,870,000, of which $32,674,000 shall be for special demonstration programs under sections 311 (a), (b), and (c) including $15,000,000 for one-time start-up grants to establish a system of regional comprehensive head injury prevention and rehabilitation centers.

SPECIAL INSTITUTIONS FOR THE HANDICAPPED

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101 et seq.), including provision of materials to adults undergoing rehabilitation on the same basis as provided in 1985, $5,740,000.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For the National Technical Institute for the Deaf under titles II and IV of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.) and for activities under sec. 311 of the Rehabilitation Act of 1973, $36,553,000, of which $325,000 shall be for the endowment program as authorized under section 408 and shall be available until expended, $482,000 shall be for construction and renovation, to remain available until expended, and $900,000 shall be retained by the Secretary for the purpose of supporting a consortium of institutions to provide education and vocational rehabilitation services for low functioning adults who are deaf.

GALLAUDET UNIVERSITY

For the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf and the partial support of Gallaudet University under titles I and IV of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), including continuing education activities, existing extension centers and the National Center for Law and the Deaf, $68,600,000, of which $1,000,000 shall be for the endowment program as authorized under section 407 and shall be available until expended.

VOCATIONAL AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, the Carl D. Perkins Vocational Education Act, the Adult Education Act and the Stewart B. McKinney Homeless Assistance Act, $1,138,040,000 which shall become available for obligation on July 1, 1990, and shall remain available until September 30, 1991, of which $23,333,000 shall be for national programs under title IV of the Carl D. Perkins Vocational Education Act including $7,083,000 for research, $11,250,000 for demonstrations, and $5,000,000 for data collection and of which $2,000,000 shall be for national programs under section 383 of the Adult Education Act.

STUDENT FINANCIAL ASSISTANCE

For carrying out subparts 1, 2, and 3 of part A and parts C, D, and E of title IV of the Higher Education Act, as amended, $6,044,097,000 together with an additional $131,000,000 which shall be available only for unfinanced costs in the 1989-90 award year Pell Grant program: *Provided*, That $286,000,000 shall only be available if such funds are necessary to pay a maximum grant of $2,300 during the 1990-1991 program year: *Provided further*, That notwithstanding section 479A of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), student financial aid administrators shall be authorized, on the basis of adequate documentation, to make necessary adjustments to the cost of attendance and expected student or parent contribution (or both) and to use supplementary information about the financial status or personal circumstances of eligible applicants only for purposes of selecting recipients and determining the amount of awards under subpart 2 of part A, and parts B, C, and E of title IV of the Act: *Provided further*, That notwithstanding section 411(b)(6)(B) of the Higher Education Act of 1965 as amended, no basic grant under subpart 1 of part A of title IV of that Act shall be awarded to any student who is attending on a less than half-time basis for a period of enrollment beginning on or after January 1, 1990, except that any such student who received a basic grant for a period of enrollment beginning before January 1, 1990, shall be eligible to receive a basic grant for a period of enrollment beginning on or after such date from funds appropriated for fiscal year 1989: *Provided further*, That notwithstanding section 411(b)(6)(B) of the Higher Education Act of 1965 as amended, no basic grant under subpart 1 of part A of title IV of that Act shall be awarded from funds appropriated for fiscal year 1990 to any student who is attending on a less than half-time basis: *Provided further*, That any institution participating in any loan program authorized under part B of title IV of the Higher Education Act of 1965 as amended, with a default rate, as determined by the Secretary, that exceeds 30 per centum shall implement a pro rata refund policy that complies with minimum standards established by the Secretary in regulations, for any title IV aid recipient who withdraws before the earlier of six months from the beginning of the course of study for which the loan was received, or the date on which the student completes one-half of that course and these provisos, except as specifically indicated, shall apply to all fiscal year 1990 funds, which shall remain available until September 30, 1991: *Provided further*, That the maximum Pell grant that a student may receive in the 1990-91 award year shall be $2,300.

GUARANTEED STUDENT LOANS

(LIQUIDATION OF CONTRACT AUTHORITY)

For payment of obligations incurred under contract authority entered into pursuant to title IV, part B, of the Higher Education Act, as amended, $3,826,314,000.

HIGHER EDUCATION

For carrying out, to the extent not otherwise provided for, titles I, III, IV, sections 501, 523, and subpart 1 of part D of title V, and titles XII, VI, VII, VIII, IX, and X of the Higher Education Act of 1965, as amended, and the Mutual Educational and Cultural Exchange Act of 1961 and section 140(b) of Public Law 100-202, $632,736,000, of which up to $18,128,000 for endowment activities under section 332 of part C of title III and $22,744,000 for interest subsidies under part D of title VII shall remain available until expended: *Provided*, That $8,740,000 provided herein for carrying out subpart 6 of part A of title IV shall be available notwithstanding sections 419G(b) and 419I(a) of the Higher Education Act of 1965 (20 U.S.C. 1070d-37(b) and 1070d-39(a)): *Provided further*, That $1,456,000 of the amount provided herein for subpart 4 of part A of title IV of the Higher Education Act shall be for an evaluation of Special Programs for the Disadvantaged to examine the effectiveness of current programs and to identify program improvements.

HOWARD UNIVERSITY

For partial support of Howard University (20 U.S.C. 121 et seq.), $182,446,000, of which $1,500,000 shall be for a matching endowment grant to be administered in accordance with the Howard University Endowment Act (Public Law 98-480) and shall remain available until expended.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS

Pursuant to title VII, part F of the Higher Education Act, as amended, for necessary expenses of the college housing and academic facilities loans program, the Secretary shall make expenditures, contracts, and commitments without regard to fiscal year limitation: *Provided*, That during fiscal year 1990, gross commitments for the principal amount of direct loans shall be $30,000,000.

For payment of interest on funds borrowed from the Treasury pursuant to section 761(d) of the Higher Education Act, as amended, $5,129,000, to remain available until expended.

HIGHER EDUCATION FACILITIES LOANS

The Secretary is hereby authorized to make such expenditures, within the limits of funds available under this heading and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation, as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 9104), as may be necessary in carrying out the program for the current fiscal year. For the fiscal year 1990, no new commitments for loans may be made from the fund established pursuant to title VII, section 733 of the Higher Education Act, as amended (20 U.S.C. 1132d-2).

COLLEGE HOUSING LOANS

Pursuant to title VII, part F of the Higher Education Act, as amended, for necessary expenses of the college housing loan program, previously carried out under title IV of the Housing Act of 1950, the Secretary shall make expenditures and enter into contracts without regard to fiscal year limitation using loan repayments and other resources available to this account. Any unobligated balances becoming available from fixed fees paid into this account pursuant to 12 U.S.C. 1749d, relating to payment of costs for inspections and site visits, shall be available for the operating expenses of this account.

EDUCATION RESEARCH AND STATISTICS

For necessary expenses to carry out section 405 and section 406 of the General Education Provisions Act, as amended, $96,375,000, of which $6,000,000, to remain available until December 31, 1990, shall be for the rural education program conducted by the regional laboratories.

LIBRARIES

For carrying out, to the extent not otherwise provided, titles I, II, III, IV, and VI of the Library Services and Construction Act (20 U.S.C. ch. 16), and title II of the Higher Education Act, $136,646,000 of which $18,900,000 shall be used to carry out the provisions of title II of the Library Services

and Construction Act which shall remain available until expended.

DEPARTMENTAL MANAGEMENT

PROGRAM ADMINISTRATION

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of three passenger motor vehicles, $274,946,000.

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, $45,178,000.

OFFICE OF THE INSPECTOR GENERAL

For expenses necessary for the Office of the Inspector General, as authorized by section 212 of the Department of Education Organization Act, $23,381,000.

GENERAL PROVISIONS

SEC. 301. None of the funds appropriated by this title for grants-in-aid of State agencies to cover, in whole or in part, the costs of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any State which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees.

SEC. 302. Funds appropriated in this Act to the American Printing House for the Blind, Howard University, the National Technical Institute for the Deaf, and Gallaudet University shall be subject to financial and program audit by the Secretary of Education and the Secretary may withhold all or any portion of these appropriations if he determines that an institution has not cooperated fully in the conduct of such audits.

SEC. 303. No part of the funds contained in this title may be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to force on account of race, creed or color the abolishment of any school so desegregated; or to force the transfer or assignment of any student attending any elementary or secondary school so desegregated to or from a particular school over the protest of his or her parents or parent.

SEC. 304. (a) No part of the funds contained in this title shall be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to require the abolishment of any school so desegregated; or to force on account of race, creed or color the transfer of students to or from a particular school so desegregated as a condition precedent to obtaining Federal funds otherwise available to any State, school district or school.

(b) No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

SEC. 305. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing or clustering. The prohibition described in this section does not include the establishment of magnet schools.

SEC. 306. No funds appropriated under this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

This title may be cited as the "Department of Education Appropriations Act, 1990".

TITLE IV—RELATED AGENCIES

ACTION

OPERATING EXPENSES

For expenses necessary for Action to carry out the provisions of the Domestic Volunteer Service Act of 1973, as amended, $176,642,000: *Provided*, That $30,750,000 shall be available for title I of the Act, of which $25,415,000 shall be available for purposes authorized under section 501(d)(1) of the Act.

CORPORATION FOR PUBLIC BROADCASTING

For payment to the Corporation for Public Broadcasting, as authorized by the Communications Act of 1934, an amount which shall be available within limitations specified by that Act, for the fiscal year 1992, $327,280,000 of which $76,250,000 shall be available for section 396(k)(10) of said Act: *Provided*, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties, or similar forms of entertainment for Government officials or employees: *Provided further*, That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity from which any person is excluded, or is denied benefits, or is discriminated against, on the basis of race, color, national origin, religion, or sex.

FEDERAL MEDIATION AND CONCILIATION SERVICE

SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor-Management Relations Act, 1947 (29 U.S.C. 171-180, 182), including expenses of the Labor-Management Panel and boards of inquiry appointed by the President, hire of passenger motor vehicles, and rental of conference rooms in the District of Columbia; and for expenses necessary pursuant to Public Law 93-360 for mandatory mediation in health care industry negotiation disputes and for convening factfinding boards of inquiry appointed by the Director in the health care industry; and for expenses necessary for the Labor-Management Cooperation Act of 1978 (29 U.S.C. 125a); and for expenses necessary for the Service to carry out the functions vested in it by the Civil Service Reform Act, Public Law 95-454 (5 U.S.C. chapter 71), $26,785,000.

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Federal Mine Safety and Health Review Commission (30 U.S.C. 801 et seq.), $4,030,000.

NATIONAL COMMISSION ON ACQUIRED IMMUNE DEFICIENCY SYNDROME

For expenses necessary for the National Commission on Acquired Immune Deficiency Syndrome as authorized by subtitle D of title II of Public Law 100-607, $1,000,000.

NATIONAL COMMISSION ON CHILDREN

For necessary expenses of the National Commission on Children established by section 9136 of the Omnibus Reconciliation Act of 1987, Public Law 100-203, $940,000, which shall remain available until expended.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

SALARIES AND EXPENSES

For necessary expenses for the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91-345), $750,000.

NATIONAL COMMISSION TO PREVENT INFANT MORTALITY

For necessary expenses of the National Commission to Prevent Infant Mortality, established by section 203 of the National Commission to Prevent Infant Mortality Act of 1986, Public Law 99-660, $400,000, which shall remain available until expended.

NATIONAL COUNCIL ON DISABILITY

SALARIES AND EXPENSES

For expenses necessary for the National Council on Disability as authorized by section 405 of the Rehabilitation Act of 1973, as amended, $1,557,000.

NATIONAL LABOR RELATIONS BOARD

SALARIES AND EXPENSES

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141-167), and other laws, $140,111,000: *Provided*, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes.

NATIONAL MEDIATION BOARD

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151-188), including emergency boards appointed by the President, $6,384,000.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For the expenses necessary for the Occupational Safety and Health Review Commission (29 U.S.C. 661), $5,970,000.

PHYSICIAN PAYMENT REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out section 1845(a) of the Social Security Act, $3,847,000, to be transferred to this appropriation from the Federal Supplementary Medical Insurance Trust Fund.

PRESCRIPTION DRUG PAYMENT REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out section 1847 of the Social Security Act, $1,500,000, to be transferred to this appropriation from the Federal Catastrophic Drug Insurance Trust Fund.

PROSPECTIVE PAYMENT ASSESSMENT COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out section 1886(e) of the Social Security Act, $3,919,000, to be transferred to this appropriation from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds.

RAILROAD RETIREMENT BOARD

DUAL BENEFITS PAYMENTS ACCOUNT

For payment to the Dual Benefits Payments Account, authorized under section 15(d) of the Railroad Retirement Act of 1974, $340,000,000, which shall include amounts becoming available in fiscal year 1990 pursuant to section 224(c)(1)(B) of Public Law 98-76: *Provided*, That the total amount provided herein shall be credited to the account in 12 approximately equal amounts on the first day of each month in the fiscal year.

LIMITATION ON ADMINISTRATION

For necessary expenses for the Railroad Retirement Board, $63,900,000, to be derived from the railroad retirement accounts: *Provided*, That $200,000 of the foregoing amount shall be available only to the extent necessary to process workloads not anticipated in the budget estimates and after maximum absorption of the costs of such workloads within the remainder of the existing limitation has been achieved: *Provided further*, That notwithstanding any other provision of law, no portion of this limitation shall be available for payments of standard level user charges pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(j); 45 U.S.C. 228a-r).

LIMITATION ON RAILROAD UNEMPLOYMENT INSURANCE ADMINISTRATION FUND

For further expenses necessary for the Railroad Retirement Board, for administration of the Railroad Unemployment Insurance Act, not less than $14,100,000 shall be apportioned for fiscal year 1990 from moneys credited to the railroad unemployment insurance administration fund.

LIMITATION ON REVIEW ACTIVITY

For expenses necessary for the Office of Inspector General for audit, investigatory and review activities, as authorized by the Inspector General Act of 1978, as amended, not more than $3,950,000, to be derived from the railroad retirement accounts and railroad unemployment insurance account.

SOLDIERS' AND AIRMEN'S HOME

OPERATION AND MAINTENANCE

For maintenance and operation of the United States Soldiers' and Airmen's Home, to be paid from the Soldiers' and Airmen's Home permanent fund, $39,287,000: *Provided*, That this appropriation shall not be available for the payment of hospitalization of members of the Home in United States Army hospitals at rates in excess of those prescribed by the Secretary of the Army upon recommendation of the Board of Commissioners and the Surgeon General of the Army.

CAPITAL OUTLAY

For construction and renovation of the physical plant, to be paid from the Soldiers' and Airmen's Home permanent fund, $9,375,000, to remain available until expended.

UNITED STATES BIPARTISAN COMMISSION ON COMPREHENSIVE HEALTH CARE

For necessary expenses of the United States Bipartisan Commission on Comprehensive Health Care established by section 401 of the Medicare Catastrophic Coverage Act of 1988, $467,000, which shall remain available until expended.

UNITED STATES INSTITUTE OF PEACE

OPERATING EXPENSES

For necessary expenses of the United States Institute of Peace as authorized in the United States Institute of Peace Act, $7,650,000.

WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES

For carrying out activities under Public Law 100-382, $3,250,000, to remain available until expended.

TITLE V—GENERAL PROVISIONS

SEC. 501. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 502. No part of any appropriation contained in this Act shall be expended by an executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), pursuant to any obligation for services by contract, unless such executive agency has awarded and entered into such contract in full compliance with such Act and regulations promulgated thereunder.

SEC. 503. Appropriations contained in this Act, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18.

SEC. 504. Appropriations contained in this Act, available for salaries and expenses, shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 505. Appropriations contained in this Act, available for salaries and expenses, shall be available for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.

SEC. 506. No part of the funds appropriated under this Act shall be used to provide a loan, guarantee of a loan, a grant, the salary of or any remuneration whatever to any individual applying for admission, attending, employed by, teaching at, or doing research at an institution of higher education who has engaged in conduct on or after August 1, 1969, which involves the use of (or the assistance to others in the use of) force or the threat of force or the seizure of property under the control of an institution of higher education, to require or prevent the availability of certain curricula, or to prevent the faculty, administrative officials, or students in such institution from engaging in their duties or pursuing their studies at such institution.

SEC. 507. The Secretaries of Labor, Health and Human Services, and Education are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: *Provided*, That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

SEC. 508. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 509. No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress.

SEC. 510. The Secretaries of Labor and Education are each authorized to make available not to exceed $7,500 from funds available for salaries and expenses under titles I and III, respectively, for official reception and representation expenses; the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and representation expenses not to exceed $2,500 from the funds available for "Salaries and expenses, Federal Mediation and Conciliation Service"; and the Chairman of the National Mediation Board is authorized to make available for official reception and representation expenses not to exceed $2,500 from funds available for "Salaries and expenses, National Mediation Board".

SEC. 511. When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds, including but not limited to State and local governments, shall clearly state (1) the percentage of the total costs of the program or project which will be financed with Federal money, (2) the dollar amount of Federal funds for the project or program, and (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

SEC. 512. Such sums as may be necessary for fiscal year 1990 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 513. (a) FINDINGS.—The Congress finds that—

(1) illegal drug use is a serious problem of our society and educational institutions;

(2) drug use is incompatible with the educational process and destroys an atmosphere conducive to learning;

(3) our educational institutions and their administrators have traditionally been entrusted with the task of transmitting community values to their students who will lead our Nation in the future; and

(4) our educational institutions have the opportunity to enrich the lives of a significant portion of young Americans during their years in college by encouraging the study of values that enable them to distinguish right from wrong and moral from immoral.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that colleges and universities should demand drug-free campuses and should, with the support of parents, students, and the community, enforce strict but fair policies to eliminate drug use by students.

SEC. 514. (a) Not more than $26,643,000 of the funds appropriated by this Act may be obligated or expended for the procurement of advisory or assistance services by the Department of Labor; not more than $85,637,000 of the funds appropriated by this Act may be obligated or expended for the procurement of advisory or assistance services by the Department of Health and Human Services; and not more than $41,565,000 of the funds appropriated by this Act may be obligated or expended for the procurement of advisory and assistance services by the Department of Education.

(b)(1) Not later than forty-five days after the end of each fiscal quarter, the head of each department named in subsection (a) shall (A) submit to Congress a report on the amounts obligated and expended by the department during that quarter for the procurement of advisory and assistance services, and (B) transmit a copy of such report to the Comptroller General of the United States.

(2) Each report submitted under paragraph (1) shall include a list with the following information:

(A) All contracts awarded for the procurement of advisory and assistance services during the quarter and the amount of each contract.

(B) The purpose of each contract.

(C) The justification for the award of each contract and the reason the work cannot be performed by civil servants.

(c) The Comptroller General of the United States shall review the reports submitted under subsection (b) and transmit to Congress any comments and recommendations the Comptroller General considers appropriate regarding the matter contained in such reports.

SEC. 515. For purposes of section 202 of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987, transfers, if any, in the following accounts are a necessary (but secondary) result of significant policy changes: Training and Employment Services; State Unemployment Insurance and Employment Service Operations; Health Resources and Services Program Operations; Alcohol, Drug Abuse, and Mental Health; Low Income Home Energy Assistance; Interim Assistance to States for Legalization; and Community Services Block Grant.

SEC. 516. Notwithstanding any other provision of this Act, no funds appropriated by this Act may be used to execute or carry out any contract with a nongovernmental entity to administer or manage a Civilian Conservation Center of the Job Corps.

SEC. 517. Notwithstanding any other provision of this Act, funds appropriated for Labor-Management Services, Salaries and Expenses are hereby reduced by $1,000,000 and funds appropriated for Employment Standards Administration, Salaries and Expenses are hereby reduced by $2,000,000.

SEC. 518. Notwithstanding any other provision of this Act, funds appropriated for salaries and expenses of the Department of Health and Human Services are hereby reduced by $15,000,000: *Provided*, That no trust fund limitation shall be reduced.

This Act may be cited as the "Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1990".

Mr. NATCHER (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. Are there any points of order against the bill?

If not, are there any amendments?

Mr. AUCOIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to start today by making three points.

First, I am very, very proud to have played a role with a number of my colleagues in ending 10 years of tyranny over the American women, particularly poor women who have been victims of rape and incest.

For the first time in 10 years the House, when it passed this bill originally, funded abortion services for such victims so they would not have to produce the offspring of the criminal who perpetrated that violence on them.

I am proud of that effort. That is point No. 1.

Point No. 2, I am dismayed and frankly disgusted with a Presidential veto on this bill which does so much good for the American people, a Presidential veto sustained by a minority of this House which thwarts the clear majority will not only of the Members of this House but the majority of the American women. That is point No. 2.

Point No. 3, I want to say it is my judgment the gentleman from Kentucky [Mr. NATCHER], chairman of the subcommittee, has been mistreated by the White House and by its antiabortion allies in the Congress that has been holding Mr. Bush and the White House hostage on this issue.

This bill could have been signed weeks ago, my friends, because under the terms of the rape and incest provisions passed by the House last week, the President had the authority to write rules and regulations defining the time period within which a rape should be reported.

But instead we got a veto for a political reason which I think does an injustice to a chairman who has been nothing but loyal to this administration and the same for the ranking Republican member on this committee.

I think that is a disservice, and I want to go on record as saying that.

Now to all who are listening, people should know this in terms of the floor procedure today: We are operating under a unique parliamentary procedure where there is no rule that waives points of order. Therefore, no substantive statutory amendments can be offered.

That means that if we were to try to restore rape and incest funding for those victims, someone would raise a point of order and it would be struck down.

So no amendments will be offered today. But let me make clear for those who have fought so hard so long on this issue: This is not the last inning, not by any means.

We still have the conference, and if it does not work out, we still have next year, my friends, and if that does work out, we have next November's elections.

And I would say to the antichoice minority that has thwarted the majority, that seems to have this hypnosis over the White House, it has walked the Republican Party down the gangplank, out of step with the mainstream of the American people, and I think you are going to find a number of Members who have stayed with the White House on this feeling very uncomfortable in the months to come.

Now, some Members have suggested a, quote unquote, compromise. They say that a compromise would be forcing the victim of rape who may have been sodomized and brutalized and beat up in every despicable, imaginable way, to march down to a precinct house within 48 hours or 72 hours and report to a cop what has happened to her, notwithstanding what her emotional state may be. Forty-eight hours, regardless of her emotional state.

Ladies and gentlemen, if you think that is workable, if you think that is fair, take the time to pick up the phone and call a rape crisis center in your district. They will tell you the condition some of these women are in.

They are not able under the convenience of the strict timeframe that you want to impose through your so-called compromise, which we are not going to let you offer today because it is unworkable and unfair, they are not able to report under those conditions. And let the American people know that we will not let you try to do that because it is unworkable.

What gets me also about this so-called compromise is that, as I read in the paper today, the New York Times, the White House is reported as want-

ing that tight timeframe because it does not want poor women to engage in an act of fraud in reporting rape.

□ 1350

Fraud. That is an interesting situation. When the antichoice crowd thinks of fraud, it seems to think of the American women. When I think of fraud, I think HUD and Sam Pierce.

(By unanimous consent, Mr. AuCoin was allowed to proceed for 2 additional minutes.)

Mr. AuCOIN. I call fraud what happened in the Pentagon, in the ripoffs in the procurement procedure. I call fraud what Sam Pierce apparently has done down at HUD. I do not think the American women, when in the last time this was legal under the law, to be able to get funding for rape victims, only 72 in this country actually availed themselves of that privilege. I do not see that that can by any way be called wholesale fraud or massive abortion on demand question.

It is a narrow exemption. What a statement to say a person thinks American women cannot be trusted, to report something that most women do not feel comfortable reporting because of the evil that has been inflicted on them.

What happened, by the way, to murder? This used to be called by the antiabortion crowd, murder. Now it is not being called murder, and it stoppped being called murder when the Republican antichoice crowd started losing elections. Let the record show that was the time of the change.

I want to say to Members that if we had our way we would offer an amendment that would say to the President the obvious, Mr. President. The President has the authority, we write this into this bill, an amendment, the President has the authority to write regulations. What we want the President to do in writing those regulations is to take into account the emotional state of the mother. If George Bush would veto that, then what he would really be saying is save me from myself. I do not trust myself. I do not trust my own rule and regulation writer. I cannot imagine that the President would do that, but let the record show we are not able to offer such a thing. No side is able to offer such a thing. Our only hope is in conference, but I want to say to my friends in conference, if any Member thinks a 48-hour "compromise" is going to be acceptable out of conference, they were badly mistaken.

We will fight it in the trenches. We will fight it on the floor. We will fight the entire conference. That is not a compromise. That is worse than any exemption whatsoever.

Mr. HYDE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I regret the turn of events here. I think we are going to start getting pejorative, and I do not intend to do so. However, if those Members who support the unborn, the innocent unborn, are going to be called "the antichoice crowd," that opens the gate, and one who opens the gate, I guess, should not complain if strange cattle wander through.

The prokiller crowd, the "death squads of the left," we can play that game, too, and if the gentleman wants his group to be called the prochoice crowd—which is an interesting euphemism, because there is no choice given to the unborn, he should be less pejorative about us. The choice, we are told is whether or not to have a baby. However, the woman, if she becomes pregnant, already has a baby, and the question is will she let him or her live or die?

If the gentleman wants to talk about fraud, interestingly enough, he omits Wedtech. There is a litany of fraud. I do not want to polarize this Chamber, but the gentleman is very selective in his speaking of fraud. He is dismayed by a veto. The gentleman is unacquainted with principle, evidently, because the President would have found it the easiest thing to sign that bill. The President is committed to saving the babies of poor women. The gentleman says "poor women" trippingly from the tongue, but he forgets there are children involved too. It is the children of the poor that deserve to be saved. The children of the rich are lost. If a wealthy woman wants to kill, to exterminate her unborn child, that is too bad. We cannot save that child yet. But the poor, their children are salvagable, and we, the party you liberals call the economic royalists, the malefactors of great wealth, care about the children of the poor. We care about them. The liberals who are supposed to defend the powerless, why the most powerless in the world is an unborn child whose mother finds that child inconvenient, unwanted, to be exterminated. Why is their defense left to us and abandoned by you liberals?

Report to a cop? Well, I should not be surprised by that choice of words. Police officers who risk their lives so citizens can get to their car at night and get home. "Report to a cop," well, I think Members would want to catch the rapist. I should think the brutal crime about which the gentleman waxed lyrically, would lead him to want to catch the rapist. The sooner we report it to the police, the sooner we get the rapist. Or does that not fit into the gentleman's scenario?

We should not impose on people, because there is no amendment going to be offered. We have heard this issue again and again. I am simply responding to my friend, the gentleman from Oregon. However, I suggest to the gentleman, unborn children have got to be considered. We can describe rape in all of its horrible details, and I agree with Members, and I want the victim protected as much as possible. However, a second destruction does not solve anything, but kill an innocent human life.

Your moral imagination, your compassion, your defense of the powerless ought to be big enough and strong enough to reach the little, tiny innocent child in the womb. But of course, some Members deny that is human life. Members say that is a randomly multiplying bunch of cells. It is a tumor to be extricated, like abcessed tonsils, a bad tooth. But it is a child. It is an unborn child. It is a little member of the human family. That is what we are defending. That is what the President is defending. Do not call the President unprincipled. He is doing a very difficult thing for principle.

Mr. NATCHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, since I have been a Member of the Congress, I have had the pleasure and the opportunity to serve with eight Presidents. I have enjoyed serving with all eight of them. I say to the chairman and to the Members of the House that I personally like President Bush.

I am hoping, Mr. Chairman, that when this bill is passed in the House and it goes over on the other side, that we will bring back a bill that can be accepted. We will send it down to the White House and it will be signed.

I have had the opportunity and the pleasure of serving on the subcommittee and on the full Committee on Appropriations for a number of years with my friend, the distinguished gentleman from Massachusetts [Mr. Conte]. We do not have an abler Member in the House than Mr. Conte. He is not only the ranking member on the subcommittee, Mr. Chairman, he is the ranking minority member on the full Committee on Appropriations.

This is the best bill that has ever been presented to the House for the Department of Labor, the Department of Health and Human Services, and for the Department of Education. Mr. Chairman, as Members well know, in this bill we have the money for the Summer Youth Program. We have the Job Corps. The feeding program for the elderly. We have all the programs concerning elementary and secondary education and higher education. We have the National Institutes of Health, over $7 billion. This is probably the most important appropriations bill that comes through the House each year. Anyone that called this bill the people's bill would be correct.

Mr. Chairman, I served in this House only a few weeks until I found out without any question that there

are just as many smart people sitting on that side of the aisle as sit on this side of the aisle. It did not take me very long to decide that. I will walk back and forth across that center aisle any day. I have friends on both sides. I just wanted to make this statement, Mr. Chairman, to say to the Members that this bill is a vitally important bill that pertains to the Department of Labor, the Department of Health and Human Services, and the Department of Education. It must be passed. We still believe, Mr. Chairman, that when we take care of the health of our people and educate our children, we continue living in the strongest country in the world.

Mrs. BOXER. Mr. Chairman, I move to strike the requisite number of words.

I thank the chairman of the subcommittee for expressing his understanding of the views on both sides of the aisle.

□ 1400

I would like to say to the gentleman from Illinois—and I hope he is still in the Chamber, and perhaps he will stay to hear this—that I know he took offense at the term, "antichoice," but I have to say that to match that with the language he used, "prokiller," is absolutely not in the same realm, because I would like to ask the gentleman this: What about the 10,000 women a year who died due to botched abortions during the time that abortion was outlawed? Are those not lives worth talking about? Were those not lives of living, breathing women, some of them students, some of them mothers, some of them sisters, and some of them aunts?

I knew one of those who almost died in 1962, and she paid the price of infertility. So please, let us not throw the term, "killer," into this discussion.

Mr. Chairman, this Congress took an historic step toward compassion and toward fairness when it overturned a decade-long prohibition on Medicaid funding to end the pregnancy forced by the violence of rape or incest. As the author of that amendment and with thanks to my colleague, the gentleman from Oregon [Mr. AUCOIN], who asked me to offer it, I experienced a sense after that vote and after that victory that this Congress understands that our Government—and as Mr. Lech Walesa said, of, by, and for the people—should stand by innocent women and girls who need our help in these most atrocious circumstances, and that we as a Congress cannot say what our President says. He says: "I am for abortion if the victim of rape or incest wants it, but I will not fund it if she is poor. If she is wealthy, she can take care of it." The President said, and Marlin Fitzwater said today, that it is a moral issue. "It is a moral issue with me," the President said.

But I ask, what is moral about a dual system, one for poor women and one for wealthy women? What is moral about abandoning a victim of incest, a young girl, a bleeding woman, a traumatized woman?

Our amendment, I say to my friends, is not called beat the clock. That is not what we try to do in our amendment, and we would oppose a beat-the-clock amendment. A woman in that state, in that mental and physical state, cannot begin watching that clock from the time she has been raped, because I say to my friends that if they have ever talked with anyone who has been a victim of rape, they know that these people cannot think, they cannot even talk, and they do not even know what time it is. So let us not play beat the clock and force a woman to report a rape to the police in 24 hours. Let us stay with the Boxer amendment.

Mr. Chairman, let me say to the Members of Congress that we can count. We know that we are short of the super majority we need to override the President. We need about 50 more votes in this body of 435 Members, and that is not bad considering from whence we came. But rather than keep this argument in this Chamber, we will take it to the American people and we will tell them that this issue of compassion is in their hands. The American people have to help us win this issue for the victims of rape and incest. Seventy percent of them say they agree with us now.

They can help us in two ways. First, they can try to persuade their President that he is wrong. Maybe they could call him and write him during the holiday season. When he is happy and he is with his beautiful family and enjoying the peace and quiet of his beautiful home, maybe then they can ask him about the unfortunate victims of rape and incest and maybe he would say that in the spirit of the Christmas season and in the spirit of the new year, "Yes, I agree with you Congress, you are right."

Second, the American people, if they cannot persuade the President, should go out and elect 50 prochoice Members of this body, so then we would have the super majority and we can stand up for compassion and fairness, and we can win on this issue.

Mr. WEBER, Mr. Chairman, I move to strike the last word.

Mr. Chairman, I had not intended to speak, as my colleague, the gentleman from Illinois, had not intended to speak, because the House has heard these arguments many times. But I guess we cannot allow some of these arguments to go by without being responded to.

There are indeed strongly felt points of view on both sides of the issue, but it seems to me that we are intent on redebating the entire issue today. So I must respond to some of the comments of my colleague, the gentleman from California. First of all, most of us who have been involved in this issue for a long time understand that it is very difficult, if not impossible to identify accurately the number of women who died from illegal abortions back in those days when the figures were not accurate. I do not know the source of the gentlewoman's number of 10,000 a year. I do know, after having tried to figure that issue out, that any figure we reach is probably fairly grabbed out of the air.

Be that as it may, that is not my point, whether it is 10,000 lives a year or more. Our point is that if we are talking about trading lives, there are a million and a half lives lost every year because of abortion, and if the gentlewoman is dissatisfied with our raising the issue of "killer," it is because our friend, the gentleman from Oregon, got up and taunted us with the notion that murder has somehow moved out of the debate.

I have been involved in the "Right to Life" movement since I was in college. I have never used the word, "murder." I have tried to avoid the use of inflammatory language, but if the Members on the other side of the issue think that somehow we have changed our attitude, that what is involved in abortion is not the taking of an innocent life and that does not indeed involve killing, they are wrong. Abortion in this country kills a million and a half people every year. Let us be clear about that.

Second, I would like to respond specifically to the question of what is moral about abandoning poor women. It seems to me that in the entire debate on this issue we have really lost sight of a very simple fact. I have not yet heard from the other side of the aisle or from the other side of the issue, rather, I should say, how many poor women have not had abortions because they were not paid for by the Federal Government. I would be interested in hearing that statistic. In my State, I know there are virtually none, because there are private funds that have been available since the day of the passage of the Hyde amendment that have paid for the abortions of poor women regardless of whether their pregnancies resulted from rape or incest or other causes. I have yet to see statistics from across the country where those abortions are not available through private funding. The question we are talking about here is not whether those abortions for those poor women and those victims are going to be paid for. It is whether or not they are going to be paid for by voluntary private contributions or whether we are going to force millions of Americans who believe abortions to be killing to pay for those abortions with their moneys rather than have

them paid for by private funds which are currently being used. We submit that, first of all, we do not believe in abortion, but if we are going to have to pay for those killings, we should allow people that do not find their consciences violated to pay for them through voluntary contributions. That has been the system.

But I say to the Members, do not force me and do not force my constituents and do not force those of your constituents who disagree with your choice and who do believe it is killing to pay for that killing with their tax dollars. Again, we do not know how many people are being denied access to abortions for economic reasons. I suspect your side of the issue would be more than happy to raise that statistic if there was any significant number. There is none. That is not the issue here. What is at issue is the consciences of tens of millions of Americans who do not wish to see their tax funds going to pay for a procedure that they believe in their hearts and souls to be killing.

Mr. SCHUMER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, first let me pay some tribute to the chairman of the subcommittee, the gentleman from Kentucky [Mr. NATCHER]. He is right. For years he has guided this Chamber through thick and thin, and in doing so, with the Labor-HHS bill, we have achieved the kind of compassion and humanity that we all appreciate. This is an excellent bill, I agree with the chairman of the subcommittee it gets more excellent every year under his tutelage.

The chairman of the subcommittee is in a difficult position. He is in a difficult position because we know that on the issue of rape and incest a majority of this Chamber favors allowing the woman to have an abortion, but two-thirds does not.

□ 1410

Mr. Chairman, that is the tight rope. That is the dilemma which the gentleman from Kentucky [Mr. NATCHER] finds himself in. It is not an enviable position, and I have a great deal of sympathy for where he is coming from.

However, Mr. Chairman, let me tell the gentleman from Kentucky [Mr. NATCHER] that, at least in this gentleman's opinion, the pendulum is swinging, and swinging and swinging, and we may not have two-thirds today, but we will have two-thirds. Maybe it will be next month. Maybe it will be next year. But we will have it because the long and short of it is, my colleagues, that the American people do support a right to choose.

Mr. Chairman, very simply abortion is an issue of deep morality for many: the gentleman from Illinois [Mr. HYDE], the gentleman from Minnesota [Mr. WEBER]. I respect it. I really do. I have thought about this issue long and hard. But just as these gentlemen fervently believe that life begins at conception, I do not. Millions of Americans, men and women, north, east, south, and west, do not. And just as the gentleman from Minnesota [Mr. WEBER] asked us not to foist our views on him, I would say to the gentleman from Minnesota, "Don't foist your views on me, on my wife, on my family, the people who may not believe that life begins at conception."

Then I would say there is another school here. None of the people have spoken here because this is a moral issue, and Americans want moral issues decided within our individual brains, and within our families and within our churches, not within our House of Representatives or our Senate, especially when we are deeply divided. But there is a group of people who seem to be mixing morality and politics these days now that the pendulum has swung.

We have heard people say, the chairman of the other party, that that party can be prochoice. There is room for prolife Republicans and prochoice Republicans within the Republican Party. Mr. Chairman, if he believes that, if my colleagues believe that, then the logical extension is not just should the Republican Party have room for choice, but each individual should have room for choice because, if it is not a moral issue, if it is not a moral issue, but rather an issue for each person, or candidate or whatever to decide, then let us not claim morality.

In other words, Mr. Chairman, I say to my colleagues: "If you believe this is a moral issue, don't go for politics, and, if you believe it is a political issue, then don't claim morality. But to mix the two up is very unfair, very unfair."

Now one more point, about this 72 or 48 hours amendment. How can we ask a woman who has been raped or a victim of incest immediately to run to the nearest police station, and go to the nearest policeman and report it when she is in such turmoil? That is a copout. If people think that we are going to let them off the hook, the political hook, because some people are on a political hook, we are not. If they believe that a woman should not have to carry a fetus that came about through rape and incest, they believe it whether she had the wherewithal to run to the police station 48 or 72 hours later or whether she did not. That is not consistent with the deeply held views of the gentleman from Illinois [Mr. HYDE], the gentleman from Minnesota [Mr. WEBER], and so many others who have spoken.

So, let us not play politics. Let us discuss this issue on the deeply held moral views that we all hold, and then let us make a decision.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I want to ask the gentleman from New York [Mr. SCHUMER] just a question on morality and politics, and I want to be sure I understood the gentleman.

Mr. Chairman, perhaps I misunderstood.

Mr. SCHUMER. I doubt it.

Mr. HYDE. Mr. Chairman, did the gentleman from New York [Mr. SCHUMER] say that morality and politics are not to be confused?

Mr. SCHUMER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New York.

Mr. SCHUMER. Mr. Chairman, what this gentleman said is indeed that morality, and one should not play politics with issues of deep morality, and one should not, if they are playing politics, claim morality. It is that simple.

Mr. HYDE. Mr. Chairman, the gentleman from New York [Mr. SCHUMER] surely does not mean that politics and morality are not on many issues——

Mr. SCHUMER. No, no, no. What this gentleman was saying is that there are deeply held moral views on each side; OK? And I respect those, but what I am saying is that on those types of issues where a large number of people in the Nation feel one way about a deeply held moral view, and a large number of people feel the other way, then this House of Representatives, this Senate, ought not to foist its views, but we should let each person search in his or her own heart to the decision that they agree with.

Mr. WALKER. Mr. Chairman, if the gentleman would let me reclaim my time——

Mr. HYDE. Mr. Chairman, just let me agree with the gentleman from New York [Mr. SCHUMER].

Mr. Chairman, we have no disagreement, and I concede that everybody who disagrees with me does so from the noblest of motives, from the sincerest convictions. All I ask is that they accord the same consideration to us, and I did not detect that in the first speech.

Mr. WALKER. Mr. Chairman, reclaiming my time, let me simply say to the gentleman from New York [Mr. SCHUMER] that the one problem I have with the way he phrased his statement there a moment ago is we would still have slavery in this country because the fact is it was a moral issue that was debated very intensely politically, and there was a wide division in the

country about what we were going to do, and so I would say to the gentleman that we have got to be very careful on some of these issues.

Also the gentleman from New York [Mr. SCHUMER] raised the whole issue of whether life begins at conception, and obviously there is a division of opinion on that. But I think we have to understand, and I do not want to misstate anybody's position here, but I think we would have to understand that I think virtually everyone who has spoken on the other side does not believe in just abortion when rape and incest is involved. They believe in abortion on demand, that in fact they believe that the taxpayers ought to fund abortion for everyone based upon the Roe versus Wade decision which permits abortion, not in just the first trimester, not in just the second trimester, but in the third trimester, so literally their position is, their political position, the true nature of their position, is that they believe the taxpayers should fund abortion on demand, and really the debate has to be on that premise, and I do not think I have misstated.

Mr. Chairman, I would be happy to yield to anyone on that side who would indicate to me that they do not fundamentally believe that abortion on demand is the position that they take. The gentleman from Oregon [Mr. AUCOIN] is indicating to me that, yes, that is his position, and so——

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. EDWARDS of California. Mr. Chairman, I just want to point out that the gentleman from Pennsylvania [Mr. WALKER] is misquoting Roe versus Wade. Roe versus Wade provides that in the third trimester, or upon viability, the State can step in, in any of the 50 States, can step in and forbid an abortion.

Mr. WALKER. Mr. Chairman, I appreciate the point of the gentleman from California [Mr. EDWARDS] except that the fact is that an abortion can be had in the third trimester under the Roe versus Wade decision. That is all the point this gentleman made, and the fact is that the proponents of these amendments would in fact have the State and have the Federal Government fund those kinds of abortions. I suggest to the gentleman that that is not something we want done.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, Roe versus Wade and Doe versus Bolton, its companion case, holds that during the third trimester the State may have an interest in the judgment of the pregnant woman to have or not to have an abortion except where the life of the mother is involved or the health of the mother. Then they define "health" according to the World Health Organization standard as the absence of distress. So, under that definition of health, a woman who is distressed during the last week of her pregnancy can have an abortion under Roe versus Wade.

□ 1420

Mr. AUCOIN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Oregon. The gentleman would not yield to anyone during his time, but I am happy to yield to the gentleman myself.

Mr. AUCOIN. No one asked me to yield, I will tell the gentleman. I appreciate him yielding to me, since he mentioned my name in the course of his statement.

Mr. WALKER. I did not mention the gentleman's name.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

At the request of Mr. AUCOIN, and by unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. AUCOIN. Mr. Chairman, will the gentleman yield further?

Mr. WALKER. I am happy to yield to the gentleman from Oregon.

Mr. AUCOIN. Mr. Chairman, I appreciate the gentleman yield to me.

I cannot help but point out that the gentleman has totally changed the subject. The subject is not Roe versus Wade. The subject is rape and incest funding for victims of rape and incest.

I understand why the gentleman would change the subject, because if I were trying to take the position that those victims should not be helped, I would want to get off that topic as quickly as I could, too. I understand why the gentleman takes that position.

Mr. WALKER. Mr. Chairman, let me reclaim my time.

This gentleman is replying to the gentleman from New York, who changed the topic, who talked about beginning of life at conception, who talked about the broad base of the debate on this.

This gentleman is simply replying. The gentleman from New York brought up the question of whether or not we are debating the politics of morality on this issue.

I am simply suggesting that the real position of the proponents of these measures before us today is to go much further than rape and incest, but to have abortion on demand.

The gentleman did not, in fact, refute that point. The gentleman does not, in fact, support abortion on demand and the gentleman does believe that the taxpayers ought to fund abortion on demand.

My suggestion is that that agenda ought to be raised on the floor. I do not think the gentleman should take offense that the real truth of the debate is being brought to the floor. The gentleman should not be upset about that.

Mr. AUCOIN. Mr. Chairman, will the gentleman yield again?

Mr. WALKER. I yield to the gentleman from Oregon.

Mr. AUCOIN. Mr. Chairman, I appreciate the gentleman yielding to me, but I do not think the gentleman has polled every one of the 216 Members who voted for rape and incest funding.

Mr. WALKER. No, I have not. I referred to people who spoke on the floor and I gave the gentleman the chance to say to me that he did not support abortion on demand.

Let me ask the gentleman directly. Does the gentleman support abortion on demand?

Mr. AUCOIN. I do not support abortion on demand, and no one is pro-abortion. The gentleman wants to put his views on the American people. I want the American people to choose. I think there is a difference between the two.

Mr. WALKER. Mr. Chairman, will the gentleman tell me, does the gentleman support abortion in the first trimester?

Mr. AUCOIN. I support Roe versus Wade.

Mr. WALKER. So the gentleman supports Roe versus Wade.

Mr. AUCOIN. The gentleman supports having the victims of rape and incest not having to produce the rapist's child.

Mr. WALKER. It seems to me, Mr. Chairman, that I have the time. Is that not correct?

The CHAIRMAN. The gentleman has the time, but the time has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 1 additional minute.)

Mr. WALKER. Mr. Chairman, the gentleman was talking over me, and that is often his technique on the floor, but I would simply point out to the gentleman that the only point I am making is that he does support abortion on demand in Roe versus Wade and would in fact have the taxpayers pay for those abortions. That is his real agenda. We just do not want to make a mistake as to what the real agenda of the people who are proponents out here have.

So when the gentleman raises his issues against the cops, and so on, understand that his attempt to be against the cops learning about rapists is in fact a part of a more broad agenda on abortion, abortion on demand.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that this debate saddens me tremendously. We started this morning with a very eloquent speech by the gentleman from Poland, who moved us all very much speaking about how America had been his beacon for freedom, for liberty, and here we are watching people argue over taking away freedom and liberty from people.

How could this thing degenerate so rapidly?

Let us also think about the holiday we are about to embark upon, Thanksgiving. That was people coming here for religious liberty, people saying that America is a big enough country for more than one opinion, saying that we are going to reflect different religions, different individual views.

I listened to some of the sharp words, and I cringed. What has driven us to calling each other killers? That is a very loaded word.

I see statements in the paper, as I saw this morning from the White House, saying that they are concerned about rape and incest where women might use that excuse to get abortions. What is that saying about women?

I do not think women are ever going to label themselves as the victim of rape to get an abortion or subject to incest to get an abortion.

And for crying out loud, where was that moral judgment when they were looking at the S&L bailout? Where was that moral judgment when they were looking at the HUD scandal? Is it not interesting that we only want to focus on women.

We also were not elected to impose our personal views on the public. This is a very difficult issue, talking about rape and incest. Many Americans, unfortunately, have had experiences of having their homes broken into or their cars broken into. I hope no one ever has that experience, but they know how disorienting that can be.

Imagine, those of you who are advocating a women must act sanely within hours, imagine having your body broken into, and imagine having it broken into by a parent who you trusted. You are probably a child at that point. You probably do not even know what is transpiring, and to have the Federal Government say, "You must respond within hours because we don't want you cheating," for crying out loud, that is a terrible, terrible thing to say. I think that is a gross injustice.

We are also talking about a whole range of views. We are talking about the life of a woman that we know is here. No one is debating whether or not there is a real women involved in this. We know that as a given.

Then there is the potential for life that some want to insist is a right of life upon the moment of conception. There are religious beliefs that believe that. There are other people, such as my religious beliefs, who do not believe that. They believe that is a strong potential for human life, but you must balance those two things, and as the pregnancy goes along, it tilts more and more in favor of the fetus. That is what Roe versus Wade does. It permits the State to tilt more and more as they look at these two lives as they developed.

But why do you want to come down so hard on one side or the other? What we are saying here is not that anyone must have an abortion, and we should also say no one must not have an abortion if they have been subject to rape and incest and are poor.

To stand up and also say there will be private funds for this, I am offended by what some of the Contras did. If we said, "Oh, well, do it with private funding," if we said, "We don't want people paying taxes because they may be offended by this," I represent many people who are offended by some of the weapons we purchase, and yet we do not let them get away from paying taxes. So that is not the kind of country this is, where everybody picks the little particular thing they want and they are only going to fund that and nothing else.

This is America. "Give me your tired, your poor, your humble yearning to be free."

For crying out loud, why are we imposing different standards on them? Why are we undoing all the religious freedom and the personal liberties that people all over the world are trying to join us on?

We are seeing the Berlin Wall become a speed bump because people are getting over so fast, and yet we want to turn around and start dictating what people's personal lives are going to be, when they have been the victim of a terrible crime.

Now, I respect those who think differently than I do about this and say that all women's rights should be waived in that case, period. It is all over. Because she got herself raped, then she has no more rights. All right, fine. They are now going to move to the fetus. Fine. That is their position, but they should not impose that on other people, and I find this whole debate is very saddening.

Mr. SMITH of New Jersey. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the previous speaker just spoke about how there were two lives involved in the abortion issue, and we thank her, I thank her for that admission. We are indeed talking about another life. And when she says potential life, we are talking about life with potential, not a potential life.

When we talk about imposing morality, one and a half million unborn children are having morality—in the sense of their own destruction—imposed upon them by the abortionists.

Earlier in this debate, the gentlewoman from California repeated an oft-repeated mistake with regard to the number of maternal deaths, citing the totally fallacious, inaccurate statement that 10,000 women per year were dying from illegal abortions.

I would just point out, and I would hope the Membership would pay attention to this, that Dr. C. Everett Kopp said on January 19 of this year on the CBS Morning Show that "in order to get Roe versus Wade, the number of back alley abortions had to be exaggerated 100-fold".

Dr. Bernard Nathanson, one of the founders, along with Betty Friedan and Lawrence Lader of the National Abortion Rights Action League, has said, "I have come to the agonizing conclusion that I presided over 60,000 deaths," gave up doing abortions. he did them himself. He ran a clinic. He was one of the founders of NARAL.

□ 1430

He has said, and I quote, "In NARAL, we spoke of maternal deaths, 5,000 to 10,000. I confess," he goes on to say, "that figure was totally false, made up."

Mrs. SCHROEDER. Will the gentleman yield?

Mr. SMITH of New Jersey. No, I will not yield.

The Centers for Disease Control in 1972 reported 39 maternal deaths due to illegal abortions, and significantly since Roe versus Wade, there have been over 200 women who have died from legal abortions. That information is from the Centers for Disease Control. Look it up.

Mr. Chairman, the gentlewoman from California earlier said that she took exception to the use of the word "killing." Finally, we are getting down to what this debate is all about. It is about killing children. It is about killing unborn children.

If we look at the methods of abortion, Mr. Chairman, we see saline abortions, and that is what the other side defends, the injection of high concentrated salt solutions that literally burn and scald the baby. The baby swallows that fluid, a poison, and dies a painful death.

Mrs. SCHROEDER. Will the gentleman yield?

Mrs. BOXER. Mr. Chairman, will the gentleman yield, since he referred to me twice?

Mr. SMITH of New Jersey. Mr. Speaker, I have the time, and I would ask that those seeking to interrupt would cease.

Mrs. BOXER. The gentleman referred to me twice, and I would think that he should at least yield to me.

The CHAIRMAN. The gentleman declines to yield, and at this point the gentleman is recognized.

Mr. SMITH of New Jersey. Mr. Chairman, the second type of abortion is a D and C abortion or suction abortion, two types; suction, that which is most often procured, literallly is a procedure where a loop-shaped knife called a curette attached to a hideous suction machine, 20 to 30 times more powerful than a vacuum cleaner, literally goes in and dismembers the unborn child.

Mr. Chairman, we need to focus on what happens in an abortion. "The Silent Scream," which Dr. Nathanson produced showing an actual abortion in process, which was quickly put under the table by those who would not like to face this realty, especially by some of our friends in the media, showed very graphically this child being literally ripped apart, limb by limb, legs, arms, torso, head, ripped apart by the abortionist. That is what we are talking about.

Another method of abortion is the D and E, literally crushing of the head done later in the term, and then the baby is removed piecemeal, and that is supposed to be liberty and freedom as one of the speakers said earlier.

Then there is also a late-term abortion called a hysterotomy. That type of abortion is really a C-section, where the baby is lifted out of the mother's womb kicking, usually breathing, and the cord is cut, and the baby is thrown away. Many of those children, interestingly enough, have actually survived the abortion and gone on to be adopted.

There are cases that have been reported by the Associated Press and by the Philadelphia Inquirer where they did a whole cover story on a thing called the dreaded complication. This is a reference to the children who survive these late-term abortions, usually as a result of this hysterotomy type of abortion, which is again literally a C-section where the child is, in this case, thrown into the trash bin.

That is what abortion is all about. It is violent. Nobody wants to face that, it seems, but it takes the life of a child.

Planned Parenthood, now the leading purveyor of abortions, and they do about 100,000 in their own clinics per year, and refer for approximately another 100,000, back in the mid-1960's said in their literature that abortion kills the life of a baby after it has begun. They were right then, and unfortunately, for political or other reasons, they have shifted their position.

Mr. Chairman, this issue is finally being looked at the way it ought to be.

Mr. WILLIAMS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, there is no question but that abortion is an important issue, but I urge my colleagues not to vote against this bill regardless of where they are on the abortion issue, because this bill is not about abortion.

This bill is about funding Head Start. It is about funding vocational rehabilitation. This bill is about being sure that education of handicapped Americans continues. It is not about abortion. It is about funding America's libraries, America's historically black colleges. Do not vote against this bill regardless of what your position is on abortion; vote for this bill so that we can get on with carrying out the important agenda which the Government, the Federal Government, has had for 200 years with regard to those parts of domestic America that we want to encourage.

Speaking of that, let me say a word about the fact that we are now in a time in American history when we are under this law called Gramm-Rudman, and sequestration is now in effect, meaning, in effect, that the Nation's pursestrings have been tied, and money for these important efforts which I mentioned at the beginning of my remarks is hemorrhaging away.

If sequestration in America continues and this money continues to be lost for these purposes, let me share with my colleagues just a few of the things that will happen, and I want, first, to get the attention of the Members, to postsecondary education, higher education, because I happen to chair that subcommittee. With regard to Pell grants, and we have all heard from our constituents about the importance of Pell grants, the Office of Management and Budget tells me that if sequestration stays in effect, 1 million college students are going to lose their Pell grants, 1 million. With regard to guaranteed student loans, now called Stafford student loans, named after the former Senator from Vermont, Senator Stafford, the Office of Management and Budget informs us that lenders are at this moment refusing to issue guaranteed student loans, Stafford student loans, because there is this great period of uncertainty because of Gramm-Rudman and sequestration. Students are being denied access to loans despite our intention and the intention of this legislation.

Graduate education programs and international programs stand to be cut by $4.5 million, and that negates important additions to foreign language and area studies, and it reduces an estimated 250 3- and 4-year fellowship awards.

Let me just say a word about two programs that are very close to Americans: Head Start. Head Start stands to be cut by $70 million under the Gramm-Rudman ax, and 26,000 low-income students, Head Start students, are going to suffer those consequences if sequestration stays in effect.

Finally, with regard to vocational rehabilitation, more than 20,000 disabled American citizens who depend upon vocational rehabilitation to become self-sufficient and gainfully employed will not receive assistance if sequestration remains in effect.

Mr. Chairman, my point is this: There are important things that are going on in America as we are discussing this legislation. Abortion and the right of women to have abortions is one of those issues, but this bill is not about that. This bill is about funding critical services that propel this Nation and allow us to continue to be No. 1 in education, No. 1 in research and important health matters, allow the citizens of this Nation to be the most educated, generous, concerned citizens in all the world.

I ask the Members not to prevent that continued march forward. Do not vote "no" on this bill; vote "yes."

Mr. ARMEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we by our Constitution and other enabling documents by which we established this Government, guarantee to the citizens of this Nation the right to life, liberty, and the pursuit of happiness.

My good friend and colleague, the gentleman from Montana, just outlined many things in this bill that clearly exist in this bill, by the judgment of some people, that it is our responsibility as a government to provide these things to young people in particular in the pursuit of happiness and the pursuit of their liberty. He also makes a point that he does not care to see all of these good things, by his judgment that we have provided in this bill, endangered by a quarrel over this provision.

The provision that we are talking about is a provision that, I think, perhaps many of us would agree should not be included in this bill. The provision is one that allows the use of the taxpayers' dollar to deny life to the unborn child, and in so doing makes the other two guarantees meaningless. The point is this is a spending bill, Mr. Chairman, and what we ought to be talking about is what are the responsibilities of Congress? What must we exercise by way of responsibilities in the expenditure of the taxpayers' money?

□ 1440

The fact is that for many of us, life does begin at conception. Let me say, many years ago when I was a professor and could enjoy the luxury of dealing with things only as academic exercises and had no responsibility for the consequences of my ideas, I believed, because it was simple and convenient and seemed so sophisticated, that life began at the end of the first trimester.

Then unhappily in a discussion with my wife and daughter I stumbled onto the question, if life begins at the end of the first trimester, then why does it not begin the day before? I had no answer. I backed myself up 90 days without an answer.

For me, and for many Members on this side of the issue, we cannot escape this conclusion.

Now, one may agree with us, one may disagree with us. One may tell us it is sophisticated or it is unsophisticated. But I will tell Members, their knowledge on that matter is not superior to ours, and their morality is no more superior than their knowledge.

For us it is a heartfelt belief that life begins at conception. Because we believe that, we believe it is our duty as we exercise our responsibilities over the expenditure of the taxpayers' money, to see to it that money is not used to deny life to an innocent person. It is our duty to protect that innocent child from the unilateral decision of the potential mother to commit that child to death.

That is why we are here, and why we feel so strongly about it. I think I can safely confess on behalf of a lot of us, that we share along with the gentleman from Montana [Mr. WILLIAMS] the belief that we ought not to and would rather not be discussing this issue in this bill. I for one would rather not be discussing it any time. But duty compels us, if we believe that is a child, and an innocent child at that, to do what we can to protect its innocent life.

Mr. Chairman, we have heard a lot about deception, about fraud. The gentleman from Montana [Mr. WILLIAMS] talked about all we want to do to help young people learn to think critically, learn to separate fact from fiction, learn to intelligently cope with the world in which we live.

We know from Dr. Koop that statistical data has been manufactured around this issue. The facts are very elusive and most often exist only by assertion.

So it was with this person we know as Jane Roe. Jane Roe's case began with the assertion, known to be false by Jane Roe and by her attorney, an officer of the court, to be false, that she had been raped.

That false assertion carried through the courts and for 2 years thereafter. The most famous rape case in my lifetime was a false assertion of rape. About 2 years after the case Jane Roe confessed it was not true. That is a dastardly dissservice to the true victims of rape, to misrepresent the case through the Supreme Court.

Mr. NATCHER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we have serving as chairman of the full Committee on Appropriations our friend and colleague from the State of Mississippi, JAMIE WHITTEN. As the chairman and I and all the members of this committee know, he is the dean of the Congress, House and Senate, elected in the year 1941.

When reelected again next year and after serving 6 or 7 months, the gentleman will then have the alltime record as far as the House of Representatives is concerned.

I served with Carl Vinson of Georgia, who established the record of 50 years and 4 months. On the other side we had Carl Hayden serving a longer period of time, but both in the House and in the Senate.

Mr. Chairman, since March 4, 1789, we have had 11,218 Members serve in both the House and the Senate. Six hundred ninety of those Members also served in the Senate.

I point this out, Mr. Chairman, because at this time my friend, the gentleman from Massachusetts, SILVIO CONTE, and I and all of the other members of the subcommittee want to thank our chairman, JAMIE WHITTEN. He knows the importance of this bill. We call on him from time to time every year to assist us. He is always for us.

The gentleman is not only chairman of the full committee, he serves on all 13 subcommittees. No Member has ever served in this Congress that is more interested in education and in health than my friend and my chairman, the gentleman from Mississippi, JAMIE WHITTEN.

Mr. LEVINE of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it is very difficult to follow the appropriate and eloquent speech of the gentleman from Kentucky, [Mr. NATCHER], the chairman of the subcommittee, about the dean of the Congress, for whom we all have such affection and respect. I want to associate myself with the remarks of the chairman. I know they are shared by every Member of this body on both sides of the aisle.

Mr. Chairman, I do want to return for the amount of time I have remaining in my remarks to the extraordinarily important issue of abortion, that unfortunately will not be included in this legislation because those Members who believe so deeply on the prochoice side of the equation can count votes, and we understand that we do not have the votes to override a Presidential veto on this bill.

I would like to make a couple of brief points with regard to this issue. Although it is not going to be specifically in the language before the President the second time around, I think that it is an issue that will not abate in importance, and in fact will be more and more important as the months and years unfold.

I thought that the gentlewoman from Colorado [Mrs. SCHROEDER] in her remarks several speakers ago made the appropriate contrast that is so critical to those of us who are on the floor today, when earlier this morning we were given one of the rare treats that a Member of this body has, when for the third time in the history of this Nation in a joint session of Congress we heard the inspiring remarks of a civilian, somebody who was not a formal head of state.

His remarks were the most eloquent testimony that we could have wished to hear with regard to the march toward freedom, a march that is irreversible, and a march that the speaker earlier today symbolized as eloquently as any other person does.

Those remarks to a considerable extent reflect what is occurring around us every single day when we see the crumbling of the Berlin Wall, when we see a radical transformation in the Soviet Union and in Eastern Europe, and when we see the irreversible tide of human rights and human liberty.

When we contrast that movement with the sad reality that we put before the President of the United States, a very modest statement, a very limited amendment to a very important bill, that talked about public funding of abortion in the case of rape and incest, that went to the most basic human freedoms that Americans should be expected to enjoy, and that wealthy Americans will be able to enjoy, but that poor American women will be deprived of because of the callous veto that sends this bill back before us today.

I think the contrast before us in terms of human rights and in terms of individual freedom is striking and is tragic. Unfortunately, we do not have the votes, and therefore we will not be seeking futilely to obtain 289 votes when we do not have them. At the bottom line, Mr. Chairman, is the following:

Last Sunday we saw from sea to shining sea, from coast to coast in this country, from the East to the West, from the North to the South, testimony to the support that exists throughout this country. Not just for the limited language that was vetoed by the President of the United States, but for Roe versus Wade and for the appropriate standards that this country has been guided by, at least for the course of the past 16 years.

□ 1450

And if we do not have the votes on the floor of this body, we therefore have no choice but to go to my home city of Los Angeles, to the streets of Washington, DC, as occurred last weekend when hundreds of thousands of people from communities throughout this country where so many people have expressed so strongly the depth of their concern on this issue.

I have no doubt that the attitudes on both sides are equally sincerely held. That is not an issue. Nobody is challenging the sincerity, nobody is challenging the integrity of the people on the other side of this. But I do be-

lieve that when I learned in Los Angeles last weekend, as I did, that 5,000 Republican women have come together to start an organization called Republicans for Choice, which is an organization that has only been around now for a matter of days but signed up 5,000 Republican women in Los Angeles alone in the course of the last several days, there is a groundswell of opinion in this country, Mr. Chairman, that says if President Bush will not sign a bill that calls for the most modest opening for public funding for rape and incest, then we have no choice but to continue to bring this issue to the people. That is the route that we will have to take.

The CHAIRMAN. The time of the gentleman from California [Mr. LEVINE] has expired.

(On request of Mr. SMITH of New Jersey and by unanimous consent, Mr. LEVINE of California was allowed to proceed for 1 additional minute.)

Mr. SMITH of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. LEVINE of California. I would be happy to yield, and I would like to ask the gentleman a question during the minute as well.

Mr. SMITH of New Jersey. I thank the gentleman for yielding.

Mr. Chairman, the gentleman mentioned, I would say to my friend, appropriate standards. Just recently in the Pennsylvania Legislature a law, or a pending law, was passed, a proposal providing a restriction on third-trimester abortions, in other words, after the first 6 months. NARAL and the abortion lobby vigorously opposed it. It also provided for informed consent and there were also some other notification provisions in there for parents.

Would the gentleman and would the so-called prochoice side accept that kind of modest restriction?

Mr. LEVINE of California. I would say to the gentleman that that is as I understand the language in Pennsylvania very similar to what part of Roe versus Wade contains. And if that is the case, the Roe versus Wade standard has been the standard that has prevailed in this country for the past 16 years.

I would like to ask the gentleman a question.

Mr. SMITH of New Jersey. Does the gentleman agree with the Pennsylvania standard?

Mr. LEVINE of California. If I could take the second half of this minute simply to ask the gentleman: I did not understand his remarks in the context of a position I understand that a number of his colleagues are taking. I have a Los Angeles Times story quoting my distinguished colleague from California, Mr. DORNAN, as supporting or at least agreeing, "to live with," "I can live with this," the 48-hour standard that was suggested. In light of the remarks of the gentleman from New Jersey, does the gentleman also support or can he live with the 48-hour standard?

The CHAIRMAN. The time of the gentleman from California [Mr. LEVINE] has again expired.

(By unanimous consent, Mr. LEVINE of California was allowed to proceed for 30 additional seconds.)

Mr. LEVINE of California. I get this additional time in order to ask the gentleman to answer the question.

Mr. SMITH of New Jersey. I would be happy to answer the question.

I just note that first of all the gentleman did not answer my question. Would he support that Pennsylvania statute? Roe versus Wade provided an open-door policy for abortion on demand for all 9 months of pregnancy. That is the situation. There are about 5,000 abortions in the third trimester per year.

Mr. LEVINE of California. I would suggest to the gentleman that he is misreading Roe versus Wade. I would suggest the gentleman reread Roe versus Wade. This is not an actual reading of Roe versus Wade.

Could the gentleman answer my question?

Mr. SMITH of New Jersey. It clearly is an accurate reading, and that is why we need statutes like the Pennsylvania statute, which is the only one of its kind in this country.

The CHAIRMAN. The time of the gentleman from California [Mr. LEVINE] has again expired.

(By unanimous consent, Mr. LEVINE of California was allowed to proceed for 15 additional seconds.)

Mr. LEVINE of California. Mr. Chairman, I take this time to get an answer to my question.

Mr. SMITH of New Jersey. We have looked at language that would—and I know Mr. CONTE and others were thinking about the possibility of offering something along these lines—while it is not our preferred position, it may unfortunately result in some loss of life, a 48-hour standard certainly is preferable to the very open-ended language that was offered by Congresswoman BOXER.

Mr. LEVINE of California. This is absolutely a fascinating, if not shocking, contradiction from the rhetoric that we have been hearing throughout this debate.

Mr. SMITH of New Jersey. No, it is not. It is my intention, within the parameters of what is double and achievable, to protect human life to the maximum extent possible. There is no contradiction.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words, and I rise in favor of the bill.

Mr. Chairman, the gentleman from Kentucky and I have a very difficult job. We are here to pass an appropriation bill amounting to $157 billion for some of the most important programs affecting this country of ours. Yet we have to sit here and listen to the debate. You would not know that there is $157 billion on the table here today.

We are trying to pass a bill, a bill that helps people. But because of issues like this, BILL NATCHER and I, who ought to be looked upon as Santa Claus, are coming out looking like boogeymen. I will say this, I said it before and I will say it again, we have got to figure out a way to keep extraneous issues off the appropriation bills. We should make a list of these issues as they come up, set them aside, and take them up separately during 1 week.

The same people who have spoken in this debate have been in it now time and time again. You look at the CONGRESSIONAL RECORD, the same people on both sides of the issue.

Mr. Chairman, give them a week of their own and let them go after each other on these issues.

The Democrats over there keep talking about the will of the majority, like my good friend from Oregon, Mr. AUCOIN. If he wants to do justice to this issue, to this House and to the Appropriations Committee—he is a young guy, someday he will be a leader there—what he ought to do is get the Democrats to change the rules of the House at the beginning of the session.

You have 259 people over there. At the beginning of the session change the rules to say, "No more extraneous matters in an appropriation bill." And then everyone on both sides could have a separate bill and go after each other. But, let us pass this bill.

I hope everybody will be brief so that the gentleman from Kentucky and I and the committee can go to conference and try to get this bill done.

Ms. SLAUGHTER of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have been here for the last 2 hours. I do not want to prolong this debate, but I do want to take just a moment.

First, to say that we have passed this bill. This bill passed both Houses. It was sent to the President.

The reason we are discussing this is this is the reason why he vetoed it.

We have to say that we know we are not going to override that veto and we are giving up on it. We recognize that this is one of the most important bills before the House, that it is 46 percent of the budget and we want it to pass.

We know that we cannot sustain a veto. We could not even yesterday keep a bill on the floor for $15 million to help poor people, poor women in the world who are dying because they are denied family planning information.

But there is just one thing I need to say. First, I want to say to the gentle-

man from Massachusetts that that is a wonderful idea. I would be happy to support it.

The second thing is that I am very sad about this whole debate today because it all revolves around women, again.

The question is: Are they smart enough to know what they are doing? Can we trust them to do the right thing?

I have been hearing this debate all, one way or another, during my entire life. It started as a young woman in Kentucky, first, a disappointment not to be a son; hearing my gentle Southern mother always say to me, "I am partial to my boys," being told what school I could go to, whether I could or could not go to law school. Was I eligible to be a doctor? No, I was not.

But now we have come down to the point here in this century where women have made some gains, where the debate is, once again, whether or not women are going to lie.

Are they going to want to take on the stigma of being rape and incest victims so that they can get some kind of free medical attention from the Government? After they have been violated, after a crime has been perpetrated against them, after this Government cannot protect them from the crime, we are going to say to them, "We really don't trust you with it, we are going to have to have somebody else come in and certify to that fact. And by the way, lady, we want to do it pretty quick."

Well, women of my age have pretty strong memories about what it was like. I do not know how many women died. I knew some of them.

I remember what the talk was about in those days. The phrase was, "She got herself in trouble." Remember that? Some of you over there might.

Remember when she used to get herself in trouble and how she could get herself out of it any way she could? She could not have a job, she could not keep a job, could not stay in school. She was a disgrace to everybody. Where else could she go but to the back alley? Yes, a number of them died.

When we had a march here last spring, one woman that will always be in my memory came down from Vermont, she was 83 years old, and she said, "I came down here because of Bernice." Bernice, who died in 1929, that woman never forgot it.

Last spring was the first opportunity she had to come down here and to stand up for Bernice.

I remember, as I am sure you do, that there was one woman Member of Congress who took some 47 years to be able to discuss what had happened to her.

Can we not have some compassion and understanding here? Can we not understand that for the women of this country who are poor and who are victimized by crime, that we should give them all the comfort and all the help that we can, and not a litmus test as to whether or not they have lied?

□ 1500

Please, please, I say to the Members, let us show some compassion. Rape and incest victims have suffered enough. We will now go ahead and pass our education bill because it is important. But, believe me, the people of America do not want us making that choice for them here on the floor of this House.

The CHAIRMAN. The time of the gentlewoman from New York [Ms. SLAUGHTER] has expired.

(By unanimous consent, Ms. SLAUGHTER of New York was allowed to proceed for 1 additional minute.)

Mrs. LOWEY of New York. Mr. Chairman, will the gentlewoman yield?

Ms. SLAUGHTER of New York. I yield to the gentlewoman from New York.

Ms. LOWEY of New York. Mr. Chairman, I would just like to say to my distinguished colleague, the gentleman from Massachusetts, that there are others of our colleagues who do not believe that the poor women who are victims of rape and incest should have the right to have an abortion. I would just like to say that if we are allocating $157 billion to help people, we also are going to have to be ready to allocate the additional billions of dollars to take care of those families and children who are going to be brought into this world. To me, that is a very important responsibility.

If we are going to deny a poor woman the right to move forward with her job, to get a job, to get out there and work and be a part of our productive society, then we have to be able to sustain that family and in particular that child, to give them a right to move forward with their lives.

The tides are turning, and I am hoping that with prochoice a winning issue, we can bring additional colleagues into this House who will give that woman an opportunity to control her life.

Mr. CONTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am sorry that the gentlewoman from New York did not even listen to one word I said. All I said was that the Democrats are in control at the beginning of the year, and they should change the rules so they do not put these issues on the Labor, HHS, and Education bill managed by BILL NATCHER and SIL CONTE. That is all I said.

Mr. Chairman, I would ask the gentlewoman to listen to me the next time.

Mr. DORNAN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I was going to let the debate go by today in hopes that we could move this bill back to conference and try to reach some sort of civilized conclusion to this issue so we could go home and thank God for the bounty of this country at Thanksgiving and then celebrate Hanukkah and the birth of Jesus Christ. But I have heard the name of Lech Walesa mentioned three times by the proabortion side.

Let me advise the Members of something I happen to know personally. This man is very devout, and he happens to be prolife. He is a friend of the Pope in Rome, John Paul II. He owes his safety not only to President Reagan, who sent President Bush to Poland twice, but to the Holy Father in Rome. When Lech Walesa quoted the Pope this morning from that lofty position, as he put it, and said freedom is not just something to have and to use, it is something to be fought for, he was talking about the freedom of life also for the innocent unborn.

When he continued the Pope's words and said, "One must use freedom to bring with it personal life as well as the life of the nation," he was paying homage to a world religious leader who feels that you destroy a nation when you kill 1,600,000 of its innocent unborn in their mothers' wombs.

Mr. Chairman, I am just setting the record straight on Lech Walesa. Please, let us have no provocations today. Let us get this legislation to committee.

Mr. NATCHER. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. MCHUGH) having assumed the chair, Mr. SHARP, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3566) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1990, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1990

Mr. DIXON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3610) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1990, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 30 minutes, the time to be equally divided and controlled by the gentleman from New Jersey [Mr. GALLO] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DIXON].

The motion was agreed to.

The SPEAKER pro tempore. The Chair designates the gentleman from Tennessee [Mr. COOPER] as Chairman of the Committee of the Whole and requests the gentleman from Iowa [Mr. NAGLE] to assume the chair temporarily.

□ 1507

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3610, with Mr. NAGLE (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

By unanimous consent, the bill is considered as having been read the first time.

The CHAIRMAN pro tempore. Under the unanimous-consent agreement, the gentleman from California [Mr. DIXON] will be recognized for 15 minutes, and the gentleman from Massachusetts [Mr. CONTE] will be recognized for 15 minutes.

The Chair recognizes the gentleman from California [Mr. DIXON].

Mr. DIXON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 3610, the District of Columbia appropriations bill, has only two changes from the bill (H.R. 3026) that was vetoed by the President. One change concerns abortions, and it is addressed on page 28 of the bill under section 117.

The other change is in the report and concerns reprogramming of Federal funds on a dollar-for-dollar match with local funds for the newly established Commision on Budget and Financial Priorities.

Mr. Chairman, regarding abortions, the D.C. bill mirrors that language in the Labor-HHS bill and restricts the use of Federal funds for abortions except to save the life of the mother. As I mentioned a moment ago, this is in section 117 on page 28 of the bill that is before us. The language does not place any restrictions on so-called local funds—those revenues raised by the city through local taxes and fees which total $2.9 billion or 84 percent of the District's $3.5 billion budget.

□ 1510

Mr. Chairman, this language is consistent with court decisions, including the recent Webster decision, which allow local jurisdictions to determine their own abortion regulations and the methods for paying for those abortions.

Regarding the Commission on Budget and Financial Priorities, the report language directs the District government to reprogram to the Commission up to a million dollars in previously appropriated Federal funds under the condition that those Federal funds are matched dollar for dollar with local funds. The Commission was established to prepare a 5-year comprehensive plan of the District's financial situation and to examine the size and structure of the District's work force and to compare the cost and benefits of major city agencies. The schedule calls for the Commission to complete its work no later than July 1990.

Mr. Chairman, it is our intent in next year's bill to replace these Federal funds.

Mr. Chairman, I urge my colleagues to vote "aye" on this bill.

Mr. Chairman, I have no requests for time, and I reserve the balance of my time.

Mr. CONTE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is the same bill that was vetoed. It is changed now, and I hope that we pass it here today and send it to conference.

Mr. GALLO. Mr. Chairman, the District of Columbia appropriations bill provides Federal budget authority that is under our 302(b) allocation. We need to keep in mind the fact that over 80 percent of the appropratrions in this bill are funded by local District taxes and fees.

H.R. 3610 allocates almost $32 million that will be used to combat the terrible effect that substances like crack and cocaine have on the citizens of this city—users and nonusers alike.

The funds appropriated will enable the District to hire more than 1,000 new police officers and bring the Metropolitan Police Department back to the level of strength it had in the 1970's.

These funds will expand the court system and provide for security of judges and staff.

This bill also considers the drug user, as well as the potential user and the innocent victims of drug abuses.

Funds are provided to establish after-school programs that will give children safe places to spend their out-of-school hours and will give them constructive alternatives to street life.

In addition the bill provides an intervention program for a number of high-risk students and funds to locate and treat the appalling number of pregnant women who abuse drugs.

We must combat the striking increase in the number of babies who are born addicted to crack and cocaine who are abandoned by their mothers and fathers.

This bill, dealing mainly with locally raised funds, is not the proper vehicle to debate the issue of abortion and I urge my colleagues—Democrats and Republicans alike—and I urge my President, not to hold hostage the people of the District of Columbia.

Last night, the 391st person died a violent death in our Nation's Capital. Most of these deaths are due to the drug epidemic.

Mr. Chairman, I urge my colleagues to vote to pass this bill so that the people of the District can get on with their lives.

I urge that we end our delay, so that the District government can hire the needed police and set up the after-school programs, as well as provide help for those babies born abandoned and addicted to crack and cocaine.

Mr. Chairman, I believe this is a responsible bill and I urge its passage and reserve the remainder of my time.

Mr. DIXON. Mr. Chairman, I have no requests for time, and I yield back the balance of my time.

Mr. CONTE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The Clerk will read.

The Clerk read as follows:

H.R. 3610

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 1990, and for other purposes, namely:

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

For payment to the District of Columbia for the fiscal year ending September 30, 1990, $430,500,000: *Provided,* That none of these funds shall be made available to the District of Columbia until the number of full-time uniformed officers in permanent positions in the Metropolitan Police Department is at least 3,880, excluding any such officer appointed after August 19, 1982, under qualification standards other than those in effect on such date.

FEDERAL PAYMENT FOR WATER AND SEWER SERVICES

For payment to the District of Columbia for the fiscal year ending September 30, 1990, in lieu of reimbursement for charges for water and water services and sanitary sewer services furnished to facilities of the United States Government, $8,685,000, as authorized by the Act of May 18, 1954, as amended (D.C. Code, secs. 43-1552 and 43-1612).

FEDERAL CONTRIBUTION TO RETIREMENT FUNDS

For the Federal contribution to the Police Officers and Fire Fighters', Teachers', and Judges' Retirement Funds, as authorized by the District of Columbia Retirement Reform Act, approved November 17, 1979

(93 Stat. 866; Public Law 96-122), $52,070,000.

TRANSITIONAL PAYMENT FOR SAINT ELIZABETHS HOSPITAL

For a Federal contribution to the District of Columbia, as authorized by the Saint Elizabeths Hospital and District of Columbia Mental Health Services Act, approved November 8, 1984 (98 Stat. 3369; Public Law 98-621), $15,000,000.

CRIMINAL JUSTICE INITIATIVE

For an additional amount for the design and construction of a prison within the District of Columbia, $20,300,000 to become available October 1, 1990: *Provided*, That these funds shall remain in the United States Treasury and shall be transferred to the District of Columbia government only to the extent that outstanding obligations are due and payable to entities other than agencies and organizations of the District of Columbia government, and payments to such agencies and organizations may be made only in reimbursement for amounts actually expended in furtherance of the design and construction of the prison.

The $50,000,000 previously appropriated under "Criminal Justice Initiative" for the fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1989, for the design and construction of a prison within the District of Columbia shall remain in the United States Treasury and shall be transferred to the District of Columbia government only to the extent that outstanding obligations are due and payable to entities other than agencies and organizations of the District of Columbia government, and payments to such agencies and organizations may be made only in reimbursement for amounts actually expended in furtherance of the design and construction of the prison: *Provided*, That construction may not commence unless access and parking for construction vehicles are provided solely at a location other than city streets: *Provided further*, That District officials meet monthly with neighborhood representatives to inform them of current plans and discuss problems: *Provided further*, That the District of Columbia shall operate and maintain a free, 24-hour telephone information service whereby residents of the area surrounding the new prison, can promptly obtain information from District officials on all disturbances at the prison, including escapes, fires, riots, and similar incidents: *Provided further*, That the District of Columbia shall also take steps to publicize the availability of that service among the residents of the area surrounding the new prison.

DRUG EMERGENCY

For a Federal contribution to the District of Columbia, $31,772,000, to remain available until expended, to close open air drug markets, increase police visibility, and provide for speedier court processing of drug-related violent cases.

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

GOVERNMENTAL DIRECTION AND SUPPORT

Governmental direction and support, $112,971,000: *Provided*, That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for expenditures for official purposes: *Provided further*, That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further*, That notwithstanding any other provision of law, there is hereby appropriated $6,726,000 to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board, of which $818,000 shall be derived from the general fund and not to exceed $5,908,000 shall be derived from the earnings of the applicable retirement funds: *Provided further*, That the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: *Provided further*, That the District of Columbia Retirement Board shall provide the Mayor, for transmittal to the Council of the District of Columbia, an item accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report: *Provided further*, That an additional $150,000 out of local funds shall remain available until expended, to close open air drug markets, increase police visibility, and provide for speedier court processing of drug-related violent cases: *Provided further*, That no part of these funds shall be used for lobbying to support or defeat legislation pending before Congress or any State legislature.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, $137,913,000: *Provided*, That the District of Columbia Housing Finance Agency, established by section 201 of the District of Columbia Housing Finance Agency Act, effective March 3, 1979 (D.C. Law 2-135; D.C. Code, sec. 45-2111), based upon its capability of repayments as determined each year by the Council of the District of Columbia from the Agency's annual audited financial statements to the Council of the District of Columbia, shall repay to the general fund an amount equal to the appropriated administrative costs plus interest at a rate of four percent per annum for a term of 15 years, with a deferral of payments for the first three years: *Provided further*, That notwithstanding the foregoing provision, the obligation to repay all or part of the amounts due shall be subject to the rights of the owners of any bonds or notes issued by the Agency and shall be repaid to the District of Columbia government only from available operating revenues of the Agency that are in excess of the amounts required for debt service, reserve funds, and operating expenses: *Provided further*, That upon commencement of the debt service payments, such payments shall be deposited into the general fund of the District of Columbia: *Provided further*, That up to $275,000 within the 15 percent set-aside for special programs within the Tenant Assistance Program shall be targeted for the single-room occupancy initiative.

PUBLIC SAFETY AND JUSTICE

Public safety and justice, including purchase of 130 passenger-carrying vehicles for replacement only for police-type use and 29 additional passenger-carrying vehicles for fire-type use without regard to the general purchase price limitation for the current fiscal year, $861,341,000, of which $150,000 shall be derived by transfer from "Governmental Direction and Support": *Provided*, That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles and the Fire Department of the District of Columbia is authorized to replace not to exceed five passenger-carrying vehicles annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: *Provided further*, That not to exceed $500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: *Provided further*, That not to exceed $26,000 shall be available solely for an accreditation study of the Metropolitan Police Department by a recognized law enforcement accreditation organization: *Provided further*, That funds appropriated for expenses under the District of Columbia Criminal Justice Act, approved September 3, 1974 (88 Stat. 1090; Public Law 93-412; D.C. Code, sec. 11-2601 et seq.), for the fiscal year ending September 30, 1990, shall be available for obligations incurred under that Act in each fiscal year since inception in fiscal year 1975: *Provided further*, That funds appropriated for expenses under the District of Columbia Neglect Representation Equity Act of 1984, effective March 13, 1985 (D.C. Law 5-129; D.C. Code, sec. 16-2304), for the fiscal year ending September 30, 1990, shall be available for obligations incurred under that Act in each fiscal year since inception in fiscal year 1985: *Provided further*, That $50,000 of any appropriation available to the District of Columbia may be used to match financial contributions from the Department of Defense to the District of Columbia Office of Emergency Preparedness for the purchase of civil defense equipment and supplies approved by the Department of Defense, when authorized by the Mayor: *Provided further*, That not to exceed $1,500 for the Chief Judge of the District of Columbia Court of Appeals, $1,500 for the Chief Judge of the Superior Court of the District of Columbia, and $1,500 for the Executive Officer of the District of Columbia Courts shall be available from this appropriation for official purposes: *Provided further*, That the District of Columbia shall operate and maintain a free, 24-hour telephone information service whereby residents of the area surrounding Lorton prison in Fairfax County, Virginia, can promptly obtain information from District of Columbia government officials on all disturbances at the prison, including escapes, fires, riots, and similar incidents: *Provided further*, That the District of Columbia government shall also take steps to publicize the availability of that service among the residents of the area surrounding the Lorton prison: *Provided further*, That not to exceed $100,000 of this appropriation shall be used to reimburse Fairfax County, Virginia, and Prince William County, Virginia, for expenses incurred by the counties during fiscal year 1990 in relation to the Lorton prison complex. Such reimbursements shall be paid in all instances in which the District requests the counties to provide police, fire, rescue, and related services to help deal with escapes, riots, and similar disturbances involving the prison: *Provided further*, That none of the funds appropriated by this Act may be used to implement any plan that includes the closing of Engine Company 3, located at 439 New Jersey Avenue, Northwest: *Provided further*, That the staffing levels of each two-piece engine company within the Fire Department shall be maintained in accordance with the provisions of article III, section 18 of the Fire De-

partment Rules and Regulations as then in effect: *Provided further,* That none of the funds provided in this Act may be used to implement District of Columbia Board of Parole notice of emergency and proposed rulemaking as filed with the District of Columbia Register July 25, 1986: *Provided further,* That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services which are performed in emergencies by the National Guard in a militia status and which are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard: *Provided further,* That such sums as may be necessary for reimbursements to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and their availability shall be deemed as constituting payment in advance for the emergency services involved: *Provided further,* That $17,630,000 for the Metropolitan Police Department and $2,600,000 for the District of Columbia Superior Court shall remain available until expended: *Provided further,* That of funds provided to the Department of Corrections $36,311,000 shall be for the expense of housing D.C. Code violators in Federal Bureau of Prisons facilities, including $5,064,000 of payments previously forgiven.

PUBLIC EDUCATION SYSTEM

Public education system, including the development of national defense education programs, $691,120,000, to be allocated as follows: $502,346,000 for the public schools of the District of Columbia; $86,300,000 for the District of Columbia Teachers' Retirement Fund; $76,088,000 for the University of the District of Columbia; $18,849,000 for the Public Library; $3,527,000 for the Commission on the Arts and Humanities; $3,440,000 for the District of Columbia School of Law; and $570,000 for the Education Licensure Commission: *Provided,* That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: *Provided further,* That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for expenditures for official purposes: *Provided further,* That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 1990, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area: *Provided further,* That funds provided under this head in Public Law 100-202 (101 Stat. 1329-94) to match private contributions to the District of Columbia Public Schools Foundation shall be available until September 30, 1990.

HUMAN SUPPORT SERVICES

Human support services, $827,918,000: *Provided,* That $18,611,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation: *Provided further,* That of the funds provided for the D.C. General Hospital subsidy, $646,000 shall be used to provide health care to homeless persons.

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and purchase of passenger-carrying vehicles for replacement only, $223,898,000, of which not to exceed $3,600,000 shall be available for the School Transit Subsidy: *Provided,* That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business.

WASHINGTON CONVENTION CENTER FUND

For the Washington Convention Center Fund, $7,874,000: *Provided,* That the Convention Center Board of Directors, established by section 3 of the Washington Convention Center Management Act of 1979, effective November 3, 1979 (D.C. Law 3-36; D.C. Code, sec. 9-602), shall reimburse the Auditor of the District of Columbia for all reasonable costs for performance of the annual Convention Center audit.

REPAYMENT OF LOANS AND INTEREST

For reimbursement to the United States of funds loaned in compliance with An Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, approved August 7, 1946 (60 Stat. 896; Public Law 79-648); section 1 of An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; D.C. Code, sec. 9-219); section 4 of An Act to authorize the Commissioners of the District of Columbia to plan, construct, operate, and maintain a sanitary sewer to connect the Dulles International Airport with the District of Columbia system, approved June 12, 1960 (74 Stat. 211; Public Law 86-515); section 723 of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 821; Public Law 93-198; D.C. Code, sec. 47-321, note); and section 743(f) of the District of Columbia Self-Government and Governmental Reorganization Act Amendments, approved October 13, 1977 (91 Stat. 1156; Public Law 95-131; D.C. Code, sec. 9-219, note), including interest as required thereby, $251,474,000.

REPAYMENT OF GENERAL FUND DEFICIT

For the purpose of reducing the $218,872,000 general fund accumulated deficit as of September 30, 1988, $20,000,000, of which not less than $442,000 shall be funded and apportioned by the Mayor from amounts otherwise available to the District of Columbia government (including amounts appropriated by this Act or revenues otherwise available, or both): *Provided,* That if the Federal payment to the District of Columbia for fiscal year 1990 is reduced pursuant to an order issued by the President under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177, approved December 12, 1985), as amended, the percentage (if any) by which the $20,000,000 set aside for repayment of the general fund accumulated deficit under this appropriation title is reduced as a consequence shall not exceed the percentage by which the Federal payment is reduced pursuant to such order: *Provided further,* That all net revenue the District of Columbia government may collect as a result of the District of Columbia government's pending appeal in the consolidated case of U.S. Sprint Communications, et al. v. District of Columbia et al., CA 10080-87 (court order filed November 14, 1988), shall be applied solely to the repayment of the general fund accumulated deficit.

SHORT-TERM BORROWINGS

For the purpose of funding interest related to borrowing funds for short-term cash needs, $10,997,000.

OPTICAL AND DENTAL BENEFITS

For optical and dental costs for nonunion employees, $2,569,000.

ENERGY ADJUSTMENT

The Mayor shall reduce authorized energy appropriations and expenditures within object class 30a (energy) in the amount of $2,000,000, within one or several of the various appropriation headings in this Act.

EQUIPMENT ADJUSTMENT

The Mayor shall reduce authorized equipment appropriations and expenditures within object class 70 (equipment) in the amount of $6,100,000, within one or several of the various appropriation headings in this Act.

PERSONAL SERVICES ADJUSTMENT

The Mayor shall reduce appropriations and expenditures for personal services within object classes 11, 12, 13, and 14 in the amount of $31,550,000, within one or several of the various appropriation headings in this Act.

CAPITAL OUTLAY

For construction projects, $134,650,000, as authorized by An Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, secs. 43-1512 to 43-1519); the District of Columbia Public Works Act of 1954, approved May 18, 1954 (68 Stat. 101; Public Law 83-364); An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; D.C. Code, secs. 9-219 and 47-3402); section 3(g) of the District of Columbia Motor Vehicle Parking Facility Act of 1942, approved August 20, 1958 (72 Stat. 686; Public Law 85-692; D.C. Code, sec. 40-805(7)); and the National Capital Transportation Act of 1969, approved December 9, 1969 (83 Stat. 320; Public Law 91-143; D.C. Code, secs. 1-2451, 1-2452, 1-2454, 1-2456, and 1-2457); including acquisition of sites, preparation of plans and specifications, conducting preliminary surveys, erection of structures, including building improvement and alteration and treatment of grounds, to remain available until expended: *Provided,* That $10,556,000 shall be available for project management and $26,319,000 for design by the Director of the Department of Public Works or by contract for architectural engineering services, as may be determined by the Mayor: *Provided further,* That funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Man-

agement System: *Provided further,* That $20,300,000 of the $134,650,000 shall be available solely for the Correctional Treatment Facility to be constructed in the District of Columbia which is financed with Federal funds appropriated to the District of Columbia for fiscal year 1991: *Provided further,* That $547,000 for the Department of Recreation and $3,080,000 for the Department of Public Works for pay-as-you-go capital projects shall be financed from general fund operating revenues: *Provided further,* That all funds provided by this appropriation title shall be available only for the specific projects and purposes intended: *Provided further,* That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968, approved August 23, 1968 (82 Stat. 827; Public Law 90-495; D.C. Code, sec. 7-134, note), for which funds are provided by this appropriation title, shall expire on September 30, 1991, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 1991: *Provided further,* That upon expiration of any such project authorization the funds provided herein for the project shall lapse.

WATER AND SEWER ENTERPRISE FUND

For the Water and Sewer Enterprise Fund, $199,382,000, of which $34,964,000 shall be apportioned and payable to the debt service fund for repayment of loans and interest incurred for capital improvement projects.

For construction projects, $29,700,000, as authorized by an Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, sec. 43-1512 et seq.): *Provided,* That the requirements and restrictions which are applicable to general fund capital improvement projects and are set forth in this Act under the Capital Outlay appropriation title shall apply to projects approved under this appropriation title: *Provided further,* That of the $27,085,000 in water and sewer enterprise fund operating revenues for pay-as-you-go capital projects, $1,200,000 shall fund new authority in the fiscal year 1990 capital budget and $25,885,000 shall fund prior year capital budget authority.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriation Act for fiscal year 1982, approved December 4, 1981, (95 Stat. 1174, 1175; Public Law 97-91), as amended, for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3-172; D.C. Code, secs. 2-2501 et seq. and 22-1516 et seq.), $8,600,000, to be derived from non-Federal District of Columbia revenues: *Provided,* That the District of Columbia shall identify the sources of funding for this appropriation title from its own locally-generated revenues: *Provided further,* That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

CABLE TELEVISION ENTERPRISE FUND

For the Cable Television Enterprise Fund, established by the Cable Television Communications Act of 1981, effective October 22, 1983 (D.C. Law 5-36; D.C. Code, sec. 43-1801 et seq.), $1,600,000.

GENERAL PROVISIONS

SEC. 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

SEC. 103. Whenever in this Act an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor, except for those funds and programs for the Metropolitan Police Department under the heading "Public Safety and Justice" which shall be considered as the amounts set apart exclusively for and shall be expended solely by that Department; and the appropriation under the heading "Repayment of General Fund Deficit" which shall be considered as the amount set apart exclusively for and shall be expended solely for that purpose.

SEC. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: *Provided,* That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101-7 (Federal Travel Regulations).

SEC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: *Provided,* That the Council of the District of Columbia and the District of Columbia Courts may expend such funds without authorization by the Mayor.

SEC. 106. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: *Provided,* That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, approved March 31, 1956 (70 Stat. 78; Public Law 84-460; D.C. Code, sec. 47-1812.11(c)(3)).

SEC. 107. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C. Law 4-101; D.C. Code, sec. 3-205.44), and for the non-Federal share of funds necessary to qualify for Federal assistance under the Juvenile Delinquency Prevention and Control Act of 1968, approved July 31, 1968 (82 Stat. 462; Public Law 90-445; 42 U.S.C. 3801 et seq.).

SEC. 108. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 109. Not to exceed 4½ per centum of the total of all funds appropriated by this Act for personnel compensation may be used to pay the cost of overtime or temporary positions.

SEC. 110. Appropriations in this Act shall not be available, during the fiscal year ending September 30, 1990, for the compensation of any person appointed to a permanent position in the District of Columbia government during any month in which the number of employees exceeds 39,262.

SEC. 110A. (a) No funds appropriated by this Act may be expended for the compensation of any person appointed to fill any vacant position in any agency under the personnel control of the Mayor unless:

(1) The position is to be filled by a sworn officer of the Metropolitan Police Department; or

(2) The position is to be filled as follows:

(A) By a person who is currently employed by the District of Columbia government at a grade level that is equal to the grade level of the position to be filled; or

(B) By a person who is currently employed by the District of Columbia government at a grade level higher than the grade level of the position to be filled, and who is willing to assume a lower grade level in order to fill the position.

(b) Subsection (a) of this section shall not apply to any position for which the City Administrator certifies that:

(1) The position is necessary to the fulfillment of an identified essential governmental function; and

(2) The position cannot be filled from within the District of Columbia government:

(A) At a grade level that is equal to the grade level of the position to be filled; or

(B) By a person who is currently employed by the District of Columbia government at a grade level higher than the grade level of the position to be filled, and who is willing to assume a lower grade level in order to fill the position.

(c) The City Administrator shall submit the certification required by subsection (b) of this section to the Council on the 1st day of each month.

SEC. 110B. (a) APPLICATION FOR EMPLOYMENT, PROMOTIONS, AND REDUCTIONS IN FORCE.—

(1) IN GENERAL.—The rules issued pursuant to the amendments to the District of Columbia Government Comprehensive Merit Personnel Act of 1978 made by the Residency Preference Amendment Act of 1988 (D.C. Law 7-203) shall include the provisions described in paragraph (2).

(2) DESCRIPTION OF POLICIES.—

(A) POLICY REGARDING APPLICATION FOR EMPLOYMENT.—The Mayor of the District of Columbia may not give an applicant for District of Columbia government employment in the Career Service who claims a District residency preference more than a 5 point hiring preference over an applicant not claiming such a preference, and, in the case of equally qualified applicants, shall give an applicant claiming such a preference priority in hiring over an applicant not claiming such a preference.

(B) POLICY REGARDING PROMOTIONS AND REDUCTIONS IN FORCE FOR CAREER SERVICE EMPLOYEES.—In calculating years of service for the purpose of implementing a reduction-in-force, the Mayor may not credit an employ-

ee in the Career Service who claims a District residency preference with more than 1 year of additional service credit, and in the case of equally qualified employees, shall give an employee claiming such a preference priority in promotion over an employee not claiming such a preference.

(C) INDIVIDUALS SUBJECT TO PROVISIONS.—The amendments to the District of Columbia Government Comprehensive Merit Personnel Act of 1978 made by the Residency Preference Amendment Act of 1988 shall apply only with respect to individuals claiming a District residency preference or applying for employment with the District of Columbia on or after March 16, 1989.

(b) SCOPE OF 5-YEAR DISTRICT RESIDENCY REQUIREMENT FOR EMPLOYEES CLAIMING PREFERENCE.—

(1) CAREER SERVICE EMPLOYEES.—Section 801(e) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (section 1-608.1(e), D.C. Code), as amended by the Residency Preference Amendment Act of 1988 (D.C. Law 7-203), is amended by adding at the end the following new paragraph:

"(7)(A) Except as provided in subparagraph (B), the Mayor may not require an individual to reside in the District of Columbia as a condition of employment in the Career Service.

"(B) The Mayor shall provide notice to each employee in the Career Service of the provisions of this subsection that require an employee claiming a residency preference to maintain District residency for 5 consecutive years, and shall only apply such provisions with respect to employees claiming a residency preference on or after March 16, 1989.".

(2) EDUCATIONAL SERVICE EMPLOYEES.—Section 801A(d) of such Act (section 1-609.1(d), D.C. Code), as amended by the Residency Preference Amendment Act of 1988 (D.C. Law 7-203), is amended by adding at the end the following new paragraph:

"(7)(A) Except as provided in subparagraph (B), the Boards may not require an individual to reside in the District of Columbia as a condition of employment in the Educational Services.

"(B) The Boards shall provide notice to each employee in the Educational Service of the provisions of this subsection that require an employee claiming a residency preference to maintain District residency for 5 consecutive years, and shall only apply such provisions with respect to employees claiming a residency preference on or after March 16, 1989.".

SEC. 111. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 112. The annual budget for the District of Columbia government for the fiscal year ending September 30, 1991, shall be transmitted to the Congress no later than April 15, 1990.

SEC. 113. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the House Committee on the District of Columbia, the Subcommittee on Governmental Efficiency, Federalism and the District of Columbia of the Senate Committee on Governmental Affairs, and the Council of the District of Columbia, or their duly authorized representative.

SEC. 114. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977, effective September 23, 1977 (D.C. Law 2-20; D.C. Code, sec. 47-421 et seq.).

SEC. 115. None of the funds contained in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name and salary are not available for public inspection.

SEC. 116. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

SEC. 117. None of the Federal funds provided in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

SEC. 118. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: *Provided,* That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowing and spending progress compared with projections.

SEC. 119. The Mayor shall not borrow any funds for capital projects unless he has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

SEC. 120. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

SEC. 121. None of the funds appropriated in this Act may be used for the implementation of a personnel lottery with respect to the hiring of fire fighters or police officers.

SEC. 122. None of the funds appropriated by this Act may be obligated or expended by reprogramming except pursuant to advance approval of the reprogramming granted according to the procedure set forth in the Joint Explanatory Statement of the Committee of Conference (House Report No. 96-443) which accompanied the District of Columbia Appropriation Act, 1980, approved October 30, 1979 (93 Stat. 713; Public Law 96-93), as modified in House Report No. 98-265, and in accordance with the Reprogramming Policy Act of 1980, effective September 16, 1980 (D.C. Law 3-100; D.C. Code, sec. 47-361 et seq.).

SEC. 123. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia.

SEC. 124. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980, approved October 10, 1980 (94 Stat. 1824; Public Law 96-425; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: *Provided,* That this section shall not apply to security, emergency rescue, or armored vehicles.

SEC. 125. (a) Notwithstanding section 422(7) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(7)), the City Administrator shall be paid, during any fiscal year, a salary at a rate established by the Mayor, not to exceed the rate established for level IV of the Executive Schedule under 5 U.S.C. 5315.

(b) For purposes of applying any provision of law limiting the availability of funds for payment of salary or pay in any fiscal year, the highest rate of pay established by the Mayor under subsection (a) for any position for any period during the last quarter of calendar year 1989 shall be deemed to be the rate of pay payable for that position for September 30, 1989.

(c) Notwithstanding section 4(a) of the District of Columbia Redevelopment Act of 1945, approved August 2, 1946 (60 Stat. 793; Public Law 79-592; D.C. Code, sec. 5-803(a)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, a per diem compensation at a rate established by the Mayor.

SEC. 126. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Code, sec. 1-601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(3)), shall apply with respect to the compensation of District of Columbia employees: *Provided,* That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5 of the United States Code.

SEC. 127. The Director of the Department of Administrative Services may pay rentals and repair, alter, and improve rented premises, without regard to the provisions of section 322 of the Economy Act of 1932 (Public Law 72-212; 40 U.S.C. 278a), upon a determination by the Director, that by reason of circumstances set forth in such determination, the payment of these rents and the execution of this work, without reference to the limitations of section 322, is advantageous to the District in terms of economy, efficiency and the District's best interest.

SEC. 128. No later than 30 days after the end of the first quarter of fiscal year 1990, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia the new fiscal year 1990 revenue estimates as of the end of the first quarter of fiscal year 1990. These estimates shall be used in the fiscal year 1991 annual budget request. The officially revised estimates at midyear shall be used for the midyear report.

SEC. 129. Section 466(b) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 806; Public Law 93-198; D.C. Code, sec. 47-326), is amended by striking out "sold before October 1, 1989" and inserting in lieu thereof "sold before October 1, 1990".

SEC. 130. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85; D.C.

Code, sec. 1-1183.3), except that the District of Columbia Public Schools may renew or extend sole source contracts for which competition is not feasible or practical, provided that the determination as to whether to invoke the competitive bidding process has been made in accordance with duly promulgated Board of Education rules and procedures.

SEC. 131. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99-177), as amended, the term "program, project, and activity" shall be synonymous with and refer specifically to each account appropriating Federal funds in this Act and any sequestration order shall be applied to each of the accounts rather than to the aggregate total of those accounts: *Provided,* That sequestration orders shall not be applied to any account that is specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99-177), as amended.

SEC. 132. In the event a sequestration order is issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99-177), as amended, after the amounts appropriated to the District of Columbia for the fiscal year involved have been paid to the District of Columbia, the Mayor of the District of Columbia shall pay to the Secretary of the Treasury, within 15 days after receipt of a request therefor from the Secretary of the Treasury, such amounts as are sequestered by the order: *Provided,* That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in this Act which are not specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99-177), as amended.

SEC. 133. (a) It is the purpose of this section to improve the means by which the District of Columbia is paid for water and sanitary sewer services furnished to the Government of the United States or any department, agency, or independent establishment thereof.

(b) Section 106 of title I of the District of Columbia Public Works Act of 1954 (68 Stat. 102; D.C. Code, sec. 43-1552) is amended by—

(1) striking in subsection (a) all that follows the sentence beginning with "Payment shall be made as provided in subsection (b)"; and

(2) amending subsection (b) to read as follows:

"(b)(1) Beginning in the second quarter of fiscal year 1990, the government of the District of Columbia shall receive payment for water services from funds appropriated or otherwise available to the Federal departments, independent establishments, or agencies. In accordance with the provisions of paragraphs (2) and (3) of this subsection, one-fourth (25 percent) of the annual estimate prepared by the District government shall be paid, not later than the second day of each fiscal quarter, to the District government by the Secretary of the Treasury from funds deposited by said departments, establishments, or agencies in a United States Treasury account entitled 'Federal Payment for Water and Sewer Services'. In the absence of sufficient funds in said account, payment shall be made by the Secretary of the Treasury from funds available to the United States Treasury and shall be reimbursed promptly to the United States Treasury by the respective user agencies. Payments shall be made to the District government by the Secretary of the Treasury without further justification, and shall be equal to one-fourth (25 percent) of the annual estimate prepared by the District government pursuant to paragraph (2) of this subsection.

"(2) By April 15 of each calendar year the District shall provide the Office of Management and Budget, for inclusion in the President's budget of the respective Federal departments, independent establishments, or agencies, an estimate of the cost of service for the fiscal year commencing October 1st of the following calendar year. The estimate shall provide the total estimated annual cost of such service and an itemized estimate of such costs by Federal department, independent establishment, or agency. The District's estimates on a yearly basis shall reflect such adjustments as are necessary to (1) account for actual usage variances from the estimated amounts for the fiscal year ending on September 30th of the calendar year preceding April 15th, and (2) reflect changes in rates charged for water and sewer services resulting from public laws or rate covenants pursuant to water and sewer revenue bond sales.

"(3) Each Federal department, independent establishment, or agency receiving water services in buildings, establishments, or other places shall pay from funds specifically appropriated or otherwise available to it, quarterly and on the first day of each such fiscal quarter, to an account in the United States Treasury entitled 'Federal Payment for Water and Sewer Services' an amount equal to one-fourth (25 percent) of the annual estimate for said services as provided for in paragraph (2) of this subsection.

"(4) The amount or time period for late payment of water charges involving a building, establishment, or other place owned by the Government of the United States imposed by the District of Columbia shall not be different from those imposed by the District of Columbia on its most favored customer.".

(c) Section 212 of the District of Columbia Public Works Act of 1954 (68 Stat. 108; D.C. Code, sec. 43-1612) is amended by—

(1) striking in subsection (a) all that follows ": *Provided,* That"; and

(2) amending subsection (b) to read as follows:

"(b)(1) Beginning in the second quarter of fiscal year 1990, the government of the District of Columbia shall receive payment for sanitary sewer services from funds appropriated or otherwise available to the Federal departments, independent establishments, or agencies. In accordance with the provisions of paragraphs (2) and (3) of this subsection, one-fourth (25 percent) of the annual estimate prepared by the District government shall be paid, not later than the second day of each fiscal quarter, to the District government by the Secretary of the Treasury from funds deposited by said departments, establishments, or agencies in a United States Treasury account entitled 'Federal Payment for Water and Sewer Services'. In the absence of sufficient funds in said account, payment shall be made by the Secretary of the Treasury from funds available to the United States Treasury and shall be reimbursed promptly to the United States Treasury by the respective user agencies. Payments shall be made to the District government by the Secretary of the Treasury without further justification, and shall be equal to one-fourth (25 percent) of the annual estimate prepared by the District government pursuant to paragraph (2) of this subsection.

"(2) By April 15 of each calendar year the District shall provide the Office of Management and Budget, for inclusion in the President's budget of the respective Federal departments, independent establishments, or agencies, an estimate of the cost of service for the fiscal year commencing October 1st of the following calendar year. The estimate shall provide the total estimated annual cost of such service and an itemized estimate of such costs by Federal department, independent establishment, or agency. The District's estimates on a yearly basis shall reflect such adjustments as are necessary to (1) account for actual usage variances from the estimated amounts for the fiscal year ending on September 30th of the calendar year preceding April 15th, and (2) reflect changes in rates charged for water and sewer services resulting from public laws or rate covenants pursuant to water and sewer revenue bond sales.

"(3) Each Federal department, independent establishment, or agency receiving sanitary sewer services in buildings, establishments, or other places shall pay from funds specifically appropriated or otherwise available to it, quarterly and on the first day of each such fiscal quarter, to an account in the United States Treasury entitled 'Federal Payment for Water and Sewer Services' an amount equal to one-fourth (25 percent) of the annual estimate for said services as provided for in paragraph (2) of this subsection.

"(4) The amount or time period for late payment of charges for sanitary sewer services involving a building, establishment, or other place owned by the Government of the United States imposed by the District of Columbia shall not be different from those imposed by the District of Columbia on its most favored customer.".

(d) The first sentence of subsection (d) of section 207 of the District of Columbia Public Works Act of 1954 (68 Stat. 106) is amended to read as follows: "Whenever a property upon which a sanitary sewer service charge is a public park, or uses water from the water supply system of the District for an industrial or commercial purpose in such a manner that the water so used is likewise not discharged into the sanitary sewage works of the District, the quantity of water so used and not discharged into the sanitary sewage works of the District may be excluded in determining the sanitary sewer service charge on such property, if such exclusion is previously requested in writing by the owner or occupant thereof and approved in writing by the District government in advance of the billing period involved.".

(e) The amendments made by this section shall take effect January 1, 1990, and shall terminate December 31, 1990.

SEC. 134. (a) The paragraph under the heading "Lottery and Charitable Games Enterprise Fund" in the District of Columbia Appropriation Act, 1982, approved December 4, 1981 (95 Stat. 1174; Public Law 97-91), is amended—

(1) by striking the 10th proviso; and

(2) in the 11th proviso, by striking "1144, as well as in the Old Georgetown Historic District:" and inserting "1144:".

(b) The 11th proviso referred to in subsection (a)(2), as amended by such subsection, shall not apply with respect to any activity relating to a lottery, raffle, bingo, or other game of chance sponsored by, and conducted solely for the benefit of, an organization

which is described in section 501(c)(3), and exempt from tax under section 501(a), of the Internal Revenue Code of 1986.

SEC. 135. No funds appropriated in this Act for the operation of programs, projects, or activities of the government of the District of Columbia for which the Council of the District of Columbia has approved a specific budget increase shall be reprogrammed or reduced prior to 30 days written notice to the Council of the District of Columbia.

SEC. 136. Such sums as may be necessary for fiscal year 1990 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 137. For the fiscal year ending September 30, 1990, the District of Columbia shall pay interest on its quarterly payments to the United States that are made more than 60 days from the date of receipt of an itemized statement from the Federal Bureau of Prisons of amounts due for housing District of Columbia convicts in Federal penitentiaries for the preceding quarter.

SEC. 138. Section 11-903, District of Columbia Code, is amended to read as follows:

"§ 11-903. Composition.

"Subject to the enactment of authorizing legislation, the Superior Court of the District of Columbia shall consist of a chief judge and fifty-eight associate judges.".

SEC. 139. Of the funds appropriated in Public Law 100-202 for carrying out part B of title VII of the Higher Education Act that remain available for obligation, $6,700,000 shall be awarded without regard to section 701(B), section 721(B), and section 721(C) of said Act to the consortium of institutions of higher education in the Washington, DC metropolitan area for the purpose of constructing and equipping an academic research library to link the library and information resources of the universities participating in the consortium.

SEC. 140. TASK FORCE ON SUBSTANCE ABUSING PREGNANT WOMEN AND INFANTS EXPOSED TO MATERNAL SUBSTANCE ABUSE DURING PREGNANCY.—(a) IN GENERAL.—The Director of the Department of Human Services of the District of Columbia (referred to as the "Director") shall establish a task force, to be known as the District of Columbia Task Force for Coordinated Service to Drug-Exposed Infants (referred to as the "Task Force"), to develop a plan for the most efficient and effective delivery of services to substance abusing pregnant women and infants who were exposed to maternal substance abuse during pregnancy, including recommendations to ensure maximum cooperation between service providers.

(b) MEMBERS.—(1) The Director shall appoint no more than 15 persons to serve on the Task Force, including persons with experience in treating substance-exposed infants, representing the following organizations and disciplines:

(A) Child protection and welfare.

(B) Local hospitals.

(C) Health care professionals, including drug treatment specialists, public health experts, primary care providers, and child development specialists.

(D) Public safety and justice.

(E) Public education.

(F) Community-based organizations serving substance abusing pregnant and post partum women and their infants.

(G) Public housing officials.

(H) Other human support services.

(2) In addition to the members of the Task Force appointed pursuant to paragraph (1), the United States Attorney or a designee of the United States Attorney shall be a member of the Task Force.

(3) The Director or the designee of the Director shall act as chairman of the Task Force and provide such clerical support as the Task Force requires.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act the Task Force shall submit a report to Congress making findings and recommendations for legislative or other action, and including a specific plan detailing how the District will provide for the care of abandoned or otherwise abused infants for whom foster homes have not been found within 6 months of birth; and a timetable for implementing its recommendations.

(d) TERMINATION.—The Task Force shall terminate on submission of its report in accordance with subsection (c).

SEC. 141. (a) This section may be cited as the "Nation's Capital Religious Liberty and Academic Freedom Act".

(b) Section 1-2520 of the District of Columbia Code (1981 edition) is amended by adding after subsection (2) the following new subsection:

"(3) Notwithstanding any other provision of the laws of the District of Columbia, it shall not be an unlawful discriminatory practice in the District of Columbia for any educational institution that is affiliated with a religious organization or closely associated with the tenets of a religious organization to deny, restrict, abridge, or condition—

"(A) the use of any fund, service, facility, or benefit; or

"(B) the granting of any endorsement, approval, or recognition,

to any person or persons that are organized for, or engaged in, promoting, encouraging, or condoning any homosexual act, lifestyle, orientation, or belief.".

This Act may be cited as the "District of Columbia Appropriations Act, 1990".

Mr. DIXON (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN pro tempore (Mr. NAGLE). Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN pro tempore. Are there any points of order against the bill?

Are there any amendments?

AMENDMENT OFFERED BY MR. EMERSON

Mr. EMERSON. Mr. Chairman, I offer an amendment.

Mr. DIXON. Mr. Chairman, I reserve a point of order.

Mr. Chairman, I have not seen the amendment.

The CHAIRMAN pro tempore. The gentleman from California [Mr. DIXON] reserves a point of order.

The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. EMERSON: In section 117, strike "Federal".

The CHAIRMAN pro tempore. Does the gentleman from California [Mr. DIXON] wish to raise a point of order?

Mr. DIXON. Mr. Chairman, I would hope that we could expedite this. I will not make the point of order at this point. I will reserve it, but I do intend to make the point of order. The Chair has previously ruled on it, and I think the Chair will be consistent in that ruling however, if there is desire to have some further discussion on this, I will certainly reserve a point of order for at least 2 or 3 minutes.

The CHAIRMAN. The gentleman from California [Mr. DIXON] reserves his point of order, and the gentleman from Missouri [Mr. EMERSON] is recognized for 5 minutes in support of his amendment.

Mr. EMERSON. Mr. Chairman, the amendment I am offering will restore the current-law prohibition on the use of local funds for abortion, except where the life of the mother is at stake, in the District of Columbia.

This is not an issue of home rule. Article I of the Constitution mandates that Congress "exercise exclusive legislation in all cases" over the District of Columbia, and as a consequence, Congress must appropriate all funds, including local funds, to the District of Columbia.

This is an issue of human life. The former budget director of the District of Columbia was reported to have "confirmed that the District's Government has a policy of funding abortion on demand and does not attempt to determine the circumstances of the pregnancy." Not so much as a simple inquire.

Not surprisingly, figures from the Alan Guttmacher Institute reveal that the abortion rate in the District of Columbia is more than triple that of any of the 50 States. Almost half the women seeking abortions in the District of Columbia during 1986 acknowledged at least one previous abortion. Nineteen percent reported two or more previous abortions. And in 1986, the rate of abortions was the same as the rate of live births.

We are not talking about unusual and compelling circumstances here. The District of Columbia offers readily accessible abortion as a means of after-the-fact birth control, and from 1984 through 1987, it spent $6.1 million to do it.

When the President vetoed the D.C. appropriations bill a few weeks ago, he did so not only because it allowed Federal funds to pay for abortion-on-demand in the District of Columbia, but because it would also have allowed local funds to pay for abortions. When the bill was returned to Congress, the current-law restriction on Federal funding was restored. But H.R. 3610, as it is before us now, continues to allow local funds—funds which must be appropriated by Congress—to be used for abortion on demand. This bill is still unacceptable to the President,

and my friends, unless current law is maintained and local funds are prohibited from funding abortion on demand, it will be vetoed again.

POINT OF ORDER

Mr. DIXON. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. DIXON. Mr. Chairman, by striking the word "Federal" the amendment of the gentleman from Missouri [Mr. EMERSON] in effect adds legislation to legislation already in the bill. The amendment of the gentleman from Missouri constitutes legislation on an appropriations bill and, as such, violates clause 2, rule XXI, of the House. The rule states in part that no amendment shall be in order in changing existing law.

Mr. Chairman, I ask for the ruling of the Chair.

The CHAIRMAN. Does the gentleman from Missouri [Mr. EMERSON] wish to be heard on the point of order?

Mr. EMERSON. Mr. Chairman, I would only argue that this amendment does not in any way expand the bill, and I would rest my case.

The CHAIRMAN (Mr. COOPER). The Chair sustains the point of order made by the gentleman from California [Mr. DIXON].

The Chair has previously ruled on this question on several occasions, and I would cite for the gentleman from Missouri [Mr. EMERSON] the rulings of June 26, 1987 and June 28, 1988 for the same reasons stated therein the Chair sustains the point of order made by the gentleman from California [Mr. DIXON].

Mr. DORNAN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have always found it enjoyable to work with the gentleman from California [Mr. DIXON], the chairman of the Committee on the District of Columbia, as he knows. He is a man of honor, and he is up front, and that is much to be appreciated on this very delicate issue.

However, Mr. Chairman, I had an opportunity to visit with the President in the Oval Office on November 8. I was down at the White House for a totally different reason, to see some people about the tragedy of all the killing going on in Lebanon. It was the 1-year anniversary of President Bush's great election last year and he grabbed me and took me into the Oval Office, and we discussed two or three subjects, and this was one of them.

Mr. Chairman, the President told me, and I know the gentleman from California [Mr. DIXON] does not know this, but the President told me again he is not going to let this bill go through if it contains abortion on demand.

What we have done now is gone back really to square one. This is the battle we fought last year before the elections changed, about 10 votes on this issue, though this issue never came up in one of those elections. So this is differently constructed House than the 100th Congress, and we are right back to the same old routine of debating the word "Federal," and the points of order and back and forth. But what we are facing with the word "Federal" in the bill is language that should not please anyone. For those who want rape and incest language, they are not going to find it with regard to federal dollars. And for those in this House who have voted against the pro-life position because they feel that they want a rape and incest position and nothing more, they are now being asked to allow abortions to start up again in the District of Columbia for all 9 months for any reason whatsoever. This is clearly not the position of the majority of Members. All the things that Pennsylvania prevented in its legislature just a few days ago on husband notification, on parental notification and approval, no gender selection, all of those things that I think are going to pass in probably 48 out of the 50 States; none of that is here in this language. This legislation does not even deal with District funds, though we are the legislature of the District. And make no mistake about it, that is the way our forefathers constructed it. This bill means abortion on demand for any reason, all 9 months, unstoppable abortion in the District, so that the killing can go on of mostly black children in their mothers' wombs.

Mr. Chairman, in 1975 this was the first American city that registered more abortions than live births, and it was the same in 1976, and 1977, and 1978, and Jimmy Carter's last 2 years, 1979 and 1980, and all of Reagan's 8 years. It took a dip last year because of the Dornan amendment to the D.C. appropriations bill that passed last year. That is something this Chamber should be proud of.

□ 1520

And now we are being asked again to have more abortions in our beautiful District of Columbia than live births. It is a tragic situation.

Mr. EMERSON. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. I am glad to yield to the gentleman from Missouri.

Mr. EMERSON. Mr. Chairman, I would just like to ask the gentleman a question. Inasmuch as the Chair has ruled against the admission of my amendment to this bill, is it not then logical that the only way we can prevent legislatively a return to the syndrome of allowing abortion on demand in the District of Columbia, given the fact that we have on other legislative opportunity here, is to vote against the passage of the bill?

Mr. DORNAN of California. Absolutely. I will, of course, with no problems of conscience, vote against this bill because it is abortion on demand, all 9 months, across the board, for any frivolous reason whatsoever.

I think that every person who wants to go home during this Thanksgiving, Hanukkah and Christmas break, and tell their voters that they are still prolife, but that they just want to be reasonable about the horrible tragedies of rape, and incest, that they want to remain a proud prolifer, are going to have trouble if they do not reject this.

The sad part now is this thing is so utterly politicized that although there are reasonable people on this side, and 98 percent of the people are reasonable on the other side, there are some people like Molly Yard, standing down there where Martin Luther King stood in front the Washington Memorial, threatening to break every law in this country if the Supreme Court does not do her bidding. There are some people in this Chamber, a handful, I can count them on one hand, who are so politically driven that they think they are going to win the White House, that they are going to remove every Republican on this side about 20 in the 1990 election because of this issue. They are obsessed with the political lust of using abortion on demand for all 9 months. They want to use it for gender selection, to kill people in the womb if an amniocentesis test shows that somebody is going to be a daughter or a son. Anything to drive abortion all 9 months, on demand, for any ridiculous reason. That is what they want, and they are going to tear this House up. They have threatened that they will keep us through Thanksgiving, and I say to the gentleman from Kentucky [Mr. NATCHER], they will keep us here until the eve of Jesus Christ's birthday. They love this issue because they think they are going to dominate American politics with it.

Mr. Chairman, I recommend a no vote, and if the bill is passed the President will veto it.

Mr. GREEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise simply to point out to my colleagues that on seven separate occasions President Reagan signed this bill with the same home rule provision that we have in it today, so if President Bush indeed vetoes the bill on the grounds of this provision, he is going to be taking this case far beyond where President Reagan took it.

I would hope, Mr. Chairman, that the President will think long and hard before he does that.

Mr. SMITH of New Jersey. Mr. Chairman, I move to strike the requisite number of words.

I just want to point out so that everybody is clear, President Reagan in his last year in office vowed to veto this bill unless the word "Federal" was stricken from the bill, so that all appropriated funds, both the local D.C. funds and the Federal component, would not be used to pay for abortion on demand.

The President vetoed that bill, was perfectly prepared to do so, and the House backed him up. We were able to get what is now current law, and that is the Hyde amendment for both the local as well as Federal funds.

I also want to commend the gentleman from Missouri [Mr. EMERSON] for offering this amendment. Unfortunately, once again the rules have been used to short-circuit consideration of a very important amendment; so the consequence is that this bill will be vetoed.

So I would urge, as the gentleman from California [Mr. DORNAN] urged a moment ago, that Members vote this bill down. We will have an opportunity, I would hope, to vote for this kind of amendment and let the House work its will, but unfortunately we are not going to get it today.

Let me also point out to my colleagues that if the bill as crafted were to become law, we would see abortion on demand subsidized in the District of Columbia. That is not the case as of today. Current law provides for a life of the mother exception.

The bill that is presented is radically different and will provide for abortion on demand payments in the District of Columbia.

Let me also point out that in fiscal year 1988 when the old law was in effect, 3,139 children were aborted with taxpayer subsidies footing the bill.

Again, this is an issue of abortion on demand. We are not talking about rape and incest or more narrowly crafted language or anything of the kind. We are talking about abortion on demand.

Again, we were precluded from the opportunity to offer an amendment, which I think is most unfortunate. The membership has been deprived of the opportunity to work its will here on the floor because of the invoking of the rules, which I think are very unfair, but again I urge Members to vote no. This bill will allow payment for abortion on demand.

Mr. FAUNTROY. Mr. Chairman, I move to strike the requisite number of words.

I simply want to appeal to my colleagues to be consistent here today. We have approved an HHS appropriation that provides for prohibition on the use of Federal funds.

The citizens of the District of Columbia are in all respects full citizens of this great Nation, we pay more per capita in Federal taxes than the residents of 49 of the 50 States; our young people died more per capita in the Vietnam war than died per capita in 47 of the 50 States, and they all died defending a democracy that we do not fully share.

I hope that you will take that into account in supporting the committee position here, and urging the President to sign it.

Mr. DIXON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, to quote the gentleman from Arizona [Mr. UDALL], although the abortion issue is a very divisive issue in our society, just about everything that could be said on this issue has been said and probably has not been said by everyone, and I hope that does not occur today.

But the most important issue that is before us today is the Supreme Court decision in the case Webster versus Reproductive Health Services. Any fair reading of that case, decided by the Supreme Court on July 3, 1989, clearly indicates that local jurisdictions, States, and the District of Columbia, have a right to promulgate reasonable rules and regulations as they relate to State-funded, and in this case District-funded, abortions.

This is the law of the land. This is the law that the prolife advocates felt was a real victory.

I suggest to you that what is good for the goose is good for the gander—that in fact the people who live in this District of Columbia deserve the same right as those who live in every State, to make their own determination as to what they will do with their own revenues, as the gentleman from California cited with Pennsylvania.

The second issue I would like to address briefly is that I, too, have been reading and hearing utterances as to what the President's intentions are on this bill. I would hope that he would support the Supreme Court and allow, although it may be repulsive to him, the local jurisdiction, the people here who raise their own revenues and pay for their trash collection and street maintenance, to make their own decision in accordance with the decision of this Nation's Highest Court.

But as I read from the statement dated today, November 15, 1989, the Statement of Administration Policy, I have some hope that the President will revisit this issue, for the Statement of Administration Policy states in part that "The President vetoed H.R. 3026 on October 27, 1989, because it did not include the fiscal year 1989 language restrictions on both Federal and District funds. The administration urges the House to restore the fiscal year 1989 language on abortion so that the President is finally presented with a bill that he can sign."

It goes on to say that "the absence in H.R. 3610," which is the bill before us, "of the restriction on D.C. funds, would result in the President's senior advisers recommending that he veto the bill."

What I am saying here is that it is not clear to this Member that the President will, in fact, veto this bill. I hope he will reject the advice of his senior advisers on this occasion and uphold the law of the land, the Webster Supreme Court decision.

Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

□ 1530

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. WEISS] having assumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3610) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1990, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. EMERSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 229, nays 191, not voting 13, as follows:

[Roll No. 355]

YEAS—229

Ackerman	AuCoin	Boehlert
Akaka	Barnard	Bonior
Alexander	Bateman	Borski
Anderson	Bates	Bosco
Andrews	Beilenson	Boucher
Anthony	Bennett	Boxer
Aspin	Berman	Brennan
Atkins	Bilbray	Browder

Brown (CA)	Hatcher	Payne (VA)
Bustamante	Hawkins	Pease
Campbell (CO)	Hayes (IL)	Pelosi
Cardin	Hefner	Pickett
Carper	Hertel	Pickle
Carr	Hochbrueckner	Price
Chandler	Horton	Rahall
Chapman	Houghton	Rangel
Clarke	Hoyer	Ravenel
Clay	Hubbard	Regula
Clinger	Hughes	Richardson
Collins	Jacobs	Ridge
Condit	Jenkins	Rose
Conte	Johnson (CT)	Roukema
Conyers	Johnston	Rowland (CT)
Cooper	Jones (GA)	Rowland (GA)
Coughlin	Jones (NC)	Roybal
Courter	Jontz	Sabo
Coyne	Kastenmeier	Saiki
Crockett	Kennedy	Savage
Darden	Kennelly	Sawyer
de la Garza	Kleczka	Scheuer
DeFazio	Kolbe	Schiff
DeLay	Kolter	Schneider
Dellums	Kostmayer	Schroeder
Derrick	Lancaster	Schumer
Dicks	Lantos	Sharp
Dingell	Lehman (CA)	Shays
Dixon	Lehman (FL)	Sikorski
Donnelly	Levin (MI)	Sisisky
Dorgan (ND)	Levine (CA)	Skaggs
Downey	Lewis (GA)	Slaughter (NY)
Durbin	Long	Smith (FL)
Dwyer	Lowey (NY)	Smith (IA)
Dymally	Machtley	Smith (TX)
Early	Markey	Smith (VT)
Eckart	Martin (IL)	Snowe
Edwards (CA)	Martinez	Solarz
Engel	Matsui	Spratt
Erdreich	Mavroules	Stark
Espy	McDermott	Stokes
Evans	McHugh	Studds
Fascell	McMillen (MD)	Swift
Fawell	McNulty	Synar
Fazio	Meyers	Tanner
Feighan	Mfume	Thomas (CA)
Flake	Michel	Thomas (GA)
Foglietta	Miller (CA)	Torres
Ford (MI)	Miller (WA)	Torricelli
Ford (TN)	Mineta	Towns
Frank	Moakley	Traficant
Frenzel	Moody	Udall
Frost	Morrison (CT)	Unsoeld
Gallo	Morrison (WA)	Upton
Gaydos	Murtha	Valentine
Gejdenson	Nagle	Vento
Gephardt	Natcher	Visclosky
Geren	Neal (MA)	Walgren
Gibbons	Neal (NC)	Waxman
Gilman	Nelson	Weiss
Glickman	Obey	Wheat
Gonzalez	Olin	Whitten
Gordon	Ortiz	Williams
Gradison	Owens (NY)	Wise
Gray	Owens (UT)	Wolpe
Green	Pallone	Wyden
Guarini	Panetta	Yates
Hamilton	Pashayan	
Harris	Patterson	

NAYS—191

Annunzio	Coleman (MO)	Gingrich
Applegate	Combest	Goodling
Archer	Costello	Goss
Armey	Cox	Grandy
Baker	Craig	Grant
Ballenger	Crane	Gunderson
Bartlett	Dannemeyer	Hall (OH)
Barton	Davis	Hall (TX)
Bentley	DeWine	Hammerschmidt
Bereuter	Dickinson	Hancock
Bevill	Dornan (CA)	Hansen
Bilirakis	Douglas	Hastert
Bliley	Dreier	Hayes (LA)
Boggs	Duncan	Hefley
Broomfield	Dyson	Henry
Brown (CO)	Edwards (OK)	Herger
Bruce	Emerson	Hiler
Buechner	English	Hoagland
Bunning	Fields	Holloway
Byron	Fish	Hopkins
Callahan	Flippo	Huckaby
Campbell (CA)	Gallegly	Hunter
Clement	Gekas	Hutto
Coble	Gillmor	Hyde
Inhofe	Murphy	Skelton
Ireland	Myers	Slattery
James	Nielson	Slaughter (VA)
Johnson (SD)	Nowak	Smith (NE)
Kanjorski	Oberstar	Smith (NJ)
Kasich	Oxley	Smith, Denny (OR)
Kildee	Packard	Smith, Robert (NH)
Kyl	Parker	Smith, Robert (OR)
LaFalce	Parris	Solomon
Lagomarsino	Paxon	Spence
Laughlin	Penny	Staggers
Leach (IA)	Perkins	Stallings
Leath (TX)	Petri	Stangeland
Lent	Porter	Stearns
Lewis (CA)	Poshard	Stenholm
Lewis (FL)	Pursell	Stump
Lightfoot	Quillen	Sundquist
Lipinski	Ray	Tallon
Livingston	Rhodes	Tauke
Lloyd	Rinaldo	Tauzin
Lowery (CA)	Ritter	Taylor
Luken, Thomas	Roberts	Thomas (WY)
Lukens, Donald	Robinson	Traxler
Madigan	Roe	Vander Jagt
Manton	Rogers	Volkmer
Marlenee	Rohrabacher	Vucanovich
Martin (NY)	Ros-Lehtinen	Walker
Mazzoli	Rostenkowski	Walsh
McCandless	Roth	Watkins
McCloskey	Russo	Weber
McCollum	Sangmeister	Weldon
McCrery	Sarpalius	Whittaker
McCurdy	Saxton	Wolf
McDade	Schaefer	Wylie
McEwen	Schuette	Yatron
McGrath	Schulze	Young (AK)
McMillan (NC)	Sensenbrenner	Young (FL)
Miller (OH)	Shaw	
Mollohan	Shumway	
Montgomery	Shuster	
Moorhead	Skeen	

NOT VOTING—13

Brooks	Garcia	Oakar
Bryant	Kaptur	Payne (NJ)
Burton	Molinari	Wilson
Coleman (TX)	Morella	
Florio	Mrazek	

□ 1550

The Clerk announced the following pair:

On this vote:

Mr. Payne of New Jersey for, with Mr. Burton of Illinois against.

Messrs. GOODLING, SARPALIUS, BEVILL, FLIPPO, and WHITTAKER changed their vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. DELAY. Mr. Speaker, I was recorded in error as voting "aye" on rollcall 355, and I ask unanimous consent that my statement that I intended to vote "no" on rollcall 355 appear after the vote in the permanent RECORD.

The SPEAKER. Is there objection to the request of of the gentleman from Texas?

There was no objection.

PERSONAL EXPLANATION

Mrs. MORELLA. Mr. Speaker, due to a death in the family, I missed rollcall votes 353, 354, and 355. Had I been present, I would have voted "no" on rollcall 353, "yes" on rollcall 354, and "yes" on rollcall 355.

GENERAL LEAVE

Mr. DIXON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on H.R. 3610, the bill just passed.

The SPEAKER pro tempore (Mr. WEISS). Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT ON H.R. 3072, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1990

Mr. MURTHA. Mr. Speaker, I call up the conference report on the bill (H.R. 3072) making appropriations for the Department of Defense for the fiscal year ending September 30, 1990, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the order of the House of Monday, November 13, 1989, the conference report is considered as having been read.

(For conference report and statement see proceedings of the House of Monday, November 13, 1989 at page H 8353.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. MURTHA] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. MCDADE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. MURTHA].

Mr. MURTHA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I bring before the House the conference report on the Department of Defense appropriations bill for fiscal year 1990.

The conference agreement provides a total of $286 billion which is an increase of $3.6 billion above the fiscal year 1989 level but $2.2 billion below the budget request.

These figures do not include funds for military construction and the nuclear weapons related programs of the Department of Energy. Funds for those programs are included in other appropriations bills.

The conference agreement complies with the 302(b) allocations for the Defense appropriations bill in both budget authority and outlays. This conference agreement shows restraint while still providing funding for the important defense areas.

It was an arduous conference. The House and Senate had many issues to address within the 245 separate amendments before the conference

committee. The number of "open" issues in the conference was over 1,000. Obviously, with that number of outstanding issues, it is impossible to bring back a conference report which will be totally satisfactory to all Members of the House. I am very pleased to report to the Members that the House position prevailed on many items in conference. However, as you all know, it is simply impossible to return to the House with a conference report that does not include items which will be controversial to various Members of the House—including myself I might add—but which were insisted upon by the other body, and necessitated compromise.

PERSONNEL

Mr. Speaker, since I became chairman of the Defense Appropriations Committee, my highest priority has been to make certain that the Department of Defense is able to maintain high quality troops. We must never return to the "hollow" force structure of the post Vietnam era. To assure that high morale and quality of life are maintained, the conferees have taken the following steps: Fully funded the pay raise request; fully funded the increase requested for variable housing; added $90 million to the request to help provide adequate medical care for our service families; and added $400 million to the request for "real property maintenance" to keep barracks and
base facilities in proper repair. The backlog in this area exceeds $6 billion.

The conferees made a reduction of 21,400 troops in the end strength of the uniformed services, and reduced 10,500 civilian personnel.

READINESS

Mr. Speaker, in addition to the issue of the quality and well-being of our troops, my other highest priority for defense is readiness. The conference agreements to enhance readiness, include:

An add-on of $200 million for ship repair and maintenance.

An add-on of $150 million for readiness initiatives which will enable the Marine Corps to continue its training at the same level as fiscal year 1989.

An add-on of $300 million for the procurement of ammunition to increase our stocks.

An add-on of $600 million to help correct the critical shortage in sealift.

An add-on of $200 million for depot maintenance to keep our weapons systems on line and operational. This improves safety for our troops and directly affects our readiness posture. Backlogs in this area exceed $1.5 billion.

TRANSFER FROM OPERATIONS AND MAINTENANCE TO PROCUREMENT

Mr. Speaker, on the face of it, it would appear that the conferees made deep cuts in operations and maintenance and made a large increase in the procurement account. It should be pointed out that these statistics are misleading.

The conferees agreed to transfer a substantial amount of dollars from revolving funds in the operations and maintenance accounts into various procurement accounts. These funds will be used for the same purpose in procurement as they were budgeted for in operation and maintenance.

However this transfer will enable both the Defense Department and the Congress to have better oversight regarding the modernization of presently operational weapons systems. This step was taken at the initiative of the Defense Department. Almost $5 billion of the procurement increase is associated with this shift of modernization costs to the procurement accounts.

PROCUREMENT

Mr. Speaker, I have long been a strong advocate of buying weapons at an economic rate. The conference agreement was able to increase funding for a number of programs so they could be procured at economic rates. Some of the systems, which will be purchased at a more cost-effective rate as a result of this conference agreement, are: Apache helicopters; landing craft air cushion; Harm missile; numerous ammunition production lines; and numerous multiyear procurements;

We also provided an add-on of $1.4 billion for a wide variety of equipment for the Guard and Reserve.

The conference agreement complied with the Defense authorization bill with regard to the major strategic weapons systems in procurement and R&D.

The conference report spells out the agreement on funding levels for all weapons systems which were in disagreement between the two Houses.

RESEARCH AND DEVELOPMENT

Mr. Speaker, the conference agreement provides $37.1 billion for research, development, test and evaluation [RDT&E].

The conference agreement: Provided $3.6 billion, a reduction of $1 billion from the budget request, for SDI; provides $194 million for the National Aerospace Plane [NASP]; provides $255 million for the V-22 aircraft; provides $549 million for and SSN-21 submarine and its associated combat system; and funds the advanced tactical fighter program at the authorized level of $911 million.

The conference agreement for research and development is a decline of 6 percent from the budget request.

TERMINATED PROGRAMS

Mr. Speaker, Secretary Cheney's budget included an initiative to terminate seven major weapons systems, of which two were recommended for termination after fiscal year 1991.

The conferees agreed that the F-14D aircraft and the SSN-688 submarine should be terminated although funds were provided for the final production run of the F-14 and the SSN-688.

The conferees disagreed with the recommendation to terminate the Phoenix air-to-air missile and the V-22 Osprey. RDT&E funds for the V-22 Osprey aircraft were provided.

The conferees provided funds for the Army Helicopter Improvement Program and the Apache Helicopter Program and requested that the Secretary of Defense report back to the Committees on Appropriations as to whether any funds may be required for these programs in the future.

Future Congresses will decide on the issue of whether to continue production of the F-15E fighter aircraft.

DRUG INTERDICTION

The conference agreement provided $450 million—the budgeted and authorized amount—for DOD's effort in drug interdiction.

In addition, in fiscal year 1990 the DOD will assist the war on drugs in the following way:

Funds reduced from DOD budget for use in the national war on drugs—$1.2 billion.

Funds transferred from DOD to the State Department for the Andean initiative—$125 million.

Resources made available from DOD to the Coast Guard for operation of the Coast Guard—$300 million.

Funds for DOD flying and steaming hours devoted to drug interdiction—$62 million.

Funds for drug-related testing and education—$118 million.

Funds for 12 fast patrol boats—$84 million.

In summary, over $2.3 billion of the original DOD budget submission has been devoted to the war on drugs.

CONCLUSION

Mr. Speaker, this bill is by far the largest appropriation bill passed each year by the Congress. Now there are many who say that much larger reductions should be made in the Defense bill for various reasons. But the funding level for the Defense Department should be put in historical perspective.

This bill represents a smaller percentage of the gross national product than has been the case in 34 of the last 40 years.

This bill is the fifth year in a row of a decline in defense spending when measured in constant dollars.

Furthermore, we have reduced military and civilian personnel by over 30,000 and terminated various weapons systems.

Mr. Speaker, no one is more pleased than I am to see the erosion of the Communist bloc in Eastern Europe and the apparent willingness of the Soviet Union to negotiate seriously on

a potential agreement on strategic weapons and on conventional weapons.

However it should be noted that the commitment of the Congress to maintain a strong national security posture during the 44 years since the end of World War II, has led to the dramatic events which we witness today occurring throughout Eastern Europe. This same U.S. commitment has led to the Soviets sitting down at the bargaining table for arms agreement talks.

When, and if, those agreements are signed and ratified, I expect that we will see major force structure changes resulting in a substantial reduction in troop levels and the savings associated with those troop reductions. Until those agreements are signed and ratified, we must maintain an Armed Forces which has the capability to fulfill our current international commitments to our allies. This conference agreement will provide adequate funds to meet those commitments.

Mr. Speaker, I urge support for the fiscal year 1990 conference report for defense appropriations.

Mr. Speaker, I reserve the balance of my time.

Mr. McDADE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report and urge its adoption.

Mr. Speaker, this has been a long and difficult year for all of us, with many controversies and disputes, but without question the host of issues swirling around defense has made this a particularly challenging session.

Consider the extraordinary pressures we face with respect to the overall budget; for Defense specifically, the tough choices forced by yet another year of negative growth, the fifth straight year; and finally, hovering over all our deliberations, the spectacle of a rapidly changing world scene—changes perhaps best epitomized by the man who graced this Chamber this morning, Lech Welesa.

All these questions and more have come to bear on our consideration of this year's defense budget. It has not been easy, writing this bill. But we bring before the House today a conference report which in my view strikes a realistic and pragmatic balance considering all the competing pressures we've had to deal with this year.

Mr. Speaker, we had a conference surrounded with tough choices—and going in I had to wonder whether we could resolve the considerable differences between the House and Senate bills in any reasonable fashion.

Our conference sessions were not easy—a lot of difficult decisions brought to the table. But, Mr. Speaker, in my 25 years as a member of this committee I have not seen any conference handled with more fairness, more dispatch, and more skill than by the gentleman from Pennsylvania, in his maiden voyage as chairman of the Defense Subcommittee.

Thank you, Mr. Chairman, for a job well done.

I'd like to also acknowledge the senior Senator from Hawaii, also in his first management of the Defense gavel as chair of the Senate Defense Subcommittee; my friend Senator STEVENS; and most especially all members of the conference for their long hours and contributions. And without reservation I want to salute the staff of the committee—each of them an expert, all consummate professionals. Mr. Speaker, nobody in Washington works harder, with less fanfare—the House and the Nation are indeed fortunate to have their services.

In viewing this conference report, Mr. Speaker, I'm constrained to note that like so many controversial and important measures there is much here to criticize. This is a compromise, consensus product and I am not about to lead the cheering section regarding all the decisions before you.

This is not the bill I would have written nor is it the product I think our subcommittee would have produced, had we free rein.

What this bill does do, however, is track, as faithfully as possible, those critical benchmarks set by this body and the executive branch throughout the session.

The bill complies with the budget resolution targets and our subcommittee's 302 allocation—an allocation amended, I might add, to reflect a reduction of over $1.3 billion from the original budget summit level for defense in order to fund the war on drugs (−$1.17 billion) as well as aid to Poland (−$140 million).

Likewise, we conform with the core decisions reached in the Defense authorization conference, which the House passed last week, concerning both strategic programs and the so-called program terminations.

In the strategic area, especially, I'm gratified that both in the authorization and in this conference report we have essentially preserved those programs that the President has said are essential to bolster his position in the ongoing nuclear arms reduction talks with the Soviets.

With the summit next spring being focused on these arms reduction measures, it is incumbent upon us collectively to give the President a full range of options, and the decisions we've made regarding the strategic triad—such as retaining both rail-garrison MX and the small ICBM as options for a mobile land-based missile—accomplish this.

Beyond these decisions, I am pleased to note that despite the fiscal pressures we faced the conference was able to retain a series of recommendations intended to maintain our most perishable defense asset—a quality force, well trained and maintained.

For example, we fully fund the requested pay raise for both military and DOD civilians; we add $90 million to the budget expressly to bolster military medical care; and we provided over $800 million over the request for repair and maintenance of equipment and property.

We all realize, Mr. Speaker, that budget pressures next year will make this year's defense debate look like a cakewalk by comparison, and though all the headlines revolve around the big-ticket hardware programs, we cannot allow these pressures to force us into debilitating reductions directly impacting our men and women on the front lines.

As we grapple with less money and the prospect—the potential—of a reduced Soviet military threat, we cannot afford to take hasty and ill-advised steps. This conference report—while not perfect—does represent the best we can do to maintain a balanced approach to our defense needs, as we move forward into an extremely challenging period for our Nation and the world.

Mrs. SCHROEDER. Mr. Speaker, I rise to voice my disapproval of sections of the conference report which relate to base closure. There is a section of the report entitled "Army-Interior Study of the Presidio." In this section, the conferees purport to direct the Secretaries of the Army and Interior to develop a lease-back arrangement under which virtually all Army functions at the Presidio of San Francisco would continue. Ownership of the land would transfer but, through the device of a lease, nothing would change at the Presidio.

This scam is in direct violation of the base closure law. Under that law, the Base Closure Commission recommended 86 bases for closure. The Presidio of San Francisco is one of those. Unless Congress vetoed the Commission's recommendations, they go into effect. Within the last few months, both the House and the Senate have voted overwhelmingly not to veto these recommendations. The base closure law requires that the Army shut down and transfer out all its functions at the Presidio. Nothing in the conference report can change that fact.

My advice to the Department of Defense is to ignore this conference report language because it runs counter to law. I should also point out that the Subcommittee on Military Installations and Facilities, which I chair, must approve leases of the sort described in the conference report. If the current sentiment among subcommittee members is any indication, I can assure the Department of Defense that such a lease-back arrangement will never be approved.

The committee report also states in the section entitled "Environmental Restoration, Defense" that the base closure account, and not the environmental restoration account, should fund all environmental restoration activities at bases closed under the base closure law. Again, this is not the law. The law is that

the base closure account can be used for cleanup, but other funds, such as Defense environmental restoration account funds can be used as well. Perhaps this should be changed. But any change must come through statutory change, not dicta in a conference committee report.

Mr. LEVINE of California. Mr. Speaker, I am pleased to rise in support of this conference agreement, and I commend my distinguished colleague from California, Mr. DIXON, the chairman of the House Conference Committee Mr. MURTHA, and the conferees for their hard work on this legislation. I am particularly pleased that the conferees recognized the seriousness of the drug problem in Los Angeles and its deadly impact on the rest of the Nation, and have, based on legislation I introduced along with Mr. DIXON, Mr. BERMAN, Mr. MARTINEZ, and Mr. WAXMAN, directed the Secretary of Defense to allocate not less than $10 million for National Guard antidrug programs in California.

Southern California is the national center of drug importation, distribution, and manufacture—three criteria for designation as a high-intensity drug trafficking area. More deadly illegal drugs come into this country or are manufactured in southern California than any other location in the Nation. Los Angeles-based drug gangs then move the drugs to every other region of the Nation, from Seattle, WA, to New York State, from Texas to Tennessee. This is truly a national problem with national consequences.

The funds earmarked for southern California will make an important contribution to my State's ability to wage the war against drugs and gangs. While not the final answer, it is an important step in the right direction. Once again, I thank the conferees for their help on this important issue.

Mr. VENTO. Mr. Speaker, I rise in opposition to the conference report to H.R. 3072, the Department of Defense appropriations conference report.

I voted against the earlier Defense authorization conference report, upon which this appropriation is modeled, because I do not support many of the concessions which were made to the Senate position on key defense programs, including SDI, the B-2 Stealth bomber program, calling on the President to initiate bilateral negotiations with the Soviet Union to halt the production of weapons-grade plutonium, and the further production of chemical weapons, among others.

One cannot help but note that on many of these key issues, the conference agreement does not split the difference but is instead much closer to the Senate position. The conference report provides nearly $3.6 billion for the Strategic Defense Initiative [SDI] program for research and development. While this figure represents the first real reduction in funding for SDI research and development since the program's inception in 1983 under the Reagan administration, and while it is $1 billion less than the Bush administration requested, nevertheless, the conference report still provides $728 million more than the House bill.

The conference report also backs away from essential quality and cost control provisions which were passed by the House earlier this year by approving funding now for the procurement of two new Stealth aircraft in fiscal year 1990 and approving advance procurement for five more B-2 aircraft in fiscal year 1991 along with spare parts. If we are ever going to get control of defense spending, we must insist upon strict accountability. That means aircraft, tanks, guns, and other weapons which perform according to their specifications. It also means ensuring that the Defense Department and the American taxpayer pay a fair price for what they receive, without kickbacks, bribery, sole source procurement, and irregularities in the bidding process. The American people deserve to have a Pentagon which is more interested in serving the national interest rather than the particular interests of individual defense contractors.

I regret that the conference report provides $1.8 billion in funding for the development of both the MX missile and the Midgetman missiles. This House spoke clearly earlier this year in the debate on H.R. 2461, the Defense authorization bill, when we said "no" to the simultaneous development of both of these expensive new missile systems. I am also displeased to note that the conference report permits DOD to spend $100 million in unobligated fiscal year 1989 funds for research and development of the Midgetman. We must insist that the Bush administration and this Congress make choices among strategic programs. In short, we can't have it all any more.

H.R. 3072 also provides $911 million to continue the development of the joint Air Force-Navy advanced tactical fighter [ATF] aircraft even though the House struck all funding because of the high projected cost of the program and because of production problems. The report which accompanied the earlier House appropriations bill noted that the cost of the ATF program may well exceed that of the B-2 Stealth program, currently estimated at $70 billion.

Mr. Speaker, in September, President Bush went to the United Nations and called for a multilateral ban on the manufacture of chemical weapons. Yet the Bush administration has contradicted itself on this issue by calling for funding to manufacture new chemical weapons. The conference report before us today would provide $47 million for the production of 155mm binary chemical weapons. It is unfortunate that the administration is apparently willing to overlook this inconsistency in seeking most of this funding today for new chemical weapons.

Finally, Mr. Speaker, while the conference report provides $601 million for DOD environmental restoration, nevertheless, this figure is $300 million less than was provided for this account in the original House bill. I was pleased last year when the Army finally settled a lawsuit brought by the city of New Brighton, MN, for soil and ground water contamination near the Twin Cities Army Ammunition Plant [TCAAP]. Clearly, this settlement was made possible because Congress provided sufficient financial resources for the Army to make its settlement offer. Congress must continue to insist that the Department of Defense expedite the clean up of soil, air, and ground water pollution at and near DOD facilities.

The consideration of the Defense appropriations conference report occurs today against the backdrop of stunning and dramatic political, economic, and social change in the Soviet Union and throughout Eastern Europe. In Berlin, the wall is tumbling down. In Poland, the first non-Communist government since World War II assumes power. In Hungary, the Communist Party essentially votes itself out of existence to be replaced by a reform-minded Social Democratic Party.

These are welcome changes. I hope that the democratic reform movement in the Soviet Union and Eastern Europe continues. We live in a safer world today in part because the Soviet Union and its Warsaw Pact allies have turned inward to reform their political and economic systems. The fact is that neither the United States nor the Soviet Union can continue devoting such a large share of their financial resources to building military hardware, especially when there are so many other urgent domestic and international needs, from housing to homeless, to providing adequate health care, good education, and many other worthy goals. In my view, this conference report does not sufficiently take note of the new political climate which we live in today. For that and other reasons, I will vote against the adoption of the conference report.

Mr. McDADE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MURTHA. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

AMENDMENT IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will designate the first amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 1: Page 2, line 14, strike out "$24,610,000,000" and insert "$24,558,217,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 1, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "$24,510,960,000: *Provided,* That $11,000,000 shall be available only for the activation of one addition battalion for the 6th Light Infantry Division not later than August 15, 1990: *Provided further,* That no reduction be made in any active component combat or corps headquarters unit in the United States to make personnel available for this unit".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 4: Page 4, line 2, strike out "$20,155,800,000" and insert "$20,047,750,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA Moves that the House recede from its disagreement to the amendment of the Senate numbered 4, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "$19,994,040,000: *Provided*, That none of the funds provided in this account and in "Operation and Maintenance, Air Force" may support the continuation of the B-52G Squadron of the 43d Bomb Wing after June 15, 1990".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 10: Page 7, line 7, strike out "$1,044,800,000" and insert "$1,046,700,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 10, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$1,051,200,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

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The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 11: Page 7, line 17, strike out "$23,603,843,000" and insert "$22,856,662,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 11, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$22,787,559,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 12: Page 7, line 17, strike out all after "$23,603,843,000" down to and including "law" in line 19.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 12, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert ": *Provided*, That $250,000 shall be available for the 1990 Memorial Day Celebration".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 15: Page 8, line 2, after "Studies" insert ": *Provided*, That of the funds appropriated in this paragraph, $40,000,000 shall be available only for procurement for the Extended Cold Weather Clothing System (ECWCS) unless $40,000,000 of ECWCS is procured by the Army Stock Fund during fiscal year 1990".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 15, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further*, That of the funds appropriated in this paragraph, $46,000,000 shall be available only for procurement for the Extended Cold Weather Clothing System (ECWCS) and intermediate cold-wet weather boots, unless $46,000,000 of ECWCS and the intermediate cold-wet weather boots are procured by the Army Stock Fund during fiscal year 1990".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 16: Page 8, line 11, strike out "$25,748,601,000" and insert "$24,106,207,000, of which $81,000,000 shall remain available until September 30, 1992".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 16, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "$23,902,621,000, of which $81,000,000 shall remain available until September 30, 1992".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 21: Page 9, line 10, after "Antarctica" insert ": *Provided further*, That the Navy may provide notice in this fiscal year to exercise options under the LEASAT program for the next fiscal year, in accordance with the terms of the Aide Memoire, dated January 5, 1981".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 21, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further*, That the Navy may provide notice in this fiscal year to exercise options under the LEASAT program for the next fiscal year, in accordance with the terms of the Aide Memoire, dated January 5, 1981, as amended by the Aide Me-

moire dated April 30, 1986, and as implemented in the LEASAT contract: *Provided further,* That notwithstanding section 2805 of title 10, United States Code, of the funds appropriated herein, $2,000,000 shall be available for a grant to the National Museum of Naval Aviation at Pensacola, Florida. These funds shall be available solely for project costs and none of the funds are for remuneration of any entity or individual associated with fund raising for the project".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 25: Page 9, line 25, strike out "$22,708,743,000" and insert "$21,986,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA. moves that the House recede from its disagreement to the amendment of the Senate numbered 25, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$21,806,213,000".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 27: Page 10, line 3, strike out all after "law" down to and including "Mission" in line 9.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 27, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert "*Provided,* That notwithstanding Section 502 of the National Security Act of 1947, Section 136 of the Department of Defense Authorization Act for fiscal years 1990 and 1991 (H.R. 2461) or any other provision of law heretofore or hereafter enacted, neither the SR-71 nor the classified program referred to in Section 136 of the Department of Defense Authorization Act for fiscal years 1990 and 1991 (H.R. 2461) shall be terminated and that both the SR-71 and the classified system are hereby authorized: *Provided further,* That notwithstanding any other provision of law, any appropriations included in this Act for personnel, operation and maintenance, procurement, or research and development for the SR-71, the classified system referred to in Section 136 of the Department of Defense Authorization Act for fiscal years 1990 and 1991 (H.R. 2461) or any other classified airborne reconnaissance system are hereby authorized: *Provided further,* That operation of the SR-71 aircraft shall be transferred to the Air National Guard no later than July 1, 1990: *Provided further,* That of the amount appropriated, $175,000,000 shall be solely for expenses associated with the SR-71 program, of which $100,000,000 shall be transferred to Operation and Maintenance, Air National Guard: *Provided further,* That $130,000,000 is hereby authorized in addition to any other authorization for airborne reconnaissance programs and that of the amount appropriated, $130,000,000 shall be transferred to Research, Development, Test and Evaluation, Defense Agencies 1990/1991 to be merged with and to be available for the same purposes and for the same time period as the appropriation to which transferred.

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. McDADE. Mr. Speaker, I reserve a point of order.

The SPEAKER pro tempore. (Mr. WEISS). The gentleman reserves a point of order?

Mr. McDADE. I do, Mr. Speaker.

Mr. BEILENSON. Mr. Speaker, may I be recognized to make a point of order that the motion of the gentleman from Pennsylvania is not in order.

The SPEAKER pro tempore. Will the gentleman state his point of order?

Mr. McDADE. Mr. Speaker, if the gentleman will defer to me, I have a request from a colleague to speak on the amendment, so I have reserved the point of order to protect the gentleman's right to speak.

I am trying to determine if the gentleman is in the Chamber. I had a request from the gentleman from California [Mr. ROHRABACHER]. I do not see him.

The SPEAKER pro tempore. Does the gentleman from California insist on his point of order?

Mr. McDADE. Mr. Speaker, I have reserved the point of order, and with the permission of the Chair, it will just take a second or two for me to determine whether or not my colleague is here.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. McDADE] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. MURTHA] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. McDADE].

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield for a brief colloquy with the chairman?

Mr. McDADE. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. YOUNG].

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding. There is one thing about the conference report that I want to make sure there is no misunderstanding on. I appreciate the gentleman engaging in this brief colloquy.

In the fiscal 1990 defense appropriations conference, we receded to the Senate on language relating to the "Laser Hellfire System." That Senate language directed the Army to obligate previously unobligated funds appropriated in fiscal year 1988 for Hellfire procurement.

It is my understanding that these funds would then be combined with funds provided in this bill to execute the fiscal year 1990 Hellfire buy, and that the total amount would be $138.3 million.

Is that the gentleman's understanding?

Mr. MURTHA. If the gentleman will yield, Mr. Speaker, that is my understanding. The understanding of the gentleman is correct.

Mr. YOUNG of Florida. Mr. Speaker, I thank the chairman of the subcommittee. If I may proceed further, let me take a minute out to say to the chairman and ranking member what a tremendous job they have done in presenting this conference to the House. It has taken a lot of long days and long nights, and the membership, following the leadership of the gentleman from Pennsylvania [Mr. MURTHA], the gentleman from Pennsylvania [Mr. McDADE], and the tremendous staff that we have, I think have done an outstanding job. The fact that we took care of the conference report in less than 5 minutes is a good indication that the rest of the House feels the same way about it.

Mr. McDADE. Mr. Speaker, I yield myself such time as I may consume.

Mr. DICKS. Mr. Speaker, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Speaker, I would like just to say to the gentleman from California [Mr. BEILENSON], the chairman of the House Permanent Select Committee on Intelligence, I understand that the gentleman will make a point of order regarding section 27. I would just say to my friend and col-

league that I deeply regret the situation we find ourselves in regarding aerial reconnaissance. I hope in working with the chairman and with the authorizing committee and with the Committee on Appropriations, that something can be done next year on this very important subject.

Mr. Speaker, I would just ask the gentleman from California if he can tell me what the plans are of the Permanent Select Committee on Intelligence in this particular area and why they seem to be so adamantly opposed to doing something in this particular area?

Mr. BEILENSON. Mr. Speaker, will the gentleman yield?

Mr. McDADE. Mr. Speaker, I yield to the gentleman from California.

Mr. BEILENSON. Mr. Speaker, I would say to my friend, the gentleman from Washington [Mr. DICKS], the gentleman knows we spent a lot of time on this. We on the Permanent Select Committee on Intelligence, as well as the members of the other authorizing committees of the House and Senate Committee on Armed Services, have spent a lot of time on this particular question for the past several years.

As the gentleman well knows, the President himself did not seek funding for the SR-71 this year. Secretary Cheney as a member of our committee for a number of years was very much opposed to it. When he became Secretary, he testified forcefully against continuation of that particular plane, and stated he will not request funds for it next year.

Both the House and the Senate Committee on Armed Services and the House Permanent Select Committee on Intelligence, which are the authorizing committees, as the gentleman well knows, for this particular matter, agreed to the President's request to terminate both programs.

We feel very strongly, because as the authorizing committees we made the decision overwhelmingly, in the case of our particular committee, I believe the vote was 18 to 1, that we should make this reservation and insist on the authorizing committee authorizing the appropriation committee not going ahead when this particular matter has not been authorized.

Mr. DICKS. Mr. Speaker, through I disagree with the conclusion of the gentleman from California [Mr. BEILENSON], I understand the right of the committee to do what they are doing. I would just urge the gentleman from California, we are going to have to gap here in reconnaissance that is very serious. It seems to me that this is an important issue. Because some part of this is classified it is not easy to discuss here, I would just hope that we could somehow work together.

Mr. McDADE. Mr. Speaker, if I might reclaim any time, I would concede the point of order to the gentleman from California [Mr. BEILENSON].

The SPEAKER pro tempore. The gentleman from California has to state his point of order.

Mr. BEILENSON. The gentleman cannot concede it until he has made it.

The SPEAKER pro tempore. The gentleman from California should state his point of order before the concession is made.

POINT OF ORDER

Mr. BEILENSON. Mr. Speaker, I make the point of order that the motion from the gentleman from Pennsylvania [Mr. McDADE] is not in order because it violates clause 7 of rule XVI because it proposes a nongermane amendment to the proposed amendment.

The SPEAKER pro tempore. Does the gentleman from Pennsylvania want to be heard on the point of order?

Mr. MURTHA. Mr. Speaker, we concede the point of order.

The SPEAKER pro tempore (Mr. WEISS). The point of order is conceded and sustained.

Mr. HERGER. Mr. Speaker, without the SR-71, our Nation will be left virtually blinded in a crisis.

Airborne reconnaissance has proven invaluable to our Nation's top decisionmakers during the past decade. In the Middle East, in the North Atlantic, and in Asia, the SR-71 has provided data from hot spots around the globe—data which for one reason or another was not able to be collected by our satellite fleet.

In inclement weather, in a remote area of the world, or if our satellite force were ever inoperable, either from a Soviet antisatellite attack or another space launch crisis, strategic airborne reconnaissance is our only recourse.

For these reasons, the State Department and the Central Intelligence Agency, the two primary users of information gathered by the SR-71, are strong supporters of airborne reconnaissance.

In fact, former Secretary of State George Shultz pointed out last year that: "The SR-71 complements, rather than duplicates, satellite coverage."

This amendment offers us the opportunity to reaffirm our commitment to sound intelligence gathering. The disaster of the *Challenger* shuttle should have taught us that it is a mistake to put all of our eggs in one basket.

While satellites are invaluable, airborne reconnaissance not only provides a backup, but also ensures that our leaders will not be forced to rely on second-rate information—or worse yet, no information at all.

The SR-71 and the other program in this package are extremely important. As a result, the Senate Armed Services Committee, as well as both Appropriations Committees also provided funding for them.

World War II general, Hap Arnold, said it best when he mentioned that: "reconnaissance doesn't win battles, it wins wars."

Whether in use against terrorist nations, assisting the Navy in intelligence collection, or backing up our satellites in a crisis, airborne reconnaissance has proven invaluable to this Nation. At this time of rapid change in the world, let's not blind ourselves by eliminating all of our strategic airborne reconnaissance.

I urge your support for this vital amendment.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 27, and concur therein.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. MURTHA] will be recognized for 30 minutes and the gentleman from Pennsylvania [Mr. McDADE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. MURTHA].

Mr. MURTHA. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Speaker, unfortunately, the House has been denied an opportunity to fully debate and vote on the administration's decision to abandon airborne reconnaissance, particularly strategic systems, as a result of the point of order that was just sustained.

I have to confess my disappointment and frustration with the disarray in which this leaves our airborne reconnaissance program. I view the decision to terminate the SR-71 aircraft system and to forego future airborne reconnaissance systems as an action that has very serious implications for our intelligence capabilities. Does the Chairman agree with my concern on this issue?

Mr. MURTHA. If the gentleman will yield, Mr. Speaker, I certainly do, and find that describing such cuts as "budgetary" begs vital questions about the wisdom of administration planning on key elements of the Nation's intelligence capabilities.

Mr. DICKS. The Congress has been waiting for several years for a sensible road map for airborne reconnaissance from the administration. Have we received such a plan to date?

Mr. MURTHA. No we have not, and that was the reason we tried to retain the important capabilities embodied in the SR-71 and to fund associated research and development for the future.

Mr. DICKS. I am convinced that these systems provide valuable and timely intelligence in peacetime and are particularly important for contingency operations. They would provide a survivable capability in many wartime operational situations. Without them we are forced to rely on a very limited number of systems that are likely to become increasingly vulnerable in the future. Regardless of the

action here today, do you agree that the administration still must provide a coherent plan for providing needed airborne reconnaissance capabilities?

Mr. MURTHA. I do, and would hope that we can work with them in the context of the fiscal year 1991 budget, and hopefully even during the current fiscal year, to fashion such a program. In the absence of such an effort I remain committed to pursuing it as a congressional initiative.

Mr. DICKS. I thank the Chairman for his comments and stand ready to work with him toward this objective.

□ 1610

Mr. McDADE. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. MILLER].

Mr. MILLER of Ohio. Mr. Speaker, I rise today to commend my subcommittee chairman JOHN MURTHA and the other Pennsylvanian on our subcommittee, the ranking minority member JOE MCDADE, for the fine leadership they provided in the conference on H.R. 3072, the Department of Defense Appropriations Act of 1990. Wrestling with this $286 billion bear is never easy, but being the master of conciliation they provided moved the process along in a most efficient and effective manner. When all the smoke had cleared, all parties to the conference had a bill they were comfortable with; a bill that came in some $2.4 billion under the administration's budget request. So again, I offer my colleagues from Pennsylvania, my congratulations for a job well done. High praise is also in order for the hard working staff of the Defense Appropriations Committee, that worked so diligently to make this one of the smoothest run conferences I've ever been privileged to be a part of.

Many critics point to these funds as wasteful and would like to drastically cut defense spending. With world events changing so rapidly someday they may be correct, but until then it would be unwise for Congress to take such actions, as we unfortunately don't live in a utopian society. These funds are necessary to protect the freedoms we all cherish as citizens of this great country. The defense budget has taken its fair share of cuts over the past 5 years, this being the fifth straight year of negative growth after inflation is taken into account. In closing, I would like to rise in strong support of the conference report and urge my colleagues to do likewise.

Mr. MURTHA. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, I rise in strong support of the conference agreement.

Mr. Speaker, the conference report on the Defense appropriations bill, which we will adopt today, addresses the possibility of maintaining the Letterman Army Medical Center at the Presidio of San Francisco, CA. We are requesting the Department to study the feasibility of leasing the hospital from the Department of Interior after the closure of the installation, and to report back to us. The intent of this directive is to ensure that the medical requirements of the military personnel in the San Francisco area met at the lowest possible cost. As chairman of the Appropriations Subcommittee on Military Construction under which jurisdiction of base closure lies, I wish to clarify the section of the statement of the managers dealing with continued activities of the Letterman Army Medical Center. The statement suggests that the Secretary of the Army should work with the Secretary of the Interior to formulate a lease back arrangement to ensure contamination of activities at Letterman Army Medical Center. This directive for consideration of activities at Letterman in no way will prevent the planned construction of a replacement hospital at Fort Bragg, NC, which is currently programmed for fiscal year 1992. Furthermore, the concern for Letterman should not be viewed by the Department as an opportunity to reduce the commitment to operate the Fort Bragg facility as a medical center, and to accomplish a realignment of the Army's Graduate Medical Education Program. Therefore, any consideration of maintaining Army operations at Letterman should be limited to operations as a hospital, and not as a medical center.

Ms. PELOSI. Mr. Speaker, I want to thank the distinguished chairman of the Defense Appropriations Subcommittee for his wisdom and perseverance in seeking options for the Presidio that will save the taxpayers money.

House and Senate appropriators have taken the important step of agreeing that the Secretary of the Army and the Department of the Interior should take a second look at preserving some of the important facilities at the Presidio.

Congresswoman BOXER and I have continued to make the arguments supporting the value of these facilities and we are very pleased that the conferees were both receptive and responsible to the issues we have researched and documented.

The feasibility study for the Presidio, in its transition to control by the Department of Interior, would review the importance of retaining Letterman Hosptial; the post commissary; the child care center; the 6th Army Reserve Units and housing facilities for possible lease back to the Department of Interior for income, among others. These facilities make up the major functions of the Presidio.

I believe the study will confirm the need to maintain Letterman Hospital for the many military retirees who depend on its health services. The Base Closure Commission agreed that Letterman Hospital is the primary mission of the Presidio and its continued operation will mean that quality health care will be available at less cost to taxpayers.

The study is in keeping with the base closure law and would assist the Department of Interior in its plans for a Park by identifying possible lease-back facilities to fund the park. Retaining these important facilities would minimize the economic burden to the Department of Interior and provide more flexibility in creating a beautiful national park.

Chairman MURTHA, because of his position on the Interior Appropriations Subcommittee and his chairmanship of the Defense Appropriations Subcommittee, has had special insight into the unique problems associated with the purported savings from the Presidio closure. The chairman made the effort to visit the Presidio and to talk with National Park Service officials in his effort to understand the complexities of this issue. I think the study recommended by the Defense Appropriators will serve the important function of making certain that savings to the Government are realized wherever possible as the Presidio changes hands.

The Presidio is a source of jobs, history, beauty and recreation. I believe the study will confirm the economic importance of preserving functions of the Presidio that will save money and create sources of revenue to aid the National Park Service in its work to enhance the Golden Gate National Recreation Area [GGNRA]. The study could make it possible to realize the dream Phillip Burton had in the early 1970's—an urban park of incomparable history and natural beauty—and the funding to make the dream possible.

Mr. McDADE. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Speaker, at the outset of my remarks let me confess my enormous respect for the gentleman from Pennsylvania [Mr. MURTHA], the chairman of the subcommittee, and the gentleman from Pennsylvania [Mr. MCDADE], the ranking Republican on the subcommittee, and, for that matter for all Members of this body on the Committee on Appropriations and its subcommittees. To confess anything other than total respect would be the worst kind of folly, but I do mean it, in fact, in great sincerity. I do enjoy the gentlemen and enjoy working with them.

Mr. Speaker, I would like to call to the House's attention yet another attempt to defy the House's will and keep an obsolete military base open. Specifically it is an effort to save the Presidio in San Francisco.

In the dark of night someone inserted language not in the conference report itself, but in the statement of explanation accompanying it. If my information is correct, very few of the conferees were aware of this language. I understand it was inserted without their approval.

The language does this: First, it instructs the Department of the Interior and the Department of the Army to study the planned closure of the Presidio and to consider a way to maintain it as a military base. Second, it seeks to prevent the Defense Department from using any funds in its environmental restoration fund to perform any cleanup that may be necessary at the closed bases, a restriction which may complicate the base closures.

Mr. Speaker, this may sound innocuous or technical. It is not. This is an attempt by some Members of the Congress to use their influence to save the Presidio, and they are doing this against the clear wishes of the House.

My colleagues may remember that the House passed the all-or-nothing base closing bill on October 12, 1988, by a vote of 370 to 31. On April 18 of this year we voted 381 to 43 to defeat a resolution to stop the closures. Then, when the military construction appropriation bill came before the House, the gentlewoman from California [Mrs. BOXER] was given permission to offer an amendment to save the Presidio specifically. She was dissuaded from offering it in the face of overwhelming opposition. There is, thus, no question, absolutely none, that the House supports the base closing program and desires that it continue. A few words in explanation of a conference report does not change that.

Mr. Speaker, let me make a few points about the Presidio.

First, the districts of many Members are affected by the base closure process. Several of our colleagues have argued that their own bases should be spared. There is no reason that the case of the Presidio deserves special consideration.

Second, unlike other base closures, the closing of the Presidio will cause little economic hardship to the local community. It is on prime real estate in an urban area. Its closing will have minimal effect on local employment.

Third, current Federal law, authored by the late Phillip Burton of California, requires that the Presidio be given to the Park Service once the military leaves. If that is what the Members of the San Francisco delegation object to, I suggest they simply change the law. That way the Presidio, or parts of it, could be sold at market price producing an immense savings to the Government. Perhaps the city of San Francisco would like to buy it, in which case they could maintain it for the people of San Francisco rather than by the American taxpayers.

In any event, Mr. Speaker, I would simply like to remind all concerned that the base closure program has strong support in this body. I do not believe any exceptions to it will be tolerated. The base closing language in the explanation of this conference report can be and should be disregarded.

Mr. Speaker, I would like to read one small part of a letter from the Secretary of Defense after he had presented the empirical evidence to support what all of us know intuitively about the Presidio. He says, and I quote, that in short closing the Presidio is good for the defense and for the taxpayers. It will result in a significant annual savings and the payback is within the 6-year criteria established for the Commission's work.

Mr. Speaker, let me remind the Members of this body that I will personally remain diligent in watching the progress of this legislation through its scheduled implementation beginning in January of 1990, and to the best of my ability there will be no exceptions to the all-or-nothing deal that we accept overwhelmingly in this body and by which other Members equally and even more pained are happily and willingly abiding.

The SPEAKER pro tempore (Mr. SWIFT). The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate Amendment No. 28: Page 10, line 9, after "Mission" insert ": *Provided*, That $211,239,000 shall be used only for operating, maintaining, and basing the SR-71 survivable reconnaissance system at the same level of aircraft, depots and other support as was operated during September 1989: *Provided further*, That none of the funds appropriated in this Act may be used to disestablish or reduce the SR-71 survivable reconnaissance program: *Provided further*, That none of the funds made available in this Act may be used to disestablish or reduce the operation of the Air Force and Air Force Reserve WC-130 Weather Reconnaissance Squadrons".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 28, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further*, That none of the funds made available in this Act may be used to disestablish or reduce the operation of the Air Force and Air Force Reserve WC-130 Weather Reconnaissance Squadrons".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

□ 1620

Mr. BEILENSON. Mr. Speaker, I object to the motion not being read.

The SPEAKER pro tempore. Objection is heard. The Clerk will read the motion.

The Clerk completed the reading of the motion.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 30: Page 10, line 14, strike out "$7,829,137,000" and insert "$7,879,444,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 30, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$7,800,156,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 31: Page 11, line 2, strike out all after "cations;" down to and including "law" in line 4 and insert "$861,900,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 31, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "$861,800,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 32: Page 11, line 12, strike out all after "cations;" down to and including "law" in line 14 and insert "$895,200,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 32, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "$894,800,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 33: Page 12, line 8, strike out all after "cations;" down to and including "law" in line 10 and insert "$981,900,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 33, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "$978,500,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 35: Page 13, line 21, strike out all after "Bureau;" down to and including "law" in line 23 and insert "$1,988,400,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 35, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "$1,981,900,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 42: Page 17, line 18, strike out "$3,081,798,000" and insert "$2,672,700,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 42, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$3,789,937,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 43: Page 17, line 19, strike out all after "1992" down to and including "aircraft" in line 22.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 43, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert ": *Provided*, That the Secretary of Defense shall review the requirements for Apache Helicopters and the Army Helicopter Improvement Program (AHIP) and report to the Committees on Appropriations by April 1, 1990: *Provided further*, That if the report finds that additional Apache or AHIP Helicopters are needed to fulfill the requirements for the U.S. Army, including National Guard and reserve forces, the Secretary of Defense may propose to obligate funds provided herein for advance procurement on additional Apache and/or AHIP Helicopters".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 47: Page 19, line 6, strike out "$2,692,438,000" and insert "$2,607,994,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 47, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$2,707,611,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 48: Page 19, line 7, strike out all after "1992" down to and including "Vehicle" in line 9.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 48, and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows ": *Provided*, That the Secretary of the Army shall complete the technical and operational testing and acquire the technical data package for the Improved Recovery Vehicle, M88A2".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 49: Page 19, line 9, strike out all after "Vehicle" down to and including "vehicles" in line 13.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 49, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert ": *Provided further*, That the Department of the Army shall expeditiously procure an improved vehicle intercommunication system with a goal of an initial procurement contract not later than September 30, 1990".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MURTHA. Mr. Speaker, I ask for recognition on this motion.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. MURTHA] will be recognized for 30 minutes and the gentleman from Pennsylvania [Mr. McDADE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. MURTHA].

Mr. MURTHA. Mr. Speaker, I yield such time as he may consume to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, I rise in support of the conference report and to compliment the chairman of the subcommittee, as well as the other members of the subcommittee, for a job well done.

LONG ASSOCIATION WITH DEFENSE

Mr. Speaker, I am a longtime member of this subcommittee. I served first on the Naval Appropriations Subcommittee, and then on the Air Force and Defense, including Military Construction Subcommittees with the ex-

ception of about 2 years after World War II when Chairman Cannon asked me to serve on a Subcommittee on Government Corporations. After about 2 years Chairman Cannon asked me to go back on the Defense Subcommittee.

I have been a regular visitor with our President on military matters from President Roosevelt to President Bush—10 Presidents in all.

During World War II, as a member of the Naval Subcommittee, I visited virtually all areas of the war—Europe, China, and the Philippines. I was in Frankfurt, Germany, when our troops were to have gone into Berlin, and we let Russia talk us into letting them go in first.

HIGHLY QUALIFIED SUBCOMMITTEE CHAIRMAN

All this, Mr. Speaker, leads up to the fact that I believe today we have a fine subcommittee and well informed chairman in JACK MURTHA, of Pennsylvania.

In recent years he and I with several other members of the subcommittee have inspected our Pacific operations, our Atlantic operations, and our Central American operations where we have been briefed by our top generals and admirals on the problems as they see them. He has a special concern for the service families and the matters that are important to their welfare and morale.

He is supported by a fine ranking Republican member, JOE MCDADE, and all the other members of the subcommittee.

NEED FOR PRODUCTIVE JOBS

Now when we face a period of pulling in our military commitments, giving due regard to the shock to many, many people in the services and out of cutbacks, I do not believe we could find a better qualified person to guide, as well as to protect our domestic economy, find ways to keep our economy going and to maintain a strong national defense than JACK MURTHA—who understands that you must have a strong domestic economy and the support of the people if you are to have a strong military defense.

To prepare for this change, I introduced H.R. 3029, along with Chairman MURTHA, to restore the jobs bill which worked so well in 1983 to be ready to meet the changed conditions at home and around the world. We should realize that we must have productive jobs to absorb those who will need jobs. When I say "jobs," I mean "productive" jobs. We must be prepared.

Some time ago we introduced H.R. 2540 which would restore revenue sharing which had a great record, for 14 years, assisting in the growth and well-being of over 39,000 communities, counties, and cities of the Nation.

The need for restoration of these programs, for the benefit of our Nation's wealth exists now and could well be required for those displaced by reason of limits placed on our military commitment, and the reduction in military contracts.

If so, we have the bills introduced and ready.

I would like to point out here that we do look after our country. As chairman of the Committee on Appropriations, having served since 1943, on the Appropriations Committee, I am very proud of what we have done in developing and protecting the physical assets of our Nation. Now that we have serious financial problems today, I fear we are neglecting necessary upkeep of our national assets. I call your attention to the fact that since 1934, when we started meeting local problems with national programs, our wealth has increased 41 times, and since 1941, when I came here, our physical wealth has increased 36 times.

I say to my colleagues, whatever your age may be, if you look around and remember how conditions were that you first remember and see the progress that we've made, you can realize just how sound a job we have done.

Unfortunately, may I say, we have with time incurred a national debt which is a serious problem today. But whatever the debt is, we need to look after the protection and development of the physical property, our rivers and harbors, our roads and highways, our forests, and our soil, with productive jobs, where we have something of value to show for our effort. It is evident that we face some change as we scale back our military commitment and spending.

Mr. Speaker, the conference agreement includes a grant of $3,000,000 to the National Center for Physical Acoustics for research and development centering on ocean acoustics as it applies to advanced anti-submarine warfare acoustics issues with focus on ocean bottom acoustics—seismic coupling, sea-surface and bottom scattering, oceanic ambient noise, underwater sound propagation and other such projects as may be agreed upon, including up to $500,000 to provide such special equipment as required.

Mr. Speaker, I truly believe we will have to turn more and more to the National Guard and Reserve, where the members contribute to the economy during the week and train on the weekend.

To this end, we have provided funds for three armories, at Ackerman, Amory, and Iuka. The bill also includes funds for land acquisition at Camp McCain which will provide training opportunities for guardsmen and reservists in northern Mississippi.

May I add that I am glad we have worked out a transfer of 1989 funds for joint operation of the airfield at Grenada, MS, by the National Guard and the city of Grenada.

Again, Mr. Speaker, this subcommittee has again done a great job.

Mr. MURTHA. Mr. Speaker, I yield back the balance of my time.

Mr. MCDADE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 53: Page 21, line 11, strike out "$9,164,718,000" and insert "$8,499,363,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 53, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$9,389,266,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 55: Page 21, line 25, strike out all after "layaway" over to and including "$5,816,879,000" in line 13 on page 22 and insert "3,864,154,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 55, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

", as follows:
Ballistic Missile Programs, $1,443,165,000;
Other Missile Programs, 2,831,852,000;
Mark-48 ADCAP Torpedo, 438,642,000;
Mark-50 Torpedo, 271,130,000;
Sea Lance, 1,799,000;
ASW Targets, 12,983,000;
ASROC, 9,282,000;
Modification of Torpedoes, 9,653,000;
Torpedo Support Programs, 39,002,000;
ASW Range Support, 24,205,000;
Other Weapons, 168,838,000;
Spares and Repair Parts, 111,341,000;
Installation of Modernization Equipment, 30,420,000;
In all: $5,392,312,000".

Mr. MCDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 58: Page 23, line 6, strike out $1,277,800,000 and insert "$1,137,800,000, and in addition, $70,000,000 shall be derived by transfer from "Trident ballistic missile submarine program, 1987/1991", $10,000,000 shall be derived by transfer from "Trident ballistic missile submarine program 1988/92" and $20,000,000 shall be derived by transfer from "Trident ballistic missile submarine program 1989/93": *Provided*, That the amounts transferred shall be available only for the time period of the appropriation from which transferred: *Provided further*, That none of the funds may be obligated for advance procurement for the nineteenth Trident ballistic missile submarine until the Secretary of Defense has certified to the Committees on Armed Services and Appropriations, either that the procurement of Trident ballistic missile submarines at a rate of one per year is consistent with the United States negotiating goals and United States policy on strategic arms reductions and that such production would not necessitate the retirement of ballistic missile submarines prior to the end of their thirty-year service life, or that the President will request an adjusted production profile for Trident ballistic missile submarines in the fiscal year 1991 budget request which is consistent with the United States strategic arms reduction negotiating position and prevents the retirement of ballistic missile submarines prior to the end of their thirty-year service life".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 58, and concur therein with an amendment, as follows: In lieu of the first sum named in said amendment insert "$1,132,800,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 66: Page 24, lines 11 and 12, strike out "and post delivery, $320,200,000" and insert "post delivery, and ship special support equipment, $406,400,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 66, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert:

"post delivery, and ship special support equipment, $368,900,000;

Coast Guard icebreaker ship program, $329,000,000;

Coast Guard patrol boat program, $84,000,000".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 69: Page 25, line 19, strike out "$4,636,485,000" and insert $6,150,432,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 69, and concur therein with and amendment, as follows: In lieu of the sum proposed by said amendment, insert "$7,970,764,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 75: Page 28, line 8, strike out "$8,087,219,000" and insert "$8,273,799,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 75, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$8,524,110,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 76: Page 28, line 14, strike out "$1,481,400,000" and insert "$1,304,961,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 76, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$973,720,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 88: Page 31, line 8, strike out "$9,765,454,000" and insert "$9,823,627,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 88, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "$9,733,174,000: *Provided*, That of funds appropriated in Research, Development, Test and Evaluation, Navy for fiscal year 1989, $22,000,000 shall be transferred to Research, Development, Test and Evaluation, Defense Agencies for fiscal year 1990 for the Tactical Airborne Laser Communications program, to be merged with, and to be available for, the same purposes and the same time period as the appropriation to which transferred".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 91: Page 32, line 1, strike out "$12,438,021,000" and insert "$13,915,171,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 91, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said

amendment, insert: "$13,635,570,000: *Provided*, That the Secretary of the Air Force shall obligate $100,000,000 of amounts appropriated for research, development, test and evaluation for the Air Force for fiscal year 1989 that remain available for obligation to carry out research, development, test, and evaluation in connection with the Small ICBM program: *Provided further*, That the Secretary of the Air Force shall obligate $50,000,000 of amounts appropriated for research, development, test, and evaluation for the Air Force for fiscal year 1989 from the B-1B program that remain available for obligation only to carry out research, development, test, and evaluation to provide cruise missile capability on the B-1B aircraft: *Provided further*, That the $13,635,570,000 provided under this heading is".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 93: Page 32, line 13, strike out "up to".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 93, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 94: Page 32, line 17, strike out all after "diseases" down to and including "program" in line 20.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 94, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert ": *Provided further*, That of the amount herein provided for the Strategic Defense Initiative, $52,000,000 shall be available only for the Arrow missile program: *Provided further*, That of funds appropriated in Research, Development, Test and Evaluation, Defense Agencies in fiscal year 1989, $46,000,000 shall be available only for grants as follows:

(1) $15,000,000 for the National Center for Industrial Innovation at Lehigh University;

(2) $6,000,000 for the Center for Technology Management at Auburn University;

(3) $12,000,000 for the acquisition, design, testing, integration, and advancement of a prototype supercomputer system at the Minnesota Supercomputer Center; and

(4) $13,000,000 for the University of Scranton Technology center:

Provided further, That of the total amount appropriated in this appropriations account for fiscal year 1990, $15,200,000 shall be available only for grants, as follows:

(1) $5,200,000 for the proposed Center for Environmental Medicine at the Medical College of Ohio;

(2) $8,000,000 for the proposed Center for commerce and Industrial Expansion at Loyola University of Chicago; and

(3) $2,000,000 for the Pilot Program for Combat Casualty Care Management and Research at the Martin Luther King, Jr. General Hospital-Charles R. Drew University of Medicine and Science:

Provided further, That the seven aforementioned grants are to be made within sixty days after enactment of this Act: *Provided further*, That the grants provided for in the preceding provisions shall be made without regard to, and (to the extent necessary) in contravention of, subsection (a) of section 2361 of title 10, United States Code (which is hereby superseded to the extent necessary to make such grants), and shall be made without regard to subsection (b)(2) of such section, and shall be made without regard to the requirements of section 2304 of title 10, United States Code: *Provided further*, That references to section 2361 of title 10, United States Code in the preceding provisions refer to that section as it existed on November 10, 1989 and as it is amended by section 252 of the National Defense Authorization Act for Fiscal Years 1990 and 1991, to the extent that provision is enacted into law".

□ 1630

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. SWIFT). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. McDADE. Mr. Speaker, I reserve all points of order on the motion.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. McDADE] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. MURTHA] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. McDADE].

Mr. McDADE. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding time to me.

Mr. Speaker, I would like to call attention to the merits of this point of order and try to alert my colleagues that there are some projects here which are extremely meritorious. The fact is that some of these projects, one in particular at Lehigh University in my congressional district, is a project that funds research facilities to support our defense industrial base.

The DOD is not providing funding for research facilities. This is the responsibility of Congress. It is appropriate for Congress to seek to put funds into this most important area—especially Lehigh University's National Center for Industrial Innovation. At Lehigh University, we are talking about a proven track record: research in the fields of computer integrated manufacturing, ceramics, polymers, and composites to name a few. All of these scientific fields are crucial to the carrying out of our long-range research and development mission in the Department of Defense * * * and all of these areas are crucial to a competitive America.

Lehigh University has the proven track record, tradition, and most promising site for a National Center for Industrial Innovation that can serve as a focus for our nation's efforts to regain its competitive manufacturing edge.

Mr. Speaker, Congress is not making the kinds of strategic investments into our nation's university research facilities that we should. We are not investing in the research infrastructure of our nation's universities. It is not at all inappropriate in a bill such as this, $300 billion strong, to take some resources and devote them to a national center for industrial innovation. America's defense industrial base is being eroded. We know that. But, tragically, we continue to ignore the deterioration of university research facilities. We continue to ignore them in the competitions within the Defense Department or within other Federal agencies. It just seems to me, Mr. Speaker, that we have an opportunity here to provide a very tiny, tiny percentage of this DOD appropriation bill to support the kind of essential research and development infrastructure at our universities that will ensure our nation's economic and national security into the next century. We simply have not had the opportunity to support this critical area otherwise, given the nature of the existing programs.

Mr. Speaker, I urge my colleagues, I urge Members to oppose this point of order, decide in favor of the language as structured, and make a decision, and a good investment for the future of this country, its industrial base, and its national security. Again, I thank the gentleman from Pennsylvania for yielding.

Mr. McDADE. Mr. Speaker, I withdraw my reservation of a point of order.

POINT OF ORDER

Mr. BARTLETT. Mr. Speaker, I make a point of order on the amendment.

Mr. Speaker, I make the point of order that the amendment offered by the gentleman from Pennsylvania [Mr. MURTHA,] violates clause 7 of rule XVI in that it is not germane to the subject matter under consideration, and I would seek to speak to my point of order.

Mr. MURTHA. Mr. Speaker, we concede the point of order.

The SPEAKER pro tempore (Mr. SWIFT). The point of order is conceded and sustained.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a substitute motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 97, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert ": *Provided further,* That of the amount herein provided for the Strategic Defense Initiative, $52,000,000 shall be available only for the Arrow missile program".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. BARTLETT. Mr. Speaker, reserving the right to object, could I have a copy of the amendment that is being offered?

Mr. McDADE. Mr. Speaker, I withdraw my unanimous-consent request and suggest that the Clerk read the motion.

The SPEAKER pro tempore. The Clerk will read the motion.

The Clerk completed the reading of the motion.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 96: Page 33, line 3, strike out "$224,505,000" and insert "$222,311,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 96, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert $180,550,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 101: Page 33, line 24, strike out "$104,100,000" and insert: "$78,100,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 101, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "$78,100,000".

EMERGENCY RESPONSE FUND

For the "Emergency Response Fund, Defense"; $100,000,000 to remain available until expended. The Fund shall be available for providing reimbursement to currently applicable appropriations of the Department of Defense for supplies and services provided in anticipation of requests from other Federal Departments and agencies and from state and local governments for assistance on a reimbursable basis to respond to natural or man-made disasters. The Fund may be used upon a determination by the Secretary of Defense and immediate action is necessary before a formal request for assistance on a reimbursable basis is received. There shall be deposited to the Fund: (a) reimbursements received by the Department of Defense for the supplies and services provided by the Department in its response efforts and (b) appropriations made to the Department of Defense for the Fund. Reimbursements and appropriations deposited to the Fund shall remain available until expended".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 103: Page 34, line 9, strike out "$113,500,000" and insert: "$82,400,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 103, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$73,000,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 104: Page 34, line 10, strike out "$7,200,000" and insert "$1,900,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 104, and concur therein with an amendment, as follows: In lieu of the sum stricken and inserted by said amendment, insert "$8,000,000, of which not less than $6,100,000 shall be available only for cryofracture: *Provided,* That of the funds appropriated for Chemical Agents and Munitions Destruction, Defense for research, development, test and evaluation for fiscal year 1989, not less than $16,300,000 must be obligated for cryofracture not later than January 15, 1990. *Provided further,* That the Secretary of Defense may only delegate responsibility for the program planning, policy, budget, management, execution and general oversight of the destruction of chemical agents and munitions and the retrograde movement of chemical agents and munitions to the Secretary of the Army".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 105: Page 34, line 10, after "$7,200,000;" "for retrograde, $26,655,000;".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 105, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "$27,610,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 106: Page 34, line 11, strike out "$269,800,000" and insert "$259,355,000".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 106, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$257,010,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 107: Page 34, line 15, after "1991" insert "and the amount provided for Retrograde shall remain available until September 30, 1992: *Provided further,* That of the funds appropriated for Retrograde, not more than $10,000,000 may be obligated or expended until the Secretary of Defense certifies to the Congress that the Johnston Atoll Chemical Agent Disposal System has destroyed live agent chemical munitions: *Provided further,* That none of the funds appropriated in this or any other Act may be obligated to construct additional chemical munition storage facilities on Johnston Atoll".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 107, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert "and the amount provided for retrograde shall remain available until September 30, 1992: *Provided further,* That of the funds appropriated for retrograde, not more than $10,000,000 may be obligated or expended, nor may any chemical munitions be moved from existing storage sites, until the Secretary of Defense certifies to the Congress that the Johnston Atoll Chemical Agent Disposal System has destroyed live agent chemical munitions and that adequate storage capacity exists on Johnston Atoll to safely accommodate any chemical munitions or hazardous materials transported to that site: *Provided further,* That none of the funds appropriated in this or any other Act may be obligated to construct additional chemical munition storage facilities on Johnston Atoll".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 108: Page 34, after line 16, insert:

DRUG INTERDICTION DEFENSE

(TRANSFER OF FUNDS)

For drug interdiction and enforcement activities of the Department of Defense, not provided for elsewhere in this Act, $575,000,000; for transfer to appropriations available to the Department of Defense to remain available and for the same purpose as the appropriation to which transferred and that such transfers shall be in addition to any transfer authority contained elsewhere in this Act, as follows: for Army and Air National Guard drug interdiction and enforcement operation and maintenance and personnel expenses, $70,000,000; for Army and Air National Guard equipment necessary for drug interdiction and enforcement, $40,000,000; for Operation and Maintenance costs including the Civil Air Patrol, $165,000,000; for Research, Development, Test and Evaluation, $28,000,000; for Construction requirements, $5,000,000; and for Procurement, $267,000,000, of which $125,000,000 may be transferred to or obligated by the Department of State for counter-narcotics programs.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 108, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert:

OTHER DEPARTMENT OF DEFENSE APPROPRIATIONS

DRUG INTERDICTION, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For drug interdiction and enforcement activities of the Department of Defense, not provided for elsewhere in this Act, $450,000,000; for transfer as follows: Army National Guard and Air National Guard operation and maintenance, personnel expenses, and associated administrative costs, $70,000,000; for Army National Guard and Air National Guard equipment, $40,000,000; for Operation and Maintenance, including the Civil Air Patrol, $88,200,000; for Research, Development, Test and Evaluation, $10,400,000; for Military Construction, $3,700,000; and, for Procurement, $237,700,000: *Provided,* That the funds appropriated by this paragraph shall be available for obligation for the same period and for the same purpose as the appropriation to which transferred and the transfer authority provided in this paragraph is in addition to any transfer authority contained elsewhere in this Act: *Provided further,* That of the amount appropriated, $2,500,000 shall be transferred to the Department of the Treasury solely for the expenses associated with a classified project.".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 112: Page 37, line 17, after "Defense" insert ": *Provided,* That salary increases granted to direct and indirect hire foreign national employees of the Department of Defense shall not be at a rate in excess of the percentage increase authorized by law for civilian employees of the Department of Defense whose pay is computed under the provisions of section 5332 of title 5, United States Code, or at a rate in excess of the percentage increase provided by the appropriate host nation to its own employees, whichever is higher".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 112, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

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The SPEAKER pro tempore (Mr. SWIFT). The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 117: Page 44, line 1, strike out "none" and insert "Except as provided in section 2690, 10 United States Code, none".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 117, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "Except as provided in 10 USC 2690 and thirty days after the Secretary of Defense has notified the Committees on Appropriations of the Senate and House of Representatives, none".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 118: Page 44, line 7, strike out "none" and insert: "Except as provided in section 2690, 10 United States Code, none".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disgreement to the amendment of the Senate numbered 118, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "Except (1) as provided in 10 USC 2690 and thirty days after the Secretary of Defense has notified the Committees on Appropriations of the Senate and House of Representatives; and (2) that all conversions at the Wiesbaden and Kaiserslautern Military Communities shall be held in abeyance until August 15, 1990, in order for the Secretary of the Air Force to thoroughly evaluate the requirement for and cost-effectiveness of the proposal to convert these systems to third-party cogeneration systems using American coal and until the General Accounting Office has reviewed the findings of the Defense Department, after which date the Wiesbaden and Kaiserslautern Military Communities may be converted under (1) above, none".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 119: Page 46, line 11, after "Defense" insert "shall be available".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 119, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 120: Page 48, strike out line 7 and insert:

Maverick Missile (AGM-65D);
F/A-18 Aircraft;
E-2C Aircraft; and

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 120, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert:

Maverick Missile (AGM-65D);
SH-60B/F Helicopter; and

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 121: Page 48, strike out all after line 18 over to and including line 13 on page 49.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 121, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert:

SEC. 9023. None of the funds appropriated by this Act shall be available to convert a position in support of the Army Reserve, Air Force Reserve, Army National Guard, and Air National Guard occupied by, or programmed to be occupied by, a (civilian) military technician to a position to be held by a person in an active Guard or Reserve status if that conversion would reduce the total number of positions occupied by, or programmed to be occupied by, (civilian) military technicians of the component concerned, below 71,449: *Provided*, That none of the funds appropriated by this Act shall be available to support more than 48,576 positions in support of the Army Reserve, Army National Guard, or Air National Guard occupied by, or programmed to be occupied by, persons in an active Guard or Reserve status: *Provided further*, That none of the funds appropriated by this Act may be used to include (civilian) military technicians in computing civilian personnel ceilings, including statutory or administratively imposed ceilings, on activities in support of the Army Reserve, Air Force Reserve, Army National Guard or Air National Guard.

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 130: Page 52, line 18, after "99-239" insert *"Provided further*, That upon a determination by the Secretary of the Army that such action is beneficial for graduate medical education programs conducted at Army medical facilities located in Hawaii, the Secretary of the Army may authorize the provision of medical services at such facilities and transportation to such facilities, on a nonreimbursable basis, for not more than 250 civilian patients from American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, Palau and Guam".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 130, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 134: Page 53, line 25, after "skills" insert "or to members who enlist in the armed services on or after July 1, 1989, under a fifteen-month program established by the Secretary of Defense to test the cost-effective use of special recruiting incentives involving not more than nineteen noncombat arms skills approved in advance by the Secretary of Defense: *Provided further*, That no contribution to the Fund pursuant to section 2006(g) shall be made during the current fiscal year that represents liabilities arising from the Department of the Army".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 134, and concur therein with an amendment, as follows: After the word "Army", insert ": *Provided further*, That this subsection applies to active components of the Army".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 138: Page 55, line 11, after "Act" insert "; or (3) is planned to be converted to performance by a qualified firm under 51 percent Native American ownership".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 138, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 147: Page 57, line 21, after "growth" insert: *"; Provided,* That any and all funds derived from contracts or subcontracts issued for the CHAMPUS Reform Initiative shall not be subject to any Hawaii State or local sales, general excise, or similar taxes imposed upon gross sales, gross income, or gross receipts, except to the extent that such taxes are uniformly imposed upon physicians, hospitals, and all similar direct providers of health care services".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 147, and concur therein.

The SPEAKER pro tempore. The queston is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 159: Page 62 line 14, after "pay" insert: "and Department of Defense medical personnel and programs (including CHAMPUS)".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 159, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 161: Page 63, line 10, strike out all after "provisions" down to and including "period" in line 11.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 161, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert *"Provided further,* That amounts transferred under this provision for Department of Defense medical personnel and programs (including CHAMPUS), shall come from prior year unobligated appropriations and shall be offset within the appropriations to which transferred".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 172: Page 65, line 13, strike out all after "transferred" over to and including "Force" in line 5 on page 66 and insert ": *Provided,* That such transfers shall not exceed $77,000,000 for Operation and Maintenance, Army; $427,650,000 for Operation and Maintenance, Navy; $2,600,000 for Operation and Maintenance, Marine Corps; $112,200,000 for Operation and Maintenance, Air Force; and $60,000,000 for Operation and Maintenance, Defense Agencies".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 172, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert ", as follows:

(a) from the Navy Stock Fund, not less than $156,000,000 shall be transferred to Operation and Maintenance, Marine Corps; from the Defense Stock Fund, not less than $195,000,000, of which $20,000,000 shall be transferred to Operation and Maintenance, Army Reserve; $30,000,000 shall be transferred to Operation and Maintenance, Navy Reserve; $30,000,000 shall be transferred to Operation and Maintenance, Air Force Reserve; $20,000,000 shall be transferred to Operation and Maintenance, Army National Guard; $35,000,000 shall be transferred to Operation and Maintenance, Air National Guard; and $60,000,000 shall be transferred to Operation and Maintenance, Defense Agencies for the Defense Logistics Agency.

(b) from the Army Stock Fund, $114,000,000 and from the Army Industrial Fund, $73,400,000 may be transferred to Operation and Maintenance, Army; from the Navy Stock Fund, $281,200,000 and from the Navy Industrial Fund, $400,950,000 may be transferred to Operation and Maintenance, Navy; from the Marine Corps Industrial Fund, $4,000,000 may be transferred to Operation and Maintenance, Marine Corps; from the Air Force Stock Fund, $156,000,000 and from the Air Force Industrial Fund, $111,750,000 may be transferred to Operation and Maintenance, Air Force; and, from the Defense Industrial Fund, $29,900,000 may be transferred to the Defense Logistics Agency: *Provided,* That the Secretary of Defense may waive the transfers in subsection (b) upon notification to the House and Senate Committees on Appropriations".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 175: Page 67, line 9, after "payment" insert ": *Provided further,* That funds appropriated in this Act may be used to reimburse United States military personnel for reasonable costs of subsistence, at rates to be determined by the Secretary of Defense, incurred while accompanying Soviet Inspection Team members engaged in activities related to the INF Treaty: *Provided further,* That this provision includes only the in-country period (referred to in the INF Treaty) and is effective whether such duty is performed at, near, or away from an individual's permanent duty station".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 175, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 179: Page 69, line 23, after "Agencies" insert ": *Provided,* That, (a) Not more than $1,564,000,000 of the funds appropriated by this Act may be

obligated or expended for the procurement of advisory or assistance services by the Department of Defense.

(b)(1) Not later than 30 days after the end of each fiscal quarter, the Secretary of Defense shall (A) submit to Congress a report on the amounts obligated by the department during that quarter for the procurement of advisory and assistance services, and (B) transmit a copy of such report to the Comptroller General of the United States.

(2) Each report submitted under paragraph (1) shall include a list with the following information:

(A) All contracts awarded for the procurement of advisory and assistance services during the quarter and the amount of each contract.

(B) The purpose of each contract.

(c) The Comptroller General of the United States shall review the reports submitted under subsection (b) and transmit to Congress any comments and recommendations the Comptroller General considers appropriate regarding the matter contained in such reports.".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 179, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "$1,539,000,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 184: Page 72, strike out lines 7 to 14.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 184, and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

SEC. 9068. None of the funds available to the Department of Defense or Navy shall be obligated or expended to (1) establish or operate Training and Administration of Reserves (TAR) enlisted detailing or any enlisted placement functions or billets at the Chief of Naval Personnel and the Naval Military Personnel Center headquarters, or (2) transfer any Naval TAR, seaman, fireman, and airman detailing functions and billets or reduce civilian and military personnel end strengths from the Naval Reserve Personnel Center and the Enlisted Personnel Management Center until sixty days after the Secretary of Defense submits a report, including complete review comments by the General Accounting Office, to the Committees on Appropriations of the House and Senate justifying any transfers, operations, or reductions in terms of (1) addressing the overall mission and operations staffing of all detailing and placement functions for active and reserve personnel functions and commands; and (2) certifying that such realignments do not duplicate functions presently conducted; are cost-effective from a budgetary standpoint; will not adversely affect the mission, readiness and strategic considerations of the Navy and the Navy Reserve; and will not adversely impact on the quality of life and economic benefits of the individual serviceman.

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 186: Page 73, strike out lines 1 to 5, and insert:

SEC. 9062. (a) Congress makes the following findings—

(1) The United States Government relies on satellites for communications, early warning of attack, monitoring compliance with arms control agreements, and many other vital national security functions;

(2) Such satellites constitute vital integral parts of many United States weapons systems, command, control and communications systems, and other military systems;

(3) It is essential to the national security of the United States that United States Government satellites not be vulnerable to anit-satellite attacks;

(4) It is in the national security interests of the United States and its allies to deter the development and testing of anti-satellite weapons by the Soviet Union;

(5) It is in the national security interests of the United States to undertake a balanced response to Soviet anti-satellite capabilities, which includes a measured ASAT program;

(6) Key agencies of the Executive Branch are examining options for specific anti-satellite arms control measures; Therefore:

(b)(1) The Executive Branch should conclude its examination of specific anti-satellite arms control options and rules of the road for space activities without delay, and include its recommendations and conclusions from this examination in the report to Congress already required by the Conference Report on the Fiscal Year 1989 Dire Emergency Supplemental Appropriations Act;

(2) The President shall—with a view toward considering how to improve United States ASAT arms control monitoring capabilities—assess the national security implications for the United States of a mutual deployment of cooperative monitoring and verification technologies; the results of such assessment shall be included in the above mentioned report;

(3) As soon as practicable, the President should take advantage of the forum provided by the ongoing Defense and Space Talks with the Soviet Union to explore—consistent with the conclusions of the above-mentioned report—adequately verifiable limitations on the development, testing, production, and deployment of weapons capable of directly threatening United States military satellites.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 186, and concur therein with an amendment, as follows: In lieu of section number "9062" named in said amendment, insert "9070".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 187: Page 73, strike out lines 6 to 12.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 187, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert:

SEC. 9071. None of the funds available to the Department of Defense, including expired appropriations and M account balances, may be used for the B-1B's ALQ-161A CORE program unless the Secretary of Defense has notified the Congress in advance of his intention to use funds for such purpose: *Provided*, That no funds available to the Department of Defense may be used for research, development, test, evaluation, installation, integration, or procurement of an advanced radar warning receiver for the B-1B.

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 196: Page 79, after line 4, insert:

SEC. 9067. All obligations incurred in anticipation of the appropriations and authority provided in this Act are hereby ratified and confirmed if otherwise in accordance with the provisions of this Act.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 196, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9077".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 197: Page 79, after line 4, insert:

SEC. 9068. None of the funds appropriated by this Act shall be available for a contract for studies, analyses, or consulting services entered into without competition on the basis of an unsolicited proposal unless the head of the activity responsible for the procurement determines:

(a) as a result of thorough technical evaluation, only one source is found fully qualified to perform the proposed work, or

(b) the purpose of the contract is to explore an unsolicited proposal which offers significant scientific or technological promise, represents the product of original thinking, and was submitted in confidence by one source, or

(c) where the purpose of the contract is to take advantage of unique and significant industrial accomplishment by a specific concern, or to insure that a new product or idea of a specific concern is given financial support:

Provided, That this limitation shall not apply to contracts in an amount of less than $25,000, contracts related to improvements of equipment that is in development or production, or contracts as to which a civilian official of the Department of Defense, who has been confirmed by the Senate, determines that the award of such contract is in the interest of the national defense.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 197, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9078".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 198: Page 79, after line 4, insert:

SEC. 9069. None of the funds appropriated by this Act or hereafter shall be obligated for the second career training program authorized by Public Law 96-347.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 198, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9079".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 199: Page 79, after line 4, insert:

SEC. 9070. None of the funds appropriated or otherwise made available in this Act shall be obligated or expended for salaries or expenses during the current fiscal year for the purposes of demilitarization of surplus nonautomatic firearms less than .50 caliber.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 199, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9080".

The SPEAKER pro tempore. Does the gentleman from Pennsylvania [Mr. MURTHA] seek time?

Mr. MURTHA. Yes, Mr. Speaker, I do.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. MURTHA] will be recognized for 30 minutes and the gentleman from Pennsylvania [Mr. MCDADE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. MURTHA].

Mr. MURTHA. Mr. Speaker, I yield myself such time as I may consume.

Mr. OWENS of Utah. Mr. Speaker, will the gentleman yield?

Mr. MURTHA. I yield to the gentleman from Utah.

Mr. OWENS of Utah. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would like to clarify one matter that pertains to the production of the upgraded Titan solid rocket motors. The conference report expresses agreement with the Air Force's most recent plan, which requires that 7 of the next 10 motors be steel-case solid rocket motors. I understand that these will be purchased by options as specified in the Air Force procurement plan. Is that correct?

Mr. MURTHA. That is correct.

Mr. OWENS of Utah. Then all seven motor sets will not be purchased in 1 year—is that correct?

Mr. MURTHA. The gentleman is correct.

Mr. OWENS of Utah. Can I also conclude that if the Air Force does not need all seven steel-case motor sets, it could determine not to exercise follow-on options with some consideration of the issue by the Committee on Appropriations? Am I correct on this understanding?

Mr. MURTHA. Since the Air Force is awarding contracts this fiscal year for long-lead materials for seven steel-case motors, we would hope that their plans would not change, in order to avoid wasteful expenditures. However, as always the Defense Subcommittee would be willing to review the matter next year should the Air Force change their plans.

Mr. OWENS of Utah. Mr. Speaker, I thank the subcommittee chairman.

The SPEAKER pro tempore. Are there further requests for time?

The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 200: Page 79, after line 4, insert:

SEC. 9071. No funds available to the Department of Defense during the current fiscal year may be usd to enter into any contract with a term of eighteen months or more or to extend or renew any contract for a term of eighteen months or more, for any vessel, aircraft or vehicles, through a lease, charter, or similar agreement without previously having been submitted to the Committees on Appropriations of the House of Representatives and the Senate in the budgetary process: *Provided*, That any contractual agreement which imposes an estimated termination liability (excluding the estimated value of the leased item at the time of termination) on the Government exceeding 50 per centum of the original purchase value of the vessel, aircraft, or vehicle must have specific authority in an appropriation Act for the obligation of 10 per centum of such termination liability.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 200, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9081" and after the word "year" insert the following "and hereafter".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 201: Page 79, after line 4, insert:

SEC. 9072. Of the funds made available to the Department of the Air Force in this Act, not less than $5,700,000 shall be available for the Civil Air Patrol.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 201, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert:

SEC. 9082. Of the funds made available to the Department of the Air Force in this Act, not less than $6,700,000 shall be available for the Civil Air Patrol.

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The qeustion is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 202: Page 79, after line 4, insert:

SEC. 9073. Notwithstanding any other provision of law, none of the funds appropriated by this Act shall be available to pay more than 50 percent of an amount paid to any person under section 308 of title 37, United States Code, in a lump sum.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 202, and concur therein with an amendment, as follows: In lieu of the section number "9073" named in said amendment, insert "9083".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 203: Page 79, after line 4, insert:

SEC. 9074. Notwithstanding any other provision of law, funds available in this Act shall be available to the Department of Defense to grant civilian employees participating in productivity-based incentive award programs paid administrative time off in lieu of cash payment as compensation for increased productivity.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 203, and concur therein with an amendment, as follows: In lieu of the section number "9074" named in said amendment, insert "9084".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 205: Page 79, after line 4, insert:

SEC. 9076. None of the funds appropriated by this Act may be used by the Department of Defense to assign a supervisor's title or grade when the number of people he or she supervises is considered as a basis for this determination: *Provided,* That savings that result from this provision are represented as such in future budget proposals.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 205, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9085".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 206: Page 79, after line 4, insert:

SEC. 9077. From the amounts appropriated in this Act, funds shall be available for Naval Aviation Depots to perform manufacturing in order to compete for production contracts of Defense articles: *Provided,* That the Navy shall certify that successful bids between Naval Aviation Depots and private companies for such production contracts include comparable estimates of all direct and indirect costs: *Provided further,* That competitions conducted under this authority shall not be subject to section 2461 or 2464 of title 10, United States Code, or to Office of Management and Budget Circular A-76.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 206, and concur therein with an amendment, as follows: In lieu of section number "9077" named in said amendment, insert "9086".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 207: Page 79, after line 4, insert:

"SEC. 9078. (a) PROHIBITION.—During the period beginning on the date of the enactment of this Act and through December 28, 1991, no product manufactured or assembled by Toshiba America, Incorporation, or Toshiba Corporation (or any of its affiliates or subsidiaries) may be purchased by the Department of Defense for the purpose of resale of such product in a military exchange store or in any other morale, welfare, recreation, or resale activity operated by the Department of Defense (either directly or by concessionaire).

"(b) EXCEPTION.—The prohibition in subsection (a) shall not apply to microwave ovens manufactured or assembled in the United States."

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 207, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9087".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 208: Page 79, after line 4, insert:

"SEC. 9079. Of the funds made available in this Act for military personnel appropriations, $3,000,000 shall be available for the payment of bonuses to officers of the Army Nurse Corps, the Navy Nurse Corps and officers designate as Air Force nurses. A bonus, in an amount not to exceed $6,000, may be paid, under such regulations and conditions as the Secretary of Defense deems appropriate, to such an officer: *Provided,* That the officer is on active duty under a call or order to active duty for a period of not less than one year: *Provided further,* That the officer is qualified and performing as an anesthetist: And provided further, That this provision shall not be effective unless specifically authorized".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 208, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9088".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 209: Page 79, after line 4, insert:

"SEC. 9080. Notwithstanding any other provision of law, none of the funds made available by this Act shall be used by the Department of Defense to exceed, outside the fifty United States and the District of Columbia, 180,994 civilian workyears: *Provided,* That workyears shall be applied as defined in the Federal Personnel Manual Supplement 298-2, Book IV: *Provided further,* That workyears expended in dependent student hiring programs for disadvantaged youth shall not be included in this workyear limitation.".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 209, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9089" and in lieu of "180,994" named in said amendment, insert "182,011".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 210: Page 79, after line 4, insert:

"SEC. 9081. None of the funds appropriated by this or any other Act with respect to any fiscal year for the Navy may be used to carry out an electromagnetic pulse program in the Chesapeake Bay area in connection with the Electromagnetic Pulse Radiation Environment Simulator for Ships (EMPRESS) program unless or until the Secretary of Defense certifies to the Congress that conduct of the EMPRESS program is essential to the national security of the United States and to achieving requisite military capability for United States naval vessels, and that the economic, environmental, and social costs to the United States of conducting the EMPRESS program in the Chesapeake Bay area are far less than the economic, environmental, and social costs caused by conducting the EMPRESS program elsewhere.".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 210, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9090" and in lieu of the word "EMPRESS" in each of the four places where it appears, insert "EMPRESS II".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 211: Page 79, after line 4, insert:

"SEC. 9082. Notwithstanding any other provision of law, each contract awarded by the Department of Defense in fiscal year 1990 for construction or service performed in whole or in part in a State which is not contiguous with another State and has an unemployment rate in excess of the national average rate of unemployment as determined by the Secretary of Labor shall include a provision requiring the contractor to employ, for the purpose of performing that portion of the contract in such State that is not contiguous with another State, individuals who are residents of such State and who, in the case of any craft or trade, possess or would be able to acquire promptly the necessary skills: *Provided,* That the Secretary of Defense may waive the requirements of this section in the interest of national security.".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 211, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9091".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 212: Page 79, after line 4, insert:

SEC. 9083. No more than $178,419,000 of the funds appropriated by this Act shall be available for the payment of unemployment compensation benefits.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 212, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9092".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 213: Page 79, after line 4, insert:

SEC. 9084. None of the funds appropriated by this Act shall be used for the support of any nonappropriated fund activity of the Department of Defense that procures malt beverages and wine with nonappropriated funds for resale (including such alcoholic beverages sold by the drink) on a military installation located in the United States, unless such malt beverages and wine are procured in that State, or in the case of the District of Columbia, within the District of Columbia, in which the military installation is located: *Provided,* That in a case in which the military installation is located in more than one State, purchases may be made in any State in which the installation is located: *Provided further,* That such local procurement requirements for malt beverages and wine shall apply to all alcoholic beverages for military installations in States which are not contiguous with another State: *Provided further,* That alcoholic beverages other than wine and malt beverages in contiguous States and the District of Columbia shall be procured from the most competitive source, price and other factors considered.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 213, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9093".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 214: Page 79, after line 4, insert:

(TRANSFER OF FUNDS)

SEC. 9085. Upon enactment of this Act, the Secretary of Defense shall make the following transfer of funds: *Provided,* That the amounts transferred shall be available for the same purposes as the appropriations to which transferred, but shall be available only for the time period of the appropriation from which transferred: *Provided further,* That funds shall be transferred between the following appropriations in the amounts specified:

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1987/91": CG-47 cruiser program, $147,100,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1985/89": T-AO fleet oiler program, $72,000,000;

Under the heading, "Shipbuilding and Conversion, Navy, 1986/90":

MCM mine countermeasures ship program, $5,800,000;

T-AO fleet oiler program, $11,100,000; and

Under the heading, "Shipbuilding and Conversion, Navy, 1987/91":

AOE fast combat support ship program, $51,900,000;

T-AO fleet oiler program, $6,300,000.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 214, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert:

(TRANSFER OF FUNDS)

SEC. 9094. Upon enactment of this Act, the Secretary of Defense shall make the following transfer of funds: *Provided*, That the amounts transferred shall be available for the same purposes as the apporpriations to which transferred but shall be available only for the time period of the appropriation from which transferred: *Provided further*, That funds shall be transferred between the following appropriations in the amounts specified:

From

Under the heading, "Shipbuilding and Conversion, Navy, 1986/90": T-AGOS SURTASS ship program, $3,600,000;

Under the heading, "Shipbuilding and Conversion, Navy, 1987/91": CG-47 cruiser program, $147,100,000; T-AGOS SURTASS ship program, $8,500,000; Outfitting program, $14,900,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1985/89": T-AO fleet oiler program, $72,000,000;

Under the heading, "Shipbuilding and Conversion, Navy, 1986/90":

MCM mine countermeasures ship program, $5,800,000;

T-AO fleet oiler program, $11,100,000;

Under the heading, "Shipbuilding and Conversion, Navy, 1987/91":

AOE fast combat support ship program, $51,900,000;

T-AO fleet oiler program, $6,300,000; and

Under the heading, "Shipbuilding and Conversion, Navy, 1989/93":

T-AGOS SURTASS ship program, $27,000,000.

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 215: Page 79, after line 4, insert:

SEC. 9086. The total amount appropriated to or for the use of the Department of Defense by this Act is reduced by $37,000,000. The Secretary of Defense shall allocate the amount of the reduction made by the preceding sentence in the procurement and research, development, test and evaluation accounts of the Army, Navy, Air Force, Marine Corps, and Defense Agencies as the Secretary determines appropriate to reflect savings resulting from increased use of discount air fares that (1) are granted by commercial air carriers for travel of Federal Government employees on official Government business under agreements entered into between the Administrator of General Services and such carriers, and (2) are available to contractor personnel traveling in connection with the performance of cost-reimbursable contracts awarded by the Department of Defense.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 215, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9095".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 216: Page 79, after line 4, insert:

SEC. 9087. (a) Of the amounts available to the Department of Defense for fiscal year 1990, not less than $10,500,000 shall be available for National Defense Science and Engineering Graduate Fellowships to be awarded on a competitive basis by the Secretary of Defense to United States citizens or nationals pursuing advanced degrees in fields of primary concern and interest to the Department.

(b) Fellowships awarded pursuant to subsection (a) above shall not be restricted on the basis of the geographical locations in the United States of the institutions at which the recipients are pursuing the aforementioned advanced degrees.

(c) Not less than 50 per centum of the funds necessary to carry out this section shall be derived from the amounts available for the University Research Initiatives Program in "Research, Development, Test and Evaluation, Defense Agencies", and the balance necessary shall be derived from amounts available for Defense Research Sciences under title IV of this Act.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 216, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9096".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 217: Page 79, after line 4, insert:

SEC. 9088. Section 30 of chapter 2B of the Arms Export Control Act, Public Law 97-392, is amended by striking "on a direct" and inserting in lieu thereof "using" and striking "basis" and inserting in lieu thereof "practices which restrict actual delivery directly".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 217, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert:

SEC. 9097. Section 30(a) of chapter 2B of the Arms Export Control Act, Public Law 97-392, is amended by inserting "either (i)" immediately after the phrase "such a company" in the first sentence thereof and by adding immediately before the period at the end of that sentence "or (ii) in the case of ammunition parts subject to subsection (b) of this section, using commercial practices which restrict actual delivery directly to a friendly foreign country or international organization pursuant to approval under section 38 of this Act".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. McDADE Mr. Speaker, I seek recognition on the motion.

The SPEAKER pro tempore (Mr. SWIFT). The gentleman from Pennsylvania [Mr. McDADE] will be recognized for 30 minutes and the gentleman from Pennsylvania [Mr. MURTHA] will be recognized for 30 minute.

The Chair recognizes the gentleman from Pennsylvania [Mr. McDADE].

Mr. McDADE. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Speaker, I want to take this opportunity first to express my great appreciation to the chairman of the subcommittee, the gentleman from Pennsylvania [Mr. MURTHA], and its ranking member, the gentleman from Pennsylvania [Mr. McDADE], who have done an outstanding job, together with all the members of this subcommittee, and to the extraordinarily capable staff that we have on this subcommittee.

We have a budget of some $286 billion. Every year there are just tremendous problems accompanying the allocation of those funds, and I just have not seen the process ever work as smoothly as it did this time. The staff did one heck of a job, and all the membership worked together in harmony, in a bipartisan fashion, and I want to commend them all for their very, very hard and difficult work.

Mr. Speaker, if I now may get the attention of the chairman of the subcommittee, I would like to propound a couple of questions to him.

Mr. Speaker, I will say to the subcommittee chairman that it is my understanding that in section 9097 of this conference report regarding the overseas sales of ammunition the conferees intended the term, "ammunition," to include all those items listed in the military services ammunition procurement accounts, that is, small arms, artillery ammunition, tank ammunition, fuses, mines, including the MICLIC rocket motor and line charge, as well as signals, flares, and demolitions; is that correct?

Mr. MURTHA. Mr. Speaker, if the gentleman will yield, let me state that the gentleman is correct. That is the conferees' intention.

Mr. LIVINGSTON. Mr. Speaker, I thank the chairman of the subcommittee, and once again I would like to compliment him and the ranking member, the gentleman from Pennsylvania [Mr. McDADE], as well as all the members and the staff of this subcommittee, for an extraordinary achievement.

Mr. McDADE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 218: Page 79, after line 4, insert:

SEC. 9089. Notwithstanding any other provision of law, during the current fiscal year, the Secretary of Defense may acquire the depot maintenance and repair of aircraft, vehicles, vessels and components, through competition between Department of Defense depot maintenance activities and private firms: *Provided*, That the Secretary shall certify that successful bids include comparable estimates of all direct and indirect costs for both public and private bids.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 218, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9098".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 220: Page 79, after line 4, insert:

SEC. 9091. Of the funds appropriated by this Act, not more than $1,000,000 shall be available for the health care demonstration project regarding chiropractic care required by section 632(b) of the Department of Defense Authorization Act, 1985, Public Law 98-525.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 220, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert:

SEC. 9099. Of the funds appropriated by this Act, no more than $2,500,000 shall be available for the health care demonstration project regarding chiropractic care required by section 632(b) of the Department of Defense Authorization Act, 1985, Public Law 98-525.

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 221: Page 79, after line 4, insert:

SEC. 9092. None of the funds appropriated by this Act may be used to pay health care providers under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) for services determined under the CHAMPUS Peer Review Organization (PRO) Program to be not medically or psychologically necessary. The Secretary of Defense may by regulation adopt any quality and utilization review requirements and procedures in effect for the Peer Review Organization Program under title XVIII of the Social Security Act (Medicare) that the Secretary determines necessary, and may adapt the Medicare requirements and procedures to the circumstances of the CHAMPUS PRO Program as the Secretary determines appropriate.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 221, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9100".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 223: Page 79, after line 4, insert:

SEC. 9094. For the purpose of conducting a demonstration project, to be implemented at not more than fourteen military hospitals, to test methods of increasing collections from third-party payers of reasonable inpatient hospital care costs incurred on behalf of retirees and dependents pursuant to section 1095 of title 10, United States Code, the Secretary of Defense is authorized to modify existing Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) regional fiscal intermediary contracts to assist in the administration of activities in connection with such collections. *Provided*, That amounts collected under this section from a third-party payer for the costs of inpatient hospital care provided at a facility of the uniformed services shall be credited to the appropriations supporting the maintenance and operation of the facility.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 223, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert:

SEC. 9101. For the purpose of conducting a demonstration project, to test methods of increasing collections from third-party payers of reasonable inpatient hospital care costs incurred on behalf of retirees and dependents pursuant to section 1095 of title 10, United States Code, the Secretary of Defense is authorized to modify existing Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) regional fiscal intermediary contracts to assist in the administration of activities in connection with such collections: *Provided*, That amounts collected under this section from a third-party payer for the costs of inpatient hospital care provided at a facility of the uniformed services shall be credited to the appropriation supporting the maintenance and operation of the facility.

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 224: Page 79, line 4 insert:

SEC. 9095. USE OF ACCOUNTS FOR SALES OF PROPERTIES BY AGENCIES.—(a) AVAILABILITY OF AMOUNTS IN ACCOUNTS.—

(1) IN GENERAL—Notwithstanding any other law, in addition to the purposes for which they are now available, amounts in the accounts described in paragraph (2) shall, after December 22, 1987, be available for use in any fiscal year for all purposes (including use for purchase) involving any public sale of property by an agency of the United States. In conducting any such sale, such an agency shall accept, in the same manner as cash, any amount tendered from such an account, and the balance of the account shall be adjusted by the Secretary of the Treasury or the Administrator of General Services, as applicable, to reflect that transaction.

(2) ACCOUNTS DESCRIBED—The accounts referred to in subparagraph (B) are—

(A) the account in the Treasury established by the Secretary of the Treasury pursuant to section 12(b) of Public Law 94-204 (43 U.S.C. 1611 note), referred to in that section as the "Cook Inlet Region, Incorporated property account"; and

(B) the surplus property account established by the Administrator of General Services pursuant to section 317 of Public Law 98-146 (16 U.S.C. 396f).

(b) TREATMENT OF AMOUNT RECEIVED BY AGENCIES FROM ACCOUNTS.—In any case in which an agency of the United States that conducts a public sale of property is authorized by law to use the proceeds of such sale for a specific purpose, the Secretary of the Treasury shall, without restriction, treat as cash receipts any amount which is—

(1) tendered from an account described in subsection (b)(2);

(2) received by the agency as proceeds of such a sale; and

(3) used by the agency for that specific purpose.

(c) AVAILABILITY OF FUNDS.—The Secretary of the Treasury shall hereafter use funds in the Treasury not otherwise appropriated to make any cash transfer that is necessary under subsection (b) to allow an agency to use the proceeds of a public sale of property.

(d) AGENCY DEFINED. In this section the term "agency" includes—

(1) any instrumentality of the United States; and

(2) any element of an agency.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 224, and concur therein with an amendment, as follows: In lieu of section number "9095" named in said amendment, insert "9101".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 225: Page 79, after line 4, insert:

SEC. 9096. Of the funds made available by this Act in title III, Procurement, $8,000,000, drawn pro rata from each appropriations account in title III, shall be available for incentive payments authorized by section 504 of the Indian Financing Act of 1974, 25 U.S.C. § 1544. These payments shall be available only to contractors which have submitted subcontracting plans pursuant to 15 U.S.C. § 637(d)(4)(B), and according to regulations which shall be promulgated by the Secretary of Defense within 90 days of the passage of this Act.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 225, and concur therein with an amendment, as follows: In lieu of section number "9096" named in said amendment, insert "9103".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

□ 1700

The SPEAKER pro tempore (Mr. SWIFT). The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 226: Page 79, after line 4, insert:

SEC. 9097. (a) Section 515(d) of the Foreign Assistance Act of 1961 is amended by striking out "October 1, 1982" and inserting in lieu thereof "October 1, 1989" and by striking out "including" and inserting in lieu thereof "excluding".

(b)(1) Section 43(b) of the Arms Control Act is amended by striking out "and" at the end of paragraph (1), by striking out the period at the end of paragraph (2) and inserting "; and" in lieu thereof, and by adding the following paragraph at the end of subsection:

"(3) such expenses are neither salaries of the Armed Forces of the United States nor represent unfunded estimated costs of civilian retirement and other benefits.".

(2) Section 632(d) of the Foreign Assistance Act of 1961 is amended by adding at the end of the second sentence thereof "(other than salaries of the Armed Forces of the United States and unfunded estimated costs of civilian retirement and other benefits)".

(c) Section 21(e) of the Armed Export Control Act is amended—

(1) by inserting immediately before the semicolon at the end of paragraph (1)(A) "as specified in section 43(b) and section 43(c) of this Act";

(2) by inserting immediately before the semicolon at the end of paragraph (1)(C) "(except for equipment wholly paid for either from funds transferred under section 503(a)(3) of the Foreign Assistance Act of 1961 or from funds made available on a nonrepayable basis under section 23 of this Act)";

(3) by repealing paragraph (1)(B) and relettering paragraphs (1)(C) and (1)(D) as paragraphs (1)(B) and (1)(C), respectively; and

(4) by striking out "paragraphs (1)(B) and (1)(C)" in subsection (e)(2) and inserting in lieu thereof "paragraph (1)(B)".

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 226, and concur therein with an amendment, as follows: In lieu of section number "9097" named in said amendment, insert "9104" and at the end of said amendment after " 'paragraph (1)(B)' ", insert:

(d) Section 1606 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 is amended—

(1) by striking out "One-Year" in the heading of the Section and inserting in lieu thereof "Three-Month";

(2) by striking out "One-Year" in subsection (a) and inserting in lieu thereof "Three-Month";

(3) by striking out "October 1, 1990" in subsection (a) and inserting in lieu thereof "January 1, 1990"; and

(4) by striking out "fiscal year 1990" in subsection (a) and inserting in lieu thereof "the first quarter of fiscal year 1990".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 228: Page 79, after line 4, insert:

SEC. 9099. The Secretary of the Air Force shall transfer not less than $5,000,000 from funds available to the Air Force for research, development, test and evaluation for fiscal year 1990 to the Army for the sole purpose of funding highest priority security improvements at the Kwajalein Test Range. The Secretary of the Army shall provide $2,500,000 for the same purpose from funds available to the Army for research, development, test and evaluation for fiscal year 1990. Funds made available by the Secretary of the Army for such purpose may not be made available from funds otherwise available for the United States Army Kwajalein Atoll Command.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 228, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9105".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 229: Page 79, after line 4, insert:

SEC. 9100. (a) Of the amounts appropriated for research, development, test and evaluation under title IV of this Act, not more than $26,552,000 may be made available through the National Defense Stockpile Transaction Fund for grants to support ongoing projects for strategic materials research, facilities, equipment, and related activities at institutions of higher education;

(b) The Secretary of Defense may make the grant awards pursuant to subsection (a) without regard to the requirements of sections 2361 and 2304 of title 10, U.S.C., which are superceded specifically by this section for the purposes of making the above mentioned grants: *Provided*, That the Secretary of Defense shall transmit a report, within sixty days of enactment of this Act, to the Committees on Appropriations and Armed Services of the Senate and House of Representatives which contains an evaluation on whether such grant supports the objectives established by the Strategic and Critical Materials Stock Piling Act, as amended: *Provided further*, That no funds shall be obligated for grant awards pursuant to subsection (a) until thirty days after receipt of such report by the above-named Committees: *Provided further*, That, notwithstanding any other provision of law, no funds provided in any other appropriate Act for fiscal year 1990 may be obligated for strategic material research facilities centers.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 229, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert:

SEC. 9106. (a) Of the amounts appropriated for research, development, test and evaluation under Title IV of this Act, not more than $26,552,000 may be made available for grants to support ongoing projects for strategic materials research, through the National Defense Stockpile Transaction Fund, for facilities, equipment, and related activities at institutions of higher education;

(b) The Secretary of Defense may make grant awards to institutions of higher education, as follows: University of Utah, $8,900,000, University of Hawaii at Manoa, $6,000,000, University of Texas at El Paso, $4,152,000, University of Idaho, $4,000,000, Loyola College of Maryland, $3,500,000;

(c) The grants specified in subsection (b) may be made without regard to, and (to the extent necessary) in contravention of, subsection (a) of section 2361 of title 10, United States Code (which is hereby superseded to the extent necessary to make such grants), and shall be made without regard to subsection (b)(2) of such section, and may be made without regard to the requirements of section 2304 of title 10, United States Code;

(d) The Secretary of Defense shall transmit a report, within 60 days of enactment of this Act, to the Committee on Appropriations and Armed Services of the Senate and House of Representatives which contains an evaluation on whether each grant supports the objectives established by the Strategic and Critical Materials Stock Piling Act, as amended: Provided, That no funds shall be obligated for grant awards pursuant to subsection (a) until thirty days after receipt of such report by the above-named Committees;

(e) References to section 2361 of title 10, United States Code in this section refer to that section as it existed on November 10, 1989 and as it is amended by section 252 of the National Defense Authorization Act for Fiscal Years 1990 and 1991, to the extent that provision is enacted into law.

PARLIAMENTARY INQUIRY

Mr. KOLBE. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. KOLBE. Mr. Speaker, did I understand that the gentleman from Pennsylvania moved that the House insist on its disagreement in his motion?

Mr. MURTHA. No, Mr. Speaker, I withdraw my motion so the gentleman from Arizona [Mr. KOLBE] can make a motion.

The SPEAKER pro tempore. The motion of the gentleman from Pennsylvania [Mr. MURTHA] is withdrawn.

MOTION OFFERED BY MR. KOLBE

Mr. KOLBE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. KOLBE moves that the House insist on its disagreement to the amendment of the Senate numbered 229.

Mr. KOLBE. Mr. Speaker, I wish to have time.

Mr. McDADE. Mr. Speaker, I yield 5 minutes to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Speaker, this goes back to the earlier amendment that we had, amendment No. 94, in which on a point of order, the projects that had previously been approved and added by the House were struck. The Senate was a bit more clever on its part. They protected theirs by adding language which does not permit us to make a point of order against the particular projects that have been offered here.

Mr. Speaker, it is my view that what is good for the goose is good for the gander, that we ought to simply insist that both sides be treated the same, and that is that the House, having on its own here taken out the projects that have been added by its conferees, ought to do the same here with regard to the Senate projects.

We are talking here about five particular projects earmarked at five particular universities.

Mr. Speaker, it goes beyond that. This amendment, as it was offered by the Senate in the conference committee, actually strikes all of the competition requirements for the $26 million that these five projects amount to.

Mr. Speaker, I would hope that this body would agree with this motion. They did not have a chance to vote or debate on the question of the House projects because it was on a point of order, and I certainly would think that the Members of this body, particularly in order to give ourselves as much maneuvering room with the other body as possible, that we would say that we are doing only what is fair here, and we are striking the particular provisions here as it relates to these five university projects that were added by conferees of the other body.

Mr. McDADE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise briefly to speak in opposition to the motion of the gentleman from Arizona [Mr. KOLBE].

Mr. Speaker, this is an ill-advised action in my judgment, and I hope the House will vote it down resoundingly. It merits very little discussion. What we have seen here is an effort to interrupt the comity between the two bodies that resulted in a conference agreement. I believe that, as a signatory to that conference agreement, and may I say a unanimous signatory agreement, we reached an accommodation with the other body. Now unfortunately for reasons known best to them it is being unravelled.

Mr. Speaker, I hope that the House will not accede to that request, and, Mr. Speaker, I hope we will vote this motion down.

Mr. Speaker, I reserve the balance of my time.

Mr. BARTLETT. Mr. Speaker, will the gentleman yield?

Mr. McDADE. I yield 2 minutes to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Speaker, I want to say a couple of words in support of the amendment of the gentleman from Arizona [Mr. KOLBE].

First, on a previous amendment or a previous point of order we struck out these specially earmarked research projects that have been placed into the bill by the House conferees. So, what the amendment of the gentleman from Arizona [Mr. KOLBE] does is to provide the same treatment for the Senate-offered packages so that those projects that were offered after they have been offered by the House conferees will be treated exactly the same for those projects that are offered by Senate conferees. This is the Senate conferee amendment which ought to be accorded the same treatment, No. 1.

No. 2, Mr. Speaker, I am in favor of research in these areas. I think every Member of the House is. The research ought to be first, authorized; second, appropriated and then completed in the normal course of business, not earmarked with a special item for a particular university, as is done here. The House earlier knocked out the amendment that would have earmarked six items for House conferees. This provides the same and equal treatment for conferees for projects that were

placed in there by conferees from the other body.

Mr. Speaker, I think that the House should accept this and accept it quickly so we can move on with the Nation's defense.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is, Will the House insist on its disagreement to the amendment of the Senate numbered 229?

The House insisted on its disagreement to the amendment of the Senate numbered 229.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 230: Page 79, after line 4, insert:

SEC. 9101. From any appropriations in this Act, $1,000,000 shall be made available for maintenance and repair of equipment and facilities and for tooling at the government owned William Langer Jewel Bearing Plant.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 230, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert: "9107".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 232: Page 79, after line 4, insert:

SEC. 9103. Funds available to the Department of Defense during the current fiscal year may be transferred to applicable appropriations or otherwise made available for obligation by the Secretary of Defense to repair or replace real property, facilities, equipment, and other Department of Defense assets damaged by hurricane Hugo in September 1989: *Provided,* That funds transferred shall be available for the same purpose and the same time period as the appropriations to which transferred: *Provided further,* That the Secretary shall notify the Congress promptly of all transfers made pursuant to this authority and that such transfer authority shall be in addition to that provided elsewhere in this Act.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 232, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9108" and immediately preceding "SEC.", insert the following center head:

(TRANSFER OF FUNDS)

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 233: Page 79, after line 4, insert:

SEC. 9104. Up to $20,000,000 of funds available to the Department of Defense in fiscal year 1990 may be transferred to, and consolidated with, funds made available to carry out the provisions of section 23 of the Arms Export Control Act and may be used for any of the purposes for which such funds may be used, notwithstanding section 10 of Public Law 91-672 or any other provision of law: *Provided,* That funds transferred pursuant to this section shall be made available only for Jordan to maintain previously purchased United States-origin defense articles: *Provided further,* That funds transferred pursuant to this section shall be available to Jordan on a grant basis notwithstanding any requirement for repayment: *Provided further,* That for purposes of section 10 of Public Law 91-672, funds so transferred shall be deemed to be authorized to be appropriated for the account into which they are transferred: *Provided further,* That the Speaker of the House of Representatives and the President of the Senate and the Committee on Foreign Affairs of the House of Representatives, the Committee on Foreign Affairs of the House of Representatives, the Committee on Foreign Relations of the Senate, and the Committees on Appropriations and Armed Services of the Senate and House of Representatives shall be notified through regular reprogramming procedures prior to the transfer of funds pursuant to the authority granted in this section.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 233, and concur therein with an amendment, as follows: In lieu of section number "9104" named in said amendment, insert "9109" and immediately preceding "SEC.", insert the following center head:

(TRANSFER OF FUNDS)

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 234: Page 79, after line 4, insert:

SEC. 9105. During the current fiscal year, the Secretary of Defense may transfer not more than $135,000,000 of funds available to the Department of Defense to the appropriation "Atomic Energy Defense Activities", to be merged with and to be available for the same purposes and for the same time period as the appropriation to which transferred: *Provided,* That none of the funds to be transferred shall be from procurement or military construction appropriation accounts.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 234, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9110" and immediately preceeding "SEC.", insert the following center head:

(TRANSFER OF FUNDS)

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 235: Page 79, after line 4, insert:

SEC. 9106. (a) Congress makes the following findings:

(1) The United States, as executive agent for the United Nations Command, plays a key role in preserving the armistice which has maintained peace on the Korean peninsula for 36 years.

(2) Partly because of the significant contribution that the United States has made toward preserving the peace, the Republic of Korea has been able to focus national efforts on economic and political development.

(3) The United States remains committed to the security and territorial integrity of the Republic of Korea under the terms of the Mutual Defense Treaty of 1954.

(b) It is the sense of Congress that—

(1) until North Korea abandons its desire to reunite the Korean peninsula by force and ceases to seek modern weapon systems from foreign powers, the threat to the Republic of Korea will remain clear and

present and the United States military presence in the Repulic of Korea will continue to be vital to the deterrence of North Korean aggression toward the Republic of Korea;

(2) although a United States military presence is essential unit the Republic of Korea has achieved a balance of military with the Democratic Peoples Republic of Korea, the United States should reassess the force structure required for the security of the Republic of Korea and the protection of the United States interests in northeast Asia;

(3) the United States should not remove any armed forces from the Korean peninsula until a thorough study has been made of the present and projected roles, missions, and force levels of the United States forces in the Republic of Korea; and

(4) before April 1, 1990, the President should submit to Congress a report that contains a detailed assessment of the need for a United States military presence in the Republic of Korea, including—

(A) an assessment of (i) the current imbalance between the armed forces of the Republic of Korea and the armed forces of the Democratic Peoples Republic of Korea, and (ii) the efforts by the Republic of Korea to eliminate the current adverse imbalance;

(B) the means by which the Republic of Korea can increase its contributions to its own defense and permit the United States to assume a supporting role in the defense of the Republic of Korea;

(C) the ways in which the roles and missions of the United States in Korea are likely to be revised in order to reflect the anticipated increase in the national defense contributions of the Republic of Korea and to effectuate an equal partnership between the United States and the Republic of Korea in the common defense of the Republic of Korea;

(D) an assessment of the actions taken by the Republic of Korea in conjunction with the United States to reduce the cost of stationing United States military forces in the Republic of Korea;

(E) an assessment of the willingness of the South Korean people to sustain and support a continued United States military presence on the Korean peninsula; and

(F) a discussion of the plans for a long-term United States military presence throughout the Pacific region, the anticipated national security threats in that region, the roles and missions of the Armed Forces of the United States for the protection of the national security interests of the United States in that region, the force stucture necessary for the Armed Forces to perform those roles and missions, any force restructuring that could result in a reduction in the cost of performing such roles and missions effectively.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 235, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9111".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 237: Page 79, after line 4, insert:

SEC. 9108. PARTNERSHIPS WITH SCHOOLS.—(a) DEFINITIONS.—For the purposes of this part—

(1) The term "school volunteer" means a person, beyond the age of compulsory schooling, working without financial remuneration under the direction of professional staff within a school or schol district.

(2) The term "partnership program" means a cooperative effort between the military and an educational institution to enhance the education of students.

(3) The term "elementary school" has the same meaning given that term in section 1471(8) of the Elementary and Secondary Education Act of 1965 and does not exclude military schools.

(4) The term "secondary school" has the same meaning given that term in section 1471(21) of the Elementary and Secondary Education Act of 1965 and does not exclude military schools.

(5) The term "Secretary" means the Secretary of Defense.

(b) The Secretary shall design a comprehensive strategy to involve civilian and military employees of the Department of Defense in partnership programs with elementary schools and secondary schools civilian and military. This strategy shall include:

(1) A review of existing programs to identify and expand opportunities for such employees to be school volunteers.

(2) The designation of a senior official in each branch of the Armed Services who will be responsible for establishing school volunteer and partnership programs in each branch of the Armed Services and for developing school volunteer and partnership programs.

(3) The encouragement of civilian and military employees of the Department of Defense to participate in school volunteer and partnership programs.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 237, and concur therein with an amendment, as follows: In lieu of section number "9108" named in said amendment, insert "9112".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. MURTHA).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 238: Page 79, after line 4, insert:

SEC. 9109. The Secretary of the Army shall execute such documents and take such other action as may be necessary to release to the New Jersey Turnpike Authority, a corporate body organized under the laws of the State of New Jersey, the reversionary right, described in subsection (b), reserved to the United States in and to that parcel of land conveyed by the United States to the New Jersey Turnpike Authority pursuant to the Act entitled "An Act to authorize the conveyance of certain lands within Caven Point Terminal and Ammunition Loading Pier, New Jersey, to the New Jersey Turnpike Authority", approved February 18, 1956 (70 Stat. 19). The release provided for in this section shall be made without consideration by the New Jersey Turnpike Authority.

(b) The reversionary right referred to in subsection (a) is the right reserved to the United States by section 6 of the Act referred to in subsection (a) which provides that in the event the property conveyed by the United States pursuant to such Act ceases to be used for street or road purposes and other purposes connected therewith or related thereto for a period of two consecutive years, the title to such land, including all improvements made by the New Jersey Turnpike Authority, shall immediately revert to the United States without any payment by the United States.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Murtha moves that the House recede from its disagreement to the amendment of the Senate numbered 238, and concur therein with an amendment, as follows:

In lieu of the section number named in said amendment, insert: "9113".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. MURTHA).

The motion was agreed to.

□ 1710

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 239: Page 79, after line 4, insert:

SEC. 9110. (a) The Senate of the United States finds that—

(1) Public Law 99-606 requires that a report (Special Nevada Report), evaluating the impact on Nevada of the cumulative effect of continued or renewed land and airspace withdrawals by the military, be submitted to Congress no later than November 1991;

(2) Public Law 99-606 also requires that appropriate mitigation measures be developed to offset any negative impacts caused by the military land and airspace withdrawal; and

(3) the military has continued to propose additional land and airspace withdrawals prior to submiting the Special Nevada Report required under Public Law 99-606 to Congress;

(b) Therefore, it is the sense of the Senate that, absent critical national security requirements, the further withdrawal of public lands or airspace in Nevada be halted until the Special Nevada Report is submitted to Congress as required under Public Law 99-606.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 239, and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "9114" and, in the two instances where "Senate" is named in said amendment, insert in lieu thereof "Congress".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 240: Page 79, after line 4, insert:

SEC. 9111. (a) Congress makes the following findings:

(1) As of July 18, 1989, the Federal prison population reached an all-time high of 49,418 inmates.

(2) The design capacity of Federal prisons is only 31,091 beds.

(3) The overcrowding rate at Federal prisons is 159 percent of capacity.

(4) The Bureau of Prisons projects that the Federal prison population will exceed 83,500 by 1995.

(5) The President declared a war on drugs and has endorsed the idea of using old military facilities as prisons.

(6) The Federal Bureau of Prisons states in its 1988 report that using old military bases is the most cost efficient method to obtain more space to house minimum security offenders.

(b) It is the sense of Congress that—

(1) in selecting an agency or instrumentality for receipt of property or a facility scheduled for closure under the Base Closure and Realignment Act (Public Law 100-526; 102 Stat. 2629; 10 U.S.C. 2687), the Secretary of Defense should give priorty to the Bureau of Prisons; and

(2) the Commission on Alternative Utilization of Military Facilities should give priority consideration to utilizing the military facilities that are scheduled for closure as minimum security prisons; and

(3) before making any decision about transferring any real property or facility pursuant to the Base Closure and Realignment Act, the Secretary of Defense should consult with the Governor of the State and the heads of the local governments in which the real property or facility is located and should consider any plan by the local government concerned for the use of such property.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 240, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert:

SEC. 9115. (a) Such sums as may be necessay for fiscal year 1990 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

(b) Sums appropriated in title I of this Act, Military Personnel, are reduced by $63,000,000, which will be realized by reducing active duty personel by 5,000: *Provided,* That this subsection does not apply to the reserve components.

(c) Sums appropriated in title II of this Act, Operation and Maintenance, are reduced by $75,000,000, which will be realized by reducing civilian personnel by 2,500: *Provided,* That this subsection does not apply to the reserve components.

SEC. 9116. Of the funds made available in this Act and in the Military Construction Appropriations Act, 1990 for fiscal year 1990 for research, development, test, and evaluation of the Rail Garrison MX and Small ICBM systems, procurement of Mark 21 reentry systems, advance procurement of Rail Garrison MX components or materials, and construction of facilities to support the Rail Garrison MX system, $150,000,000 is hereby reduced as determined by the Secretary of Defense.

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 241: Page 79, after line 4, insert:

SEC. 9112. (a)(1) Except as provided in paragraph (2) none of funds appropriated by this Act may be obligated for the procurement of the Airborne Self-Protection Jammer (ASPJ) until further operational testing of the ASPJ is conducted and completed and the reports required by subsection (b) have been submitted in accordance with that subsection.

(2) Paragraph (1) does not limit the obligation of funds for the production, maintenance, and operation of 18 Airborne Self-Protection Jammer (ASPJ) production verification units for the purpose of conducting further operational and developmental testing.

(b) Upon the completion of the operational testing conducted in connection with the Airborne Self-Protection Jammer (ASPJ) program, the Under Secretary of Defense for Acquisition, the Director of Operational Test and Evaluation, and the Comptroller General of the United States shall each submit to the Committees on Appropriations and Armed Services of the Senate and the House of Representatives a report on the conduct and results of such testing.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 241, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

SEC. 9117. None of the funds appropriated by this Act shall be available for payments under the Department of Defense contract with the Louisiana State University Medical Center involving the use of cats for Brain Missile Wound Research, and the Department of Defense shall not make payments under such contract from funds obligated prior to the date of the enactment of this Act, except as necessary for costs incurred by the contractor prior to the enactment of this Act, and until thirty legislative days after the final General Accounting Office report on the aforesaid contract is submitted for review to the Committees on Appropriations in the House and Senate.

SEC. 9118. None of the funds appropriated by this Act shall be available for bone trauma research at Letterman Army Institute of Research until the Secretary of the Army has certified to the Committees on Appropriations of the House and Senate that this research has a military application, it is being conducted in accordance with the standards set by an animal care and use committee, and the research is not duplicative of research already conducted by a manufacturer or any other research organization.

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MURTHA. Mr. Speaker, we have worked out the situation with the Air Force so that we do not need to insist on this language. The Air Force has been very forthcoming, and has indicated an airplane could be designated. We certainly feel very strongly about it because of the Speaker's high responsibility and the fact that increased terrorist activity is present and so forth, we feel it is very important to ensure security for the Speaker and everybody agrees to that. It is just a matter that we could not agree to the language, but I think we have it worked out with the Air Force, so we withdraw that provision.

Mr. DICKS. Mr. Speaker, will the gentleman yield?

Mr. MURTHA. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Speaker, I just want to commend my colleague, the chairman of the committee, for working this out, and I want to thank the other members who worked with the Secretary of Defense and the Air Force on this important matter.

I think this is a good solution. We have received very significant assurances here that the Speaker's requirements will be taken care of, and I appreciate the gentleman yielding to me on this point.

Mr. BARTLETT. Mr. Speaker, will the gentleman yield to me?

Mr. MURTHA. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Speaker, I want to thank the gentleman for yielding to me, and I want to recommend both gentleman from Pennsylvania for their leadership in this matter in deleting section 119, but to handle the situation directly with the Air Force. I think the entire House appreciates it.

Mr. WALKER. Mr. Speaker, will the gentleman yield to me?

Mr. MURTHA. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding to me, too.

I am glad we were able to work this out in this manner.

As I understand, what we are now assured is that an aircraft that will be made available to the Speaker as he needs it for official business, but that we will not have an airplane sitting on the runway all the time just awaiting the Speaker's use. Is that essentially what we have here?

Mr. MURTHA. That is exactly right, although we never intended to have an airplane set aside, as we discussed. This will certainly clarify the situation and we think we have it all worked out.

Mr. WALKER. Mr. Speaker, I thank the gentleman, and I appreciate the gentleman's cooperation.

The SPEAKER pro tempore. The question is on the substitute motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The substitute motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 242: Page 79, after line 4, insert:

SEC. 9113. (a) It is the sense of the Senate that United States participation in a multilateral anti-narcotics strike force, as called for in sections 4101 and 4103 of the Anti-Drug Abuse Act of 1988 (Public Law 100-690), should include the full range of appropriate law enforcement and anti-drug abuse agencies, and that consideration be given to aiding such a strike force by funding from appropriate sources for multilateral intelligence-sharing, multilateral training of law enforcement personnel, and multilateral support for crop substitution, drug treatment, drug research and drug education programs.

(b) Funds made available under this Act for Department of Defense drug interdiction activities may be expended to fund the participation of United States armed forces in conjunction with appropriate United States law enforcement and anti-drug abuse agencies, in accordance with other applicable laws, in such a strike force.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 242, and concur therein with an amendment, as follows: In lieu of section number "9113" named in said amendment, insert "9120" and, in the one instance were "Senate" is named in said amendment, insert in lieu thereof: "Congress".

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 243: Page 79, after line 4, insert:

SEC. 9114. FEASIBILITY STUDY OF LAND TRANSFER FOR USE AS A CORRECTIONAL FACILITY.—(a)(1) The Secretary of Defense, in consultation with the United States Attorney General, shall conduct a study of the feasibility of selling or otherwise transferring to the Commonwealth of Virginia, subdivisions thereof, or any combination of subdivisions thereof, a parcel of land approximately 100 acres not more than 100 miles from the southern boundary of Arlington County, from the military installations within Virginia which encompass land that may be suitable for use by the Commonwealth of Virginia, subdivisions thereof, or any combination of subdivisions thereof, as a site for medium security correctional facility for persons sentenced in the courts of Virginia or in the United States District Court in Virginia.

(2) The study required by paragraph (1) shall address, at a minimum, the following issues:

(A) Whether there are parcels of land within those installations of the size described which could be released from Federal control without severely affecting the present missions of such installations.

(B) A description of the parcels of land described in subparagraph (A).

(C) A description of the effects, if any, transfer of such parcels of land from Federal control would have on the ability of the Secretary of Defense to effectively carry out the mission of the Department of Defense.

(D) An analysis of the risk, if any, that might be posed to military personnel and their dependents housed on such installations by the operation of such a correctional facility on the parcels of land described in subpargraph (A).

(E) An estimate of the date on which the parcels of land described in subparagraph (A) would be available for transfer from Federal control.

(b) The report of the study described under subsection (a) shall be delivered to the Committees on Armed Services of the Senate and House of Representatives not later than 60 days after enactment of this Act.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 243, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert:

SEC. 9121. Notwithstanding the provisions of sections 1301 and 1341 of title 31 of the United States Code, or section 3732 of the Revised Statutes, or Section 119 of the Super Fund Amendments and Reauthorization Act of 1986, the Secretary of the Army may have the authority to hold harmless and indemnify the Coolbaugh Township and/or its duly created and authorized authority or authorities or other properly designated body or bodies, located in Monroe County, Pennsylvania (hereinafter "Township") for certain liabilities to third persons not compensated by insurance or otherwise for loss of or damage to property, death, or bodily injury, including the expenses of litigation or settlement arising out of the Township's performance of remedial activities for the Army: *Provided*, That—

(1) such liabilities were caused solely by hazardous substances, as that term is defined at section 9601(14) of title 42 of the United States Code, that were released by the Army, or its authorized agents and employees;

(2) such liabilities were not the result of grossly negligent conduct or intentional misconduct on the part of the Township, its officers, agents, contractors or employees;

(3) the Township demonstrates that insurance for such liabilities is not reasonably available;

(4) the Township gives timely notice to the Army of any claim, action, or loss which may be covered by the indemnification provision between the Township and the Army;

(5) the United States shall, at its election, control or assist in the settlement or defense of any claim, action or loss which may be covered by an indemnification provision between the Township and the Army;

(6) the source of funds available to indemnify the Township shall be limited to 80 percent of the Army's allocation of the Defense Environmental Restoration Account for the year in which the damages are payable, but in no event shall liabilities payable pursuant to this authority exceed $50,000,000;

(7) an indemnification provision pursuant to this authority shall include a deductible amount mutually agreed upon of not more than $10,000;

(8) the Township and the Army shall use the guidance provided by the Federal Acquisition Regulations and other applicable federal guidance in negotiating an indemnification provision pursuant to this authority.

Mr. McDADE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. McDADE. Mr. Speaker, I reserve a point of order on the motion.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. McDADE] and the gentleman from

Pennsylvania [Mr. KANJORSKI] will each be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. MCDADE].

Mr. MCDADE. Mr. Speaker, I yield myself such time as I may consume, and I yield to my colleague, the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. KANJORSKI. Mr. Speaker, first, I want to thank two individuals who have done a herculean job here, and I will explain what they did. Both the ranking member, the gentleman from Pennsylvania [Mr. MCDADE], and the chairman of the subcommittee, the gentleman from Pennsylvania [Mr. MURTHA] responded to an urgent need of American citizens.

What this is all about is that way back in 1975 the U.S. Army discovered that they had polluted the water system around the Tobyhanna Army Depot in Monroe County, PA. They had allowed TCE to drift into the water and it was contaminating the regular drinking water. In the meantime, they had attempted to remedy this on a need basis by providing filters and providing bottled water, but were trying to work this out over a period of 14 years.

Finally, the solution appeared that they needed a good Samaritan. In the election of their good Samaritan, they went to a small township of less than 5,000 people that is the home of the Tobyhanna Army Depot. That township was willing enough to step in as the contractor or good Samaritan, construct a system that was necessary for the Army to abate this contamination nuisance and provide water, and by doing so to reduce the future liability of the U.S. Government.

Meetings took place from July of 1989 of this year between myself, the Deputy Assistant Secretary of the Army, Mr. Walker, the Army's counsel, the commissioners of Monroe County, the supervisors of Coolbaugh Township, and all these individuals finally resolved themselves down to a system that a supplemental water system would be constructed, but the township would take on the obligation of running that system and tax the users, and as a result thereof would become liable for any future contamination from this original cause.

Because the township is less than 5,000 people and certainly does not have the wherewithal and cannot possibly insure itself against this type of hazard, it asked the Army to enter into an agreement to indemnify the township if further causes resulted from the pollution the Army caused.

The Army, working together with myself, drafted language that was acceptable and that they thought would solve this problem. All parties have agreed. It is not a matter of money. All the money was in place. The only question was the issue of indemnification, which the present statutes of the United States, in the opinion of the attorneys for the Army, do not authorize them to give the type of indemnification necessary.

We drafted this language. The chairman, the gentleman from Pennsylvania [Mr. MURTHA] and the ranking member, the gentleman from Pennsylvania [Mr. MCDADE] recognized the emergency of this situation.

The only vehicle to carry this through would have been now, because this township has to start a system of sewers in order to connect the high school, and they cannot delay the project. It is about a $15 million project.

As the result of an objection that will be taken on the floor today, rather than having no further cost to the Army, no further liability to the U.S. Government, we will probably rather than solving this problem cause a problem that may result in exposure for the United States and for the Army of somewhere in the nature of $30 million or $40 million.

I think that it is irrational to object to the solution of a problem here in the Congress, when for 14 years the bureaucracy, the Army, and everyone else could not solve this problem.

But I recognize that indeed we are legislating in an appropriation bill. I have no doubt that the Chair will sustain the point of order.

I just want to make the point that as long as we in Congress cannot solve the problems of the American citizens by switch action, and if we cannot intercede to solve these problems, I do not know where the American people can next turn.

I know I have had the offer by the gentleman from Georgia [Mr. RAY] to attempt to solve this. I hope he can do everything he can.

I have entered into this problem only in the last 4 months. The gentleman from Pennsylvania [Mr. MCDADE] entered into it probably in the last 3 months when he saw the problem and the vehicle we needed.

I am frustrated as a Member of Congress, I am frustrated as an American citizen that after 14 years of trying to take poison out of the water used by American citizens that we cannot solve the problem, and it seems to resolve itself into a problem where we cannot straighten out jurisdictions here in the Congress.

When Congress starts becoming as blockading as the bureaucracy of the United States, it is time that we look at reframing and reforming Congress.

I invite my friend, the gentleman from Georgia [Mr. RAY] if he can solve this problem before January while this good Samaritan is still available, I welcome him. If we are incapable of doing that, we will have lost our good Samaritan. The U.S. Army, the Defense Department, the taxpayers of America will have to carry out the obligation and they will have suits against them undoubtedly in the tens of millions of dollars. It is an unfortunate expenditure of a great deal of taxpayers' money for the failure of Congress to recognize that sometimes the procedure of this House should be waived to succeed and solve a problem that is contaminating the water supply of the American people.

POINT OF ORDER

Mr. RAY. Mr. Speaker, pursuant to clause 7 of rule XVI, I insist on the point of order.

The SPEAKER pro tempore (Mr. SWIFT). The gentleman will state his point of order.

Mr. RAY. Mr. Speaker, I make a point of order against the manager's motion, pursuant to clause 7 of rule 16. That clause requires that in the consideration of Senate amendments to a House bill, an amendment must be germane to the particular amendment to which it is offered.

In this case, Mr. Speaker, the proposed House amendment to Senate amendment 243 is not germane because it relates to a different subject than the Senate amendment and indirectly amends existing law by waiving the application of certain statutes to the authority of the Secretary of the Army in a particular case. On these bases, Mr. Speaker, the House amendment is not germane.

□ 1720

The SPEAKER pro tempore (Mr. SWIFT). Does the gentleman from Pennsylvania wish to be heard on the point of order?

Mr. MURTHA. Mr. Speaker, we concede the point of order.

The SPEAKER pro tempore. The point of order is conceded and sustained.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House insist on its disagreement to the amendment of the Senate numbered 243.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the last amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 244: Page 79, after line 4, insert:

SEC. 9115. STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT TECHNICAL AMENDMENT.—(a) IN GENERAL.—Section 739 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11449) is amended—

(1) by striking subsection (b);

(2) by striking "; Availability of Funds" in the section heading;

(3) in subsection (a) by striking "(a) AUTHORIZATION OF APPROPRIATIONS.—";

(4) by striking "(1)" and inserting "(a) AUTHORIZATION OF APPROPRIATIONS.—";

(5) by striking "(2)" and inserting "(b) RATABLE REDUCTION.—"; and

(6) by striking "(3)" and inserting "(c) SPECIAL RULE.—".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to funds obligated during fiscal year 1988 and each fiscal year thereafter.

MOTION OFFERED BY MR. MURTHA

Mr. MURTHA. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MURTHA moves that the House recede from its disagreement to the amendment of the Senate numbered 244, and concur therein with an amendment, as follows: In lieu of section number "9115" named in said amendment, insert "9122".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. MURTHA].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

MAKING IN ORDER ON TOMORROW OR ANY DAY THEREAFTER CONSIDERATION OF CONFERENCE REPORT ON H.R. 2883, RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS ACT, 1990

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Thursday, November 16, 1989, or any day thereafter, to consider a conference report and any amendments in disagreement on the bill (H.R. 2883) making appropriations for Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1990, and for other purposes, provided that copies of the report and accompanying statement have been available to Members for at least 2 hours before the beginning of such consideration, and that such conference report and amendments in disagreement be considered as having been read when called up for consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

FURTHER CONTINUING APPROPRIATIONS, 1990

Mr. WHITTEN. Mr. Speaker, pursuant to the order of the House of Tuesday, Nobember 14, 1989, I call up the joint resolution (H.J. Res. 435) making further continuing appropriations for the fiscal year 1990, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Pursuant to the order of the House of Tuesday, November 14, 1989, the gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. CONTE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the consideration of House Joint Resolution 435, making further continuing appropriations for the fiscal year 1990, and for other purposes, and that I may include extraneous and tabular material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it was my hope that a further continuing resolution would not be necessary. The existing resolution expires at midnight tonight.

House Joint Resolution 435 extends the present resolution, under the same terms and conditions that have been in effect since October 1, until midnight November 29—next Monday—for the eight bills that have not been signed into law.

This is the status of fiscal year 1990 appropriations bills:

There have been five signed into law.

Congressional action has been completed on three others.

The Foreign Operations conference report is pending in the Senate.

The Defense conference report was just adopted.

The Agriculture conference will be filed tonight and will be on the floor tomorrow.

Two bills, Labor-HHS-Education and the District of Columbia, have again passed the House and are pending in the Senate.

As soon as a bill is signed into law, it will come out of the continuing resolution.

Mr. Speaker, I urge adoption of the resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join the chairman in support of a short-term continuing resolution through November 20, as much as I dislike CR's. This is required by the fact that all 13 bills are not yet at the White House in signable form. We are working hard at finishing the bills, but at times it seems like we've been assigned the task of rolling rocks up hill, only to have them roll back down.

The chairman has given the status of the bills. Five signed, three more at the White House waiting to be signed. Five to go. And those five are on the way.

We passed the Foreign Operations conference report yesterday and Defense today. The Agriculture conference report may make it today or tomorrow. And we passed Labor/HHS and D.C. today in the House, the two bills that were vetoed. So right now, the House decks are almost clear, and with this CR we can wait for the dust to settle on these five bills without putting a good portion of the Government out of business.

I feel that if the tradewinds are with us, we can sail through the hazardous waters ahead of us. We just need a few more days to do it. The 20th is probably not too long or too short. We still have time, if not everything is not done by Monday, to crack the whip and try to finish in time for Thanksgiving.

So I hope it will not be the Appropriations Committee that creates any possibility that the Congress will adjourn after its time. Now if only the Budget Committee would do its job and get all of the committees under its command to get a reconciliation bill done. And please, I appeal to the budgeteers—get rid of sequester. We work so hard to get our bills through. We keep under our targets, by and large. So, find your own $14 billion in savings, elsewhere. Don't cut maternal and child health and family planning and education and health research and all the other important programs because you can't meet your targets: Not even a Coast Guard user fee, and yet we have to cut maternal and child health. Do us proud. Please get rid of sequester.

Mr. CONTE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WHITTEN. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question.

The text of House Joint Resolution 435 is as follows:

H.J. RES. 435

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 102(c) of Public Law 101-100, as amended by Public Law 101-130, is further amended by striking out "November 15, 1989" and inerting in lieu thereof "November 20, 1989".

The SPEAKER pro tempore. Under the previous order of the House, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DANNEMEYER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 296, nays 123, not voting 14, as follows:

[Roll No. 356]

YEAS—296

Ackerman	Durbin	Kaptur
Akaka	Dwyer	Kasich
Alexander	Dymally	Kastenmeier
Anderson	Edwards (CA)	Kennelly
Andrews	Edwards (OK)	Kildee
Annunzio	Emerson	Kleczka
Anthony	Engel	Kolbe
Applegate	English	Kolter
Atkins	Espy	Kostmayer
AuCoin	Evans	Kyl
Barnard	Fascell	Lancaster
Bartlett	Fazio	Lantos
Bateman	Feighan	Leath (TX)
Beilenson	Fish	Lehman (CA)
Bennett	Flake	Lehman (FL)
Berman	Flippo	Lent
Bevill	Florio	Levin (MI)
Bilbray	Foglietta	Levine (CA)
Bliley	Ford (MI)	Lewis (GA)
Boehlert	Ford (TN)	Lipinski
Boggs	Frank	Livingston
Bonior	Frost	Lloyd
Borski	Gallo	Long
Bosco	Gaydos	Lowery (CA)
Boucher	Gejdenson	Lowey (NY)
Boxer	Gephardt	Luken, Thomas
Brennan	Geren	Lukens, Donald
Broomfield	Gibbons	Madigan
Browder	Gillmor	Manton
Brown (CA)	Gingrich	Markey
Bustamante	Glickman	Martin (NY)
Campbell (CO)	Gonzalez	Martinez
Cardin	Goodling	Matsui
Carper	Gordon	Mavroules
Carr	Gradison	Mazzoli
Chapman	Grant	McCloskey
Clarke	Gray	McCollum
Clay	Green	McCrery
Clement	Guarini	McCurdy
Clinger	Hall (OH)	McDade
Coble	Hamilton	McDermott
Coleman (MO)	Hansen	McGrath
Coleman (TX)	Harris	McHugh
Collins	Hatcher	McMillan (NC)
Combest	Hawkins	McMillen (MD)
Condit	Hayes (IL)	McNulty
Conte	Hefner	Meyers
Conyers	Hertel	Mfume
Cooper	Hoagland	Michel
Coughlin	Hochbrueckner	Miller (CA)
Coyne	Horton	Miller (OH)
Crockett	Houghton	Mineta
Darden	Hoyer	Moakley
Davis	Huckaby	Mollohan
de la Garza	Hughes	Montgomery
DeFazio	Hutto	Morella
DeLay	Hyde	Morrison (WA)
Dellums	Jenkins	Murphy
Derrick	Johnson (CT)	Murtha
Dickinson	Johnson (SD)	Myers
Dicks	Johnston	Nagle
Dingell	Jones (GA)	Natcher
Dixon	Jones (NC)	Neal (MA)
Donnelly	Jontz	Neal (NC)
Downey	Kanjorski	Nelson
Nowak	Sarpalius	Swift
Oberstar	Savage	Synar
Obey	Sawyer	Tallon
Olin	Saxton	Tanner
Ortiz	Scheuer	Tauzin
Owens (NY)	Schneider	Taylor
Owens (UT)	Schumer	Thomas (GA)
Pallone	Sharp	Torres
Panetta	Shaw	Torricelli
Parker	Sikorski	Towns
Pashayan	Sisisky	Traxler
Payne (VA)	Skaggs	Unsoeld
Pelosi	Skeen	Valentine
Perkins	Skelton	Vander Jagt
Pickle	Slattery	Vento
Price	Slaughter (NY)	Visclosky
Quillen	Smith (FL)	Volkmer
Rangel	Smith (IA)	Walgren
Ravenel	Smith (NE)	Watkins
Ray	Smith (NJ)	Waxman
Regula	Smith (TX)	Weiss
Rhodes	Smith (VT)	Weldon
Richardson	Smith, Robert (OR)	Wheat
Rinaldo	Solarz	Whitten
Roe	Spence	Williams
Rogers	Spratt	Wise
Rose	Staggers	Wolf
Rostenkowski	Stallings	Wolpe
Roukema	Stark	Wyden
Rowland (CT)	Stenholm	Wylie
Rowland (GA)	Stokes	Yates
Roybal	Studds	Yatron
Sabo	Sundquist	Young (AK)
Saiki		Young (FL)

NAYS—123

Archer	Hall (TX)	Poshard
Armey	Hammerschmidt	Pursell
Baker	Hancock	Rahall
Ballenger	Hastert	Ridge
Barton	Hayes (LA)	Ritter
Bates	Hefley	Roberts
Bentley	Henry	Robinson
Bereuter	Herger	Rohrabacher
Bilirakis	Hiler	Ros-Lehtinen
Brown (CO)	Holloway	Roth
Bruce	Hopkins	Russo
Buechner	Hubbard	Sangmeister
Bunning	Hunter	Schaefer
Byron	Inhofe	Schiff
Callahan	Ireland	Schroeder
Campbell (CA)	Jacobs	Schuette
Chandler	James	Schulze
Costello	LaFalce	Sensenbrenner
Courter	Lagomarsino	Shays
Cox	Laughlin	Shumway
Craig	Leach (IA)	Shuster
Crane	Lewis (CA)	Slaughter (VA)
Dannemeyer	Lewis (FL)	Smith, Denny (OR)
DeWine	Lightfoot	
Dorgan (ND)	Machtley	Smith, Robert (NH)
Dornan (CA)	Marlenee	
Douglas	Martin (IL)	Snowe
Dreier	McCandless	Solomon
Duncan	Miller (WA)	Stangeland
Dyson	Moody	Stearns
Early	Moorhead	Stump
Eckart	Nielson	Tauke
Erdreich	Oxley	Thomas (CA)
Fawell	Packard	Thomas (WY)
Fields	Parris	Traficant
Frenzel	Patterson	Upton
Gallegly	Paxon	Vucanovich
Gekas	Pease	Walker
Gilman	Penny	Walsh
Goss	Petri	Weber
Grandy	Pickett	Whittaker
Gunderson	Porter	

NOT VOTING—14

Aspin	Kennedy	Oakar
Brooks	McEwen	Payne (NJ)
Bryant	Molinari	Udall
Burton	Morrison (CT)	Wilson
Garcia	Mrazek	

□ 1748

Mr. TAYLOR changed his vote from "nay" to "yea."

So the joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. MORRISON of Connecticut. Mr. Speaker, I was unavoidably absent for rollcall No. 356, to approve the short-term continuing resolution—House Joint Resolution 435. Had I been here. I would have cast the following vote: "aye."

AUTHORIZING MEMBER TO ADD NAMES OF MEMBERS TO LIST OF COSPONSORS OF H.R. 2273

Mr. HOYER. Mr. Speaker, I ask unanimous consent that I may be authorized to sign and submit requests to add the names of the following Members to the list of cosponsors on H.R. 2273:

CHARLES SCHUMER, MARTY RUSSO, ELIZABETH J. PATTERSON, JACK BUECHNER, BEN GARRIDO BLAZ, MATTHEW J. RINALDO, STEVE BARTLETT, NEWT GINGRICH, AND CURT WELDON.

The SPEAKER pro tempore (Mr. MCDERMOTT). Is there objection to the request of the gentleman from Maryland?

There was no objection.

□ 1750

HOUR OF MEETING ON TOMORROW

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 a.m. tomorrow.

The SPEAKER pro tempore (Mr. MCDERMOTT). Is there objection to the request of the gentleman from Florida?

There was no objection.

CONFERENCE REPORT ON H.R. 1487, FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1990 AND 1991

Mr. FASCELL. Mr. Speaker, I call up the conference report on the bill (H.R. 1487) to authorize appropriations for fiscal years 1990 and 1991 for the Department of State, and for other purposes.

The Clerk read the title of the bill.

(For conference report and statement, see proceedings of the House of Thursday, November 9, 1989, at page H8310.)

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

The gentleman from Florida [Mr. FASCELL] will be recognized for 30 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report on H.R. 1487, the Foreign Relations Authorization Act, fiscal years 1990 and 1991.

Mr. Speaker, the House overwhelmingly passed this measure on April 12 of this year by a vote of 338 to 87. The bill that was adopted by the House was a very clean management and budget authorization for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, and other related agencies. The Senate version, unfortunately, contained over 60 amendments dealing with such issues as foreign policy, immigration policy, environmental concerns, public housing, and other non-State Department issues. This led, as many of you are aware, to 11 other standing committees of the House being represented on this conference. I am pleased to report that after weeks of negotiating, the conference report which we bring back to the House is essentially a management and budget bill once again. The only exceptions to this rule are two provisions which the House dealt with in the context of the House-passed foreign aid authorization: China sanctions and the so-called Moynihan amendment dealing with the solicitation or diversion of assistance for purposes which are prohibited by U.S. law.

Mr. Speaker, this bill authorizes a total of $4.7 billion and $5 billion for the Department of State and related agencies for fiscal years 1990 and 1991, approximately $200 million below the executive branch request for fiscal year 1990. In addition, the conference report leaves sufficient authorization room for supplemental appropriations for migration and refugee assistance for increased admissions primarily for Soviet refugees coming to the United States and for peacekeeping commitments which are expected to be coming up early in the next session.

The conference report also:

Increases rewards for information on terrorist incidents and narcotics trafficking; authorizes continued funding for Radio Free Europe/Radio Liberty operations in Eastern Europe and the Soviet Union, continues the Radio Free Afghanistan program; authorizes increased assistance for Bulgarian refugees in Turkey; and allows for the denial of visas for individuals previously believed to have been involved in criminal activities in the United States but were immune from prosecution due to their diplomatic status.

Mr. Speaker, it is important that the House adopt this conference report today. As Members may know, the conference report on the Commerce, Justice, State, Judiciary, and related agencies appropriations limits the expenditure of funds for the Department of State to the continuing resolution rate or the Senate-passed appropriation, whichever is lower, pending the enactment of this authorization legislation.

Mr. Speaker, I would like to commend all of the Members and staff who worked so long and so hard to bring this conference report back to the House, including the ranking member of the Committee on Foreign Affairs, Mr. BROOMFIELD, the chairman and ranking member of the Subcommittee on International Operations, Mr. DYMALLY and Ms. SNOWE, and the conferees from the 11 other standing committees of the House who worked so diligently with the Foreign Affairs Committee to successfully resolve the extraneous issues contained in the Senate amendment. It is my belief that with the assistance of all the individuals involved in this process, we have produced a good conference report that deserves the support of the House.

SUMMARY OF CONFERENCE REPORT ON H.R. 1487

TITLE I

For the Department of State, the conference report provides $3,331,111,000 in fiscal year 1990 and $3,685,322,000 for fiscal year 1991. In 1990, the authorization is $66 million below the House-passed bill.

In addition to the authorization contained in Title I, the conference report provides various administrative authorities requested by the executive branch pertaining to: (a) authorities and activities regarding foreign missions; (b) personnel matters; (c) diplomatic immunity, reciprocity, and security; and (d) foreign language competence of the Foreign Service. The conference report also addresses issues relating to the United Nations High Commissioner for Refugees, Tibetan and Burmese refugees, as well as the treatment of Turkish minorities in Bulgaria, and provides for the establishment of an interim unclassified consular mission in Kiev.

TITLE II

With respect to the United States Information Agency, the conference report authorizes the appropriation of $960 million for fiscal year 1990 and $1,050,313,000 for fiscal year 1991. The conference report also provides for (a) the enhancement of dissemination of information regarding U.S. policies and programs to combat drug trafficking; (b) necessary authorities for USIA television satellite system; (c) increased support for educational and cultural exchanges and other citizens exchanges; (d) the establishment of Television Marti; and (e) proper funding of VOA/Europe.

These funding levels are adequate to do a very important job overseas. Over the last decade this agency has developed into a very resourceful formulator of U.S. public diplomacy. While the conference report specifically authorizes funds for Academic programs, International Visitors and Humphrey exchanges, and the Arts America program, it provides authorization for a number of equally important exchange programs, the funds for which were included in the salaries and expenses account of the Bureau for Educational and Cultural Affairs. In addition, USIA has been expanding its capabilities in such areas television with USIA/TV and radio with VOA/Europe. These are examples of creative approaches to increasingly difficult challenges created by the sophistication of an increasingly information-rich audience with whom we must communicate clearly and quickly as well as over the longer haul. This is especially true in Europe where events are moving rapidly and so many U.S. interest are stake, both private and government. The situation in Central Europe further dramatizes the need for VOA/Europe programs and its expression of U.S. views in this fluid environment.

TITLE III

Title III authorizes $379,675,000 for fiscal year 1990 and $223,043,000 for fiscal year 1991 for the Board for International Broadcasting. These funds will ensure that Radio Free Europe/Radio Liberty will maintain its current level of operations which has been so effective and responsive to the needs of the peoples of Eastern Europe and the Soviet Union in these difficult and challenging times. In addition, in fiscal year 1990, the conference report provides $183,500,000 for the construction of a new transmitter in Israel for Radio Free Europe/Radio Liberty and the Voice of America.

TITLE IV

The conference report contains a number of provisions dealing with U.S. participation in international organizations, including provisions: (a) relating to reforms in the budget decisionmaking process of the United Nations and its affiliated agencies; (b) prohibiting funding of U.N. agencies if the PLO has been granted member state status (c) requiring reports on voting practices at the United Nations and provides for funding of the Commission on Improving the Effectiveness of the United Nations; and (d) authorizing U.S. membership in new environmental and wildlife organizations.

MISCELLANEOUS PROVISIONS

Title V and VI provide $13,900,000 for fiscal year 1990 and $18,000,000 for fiscal year 1991 for the Asia Foundation; and $16,932,000 for fiscal year 1990 and $25,000,000 for fiscal year 1991 for the Inter-American Foundation.

Title VIII adopts the PLO Commitments Compliance Act of 1989.

Title IX contains provisions dealing with sanctions against the People's Republic of China.

Title X contains miscellaneous provisions dealing with: (a) increased rewards for information regarding acts of international terrorism and narcotics trafficking; (b) assignment of commercial officers to the U.S. Mission to the European Community; (c) Buy-American requirements; (d) the establishment of an Association of Democratic Nations; (e) human rights abuses in Cuba; (f) U.S.-Soviet boundary agreements; and (g) establishment of a Latin American and Caribbean database.

Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, this conference report represents the best this House has to offer in the area of compromise and bipartisanship. I want to take this opportunity to express my thanks to the gentleman from Florida [Mr. FASCELL], the chairman of the full committee, for his leadership, his determination, and his patience; to the gentlewoman from Maine [Ms. SNOWE] for her cooperation during the

last 9 months; and to the gentleman from Michigan [Mr. BROOMFIELD] for his support in the passage of the original H.R. 1487, and subsequently the conference report.

Mr. Speaker, I am very pleased that I have this opportunity to work with such outstanding Members of the House.

Mr. Speaker, I cannot tell you how pleased I am to stand in support of H.R. 1487, the State Department authorization bill. As chairman of the Subcommittee on International Operations, I share the sense of accomplishment which I am sure is felt by every member of the subcommittee and the Foreign Affairs Committee who labored long and hard on this legislation. We began this process in early March and, with your help, it was passed by the House in mid-April. This bill has survived very intense conference activity, and is before us today in a manner that is very much what the House with your overwhelming support wanted.

I am very grateful for the efforts, leadership, and cooperation of Chairman FASCELL, the full committee, Congresswoman SNOWE, and all of the Members on both sides of the aisle in the U.S. House of Representatives who labored so arduously and supported this bill.

I am in complete support of the conference agreement. I wish to call to your attention a few sections that are in keeping with our democratic strides toward equality and broad based representative involvement and participation of all in American institutions.

This conference agreement includes: $7.3 million for the 1992 Seville Expo. A pilot program designed to increase participation by economically and socially disadvantaged enterprises in foreign relations activities. The establishment of a Foreign Service internship program for groups that are currently underrepresented in the ranks of the Foreign Service. Sense of Congress that the Humphrey Fellowship Program should be reviewed with an eye toward broadening the placement of fellows in Washington, DC. A provision enabling the participation of minority contractors in the construction of a transmitter facility in Israel.

This is a good conference report. It will enable the Department of State to continue to act in the interest of the United States in its conduct of foreign relations, and will greatly facilitate the achievement of our foreign policy objectives.

Mr. FASCELL. Mr. Speaker, I yield such time as he may consume to the gentleman from Hawaii [Mr. AKAKA].

Mr. AKAKA. Mr. Speaker, I rise in support of the conference report on H.R. 1487, the Foreign Relations Authorization Act for fiscal years 1990–91. I am particularly gratified by the increased authorization granted the Center for Cultural and Technical Interchange Between East and West in Honolulu. I thank the committee for its continued support of the East-West Center, especially the chairman of the committee, Mr. FASCELL, and the chairman of the Subcommittee on International Operations, Mr. DYMALLY.

For 29 years, the center has distinguished itself as an educational institution uniquely qualified to conduct research, offer training, facilitate intercultural exchange, and monitor social, economic, and cultural developments in the region. Our Nation's success in penetrating both legal and cultural barriers is dependent upon our ability to comprehend the economic and cultural diversity which characterizes the Asian-Pacific region. Impressive research achievements, internationally recognized professional abilities, and a network of over 25,000 alumni and participants have earned the center the trust and confidence of government officials and academics necessary to address the major issues arising in the region.

I am confident that the East-West Center is poised to play a leading role in our national effort to focus and prosper during the coming Pacific century. The rapid economic expansion and opportunity in the Asian-Pacific region, and America's current limited capacity to respond to these developments, emphasize the need for a deeper knowledge and understanding of Asia and the Pacific. Likewise, an identical need exists in Asia and the Pacific for a multidimensional understanding of the United States.

The center, a nonprofit educational corporation, receives its primary funding from an annual congressional appropriation. This amount has remained constant for the past 4 years. Although the center has been successful in absorbing additional costs, a retrenchment of current programs would have occurred without the program enhancements authorized in H.R. 1487. This renewed support allows the center to implement its strategic plan for the 1990's and is essential to our commitment to secure close relations of mutual benefit between the United States and the nations of Asia and the Pacific.

I thank the chairman for this time, and urge my colleagues to support the conference report.

Mr. FASCELL. Mr. Speaker, I yield such time as he may consume to the distinguished acting chairman of the Committee on the Judiciary, the gentleman from Wisconsin [Mr. KASTENMEIER].

Mr. BERMAN. Mr. Speaker, will the gentleman yield?

Mr. KASTENMEIER. I yield to the gentleman from California.

Mr. BERMAN. Mr. Speaker, I would like to engage in a colloquy with the acting chairman of the Committee on the Judiciary with respect to an amendment within the jurisdiction of the Committee on the Judiciary that is in this bill.

It is my understanding that the conference substitute repeals the sunset provision in section 901 of the Foreign Relations Authorization Act, fiscal years 1988 and 1989, thus making the prohibition of ideologically motivated visa denials a permanent feature of the law. Is that your understanding?

Mr. KASTENMEIER. Yes, it is.

Mr. BERMAN. When originally enacted, the conference report explained the need for the new provision, noting that under the prior law, visa applicants were "forced to undergo the indignity of answering embarrassing questions about their political or personal activities, or since the enactment of the 'McGovern amendment' in 1977, required to submit to a lengthy bureaucratic process in order to obtain a waiver to enter the United States." The conference committee added that, "as a result of this history of visa denial, the citizens of the United States have been denied the opportunity to have access to the full spectrum of international opinion, and the reputation of the United States as an open society, tolerant of divergent ideas, has suffered." Is it your understanding that the purpose of this amendment is to reaffirm the intent of Congress when the law was originally enacted?

Mr. KASTENMEIER. Yes, that is my understanding.

Mr. BERMAN. Then, is it also your understanding that section 901, as amended, is not a waiver provision, but is a permanent substantive limitation on the executive's authority to exclude nonimmigrant aliens?

Mr. KASTENMEIER. That is correct. This limitation supersedes the relevant portions of the Immigration and Nationality Act of 1952, therefore, there is no longer any justification for asking intrusive questions of prospective foreign visitors regarding "any past, current, or expected beliefs, statements or associations, which, if engaged in by a United States citizen in the United States, would be protected under the Constitution of the United States."

Mr. BERMAN. Does this mean that people should no longer be required to go through the burdensome waiver process established under the McGovern amendment?

Mr. KASTENMEIER. That is correct. Section 901, as amended, renders the waiver process superfluous.

Mr. BERMAN. Mr. Speaker, I would like to ask the chairman of the committee, the gentleman from Florida [Mr. FASCELL] if that it is his understanding of the effect of this amendment.

Mr. FASCELL. That is my understanding.

Mr. Speaker, I reserve the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I wish to commend the chairman of the Foreign Affairs Committee, Mr. FASCELL, for his hard work and determination in getting this conference report to the floor. Credit also goes to Congresswoman SNOWE and Chairman DYMALLY of the Subcommittee on International Operations for their efforts.

This bill does an excellent job of authorizing the State Department's operations. The House minority conferees from the Foreign Affairs Commit-

tee were unable to sign the conference report. The single issue which prevented our agreeing to the report several days ago was White House opposition to inclusion of a provision based on the Moynihan amendment. This issue, which could very well lead to a veto by the President, was unfortunately not fully resolved in the conference.

This is a very good bill. It would provide necessary authorization for the operations of the State Department during fiscal years 1990 and 1991. Numerous improvements have also been made in the management authorities of the Department.

Adoption of this bill is essential to ensure that the operations of the State Department can continue on a sound fiscal basis and without any disruption in funding. This is because action by the House and Senate will prevent the Department and the other agencies whose activities are authorized through this bill from receiving full fiscal year 1990 funding unless an authorization is enacted. If no authorization is enacted, the Department would lose $362 million in appropriated funds.

Unnecessary and troubling provisions affecting U.S. foreign policy and its conduct by the President have been kept to a minimum in this bill. The policy provisions that have been retained are generally acceptable and some are both useful and important. In particular, the conferees—with the cooperation of the administration—were able to agree on a comprehensive set of sanctions against the People's Republic of China in response to the suppression of human rights in China that has unfolded since last June.

It is indeed unfortunate that members of the conference were unable to work out the Moynihan amendment to the satisfaction of the administration. The President himself indicated to me and also at a press conference how strongly he feels that this provision would affect his congressional prerogatives.

The arguments advanced by the administration on the Moynihan amendment in its current form deserve serious consideration. Hopefully this provision can still be revised prior to passage of the bill.

I understand the administration and the other body are close to an agreement and we would expect that language to be added to this bill before it is sent to the President.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. Mr. Speaker, I rise in support of the conference report on the State Department authorization.

I understand that the one remaining controversial issue in this conference report, the so-called Moynihan amendment, is in the process of being resolved. This will allow all Members, as well as the administration, to support strongly this legislation.

Before describing the major provisions of this conference report, I would like to express my gratitude to the chairman and ranking Republican of the full committee, Mr. FASCELL and Mr. BROOMFIELD, as well as the chairman of the Subcommittee on International Operations, Mr. DYMALLY.

While the Democrats and Republicans have not always agreed on every issue relating to this legislation, instances of disagreement have been rare and we have tried to work them out in a spirit of cooperation. This is the third time I have served as Republican manager of the State Department authorization bill, and Republicans and Democrats have consistently worked together in bipartisan cooperation.

First and foremost, this conference report is fiscally responsible. This was a major priority of mine throughout the entire authorization process. This conference report holds the budget of the foreign affairs agencies at or below current services.

There are only two notable exceptions where authorizations exceed current services. The first is full funding for the United Nations, which was requested by both former President Reagan and President Bush. In past years the Congress has restricted funding for the United Nations until the United Nations adopted substantive reforms in its budget process.

Now that the United Nations has adopted and implemented those reforms, the United States has no obligations to provide our full contribution in accordance with our treaty obligations.

The second area is in the one time increase to construct the joint Voice of America/Board for International Broadcasting transmitter in Israel. This will allow the radios to broadcast for the first time into the fast-growing areas of Soviet Central Asia.

Overall, the conference report authorizes $4.7 billion for the budgets of the State Department, USIA, the United Nations, and Radio Free Europe and Radio Liberty. This level, only $45 million above the fiscal year 1990 appropriation, conforms to the bipartisan budget agreement, and holds to the levels contained in the Senate and House bills.

This bill contains important legislative initiatives as well. It prohibits United States negotiation with PLO members who have been involved in past terrorist acts against Americans, and imposes economic sanctions on China. The two bodies passed nearly identical China sanctions provisions, and the conference adopted the Senate version to ensure presidential support.

It also establishes the TV Marti Program to broadcast uncensored news to Cuba. Last year, during the 30th anniversary of the Communist revolution in Cuba, Castro announced, "Glasnost has no place in Cuba." To emphasize the point, Castro recently banned Soviet newspapers from Cuba, accusing them of advocating Western capitalism.

TV Marti will bring the visual impact of such events as the opening of the Berlin Wall and free elections in Hungary to the people of Cuba. It will make it more difficult for Castro to continue to swim against the tide of dramatic changes elsewhere in the Communist world.

In another important action, House conferees for the first time succeeded in eliminating virtually all of the Senate's extraneous, nongermane amendments. We took this action while defending virtually all of the provisions contained in the House bill.

In recent years, the Senate had begun weighting down this bill to such an extent as to turn it into an alternate foreign aid bill because of their unwillingness for the past 5 years to bring up their foreign aid bill for consideration. In one motion, the conference removed more than 60 extraneous Senate provisions while defending virtually all House provisions.

For all these reasons, I urge my colleagues support passage of the conference report.

□ 1800

In addition, Mr. Speaker, all but two of the House amendments were retained in this conference report as well, and I think, given the fact that the Senate had more than 60 unrelated, nongermane issues to this legislation, we were able to extract those amendment in the conference report.

So, I am pleased that we are able to reach this point with this legislation because I think it represents the will of this House and all of the Members.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN], a member of the committee.

Mr. GILMAN. Mr. Speaker, I rise to express support for the Department of State conference report, and I commend our distinguished chairman, the gentlemen from Florida [Mr. FASCELL] and our ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD] also all of our good colleagues on the Foreign Affairs Committee for their outstanding efforts.

The State Department authorization bill for the next 2 fiscal years is, in general, a sound measure. It does, however, have several troubling provisions which can have a profoundly negative impact on the conduct of U.S. foreign policy. I am referring to the Moynihan amendment which not only restricts the first amendment rights of certain executive branch officials, but

fails to adequately define the activities that they are prescribed from participating in.

Despite the problems we have with the Moynihan amendment, this bill is necessary to ensure that the operations of the State Department continue with appropriate funding. In addition, we are pleased that the conferees were able to agree on a serious of sanctions against the People's Republic of China in response to the Tienanmen Square debacle.

Mr. Speaker, it is unfortunate that we could not have taken just a little more time to resolve the more controversial aspects of the bill, nevertheless I join my colleagues in urging its adoption.

Mr. Speaker, I yield back the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Speaker, I just want to take a moment to thank the gentleman from Michigan [Mr. BROOMFIELD] along with the gentleman from Florida [Mr. FASCELL] and the rest of the staff for allowing me to have those two amendments that I have been pursuing for a long time included in the bill.

Mr. Speaker, one is debt collection for people who travel overseas and have big vouchers and do not file them, and I thank the gentleman for hanging in there for me on that, and second is the representational housing issue which will save at least $7,000 a unit, and I am just very, very pleased about it.

Again I want to thank the gentleman from Michigan [Mr. BROOMFIELD], the chairman, and the staff for being of great assistance.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, and my colleagues, at the appropriate time I was going to offer a motion to recommit this report to the conference committee with instructions to strike the so-called Moynihan language because that language, even in the modified form, really strips the President of the United States of his constituted authority to conduct foreign policy in the White House. I am not going to do that today to save the time of the House, but I would, and the gentleman from Michigan [Mr. BROOMFIELD], the good ranking member, has already alluded to the fact that we are on the verge of working out a compromise language under the bill.

Mr. Speaker, I just wonder if the gentleman from Florida [Mr. FASCELL], the chairman of the committee, could just tell me where we stand on the Moynihan language. In other words, are we close to a compromise?

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Speaker, the last report I got is that we are very, very close, and hopefully they can reach that agreement. They are working on it on the other side, and, if they do that, it will be very easy for them to add it to the conference, bring it back, and we will agree on it and send it on its way.

Mr. SOLOMON. So, Mr. Speaker, the gentleman from Florida [Mr. FASCELL] and the gentleman from Michigan [Mr. BROOMFIELD], the ranking member, would both be in agreement to supporting that language?

Mr. FASCELL. Mr. Speaker, if the gentleman will yield, if the agreement is reached, absolutely.

Mr. SOLOMON. Mr. Speaker, I want to praise the two gentlemen, and I would not offer the motion to recommit.

Mr. Speaker, at the appropriate time I was going to offer a motion to recommit the report to the conference committee with instructions to strike the Moynihan provision.

The Moynihan amendment, even in the modified form contained in the conference report, goes far beyond the legitimate interests of Congress. It not only affects situations in which U.S. foreign assistance is used to influence foreign countries, it also seeks to intrude on the ability of the President to conduct foreign policy on behalf of the United States.

I fully agree that Congress has an interest in the use of the funds that it authorizes and appropriates for foreign assistance. These funds should be used for the purpose appropriated, and not be diverted to prohibited purposes or used as a quid pro quo to get a foreign government to perform some action.

Congress has adopted valid limitations on the use of appropriated funds for this reason. In 1985, for example, Congress enacted the so-called Pell amendment which prohibits—

* * * any arrangement conditioning, expressly or impliedly, the provision of assistance * * * upon the provision of assistance by a recipient to persons or groups engaging in an insurgency * * * against the Government of Nicaragua.

This provision remains in effect. Earlier this year the administration agreed to a further provision in the foreign assistance bill passed by the House which would further clarify its provisions.

When Congress enacted the Pell language, it was recognized, however, that the powers of Congress did not extend to pure diplomacy which does not involve the use of U.S. assistance. The explanatory statement of the conferees which I helped write as a conferee specifically stated:

This section does not prohibit U.S. Government officials from discussing U.S. policy in Central America with recipients of U.S. assistance or purchasers of U.S. military equipment. Nor does it prohibit recipients of U.S. assistance from furnishing assistance to any third party on their own volition and from their own resources.

Unfortunately, with the Moynihan provision—even in the modified form adopted by the Conferees—we have gone far beyond these principles. Not only would the provision prohibit executive branch officials from using U.S. assistance to influence foreign governments to undertake prohibited activities. It would also attempt to prohibit them from performing certain activities to influence foreign governments even without using U.S. assistance as leverage.

The Moynihan amendment would also impede the conduct of foreign policy by creating criminal penalties. And it would require the President to notify Congress whenever an executive branch official "advocates, promotes or encourages" a foreign government to provide prohibited assistance—one again even when U.S. assistance is not used as a quid pro quo.

Not only do these provisions intrude on the ability of the President and his representatives to conduct foreign policy. They would also have a chilling effect on diplomacy through the creation of criminal penalties. And they could also infringe on the first amendment rights of executive branch officials in discussions with third parties.

Mr. Speaker, this conference report will be vetoed unless the Moynihan language is changed. I hope that can be done before this bill goes to the President for his signature.

Mr. MARKEY. Mr. Speaker, I rise in support of the conference report on the State Department authorization bill.

With the passage of the China sanctions contained in this conference report we take a major step toward restoring some credibility to our Nation's nuclear nonproliferation policy.

We know that the same Chinese officials who signed the 1985 United States-China Nuclear Cooperation Agreement were behind the brutal crackdown in Tiananmen Square. Leaders who do this kind of thing to their own people can't be trusted to safeguard sensitive nuclear technologies, and this legislation puts China on notice that it will have to clean up its act on nuclear nonproliferation if it wants access to United States nuclear energy technologies.

Mr. Speaker, earlier this year I joined with my distinguished Republican colleague, Mr. SOLOMON, in pressing for the inclusion of nuclear cooperation sanctions in the China package. I am pleased that the conference report contains the same nuclear energy cooperation sanctions language we worked out with the chairman of the Asia Subcommittee, and the chairman of the full committee. These nuclear cooperation sanctions will affect:

Direct exports of nuclear powerplant components and nuclear materials. This would halt approval of at least four pending applications for export licenses with a report value of more than $50 million, including applications by the Westinghouse Corp. and the Washington State Public Power System to ship nuclear powerplant components to China and an application by the Safety Light Corp. to ship 100 grams of tritium to China for use in airport runway lighting.

These exports were already held up prior to passage of the China sanctions bill because the President had not made the nonproliferation certifications required under the 1985 congressional resolution approving United States-China nuclear cooperation. The legisla-

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tion Congress adopted today adds additional legal hurdles which must be crossed before these exports could go forward.

Exports of other nuclear technologies or services. This would affect two pending applications for export licensees, one which would allow transfers of control room system manufacturing technology to China and one which would allow some Chinese nuclear powerplant operators to come to the United States for training. Such exports were not restricted under the terms of the 1985 nuclear cooperation approval resolution, and as a result, the U.S. Department of Energy has authorized 38 similar exports in the last 4 years. The most recent transfer, approved in May, authorized the sale of a nuclear powerplant control room simulator for China's Guangdong Nuclear Power Station. The newly imposed sanctions legislation closes the legal loopholes that have allowed such exports to take place.

Exports of so-called dual use technologies, such as certain types of electronics equipment, chemical compounds, or metal alloys, which the Government has determined can be used in the fabrication of nuclear explosives materials or components. This would affect a wide variety of exports on the Commerce Department's nuclear referral list. Such exports also were not restricted under the 1985 resolution, and DOE has approved 1,325 exports of dual use technologies to China since that time, with a total estimated value of approximately $1.7 billion. Passage of the sanctions legislation closes the legal loopholes that have allowed such dual use technologies to be exported to China.

Just last week the press reported that China is continuing its reckless proliferation policies, selling advanced ballistic missiles technology to the highest bidder and assisting Pakistan's efforts to acquire nuclear explosives. Until that situation changes, we shouldn't be giving the Chinese access to our most sensitive nuclear technologies.

I want to commend the gentleman from New York [Mr. SOLARZ] and the gentleman from Florida [Mr. FASCELL] for the leadership they have demonstrated in pressing for passage of this sanctions legislation, and I urge my colleagues to vote in favor of the conference report.

Mr. DINGELL. Mr. Speaker, I rise to express my support for the conference report for the State Department authorization bill. While there are problems in Yugoslavia today, the United States must be careful in addressing them. Congress must act in a way that will in no way jeopardize the progress that has been made in Yugoslavia, keeping in mind the vital importance of that Nation's stability for maintaining peace in all of Europe. I commend the conferees for wisely not adding the Senate wording on the recent events in Kosovo to the report.

In August of this year, I had the opportunity to visit Yugoslavia and witness firsthand the changes taking place there. I saw a nation with an intricate balance of minorities, trying to retain control of a decentralized government and reconcile ethnic differences. Yugoslavia is a nation trying to preserve its national unity against strong ancient and equally strong national and ethnic pressures. The language in the bill, which criticized the Yugoslavian Government for discrimination against ethnic Albanians, is viewed by the Yugoslavs as strongly anti-Serbian. That language could have done considerable harm to United States-Yugoslavian relations. The Yugoslavian Government believes strongly that the measures introduced in the province of Kosovo were aimed at maintaining national unity, and securing peace, personal safety, and equality for all citizens. Given the extraordinary ethnic conflicts and pressures now present for separatism, it is hard to prove otherwise. For those who have not been there, it would be a mistake to pass judgment. The language of the Senate bill could have polarized factions in Yugoslavia, something which would have been counterproductive to United States efforts in trying to promote the political and economic reform. Instead, this objective can be best achieved in a climate of friendship, where the Yugoslavs feel a sense of American respect for the sovereignty and integrity of Yugoslavia. Fortunately, the House and Senate conferees had the wisdom to drop that language from the conference report.

I do not deny that Yugoslavia does have its share of problems, but the Yugoslavs, of all nationalities and ethnic backgrounds are working on them. The coming trial of Albanian leader Azem Vlasi will be a good indication of the willingness of the Government to deal with the demands of the Albanians in a fair manner. Officials of the Yugoslav Government told me that this matter will be dealt with in the fairest and proper manner. The Yugoslavs face a most tense and amazingly complex political, social, and economic situation. The Yugoslavian Government is dealing with six republics, two autonomous provinces, and at least seven important ethnic groups. The racial and ethnic difficulties there have to be taken into consideration. The Yugoslavs are trying to hold together a nation whose very unity is important to world peace. Remember, the Balkans, the cockpit of Europe, are where countless wars began.

The Kosovo issue is an especially sensitive issue for the Serbs in Yugoslavia as they look upon the region as the cradle of Serbian culture. It is no less a matter of concern to Albanians of Yugoslav nationality and there is much to their demand for justice. One of the greatest difficulties for the Yugoslav Government is reconciling the legitimate demands of ethnic minorities for fair representation in the Government, with the its need for retaining central control of its many diverse provinces and regions. Yugoslavs feel that a condemnation of Yugoslavia for its alleged human rights violations of Albanians would be a challenge to the sovereignty of the Yugoslavians and would be counterproductive to their honest effort to resolve serious internal differences. With ethnic tensions at an all time high, due to the trial of Azem Vlasi, adverse congressional language could have been counterproductive to the good faith efforts of the many Yugoslavs of all racial and ethnic backgrounds to resolve their problems with justice and respect for all.

As Yugoslavia attempts to resolve the current crises, Congress should continue to monitor the situation to ensure that the rights of all minorities are protected. This we should do with real sensitivity to potential deterioration of the delicate balance between the many ethnic minorities of the Yugoslavian nation and the possible jeopardy to the stability of the nation. The language in the Senate version of the State Department authorization bill would have sent a wrong signal at the wrong time to a nation struggling with massive economic problems and political unrest. As it seeks to move to a freely elected multiparty democracy, Congress must take the utmost care to do all it can to move Yugoslavia, one of the most pro-American countries in Eastern Europe, forward in that country's effort to achieve a freely elected multiparty government and a market-oriented economy.

Yugoslavia, with all its problems and challenges, is working diligently to resolve its problems, including those of Kosovo and its Albanian citizens. Our informed and sympathetic understanding and support can be of immense help to that country in achieving a goal which America and Yugoslavia share, freedom, self-determination and democracy for all.

Mr. WEISS. Mr. Speaker, I rise in support of H.R. 1487, the conference report on the State Department authorization bill. This legislation contains many important provisions and is the result of months of tireless effort by the leadership of the Foreign Affairs Committee, who are to be commended for their success in bringing this important bill forward. I am especially pleased that this legislation contains a comprehensive package of economic sanctions against the Chinese Government, whose brutal suppression of the prodemocracy movement has shocked us all.

The Beijing government is still trying to convince the international community that the Tiananmen Square massacre was a purely domestic matter. They claim that the slaughter of hundreds of unarmed demonstrators does not concern the rest of the world, and that the United States should stop interfering in the internal affairs of China.

Mr. Speaker, with this legislation, the Congress of the United States will deliver a resounding "no" to those who believe that such indiscriminate slaughter should be ignored or quietly forgotten. The massacre of hundreds of prodemocracy demonstrators in Tiananmen Square should be everyone's concern, and the United States cannot ignore such gross abuses of human rights just because they occur within the borders of a powerful and strategically important nation.

On June 6, 2 days after the Tiananmen Square massacre, I offered an amendment to send a strong signal to the Chinese Government. My amendment suspended the activities of the Overseas Private Investment Corporation in China. I believed in June—and I continue to believe today—that the brutal suppression of the prodemocracy movement makes the Beijing government ineligible for the benefits associated with OPIC coverage.

This amendment, along with a broad range of other economic sanctions against China, is included in the legislation we are considering today. These sanctions will prohibit "business as usual" between the United States and China as long as the crackdown continues.

I would especially like to commend our distinguished colleague, Mr. SOLARZ, for his lead-

ership on this issue. His efforts have helped to produce a strong package of economic sanctions which enjoy broad, bipartisan support in both Houses of Congress. With the passage of these sanctions, the U.S. response to the crackdown will finally be brought into line with the views of the American people.

Mr. FRENZEL. Mr. Speaker, according to the terms of the bipartisan budget agreement, the foreign operations budget was both a floor and ceiling. The managers for the House have done a skillful job in preserving the spending target of the BBA.

Normally, I vote for this appropriation. Our country must exercise a leadership role in the world, and to do so it must support its allies and friends, particularly those under pressure. It should also support those in emergency distress, provide bilateral aid to developing countries, and support multilateral agencies which assist developing countries in various ways.

This bill meets both spending and outlay targets, but it has a critical deficiency: It is nearly $2 billion over its loan guarantee limit.

A Senate amendment allowed recipients of foreign military sales credits to refinance their loans, thereby saving a potential 2-percent interest cost, with loans 90 percent guaranteed by the U.S. Government. That amendment brought to the House separately is subject to a budget point of order and could be eliminated from the bill if the point of order was raised.

I considered raising the point of order as I have raised others in an attempt to maintain some modest discipline over this profligate Congress. I finally determined not to do so, but instead to vote against the bill because it violated the Budget Act.

In the future it is my intention to raise all points of order that are available against Budget Act violations.

Mr. BROOMFIELD. Mr. Speaker, I yield back the balance of my time.

Mr. FASCELL. Mr. Speaker, I yield back the balance of my time and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. MCDERMOTT). The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

ARKANSAS STATE UNIVERSITY CONFERENCE ON ALTERNATIVE TRANSPORTATION FUELS AND THE ENVIRONMENT

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, the money we paid for foreign oil in the 10 years following the OPEC oil embargo constitutes the largest transfer of wealth since the Spanish looting of the new world.

During that time, the United States paid more than one-half trillion for imported oil. The free world as a whole spent an incredible $1.6 trillion.

A greater reliance on home grown energy sources, such as ethanol, will help us stop this monetary hemorrhage which threatens the very security and stability of our Nation.

On Monday I cohosted a conference on alternative energy and the environment at Arkansas State University in Jonesboro.

During that conference former Energy Secretary James Schlesinger said that the American society vacillates between two moods—panic and complacency—when it comes to our energy supply.

Dr. Schlesinger said that for many years it was anticipated when we reached 50 percent of our oil needs through imports alarm bells would go off, but that did not happen. U.S. oil imports have hovered around 50 percent for several years; even topping that figure on some occasions.

He warned that the energy problem is coming back and that this Nation must develop a national energy policy which includes the greatly expanded use of alternate energy sources—including ethanol made from farm products.

It is difficult to build public support for a new direction in energy policy when fuel is abundant, when the tank is full. But we cannot wait for another crisis, another embargo. We also cannot continue to transfer the wealth of this Nation to oil producing nations at the current rate.

There are hopeful signs on the horizon, however. Public demand for cleaner air—for air that can be breathed without being hazardous to the health—is enhancing public awareness of alternate fuels, for example.

As the conference at Arkansas State proved clearly—the use of alternate fuels is not only an economic issue but an environmental and Nation security issue as well.

We would all benefit from the use of alternate fuels—the farmers I represent would have expanded markets for their products and the residents of Los Angeles would have cleaner air to breathe.

Mr. Speaker, we cannot afford to wait much longer to develop and implement an energy policy which addresses these issues.

Our economy, our security, our future is at stake.

Mr. Speaker, I also attach an editorial from the Jonesboro Sun commenting on the conference as follows:

[From the Jonesboro Sun, Nov. 15, 1989]

HEATING UP?

The nation's energy crisis has been on the back burner for several years now—since the long lines disappeared at gas stations and prices came down. Finally, the issue may be heating up, and that could be good news for the nation and for the farmers of Eastern Arkansas.

James Schlesinger, former Secretary of Energy, noted at a conference here this week that "the American society varies between two moods—panic and complacency. The tendency of this country is to ignore the problem of energy," but "we must worry about energy. For many years it was anticipated when we reached 50 percent" of our oil needs through imports "alarm bells would go off." But that did not happen. U.S. oil imports have hovered around 50 percent for several years, topping that figure on some occasions.

"The energy problem is coming back," Schlesinger said. "While it has been out of mind and out of sight, it has been growing." People do not believe there is a crisis until they see gasoline prices go up, and the OPEC nations have realized this. They know," he said, "the way to deal with America is to raise prices gradually."

However, clean air issues are coming into play, and leaders are realizing that America's foreign policy options are affected by this nation depending on foreign oil.

Schlesinger says there are no easy answers to the energy crisis, but alternate fuels must play a role, and that's where Northeast Arkansas comes in. Rep. Bill Alexander has been waging a somewhat lonely crusade for years for increased use of ethanol, a totally renewable energy source that is derived from grain. Extensive use of ethanol would not only be a boon to farmers of Eastern Arkansas, but its use would also do much to solve the problems of polluted air.

Coping with the nation's energy problems may be the major initiative of the 1990s, and farmers of this area could play a major role in finding solutions.

THE PLIGHT OF THE DYNKIN FAMILY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LENT] is recognized for 5 minutes.

Mr. LENT. Mr. Speaker, in conjunction with the Congressional Call to Conscience Vigil for Soviet Jews, I rise to voice concern for a Jewish family living in the Soviet Union that has been separated from their loved ones for over 2 years because of the intransigence of the Soviet Government. It is my fervent hope that prompt action will be taken to ensure that the injustice that has caused the Dynkin family to be apart will be corrected.

Efim Dynkin of Leningrad has been denied permission to leave the Soviet Union because of alleged contact with "state secrets" while working at the Granit Institute of Shipbuilding. However, he has not worked at the Granit facility for 14 years and I have learned that other individuals employed there, in capacities similar to that of Mr. Dynkin, have received permission to emigrate in recent years. In light of this fact and President Gorbachev's own assessment that an individual is not considered to have knowledge of state secrets after 5, or at most, 10 years, I find it difficult to accept that Efim Dynkin should continue to be refused.

Recently, I had the opportunity to meet with Mr. Dynkin's wife, Olga, who was in the United States on a visitors visa. I was very moved by her story and her eloquent pleas on behalf of her husband. Mrs. Dynkin has since returned to Leningrad, but I will never forget her cour-

age and optimism as she spoke of the day when she, Efim, and their young son, Anton, are permitted to be reunited with their other son, Boris, and Efim's parents and sister in the United States.

Mr. Speaker, I have been privileged to have the opportunity to speak out many times in this Chamber on behalf of families and individuals who have maintained their desire to be free despite hardship, humiliation, frustration, and religiously inspired persecution. While there has been progress toward realizing the goal of free emigration, I stand here today to remind the Soviet Government that the plight of those, like Efim, Olga, and Anton Dynkin, being forced to endure an unjust separation from their loved ones will continue to be of deep concern to this institution and to the American people.

THE DATA PROTECTION ACT OF 1989

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, one of the most enduring American values is the right to privacy. From colonial times to the present, Americans have been concerned about the right to be left alone and about intrusions into their personal lives, private papers, and homes. As a direct result of the early American experience, the fourth amendment to the Constitution protects against unreasonable searches and seizures by the government. Other constitutional provisions contain protections for other privacy interests.

Today, these traditional concerns about privacy are still vital. Individuals still want to be left alone. Individuals want to be able to exercise some control over how information about ourselves is used. In the computer age, threats to privacy come not only from the Federal Government, but also from the many public and private institutions that maintain records about individuals.

Using the power of modern computers and telecommunications, many third party record keepers have developed the capacity to store detailed information about people's transactions, habits, movements, purchases, and activities. Personal information is routinely maintained by banks, insurance companies, hospitals, schools, credit bureaus, cable television operators, telephone companies, credit card issuers, department stores, catalog merchants and marketers of all types, supermarkets, and others.

In our complex modern world, privacy has evolved as a concept encompassing many disparate elements. It includes a wide range of concerns about intrusive behavior, including wiretapping, surreptitious physical surveillance, and mail interception. The concept of privacy has also been cited in connection with other concerns such as contraception and confidentiality of bank records.

As the need to protect privacy has become more pressing, some aspects of its protection have become more focused. One concept that has emerged since 1970 is data protection, which applies to the control of the collection, use, and dissemination of personal information.

Data protection is the focus of my statement and of a bill that I introduced today. The Data Protection Act of 1989 would estabish a Data Protection Board as an independent, three-member, nonregulatory Federal agency. The Board would be an institutional representative for privacy concerns that relate to the use and misuse of personal information. The Board would be a resource, a consultant, a watchdog, and a facilitator.

We need a Data Protection Board principally because there is no voice in Government that represents and articulates data protection concerns on an ongoing basis. In the balancing of interests that shape Government policies and actions, data protection needs are frequently ignored because there is no institutional spokesman to represent them. There is no existing organization that accumulates knowledge and experience in the complicated balancing of privacy interests.

We need a Data Protection Board because information privacy issues arise frequently. This year, there has been controversy over the disclosure of Social Security information by the Social Security Administration to banks and insurance companies. Recent legislation has affected the privacy protections for bank records. During the last Congress, a data protection issue arose during the confirmation hearings for Robert Bork. As a result of the disclosure of the records of Judge Bork's video rentals, the Video Privacy Protection Act was introduced and passed.

A Data Protection Board could have been helpful during discussion of all of these issues. A Data Protection Board could help Government and industry do a better job of protecting personal information. A Data Protection Board could, with the cooperation of business, support voluntary data protection codes. A Data Protection Board could help Congress shape legislation.

The need for an independent entity with responsibility for data protection policies has long been recognized. Such an organization was originally proposed during congressional consideration of the Privacy Act of 1974. The Privacy Protection Study Commission recommended in 1977 that such an entity be established to monitor and evaluate privacy laws; to continue research; to issue interpretative rules for the Privacy Act of 1974; and to provide advice to the President, the Congress, and the States. My proposal is a direct descendent of the Privacy Commission's recommendation.

Most other Western industrialized nations have already established national and state data protection agencies. Canada established a privacy commissioner in 1978. Great Britain established a data protection registrar in 1984. The Federal Republic of Germany (1977), Austria (1978). France (1978), Sweden (1973), Norway (1978), The Netherlands (1988), Australia (1988), and Ireland (1988) also have permanent data protection agencies. I have even read recently that data protection is under consideration in Eastern Europe as well. It appears that Hungary is considering establishing a data protection office. Many other countries have passed data protection legislation in recent years.

Data protection agencies have been established elsewhere in the world because people everywhere are concerned about how their personal information is being used. These concerns have affected the way that American companies doing business abroad conduct their operations. The lack of a central data protection authority here has left American industry unrepresented when decisions are made about how multinational companies can use data for transborder purposes.

At the very least, we need an American Federal agency to represent American interests in ongoing consultations with other national data protection agencies. For example, there is no official American representative at the annual meetings of Data Protection Commissioners.

While privacy protection has been an issue of continuing concern to the American people, the Federal response has been erratic. Interest was high after passage of the Privacy Act of 1974 and following the report of the Privacy Protection Study Commission in 1977. Interest in the executive branch disappeared during the Reagan administration, but some legislation emerged from the Congress, including the Cable Communications Policy Act of 1984, the Electronic Communications Privacy Act of 1986, the Computer Matching and Privacy Protection Act of 1988, and the Video Privacy Protection Act of 1988.

I believe that the time has come to take a step beyond the responsive legislation of the last few years. We need to look to the future. We need to learn how to identify problems presented by new technology and new business methods before it is too late to react. We need to work together with recordkeepers and with record subjects to find ways to protect legitimate data protection concerns while allowing Government and industry to function.

The passage of the Data Protection Act of 1989 would serve all of these purposes. I expect to schedule hearings on the legislation later this year or at the beginning of the second session. I welcome comments from all interested persons.

VACATE OF SPECIAL ORDER

Mr. DORNAN of California. Mr. Speaker, I ask unanimous consent to vacate my special order of 60 minutes tonight.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

WELCOME TO A POLISH HERO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 5 minutes.

Mr. DORNAN of California. Mr. Speaker, since I was first sworn in as a Member of this august body on January 4 of 1977, I have had the distinct privilege of standing or sitting in this Chamber while many of the heads of states around the world have addressed us. The stirring remarks of

Margaret Thatcher made a great impression upon me because of the quality of her leadership. We have had some people come before us, like the leader of the state of Egypt, Anwar Sadat, and because of the quality of his leadership, the change in direction he took to sign that historic Camp David treaty with the State of Israel, it cost him his life in a brutal assassination attempt.

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Several of the leaders have gone on to their eternal reward who spoke to us. No words were more stirring than the words of Cory Aquino, the lady President of the Philippines, a housewife who has gone on to become a great world leader. Her remarks will be memorable.

I think as a young man watching through the magic of television the stirring remarks of Gen. Douglas MacArthur at that podium, Winston Churchill in his goodbye performance here, he is the only human being as the head of state who has ever addressed a joint session of the Senate and the House of Representatives three times.

We have only had three people who were not heads of state. One of them was Lafayette, one of only two portraits in this Chamber, the other the father of our country, our first President, George Washington; but the third nonhead of state was this morning at 11 o'clock, Lech Walesa, the founder of Solidarity, the great unelected but truly a national leader of the country of Poland.

His words today were simple, beautiful, and stirring in their simplicity. He thanked the President of the United States twice for his trips to Poland to give the people there hope and to embolden their spirits.

He spoke of his fellow Pole, another world leader, Pope John Paul II, and talked about how John Paul said that freedom is something that is an inalienable right, that you cannot take it away from men forever.

There was one other head of state that I think Mr. Walesa should have mentioned. I know he feels this way in his heart, and that is the former President of the United States, the most recent President, Ronald Reagan. It was Ronald Reagan who had the recently defected Ambassador to Poland, Ambassador Romuald Spasowski, light the Christmas tree in the President's first year in the White House, the Christmas of 1981. It was Ronald Reagan who sent his great Vice President, George Bush, to speak at the shipyards at Gdansk at that memorial outside the shipyards for the fallen workers. It was President Reagan who sent his Vice President, George Bush, back to Poland again to meet with Lech Walesa during that critical period 2 years ago, to kneel with his beautiful wife, Barbara, at the tomb of the open grave site of the martyred, the tortured to death by Polish Communist secret police, the priest, Father Jerzy Popieluszko.

I think President Reagan for all of his years kept up that vigil that this Congress by narrowing and narrowing votes because of liberal pressure kept alive Captive Nation Week for all these years.

Mr. Speaker, a year ago in August I drove with my youngest son all around Poland for 3 days, 1,300 miles in a rental car, visiting all six, six of six of the Nazi extermination camps, from Treblinka to Sobibor, to Maydanek, to Belzec, to the horror of horrors, Aushwitz and its massive companion camp, Birkenau, and then up to a mass at Wschowa, an outside mass with 15,000 people, then at midnight to the final extermination camps in this clockwise swing through Poland to Chelmo.

That state, as Lech Walesa told us so emotionally today, has suffered more than any of our allied nations in the struggle against fascism, only to be crushed by the equally evil force of communism.

Mr. Speaker, this was a stirring moment today. I will never forget it. I think it was worth a year in school to not only our young pages, but to the oldest of our Members who sit in this Chamber. It was a lesson for the Joint Chiefs, to the Supreme Court, to all our distinguished Ambassadors who visit with us at these joint sessions to hear from these world leaders.

Mr. Speaker, I hope that this country someday will consider making Lech Walesa an honorary citizen of the United States, as we have done with Rauol Wallenberg, who the Russians still claim that they have killed, and with Mr. Winston Churchill.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT ON H.R. 3660, THE GOVERNMENT ETHICS REFORM ACT OF 1989

Ms. SLAUGHTER of New York. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight, tonight, to file a privileged report on H.R. 3660, the Government Ethics Reform Act of 1989.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

A NEW BEGINNING FOR POLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I am proud today to welcome Lech Walesa to the United States. It is indeed a stirring moment in the history of the Congress to receive in this Chamber, the chairman of Solidarnosc, Lech Walesa, for he is the first private citizen in 165 years to address the Congress in a joint session.

To mark this special day, the Architect of the Capitol, on my request, is flying an American flag over our Capitol Building which will be presented by me to Mr. Walesa as a remembrance of a truly great day in Poland's long and distinguished history.

We have witnessed remarkable changes in Poland since the birth of Solidarity when Mr. Walesa bravely led a walkout at the Lenin Shipyard in Gdansk in August 1980. By his actions and leadership, Lech Walesa has proven that peaceful, nonviolent means can work in achieving noble humanitarian goals. He has rekindled and revitalized Polish nationalism in the hearts of millions, and he remains an inspiring symbol for all individuals striving to free themselves from the yoke of tyranny and oppression. Today the events taking place throughout Eastern Europe are a testimonial to the strength of Lech Walesa's vision and to the justness of Poland's cause.

We in Congress remain committed to assist Poland as she embarks on her journey to restructure her political and economic system. As chairman of the House Administration Committee I expedited speedy congressional passage of legislation to provide for a team from the House and Senate with expertise in legislative systems management and parliamentary procedure to assess Poland's equipment and training needs in creating a new Parliament. Furthermore, as chairman of the Subcommittee on Financial Institutions of the House Banking Committee, I have supported legislation to encourage multilateral development banks to offer financial and technical assistance to the people of Poland who want to establish institutions, like credit unions, thrifts, and commercial banks. In addition, the aid package crafted by Congress will provide millions of dollars in assistance as Poles continue in their struggle to achieve democratic reforms.

It is fitting that Mr. Walesa is visiting the United States this week, since 71 years ago, on November 11, 1918, with the signing of the Treaty of Versailles at the conclusion of World War I, the Polish people proudly proclaimed their independence, and today we are witnessing the rebirth of this declaration of self-determination.

One of the first democratic constitutions known to the world was the Polish Constitution written in the 18th century. Unfortunately, shortly after the creation of this historic document, the Polish people saw their beloved country invaded by three more powerful and hostile neighbors. These nations subjugated and brutalized Poland until 1918. With the end of World War I, however, the major European powers recognized the national sovereignty of Poland, and the Polish people were once again able to assert their national destiny without the fear of persecution. Then in 1939, at the beginning of World War II, Poland again faced persecution and oppression, this time at the hands of the Nazis and the Communists, but her determination to prevail never wavered.

Despite the heartaches and disappointments of the past, today, 71 years after the declaration of Polish independence and 50 years after the invasion of Poland by the Nazis and the Communists, Poland stands on the threshold of a new beginning. An effective parliamentary system is in place, with the Solidarity Union joining two smaller political parties to form a majority in the Parliament, and with the election of a non-Communist, Tadeuzs Mazowiecki, as Prime Minister.

Mr. Speaker, Lech Walesa's visit to Congress today has helped define the enormous challenges his country now faces to achieve institutional reforms and revitalize the Polish economy. We are honored with the presence of Lech Walesa in the Congress and we stand ready to provide the economic and technical assistance necessary to enable Poland to join the community of free nations and to enjoy the fruits of freedom.

On the occasion of Lech Walesa's historic visit to America, which coincides with the 71st anniversary of Polish Independence Day, I am honored to join with Polish-Americans in the 11th Congressional District of Illinois which I am priviliged to represent, and Americans of Polish descent throughout the United States, in hopes and prayers for the successful dawn of a new age for a free and democratic Poland.

DEPARTMENT OF VETERANS AFFAIRS HAS INTEGRAL ROLE IN AIDS RESEARCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, I dare say that the average American has little idea of the role the Department of Veterans Affairs [DVA] plays in improving the quality of life for all mankind—veterans and nonveterans alike.

Consider for instance, the medical breakthroughs and advancement of medical knowledge that can, in whole or part, be attributed to DVA scientists and researchers—the cure for tuberculosis; the development of the CAT scan, the pacemaker, kidney and home dialysis techniques, and prosthetic appliances; and the discovery of aspirin's effectiveness in combating heart disease. These are just a few of the achievements of a world-renowned medical research program which has claimed two Nobel Prizes.

DVA has also developed a reputation as a leader in AIDS research, probably the world's most pressing medical concern. The Department is second only to the National Institutes of Health in the magnitude of AIDS-related research it conducts. In fact, the Department's health care delivery system now treats almost 10 percent of the Nation's AIDS patients.

Working in tandem with 103 medical schools across the country, the Department monitors its AIDS-related activities through its central office here in Washington, which serves as a clearinghouse for information on the disease.

Six AIDS research centers initiate and coordinate individual AIDS research projects. The centers are located at DVA medical centers in Baltimore, Durham, Houston, Manhattan, San Diego, and San Francisco. Some 20 individual projects and several cooperative studies are underway in the Department. They range from basic science studies of the mechanism of AIDS virus infection through clinical trials in the treatment of AIDS patients.

On another front in the Department's battle against AIDS, four AIDS clinical units for veterans being treated for the disease are operating at DVA medical centers in Manhattan, Miami, Los Angeles, and San Francisco. These special clinical units are located at hospitals with high concentrations of cases and are designed to help refine treatment techniques which can then be shared with the medical community in general.

Mr. Speaker, the cure for AIDS could very possibly come from the Department of Veterans Affairs medical research program.

I would like to share with my colleagues a recent letter to the Atlanta Constitution from Dr. Robert J. Pollet, Chief of Research and Development at the Atlanta DVA Medical Center. His letter summarizes the magnificent DVA-funded research being conducted at just one hospital in the 172-hospital network operated by the Department of Veterans Affairs. Dr. Pollet also points out a problem experienced by DVA researchers nationwide—when there is media coverage of a research triumph, DVA involvement is often overlooked or ignored.

[From the Atlanta Constitution, Nov. 4, 1989]

VA MEDICAL CENTER DOES IMPORTANT RESEARCH WORK

Once again The Constitution's staff has come to the Atlanta Veterans Affairs (VA) Medical Center, interviewed a VA research investigator, published photographs of his VA laboratory and reported on clinically important BA research work supported by VA funds—all without appropriate acknowledgement.

These errors were made in the recent Science/Medicine article reporting the studies of Dr. Raymond Schinazi of the VA Medical Center concerning the discovery of the antiviral properties of AZDU toward the AIDS virus, in collaboration with Dr. David Chu of the University of Georgia.

It is disappointing that you would fail to acknowledge that Dr. Schinazi made this discovery as a full-time VA scientist, largely supported by VA research funds in work performed at the Atlanta VA Medical Center.

The newspaper also failed to acknowledge that the VA, in an act of exceptional generosity and compassion for AIDS patients, voluntarily donated its ownership of the drug rights to AZDU in order to ensure that the drug would be most rapidly developed as a promising treatment for AIDS.

The Atlanta VA Medical Center has a very active research program in broad areas of medical and rehabilitation research, with VA funding of more than $3 million per year.

The Atlanta VA research program cooperatively interacts with that of its affiliated medical institution, the Emory University School of Medicine, leading to excellence in biomedical research and clinical care, to the ultimate benefit of both patients and the community.

Dr. ROBERT J. POLLET,
Chief, Research and Development,
Atlanta VA Medical Center, Decatur.

U.S.-U.S.S.R. TRADE POTENTIALS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, with the Soviet Union now providing more freedom of emigration than the West actually seems willing to accept, and with the possible Soviet codification of rules of departure, the Congress may soon be asked to consider the normalization of trade relations with the Soviet Union. Normalization would mean a waiver of the Jackson-Vanik amendment so as to provide most-favored-nation tariff status, as well as amendment to various limits on export credits.

If trade with the Soviets were normalized, what would it mean in terms of economic change?

A look at past trade data shows that U.S.-U.S.S.R. trade has been a very minor part of our trade picture, but that it has also been one of the few areas where the United States has usually run a strong, job-creating trade surplus.

The potential for increased U.S.-U.S.S.R. trade can be seen by looking at some of the data on total U.S.S.R.-Western trade. Since our peak trade turnover with the U.S.S.R. in 1979 of $4.5 billion—which still only amounted to 1 percent of total U.S. trade and consisted of mostly agricultural commodities—and a trade surplus of $2.7 billion, U.S.-U.S.S.R. trade has declined and been erratic. Since 1987, however, bilateral trade has substantially increased. United States exports to the Soviet Union of grain as well as fertilizers, tractors and engineering equipment grew and imports of gold and nonferrous scrap metal have increased.

These recent trade increases has helped reduce the United States trade deficit with non-market economies [NME's] by 23.2 percent, from $2.46 billion in 1987 to $1.89 billion in 1988. This deficit decline can be largely attributed to an increase in our surplus with the Soviet Union, from $1.06 billion in 1987 to $2.2 billion in 1988. 1989 half-year export comparisons tell another positive story. The value of United States shipments to each of the three major NME trading countries or blocs—Soviet Union, China, and Eastern Europe—increased from January–June 1988 to January–June 1989. The result was a $1.6 billion expansion in total U.S. exports to the NME's over this period, from $4.5 billion to $6.1 billion. Setting the pace was $1.1 billion rise in U.S. exports to the U.S.S.R. from January–June 1988 to January–June 1989, caused largely by an increase of $951.4 million in Soviet purchases of U.S. corn.

TRADE WITH THE U.S.S.R.

[In millions of dollars]

	1979	1980–83	1984	1985	1986	1987	1988	198*
United States:								
Export	3,604	10,246.0	3,284	2,423	1,248	1,480	2,768	2,764.0
Import	872	1,422.2	554	409	558	425	578	374.5
Turnover	4,476	11,668.2	3,838	2,832	1,806	1,905	3,346	3,138.5
U.S. Trade balance (+)	2,732	7,313.8	2,730	2,014	690	1,055	2,190	2,389.5

a January-June totals from USITC.

U.S.–U.S.S.R. trade is relatively small, compared with West Germany's or Japan's trade with the Soviets. A look at the following trade data shows some of the potential of the Soviet market;

[In millions of dollars]

	1979	1980–83	1984	1985	1986	1987	1988
West Germany:							
Export	3,619	16,055	3,800	3,603	4,320	4,379	5,367
Import	4,061	17,469	5,031	4,690	4,278	4,045	3,914
Turnover	7,680	33,524	8,831	8,293	8,598	8,424	9,381
Japan:							
Export	2,443	12,764	2,515	2,772	3,178	2,587	3,131
Import	1,895	7,019	1,388	1,438	1,988	2,368	2,772
Turnover	4,338	19,783	3,903	4,210	5,166	4,955	5,903

The potential for trade between our two huge nations is significant. One way that trade is likely to increase is through the increase in joint ventures and the development of the ruble as a convertible, international currency.

Of all East-West trade in 1987, according to the Wharton School of Economics, U.S. exports equaled only 7 percent of all Western developed countries trade to the Soviet Union and only 6 percent of total imports by Western developed countries from the U.S.S.R. The Europeans and Japanese view trade with the East as economically beneficial and will most likely continue too. This stand has allowed them to dominate economic trading with the Soviets, as the Soviets look to them first when trading. In the period from 1986–90, total trade between the U.S.S.R. and nonsocialist nations is estimated to expand, with Western exports increasing from $37 to $52 billion, while imports are expected to increase from $33 to $43 billion.

U.S. exports are expected to grow moderately in 1989 to around $3 billion. Most of the growth will be in increased Soviet grain purchases, while nonagricultural exports may slightly increase from last year's $600 million. U.S. machinery exports can be expected to grow in 1989; they increased in 1988 to $250 million from $100 million the year before. The best prospects for sale by U.S. companies include the following industrial sectors: Food processing and packaging equipment, agricultural machinery, construction equipment, oil and gas equipment, chemicals, and analytical, scientific, and medical instruments. Consumer goods to the Soviet Union are likely to remain limited in 1989.

One change that is helping open up the Soviet economy was a government decree on joint ventures that greatly expanded the realm of cooperation between Western firms and Soviet ministries and enterprises. United States companies are behind their European and Japanese counterparts in setting up ventures with the Soviets. Of the nearly 800 joint ventures registered to date, less than 50 involve U.S. companies. By the end of 1988 in the absence of normal trade relations, only 13 United States-Soviet joint ventures were actually established and they involve only $23 million of the $441 million in total joint venture investments.

Mr. Speaker, this is a time of tremendous and exciting superpower change. Improved economic relations between our two nations can contribute to that change and to the overall improvement of relations. It is past time that we moved forward.

□ 1820

THE WILLIAMSBURG CHARTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. SLATTERY] is recognized for 5 minutes.

Mr. SLATTERY. Mr. Speaker, I rise today to share with my colleagues an important affirmation of the religious liberty clauses of the first amendment to our Constitution. The Williamsburg Charter addresses the manner in which, in our pluralistic society, we live with our deepest religious differences.

The Williamsburg Charter is an officially recognized project of the Commission of the Bicentennial of the Constitution. Beginning in 1986, it was drafted over 18 months by representatives of America's leading faith communities in conjunction with nearly 200 scholars, church-state relations experts, political activists and leaders of religious communities. On June 25, 1988, the 200th anniversary of Virginia's call for the Bill of Rights, the Charter was presented to the Nation. It has now been signed by nearly 200 national leaders, including former Presidents Ford and Carter, former Chief Justice Burger and Chief Justice Rehnquist. I am proud to have my signature on this document.

The Williamsburg Charter reflects three fundamental aims:

To celebrate the genius and uniqueness of the religious liberty clauses; to reaffirm religious liberty, or freedom of conscience, for people of all faiths and for the unchurched; to set out the place of religious liberty in American public life and the principles by which people with deep differences can contend with each other robustly, but civilly.

The Williamsburg Charter recognizes that religious differences are deep and important, but asserts that we can still maintain a limited, but vital, consensus, which is in the interests of all Americans, regardless of creed.

This vital consensus can be summarized in the three R's of religious liberty: rights, responsibilities, and respect.

Religious liberty, or freedom of conscience, is a precious, fundamental, and inalienable right; religious liberty is a universal right matched by a universal duty to respect that right for others; and living with our deepest differences requires a principled respect for persons, truth, and the guidelines by which we can conduct arguments robustly but civilly whenever those differences are in question.

We who have endorsed the Williamsburg Charter hope that reaffirmation of these first principles will bring practical benefits to our pluralistic society. The Williamsburg Charter Foundation's recently developed school curriculum on religious liberty in a pluralistic society, for example, has the support of all major educational groups and faith communities, and is being tested in schools this fall and will be introduced in schools in 1990.

We are a free and diverse people who must remain free and sustain our diversity as a source of national richness and strength. As legislators, we in Congress are custodians of the American experiment who know the depth of feeling these issues raise among our constituents.

The Williamsburg Charter calls upon us to reaffirm that religious liberty is a fundamental and inalienable right. According to the Charter:

A society is only as just and free as it is respectful of this right for its smallest minorities and least popular communities. Religious liberty is our Nation's first liberty, which undergirds all other rights and freedoms secured by the Bill of Rights. Religious liberty is founded on the inviolable dignity of the person. It is not based on science or social usefulness and it is not dependent on the shifting moves of majorities and governments.

The Charter also reminds us that:

Far from being a matter of exemption, exception, or even toleration, religious liberty is an inalienable right. Far from being a subcategory of free speech or a constitutional redundancy, religious liberty is distinct and foundational.

Far from being simply an individual right, religious liberty is a positive social good.

Far from denigrating religion as a social or political problem, the separation of church and state is both the saving of religion from the temptation of political power and an achievement inspired in large part by religion itself.

Far from weakening religion, disestablishment has, as an historical fact, enabled it to flourish.

Many of the most dynamic social movements in American history, including the struggle to bring civil rights to all of our citizens, were legitimately inspired and shaped by religious motivation. Freedom of conscience and the right to attempt to influence public policy on the basis of religiously informed ideas are inseverably linked. Politics is an extension of ethics which therefore can engage religious principles. This does not condone, however, those who bring to the public arena a misplaced absoluteness that idolizes politics, demonizes their opponents and politicizes their own faith.

The Williamsburg Charter's call for a revitalization of the American understanding concerning the role of religion in a free society, in the words of the charter, should:

Result in neither a naked public square where all religion is excluded, nor a sacred public square with any religion established or semi-established. The result, rather is a civil public square in which citizens of all religious faiths, or none, engage one another in the continuing democratic discourse.

Mr. Speaker, let me close with one more point from the Williamsburg Charter. We who have signed the Charter did so because we believe the renewal of religious liberty is crucial to sustain a free people that would remain free. We have committed ourselves to speak, write and act according to this vision and these principles. I urge my colleagues to join in this public debate.

As the Charter notes:

Pluralism must not be confused with, and is in fact endangered by, philosophical and ethical indifference. Commitment to strong, clear philosophical and ethical ideas need not imply either intolerance or opposition to democratic pluralism. On the contrary, democratic pluralism requires an agreement to be locked in public argument over disagreements of consequence within the bounds of civility.

Mr. Speaker, I am placing the text of the Williamsburg Charter in the RECORD at this point.

THE WILLIAMSBURG CHARTER—A NATIONAL CELEBRATION AND REAFFIRMATION OF THE FIRST AMENDMENT RELIGIOUS LIBERTY CLAUSES

Keenly aware of the high national purpose of commemorating the bicentennial of the United States Constitution, we who sign this Charter seek to celebrate the Constitution's greatness, and to call for a bold reaffirmation and reappraisal of its vision and guiding principles. In particular, we call for a fresh consideration of religious liberty in our time, and of the place of the First Amendment Religious Liberty clauses in our national life.

We gratefully acknowledge that the Constitution has been hailed as America's "chief export" and the "most wonderful work ever struck off at a given time by the brain and purpose of man." Today, two hundred years after its signing, the Constitution is not only the world's oldest, still-effective written constitution, but the admired pattern of ordered liberty for countless people in many lands.

In spite of its enduring and universal qualities, however, some provisions of the Constitution are now the subject of widespread controversy in the United States. One area of intense controversy concerns the First Amendment Religious Liberty clauses, whose mutually reinforcing provisions act as a double guarantee of religious liberty, one part barring the making of any law "respecting an establishment of religion" and the other barring any law "prohibiting the free exercise thereof."

The First Amendment Religious Liberty provisions epitomize the Constitution's visionary realism. They were, as James Madison said, the "true remedy" to the predicament of religious conflict they originally addressed, and they well express the responsibilities and limits of the state with respect to liberty and justice.

Our commemoration of the Constitution's bicentennial must therefore go beyond celebration to rededication. Unless this is done, an irreplaceable part of national life will be endangered, and a remarkable opportunity for the expansion of liberty will be lost.

For we judge that the present controversies over religion in public life pose both a danger and an opportunity. There is evident danger in the fact that certain forms of politically reassertive religion in parts of the world are, in principle, enemies of democratic freedom and a source of deep social antagonism. There is also evident opportunity in the growing philosophical and cultural awareness that all people live by commitments and ideals, that value-neutrality is impossible in the ordering of society, and that we are on the edge of a promising moment for a fresh assessment of pluralism and liberty. It is with an eye to both the promise and the peril that we publish this Charter and pledge ourselves to its principles.

We readily acknowledge our continuing differences. Signing this Charter implies no pretense that we believe the same things or that our differences over policy proposals, legal interpretations and philosophical groundings do not ultimately matter. The truth is not even that what unites us is deeper than what divides us, for differences over belief are the deepest and least easily negotiated of all.

The Charter sets forth a renewed national compact, in the sense of a solemn mutual agreement between parties, on how we view the place of religion in American life and how we should contend with each other's deepest differences in the public sphere. It is a call to a vision of public life that will allow conflict to lead to consensus, religious commitment to reinforce political civility. In this way, diversity is not a point of weakness but a source of strength.

I. A TIME FOR REAFFIRMATION

We believe, in the first place, that the nature of the Religious Liberty clauses must be understood before the problems surrounding them can be resolved. We therefore affirm both their cardinal assumptions and the reasons for their crucial national importance.

With regard to the assumptions of the First Amendment Religious Liberty clauses, we hold three to be chief:

1. The Inalienable Right

Nothing is more characteristic of humankind than the natural and inescapable drive toward meaning and belonging, toward making sense of life and finding community in the world. As fundamental and precious as life itself, this "will to meaning" finds expression in ultimate beliefs, whether theistic or non-theistic, transcendent or naturalistic, and these beliefs are most our own when a matter of conviction rather than coercion. They are most our own when, in the words of George Mason, the principal author of the Virginia Declaration of Rights, they are "directed only by reason and conviction, not by force or violence."

As James Madison expressed it in his Memorial and Remonstrance, "The Religion then of every man must be left to the conviction and conscience of every man; and it is the right of every man to exercise it as these may dictate. This right is in its nature an unalienable right."

Two hundred years later, despite dramatic changes in life and a marked increase of naturalistic philosophies in some parts of the world and in certain sectors of our society, this right to religious liberty based upon freedom of conscience remains fundamental and inalienable. While particular beliefs may be true or false, better or worse, the right to reach, hold, exercise them freely, or change them, is basic and non-negotiable.

Religious liberty finally depends on neither the favors of the state and its officials nor the vagaries of tyrants or majorities. Religious liberty in a democracy is a right that may not be submitted to vote and depends on the outcome of no election. A society is only as just and free as it is respectful of this right, especially toward the beliefs of its smallest minorities and least popular communities.

The right to freedom of conscience is premised not upon science, nor upon social utility, nor upon pride of species. Rather, it is premised upon the inviolable dignity of the human person. It is the foundation of, and

is integrally related to, all other rights and freedoms secured by the Constitution. This basic civil liberty is clearly acknowledged in the Declaration of Independence and is ineradicable from the long tradition of rights and liberties from which the Revolution sprang.

2. The Ever Present Danger

No threat to freedom of conscience and religious liberty has historically been greater than the coercions of both Church and State. These two institutions—the one religious, the other political—have through the centuries succumbed to the temptation of coercion in their claims over minds and souls. When these institutions and their claims have been combined, it has too often resulted in terrible violations of human liberty and dignity. They are so combined when the sword and purse of the State are in the hands of the Church, or when the State usurps the mantle of the Church so as to coerce the conscience and compel belief. These and other such confusions of religion and state authority represent the misordering of religion and government which it is the purpose of the Religious Liberty provisions to prevent.

Authorities and orthodixies have changed, kingdoms and empires have come and gone, yet as John Milton once warned, "new Presbyter is but old priest writ large." Similarly, the modern persecutor of religion is but ancient tyrant with more refined instruments of control. Moreover, many of the greatest crimes against conscience of this century have been committed, not by religious authorities, but by ideologues virulently opposed to traditional religion.

Yet whether ancient or modern, issuing from religion or ideology, the result is the same: religious and ideological orthodozies, when politically established, lead only too naturally toward what Roger Willians called a "spiritual rape" that coerces the conscience and produces "rivers of civil blood" that stain the record of human history.

Less dramatic but also lethal to freedom, and the chief menace to religious liberty today, is the expanding power of government control over personal behavior and the institutions of society, when the government acts not so much in deliberate hostility to, but in reckless disregard of, communal belief and personal conscience.

Thanks principally to the wisdom of the First Amendment, the American experience is different. But even in America where state-established orthodoxies are unlawful and the state is constitutionally limited, religious liberty can never be taken for granted. It is a rare achievement that requires constant protection.

3. The Most Nearly Perfect Solution

Knowing well that "nothing human can be perfect" (James Madison) and that the Constitution was not "a faultless work" (Gouverneur Morris), the Framers nevertheless saw the First Amendment as a "true remedy" and the most nearly perfect solution yet devised for properly ordering the relationship of religion and the state in a free society.

There have been occasions when the protections of the First Amendment have been overridden or imperfectly applied. Nonetheless, the First Amendment is a momentous decision for religious liberty, the most important political decision for religious liberty and public justice in the history of humankind. Limitation upon religious liberty is allowable only where the State has borne a heavy burden of proof that the limitation is justified—not by any ordinary public interest, but by a supreme public necessity—and that no less restrictive alternative to limitation exists.

The Religious Liberty clauses are a brilliant construct in which both No establishment and Free exercise serve the ends of religious liberty and freedom of conscience. No longer can sword, purse and sacred mantle be equated. Now, the government is barred from using religion's mantle to become a confessional State, and from allowing religion to use the government's sword and purse to become a coercing Church. In this new order, the freedom of the government from religious control and the freedom of religion from government control are a double guarantee of the protection of rights. No faith is preferred or prohibited; for where there is no state-definable orthodoxy, there can be no state-punishable heresy.

With regard to the reasons why the First Amendment Religious Liberty clauses are important for the nation today, we hold five to be preeminent:

1. The First Amendment Religious Liberty provision have both a logical and historical priority in the Bill of Rights.—They have logical priority because the security of all rights rests upon the recognition that they are neither given by the state, nor can they be taken away by the state. Such rights are inherent in the inviolability of the human person. History demonstrates that unless these rights are protected our society's slow, painful progress toward freedom would not have been possible.

2. The First Amendment Religious Liberty provisions lie close to the heart of the distinctiveness of the American experiment.—The uniqueness of the American way of disestablishment and its consequences have often been more obvious to foreign observers such as Alexis de Tocqueville and Lord James Bryce, who wrote that "Of all the differences between the Old world and the New, this is perhaps the most salient." In particular, the Religious Liberty clauses are vital to harnessing otherwise centrifugal forces such as personal liberty and social diversity, thus sustaining republican vitality while making possible a necessary measure of national concord.

3. The First Amendment Religious Liberty provisions are the democratic world's most salient alternative to the totalitarian repression of human rights and provide a corrective to unbridled natonalism and religious warfare around the world.

4. The First Amendment Religious Liberty provisions provide the United States' most distinctive answer to one of the world's most pressing questions in the late-twentieth century. They address the problem: How do we live with each other's deepest differences?—How do religious convictions and political freedom complement rather than threaten each other on a small planet in a pluralistic age? In a world in which bigotry, fanaticism, terrorism and the state control of religion are all to common responses to these questions, sustaining the justice and liberty of the American arrangement is an urgent moral task.

5. The First Amendment Religious Liberty provisions give American society a unique position in relation to both the First and Third worlds.—Highly modernized like the rest of the First World, yet not so secularized, this society—largely because of religious freedom—remains, like most of the Third World, deeply religious. This fact, which is critical for possibilities of better human understanding, has not been sufficiently appreciated in the American self-understanding, or drawn upon in American diplomacy and communication throughout the world.

In sum, as much if not more than any other single provision in the entire Constitution, the Religious Liberty provisions held the key to American distinctiveness and American destiny. Far from being settled by the interpretations of judges and historians, the last word on the First Amendment likely rests in a chapter yet to be written, documenting the unfolding drama of America. If religious liberty is neglected, all civil liberties will suffer. If it is guarded and sustained, the American experiment will be the more secure.

II. A TIME FOR REAPPRAISAL

Much of the current controversy about religion and politics neither refects the highest wisdom of the First Amendment nor serves the best interests of the disputants or the nation. We therefore call for a critical reappraisal of the course and consequences of such controversy. Four widespread errors have exacerbated the controversy needlessly.

1. The Issue Is Not Only What We Debate, But How

The debate about religion in public life is too ofter misconstrued as a clash of ideologies alone, pitting "secularists" against the "sectarians" or vice versa. Though competing and even contrary world views are involved, the controversy is not solely ideological. It also flows from a breakdown in understanding of how personal and communal beliefs should be related to public life.

The American republic depends upon the answers to two questions. By what ultimate truths ought we to live? And how should these be related to public life? The first question is personal, but has a public dimension because of the connection between beliefs and public virtue. The American answer to the first question is that the government is excluded from giving an answer. The second question, however, is thoroughly public in character, and a public answer is appropriate and necessary to the well-being of this society.

This second question was central to the idea of the First Amendment. The Religious Liberty provisions are not "articles of faith" concerned with the substance of particular doctrines or of policy issues. They are "articles of peace" concerned with the constitutional constraints and the shared prior understanding within which the American people can engage their differences in a civil manner and thus provide for both religious liberty and stable public government.

Conflicts over the relationshp between deeply held beliefs and public policy will remain a continuing feature of democratic life. They do not discredit the First Amendment, but confirm its wisdom and point to the need to distinguish the Religious Liberty clauses from the particular controversies they address. The clauses can never be divorced from the controversies they address, but should always be held distinct. In the public discussion, an open commitment to the constraints and standards of the clauses should precede and accompany debate over the controversies.

2. The Issue Is Not Sectarian, But National

The role of religion in American public life is too often devalued or dismissed in public debate, as though the American people's historically vital religious traditions

were at best a purely private matter and at worst essentially sectarian and divisive.

Such a position betrays a failure of civil respect for the convictions of others. It also underestimates the degree to which the Framers relied on the American people's religious convictions to be what Tocqueville described as "the first of their political institutions." In America, this crucial public role has been played by diverse beliefs, not so much despite disestablishment as because of disestablishment.

The Founders knew well that the republic they established represented an audacious gamble against long historical odds. This form of government depends upon ultimate beliefs, for otherwise we have no right to the rights by which it thrives, yet rejects any official formulation of them. The republic will therefore always remain an "undecided experiment" that stands or falls by the dynamism of its non-established faiths.

3. The Issue Is Larger Than the Disputants

Recent controversies over religion and public life have too often become a form of warfare in which individuals, motives and reputations have been impugned. The intensity of the debate is commensurate with the importance of the issues debated, but to those engaged in this warfare we present two arguments for reappraisal and restraint.

The lesser argument is one of expediency and is based on the ironic fact that each side has become the best argument for the other. One side's excesses have become the other side's arguments; one side's extremists the other side's recruiters. The danger is that, as the ideological warfare becomes self-perpetuating, more serious issues and broader national interests will be forgotten and the bitterness deepened.

The more important argument is one of principle and is based on the fact that the several sides have pursued their objectives in ways which contradict their own best ideals. Too often, for example, religious believers have been uncharitable, liberals have been illiberal, conservatives have been insensitive to tradition, champions of tolerance have been intolerant, defenders of free speech have been censorious, and citizens of a republic based on democratic accommodation have succumbed to a habit of relentless confrontation.

4. The Issue Is Understandably Threatening

The First Amendment's meaning is too often debated in ways that ignore the genuine grievances or justifiable fears of opposing points of view. This happens when the logic of opposing arguments favors either an unwarranted intrusion of religion into public life or an unwarranted exclusion of religion from it. History plainly shows that with religious control over government, political freedom dies; with political control over religion, religious freedom dies.

The First Amendment has contributed to avoiding both these perils, but this happy experience is no cause for complacency. Though the United States has escaped the worst excesses experienced elsewhere in the world, the republic has shown two distinct tendencies of its own, one in the past and one today.

In earlier times, though lasting well into the twentieth century, there was a de facto semi-establishment of one religion in the United States: a generalized Protestantism given dominant status in national institutions, especially in the public schools. This development was largely approved by Protestants, but widely opposed by non-Protestants, including Catholics and Jews.

In more recent times, and partly in reaction, constitutional jurisprudence has tended, in the view of many, to move toward the de facto semi-establishment of a wholly secular understanding of the origin, nature and destiny of humankind and of the American nation. During this period, the exclusion of teaching about the role of religion in society, based partly upon a misunderstanding of First Amendment decisions, has ironically resulted in giving a dominant status to such wholly secular understandings in many national institutions. Many secularists appear as unconcerned over the consequences of this development as were Protestants unconcerned about their de facto establishment earlier.

Such de facto establishments, though seldom extreme, usually benign and often unwitting, are the source of grievances and fears among the several parties in current controversies. Together with the encroachments of the expanding modern state, such de facto establishments, as much as any official establishment, are likely to remain a threat to freedom and justice for all.

Justifiable fears are raised by those who advocate theocracy or the coercive power of law to establish a "Christian America." While this advocacy is and should be legally protected, such proposals contradict freedom of conscience and the genius of the Religious Liberty provisions.

At the same time there are others who raise justifiable fears of an unwarranted exclusion of religion from public life. The assertion of moral judgments as through they were morally neutral, and intepretations of the "wall of separation" that would exclude religious expression and argument from public life, also contradict freedom of conscience and the genius of the provisions.

Civility obliges citizens in a pluralistic society to take great care in using words and casting issues. The communications media have a primary role, and thus a special responsibility, in shaping public opinion and debate. Words such as public, secular and religious should be free from discriminatory bias. "Secular purpose," for example, should not mean "non-religious purpose" but "general public purpose." Otherwise, the impression is gained that "public is equivalent to secular; religion is equivalent to private." Such equations are neither accurate nor just. Similarly, it is false to equate "public" and "governmental." In a society that sets store by the necessary limits on government, there are many spheres of life that are public but non-governmental.

Two important conclusions follow from a reappraisal of the present controveries over religion in public life. First, the process of adjustment and readjustment to the contraints and standards of the Religious Liberty provisons is an ongoing requirement of American democracy. The Constitution is not a self-interpreting, self-executing document; and the prescriptions of the Religious Liberty provisions cannot by themselves resolve the myriad confusions and ambiguities surrounding the right ordering of the relationship between religion and government in a free society. The Framers clearly understood that the Religious Liberty provisions provide the legal construct for what must be an ongoing process of adjustment and mutual give-and-take in a democracy.

We are keenly aware that, especially over state-supported education, we as a people must continue to wrestle with the complex connections between religion and the transmission of moral values in a pluralistic society. Thus, we cannot have, and should not seek, a definitive, once for all solution to the questions that will continue to surround the Relgious Liberty provisions.

Second, the need for such a readjustment today can best be addressed by remembering that the two clauses are essentially one provision for preserving religious liberty. Both parts, No establishment and Free exercise, are to be comprehensively understood as being in the service of religious liberty as a positive good. At the heart of the Establishment clause is the prohibition of state sponsorship of religion and at the heart of Free Exercise clause is the prohibition of state interference with religious liberty.

No sponsorship means that the state must leave to the free citizenry the public expression of ultimate beliefs, religious or otherwise, providing only that no expression is excluded from, and none governmentally favored, in the continuing democratic discourse.

No interference means the assurance of voluntary religious expression free from governmental intervention. This includes placing religious expression on an equal footing with all other forms of expression in genuinely public forums.

No sponsorship and no interference together mean fair opportunity. That is to say, all faiths are free to enter vigorously into public life and to exercise such influence as their followers and ideas engender. Such democratic exercise of influence is in the best tradition of American voluntarism and is not an unwarranted "imposition" or "establishment."

III. A TIME FOR RECONSTITUTION

We believe, finally, that the time is ripe for a genuine expansion of democratic liberty, and that this goal may be attained through a new engagement of citizens in a debate that is reordered in accord with constitutional first principles and considerations of the common good. This amounts to no less than the reconstitution of a free republican people in our day. Careful consideration of three precepts would advance this possibility.

1. The Criteria Must Be Multiple

Reconstitution requires the recognition that the great dangers in interpreting the Constitution today are either to release interpretation from any demanding criteria or to narrow the criteria excessively. The first relaxes the necessary restraining force of the Constitution, while the second overlooks the insights that have arisen from the Constitution in two centuries of national experience.

Religious liberty is the only freedom in the First Amendment to be given two provisions. Together the clauses form a strong bulwark against suppression of religious liberty, yet they emerge from a series of dynamic tensions which cannot ultimately be relaxed. The Religious Liberty provisions grow out of an understanding not only of rights and a due recognition of faiths but of realism and a due recognition of factions. They themselves reflect both faith and skepticism. They raise questions of equality and liberty, majority rule and minority rights, individual convictions and communal tradition.

The Religious Liberty provisions must be understood both in terms of the Framers' intentions and history's sometimes surprising results. Interpreting and applying them today requires not only historical research but moral and political reflection.

The intention of the Framers is therefore a necessary but insufficient criterion for in-

terpreting and applying the Constitution. But applied by itself, without any consideration of immutable principles of justice, the intention can easily be wielded as a weapon for governmental or sectarian causes, some quoting Jefferson and brandishing. No establishment and others citing Madison and brandishing Free exercise. Rather, we must take the purpose and text of the Constitution seriously, sustain the principles behind the words and add an appreciation of the many-sided genius of the First Amendment and its complex development over time.

2. The Consensus Must Be Dynamic

Reconstitution requires a shared understanding of the relationship between the Constitution and the society it is to serve. The Framers understood that the Constitution is more than parchment and ink. The principles embodied in the document must be affirmed in practice by a free people since these principles reflect everything that constitutes the essential forms and substance of their society—the institutions, customs and ideals as well as the laws. Civic vitality and the effectiveness of law can be undermined when they overlook this broader cultural context of the Constitution.

Notable, in this connection is the striking absence today of any national consensus about religious liberty as a positive good. Yet religious liberty is indisputably what the Framers intended and what the First Amendment has preserved. Far from being a matter of exemption, exception or even toleration, religious liberty is an inalienable right. Far from being a sub-category of free speech or a constitutional redundancy, religious liberty is distinct and foundational. Far from being an individual right, religious liberty is a positive social good. Far from denigrating religion as a social or political "problem," the separation of Church and State is both the saving of religion from the temptation of political power and an achievement inspired in large part by religion itself. Far from weakening religion, disestablishment has, as an historical fact, enabled it to flourish.

In light of the First Amendment, the government should stand in relation to the churches, synagogues and other communities of faith as the guarantor of freedom. In light of the First Amendment, the churches, synagogues and other communities of faith stand in relation to the government as generators of faith, and therefore contribute to the spiritual and moral foundations of democracy. Thus, the government acts as a safeguard, but not the source, of freedom for faiths, whereas the churches and synagogues act as a source, but not the safeguard, of faiths for freedom.

The Religious Liberty provisions work for each other and for the federal idea as a whole. Neither established nor excluded, neither preferred nor proscribed, each faith (whether transcendent or naturalistic) is brought into a relationship with the government so that each is separated from the state in terms of its institutions, but democratically related to the state in terms of individuals and its ideas.

The result is neither a naked public square where all religion is excluded, nor a sacred public square with any religion established or semi-established. The result, rather is a civil public square in which the citizens of all religious faiths, or none, engage one another in the continuing democratic discourse.

3. The Compact Must Be Mutual

Reconstitution of a free republican people requires the recognition that religious liberty is a universal right joined to a universal duty to respect that right.

In the turns and twists of history, victims of religious discrimination have often later become perpetrators. In the famous image of Roger Williams, those at the helm of the Ship of State forget they were once under the hatches. They have, he said, "One weight for themselves when they are under the hatches, and another for others when they come to the helm." They show themselves, said James Madison, "as ready to set up an establishment which is to take them in as they were to pull down that which shut them out." Thus, benignly or otherwise, Protestants have treated Catholics as they were once treated, and secularists have done likewise with both.

Such inconsistencies are the natural seedbed for the growth of a de facto establishment. Against such inconsistencies we affirm that a right for one is a right for another and a responsibility for all. A right for a Protestant is a right for an Orthodox is a right for a Catholic is a right for a Jew is a right for a Humanist is a right for a Mormon is a right for a Muslim is a right for a Buddhist—and for the followers of any other faith within the wide bounds of the republic.

That rights are universal and responsibilities mutual is both the premise and the promise of democratic pluralism. The First Amendment, in this sense, is the epitome of public justice and serves as the golden rule for civic life. Rights are best guarded and responsibilities best exercised when each person and group guards for all others those rights they wish guarded for themselves. Whereas the wearer of the English crown is officially the Defender of the Faith, all who uphold the American Constitution are defenders of the rights of all faiths.

From this axiom, that rights are universal and responsibilities mutual, derives guidelines for conducting public debates involving religion in a manner that is democratic and civil. These guidelines are not, and must not be, mandated by law. But they are, we believe, necessary to reconstitute and revitalize the American understanding of the role of religion in a free society.

First, those who claim the right to dissent should assume the responsibility to dabate: Commitment to democratic pluralism assumes the coexistence within one political community of groups whose ultimate faith commitments may be compatible, yet whose common commitment to social unity and diversity does justice to both the requirements of individual conscience and the wider community. A general consent to the obligations of citizenship is therefore inherent in the American experiment, both as a founding principle ("We the people") and as a matter of daily practice.

There must always be room for those who do not wish to participate in the public ordering of our common life, who desire to pursue their own religious witness separately as conscience dictates. But at the same time, for those who wish to participate, it should be understood that those claiming the right to dissent should assume the responsibility to debate. As this responsibility is exercised, the characteristic American formula of individual liberty complemented by respect for the opinions of others permits differences to be asserted, yet a broad, active community of understanding to be sustained.

Second, those who claim the right to criticize should assume the responsibility to comprehend: One of the ironies of democratic life is that freedom of conscience is jeopardized by false tolerance as well as by outright intolerance. Genuine tolerance considers contrary views fairly and judges them on merit. Debased tolerance so refrains from making any judgment that it refuses to listen at all. Genuine tolerance honestly weighs differences and promotes both impartiality and pluralism. Debased tolerance results in indifference to the differences that vitalize a pluralistic democracy.

Central to the difference between genuine and debased tolerance is the recognition that peace and truth must be held in tension. Pluralism must not be confused with, and is in fact endangered by, philosophical and ethical indifference. Commitment to strong, clear philosophical and ethical ideas need not imply either intolerance or opposition to democratic pluralism. On the contrary, democratic pluralism requires an agreement to be locked in public argument over disagreements of consequence within the bonds of civility.

The right to argue for any public policy is a fundamental right for every citizen; respecting that right is a fundamental responsibility for all other citizens. When any view is expressed, all must uphold as constitutionally protected its advocate's right to express it. But others are free to challenge that view as politically pernicious, philosophically false, ethically evil, theologically idolatrous, or simply absurd, as the case may be seen to be.

Unless this tension between peace and truth is respected, civility cannot be sustained. In that event, tolerance degenerates into either apathetic relativism or a dogmatism as uncritical of itself as it is uncomprehending of others. The result is a general corruption of principled public debate.

Third, those who claim the right to influence should accept the responsibility not to inflame: Too often in recent disputes over religion and public affairs, some have insisted that any evidence of religious influence on public policy represents an establishment of religion and is therefore precluded as an improper "imposition." Such exclusion of religion from public life is historically unwarranted, philosophically inconsistent and profoundly undemocratic. The Framers' intention is indisputably ignored when public policy debates can appeal to the thesis of Adam Smith and Karl Marx, or Charles Darwin and Sigmund Freud but not to the Western religious tradition in general and the Hebrew and Christian Scriptures in particular. Many of the most dynamic social movements in American history, including that of civil rights, were legitimately inspired and shaped by religious motivation.

Freedom of conscience and the right to influence public policy on the basis of religiously informed ideas are inseverably linked. In short, a key to democratic renewal is the fullest possible participation in the most open possible debate.

Religious liberty and democratic civility are also threatened, however, from another quarter. Overreacting to an improper veto on religion in public life, many have used religious language and images not for the legitimate influencing of policies but to inflame politics. Politics is indeed an extension of ethics and therefore engages religious principles; but some err by refusing to recognize that there is a distinction, though not a separation, between religion and politics. As a result, they bring to politics a misplaced absoluteness that idolizes politics, "Satanizes" their enemies and politicizes their own faith.

Even the most morally informed policy positions involve prudential judgments as well as pure principle. Therefore, to make an absolute equation of principles and policies inflates politics and does violence to reason, civil life and faith itself. Politics has recently been inflamed by a number of confusions: the confusion of personal religious affiliation with qualification or disqualification for public office; the confusion of claims to divine guidance with claims to divine endorsement; and the confusion of government neutrality among faiths with government indifference or hostility to religion.

Fourth, those who claim the right to participate should accept the responsibility to persuade: Central to the American experience is the power of political persuasion. Growing partly from principle and partly from the pressures of democratic pluralism, commitment to persuasion is the corollary of the belief that conscience is inviolable, coercion of conscience is evil, and the public interest is best served by consent hard won from vigorous debate. Those who believe themselves privy to the will of history brook no arguement and need never tarry for consent. But to those who subscribe to the idea of government by the consent of the governed, compelled beliefs are a violation of first principles. The natural logic of the Religious Liberty provisions is to foster a political culture of persuasion which admits the challenge of opinions from all sources.

Arguments for public policy should be more than private convictions shouted out loud. For persuasion to be principled, private convictions should be translated into publicly accessible claims. Such public claims should be made publicly accessible for two reasons: first, because they must engage those who do not share the same private convictions, and second, because they should be directed toward the common good.

RENEWAL OF FIRST PRINCIPLES

We who live in the third century of the American republic can learn well from the past as we look to the future. Our Founders were both idealists and realists. Their confidence in human abilities was tempered by their skepticism about human nature. Aware of what was new in their times, they also knew the need for renewal in times after theirs. "No free government, or the blessings of liberty," wrote George Mason in 1776, "can be preserved to any people, but by a firm adherence to justice, moderation, temperance, frugality, and virtue, and by frequent recurrence to fundamental principles."

True to the ideals and realism of that vision, we who sign this Charter, people of many and various beliefs, pledge ourselves to the enduring precepts of the First Amendment as the cornerstone of the American experiment in liberty under law.

We address ourselves to our fellow citizens, daring to hope that the strongest desire of the greatest number is for the common good. We are firmly persuaded that the principles asserted here require a fresh consideration, and that the renewal of religious liberty is crucial to sustain a free people that would remain free. We therefore commit ourselves to speak, write and act according to this vision and these principles. We urge our fellow citizens to do the same.

To agree on such guiding principles and to achieve such a compact will not be easy. Whereas a law is a command directed to us, a compact is a promise that must proceed freely from us. To achieve it demands a measure of the vision, sacrifice and perseverance shown by our Founders. Their task was to defy the past, seeing and securing religious liberty against the terrible precedents of history. Ours is to challenge the future, sustaining vigilance and broadening protections against every new menace, including that of our own complacency. Knowing the unquenchable desire for freedom, they lit a beacon. It is for us who know its blessings to keep it burning brightly.

INTRODUCTION OF LEGISLATION TO PROVIDE ADDITIONAL HOUSING ASSISTANCE TO THOSE AREAS AFFECTED BY THE LOMA PRIETA EARTHQUAKE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I rise today to introduce legislation that will provide much needed housing assistance to those affected by the Loma Prieta earthquake. I am pleased that my colleague, ESTEBAN TORRES is joining me in introducing this bill.

While emergency housing assistance is available to the victims of natural disasters, there seems to be a shortfall of assistance available to rebuild affordable housing. The legislation that I have introduced would provide this much needed assistance.

Prior to the earthquake Santa Cruz, Monterey, and San Benito Counties were already suffering a severe housing problem. Many of my constituents traveled to Washington to participate in the "Housing Now March" to show their deep concern for the housing problems in their communities. In the aftermath of the earthquake the housing problems in this area have become even more desperate.

Reports from my district indicate that over 600 homes were destroyed and 1,800 were seriously damaged. Hundreds of people have been displaced. Many of those are still living in tents in Watsonville because there is no affordable housing available for relocation. Others, many of whom are senior citizens, will not be able to move back to their homes because the buildings that they lived in cannot be repaired. Clearly, the housing needs of these areas has reached a crisis level.

The Santa Cruz County Housing Authority has contacted me regarding their urgent need for additional section 8 vouchers or certificates and additional section 8 mod. rehab. funding. I am concerned that the affordable housing that was available before the earthquake will not be able to be rebuilt as affordable and that this will add to the already difficult housing situation. Without assistance to make the necessary repairs to buildings, landlords will be forced to raise rents. With assistance these landlords will be able to continue to provide affordable housing in an area with a severe housing problem. In conjunction with assistance for landlords, the county is in need of section 8 vouchers and certificates to help those displaced by the earthquake find alternative housing. Because of the high rents in the county section 8 assistance is vital.

In addition, a large amount of farmworker housing was destroyed. This housing is generally in poor repair and overcrowded. The problem is that the housing was not built for yearround use by families. However, that is exactly how the housing is used. Most of the families that live in this substandard housing cannot afford to make the needed repairs to make the housing livable. This legislation would make additional Farmers Home Administration funding available for the repair and construction of rural housing for the farmworker families displaced by the earthquake.

Finally, this legislation provides the Secretary of Housing and Urban Development with additional authority to redirect community development block grant [CDBG] funding to entitlement cities affected by natural disasters. One of the problems faced by the cities in my district in the aftermath of the earthquake is a lack of funding to carry out projects that were intended to be started shortly after the earthquake hit. Because of the need for many emergency measures these cities do not have the available funds to carry out these projects. In some cases these projects would provide long-term assistance to those affected by the earthquake. One example is a low-income housing project that is being built by a local nonprofit agency. Part of the planning for this project that will provide 130 units of low-income housing includes the building of storm drains by the city. However, the city does not now have enough money to pay for the repair work that needs to be done and for building the storm drains. Without the drains, the project cannot be built and 130 additional units of low-income housing will be lost.

The earthquake that hit California on October 17, 1989, has changed the lives of thousands of people. Many will not be able to resume a normal life for sometime to come. We, as a nation, have always shown compassion to those whose lives have been disrupted by a disaster. The people of California are grateful for the assistance that the American people have provided since the earthquake, but when the headlines end and the Nation's attention turns to another subject, the victims of the earthquake will be left with problems still unsolved. This legislation provides assistance for long-term permanent solutions to help these communities rebuild and revitalize. I urge you to support this measure.

H.R. ——

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATES AND VOUCHERS.

The budget authority available under section 5(c) of the United States Housing Act of 1937 (42 U.S.C. 1437c(c)) for assistance under the certificate and voucher programs under sections 8 (b) and (o) of such Act is authorized to be increased in any fiscal year in which a major disaster is declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in such amount as may be necessary to provide assistance under such programs for individuals and families whose housing has been damaged or destroyed as a result of such disaster.

SEC. 2. MODERATE REHABILITATION.

The budget authority available under section 5(c) of the United States Housing Act of 1937 (42 U.S.C. 1437c(c)) for assistance under the moderate rehabilitation program

under section 8(e)(2) of such act is authorized to be increased in any fiscal year in which a major disaster is declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in such amounts as may be necessary to provide assistance under such programs for individuals and families whose housing has been damaged or destroyed as a result of such disaster.

SEC. 3. COMMUNITY DEVELOPMENT.

(a) COMMUNITY DEVELOPMENT BLOCK GRANTS.—Section 106(c) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306) is amended—

(1) in paragraph (1), by striking "paragraph (2)," and inserting "paragraphs (2) and (4),"; and

(2) by adding at the end the following new paragraph:

"(4)(A) Notwithstanding paragraph (1), in the event of a major disaster declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, the Secretary shall make available, to metropolitan cities and urban counties located or partially located in the areas affected by the disaster, any amounts that become available as a result of actions under section 104(e) or 111.

"(B) In using any amounts that become available as a result of actions under section 104(e) or 111, the Secretary shall give priority to providing emergency assistance under this paragraph.

"(C) The Secretary may provide assistance to any metropolitan city or urban county under this paragraph only to the extent necessary to meet emergency community development needs, as the Secretary shall determine (subject to subparagraph (D)), of the city or county resulting from the disaster that are not met with amounts otherwise provided under this title, the Robert T. Stafford Disaster Relief and Emergency Assistance Act, and other sources of assistance.

"(D) Amounts provided to metropolitan cities and urban counties under this paragraph may be used only for eligible activities under section 105.

"(E) The Secretary shall provide for applications (or amended applications and statements under section 104) for assistance under this paragraph.

"(F) A metropolitan city or urban county eligible for assistance under this paragraph may receive such assistance only in each of the fiscal years ending during the 3-year period beginning on the date of the declaration of the disaster by the President.

"(G) This paragraph may not be construed to require the Secretary to reserve any amounts that become available as a result of actions under section 104(e) or 111 for assistance under this paragraph if, when such amounts are to be reallocated under paragraph (1), no metropolitan city or urban county qualifies for assistance under this paragraph.".

(b) URBAN DEVELOPMENT ACTION GRANTS.—

(1) IN GENERAL.—Section 119(g) of the Housing and Community Development Act of 1974 (42 U.S.C. 5318(g)) is amended—

(A) by inserting "(1)" after "(g)"; and

(B) by adding at the end the following new paragraph:

(2)(A) Notwithstanding subsection (d)(5)(B)(iii), in the event of a major disaster declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, the Secretary shall make available, to cities and urban counties eligible under subsection (b) for grants under this section that are located or partially located in the areas affected by the disaster, any amounts that are recaptured from previous grants.

"(B) In using any recaptured amounts, the Secretary shall give priority to providing emergency assistance under this paragraph.

"(C) The Secretary may provide assistance to any city or urban county under this paragraph only to the extent necessary to meet emergency urban development needs, as the Secretary shall determine (subject to subparagraph (D)), of the city or county resulting from the disaster that are not met with amounts otherwise provided under this title, the Robert T. Stafford Disaster Relief and Emergency Assistance Act, and other sources of assistance.

"(D) Amounts provided to cities and urban counties under this paragraph may be used only for eligible activities under this section.

"(E) The Secretary shall provide for applications (or amended applications under subsection (c)) for assistance under this paragraph.

"(F) A city or urban county eligible for assistance under this paragraph may receive such assistance only in each of the fiscal years ending during the 3-year period beginning on the date of the declaration of the disaster by the President.

"(G) This paragraph may not be construed to require the Secretary to reserve any recaptured amounts for assistance under this paragraph if, when such amounts are to be included in a competition pursuant to subsection (d)(5), no city or urban county qualifies for assistance under this paragraph.".

(2) CONFORMING AMENDMENT.—Section 119(d)(5)(B)(iii) of the Housing and Community Development Act of 1974 (42 U.S.C. 5318(d)(5)(iii)) is amended by striking the period at the end and inserting the following: "and have not been awarded under subsection (g)(2).".

SEC. 4 RURAL HOUSING.

Title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.) is amended by adding the end the following new section:

"DISASTER ASSISTANCE

"SEC. 536. (a) AUTHORITY.—

"(1) IN GENERAL.—Notwithstanding any other provision of this title, in the event of a natural disaster, so declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, the Secretary shall allocate, for assistance under this section to the States affected for use in the counties designated as disaster areas and the counties contiguous to such counties, amounts available under this title. Allocations under this section shall be made for each of the fiscal years ending during the 3-year period beginning on the declaration of the disaster by the President.

"(2) AMOUNT.—Subject to the availability of amounts pursuant to appropriations Acts, assistance under paragraph (1) shall be made in an amount equal to the product of—

"(A) the sum of the official State estimate of the number of dwelling units in the counties described in paragraph (1) within the eligible service area of the Farmers Home Administration (or otherwise if the Secretary provides for a waiver under subsection (d)) that are destroyed or seriously damaged; and

"(B) 20 percent of the average cost of all dwelling units assisted by the Secretary in the State during the previous 3 years.

"(b) USE.—The assistance made available under this section may be used for the housing purposes authorized under this title, and the Secretary shall issue such regulations as may be necessary to carry out this section to assure the prompt and expeditious use of such funds for the restoration of decent, safe, and sanitary housing within the area described in subsection (a)(1).

"(c) ELIGIBILTY.—Notwithstanding any other provision of this title, assistance allocated under this section shall be available to units of general local government and their agencies and to local nonprofit organizations, agencies, and corporations for the construction or rehabilitation of housing for agricultural employees and their families.

"(d) WAIVER OF RURAL AREA REQUIREMENTS.—The Secretary may waive the application of the provisions of section 520 with respect to assistance under this section, as the Secretary considers appropriate.

"(e) RURAL HOUSING INSURANCE FUND.—The Secretary is authorized to advance from the Rural Housing Insurance Fund such sums as may be necessary to meet the requirements of subsection (a)(1).".

HIGHER EDUCATION POLICY ITEMS IN THE BUDGET RECONCILIATION REPORT WILL MAKE BAD POLICY FOR STUDENTS, SCHOOLS, AND TAXPAYERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 60 minutes.

Mr. GAYDOS. Mr. Speaker, later this week, the House will take up the conference report on budget reconciliation. While I cannot speak for or against the report as a whole, there is a portion of it that, in its current form, will destroy a vital and necessary segment of the higher education community.

Within the budget reconciliation conference report, there is a section that purports to save almost $40 million in budget outlays for fiscal year 1990, but which really is a thinly veiled attempt to reduce access and choice for young people who want to attend career training schools rather than more traditional academic 2- and 4-year education programs by making it more difficult for them to get student aid.

The subconference committee dealing with that issue is on the verge of offering a laundry list of items that are less directed toward those savings as required by the Budget Committee than they are at radically changing current policies on student aid.

I have attached the full list of items with the potential savings of each, as calculated by the Congressional Budget Office. As you can see, overall, there is little to commend them as savings. Some do make sense as management tools to improve the flow of dollars to students and schools while providing better controls over those dollars, but three items are out-and-out threats to the futures of thousands of

young people hoping to break the chains of poverty.

Let me briefly cite those three that demonstrate what I mean and then go into greater detail.

The first item says that students who plan to attend career training schools having a student loan default rate of more than 30 percent would not be eligible to participate in the Supplemental Loan for Students Program [SLS].

The second item says that students must have either a high school diploma or a general equivalency diploma [GED] in order to be eligible to participate in the SLS Program.

And, the third item says the amount of SLS money available to students depends solely on the length of the training program.

While each of these items by itself will have tragic consequences, the combination will prove devastating to just those students who desperately need this kind of career training.

I am a member of the subconference committee on student aid, but cannot—and will not—put my name to any document which I believe is fundamentally flawed.

It is flawed for two reasons. First, and foremost, it will make it far more difficult for too many Americans who want and need specialized career training to get it. This, quite frankly, is just the opposite message we should be sending to those Americans who want to work, but don't have the skills; who want to learn a trade, but don't want to spend years combining academic and career work.

Second, but no less important, this agreement is a backdoor method of making a major policy change—without giving the parties involved an opportunity to speak on the issue.

If we were making significant budget savings by this package of adjustments to the higher education student aid formula, it might have some redeeming value. But it does not do that and, therefore, I must view this agreement as nothing more than the first attempt to eliminate the career training segment of higher education from eligibility in the entire student loan program.

By limiting access for students who are not interested in academic education to only academic programs, we will not only be selling them short, we will be affecting other Federal programs as well.

A 1989 report done by Shearson Lehman Hutton argues that any limitations on access to higher education programs, including, and especially, career training, will cost dramatically more in terms of other Federal programs such as welfare, food stamps, women and infant care, housing, and health care.

According to their report, taxpayers save $17,938 per student per year for every American who finishes a training program and gets a job earning $15,000. This money is saved as follows: family welfare benefits—$6,000; food stamps—$1,908; women and infant care—$480; housing—$7,200; and Medicaid—$500. In addition, the taxes generated by that $15,000 job is equal to $1,850.

These savings will quickly dwindle, become nonexistent and then turn into costs if students don't have access to those programs that will teach them the skills they need to get better jobs more quickly.

And, please keep in mind that I'm not talking about just a handful of students here.

Last year, for example, 1.2 million students earned certificates from career training schools as compared to 998,000 students who earned bachelor degrees at colleges and universities.

These 1.2 million students deliberately chose career training over academic programs because they wanted to learn a skill as quickly as possible so they could get into the job market with more practical hands-on training.

The students who choose a career training program are more likely to be older than traditional students—46 percent of them over the age of 25—and more likely to be financially independent of their parents—54 percent of them. Further, 71 percent of first-time career training school students have children and half of them are single parents.

Career training schools also educate a higher percentage of women than any post-secondary sector—78 percent—and minorities comprise 40 percent of the schools' enrollments.

For these students and many others, Federal student aid programs are the only opportunity they have, the single factor that enables them to change their circumstances.

The basic assistance programs are Pell grants, Stafford Guaranteed Student Loans [GSL], Supplemental Loans for Students [SLS], and parent loans [PLUS].

While original thinking behind these Federal assistance programs was to use grants for students coming from poorer backgrounds and loans for students whose families just needed some assistance, during the 1980's, Federal education policy has changed so that there has been considerably more dependence on loans overall.

There are many of us who believe we must change that system, that we must return to the original concept of grants for less economically secure students and loans for those somewhat better off.

I support those efforts, but I am also a realist. While our hope is to restructure the student aid system, it is unlikely to become reality in the immediate future.

So the question is: Where do we go from here? Do we make the commitment to keep the available loan programs open so that students will have access to the institution of higher education of their choice, or do we tell them that because too many previous students who attended a particular school didn't repay their loans, they either can't get the aid to go there, or they have to go somewhere else—assuming they can find the program they want, offered in the timeframe they desire.

Those students can rely on only two programs, both are loans—the GSL and the SLS.

The GSL is available to students on the basis on need. This takes into consideration how much the student and student's family earnes, what they can be expected to pay for the student's education, and how much the program of study will cost.

The GSL also offers a low interest rate—8 percent—and doesn't become payable until 6 to 9 months after the student leaves school.

Independent students, roughly 54 percent of the career training enrollment, are eligible for SLS loans. It is not based on need, is offered at market rate—about 12 percent—but comes due 60 days after it is issued. Students who receive a GSL can also get an SLS to help defray additional costs of their education.

Right now, first and second year students are eligible for $2,600 under a GSL and $4,000 under an SLS in a given year.

If we accept the policy changes in the subconference report, this will change. We will continue to allow students eligibility for the SLS loan provided they go to the right school and have a high school diploma or a GED. Unfortunately, that means that too many students will lose whatever chance exists to escape from a life of poverty and despair.

How often have we heard or read about some person who dropped out of high school to help support his or her family or to raise a family only to decide later in life to return to school to get that piece of paper? Are we saying to them that they don't count, that a piece of paper is more important than their immediate need? Have we lost all of our compassion and concern for those Americans who want to work, but for a variety of reasons have dropped out of high school before completing the program?

We say we are concerned about the amount of indebtedness these students assume, so the subconference has determined that the amount of the loan will depend on the length of the program. Thus, a person choosing to attend a course of less than 600 hours, a truck driver training program, for

example, is eligible to receive an SLS loan of only $1,500.

If the student is planning to attend a program of between 600 and 900 hours, he or she would be eligible for $2,500 in SLS funds, and if the student is lucky and attends a course of more than 900 hours, a maximum amount of $4,000 is available.

So here we go again, cutting off just those students who will benefit most. Dependent students who need more than the $2,600 maximum under GSL, can go to their parents and ask them to help.

The parents have several options. They can take a PLUS loan, which is very similar to the SLS program in interest rates and payment structure, or they may have the option of going to an employer-funded system of student aid, or, if they own their own home and have a reasonable amount of equity in it, they can borrow against that equity—and even deduct the loan interest.

The independent student, however, does not have those options. Generally, the SLS loan is the loan of last resort. So whom are we hurting? Middle-class kids? No. We are hurting just those students who need the help—the older student, the single parent who either wants to get training for entry into the work force or wants to learn new skills for better paying jobs.

We already throw students who want to attend career training programs into another class by making them ineligible for the Pell grants when the course of study is less than 600 hours, so now we make it even more difficult since a number of career training programs are less than 600 hours.

The average income of students who qualify for a Pell grant was $9,236 for 1987–88 while the average income of 47 percent of the students who attended career training schools was less than $11,000.

By requiring students to have GED's before they are eligible for an SLS loan, we will be forcing these students, who have already dropped out of an academic environment once before, back into that same academic environment.

We will be telling those students who do not want an academic education that we don't believe they can benefit enough from career training, despite reports from most researchers who feel such programs are ideal for students who don't do well in an academic program.

They don't want to be teachers, accountants, or lawyers. They want to be truck drivers, electricians, secretaries, dental assistants on paralegals. They want to learn the exact skills they will need to do a job well and to become productive members of our society.

We will also be telling those students that we don't think they can benefit enough from career training to enable them to get off welfare, get a good paying job, and attempt to make a better life for themselves and their families. And many of the students I'm talking about have families they have to support while they go to school.

Tuition costs are increasing at career schools just as at all other post-secondary schools but the tuitions at career schools aren't rising at such an outrageous pace as some people insist. A survey by the Association of Independent Colleges and Schools reveals the average cost of tuition for career schools in 1988–89 is $4,433. Their tuition increased 12.2 percent since 1984–85 in real terms. But that 12.2-percent increase should be compared to the 30-plus-percent increase for private, not-for-profit colleges and universities.

As I just noted, the average tuition at career schools is $4,433 and the maximum GSL for first and second year students is $2,625. If the SLS loan is not available to these students who just want to learn a skill, they won't be able to do it. They won't have the money needed to pay for the training that would lead to a better job.

Since 47 percent of students who attended career schools last year had an income of less than $11,000, many of these students need the SLS loan to cover the living expenses for them and, often times, their families while they attend school. These are people who cannot afford to attend school without having some means to pay the bills for the length of the training program. These are also people who barely make enough money to cover their expenses from one month to the next, much less be able to save up enough money so they can pay their living expenses and the cost of their education while they study.

Without access to the SLS loan, they will be stuck doing whatever they can to get by, or, worse yet, stuck on welfare and other Federal programs.

If this isn't bad enough, we will be moving even farther in the wrong direction by accepting the policy changes in this package because it will limit access to career training programs themselves, even for those Americans who have a GED.

And that brings us to that part of the budget savings program that would eliminate schools with more than a 30 percent default rate from participation in the SLS Program.

First, let me explain how the default rate is calculated. If just one student in a given institution of higher learning gets a loan and fails to begin repayment within a certain term after the loan becomes due, that school is then charged with a 100-percent default rate.

It makes no difference whether that student has dropped out of the program before its completion or whether the program has been completed. The school, according to almost everyone, is in the wrong—especially if it is a career training school.

Now, if two students at an institution get loans, and one repays the loan while the other one does not, the default rate is 50 percent. It doesn't make any difference what the amount of the dollars in default are, only the number of loans that are not being repaid on schedule.

Second, the calculated default rate we are using includes defaulted Stafford GSL loans only or both GSL and SLS loans. The Department of Education says it cannot give us separate default rates for GSL and SLS.

That, to me, seems a little strange since I have heard from several schools that have been able to give me the separate default rate numbers—that they received from the Department of Education.

One such school, Dickinson Business College told me that its combined default rate was about 42 percent. Its SLS default rate, as calculated by the Department, was about 14 percent.

The people at Dickinson told me that because SLS loans go into repayment 60 days after being granted, they have a better chance to ensure that those loans are repaid, because the student is still in the program. The GSL loan doesn't become due for repayment until 6 to 9 months after the student leaves or completes the program.

This arbitrary cutoff for loan defaults combines GSL and SLS loans and is detrimental to many smaller schools, most of which are career training schools; 1983 figures supplied by the General Accounting Office illustrated just how detrimental this will be.

In 1983 there were 112 schools rated as having a 100-percent default rate with only one loan in default. There were 92 schools listed in the same GAO report that had only 1 loan in default, but were rated as having a 50 percent default rate. Now if three students at an institution got loans and only one did not repay it, the default rate would be 33⅓ percent.

Thus the 30 percent cut off really doesn't make any sense.

The amount of money involved in these types of defaults varies from $348 to $5,000 at schools with the 100-percent default rate and from $350 to $15,000 at schools with the 50 percent default rate. These amounts are a drop in the bucket compared to bigger schools who have millions of dollars in default but may have a low default rate.

According to that same 1983 GAO report, for example, the University of

Maryland and Rutgers University each had default rates of less than 10 percent but the combined money in loan defaults from students who attended these two traditional institutions of higher education totaled over $3 million.

There is no question that we need to reduce the student loan default rates, but the Department of Education has been moving in that direction. Last year, the Subcommittee on Postsecondary Education created a major student loan default management bill. Even though it did not make it through the process, much of the proposal has been utilized by the Secretary of Education in crafting his proposed default management regulations.

Still, if we are interested in where the $2 billion in GSL defaults are, we need to look beyond the default rate. We must consider the amount of dollars in default.

I have just cited two examples. Many more exist. I will insert into the RECORD an entire page of that 1983 GAO report listing schools with one loan in default but having a 100-percent default rate. At the same time, I am going to include a listing on those institutions of higher learning with default rates under 10 percent, but which have more than $1 million in defaulted loans according to the same 1983 report.

I would use more current figures but the Department of Education does not have a current comprehensive report that lists default rates and the amount of money in default by school. Apparently, the schools' default rate and the amount of money in default are treated as two separate types of information which are put into two or more separate reports.

My staff people have been told the information is available but it would be a very expensive and time-consuming task to put together a single report listing those two types of information by school. It's a shame. I think many of us, as well as the Department of Education, would find a single comprehensive report very helpful.

But ever by using 1983 numbers, I think you can understand how the 30-percent cutoff will have a disastrous affect on the career training segment of higher education.

Since career training schools provide about half of all of the vocational training in the United States, limiting access to this training will have a terrible effect on our country's labor pool.

Shearson Lehman Hutton predicts "denying certain students access to vocational education is ultimately far more costly to the U.S. taxpayer."

In their 1989 report, I cited earlier they estimate that even if a school stays open with a 50-percent default rate with 100 students who have loans of $2,500 each, taxpayers save $896,500 per year for just that one student population of 100.

Also, the three top fastest growing occupations percentwise according to the Department of Labor are jobs in which career training plays an important role: paralegal, medical assistant, and physical therapist.

In 1986, the Department estimated there were 61,000 paralegals and by 2000 we will need 125,000. That's a 103.7-percent increase. They also estimate increased needs of 90.4 percent for medical assistants and 87.5 percent for physical therapists.

Aside from causing shortages in certain skilled labor pools by forcing small training schools out of business and denying them a supply of students, if this package is accepted, we will also end up increasing labor shortages that already exist in such fields as the trucking industry.

There are now well over 2 million truck drivers but the driver shortage is expected to exceed 300,000 by 1991. According to a study by the Hudson Institute, it is estimated the trucking industry needs 450,000 new drivers every year.

Truck driving schools are the primary source for new drivers, especially since we passed the Commercial Motor Vehicle Act of 1986 which, among other things, requires better trained truckdrivers. Where do we expect to get the 450,00 new drivers per year if we make most of the students who want to drive trucks ineligible for aid and the schools that would educate them ineligible to participate in any of the financial assistance programs? And even more, do truck drivers really need the kinds of long-term programs that combine academic and skill training? The answer is a simple "No!"

Considering the amount of money the Department of Education appropriated for defaults in 1989—$243.5 million for the SLS/PLUS loans and $1.6 billion for the Stafford loans, the default issue must be addressed, but cutting off schools with a 30 percent or higher default rate is not necessarily the answer.

Having looked at the phenomenal growth of the SLS in the past 2 years, I can understand the concern, but both the Department of Education and the Congressional Budget Office have said that it is too early to tell what the real effects of this growth will be.

SLS loans in 1987 totaled $711 million and in 1988 loans were nearly $2 billion. The effects of the big surge in 1988 won't be seen until the Department's 1989 cohort default tapes can be analyzed, but CBO has based the cost figures in this report on the Department's 1987 cohort default tapes.

Many people are worried about the growth in the SLS program and are saying something has to be done now but these particular policy changes will not address the potential, if any, problem. They will create new problems that will eventually have to be addressed.

I am opposed to these policy changes because they won't save any money in the long run and will end up costing far more than any pretence of savings now. Further, these changes will take us in the wrong direction.

I believe in higher education. I believe that every one who wants more education—whether the academic skills that will lead to certain kinds of careers or the specific career training for immediate employment—should be allowed to pursue that dream. It is in the best interest of the Nation.

Last month, the Washington Post editorialized about the problems of student aid loans and defaults.

I responded to that editorial with a letter detailing some of the history of changes in the higher education structure in the United States.

Since the Post has not yet decided whether it will print my letter, I will include it with this commentary.

I think it is important that we understand the need for all kinds of educational opportunities for Americans, regardless of age, program interest, or type of school.

Not every one has to be a rocket scientist, doctor, lawyer, or accountant. We definitely need truck drivers, plumbers, electricians, welders, secretaries, and medical and dental assistants.

I know that we will not be allowed to single out one element of this budget reconcilation report, but, if we could, this is the one I would urge all of you to vote against.

This portion of the report is bad because it makes policy in a budget bill, and it is worse because it makes bad policy.

Mr. Speaker, I would like to have the following material made a part of the RECORD.

STAFF PROPOSED AGREEMENT FOR BUDGET RECONCILIATION

	Savings	
	1990	1991
(1) Medical Student Loan Internship Deferments, including mandatory forbearance provisions:		
Budget authority	−10	−15
Outlays	−10	−15
(2) Eliminate undergraduate borrowers attending schools with calculated cohort default rates of 30 percent or more from participating in the SLS program except allow current borrowers at those schools to participate in the SLS program until their program is completed. This provision also includes language that would limit the ability of an institution from evading this provision through change of ownership, branching or consolidation:		
Budget authority	−5	−60
Outlays	−3	−60
(3) Require that all loan disbursements (SLS and GSL) to be made 30 days after the begining of the course of instruction for all first-time, first-year, undergraduate borrowers. This provision also includes language that would require that institutions certify that a student has been enrolled for 30 days:		
Budget authority	(1)	−3
Outlays	(1)	−3
(4) Establish a 6 month amnesty program:		
Budget authority	−20	15

STAFF PROPOSED AGREEMENT FOR BUDGET RECONCILIATION—Continued

	Savings 1990	Savings 1991
Outlays	−20	15
(5) Require the GSL/SLS to be disbursed to be made halfway into the period of study and be one-half of the loan amount:		
Budget authority	(1)	−3
Outlays	(1)	−3
(6) Provides the Secretary with the authority to take emergency action for 30 days against lenders and provides the Secretary with the authority to limit, suspend or terminate a lender's agents for 60 days when there is reliable information that such entities are in violation of the law. Also permits guarantee agencies to exercise the same authority:		
Budget authority	(2)	(2)
Outlays	(2)	(2)
(7) Prohibit accreditation jumping by denying aid eligibility should accreditation be withdrawn or should the institution withdraw under suspicion of termination:		
Budget authority	(1)	(1)
Outlays	(1)	(1)
(8) Remove prohibitiion by the Secretary against the use of the National Student Loan Data system in verifying student eligibility or student information before a loan is certified or guaranteed:		
Budget authority	(2)	(2)
Outlays	(2)	(2)
(9) Provides the Secretary with the authority to take emergency action for 30 days against institutions and provides the Secretary with the authority to limit, suspend or terminate institutions' agents when there is reliable information that such entities are in violation of the law. Also permits guarantee agencies to exercise the same authority:		
Budget authority	(2)	(2)
Outlays	(2)	(2)
(10) Prohibit charging students or parents fees for the collection of additional information for use in financial aid administrator discretion. Also clarify the prohibition against using aid administrator discretion for whole groups of students:		
Budget authority	(2)	(2)
Outlays	(2)	(2)
(11) Require all schools with programs of less than 2 years to insure that a student is enrolled in a GED program and require that all students have received GED before they are eligible for an SLS:		
Budget authority	(1)	−10
Outlays	(1)	−10
(12) Pro Rate SLS Annual Loan Limits for programs of less than one academic year based on length of program such that students attending programs between 300–599 clock-hours (or the equivalent) would be eligible for $1,500. Students attending programs between 600–799 clockhours (or the equivalent) would be eligible $2,500. Students attending programs of 1 academic year or greater would be eligible for $4,000—except that no student is eligible to receive more than one SLS over a period of 9 consecutive months:		
Budget authority	(1)	−10
Outlays	(1)	−10
(13) Permit institutions to reduce the amount a student can borrow under the SLS program to more accurately reflect other resources available to the student such as part-time employment:		
Budget authority	(2)	(2)
Outlays	(2)	(2)
(14) Clarify the disclosure requirements for providing students with repayment information on an SLS loan:		
Budget authority	(2)	(2)
Outlays	(2)	(2)
(15) Permit lenders to operate lender referal programs:		
Budget authority	(2)	(2)
Outlays	(2)	(2)

[1] Less than $500,000 savings.
[2] No Federal savings.

APPENDIX I.—SCHOOL DEFAULT RATES FOR 1983 BORROWERS

School name, city/State [1]	Borrower default rate	Total default dollars	Total number of defaulters
Essie Mae's Sch of Beauty Culture, Elizabeth, NJ	100.00	$2,500	1
Everett Beauty School, Everett, WA	100.00	2,500	1
Federico College, Fresno, CA	100.00	2,500	1
Florida Parishes Voc School, Greensburg, LA	100.00	500	1
Fremont Beauty College, Fremont, CA	100.00	2,500	1
Gino Robair Beauty College, Riverside, CA	100.00	2,500	1
Grant Hosp Sch For Med Rec Libr, Chicago, IL	100.00	4,000	1
Haifa University, Israel, FC	100.00	1,500	1
Hairbenders School of Hairstyling, Lawrence, KS	100.00	2,500	1
Hairmasters University of Beauty, San Bernardino, CA	100.00	1,500	1

APPENDIX I.—SCHOOL DEFAULT RATES FOR 1983 BORROWERS—Continued

School name, city/State [1]	Borrower default rate	Total default dollars	Total number of defaulters
Hines Jr VA Hosp Sch of Nuclear Med, Hines, IL	100.00	5,000	1
Illinois Masonic Hosp Sch of Rad-Te, Chicago, IL	100.00	2,300	1
Jaffna College, Ceylon, FC	100.00	2,500	1
Jeffie Liles Academy of Hair Design, Oxford, MS	100.00	2,500	1
Jeromes Sch of Bty Culture, New Orleans, LA	100.00	5,000	1
Jett Col of Cosmetology Barbering, Memphis, TN	100.00	2,500	1
Kane Business Institute, Cherry Hill, NJ	100.00	2,500	1
Ky Doe Ballard Cty Area Voc Ed Ctr, Barlow, KY	100.00	348	1
Lon Morris College, Jacksonville, TX	100.00	2,400	1
Manna Bible Institute, Philadelphia, PA	100.00	2,500	1
Mansfield Beauty School, Springfield, MA	100.00	1,000	1
Marinello School of Beauty, Buena Park, CA	100.00	1,453	1
Marinello School of Beauty, Montclair, CA	100.00	2,500	1
Marshall County Area Voc Educ Ctr, Benton, KY	100.00	1,380	1
Mastbaum Area Voc-Tech Sch-Dent Lab, Philadelphia, PA	100.00	2,500	1
Medical Services Training Center, San Bernardino, CA	100.00	2,500	1
Merritt Davis Business College, Eugene, OR	100.00	2,500	1
Metropolitan Group/Hos Sch Res Ther, Chicago, IL	100.00	3,767	1
Modern Trend Beauty School, Cheyenne, WY	100.00	2,500	1
Moro Beauty College, Glendale, CA	100.00	2,500	1
Mountain View Beauty College, Mountain View, CA	100.00	2,500	1
Mr Glen's Beauty College, Indianapolis, IN	100.00	2,374	1
National Beauty School, Tampa, FL	100.00	1,050	1
National Business Academy, Encino, CA	100.00	2,500	1
National Institute of Cosmetology, Washington, DC	100.00	2,500	1
New Albany Beauty College, New Albany, IN	100.00	2,500	1
North Miami Beauty School, Hialeah, FL	100.00	1,500	1
Northeast Albama State Junior Col, Rainsville, AL	100.00	2,500	1
Northern Ky Health Occupations Ctr, Edgewood, KY	100.00	2,500	1

[1] For foreign schools the country designates the city and FC designates the State.

SCHOOLS THAT HAVE MORE THAN $1 MILLION IN DEFAULT AND DEFAULT RATES LESS THAN 10 PERCENT [1]

[Dollar amounts in millions]

School	Amount	Default rate
University of Illinois Urbana campus	$1.397	4.24
Indiana University main campus	1.045	5.65
University of Pennsylvania	1.178	5.96
University of Michigan main campus	1.279	6.61
University of Texas Austin	1.123	7.44
Pennsylvania State University main campus	2.939	7.70
Michigan State University main campus	1.369	8.18
University of Wisconsin main campus	2.107	8.19
University of Florida	1.827	8.37
Boston University	1.978	8.50
University of Iowa	1.439	8.69
West Virginia University main campus	1.113	8.97
Indiana University of Pennslyvania main campus	1.005	9.44
University of Missouri Columbia	1.095	9.47
Rutgers University central office	1.752	9.85
University of Maryland main campus	1.335	9.96

[1] 1983 figures found in GAO report No. GAO/HRD–89–63BR.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC.

EDITOR,
The Washington Post, Washington, DC.

DEAR EDITOR: As your editorial on October 15, ("Reforming Student Aid") implies, it is important that student aid programs undergo some reform. And, as you suggest, excluding those students most in need of such aid would certainly improve the default rates on those loans.

Unfortunately, penalizing those students and the private career schools they attend is a clear case of throwing the baby out with the bathwater. Aid to higher education must assist needy students who want an academic education program as well as those trying to get a technical education that will lead to good and meaningful jobs.

The history of higher education in this country is marked by three milestones. The first was the creation of the land grant university. In the effort to provide greater access for young people who could not afford the existing private colleges and universities or who wanted a more technically driven education, federal and state dollars helped produce a new class of university whose aim was to instruct students in the practical arts of engineering and agriculture. These land grant colleges and state universities changed the mission of higher education and helped in the economic development of the country by enrolling a new type of student.

The next milestone was the establishment of the community college system. Beginning in the 1950's, these schools again broadened the mission of higher education and made postsecondary education a reality for everyone, especially the baby boom generation.

The community colleges provided academic, vocational, and community-based education. The admission policy was "open-door" and tuition, initially, was most reasonable. Today, more than five million students are enrolled in the nation's community colleges.

The third marker in the history of higher education is the growth of private career schools. While many of these schools have been teaching young people for 25, 50, and 100 years, it is only recently that the movement has been recognized as a significant factor in the higher education fabric, offering educational opportunity to a whole new class of students. And, as has happened at each previous milestone, the curriculum and format of postsecondary education has been altered.

These private career schools are run as businesses by men and women who more often than not, are not included in the state governing process or even in Federal education data collection. As a result of this neglect, they appear to be invisible, poorly understood by traditional educators and policy makers who have little, if any, direct experience with them.

I, on the other hand, have had a direct experience with this sector of postsecondary education. My daughter attended and graduated from Bradford School in Pittsburgh as a legal secretary and has had a very successful career because of that schooling. The decision to attend a career training school instead of a traditional academic postsecondary program was her choice, and it worked.

The impact of student aid on the enrollment of low income or minority students, the original goal of student aid, has been minimal at most traditional colleges and universities. However, the combination of student aid and private career schools is responsible for introducing a whole new type of student to postsecondary education. Minority students comprise 40 percent of enrollment in the private career school community. This compares to 25 percent of undergraduates in community colleges, 19 percent in public four-year colleges, and 18 percent in private, non-profit colleges.

In addition, private career schools are supplying a large share of the human capital for business and industry in this country. According to a 1984 Department of Labor study entitled, "Occupational Prospects and Training Data," private career school graduates who entered the job market in 1984 in-

cluded: Almost half of all respiratory therapists; 74 percent of all surgical technicians; 52 percent of all computer programmers; 49 percent of all electrical technicians; 33 percent of all secretaries; 25 percent of all aircraft mechanics; and 54 percent of all diesel mechanics, just to name a few.

The demographics in this country are changing and federal policy must reflect this change, especially if we are to remain competitive in a global economy. According to a Department of Labor study entitled "Workforce: 2,000," by the year 2000 approximately 20 percent of all jobs created in this country will require a baccaleaureate degree and the remaining 80 percent will require some level of technical education beyond high school.

This shift from traditional college education to postsecondary technical education can best be demonstrated by the number of graduates each sector produced last year. In 1988, there were approximately 998,000 baccalaureate degrees awarded. At the same time, private career schools awarded approximately 1.2 million degrees or certificates.

Each of the educational milestones has changed the character and style of higher education by defining a whole new curriculum and enrolling a new part of the population in postsecondary education. Each has made higher education more inclusive and democratic in nature. Each of the additions has been built on the existing system without significantly affecting the schools in existence prior to the addition.

Student aid must be reformed. However, it must not be reformed to restrict choice and competition. Rather, it must be reformed in such a manner that will continue to give any student the opportunity to attend any postsecondary institution that best suits his or her educational needs.

Sincerely,

JOSEPH M. GAYDOS
Member of Congress.

[From the Washington Post, Oct. 15, 1989]

REFORMING STUDENT AID

Federal aid to higher education is in serious trouble. Even the normally sympathetic House and Senate appropriations committees have joined the critics, saying that the costly major programs have been bent out of shape—the career and trade school industry now absorbs more than a fourth of the money—and are being ripped off. It used to be mainly the Reagan administration that criticized the programs in often hyperbolic terms, and defenders were able to dismiss the criticisms as ideological outbursts or assaults on the poor. That won't wash any more. These important forms of assistance badly need to be reformed for their own protection.

The student-aid programs were greatly expanded in little-remembered legislation in 1978, in part by making them available to the middle class. That legislation and other liberalizations, the related broadening of access to higher education and rising costs mean that about half of all post-secondary students receive some form of federal aid. The annual cost is nearly $10 billion.

The Reagan administration came to office determined to roll back the 1978 expansion, which it saw as a major new federal entitlement that the Carter administration and Congress had sneaked into place without sufficient national debate. In the rather bitter, inconclusive fight that followed, both sides took extreme positions and rational policy was the loser. It still is.

But the appropriations panels are not so easily brushed aside. In the 99th Congress the protective authorizing committees approved extension of the major student grant program to so-called nontraditional students attending classes less than half-time. But conferees on this year's Labor/Health and Human Services appropriations bill have voted to suspend such aid for fear that, to pay for it, they would have to reduce aid proportionately to all students.

The appropriators nearly voted, for similar reasons, to suspend grants to students without the equivalent of high school diplomas. This is a step the authorizing panels have been reluctant to take in the past on grounds that it would restrict access to postsecondary education. Both House and Senate appropriations committees also charge in their reports that the aid programs have been allowed to drift away from their original purpose of producing college graduates, that too much money is now taken up by suspect proprietary schools and that too much—nearly $2 billion a year—is required to cover defaults on student loans.

The government needs to maintain support for higher education. No federal investment is more important; none has a greater equalizing effect. At the same time there is a need, neglected in the past, to make sure that this large amount of money is being usefully spent. That is a difficult balance to achieve in the best of circumstances: the government can never sit comfortably in judgment on higher education. Surely this is not a set of issues that should be dropped on the appropriations committees as they struggle to meet budget targets each year.

A House subcommittee proposed last fall that the major student grant program, like the major loan program, be made a true entitlement not subject to the annual appropriations process. It would be well worth giving the program that protection if in return both programs could be tightened up. But that would require the higher education community and its congressional protectors to give as well as get. The shabbier schools and practices the current programs are supporting have to go.

CONFERENCE REPORT ON H.R. 2883, RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS ACT, 1990

Mr. MURTHA, on behalf of Mr. WHITTEN, submitted the following conference report and statement on the bill (H.R. 2883) making appropriations for Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1990, and for other purposes:

CONFERENCE REPORT (H. REPT. 101-361)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2883) making appropriations for the Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1990, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 24, 25, 45, 48, 49, 52, 53, 60, 75, 77, 81, 82, 86, 92 and 93.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 13, 17, 19, 40, 41, 43, 64, 67, 68, 70, 72, 73, 90 and 97, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

In lieu of the sum named, insert: *$400,000*; and the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

In lieu of the sum named, insert: *$400,000*; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by amendment insert *$470,000*; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$542,000*; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$52,053,000*; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$21,828,000*; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$51,102,000*; and the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$450,000*; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$10,675,000*; and the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$157,045,000*; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$43,066,000*; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$325,000*; and the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$6,004,000*; and the Senate agree to the same.

Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$13,507,000*; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$45,686,000*; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$244,094,000*; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$5,250,000*; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert: *; payments for carrying out the provisions of the Renewable Resource Extension Act of 1978 under 3(d) of the Act, $2,765,000*; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$8,811,000*; and the Senate agree to the same.

Amendment numbered 30:

That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$14,883,000*; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$385,000*; and the Senate agree to the same.

Amendment numbered 32:

That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$352,182,000*; and the Senate agree to the same.

Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$13,422,000*; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$33,171,000*; and the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,250,000*; and the Senate agree to the same.

Amendment numbered 36:

That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and the matter inserted by said amendment, insert the following:

For fiscal year 1990, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed (estimated to be $4,800,000,000 in the President's fiscal year 1990 Budget Request (H. Doc. 101-4)), but not to exceed $4,233,000,000, pursuant to section 2 of the Act of August 17, 1961, as amended (15 U.S.C. 713a-11).

Such funds are appropriated to reimburse the Corporation to restore losses incurred during fiscal years. Such losses for fiscal years 1988 and 1989 include $1,969,000,000 in connection with carrying out the Export Enhancement Program (EEP), $264,000,000 in connection with carrying out the Targeted Export Assistance Program (TEA), $1,500,000,000 in connection with carrying out the Federal Crop Insurance Program, and $31,831,000,000 in connection with carrying out the commodity programs.

And the Senate agree to the same.

Amendment numbered 37:

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,932,490,000*; and the Senate agree to the same.

Amendment numbered 38:

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,881,920,000*; and the Senate agree to the same.

Amendment numbered 42:

That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$3,500,000,000*; and the Senate agree to the same.

Amendment numbered 44:

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$3,500,000*; and the Senate agree to the same.

Amendment numbered 47:

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$430,190,000*; and the Senate agree to the same.

Amendment numbered 50:

That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$19,500,000*; and the Senate agree to the same.

Amendment numbered 51:

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$17,500,000*; and the Senate agree to the same.

Amendment numbered 54:

That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$11,000,000*; and the Senate agree to the same.

Amendment numbered 55:

That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$8,750,000*; and the Senate agree to the same.

Amendment numbered 56:

That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$16,500,000*; and the Senate agree to the same.

Amendment numbered 58:

That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$3,234,000*; and the Senate agree to the same.

Amendment numbered 63:

That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$445,000*; and the Senate agree to the same.

Amendment numbered 65:

That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$12,292,000*; and the Senate agree to the same.

Amendment numbered 66:

That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$8,824,000*; and the Senate agree to the same.

Amendment numbered 69:

That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$4,000,000*; and the Senate agree to the same.

Amendment numbered 71:

That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$20,884,000*; and the Senate agree to the same.

Amendment numbered 78:

That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$102,529,000*; and the Senate agree to the same.

Amendment numbered 79:

That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$860,955,000*; and the Senate agree to the same.

Amendment numbered 80:

That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$309,900,000*; and the Senate agree to the same.

Amendment numbered 83:

That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$6,118,000*; and the Senate agree to the same.

Amendment numbered 84:

That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$875,000*; and the Senate agree to the same.

Amendment numbered 85:

That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$560,271,000*; and the Senate agree to the same.

Amendment numbered 87:

That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$8,350,000*; and the Senate agree to the same.

Amendment numbered 88:

That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$90,000,000*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 14, 21, 28, 39, 46, 57, 59, 61, 62, 74, 76, 89, 91, 94, 95 and 96.

JAMIE L. WHITTEN,
BOB TRAXLER,
MATTHEW F. MCHUGH,
WILLIAM H. NATCHER,
DANIEL K. AKAKA,
WES WATKINS,
RICHARD J. DURBIN,
NEAL SMITH,
VIRGINIA SMITH,
JOHN T. MYERS,
JOE SKEEN,
VIN WEBER,
SILVIO O. CONTE,

Managers on the Part of the House.

QUENTIN N. BURDICK,
DALE BUMPERS,
TOM HARKIN,
BROCK ADAMS,
WYCHE FOWLER,
J. ROBERT KERREY,
ROBERT C. BYRD,
THAD COCHRAN,
JAMES A. MCCLURE,
ROBERT W. KASTEN,
ARLEN SPECTER,
CHUCK GRASSLEY,
MARK O. HATFIELD,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2883) making appropriations for Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1990, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

CONGRESSIONAL DIRECTIVES

The conferees agree that Executive Branch wishes cannot substitute for Congress' own statements as to the best evidence of congressional intentions—that is, the official reports of the Congress. The conferees further point out that funds in this Act must be used for the purposes for which appropriated as required by section 1301 of title 31 of the United States Code which provides: "Appropriations shall be applied only to the objections for which the appropriations were made except as otherwise provided by law."

Report language included by the House which is not changed by the report of the Senate, and Senate report language which is not changed by the conference are approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein.

TITLE I—AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING AND MARKETING

OFFICE OF THE SECRETARY

FARM AND EXPORT PROGRAMS

Amendment No. 1: Appropriates $400,000 instead of $500,000 as proposed by the House to enable the Secretary of Agriculture to develop a plan for returning the use of the Commodity Credit Corporation to its primary function which was to buy and sell competitively to enable the farmer to offset high American costs and to maintain his fair share of world markets; and to restore the use of section 32 (30 percent of customs receipts) as authorized by law, the use of which is presently suspended, to enable the farmer to secure his income from the user of his products rather than the U.S. Treasury and to enable the American farmer to regain and retain, by competitive sales, our normal share of world markets. The Senate amendment deleted the House language.

COMPILATION OF METHODS USED BY FOREIGN COUNTRIES TO PROTECT THEIR DOMESTIC AGRICULTURE

Amendment No. 2: Appropriates $400,000 instead of $500,000 as proposed by the House to enable the Secretary of Agriculture to investigate and compile a listing of the provisions of existing laws and practices used by foreign countries, by name, to protect their domestic agriculture from foreign competition and to expand their foreign markets in order to assist the Department in regaining and retaining our fair share of world markets, and report to the appropriate committees of Congress within 90 days of enactment of this Act. The Senate amendment deleted the House language.

FARM PROGRAM POLICIES

Information provided by the Library of Congress confirms that during periods of reasonable support levels and inventory positions, commodity markets tend to be stable. In the 1950's and 1960's the Department held excessive inventories of cotton, which eliminated the need to hedge and the need of the trade to hold inventories. At that time the New Orleans, New York and Liverpool cotton exchanges dried up. Doubtless the record would show similar situations for the other basic commodities.

Present policies appear to be moving to the other extreme from that of the 1950's and 1960's. Low commodity prices, low CCC inventories, and reduced acreage all have the potential for moving in the direction of wildly fluctuating commodity markets where profits are made by the speculators at the expense of the farmers.

The conferees agree that it is essential that farm programs be operated in such a way as to ensure adequate income to farmers and stability in the marketplace.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

Amendment No. 3: Appropriates $470,000 for the Office of the Assistant Secretary for Administration instead of $467,000 as proposed by the House and $474,000 as proposed by the Senate.

WORKING CAPITAL FUND

Amendment No. 4: Deletes the appropriation for the Working Capital Fund as proposed by the Senate. The House proposed an appropriation of $3,750,000.

CONGRESSIONAL RELATIONS

Amendment No. 5: Appropriates $542,000 for congressional relations instead of $497,000 as proposed by the House and $588,000 as proposed by the Senate.

OFFICE OF THE INSPECTOR GENERAL

Amendment No. 6: Appropriates $52,053,000 for the Office of the Inspector General instead of $51,576,000 as proposed by the House and $52,530,000 as proposed by the Senate.

OFFICE OF THE GENERAL COUNSEL

Amendment No. 7: Appropriates $21,828,000 for the Office of the General Counsel instead of $21,316,000 as proposed by the House and $22,340,000 as proposed by the Senate.

ECONOMIC RESEARCH SERVICE

Amendment No. 8: Appropriates $51,102,000 for the Economic Research Service instead of $50,489,000 as proposed by the House and $51,714,000 as proposed by the Senate.

The conference agreement provides $1,500,000 for data collection and analysis of pesticide and chemical use instead of $1,000,000 as proposed by the House and $2,000,000 as proposed by the Senate.

For water quality impact analysis the conference agreement provides $338,000 instead of $225,000 as proposed by the House and $450,000 as proposed by the Senate.

The Senate report earmarked funds for a joint project on regional farm models between ERS, Texas A&M University, and the University of Missouri. This project has been addressed as a Cooperative State Research Service special grant.

NATIONAL AGRICULTURAL STATISTICS SERVICE

The conferees expect the Department to reinstate its quarterly oats stocks estimates reports. Oats producers need this timely information to make informed planting decisions.

AGRICULTURAL RESEARCH SERVICE

Amendment No. 9: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$592,339,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $592,339,000 for the Agricultural Research Service instead of $589,500,000 as proposed by the House and $591,447,000 as proposed by the Senate. The conference agreement is based on the following changes to the budget request:

	House bill	Senate bill	Conference agreement
1. Aflatoxin research	$750,000	$750,000	$750,000
2. Animal germplasm	−900,000	−900,000	−900,000
3. Appalachian Soil and Water Lab, Beckley (WV)		300,000	150,000
4. Aquaculture at South Central Research Center (OK)	150,000		150,000
5. Bacterial contamination in livestock	−700,000	−700,000	−700,000
6. Bacterial contamination and pesticide residues	−2,350,000	−2,350,000	−2,350,000
7. BARC modernization	7,250,000	7,250,000	7,250,000
8. BARC modernization—Powder Mill Road	300,000	300,000	300,000
9. Barley research (ID, ND)		100,000	100,000
10. Blueberry/Cranberry:			
a. New Jersey		70,000	
b. Poplarville, MS		50,000	50,000
11. Calicivirus (OR)		108,000	
12. Center for Applied Aquaculture Research and Training (HI)	463,000	463,000	463,000
13. Center for Food Safety and Post Harvest Technology (MS)		(500,000)	(250,000)
14. Cotton ginning:			
a. Texas		300,000	200,000
b. New Mexico		300,000	200,000
c. Mississippi		300,000	200,000
15. Crop Simulation Laboratory (MS)		500,000	250,000
16. Diagnostic methods	−1,500,000	−1,500,000	−1,500,000
17. Ethanol production (AR)	25,000		25,000
18. Food toxicology (MI)	60,000		60,000
19. Fruit Fly Research Eradication Program (HI)	475,000	475,000	475,000
20. Fruit research at Kearneysville (WV)		300,000	150,000
21. Human nutrition research:			
a. Baylor (TX)	1,500,000	1,500,000	1,500,000
b. Tufts (MA)	500,000		400,000
c. Letterman (CA)	250,000		300,000
d. Beltsville (MD)	500,000		400,000
e. Grand Forks (ND)		575,000	400,000
22. Kenaf (MS)	300,000	500,000	400,000
23. Low input agriculture (MN)	200,000		200,000
24. Meat Animal Research Center (NE)	400,000	400,000	400,000
25. Mycoplasma (MD)	100,000		100,000
26. National Animal Disease Center contsortia grant (IA)		175,000	88,000
27. National Soil Tilth Center, Ames (IA)	500,000	325,000	500,000
28. Northern Great Plains Lab, Mandan (ND)		300,000	200,000
29. Oat research:			
a. Aberdeen, ID		200,000	100,000
b. ND State U		200,000	100,000
30. Peach research (GA)	125,000	125,000	125,000
31. Pear thrip (VT)		50,000	50,000
32. Poisonous Plants Lab, Logan (UT)		245,000	123,000
33. Potato research	500,000	500,000	500,000
a. Aphids	(200,000)	(200,000)	(200,000)
b. Beetles	(300,000)	(300,000)	(300,000)
34. Russian wheat aphid		975,000	750,000
35. Scrapie		500,000	500,000
36. Sheep Experiment Station, Dubois (ID)		450,000	200,000
37. Small Farm Research Center, Booneville (AR)		400,000	200,000
38. Soybean oil-based ink:			
General increase	142,000		70,000
Lehigh University (PA)		100,000	50,000
39. Space Remote Sensing Center (MS)		100,000	
40. Sugar beets (ND)		350,000	300,000
41. Sugarcane (HI)	218,000	218,000	218,000
42. Sweet potato white-fly (FL)	100,000	100,000	100,000
43. Systemic Entomology Lab (MD)	500,000	500,000	500,000
44. Table grapes (CA)	75,000	75,000	75,000
45. Urban pest control (FL)	150,000	150,000	150,000
46. Water quality		−4,000,000	−2,000,000
47. Wheat Quality labs:			
a. Wooster, OH		250,000	150,000
b. Manhattan, KS		250,000	150,000
c. Pullman, WA		250,000	150,000
d. Fargo, ND		250,000	150,000
48. Unspecified increase	99,000		99,000
49. All other	579,318,000	579,318,000	579,318,000
Total	589,500,000	591,447,000	592,339,000

Rangeland grasses.—The conferees are aware of the need for research to make determinations of ways to combat the effect of drought on rangeland grasses and related problems. The conferees will expect the Agricultural Research Service to give special attention to these problems and to allocate adequate levels of funding to the Ft. Keogh Livestock and Range Research Laboratory in Miles City, Montana, for such research.

Kimberly, Idaho.—The conference agreement includes funds to purchase up to 120 acres of land at the Kimberly Research Station in Idaho.

Kenaf.—The conference agreement includes an increase of $400,000 for research on kenaf instead of $300,000 as proposed by the House and $500,000 as proposed by the Senate. The agreement provides for an increase of $325,000 for the Mississippi program and an increase of $75,000 for the Texas program.

Amendment No. 10: Places a limitation of $450,000 each on 10 buildings to be constructed or improved by the Agricultural Research Service instead of $400,000 as proposed by the House and $500,000 as proposed by the Senate.

BUILDINGS AND FACILITIES

Amendment No. 11: Appropriates $10,675,000 for buildings and facilities of the Agricultural Research Service instead of $5,390,000 as proposed by the House and $11,735,000 as proposed by the Senate. The following table reflects the conference agreement.

	House bill	Senate bill	Conference agreement
1. South Central Agriculture Research Center, Lane, OK (preliminary planning)	$150,000		$150,000
2. Salinity Lab at Riverside, CA (construction)	2,250,000		2,000,000
3. National Seed Storage Lab, CO (construction)	1,000,000	$8,750,000	5,500,000
4. Vegetable Lab at Charleston, SC:			
(Planning)	600,000		
(Planning and construction)		1,935,000	1,135,000
5. Bee Lab at Weslaco, TX (planning)	340,000		340,000
6. Fruit and Vegetable Lab at Yakima, WA (construction)	1,000,000	1,000,000	1,000,000
7. Northwest Small Fruit Center (report)	50,000	50,000	50,000
8. Plant Stress Lab at Texas Tech, TX (construction)	(1)	(1)	500,000
Total	5,390,000	11,735,000	10,675,000

[1] House bill included $500,000 and Senate bill included $50,000 under CSRS, buildings and facilities.

COOPERATIVE STATE RESEARCH SERVICE

Amendment No. 12: Provides $157,045,000 for research under the Hatch Act instead of $158,545,000 as proposed by the House and $155,545,000 as proposed by the Senate.

It has come to the attention of the conferees that some States may plan to decrease their monetary commitment to Hatch Act and Smith-Lever programs in an amount equal to any increased appropriations granted by the Congress. This is clearly not the intent of Congress regarding the use of such funds. When additional monies are appropriated for a program, such increases are not meant to relieve the States of their responsibility. The conferees will monitor this situation closely during the coming year.

Amendment No. 13: Provides $17,500,000 for grants for cooperative forestry research as proposed by the Senate instead of $12,975,000 as proposed by the House.

Amendment No. 14: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$56,543,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $56,543,000 for special research grants instead of $47,835,000 as proposed by the House and $45,838,000 as proposed by the Senate. The following table reflects the conference agreement:

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
Special research grants (Public Law 89–106):			
Acid precipitation	661	661	661
Aflatoxin (IL)	175		88

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
Agricultural diversification (HI)	156	156	156
Agricultural trade (ND)		600	600
Agriculture utilization research (MN)	300	500	400
Alternative cropping systems (Southeast)	285	285	285
Alternative crops (ND)		500	500
Alternative pest control (AR)		1,400	1,400
Alternative to dinoseb (OR)	150	300	225
Animal health	5,705	5,705	5,705
Animal science food safety consortium (AR, KS, IA)		2,000	1,700
Apple quality research (MI)	95		95
Aquaculture (general)	520	620	570
Aquaculture (Stoneville)	588	588	588
Asparagus yield decline (MI)	95		95
Bean and beet (MI)	190		190
Belgian endive (MA)	60		60
Blueberry shoestring virus (MI)	92		92
Broom snakeweek (NM)	100	200	150
Celery fusarium (MI)	40		40
Chesapeake Bay aquaculture	375	375	375
Cranberry/blueberry disease and breeding (NJ)	260	260	260
Dairy and beef photoperiod (MI)	33		33
Dairy goat research (TX)	75	75	75
Dark end syndrome (ID, OR, WA)	150	50	50
Delta rural revitalization (MS)	175	175	175
Dried bean (ND)		100	88
Expanded wheat pasture (OK)	150	150	150
Export services (OR)		500	250
Floriculture (HI)	300	300	300
Food and Agriculture Policy Institute (IA and MO)	695	750	723
Food marketing policy center (CT)	420	335	378
Food processing research (MS [1])	173		
Food systems research group (WI)	222	222	222
Grasshopper biocontrol (ND)	69	75	72
Human nutrition research (NY)	675		563
Integrated orchard management (VT)		100	50
Integrated pest management	2,940	2,940	2,940
Integrated production systems (OK)	188		188
International livestock program (KS)		95	95
Iowa biotechnology consortium		2,000	1,613
Livestock and dairy policy (NY and TX)	600		525
Lowbush blueberry research (ME)	110	233	172
Low-input agriculture (MN)	150	150	150
Maple research (VT)		100	100
Michigan institute	2,625		2,188
Midwest biotechnology consortium	2,625	2,625	2,625
Milk consumption (PA)		285	285
Milkweed research (NE)		80	80
Minor crop pest control (HI)	285	285	285
Minor use animal drugs (IR–4)	229	229	229
Mosquito research (AR, CA, LA, MS, TX)	456		456
Multicropping strategies for aquaculture (HI)	152	152	152
National biological impact assessment	125	125	125
New uses for agricultural products (OH)	133		133
Nonfood agricultural products (NE)		220	110
Oil from jojoba (NM)	150	150	150
Operation Small Farm (LA)		200	100
Oregon-Mass. biotechnology	250	250	250
Peach tree short life (SC)	192	192	192
Pesticide clearance (IR–4)	2,000	2,000	2,000
Pesticide impact assessment	2,468	2,468	2,468
Pesticide research (WA) [2]			50
Plastic from cornstarch (NE)	40	40	40
Potato research [3]	1,377	1,277	1,327
Preservation and processing research (OK)	267		267
Prime farm land reclamation (IL, KY)	650		550
Regional barley gene mapping project	100	210	155
Regionalized implications of farm programs (MO, TX) [4]	200		350
Rural development center (PA, IA (ND), MS, OR)	500	500	500
Rural economic development (GA)		1,496	748
Russian wheat aphid (WA, OR, ID, CA) [5]	400	300	350
Safflower research (ND, MT)	100	400	250
Sandhills grazing management practices (NE)	100	100	100
Seafood and aquaculture harvesting, processing, and marketing (MS) [6]		400	373
Seedstocks enhancement (ND)		200	200
Southwest consortium for plant genetics and water resources	385	385	385
Soybean cyst nematode (MO)	285		285
STEEP—soil erosion in Northwest	591	591	591
Stone fruit decline (MI)	285		285
Stored grain insects (KS)		285	285
Subirrigation research (MI)	125		63
Sunflower insects (ND, SD)		190	190
TCK smut (wheat)	193	250	250
Tropical and subtropical	3,341	3,341	3,341
Water management (AL)		500	400
Water quality [7]	6,700		6,700
Wheat genetic research (KS)	100	100	100
Wood utilization research (OR, MS, MI)	2,852	2,852	2,852
Wool research (TX)	142	150	146

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
World food systems (IN and OH)	360	360	360
Youth Science Camp (WV)		150	75
Total, special research grants	47,835	45,838	56,543

[1] Senate bill and conference agreement includes $173,000 under Seafood and aquaculture harvesting, processing, and marketing.
[2] Senate bill included $50,000 under CSRS, B&F.
[3] House bill provides $200,000 for Maine. Senate bill provides $100,000 for Idaho, Oregon, and Washington.
[4] Senate bill provides up to $500,000 under ERS.
[5] Conference agreement includes $100,000 for Washington, and $250,000 to be divided equally between Oregon, Idaho, and California.
[6] House bill includes $173,000 under food processing research.
[7] Senate bill includes $10,000,000 under amendment No. 20 (Federal administration).

Potato Research.—The conference agreement provides $1,327,000 for potato research, including an increase of $100,000 for work in Maine and an increase of $50,000 for work in Idaho, Oregon and Washington.

Amendment No. 15: Provides $43,066,000 for competitive research grants instead of $40,416,000 as proposed by the House and $45,716,000 as proposed by the Senate. The following table reflects the conference agreement:

	House bill	Senate bill	Conference agreement
1. Plant science	$4,000,000	$8,000,000	$7,850,000
a. Soybean research	(493,000)	(493,000)	(493,000)
b. Alcohol fuels	(514,000)	(514,000)	(514,000)
2. Plant Science Centers	1,700,000		
3. Animal science	4,000,000	6,000,000	5,000,000
a. Brucellosis	(475,000)	(475,000)	(475,000)
4. Pest science	2,000,000	2,000,000	2,000,000
5. Human nutrition	1,000,000	2,000,000	1,500,000
6. Biotechnology	19,016,000	19,016,000	19,016,000
7. Stratospheric ozone	3,700,000	3,700,000	3,700,000
8. Forestry	5,000,000	5,000,000	4,000,000
Total	40,416,000	45,716,000	43,066,000

The conferees are concerned about the current geographical distribution of competitive research grants and request that the Department submit a report to the Committees on Appropriations by January 1, 1990, providing the following: (1) a geographical breakdown of the Department's competitive grant awards for the period 1984–89; (2) an estimate of the potential for increasing the diversity of this funding pattern; and (3) an analysis for the potential for such a coordinated effort to improve the research and science education base in the States.

Amendment No. 16: Provides $325,000 for supplemental and alternative crops research instead of $200,000 as proposed by the House and $425,000 as proposed by the Senate.

Amendment No. 17: Provides $5,368,000 for research under the Critical Agricultural Materials Act as proposed by the Senate instead of $1,168,000 as proposed by the House.

The conference agreement provides $668,000 for research on guayule as proposed by both the House and the Senate. For the National Center for Physical Acoustics the conference agreement provides $2,000,000 as proposed by the Senate instead of $500,000 as proposed by the House. The agreement includes $500,000 which shall be available for contracting with the Center for research work needed by the Department. For additional funding for the Polymer Institute at the University of Southern Mississippi the conference agreement provides $2,700,000 as proposed by the Senate. These funds will be used to complete the construction and to equip the facility.

Amendment No. 18: Provides $6,004,000 for higher education activities instead of $5,754,000 as proposed by the House and $6,254,000 as proposed by the Senate.

The conference agreement includes $250,000 for a competitively awarded grant for the development of a program for infusing aquaculture education into the vocational agriculture curriculum instead of $500,000 as proposed by the Senate.

The conferees agree that funds for institution challenge grants will be made available to institutions on a competitive basis and will require matching support. The Secretary shall require, as a condition of receipt of these grants, that the recipient match the Federal funds on at least a dollar-for-dollar basis from non-Federal sources.

Amendment No. 19: Provides $3,152,000 for the operation of international trade development centers as proposed by the Senate instead of $2,000,000 as proposed by the House. The conference agreement continues all six centers at the fiscal year 1989 funding level.

Amendment No. 20: Provides $13,507,000 for Federal administration of the Cooperative State Research Service instead of $11,248,000 as proposed by the House and $22,348,000 as proposed by the Senate. The following table reflects the conference agreement:

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
Federal Administration:			
Shrimp aquaculture (Hawaii and Mississippi)	3,236	3,236	3,236
Mississippi Valley State University	625	625	625
Ag in classroom	87	187	137
Agriculture biotechnology	225	225	225
Peer panels	250	250	250
Office of grants and program systems	575	575	575
Center for Agricultural and Rural Development (Iowa)	750	750	750
1890 capacity building	5,500	5,500	5,500
Water quality [1]		10,000	1,709
Geographic information system		1,000	500
Total, Federal Administration	11,248	22,348	13,507

[1] Includes $1,000,000 (University of ND), $500,000 (IL), and $209,000 (IA).

The conference agreement includes $500,000 for the geographic information system project instead of $1,000,000 as proposed by the Senate. The conferees will expect that these funds will be matched by State and local contributions, including in-kind. In addition, the conferees will expect the Department to report to the appropriate committees of Congress on how these funds are being used. The conferees agree that the funds are to be distributed equally among the Arkansas, Georgia and Chesapeake Bay projects.

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$341,994,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates a total of $341,994,000 for the Cooperative State Research Service instead of $319,625,000 as proposed by the House and $341,630,000 as proposed by the Senate.

BUILDINGS AND FACILITIES

Amendment No. 22: Appropriates $45,686,000 for buildings and facilities of the Cooperative State Research Service instead of $22,960,000 as proposed by the House and $49,414,000 as proposed by the Senate.

Facilities funded by this appropriation shall be based on a matching formula of not to exceed 50 percent Federal and not less than 50 percent State funding, including funds received by the State from private sources and from local units of government. Construction of such facilities shall be based on a firm indication of local support, including a commitment for paying all operating costs of the facility. Further, the research program to be carried out at these facilities shall be complimentary to the overall programs of the Department of Agriculture.

The following table reflects the conference agreement:

	House bill	Senate bill	Conference agreement
1. Montana State University Bioscience Center: (Planning)	$500,000		$250,000
2. Center for Tropical and Subtropical (HI): (Planning)	1,135,000	$1,135,000	1,135,000
3. Virginia and Maryland Regional College of Veterinary Medicine: (Construction)	480,000		480,000
4. University of Nebraska Center for Advanced Technology: (Planning and construction)	2,000,000	4,000,000	3,000,000
5. University of Wisconsin, Agriculture Biotechnology and Genetics Building: (Planning)	600,000	600,000	600,000
6. Plant Science Center at Kansas State University: (Construction)	500,000	4,500,000	3,000,000
7. Iowa State University Nutrition Research Center: (Planning and construction)	1,250,000	2,755,000	2,300,000
8. Texas A&M (Houston) Institute of Bioscience and Technology: (Construction)	500,000	5,600,000	3,000,000
9. Center for Molecular Biology, Rutgers University: (Preliminary planning)	90,000		90,000
10. Agriculture Biotech Facility at Virginia Tech: (Preliminary planning)	225,000		113,000
11. National Soybean Lab at University of Illinois: (Planning and construction)	1,250,000	1,395,000	1,323,000
12. Food Toxicology Center at Michigan State: (Planning and construction)	2,250,000		3,000,000
13. University of Georgia, Biocontainment Facility: (Construction)	500,000	1,496,000	998,000
14. Washington State University Food and Human Nutrition Center: (Construction)	2,135,000	2,000,000	2,135,000
15. Gonzaga University Center for Information and Technology Transfer (WA): (Construction)	625,000	323,000	625,000
16. National Center for Food and Industrial Agriculture Products (IA):			
(Construction)	1,700,000	2,962,000	1,944,000
(Renovation)	1,300,000	1,300,000	1,300,000
17. University of Florida Biotech Institute: (Construction)	500,000	2,700,000	1,550,000
18. South Dakota State University, Northern Plains Biostress Lab:			
(Planning)	300,000		
(Construction)		3,100,000	1,700,000
19. University of North Dakota, Earth Systems Science: (Construction)	500,000	4,200,000	4,200,000
20. North Dakota State University Industrial Agriculture and Communications Center:			
(Planning and construction)	500,000		
(Construction)		2,408,000	2,333,333
21. Center for Nutrition at Wake Forest, North Carolina: (Planning and construction)	2,890,000		2,890,000
22. Plant Stress Lab at Texas Tech: (Construction)	500,000	50,000	(1)
23. Biotechnology Lab at Utah State University: (Report)	50,000	50,000	(2)
24. College of Veterinary Medicine, Animal Disease Biotechnology Facility at Washington State University: (Report)	50,000		(2)
25. Rice Germplasm Center at Stuttgart, Arkansas:			
(Report)	50,000		(2)
(Planning)		100,000	
26. Biotechnology Facility, North Carolina: (Report)	50,000	50,000	(2)
27. Building Consolidation, University of Rhode Island: (Report)	50,000		(2)
28. Grape Importation Facility, University of California at Davis: (Planning)	130,000		130,000
29. National Center for Equine and Bovine Biotechnology Research (OK): (Planning)	300,000		300,000
30. University of Maine (new building to consolidate six separate buildings): (Report)	50,000	50,000	(2)
31. Center for Alternative Pest Control Research (AR): (Construction)		550,000	425,000
32. Hettinger Research Teaching Laboratory (ND): (Construction)		150,000	150,000
33. Kimberly Research Station (ID): (Land purchase)		360,000	(3)
34. Masardis Research Farm (ME): (Construction)		230,000	115,000
35. National Laboratory for Environmentally Sound Production Agriculture (GA): (Report)		50,000	(2)
36. Natural Products Laboratory (MS):			
(Planning and construction)		3,800,000	3,800,000
(Consortium)		250,000	125,000
37. Plant Science Greenhouse Complex (ND): (Report)		50,000	(2)
38. Poultry Center for Excellence (AR): (Planning)		100,000	(2)
39. Poultry Lab and Isolation Facility (AR): (Construction)		250,000	250,000
40. Poultry Research Center (WV): (Construction)		1,500,000	1,500,000
41. Tree Physiology and Maple Research Lab (VT): (Construction)		750,000	375,000
42. Nursery Crop Research Station (TN): (Planning and construction)		500,000	250,000
43. Idaho Biotechnology Facility: (Report)		50,000	(2)
44. Washington State University Pesticide Research Laboratory: (Report)		50,000	(4)
45. Molecular and Cellular Biotech Facility (IN)			(2)
46. Fund for reports on footnote 2 items			300,000
Total	22,960,000	49,414,000	45,686,000

[1] Item funded under ARS, B&F.
[2] Fund for reports (No. 46).
[3] Item funded under ARS.
[4] Funded as a CSRS special grant.

The conference agreement includes $300,000 for reports on 11 proposed facilities, rather than a specific amount for each facility.

The conference agreement completes the funding for the Washington State University Food and Human Nutrition Center (WA), Gonzaga University Center for Information and Technology Transfer (WA), University of North Dakota Earth Systems Science Center (ND), Hettinger Research Technology Laboratory (ND), Poultry Laboratory and Isolation Facility (AR), and Poultry Research Center (WV).

EXTENSION SERVICE

Amendment No. 23: Provides $244,094,000 for payments under the Smith-Lever Act instead of $246,594,000 as proposed by the House and $241,594,000 as proposed by the Senate.

It has come to the attention of the conferees that some States may plan to decrease their monetary commitment to Hatch Act and Smith-Lever programs in an amount equal to any increased appropriations granted by the Congress. This is clearly not the intent of Congress regarding the use of such funds. When additional monies are appropriated for a program, such increases are not meant to relieve the States of their responsibility. The conferees will monitor this situation closely during the coming year.

Amendment No. 24: Restores House language providing $3,500,000 for the urban gardening program.

Amendment No. 25: Restores House language providing $970,000 for the farm safety program.

Amendment No. 26: Provides $5,250,000 for payments for a water quality program instead of $4,000,000 as proposed by the House and $6,500,000 as proposed by the Senate.

Amendment No. 27: Provides $2,765,000 for renewable resource extension work as proposed by the Senate, and makes a technical correction.

Amendment No. 28: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$363,146,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $363,146,000 for the Extension Service, excluding Federal administration, instead of $361,631,000 as proposed by the House and $357,426,000 as proposed by the Senate.

Amendment No. 29: Appropriates $8,811,000 for Federal administration of the Extension Service instead of $7,319,000 as proposed by the House and $9,245,000 as proposed by the Senate. The following table reflects the conference agreement for Federal administration and recommends not to exceed the following amounts:

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
Federal Administration and special grants:			
General administration	4,982	4,982	4,982
Pilot tech. transfer (OK, MS)	333	333	333
Rural development (NE)	190	190	190
Rural development (OK)	433		433
ATTRA		1,100	
Crambe/rapeseed (NE)	65	65	65
Ag. development Pacific (HI)	650	650	650
New England vertabrate (MA)	95		95
Project future (MN)	138		138
Rural rehabilitation (GA)	258	258	258
Agricultural film (NY)	175	175	175
Rural education pilot (ND)		852	852
Presgue Isle (ME)		140	140
Crop simulation		500	500
Total, Federal Administration	7,319	9,245	8,811

NATIONAL AGRICULTURAL LIBRARY

Amendment No. 30: Appropriates $14,883,000 for the National Agricultural Library instead of $14,448,000 as proposed by the House and $14,947,000 as proposed by the Senate.

Amendment No. 31: Earmarks $385,000 for the National Center for Agricultural Law Research and Information at the Leflar School of Law in Fayetteville, Arkansas, instead of $400,000 as proposed by the Senate. The House had no similar provision.

The conferees direct that no more than 10 percent of these funds will be retained by the National Agricultural Library for administrative expenses.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

Amendment No. 32: Appropriates $352,182,000 for salaries and expenses of the Animal and Plant Health Inspection Service instead of $342,146,000 as proposed by the House and $352,768,000 as proposed by the Senate.

The following table sets forth the conference agreement by program:

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
1. Plant disease and pest control:			
(a) Plant protection programs:			
(1) Africanized bee	1,950	1,950	1,950
(2) Bio control	5,509	5,950	5,950
(3) Boll weevil	9,600	13,135	13,135
(4) Golden nematode	800	800	800
(5) Grasshopper and Mormon cricket	5,950	3,850	3,850
Reserve fund	—	5,000	5,000
(6) Gypsy moth	5,442	5,442	5,442
(7) Honeybee pest	250	500	375
(8) Imported Fire ant	5,000	5,000	5,000
(9) International programs	2,153	2,153	2,153
(10) Mediterranean fruit fly	10,256	9,856	10,266
(11) Mexican fruit fly	1,717	1,553	1,717
(12) Miscellaneous plant pests	1,124	1,124	1,124
(13) Noxious weeds	597	1,197	897
(14) Pest detection	3,928	3,928	3,928
(15) Pink bollworm	1,700	1,700	1,700
(16) Russian wheat aphid	—	1,588	1,000
(17) Witchweed	5,281	5,281	5,281
Total, plant protection	61,257	70,007	69,558
(b) Agricultural quarantine inspection	66,468	66,468	66,468
Total, plant disease and pest control	127,725	136,475	136,026
2. Animal disease and pest control:			
(a) Animal health programs:			
(1) Animal welfare	7,567	7,567	7,567
(2) Brucellosis eradication	61,841	63,729	62,786
(3) Cattle ticks	6,258	4,193	6,258
(4) Animal disease detection	5,394	5,394	5,394
(5) Foot-and-Mouth disease (Darien Gap)	3,053	3,053	3,053
(6) Horse protection	161	161	161
(7) Import-export inspection	8,604	8,604	8,604
(8) International programs	2,151	2,151	2,151
(9) Animal health compliance and enforcement	14,694	14,694	14,694
(10) National poultry improvement plan	219	219	219
(11) Poultry diseases	643	643	643
(12) Pseudorabies	2,950	3,725	3,338
(13) Scrapie	—	1,500	1,100
(14) Screwworm	32,045	32,045	32,045
(15) Swine health protection	3,265	3,265	3,265
(16) Tuberculosis eradication	3,501	3,501	3,501
(17) Veterinary diagnositics	12,371	12,371	12,371
(18) Miscellaneous animal diseases	1,998	1,772	1,300
Total, animal health	166,715	168,587	168,450
(b) Veteranary biologics	8,641	8,641	8,641
(c) Animal damage control	29,815	29,815	29,815
Total, animal disease and pest control	205,171	207,043	206,906
3. Biotechnology	4,750	4,750	4,750
4. Contingencies:			
(a) Plant disease and pest control	2,250	2,250	2,250
(b) Animal disease and pest control	2,250	2,250	2,250
Total, contingencies	4,500	4,500	4,500
Total, salaries and expenses	342,146	352,768	352,182

The conference agreement provides $29,815,000 for animal damage control activities. The conferees expect APHIS to give consideration to individual increases provided in the House and Senate reports and to review ongoing activities to assure their continued viability. Further, the conferees expect animal damage control activities to be cost-shared with non-Federal participants. The conferees also expect APHIS to work with universities where necessary to develop curricula in wildlife management that will further the science of animal damage control.

For the Mediterranean fruit fly program the conference agreement provides $10,256,000. For test eradication of fruit fly infestations in Hawaii, the conferees have provided $400,000 for the cost of releasing sterile fruit flies on Kauai. In addition, the conferees expect APHIS to provide approximately 50 million sterile flies per week for this test eradication. Also included in the amount provided are funds to continue the Caribbean fruit fly protocol.

For the noxious weeds program the conferees have provided $897,000. This level includes $100,000 for hydrilla control in Imperial Valley, California, and $450,000 for a common crupina eradication program.

The conferees expect APHIS to enter into cooperative agreements with universities and other appropriate entities where such agreements will aid in the control of the Russian wheat aphid.

For the boll weevil eradication program the conference agreement provides $13,135,000. The conferees are aware of the escalating costs of the control efforts and expect APHIS to work with producers to find cost-efficient methods in the program. The conferees expect the program to continue as a cost-share program with the Federal share at no more than 30 percent.

Bunchy top banana virus, a serious disease that has nearly destroyed the banana industry in Guam and Australia, is posing a serious threat in Hawaii since its introduction in July 1989. Using funds available in fiscal year 1990, the conferees will expect APHIS to provide assistance to the State of Hawaii in its efforts to identify outbreaks and eradicate this disease as well as enforce necessary quarantines to prevent reintroduction of this disease.

The conferees agree to delete the earmark for calicivirus in miscellaneous animal diseases as proposed by the Senate.

BUILDINGS AND FACILITIES

Amendment No. 33: Appropriates $13,422,000 for buildings and facilities of the Animal and Plant Health Inspection Service instead of $15,172,000 as proposed by the House and $11,672,000 as proposed by the Senate.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

Amendment No. 34: Appropriates $33,171,000 for the Agricultural Marketing Service, Marketing Services, instead of $33,187,000 as proposed by the House and $33,155,000 as proposed by the Senate.

The conferees will expect the Department to initiate market development studies on the Chicago and Maine Terminal Markets and to continue work on the Columbia, South Carolina project. The conference agreement also provides $100,000 for the Horticultural Producers Federation marketing program.

PAYMENTS TO STATES AND POSSESSIONS

Amendment No. 35: Appropriates $1,250,000 for Payments to States and Possessions instead of $942,000 as proposed by the House and $1,500,000 as proposed by the Senate.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

SALARIES AND EXPENSES

The House recedes from its position regarding the transfer of $100,000 of funds budgeted for the Arkansas State Office of the ASCS to the State Office of the Soil Conservation Service for services.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

Amendment No. 36: Appropriates $4,233,000,000 for reimbursement of net realized losses of the Commodity Credit Corporation as proposed by the House instead of $4,800,000,000 as proposed by the Senate.

The agreement also modifies House language regarding examples of the types of losses incurred during fiscal years 1988 and 1989.

TITLE II—RURAL DEVELOPMENT PROGRAMS

RURAL DEVELOPMENT ASSISTANCE

FARMERS HOME ADMINISTRATION

RURAL HOUSING INSURANCE FUND

Amendment No. 37: Provides $1,932,490,000 for loans from the Rural Housing Insurance Fund instead of $1,944,990,000 as proposed by the House and $1,919,990,000 as proposed by the Senate. The conference agreement includes the following loan levels:

Low-income housing (502)	$1,329,210,000
Unsubsidized housing loans	(50,000,000)
Site development (524)	570,000
Rental housing (515)	579,900,000
Housing repair (504)	11,330,000
Farm labor (514)	11,480,000
Total	1,932,490,000

Amendment No. 38: Provides that $1,881,920,000 of the loans from the Rural Housing Insurance Fund shall be for subsidized interest loans to low-income borrowers instead of $1,894,420,000 as proposed by the House and $1,869,420,000 as proposed by the Senate.

AGRICULTURAL CREDIT INSURANCE FUND

Amendment No. 39: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$13,500,000 shall not become available for obligation until October 1, 1990, (for the purposes of section 202 of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119, September 29, 1987), to the extent that this action has the effect of transferring an outlay of the United States from one fiscal year to an adjacent fiscal year, such transfer is a necessary (but secondary) result of a significant policy change) and $475,500,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides that of the $569,000,000 available for farm ownership loans, $475,500,000 shall be for guaranteed loans instead of $474,000,000 as proposed by the House and $519,000,000 as proposed by the Senate.

The agreement also makes $80,000,000 available for direct farm ownership loans in fiscal year 1990 instead of $95,000,000 as proposed by the House and $50,000,000 as proposed by the Senate. To effectuate this agreement, the conferees agree to defer $13,500,000 in direct loans until fiscal year 1991.

Amendment No. 40: Provides a total of $7,000,000 for water development, use, and conservation loans as proposed by the Senate instead of $14,000,000 as proposed by the House.

Amendment No. 41: Provides that of the total available for water development, use, and conservation loans, $1,500,000 shall be for guaranteed loans as proposed by the Senate instead of $3,000,000 as proposed by the House.

Amendment No. 42: Provides a total of $3,500,000,000 for operating loans instead of $3,523,000,000 as proposed by the House and $3,467,500,000 as proposed by the Senate. Both the House and Senate bills provide that of the total amount available for operating loans, $2,600,000,000 shall be for guaranteed loans.

Amendment No. 43: Provides $1,000,000 for Indian tribe land acquisition loans as proposed by the Senate instead of $2,000,000 as proposed by the House.

Amendment No. 44: Provides $3,500,000 for matching grants for State mediation programs instead of $3,000,000 as proposed by the House and $4,000,000 as proposed by the Senate.

Amendment No. 45: Deletes Senate language which required the Secretary, by October 15, 1989, to allocate to the States the full amount of farm operating loans authorized by this Act in a manner that would provide each State with the same percentage of the total as it used in fiscal year 1989.

The conferees are concerned about unused direct operating loan funds. Despite farmers' eligibility for these funds and their efforts to obtain them, FmHA maintains a substantial unobligated balance of direct operating loan funds. The Department's policy of holding back a reserve of funds in Washington serves to delay the obligation of these funds until after the season when the farmers most need them. The conferees direct the Department to obligate these funds in a timely manner so that all farmers who are eligible can obtain the funds when they are needed.

Furthermore, the conferees direct the Department to pool operating and ownership funds—both direct and guaranteed—which are unused by States, and distribute them to needy States early enough in the year to ensure that all the funds will be used.

Amendment No. 46: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$4,120,159,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $4,120,159,000 for reimbursement for net realized losses and interest subsidies of the Agricultural Credit Insurance Fund instead of $4,259,000,000 as proposed by the House and $4,462,159,000 as proposed by the Senate.

RURAL DEVELOPMENT INSURANCE FUND

Amendment No. 47: Provides $430,190,000 for water and sewer facility loans instead of $445,380,000 as as proposed by the House and $415,000,000 as proposed by the Senate. Both the House and Senate bills provided $75,000,000 of the foregoing amount shall be for guaranteed loans.

Amendment No. 48: Provides a total of $119,700,000 for comminuty facility loans as proposed by the House instead of $145,700,000 as as proposed by the Senate.

Amendment No. 49: Provides that of the total amount available for community facility loans, $24,000,000 shall be for guaranteed loans as proposed by the House instead of $50,000,000 as proposed by the Senate.

RURAL DEVELOPMENT LOAN FUND

Amendment No. 50: Provides a total loan level of $19,500,000 for the Rural Development Loan Fund instead of $14,000,000 as proposed by the House and $25,000,000 as proposed by the Senate.

Amendment No. 51: Appropriates $17,500,000 for the Rural Development Loan Fund instead of $12,000,000 as proposed by the House and $23,000,000 as proposed by the Senate.

RURAL WATER AND WASTE DISPOSAL GRANTS

Amendments No. 52 and 53: Appropriate $209,395,00 for rural water and waste disposal grants. The conference agreement deletes rewording of the appropriation language as proposed by the Senate, and restores House language.

The conferees are aware of the urgent need to upgrade the water and sewer services of the town of Clinton, Tennessee. The Department shall work with the town of Clinton to assure that as soon as each incremental stage of the project is available for initiation, the Department will make the necessary grant funds available.

The conferees agree that the Department may use unused rural water and sewer grant and loan funds returned from other States into the national pool to fund the high priority Kimzey Regional Water District proposal.

RURAL HOUSING FOR DOMESTIC FARM LABOR

Amendment No. 54: Appropriates $11,000,000 for rural housing for domestic farm labor instead of $12,500,000 as proposed by the House and $9,513,000 as proposed by the Senate.

MUTUAL AND SELF-HELP HOUSING

Amendment No. 55: Appropriates $8,750,000 for mutual and self-help housing instead of $9,500,00 as proposed by the House and $8,000,000 as proposed by the Senate.

RURAL DEVELOPMENT GRANTS

Amendment No. 56: Appropriates $16,500,000 for rural development grants instead of $6,500,000 as proposed by the House and $26,500,000 as proposed by the Senate. The conferees concur in the funding levels for the projects earmarked in the House report. The conferees agree that the $500,000 for Oklahoma shall be for Hughes County.

Amendment No. 57: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$1,250,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement earmarks $1,250,000 for grants to statewide private, nonprofit public television systems in predominately rural States instead of $2,000,000 as proposed by the Senate.

SALARIES AND EXPENSES

Amendment No. 58: Earmarks $3,234,000 for the circuit rider program instead of $3,068,000 as proposed by the House and $3,400,000 as proposed by the Senate.

Amendment No. 59: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides $1,000,000 to carry out the Lower Mississippi Delta Development Act and extends the date for submission of the Commission's interim report to October 16, 1989.

This Commission was activated in the fiscal year 1989 Appropriations Act and was slow in getting organized—it was six months before an executive director was selected and most of the staff were not selected until last May. $2,000,000 was appropriated in last year's Act and an additional $1,000,000 was authorized.

The appropriation was justified to Congress as a means of restoring the economy of the Mississippi River Delta, which had gone from one of the richest and more prosperous areas to one of the poorest in nine years.

To date, only an interim report has been made without reference to efforts to correct apparent causes of problems.

To accomplish its purpose, the Commission must work to correct the known causes of the problems which have resulted in the area, with perhaps the richest and most fertile farmland in the Nation, becoming the poorest in nine years, largely as a result of the Nation's decisions on agriculture as shown by the House report on this year's Appropriations bill, H.R. 2883.

That report points out:

"Agriculture, our largest employer at home, our biggest market for industry and labor, our biggest dollar earner in world trade, has been permitted to go down the drain during the last decade.

"For 48 years, farm prices were maintained to offset costs and our surplus sold in world trade at competitive prices,

"Instead of using section 32 (30 percent of customs receipts) as intended to promote exports and to support the price with special attention to perishable commodities, they divide it among consumer programs.

"Instead of the farmer receiving a fair price from the buyer, as he did for 48 years, he must look to a check from the U.S. Treasury.

"After eight years of current policy, what is the result:

"The national debt of $932 billion in 1981 has tripled to over $2.8 trillion.

"Our trade deficit has gone from $19.3 billion in 1980 to $170.0 billion in the red in 1987 and $119.8 billion in the red in 1988.

"For the first time since 1914, the United States is a debtor nation, the largest debt any nation ever had throughout history.

"Since 1981 some 811 banks and 586 savings and loan associations have gone bankrupt.

"This year, the farmer's production costs are being raised by an increase in minimum wages and increases in fuel, chemicals, seed and other items the farmer requires to produce and market his crop.

"AMERICA FOR SALE

"During the past five years nearly $800 billion in foreign capital washed across the United States buying up companies, banks, luxury hotels, retail chains, building new factories, establishing bank accounts, and financing a major portion of the national debt. This has helped turn the United States from the world's largest creditor to the world's largest debtor.

"According to information from the Congressional Research Service, more than 300,000 farmers (12 percent) have been forced off their farms since 1981. Moving to town has added to the problems of the cities which are already heavily burdened with serious social problems.

"Further, the Farmers Home Administration adopted a policy of requiring the farm borrower to show that he could pay off the new loan, plus all past due loans, in a single crop year. Farmers are the only class of borrowers who are required to live with such stringent rules. Not even foreign borrowers from the United States are treated so harshly.

In addition, the Delta is also faced with an action of the Federal Government to let the EPA, in consultation with the Fish and Wildlife Service, determine wetlands, rather than a determination based on the historical use of the land.

A recovery will be dependent upon a return to a prosperous agriculture, which in turn requires a recapturing of domestic and foreign markets as well as a growing industrial development. This can only be accomplished by the government providing the same consideration as other nations give to their agriculture and industry.

The Commission must tackle the known problems—which again come from our government turning over a large share of our domestic market to foreign imports as well as a major share of our normal world markets.

The $1,000,000, which is the second and last payment authorized, shall be made available only upon a resolution by the Commission to attack these known causes and a certificate of such fact made to the appropriate committees of the Congress.

RETAINAGE REQUIREMENTS

The conferees also concur in the House position regarding retainage requirements.

RURAL ELECTRIFICATION ADMINISTRATION

RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN AUTHORIZATIONS

Amendment No. 60: Deletes Senate language which required the REA to use unobligated loan authorizations from prior years to reduce the backlog of applications. However, the conferees expect that full use be made of these previously authorized funds to reduce the backlog of loan applications.

RURAL ECONOMIC DEVELOPMENT SUBACCOUNT

Amendment No. 61: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

RURAL ECONOMIC DEVELOPMENT SUBACCOUNT

For grants and loans authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, $5,000,000, to remain available until expended: Provided, That this amount will be in addition to any amounts generated by the interest differential on voluntary cushion of credit payments made by REA borrowers.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $5,000,000 for the rural economic development subaccount instead of $11,357,000 as proposed by the Senate. The conferees expect that the local REA cooperatives will continue to participate financially.

SALARIES AND EXPENSES

Amendment No. 62: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$500,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement requires that not less than $500,000 of the REA salaries and expenses funds shall be used to provide community and economic development technical assistance to rural electric and telephone systems, and such assistance shall be made available within 90 days of enactment.

The conferees expect that compliance of loan fund and accounting reviews will continue to be provided by Rural Electrification Administration personnel and that the cost of such reviews will not be imposed on any borrower financed under the Rural Electrification Act. This function has always been performed by Rural Electrification field accountants because such reviews assure compliance with loan purposes and benefit the government in providing loan security on funds authorized for insured, guaranteed and rural telephone bank loans.

CONSERVATION

OFFICE OF THE ASSISTANT SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

Amendment No. 63: Appropriates $445,000 for the Office of the Assistant Secretary for Natural Resources and Environment instead of $422,000 as proposed by the House and $467,000 as proposed by the Senate.

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

Amendment No. 64: Provides a limitation of not less than $355,000,000 for personnel compensation and benefits of the Soil Conservation Service as proposed by the Senate instead of $370,000,000 as proposed by the House.

Within the amount provided for conservation operations the conference agreement includes $250,000 for the Michigan subirrigation study; $490,000 for the North Dakota windbreak project; $100,000 for work on the Red Rock Reservoir, Iowa, sedimentation project; $75,000 for expanding work at the Louisana State University Rice Research Station; $375,000 for work on the Plum Bayou project in Arkansas; $176,000 for Alcorn State, Mississippi; and $150,000 for the Idaho abatement plan.

RIVER BASIN SURVEYS AND INVESTIGATIONS

Amendment No. 65: Appropriates $12,292,000 for river basin surveys and investigations instead of $12,533,000 as proposed by the House and $12,051,000 as proposed by the Senate.

WATERSHED PLANNING

Amendment No. 66: Appropriates $8,824,000 for watershed planning instead of $8,997,000 as proposed by the House and $8,651,000 as proposed by the Senate.

WATERSHED AND FLOOD PREVENTION OPERATIONS

Amendment No. 67: Appropriates $26,271,000 for the Public Law 534 watershed program as proposed by the Senate instead of $27,271,000 as proposed by the House.

Amendment No. 68: Appropriates $20,000,000 for emergency watershed work as proposed by the Senate instead of $15,000,000 as proposed by the House.

Amendment No. 69: Provides $4,000,000 in loans for the watershed program instead of $7,949,000 as proposed by the House and $3,755,000 as proposed by the Senate.

The conferees agree to the urgent need for providing funding for the Wheeling Creek, Upper Buffalo Creek, Patterson Creek and Lost River, West Virginia, watershed and flood control projects. As soon as each incremental stage of the projects is available for initiation, the conferees will expect SCS to make the necessary funds available.

RESOURCES CONSERVATION AND DEVELOPMENT

Amendment No. 70: Provides $600,000 in loans for the resource conservation and development program as proposed by the Senate instead of $1,207,000 as proposed by the House.

GREAT PLAINS CONSERVATION PROGRAM

Amendment No. 71: Appropriates $20,884,000 for the Great Plains conservation program instead of $20,474,000 as proposed by the House and $21,293,000 as proposed by the Senate.

TITLE III—DOMESTIC FOOD PROGRAMS

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

Amendment No. 72: Provides a total of $4,887,494,000 for the child nutrition programs, including transfer of funds from section 32, as proposed by the Senate instead of $4,869,804,000 as proposed by the House.

The conference agreement provides for the child nutrition programs at the following annual rates:

Total obligational authority

	Amount
Child nutrition programs:	
School lunch program	$3,115,074,000
School breakfast program	563,926,000
State administrative expenses	60,651,000
Summer food service program	170,883,000
Child care food program	757,288,000
Commodity procurement	207,837,000
Nutrition studies and surveys	3,185,000
Income verification of food service claims	3,600,000
Nutrition education and training	5,000,000
Homeless pilot	50,000
Total available	4,887,494,000

Amendment No. 73: Appropriates $730,940,000 for the child nutrition programs as proposed by the Senate instead of $713,250,000 as proposed by the House.

Amendment No. 74: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided further, That $500,000 shall be available to establish the Food Service Management Institute at the University of Mississippi.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $500,000 for activities related to the Food Service Management Institute to be established at the University of Mississippi. The University may contract with and work in conjunction with others to accomplish the goals and objectives of the Institute.

SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

Amendment No. 75: Provides that up to $2,000,000 may be used to carry out the farmer's market coupon demonstration project as proposed by the House instead of $2,800,000 as proposed by the Senate. The conferees expect the Food and Nutrition Service to submit a report to the appropriate committees of Congress on the effectiveness of the farmer's market coupon demonstration project.

FOOD STAMP PROGRAM

Amendment No. 76: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and

concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$15,707,096,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates a total of $15,707,096,000 for the food stamp program instead of $14,200,235,000 as proposed by the House and $15,400,235,000 as proposed by the Senate. The conference agreement includes the Administration's mid-year estimates for the food stamp program and the Puerto Rico block grant.

Amendment No. 77: Provides a limitation of $10,825,000 on the amount of funds available under the Puerto Rico Nutrition Assistance block grant for the Cattle Tick Eradication Project as proposed by the House instead of $12,825,000 as proposed by the Senate.

TITLE IV—INTERNATIONAL PROGRAMS

Foreign Agricultural Service

Amendment No. 78: Appropriates $102,529,000 for the Foreign Agricultural Service instead of $98,787,000 as proposed by the House and $106,270,000 as proposed by the Senate.

The conferees agree that up to $350,000 of this appropriation may be used to complete the trade missions and conduct the necessary follow-up visits in connection with such visits. Such funds shall be in addition to the $200,000 specifically appropriated for trade missions.

The conferees note that the United States lags behind the competition as an exporter of value-added and high-value products. The conferees believe FAS, in conjunction with private industry, should increase value-added and high-value product promotion and exports. The conferees will expect FAS to analyze ways to accomplish this goal and provide the appropriate committees of Congress with a report within 120 days of enactment of this Act on the methods available and the actions that the Service is taking to implement them.

PUBLIC LAW 480

Amendment No. 79: Provides for a program level of $860,955,000 for titles I and III of the Public Law 480 program instead of $860,900,000 as proposed by the House and $878,055,000 as proposed by the Senate.

Amendment No. 80: Appropriates $309,900,000 for titles I and III instead of $309,845,000 as proposed by the House and $327,000,000 as proposed by the Senate.

Amendment No. 81: Provides for a program level of $682,100,000 for Title II of the Public Law 480 program as proposed by the House instead of $665,000,000 as proposed by the Senate.

Amendment No. 82: Appropriates $682,100,000 for title II as proposed by the House instead of $665,000,000 as proposed by the Senate.

Office of International Cooperation and Development

Amendment No. 83: Appropriates $6,118,000 for the Office of International Cooperation and Development instead of $4,376,000 as proposed by the House and $6,725,000 as proposed by the Senate.

The conference agreement provides $1,492,000 for the middle-income countries training program as proposed by the Senate. The agreement also provides $125,000 for the U.S./Ireland exchange instead of $250,000 as proposed by the Senate. Funds for FODAG/Rome are included under FAS.

For Operation FAST the agreement provides $500,000 instead of $375,000 as proposed by the House and $750,000 as proposed by the Senate. For development, planning and analysis the agreement provides $470,000 as proposed by the House instead of $535,000 as proposed by the Senate.

SCIENTIFIC ACTIVITIES OVERSEAS

(FOREIGN CURRENCY PROGRAM)

Amendment No. 84: Appropriates $875,000 for scientific activities overseas instead of $750,000 as proposed by the House and $1,000,000 as proposed by the Senate.

TITLE V—RELATED AGENCIES

Department of Health and Human Services

Food and Drug Administration

SALARIES AND EXPENSES

Amendment No. 85: Appropriates $560,271,000 for salaries and expenses of the Food and Drug Administration instead of $550,171,000 as proposed by the House and $581,871,000 as proposed by the Senate.

Within the increase provided, the conferees expect the Food and Drug Administration to implement management improvement systems and automated data processing enhancements necessary for centralizing its planning, ongoing oversight, and allocation of limited resources to priority activities among its various centers and field offices. Management information and automated processing systems development should include effective controls for review of foods, human and animal drugs, biologics, and medical devices; optical storage and retrieval technology; and computer-assisted review and tracking of product applications.

To enable FDA to recruit and retain qualified medical and scientific personnel imperative to meet statutory responsibilities, the conferees expect FDA to expand regulatory training and fellowship programs to create a larger pool of qualified candidates to fill agency staff requirements.

The conferees expect FDA to increase substantially its assistasnce to small businesses in order to meet FDA's complex regulatory requirements.

The conferees also expect FDA to implement the Generic Animal Drug and Patent Term Restoration Act within funds available.

The conferees are very concerned with reports regarding the generic drug program. The public expects and should receive safe and effective products while the industry is treated in a fair and evenhanded manner. The conferees are aware of a pending budget amendment to address generic drug problems. Accordingly, the conference agreement includes up to $4,000,000 for quality control, surveillance, review, and tracking of human generic drugs. Congress will consider other action upon receipt of an official budget request.

FDA will report details of its progress with these directives as part of its 1991 budget justifications.

The conferees are also concerned with the results of the survey by FDA on microbial contamination in cosmetic makeup testers. The results of the survey indicated that at least five percent of the shared cosmetics studied were inadequately preserved, resulting in a level of microbial contamination that raises questions of consumer safety. As as result of these findings, the conferees expect FDA to develop microbiological testing procedures and regulations to ensure adequate preservation of shared and unshared products. FDA should cooperate with the cosmetic industry in the development of single cosmetic samples rather than shared samples. The conferees will expect FDA to submit a progress report by March 30, 1990.

RED DYE NO. 3

The managers on the part of the House expect the Food and Drug Administration to provide the technical expertise necessary for the development and design of protocols for a long-term study to determine if the secondary mechanism effect can be confirmed for FD&C Red No. 3. Such study shall be financed by the affected industries. The managers on the part of the House further expect the Food and Drug Administration to review the results of this study, in addition to any other scientifically based findings which may emerge, prior to making any decision relating to changes in the provisionally or permanently approved uses of this color.

The managers on the part of the Senate believe that the FDA should reach its final decision on Red Dye No. 3 solely under the standards of the Food, Drug, and Cosmetic Act (21 U.S.C. 376 and the transitional provisions thereto, 74 Stat. 397, 203), and section 10(e) of the Administrative Procedure Act, 5 U.S.C. 706.

Amendment No. 86: Deletes Senate language which authorized the hire of temporary employees without regard to title 5 U.S.C. The House had no similar provision.

BUILDINGS AND FACILITIES

Amendment No. 87: Appropriates $8,350,000 for buildings and facilities of the Food and Drug Administration instead of $6,950,000 as proposed by the House and $12,250,000 as proposed by the Senate.

The conferees will expect FDA to provide requirements development for necessary renovation and consolidation of FDA facilities. The conferees direct the FDA Commissioner to report concurrently to the appropriate committees of Congress and the Office of Management and Budget on progress with its master site plans and requirements development for consolidation by December 31, 1989. The conference agreement does not provide funds for the biotechnology demonstration project at the National Center for Toxicological Research.

Department of the Treasury

PAYMENTS TO THE FARM CREDIT SYSTEM FINANCIAL ASSISTANCE CORPORATION

Amendment No. 88: Appropriates $90,000,000 for payments to the Farm Credit System Financial Assistance Corporation instead of $88,000,000 as proposed by the House and $93,000,000 as proposed by the Senate.

Commodity Futures Trading Commission

Adjunct oversight of the commodity futures industry should be accomplished in order to restore public confidence and provide stability to the commodity futures trading markets.

In view of the recent investigations and indictments facing the commodity futures industry, resulting from fraud and abuse within the industry, the Commodity Futures Trading Commission should issue rules and regulations to assume direct regulatory activities associated with any board of trade, exchange or market or any transaction involving contracts of sale of a commodity for future delivery, traded or executed on a contract market subject to regulation by the Commission. Included within the amount provided is $50,000 to promulgate such rules and regulations. Such regu-

latory action should be in addition to and separate from the industry's ongoing self-regulatory process.

TITLE VI—GENERAL PROVISIONS

Amendment No. 89: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which has the effect of providing that $5,000,000 in new obligational authority for the Grasshopper and Mormon Cricket Control Programs shall remain available until expended.

Amendment No. 90: Provides for a floor on employment for the Food and Drug Administration of 7,500 as proposed by the Senate instead of 7,400 as proposed by the House.

Amendment No. 91: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provide that loans offered for sale by the Rural Development Insurance Fund in fiscal year 1990 shall be first offered to borrowers for prepayment.

Amendment No. 92: Restores House language which limits the export enhancement program to $770,000,000.

Amendment No. 93: Deletes Senate language which prohibited a State from receiving WIC funds if that State has not implemented cost containment activities.

Amendment No. 94: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

SEC. 636. In fiscal years 1990 and 1991, $30,000,000 of section 32 fund shall be used to purchase sunflower and cottonseed oil, as authorized by law, such purchases to facilitate additional sales of such oils in world markets at competitive prices, so as to compete with other countries: Provided, That these funds shall be in addition to funds made available for this purpose by the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1989 (Public Law 100-460).

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the House to the amendment of the Senate.

The conferees point out that section 32 was enacted by Congress to be used to "encourage the exportation of agricultural commodities." The conferees will expect the Secretary to reinstate the use of this authority as a means of promoting our exports.

The conference agreement provides that $30,000,000 of section 32 funds shall be used in fiscal years 1990 and 1991 to purchase sunflower and cottonseed oil to facilitate additional sales of such oils in world markets at competitive prices. The House bill provide that sunflower and cottonseed oil be purchased in fiscal year 1990 without providing a specific amount and the Senate bill provided $40,000,000 in fiscal years 1990 and 1991.

Amendment No. 95: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides for a sugar reexport program.

Amendment No. 96: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

SEC. 641. (a)(1) Not later than 20 days after the end of each fiscal year, the Secretary of Agriculture shall (A) submit to Congress a report on the amounts obligated and expended by the Department during that fiscal year for the procurement of advisory and assistance services, and (B) transmit a copy of such report to the Comptroller General of the United States.

(2) Each report submitted under paragraph (1) shall include a list with the following information:

(A) All contracts awarded for the procurement of advisory and assistance services during the fiscal year and the amount of each contract.

(B) the purpose of each contract.

(C) the justification for the award of each contract and the reason the work cannot be performed by civil servants.

(b) The Comptroller General of the United States shall review the reports submitted under subsection (a) and transmit to Congress any comments and recommendations the Comptroller General considers appropriate regarding the matter contained in such reports.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement adopts Senate language which establishes various reporting requirements with respect to the procurement of advisory or assistance services by the Department of Agriculture. The conference agreement deletes Senate language which would have placed a specific limitation on the amount of funds that could be obligated or expended for this purpose.

Amendment No. 97: Deletes the table of contents contained in the bill as proposed by the Senate.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1990 recommended by the Committee of Conference, with comparisons to the fiscal year 1989 amount, the 1990 budget estimates, and the House and Senate bills for 1990 follow:

New budget (obligational) authority, fiscal year 1989	$42,675,463,000
Budget estimates of new (obligational) authority, fiscal year 1990	39,471,766,000
House bill, fiscal year 1990	37, 964,873,000
Senate bill, fiscal year 1990	40,103,935,000
Conference agreement, fiscal year 1990	39,450,955,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1989	−3,224,508,000
Budget estimates of new (obligational) authority, fiscal year 1990	−20,811,000
House bill, fiscal year 1990	+1,486,082,000
Senate bill, fiscal year 1990	−652,980,000

JAMIE L. WHITTEN,
BOB TRAXLER,
MATTHEW F. MCHUGH,
WILLIAM H. NATCHER,
DANIEL K. AKAKA,
WES WATKINS,
RICHARD J. DURBIN,
NEAL SMITH,
VIRGINIA SMITH,
JOHN T. MYERS,
JOE SKEEN,
VIN WEBER,
SILVIO O. CONTE,
Managers on the Part of the House.

QUENTIN N. BURDICK,
DALE BUMPERS,
TOM HARKIN,
BROCK ADAMS,
WYCHE FOWLER,
J. ROBERT KERREY,
ROBERT C. BYRD,
THAD COCHRAN,
JAMES A. MCCLURE,
ROBERT W. KASTEN,
ARLEN SPECTER,
CHUCK GRASSLEY,
MARK O. HATFIELD,
Managers on the Part of the Senate.

□ 1850

UNITED STATES MUST REMAIN STRONG ELECTRONICALLY

The SPEAKER pro tempore (Mr. HUTTO). Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, stories are circulating around Washington this week that the Defense Department will start negotiating with the Japanese to buy flat panel displays, part of the range of HDTV continuing technology. Up until this rumor hit the streets, 45 U. S. firms had been recognized by DARPA as having the capability of producing these screens, and the firms had application into DARPA for development funds.

However, there is another story being confirmed by some Defense insiders, which I understand will be carried in the New York Times tomorrow, that reports the Defense Department will cut all HDTV funding from DARPA. Maybe this fact makes the previous rumor about the purchase of screens true.

My sources at Defense also report that all Government contributions to Semitech will be cut, MANTECH will be cut, Defense Manufacturing Board will be cut out, Gallium Arsenide Research will be stopped. In essence, and very frighteningly so, every major industrial base initiative being run by the Defense Department will be dropped.

Now, while all of this is coming together, and, as we say, blowing one's mind, another story has surfaced in the publication called "New Technology Week." This reports that the staff economist to the White House Council of Economic Advisors, Gary Saxenhouse, is on the advisory board of the Research Institute at Japan's Ministry of Industry and Trade, better known as MITI.

For those of you who are not familiar with MITI, it is the Ministry of Industry and Trade, that guides all of Japanese manufacturing, and also guides them in the trade wars: It was MITI that was said to have its fingers in the sale of the milling machines, the silent milling machines by Toshiba to the Russians, et cetera.

Throughout the book, "The Japanese Conspiracy," it is MITI which helped organize the Japanese industries to focus in on American industries to destroy them one by one.

□ 1900

So, Mr. Speaker, I have to wonder is Mr. Saxenhouse, as a member of this advisory board, an agent of a foreign government, or, were he merely a lobbyist, he would have to register as such, and is he responsible for the idea that defense should stop funding programs for the future which would impact, not only on defense purchases, but also would have tremendous impact on restoring some of our microelectronic base that was lost to the Japanese?

I understand, and, once again, it is only a rumor that we may have consultants to the Japanese scattered throughout our Government. I really hope not, Mr. Speaker.

Is Mr. Saxenhouse only a tip of the iceberg? Well, I must say, Mr. Speaker, that I do not know whether there is undue foreign influence involved here, but the possibilities are so great and recognized to be so by our foreign agents registration laws that I really find the situation absolutely outrageous.

Mr. Speaker, Mr. Saxenhouse should be fired immediately, and any other person who is a consultant employed by a foreign government also should be discharged. It is not enough that they merely drop their Japanese affiliation to continue collecting U.S. taxpayers' money because every bit of advice given to this Government by such people will forever be suspect.

As my colleagues know, it is very difficult for me to understand how this happened. Surely these people must have security clearances to work at such high level positions. No one in the employment of a foreign government or who has a close association to a foreign government should ever be at a policymaking level of this Government.

Now some comments about the wisdom of this action in light of what is best for the United States:

Mr. Speaker, it is true that the Defense Department faces some budget cuts. However, the reports coming out of Germany right now is that they want our troops out, some 35,000 of them. Fine. Let us take a cut there. Considering our precarious budget position, it is probably wise to stop spending money on other countries which do not want us there in the first place.

Another thought: These kinds of cuts mandated out of this administration will create a political firefight from people, such as myself, who see this as a threat to the future, especially in our beleaguered microelectronics industry, and from constituent congressional Members who represent these programs.

This is not only outrageous, Mr. Speaker, it is absolutely ludicrous. Everybody agrees that the future is in electronics, and I hope that perestroika and glasnost also are all legitimate to the core, but just in case the Russians change their mind, and Mr. Gorbachev has told the world this week that capitalism would not be an import to the Eastern bloc, I suggest that the loss of research and development funds for dual use technology in the Defense Department shall be regarded as one of the most horrendous displays of disarmament that this country has experienced without a gun ever being placed at our head.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. SNOWE) to revise and extend their remarks and include extraneous material:)

Mr. LENT, for 5 minutes, today.

Mr. DORNAN of California, for 5 minutes, today.

(The following Members (at the request of Mr. HARRIS) to revise and extend their remarks and include extraneous material:)

Mr. STARK, for 5 minutes, today.

Mr. SLATTERY, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. BUSTAMANTE, for 5 minutes, on November 16.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Ms. SNOWE) and to include extraneous matter:)

Mr. HEFLEY.

Mr. PAXON.

Mr. PETRI.

Mr. BURTON of Indiana.

Mr. LAGOMARSINO.

Mr. DONALD E. "BUZ" LUKENS.

Mr. SCHUETTE.

Mr. LEWIS of California in three instances.

Mr. LENT in two instances.

Mr. SKEEN.

Mr. MACHTLEY.

Mr. DANNEMEYER.

Mr. GINGRICH.

(The following Members (at the request of Mr. HARRIS) and to include extraneous matter:)

Ms. OAKAR.

Mr. ROE.

Mr. MATSUI in two instances.

Mr. HAMILTON.

Mr. MONTGOMERY.

Mr. RAY.

Mr. GRAY.

Mr. TORRES.

Mr. STARK in three instances.

Mr. MORRISON of Connecticut.

Mr. OWENS of New York.

Mr. CROCKETT.

Mr. ERDREICH.

Mr. MANTON.

Mr. HALL of Ohio.

Mr. TALLON.

Mr. OBEY.

Mr. LAUGHLIN.

Mr. ATKINS.

Mr. RICHARDSON in two instances.

Mr. RANGEL.

Mr. CLAY.

Mr. LEVINE of California in five instances.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a Joint Resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 215. An act to amend title 5, United States Code, with respect to the method by which premium pay is determined for irregular unscheduled overtime duty by a Federal employee;

H.R. 2642. An act granting the consent of the Congress to amendments to the Southeast Interstate Low-Level Radioactive Waste Management Compact;

H.R. 3014. An act making appropriations for the legislative branch for the fiscal year ending September 30, 1990, and for other purposes;

H.R. 3544. An act to authorize the transfer of a specified naval landing ship dock to the Government of Brazil under the leasing authority of chapter 6 of the Arms Export Control Act; and

H.J. Res. 278. Joint resolution to designate the period commencing on November 20, 1989, and ending on November 26, 1989, as "National Adoption Week."

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 931. An act to protect a segment of the Genesee River in New York.

ADJOURNMENT

Mrs. BENTLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 15 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, November 16, 1989, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2019. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority, as of November 1, 1989, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 101-110); to the Committee on Appropriations and ordered to be printed.

2020. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2021. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS area, pursuant to 43 U.S.C. 1339((b); to the Committee on Interior and Insular Affairs.

2022. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2023. A letter from the Chairman, Merit Systems Protection Board; transmitting a report titled, "Federal Personnel Management Since Civil Service Reform: A Survey of Federal Personnel Officials", pursuant to 5 U.S.C. 1205(a)(3); to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHITTEN: Committee of Conference. Conference report on H.R. 2883 (Rept. 101-361). Ordered to be printed.

Mr. MOAKLEY: Committee on Rules. House Resolution 290. Resolution providing for consideration of H.R. 3660, a bill to amend the Rules of the House of Representatives and the Ethics in Government Act of 1978 to provide for Governmentwise ethics reform, and for other purposes. (Rept. 101-362). Referred to the House Calendar.

[Omitted from the Record of November 14, 1989]

DISCHARGE OF COMMITTEE ON H.R. 2567

The Committee on Merchant Marine and Fisheries discharged from further consideration of H.R. 2567; H.R. 2567 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BATEMAN:

H.R. 3659. A bill to amend the Internal Revenue Code of 1986 to provide that certain real property listed on the National Register of Historic Property shall be exempt from the estate tax; to the Committee on Ways and Means.

By Mr. FOLEY (for himself, Mr. MICHEL, Mr. FAZIO, and Mrs. MARTIN of Illinois):

H.R. 3660. A bill to amend the Rules of the House of Representatives and the Ethics in Government Act of 1978 to provide for Governmentwide ethics reform, and for other purposes; jointly, to the Committees on Rules, Post Office and Civil Service, House Administration, Standards of Official Conduct, the Judiciary, Ways and Means, and Government Operations.

By Mr. CONTE (for himself, Mr. MINETA, and Mr. WHITTEN):

H.R. 3661. A bill to authorize the establishment of a Smithsonian Senior Service, and for other purposes; to the Committee on House Administration.

By Mr. ECKART:

H.R. 3662. A bill to amend the Securities Exchange Act of 1934, and for other purposes; jointly, to the Committees on Energy and Commerce and Agriculture.

By Mr. FLORIO (for himself, Mr. WAXMAN, Mr. SIKORSKI, Mr. GUARINI, Mr. PALLONE, Mr. ROE, Mr. TORRICELLI, Mr. HUGHES, Mr. FEIGHAN, Mr. PAYNE of New Jersey, and Mr. DWYER of New Jersey):

H.R. 3663. A bill to promote the recycling of valuable materials contained in municipal refuse, and for other purposes; jointly, to the Committees on Energy and Commerce; Ways and Means; and Science, Space, and Technology.

By Mr. HATCHER (for himself, Mr. EMERSON, Mr. PANETTA, Mr. FASCELL, Mr. LEWIS of Florida, Mr. STALLINGS, Mr. SCHULZE, and Mr. ESPY):

H.R. 3664. A bill entitled, "The Omnibus Agricultural Commodity Promotion and Research Act of 1989"; to the Committee on Agriculture.

By Mr. KOSTMAYER (for himself, Mr. KOLTER, Mr. WELDON, Mr. MAVROULES, Mr. LEWIS of Georgia, Mrs. COLLINS, Mr. OWENS of New York, Mrs. BOXER, Mr. DE LUGO, Mr. PENNY, Mr. FORD of Tennessee, Mr. CAMPBELL of Colorado, Mr. FAUNTROY, Mr. MILLER of Washington, Mr. DEFAZIO, Mr. MCCOLLUM, Mr. FROST, Mr. PARRIS, Mr. SPENCE, and Mr. GUNDERSON):

H.R. 3665. A bill to amend the International Revenue Code of 1986 to provide for the establishment of, and limited deduction of contributions to, education savings accounts; to the Committee on Ways and Means.

By Mr. PANETTA (for himself and Mr. TORRES):

H.R. 3666. A bill to provide assistance to disaster victims through programs under section 8 of the United States Housing Act of 1937 and the Community Development Block Grant Program and to provide for allocation of rural housing funds in the event of a disaster; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ROTH:

H.R. 3667. A bill to establish a Department of Commerce and Trade, and for other purposes; to the Committee on Government Operations.

H.R. 3668. A bill to require an annual assessment and ranking of foreign countries with respect to the extent to which those countries engage in open international trade, and for other purposes; jointly, to the Committees on Ways and Means; Foreign Affairs; and Banking, Finance and Urban Affairs.

By Mr. WISE:

H.R. 3669. A bill to establish a Data Protection Board, and for other purposes; to the Committee on Government Operations.

By Ms. OAKAR:

H.J. Res. 436. Joint resolution to designate the week beginning March 5, 1990, as "Federal Employees Recognition Week"; to the Committee on Post Office and Civil Service.

By Mr. OWENS of New York (for himself, Mr. BARTLETT, and Mr. SMITH of Vermont):

H. Con. Res. 228. Concurrent resolution to express the sense of the Congress regarding the 25th anniversary of Volunteers In Service To America; to the Committee on Education and Labor.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 8: Mr. HANSEN, Mr. EMERSON, and Mr. YATES.

H.R. 509: Mr. GINGRICH, Mrs. KENNELLY, and Mr. SWIFT.

H.R. 655: Mr. BOSCO.

H.R. 1036: Mr. DUNCAN.

H.R. 1137: Mr. VENTO.

H.R. 1167: Mr. HAYES of Illinois, Mr. KILDEE, and Mr. COLEMAN of Texas.

H.R. 1292: Mr. ROBERTS and Mr. WHITTAKER.

H.R. 1470: Mr. COYNE.

H.R. 1515: Mr. MCMILLEN of Maryland.

H.R. 1530: Mr. CONYERS, Mr. WHEAT, Mr. OWENS of Utah, Mr. FUSTER, and Mr. HERTEL.

H.R. 1676: Mr. DOWNEY.

H.R. 2005: Mr. JOHNSON of South Dakota.

H.R. 2006: Mr. MARLENEE and Mr. JOHNSON of South Dakota.

H.R. 2192: Mr. BLAZ, Mrs. UNSOELD, and Mr. REGULA.

H.R. 2255: Mr. MILLER of Washington, Mr. FIELDS, Mr. WELDON, Mr. BENNETT, Mr. LENT, and Mrs. SAIKI.

H.R. 2273: Mr. SCHUMER, Mr. RUSSO, Mrs. PATTERSON, Mr. BUECHNER, Mr. BLAZ, Mr. RINALDO, Mr. BARTLETT, Mr. GINGRICH, and Mr. WELDON.

H.R. 2584: Mr. WELDON.

H.R. 2754: Mr. ALEXANDER, Mr. ENGEL, Mr. FLORIO, Mr. HAYES of Illinois, Mr. HAYES of Louisiana, Mr. HUBBARD, Mrs. MARTIN of Illinois, Mr. PANETTA, Mr. PAYNE of New Jersey, Mr. POSHARD, Mr. ROGERS, Mr. ROWLAND of Georgia, Mr. SABO, Mr. SCHAEFER, Mr. SCHUETTE, Mr. SKEEN, Mr. SKELTON, Mr. SLATTERY, Mr. STALLINGS, Mrs. VUCANOVICH, and Mr. WEBER.

H.R. 2755: Mr. DURBIN.

H.R. 2761: Mr. PASHAYAN, Mr. THOMAS of Georgia, Mr. HUBBARD, Mr. SLAUGHTER of Virginia, Mr. SKAGGS, Mr. NOWAK, Mr. UPTON, Mr. RINALDO, Mr. SUNDQUIST, Mr. FAZIO, Mrs. SAIKI, Mr. TRAXLER, Mr. MARTINEZ, Mr. BILBRAY, Mr. MOORHEAD, Mr. GREEN, Mr. MINETA, Mr. ROSE, Mr. MOODY,

Mr. FASCELL, Mr. REGULA, Mr. OXLEY, Mr. JENKINS, Mr. MCCANDLESS, Mr. CAMPBELL of Colorado, Mr. KLECZKA and Mr. GEREN.

H.R. 2798: Mr. SCHAEFER, and Mr. EMERSON.

H.R. 3220: Mr. SMITH of Texas, Mr. LAGOMARSINO, Mr. EMERSON, Mrs. PATTERSON, Mr. ECKART, Mr. ENGEL, and Mr. WYLIE.

H.R. 3256: Mr. OBERSTAR, Mr. POSHARD, and Mr. MILLER of Washington.

H.R. 3274: Mr. ROBERTS.

H.R. 3321: Mr. DANNEMEYER, Mr. DOUGLAS, and Mr. LAGOMARSINO.

H.R. 3333: Mr. SENSENBRENNER, Mr. LAGOMARSINO, Mr. BLILEY, Mr. MOORHEAD, Mr. OXLEY, Mrs. JOHNSON of Connecticut, Mr. FIELDS, Mr. MADIGAN, and Mr. GEKAS.

H.R. 3370: Mr. JOHNSON of South Dakota.

H.R. 3380: Mr. BROWN of Colorado, Mr. NOWAK, Mr. ESPY, Mr. PICKLE, Mr. CONDIT, Mr. PERKINS, Mr. SOLARZ, Mr. MCHUGH, Mr. SKEEN, Mr. TRAXLER, Mr. GEREN, Mr. PANETTA, Mr. EDWARDS of California, Mr. TAYLOR, Mr. KLECZKA, Mr. SHUSTER, Mr. DUNCAN, Mr. LEATH of Texas, Mr. GORDON, Mr. HEFNER, and Mr. FLORIO.

H.R. 3386: Mr. DEFAZIO and Mr. HERTEL.

H.R. 3430: Mr. HERTEL and Mr. LIPINSKI.

H.R. 3442: Mr. RICHARDSON, Mr. MONTGOMERY, Mr. NELSON of Florida, Mr. DEFAZIO, Mrs. BOGGS, and Mr. ORTIZ.

H.R. 3475: Mr. EDWARDS of Oklahoma and Mr. ROWLAND of Connecticut.

H.R. 3483: Mr. UPTON.

H.R. 3500: Mr. KOLBE and Mr. SLAUGHTER of Virginia.

H.R. 3502: Mr. RINALDO and Mr. HYDE.

H.R. 3560: Mr. RAVENEL.

H.R. 3562: Mrs. COLLINS.

H.R. 3594: Mr. MURPHY, Mr. KILDEE, Mr. STARK, Mr. HAYES of Illinois, and Mr. JACOBS.

H.J. Res. 429: Mr. GORDON, Mr. SAWYER, Mr. COSTELLO, Mr. HYDE, Mr. BOSCO, Mr. SCHUETTE, Mrs. BENTLEY, Mr. HOCHBRUECKNER, Mr. TALLON, Mr. BEVILL, Mr. FRENZEL, Mr. DELLUMS, Mr. PORTER, Mr. COUGHLIN, Mr. PAYNE of New Jersey, Mr. WAXMAN, Mr. FAZIO, Mr. DENNY SMITH, Mr. KOLTER, Mr. PALLONE, Mr. WOLPE, and Mr. HANSEN.

H. Con. Res. 67: Mr. DELLUMS, Mr. CONYERS, Mr. FAUNTROY, Mr. SAVAGE, Mr. THOMAS A. LUKEN, Mrs. COLLINS, Mr. FAZIO, Mr. ENGEL, Mr. SMITH of Vermont, Mr. WHEAT, Mr. MFUME, Mr. SAWYER, Mr. PAYNE of New Jersey, and Mr. FOGLIETTA.

H. Con. Res. 203: Mr. BOEHLERT, Mr. ATKINS, Ms. SLAUGHTER of New York, Mr. BUSTAMANTE, Mr. EVANS, Mr. AUCOIN, Mr. MAVROULES, Mr. SCHEUER, Mr. DE LUGO, Mr. OWENS of New York, Mr. NEAL of Massachusetts, Mrs. UNSOELD, and Mr. CLAY.

H. Con. Res. 205: Mr. YATRON.

H. Con. Res. 219: Mr. DREIER of California, Mr. WALKER, Mr. PENNY, Mr. FIELDS, Mr. HAYES of Louisiana, Mr. APPLEGATE, Mr. PAXON, Mr. HALL of Texas, Mr. HOLLOWAY, Mr. SCHAEFER, Mr. LIVINGSTON, and Mrs. VUCANOVICH.

H. Con. Res. 227: Mr. ROSE, Mr. DORNAN of California, Mr. FAUNTROY, Mr. CAMPBELL of California, Mr. CAMPBELL of Colorado, Mrs. MARTIN of Illinois, Mr. WALSH, Mr. BUSTAMANTE, Mr. DEFAZIO, Mr. ARMEY, Mrs. KENNELLY, Mr. HYDE, Mr. MANTON, Mr. GINGRICH, Ms. PELOSI, Mrs. BENTLEY, Mr. HORTON, Mr. HUGHES, Mr. WAXMAN, Mr. SOLOMON, Mr. SIKORSKI, Mrs. JOHNSON of Connecticut, and Mr. NEAL of North Carolina.

H. Res. 139: Mr. LEACH of Iowa, Mr. CLINGER, and Mr. PETRI.

H. Res. 206: Mr. JAMES, Mr. BLAZ, Mr. MCNULTY, Mr. HERGER, Mrs. SCHROEDER, Mr. REGULA, Mr. GONZALEZ, Mr. PAYNE of Virginia, Mr. NELSON of Florida, Mr. DWYER of New Jersey, Mr. HORTON, Mr. BARNARD, Mr. WALGREN, Mr. MAZZOLI, Mr. ESPY, Mr. HAYES of Illinois, Mr. WISE, and Mr. BRENNAN.

H. Res. 283: Mr. ACKERMAN, Mr. AKAKA, Mr. ATKINS, Mr. BOSCO, Mr. BOUCHER, Mr. CONYERS, Mr. EDWARDS of California, Mr. FALEOMAVAEGA, Mr. FAZIO, Mr. FRANK, Mr. HALL of Ohio, Mr. LIPINSKI, Mr. MARKEY, Mr. MRAZEK, Mr. NEAL of Massachusetts, Mr. POSHARD, Mr. ROYBAL, Mr. STARK, Mr. TOWNS, Mrs. UNSOELD, Mr. WEISS, and Mr. WOLPE.

SENATE—*Wednesday, November 15, 1989*

(Legislative day of Monday, November 6, 1989)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. ROBB].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Ye shall know the truth, and the truth shall make you free.—John 8:32.

Almighty God, perfect in truth and justice, we rejoice at the incredible movement for freedom in Eastern Europe, especially East Germany. We are sobered in the realization that godless communism has failed after 40 years. We celebrate the profound freedom we enjoy after 200 years. In our celebration, help us not forget the faith that produced our Constitution and Bill of Rights. Help us not overlook the firm belief of our Founding Fathers: That human rights are endowed by a Creator God and are, therefore, inalienable, that it is the responsibility of government to secure these rights and that that government receives its power from the consent of a sovereign people.

Gracious Lord of life and liberty, forbid that we should celebrate the fruit while we reject the root from which its springs. Deliver us from the tendency to reduce God to a religious issue and, thereby, remove Him from public life. Return us to the faith of our fathers and preserve us in all that distinguishes us from communism and its bankruptcy.

In Jesus' name who is the Truth. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the acting majority leader is recognized.

THE JOURNAL

Mr. PRYOR. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. PRYOR. Mr. President, this morning following the time reserved for the two leaders, there will be a period for morning business until 10:40 a.m., with Senators permitted to speak therein for up to 5 minutes each.

The Senate, Mr. President, will then recess from 10:40 a.m. until noon for the joint meeting with the House to hear an address by Lech Walesa.

Upon reconvening at 12 noon, the majority leader has expressed his intention to turn to the Department of Defense authorization conference report, H.R. 2461, under a unanimous-consent agreement which provides for a 2½-hour debate on the conference report.

Beginning at 2 p.m. today, there will be another hour of debate on the Packwood-Roth capital gains IRA proposal, with a vote occurring at 3 p.m. this afternoon on the motion to invoke cloture.

Once that vote has been completed, and if action has not been completed on the DOD conference report, the Senate would then return to that measure to complete action. After which, the majority leader has indicated his desire to act on any of the available conference reports.

Mr. President, I notice the distinguished Republican leader is here and I assume at this time he would want to utilize his time.

Mr. President, I reserve the remainder of the majority leader's time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the Republican leader is recognized.

FREEDOM: CELEBRATIONS IN EASTERN EUROPE, ASSAULTS IN CENTRAL AMERICA

Mr. DOLE. Mr. President, freedom is not a partisan issue. Every Senator—Democrat and Republican—shares the excitement of recent events in Eastern Europe.

As our vote on aid for Poland and Hungary demonstrated, virtually every Senator wants to help the nations of Eastern Europe on their path toward free government and free enterprise.

So it is a bit distressing to hear the increasing level of democratic carping about the President's actions and words on Eastern Europe.

My memory is still pretty good. I can remember what happened a year ago. George Bush was overwhelmingly elected to be the President of the United States.

And I can read pretty good, too. I can read the Constitution, which says the President runs our foreign policy.

And I can read the polls, which show that the American people, by an overwhelming majority, believe President Bush is doing an outstanding job as President, including in the area of foreign relations.

So what gives?

I do not know—I truly do not know.

For 8 years, liberals lambasted Ronald Reagan—for his rhetoric, which unashamedly identified America with the global struggle for freedom and against communism; for his policies, which kept America strong and rejected unilateral concessions to the Communists.

For 8 years, they preached gloom and doom, and said Reagan's rhetoric and policies would doom us to an era of cold war and stalemate. Where are all those liberals now?

Well, they are all still making speeches—but now their speeches all say how wonderful it is that the nations of Eastern Europe are throwing off the Communist yoke and turning to freedom.

One enormous reason all that is happening is because of the policies of Ronald Reagan, which all those liberals made a career out of lambasting.

And now that President Reagan has passed the mantle to President Bush, the liberals have a new war cry: He is to timid. He is not being aggressive enough in seizing the opportunities to roll back the Iron Curtain.

Mr. President, they are as wrong today, as current events unquestionably prove they were wrong in their attacks on President Reagan.

Ronald Reagan was right. And George Bush is right, too.

He has us exactly on the right course. He has his eye squarely on the ball.

Yesterday, the distinguished majority leader urged the President to stage a photo op at the Berlin Wall.

Mr. President, George Bush is not interested in photo ops. He is interested in advancing the cause of freedom in East Germany.

Yesterday, the majority leader suggested that we ought to start exploring with the Soviets how we can help them out economically—with the laudable goal that our help might give Gorbachev the support he could need

to fight off internal efforts to reverse his reforms.

We hope Mr. Gorbachev succeeds in moving the Soviet Union down the path is now on. But let us not get too carried away with Gorby mania.

President Bush and Gorbachev will meet in the floating summit in just a few weeks. Rather than suggesting now that we go into the summit offering a plan to help Gorbachev bail out Soviet communism—why do we not focus on what we want from Gorbachev?

What is the benefit, to the United States, when we publicly pressure the President to go into the summit with an American agenda of volunteering aid to the Soviets?

There may be some U.S. interest in seeing that he succeeds—as long as he stays on his current course. But there is still a great deal in Soviet policy that is directly inimical to United States interests; Soviet policies that must be changed, and drastically, if we are to have any business getting in the game of helping Gorbachev bail out the Soviet system from the failures of Soviet communism.

We have a lot that Mr. Gorbachev wants—but I do not see much interest in laying it out for him in some kind of buffet, and inviting him to make his choice. Let us extract a reasonable price for any concessions we offer.

One place to start is right on our southern doorstep, in Central America.

Just as Poland and Hungary and East Germany—and now, perhaps, even Bulgaria and Czechoslovakia—are embarked on the road toward greater freedom; just when the tide of freedom is running high in Eastern Europe—freedom is under vicious assault in Central America.

Daniel Ortega unilaterally trashes a cease-fire, in a blatant effort to crush the democratic resistance, and thwart the increasingly clear determination of the Nicaraguan people to oust him through a free and fair election.

In El Salvador, Communist guerrillas launch their most vicious military and terrorist assault in a decade—murdering hundreds, and shutting down even the most innocent civilian commerce and transportation.

Mr. President, imagine what would be happening on the floor of the Senate if freedom fighters in Nicaragua launched a suicidal attack on Managua? The liberals would be queued out into the hall, with their speeches and press releases ready—blasting the Contras for undermining the so-called peace process in Central America.

But let the Communist murderers in El Salvador assault a freely elected government and a free people—literally shooting innocent people down in the streets of the capital city—and we have heard not a word, not a peep, out of any of the liberals.

Mr. President, the Soviet Union bears important responsibility for what is going on in Central America.

Ortega is their client—pure and simple. Without their hundreds of millions of dollars of aid, his regime would have collapsed long ago. Without the hundreds of millions of dollars of arms aid they have pumped in—and they continue to facilitate going in through Cuba and other channels—the freedom fighters would have thrown him out of office long ago.

The guerrillas in El Salvador are carrying Soviet supplied weapons, directly or indirectly; communicating on Soviet-supplied "commo" gear, directly or indirectly; and responding to orders and advice that start in Nicaragua—with the clear knowledge and at least implicit approval of the Soviet Union.

It may be in our interest, at some point, to more actively help Mr. Gorbachev out. But it is time, now, for him to get his own policies in order—especially in areas like Central America, which are central to our own security concerns.

Is it not about time for Senators to stop criticizing President Bush, and urging that we help out Mr. Gorbachev—and start criticizing the policies that lead to the events of Nicaragua and El Salvador?

President Bush deserves our praise—for what Reagan-Bush policies have already done so much to accomplish, and what the Bush administration is doing to keep the momentum toward freedom strong.

He deserves our support—bipartisan support.

He does not deserve our nitpicking and petty politicking.

It is not timidity to withhold our largesse from Gorbachev until he straightens out his policies in Central America and elsewhere; it is common sense.

We do not need photo ops of the President at the Berlin Wall. We need a continuation of the steady, well-focused leadership he is providing. And we need a reasonable degree of bipartisan support for the President of the United States, as he leads our country in this exciting, promising, but still dangerous time.

Mr. President, I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Without objection, the remainder of the Republican leader's time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period for the transaction of morning business not to extend beyond the hour of 10:40 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The Chair recognizes the Senator from Tennessee [Mr. GORE].

EASTERN EUROPE

Mr. GORE. Mr. President, I wish to address the subject just covered by the Republican leader. The true credit for the events now taking place in Eastern Europe goes to Thomas Jefferson and James Madison and our founders who created a system of self-government and representative democracy that has proven to be resilient, durable and capable of promoting and sustaining the yearnings of people all over this world to be free.

We need visionary leadership just now in order to find a path toward the new world we hope to create. The last time we saw movements in history of the scale and magnitude of the ones underway right now was in the years immediately following World War II. In that period, when the Marshall plan was put in place and many other designs were presented, Gen. Omar Bradley said, "It is time we steered by the stars and not by the lights of each passing ship."

Mr. President, taking overnight tracking polls and doing what they say the next morning isn't leadership. It's the equivalent of steering by the lights of each passing ship. We need a goal to steer toward. We need a vision of the world as it can be, not simply a snapshot of the world as it is.

Last month, in San Francisco Bay, an earthquake shook the Earth in the middle of the World Series. This month, in Europe, the tectonic plates of history are moving with sudden and violent force. Hidden from view, deep beneath the surface, great ideas are grinding one against the other. The plate we might call democracy is covering and submerging the plate created by Lenin and Stalin. The fault line of this great conflict in history runs right through Berlin.

Mr. President, the way to survive an earthquake is to build structures that are resilient and durable. The Communist governments in Eastern Europe are like some of the damaged buildings in San Francisco: not safe to go back into, even though they did not fall to the ground.

We came to the aid of the earthquake victims in California. Now we must participate in efforts to build a new structure in Eastern Europe and help the people who live there to realize their yearnings for democracy and self-representation.

Mr. President, it will not be sufficient to simply look at the tracking polls. It will not be sufficient to just play it by ear. After the earthquake in San Francisco, I suppose some people were still waiting for the pregame show. They were still watching their television sets waiting for the third

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game of the World Series to come on. Let us not make sure that does not take place in Eastern Europe. The world has changed and time has moved on. We cannot afford to sit back and wait for history to happen.

Mr. President, let me turn to the subject I had intended to address, and with the indulgence of my colleagues, I ask unanimous consent for an additional 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, the Senator is recognized for an additional 5 minutes.

Mr. GORE. I thank the Chair.

(The remarks of Mr. GORE pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

MEASURE INDEFINITELY POSTPONED—S. 1582

Mr. DIXON. Mr. President, I am glad to yield to my colleague from Washington State in a moment with the understanding that it will leave me time to make some brief remarks until 10:40 when we assemble to go to the House Chamber to hear Lech Walesa.

With cooperation and consent of the Republican leader, I ask unanimous consent that S. 1582, the Poland-Hungary assistance bill, be indefinitely postponed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DRAMATIC CHANGES IN EASTERN EUROPE

Mr. GORTON. Mr. President, during the course of his inauguration speech President Bush stated, "A new breeze is blowing. The totalitarian era is passing, its old ideas blown away like leaves from an ancient lifeless tree."

Mr. President, I believe that very few statements or predictions by newly inaugurated Presidents at the time of inauguration have been so amply fulfilled in so short a period of time.

Today, we welcome the leader of Solidarity, the noted and courageous Lech Walesa, now representing the people of Poland and their aspirations for freedom. Poland has had dramatic changes during the course of the past year, including what we would call free elections for at least a part of its new parliamentary system. It is now going through extremely difficult economic times as it attempts to move from the failures of a command economy to the promises of a free economy.

Hungary now has scheduled totally free elections both for a new President and for a new Parliament. It perhaps has more promise of success without wrenching change than any of the other countries in Eastern Europe because it has been in the process of reforming both its political system and its economic system at roughly the same speed and in the same time.

Dramatic changes have taken place in the Soviet Union where some freedoms, freedom of speech particularly, have been notably advanced, where a number of members of a new Parliament have been elected freely, and where a new breeze is blowing from a political standpoint but where difficulties of changing from an economy with a 70-year history, which is now a total failure, to a free economy are extremely daunting.

Now it is East Germany, to the surprise of all of us, here and elsewhere, where a demand by the people themselves has resulted in striking progress toward freedom and a dramatic destruction, figuratively, and gaining literally as well, of the Berlin Wall.

Next, Mr. President, I am convinced will be Czechoslovakia. I do not see how that repressive government can last another year or even 6 months.

Each of these changes is a triumph for the cause of liberty and the self-determination of people. Each is a triumph for us and our ideals in the United States, ideals which go back, as the distinguished Senator from Tennessee said, to Jefferson, Madison, and Adam Smith, but changes which have resulted largely because of our strength, our own sense of purpose, our confidence in our own system and our self-confidence in American society.

At the same time, I think we must confess, Mr. President, that in one respect these changes are also a triumph of the new communications revolution, a triumph of television and the VCR. Nevertheless, nothing happens in any country with a repressive government like that of East Germany without the people, without the courage of that small handful of East Germans who were willing to start a movement called New Forum, when it was very risky to do so, off those Christians who were willing to meet week after week in their churches and then go out and demonstrate for freedom.

The true heroes of these changes in East Germany, Mr. President, are the people of East Germany themselves and their demand for freedom. It is simply because this is a revolution of the people that I believe we should not fear the eventual reunification of all of Germany. I believe we have a very different Germany today from what we have had at any time in the past, and that we can confidently expect that a new and reunited Germany would be a free and democratic Germany.

But this is not so much a triumph of what we have done as Americans, Mr. President; it is a triumph of what we are. It is not something which we need to respond to day by day, because it is a triumph of what we are and of our own ideals. Of course, we should encourage these changes and should help them when they are basic changes.

Mr. Gorbachev of the Soviet Union now effectively says that the Warsaw Pact will be dead if we will only abandon NATO. But those are not equivalent alliances, Mr. President. NATO is an alliance of free people. The United States will leave Europe when the Western Europeans want us to do so, because we have joined together freely.

The Warsaw Pact, Mr. President, will collapse the minute the people of Eastern Europe are allowed to make their own choice as to its continuation. But we must be willing to change our thoughts about security in Europe and about what is required for that security. It may well be that in the course of the next few years many of our troops and airmen will return home, but they will do so, Mr. President, because we and our ideas have been triumphant, not because we have failed. Future reductions in the size of our military establishment, future cuts in our defense budget, the so-called defense dividend, will be the results not of failure but of success. Our ideals, our military posture, our alliances, have been successful in this world. It now requires us only to show the thoughtfulness, the imagination, and the dedication which we have shown over the course of the last 40 years to make the next 40 years a time of triumph for peace and democracy around the world.

WELCOME TO LECH WALESA

Mr. DIXON. Mr. President, it gives me great pleasure to welcome Lech Walesa, the leader of the independent self-governing trade union Solidarity, to the United States. I am particularly proud of this moment because I remember quite vividly how far Solidarity has come, and how the U.S. Congress helped bring this day to pass.

As many of my colleagues will recall, 2 years ago, Solidarity was still an outlawed trade union organization, whose members were imprisoned and beaten for their efforts to democratize Poland. I remember the heroic efforts of Lech Walesa, a worker at the Lenin Ship Yards in Gdansk to keep the dream of freedom and democracy alive in his believed country. He suffered the indignities of prison and house arrest. He and his family suffered greatly. In spite of the many dark days he and his family faced, the Polish people continued to see in him what the Communist Government feared most. He truly represented the people and was able to turn their vision into stunning reality.

It was increasingly clear to this Senator, as well as others in this body,

that the only way for the United States to effectively advance democratization in Poland was to support those who were espousing the cause of democracy, at grave risk to their own well-being. It was a case of putting our money where our mouth was.

Along with my distinguished colleague, Senator SYMMS, and many others, I introduced an amendment to the fiscal year 1987 supplemental appropriations bill to provide Solidarity $1 million in unconditional support. It was the very first demonstrable and realistic assistance to the then outlawed union by the United States. This step put the U.S. Government squarely behind the advocates of freedom. The message was loud and clear to the Soviets and Solidarity supporters alike: The United States doesn't just talk democracy, it backs it.

Mr. President, it was money well spent.

The Congress saw in Solidarity and its leader, Lech Walesa, a movement of great force and determination. Lech Walesa, as its leader, fought for their rights with a deep and abiding faith that freedom would prevail.

Who would have thought that 2 short years later, the Polish Government would be a non-Communist controlled, Solidarity-backed Government? Some who served time in prison are now senators and representatives in the Polish Parliament. I recently had the chance to meet Jacek Merkl, who had been imprisoned during the period of martial law. He said he would never forget the assistance of the U.S. Congress toward Solidarity at a time when they needed it most. It was a reminder to me of the foresight of this body then, and a reminder to us all that our assistance is still necessary.

The Polish people, led by Mr. Walesa, have caused the dam of communism to burst open wide. Democracy is flooding Eastern Europe, from Gdansk to Sofia, the Baltic Sea to the Black Sea.

We must keep in mind, however, that there always remains the prospect of the Communists damming the river of democracy farther downstream. We must never believe the job of democratization is finished. We must all work to ensure its success.

I am reminded today of a copy of a letter I received from Solidarity supporters in Poland. I think the words of those who were in the thick of the struggle for Polish democracy are especially meaningful today. They are even more so when one realizes the statements were made in May 1988, a little more than a year and a half ago. The letter said:

To our adversaries and bad-wishers I have this to say: abandon hopes that we shall ever give up, grow tired or surrender. The final victory shall be ours.

Lech Walesa's visit to the United States is a testament to those who struggled against incredible odds for the opportunity to speak freely and choose their own destiny. Lech Walesa has brilliantly led his people's struggle. Their struggle is our struggle, Mr. President.

I welcome Lech Walesa to the Congress and warmly congratulate him on the long road he has traveled to get to this day and this place. Working together, we can continue to walk down the road of democracy.

I thank my colleagues.

I thank the Chair. I yield the floor.

Mr. DOLE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Republican leader.

Mr. DOLE. Mr. President, how much time do I have?

The ACTING PRESIDENT pro tempore. The Senator has 3 minutes and 7 seconds.

NOMINATION UPDATE

Mr. DOLE. Mr. President, I want to give a nomination update statement, and I intend to, as I have indicated to the majority leader, indicate every day how far we have come in getting some of these nominations confirmed.

As of today, Wednesday, November 15, there are now 127 nominations remaining pending in the Senate awaiting confirmation. Of those 127 nominations, 61 have not been in the Senate longer than 30 days.

However, there are still 66 nominations that have been in the Senate longer than 30 days and have not been confirmed. I want to indicate for the record I was pleased with the majority leader's statement, I guess yesterday or the day before, indicating that as many as half the pending nominations may be confirmed if unforeseen problems do not arise.

So I thank the majority leader for his assistance and his leadership in this matter. I want to reiterate that I will do all I can on this side to be helpful, and, as I have said before to my colleagues who have holds on some of the nominees, these nominees are outstanding men and women. They have families. They have changed their plans, they have relocated, and they are waiting for confirmation.

If, in fact, we are to depart here either this week or next, or soon thereafter, I think it would be unfair to many of the nominees who have had hearings—maybe there is no real controversy—to have to wait until sometime in late January.

I urge my colleagues on this side who may have holds to release your holds and turn the nominations loose. I again indicate my willingness to cooperate in every way with the majority leader in getting all of the confirmations that we can.

Mr. DIXON. Mr. President, may I just say, as the bottom of the leadership team on the Democratic side, that I am delighted to hear those remarks from the Republican leader on the efforts that are going to be made by his side.

May I respond by saying we are anxious over here to cooperate. Any idea that any nominees are being held up on this side is totally at odds with the facts.

I had the pleasure of being with my good friend from Illinois, the Secretary of Transportation, Sam Skinner, last weekend, when he dedicated Clark Bridge in Alton. He discussed this subject with me. I assured him that we are anxious to move all of these people.

We just confirmed 10 in the Armed Services Committee a moment ago. I just talked last night to the chairman of the Agriculture Committee, the distinguished senior Senator from Vermont, about moving out a person we are concerned about, and to the Banking Committee chairman today about the same thing.

I see my friend, the chairman of our conference, coming in. We are all anxious to cooperate and have these various nominees considered and voted upon for confirmation.

In the case of one or two that frankly will be somewhat contentious, we are ready for the vote. We are ready to vote no if we want to vote no. But any charges that this side—and I know the Senator has not made that charge—anybody in leadership on this side is conspiring to not bring up anybody is totally at odds with the facts.

I thank my good friend and valued friend, the Republican leader, for indicating that folks on his side should release any holds. We say the same to the people on this side.

I might say that the administration might send some people over here to do a little more work on this because there is no reason or effort on this side or desire on this side to hold up these folks.

Mr. DOLE. I thank the distinguished Senator from Illinois. I know he is sincere in his remarks. Obviously, the bottom line is, to get the confirmations done, we have to have a vote. Some may even be debated. I do not suggest every nominee any President sends up here is perfect and the nomination should not be debated. Some ought to be rejected, I assume.

I guess the point I would make is we certainly want to work together. There are some holds on the Republican side. I have implored my colleagues on this side to work out any differences. Let us have these confirmations completed by the end of this week or by Thanksgiving Day.

I thank the Chair. I yield back the time.

The ACTING PRESIDENT pro tempore. Who seeks recognition?

Mr. SIMON. Mr. President, I question the presence of a quorum.

The ACTING PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MOBILE VOLUNTEERS

Mr. HEFLIN. Mr. President, in his inaugural address, President Bush urged Americans to give of themselves and their time through volunteer work. Volunteerism is admirable and often brings out the best in people. Volunteers are an enormous help to organizations such as the Red Cross, the Cancer Society, various churches and schools, and many other groups.

I think those who give of their time to help others without expecting any type of monetary or compensatory reward should be praised for their selfless efforts. They are indeed a great asset to our society.

I want to take this opportunity to praise a particular group of volunteers in my home State of Alabama.

Every year, Helping Hands for the Children, a volunteer support group for the Children's and Womens' Hospital of the University of South Alabama Medical Center, honors outstanding community leaders in the Mobile area for their volunteer work.

I want to join Helping Hands for the Children in saluting the efforts of Joyce Chavers, Chadwick Clark, Lynn Green, Walter McKean, Jr., Jenny Rich, Rena Scheuerman, Audrey Wilhelm, Mary Wood, and Bernard Wood III.

Ms. Chavers has given much of her time to help the Mobile Terrace Youth Group in Mobile. Mrs. Clark has worked to help the Cancer Society, Camp Rap-a-Hope, and Wilmer Hall. Mrs. Green also worked with Camp Rap-a-Hope, as well as volunteering her time for the Junior League and Dauphin Way Methodist Church.

Mr. McKean has donated his time to help the Mobile Opera Guild and the Arthritis Foundation. Mrs. Rich has been quite busy in her efforts to help the Mobile Helpline, the Mobile Heart Association, the Medical Auxiliary, and the Spring Hill Avenue Temple Sisterhood.

Ms. Scheuerman has worked with the Boy Scouts and the senior citizens' Christmas party in Saraland. Mrs. Wilhelm has donated her time and energy for the Child Advocacy Center, Azelea City Sertoma Club, and the attorney general's task force on victim's rights.

Mrs. C.W. Wood has volunteered for MARC and the Mobile Art Association. Mr. Bernard Wood has volunteered for the Red Cross, St. Paul's School Senior Band, and the American Junior Miss Pageant.

Mr. President, I also want to praise Lee Stearns of Helping Hands for the Children, who has also done a lot of volunteer work in the Mobile area.

Dedicated and caring individuals such as these deserve a great deal of praise for their commendable efforts to help others. I want to thank these individuals for their work, and I hope they, and all volunteer workers, be an inspiration to many others.

THE 50TH ANNIVERSARY OF LUTHERAN REFUGEE AGENCY

Mr. KENNEDY. Mr. President, this year marks the 50th anniversary of the Lutheran Immigration & Refugee Service. Representatives of this phenomenal humanitarian agency are in Washington this week from throughout the United States to mark this important occasion, and I am pleased to join in paying tribute to their enormous dedication and remarkable achievements.

LIRS got its start in the midst of the human upheaval of the Second World War now a half century ago. Since that time, the Lutheran Immigration & Refugee Service has made the difference between lives of oppression and deprivation and lives of hope and freedom for over 150,000 refugees from throughout the world.

Mr. President, the dedication of American Lutheran churches to rescuing the uprooted has been extraordinary. Since 1939, LIRS has mobilized over 6,000 Lutheran congregations across the country to assist needy refugees to start new lives in America. This network of churches represents one of the most vibrant and caring refugee resettlement responses in the world.

A special ministry of the Lutheran Immigration & Refugee Service is its resettlement of refugee minors who become separated from their parents during flight—the so-called unaccompanied minors. This is an exceptional program in which LIRS is one of only two agencies in the entire United States with the expertise and commitment to care for this sensitive population.

We in Congress also benefit from the fact that so many Lutheran congregations associated with LIRS not only resettle refugees, but advocate policies to assure refugees of continuing protection and support. LIRS has been a leading voice on behalf of Indochinese, Central Americans, Eastern Europeans, and other refugees around the globe.

Mr. President, I know my colleagues in the Senate join me in commending this remarkable voluntary agency for its 50 years of service on behalf of uprooted people in every corner of the world. And we know the next 50 years will be even more successful than the first.

TERRY ANDERSON'S CONTINUING CAPTIVITY

Mr. MOYNIHAN. Mr. President, today marks the 1,705th day that Terry Anderson has been held in captivity in Beirut.

I ask unanimous consent that a recent Buffalo News article on this matter be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Buffalo News, Oct. 25, 1989]

CAPTORS RENEW DEMAND

BEIRUT, LEBANON.—Pro-Iranian kidnappers holding Americans Terry Anderson and Thomas Sutherland revived an old demand yesterday for the release of 15 Shiite Muslim comrades held in Kuwait for bombing the U.S. and French embassies.

"We renew our firm emphasis on the need to free our struggling brethren from the jails of the collaborating Kuwaiti regime, and declare that the Mujahedeen (holy warriors) shall not rest until they see their brethren free," said a statement from Islamic Jihad, or Islamic Holy War.

Copies typewritten in Arabic were delivered to the independent newspaper An-Nahar and a Western news agency in Muslim west Beirut. Accompanying the one delivered to the agency was an instant photograph of Anderson, a former Batavia resident who was kidnapped March 16, 1985, and has been held longest of the 18 Western hostages.

The photograph was similar to one released by Islamic Jihad on Nov. 4, 1988, with the last statement from the group, showing Anderson about to cut a birthday cake.

No cake was visible in the latest picture, a close-up from a slightly different angle that showed Anderson from the waist up, mustached and smiling, wearing glasses and a yellow T-shirt. In the background is what appears to be the same blue curtain.

Anderson, chief Middle East correspondent for The Associated Press, will be 42 on Friday. It will be his fifth birthday in captivity. Sutherland, 57, of Fort Collins, Colo., was acting dean of agriculture at American University of Beirut when he was adducted June 9, 1985.

The Shiite Muslims in Kuwait were convicted on terrorist charges stemming from the embassy bombings, in which at least five people were killed and 86 wounded. Kuwait has refused previous demands to release the prisoners.

With the statement delivered to An-Nahar were two pictures of the U.S. Marine base and the French paratroop headquarters attacked with truck bombs Oct. 23, 1983. Islamic Jihad said it issued the statement to mark the anniversary of the bombings, which killed 241 U.S. military personnel and 58 French soldiers.

"We are proud of our martyrs who destroyed the Marine and the French paratrooper headquarters in Beirut, and the

spying nests (embassies). We are determined to follow their path," Islamic Jihad said.

Reaction in Washington was negative.

"There is nothing new here," a State Department official said. "It's just another cynical attempt to influence the American public."

The official who spoke on condition of anonymity, added: "Our policy remains: No deals. We are not going to reward hostage-takers."

Like most other radical Lebanese factions claiming to hold Western hostages in Lebanon, Islamic Jihad is believed to be a group of Shiite zealots loyal to Iran.

President Hashemi Rafsanjani of Iran offered on Monday to help get the hostages freed if the United States released frozen Iranian assets or helped determine the fate of three Iranians kidnapped in Lebanon.

Iranian assets in the United States, now worth an estimated $11 billion to $12 billion, were frozen in 1979 after militants seized the U.S. Embassy in Tehran. They held 52 Americans hostage for 444 days.

The three Iranians are believed dead. They are Ahmad Motevaselian, commander of Iranian Revolutionary Guards based in the Bekaa Valley of eastern Lebanon; Charge d'Affaires Hussein Musavi; and Kazen Akhavan, a correspondent of the official Islamic Republic News Agency.

Christian militiamen seized the Iranians and their Lebanese Shiite driver Rastegar Moqadam, who also held an Iranian passport, in north Lebanon in July 1982. The driver also is missing.

The 15 men Islamic Jihad wants released are Kuwaiti, Iraqi and Lebanese Shiites convicted of a bombing spree in which several government and private Kuwaiti installations also were attacked.

Over the past four yeas, Islamic Jihad has released four U.S. hostages and three Frenchmen. In 1985 it killed American captive William Buckley, described as the chief of the CIA in Beirut.

TESTIMONY OF JAMES C. KIELSMEIER

Mr. KENNEDY. Mr. President, it has come to my attention that testimony by Mr. James C. Kielsmeier, president of the National Youth Leadership Council at the University of Minnesota, was inadvertently omitted from the Labor and Human Resources Committee hearing record on the national and community service. I ask unanimous consent that Mr. Kielsmeier's statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[Written Testimony for U.S. Senate Committee on Labor and Human Resources]

SERVE-AMERICA: THE SERVICE TO AMERICA ACT OF 1989

(By James C. Kielsmeier)

("As for myself, I learned that for the first time in my life I accepted the mentally handicapped for what they are and didn't just feel sorry for them like I did in the past. This may sound strange, but through working with the women and learning to understand them, I've come closer to understanding myself. It's like while I'm working with them to broaden their perspective, I find myself broadening my own. In a way we're like a team. I help them and they help me and together we've gained a healthier self-concept."—Student volunteer at a home for the mentally retarded, part of a college course organized by the National Youth Leadership Council)

WHY THIS TESTIMONY

I'm compelled to offer testimony on this legislation because of what I know of people like the young woman who wrote the above in her journal. Youth service is not for me a vauge conceptual framework of enlightened social engineering. I'm a person who works with kids—for over 25 years, a youth worker. Youth service is a hands-on reality for me, something that is good for kids—all kinds of kids, and good for America.

After years as a school teacher, soldier, wilderness instructor and college professor I have found in the act of engaging young people in interesting, useful service for others the most powerful youth development tool at my disposal. In the process I have learned and grown in my respect for the incredible capacity of our younger citizens to work, create, problem solve and give. Young people *are* a vastly underused and underacknowledged resource.

Convinced by the validity of youth service or service-learning as an educational and community development process, I set out, with a number of colleagues, to shape a comprehensive operating model of youth service in the state of Minnesota. As our plans have begun to bear fruit and as other states and national leaders have come to similar conclusions I have offered the example of our work—a single state, a comprehensive plan—that might be instructive as a national plan for youth service is shaped.

A MINNESOTA MODEL: TOWARD A LARGER VISION OF YOUTH SERVICE

Here in Minnesota youth service is a growing collaboration of schools and colleges, traditional youth organizations, the adult volunteer community, and the private sector—bolstered by public officials such as Governor Rudy Perpich and members of the Minnesota Legislature, who are giving visible support and needed fiscal backing through legislation.

Collaboration has been forged around a shared vision: "to see youth service opportunities available and integrated into every level of the growing up experience of Minnesota youth." An outline of that vision is found in figure A.

We believe that a comparable mission could and should be created for the nation to form the foundation for new national service legislation. Our present and future internal security is dependent on a citizenry who are invested in this nation. Citizenship is learned behavior taught through progressive involvement in the community—taught through service at every age and development level. No longer can we rely on our family structures alone to nurture the next generation for responsible participation in the democracy. Modern citizen building must be a team effort involving and engaging all the potential key actors who influence and educate our children and youth. Thomas Jefferson's insights are no less important today than they were during this time:

"I know no safe depository of the ultimate powers of the society but the people themselves; and if we think them not enlightened enough to exercise their control with a wholesome discretion, the remedy is not to take if from them, but to inform their discretion by education."—Thomas Jefferson

Converging with this recognition that young people need to become educated as responsbile citizens through active service, is the growing realization that young people are needed! In Minnesota the merging of these seemingly desperate ideas has been dramatic.

High school students in several rural schools are trained by science teachers to be emergency medical technicians and are routinely called out of classes to operate the town ambulance, a service that would not be available without student volunteers. A coalition of Minnesota colleges currently fields over 1500 mentors and tutors to work with low achieving grade school youth. The Minnesota Conservation Corps, made up of low income young adults, is spearheading the statewide cleanup of Minnesota rivers.

GRASSROOTS INITIATIVE YIELDS STATEWIDE PROGRAMS AND LEGISLATION

Private foundations, ACTION and state government have seeded the Minnesota initiative allowing for piloting of creative models that have inspired landmark legislation which passed during the just completed 1989 session of the Minnesota legislature. This legislation is comparable to Title I: School and Campus-Based Community Service, in that it funds start up youth service programs at both the school and college level.

1989 K-12 school legislation passed:

Will generate over $1 million annually for schools doing youth service.

Based on local tax levy, making this the first statewide community-funded youth service program in the nation.

Youth Service funding contingent on community-based planning process.

Offers schools the opportunity to grant credit for service activities.

1989 College legislation passed:

$150,000 state appropriation.

Grants of $10,000 each to be used for start up programs must be matched by colleges.

State Coordinator of college-based service funded.

In addition to the new funding, related bills just passed in the 1989 legislative session gave formal authorization and increased funding to the Minnesota Conservation Corps and increased funding to the Minnesota Office on Volunteer services, Department of Administration, who will prepare hospitals, nursing homes and other volunteer placement sites for the influx of new youth volunteers.

Through private sector sources and redirected existing funds, several schools and colleges in Minnesota developed youth service models which have inspired the recent state legislation. Clearly, without these demonstrations of quality service programs, integrated into the curricula of Minnesota schools and colleges, there would have been no landmark state legislation this year. My point is that focusing on start up grants to

existing institutions is a good way to channel youth service funding—which is what you have proposed in Title I of Service-America.

Exemplary pilot models have done much to trigger the statewide youth service movement in Minnesota and Federal funds, directed in this manner, should have a similar effect in other states.

REGIONAL TRAINING CENTERS ESSENTIAL

I also support the proposal to fund regional, catalytic organizations that will bolster the start up of local and regional program models. The National Youth Leadership Council (NYLC) has played this role in Minnesota and in several other states. Training is essential for teachers who wish to integrate service methods into the curriculum. Recognizing this, the NYLC launched this year, with the support of private funders and the Minnesota Department of Education, a series of teacher workshops, a week-long teacher institute at the University of Minnesota, a two week training session for high school students and a curriculum writing project involving a team of teachers. Constitutional Rights Foundation in Los Angeles has provided training and support services to California schools in a comparable manner. Similar efforts could be initiated nationally by organizations such as would be funded by the legislation.

NATIONAL RECOGNITION AND COMPREHENSIVE FEDERAL SERVICE STRATEGY

Titles III and IV make good sense as written. It should be noted however, that a key to redirecting existing government resources for youth service is that identification of a compelling mission for young people to accomplish. Young people make good soldiers, which is why we drafted 18 year olds. Every level of government which seeks to engage youth in service should give serious consideration to important tasks which need to be accomplished, make-work projects will give this phase of the national effort a bad name and will not actively engage young people. Along with the Yellowstone Project, young people, through use of Forest Service, Department of Interior or EPA resources, could begin a massive environmental inventory and improvement project reminscent of the Civilian Conservation Corps. This would be vital, necessary work that all the nation would respect. Similar efforts directed by HHS could engage young people in the fight against AIDS or address the needs of the isolated elderly. The list of possibilities is considerable.

CONCLUSION

I find the proposed legislation comprehensive and creative, and potentially helpful to state models such as Minnesota's.

I appreciate the opportunity to offer this testimony and hope the Senate will find in the Minnesota experience, a useful model for the crafting of federal legislation.

CHRISTOPHER BABCOCK

Mr. ADAMS. Mr. President, last Saturday night, the ongoing violence in El Salvador struck home in my State with the tragic death of Christopher Babcock, of Spokane, WA. I want to join with those who have expressed their sorrow and sense of shared loss with Christopher's parents Jack and Kay Babcock, his sister Amy, and his brothers John, Patrick, Paul, and Matthew.

Christopher Babcock was much more than just an innocent bystander when he was struck by a grenade fragment in San Salvador last weekend. His presence in that war-torn country was living testimony to the kind of youthful idealism and dedication to mankind that is truly the best of what this country has to offer. In losing his life through a cruel twist of fate, Christopher Babcock died the death of a martyr. The occasion of this tragedy should be sufficient for all of us to rededicate ourselves to demanding that our role in El Salvador be that of a peacemaker and a voice for reason. We owe that much and more to Christopher Babcock, and indeed, to all the other noncombatants who have been caught in the crossfire between competing forces in El Salvador's bloody civil war.

Mr. President, Christopher Babcock wanted to be a school teacher from the time he was a student at Gonzaga Prep in Spokane. As a student at Washington State University in Pullman, he chose to enter the school's international education program. After a brief period teaching in Taiwan, he went to San Salvador to teach English and advanced social studies at a private school with students from kindergarten through grade 12.

Mr. President, some might ask, "Why would a young man from a comfortable background take such an assignment, in a battle scarred little central American country in the throes of a civil war?" Perhaps the best answer to that question comes from his mother, Kay, who recently noted, "The students he was teaching lived in a very small world. He wanted to convey that there was more to life than what they saw. He wanted them to think for themselves."

Christopher Babcock's brief life of 25 years speaks well of the family, friends, teachers, and students who helped instill such a selfless and generous spirit in this exceptional young man. Those who knew and loved him, and particularly his students in El Salvador, must feel a sense of loss that seems without limit. I sincerely hope that the many lives he touched will continue to be inspired by the good work of a young man's life that ended far too soon.

Mr. President, I am proud to represent the State that Christopher Babcock called home.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is now closed.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY LECH WALESA, LEADER OF THE POLISH FREE TRADE UNION SOLIDARITY

RECESS UNTIL 12 P.M.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate stand in recess.

Thereupon, the Senate, at 10:44 a.m., took a recess, and the Senate, preceded by, the Secretary of the Senate, Walter J. Stewart; the Sergeant at Arms, Henry K. Giugni; the Vice President of the United States, and the President pro tempore, ROBERT C. BYRD, proceeded to the Hall of the House of Representatives to hear the address by Lech Walesa, leader of the Polish Free Trade Union Solidarity.

(The address delivered by Lech Walesa, leader of the Polish Free Trade Union Solidarity to the joint meeting of the two Houses of Congress is printed in the proceedings of the House of Representatives in today's RECORD.)

At 12:10 p.m., the Senate, having returned to its Chamber, reassembled, and was called to order by the Presiding Officer [Mr. BINGAMAN].

The PRESIDING OFFICER. In my capacity as a Senator from the State of New Mexico, I suggest the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FOWLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SHELBY). Without objection, it is so ordered.

Mr. FOWLER. Mr. President, I ask unanimous consent to speak for such time as I may consume, as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Georgia is recognized.

LECH WALESA

Mr. FOWLER. Mr. President, I was about to go meet with a group of Georgians to discuss some problems of modern American agriculture and our attempts to continue to support our farmers and strengthen the food security of our country. But I think it would be remiss if I did not take a few minutes to report to my colleagues, most of whom were there, but by extension to the American people, on the extraordinary experience that we in the United States Congress just had in hearing Mr. Lech Walesa, the leader of the Solidarity movement in Poland, and now one of the finest, if not the finest spokesman for democracy in our world.

I will not attempt to paraphrase his stirring words, spoken in simple, precise, specific language; the words of an electrician, a dock worker from the city of Gdansk, in Poland. I believe that freedom does lie in the hearts of every man and woman as an intrinsic right. He, through his perseverance, stubbornness, determination, and dedication, and, by extension, his coworkers and the people of Poland, have shown the United States of America that democracy is alive and can be achieved, even in the Communist countries of the world.

It was an extraordinary address; only the third, I understand, of someone not a head of state ever invited to speak to a joint meeting of the U.S. Congress.

I take to my feet this morning to urge every schoolteacher in this country to get a copy of Mr. Walesa's remarks and read them to the schoolchildren of our country. They will be understandable to every school child from the fourth grade upward.

It is the story of a man in a Communist country, fired from his job in the shipyard who said, "This is not right." Rather than sit down on the job or go out whining in the streets, as he told us this morning, he jumped back over the fence into the shipyard and said to his coworkers that we can give more to our country than tyranny can ever exact from us; that, we can stand together and improve the economic conditions of our country, the moral conditions of our country. Communism as an economic and a moral force has failed.

And if nobody else will show the way, then we will do it, as he challenged us, the leader of the free world, whose aid and efforts have given hope to so many Europeans, from the postwar Marshall plan to the action of the United States Senate yesterday in voting $780 million. That investment will go further, in his words, to achieving the future security of his country and Eastern Europe than many of the tanks and armaments that have been necessarily in place as a hope that this day might soon come.

There is a play that won the Pulitzer Prize in our country in 1945 called "The State of the Nation." In it there is a fictitious President of the United States. He has had a bad day. He was trying to go to bed, and suddenly one of the aides rushes up to him and says, "Oh, Mr. President, before you retire for the evening, there are a bunch of Southerners who would like to see you."

Seeing the scowl on the President's face, the aide said "Please, Mr. President, please see them. They can deliver a lot of votes." The wife of the President turns to her husband and asks, "How do you deliver the votes of a free people?" to which the President replies, "My dear, whenever people are ignorant or prejudiced or lazy, they are never free."

Those of us in the United States of America, the land of the free and the home of the brave, take off our hats for the renewed example given by the people of Poland, the people of Hungary, the people of Eastern Germany, of how a repudiation of laziness and a determination to claim God-given rights will not be thwarted. I only hope that that renewed lesson will go to every young American as we salute the people of Poland for their leadership and thank Mr. Walesa for inspiring us all today.

Mr. PRESIDENT, I yield the floor.

The PRESIDING OFFICER. The senior Senator from Georgia.

Mr. NUNN. Mr. President, let me commend my colleague from Georgia for an eloquent expression—I think on behalf of everyone in this body—of the reaction of the Senate to the wonderful message we just heard, an inspiring message, a message of courage, a message of stubborness, a message of peaceful revolution.

That is what we are seeing in Eastern Europe, a revolution. It is peaceful, but it is revolution. It is political revolution, it is economic revolution, and it is indeed changing our world for the better.

Mr. President, I commend the Senator from Georgia for his statement, and I associate myself with his remarks.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT—FISCAL YEAR 1990

Mr. NUNN. Mr. President, I submit a report of the committee of conference on H.R. 2461 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2461) to authorize appropriations for fiscal year 1990 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the Senate proceedings of the RECORD of November 6, 1989.)

The PRESIDING OFFICER. There will be 2½ hours of debate on the conference report, with 1 hour under the control of the Senator from Georgia [Mr. NUNN], 50 minutes under the control of the Senator from Virginia [Mr. WARNER], 10 minutes under the control of the Senator from Wyoming [Mr. WALLOP], and 30 minutes under the control of the Senator from Ohio [Mr. GLENN].

The Senator from Georia.

Mr. NUNN. I thank the Chair.

Mr. President, I am pleased to lay before the Senate the conference report on H.R. 2461, the National Defense Authorization Act for fiscal years 1990 and 1991.

This conference report authorizes programs for the Department of Defense, the national security programs of the Department of Energy, and the civil defense functions for fiscal years 1990 and 1991.

The conferees of the House and Senate have worked very hard for the last 8 weeks to resolve the hundreds of funding and major policy differences between the Senate and House versions of this bill.

It was in a spirit of compromise and cooperation between the House and Senate conferees, as well as the Secretary of Defense, Dick Cheney, and his deputy, Don Atwood, which allowed the conference to complete its work at this stage.

I want to thank Chairman ASPIN and Congressman DICKINSON for their leadership in this conference. I also want to thank my friend and colleague, Senator WARNER, the ranking member of our committee, for his splendid leadership, his cooperation, his support, and his superb efforts in this bill from the very beginning of this year through this date.

Without that kind of cooperation, without the kind of cooperation we have had between his staff and the staff on the majority side, we would not be here today with this report. I thank him for that continued superb leadership.

Mr. President, I want to thank every member of the committee, particularly the chairman and the ranking members, for all their work this year. I want to take a few moments to highlight some of the major features of the conference report for our colleagues.

The conference bill authorizes $305.5 billion in budget authority and $299.1 billion in outlays for fiscal year 1990, which fully funds the administration's amended budget request.

I think it should be said here that a good bit of this money is not going to defense; however, it is going to other causes that have very high priority that have been agreed to, including several hundred million dollars for drugs and $140 million for aid to Poland. All of these total a little over $2 billion.

In addition, the bill meets both the budget authority and outlay targets

set by the April 1989 bipartisan budget agreement and by the fiscal year 1990 budget resolution.

While the overall funding level authorized in the conference report is consistent with the amended budget request, the funding in some areas of the bill, such as procurement, are significantly above the requested levels; and in other areas, such as operation and maintenance, the authorized funding is significantly below the request.

Mr. President, I assume we will have an appropriations bill conference report, since they have completed their work, that will follow soon. The details of the transfers for the Nation's antidrug effort are contained in that appropriations bill.

But I think everyone should consider the context of both bills because that is how we will have the final product. The funding adjustments that we made were necessary to meet the outlay requirements of the bipartisan budget agreement and the budget resolution.

The conferees worked with Secretary of Defense Cheney in determining how best to reduce the outlays in the amended budget request by $3.8 billion. Targets for the allocation of the funding authorized in each of the titles of this conference report were adopted by the conferees based on the recommendations of the Secretary of Defense.

Mr. President, the defense authorization bill has been the victim of some very frustrating problems in the budget process this year. It is not new. We have been going through this for several years. But it is getting worse every year.

We have several technical provisions here which we hope are going to help alleviate some of the problems; namely, the disparity we get each year in the budget resolution between budget authority and outlays.

Putting the matter simply, Mr. President, what we are given in budget authority in the budget resolution is usually higher than what we can accommodate with the lower outlay level. What that boils down to is, for those who do not want to get involved in all the arcane kinds of study that would be necessary in determining this very cumbersome and complex budget process we now have, is the Defense authorization and Appropriations Committees are given, in effect, a mandate to achieve something that is impossible without seriously distorting the overall funding levels and, in some cases, almost unbalancing some of the defense considerations.

What we are given the incentive to do is to put more programs in the budget that spend slowly, keeping the budget authority number at the higher agreed level and yet causing the actual expenditures to be reduced. If you build ships, if you build tanks, if you build planes, even though you have the authority to start those this year, those programs do not spend out in 1 year. They spend out over several years. Therefore, when you get a budget authority number that is higher than the associated outlay number, that is, expenditures, in the given year, the only thing that we can do in this circumstance is to cut accounts that spend very rapidly—such as personnel, operation and maintenance, spare parts—and to put more in the slower spending accounts now.

What is wrong with that? There are several things wrong with it. One thing is that it drives expenditures up in future years. I am one of those who supported Gramm-Rudman, but I am becoming increasingly frustrated with what I believe is its counterproductive nature of measuring all expenditures on a 1-year outlay basis. That is causing distortions all through the fiscal affairs of our country, most notably in defense, because what we are in effect being encouraged to do by the very budget process that is supposed to be saving us money is to drive up spending in future years in order to hold it down now. We are seeing gimmicks played all over the whole budget.

We voted on capital gains yesterday. There was an IRA provision in the capital gains package and that is one of the reasons I voted against cloture. I favor capital gains reduction and I favor the general thrust of the Packwood proposal on capital gains. I hope we can pass it next year. But there was an IRA provision in there that basically tried to raise revenue in the short term at the expense of costing a great deal of revenue in the long run in order to meet these budget requirements and to make the capital gains expenditure, or revenue loss side, look less onerous. So we are doing this all through the budget process, not simply in defense.

It is time for the leadership of the House and the Senate and the White House to sit down and come up with a 5-year budget plan and quit behaving as if everything happens in 1 year. The financial markets are smarter than that. The American people are smarter than that. If we do not start dealing with this budget in defense and other matters over a 3- to 5-year period, then we are going to continue to be counterproductive in the way we are handling this Nation's fiscal affairs, and our errors in this respect will be paid for in the future. No one can predict exactly how we will pay for them, but I think we will have a slow erosion, or perhaps even a more rapid erosion, unless we change our fiscal behavior.

When the President submitted his amended budget request following the bipartisan budget agreement with Congress last April, the budget authority totals in his request complied with the agreed target of $305.5 billion. While the outlays associated with this request met the target of $299.5 billion according to administration estimates, the Congressional Budget Office estimated that the outlays exceeded the target by $3.8 billion.

This technical disagreement between OMB and CBO has created a situation in which the House and Senate Armed Services and Appropriations Committees have been required to cut $3.8 billion in outlays from the amended budget request without cutting any budget authority. This could only be done by disproportionate reductions in the faster spending personnel and operating accounts, coupled with large increases in the slower spending investment accounts. When we are forced by short-term outlay constraints to increase slow-spending procurement programs, the long-term result is that defense outlays are increased, not decreased.

The technical disagreement in outlay estimates between OMB and CBO has been compounded this year by disagreements between the House and Senate Budget Committees on the scoring of the defense authorization and appropriations bills.

Under the procedures used by CBO to score the fiscal year 1990 Defense Appropriations bill in the Senate, this conference report complies with the budget resolution targets for national defense. However, under the CBO scoring rules relied upon by the House Budget Committee, this conference report would not be consistent with the budget resolution targets without a cap on expenditures, or outlays, in DOD.

The conferees hoped to avoid a repetition of this situation next year. The conference agreement includes an amendment requiring the Director of the Office of Management and Budget and the Director of the Congressional Budget Office to report jointly to the Speaker of the House of Representatives and the Committees on Armed Services, Appropriations, and the Budget of the Senate not later than December 15 of each year on the resolution of all differences in technical estimating methods with respect to the national defense function. Any differences that could not be resolved would be averaged.

In addition, the amendment expresses the sense of Congress that the technical estimating methods contained in this joint report should be used in the submission of the President's budget request for national defense, in the preparation of the budget resolution, and in all scorekeeping of the defense authorization and appropriation bills.

Finally, the amendment expresses the sense of Congress that the outlay

target contained in the budget resolution should not require any reductions in outlays from the President's request for national defense in excess of those that could be achieved by an across-the-board reduction of each title in the President's national defense budget authority request, unless the budget resolution is accompanied by a report describing the differences between the President's request and the budget resolution.

Mr. President, the conferees understand that the overall level of defense spending must be decided in the context of the broad fiscal policy situation that is properly considered in the debate on the budget resolution. The intent of this provision in the conference agreement is to eliminate the technical disagreements over outlays that in the past have disrupted the defense authorization and appropriation processes, and to permit the defense committees to make decisions on defense programs based on national security considerations rather than technical budget factors.

TWO-YEAR BUDGETING

There is some good news on the budget front. I am very pleased that the conference bill sustains the initiative of the Senate Armed Services Committee to authorize defense spending for a 2-year period. For several years, the committee has promoted biennial budgeting as a way to improve congressional oversight of defense programs and to achieve long-term savings and better defense management.

As part of this effort, the conference approved 80 percent of the defense authorization request for fiscal year 1991. Because of the uncertainty of the overall Federal budget, the conferees could not determine an overall top-line figure for defense spending in fiscal year 1991. So there is no way we could deal with 100 percent of the authorization. In addition, the conferees did not authorize the entire fiscal year 1991 budget request because future funding of controversial programs is uncertain in the face of declining defense budgets.

The Armed Services Committee intends to continue to work for adoption of a 2-year budget for the Department of Defense.

PROGRAM TERMINATIONS

One of the most difficult issues before the conference was the question of program terminations. The Senate-passed bill endorsed all of the major program terminations proposed by Secretary Cheney in the amended budget request. The House-passed bill continued many of these proposed program terminations. The conferees concluded that program terminations are essential in order to meet the fiscal constraints of the Five-Year Defense Program and avoid further deterioration of already unacceptably low production rates of most weapon systems.

We argued long and hard over this. The Senate would have liked obviously a much stronger position. We had terminated these programs as requested by the Secretary of Defense. The House had funded several of those programs, most notably the F-14D and the Army helicopter improvement program. This, in effect, had turned down the Secretary's request. We worked out a compromise which we believe keeps the thrust of the Secretary's request while giving these programs what I would term a soft landing, meaning we phase them out over 1 or 2 years, but we do have definite fixed termination language in this conference report. For instance, on the F-14D, before further aircraft can be built, not only the Defense Department but also the contractor have to sign up for this termination so there is no doubt in my mind that this conference report will bring about the terminations as called for.

The exception here was the V-22, which will receive continuing research and development funds but no new funds for procurement. We deem that to be a program that has had a lot of expenditure. It is a high technology program, a real breakthrough in many respects in aviation, and we felt that at a minimum that program should be continued through the research and development stage. We make it clear in the report language that the program is enormously expensive; the contractor, as well as the Department of Defense and those who favor this program in the Department of Defense, the Marine Corps and others, are going to have a lot of work to do between now and next year to determine if they can expand the number of users of that aircraft so that the overall per unit cost and the overall program cost makes more sense from a defense point of view and, hopefully, also from a commercial point of view.

The conference bill terminates all of the programs canceled by Secretary Cheney, except for the V-22, which will receive funds for research and development but no new funds for procurement.

The conference agreement terminates the following programs in either fiscal year 1990 or fiscal year 1991:

F-14D new production Navy aircraft, after fiscal year 1990;

F-15E Air Force aircraft, after fiscal year 1991;

AH-64 attack helicopter, after fiscal year 1991;

Army helicopter improvement program, after fiscal year 1990; and

M-88A2 armor recovery vehicle, after fiscal year 1989.

Secretary Cheney proposed the termination of the F-14D aircraft and the Army helicopter improvement program [AHIP] after fiscal year 1989. after spending considerable time deliberating this proposal, the conferees decided that the F-14D and AHIP aircraft should be terminated after fiscal year 1990.

Since the F-14D and AHIP aircraft will be in service for many years, the Navy and the Army will have to protect engineering and manufacturing functions in order to support the aircraft once their production lines are shut down. The conferees decided that a final, one-time purchase of aircraft would facilitate the transition required in the industrial base to support these aircraft after their production lines are closed. Thus, the conference authorized funds for 18 new production F-14D aircraft and 36 AHIP modifications.

For the F-14D program, the conference bill would further require that the manufacturer sign a contract to terminate further production before the funds authorized and appropriated for fiscal year 1990 aircraft could be spent.

For the AHIP program, the line is terminated after the fiscal year 1990 one-time purchase of 36 aircraft.

The conferees strongly supported and fully funded the administration's amended budget request for the remanufacture of F-14 aircraft.

The conferees did not restore procurement funds for the V-22 program, but they did provide $255 million for continued research and development. Procurement funds were not authorized because the program currently is too expensive.

The conferees approved R&D funds in order to give the contractors the opportunity to demonstrate the commercial potential of the aircraft during the next year. At the same time, the conferees directed the administration to study the cost effectiveness of additional military applications for the V-22 aircraft.

The conferees did not authorize advance procurement funds for fiscal year 1990, but they did not restrict the Secretary of Defense from utilizing prior year procurement funds.

BURDENSHARING

There were several major burdensharing issues before the conferees. The conference agreement includes a Senate provision that is intended to reinforce U.S. efforts to persuade NATO members not to make significant unilateral reductions in their active duty forces deployed in Europe while the alliance is trying to reach an agreement with the Warsaw Pact to reduce conventional forces in Europe. This provision requires the Secretary of Defense to ensure that, for the next 3 years, the ratio—expressed as a percentage—of U.S. Forces deployed in Europe to allied forces deployed in Europe does not exceed the current ratio by more than a specified amount.

So we are basically saying to our European allies we are going to hold the line but we want you to do the same thing and we are not willing, while we are negotiating arms control, to see the proportion of U.S. forces going up in Europe. We are all in this together, and I think we need to stick together.

The conferees also agreed to adjust the existing European troop strength ceiling established in the Department of Defense Authorization Act for Fiscal Year 1985 to reflect the elimination in Europe of approximately 15,000 manpower positions related to the U.S. intermediate-range nuclear forces [INF] which will be destroyed by 1991 under the terms of the INF Treaty. Finally, the conferees agreed to allow the relocation of the 401st Tactical Fighter Wing from Torrejon Air Base, Spain, to Crotone Air Base, Italy, to proceed, but specified that the U.S. contribution to the costs of relocating all activities from Torrejon could not exceed $360 million.

DEPARTMENT OF DEFENSE ROLE IN DRUG INTERDICTION

The conferees applauded Secretary Cheney's recent decision to enhance the Department of Defense's role in the Nation's counterdrug effort. The conference agreement authorizes up to $450 million to carry out the Defense Department's drug interdiction and law enforcement support activities in fiscal year 1990, an increase of $150 million over fiscal year 1989.

Building on legislation enacted last year, the conferees decided that the detection and monitoring of drug shipments is a military mission and not merely a discretionary activity performed to assist civilian law enforcement agencies. In addition, the conference bill provides $70 million to the National Guard for increased drug interdiction and law enforcement activities.

The conference agreement contains several other important initiatives concerning the Defense Department's counterdrug activities. It requires the Department of Defense to include in the Department's annual budget submission a separate budget proposal for drug interdiction and support to civilian agencies. It encourages the armed forces to conduct training in drug interdiction areas, and it authorizes the Secretary of Defense to transfer excess Department of Defense personal property to Federal and State agencies with counterdrug responsibilities. Finally, it authorizes the Secretary of Defense to provide up to $40 million in support services to Federal agencies with counterdrug responsibilities.

STRATEGIC FORCES AND NUCLEAR DETERRENCE

Strategic programs were another major area of disagreement between the House and Senate versions of the bill. The conference agreement generally continues the ongoing strategic modernization program, in both weapons systems and command, control and communications programs, but at a somewhat slower rate than was requested by the administration.

For the ICBM modernization program, the conference agreement authorized $1.13 billion for both the small ICBM and the rail garrison MX. This level is $150 million below the administration's request for $1.28 billion for both programs. The bill gives the Secretary of Defense the authority to allocate the $1.13 billion among procurement; research, development, test and evaluation [RDT&E]; and military construction.

The conference agreement authorizes a level of $3.79 billion for the strategic defense initiative, $3.57 billion in DOD and $220 million in the Department of Energy. This program is going down slightly from previous year's funding.

The conferees extended by 1 year the restriction in the past two Defense authorization acts which required that SDI tests and experiments be conducted in accordance with the plan outlined in the annual SDI organization [SDIO] report to Congress. During the fiscal year 1990 budget hearings, Defense officials confirmed that this plan was established in accordance with the President's standing directive that the SDI program be conducted in accordance with the traditional interpretation of the ABM Treaty.

The conference agreement authorizes production of two B-2 bombers in fiscal year 1990 and long-lead items for five B-2's in fiscal year 1991. The funds for the two B-2 production aircraft may not be obligated until:

First, the initial block of flight testing is completed;

Second, the Director of Operational Test and Evaluation has reviewed the test results and provided the Secretary of Defense with an "early operational assessment";

Third, the Secretary of Defense has provided to the Congress a cost, capability and schedule report;

Fourth, the Secretary has provided to the Congress an unclassified version of the B-2 full performance matrix;

Fifth, the B-2 has begun its low-observability flight testing; and

Sixth, the Secretary of Defense certifies to the Congress that the early testing has not identified major aerodynamic or flightworthiness problems.

The Senate and House sides agreed that we should not go headlong into this B-2 program without making darned sure that the high technology is going to really work as advertised. We think that is enormously important, and the fences in this bill we believe will facilitate that goal.

The conference agreement authorizes another Trident missile submarine and $1.5 billion for Trident II missiles, with the expectation that the recent flight test problems will be resolved.

The conference agreement fully funds the Milstar Satellite Program and a second Titan IV booster launch facility on the west coast.

Another very important area that our committee took a lead in is the national security programs of the Department of Energy. The conference agreement adds $357 million to the administration's budget request in order to accelerate the cleanup of the extensively contaminated facilities in the nuclear weapons complex. The conference agreement authorizes a total of $1.7 billion in waste cleanup accounts, a 68-percent increase over last year's funding level and a 27-percent increase over the administration's amended budget request. This figure includes $572 million for environmental restoration and $700 million for waste management. The conference agreement also includes $155 million to develop innovative cleanup technologies and to establish a new Cleanup Technology Program.

Mr. President, this whole area of nuclear and hazardous waste cleanup in the future is going to take more and more and more of the resources of the Department of Energy and the Department of Defense. These are very, very important matters. We are beginning down a road that is going to be a long and very expensive road.

In addition, the conference agreement contains several other provisions to improve DOE management and cleanup efforts. Among other things, the conference agreement:

Establishes annual reporting requirements for major national security programs;

Requires 5-year planning for all DOE defense programs;

Authorizes a management training program for DOE employees in the national security area; and

Recognizes that environmental restoration is one of the major missions of DOE's national security programs.

The agreement also contained several other important initiatives. In order to improve the technical qualifications of DOE personnel, the conference bill removed statutory limitations on the ability of critically needed DOE employees to return to DOE laboratories after Government service. The conferees also agreed to require a certification by the Secretary of Energy that the special isotope separation project is essential to U.S. national security and is necessary to meet plutonium requirements before site preparation for this project begins. Finally, the bill contained an initiative to foster the commercial application of technologies developed at DOE laboratories.

CONVENTIONAL FORCES AND ALLIANCE DEFENSE

In an effort to increase inventory levels for several advanced conventional munitions and to avoid stretching-out missile production rates, the con-

ference committee agreed to add funds to procure additional advanced conventional munitions above the levels in the amended budget request. These missiles include Hellfire, Stinger, and Standard missiles, and multiple launch rocket system [MLRS] rockets.

The conference committee endorsed a Senate proposal to improve the quality of equipment available to infantrymen in the Army and Marine Corps. This proposal would provide additional funds to the Army and Marine Corps to test commercially available equipment, from both domestic and foreign sources, and to field better weapons and equipment for our Nation's footsoldiers.

The conferees recognized the importance of the National Guard and Reserve Force contribution to the total force by authorizing $890 million above the administration's amended budget request. These funds will provide essential equipment to modernize the Guard and Reserve and to increase the combat readiness of these forces.

The conference authorized every program recommended for multiyear procurement, except the F-18 and E-2C aircraft. In the view of the conferees, the multiyear contract savings were insufficient to justify multiyear contracts for the F-18 and the E-2C at this time.

PROJECTION FORCES AND REGIONAL DEFENSE

Excluding the Trident program, the conference agreement authorizes $9.8 billion for the construction of new ships and the conversion of three existing ships. These include:

One SSN-688 class attack submarine;

Five DDG-51 class guided missile destroyers;

Three MCM-1 class mine countermeasures ships;

Three MHC-51 class coastal minehunters;

One LSD-41 class landing ship dock—cargo variant;

One AOE-6 class fast combat support ship;

One TAGOS ocean surveillance ship;

Three oceanographic research ships;

Twelve landing craft air cushion [LCAC] vehicles;

Conversion of one AO—jumbo—oiler;

One aircraft carrier service life extension; and

Refueling and modernization of the U.S.S. *Enterprise.*

The conferees agreed to authorize multiyear procurement of DDG-51 class destroyers and to increase funds for procurement of additional Standard surface-to-air missiles.

The conferees also adopted several important initiatives to strengthen U.S. sealift capability. The conferees authorized $15 million to help develop technologies to be incorporated into multimission ships. These ships could serve as fast sealift ships in time of war and support fleet operations in peacetime. In addition to R&D funds, the conferees added $20 million for the procurement of long lead items for multimission ships.

Because of continuing difficulties in the development of the C-17 cargo aircraft, the conferees reduced research and development and procurement funding for the program by $393.9 million from the administration's amended budget request. The authorized level of $2.1 billion will continue the program, but it reduces the number of aircraft procured in fiscal year 1990 from six to four.

DEFENSE INDUSTRY AND TECHNOLOGY

Because of continued strong support for defense science and technology base programs, the conferees authorized $3.51 billion for these programs, a $220 million increase over the administration's budget request for fiscal year 1990. The conferees recommended an authorization of $3.77 billion for fiscal year 1991 technology base programs, which will provide 2-percent real growth over the fiscal year 1990 funding level.

The conference agreement also significantly increased funding for several critical technology programs managed by the Defense Advanced Research Projects Agency [DARPA]. The conference agreement added: $40 million for the x-ray lithography program; $25 million for the digital gallium arsenide program; $20 million for the high resolution display program; and $12 million for the artificial neural network research.

The conferees continue to be concerned about the Nation's defense industrial base. As a result, the conference agreement adds $30 million to the administration's budget request for defense industrial preparedness programs. The conferees also recommended $100 million in fiscal year 1990 funding for the Semiconductor Manufacturing Technology [Sematech] Program.

The administration's request for the balanced technology initiative [BTI] was increased by $32 million to a total of $238 million to maintain funding at the fiscal year 1989 level.

In the area of small business subcontracting, the conferees agreed to establish a 3-year test program to study the potential benefits of a plan to allow prime contractors to negotiate with subcontractors on a companywide basis. If successful, this test program will enhance business opportunities for small and disadvantaged businesses.

The conferees also included bill and report language indicating their serious concerns over the recent decline in the U.S. science and engineering work force and the potential impact of this decline on national security. The Defense Science and Engineering Graduate Fellowship Program, initiated last year under the Hatfield-Nunn amendment, is authorized at $10.5 million in fiscal year 1990 and $11 million in fiscal year 1991.

The conferees also directed the White House Office of Science and Technology to prepare a national critical technologies report, which will form the basis of a more detailed defense critical technologies plan.

The conferees adopted several other initiatives in the defense acquisition area. They established a 3-year demonstration program to increase the use of commercial products. Second, because of the Ill Wind scandal, the conferees agreed to require the Department of Defense to develop a single, uniform regulation to ensure the integrity of the source selection process. The conferees also extended for 3 years an existing program which sets a 5-percent goal for the award of DOD contracts to small and disadvantaged businesses, historically black colleges and universities, and other minority institutions. Lastly, the conference agreement changes some of the Governmentwide postemployment restrictions in order to strike a proper balance between the need to stop abuses of the revolving door and the need to encourage people from industry with technical and managerial skills to enter public service.

READINESS, SUSTAINABILITY, AND SUPPORT

In the operation and maintenance accounts, the conference agreement authorizes a total of $86.2 billion, a reduction of $4 billion below the budget request. Of this reduction, $2.4 billion represents transfers of functions from the operation and maintenance accounts to the procurement accounts. The conference reduced the remaining $1.6 billion in order to meet the budget targets of the April 1989 budget summit agreement. The conferees made these reductions as broad and generic as possible in order to minimize their impact on the readiness and operations of the military services.

The conferees did not provide any funds to operate the SR-71 squadrons in fiscal year 1991, and the conferees agreed that the squadrons should be inactivated in fiscal year 1990 as proposed in the administration's amended budget request.

Funding for overseas military construction programs was reduced in light of uncertainties over future deployments of U.S. forces. The conference agreement authorizes $500 million in both fiscal year 1990 and 1991 to begin the process of closing and realigning military bases in line with the recommendations of the Commission on Base Realignment and Closures.

MANPOWER AND PERSONNEL

In the area of manpower and personnel, the conferees supported the hard choices Secretary Cheney included in the amended budget request. The con-

ference agreement sought to protect the gains in personnel readiness and to ensure that military personnel were treated equitably in terms of compensation and benefits.

In general, the conference agreement authorizes the manpower levels requested in the administration's amended budget request. The conferees recognized that funding constraints might require additional reductions in force structure. Therefore, the conference agreement gives the Secretary of Defense as much flexibility as possible by authorizing an overall cap of $78.8 billion for military personnel accounts in fiscal year 1990. This approach gives the Secretary of Defense the widest possible flexibility to meet this funding target, without specifying how specific reductions must be made.

In a package of improvements to military pay and benefits, the conference agreement provides a 3.6-percent pay raise for military personnel and a substantial increase in aviation career incentive pay to help retain military aviators. I know Senator GLENN will probably speak to that subject as chairman of Manpower Subcommittee. He did a very fine job in taking some initiatives in terms of retaining our very expensive and very valuable pilots. I believe these initiatives will pay off in terms of our needs in the future years.

The conference agreement also:

Increases the amount of money that the Army can pay in addition to basic GI bill benefits to aid the Army in recruiting quality enlistees in critical skills:

Increases the selective reenlistment bonus ceiling to help the Navy retain nuclear-qualified personnel;

Boosts funding for and improves the management of child care services for military personnel and their families;

Reduces the cost to current and future participants in the survivor benefit plan.

To improve health care for military personnel and their families, the conference agreement approves a number of initiatives to help recruit and retain health care providers, including physicians, nurses and nurse anesthetists. In addition, the conference agreement approves certain initiatives to hold down the cost of health care and to improve the efficiency of health care delivery to military personnel and their families.

Our committee is very concerned in this area. We have certain commitments to our military personnel and their families which are a very important part of the explicit as well as implicit contract with the personnel that serve our Nation, the men and women in uniform. So we want to do everything we can to improve the medical care delivery system in the military.

Finally, the conferees approved of the recent efforts of the Secretary of Defense and the Chairman of the Joint Chiefs of Staff to implement the provisions of the Goldwater-Nichols Defense Reorganization Act which relate to professional military education. These efforts will strengthen the focus of professional military educational institutions on joint matters and will help prepare officers to serve in joint duty assignments and to become joint specialists. The conferees also agreed upon a statement of congressional policy on the subject of professional military education and mandated a 3-month minimum duration for the course at the Armed Forces Staff College which is intended to train officers for joint service assignments.

CONCLUSION

In conclusion, I want to thank all members of the Armed Services Committee for their diligent work throughout the year on this bill. Again, I want to especially thank the chairman and ranking minority members of the subcommittees who perform the lion's share of the work of the conference.

I see the Senator from Alabama in the Chair. He is a very valuable member of our committee. While I have his attention I will thank him personally for his interest in the committee, and for his very fine work and leadership.

I also want to thank the staffs, led by Arnold Punaro, on the majority side and Pat Tucker on the minority side, for their untiring and professional efforts on this bill.

The staff of the Armed Services Committee I think work as hard or harder than any group of people on Capitol Hill. They have an enormously difficult task on the Senate side. We have not only this bill, but we have literally scores of confirmations—we are involved in one right now—as well as much in the way of oversight. So we have a very heavy load.

I want to say a special word of thanks to Kim Wincup, the staff director of the House Armed Services Committee. This was Kim's last conference. He has been nominated by the President to be Assistant Secretary of Army for Manpower and Reserve Affairs. I have worked with Kim on the conference since he was counsel to the House Manpower and Personnel Subcommittee in the early 1970's. At that time I was chairman of the Subcommittee on Manpower in the Senate.

Kim is a true professional. He will be greatly missed on both sides of Capitol Hill, but we will continue to deal with him in his very important new job in the Pentagon.

I might say that Kim's nomination was unanimously approved by our committee this morning, and the Senate will have an opportunity to vote on that nomination in the next day or so.

I also want to add a special note of thanks to Hugh Evans, of the Senate legislative counsel's office, and Bob Cover of the House legislative counsel. Hugh and Bob have been writing national security legislation for our committee in the House and Senate as far back as I can remember. They are true professionals. We could not operate without them. They do a superb and very professional job.

Mr. President, this conference report represents the culmination of a great deal of hard work by many Senators and many Members of the House, and I urge the Senate to support it.

I see the Senator from Wyoming on the floor. I know he has certain time reserved.

I want to thank him particularly for his excellent work on the Armed Services Committee.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WARNER. Mr. President, several Senators are waiting. I am anxious to make a few remarks. I start off, again, by commending the distinguished chairman of the committee. It has been my privilege to work with him for some 11 years. Somehow, each year seems to become more difficult. At least there are different elements we had not experienced in the year previous.

The Defense budget is subject to a lot of pressure. There are a lot of extraneous matters that come in which are not traditionally within the province of our committee. But we somehow manage to do it on a basis equitable to all Senators who have these issues. And then to go into the conference.

Here again I think the chairman of the Senate Armed Services Committee deserves an unusual commendation because the Senate basically aligned its conclusions with respect to this year's annual defense bill with the priorities as established by the President of the United States.

The House went in many directions totally contrary to what the President had sent up by way of his several budget messages.

Only under the leadership of Chairman NUNN are we now given a conference report which, in large measure and on the principal points, coincides with the priorities as established by the President; in the President's judgment and now in the judgment of the Senate, anticipating strong support on the vote that will come shortly, priorities which are consistent with the national security requirements of this Nation.

Mr. President, the question is now being raised in every forum, what should we expect next year with defense? We have had 5 consecutive

years of declining defense budgets. We are witnessing a very extraordinary scene in Eastern Europe. The threat situation that is a support, basically, for the Defense budget, is changing. How, we do not know precisely. But we do know it is changing.

The newscast this morning indicates there are differences of opinion within the various agencies and departments of the Federal Government charged with rendering a judgment on the annual threat assessment. So next year we have a very difficult problem again facing us, given the background—primarily in Eastern Europe and other places in the world—where the threat has the appearances of diminishing.

I would fail in my obligation were I not to bring to the attention of the Senate that, as this bill is voted on today, the Soviet Union still has the most powerful and largest army in the world with ground forces unequaled by any Nation. They have naval forces which are continuing to be modernized. And, above all, strategic nuclear forces, intercontinental systems, and two mobile systems which today are operational with intercontinental ballistic missiles.

And, therefore, we have not reached that point where we can make a major realignment in the priorities of spending in this country, as that spending relates to national defense.

General Secretary Gorbachev has made considerable strides. He is a man of courage; a man of foresight; a man of wisdom. I was privileged to go with Chairman NUNN and others to see him. I had the privilege to see him when he visited the United States. I have studied perestroika; I have studied glasnost, but there is no basis on which to judge this man as becoming a pacifist. He still is commander in chief of the most powerful collection of military forces—ground forces, naval forces and strategic forces. Therefore, I am suggesting that this budget is adequate to address the threat in the coming year, and it is my hope that the Congress will continue to assess that threat and next year provide an adequate budget.

We must await the President's message. But I say most respectfully to my President and others that the budget next year will rest more heavily than ever before on the concept of the need to maintain a credible modernization program, both in strategic forces and in conventional forces, while at the same time the president and his negotiators proceed to assess the possibility of a START Treaty and the possibility of a treaty embracing conventional systems. We have traditionally and successfully, and I underline successfully, negotiated from a position of strength. What better example than the INF treaty. It was the modernization of those forces, the determination of the President to go forward with the modernization that eventually led to the Soviet Union returning to the bargaining table, negotiating in good faith and eventually arriving at a treaty which for the first time eliminated a system of nuclear arms.

I think those precedents, coupled with Soviet history itself; for example, history has shown that declarations of change in the Soviet Union do not always lead to concrete results. During the 1950's, Mr. Khrushchev allegedly attempted to liberalize Soviet society only to have his initiatives reversed upon his removal from power. Similarly, the era of détente ended with the invasion of Afghanistan and increased tensions between the superpowers.

I remember as if it were yesterday that this Chamber was totally engrossed in the deliberations and preparations on the SALT II Treaty when the Soviet troops, without any provocation whatsoever, invaded Afghanistan. SALT II was quickly put to one side and any thought of continuation of détente disappeared.

I wish, as do all Americans, the best of good fortune to Mr. Gorbachev. He is trying to provide for an element of democracy in the Soviet Union, an element of personal freedom. He is apparently thus far supportive of what is taking place, this remarkable set of circumstances, in the Warsaw Pact, but I do not believe that the time has arrived now or in the near future for this Nation to make any major readjustment in its priorities with respect to national defense predicated on the facts as we know them today.

Mr. President, I support the conference report on the Defense Authorization Act for fiscal years 1990 and 1991. The conference on this bill was by far the most difficult process in which I have participated in my nearly 11 years as a member of the Senate Armed Services Committee, but I am generally pleased with the final compromises contained in this bill.

The conference bill authorizes approximately $305 billion in budget authority and $299 billion in outlays for fiscal year 1990, in full compliance with the targets of the budget summit agreement and the budget resolution. The conferees also provided authorizations for 80 percent of the programs contained in the fiscal year 1991 budget, continuing the Armed Services Committee's initiative for biennial budgeting for defense. I urge my many colleagues who have a strong interest in budget process reform to support implementation of a 2-year budgeting policy for the entire Federal budget, from submission of the President's request and continuing through the budget resolution, authorization, and appropriations processes.

This bill generally endorses the President's budget proposals and legislative initiatives. There are, however, a number of programs and issues about which I would like to specifically comment.

PERSONNEL AND READINESS

Mr. President, while the conferees supported the recommendations of the Secretary of Defense concerning military personnel matters, the conferees took some added steps to improve quality of life of our service men and women. One of the hardest issues facing the Congress and the Secretary of Defense is the future size of the active force and the Reserve components.

The conferees approved an active duty personnel endstrength of approximately 2.1 million and 1.2 million for the Reserve components. Unfortunately, these levels cannot be sustained throughout fiscal year 1990 for two reasons.

First, the conferees approved cuts in personnel funding which were recommended by Secretary Cheney in order to meet outlay targets. Second, the sequester order that is now in effect will require that an additional $3 billion be cut from the personnel accounts before the end of fiscal year 1990. Should the sequester order remain in place for the entire fiscal year, more than 170,000 personnel may have to be removed from the active duty rolls. It goes without saying that this could have a tremendous impact on the CFE talks currently underway.

Mr. President, as I stated earlier, the conferees took several steps to improve the quality of life of our military personnel, and I would like to mention them briefly.

The conferees increased some of the specialty pays for military physicians in an effort to keep more doctors in the military services. This will not only improve health care in peacetime, but will also improve our medical readiness in the event of armed conflict.

The conferees increased funding for child care for military dependents, and reduced the cost of the survivor benefit plan for current and future participants.

And the conferees approved the requested 3.6-percent pay raise for military personnel.

Mr. President, I believe that it is imperative that we maintain the high quality of our Armed Forces. As our military forces become fewer in number, the level of technological sophistication will continue to increase. Therefore, we must make every effort to attract and retain high-quality recruits. This conference report supports these goals.

The conferees were forced to make reductions in the readiness accounts in order to meet the outlay targets of the April 1989 budget summit agreement. The conferees made these reductions as broad and generic as possible in order to minimize the unfavorable

impact on the readiness and operations of the military services.

STRATEGIC FORCES

The Strategic Modernization Program was probably the most contentious and time-consuming set of issues that the conference addressed. The major issues—small mobile missile, MX rail garrison, B-2, and SDI—were bundled together in the negotiations; very little progress on other issues was possible before these issues were settled.

The conference agreement authorizes a level of $3.79 billion for the strategic defense initiative—$3.57 billion in DOD and $220 million in the Department of Energy. I am troubled by this reduction of over $1 billion from the President's SDI budget request. SDI is an extremely important part of our Strategic Modernization Program. The President and Vice President have told me personally that they consider SDI to be one of their highest priority national security programs. Given the rapidly changing events in the Communist world, increased proliferation of ballistic missiles in developing countries, and the potential for significant reductions in nuclear weapons through arms control negotiations, we must ensure that the United States has the defensive capability to enhance deterrence and strengthen stability during a rapidly changing and historic period in world affairs.

SDI funding at $3.79 billion is the bare minimum needed to ensure that the President can make an informed decision on strategic defenses by 1992. It is my intention to work to prevent any further decline in the SDI budget. I encourage the administration to restructure SDI to emphasize near-term phase 1 research and, at the same time, maintain a robust phase 2 technology program. Such an approach will provide the President and the Nation with the necessary information to make an informed decision on whether to deploy strategic defenses.

The small mobile missile and MX rail garrison are authorized in the conference report at $1.13 billion—$150 million below the President's request. But the bill gives the Secretary of Defense the needed flexibility to allocate the funds in the most effective manner to move these programs forward.

The B-2 Stealth bomber was a very serious issue in conference. The President requested initial low-rate production of three bombers in fiscal year 1990 and five in 1991. The conference outcome agreed to authorize two bombers this year with only advanced procurement funding for the 1991 bombers, very close to the original Senate position. The major Senate concern—that the bomber pass certain fences or gates before further procurement—prevailed in conference. The House provision—that the program be put on hold pending a separate vote of both Houses—was totally unacceptable to the Senate conferees and was ultimately dropped. This is a significant step forward for the program which will allow Congress to decide on the B-2 next year with a solid base of testing results.

I am also pleased that the conference agreement authorizes unconditionally virtually the entire budget request for the Kinetic Energy Antisatellite Program. During our hearings this year, the Secretary of Defense, Chairman of the Joint Chiefs of Staff, and every service chief emphasized the importance of the Asat Program. Asat capabilities are critical for enhancing the survivability of our military forces—particularly U.S. naval forces.

In addition, the conference agreement authorizes full funding for the MILSTAR Satellite Program, the national aerospace plane, and a second Titan IV booster launch facility on the west coast.

401ST TACTICAL FIGHTER WING AT CROTONE

I am pleased that the pending conference report contains a provision which allows NATO to proceed with construction of a new fighter base in Crotone, Italy for the United States 401st Tactical Fighter Wing.

The forward basing of the 401st makes a powerful contribution to deterrence and defense by providing modern, flexible and immediately available military strength to NATO's southern region. The southern flank has historically been NATO's weakest and least modernized area. The 401st represents a significant portion of the military strength in this region—it represents the only U.S. tactical aviation unit and 72 percent of the total third generation NATO aircraft in the southern region. In addition, because of its dual-capable role, the 401st accounts for 75 percent of the southern flank's airborne nuclear deterrent.

NATO demonstrated the importance it attaches to keeping the 401st in Europe by deciding to relocate the unit to a new base in Crotone, Italy and by agreeing to use NATO infrastructure funds to construct the new base.

The compromise arrived at in conference imposes a $360 million cap on the cost of relocating the 401st to Italy. This compromise allows construction of a new airbase at Crotone to proceed without delay, and guarantees that our NATO allies will contribute a large share of the construction costs at Crotone.

TACTICAL AIRCRAFT PROGRAMS

While I do not abide some of the ruthless lobbying methods by which the conference outcome was influenced on the matter of the Navy's F-14D new production, I do endorse the rationale for an orderly shutdown of this line while preserving the remanufacturing effort. This final, one-time purchase will facilitate the transition required to support these important aircraft until development of the follow-on Navy advanced tactical fighter is complete. To this end, the F-14D remanufacturing program represents the most sensible and economically feasible approach.

The conference report also provides for a one-time buy-out of 36 additional AHIP helicopters which will enable the Army to close the existing gap in scout helicopter requirements and extend mission operations pending development of the LHX program.

The unique capability provided by the V-22 Osprey tilt-rotor concept is certainly worthy of additional study. It was for this reason that the conference strongly supported completion of development, which is fully authorized in this bill. We could not, however, in today's fiscal climate, continue to support production for an aircraft of this expense. We look forward to the results of studies which this bill directs in order to determine any possible methods by which the V-22 cost structure can be made more favorable.

I note with pleasure that the Appropriations conference has increased funding for the KC-135R reengine program to 36 kits. This level equates to the minimum economic order quantity and is in keeping with the production rates which have been in place over the past 4 years. The authorization report did not fund more than the requested 24 kits and, through an administrative oversight, did not include the language to encourage the Air Force to reprogram up to 40 kits which was intended by the conferees. This engine upgrade program is a practical and economic method of upgrading our tanker force.

The conference endorsed a Senate proposal to improve the quality of equipment available to infantrymen in the Army and Marine Corps. This proposal provides additional funds to the Army and Marine Corps to test commercially available equipment, from both domestic and foreign sources, and to field better weapons and equipment for our Nation's foot soldiers.

This bill endorses the increased involvement and enhancement of the Department of Defense's role in drug interdiction. As part of the national antidrug effort, the conferees increased funds for drug interdiction, expanded some existing programs and sponsored several new initiatives.

The conferees agreed to provide up to $450 million to the Department of Defense to help the national counterdrug effort, an increase of $150 million over fiscal year 1989.

ACQUISITION POLICY

One of the most serious issues facing us in our attempts to improve the management of the defense acquisition system has been attracting and

retaining qualified officials in key positions in the Department of Defense. The procurement integrity section of the Office of Federal Procurement Policy Reauthorization Act passed late last year had caused a great deal of concern in the Department of Defense through lack of understanding of the scope of the new conflict-of-interest provisions contained therein. The conference report includes a section (814) amending section 27 to clarify who is covered by the restrictions. The amendment also provides current officials a procedure for refusal in appropriate circumstances.

Both the chairman of the Defense Industry and Technology Subcommittee, Senator JEFF BINGAMAN, and the ranking member, Senator MALCOLM WALLOP, are to be commended for their diligent work on this and the other provisions in title VIII of the bill. Also to be commended are the House conferees, including Government Operations Committee Chairman JOHN CONYERS and Judiciary Committee Chairman JACK BROOKS, for their cooperation and forbearance in allowing us to address amendments to the OFPP Act in the context of the Defense authorization bill.

NATIONAL GUARD AND RESERVE FUNDING

The conference report recognizes the importance of the National Guard and Reserve Forces' contribution to the total force by authorizing $988 million in addition to the President's request specifically for the these vital forces. This authorization provides essential equipment for the increased readiness and modernization of these forces.

Mr. President, I urge my colleagues to vote in support of the conference report on the Defense authorization bill.

Mr. WALLOP. Mr. President, let me again give my thanks to the Senator from Georgia. I have to say that his relationship with me, his leadership of the committee, has been admirable and exemplary. It is therefore with a certain sense of sadness that I rise to oppose the DOD conference report. But I will do nothing to delay its process or any such thing, and even do not expect any Members to side with me.

But I want to begin my statement by making it absolutely crystal clear that my vote against the report is not a condemnation of the process by which we arrived at it, because nothing would be further from the truth.

I want to begin by paying my greatest respects to the hard work, and very honest, very helpful approach that the distinguished Senator from Georgia brought to the conference.

Without his guidance, I doubt very much that we would have had an opportunity to even vote on this conference report, and I believe it is his role to make sure, as the chairman of the authorizing committee, that we play our part in the budgetary process lest the committee lapse into total irrelevancy in policy and have our role coopted, in effect, by the Appropriations Committee. I just say that the Senator from Georgia did his job as well as it could be done, given the circumstances.

Let me also acknowledge and praise the hard work and skillful guidance of the distinguished Senator from Virginia. In every step of the way he made certain that Senators on our side were fully informed of the activities of the so-called Big Four, and as a result, the Republican side of the committee, which represents very different views on a number of issues, was able to work effectively together and with the Democratic majority to push for the Senate position.

Mr. President, having said those two things, I also say that there is so much in this legislation that is good. In particular, the chairman of the Defense Industry and Technology Subcommittee, Senator BINGAMAN from New Mexico, is to be commended for his diligent efforts to bring some greater rationality to the defense acquisition process. His hard work paid off in the section amending the Office of Federal Procurement Policy authorizing section 27. This section relating to conflict of interest for Government employees has caused great confusion in the Federal work force because of a lack of clarity about whom is to be covered and by what. The amendments to the OFPP Act included in section 814 of this authorization should provide a much greater degree of certainty about the scope of coverage of those ethics provisions.

There are other sections in title VIII, as well, which provided for increased efficiency in defense procurement. We have included sections emphasizing the acquisition of commercial products for defense requirements, allowing DOD to test the use of competitively awarded master agreements for the acquisition of professional technical services and providing more realistic testing and evaluation. I am pleased that the Senator from New Mexico and I are off to a good start, and one cannot help but look forward to the coming year of cooperation.

So, Mr. President, despite all the good things in this bill, I cannot support it yet. I cannot support it, because in the first instance it legislates, for the first time in the history of the issue, a cap of 50 deployed MX missiles. This has been a position pushed by the House since the early days of the Reagan administration, a position that has been rejected, and rejected, and rejected by the Senate and by the White House. It is absolutely inconsistent with the modernization program outlined by the Scowcroft Commission, in which the United States was to proceed ahead with the deployment of 100 MX to enhance the hard target capability of our force, and to develop a small mobile ICBM for survivability. My support, at least for the controversial programs such as the B-2 and the Midgetman, was based on the concept of an overall strategic modernization program. That program is, again, in total shambles.

Mr. President, we have abandoned the fig leaf that the House maintained that if only we could find an acceptable basing mode for MX, we would consider further deployment. If the Senate believes that the MX rail garrison program is a sound one—and I believe that a majority of Senators on our committee do—then it does not stand to reason that we arbitrarily limit that program to 50 deployed missiles, when the Soviet Union possesses some 308 SS-18 ICBM's, each more capable than MX, and hundreds of other heavy ICBM's, including the new rail mobile SS-24.

Mr. President, MX is the only ICBM that the United States has in production. We are not producing Midgetmen, and given its enormous cost and a breakdown of events in the world, it is doubtful, in this Senator's judgment, that we ever will. The Soviet Union, with whom we are engaged in negotiations at this moment, has no fewer than three types of intercontinental ballistic missiles in production and no fewer than six types of ICBM's deployed So by placing a cap of 50 on the MX program, we have effectively checkmated America's ability to counterbalance Soviet modernization of their ICBM force. Oh, I know that the Washington Post thinks the millenium has come, and that nobody in the Soviet Union is making any effort to sustain their military capability, but the Washington Post is wrong and other papers who make similar claims are wrong.

So while the Soviets replace their SS-18 with a vastly more capable SS-18 MOD 5, a missile so different from its predecessors that it would have been classified a new type by the intelligence community, had it not been for the fact that to so call it could have declared it in violation of an existing arms control treaty. So while we sit with 50 Peacekeepers in their silos, or spend the money to move those same 50 Peacekeepers to the rail mobile, the countermilitary potential of the Soviet ICBM force is being enormously increased. And we in the Congress are about to arbitrarily limit the development of an offsetting countermilitary potential.

Mr. President, it makes no strategic sense. It weakens our negotiators' hand in Geneva, and I simply cannot understand how the administration could accept this limitation that predecessors have rejected. How can we accept an arbitrary limit of 50, when

we have the prospect of deploying a full hundred MX either in Wyoming or other rail garrison bases?

Second, Mr. President, I cannot understand how the committee, the joint conference, reached a figure of 18 airplanes for the F-14 buy. The Secretary of Defense, my old colleague from Wyoming, Secretary Cheney, indicated he wanted to terminate further production of the F-14 in favor of the remanufacturing program. I supported that decision. The Senate supported that position. The Senate offered a compromise of six F-14D's and I would have reluctantly supported that.

The House bill had 12 planes, too high by anybody's reasoned judgment. So how did we arrive at 18? Are we adding the House and Senate numbers together these days? I should think not, since we would have funded SDI at over $7 billion, if that were the process. I understand that the Appropriations Committee cut out the funding in this bill for the F-14 program termination.

Mr. President, what happened was nothing short of a blatant act of political blackmail. It is as blatant as any I have seen since coming into the Senate. The New York delegation, headed by Congressman DOWNEY and the Democratic Caucus in the House of Representatives, let it be known that the purpose of Defense spending in America is not to provide the most efficient defense of America, but to provide jobs in congressional districts. How can these same Congressmen decry inefficiencies in our defense procurement system, when they force that system to procure weapons it neither wants nor needs? How can an administration accept what amounts to a repudiation of the decisions of the Secretary of Defense on program terminations?

In my judgment, Mr. President, next year when more terminations will undoubtedly prove necessary, the Secretary of Defense will be rained on by a House of Representatives that has learned to hold any decision of the Secretary hostage to the wishes of its individual Members.

The PRESIDING OFFICER (Mr. KERREY). The Senator's time has expired.

Mr. WALLOP. On behalf of the Senator from Virginia in whose place I stand I yield myself such time as I require to finish the statement, and so ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Finally, Mr. President, and most important, I cannot support a level of SDI funding—$3.57 billion dollars—that is little more than 75 percent of the President's request and that represents the first real decline in SDI funding since the inception of the program.

I stood on this floor, with the chairman and ranking member of the Armed Services Committee, when they supported an amendment to the Defense Appropriations Committee bill that successfully increased the Senate figure from $3.7 billion to $4.3 billion. At that time, the Senator from Georgia was in a colloquy with the Senator from Louisiana over the level of SDI funding.

As I recall, both agreed that the level should come out at about $3.7 billion, a figure that would constitute an increase over last year's level. I personally think we ought to fund the President's request fully, but I certainly believe that with even Senator JOHNSTON talking of support for a $3.7-billion figure, we could and should have come out better than we did.

Mr. President, I do not fault anyone on the Senate Armed Services Committee for this. I fault the absolutely irresponsible position of the House of Representatives on SDI and all other strategic issues. And alas, I must fault the administration for failing to fight harder for SDI funding and for not sticking to their own pronouncement on the importance of the SDI Program.

Mr. President, last July the President wrote a letter in which he said:

> SDI is at a critical juncture. The technological progress we have made means that we need to conduct large scale, realistic, and therefore expensive, tests to prove the feasibility of defenses. Already, because of cuts required in the overall Defense budget, I have reluctantly submitted a revised budget, cutting over $1 billion from the program. If the Congress cuts even more deeply, our ability to investigate and test the most promising options will be seriously damaged.

Mr. President, this conference report cuts over 1 more billion out of that program. Are those tests no longer necessary? I would say, Mr. President, not the President of the Senate but President Bush, are they no longer necessary? Do you now believe they are no longer of use to the United States, that they are no longer important? Or, President Bush, are those words just that, nothing more than words?

Secretary of Defense Dick Cheney stated in a letter to Senator DOLE:

> Any level of funding for SDI less than provided in the Senate passed Defense authorization bill would cause cancellation or delay of experiments crucial to demonstrating the feasibility of defense against ballistic missiles.

Can we now safely eschew these crucial experiments? Or do we no longer desire to demonstrate the feasibility of ballistic missile defense?

In another letter to the chairman of our committee, Senator NUNN, in September the Secretary said:

> The House and Senate have voted on SDI programs with fundamentally different objectives, and the differences cannot be resolved simply by selecting a funding level to split the difference in the authorization values.

Mr. President, this bill exactly splits the difference with the House—$3.57 billion is exactly in between the House and Senate authorization bills. I take this to mean that important, no "crucial" experiments will have to be canceled.

I take this to mean that we have chosen a fundamentally different objective for the SDI program, one that does not lead to development, testing, and then deployment, but one that leads to defunding, dismantlement, and political oblivion, the only difference being that we will all stand around and vote for lower and lower levels of SDI funding and go home to tell our constituents how we supported SDI and in the process have wasted the public's money for a program that nobody now seems, if the President may be believed, to care for any longer.

Mr. President, I have fought for this program, this concept since 1978. I believe in it. I believe the technology has demanded our tests. I believe the technology has demonstrated that America's safety can be greatly enhanced by proceeding with it.

As I indicated in an op ed shortly before the Senate floor votes on SDI this year, the time to choose for SDI has arrived. Either we construct and fund a program that gets us to a fully informed deployment decision—one that will require a much more aggressive funding profile than contained in this bill—or we abandon that objective, in which case we can cancel SDI outright and spend that money on other needed defense programs.

As a Member of the Strategic Forces Subcommittee, I am sure that Chairman EXON and Senator THURMOND, the ranking member, would agree that we can find worthwhile and neglected projects for that money. So why then waste money on SDI if it is not the President's intention nor the Congress' intention even to reach the deployment decision? I am not talking about deployment itself, just an informed deployment decision.

Mr. President, it makes no sense to follow this course. The American people deserve better. It is for these reasons that I cannot support a Department of Defense authorization bill which is supposed to fund programs based on their merit, based on their strategic contribution, their defense contribution to the security of the American people and the United States—this program harms that strategic security in SDI; it harms it in strategic modernization programs—all the while funding the needless pork of House Democrats.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter dated July 24, 1989, from Presi-

dent Bush to Senator DOLE; a letter dated August 10, 1989, from Secretary Cheney to Senator BYRD; and a letter dated September 11, 1989, from Cheney to Senator NUNN.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, DC, July 24, 1989.

Hon. ROBERT J. DOLE,
Minority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: When the Fiscal Year 1990 Defense Authorization Bill comes to the floor next week, you and your colleagues will make critical decisions affecting the future of deterrence and arms control for the balance of the century. Before you vote, I want to be certain that you understand my reasons for the strategic modernization program I have proposed.

Taken together, these strategic programs are essential to preserve a capable, survivable and effective deterrent. They are an integrated package that deals with the evolving threat and is flexible enough to hedge against uncertainties. They also undergird our arms control negotiations and provide incentives to the Soviets to continue the internal changes they appear to be making. Each represents, not simply modestly improved capability but fundamental change in strategy or system performance.

I am optimistic about what we are beginning to see in the Soviet Union. The Soviets may finally be willing to make significant changes in the character and size of their military forces. This willingness is at least in part the result of our commitment to a modern, capable deterrent force. Weakening the commitment now could undermine the positive trends we see emerging in Soviet forces.

I have taken another hard look at SDI and confirmed that the goal of the program—providing the basis for an informed decision on deployment of defenses that would strengthen deterrence—remains sound. We owe it to ourselves and our children to pursue that goal. I am personally and deeply committed to doing so.

Moreover, SDI is at a critical juncture. The technological progress we have made means that we need to conduct large scale realistic, and therefore expensive, tests to prove the feasibility of defenses. Already, because of cuts required in the overall Defense budget, I have reluctantly submitted a revised budget, cutting over $1 billion from the program. If the Congress cuts even more deeply, our ability to investigate and test the most promising options will be seriously damaged. We will be unable to determine, in a meaningful way, whether we can rely more on defenses for our security. The American people are entitled to that assessment.

The B-2 is also at a critical point. The aircraft is based on revoluntionary technology that will guarantee the effectiveness of the penetrating bomber well into the next century. Without it, the strategic Triad, which has been the bedrock of our nuclear strategy, will virtually disappear. The B-2 is also the core of our START strategy for achieving stable deterrence at reduced levels. Indeed, under the terms of our current arms control proposal, the bomber force will be assigned a very large percentage of our targets. I have no doubt that the B-2 is worth its cost and deserves your support.

ICBM modernization has been marked with considerable controversy and strong opinion. Yet there is broad agreement that mobility is required for our land-based missiles to improve their survivability and enhance their unique capabilities. After careful review of the issue, I have determined that we should deploy, in a carefully phased manner, the Rail-garrison Peacekeeper and the Small road mobile ICBM. I am committed to doing so.

Rail-garrison Peacekeeper will improve the survivability of the ICBM force quickly and at modest cost, while preserving the considerable military capability of this system. The Small ICBM represents the future of the ICBM force. It offers a high degree of survivability, even with virtually no warning. But, it will not be ready to deploy as soon as Rail-garrison and will obviously be more expensive than a multiple warhead system. We can field Rail-garrison in the near term while at the same time continuing development of the Small ICBM for 1997 deployment. We likewise need to commit to an ICBM mobility program to avoid a deadlock in the START negotiations on the mobile issue.

In addition to the requirement for these forces as the heart of our nuclear deterrent strategy, in which they form an integrated and inseparable whole, there is the role which this modernization program plays in our arms control strategy. We are entering a very important and promising stage in our strategic arms control negotiations. We have already introduced some changes in our position and we are actively considering others which could make a significant contribution to the stability of the nuclear balance. To pull the rug out from under me at this crucial juncture by weakening my program could destroy this opportunity to make real progress. Indeed, it could even prevent the conclusion of an arms control agreement. I need the negotiating flexibility which this dynamic and sensible modernization program provides. Don't prevent me from achieving a treaty which could make great strides toward reducing the chances of nuclear conflict.

Let me add two cautionary notes. First, good arms control cannot be legislated. I seek and welcome the advice and counsel of the Congress and regularly consult you on the full range of arms control issues. But, in the final analysis, I must be responsible for negotiating arms control agreements. The many arms control amendments that are customarily proposed to the defense bills only undercut me and our foreign policy and frequently have an effect opposite to that intended by their sponsors.

Second, the pressures to play one modernization program off against another or to pay for one with cuts in another threaten the balanced strategy behind our programs. Secretary Cheney and I have had to make hard choices in these times of tight budgets—this budget is the best balance of needs and affordability and represents an integrated strategic approach.

As you begin final debate on the defense bill, I ask you to carefully consider the affordable, integrated plan we have designed to strengthen deterrence, to reinforce the incentives for change in the Soviet Union, and to further our goal of negotiating arms control agreements that will reduce the likelihood of nuclear war. We cannot afford to lower our defenses because of Gorbachev's rhetoric; we cannot afford to pull the rug out from our negotiators, and we cannot afford to forfeit the investments we have made in strategic modernization. We can afford to make the needed improvements provided by this cohesive, fiscally sound package. It deserves your support.

Sincerely,

GEORGE BUSH.

THE SECRETARY OF DEFENSE,
Washington, DC, August 10, 1989.

Hon. ROBERT C. BYRD,
Chairman, Committee on Appropriations, U.S. Senate,
Washington, DC.

DEAR MR. CHAIRMAN: As your Committee begins markup of the FY 1990 Defense Appropriations bill, I would like to provide my views on the bill as passed by the House (H.R. 3072). If the Congress were to pass the bill in the form in which it passed the House, the President's senior advisers would recommend that he veto it.

The House provided over $1 billion less than the defense level agreed to in the budget summit. While there continues to be debate on the argument pertaining to outlays, the House clearly has not honored the budget authority targets set in the Agreement. I urge the Senate to support the agreed-upon budget authority level, which was reaffirmed in the concurrent Budget Resolution passed by both Houses.

I am deeply concerned by the large number of program changes made by the House and the devastating effect these changes have on the defense priorities we have set. In particular, the House restored programs that we cannot afford within the planned future funding levels, including the V-22, Army Helicopter Improvement Program (AHIP), F-14D, EA-6B, and F-15E aircraft programs, the Phoenix missile program, and a SSN-688 submarine. The decisions to terminate these programs considered long-term costs relative to mission accomplishments and sought to avoid funding weapon systems at inefficient rates of production and delaying the introduction of newer, more survivable and capable weapons. The House actions to restore these programs, ostensibly to address short-term concerns, will disrupt the effective execution of our entire defense program, and increase its long-term cost to a level that cannot be sustained. In short, the House would force us to buy things we cannot afford in the long-term, at the expense of higher priority programs essential to the national defense.

House action on the V-22 Osprey program highlights the problems created by restoring funding for these programs. The House provided $351 million to complete development and $157 million to initiate procurement of the V-22 Osprey. Our decision to terminate the V-22 program was based on a careful consideration of recess and expected gains in amphibious surface lift capability and the availability of helicopters in production that provide a considerable increase in capability over our current aircraft at much less cost than the V-22. Within current constrained resources, the program we have proposed is the proper amount we should spend to upgrade our capabilities in this limited mission area. Delays in V-22 development and test flight efforts have increased the technical risk of production in FY 1991. If the V-22 program is restored, over $7.5 billion will have to be added back to the FY 1990-1994 budget plan at the expense of higher priority programs.

I am deeply concerned that the House reduced the SDI program by $1.8 billion and reallocated these funds to other programs. This action would cause cancellation or

delay of experiments crucial to demonstrating the feasibility of defense against ballistic missiles. Several technologies key to the SDI are now in the demonstration phase, and the reductions proposed by the House would be extremely disruptive and ultimately increase costs of determining the feasibility of strategic defenses. We need to protect the option to begin deploying defenses in the 1990s to meet the military requirements established by the Joint Chiefs of Staff. In addition, at this reduced funding level, arms control leverage is severely weakened and adequate Allied participation is jeopardized. The budget request of $4.6 billion is the minimum required for orderly evaluation of technologies needed for the strategic defense systems.

The B-2 bomber is an essential element of our strategic deterrent. Without it, we would be unable to maintain the effectiveness of the bomber leg of the Strategic Triad against rapidly improving Soviet air defenses. The House gutted the program. Ironically, given the debate about the plane's cost, the House proposed stretch-out of the program by deferral of one aircraft and reduction of $500 million will only result in higher costs for the overall program. If this proposal is sustained, the reductions will force the current $70.2 billion total cost estimate markedly upward.

The House reduced MX/Rail Garrison funding by $396.8 million, deleting all procurement funds and reducing RDT&E funding by $174.2 million. This action delays the Initial Operating Capability by up to 2 years. In addition, no funds were provided for the Small ICBM. The House action rejects plans to rectify U.S. ICBM vulnerability and seriously undermines the U.S. arms control strategy. Deferring Rail Garrison would leave little hope of ever obtaining survivable MX/Peacekeeper missile basing. Canceling the Small ICBM program would terminate the effort to reestablish survivable, flexible, and enduring land-based ICBM forces. Further, this action would remove an incentive for the Soviets to negotiate START numerical limits and verification procedures for road mobile missiles, which will assuredly be the core of future Soviet forces.

The House has proposed deleting procurement of the Advanced Cruise Missile in FY 1990. The program recently completed three consecutive successful test flights and has now met the test flight criteria previously put forth by the Appropriations Committees for the prior procurements. The dual sourcing of missile production is resulting in improved quality and performance. We cannot afford to delay further this critical strategic weapon system.

The House deleted funding in FY 1990 for the current Advanced Tactical Fighter (ATF), based on concerns over the acquisition strategy, costs, and technical risks. The ATF is the highest priority tactical development in the Air Force. The ongoing Demonstration/Validation phase is specifically designed to address and resolve the types of issues raised by the House; reduce risk prior to entering full-scale development, mature technologies, refine requirements and goals, and define full-scale development/production phases of the program. FY 1990 is the culmination and execution of this phase. Therefore, fully funding the ATF is the logical and most cost effective approach.

The House proposes to terminate the MILSTAR program after the third satellite, delay first launch, and defer all terminal procurement funding until FY 1991. MILSTAR is DoD's highest priority communications system. A three satellite constellation provides only a very limited EHF capability that would have serious coverage and capacity problems. For example, we would have to continue to rely on vulnerable UHF communications in the polar areas. Under the House proposal, DoD will spend approximately 60 percent of the total acquisition cost, but will support only 30 percent of the requirements. A delay in the terminal program will require renegotiation of contracts resulting in increased cost and a delay in receipt of production terminals to support the first launch.

The House restructured the Chemical Demilitarization program by denying $24.9 million for the accelerated European retrograde of unitary weapons and adding $36.4 million for continuation of the cryofracture process. The Department has an effective plan to safely complete the accelerated retrograde program that covers all aspects of the process from preparation at the current storage site to the munition destruction at the final destination. This action is essential to the demilitarization program and is being conducted in cooperation with Allies. Also, the proposed funding for cryofracture should be deleted. Internal and independent reviews of the cryofracture program have concluded that it will not be an effective back-up system to the disassembly method. I am advised that cryofracture is costly ($200 million per plant), can only be used on 35 percent of our stockpile, and causes a safety concern since it simultaneously incinerates a chemical agent, metal parts, propellants, and explosives.

The House limited production of SSN-21 attack submarines to two ships per year until adequate testing has been completed, and adds one SSN-688 ship. The SSN-21 will be three times more effective than the improved SSN-688 and is needed to counter Soviet deployments of new, more capable, and quieter SSNs. Limiting production of the SSN-21 will exacerbate the problem of maintaining the required attack submarine force level beyond the mid 1990s due to the block obsolescence of SSN-637 class submarines that will begin to occur in that timeframe. There is no alternative to the SSN-21 that will achieve the major improvements needed in submarine warfighting capability.

The House rejected planned multiyear procurement of the F/A-18, E-2C, SH-60B/F helicopters, and the Maverick missile. Denial of the multiyear contracting strategy will increase unit costs significantly and increase the possibility of production stretchouts or terminations for other programs. For example, the savings projected for the F/A-18 multiyear procurement proposal alone could save in excess of $350 million. Given continuing constrained resources, the Department must explore every savings opportunity. I am concerned that the House position denies that opportunity for multiyear efforts.

The House also proposed limiting total outlays to $281.928 billion in FY 1990. Outlay estimates are simply not precise enough to be subject to a legal limitation. Even if correct in total, estimates by account are subject to wide variance. A legislated ceiling on outlays will create an immense and costly administrative burden, in addition to creating the possibility of disruptive program slowdowns. I urge the Senate to strike the outlay limitation in the bill.

The House reduced Operation and Maintenance (O&M) funding by $45.6 million, but increased O&M program requirements, especially for real property maintenance, depot maintenance, and CHAMPUS, by over $2.8 billion. To ensure that these program increases are maintained, the House restricted the reprogramming of funds from these programs. The House also restored planned operating and support reductions and increased defense support to nondefense Agencies. The House proposed that a portion of the financing for these increased program requirements come from unspecified increases in efficiencies, the use of stock fund cash that is not available for transfer to O&M, reductions to productivity program initiatives, overstated savings and absorption of increased requirements from within available funds. Despite severe funding constraints in recent years, the Department has made a conscious decision to protect the near-term readiness of our forces. To achieve this goal, the Department has carefully balanced O&M resources to protect readiness and provide for other priority programs. The adjustments proposed by the House will degrade this balance and result in reduced unit readiness.

Finally, I am also disturbed that the House required the Department to finance $300 million for the Coast Guard and $82.9 million for the National Science Foundation within the DoD topline. This violates the budget summit agreement and reduces the funding available for DoD programs, distorts the amount of support being provided for defense, and generates an administrative burden to manage funds for another agency. I support adequate resources for these programs, but I strongly object to funding them from reductions to critical defense programs.

I appreciate your continued support for a strong defense program and look forward to working with you to preserve the defense capabilities so critical to our national security. The Office of management and Budget advises that this letter reflects the President's program.

Sincerely,

DICK CHENEY.

THE SECRETARY OF DEFENSE,
Washington, DC, September 11, 1989.

Hon. SAM NUNN,
Chairman, Committee on Armed Services, U.S. Senate, Washington DC.

DEAR MR. CHAIRMAN: The authorization conference soon will begin action on the House and Senate bills for FY 1990. I am pleased that the budget authority levels provided by both the House and the Senate conform with the Bipartisan Budget Agreement and include many of the crucial items requested by the Administration. However, the House bill would decimate our strategic modernization program and unnecessarily impair relationships with our NATO allies and, if this bill were presented to the President, I would recommend that he veto it.

There have been reservations expressed about the need for strategic modernization in an age of perestroika and glasnost. Unfortunately, the Soviet Union is making major efforts to modernize its own strategic forces at the same time as it is making overtures on other fronts. We believe that the U.S. government's first obligation must be to make sure the United States can continue to deter a strategic threat in the face of the Soviet's new systems. We believe it would be a grave mistake to go forward with reductions that would gut SDI, the B-2, Peacekeeper Rail Garrison, and the Small ICBM.

The House position on SDI and strategic modernization is unacceptable.

I am deeply concerned that the House cut the SDI program by $1.8 billion. The House and Senate have voted on SDI programs with fundamentally different objectives, and the differences cannot be resolved simply by selecting a funding level to split the difference in the authorization values. The Administration's Strategic Defense Initiative is focused on developing defensive technologies to support a decision on possible deployment of strategic defenses in the next 4 years, where actual deployment could begin in the next 10 years. However, the cumulative effect of budget cuts in SDI since the program began has brought it perilously close to forcing abandonment of these important overall objectives. The Senate level more closely supports these objectives; the House level does not come close.

I also continue to be extremely concerned about reductions to the B-2 program. The B-2 is essential to maintaining a penetrating manned bomber force, and penetrating bombers are essential to maintain our strategic deterrent. Stand-off platforms with cruise missiles can make an important contribution, but they cannot do an adquate job by themselves. The manned penetrating bomber is, and will remain, an essential element of our strategic deterrent.

The House reduction would threaten the B-2 program. Its restrictive language would require a dramatic restructuring in FY 1990-91 and reduce the planned procurement from eight to four aircraft in these years. It is ironic that the House, reacting to the B-2 unit costs, took a step that would increase the total program cost by approximately $3.5 billion. In contrast, the Senate position would allow DoD to proceed with this program at an economic rate of production.

It is particularly disconcerting that the House reduced funds for Rail Garrision, an action that will delay Initial Operating Capability by up to 2 years. Deferring Rail Garrison basing leaves little hope of ever obtaining procurement authority for survivable Peacekeeper missile basing. The House also proposed cancellation of the Small ICBM, an action that maintains our ICBM vulnerability and undermines the U.S. arms control strategy. Further, the House position removes Soviet incentives to negotiate effective verification of mobile missiles in START. I urge your support for the Senate position on Rail Garrison and Small ICBM to ensure the sequential development and deployment of the President's two-missile ICBM program.

The United States and the Atlantic Alliance have a critical defense need to move the 401st Tactical Fighter Wing to Crotone, Italy. The restrictive language proposed by the House would block the relocation of this highly sophisticated wing of 72 F-16 aircraft to NATO's Southern Region. It is important to uphold the commitments we have made in support of NATO's decision to maintain this capability in the Alliance's Southern Region.

In times of budgetary restraint we simply cannot fund every weapon system, including those of relatively low priority. I once again emphasize the Administration's strong opposition to reallocationg funds to the V-22 Osprey, the F-14D aircraft new production and the Army Helicopter Improvement Program (ANIP). The decision to move forward with these programs will increase the total funding requirement in future years to a level that cannot be sustained.

In addition to these concerns, I want to touch on several other key issues including base closures, initiatives for civilian personnel in critical positions, and chemical demilitarization.

Although the Commission on Base Realignment and Closure initially estimated a $300 million up-front investment to begin the process in FY 1990 of realizing long-term savings from base closures in the out-years, DoD currently estimates a requirement of $500 million. This includes about $450 million for construction and $50 million for environmental restoration. The House position authorizing the full $500 million to carry out all bases closure and realignment actions within the tight schedule prescribed in the law has the Administration's support.

I am opposed to lowering the number of troops stationed in Europe after 1991 by 14,787 spaces which were previously allocated to the Pershing II and Ground Launched Cruise Missiles (GLCMs) that are being abclished under the Intermediate-range Nuclear Forces treaty. Now is not the time to enact legislation making unilteral troop reductions. Such a course of action can only serve to weaken the U.S. bargaining position in the Conventional Forces in Europe negotiations. In addition, I am opposed to the House reduction to Air Force active duty personnel. DoD plans to eliminate all GLCM-associated manpower authorizations by the end of FY 1991. A futher reduction essentially would cause the Air Force to take the GLCM reduction a second time. I urge the conferees to forego the duplicative reduction.

I support initiatives to establish alternative personnel management systems that permit greater flexibility with respect to pay and status of civilian employees in certain critical positions. Increased flexibility in defense personnel management is critical if we are to attract and retain the talented, experienced people the nation's defenses require.

I continue to oppose inclusion of the technically doubtful cryofracture technology into the chemical demilitarization program and believe we should complete the chemical demilitarization program using the safe and reliable disassembly technology.

I know you and your colleagues will appreciate the profound importance of these issues to our defense and foreign policy as you consider the implications of the Defense Authorization Bill for FY 1990.

The Office of Management and Budget advises that there is no objection to the submission of this report and that enactment of the House bill in its present form would not be in accord with the program of the President.

An identical letter has been sent to the Chairman, Committee on Armed Services, House of Representatives.

Sincerely,

DICK CHENEY.

Mr. WALLOP. Mr. President, I reserve the remainder of the time of the Senator from Virginia and I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, as a member of the Senate Armed Services Committee, I rise to support the Defense authorization conference report for fiscal years 1990 and 1991. Although I disagree with some of the provisions in the report, especially a provision to terminate the SR-71 Aircraft Reconnaissance Program, I believe it is a reasonable bill, given the special constraints under which we are operating.

As chairman of the Subcommittee on Manpower and Personnel of the Committee on Armed Services, I am very gratified by the results achieved for the pay and benefits of our men and women in uniform that we provide in this bill.

The one area where I am certain that we have really gotten a full return on our investments in defense over the past decade has been in manpower. We all recall the situation in the late 1970's when our forces had grossly inadequate numbers of quality, experienced personnel.

Many of us even remember that some of the ships were laid up because we did not have petty officers enough to put those ships to sea, did not have the forces to even take the ships out. That was a sad time in our defense posture when our forces had grossly inadequate numbers of quality, experienced personnel.

We were warned at that time by the Chief of Staff of the Army that we had a "hollow Army", to use his words, and by the Chief of Naval Operations that petty officer shortfalls threatened the Nation's ability to deploy the Navy's ships. However, these problems, which were severe then, have largely been corrected; we now are challenged to ensure that we do not return to those unfortunate days.

In rising to that challenge, the Congress invested in targeted compensation initiatives, such as enlistment and reenlistment bonuses, sea pay and submarine duty pay, aviation bonuses, nuclear duty pay, and medical pay. It also invested in improved PCS permanent change of station reimbursements—though more still needs to be done in this area—the average civil servant being transferred by our government gets far and away more benefits than the average military person making a transfer of the same type—and in improving the overall quality of life of military members and their families through substantial upgrades in facilities such as child development centers and housing.

As a result of these types of initiatives, recruiting and retention of quality people have improved significantly and have stabilized at record levels over the past 4 years. For example, last year, 93 percent of nonprior-service recruits, those who had never been in the service before, were high school graduates, and 95 percent scored average or better on the mental category entrance examination; comparable percentages for 1980 were 68 percent and 65 percent respectively. So in the past 10 years we have had an improve-

ment in recruit quality of 37 percent in the rate of high school graduates, and an increase of 46 percent in the rate of average or above mental categories.

The gains in retention are equally dramatic. Last year, first-term and career retention rates were 49 percent and 86 percent respectively; comparable figures for 1980 were 39 percent and 71 percent. This is an increase of 26 percent in the first term retention rates, and an increase of 21 percent in career retention rates. So that looks pretty good.

This is not to say, however, that the recruiting and retention picture in the military services is perfect. Obviously, there are problems, such as the declining youth population, and nagging shortages in specific skills, that continue to bother us, that continue to require our attention.

However, despite occasional comments to the contrary, the Congress does care about manpower readiness and the welfare of military personnel and their families, and has continued to invest heavily in the personnel accounts, even in these difficult fiscal times.

For fiscal year 1990, the conference approved a military pay raise of 3.6 percent, effective January 1, 1990, and also approved a number of enhancements in pay and benefits.

Let me make a specific point in one particular area. Most people in this country are not fully aware that we have a major pilot shortage in the military, and it is getting worse. It is a problem. The package to help the military services retain aviators is a major part of this bill.

Many of our experienced pilots are leaving for more lucrative jobs in the airlines because of military job dissatisfaction caused by a combination of inadequate compensation and insensitive utilization practices. What is the need? Well, we have seen such an expansion of airline and commercial air traffic that we have a bigger requirement for pilots. About two-thirds of our airline and commercial pilots normally come from the military ranks. Estimates are that the airlines will need about 7,000 pilots a year over the next 10 years—an enormous drain on military pilots—and that already has started.

We have the airlines offering those who can get out of their military commitment or wish to leave the military, offering them almost what they would be making in the military just to start out, and going up, over a period of about 3 to 5 years, to even or above, well above, and over about a 10-year period really going to major increases, in some cases double or two and a half times the pay that they would be getting in the military, plus better retirement benefits, better health benefits, and everything else that goes along with service in the airlines.

So it is very attractive to people who like to fly to get out and make more money, spend more time at home, work maybe 4 days a week, and do better in the long run. They do not have to spend time aboard ship, for instance, if they are in a Navy squadron over in the Mediterranean or somewhere else away from their families. So this has been something that has been very attractive to many people, and so we are having a problem keeping pilots in the military.

Right now the U.S. Navy is over 1,500 pilots short. That is out of a total of, I believe, around 11,900, or something like that, that we are authorized; 1,500 pilots short in the U.S. Navy right now. I never thought I would live to see the day that that would be the case.

The Air Force is short 250 pilots, but projected, by 1994, to be 2,500 pilots short, if nothing is done to turn this situation around. And so that is why we address this issue very substantially this year.

The bill substantially increases aviation career incentive pay for aviators, while requiring them to fly more to be entitled to continued receipt of that pay. Additionally the bill requires that aviators serve longer on active duty after completing flight training, and also that the services cut back on the number of nonflying jobs for aviators.

Let me expand just a little bit. We extended the time requirement for people to stay in from the time they get their wings. The amount of the committed service that they would incur will go up as a result of this legislation. We put it up to 8 years, the requirement, from the time aviators get their wings. Prior to this, we had various lengths of time in the different services.

But let me run through why we think this is so important. It costs a little over a half a million dollars just to get a person through flight school up to the point where they get their wings, where we say, "Yes, you are OK. You are a pilot and you can get that thing up and down. You can do that. You are not a combat pilot by a long shot, but you can get that airplane up and down. You now have your wings. You are now a qualified pilot." That is about a half a million dollars.

Then we send them to a replacement air group for combat training for 6 months to a year. The cost for that additional training can run as much as $2 million more, depending on the aircraft type and the weapons system that they are training on.

Then we send them out to a squadron and they spend 2 to 3 years out in the squadron, and there is another $2 million to $2.5 million or possibly $3 million, depending on what kind of squadron they are in, that it costs for that person to fly through that first squadron tour.

When they come back from that first squadron tour, they are combat ready. They have done the whole business. It is at that point, some 3 years or 3½, maybe 4 years after they are out of flight school before you really have an honest-to-goodness combat pilot that you can say, "Here is your assignment. You go to wherever in the world and you will acquit yourself well because you are now trained as the finest pilot in the world through our military training."

Now, at that time, we also have somewhere between $4.5 million and $6 million invested in that young person. So it just does not make good economic sense for us at that point to turn the people loose to staff the airlines—as much as I would like to cooperate with the airlines—and start over again with a loss of combat capability, start over training another pilot to replace the first one whom we just spent $5 or $6 million on.

So that is the reason we thought this was so important this year, at a time when we were being very hard hit, to keep people, keep military people, keep our pilots in the service.

This is a problem we have addressed, and we have great hopes that the package we put together will work this year and that it will help solve most of the problems. I do not mind cooperating with the airlines and say, once we get a suitable return on investment for these pilots—9, 10 years, whatever it is that they are willing to spend—by that time, they are 32, 35 years of age, something like that. We would want them to serve a 20-year career. Pilots can still fly in the airlines up to 60. Undoubtedly, it will be up to 65 one of these days. So there is another 15 years or so after a 20-year military career, at about age 45, that the airlines can have them if they want them. I would be willing to cooperate with the airlines from that point on.

But our first job in the military budget is to see that we provide the military with pilots that they need and not just set up a training school for the airlines. So we have taken a good crack, I believe, at formulating a package for pilots that will keep them in. I hope so. And I hope they look at it very carefully.

At the same time, this bill requires an evaluation by the Department of Defense on the assignment practices of the services to determine if there are any other improvements that can be made to the system to encourage aviators to remain on active duty.

The conference between the Senate and the House also approved a major package of initiatives aimed at improving the requirement and retention of medical personnel, including substan-

tial increases in the special and incentive pay for medical officers, authorization for nurse recruiting incentives, and implementation of other management initiatives aimed at improving manning, both in direct care, and in support of personnel positions, in the Reserve as well as in the Active Forces. These initiatives should go a long way toward correcting some of the more pressing medical staffing problems that the services are facing. However, much more needs to be done. I expect we also will have to have substantial action on medical issues next year.

Unfortunately, current medical readiness is very questionable. Under the Total Force Policy, and I will address this a little bit later on when I discuss the study we are asking for on Total Force Policy—under Total Force Policy, 80 percent of our wartime medical, combat medical support is assigned to the Reserves. Now, that makes sense. We do not need them as much in peacetime as we do in wartime. And so why not let the Reserves handle this under fast mobilization, get them there to combat, they are there within the first couple of weeks after a war starts. The regulars can handle it until the Reserves get there. And that is the way the system is supposed to work.

Has it worked? Let me give you some figures right now with regard to that 80 percent of combat medicals assigned to the Reserves. We are 71 percent short of doctors—short, not that we have that many. That is 7,100 doctors that we are short; 71 percent.

We are 66 percent out of that 80 percent that is assigned to the Reserves, we are 66 percent short on nurses across DOD. That is 31,000 nurses short that we do not have. When you get into war games, you come to a point where there are a lot of casualties that are coming in and you say, "Well, realistically now, where is the help going to come from?" And they fall back too often in war games on, "Well, we will rely on host nation support."

As though, in a situation like that, host nations are going to be in any better shape than we will be in that.

But in that 80 percent assigned to the Reserves, 71 percent short of doctors, 66 percent short of nurses. That is a huge shortfall.

So I look forward to receiving a rational and comprehensive plan from the Secretary of Defense in which he makes recommendations to correct these and other longstanding problems in the manning of our military medical system.

The conference also approved improvements in the survivor benefit plan that will reduce premium cost to a flat 6.5 percent of the gross annuity, and also provide an option for a higher level of coverage for those who feel they need it. The current plan guarantees to surviving spouses of military retirees who participate in the plan an annuity of 55 percent of retired pay until the beneficiary reaches age 62, and 35 percent thereafter. This reduction in annuity at age 62 implicitly recognizes that surviving spouses qualify for Social Security at that age, with the net result a steady income stream to the survivor for life.

The conference approved a provision that would allow participants the option of purchasing a supplement that would provide level benefits of 55 percent of retired pay to a survivor for life. This option, and a related 12-month open enrollment period to allow current nonparticipants to join SBP, will become effective October 1, 1991. The delay in implementation is to allow the Department of Defense time to make recommendations on verious actuarial options to support the high option part of the survivor benefit plan.

The final issue I want to emphasize on manpower is the requirement for the Secretary of Defense to conduct a comprehensive study of the total force policy [TFP], and the decision process used by DOD to determine the correlated structures of the Active and Reserve Forces.

The total force policy was implemented in 1973 to integrate our Reserve Forces more fully into our national defense posture. What it basically said was yes, we have our regular forces out there in each of these services but we do not need that big a regular force if we can take the Reserves and National Guard and integrate those Reserve Forces more fully into our national defense.

Quite frankly, last year I was startled to learn that an assessment of the effectiveness of this policy has not been conducted since its implementation 16 years ago.

There is no doubt, that National Guard and Reserve Forces are vital to national security. Importantly, the total force policy designates Guard and Reserve Forces as full partners with the Active components in deterring aggression during peacetime, and in waging war if peace should fail.

Very substantial missions are assigned to Guard and Reserve components as integral parts of theater operational plans. For example, the Army Reserve provides 70 percent of the Army's combat support and combat service support forces—combat support includes engineer, signal, intelligence, and chemical activities; combat service support includes medical, maintenance, supply, transportation, and ammunition activities. It is crystal clear that the Army has a big stake in the readiness of these forces.

So how well is the total force policy working? If Senators look at the readiness of the Army Reserve, they have to conclude, as I do, that it has not been working very well. For example, in last year's Reserve Forces Policy Board report, 45 percent of Army Reserve units were rated below C-3, noting units which were not combat ready. These and earlier year figures speak for themselves: In fiscal year 1984, 58 percent of Army Reserve units were not combat ready; in fiscal year 1985, 60 percent; in fiscal year 1986, 55 percent; and in fiscal year 1987, 45 percent of Army Reserve units were not combat ready.

Let me add on that, every year we go through this. We have a new plan, how we are going to flesh these out and make them more combat ready. And over the last 3 years that I have been directly responsible on this subcommittee, we have not really seen any progress. We can note that from the figures I have already read.

On the brighter side, the Air National Guard and the Air Force Reserve are rated below C-3 in only 6 and 10 percent of their units respectively. So the Air Guard and the Air Force Reserve units are exceptionally high in readiness, and they are performing substantial air missions on a day-to-day basis. For example, the Air National Guard provides 86 percent of strategic interceptor forces based in the United States, 50 percent of tactical reconnaissance forces, and 36 percent of tactical air support forces. The Air Force Reserve and Air National Guard combined provide 59 percent of theater airlift forces, 45 percent of air rescue and recovery forces, and 40 percent of weather reconnaissance forces. They also provide 93 percent of aeromedical evacuation aircrews, 50 percent of strategic airlift aircrews, and 38 percent of tanker/cargo aircrews.

So what is the bottom line on the current status of the total force policy? I think the National Guard Association of the United States summarized it best in one sentence in its legislative action plan for 1989, and I quote: "As we near the end of the 1980's, it is apparent that the total force policy in the 1970's has not been fully implemented." There is no question in my mind that there continues to be a leadership vacuum in the Department of Defense as far as the total force policy is concerned; I stress this because all the rhetoric put out by DOD would have us believe otherwise. As I found in a hearing we had on May 16 of this year, there has never been a singular, authoritative assessment of the total force policy, even though the policy has been in effect for 16 years. Everybody seems to have a piece of the action, but no one has the whole policy in hand.

In consequence, and not surprisingly, there seems to be no coherent total force policy worthy of the name. We need to correct this, and the report

the bill requires from the Secretary of Defense on the matter is the first major step toward that end.

We want the people in the Pentagon and the Secretary of Defense and the President to take this total force policy review very, very seriously, So I look forward to receiving that assessment, especially in light of the major restructuring of our military forces that I believe we will be implementing over the next several years.

What has worked well with regard to the regulars? What has worked well with regard to the reserve, with the national guard? Can we learn something from our past experience? Perhaps new missions can be assigned to the reserves. Perhaps fewer can be assigned in other areas, or taken out and put back into the regulars. We do not know. But that is the kind of guidance we need if we are to get the maximum benefit of every defense dollar spent in the years ahead.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 7 minutes and 21 seconds.

Mr. GLENN. Mr. President, I would also like to highlight for my colleagues several of the provisions in the conference report concerning the ongoing modernization of our conventional and strategic forces, to include funding for several important procurement development programs. Procurement programs authorized in the bill for fiscal year 1990 include the M-1 tank, the multiple launch rocket system, the C-17 transport aircraft, the DD-51 destroyer, the F-14D fighter aircraft, and the submarine-launched Trident D-5 missile. Development programs authorized for 1990 include the SSN-21 attack submarine, the V-22 tiltrotor aircraft, the small ICBM, and the B-2 Stealth bomber.

In that context, Mr. President, I would like to call my colleague's attention to conference action regarding the development of the V-22 tiltrotor aircraft. In the amended fiscal year 1990 budget submitted last April, the Bush administration proposed to terminate the V-22 program. This in spite of the fact that for 9 years the V-22 had been fully supported by both DOD and the Congress, that nearly $2 billion had already been invested in its development, and that the aircraft already was entering flight testing.

The Congress reacted quickly and decisively to the proposed termination of the V-22. On receipt of the amended budget, the Senate unanimously passed a resolution sponsored by Senator STEVENS and myself expressing the sense of the Senate as strongly supporting continuation of the V-22 program. Again in August, during Senate deliberation on the fiscal year 1990 Defense authorization bill, 15 Senators sponsored an amendment to the bill which passed the Senate. It stated that it was the sense of the Senate that the President should continue development of the joint services V-22 tiltrotor aircraft.

In addition, all four congressional committees dealing with the V-22 issue approved development funds for the aircraft in fiscal year 1990, and two of the four committees also approved advance procurement funding.

Mr. President, Secretary Cheney wanted to zero out the V-22 on the basis that it was not worth it for the money spent just to give the Marines a new ship-to-shore capability compared to the helicopter capability they have now. But that was such a narrow interpretation of what the V-22 is all about that I could not believe it. This Congress and the committees of the Congress have supported the V-22 program for over 9 years, brought it along, not just as a marine ship-to-shore; it is for all the things that follow that ship-to-shore movement and, indeed, every single use of helicopters that can be made. This tilt rotar aircraft, the V-22, will have the capability of going twice as far as the helicopters it will replace, twice as far, twice as fast, and with at least one-third more payload. If somebody walked into our office today and said that was a capability we could buy, we would probably fall all over ourselves trying to support that kind of an increased capability. Yet, here we have it, and we are talking about canceling it for the military, and for all the civilian use, I think, that will eventually flow from that, also.

Again, the Congress reacted quickly and decisively to the proposed termination, and we passed that resolution, as I indicated.

The four committees approved development funding in fiscal year 1990, and two of the four committees also approved advanced procurement funding. The conference report before us today authorizes funding for the continued development of the V-22 in 1990, and also authorizes advance procurement funds appropriated in fiscal year 1989 to be brought forward for potential use in 1990.

Finally, regarding the current status of the V-22 Development Program: two of the six V-22 test aircraft are now flying in both the helicopter and airplane modes. As of today, a total of 50 test flights have been completed successfully with no major problems encountered That is very promising.

Mr. President, the other development program addressed in the conference report I want to highlight for my colleagues is the B-2 Stealth bomber. During Senate deliberation on the DOD bill, I sponsored an amendment to strengthen the operational test requirements for early flight testing of the B-2. I am pleased to report to the Senate today that those requirements are now part of the conference report. These flight test milestones essentially restrict the obligation of procurement funds for the two B-2's authorized for procurement in 1990 until the Secretary of Defense certifies to Congress that the results of early flight testing, including low observable testing and performance and flying qualities testing, are satisfactory.

Mr. President, I have just highlighted what I consider to be some of the very positive aspects of the 1990 Defense authorization bill. Regrettably, this bill also contains a provision that will have a major negative impact on our defense readiness, as far as I am concerned; namely, the termination of the SR-71, the Blackbird, the strategic reconnaissance program. Termination of this program is a particularly disappointing and startling decision given that the Senate Select Committee on Intelligence, the Senate Armed Services Committee, and both the House and Senate appropriations committees had voted to support full funding for the SR-71 in fiscal year 1990, this in spite of the administration's opposition to the program. As a member of both the Senate Select Committee on Intelligence and the Senate Armed Services Committee, I am deeply concerned about the termination decision.

Mr. President, the SR-71 is a proven reconnaissance asset. It brings a unique capability to America's strategic intelligence efforts. It is a high altitude, high speed, long-range reconnaissance platform that has served our Nation well since it first flew in the mid 1960's. That might lead people to believe that it is out of date. Anything but. It is still the finest system of its type anywhere in the world today. Today, it remains a highly modern and proven asset providing multisensor coverage on demand while giving little or no warning to its reconnaissance targets.

Mr. President, it flies basically above the SAM range, surface-to-air missile range, and below the Asat range. That is a pretty good order, I will tell you. It is very valuable. Because it is the world's fastest and highest flying aircraft, the SR-71, unlike other reconnaissance platforms, can accomplish its mission with comparatively little vulnerability to attack. This makes it particularly useful in crisis situations, such as the Persian Gulf. While opponents of this aircraft argue that national technical means are capable of performing the same mission, these alternate platforms are far less flexible and survivable than the SR-71.

Mr. President, I think that few Members of the Congress and certainly few members of the public, realize the magnitude of the negative effects that will flow from this decision to terminate the SR-71. This lack of understanding is due in large part to the fact that the vast majority of our Na-

tion's intelligence capabilities, including the SR-71, cannot be fully disclosed in public because these programs are so highly classified.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GLENN. I yield myself time off the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Mr. President, this lack of understanding is due in large part to the fact that the vast majority of our Nation's intelligence capabilities, including the SR-71, cannot be fully discussed in public. Because these programs are so highly classified, few Members of Congress are even aware of the existence of many of these systems, unless the Members serve on one of the committees that has oversight of one of these programs.

And because they are classified, intelligence systems have virtually no public constituency. Unfortunately, in an increasingly constrained budget environment defense systems and programs that bring highly visible benefits to constituents are far more likely to survive the budget cutter's ax than very low-profile classified programs, such as the SR-71, no matter how valuable. It is interesting to note that for some years now DOD has been making the case that the U.S. needs an antisatellite, an Asat, capability, in large part due to the threat posed to our satellites by the Soviets.

Should the U.S. deploy an Asat system, it is likely the Soviets would end their moratorium on testing and advance their Asat Program. Given the increased threat that such a superpower Asat race would pose to our already vulnerable satellites, I feel very strongly that this Nation is ill-advised to cancel the SR-71, which is the only truly survivable air-breathing reconnaissance platform in our inventory.

Termination of the SR-71 highlights yet another problem that our Nation will face in the years to come. With the revolutionary changes taking place in the Communist bloc, the prospects of reaching sweeping and truly meaningful arms control agreements with the Soviet Union are better than they have ever been since World War II. While I am second to no one in my enthusiasm for this prospect, this Nation must nonetheless keep in mind that any arms control agreements necessarily will be complex and will be difficult to monitor adequately. Consequently, enormously expensive intelligence systems that enable us to monitor Soviet compliance with these complex agreements constitute a major hidden cost of such agreements. If these essential intelligence systems are sacrificed to narrow budgetary considerations, our ability to monitor these agreements adequately will be placed at risk, endangering our Nation's security and reducing public support for the arms control process.

Why should we have this program? The Air Force does not particularly want it. They do not particularly like to be in the reconnaissance business. They do not control the program, so they would like to make other use of their money. This airplane does not shoot; it does not drop anything, and, they have not supported it.

In short, intelligence systems, such as the SR-71, are the eyes and ears of our Nation's defense. They are the true force multipliers that let us use all of our other systems intelligently. In making the potentially disastrous decision to terminate the SR-71 program, we opt to remove the United States from the strategic aerial reconnaissance business, placing this Nation at a serious disadvantage in future crisis situations. Given the magnitude of the harm to our Nation the termination of this program will cause, I strongly urge my colleagues to support recent appropriations conference action to fully fund the SR-71 program.

Mr. WARNER. Mr. President, I am most apologetic to interrupt my colleague, but as one who is controlling the time of the chairman, another Senator had been scheduled for this period. We have to go off the bill at 2.

Mr. GLENN. I will be 1 minute.

Mr. WARNER. I thank the Senator.

Mr. GLENN. As a final comment, Mr. President, I sound a note of caution to the administration to ensure that next year's defense budget is based on, and justified with, the congressionally required national security strategy report. Unfortunately, this annual report was not provided in support of the budget before us today. However, given our ongoing fiscal constraints and rapidly changing geopolitical environment, future defense budgets must be based on our national security objectives, not the other way around. Those objectives are in a changing state of flux right now.

In summary, Mr. President, I believe on balance the defense authorization bill for fiscal year 1990 is a reasonable compromise. I urge my colleagues to support the bill and vote for its approval.

Mr. President, I want to give thanks to Fred Pang and David Lyles of the committee staff who are here with me on the floor today, and to Ken Johnson of the minority staff, all of whom worked so hard, particularly on the manpower end of this thing. Also my thanks to Phil Upschulte and to Milt Beach of my office, who worked long and hard on these and other aspects of the bill. I likewise want to recognize the assistance of Comdr. Bill McKee, U.S. Navy, who was very helpful to me in the preparation of this bill.

In summary, Mr. President I think this is a good bill even though I have reservations in those areas about which I spoke, and I yield the floor.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. WARNER. Mr. President, I yield such time to the distinguished Senator on my time as he may require.

Mr. THURMOND. Mr. President, I wish to thank the able and distinguished Senator from Virginia.

Mr. President, earlier this year, the Senate passed a Defense authorization bill that supported the President's Budget request, emphasized strategic modernization, and maintained a vigorous Strategic Defense Program. Our bill also included enhancements in readiness and modernization of our conventional forces.

In contrast, the House passed a bill that reinstated all the programs terminated by Secretary Cheney, virtually eliminated the funding for strategic modernization, and cut the SDI Program from $4.6 billion to $218 billion.

The conference report before us today goes a long way toward redressing the more egregious positions and recommendations in the House bill. It also provides a solid framework for defense in a period of constrained budgets and uncertainty in the Soviet Union.

Before I discuss the bill, Mr. President, I want to congratulate Senator NUNN and Senator WARNER for their leadership during the joint conference. I do not recall any conference where the two Houses were further apart on so many issues. Both the chairman and ranking member of the Armed Services Committee were superb in their negotiations, and I believe obtained the best possible results in view of the wide gap between the House and the Senate.

Mr. President, President Bush asked the Congress to fully fund the SDI request so that he could make an informed decision in 1992 as to whether the United States should deploy strategic defenses. Although the $3.57 billion authorized in the conference report will not—in my opinion—invoke a Presidential veto, it will delay an informed decision on deployment of any strategic defense.

Further, congressional cuts in SDI will require the restructuring of the program and may result in a reduction in the work force currently planned for fiscal year 1990 SDI research. I hope that this bleak forecast does not materialize, especially at a time when there are indicators of progress in the SDI Program.

SDI is a vital program. We in this distinguished body realize the importance of strategic defense in an era of reduced nuclear weapons and the proliferation of ballistic missiles to the developing countries. The United States

should not be without strategic defenses, however limited.

Mr. President, the conference report also provides $1.13 billion funding level for ICBM modernization. This funding level is significant in that it will allow the administration to proceed with both the small ICBM and the rail garrison MX. During the debate here on the Senate floor, we were told that the Soviet Union is reducing its forces. I agree that they are reducing their forces. However, I would like to remind my colleagues that these are conventional forces, not strategic.

All the evidence I have seen indicates that the Soviet Union is proceeding with its strategic nuclear modernization. They have deployed two mobile missile systems that are fully operational, and continue to deploy more. The Soviet's goal is to deploy an ICBM force that is capable of satisfying their wartime objectives with fewer, significantly more survivable missile systems.

I believe that the United States must continue strategic modernization, not only to provide for the survivability of our missile force, but also to support our position in the strategic arms reduction talks. This conference report supports these positions.

Mr. President, let us not fool ourselves—this bill is a compromise. Many Members in the House and Senate feel that defense spending should be reduced. They base this belief on the statements made by Secretary Gorbachev. Although we are seeing significant changes in Eastern Europe and some reduction in Soviet conventional forces, we cannot take the unilateral step of cutting our forces.

By all accounts Secretary Gorbachev is in serious trouble. There is ethnic unrest, labor unrest amid the civilian population, and grumbling in the Soviet Armed Forces. Although we all wish him success in trying to bring more freedom to the people, Mr. Gorbachev may not survive the evolution taking place in the Soviet Union.

During our lifetime, we have seen several attempts at reform in the Soviet Union. Each attempt has failed, and has been followed by a period of significant military tension between our nations. In the past, the United States was prepared to meet these shifts in power, and we must be prepared to meet the prospect of another change. Our Nation's strength is, in large measure, the reason why we have seen such dramatic changes in the Soviet Union and Eastern Europe and has enabled us to get the agreements that we have. Now is not the time to alter our strategy of peace through strength.

Mr. President, I support this compromise bill and urge my colleagues to do the same. I believe it meets our minimum current defense needs while, at the same time, it recognizes the fiscal realities that our Nation faces.

Mr. President, I yield the floor. I wish to thank again my distinguished friend from Virginia.

Mr. WARNER. Mr. President, I compliment the distinguished Senator from South Carolina on his very perceptive remarks. He has been here a number of years and has seen many, many conference reports on the authorization bill. He speaks truly with a voice of experience.

Mr. President, I understand that under a previous order the Senate will now move from the conference report on the authorization bill to another issue, and I wonder if the Chair would care to address the Senate.

The PRESIDING OFFICER. That order will be executed by the Chair at 2 p.m.

Mr. WARNER. Mr. President, at such time as this bill is taken up again, the Senator from Virginia will give his remarks rather than to experience interruption which will take place in just about 1 minute's time. In view of that, seeing no other Senator seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Could I inquire of the Senator from Virginia of the number of speakers on his side who will want to be heard and how much time he thinks that will require.

Mr. WARNER. Mr. President, the Senator from Virginia has not yet had an opportunity to speak, having yielded as a matter of courtesy to others. I will require 10 minutes, perhaps less. I was told that the senior Senator from Alaska desires to have a period of 5 minutes, and the Senator from New Mexico 5 minutes. I think on the side of caution I will just reserve another 5 minutes under the time of the Senator from Virginia. I have not used but very little of it.

Mr. NUNN. It sounds like we will have another 30 minutes of discussion. I say to the Senator from Oregon, we have about 30 minutes more of discussion on this bill. I know the Senator is going to take his bill up at 2 o'clock. Is it the view of the Senator from Oregon that we will have a vote at 3 o'clock?

Mr. PACKWOOD. Yes. Under the time agreement, there is a vote at 3 o'clock.

Mr. WARNER. Mr. President, will the Senator repeat that for Senators.

Mr. PACKWOOD. There is a vote already set at 3 o'clock. There is 1 hour of debate equally divided on capital gains to start at 2.

Mr. BENTSEN. My understanding is a maximum of 1 hour. If such time is returned and not utilized, what would the status be on the time of the vote then? Could the vote occur before 3 o'clock?

Mr. NUNN. I was going to inform the leader, who is now on the floor, we have about probably 30 minutes that will be actually needed on the Armed Services authorization bill and then we can go to a rollcall vote on it. We do not seek it now, if the majority leader would like to go ahead with the previous order.

The PRESIDING OFFICER. The Chair advises there is no order for a time certain to vote on cloture.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Mr. President, based on the conversation we have had here I can inform all of the individual Senators who would like to speak on the military authorization bill that we will begin again on the military authorization bill after the rollcall vote is completed on the cloture on capital gains which will be no later than about 3:15. It could be earlier than that.

So I would ask all Members who would like to be heard on this authorization bill to be prepared. It will be our intention to yield back the time, and not to use the entire time remaining. If we can do so we can come to a vote somewhere in the neighborhood of 4 o'clock.

So those Senators interested in speaking on this authorization bill, I hope, will be prepared to speak sometime between 3:15 and 4 o'clock.

Mr. WARNER. Mr. President, as a clarification of the comments of the Senator from Georgia, the Senator from Virginia has reserved 10 minutes for himself, 5 minutes to the Senator from New Mexico, 5 minutes for the senior Senator from Alaska. That would be an additional 20 minutes.

The first question is how much time has been consumed by the Senator from Virginia thus far, and then how much time remains, and also for the Senator from Georgia? Because if there are a number of Senators who desire to speak, in fairness we have to indicate what I perceive is a very limited time remaining. I just did not want the statement of the Senator from Georgia to be as an open invitation for a great many individuals to join.

The PRESIDING OFFICER (Mr. ADAMS). In response to the request of the Senator from Virginia, the Senator from Virginia has used 24 minutes, has 36 minutes remaining; the Senator from Georgia has used 30 minutes and has 29 minutes 17 seconds remaining.

Mr. WARNER. So in essence the Senator from Virginia has roughly 15 minutes remaining and the Senator from Georgia has 30 minutes remaining.

Mr. NUNN. What happens to the Senator from Georgia's 43 seconds?

The PRESIDING OFFICER. Vanished. We will restore the Senator's 43 seconds so he has precisely 30 minutes remaining.

Mr. NUNN. I thank the Chair.

Mr. WARNER. Mr. President, I have a commitment of 15 minutes, and 15 remaining uncommitted.

The PRESIDING OFFICER. That is correct.

Mr. NUNN. Mr. President, due to an administrative error, four tables showing the details of the conferees' recommendations for authorization of military construction projects in fiscal year 1991 were inadvertently omitted from the conference report statement of managers on the National Defense Authorization Act for fiscal years 1990 and 1991.

I ask unanimous consent that these four tables be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Project	Revised FY1991 Request	Conference Change to Request	Agreement Authorized
Total Military Construction, Army	995,300	0	244,430
Total Military Construction, Navy	1,211,000	15,161	264,710
Total Military Construction, Air Force	1,606,300	18,730	315,836
Total Milt Construction, Defense Agencies	951,300	(10,000)	434,800
Total Milt Construction, Army Natl Guard	119,500	0	119,500
Total Milt Construction, Air Natl Guard	107,200	300	107,500
Total Army Reserve Military Construction	61,900	900	62,800
Total Navy Reserve Military Construction	53,300	0	53,300
Total Air Force Reserve Milt Construction	38,500	0	38,500
NATO Infrastructure	503,600		--
Total Military Construction	5,647,900	25,091	1,641,376
Total Family Housing Army	1,617,250	0	1,558,750
Total Family Housing Navy/Marine Corps	871,100	0	721,700
Total Family Housing Air Force	1,103,000	0	835,000
Total Family Housing, Defense Agencies	21,800	0	21,300
Total Homeowner's Assistance	5,100	0	0
Total Family Housing	3,618,250	0	3,136,750
Total Military Construction/Family Housing	9,266,150	25,091	4,778,126
Component Totals:			
Army	2,617,650	0	1,803,180
Navy	2,082,100	15,161	986,410
Air Force	2,709,300	18,730	1,150,836
Defense Agencies	973,100	(10,000)	456,100
Nato Infrastructure	503,600		--
Guard and Reserve	380,400	1,200	381,600
Total Military Construction/Family Housing	9,266,150	25,091	4,778,126

Location	Service	Installation	Project	Revised FY1991 Request	Conference Change to Request	Agreement Authorized
ALABAMA	Army	ANNISTON ARMY DEPOT	Ammunition Demilitarization Facility	34,300		34,300
ALASKA	Air Force	SHEMYA AFB	Alter Dormitory	7,700		7,700
ALASKA	Air Force	SHEMYA AFB	Base Engineer Maintenance Shop	3,900		3,900
ALASKA	Air Force	SHEMYA AFB	Flightline Access Road	2,400		2,400
ALASKA	Air Force	SHEMYA AFB	Renovate Support Facility	15,400		15,400
ALASKA	Air Force	SHEMYA AFB	Vehicle Maintenance Facility	8,100		8,100
ALASKA	Air Force	SHEMYA AFB	Add/Upgrade Base Engineer Complex	6,600		6,600
ALASKA	Air Force	SHEMYA AFB	Sewage Treatment Plant	2,700		2,700
ALASKA	Air Force	SHEMYA AFB	Upgrade Base Roads	1,400		1,400
ARIZONA	Navy	YUMA MARINE CORPS AIR STATION	Aviation Supply Warehouse	3,000		3,000
ARKANSAS	Army	PINE BLUFF ARSENAL	Ammunition Demilitarization Facility	17,100		17,100
CALIFORNIA	Navy	TWENTYNINE PALMS MARCOR AIR-GRND	Field Maintenance Shop	3,600		3,600
CALIFORNIA	Navy	BRIDGEPORT	Pads and Utilities		8,000	8,000
COLORADO	Air Force	FALCON AFS	Milstar Communications Ground Terminal	2,000		2,000
COLORADO	Air Force	PETERSON AFB	Milstar Communications Ground Terminal	1,550		1,550
COLORADO	Air Force	PETERSON AFB	Space Operations Training Center		12,200	12,200
COLORADO	Air Force	PETERSON AFB	Supply Warehouse		4,000	4,000
FLORIDA	Navy	ORLANDO NAVAL TRAINING CENTER	Barracks	10,910		10,910
FLORIDA	Navy	ORLANDO NAVAL TRAINING CENTER	Mess Hall	7,040		7,040
GEORGIA	Navy	KINGS BAY NAVAL SUBMARINE BASE	Bachelor Enlisteed Quarters	7,200		7,200
GEORGIA	Navy	KINGS BAY NAVAL SUBMARINE BASE	Small Ordnance Magazine	620		620
GEORGIA	Navy	KINGS BAY NAVAL SUBMARINE BASE	Explosives Handling Wharf	56,400	6,111	62,511
GEORGIA	Navy	KINGS BAY NAVAL SUBMARINE BASE	Trident Training Facility Addition	4,900		4,900
MONTANA	Air Force	MALMSTROM AFB	General Officer Quarter		180	180
NEVADA	Defense Agencies	NELLIS AFB	Hospital Replacement	62,000	(10,000)	52,000
NEW YORK	Navy Family Housing	NAVAL STATION NEW YORK	New Construction (150)	19,600		19,600
NORTH CAROLINA	Navy	CHERRY POINT MC AIR STATION	Aircraft Bombing Range	0	1,050	1,050
NORTH CAROLINA	Navy	CAMP LEJEUNE MARINE CORPS BASE	Mechanics Training Building-Increment III	3,000		3,000

Location	Service	Installation	Project	Revised FY1991 Request	Conference Agreement Change to Request	Conference Agreement Authorized
OKLAHOMA	Air Force	ALTUS AFB	C17-Add To Flight Simulator Facility	4,150		4,150
OKLAHOMA	Air Force	ALTUS AFB	C17-Field Training Facility	3,750		3,750
OREGON	Army	UMATILLA ARMY DEPOT	Ammunition Demilitarization Facility	45,500		45,500
SOUTH CAROLINA	Air Force	CHARLESTON AFB	C17-Alter Aircraft Maintenance Facs	7,900		7,900
SOUTH CAROLINA	Air Force	CHARLESTON AFB	C17-Alter Engine Insp And Repair Fac	840		840
TENNESSEE	Air Force	ARNOLD ENGINEERING DEV CENTER	Large Rocket Test Facility (J-6)-Ph III	66,300		66,300
TEXAS	Army	RED RIVER ARMY DEPOT	Central Distribution Center - Phase IV	39,000		39,000
TEXAS	Navy	LACKLAND AFB NAVAL TECH TRNG CTR	Bachelor Enlisted Quarters	11,800		11,800
TEXAS	Air Force	LACKLAND AFB	Base Engineer Complex	7,800		7,800
TEXAS	Air Force	LACKLAND AFB	Base Roads	4,200		4,200
TEXAS	Air Force	LACKLAND AFB	Dining Facility	4,000		4,000
TEXAS	Air Force	LACKLAND AFB	Fire Station	1,250		1,250
TEXAS	Air Force	LACKLAND AFB	Upgrade Sewer System	5,300		5,300
TEXAS	Defense Agencies	FORT SAM HOUSTON	Hospital Replacement Phase IV	84,000		84,000
UTAH	Air Force	HILL AFB	Missile Maintenance Shop		2,350	2,350
VIRGINIA	Navy	DAM NECK MARINE ENVIRON SYS FAC	Operations And Maintenance Facilities	8,000		8,000
VIRGINIA	Navy	LITTLE CREEK NAV AMPHIBIOUS BASE	Land Craft Air Cushion Complex (Incr II)	12,400		12,400
VIRGINIA	Defense Agencies	PORTSMOUTH NAVAL HOSPITAL	Hospital Replacement Phase II	176,000		176,000
WASHINGTON	Navy	EVERETT NAVAL STATION	Carrier Pier Support	11,960		11,960
WASHINGTON	Navy	EVERETT NAVAL STATION	Communications Facility	1,650		1,650
WASHINGTON	Navy	EVERETT NAVAL STATION	Security And Fire Station	1,750		1,750
WASHINGTON	Navy	EVERETT NAVAL STATION	Utilities And Site Improvements	6,790		6,790
WEST VIRGINIA	Air National Guard	YEAGER AIRPORT	Land Acquisition		300	300
WEST VIRGINIA	Army Reserve	CHARLESTON	Land Acquisition		900	900

Location	Service	Installation	Project	Revised FY1991 Request	Conference Change to Request	Authorized
GERMANY	Air Force	HAHN AB	TR1-Ground Station II	7,200		7,200
ICELAND	Navy	KEFLAVIK NAVAL AIR STATION	Fuel Facilities	1,030		1,030
ICELAND	Navy Family Housing	NAVAL AIR STATION KEFLAVIK	New Construction (112)	27,200		27,200
PUERTO RICO	Defense Agencies	FORT BUCHANAN	Antilles Jr & Sr High Additions	4,200		4,200
OVERSEAS CLASSIFIED	Air Force	OVERSEAS CLASSIFIED	F15E-Aerospace Support Equipment Shop	780		780
OVERSEAS CLASSIFIED	Air Force	OVERSEAS CLASSIFIED	F15E-Alter Conformal Fuel Tank Maint Fac	650		650
OVERSEAS CLASSIFIED	Air Force	OVERSEAS CLASSIFIED	F15E-Alter Internal Fuels Maint Fac	700		700
OVERSEAS CLASSIFIED	Air Force	OVERSEAS CLASSIFIED	F15E-Conventional Munitions Maint Fac	1,000		1,000
OVERSEAS CLASSIFIED	Air Force	OVERSEAS CLASSIFIED	F15E-Field Training Facility	1,850		1,850
OVERSEAS CLASSIFIED	Air Force	OVERSEAS CLASSIFIED	F15E-Sound Suppressor Support	930		930
WORLDWIDE UNSPECIFIED	Army	UNSPECIFIED WORLDWIDE LOCATIONS	Planning And Design	96,530		96,530
WORLDWIDE UNSPECIFIED	Army	UNSPECIFIED WORLDWIDE LOCATIONS	Unspecified Minor Construction	12,000		12,000
WORLDWIDE UNSPECIFIED	Navy	UNSPECIFIED WORLDWIDE LOCATIONS	Planning And Design	81,999		81,999
WORLDWIDE UNSPECIFIED	Navy	UNSPECIFIED WORLDWIDE LOCATIONS	Unspecified Minor Construction	15,500		15,500
WORLDWIDE UNSPECIFIED	Air Force	UNSPECIFIED WORLDWIDE LOCATIONS	Planning And Design	114,756		114,756
WORLDWIDE UNSPECIFIED	Air Force	UNSPECIFIED WORLDWIDE LOCATIONS	Unspecified Minor Construction	12,000		12,000
WORLDWIDE UNSPECIFIED	Defense Agencies	UNSPECIFIED WORLDWIDE LOCATIONS	Contingency Construction	10,000		10,000
WORLDWIDE UNSPECIFIED	Defense Agencies	UNSPECIFIED WORLDWIDE LOCATIONS	Planning And Design	94,400		94,400
WORLDWIDE UNSPECIFIED	Defense Agencies	UNSPECIFIED WORLDWIDE LOCATIONS	Unspecified Minor Construction	14,200		14,200
			Family Housing Operating Expenses:			
WORLDWIDE UNSPECIFIED	Army		Army Support/Operating Expenses	1,558,750	0	1,558,750
WORLDWIDE UNSPECIFIED	Navy		Navy/Marine Support/Operating Expenses	674,900	0	674,900
WORLDWIDE UNSPECIFIED	Air Force		Air Force Support/Operating Expenses	835,000	0	835,000
WORLDWIDE UNSPECIFIED	Defense Agencies		Defense Agencies: Family Housing Operating Expenses	21,300	0	21,300

TEMPORARY REDUCTION IN CAPITAL GAINS TAX FOR NONCORPORATE TAXPAYERS

The PRESIDING OFFICER. Under the previous order of the Senate, the hour of 2 p.m. having arrived, the Senate will now resume consideration of H.R. 3628, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3628) to temporarily reduce the capital gains tax for noncorporate taxpayers, and for other purposes.

The Senate resumed consideration of the bill.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Does the time on this run out at 3 o'clock or an hour from now?

The PRESIDING OFFICER. I say to the Senator from Oregon there is an hour of debate equally divided.

Mr. PACKWOOD. I thank the Chair.

Mr. President, I would like to yield 10 minutes to the Senator from Delaware.

Mr. ROTH. Mr. President, the most important contribution I can make to this debate—over the next 10 minutes—is to clear the air of misunderstood and misrepresented facts—many of which have been used by the opponents of this important bill.

And to begin, let me say simply that it is no accident that America is in its 83d straight month of economic expansion. It's no accident that over 20 million new jobs have been added to American payrolls since 1982, and that economic growth has pushed real median family income up 12 percent.

This growth does not surprise those, who in 1981, supported the Roth-Kemp tax cuts. This growth was precisely what we intended. And, it is what we intend now with this capital gains tax cut and the introduction of the IRA-plus. All we are doing is giving Americans—our constituents—the power for continued economic growth and self-reliance. We are encouraging Americans to invest in America—to build a strong, sound economic foundation as we move into the 1990's and the scenario of increasing global competition.

Now, just as the naysaying tax addicts railed against Roth-Kemp—not because it would really reduce Federal revenues—because Federal revenues have increased from $517 billion in 1980 to a projected $1 trillion, 80 billion in 1990—but because it would reduce pork barrel politics, these people are using the same, old, worn out, misleading arguments today.

And frankly, Mr. President, they are wrong. I know it. They know it. And the American people know it. That is why we have a majority of the U.S. Senate supporting this bill.

Quite simply, the opposition is missing the point. Their main argument is that the bill will cost money, and that the wrong people will get the benefits. Both arguments are misleading. And both fail to address the most important need facing our country—inexpensive capital for investment growth and jobs. More than that, they fail to consider what this program is going to do for the economy. They also fail to understand that if America is to compete in the emerging global community, and if the economic comeback realized by Roth-Kemp is to continue, this country needs capital. We need a plan to encourage Americans to save and invest.

Concerning the cost argument, the truth is that the IRA-plus does not cost any revenue, but, in fact, raises revenue for the Federal Government.

Three private and prestigious organizations are forecasting that the IRA-plus will result in increased revenues in 5, 10, 15, 25, and beyond years. And these studies are based on extremely realistic economic assumptions. Not only that, but these opinions are widely held, by both Republicans and Democrats.

Martin Feldstein, president of the prestigious National Bureau of Economic Research, recently wrote me saying that

Although revenue will be "lost" when the funds are withdrawn without tax by retirees, this should be more than offset by the additional new saving of future earners • • • raising our national saving rate deserves to be one of the highest priority issues facing the Congress.

An equally prestigious group, the Institute for Research on the Economics of Taxation, has also studied our IRA proposal and estimates that it will raise $32 to $37 billion over the next 5 years at a minimum, and by 2030 it will increase GNP by 4.5 percent creating over 500,000 jobs and increasing real wages by 2 percent. The end result according to IRET is an increase in Federal tax revenues by 2030 of $40 to $44 billion in present value terms. Lewin/ICF concluded that the IRA-plus would result in a long-term revenue increase, increased capital accumulation and a higher GNP if savings increased to the 1986 IRA level.

Lawrence Summers, of Harvard University and a Dukakis adviser, has said that "without increased national saving it will be impossible to simultaneously increase investment and reduce the trade deficit and America's dependence on foreign capital." He has also found that IRA saving is new saving, and not merely the transfer of funds from other accounts. Which is the primary reason that the IRA-plus will not lose, but raise Federal revenues in the years to come. Since IRA saving is primarily new saving, it represents money that otherwise would have been consumed. Because there is no tax on consumption there is no foregone tax revenues from money that is placed in an IRA and not taxed. However, increased savings and capital will result in a lower cost of capital, a reduction in the trade deficit, and ultimately an increase in Federal tax dollars. My opponents are completely missing the point.

Concerning the benefits argument—or that these measures are only for the wealthy—we see that the opposition's line is equally absurd. Two-thirds of IRA participants were middle of lower income individuals, and they contributed nearly two-thirds of the funds added to IRA's in 1986. Of more than 15 million tax returns with IRA contributions, 67 percent were of families and individuals with an adjusted gross income of $50,000 or less. This IRA-plus no more benefits the rich over the poor than air and water. It is simply a tool that can be shared and a tool that can benefit all Americans. It benefits our families by allowing for early withdrawal for necessities like health, education, and shelter. It benefits our young couples, by encouraging them to start early to save for home, family, and retirement. And it benefits our middle aged and elderly by resurrecting the savings opportunities they relied on prior to 1987. And as I have said, Mr. President, it is also good public policy that benefits America as America seeks to maintain leadership in the arena of global competition.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, let me simply announce to anybody who wants to speak on our side on this subject—and several Senators have indicated so—there is only about 20 minutes of time left. I plan to use, on our side, about 10 minutes now. If they want to speak, they should come relatively soon.

Mr. President, yesterday the majority leader in speaking berated our bill and indicated that the major problem we face in this country is deficit reduction. If we want to increase savings, we should reduce the deficit. If we want to increase productivity and competition, reduce the deficit.

That is a fair argument. He was alleging that the capital gains bill loses money and increases the deficit. I will allege that the capital gains bill does not lose money. Indeed, it raises money and will narrow the deficit. But it is interesting to listen to the arguments of those who are opposed and then compare them with some of their other comments or votes earlier in the year.

Let us take child care. We passed a bill earlier this year, a hotly contested bill. Basically there was a Republican-Democrat split, with a few crossovers on each side. The child care bill that we passed will result in $8.4 billion in additional spending over the next 5 years. We raise taxes to take care of the cost.

I am not accusing anybody here of raising the deficit. My point is that, if we were willing to raise taxes to take care of a child care bill that cost $8.4 billion, we obviously had done nothing to reduce the deficit. We raised taxes; we raised spending.

The same is true with the so-called tax extenders that are in the House reconciliation bill and that the Senate conferees want to adopt. These are tax provisions that are the extenders scheduled to expire at the end of this year, or have already expired.

For example: research and development credit. Under current law, businesses are allowed to take a credit against their taxes for research and development expenditures. This expires at the end of 1989. Extending it costs money.

Another example is I strongly support this provision under which an employee is not taxed on up to $5,250 of undergraduate tuition and expenses paid for by his or her employer. The employer sends an employee to the local community college to take a course or courses that will help them in their work. This provision expired at the end of 1988. If this was counted as income to the employee and the employee had to pay taxes on it, the Government would collect some money.

In order to extend these and other provisions, we have to pay for them. If we do this—as we have done several times in the past—we would raise taxes to pay for them.

We would be saying the deficit is not the critical problem, because if it was the most critical problem, we would use these taxes to reduce the deficit. Instead, we said that these programs have a higher priority than using the taxes to reduce the deficit. Similarly, we could have made permanent the telephone excise tax, which is what we did to pay for child care, to reduce the deficit instead of having a child care program. We said, no, child care is a higher priority.

So when those who come in to attack the capital gains tax and say the deficit is the most critical problem, I respond that they are saying the deficit is the most critical problem, except for the programs they like, and then that is more critical problem than the deficit.

I realize we all see the world through our eyes and we all have favorite programs that we say are worth a higher priority than narrowing the deficit. Most of us probably find when we go home, all the groups want to narrow the deficit until we come down to actually saying how we are going to narrow it. You have to either cut spending or raise taxes. If there is another way to narrow the deficit I do not know what it is. Then, as soon as you want to cut any program somebody likes, they do not want to narrow the deficit that way. Or if you are going to narrow it by raising their taxes, they do not want to narrow it that way.

That is what I find. The opponents of this bill say narrow the deficit but do child care first; narrow the deficit but do tax extenders first.

Now we come to capital gains, and I could make the argument, if I wanted. Senator ROTH's IRA raises enough money to pay for the capital gains—if you assume capital gains loses money which I do not. The opponents say they want to raise revenue to pay for child care and extenders, instead of narrowing the deficit. My argument is no different—here is the revenue to pay for capital gains.

But I want to stress that capital gains is different. The Treasury Department predicts that the lower individual capital gains tax that we have introduced, forget the IRA's for the moment, does not lose money; it raises money. And it raises money throughout the entire 5-year period and, frankly, that is as far as we ought to try to intelligently predict. Beyond that the variables are great. There is no reliability as to what our predictions are. So Treasury says it raises money and it is understandable why.

You are an employee in a corporation and making $30,000 or $40,000 a year and you happen to own a piece of property; you are holding it; you are not selling it. As you are not selling it, the Federal Government is not collecting any taxes on it because you are not selling it and getting money for selling it.

But if the capital gains tax is lowered Treasury says—and I think they are correct—some people will undertake transactions they would not otherwise undertake. Some people will sell property; some people will sell stock; some people will invest in a corporation in the hope that it will make profits. They would not otherwise do it but for the capital gains differential.

So a person sells a piece of property for a $10,000 profit; it was bought for $10,000 and sold for $20,000. The $10,000 profit is called a capital gain. Under our bill, you would pay a 20 percent tax or $2,000. That is $2,000 that the Government has collected that we would not otherwise collect but for the capital gains differential, because the person would not have sold the property. Now the person has gotten to keep $8,000 himself. There is nothing wrong with that. He keeps $8,000; we get $2,000. We can use it for poverty programs, tax extenders, child care, or whatever else we want to use it for.

Those who say that a lower capital gains rate loses money presume that the cut in the rates is so great that there will not be enough additional transactions to make up for the loss of rate.

Let me give an example. Let us say that the capital gains tax was 30 percent and you had 10 transactions a year. Let us say they are all the same value transactions. If you cut the capital gains rate in half, if you cut it to 15 percent, you would have to have 20 transactions of the same value to make as much money as you would at a 30 percent tax rate on 10 transactions. The Treasury Department projects that there will be more than 20 transactions when this rate is cut. Those who criticize the tax cut say there will not be 20 transactions so we will lose money.

In the past, we have depended in this body upon the estimates of the Joint Committee on Taxation. They predicted in 1978 when we cut the capital gains rate that we would lose money. As a matter of fact, we did not. We gained money. They predicted in 1981 we would lose money when we cut the capital gains rate again; as a matter of fact, we did not lose money. We gained money. They are predicting again we will lose money. The Treasury is predicting we will gain money. I think the Treasury is more likely right.

In contrast, all the other perfectly worthy programs that people have advocated on the floor of the Senate this year—child care, extension of expiring tax provisions—clearly lost money. We raised taxes not to narrow the deficit, but to pay for these programs.

In this case, we will raise money by lowering the capital gains tax and we can use that money to pay for some of these other programs.

For that reason, Mr. President, I would hope when cloture is invoked today we would have a few more votes than we had yesterday. If we do not quite have 60, I hope the next time we have this go-around we have 55 or 56 or 57, and one day we will have enough, and pass a lower capital gains rate.

Mr. ARMSTRONG. Mr. President, will the Senator yield?

Mr. PACKWOOD. I am happy to yield.

Mr. ARMSTRONG. Mr. President, if the Senator has 7 or 8 minutes, I am glad to address this subject if he will yield me time.

Mr. PACKWOOD. I ask how much time do I have remaining.

The PRESIDING OFFICER. The Senator has left 10 minutes and 40 seconds.

Mr. ARMSTRONG. Mr. President, under the circumstances I wish to ask

for a lesser amount of time; 2 or 3 minutes.

Mr. PACKWOOD. I am happy to yield 3 minutes to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 3 minutes.

Mr. ARMSTRONG. Mr. President, I am grateful to my distinguished colleague from Oregon for yielding. Particularly I want to express my admiration for the way he presented this issue. There is no doubt in my mind, this is the major financial issue facing Congress. Although there is some doubt we are going to get the 60 votes this afternoon, there is very little doubt in my mind in the near future we are going to enact a capital gains tax cut primarily because of the energy and creativity in which he advocated this issue.

I do not know whether it is going to happen this afternoon. If it does not, it will be a pity and too bad for the country. If we are a little short today, it is a forerunner for victory in January or February or whenever.

My own theory is if we fail today, we ought to come back in January and plan to bring this issue up every morning and afternoon until it passes. It is clear the majority in both the House and Senate favor this measure. It is very, very clear it is good for the country from an economic standpoint.

To have it defeated because of parliamentary stalling I think does an injustice to the country and it is a proposal I think will pass and deserves to pass.

Mr. President, I want to make one observation about the substance of it and that concerns the indexing provision. It is all very well to argue what the rate of tax ought to be with respect to real gains. But at the present time we are taxing people on inflation.

I want to give you one very concrete and specific example. Let us say Uncle Harry—not his real name—but in 1960 he bought $1,000 worth of stocks. In 1989 he sold that for $9,000. His taxable gain—his nominal gain is $8,000. Because Harry is in the 33-percent tax bracket he pays $2,640 in capital gains taxes. However, inflation has eaten up all but $2,026 of his profit. After he pays his tax Harry is $613 worse off than before.

That is unfair. It is unjust. Whether you think the capital gains rate ought to be 25 percent, 35 percent, or 5 percent, surely it should not apply to illusory gains of this type. This is no isolated case. It is not my Uncle Harry. It is someone else.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point six arguments in favor of capital gains indexing, the observations of such distinguished economists as Dr. Murray Weidenbaum, Dr. Alan Blinder, Dr. Norman Ture, Dr. James Miller and a number of others who commented on this specific proposal, as well as the editorial comments from around the country in support of indexing the basis for capital gains taxation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CAPITAL GAINS INDEXING

Proposal: To permit individual taxpayers to index for inflation the basis used to calculate capital gains tax liability. The indexing would be based on the GNP deflator and would apply to inflation after December 31, 1989. Indexing would be available in addition to capital gains rate reduction.

Why This Provision Should Be Adopted:

(1) Fairness—taxpayers should not be subject to tax on capital gains that are due solely to inflation.

(2) Indexing capital gains would reduce the effective capital gains tax rate.

(3) The tax on inflationary capital gains is not a tax on income or even on the increase in the real value of the asset. It is purely a tax on capital very much like a property tax—but only assessed on property when sold!

(4) The United States now has one of the most anti-capital tax systems in the world. Reducing the effective capital gains tax rate would reduce the income tax bias against saving and investment in this country, thereby increasing domestic investment, the growth rate in employment and output, and improving our international competitiveness.

(5) Indexation of the tax basis of capital assets would encourage risk-taking and entrepreneurship, the backbone of our economy. New businesses and new ventures are essential to a dynamic economy.

(6) Indexation of capital gains encourages research and development by insuring the value of the product of the research against erosion from inflation.

(7) Capital gains indexing is supported by economists and journalists of all political persuasions and viewpoints.

(8) Indexing capital gains enjoys broad support in Congress. The Senate passed capital gains indexing in 1982 by a vote of 61 to 32. Indexing is also included in the 1989 House Budget Reconciliation package, having been affirmed by a 239-190 vote.

LEADING ECONOMISTS SPEAK OUT ON CAPITAL GAINS INDEXING

"There's one aspect of capital gains that unites virtually all economists: liberals, conservatives, and independents. And that is the need to eliminate the inflationary component of capital gains for tax purposes. We do that by indexing."—Dr. Murray Weidenbaum, President of the Center for the Study of American Business and former Chairman of the President's Council of Economic Advisors.

"Many so-called capital gains are overtaxed because they are most illusory. If an asset's dollar value grows only because of inflation, its owner gains no purchasing power and should pay no tax. Only real capital gains, gains in excess of inflation should be taxed."—Dr. Alan Blinder, Gordon S. Rentschler Memorial Professor of Economics at Princeton University.

"Indexing prevents the mistakes of the Federal Reserve from increasing the capital gains tax burden. You really need to index capital gains. You sure don't accomplish much by reducing the tax rate if inflation doubles the nominal capital gain."—Dr. Norman B. Ture, President of the Institute for Research on the Economics of Taxation and former Under Secretary of the Treasury for Economic Policy.

"It's only fair that we index capital gains and take away the inflation tax. It's plainly a winner all around."—Dr. James Miller, Chairman of Citizens for a Sound Economy and former Director of the Office and Management of Budget.

"If the price of the asset rises because of inflation, there is no real gain at all, and the [capital gains] tax is nothing but a confiscatrion device."—Dr. Paul Craig Roberts, William E. Simon Professor of Political Economy at the Center for Strategic and International Studies and former Assistant Secretary of the Treasury.

"Indexing is a critical feature of honest tax policy. It protects Americans from unlegislated tax increases resulting from inflation. This priniciple applies to capital gains which so often represents a purely inflationary phenomena."—Dr. Walter Williams, John M. Olin Distinguished Professor of Economics at George Mason University.

"Indexing is necessary to treat capital gains like ordinary income. If you don't index, then you're imposing an extra heavy tax burden on capital gains by forcing people to pay tax on illusory gains. Indexing also reduces uncertainty. Without indexing, the investor has to guess about inflation in order to calculate a real after-tax return on investment."—Dr. John Makin, Director of Fiscal Policy Studies at the American Enterprise Institute.

"Bills to index capital gains have been introduced in both the house and the Senate. All these efforts are commendable and would promote economic growth."—Dr. Richard Rahn, Vice President and Chief Economist, United States Chamber of Commerce.

"The major change that should be considered to the Tax Reform Act of 1986 would be to index all the business tax provisions. Indexing capital gains is only the first important step in that direction."—Dr. William Niskanen, Chairman of the Cato Institute and former Chairman of the President's Council of Economic Advisors.

"Indexation of capital gains is appropriate in that the taxation of nominal capital gains is harmful. However, the double taxation of real equity capital raises the importance of a capital gains differential."—Dr. Barry Rogstad, President of the American Business Conference.

EDITORIAL COMMENT ON INDEXING CAPITAL GAINS

Another worthy reform would be to index capital gains for inflation. Investors (including homeowners) shouldn't have to pay tax on the appreciated value of assets attributable to inflation, especially given the goal to encourage long-term investments. [The Christian Science Monitor, 2/15/89]

Inflation eats away at the worth of money you put into a long-term investment, so some of your ultimate profit is an illusion. Under present law, some of that illusion gets taxed. That's unfair. [Long Island Newsday, 2/12/89]

The nation's tax laws and the Internal Revenue Service persist in the fiction . . . that the dollar's value stays the same year after year. The result is that thrifty Americans are required to pay income taxes on fictitious paper profits. This is clearly unfair. . . . Quite sensibly, two bill currently

being considered by Congress to cut capital gains taxes include provisions for indexing profits to account for inflation. [The San Francisco Chronicle, 9/19/89]

Indexing capital gains to inflation would reduce the imposition of taxes on nonexistent gains and impose them on gains that are "real." . . . It deserves to be considered. [The Boston Globe, 2/5/89]

Capital gains are unfairly taxed in one respect. The increased value of long-held assets reflects some inflation and some real profit. Indexing capital gains is warranted, so inflationary increases are not taxed. [The New York Times, 9/15/89]

In the Treasury Department's tax-reform program of 1984, department experts noted that one justification for the lower capital-gains rate then in effect was to compensate for the tendency to overtax capital gains because of inflation. The Treasury plan proposed that capital gains be indexed for inflation and then taxed as ordinary income. Thus, the seller of the property would pay a higher tax rate, but only on its real value, not at a higher imaginary value created by inflation. Congress went through with only half the plan, however: The tax rate was raised but capital gains still are not indexed for inflation. [Los Angeles Times, 2/26/89]

Think for a moment what happens when inflation increases the price of a home. When you sell it, you pay a capital gains tax even though the value of the home (adjusted for inflation) hasn't increased a penny. Indeed, the government can tax you for capital gains when a property actually has lost value by appreciating less rapidly than the inflation rate. An indexed capital gains rate would put an end to this kind of bracket creep. [Washington Times, 3/7/89, Editorial Comment on Capital Gains]

A cut in the capital gains tax, whether through a lower rate or through indexing to inflation, is good economic sense, and more Democrats are realizing it. [Chicago Tribune, 8/2/89]

TAX PAIN BUT NO REAL GAIN

EXAMPLES OF WHAT HAPPENS UNDER CURRENT LAW WHEN AN INDIVIDUAL SELLS AN ASSET

Example No. 1: A family purchases a home (for investment purposes) in 1960 for $25,000 and sells it for $125,000 in 1989. Under the current tax code this would be considered a $100,000 gain and subject to a tax of $28,000. However, the house must sell for $100,000 just to keep up with the increase in prices between 1960 and 1989. The real inflation adjusted gain is $25,000 (not $100,000) and if capital gains were indexed the tax would be $7,000 (not $28,000).

Example No. 2: The McCoy's bought a small farm in 1950 for $50,000. The McCoy's sold their farm in 1989 for $300,000. They paid a tax of $70,000 on the $250,000 gain. However, inflation has eroded all but $5000 of their gain, and taxes have set them back another $70,000. If capital gains were indexed however, the tax on the gain of $55,000 would be $15,400 and the McCoy's would have a real gain after taxes of $39,600.

Example No. 3: "In 1960, Uncle Harry bought $1,000 of stock . . . If Harry sells the stock in 1989 for $9,000, his taxable income gain under current law is $8,000. Because Harry is in the 33% bracket, he pays $2,640 in capital gains taxes. But inflation has eaten up all but $2,026 of his profit. So after tax and inflation Harry loses $613. But if the law were changed so that capital gains were indexed for inflation, Harry would only pay tax on his real gain of $2,026. His tax bill would be just $668, and his real aftertax return $1,357." [Business Week, 2/20/89]

CAPITAL GAINS TAX WITHOUT INDEXING

A family farm bought in 1950 for $50,000 is sold in 1989 for $300,000. A capital gain tax is applied to the full amount of the gain—$250,000. At a 28% tax rate, that would be a tax of $70,000, leaving the family with $230,000. So they end up worse off than they were in 1950 because they would need $245,000 today just to have the value (the same purchasing power) of their original $50,000 investment.

CAPITAL GAINS TAX WITH INDEXING

A family farm bought in 1950 for $50,000 is sold in 1989 for $300,000. Because $245,000 of that amount is due to inflationary increases over the last 39 years, the real gain is only $55,000. A capital gains tax applied to the real gain would come to $15,400. This leaves the family better off by $39,600.

Mr. PACKWOOD. I yield 3 minutes to the Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri is recognized for 3 minutes.

Mr. BOND. Mr. President, I thank my distinguished colleague, the Senator from Oregon.

I commend my good friend, the Senator from Colorado, for his eloquent statement. I, too, came over here to speak about the absolute unfairness of the current system of taxing phantom gains as regular income.

The proposal before us today has a very modest relief from this phantom tax by providing a 5-percent reduction for up to 7 years in the gain to compensate for inflation.

People of modest means in my State are very upset. They are outraged that they now have to pay a tax on gains they never realized.

The Senator from Colorado gave a good example.

Let me give you a simpler example. A $100 investment held for 2 years. Say over 2 years that inflation has now put a marketplace value of $110 on it. Under the current system the holder of that asset, if he or she turns around and sells it, would be taxed at an income tax rate perhaps as high as 33 percent on that $10 of gain. This reduction in the gain only reduces 10 percent of that $10. So they would still have to pay a tax on the $8 of phantom gain. But at least it is better than paying tax on the full $10.

In many instances this will not even compensate for the losses that the phantom gains of inflation taxes as income will generate.

I have had small farmers, husbands and wives, who want to retire and sell their farm who have told me if they sell it for twice what they paid for it they will be getting less in actual spending money, less in actual purchasing power than they put in.

And yet they have to pay taxes, higher in some instances than the tax, the marginal tax, that multimillionaires who buy junk bonds have to pay on their income. It is not fair.

Mr. President, I urge my colleagues, in the interest of fairness, to recognize that when inflation devalues our currency, it artificially inflates the value of property, and unless we do something to recognize that inflationary gain or element, we will be imposing an unfair tax.

I thank my colleague. I urge my colleagues to support the motion for cloture.

I yield the floor.

Mr. BENTSEN. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

Mr. BENTSEN. Mr. President, this is an interesting proposal and I have listened to the debate with a great deal of interest.

I hear my distinguished friend from Colorado talking about illusory profits, and inflationary gain. Absolutely. I could not agree with him more on that. I am one of those who fought long and hard to lower the capital gains tax. I thought it was something we should do to have more mobility of capital.

But the problem you run into is that in 1986 the Reagan administration said that we ought to bring the top rate down. And we brought it down to the lowest top rate of any major nation in the world. We brought it down to 28 percent.

Can you imagine a person of wealth thinking 10 years ago that they would ever have a top rate of 28 percent in this country? Incredible. But that is what we have. And that is the kind of a deal we struck.

The argument was that if we would bring that top rate down—it had been 70, then 50 percent—we would pay for it by increasing the capital gains rate to 28 percent. The administration contended that if we did that, we would pick up $22 billion over 5 years. That is the plan we designed to pay for bringing the ordinary income tax rates down. That was our deal. But now we are talking going the other way.

Let's look at how they pay for their proposal. I admire the creativity of my friends. They have proposed a back-ended IRA. Under this proposal you could shift existing savings into a back-ended IRA. You could pay the tax on this transfer over 4 years. Four years—how convenient. That's just long enough to pay for capital gains over the budget period. Very creative.

But after 5 years, the bottom falls out. You are looking at instant gratification here. "Now-nowism," as Mr. Darman says.

When the Secretary of the Treasury testified before us we asked him about the back-loaded IRA's. He said, "It is simply passing it on to the next generation." That is where the cost is

going to be. It is time we—both Congress and the administration—quit doing that.

Let us try to truly get this deficit down. That is what we ought to be trying to do. The biggest problem we have today in this country is not our foreign competition, it is what we have to pay for money—interest rates on a loan or what you have to pay on an issue of bonds if you want to build a new factory. We're in competition with the Japanese and the West Germans. While we have a 10-percent prime, the Germans have an 8½-percent prime and the Japanese have a 4.8-percent prime. If you finance that factory, the cost of that borrowed money is in the cost of the product that you manufacture. Oh, we fuss about the mistakes of management in this country—short-term horizons instead of long-term horizons—and there is legitimacy in some of those charges. But we also have some of the most effective and some of the best management in the world today.

Then we ponder whether our workers have lost the work ethic. The vast majority of them sure have not. We have some of the best workers in the world. But anytime you have the cost of capital over twice what your principal competitor has and you put that into the cost of the product, no matter how smart the management, no matter how effective the laboring force, you are at enormous competitive disadvantage. Remember that this also makes it more difficult to bring about a trade balance in this country.

So what we ought to be trying to do is get savings up. Will this proposal increase savings? Now think about it. Think about the reaction of the average taxpayer on April 15. How is he going to react? He is going to do it this way: When he sits down to write out that check to the IRS and realizes he has an immediate deduction if he puts it in the Bentsen IRA account—the more conventional IRA account—he will take advantage of that deduction rather than send his money to the Treasury.

He is not going to say that 20 years from now. The tax rules that are in place now will be the same. Will an administration and a Congress in the future be able to resist the great temptation to reach in there and start taxing those things they said they were not going to tax? I'm not sure and the American public isn't sure either.

How much continuity has there been in the tax system? The tax laws have changed and changed and changed.

I do not believe that your average taxpayer is really going to put his money in a so-called back-ended IRA. He is not going to try and estimate what his income is going to be 20 years from now, what tax bracket he is going to be in, and what the future laws are going to be.

So I do not think it works. To the extent you have some investor who decides to take current IRA savings and move them over, you gain no net savings for our country. We have a savings rate in this country of around 5 percent. We are looking at the Japanese at around 16 percent; the Germans in between those two.

We have to increase savings. That means we have to broaden the base of the IRA and we have to increase the deduction for IRA contributions. Savings rates in this country ran in tandem with the Canadians until they expanded their equivalent of the IRA. And then the savings rate went up to 11 percent, and they have stayed up there while our savings rate dropped to the lowest level it has been in over 40 years. We are going in the wrong direction. Our savings rate dropped after we took away some of the incentives for the IRA. The IRA was a retirement account that should have never been retired.

The Bentsen IRA, we would expand the existing IRA. I am delighted to see the Senator from Delaware has expanded his proposal to take on some of the things we have talked about, like helping people save for that first home. That is becoming a tougher and tougher objective for the young people in our country. Saving to buy that first home and make that down payment is very difficult. However, under the plan I proposed they will be able to draw that money out to buy their first home without a tax penalty.

What is the other big problem in this country? The question of how to finance a college education for your children. That is an enormous problem with the costs escalating. So, once again, we expand the objectives, the incentives, for that IRA account. Under the Bentsen IRA you could take that money out to help send that child to college. Take that money out, without a penalty, for that purpose. And, of course, you could also take the money out for your own retirement.

That is what I proposed earlier. And that is something that will give us a continuous benefit over a long period of time. If we can get interest rates down and savings up this country will really prosper. If we can increase savings in this country by $20 a week, we will increase personal savings by 30 percent.

Next year, of course, we are going to do some things on tax policy. We will be working on that in the Finance Committee. But we will be talking about a comprehensive package and capital gains, of course will be among the things considered. We will also consider an IRA. But we will try to put together a package that will be revenue neutral over a long period of time.

Proponents for a capital gains rate differential contend that we need to encourage venture capital. When you reach down in your pocket and put some money in a venture capital deal, I don't believe you really care about whether you can save 5 or 10 percent in taxes in the future.

If you are figuring it that close, you better not go into a venture capital deal because they are high risk deals. The reason you go into a venture capital deal is because you think you are going to hit a home run. You think you are going to get an Apple computer. That is why you go into a venture capital deal.

Not better than 1 out of 10 really is a major success. The vast majority of venture capital deals go broke and do not make any money. If you have a lemon, it matures very quickly. You find out you have it. Maybe you have one or two that may make a little money, and, hopefully, one of them is a home run. That is why you go into a venture capital deal.

Where does most of that money come from today? It does not come from individuals. It used to, but not now. Much of it comes from pension funds that pay no taxes. The incentive means nothing insofar as their going into a venture capital deal.

That is why it is important that we have, I think, an overall comprehensive approach to try to encourage investment in this country, to try to encourage savings, and try to get the deficit down. If we really want to get interest rates down, the biggest savings of all is in Government expenditures—and that means cutting the deficit. That is what we will be working to bring about.

Mr. President, I think what we see here is a situation where we are passing the costs on to the next generation and not facing our responsibility. I hope my colleagues, once again, will decide that we should wait until some point in the future and have an overall comprehensive approach to the objectives of increasing savings in our country, getting our deficit down, and increasing investment.

Mr. President, I reserve the remainder of my time.

Mr. PACKWOOD. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 4 minutes and 44 seconds.

Mr. PACKWOOD. I will yield 2½ minutes to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. Mr. President, I rise today to offer my support for the efforts to restore capital gains differentials to the Tax Code. As some Senators know, I opposed the elimination of this rate in 1986 and I have long supported restoring the capital gains rate.

I support restoring the capital gains differential because I am convinced that a lower tax rate for capital gains will lower the cost of capital and stimulate investment. A lower tax rate for capital gains will encourage investors to realize any gains they have earned on their assets, which will result in greater revenues for the Federal Treasury. A lower capital gains rate will help increase the competitive position of the United States in world markets. The United States taxes capital gains at a higher rate than almost all countries in Europe and Asia.

Opponents of capital gains contend that it favors wealthy taxpayers and is not supported by the average middle-class taxpayer. This argument is simply not true. For example, in 1985, the year before the Tax Code was revised to eliminate this rate, the majority of taxpayers who took advantage of a capital gains rate were middle-class taxpayers. Anyone who owns a few acres of timber or a few shares of stock supports restoring the capital gains rate. It is their dream. The amount of tax savings to these taxpayers may look small to some, but to these taxpayers it is a relatively large amount which they eagerly anticipate.

Restoring the capital gains tax rate is especially important to my State in which a majority of the land is timber property. As you know, timber takes time to grow. Someone who invests in timber must plan to hold this asset for a long time in order to receive any gain. The longer an asset is held, however, the greater the likelihood that the value of the investment will be diminished by the effects of inflation. Restoring the capital gains differential is one way to minimize this inequity.

Finally, Mr. President, I would like to mention one aspect of this issue which has not received very much attention. That issue is how the elimination of a capital gains rate has affected many of our senior citizens.

In their earlier years, a good number of senior citizens invested in stock, timber, or some other type of capital asset. They did so in order to build an investment that might generate retirement income in the future. As time goes by, the value of this asset has appreciated. Now these senior citizens are at a stage where they have retired and are interested in receiving income from their investment. Naturally, they would like to receive as high a rate of income as possible. When these senior citizens made their original investments, they invested in assets whose value would grow and not in assets that would produce income. For example, many bought stock that pays very little in dividends. Or they invested in timber, which pays nothing at all until it is sold.

Now that they have retired, these senior citizens need to convert these assets into some other type of investment that will generate income. They might want to sell their stock or timber and invest in a bond that pays a high rate of interest, for example. Or they might want to purchase an annuity.

These taxpayers have planned ahead for their retirement, which is commendable. The only problem is that these plans counted on a capital gains rate being in effect when it was time to retire. Now these senior citizens have discovered that it does not pay for them to sell their assets. They have put pencil to paper and just cannot figure out how it will be to their advantage to realize the gain on their investment without a capital gains rate. These senior citizens are faced with the painful choice of selling their assets and realizing less income than they had counted on or leaving their assets to their children and getting by in their retirement years on even less. Mr. President, equity demands that we restore this rate.

I urge my fellow Senators to vote for restoring the capital gains rate to the Tax Code.

I yield the remainder of my time to the Senator from Oregon.

Mr. PACKWOOD. I yield the remainder of the time I have to the minority leader.

The PRESIDING OFFICER. The minority leader is recognized for 2 minutes and 25 seconds.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Oregon. I think we have heard good arguments, particularly from those who support capital gains rate reduction. But I want to indicate, as I did yesterday, this is an important vote. I thank all my colleagues who yesterday voted to invoke cloture. Fifty-one out of one hundred is a majority, the last time I checked.

But, first, we have to get beyond cloture. This will be our last opportunity this year. We have agreed with the other side that if we had a couple of cloture votes to test the water, we would put it off until next year. It was my feeling this session could end, if not this week, certainly next week midweek.

So I simply implore my colleagues to take a look at the record and to understand that this is not a surprise to anybody in this Senate. As I said yesterday, the candidate for President, George Bush, advocated this throughout the campaign. The American people knew it was on the table. It was not any back door effort to undo the 1986 tax reform bill.

The President took his case to the American people. The majority of the American people support what he attempts to do. And, as I indicated yesterday, we spent a lot of time around here talking about the Japanese and how tough they are and we are not competitive and we blame the Government or we blame the industry or blame somebody. We never blame Congress.

One reason they are more competitive is the cost of capital is less. Their capital gains rates are much less. I would say, from the standpoint of trade and the standpoint of being more competitive, from the standpoint of cost of capital, the standpoint of business expansion, the standpoint of creating jobs, there are dozens of reasons to support what the distinguished Senator from Oregon and the Senator from Delaware propose.

I am a realist. I know probably we are not going to get cloture. But I would say I know there are others on the other side who would like to vote for cloture, and we would be willing to have 59 votes for cloture today; maybe not quite 60, but 59. I hope the majority leader will free some of his people, let his people go, take off the handcuffs, take off the chains, let them express their own views on this vote. Then, if it looks like he might lose, he could reassess his strategy.

For all the reasons I have stated, and more, I hope we may invoke cloture today and we just accept the amendment on a voice vote and go to conference. We would probably have the conference finished by next Tuesday or Wednesday and, in my view, it would be a step forward, something we should not have to wait for until next year.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Who seeks recognition?

Mr. BENTSEN. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Texas is recognized for 3 minutes.

Mr. BENTSEN. Mr. President, quite a bit has been made of procedural questions involved in this type of a vote. We have been taught by experts in that regard by some of my distinguished colleagues on the other side of the aisle. We have been trying on S. 2, campaign reform, for a long time around here, but we never have been able to get it to a question of a straight up or down.

Procedures have been used extensively to keep that from coming about. We have seen since 1987, 35 separate instances of where we have been denied a majority vote on procedural grounds. So we are no strangers to this process. With that, I now yield such time as the majority leader would use and utilize within the limits of the time allotted to me.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, 3 years ago, this Congress had a long and thorough debate about what kind of tax system this Nation should have.

On one side were those who believed that through the use of tax subsidies, the tax system should guide investment in our economy. On the other side were those who believe in free market principles, who believed that the private sector, not the Government through the tax system, will make the right decisions on where to invest.

Those who believed in the free market won the debate. As a result, maximum tax rates were reduced to only 28 percent for the highest income persons in America, by far, the lowest tax rate of any industrialized nation. The price that was paid for this tax rate cut was the removal or limitation of many special tax incentives that distorted the free market. That change in law has proven to be successful. Net national savings and investment are higher today than they were prior to tax reform. We found that the most efficient and productive utilization of resources is possible when the tax system and the Government do not distort private sector, free market decisionmaking.

Those who believe in the free market prevailed in 1986, but it is no surprise that those who did not prevail have not given up. Regardless of the facts, they continue to sing the siren song that our economy will collapse unless special tax benefits are provided for some in our society. They continue to maintain that Government knows better than the free market, where and how to invest and how long to hold on to an investment.

As everyone should know by now, just as sure as night follows day, if we adopt this amendment to cut capital gains taxes, the subsidy crowd will not stop there. They will continue to construct misleading studies, cite irrelevant statistics and selectively compare tax policies in other nations to justify the next tax break for the wealthy and then the next and then so on and so on until we are buried under an even higher mountain of debt.

I recently asked a Joint Tax Committee of Congress to take a look at just how important capital gains tax rates are to the very highest income earners in America.

Mr. President, I ask unanimous consent that the Joint Tax Committee information be printed in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOINT COMMITTEE ON TAXATION,
Washington, DC, November 14, 1989.

Hon. GEORGE J. MITCHELL,
U.S. Senate, Senate Russell Office Building, Washington, DC.

DEAR SENATOR MITCHELL: This is in response to your request dated October 25, 1989, for an estimate of the average tax benefit received by certain taxpayers under the capital gains proposal recently passed by the House, as well as under the President's plan. In particular, you asked that we provide you with the average benefit calculated for the taxpayers with the largest (net) long-term capital gains in 1990. For this purpose, we have defined the average benefit as the tax savings which would have resulted in capital gains had been taxed and ordinary income, assuming no change in taxpayer behavior.

Unfortunately, our data do permit this type of analysis with respect to the President's proposal as it was introduced. This is because the proposal was targeted to specific asset types, and we do not have this information available for all of the taxpayers in question. Consequently, our estimates assume the President's original proposal is extended to include all capital assets.

Below is our estimate, at 1990 income levels, of the average tax benefit received by the taxpayers with the 100 (alternatively, 1,000) largest amounts of net long-term capital gains:

AVERAGE BENEFIT

[1990 income levels, in millions of dollars]

Taxpayers with capital gains	House bill [1]	President's proposal [2]
Largest 100	3.0	5.0
Largest 1,000	1.0	2.0

[1] 30 percent exclusion for all capital assets.
[2] 45 percent exclusion with a 15-percent maximum tax rate. Assumed to cover all capital assets.

JOINT COMMITTEE ON TAXATION,
Washington, DC, November 14, 1989.

Hon. GEORGE J. MITCHELL,
U.S. Senate.

In providing you with these estimates, we have assumed that the average net capital gain of each group grows at approximately the same rate as aggregate (net) long-term capital gains.

We wish to emphasize the hazards of attempting to estimate the benefits accruing to such a small segment of the population. In particular, the largest 100 (or 1,000) capital gains in any one year can be expected to be extremely sensitive to economic conditions and, consequently, the average benefit is subject to wide variation.

We hope this information proves useful. If we can provide further assistance, please let me know.

Sincerely,

RONALD A. PEARLMAN.

JOINT COMMITTEE ON TAXATION,
LONGWORTH HOUSE OFFICE BUILDING,
Washington, DC, October 24, 1989.

Hon. GEORGE J. MITCHELL,
U.S. Senate,
Senate Russell Office Building,
Washington, DC.

DEAR SENATOR MITCHELL: This is in response to your request for an estimate of the average tax benefit received by the 1,000 taxpayers who had the largest (net) long-term capital gains in 1985. Please be advised, that, because of taxpayer confidentiality concerns, on specific details concerning the tax situation of the aforementioned group, or of particular transactions, can be released. We have examined the 1,000 largest net long-term gains reported on Form 1040 by individual taxpayers in 1985. For this purpose, we have defined the average benefit as the tax savings which would have resulted if capital gains had been taxed as ordinary income, assuming no change in taxpayer behavior.

We estimate this average benefit to be approximately $4 million. You should be aware that this was in a year (1985) in which the exclusion for long-term capital gains was 60 percent and the top marginal tax rate was 50 percent. Obviously, the results would change under a different regime of tax rates and exclusions.

We emphasize that we have only examined data from 1985 (1985 may not be representative of other years). We would expect that the selection of the 1,000 largest net long-term gains reported by taxpayers is sensitive to economic factors specific to 1985 and that the 1,000 largest gains in another year could be substantially different. For example, the difference between the largest net long-term gains reported by a taxpayer and the thousandth largest net long-term gains reported by a taxpayer was in excess of $190 million in 1985. In another year, the difference between the largest and the thousandth largest could be substantially different.

Sincerely,

RONALD A. PEARLMAN.

JOINT COMMITTEE ON TAXATION,
LONGWORTH HOUSE OFFICE BUILDING,
Washington, DC, October 24, 1989.

Hon. GEORGE J. MITCHELL,
U.S. Senate,
Senate Russell Office Building,
Washington, DC.

DEAR SENATOR MITCHELL: This is in response to your request for an estimate of the average tax benefit received by the one hundred taxpayers who had the largest (net) long-term capital gains in 1985. Please be advised, that, because of taxpayer confidentiality concerns, on specific details concerning the tax situation of the aforementioned group or of particular transactions, can be released. We have examined the 100 largest net long-term gains reported on Form 1040 by individual taxpayers in 1985. For this purpose, we have defined the average benefit as the tax savings which would have resulted if capital gains had been taxed as ordinary income, assuming no change in taxpayer behavior.

We estimate this average benefit to be approximately $13 million. You should be aware that this was in a year (1985) in which the exclusion for long-term capital gains was 60 percent and the top marginal tax rate was 50 percent. Obviously, the results would change under a different regime of tax rates and exclusions.

We emphasize that we have only examined data from 1985. 1985 may not be representative of other years. We would expect that the selection of the 100 largest net long-term gains reported by taxpayers is sensitive to economic factors specific to 1985 and that the 100 largest gains in another year could be substantially different. For example, the difference between the largest net long-term gains reported by a taxpayer and the hundredth largest net long-term gains reported by a taxpayer was in excess of $150 million in 1985. In another year, the difference between the largest and the hundredth largest could be substantially different.

Sincerely,

RONALD A. PEARLMAN.

Mr. MITCHELL. Mr. President, the Joint Tax Committee reviewed actual tax returns for 1985 and discovered that the 100 taxpayers with the most capital gains income in that year each

received an average tax break of $13 million—$13 million per person. That is the difference between the capital gains taxes they paid and what they would have paid if capital gains were taxed the same as ordinary income. That means that these 100 taxpayers received $1.3 billion in tax breaks. The Joint Tax Committee also reviewed the top 1,000 tax returns for 1985 and found that the average tax benefit under prior law to these taxpayers was about $4 million each. Each taxpayer, a $4 million tax break. That works out to a total of $4 billion in tax breaks provided to the top 1,000. That was in 1985 under the old tax system.

Under the legislation that is before the Senate today—the House approved capital gains tax cut—the 100 taxpayers with the most capital gains would each receive on average $3 million. The top 1,000 taxpayers would each receive an average tax cut of $1 million. Under the President's proposal, applying the capital gains tax cut to all capital assets, the top 100 would each receive an average tax cut of $5 million. That is $5 million each: The top 1,000 taxpayers would each receive a $2 million tax cut. That is $2 million each. In other words, there are 1,000 people in America, each of whom would receive an average tax break of $2 million if President Bush had his way. The President is proposing to lavish $2 billion in tax breaks on the 1,000 wealthiest Americans. That is just plain unfair. If there were any credible evidence that a capital gains tax cut would increase savings and investment, it might be worth it, unfair as it is. But the entire debate so far has been based on the unproven speculation that if the wealthiest of Americans pay less in taxes, the rest of Americans will be better off. That is the theory behind this proposal. If we can just cut taxes for the very wealthiest of Americans, somehow all the rest of Americans will be better off.

There is no evidence to support this theory. Instead, it will be a fantastic windfall, a huge tax break to the very wealthiest Americans that, as night follows day, the middle class will end up paying for, either through higher budget deficits or increased taxes just like the middle class always ends up paying the bill.

Given our circumstances when so many in our Nation are without decent housing, when so many young Americans cannot afford an education, when so many Americans lack health insurance, it is a travesty that the Senate should now even be considering a huge tax cut for the very wealthy with no evidence that it will assist the economy or help other Americans. Given our budget deficits, so large, so threatening which can so adversely affect our Nation, it is wrong, just wrong for the President to place a higher priority on cutting capital gains taxes than on reducing the Federal budget deficit.

In closing, I want to repeat what I said yesterday on this floor on this subject. We are struggling to reduce the deficit. This proposal will increase the deficit. It has been suggested by proponents of this amendment that this vote on cloture is a test of sentiment on capital gains. I suggest that the true test of this vote on cloture is a test of sentiment on Federal budget deficit. A vote for cloture is a vote for fiscal irresponsibility.

A Senator who votes for cloture cannot thereafter credibly claim concern over the budget deficit. A Senator who votes for cloture cannot with a straight face claim to be for reducing the Federal budget deficit since that Senator will just have voted for a huge increase in the Federal budget deficit.

A vote against cloture is a vote for fairness. A vote against cloture is a vote for fiscal responsibility. A vote against cloture is the right vote for the Senate and for the Nation.

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Let's put those numbers used by the majority leader in a somewhat different perspective. When you talk about the tax break to the 1,000 highest income earners in this country you're really talking about a tax break that is more than all the personal income taxes paid by the people of Vermont, more than all the personal income taxes paid by the people of South Dakota, more than all the personal income taxes paid by the people of Wyoming, more than all the personal income taxes paid by the people of Montana. That is how much money we are talking about. That is money that is needed to try to narrow this Federal deficit, to get that budget deficit down, to try to get savings for the Government that will bring interest rates down in our country to make it more competitive and in turn bring that trade deficit down.

Mr. PELL. Mr. President, I intend again today, as I did yesterday, to express my support in the Senate for limiting debate, or imposing cloture, on the capital gains reduction amendment pending in the Senate.

I want to make it very clear, however, that my support for limiting debate on this issue does not indicate that I would vote for the capital gains amendment if cloture were imposed and a vote were held on the amendment. My support for cloture is in accord with my practice during my 29 years in the Senate of never having voted in support of a filibuster. During those years I have often voted to limit debate and then voted against passage of the bill that was the subject of a delaying filibuster. I have always believed that the Senate should be permitted to work its will on legislation before it, and that is why I have never supported a filibuster.

If cloture is invoked on this capital gains reduction amendment, it will be my intention to vote against approval of the amendment. I make this statement because some members of the press, apparently unaware of my voting record on cloture have interpreted my support for cloture yesterday as being an indication of support for the capital gains amendment.

Mr. DASCHLE. Mr. President, for several months now the Congress and the White House have been engaged in a prolonged, indeed torturous capital gains cut debate. Progress in reducing the deficit, and on any number of other important issues, has been slowed while the White House remains fixated on a capital gains reward for its friends.

What is going on here? I suggest that a good metaphor may be the ritual of sumo wrestling. In this great sport of Japan, a strict code of ritual conduct is followed. Indeed, as much attention is given to the etiquette of ritual preparation as there is to the great moment when the two wrestlers lunge at each other. So it is now with the Congress and the White House.

Like two gigantic sumo wrestlers, the White House and the Congress have been engaged in ritual posturing before we lunge at the real question that hovers over all we do—how to reduce the budget deficit which has hampered our economic growth for the past 7 or 8 years.

The problem is that, in the current battle, the White House has been postponing the real fiscal fight with a capital gains measure that has little to do with reducing the deficit or promoting economic growth. They keep sending signals that next year's budget negotiations will be even tougher, while at the same time proposing a measure that could keep us in the red for years to come.

I find it fascinating how Congress was lured into this ritual. The first act of the ritual took place last April when the Congress and the White House made the ritual bow to each other in agreeing to the fiscal year 1990 budget. With a nod and a wink, the White House agreed to help craft a serious plan to address the budget deficit next year, in exchange for Congress' promise to allow the President to keep his 1988 campaign pledge of "no new taxes" this year. All that was needed to hold the compact together was $5.3 billion in new revenue.

The White House posturing was evident even back then. Richard Darman, the Director of OMB, asserted with respect to the budget agreement that, "With the first batter up * * * we hit a double." Many congressional Democrats had their doubts, which were aptly expressed in the words of Col-

umnist George Will, who said, "A more precise analogy might be that you're trying to steal first base."

What happened after the budget agreement was an extraordinary evolution of the President's capital gains proposal. The Treasury produced new studies on the effects of a capital gains tax cut, and, lo and behold, found that their previous study had been wrong. A capital gains rate cut would raise revenue indefinitely, they said, rather than lose revenue over an extended period of time.

The capital gains rate cut became more than just an economic tool, in the eyes of the administration. In fact, it evolved into a revenue raiser of such proportions that it would answer the question of how to raise the $5.3 billion needed under the budget agreement. In short, the President's capital gains proposal became another version of David Stockman's magic asterisk; a quick injection of needed revenue to tide us over until another creative way could be found to postpone any real effort to restore fiscal integrity to the budget.

What is now clear is that the White House has little regard for the real economic consequences of a capital gains tax cut. Whether the proposed tax cut loses revenue or stimulates economic growth has all but been forgotten in the effort to gain a political advantage.

This is all the more evident in the current proposal to link a capital gains cut to the so-called IRA-plus, which could easily be described as the stepchild of Reagan's voodoo economics. The IRA-plus allows those who can afford it to pay a few dollars of tax today, in order to avoid 10 or 12 times that amount of tax at a future time. This is a good deal for the wealthy and a bad deal for the rest of the country. Worse still, there is no evidence that the IRA-plus would promote increased savings.

We have all heard references to Richard Darman's now-nowism. It is hard not to call attention to this term which he says is a "shorthand label for our collective shortsightedness, our obsession with the here and now."

When Mr. Darman spoke about now-nowism, he spoke forcefully on behalf of future generations. But Mr. Darman cannot speak on behalf of any future generation and in the very same breath advocate a policy which is the very essence of now-nowism.

The capital gains proposal and the IRA-plus are perfect examples of measures that allow the current generation to continue slipping by to the extreme detriment of future generations.

Like many of my colleagues on this side of the aisle, I am willing to listen to sound proposals to stimulate economic growth. I believe that a properly formulated capital gains tax cut may be a positive economic tool, and I am a cosponsor of one such proposal. But I am unwilling to support a proposal that lacks basic fiscal integrity. A proposal that will create a loophole big enough for wealthy taxpayers to drive a truck through, if they get the chance.

I do not know how long this ritual must go on before we lunge at the real foe, the budget deficit. Hopefully we can end the posturing today and get on with the deficit reduction job at hand. It will be none to soon.

Mr. EXON. Mr. President, I rise to oppose ending debate on the Packwood-Roth amendment to H.R. 3628. To cut off debate and ram this amendment through the Senate would be an exercise of fiscal irresponsibility, smoke-and-mirrors budgeting, and a knowing increase in the long-term Federal budget deficit for short-term political gain.

These problems have been clearly laid out in the record by Senator LLOYD BENTSEN and other of my colleagues and I will not repeat all the statistics. But to paraphrase an old Midwestern saying, this amendment tries to make a silk purse out of a sow's ear.

This vote is about honesty. This vote is about the budget deficit.

This vote is about whether the President gets a short-term political victory at the long-term expense of sound economic decisionmaking.

We have before us a take it or leave it vote on a package that is fatally flawed. The IRA's in the Packwood-Roth amendment are not IRA's as the American people know them. This IRA proposal is a carefully doctored attempt to play the smoke-and-mirrors numbers game and make this amendment look, superficially, as though it will not increase the Federal budget deficit. But nothing could be further from the truth.

In all fairness, I think the basic form of the capital gains portion of this amendment is better compared to the House version. But I cannot accept what is before us today on a take-it-or-leave-it basis. This should be debated in the context of the Federal budget process. This should be debated under conditions where other amendments are allowed.

Unfortunately, those are not the conditions under which this is being considered today.

The Packwood-Roth amendment is a clasic example of what the President's Office of Management and Budget Director Richard Darman recently called now-nowism, that is, placing short-term gratification ahead of the long-term good. I oppose now-nowism and am disappointed the administration has resorted to this tactic here.

I support a fiscally responsible capital gains proposal directed at encouraging long term investments. I support expanding eligibility for IRA's. I voted against the 1986 Tax Reform Act that repealed the capital gains differential and put restrictions on IRA's. I am an original cosponsor of legislation to restore IRA deductions that were lost in the 1986 act. My record on these topics is clear.

Mr. President, it has become obvious that in the current political atmosphere neither Congress nor the President is capable of devising legislation on these issues that is honest and fiscally responsible. Accordingly, I oppose the cloture motion and hope for a better day on which we may take these subjects up again.

Mr. KERRY. Mr. President, the proposal before us today is not just a plan to reduce the capital gains rate; it is an irresponsible proposal to increase the deficit and hide that fact with a back loaded individual retirement account program that will lead to a drain on the Federal Treasury in the decades to come.

This is the final vote on the capital gains issue this year. I sincerely hope that the Senate does not have to consider similar proposals in the second session of this Congress. The capital gains debate has unfortunately meant that we have not seriously addressed many economic issues of great importance—the Federal budget deficit, our international competitiveness, policies that would stimulate investment and productivity, investments in education and infrastructure.

As I have said before, instead of honestly taking on the real issues, we are addressing last year's campaign issues. I hope that in 1990, the 1988 campaign will be behind us.

I have long been a supporter of a capital gains rate differential—and I will continue to support such a differential. The differential that I support is targeted to sectors in the economy where investment capital is hard to come by, not to sectors where capital is easily available.

Last summer, I introduced the Small and High-Risk Business Investment Act of 1989 which will encourage the venture and high-risk investment necessary to the startup and growth of U.S. small businesses and, thus, the future economic competitiveness of the U.S. economy.

This bill will lower the rate on capital gains from investments in small business, that is, investments involving a direct purchase, and minimum 5-year holding, of equity in a business worth $100 million or less. After a 10-year holding period, that rate falls to 10 percent.

The bill lowers the rate for gains on investments in high-risk ventures—investments which involve a direct purchase, and minimum 5-year holding period, of equity in a business worth $10 million or less. The capital gains

rate for this type of investment will start at 10 percent after a 5-year holding period and decrease to 5 percent after 10 years.

Senator BUMPERS' Venture Capital Gains Act of 1989 also lowers rates on gains on direct equity investments in businesses of qualified size. The Bumpers bill would set a maximum capital gains rate of 21 percent on investments in businesses worth $100 million or less and held for a minimum of 4 years.

Narrowly targeted capital gains rate reductions such as these would stimulate the kind of venture and high-risk investment necessary to the startup and growth of U.S. small businesses and, thus, the future economic competitiveness of the U.S. economy.

My proposal rewards risky investments in small, growing firms. The riskier an investment; the lower the rate and, thus, the larger the incentive. It's a simple concept, yet one vitally important in today's economic climate.

These rate reductions for gains on investments in small and risky firms, and further rate reduction for longer holding periods, are designed to encourage productive investment and long-term investment decisions. These are two crucial elements of a thoughtful capital gains rate reduction. The proposals before us this fall have not reflected these concepts.

Yesterday in his remarks before the vote on the motion to invoke cloture, my colleague from Maine, Senator MITCHELL, stated that he also supported a capital gains rate differential targeted to new and small business. I look forward to working together to craft such a package in the next session.

One of our goals next year must be to increase savings and increase investment. It is hard to see the direct impact of low savings rates but our standard of living has been, and will continue to be, lower than it would otherwise be. We must increase personal savings; we must reduce the Federal budget deficit; we should encourage corporations to invest in the future.

The Federal budget deficit absorbs capital; we must enter into serious negotiations with the administration to reduce the deficit. The Federal deficit means higher interest rates, which in turn mean businesses put off making investments. Fiscal constraints cut back public investment in housing, research, factories, roads, education, and technology. Less investment, both public and private, mean an even slower growth in our standard of living in the 1990's and in the next century.

It is not the time to enact legislation that will irresponsibly increase the deficit, either now or in the future. Couching the arguments for the Packwood-Roth bill in the context of economic growth is disturbing. We are all deeply concerned about economic growth, especially those of us from regions that are experiencing sluggish growth, and worse. But the proposal before us will only worsen the deficit, and worsen our long-term competitive position.

Before I close, I would like to specifically address the Roth IRA-plus proposal. I am a strong supporter of the restored deductibility of individual retirement accounts for all taxpayers. I fought for continued full deductibility during the 1986 debate on tax reform. I am an orginal cosponsor of Senator BENTSEN's proposal for restored deductibility for all taxpayers and expanded withdrawals.

Senator BENTSEN's individual retirement account approach would result in increased savings and investment in our economy. It would make it easier for taxpayers to save for housing and education. Senator BENTSEN's proposal is important and makes good economic sense.

On the other hand, Senator ROTH's proposal would not increase savings. It shifts revenues from the future to the present. Its economic impact would be negligible, in fact, in the long term, its economic impact would be negative.

Many taxpayers would undoubtedly benefit from the Packwood-Roth IRA-plus proposal. Taxpayers would be able to convert their existing IRAs to IRA-plus accounts. They would be able to withdraw savings and earnings for downpayments, health care costs, and downpayments of first homes.

Income taxes on the accumulated earnings would be paid over the next 4 years, and income taxes on subsequent earnings would be eliminated. This amounts to a sale on taxes. The country cannot afford it. Our children would have to make up the tax losses when we withdrew our earnings during our retirement. For too long, we have shifted our fiscal problems to our children. It is time to stop doing so.

Worse, it is not obvious that this intergenerational shifting of tax burden is the consequence of the proposal. We see yet another case of budget gimmicks. In a year where we have shifted costs of the largest Federal bailout of an industry in history off budget, budget gimmicks should not surprise. It is my sincere hope that next year, we see no more gimmicks.

Mr. BIDEN. Mr. President, America needs a comprehensive capital investment strategy that is carefully targeted to benefit only those long-term investors whose entrepreneurship improves our economic productivity and competitiveness. When both American lawmakers and American families are struggling with mounting debts and shriking savings, to even consider such an unfocused approach as a capital gains cut is ill-advised at this time. In the current economic climate, I cannot support this sweeping proposal—a blanket reduction to the most economically advantaged among us which throws money at the problem in the hopes that some will trickle into savings accounts and long-term investments.

The experience of the last 8 years undermines the basic arguments of the proponents of this capital gains tax cut. They insist that by allowing income earned on investments and assets, capital gains, to escape full taxation we will be putting more money into the hands of those more likely to reinvest the benefits. They advocate taxing income earned "passively" through ownership of assets—property, stocks and the like—at a lower rate than income earned "actively" through wages—from paychecks. They assure us that, although only a tiny percentage of Americans will receive the lion's share of this tax relief, the imbalance is worthwhile because this group is more likely to save and invest than the rest of America.

We all recognize the urgent need to increase our savings and investment levels. But the logic underpinning this capital gains tax cut is the very same logic that was behind the supply-side tax cut which has produced the distressing economic circumstances we now face. The timing could not be worse.

The 8-year economic experience of supply-side tax cuts has failed to spur savings and investment. Chronic trade deficits have made Americans the largest debtors in the world. We now owe over $3 trillion—$12,000 for every American. Personal savings are now only 73 percent of what they were in 1980. Growth in capital investment has been 20 percent slower in the 1980's than in the 1970's.

Thanks to supply-side tax policies of the 1980's, real income increased, but the inequality of income distribution also increased. The top 5 percent of American earners saw their incomes raise by 26 percent. And what did this tax windfall for the wealthy bring to the economy as a whole? We now know that for every dollar returned to those top earners $1.08 was consumed, not invested. Borrowing increased and savings declined.

This capital gains proposal would now provide another $25,000 benefit to those earning over $200,000 per year; 80 percent of the tax cut benefits will go to less than 2 percent of Americans. How much more will middle America be asked to sacrifice to finance this failed investment incentive strategy? By comparison an average family of four will receive a tax benefit of only $30 per year. And this national sacrifice, which will cost the Treasury more than $10 billion over the next 5 years, will come at a time when Federal deficits are still running over $100 billion per year.

After 8 years of chronic debt, deficits and disinvestment in our future, a change in economic policies is indeed overdue. But this capital gains proposal offers only more of the same tired supply-side remedies which have failed to increase our competitiveness or expand opportunity. In short, this proposal would provide yet another windfall for the same top income-earners who have benefited most from Reaganomics, while perpetrating another raid on the national Treasury. This at a time when Federal deficits already threaten to overwhelm our efforts to combat drug violence, to redress the national disgrace of homelessness, to revitalize our increasingly irrelevant education system, and more.

In the context of previous tax revisions, I question the wisdom of this proposal. Looking at the disequity in the distribution of the benefis, I challenge the justice of this proposal. Recognizing the loss of revenues which will result when our deficits already soar out of control, I am astonished at the timing of this proposal. And in the light of the debt and deficit legacy of the supply-side policies of the last 8 years, I doubt the logic of this proposal.

Mr. BENTSEN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. ROBB). The Senator has 4 minutes 56 seconds.

Mr. BENTSEN. Has all time expired on the other side?

The PRESIDING OFFICER. The Senator is correct.

Mr. BENTSEN. Mr. President, unless there are further requests on this side for time, I yield back the remainder of my time.

QUORUM CALL

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, is it the sense of the Senate that debate on the substitute amendment to H.R. 3628 relative to capital gains shall be brought to a close? The yeas and nays are required. The clerk will call the roll.

The legislative clerk called the roll.

Mr. PELL. Mr. President, on this vote I have a pair with the distinguished Senator from Hawaii [Mr. MATSUNAGA]. If he were present and voting, he would vote "nay." Therefore, I withhold my vote.

Mr. CRANSTON. I announce that Mr. MATSUNAGA, is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 51, nays 47, as follows:

[Rollcall Vote No. 298 Leg.]

YEAS—51

Armstrong	Gramm	McClure
Bond	Grassley	McConnell
Boren	Hatch	Murkowski
Boschwitz	Hatfield	Nickles
Burns	Heflin	Packwood
Chafee	Heinz	Pressler
Coats	Helms	Roth
Cochran	Humphrey	Rudman
Cohen	Jeffords	Shelby
D'Amato	Johnston	Simpson
Danforth	Kassebaum	Specter
DeConcini	Kasten	Stevens
Dole	Lieberman	Symms
Domenici	Lott	Thurmond
Durenberger	Lugar	Wallop
Garn	Mack	Warner
Gorton	McCain	Wilson

NAYS—47

Adams	Exon	Metzenbaum
Baucus	Ford	Mikulski
Bentsen	Fowler	Mitchell
Biden	Glenn	Moynihan
Bingaman	Gore	Nunn
Bradley	Graham	Pryor
Breaux	Harkin	Reid
Bryan	Hollings	Riegle
Bumpers	Inouye	Robb
Burdick	Kennedy	Rockefeller
Byrd	Kerrey	Sanford
Conrad	Kerry	Sarbanes
Cranston	Kohl	Sasser
Daschle	Lautenberg	Simon
Dixon	Leahy	Wirth
Dodd	Levin	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Pell, for

NOT VOTING—1

Matsunaga

The ACTING PRESIDENT pro tempore. On this particular vote the yeas are 51, and the nays are 47. Three-fifths of the Senators, duly chosen and sworn, not having voted in the affirmative, the motion is not agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The ACTING PRESIDENT pro tempore. Under the previous order the bill is placed on the calendar.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT—FISCAL YEAR 1990—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. MITCHELL. I understand the managers are ready to resume consideration of the Defense authorization bill. I am advised by the managers that they anticipate completion around 4 p.m. If a vote is requested, there will then be a vote on this at about that time, so the Senators should prepare their schedules accordingly.

I yield the floor to the managers.

Mr. NUNN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senate will be in order. Senators having conversations are requested to take them to the cloakroom.

The Senator from Georgia is recognized.

Mr. NUNN. Can the Chair review the time that is remaining on this bill?

The ACTING PRESIDENT pro tempore. The Senator from Georgia controls 30 minutes. The Senator from Virginia controls 35 minutes.

Mr. NUNN. That is all the time remaining?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. NUNN. Mr. President, it is our hope that we can cut this time in about half. It depends on how many people want to speak on this bill. I also have a request from others to speak on the time remaining on this bill on other subjects. I cannot honor those requests, unless there are no Senators here to talk about the Defense bill, which we have to reserve this time for as a priority.

I urge all Senators on both sides to please come over, if they have something to say on this bill.

Mr. DIXON. Mr. President, I only require about 3 minutes. My statement will be very brief, if I can do it now.

Mr. NUNN. Mr. President, I yield 3 minutes to the Senator from Illinois. I thank him for this great work on the committee and his leadership as chairman of a very important subcommittee.

The ACTING PRESIDENT pro tempore. The Senator from Illinois is recognized for 3 minutes.

Mr. DIXON. Mr. President, I am pleased to support the 1990-91 Defense Authorization Conference Report. This is good legislation that has emerged from a very long and hard fought conference between the two Houses. Given the fiscal constraints we faced, I think the chairman, the senior Senator from Georgia, has worked out a good bill.

Mr. President, during the conference I worked very hard to retain the Senate's position on the Federal prison industries. Because of strong objections by the House, however, we receded to the House and removed that provision from the bill. Mr. President, I have a separate statement on this issue and request unanimous consent that it appear at the end of my statement.

Mr. President, there were two other issues which were taken up in conference that were of special interest to me: First was the issue of postsecondary off-duty base education services; second was a cargo preference provision inserted in the House defense bill which discriminated against the Great Lakes region and added a tremendous paperwork provision on small- and medium-size companies working on defense contracts.

POSTSECONDARY EDUCATION

Mr. President, I want to commend the chairman of the Armed Services Committee, the chairman of the Subcommittee on Manpower and Personnel, and the ranking minority member, the gentleman from Virginia, for working so tirelessly during the conference to preserve the benefits of choice and competition in the offering of postsecondary education opportunities for military personnel, their dependents and civilian employees of the Department of Defense. For more than 20 years, military personnel overseas have benefited from competition in the offering of these courses. The ability to choose among offerors gives students more flexible scheduling, intangible benefits that accrue from active competition among offerors, and as the GAO found in its 1987 report entitled "DOD Voluntary Education: Determining and Meeting Postsecondary Education Needs in Europe," demonstratable tuition savings as well.

Therefore, I am grateful for the chairman's diligence in defending the overseas off-duty base education system from efforts to totally eliminate competition and choice in the offering of these services. Section 518 of the fiscal year 1990 Defense Authorization Act is intended to, and I am confident will, ensure that competition in the offering of these services remains the rule rather than the exception in the European theater, and will once again become the rule elsewhere. As you know, Mr. President, section 518 has been adopted in response to the Army's recent effort to procure off-duty postsecondary educational services for military personnel stationed in Europe on a basis that would assign each level, category, or group of courses to a single institution. Several years ago, a similar procurement effort led to earlier remedial legislation, section 1212 of the fiscal year 1986 Defense Authorization Act. Many of us share the view of the Nation's more than 1,100 community colleges represented by the American Association of Community and Junior Colleges that the Army procurement violated the principles of competition and choice of offeror that we enunciated in enacting section 1212. I commend the chairman and the gentleman from Virginia for their firm support for clarification of the principles of choice of offeror which we have clarified with the enactment of section 518.

This section directs that the Secretary conduct a study of the postsecondary educational service needs of military personnel, their dependents, and civilian DOD personnel overseas. Based upon the results of this study, the Secretary is to report to the Armed Services Committees of both Houses of Congress by March 1, 1990 on the policies he intends to promulgate relative to the procurement and administration of these services, consistent with the intent of section 1212 that service members have the benefits of choice of provider in the offering of courses. This issue has now been the subject of legislation in both the fiscal year 1986 and fiscal year 1990 acts. I believe that in the conduct of the required study it is incumbent upon the Secretary to involve representatives of the national higher education associations that represent public and private 2- and 4-year colleges and accrediting organizations so as to ensure that all those interested in providing the most effective educational services to our military personnel are a part of this process.

I believe there has been a reluctance on the part of the armed services to involve the various interested constituencies in the development of appropriate models for the delivery of these important educational services. I certainly hope that the study required by section 518 will develop, for the Secretary and for the Congress, the information we need to resolve once and for all how these educational services should be delivered to give service members the benefits that result from competition and choice of offeror.

In the past, it has been argued that choice is provided by competition in the selection of one offeror for a given group, level, or category of courses. The conference, with section 518, has indicated that in the "choice in the offering" of postsecondary education courses, the guiding principle should be that more than one school should be permitted to offer the same category, level or group of courses, and in so doing directly compete for students on the basis of cost, scheduling, instructors, and other factors that best meet the needs of the student.

As used in section 518, "choice in the offering" of services means that the Department should not as a general rule award sole provider contracts for a given level, group or category of courses. Military personnel served by this program should have the ability to choose among qualified schools to the extent that more than one school wishes to offer such services. But let me emphasize that neither section 1212 nor section 518 require DOD to go out and find schools to compete, nor should any institution that is not fully qualified to provide quality instruction be authorized under this program. In the past, there have usually been more than one qualified offeror for the major levels of courses, and I expect that this pattern will continue. However, I do not contemplate the intent of section 518 being vitiated by generalizations that choice in the offering of these services is not feasible. To the extent the general rule affording the users of these services a choice of offerors is to be limited, I trust the Secretary will carefully and narrowly define the circumstances where such limitations will apply. Section 518 makes it obvious that the manner through which the Army determined that affording service members the benefits of choice of offerors would be impracticable for the entirety of the European theater is not consistent with the standard I have enunciated.

Mr. President, section 518 suspends the current Army procurement and bars the award of any new contracts for overseas off-duty education services contracts, except under the preexisting memorandum of understanding procedures that provided for choice of offeror, for a period of 60 days after receipt of the report by the committee. I hope the committee will promptly hold a hearing on the report to give all interested parties the opportunity to comment on its findings and the policies that the Secretary has proposed to adopt to insure compliance with section 1212 in the procurement of these services.

Mr. President, I know that neither the members of this committee nor the Secretary of Defense want to see this kind of activity managed by legislation. Therefore, I hope that after the hearing and consultation with the committees, the Army's procurement—and indeed all procurements for overseas off-duty postsecondary education—will be modified to incorporate the new policies to be promulgated by the Secretary after consultation with the committee.

It is also my hope that to avoid problems of this nature in the future, the Secretary will name a panel of experts drawn from the higher education associations representing 2- and 4-year public and private institutions and the accrediting community to advise him on subsequent procurement policy, and to alert him to situations where a proposed procurement might diminish the opportunity for competition and choice, or favor one school or type of school to the detriment of students and other providers. The absence of this kind of ongoing involvement has contributed to the misunderstandings and distrust that have characterized the procurement process for several years. I am sure the Secretary shares my desire that all the parties—and most certainly the educational institutions that provide these important services—become a part of the policymaking process. Procuring educational services is not quite like the purchase of military hardware. We are talking about an area where the leading experts are in our colleges and universities as well, as among our armed services. I trust that the Secretary will reach out to this source of expertise in the future, so that the leaders of our Nation's colleges and universities will

be entirely comfortable with the procurement process.

Mr. President, I am also concerned that the legitimate questions raised about the pending Army procurement may affect how some institutions that are presently providing these educational services are treated. It is the conference committee's intent that all educational institutions providing postsecondary education services overseas be afforded equitable treatment in the assignment of course and program responsibilities within each command where such services are being offered. I urge the Secretary to promptly issue a directive to ensure equitable treatment for all educational institutions in the European theater.

Mr. President, the intent of section 1212 was to continue the practice of giving military students a choice among schools. I believe that new section 518 makes it manifestly clear that blanket elimination of choice in the offering of courses was not intended by the Congress.

HOUSE CARGO PREFERENCE PROVISION

Mr. President, section 1219 of the House Defense authorization bill, "Transportation of Components of DOD Contractor Supplied Items," would have given statutory authority to an interim DOD regulation that such supplies, including components, must be shipped under cargo preference provisions, and would have applied this requirement to all tiers of subcontractors.

I am happy to say that having found this provision slipped into the bill, I was able to bring to light the broad scope of consequences that would have resulted from its passage and to see that it was dropped in conference.

This provision, were it allowed to remain in the bill, would have imposed unnecessary and overly burdensome requirements on the many small businesses that serve as contractors, subcontractors, and suppliers on DOD procurement.

Until recently, the Military Transport Act of 1904 was interpreted by DOD to apply only to the shipment of items for which title had already passed to the Department.

The Department of Justice issued an opinion that the act covered items which are "clearly identified as destined for eventual military use at the time of shipment by sea." The Department stated, however, that there was no requirement to bring this coverage down to the level of every nut, bolt or scrap of raw material. Despite this admonition, DOD issued regulations requiring such a flowdown.

Many lower tier subcontractors purchase materials overseas, that, at the time of purchase or shipment, are not clearly destined to be incorporated in an item that is ultimately purchased by DOD. However, the seemingly small change created by section 1219 would require DOD prime contractors to certify that all of the components in every item sold to DOD has been shipped by U.S. flag vessels.

Because failure to certify or false certification can lead to criminal penalties, prime contractors will be forced to obtain similar certifications from all of their subcontractors. As a result, a small business would be forced to obtain, prepare, and maintain reams of documents merely because its materials may later be incorporated in a DOD purchase.

The enormous paperwork burden created by such requirements could force many companies to direct that overseas purchases be shipped via air.

The alternative for the small business is to decide, up front, that it will designate that its goods not be incorporated in a DOD purchase. Forcing small businesses to make such a decision would have led to reduced competition and increased costs.

Given this enormous paperwork burden, I am concerned that DOD did not give proper consideration to the requirements of the Paperwork Reduction Act of 1980. By DOD's own summary of the cargo preference rule, contractors and subcontractors at all levels will be required to submit overly extensive information to the Government, directly contradicting the goals of the Paperwork Reduction Act.

For example, if a fourth tier subcontractor needed to purchase a component from Great Britain, and no timely United States flag service were available, the company would be required to obtain a waiver of the cargo preference requirement from the prime contractor. It is clear that a prime contractor has no reason to concern itself with the transportation problems of even a second tier subcontractor, let alone the fourth tier.

It will interest my colleagues to know that I received a letter this week from the Assistant Secretary of Defense for Production and Logistics, acknowledging that the interim rule does, indeed, contain information collection requirements, and that the Department has prepared a Paperwork Reduction Act analysis and sent it to OMB for approval.

In another area entirely, this provision would have served to further reduce the participation of Great Lakes ports in the shipment of our Nation's cargo. Because there is no regularly scheduled U.S. flag service in the Great Lakes, cargo preference requirements virtually exclude the use of Great Lakes ports. The Great Lakes region, therefore, will be particularly harmed by this provision.

Cargo preference laws, ostensibly designed to advance the interests of the U.S. merchant marine in the international marketplace and protect it from foreign competition, has in fact acted to exclude an entire region of the country from participating in the shipment of cargoes affected by its requirements.

I have always supported the advancement and protection of our merchant marine, but I cannot support laws that do so at the expense of the economic viability of the Great Lakes region.

For these reasons, Mr. President, it was imperative that section 1219 be dropped from the bill.

Mr. President, I also want to thank at this time David Lyles, Bob Bayer, and Mary Kampo, who worked very hard not only during the conference, but over the entire year on my subcommittee. They did a very fine job, and they are truly outstanding professionals.

Mr. President, as this body knows, I introduced an amendment on the Senate version of the Department of Defense authorization bill concerning the competitive participation of the Federal prison industries—known as FPI or UNICOR. My amendment was adopted without opposition. The House did not have a similar provision. Since that time, we have engaged in a protracted and contentious conference with the House on this provision. I would like to share with my colleagues the history of this issue, and the series of events that led to the Senate receding to the House's unreasonable demands.

Mr. President, my amendment was designed to insure FPI's participation in the Federal procurement process on a competitive basis. Presently, FPI is authorized to short-circuit the Government's regular procurement process. Under FPI's enabling statute, and the implementing regulations, Federal agencies must acquire products or services offered by FPI, if they meet their requirements as to performance, and availability. In the jargon of procurement, FPI is a required source of supply, taking precedence before all commercial sources. The small business community generally refers to this as FPI's super preference. In practical terms, it lets FPI take any contracting opportunity within its product line virtually without restriction—a predatory situation from the viewpoint of the small business community, and in fact the business community at large.

The amendment I offered reconciles current Federal procurement practices, designed to assist small and small disadvantaged business concerns, with a 1934 policy that granted FPI a procurement super-preference superior to all small businesses or other businesses offering products to the Federal Government. My amendment curtailed the preference that FPI currently enjoys over small and small disadvantaged business concerns, and also made certain that FPI only sell its

products to the Defense Department at a fair market price, the standard demanded on all who furnish supplies or services to the Government.

Clearly Mr. President, FPI super preference falls hardest on small business concerns and disadvantaged small business concerns who have decided to focus their entreprenurial efforts in the various segments of the federal procurement market. FPI's competition is unpredictable, and overwhelming given its unrestricted freedom to offer products of its choice and to capture as much of the market as it desires.

Yet, by FPI's enabling statute, FPI is to conduct its activities so that no single private industry shall be forced to bear an undue burden competition from the products of prison workshops. Further, FPI is required to avoid capturing more than a reasonable share of the market amont Federal departments, agencies, and institutions for any specific product. Many small firms complain that there are clear statutory words that are meaningless in practice. They must be given practical effect though implementing regulations.

From 1934 to 1985, FPI participated in a modest amount of business with Federal agencies. They used their authority for the congressional purpose intended: To provide rehabilitative training opportunities for inmates, so they would be better prepared to reenter society with a skill that could lead to gainful employment. This Senator has no quarrel with this purpose and modest manufacturing activities supporting such a proper correctional purpose.

It appears, however, that the correctional purpose of the prison workshops has been eclipsed since 1985 by a desire to expand production. The purpose of this expansion effort is twofold: First, to create a larger business base to maintain FPI's status as a self-sufficient Government-owned corporation that does not require any direct appropriations. And second, to provide more activity for the expanding Federal prison population. During the discussions of my amendment, FPI repeatedly emphasized the necessity of an ever-growing Federal prison workshop network to maintain tranquility in the Federal prison system. Combating idleness has, for all practical purposes, replaced the laudable goal of rehabilitative opportunities. To expand its market, FPI has been pursuing the Federal procurement market with a zeal that would be admired in a small business concern. Without some needed tempering of FPI's super procurement preference, however, FPI's zealousness could become predatory in nature.

FPI is a Government-owned corporation that possesses a lock on any market it chooses to pursue and direct access to a captive workforce that is compensated far below prevailing wages. FPI's reported sales in 1988 were $320 million. It currently employs over 15,000 employees in 72 factories at 41 correctional facilities maintained by the Federal Bureau of Prisons. FPI pays wages from 15 cents to $1 an hour, and most, if not all, of its products require labor-intensive production. FPI receives Government-purchased equipment, has unlimited borrowing authority at a point below prime, and has guaranteed markets for its goods. These are tremendous advantages to a vendor in competition with other vendors, particularly small and disadvantaged firms.

FPI plans expansion of its sales program to $462 million by fiscal year 1992. This tremendous expansion is in anticipation of a 15-percent increase in prisoner population, not because of any increased Federal Government demand for FPI products. This concerns me greatly. FPI's management is more bent on market expansion, than prisoner rehabilitation, as its principal objective. Small business concerns and disadvantaged small business concerns have become increasingly alarmed as FPI focuses its marketing lock on the Department of Defense, which accounts for 70 percent of the Government's procurement activity.

Mr. President, FPI's advantage does not stop with its ability to specify its own market share, essentially without check. An agency must pay FPI's price, provided that the price represents the current market price. Unfortunately, this pricing standard has never been defined. Worse yet, disputes relating to price, as well as the suitability of FPI's product to meet agency requirements, must be submitted to an arbitration board consisting of the Comptroller General, the Administrator of General Services, and the President, presumably represented by the Attorney General who exercises responsibility for FPI.

This dispute resolution mechanism is hardly conducive to even the most courageous challenges on the part of Government contracting officers. Even if they are convinced about the unacceptability of FPI's product or the reasonableness of its price, the process virtually forecloses any effective check on FPI. Not surprisingly, this arbitration mechanism has not been used since the 1930's.

During the last Congress, FPI's competitive advantage reached new heights when it was accorded authority to borrow from the Treasury by a provision of the Omnibus Anti-Substance Abuse Act of 1988, Public Law 100-690. This expanded access to capital will enable FPI to broaden its current product line and expand in to new areas. Without confronting the hurdle of finding the resources to capitalize expansions that all private firms, large as well as small, must overcome.

Mr. President, these market advantages make FPI such an unfair competitor that we can no longer expect small businesses and disadvantaged small businesses to challenge FPI successfully in the Federal procurement arena. My amendment simply would have leveled the playing field. Having transformed itself into a large and aggressive corporation, with the mandate of its Government-owned status, FPI should no longer be accorded a procurement preference superior to that of small business concerns and disadvantage small business concerns. FPI should be required to compete for Federal contract requirements on the basis of quality and price just like any other contractor. This would make good business sense, for the procuring agencies and for the taxpayers who foot the bill. If FPI wants to become the Federal Government's vendor of choice, it should have to earn that status by performance and price, like any other contractor.

I have given my colleagues many examples of the undue burden FPI's aggressive competition already has had on numerous small business companies in Illinois as well as in other States. I have also expressed my experience as the Secretary of State in Illinois with prison industries being successful in a competitive environment—where in an open competition for license plates, the Texas State penitentiary won the contract over all other bidders.

With all of FPI's advantages—low wages, Government-supplied equipment, unlimited borrowing authority, and tax exempt status—it escapes me how FPI could argue that it would lose all its DOD business if they were required to compete. Nevertheless, FPI did argue that its bids may not always be the lowest, or would be stigmatized. Even more curious was that FPI rejected my compromise proposals to grant it a price preference in competitions instead of its super preference. Perhaps FPI does not want to own up to the fact that it has overpriced its products to the Government. Even if FPI plows its profits back into its operations to remain self-sufficient as it claims to be, might it not also be true that decreases in Justice Department funding of FPI are matched or exceeded by the cumulative overcharges to all other Federal agencies?

It was also argued during the debate over my amendment that the Anti-Drug Abuse Act of 1988 contained mechanisms to prevent private businesses from being hurt by FPI where it plans to enter new product lines, or plans to expand existing producton. However, the organizations that help develop those mechanisms have found them to be unworkable in subsequent negotiations with FPI. In fact, no

fewer than nine industry groups signed a joint letter to FPI, dated July 10, 1989, which formally rejected FPI's proposed implementation. This letter followed many months of joint discussions between FPI and industry, in which affected industries devoted considerable time and thought to developing a mutually agreeable implementation. My amendment was, in part, an outgrowth of industry disenchantment with the 1988 legislation and mechanisms designed to protect industry.

My amendment, and the several alternatives I suggested in conference, were designed to infuse some fairness into the contracting process that the 1988 FPI amendments did not provide. The 1988 statute provided no protection whatsoever for private businesses in product markets where FPI plans no substantial expansion, because it already is dominant. Private firms find no comfort in the fact that FPI's board of directors makes the decision on whether FPI's operations will have an undue impact on private industry, particularly since FPI has proposed no objective criteria for the board to make—or for anyone to review—such as determination.

The Congress must act to rectify this unjust situation, and this Senator plans to pursue legislation to do just that. There will be hearings which will provide an open forum in which all sides can present their views and have ample opportunity to rebut each other's arguments. Then we will sit down and consider reform proposals. Mr. President, I would like to share some of my thoughts on what changes will be needed.

First, Mr. President, I believe Congress needs to revisit FPI's enabling statute. Title 18 of the United States Code, chapter 307, states that an agency shall purchase such products from FPI at a price not to exceed the current market price, if such products meet the agency's requirements and are available. That provision is reasonable and flexible. Unfortunately, the FPI regulations venture far beyond their statutory directive by imposing a mandatory super-preference for FPI over any other vendor—regardless of price, quality, or delivery requirements. Furthermore, neither the FPI statute nor its implementing regulations define current market price.

Therefore, the first necessary clarification to the FPI enabling statute is to define current market price. In my opinion—and many of my colleagues agree with me—that term should have the same meaning as fair market price—the price for which small businesses must sell their products to the Government.

The second clarification that should be made either in the FPI statute or the FPI regulations, is to give Government contracting officers the flexibility contemplated in the 1934 FPI statute. In other words, the 1934 statute contemplated Federal agency purchases from FPI if: First, FPI's price does not exceed the current market price, second, FPI's product meets the agency's requirements, such as, for quality, safety, and delivery: and third, are available. If FPI's proudcts do not meet these standards, then the contracting officer should have the flexibility to seek offers from private vendors.

The third amendment to the FPI enabling statute that should be considered is provision of some more effective remedy for an industry which has already suffered undue burden from FPI's current presence in the market for that industry's products. One approach might be to provide a private right of action to small business concerns to enforce the safeguards already provided in the FPI statute. Another approach would be to apply the Administrative Procedures Act of FPI so that, among other things, FPI board of directors decisions could be appealed.

Fourth, clarification is necessary to ensure that once a Government contracting officer issues a solicitation, FPI may not exercise its super preference and demand that it be the source of supply for the procurement. Small and small disadvantaged firms should not be placed in the untenable position of spending their scarce time and resources on bidding, only to have the work diverted to FPI. Once a solicitation is issued, award should be made solely on the basis of that solicitation.

Fifth, restraints should be imposed on FPI's unfettered power to deny agency requests for waivers where, for example, the agency has justified a noncompetitive procurement from contractor, or can more effectively meet its needs by buying off the General Services Administration's schedule of products, for which GSA has already negotiated prices and quality standards.

Sixth, Federal agencies purchases from FPI should be reported to the Federal Procurement Data Center—just like all other contractors' sales to Federal agencies. Right now, agency purchases from FPI are treated as interagency transfers that do not have to be reported to the Federal Procurement Data System. As a result, objective data is not available from which we can judge the extent to which FPI has penetrated the Government market for particular products. My amendment would have cured this problem by making any contract awarded to FPI subject to Federal procurement data reporting requirements.

Seventh, FPI should be encouraged to subcontract with as many small and small disadvantaged businesses as possible. Furthermore, all FPI subcontracts and supply contracts with small and small disadvantaged businesses should be reported. This would help FPI show to the Congress and to the public that, in fact, FPI is giving more work to small and small disadvantaged firms than perhaps it is taking away.

Many of us who are concerned about the erosion of our defense industrial base should do our best to ensure that a broad range of companies continue to participate in the Federal Government market. Sad to say, many companies in competition with FPI are on the brink of getting out of the Government market, for the simple reason that they can no longer afford to participate as the pool of available contract opportunities steadily shrinks. Further, some would question the prudence of permitting Federal prisoners to become the sole source of supply for mission critical items such as cable and wire harness assemblies. It is a sobering thought.

Mr. President, some may argue that small companies which have lost business to FPI can make up for those Federal market losses by shifting emphasis to the commercial market. This may be true, but many small businesses have tailored their production to specialized Federal Government requirements. All too frequently, they are required to meet Government-unique military or Federal specifications, mandating the use of materials and manufacturing processes that are not viable in the commerical market. And, some of these small firms that have lost substantial business to FPI, particularly disadvantaged firms are in labor surplus areas with staggering unemployment. Should the rights that these disadvantaged firms have in Federal procurements generally be eviserated totally by FPI's super procurement preference? My answer is no.

FPI's mission to educate and train inmates in laudable. But as FPI grows and expands into new product areas, it must live up to its second, equally important, mandate: To operate in such a way that "no single private industry shall be forced to bear an undue burden of competition from the products of the prison workshops, and to reduce to a minimum competition with private industry or free labor."

I am an advocate of an effective criminal justice program. I do not want to eliminate FPI and I have met with the Director of Federal Corrections and told him so. Unfortunately, a campaign of scare tactics—threats of prison riots and chaos—blurred the real issues raised by my amendment. None of the frightening assertions made by my opponents had any substance behind them. Making FPI a more accountable contractor would not force it to close its prison workshops and lay off prison workers.

Mr. President, during the conference, I offered a series of compromises to the other body with respect to my

amendment. Federal Prison Industries asserted that the Senate amendment would have foreclosed FPI from being able to compete for the very products that comprise the mainstay of its product line. They made this assertion on the basis that they would have to compete as a large business concern, and would be frozen out of the competitions due to the Small Business Act authority relating to restricting competitions to small firms.

I responded directly to this argument by offering an alternative that would allow FPI to compete for any contract opportunity. The objective was to make FPI compete, not merely claim, contract opportunities of its liking through its super preference. This change satisfied the concerns of some of my colleagues on the House side, but did not dissuade FPI from continuing to argue that any competition requirement would destroy their enterprise, idling thousands of prisoners.

In the final analysis, the House conferees refused to agree to a statement of managers to accompany the decision of the conferees that the Senate would recede and drop my amendment as adopted by the Senate. I am dismayed by this action, and ask unanimous consent to have the text of the proposed statement of managers included in the RECORD following my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DIXON. Mr. President, my colleagues and the public at large can reach their own conclusions regarding the danger that the House must have perceived in the words that I offered.

I will continue to pursue legislation that will allow FPI to fulfill its important mission, and yet not unduly burden small business contractors. Small business concerns across the Nation deserve our attention on this issue. They deserve to operate in a predictable environment where they can make reasonable business decisions. Small business concerns deserve our support, and I am going to see that they receive it. I hope that those who were opposed to my amendment do not think that this issue is closed. We have just begun.

I sincerely congratulate Senator NUNN and the distinguished ranking member, Senator WARNER, on the outstanding work they did on this conference.

EXHIBIT 1

STATEMENT OF MANAGERS—PARTICIPATION OF FEDERAL PRISON INDUSTRIES IN DEFENSE PROCUREMENT

The Senate amendment contained a provision (sec. 837) that would have required the Department of Defense to obtain products from Federal Prison Industries (FPI) only through competitive procurement procedures. It also established a definition for the undefined term "current market price" used in FPI's enabling statute by equating it with the defined term "fair market price".

The House bill contained no similar provision.

The Senate recedes.

All of the conferees agreed that the workshops operated by Federal Prison Industries were an essential mechanism to combat idleness in the Federal inmate population. A majority of the conferees were convinced that any proposal requiring Federal Prison Industries to compete for work within the Federal procurement system held the potential to interrupt the work flow needed to sustain activity at those workshops. These conferees were persuaded by FPI's assertions that its operations would be crippled if the Senate amendment, or any of the various alternatives offered by the Senate, were adopted. The majority of the conferees maintained that any adverse impacts alleged to flow from the current manner in which FPI operates would have to continue to be tolerated by the small business community and the executive agencies until a more careful analysis of the various proposals for changes to FPI's mode of operating could be conducted.

Federal Prison Industries, or UNICOR (its tradename), is a Government-owned corporation that presently operates 72 factories in 41 correctional facilities maintained by the Federal Bureau of Prisons. It has an inmate workforce of approximately 14,000 out of a total prison population of approximately 50,000.

Under FPI's authorizing statute, executive agencies are required to purchase products offered by FPI if those products "meet their requirements" and FPI's prices do not exceed "current market prices". Under the Federal Acquisition Regulation (FAR) provisions implementing the statute, FPI is designated as a "required source of supply" giving it priority over any private commercial source. Agency contracting officers are required to solicit FPI for products or services appearing in FPI's Schedule of Products. Agency purchases from FPI are handled as "interagency transfers", negotiated between FPI and the agency making the purchases. FPI's sales totalled $335.9 million in FY 1988.

The conferees observe that in light of the persistent allegations regarding FPI's unfair competitive position strongly voiced by elements of the small business community and FPI's planned expansion of its sales program to $462 million by Fiscal Year 1992, a review of the program's current manner of operations appears fully warranted. It has also been suggested that FPI's statute, and especially the implementing regulations may exesssively hamper the ability of the procuring agencies to effectively question the reasonableness of FPI's prices, the suitability of its products to meet agency needs, and the timeliness and quality of FPI's performance. Hearings by the Committees on Small Business of the Senate and House of Representatives regarding the alleged adverse impact of FPI's current operating mode on small business government contractors are expected. Recommendations for reform will certainly be vigorously renewed. In addition, oversight hearings may be scheduled by the House Committee on the Judiciary.

The conferees agree that one change in the manner in which FPI operates within the Federal procurement system may be made without any danger of adversely effecting the operations of its workshops. This relates to the reporting of purchases of products or services from FPI by the various Executive agencies. Because acquisitions from FPI are currently viewed as "intragovernment transfers", these purchases from FPI are not reported to the Government-wide Federal Procurement Data System (FPDS), established by Section 6(d)(4) of the Office of Federal Procurement Policy Act. Such reporting would afford to the Congress a more effective opportunity to assess the scope of FPI's participation in the overall Federal procurement market, and its impacts on the small business community and the procuring agencies. Such reporting will faciliate implementation of amendments to FPI's enabling statute made by Section 7096 of Public Law 100-690, the "Anti-Drug Abuse Act of 1988". These amendments require FPI to conduct a form of small business adverse impact analysis based on market share before deciding to produce a new product or significantly expand production of an existing product. The manner in which FPI keeps data on its sales activities is not comparable to the data maintained by the FPDS. Hence, the analyses required by last year's amendments can not be made in a manner deemed reliable or equitable by the small business community.

In light of the foregoing, the conferees direct the Administrator for Federal Procurement Policy to modify the FPDS reporting requirements so that agency purchases from FPI are reported to the FPDS in the same manner as an agency purchase from a commercial enterprise, beginning not later than October 1, 1990. Each report published by the Federal Procurement Data Center shall note that purchases from FPI are currently considered intragovernmental transfers, but such purchases from FPI are being reported to provide a complete overview of the acquisitions by the Executive agencies and to facilitate conduct of analyses required by statute.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. WALLOP. Mr. President, I yield 5 minutes to the Senator from Alaska.

The ACTING PRESIDENT pro tempore. The Senator from Alaska is recognized for 5 minutes.

Mr. STEVENS. Mr. President, I want to start by commending the Senator from Georgia, the chairman, Mr. NUNN, and ranking member, my good friend from Virginia, Senator WARNER, for their work on this bill. I want to state that it is a good bill, and I will support it.

The Armed Services Committee and the Defense Appropriations Subcommittee have worked together very closely this time, due to the efforts of Senator BYRD, Senator HATFIELD, and Senator INOUYE. I do have some concerns. I wrote the members of the Appropriations Committee last week explaining my concerns, and those have been made available to the Armed Services Committee chairman and ranking member.

Mr. President, I believe the Armed Services Committee should establish priorities for defense spending. That is their role, and I firmly advocate their fulfillment of that role. Their pronouncements on the share of spending for individual accounts, for aircraft,

for ships and other systems, is an important guide for the appropriations process. But the Appropriations Committee, which I have been honored now to serve for over 18 years, also needs flexibility and an understanding of its role in our process.

We have now had such constraints placed upon our process, and I think this bill demonstrates those constraints, and I want to discuss them. The imposition of limits in this bill for spending on individual programs has complicated the work of the Appropriations Committee in balancing the accounts with the Budget Act. New information and changing priorities often provide the Appropriations Committee with additional options or requirements, that can be fulfilled, that were not even anticipated at the time the Senate and the House considered the authorization bill.

To me, it does not make any sense to artificially block spending on important programs in the authorization bill, especially when the House and the Senate have differed, as in past authorization bills, and the same has been true in the appropriations process.

The House passes an armed services bill; we pass one. The House passes an appropriations bill; we pass one. Now, theoretically, those four versions have to come into sync, despite the fact that the one is not completed by the time we start the appropriations process.

My problem, I think, is demonstrated, Mr. President, by the constraint that is placed upon cleanup of hazardous waste by the Department of Defense in this bill before us.

I happen to have a great interest in that program. It was started in the appropriations process when I was chairman of the subcommittee. It is now an authorized program and an enormous program, but there is a constraint in the bill on the amount that can be spent by the Department of Defense in cleaning up hazardous waste.

I know that the members of that committee do not oppose the cleanup of hazardous waste, but this conference report that is before us now specifically limits the amount that the Department of Defense can spend on hazardous waste without regard to the amount of money we can find as we wind up the appropriations process.

That is unfair. It is unfair to us in the Appropriations Committee, and it is unfair to the public at large.

Again, I am not saying they have done it to show any antipathy toward the cleanup program. But it is there.

I do not know which projects will not get cleaned up this year because of that limit, but there are some. We funded more than can be spent.

The defense appropriations report will come before the Snate I hope today or tomorrow. At least before we adjourn, I hope.

The interesting thing about the process is the Members of the Senate, through the approach of an amendment to an amendment in disagreement, can change anything in the appropriations bill, and does. We spend days, and we will do it again here. There will be changes made in the appropriations bill here, but because of the procedure used by the authorization committee, those of us who are interested in defense and know what we have money for in the appropriations process do not have an opportunity to disagree with this report.

It is brought before us as a complete report. It is not subject to an amendment. The only thing we can do is send it back to conference or defeat it. We cannot vary it. That makes this process unfair, in my judgment. We will have to deal with that. The issues that ought to be addressed here today should be addressed.

I ask for about 4 more minutes.

Mr. WALLOP. I yield 4 minutes to the Senator from Alaska.

The ACTING PRESIDENT pro tempore. The Senator from Alaska is recognized for an additional 4 minutes.

Mr. STEVENS. Mr. President, we are duplicating each other's work, there is no question about that. The problem with this conference report is it goes into detail with details, getting down to individual line items instead of accounts, getting into budget details that normally have been the mission of the Appropriations Committee.

What it means is if we perform our mission, part of it cannot be accomplished because of the constraints contained in this authorization bill.

We have tried to pledge our efforts to settle the differences between the two committees in each House that handled defense affairs, and God knows, I have been part of those difficulties. But it is because we feel, those of us who handle the accounts, feel we, too, understand the systems and particularly understand the complications of trying to finance one as opposed to another.

I hope that the Senators from Georgia and Virginia and their colleagues on the Armed Services Committee will dedicate themselves to compliance next year with this new found feeling of cooperation you will find is represented by the appropriations bill as we bring it out.

The unfortunate part of it, again, I call to the attention of the Senate, is the fact there is no way to disagree with this report. Many of the things that are before the Senate right now were not before the Senate in the Senate bill. They were in the House bill. The House bill was stripped out. We put in the Senate bill in the authorization process.

Now we find that we are dealing with systems and an array of priorities that were not the priorities of the Senate. Those of us on the Senate Appropriations Committee attempt to live up to those priorities as we go through the appropriation process. Now we are frustrated as we come back and we find we cannot have any impact on the total functioning of the systems. There are some that I feel very strongly about.

For instance. I made that statement rationally at the beginning of the process I would not vote for a bill that did not authorize the initiation of procurement in the V-22. I still believe that is one of the most revolutionary systems we ever found.

It is new technology. We ought to be pursuing it with a vengeance. Instead, we are putting a cap on it. The cap is on R&D. We cannot exceed that cap because of provisions in this bill, although we could have fund money in this last minute we could have used. We used that for unauthorized projects the committee is going to find fault with along the line. The reason we did, the authorized project had the cap on it and we could not put the money where it should have been this year. That system should change.

I thank the ranking member for his time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. WALLOP. Mr. President, I yield 5 minutes to the Senator from New Mexico.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico is recognized for 5 minutes.

Mr. DOMENICI. Mr. President, I thank the distinguished Senator from Wyoming.

Mr. President, there are a lot of things I could speak to in this bill, but I choose in this short time to speak specifically about science and technology transfer.

Let me acquaint the Senate with a few facts that I think are rather startling. If one were to ask what organization or institution in the free world has the most scientists, engineers, physicists, and supporting personnel under their jurisdiction, I do not think very many Senators, and certainly not very many Americans, would get the right answer. The answer is the Department of Energy.

About 23,000 scientists, physicists, engineers, and supporting personnel make up the national laboratory system that is under the jurisdiction of the Department of Energy.

Of those, three of their biggest laboratories are so-called nuclear deterrent laboratories; Sandia National Laboratories, Albuquerque, NM; Los Alamos in New Mexico; and Lawrence Livermore in California. Each of those laboratories and the others within the

Department of Energy contain a myriad of scientists with a truly versatile scientific potential.

Now let me move to a rather wild statement made by the head of the Patent Office of the United States in 1843. The man running it, a man named Ellsworth, thought then that he should retire and we should close the Patent Office because all inventions the world was going to see had already occurred and perhaps we did not even need a Patent Office.

Then move to today, when one can stand on the floor of the U.S. Senate and say without fear of being contradicted that, believe it or not, more scientific breakthroughs will occur in the next 30 years than in all of history.

I used to say 20, and some scientists said I was wrong and I thought I must have really gotten the wrong set of facts. They said, "if you say 30, you are probably right." Now I say more scientific breakthroughs will occur in the next 30 years than all of civilization.

And locked up within the laboratories of the U.S. Department of Energy are technologies and scientific capabilities beyond that which anyone else has, believe it or not.

This bill, finally, after 4 years of effort on my part—and I have been joined in the last 2 years by my junior Senator, Senator BINGAMAN, and by a number of House Members—we have finally succeeded in passing in this bill and sending to the President the National Competitiveness Technology Transfer Act. This legislation will essentially enable those three nuclear deterrent laboratories to function like all the other Federal laboratories with regard to improving technology transfer. It will enable them to conduct cooperative research with the private sector and universities, enhance the exchange of scientific knowledge and permit the exchange of scientific personnel, between business, the laboratories, and the universities, and the bill will clarify a number of those kinds of things that have caused business in America not to use these laboratories.

With the full cooperation of this Secretary of Energy, this new authorization for the Department of Energy's laboratories could indeed give the United States of America—through the business university community a new birth of patents, royalties, technology transfer, and exchange of ideas leading to things of commercial value beyond measurement.

I am very hopeful now that with the passage of this effort we will add to the repertoire of science making America more competitive by enabling us to really use the national defense deterrent laboratories.

Federally funded research can contribute significantly to our economic well being if properly managed. And the contribution can be significant.

Technology based sectors generated approximately one-half of the U.S. gross national product in 1988, twice what is was a generation ago.

Experts have predicted that we will have more scientific discoveries in the next 30 years than there have been so far in all of recorded history. It is hard to believe that in 1843, Henry L. Ellsworth, the Superintendent of Patents wanted to resign and do away with the Patent Office. He believed that everything that possibly could be invented had already been invented, and there was no further need for the Patent Office or a Superintendent of Patents.

We have come a long way since then.

The United States invests substantially in science. The United States spends more for research and development—$117 billion according to the budget—than the next four Western industrialized countries combined. The amount of money that the Federal Government spends has increased from $29 billion in 1980 to $63 billion in 1989.

The largest single scientific organization in the free world, with more scientists on the payroll than any other organization is the U.S. Department of Energy. It has more than 23,000 scientists and engineers, and supporting personnel.

Any discussion of competitiveness must include a vital role for this tremendous resource. That role is technology transfer.

"Technology transfer" means making technology developed in the laboratory useful in industry so that the knowledge can contribute to our economy. Technology transfer means new businesses and new products. It means keeping new jobs in America instead of moving them overseas.

In the past, the term usually meant publishing the research results in journals which sit on the shelf in the library. In time, the technology would make its way to industry and eventually find application. For three decades after the Second World War, this haphazard system worked well enough in helping U.S. industries keep up with technological advances. It worked primarily because we had no significant competitors. The world would wait until we were ready to commercialize. Even if firms took many years to apply new technology coming of the labs, we would still dominate the market.

But that was then and now is now.

Now, delay is fatal to capturing part of the market. Increasingly, foreign firms are ahead of U.S. firms in applying the latest technology to manufacturing.

As we enter the 1990's technology transfer needs to include an active approach to commercialization of lab-generated technology. This can take the form of extra effort by the labs to acquaint industry with the research it is doing. It must mean getting industry and the laboratories to collaborate early in the research process. It must mean that scientists must have an eye toward commercialization. It must mean incentives to the investors. It must mean exclusive licensing rights in exchange for industry's further development and commercialization of a technology into a useful product. Spinout and collaboration are important to technology transfer.

Numerous reports by scientific groups, the Energy Research Advisory Board, GAO, and others made recommendations on how to make the technology transfer system at the Department of Energy work better.

Hearings were held. The first hearing was a joint hearing of the Senate Energy Committee and the House Science and Technology Committee held in Albuquerque in 1986.

I introduced S. 1480 on July 10, 1987. The bill was cosponsored by Senators BINGAMAN, WILSON, and MURKOWSKI. MARILYN LLOYD introduced a similar bill in the House. Hearings were held on September 15, 1987, May 11, 1988, and passed the Senate during the last days of the 100th Congress. Unfortunately, the House and the Senate could not agree on the final language.

The bill was reintroduced in the 101st Congress on March 9, 1989, as S. 550. It was reported out of the Energy Committee on August 4, 1989. I offered a version of the bill as an amendment to the fiscal year 1990 DOD authorization bill. This language would accomplish many of the same things S. 550 and S. 1480 would have accomplished.

Under the legislation industry will only have to learn one set of procedures for working with Federal laboratories.

These procedures will better enable the laboratories to transfer rights to innovations and information created as a result of cooperative research and development agreements.

WHAT THE LEGISLATION ACTUALLY DOES

Amends the Stevenson-Wydler, and the Federal Technology Transfer Acts to grant Government-owned, contractor-operated [GOCO] Federal laboratories—like Sandia National Laboratories and Los Alamos National Laboratories—the same opportunities to enter into cooperative research and development agreements with universities and private industry that Government-owned, Government-operated [GOGO] laboratories have had for almost a decade.

To negotiate licensing agreements with these entities for inventions made at the laboratories;

Laboratory directors would be allowed to exchange personnel, services, and equipment with their research partners that are universities and industry;

Grant and waive rights to laboratory inventions and intellectual property;

Allow current and former employees to participate in commercial development, to the extent there is no conflict of interest.

Establish new time deadlines within which agencies must act on proposed agreements. These deadlines will expedite the approval process and are very important if we are to capture the full commercial potential of inventions developed in these agreements.

Allows information and innovations brought into, and created through, cooperative agreements to be protected from disclosure.

Provides a technology transfer mission for the nuclear weapons laboratories.

THEN WAS THEN, NOW IS NOW

When I first started working on this legislation, some described doing business with the Department of Energy as slow, tedious, uncertain, and unrewarding.

Some had the view that the weapons laboratories were still secretive, walled-off enclaves and should remain that way.

The prevailing view outside DOE was that technology transfer wasn't working at the Department. It was taking an average of 18 months to process a routine patent waiver. In some instances the delay was as long as 52 months. One reason cited by GAO was that technology transfer was given a very low priority among the work that the patent lawyers were assigned.

A company wanting to do cooperative research with one of the National Laboratories had to negotiate at least nine different agreements—more than 4 inches worth of documents.

DOE felt that it was exempt from the Executive order under which the President called for all Federal agencies to make technology transfer a top priority.

But that was then, and now is now, and now is better. With this new law, the future can be even better.

Admiral Watkins strongly advocates a change in the mission of the laboratories to include technology transfer.

DOE is several years into its pilot programs on superconductivity.

Defense programs experts at DOE have outlined an impressive program for additional pilot programs in areas like electron beam research, specialty metals, machine tools, laser welding, plasma destruction of toxic substances, and combustion synthesis.

And industry is getting more interested. An $11 million agreement dealing with superconductivity was finalized on October 30, 1989, between Los Alamos, Du Pont, and Hewlett Packard. It will involve 25 or more researchers sharing equipment and facilities at all three institutions.

POTENTIAL FOR THE NEW LAW

It is difficult to predict the potential for this new law, but I would expect a surge of technology transfer activity similar to what we experienced when Congress enacted Stevenson-Wydler and the Federal Technology Transfer Act in 1986.

Cooperative research between industry and laboratories increased 74 percent since the enactment of Stevenson-Wydler and the Federal Technology Transfer Act. Several reports have cited this law for improving the number of reported inventions from covered scientists by 40 percent.

Today's legislation will put Sandia and Los Alamos under this technology transfer umbrella. In terms of potential, the sky is the limit.

We can expect to see more centers of excellence established among businesses, universities and the labs. These centers would be directed toward new commercial enterprises.

In my own State of New Mexico, the potential is very real.

New Mexico ranks fourth nationally in both Federal and university technology sectors for research and development, while the State's private technology sector lags behind, ranking 21st.

Technology transfer will utilize more of the successful research we have at our labs and universities in the private sector.

Total technology-based economic impact on the State accounts for $10.5 billion out of the total $38.1 billion New Mexico economy. High technology is important already, but we are just beginning to tap the potential.

The Federal technology sector in New Mexico is responsible directly and indirectly for 83,000 jobs.

University technology sector contributes another 12,000 jobs.

Private technology sector contributes 25,000 jobs.

We are tapping into the Nation's and the labs true potential.

If the Department of Energy correctly implements this program, we should be able to have a 10 to 10 plan—increase these statistics by tenfold in 10 years.

The challenge is timely. There is tremendous anxiety about the future and our place in it. A thousand conversations begin with the latest trade deficit statistic, with the latest Pacific Rim accomplishment in superconductors, advanced semiconductors, high definition TV, supercomputers or other critical technologies. It leads many to a dire prognosis for the next century.

Japan is ahead in developing many of the building blocks of the 21st century. The Japanese have not only filed more than 2,000 superconductor patents worldwide, but have already started to develop motors and generators using the superconductors. U.S. projects are still in the planning stage.

Such facts could throw us into a national toxic thought syndrome where we engage in self-defeating behavior and our companies simply give up. To the contrary, the United States can be a very strong competitor in these high technology areas.

But we have to do better with what we have and that means making the national laboratories user friendly. We need to use the laboratories to their optimum. We can no longer enjoy the luxury of keeping these scientists isolated. We need to maximize their potential by making technology transfer work. This bill will help accomplish that goal.

I want to thank all who have worked with me over the past several years to develop this legislation and work it through the Congress. MARILYN LLOYD was the champion of this issue in the House and has worked very hard. Without her determination this legislation would not be possible.

Senator BINGAMAN has been very interested in this issue and has been helpful in the legislation's passage today. Senator JOHNSTON and Senator MCCLURE have spent a great deal of time on this issue and I appreciate the priority the Energy Committee assigned to this important issue.

Lastly, let me commend Secretary of Energy Watkins and the many people on his staff who have worked on this legislation.

Mr. President, I would like to take a few more moments to discuss several other items in the fiscal year 1990 Department of Defense authorization conference report.

I believe that what the conferees came up with is a good bill under extremely difficult circumstances. Compared with the House passed authorization bill, I believe the final result was an extraordinary improvement.

SDI funding was negotiated to a spending level of $3.57 billion for the Department of Defense, far below the Senate Armed Services Committee level of $4.5 billion and even further below the President's request of $4.9 billion. My hope was that we could strike a bargain with the House conferees that would provide this vital program with a funding level at the higher end of the spectrum that divided our level of $4.5 billion and that of the House at $3.1 billion. Without a sustained and responsible level of funding for SDI, I am concerned that the program will gradually unravel while the many promising and ongoing research projects will fall victim to the budget ax.

In addition to SDI, there were a number of New Mexico projects and programs that I was successful in focusing the Senate's attention on and which were approved in conference.

One involved laser weapon verification. I offered an amendment to the DOD bill concerning research and development of laser weapon verification which was adopted by the Senate. It would give the New Mexico labs a greater opportunity to compete for work in this vital area of arms control. The House bill contained no such similar amendment and, through working with the conferees, I was able to persuade the House and Senate conferees to fully support this vital technology research.

Another amendment I offered would direct the Army to continue to participate in a joint DOE-Army research project concerning magnetoencephalography. This project would examine how the brain works and how those findings might apply to the fields of medicine and military personnel selection and training. The Senate agreed on the need for this project and approved of my amendment. In conference, the Armed Services Committees agreed that the Army should continue its participation in this promising program.

I also offered an amendment that would require a report from the DOD regarding military families with disabled or blind children. This is the problem addressed in S. 1721, a bill I introduced to correct what I felt was a significant inequity. These families with disabled or blind children have in the past been eligible to receive supplemental benefits to care for their disabled dependents. Unfortunately, these same military families discovered that when they were deployed overseas, they lost these much needed benefits.

My amendment would require the Department of Defense to focus on the number of families eligible for these benefits while living in the United States, the number of families that lose these benefits when they are deployed overseas, and the costs involved if we were to provide these benefits to them while overseas in the service of our country. Fortunately, the Senate and House also included in their reconciliation bills language to help these families. As a consequence, the law will be changed in order to provide these families with the much needed aid.

Finally, I was able to convince my colleagues of the need for and benefits of a center for national security and arms control to be located at one of our national laboratories.

I am pleased that the conference agreement includes a provision to authorize the construction of the Center for National Security and Arms Control at Sandia National Laboratories. Additionally, I am pleased that the conferees agreed to allow a land transfer between the Department of Defense and the Department of Energy that is necessary to clear the way for this vital arms control and verification project. This accomplishes the goals of S. 701, the Center for National Security and Arms Control Act.

Sandia National Laboratories is one of our Nation's leading centers for national security research and development. They have demonstrated leadership in arms control and verification technology.

The Center for National Security and Arms Control will bring together work in four interrelated areas:

Arms control studies and verification technology;

Systems analysis and advanced concepts;

Intelligence; and

Threats and countermeasures.

These functions are currently scattered throughout Sandia National Laboratories in temporary and substandard space. The Center for National Security and Arms Control will consolidate these functions in a single facility for more efficient operation of the pioneering arms control and verification work at Sandia National Laboratories.

The total cost of the facility is estimated to be $32 million.

The land upon which the Center for National Security and Arms Control is to be located is a 5.5-acre tract at Kirtland AFB in Alburquerque. It is adjacent to Sandia National Laboratories, which is a DOE facility. DOE desires to acquire title to the tract so that it can construct the Center for National Security and Arms Control on the site.

DOE has been occupying the land upon which the Center for National Security and Arms Control will be located since 1967 under a permit from DOD. Continued utilization of the land under a permit for DOD, however, is no longer an option.

The substantial cost of the facilities to be located on the property requires that DOE own the land, rather than continue to operate under a permit from DOD, which could reassert control over the land at any time. Such an action would result in the relocation of the Center for National Security and Arms Control, which would be very costly to the Federal Goverment.

This transfer has been proposed as the best means available to allow construction on this vial project to begin in an expeditious manner. The alternative is to attempt a transfer under the "declaration of excess property" process, which takes a minimum of 2 years.

The transfer of title to this facility would be accomplished without compensation to DOD because neither DOE nor DOD would benefit from any compensation, as the funds would simply be returned to the Treasury—from which they came in the first place.

This bill contains a number of important projects, both beneficial to New Mexico and of benefit to the Nation as a whole, that I am proud to support. I look forward to passage of this bill and I urge my colleagues to vote for this conference report.

I thank the managers of the bill and in particular the distinguished Senator from Georgia [Mr. NUNN] for helping us with this, and Senator WARNER for his accommodating us as we attempted to solve the problems that I just described on the defense authorization bill. It is solved. It will soon become law.

I yield the floor.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. LEVIN. Mr. President, I wonder if the manager would yield a total of 10 minutes to Senator RUDMAN and myself so we could introduce the Ethics Reform Act which we are trying to introduce today.

Mr. WALLOP. I would be willing to cooperate, but, for the time being, I cannot. The time over here is already spoken to. If the Senator would ask unanimous consent to speak as if in morning business, we would have no objection.

Mr. LEVIN. Mr. President, I ask unanimous consent that I be allowed to speak for 5 minutes and Senator RUDMAN be allowed to speak for 5 minutes in morning business without the time counting against the pending business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Michigan is recognized.

Mr. LEVIN. I thank the Chairman.

(The remarks of Mr. LEVIN and Mr. RUDMAN pertaining to the introduction of S. 1882 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. WARNER. Mr. President, how much time does the Senator from Virginia have under his control?

The ACTING PRESIDENT pro tempore. Twenty-one minutes and 30 seconds.

Mr. WARNER. Of that time, I yield 4 minutes to the Senator from California.

The ACTING PRESIDENT pro tempore. The Senator from California is recognized.

Mr. WILSON. Mr. President, I thank my friend. I thank him not only for his courtesy now but I thank both the Senator from Virginia, as the ranking Member, and the distinguished chairman, the Senator from Georgia, for the effort they have made to lead us through a very difficult, very protracted, and contentious conference with House of Representatives. I think they have done an extraordinary job.

I am not nearly so full of praise for the product, but that is not their fault. The fact of the matter is, they have had to deal with the House conferees. Unhappily, my purpose in rising is to suggest that, despite the best efforts that have been made by the Senate, we have before us much less in the way of product than we should. For all of the time, all of the effort, what we have is a very mediocre compromise in some of the most important aspects of the bill because the House began with a conscious bargaining position that was, virtually, irresponsible. And they have been rewarded for their irresponsibility in that we have come to a compromise that does not reflect the real needs of the United States, in terms of our security posture.

In particular, if we focus upon the strategic accounts and the funding for the strategic defense initiative, they have been rewarded for irresponsibility because the end result is we have far less to spend than we did in the preceding year for a program that should be increasing, in terms of the amount of time, attenion, and resources we are devoting to it, if we are to make good on the announced intention of the administration which is to permit the President of the United States to make a decision of full deployment within his first term.

There is very serious doubt cast upon his ability to do so now, as a result of the fact that we have so cut the funding that a number of projects necessary to his gaining the information required to make that informed decision will simply not be permitted to go forward, and certainly not at the pace and tempo they were scheduled to enjoy.

Much of this, we might say, will be made academic if we have a prolonged sequestration, if that course is not altered by our success on a reconciliation measure that will prevent it.

But, in any case, what I will say to may colleagues, Mr. President, is there needs to be a very different path taken. Here I would call upon the administration. I think the administration needs to be far more definite, far more firm, far earlier, in dealing with the kind of irresponsibility that has in fact occurred.

No one on the authorizing committee enjoys the prospect of putting in long hours, indeed days and months, upon a bill that the President of the United States finds himself compelled to veto. Yet that may very well be the course we have to urge on the President of the United States if, next year, there is a repetition of the kind of procedure that this year, through attrition, through beginning and ending with irresponsibly low marks for critical accounts, we come to a bill which, through no fault of the Members of the Senate and certainly no fault of the managers, the chairman, and ranking Member, results in a bill not responsive to the needs of America.

I rise, in short, to perform an unpleasant task, and that is to give an admonition. The admonition, very simply, is the best efforts of the Senate by themselves will not be sufficient if the administration does not do its part. The administration must make clear far earlier and more clearly that what we have this year is an unacceptable result.

Again, my congratulations to the two managers for making the best of a very difficult situation.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. WARNER. Mr. President, I yield to myself such time as may be required.

The ACTING PRESIDENT pro tempore. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, I thank our distinguished colleague from California. He is a tower of strength on that committee. I appreciate his remarks. He deserves in every respect equal commendation for his contributions on many issues, particularly in the area of personnel.

At this time, I yield such time as the distinguished Senator Mr. LOTT, may require.

The PRESIDING OFFICER (Mr. KOHL). The remaining time is 7½ minutes.

Mr. LOTT. Mr. President, how much time do I have left?

The PRESIDING OFFICER. Seven and a half minutes.

Mr. LOTT. I yield myself 4 minutes.

Mr. President, I thank the distinguished ranking member of the committee, the Senator from Virginia, for yielding at this time. I also want to commend him and the chairman for the outstanding job that they have done on behalf of the Senate Armed Services Committee and on behalf of the Senate in support of this legislation. The conferees worked very hard in arriving at the very difficult compromise defense bill, but I think the diligence and persistence of our chairman, the Senator from Georgia [Mr. NUNN], and the Senator from Virginia [Mr. WARNER] made it possible because they just hung in there and insisted on getting this authorization bill agreed to.

I must say as a Member who served in the other body for 16 years, this is one of the most unusual conferences I have ever seen. Certainly that was expected because there were such great differences between the bills that the two bodies passed. At one point, I really wondered if we would even have an authorization bill this year. So I am pleased we have one. I think it would have been disastrous if we had been unable to reach agreement on this authorization bill and if we let the Appropriations Committee do its work without this authorization legislation.

Like my colleague from California, I must say that I am concerned about what it portends for the future. If the House conferees in the future are in a position of having to work under the restraints they worked under this year, I think it is going to become more and more difficult to get an agreement. I think the country will suffer in the process.

While I think this legislation is basically a good package and I am going to support it, I want to emphasize that this represents the fifth year in a row the defense spending has declined in real terms. I keep talking about that. I know that other Senators talk about it, but it just does not seem to be getting through. The media do not tell that side of the story and the people do not know it. But it is the fifth year in a row that there has been a decline. I really worry as we see the changes that are taking place in Europe and throughout the world, that next year defense spending will go down even further in real terms, maybe even dramatically. I am concerned there is going to be a rush pell-mell to cut defense without really looking at what it is going to do to a number of very important areas for the future defense of this country.

So I hope that we will be very careful in the future as we assess the changes and we decide what we are going to do in the defense area; that we just not start cutting across the board.

In general terms, this bill does accommodate the administration's proposed budget and it departs significantly, in my opinion, from past budgets by making difficult choices to terminate some weapons programs. I think that needed to be done. In the part, we have been accused of never meeting a weapons system we did not like, always trying to perpetuate them into infinity. This year Secretary Cheney did his job. He deserves a lot of credit for his courage in proposing necessary terminations. We do have some terminations in this bill, but they are well thought out and a lot of work went into them by the administration, by the Department of Defense, and by the Congress.

I have a particular area of concern in the bill that we cut some 22 percent from the President's request for the strategic defense initiative. Regardless of dramatic improvements in relations with the Soviet Union and the changes that may be taking place there, I think that SDI offers the real possibility of reducing future threats. A cut of this magnitude will clearly slow down this critical program. It is gratifying to note that the bill makes a significant contribution to the detection and monitoring of aerial and maritime transit

of illegal drugs. In fact, there is a 50-percent increase over the amount for fiscal year 1989, from $300 million to $450 million. I am very pleased with that because the Defense Department resisted getting into an effort to help monitor drug traffic and trying to help us with this tremendous problem. At least this year the administration, and the Congress agreed to go forward with using the military in fighting the war on drugs. It is clear that future defense budgets will be influenced by recent events in Eastern Europe, but I think we should be very careful to look at our long-term commitments and keep in mind that force levels should be based in potential Soviet capabilities, not on intentions which are subject to change or which may not ever, in fact, go into effect.

In conclusion, I again want to congratulate the committee for the work they did. I think we basically have a good bill and we should support it and go forward to the appropriations bill.

I will be glad to yield 4 minutes to the distinguished Senator from Washington.

The PRESIDING OFFICER. There are 2 minutes left.

Mr. LOTT. The remainder of the time.

Mr. GORTON. Mr. President, seeing no one else on the floor desiring to speak, I ask unanimous consent for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORTON. Mr. President, this final discussion of the defense authorization bill for 1990 is in my view a time for looking back with gratitude at the efforts of many in the Senate and forward to the difficult challenges of 1991.

The bill itself is a culmination of more than 8 weeks of work in a conference committee, a conference committee which took longer on this bill than did the liberation of East Germany by its own people.

That conference lasted so long and was so deeply divisive for two sets of negotiations; funding for the President's strategic nuclear modernization program, and the desire of the administration to terminate a number of other significant programs.

By and large, Senate negotiators were successful under difficult circumstances. Both the distinguished Senator from Georgia and the distinguished Senator from West Virginia deserve more credit than any of us can possibly give them on this floor for their diligence, for their patience, and for their firmness during the course of those negotiations.

Nevertheless, we have ended up with a bill which, in my view, given the amount of money we have altogether does not deal sufficiently with the problem of strategic modernization and which does spend too much money on programs which are no longer needed.

We will, however, at least be able to go forward into the debate next year with a strategic nuclear modernization program in SDI, with respect to the B-2, with respect to mobile missiles, which will allow us to make intelligent policy decisions in that connection.

The distinguished Senator from Virginia, looking forward now, mentioned the fact that for 5 consecutive years the actual real dollars for the defense budget have declined. He made a plea that we not overlook the very real needs for national defense during the coming years.

Mr. President, I think we have to look at reality. It is my view that the actual defense authorization next year will be fortunate if it is within $10 billion in nominal dollars of the amount we are spending this year. I believe that next year we are going to have to make many very difficult decisions which we have managed to avoid during the course of this year. We will make those decisions, of course, because our defense programs have been successful, because this country is strong, and because it is confident we have seen extraordinary changes in the East bloc, but we are now going to have to react to those changes ourselves.

The people of the United States are going to demand a defense dividend, and no task can be more important, not just for the chairman and for the ranking minority member of this committee, but for the committee, for the President, for the Senate, and for the country to determine how it is that we can continue our national security, continue absolutely necessary modernization and at the same time deal with striking reductions in defense budgets in years in the future. Those challenges will cause to pale into insignificance the kinds of problems and challenges we have faced this year, but they are challenges we are allowed to make not because of the failure but success of the American defense policy over the course of the last decade.

The PRESIDING OFFICER. The Senator from Georgia has 26½ minutes.

Mr. NUNN. Mr. President, I yield to Senator EXON who is one of our most valued and most diligent members of the committee. He has the responsibility of the Department of Defense strategic programs. He has the production of the nuclear weapons, DOE, and he has other matters that are enormously important. I do not know of anyone who is more conscientious and works more diligently than the Senator from Nebraska.

Mr. EXON. Mr. President, I rise in support of passage of this conference agreement on the Defense Authorization Act for fiscal years 1990 and 1991. As the chairman of the Armed Services Subcommittee on Strategic Forces and Nuclear Deterrence, I participated in the ordeal which was this conference. I reluctantly conclude that this is an agreement which we should accept.

However, I have many reservations about it both in regard to its content and the manner in which it was developed.

First, with regard to content, I am satisfied but not enthusiastic about the agreements reached on strategic programs. In particular I remain concerned that the House's reluctance to fund the B-2 bomber at the level approved by the Senate. The compromise will ultimately increase the unit cost of the B-2 and possibly make it unaffordable.

Unable to kill the B-2 outright this year, the House has instead selected a back-door method whereby the cost of the aircraft is deliberately increased to the point of possible unafforability. The House has set in motion a self-fulfilling prophecy which should fool no one.

Mr. President, I remain convinced that, with the extensive Senate safegaurds prohibiting the spending of money on the B-2 until that plane passes its test. The Senate funding levels were wiser economically and strategically.

The House's flip-flop on ICBM modernization, as evidenced by a series of conflicting floor votes, is also worrisome. There is no strategic foundation to what the House wants in the area of nuclear deterrence.

The SDI figure is lower than last year's number but not disastrously so. Simple economics dictate that we can no longer afford the SDI buildup of the past years. But again, given its choice, the House would have destroyed this program as well.

I am also disappointed that the House has insisted upon overruling the Secretary of Defense on program termination decisions. Let me state clearly for all Americans to understand, we have a Secretary of Defense who made tough decisions, terminated lower priority programs, and favors smaller but better prepared Armed Forces. The Congress, however, in its inability to distinguish between short-term constituent concerns and long-term national interests has viewed the defense bill as a jobs and social welfare bill.

That is highly irresponsible and ensures more inefficient defense spending in the future—the exact opposite of what every Member of Congress decries with a righteous voice. I simply cannot understand such shortsightedness and duplicity.

Turning to the process of getting an agreement, I find myself even more despondent. The House always appoints a horde of outside conferees.

This year, however, it out did itself. Sadly, the House Armed Services Committee, as an institution, is being dismantled by conflicting elements within that body. By appointing outside conferees with an interest in only one particular issue, the House has created an environment in which their positions must prevail or there is no bill. Our procedures give only veto powers to the President not individual Members of Congress. Democracy is not meant to work in that way.

Mr. President, what I witnessed was a sad lesson in democracy gone sour.

Having expressed my disappointment with the torturous route taken by the conference and the poor decisions made, let me say that, under these circumstances, the Senate conferees did as well as could be expected. Senators NUNN and WARNER should be applauded for their patience, persistence, and negotiating skills. I doubt that anyone has had to contend with as much since the Panmunjon peace talks ending the Korean war. I urge my colleagues to support this conference agreement and hope that the President will sign it into law.

Mr. NUNN. Mr. President, I yield myself such time as I may need to complete my statement.

Mr. President, a few minutes ago the Senator from Alaska, who is a strong supporter of national security and is a very effective member of the Appropriations Committee, made a statement about a certain provision as an example of restrictive language that the Armed Services Committee puts in its bill. The statement he made was in reference to section 351 which provides for a limit on how much money can be expended above $517,800,000 until such time as a report is submitted by the Department of Defense. This is in the account called environmental restoration.

The Senator from Alaska indicated he feared certain projects might not be able to be funded and completed or even started because of this provision. I have two or three observations on that comment by my friend, the Senator from Alaska.

First of all, the administration requested only $517,800,000 in this account. The language restricts expenditures above that amount. So everything they requested can be done even absent the report.

The second point I make is that they can get the report in and then they will be able to spend even more than they asked for because we increased that account by $83 million.

There is another section, section 301, that authorizes $601 million for this account. So we believe it is a very important priority, environmental restoration. We think it is the duty of the Department of Defense to be very forthcoming and diligent in this respect. There are many areas that have to be attended that have been neglected too long. So there can be no interference with any of the administration's requested projects because we have funded everything that they asked for and gave them an additional $83 million.

The only thing we are really saying in this section is before you spend the extra money you did not ask for, give us a report on what you are doing with the money you did ask for.

Two other observations on the comments of the Senator from Alaska. The Appropriations Committee did not exceed this amount, so there has been no effort by the Appropriations Committee to go beyond the $601 million. In fact, I am told by staff that their number tracked our number of $601 million

The Senator from Alaska said that they were impeded from going over because that would be going over an account. We welcome that because if that is the case, then the strong point we have made over the years about the Appropriation Committee being obligated to respect our ceilings in accounts is being taken seriously, and we thank the Senator from Alaska for that.

I must say, though, that there are six other accounts. And I am not complaining here. We have and are going to work very closely with the Senators from Hawaii and Alaska, but there are six other accounts where they did go over including Army aircraft procurement, shipbuilding, and Army ammunition.

Based on that track record, it is my belief they must have agreed with our amount for environmental restoration. Otherwise, based on these other account ceilings they exceeded, I think they would have done so here as well. So I just wanted to deal with that subject. I believe that we and the appropriators are in agreement on this account.

We have some differences on technical language. We have some differences on university set-asides but that can wait another hour for debate when the Appropriations Committee bill comes up.

In general, we worked very carefully with the Appropriations Committee this year. We tried to keep them fully informed of our position. We have invited them to our meetings in accordance with the agreement we have entered into with them. We have eliminated on the floor of the Senate all floors. We are supposed to be a ceiling.

The authorization level is a ceiling, that is, they are not supposed to exceed the authorization level. Neither are we supposed to put floors in saying they cannot go below a certain level. They are able to cut and should be able to cut below our levels. They have that right. So we have eliminated every floor in the bill that we have known about. We did it when we came on the floor of the Senate with the original bill out of committee. We worked very closely with the Senator from West Virginia, the chairman of the Appropriations Committee, Senator BYRD. We had an amendment that specifically eliminated all floors because we, frankly, did not intend to put them in to begin with, and, second, even those that may have been intended by a certain member should not have been in there.

So we eliminate it. We try to keep all those floors out in conference. The House had all sorts of floors in their bill. We told them we could not bring back any floors because that would breach our understanding with the Appropriations Committee. We thought we had accomplished that. We believe we largely did accomplish it.

But we found three places that could be construed as floors, and we have taken the step of going with a concurrent resolution that the House has already passed, and at our request they passed that particular part of it—we are going to pass it here hopefully today—which eliminates those three floors. So we are trying to live up to our obligation. We regret there were three errors made here.

The Senator from Alaska sent us a letter citing I believe 21 or 22 provisions that he believe to be in violation of the agreement we entered into. I will not go into all the details on that. We disagree on all but three. We think the other 19 are either ceilings or fences. Those are matters that we always do in the authorization committee. We have every right to have a ceiling. That is what an authorization bill is.

Second, we have every right to put fences about the expenditure of money. For instance, the B-2; we have a fence on the B-2 bomber as to how much production money can be spent before certain tests are completed. We have done that year after year after year. In fact, most of those provisions that the Senator called to our attention were in the original Senate bill and were not complained about by anyone after reviewing that bill when we were on the floor debating it for several weeks. So I did want to make those positions clear.

I want to end by thanking the Appropriations Committee for the work they have done. They worked very hard. They work long and hard, as we do. They have completed their conference. We will be dealing with that bill at a later point, I hope this week.

Mr. President, are there any other Senators who wish to speak?

Mr. KERRY addressed the Chair.

Mr. NUNN. I would like to accommodate the Senator from Massachusetts.

I yield to him. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 18 minutes.

Mr. NUNN. I yield to the Senator.

Mr. KERRY. May I take such time as I may need, and then I will yield.

Mr. NUNN. I will yield up to 10 minutes in the hopes he can cut it short. We are trying to get to a rollcall.

Mr. KERRY. Mr. President, I thank the distinguished chairman of the Armed Services Committee. I know he is trying to proceed rapidly here.

STOP THE FIGHTING IN EL SALVADOR—NOW

Mr. KERRY. Mr. President, today, as we listened to Lech Walesa talk about the changes in Eastern Europe, particularly in Poland, all of us stood up and applauded particularly when he talked about the ability of that country to undertake change without violence, without breaking windows, without confrontation; a change obviously of enormous consequences when measured against the tanks and the oppression that had previous reform efforts in Eastern Europe.

Mr. President, El Salvador's warweary and long-suffering population is now being subjected to another spasm of violence as a rebel offensive has taken the war to the barrios and residential neighborhoods of that nation's capital.

This is but another of the seemingly unending tragedies to afflict the innocent of that strife-torn nation. Just this past September, hopes both in El Salvador and abroad, were raised when representatives of the Government and the FMLN agreed, in Mexico City, to a framework for negotiating a political solution to that nation's civil war. However, maybe it was too much to expect that the aspirations and desires of the vast majority of the Salvadoran people for peace would be heeded by the radical extremists of the right and the left. That agreement in Mexico City appears only to have served as an inducement to these radical minorities to pursue their deadly, dirty work in earnest.

The simple fact of the matter is that a small minority on both the right and the left do not want a negotiated political solution to El Salvador's decadelong war. And the last thing that concerns them is how many civilians will have to be murdered brutally in order to accomplish their ends.

Late yesterday President Oscar Arias Sanchez of Costa Rica issued a moving statement calling for the warring parties to return to the negotiating table immediately and commit themselves to ending the suffering of the people of that country. President Arias, the winner of the Nobel Peace Prize, and an eloquent and persistent advocate of dialog, negotiation, democracy and peace brings a moral standing to the issues of peace and war in Central America that cannot be challenged. For this reason, I hope my colleagues will listen carefully to what President Arias had to say. More importantly, it is critical that the armies of the warring parties in El Salvador heed his words. I want to take a moment to share his statement verbatim.

President Arias stated:

Once again, senseless violence assaults the sister nation of El Salvador. There is no justification for the continuation of violence. The people of the world are weary of aggression and destruction that leads nowhere. The Berlin Wall that now falls is the best symbol of an era in which nazism, fascism and communism shaped the dogmas that have caused the greatest harm to the history of mankind.

Those dogmas that feed the fanatic spirits of a few no longer inspire sympathy, least of all that of the young people who, time and again were betrayed by their idealism and made the first victims of violence.

I strongly, and without hesitation, condemn the military offensive of the Farabundo Marti National Liberation Front. Today, the number of mothers, wives, and Salvador children in mourning is great. Civilized humanity rejects the foolish justification of violence as an instrument for demonstrating strength in negotiation.

The Central American agreements for peace are based on the legitimacy of governments and the need for insurgents to be integrated into the political process with guarantees for the full respect of their rights. In order to carry out the commitments that make up the plan for peace in Central America, I asked the Nicaraguan Contra to renounce armed struggle or abandon Costa Rican territory. I believe that all Central American governments should take a similar initiative. I urge those who signed the plan for peace to honor their signatures by fulfilling their commitments. I urge them to cease all support of those who practice violence as a form of political action.

The plan for peace of the Central American people represents the sentiment of the majority of our nations. It is time for fanatical minorities, regardless of ideological leaning, whether that of the government or that of the opposition, to stop obstructing the road toward peace that is longed for by worker and businessman, mother and child.

I call for the immediate return to the dialogue that was scheduled to take place in Caracas between the authorities of the Salvadoran Government and the guerrilla forces. I am firmly convinced that more courage is needed to make peace than to wage war. I believe that the recent dialogue between the two parties has been one in which there has been much talk, but little listening; dialogue that has been characterized more by intransigence than by tolerance, more by distrust than by mutual respect. I urge the Farabundo Marti National Liberation Front to attend the meeting in Caracas unequivocally committed to agree on a cease-fire that will allow the negotiation of the conditions under which the insurgents will be integrated into the political life of El Salvador.

I call upon the parties to agree to a cease-fire, a cessation to that violence which kills, and kills without remembering that through peace there can be a better future for all Salvadorans.

Mr. President, neither side comes to the negotiating table with clean hands. And those who are desirous of an end to the bloodshed, who are desirous of a negotiated political solution in that country, and those who are desirous of political, social, and economic opportunity for all Salvadorans understand this reality all too well.

For those who are concerned about human rights abuses, we condemn those abuses, no matter who perpetrates such abuses on behalf of whatever ideological causes. The ends do not justify the means. There is absolutely no difference between the indiscriminate killing by the Salvadoran Armed Forces using helicopter gunships and bombs, than the killing and maiming of innocent civilians by guerrilla land mines placed indiscriminately throughout the countryside. There is absolutely no difference between the Salvadoran Armed Forces firing purposefully into the crowds of peaceful demonstrators, and the guerrillas establishing military strongholds in heavily populated areas. There is absolutely no difference between the operations of right-wing death squads murdering labor and peasant leaders, church workers, political figures, and human rights advocates and the left wing death squad murdering mayors, politicians, intellectuals, and the children of army officers.

Unfortunately, neither side in the Salvadoran conflict can claim the moral high ground. Unfortunately, the armies of the adversaries argue over who cast the first stone or the last stone, indifferent to the growing human toll they are exacting among the innocent civilian population.

The talk is not of peace, but of retribution. The actions are not of confidence-building and reciprocal measures, but of provocation and polarization by both sides.

It is time for those of courage on both sides to step forward and lead El Salvador to peace. There are already too many cowards hiding behind guns on both sides. It is time for the will of the people of El Salvador to be respected and supported. For far too long the people of El Salvador have been used as cannon fodder by the idealogues of the extreme right and extreme left. Anyone, right or left who believes that violence is the only path to pursue cannot claim the hearts and minds of the people.

For the Government, it is imperative that it exercises restraint in the use of military force. The Air Force should be grounded. It should not be allowed to bomb and strafe rebel positions in heavily populated areas, thereby endangering the lives of numerous civilians. To use such force in such a manner would only play into the hands of the extremists on both sides.

The military should seal off these neighborhoods, call upon the FMLN to allow the civilians who desire to do so, to leave. Red Cross and Green

Cross workers should be allowed to tend to the needs of the wounded civilians.

This crisis is a test of who controls El Salvador—the extremists, or those on both sides who place the safety and well-being of the people above their own personal ideology and personal agendas.

The winds of change are blowing with increasing force around the world. These are the winds of political, economic and social liberalization. These are the winds of negotiation and dialogue, the reduction in tensions, the avoidance of confrontation, the tending to human needs. The ancient rites of barbarism have no place in today's world, not even in El Salvador.

It is time for a cessation to the hostilities. It is time to return to the negotiating table. It is time for both sides to agree, without preconditions, that a cease-fire will be implemented. It is time to undertake the step-by-step process of confidence building measures that can lead to a comprehensive, political solution to that Nation's tragic crisis. It is time to heed the words of a peacemaker, President Oscar Arias Sanchez of Costa Rica, who yesterday stressed:

The plan for peace of the Central American people represents the sentiment of the majority of our nations. It is time for fanatical minorities, regardless of ideological leaning, whether that of the government or that of the opposition, to stop obstructing the road toward peace that is longed for by worker and business, mother and child.

I ask unanimous consent to have an Americas Watch release printed in the RECORD at this point.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

NEW YORK, NEW YORK, November 14, 1989, 6 pm EST: Americas Watch called on the U.S. Ambassador to El Salvador, William Walker, publicly to urge the Salvadoran Armed Forces to avoid indiscriminate attacks upon civilians and civilian objects, and to take all precautions to assure that civilians are not wounded. Americas Watch noted that Ambassador Walker had been quoted as indicating that there was no way that the Army could evict the guerrillas from San Salvador guerrilla-held shantytowns without producing many civilian casualties. Americas Watch is alarmed by press reports that heavily-populated urban neighborhoods are being strafed by armed forces helicopters, despite the presence of civilian families unable to escape from their homes.

Also, Americas Watch remined both sides, the Salvadoran Armed Forces and the FMLN guerrillas, that the rule of proportionality, under the Geneva Conventions, requires both sides (1) to do everything feasible to verify that the objectives to be attacked are neither civilians nor civilian objects, (2) to take all feasible precautions in the choice of means and methods of attack with a view to avoiding, and in any event to minimize, incidental loss of civilian life, injury to civilians and damage to civilian objects, and (3) to refrain from deciding to launch any attack which may be expected to cause incidental loss of civilian life, injury to civilians or damage to civilian objects which would be excessive in relation to the concrete and direct military advantage anticipated.

Americas Watch noted, and called to the attention of the FMLN as well as the Salvadoran Armed Forces, the provisions of international humanitarian law that forbid the parties to the conflict to direct the movement of the civilian population or individual civilians in order to attempt to shield military objectives from attacks or to shield military operations. Under the laws of war, civilians may not be used to shield military objectives from attacks or to shield, favor or impede military operations.

Americas Watch urged that effective advance warning be given of attacks which may affect the civilian population, and that civilians and wounded combatants be permitted to evacuate the currently contested areas, where possible under appropriate international protection. Under Protocol II to the Geneva Conventions, the parties are obliged to ensure the adequate care of the wounded, whenever circumstances permit. Preliminary reports from aid workers indicate that both sides have impeded the evacuation and thus the treatment of the injured.

Reprisals against the civilian population also violate the rules of war, and both sides were urged by Americas Watch to respect the lives and physical integrity of wounded and captured combatants.

Mr. NUNN. The Senator from West Virginia is on the floor. He is a very valued member of the Armed Services Committee, and chairman of the Appropriations Committee.

Does the Senator from West Virginia desire time?

Mr. BYRD. I would appreciate some time.

Mr. NUNN. I yield 5 minutes.

Mr. BYRD. I thank the distinguished chairman of the Armed Services Committee, my friend, and one of the most outstanding Senators that I have seen come to this body in my 31 years here.

I take this occasion to say something that may surprise Senator NUNN, but it should not surprise others of us. I have had the opportunity to study the history of this institution. I am not a historian, but I try to be a student of history.

Niccolo Machiavelli, born in 1469 in Florence, Italy, grew up under the rule of Lorenzo the Magnificent. Machiavelli was once selected secretary to the Second Chancery to the Republic of Florence.

He acquitted himself well and proved himself to be a very capable individual. He had charge of the military and foreign services. He was later exiled to a little place in the country, and while he was in exile, he wrote some notes.

Each morning when he arose, he would go out to the woods and talk to the woodcutters. Then he would go down to the inn and talk to the landlord and the butcher and a couple of the bricklayers and the miller. Then he would go back to his little place in the country. In the evenings he would take off his mud-stained country dress and put on his royal attire and go into his study, where he would "converse" with great men. He would ask questions of these great men. He touched hands with the great through the books in his library, and he made notes for those who aspire to political office. He wrote "The Prince," and his intention, presumably, was to give these notes to Lorenzo the Second, but he died without publishing his notes.

His book became a handbook for aspiring politicians. In this book, he told the prince to study history. He said, select someone as an idol, and try to emulate him, as Alexander the Great did Achilles, and as Caesar did Alexander the Great, and as Scipio Africanus did Cyrus the Great.

My point here is that he said to study history. Well, I have tried to study history in recent years, and I am sorry I did not spend more of my lifetime studying history. But I have studied the history of England and am continuing to do so, and one day I may make some extended remarks in that regard, to point out how much we owe our English motherland for our Constitution and for many other things.

In my study of the history of the Senate, I have had an opportunity to walk, as Machiavelli did, with great men—the great men who spoke in this Chamber in years gone by, and in the old Chamber down the hall, and in the older Chamber down on the floor beneath where we stand today.

In doing so, I have, in my own mind, tried to picture those Senators today who might very well have graced the Senate of the past. There has never been a new Senate, because two-thirds of the Senate always carries on, unlike the other body, where, in theory at least, and under the Constitution, there can be a brand new body enacted every 2 years.

But not here. This is a continuing body, and it will be thus until the crack of doom. There will never be a new Senate.

It continues, like the waters of a spring, to refresh itself over time. The old waters go out to the sea and new waters trickle from the hills into the spring. That is the way it is with the Senate.

In my own mind I have tried to evaluate and analyze as to whether or not there are Senators today who very well could have graced the Senate of 1789, in the First Congress, or the Senate in 1850, or the Senate in 1859 when 64 Senators came from the Chamber down the hall to this new Chamber, or who could have stood here during the Civil War years or during the reconstruction years or during the early part of this century while Senators were still being elected by the State legislatures, or who could

have been here during the Great Depression, or the New Deal years, or the years of World War I, or World War II, and who might very well have been one of the strong guiding lights of the Senate in any of those periods of history.

Of course, there never will again be, I suppose, Senators who could stand as orators in the place of Henry Clay, Daniel Webster, John C. Calhoun, or Thomas Hart Benton. Yet, we must remember that even Webster took his speeches to the boarding house and edited them, and, in my volume II, "The Senate, 1789–1989," I will show that in his debate with Hayne, a speech that schoolboys and girls all over this country memorized for decades. It was not the speech, in several respects, that he had actually delivered. Webster was a good writer and had edited it, and it did not come out altogether as he spoke it. That does not detract any from his great presence and his tremendous ability as an orator.

But there are Senators other than that great triumvirate who were great Senators, and that brings me to my point. I say this because I believe it; I mean it. There are some Senators in this Chamber today who could very well have deported themselves well in any period of the history of this country in this body and who would have been recognized as great Senators in any age, and one of those, in my own mind, is SAM NUNN. There are others. But it becomes an invidious exercise to begin stating names, because where does one stop? What about those Senators who are not named? So, there are others, but I shall leave it at that for the time being. I may elaborate a little at some future time. But SAM NUNN is one who, in my judgment, could very well have been an outstanding and great Senator in any period during these 200 years.

Would the Senator now yield me 5 minutes for the purpose for which I first began?

Mr. NUNN. Mr. President, after that comment by the Senator from West Virginia, which happens to be the highest compliment I have ever heard made in my tenure in the Senate, not just because of the words, but because of the individual who spoke the words, and I mean that, I will say to the Senator, after those comments, I will yield him the remainder of my time.

Mr. BYRD. I do not want to take the remainder of the Senator's time. How much time does the Senator have remaining?

The PRESIDING OFFICER. All time has expired.

Mr. NUNN. Not a very big concession, Mr. President.

I will ask the Senator from Virginia if he has time he could yield.

Mr. WARNER. Mr. President, I think we should yield to the distinguished Senator from West Virginia such time as he deems necessary to complete his remarks. I ask unanimous consent for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished senior Senator from Virginia, my very warm friend, Mr. WARNER, for his kindness.

I ask unanimous consent that I be permitted to speak for 5 minutes without charging the 5 minutes to anyone.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I commend the distinguished chairman and the ranking minority member of the Armed Services Committee, Senator NUNN and Senator WARNER. It is a great team; they work well together, they are both able men, and they have the interest of their country at heart, and we all know that.

I also compliment the other members of the conference committee on the Defense authorization bill.

I know that this year's conference has been one of the most difficult and contentious in recent memory. The bills passed by the two Houses represented fundamentally different approaches to national security. I know how hard our conferees worked to secure a compromise that would be acceptable to the House and the President without undermining the Senate's position. So, I thank Chairman NUNN and Senator WARNER for their dedicated efforts in this regard.

I personally appreciate the efforts made by Chairman NUNN to work closely with the Appropriations Committee throughout this tedious process. I know that he has made an extra effort to ensure that nothing in this bill infringes on the prerogatives of the Defense Appropriations Subcommittee or the full Appropriations Committee.

And just as I would not want any Senator to infringe upon the prerogatives and the authorities of the Appropriations Committee, I would not want the Appropriations Committee to infringe upon the authorities and rights and powers of any other committee.

I know that Senator NUNN has made this extra effort. He has shown unusual sensitivity to the relationship of the two committees and has gone to extraordinary lengths to accommodate the Appropriations Committee members and staff.

I also applaud Chairman NUNN for his continued leadership in all aspects of national security policy. He is considered by most, if not all, and certainly by this Senator, to be the Senate's preeminent expert in this area. This past week he further demonstrated the kind of insightful analysis which earned him this reputation. In remarks to the Democratic Leadership Council, remarks which appeared in the Washington Post on the 14th of November, he cautioned President Bush to be prepared for dramatic arms reduction proposals from the General Secretary Mikhail Gorbachev at their upcoming meeting. He questioned how the United States would respond if Gorbachev offers to remove all foreign troops from Europe. He went on to discuss other fundamental questions about our overall military posture in a changing world.

It is unfortunate that such a warning is necessary. We have been dealing with Mr. Gorbachev and his surprise announcements since 1985, but he always seems to have the ability to catch us off guard. I would hope that in the future we can start anticipating some of his initiatives and preparing some of our own. Chairman NUNN is already doing this. Included in this authorization bill are sections calling for the Secretary of Defense and the President to report to the Congress on conventional force requirements in a rapidly changing environment and to evaluate various scenarios for mutual reductions in conventional forces. Again, Chairman NUNN, in crafting these provisions, is asking the questions we need to have answered before we can make long-term decisions about our defense budget. These are excellent provisions and will contribute greatly to our deliberations next year.

Just a few years ago no one would have predicted the rapid changes taking place in the world today. It is too late this year for much of what I hope we can eventually accomplish. But, I hope we can convince our allies, not only in Europe, but also Japan and Korea, to shoulder more of the burden for their own defense. I hope we can conclude delayed negotiations over chemical weapons and nuclear testing.

Mr. President, we are witnessing an amazing transformation in the world today. I think this authorization bill provides the necessary funding for our national security needs and again I compliment the conferees and compliment, most heartily, Senator NUNN and Senator WARNER.

Mr. President, I ask unanimous consent to have printed in the RECORD the statement by Senator NUNN to the Democratic Leadership Council Conference on November 13, together with the Washington Post article entitled "Nunn: Bush Can Expect Soviet Proposal on Troops."

There being no objection, the material was ordered to be printed in the RECORD as follows:

RETHINKING AMERICA'S ROLE IN THE CHANGING WORLD

My challenge is to talk about events in the Soviet Union and Eastern Europe in about 6 or 7 minutes, and I'm going to watch the clock very carefully. Let me start by saying that these comments are about as ad hoc and unstructured as the events themselves

in Eastern Europe, so I hope you put them in that context.

The way I would describe the events that we've witnessed in 1989 is that they are historic, they are unprecedented, they were unpredictable. I think the title I would use would be the one that Alvin Toffler used a few years ago when he wrote his book, "Future Shock." "Future shock" is where we are not with these events.

Who could have imagined that the leaders of the union called Solidarity, who were trying to stay out of prison about a year ago (and many of them were in prison), would now be leading the government in Poland? Who could have possibly imagined that in Hungary they would have cut down the fence separating Austria from Hungary and thereby opened up, in effect, the "back door" of the Iron Curtain? Who could have imagined that in the Soviet Union itself they would have abandoned Afghanistan in the physical sense (even though they are continuing to support it, of course, with tremendous goods and supplies)?

Who could have imagined that the Foreign Minister of the Soviet Union would have denounced his own government's action as immoral in terms of the invasion of Afghanistan? Who could have imagined that that same Foreign Minister would have said before the whole world that the ABM Treaty had been violated by the Soviet's positioning of a radar at Kraznoyarsk? Who could have dreamed that Sakharov, a few months ago in exile, would be in the Soviet leadership in Parliament—in effect, leading much of the opposition? Who could have imagined that just in the last few days the Iron Curtain would have been turned to Swiss cheese in East Gurmany and East Berlin? What should our response be to these events that I have titled "future shock?"

First, I would say that we have to have a sense of history. Second, I would say we have to have a vision of the future. It is not easy under these circumstances. Looking at history, I think we should note, particularly with the emphasis on the Wall coming down, the Cold War between the East and West started a number of years before the Berlin Wall was built in 1961. The building of the Wall was a very significant event, a cruel event, an inhuman event, and a stark reminder of the difference between freedom and totalitarianism, but it was not the beginning of the Cold War. That started years before under Stalin.

Second, I think we ought to remember in history that the United States and our allies, basically starting in about 1942 and continuing until about 1948, 1949, offered a number of opportunities to the Eastern bloc. We proposed the United Nations as an instrument for conflict resolution. We proposed the International Monetary Fund as an instrument for economic cooperation and we invited the Soviets to join. We proposed the Baruch plan, basically saying we were willing to work with them in controlling nuclear weapons. Stalin rejected each of these proposals without even giving them consideration. He pursued and his country pursued, under his leadership, unilateral advantage and, in many cases, confrontation.

Now that is changing dramatically. Gorbachev has changed the scene dramatically. I think we can say without any doubt that Gorbachev is a political genius—a long way from being an economic genius, as we all know, and those events and challenges remain ahead.

But what should the United States' response be to these startling events in Eastern Europe and the Soviet Union? I would say, number one, that we should not view this as a public relations contest—not a public relations contest at all, not whether George Bush has scored today or whether Gorbachev has scored today.

Number two, I think that we should not view this as a zero sum game. This is one of those rare times in human history that all sides and all peoples can come out winners if we act with wisdom.

Finally, I would say that we should view Gorbachev's actions in recent months not as new offers to the U.S. and our allies, but rather as a response to our forty year-old offer that has been outstanding all of these years without acceptance by the Soviet Union. I think we ought to pronounce that we now have after 40 years a conceptual agreement—an agreement in concept—and that we now are going to insist on performance and watch that performance very closely.

In terms of specifics, I made about a 35, 40 minute speech in London back in September (at the International Institute on Strategic Studies) about what I thought we should do in terms of responses both in Eastern Europe and in the Soviet Union. I will spare you that lengthy set of remarks today. Let me see if I can summarize it very briefly.

I would divide our reactions to the Soviet Union into three parts: one, a red light; second, a yellow light (a caution light); and third, a green light. Without trying to include all the red light areas, let me just say that one area that we should give a red light to in responding in any action that would be much more difficult for the West to reverse than for the East to reverse. I would include in that set of red light signals the denuclearization of Europe. If we do that, it's going to be virtually irreversible politically. So we need to watch that one very closely.

I would also include on the red light list the sharing of key technology that is militarily very valuable to the Soviet Union. (Representative Dave McCurdy already alluded to that.) We certainly need to narrow our list of what we protect. We need to narrow it rather dramatically, and not because of recent actions, but because the only way you can really protect something in this age of high technology is to have a narrow list and then to concentrate on protecting that list well.

On the cautionary light side—the yellow flashing light—I would say that we need to offer the Soviet Union a chance to be an observer in the International Monetary Fund and other international financial organizations, provided they continue to move towards a private sector and towards real prices and a freer market.

I would include on the green light list the areas of arms control which are many; numerous—conventional arms control, strategic arms control, chemical arms control, and others. I would also include on the green light list cooperation on regional issues, which we are making some progress in with the Soviet Union, but we have a lot of regional issues that have not yet even been addressed.

I would also say that it is time for us to seriously consider a waiver of the Jackson-Vanik amendment for 2 or 3 years. The immigration policies in the Soviet Union have dramatically changed. It is time for us to acknowledge that. I would not take that off the books because we don't know when they are going to reverse, but I think a waiver is in order.

I would also say that we need to cooperate with them, trying to find new roads of cooperation in the whole area of terrorism where we are beginning to have more of a mutual interest. Also, most importantly, in the area of environment. This is an area where the world has a common stake. We ought to make that very clear through our leadership. I would say exchanges, like George Mitchell mentioned a few minutes ago, with the legislative branch, which is newly emerging as a more independent group in the Soviet Union, are enormously important.

Finally, on the economic side, I believe that any time they are moving towards private enterprise and the private sector we ought to be willing to assist them with know-how and with managerial, entrepreneurial skills.

We heard a social panel today I thought was absolutely superb. The bottom line there, in many cases, they said that government should get out of the way. Perhaps one of the best things we could do economically vis-a-vis the Soviet Union in this set of circumstances is for the Government to get out of the way (except in certain areas) and let our private sector do its own thing. If the private sector is risking its own money that will have a disciplining effect on our efforts and perhaps a real impact on fundamental changes within the Soviet Union.

Turning to the question of Germany, I would say last week was probably the most significant week that we've had since World War II. There are many German questions that come as a result of these rapidly flowing events. The first fundamental question is, will there be free elections? If there are free elections, then there will be freely elected leaders in the country we call East Germany. But what will the people want in East Germany? It's very hard to ascertain that now because we don't have freely elected people. Under that question, is there a sense of identity in East Germany—is there a sense of identity with that state that transcends Communism? We don't know the answer to that. Probably not, but who knows until we see free elections?

Second question. Do the East Germans really want reunification, or do they want a non-Communist, but separate, state? (And I think it's apparent that certainly they don't want a totalitarian, Communist regime.) Do they want all Soviet troops removed from their soil? Probably so. But these questions have to be addressed by the East Germans themselves.

Another major question. What will change the Soviet Union's position on reunification? They are certainly against the reunification of the two Germanys now. A key component of that—and perhaps President Bush and all of us need to do some thinking about this because it may come up sooner than we think since everything is coming up sooner than we think—is, how would the United States and our allies respond if Gorbachev offers to remove all foreign troops from all European countries within a period of a few years? How would we respond to that? We had better start thinking about it.

On arms control, without getting into the details of that complicated, complex subject, we have to ask the fundamental question: are these events out-pacing our arms control proposals—which we felt were rather far-reaching even two or three months ago—or do we need to think more conceptually and much broader in the arms control field? We have agreements in concept on conventional arms control for equal ceilings, a fundamental, very important breakthrough. All of us want to see that

come into fruition, because if it does, then there is real hope for reducing from those equal levels down to dramatically lower levels. But agreement in concept and putting a final agreement together are two different things. It is awfully hard to get the details down on a piece of paper. It is very difficult. Admiral Crowe said that completing arms control agreement is somewhat like chewing horsemeat—the more you chew, the bigger it gets. [Laughter.] So we have to ask that question.

Finally, the reaction of our allies. This is a standard line, but it probably applies to others, too—it has been said over a period of time that some of our allies (like the French) like Germany so much they want to keep two of them! So we have that to consider.

The bottom line is that all these events are swirling around us. We have a summit conference coming up between President Bush and President Gorbachev in the near future. We cannot afford to be ill-prepared at the summit conference. We simply cannot afford another Reykjavik in this set of circumstances where the world will be watching for, not agreements necessarily, but every nuance that comes from that summit. So the President has to prepare thoroughly. We moved from the Brezhnev Doctrine to what is now called the "Sinatra Doctrine," meaning, as the Soviet spokesman said, "The Eastern European countries can now do it their way instead of *our* way" (meaning the Soviets). We have moved from the Iron Curtain to a curtain of Swiss cheese and we are going to have to have vision to react.

Conclusions. This is a period of instability, but it is also a period of great excitement and great hope. How much better it is to have unpredictability with hope than to have a status quo freezing in the captivity, in effect, of the East Europeans. NATO has coped with confrontation and perhaps the most serious military threat ever envisioned by mankind—we've coped with it very well as an alliance for some forty years. NATO's challenge now is how we cope with a threat that may be dramatically reduced. The post-World War II era has ended. The question is, what new era is now beginning? That is an open question. Totalitarian Marxism has lost. Clearly, Marxism has lost but democracy and free markets have not yet won. We should keep that very much in mind.

The question of East Europe's future is really one that is very much open. One model would be Finlandization—neutralization, in effect. Another model would be Balkanization, which was very dangerous and which led, of course, to World War I. We hope that there will be other models and options developed.

After Stalin repudiated the offer the United States made after World War II, we had a very courageous, very visionary President of the United States by the name of Harry Truman. Harry Truman and our allies established a lasting framework of containment. They established the NATO alliance. They established the Truman Doctrine vis-a-vis Greece and Turkey. They established the Marshall Plan rebuilding Europe and Japan. They established the International Monetary Fund and other international organizations. They established a containment policy containing the Soviet Union, not letting them dominate Europe and Asia. That policy has basically succeeded. America rose splendidly to the challenge of that era. Today's challenge is equal and will require the very best of all of us.

Thank you.

[From the Washington Post, Nov. 14, 1989]

NUNN: BUSH CAN EXPECT SOVIET PROPOSAL ON TROOPS

(By Patrick E. Tyler)

Senate Armed Services Committee Chairman Sam Nunn (D-Ga.) warned yesterday that President Bush must expect and be prepared to counter a possible Soviet proposal to withdraw all U.S. and Soviet armed forces from Europe when he meets with Soviet President Mikhail Gorbachev next month.

In an address to the Democratic Leadership Council, Nunn posed what he said was a critical question for the Bush administration:

"How would the United States and our allies respond if Gorbachev offers to remove all foreign troops from all European countries within a period of a few years? We had better start thinking about it."

After the address, Nunn said in an interview that he believes strongly that Gorbachev, spurred by the political upheavals in the Eastern European countries that comprise the front line of the Warsaw Pact military alliance, will use the seagoing summit to frame a new peace initiative that will catch Washington off guard.

He said he would advise the Bush administration to deal very carefully with any Soviet proposal for massive withdrawals, making sure that Gorbachev defines "how far out of Europe" Soviet troops would be withdrawn.

Nunn cautioned against Bush making a sweepng proposal of his own, such as "the denuclearization of Europe." That, said Nunn, "would be much more difficult for the West to reverse than for the East to reverse."

The Western alliance has relied on its nuclear forces in Europe to make up for the significant numerical advantage of Warsaw Peace conventional forces. NATO military doctrine calls for using battlefield nuclear weapons to repel an all-out Soviet-led invasion of Western Europe.

Nunn's remarks at the forum reflect the rapidly evolving response to the political upheavals in Eastern Europe, capped last week by the opening of the Berlin Wall.

Democratic mass movements that earlier swept Poland and Hungary and, now East Germany, have begun shaping a debate in Western capitals over the redefinition of the East-West military balance between the NATO and Warsaw Pact forces that have faced each other on Europe's dividing line since the end of World War II.

Nunn said current East-West negotiations to reduce NATO and Warsaw Pact conventional forces in Europe may soon come under intense pressure to expand their horizons.

"We have to ask the fundamental question," he said in his address: "Are these events [in Europe] outpacing our arms control proposals . . . or do we need to think more conceptually and much broader?"

Nunn, arguing that the upcoming Bush-Gorbachev meeting has become one of the most important East-West dialogues in years, said, "We cannot afford to be ill-prepared at the summit. We simply cannot afford another Reykjavik," a reference to the October 1986 meeting between Gorbachev and former President Ronald Reagan, who was caught uprepared to drastically reduce strategic nuclear forces.

In other remarks, Rep. Lee H. Hamilton (D-Ind.) said the United States should expect pressure from its European allies to drop plans to modernize short-range nuclear forces deployed in Europe.

Bush earlier this year urged West German leader Helmut Kohl to allow replacement of aging Lance battlefield nuclear missiles, but Bush agreed to a compromise that deferred the issue until 1992 in recognition of strong grass-roots political sentiment in West Germany against nuclear arms.

Mr. NUNN. Mr. President, I ask unanimous consent for 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Mr. President, let me thank the Senator from West Virginia for his very kind remarks. They could not have been more meaningful to me. I am indeed grateful. It is a day I will remember for the rest of my, not just my Senate career, but my life.

Mr. HARKIN. Mr. President, I did not vote for final passage of the Senate's fiscal year 1990 Defense authorization bill. Back in August, I considered the DOD bill to be too out of touch with reality. At that time, I felt that this bill represented a continuation of business as usual, a continuation of 40 years of cold war mentality driving massive weapons procurements, far beyond our real defense needs.

Events since August in Eastern Europe have only reenforced the sharp disconnect between the real world and our military procurements. Mr. Gorbachev has demonstrated by word and deed that the Soviet Union will not use military force even to keep Communist governments in power on the east side of the Iron Curtain.

If Mr. Gorbachev will not use military force to keep Warsaw Pact nations in line, how much less likely is he to use military force against NATO nations? The crumbling of the Berlin Wall is just the final symbolic manifestation of the decay of the old order within the Warsaw Pact.

And yet we continue to procure new weapons and to maintain a huge standing peacetime army as though Soviet attack were imminent. While our economy stagnates, while the national debt increases by some $240 billion each year, while foreign nations gradually take over control of U.S. assets, while our cities and our infrastructure deteriorate, we continue to pour $300 billion per year into our military machine.

About 60 percent of this military budget, or $180 billion, is to stop a Soviet military attack in Europe. I am not suggesting that we should unilaterally pull all troops out of Europe next year, or that we should unilaterally disarm. Far from it. If we stop building new weapons now, we would still have the most powerful and capable military machine the world has ever known.

But we should not be adding redundant and destabilizing new weapons

systems. In particular, we should not be building new weapons systems that would slow Mr. Gorbachev's drive to reduce his own military machine.

Our primary goals should be to reduce Soviet military capabilities for offensive attack. Some in the Bush administration are urging restraint, worrying that Mr. Gorbachev might not survive.

But the possibility of Mr. Gorbachev's departure should spur us on to more action, not less. We need to act now, during the Gorbachev window of opportunity, to restructure our military forces. In particular, we should be working with Gorbachev's Soviet Union to move to vastly smaller forces on both sides. Then, if a repressive regime should ever take back control of the Soviet Union, they would not have the offensive forces in place to resubjugate Eastern Europe.

Furthermore, the remaining forces should be restructured into a nonoffensive defense or nonprovocative defense posture: forces would be deployed to defend territory, but would not have the mobility and offensive firepower for massive attacks. In short, we should be working vigorously to establish a stable environment for new democracies to flourish.

I would recommend a gradual reduction of military forces, starting with a 10 percent reduction next year. We could make these reductions unilaterally in the beginning, asking the Soviets to follow our lead. The CIA has already noted a 1.5-percent decline in Soviet military spending this year, and expect about 7 percent cuts next year. However, if the Soviets do not match our military funding cuts after a year or two, then we could drop our annual military cuts.

Given Mr. Gorbachev's past unilateral cuts and stated desire to reduce their own military economic burden, I suspect that he would happily join such a move. Reducing our forces and creating a less threatening force posture is in the best interests of both superpowers.

By contrast, the conference report includes funds for many destabilizing and unnecessary weapons systems. To build all of the weapons ordered by the Reagan administration, the military budget would have to increase. This is totally unrealistic.

The Pentagon's 5-year plan is not only fiscally irresponsible, but calls for adding destabilizing new weapons. If a few hundred survivable nuclear warheads is sufficient to deter any future adversary, no matter how repressive, do we really need to add more MX missiles, more manned bombers, or more submarines, when we can already deliver more than 13,000 nuclear bombs to Soviet soil?

If 5,000 deliverable nuclear weapons were enough to deter a Khrushchev or a Brezhnev, why is 13,000 not enough to deter a far more moderate Gorbachev?

Should we really squander $4 billion per year on star wars research to try and stop a small fraction of a hypothetical Soviet attack, knowing full well that any effort to deploy such a ballistic missile defense would only cause the Soviets to add more offensive weapons, and cause them to break any subsequent START agreement limiting offensive missiles?

And should we continue to pay $180 billion each year to support a standing American army in Europe, 40 years after the end of the war, while our European allies plan for a unified Economic Community in 1992, unburdened by massive military forces?

Mr. President, when I voted against the Defense authorization bill in August, I hoped that some of the limitations on strategic nuclear weapons contained in the House bill would survive in conference. None of the House limits survived. All strategic weapons systems and all new conventional weapons systems were funded, including the programs slated for termination by Mr. Cheney. True, some conventional weapons were slated for termination next year, but our growing national debt will create even more pressure in fiscal year 1991 to reduce military programs.

We now have the worst of all worlds: no terminations of costly conventional weapons and no curbs on destabilizing new offensive nuclear weapons.

Mr. President, the cold war is ending at a faster pace than anyone could have expected. We must redefine "national security." The Soviet Union is no longer the major threat to our Nation's security.

Our national security is threatened, however, by economic decline, huge Federal budget deficits, trade deficits, illicit drugs, and environmental degradation. Any of these threats, by themselves, could degrade our way of life. Taken together, these internal threats could destroy our Nation as surely as any external invasion.

We must, therefore, reorient our priorities. We simply cannot pay for all of the new weapons designed during the Reagan administration.

We can sit by passively, and allow the automatic Gramm-Rudman meat ax to chop away at our military forces, or we can take charge.

Working with the Soviets, we can design a much more stable international military environment at much lower force levels.

We can redirect resources devoted to the arms race to our growing internal problems, including the drug war, environmental restoration, rebuilding our Nation's roads and bridges, and developing renewable, nonpolluting sources of energy.

This is a time for bold new initiatives. We cannot continue to pour $300 billion per year into the Pentagon. I must therefore vote against the fiscal year 1990 Defense authorization conference report.

SIS SITE PREPARATION PROVISION

Mr. McCLURE. Mr. President, the 1990 Defense authorization bill contains a provision that is vitally important for the future of our nuclear deterrent. This provision specifically allows for site preparation to go foward on the special isotope separation project at the Idaho National Engineering Laboratory in Idaho, with certain conditions. Two of these provisions require that the Secretary of Energy will certify to the appropriate committees in the House and Senate that the SIS is:

First, essential for the national security of the United States; and

Second, necessary to meet plutonium requirements.

Based upon all the briefings I have had on the nuclear material needs for the future, I believe these requirements will be met. I would point out that the President's national security directive responsible for nuclear materials specifically states that, "It has long been U.S. policy that national security needs and not the availability of special nuclear materials shall govern the nuclear stockpile."

I note this because the SIS will provide vitally needed contingency and flexibility to our materials production capability, a nonreactor source of weapons grade plutonium. The projections for nuclear materials needs in the mid-1990's tell us that we will need an assured source of weapons grade plutonium at that time.

The $3 million site work takes up just a fraction of next year's $40 million SIS construction budget. The bulk of this money is budgeted for project design.

The site preparation provisions allow:

Utility lines: Water and sewer lines would be rerouted to the SIS site. An overhead power line would be removed, and an underground electrical line would be installed.

Security: A 2,200-foot security fence would be installed, and a 2,200-foot concrete vehicle barrier built. The fence would separate the SIS construction area from the Idaho chemical processing plant to the south.

Roadwork: This involves building a 375-car parking lot and upgrading a 3,300-foot access road to the lot.

Earthwork: The project site would be excavated, raising the construction area's elevation by about 4 feet. This backfill work will raise the SIS buildings above the area's maximum possible flood level. Drainage to control flooding and snowmelt would also be built.

The site preparation itself is modest, but it is highly significant. It means a

lot more than building fences and moving dirt. It means starting to hire people to build SIS. It also sends out a message that SIS is destined to be built. It is a psychological step, as well as a physical step on the way to building SIS. It signals that this facility, the first replacement facility in the defense complex to be built in almost 30 years will go forward as planned.

Mr. WIRTH. Mr. President, I would like to commend the distinguished chairman of the Senate Armed Services Committee, SAM NUNN, and the ranking Republican member, JOHN WARNER, for their hard work and dedication in bringing this conference report before the Senate. The conference was long and arduous, and the committee leaders pulled us through it with their customary skill and grace.

This legislation represents the first defense budget of the 1990's—a decade which, in my view, will be shaped by fundamental changes in international relations and budget politics in America. We are already seeing these trends emerge in 1989. We debate this defense legislation on the very day on which Lech Walesa addressed a joint session of Congress. The defense budget contained in this report is subject to a Gramm-Rudman-Hollings sequester of as much as $8 billion in budget authority.

As evidenced by the recent and extraordinary events in Berlin, it is abundantly clear that we are living through a remarkable period of change. The most poignant image of this change could be seen in the faces of East and West Germans celebrating the effective fall of the Berlin Wall, the defining symbol of post-war East-West conflict.

Beyond the drama in Berlin, Hungary rejects the nomenclature of communism, and Poland elects a democratic non-Communist government. Change is underway in Bulgaria and Czechoslovakia. Members of the newly elected Supreme Soviet visit Kansas, and the Chairman of the Joint Chiefs of Staff meets with his counterpart in the Soviet Union. Modern nuclear weapons are being burned and crushed under the terms of the INF Treaty and Soviet tank regiments are unilaterally being withdrawn from Eastern Europe. History is being made at an exhilarating pace.

A change in the politics of the Germanies goes right to the heart of the postwar order in Europe and raises fundamental questions about the future of the two military alliances. As political revolution sweeps Eastern Europe and as the cold war levels of confrontation are drawn down, a new European system will inevitably evolve to replace the old security order. The shape of that order, be it defined by the "common European house," a "Europe whole and free," or another metaphor, has been moved to center-stage as a result of the recent dramatic events in Germany.

Certainly a Germany that is coming together cannot do so under NATO—this would be unacceptable from the Soviet perspective. If Germany were to opt out of NATO, a central purpose and focus of the alliance would disappear. What is the meaning of "forward defense" when the face of Europe changes to reflect a democratic Poland and open trade and flow of people between East and West Germany? A new order will emerge, and we had better get prepared for it. The impact of such changes on American defense planning, policy, and budgeting will be enormous.

As these remarkable changes in global politics take place, we in America are facing a very serious budget crisis which will continue to impact defense planning. The recent Gramm-Rudman-Hollings budget sequester would slash the fiscal year 1990 defense budget baseline by approximately $8 billion. According to the Pentagon, this would result in a manpower cut of 170,000; the Army slice of that cut would be three division equivalents. This sequester comes several months after the Comptroller General of the United States, Mr. Bowsher, told the Senate Armed Services Committee that the Cheney 5-year defense plan will likely have to be cut by $150 billion. If the East-West political climate continues to improve, these dire budget predictions may well prove to be benign.

Barring an unforeseen turnaround in global politics, the American defense budget will continue to decline, in my view. The issue is whether we can responsibly manage that decline through a negotiated multilateral framework—or whether defense cuts will come willy-nilly through annual, incremental, unilateral actions by ourselves and our NATO allies. Perhaps arms control cannot step up to this challenge, perhaps we will experience "apes on the treadmill" running in reverse. A more rational course, however, would be to seek mutual and controlled reduction of defense efforts on both sides.

A clear objective of the Soviet Union in Vienna is to reduce the burden of defense expenditures on the Soviet economy. We should view Vienna similarly. The CFE negotiations can play a significant role in reducing defense expenditures, but cost savings as an arms control objective have been derided by the defense community traditionally. I do not think that will continue to be the case as we make further real cuts in the defense budget. We are now in the fifth consecutive year of real annual decreases in defense spending. It is virtually inevitable that that trend will continue. It is time that the strategic community join the dismal world of budgeteers.

It is certainly true that East-West arms control historically has not yielded cost savings. But since the dawn of the Cold War, the strategic community has not sought a reduction of the defense burden as an explicit goal of arms control, focusing instead on the goal of military stability—reducing the risk of war. The barren MBFR talks consumed 15 years without agreement. SALT placed ceilings on strategic launchers in the context of ABM Treaty constraints on strategic defenses.

Today, for the first time since demobilization after the Second World War, we have an opportunity to achieve sharp force reductions. The START talks seek cuts of 30 to 50 percent of strategic nuclear weapons, depending on whether you use truth-in-accounting for the bomber-delivered weapons. The CFE negotiations will reduce Soviet forces well below the deep cuts outlined by Mr. Gorbachev at the United Nations last year and now being implemented, while NATO forces will be cut to 10 to 15 percent below current levels in the agreed categories.

Will the relatively modest Western cuts foreseen in the NATO proposal yield savings? An editorial in last week's Economist suggested that "though the Soviet Union will save a lot from an arms-cutting deal, the West will get virtually no 'peace dividend' at all." This would certainly have been true before President Bush last May successfully proposed that the Western position at Vienna include a cap of 275,000 for United States and Soviet air and ground forces deployed in Central Europe.

Under this proposal, the United States would withdraw and presumably disband approximately 30,000 troops from Western Europe. A recent Congressional Budget Office study found that this proposal, if implemented, would save about $2.1 billion annually in manpower and training costs and several hundred million per year in acquisition savings. Even after discounting the additional costs for monitoring compliance with a CFE accord (INF costs about $150 million annually), the current Western draft treaty would save the United States about $2 billion annually—"real money" even by Senator Dirksen's standards, but still only a fraction of the reductions in annual defense expenditures we are likely to experienced in the years ahead.

President Bush was right to urge manpower cuts in the Vienna talks. But we need to go further. Defense budgets consist of three major categories: manpower; equipment; and training. The largest single account is manpower, and it is here that significant savings can most effectively be realized. By cutting military manpower,

pay is immediately scored as a saving, and associated training and equipment costs are also reduced.

President Gorbachev has proposed even deeper cuts in stationed forces in Central Europe to 300,000. The Soviet proposal, however, includes allied—not just United States and Soviet—stationed forces. To accommodate the roughly 100,000 West European troops stationed in West Germany, the Gorbachev formula would require the United States to scale back an additional 75,000 troops beyond the cuts envisioned in the Bush proposal, fewer if allied nations shared in the reductions. We should be moving in that direction—not only to reduce defense expenditures, but because it makes good political-military sense.

The Western military objective at Vienna is to reduce the capability for surprise attack and sustained offensive operations. Certainly, the lack of trained military personnel assigned to operational units will severely constrain the ability of the Warsaw Pact to mount a blitzkreig in Central Europe or to achieve the traditional military objective of "seizing and holding territory."

Vienna, however, is also very much a political exercise in which manpower reductions can play a central role. Our clear goal here has been to reduce the number of Soviet troops deployed in Eastern Europe—now in excess of 500,000, of which 380,000 are stationed in East Germany. With the demise of the Brezhnev doctrine and the associated policing requirement for Soviet forces—the goal of deep reductions in forward-deployed troops appears to be shared by Moscow. We should seize the opportunity to dismantle Soviet military domination in Eastern Europe through deep manpower cuts in CFE.

It is questionable whether our European allies would be pleased with an arms control outcome in which the United States takes all the reductions. Demographics and politics will force cuts in NATO European forces. The coming debate on "burden shedding" has the potential to be as devisive as the "burden sharing" debate. One solution would be to accomodate national needs within much lower overall ceilings in the current and future negotiations.

Many skeptics question the advisability of pursuing a CFE follow-on negotiation. In my view, we have no choice but to press on in CFE for further and deeper reductions. To suggest that we should be content with the gains of CFE Phase One is to suggest that we should be complacent about the burden huge defense expenditures place on our societies—in human and financial capital. We must, of course, spend what is necessary for the national defense—but our publics quite rightly will not allow us to expend scarce resources to sustain a military posture out of proportion to political realities and purpose.

I authored a provision in the 1990 Defense authorization bill requiring the President to submit a report to Congress on the military, political and cost implications of further reductions in equipment and manpower to 25 percent and 50 percent below current lower levels. Such deep cuts will enable us to save a significant portion of the $170 billion we spend annually on our NATO commitment.

Deep cuts also will require a radical revision of Western military doctrine, force structure and acquisition strategy. Many NATO analysts shudder at the idea of revisiting "flexible response" and "forward defense", at the challenge of recasting military force structure, of developing new approaches to conventional deterrence and stability. We should be welcoming that opportunity with enthusiasm and creativity, for events certainly will force us to undertake a radical revision of our political and military thinking.

Budget constraints dictate that cost-effective answers to these questions be found. Greater reliance on reserve forces with "user friendly" weapons may, for example, be preferable to a high-tech interdiction option to compensate for the loss of firepower under CFE. We must rethink basic premises in the context of a very significant constraint on defense resources. In short, we should focus on the requirements for a minimal conventional deterrent and not view CFE as a zero-sum budget game.

I am also pleased, Mr. President, that this conference report addresses the need for better understanding in Congress of conventional arms control verification. It is certainly true that verification of a CFE agreement will be the most ambitious—and most expensive—monitoring system ever contemplated. But this is not a cost that we can complain about.

Mr. KOHL. Mr. President, I have decided to vote against the National Defense Authorization Act.

To begin, I am dissatisfied with the way specific differences between the House and Senate bills were resolved. When the bill was before the Senate, I voted for a number of amendments designed to reduce spending on strategic systems. For example, I voted to cut spending on SDI and the MX rail garrison system. When the bill left the Senate, I hoped it would return a lot closer to the House position on these issues. It did not. We are moving ahead with the rail garrison version of the MX while substantially underfunding the Midgetman; we are placing mostly cosmetic constraints on the development of the B-2 Stealth bomber despite the fact that it has no clear mission and uncertain capabilities; we continue to spend more than we ought to on the strategic defense initiative; the list goes on. I had really hoped that we might adopt the House position on these issues in the conference. We did not. And that disturbs me.

I am also disturbed by our failure to really cancel programs. The administration finally responded to our pleas to recommend some realistic cost savings. But when they did, we started pleading for mercy. Instead of facing the fact that we have to find systemic ways to address the economic and employment consequences of reduced defense spending, we cobbled together a program which allows continued production of low priority weapon systems with the vague promise that we may get serious about eliminating them next year. In short, we did not do enough to cut spending and we didn't do anything about coming to grips with the problem of minimizing the disruptions which will inevitably result when we do.

And I am disturbed by the fact that back in August we were operating under what we were told was a "binding budget agreement" which required us to authorize the full $305 billion for the Pentagon. Since then, the ties that bind the agreement have been cut: we took money from the Pentagon to fund the war on drugs and the President has taken money from Defense by accepting a sequester. I have never believed that we needed to authorize $305 billion to have the kind of defense we need. Given our failure to honor the budget agreement, I no longer feel obligated to accept that figure as a given.

But those reservations pale in significance when compared to my major problem with this bill and with American defense and foreign policy: We simply have not responded to the new realities we face. Week after week, we witness historic and revolutionary changes in the world in which we live: Elections in Poland, demonstrations in Moscow, the Wall coming down in Berlin, defense spending going down in the Soviet Union. We are seeing a wave of freedom sweep through the Communist world.

But we are not reacting to it.

In response to this revolution, all I have heard are the same slogans: those changes, we are told, are a result of the strength and solidarity of the Western World. Our military might, our leaders assert, forced the Soviets to change. We cannot change course now, they tell us, because it is working so well.

Mr. President, that is just not true—or, more accurately, it is only partly true. Yes, our strength as a nation and the unity of the NATO Alliance have played a role in what is happening in the East. But our military capability alone is an insufficient explanation for the changes we are witnessing. The

shifts in Soviet policy are a response to forces more real and more powerful than our missiles, bombers, and troops. The Soviet shift is ultimately a function of the force of ideas—ideas which we have championed and which have now taken root in the hearts of the Soviet people and the policies of the Soviet leadership.

But this bill does not reflect those ideas. It is a reflection of, and a prisoner to, a cold war dogma that is no longer capable of guiding us through the 1990's.

But—and this is the problem Mr. President—we do not yet have a strategy for responding to the new reality we face. The President has not proposed a policy; he simply offers us a less strident plea for more of the same. The Pentagon has not advocated an approach; it simply asks for more emphasis on technology so that we can build more sophisticated weapons. The Congress has not created a coherent response; there are voices here and there calling for nipping in the defense budget here and tucking it in over there—but there is no vision of what national defense means in the new world in which we live.

The net result is that we have a defense bill which is, in my mind, an inadequate response to reality. But, to be honest, we also have no alternative on the table, or even in mind.

And that creates a dilemma for all of us who are being asked to vote yea or nay on this $305 billion authorization. I recognize that the bill contains many things we need. I appreciate the hard work and good intentions that went into it. But despite that fact, I just cannot bring myself to support it.

Mr. President, this bill requires us to spend too much and gives us too little. It doesn't give us the tools we need to respond to the kind of military threats we face. We do face threats. But they are threats from terrorists, from drug cartels, from local revolutionary forces. An MX missile is not a response to those threats. A B-2 bomber is not a deterrent to those threats. SDI is not a defense against those threats. Nor are MX's or B-2's or SDI a realistic response to our need to continue to be capable of responding to the Soviet forces which still represent a potential danger.

No, Mr. President, we are not building the right weapons, we are not responding to the real threat, and most importantly we are not prepared to win the victory that is now within our grasp. We will spend $305 billion to defend our Nation—but less than a billion to help the Polish people defend their new found freedom. We will spend billions to protect our people—but our Navy is forced to cease all operations for 48 hours while they figure out how to protect our sailors from dangers on their own ships. We will spend billions to ward off some theoretical threat from abroad—but that means we will not spend the billions we need to deal with the real disasters we face: Our need to educate our kids, rebuild our cities, help our farmers, revitalize our economy, reduce our deficit.

The plain truth is that we are spending too much. We are spending it on the wrong things. And worst of all, none of the spending is guided by any comprehensive principle or policy or strategy.

I recognize that a "no" vote on this conference report does not create the kind of policy we need. But a "yes" vote is an endorsement of a policy that weakens our Nation economically. A "yes" vote does nothing to address the real military threat we face. A "yes" vote totally ignors our opportunity to end the superpower divisions which have blocked human progress and threatened human existence for over a generation.

Mr. President, I will vote "no" on this conference report. That vote is not so much a rejection of what is before us as it is a way of saying that all of us need to do better.

Our strength as a people, our security as a nation, are dependent on the health of our economy, the education of our children, the viability of our cities and towns. With freedom spreading throughout Eastern Europe and the world, it makes sense to spend less than this bill would on weapons designed to destroy the world. With the Soviet military threat receding, it makes sense to take some of the money allocated for defense and spend it on implementing the kind of domestic economic strategy which will make America more competitive in world markets. We can have a defense which is second to none without authorizing $305 billion for the Pentagon. But I am afraid that America will be second to many unless we spend more on the battle against drugs, the fight against illiteracy, the war to clean up our environment. My vote against this bill is a vote for a new set of priorities. It is a vote for recognizing the new set of challenges we face. It is a vote for a more appropriate, more balanced, more rational national defense strategy—one which responds to the continuing external threats we face but also reacts to the internal challenges we face.

THE NEED FOR STRATEGY AS WELL AS BUDGETS: THE UNADDRESSED ISSUES IN THE FISCAL YEAR 1990 DEFENSE BUDGET

Mr. McCAIN. Mr. President, I support the conference report on the fiscal year 1990 Defense Authorization Act. It is far from perfect, but I believe that it represents the best compromise we can currently achieve. In an ideal world, I would like to see an act that did more to address the need to make fundamental adjustments in our strategy, forces, and spending levels. I would like to see an act that was free of many of the present congressional add-ons and earmarks. At the same time, I would like to see an authorization act which took fewer risks in terminating programs of proven value and success and which bet less of our future force structure on high technology programs that are nearly certain to rise sharply in cost, present performance problems, and slip in their delivery date.

Nevertheless, I believe that the chairman and the ranking member of the Armed Services Committee, as well as the committee staff from both parties, deserve our congratulations for forging a compromise with the House that responds to many of the key concerns of President Bush and Secretary Cheney. I believe the conference version of the act also reflects a proper concern with the budget deficit and the need to keep tight limits on Federal spending.

The conference version of the fiscal year 1990 Defense Authorization Act has several other important features. It reflects the proper kind of congressional concern with arms control. It emphasizes the need to present effective plans, strategies, net assessments, and data bases to prepare Congress for the nearly certain prospect of major arms reduction talks during the course of the coming year. The act is free of the kind of destructive arms control amendments that impede the President's efforts, but it has strong provisions that reflect both the committee's interest in making every effort possible to reach meaningful arms control agreements and to ensure that such agreements really do reduce the risk and cost of war.

There are many detailed provisions of which we can be proud, and that represent the result of a dialog with the administration, rather than arbitrary congressional micromanagement. In spite of the continuing cuts in defense spending, the act contains provisions that will strengthen or help preserve our key conventional capabilities. In spite of some important compromises with the House, it reflects the Senate Armed Services Committee's concern with the need for adequate levels of munitions and to avoid creating a hollow force structure by underfunding such supplies.

The act funds most of the naval and power projection forces we need, while expressing the proper concern that every effort be made to manage and modernize these forces as effectively as possible. The act does not reflect the kind of damaging debate over the carriers we have had in previous years, but it does require better reporting on the nature and cost of modernizing our carrier forces.

The act reflects our growing concern with the lack of adequate efforts by

the services to develop cost-effective force modernization plans that can be implemented within real world current resource constraints. For example, it requires a comprehensive long-term naval aviation plan. I would have liked to have seen like requirements for similar plans in each important procurement area, and to help avoid the procurement bulge or "wedge" that now seems probable in the early 1990's. The act does, however, set at least one important precedent, and perhaps next year we can go on to provide similar tasking—for example, to ask the Army to develop a realistic long-term plan for improving our armor and antiarmor capabilities.

The act reflects our committee's concern with manpower and readiness. There are strong provisions to ensure we retain key skills such as pilots. There are provisions that send a clear message to the Nation's budgeteers that they cannot balance the national budget at the expense of fair pay for our servicemen, or by hacking away at cost-of-living allowances and/or flight pay.

There also are provisions that reiterate the committee's concern with the lack of any integrated readiness reporting system, and with the continuing lack of reporting from any service that links key factors like active and reserve readiness, sustainability, and sea and airlift. The first such report from the Department of Defense is now a year overdue, but the act indicates we have not given up in this area.

The act reflects our concern with the fact that we risk creating a hollow National Guard and Reserve structure because we do not have a cohesive concept for ensuring the overall readiness and balance of these forces. It reflects our concern that we have no real world capability to meet our commitment to provide 10 divisions to NATO in 10 days, and do not even really know the extent of the problems that have created a "hollow commitment" in the late 1980's which is as dangerous as the "hollow forces" of the 1970's.

The act also makes impressive progress in coming to grips with burdensharing in a form that will help stabilize our ability to meet our strategic commitments, rather than undermine it. I believe that the burdensharing amendments contained in this act—and which I developed with Senators NUNN, WARNER, and LEVIN—are a vital step forward in redefining our posture towards Europe and East Asia.

THE NEED TO SHAPE THE FISCAL YEAR 1991 BUDGET AROUND A NEW STRATEGY AND FORCE MIX

Having said this, I must note that the conference report on the Defense Authorization Act is still largely the result of an effort to fit our present forces, and existing roles and missions, to a lower level of resources. It does not respond to the changing politico-military conditions that are forcing us to restructure our strategic posture.

It does not respond to the future budget problems we face at a time when we will be very lucky to maintain constant real defense spending over the next 5 years, and may well see a series of sequential real annual cuts of up to 2 percent. The act tacitly assumes outyear increases in real defense spending which are now very unlikely to occur. It makes unrealistic assumptions about the rise in weapons costs and inflation, and it does not touch upon the longer term problem of how to fund the advanced technology the Department of Defense now plans to deploy in the mid and late 1990's.

We all know that we need to make cuts in our active and reserve force structure to create a force mix that we can afford to make truly combat effective. We know that we need to make these cuts as soon as possible to avoid wasting further defense dollars on units that will have to be eliminated in the future, and reduce the ultimate impact of bringing our forces into balance with our resources.

The content of the fiscal year 1990 act also reflects continuing problems in the way the defense budget is submitted to Congress. It reflects the fact that the budget is still a line item budget, and does not show the Congress what is being spent on given roles and missions. It reflects the fact that the budget is submitted without a supporting net assessment that is based on the spending levels in the budget and which realistically explains the trends in U.S., allied, and potential threat forces, and the risks inherent in the current level of funding. It reflects the fact that the budget only projects spending for 2 years and does not provide any long-term spending and procurement data that would encourage the Congress to maintain a stable level of spending and program structure.

It is clear from President Bush's strategic review effort, and from Secretary Cheney's recent report on ways to improve our defense budgeting and procurement efforts, that the Bush administration recognizes how serious many of these problems we currently review the defense budget are, and that our present budget submissions and review process have grave defects. I sincerely hope that the fiscal year 1991 defense budget submission will mark a major improvement in these areas, and that we will have a much stronger and more timely net assessment to support the fiscal year 1991 budget.

I hope that this concern within the administration means that we will not see further long delays in meeting the critical reporting requirements of Congress to justify future budgets and defense spending. We are still waiting, for example, for an arms control strategy report that is now nearly a year overdue.

Similarly, we learned a year ago that the data base NATO is using for assessing NATO and Warsaw Pact forces was grossly inadequate and had many serious errors. Ironically, the Department of Defense corrected this situation in response to legislation included in last year's Defense Authorization Act, and produced an accurate data base as part of a report to Congress. This data base, however, has now been "lost" in the bureaucracy for nearly a year, and the CFE talks continue to use an inadequate data base as a result. Given the pace of events in the Warsaw Pact, this is the last thing we need either for CFE or in considering our future defense needs.

THE NEED TO GIVE PRIORITY TO A NEW APPROACH TO MARITIME STRATEGY

If we are to properly address these challenges next year, we must be prepared to address all of these issues in terms of clear strategic priorities, new roles and missions, and new priorities for force planning. For example, we need to redefine our strategy and to establish new priorities. Our dependence on maritime strategy and power projection forces seems nearly certain to increase during the coming decades, and we should recognize this in future budgets, rather than simply cut each service by the same percentage or make equal cuts in every aspect of our force mix.

Regardless of the timing and nature of any START agreement, strategic nuclear deterrence is now far more stable than it has been in the past and the risk of nuclear war is far smaller. We still need a strong nuclear deterrent and our post-START force posture must have the strength and survivability to ensure that the risk of war or any test of our nuclear capabilities will remain minimal. Nuclear forces will not, however, be the driving thrust behind our defenses or a practical instrument of power in dealing with the many contingencies where we must use limited force to deal with limited problems.

Every day, we see new changes in our relationship with the U.S.S.R. that are likely to greatly reduce our need to deploy forces in Europe. With luck, NATO and the Warsaw Pact will soon move toward mutual force cuts that will lead to a major easing of the tensions between East and West, to significant withdrawals in the U.S. forces we must maintain in Europe, and to important savings in the money we must spend on technology and equipment tailored to European combat.

In fact, our priorities in spending on forces for NATO already have

changed. We do need to maintain the existing quality and quantity of our forces in Europe until we can reach a CFE agreement, but we should not continue to fund costly improvements in their capabilities we will later eliminate or withdraw.

We should begin to shift resources to give our air forces the long range strike capability and rapid redeployment capability they need to react to any shift in the relaxation of tension with the Warsaw Pact, and to study how to give our ground forces the force mix and lift they will need to match the future redeployment capabilities of Soviet forces.

At the same time, we need to reconsider how our future ground forces can be given lighter and cheaper equipment that is more deployable and which is as well suited for contingencies outside Europe as it is contingencies within them.

We should begin in fiscal year 1991 to shift from a nuclear war and European oriented strategy to a strategy and force posture focused on the capability to project power anywhere in the world, and which assigns equal or greater power to dealing with crises in Asia, the gulf, the developing world. We cannot afford to waste money on forces whose priority is declining, and underfund the forces we really need.

THE CHANGING NATURE OF MARITIME STRATEGY

I do not mean in saying this that we should use the resources in our fiscal year 1991 Defense budget to fund the maritime strategy we have pursued in the past. The new maritime strategy we need for the 1990's does not mean buying a 600-ship Navy—a goal that was never justified by any supporting strategic plan, net assessment, or clear military rationale. It does not mean focusing on naval forces alone, or the type of Soviet and Warsaw Pact threat we focused on in the past.

A modern maritime strategy means that we must take full account of our geographic and strategic posture as a nation whose trade and defense is dependent on access to both of the world's major oceans, and whose power is largely dependent on its ability to project power by sea and air, rather than through the deployment of massive land forces. It means concentrating our declining defense resources on maintaining the mix of Army, Navy, Marine Corps, and Air Force assets we need at a time we must give priority to contingencies in the Third World and Northeast Asia.

In practice, this means we should structure our fiscal year 1991 and future defense budgets to:

Maintain the key elements of the seapower we already have, and particularly the carrier forces that are the key to our power projection capabilities.

Ensure that we do not let an obsession with stealth and high technology make our combat aircraft so expensive that they cannot actually be used in power projection missions.

Concentrate on developing land forces that are combat ready to deal with low level contingencies anywhere in the world.

Restructure the posture of our Reserve Forces so that rather than prepare for a massive war in Europe that they are increasingly unlikely to ever fight, and lack the lift assets and balanced readiness to deploy to, they can meet the special purpose needs of global power projection.

Change our force posture in Asia, as well as in Europe, to reflect the changing political, economic, and military realities in East Asia and the Pacific by seeking added offset and support from Japan, finding a stable solution to the problems we now face in the Phillipines, and changing our force mix in Okinawa and South Korea.

Restructure our basing, seapower, and air and sealift postures so that they can both maintain the forward deployment capabilities we need and develop the readiness and lift capability necessary to meet our needs. This may well mean accepting the need to reduce our dependence on fixed bases, and to emphasize carrier and amphibious forces.

Seek the overall mix of commitments and burdensharing from our allies that both minimizes the cost of this new forces posture to the United States, when our allies can afford it and our forces contribute to allied defense, and ensures that our friends and allies continue to act as our most effective "force multipliers."

THE PROBLEMS IN OUR CURRENT APPROACH TO RESOURCE ALLOCATION

We can only fund this approach to changing our strategy, however, if we do a better job of addressing several key issues in fiscal year 1991.

STRATEGIC FORCES

Our current debate over strategic force modernization risks allocating a great many resources in the wrong place. I do not believe we need to buy two new ICBM's, particularly if the U.S.S.R. is serious about accepting the United States position to ban all mobile missiles.

We should proceed with the rail garrison basing of the Peacekeeper to both improve our survivable target coverage and as a hedge against the need for mobile missiles. I believe, however, that the President should take advantage of the flexibility in the current act to leave the small ICBM in the R&D phase until it is clear that we first, really need to convert to a mobile ICBM force or second, need a replacement for the Minuteman.

More importantly, we will definitely have to fully reevaluate our requirement for the B-2. First, I see little real sign that we have actively negotiated with the U.S.S.R. to find ways to remove the need for such a capability. Second, the Air Force has still failed to make convincing arguments for a penetrating bomber on any grounds other than START. Third, the target mix the Air Force proposes to attack seems to have insufficient little real marginal value in terms of deterrence, war fighting, and/or damage limiting.

Equally importantly, we will need to fully examine the cost, performance, and total force procurement capability risks inherent in relying on Stealth in the light of all the potential advances in low observables technology. This is a vital issue which not only affects the B-2, but the ATA, ATF, and NATF.

I believe that a major review is needed of both our strategic rationale for the B-2 and of our dependence on Stealth, and one that clearly includes the use of an A team and B team approach. I also believe that it is clear that the issue is not one of canceling the B-2, but whether we really need 132 of these aircraft, and the ATA, ATF, and NATF in their current form. Taken collectively, we might well be able to save tens of billions of dollars, as well as give our overall force posture far greater capability.

POWER PROJECTION FORCES

We need to comprehensively reexamine our power projection forces to determine how we can best strengthen the capabilities of the Air Force, Marine, and Army units that can serve our future military needs. I am concerned with the focus on extremely expensive future combat fighters and attack aircraft costing well in excess of $70 million each. I am concerned at the lack of apparent balance in our plans to modernize all the capabilities of our Marines and with the fact we still have not adequately examined the mission requirement for the V-22.

I am concerned that the U.S. Army has too many divisions in its force structure which seems to have little real-world contingency value, and need to focus on developing a small force structure that will really suit our future force requirements. I am equally concerned that we need new long term RDT&E, procurement, and O&M plans from the Army in virtually every area that we can actually fund, and which are tailored to the changes taking place in our force requirements.

I am equally concerned with the lack of plans and concepts for a smaller, leaner, Air Force we know must come in the future, and with the emphasis on unaffordable and unrealistic aircraft procurement plans—many of which would only be valid if we faced the kind of growing Warsaw Pact threat we faced in the early 1980's. We may well be able to slow many of our current procurement efforts, take the time to fully test new aircraft and eliminate the current emphasis on concurrent development and produc-

tion, and focus on modifying existing aircraft and air units for power projection missions.

More broadly, we need to take a very hard look at the resources the fiscal year 1991 Defense budget allocates to Uscentcom, Socom, and the Marine Corps. These forces are likely to make up the key elements of much of our future military action. Uscentcom, however, is tied to Southwest Asia, when it may need a much broader power projection mission. Socom needs to be given the priority it really needs in future contingency planning, and the deployments and strategic lift for the Marine Corps may well need to be adjusted to reflect changing priorities and political conditons.

We have to come to grips with the importance of funding the full range of our needs for carrier forces and naval aviation. This year, we have dropped a carrier from our force structure, and took steps to cancel production of the F-14, A-6, and EA-6B. We did this without any real examination of our growing priorities for such forces.

In short, we must carry out a comprehensive reexamination in fiscal year 1991 of every aspect of our force structure in the United States. The present structure of our defense budget leaves us on a track that will create a hollow mix of Active and Reserve Forces in the United States which have dubious contingency capabilities, which lack lift and overall readiness, and which increasingly face severe "war stoppers" because of inadequate sustainability and support.

The key to finding the resources we need to fund the strategy and forces we need in the 1990's is to act as quickly as possible to eliminate the forces that are no longer necessary. These forces defintely do not consist of our forward forces in Europe and Northeast Asia, the forces which are the key to deterrence and effective global military action.

Even in this defense budget climate, in many cases, the fiscal year 1990 defense budget still funds an outdated myth. We should not withdraw our Active Forces in Europe until we negotiate mutual force reductions with the U.S.S.R., provided that our allies keep up their strength. There is no point, however, in continuing to pay for Forces in the United States whose only real value lies in a European war where we had months and months of warning that can be spent much more wisely on Forces for other roles and missions.

We can no longer afford to fund an outdated myth. Fiscal year 1991 is the time to make major reductions in the large pool of Active and Reserve Forces in the United States whose only real world contingency value, if any, lies in refighting World War II and a long-term general war in Europe. Now is the year to admit to the fact we have never had, and never will have, the ability to deploy 10 divisions in 10 days or give our NATO allies the support and sustainability they need. It is the year to focus our resource allocation on those air units we can actually deploy and sustain in Europe, and to eliminate the rest.

I am particularly concerned that the men and women of the National Guard and Reserves should be utilized in a more meaningful force structure, and such units get the readiness and training they deserve. The dedication of the personnel in our Reserve Forces needs to be rewarded by funding a balanced force concept that focuses of preserving the units with the highest future contingency value, and giving them readiness and contingency value they need. This cannot be done by annual exercises that substitute "pork" for purpose, and give the Guard and Reserves equipment and funds that serve the needs of manufacturers and special interests, rather than the Nation.

We also need to take a comprehensive relook at our current plans to provide lift and sustainability. Our present goals for sea and airlift date back to a very different world. It is clear that they will never be funded in today's budget climate, and it is equally clear that they should not be. We do, however, have a very real need for strategic and theater lift for power projection, Northeast Asia, and to provide lift for at least some of the forces we will withdraw from Europe as a result of CFE. This means we need new requirements, revised programs, and revised budgets.

The Department of Defense also requested so little sustainability this year that it was clear that it was attempting to preserve force structure at the cost of combat capability. We need to establish sound requirements for major munitions or spare parts that are properly funded.

Finally, we may have to consider trading money out of our defense budget and into security assistance. The last thing we need in the middle of our peace efforts in the Middle East, and the continuing crisis in Afghanistan, is to cut aid to Egypt, Israel, and Pakistan. It is all too clear, however, that we are now so short of foreign aid funds that we risk creating a situation where we will have to send U.S. troops to areas in the future where a limited amount of immediate aid could prevent or control the problem. We need to rethink security assistance and give it the focus it really needs.

LOOKING BEYOND THE STATUS QUO

I do not want to give the impression that I have the answers to all the issues I have raised, or that the kind of strategic rethinking, and changes in the fiscal year 1991 defense budget that I have called for will be easy. I recognize that it is easier to stand in Congress and call for changes in defense plans and budgets than it is for the executive branch implement them.

I believe, however, that we must recognize that the fiscal year 1990 Defense Authorization Act cannot be a meaningful model for the future. We cannot ignore the coming decline in defense spending. We cannot ignore the events in the U.S.S.R. or Eastern Europe. We cannot ignore the need for major changes in our present roles and missions and in our force structure. We must either begin to master the process of change or it will master us.

Mr. COATS. Mr. President, I rise today with mixed emotions regarding the conference report on this year's DOD authorization bill. I do believe that, overall, this is a good bill, largely consistent with President Bush's original budget request. Nevertheless, it denies the President and the Department of Defense the ability to implement several high-priority initiatives. Although this bill generally does a good job of balancing diverse interests and priorities, it contains a number of provisions that, in my view, are unacceptable.

I understand that we are in the midst of very tight fiscal constraints and that Defense spending will very likely continue to decline. Secretary of Defense Cheney deserves to be commended for the tough decisions he has forced to make, and while I do not agree with each of his decisions I applaud his decisiveness in implementing a very difficult charter. We in the Congress should strive to support Secretary Cheney as he attempts to craft a rational and affordable procurement strategy for the 1990's. After all, it has been largely at congressional prompting that defense spending has declined, and therefore we should share the responsibility for dealing with the tradeoffs and constraints that a shrinkage Defense budget inevitably produces.

The debate over this year's Defense budget is complicated even further by the fact that we are truly at a transitional point in the maintenance and modernization of the U.S. military forces. Budget constraints are simply one part of this equation. Changes in international relations are also producing pressure to reduce U.S. military spending and overseas commitments. Modifications in Soviet foreign policy seem to have cleared the way for a number of arms control agreements to proceed; most significantly, the strategic arms reduction talks [START] and the conventional forces in Europe talks [CFE]. Changes in the Soviet Union and Eastern Europe, moreover, have significantly reduced Western threat perceptions, thereby reinforcing the belief that we can

safely reduce efforts to maintain robust and modern military forces. Although I believe that we should proceed cautiously in evaluating our defense requirements for the years ahead, one simply cannot deny that unprecedented changes are in fact occurring in the Communist world.

Before we become too euphoric over new breezes blowing from the East, however, we should remember that things are not always as they seem. We must continue to base U.S. military requirements on what we see, not what we hear. The old maxim "actions speak louder than words" is very relevant in assessing Soviet intentions, and while I am encouraged by the rhetoric emanating from Moscow, we should withhold final judgment, and remain resolute in the maintenance of strong military forces, until changes are visibly and permanently implemented.

Despite Soviet announcements of a defensive military doctrine and new political thinking many elements of the Soviet threat remain unchanged. The Soviets are proceeding at an undiminished pace with their strategic modernization programs, with a heavy emphasis on preemptive counterforce capabilities in their strategic nuclear forces and an undiminished commitment to damage limitation through vigorous active and passive strategic defense programs. We also see an aggressive Soviet military space program, matched with what appears to be a serious commitment to a space warfighting doctrine. According to a recently released congressional research report, the Soviets are laying a much sounder foundation for military space power, in orbit, at lunar bases, or both.

Around the globe the Soviets also continue to prop up Marxist dictatorships and support antidemocratic revolutionary movements. Soviet bloc military aid continues unabated or has increased to a number of Communist forces, including the Sandinista government in Nicaragua, the Communist government in North Korea, the Najibullah regime in Afghanistan, and the Vietnamese client regime in Cambodia. Recent events in El Salvador graphically illustrate the adverse impact that Soviet bloc aid continues to have on global stability.

In debating the future requirements for U.S. military forces we thus find ourselves in a situation where optimism is warranted yet prudence is essential. There are signs that the military confrontation in Europe may soon decline, although significant changes have thus far not occurred. Assuming that a CFE agreement can be reached, which seems likely in the current political environment, we face the difficult task of reevaluating our conventional and theater nuclear requirements for NATO, as well as our other alliance commitments. Similarly, a START agreement would significantly reduce the number of strategic nuclear forces on both sides, thereby requiring the United States to reassess its strategy and force posture. This may lead to programmatic changes in the near future, yet it is certainly premature for the Congress to assume that it is safe to restructure the President's strategic and conventional modernization programs.

Implicit in the changes taking place, both domestically and internationally, is a requirement to restructure U.S. military forces to match emerging realities. This does not mean that we will be less committed to U.S. military strength, only that U.S. military strength itself will inevitably take on a new form in the future. As we reduce defense spending, and as arms control agreements force us to reduce the size of our military posture, it will become increasingly important to ensure that residual forces remain as capable, flexible, and modern as possible. Arms control reductions should not be accompanied by a reduced commitment to our military preparedness. We must find ways to keep our forces in a modern state of readiness while simultaneously keeping their cost down. The introduction of commonality in our procurement system may significantly contribute to the dual objectives of modernizing and saving. The Army's Heavy Forces Modernization Program, which foresees a whole family of armored vehicles based upon a common chassis, is an example of an approach that, in principle, is highly consistent with our future requirements and constraints. I am a supporter of this program and I hope it will serve as a model for other procurement programs.

Future adjustments in our force structure will also require weapon systems that are multimission capable and offer significant technological innovation. In this regard, the V-22 Osprey should be an essential component of our developing military force posture. The V-22 offers an order of magnitude increase in capability over existing helicopter systems and could be flexibly employed by all the services in a variety of roles. I am pleased that the Congress has provided sufficient funding to see the V-22 through its final stages of flight testing and evaluation. Next year, of course, we will have to revisit the issue to determine our long-term commitment to tilt-rotor technology. I am hopeful that the Department of Defense will see fit to include the V-22 in its fiscal year 1991 budget request. I understand that cancellations are necessary and that we are overextended in terms of the number of programs we are currently developing, yet it is my firm belief that the technology represented by the V-22 is so important that it would be truly shortsighted to forgo its incorporation into our military posture.

Mr. President, although there are many very positive aspects to this conference report, there are a number of provisions that, in my view, are very bad. Perhaps worst of all is the funding level for the strategic defense initiative [SDI]. The Reagan administration originally budgeted $5.6 billion for SDI in fiscal year 1990. The revised Bush administration request reduced this amount by $1 billion. During the Defense authorization conference we were forced to reconcile two very different funding levels for SDI, $4.3 billion in the Senate bill and $2.8 in the House bill. The resulting funding level of $3.57 billion represents a real decline in SDI funding over last year's level. In my view, this low funding level fundamentally threatens the overall SDI Program. President Bush's SDI request was designed to permit a deployment decision within his first term in office. Unfortunately, the SDI funding in this conference report threatens the President's ability to make a decision on phase 1 deployment and will require the program to be significantly scaled down, including the release of key scientific and engineering personnel and the termination of promising programs.

It is ironic and unfortunate that our ability to deploy a viable SDI system is declining precisely at a time when it is needed the most. In my view, the SDI could significantly contribute to a stable strategic relationship between the United States and the Soviet Union, one based on lower levels of strategic offensive forces and a greater reliance upon strategic defenses. A strategic environment in which nuclear forces have been greatly reduced may lead to unpredictable instabilities as each side's forces become more vulnerable to preemptive attack. Moreover, the threat of Third World and outlaw nations' possession of ballistic and cruise missiles is not a mere possibility. The threat is very real. A defense dominant strategic posture is a very appealing notion, especially if we are serious about really reducing nuclear weapons and transcending the instabilities that are likely to emerge in the future. I find it unsettling that the Congress would be willing to deny the American people protection against nuclear attack.

Mr. President, I am also disturbed by the lack of any strategic cohesion in the current plan for modernizing our intercontinental ballistic missile [ICBM] force. Even though this conference report seems to largely fund the President's ICBM request, in reality it precludes the eventual deployment of a survivable force by placing a 50-missile cap on the number of MX missiles that can be deployed. This sig-

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nificantly undermines the President's MX rail garrison deployment plan.

Certainly all fault does not rest with Congress in obstructing a coherent ICBM modernization plan. In my view pursuing a two-missile strategy was a mistake from the beginning. Although I see merit in both the MX and the small ICBM systems, I think that pursuing both simultaneously detracts from the chances of ever achieving a truly survivable and stabilizing ICBM posture. My hope is that we take this opportunity to get serious about the small ICBM program, especially since a single-warhead system will be considerably more attractive in the context of START. Under a plan that radically reduces the number of warheads possessed by the United States and the Soviet Union, a mobile, single-warhead ICBM makes a tremendous amount of sense. I encourage the Air Force, the Office of the Secretary of Defense and the Defense Committees of Congress to reevaluate this system and assemble a coherent plant to deploy a small ICBM force for the 1990's and beyond.

Mr. President, despite the flaws contained in this conference report, I support the compromise package. I am pleased to be a member of the Senate Armed Services Committee and I commend and thank the chairman and ranking member for their excellent performance in a very difficult situation. In my view, we would have been far better off had we accepted more of the recommendations of the Senate Armed Services Committee. I only hope that next year we are able to produce a more logical and cohesive defense package. I yield the floor.

COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS

Mr. McCLURE. Mr. President, I rise in support of provisions in the conference report on H.R. 2461, the fiscal year 1990 Armed Services Authorization bill. I am particularly pleased with the provisions in the agreement which provide for cooperative research and development agreements between industry, universities and certain of our Nation's national laboratories. Those provisions will aid American businesses to move into the marketplace technologies that will enable them to more effectively compete in domestic and international markets.

Our trade statistics reveal that American industry is falling behind in the international marketplace. Worldwide competition is increasingly tough because of the explosion of technologies in foreign countries; in part, due to foreign government support.

Unless as a nation we are more successful in bringing new technologies to the marketplace, we will continue to lose ground. For years opportunities have existed for the advancement of new energy technologies at many of our national laboratories. But often the necessary authorities were not available to enable the Federal Government to foster private industry commercialization of such technologies. This has been particularly true for technologies developed at Government-owned, contractor-operated Federal laboratories.

Mr. President, provisions in the conference agreement before us changes this situation. The measure provides the vital missing link that will enable cooperative research and development agreements between industry, universities and contractor-operated national laboratories, such as DOE's Idaho National Engineering Laboratory [INEL], to expand the scope of their activities to include initiatives in such areas as environmental control technologies, energy efficiency and solar energy technologies, and medicine, to name a few areas.

This measure establishes a uniform Federal policy governing cooperative agreements among Federal laboratories, universities and the private sector. The conference agreement extends the provisions of the Stevenson-Wydler Innovation Act of 1980, which now apply to Government-owned, Government-operated laboratories, to also apply to Government-owned, contractor-operated laboratories.

Under these provisions Federal laboratories, such as DOE's national laboratories, can now enter into cooperative research and development agreements with universities and private industry. For example, those INEL facilities whose primary purpose is research and development could enter into such arrangements with the private sector. Similar arrangements could be undertaken by those contractor-operated facilities where a substantial purpose of the contract is the performance of research and development for the Federal Government.

In order to avoid conflicts of interest and unjust enrichment of laboratory contractor-operators and employees, the conference agreement provides appropriate safeguards. The measure also requires prompt agency review of all proposed cooperative agreements and work statements.

For several years, the Committee on Energy and Natural Resources has been working on legislation similar to the provision in the conference agreement. During the 100th Congress, the Senate passed legislation on two occasions, but was unable to reach final agreement on statutory language with the House committees before adjournment sine die despite extensive discussions.

Thanks to the leadership of Senator DOMENICI, and subsequent support from Senators BINGAMAN, GARN, MURKOWSKI, and others, I am pleased to report that work on the National Competitiveness Technology Transfer Act of 1989 is now completed and included in this measure. It reflects Senator DOMENICI's vision of a much broader role for the thousands of scientist and engineers at the DOE research and development facilities around the country. Because of this legislation, national laboratories, such as INEL and the Los Alamos and Sandia national laboratories, will be able to foster the commercialization of new technologies. This means new businesses, new jobs and new products for American manufacturers, and a more efficient and effective way to deliver American technology to the domestic and international marketplace.

Mr. President, for these reasons I urge my colleagues to support these provisions.

Mr. BINGAMAN. Mr. President, I rise in support of the conference report on the fiscal year 1990 Department of Defense Authorization Act.

This report is the result of 7 weeks of work between the House and Senate Armed Services Committees. It is a good report and one which I believe warrants the full support of the Senate. There were wide divisions between the House and Senate on many issues in the bill, and it was only after lengthy deliberations and compromise that we were able to reach a final agreement. I would like to commend Senator SAM NUNN for his leadership throughout the process. That an agreement was reached at all is a tribute to his skill and ability. I would also like to commend Senator WARNER for his efforts to forge compromises throughout this process.

Mr. President, I would like to take a few minutes to highlight some of the major points of this bill that fall under the jurisdiction of the Defense Industry and Technology Subcommittee. I would also like to thank Senator WALLOP, the ranking member of the subcommittee, for his hard work and assistance on these vital issues.

TECHNOLOGY BASE

The conference report includes $3.51 billion for the defense technology base in fiscal year 1990, $220 million over the administration's request. The conferees have also recommended a fiscal year 1991 authorization to fund technology base programs at $3.77 billion, a level that will provide for a 2-percent real increase over the fiscal year 1989 level.

The House and Senate conferees were in complete agreement on the critical need to fund these programs, which did not take part in the Reagan defense buildup. With our technological edge under ever more serious challenge, this is not the time to be shortchanging the technology base. This year we could not do as much as we would have liked to do largely because research as a whole was being cut back sharply from the administration's request in order to meet the defense outlay target established by the

budget summit. However, the tech base fared very well compared to the rest of the defense research budget.

SPECIFIC PROGRAMS

The conference authorized additional funding for several DARPA projects which support technologies identified by DOD earlier this year as critical to national security. All of these projects involve long-term, high-risk, high-leverage research, which the private sector simply will not adequately fund with their short time horizons and high cost of capital. The bill adds $40 million for the x-ray lithography program; $25 million for the digital gallium arsenide program; $20 million for the high resolution display program; $12 million for the artificial neutral network research program; $9.6 million for high temperature superconductivity; and $3 million for the consolidated DOD software program. These technologies were identified in the first critical technologies plan, which was submitted to Congress in March 1989 under a provision developed by my subcommittee and included in last year's Defense authorization bill. In our analysis following receipt of the report, these programs were determined to be most underfunded.

We agreed with our House counterparts that a robust program in antisubmarine warfare [ASW] is urgently needed to counter improvements being made by the Soviets in quieting their submarines. Accordingly, the conferees agreed to increase funding for antisubmarine warfare research and exploratory development programs by nearly $33 million.

CRITICAL TECHNOLOGIES PLAN

As mentioned above, we found the first DOD-DOE critical technologies plan, submitted March 15, 1989, to be a useful roadmap of the most important technology base programs. However, we also felt it could be improved. The conferees agreed to a provision I drafted to strengthen our national critical technologies planning process. The provision directs the Office of Science and Technology Policy to prepare a biennial national critical technologies report, with the first report due to Congress next November. The panel to prepare the report will include representatives from the private sector. This report will serve as a check on the DOD-DOE defense critical technologies plan and will bring in additional agencies charged with civilian technology research including NASA and the Department of Commerce.

The provision also asks DOD and DOE to strengthen their annual critical technologies plan in several respects. We want a lead organization designated for each of the critical technologies, so we know who is responsible for progress or lack thereof, compared to other nations. We want a summary of that lead organization's plan, including how it intends to involve other DOD and DOE organizations, other Federal agencies, and the private sector. We want more detailed budget information on both past and future funding. We would like to see improvements in the international comparisons on the technologies.

Mr. President, I believe these reports can serve both the executive branch and the Congress as we seek to ensure continued American technological leadership in the areas of greatest importance to our long-term national security and economic prosperity. We perhaps no longer can seek preeminence across the board, but in my view we must do so in at least this short list of critical technologies. With limited resources, we must make choices and these documents will help us make those choices.

DOD ROLE IN EDUCATION

The conferees also included bill and report language indicating their serious concerns over the recent decline in the United States' science and engineering work force and the potential impact of this decline on national security. The conferees included a sense of the Congress provision included in the Senate bill directing the Secretary of Defense to take actions to encourage and promote growth in the number of U.S. citizens studying science and engineering. The bill also provides a permanent authorization for the Defense Science and Engineering Graduate Fellowship Program, initiated last year by a Hatfield-Nunn amendment to the fiscal year 1989 Defense appropriations bill. The bill provides $10.5 million in fiscal year 1990 and $11 million in fiscal year 1991 for this program.

Mr. President, this is our first effort to rationalize DOD's role in science and engineering education. I expect the Subcommittee on Defense Industry and Technology to continue to pursue this area in future years.

BALANCED TECHNOLOGY INITIATIVE

The administration's request for the balanced technology initiative [BTI] was increased by $32 million to a total of $238 million to keep funding at the same level as fiscal year 1989. The conferees noted, however, their deep concern over the lack of Department of Defense support, leadership and guidance for this important initiative and reaffirmed the original congressional intent that the Secretary of Defense and the Director, Defense Research and Engineering, should take a strong role in providing management and oversight for this program.

INDUSTRIAL BASE

The conferees continue to be concerned about the Nation's defense industrial base. Therefore, we tried to address critical shortfalls both in funding for Manufacturing technology programs and in the industrial base planning process.

FUNDING

We authorized an additional $67 million for manufacturing related programs, $25 million to the Air Force manufacturing technology program to keep it at last year's level, $5 million to the Navy for its Center of Excellence for Composites Manufacturing, $30 million to DARPA's initiative for concurrent engineering, and $7 million to DARPA's continuous fiber metal matrix program. We fully funded other manufacturing technology programs, including the $100 million request for SEMATECH, the semiconductor industry's manufacturing initiative now in its third year.

The conferees also recommended continued support for the National Center for Manufacturing Sciences, the National Powder Metallurgy R&D Center, and the Low Articulating Robotic Systems Program and the establishment of a Center of Excellence for Advanced Flexible Manufacturing Systems.

Mr. President, this again was one of the few research areas to get a significant infusion of funds. Manufacturing technology programs, like the tech base, were neglected in the Reagan buildup. The National Academy of Sciences, the Center for Strategy and International Studies, and numerous other groups have called for increased funding of generic manufacturing research in the fields most important to the Defense Department. This is an areas where the defense industry has little incentive to make adequate investments in the defense sector and where American industry has fallen down even in the civilian sector. There is a broad consensus that DOD has not given sufficient attention to this area and it will be an issue of continuing concern to both committees.

CRITICAL INDUSTRIES PLAN

Mr. President, I believe that our industrial base planning has been woefully inadequate thus far. In an attempt to improve it, the conferees agreed to a provision which expands the duties of the Defense Industrial Base Office to make that office responsible for identifying those industries most critical to national defense applications of the technologies identified in the annual critical technologies plan and for developing the capability to gather, analyze and assess information on all aspects of the defense industrial base. In conjunction with the critical technologies plan, we direct the Defense Department to submit a report on the defense industrial base next March, in which we expect critical industries to be discussed and means for insuring their viability to be identified.

DEFENSE TRADE

COMMERCE DEPARTMENT ROLE

The conferees agreed to a Senate provision which would further

strengthen the role of the Department of Commerce in the negotiation, renegotiation and implementation of memoranda of understanding with foreign governments relating to research, development, or production of defense equipment. This amends a provision included in last year's Defense authorization bill. We are essentially using the Secretary of Commerce as a check to insure that these MOU's are reciprocal and do not have a significant adverse impact on our industry.

DEFENSE OFFSETS

The conferees also included a provision regarding defense offsets. This follows up a mandate in last year's defense authorization bill to develop a U.S. policy on offsets and to get on with negotiations with our allies to stem the adverse impacts that offsets have on our industrial base, especially at lower tiers.

Since we have seen little response to last year's mandate thus far from the executive branch, with the exception of the Korea FX negotiations, we are directing the President to address the offset issue in the negotiation and renegotiation with our allies of reciprocal procurement MOU's. This will be an area of continuing interest for our committee.

ACQUISITION REFORM

The conferees adopted several provisions intended to improve the acquisition process. Action on others was deferred until next year. I regret that we were not able to do more in this area. However, I would once again like to thank Senator WALLOP for his work in this area, and the strong support he provided both in committee and in conference on these issues.

PERSONNEL REFORM

All of the Senate's provisions on acquisition personnel reform were rejected by the House. These included a proposal for ten 25,000 person demonstration projects, four reserved for DOD and one for NASA; a proposal to increase pay for 500 DOD scientists and engineers and 25 DOE managers to up to $134,250; and a proposal to waive the current penalty for further Government service for up to 1,000 military retirees in scientific, engineering, professional and managerial positions in DOD and 250 military retirees in similar positions in DOE.

The Senate had included these provisions in an attempt to respond to the acquisition personnel recommendations made by the Packard Commission in 1986, by Secretary Cheney's Defense Management Review this year, and by the Secretary of Energy Watkins in testimony before the Armed Services and Energy Committees.

In the course of the conference, the administration proposed a compromise which would have provided for up to eight 25,000 person demonstration pay projects, four reserved for DOD; allowed up to 400 critical positions Governmentwide to be paid up to cabinet-level salary—currently $99,500; and given OPM authority to waive the penalty for further Government service for both military and civilian retirees on a case-by-case basis. That compromise was acceptable to the Senate, but not the House, which insisted that any relief provided in this bill would endanger the prospects for comprehensive reform of the civil service pay system and of executive, judicial, and congressional salaries. My colleagues and I countered that these modest steps would not relieve the pressure for reform and instead would be regarded as a signal of congressional intent to tackle this issue.

Mr. President, I regret the outcome. I wish House Civil Service Committee Chairman BILL FORD and OPM Director Connie Newman well in their efforts to fashion comprehensive reform proposals that could win congressional approval next year. I am convinced that strengthening our civilian personnel is the single most important action within the Congress' power to take to improve the defense acquisition system and to address the crisis in the DOE weapons complex. I therefore intend to remain active in pushing for action as a member of both the Armed Services Committee and the Governmental Affairs Committee.

POSTGOVERNMENT EMPLOYMENT RESTRICTIONS

The conferees agreed to a number of changes in the post-Government employment restrictions that had been enacted on a Governmentwide basis last year. This built on a provision Senators GLENN, LEVIN and I had authored in the Senate bill. The changes reemphasize the importance of precluding abuses of the "revolving door," but clarify the application of the law so that it does not act as a disincentive to the healthy interchange between the public and private sectors, particularly in terms of encouraging people from industry with technical and managerial skills to engage in public service.

COMMERCIAL PRODUCTS

The conferees also included a provision directing DOD to take certain specific actions to increase the use of commercial products. This built on a provision authored by Senator LEVIN in the Senate bill. For example, DOD must develop a simplified, uniform contract for the acquisition of these off-the-shelf items. DOD must also revise existing regulations to ensure that contractors are required to provide cost or pricing data only when that is necessary to protect the public interest. The conferees have directed DOD to establish a 3-year demonstration program for the procurement of military clothing using a solicitation that reflects typical commercial solicitations for these same items. This program should encourage the participation of vendors that currently do not supply these items to the military.

UNIFORM REGULATION REGARDING DISSEMINATION OF ACQUISITION INFORMATION

The recent Pentagon III Wind scandal reveals that DOD still lacks clear rules and adequate enforcement procedures to control the release of nonpublic acquisition information. Therefore, the conferees have agreed upon a provision that was included in the Senate bill that requires DOD to develop a single, uniform regulation regarding the dissemination of, and access to, acquisition information.

TECHNOLOGY TRANSFER

Mr. President, I would also like to comment briefly on the technology transfer provisions included in the conference report. These provisions, for the first time, put Government-owned, contractor-operated national laboratories under the Stevenson-Wydler Act of 1980. The bill gives the labs statutory authority to negotiate cooperative research and development agreements, provides proprietary protection for technology developed under those agreements, and establishes technology transfer as a mission for the Department of Energy.

The report includes three key components included in our subcommittee's markup of the bill. The first is language which authorizes the laboratories to negotiate cooperative research and development agreements [CRADA's] on behalf of the Government, with industry, universities, nonprofits, and small business incubators. These cooperative agreements are subject to expedited approval procedures from the Department of Energy.

I am concerned, however, that our intent in regard to the agency approval process be clear. Although the conference report makes clear that a purpose of section 12 of the Stevenson-Wydler Act is to allow prompt consideration and disposition of proposed CRADA's, industry might at first consider the contemplated sequential approval process, first of the work statement and then of the CRADA itself, as being conducive of anything but promptness.

However, there is nothing in the language of section 12 as now amended that specifically requires a sequential approval process. Section 12 only provides that no CRADA may be entered into without an approved work statement—which must be reviewed within 90 days of submission and an approved CRADA—within 30 days of submission. Accordingly, when time is of the essence, laboratories may appropriately provide a proposed CRADA in its entirety for consideration and disposition by the Agency, ask that the CRADA be deemed formally submitted immediately upon approval of the joint work statement, and expect that

the Agency will complete its review and disposition well within 120 days, that is the 90-day timeframe set forth for review and disposition of a joint work statement and the 30-day period set forth for review of the CRADA. It would be this Senator's expectation that in many instances agency disposition should occur with 60 to 90 days.

The second key component is clear language authorizing the parties to any such agreement, including the labs and the Government, to grant proprietary rights in the technology developed under the agreement, including protection for computer software and technical data.

And third, the bill establishes technology transfer as a stated mission in the Atomic Energy Act for the Defense Weapons Complex of the Department of Energy. Amending the mission in this way will ensure future DOE cooperation in technology transfer matters, as well as pave the way for future expansion of these provisions.

Mr. President, I feel that this is a good bill, and one which merits the support of the Senate. Overall, I am pleased with the results of our conference, and I believe that we continue to achieve the goals of our subcommittee and the Senate in supporting the defense technology and industrial base and continuing to seek to streamline the defense acquisition process. Again I would like to commend Senator NUNN, as well as my other colleagues on the Armed Services Committee, for their good work on this bill. I urge my colleagues to support this legislation.

I yield the floor.

Mr. KENNEDY. Mr. President, I rise in support of the National Defense Authorization Act for Fiscal Years 1990 and 1991.

The Projection Forces and Regional Defense Subcommittee, which I chair, reviewed a fiscal year 1990 budget request from the administration totaling $23.4 billion in procurement and research and development for programs affecting the Navy, the Marine Corps, the Air Force, the U.S. Transportation Command, and Special Operations Forces. Of the amount requested, $23 billion has been authorized in the legislation presently before the Senate.

I want to single out three important initiatives that the Projection Forces Subcommittee has pursued. Each of these initiatives is the consequence of hearings that the subcommittee held this past year and all are supported by provisions in the Defense authorization bill.

First, the Projection Forces Subcommittee has concluded that the military requirements of the United States necessitate an increase in our force of fast sealift ships. This need for additional fast sealift results primarily from our current inability to meet our commitments for the reinforcement of NATO Europe. But, if the negotiations on reduction of conventional forces in Europe prove successful and troop levels are reduced we will become more reliant on sealift for the defense of Europe.

Traditionally, military sealift has been provided for the nation by the U.S. merchant marine. Due to the declining numbers of ships available and suitable for military sealift, it is becoming necessary to provide for this requirement from the defense budget. This creates strains in the shipbuilding account where we would ordinarily only fund combatants and combat support ships. But, by requiring sealift ships to have multimission capabilities, we ease the pressure on the shipbuilding account while still investing in technology that may have significant benefit for the Nation's merchant marine. Toward this end, the bill authorizes $30 million for fast sealift technology development. In addition, the bill authorizes $20 million for long lead items toward the construction of the first ship in a new class of fast sealift ships. The Secretary of the Navy has been directed to report to the Congress the design details and a concept of operations for this new class of ships before any funds may be obligated.

The subcommittee's second major initiative focuses on ensuring that aircraft carrier technology will be able to meet the threats that our fleet will face well into the next century. The current Nimitz-class carrier design was developed during the 1960's. This design continues to serve us well and the Navy is constantly engaged in upgrading this technology. But, the next generation of carriers that we build will have to operate past the midpoint of the next century. To evaluate the requirements and technology needed for these carriers, the Defense authorization bill directs the Secretary of the Navy to commission an independent study of these questions. The results of this study will be crucial to future congressional oversight of our aircraft carrier requirements.

The third major initiative contained in the conference agreement involves pursuit of more advanced technologies for ship propulsion. Specifically, the bill places increased emphasis on integrated electric drive and requires its installation in a combatant ship before the year 2000. This system could lead to potentially revolutionary developments in naval technology by allowing much greater flexibility in ship architecture and by vastly increasing the power levels available for propulsion, sensors, and weapons.

In addition to these three initiatives, the conference agreement authorizes almost $11 billion for shipbuilding and conversion. Ships authorized include one Trident submarine, one SSN-668 class submarine, five DDG-51 class guided missile destroyers, three MCM-1 class mine countermeasures ships, three MHC-51 class coastal minehunters, one LSD-41 class landing ship dock, one AOE-6 class fast combat support ship, one Tagos ocean surveillance ship, and three oceanographic research ships. Twelve Landing Craft Air Cushion [LCAC] vehicles also were authorized. Authorization was included for the conversion of one AO [Jumbo] oiler, one aircraft carrier service life extension, and the refueling and modernization of the USS *Enterprise.*

Multiyear procurement authorization was granted for a number of programs among which are the DDG-51 guided missile destroyer program and the SH-60B and F antisubmarine helicopter programs.

Finally, with respect to military airlift the conference agreement reduced the amount requested for the C-17 cargo aircraft program. Continuing difficulties in that program suggest that slowing it and reducing some of the concurrenty between the development of the aircraft and its production is indicated at this time. Accordingly, the authorized level of $2.1 billion for the C-17 represents a reduction of $393.9 million to the requested amount for the program. At this reduced level, four aircraft may be procured instead of the six requested.

Mr. President, the National Defense Authorization Act for Fiscal Years 1990 and 1991 represents hard work over many months by members and staff. It has been constructed with care and deserves the support of the Senate.

Mr. DECONCINI. Mr. President, on balance I would like to state that I am very pleased with the work of the conference on the fiscal year 1990 DOD authorization bill. The bill, in my judgment, supports Secretary Cheney's overall plan to balance resources among many critical programs that are needed to maintain a strong military while facing up to the challenges presented by a tighter budget. I commend the conferees, and especially Senate Armed Services Committee chairman, SAM NUNN, and the ranking minority member, JOHN WARNER, for their efforts in reaching a reasonable compromise on some very complicated and hotly debated issues regarding our military force structure.

The question of the scope of our strategic modernization program was particularly troublesome this year. There was considerable disagreement among the Members on support for the Stealth bomber, the MX and Midgetman missile systems, the Trident missile, and the strategic defense initiative [SDI]. I support the conference committee's final decision to fund these important strategic programs, albeit at a slower rate. I also believe

the committee was correct in its decision to reduce the SDI Program. The authorized amount of $3.8 billion, which includes $220 million from the Department of Energy account, is adequate to sustain a solid research program in strategic defense while scaling back on premature plans to build or develop a near-term system.

I am pleased that the conferees authorized $234 million for the development of the LHX helicopter. This aircraft will be needed in the future to match the Soviet buildup of tanks and improved battlefield weapons. I must, however, express my concern over what I consider a disregard for the current needs of the Army and its aviation modernization program. The conference report authorizes the procurement of only 132 Apache helicopters and maintains Secretary Cheney's termination of the program after fiscal year 1991. I believe this is a mistake, especially considering the Army's need for this helicopter and the large gap between the termination of the Apache production after fiscal year 1991 and the delivery of the first LHX helicopters in fiscal year 1997. The authorized production raises the total inventory of Apache helicopters to 807, an amount far short of the 1,031 aircraft originally sought by the Army. This leaves seven Army battalions—two active, two Reserve, and three National Guard units—without a modern heavy attack aircraft. I find it ironic that the report authorizes $256 million for the procurement of 6,200 laser-guided Hellfire antitank missiles, an increase of 2,000 missiles and $70 million over the DOD request for fiscal year 1990, yet does not fully provide for the primary aircraft which carries these missiles. I know that the House Armed Services Committee supported the purchase of at least 240 Apaches under a multiyear contract (fiscal year 1990 through fiscal year 1993), similar to the agreement reached in the fiscal year 1989 Defense Appropriation, so I am hopeful that the conference restriction on Apache procurement will be revisited next year.

Another disappointment for me in reviewing the authorization report was the complete lack of funding for continuation of SR-71 aircraft operations. The House and Senate Appropriation Committees both felt very strongly that this aircraft provides a unique capability in intelligence collection and should remain in our active inventory. The Defense Appropriation conferees provided $210 million to maintain the program and agreed to transfer operations to the Air National Guard. I suspect that the Armed Services Committees responded primarily to the Air Force desire to terminate Air Force responsibility for funding the SR-71 Program and that the Members do not have serious objection to a continuation of the aircraft operations. This is an issue which is expected to be addressed shortly during debate on the Defense appropriations bill.

I am very pleased that the report authorizes $450 million to carry out the Defense Department's drug interdiction and law enforcement support activities in fiscal year 1990. This is an increase of $150 million over last year's levels. It provides $70 million to the National Guard to increase their activities in the war on drugs. It also includes a requirement that the Department of Defense provide a separate budget proposal for the antidrug program in its annual submission. I commend the committee members for their timely action in response to this critical national problem.

As a longtime supporter of the National Guard, I was pleased to see that the report authorizes $2.2 billion for the National Guard and Reserve forces. This amount is $846 million above the administration's budget request, but they are funds which are clearly needed to provide the Guard with modernized equipment and to increase their readiness.

In the technology base, the conference report provides $3.51 billion, an increase of $220 million over the administration's budget request. This increase signals a continuation of the strong support by the Congress for defense science and the maintenance of a strong defense industrial base. I was especially pleased that the conferees provided full support for the Semiconductor Manufacturing Technology [Sematech] Program, an item of interest to many in my State of Arizona.

In conclusion, I believe the fiscal year 1990 Defense authorization conference report strikes an appropriate balance between the need to maintain a strong national defense and the desire to hold the ceiling agreed to on the defense budget. Clearly, the events in Eastern Europe and around the world will have an impact on future strategic and conventional defense requirements. In my judgment, however, the document before us today is a carefully constructed compromise which should serve the Nation well regardless of uncertainties in the year ahead.

Mr. ADAMS. Mr. President, today the Senate is debating the conference report on the Department of Defense authorization bill for fiscal years 1990 and 1991. The conference report, which has already been adopted by the House, would provide more than $305.5 billion for defense activities for fiscal year 1990. This amount reflects the so-called budget summit agreement reached between the Congress and the White House concerning how much will be spent on defense and domestic programs.

I do not agree with every provision of the conference report. In fact, there are several programs, such as the MX rail garrison and the strategic defense initiative, which I opposed during the Senate's consideration of the original authorization bill and do so today.

Additional questions can and should be raised about the advisability of spending this amount of money on defense programs at a time when the United States is facing serious budget problems and so many domestic needs.

We are also witnessing almost unimaginably dramatic changes taking place in Eastern Europe. We have witnessed extraordinary events in East Germany. Today, Lech Welesa addressed a joint meeting of the House and Senate. Clearly, the world and our strategic tension with the Soviet Union is rapidly changing and yet the bill before us would still fund virtually every strategic system including the SDI, the MX, the Midgetman, and Trident 2.

Nonetheless, in case after case, the conference report reduces funding or adds constraints to weapons programs compared to the Senate bill. Funding for SDI not only declined from the Senate bill, but declined below the level appropriated in fiscal year 1989 by more than $200 million. The conference report funds fewer B-2 aircraft and incorporates both the House and Senate "fly-before-buy" testing requirements. The conference report cut $150 million from the intercontinental ballistic missile programs and imposed, for the first time, a statutory limit on the number of MX missiles to be deployed at 50.

In an area of enormous importance to the State of Washington, the bill increases the level of funding for the environmental restoration and defense waste management at the Department of Energy defense plants by 68 percent over this year's level and 27 percent over the Bush administration request.

Later this week, as we debated the conference report on the Defense appropriations bill, we will be asked to approve even more dramatic changes in spending and to transfer funds from the defense budget to the war on drugs and to aid to Poland.

Clearly, the changes that are occurring in the Soviet Union and in Eastern Europe offer the hope and indeed demand that we revisit the full range of our national defense posture and requirements. We are at an important crossroads in terms of reassessing our role in the world, our obligations around the world, and our defense needs. This bill does not go as far as some of us would like toward responding to this changing climate, but we should all recognize that the world is changing. There is little doubt that in a few short months when we again take up this matter when the President submits his budget for fiscal year 1991 that new priorities must be debated.

Mr. NUNN. Mr. President, I know there are many Senators who have to leave. I ask, if there are no other Senators desiring to speak, that we have a vote on this conference report.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. There being no further debate, the question is on agreeing to the conference report. The yeas and nays have been ordered. The clerk will call the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA] is absent because of illness.

The PRESIDING OFFICER (Mr. CONRAD). Is there any other Senator in the Chamber desiring to vote?

The result was announced, yeas 91, nays 8, as follows:

[Rollcall Vote No. 299 Leg.]

YEAS—91

Adams	Ford	Mikulski
Armstrong	Fowler	Mitchell
Baucus	Glenn	Moynihan
Bentsen	Gore	Murkowski
Biden	Gorton	Nickles
Bingaman	Graham	Nunn
Bond	Gramm	Packwood
Boren	Grassley	Pell
Boschwitz	Hatch	Pressler
Bradley	Heflin	Pryor
Breaux	Heinz	Reid
Bryan	Helms	Riegle
Bumpers	Hollings	Robb
Burdick	Inouye	Rockefeller
Burns	Jeffords	Roth
Byrd	Johnston	Rudman
Chafee	Kassebaum	Sanford
Coats	Kasten	Sarbanes
Cochran	Kennedy	Sasser
Cohen	Kerrey	Shelby
Cranston	Kerry	Simon
D'Amato	Lautenberg	Simpson
Danforth	Leahy	Specter
Daschle	Levin	Stevens
DeConcini	Lieberman	Symms
Dixon	Lott	Thurmond
Dodd	Lugar	Warner
Dole	Mack	Wilson
Domenici	McCain	Wirth
Durenberger	McClure	
Exon	McConnell	

NAYS—8

Conrad	Hatfield	Metzenbaum
Garn	Humphrey	Wallop
Harkin	Kohl	

NOT VOTING—1

Matsunaga

So the conference report was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote.

Mr. WILSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CORRECTIONS IN NATIONAL DEFENSE AUTHORIZATION BILL

Mr. NUNN. Mr. President, last Thursday the House approved House Concurrent Resolution 225, which directs the enrolling clerk to make certain technical and conforming changes in the conference report on the National Defense authorization bill. In the days between House action and our consideration of the conference report which was just agreed to, further review of the bill has disclosed the need for a few additional technical and conforming amendments.

It is with those amendments in mind that I ask unanimous consent that the Senate proceed to the immediate consideration of House Concurrent Resolution 225, that such concurrent resolution be amended by the amendment I have sent to the desk, that there be no time for debate, that no other amendments to the resolution be in order, that the resolution, as amended, be agreed to, and the motion to reconsider be laid upon the table.

Mr. WILSON. Mr. President, there is no objection from our side.

AMENDMENT NO. 1130

(Purpose: To make corrections in conference report on H.R. 2461, the Department of Defense authorization bill for fiscal year 1990)

The PRESIDING OFFICER. The amendment will be dated.

The legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN] proposes an amendment numbered 1130:

At the end of the resolution, add the following new paragraphs:

(4) In section 5—

(A) strike out the section heading and insert in lieu thereof the following (and conform the table of contents in section 2(b) accordingly):

"SEC. 5. ANNUAL OUTLAY REPORT";

(B) strike out subsections (a) through (h);

(C) redesignate subsection (i) as subsection (a) and in paragraph (3) of such subsection strike out subparagraph (C);

(D) redesignate subsection (j) as subsection (b); and

(E) redesignate subsection (k) as subsection (c) and strike out the period at the end of such subsection and insert in lieu thereof "unless the budget resolution is accompanied by a report that describes the difference between the budget authority and outlays for National Defense (function 050) in the President's budget and the budget resolution.".

(5) In the first sentence of paragraph (2) of section 121(c), strike out "using fiscal year 1990 funds".

(6) In section 1641—

(A) strike out the heading and insert in lieu thereof the following (and conform the table of contents in section 2(b) accordingly):

"SEC. 1641. ANNUAL DEPARTMENT OF DEFENSE CONVENTIONAL STANDOFF WEAPONS MASTER PLAN AND REPORT ON STANDOFF MUNITIONS"; and

(B) in subsection (a), strike out "Joint Standoff" and insert in lieu thereof "Department of Defense Conventional Standoff".

The PRESIDING OFFICER. Without objection, the unanimous consent request of the Senator from Georgia is agreed to.

So the concurrent resolution (H. Con. Res. 225), as amended, was agreed to.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the majority leader, after consultation with the Republican leader, may proceed at any time to consider H.R. 3610, the District of Columbia appropriations bill, and that no amendments or motions to recommit, with or without instructions, with respect to the bill be in order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, there is no objection on this side of the aisle. I yield to the majority leader.

DISTRICT OF COLUMBIA APPROPRIATIONS, FISCAL YEAR 1990

Mr. MITCHELL. Mr. President, it is my understanding that there has been consultation and agreement to proceed to it.

Accordingly, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 3610 the District of Columbia appropriations bill.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3610) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1990, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. ADAMS. Mr. President, the bill before the Senate is the second District of Columbia bill for the fiscal year 1990, and pursuant to the order that has just been entered, we will not have any amendments to the bill. We hope to take the bill up, proceed through with it, if necessary have a rollcall on it, and then we will have completed this bill for the year.

Consideration of District appropriations has been extended due to a veto of an earlier version, H.R. 3026. This is an important bill. Mr. President, because the District appropriations bill this year contains $32 million to fight the war on drugs in the Nation's Cap-

ital, a war that the President himself enlisted in last spring when he said he wanted to make Federal funds available to help the Federal city.

The Congress responded with the funds, yet the President vetoed the bill over language concerning abortion. That language has been contained in the D.C. bill for 10 of the last 11 years, and which restricted the use of Federal funds in the cases where the life of the mother is in danger or in cases of rape or incest, which are promptly reported.

This bill is identical to the conference report on H.R. 3026, which the Senate approved October 16 by unanimous consent, except for a change in the abortion language.

We once again included an increase in Federal funds to fight the war on drugs. This bill contains $17 million to hire 700 additional policemen; $5 million for the D.C. courts to handle the increased caseload, including eight new judges; $600,000 for 10 additional prosecutors to handle increased juvenile drug cases, to speed child neglect and asset forfeiture cases; $1.7 million for drug prevention programs in the D.C. public schools; and $2 million for drug treatment programs for pregnant abusers.

In addition, we included $23 million in 1991 funds to complete construction of an 800-bed correctional treatment facility being constructed in southeast Washington. We have also included once again the $5 million to pay for housing D.C. prisoners in Federal prisons, and $72 million in D.C. funds for construction of a new prison and design of three others at the District's prison complex at Lorton, VA.

Mr. President, this bill also includes $430.5 million for the Federal payment. This payment is provided in the District in lieu of the Federal Government paying property taxes on its vast land holdings in the District. This payment has not increased in 3 years. In fact it is below fiscal year 1987 in that level. Since that time, the cost of city services has increased by 12 percent; Federal budget outlays have increased by 8 percent, with no increase in the Federal payment to the District.

Mr. President, I am pleased to report that recently the District established a Commission on Budget and Financial Priorities and committed $1 million to its work. I met with this Commission, and this Commission is charged with preparing a 5-year comprehensive financial plan for the years 1991 through 1995.

In addition, the Commission will review staffing and administrative overhead and employee compensation, and make a program-by-program review and examine the desirable overall level of tax revenues, including the level of the Federal payment.

Like the House, I believe this work is of the utmost importance and urgency in order to return the District to a sound financial footing.

Therefore, I encourage the District government to make Federal funds available through normal reprogramming procedures of up to $1 million to the Commission to match what we have made available from District funds, in order to look at this total problem of how the District government is run.

The District should look at Federal funds available to the Department of Corrections for the design and construction of the prison in Southeast Washington for the source of the reprogramming.

Mr. President, this is not a perfect bill. I would have preferred more funds for drug programs. I would have preferred to retain the original language on abortion. However, we are not able to accomplish those things this year. I am pleased that the language has been corrected in order to protect the integrity of the government of the District of Columbia to establish its own rules. This bill is the best we can do this year. It is past time to enable the District to proceed with its budgeted programs, rather than hold them hostage to the President's desire to have a particular type of provision or to impose his will on the citizens of the District.

Mr. President, we are offering a compromise on abortion, but this is not with regard to the District's funds. We have deleted language that would permit Federal funds to be used to perform abortions for poor women who are victims of rape and incest. I personally think the President is wrong to object to this kinder and gentler act of compassion for those who have the least and then are the victims of violent acts that leave scars that we can only imagine.

In an effort to ensure the speedy enactment of the drug emergency funds, we have deleted the language that would have allowed that type of use of Federal funds to perform abortions for poor victims of rape and incest. At the same time, we have retained a longstanding policy of restricting only the Federal funds in the bill and, therefore, preserve for District citizens the same rights enjoyed by all of the citizens of the United States; that is, to have their own elected representatives decide how their tax dollars should be spent on this issue.

Mr. President, this is not the best bill that we could devise. It is a bill all Senators can support. It contains critical Federal and local funs for the District's war on drugs and a compromise on abortion funding. I urge my colleagues to support this bill. I notice that my colleague from Texas has arrived. I, therefore, will yield the floor to my colleague from Texas.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. I want to congratulate our distinguished chairman. I believe that we have put together a bill that refocuses the priorities of the District of Columbia. I think it refocuses in the right direction toward law enforcement, toward regaining control of the streets, and toward strengthening the criminal justice system, and that is something that every citizen benefits from. I think it represents a good use of funds.

There still remains a dispute concerning the abortion language in the bill. I think that has been amply debated both here and around the country. So I think that we are now in a position to deal with this bill, and people can decide where they stand on the issues remaining. I think overall it is a good bill, and, again, I thank the chairman for his leadership.

Mr. ARMSTRONG. Mr. President, I suggest the absence of a quorum. I need just a moment to confer.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll

Mr. ADAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. Mr. President, I rise to state that were there to be a rollcall vote on the conference report before us, I would be compelled to vote nay. When the report came before us the first time I objected, and I continue to object.

Let me make it clear, Mr. President, that my objection has nothing to do with the abortion issue that caused this bill to be vetoed by the President. My position has consistently been that I support Federal funding of abortion in case of rape, incest, or when the life of the mother is in danger.

I am continuing to oppose this bill because I think we need to send the government of the District of Columbia a message—they must do better to provide basic services to their citizens. It is inconceivable the amount of time one must spend in lines simply to register their vehicle or obtain a driver's license. As a former secretary of state in Illinois, I can attest that we are able to provide our citizens with both of these basic services in a prompt, timely manner. There is no reason that this city cannot do the same.

I sometimes wonder what the District government's priorities are. At a time when many basic services are deteriorating, the District is using scarce Federal funds to nearly double the budget of the Office of Cable Television.

We have watched for years now while the city has worked to bring

cable television to the District, and we have seen delay after delay brought on by incompetent management. To this day the municipal administration has still not completed wiring the city.

While this is a minor issue on its own, I believe it is representative of the recent mismanagement displayed by the District government in running the affairs of our Capital City. I have never believed that we, the Congress, should excessively interfere in the affairs of the District, but, because of the size of the Federal payment to Washington, we are, in effect, D.C. taxpayers. Mr. President, this is one D.C. taxpayer who objects.

The PRESIDING OFFICER. The Senator from Washington.

Mr. ADAMS. I know of no further debate.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 3610) was ordered to a third reading, was read the third time, and passed.

Mr. ADAMS. I move to reconsider the vote.

Mr. GRAMM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ADAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. LEAHY. Mr. President, I understand we have a conference report on foreign operations.

The PRESIDING OFFICER. The Senator is correct.

Mr. LEAHY. I would move to consider the conference report.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS, FISCAL YEAR 1990—CONFERENCE REPORT

Mr. LEAHY. Mr. President, I submit a report of the committee of conference on H.R. 2939 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the bill (H.R. 2939) making appropriations for the Foreign Operations, Export Financing, and Related Programs for the fiscal year ending September 30, 1990, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 11, 1989.)

Mr. LEAHY. Mr. President, I am pleased to present to the Senate the conference report on the foreign operations, export financing and related programs bill for fiscal year 1990. The report is the product of a long, difficult conference during which 295 issues were resolved, including several extremely controversial and important matters.

Before turning to the contents of the conference report, I want first to thank my good friend and colleague, the ranking member of the Foreign Operations Subcommittee, Senator KASTEN. It would be impossible to overstate how cooperative and supportive Senator KASTEN has been in working through the issues and reaching the results reflected in this report.

There is a lot of talk in this body about bipartisanship, going back to the Vandenberg days especially in foreign affairs. I think it can be said without exaggeration that Senator KASTEN and I, and all the members of of the Senate Foreign Operations Subcommittee, actually do practice real bipartisanship in the area of foreign assistance. We were able to resolve all conference issues without a single vote of the Senate conferees.

Mr. President, the principal source of the difficulties in this bill is the lack of resources to fund both the programs that the administration asserts are high priority and those that the Congress strongly supports as well.

This fundamental difficulty was compounded by an unusually inept and feckless performance by the administration, particularly the Department of State, throughout the process. The approach taken by the administration was to promise everything to everyone in foreign aid, to make "commitments" at the highest levels to foreign governments, and then to leave it to Congress to make the hard choices among competing programs for insufficient resources.

I will provide details about funding levels in my prepared statement for the RECORD. To save time, I will simply summarize some of the main features of the conference report.

First, the conference agreed to provide a $50 million U.S. contribution to the paid-in capital of the International Bank for Reconstruction and Development, the World Bank. However, at the insistence of the House, the Senate conferees reluctantly agreed to defer to a future supplemental the question of provision of "callable capital" by the United States to the World Bank. This action means our paid-in capital contribution will not be usable by the World Bank until Congress provides the $2.41 billion in callable capital.

The position of the Senate conferees is that we should provide the callable capital at the earliest opportunity next year. Because of the failure of the administration to fund adequately U.S. refugee programs, there will have to be a refugee supplemental in fiscal 1990. It is my intention to seek approval by the Senate of the callable capital required by our contribution of $50 million in paid-in capital. To fail to provide the callable capital would be an act of gross irresponsibility. By late spring or early summer, the U.S. voting share in the World Bank would decline sharply, possibly to a level negating our veto in World Bank decisions.

On a more positive note, the conference provides over $538 million in U.S. assistance to Poland during this vital period of transition to democracy and non-communist government. This is a far more appropriate response to the historic events taking place in Poland than the paltry $10 million initially requested by the President. The conference provides over $100 million in direct assistance to Poland, establishes a new Trade Credit Insurance Program of $200 million specifically for Poland, and contributes $200 million to a Poland Economic Stabilization Fund. Additional amounts are provided to help Solidarity in the transition to democracy and to assist with Poland's most urgent environmental problems.

In addition, the conference has taken a major initiative to assist the Andean nations in the war against the drug lords. To a drug package of more than $240 million in the bills of both Houses, the conferees added an additional $125 million from funds transferred from the Defense appropriation, raising the U.S. commitment to the international drug effort to more than $360 million in fiscal 1990. The Foreign Operations conference also contributed another $60 million in across the board cuts for counternarcotics programs as mandated by the drug amendment in the Transportation appropriation conference.

Mr. President, those are the highlights of this conference report. I will now provide more details about funding levels agreed to by the conferees.

Overall, the conference report provides $14.6 billion in foreign assistance of all types for fiscal 1990, a nominal increase of some $400 million over fiscal 1989. After accounting for inflation, this is approximately a 2 percent real reduction in foreign aid, continuing the trend since 1985 of steadily declining resources for foreign assistance. The $14.6 billion is just under $500 million below the President's request for fiscal 1990.

Foreign aid is not politically popular, either in Congress or among the American people. With next to no constituency, fighting for sufficient resources for foreign aid is not easy. Nevertheless, the United States has made commitments which must be honored, and we have important foreign policy, developmental, trade and humanitarian interests which depend on adequate funding for a wide range of foreign aid programs. Even though it may not be politically advantageous, the Senate conferees felt a responsibility to work for funding to meet the high priority programs needed to meet those commitments and needs.

In title I, the conference recommends $1.88 billion in U.S. contributions to the Multilateral Development Banks, nearly $100 million below the President's request and about $340 million more than last year's level.

I have already described the conference's action on the World Bank. Let me stress again to Senators how important it is that Congress provide for the callable capital in a supplemental next year so that U.S. leadership in the World Bank is not further undermined. The House's adamant insistence, to the point of threatening the entire conference, on not providing the callable capital is regrettable. It is folly to weaken that institution at a time when the United States is looking to the World Bank to play a leading role in helping Poland overcome its profound economic problems, when we are urging the World Bank to take a central part in our overall strategy for dealing with international debt, and when we are finally making headway in improving the Bank's performance on global environmental problems.

Fortunately, the Senate conferees were able to prevail in insisting on a full U.S. contribution to the Inter-American Development Bank and reasonable contibutions to the other international financial contributions. This includes a $140 million contribution to the Enhanced Structural Adjustment Facility, a fund designed to help the poorest nations cope with the social costs of economic reforms aimed at rationalizing inefficient, overly centralized economies.

In title II, I am pleased that the conference was able to provide $6.7 billion for bilateral assistance, an increase of about $300 million over last year and about $10 million more than the President's request. Bilateral assistance is what most Americans think of when they hear about U.S. foreign aid. These are the programs aimed at helping nations develop sustainable economies and meet the basic needs of their people for food, clothing, housing, education and jobs. The conferees agreed to fund a major new global warming initiative under the auspices of the Agency for International Development. This global warming initiative will, I believe, activate AID to play a much more active and leading role in addressing the urgent problems of deforestation, greenhouse gases and alternative forms of energy in the Third World.

The conferees provide $565 million to assist the countries of sub-Saharan Africa, among the poorest and most needy nations in the world. The conference continues to afford AID wide flexibility in using these funds under the Development Fund for Africa. The goal of the conferees is to give AID the latitude to respond to the special problems of sub-Saharan Africa.

In title II, the conferees provide $370 million for the migration and refugee assistance account in the Department of State, the President's requested level. However, recognizing that this level is grossly inadequate to meet the urgent needs of refugees around the world, the conferees also agreed to increase the emergency refugee and migration assistance account from the requested $10 to $50 million. This should enable the administration to meet the most pressing refugee needs until a refugee supplemental can be submitted to Congress. The conferees believe the migration and refugee assistance account is underfunded by at least $100 million, and urge the administration to come forward with a supplemental to meet this shortfall as soon as possible.

In another step to help meet refugee needs, the conference agreed to provide an additional $15 million to the Migration and Refugee Program of the Department of State to assist the Refugee Entrant Program of the Department of Health and Human Services. The administration refused to seek adequate funding for that program, leaving a severe funding shortage for absorbing new refugees into American society. This left an additional burden on the States which the conferees agreed was inequitable.

The conferees are especially pleased to be able to provide $168 million for the Peace Corps, a $5 million increase over the $163 million requested by the administration; $2 million of this increase is to assist in the implementation of Peace Corps programs in Poland and Hungary. While this is only half of the increase the Senate wished to provide, it is all that could reasonably be found without doing severe harm to other essential programs.

Under title III of the bill, the conferees provided $5.5 billion for military assistance programs, a reduction of $250 million from fiscal 1989 and over $370 million from the President's request. Within those totals, the conference provides $4.66 billion for Foreign Military Financing Program activities and $47.4 million for the International Military Education and Training Program.

In title IV, the conferees provided a total of $647 million to support export assistance in the Export-Import Bank and the Trade and Development Program. It was extremely difficult to provide this level of export assistance, given that the President initially requested only $100 million for the Export-Import Bank direct loan program. Later, he raised his request to $500 million for Eximbank, though he transferred no funds to Foreign Operations to cover this additional request. Only through painful choices was the conference able to agree on $615 million for the direct loan program and $32 million for the Trade Development Program. As part of its final action on the Eximbank, the conference agreed to allow up to $110 million to be used as tied aid credits to combat predatory trade financing practices by foreign competitors. The conference also agreed to establish a $20 million interest subsidy account under which Eximbank could buy down interest rates when necessary to assist American businesses to compete against subsidized foreign financing. These measures reflect the determination of the conference to protect and assist American export businesses to have a more level playing field in competition with government-aided foreign exporters.

In other actions in general provisions under title V, the conferees agreed to continue strong United States support to the Afghan people in their struggle for freedom and independence. The conferees provided $70 million in bilateral humanitarian assistance for Afghan refugees, and a contribution of $13.5 million for a new Afghan Emergency Trust Fund under the auspices of the United Nations aimed at helping Afghan refugees return to their homes after peace is finally achieved. This means not less than $83.5 million will be available to assist the Afghan people cope with the ravages of this cruel war.

In addition, the conferees agreed to direct AID to provide not less than $50 million for the immunization of children, and to require that at least $200 million be spent on child survival activities worldwide. The conferees are determined that a major effort shall be made to attain the goal of universal child immunization.

Further, as part of the global effort to curb the drug trade, the conferees agreed to provide the President with new authority under section 506(a) of the Foreign Assistance Act to draw on up to $75 million in defense equipment and services specifically to assist in counter-narcotics activities, humanitarian needs, and refugee assistance. This authority is separate from and in addition to existing authority the President has to use up to $75 million in defense stocks and services in emergency situations requiring military assistance. The conferees believe this will give the President new means to combat the scourge of drugs.

Mr. President, this is a brief summary of some of the main elements of the Foreign Operations bill as reported by the conference in this report. With considerable difficulty, the conferees have put together a bill which meets essential U.S. foreign policy, humanitarian, development and export assistance objectives. I would be less than candid if I did not also state that in many areas this bill falls short of funding valuable programs at levels to meet demonstrated needs. The conferees had to make some very hard choices, and real cuts were made in important programs. As we struggle to meet deficit reduction targets, this is as it should be. The foreign operations bill, as with most Federal spending programs, must bear its fair share of reductions.

Mr. President, I urge my colleagues to approve the foreign operations, export financing and related programs appropriations bill for fiscal 1990 as reported by the conference.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Mr. President, I would like to express my appreciation to the chairman of the subcommittee, Senator LEAHY. At all stages of this legislation, he has been very supportive and cooperative. I would also like to thank the staff of the subcommittee for their hard work.

We have labored on this bill for 10 months, Mr. President. During that time we have witnessed some remarkable events in the world, some of which none of us would have believed possible when this process started.

The Soviet Union has liberalized its emigration policies, allowing unprecedented numbers of Soviet Jews and other minorities to emigrate to the United States and Israel. Poland, Hungary, and East Germany are in the process of political liberalization and economic change, with seeming Soviet approval. We hope and pray that it continues, Mr. President, but even it not, that part of the world will never be the same.

In Colombia, the government has declared war against the insidious drug lords who are poisoning out youth and sapping our State and local resources. Other Latin American countries are coming to grips with this scourge as well, and the administration has offered to help them make tough decisions in this long-term effort.

As we focus our attention on these events, we must not lose sight of equally important changes taking place in the Middle East, Africa, the Philippines, Asia, and in Central America. Many of these changes have been because the United States has been strong, consistent, and responsive.

But even as we nurture and savor the objectives we have pursued for so long, we have become more constrained in our ability to deal with world events. This is not good for the world at large, Mr. President, nor is it good for America.

We have handled our foreign policy resources like a cheap watch. We have wound it tighter and tighter each year, and the pieces will soon fly apart. I only hope that when the watch breaks, the damage to the U.S. national security—which is what we are talking about here—is minimized and that we can design a new and more responsive system to replace it.

The conference report before us may be the final turn on that watch stem. It does a number of good things for important countries and programs, including Israel and Egypt, Pakistan, Poland, and Hungary, refugee admissions and assistance, antinarcotics, efforts, and a variety of economic, developmental, humanitarian and security programs. But to accommodate all these good things, we do not provide enough funds to carry out a number of other critical programs. When this bill is signed into law, if it is signed, the administration will have the unenviable tasks of deciding whether to continue to fund the process of democratization in Central America or the Philippines; whether to fund continued economic development in Africa or the Caribbean. Whether to abandon our assistance commitments to some of our NATO partners or to support friends like Thailand, Oman, and Tunisia. These are not choices that the administration should have to make.

Mr. President, I know that the foreign assistance programs have no national constituency. But it is our responsibility to do what is right, not just what is easy.

I realize that the budget deficit is not going to disappear, and that we will have to more creatively meet our objectives with limited resources. We have to respond to emerging requirements and new opportunities without damaging equally important programs that aren't in the latest headlines.

Mr. President, this bill may never be enacted. The President has threatened to veto if the U.N. fund for population activities and the so-called leveraging provisions were not deleted. And they have not been. So, we may find outselves with the opportunity to build a new watch very soon. I do not know whether there will be enough time. I suspect not. But I challenge my colleagues in the Senate and in the other body to start the process now, before it is too late, before the damage to U.S. national interests is too severe. And I call upon the administration to work with us in a cooperative, bipartisan way to do what is right, what is absolutely critical to America's future. This certainly will not be easy, but I strongly believe that it must be done.

POLAND

This conference agreement, incorporates $532 million for the emerging democracies in Poland and Hungary. This is the bipartisan downpayment for a multiyear effort to encourage democracy in Central and Eastern Europe.

The appropriations committees have funded a package for Poland and Hungary that includes the three major initiatives requested by President Bush.

Enterprise funds for Poland ($45 million) and Hungary ($5 million);

The U.S. share of an international stabilization fund for Poland ($200 million); and

Urgent environmental assistance for the Krakow region and a regional environmental activities center in Budapest $3 million.

The conference package of assistance for Poland also includes several congressional initiatives: $40 million in loan guarantees by the overseas private investment corporation; $2 million for medical supplies and hospital equipment; $2 million for investment feasibility studies by the trade and development program; up to $10 million for agricultural activities; $1 million for the farmer-to-farmer program; and $1.5 million to support the Solidarity Trade Union.

A number of other activities in this conference agreement will benefit both Hungary and Poland: $2 million for Peace Corps programs; $2 million for technical training in private sector development, including management training; $3 million for education and cultural exchanges to be carried out by the U.S. Information Agency; $2 million for scholarships that enable Polish and Hungarian students to study in the United States under A.I.D.'s International Student Exchange Program; $10 million for a Clean Coal Technology Program to be carried out in conjunction with the Department of Energy; $1.5 million for technical assistance by the Department of Labor with unions and business groups to help implement labor reforms; $2.5 million to support independent, democratic organizations and activities other than solidarity.

Finally, we agreed that the administration can extend the existing Cen-

tral America Trade Credit Insurance Program to include Poland. If use of the TCIP in Poland proves to be feasible, up to $200 million in loan guarantees can be extended for short-term trade credits to Poland.

Mr. President, I note for the record that our subcommittee agreed to include in this conference report several activities in Poland and Hungary that ordinarily would be funded in other appropriations bills. The other subcommittees had already completed their conferences before we had a bipartisan agreement on assistance to Poland and Hungary.

Because of the urgency of the situation in Central Europe, we agreed to fund environment, labor, and cultural exchange activities in this bill for this year only. This does not establish a precedent, and I would exepct those programs to be funded in the customary manner by the proper appropriations subcommittee next year.

On a related matter, our conferees encourage the administration to increase food aid to Poland, if it is required, to $125 million. President Bush has already set aside $100 million for Poland. Food aid comes under the jurisdiction of the Agriculture and Rural Development Subcommittee.

The opening to democracy in Poland and Hungary, as well as the opening of the Berlin Wall, are a great opportunity for the United States and the free world. I am proud to participate in helping Poland's new Solidarity-led government through this bipartisan compromise.

Our aid to Poland and Hungary does not come free. In order to make room for these unanticipated requirements within the subcommittee's budget allocation, other programs were reduced. Although $140 million in budget authority was transferred, at the President's request, to our subcommittee's allocation from the defense subcommittee, it was not enough.

Direct appropriations for Poland and Hungary in this conference agreement amount to $292.5 million. The remaining $240 million is in the form of loan guarantees. That is $150.5 million more than the defense offset. To make room for this $150.5 million, the conference had to drop Senate earmarks that protected economic aid to Central America, Portugal, and Tunisia.

I have gone into this detail to make a simple point; we cannot do what the President wants us to do with the resources now available to this subcommittee.

Should the fast-moving events in Central and Eastern Europe continue to require foreign assistance funds at the fiscal year 1990, levels, one of two things will happen:

Congress and the President will have to work together to protect our subcommittee's priorities, or,

Some of the new democracies in Latin America and other parts of the world are going to have to do with much less help from the United States than they have been led to expect.

On a related matter with respect to Hungary, the administration has announced a comprehensive program of assistance for that country, including an extension of most favored nation status for the maximum period allowed by law without need for annual waivers. Some officials in the Department of Treasury and State are not aware of this determination with respect to the introduction of Hungarian sporting firearms to the United States.

I assume the two departments will consult on this matter and license the importation of sporting firearms which are otherwise legally importable as a further signal of United States support for Hungary.

FOREIGN MILITARY SALES—RULEMAKING

The Senate version of this bill included language which would have required regulations put together by the Defense Security Assistance Agency for FMS financing of direct contracts to go through the regular rulemaking process. The House would not address this issue of process, and the conference dropped the Senate provision. I am pleased to note that both the OMB and the Defense department are looking into this matter, and the Senate Government Affairs Committee may do as well.

We mentioned in the Senate report the reported inability of the Department of Justice to successfully investigate and prosecute cases of fraud and corruption, and to recover stolen FMS funds.

That expression was not meant as a green light for the Defense Department to promulgate rules notwithstanding the laws of the United States, especially the Administrative Procedures Act and the Paperwork Reduction Act.

These two laws were designed to protect American citizens, companies and Federal and local governments, for example, the guidelines in question require certain actions affecting bank records. Because of the way these rules were handled, however, Federal agencies in charge of bank regulations had no opportunity to comment on how these regulations would affect banking rules. Likewise, there are allegations that the rules violate State laws. These kinds of questions could have been avoided had the Defense Department not chosen to ignore the Paperwork Reduction Act and the Administrative Procedures Act.

Perhaps these guidelines are needed for these transactions, but that is not good reason to ignore existing law.

JOB RELATED CRIMES

Another provision I would like to mention relates to the ability of managers of Foreign Service officers to institute indefinite suspensions of employees where there is reasonable cause to believe the employee has committed a crime for which a sentence of imprisonment may be imposed.

The House originally had such a provision which we modified by adding extra protection for Foreign Service Officers. Subsequent to our action, various unions and organizations representing the Foreign Service officers suggested that both sides retreat on this issues.

The conference allowed for such indefinite suspensions but only if an individual has been convicted and sentenced.

We have put Foreign Service officers under the same standards as civil servants with respect to this issue. Evidently, Foreign Service officers believe that they should be treated in a much more liberal fashion.

I regret the action of the conference, though we have language in the conference report seeking immediate consideration by the authorizing committees on this issue. There should be a standard other than conviction which would allow for indefinite suspensions just as there is in the civil service.

ENVIRONMENTAL PROTECTION

This legislation affects the protection of natural resources and the environment around the world. It contains numerous initiatives to reform our own development assistance program and that of the international community. We are convinced that long term economic development is not possible unless basic natural resources are protected.

We provide the first funding for the African elephant conservation plan through AID. We expect these funds will contribute to an international program where U.S. funds are matched by a factor of at least two to one.

Second, we have amended current law so that we can directly assist park and wildlife law enforcement personnel in developing nations. This single action may be the most important international wildlife initiative we will take this year.

For the first time, we require some of the most basic environmental constraints and reviews be utilized by the International Monetary Funds that we require of the MDB's.

We have elevated energy conservation as a major component of our bilateral and multilateral assistance programs. We have to reduce the emission of CO_2 and other greenhouse gases. Increasing energy efficiency is the most effective step we can take today.

The Senate report has successfully catalyzed key actions in the Philippines to incorporate environmental management into the MAI. A centerpiece of our assistance policy will also

be the management of environmental resources in the Philippines.

Finally, we have included five separate major "debt for nature" directives in this legislation. If successfully implemented, we will have been successful in turning the debt crisis into a real opportunity to promote the conservation and wise use of the natural resources of developing nations.

These are just a few highlights of the environmental provisions of this legislation. I believe we have taken several important steps here to promote both environmental protection and economic development.

Mr. President, I shall discuss a few points here.

First of all, I thank the chairman of the committee for his kind comment and also express my appreciation to him. At all stages of this legislation we have been supportive of one another and he has been tremendously helpful and cooperative not only with me but also with the administration. And I also thank the subcommittee staff for their tremendously hard work.

Mr. President, over the months it has taken to bring the foreign operations bill to this point we have witnessed some remarkable events in the world. In the Soviet Union, Poland, Hungary, East Germany, the Middle East and Asia, we see stirrings of political liberation and economic change that we, in the United States of America, have sought for years to promote through this bill.

Unfortunately what joy some of us feel regarding this progress is tainted by persistent reminders that we cannot afford to support these countries without plundering other needy countries and programs throughout the world. Although $140 million in budget authority is transferred at the President's request from the defense subcommittee allocation to ours, it is not enough to cover the administration's wish list for our bill. In short, we cannot do what the President wants us to do with the sources now available to this subcommittee.

Should events in Central and Eastern Europe continue to require foreign assistance funds at the fiscal year 1990 levels, one of two things will happen. Congress and the President will have to work together to protect our subcommittee priorities, or some of the new democracies in Latin America and other parts of the world are going to have to do with much less help from the United States of America than they have been led to expect that they will receive.

Those are the two choices. I simply want to lay that out. I am hopeful that we will choose point one, that Congress and the President will work together to protect our subcommittee's priorities and recognize what is happening throughout the world and take advantage of these opportunities.

Mr. LEAHY. Mr. President, I ask that the conference report on H.R. 2939, the foreign operations, export financing, and related programs appropriations be agreed to.

The PRESIDING OFFICER. Is there further debate on the conference report?

If not, the question is on agreeing to the conference report.

The conference report was agreed to.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

HOUSE AMENDMENT TO SENATE AMENDMENT IN DISAGREEMENT NO. 17

Mr. LEAHY. Mr. President, I ask unanimous consent to lay aside all amendments in disagreement and take up amendment No. 17.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 17 to the aforesaid bill, and concur therein with an amendment as follows: At the end of the Senate amendment, insert:

": *Provided further*, That notwithstanding the previous provisos, no funds under this heading shall be made available to the United Nations Population Fund unless the President of the United States certifies that the United Nations Population Fund does not provide support for, or participate in the management of, a program of coercive abortion or involuntary sterilization in the People's Republic of China.".

Mr. LEAHY. I move that the Senate disagree with the House amendment to amendment No. 17, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there debate?

Mr. LEAHY. Mr. President, this amendment in disagreement results from the consideration in the other body of an amendment which I support, it was in our bill, proposed by the distinguished Senator from Maryland, Senator MIKULSKI. I mention this because the Senate voted on this issue before. In fact, yesterday, the House upheld our language by 80 votes, then narrowly adopted an amendment which gutted it.

Mr. President, I yield to the distinguished Senator from Maryland, who eloquently and thoroughly debated this issue once before on this floor.

Ms. MIKULSKI. I thank the chairman of the Foreign Operations subcommittee for yielding to me on this item.

Before I go into the discussion on the U.N. Population Fund, I would like to thank him and his ranking minority member, Senator KASTEN, for the leadership that they have provided on the foreign operations bill. No one could have been more stirred by Lech Walesa's remarks today than I, and I am pleased to note that what the foreign operations bill will be appropriating for Poland and Hungary certainly matches, as Lech Walesa asks, our words with our deeds.

Mr. President, here we have an item of disagreement that I would like to discuss and bring to the Senate's attention. We passed an amendment here allowing $15 million to go to the U.N. Population Fund, but we fenced it off and said no money could go to the People's Republic of China and that there had to be a separate account to fence this funding.

When it went over to the House as an item in disagreement, the House affirmed this Senate amendment by a vote of 244 to 178. Then an amendment was offered by Congressman SMITH requiring Presidential certification before the United States can participate in the UNFPA. This language looked innocuous to House Members. It looked benign to House Members because when one asks for a Presidential certification on first blush it is like asking for the Good Housekeeping seal of approval. So the House certainly went along with that and approved this amendment by 17 votes.

I would now say to my colleagues in the Senate, be wise and be wary because Presidential certification is not benign. It is not innocuous and cannot under any circumstances give the Good Housekeeping seal of approval to the U.N. Population Fund.

I am asking that we defeat the Smith amendment requiring Presidential certification because it is not necessary, but even more seriously because it would deny our entrance into the U.N. Population Fund. Why? President Bush and some Members of Congress are determined to keep the United States out of UNFPA whether or not our presence affects the China program. They have made some arguments. I would like to bring them to your attention and then move on.

First, there are those who say we should not aid and abet the abuses which take place in China. I agree. Any possibility of forced sterilization or coerced abortion is repugnant. That is why my amendment says no funds would go to China under any circumstances.

Then there is argument number two that says UNFPA has a presence in China and therefore indirectly is assisting in these abuses. Wrong. The UNFPA does not promote or assist in abortion in China or anywhere else. The UNFPA Program consists of edu-

cation on maternal and child health care, birth control, distribution of traditionally recognized contraceptives, and the training of demographers.

They say, by training demographers, it helps the Chinese track people who are having too many children. Well, that is very hard for a demographer to do. But at the same time, if that is the case why do we have the United States Census Bureau in there helping the Chinese count people? We should pull our census people out if we are not going to support UNFPA.

Then they say that if we withhold the funds it is going to force UNFPA out of China. We have been withholding funds since 1986, and that has not happened.

They say that the money is fungible and the United States will free up other funds that could be channeled to China. UNFPA has already approved an agreement with China. Whatever we do will not matter in that regard. This is not an abortion issue. UNFPA does not promote or assist in abortion in China or anywhere else as a matter of policy, as a matter of mission. Therefore, a U.S. contribution to the fund will not lead to abortion.

We could go on about why we should be contributing to the UNFPA. It helps more countries than our AID program. By passing or agreeing to this Smith amendment, we preclude our participation in the UNFPA. We will preclude our participation in helping deal with population issues around the world through the United Nations in countries where we do not have AID's participation.

Mr. President, I really hope that we would follow the direction of Senator LEAHY and not agree to the Smith provision.

Mr. President, that is all I have to say on the topic at this time.

The PRESIDING OFFICER (Mr. GORE). Is there further debate? If there is no further debate, the question occurs on the motion to disagree.

Mrs. KASSEBAUM. Mr. President, there is further debate.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mrs. KASSEBAUM. Mr. President, I would like to speak for a moment in support of Senator MIKULSKI's motion to disagree with the Smith amendment. We know this issue very well, Mr. President, but I think there are a few points worth reiterating.

The Smith amendment calls for Presidential certification. I feel it is inappropriate and unnecessary for the President to have to certify that none of these funds are being used for abortions in China. It is impossible for the President to be able to make that certification, and it is unnecessary because no UNFPA money is being used to fund abortions.

This point has been made by Senator Mikulski. I would like to reiterate it again, Mr. President, by pointing out that the UNFPA does not fund abortions and that the renewal of the United Nations Family Planning Agency funding should not be seen as an abortion issue. We have provided adequate protection against the use of United States funds for anything other than voluntary family planning programs by explicitly excluding China and by segregating our funds.

Second, Mr. President, with the population increasing at a rate of 90 million every year, developing countries are facing grave problems. It is extremely difficult for their struggling economies to meet the health care, education, nutrition and housing needs of an ever-expanding population.

By limiting family planning services in developing countries, we risk an increase in unintended pregnancies and abortions and a deterioration of the health of women and children.

While it is true we have increased funding to other international family planning programs—and that case has been made by the ranking member of the Foreign Operations Subcommittee very effectively in the past—these programs are largely bilateral. By denying funding to the United Nations Family Planning Agency, we lose the reach of the largest multilateral family planning organization in providing assistance to developing nations.

It is true that this amendment does not affect the overall amount of money spent on family planning. However, it has a great impact on the administration and the effectiveness of that funding.

The United States has no well-established presence in many of the approximately 140 countries served by the UNFPA. Without the UNFPA's extensive framework, we are unable to provide effective and efficient funding to many developing nations.

As a former chairman of the Foreign Relations Subcommittee on African Affairs, I am especially concerned about the many African nations which have no well-established United States presence and are in desperate need of assistance.

Mr. President, we live in an increasingly interdependent world, and what happens in foreign countries affects no only the citizens of those countries but ultimately affects all of us as well. We should not deny aid to an organization that has years of experience in this area and a proven capability to make significant progress in alleviating the serious problems of overpopulation.

Mr. President, I reiterate that this is not an abortion vote. This vote is about assisting family planning through a well-established organization with all the restrictions regarding our sensitivities to the issue clearly delineated and established.

I urge support for Senator MIKULSKI's position in not agreeing to the House amendment.

I yield the floor, Mr. President.

The PRESIDING OFFICER. Is there further debate? The Senator from Vermont.

Mr. LEAHY. I am sorry. Is the Senator from New Hampshire seeking recognition?

Mr. HUMPHREY. Yes, but I am not in a hurry.

Mr. LEAHY. I yield to the Senator.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. HUMPHREY. Mr. President, I think it is prudent, first of all, to point out if this House amendment, the Smith amendment, is defeated, the President is going to veto this bill. It is a big bill. It is an important bill. It has a broad constituency.

So this question before us is no small question. It is a question of whether this bill is going to be signed by the President or if he is going to veto it.

The underlying question, of course, is the matter of forced abortion in China. It is not a matter of speculation. They do it. They force women to have abortions in China.

Women are first put under very great emotional duress to have abortions, voluntarily, shall we say. And if that does not work, then physical duress is often applied, physical force is applied. These forced abortions encompass the entire period of gestation.

My colleagues can read the reports. I invite Senators to read the reports about women giving birth, and as the child's head emerges, a syringe full of formaldehyde is injected through the soft spot in the child's cranium to kill the child at birth.

Is that kind of thing something that Senators want the United States to be associated with in a financial sense? I certainly hope not.

Our former position, that upheld by the Senate for a number of years until this year, is a highly principled position and we should uphold it once again by supporting the Smith amendment.

It is an important matter, Mr. President. I recognize there are disagreements.

The assurances which those on the other side offer us, frankly, are not reassuring at all, I say with due respect. They offer us bookkeeping distinctions—that the U.N. Family Planning Agency will segregate these funds on their books so some consciences here in the Senate and in the Congress might be assuaged. But the practical matter is that the money will be spent. If it is not spent on one account, it will be spent on another account. But it all aggregates and it enables the U.N. to

support this grisly, ghastly, despicable program of forced abortion in China.

We should not support that in any way. With every means available to us, we ought to fight against that and resist it. It is a matter of principle. It is a matter of human rights and it is a matter of decency.

I salute Congressman SMITH for his effort in the House and I salute our colleague, Senator KASTEN, for his similar efforts over the years, and I hope they prevail because it is not a matter of their personal prestige. It is a matter of decency and human rights.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Mr. President, I think it is likely debate on this issue will come to a conclusion very shortly. The yeas and nays have been ordered. We are likely to vote within the next several minutes. I simply want to put my colleagues on notice.

Mr. President, I sincerely hope we will accept the compromise that was passed yesterday by the House of Representatives so we can send this legislation to the President for his signature. If we do not pass the compromise legislation that was adopted yesterday in the House of Representatives, the President will veto this bill.

I ask unanimous consent, Mr. President, to have printed at this point in the RECORD, an October 6 letter from the President, with regard to his intention to veto this bill if it does not contain the compromise language.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, October 6, 1989.

Hon. ROBERT W. KASTEN,
Ranking Minority Member, Subcommittee on Foreign Operations, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR BOB: I have previously expressed my strong support for the Kemp-Kasten Amendment, also known as the Kemp-Inouye-Helms Amendment, which has been part of the foreign operations appropriations bill since 1985. This provision denies U.S. population assistance funds to any organization which, as determined by the President of the United States, supports, or participates in the management of, a program of coercive abortion or involuntary sterilization.

In June, the Agency for International Development, acting on my delegated authority under the Kemp-Kasten Amendment, determined that the United Nations' Fund for Population Activities' continuing support for the coercive population control program of a specified nation makes U.S. support for the UNFPA impermissible under the Kemp-Kasten Amendment.

As you know, on September 20th the Senate narrowly adopted the Mikulski Amendment to the Foreign Operations Appropriations bill for Fiscal year 1990. The Mikulski Amendment would in effect exempt the UNFPA from the requirements of the Kemp-Kasten Amendment, and mandate a resumption of U.S. funding to the UNFPA, so long as U.S. funds are maintained in a segregated account.

I strongly support family planning programs which do not condone or encourage abortion or coercive measures. I believe that the current Kemp-Kasten law, along with the Mexico City Policy, must be maintained without dilution, in order to preserve both the pro-life and pro-human rights character of the population assistance program.

Therefore, if the FY 1990 foreign operations bill as presented to me contains the Mikulski Amendment or any other language which would weaken the current Kemp-Kasten provision, or place the UNFPA or any other organization outside the full application of Kemp-Kasten, I will veto it.

Sincerely,

GEORGE BUSH.

Mr. KASTEN. The other thing I want to point out, Mr. President, regardless of how this amendment is voted, regardless of the outcome of this amendment, the funding level for population planning assistance remains the same. Nowhere in this debate is any effort being made to reduce the level of family planning.

As a matter of fact, one of the things the chairman and I agree with is how important family planning is. I know the Senator from Kansas and the Senator from Maryland also agree. The family planning numbers are above the administration request, and this amendment does not affect total spending for family planning.

If UNFPA does not receive the funding, other family planning organizations will. These organizations include the International Planned Parenthood Federation of the Western Hemisphere, Family Health International of North Carolina, the Population Council of New York, and the Population Services Internship Program of Michigan.

What we have done, in other words, is take the same money that would be spent with the United Nations agency and have simply given it to other international family planning groups who do not fund or who do not participate in the practices in China that are so abhorrent and that we disagree with so much.

The Senator from Maryland and the Senator from Vermont may believe if we vote on this and send it back to the House, their vote will change. In other words, the House votes will change and our position will prevail.

I am not certain if we sent this back to conference we will see this bill again. Given the press of time, we could end up on a continuing resolution that would jeopardize many fine programs, including our hard-won assistance to Poland.

Mr. President, I strongly urge the Senate agree with the compromise developed and adopted yesterday in the House. We should simply vote against the motion to disapprove and, in effect, agree with the compromise yesterday in the House. This bill then can go to the President. It does not have to go back to the House. The bill then goes to the President and it will be signed.

I strongly recommend we go along with the House compromise and get this bill to the President for his signature as soon as possible.

Mr. LEAHY. Mr. President, I see no one else seeking recognition.

Several weeks ago President Bush wrote to me about the UNFPA language. He said, "I strongly support family planning programs which do not condone or encourage abortion or coercive measures." That, Mr. President, is what this amendment says and that is all it says.

This amendment would give the President the sole authority to decide in which countries U.S. funds may be used. U.S. dollars could be used only to support UNFPA programs which do not condone or encourage abortion or any coercive measures.

This is exactly what the President says he wants—voluntary family planning.

Not only does the bill already prohibit any United States funds from going to China, this amendment would also give the President the authority to prevent any United States funds from being used for abortion or any coercive program in any other country.

No U.S. money for abortion. No U.S. money for any coercive measures. Any Senator who supports voluntary family planning should vote for this amendment.

It is a reasonable compromise which will allow us to fund UNFPA's programs so long as they meet the standard set by President Bush himself.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the motion of the Senator from Vermont to disagree to the House amendment to Senate amendment No. 17. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Connecticut [Mr. DODD] and the Senator from Massachusetts [Mr. KENNEDY] are necessarily absent.

I also announce that the Senator from Hawaii [Mr. MATSUNAGA] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from New York [Mr. D'AMATO] is necessarily absent.

The result was announced—yeas 52, nays 44, as follows:

[Rollcall Vote No. 300 Leg.]

YEAS—52

Adams	Bumpers	Daschle
Baucus	Burdick	Fowler
Bentsen	Byrd	Glenn
Bingaman	Chafee	Gore
Bradley	Cohen	Graham
Bryan	Cranston	Hatfield

Heinz	Metzenbaum	Sanford
Hollings	Mikulski	Sarbanes
Inouye	Mitchell	Sasser
Jeffords	Moynihan	Shelby
Kassebaum	Nunn	Simon
Kerrey	Packwood	Simpson
Kerry	Pell	Specter
Kohl	Pryor	Stevens
Lautenberg	Riegle	Wilson
Leahy	Robb	Wirth
Levin	Rockefeller	
Lieberman	Rudman	

NAYS—44

Armstrong	Durenberger	Lugar
Biden	Exon	Mack
Bond	Ford	McCain
Boren	Garn	McClure
Boschwitz	Gorton	McConnell
Breaux	Gramm	Murkowski
Burns	Grassley	Nickles
Coats	Harkin	Pressler
Cochran	Hatch	Reid
Conrad	Heflin	Roth
Danforth	Helms	Symms
DeConcini	Humphrey	Thurmond
Dixon	Johnston	Wallop
Dole	Kasten	Warner
Domenici	Lott	

NOT VOTING—4

D'Amato	Kennedy
Dodd	Matsunaga

So the motion was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will report the next amendment in disagreement.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I ask unanimous consent that the amendments of the House to the amendments of the Senate in disagreement be considered and concurred in en bloc.

The PRESIDING OFFICER. Is there objection?

Mr. KASTEN. Reserving the right to object, did the Senator say all of the amendments in disagreement?

Mr. LEAHY. Yes, with the exception of the one we just excepted out and voted on.

Mr. KASTEN. At this time, I have to ask that amendment 278——

The PRESIDING OFFICER. If the Senator will suspend for a moment. The Senate will be in order. Senators will please cease audible conversations.

The Senator from Wisconsin.

Mr. KASTEN. Mr. President, I have no objection to agreeing to the request of the chairman with the exception of setting aside amendment No. 278 and amendment No. 295.

The PRESIDING OFFICER. Does the Senator from Vermont amend his request?

Mr. LEAHY. I amend my request to concur in the amendments en bloc with the exception of the two excepted by the distinguished Senator from Wisconsin.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

The House amendments to the Senate amendments in disagreement agreed to are as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 3 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert "$24,544,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 6 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert: "*Provided*, That the funds made available under this heading shall be withheld from obligation until the Secretary of the Treasury certifies that the Board of Executive Directors of the Inter-American Development Bank has adopted policies to ensure that all recipients of assistance must agree in writing that in general any procurement of goods or services utilizing Bank funds shall be conducted in a manner that does not discriminate on the basis of nationality against any member country, firm or person interested in providing such goods or services: *Provided further*, That the Secretary of the Treasury shall instruct the United States Executive Director of the Inter-American Development Bank to use the voice and vote of the United States to oppose any assistance by the Bank to any recipient of assistance who refuses to agree in writing that in general any procurement of goods or services utilizing Bank funds shall be conducted in a manner that does not discriminate on the basis of nationality against any member country, firm or person interested in providing such goods or services: *Provided further*".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 8 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment of the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increases in capital stock, for the General Capital Increase, $50,000,795, to remain available until expended: *Provided*, That no such payment may be made while the United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 12 to the aforesaid bill, and concur therein with an amendment as follows: Restore the matter stricken by said amendment, amended to read as follows:

CONTRIBUTION TO THE ENHANCED STRUCTURAL ADJUSTMENT FACILITY OF THE INTERNATIONAL MONETARY FUND

For payment to the Interest Subsidy Account of the Enhanced Structural Adjustment Facility of the International Monetary Fund, $140,000,000 to remain available until expended: *Provided*, That such funds are available subject to authorization: *Provided further*, That none of the funds made available by this paragraph shall be available for obligation or disbursement until the Secretary of the Treasury has assured the Committees on Appropriations in writing that the current policy of the International Monetary Fund (IMF) and the United States Government requiring that all congressional inquiries to IMF employees be cleared through the office of the United States Executive Director of the IMF has been reversed thereby allowing unmonitored and unfettered contact between Congress and IMF employees.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 13 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert;

For necessary expenses to carry out the provisions of sections 301 and 103(g) of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1983, $265,115,000; *Provided*, That no funds shall be available for the United Nations Fund for Science and Technology: *Provided further*, That the total amount of funds appropriated under this heading shall be made available only as follows: $109,510,000 for the United Nations Development Program; $65,400,000 for the United Nations Children's Fund, of which amount 75 per centum (less amounts withheld consistent with section 307 of the Foreign Assistance Act of 1961 and section 526 of this Act) shall be obligated and expended no later than thirty days after the date of enactment of this act and 25 per centum of which shall be expended within thirty days from the start of the United Nations Children's Fund fourth quarter of operations for 1990; $980,000 for the World Food Program; $1,500,000 for the United Nations Capital Development Fund; $800,000 for the United Nations Voluntary Fund for the Decade for Women; $200,000 for the United Nations International Research and Training Institute for the Advancement of Women; $100,000 for the Intergovernmental Panel on Climate Change; $2,000,000 for the International Convention and Scientific Organization Contributions; $2,000,000 for the World Meteorological Organization Voluntary Cooperation Program; $22,000,000 for the International Atomic Energy Agency; $12,000,000 for the United Nations Environment Program; $800,000 for the United Nations Educational and Training Program for Southern Africa; $110,000 for the United Nations Institute for Namibia; $500,000 for the United Nations Trust Fund for South Africa; $750,000 for the Convention on International Trade in Endangered Species; $220,000 for the World Heritage Fund; $100,000 for the United Nations Voluntary Fund for Victims of Torture; $245,000 for the United Nations Fellowship Program; $400,000 for the United Nations Center on Human Settlements; $500,000 for the UNIDO Investment Promotion Service; $10,000,000 for the Organization of American States; and $35,000,000 for United

States contributions to the third replenishment of the International Fund for Agricultural Development: *Provided,* That none of the funds appropriated under this heading shall be made available for the International Fund for Agricultural Development until agreement has been reached on the third replenishment of the Fund: *Provided further,* That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 15 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert:

AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 103, $483,715,000: *Provided,* That up to $5,000,000 shall be provided for new development projects of private entities and cooperatives utilizing surplus dairy products: *Provided further,* That not less than $8,000,000 shall be provided for the Vitamin A Deficiency Program: *Provided further,* That, notwithstanding any other provision of law, up to $10,000,000 of the funds appropriated under this heading shall be made available, and remain available until expended, for agricultural activities in Poland which are managed by the Polish Catholic Church or other nongovernmental organizations: *Provided further,* That not less than $1,000,000 shall be available for a Farmer-to-Farmer program for Poland, not withstanding any other provision of law

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 19 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

HEALTH, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 104(c), $125,994,000.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 22 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

EDUCATION AND HUMAN RESOURCES DEVELOPMENT, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 105, $134,541,000: *Provided,* That $1,500,000 of the funds appropriated under this heading shall be made available for the Caribbean Law Institute: *Provided further,* That not less than $67,270,000 of the funds appropriated under this heading and under the heading "Sub-Saharan Africa, Development Assistance" shall be available only for programs in basic primary and secondary education: *Provided further,* That in fiscal year 1990 the Agency for International Development shall initiate three new bilateral projects in basic primary and secondary eduction, at least two of which shall be initiated in Sub-Saharan Africa: *Provided further,* That not less than $20,000,000 of the funds appropriated under this heading shall be made available for the International Student Exchange Program, of which $2,000,000 shall be available, notwithstanding any other provision of law, for students from Poland and Hungary: *Provided further,* That not less than $1,200,000 of the funds appropriated under this heading shall be made available for leadership programs for the Americas that have a demonstrated record of performance: *Provided further,* That not less than $2,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for technical training for the people of Poland and Hungary in skills which would foster the development of a market economy and the private sector, including training in management and agricultural extension: *Provided further,* That not less than $3,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for educational and cultural exchanges with Poland and Hungary, which shall be undertaken in cooperation with the United States Information Agency.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 23 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

PRIVATE SECTOR, ENVIRONMENT, AND ENERGY, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 106, $149,209,000: *Provided,* That not less than $7,500,000 shall be made available only for cooperative projects among the United States, Israel and developing countries of which not less than $5,000,000 shall be made available for the Cooperative Development Program, and of which not less than $2,500,000 shall be made available for cooperative development research projects: *Provided further,* That not less than $5,000,000 shall be made available only for the Central American Rural Electrification Support project: *Provided further,* That not less than $2,000,000 of the funds appropriated under this heading or under the heading "Sub-Saharan Africa, Development Assistance", shall be made available for assistance in support of elephant conservation and preservation: *Provided further,* That not less than $3,300,000 of the funds appropriated under this heading shall be made available notwithstanding any other provision of law, for assistance to establish an air quality monitoring network in the Krakow, Poland, metropolitian area, to improve water quality and the availability of drinking water in the Krakow metropolitan area, and to establish and support a regional environmental center in Budapest, Hungary, for facilitating cooperative environmental activities, which activities shall be undertaken in cooperation with the Environmental Protection Agency: *Provided further,* That not less than $10,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for support for retrofitting a coal-fired commercial plant in the Krakow, Poland region with clean coal technology and for assistance to assess and develop the capability within Poland to manufacture or modify equipment that will enable industrial activities within Poland to use fossil fuels cleanly, which activities shall be undertaken in cooperation with the Department of Energy; *Provided further,* That the Administrator of the Agency for International Development or his designee may vest title in any property acquired under the previous two provisos in an entity other than the United States: *Provided further,* That not less than $1,500,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for the provision of technical assistance to Poland and Hungary (1) for the implementation of labor market reforms, and (2) to facilitate adjustment during the period of transition to free labor markets and labor organizations, which activities shall be undertaken in cooperation with the Department of Labor and United States labor and business representatives.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 31 to the aforesaid bill, and concur therein with an amendment as follows: It lieu of the matter inserted by said amendment, insert ": *Provided further,* That not less than $50,000,000 of the funds appropriated under this heading shall be made available only to assist activities supported by the Southern Africa Development Coordination Conference: *Provided further,* That funds appropriated under this heading which are made available for activities supported by the Southern Africa Development Coordination Conference shall be made available notwithstanding section 518 of the Act and section 629(q) of the Foreign Assistance Act of 1961".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 35 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

ASSISTANCE FOR VICTIMS OF WAR

Of the aggregate of the funds appropriated by this Act to carry out part I and chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $5,000,000 shall be made available, notwithstanding any other provision of law, for assistance for the provision of prostheses and related assistance for civilians who have been injured as a result of civil strife and warfare: *Provided,* That this amount shall be derived in equal amounts from Part I and from chapter 4 of part II.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 42 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert "$15,000,000 (except that payment may be made under this limitation only for those categories of services for which charges have been made under Foreign Affairs Administrative Support both in prior years and in the current year)."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 44 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further,* That section 222(a) of the Foreign Assistance Act of 1961 is amended by striking out "September 30, 1990" and inserting in lieu thereof "September 30, 1991"; *Provided further,* That notwithstanding the prior limitation on total commitments to guarantee loans at not to exceed $125,000,000, during the fiscal year 1990, total commitments to guarantee loans shall not exceed $100,000,000 of contingent liability for loan principal".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 48 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert "and of which sum cash transfer assistance may be provided, with the understanding that Egypt will undertake significant economic

reforms which are additional to those which were undertaken in previous fiscal years, and of which".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 63 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert "treated in accordance with section 592 of this Act".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 69 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further,* That not less than $200,000,000 of the funds appropriated under this heading shall be available, notwithstanding any other provision of law, for Poland: *Provided further,* That $2,500,000 of the funds appropriated under this heading shall be available, notwithstanding any other provision of law, to support independent, democratic organizations and activities in Poland and Hungary".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 74 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further,* That the President shall seek to channel through indigenous and United States private voluntary organizations and cooperatives not less than $20,000,000 of the funds appropriated under this heading and of the funds appropriated and allocated for the Philippines to carry out sections 103 through 106 of such Act".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 75 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further,* That up to a total of $40,000,000 of the funds appropriated to carry out sections 103 through 106 and chapter 4 of part II of such Act may be transferred to and consolidated and merged with the funds appropriated under this heading notwithstanding the limitations on transfers between accounts contained in section 514 of this Act and section 109 and 610 of the Foreign Assistance Act of 1961: *Provided further,* That any funds transferred to carry out the purposes of this heading shall be made available only for projects and activities which are consistent with the purposes of those funds as initially appropriated: *Provided further,* That of the total amount of funds transferred to carry out the purposes of this heading not less than 50 per centum shall be derived from funds appropriated to carry out chapter 4 of part II of the Foreign Assistance Act: *Provided further,* That transfers of any funds to carry out the purposes of this heading shall be subject to the regular notification procedures of the Committees on Appropriations".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 85 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further,* That of the funds appropriated under this heading not less than $46,000,000 shall be made available for the refugee admission program for first asylum refugees from East Asia: *Provided further,* That section 584(a)(3) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988 (as contained in section 101(e) of Public Law 100-202), is amended by striking "8 months" and inserting "one year".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 91 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert. ": *Provided further,* That of the funds appropriated under this heading, $250,000 shall be made available, notwithstanding any other provision of law, for food, medicine, medical supplies, medical training, clothing, and other humanitarian assistance for displaced Burmese students at camps on the border with Thailand".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 95 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further,* That grants provided with funds made available by this paragraph shall be implemented by grant documents which do not include a requirement to repay the United States Government, notwithstanding any requirement in section 23 of the Arms Export Control Act".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 98 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert "$500,000,000 only shall be available for Turkey and $350,000,000 only shall be available for Greece and, if Turkey receives any funds under this heading on a grant basis then not less than $30,000,000 of the funds provided for Greece shall be made available as grants".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 102 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken by said amendment, insert "except through the regular notification procedures of the Committees on Appropriations, not more than".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 103 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$43,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 105 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$30,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 107 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further,* That none of the funds appropriated under this heading shall be available for Sudan or Somalia, except through the regular notification procedures of the Committees on Appropriations".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 110 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert "to countries other than Israel and Egypt: *Provided further,* That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States government under the Arms Export Control Act".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 112 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further,* That not more than $39,000,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 117 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further,* That gross obligations for the principal amount of direct loans pursuant to the medium-term financing program shall not exceed $215,000,000: *Provided further,* That the interest subsidy authority and the tied-aid grants authority provided under this heading are subject to authorization".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 121 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further,* That loan guarantee authority available to the Export-Import Bank of the United States may be used by the Bank to participate in the financing of commercial sales of defense articles and services destined for greece and Turkey, notwithstanding any other provision of law: *Provided further,* That the authority provided by the previous provision shall not be used for the procurement of defense articles or services for use on Cyprus".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 122 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert: "for Central America and, notwithstanding any other provision of law, not to exceed $200,000,000 of contingent liability for loan principal for Poland pursuant to the authorities of section 224 of the Foreign Assistance Act of 1961: *Provided,* That section 224(c) of the Foreign Assistance Act of 1961 is amended by striking out 'September 30, 1989' and inserting in lieu thereof 'September 30, 1990' "

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 132 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken by said amendment, insert: ": *Provided further,* That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended: *Provided futher,* That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report,

those funds allocated for cash disbursement for balance of payment and economic policy reform purposes.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 133 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert: : *Provided,* That this section and section 620(q) of the Foreign Assistance Act of 1961 shall not apply to funds made available in this Act for any narcotics-related activities in Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961, as amended, or the Arms Export Control Act".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 164 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

"(d) EXPORT-IMPORT BANK.—(1) Of the financing provided by the Export-Import Bank that is utilized for the support of exports for the energy sector, the Bank shall seek to provide not less than 5 per centum of such financing for renewable energy projects.".

(2) The Export-Import Bank shall take all appropriate steps to finance information exchanges and training whose purpose it is to help link United States producers in the renewable energy sector with assistance programs and potential foreign customers.

(3) Beginning on April 15, 1990, the Chairman of the Export-Import Bank shall submit an annual report to the Committees on Appropriations on the Banks's implementation of this subsection.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 169 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken by said amendment, insert: *": Provided,* That the funds appropriated under the heading 'private Sector, Environment, and Energy, Environment, and Energy, Development Assistance', $13,500,000 shall be transferred to 'International Organizations and Programs' and made available only for the United Nations Afghanistan Emergency Trust Fund' ".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 187 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

(c)(1) The Congress supports the democratic transition underway in Chile, and intends to assist the new democratically elected government, following its inauguration in March of 1990, with assistance to—

(A) strengthen democratic institutions; and

(B) establish a new relationship with the Chilean armed forces appropriate to a democratic system of government.

(2) Of the funds appropriated by this act under the heading "International Military Education and Training", up to $50,000 may be made available for Chile for fiscal year 1990, subject to the following conditions—

(A) a civilian, democratically elected President is in power in Chile and has requested such funds;

(B) internationally recognized human rights are being respected and the civilian government is exercising independent and effective authority; and

(C) the Government of Chile is making good-faith efforts in attempting to resolve the murders of Orlando Letelier and Ronni Moffitt.

(3) Assistance may be provided under paragraph (2) without regard to the requirements of section 726(b) of the International Security and Development Cooperation Act of 1981.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 197 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

(b) Section 506(a) of the Foreign Assistance Act of 1961 is amended by—

(1) inserting "(1)" after "(a)";

(2) striking "(1) and "(2)" and inserting in lieu thereof "(A)" and "(B)", respectively; and

(3) inserting the following new paragraph:

"(2)(A) If the President determines and reports to the Congress in accordance with section 652 of this Act that it is in the national interest of the United States to draw down defense articles from the stocks of the Department of Defense, defense services of the Department of the Defense, and military education and training, he may direct—

"(i) the drawdown of such articles, services, and the provision of such training for the purpose and under the authorities of chapters 8 and 9 of part I, as the case may be; and

"(ii) the drawdown of defense services for the purposes and under tha authorities of the Migration and Refugee Assistance Act of 1962.

"(B) An aggregate value of not to exceed $75,000,000 in any fiscal year of defense articles, defense services, and military education and training may be provided pursuant to subparagraph (A) of this paragraph.".

(c) Drawdowns made pursuant to section 506(a)(2) of the Foreign Assistance Act of 1961 shall be subject to the regular notification procedures of the Committees on Appropriations.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 201 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert: "be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956: *Provided,* That of the funds appropriated by this Act for the "Economic Support Fund" and "Foreign Military Financing Program" accounts, not more than 33⅓ percent of the amounts made available by this Act for each such amount excluding amounts made available for Israel, Egypt, Poland and Hungary, may be obligated and expended prior to March 1, 1990, unless an Act authorizing appropriations for such account has been enacted".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 220 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert: "beneficiary countries of the Caribbean Basin Initiative and Bolivia".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 235 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert; "up to $2,000,000, except through the regular notification procedures of the Committee on Appropriations".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 245 to the aforesaid bill, and concur therein with amendments as follows:

In lieu of the first section number named in said amendment, insert: "573".

In lieu of "Section 503" cited in subsection (d), insert: "Section 632(d) of the Foreign Assistance Act of 1961".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 267 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

(b) Section 610(a) of the Foreign Service Act of 1980 is amended by inserting the following new paragraphs:

"(3) Notwithstanding the hearing required by this section, or procedures under any other provision of law, where there is reasonable cause to believe that a member has committed a crime for which a sentence of imprisonment may be imposed, and there is a nexus to the efficiency of the Service, the Secretary, or his designee, may suspend such member without pay pending final resolution of the underlying matter, subject to reinstatement with back pay if cause for separation is not established in a hearing before the Board.

"(4) Any member suspended pursuant to subsection (a)(3) of this section shall be entitled to—

"(A) advance written notice of the specific reasons for such suspension, including the grounds for reasonable cause to believe a crime has been committed;

"(B) a reasonable time, not less than seven days, to answer orally and in writing;

"(C) be represented by an attorney or other representative; and

"(D) a final written decision.

"(5) Any member suspended pursuant to subsection (a)(3) of this section shall be entitled to grieve such action in accordance with procedures applicable to grievances under chapter 11. The Board review, however, shall be limited only to a determination of whether there exists reasonable cause to believe a crime has been committed for which a sentence of imprisonment may be imposed, and whether there is a nexus between the conduct and the efficiency of the Service.".

(c) For purposes of the amendments made by subsections (a) and (b) of this section, reasonable cause to believe that a member has committed a crime for which a sentence of imprisonment may be imposed shall be defined as a member of the Service having been convicted of, and sentence of imprisonment having been imposed for, a job-related crime.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 274 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number named in said amendment, insert: "591".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 275 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

SEPARATE ACCOUNTS

SEC. 592. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapter 1 of part I (including assistance for sub-Saharan Africa) or chapter 4 of part II of the Foreign Assistance Act of 1961 under arrangements which result in the

generation of local currencies of that country, the Administrator of the Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated, and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapter 1 of part I of chapter 4 of part II (as the case may be), or

(B) for the administrative requirements of the United States Government.

(3) PROGRAMMING ACCOUNTABILITY.—The Agency for International Development shall take all appropriate steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapter 1 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—(1) If assistance is made available to the government of a foreign country, under chapter 1 of part I (including assistance for sub-Saharan Africa) or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as non-project sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Report No. 98-1159).

(3) NOTIFICATION.—At least fifteen days prior to obligating any such cash transfer or non-project sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) EXEMPTION.—Non-project sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 276 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number named in said amendment, insert "593".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 277 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

INTERNATIONAL MONETARY FUND

SEC. 594. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the International Monetary Fund (IMF) to regularly and vigorously promote the following policy and staffing changes through formal initiatives before the Board and management of the IMF and through bilateral discussions with other member nations:

(1) The addition to the IMF's staff of natural resource experts, and development economists trained in analyzing the linkages between macro-economic conditions and the short- and long-term impacts on sustainable management of natural resources.

(2) In a manner consistent with the purposes of the IMF, the establishment in the IMF of a systematic process to review in advance, and take into account in policy formation, projected impacts of each IMF lending agreement on the long-term sustainable management of natural resources, the environment, public health and poverty.

(3) The creation of criteria to consider concessional and favorable lending terms to promote sustainable management of natural resources. Such capacity should seek the reduction of the debt burden of developing countries in recognition of domestic investments in conservation and environmental management.

(b) The Secretary of the Treasury shall prepare an annual report to the Congress on the progress made by the United States Executive Director to the IMF in implementing the reforms encompassed in this section.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 279 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number named in said amendment, insert "596".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 283 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number named in said amendment, insert "598".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 284 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

LATVIA, ESTONIA, AND LITHUANIA

SEC. 599. (a) The Congress finds that—

(1) the Baltic states of Latvia, Estonia, and Lithuania gained their independence from the Russian Socialist Federative Soviet Republic in 1918, a fact recognized by the government of the Russian Socialist Federative Soviet Republic in 1920;

(2) the governments of the Latvian Democratic Republic and the Russian Socialist Federative Soviet Republic (RSFSR) signed a Treaty of Peace in Riga, Latvia on August 11, 1920, in which the RSFSR "establishes the right of self-determination for all nations, even to the point of total separation from the States with which they have been incorporated" and declares that "Russia unreservedly recognizes the independence, self-subsistency and sovereignty of the Latvian State and voluntarily and forever renounces all sovereign rights over the Latvian people and territory which formerly belonged to Russia",

(3) similar treaties were signed by both the Republic of Estonia and the Republic of Lithuania with the RSFSR on February 2, 1920 and July 12, 1920, respectively";

(4) the independent republics of Latvia, Estonia, and Lithuania swiftly recovered from the ravages of World War I and became active in the World community, gaining membership in the League of Nations on September 22, 1921 and full recognition by the United States on July 28, 1922;

(5) the sovereign rights of the independent states of Latvia, Estonia, and Lithuania were violated by the Union of Soviet Socialist Republics in a Secret Protocol to the Nazi-Soviet Treaty of Nonaggression of August 23, 1939, which divided Eastern Europe into Nazi and Soviet "spheres of influence";

(6) the Union of Soviet Socialist Republics coerced the governments of Latvia, Estonia, and Lithuania to sign Pacts of Mutual Assistance in October 1939, which stipulated that the "contacting parties undertake not to enter into any alliances or to participate in any coalitions directed against one of the contracting parties" and that "the carrying into effect of the present pact must in no way affect the sovereign rights of the contracting parties, in particular their political structure, their economic and social system, and their military measures";

(7) the Union of Soviet Socialist Republics violated not only those bilateral agreements with the independent Baltic states but also international conventions on the changing of international borders by force when the Soviet Union issued ultimatums to the three independent nations on June 15-16, 1940, demanding the formation of governments to their liking, followed by armed invasions of Lithuania, Latvia, and Estonia on June 16-17, 1940;

(8) the occupation of the Baltic states was confirmed on July 14-15, 1940, with the irregular and illegal "election" of new parliaments, which then petitioned for admission into the Soviet Union, and these petitions were accepted by the Soviet Union, as follows: Lithuania's on August 3, 1940, Latvia's on August 4, 1940, and Estonia's on August 5, 1940;

(9) the Government of the United States continues its policy of standing by the 1922 recognition of the de jure independent governments in the Baltic states, and of refusing to recognize the forced incorporation of the Baltic state into the Soviet Union;

(10) the peoples of Lativa, Estonia, and Lithuania have never accepted the occupation of their native lands, and have demonstrated their resolve on numerous occasions since 1940, most notably in the last three years. The most striking demonstration of the desires of the Baltic people took place on August 23, 1989, the fiftieth anniversary of the Nazi-Soviet Treaty of Nonaggression, when nearly 2,000,000 citizens of Latvia, Estonia, and Lithuania joined hands in a 400-mile human chain stretching across the Baltic states from the Estonian capital of Tallinn, through the Latvian capital, Riga, to the Lithuanian capital of Vilninus:

(11) the people of the Baltic states, through their elected representatives in the Popular Front of Latvia, the Popular Front

of Estonia, and the Lithuanian Movement in Support of Perestroika "Sajudis", have declared their desire for the restoration of independence in the Baltic states; and

(12) even the Communist officials and regimes in each of the Baltic states have begun to respond to the drive for more autonomy.

(b) The Congress urges the President—

(1) to raise the issue of the political rights of the Baltic peoples in all diplomatic contacts with the Soviet Union including during the meeting between President Bush and President Gorbachev in December, 1989 and during the Presidential summit scheduled in 1990 between the United States and the Soviet Union; and

(2) to call upon the Soviet Union—

(A) to honor the international agreements it has voluntarily entered into, such as the Final Act of the Helsinki Conference on Security and Cooperation in Europe and the United Nations Declaration of Human Rights, as well as the bilateral agreements it has voluntarily entered into with the independent governments of Latvia, Estonia, and Lithuania,

(B) to allow the people of Latvia, Estonia, and Lithuania their right of self-determination, as guaranteed by the RSFSR in 1920 as well as by the current constitution of the Soviet Union,

(C) to recognize the human rights of all peoples both within the Soviet Union and under Soviet influence, and

(D) to replace the policy of aggressive industrialization in the Baltic states, which has poisoned the land, air, and water of Latvia, Estonia, and Lithuania, with one of environmental responsibility.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 286 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number named in said amendment, insert "599".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 287 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number named in said amendment, insert "599B".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 289 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

ASSISTANCE FOR POLAND AND HUNGARY

SEC. 599C. (a) In addition to amounts appropriated under the heading "Trade and Development Program", there is hereby appropriated $2,000,000, to remain available until expended, to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, notwithstanding any other provision of law.

(b) Notwithstanding any other provision of this Act, any funds made available by this Act for a specific activity for Poland or Hungary instead may be obligated for Poland or Hungary for an activity with a similar purpose. The authority of section 515 of this Act may also be used to deobligate such funds and reobligate them for Poland or Hungary for an activity with a similar purpose: *Provided,* That the authority of this subsection shall be exercised subject to the regular notification procedures of the Committees on Appropriations.

(c) Funds made available by this Act and obligated for the Government of Poland shall not be expended if the President of Poland or any other Polish official, initiates martial law without the consent of the Polish Senate and Sejm, or if members of the Polish Senate or the Sejm are removed from office or are arrested through extra-constitutional processes. *Provided,* That, notwithstanding the restriction on expenditures contained in this subsection, the President of the United States may continue to expend funds made available to Poland if he determines and certifies to Congress that it is in the foreign policy interest of the United States to do so.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 290 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

ESTABLISHING CATEGORIES OF ALIENS FOR PURPOSES OF REFUGEE DETERMINATIONS

SEC. 599D. (a) IN GENERAL.—In the case of an alien who is within a category of aliens established under subsection (b), the alien may establish, for purposes of admission as a refugee under section 207 of the Immigration and Nationality Act, that the alien has a well-founded fear of persecution on account of race, religion, nationality, membership in a particular social group, or political opinion by asserting such a fear and asserting a credible basis for concern about the possibility of such persecution.

(b) ESTABLISHMENT OF CATEGORIES.—

(1) For purposes of subsection (a), the Attorney General, in consultation with the Secretary of State and the Coordinator for Refugee Affairs, shall establish—

(A) one or more categories of aliens who are or were nationals and residents of the Soviet Union and who share common characteristics that identify them as targets of persecution in the Soviet Union on account of race, religion, nationality, membership in a particular social group, or political opinion, and

(B) one or more categories of aliens who are or were nationals and residents of Vietnam, Laos, or Cambodia and who share common characteristics that identify them as targets of persecution in such respective foreign state on such an account.

(2)(A) Aliens who are (or were) nationals and residents of the Soviet Union and who are Jews or Evangelical Christians shall be deemed a category of alien established under paragraph (1)(A).

(B) Aliens who are (or were) nationals of the Soviet Union and who are current members of, and demonstrate public, active, and continuous participation (or attempted participation) in the religious activities of, the Ukrainian Catholic Church or the Ukrainian Orthodox Church, shall be deemed a category of alien established under paragraph (1)(A).

(C) Aliens who are (or were) nationals and residents of Vietnam, Laos, or Cambodia and who are members of categories of individuals determined, by the Attorney General in accordance with the "Immigration and Naturalization Service Worldwide Guidelines for Overseas Refugee Processing" (issued by the Immigration and Naturalization Service in August 1983) shall be deemed a category of alien established under paragraph (1)(B).

(3) Within the number of admissions of refugees allocated for fiscal year 1990 for refugees who are nationals of the Soviet Union under section 207(a)(3) of the Immigration and Nationality Act, notwithstanding any other provision of law, the President shall allocate 1,000 of such admissions for such fiscal year to refugees who are within the category of aliens described in paragraph (2)(B).

(c) WRITTEN REASONS FOR DENIALS OF REFUGEE STATUS.—Each decision to deny an application for refugee status of an alien who is within a category established under this section shall be in writing and shall state, to the maximum extent feasible, the reason for the denial.

(d) PERMITTING CERTAIN ALIENS WITHIN CATEGORIES TO REAPPLY FOR REFUGEE STATUS.—Each alien who is within a category established under this section and who (after August 14, 1988, and before the date of the enactment of this Act) was denied refugee status shall be permitted to reapply for such status. Such an application shall be determined taking into account the application of this section.

(e) PERIOD OF APPLICATION.—

(1) Subsections (a) and (b) shall take effect on the date of the enactment of this Act and shall only apply to applications for refugee status submitted before October 1, 1990.

(2) Subsection (c) shall apply to decisions made after the date of the enactment of this Act and before October 1, 1990.

(3) Subsection (d) shall take effect on the date of the enactment of this Act and shall only apply to reapplications for refugee status submitted before October 1, 1990.

(f) GAO REPORTS ON SOVIET REFUGEE PROCESSING.—

(1) The Comptroller General shall submit to the Committees on the Judiciary of the Senate and of the House of Representatives reports on the implementation of this section in Italy and the Soviet Union. Such reports shall include a review of—

(A) the timeliness and length of individual interviews.

(B) the adequacy of staffing and funding by the Department of State, the Immigration and Naturalization Service, and voluntary agencies, including the adequacy of staffing, computerization, and administration of the processing center in Washington,

(C) the sufficiency of the proposed Soviet refugee processing system within the United States,

(D) backlogs (if any) by ethnic or religious groups and reasons any such backlogs exist,

(E) the sufficiency of the means of distributing and receiving applications for refugee status in Moscow,

(F) to the extent possible, a comparison of the cost of conducting refugee processing only in Moscow and such cost of processing in both Moscow and such cost of processing in both Moscow and in Italy, and

(G) an evaluation of efforts to phase out Soviet refugee processing in Italy.

(2) The Comptroller shall submit a preliminary report under paragraph (1) by December 31, 1989, and a final report by March 31, 1990. The final report shall include any recommendations which the Comptroller General may have regarding the need, if any, to revise or extend the application of this section.

ADJUSTMENT OF STATUS FOR CERTAIN SOVIET AND INDOCHINESE PAROLEES

SEC. 599E. (a) IN GENERAL.—The Attorney General shall adjust the status of an alien described in subsection (b) to that of an alien lawfully admitted for permanent residence if the alien—

(1) applies for such adjustment,

(2) has been physically present in the United States for at least 1 year and is physically present in the United States on the

date the application for such adjustment is filed,

(3) is admissible to the United States as an immigrant, except as provided in subsection (c), and

(4) pays a fee (determined by the Attorney General) for the processing of such application.

(b) ALIENS ELIGIBLE FOR ADJUSTMENT OF STATUS.—The benefits provided in subsection (a) shall only apply to an alien who—

(1) was a national of the Soviet Union, Vietnam, Laos, or Cambodia, and

(2) was inspected and granted parole into the United States during the period beginning on August 15, 1988, and ending on September 30, 1990, after being denied refugee status.

(c) WAIVER OF CERTAIN GROUNDS FOR INADMISSIBILITY.—The provisions of paragraphs (14), (15), (20), (21), (25), (28) (other than paragraphs (F)), and (32) of section 212(a) of the Immigration and Nationality Act shall not apply to adjustment of status under this section and the Attorney General may waive any other provision of such section (other than paragraphs (23)(B), (27), (29), or (33)) with respect to such an adjustment for humanitarian purposes, to assure family unity, or when it is otherwise in the public interest.

(d) DATE OF APPROVAL.—Upon the arrival of such an application for adjustment of status, the Attorney General shall create a record of the alien's admission as a lawful permanent resident as of the date of the alien's inspection and parole described in subsection (b)(2).

(a) NO OFFSET IN NUMBER OF VISAS AVAILABLE.—When an alien is granted the status of having been lawfully admitted for permanent residence under this section, the Secretary of State shall not be required to reduce the number of immigrant visas authorized to be issued under the Immigration and Nationality Act.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 291 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

REPEAL OF PROVISION

SEC. 599F. (a) The following provision under the heading "Salaries and Expenses, General Legal Activities", contained in the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1990 (H.R. 2991), as enacted into law, is hereby repealed: "; *Provided further,* That for fiscal year 1990 and hereafter the Attorney General may establish and collect fees to cover the cost of identifying, copying and distributing copies of tax decisions rendered by the Federal Judiciary and that any such fees shall be credited to this appropriation notwithstanding the provisions of 31 U.S.C. 3302".

(b) The provisions of subsection (a) shall take effect upon the date of the enactment into law of the Department of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1990 (H.R. 2991).

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 292 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

CONDITIONAL ASSISTANCE FOR EL SALVADOR FOR POLICE TRAINING

SEC. 599G. (a) CONDITIONAL ASSISTANCE.—In order to promote the professional development of the security forces of El Salvador and to encourage the separation of the law enforcement forces from the armed forces of El Salvador, funds made available under chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated to El Salvador may, notwithstanding section 660 of that Act, be provided to El Salvador for fiscal year 1990 for purposes otherwise prohibited by section 660 of the Act, if the following conditions are met:

(1) The training provided with such assistance is provided by United States civilian enforcement personnel.

(2)(A) The assistance is to be used for the purposes of professional development and training of the security forces of El Salvador in such areas as human rights, civil law, investigative and civilian law enforcement techniques, and urban law enforcement training.

(B) Any such assistance that is made available for equipment for these forces is intended to be used for the purchase of equipment such as communication devices, transportation equipment, forensic equipment, and personal protection gear. No such assistance may be used for the purchase of any lethal equipment, except for small arms ammunition and rifle ammunition solely for training purposes.

(3) At least 30 days before obligating such assistance, the President certifies to the Committee of Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee of Foreign Relations and the Committee on Appropriations of the Senate that the Government of El Salvador has made significant progress during the preceding 6 months in eliminating any human rights violations, including torture, incommunicado detention, detention of persons solely for their political views, or prolonged detention without trial. Any such certification shall include a full description of the assistance which is proposed to be provided and of the purposes to which it is to be directed. Any such certification shall also include a report on the status of all investigative action and prosecutions with respect to those responsible for the 1980 murders of Archbishop Oscar Romero and the four American churchwomen, the recent murder of Ana Casanova, and the recent bombings of the headquarters of the FENASTRAS union and the office of COMADRES, a human rights organization.

(4) REPROGRAMMING.—Funds made available under this subsection shall be subject to the regular reprogramming procedures of the Committees on Appropriations.

(b) DEFINITION.—For purposes of this section, the term "civilian law enforcement personnel" means individuals who are not members of the United States Armed Forces.

(c) Not more than $5,000,000 shall be made available in fiscal year 1990 to carry out the provisions of this section. Not less than $7,000,000 of the funds made available to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961 for fiscal year 1990 shall be made available for the purposes of subsection 534(b)(3) of the Foreign Assistance Act of 1961.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 293 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

CORPS IN PERU, BOLIVIA AND JAMAICA

SEC. 599H. Notwithstanding any other provision of law, the President may provide assistance under chapter 1 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 for Peru, Bolivia and Jamaica to promote the production, processing, or marketing of all crops which can be economically grown in areas of those countries which currently produce crops from which narcotic and psychotropic drugs are derived.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 294 to the aforesaid bill, and concur herein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

LAND REFORM IN EL SALVADOR

SEC. 599I. (a) It is the sense of the Congress that the success and continuation of land reform in El Salvador is vital to United States policy and to political stability, economic development and maintenance of democratic institutions in that country.

(b) Therefore, when allocating Economic Support Funds to El Salvador, the President shall take into consideration progress in the Salvadoran Land Reform Program.

HOUSE AMENDMENT TO THE SENATE AMENDMENT IN DISAGREEMENT NO. 278

The PRESIDING OFFICER. The clerk will report the first of the two remaining amendments in disagreement.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 278 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

EL SALVADOR

SEC. 595. With respect to the ongoing political unrest and armed conflict in El Salvador, the Congress hereby—

(1) welcomes the negotiating process set in motion on September 13, 1989 in Mexico City by the Government of El Salvador and the leadership of the Farabundo Marti National Liberation Front and the expressed willingness of both parties to continue this process;

(2) urges the parties to these negotiations to achieve, as quickly as possible—

(A) a cessation of hostilities, and

(B) an overall political settlement of the ten-year old conflict; and

(3) calls upon the Secretary of State to consult frequently with the Congress on the status of the Salvadoran negotiations and on the efforts being undertaken by the President to support these negotiations.

Mr. KASTEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Arizona is recognized.

Mr. McCAIN. Mr. President, I ask unanimous consent to address the Senate for 7 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized for 7 minutes.

MEDICARE CATASTROPHIC COVERAGE ACT OF 1988

Mr. McCAIN. Mr. President, I rise to discuss an issue that has become very tiresome for most Members of this body, including this Member, but one that clearly needs resolution before we adjourn for the holiday period.

Eight days ago Congress agreed that prior to adjourning for the holidays, it would finally fix the Medicare Catastrophic Coverage Act of 1988. The question still remains, however, how will Congress resolve this issue? The conference has been meeting for a week now, and there has been literally no progress. If we are to adjourn any time soon, I think we have to finish the task of fixing this legislation, whether it be total repeal of the act and its benefits like the House proposes, or will it be the proposal adopted by the Senate, which retains the core catastrophic health care benefits but eliminates the highly controversial income tax surcharge known as surtax and several low priority benefits.

Since the passage of the Medicare Catastrophic Coverage Act of 1988, a fire storm of angry opposition mounted among our Nation's seniors, as they learned of the legislation's specifics. This is the very population that must be served by this legislation. They were upset, not because they were greedy malcontents unwilling to pay for health care protection, but because they were being required to pay for things they did not want or need, in a way they did not like.

On October 6, after nearly 11 hours of debate in consideration of numerous amendments, ranging from full repeal, to keeping all of the act's coverage, this body adopted the proposal by unanimous vote of 99 to 0. This came on the heels of the House having acted 2 days earlier to repeal the entire act.

The Senate proposal eliminates the surtax and protects a significant portion of the benefits currently being received and pays for them with a current flat part B premium of $4 a month. The CBO estimates that by 1993, this premium will only rise to $7, instead of $10.20 under current law, with a built-in cushion of 20 percent to protect against cost increases. The Senate proposal keeps the most valued benefits and eliminates the rest. It keeps benefits such as the long term and frequent hospitalization, spousal impoverishment, mammograms, home health and respite.

Blue Cross and Blue Shield told me they would have to charge beneficiaries $5.10 a month just for the hospitalization benefit. Yet, under this proposal, we protect and provide the above-mentioned package and fully fund it for only $4.90 per month.

Mr. President, the Senate's approach is a far better approach than eliminating the program altogether. The House approach would be disastrous to our Nation's elderly. Not only would the surtax be eliminated, but all of the above benefits would be eliminated. This includes benefits seniors have been paying for and receiving all this year—benefits such as extended hospitalization coverage.

What I have been hearing from seniors all over this country is that they want the surtax and low priority benefits eliminated. The Senate bill does that, but while Congress ran amok when first passing the catastrophic act by making seniors pay a surtax for benefits they did not want, the House bill goes to the other extreme by repealing every benefit, regardless of their importance or desirability. Mr. President, we owe the seniors of this Nation more than a blind stampede of political panic.

The Senate bill retains the expanded Medicare coverage, which I just described, and fully pays for these benefits through the existing flat premium.

Mr. President, the most important part of my remarks are that every major national seniors organization in America, from the National Association for Retired Federal Employees, Retired Officers Association, the National Committee to Preserve Social Security and Medicare, to the American Association of Retired Persons, known as AARP, strongly oppose repeal and has strongly endorsed the Senate proposal.

Mr. President, the eyes of our Nation's seniors continue to be on Congress as the conference continues. They want the surtax eliminated. They want low value benefits eliminated. They certainly do not want us to add new benefits and costs.

Mr. President, these are legitimate grievances and we should address them. Beyond that, however, they want us to preserve the core catastrophic benefits I mentioned above, which can be paid for with the existing flat premium.

The time for reasoned and responsible action is upon us.

It will be easier to take the extra minute to explain the Senate health care protection plan than it will to explain abdicating our responsibility to ensure fair affordable health care to 32 million senior Americans. Let us not overreact and repeal the entire act; let us eliminate the surtax and those benefits of low priority and keep the benefits of high priority which the Senate proposal does.

Let me say in conclusion: As my colleagues know, I was planning to offer the Senate plan to the debt limit bill and was prevailed upon by the leadership to not do so. Had I persisted, we might not be in this position. The issue might have been resolved.

I think it is important that we send a message to the conferees that we expect progress and resolution of this issue. Clearly, Mr. President, on the one side is repeal which is an understandably simplistic, in my view, approach. On the other side, there is the Senate version which I repeat again is supported by every major seniors orgnization in America.

Mr. President, I quote from a letter from the National Committee to Preserve Social Security and Medicare to Chairman ROSTENKOWSKI which says, and I partially quote:

While we have strongly endorsed repeal of the surtax, we have not supported total repeal, but have supported retention of benefits which can be financed through the increases in the flat premium already contained in current law. The benefit package contained in the McCain amendment passed in the Senate most closely reflects the benefits our members preferred when we polled them in August.

Mr. President, the National Association of Retired Federal Employees says:

NARFE's position is that repeal of the surtax is essential but as many of the benefits as can be covered by the flat rate premium should be kept.

Mr. President, I ask unanimous consent that both these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL COMMITTEE TO PRESERVE
SOCIAL SECURITY AND MEDICARE,
Washington, DC, November 14, 1989.

Hon. DAN ROSTENKOWSKI,
U.S. House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN ROSTENKOWSKI: As you proceed with the conference on the Medicare Catastrophic Coverage Repeal Act, the National Committee to Preserve Social Security and Medicare urges you to support language similar to that passed in the Senate.

While we have strongly endorsed repeal of the surtax, we have not supported total repeal, but have supported retention of benefits which can be financed through the increases in the flat premium already contained in current law. The benefit package contained in the McCain amendment passed in the Senate most closely reflects the benefits our members preferred when we polled them in August.

It is crucial that the Medicare Catastrophic Coverage Repeal conference reach a successful conclusion. Both the House and the Senate have responded to their constituents by voting to repeal the surtax; repeal of the surtax must become a reality before the adjournment of the first session of the 101st Congress.

Sincerely,

MARTHA A. MCSTEEN,
President.

NATIONAL ASSOCIATION
OF RETIRED FEDERAL EMPLOYEES,
Washington, DC, November 14, 1989.

DEAR SENATOR: As a conferee on H.R. 3607, to reform the Medicare Catastrophic Coverage Act of 1988, the National Association of Retired Federal Employees (NARFE) urges

your support for maintaining as many of the benefits as possible like catastrophic hospitalization coverage, mammography screening, Medicaid benefits, spousal impoverishment and hospice and home health expansions.

NARFE's position is that repeal of the surtax is essential but as many of the benefits as can be covered by the flat rate premium should be kept. For this reason we have consistently supported the McCain proposal.

We believe that a common sense approach is particularly important at this time. Congress has made a great deal of progress in resolving the Medicare controversy and this is commendable. The major problem with the legislation was the surtax, which both the House and Senate have agreed to eliminate. It would now be unfortunate to give up all provisions that could benefit so many senior citizens.

We hope House and Senate conferees can quickly resolve this issue and save as many of the catastrophic benefits as is possible.

Sincerely,

H.T. STEVE MORRISSEY,
President.

Mr. McCAIN. Mr. President, finally we need to move and get this issue resolved before we leave for the holidays. It would be a terrible thing after all the activity that has gone on and all the efforts in the direction of solving this problem are abandoned and, frankly, it would be a clear abrogation of our responsibilities to millions and millions of seniors in this country.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order to the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS, FISCAL YEAR 1990—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. HELMS. Mr. President, a little later on I will be moving that the Senate agree to the amendment of the House to the amendment of the Senate No. 278 with an amendment which I will send to the desk at that time.

What I am proposing is that the Senate, indeed the Congress, permit the President of the United States the necessary flexibility to provide assistance at levels he deems necessary and appropriate within budgetary confines.

Here is the history of it. The administration asked for $97 million in terms of the total budget. This is a pittance; it is a lot of money back in North Carolina, but $97 million around this place is a snap of a finger. The administration asked for the $97 million. The Senate provided $90 million but the conferees approved $85 million.

Obviously events unfolding in El Salvador make it imperative that we not restrict the President's ability to deal with the situation and the way to do that is to provide the necessary military aid.

I submit to the Senate that this Congress should not send a signal of uncertainty and timidity to the valiant people of El Salvador who are fighting for their lives to preserve their fragile democracy against Communist guerrillas, and anybody who has been reading the news or listening to the news in the last 2 or 3 days is obliged to know what is going on down there.

In fact on Monday evening I stood right here to share with the Senate a preliminary report on the Communist offensive in El Salvador. The text of my remarks on Monday evening may be found on page S15431 of Monday's RECORD.

The point I tried to make on Monday and which I reiterate today is that those who looked at the newspapers today, yesterday, and surely tomorrow morning are bound to be aware that the democratically elected Government of El Salvador is fighting for its very survival.

But despite the massive Communist offensive in that country there is some good news: the Communist guerrillas have received no support from the people of El Salvador.

The people of El Salvador are standing up to freedom and a lot of them are losing their lives in the process. Indeed, Salvadoran people have put their support squarely behind the Salvadoran Armed Forces and I am confident that with that support, and unless we flake out on the situation, the armed forces will eventually prevail.

In any case, Mr. President, when I spoke Monday, the details of events in El Salvador were a bit sketchy. I have been in touch almost constantly since then with the Salvadoran Foreign Minister, Manuel Pacas and with the United States Ambassador to El Salvador, William Walker. Let me recap some of the developments in the past 48 hours.

As Senators know, the U.S. Ambassador reported that his residence was fired on late Tuesday night. And early yesterday the Communist guerrillas began new attacks against nearby civilian neighborhoods.

The Foreign Minister reported to me that terrorist guerrillas are driving truckloads of weapons into civilian neighborhoods in an effort to solicit support from the people. But they are having no success. And that is a tribute to the people of El Salvador. The FMLN has been reputiated in the polls and now the FMLN has been repudiated again in this offensive.

Nonetheless, the terrorists are trying to use the urban civilian population as what he called a human shield. And I can think of no worse cruelty than that. These Communist terrorists are forcing their way into private homes and businesses in an effort to infiltrate the city of San Salvador. Many families are being held hostage and the Communist guerrillas are literally jumping from rooftop to rooftop in order to avoid the government authorities.

I should point out, I suppose, that the heaviest fighting is taking place in the neighborhoods inhabited by some of the poorest citizens of San Salvador, the very people for whom the Communist guerrillas claim to be fighting.

Well, they are being unmasked because with all of the weaponry that they have moved in over the past several months and stashed away here and stashed away there along the—nobody can predict how many lives will be lost, how much property will be destroyed and how much damage will be done in general to the people and their cities.

Between 8:30 p.m, Monday night, and 2 o'clock Tuesday morning—and that is Salvadoran time I am talking about—there was heavy guerrilla activity throughout the urban areas. Within 10 blocks of the U.S. Ambassador's residence, there were constant explosions, grenades, automatic weapon fire.

The Communist guerrillas continued to mount heavy attacks on military installations, and the Communist guerrillas also attacked both the private and official residences of President Alfredo Cristiani, as well as the homes of other government officials.

Weapons, ammunition, and guerrillas have been captured in many places throughout the capital city of El Salvador—most notably in the National University, the Central American University, and the Retreat House of the Jesuits. And according to reports—and they are reliable—government forces have captured Soviet-made weapons throughout downtown San Salvador. These captured weapons are clearly offensive weapons. They include, for example, antitank weapons and explosives, and that sort of thing.

Moreover, Mr. President, there is a new and ominous development which I think I mentioned Monday night—the role of Panama in supporting this Communist assault on the people of El Salvador—Panama. And you know who we are talking about when I say Panama. We are talking about Mr. Noriega. Now the connection between Ortega and Noriega and the Communists guerrillas throughout the hemisphere is already well documented. It

should be in the minds of all Senators. But there is even more information about the Ortega-Noriega-FMLN connection. It is worth repeating once more.

My sources, which have been entirely accurate in the past, say that the Salvadoran Communist Party and the FMLN terrorists sent a delegation last week to meet with—guess who—Mr. Noriega. Noriega personally agreed to provide the terrorists with communications equipment, uniforms, medicine and other assistance necessary for the Communists to carry out this offensive against the people of El Salvador and specifically San Salvador, the capital city.

Since their meeting with Noriega last week, the FMLN guerrillas have been acquiring the promised assistance from Cuban-front companies in the Panamanian Free Zone. Noriega has made arrangements to truck the supplies to Chiriqui, that is a city in Panama. Once the supplies arrive in Chiriqui, Noriega is providing airplanes to fly the assistance to Nicaragua, to the Communist insurgents—I call them terrorists; I think that is what they are—in Nicaragua. In Nicaragua, Ricardo Wheelock—who is chief aide to the Minister of Defense—has personally coordinated the shipment of the supplies from Nicaragua on to the Salvadoran Communist terrorists, through the same channels that Nicaraguans use to send military hardware to El Salvador.

Mr. President, I hope it is understood that unless we fail to do the minimal amount of assistance to the people and the Government of El Salvador, this kind of effort by the Communist guerrillas cannot be sustained, despite Mr. Noriega, despite Mr. Castro, despite all the other bums who are festering—and fostering terrorism—through this hemisphere, the southern part of it.

The Communists are well aware that they have in fact lost the guerrilla war. They know that they have lost the election. And they are desperately trying to avoid another defeat at the negotiating table. So that is the reason they killed several hundred people already, causing all sorts of damage, including the United States Embassy in San Salvador.

That is what this is all about. This is one of these times where it is sort of a "put up or shut up" time in the U.S. Senate. Do we mean it when we say we want to help people and countries throw off the shackles of Communist terrorism?

We marched over to the House of Representatives this morning to meet that gallant former electrician, and hear him speak. It was a thrilling experience for me. But even he mentioned how isolated they felt for a long, long time in their efforts.

Are we going to isolate friendly countries in our own hemisphere—and especially now I am talking about El Salvador—for a piddling amount of money, relatively speaking? What we are talking about is how much from a designated amount already appropriated will the President of the United States be allowed to use to help put down the Communist insurgents in El Salvador.

In any case, this Communist activity, this brutal stuff in which they are engaged, discloses and exposes the savage nature of the Communist FMLN. Once again it proves their total lack of regard or respect for human life and their total inability to comprehend the basic elements of democracy.

Mr. President, it seems to me to be a bit ironic that the Congress played games with President Bush's request for military aid to El Salvador at the very time the democracy in El Salvador is under siege. This is one of these imponderables that occur so frequently, and increasingly so, in the Congress of the United States.

This was an unnecessary, in fact, a frivolous micromanagement constraint on the President of the United States which no doubt encouraged the guerrillas in the plan for their brutal and reckless offensive.

The question is this, and this reduces it to the bottom line: How can we expect freedom to survive when we bind and gag the freedom fighters in our own hemisphere, let alone other places in the world? And the concluding question, and I will yield the floor after this: Is it not time to give our full support to those gallant people of El Salvador who have endured so much bloodshed at the hands of Communist terrorism?

AMENDMENT NO. 1132 TO HOUSE AMENDMENT TO SENATE AMENDMENT IN DISAGREEMENT NO. 278

Mr. HELMS. Mr. President, I move that the Senate agree to the amendment of the House to the amendment of the Senate numbered 278 with an amendment which I send to the desk.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 1132 to the House amendment to the Senate amendment No. 278, in disagreement.

That the Senate agree to the amendment of the House to the amendment of the Senate number 278, with an amendment as follows:

In the House amendment, add at the end thereof the following:

"Notwithstanding any other provision of this Act, the President is authorized to make available to El Salvador such sums as he determines necessary and appropriate of the amounts appropriated under this Act under the heading 'Foreign Military Financing Program'."

The ACTING PRESIDENT pro tempore. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

ORDER OF PROCEDURE

The ACTING PRESIDENT pro tempore. The Chair recognizes the majority leader.

Mr. MITCHELL. Mr. President, for the information of Senators, I am about to propound a unanimous-consent request that would identify the remaining amendments to this bill, establish a time limit for them, and a sequence of voting so Senators might have the opportunity to have a brief period for dinner.

UNANIMOUS-CONSENT REQUEST

Mr. President, I ask unanimous consent that the Senate agree to the House amendment No. 295 and that the only remaining four amendments be Senator HELMS' El Salvador military aid amendment, on which there be 40 minutes of debate equally divided and in the usual form; and Senator SHELBY's amendment on the census counting of illegal aliens, on which there be 40 minutes of debate equally divided and in the usual form.

I further ask unanimous consent that the votes on or in relation to the Helms amendment occur upon the completion of the debate on the Shelby amendment with the vote on or in relation to the Shelby amendment to immediately follow that vote.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. DOMENICI. Reserving the right to object, and I am not sure I will object.

Will the majority leader clarify for me, again, has he propounded in this request all of the amendments that would be offered, or does he still have some additional ones?

Mr. MITCHELL. I have propounded a request which would limit amendments to this conference report to the two which I have identified, the amendments of Senator HELMS and Senator SHELBY.

Mr. DOMENICI. Mr. President, reserving the right to object.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico.

Mr. DOMENICI. I may object. I would ask if the distinguished majority leader would reserve an amendment for the Senator from New Mexico? I do not want to burden either the managers of the bill, but I have a very small problem. It is very important to me and I think to Senator BINGAMAN. He is not here but he is on this amendment.

Essentially, we have an appropriations bill that has already cleared that

has a technical mistake in it. We need to change the authorization for the Secretary in the Corps of Engineers with reference to $300,000 that is already appropriated and approved and I have no other vehicle with which to correct the mistake.

I am quite positive Senator BENNETT JOHNSTON, who chairs the subcommittee, would approve; Senator HATFIELD has approved. I will call the two conferees and ask them if they object. I will do that before we vote, if I can find them.

I ask that the leader reserve for the Senator from New Mexico 4 minutes equally divided on a Domenici amendment on a soil erosion in the city of Santa Fe. It is not a foreign country, but it is very important.

Mr. LEAHY. Mr. President, I would not object to such a request but, reserving the right to object, I am willing to accept the amendment of the Senator from Alabama provided he is willing to do it on a 3-minute equally divided time period.

Mr. SHELBY. If the Senator would yield, I have agreed to his acceptance. I want to offer the amendment and make a brief statement.

Mr. MITCHELL. Just a moment. There are other Senators who object to the amendment of the Senator from Alabama.

Mr. LEAHY. Then I withdraw my suggestion.

Mr. MITCHELL. The junior Senator from New Mexico [Mr. BINGAMAN] has previously opposed that amendment. I think, whatever our views on the amendment, we have to protect his interests.

Mr. LEAHY. I withdraw my suggestion.

Mr. MITCHELL. Mr. President, I modify my request to include an amendment for the Senator from New Mexico [Mr. DOMENICI] with a 4-minute time limitation equally divided in the usual form.

I also modify my request to reverse the order of voting on the Shelby and Helms amendment because I am advised—and I will state this in the form of a parliamentary inquiry—that because Senator HELM's amendment is already pending, the amendment of Senator SHELBY would ordinarily have to be offered as a second-degree to have something to attach it to?

I believe we can correct this in a unanimous-consent request—I ask the Chair's advice—by merely reversing the order of votes so that the votes occur first on the Shelby amendment and then on the Helms amendment.

The ACTING PRESIDENT pro tempore. The Senator is correct in that interpretation.

Mr. MITCHELL. Therefore, Mr. President, I modify my request to provide for three amendments, as previously stated: The Helms amendment to be debated first for 40 minutes equally divided; the Shelby amendment to be debated second with 40 minutes equally divided; and the Domenici amendment to be debated third in order, with 40 minutes equally divided.

With respect to votes, however, the order of votes would be the Shelby amendment, the Domenici amendment, and the Helms amendment.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. KASTEN. Reserving the right to object, I am sorry, while the majority leader was going through this, we have received a request for a Murkowski amendment with regard to Taiwan. I cannot determine whether or not the amendment will occur, but I want to get this unanimous-consent request in before we get even more amendments.

Mr. MITCHELL. Until we are aware of what the amendment is about, I do not feel it proper to constrain Senators who may be opposed to it by agreeing to a time limit on it.

I will modify the request to provide that a Murkowski amendment with respect to Taiwan would be preserved without a time limit and to be taken up after the three votes that I have already identified occur.

Mr. KASTEN. And no other amendments would be in order.

Mr. MITCHELL. That is part of the order; that the only amendments which would be in order would be the four I have stated.

But I think in fairness to other Senators, it is not possible to agree to a time limitation on Mr. MURKOWSKI's potential amendment.

I modify my amendment to add a fourth amendment, a Murkowski amendment regarding Taiwan, the only description we have; that it be in order for Senator MURKOWSKI to be recognized after the completion of the three votes previously listed in the agreement; that that be the only other amendment beyond these three with no time limitation on it at this time.

The ACTING PRESIDENT pro tempore. Is there objection to the request by the majority leader as modified?

Mr. HELMS. Reserving the right to object, and I shall not object, can I inquire of the distinguished majority leader where we stand on the Moynihan amendment?

Everytime we look at a piece of legislation, there it is, and the President said he is going to veto any bill on which this amendment or provision appears. We have the State Department authorization bill conference report with it in it, and negotiations are going on right now.

I am a little bit loath to limit the time on anything relating to the Moynihan amendment until I know further how the negotiations are going. Like the majority leader, I would like to avoid a veto and going through all that hassle again.

Will he be willing to remove any reference to the Moynihan amendment?

Mr. MITCHELL. Mr. President, the unanimous-consent request included a request that the Senate agree to House amendment to the Senate amendment No. 295, which is the subject matter to which I believe the Senator is referring.

Mr. HELMS. That is correct.

Mr. MITCHELL. If he objects to that, then I assume he objects.

Mr. HELMS. I do not want to object.

Mr. LEAHY. Mr. President, if the Senators will yield, reserving the right to object, and I shall not, but the fact is there was leveraging language, virtually the same leveraging language, in both the House and Senate bills. That passed this body. It has passed it already. It passed the other body.

Now in the other body, they made modifications to it. My understanding is those modifications make it more acceptable. That is now back there. I am willing to accept the modifications they have made and not insist on our earlier Moynihan language, which was tougher.

But if we are going to try to water that down again, we can play ping-pong, and that will be fine. It really will not be a question of the President having to decide whether to veto something or not. He will not have anything to even act on. It will be a continuing resolution until sometime next summer on the whole foreign operations bill at last year's level. That is the choice.

The fact of the matter is that partially at the administration request, the so-called Moynihan language was modified in the other body in the conference report. That is what I am willing to accept. It is less than what I would have liked. I am willing to accept it.

If they wish to modify it further, they have the authorization bill, which is the appropriate place to do it in. I understand it comes up tomorrow sometime, if we are still not on this bill tomorrow. At the rate we are going, that is not a sure thing. That would be the place to modify it.

I am willing to move this bill along, to accept the modification the House made. I am not willing to accept further modification, nor do I believe they are, especially when they know they have a vehicle where it probably can be done virtually without debate by a voice vote tomorrow.

Mr. HELMS. I will not comment on what the Senator said. I do not understand what the Senator said.

Will the majority leader be willing to modify his unanimous-consent request to provide 295 be left open?

Mr. MITCHELL. If I might say to the distinguished Senator from North Carolina, we have reached one of those points where the effort to save

time appears to be taking more time. It is often the case here. We start out trying to limit things and they expand.

I did this in the effort to accommodate the interests of several Senators on both sides. I think it is obvious I have not been successful.

Accordingly, I think what we should do is simply proceed. The Senator has an amendment. He has agreed to 40 minutes. Let us debate it without any limitation.

Mr. HELMS. I am sorry; I want to know if the majority leader will exclude from his unanimous-consent request amendment in disagreement 295?

Mr. MITCHELL. Mr. President, the problem I have is that there are other Senators who have interests in these matters. I am reluctant to do anything with respect to a matter which another Senator is interested in unless I have some authority from him or her to do so. I am advised by the manager he has no objection to that.

Mr. LEAHY. Provided we cut off everything else.

Mr. MITCHELL. I want it understood, all we are agreeing is to set this aside for now; that this does not dispose of it——

Mr. HELMS. Just leaving it open, and when you get to it, you get to it. It "ain't" over until it is over.

Mr. MITCHELL. I am advised if we do that, it leaves the bill open for amendments anyway. Therefore, we have accomplished nothing.

Mr. President, I think it is clear we are not going to get an agreement. We have wasted quite a bit of time to save time. It is with the best of intentions on all sides. I think Senators should be prepared for a lengthy evening to deal with these matters. I see no alternative.

Let us proceed and debate the issues and vote on them as they occur. I withdraw any request and yield the floor.

The ACTING PRESIDENT pro tempore. Who seeks recognition?

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HELMS. Mr. President, it is my understanding that the distinguished manager of the bill, Mr. LEAHY, is prepared to table my amendment on which the yeas and nays have been obtained. I suggest he proceed, but I think the Senator wants to hold up on a vote until the window is over.

Mr. LEAHY. Mr. President, if the Senator will yield, as I told the Senator, I do intend to move to table. I was going to speak for about 1 minute. The Senator has known me long enough to know that I was not about to move to table until he had finished whatever he wanted to say.

Mr. HELMS. Yes.

Mr. LEAHY. The reason I will move to table, Mr. President, is this would make the entire $5 billion in United States military aid available to El Salvador if the President wanted to do that. In other words, he could break whatever earmarks are in there. We have earmarks for aid to Israel, Egypt, Turkey, Greece, Pakistan, and so on. He could break those earmarks, take that money and put it into El Salvador. We put a lot of aid in here for El Salvador, and I am not willing to take all our foreign military aid that is available throughout the rest of the world and suddenly make it available to El Salvador, important as it might be. After all, this is a country smaller even than my own State of Vermont receiving $105 million in aid already from the United States. I do not know if the Senator from Wisconsin wishes to say anything or not. As soon as we have finished, I will move to table.

Mr. KASTEN. Mr. President, I simply want to say that our position in the Senate was to provide $90 million. The House position was $85 million. In the process of negotiations having to do with police training in El Salvador, which is very, very important—and we were successful in having the police training language included—we ended up with a complex set of agreements, and I feel bound by that set of agreements.

Notwithstanding the fact that my original position would have been at the higher level—and I clearly support what the Senator is saying with regard to the problems in Central America today—I am going to have to stick with the agreement that we have been able to work out and to vote with my chairman.

I hope this vote, Mr. President, is not interpreted as a vote for or against what is going on in El Salvador. We support in this bill money for El Salvador. We support in this bill military training for El Salvador. We support in this bill, I might say, the leadership of Mr. Cristiani and the present government in El Salvador. So wherever this vote might go, it ought not be interpreted, if it were to lose, as a vote against the government in El Salvador. We support that government. I am bound, however, by a complex set of agreements, and I will vote to support the chairman.

Mr. LEAHY. Mr. President, I hope that the Senators will listen to what the distinguished Senator from Wisconsin has just said. I underscore it. I have been, over the years, quite critical of various aspects of aid to El Salvador, but the United States has made a commitment to support the Cristiani government. It made a commitment to the voting that took place when that government took over. I talked with President Cristiani last week and told him what the committee of conference was putting in based on the votes in the Senate, the votes in the other body, and the request of the President of the United States. I think he was certainly appreciative of the amount of aid that the United States was giving El Salvador.

Mr. President, what we have to understand in voting on this motion, if it were to succeed, we may well end up in a case where the aid to a number of other parts of the world, that are also of vital interest to the United States, would be cut for El Salvador. I do not think that should be the intent of this body.

I also note, Mr. President, that we feel—at least I feel very strongly—that the FMLN makes a serious mistake in the effort they are undertaking in San Salvador. This fight in San Salvador and El Salvador is not something that is eventually going to be won on the battlefield.

There is not a military solution to the situation in that poor, and tragedy-racked country. There is only a negotiated political solution.

It would be my desire certainly as one United States Senator that the parties would be able to get back to the negotiating table and realize that there is not going—after 10 years it should be clear to everybody—to be a military solution. It is going to have to be one in which the parties reach a solution at the negotiating table and not on the battlefield.

Mr. President, I move to table the——

Mr. SHELBY addressed the Chair.

Mr. LEAHY. I withhold, certainly if the distinguished Senator from North Carolina whom I told before if he has something to say I would withhold. I will do that.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from North Carolina [Mr. HELMS].

Mr. HELMS. Let me review what was said; that is, that the President of the United States has no judgment, and he is going to spend the defense budget on El Salvador. Reductio ad absurdum, as the lawyers say.

The point is that the President requested $97 million for the fiscal year 1990 budget. This bill proposes to impose a ceiling on such aid at $85 million. $85 million was last year's—that is to say fiscal year 1989—level of funding.

Nobody knows for certain what the President will need to do under the circumstances. Suppose instead of 350 people killed there are 750 tomorrow

night. How about next week? We can protest all we want to, to say that the Communists are bad boys down there. But I think we ought to send a message, and regardless of what my friend from Wisconsin said, we will be sending a message on this vote. It is a little tough to try to win one when both of the managers apparently do not understand what I am saying.

I do not think and I cannot be persuaded that under the circumstances extant in El Salvador, and specifically San Salvador, the Congress ought to restrict the President's decisionmaking authority in this matter. We certainly should not restrict his ability to respond as circumstances may warrant.

These are not popguns down there. They have the real thing going. They are killing people right and left. They are shooting up the U.S. Embassy and all the rest of it. This Senate voted 82 to 18 on September 20 to allow $90 million in spending from the defense budget for military assistance to El Salvador. In doing so, the Senate rejected specifically, precisely, the $85 million limit placed by the House on military spending for this purpose.

Yet, here comes that $85 million from the House of Representatives again. My only point is that I was hoping that the Senate might stand by that earlier vote in support of El Salvador.

I have to say again how can this Congress be aware of the tragedy going on in El Salvador and yet restrict the President's authority, to tie his hands in the event it becomes necessary. Oh, you can say, well, we will come back and get some more money. How long will that take with this group of people debating?

The point is the Communist guerrillas are trying to disrupt the new government of Freddie Cristiani, a fine man whom most, if not all of us, have met and have agreed that he is a splendid chief executive of El Salvador. He was elected in a free election earlier this year, and the Communists do not like it. That is the reason for all of the killing, the mayhem, and the damage and destruction going on down there right now. The Communists did not win the election. They are mad about it. So they have sought to continue their 10-year-old war against the democratic processes in the country of El Salvador.

The Communists in short are trying to force their will militarily when they have repeatedly failed to at the ballot box, and they are failing now in terms of any support from the people of El Salvador. They have flocked. So they are going hammer and tong to kill everybody in sight, blow up everything in sight, and they are prepared for it.

What will be the response of this Congress.

What will be the response of this Congress; to side with the democratically elected government of El Salvador or hobble that government by restricting President Bush's hand to do a little more if he needs to do it than the $85 million?

I do not know how much he will need. I hope he will not need the $85 million. But this is simply another instance of tying the President's hands in a matter of vital importance, not only to El Salvador but to this hemisphere, because what happens in El Salvador will happen to all of us; will affect all of us.

Finally, I will say it was my intent, if necessary, to work with the managers of this bill, if they objected to the amendment in disagreement now pending. But the distinguished managers of the bill, Mr. LEAHY, moved, got the yeas and nays, obviously calculating to block any modifications. So he just does not want to untie the President's hands beyond the $85 million.

I guess he will win. But I will have to say to Senator KASTEN that whether he wants it to happen or not, the vote on this will send a very clear message to the people of El Salvador, and it will not be a very pleasant one to them.

Mr. SHELBY addressed the Chair.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Alabama, Senator SHELBY.

AMENDMENT NO. 1134 TO AMENDMENT NO. 1132

Mr. SHELBY. Mr. President, I send an amendment to the desk in behalf of myself, Senators DOLE, HEFLIN, HEINZ, LOTT, COCHRAN, HELMS, SYMMS, GRASSLEY, KASSEBAUM, and STEVENS, and I ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alabama, [Mr. SHELBY], for himself, Mr. DOLE, Mr. HEFLIN, Mr. HEINZ, Mr. LOTT, Mr. COCHRAN, Mr. ADAMS, Mr. SYMMS, Mr. GRASSLEY, Mrs. KASSEBAUM, and Mr. STEVENS, proposes an amendment numbered 1134, to amendment No. 1132.

At the appropriate place in the amendment, insert the following:

"None of the funds appropriated or made available to the Bureau of the Census shall be used to count aliens in the United States in violation of the immigration laws for purposes of subsection (b), of Section 141, of title 13, United States Code."

Mr. LEAHY. Mr. President, I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. The yeas and nays have been requested. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SHELBY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SHELBY. Mr. President, the amendment that I offered, I offered on behalf of myself, and Senators DOLE, HEFLIN, HEINZ, LOTT, COCHRAN, HELMS, SYMMS, GRASSLEY, KASSEBAUM, and STEVENS.

Mr. President, this amendment is similar to two others that the Senate has already adopted on two other occasions this year. It has been debated on the floor of the Senate three times. All Senators are aware of the prevailing arguments. I hope we will not spend a lot of time on it tonight.

Earlier this year the Senate by a vote of 58 to 41 voted in favor of an amendment like this that I offered to S. 358, the legal immigration bill.

Mr. President, the prior Senate-passed amendment would direct the Secretary of Commerce to make such adjustments in total population figures as may be necessary and feasible using such methods and procedures as the Secretary determines appropriate in order that aliens in the United States in violation of the immigration laws not be counted in tabulating population for purposes of reapportionment of the U.S. House of Representatives.

We are not strangers to this. The Senate has gone on record twice already this year by a recorded vote that illegal aliens should not be part of the tabulation of total population figures for purposes of reapportionment of the U.S. House of Representatives.

This position that I am espousing here has withstood a point of order that it was unconstitutional by a vote of 56 to 43. A majority of the Senate here, therefore, has affirmed that it is constitutionally proper to exclude from census figures, for purposes of apportionment, the undocumented or illegal alien. That is what this is all about. It is going to affect a lot of the smaller States all over this country, particularly in the Midwest, perhaps the South, and the upper Midwest.

This may be, Mr. President, one of the last opportunities that this Congress will have concerning this issue this millenium. For over 10 years, Congress has attempted to get a vote on this issue. We have had two votes in the U.S. Senate, and we supported this position overwhelmingly. What we are trying to do here tonight is send this amendment as part of this bill back to the U.S. House of Representatives, so the U.S. House can get a vote on this. This has been denied them, basically, by the leadership of the House.

We know the results of the vote here. This is a question, I believe, Mr. President, of fairness. It goes to the

heart of our form of government. Should legal residents continuously be denied proper and undiluted representation at the Federal level because of the inclusion of illegal aliens in the tabulation of total population figures for purposes of U.S. House of Representatives reapportionment?

That is the central question, Mr. President. That is, the issue, that is the concern. A vote against my amendment can reasonably be interpreted as a vote against the proper representation of individuals at the Federal level. I believe the message is clear, and I believe the majority of the Senate on other occasions here has already said that.

I must reiterate that the offered amendment is not designed to be an anti-immigration proposal. It is not designed implicitly or explicitly to hinder the legal immigration process. However, Mr. President, it is designed to ensure proper apportionment, so that all citizens will receive the opportunity to be heard. The opportunity for active participation in governing through an undiluted ballot box is part and parcel of government in America. Consequently, Mr. President, to realize this opportunity, the undocumented alien must not be counted for reapportionment purposes, dealing with the U.S. House of Representatives.

My proposal does not impede upon the constitutional protections that have been legislatively sanctioned and judicially recognized to apply to undocumented aliens, as well as to citizens and resident aliens. The mere inclusion of illegal aliens, Mr. President, in census figures, for House of Representatives apportionment purposes, violates the notion of self-government and eradicates the communities' process of political self-definition. This occurs when effected States' voting strength is weakened, and qualified voters are placed in an impracticable position, vis-a-vis, qualified voters of States with large undocumented alien populations; thus, improper apportionment deprives citizens of their right of self-determination through the ballot box.

My proposal is simple in structure. It upholds our form of Government. As our Nation prepares for the 1990 census, it is important, Mr. President, that fairness and equity not fall by the wayside. What we are trying to do here, and I reiterate, is get the House of Representatives a fair vote on this same issue like we have done in the Senate. This is an issue that my opponents would say is unconstitutional. What they are afraid of is this being passed, going into law, and being challenged and upheld by the U.S. Supreme Court. I think that is what we ought to do, see what the law is in this area, if we are going to make public policy dealing with this.

Mr. President, I will, at the proper time, engage further in the debate.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER (Mr. BRYAN). The Senator from Vermont.

Mr. LEAHY. Mr. President, I know that on the Shelby amendment—it may come back up again tonight—I move to table the underlying motion——

Mr. DODD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LEAHY. I am not making this motion. I understand that if there were a motion to table the underlying motion, and if it were successful——

The PRESIDING OFFICER. If the Chair might interrupt, there is in fact a motion to table pending.

Mr. LEAHY. I withdraw the motion.

The PRESIDING OFFICER. The Senator has that right.

The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, as I explained to my colleagues, the tabling motion was there.

Now a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LEAHY. If the motion to table the underlying motion were made and was successful, is the Senator from Vermont correct in understanding that that would take down both the motion by the distinguished Senator from North Carolina and the amendment by the distinguished Senator from Alabama?

The PRESIDING OFFICER. The Senator is correct.

Mr. LEAHY. Thank you. Mr. President.

I yield to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KASTEN. If I could have the attention of the Senator from North Carolina, I would like to point out that section 506 gives the President the kind of special authority which the Senator refers to in his amendment. I would like to point that out.

Mr. HELMS. is the Senator talking about the emergency provision?

Mr. KASTEN. I would like to point out that section 506 of the Foreign Assistance Act allows up to $75 million in emergency drawdown, and I think that the number of the examples which he raised would be an example in which the emergency drawdown authority could be and in fact would be appropriate.

So I would hope, with the Senator's understanding that the legislation here, 506, would deal with a number of the problems, the real problems that he discussed, and I would ask that the Senator would withdrawn his amendment and that we would work with the administration with the existing emergency authority.

Mr. HELMS. I will say to the Senator I will be entirely amenable to that, particularly in light of the discussion that I had with another Senator about how we go at that thing possibly another way tomorrow. It is going to be necessary to vitiate the yeas and nays on my motion, and I ask unanimous consent that that be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, in light of what the Senator has said, could we have a gentleman's agreement that we will watch the situation in El Salvador, particularly in San Salvador, and send the word to the people of El Salvador that we are watching it and that we will be prepared to do whatever is necessary to be of help to them?

Mr. DODD. Mr. President will my colleague from Wisconsin yield?

Mr. KASTEN. I yield.

Mr. DODD. I thank my colleague for that. I think he is on the right track. All of us are watching carefully the events down there. I would say, as I said before, I think it is regrettable what the guerrillas have done to increase the violence in that country substantially. I gather over 500 lives have been lost.

I had a conversation with my colleague from North Carolina and the Ambassador and I asked him about the level of assistance they had and he at least expressed comfort to me. He was concerned that the problems might increase. I am confident during the next 48 hours or so we might be able to work language here to send a message that this body anyway supports the efforts to try to bring an end to that violence and get back on track with the negotiations to end the war in the country.

I commend my colleague.

Mr. HELMS. I thank the Senator.

I do not want the people of El Salvador in our own hemisphere, our allies, who are standing up against these Communist guerrillas to think we have left them swinging in the breeze.

With that understanding, Mr. President, I have no objection whatsoever to withdrawing the amendment because I think we have sent a definite message to the people of El Salvador.

The PRESIDING OFFICER. Is the Senator withdrawing the motion in its entirety?

Mr. HELMS. The Chair is absolutely correct. I withdraw my motion.

The PRESIDING OFFICER. The motion is withdrawn, and the Shelby amendment falls.

The Senator from Vermont [Mr. LEAHY] is recoginzed.

Mr. LEAHY. Mr. President, so nobody has any mistake about aid to El Salvador, keep in mind that El Salvador during the last 5 to 10 years has been one of the largest, certainly on a per capita basis, recipients of foreign aid from the United States of any other country in the world.

I do not think that the United States has to prove its bona fides as far as support of El Salvador. It certainly does not in this bill.

Mr. President, I do not know if there are further amendments.

Mr. President, I renew my request that we accept the House amendment to Senate amendment 295 which is the leveraging amendment.

The amendment of the House to the amendment of the Senate No. 295 is as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 295 to the aforesaid bill, and concur therein with an amendment as follows: Restore the matter stricken by said amendment, amended to read as follows:

Title VI—Funding Adjustments

REDUCTION OF APPROPRIATIONS

SEC. 601. Each appropriation item, direct loan obligation limit, loan guarantee commitment limit, or obligation limit provided by this Act shall be reduced by 0.43 percent: *Provided*, That such reduction shall be applied proportionately to each program, project, and activity as set forth in section 543 of this Act: *Provided further*, That programs and activities exempt from sequestration under Section 255 of the Deficit Control Act of 1985 shall be exempt from the uniform reduction required by this paragraph.

COUNTER-NARCOTICS PROGRAMS

SEC. 602. For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961 and the Arms Export Control Act, $125,000,000, which shall be made available only for counter-narcotics programs: *Provided*, That none of the funds appropriated under this heading shall be made available except as provided through the regular notification procedures of the Committees on Appropriations.

Strike out Sec. 577 of the House bill and insert:

PROHIBITION ON LEVERAGING AND DIVERSION OF UNITED STATES ASSISTANCE

SEC. 582. (a) None of the funds appropriated by this Act may be obligated or expended for the purpose of furthering any military or foreign policy activity which is contrary to United States law.

(b) None of the funds appropriated by this Act may be used to solicit the provision of funds by any foreign government (including any instrumentality or agency thereof), foreign person, or United States person, for the purpose of furthering any military or foreign policy objective which is contrary to United States law.

(c) Nothing in this section shall be interpreted as in any way interfering with assistance being provided for the voluntary reintegration or relocation of members of the Nicaraguan Resistance consistent with the Bipartisan Accord on Central America of March 24, 1989, or pursuant to a regional peace agreement.

(d) DEFINITIONS.—For the purposes of this section the term "any military or foreign policy activity", and "any millitary or foreign policy objective" includes only—

(A) assistance of any kind under the Foreign Assistance Act of 1961;

(B) sales, credits, and guaranties under the Arms Export Control Act; and

(C) export licenses issued under the Arms Export Control Act.

(2) For the purposes of this section the term "contrary to United States law" means those provisions of law which expressly prohibit all United States assistance, or all assistance under a specified United States assistance account, from being provided to any specified region, country, government, group or individual for all or specified activities.

(3) For the purposes of this section, the term "United States assistance account" means an appropriations account contained in this Act.

(e) Nothing in this section shall be construed to limit—

(1) the ability of the President, Vice President, or any official or employee of the United States to make statements or otherwise express his views to any party on any subject;

(2) the ability of an official or employee of the United States to express the policies of the President; or

(3) the ability of an official or employee of the United States to communicate with any foreign country, government, group, or individual, either directly or through a third party, with respect to the prohibitions of this section including the reasons for such prohibitions, and the actions, terms, or conditions which might lead to the removal of the prohibitions of this section.

Mr. HELMS. Reserving the right to object, where does that leave the distinguished Senator from Alabama?

Mr. LEAHY. The distinguished Senator from Alabama is not precluded from anything. He could still bring up his amendment.

Mr. HELMS. That would be on 278?

Mr. LEAHY. Yes, 278 is still open.

Mr. HELMS. Fine. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOUSE AMENDMENT TO SENATE AMENDMENT IN DISAGREEMENT NO. 278

The PRESIDING OFFICER. The pending question is the House amendment to the Senate amendment in disagreement No. 278.

The Senator from Alabama is recognized.

AMENDMENT NO. 1135 TO HOUSE AMENDMENT TO SENATE AMENDMENT IN DISAGREEMENT NO. 278

Mr. SHELBY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alabama [Mr. SHELBY], for himself, Mr. DOLE, Mr. HEFLIN, Mr. HEINZ, Mr. LOTT, Mr. COCHRAN, Mr. HELMS, Mr. SYMMS, Mr. GRASSLEY, Mrs. KASSEBAUM, and Mr. STEVENS proposes an amendment numbered 1135 to the House amendment to the Senate amendment numbered 278.

At the appropriate place in the amendment, insert the following:

"None of the funds appropriated or made available to the Bureau of the Census shall be used to count aliens in the United States in violation of the immigration laws for purposes of subsection (b), of Section 141, of title 13, United States Code."

The PRESIDING OFFICER. The Senator from Alabama [Mr. SHELBY] is recognized.

Mr. SHELBY. Mr. President, on behalf of myself and Senators DOLE, HEFLIN, LOTT, COCHRAN, HELMS, SYMMS, GRASSLEY, KASSEBAUM, and STEVENS, I have sent this amendment to the desk.

Mr. President, this amendment that encompasses the issue here has been debated twice already on the Senate floor this year and we have prevailed twice. What does it deal with? All of the Senators are aware of the prevailing arguments.

Mr. KASTEN. Mr. President, will the Senator yield?

Mr. SHELBY. I yield without losing my time.

Mr. KASTEN. I want to address a question to the Senator.

There are a number of people who asked how long are we going to be debating this amendment? I wonder if we could give them an idea. I happen to be a proponent of the Senator's position. But notwithstanding that, could we work out a vote, say, at 8:30? Would there be an agreement that we could have a vote?

Mr. SHELBY. I have no objection to voting at 8:30.

Mr. BINGAMAN. Mr. President, let me say I do not plan to speak long at all. I prefer we go ahead and have the debate at this point and then go ahead and vote.

Mr. KASTEN. The reason is a number of people have asked when the vote would occur. Could we have 20 minutes equally divided?

Mr. BINGAMAN. No more than that.

Mr. SHELBY. That is fine with me.

Mr. KASTEN. Mr. President, I ask unanimous consent that we have 20 minutes equally divided between the Senator from Alabama and the Senator from New Mexico in charge of the bill and that would mean, I would say to the Senator, we would vote at approximately 20 minutes before 9.

The PRESIDING OFFICER. Is there objection to the request?

Without objection, it is so ordered.

The Senator from Alabama [Mr. SHELBY].

Mr. SHELBY. Mr. President, as I stated, all Senators are aware of the prevailing arguments on this. We have

voted on it. We have debated it at length on the floor of the Senate already this year.

On one vote, by a vote of 58 to 41, the Senate voted in favor of an amendment similar to this that I offered on the legal immigration bill. It was also passed on another piece of legislation. The prior Senate-passed amendment would direct the Secretary of Commerce to make such adjustments in total population figures as may be necessary and feasible, using such methods and procedures as the Secretary determines appropriate, in order that aliens in the United States in violation of the immigration laws not be counted in tabulating population for purposes of reapportionment of the House of Representatives. That is the central issue here.

The Senate has gone on record that illegal aliens should not be part of the tabulation of total population figures for purposes of apportionment. This position has withstood a point of order in the U.S. Senate that is unconstitutional by a vote of 56–43. A majority of the Senate, therefore, has affirmed that it is constitutionally proper to exclude from census figures for purposes of apportionment the undocumented alien.

This may be the last opportunity the Congress will have concerning this issue this millenium. For over 10 years the Congress has attempted to get a vote on the issue in both bodies. Only this year were we able to get votes, two of them, in the U.S. Senate. We all know the results of the votes.

This is a question of fairness. It goes to the heart of our form of Government. Should legal residents continuously be denied proper and undiluted representation at the Federal level because of the inclusion of illegal aliens in the tabulation of total population figures for purposes of U.S. House of Representatives apportionment? That is the question. That is the issue. That is the concern.

A vote against my amendment can reasonably be interpreted as a vote against the proper representation of individuals at the Federal level. I believe the message is clear.

I must reiterate that the proffered amendment is not designed to be an anti-immigration proposal. It is not designed, implicitly or explicitly, to hinder the legal immigration process.

However, it is designed to ensure proper apportionment so that all citizens will receive the opportunity to be heard. The opportunity for active participation in governing through an undiluted ballot box is part and parcel of Government in America. Consequently to realize this opportunity, the undocumented alien, the illegal alien, must not be counted for apportionment purposes.

My proposal does not impede upon the constitutional protections that have been legislatively sanctioned and judicially recognized to apply to undocumented aliens as well as to citizens and resident aliens.

The mere inclusion of illegal aliens in census figures for House of Representatives apportionment purposes violates the notion of self-government and eradicates the community's process of political self-definition. This occurs when affected States voting strength is weakened and qualified voters are placed in an impracticable position vis-a-vis qualified voters of States with a large undocumented alien population. Thus improper apportionment deprives citizens of their right to self-determination through the ballot box.

Mr. President, my proposal is simple in structure. It upholds our form of government. As our Nation prepares for the 1990 census, it is important that fairness and equity not fall by the wayside in our assessment of demographics.

I urge my colleagues to support this amendment as they have already twice, and I believe they will.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico [Mr. BINGAMAN] is recognized.

Mr. BINGAMAN. Mr. President, once again I rise to resist this amendment. This is the third time the Senate has been asked to vote on the subject. Let me repeat some of the arguments that were made earlier and then add some additional ones.

The main three arguments, Mr. President, why this amendment should be defeated by the Senate are: No. 1, it is unconstitutional; No. 2, it is not feasible to ask the Census Bureau to carry out the provisions of the amendment; and No. 3, the amendment, by its requirements, to the extent it was carried out, would undermine the main purpose of conducting the census, which is to get an accurate count of the people resident within our borders.

Let me deal with those three very briefly and then go on to the procedural issues that relate to the way and the time that this amendment is being offered.

First, on unconstitutionality, I think it is clear from the case law that I have cited in previous debates that this amendment is not constitutional. The Founding Fathers established what the census was to count when they wrote the Constitution. And we are not in a position to change that by statute. It is, again, another example of the farsightedness of our Founding Fathers that they anticipated this very type of issue and provided for it in the language where they say that the purpose of a census is to count the "whole number of persons." That is exactly what the census is for and we should not try to tamper with that.

The second argument is that it is not feasible. The Census Bureau is not, very frankly, prepared to, does not have the trained personnel to determine the legal status of the various people that they are going to interview during the census process. That is an enormous additional responsibility. The Census Bureau sees great difficulty in carrying out the responsibilities they have already been given under the law with the limited funds that they have at their disposal, and to add this additional responsibility at this very late stage in the preparations for the 1990 census would clearly give them a burden that they are not prepared to take.

The third argument very simply is that if in fact the Census Bureau were to go around and ask citizens to establish their legal status as a precondition to answering the census form and filling out the census form, responding to questionnaires, it is very clear that the minority outreach programs that the Census has been working to put in place would be totally subverted. One of the main purposes that the Census Bureau has set for itself in 1990 is to get an accurate count of the minority residents within our country.

When you start asking people for their legal status, the suspicions about the purpose for that information increase dramatically and the cooperation of certain minority groups in our population is not to be expected under those circumstances to near the same extent it would be under a fair and open traditional census as we have had in the last 190, now 200 years. So those are the substantive arguments.

The procedural arguments I think are also important, Mr. President. I hope that Members who may have voted otherwise on this amendment in previous votes will consider the procedural arguments. It is very clear that this provision, which directs particular action by the Bureau of the Census, has absolutely nothing to do with foreign operations. We are today debating and considering tonight the foreign operations appropriation bill. This is not relevant in any way.

Also, we have the Secretary of Commerce and the Attorney General who have indicated their strong view that they would recommend a veto to the President if this amendment were adopted. And that needs to be taken into account. In these final days of the session, we should not be flirting with a possibility of a veto of a significant appropriation bill in order to once again deal with this issue.

Third, the House has spoken on this issue. They made it clear in the debate that they were voting on this when they turned down an effort to instruct

conferees to accept this provision. The vote was 232 to 184.

Finally, I indicate the obvious point; this is authorizing legislation on an appropriation bill. It is not appropriate at this time, at this late hour when we are trying to finish the important work of the Congress, to once again be revisiting this issue which the House has repeatedly rejected.

Mr. President, at this time, if there are no additional Senators wishing to speak, I raise a point of order.

The PRESIDING OFFICER. The Senator would have to wait until all time has expired before raising that point of order.

Mr. BINGAMAN. I will do that. Certainly I do not wish to cut off any debate.

The PRESIDING OFFICER. Who yields time?

Mr. SHELBY. I yield as much time to the Senator from Mississippi as he may consume.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. I thank the distinguished Senator from Alabama. I certainly do not wish to draw out this debate, but rather than go into a quorum call, I did have just a couple of thoughts I would like to present to the Senate tonight.

First, I want to congratulate and commend the Senator from Alabama for his persistence and for the fine job he has done in developing this amendment and offering it, not once, not twice, but three times. I think he is clearly right on the issue and it is a classic example where, if he did not persist in it, if he did not keep working on it, then we would not have a chance to have it directly considered and approved.

I listened very carefully to the remarks of the Senator from New Mexico, because I certainly have the highest respect for him. But there were a couple of points he made I would like to touch on.

First of all, as far as the constitutionality or the difficulty with the Census Bureau personnel dealing with this issue, I just hope the people will listen to what we are saying. This amendment would prohibit funds from being used to count illegal aliens.

It seems to me that speaks for itself. We are going to count illegal aliens. There is no question that, if they are counted, it will work to the disadvantage of those areas where we do not have illegal aliens; where we have, in fact, legal aliens. So I hope my colleagues here will just think about that.

I know the American people are thinking about it. When I mention the fact back home in Mississippi that we are going to count illegal aliens and what that will mean in terms of the distribution of funds, they find that very hard to accept.

Just one other point, because I see our leader is here and I do not want to take up any more time than is absolutely required.

The House has not faced this issue directly. It has not.

As a former Member over there, having participated time and time again on these motions to instruct conferees, everybody over there knows, first of all, the motion to instruct is not binding. It is very much a procedural issue. It is not a substantive vote.

I think this one last effort, in view of the circumstances, to get the House to face this issue and vote directly on it, is worthwhile. I certainly urge we adopt this amendment tonight, and I thank the Senator for yielding me that time.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I yield as much time as I have left to the distinguished Republican leader, the Senator from Kansas.

The PRESIDING OFFICER. The Senator has 3 minutes, under the time agreement, remaining.

Mr. DOLE. Mr. President, I want again to commend the distinguished Senator from Alabama. As was just pointed out by the Senator from Mississippi, he is persistent, and he ought to be persistent. This is an outrage. Talk about one of these programs, "The Outrage of the Week," here is another one.

It seems to me we ought to win again by a vote of 58 to 41. As I recall, that was the vote on it the last time. The House ought to vote. The have not voted on this issue.

We are all familiar with the problem of illegal immigration. We heard all about this problem when we passed the immigration bill under the able leadership of Senators KENNEDY and SIMPSON.

We do not have to compound this problem by mindlessly lumping millions of illegal aliens in the 1990 census. We do not have to compound this problem by ripping off the States, some of whom will lose congressional seats—my State happens to be one of them—because of the inclusion of illegal aliens in the census.

Unfortunately, the established policy of the Census Bureau is to count everybody, every person in this country, without making a single adjustment for illegal aliens.

The Census Bureau wants to continue that policy through 1990. It does not make any sense. It violates the constitutional principle of one man, one vote. And it is not fair to the States who are in jeopardy of losing seats in the House.

We have seen it happen before.

So we had the amendment last July by the distinguished Senator from Alabama, and the Senator from North Carolina, Senator HELMS. They offered the amendment to the immigration bill that provided a simple, straightforward solution to this problem. It was adopted and adopted a second time, in the Commerce Justice, State appropriations bill. It requires the Secretary of Commerce to use tabulating procedures that are both feasible and appropriate to ensure that illegal aliens are not counted in the census for purposes of reapportionment.

This is a sound solution that will restore some basic fairness to the census and reapportionment process. This is our last chance.

Unfortunately, the House has not yet yielded—and time is running out. If we do not act now, Congress will not have the opportunity to correct the census problem until the year 2000. We cannot afford to wait that long.

So I commend Senator SHELBY for offering this amendment. And I urge my colleagues to support it.

The amendment will simply reaffirm the views expressed by the Senate on two previous occasions.

I think the Senator from North Carolina wants to make a comment.

Mr. SHELBY. I yield what time I have left to the Senator from North Carolina.

The PRESIDING OFFICER. The Senator has slightly less than 1 minute.

The distinguished Senator from North Carolina [Mr. HELMS] is recognized.

Mr. HELMS. Mr. President, I am pleased to be an original cosponsor of the amendment by the Senator from Alabama.

The Shelby-Helms amendment instructs the Census Bureau not to include illegal aliens in the census count. For some absurd reason, the Census Bureau has decided to count illegal aliens in the 1990 census.

Mr. President, we passed a similar amendment on two occasions this year: on July 13 and then again on September 29. However, these amendments did not become law. So we have one last chance to avoid a grave injustice.

Mr. President, the Census Bureau policy jeopardizes the constitutional right of North Carolina citizens to fair and equal representation.

If the Census Bureau counts illegal aliens, the citizens of North Carolina risks losing a congressional seat. We lose a congressional representative just because some bureaucrats at the Census Bureau think the Constitution requires them to count illegal aliens.

Mr. President, illegal aliens do not have the right to vote. So why should they have the right to determine the makeup of our Government?

If illegal aliens are counted, States like California will gain a seat at

North Carolina's expense. Therefore, Californians will have proportionally more congressional representation than North Carolina. They will have more votes in Congress thanks to people breaking the law and entering as illegal aliens.

I simply do not believe that our Founding Fathers ever intended to let people who cannot vote and who break the law determine the political makeup of our Government. As Judge Noonan pointed out, if a foreign army invaded our country on census day, we would not count them in the census.

Nothing in the Constitution requires the counting of illegal aliens in the census.

As Senator HATCH explained during the debate in July, the Constitution speaks of "persons" in the sense of legal persons, not illegal. If the Constitution stands for anything it stands for legality—not illegality.

Mr. President, the amendment by the Senator from Alabama makes sense, it is fair and it should be adopted by the Senate.

We have been up and down this road three or four times. There is no point repeating what has been said over and over again. The distinguished minority leader, Mr. DOLE, is absolutely correct. The House has not yet voted on this.

I yield the floor.

Mr. BINGAMAN. Mr. President, I yield 1 minute to the Senator from Florida [Mr. GRAHAM].

The PRESIDING OFFICER. The Senator from Florida [Mr. GRAHAM] is recognized.

Mr. GRAHAM. Mr. President, earlier today we were privileged to hear the stirring words of a great world figure who has placed his life literally at jeopardy, at risk, for democracy.

We are fortunate. Two hundred years ago our forefathers made a similar commitment to establish this Nation in freedom, to overthrow tyranny.

In order to solidify those gains, they wrote a Constitution, a beautiful document, a document which has internal coherence.

Two of the aspects of that coherent document are relevant this evening in this debate. One of those is the very clear statement in the Constitution that it is the responsibility of the Federal Government to control naturalization and immigration policy. It is the responsibility of this Government to determine who gains entry, and to provide the enforcement mechanism to assure that those laws operate.

Second, without regard to classification, all people are counted for purposes of the census, and have been since 1790.

Those two provisions, that it is the Federal Government's responsibility to control who as a person gains entry to the United States, but all those that the Federal Government by action or inaction allows to enter will be counted for purposes of the census, are basic parts of our Constitution.

They are basic parts of essential fairness.

If the Federal Government, by its decisions to act, by its decisions to allow porous borders, causes certain areas of the country to have large numbers of illegal aliens, then the Constitution says that those people should be counted for purposes of representation.

We have accepted that for purposes of allocation of Federal funds because they are people who, by Federal action, are going to be imposing real needs and real obligations of representation on those particular communities.

I strongly urge, Mr. President, as a vote of confidence in Lech Walesa, we vote against this amendment.

The PRESIDING OFFICER. The Senator from New Mexcio.

Mr. BINGAMAN. Mr. President, I yield 1 minute to the Senator from California.

The PRESIDING OFFICER. The Senator from California [Mr. WILSON] is recognized for 1 minute.

Mr. WILSON. Mr. President, this is not a case of first impression. This is a mistake.

However well intentioned, it is unworkable and unenforceable. Can you not just see it?

"Good evening, Madam. I am from the U.S. Bureau of Census. Would you mind telling me how many members of your household are illegal aliens?"

This is not going to work. The effort to try to make it work will set the census back. They are currently preparing for the 1990 census. It is unconstitutional. The Supreme Court thinks so. They have so advised the Secretary of Commerce. He has indicated in the past that this would be the basis for a veto recommendation.

Mr. President, this may be a good intention, but it is a bad idea, an unworkable one. I urge its defeat. Let us get on with important business.

The PRESIDING OFFICER. The Senator's time has expired. Senator BINGAMAN.

Mr. BINGAMAN. Mr. President, I yield 1 minute to the Senator from Illinois.

The PRESIDING OFFICER. The Chair informs the Senator from New Mexico this would be the last minute allocated under his control.

Mr. BINGAMAN. I still have time to make a point of order at the end of that, I assume?

The PRESIDING OFFICER. The Senator is correct.

Mr. BINGAMAN. I yield that minute to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois [Mr. SIMON] is recognized.

Mr. SIMON. Mr. President, my good friend from Alabama has to amend the Constitution if he wants to do what he is doing. The Constitution is clear. Our history is clear. The second sentence of the 14th amendment talks about the rights of citizens. And then, the next sentence talks about "counting the whole number of persons," not citizens.

Our history is clear. The Constitution is clear.

If my good friend from Alabama wants to amend the Constitution, then he should proceed in that fashion. In the meantime, we should abide by the Constitution.

Mr. SHELBY. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 22 seconds.

Mr. SHELBY. Thank you, Mr. President. I will try not to use all of it. I would like to respond to what my good friend from Florida said basically about counting everybody here and what the Constitution says. Under that theory, you would count an invading army. If we had an invading army in southern Florida or New York——

The PRESIDING OFFICER. The Chair informs the Senator that his time under the previous agreement has expired. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, I make a point of order that this amendment is legislation on an appropriations bill.

The PRESIDING OFFICER. Under rule XVI, the amendment constitutes legislation on an appropriations bill since it restricts the use of funds provided outside the pending bill. The point of order is sustained.

Mr. SHELBY. Mr. President, I appeal the ruling of the chair and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is, Shall the decision of the Chair stand as the judgment of the Senate? Those supporting the ruling of the Chair will vote yea; those desiring to sustain the appeal will vote nay.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from New York [Mr. D'AMATO] is necessarily absent.

The ACTING PRESIDENT pro tempore. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 47, nays 51, as follows:

[Rollcall Vote No. 301 Leg.]

YEAS—47

Adams	Glenn	Mack
Bentsen	Gore	McCain
Biden	Gorton	Metzenbaum
Bingaman	Graham	Mikulski
Bradley	Gramm	Mitchell
Bryan	Hatfield	Moynihan
Bumpers	Hollings	Pell
Burdick	Inouye	Reid
Byrd	Johnston	Riegle
Conrad	Kennedy	Rudman
Cranston	Kerrey	Sarbanes
Daschle	Kerry	Sasser
DeConcini	Kohl	Simon
Dixon	Lautenberg	Wilson
Dodd	Leahy	Wirth
Domenici	Lieberman	

NAYS—51

Armstrong	Garn	Nickles
Baucus	Grassley	Nunn
Bond	Harkin	Packwood
Boren	Hatch	Pressler
Boschwitz	Heflin	Pryor
Breaux	Heinz	Robb
Burns	Helms	Rockefeller
Chafee	Humphrey	Roth
Coats	Jeffords	Sanford
Cochran	Kassebaum	Shelby
Cohen	Kasten	Simpson
Danforth	Levin	Specter
Dole	Lott	Stevens
Durenberger	Lugar	Symms
Exon	McClure	Thurmond
Ford	McConnell	Wallop
Fowler	Murkowski	Warner

NOT VOTING—2

D'Amato	Matsunaga

So the ruling of the Chair was overturned.

Mr. COHEN. Mr. President, I have cleared this with both the Democratic and Republican sides. Mr. President, on rollcall vote No. 301, I am recorded as voting "aye." I ask unanimous consent that I may change my vote to "no." It will not affect the outcome of the vote in any way.

The ACTING PRESIDENT pro tempore. Is there objection?

The Chair hears none, and it is so ordered.

(The foregoing tally has been changed to reflect the above order.)

Mr. BYRD. Mr. President, on rollcall vote No. 301, dealing with amendment 1135, Mr. SHELBY's amendment regarding the counting of illegal aliens in the census, I support the substance of that amendment, but I voted to sustain the Chair; and I wanted to make that statement so there will be no misunderstanding as to my vote. I voted for the Shelby amendment, the amendment, on previous occasions. I voted against tabling it on previous occasions. But the Chair was right in ruling as it did on the matter.

My vote was to sustain the ruling of the Chair and should not be interpreted as being against the substance of the amendment.

I thank the Chair. I thank the Senator.

I yield the floor.

Mr. SHELBY. Mr. President, I urge adoption of the amendment.

The ACTING PRESIDENT pro tempore. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Alabama.

The amendment (No. 1135) was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agree to.

Mr. LEAHY addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Vermont.

Mr. LEAHY. Mr. President, I yield to the Senator from New Mexico.

AMENDMENT NO. 1136 TO THE HOUSE AMENDMENT TO THE SENATE AMENDMENT IN DISAGREEMENT NO. 278

Mr. DOMENICI. Mr. President, I send an amendment to the desk and ask for its immediate consideration. This amendment was discussed during the unanimous-consent debate. I understand it is acceptable.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] for himself and Mr. BINGAMAN, proposes an amendment numbered 1136.

At an appropriate place in the amendment add the following:

"Funds appropriated to the Secretary of the Army, acting through the Chief of Engineers, pursuant to Public Law 101-101 for the purposes of Section 14 (Streambank Erosion Control) for the Santa Fe River, New Mexico, shall be made available under the general Investigation authority of the Secretary for the design, including plans and specifications, of an emergency streambank and channel stabilization project on the Santa Fe River, New Mexico, provided that non-Federal interests agree to cost share in such engineering and design activities."

Mr. LEAHY. Mr. President, I have no objection to the amendment.

Mr. KASTEN. I have no objection to the amendment.

The ACTING PRESIDENT pro tempore. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from New Mexico.

The amendment (No. 1136) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KASTEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. Mr. President, I move to concur in the House amendment to the Senate amendment No. 278.

The ACTING PRESIDENT pro tempore. The question is on the motion.

Mr. DOMENICI. Mr. President, I send a statement explaining the——

Mr. LEAHY. Will the Senator withhold? Is my motion to concur in the House amendment, amendment No. 278, agreed to?

The ACTING PRESIDENT pro tempore. Is there further debate on the motion to concur? If not, the question is on agreeing to the motion.

The motion was agreed to.

Mr. LEAHY. I move to reconsider the vote by which the motion was agreed to.

Mr. KASTEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. I thank the managers for accepting the amendment.

The ACTING PRESIDENT pro tempore. Who seeks recognition?

Mr. LEAHY. Mr. President, regular order.

Mr. DECONCINI. Mr. President, it gives me a great deal of satisfaction to urge the Senate to adopt the conference report on the fiscal year 1990 foreign operations appropriations bill. This was a difficult conference and the chairman and the ranking member of the subcommittee, Senators LEAHY and KASTEN, are to be congratulated for their final product. I would also like to thank their staffs for the hard work they have put into this achievement. In particular, Eric Newsom and Jim Bond have put in long hours to help us fashion a constructive compromise with our colleagues in the House. The report before us today meets the country's foreign policy and security interests, while avoiding budget-busting spending levels that would add to the problems of the deficit.

The compromise legislation provides spending of $14.6 billion for the current fiscal year. Frankly, I would have preferred to see a lower level of spending on foreign aid this year. A lower level would have been consistent with the cuts we have had to make in resources available for many important domestic programs. Still, we were able to trim the initial administration request of nearly $15.2 billion, and come in below the total budget ceiling for the foreign aid program. In meeting these stringent budget ceilings, we managed to provide for a new, high priority assistance program for Poland and Hungary, at funding levels well above the President Bush's timid initial proposal.

In appropriating money for foreign aid programs, it is also important to ensure that the taxpayer's dollars are spent wisely and in a manner that ensures the greatest contribution to our foreign policy, security interests, and humanitarian concerns. I believe that the compromise now before us meets that test.

One of the most significant events of the post war period is the assumption of power of a Solidarity-led government in Poland. This fledgling government faces the daunting task of building a truly democratic system of government out of the ruins of its totali-

tarian Communist predecessor while, at the same time, creating a free market economy from the shambles left by the socialist central planners. The Polish people need and deserve our help as they struggle for freedom. I am proud that this bill will provide more than $650 million in funds and credits to assist Poland and Hungary in the coming year.

Another area where I have taken a particular interest is in programs to promote free enterprise in the developing countries. Development in much of the Third World is a vain hope as long as governments stifle the initiative of small entrepreneurs and ignore the needs of the credit starved private sector. This bill provides $75 million for AID's microenterprise loan program which makes credit available to the new businessman or woman by making small loans—ideally under $300 each—to develop new enterprises. This program has already had considerable success and our efforts in this bill will ensure that this important program continues.

Americans have traditionally been a generous people and have responded to those in need. This bill meets the humanitarian concerns of our country. Children are particularly helpless victims of poverty, starvation, and disease. My colleagues and I have ensured that the United Nations Childrens Fund [UNICEF] was protected from the 45-percent cut requested by the administration and that the Child Survival Fund set up by the Congress in 1984 received full funding. These programs have been instrumental in reducing infant mortality rates and increasing the number of children being protected by early immunization against childhood diseases. By preventing drastic cuts in these funds, we will save the lives of tens of thousands of children and give them a better chance to lead healthy and productive lives.

Our country has also long been a haven for those suffering from persecution, oppression, and the ravages of war. Due to continuing tight budgets, we were unable in this bill to supply all the funds necessary to meet the growing needs of the programs serving the world's refugees. This bill, however, is a good first step toward meeting many of these important needs. We provide $10 million to help ethnic Turkish refugees from Bulgaria who are fleeing an orchestrated and oppressive campaign against them in their own country.

I also fought to earmark funds for Iraqi Kurds seeking refuge in Turkey. These are people who have suffered chemical warfare attacks by their own government and who have fled to Turkey to escape the cruel repression to which they had been subjected. Unfortunately, Turkey does not have sufficient resources to care for these refugees and many will die during the harsh winter months if additional help is not made available. While the conferees did not heed my plea to earmark $5 million for the Iraqi Kurds, I did succeed in inserting language in the conference report stating that the administration will make this money available from unearmarked funds. I intend to follow up this request with the State Department.

The conference report also takes important steps to protect our own security. It provides Israel with the military assistance it needs to keep the peace on its vulnerable frontiers and the economic aid needed to sustain its ailing economy. A provision that allows the U.S. military to stock weapons on the soil of key allies gives Israel the assurance that in an emergency, it will have the supplies it needs to respond to aggression.

I am also pleased to see that other U.S. allies will receive needed funds. These include Egypt, a country which has gone so far in promoting peace in the Middle East; Turkey and Greece, key allies on NATO's southern flank; and the newly democratic government of Pakistan. We should remember that these important allied countries are an integral part of our national defense system.

Mr. President, this is not a perfect bill. Foreign aid bills are never perfect bills because they send increasingly scarce resources overseas. I would prefer to see this spending cut even further when we have so many unfulfilled needs at home. I still believe we can eliminate other foreign assistance programs while still meeting our international commitments and foreign policy interests. As a compromise, however, this bill succeeds in staying within our budget limits, in a very tight budget year, and provides fundings for high priority programs such as aid to emerging democracies and humanitarian aid for refugees. I urge my colleagues to support the adoption of this bill.

Mr. DIXON. Mr. President, H.R. 2939, the foreign operations appropriations bill for fiscal year 1990, is, in my view, fatally flawed. It continues a trend in recent foreign assistance bills that I have found increasingly troubling.

Unfortunately, foreign assistance bills, over the last several years, have shifted emphasis from economic assistance to military assistance. This bill maintains that shift, even though around the world there seems to be a diminished security threat. I wish I could say that this legislation is in touch with the real strategic and economic realities we are facing, but it is not. It seems to look backward, toward past threats that are now diminishing, instead of toward today's needs that are not being met.

The sad fact is that this bill is not fashioned in a way that properly balances military and economic assistance needs. The way it handles a relatively minor program, the international military education and training assistance program, illustrates the point. The Senate committee report severely criticizes this program, yet the conference committee continued it with very minor changes. Given the budgetary situation we are facing; given our strong national security, foreign policy, and trade policy interests in trying to help Third World nations meet their serious economic problems, I do not understand why we are paying to have so many nation's soldiers trained here in the United States. For example, while I am perfectly prepared to support training members of the Korean Armed Forces here, I do not understand why we should have to pay for that training. Korea has a substantial trade surplus with the United States, and the Korean economy is expanding rapidly. The truth is that the Koreans could well afford to bear this burden themselves, yet it is American taxpayers that are being asked to pay.

Let there be no mistake. I think providing military assistance is vital to our national interests. Given the situation in the Middle East, for example, I fully support the funding level provided for Israel, an amount that I want to note was not increased by even $1 from the fiscal 1989 level. What I cannot support is a bill that provides more military assistance than is required in other parts of the world where the military threat is clearly diminishing, and which sacrifices desperately needed economic assistance to our poorest neighbors in order to do so.

I regret having to oppose this bill. It contains funding for Israel, for Poland, and for our war on drugs that I strongly support. I also have no illusions that my opposition is a minority view. I strongly believe, however, that we need to fundamentally reassess our economic and military assistance programs. Because we have not done so, I would have had to vote "no" should this bill have required a rollcall vote.

NIFTAL PROJECT

Mr. INOUYE. Mr. President, today I would like to congratulate and recognize the University of Hawaii for the receipt of a recently approved grant from the Agency for International Development for a biological nitrogen fixation/legume management outreach project with a consortium of private voluntary organizations, Peace Corps and the University of Hawaii's nitrogen fixation by tropical agricultural legumes [NifTAL] project.

Biological nitrogen fixation in agricultural legumes is an environmentally sound and renewable natural resource

of low-cost nitrogen. This technology overrides the need to buy and transport industrial nitrogen fertilizer. The project involves the transfer of readily available technology for the application of biological nitrogen fixation techniques to small-scale farmers in four developing countries: Uganda, Senegal, Haiti and Nepal. The pilot project will increase the use and production of nitrogen fixing legumes, increase farm incomes and develop enterprises in legume management.

This watershed union of NifTAL, the Peace Corps and the consortium of PVO's represents a hallmark in collaboration linking together technical expertise to outreach. Technology developed by NifTAL has been adopted by the Peace Corps and PVO's for delivery to small farmers throughout the developing world.

While this effort is quite modest, overall international development needs will be met through this collaborative effort. Farm families will be exposed to an important component of sustainable agricultural technology. Soils will be richer in nitrogen, a major nutrient commonly in short supply. The crops grown on these soils will be more robust, thereby reducing the need for pest control and increasing their value for human food and animal feed. The economies of these agricultural-based countries will be strengthened. Eventually, the countries will be more receptive to other developmental efforts and their citizens will escape a bit more from the grip of international debt, environmental degradation, hunger and disease.

Mr. President, I congratulate the Agency for International Development for their grant to the University of Hawaii for the implementation of this project with NifTAL, the Peace Corps and the consortium of private voluntary organizations.

Mr. BINGAMAN. Mr. President, I am pleased to see that the conference committee on the foreign operations appropriations bill has agreed to accept my provision expressing the sense of the Congress on the renewal of the International Coffee Agreement, which expires this year. As I stated earlier this year I believe that the International Coffee Agreement is an important part of our international economic development policy and should be an important factor in our antidrug strategy. I think that by including this provision in the conference report, the conferees agree with that statement. I thank the conferees.

As a result of my concern, I wrote President Bush urging that the administration do all it can to break the seeming impasse over renewal of the agreement. Recently, I received a letter from Janet Mullins, Assistant Secretary for Legislative Affairs at the Department of State, regarding the events at the London meeting of the International Coffee Council.

I would like to quote from Ms. Mullins' letter:

> We share your concern that instability in the international coffee market may well contribute to political and economic instability in developing countries and hamper the effects of countries such as Colombia to control drug trafficking. It is thus encouraging that the recent International Coffee Council meeting in London resulted in a mandate to pursue a path toward negotiation of a new International Coffee Agreement.
>
> The ICO Council recognized that the political will exists to negotiate rapidly a new agreement that avoids the problems encountered with the 1983 ICA. All ICO members have agreed to continue intensive informal consultations leading toward negotiations. As soon as a consensus is formed on the framework of a new Agreement, the Council Chairman will convene a negotiating session.
>
> The United States is actively seeking solutions to the problems of the International Coffee Agreement and is willing to explore all options and consider any form of Agreement that has the potential to work effectively. We are using every opportunity to pursue consultations with coffee producing and consuming countries so that a new Agreement may be brought into operation as soon as possible.

I am encouraged by the events in London and by the administration's interest in a renewal of the International Coffee Agreement as outlined in Assistant Secretary Mullins' letter. However, we still have a long way to go. We have a process to continue discussions, not an agreement. We must continue to work vigorously toward a renewal of the agreement.

It is my understanding that the administration has formulated a package of trade initiatives with the Andean nations. Included in this package is a call for the renegotiation for the Coffee Agreement. I believe that this is the most important part of the package. While lowering duties on other goods may be important, coffee is one of the largest exports for nations such as Colombia. Thus, a stable coffee market is essential to stable Colombian export earnings.

Mr. President, in summary, I hope the administration will continue its efforts toward concluding a successful negotiation on the coffee agreement. And I look forward to working with the administration on their Andean trade initiative. For the sake of the future of all of our Nation, we must continue our efforts toward a positive economic development and trade strategy with Colombia and other nations now in the grip of a drug producing economy.

MOYNIHAN PROVISION ON BURMA

Mr. MOYNIHAN. As the sponsor of the provision earmarking $250,000 in humanitarian aid to displaced Burmese on the border between Thailand and Burma, I wish to make certain that the aid provision will be interpreted by the administration in a manner consistent with my intent in drafting it, which was to provide assistance to displaced Burmese on both sides of the border between Thailand and Burma.

The provision calls for humanitarian assistance to "displaced Burmese students in camps on the border with Thailand," and the conference report explains that aid can be directed to students in camps on both sides of the Thai-Burma border. By specifying that assistance can be directed to the Thai as well as the Burmese side of the border, the conference report reflects a desire—and one that I strongly hold—to ensure that needy Burmese students in Thailand might be eligible for assistance. However, by specifying that such assistance to Thailand go to Burmese students "in camps," the conference report could be construed to imply that none of the funds under this provision can be directed to students in Thailand unless they are in camps. If this were the case, then no funds at all could be directed to Thailand, as there are no camps as such on the Thai side of the border. However, given the clear and stated intention to assist students on both sides of the border, it cannot be the conferees intention to prevent the administration from directing some of this assistance to Burmese students in Thailand if such aid is deemed necessary.

I would also like to say something about the use of the word "students" in the provision. This is a term that has been used to describe a wide variety of Burmese who have had to flee their homes since early 1988 as a result of political repression in Burma. Again, it cannot be the conferees intention to require the administration to impose a restrictive definition of this term in making determinations regarding humanitarian assistance under this provision. Are my views consistent with those of the chairman and ranking member of the subcommittee?

Mr. LEAHY. The Senator is correct.

Mr. KASTEN. That is also my understanding.

SECTION 512

Mr. HEFLIN. I have a constituent who has been supplying ductile iron pipe and accessories for use in several Iraq cities for civil water supply. In order to continue the supply under several contracts which have been negotiated and agreed upon, they must have Eximbank financing. Does this bill prohibit Eximbank from approving such financing?

Mr. INOUYE. What we have been concerned about are subjects involving piping for oil. We have given the President authority under this bill to permit a finding that it is not in the national interest to preclude pipe for civil water purposes. I would presume

that in the circumstances the Senator has mentioned that he would exercise that discretion favorably and permit these civil projects to proceed with Eximbank financing.

Mr. KERREY. Mr. President, all Americans have been stunned by the events of this year. The revolution of the social, economic and political order in the Soviet Union and Communist Eastern Europe has been shocking.

All of us are struggling to come to grips with these changes. All of us are asking questions about possible changes in our conventional and nuclear force structures.

Critical to our being able to answer these questions is to ascertain whether the Soviet Union's actions correspond with their promises to reduce military expenditures. Many of us have grown up distrusting the promises made by Soviet leaders which makes us dependent upon accurate assessments by our own government.

Therefore, I was shocked to learn of the administration's lack of candor in presenting the American people with an accurate assessment of the Soviet Union's intent and their actions. President Bush, Vice President Quayle, and Defense Secretary Cheney have on separate speaking engagements told the American people the Soviet Union's threat is greater not less. Yesterday, however, administration representatives finally acknowledged, for the first time, that the Soviet Union appears to be reducing its overall defense budget.

The CIA's most recent estimates reveal that Soviet military spending has declined this year by 5 percent. Some projections indicate that next year Soviet defense spending will be cut as much as 7 percent.

In a story this week the Joint Economic Committee reportedly has evidence of a real reduction in Soviet military expenditures for 1989. Their ability to make this statement at the 10-month mark is further evidence the administration should have been able to provide the American people with this vital information.

I understand the difficulty of making accurate assessments of intelligence. Had disclaimers of doubt been made with the statements I would have been willing to place them into this category.

However, in this case it is more likely the momentum of the cold war which carries the administration into making such pessimistic statements. It is more likely their own fear of needing to propose risky new agreements between the superpowers which causes them and us to retreat behind old and comfortable beliefs.

I believe the next 60 days will be unlike most recesses which this Congress has taken in the past. I believe Americans will be considering what changes we can afford in our conventional and strategic defenses. As political leaders Congress and the President will be called upon for a response.

Now more than ever the President needs to challenge the American people to debate our defense policy. The debate should be based upon accurate representations of facts. If we are to avoid appropriation reductions which would place us at risk, such a debate must go forward. If we ignore the dramaic changes taking place in the world as we discuss our defense strategy and budget we will weaken rather than strengthen our national security.

Mr. President, Solidarity leader Lech Walesa addressed a joint session of Congress this morning. In his remarkable message was a history of a people who never gave up in their pursuit of freedom. Walesa said Solidarity's success was achieved through nonviolent means because "we knew what we wanted and our power prevailed in the end."

To make the correct decisions about America's defenses we need the same sense of purpose and determination. This is only possible if we begin with the same facts.

AID—EDUCATION AND HUMAN RESOURCES DEVELOPMENT

Mr. JOHNSTON. I am pleased to note that the conferees have provided $1.2 million in the AID Education and Human Resources Development account to support an innovative program begun in fiscal year 1988 to acquaint future leaders of the Caribbean Basin and Latin America with the American democratic system and the role private enterprise plays in this system. Although this program has been in operation for only 1 year, it has received substantial private sector support and AID has noted that in the first year it has already achieved modest, yet noteworthy success.

I note that the language approved in conference differs from the language recommended by the Senate Appropriations Committee and which was approved in both the fiscal year 1988 and fiscal year 1989 appropriations acts. In these two acts and the recommendations of the Senate Appropriations Committee, bill language was included which provided funds to the Leadership Center of the Americas, an umbrella group composed of some 40 universities and colleges located throughout the United States, for this program. The conference agreement however omits all reference to the leadership center and instead provides funds to support leadership programs for the Americas which have a demonstrated record of performance.

As the managers of the bill know, this wording change was the subject of considerable debate during the conference. To avoid any misunderstanding about the future implementation of this provision, I believe it is important to clarify what the Senate conferees' understanding of this provision is.

As I read this language, I believe the practical effect is the same as that of the Senate appropriations Committee's original recommendation. That is, since the only leadership training program which has a demonstrated record of performance is the program run by the Leadership Center of the Americas, the Leadership Center is the only organization which qualifies for these funds. AID should therefore be able to negotiate a grant agreement for the use of the funds with the Leadership Center quickly and in the same manner as was done in fiscal year 1988 and in fiscal year 1989.

Is this the understanding of the two managers?

Mr. LEAHY. I agree with the Senator from Louisiana that the practical effect of the conference agreement is the same as that provided by the language recommended by the Senate Appropriations Committee. AID should be able to implement this provision quickly, and negotiate a grant agreement with the leadership center to continue this important program.

As the Senator knows, the language in the conference agreement was carefully crafted to meet two objectives: that of the Senate conferees in continuing the leadership center program and that of the House which was to not earmark funds for any single institution. The compromise language developed accomplishes this and provides for the continuation of the successful program run by the leadership center, but does so without providing funds in bill language specifically to the leadership center. The way this is accomplished is indirect, but this was necessary to satisfy the House. In any event, I am satisfied that the conference agreement will allow this important program to continue in the same manner as it has in the past—through the leadership center.

Mr. KASTEN. I also concur with the understanding of the Senator from Louisiana. The language in the conference agreement has the same practical effect as the language recommended by the Senate Appropriations Committee and the language adopted in both fiscal year 1988 and in fiscal year 1989. It may be rather convoluted, but I too am satisifed that the conference agreement will allow this worthwhile program to continue in the same manner as it has in the past 2 years. AID should quickly negotiate a grant agreement with the leadership center as it has in the past 2 years since the leadership center is the only organization which has a demonstrated record of performance. It is not intended that the language change disrupt the program in any way, or change the manner in which the program is ad-

ministered. Instead the language change provides indirectly what the Senate Appropriations Committee language provided directly.

Mr. JOHNSTON. I thank the two managers for this clarification, and appreciate their willingness to take the time today to discuss this matter. This is an important program which has already begun to build a notable record, and I wanted to make sure that the language change recommended by the conferees will not in any way disrupt the orderly implementation of it.

U.N. POPULATION FUND

Mr. LEAHY. Mr. President, in 1971 then U.S. Ambassador to the United Nations George Bush said that the rate of population growth in the Third World is "a prescription for tragedy and chaos."

He urged that the U.N. Population Fund "should grow rapidly * * * to a point where it will be making an important impact on world population."

He was right. Today the world is growing by 90 million people a year. Almost all of those births are occurring in countries that cannot even feed their own people today. The U.N Population Fund can play a crucial role in controlling this growth and the devastating effects it is having on the environment.

Now President Bush, afraid of angering the far right, opposes any U.S. contribution to the most important family planning organization in the world.

This is a disgrace. The United States was instrumental in creating UNFPA. UNFPA does not support abortion. It provides alternatives to abortion, like contraceptives, maternal and child health, and education and information about family planning.

These are activities we should wholeheartedly support. By doing so we will help reduce the number of abortions and alleviate some of the suffering in the poorest countries.

I ask that a New York Times op-ed article on this subject by Richard Gardener, professor of law at Columbia University, be printed in the RECORD in full.

[From the New York Times, Sept. 22, 1989]

BUSH, THE U.N. AND TOO MANY PEOPLE

(By Richard N. Gardener)

When President Bush addresses the General Assembly on Monday, he will not call the U.N. "an unreal place * * * torn by tensions" as he did during the 1988 campaign. Now he is likely to praise U.N. peacekeeping forces in regional trouble spots and call for stronger U.N. measures to protect the global environment.

But for domestic political reasons, there will almost certainly be a major omission: world population growth. This will threaten international order and the world's life support systems in the decades ahead.

The world population, which stood at 1.5 billion in 1900, is 5 billion today and expected to grow to 6.2 billion in the year 2000 and to 8.5 billion in 2025. It may reach 10 billion before it levels off toward the end of the next century, with nearly 9 out of 10 persons living in developing countries.

These are the U.N.'s median projections, based on the assumption that fertility in the developing world will drop by a third in 30 to 40 years. If fertility declines at today's slow pace, world population could reach 14 billion or more before stabilizing.

To grasp the gravity of the challenge consider the U.N.'s median projections for third world countries in the year 2025. Egypt would grow from 51 million to 94 million; Nigeria, from 105 million to 301 million; Mexico, from 85 million to 150 million; India, from 819 million to 1.446 billion.

Incredibly, the Reagan Administration held that "population growth is, of itself, a neutral phenomenon. It is not necessarily good or ill."

But no government, no academic expert, has the faintest idea of how to provide adequate food, housing, health care, education and gainful employment to such exploding numbers of people, particularly as they crowd into megacities such as Mexico City, Calcutta and Cairo.

Moreover, the growing numbers of desperate poor implied in these figures will accelerate the ferocious assault on the environment under way in Africa, Asia and Latin America.

Unless these population trends are altered, our descendants will witness misery, mass migrations and violence born of desperation on a scale we can scarcely imagine.

We should call for an international effort to make information and means of family planning available to all persons in the child-bearing years. (At present, contraceptives are used by only 30 percent of couples in developing countries outside of China.)

Achieving this goal would substantially reduce the ominous U.N. population projections, but would require a tripling of the resources devoted to family planning in the developing countries. Such increased efforts would need to be accompanied by strengthened programs of health care and education and measure to enhance the rights of women.

In 1962, under our first Roman Catholic President, John F. Kennedy, we told the General Assembly we would support international family planning programs. We became a leader in these efforts under later Presidents. But Ronald Reagan, deferring to the right-to-life movement, cut off all aid to the International Planned Parenthood Federation and the U.N. Fund for Population Activities.

One reason given for this reversal was to discourage abortion as a population control measure. But the multilateral programs we have defunded do not finance abortions. The denial of family planning assistance to poor people in developing countries increases the number of abortions, putting at risk the lives of women without access to medical care.

Another reason given was that China, a U.N. fund receipt, sought to control population growth by coercive means. Recent assessments by Congress' confirm that Beijing's population policy is not coercive. If the U.S. wishes to maintain its reservations about China's program, U.N. fund population aid to China can be held at current levels and U.S. contributions can be earmarked for other countries.

Let us hope that by his second address to the U.N., Mr. Bush will be ready to say, as he did as U.N. Ambassador in 1971, that population trends in developing countries are "a prescription for tragedy and chaos" and that the U.N. fund "should grow rapidly . . . to a point where it will be making an important impact on world population."

POPULATION-UNFPA

Mr. LEAHY. Mr. President, this bill contains the usual provision prohibiting U.S. support for any organization which "participates in the management of a program of coercive abortion or involuntary sterilization." This has been construed by the administration to bar any funding for the U.N. Population Fund, because it has a program in China where there have been reports of coercion, even though no one claims UNFPA supports coercive practices itself. Rather, UNFPA, which has programs in 130 other countries too, funds alternatives to abortion—contraceptives, education about birth-spacing, maternal and child health.

The Senate, by a vote of 52 to 48, agreed to Senator MIKULSKI's amendment which does not change that provision but exempts UNFPA from its coverage. It allows the U.S. to fund UNFPA, but requires that United States funds be kept in a separate account and that no United States funds go to China.

The House voted to recede to the Senate and refund UNFPA by a vote of 246 to 176, but then immediately turned around and voted 219 to 203 for an amendment which gutted the Mikulski provision by requiring that before any United Stated funds can go to UNFPA the President must certify that China does not have a coercive family planning policy.

I have now moved to strike the House amendment, thereby insisting on the Senate language. The opponents argue that this will ensure a veto and cause a delay possibly necessitating another CR.

Mr. President, the Senate has already voted on this issue, but yesterday the House, after first upholding our language by 80 votes, then narrowly passed an amendment which gutted it. My motion will only preserve the original Senate language. This means no United States funds will go to China.

Nor will this delay final action on this bill. If the President vetoes it we can be back in the House for an override vote as early as late tomorrow or early next week.

This is far too important as issue for the Senate not to insist on its position. I urge Senators to vote yes on my motion.

Mr. SIMPSON. Mr. President, I rise to add some clarifying legislative history to this conference report on the foreign operations appropriations bill for fiscal year 1990. In particular, I wish to discuss the Lautenberg amendment, which establishes categories of refugee applicants.

First, the Lautenberg amendment, as modified by the conference committee, allows certain refugee groups to qualify for refugee status by asserting a fear of presecution and then asserting a credible basis for concern about the possibility of such persecution. I wish to clarify that the initial fear is a subjective matter, but the credible basis for concern is an objective matter to be established by the refugee applicant. This is consistent with the normal approach under the Refugee Act of 1980. In no way does this language create a presumption that the applicant is a refugee: the burden remains on the refugee applicant.

Second, the joint explanatory statement of the committee of conference notes:

> Once a credible basis for concern about the possibility of persecution has been established, the burden of disproving eligibility for refugee status will fall upon the government.

Mr. President, that language was not cleared by the minority member of the Senate Immigration Subcommittee, nor would it have been, had I been alerted to it before the conference was completed and the conference report signed. This language is nonbinding, I strongly disagree with it, and I encourage the executive branch to disregard it, if they feel in any way it would adversely affect their ability to properly administer our refugee laws.

The ACTING PRESIDENT pro tempore. The Chair is informed that all action has been completed on this measure.

Mr. MITCHELL addressed the Chair.

The ACTING PRESIDENT pro tempore. The Chair recognizes the majority leader.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, earlier this evening the House overwhelmingly approved House Joint Resolution 435, a 5-day extension of the continuing resolution.

Unless we pass this bill before midnight tonight, large segments of the Government may be forced to cease operations. The House has adjourned for the day. Therefore, we have no choice but to approve the extension and send it to the President for his consideration.

If we fail for any reason to approve the House action, the Department of Defense, the Department of Agriculture, the activities of our intelligence agencies, the Federal judiciary, and other departments or agencies have neither the funds nor the authority to continue their action.

So I strongly urge Senators to permit us to proceed to enact the continuing resolution.

Mr. President, President Bush has signed into law 5 of the 13 appropriations measures. Congress has concluded action on two additional measures which await his consideration. They are Commerce, Justice, State and the Judiciary, and Department of Transportation.

The legislative branch appropriations bill will be sent to the White House tonight. We must therefore act finally on five other such measures, Agriculture, foreign assistance, Department of Defense, and the two bills previously vetoed, Labor-HHS and D.C. appropriations.

Mr. President, I am about to propound a unanimous-consent request that we be able to proceed to the continuing resolution, it is for 5 days, that there be no amendments, and that there be 10 minutes equally divided.

If this agreement is reached, and consent is granted, then there will be no further rollcall votes this evening, and the Senate will complete action on this, and we will resume on other appropriations bills in the morning. If, however, there are to be any amendments to this continuing resolution, which I hope very much will not be the case, then we simply will have to stay here until such time as all amendments are resolved.

I emphasize that since the House has already adjourned. The effect of that will be to create the possibility if not the likelihood of a cessation of operation by several agencies of the Government.

So, Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of House Joint Resolution 435, a continuing resolution, through November 20, and that no amendments or motions be in order, and that there be 10 minutes equally divided on the joint resolution.

Mr. DOLE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

Mr. DOLE. Reserving the right to object—and I hope it will not be necessary to do that—as I indicated earlier, there were at least two Members on this side who might have amendments. But I think if there can be some assurance given that those amendments can be offered maybe to an appropriations bill or some other vehicle that is going to be leaving the Senate before we adjourn, it might be possible to obtain this agreement.

The Senator from North Carolina has an amendment that is important to him and, I think, a great majority of this body, and Senator MCCLURE has an important amendment dealing with rural referral centers, which is important to everybody in this Chamber who has any rural areas in his or her particular State.

I think both the amendments, if offered on the CR, would be accepted by the House. As the Senate stated, if the CR is not passed by midnight, when Government employees go to work, all nonessential employees will be sent home, and that would create confusion, and it would be at some cost.

I would be happy to yield to the two principals if the majority leader can accommodate them.

Mr. MITCHELL. Mr. President, tomorrow morning, it is my intention to take up the Labor-HHS appropriations measure. We still have to do the Department of Agriculture appropriations measure and the Department of Defense appropriations measure. Of course, as the two Senators know better than I, they have every right to offer to one or more of those measures.

Mr. McCLURE. Mr. President, reserving the right to object, I, too, hope it will not be necessary to object. I understand the problems that the majority leader has in trying to manage the Senate, which is largely unmanageable at best. I am really very concerned about——

The ACTING PRESIDENT pro tempore. The Senate is not in order. Senator MCCLURE.

Mr. McCLURE. I am concerned about one of the provisions in the reconciliation matter, when it was passed in the Senate, and it was very overwhelmingly approved in the House. It is not a controversial matter within the Senate or within the Senate or within the House or between the bodies. It is also something that the administration recognizes will be changed by this Congress.

The problem we have is that, as of October 1, new regulations which would deny reimbursement rates to rural referral centers went into effect. They are withholding money from those hospitals today; every day that we delay, they lose money. The only cure for that is for us, at some later time, to mandate that that regulation be nullified as of October 1, and we will go through the process of giving them the money they should have been getting during this period of time. Every day we wait on that, we just create a bigger problem for the rural hospitals that are in every one of our States.

I am certain that this has overwhelming support here in the Senate, and we need to deal with it. I know that the Senator from Texas is trying to work out something; the distinguished chairman of the Finance Committee is trying to work out something, and he is at an impasse on other matters between himself and the other body. This is the kind of thing that might get lost in all this translation, if we do not deal with the subject. I do not wish to cause any problem. I hope to be able to cooperate, but I am very concerned with the passage of time and no resolution.

Mr. MITCHELL. I understand the Senator's concern, and share it, coming as I do from a largely rural State, being a member of the committee which worked up the legislation to which the Senator is referring. It is my understanding—and I will ask staff to advise me if I state it incorrectly—that we already are aware that there are going to be amendments to the Labor-HHS appropriation bill tomorrow. That is my understanding. Therefore, another amendment to that obviously would be within the Senator's right.

Mr. McCLURE. Mr. President, if the distinguished majority leader will yield, as I understand what he is saying, majority leader sees no procedural impediment to offering it to that bill, and it is his intention to offer that bill here on the floor tomorrow, so that it would be available on tomorrow?

Mr. MITCHELL. With respect to the latter question, the answer is yes. It is my intention to seek, tonight, to gain approval to lay that down to begin the business of the Senate tomorrow morning. As to any procedural impediment, it would obviously be subject to whatever rules the Senate applies. I do not wish to represent anything other than that.

Mr. McCLURE. Mr. President, I think I also understood the distinguished majority leader to say that, indeed, he is aware of this problem, and that he shares with the Senator from Idaho a desire to fix it. I think that is overwhelmingly shared across this body.

Mr. President, with that understanding, and with the understanding that we are going to have that vehicle available, it would be germane to that bill, I believe, I would not then have to object or offer that amendment tonight.

Mr. MITCHELL. I am making no representation as to germaneness.

Mr. McCLURE. I understand that. It was my statement. I was not trying to——

Mr. MITCHELL. I really wish to state that my intention is to try to bring up the Labor-HHS measure tomorrow morning when the Senate begins its business, and I do not believe there will be any objection to that occurring. My further representation is that it is my understanding—I have been advised by staff on both sides—that there will be amendments offered to that legislation. I do not now know what the amendment will be or what the number will be, but that there are some amendments being offered. I am going to ask the staff on both sides to confirm that, and they are all modding, so I think I am right in that regard.

Mr. McCLURE. Mr. President, with that understanding, and in the desire not to be obstructive of what I know is a very difficult task here, I will not object to the unanimous-consent request.

Mr. MITCHELL. I thank the Senator.

The ACTING PRESIDENT pro tempore. It there objection?

Mr. HELMS. Mr. President, reserving the right to object—and I shall not object—I am in the same boat Senator McCLURE is in. I do not want to obstruct the passage of the continuing resolution tonight. So with the understanding that the majoirty leader has given Senator McCLURE, I am sure it applies to me, as well, we will deal with it tomorrow.

The ACTING PRESIDENT pro tempore. Is their objection to the unanimous-consent request propounded by the majority leader?

Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, there will be no further rollcall votes this evening, and we will proceed to the continuing resolution, unless someone requests a rollcall vote.

Mr. STEVENS. One question on that, Mr. President. If the Senator will yield.

The ACTING PRESIDENT pro tempore. The Senator from Alaska.

Mr. STEVENS. Has the Senator decided whether we will call up the Defense appropriations bill tomorrow after this other one?

Mr. MITCHELL. I have made no decision in that regard. As is my practice, I wanted to consult with the Republican leader before making a decision. We had discussed going to Labor-HHS next. Indeed, we originally thought we would be able to do it tonight. We obviously cannot do that.

FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1990

The ACTING PRESIDENT pro tempore. The clerk will report House Joint Resolution 435.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 435) making further continuing appropriations for the fiscal year 1990, and for other purposes.

The Senate proceeded to consider the joint resolution.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. MITCHELL. Mr. President, I know of no Senator who wishes to address this subject. I previously addressed it in my remarks prior to seeking unanimous consent.

Mr. HATFIELD addressed the Chair.

Mr. MITCHELL. Mr. President, I yield to the distinguished Senator from Oregon.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Oregon.

Mr. HATFIELD. I thank the majority leader.

I was going to comment I know of no amendments or no desire on any Senator's part on this side of the aisle to speak on this subject.

Mr. MITCHELL. Accordingly, Mr. President, I urge adoption of the joint resolution.

The ACTING PRESIDENT pro tempore. All time is yielded back.

The question is on the third reading of the joint resolution.

The joint resolution was read the third time.

The ACTING PRESIDENT pro tempore. The joint resolution having been read the third time, the question is, shall it pass?

The joint resolution (H.J. Res. 435) was passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

Mr. CRANSTON. Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak therein.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE CRUMBLING OF THE COLD WAR

Mr. BYRD. Mr. President, this past week, the television has been filled with an extraordinary sight: Citizens of East and West Berlin clambering to the top of the Berlin Wall to dance, embrace, and celebrate the announcement that East Germans are now free to travel and migrate to the West. Some of those on top of the wall even used small hammers and chisels to chip away at the wall. Over the weekend, 4 million East Germans crossed into the West to marvel at the sights and view the once forbidden fruits of Western capitalism.

Today, Lech Walesa, the leader of Solidarity, the catalyst for change in Poland, addressed a joint meeting of the two Houses of Congress. Poland, now with a non-Communist govern-

ment, is where the crumbling of the cold war began.

What has happened in Eastern Europe these last few months is nothing short of extraordinary. Those of us who have witnessed in our lifetime the establishment of satellite Communist States in Eastern Europe and the advent of the cold war are now seeing the crumbling of that cold war.

We must not forget, however, that in permitting the liberalization of the East bloc, Mr. Gorbachev is acting to further the interests of the Soviet Union. In liberalizing the East bloc and in reducing tensions with the West, Mr. Gorbachev hopes he will be able to transfer resources from defense to the civilian economy.

For the heart of Mr. Gorbachev's dilemma is the need to transform the economy. Communism has failed to live up to what theory said it would do for the masses. It has not truly equalized the differences between social classes. Instead, it has doomed the Russian citizen to a dreary standard of living, where even bare necessities are hard to come by, and has permitted the development of a highly privileged elite who want for little and obtain much of what they have through corruption.

In the years since the erection of the Iron Curtain in the late 1940's, America led the world by virtue of its technological and economic capacity, its cultural ingenuity, and its powers of social resilience. But the main reason much of the world often deferred to the United States is that we keep the key to the Western arsenal.

Yet, it is not our military might which has tantalized our East European comrades. It is the flame of democracy which has ignited Eastern Europe and the Soviet States. It is our lifestyle, our values, our very freedoms which the people once locked under communism are now seeking.

Since the spring, we have seen the outburst for democracy in China, which was brutally suppressed by the Chinese State, a free election in Poland and the establishment of a Solidarity-led government there, the repudiation of communism by Hungary's ruling party and its transformation into the Hungarian Socialist Party. Now East Germans and Czechoslovakians have the right to travel freely and Bulgaria's hard-line leader has been replaced. Pressure for reform has not been stifled by the opening of the East. Demonstrations for further reform still continue in East Germany.

Truly, the world has changed.

So, how are we to deal with this momentous change in a once bipolar world? It cannot be dealt with by ignoring it or simply by throwing money at it. While I would not claim that these changes are a harbinger of the demise of communism, it is clear that communism is evolving—that it is being required to be responsive, in ways it never has had to be, to the people—to their desire for much of what we take for granted.

The beacon of democracy has been lit and now is shining so brightly that it is doubtful it can be extinguished. But America and the West must develop a concrete, coordinated plan of action to draw these countries—Poland, Hungary, East Germany, Czechoslovakia, Bulgaria, and maybe someday, even the hardline Rumania—into the economic mainstream of the world.

At the end of World War II, with the Marshall Plan, we embarked on a massive assistance plan to rebuild Europe economically so that it could stand alone as a bulwark against communism. But all that was needed then was the money—which only the United States had—to reestablish industrial production in countries that already had much industrial experience.

The situation today is infinitely more complicated. America is not the only country with wealth and anything we do to resuscitate Eastern Europe, should be done as part of a coordinated effort with the other wealthy countries of the world, including Japan. The economies of Eastern Europe have been stagnant and isolated from the world economy virtually since before World War II and resuscitating them will be difficult, costly, and time-consuming.

In addition, possible German reunification looms over the entire process. If the two Germanys are to reunify, it must be done in a way that will not rekindle fears of German militarism or put obstacles in the way of West European unity and East European democratization.

All Americans can unite in pride that we stuck it out, that we fulfilled our commitments to Western Europe during the worst days of the cold war, that we ignited the rebuilding of Western Europe through the Marshall plan, that we led the formation and nurtured the growth and health of the most successful alliance of modern history, NATO.

Mr. President, we do not have to fill the atmosphere up with ideas and plans radical just for the sake of being radical. A momentum is coursing through Central Europe, its direction is toward the values we have stood for, the great values of human freedom, dignity and space to grow, and away from fear from oppression and from the shackles of false and phoney ideologies.

But, Mr. President, let us not allow our euphoria to cloud our judgment about the need to be watchful. We should be cautious about the summit in Malta. We should be prepared for a major Soviet arms initiative. With our allies we should know before we go to a summit, what our long-term objectives need to be. We do not need another Reykjavik. And I do not believe we will have one.

Let us hold in our memories forever, the image of Germans—from both the East and the West—dancing on the top of the wall. But let us not forget that the Soviet Union continues to pour weapons into Afghanistan and Nicaragua. Let us not forget Soviet support for El Salvador's rebels and the billions the U.S.S.R. spends to prop up the unregenerate Cuba.

And let us not forget that the Soviet Government has been more responsive to dissent in the satellite states than to dissent inside the Soviet Union. In bringing perestroika and glasnost to the Soviet Union, Mr. Gorbachev lifted the lid on domestic discontent. The Soviet Union has been racked with strikes, riots, demonstrations, and protests from ethnic minority groups, from the Baltic Sea to Central Asia, who want greater political autonomy.

Mr. President, we cannot continue to sit on the sidelines and merely watch the changing parade. It is time for the Congress to work with the President, time for the U.S. Government to sit down with our allies, and develop a concrete plan so that these historic events do not sweep by us, leaving America in its wake.

While we must be cautious and not overreact with hasty disarmament, we must begin to recognize that in a world less worried about war, the owner of the Western arsenal cannot expect the old deference it has grown used to receiving.

Our economic preeminence has been challenged in the 1980's as our trade deficit has soared and American consumers have increasingly come to buy foreign goods, believing they are of higher quality. Yet it is the economic vigor and vitality of the West which has so tantalized the Communist bloc. There is much we must do to regain America's competitive edge and recognize our changing world provides us with unparalleled opportunities to reinvigorate our economic system. The East is looking to us for economic leadership. We cannot let them down.

I am sure that President Bush does not want the writers of the histories of the 1990's to say that America ended up as just a straphanger on the caboose of history. And we will not. There are ventures to be undertaken and new dreams to be realized if we will but entertain them.

ARNOLD SALTZMAN'S PROPOSAL FOR A MARSHALL PLAN FOR EASTERN EUROPE

Mr. PELL. Mr. President, former Ambassador Arnold A. Saltzman recently sent to me a very imaginative proposal designed to provide substance

to Secretary of State Baker's recent statement that the United States has a stake in the success of perestroika in the Soviet Union and similar reforms in Eastern Europe. He proposes a Marshall plan for these countries in concern with our Western European allies.

Ambassador Saltzman makes a very persuasive case for helping the Soviet Union, Poland, Hungary, and other so-called socialist nations to enter the Western economic system. As he puts it:

The two divergent economic systems prevent us from living in relative political harmony, and theirs does not work. Eastern Europe is ready to enter our world; we cannot afford not to help them.

Ambassador Saltzman is uniquely placed to comment on developments in the Soviet Union and Eastern Europe. He has carried out diplomatic and economic assignments under four Presidents. He has negotiated with Communist governments and has also dealt with them as an unofficial "honest broker," helping to exchange viewpoints between Communist leaders and the United States. As a businessman, Ambassador Saltzman has engaged in joint venture projects in Communist countries. As a result, he brings an insider's perspective to both an analysis of developments in those countries as well as what the West's response should be.

Ambassador Saltzman's views are timely in light of the Senate's consideration this week of legislation to provide assistance to Poland and Hungary. I am pleased to share these views with my colleagues, and I ask unanimous consent that the text of Ambassador Saltzman's proposal be printed at this point in the RECORD.

There being no objection, the proposal was ordered to be printed in the RECORD, as follows:

PERESTROIKA VIEWED FROM THE INSIDE

It is long past the time when our Government should have instituted a "policy" for dealing with the earth-shaking events of Eastern Europe. Foremost of these events is the revolutionary change occurring in the Soviet Union, since who can argue that none of what has come to pass in Poland, Hungary and even in East Germany would have been possible had the old regime in the U.S.S.R. held sway. The limited agreements on armaments and more polite relations do not add up to a "policy". Rather we are reacting to events in East Europe without a grand plan other than a desire to see those countries become democratic capitalist nations, but with no strategy to help bring that about.

I do not refer to meddling in other nations' internal affairs. But the U.S. having been invited to play a role—either directly by Poland and Hungary or obliquely by the Soviet Union—ought to have determined for ourselves "do we or don't we". Also on what basis, in what manner, at what cost and with which partners do we influence events in these countries. At the same time we must decide what is the risk to us and what is the cost to us if these East Europe nations fail and could the U.S. have prevented such failure by actions we might take.

After such analysis perhaps a calculated decision might be made that we should not get too involved. I would doubt that could be the wise outcome, but at least it would be purposeful instead of the serendipitous course we now follow. Furthermore, it would help us realize how fragile all the Polish and Hungarian revolutionary changes are if Gorbachev's efforts fail.

Circumstances have placed me in a position to make such an analysis based on events in which I have personally participated. Since the early 60's the Russians, Poles and Czechs have known me as a businessman and periodic diplomat. I have negotiated with them on behalf of my country and sometimes for my own private interests. I have monitored events which brought Gorbachev to power, been invited by him and his ministers for frequent conversations and, since 1987, have myself participated in activities of Perestroika. Thus, I am in a position to share my views from the inside. To a lesser degree this is true of Poland and Czechoslovakia as well.

As background let me first state that Gorbachev and his ideas did not instantly materialize. His philosophical father and patron was Chairman Andropov who realized that radical economic reforms were necessary but died too soon to implement them. The tired do-nothing Chernenko caretaker administration allowed conditions to further deteriorate while his heir apparent waited in the wings. Gorbachev while waiting did not fully grasp the full extent of Russia's problems but did know that they must abort the arms race with the U.S. and also get more initiative into his economy. How to achieve this was not yet clear but would evolve.

Since 1984 I have visited the Soviet Union regularly at the invitation of that government. I have had intimate personal conversations with Ministers, members of the Central Committee, Prime Minister and Deputy Prime Minister, and several Politburo members including Gorbachev himself. The inside of the Kremlin, both the business side and ceremonial areas, are familiar to me as is the inside of the Communist Party headquarters.

Our discussions involved economic, political and military issues vis a vis the United States and the Soviet Union and also East/West relations generally. I was known to Soviet officials as a businessman and former diplomat with whom they could be candid and direct and in turn receive my own candid assessments. Since 1985 they have stated their positions and intentions while soliciting my opinions and reactions. Some were intended to better understand the climate in my country, some were trial balloons they hoped I would float and some were expressions of their actual intentions they understood I would report to my country. But it would be unofficial and thus deniable. An unofficial "honest broker" is helpful to nations seeking to bridge chasms of mutual mistrust. Intentions are revealed, philosophies explained, questions asked, in a way not possible with a sitting Ambassador. They trusted me not to make mischief in my reporting since my own philosophy was in favor of better relations between the U.S. and Eastern Europe and particularly the Soviet Union. My capitalist background did not deter them, in fact it was helpful since we never engaged in polemics or attempts at brainwashing.

What was told to me came from responsible Central Committee members, Politburo members and even Gorbachev himself. Now much of it is history. At the time it was revolutionary. For example:

(1) I was the first to bring the news in early 1985, that the Soviets would accept on site inspections that were reciprocal. They challenged the U.S. by telling me they would accept any level of inspection the U.S. would accept.

(2) They told me eight months before Reykjavik, and I so reported in Washington that they would propose a mutual 50% cut in nuclear missiles. Thus I could not understand why President Reagan said this proposal to him Reykjavik caught him by surprise.

(3) Gorbachev himself told me he sought an understanding with the U.S. especially in armaments. He was concerned that the USSR would enter the 21st century industrially and technologically far behind the great Western capitalist nations. He said if the U.S. and USSR continued their arms race Japan could clobber both of us. He meant as a world force not militarily.

(4) In 1985 I met with the head of Gosplan who gave me much detail of the new five-year plan months before it was due to be presented to the upcoming plenary session. The first elements of moves toward a partially market oriented economy were in the new "Plan"; a bombshell and sign post of where they were heading.

(5) Even though Glasnost appeared to antedate Perestroika it was the handmaiden. In order for the new economic policies of decentralized decision making, and production relating to the needs of the market to become reality, Gorbachev had to smash the entrenched bureaucracy. He unleashed writers, intellectuals, newspaper editors, to pour out torrents of Glasnost attacking the status quo. These former Gulag candidates were now "the enemies of Gorbachev's enemies".

(6) The United States has found it difficult to assimilate let alone to understand the degree of change in the USSR. Suddenly that bastion of communist belief is trying to accommodate to the needs of the market, allowing people to open personal businesses for profit, urging farmers to rent land and equipment from the state and produce crops for private sale and profit—and having real elections for legislative office in a legislature that has some degree of power. But it was not only the capitalist West that needed re-orientation to Soviet change. The Russians had a lot of explaining to do to reorient themselves.

Early in 1987 I met privately with an old acquaintance, an ideological spokesman in the Central Committee of the USSR, and we had an unbelievable conversation. This was the verbatim exchange.

Question. "How do you equate Leninism with the radical changes now being made in the Soviet economy?"

Answer. "Lenin would favor such governmental actions as would benefit the people and these changes are necessary and desirable."

Question. "As you liberalize the economy eliminating much bureaucratic central control will you not be confronted by demands for political liberalization and decentralization as well?"

Answer. "There is no other way, and there is no turning back".

(7) In 1987 a Politburo member asked to meet with me. He said, based on new laws, the USSR was going to engage in joint ventures with foreigners who could own holdings and machinery in the USSR, employ

workers, make profits, (repatriate profits) together with Soviet partners in existing enterprises or set up new ones. He urged me to come to Moscow for the purpose of doing business in the USSR. He promised to personally shake up the bureaucracy and secure a speedy result. Two weeks later I was in Moscow.

Within a week I had signed two protocols of intent with two different Ministries having been shepherded by my Politburo patron and the Deputy Prime Minister. The Bureaucrats negotiated in good faith, worked night and day with me, obstructed nothing. We finished two agreements for two projects, one in Central Russia, one near the border of Afghanistan. Thus first hand I know how Perestroika works, how the internal system works, for in fact I have been part of the process.

Over the next year, as I began to flesh out the detail of the tentative agreements with my Soviet partners, the Moscow bureaucracy's decision-making authority gradually passed to the Republics and even to the local partners. Moscow was no longer calling the shots reflecting Gorbachev's decision to diminish the political and economic control of the Communist Party' central committee and pass it to the 15 Republics. The Republics in turn were to pass decision-making increasingly to individual enterprises and with greater "power to the people." Enterprises were told to improvise and to be self-financing, managers and workers to develop initiative. "Business" became the new buzz word, the magic password signifying economic sophistication.

Almost two years have now gone by and I have done some business with my intended partners but we are not any closer to achieving the end result objectives. The individual enterprises have no idea how to be self-financing in creating new ventures, the bureaucracies of the individual Republics are less experienced, less knowledgeable, generally far less capable than the previously entrenched central Moscow bureaucracy. My Soviet partners' Perestroika is stuck in a mire of confusion going nowhere.

The USSR today finds its economy in shambles. They are neither a planned economy as before nor are they an economy relating to market forces. Shortages of all kinds abound, many for no good reason.

They have fallen between the cracks economically. A typical example is the recent fiasco on soap, the shortage of which was a serious complaint of the recently striking miners. Thus they purchased millions of pounds of soap from the West. Soap is very easy to make even in the USSR if one has tallow. Instead of buying tallow they paid a greater amount of hard currency to buy soap from the West. Previously, the "Plan" would not have permitted such a result, nor would it have been necessary.

Critics like Yeltsin have been pushing Gorbachev to run faster than he can, faster than the system can absorb. Yeltsin's motives are open to question, and in any case, he is not helping. Goaded by pressures to improve the economy, Gorbachev smashed what they had without a sound foundation on which to build the new structure. He did not feel the entrenched power structure would cooperate in moving at a sensible rapid pace but would still be hanging on obstructing progress.

Individual enterprises are engaged in ill-conceived barter with foreign companies. Each of the fifteen Republics are striking out economically and politically on self-proclaimed courses often counter-productive with each other as well as national purposes.

Instead of one entrenched bureaucracy in Moscow which at least was somewhat capable and experienced, there are now fifteen, less experienced, less knowledgeable, with less sensitivity, potentially more venal and militantly jealous of their own narrow interests. I am reminded of the days of our nation's beginning, of the Nullification Acts of Virginia and Kentucky, of the individual states tearing the fabric of our nation, before Chief Justice Marshall's decision knit us together.

With the living standard of people the worst in years, with both the making and distributing of things people need every day in disarray, Glasnost pours kerosene on the fire. All the buried and half-buried gripes are vented. Deep-seated ethnic and geographical antagonisms long suppressed now boil the pot and further impede transition to the new political and economic more democratic societal arrangements Gorbachev has pushed. In a country in part forcibly pasted together with different languages, customs, religions and philosophies, passing "power to the people" in a period of economic distress could tear their "Union" apart. We see these signs not only in the Baltic states the U.S. press reports on, but in Muslim areas where 50,000,000 Muslims have been absorbing Khomeini's teachings.

Gorbachev needs a breather, he needs to regroup and get back on track. But how? He is running out of time by his own admission and there is nothing on the horizon to help him get healthy.

People in or outside the U.S.S.R. might debate how they got to this pass but there would be little disagreement as to where they are. I believe there would also be small disagreement that a Soviet internal debacle would augur nothing good for the efforts of Poland and Hungary. Conversely, if Russia succeeds, would not the same tide engulf Czechoslovakia and East Germany who are now sitting out this dance watching events unfold?

Thus we are drawn to my original premise that long since the U.S. should have made a strategic decision as to our role in this drama. It is not sufficient to state the problems. I would now propose solutions—urgent, because we are late in addressing events that level little time for amelioration.

A PROGRAM FOR PROGRESS

Our Secretary of State has just now stated it is in the interest of the U.S. that Gorbachev succeed. How, or when, that favorable intention should be implemented is still undetermined. Thus, on the same day we see the United States vetoing a desire by our Western allies to supply more sophisticated tools to East Europe nations, such as the U.S.S.R., to improve their industrial capability. This vacillation points up the need for a plan for concerted action. By concerted I mean, first of all, within the United States government itself so that Defense, State, Commerce, Treasury, National Security Advisor, Chief of Staff and President are all marching to the same music. Second, we must plan with our Allies for concerted assistance with burdens and advantages shared by agreement. Last, most important, it requires acting in concert with Gorbachev to foster what is not only necessary but also what is possible within the Soviet Union in the light of their present condition.

Unhappily, month by month as we hung back requiring Gorbachev to prove and reprove the truth of his purposes, the difficulty of helping him succeed has become ever more difficult and more costly. Daily it grows more costly in financial terms because as their economy deteriorates it is more expensive to fix it. But in political terms, it is also more difficult not on our side but theirs. Gorbachev now has a society each day more fragmented economically, racially, geographically, ideologically. The cap is off the bottle and the genies are out. His problems are not manifest in the Politburo or even the Central Committee but in the people themselves. While many grow ever more shrill with Glasnost slogans, more voices are heard that Stalin's predictability and order were better.

What we do for Poland or Hungary will be looked upon with gratitude. In the U.S.S.R. there will be gratitude but laced with suspicion as well. We will therefore have to create policies of assistance that will be cast in the form of a partnership for progress. This will take great ingenuity and sensitivity on our part, not easy to sell in our country or within the U.S.S.R. either. Achieve it we must because there is an opportunity for the entire world to get a lot healthier if we succeed. The alternatives if Gorbachev goes down either in chaos or the past rigidities are ominous for the West.

If Secretary Baker indeed represents our desire to help Gorbachev succeed, we need a blueprint for action—not piece by piece too little and too late assistance. Events in the Soviet Union dictate action now.

A BLUEPRINT FOR ACTION—A MARSHALL PLAN FOR EASTERN EUROPE

(For reasons of sensitivity, particularly in the U.S.S.R., let's not call it that; perhaps Partners in Progress might be better)

In July 1948, Congress passed legislation creating what was generally called the Marshall Plan (named for General George Marshall) designed to rescue Western European nations from the danger of being engulfed by rigid, doctrinaire Communist control. These nations, industrially and economically beggared by the War and with their political foundations shaky, were brought back to economic and political stability. With the Marshall Plan's assistance, they escaped Stalinist Communist control.

In 1989, Eastern European countries—particularly Poland, Hungary and the USSR are endeavoring to move away from the rigidities of doctrinaire Communist economic and political philosophy. Czechoslovakia and East Germany would perforce allow shortly should the efforts of the others appear to be succeeding. Thus, a Marshall Plan to rescue Eastern Europe from that same doctrinaire philosophy is as vital today as it was for Western Europe 40-odd years ago.

The Marshall Plan was a cooperative voluntary arrangement whereby the United States supplied money and expertise which was used and administered within the countries for predetermined purposes. We purposely did not run the show but assisted the locals to develop their industries and their own expertise. They also used the money primarily internally to get the biggest economic "bang for the buck".

The U.S. should lead and garner support from other Western allies, who themselves were saved after the war, in proposing and supporting such a new East European Marshall Plan. Poland needs $10 billion, Hungary $6 billion and the USSR $30 billion in grants and no-interest loans. They also need just as urgently an infusion of Western business, administrative and industrial

know-how to be able to operate in a free-market economy and to participate in Western economic institutions such as the IMF, World Bank, GATT, etc. Money alone won't do it.

I have just returned from meeting with the heads of Poland's various economic ministries and their Foreign Minister. The Communists I spoke with were ready to accept a new kind of socialism resembling Scandinavia more than Romania. Also, in my meetings with leaders of the Central Committee and members of the Politburo in the USSR, they redefined Leninism in startling fashion. They have been moving more rapidly away from what they recently embraced than the U.S. has understood or accepted.

But without a combination of financial assistance and expertise from the West—and soon—Poland, the USSR and Hungary will not succeed. If so, the hard-liners, who detest this flight from Marxist ideology, would reemerge and this window of opportunity could bang shut.

Today, we see one of the rare moments in history where a number of forces converge to make fundamental change in geopolitical arrangements possible. The price is minimal; the potential reward for an undivided and more peaceful world is enormous. And even if the experiment fails, our loss is small; relatively few dollars that we an our allies can afford.

Businessmen would characterize this opportunity as a most favorable risk/reward ratio.

In the case of Poland, $5 billion of the $10 billion is available directly from their own people. In my meetings with their ministries, we sketched a plan whereby Poland would issue $5 billion of long-term dollar denominated bonds guaranteed by the United States and sold internally in Poland. This would bring out the "under-the-mattress" dollars hoarded by Poles and help the immediate financing of the $10 billion of new money they require.

It would be a mistake to concentrate on just Poland, which at the moment is highest on our horizon. If the Russian effort to reconstruct their economy along more liberal "free-market" lines fails, and the "tough guys" take back control in Russia, then Poland, Hungary and others will not sleep well. Conversely, success gets fence sitters, Czechoslovakia and East Germany, to join the parade.

I reiterate that money alone cannot rescue the economic malaise in the USSR (or Poland either) since Perestroika, without new administrative and management institutional arrangements, is doomed. These now have to come from the outside but as part of a cooperative program in order to be accepted by elements in their society suspicious of Western motives. Simultaneously, recommendations on armaments can be expedited, further relieving economic pressures for mutual betterment.

Thus, let us announce our new "Marshall Plan" for Eastern Europe. Let us help the USSR, Poland, and other Socialist countries enter the West's international economic fraternity. The two divergent economic systems prevent us from living in relative political harmony, and theirs does not work. Eastern Europe is ready to enter our world; we cannot afford not to help them.

AMBASSADOR PICKERING SPEAKS TO NATIONAL CONFERENCE ON THE UNITED STATES AND THE UNITED NATIONS

Mr. PELL. Mr. President, Ambassador Thomas R. Pickering, the career Foreign Service officer who is the U.S. Representative to the United Nations, gave an eloquent address on "The United States and the United Nations: The Decade Ahead" at the National Conference on the United States and the United Nations sponsored by the United Nations Association in Washington, November 9, 1989.

Ambassador Pickering, who holds the highest rank of Career Ambassador in our Foreign Service, is providing intelligent, vigorous leadership on behalf of our policies at the United Nations. It is rare that we have a career Foreign Service officer as our Ambassador in New York: the last previous one, I recall, was the late Ambassador Charles Yost, who set a high standard that Ambassador Pickering is continuing.

In his talk in Washington, Ambassador Pickering said there is now "more realism in the way the members of the United Nations see the organization, and in their treatment of United Nations issues. As we look to the decade ahead, we are using this new realism to set a positive agenda for the United States in working with the United Nations."

Just a few weeks ago the United Nations celebrated its 44th birthday, as Ambassador Pickering notes. I had the honor of participating in the founding meetings in San Francisco as a very junior member of the Secretariat. I am glad to note that, as we approach the United Nations' half century mark, there are fresh signs of vigor and accomplishment with each passing year. Perhaps the organization will at last line up to the high expectations of its founders.

Ambassador Pickering was introduced at the United Nations Conference by Ambassador Max M. Kampelman, our former top negotiator at the nuclear missile talks in Geneva which brought us the greatest single step forward in arms control, the INF Treaty. I am proud to count Max Kampelman and Tom Pickering as personal friends, and I ask unanimous consent that the texts of Ambassador Kampleman's introduction and Ambassador Pickering's speech at the United Nations Conference November 9 be printed in the CONGRESSIONAL RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTRODUCTION OF THOMAS R. PICKERING BY MAX M. KAMPELMAN, UNITED NATIONS ASSOCIATION

The United States is fortunate to have Tom Pickering as our Ambassador and Permanent Representative to the United Nations. He is a wise man of principle and integrity. His person and record represent the highest aspirations of the United States for peace with dignity.

We are witnessing a communications revolution of astounding proportions. Regrettably, along with its many implications for greater freedom and human dignity, that revolution is bringing with it an "Age of Imagery" as well. How things and people and events appear take on an importance greater than the reality of what they are. This new technology is understandably being used to sell and not just to communicate. This contributes to a distortion which has its effect on language, as well.

I just made reference to our country's aspirations for "peace". This proud word "peace" has also been the victim of verbal distortion. There is the "peace" of the grave; the "peace" that reigns in a well-disciplined prison or gulag; and the "peace" that may plant, with its terms, the seeds of a future war. Certainly those are not what our dreamers and philosophers have yearned for. It is peace with dignity and liberty that we seek. Tom Pickering's extensive diplomatic accomplishments identify him with those aspirations.

Tom and I first met in 1984. I was asked by the President to co-chair an American delegation to monitor the Presidential elections in El Salvador and he was our Ambassador to that country. Our delegation was a diverse one, but much of the conversation en route to El Salvador centered around the respect and admiration for our Ambassador there—his steadiness, his strength, his judgment.

On election day, he and I found ourselves together in a small helicopter flying to a number of rural areas to witness the electoral process. Indeed, it was he who informed me, in the midst of one dramatic moment when our plane went into a sudden lurch and tailspin, that we were being shot at by guerrilla forces and the pilot was taking evasive action. To end your suspense, we made it.

I was next in El Salvador as a member of our delegation to the inauguration of President Duarte. The head of our delegation was Secretary of State George Schultz. Our delegation ran the gamut from the far right to the near left. Once again, there was unanimous respect and admiration for Ambassador Thomas R. Pickering. Indeed, I can tell you that since then, whenever people were sought for highly responsible positions of leadership in the State Department, there was Tom Pickering's name.

Ambassador Pickering holds the personal rank of Career Ambassador, the highest in the United States Foreign Service. He has served as Ambassador to Israel, Ambassador to Jordan, and Ambassador to Nigeria. He was also Assistant Secretary of State for Oceans and International Environment and Scientific Affairs. His fields of expertise also include arms control, political military affairs and international intelligence. He has been awarded the Distinguished Presidential Award. Tom speaks Spanish, Swahili, Arabic and Hebrew. We have never had a more qualified leader in the United Nations.

It is said that a diplomat is one who sees to it that you always have his way. Tom and his wife, Alice, are superb diplomats.

Abba Eban, Israel's distinguished diplomat, once said in a moment of temporary discouragement. "I have confidence that man and nations will act wisely—when they have exhausted all alternatives." We may be

entering such a period today. We are pleased that Tom Pickering is on the scene at this opportune moment in history. It is my privilege to introduce him to you. He will speak in English. Tom Pickering.

SPEECH BY AMBASSADOR THOMAS R. PICKERING TO THE NATIONAL CONFERENCE ON THE UNITED STATES AND THE UNITED NATIONS—"THE U.S. AND UN: THE DECADE AHEAD"

We meet at a time of dramatic change in the world, and a time of change in the United Nations itself. This change has become more and more apparent as events have proceeded over the last two years. It is a change which has been characterized by more realism in the way the members of the United Nations see the organization, and in their treatment of United Nations issues. As we look to the decade ahead, we are using this new realism to set a positive agenda for the United States in working with the United Nations.

President Bush put forward the administration's interest in and approach to the United Nations clearly in his address of September 25th. His return to the United Nations and his speech set the tone for the Administration of constructive United States participation in the body. His specific suggestions in the area of disarmament and the attention which he gave to environmental and narcotics issues helped to establish the new United States agenda for the United Nations.

Two weeks ago, the United Nations celebrated its 44th birthday. This is thus an appropriate opportunity to think about some of the recent developments at the United Nations, the important issues facing us now, and what lies ahead as we realize that the United Nations' 50th anniversary in 1995 is not so far off.

RECENT DEVELOPMENTS

We have seen in the last two years a very notable change in the record of the United Nations and in how the United Nations is perceived. I want to review with you for a few moments the reasons for this change and then discuss our future agenda. To a large extent, this change is due to some rather dramatic successes which the organization has enjoyed. Recent successes in enhancing regional peace and security, a major task for which the United Nations was created, have done much to burnish its image.

PEACEKEEPING

Afghanistan is a prominent example. The United Nations played an instrumental role in helping to bring about the evacuation in February 1989 of all Soviet troops from Afghanistan. But the fight for freedom and self determination in Afghanistan continues. The United Nations is in touch with all parties to the conflict. It is dedicated to bringing about a peaceful solution—a solution based on the exercise by the people of Afghanistan of their full rights of self determination. The United Nations, acting through the Secretary-General's Special Representative on the scene, is helping to ensure that the Geneva accords, which guarantee these rights, are being carried out.

For the second consecutive year, agreement has been reached on the terms and text of a resolution on Afghanistan adopted by consensus in the General Assembly last week. Admittedly, there is more work to be done in Afghanistan. But certainly, having gotten as far as we have under present circumstances is due in no small measure to the constructive role of the U.N.

The cease fire in the Persian Gulf is another of the United Nations' recent successes. With the intense cooperation of its five Permanent Members, the Security Council, in over a year of negotiations, put together a peace plan for ending the war between Iran and Iraq. When that effort was started, few gave it much chance for success. The fact that Security Council Resolution 598, the product of that effort, was able to bring about a cease-fire is a remarkable accomplishment. More important, the resolution sets forth the framework for a more permanent peace in the Persian Gulf—a process in which the United Nations is deeply engaged.

A U.N. peace-keeping force is also maintained in this area to help solve problems that could otherwise lead to a resumption in the fighting.

After ten years of hard negotiating effort, led principally by the United States, but ably assisted by the United Nations, Namibia is emerging as a newly independent state. It will become the one hundred sixtieth member of the world organization when it achieves its independence. Cuban troops are withdrawing from Angola, monitored by a United Nations observer force while South African withdrawal from Namibia is observed by a multi-faceted United Nations force. A new government for Namibia is being formed around an electoral process managed and supervised by the United Nations. The effort has run a rocky course. But in the last year it has been kept on track with the assistance of the United States and the Soviet Union and by the cooperation of the members of the Security Council as well as of those who were the original parties to the conflict—states as disparate in their points of view as Cuba and Angola on the one side, and South Africa on the other. Elections in Namibia began three days ago and so far are on course and moving ahead well.

UNITED NATIONS REFORM

In addition to these U.N. peacemaking and peacekeeping efforts, over the last year or two—in large measure as a result of United States and Soviet cooperation and prodding—we have seen very positive changes on the issue of United Nations internal reform.

For the first time the United Nations has adopted consensus budgeting, which means that all of the members—principally the major donors—have a key role in ensuring that the budget stays within control. It has adopted for the next year a budget no larger than the last year. It has set a targeted 15-percent personnel reduction, and has already reduced some 1,350 United Nations employees—some 12.1%—against that target. These reforms show a new seriousness of purpose at the United Nations—a realization that priorities must be set, and that some sacrifices must be made for the sake of efficiency.

The U.S. was pleased to note that the U.N. has adopted in principle the policy that secondment of individuals from a government of the U.N. for short periods of time is not compatible with the United Nations Charter. The Charter, the U.S. has long noted, insists that international civil servants have their first loyalty to the organization and not to a foreign government. The Soviet Union, which has been the principal abuser of secondment has now accepted this idea. That acceptance in principle has been followed by a slow, but we hope progressive, adoption on a case-by-case basis of long-term contracts by Soviet citizens.

Another reason for U.N. success and its unusual image is the Secretary-General, Javier Perez de Cuellar. He has played a major role in this effort. His own performance, his wisdom, his diplomatic skills, his fine exercise of judgment, and his personal dedication are very much responsible for the improving image of the United Nations. Perhaps even more than in other parts of the world, positive regard for the United Nations has been on the rise in this country, where polls show an increasing degree of American public support for the organization. The United Nations' improved status could also be seen in the general debate in this year's 44th General Assembly which boasted a rather impressive array of international dignitaries who felt the event was of enough importance to warrant their presence. Two dozen heads of state and prime ministers and 105 foreign ministers added some lustre to the opening days of the debate.

POLITICAL CHANGES

What is happening in the Soviet Union? Soviet attitudes toward the United Nations itself and improving U.S.-Soviet relations play a large role in the changing fortunes of the organization and the changing perspectives toward it.

A good bit of my time at the United Nations has been spent working with the Security Council. During this period it has been possible with the Soviets to get agreement on a fairly consistent basis on issues as diverse as Namibia, Lebanon, hostage-taking, and the marking of plastic explosives so that we can find ways to defeat attacks against civil aircraft. On the perennial challenge to the credentials of the State of Israel, we saw a positive advance in Soviet policy, changing what has been historically a "yes" on the vote to exclude Israel to an abstention. We would have preferred that the Soviet Union had joined us in voting "no" to the challenge to Israel's credentials thereby upholding four square the principle of universality at the United Nations, but we did see their abstention as another move in the right direction.

Another indication of a new Soviet approach was the agreement last week with the U.S. to strengthen the United Nations. The new joint resolution focuses on more effective utilization of the existing charter and the U.N. framework. It marks the end of the discussion of the theme of "comprehensive security" which in our view was an unnecessarily vague and distracting concept.

It hasn't been all splendid and rosy, we do still have differences on issues like Afghanistan and Cambodia. For years the organization was dominated by polemics, by resolutions which had as their objective the isolation of the United States, of Israel, and of other countries when they attempted to support us. Resolutions with polemical ends did not inspire consensus or compromise.

This polemical character of United Nations activity has not totally disappeared—this lingering neuralgia and one-sidedness in large measure has made it very difficult for the United Nations to become an effective actor in such regional disputes of great importance to us as the Middle East.

Indeed, on the Middle East, the voting machine characteristic of the United Nations has made it—in the eyes of many—a partisan only of the Arab position. As a result particularly of the resolution equating Zionism with racism, which the United States is committed to see repealed, the United Nations has become marginalized in

dealing with that conflict. Despite such long-standing rigidities, looking ahead, the contrast with the past is still evident.

NEW BEGINNINGS

We have not forgotten and have not let go unnoticed the fact that the non-aligned states, recently meeting in Belgrade, have begun to change their rhetoric when they refer to development and to debt. President Bush took the step of sending a message to the joint meeting welcoming these changes. The non-aligned have become more moderate, more focused, more direct, and less adversarial. And this, too, may have a part in making the current General Assembly a more productive and cooperative body as the process goes ahead.

In the general debate at the U.N. discussion has been decidedly more pragmatic than in the past and less acrimonious. Countries resorted less often than in the past to rights of reply, which are formal retorts when a delegation feels that another delegation has misspoken. The polemics, the soapboxes, and the sanctimony have not disappeared from the General Assembly, but there has surely been an improvement.

The United States is also contributing to this change—a contribution in more than just a rhetorical sense. As many of you know, President Reagan decided at the end of his administration, and President Bush has upheld in his budget proposals, a new approach. The United States hopes to pay its full assessment for the regular United Nations budget, its full assessment for the peace-keeping budget, and will attempt to begin a process of repaying arrearages over the next five or six years.

Moreover, this year the United States undertook special responsibility for an additional emergency assistance program of $130 million to support peace-keeping in Namibia. This was achieved in what was known in Washington as the Dire (Emergency) Supplemental this summer. In September we had an opportunity to deliver the first check of $40 million for this peacekeeping effort.

As you might expect, funds for arrearages are more difficult to obtain than for regular assessments and it appears we have taken some hard hits on the Hill on both, with no funds this year for arrearages and cuts in our regular assessments. Nevertheless, the administration stands behind its request. And the prospects are good that this year's funding for United Nations activity will be some $200 plus million dollars ahead of last year's contribution of $530 million—a nearly 40% increase.

THE DECADE AHEAD

Against this background of recent successes and important changes, we can get a better idea of the possibilities for the decade ahead.

I would like to touch briefly on a number of possibilities in our agenda for the United Nations, and to discuss them as a way of illustrating what the capacity of the organization might be—for our own national interest, and in the world interest.

Let me turn first to the issue of regional peacemaking and peacekeeping. We can look at a number of areas of the world where the U.N. can and ought to play a significant and important role. Now there is a wider measure of unanimity among the permanent members of the Security Council than ever before to build on.

Close to home is Central America. Many of you who follow the news will have noticed that within recent weeks the Secretary-General of the U.N. cooperating closely with the Secretary General of the Organization of American States (OAS), has dispatched three U.N. missions to the region to prepare for the work of three new U.N. peacekeeping and observation groups.

One such mission is observing the Nicaraguan electoral process. It reports back frequently to inform the world as to how the elections are being managed and conducted.

A second will provide for a United Nations force to come to the region to monitor an agreement to cease interference in the internal affairs of the other Central American countries. This includes an agreed halt to the transfer of arms across national boundaries in support of insurgent forces worked out by the Central American Presidents. Two days ago this group was approved by the Security Council.

The third group is a new support and verification body. It is to be established as a result of recent agreements among the Central American presidents at Tela, Honduras, to deal with the interlinked process of the voluntary demobilization of insurgent forces and their return and reintegration into their own societies. This concerns not only the Nicaraguan national resistance, the Contras, but also the FMLN (Faribundo Marti National Liberation Front), the leftist guerrillas in El Salvador.

These are important tasks. They must be based on full agreement of the parties. The Secretary-General and the OAS have begun the process of building this structure so that it can be in place when the peace accords are ready to be implemented. Unfortunately, recent Nicaraguan decisions to end the ceasefire and to restart the fighting now threaten the entire peace process in Central America.

Another area which will call for United Nations peacekeeping efforts is Cambodia. The results of the Paris Peace Conference fell short of the hopes and expectations of its participants, but important gains were achieved in several areas. One of the positive steps undertaken by the conference was the dispatch of a United Nations exploratory fact-finding mission to Cambodia to begin the complex task of analyzing the situation with an eye towards the possible formulation of a new United Nations force to safeguard and promote peace and self-determination in Cambodia. We remain concerned by the impasse among the Cambodian parties on the question of an internal settlement for the future governance of the country. We firmly support the resolution on Cambodia now before the General Assembly that calls for an early and comprehensive political settlement.

Beyond Cambodia, and beyond Central America, the problems of Cyprus and of the Western Sahara have been of concern at the United Nations. It is hoped that here too that the United Nations will find a way to aid in reaching peaceful settlements.

Let me now turn to several other issues which will be part of the United Nations agenda for the 1990s.

Addressing global or transnational issues will be a major task of the United Nations and form the centerpiece of the agenda for the decade ahead. With continued exponential progress in science and technology, the world community has now become aware of man's capacity to influence his own environment. The same scientific developments which now permit man to change his environment also lie at the center of the search for solutions.

Damage to our global environment, possibly through climate change and warming, will have to be addressed on a multilateral basis. Climate change can bring a host of problems and a complex feedback process. We are reminded on a regular basis of the possibilities for a rise in the level of the sea, more desertification and deforestation, loss in biological diversity, increases in air and water pollutants, depletion of the ozone layer, and increased releases of CO_2. The trend overall is aggravated by population growth. The earth's population reached 2 billion from the beginning of time to 1910. By the early 1970s it was 4 billion. Today it is 5.1 billion, and by 2010, for the first time, half the world's population will be living in cities.

Each of these major problem areas requires an increasing measure of global cooperation and coordination if we are to deal successfully with the pitfalls and problems they present. It is in this area of major environmental problems that we have some of the greatest opportunities for international cooperation in the decade ahead. These issues do not represent an area of east-west conflict, but do offer potential for cooperation between East and West as well as North and South if we work hard at it.

As a result, we are coming to recognize that global environment problems can only be solved through the full cooperation of a wide range of countries in different stages of development and with different outlooks and ideologies. This is true because solutions will have to involve both the major producers of greenhouse gases and those countries with a major store of tropical forest area capable of absorbing increased carbon dioxide. There will have to be something of a global arrangement which can bring all sides on board.

The United Nations is dealing with the global warming or global climate-change issue. Within the past year the Intergovernmental Panel on Climate Control, created by the World Meteorological Organization and the United Nations Environmental Program, has begun to work. It is composed of three working groups: one to look at the scientific conclusions; a second to tell us about the impact on our planet of these scientific conclusions; and a third to prepare response strategies in many fields. Gathering this knowledge is the beginning of a long vital international effort to protect the planet. We are committed to using this work to develop a framework convention to deal with climate change as early as the autumn of next year, 1990.

In addition the United Nations is planning a world environmental conference for 1992, twenty years after the seminal Stockholm meeting of 1972. The conference will address a wide range of environmental issues and their relationships to national development and help to set further the U.N. environmental agenda for the 1990's.

Another transnational problem of significant proportion and importance is that of narcotics. President Bush, in his September 5 speech, singled out at least one aspect of the United Nations role when he urged all countries to ratify the recently agreed-upon convention. This agreement will increase our capacity in law enforcement, in exchange of information, and the applications of new doctrines, including the confiscation of assets of people engaged in drug activities.

This will be an important boost to control of the drug problem, and the convention is now before the Senate for ratification. Several countries have already ratified the convention; some 80 have signed, and we hope

that very soon the U.S. and others will complete the ratification process.

There is another important set of activities in the fight against narcotics which the U.N. has put to use. Since the days of the League of Nations, there has been an international exchange of technical information among countries, both on narcotic drugs and on law enforcement. This process, in my belief, can be strengthened and improved. The United States over the last several years has fought hard to keep budget cuts in the United Nations from directly affecting the role of the organziation in dealing with narcotics.

There's much more: This year's General Assembly will also be addressing the question of terrorism; it will be addressing the questions of development and the Third World debt, of Human Rights and of a host of other issues of great interest to us.

I mentioned previously U.S. approval of recent internal reforms at the United Nations, I believe there is still room for a great deal of further improvement. The United Nations system suffers from an enormous amount of duplication and overlap. Increased coordination is sorely needed. Modernization and a unified approach are clearly required as we face new issues for the future. I don't mean this simply as a budget cutting exercise. The United Nations would benefit greatly from innovative changes in management and organization—something we believe that we do well in this country and something we should quite rightly advocate for this international organization. These can include fewer meetings, consolidation of subsidiary bodies and committees, linking and integrating elements of the U.N. system, cross cutting budget and improved administrative mechanisms.

The remarkable thing is that today we see more clearly than ever the possibilities of fulfilling some of the goals which inspired us at the end of the Second World War. At no time in the past have the five Permanent Members of the Security Council worked more closely together, thereby fulfilling the basic premise of the organization in maintaining international peace and security.

More important, we also see clearly the possibility of avoiding the pitfalls, which have at times threatened to end the process of international cooperation. Multilateral solutions are no longer just foreign policy choices for the United States, but are clearly becoming national imperatives. If there were no United Nations we would have had to invent something like it to do the job. The challenge is real. It is one being faced with intelligence, creativity, and enthusiasm by the new administration. I am deeply pleased to be a part of it.

Thank you very much.

HELEN SUZMAN—AN ADMIRABLE OPPONENT OF APARTHEID

Mr. PELL. Mr. President, in the last 5 years, apartheid in South Africa has become one of the major issues on the American foreign policy agenda. During this time, the American people and Congress have not only become more educated about the injustices and inhumanity of apartheid, but also better acquainted with those South Africans—black and white—who have fought courageously and persistently to bring apartheid to an end. One of these is the Honorable Helen Suzman, a member of the opposition Progressive Federal Party who recently retired after 36 years in Parliament.

Mrs. Suzman is well known here and in South Africa for her steadfast opposition to apartheid and her deep personal commitment to freedom and justice for all South Africans, regardless of race. During the course of her long and distinguished career in Parliament, Mrs. Suzman consistently spoke out against the apartheid policies and the repressive actions of the ruling National Party and its leaders. Often, hers was a sole voice. Now retired from Parliament, she continues to speak out forcefully, at home and abroad, against apartheid and in favor of a nonracial, democratic South Africa in which all South Africans can exercise basic fundamental freedoms and human rights.

Last month, during a visit to Washington, Mrs. Suzman did an interview with the "MacNeil/Lehrer NewsHour." In the course of this interview, she offered some very interesting insights into the present South African situation and particularly the new administration of President de Klerk.

Mr. President, I ask unanimous consent that the text of the interview be printed in the RECORD at this point.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

MACNEIL: One woman who has spent her life fighting for a dialogue is Helen Suzman. As leader of the Liberal Party for more than 30 years, she was often the only voice in Parliament speaking out against apartheid. But she's been criticized recently by some people in the anti-apartheid movement for her opposition to sanctions. Mrs. Suzman retired from Parliament this year at the age of 71.

I spoke with her on Friday in New York.

Mrs. Suzman, thank you for joining us.

How important do you think how signficant are the changes President De Klerk has instituted so far?

HELEN SUZMAN: Well, I think they're quite significant, in that I think they mean to show a real change of direction, away from police toughness to an understanding that people want to protest and protest peacefully, particularly if they don't have the vote. The important thing, too, is that he has allowed the Johannesburg City Council, which is National Party-controlled, to desegregate all public facilities. I'm sure they couldn't have done that without asking his permission.

And then, too, he has signified that he's prepared to speak to the leaders that the people themselves have chosen, rather than the leaders that have been elected through the system. And I think, therefore, his talks with Archbishop Tutu and the Reverend Chikane and the Reverend Boesak are quite significant, as well.

MACNEIL. Do you regard these as sort of tactical maneuvers, or as demonstrating the first steps in a real change of strategy and direction?

Mrs. SUZMAN. Well, I think he's trying to win confidence. He's trying to win the confidence of black people in South Africa who feel they have been frustrated, they have been ignored in the party political and parliamentary political system. And that's one thing he's trying to do, is to create a climate for negotiation.

I think the fact that he's released Walter Sisulu and several other leading African National Congress people who were sentenced to imprisonment together with Nelson Mandela, I think that's important as well.

MACNEIL. Why not Mandela at this stage? What do you read into that?

Mrs. SUZMAN. Well, I would think the release of Walter Sisulu and the others is a tryout to see just what the result will be, what the effect will be, what the reaction will be among the mass of the people. There's a very large Mass Democratic Movement in South Africa, and I've no doubt that they will organize huge rallies to welcome the people who've been released, and no doubt they want to see if they can control that, that there'll be no violence. Because Nelson Mandela is, of course, the folk hero who will, I'm sure, result in much more of a public demonstration even then Walter Sisulu and the other members of the ANC.

MACNEIL. Some observers of the South African scene are suggesting that De Klerk may be making some of these moves now in order to head off the pressure for tougher sanctions against South Africa which some countries want to raise at the British Commonwealth Prime Ministers meeting in Kuala Lumpur later this month.

Do you believe that it is—that he is—that De Klerk is doing that?

Mrs. SUZMAN. Well, I think he probably realizes that Mrs. Thatcher, who's been a lone voice against sanctions at Commonwealth conferences, needed something to take with her to Kuala Lumpur when she goes later this month. And this is probably something that he is at least providing. It's not enormously significant, but it certainly, as I say, shows a change of direction. And it is something which Mrs. Thatcher can say, "Look, this man is different. It's a new policy a new direction. Give him a chance. Let's wait and see. Let's not impose further sanctions."

MACNEIL. You have, for all your years in Parliament, been an opponent of apartheid, the system of segregating the races. Do you believe this new man, De Klerk, is serious about dismantling it?

Mrs. SUZMAN. Well, he is a Nationalist. He's a politician. He's a pragmatist. He's not a starry-eyed liberal, as some people have called me. But he, I think, realizes change has got to come. I think he also, however, has got his own particular bottom line, and he does represent a party which is intent on maintaining group identity.

So, I don't think he's going to go as far as my party, for instance, would like him to go, or as far as the Mass Democratic Movement would like him to go. But he's going to go further than his predecessor, and he's going to try and create a climate for negotiation.

MACNEIL. So, when he says that he wants to create a new constitutional democracy in which no race can dominate the other, that is still qualified by having each separate group governing itself separately, but the whites fundamentally governing the country. Is that . . .

Mrs. SUZMAN: Well, I think he will stick to the present system, whereby there are separate group identities protected by law, by the separate voters rolls; and probably some different constitutional mechanism, whereby he can see that the three groups that are not white are not able to vote together in order to out-vote the wishes of the white minority.

MACNEIL: People of mixed blood and the people of Indian origin.

Mrs. SUZMAN: Yes, the Indian. Yes. There are a million Indians and about three million people of mixed blood and about 27 million blacks.

MACNEIL: With the removal, starting now, of—and in the past year or so—of so much of what was called petty apartheid, the things that the restricted blacks moving and eating in restaurants, and an agreement recently to negotiate an end to the housing rent boycott, all those things, is that going to take some of the steam out of the black movement, of the ANC movement?

Mrs. SUZMAN: I think that is the—that's the intention.

MACNEIL: And is it going to do——

Mrs. SUZMAN: To try and defuse it, the anger and the frustration.

I think it will to a certain extent among people who, in any case, are not really politically active. I don't think it's going to make any difference to the activists. And it's certainly not going to make a difference to the radical left among the black people

MACNEIL: Can Mr. De Klerk, given the political realities around him, can he meet the conditions that Archbishop Tutu and the others have set for entering real negotiations with the government?

Mrs. SUZMAN: Yes, I think he can do that immediately.

MACNEIL: He can release all the leaders, lift the state of emergency? You think he can do that?

Mrs. SUZMAN: Yes, he could. He could do that immediately. And I think he's going to probably consider doing it.

MACNEIL: So you think it's within political possibility for De Klerk to do it, and that that would—and that therefore there will be real negotiations beteen Tutu and the other leaders and De Klerk and his government?

Mrs. SUZMAN: Well, it would have to be between a wider circle than just the people you've mentioned. I think the ANC would have to be unbanned and allowed to come into the negotiations, the African National Congress, who do really represent the politically active blacks in South Africa, I have no doubt.

But then you also have to bring in people like Chief Minister Buthelezi whose nation of Zulus consists of over six million people. You certainly can't leave him out of the negotiations. There are the other leaders of the other nonindependent homeland states. And there are the trade unionists, the members of the urban community. All of these people, I think, would have to send representatives to the negotiating table to thrash out a new constitution for South Africa. And it will take some time. It's not going to be done overnight.

MACNEIL: You've been criticized by some of the more militant African, South African nationalists and by some people in this country in your—or, for your opposition to sanctions. Just tell me briefly why you have opposed sanctions.

Mrs. SUZMAN: Well, for economic reasons. I don't believe that reducing the economy to a wasteland and causing massive unemployment in South Africa is a positive step. I think.

First of all, it undermines the strongest weapon that black people, presently, anyway, can use in South Africa to overcome the differences in privilege and power and wealth in South Africa; and that is strong trade unionism, where the demands will go well beyond the workplace, but only if the trade unions are strong, if people are employed, and indeed if the majority of skilled workers in South Africa are black people.

Now, any undermining of that, I believe, is counterproductive.

MACNEIL. But hasn't it been the sanctions that have already been voted by the United States and other Western countries and the threat of further or more extreme sanctions which has brought the Nationalists and De Klerk to making the concessions they've just made?

Mrs. SUZMAN. Well, it's been an ongoing process. I mean there have been many changes in South Africa over the last ten years, long before sanctions were applied. And there's no doubt international pressures certainly play their part. No country likes to be considered a pariah by the rest of the Western World.

MACNEIL. But that's just a moral question. I mean . . .

Mrs. SUZMAN. Well, it is a moral question.

MACNEIL. On the economic grounds, are you satisfying the sanctions have had no effect and have only had a negative effect?

Mrs. SUZMAN. I think the effect that they've had is negative because it's created more unemployment. And that's a serious matter in a country like South Africa, which has a minimal safety net of social security. There's no dole. There are no food stamps. So it's a pretty dire experience for a man to lose his job.

And I believe to try and render one of the few countries on the continent of Africa that is economically viable into a non-viable state is counterproductive.

MACNEIL. What was your reaction, personally, when you found that position this week, when you spoke at Wesleyan University in Middletown, Connecticut, you found yourself being booed by some of the students?

Mrs. SUZMAN. Well, "booing" is going a bit far.

MACNEIL. Well, heckled and . . .

Mrs. SUZMAN. No, not even heckled. They gave an absolutely silent and courteous hearing. Nobody barracked, nobody booed, nobody interjected.

But undoubtedly when the questions were put by the members of the audience, those members who were part of the picket, they were hostile questions. There's no question about that. But I take that as it comes. You know, I'm pretty used to being in the minority, as far as certain opinions are concerned.

MACNEIL. But do you think they have misunderstood your role and your position?

Mrs. SUZMAN. I think they were aware of the fact that I've been anti-apartheid all these years. But they're very angry with me for taking a stand against sanctions and against disinvestment and also divestment, which they feel are major weapons against the government of South Africa. And as you know, I disagree. I think it's counterproductive. But also, they want to take this moral stand. They feel it's a moral statement, and they don't want anybody to in any way to undermine the influence which they feel that moral stand would have.

To me, I know the government perhaps better than they do, the government in South Africa. They are influenced by outside pressures, but they are certainly not going to change their policy fundamentally simply because people outside, in the United States and elsewhere, are pressurizing them to do so. There is in fact a reverse reaction, very often. You often find the whites becoming extremely irritated by this. And I think it's quite significant that the government, which lost 30 seats in the last election, in September, lost 17 of those 30 seats to the far-right party, the Conservative Party, and 13 seats to the liberal Democratic Party.

MACNEIL. After all those years in Parliament as a voice, sometimes a lone voice, often a lone voice, against apartheid, are you a bit sorry now that you resigned last spring and aren't there, as the battle begins to turn, at least in tone, a little bit your way?

Mrs. SUZMAN. In a way, yes. I haven't yet had proper withdrawal symptoms. I think those will come when Parliament starts again at the end of January. Then I will probably miss it. I shall certainly miss the challenge of debate. And I'll miss, I think, studying bills and participating in the very interesting period which is coming up in South Africa. But I've always felt it's a good thing to leave when people still think you should stay, and not wait until they say, "How are we going to get rid of the old girl?" And I think that time had come. I'd had 36 years. And there are other people now who can carry on.

MACNEIL. Well, Mrs. Suzman, thank you very much for joining us.

EASTERN BAND OF CHEROKEE INDIANS

Mr. HELMS. Mr. President, one of my many pleasures as a Senator from North Carolina is representing the Eastern Band of Cherokee Indians. As Senators know, the fine Cherokee people form one of the oldest and proudest communities on the North American continent.

The Cherokees have long prospered in western North Carolina. Their varied activities contribute to the healthy business and tourist industries of my State. But on November 14, the Cherokees contacted me because an 1834 Federal law stood in the way of their ability to conduct business for the benefit of the tribe.

The Cherokees have owned the Carolina Mirror Co. in Wilkes County, NC, and in Harris County, TX, for a number of years. This year they began to negotiate the sale of this company. All of the financing and paperwork on the sale had been worked out before the Cherokees discovered that they could not sell off any of their land interests without prior approval of the Congress.

Mr. President, due to the limited time left in this session of the Congress swift action is required to clear the way for the Cherokees to conduct the important business matters affecting their people. I am happy to say that thanks to the cooperation of the distinguished chairman of the Select Committee on Indian Affairs, —— Mr. INOUYE, and the distinguished ranking member, Mr. MCCAIN, the Cherokees' needs were addressed in H.R. 498, the Indian Law Enforcement Act. The sale of the Carolina Mirror Co. can now go through. I appreciate the efforts of the committee on behalf of the Chero-

kees and the people of Western North Carolina.

THE 50TH ANNIVERSARY OF THE LUTHERAN IMMIGRATION AND REFUGEE SERVCE

Mr. HATFIELD. Mr. President, today marks the 50th anniversary of the Lutheran Immigration and Refugee Service [LIRS]. I am pleased to participate in commemorating this special occasion and wish the LIRS many more years of success in assisting refugees throughout the world.

With the world's refugee population estimated at 14 million, the work of organizations such as the LIRS assumes an ever-increasng significance. While the LIRS does not seek recognition for their humanitarian efforts, I rise today to commend them and to urge my colleagues to do likewise.

In their 50 years of existence, the LIRS has resettled more than 155,000 refugees from every region of the world. In addition to providing refugee resettlement services, the LIRS also offers immigration assistance services for refugee children and a program to preserve first asylum.

Mr. President, I ask unanimous consent that a summary of the accomplishments and activities of the LIRS be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

LUTHERAN IMMIGRATION AND REFUGEE SERVICE: OPENING DOORS FOR 50 YEARS

This fall marks the 50th anniversary of Lutheran Immigration and Refugee Service (LIRS), the national agency of Lutheran churches in the U.S. for ministry with uprooted people.

Officially, LIRS is an inter-Lutheran cooperative agency that represents 95 percent of all Lutherans in the United States. The church bodies its serves are the Evangelical Lutheran Church in America (ELCA) and Latvian Evangelical Lutheran Church (LELBA), both based in Chicago, and the Lutheran Church-Missouri Synod (LCMS), based in St. Louis.

Since 1939, LIRS has resettled more than 155,000 refugees through partnership with Lutheran social ministsry organizations, congregations and community people. More than 6,000 congregational sponsors were mobilized for this work, to foster the well-being and sufficiency of refugees and their integration into American life.

The total number resettled includes more than 3,000 unaccompanied refugee children placed in foster care since 1978. LIRS is one of just two national voluntary agencies that resettles unaccompanied minors.

LIRS is structured as a three-tiered partnership of national administration, professional regional support, and private sector sponsorships. Through this unique agency-and-church partnership, newcomers have access to a wide range of community resources in addition to basic material and emotional support. The most recent newcomers include Europeans, Armenians, Evangelical Christians from the Soviet Union, and Amerasian young people. And LIRS continues to resettle refugees from Southwest Asia, Africa, and the Near East.

With the help of the ELCA and Lutheran World Federation World Service, LIRS ministers with undocumented people in the United States by supporting 42 social service, advocacy and legal service community-based projects that address their needs. Matching private funds offered by the Ford Foundation are distributed in like manner—$500,000 over the next three years. The LCMS coordinates with LIRS with respect to the grants it makes through its own World Relief program of the Board for Social Ministry Services to these and other such projects, as well.

Recently in Guatemala, LIRS representatives took part in an international conference on effects of the peace talks and the plans to assist the one million refugees there or from there. LIRS also helped organize an ecumenical delegation to Washington, DC about Central Americans on the Southwest Texas border. That delegation made it clear that the policy of massive detention and lack of due process for Central Americans was in need of change.

At one point this summer, as many as 5,000 refugees were being detained in camps on the Rio Grande Valley area. The ELCA responded to an emergency appeal to the churches for funds for legal services to help them. LIRS is also organizing help for refugee children who are being kept in detention centers because of their lack of legal status in this country.

In June 1989 the LIRS executive director was the LIRS' and therefore the churches' representative in an international conference in Geneva concerning Southeast Asian refugees. These talks reaffirmed commitments by governments not to push back refugees; to expand programs of direct departure from Vietnam; and to continue resettlement, especially for those 52,000 who have spent years of their lives in camps. It was tough. Most countries wanted to end asylum now.

Vietnam has just agreed with the U.S. to allow former political prisoners to move again. Most will want to rejoin their families and will require special help on arrival. Two government departments and the national voluntary agencies, including LIRS, are discussing the where and how of that effort.

In mid-September, LIRS co-sponsored a major conference in Washington, DC on ministry to and with African and Haitian refugees. Several ELCA churchwide units were intimately involved in this one, especially the Commission on Multicultural Ministries.

LIRS is also well known for foster care ministry, helping refugee young people who come to the United States without their parents and who need support until they reach adulthood. Only LIRS is able to function as a Protestant agency with such services through Lutheran Social Service agencies matching the other functioning agency, the Roman Catholic effort through Catholic Charities in its dioceses. One Protestant agency, Bethany Children's Home of Grand Rapids, Michigan, receives its cases through LIRS.

LIRS maintains an office in Washington, DC, in close collaboration with the ELCA Office on Governmental Affairs, where it is housed near Capitol Hill.

As a member of the American Council for Voluntary International Action (InterAction), the LIRS staff works with 130 other private agencies in joint strategy and action efforts. The LIRS executive director is currently concluding two years as chair of the InterAction Committee on Migration and Refugee Affairs.

LIRS PROGRAMS

The past year has seen both growth and diversification in LIRS's national ministries to immigrants and refugees.

The importance of the *First Asylum Concerns* (FAC) program was underscored in 1989 by the devastating effects of the employer sanction provisions of the Immigration Reform and Control Act of 1986. The provisions make it illegal for employers to hire undocumented workers. The result is that undocumented refugees from Central America and elsewhere who cannot return home are increasingly subjected to exploitation or are sinking deeper into extreme poverty.

One important objective of LIRS's FAC program is to advocate for fair and humane first asylum policies, and to seek administrative and legislative relief for refugees already here who are threatened with deportation. LIRS has advocated for passage of legislation such as the DeConcini-Moakley bill to suspend deportation of Salvadorans and Nicaraguans.

LIRS has also been instrumental in forming a coalition of national voluntary agencies, legal advocacy organizations, local direct service projects, and refugee community groups. This coalition, called the Committee for U.S. Action on Asylum Concerns (CUSAAC), serves as a collaborative mechanism for sharing information and developing common perspectives on promoting and expanding protection for persons seeking safe haven in the United States. It also relates to counterpart organizations in other countries around the world.

Another important aspect of FAC's work is the provision of legal and basic social services directly to asylum seekers through its small grants program. These grants are provided to local projects that provide direct assistance to refugees in their communities.

LIRS and the people it serves are particularly indebted to the ELCA for its continued priority support of this critical program. This support amounted to $100,000 this year; and together with a grant of $40,000 from the Lutheran World Federation, it made possible the renewal and increase of a matching grant from the Ford Foundation. This grant will total $500,000 over a three-year period, of which $425,000 is for direct grants to local projects, and $75,000 is for technical assistance to these projects in the areas of organizational management and fund raising.

In 1989, a total of $290,000 was available for project grants. Requests coming to LIRS from 55 projects totalled $877,000. A staff review panel awarded grants to 41 projects.

LIRS *Children's Services* program continued its work of placing refugee children admitted to the United States into foster homes. This work is carried out under a contract with the U.S. Department of State, and is done in partnership with 23 Lutheran Social Ministry Organizations. In FY 88–89, 298 refugee children were placed.

An exciting prospect for the future is the possibility of implementing a special unaccompanied minors project for border children. This project would develop alternative living situations for refugee children from Central America who are being held in detention facilities by the INS. LIRS would use its relationships with border projects to

identify and screen the eligible children, and then link them with the existing network of LIRS unaccompanied refugee minor programs.

At this point, the LIRS board has given authorization for a consultant to be retained to research the project and develop an operational plan. Funding would be sought first from foundations, and perhaps later from federal or other private sources. This project enjoys wide support from the bishop/presidents of most of the affected synods/districts of the LC-MC and the ELCA.

June 1989 saw the launching of LIRS' new *Immigration Services* program, staffed by an experienced immigration attorney. This program aims to assist Lutheran Social Ministry Organizations, individual congregations and others to develop the technical capacity for responsible immigration counseling. The goal is to establish a national network of Lutheran affiliated immigration counseling sites. Already, a needs assessment has been distributed nationally and training workshops have been conducted for the upper midwest in October. Training for the southwest is scheduled for November.

The *Refugee Resettlement Program* continues to be LIRS's largest program. In FY 88-89, more than 8,000 refugees were resettled in the U.S. through 26 affiliated regional programs. This 33% increase over the same period last year is largely attributable to the increasing numbers of Evangelical Christians that have been leaving the Soviet Union. This unplanned increase has had positive effects on the financial position of that program, although they will be temporary.

Additional congregational sponsorship for added numbers of refugees are still required, although the Department of State restricts the agency as to where such refugees may be resettled. Encouragement from the bishops and other national leaders is needed for this largely agency and/or congregationally centered ministry of resettlement. Other ways for congregations to assist are described in a new LIRS brochure.

LIRS' heavy involvement in resettling Amerasians has also led to securing $35,000 supplementary federal grants for its seven Amerasian cluster sites. In addition, LIRS helped obtain a $50,000 grant for a special Hmong project in Wisconsin, and renewed participation with the federal match grant program for four other affiliates.

THE FIFTIETH ANNIVERSARY

While past achievements will be commemorated, LIRS's 50th aniversary celebration will be geared toward strengthened ministry for the future. The theme is "Opening Doors—Yesterday and Tomorrow."

The "kickoff" event, in honor of past servants of LIRS ministry, will be held in conjunction with the LIRS National Conference in November in Washington, D.C. Garrison Keillor of Lake Wobegon fame will be master of ceremonies at a special dinner.

Other planned events include an interagency-governmental seminar at the United Nations; as series of 10 symposiums at Lutheran theological seminaries; an oral history based on interviews of staff and others involved since 1939; a video program; a 50th anniversary report; and other informational materials. Plans are being coordinated and expanded through partnership with Lutheran Social Service agency affiliates as well as the ELCA and LCMS churchwide offices.

INTERNATIONAL BAN ON DRIFT NET FISHING ON THE SEAS

Mr. HATFIELD. Mr. President, I am here today to voice my support for legislation introduced by my colleague from Alaska, Senator MURKOWSKI. The bill, S. 1684, would speed the demise of drift net fishing practices. It requires the Secretary of State to secure an international ban on large-scale drift net fishing on the seas. It also calls for the Secretary of State to report annually to Congress on his progress toward that goal.

As my colleagues well know, we are not alone in our grave concern over the impact of large-scale drift net fishing. While this method of fishing is having a direct effect upon our west coast fisheries, it has also grown to become a problem of international concern.

Drift nets have been employed by Japanese, South Korean and Taiwanese fishing fleets to catch squid in the central North Pacific since the early 1980's. These fleets now include over 700 fishing vessels. Each boat drops a monofilament net that is approximately 30-feet deep and extends to 15 to 35 miles in length. These curtains of death are allowed to drift through the night. It has been estimated that they drift through 30,000 to 40,000 miles of deep ocean each day, indiscriminately entangling whatever marine life might come in their way.

The intended catch is supposedly squid, but in practice, the catch includes marine mammals, seabirds, albacore immature steelhead and salmon, and other deep ocean fish. Furthermore, over 600 miles of net each year are lost or discarded. These so-called ghost nets, do not deteriorate, but continue to drift and kill for months and, sometimes, years.

The Magnuson Fishery Conservation and Management Act of 1976, which this bill would amend, establishes that salmon and steelhead belong to their country of origin. This is an internationally accepted principle. Squid fishing boats are allowed to take a few salmon as an incidental catch. The large number of salmon showing up on the world market, however, indicates that this catch has become more than an incidental take.

There is some evidence that squid fishing vessels may be a front for an illegal, directed salmon fishery. This illegal fishery is not only depressing worldwide salmon prices, it is depleting our own valuable resources. West coast fisherman have seen drastically reduced fish runs that may be connected with high seas drift netting. At a hearing I held on this issue last July, I heard testimony from seafood processors and commercial fishermen indicating that an enourmous impact is being felt in my state.

Since that time, Ore Aqua, an Oregon aquaculture firm documented a return rate of coho salmon at one-third the expected rate. Oregon Albacore catches have dropped from 3,512 metric tons in 1980 to an expected 450 tons this year. In addition, Oregon albecore trollers Herb Goblirsch and Mike Shedore inform me that this past summer, 50 to 60 percent of their catch was netmarked from contact with drift nets. Mr. President, clearly, this is unacceptable.

The depletion of North American anadromous fish is tragic, in and of itself. This loss, and the loss of value to U.S. commercial and recreational fishermen become even more distressing when one considers the large investment that we have made in our fisheries. As a nation, we have invested money in fish hatcheries, in scientific research, in screens and fish ladders for dams, and in mitigating damage to fish habitat from logging, grazing or mining. When immature salmon and steelhead are illegally caught before they can return to their spawning grounds, our efforts are made futile.

The framework exists for controlling high seas drift netting and protecting North American fisheries, but it has become impossible to implement and enforce this framework. By international agreement, drift net fishing is restricted to certain seasons and certain areas that are supposedly distant from salmon grounds. The first problem is that the known distribution of North American salmon and steelhead overlaps the authorized squid fishing area. Second, Japanese, Korean, and Taiwanese boats have been found fishing beyond the established boundaries, and often with disrespect to the established season. For example, the Coast Guard has spotted 25 Taiwanese vessels north of the designated boundary thus far this year.

While some of these nations have made efforts to regulate their own fleets, U.S. enforcement has been limited. The U.S. Coast Guard has significantly increased our surveillance of the high seas, but we simply have not been able to give the Coast Guard the resources it needs to adequately enforce fishing boundaries.

Because of the sheer number of vessels involved, the problem of monitoring is formidable, and we have not been able to place an adequate number of observers on foreign ships. While treaties recently negotiated in accordance with the Drift Net Control Act of 1987 may help some, increased observers stand only to verify what we already know: that, in addition to illegal taking, drift net fishing results in tremendous devastation to our fishery and marine mammal resources.

The ecological effects on our global oceans have become a cause for international concern. Drift netting has been described as the biological strip-

mining of the ocean. The most vivid example of this description has been the senseless trapping of marine mammals—porpoises, seals, and whales. Less visible, but probably even more foreboding, is the possible long-term effect on the food chain of the deep ocean. We do not know how drift nets are impacting the ecological processes of the ocean. This lack of knowledge and the possibility of extensive damage is disturbing.

Given the improbable task of effectively regulating drift netting, and in light of the irresponsible nature of this fishing method, the only realistic long-term solution to this problem is the elimination of drift net fishing on the high seas. Senator MURKOWSKI's initiative is well-advised. It is imperative that we secure an international ban on large-scale drift net fishing.

Mr. President, this is a responsible and much needed initiative for the management of our Nation's marine resources. As evidenced by the recently passed U.N. resolution on drift netting, there is tremendous worldwide sympathy for a ban to drift netting. Just as the wall in Berlin has been torn down in recent days, so should these moving walls of death be removed from the seas. S. 1684 would help accomplish this goal and I would urge my colleagues to join me in supporting it.

EXECUTIVE SESSION

DEPARTMENT OF TRANSPORTATION

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nomination: Calendar Order No. 326, Brian W. Clymer, to be Urban Mass Transportation Administrator.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the nominee be confirmed, that any statements appear in the RECORD as if read, that the motion to reconsider be laid upon the table, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

DEPARTMENT OF TRANSPORTATION

Brian W. Clymer, of Pennsylvania, to be Urban Mass Transportation Administrator.

LEGISLATIVE SESSION

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now return to legislative session.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 10:15 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 931. An act to protect a segment of the Genesee River in New York;

H.R. 215. An act to amend title 5, United States Code, with respect to the method by which premium pay is determined for irregular unscheduled overtime duty by a Federal employee; and

H.R. 3544. An act to authorize the transfer of a specified naval landing ship dock to the Government of Brazil under the leasing authority of chapter 6 of the Arms Export Control Act.

The enrolled bills were subsequently signed by the Acting President pro tempore [Mr. ROBB].

At 10:27 am, a message from the House of Representatives delivered by Mr. Hayes, one of its reading clerks, announced that the House agrees to the report of the Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2939) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1990, and for other purposes; that the House recedes from its disagreement to the amendments of the Senate numbered 4, 20, 21, 24, 25, 26, 33, 49, 51, 52, 54, 55, 64, 65, 66, 67, 76, 79, 83, 86, 87, 89, 97, 111, 113, 115, 120, 124, 126, 127, 128, 131, 134, 135, 136, 139, 140, 142, 146, 149, 154, 156, 160, 161, 162, 163, 167, 168, 179, 180, 185, 211, 215, 216, 221, 224, 233, 234, 250, 252, 253, 257, 259, 260, 262, 263, 266, 270, and 281 and concurs therein; and that the House recedes from its disagreement to the amendments of the Senate numbered 3, 6, 8, 12, 13, 15, 17, 19, 22, 23, 31, 35, 42, 44, 48, 63, 69, 74, 75, 85, 91, 95, 98, 102, 103, 105, 107, 110, 112, 117, 121, 122, 132, 133, 164, 169, 187, 197, 201, 220, 235, 245, 267, 274, 275, 276, 277, 278, 279, 283, 284, 286, 287, 289, 290, 291, 292, 293, 294, and 295 and concurs therein each with an amendment in which it requests the concurrence of the Senate.

The message also announced that the House has passed the bill (S. 1793) the make technical and correcting changes in agriculture programs; with an amendment, in which it request the concurrence of the Senate.

The message further announced that the House has passed the bill (S. 1390) to authorize funds to be appropriated for the construction of a mouse research laboratory, and for other purposes; with amendments, in which it request the concurrence of the Senate.

The message also announced that the House insists upon its amendments to the bill (S. 737) to authorize the Secretary of the Interior to acquire certain lands adjacent to the boundary of Rocky Mountain National Park in the State of Colorado.

The message further announced that the Speaker appoints Mr. KASTENMEIER as a manager on the part of the House to the amendment of the Senate to the bill (H.R. 2717) to facilitate the adjustment or change of status of Chinese nationals in the United States by waiving the 2-year foreign residence requirement for "J" nonimmigrants, vice, Mr. BROOKS, resigned.

The message also announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 1. An act to amend Federal laws to reform housing, community and neighborhood development, and related programs, and for other purposes;

H.R. 1602. An act to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes;

H.R. 3482. An act to provide disaster assistance to private timber producers for the reestablishment of timber stands necessitated by Hurricane Hugo.

H.R. 3550. An act to amend section 524 of title 28, United States Code, with respect to the Special Forfeiture Fund, to amend section 511 of the Controlled Substances Act to make technical, clarifying, and administrative changes, and for other purposes;

H.R. 3611. An act to combat international narcotics production and trafficking;

H.R. 3614. An act to amend the Drug-Free Schools and Communities Act of 1986 to revise certain requirements relating to the provision of drug education and prevention program in elementary and secondary schools, and for other purposes;

H.R. 3620. An act to clarify the Food Security Act of 1985;

H.R. 3630. An act to amend the Public Health Service Act with respect to the prevention and treatment of substance abuse, including, establishing separate block grants with respect to substance abuse and mental health;

H.J. Res. 357. Joint resolution providing for the reappointment of Samuel Curtis Johnson as a citizen regent of the Board of Regents of the Smithsonian Institution; and

H.J. Res. 358. Joint resolution providing for the reappointment of Jeannine Smith Clark as a citizen regent of the Board of Regents of the Smithsonian Institution.

At 5:30 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 150. An act to amend the Immigration and Nationality Act to provide a procedure for an alien who dies while serving on active-duty with the United States armed forces during certain periods of hostilities to be considered a citizen of the United States at the time of the alien's death;

H.R. 525. An act to provide for the naturalization of natives of the Philippines through active-duty service in the Armed Forces of the United States during World War II;

H.R. 639. An act to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably (or are enlisted to serve) in the Armed Forces of the United States for at least 12 years;

H.R. 1011. An act to provide for the establishment of the National Commission on Wildlife Disasters, to provide for increased planning and cooperation with local firefighting forces in the event of forest fires, and for other purposes;

H.R. 2134. An act to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to authorize the distribution of wholesome meat and poultry products for human consumption that are not in compliance with the Acts to charity and public agencies;

H.R. 2809. An act to provide for the transfer of certain lands to the State of California, and for other purposes;

H.R. 3033. An act to control the export, to countries pursuing or expanding the ability to produce or deliver chemical or biological weapons, of items that would assist such countries in acquiring such ability, to impose sanctions against companies which have aided in the proliferation of chemical or biological weapons, to provide for sanctions against countries which use or prepare to use chemical or biological weapons in violation of international law, and for other purposes;

H.R. 3046. An act to reduce the number of Commissioners on the Copyright Royalty Tribunal, to change the salary classification rates for members of the Copyright Tribunal and the United States Parole Commission, and for the Deputy and Assistant Commissioners of Patents and Trademarks, and for other purposes;

H.R. 3532. An act to extend the United States Commission on Civil Rights;

H.R. 3566. An act making appropriations for the Departments of Labor, health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1990, and for other purposes;

H.R. 3589. An act to amend the Disaster Assistance Act of 1989 to provide assistance to agricultural producers suffering from earthquakes;

H.R. 3610. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1990, and for other purposes; and

H.R. 3629. An act extending the authority of the Secretary of Commerce to conduct the quarterly financial report program under section 91 of title 13, United States Code, through September 30, 1993.

At 5:52 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 435. Joint resolution making further continuing appropriations for the fiscal year 1990, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

At 7:15 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bills and joint resolution:

H.R. 2642. An act granting the consent of the Congress to amendments to the Southeast Interstate Low-Level Radioactive Waste Management Compact;

H.R. 3014. An act making appropriations for the Legislative Branch for the fiscal year ending September 30, 1990, and for other purposes; and

H.J. Res. 278. Joint resolution to designate the period commencing on November 20, 1989, and ending on November 26, 1989, as "National Adoption Week".

The enrolled bills and joint resolutions were subsequently signed by the Acting President pro tempore [Mr. ROBB].

ENROLLED JOINT RESOLUTION SIGNED

At circa 9:40 p.m., a message from the House of Representatives announced that the Speaker has signed the following enrolled joint resolution:

H.J. Res. 435. Joint resolution making further continuing appropriations for the fiscal year 1990, and for other purposes.

The enrolled joint resolution was subsequently signed by the President pro tempore [Mr. BYRD].

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 150. An act to amend the Immigration and Nationality Act to provide a procedure for an alien who dies while serving on active-duty with the United States armed forces during certain periods of hostilities to be considered a citizen of the United States at the time of the alien's death; to the Committee on the Judiciary.

H.R. 639. An act to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably (or are enlisted to serve) in the Armed Forces of the United States for at least 12 years; to the Committee on the Judiciary.

H.R. 1011. An act to provide for the establishment of the National Commission on Wildlife Disasters, to provide for increased planning and cooperation with local firefighting forces in the event of forest fires, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

H.R. 2134. An act to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to authorize the distribution of wholesome meat and poultry products for human consumption that are not in compliance with the Acts to charity and public agencies; to the Committee on Agriculture, Nutrition, and Forestry.

H.R. 2809. An act to provide for the transfer of certain lands to the State of California, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 3046. An act to reduce the number of Commissioners on the Copyright Royalty Tribunal, to change the salary classification rates for members of the Copyright Tribunal and the United States Parole Commission, for the Register and Associate Registers of Copyrights, and for the Deputy and Assistant Commissioners of Patents and Trademarks, and for other purposes; to the Committee on the Judiciary.

MEASURES PLACED ON THE CALENDAR

The following bills were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1. An act to amend Federal laws to reform housing, community and neighborhood development, and related programs, and for other purposes.

H.R. 525. An act to provide for the naturalization of natives of the Philippines through active-duty service in the Armed Forces of the United States during World War II.

H.R. 3033. An act to control the export, to countries pursuing or expanding the ability to produce or deliver chemical or biological weapons, of items that would assist such countries in acquiring such ability, to impose sanctions against companies which have aided in the proliferation of chemical or biological weapons, to provide for sanctions against countries which use or prepare to use chemical or biological weapons in violation of international law, and for other purposes.

H.R. 3482. An act to provide disaster assistance to private timber producers for the reestablishment of timber stands necessitated by Hurricane Hugo.

H.R. 3629. An act extending the authority of the Secretary of Commerce to conduct the quarterly financial report program under section 91 of title 13, United States Code, through September 30, 1993.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 3532. An act to extend the United States Commission on Civil Rights.

MEASURES PASSED

Pursuant to the order of the Senate of yesterday, the following bills having been received from the House for concurrence; all after the enacting clause is stricken, the text of S. 1735, as passed by the Senate, inserted in lieu thereof, the bills deemed read the third time, and passed, and that the Senate insist upon its amendment to the bills, ask a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. DODD, Mr. PELL, Mr.

HOLLINGS, Mr. INOUYE, Mr. BIDEN, Mr. SARBANES, Mr. HATCH, Mr. COATS, Mr. DANFORTH, Mr. THURMOND, Mr. HELMS, and Mr. GRAMM as managers of the conference on the part of the Senate:

H.R. 3550. An act to amend section 524 of title 28, United States Code, with respect to the Special Forfeiture Fund, to amend section 511 of the Controlled Substances Act to make technical, clarifying, and administrative changes, and for other purposes;

H.R. 3611. An act to combat international narcotics production and trafficking;

H.R. 3614. An act to amend the Drug-Free Schools and Communities Act of 1986 to revise certain requirements relating to the provision of drug abuse education and prevention programs in elementary and secondary schools, and for other purposes; and

H.R. 3630. An act to amend the Public Health Service Act with respect to the prevention and treatment of substance abuse, including establishing separate block grants with respect to substance abuse and mental health.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that he had presented to the President of the United States the following enrolled bill and joint resolution:

On November 9, 1989:

S.J. Res. 215. Joint resolution acknowledging the sacrifices that military families have made on behalf of the Nation and designating November 20, 1989, as "National Military Families Recognition Day".

On November 15, 1989:

S. 931. An act to protect a segment of the Genesee River in New York.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1949. A communication from the Secretary of the Senate, transmitting, pursuant to law, a full and complete statement of the receipts and expenditures of the Senate, showing in detail the items of expense under proper appropriations, the aggregate thereof, and exhibiting the exact condition of all public moneys received, paid out, and remaining in my possession from April 1, 1989 through September 30, 1989; ordered to lie on the table.

EC-1950. A communication from the Deputy Under Secretary of Agriculture (International Affairs and Commodity Progams), transmitting, pursuant to law, the first quarterly commodity and country allocation table showing current programming plans for commodity assistance for fiscal year 1990; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1951. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on budget rescissions and deferrals dated November 1, 1989; pursuant to the order of January 30, 1975, as modified, referred jointly to the Committee on Appropriations and the Committee on the Budget.

EC-1952. A communication from the Acting Assistant Secretary of the Army (Installations, Logistics, and Environment), transmitting, pursuant to law, notification of the recent discovery of one M-134 chemical bomblet at Dugway Proving Grounds, Utah; to the Committee on Armed Services.

EC-1953. A communication from the Assistant Secretary of Defense (Production and Logistics), transmitting, pursuant to law, the Strategic and Critical Materials Report for the period April through September 1988; to the Committee on Armed Services.

EC-1954. A communication from the Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to amend Federal laws to reform housing, community and neighborhood development, and related programs, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

EC-1955. A communication from the Executive Director of the Resolution Trust Corporation, transmitting, pursuant to law, the semiannual report on activities and efforts of the Corporation, the Federal Deposit Insurance Corporation, and the Oversight Board for the periods ending March 31 and September 30, 1989; to the Committee on Banking, Housing, and Urban Affairs.

EC-1956. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Financial Audit: Federal Financing Bank's Fiscal Year 1988 Financial Statements"; to the Committee on Banking, Housing, and Urban Affairs.

EC-1957. A communication from the Secretary of Energy, States, transmitting, pursuant to law, the annual report of the Department of Energy on efforts to assist the homeless; to the Committee on Banking, Housing, and Urban Affairs.

EC-1958. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the report on nondisclosure of safeguards information by the Nuclear Regulatory Commission for the quarter ended September 30, 1989; to the Committee on Environment and Public Works.

EC-1959. A communication from the Inspector General, Department of Energy, transmitting, pursuant to law, a report entitled "Superfund Costs Claimed by the Department of Energy Under Interagency Agreements with the Environmental Protection Agency—Fiscal Year 1988"; to the Committee on Environment and Public Works.

EC-1960. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, a report on actions taken by the Commission to implement the Inspector General Act of 1978; to the Committee on Governmental Affairs.

EC-1961. A communication from the Chairman of the National Labor Relations Board, transmitting, pursuant to law, a report on the efforts of the Board to implement the Inspector General Act of 1978; to the Committee on Governmental Affairs.

EC-1962. A communication from the Assistant Secretary for Administration, Smithsonian Institution, transmitting, pursuant to law, the annual pension reports of the Smithsonian Institution, the Woodrow Wilson International Center for Scholars, and Reading is Fundamental; to the Committee on Governmental Affairs.

EC-1963. A communication from the Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to amend provisions of the Bankruptcy Code governing the powers of a bankruptcy court and the effect of automobile stays as they relate to certain multifamily liens insured or held by the Secretary of Housing and Urban Development or the Secretary of Agriculture; to the Committee on the Judiciary.

EC-1964. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, an update of the information previously submitted concerning the status of the Presidential Election Campaign Fund; to the Committee on Rules and Administration.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitutes:

S. 1824: A bill to reauthorize the Education of the Handicapped Act, and for other purposes (Rept. No. 101-204.

By Mr. INOUYE, from the Select Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 1270: A bill to provide an Indian mental health demonstration grant program (Rept. No. 101-205).

By Mr. BENTSEN, from the Committee on Finance, with an amendment in the nature of a substitute:

H.R. 3275: A bill to implement the steel trade liberalization program (Rept. No. 101-206).

By Mr. INOUYE, from the Select Committee on Indian Affairs, with an amendment:

S. 1813: A bill to ensure that funds provided under section 4213 of the Indian Alcohol and Substances Abuse Prevention and Treatment Act of 1986 may be used to acquire land for emergency shelters (Rept. No. 101-207).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BENTSEN, from the Committee on Finance:

Catalina Vasquez Villalpando, of Texas, to be Treasurer of the United States; and

Donald E. Kirkendall, of Maryland, to be Inspector General, Department of the Treasury.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. CRANSTON, from the Committee on Veterans' Affairs:

Ronald E. Ray, of Florida, to be an Assistant Secretary of Veterans Affairs (Human Resources and Administration);

Edward G. Lewis, of Virginia, to be an Assistant Secretary of Veterans Affairs (Information Resources Management); and

David E. Lewis, of Florida, to be an Assistant Secretary of Veterans Affairs (Acquisition and Facilities).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GRAHAM (for himself and Mr. MACK):

S. 1878. A bill to amend title XIX of the Social Security Act to allow for State matching payments through voluntary contributions and State taxes; to the Committee on Finance.

By Mr. HARKIN:

S. 1879. A bill to amend the Agricultural Trade Development and Assistance Act of 1954 to increase the amount of food assistance that is provided to foreign countries, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DANFORTH (for himself, Mr. MCCAIN, Mr. HATCH, Mr. GORE, Mr. FORD, Mr. LIEBERMAN, Mr. LOTT, Mr. WARNER, Mr. BURDICK, Mr. PRYOR, Mr. GORTON, Mr. BURNS, Mr. METZENBAUM, Mr. BUMPERS, and Mr. PRESSLER):

S. 1880. A bill to amend title VI of the Communications Act of 1934 to ensure carriage on cable television of local news and other programming and to restore the right of local regulatory authorities to regulate cable television rates, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HEFLIN:

S. 1881. A bill to provide assistance to the George C. Wallace Community College in Hanceville, Alabama in the construction of a fitness training facility; to the Committee on Labor and Human Resources.

By Mr. LEVIN (for himself and Mr. RUDMAN):

S. 1882. A bill to ensure ethics in Government and for other purposes; to the Committee on Governmental Affairs.

By Mr. KENNEDY:

S. 1883. A bill to amend the Public Service Act to establish a center for tobacco products, to inform the public hazards of tobacco use, to disclose and restrict additives to such products, and to require labeling of such products to provide information concerning such products to the public, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. GORE:

S. 1884. A bill to promote the use of recycled materials derived from municipal refuse, and for other purposes; to the Committee on Commerce, Science, and Transportation.

S. 1885. A bill relating to the financing of certain solid waste disposal facilities, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CRANSTON (for Mr. KERREY):

S. Res. 209. Resolution to authorize the use of the Hart Building atrium for a holiday concert by the Congressional Chorus; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HARKIN:

S. 1879. A bill to amend the Agricultural Trade Development and Assistance Act of 1954 to increase the amount of food assistance that is provided to foreign countries, and for other purposes; to the Committee on Commerce, Science, and Transportation.

CARGO PREFERENCE REFORM

● Mr. HARKIN. Mr. President, I rise to introduce legislation that will increase the quantity of U.S. commodities that may be shipped to foreign countries as food aid while maintaining support for our U.S. merchant marine fleet. The legislation will relieve USDA of costs of complying with existing cargo preference laws which require a portion of U.S. foreign food aid to be shipped on U.S. vessels.

For various reasons, U.S. flag shipping rates are generally—but by no means always—higher than foreign flag rates. The difference between United States and foreign flag rates is not nearly as great as some would suggest. Nevertheless, to the extent USDA pays higher shipping charges for U.S. flag vessels a smaller quantity of commodities may be shipped with the limited USDA food aid budget.

Under my legislation the Department of Transportation will reimburse USDA for any charges for shipping foreign food assistance that are above the prevailing world rates. By reducing the amount of transportation costs borne by USDA, my legislation will allow USDA to spend less of its funds for shipping charges and a larger share of its funds on food. Hence more U.S. agricultural commodities can be shipped as food aid with the limited funds available to USDA for foreign food aid.

Under the Food Security Act of 1985, 75 percent of U.S. food aid shipments must be transported on U.S.-flag vessels. Prior to that act, 50 percent of U.S. food aid was required to be shipped on U.S. vessels. The Food Security Act also requires that DOT reimburse USDA for any increase in shipping costs caused by changing the share of food aid shipments subject to cargo preference from 50 percent to 75 percent. Thus, DOT now covers a portion of any higher charges for shipping food aid on U.S.-flag vessels.

Under my legislation, DOT would reimburse USDA for all food aid shipping charges to the extent they exceed the charges that would apply in the absence of cargo preference laws. The legislation employs the same reimbursement mechanism as is now used by DOT to reimburse USDA for a portion of any higher costs of using U.S. ships.

This legislation will put the cost of complying with cargo preference laws where it belongs: with DOT, not USDA. It is important to support our merchant marine as a matter of national security, and cargo preference laws are the best system we have been able to work out to provide that support. But supporting the U.S. merchant fleet should not diminish the quantity of agricultural commodities that USDA can ship as food aid.

Unfortunately, the debate over cargo preference has pitted agricultural interests against maritime interests. In order to meet the stiff challenges from foreign competition, though, we need far more cooperation, not antagonism, among our basic American industries. This legislation will resolve a perennial source of conflict between agriculture and the maritime industry while enhancing the ability of USDA to meet the need for food aid to foreign peoples.

I ask unanimous consent that the text of the bill appear in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1879

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FOOD ASSISTANCE TO FOREIGN COUNTRIES.

Section 403 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1733) is amended by adding at the end the following new subsection:

"(d)(1) Notwithstanding any other provision of law, the Secretary of Transportation shall finance any ocean freight charges for food assistance incurred in any fiscal year, to the extent that such charges are higher than would otherwise be the case by reason of a requirement of law that agricultural commodities be transported in United States-flag vessels.

"(2) Subsections (c), (d), and (e) of section 901d of the Merchant Marine Act, 1936 (46 U.S.C. App. 1241h) shall apply to reimbursements required under paragraph (1).

"(3) As used in this subsection:

"(A) The term 'agricultural commodity' has the same meaning as is given to such term by section 402.

"(B) The term 'food assistance' means any export activity described in section 901b(b) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1241f(b))."●

By Mr. DANFORTH (for himself, Mr. MCCAIN, Mr. HATCH, Mr. GORE, Mr. FORD, Mr. LIEBERMAN, Mr. LOTT, Mr. WARNER, Mr. BURDICK, Mr. PRYOR, Mr. GORTON, Mr. BURNS, Mr. METZENBAUM, Mr. BUMPERS, and Mr. PRESSLER):

S. 1880. A bill to amend title VI of the Communications Act of 1934 to ensure carriage on cable television of local news and other programming and to restore the right of local regulatory authorities to regulate cable television rates, and for other purposes; to the Committee on Commerce, Science, and Transportation.

CABLE TELEVISION CONSUMER PROTECTION ACT

● Mr. DANFORTH. Mr. President, the Cable Communications Policy Act of 1984 largely deregulated the cable television industry. In the 5 years that have passed since deregulation, however, consumers, cities, broadcasters, small cable operators, microwave distributors of video programming—which are known as "wireless cable" companies—satellite dish owners, and others have come to Congress asking for help.

That is why, Mr. President, several of my colleagues and I are introducing the Cable Television Consumer Protection Act of 1989. This bill addresses the complaints, and builds a coalition, of many of the constituencies who have asked for cable legislation. It is designed to place some check on what is now an unregulated monopoly.

You do not have to have an advanced degree in economics to know that where there is no competition, there is no check on prices. Unregulated monopolies are known for charging high prices. Therefore, cable rates are the first problem addressed in this bill. Cable rates have increased because of the deregulation of the 1984 Cable Act. Under that law franchising authorities—cities and States—are barred from regulating the rates for cable if there is "effective competition." Effective competition, however, is defined by regulation today as three over-the-air broadcast stations. In other words, if there are three broadcast signals in an area, the cable operator is deemed to have effective competition and his rates are deregulated.

Despite the fact that there are very few examples of two cable systems competing head to head, the current rules have led to rate deregulation for 97 percent of the cable systems. Not surprisingly, rates have increased dramatically in many cases. According to the U.S. General Accounting Office, rates for the lowest priced basic service increased by 40 percent or more for 28 percent of cable subscribers in the nation in the first 2 years after rate deregulation.

The Cable Television Consumer Protection Act defines effective competition as the existence of another multichannel video provider in the cable franchise area. The competing multichannel video provider might be a "wireless cable" operator, for instance.

The advantages of redefining effective competition as another multichannel video provider are twofold. First, it protects consumers from monopoly pricing unless there is a true alternative to the cable system operator. Rates for basic cable services, that is, the service tier on which local broadcast signals are retransmitted, can be regulated if there is no true competition. Second, it provides an incentive for the cable industry to allow competition to develop: if there is a second provider, the cable operator's rates are deregulated.

The second major provision of this bill limits cable operators' discretion regarding the carriage and channel placement of local broadcast stations on their cable systems. In the industry's terms, this provision addresses the "must carry" and "channel positioning" problems of local broadcasters. This bill does not go so far as to require payment to broadcasters when their signals are retransmitted, but I think that is an idea worth exploring.

Today, despite industry negotiations, no must carry or channel positioning rules are in place. Today, cable operators are free to act as gatekeepers who decide what local broadcast programming cable subscribers will be able to see on the cable system. This bill codifies must carry rules to ensure that cable subscribers have access to local broadcasting stations. It also requires cable companies to carry broadcasters on the channels they were on under the old must carry rules, on their over-the-air channel numbers, or on other channels by mutual agreement. The bill lets the franchising authorities resolve disputes over channel positioning. I think this bill strikes a fair balance. And, I believe it has already advanced the negotiations between broadcasters and cable operators.

The must carry and channel positioning rules in this bill promote three longstanding, substantial governmental interests: First, the public's first amendment right of access to diverse sources of information; second, the preservation of vigorous competition among communications services; and third, the promotion of a nationwide broadcasting service built upon local outlets—one of the statutory obligations of the Federal Communications Commission.

Must carry and channel positioning rules necessary because cable systems can act as gatekeepers of information. Cable subscribers rarely have a choice of cable operators, and many cable subscribers need cable service to receive local television signals. Geographical and manmade obstructions may block the signals of local broadcast stations. And, outdoor antennas are not available to some viewers, such as apartment dwellers. Further, cable-ready TV's, remote controls, and VCR's make switching back and forth between cable and over-the-air reception cumbersome or impossible.

Local television stations are licensed by the Federal Government and are obligated to serve their local communities. Given that over 56 percent of all households subscribe to cable, the only way these local stations are able to reach a substantial portion of their communities is to be carried on the local cable system. Cable operators should not have unfettered discretion to drop broadcasters or assign them to channels that are rarely viewed, or cannot be seen on many television sets wired for cable.

The third major provision of this bill responds to complaints from franchising authorities that they have little leverage over cable operators who raise rates, give poor service, or fail to carry programming that consumers want. Mr. President, if a cable operator isn't serving the community well, the city should be able to find an operator who will.

The bill would make it less burdensome for a franchising authority to revoke, or deny renewal of, a franchise. It would also grant franchising authorities immunity from monetary damages for first amendment claims brought as a result of franchise decisions. Injunctive relief would still be available to plaintiffs, however. The bill would also allow franchising authorities to enforce tougher technical standards.

The fourth major provision of this bill is a response to the small cable operators, home satellite dish owners, "wireless cable" operators, and other potential distributors of video programming who complain that they are denied programming or are charged more for programming than the large, vertically integrated cable operators. This is a nondiscrimination provision.

Mr. President, the cable industry has become vertically integrated—cable operators and cable programmers often have common ownership. As a result, cable programmers have the incentive and ability to favor their affiliated cable operators over other distributors of video programming. This bill addresses that problem by barring programmers affiliated with cable operators from discriminating against nonaffiliates in the price, terms, conditions or availability of their programming.

Mr. President, as Oliver Wendell Holmes recognized 70 years ago, competition and first amendment values are closely linked. Policies aimed at promoting competition and preventing market abuses simultaneously advance diversity in the marketplace of ideas. Therefore, the fifth and final major provision of this bill addresses market power and market structure.

The cable industry has become highly concentrated. A few "multiple system operators" [MSO's] dominate the industry. The large MSO's have the market power to determine what programming services can make it on cable. Concentration in the cable industy also means a reduction in the number of media voices available to consumers. This bill addresses the problem by capping the size of MSO's to 15 percent of the Nation's cable subscribers. In other words, to encourage diversity and lower the barriers to entry to new programmers, this bill

says that we want to have at least seven cable systems in the country.

Mr. President, this is a proconsumer bill that addresses many of the issues that have been examined in the Commerce Committee concerning the cable industry. I urge my colleagues to support this measure.●

● Mr. McCAIN. Mr. President, today I am joining Senator DANFORTH to sponsor the Cable Television Consumer Protection Act of 1989, and I'd like a minute to discuss the bill. I have cosponsored this legislation out of concern for the rising number of complaints about cable television rates and business practices.

Since 1986, when basic service rate deregulation took effect under the Cable Communications Policy Act, cable rates nationwide have been reported as increasing an average of over 29 percent, more than four times faster than the rate of inflation. While the average number of basic channels has increased over the past 2 years, some areas have been hit with very high rate increases. In Tucson, AZ, for example, basic cable rates have risen around 68 percent since deregulation took effect in 1986 and nearly 120 percent since passage of the Cable Act in 1984.

Also, since deregulation, the growing concentration of ownership in the cable television marketplace has led to charges of unfair competition. These difficulties in the cable television industry, if left unchecked, could seriously limit the diversity of news, information and entertainment programming available to the American public. Television is an enormously powerful force in our society: More homes have television than have indoor plumbing. And cable television now has captured over half of America's 90 million television watching households.

The purpose of deregulating cable in the 1984 Cable Act was to promote the diversity of information sources reaching American households. At that time, there was the promise of a wide variety of television technologies in addition to cable—information age technologies like direct broadcast satellites, wireless cable and backyard satellite dishes. Cable was deregulated with the expectation that this competition would flourish. But the competition has never really materialized. Many, including consumers, broadcasters, satellite dish owners, wireless cable operators, and the cities complain that there is no competition because the anticompetitive behavior of the cable industry has choked it off.

Despite Congress' predictions of competition, the vast majority of the 9,500 cable systems in this country today remain local monopolies. And most of these local monopolies are owned by a handful of companies. After the rash of recent mergers, the top two parent companies control over 16 million cable subscribers in this country and have an equity interest in at least 26 programming services. This gives cable operators monopoly power over rates and subscribers as well as control over dozens of channels. They decide which programmers shall have access to them, and what types of programming entire cities can view.

Of course, no one is forced to take cable service and cable operators argue that this provides "competitive discipline." However, this argument misses or obscures the point altogether. Most consumer goods and services are optional in the sense that consumers are not required to purchase them. But we have antitrust laws to "bust trusts" and prevent companies from restraining competition in the sale or distribution of all goods and services, regardless of whether they are essential. In the case of cable, the 1984 Cable Act's obvious shortcoming is that Congress conferred an unregulated monopoly status on cable operators, in the hope that competition would materialize and that consumers would benefit in rates and programming. Unfortunately, while there has been some good expansion in programming, neither competition nor its benefits have truly materialized.

Rates have increased dramatically over the last several years. There are now over 50 million subscribers to cable service across the country. And analysts predict that 70 percent of American TV-viewing homes will rely on cable by the turn of the century. Some argue this is nothing more than good marketing. But when the number of subscribers appears unaffected by increasing rates and the only competitive force is "take it or leave it," the laws of economics force one to wonder whether the industry is able to take advantage of a captive market. Furthermore, more and more programming that people desire is being offered exclusively on cable and programming that previously was available on over-the-air television for free is being synoned off to cable.

Serious allegations of cable's abuse of concentrated ownership have been raised. At recent hearings before the Commerce Committee, we heard from companies that are trying to provide alternatives to cable for distributing video programming. They charge that the cable industry has cut off, or significantly restricted, the supply of desirable programming to competitors. Such control is a significant barrier to new companies entering the field of business.

Independent programmers complain that some cable operators control so many millions of subscribers and cover so many of the major markets that they can put a programmer out of business by refusing to carry its programming. Such power is of great concern, Mr. President, as it could threaten the diversity of programs and the sources of information that can reach the American public. While one must analyze all these complaints carefully and closely, they do deserve our consideration.

This bill checks the potential for abuse inherent in such vertical and horizontal concentration. It does so in three ways.

First, it prohibits programmers affiliated with cable operators from unreasonably discriminating against any distributor in the price, terms, conditions or availability of their programming. This provision attempts to remove the incentive and ability of programmers to favor their affiliated cable operators over other distributors of video programming.

Second, the bill caps the size of cable operators to 15 percent of cable subscribers nationwide. This provision aims to encourage diversity and lower the barriers to entry to new programmers.

Third, it restores to local officials the authority to regulate basic cable service in the absence of effective competition. Effective competition has been defined as the existence of another multichannel video provider in the cable franchise area.

These are not perfect solutions, Mr. President, but we must look for the best way to correct serious flaws in the cable marketplace. My preference is to promote competition. The price discipline of the competitive marketplace is superior to price-setting by Government regulation. Competition would not only lower rates, but also give consumers more choice and would be more likely to bring the public new and different services. Service quality would improve with competition and responses to customer complaints would be more rapid.

It is difficult to determine whether competition in this industry has been thwarted by the anticompetitive behavior of cable operators, but the use of limited franchises, by regulatory lag in granting competitive licenses, by economical and technological restraints, or a combination of these factors. But it has been thwarted. Head to head competition between cable companies does exist in a few areas of the country, however. The city of Mesa, AZ, for example, recently licensed a second cable company that will be providing service throughout the franchise area. In such a case, this bill's rate regulation would not apply because the consumer would have real choice. This is an important point. Once competition exists, regulation does not.

Competition from other video distributors, such as wireless cable operators, hopefully will become more viable with the availability of more programming promised by this legislation.

Many argue that additional competition could be provided by the telephone companies although they are currently prohibited from doing so by the 1984 Cable Act and Judge Greene's modified final judgment. Allowing telephone company entry into the cable market raises a host of complicated issues, including the need for safeguards to prevent any unfair advantage over competitors or harm to telephone ratepayers. There is little advantage in my mind to replacing an exclusive cable franchise with an exclusive telephone company franchise. I believe, however, that some form of telephone company entry into the cable market will certainly be part of the congressional debate on this issue.

Mr. President, cable television has greatley enriched the video landscape of this country. This legislation will help ensure that American consumers continue to reap the benefits, while we strive for even more effective ways to make the industry a competitive one. Testimony and debate on legislation will certainly result in proposed changes to this bill and I am sure it can be improved and changed. But we want this bill to be a real starting point of discussion, because there are too many complaints to ignore.●

● Mr. LIEBERMAN. Mr. President, when I was attorney general of Connecticut, the Congress passed the 1984 Cable Communications Policy Act of 1984, which effectively deregulated cable television. I predicted at that time that consumers would end up paying a steep price for deregulating an industry that had no competition.

Now, several years after implementation of the 1984 Act, it is clear that consumers have paid the price. Rates for basic cable service have increased nearly 30 percent since December 1986; 18 percent of subscribers—more than 8 million people—have suffered rate increases of 50 percent or more. Relatively few cable operators offer a discount for low-income or elderly customers, yet these are the people who depend most on cable television for information and entertainment and who are least able to afford such price increases. The escalating price of cable television is the direct result of monopoly power enjoyed by cable companies, coupled with the absence of rate regulation.

No regulation and no competition. Contrary to what cable companies claim, the availability of a few over-the-air broadcast channels or VCR's do not provide effective competition to a local monopoly that offers 30 or 40 channels. And potential competitors cannot compete on an equal footing because they do not have access to cable programming on fair and equal basis. For the cable industry to claim that competition exists is like a railroad baron claiming competition from the Pony Express.

The time has come to redress the mistakes made in 1984 and to put consumer protection back into cable television. Earlier this year, Congressman CHRISTOPHER SHAYS and I introduced legislation that would allow States and localities to regulate cable television rates again.

Momentum is clearly building in the Senate to do something about cable TV in the 101st Congress. Look at the events of this week alone. Yesterday, I testified at a Judiciary Committee hearing about the siphoning off of sports programming by cable television. Tomorrow, the Commerce Committee conducts hearings to review the 1984 Cable Act.

And today, Senator DANFORTH, along with a substantial portion of the Commerce Committee, introduces legislation that would, among other things, authorize reregulation of cable television by State and local government. I am pleased to be a cosponsor of Senator DANFORTH's bill, and I pledge to work with him to move cable reform through the Commerce Committee and to final passage next year.●

● Mr. METZENBAUM. Mr. President, I'm delighted with the bill introduced today by the ranking Republican member of the Senate Commerce Committee.

It's gratifying to see the emergence of this broad bipartisan consensus in support of protecting consumers from abuses caused by the cable monopolies. It is now absolutely clear that reforming the Cable Act is not a partisan ideological, or philosophical issue: It's simply the right thing to do.

Consumers are being ripped off by the cable monoploy. Since deregulation, basic cable prices have increased at more than four times the rate of inflation. Milions of consumers have suffered rate hikes exceeding 50 percent since deregulation. At a hearing held in my Antitrust Subcommittee last spring, the Consumer Federation of America testified that cable subscribers are being overcharged by as much as $6 billion per year.

For nearly 2 years, I've been saying that cable deregulation has been a monumental mistake. During that time, my Antitrust Subcommittee has held three hearings on cable issues. Just yesterday, my subcommittee held a hearing on the movement of sports programming from free television to cable, a trend which threatens to make access to sports solely dependent on an individual's ability to pay.

I've also been urging the Justice Department to scrutinize closely the horizontal consolidation and vertical integration that's taking place in the cable industry. I was pleased to read that Jim Rill, the Justice Department's antitrust chief, plans to take a much harder look at concentration and vertical integration in cable. The TCI-Showtime deal is a good place for him to start, but there may be other opportunities as well.

The introduction of this bill sends a strong and clear signal that there is a broad cross-section of support for passing legislation to protect cable consumers.

I'm pleased to see that two of the sections in the bill being introduced today—regarding rate regulation and vertical integration—are quite similar to provisions in my cable bills, S. 833 and S. 834.

The bill being introduced today permits local authorities to regulate cable rates unless the community is served by another cable system or some other viable multichannel provider, such as wireless cable. It also promotes competition by requiring vertically integrated cable programmers to make their programmatic available to small cable operatotrs and competing technologies at fair terms and nondiscriminatory prices.

In addition I strongly support the provisions in this bill regarding horizontal concentration and carriage of local broadcast signals. My cable antitrust bill, S. 834, also caps horizontal concentration, and I have been a cosponsor of "must carry" legislation in each of the last two Congresses.

Finally, the provisions granting cities more authority to deny cable franchise renewals are necessary to promote cable operator accountability.

Again I want to commend Senator DANFORTH for taking this action. I urge the Commerce Committee to move quickly on cable legislation, and I would suggest that if the FCC and the cable industry want to play a role, they should develop some proposals very soon. The train is leaving the station.●

Mr. PRESSLER. Mr. President, I would like to speak in support of legislation introduced today by Senator DANFORTH, myself, and 13 other Members of the Senate. The Cable Television Consumer Protection Act is a good comprehensive approach to the problems encountered by consumers as a result of the monopoly system in place today.

From October 1986 to October 1988 basic cable rates have increased 29 percent nationally and an average of 59 percent in South Dakota. This increase is unwarranted and was made possible because of the lack of both competition and regulation. One or the other must be present or there is nothing to hold rates down. We created an unregulated monopoly and this is the result.

I am particularly pleased that this legislation includes the essential elements of S. 168, a bill I introduced in January of this year. My legislation, which has been incorporated into this new bill, bars cable television programmers from discriminating among cable

operators, or other multichannel video programming distributors, in price, terms, conditions, or availability of programming.

Satellite television distributors, wireless cable operators, and small, independent cable operators all have had to compete against the large multisystem operators [MSO's] for cable television programming. But they have not been able to compete on a level playing field. But they have not been able to compete on a level playing field. The MSO's and the programmers are so corporately intertwined that outsiders in the business have found themselves paying much more for the same programming. In some cases they have found that they could not get the programming they wanted at any price.

This legislation also contains a must-carry provision, which I support. Right now, a cable system can refuse to carry any programming it chooses. We need to ensure that local broadcast channels, including public broadcasting, are carried on cable.

South Dakotans are concerned about rising cable rates. That was one of the most common complaints I heard as I traveled through the State this summer. And when rates in some South Dakota communities have increased as much as 100 percent over a 2-year period, those complaints appear to be justified.

Rural South Dakotans have an additional and more fundamental problem—availability of programming. In the smallest towns and on the farms and ranches in my State, people cannot get traditional cable television. They must rely on backyard satellite dishes or wireless cable. Consumers using these technologies must also be assured of quality programming at reasonable rates. This bill contains the technology-neutral provisions of my legislation, making it illegal to discriminate in price, terms, conditions, or availability of programming among cable operators or any of cable's competing technologies.

This bill is not perfect. Modifications will be made. Some additions may even be made. But it provides a very good framework for reasonable rates and fair competition in the cable television industry. The hearings the Communications Subcommittee will hold tomorrow and Friday should help clarify some of the remaining areas of contention.

I urge my colleagues to support our efforts to increase competition and restrain rates in the cable television industry. Legislation such as this is necessary to correct the unregulated monopoly situation we have today.

By Mr. LEVIN (for himself and Mr. RUDMAN):

S. 1882. An act to ensure ethics in Government, and for other purposes; to the Committee on Governmental Affairs.

ETHICS REFORM ACT

Mr. LEVIN. Mr. President, I am pleased to introduce the Ethics Reform Act of 1989 on behalf of myself and my colleague, Senator RUDMAN. This would be the first comprehensive reform of the ethics laws in more than a decade. The bill imposes tough standards on Members and staff of Congress and strengthens ethics laws that apply to the judicial and legislative branches. It addresses key ethics issues ranging from post-employment lobbying restrictions to financial disclosure to gifts and travel restrictions. As the first comprehensive reform of the ethics laws in more than a decade, it contains numerous reforms and clarifications that are long overdue.

The Ethics Reform Act of 1989 is the product of months of review conducted by a Democratic Ethics Task Force, which I chaired, and a Republican Ethics Task Force, which was chaired by Senator RUDMAN. As always, working with Senator RUDMAN has been rewarding and stimulating. He is an extraordinary legislator, with a sure sense of ethics and common sense. Senator RUDMAN and I have had many productive meetings over the last months, and I am pleased that we have been able to address these issues on a bipartisan and cooperative basis. The issue of ethics is one on which we should all be able to agree, and I am pleased that we have been able to do so.

Let us look at what this bill does.

First, for the first time we are bringing Members of Congress and top congressional staff under the post-employment lobbying restrictions of 18 U.S.C. 207. Members will not be able, for 1 year after they leave Congress, to lobby anywhere in the legislative branch. Top congressional staff will be barred from lobbying their former offices and key people with whom they worked.

We are tightening the Senate travel rule. For the first time, we are imposing a limit on the length of travel a Member can take. Senators would be limited to 2 nights and 3 days for domestic trips and 6 nights and 7 days for foreign trips, excluding travel time. Of course, Mr. President, this is other than official trips. Moreover, we are making clear that a Member may take only a spouse or a Senate aide on such an unofficial trip that is paid for by other for the length of time which I have indicated. Any other family member would be treated separately.

We are tightening the Senate gift rule. Right now, there is no limit to the amount of entertainment a Senator can receive from anybody, since we do not treat entertainment as a gift. The rule change we are proposing would bring gifts of entertainment under the restrictions of all other gifts. Another change would address the amount of gifts a Senator can receive in any one year. Under the current rule, we are prohibited from taking more than $100 from a person with a direct interest in legislation in any one year. The change this bill makes would be to set a cap—a $300 cap—on what a Member can take from anyone else, excluding relatives. We do increase the de minimis amount, below which gifts are acceptable, in order to adjust for inflation over the last 10 years. We would adjust the current $35 figure to $75.

We are increasing our responsibilities for financial disclosure and bringing all three branches of Government under the same provisions for the first time. Currently the top category for disclosing income and assets is $250,000 and above. This bill provides for additional categories for disclosure of income and assets. We impose a $200 penalty for late filing. We narrow the disclosure exemption for loans from family members. We increase the civil penalties for false filings and failure to file. We require Members and staff of Congress to file termination reports—that is a financial disclosure form when they leave. We expand the number of congressional staff required to file, down to the GS-15 level. Like the change in the gift rule, we adjust the de minimis amount for disclosure from $35 to $75 for inflation.

The bill also establishes a new statutory prohibition on the receipt by a lobbyist of a lobbying fee which is contingent upon action by the Federal Government. This is an issue that Senator THURMOND and I had discussed in a bill introduced earlier this year, and I am pleased we are able to include it in this package.

In addition, we clarify a number of provisions in the criminal ethics laws and enhance enforcement by providing a number of alternative remedies.

Mr. President, I would like to extend my thanks to the majority leader and the Republican leader, and particularly on our side to Senator MITCHELL, who named me back in April to head the Democratic task force, for the high priority that he has given to ethics issues and for the encouragement and support he has given us, just as Senator DOLE has done on the Republican side, in our efforts to put this reform package together. I would also like to thank my colleagues on the Task Force, Senators BUMPERS, FORD, FOWLER, GLENN, GRAHAM, and METZENBAUM, for the extraordinary effort they made in considering these issues over the past 6 months.

I would also like to thank Senators THURMOND and METZENBAUM for their work on the postemployment lobbying section. The provisions in this bill come from the previous effort made

by these Senators on this issue during the last Congress, an effort which reached fruition in a bill that the Senate passed. They deserve credit and thanks for identifying and seeking to close a major gap in our ethics laws.

I ask unanimous consent, Mr. President, that the text of the section-by-section analysis of the bill, and the bill be printed in full, in that order, in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1882

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ethics Reform Act of 1989".

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Sec. 2. Table of contents.

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TITLE I—POST EMPLOYMENT RESTRICTIONS ON THE EXECUTIVE AND LEGISLATIVE BRANCHES

SEC. 101. RESTRICTIONS ON POSTEMPLOYMENT ACTIVITIES.

(a) RESTRICTIONS.—Section 207 of title 18, United States Code, is amended to read as follows:

"§ 207. Restrictions on former officers, employees, and elected officials of the executive and legislative branches

"(a) RESTRICTIONS ON ALL OFFICERS AND EMPLOYEES OF THE EXECUTIVE BRANCH AND CERTAIN OTHER AGENCIES.—

"(1) PERMANENT RESTRICTIONS ON REPRESENTATION ON PARTICULAR MATTERS.—Any person who is an officer or employee of the executive branch of the United States Government (including any independent agency of the United States and any special Government employee), or of the District of Columbia, who, after the termination of his or her service or employment with the United States Government or the District of Columbia, as the case may be, makes, with the intent to influence, any communication to or appearance before any officer or employee of any department, agency, court, court-martial, or commission of the United States or the District of Columbia, as the case may be, on behalf of any other person (except the United States) in connection with a particular matter—

"(A) in which the United States is a party or has a direct interest,

"(B) in which the person participated personally and substantially as such officer or employee, and

"(C) which involved a specific party or specific parties at the time of such participation,

shall be punished as provided in subsection (l).

"(2) TWO-YEAR RESTRICTIONS CONCERNING PARTICULAR MATTERS UNDER OFFICIAL RESPONSIBILITY.—Any person subject to the restrictions contained in paragraph (1) who, within 2 years after the termination of his or her service or employment with the United States Government makes, with the intent to influence, any communication to or appearance before any officer or employee of any department, agency, court, court-martial, or commission of the United States or the District of Columbia, on behalf of any other person (except the United States) in connection with a particular matter—

"(A) in which the United States is a party or has a direct interest,

"(B) which such person knows or reasonably should know was actually pending under his or her official responsibility as such officer or employee with a period of 1 year before the termination of his or her service or employment with the United States Government or the District of Columbia, and

"(C) which involved a specific party or specific parties at the time it was so pending,

shall be punished as provided in subsection (l).

"(b) TWO-YEAR RESTRICTIONS ON AIDING OR ADVISING.—Any person who is a former officer or employee subject to the restrictions contained in subsection (a)(1) and who personally and substantially participated in any trade or treaty negotiation on behalf of the United States within the 2-year period preceding the date on which his or her service or employment with the United States terminates, shall not represent, aid, or advise any other person (other than the United States) concerning such trade or treaty negotiation for 2 years after his or her service or employment with the United States Government terminates. Any person who violates this subsection shall be punished as provided in subsection (l).

"(c) ONE-YEAR RESTRICTIONS ON CERTAIN SENIOR PERSONNEL OF THE EXECUTIVE BRANCH AND INDEPENDENT AGENCIES.—

"(1) RESTRICTIONS.—In addition to the restrictions set forth in subsections (a) and (b), any person who is an officer or employee of the executive branch or (including an independent agency) who is referred to in paragraph (2), and who, within 1 year after the termination of his or her service or employment as such officer or employee, makes, with the intent to influence, any communication to or appearance before any officer or employee of the department or agency in which such person served within 1 year before such termination, on behalf of anyone other than the United States in connection with any matter which is pending before such department or agency, or any matter on which such person seeks official action by any officer or employee of such department or agency, shall be punished as provided in subsection (l).

"(2) PERSONS TO WHOM RESTRICTIONS APPLY.—(A) Paragraph (1) shall apply to a person (other than a person subject to the restrictions of subsection (d))—

"(i) employed at a rate of pay fixed according to subchapter II of chapter 53 of title 5, or a comparable or greater rate of pay under other authority,

"(ii) employed in a position which is not referred to in clause (i) and for which the basic rate of pay is equal to or greater than the basic rate of pay payable for GS-17 of the General Schedule,

"(iii) is appointed by the President to a position under section 105(a)(2)(B) of title 3 or by the Vice President to a position under section 106(a)(1)(B) of title 3,

"(iv) employed in a position which is established within the Senior Executive Service pursuant to the Civil Service Reform Act of 1978, or

"(v) employed in a position which is held by an active duty commissioned officer of the uniformed services who is serving in a grade or rank for which the pay grade (as specified in section 201 of title 37) is pay grade O-7 or above.

"(B) Paragraph (1) shall not apply to a special Government employee who serves less than 60 days in the 1 year period before his or her service or employment as such employee terminates.

"(d) RESTRICTIONS ON VERY SENIOR PERSONNEL OF THE EXECUTIVE BRANCH AND INDEPENDENT AGENCIES.—

"(1) RESTRICTIONS.—In addition to the restrictions set forth in subsection (a) and (b), any person who—

"(A) serves in the position of President or Vice President of the United States,

"(B) is appointed to a position in the executive branch or an independent agency which is listed in section 5312 or 5313 of title 5, or

"(C) is appointed by the President to a position under section 105(a)(2)(A) of title 3 or by the Vice President to a position under section 106(a)(1)(A) of title 3,

and who, within 1 year after the termination of that person's service in that position, makes, with the intent to influence, any communication to or appearance before any person described in paragraph (2), on behalf of anyone other than the United States in

connection with any matter which is pending before any department, agency, or other entity of the United States Government, or any matter on which such person seeks official action by the United States Government or any officer or employee thereof, shall be punished as provided in subsection (l).

"(2) ENTITIES TO WHICH RESTRICTIONS APPLY.—The departments, agencies, and persons referred to in paragraph (1) with respect to appearances or communications by a person in a position described in subparagraph (A), (B), (C), or (D) of paragraph (1) are—

"(A) any officer or employee of any department or agency in which such person served in such position within a period of 1 year before such person's service or employment with the United States Government terminated,

"(B) any other person appointed to a position in the executive branch which is listed in section 5312, 5313, 5314, 5315, or 5316 of title 5, and

"(C) in the case of a former President, any officer or employee of any department or agency in the executive branch of the United States Government, including any independent agency.

"(e) RESTRICTIONS ON MEMBERS OF CONGRESS AND OFFICERS AND EMPLOYEES OF THE LEGISLATIVE BRANCH.—

"(1) MEMBERS OF CONGRESS AND ELECTED OFFICERS.—(A) Any person who is a Member of Congress or an elected officer of either House of Congress and who, within 1 year after that person leaves office makes, with the intent to influence, any communication to or appearance before any of the persons described in subparagraph (B), on behalf of anyone other than the United States in connection with any matter which is pending before the Congress or any matter on which such former Member of Congress or elected officer seeks action by the Congress or by a Member or an officer or employee of either House of Congress, in his or her official capacity, shall be punished as provided in subsection (l).

"(B) The persons referred to in subparagraph (A) with respect to appearances or communications by a former Member of Congress are any Member of Congress, elected officer, or employee of either House of Congress, or employee of any legislative branch office.

"(C) The persons referred to in subparagraph (A) with respect to appearances or communications by a former elected officer are any Member or elected officer or employee of the House of Congress in which the elected officer served.

"(2) PERSONAL STAFF.—(A) Any person who is an employee of a Senator or an employee of a Member of the House of Representatives and who, within 1 year after the termination of that employment makes, with the intent to influence, any communication to or appearance before any of the persons described in subparagraph (B), on behalf of anyone other than the United States in connection with any matter which is pending before the Congress or any matter on which such former employee seeks action by the Congress or by a Member or an officer or employee of either House of Congress, in his or her official capacity, shall be punished as provided in subsection (l).

"(B) The persons referred to in subparagraph (A) with respect to appearances or communications by a person who is a former employee are the following:

"(i) the Senator or Member of the House of Representatives for whom that person was an employee;

"(ii) any employee of that Senator or Member of the House of Representatives; and

"(iii) any employee of the committees and subcommittees on which the Member or Senator serves as either Chairman or Ranking Minority Member.

"(3) COMMITTEE STAFF.—Any person who is an employee of a committee of Congress and who, within 1 year after the termination of that person's employment as such employee, makes, with the intent to influence, any communication to or appearance before any person who is a Member or an employee of that committee of Congress or any employee of such Member, or who was a Member of the committee at the time such employee was employed by the committee, on behalf of anyone other than the United States in connection with any matter which is pending before the Congress or any matter on which such former employee seeks action by the Congress or by a Member of Congress, in his or her official capacity, shall be punished as provided in subsection (l).

"(4) LEADERSHIP STAFF.—(A) Any person who is an employee on the leadership staff of the House of Representatives or an employee on the leadership staff of the Senate and who, within 1 year after the termination of that person's employment on such staff, makes, with the intent to influence, any communication to or appearance before any of the persons described in subparagraph (B), on behalf of anyone other than the United States in connection with any matter on which such former employee seeks action by the Congress or by a Member of Congress, or an officer or employee of either House of Congress, in his or her official capacity, shall be punished as provided in subsection (l).

"(B) The persons referred to in subparagraph (A) with respect to appearances or communications by a former employee are the following:

"(i) in the case of a former employee on the leadership staff of the House of Representatives, those persons are any Member of the leadership of the House of Representatives, and any employee of such Member, and any employee on the leadership staff of the House of Representatives; and

"(ii) in the case of a former employee on the leadership staff of the Senate, those persons are any Member of the leadership of the Senate, and any employee of such Member, and any employee on the leadership staff of the Senate.

"(5) OTHER LEGISLATIVE OFFICES.—(A) Any person who is an employee of any other office in the legislative branch and who, within 1 year after the termination of that person's employment on such staff, makes, with the intent to influence, any communication to or appearance before any of the persons described in subparagraph (B), on behalf of anyone other than the United States in connection with any matter which is pending before such office or any matter on which such former employee seeks action by any officer or employee of such office in his or her official capacity shall be punished as provided in subsection (l).

"(B) The persons referred to in subparagraph (A) with respect to appearances or communications by a former employee are employees and officers of the legislative office of the employee.

"(6) LIMITATION ON RESTRICTIONS.—The restrictions contained in paragraphs (2), (3), (4), and (5) apply only to acts by a former employee who, for at least 60 days, in the aggregate, during the 1-year period before that former employee's service as such employee terminated, was paid for such service at a basic rate of pay equal to or greater than the basic rate of pay payable for GS-17 of the General Schedule under section 5332 of title 5.

"(7) DEFINITIONS.—As used in this subsection—

"(A) the term 'committee of Congress' includes standing committees, joint committees, and select committees;

"(B) a person is an employee of a House of Congress if that person is an employee of the Senate or an employee of the House of Representatives;

"(C) the term 'employee of the House of Representatives' means an employee of a Member of the House of Representatives, an employee of a committee of the House of Representatives, an employee of a joint committee of the Congress whose pay is disbursed by the Clerk of the House of Representatives, and an employee on the leadership staff of the House of Representatives;

"(D) the term 'employee of the Senate' means an employee of a Senator, an employee of a committee of the Senate, an employee of a joint committee of the Congress whose pay is disbursed by the Secretary of the Senate, and an employee on the leadership staff of the Senate;

"(E) a person is an employee of a Member of the House of Representatives if that person is an employee of a Member of the House of Representatives under the clerk hire allowance;

"(F) a person is an employee of a Senator if that person is an employee in a position in the office of a Senator;

"(G) the term 'employee of any other legislative office of the Congress' means an officer or employee of the Architect of the Capitol, the United States Botanic Garden, the General Accounting Office, the Government Printing Office, the Library of Congress, the Office of Technology Assessment, the Congressional Budget Office, the Copyright Royalty Tribunal, the United States Capitol Police, and any other agency, entity or office in the legislative branch not covered by paragraph (1), (2), (3), or (4) of this subsection;

"(H) the term 'employee on the leadership staff of the House of Representatives' means an employee of the office of a Member of the leadership of the House of Representatives described in subparagraph (K), and any elected minority employee of the House of Representatives;

"(I) the term 'employee on the leadership staff of the Senate' means an employee of the office of a Member of the leadership of the Senate described in subparagraph (L);

"(J) the term 'Member of Congress' means a Senator or a Member of the House of Representatives;

"(K) the term 'Member of the House of Representatives' means a Representative in, or a Delegate or Resident Commissioner to, the Congress;

"(L) the term 'Member of the leadership of the House of Representatives' means the Speaker, majority leader, minority leader, majority whip, minority whip, chief deputy majority whip, chief deputy minority whip, Democratic Steering Committee, chairman and vice chairman of the Democratic Caucus, chairman, vice chairman, and secretary of the Republican Conference, chairman of the Republican Research Committee, and chairman of the Republican Policy

Committee, of the House of Representatives or any similar position created after the effective date of this section; and

"(M) the term 'Member of the leadership of the Senate' means the Vice President, and the President pro tempore, Deputy President pro tempore, majority leader, minority leader, majority whip, minority whip, chairman and secretary of the Conference of the Majority, chairman and secretary of the Conference of the Minority, chairman and co-chairman of the Majority Policy Committee, and chairman of the Minority Policy Committee, of the Senate (or any similar position created after the effective date of this section).

"(f) AGENTS COMMUNICATING ON BEHALF OF A FORMER OFFICER OR EMPLOYEE.—It shall be unlawful for any person knowingly, in the course of representing any other person other than the United States, by any oral or written communication to any Member, officer, or employee of any department, agency, commission, court, or legislative entity of the United States, to communicate to such Member, officer, or employee that such communication is on behalf of a former Member, officer, or employee covered under subsection (a), (c), (d), or (e) of this section if such a communication by the former Member, officer, or employee is prohibited by subsection (a), (c), (d), or (e).

"(g) RESTRICTIONS RELATING TO FOREIGN ENTITIES.—

"(1) RESTRICTIONS.—Any person who is subject to the restrictions contained in subsection (c), (d), or (e) and who knowingly, within 1 year after leaving the position, office, or employment referred to in subsection (c), (d), or (e), as the case may be—

"(A) represents the interests of a foreign entity before any officer or employee of any department or agency of the Government of the United States with the intent to influence a decision of such officer or employee in carrying out his or her official duties, or

"(B) aids or advises a foreign entity with the intent to influence a decision of any officer or employee of any department or agency of the Government of the United States, in carrying out his or her official duties,

shall be punished as provided in subsection (l).

"(2) DEFINITIONS.—For purposes of this subsection—the term 'foreign entity' means the government of a foreign country as defined in section 1(e) of the Foreign Agents Registration Act of 1938 or a foreign political party as defined in section 1(f) of the Foreign Agents Registration Act of 1938.".

"(h) SPECIAL RULES FOR DETAILEES.—For purposes of this section, a person covered by this section who is detailed from one department, agency, or other entity to another department, agency, or other entity shall, during the period such person is detailed, be deemed to be an officer or employee of both departments, agencies, or such entities.

"(i) DESIGNATIONS OF SEPARATE STATUTORY AGENCIES AND BUREAUS.—

"(1) DESIGNATIONS.—For purposes of subsection (c) and except as provided in paragraph (2), whenever the Director of the Office of Government Ethics determines that a separate statutory agency or bureau within a department or agency in the executive branch exercises functions which are distinct and separate from the remaining functions of the department or agency, the Director shall by rule designate such agency or bureau as a separate department or agency.

"(2) INAPPLICABILITY OF DESIGNATIONS.—No agency or bureau within the Executive Office of the President may be designated under paragraph (1) as a separate department or agency. Such designation shall not apply to persons referred to in subsection (c)(2)(A).

"(j) DEFINITIONS.—For purposes of this section—

"(1) The term 'intent to influence' means the intent to affect any official action by a Government entity of the United States through any officer or employee of the United States including Members of Congress.

"(2) The term 'officer or employee' includes the President and Vice President.

"(3) The term 'participated personally and substantially' means an action taken as an officer or employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation or other such action.".

"(4) The term 'particular matter' includes any investigation, application, request for a ruling or determination, rulemaking, contract, controversy, claim, charge, accusation, arrest, judicial or other proceeding.

"(k) EXCEPTIONS.—

"(1) OFFICIAL GOVERNMENT DUTIES.—The restrictions contained in subsections (a), (c), (d), and (e) shall not apply to acts done in carrying out official duties as an officer or employee of the United States Government or as an elected official of a State or local government.

"(2) STATE AND LOCAL GOVERNMENTS AND INSTITUTIONS, HOSPITALS, AND ORGANIZATIONS.—The restrictions contained in subsections (c), (d), and (e) shall not apply to acts done in carrying out official duties as an employee of—

"(A) an agency or instrumentality of a State or local government if the appearance, communication, or representation is on behalf of such government, or

"(B) an accredited, degree-granting institution of higher education, as defined in section 1201(a) of the Higher Education Act of 1965, or a hospital or medical research organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code, if the appearance, communication, or representation is related to an effort to secure a grant or award through a competitive bidding process.

"(3) INTERNATIONAL ORGANIZATIONS.—The restrictions contained in subsections (c), (d), and (e) shall not apply to an appearance or communication on behalf of, or advice or aid to, an international organization of which the United States is a member.

"(4) PERSONAL MATTERS AND PUBLIC SPEECHES AND APPEARANCES.—The restrictions contained in subsections (c), (d), and (e) shall not apply to appearances or communications by a former officer or employee concerning matters of a personal and individual nature, such as personal income taxes or pension benefits; nor shall the prohibition of that subsection prevent a former officer or employee from making or providing a statement, which is based on the former officer's or employee's own special knowledge in the particular area that is the subject of the statement, provided that no compensation is thereby received, other than that regularly provided for by law or regulation for witnesses.

"(5) EXCEPTION FOR SCIENTIFIC OR TECHNOLOGICAL INFORMATION.—The restrictions contained in subsections (a), (c), (d), and (e) shall not apply with respect to the making of communications solely for the purpose of furnishing scientific or technological information, if such communications are made under procedures acceptable to the department or agency concerned or if the head of the department or agency concerned with the particular matter, in consultation with the Director of the Office of Government Ethics, makes a certification, published in the Federal Register, that the former officer or employee has outstanding qualifications in a scientific, technological, or other technical discipline, and is acting with respect to a particular matter which requires such qualifications, and that the national interest would be served by the participation of the former officer or employee.

"(6) EXCEPTION FOR TESTIMONY.—Nothing in this section shall prevent a former Member of Congress or officer or employee of the executive or legislative branch or an independent agency (including the President, the Vice President and any special Government employee) from giving testimony under oath, or from making statements required to be made under penalty of perjury. Notwithstanding the preceding sentence, a former officer or employee subject to the restrictions contained in subsection (a)(1) with respect to a particular matter may not, except pursuant to court order, serve as an expert witness for anyone other than the United States in that matter.

"(l) PENALTIES AND REMEDIES FOR VIOLATIONS.—Any person who engages in conduct prohibited by this section shall be subject to the penalties provided in section 216.".

(b) CONFORMING AMENDMENT.—The item relating to section 207 in the table of sections at the beginning of chapter 11 of title 18, United States Code, is amended to read as follows:

"207. Restrictions on former officers, employees, and elected officials of the executive and legislative branches.".

SEC. 102. EFFECTIVE DATE.

(a) IN GENERAL.—Subject to subsection (b), this Act and the amendments made by this Act take effect 9 months after the date of the enactment of this Act.

(b) EFFECT ON EMPLOYMENT.—(1) The amendments made by this Act apply only to persons whose service as a Member of Congress or an officer or employee to which such amendments apply terminates on or after the effective date of such amendments.

(2) With respect to service as an officer or employee which terminates before the effective date of this Act, section 207 of title 18, United States Code, as in effect at the time of the termination of such service, shall continue to apply, on and after such effective date, with respect to such service.

TITLE II—FINANCIAL DISCLOSURE OF FEDERAL PERSONNEL

SEC. 201. REPEAL OF TITLES II AND III OF THE ETHICS IN GOVERNMENT ACT OF 1978.

Titles II and III of the Ethics in Government Act of 1978 (5 U.S.C. App.; 28 U.S.C. App.) are repealed.

SEC. 202. FINANCIAL DISCLOSURE REQUIREMENTS OF FEDERAL PERSONNEL.

Title I of the Ethics in Government Act of 1978 (2 U.S.C. 701 et seq.) is amended to read as follows:

"TITLE I—FINANCIAL DISCLOSURE REQUIREMENTS OF FEDERAL PERSONNEL

"PERSONS REQUIRED TO FILE

"SEC. 101. (a) Within thirty days of assuming the position of an officer or employee described in subsection (f), an individual shall file a report containing the information described in section 102(b) unless the individual has left another position described in subsection (f) within thirty days prior to assuming such new position or has already filed a report under this title with respect to nomination for the new position or as a candidate for the position.

"(b)(1) Within five days of the transmittal by the President to the Senate of the nomination of an individual (other than an individual nominated for appointment to a position as a Foreign Service Officer or a grade or rank in the uniformed services for which the pay grade prescribed by section 201 of title 37, United States Code, is O-6 or below) to a position, appointment to which requires the advice and consent of the Senate, such individual shall file a report containing the information described in section 102(b). Such individual shall, not later than the date of the first hearing to consider the nomination of such individual, make current the report filed pursuant to this paragraph by filing the information required by section 102(a)(1)(A) with respect to income and honoraria received as of the date which occurs five days before the date of such hearing. Nothing in this Act shall prevent any Congressional committee from requesting, as a condition of confirmation, any additional financial information from any Presidential nominee whose nomination has been referred to that committee.

"(2) An individual whom the President or the President-elect has publicly announced he intends to nominate to a position may file the report required by paragraph (1) at any time after that public announcement, but not later than is required under the first sentence of such paragraph.

"(c) Within thirty days of becoming a candidate in a calendar year for nomination or election to the office of President, Vice President, or Member of Congress as determined by the Federal Election Commission, or on or before May 15 of that calendar year, whichever is later, and on or before May 15 of each successive year an individual continues to be a candidate, an individual other than an incumbent President, Vice President, or Member of Congress shall file a report containing the information described in section 102(b). Notwithstanding the preceding sentence, in any calendar year in which an individual continues to be a candidate for any office but all elections for such office relating to such candidacy were held in prior calendar years, such individual need not file a report unless he becomes a candidate for another vacancy in that office or another office during that year.

"(d) Any individual who is an officer or employee described in subsection (f) during any calendar year and performs the duties of his position or office for a period in excess of sixty days in that calendar year shall file on or before May 15 of the succeeding year a report containing the information described in section 102(a).

"(e) Any individual who occupies a position described in subsection (f) shall, on or before the thirtieth day after termination of employment in such position, file a report containing the information described in section 102(a) covering the preceding calendar year if the report required by subsection (d) has not been filed and covering the portion of the calendar year in which such termination occurs up to the date the individual left such office or position, unless such individual has accepted employment in another position described in subsection (f).

"(f) The officers and employees referred to in subsections (a), (d), and (e) are—

"(1) the President;

"(2) the Vice President;

"(3) each officer or employee in the executive branch, including a special Government employee as defined in section 202 of title 18, United States Code, whose position is classified at GS-16 or above of the General Schedule prescribed by section 5332 of title 5, United States Code, or the rate of basic pay for which is fixed (other than under the General Schedule) at a rate equal to or greater than the minimum rate of basic pay fixed for GS-16; each member of a uniformed service whose pay grade is at or in excess of O-7 under section 201 of title 37, United States Code; and each officer or employee in any other position determined by the Director of the Office of Government Ethics to be of equal classification;

"(4) each employee appointed pursuant to section 3105 of title 5, United States Code;

"(5) any employee not described in paragraph (3) who is in a position in the executive branch which is excepted from the competitive service by reason of being of a confidential or policymaking character, except that the Director of the Office of Government Ethics may, by regulation, exclude from the application of this paragraph any individual, or group of individuals, who are in such positions, but only in cases in which the Director determines such exclusion would not affect adversely the integrity of the Government or the public's confidence in the integrity of the Government;

"(6) the Postmaster General, the Deputy Postmaster General, each Governor of the Board of Governors of the United States Postal Service and each officer or employee of the United States Postal Service or Postal Rate Commission whose basic rate of pay is equal to or greater than the minimum rate of basic pay fixed for GS-16;

"(7) the Director of the Office of Government Ethics and each designated agency official; and

"(8) any employee not described in paragraph (3), employed in the Executive Office of the President who holds a commission of appointment from the President;

"(9) a Member of Congress as defined under section 109(12);

"(10) an officer or employee of the Congress as defined under section 109(13);

"(11) a judicial officer as defined under section 109(10); and

"(12) a judicial employee as defined under section 109(8).

"(g) Reasonable extensions of time for filing any report may be granted under procedures prescribed by the supervising ethics office for each branch, but the total of such extensions shall not exceed ninety days.

"(h) The provisions of subsections (a), (b), and (e) shall not apply to an individual who, as determined by the designated agency official or Secretary concerned (or in the case of a Presidential appointee under subsection (b), the Director of the Office of Government Ethics), the congressional ethics committees, or the Judicial Ethics Committee, is not reasonably expected to perform the duties of his office or position for more than sixty days in a calendar year, except that if such individual performs the duties of his office or position for more than sixty days in a calendar year—

"(1) the report required by subsections (a) and (b) shall be filed within fifteen days of the sixtieth day, and

"(2) the report required by subsection (e) shall be filed as provided in such subsection.

"(i) The supervising ethics office for each branch may grant a publicly available request for a waiver of any reporting requirement under this section for an individual who is expected to perform or has performed the duties of his office or position less than one hundred and thirty days in a calendar year, but only if the supervising ethics office determines that—

"(1) such individual is not a full-time employee of the Government,

"(2) such individual is able to provide services specially needed by the Government,

"(3) it is unlikely that the individual's outside employment or financial interests will create a conflict of interest, and

"(4) public financial disclosure by such individual is not necessary in the circumstances.

"CONTENTS OF REPORTS

"SEC. 102. (a) Each report filed pursuant to section 101(d) and (e) shall include a full and complete statement with respect to the following:

"(1)(A) The source, type, and amount or value of income (other than income referred to in subparagraph (B)) from any source (other than from current employment by the United States Government), and the source, date, and amount of honoraria from any source, received during the preceding calendar year, aggregating $200 or more in value.

"(B) The source and type of income which consists of dividends, rents, interest, and capital gains, received during the preceding calendar year which exceeds $200 in amount or value, and an indication of which of the following categories the amount or value of such item of income is within:

"(i) not more than $1,000,

"(ii) greater than $1,000 but not more than $2,500,

"(iii) greater than $2,500 but not more than $5,000,

"(iv) greater than $5,000 but not more than $15,000,

"(v) greater than $15,000 but not more than $50,000,

"(vi) greater than $50,000 but not more than $100,000,

"(vii) greater than $100,000 but not more than $1,000,000, or

"(viii) greater than $1,000,000.

"(2)(A) The identity of the source and a brief description of any gifts of transportation, lodging, food, or entertainment aggregating $250 or more in value received from any source other than a relative of the reporting individual during the preceding calendar year, except that any food, lodging, or entertainment received as personal hospitality of any individual need not be reported, and any gift with a fair market value of $75 or less need not be aggregated for purposes of this subparagraph.

"(B) The identity of the source, a brief description, and the value of all gifts other than transportation, lodging, food, or entertainment aggregating $100 or more in value received from any source other than a relative of the reporting individual during the preceding calendar year, except that any gift with a fair market value of $75 or less need not be aggregated for purposes of this subparagraph.

"(C) The identity of the source and a brief description of reimbursements received

from any source aggregating $250 or more in value and received during the preceding calendar year.

"(D) In an unusual case, a gift need not be aggregated under subparagraph (A) or (B) if a publicly available request for a waiver is granted.

"(3) The identity and category of value of any interest in property held during the preceding calendar year in a trade or business, or for investment or the production of income, which has a fair market value which exceeds $1,000 as of the close of the preceding calendar year, excluding any personal liability owed to the reporting individual by a spouse, parent, brother, sister, or child or any deposits aggregating $5,000 or less in a personal savings account. For purposes of this paragraph, a personal savings account shall include any certificate of deposit or any other form of deposit in a bank, savings and loan association, credit union, or similar financial institution.

"(4) The identity and category of value of the total liabilities owed to any creditor other than a relative which exceed $10,000 at any time during the preceding calendar year, excluding—

"(A) any mortgage secured by real property which is a personal residence of the reporting individual or his spouse; and

"(B) any loan secured by a personal motor vehicle, household furniture, or appliances, which loan does not exceed the purchase price of the item which secures it.

With respect to revolving charge accounts, only those with an outstanding liability which exceeds $10,000 as of the close of the preceding calendar year need be reported under this paragraph.

"(5) Except as provided in this paragraph, a brief description, the date, and category of value of any purchase, sale or exchange during the preceding calendar year which exceeds $1,000—

"(A) in real property, other than property used solely as a personal residence of the reporting individual or his spouse; or

"(B) in stocks, bonds, commodities futures, and other forms of securities.

Reporting is not required under this paragraph of any transaction solely by and between the reporting individual, his spouse, or dependent children.

"(6)(A) The identity of all positions held on or before the date of filing during the current calendar year (and, for the first report filed by an individual, during the two-year period preceding such calendar year) as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, company, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution other than the United States. This subparagraph shall not require the reporting of positions held in any religious, social, fraternal, or political entity and positions solely of an honorary nature.

"(B) If any person, other than the United States Government, paid a nonelected reporting individual compensation in excess of $5,000 in any of the two calendar years prior to the calendar year during which the individual files his first report under this title, the individual shall include in the report—

"(i) the identity of each source of such compensation; and

"(ii) a brief description of the nature of the duties performed or services rendered by the reporting individual for each such source.

The preceding sentence shall not require any individual to include in such report any information which is considered confidential as a result of a privileged relationship, established by law, between such individual and any person nor shall it require an individual to report any information with respect to any person for whom services were provided by any firm or association of which such individual was a member, partner, or employee unless such individual was directly involved in the provision of such services.

"(7) A description of the date, parties to, and terms of any agreement or arrangement with respect to (A) future employment; (B) a leave of absence during the period of the reporting individual's Government service; (C) continuation of payments by a former employer other than the United States Government; and (D) continuing participation in an employee welfare or benefit plan maintained by a former employer.

"(b) Each report filed pursuant to subsections (a), (b), and (c) of section 101 shall include a full and complete statement with respect to the information required by—

"(1) paragraph (1) of subsection (a) for the year of filing and the preceding calendar year,

"(2) paragraphs (3) and (4) of subsection (a) as of the date specified in the report but which is less than thirty-one days before the filing date, and

"(3) paragraphs (6) and (7) of subsection (a) as of the filing date but for periods described in such paragraphs.

"(c) In the case of any individual described in section 101(e), any reference to the preceding calendar year shall be considered also to include that part of the calendar year of filing up to the date of the termination of employment.

"(d)(1) The categories for reporting the amount or value of the items covered in paragraphs (3), (4), and (5) of subsection (a) are as follows:

"(A) not more than $15,000;

"(B) greater than $15,000 but not more than $50,000;

"(C) greater than $50,000 but not more than $100,000;

"(D) greater than $100,000 but not more than $250,000;

"(E) greater than $250,000 but not more than $500,000;

"(F) greater than $500,000 but not more than $1,000,000; and

"(G) greater than $1,000,000.

"(2) For the purposes of paragraph (3) of subsection (a) if the current value of an interest in real property (or an interest in a real estate partnership) is not ascertainable without an appraisal, an individual may list (A) the date of purchase and the purchase price of the interest in the real property, or (B) the assessed value of the real property for tax purposes, adjusted to reflect the market value of the property used for the assessment if the assessed value is computed at less than 100 percent of such market value, but such individual shall include in his report a full and complete description of the method used to determine such assessed value, instead of specifying a category of value pursuant to paragraph (1) of this subsection. If the current value of any other item required to be reported under paragraph (3) of subsection (a) is not ascertainable without an appraisal, such individual may list the book value of a corporation whose stock is not publicly traded, the net worth of a business partnership, the equity value of an individually owned business, or with respect to other holdings, any recognized indication of value, but such individual shall include in his report a full and complete description of the method used in determining such value. In lieu of any value referred to in the preceding sentence, an individual may list the assessed value of the item for tax purposes, adjusted to reflect the market value of the item used for the assessment if the assessed value is computed at less than 100 percent of such market value, but a full and complete description of the method used in determining such assessed value shall be included in the report.

"(e)(1) Except as provided in the last sentence of this paragraph, each report required by section 101 shall also contain information listed in paragraphs (1) through (5) of subsection (a) of this section respecting the spouse or dependent child of the reporting individual as follows:

"(A) The source of items of earned income earned by a spouse from any person which exceed $1,000, except that if the spouse is self-employed in business or a profession, only the nature of such business or profession need be reported.

"(B) All information required to be reported in subsection (a)(1)(B) with respect to income derived by a spouse or dependent child from any asset held by the spouse or dependent child and reported pursuant to subsection (a)(3).

"(C) In the case of any gifts received by a spouse or dependent child which are not received totally independent of the relationship of the spouse or dependent child to the reporting individual, the identity of the source and a brief description of gifts of transportation, lodging, food, or entertainment and a brief description and the value of other gifts.

"(D) In the case of any reimbursements received by a spouse or dependent child which are not received totally independent of the relationship of the spouse or dependent child to the reporting individual, the identity of the source and a brief description of each such reimbursement.

"(E) In the case of items described in paragraphs (3) through (5), all information required to be reported under these paragraphs other than items (i) which the reporting individual certifies represent the spouse's or dependent child's sole financial interest or responsibility and which the reporting individual has no knowledge of, (ii) which are not in any way, past or present, derived from the income, assets, or activities of the reporting individual, and (iii) from which the reporting individual neither derives, nor expects to derive, any financial or economic benefit.

Reports required by subsections (a), (b), and (c) of section 101 shall, with respect to the spouse and dependent child of the reporting individual, only contain information listed in paragraphs (1), (3), and (4) of subsection (a), as specified in this paragraph.

"(2) No report shall be required with respect to a spouse living separate and apart from the reporting individual with the intention of terminating the marriage or providing for permanent separation; or with respect to any income or obligations of an individual arising from the dissolution of his marriage or the permanent separation from his spouse.

"(f)(1) Except as provided in paragraph (2), each reporting individual shall report the information required to be reported pursuant to subsections (a), (b), and (c) of this section with respect to the holdings of and the income from a trust or other financial

arrangement from which income is received by, or with respect to which a beneficial interest in principal or income is held by, such individual, his spouse, or any dependent child.

"(2) A reporting individual need not report the holdings of or the source of income from any of the holdings of—

"(A) any qualified blind trust (as defined in paragraph (3));

"(B) a trust—

"(i) which was not created directly by such individual, his spouse, or any dependent child, and

"(ii) the holdings or sources of income of which such individual, his spouse, and any dependent child have no knowledge of; or

"(C) an entity described under the provisions of paragraph (8),

but such individual shall report the category of the amount of income received by him, his spouse, or any dependent child from the trust or other entity under subsection (a)(1)(B) of this section.

"(3) For purposes of this subsection, the term "qualified blind trust" includes any trust in which a reporting individual, his spouse, or any dependent child has a beneficial interest in the principal or income, and which meets the following requirements:

"(A)(i) The trustee of the trust and any other entity designated in the trust instrument to perform fiduciary duties is a financial institution, an attorney, a certified public accountant, a broker, or an investment advisor who—

"(I) is independent of and not associated with any interested party so that the trustee or other person cannot be controlled or influenced in the administration of the trust by any interested party; and

"(II) is not and has not been an employee of or affiliated with any interested party and is not a partner of, or involved in, any joint venture or other investment with, any interested party; and

"(III) is not a relative of any interested party.

"(ii) Any officer or employee of a trustee or other entity who is involved in the management or control of the trust—

"(I) is independent of and not associated with any interested party so that such officer or employee cannot be controlled or influenced in the administration of the trust by any interested party;

"(II) is not or has not been a partner of any interested party and is not a partner of, or involved in any joint venture or other investment with any interested party; and

"(III) is not a relative of any interested party.

"(B) Any asset transferred to the trust by an interested party is free of any restriction with respect to its transfer or sale unless such restriction is expressly approved by the supervising ethics office of the reporting individual.

"(C) The trust instrument which establishes the trust provides that—

"(i) except to the extent provided in subparagraph (B) of this paragraph, the trustee in the exercise of his authority and discretion to manage and control the assets of the trust shall not consult or notify any interested party;

"(ii) the trust shall not contain any asset the holding of which by an interested party is prohibited by any law or regulation;

"(iii) the trustee shall promptly notify the reporting individual and his supervising ethics office when the holdings of any particular asset transferred to the trust by any interested party are disposed of or when the value of such holding is less than $1,000;

"(iv) the trust tax return shall be prepared by the trustee or his designee, and such return and any information relating thereto (other than the trust income summarized in appropriate categories necessary to complete an interested party's tax return), shall not be disclosed to any interested party;

"(v) an interested party shall not receive any report on the holdings and sources of income of the trust, except a report at the end of each calendar quarter with respect to the total cash value of the interest of the interested party in the trust or the net income or loss of the trust or any reports necessary to enable the interested party to complete an individual tax return required by law or to provide the information required by subsection (a)(1)(B) of this section, but such report shall not identify any asset or holding;

"(vi) except for communications which solely consist of requests for distributions of cash or other unspecified assets of the trust, there shall be no direct or indirect communication between the trustee and an interested party with respect to the trust unless such communication is in writing and unless it relates only (I) to the general financial interest and needs of the interested party (including, but not limited to, an interest in maximizing income or long-term capital gain), (II) to the notification of the trustee of a law or regulation subsequently applicable to the reporting individual which prohibits the interested party from holding an asset, which notification directs that the asset not be held by the trust, or (III) to directions to the trustee to sell all of an asset initially placed in the trust by an interested party which in the determination of the reporting individual creates a conflict of interest or the appearance thereof due to the subsequent assumption of duties by the reporting individual (but nothing herein shall require any such direction); and

"(vii) the interested parties shall make no effort to obtain information with respect to the holdings of the trust, including obtaining a copy of any trust tax return filed or any information relating thereto except as otherwise provided in this subsection.

"(D) The proposed trust instrument and the proposed trustee is approved by the reporting individual's supervising ethics office.

"(E) For purposes of this subsection, 'interested party' means a reporting individual, his spouse, and any dependent child; 'broker' has the meaning set forth in section 3(a)(4) of the Securities and Exchange Act of 1934 (15 U.S.C. 78c(a)(4)); and 'investment adviser' includes any investment adviser who, as determined under regulations prescribed by the supervising ethics office, is generally involved in his role as such an adviser in the management or control of trusts.

"(F) Any trust qualified by a supervising ethics office before the effective date of this section shall continue to be governed by the law and regulations in effect immediately before such effective date.

"(4)(A) An asset placed in a trust by an interested party shall be considered a financial interest of the reporting individual, for the purposes of any applicable conflict of interest statutes, regulations, or rules of the Federal Government (including section 208 of title 18, United States Code), until such time as the reporting individual is notified by the trustee that such asset has been disposed of, or has a value of less than $1,000.

"(B)(i) The provisions of subparagraph (A) shall not apply with respect to a trust created for the benefit of a reporting individual, or the spouse, dependent child, or minor child of such a person, if the supervising ethics office for such reporting individual finds that—

"(I) the assets placed in the trust consist of a well-diversified portfolio of readily marketable securities;

"(II) none of the assets consist of securities of entities having substantial activities in the area of the reporting individual's primary area of responsibility;

"(III) the trust instrument prohibits the trustee, notwithstanding the provisions of paragraphs (3)(C)(iii) and (iv) of this subsection, from making public or informing any interested party of the sale of any securities;

"(IV) the trustee is given power of attorney, notwithstanding the provisions of paragraph (3)(C)(v) of this subsection, to prepare on behalf of any interested party the personal income tax returns and similar returns which may contain information relating to the trust; and

"(V) except as otherwise provided in this paragraph, the trust instrument provides (or in the case of a trust established prior to the effective date of this Act which by its terms does not permit amendment, the trustee, the reporting individual, and any other interested party agree in writing) that the trust shall be administered in accordance with the requirements of this subsection and the trustee of such trust meets the requirements of paragraph (3)(A).

"(ii) In any instance covered by subparagraph (B) in which the reporting individual is an individual whose nomination is being considered by a congressional committee, the reporting individual shall inform the congressional committee considering his nomination before or during the period of such individual's confirmation hearing of his intention to comply with this paragraph.

"(5)(A) The reporting individual shall, within thirty days after a qualified blind trust is approved by his supervising ethics office, file with such office a copy of—

"(i) the executed trust instrument of such trust (other than those provisions which relate to the testamentary disposition of the trust assets), and

"(ii) a list of the assets which were transferred to such trust, including the category of value of each asset as determined under subsection (d) of this section.

This subparagraph shall not apply with respect to a trust meeting the requirements for being considered a qualified blind trust under paragraph (7) of this subsection.

"(B) The reporting individual shall, within thirty days of transferring an asset (other than cash) to a previously established qualified blind trust, notify his supervising ethics office of the identity of each such asset and the category of value of each asset as determined under subsection (d) of this section.

"(C) Within thirty days of the dissolution of a qualified blind trust, a reporting individual shall—

"(i) notify his supervising ethics office of such dissolution, and

"(ii) file with such office a copy of a list of the assets of the trust at the time of such dissolution and the category of value under subsection (d) of this section of each such asset.

"(D) Documents filed under subparagraphs (A), (B), and (C) of this paragraph and the lists provided by the trustee of

assets placed in the trust by an interested party which have been sold shall be made available to the public in the same manner as a report is made available under section 105 and the provisions of that section shall apply with respect to such documents and lists.

"(E) A copy of each written communication with respect to the trust under paragraph (3)(C)(vi) shall be filed by the person initiating the communication with the reporting individual's supervising ethics office within five days of the date of the communication.

"(6)(A) A trustee of a qualified blind trust shall not knowingly or negligently (i) disclose any information to an interested party with respect to such trust that may not be disclosed under paragraph (3) of this subsection, (ii) acquire any holding the ownership of which is prohibited by the trust instrument; (iii) solicit advice from any interested party with respect to such trust, which solicitation is prohibited by paragraph (3) of this subsection or the trust agreement; or (iv) fail to file any document required by this subsection.

"(B) A reporting individual shall not knowingly or negligently (i) solicit or receive any information with respect to a qualified blind trust of which he is an interested party that may not be disclosed under paragraph (3)(C) of this subsection or (ii) fail to file any document required by this subsection.

"(C)(i) The Attorney General may bring a civil action in any appropriate United States district court against any individual who knowingly and willfully violates the provisions of subparagraph (A) or (B) of this paragraph. The court in which such action is brought may assess against such individual a civil penalty in any amount not to exceed $10,000.

"(ii) The Attorney General may bring a civil action in any appropriate United States district court against any individual who negligently violates the provisions of subparagraph (A) or (B) of this paragraph. The court in which such action is brought may assess against such individual a civil penalty in any amount not to exceed $5,000.

"(7) Any trust may be considered to be a qualified blind trust if—

"(A) the trust instrument is amended to comply with the requirements of paragraph (3) or, in the case of a trust instrument which does not by its terms permit amendment, the trustee, the reporting individual, and any other interested party agree in writing that the trust shall be administered in accordance with the requirements of this subsection and the trustee of such trust meets the requirements of paragraph (3)(A); except that in the case of any interested party who is a dependent child, a parent or guardian of such child may execute the agreement referred to in this subparagraph;

"(B) a copy of the trust instrument (except testamentary provisions) and a copy of the agreement referred to in subparagraph (A), and a list of the assets held by the trust at the time of approval by the supervising ethics office, including the category of value of each asset as determined under subsection (d) of this section, are filed with such office and made available to the public as provided under paragraph (5)(D) of this subsection; and

"(C) the supervising ethics office determines that approval of the trust arrangement as a qualified blind trust is in the particular case appropriate to assure compliance with applicable laws and regulations.

"(8) A reporting individual shall not be required to report the financial interests held by a widely held investment fund (whether such fund is a mutual fund, regulated investment company, pension or deferred compensation plan, or other investment fund), if—

"(A)(i) the fund is publicly traded; or

"(ii) the assets of the fund are widely diversified; and

"(B) the reporting individual exercises no control over the financial interests held by the fund.

"(g) Political campaign funds, including campaign receipts and expenditures, need not be included in any report filed pursuant to this title.

"(h) A report filed pursuant to subsection (a), (d), or (e) of section 101 need not contain the information described in subparagraphs (A), (B), and (C) of subsection (a)(2) with respect to gifts and reimbursements received in a period when the reporting individual was not an officer or employee of the Federal Government.

"FILING OF REPORTS

"SEC. 103. (a) Except as otherwise provided in this section, the reports required under this title shall be filed by the reporting individual with the designated agency official at the agency by which he is employed (or in the case of an individual described in section 101(e), was employed) or in which he will serve. The date any report is received (and the date of receipt of any supplemental report) shall be noted on such report by such official.

"(b) The President, the Vice President, and independent counsel and persons appointed by independent counsel under chapter 40 of title 28, United States Code, shall file reports required under this title with the Director of the Office of Government Ethics.

"(c) Copies of the reports required to be filed under this title by the Postmaster General, the Deputy Postmaster General, the Governors of the Board of Governors of the United States Postal Service, designated agency officials, employees described in section 105(a)(2)(A) or (B), 106(a)(1)(A) or (B), or 107(a)(1)(A) or (b)(1)(A)(i), of title 3, United States Code, candidates for the office of President or Vice President and officers and employees in (and nominees to) offices or positions which require confirmation by the Senate or by both Houses of Congress other than those referred to in subsection (f) shall be transmitted to the Director of the Office of Government Ethics. The Director shall forward a copy of the report of each nominee to the congressional committee considering the nomination.

"(d) Reports required to be filed under this title by the Director shall be filed in the Office of Government Ethics and, immediately after being filed, shall be made available to the public in accordance with this title.

"(e) Each individual identified in section 101(c) shall file the reports required by this title with the Federal Elections Commission.

"(f) Reports required of members of the uniformed services shall be filed with the Secretary concerned.

"(g) The Office of Government Ethics shall develop and make available forms for reporting the information required by this title.

"(h)(1) The reports required under this title shall be filed by a reporting individual with—

"(A)(i) the appropriate congressional ethics committee with regard to a Member of Congress, officer or employee of the Congress described under paragraphs (9) and (10) of section 101(f) (including individuals terminating service in such office or position under section 101(e) or immediately preceding service in such office or position); and

"(ii) in the case of an officer or employee of the Congress as described under section 101(f)(10) who is employed by an agency or commission established in the legislative branch after the date of the enactment of the Ethics Reform Act of 1989—

"(I) the congressional ethics committee designated in the statute establishing such agency or commission; or

"(II) if such statute does not designate such committee, the Senate Select Committee on Ethics for agencies and commissions established in even numbered calendar years, and the Standards of Official Conduct Committee of the House of Representatives for agencies and commissions established in odd numbered calendar years; and

"(B) the Judicial Ethics Committee with regard to a judicial officer or employee described under paragraphs (11) and (12) of section 101(f) (including individuals terminating service in such office or position under section 101(e) or immediately preceding service in such office or position).

"(2) The date any report is received (and the date of receipt of any supplemental report) shall be noted on such report by such committee.

"FAILURE TO FILE OR FILING FALSE REPORTS

"SEC. 104. (a) The Attorney General may bring a civil action in any appropriate United States district court against any individual who knowingly and willfully falsifies or who knowingly and willfully fails to file or report any information that such individual is required to report pursuant to section 102. The court in which such action is brought may assess against such individual a civil penalty in any amount, not to exceed $10,000.

"(b) The head of each agency, each Secretary concerned, the Director of the Office of Government Ethics, each congressional ethics committee, or the Chairman of the Judicial Ethics Committee, as the case may be, shall refer to the Attorney General the name of any individual which such official or committee has reasonable cause to believe has willfully failed to file a report or has willfully falsified or willfully failed to file information required to be reported.

"(c) The President, the Vice President, the Secretary concerned, the head of each agency, the Office of Personnel Management, a congressional ethics committee, and the Judicial Ethics Committee, may take any appropriate personnel or other action in accordance with applicable law or regulation against any individual failing to file a report or falsifying or failing to report information required to be reported.

"(d)(1) Any individual who files a report required to be filed under this title more than 30 days after such report is required to be filed pursuant to the provisions of this title and the rules and regulations promulgated thereunder (and after the expiration of any extensions of time granted under subsection 101(g)), shall pay a filing fee of $200 to the miscellaneous receipts of the General Treasury.

"(2) The supervising ethics office may waive the filing fee under this subsection in extraordinary circumstances.

"CUSTODY OF AND PUBLIC ACCESS TO REPORTS

"SEC. 105. (a) Each agency and each supervisory ethics office shall make each report filed with it under this title available to the public in accordance with the provisions of subsection (b) of this section, except that this section does not require public availability of a report filed by—

"(1) any individual in the Central Intelligence Agency, the Defense Intelligence Agency, or the National Security Agency, or any individual engaged in intelligence activities in any agency of the United States, if the President finds that, due to the nature of the office or position occupied by such individual, public disclosure of such report would, by revealing the identity of the individual or other sensitive information, compromise the national interest of the United States. In addition, such individuals may be authorized, notwithstanding section 104(a), to file such additional reports as are necessary to protect their identity from public disclosure if the President first finds that such filing is necessary in the national interest; or

"(2) an independent counsel or person appointed by independent counsel under chapter 40 of title 28, United States Code, whose identity has not otherwise been disclosed.

"(b)(1) Each agency and each supervising ethics office shall, within thirty days after any report is received by such agency or office under this title, permit inspection of such report by or furnish a copy of such report to any person requesting such inspection or copy. The agency or office may require a reasonable fee to be paid in any amount which is found necessary to recover the cost of reproduction or mailing of such report excluding any salary of any employee involved in such reproduction or mailing. A copy of such report may be furnished without charge or at a reduced charge if it is determined that waiver or reduction of the fee is in the public interest.

"(2) Notwithstanding paragraph (1), a report may not be made available under this section to any person nor may any copy thereof be provided under this section to any person except upon a written application by such person stating—

"(A) that person's name, occupation and address;

"(B) the name and address of any other person or organization on whose behalf the inspection or copy is requested; and

"(C) that such person is aware of the prohibitions on the obtaining or use of the report.

Any such application shall be made available to the public throughout the period during which the report is made available to the public.

"(c)(1) It shall be unlawful for any person to obtain or use a report—

"(A) for any unlawful purpose;

"(B) for any commercial purpose, other than by news and communications media for dissemination to the general public;

"(C) for determining or establishing the credit rating of any individual; or

"(D) for use, directly or indirectly, in the solicitation of money for any political, charitable, or other purpose.

"(2) The Attorney General may bring a civil action against any person who obtains or uses a report for any purpose prohibited in paragraph (1) of this subsection. The court in which such action is brought may assess against such person a penalty in any amount not to exceed $10,000. Such remedy shall be in addition to any other remedy available under statutory or common law.

"(d) Any report filed with or transmitted to an agency or supervising ethics office pursuant to this title shall be retained by such agency or office, as the case may be. Such report shall be made available to the public for a period of six years after receipt of the report. After such six-year period the report shall be destroyed unless needed in an ongoing investigation, except that in the case of an individual who filed the report pursuant to section 101(b) and was not subsequently confirmed by the Senate, or who filed the report pursuant to section 101(c) and was not subsequently elected, such reports shall be destroyed one year after the individual either is no longer under consideration by the Senate or is no longer a candidate for nomination or election to the Office of President, Vice President, or as a Member of Congress, unless needed in an ongoing investigation.

"REVIEW OF REPORTS

"SEC. 106. (a)(1) Each designated agency official or Secretary concerned shall make provisions to ensure that each report filed with him under this title is reviewed within sixty days after the date of such filing, except that the Director of the Office of Government Ethics shall review only those reports transmitted to him under this title within sixty days after the date of transmittal.

"(2) Each congressional ethics committee and the Judicial Ethics Committee shall make provisions to ensure that each report filed under this title is reviewed within sixty days after the date of such filing.

"(b)(1) If after reviewing any report under subsection (a), the Director of the Office of Government Ethics, Secretary concerned, designated agency official, or a person designated by the congressional ethics committee, or the Chairman of the Judicial Ethics Committee, as the case may be, is of the opinion that on the basis of information contained in such report the individual submitting such report is in compliance with applicable laws and regulations, he shall state such opinion on the report, and shall sign such report.

"(2) If the Director of the Office of Government Ethics, Secretary concerned, designated agency official or a person designated by the congressional ethics committee, or the Chairman of the Judicial Ethics Committee, after reviewing any report under subsection (a)—

"(A) believes additional information is required to be submitted, he shall notify the individual submitting such report what additional information is required and the time by which it must be submitted, or

"(B) is of the opinion, on the basis of information submitted, that the individual is not in compliance with applicable laws and regulations, he shall notify the individual, afford a reasonable opportunity for a written or oral response, and after consideration of such response, reach an opinion as to whether or not, on the basis of information submitted, the individual is in compliance with such laws and regulations.

"(3) If the Director of the Office of Government Ethics, Secretary concerned, designated agency official, a congressional ethics committee, or the Judicial Ethics Committee, reaches an opinion under paragraph (2)(B) that an individual is not in compliance with applicable laws and regulations, the official or committee shall notify the individual of that opinion and, after an opportunity for personal consultation (if practicable), determine and notify the individual of which steps, if any, would in the opinion of such official or committee be appropriate for assuring compliance with such laws and regulations and the date by which such steps should be taken. Such steps may include, as appropriate—

"(A) divestiture,

"(B) restitution,

"(C) the establishment of a blind trust,

"(D) request for an exemption under section 208(b) of title 18, United States Code, or

"(E) voluntary request for transfer, reassignment, limitation of duties, or resignation.

The use of any such steps shall be in accordance with such rules or regulations as the supervising ethics office may prescribe.

"(4) If steps for assuring compliance with applicable laws and regulations are not taken by the date set under paragraph (3) by an individual in a position (other than in the uniformed services), appointment to which requires the advice and consent of the Senate, the matter shall be referred to the President for appropriate action.

"(5) If steps for assuring compliance with applicable laws and regulations are not taken by the date set under paragraph (3) by a member of the uniformed services, the Secretary concerned shall take appropriate action.

"(6) If steps for assuring compliance with applicable laws and regulations are not taken by the date set under paragraph (3) by any other officer or employee the matter shall be referred to the head of the appropriate agency, the congressional ethics committee, or the Judicial Ethics Committee, for appropriate action; except that in the case of the Postmaster General or Deputy Postmaster General, the Director of the Office of Government Ethics shall recommend to the Governors of the Board of Governors of the United States Postal Service the action to be taken.

"(7) Each supervising ethics office may render advisory opinions interpreting this title within its respective jurisdiction. Notwithstanding any other provision of law, the individual to whom a public advisory opinion is rendered in accordance with this paragraph, and any other individual covered by this title who is involved in a fact situation which is indistinguishable in all material aspects, and who acts in good faith in accordance with the provisions and findings of such advisory opinion shall not, as a result of such act, be subject to any penalty or sanction provided by this title.

"CONFIDENTIAL REPORTS AND OTHER ADDITIONAL REQUIREMENTS

"SEC. 107. (a)(1) Each supervising ethics office may require officers and employees under its jurisdiction (including special Government employees as defined in section 202 of title 18, United States Code) to file confidential financial disclosure reports, in such form as the supervising ethics office may prescribe. The information required to be reported under this subsection by the officers and employees of any department or agency shall be set forth in rules or regulations prescribed by the supervising ethics office, and may be less extensive than otherwise required by this title, or more extensive when determined by the supervising ethics office to be necessary and appropriate in light of sections 202 through 209 of title 18, United States Code, regulations promulgated thereunder, or the authorized activities of such officers or employees. Any individual required to file a report pursuant to section 101 shall not be required to file a confi-

dential report pursuant to this subsection, except with respect to information which is more extensive than information otherwise required by this title. Subsections (a), (b), and (d) of section 105 shall not apply with respect to any such report.

"(2) Any information required to be provided by an individual under this subsection shall be confidential and shall not be disclosed to the public.

"(3) Nothing in this subsection exempts any individual otherwise covered by the requirement to file a public financial disclosure report under this title from such requirement.

"(b) The provisions of this title requiring the reporting of information shall supersede any general requirement under any other provision of law or regulation with respect to the reporting of information required for purposes of preventing conflicts of interest or apparent conflicts of interest. Such provisions of this title shall not supersede the requirements of section 7342 of title 5, United States Code.

"(c) Nothing in this Act requiring reporting of information shall be deemed to authorize the receipt of income, gifts, or reimbursements; the holding of assets, liabilities, or positions; or the participation in transactions that are prohibited by law, Executive order, rule, or regulation.

"AUTHORITY OF COMPTROLLER GENERAL

"SEC. 108. (a) The Comptroller General shall have access to financial disclosure reports filed under this title for the purposes of carrying out his statutory responsibilities.

"(b) No later than November 30, 1991, and regularly thereafter, the Comptroller General shall conduct a study to determine whether the provisions of this title are being carried out effectively.

"DEFINITIONS

"SEC. 109. For the purposes of this title, the term—

"(1) 'congressional ethics committees' means the Senate Select Committee on Ethics and the Standards of Official Conduct Committee of the House of Representatives;

"(2) 'dependent child' means, when used with respect to any reporting individual, any individual who is a son, daughter, stepson, or stepdaughter and who—

"(A) is unmarried and under age 21 and is living in the household of such reporting individual; or

"(B) is a dependent of such reporting individual within the meaning of section 152 of the Internal Revenue Code of 1986;

"(3) 'designated agency official' means an officer or employee who is designated to administer the provisions of this title within an agency;

"(4) 'executive branch' includes each Executive agency (as defined in section 105 of title 5, United States Code) and any other entity or administrative unit in the executive branch;

"(5) 'gift' means a payment, advance, forbearance, rendering, or deposit of money, or any thing of value, unless consideration of equal or greater value is received by the donor, but does not include—

"(A) bequest and other forms of inheritance;

"(B) suitable mementos of a function honoring the reporting individual;

"(C) food, lodging, transportation, and entertainment provided by a foreign government within a foreign country or by the United States Government;

"(D) food and beverages consumed at banquets, receptions, or similar events; or

"(E) communications to the offices of a reporting individual including subscriptions to newspapers and periodicals;

"(6) 'honoraria' has the meaning given such term in the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.);

"(7) 'income' means all income from whatever source derived, including but not limited to the following items: compensation for services, including fees, commissions, and similar items; gross income derived from business (and net income if the individual elects to include it); gains derived from dealings in property; interest; rents; royalties; dividends; annuities; income from life insurance and endowment contracts; pensions; income from discharge of indebtedness; distributive share of partnership income; and income from an interest in an estate or trust;

"(8) 'judicial employee' means any employee of the judicial branch of the Government, of the Tax Court, or of the United States Court of Military Appeals who is not a judicial officer and who is authorized to perform adjudicatory functions with respect to proceedings in the judicial branch, or who receives compensation at a rate at or in excess of the minimum rate prescribed for grade 16 of the General Schedule under section 5332 of title 5, United States Code;

"(9) 'Judicial Ethics Committee' means the committee established and maintained by the Judicial Conference of the United States under section 112 (b) of this title;

"(10) 'judicial officer' means the Chief Justice of the United States, the Associate Justices of the Supreme Court, and the judges of the United States courts of appeals, United States district courts, including the district courts in the Canal Zone, Guam, and the Virgin Islands, Court of Claims, Court of Appeals for the Federal Circuit, Court of International Trade, Tax Court, United States Court of Military Appeals, and any court created by Act of Congress, the judges of which are entitled to hold office during good behavior;

"(11) 'legislative branch' includes—

"(A) the Architect of the Capitol;

"(B) the Botanic Gardens;

"(C) the Congressional Budget Office;

"(D) the General Accounting Office;

"(E) the Government Printing Office;

"(F) the Library of Congress;

"(G) the United States Capitol Police;

"(H) the Office of Technology Assessment; and

"(I) any other agency, entity, office, or commission established in the legislative branch;

"(12) 'Member of Congress' means a United States Senator, a Representative in Congress, a Delegate to Congress, or the Resident Commissioner from Puerto Rico;

"(13) 'officer or employee of the Congress' means—

"(A) any individual described under subparagraph (B), other than a Member of Congress or the Vice President, whose compensation is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives;

"(B)(i) each officer or employee of the legislative branch who is compensated for 60 consecutive days at a rate equal to or in excess of the annual rate of basic pay in effect for grade GS-15 of the General Schedule; and

"(ii) at least one principal assistant designated for purposes of this paragraph by each Member who does not have an employee compensated at a rate equal to or in excess of the annual rate of basic pay in effect for grade GS-15 of the General Schedule;

"(14) 'personal hospitality of any individual' means hospitality extended for a nonbusiness purpose by an individual, not a corporation or organization, at the personal residence of that individual or his family or on property or facilities owned by that individual or his family;

"(15) 'reimbursement' means any payment or other thing of value received by the reporting individual, other than gifts, to cover travel-related expenses of such individual other than those which are—

"(A) provided by the United States Government;

"(B) required to be reported by the reporting individual under section 7342 of title 5, United States Code; or

"(C) required to be reported under section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434);

"(16) 'relative' means an individual who is related to the reporting individual, as father, mother, son, daughter, brother, sister, uncle, aunt, great aunt, great uncle, first cousin, nephew, niece, husband, wife, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister, or who is the grandfather or grandmother of the spouse of the reporting individual, and shall be deemed to include the fiance or fiancee of the reporting individual;

"(17) 'Secretary concerned' has the meaning set forth in section 101(8) of title 10, United States Code, and, in addition, means—

"(A) the Secretary of Commerce, with respect to matters concerning the National Oceanic and Atmospheric Administration; and

"(B) the Secretary of Health and Human Services, with respect to matters concerning the Public Health Service;

"(18) 'supervising ethics office' means—

"(A) the Select Committee on Ethics of the Senate, for Senators and officers and employees of the Senate;

"(B) the Committee on Standards of Official Conduct of the House of Representatives, for Members and officers and employees of the House of Representatives;

"(C) the Judicial Ethics Committee for judicial officers and judicial employees; and

"(D) the Office of Government Ethics for all executive branch employees; and

"(19) 'value' means a good faith estimate of the dollar value if the exact value is neither known nor easily obtainable by the reporting individual.

"OUTSIDE EARNED INCOME

"SEC. 110. (a) Except where the employee's agency or department shall have more restrictive limitations on outside earned income, all executive branch officers and employees covered by this title—

"(1) who are compensated at a pay grade in the General Schedule of grade GS-16 or above and who occupy nonjudicial full-time positions, appointments to which are required to be made by the President by and with the advice and consent of the Senate, or

"(2) who are employees of the White House Office and are compensated at rates equivalent to level II of the Executive

Schedule under section 5313 of title 5, United States Code,

may not have in any calendar year outside earned income attributable to such calendar year which is in excess of 15 percent of their salary.

"(b)(1) No Member of Congress or officer or employee covered by this title, other than a special Government employee, may serve on the board of directors of—

"(A) any for-profit corporation or commercial enterprise; or

"(B) any nonprofit corporation or unincorporated nonprofit entity, if such officer or employee is receiving compensation for services.

"(2) Such an officer, employee, or Member of Congress may serve on the board of directors of a nonprofit corporation or unincorporated nonprofit entity, if such officer or employee is not receiving compensation for services.

"(3) The supervising ethics office for each branch may grant exemptions to the provisions of this subsection for individuals or categories of individuals, if such office or such a committee determines that there is an insignificant potential for conflicts of interests.

"(4) Nothing in this section shall preclude the supervising ethics office for any branch from prescribing more restrictive rules to prevent conflicts of interest.

"NOTICE OF ACTIONS TAKEN TO COMPLY WITH ETHICS AGREEMENTS

"SEC. 111. (a) In any case in which an individual agrees with that individual's designated agency official, the Office of Government Ethics, a Senate confirmation committee, a congressional ethics committee, or the Judicial Ethics Committee, to take any action to comply with this Act or any other law or regulation governing conflicts of interest of, or establishing standards of conduct applicable with respect to, officers or employees of the Government, that individual shall notify in writing the designated agency official, the Office of Government Ethics, the appropriate committee of the Senate, the congressional ethics committee, or the Judicial Ethics Committee, as the case may be, of any action taken by the individual pursuant to that agreement. Such notification shall be made not later than the date specified in the agreement by which action by the individual must be taken, or not later than three months after the date of the agreement, if no date for action is so specified.

"(b) If an agreement described in subsection (a) requires that the individual recuse himself or herself from particular categories of agency or other official action, the individual shall reduce to writing those subjects regarding which the recusal agreement will apply and the process by which it will be determined whether the individual must recuse himself or herself in a specific instance. An individual shall be considered to have complied with the requirements of subsection (a) with respect to such recusal agreement if such individual files a copy of the document setting forth the information described in the preceding sentence with such individual's designated agency official or the appropriate supervising ethics office within the time prescribed in the last sentence of subsection (a).

"ADMINISTRATION OF PROVISIONS

"SEC. 112. (a) The provisions of this title shall be administered by—

"(1) the Director of the Office of Government Ethics, the designated agency official, or the Secretary concerned, as appropriate, with regard to officers and employees described in paragraphs (1) through (8) of section 101(f);

"(2) the Senate Select Committee on Ethics and the Standards of Official Conduct Committee of the House of Representatives, as appropriate, with regard to officers and employees described in paragraphs (9) and (10) of section 101(f); and

"(3) the Judicial Ethics Committee and clerk of the applicable court, as appropriate, in the case of an officer or employee described in paragraphs (11) and (12) of section 101(f).

"(b) The Judicial Conference of the United States shall establish and maintain a Judicial Ethics Committee which shall be responsible for developing the forms for reporting the information required by this title and for receiving and making available the reports described under this title.

"EFFECTIVE DATE

"SEC. 113. The provisions made by this title shall take effect on January 1, 1990, and shall be applicable to information included in reports filed under this title for calendar year 1990 and subsequent years.".

SEC. 203. TRANSMITTAL OF FINANCIAL DISCLOSURE REPORTS.

Rule XXXIV of the Standing Rules of the Senate is amended—

(1) by inserting "1." before "For purposes of this rule"; and

(2) by adding at the end thereof the following:

"2. (a) The Select Committee on Ethics shall transmit a copy of each report filed with it under title I of the Ethics in Government Act of 1978 (other than a report filed by a Member of Congress) to the head of the employing office of the individual filing the report.

"(b) For purposes of this rule, the head of the employing office shall be—

"(i) in the case of an employee of a Member, the Member by whom that person is employed;

"(ii) in the case of an employee of a Committee, the chairman and ranking minority member of such Committee;

"(iii) in the case of an employee on the leadership staff, the Member of the leadership on whose staff such person serves; and

"(iv) in the case of any other employee of the legislative branch, the head of the office in which such individual serves.".

SEC. 204. PRESIDENT'S COMMISSION ON THE FEDERAL APPOINTMENT PROCESS.

(a) ESTABLISHMENT.—There shall be established an advisory commission in the executive branch to study the best means of simplifying the Presidential appointment process, in particular by reducing the number and complexity of forms to be completed by nominees. The Commission shall be known as the President's Commission on the Federal Appointment Process.

(b) MEMBERSHIP.—The Commission shall be composed of ten members who shall serve until the expiration of the Commission, unless they are removed, resign, or die. Six members shall be appointed by the President, two members shall be appointed by the majority leader of the Senate, and two members shall be appointed by the minority leader of the Senate. Five members shall constitute a quorum and vacancies shall be filled in the same manner as initial appointments.

(c) APPOINTMENTS.—Members shall be chosen by the President from among those officers and employees of the three branches of the Federal Government. Members shall receive no additional salary for service on the Commission, but shall receive reimbursement for actual expenses incurred.

(d) REPORT.—The Commission shall present its report to the President no later than ninety days after its first meeting.

TITLE III—GIFTS AND TRAVEL

SEC. 301. GIFTS TO SUPERIORS.

Section 7351 of title 5, United States Code, is amended by—

(1) adding "(a)" before "An employee may not"; and

(2) striking the final sentence and inserting the following:

"(b) An employee who violates this section shall be subject to appropriate disciplinary action by the employing agency or entity under chapter 75 of this title.

"(c) The Office of Government Ethics is authorized to issue regulations implementing this section, including regulations exempting voluntary gifts or contributions that are given or received for special occasions such as marriage or retirement or under other similar circumstances.".

SEC. 302. TRAVEL ACCEPTANCE AUTHORITY.

Subchapter III of chapter 13 of subtitle 2 of title 31, United States Code is amended by adding at the end thereof the following:

"§ 1352. Travel acceptance authority

"(a) Notwithstanding any other provision of law, in accordance with uniform regulations which the Administrator, General Services Administration, in consultation with the Office of Government Ethics, shall prescribe to prevent conflicts of interest, the head of any executive branch agency is authorized to accept payment and reimbursement, in cash or in kind, from non-Federal agencies, organizations, and individuals for travel, subsistence and other necessary expenses incurred by its employees in traveling to attend meetings, conferences, training, public speaking engagements, and similar functions concerning or related to the functions or activities of the agency or entity. Except as provided in subsections (d) and (e) hereof, any payment or reimbursement accepted shall be credited to the appropriated funds of the agency or entity. Subject to limitations provided in regulations issued by the Administrator, General Services Administration, the amount of travel, subsistence, and other necessary expenses for employees paid or reimbursed under this subsection may exceed per diem amounts established in official travel regulations. In addition, no payment or reimbursement may be accepted—

"(1) that attaches conditions inconsistent with applicable laws or regulations, or

"(2) that is conditioned upon or will require the expenditure of appropriated funds unless such expenditure has been authorized by Act of Congress.

"(b) For purposes of this section, the term—

"(1) 'executive branch' means any executive agency, as defined in section 105 of title 5, and any other entity or administrative unit in the executive branch.

"(2) 'employee' means:

"(A) an officer or employee of the executive branch;

"(B) an expert or consultant who is under contract under section 3109 of title 5 with an executive branch agency or entity as defined in this section, including in the case of an organization performing services under such section, any individual involved in the performance of such services; and

"(C) the spouse of an individual described in paragraphs (A) and (B) when the spouse has been invited to accompany the employee while that employee is performing services for the agency as described in subsection (a).

"(c) Except as provided in section 4111 of title 5 this section shall be the only authority for the acceptance by executive branch employees, of payment or reimbursement for travel expenses for the activities outlined in subsection (a).

"(d) Any executive branch agency that fails to follow the procedures prescribed by or approved by the General Services Administration under this section shall transfer any payment or reimbursement received for such travel expenses to the General Fund of the Treasury. The value of any in-kind services accepted under such circumstances by the traveling employee shall be paid from the appropriated funds of the agency to the General Fund of the Treasury or shall be paid to the donor, whichever is most appropriate under the circumstances.

"(e) An executive branch employee who personally accepts payment or reimbursement or accepts in-kind services for official travel expenses from a source other than the United States Government, in disregard of the requirements of this section and the regulations promulgated thereunder, may, in addition to any other penalty imposed by law, be required to pay the full amount of the payment or reimbursement of the fair market value of the in-kind services, whichever was accepted, to the General Fund of the Treasury and shall receive no offsetting payments from the United States Government.".

"(f)(1) Each executive branch agency which accepts payment or reimbursement under this section shall report to the Office of Government Ethics the amount of each payment or reimbursement received in excess of $250, the names of the payor and the employees involved, the date and places of the travel, and the nature of the expenses paid or reimbursed.

"(2) The reports required by paragraph (1) shall be transmitted to the Office of Government Ethics on October 1 and April 1 of each year and shall cover payments and reimbursements received in the previous 6 months. The Office of Government Ethics shall make each such report available for public inspection and copying.".

SEC. 303. GIFTS TO FEDERAL EMPLOYEES.

(a) IN GENERAL.—Subchapter V of chapter 73 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 7353. Gifts to Federal employees

"(a) Except as permitted by subsection (b), no Member of Congress or officer or employee of the executive, legislative, or the judicial branches shall solicit or accept anything of value from a person seeking official action from, doing business with, or conducting activities regulated by the individual's employing agency, or whose interests may be substantially affected by the performance or nonperformance of the individual's official duties.

"(b)(1) Each supervising ethics office is authorized to issue rules or regulations implementing the provisions of this section and providing for such reasonable exceptions as may be appropriate.

"(2)(A) Subject to subparagraph (B), a Member, officer, or employee may accept a gift pursuant to rules or regulations established by such individual's supervising ethics office pursuant to paragraph (1).

"(B) No gift may be accepted pursuant to subparagraph (A) in return for being influenced in the performance of any official act.

"(3) Nothing in this section precludes a Member, officer, or employee from accepting gifts on behalf of the United States Government or any of its agencies in accordance with statutory authority.

"(c) An employee who violates this section shall be subject to appropriate disciplinary and other remedial action in accordance with any applicable laws, Executive orders, and rules or regulations.

"(d) For purposes of this section, the term 'supervising ethics office' means—

"(1) the Committee on Standards of Official Conduct of the House of Representatives or the House of Representatives as a whole, for Members and employees of the House of Representatives;

"(2) the Select Committee on Ethics of the Senate, or the Senate as a whole, for Senators and employees of the Senate;

"(3) the Judicial Ethics Committee for judges and judicial branch employees; and

"(4) the Office of Government Ethics for all executive branch employees.".

(b) AMENDMENT TO TABLE OF CONTENTS.—The table of contents for chapter 73 of title 5, United States Code, is amended by adding at the end thereof the following new item:

"7353. Gifts to Federal employees.".

SEC. 304. AMENDMENTS TO THE SENATE RULES.

(a) GIFTS.—Paragraph 1(a) of rule XXXV of the Standing Rules of the Senate is amended by—

(1) inserting "(1)" before "No Member" in the first sentence;

(2) adding the following new paragraph after the first sentence:

"(2) No Member, officer, or employee of the Senate, or the spouse or dependent thereof, shall knowingly accept, directly or indirectly, any gift or gifts having an aggregate value exceeding $300 during a calendar year from any person, organization, or corporation unless, in an unusual case, a waiver is granted by the Select Committee on Ethics.";

(3) inserting "(3)" before "In determining";

(4) striking "whether an individual has accepted any gift or gifts having an aggregate value exceeding $100" and inserting "the aggregate value of any gift or gifts accepted by an individual"; and

(b) CHANGE OF DOLLAR AMOUNTS.—Paragraph 1(c)(2) of rule XXXV is amended by striking "$35" and inserting "$75".

(c) INCLUSION OF ENTERTAINMENT WITHIN THE DEFINITION OF A GIFT.—Paragraph 2(a)(6) of rule XXXV of the Standing Rules of the Senate is amended by striking "meals, beverages, or entertainment" both places it appears and inserting "meals or beverages".

(d) LIMITS ON DOMESTIC AND FOREIGN TRAVEL BY MEMBERS AND STAFF OF THE SENATE.—Paragraph 2 of rule XXXV of the Standing Rules of the Senate is amended by adding at the end thereof the following:

"(c) For purposes of this paragraph, the term 'necessary expenses' means reasonable expenses for food, lodging, or transportation which are incurred by a Member, officer, or employee of the Senate in connection with services provided to (or participation in an event sponsored by) the organization which provides reimbursement for such expenses or which provides the food, lodging, or transportation directly. Necessary expenses do not include the provision of food, lodging, or transportation, or the payment for such expenses, for a continuous period in excess of 3 days (and 2 nights) exclusive of travel time within the United States or 7 days (and 6 nights) exclusive of travel time outside of the United States unless such travel is approved by the Committee on Ethics as necessary for participation in a conference, seminar, meeting or similar matter. Necessary expenses do not include the provision of food, lodging, or transportation, or the payment for such expenses, for anyone accompanying a Member, officer, or employee of the Senate, other than the spouse of a Member, officer, or employee of the Senate or one Senate employee acting as an aide to a Member.".

TITLE IV—AMENDMENTS TO TITLE 18 OF THE UNITED STATES CODE

SEC. 401. AMENDING TITLE 18, UNITED STATES CODE SEC. 202.

Section 202 of title 18, United States Code, is amended by adding at the end thereof the following new subsections:

"(c) Except as otherwise provided in such sections, the terms 'officer' and 'employee' in sections 203, 205, 207, 208 and 209 of this title, mean those individuals defined in sections 2104 and 2105 of title 5. The terms 'officer' and 'employee' shall not include the President, the Vice President, a Member of Congress or a Federal judge.

"(d) The term 'Member of Congress' in sections 204 and 207 shall include:

"(1) a United States Senator;

"(2) a Member of the United States House of Representatives;

"(3) a Delegate to the United States Congress; and

"(4) a Resident Commissioner to the United States Congress.

"(e) As used in this chapter, the term—

"(1) 'executive branch' means any executive agency, as defined in title 5, United States Code, and any other entity or administrative unit in the executive branch;

"(2) 'judicial branch' means the Supreme Court of the United States; the United States Court of Appeals; the United States District Courts; the Court of International Trade; and the United States Bankruptcy Courts; any court created pursuant to article I of the United States Constitution, including the Court of Military Appeals, the United States Claims Court, and the United States Tax Court, but not including a court of a territory or possession of the United States; the Federal Judicial Center; and any other agency, office or entity in the judicial branch; and

"(3) 'legislative branch' means—

"(A) a Member of the United States Senate or the United States House of Representatives, or any officer or employee of the United States Senate or United States House of Representatives; and

"(B) an officer or employee of the Architect of the Capitol, the United States Botanic Garden, the General Accounting Office, the Government Printing Office, the Library of Congress, the Office of Technology Assessment, the Congressional Budget Office, the United States Capitol Police, and any other agency, entity, office, or commission established in the legislative branch.".

SEC. 402. AMENDING 18 U.S.C. 203.

Section 203 of title 18, United States Code, is amended by—

(1) striking "services" the first time it appears in subsection (a)(1) and inserting "representational services, as agent or attorney or otherwise,";

(2) striking "shall be fined under this title or imprisoned for not more than two years,

or both; and shall be incapable of holding any office of honor, trust, or profit under the United States" in subsection (a) and inserting "shall be subject to the penalties set forth in section 216 of this title,";

(3) inserting "representational" before "services" in subsection (a)(2);

(4) inserting "Member Elect" after "Member" in subsection (a)(2);

(5) inserting "Delegate Elect" after "Delegate" in subsection (a)(2);

(6) striking "including the District of Columbia" in subsection (a)(1)(B);

(7) striking "or" at the end of subsection (a) and adding the following new paragraph (b):

"(b) Whoever, otherwise than as provided by law for the proper discharge of official duties, directly or indirectly demands, seeks, receives, accepts, or agrees to receive or accept any compensation for any representational services as agent or attorney or otherwise rendered or to be rendered either personally or by another at a time when such person is an officer or employee of the District of Columbia in relation to any proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which the District of Columbia is a party or has a direct and substantial interest, before any department, agency, court martial, officer, or any civil, military, or naval commission; or";

(8) redesignating subsection (b) as subsection (c);

(9) inserting at the end, new subsections as follows:

"(d) Nothing in this section prevents an officer or employee, including a special Government employee, from acting, with or without compensation, as agent or attorney for or otherwise representing his parents, spouse, child, or any person for whom, or for any estate for which, he is serving as guardian, executor, administrator, trustee, or other personal fiduciary except—

"(1) in those matters in which he has participated personally and substantially as a Government employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise; or

"(2) in those matters that are the subject of his official responsibility.

"(e) Nothing in this section prevents a special Government employee from acting as agent or attorney for another person in the performance of work under a grant by, or a contract with or for the benefit of, the United States provided that the head of the department or agency concerned with the grant or contract shall certify in writing that the national interest so requires and publishes such certification in the Federal Register.".

SEC. 403. AMENDING 18 U.S.C. 204.

Section 204 of title 18, United States Code, is amended to read as follows:

"§ 204. Practice in United States Claims Court or the United States Court of Appeals for the Federal Circuit by Members of Congress

"Whoever, being a Member of Congress or Member of Congress-elect, practices in the United States Claims Court or the United States Court of Appeals for the Federal Circuit shall be subject to the penalties set forth in section 216 of this title.".

SEC. 404. AMENDING 18 U.S.C. 205.

Section 205 of title 18, United States Code, is amended to read as follows:

"§ 205. Activities of officers and employees in claims against and other matters affecting the Government

"(a) Whoever, being an officer or employee of the United States in the executive, legislative, or judicial branch of the Government or in any agency of the United States, other than in the proper discharge of his official duties—

"(1) acts as agent or attorney for prosecuting any claim against the United States, or receives any gratuity, or any share of or interest in any such claim in consideration of assistance in the prosecution of such claim; or

"(2) acts as agent or attorney for anyone before any department, agency, court, court-martial, officer, or any civil, military or naval commission in connection with any covered matter in which the United States is a party or has a direct interest;

shall be subject to the penalties set forth in section 216 of this title.

"(b) Whoever, being an officer or employee of the District of Columbia or an officer or employee of the Office of the United States Attorney for the District of Columbia, otherwise than in the proper discharge of official duties—

"(1) acts as agent or attorney for prosecuting any claim against the District of Columbia, or receives any gratuity, or any share of or interest in any such claim in consideration of assistance in the prosecution of such claim; or

"(2) acts as agent or attorney for anyone before any department, agency, court, officer, or any commission in connection with any covered matter in which the District of Columbia is a party or has a direct interest;

shall be subject to the penalties set forth in section 216 of this title.

"(c) A special Government employee shall be subject to subsection (a) only in relation to a covered matter involving a specific party or parties—

"(1) in which he has at any time participated personally and substantially as a Government employee or special Government employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise; or

"(2) which is pending in the department or agency of the Government in which he is serving.

Paragraph (2) shall not apply in the case of a special Government employee who has served in such department or agency no more than sixty days during the immediately preceding period of three hundred and sixty-five consecutive days.

"(d) Nothing in subsection (a) or (b) prevents an officer of employee, if not inconsistent with the faithful performance of his duties, from acting without compensation as agent or attorney for, or otherwise representing, any person who is the subject of disciplinary, loyalty, or other personnel administration proceedings in connection with those proceedings.

"(e) Nothing in subsection (a) or (b) prevents an officer or employee, including a special Government employee, from acting, with or without compensation, as agent or attorney for, or otherwise representing, his parents, spouse, child, or any person for whom, or for any estate for which, he is serving as guardian, executor, administrator, trustee, or other personal fiduciary except—

"(1) in those matters in which he has participated personally and substantially as a Government employee or special Government employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise, or

"(2) in those matters which are the subject of his official responsibility,

subject to approval by the Government official responsible for appointment to his position.

"(f) Nothing in subsection (a) or (b) prevents a special Government employee from acting as agent or attorney for another person in the performance of work under a grant by, or a contract with or for the benefit of the United States providing that the head of the department or agency concerned with the grant or contract shall certify in writing that the national interest so requires and publish such certification in the Federal Register.

"(g) Nothing in this section prevents an officer or employee from giving testimony under oath or from making statements required to be made under penalty for perjury or contempt.

"(h) For the purpose of this section the term 'covered matter' means any judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, investigation, charge, accusation, arrest or other particular matter.".

SEC. 405. AMENDING 18 U.S.C. 208.

Section 208 of title 18, United States Code, is amended—

(1) in subsection (a) by striking "Shall be fined not more than $10,000, or imprisoned not more than two years, or both." and inserting "Shall be subject to the penalties set forth in section 216 of this title."; and

(2) in subsection (b)—

(A) by striking "or" at the end of paragraph (1);

(B) by inserting after "general rule or regulation" in paragraph (2) the following: "issued by the Office of Government Ethics applicable to all or a portion of the officers or employees covered by this section and"; and

(C) by striking the final sentence and inserting the following:

"(3) in the case of a special Government employee serving on an advisory committee within the meaning of the Federal Advisory Committee Act, 5 U.S.C. App. 2 (including an individual being considered for an appointment to such a position), the official responsible for the employee's appointment, after review of a financial disclosure report filed pursuant to section 207 of the Ethics in Government Act, as amended, certifies in writing that the need for the individual's services outweighs the potential for a conflict of interest created by the financial interest involved; or

"(4) the financial interest that would be affected is that resulting solely from the interest of such officer or employee, his or her spouse, or minor child in birthrights in a federally recognized Indian tribe, Pueblo, or Alaska Native corporation established pursuant to the Alaska Native Claims Settlement Act or in an individual or tribal allotment or claims fund, provided that the covered matter does not involve the tribe, Pueblo, or Alaska Native corporation as a specific party or parties.

"(c)(1) For the purpose of paragraph (1) of subsection (b), in the case of class A and B directors of Federal Reserve Banks, the Board of Governors of the Federal Reserve System shall be deemed the Government official responsible for appointment.

"(2) The potential availability of an exemption under any particular paragraph of

subsection (b) does not preclude an exemption being granted pursuant to another paragraph of subsection (b).

"(d)(1) A copy of any determination by other than the Director of the Office of Government Ethics granting an exemption pursuant to subsection (b)(1) or (b)(3) shall be submitted to the Director, who shall make all determinations available to the public pursuant to section 205 of the Ethics in Government Act. For determinations pursuant to subsection (b)(3), the information from the financial disclosure report of the covered person describing the asset or assets that necessitated the waiver shall also be made available to the public. This subsection shall not apply, however, if the head of the agency or his or her designee determines that the determination involves classified information.

"(2) The Office of Government Ethics after consultation with the Attorney General shall issue uniform regulations for the issuance of waivers and exemptions under subsection (b) which shall—

"(A) list and describe exemptions; and

"(B) provide guidance with respect to the types of interests that are too remote or inconsequential to be conflicts of interest.".

SEC. 406. AMENDING 18 U.S.C. 209.

Section 209(a) of title 18, United States Code, is amended by striking "Shall be fined not more than $5,000 or imprisoned not more than one year, or both." and inserting "shall be subject to the penalties set forth in section 216 of this title.".

SEC. 407. PENALTIES AND INJUNCTIONS.

(a) IN GENERAL.—Chapter 11 of title 18, United States Code, is amended by adding the following new section:

"§ 216. Penalties and injunctions

"(a) The punishment for an offense under sections 203, 204, 205, 207, 208, 209, and 220 of this title is the following—

"(1) whoever engages in the conduct constituting the offense shall be imprisoned for not more than one year or fined in the amount set forth in this title, or both; or

"(2) whoever willfully engages in the conduct constituting the offense shall be imprisoned for not more than five years or fined in the amount set forth in this title, or both.

"(b) The Attorney General may bring a civil action in the appropriate United States district court against any person who engages in conduct constituting an offense under sections 203, 204, 205, 207, 208, 209, and 220 of this title and, upon proof of such conduct by a preponderance of the evidence, such person shall be subject to a civil penalty of not more than $50,000 for each violation or the amount of compensation which the person received or offered for the prohibited conduct, whichever amount is greater. The imposition of a civil penalty under this subsection does not preclude any other criminal or civil statutory, common law, or administrative remedy, which is available by law to the United States or any other person.

"(c) Whenever it appears that any person is engaged or is about to engage in any conduct that constitutes or will constitute an offense under section 203, 204, 205, 207, 208, 209, or 220 of this title, the Attorney General may initiate a proceeding in a district court of the United States to enjoin such conduct. The court shall proceed as soon as practicable to the hearing and determination of such an action and may, at any time before final determination, enter such a restraining order or prohibition, or take such other action, as is warranted to prevent a continuing and substantial injury to the United States or to any person for whose protection the action is brought. A proceeding under this section is governed by the Federal Rules of Civil Procedure, except that, if an indictment has been returned against the respondent, discovery is governed by the Federal Rules of Criminal Procedure.".

(d) TABLE OF SECTIONS.—The section heading for chapter 11 of title 18, United States Code, is amended by inserting after the item relating to section 215 the following:

"216. Penalties and injunctions.".

SEC. 408. PROHIBITION ON CONTINGENCY FEES FOR LOBBYISTS OF THE EXECUTIVE AND LEGISLATIVE BRANCHES.

(a) IN GENERAL.—Chapter 11 of title 18, United States Code, is amended by—

(1) inserting between sections 219 and 223, the following new section:

"§ 220. Contingency fees in lobbying

"(a)(1) It shall be unlawful for any person knowingly to be employed as an agent or attorney for or otherwise represent any person other than the United States, or with intent to influence, to be employed to make any oral or written communication on behalf of any other person other than the United States to any department, agency, court, or commission of the United States, or any officer or employee for compensation if such compensation is dependent in any way—

"(A) upon any action of Congress, including but not limited to actions of either the House of Representatives or the Senate, or any committee or member thereof, or the passage or defeat of any proposed legislation;

"(B) upon the securing of an award, or upon the denial of an award, of a contract or grant by establishment of the Federal Government; or

"(C) upon the securing, or upon the denial, of any Federal financial assistance or any other Federal contract or grant.

"(2) The provisions of paragraph (1) shall not apply in any case involving the collection of any amount owed on a debt owed to a person by the Federal Government or a contract or tort claim against the Federal Government.

"(b) Any person who violates the provisions of this section shall be subject to the penalties set forth in section 216 of this title."; and

(2) amending the table of sections by striking out the item between the item relating to section 219 and the item relating to section 224 and inserting in lieu thereof the following:

"220. Contingency fees in lobbying.".

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective on the date of enactment of this Act and shall apply to any contract entered into on or after such date of enactment.

TITLE V—OTHER ETHICS REFORMS

SEC. 501. REFERRAL OF ETHICS VIOLATIONS BY THE SENATE ETHICS COMMITTEE TO THE GENERAL ACCOUNTING OFFICE FOR INVESTIGATION.

If the Committee on Ethics of the Senate determines that there is a reasonable basis to believe that a Member, officer, or employee of the Senate may have committed an ethics violation, the committee may request the Office of Special Investigations of the General Accounting Office to conduct factfinding and an investigation into the matter. The Office of Special Investigations shall promptly investigate the matter as directed by the committee.

SEC. 502. DEFERRAL OF CAPITAL GAINS FOR INDIVIDUALS DIVESTING ASSETS TO AVOID A CONFLICT OF INTEREST.

(a) IN GENERAL.—Part III of subchapter O of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new section:

"SEC. 1043. SALE OF PROPERTY TO COMPLY WITH CONFLICT-OF-INTEREST REQUIREMENTS.

"(a) NONRECOGNITION OF GAIN OR LOSS FROM SALES OR OTHER DISPOSITIONS.—No gain or loss shall be recognized on the sale or other disposition of property held for productive use in a trade or business or for investment by an eligible person pursuant to a certificate of divestiture if the proceeds of sale are reinvested in an approved neutral investment within the period prescribed in subsection (e).

"(b) GAIN FROM PARTIAL REINVESTMENTS.—If any proceeds of a sale or other disposition described in subsection (a) are not reinvested in an approved neutral investment within the period prescribed in subsection (e), then the gain, if any, to the taxpayer shall be recognized, but in an amount not in excess of the amount of such proceeds.

"(c) LOSS FROM PARTIAL REINVESTMENTS.—If any proceeds of a sale or other disposition described in subsection (a) are not reinvested in an approved neutral investment within the period prescribed in subsection (e), then no loss shall be recognized.

"(d) DEFINITIONS.—For purposes of this section—

"(1) ELIGIBLE PERSON.—The term 'eligible person' means—

"(A) an officer or employee of the executive branch (other than a special Government employee as defined in section 202 of title 18, United States Code); and

"(B) a spouse or minor or dependent child, who holds property, the ownership of which is attributed, pursuant to any Federal conflict of interest statute, regulation, or rule, to a person described in subparagraph (A).

"(2) CERTIFICATE OF DIVESTITURE.—The term 'certificate of divestiture' means a written determination that—

"(A) divestiture of specific property is reasonably necessary to comply with section 208 of title 18, United States Code, or any other Federal conflict of interest statute, regulation, or rule;

"(B) has been issued by the Director of the Office of Government Ethics; and

"(C) identifies the specific property of which divestiture is required.

"(3) APPROVED NEUTRAL INVESTMENT.—The term 'approved neutral investment' means obligations of the United States Treasury or a diversified investment fund which is approved by the Office of Government Ethics pursuant to regulations issued by the Director of the Office of Government Ethics.

"(e) REINVESTMENT PERIOD.—Subsection (a) shall apply to reinvestments in an approved neutral investment made within 60 days after the later of—

"(1) the date of the sale or other disposition, or

"(2) the date of the certificate of divestiture.

"(f) SALE OR OTHER DISPOSITION PRIOR AND SUBSEQUENT TO ISSUANCE OF CERTIFICATE OF DIVESTITURE.—Subsection (a) shall apply to all sales or other dispositions of property identified in a certificate of divestiture that

are made by an eligible person and that occur within the period beginning on the date of the issuance of the certificate of divestiture and ending 60 days subsequent to the issuance of such certificate.

"(g) BASIS.—The basis of an approved neutral investment acquired in a transaction described in this section shall be the same as that of the property sold or otherwise disposed of, decreased by the amount of any proceeds received by the taxpayer which was not reinvested in an approved neutral investment within the period prescribed in subsection (e), and increased by the amount of gain to the taxpayer recognized in the transaction. If more than one approved neutral investment is made, the basis determined under this subsection shall be allocated to the approved neutral investments in proportion to their respective costs.

"(h) REGULATIONS.—The Director of the Office of Government Ethics shall prescribe such regulations as may be appropriate to carry out the purposes of this section. Certificates of divestiture shall be issued pursuant to such regulations and shall be made available for public inspection.".

(b) AMENDMENT TO TABLE OF CONTENTS.—The table of sections for part III of subchapter O of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new item:

"Sec. 1043. Sale of property to comply with conflict-of-interest requirements.".

SEC. 503. PROHIBITING MEMBERS OF CONGRESS FROM CONVERTING EXCESS CAMPAIGN FUNDS.

Section 313 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439a) is amended by striking all beginning with "with respect to" through "January 8, 1980,".

SEC. 504. AMENDMENT TO 2 U.S.C. 441i.

Section 323 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441i) is amended—

(1) by amending subsection (d) to read as follows:

"(d) For purposes of determining the time of acceptance of an honorarium, an honorarium shall be treated as accepted only in the year in which that honorarium is earned.".

(2) by adding at the end the following new subsection:

"(e) This section shall be administered by the supervising ethics office of each branch of Government, as defined in section 109(18) of the Ethics in Government Act, for employees of such branch.".

SEC. 505. REPEAL OF CERTAIN OBSOLETE PROVISIONS.

(a) RESTRICTION ON PAYMENT TO CERTAIN RETIRED MILITARY OFFICERS.—Subsection (a) of section 801 of title 37, United States Code, is repealed.

(b) INTERIOR APPROPRIATIONS.—Section 319 of the Act of September 27, 1988 (Interior Department Appropriations, Fiscal Year 1988) (Public Law 100-446, 102 Stat. 1774, 1826) is repealed.

TITLE VI—RULEMAKING POWER OF THE CONGRESS.

SEC. 601. RULEMAKING POWER OF THE CONGRESS.

The provisions of this Act that are applicable to Members, officers, or employees of the legislative branch are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

LEVIN-RUDMAN ETHICS BILL: SECTION-BY-SECTION ANALYSIS

TITLE I—POST EMPLOYMENT LOBBYING PROHIBITIONS

Title I of the bill revises the current post-employment lobbying statute, by expanding the coverage to Members and top staff of Congress, by barring the very top Executive Branch officials from lobbying all other top Executive Branch officials in addition to their own agency, and by making other changes. Title I is similar to a bill passed by the Congress and sent to the President in the last Congress.

Section 101. Post Employment Restrictions.

207(a)(1). Similar to current law. Bars all Executive Branch employees from lobbying anywhere in the federal government (and District of Columbia employees from lobbying anywhere in the District of Columbia), on behalf of another person, on a particular matter involving specific parties in which they were personally and substantially involved and in which the United States (or the District of Columbia) has a direct interest. This is a lifetime ban.

207(a)(2). Similar to current law. Bars all Executive Branch employees from lobbying anywhere in the federal government (and District of Columbia employees from lobbying anywhere in the District of Columbia) on behalf of another person, on a particular matter involving specific parties, which the employees know or should know was under their official responsibility within the year preceding termination of government service and in which the United States (or the District of Columbia) has a direct interest. This is a 2 year ban.

207(b). Change to current law. Prohibits any Executive Branch employee who was personally and substantially involved in a trade or treaty negotiation on behalf of the United States within the 2 year period preceding termination, from representing, aiding or advising any other person concerning such negotiation. This is a 1 year ban.

207(c). Similar to current law. Bars Executive Branch employees who are paid at or above the GS-17 level and comparable military officers (current law applies only to certain designated GS-17's, members of the Senior Executive Service and comparable military officers) from lobbying their former agency on behalf of another person, on any matter which is pending before such agency or on which such person seeks official action by such agency. This is a 1 year ban.

207(d). Change to current law. Bars all Executive Branch employees who are Executive Level I's and II's from lobbying not only their former agency on behalf of another person on any matter which is pending before such agency or on which such person seeks official action by such agency, as in (c), above, but also bars such employees from lobbying any employee at Executive Levels I through V in any agency. The President would be barred from lobbying anywhere in the Executive Branch. This is a 1 year ban.

207(e). Change to current law. Legislative Branch prohibitions. These are 1 year bans and apply to lobbying on behalf of another person in connection with a matter on which official action is sought.

(1) Bars Members of Congess from lobbying anywhere in the Legislative Branch. Elected officers of each house are barred from lobbying their respective houses.

(2) Personal staff to a Senator or Representative are barred from lobbying their former Member, their former offices and the employees of the Committees and Subcommittee on which their Member served as either Chairman or Ranking Minority Member.

(3) Committee staff are barred from lobbying the Members and staff of their former committee, Members who were on the committee at the time the former staff was employed by the committee, and the personal staffs of the Member who had employed them.

(4) Leadership staff are barred from lobbying the Members and employees of the leadership for the house in which they served and the personal staff of the Member who employed them.

(5) Employees of the other Legislative Branch agencies, such as GAO and the Library of Congress are barred from lobbying their former agencies.

(6) The prohibitions for Legislative Branch employees apply to those employees compensated at a rate equal to or greater than that paid to a GS-17.

(7) Definitions of Congressional Members and staff.

207(f). Change to current law. Bars any person from representing that they are lobbying on behalf of a person who is barred form such lobbying.

207(g). Change to current law. Bars any former employee of the Executive or Legislative Branch who was paid at a rate of GS-17 or above, including the President and Vice President, from representing, aiding or advising a foreign government or foreign political party in a matter before any department or agency of the United States. This is a 1 year ban.

207(h). Requires that any person who is detailed from one agency to another agency shall be deemed, for purposes of this Section as an officer or employee of both agencies.

207(i). Similar to current law. Allows the Office of Government Ethics to designate separate statutory agencies or bureaus within a department or agency in the Executive Branch for purposes of 207(c). Unlike current law, however, it explicitly prohibits any agency or bureau within the Executive Office of the President from being so designated and does not allow any designation to apply to persons employed in Executive Levels III, IV and V.

207(j). Definitions. Some of the terms that are used throughout the Section in current law, have been placed in the definitions section for easier reading.

207(k). Exceptions. Similar to current law.

(1) Excludes any person serving as an officer or employee of the United States or as an elected official of a state or local government from coverage of the lobbying restrictions.

(2) Excludes employees of State or local governments from the one-year lobbying bans if the lobbying is on behalf of such government and excludes employees of an accredited, degree-granting institution or a tax-exempt hospital or medical research organization from the one-year lobbying bans

if the lobbying is related to an effort to obtain a grant through a competitive process.

(3), (4) Makes exceptions of the 1 year ban in (c), (d) and (e) for a communication or appearance on behalf of an international organization of which the United States is a member, personal matters such as income taxes or pension benefits, and making a statement as a witness.

(5) Makes an exception of all the lobbying bans for communications made solely to supply scientifc or technological information, provided the information is provided in the prescribed manner.

(6) Makes an exception of all the restrictions in this Section for giving testimony under oath or penalty of perjury.

207(1). Change to current law. Penalties. The penalties are the same as those for violations of other sections of the criminal ethics laws. See the description of Section 216, below.

Section 102. Effective date. The effective date for this section is 9 months after the date of enactment. For persons who terminate their employment with the federal government prior to the effective date, the provisions of current law apply.

TITLE II—FINANCIAL DISCLOSURE OF FEDERAL PERSONNEL

Title II of the bill would revise the financial disclosure provisions for legislative, executive, and judicial employees that are currently included in three separate titles of the Ethics in Government Act. Under the bill these provisions would be merged into a single title, covering all three branches of government. Section 201 of the bill would repeal Titles II and III of the Ethics in Government Act. Section 202 would amend Title I of the Act to cover all three branches.

New Section 101 of the amended disclosure provisions would take the filing requirements in Section 201 of existing law (applicable to the executive branch) and extend them to the legislative and judicial branches. The supervising ethics office for each branch would be responsible for prescribing appropriate rules and regulations and for granting extensions and waivers. This would not be a substantive change to the filing requirements for any of the three branches.

In addition, Section 101 would:

(a) require financial disclosure by employees in the Executive Office of the President who hold commissions of appointment from the President;

(b) clarify the requirement for financial disclosure by persons subject to Senate confirmation to exempt foreign service officers who are compensated at less than a GS-15 rate (a similar exemption already exists for military officers);

(c) eliminate the financial disclosure requirement for advisory committee staff members who are compensated at less than a GS-16 rate; and

(d) extend financial disclosure requirements to congressional staff who are paid at a GS-15 level or higher (this is done through a new definition of "officer or employee of Congress" in section 109).

New Section 102 states what must be included in financial disclosure reports. Section 102 would change current law by:

(a) creating a new category of disclosure for income in excess of $1,000,000 and raising the de minimis level below which income need not be disclosed from $100 to $200;

(b) raising the de minimis level below which gifts need not be reported from $35 to $75;

(c) narrowing the disclosure exception for loans from family members to cover only loans from spouses, parents, brothers, sisters, or children;

(d) creating two new categories of disclosure for assets from $500,000 to $1,000,000 and assets in excess of $1,000,000 and changing the bottom category to not more than $15,000;

(e) requiring disclosure of gifts received by a dependent child which are not received independent of the relationship to the reporting individual; and

(f) raising civil penalties from $1,000 and $5,000 to $5,000 and $10,000.

New Section 102 would also change the rules governing qualified blind trusts by clarifying the requirement that the trustee be independent of the reporting individual; extending the existing disclosure exemption for widely diversified trust assets to qualified blind trusts created by individuals in all three branches of government; and creating a new disclosure exemption for financial interests held by a widely held and widely diversified investment fund over which the reporting individual exercises no control. Nothing in this section is intended to preclude a supervising ethics office for a branch of government from adopting more restrictive requirements applicable to blind trusts created by officers or employees of such branch.

New Section 103 states with whom reporting individuals would be required to file. Under this provision, officers and employees of each branch would continue to file financial disclosure reports with the supervising ethics office for their own branch.

New Section 104 addresses failure to file and filing of false reports. This provision would increase the civil monetary penalty for knowing and willful failure to file to $10,000. In addition, the section would create a new late filing fee of $200 for individuals who file disclosure reports more than 30 days after such reports are due (including applicable extensions). The supervising ethics office for each branch would be authorized to waive this late filing fee in extraordinary circumstances.

New Section 105 addresses public access to reports. This section would change current law by allowing 30 days before financial disclosure reports are made public. In addition, it would clarify that reports filed by independent counsels whose identity has not otherwise been disclosed to the public are not required to be made public.

New Section 106 establishes procedures for the review of reports. This section would not change review procedures applicable to the executive branch. Financial disclosure statements filed by officers and employees of the Senate, House, and the judicial branch would be reviewed by the Senate Ethics Committee, the House Committee on Standards of Conduct, and the Judicial Ethics Committee, respectively. Each of these supervising ethics offices would be responsible for determining if additional information is required; notifying filing individuals if they are not in accordance with applicable laws and regulations; and determining what additional steps are necessary to assure such compliance. Each supervising ethics office is authorized to issue advisory opinions interpreting financial disclosure requirements for its branch.

New Section 107 would authorize the supervising ethics offices to require officers and employees within its jurisdiction to file confidential financial disclosure reports, in addition to the statutorily required public reports. Nothing in this section is intended to exempt any individual from the requirement to file a public financial disclosure report, if the individual is otherwise covered by the requirement.

New Section 108 would require the Comptroller General to conduct regular studies to determine whether the financial disclosure requirements are effectively carried out.

New Section 109 contains applicable definitions, including new definitions of "Member of Congress", "officer or employee of Congress", "judicial officer", "judicial employee", "congressional ethics committees", "Judicial Ethics Committee", "legislative branch", and "supervising ethics office."

New Section 110 would retain the existing restriction on outside earned income for executive branch officers or employees and add a new prohibition against individuals in all three branches (a) serving on the board of directors of any for-profit corporation or (b) serving for pay on the board of a nonprofit corporation or entity. The new prohibition could be waived by the supervising ethics office for each branch of government, which would also be free to impose more restrictive rules.

New Section 111 would extend to all three branches of government a provision that currently requires executive branch officials to notify the Office of Government Ethics and appropriate congressional committees of actions taken to comply with ethics agreements made with such committees. If no ethics agreement is made with OGE, a congressional committee, or the judicial ethics committee, no action is required under this section.

New Section 112 is a new provision which would clarify that each branch of government continues to be responsible for the administration of financial disclosure requirements with respect to its own officers and employees.

New Section 113 makes the new financial disclosure provisions applicable to reports containing information for calendar year 1990.

Title II of the bill contains two additional provisions. Section 203 of the bill would change the Senate rules to require the Ethics Committee to transmit a copy of each financial disclosure report filed with it to the head of the employing office of the individual filing the report. Section 204 of the bill would create a new Presidential Commission on the federal appointment process, as requested by the President. Six members of this commission would be appointed by the President, and two each by the Majority and Minority leaders of the Senate.

TITLE III—GIFTS AND TRAVEL

Title III of the bill addresses the acceptance of gifts and travel by federal employees.

Section 301 would amend Section 7351 of Title 5, which prohibits executive branch employees from giving anything of value to his superiors. The amendment would authorize the Office of Government Ethics to issue regulations exempting certain categories of gifts from the statue and would subject employees who violate the section to appropriate disciplinary action.

Section 302 would create a new provision, 31 U.S.C. 1352, authorizing executive branch agencies to accept payment or reimbursement from non-federal entities for travel and other expenses incurred by employees in attending meetings, conferences

and similar functions. Regulations implementing this section would be prescribed by the General Services Administration in consultation with the Office of Government Ethics. The provision would require the public disclosure of all payments and reimbursements so accepted (in excess of $250) through the Office of Government Ethics.

Section 303 would create a new provision, 5 U.S.C. 7353, prohibiting officers and employees of all three branches from soliciting or accepting anything of value from a person seeking official action, doing business with, or conducting activities regulated by the individual's employing agency. The provision authorizes each supervising ethics office to issue implementing rules or regulations providing for such reasonable exceptions as may be appropriate. Employees who violate this provision (as implemented by rules and regulations applicable to his or her branch) are subject to appropriate disciplinary action. Nothing in this section is intended to create any exemption or exclusion from the criminal bribery statute, 18 U.S.C. 201(b).

Section 304 would amend the Senate rule XXXV on gifts and travel to make the following changes:

(a) Delete the exception in the existing rule which permits unlimited gifts of entertainment;

(b) Limit necessary travel expenses that may be paid or reimbursed by a private source to 3 days of domestic travel or 7 days of foreign travel (exclusive of travel time) for a Member, officer or employee, a spouse, and one Senate employee acting as an aide;

(c) Raise the de minimis level for gifts from $35 to $75; and

(d) Retain existing restrictions on gifts from persons with a direct interest in legislation and add a new restriction limiting gifts from any other source (other than a relative) to an aggregate value of $300.

The restrictions contained in the amended Senate gifts rules are intended to be interpreted broadly, and the exceptions are intended to be interpreted narrowly. The amended gifts rules are intended as a rule or regulation implementing 5 U.S.C. 7353, as provided in Section 303 of the bill.

TITLE IV—AMENDMENTS TO TITLE 18, UNITED STATES CODE

Title IV of the bill would amend the criminal ethics laws in Title 18 of the U.S. Code.

Section 401 would amend 18 U.S.C. 202 to add new definitions of the statutory terms "officer", "Member of Congress", "executive branch", "judicial branch" and "legislative branch". These new definitions are consistent with existing law, except that the definition of "Member of Congress" is revised to include all Delegates and Resident Commissioners to the Congress.

Section 402 would amend 18 U.S.C. 203, which prohibits Members, officers and employees in all three branches from accepting compensation for services in any proceeding in which the United States is a party or has a direct and substantial interest. The amendment would make the following changes:

(a) Clarify that the "services" prohibited are "representational services as agent or attorney or otherwise";

(b) Replace existing criminal penalties with the alternative felony, misdemeanor, and civil penalties provided in new Section 216;

(c) Treat employees of the District of Columbia separately from other federal employees; and

(d) Clarify the section by placing certain provisos, which are currently codified in 18 U.S.C. 205, directly in the provision itself.

Section 403 would amend 18 U.S.C. 204, which prohibits Members of Congress from practicing before the U.S. Claims Court and the Court of Appeals for the Federal Circuit to replace existing criminal penalties with the alternative felony, misdemeanor, and civil penalties provided in new Section 216.

Section 404 would amend 18 U.S.C. 205, which prohibits officers and employees of the executive, legislative, and judicial branches from acting as agent or attorney in claims against the United States, or in which the United States is a party or has a substantial interest. The amendment would:

(a) Replace existing criminal penalties with the alternative felony, misdemeanor, and civil penalties provided in new Section 216;

(b) Treat employees of the District of Columbia separately from other federal employees; and

(c) Clarify certain provisos in the section by deleting references to separate prohibitions in 18 U.S.C. 203.

Section 405 would amend 18 U.S.C. 208, which prohibits conflicts of interest for executive branch employees. The amendment would create new statutory exceptions for (a) certain special Government employees serving on advisory committees and (b) certain conflicts of interest that result solely from the birth rights of native Americans. The amendment would also clarify that regulations excepting certain categories of employees or certain types of financial interests from the rule may be issued only by the Office of Government Ethics and would require that all waivers granted pursuant to such regulations be made available to the public. Finally, the amendment would replace existing criminal penalties with the alternative felony, misdemeanor, and civil penalties provided in new Section 216.

Section 406 would amend 18 U.S.C. 209, which prohibits the supplementation of the salary of an executive branch officer or employee to replace existing criminal penalties with the alternative felony, misdemeanor, and civil penalties provided in new Section 216.

Section 407 would create a new section of the criminal code, 18 U.S.C. 216, which would create alternative felony, misdemeanor, and civil penalties for Sections 203, 204, 205, 207, 208, 209, and 220, and authorize the Attorney General to seek an injunction against ongoing conduct that violates these sections.

The new misdemeanor penalty for violations of the enumerated sections is a sentence of not more than one year. The new felony penalty, which applies to willful violations, is a sentence of not more than five years. The civil penalty is a fine of up to $50,000. The civil penalty is not intended to be exclusive of any other form of relief otherwise available to the United States or any other party.

Section 408 would add a new section of the criminal law, 18 U.S.C. 220, which would prohibit contingency fees for lobbying federal officials. Subsection (a)(2) exempts contingency fees paid in connection with litigation. Alternative criminal, misdemeanor, and civil penalties are provided in new Section 216.

TITLE V—OTHER ETHICS REFORMS

Section 501 of the bill would authorize the Senate Ethics Committee to refer matters to the Office of Special Investigations of the General Accounting Office, whenever there is a reasonable basis to believe that a Member, officer, or employee of the Senate has committed an ethics violation.

Section 502 would amend the Internal Revenue Code to provide a tax deferment to executive branch appointees who are required to divest capital assets as a condition of taking office.

Section 503 would amend the Federal Election Campaign Act of 1971 by deleting the "grandfather clause" which permits Members elected before January 9, 1980 to convert excess campaign funds to personal use.

Section 504 would amend 2 U.S.C. 441i to clarify that honoraria are treated as accepted in the year in which they are earned (not the year in which they are received) and that the supervising ethics office of each branch of government is responsible for administering this provision.

Section 505 would repeal 37 U.S.C. 801(a) (restricting payment to certain retired military officers) and Section 319 of the Interior Department Appropriations Act for Fiscal Year 1988 (which is no longer necessary in light of the bill's amendment to 18 U.S.C. 208 dealing with Indian birthrights).

Mr. RUDMAN. Mr. President, let me first just say something about my friend from Michigan, Senator LEVIN. This is not the first time we have worked together over the last 9 years on a number of issues. He brings an extraordinarily keen legal mind, a highly developed sense of ethics, and an important desire to accomplish the things that need to be accomplished. It has been a pleasure working with him and, I might add, working with those on the House side.

I was kind of interested, Mr. President, to see in one of the local newspapers, the Washington Post, this morning a story that said we had "cobbled together"—that is a quote—this ethics bill in the last day or two. It goes to show you how much attention that reporter pays to what goes on around here. This was a 7-month ongoing effort with the House to try to come up with an agreed consensus and a bipartisan bill. It is bipartisan in every sense.

Mr. President, Senator LEVIN and I are today introducing the Government Ethics Reform Act of 1989. This measure is the most comprehensive overhaul of Government ethics statutes and Senate ethics rules in over a dozen years. It is a strong measure which will help ensure both the actuality and appearance of high ethical standards in Government. At the same time, it recognizes that ethics rules and regulations must be clear, easy to obey, and cannot be so intrusive that the most qualified individuals become unwilling to accept Government employment.

This measure is the product of 11 months of work. It builds on the report of the Commission on Federal Ethics Law Reform, which President Bush created in January, and the Governmentwide Ethics Act of 1989 that he proposed on April 12.

The Senate majority and minority leaders followed up on the President's action by appointing special ethics task forces to review the many complicated issues that fall within the area of ethics reform. Senator LEVIN and I had the fortune, maybe misfortune, to be named as the respective chairmen. We have been working with our task forces, the administration, the House, and each other since then, and today's bill is the product.

The reason it took so much work to produce this bill, and the reason both sides had to appoint task forces to address the subject, is because of the wide-ranging nature of the issues that fall under the label of ethics. That is evidenced by this bill; it contains provisions within the jurisdiction of the Governmental Affairs, Judiciary, Rules, Finance, and Ethics Committees.

Title I of this bill extends the post-employment contact prohibitions to Congress, and strengthens the law for all three branches. It builds on the legislation which Congress passed in 1988, sponsored by Senators THURMOND and METZENBAUM, but which unfortunately failed to become law.

Title II of the measure establishes uniform financial disclosure requirements for all three branches, and make some important reforms in those requirements. These include requiring termination reports in the legislative branch as is already required for the executive and the judiciary, creating new categories for asset valuation to help better identify serious conflicts of interest, requiring disclosure of loans from nonimmediate relatives, and strengthening the process for review of financial disclosure reports to identify conflicts of interest. This title also includes new restrictions on Board service applicable to the entire government.

Title III of the bill imposes new gift and travel limits on the Senate to ensure that there is no appearance of impropriety when Senators and staff accept gifts or travel. The key provisions are elimination of the provision in the Senate rule which permits unlimited acceptance of entertainment and the imposition of a new ceiling on the size of gifts from individuals without a direct interest in legislation, including friends and acquaintances. The existing $100 ceiling on gifts from so-called "prohibited sources"—that is, lobbyists, individuals running a political action committee, and officers and directors of organizations which employ a lobbyist or maintain a PAC—remains in effect. Title III also imposes limits on all non-Government paid travel where the Senator is receiving reimbursement for his expenses. The limit would be 3 days for domestic trips and 7 days for foreign travel. This new restriction is in addition to the restrictions which already exist in Senate rules. Finally, this title includes language requested by President Bush relating to the acceptance of gifts and reimbursements for travel relating to the executive branch.

Title IV includes a number of clarifying and technical provisions to the criminal ethics laws found in sections 201 to 209 of title 18 of the United States Code. We would also strengthen the enforcement of these laws by authorizing civil and misdemeanor penalties and permitting the Attorney General to seek injunctions to stop the offensive behavior.

Finally, title V includes a number of miscellaneous reforms. These include the repeal of the grandfather clause which permits retiring Members to convert excess campaign funds to personal use, and a tax rollover provison requested by the administration to enable officials to defer tax payments resulting from capital gains when the official is required to sell property to avoid conflicts of interest.

To answer the most common question before it is asked, there is nothing in this measure relating to congressional pay, honoraria, or campaign finance reform. These are three extremely important issues which are being worked on by other Members. They are not within the jurisdiction of the task forces headed by Senator LEVIN and me.

In closing, Mr. President, I would like to express my appreciation to Senator LEVIN for his hard work and excellent counsel in developing this bill. This is a truly bipartisan bill, which reflects the fact that ethics is not a partisan issue. I would also like to commend the Republican Ethics Task Force for their work and assistance in developing the measure. The counsel and advice of Senator THURMOND, Senator STEVENS, Senator ROTH, Senator DANFORTH, Senator WALLOP, and Senator LOTT, with their extensive experiences in this area, has been truly invaluable.

Finally, I would urge all my colleagues to carefully review this measure immediately. This is an important bill which affects the entire Government, including the Senate, is likely to be brought before the Senate for consideration prior to adjournment, and Members should be familiar with it.

Let me also pay tribute to the majority leader, Senator MITCHELL, and the minority leader, Senator DOLE, who mandated these two task forces to come together and work for the agreed solution which we have.

I wish to point out that there was one thing not incuded in this particular package of legislation, and that, of course, relates to congressional pay, honoraria, or campaign reform. Those three issues were not assigned to this task force. They are being handled by the leadership or by other committees with primary jurisdiction.

I hope that the House will act on this fairly promptly and that when it gets to the Senate, we will have discussion, debate, and an overwhelming vote for this package, which truly is substantial reform in the area of ethics.

By Mr. KENNEDY:

S. 1883. A bill to amend the Public Health Service Act to establish a center for tobacco products, to inform the public concerning the hazards of tobacco use, to disclose and restrict additives to such products, and to require labeling of such products to provide information concerning such products to the public, and for other purposes; to the Committee on Labor and Human Resources.

TOBACCO PRODUCT EDUCATION AND HEALTH PROTECTION ACT OF 1990

● Mr. KENNEDY. Mr. President, we are here today to announce the introduction of legislation proposing a new national effort to reduce smoking and tobacco use in our society.

In the past quarter century, we have learned a great deal about the harmful effects of smoking, but our response has consistently been inadequate. The power and influence of the private tobacco industry have overwhelmed the public interest.

People across the country are ahead of Congress on this issue. Encouraged by the success of local initiatives, the Senate and the House have begun to take more effective action such as Senator LAUTENBERG's measure to ban smoking on airplanes.

We believe that the time is ripe for far reaching additional antismoking legislation. If the town of Greensboro, NC, can successfully challenge the tobacco lobby, so can Congress.

In the past quarter century, we have learned a great deal about the harmful effects of smoking. Tobacco use is public health enemy No. 1 in America today.

It is the leading preventable cause of death. One out of every six Americans who die this year will die from tobacco use—390,000 deaths a year, 1,000 funerals a day. Smoking causes 87 percent of lung cancer and 33 percent of all cancers. It causes 40 percent of heart disease, 18 percent of strokes, and 10 percent of infant mortality.

We cannot win the battle against these diseases unless we win the battle against tobacco use.

One of the most ominous aspects of the problem is that smoking starts so early. Cigarette manufacturers cynically claim that their lavish advertising campaigns are aimed at young adults—but they often hook young children too.

Ninety percent of all smokers begin before age 20. Forty percent begin between 15 and 19, 25 percent between 12 and 14, and 25 percent before age

12. These children and teenagers are making a choice they do not understand and are likely to regret.

Once young citizens begin to smoke, it is difficult to stop. By graduation, 53 percent of high school students who smoke half a pack a day have tried to stop and found that they can't. Ninety-five percent of daily smokers believe they will not be smoking in 5 years—but only 25 percent achieve that goal.

Cigarettes are also the gateway to illegal drugs. Virtually all children involved in hard drug use and drug abuse began with cigarettes.

It is just as difficult for adults to stop. Eighty percent of current smokers express a desire to do so—but two-thirds have made a serious effort and failed.

The purpose of the legislation we are introducing today is to help people stop smoking before they start, and to assist smokers who wish to stop. State health directors across the country have already made these objectives a high priority, and it is time for Congress to support this effort.

A key part of our approach is reliance on counteradvertising—and we have a lot to counter.

Congress banned radio and television advertising of tobacco in 1971, but it is still one of the most heavily advertised products in America today. In 1981, it was the most heavily advertised product. In 1986, the industry spent $2.5 billion on advertising and promotion.

Advertisements in magazines which appeal to youth and sponsorship of sports events, rock concerts, and similar entertainment demonstrate the intended focus on the young. Strategic placement of tobacco product names and logos at such events are used to circumvent the ban on broadcast advertising.

Women are also a special target. The unprecedented marketing of a cigarette intended solely for women, the sponsorship of events geared to women such as the Virginia Slims Tennis Tournament in New York City this week, and heavy advertising in women's magazines have had their intended effect. Women under 23 are the only population group where smoking is on the rise.

The tobacco industry piously pretends that its advertising is intended solely to entice smokers to switch brands. I say, nonsense.

To see tobacco ads is to understand that they are also intended to encourage Americans to smoke. Most smokers stay with the brand they started with as a teenager. Only 10 percent of smokers switch brands annually. The industry must recruit 6,000 new users a day to replace smokers lost because they stop or die.

The industry also claims that additional public education is unnecessary. They say that everyone already knows the danger, and that 52 million Americans still choose to smoke.

My response is, we shall see. Surveys show that many Americans are still ignorant about the dangers of tobacco:

Thirty-four percent of high school seniors don't believe that smoking a pack a day causes great risk of harm.

Thirty-two percent of women of childbearing age don't know that smoking causes stillbirths.

Another 30 percent of smokers don't know that smoking causes heart disease.

Nearly 30 percent disagree that most deaths from lung cancer are caused by cigarettes.

The 25th anniversary report of the Surgeon General provides impressive evidence that education works. The rate of smoking by the most educated Americans is less than half the rate by the least educated. We intend to target our counteradvertising to reach this segment of the population.

The minimum effort the Federal Government has made so far has been entirely inadequate. This year's budget for the Office of Smoking and Health is less than $3.5 million. The resources of the major voluntary organizations that provide information about smoking have never exceeded 2 percent of industry expenditures for advertising.

The bill we are proposing today is intended to protect public health by educating the public about tobacco. It establishes a new Center for Tobacco Products at the Federal Centers for Disease Control in the Public Health Service to carry out the following major responsibilities.

First, the new center will oversee a $50 million a year counteradvertising campaign to educate the public and get the antismoking message to the Nation. The amount is only 2 percent of the industry budget. It is still a David-and-Goliath battle, but at least we are providing enough to pay for David's slingshot.

Second, the center will have authority over tobacco product additives, just as the Food and Drug Administration has for many other the products that affect the public health. It is time to end the disgraceful abdication of Federal responsibility that makes tobacco the only consumer product today that has serious consequences for public health but that is essentially uncontrolled. Additives to food are strictly regulated by the FDA, and it is time to stop permitting the industry to treat additives to tobacco as trade secrets.

Third, the center will provide $50 million in incentive grants to assist the States in enforcing local laws that ban the sale of cigarettes to minors. Forty-three States have such laws today—but none are adequately enforced. Most of these laws were passed in a different era, when smoking was a moral issue, but not yet a public health issue. As more States seek effective means to enforce their laws, it is appropriate for the Federal Government to help.

Fourth, the center will implement a $5 million program of grants to 10 to 20 States to support antismoking efforts targeted on high risk individuals such as school dropouts, minorities, pregnant women, and blue collar workers.

Fifth, the center will implement a $5 million Workplace Intervention Program of grants to labor organizations and other groups that work with employers to reduce the incidence of smoking on the job.

The legislation also repeals the Federal preemption of State regulation of local tobacco advertising. Across the country, citizens are prepared to take more effective action against advertising and promotion in their communities. This provision will allow them to go ahead.

Finally, the legislation provides $25 million in assistance to elementary and secondary schools to encourage them to address tobacco use among students and create smoke free environments. It also adds tobacco to the mandate of the drug free schools legislation enacted in 1986.

This legislation will be controversial, but I intend to give it high priority, and I hope that it can be enacted before Congress adjourns next year for the 1990 elections.

It is no coincidence that virtually all major medical and public health groups in the Nation are united in support of this initiatve. Many of them are represented here today. I commend them for their lonely leadership in the past, and I look forward to their assistance in this effort.

I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1883

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tobacco Product Education and Health Protection Act of 1990".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) despite a steady decline in tobacco consumption, 52,000,000 Americans still use tobacco products annually;

(2) tobacco use causes nearly 400,000 deaths each year in the United States, the equivalent of over 1,000 deaths a day;

(3) tobacco use is the most important cause of death and illness in the United States today, causing one sixth of all deaths annually;

(4) in 1985, the private and public sectors in the United States spent approximately $22,000,000,000 on smoking-related illnesses

and absorbed $43,000,000,000 in economic losses from such illnesses;

(5) 50 percent of all smokers begin using tobacco by the age of 14, and 90 percent of all smokers begin using tobacco before the age of 20;

(6) nicotine-containing tobacco products are addictive;

(7) most young people initiate tobacco use and become addicted before they are sufficiently informed or mature enough to make an informed choice concerning such use;

(8) the tobacco industry contributes significantly to the experimentation with tobacco and the initiation of regular tobacco use by children and young adults through its' advertising and promotion practices;

(9) in 1986 the tobacco industry spent $2,400,000,000 on the advertising and promotion of tobacco products, ranking such products among the most heavily advertised and promoted products in the United States;

(10) the tobacco industry claims that the purpose of advertising is to influence consumer brand selection, but only 10 percent of tobacco users switch brands each year;

(11) convincing evidence demonstrates that advertising is predominantly directed at market expansion;

(12) the tobacco industry must attract 6,000 new smokers daily to replace those who stop smoking or die of smoking-related diseases and other causes, or quit;

(13) tobacco product advertising and promotion are intended to capture the youth market and seek to do so through advertisements that suggest a strong association between smoking and physical fitness, attractiveness, success, adventure, and independence and are designed to have the greatest impact on minors, who are more vulnerable to image-based advertising;

(14) serious gaps in knowledge about the harmful effects of tobacco products use persist in both minors and the adult population, with surveys showing that large numbers of citizens are unaware that smoking causes lung cancer, heart disease and still births in pregnancy;

(15) education is effective in preventing and halting the use of tobacco products;

(16) the proportion of smokers among the most educated adults is less than half that among the least educated adults, blue-collar workers, high school drop-outs and minorities;

(17) among those individuals with the least amount of education who have the highest prevalence of smoking are young citizens, blue-collar workers, high school drop-outs and minorities;

(18) the total resources of the major voluntary organizations that sponsor educational activities on smoking have never exceeded 2 percent of tobacco industry expenditures for the promotion of tobacco;

(19) children and teenagers should be informed about the dangers of smoking and be discouraged from initiating the use of tobacco products;

(20) the American public and groups with the highest prevalence of tobacco use should be informed about the dangers of tobacco products;

(21) although most States prohibit sales of tobacco products to minors, these laws are not enforced;

(22) in recent years, there have been efforts in some States to improve the enforcement of existing laws which prohibit the sale of tobacco products to minors;

(23) a program of Federal assistance will encourage and enable States to provide more effective enforcement of their existing laws particularly on the sale of tobacco products to minors; and

(24) as part of such lack of regulation, no Federal agency requires public disclosure or restricts the use of numerous additives in tobacco products.

(b) PURPOSES.—It is the purpose of this Act to—

(1) help educate young citizens to prevent initiation and encourage cessation of tobacco use;

(2) inform the public about the harmful effects of tobacco products;

(3) support State efforts to improve educational programs for the prevention and cessation of tobacco use;

(4) strengthen laws limiting the sale of tobacco products to minors;

(5) establish Federal regulatory authority over tobacco products and additives in such products;

(6) ensure the disclosure of accurate information to the public; and

(7) analyze additives and determine the risk of such additives to individual health.

SEC. 3. CENTER FOR TOBACCO PRODUCTS.

The Public Health Service Act is amended by inserting after title VIII (42 U.S.C. 296k et seq.) the following new title:

"TITLE IX—CENTER FOR TOBACCO PRODUCTS

"SUBTITLE A—CENTER FOR TOBACCO PRODUCTS

"SEC. 901. ESTABLISHMENT OF CENTER.

"(a) IN GENERAL.—In assuming the responsibility of the Secretary to the American public to promote and protect the health of the public, the Secretary shall establish within the Public Health Service, at the Centers For Disease Control, a Center for Tobacco Products.

"(b) PURPOSE.—It shall be the purpose of the Center to—

"(1) educate the public concerning the health consequences of using tobacco products and provide outreach services to youth;

"(2) support research efforts concerning patterns of tobacco use and cessation;

"(3) inform the public regarding constituents of, and additives to, tobacco products;

"(4) restrict the use of additives that represent a significant health risk to the public;

"(5) provide assistance to States to enhance their efforts to enforce existing State laws concerning the sale of tobacco products within the State to minors; and

"(6) coordinate the education and research activities of the Federal government with regard to tobacco products.

"SEC. 902. FUNCTIONS OF CENTER.

"(a) IN GENERAL.—The Center shall perform functions that shall include—

"(1) determining the existence of all additives contained in tobacco products to ascertain the number, type, and amount of all such additives to disclose such to the public and to determine whether such additives represent a significant added health risk to consumers of such products;

"(2) presenting information to the public through labels or package inserts concerning—

"(A) the harmful tobacco smoke constituents; and

"(B) the additives contained in tobacco products;

"(3) conducting reviews of the effectiveness of information required to be contained in rotating warning labels and the undertaking of research directed towards improving the effectiveness of such labels;

"(4) the establishment of a program to award incentive grants to States to promote better enforcement of State laws concerning the sale of tobacco products to minors; and

"(5) the establishment of a program to assist 10 selected model States that request assistance and desire to improve their enforcement of State laws concerning the sale of tobacco products within the State to minors.

"(b) OFFICE OF REGULATORY AFFAIRS.—In carrying out paragraphs (3), (4) and (5) of section 901(b) and sections 941 through 946, the Center shall establish an Office of Regulatory Affairs that shall administer the enforcement authorities and provisions of this title and coordinate its work with other offices and agencies of the Federal government.

"(c) CONTRACTS.—The Center may enter into contracts with agencies within and outside of the Public Health Service in the exercise of its functions.

"(d) AUTHORITY OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 1991, and such sums as may be necessary in each of the fiscal years 1992 and 1993.

"SEC. 903. EDUCATIONAL AND RESEARCH ACTIVITIES.

"(a) IN GENERAL.—The Center shall carry out educational and research activities that shall include—

"(1) the preparation and distribution of materials to educate the public concerning the health effects of using tobacco products;

"(2) the preparation of public service announcements and the preparation and conduct of paid advertising campaigns to inform targeted populations, including youth and the general population, of the health effects of using tobacco products and the opportunities for prevention and cessation of such use;

"(3) coordinating with film makers, broadcast media managers, and others regarding the impact of the media on tobacco use behavior;

"(4) research on patterns of tobacco product use, initiation and cessation, and effective methods for disseminating such information; and

"(5) plans to effectively provide outreach services to high risk groups and youth with such information.

"(b) FEDERAL INTERAGENCY COMMITTEE ON SMOKING AND HEALTH.—

"(1) TRANSFER OF FUNCTIONS.—The functions and duties of the Federal Interagency Committee on Smoking and Health shall be transferred to and be the responsibility of the Center.

"(2) COORDINATION.—The Center, acting through the Federal Interagency Committee on Smoking and Health, shall coordinate educational and research activities with other Federal agencies and seek to minimize duplication of tobacco related activity.".

SEC. 4. SMOKING EDUCATION AND INFORMATION.

Section 3 of the Comprehensive Smoking Education Act (15 U.S.C. 1341) is amended—

(1) in paragraph (5), by striking out "and" after the semicolon;

(2) in paragraph (6), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(7) establish a comprehensive outreach program to inform individuals under the age

of 18 about the health consequences of smoking.".

SEC. 5. ANTI-SMOKING PROGRAMS.

Title IX of the Public Health Service Act (as added by section (3)) is amended by adding at the end thereof the following new subtitle:

"SUBTITLE B—ANTI-SMOKING PROGRAMS

"CHAPTER 1—PUBLIC INFORMATION CAMPAIGNS

"SEC. 911. GRANTS FOR PUBLIC INFORMATION CAMPAIGNS.

"(a) IN GENERAL.—The Center shall make grants to, or enter into contracts with entities that meet the requirements of subsection (b) to conduct public information campaigns concerning the use of tobacco products.

"(b) ENTITIES.—Entities eligible to receive grants under this section shall—

"(1) be public, private or nonprofit private entities; and

"(2) provide public information campaigns regarding tobacco use and health, through the use of—

"(A) public service announcements;

"(B) paid advertising messages; and

"(C) counter advertising to provide the public with information to counter the messages in tobacco advertisements that promote tobacco use;

that are designed for television, radio and print media, billboards, and public transit advertising that shall warn youth and other individuals, specifically those in the groups of highest tobacco use, concerning the health and safety risks of tobacco use.

"SEC. 912. GRANT APPLICATION.

"(a) REQUIREMENT.—No grant or contract shall be made or entered into under this chapter unless an application that meets the requirements of subsection (b) has been submitted to, and approved by, the Center.

"(b) CONTENTS.—An application submitted under subsection (a) shall provide such agreements, assurances, and information, be in such form and submitted in such manner as the Center shall prescribe, and shall contain—

"(1) a complete description of the plan of the applicant for the development of a public information campaign that shall include advertising, and—

"(A) shall focus on specific tobacco uses (such as persuasional programs to deter nontobacco users, especially youth, from using tobacco products and the cessation of the use of tobacco products by tobacco users, as well as the type of tobacco use);

"(B) an identification of the specific audiences that shall be targeted which shall include those communities and groups with the highest prevalence of tobacco use and high health risks from tobacco use, specifically, to include youth, school dropouts, minorities, blue collar workers, pregnant women, and low and no income individuals;

"(C) an identification of the media to be used in the campaign;

"(D) an identification of the geographic distribution of the campaign;

"(E) an identification of the type and scope of the intended activities of the campaign;

"(F) plans to test market the development plan with a relevant population group and geographic area and an assurance that effectiveness criteria will be implemented prior to the completion of the final plan;

"(G) an evaluation component to measure the effectiveness of the campaign; and

"(H) such other information as the Center may require; and

"(2) a complete description of the kind, amount, distribution, and timing of advertising and such other information as the Center may require, and an assurance that the media organizations with which such advertisements are placed will not lower the current frequency of public service announcements.

"SEC. 913. GRANT ACTIVITIES AND CRITERIA.

"(a) ACTIVITIES.—Grants made under this chapter shall be used for the development of a public information campaign that may include public service announcements, paid advertisements for television, radio, and print media as well as billboards, public transit advertising, and any other mode of advertising that the Center determines to be appropriate to meet the requirements of section 912, and such activities shall—

"(1) focus on seeking to discourage the initiation of use of tobacco products by youth and nonusers; and

"(2) encourage cessation of tobacco use by those who currently use tobacco products;

with a focus on the specific groups identified in subsection (b).

"(b) CRITERIA.—The Center shall include in the criteria used for awarding grants under this chapter evidence that the applicant—

"(1) will conduct activities that target communities and groups with the highest prevalence of tobacco use and the highest health risk from tobacco use, specifically youth, school dropouts, pregnant women, minorities, blue collar workers, and low and no income people.

"(2) has a record of high quality campaigns of a comparable type; and

"(3) has a record of high quality campaigns that target the population groups specified in paragraph (1).

"(c) PREFERENCE.—In awarding grants or contracts under this chapter, the Center shall give a preference to those applicants that will conduct activities that will most likely encompass an audience that includes a high concentration of the groups identified in subsection (b)(1).

"(d) TARGETING.—In awarding grants or contracts under this chapter, the Center shall attempt to award such grants and contracts so that all target groups identified in subsection (b)(1) are reached with diverse media. Single contracts or grants shall not require that all groups are targeted or that all media must be used.

"SEC. 914. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to make grants under this chapter, $50,000,000 for fiscal year 1991, and such sums as may be necessary in each of the fiscal years 1992 and 1993.

"CHAPTER 2—STATE LEADERSHIP IN ANTI-TOBACCO USE INTERVENTION

"SEC. 915. GRANT PROGRAM.

"The Center shall award grants to States and, in consultation with State health authorities, to political subdivisions of States, to assist such States in meeting the costs of improving State leadership concerning activities that—

"(1) will prevent the initial use of tobacco products by minors; and

"(2) encourage the cessation of the use of tobacco products;

among the youth and other residents of the State, with particular attention directed towards those individuals in groups who are at the highest risk and suffer the highest prevalence of tobacco use, including school dropouts, minorities, low-income individuals, pregnant women and blue collar workers.

"SEC. 916. APPLICATIONS.

"(a) REQUIREMENT.—No grant shall be awarded under this chapter unless an application that meets the requirements of subsection (b) has been submitted to, and approved by, the Center.

"(b) CONTENTS.—An application submitted under subsection (a) shall be in such form, be submitted in such manner as the Center shall prescribe, and shall contain—

"(1) a complete description of the type of programs that will be established or assisted by or through the applicant, that shall include—

"(A) a statement of the goals and objectives of such programs or activities that are consistent with the purpose of section 915;

"(B) a description of the activities that the State shall develop to establish an ongoing anti-tobacco initiative within the State Department of Health that shall involve the coordination, by such Department of Health, of such initiative with existing anti-tobacco use programs;

"(C) an assurance that the activities developed pursuant to subparagraph (B) will involve a concentration of effort by the State to change tobacco use behavior in groups identified in section 915, that shall include one or more of the activities described under section 917; and

"(D) a timetable for implementation or completion of the proposed activities;

"(2) an assurance by the State that it will make an ongoing commitment to support the anti-tobacco initiative described in paragraph (1)(B) subsequent to the termination of the grant period;

"(3) an assurance satisfactory to the Center that the programs established or assisted with funds under a grant awarded under this subpart will be established or assisted in a manner consistent with the State health plan in effect under section 1524(c); and

"(4) such other information as the Secretary may by regulation prescribe.

"SEC. 917. GRANT ACTIVITIES AND CRITERIA.

"(a) NUMBER OF GRANTS.—The Center shall award grants to at least 10 but not more than 20 States.

"(b) USE OF GRANT.—Grants awarded under this chapter shall be used—

"(1) for activities that promote and enforce a minimum age that is at least 18 years for the purchase of tobacco products;

"(2) for activities that will enhance the ability of the State Department of Health to implement comprehensive planning, and intervention activities for anti-tobacco use;

"(3) to assist in the provision of training and technical assistance by appropriate Federal government entities to enhance the development of State leadership capabilities in anti-tobacco use;

"(4) for education, training, and clinical skills improvement activities to educate teachers, community workers, and health professionals (including physicians, dentists, and allied health personnel) in anti-tobacco use intervention strategies; and

"(5) for the collection of information and data to support State legislative efforts concerning anti-tobacco use.

"(c) CRITERIA.—The Center shall include in the criteria used for awarding grants under this chapter—

"(1) evidence that the applicant has made efforts to discourage smoking and other tobacco use among the youth residing in such applicant's State;

"(2) evidence that the applicant has made efforts to enforce the law concerning the

minimum age requirements for the purchase of tobacco products;

"(3) evidence of the need of the applicant for the assistance that is requested by the applicant, as reflected in the prevalence of the use of tobacco within the applicant's State, especially among the populations that are described under section 915;

"(4) evidence of the need of the applicant for the assistance that is requested by the applicant, as reflected in the necessity for the development of Statewide expertise in the planning of, and intervention in, anti-tobacco use situations;

"(5) the potential for the success of proposed activities that will be established or assisted under the grant;

"(6) evidence of cooperative arrangements that the applicant has, or will enter into with other entities that will participate in the activities established or assisted under the grant; and

"(7) evidence that the applicant intends to concentrate its efforts on the populations identified under section 915.

"SEC. 918. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to make grants under this chapter, $5,000,000 for fiscal year 1991, $7,500,000 for fiscal year 1992, and $10,000,000 for fiscal year 1993.

"SEC. 919. INCENTIVE GRANTS TO STATES TO LIMIT YOUTH ACCESS TO TOBACCO PRODUCTS.

"(a) AUTHORIZATION OF APPROPRIATION.—There is authorized to be appropriated $50,000,000 for fiscal year 1991, and such sums as may be necessary in each of the fiscal years 1992 and 1993 to enable the Secretary of Health and Human Services to make incentive grants to States.

"(b) LEGISLATIVE REQUIREMENT.—To receive a grant under this section, a State shall enact legislation that—

"(A) prohibits the sale of a tobacco product to a minor;

"(B) improves the enforcement of such an existing prohibition; and

"(C) prohibits the sale of a tobacco product in a vending machine unless the presence of minors is not allowed on the premises where such machine is located.

"(c) CRITERIA FOR INCENTIVE GRANT AWARD.—To receive a grant under this section a State shall—

"(1) certify that the legislative requirements of subsection (b) have been met;

"(2) provide a description of such legislative changes to the Center;

"(3) provide a plan for the implementation of such legislative changes to the Center; and

"(4) describe the intended use of the grant funds.

"(d) PURPOSE OF GRANTS.—Funds made available under a grant under this section may be used for—

"(1) the dissemination of information regarding the changes in State law required under this section;

"(2) planning, establishing and implementing State procedures to implement such changes;

"(3) education concerning the need for such changes;

"(4) other purposes as determined appropriate by the Center.

"(e) DISTRIBUTION OF FUNDS.—Funds shall be distributed under this section so that no State shall receive more that $2,000,000 in each fiscal year under this section.

"(f) ENFORCEMENT AND COMPLIANCE.—

"(1) BY STATE.—A State receiving a grant under subsection (a) shall ensure that the legislation referred to in subsection (b) is effectively enforced to achieve substantial compliance, as determined by the Assistant Secretary for Health of the Department of Health and Human Services, or the designee of such Assistant Secretary.

"(2) REGULATIONS.—The Assistant Secretary or designee referred to in paragraph (1) shall promulgate regulations necessary to implement this section.

"(g) ADDITIONAL RESTRICTIONS.—A State receiving a grant under subsection (a) may place restrictions on the sale or distribution of tobacco products to minors in addition to the requirements referred to in subsection (b).

"SEC. 920. MODEL STATE PROGRAM

"(a) CENTER FOR TOBACCO PRODUCTS.—The Center for Tobacco Products established under subtitle A shall provide assistance to not more than 10 States that desire to limit or prohibit the sale of tobacco products to minors who are under the age of 18.

"(b) NUMBER OF MODEL STATES.—The Center shall designate not more than 10 States as model States for the purpose of providing assistance under subsection (a).

"(c) CRITERIA FOR MODEL STATE DESIGNATION.—To be designated as a model State under subsection (b), a State shall—

"(1) have in effect a law that prohibits the sale of tobacco products to individuals under the age of 18;

"(2) seek to improve the enforcement of the law referred to in paragraph (1); and

"(3) have in effect a law or regulation that is intended to reduce the use of, or access to, cigarette vending machines by minors who are under the age of 18.

"(d) APPLICATION FOR MODEL STATE DESIGNATION.—To be eligible to be designated as a model State under subsection (b), a State shall submit an application that shall include a designation of a lead agency that will work in conjunction with the Center. Such agency shall—

"(1) have experience in matters that affect the public health;

"(2) have expertise regarding the health effects and use of tobacco products;

"(3) provide direct services or referrals for services for smoking cessation;

"(4) administer activities intended to prevent the initiation of use of tobacco products by minors who are under the age of 18 and other individuals; and

"(5) have a lead office or department that will be chiefly responsible for such functions.

"(e) STATE ASSURANCES.—To be eligible to be designated as a model State under subsection (b), a State shall provide assurances that it will—

"(1) provide personnel sufficient to staff the lead office or department referred to in subsection (d)(5);

"(2) establish a mechanism for the reporting of citizen or other complaints to the designated office or department concerning retailers that sell tobacco products to minors who are under the age of 18 in defiance of State law;

"(3) establish a program to make the public aware of the office or department referred to in subsection (d)(5) and a mechanism for reporting complaints regarding retailers who sell tobacco products to minors who are under the age of 18 in defiance of State law;

"(4) seek to further restrict the access of minors who are under the age of 18 to vending machines that sell tobacco products;

"(5) establish a procedure by which the lead State agency may make a finding or a presumption that a retailer or distributor has a pattern or practice of selling tobacco products to minors in defiance of State law; and

"(6) establish a procedure for lead State agencies to report findings or presumptions under paragraph (5) to the Center and for requesting assistance from the Center.

"(f) ASSISTANCE TO MODEL STATES.—The Center shall provide States designated as model States with—

"(1) printed materials for distribution to retailers concerning the illegality of the sale of tobacco products to minors;

"(2) support for, and assistance in, the planning of meetings, conferences, and conventions to educate retailers concerning the health hazards associated with tobacco products, the addictive nature of tobacco products, and State laws that prohibit the sale of tobacco products to minors;

"(3) assistance in the development of reporting systems to identify specific retailers and retail chains that consistently sell tobacco products to minors in defiance of State law;

"(4) assistance in the development of notification systems to make specific retailers aware that such retailers are acting consistently in defiance of State law; and

"(5) notices to be distributed to retailers concerning the awareness of Federal authorities of the retailers continued sale of tobacco products to minors in defiance of State law.

"CHAPTER 3—ANTI-TOBACCO USE INTERVENTION IN THE WORKPLACE

"SEC. 921. PURPOSE.

"The Center shall provide funds under this chapter to attempt to reduce the incidence of smoking and other tobacco use among workers with the highest prevalence of smoking through demonstration grants to public and private entities, including unions and other organizations.

"SEC. 922. GRANTS.

"The Center, shall make grants to assist in meeting the costs of activities that will prevent the initiation, and encourage the cessation, of the use of tobacco products among workers and their families, especially those individuals with the highest prevalence of tobacco use.

"SEC. 923. APPLICATION.

"(a) REQUIREMENT.—No grant may be made under this chapter unless an application therefor has been submitted to, and approved by, the Center.

"(b) CONTENTS.—An application submitted under subsection (a) shall be in such form and submitted in such manner as the Center shall by regulation prescribe, and shall contain

"(1) a complete description of the type of the program that is to be provided by or through a grant awarded under this chapter, that shall include—

"(A) a statement of goals and objectives of the program that shall be consistent with the purpose of this title;

"(B) a description of the activities to be carried out with the assistance provided under the grant that are designed to establish an ongoing anti-tobacco program that may include working cooperatively with existing anti-tobacco programs in the community or State;

"(C) an assurance that activities conducted under subparagraph (B) will show a concentration of effort to change tobacco use behavior in those groups identified in sec-

tion 922 and will include one or more of the activities described in section 924; and

"(D) a timetable for the proposed activities;

"(2) such agreements, assurances, and information as the Center determines to be necessary to carry out this section.

"(3) an assurance by the applicant of its ongoing commitments to support the anti-tobacco use activities after the grant period has expired;

"(4) such other information as the Secretary may by regulation prescribe.

"SEC. 924. GRANT ACTIVITIES AND CRITERIA.

"(a) ACTIVITIES.—Assistance provided through a grant awarded under this chapter shall be used for—

"(1) education and other intervention strategies to promote the cessation of tobacco use among workers who have the highest prevalence of tobacco use;

"(2) anti-smoking programs that are designed to assist workers in making a behavior change to cease using tobacco products;

"(3) education and other intervention strategies that will serve to prevent initiation of smoking and other tobacco use among children of workers who have the highest prevalence of tobacco use;

"(4) activities to provide family members with education concerning the health consequences of tobacco use;

"(5) the development of audio visual or print materials that will facilitate any of the activities described in this subsection when such appropriate audio or visual materials are not otherwise available; and

"(6) training and education to develop the expertise of a health educator or other personnel who will perform the activities described in this subsection for workers and their families.

"(b) CRITERIA.—The Center shall include in the criteria for awarding of grants under this chapter—

"(1) the potential for success of the proposed plan of the applicant;

"(2) evidence of any cooperative arrangements with other entities that will participate in the proposed plan;

"(3) evidence of the intent of the applicant to concentrate efforts toward blue collar workers and other groups identified in section 922;

"(4) evidence that the activity is implemented with the cooperation of the employer; and

"(5) any other criteria as the Center shall specify.

"SEC. 925. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to make grants under this chapter, $5,000,000 for each of the fiscal years 1991 through 1993.".

SEC. 6. DRUG-FREE SCHOOLS AND COMMUNITIES ACT OF 1986.

(a) STATE PROGRAMS.—Section 5122(a)(1) of the Drug-Free Schools and Communities Act of 1986 (hereafter in this section referred to as the "Act") is amended by striking "drug" and inserting "drug, tobacco".

(b) STATE APPLICATIONS.—Section 5123(b)(7) of the Act is amended by striking "drug" and inserting "drug, tobacco, and alcohol".

(c) LOCAL DRUG ABUSE EDUCATION PREVENTION PROGRAMS.—Section 5125 of the Act is amended—

(1) in subsection (a) by striking "drug and alcohol abuse prevention" and inserting "drug, tobacco, and alcohol abuse prevention";

(2) in subsection (a)(9) by striking "drug" and inserting "drug, tobacco";

(3) in subsection (a)(11) by striking "drug" and inserting "drug, tobacco"; and

(4) in subsection (a)(12) by striking "drug" and inserting "drug, tobacco".

(d) LOCAL APPLICATIONS.—Section 5126(a)(2) of the Act is amended—

(1) in subparagraph (B) by striking "drug" and inserting "drug, tobacco";

(2) in subparagraph (E) by—

(A) striking "applicants drug" and inserting "applicants drug, tobacco";

(B) striking "and" at the end of clause (i);

(C) inserting "and" at the end of clause (ii); and

(D) inserting at the end thereof the following new clause (iii):

"(iii) how it will discourage use of tobacco products by students;"; and

(3) in subparagraph (I) by striking "conduct drug" and inserting "conduct drug, tobacco".

(e) FEDERAL ACTIVITIES.—Section 5132(b) of the Act is amended—

(1) in paragraph (1) by inserting "and for dissemination pursuant to section 3 of the Comprehensive Smoking Education Act of 1984" at the end thereof; and

(2) in paragraph (2) by striking "drug" and inserting "drug and tobacco".

(f) DEFINITIONS.—Section 5141(b)(1) of the Act is amended by striking "alcohol" and inserting "alcohol and tobacco,".

SEC. 7. NATIONAL COMMISSION ON DRUG-FREE SCHOOLS.

Section 5051(i) of the Anti Drug Abuse Act of 1988 (20 U.S.C. 3172 note) is amended—

(1) in paragraph (1)—

(A) by inserting ", including anti-tobacco education" after "program" in subparagraph (A);

(B) by inserting "or tobacco products" after "drugs" in subparagraph (C); and

(C) by inserting "and tobacco" after "drug" in subparagraph (D); and

(2) in paragraph (3), by inserting "and smoke-free" after "drug-free".

SEC. 8. TOBACCO EDUCATION AND INFORMATION REGARDING CIGARETTE SMOKING.

Subtitle B of title IX of the Public Health Service Act (as added by section 5) is amended by adding at the end thereof the following:

"CHAPTER 4—TOBACCO USE AND EDUCATION IN SCHOOLS

"SEC. 926. INCENTIVE GRANTS TO ESTABLISH SMOKE FREE SCHOOLS.

"(a) IN GENERAL.—There is authorized to be appropriated $25,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 and 1993 to enable the Secretary of Education to make incentive grants, to be distributed in accordance with part F of title IV of the Augustas F. Hawkins, Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 with respect to the Secretary's fund for innovation and education.

"(b) LEGISLATIVE REQUIREMENT.—To receive a grant under this section, a State shall enact legislation that—

"(1) creates smoke-free elementary and secondary school buildings and grounds;

"(2) prohibits smoking by minors in school buildings and on school grounds and school buses;

"(3) requires schools to establish smoking areas for adults that are separate from students, and to ensure adequate safeguards exist to protect students from exposure to passive smoke; and

"(4) provides technical assistance to schools and other assistance to implement the provision of this section.

"(c) ENFORCEMENT AND COMPLIANCE.—

"(1) BY STATE.—A State receiving a grant under subsection (a) shall ensure that the legislation referred to in subsection (b) is effectively enforced to achieve substantial compliance, as determined by the Secretary of Education in consultation with the Secretary of Health and Human Services.

"(2) REGULATIONS.—The Secretary of Education, in consultation with the Secretary of Health and Human Services shall promulgate regulations necessary to implement this section.

"(d) ADDITIONAL RESTRICTIONS.—A State receiving a grant under subsection (a) may place restrictions on the use of tobacco products in schools in addition to the requirements referred to in subsection (a). A State receiving funds under this section shall provide assistance under this section only to schools that are subject to State laws of the type described in subsection (b).

"CHAPTER 5—INFORMATION AND PROMOTION REGARDING CIGARETTE SMOKING

"SEC. 927. DEFINITIONS.

"As used in this chapter:

"(1) COMMITTEE.—The term 'Committee' means the committee established under section 928(c), or the committee established under section 3(b) of the Comprehensive Smoking Education Act (15 U.S.C. 1341(b)) as such section existed before the date of enactment of this section.

"(2) UNITED STATES.—The term 'United States', when used in a geographical sense, includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, Wake Island, Midway Islands, Kingman Reef, Johnston Island, and the installations of the Armed Forces.

"SEC. 928. SMOKING RESEARCH, EDUCATION, AND INFORMATION IN GENERAL.

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish and carry out a program to inform the public of any dangers to human health presented by cigarette smoking.

"(b) ADMINISTRATION OF PROGRAM.—In carrying out the program established under subsection (a), the Secretary shall—

"(1) conduct and support research on the effects of cigarette smoking and of passive smoke on human health and develop materials for informing the public of such effect;

"(2) coordinate all research and educational programs and other activities within the Department of Health and Human Services that relate to the effect of cigarette smoking and passive smoke on human health and coordinate, through the Interagency Committee on Smoking and Health (established under subsection (c)), such activities with similar activities of other Federal agencies and of private agencies;

"(3) establish and maintain a liaison with appropriate private entities, other Federal agencies, and State and local public agencies concerning activities relating to the effect of cigarette smoking and passive smoke on human health;

"(4) collect, analyze, and disseminate (through publications, bibliographies, and otherwise) information, studies, and other data relating to the effect of cigarette smoking and passive smoke on human health, and develop standards, criteria, and methodologies for improved information programs related to smoking and health;

"(5) compile and make available information on State and local laws relating to the use and consumption of cigarettes; and

"(6) undertake any other additional information and research activities that the Secretary determines necessary and appropriate to carry out this section.

"(c) COMMITTEE.—

"(1) ESTABLISHMENT.—To carry out the activities described in paragraphs (2) and (3) of subsection (b), the Secretary shall establish an Interagency Committee on Smoking and Health.

"(2) COMPOSITION.—The Committee established under paragraph (1) shall be composed of—

"(A) members appointed by the Secretary from appropriate institutes and agencies of the Department, that may include the National Cancer Institute, the National Heart, Lung, and Blood Institute, the National Institute of Child Health and Human Development, the National Institute on Drug Abuse, and Health Resources and Services Administration, and the Centers for Disease Control;

"(B) at least one member appointed from the Federal Trade Commission, the Department of Education, the Department of Labor, and any other Federal agency designated by the Secretary, the appointment of whom shall be made by the head of the entity from which the member is appointed; and

"(C) five members appointed by the Secretary from physicians and scientists who represent private entities involved informing the public about the health effects of smoking.

"(3) CHAIRPERSON.—The Secretary shall designate the chairperson of the Committee established under paragraph (1).

"(4) EXPENSES.—While away from their homes or regular places of business in the performance of services for the Committee established under paragraph (1), members of such Committee shall be allowed travel expenses, including per diem in lieu of subsistence, in the manner provided by sections 5702 and 5703 of title 5 of the United States Code.

"(5) OTHER INFORMATION.—The Secretary shall make available to the Committee established under paragraph (1) such staff, information, and other assistance as it may require to carry out its activities effectively.

"(d) REPORT.—Not later than January 1, 1990, and biennially thereafter, the Secretary shall prepare and submit, to the appropriate Committees of Congress, a report that shall contain—

"(1) an overview and assessment of Federal activities undertaken to inform the public of the health consequences of smoking and passive smoke and the extent of public knowledge of such consequences;

"(2) a description of the activities of the Secretary and the Committee under subsection (a);

"(3) information regarding the activities of the private sector taken in response to the effects of smoking on health; and

"(4) such recommendations as the Secretary may consider appropriate.

"SEC. 928. PUBLIC EDUCATION REGARDING SMOKELESS TOBACCO.

"(a) DEFINITION.—As used in this section and section 929, the term 'smokeless tobacco' means any finely cut, ground, powdered, or leaf tobacco that is intended to be placed in the oral cavity.

"(b) DEVELOPMENT.—

"(1) IN GENERAL.—The Secretary shall establish and carry out a program to inform the public of any dangers to human health resulting from the use of smokeless tobacco products.

"(2) DUTIES OF SECRETARY.—In carrying out the program established under paragraph (1) the Secretary shall—

"(A) develop educational programs and materials and public service announcements respecting the dangers to human health from the use of smokeless tobacco;

"(B) make such programs, materials, and announcements available to States, local governments, school systems, the media, and such other entities as the Secretary determines appropriate to further the purposes of this part;

"(C) conduct and support research on the effect of smokeless tobacco and health.

"(3) CONSULTATION.—In developing programs, materials, and announcements under paragraph (2), the Secretary shall consult with the Secretary of Education, medical and public health entities, consumer groups, representatives of manufacturers of smokeless tobacco products, and other appropriate entities.

"(c) ASSISTANCE.—The Secretary may provide technical assistance and make grants to States—

"(1) to assist in the development of educational programs and materials and public service announcements respecting the dangers to human health from the use of smokeless tobacco;

"(2) to assist in the distribution of such programs, materials, and announcements through the States; and

"(3) to establish 18 as the minimum age for the purchase of smokeless tobacco.

"SEC. 929. REPORTS.

"Not later than January 1, 1990, and biennially thereafter, the Secretary shall prepare and submit, to the appropriate Committees of Congress, a report containing—

"(1) a description of the effects of health education efforts on the use of smokeless tobacco products;

"(2) a description of the use by the public of smokeless tobacco products;

"(3) an evaluation of the health effects of smokeless tobacco products and the identification of areas appropriate for further research; and

"(4) such recommendations for legislation and administrative action as the Secretary considers appropriate.

"CHAPTER 6—GENERAL PROVISIONS

"SEC. 935. DEFINITIONS.

"As used in this subtitle:

"(1) RECIPIENT.—The term 'recipient' means any entity or individual that has received a grant under this subtitle.

"(2) TOBACCO USE.—The term 'tobacco use' means the use of any tobacco product that is used through smoking, inhalation, or mastication, and such term shall include the use of nasal and oral snuff.

"(3) UNITS OF LOCAL GOVERNMENT.—The term 'units of local government' shall include Federally recognized Indian tribes.

"SEC. 936. ADMINISTRATIVE PROVISIONS.

"(a) AMOUNT AND METHOD OF PAYMENT.—

"(1) AMOUNT.—The Secretary shall determine the amount of a grant awarded under this title.

"(2) METHOD.—Payments under grants awarded under this subtitle may be made in advance, on the basis of estimates, or by way of reimbursement, with necessary adjustments because of underpayments or overpayments, and in such installments and on such terms and conditions as the Secretary determines necessary to carry out the purposes of such grants.

"(b) MAINTENANCE OF EFFORT.—No grant shall be made under this subtitle unless the Secretary determines that there is satisfactory assurance that Federal funds made available under such a grant for any period will be so used as to supplement and, to the extent practical, increase the level of State, local, and other non-Federal funds that would, in the absence of such Federal funds, be made available for the program for which the grant is to be made and will in no event supplant such State, local and other non-Federal funds.

"(c) SUPPLIES, EQUIPMENT, AND EMPLOYEE DETAIL.—

"(1) IN GENERAL.—The Secretary, at the request of a recipient of a grant under this subtitle, may reduce the amount of such a grant by—

"(A) the fair market value of any supplies or equipment furnished to the recipient by the Secretary;

"(B) the amount of pay, allowances, and travel expenses incurred by any officer or employee of the Federal government when such officer or employee has been detailed to the recipient;

"(C) the amount of any other costs incurred in connection with the detail of an officer or employee as described in subparagraph (B);

when the furnishing of such supplies or equipment or the detail of such an officer or employee is for the convenience, and at the request, of such recipient and for the purpose of carrying out activities under the grant.

"(2) USE OF AMOUNT OF REDUCTION.—The amount by which any grant awarded under this subtitle is reduced under this subsection shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment, or in detailing the personnel, on which the reduction of such grant is based, and such amount shall be considered as part of the grant that has been paid to the recipient.

"(d) RECORDS.—Each recipient of a grant under this subtitle shall keep such records as the Secretary determines appropriate, including records that fully disclose—

"(1) the amount and disposition by such recipient of the proceeds of such grant;

"(2) the total cost of the activity for which such grant was made;

"(3) the amount of the cost of the activity for which such grant was made that has been received from other sources; and

"(4) such other records as will facilitate an effective audit.

"(e) AUDIT AND EXAMINATION OF RECORDS.—The Secretary and the Comptroller General of the United States shall have access to any books, documents, papers, and records of the recipient of a grant under this part, for the purpose of conducting audits and examinations of such recipient that are pertinent to such grant.

"SUBTITLE C—GENERAL PROVISIONS

"SEC. 941. PROHIBITED ACTS.

"The following acts and the causing thereof are prohibited:

"(1) ADULTERATION OR MISBRANDING.—The adulteration or misbranding of any tobacco product.

"(2) ADULTERATION OR MISBRANDING IN A TERRITORY.—The adulteration or misbranding within any Territory of any tobacco product.

"(3) TRADE SECRET.—The using by any person to the advantage of such person, or revealing, other than to the Secretary or officers or employees of the Department, or to the courts when relevant in any judicial proceeding under this title, any information acquired under authority of this title concerning any method or process that as a trade secret is entitled to protection. This paragraph shall not be construed to prohibit disclosure of information to Congress.

"(4) MISREPRESENTATION OF COMPLIANCE WITH TITLE.—The using, on the labeling of any tobacco product of any representation or suggestion that approval of an application with respect to such product is in effect under this title.

"(5) REFERENCES.—The using, in labeling, of any reference to any report or analysis furnished in compliance with this title.

"(6) COPIES OF MATERIAL.—The failure of the manufacturer of a tobacco product to maintain for transmittal, or to transmit, to any individual who makes a written request for information as to such product, true and correct copies of all printed matter that are required to be included in any package of a tobacco product or such other printed matter as is approved by the Secretary. Nothing in this paragraph shall be construed to exempt any person from any labeling requirement imposed by or under other provisions of this title.

"(7) REPORTS, RECORDS, REQUIREMENTS.—The failure to make the reports required, the failure to retain the records required, or the failure to meet the requirements prescribed, under this title.

"SEC. 942. INJUNCTIONS AND PENALTIES.

"(a) INJUNCTION PROCEEDINGS.—

"(1) IN GENERAL.—The district courts of the United States shall have jurisdiction, for cause shown, and subject to the provisions of section 381 (relating to notice to opposite party) of title 28, United States Code, to restrain violations of section 941.

"(2) VIOLATIONS.—In case of violation of an injunction or restraining order issued under this section, which also constitutes a violation of this title, trial shall be by the court, or, upon demand of the accused, by a jury. Such trial shall be conducted in accordance with the practice and procedure applicable in the case of proceedings subject to the provisions of Rule 42(b), Federal Rules of Criminal Procedure.

"(b) PENALTIES.—

"(1) FINE AND IMPRISONMENT.—Any person who violates a provision of section 941 shall be imprisoned for not more than 1 year or fined in a manner consistent with the Criminal Fine Enforcement Act of 1984, or both.

"(2) SUBSEQUENT VIOLATIONS.—Notwithstanding the paragraph (1), if any person commits such a violation after a prior conviction of such person under this section has become final, or commits such a violation intentional to defraud or mislead, such person shall be imprisoned for not more than 3 years or fined in a manner consistent with the Criminal Fine Enforcement Act of 1984, or both.

"(c) DENIAL OF DELIVERY.—With regard to a model State designated as such under section 920, any retailer for whom a State makes a finding that such retailer is selling tobacco products to minors in violation of State law may be denied delivery of tobacco products by all distributors of such products within that State for a period not to exceed 60 days, if such retailer has been notified that such a finding has been made. Such 60 day period shall begin on the date that such retailer is notified by the State of such finding.

"SEC. 943. SEIZURE.

"(a) TIME FOR INITIATION OF PROCEEDINGS.—

"(1) INTRODUCTION TO INTERSTATE COMMERCE.—

"(A) IN GENERAL.—Any tobacco product that is adulterated or misbranded may be proceeded against on libel of information and condemned in any district court of the United States or United States court of a Territory within the jurisdiction of which the product is found.

"(B) REMOVAL.—

"(i) STIPULATION.—Any proceeding pending or instituted under subparagraph (A) shall, on application of the claimant, seasonably made, be removed for trial to any district agreed on by stipulation between the parties.

"(ii) FAILURE TO STIPULATE WITHIN REASONABLE TIME.—In the case of a failure to stipulate within a reasonable time under clause (i), the claimant may apply to the court of the district in which the seizure has been made, and such court (after giving the United States attorney for such district reasonable notice and opportunity to be heard) shall by order, unless good cause to the contrary is shown, specify a district of reasonable proximity to the claimant's principal place of business to which the case shall be removed for trial.

"(2) MODEL STATES.—In the case of tobacco products, within a State that has been designated a model State by the Center, where sale of such products is in violation of State law, and where there is a finding that a retailer is, or has been, engaged in a pattern or practice of sale to minors, the Secretary—

"(A) may place a temporary ban on the shipping of tobacco products to such retailer by distributors in that State, or the tobacco products of such retailer may be seized by the Secretary in accordance with section 943;

"(B) shall inform the appropriate distributor in that State that supplies the tobacco products to such retailer, that a temporary ban exists on the shipping of such products to such retailer, and the distributor shall not continue to distribute to such retailer, or the Secretary may seize such products from the distributor;

"(C) shall notify the retailer described in subparagraph (B) and its distributor of the impending penalties to be applied under this subsection and the date on which such penalties may be implemented;

"(D) shall, not later than 60 days after the notification and implementation of the penalties as provided for in this section, provide the penalized retailer with the opportunity for an informal hearing; and

"(E) may assess additional penalties or impose a further forfeiture, as provided in this section, to a penalized retailer or distributor if such retailer or distributor violates the bar on shipping to such retailer as provided for in subparagraphs (A) and (B).

"(b) PROCEDURE.—

"(1) IN GENERAL.—The tobacco product, equipment, or other thing proceeded against under this section shall be liable to seizure by process pursuant to the libel, and the procedure in cases under this section shall conform, as nearly as possible, to the procedure in admiralty, except that on the demand of either party any issue of fact joined in any such case shall be tried by jury.

"(2) CONSOLIDATION.—

"(A) IN GENERAL.—When libel for condemnation proceedings under this section, involving the same claimant and the same issues of adulteration or misbranding, are pending in two or more jurisdictions, such pending proceedings, on application of the claimant seasonably made to the court of one such jurisdiction, shall be consolidated for trial by order of such court, and be tried in—

"(i) any district selected by the claimant where one of such proceedings is pending; or

"(ii) a district agreed on by stipulation between the parties.

"(B) OTHER PLACE OF JURISDICTION.—If no order for consolidation is made under subparagraph (A) within a reasonable time, the claimant may apply to the court of one such jurisdiction, and such court (after providing the United States attorney for such district with reasonable notice and an opportunity to be heard) shall by order, unless good cause to the contrary is shown, specify a district of reasonable proximity to the principal place of business of the claimant, in which all such pending proceedings shall be consolidated for trial and tried.

"(C) FIXED TRIAL DATE AND NOTIFICATION.—Orders of consolidation under this paragraph shall not apply so as to require the removal of any case in which the date for trial has been fixed. The court granting such order shall give prompt notification thereof to the other courts having jurisdiction of the cases covered thereby.

"(c) DISPOSAL OF CONDEMNED PROPERTY.—

"(1) METHOD.—Any tobacco product condemned under this section shall, after the entry of the condemnation decree, be disposed of by destruction or sale as the court may, in accordance with the provisions of this section, direct and if such products are sold the proceeds from such sale, less the legal costs and charges, shall be paid into the Treasury of the United States.

"(2) LIMITATION.—

"(A) IN GENERAL.—Tobacco products shall not be sold under decrees issued under this section contrary to the provisions of this title or the laws of the jurisdiction in which such products are sold.

"(B) EXCEPTION.—After the entry of the decree of condemnation and on the payment of the costs of such proceedings and the execution of a good and sufficient bond conditioned on such tobacco products not being sold or disposed of contrary to the provisions of this title or the laws of any State or Territory in which sold, the court may, by order, direct that such product be delivered to the owner thereof to be destroyed or brought into compliance with the provisions of this title under the supervision of an officer or employee duly designated by the Secretary.

"(C) EXPENSES.—The expenses of any supervision under subparagraph (B) shall be paid by the person obtaining release of the tobacco product under bond.

"(d) EXPENSES.—When a decree of condemnation is entered against the tobacco product under this section, court costs and fees, and storage and other proper expenses, shall be awarded against the person, if any, intervening as claimant of the product.

"(e) DUTIES AND POWERS OF COURT.—In the case of removal for trial of any case as provided by this section—

"(1) the clerk of the court from which removal is made shall promptly transmit to the court in which the case is to be tried all records in the case necessary in order that such court may exercise jurisdiction; and

"(2) the court to which such case was removed shall have the powers and be subject to the duties for purposes of such case, which the court from which removal was made would have had, or to which such court would have been subject, if such case had not been removed.

"SEC. 944. HEARING BEFORE REPORT OF CRIMINAL VIOLATION.

"Prior to the reporting of any violation of this title by the Secretary to any United States attorney for the institution of a criminal proceeding, the person against whom such proceeding is contemplated shall be given appropriate notice and an opportunity to present such person's views, either orally or in writing, with regard to such contemplated proceeding.

"SEC. 945. REPORT OF MINOR VIOLATIONS.

"Nothing in this title shall be construed as requiring the Secretary to report for prosecution, or for the institution of libel or injunction proceedings, for minor violations of this title whenever such person believes that the public interest will be adequately served by a suitable written notice or warning.

"SEC. 946. PROCEEDINGS IN NAME OF UNITED STATES; PROVISION AS TO SUBPOENAS.

"All proceedings for the enforcement, or to restrain violations, of this title shall be by and in the name of the United States. Subpoenas for witnesses who are required to attend a court of the United States, in any district, may run into any other district in any such proceeding.

"SUBTITLE D—MISBRANDED AND ADULTERATED TOBACCO PRODUCTS

"SEC. 951. MISBRANDED TOBACCO PRODUCTS.

"(a) IN GENERAL.—A tobacco product shall be considered to be misbranded for not disclosing certain information to the public—

"(1) if the manufacturer, importer, or packager of the product does not provide the Center with the list of tobacco additives contained in the product by brand name for education of the public in accordance with section 953(a) or (b); or

"(2) if it does not disclose to the public, tar, nicotine, carbon monoxide, and other harmful constituents in the tobacco and tobacco smoke, and smokeless tobacco, as required under section 954.

"(b) ADDITIONAL INFORMATION CLARIFICATION AND MODIFICATIONS.—

"(1) ADDITIONAL INFORMATION.—Nothing in this title the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333 et seq.), or the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4401 et seq.) shall prohibit a manufacturer of tobacco products from providing consumers with information concerning tobacco product constituents, tobacco smoke, and the adverse effects of tobacco use in addition to the information that such manufacturers are required to provide pursuant to this chapter and the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333 et seq.) and the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4401 et seq.).

"(2) EFFECT ON LIABILITY LAW.—Nothing in this title shall relieve any person from liability at common law or under State statutory law to any other person.

"SEC. 952. ADULTERATED TOBACCO PRODUCTS.

"A tobacco product shall be considered to be adulterated—

"(1) if the level of any tobacco additive contained in the product is in violation of a requirement under section 953(b);

"(2) if the nicotine, tar, carbon monoxide, or other harmful constituent level has not been established under section 954;

"(3) if it contains any additive or any substance that is considered to be poisonous or render it significantly injurious to health;

"(4) if it contains in whole or in part any filthy, putrid, or decomposed substance; or

"(5) if it has been prepared, packed, or held under unsanitary conditions where it may have become contaminated with filth or where it may have been rendered more injurious to health.

"SEC. 953. TOBACCO ADDITIVES.

"(a) IN GENERAL.—It shall be unlawful for any person to manufacture, import, or package, any tobacco product unless such person has provided to the Center a complete list of each tobacco additive used in the manufacture of each tobacco product brand name and the quantity of such additive.

"(b) DISCLOSURE REQUIREMENTS.—

"(1) PRESCRIPTION.—The Secretary shall by regulation prescribe disclosure requirements for information on packages of tobacco products or in package inserts that are provided with such products, or by any other means so that the public will be adequately informed of the tobacco additives contained in any brand or variety of tobacco products.

"(2) REDUCTIONS AND PROHIBITIONS ON USE OF ADDITIVES.—If the Center determines that any tobacco additive in a tobacco product, either by itself or in conjunction with any other additive, presents unnecessary increased risks to health, the Center may require that such levels of the tobacco additive in the tobacco product be reduced or that it be prohibited from use.

"SEC. 954. NICOTINE, TAR, CARBON MONOXIDE, AND OTHER CONSTITUENTS.

(a) LISTING OF BRANDS.—It shall be unlawful for any person to manufacture, import, or package any tobacco product unless such person has provided the Center with a complete list of all brands of such tobacco products that includes the levels of the tar, nicotine, carbon monoxide, and other constituent (as determined by the Center) for each brand as determined by the manufacturer, importer, or their representatives. Data necessary to verify such levels shall be made available to the Center on the request of the Center.

"SEC. 955. REPEAL OF FEDERAL PREEMPTION ON STATE REGULATION OF LOCAL ADVERTISERS

"Nothing in this subtitle, section 5 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1332, et seq.), or the Comprehensive Smokeless Tobacco Health Education Act (15 U.S.C. 4401 et seq.) shall prevent any State or local government from enacting additional restrictions on the advertising, promotion, sale, or distribution of tobacco products to persons under the age of 18, or on the placement or location of advertising for tobacco products that is displayed solely within the geographic area governed by the applicable State or local government, such as advertising on billboards or on transit vehicles, as long as the restrictions are consistent with and no less restrictive than the requirements of this subtitle and Federal law.

"SEC. 956. EXAMINATIONS AND INVESTIGATIONS.

"(a) AUTHORITY.—

"(1) IN GENERAL.—The Center is authorized to conduct examinations and investigations for the purposes of this title through officers and employees of the Department or through any health officer or employee of any State, Territory, or political subdivision thereof, duly commissioned by the Secretary as an officer of the Department.

"(2) PUERTO RICO AND THE TERRITORIES.—In the case of tobacco products packed in the Commonwealth of Puerto Rico or a Territory the Center shall attempt to make inspection of such products at the first point of entry within the United States, when in the opinion of the Center and with due regard to the enforcement of all the provisions of this title, the facilities at the disposal of the Center will permit of such inspection.

"(3) DEFINITION.—As used in this subsection the term 'United States' means the States and the District of Columbia.

"(b) SAMPLES.—Where a sample of a tobacco product is collected for analysis under this title the Center shall, on request, provide a part of such official sample for examination or analysis by any person named on the label of the product, or the owner thereof, or the attorney or agent of such persons, except that the Secretary may, by regulation, make such reasonable exceptions from, and impose such reasonable terms and conditions relating to, the operation of this subsection as the Secretary finds necessary for the proper administration of the provisions of this title.

"(c) INSPECTION OF RECORDS.—For purposes of enforcement of this title, records of any department or independent establishment in the executive branch of the Federal Government shall be open to inspection by any official of the Department of Health and Human Services duly authorized by the Center to make such inspection.

"SEC. 957. NONTOBACCO NICOTINE CONTAINING PRODUCTS.

"Any product that contains nicotine but that is not a tobacco product as defined in section 961, shall be considered to be a drug under section 201(g)(1)(C) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(g)(1)(C)).

"SUBTITLE E—MISCELLANEOUS PROVISIONS

"SEC. 961. DEFINITIONS.

"As used in this title:

"(1) ADVERTISEMENT.—The term 'advertisement' means—

"(A) all newspaper and magazine advertisements and advertising inserts, billboards, posters, signs, decals, banners, matchbook advertising, point-of-purchase display material (except price information), and all other printed or other material used for promoting the sale or consumption of tobacco products to consumers; and

"(B) any other means used to promote the purchase of tobacco products.

"(2) CENTER.—The term 'Center' means the Center for Tobacco Products Control and Education established under section 901.

"(3) CONSTITUENT.—The term 'constituent' means any element of a tobacco product that is not an additive.

"(4) DEPARTMENT.—The term 'Department' means the Department of Health and Human Services.

"(5) IMMEDIATE CONTAINER.—The term 'immediate container' does not include package liners.

"(6) INFORMAL HEARING.—The term 'informal hearing' means a hearing which is not subject to section 554, 556, or 557 of title 5 of the United States Code and which provides that—

"(A) the presiding officer in the hearing shall be designated by the Secretary from officers and employees of the Department who have not participated in any action of

the Secretary that is the subject of the hearing and who are not directly responsible to an officer or employee of the Department who has participated in any such action;

"(B) each party to the hearing shall have the right at all times to be advised and accompanied by an attorney;

"(C) prior to the hearing, each party to the hearing shall be given reasonable notice of the matters to be considered at the hearing, including a comprehensive statement of the basis for the action taken or proposed by the Secretary that is the subject of the hearing and a general summary of the information that will be presented by the Secretary at the hearing in support of such action;

"(D) at the hearing the parties to the hearing shall have the right to hear a full and complete statement of the action of the Secretary that is the subject of the hearing together with the information and reasons supporting such action, to conduct reasonable questioning, and to present any oral or written information relevant to such action, including the calling of witnesses;

"(E) the presiding officer in such hearing shall prepare a written report of the hearing to which shall be attached all written material presented at the hearing;

"(F) the participants in the hearing shall be given the opportunity to review and correct or supplement the presiding officer's report of the hearing; and

"(G) the Secretary may require the hearing to be transcribed, or a party to the hearing shall have the right to have the hearing transcribed at such party's expense. Any transcription of a hearing shall be included in the presiding officer's report of the hearing.

"(7) LABEL.—The term 'label' means a display of written, printed, or graphic matter on the immediate container of any tobacco product, the outside container or wrapper, if such exists, of the retail package of such product, or is easily legible through the outside container or wrapper.

"(8) LABELING.—The term 'labeling' means all labels and other written, printed, or graphic matter—

"(A) on any tobacco product or any of its containers or wrappers; or

"(B) accompanying such products.

"(9) MINOR.—The term 'minor' means any individual who is under the age of 18 years.

"(10) PERSON.—The term 'person' includes individual, partnership, corporation, and association.

"(11) PROMOTION.—The term 'promotion' means any marketing communication method that informs, persuades or reminds consumers of a tobacco product or the attributes, image, or brand name of such product or, motivates consumers to sample or try that product.

"(12) SECRETARY.—The term 'Secretary' means the Secretary of Health and Human Services.

"(13) STATE.—The term 'State' means any State or Territory of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(14) TAR.—The term 'tar' means mainstream total particulate matter minus nicotine and water.

"(15) TOBACCO ADDITIVE.—The term 'tobacco additive' means any ingredient that is added to a tobacco product in the process of manufacturing or producing a tobacco product.

"(16) TOBACCO PRODUCT.—The term 'tobacco product' means cigarettes, cigars, little cigars, pipe tobacco, smokeless tobacco, snuff, and chewing tobacco, and other products that contain tobacco that are intended for human use.

"SEC. 962. CONSTRUCTION.

"Nothing in this title shall be construed to repeal any requirement of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1331 et seq.), and the Comprehensive Smokeless Tobacco Health Education Act (15 U.S.C. 4401 et seq.).".

SEC. 9. TECHNICAL AMENDMENTS.

(a) COMPREHENSIVE SMOKING EDUCATION ACT.—Section 2 of the Comprehensive Smoking Education Act (15 U.S.C. 1331) is repealed.

(b) COMPREHENSIVE SMOKELESS TOBACCO HEALTH EDUCATION ACT OF 1986.—Sections 2, 4, 5, and 8 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4401, 4403, 4404, and 4407) are repealed.

SEC. 10. MISCELLANEOUS PROVISIONS.

(a) CONFIDENTIALITY.—Section 7(b) of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1335a(b)) is amended by striking out paragraph (2).

(b) WARNING LABELS.—Section 4(a) of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333(a)) is amended by striking out "SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide," each place such occurs in paragraphs (1), (2), and (3), and inserting in lieu thereof the following: "SURGEON GENERAL'S WARNING: Smoking is Addictive. Once you start you may not be able to stop.".

SEC. 11. CONSTRUCTION.

Nothing in this Act, or an amendment made by this Act, shall be construed to limit, restrict, expand, or otherwise affect the authority of the Federal Trade Commission.●

By Mr. GORE:

S. 1884. A bill to promote the use of recycled materials derived from municipal refuse, and for other purposes; to the Committee on Commerce, Science, and Transportation; and

S. 1885. A bill relating to the financing of certain solid waste disposal facilities, and for other purposes; to the Committee on Finance.

NATIONAL RECYCLABLE COMMODITIES ACT OF 1989 AND NATIONAL RECYCLABLE COMMODITIES ACT OF 1989

Mr. GORE. Mr. President, I rise today to introduce a pair of bills, the National Recyclable Commodities Act of 1989 and the National Recyclable Commodities Act of 1989. These two bills in tandem are designed to address a critical issue in solid waste management and recycling; that is, the lack of markets for recycled materials.

On this same day, similar legislation is being introduced in the other body by Representatives JIM FLORIO, HENRY WAXMAN, GERRY SIKORSKI, and FRANK GUARINI.

Mr. President, right now there is a train in Mississippi filled with solid waste on a siding. Nobody knows what to do with it.

Last year, we saw a garbage barge leave New York City and take an 18-month tour of the Caribbean. It had to go right back to where it started from.

In my own State of Tennessee, there are 95 counties, and right now 85 of them are in the middle of a big political controversy over a new landfill or a new incinerator, or both. All over the United States, we are seeing the creation of mountains of garbage and solid waste with nowhere to put it.

Somebody says, let us recycle, and, of course, we have to recycle. Old timers tell us the real problem is we have to stop making so much of this garbage in the first place and what we can reuse, we have to reuse it and recycle it. That is fine. But in order to recycle something, you have to use it and then bring it all the way back into commerce and use it a second time. That means there has to be a market for the product or container that is recycled. That is what the two bills I am introducing today will do.

Mr. President, according to EPA, almost three-fourths of all municipal solid waste landfills will close within 15 years, and 45 percent of these are expected to close within 5 years. The average tipping fee that waste haulers pay to unload at landfill sites doubled from $10 per ton in 1982 to $20 per ton in 1986, a high price to pay for the 130 million tons of waste we deposit in landfills each year. In the Northeast, average tipping fees in 1987 were $39 per ton. Incineration can reduce waste volumes by as much as 70 pecent, but emits air pollution and leaves behind heavy metals. Both the Office of Technology Assessment and the EPA have stated that the best way to deal with our solid problem is to reduce the amount of waste we generate. We can do this by recycling.

Recycling not only reduces the amount of waste we must dispose of, but has economic and environmental benefits in the production of materials. Substituting recycled paper for virgin paper uses 75 percent less energy and reduces air pollution by 74 percent and water pollution by 35 percent. Because papermills that reprocess secondary paper fiber can be located close to the markets that use the paper, they can save significant amounts in transportation costs over paper made from virgin pulp. A secondary paper company with mills near New York City, Chicago, and Atlanta currently offers its customers a savings of $30 to $40 per ton in transportation costs over its Canadian competitors.

But even though recycling makes sense, it faces other hurdles. As I stated before, a major problem is the lack of existing markets to absorb the substantial increase of recyclable materials being collected. Many municipalities are instituting recycling programs in response to the closing of landfills and backlash against inciner-

ation, only to find themselves unable to get rid of these materials, even at negative prices, because there are simply too few markets. The town of Islip, NY, for example, must truck 22 percent of the materials it collects in its recycling program to a landfill because it cannot get rid of them any other way. Individual efforts are suffering as well. I recently received a letter from a church group in Sevierville, TN, informing me that they were being forced to end the recycling program they had started only a year ago. The recycling center to which they sold the 7 tons of paper they collected each week announced it would no longer pick up their paper, as the mills that it relied on to accept the paper could no longer handle the quantities being shipped to them.

As entire regions institute recycling programs, the problem will only become worse. Some experts feel that unless something is done to stimulate these markets, the recycling effort will collapse within 2 years.

A problem related to the lack of markets is the lack of standards and criteria for recyclable materials. A myriad of different definitions and standards for recyclable materials are being adopted among the States and communities developing recycling programs. Industry, however, cannot readily adapt itself to differences defined by political boundaries, and is thus finding it very difficult to respond to the varying requirements placed on it. There is a great need for national standards that communities can adopt and industry can follow.

The legislation I am introducing today addresses these problems. It would direct the Federal Government to promote recycling and markets for recyclable commodities. The principle behind the legislation is simple: Help industry and policymakers find out what works and allow them to build on these efforts.

The bills stress three factors essential in the development of markets for recyclable commodities: Readily available, credible information; clarity and consistency in material specifications and standards; and the ability of these materials to compete with virgin materials.

Let me just describe the legislation, and I might say, Mr. President, it has been developed over an extended period of time with the help and cooperation of a whole series of national groups that have been active in this field. Let me describe the key parts of it.

It will direct the Federal Government to promote recycling and markets for recyclable commodities.

It will require, first of all, the Department of Commerce to establish a national recycling clearinghouse for the dissemination of data on recyclable commodities. It will require aggressive procurement by the Federal Government of goods made from postconsumer commodities. It will standardize the classification of postconsumer commodities. It will require the Department of Commerce to conduct a national advertising campaign promoting recycling and the purchase of recycled goods. It will require the Department of Commerce, in cooperation with the State Department, to develop a program to promote the export of recyclable commodities for recycling by foreign industry.

It will create university centers for research and development efforts on recycling. It will require the labeling of packaging containers and nondurable goods as to their recyclability. It will also amend the Internal Revenue Code to provide for a 15-percent investment tax credit for manufacturers relying on postconsumer recyclables and amend the Tax Code to include qualified recycling facilities as facilities that may be financed by tax-exempt bonds.

The agency charged with carrying out these requirements is the Department of Commerce, which currently undertakes many similar activities. The Commerce Department has vast experience and capabilities in data collection and market analysis through the Census Bureau, the National Technical Information Service, and the Bureau of Economic Analysis. Under the auspices of the National Institute of Standards and Technology, formerly known as the National Bureau of Standards, it has developed measurement standards and test methods. The Economic Development Administration, the International Trade Administration, and the Minority Business Development Agency provide the Commerce Department with substantial industrial and commodity promotion capabilities. Finally, the regulatory programs administered by the Bureau of Export Administration provide the Department with the expertise to administer the regulatory provisions of these bills.

This legislation mandates the creation of a new office within the Department of Commerce, the Bureau of Recyclable Commodities, to pull into one place the varied experience and expertise of the entire department.

Little information is currently available on recyclable commodities and markets. Requiring the Department of Commerce to collect statistics on materials in municipal refuse, materials being collected for recycling, and markets for these materials will ensure that credible information is readily available to all industries and the public. Market analyses, intended to accompany the statistics and other information on recyclable commodities, will provide the public and industry information about opportunities and niches in recyclable commodities on an ongoing basis. Finally, reports to Congress on the current and future recyclable commodities markets will make available indepth information and will provide an indication as to the need for other steps to assist market development.

The legislation requires the Commerce Department to designate, with the assistance of an advisory committee of public officials and industry and public representatives, types and grades of recyclable commodities and standards and test methods for these. This will ensure that uniform standards for recyclable commodities are available for adoption across the Nation. In order for indusry to adopt machinery to all States and commodities, one body must set standards for recyclable commodities that can be accepted by everyone. The Federal Government, which is responsible for ensuring the free movement of goods in interstate commerce, is the appropriate entity for this task. Let me stress that the standards will be developed in partnership with the public.

This legislation creates a labeling program intended to provide consumers with information through which they may choose goods that are recyclable over those that are nonrecyclable. In doing so, it recognizes that consumers play a significant role in bringing goods to the market. In effect, this is a consumer right-to-know requirement, allowing the consumer to decide the extent to which recyclable commodities markets will develop.

Congress recognized the role of Government procurement in expanding the markets for recyclable materials in its passage of the Resource Conservation and Recovery Act. Unfortunately, very little has been done. To date, EPA's effort to develop guidelines for procurement of recycled goods by Federal, State, and local agencies has moved extremely slowly, with only five guidelines being developed since the passage of the 1984 RCRA amendments. Many feel that the slowness is due to EPA's lack of expertise in markets and commodities. A further problem has been the lack of response by agencies; EPA has little experience in the promotion of goods. Shifting the entire procurement program over to the Department of Commerce should help solve both problems, as its strength is knowledge of commodities and their promotion in interstate commerce. Furthermore, shifting the procurement program to the Department of Commerce will allow it to be incorporated into the overall recyclable commodities promotion program this legislation creates.

Because domestic markets for recycled products are developing so slowly, promoting the export of recycled products will also expand the current markets for recyclable commodities. It will

remove some of the surplus from U.S. markets and will provide less developed nations with new industries to promote growth. Ultimately, a great deal of the manufacture of goods that require a fairly pure feedstock; that is, single-resin plastics, may be most efficiently done in countries with a low labor cost, as separation by hand is often the best available technology. A number of pilot projects for manufacturing goods from recycled materials are currently being established in parts of Asia with some degree of success. This legislation supports these efforts.

To assist in the research and development efforts to find innovative uses for recycled materials, this legislation creates a series of research centers at our universities. Universities have always been sources of industrial innovation, as they are a huge pool of skilled engineers and scientists. In areas where private industries can fund research and development efforts, they will frequently fund programs at universities to investigate new or alternative manufacturing processes and will work with the universities in creating these processes. In areas where there are not yet industries with sufficient funds to devote to these programs, this partnership does not occur, and research and development lags. Recycling is such an area. Because the recycling industry is not yet strong enough to support reseach and development efforts, the Federal Government must provide this support. Establishing these university reseach centers will provide a vehicle to do this.

Finally, the legislation extends two tax credit programs to help promote recycling and stimulate specific markets that are in dire need of support. The first of these programs include municipal recycling facilities among those facilities able to be funded by tax-exempt bonds. Establishing a recycling program has often been seen by municipalities as a less desirable solid waste disposal option than incineration, as building an incineration facility is viewed as simply a capital expenditure with few collection problems. A recycling program, on the other hand, can represent a significant collection problem, as all the material must be sorted. Allowing recycling facilities to be funded by tax-free municipal bonds will place them on equal footing with or stronger footing than incinerators when funding is considered, making recycling a more attractive waste management option.

The second program provides invesment tax credits to two markets that are suffering from severely depressed prices: secondary paper fiber and recycled rubber. Although other markets can use similar assistance, these two are most in need of help. Tax incentives have been instituted in several States, and thus far have proven effective in stimulating markets. This measure is very narrowly defined and is carefuly aimed only at these two industries to avoid problems of market distortion. It simply provides a gentle boost to two areas where a boost is very much needed.

Mr. President, the bills I am introducing are actually quite modest. The Federal Government has long helped monitor the grain, timber, and dairy markets. I simply propose to extend a helping hand to another group of markets, the recyclable commodities markets. Given the urgency with which we must solve our solid waste disposal problems, and the economic benefits of recycling, these measures may be thought by some to be barely adequate. I hope, however, that they will provide enough of a push to the recyclable commodities markets that the markets will become self-supporting, and our recycling efforts will continue to advance.

Mr. President, we have to move toward recycling. We have to encourage the reuse of containers and packaging and products that can be reused again and again. We cannot continue to send garbage barges on tours of the Caribbean and solid waste trains to Mississippi and fill up good land with landfills and burn waste in ways that create health problems for people who live near the incinerators. Some of these techniques will have to be used, of course, because the problem is not going to disappear overnight. But the real answer is recycling and reducing the amount of waste generated in the first place. I call upon my colleagues to support this legislation. I invite their attention to it. I hope they will sign on as cosponsors.

I ask unanimous consent that the text of the bill as well as a summary and two letters appear in the RECORD.

There being no objection, the bills and material were ordered to be printed in the RECORD, as follows:

S. 1884

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Recyclable Commodities Act of 1989".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) Each year, millions of tons of municipal refuse materials are recycled into consumer and other goods which are sold or distributed in interstate commerce. Refuse materials already being recycled include waste paper and paperboard, plastic scrap, discarded tires and other rubber scrap, waste glass, aluminum scrap, spent automotive batteries and other nonferrous scrap, steel scrap, and yard waste. Much greater quantities of these same refuse materials are not currently being recycled, and are instead incinerated, landfilled, or otherwise made unavailable to industries in the United States for the production of consumer and other goods.

(2) Segregation of recyclable materials from the municipal waste stream does not, by itself, guarantee successful recycling. Effective recycling is critically dependent on the existence of adequate regional, national, and international markets for each type of material collected.

(3) By virtue of its significant Constitutional interest in facilitating interstate commerce and its ability to influence the economic climate for business investment in the United States, the Federal Government can and should play a key role in encouraging the expansion of industrial capacity for the manufacture of recycled consumer and other goods, and stimulating and strengthening available markets for recycled goods.

(4) Increased recycling of municipal refuse materials will necessitate the building of new recycling plants such as secondary paper mills, plastics recycling plants, steel minimills, rubber reclamation facilities, and secondary aluminum and lead smelters. Construction and operation of these industrial facilities will contribute to the expansion of the Nation's manufacturing base, create new employment opportunities for the United States labor force, and enhance the tax bases of Federal, State, and local governments.

(5) By displacing goods and raw materials presently imported, domestic production of recycled goods can reduce the Nation's dependence on foreign supplies of these materials and improve the Nation's balance of trade.

(6) Manufacture of recycled goods is often substantially more energy-efficient than production of comparable goods from virgin materials and feedstocks. As a result, increased recycling will reduce the Nation's energy consumption and lessen the Nation's dependence on foreign energy supplies.

SEC. 3. BUREAU OF RECYCLABLE COMMODITIES.

The Secretary shall establish within the Department of Commerce a separate office to be called the Bureau of Recyclable Commodities. The principal purpose of the office shall be to promote the use of recycled materials derived from municipal refuse. Unless otherwise specified, the office, at the direction of the Secretary, shall carry out the functions enumerated by this Act.

SEC. 4. ANNUAL STATISTICS ON MUNICIPAL REFUSE AND OTHER MATERIALS.

(a) MATERIALS COVERED.—The Secretary shall gather statistics in accordance with this section for municipal refuse, preconsumer refuse materials, and the following types of materials contained in municipal refuse:

(1) Aluminum scrap.
(2) Lead scrap.
(3) Other nonferrous scrap.
(4) Ferrous scrap.
(5) Plastic scrap.
(6) Rubber scrap.
(7) Waste glass.
(8) Waste paper and paperboard.
(9) Yard waste.
(10) Food waste.

(b) STATISTICS ON REFUSE MATERIALS.—For municipal refuse, preconsumer refuse materials, and for those materials listed in subsection (a), the Secretary shall collect statistics and information on the following:

(1) Quantities of durable goods, nondurable goods, containers, packaging, and other items that are sold or distributed in commerce and that are likely to become municipal refuse.

(2) Quantities of municipal refuse annually generated by households, office establishments, commercial establishments, and institutional establishments.

(3) Quantities of preconsumer refuse materials annually generated by industrial facilities.

(4) Quantities of materials annually managed using techniques other than recycling, including incineration and landfilling.

(5) Inventories of materials being stockpiled for possible recycling.

(6) Quantities of materials annually recycled.

(c) RECYCLING STATISTICS.—For materials being recycled (as determined under subsection (b)(6)), the Secretary shall collect statistics and information on the following:

(1) Specific recycling techniques employed by industries, and quantities of materials annually recycled using these techniques.

(2) Available markets (including domestic and export markets) for recycled goods, and quantities of recycled goods annually sold or distributed in commerce.

(3) Existing industrial capacity for the manufacture of recycled goods.

(4) Specific techniques employed by households, local governments, and industries to source-separate, collect, transport, stockpile, process, or upgrade these materials for the purpose of recycling, and quantities of materials annually handled using these techniques.

(d) ANNUAL STATISTICS.—The Secretary shall collect and publish the statistics and information required under this section not later than 6 months after the date of the enactment of this Act. At a minimum, the Secretary shall update and publish such statistics and information on an annual basis.

(e) MULTI-STATE REGIONS.—After consultation with the States, the Secretary shall designate not fewer than 6, and no more than 10, multi-State regions within the United States for the purpose of regional data collection. The Secretary shall collect and compile statistics for each of the designated regions.

(f) S.I.C. REVISION.—The Secretary shall revise the standard industrial classification system as necessary to facilitate the collection of statistics and other information on recycling and other related activities, including source-separation, collection, transport, stockpiling, processing, and upgrading of materials for the purpose of recycling. To the extent practicable and useful, the Secretary shall integrate necessary data collection activities required under this section with periodic surveys of industry or government conducted by the Department of Commerce.

SEC. 5. IDENTIFICATION OF GRADES, SPECIFICATIONS, AND TEST METHODS FOR RECYCLABLE COMMODITIES.

(a) COMMODITY TYPES AND GRADES.—Not later than 9 months after the date of the enactment of this Act, and after consultation with appropriate recycling industries and other potentially affected parties, the Secretary shall identify municipal refuse materials covered under section 4(a) that qualify as recyclable commodities and identify, and, to the extent practicable, standardize the types and grades of those commodities. The Secretary may revise such types and grades from time to time as the Secretary considers necessary.

(b) GRADE DETERMINATION.—To the extent practicable, identification under subsection (a) of suitable grades of recyclable commodities shall be based on—

(1) material grades traded on commodity exchanges or markets;

(2) material grades used as raw materials or feedstocks in the manufacture of recycled goods; or

(3) material grades purchased or accepted for eventual recycling after further source-separation, collection, transport, stockpiling, processing, upgrading, or other handling.

(c) MULTIPLE TYPES AND GRADES.—In identifying the types and grades of municipal refuse materials that qualify as recyclable commodities, the Secretary may assign municipal refuse materials to multiple types and grades.

(d) SPECIFICATIONS.—Not later than 9 months after the date of the enactment of this Act, and after consultation with appropriate recycling industries and other potentially affected parties, the Secretary shall identify and, to the extent practicable, standardize the technical specifications applying to the use of each individual recyclable commodity as a raw material or feedstock for recycling. These specifications shall be revised periodically to ensure continuing conformance to industry standards for recycling.

(e) TEST METHODS.—Not later than 9 months after the date of the enactment of this Act, and after consultation with appropriate recycling industries and other potentially affected parties, the Secretary shall identify and, to the extent practicable, standardize the test methods employed in determining whether refuse materials meet the specifications that apply to each individual recyclable commodity. These test methods shall be revised periodically to ensure continuing conformance to industry standards for recycling.

(f) ADVISORY PANEL.—To support the identification of specifications and test methods for each individual recyclable commodity or class of commodities, the Secretary shall establish an advisory panel consisting of the following:

(1) Representatives of industries currently engaged in recycling of the commodity or class of commodities.

(2) Representatives of other public or private organizations that set specifications or test methods for recycling of the commodity or class of commodities.

(3) Representatives of industries and local governments currently engaged in the collection, transport, stockpiling, processing, or upgrading of the commodity or class of commodities.

(4) Representatives of State governments, consumer organizations, and environmental organizations.

(g) REVISIONS.—Industries or local governments engaged in the collection, transport, stockpiling, processing, upgrading, or recycling of recyclable commodities may petition the Secretary for revision of applicable commodity grades, specifications, or test methods as necessary to prevent or minimize interference with current recycling techniques. Not later than 90 days after receipt of the petition, the Secretary shall either deny the petition or approve the petition and make appropriate revisions to the applicable specifications or test methods. In making the determination of denial or approval, and in making any revisions resulting from an approval, the Secretary shall consult with the advisory panel established under subsection (c).

(h) RECYCLING ADVISORY.—(1) If the Secretary finds that a physical or chemical property, or contaminant, of a recyclable commodity is interfering with (A) current recycling techniques; (B) marketing of recycled goods manufactured from the commodity; or (C) handling of the recyclable commodity prior to recycling; and is not adequately addressed by applicable specifications or test methods, the Secretary shall issue a recycling advisory to States, local governments, industries engaged in the collection, transport, stockpiling, processing, upgrading, or recycling of the commodity, and other potentially affected parties.

(2) A recycling advisory issued under paragraph (1) shall—

(A) describe the physical or chemical property, or contaminant, contributing to interference with recycling, marketing, or handling of the commodity; and

(B) identify any precautions or measures that may be taken to eliminate or minimize the interference.

SEC. 6. PERIODIC MARKET ANALYSES.

(a) PRICE INFORMATION.—The Secretary shall prepare and make available to the public, on at least a quarterly basis, a report on prevailing market prices for recyclable commodities. The first such report shall be made available not later than one year after the date of the enactment of this Act. The report shall include price information for both domestic and export markets and for each of the regions designated by the Secretary under section 4(e) of this Act.

(b) RECYCLING RATES.—On at least an annual basis, the Secretary shall determine and make available to the public a report on the prevailing national recycling rate for each recyclable commodity. To the extent practicable, the Secretary shall determine and include in this report the prevailing recycling rates for each of the regions designated by the Secretary under section 4(e) of this Act. The first such report shall be made available not later than one year after the date of the enactment of this Act. For the purpose of making the determinations, materials exported for recycling in foreign nations shall be considered to be recycled. The Secretary shall also consider the extent of commodity stockpiling in determining the recycling rate.

(c) PERIODIC MARKET ANALYSES.—On at least an annual basis, the Secretary shall prepare and make available to the public a report analyzing the technical and economic factors that may influence future foreign and domestic markets for recyclable commodities. To the extent practicable, the Secretary shall also evaluate the factors influencing markets in each of the regions designated by the Secretary under section 4(e) of this Act. The first such report shall be made available not later than one year after the date of the enactment of this Act. The analyses should consider the following:

(1) Future supplies of recyclable commodities.

(2) Available production capacity of recycling industries.

(3) Strength of existing markets for commodities and potential for development of new markets.

(4) Potential competition from substitute factors of production.

(5) Other market factors identified by the Secretary.

(d) MARKET INDICES.—The Secretary may develop appropriate indices to measure and project market trends for recyclable commodities.

SEC. 7. REPORTS ON RECYCLING CAPACITY

(a) REPORTS REQUIRED.—The Secretary shall prepare and submit to Congress the following reports:

(1) A report evaluating the potential for expanded recycling of waste paper and paperboard, rubber scrap, plastic scrap, ferrous scrap, and lead scrap.

(2) A report evaluating the potential for expanded recycling of aluminum scrap, other nonferrous scrap, waste glass, and yard and food waste.

(b) CONTENT OF REPORTS.—Each report required by subsection (a) shall include an analysis of the following:

(1) Techniques and systems used by industries and local governments to source separate, collect, process, or upgrade the materials covered in the report, and supplies of materials generated by such techniques and systems.

(2) Adequacy of existing and planned industrial capacity for the manufacture of recycled goods from the materials covered in the report, and opportunities for expanding such capacity nationally and regionally by retrofitting existing industrial plants or building new recycling plants.

(3) Adequacy of existing equipment and facilities for transport of materials covered by the report to recycling plants and markets, and economic and technical barriers to the transport of such materials.

(4) Opportunities for the stockpiling of materials covered by the report that are not immediately remanufactured or reused.

(5) The extent of Federal subsidies (including tax expenditures) and other incentives provided for the manufacture of goods made from virgin materials that compete with goods made from materials covered by the report.

(6) Available options for influencing the timing and extent of private and government investment in—

(A) expanded industrial capacity for the manufacture of recycled goods;

(B) new equipment and facilities for the transport of materials covered by the report and recycled goods to recycling plants and markets; and

(C) new equipment and facilities for the stockpiling of materials covered by the report before remanufacture or reuse.

(c) DEADLINES.—The report required by subsection (a)(1) shall be submitted to Congress not later than 9 months after the date of the enactment of this Act. The report required by subsection (a)(2) shall be submitted to Congress not later than 18 months after such date.

SEC. 8. LABELING OF NONDURABLE GOODS.

(a) IN GENERAL.—The Secretary shall, after notice and opportunity for public hearing, promulgate regulations requiring labeling on recyclability and composition of nondurable goods in accordance with this section.

(b) ITEMS COVERED; DEADLINES FOR REGULATIONS.—(1) Such regulations shall be promulgated not later than 2 years after the date of the enactment of this Act for containers and packaging used to hold food, beverages, soaps, detergents, cleaning preparations, personal care products, and other items sold in food stores (SIC code 54), liquor stores (SIC code 5921), and drug stores (SIC code 5912). At a minimum, the regulations for such items shall require labels for—

(A) liquids containers holding in excess of 4 fluid ounces; and

(B) other containers and packaging holding materials in excess of 8 ounces by weight.

(2) Such regulations shall be promulgated not later than 3 years after the date of the enactment of this Act for paper and paperboard products sold to office, commercial, and industrial establishments and households by paper and paperboard manufacturers (SIC 26), wholesale suppliers (SIC 51), and retail suppliers (SIC 5943). Such regulations shall require that labels describing the recyclability of paper and paperboard products may be affixed either to the paper or paperboard product, or to the container or packaging in which the product is distributed or sold.

(3) Such regulations shall be promulgated not later than 4 years after the date of the enactment of this Act for other containers, packaging, and nondurable goods, or classes of such items, as determined by the Secretary. In making such a determination, the Secretary shall consider—

(A) quantities of the materials in the items that are present in municipal refuse;

(B) whether labeling will facilitate additional recycling of the materials; and

(C) the feasibility and cost of labeling to manufacturers.

(4) Regulations promulgated under this section shall take effect not later than 6 months after the date of promulgation.

(c) DETERMINATION OF RECYCLABILITY.—For purposes of determining the type of label to be required on items covered under the regulations, the Secretary shall determine the recyclability of such items, taking into consideration the following:

(1)(A) The demonstrated recyclability of the principal constituent material of such an item. For purposes of this section, the term "demonstrated recyclability" means that—

(i) the principal constituent material of the item is recycled at a rate of at least 10 percent nationwide or across two or more of the regions designated by the Secretary under section 4(e); or

(ii)(I) recyclability of the principal constituent material of the item has been demonstrated by a successful full scale or pilot scale recycling operation; and

(II) programs for the source separation, collection, transport, stockpiling, processing, upgrading, and recycling of the principal constituent material from such item are planned to be implemented as necessary to achieve a 10 percent recycling rate across two or more of the regions designated by the Secretary under section 4(e) within 3 years after the date of the determination of recyclability under this subsection.

(B) In determining the demonstrated recyclability of items covered under the regulations, the Secretary shall give priority to making such determinations first to items covered by subsection (b)(1), second to items covered by subsection (b)(2), and third to items covered by subsection (b)(3). The Secretary may determine the recycling rate for any individual item (or class of items), but shall not include such item (or class) in more than a single recycling rate determination.

(C) For purposes of identifying the constituent materials used in the manufacture of containers, packaging, and nondurable goods, the Secretary shall distinguish between types of materials based on their physical and chemical properties. For purposes of evaluating the recyclability of items composed of plastic, the Secretary shall treat each type of plastic resin as a separate constituent material.

(2) The potential presence of contaminants which may interfere with existing recycling techniques. The Secretary may consider contaminants originally contained in the item, or contaminants introduced during normal use or handling of the item. If the item is composed of multiple materials, the Secretary shall evaluate the separability of the materials. If the materials are found to be nonseparable, the Secretary shall evaluate the recyclability of the item in its entirety.

(3) The need for consistency with grades of recyclable commodities designated by the Secretary under section 5.

(d) LABEL REQUIREMENTS.—(1) Except as provided in paragraph (3), for an item (or class of items) determined by the Secretary to be recyclable under subsection (c), the label shall read "RECYCLABLE _____", with the blank space filled in with the principal constituent material used in manufacturing the item. The label also shall, to the maximum extent feasible, provide information that will assist in the identification of recyclable commodity grades (designated under section 5) potentially produced from the item (or class).

(2) Except as provided in paragraph (3), for an item (or class of items) determined by the Secretary to be nonrecyclable under subsection (c), the label shall read "NONRECYCLABLE BY FEDERAL STANDARDS".

(3) The Secretary may establish an alternative label requirement for an item (or class of items), such as a system of codes or symbols, if such alternative requirement conveys information on recyclability and composition of the item (or class) that is substantially equivalent to the information conveyed by labels otherwise required under this section.

(e) EXEMPTION.—An item (or class of items) may be exempted from labeling requirements if the Secretary determines that labeling will interfere with normal use or handling of the packaging, container, or nondurable good. The Secretary shall not exempt an item (or class) under this section if the trade name of the manufacturer or distributor is included on the packaging, container, or nondurable good.

(f) PETITION TO REVISE.—Industries or local governments engaged in the collection, transport, stockpiling, processing, upgrading, or recycling of recyclable items may petition the Secretary for revision of applicable labeling requirements as necessary to prevent or minimize interference with current recycling techniques. Not later than 90 days after receipt of such a petition, the Secretary shall either deny the petition or approve the petition and make appropriate revisions to the applicable labeling requirements. In making the determination of denial or approval, the Secretary shall consult with the appropriate advisory panel established under section 6(c).

(g) VOLUNTARY RECYCLABILITY SEAL.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall design and publish a standardized, national recyclability seal or symbol to provide further assistance to purchasers in the identification of recyclable packaging, containers, and nondurable goods. Such seal or symbol may be used voluntarily by any manufacturer of an item or class of items determined by the Secretary to be recyclable under subsection (c). The seal or symbol shall be distinct from the label requirements under subsection (d).

(h) ENFORCEMENT.—(1) Whenever on the basis of any information the Secretary determines that any person has violated or is in violation of any requirement of this section, or regulations promulgated under this section, the Secretary may—

(A) issue a recall order requiring the removal of the item from sale or distribution in commerce immediately or within a specified time period; or

(B) commence a civil action in the United States district court in the district in which the violation occurred for appropriate relief, including a temporary or permanent injunction.

(2) Any recall order issued under this subsection shall become final unless, not later than 30 days after the order is served, the person (or persons) named in the order requests a public hearing. Upon such request, the Secretary shall promptly conduct a public hearing. In connection with any proceeding under this subsection, the Secretary may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and may promulgate rules for discovery procedures.

(3) If a violator fails to take corrective action within the time specified in a recall order, the Secretary may assess a civil penalty of not more than $25,000 for each day of continued noncompliance with the order.

(i) MINIMUM CONTENT REQUIREMENTS FOR RECYCLED ITEMS.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall promulgate regulations defining minimum content requirements for packaging, containers, or nondurable goods labeled "RECYCLED" (or words to that effect).

SEC. 9. FEDERAL PROCUREMENT.

(a) GUIDELINES.—(1) The Secretary, after consultation with the Administrator of General Services and the Public Printer, shall issue, and from time to time revise, guidelines for the use of procuring agencies in complying with the requirements of this section. Such guidelines shall—

(A) designate those items which are or can be produced with recycled content and whose procurement by procuring agencies will carry out or support the objectives of this section;

(B) set forth practices and procedures with respect to the procurement of recycled content and items containing such content and with respect to certification by vendors of the percentage of recycled content used;

(C) provide information as to the availability, relative price, and performance of such content and items; and

(D) establish minimum content standards pursuant to subsection (c) and, where appropriate, pursuant to subsection (d), specifying the level of recycled content to be contained in the procurement item.

(2) In making the designation under paragraph (1)(A), the Secretary shall consider, but is not limited in his consideration, to—

(A) the availability of such items;

(B) the impact of the procurement of such items by procuring agencies on the volume of municipal refuse which must be handled through nonrecycling management methods;

(C) the economic and technological feasibility of producing and using such items;

(D) other uses for such recycled content; and

(E) the impact of the procurement of such items by procuring agencies on recycling and procurement practices of nongovernment entities.

(b) REQUIRED GUIDELINES.—At a minimum, the Secretary shall—

(1) no later than 180 days after the date of the enactment of this Act, modify existing guidelines for the procurement of recycled paper and paperboard goods to include minimum content standards at least as stringent as those specified in subsection (c);

(2) no later than one year after the date of the enactment of this Act, issue guidelines for the procurement and use of waste glass in the construction of highways, roadways, and other paved surfaces;

(3) no later than one year after the date of the enactment of this Act, issue guidelines for the procurement and use of discarded tires and other rubber scrap in the construction of highways, roadways, and other paved surfaces;

(4) no later than one year after the date of the enactment of this Act, issue guidelines for the procurement and use of compost, fertilizers, and other soil amendments made from yard waste and food waste;

(5) no later than 540 days after the date of the enactment of this Act, issue guidelines for the procurement and use of automotive batteries made from lead scrap;

(6) no later than 540 days after the date of the enactment of this Act, issue guidelines for the procurement and use of containers and packaging made from aluminum scrap, ferrous scrap, plastic scrap, and waste glass; and

(7) no later than 2 years after the date of the enactment of this Act, issue guidelines for at least three additional categories of items.

(c) MINIMUM CONTENT STANDARDS FOR PAPER; TARGETS AND SCHEDULES.—(1) The Secretary shall establish standards for the level of recycled material that must be contained in recycled paper and paperboard goods purchased by procuring agencies. Procuring agencies shall meet such standards in accordance with the following targets and schedules:

(A) For fiscal year 1990, at least 30 percent of paper and paperboard goods purchased shall have a recycled content of at least 25 percent.

(B) For fiscal year 1991, at least 40 percent of paper and paperboard goods purchased shall have a recycled content of at least 35 percent.

(C) For fiscal year 1992 and each year thereafter, at least 50 percent of paper and paperboard goods purchased shall have a recycled content of at least 50 percent.

(2) The Secretary may, at any time, establish more stringent targets and schedules for procurement of recycled paper and paperboard goods. In addition, for classes of goods consisting of fine writing and printing paper, the targets and schedules shall allow for the procurement of recycled goods containing manufacturing residues, forest residues, and other preconsumer refuse materials. For all other classes of paper products, the targets and schedules shall require the procurement of recycled goods containing waste paper and paperboard.

(3) For purposes of this section—

(A) the term "manufacturing residues, forest residues, and other preconsumer refuse materials" includes—

(i) dry paper and paperboard waste generated after completion of the papermaking process, including envelope cuttings, bindery trimmings, and other paper and paperboard wastes resulting from printing, cutting, forming, and other converting operations; bag, box, and carton manufacturing wastes; and butt rolls, mill wrappers, and rejected unused stock;

(ii) finished paper and paperboard from obsolete inventories of paper and paperboard manufacturers, merchants, wholesalers, dealers, printers, converters, or others;

(iii) fibrous byproducts of harvesting, manufacturing, extractive, or wood-cutting processes;

(iv) flax, straw, linters, bagasse, slash, and other forest residues;

(v) wastes generated by the conversion of goods made from fibrous materials; and

(vi) fibers recovered from waste water which otherwise would enter the waste stream;

(B) the term "papermaking process" (as used in subparagraph (A)(i)) means those manufacturing operations up to and including the cutting and trimming of the paper machine reel into smaller rolls or rough sheets; and

(C) the term "fibrous materials" (as used in subparagraph (A)(v)) means waste rope from cordage manufacture, textile mill waste, and cuttings.

(d) OTHER STANDARDS.—The Secretary may establish minimum content standards for other items as may be necessary to implement the requirements of this section.

(e) GENERAL REQUIREMENTS FOR PROCURING AGENCIES.—

(1) After the date specified in applicable guidelines issued pursuant to subsection (a) or (b), each procuring agency which procures any items designated in such guidelines shall procure such items composed of the highest percentage of recycled content practicable. In the case of items for which minimum content standards have been established by the Secretary pursuant to subsection (c) or (d), the term "practicable" means that the items procured are, at a minimum, in conformance with the minimum content standards that apply to such items.

(2) The decision not to procure such items shall be based on a determination that such procurement items—

(A) are not reasonably available within a reasonable period of time;

(B) fail to meet the performance standards set forth in the applicable specifications or fail to meet the reasonable performance standards of the procuring agencies; or

(C) are only available at an unreasonable price.

(3) For purposes of paragraph (2)(C), an unreasonable price is one which exceeds by more than 10 percent the price of alternative items.

(4) After the date specified in any applicable guidelines issued pursuant to subsection (a) or (b), contracting offices at each procuring agency shall require that vendors—

(A) certify that the percentage of recycled content used in the performance of the contract will be at least the amount required by applicable specifications or other contractual requirements established by the procuring agency; and

(B) estimate the percentage of the total material used in the performance of the contract which is recycled content.

(5) This subsection applies to the procurement of procurement items designated in the guidelines issued pursuant to subsection (a) or (b) in any case in which the procurement is carried out under a contract in which the purchase price of the item (or group of identical or functionally equivalent items) exceeds $10,000.

(f) PROCUREMENT PROGRAMS.—

(1) Not later than one year after the date of issuance of applicable guidelines under subsections (a) and (b), each procuring agency shall develop an affirmative procurement program which will assure that items composed of recycled materials will be purchased to the maximum extent practicable.

(2) Each affirmative procurement program required under this subsection shall, at a minimum, contain—

(A) a recycled content preference program;

(B) an agency promotion program to promote the preference program adopted under subparagraph (A);

(C) a program for requiring estimates of the total percentage of recycled content used in the performance of a contract; certification of minimum recycled content actually used, where appropriate; and reasonable verification procedures for such estimates and certifications; and

(D) annual review and monitoring of the effectiveness of the agency's affirmative procurement program.

(3) In developing the preference program, the procuring agency shall adopt practices and procedures which are substantially equivalent to those specified in guidelines issued under subsections (a) and (b). The procuring agency shall establish minimum recycled content specifications which are set in such a way as to assure that the recycled content of the item meets minimum content standards established by the Secretary under subsections (c) and (d), and is the maximum available without jeopardizing the intended end use of the item or violating the limitations of subparagraphs (A) through (C) of subsection (e)(1).

(4) Each procuring agency shall maintain records on types, quantities, and percentages of items made from recycled content which are purchased or contracted for by the agency. The procuring agency shall annually report these statistics to the Secretary.

(g) IMPLEMENTATION.—The Secretary, in cooperation with the Administrator for Federal Procurement Policy, shall implement the requirements of this section. It shall be the responsibility of the Office of Federal Procurement Policy to assist the Secretary in coordinating this policy with other policies for Federal procurement, in such a way as to maximize the use of recycled content.

(h) ANNUAL REPORTS.—The Secretary shall annually report to Congress on actions taken by Federal agencies and the progress made in the implementation of this section.

(i) CONFORMING AMENDMENT.—Section 6002 of the Solid Waste Disposal Act (42 U.S.C. 6962) is hereby repealed.

(j) LEGISLATIVE CONSTRUCTION.—

(1) SAVINGS PROVISIONS FOR REGULATIONS.—A regulation, rule, guideline, or order in effect under section 6002 of the Solid Waste Disposal Act (42 U.S.C. 6962) on the date before the date of enactment of this Act shall continue in effect under the corresponding provision enacted by this section until repealed, amended, or superseded.

(2) GENERAL SAVINGS PROVISION.—An action taken under a provision of section 6002 of the Solid Waste Disposal Act (42 U.S.C. 6962) as in effect on the day before the date of enactment of this Act shall be treated as having been taken under the corresponding provision enacted by this section.

SEC. 10. PROMOTION OF EXPORT MARKETS.

(a) PROGRAM DEVELOPMENT.—In cooperation with the Department of State, the Secretary shall develop a program to promote the export of recyclable commodities for recycling by foreign industries. As part of this program, the Secretary shall gather, and make available to the public, information identifying potential foreign buyers of recyclable commodities.

(b) EXPORT STATISTICS.—To assist local governments and industries seeking to export recyclable commodities, the Secretary shall compile, and make available to the public, statistics and information on the following:

(1) Specific recycling techniques employed by foreign industries.

(2) Available export markets for recyclable commodities.

(3) Specifications and test methods employed by foreign industries to assess commodity quality.

(4) Prevailing prices in foreign markets for recyclable commodities.

(5) Other information on export markets collected by the Secretary under the provisions of this Act.

(c) In cooperation with the Department of State, the Secretary shall develop a program to promote the export of recycled goods produced in the United States, and to the extent practicable and useful, the Secretary shall integrate this program with other existing programs that promote the export of goods manufactured in the United States.

SEC. 11. PUBLICATION OF INFORMATION.

The Secretary shall publish and make available to the public all statistics, market analyses, and other information on recycling or related activities collected pursuant to this Act on a cost-reimbursable basis.

SEC. 12. NATIONAL ADVERTISING CAMPAIGN.

The Secretary shall develop and conduct a national advertising campaign that promotes recycling and the purchasing of recycled goods. As part of this campaign, the Secretary is authorized to publish or publicize recycling rates for specific refuse materials or recyclable commodities, and for specific types and classes of containers, packaging, nondurable goods, or durable goods sold or distributed in commerce.

SEC. 13. UNIVERSITY RECYCLING RESEARCH CENTERS.

(a) RESEARCH GRANTS.—The Secretary shall make grants to accredited institutions of higher education to establish and operate not fewer than 4, and not more than 6, recycling research centers in the United States. The Secretary shall establish these research centers equitably among the regions of the United States.

(b) RESPONSIBILITIES.—(1) The responsibilities of each recycling research center established under this section shall include, but are not limited to, the conduct of basic research relating to—

(A) innovative recycling processes to be employed in the manufacture of recycled goods;

(B) innovative processes to facilitate recycling, including techniques for source separation, collection, transport, stockpiling, processing, or upgrading of recyclable commodities or refuse materials;

(C) specifications and test methods to be employed in assessing commodity quality;

(D) potential end markets for the sale or distribution of recycled goods; and

(E) composition of municipal refuse.

(2) Each research center shall publish and disseminate the results of such research.

(3) Each research center shall carry out at least one project relating to research on the composting of yard waste, food waste, or waste paper and paperboard.

(c) CONTRACTING AUTHORITY.—(1) As necessary to conduct the research identified under subsection (b), the research center may enter into contracts with any of the following:

(A) Persons involved in the recycling, upgrading, processing, transport, stockpiling, collection, or source separation of recyclable commodities or refuse materials, or persons qualified to perform such functions.

(B) State and local governments.

(C) Nonprofit private entities which are exempt from tax under section 501(c)(3) of the Internal Revenue Code of 1986.

(2) Any institution awarding a contract for outside research shall do so in accordance with such procedures and guidelines as the Secretary may require by regulation.

(d) FEDERAL SHARE.—The Federal share of a grant under this section shall not exceed 80 percent of the costs of establishing and operating the recycling research center.

(e) FUNDING PROVISIONS.—(1) No funds made available to carry out this section shall be used for acquisition of real property (including buildings) or construction of any building.

(2) The Secretary shall allocate funds made available to carry out this section equitably among the research centers established pursuant to this section.

(3) Not less than 40 percent of the funds made available to each research center under this section shall be allocated to research projects to be performed jointly by the research center and one or more local governments with demonstrated expertise in areas critical to the conduct of the research.

(f) APPLICATION.—Any institution of higher education interested in receiving a grant under this section shall submit to the Secretary an application in such form and containing such information as the Secretary may require by regulation.

(g) SELECTION CRITERIA.—The Secretary shall select grant recipients under this section on the basis of the following criteria:

(1) The grant recipient shall be located in a State or region that has experienced difficulties with municipal refuse management.

(2) There is available to the grant recipient for carrying out this section demonstrated research resources.

(3) The grant recipient shall have the capability of providing national and regional leadership in promoting recycling as a long-term solution to municipal refuse management problems.

(4) The grant recipient shall have interdisciplinary staff with demonstrated expertise in areas critical to the conduct of research on recycling.

(5) The grant recipient shall have a demonstrated ability to disseminate results of research on recycling.

(6) The projects which the grant recipient proposes to carry out under the grant are innovative and appropriate.

SEC. 14. FEDERAL OFFICE SOURCE SEPARATION PROGRAM.

(a) GUIDELINES.—In coordination with the Administrator for General Services, the Public Printer, and other Federal agencies, the Secretary shall establish a program for the source separation and collection of materials contained in refuse from office facilities of Federal departments, agencies, and instrumentalities. The Secretary shall issue guidelines that—

(1) identify the materials to be segregated and collected;

(2) specify source separation and collection procedures necessary to produce high quality materials; and

(3) establish recordkeeping procedures necessary to determine the quantities of materials collected, and cost savings that result from collection and recycling of these materials.

(b) DESIGNATED MATERIALS.—To the extent practicable, the material types identified by the Secretary under subsection (a)(1) shall be consistent with grades of recyclable commodities designated by the Secretary under section 5 of this Act. Materials segregated and collected by Federal office facilities shall include—

(1) waste paper and paperboard;

(2) waste glass;

(3) aluminum scrap; and

(4) any other material identified by the Secretary.

(c) APPLICABILITY.—Each Federal department, agency, and instrumentality shall carry out a source separation and collection program in accordance with guidelines issued by the Secretary under subsection (a). The guidelines shall apply to each Federal office facility with more than 25 office workers.

(d) SAVINGS.—Any funds received from the sale of collected materials, and any savings in refuse disposal costs resulting from implementation of the program under this section, shall be retained by the Federal department, agency, or instrumentality carrying out the program. Any savings retained from refuse disposal costs pursuant to this subsection shall remain available to the retaining department, agency, or instrumentality for 5 years from the date the savings were realized.

SEC. 15. REVIEW OF PRODUCT SPECIFICATIONS AND STANDARDS.

(a) INDEPENDENT ASSESSMENT.—The Secretary may conduct an independent technical assessment of any product specification or standard set by a Federal, State, or local governmental agency, industry trade association, or other standard-setting group that may—

(1) disfavor the use of a recyclable commodity as a substitute for comparable virgin feedstocks or raw materials in the manufacture of the product; and

(2) have a substantial adverse impact on existing or potential markets for the recyclable commodity.

(b) REQUIREMENTS.—In conducting an assessment, the Secretary shall—

(1) determine whether the product specification or standard has the effect of disfavoring the use of the recyclable commodity in the manufacture of the product;

(2) identify those technical aspects of the specification or standard which operate to restrict use of the recyclable commodity; and

(3) evaluate the technical basis for the specification or standard, including those aspects of the specification or standard which operate to restrict use of the recyclable commodity.

(c) CONSULTATION.—In conducting an assessment, the Secretary shall consult with the governmental agency or industry group which established the specification or standard, and other appropriate Federal agencies.

(d) LIMITATION ON REVIEW.—The Secretary may not review specifications or standards established by individual private firms or persons.

(e) PUBLIC FINDINGS.—The Secretary shall publish, and make available to the public, the findings and results from its independent technical assessment.

(f) PETITION.—Industries or local governments engaged in the collection, transport, stockpiling, processing, upgrading, or recycling of recyclable commodities may petition the Secretary for an independent technical assessment of a product specification or standard that satisfies the conditions identified under subsection (a). Not later than 90 days after receipt of such a petition, the Secretary shall either deny the petition or approve the petition and conduct the assessment.

SEC. 16. INTERAGENCY WORKING GROUP.

To ensure that the regulations and guidelines developed under this Act are consistent with actions taken by the Environmental Protection Agency and other Federal agencies, the Secretary shall establish an interagency working group to assist in the development of regulations and guidelines and the collection of information required by this Act. Such interagency working group shall consist of representatives appointed by the Secretary and representatives appointed by the Administrator of the Environmental Protection Agency, and the Secretaries of Agriculture, Treasury, Transportation, Interior, Energy, and other appropriate departments, agencies, and instrumentalities.

SEC. 17. CITIZEN SUITS.

(a) IN GENERAL.—(1) Except as provided in subsection (b), any person may commence a civil action on his or her own behalf—

(A) against any person (including (i) the United States, and (ii) any other governmental instrumentality or agency, to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any regulation, guideline, standard, requirement, or order that has become effective pursuant to this Act; or

(B) against the Secretary if there is alleged a failure of the Secretary to perform any act or duty under this Act that is not discretionary with the Secretary.

(2) Any action brought under paragraph (1)(B) may be brought in the district court for the district in which the alleged violation occurred or in the District Court of the District of Columbia. In any action brought under paragraph (1), the district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce the regulation, guideline, standard, requirement, or order referred to in paragraph (1)(A), to order such person to take such other action as may be necessary, or both, or to order the Secretary to perform the act or duty referred to in paragraph (1)(B), as the case may be.

(b) NOTICE AND OTHER REQUIREMENTS.—(1) No action may be commenced under subsection (a)(1)(A)—

(A) prior to 60 days after the plaintiff has given notice of the violation to the Secretary; or

(B) if the Secretary has commenced and is diligently prosecuting a civil action in a court of the United States to require compliance with such regulation, guideline, standard, requirement, or order.

(2) No action may be commenced under subsection (a)(1)(B) prior to 60 days after the plaintiff has given notice to the Secretary that he will commence such action.

(3) Notice under this subsection shall be given in such manner as the Secretary shall prescribe by regulation.

(c) INTERVENTION.—(1) In any action under subsection (a)(1)(A) in a court of the United States, any person may intervene as a matter of right.

(2) In any action under this section, the Secretary, if not a party, may intervene as a matter of right.

(d) COSTS.—The court, in issuing any final order in any action brought pursuant to this section, may award costs of litigation (including reasonable attorney and expert witness fees) to the prevailing or substantially prevailing party, whenever the court determines such an award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.

SEC. 18. JUDICIAL REVIEW.

(a) IN GENERAL.—Any judicial review of final regulations promulgated pursuant to this Act shall be in accordance with chapter 7 of title 5, United States Code, except as provided in subsection (b).

(b) EXCEPTIONS.—(1) A petition for review of action of the Secretary in promulgating any regulation or requirement under this Act may be filed only in the United States Court of Appeals for the District of Columbia. Such petition shall be filed not later than 90 days after the date of such promulgation (or after such date if such petition is for review based solely on grounds arising after such 90th day). Any action of the Secretary with respect to which such a review could have been obtained under this subsection shall not be subject to judicial review in civil or criminal proceedings for enforcement.

(2) In any judicial proceeding brought under this section in which review is sought of a determination under this Act required to be made on the record after notice and opportunity for hearing, if a party seeking review under this Act applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that the information is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Secretary, and to be adduced upon the hearing in such manner and upon such terms and conditions as the court may deem proper. The Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file with the court such modified or new findings and his recommendation, if any, for the modification or setting aside of his original order, with the return of such additional evidence.

SEC. 19. DEFINITIONS.

As used in this Act:

(1) The term "Secretary" means the Secretary of Commerce.

(2) The term "recycling" means the use of materials derived from municipal refuse as raw materials or feedstocks in the remanufacture of goods sold or distributed in interstate commerce, or the reuse of materials derived from municipal refuse as direct substitutes for other goods sold or distributed in interstate commerce, but does not include use of such materials for energy recovery, or sale or distribution of such materials as fuels or fuel substitutes. Such term does not include source separation, collection, transport, stockpiling, processing, upgrading, or other activities antecedent to, and not integral to, the remanufacturing process used to produce recycled goods or the reuse of such materials.

(3) The term "recycled good" means any material or good remanufactured using materials derived from municipal refuse and sold or distributed in interstate commerce, or reused as a direct substitute for other goods sold or distributed in interstate commerce.

(4) The term "municipal refuse" means any durable good, nondurable good, contain-

er, packaging, material, or other item which has served its intended end use, and has been diverted for recycling or discarded by a consumer, a household, or an office, commercial, or institutional establishment. The term includes aluminum scrap, lead scrap, other nonferrous scrap, ferrous scrap, plastic scrap, rubber scrap, waste glass, waste paper and paperboard, yard waste, and food waste, but does not include sewage, septage, sewage sludge, incinerator ash, used oils, or any mixtures containing these wastes. The term does not include wastes generated by industrial manufacturing processes, or preconsumer refuse materials.

(5) The term "preconsumer refuse material" means any manufacturing scrap or other industrial waste that is similar in composition to municipal refuse and that is diverted for recycling or discarded by an industrial establishment.

(6) The term "aluminum scrap" means any discarded beer, soft drink, or other beverage can, food can, foil or closure, automobile scrap, construction scrap, or other postconsumer refuse material composed of aluminum.

(7) The term "other nonferrous scrap" means any household battery, wire, household appliance, furniture, construction scrap, or other post-consumer refuse material composed of a nonferrous metal besides aluminum or lead.

(8) The term "ferrous scrap" means any discarded beer, soft drink, or other beverage can, food can, automobile, household appliance, furniture, construction scrap, or other post-consumer refuse material composed of iron or steel.

(9) The term "plastic scrap" means any food or beverage container or packaging, automobile scrap, construction scrap, or other post-consumer refuse material composed of plastic.

(10) The term "rubber scrap" means any discarded automotive tire, or other post-consumer refuse material composed of rubber.

(11) The term "waste glass" means any discarded beer or soft drink bottle, wine or liquor bottle, food bottle or jar, construction scrap, or other post-consumer refuse material composed of glass.

(12) The term "waste paper and paperboard" means post-consumer refuse materials composed of paper, such as discarded newspapers, books, magazines, printing and writing papers, other commercial printing papers, tissue paper, napkins and towels, corrugated boxes, other paperboard, paper packing, and other refuse materials composed of paper or related types of cellulosic material containing not more than 10 percent by weight or volume of noncellulosic material such as laminates, binders, coatings, or saturants.

(13) The term "yard waste" means any discarded leaves, grass clippings, tree or shrubbery trimmings, gardening residues, or other similar refuse material composed of vegetative matter.

(14) The term "food waste" means any discarded material composed of food, but does not include any such material discharged to a public or private sewage system.

(15) The term "durable good" means any automobile, household appliance, furniture, equipment, or other item that in normal use is likely to last longer than 3 years.

(16) The term "nondurable good" means any item that in normal use is likely to last 3 years or less, including any paper or paperboard product.

(17) The terms "container" and "packaging" mean any material which holds, wraps, or otherwise encloses a good sold or distributed in interstate commerce.

(18) The term "procuring agency" means any Federal agency that procures goods or services; any agency of a State or a political subdivision of a State that uses appropriated Federal funds to procure goods or services; or any person contracting with any such agency with respect to work performed under a procurement contract.

(19) The term "procurement item" means any device, good, substance, material, product, or other item whether real or personal property which is the subject of any purchase, barter, or other exchange made to procure the item.

(20) The term "lead scrap" means any discarded automotive battery, construction scrap, or other post-consumer refuse material composed of lead.

(21) The term "reuse" means any cleaning, sterilizing, recharging, retreading, or other reprocessing for use in a similar function by the original manufacturer or distributor, or class of manufacturers or distributors.

SEC. 20. SEPARABILITY.

If any provision of this Act, or the application of any provision of this Act to any person or circumstance, is held invalid, the application of such provision to other persons or circumstances, and the remainder of this Act, shall not be affected thereby.

SEC. 21. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary of Commerce $100,000,000 for each of fiscal years 1990, 1991, 1992, 1993, and 1994 to carry out the purposes of this Act.

S. 1885

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Recyclable Commodities Financing Act of 1989".

SEC. 2. RECYCLING FACILITIES TREATED LIKE SOLID WASTE DISPOSAL FACILITIES UNDER TAX-EXEMPT BOND RULES.

(a) TREATMENT AS EXEMPT FACILITY BOND.—Subsection (a) of section 142 of the Internal Revenue Code of 1986 (defining exempt facility bond) is amended by striking "or" at the end of paragraph (10), by striking the period at the end of paragraph (11) and inserting ", or", and by adding at the end thereof the following new paragraph:

"(12) qualified recycling facilities."

(b) QUALIFIED RECYCLING FACILITIES DEFINED.—Section 142 of such Code is amended by adding at the end thereof the following new subsection:

"(j) QUALIFIED RECYCLING FACILITIES.—

"(1) IN GENERAL.—For purposes of subsection (a)(12), the term 'qualified recycling facilities' means any facility used exclusively—

"(A) to sort and prepare municipal refuse for recycling, or

"(B) in the recycling of qualified refuse.

"(2) QUALIFIED REFUSE.—For purposes of paragrapoh (1), the term 'qualified refuse' means—

"(A) yard waste and food waste,

"(B) waste paper and paperboard,

"(C) plastic scrap, and

"(D) rubber scrap.

"(3) CERTAIN EQUIPMENT NOT INCLUDED.—The term 'qualified recycling facility' does not include—

"(A) Any equipment used in a process after the first marketable product is produced, or

"(B) any equipment which is used in the conversion of municipal waste into a fuel or into useful energy.

"(4) SPECIAL RULE.—Refuse shall not fail to be treated as waste merely because it has a market value at the place it is located only by reason of its value for recycling."

(c) EXEMPTION FROM VOLUME CAP WHERE FACILITY OWNED BY GOVERNMENTAL UNIT.—Subsection (h) of section 146 of such Code (relating to exception for government-owned solid waste disposal facilities) is amended—

(1) by striking "section 142(a)(6)" and inserting "paragraph (6) or (12) of section 142(a)", and

(2) by inserting "OR QUALIFIED RECYCLING FACILITIES" after "SOLID WASTE DISPOSAL FACILITIES" in the heading.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after the date of the enactment of this Act.

SEC. 3. INVESTMENT TAX CREDIT FOR CERTAIN REMANUFACTURING EQUIPMENT.

(a) IN GENERAL.—Subsection (a) of section 46 of the Internal Revenue Code of 1986 (relating to amount of credit) is amended by striking "and" at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting ", and", and by adding at the end thereof the following new paragraph:

"(4) in the case of qualified remanufacturing equipment, the remanufacturing percentage."

(b) 15 PERCENT CREDIT.—Subsection (b) of section 46 of such Code is amended by adding at the end thereof the following new paragraph:

"(5) REMANUFACTURING PERCENTAGE.—The remanufacturing percentage is 15 percent."

(c) QUALIFIED REMANUFACTURING EQUIPMENT DEFINED.—Section 48 of such Code is amended by redesignating subsection (t) as subsection (u) and by inserting after subsection (s) the following new subsection:

"(t) QUALIFIED REMANUFACTURING EQUIPMENT.—For purposes of this subpart—

"(1) IN GENERAL.—The term 'qualified remanufacturing equipment' means new section 38 property which is an integral part of a qualified remanufacturing process.

"(2) QUALIFIED REMANUFACTURING PROCESS.—For purposes of this subsection, the term 'qualified remanufacturing process' means any remanufacturing or production process to produce—

"(A) secondary paper fiber,

"(B) paper or paperboard from secondary paper fiber,

"(C) crumb rubber, reclaimed rubber, or other recycled rubber materials from rubber scrap (as defined in such section 116) or

"(D) rubber products from items described in subparagraph (C).

"(3) LIMITATION ON USE OF VIRGIN MATERIALS.—Subparagraphs (B) and (D) of paragraph (2) shall apply only if at least 60 percent (by weight) of the material components are materials described in subparagraph (A) or (C) of paragraph (2), respectively, which are produced at or adjacent to the site at which the items described in such subparagraph (B) or (D) are produced.

"(4) CERTAIN EQUIPMENT INELIGIBLE.—The following equipment shall be treated as not an integral part of a qualified remanufacturing process:

"(A) Any equipment for sorting waste to recover waste paper or paperboard or rubber scrap or clean such items prior to other processing.

"(B) Any equipment related to the mixing of materials described in paragraph (2)(C) with asphalt or other building materials.

"(C) Any equipment related to tire retreading.

"(D) Any equipment related to the production of any fuel or other energy."

(d) RECAPTURE RULE.—Subsection (a) of section 47 of such Code is amended by adding at the end thereof the following new paragraph:

"(10) RECAPTURE WHERE PROPERTY CEASES TO BE QUALIFIED REMANUFACTURING EQUIPMENT.—For purposes of this section, at the time property ceases to be qualified remanufacturing property, the property shall be treated as ceasing to be section 38 property."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 1989, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986.

SUMMARY OF THE NATIONAL RECYCLABLE COMMODITIES ACT AND THE NATIONAL RECYCLABLE COMMODITIES FINANCING ACT

NATIONAL RECYCLABLE COMMODITIES ACT

Sec. 3. Bureau of Recyclable Commodities.

Establishes a Bureau of Recyclable Commodities in DOC to handle the requirements of this act.

Sec. 4. Annual Statistics.

Requires the collection of statistics on municipal refuse, pre-consumer refuse materials, and other materials contained in municipal refuse, statistics on the generation, sources, quantities, disposal, and recycling of these materials, and statistics on the techniques, available markets, and existing industrial capacity for recycling.

Requires the establishment of multi-state regions for collecting regional statistics and the revision of the SIC system as necessary to facilitate data collection.

Sec. 5. Identification of Grades, Specifications, and Test Methods for Recyclable Commodities.

Requires the DOC to identify municipal refuse materials that qualify as recyclable commodities and designate types and grades of those commodities.

Requires DOC to identify, and to the extent possible, standardize the technical specifications applying to the use of recyclable commodities as a raw material or feedstock for recycling.

Requires the establishment of test methods for meeting these specifications, and creates an advisory panel to assist in determining these. Allows for the revision of standards and tests upon petition and requires the issuance of recycling advisories on a finding that a physical or chemical property, or contaminant, of a recyclable commodity is interfering with recycling.

Sec. 6. Periodic Market Analyses.

Requires DOC to prepare periodic market reports, including price information, recycling rates, and market analyses. Authorizes the development of market indices as appropriate.

Sec. 7. Reports on Recycling Paper Capacity.

Requires DOC to prepare, within 9 months of enactment, a report to Congress evaluating the potential for expanding recycling of plastic scrap, ferrous scrap, and lead scrap, including policy options for market incentives. Within 18 months of enactment, a similar report on aluminum scrap, other non-ferrous scrap, waste glass, and yard and food waste must be submitted.

Sec. 8. Labeling of Packing, Containers, and Non-Durable Goods.

Requires DOC to promulgate regulations for the labeling on the recyclability and composition of packaging, containers, and non-durable goods. Items covered and deadlines for promulgation are:

Containers and packaging used to hold food, beverages, soaps, detergents, cleaning preparations, personal care products, liquor stores, and drug stores—2 years;

Paper and paperboard products—3 years;

Other containers, packaging, and non-durable goods as determined by the Secretary—4 years.

The goods are to be labeled as either recyclable or non-recyclable. DOC must promulgate regulations defining minimum content requirements for goods labeled "recycled."

Requires the development of a seal that manufacturers may place on recyclable containers, packaging, and non-durable goods on a voluntary basis if they meet certain minimum standards established by DOC.

Sec. 9. Federal Procurement.

Requires agencies procuring items designated in procurement guidelines developed by DOC to procure items composed of the highest precentage of recycled materials practicable, consistent with maintaining a satisfactory level of competition.

Requires each agency to develop an affirmative procurement program that will assure that items composed of recycled materials will be purchased to the maximum extent practicable.

Requires DOC to establish guidelines for procurement, including designating items made of recycled materials that can be procured by agencies, setting forth practices and procedures for procurement, providing information about availability, relative price and performance, and minimum contents standards where appropriate. The guidelines must include at a minimum, guidelines for the procurement of paper and paperboard goods, the procurement and use of waste glass for road construction, the procurement and use of discarded tires and other rubber scrap for road construction, and other categories. By 1990, 30 percent of paper and paperboard goods must have a recycled material content of at least 25 percent; by 1991, 40 percent must have a recycled material content of at least 35 percent, and, by 1992, 50 percent must have a recycled material content of at least 50 percent.

Repeals Section 6002 of the Solid Waste Disposal Act and authorizes the review and revision of guidelines issued under this section. All guidelines, rules, and regulations developed thus far remain effective, and are authorized by this section.

Sec. 10. Promotion of Export Markets.

Requires DOC, in cooperation with the Department of State, to devleop programs for the export of recyclable commodities for recycling by foreign industries and the export for goods made from recycled materials, and requires he compilation of statistics and information on foreign recycling techniques, markets, commodity quality specifications, prices, and other information.

Sec. 11. National Advertising Campaign.

Requires DOC to develop and conduct a national advertising campaign that promotes recycling and the purchasing of recycled goods. As part of this campaign, the secretary is authorized to publish or publicize recycling rates for specific refuse materials or recyclable commodities, and for specific types and classes of containers, packaging, non-durable goods, or durable goods sold or distributed in commerce.

Sec. 12. Publication of Information.

Requires DOC to publish and make available to the public all statistics and other information collected under this act.

Sec. 13. University Recycling Research Centers.

Creates a grant program for accredited institutions of higher education to establish and operate up to a total of six recycling research center for, among other things, research relating to innovative recycling processes to be employed in the manufacture of recycled goods and innovative processes to facilitate recyling. The Federal share for these grants is limited to 80 percent of establishment and operating costs of the centers.

Sec. 14. Federal Office Source Separation Program.

Requires DOC to establish a program for the source separation and collection of materials contained in refuse from office facilities of Federal department, agencies, and instrumentalities. Any savings from this program are to be retained by the organization carrying out the program.

Sec. 15. Review of Product Specifications.

Provides DOC with the authority to conduct an independent technical assessment of any product specification or standard set by a Federal, State, or local government agency, industry trade association, or other standard-setting group that may disfavor recycled materials or otherwise adversely impact markets for recycled materials and publish the results of this review. DOC may not review specifications or standards established by individual private firms of persons.

Sec. 16. Interagency Working Group.

Requires DOC to establish an interagency working group consisting of representatives of DOC, EPA, and other agencies to assist in the development of rules and guidelines required by the act.

NATIONAL RECYCLABLE COMMODITIES FINANCING ACT

Sec. 2. Recycling Facilities treated like Solid Waste Disposal Facilities under Tax-exempt Bond Rules

Amends section 142 of the Internal Revenue Code of 1986 to include qualified recycling facilities as facilities that may be financed by an exempt facility bond. Qualified recycling facilities do not include equipment to refine marketable material or equipment used in the conversion of municipal waste into fuel or energy (i.e., incinerators).

Sec. 3. Investment Tax Credit for Certain Remanufacturing Equipment.

Amends section 46 of the Internal Revenue Code of 1986 to provide for a 15 percent investment tax credit for qualified remanufacturing equipment. Qualified remanufacturing eqipment includes any equipment used to produce secondary paper fiber, crumb rubber, reclaimed rubber, or other recycled rubber materials from rubber scrap. Also included is equipment used to manufacture paper or paperboard from secondary paper fiber and rubber products from crumb rubber, reclaimed rubber, or other recycled rubber materials if these products contain at least 60 percent of the recycled materials and the recycled materials are produced on the same or an adjacent site. Not included are equipment used to sort waste, materials used to mix recycled rubber material with asphalt or other building materials, equipment related to tire retreading, and equip-

ment related to the production of any fuel or other energy.

NATURAL RESOURCES,
DEFENSE COUNCIL,
New York, NY, November 15, 1989.

Hon. ALBERT GORE,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR GORE: The Natural Resources Defense Council strongly supports the National Recyclable Commodities Act that you are introducing today. In our opinion, the Act constitutes the single most important tool this nation can now employ to address the solid waste crisis in an efficient and profitable fashion.

In particular, NRDC believes that the bill's emphasis on promoting long-term economic development of recycling-based industries through use of the tax code, export incentives, and specific government procurement requirements make it perhaps the most important legislative initiative we can now support to help solve this country's staggering solid waste crisis. Passage of the National Recyclable Commodities Act will be at the top of NRDC's legislative priorities for promoting solid waste recycling and creating markets for recycled goods.

NRDC greatly appreciates your leadership in championing enactment of this urgently-needed measure.

Yours truly,

JACQUELINE M. WARREN.
ALLEN HERSHKOWITZ, Ph.D.
DONALD S. STRAIT.

STATEMENT OF SUPPORT FOR THE NATIONAL RECYCLABLE COMMODITIES ACT BY THE ENVIRONMENTAL DEFENSE FUND, ENVIRONMENTAL ACTION, INC., AND PUBLIC CITIZEN, NOVEMBER 15, 1989

The Environmental Defense Fund, Environmental Action. Inc., and Public Citizen are pleased to support the introduction today of the National Recyclable Commodities Act (NRCA) of 1989. This important legislation lays the groundwork for transforming our solid waste crisis into economic opportunity, through active involvement by the Federal government in the development and promotion of markets for recycled materials.

We view the NRCA as providing a critical missing link in the Federal government's efforts to promote sound solid waste management. Initiatives at all levels of government and the private sector are making rapid strides in the collection and processing of recyclable components of our our municipal waste. For example, more than 1,000 communities across the country have already put in place curbside collection programs that can provide a reliable and abundant supply of source-separated glass, aluminum, ferrous metal, newsprint, plastics, and other materials, However, successful recycling depends on our ability to "close the loop," by re-introducing these materials back into commerce as feedstocks for industries leading to the manufacture of new products with appreciable recycled content.

The NRCA will provide much-needed Federal leadership in market development for recycled materials. By assigning primary responsibility for this task to a new office to be created in the U.S. Department of Commerce (DOC), the NRCA explicitly recognizes and gives direct support to the promotion of recycling as an element of sound economic development. The NRCA would logically incorporate recycled materials into the existing functions already being carried out by DOC—including the identification and standardization of commodities, collection and maintenance of date on industrial capacity and commodity markets, and promulgation of product labeling requirements. The NRCA would also utilize existing DOC expertise in promoting export markets for recyclable materials.

Finally, the NRCA would take several important steps to strengthen domestic recycling markets. These include expansion of government procurement of recycled goods, allowance for recyclers to access tax-exempt facility bonds to ensure that recycling can compete on a level playing field with other solid waste options, and investment tax credits to promote private sector investment in recycling capacity.

We cannot overstate the importance of expeditious Federal action to promote recycling through market development. These efforts will not only serve as the cornerstone of any effective solid waste management strategy, they will also provide the additional benefits that accrue from viewing recycling as an opportunity for economic development, including substantial energy and materials savings and job creation.

RICHARD A. DENISON, PH.D,
Environmental Defense Fund.
JEANNE WIRKA,
Environmental Action, Inc.
ANNE BLOOM,
Public Citizen.

ADDITIONAL COSPONSORS

S. 110

At the request of Mr. KENNEDY, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 110, a bill to revise and extend the programs of assistance under title X of the Public Health Service Act.

S. 511

At the request of Mr. INOUYE, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 511, a bill to recognize the organization known as the National Academies of Practice.

S. 513

At the request of Ms. MIKULSKI, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 513, a bill to amend chapters 83 and 84 of title 5, United States Code, to extend certain retirement provisions of such chapters which are applicable to law enforcement officers to inspectors of the Immigration and Naturalization Service, inspectors and canine enforcement officers of the U.S. Customs Service, and revenue officer of the Internal Revenue Service.

S. 619

At the request of Mr. SARBANES, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 619, a bill to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr., in the District of Columbia.

S. 714

At the request of Mr. MCCLURE, the names of the Senator from Oklahoma [Mr. BOREN] and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of S. 714, a bill to extend the authorization of the Water Resources Research Act of 1984 through the end of fiscal year 1993.

S. 878

At the request of Mr. WILSON, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 878, a bill to grant a Federal charter to the Michael Jackson International Research Institute.

S. 1068

At the request of Mr. GORE, the names of the Senator from Arkansas [Mr. BUMPERS] and the Senator from Missouri [Mr. DANFORTH] were added as cosponsors of S. 1068, a bill to require actions to improve competition in the delivery of television programming, to prohibit discrimination by cable programmers, and to permit telephone companies to provide video programming.

S. 1226

At the request of Mr. MCCONNELL, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 1226, a bill to provide a cause of action for victims of sexual abuse, rape, and murder, against producers and distributors of pornographic material.

S. 1277

At the request of Mr. FORD, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 1277, a bill to amend the Federal Aviation Act of 1958 to prohibit the acquisition of a controlling interest in an air carrier unless the Secretary of Transportation has made certain determinations concerning the effect of such acquisition on aviation safety.

S. 1310

At the request of Mr. SIMON, the names of the Senator from Louisiana [Mr. BREAUX] and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of S. 1310, A bill to eliminate illiteracy by the year 2000, to strengthen and coordinate literacy programs, and for other purposes.

S. 1543

At the request of Mr. ROBB, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 1543, A bill to authorize the Colonial Dames at Gunston Hall to establish a memorial to George Mason in the District of Columbia.

S. 1651

At the request of Mr. MCCAIN, the names of the Senator from California [Mr. WILSON] and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of S. 1651, A bill to require the Secretary of the Treas-

ury to mint coins in commemoration of the 50th anniversary of the United States Organization.

S. 1684

At the request of Mr. MURKOWSKI, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 1684, A bill to promote an international ban on large scale driftnet fishing on the high seas.

S. 1690

At the request of Mr. DODD, the names of the Senator from Washington [Mr. ADAMS] and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of S. 1690, A bill to establish programs to improve foreign language instruction, and for other purposes.

S. 1696

At the request of Mr. KENNEDY, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 1696, A bill to amend title 28 of the United States Code to prohibit racially discriminatory capital sentencing.

SENATE JOINT RESOLUTION 140

At the request of Mr. GLENN, the names of the Senator from Florida [Mr. MACK] and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of Senate Joint Resolution 140, A joint resolution designating November 19-25, 1989, as "National Family Caregivers Week."

SENATE JOINT RESOLUTION 218

At the request of Mr. INOUYE, the names of the Senator from Oklahoma [Mr. NICKLES], the Senator from Kansas [Mr. DOLE], the Senator from Virginia [Mr. WARNER], and the Senator from Montana [Mr. BAUCUS] were added as cosponsors of Senate Joint Resolution 218, a joint resolution to designate the week of December 3, 1989, through December 9, 1989, as "National American Indian Heritage Week."

SENATE JOINT RESOLUTION 223

At the request of Mr. GARN, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of Senate Joint Resolution 223, a joint resolution to authorize and request the President to issue a proclamation designating May 1990 as "Neurofibromatosis Awareness Month."

SENATE JOINT RESOLUTION 226

At the request of Mr. HEINZ, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of Senate Joint Resolution 226, a joint resolution to designate the year 1990 as the "Bicentennial Anniversary of the legacy of Benjamin Franklin."

SENATE CONCURRENT RESOLUTION 56

At the request of Mr. MCCAIN, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of Senate Concurrent Resolution 56, a concurrent resolution relating to the establishment of new comprehensive national aviation policy for the United States.

SENATE RESOLUTION 209—AUTHORIZING USE OF THE HART BUILDING ATRIUM FOR A CONCERT BY THE CONGRESSIONAL CHORUS

Mr. CRANSTON (for Mr. KERREY) submitted the following resolution; which was considered and agreed to:

S. RES. 209

Resolved, That the atrium of the Senate Hart Office Building may be used from 12:00 noon until 1:00 p.m. on December 5, 1989, for a concert of holiday music presented by the Congressional Chorus.

AMENDMENTS SUBMITTED

TECHNICAL CORRECTIONS IN THE ENROLLMENT OF H.R. 2461

NUNN AMENDMENT NO. 1130

Mr. NUNN submitted an amendment to the concurrent resolution (H. Con. Res. 225) directing the Clerk of the House of Representatives to make technical corrections in the enrollment of the bill H.R. 2461, as follows:

At the end of the resolution, add the following new paragraphs:

(4) In section 5—

(A) strike out the section heading and insert in lieu thereof the following (and conform the table of contents in section 2(b) accordingly):

"SEC. 5. ANNUAL OUTLAY REPORT";

(B) strike out subsections (a) through (h);

(C) redesignate subsection (i) as subsection (a) and in paragraph (3) of such subsection strike out subparagraph (C);

(D) redesignate subsection (j) as subsection (b); and

(E) redesignate subsection (k) as subsection (c) and strike out the period at the end of such subsection and insert in lieu thereof "unless the budget resolution is accompanied by a report that describes the difference between the budget authority and outlays for National Defense (function 050) in the President's budget and the budget resolution.".

(5) In the first sentence of paragraph (2) of section 121(c), strike out "using fiscal year 1990 funds".

(6) In section 1641—

(A) strike out the heading and insert in lieu thereof the following (and conform the table of contents in section 2(b) accordingly):

"SEC. 1641. ANNUAL DEPARTMENT OF DEFENSE CONVENTIONAL STANDOFF WEAPONS MASTER PLAN AND REPORT ON STANDOFF MUNITIONS"; and

(B) in subsection (a), strike out "Joint Standoff" and insert in lieu thereof "Department of Defense Conventional Standoff".

TRUCKEE-CARSON-PYRAMID LAKE WATER RIGHTS SETTLEMENT ACT

REID AMENDMENT NO. 1131

(Ordered referred to the Committee on Energy and Natural Resources.)

Mr. REID submitted an amendment intended to be proposed by him to the bill (S. 1554) to ratify and implement water settlements involving the Pyramid Lake Paiute Tribe, the States of California and Nevada and other parties regarding the waters of the Truckee and Carson Rivers and Lake Tahoe in Nevada and California, to provide for the enhancement of endangered species, and to preserve valuable wetlands, and for other purposes, as follows:

On page 16, line 17, strike the period and insert in lieu thereof: ": *Provided,* That all transfers of water rights authorized under the paragraph shall be made in accordance with State law."

Mr. REID. Mr. President, today I am submitting a technical amendment to S. 1554 in order to clarify the intent of section 401(a) of the bill. It has always been my intent that the transfer of any water rights authorized under this section be made in accordance with State law. In order eliminate any possible misunderstanding of this point, I am modifying the bill by adding additional language mandating that any transfers under this section be made in accordance with Nevada State law.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS, FISCAL YEAR 1990

HELMS AMENDMENT NO. 1132

Mr. HELMS proposed an amendment to the amendment of the House to the amendment of the Senate numbered 278 to the bill (H.R. 2939) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1990, and for other purposes, as follows:

That the Senate agree to the amendment of the House to the amendment of the Senate number 278, with an amendment as follows:

In the House amendment, add at the end thereof the following:

"Notwithstanding any other provision of this Act, the President is authorized to make available to El Salvador such sums as he determines necessary and appropriate of the amounts appropriated under this Act under the heading 'Foreign Military Financing Program'."

NATIONAL AFFORDABLE HOUSING ACT

PRESSLER AMENDMENT NO. 1133

(Ordered referred to the Committee on Banking, Housing, and Urban Affairs.)

Mr. PRESSLER submitted an amendment intended to be proposed by him to the bill (S. 566) to authorize a new corporation to support State and local strategies for achieving more affordable housing; to increase homeownership; and for other purposes, as follows:

At the appropriate place strike entire section captioned "Targeting of Community Development Block Grants for Low- and Moderate-Income Beneficiaries" and which reads "Section 104(b)(3) of the Housing and Community Development Act of 1974 (U.S.C. 5304(b)(3) is amended by striking '60 percent' in clause (A) and inserting '75 percent'."

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS, FISCAL YEAR 1990

SHELBY (AND OTHERS) AMENDMENT NO. 1134

Mr. SHELBY (for himself, Mr. DOLE, Mr. HEFLIN, Mr. HEINZ, Mr. LOTT, Mr. COCHRAN, Mr. HELMS, Mr. SYMMS, Mr. GRASSLEY, Mrs. KASSEBAUM, and Mr. STEVENS) proposed an amendment to amendment No. 1132 proposed by Mr. HELMS to the amendment of the House to the amendment of the Senate numbered 278 to the bill H.R. 2939, supra, as follows:

At the appropriate place in the amendment, insert the following:

"None of the funds appropriated or made available to the Bureau of the Census shall be used to count aliens in the United States in violation of the immigration laws for purposes of subsection (b), of section 141, of title 13, United States Code."

SHELBY (AND OTHERS) AMENDMENT NO. 1135

Mr. SHELBY (for himself, Mr. DOLE, Mr. HEFLIN, Mr. HEINZ, Mr. LOTT, Mr. COCHRAN, Mr. HELMS, Mr. SYMMS, Mr. GRASSLEY, Mrs. KASSEBAUM, and Mr. STEVENS) proposed an amendment to the amendment of the House to the amendment of the Senate No. 278 to the bill H.R. 2939, supra, as follows:

At the appropriate place in the amendment, insert the following:

"None of the funds appropriated or made available to the Bureau of the Census shall be used to count aliens in the United States in violation of the immigration laws for purposes of subsection (b), of section 141, of title 13, United States Code."

DOMENICI (AND BINGAMAN) AMENDMENT NO. 1136

Mr. DOMENICI (for himself and Mr. BINGAMAN) proposed an amendment to the amendment of the House to the amendment of the Senate numbered 278 to the bill H.R. 2939, supra, as follows:

At an appropriate place in the amendment add the following:

"Funds appropriated to the Secretary of the Army, acting through the Chief of Engineers, pursuant to Public Law 101-101 for the purposes of Section 14 (Streambank Erosion Control) for the Santa Fe River, New Mexico, shall be made available under the general Investigation authority of the Secretary for the design, including Plans and specifications, of an emergency streambank and channel stabilization project on the Santa Fe River, New Mexico, provided that non-Federal interests agree to cost share in such engineering and design activities."

PREVENTING UNINTENDED LICENSING OF CERTAIN HYDROELECTRIC PROJECTS

MATSUNAGA AMENDMENT NO. 1137

Mr. CRANSTON (for Mr. MATSUNAGA) proposed an amendment to the bill S. 635, a bill to prevent the unintended licensing of federally nonjurisdictional pre-1935 unlicensed hydroelectric projects, as follows:

S. 635 is amended by adding the following new provision at the end thereof:

"SEC. 3. Section 4(e) of the Federal Power Act (16 U.S.C. 791a et seq.) is amended by adding the following at the end thereof:

"'The Commission is prohibited from issuing an original license for proposed project works for which a license is not required by section 23(b)'.".

ACQUISITION OF CERTAIN LAND ADJACENT TO ROCKY MOUNTAIN NATIONAL PARK

WIRTH AMENDMENT NO. 1138

Mr. CRANSTON (for Mr. WIRTH) proposed an amendment to the amendment of the House bill (S. 737) to authorize the Secretary of the Interior to acquire certain lands adjacent to the boundary of Rocky Mountain National Park in the State of Colorado, as follows:

At the end of the House amendment, add the following new subsection:

"(c) AGREEMENT.—The Secretary is authorized to enter into an agreement with the owner of the lands identified as Tract 1127 and 1127B4, Section 23, Township 3 North, Range 73, Boulder County, Colorado, within the boundaries of Rocky Mountain National Park, to ensure the right of use as a single family residence, unless said property is being developed or is officially proposed to be developed by the owners in a manner which would substantially change its use."

CONSERVING NORTH AMERICAN WETLAND ECOSYSTEMS AND WATERFOWL

MITCHELL AMENDMENT NO. 1139

Mr. CRANSTON (for Mr. MITCHELL) proposed an amendment to the bill S. 804, a bill to conserve North American Wetland ecosystems and waterfowl and other migratory birds and fish and wildlife that depend upon such habitats, as follows:

1. On page 4, line 2, immediately after "Conventions" insert "and the Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere".

2. On page 4, line 16, strike "ducks, geese, and other".

3. On page 4, line 21, strike the period and insert in lieu thereof "; and".

4. On page 4, after line 21 insert the following new paragraph: "(15) the treaty obligations of the United States under the Convention on Wetlands of International Importance especially as Waterfowl Habitat requires promotion of conservation and wise use of wetlands.".

5. On page 4, line 23, strike "private" and insert in lieu thereof "other".

6. On page 6, line 25, strike the period and insert ", which shall be construed to mean any department, or any division of any department of another name, of a State that is empowered under its laws to exercise the functions ordinarily exercised by a State fish and wildlife agency.".

7. On page 7, line 4, strike "from willing sellers or donors" and insert in lieu thereof ", including water rights,".

8. On page 7, line 11, strike "and".

9. On page 7, line 19, strike the period and insert in lieu thereof "; and".

10. On page 7, after line 19, insert the following new subparagraph:

"(C) in the case of projects undertaken in Mexico, includes technical training and development of infrastructure necessary for the conservation and management of wetlands and studies on the sustainable use of wetland resources.".

11. On page 7, line 22, strike "COMMISSION" and insert in lieu thereof "COUNCIL".

12. On page 7, line 23, strike "COMMISSIONERS" and insert in lieu thereof "COUNCIL MEMBERSHIP".

13. On page 7, line 24, strike "Commission" and insert in lieu thereof "Council (hereinafter in this Act referred to as the "Council")".

14. On page 8, line 1, strike "Commissioners" and insert in lieu thereof "members".

15. On page 8, strike the text on line 2 and insert in lieu thereof "compensation as members of the Council. Of the Council members—".

16. On page 8, line 13, insert a semicolon after "agency" and strike all that follows through line 18.

17. On page 9, lines 1 and 2, strike "Commissioner" and insert in lieu thereof "member of the Council".

18. On page 9, line 4, strike "Commissioner" and insert in lieu thereof "Council member".

19. On page 9, strike the text on line 10 and insert in lieu thereof "a member from any meeting of the Council.".

20. On page 9, lines 12 and 13, strike "Commissioners" and insert in lieu thereof "a member of the Council".

21. On page 9, line 14, strike "six" and insert in lieu thereof "three".

22. On page 9, line 15, strike "Commissioners" and insert in lieu thereof "Council members".

23. On page 9, line 18, strike "three years" and insert in lieu thereof "one year".

24. On page 9, line 19, strike "four" and insert "two" and strike all that follows after the comma through line 21 and insert in lieu thereof "and two shall be appointed for a term of three years.".

25. On page 9, lines 22, strike "Commissioners" and insert in lieu thereof "Council members".

26. On page 9, line 25, strike "two years" and insert in lieu thereof "one year", and strike "four" and insert in lieu thereof "two".

27. On page 10, line 1, strike "six" and insert in lieu thereof "three".

28. On page 10, lines 3 and 4, strike "Commissioners" and insert in lieu thereof "members of the Council".

29. On page 10, line 9, strike "COMMISSION" and insert in lieu thereof "COUNCIL".

30. On page 10, line 23, strike "Native" and insert in lieu thereof "nonprofit charitable organizations and native".

31. On page 11, strike the text on line 4 and insert in lieu thereof "Council from its members for a three-year term, except that the first elected chairman may serve a term of less than three years".

32. On page 11, lines 6, 8, and 11, strike "Commission" each place it appears and insert in lieu thereof in each case "Council".

33. On page 11, lines 9 and 10, strike "Nonexecutive sessions of Commission" and insert in lieu thereof "Council".

34. On page 11, line 14, strike "from the Commission and fill that vacancy".

35. On page 11, strike subsection (g) on lines 16 through 22 and redesignate the following subsection accordingly.

36. On page 11, lines 24 and 25, strike "designate an employee of the Service" and insert in lieu thereof "appoint an individual who shall serve at the pleasure of the Director and".

37. On page 12, lines 4 and 5, strike "administration of this Act" and insert in lieu thereof "facilitating consideration of wetlands conservation projects by the Council and otherwise assisting the Council in carrying out its responsiblities under this Act".

38. On page 12, line 10, strike "COMMISSION" and insert in lieu thereof "COUNCIL" and on lines 10 and 11, strike "Commission" and insert in lieu thereof "Council".

39. On page 12, line 12, strike "Secretary" and insert in lieu thereof "Migratory Bird Conservation Commission".

40. On page 12, after line 12, insert the following paragraph: "(1) the extent to which the wetlands conservation project fulfills the purposes of this Act, the Plan or the Agreement;" and re-number the subsequent paragraphs accordingly.

41. On page 12, line 16, strike "sections 8(b) and 8(c)" and insert in lieu thereof "section 8(b)".

42. On page 13, strike paragraph (4) on lines 1 through 3 and re-number the subsequent paragraphs accordingly.

43. On page 13, line 18, strike "SECRETARY" and insert in lieu thereof "MIGRATORY BIRD CONSERVATION COMMISSION".

44. On page 13, line 19, strike "Commission" and insert in lieu thereof "Council", and strike "Secretary" and insert in lieu thereof "Migratory Bird Conservation Commission".

45. On page 13, line 20, strike "March 30" and insert in lieu thereof "January 1".

46. On page 13, line 22, strike "Commission" and insert in lieu thereof "Council".

47. On page 13, line 24, strike "Secretary" and insert in lieu thereof "Migratory Bird Conservation Commission".

48. On page 14, line 2, strike "50 Stat. 917, as amended;".

49. On page 44, line 4, strike "COMMISSION" and "Commission" and insert in lieu thereof "COUNCIL" and "Council", respectively.

50. On page 14, line 8, strike "Commission" and insert in lieu thereof "Council".

51. On page 14, line 11, strike "Commission" and insert in lieu thereof "Council".

52. On page 14, after line 13, insert the following new subsections:

"(d) COUNCIL REPRESENTATION ON MIGRATORY BIRD CONSERVATION COMMISSION.—The Chairman of the Council shall select one Council member of United States citizenship to serve with the Chairman as ex officio members of the Migratory Bird Conservation Commission for the purposes of considering and voting upon wetlands conservation projects recommended by the Council.

"(e) APPROVAL OF COUNCIL RECOMMENDATIONS BY THE MIGRATORY BIRD CONSERVATION COMMISSION.—The Migratory Bird Conservation Commission, along with the two members of the Council referred to in subsection (d) of this section, shall approve, reject or reorder the priority of any wetlands conservation projects recommended by the Council based on, to the greatest extent practicable, the criteria of subsection (a) of this section. If the Migratory Bird Conservation Commission approves any wetlands conservation project, Federal funding shall be made available under this Act and section 3(b) of the Act of September 2, 1937 (16 U.S.C. 669b(b)), as amended by this Act. If the Migratory Bird Conservation Commission rejects or re-orders the priority of any wetlands conservation project recommended by the Council, the Migratory Bird Conservation Commission shall provide the Council and the appropriate Committees with a written statement explaining its rationale for the rejection or the priority modification.".

53. On page 14, strike the text on lines 23 through 25 and on page 15, strike the text on lines 1 through 9.

54. On page 15, line 16, strike "(e)" and insert in lieu thereof "(f)".

55. On page 15, line 17, strike "Secretary" and insert in lieu thereof "Migratory Bird Conservation Commission".

56. On page 15, line 19, strike "Secretary" and insert in lieu thereof "Migratory Bird Conservation Commission".

57. On page 15, line 24, immediately after the semicolon, strike "and".

58. On page 15, line 25, strike "Commission" and insert in lieu thereof "Council".

59. On page 16, line 1, strike "Secretary" and insert in lieu thereof "Migratory Bird Conservation Commission".

60. On page 16, line 2, strike the period after "funding" and insert in lieu thereof "; and a justification for any rejection or re-ordering of the priority of wetlands conservation projects recommended by the Council that was based on factors other than the criteria of section 5(a) of this Act.".

61. On page 16, line 7, strike "section 3(c)" and insert in lieu thereof "section 8(b)".

62. On page 16, line 10, strike "under section 5(d) and insert in lieu thereof "by the Migratory Bird Conservation Commission".

63. On page 16, line 13 and lines 19 and 20, strike "50 Stat. 917, as amended;" each place it appears.

64. On page 17, line 15, strike "The" and insert in lieu thereof "In lieu of including in the National Wildlife Refuge System any lands or waters or interests therein acquired under this Act, the", and after "may insert", with the concurrence of the Migratory Bird Conservation Commission,".

65. On page 17, line 17, strike "50 Stat. 917, as amended;".

66. On page 17, line 21, strike "private entity approved by a State" and insert in lieu thereof "other entity upon a finding by the Secretary that the real property interests should not be included in the National Wildlife Refuge System".

67. On page 17, lines 23 and 24, strike "Commission" and insert in lieu thereof "Council" and strike "Secretary" and insert in lieu thereof "Migratory Bird Conservation Commission".

68. On page 17, line 24 and continuing through line 7 on page 18, strike the second sentence of paragraph (3) and insert in lieu thereof the following sentence:

"The Secretary shall not convey any such interest to a State, another public agency or other entity unless the Secretary determines that such State, agency or other entity is committed to undertake the management of the property being transferred in accordance with the objectives of this Act, and the deed or other instrument of transfer contains provisions for the reversion of title to the property to the United States if such State, agency or other entity fails to manage the property in accordance with the objectives of this Act.".

69. On page 18, lines 11, 12, and 13, strike the final sentence of paragraph (3).

70. On page 19, line 11, strike "50 Stat. 917, as amended;".

71. On page 19, line 13, strike "private" and insert in lieu thereof "other".

72. On page 19, lines 15 and 16, strike "under section 5(d)" and insert in lieu thereof "by the Migratory Bird Conservation Commission".

73. On page 19, line 18, strike "Commission" and insert in lieu thereof "Council".

74. On page 19, line 19, strike "Secretary" and insert in lieu thereof "Migratory Bird Conservation Commission".

75. On page 20, line 3, after the period insert the following sentence:

"Acquisitions of real property and interests in real property carried out pursuant to this subsection shall not be subject to any provision of Federal law governing acquisitions of property for inclusion in the National Wildlife Refuge System.".

76. On page 20, lines 7 and 8, strike "50 Stat. 917, as amended;".

77. On page 21, lines 14 and 15, strike "50 Stat. 917, as amended;".

78. On page 22, line 8, strike, "1990," and "and 1993" and insert "1993, and 1994" after "1992,".

79. On page 22, lines 13 and 14, strike "50 Stat. 917, as amended;".

80. On page 22, after line 8, insert the following new subsection:

"(d) AVAILABILITY OF FUNDS.—Sums made available under this section shall be available until expended.".

81. On page 22, line 17, after "Secretary," insert "which can be matched with non-Federal moneys in accordance with the requirements of subsection (b) of this section,".

82. On page 23, line 3, after "thereof)" insert ", which can be matched with non-Federal moneys in accordance with the requirements of subsection (b) of this section,".

83. On page 23, strike the text on lines 7 through 24, insert the following and re-des-

ignate the subsequent subsection accordingly:

"(b) FEDERAL CONTRIBUTION FOR PROJECTS.—The Federal moneys allocated under subsection (a) of this section for any fiscal year to carry out approved wetlands conservation projects shall be used for the payment of not to exceed 50 per centum of the total United States contribution to the costs of such projects, or may be used for payment of 100 per centum of the costs of such projects located on Federal lands and waters, including the acquisition of inholdings within such lands and waters.".

84. On page 24, line 8, strike "or (c)".

85. On page 25, beginning on line 20 and continuing through line 12 on page 26, strike section 11 of the bill and insert in lieu thereof the following section:

"SEC. 11. REPORT TO CONGRESS.

The Secretary shall report to the appropriate Committees on the implementation of this Act. The report shall include:

"(1) a biennial assessment of—

"(A) the estimated number of acres of wetlands and habitat for waterfowl and other migratory birds that were restored, protected, or enhanced during such two-year period by Federal, State, and local agencies and other entities in the United States, Canada, and Mexico;

"(B) trends in the population size and distribution of North American migratory birds; and

"(C) the status of efforts to establish agreements with nations in the western hemisphere pursuant to section 17 of this Act.

"(2) an annual assessment of the status of wetlands conservation projects, including an accounting of expenditures by Federal, State, and other United States entities, and expenditures by Canadian and Mexican sources to carry out these projects.".

86. On page 27, lines 2 and 3, strike "Federal Aid in Wildlife Restoration Act (50 Stat. 917, as amended;" and insert in lieu thereof "Act of September 2, 1937 (".

87. On page 27, after line 8, insert the following new sections:

"SEC. 14. ADDITION OF EPA ADMINISTRATOR TO MIGRATORY BIRD CONSERVATION COMMISSION.

"Section 2 of the Migratory Bird Conservation Act (16 U.S.C. 715a) is amended by striking "the Secretary of Transportation," and inserting in lieu thereof "the Administrator of the Environmental Protection Agency,".

"SEC. 15. LIMITATION ON ASSESSMENTS AGAINST MIGRATORY BIRD CONSERVATION FUND.

"Notwithstanding any other provision of law, only those personnel and administrative costs directly related to acquisition of real property shall be levied against the Migratory Bird Conservation Account.

"SEC. 16. TECHNICAL AND CONFORMING AMENDMENTS TO THE MIGRATORY BIRD TREATY ACT.

"Section 2 of the Migratory Bird Treaty Act (16 U.S.C. 703) is amended—

"(1) by striking "and" after "1936,"; and

"(2) by inserting after "1972" the following: "and the convention between the United States and the Union of Soviet Socialist Republics for the conservation of migratory birds and their environments concluded November 19, 1976.".

"SEC. 17. OTHER AGREEMENTS.

"(a) The Secretary shall undertake with the appropriate officials of nations in the western hemisphere to establish agreements, modeled after the Plan or the Agreement, for the protection of migratory birds identified in section 13(a)(5) of the Fish and Wildlife Conservation Act of 1980 (16 U.S.C. 2912(a)). When any such agreements are reached, the Secretary shall make recommendations to the appropriate Committees on legislation necessary to implement the agreements.

"(b) Section 13(a) of the Fish and Wildlife Conservation Act (16 U.S.C. 2912(a)) is amended by striking "and" after "U.S.C. 1531 to 1543);" and striking "necessary." and inserting "necessary; and" and adding at the end the following:

"'(5) identify lands and waters in the United States and other nations in the western hemisphere whose protection, management or acquisition will foster the conservation of species, subspecies and population of migratory non-game birds, including those identified in paragraph (3).'.".

MITCHELL AMENDMENT NO. 1140

Mr. CRANSTON (for Mr. MITCHELL) proposed an amendment to the bill S. 804, supra, as follows:

On page 25, lines 14 through 19, strike the following sentence: "In the consideration of land disposal alternatives, the head of each such agency shall give priority to the transfer of real property interests for conservation purposes that would contribute to furtherance of the purposes of this Act and the goals of the Plan and the Agreement.".

JOHNSTON AMENDMENT NO. 1141

Mr. CRANSTON (for Mr. JOHNSTON) proposed an amendment to the bill S. 804, supra, as follows:

At the end of the bill add the following new section:

SEC. . TO EXPAND THE BOGUE CHITTO NATIONAL WILDLIFE REFUGE.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to establish the Bogue Chitto National Wildlife Refuge" (Public Law 96-288; 94 Stat. 604) is amended by—

(1) striking the period at the end of subsection 3(b) and inserting in lieu thereof: ", and within an area approximately 10,000 acres as depicted upon a map entitled "Bogue Chitto NWR Expansion", dated September, 1989 and on file with the United States Fish and Wildlife Service."; and

(2) by deleting "$10,000,000" in subsection 5(a) and inserting in lieu thereof "such sums as may be necessary".

STEVENS AMENDMENT NO. 1142

Mr. LOTT (for Mr. STEVENS) proposed an amendment to the bill S. 804, supra, as follows:

At the end of the bill add the following new section:

"SEC. 18. WETLANDS ASSESSMENTS.

"Section 401(a) of the Emergency Wetlands Resources Act of 1986 (16 U.S.C. 3931(a)) is amended by adding the following new paragraph:

"(5) produce, by April 30, 1990, a report that provides:

"(A) an assessment of the estimated total number of acres of wetland habitat as of the 1780's in the areas that now comprise each state; and

"(B) an assessment of the estimated total number of acres of wetlands in each state as of the 1980's, and the percentage of loss of wetlands in each state between the 1780's and the 1980's.".

PROVIDING 5-YEAR, STAGGERED TERMS FOR FEDERAL ENERGY REGULATORY COMMISSION MEMBERS

McCLURE AMENDMENT NO. 1143

Mr. LOTT (for Mr. MCCLURE) proposed an amendment to the bill S. 388, a bill to provide for 5-year, staggered terms for members of the Federal Energy Regulatory Commission, and for other purposes, as follows:

On page 4, strike section 4.

NOTICES OF HEARINGS

SELECT COMMITTEE ON AGING

Mr. PRYOR. Mr. President, I ask unanimous consent that the Senate Special Committee on Aging, be authorized to meet during the session of the Senate on Wednesday, November 15, 1989, at 1:30 p.m. to hold a hearing on how the drug crisis is affecting the elderly, particularly poor and minority elderly in both urban and rural setting.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON TOXIC SUBSTANCES, ENVIRONMENTAL OVERSIGHT, RESEARCH AND DEVELOPMENT

Mr. ADAMS. Mr. President, I ask unanimous consent that the Subcommittee on Toxic Substances, Environmental Oversight, Research and Development, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Wednesday, November 15, beginning at 9:30 a.m., to conduct a hearing to review EPA's enforcement program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. ADAMS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on November 15, 1989, at 2 p.m., to hold a hearing on the nominations of Edward W. Nottingham to be U.S. District Judge for the District of Colorado, Edward J. Lodge to be U.S. District Judge for the District of Idaho and Arthur D. Spatt to be U.S. District Judge for the Eastern District of New York.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. ADAMS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Wednesday, November 15,

1989, at 9 a.m., to consider the nomination of Victor Stello, Jr., to be the Assistant Secretary of Energy for Defense programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS

Mr. ADAMS. Mr. President, I ask unanimous consent that the Subcommittee on East Asian and Pacific Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, November 15, at 3 p.m., to hold a hearing on U.S policy toward China.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. ADAMS. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Wednesday, November 15, 1989, at 2:15 a.m., to hold a hearing on pending nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. ADAMS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, November 15, at 9 a.m., to hold a hearing on Montreal Aviation Protocols Nos. 3 and 4; Ex. B, 95-1.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION, AND INFRASTRUCTURE

Mr. ADAMS. Mr. President, I ask unanimous consent that the Subcommittee on Water Resources, Transportation, and Infrastructure, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Wednesday, November 15, beginning at 2 p.m., to hold a hearing on S. 1804, the Drug Offender's Driving Privileges Suspension Act of 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON SMALL BUSINESS

Mr. ADAMS. Mr. President, I ask unanimous consent that the Small Business Committee be authorized to meet during the session of the Senate on Wednesday, November 15, 1989, at 1:30 p.m. The committee will hold a hearing on the nomination of Kyo R. Jhin to be chief counsel for advocacy for the Small Business Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. ADAMS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Wednesday, November 15, 1989, at 9 a.m., to conduct hearings on whether the American economy is in decline relative to our major competitors, and, if so, the implications this has for America's position in the world.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

QUALITY DAY CARE

● Ms. MIKULSKI. Mr. President, I ask that an article from the Baltimore Sun, November 1, 1989, be included in the RECORD.

This article deals with a problem we have long struggled with in the Congress—quality day care for our Nation's children. We are not attracting and retaining the people we need in the field to take proper care of our kids, and this article discusses the reasons why. I urge my colleagues to join me in thinking long and hard about the issues raised in this piece.

The article follows:

THEY CAN'T AFFORD TO CARE

(By Abby Karp)

Once upon a time, Richetta Fields had visions of becoming a school teacher. So after she graduated from high school, she studied early childhood education at the Community College of Baltimore. A few months later, she took a job caring for other people's children at the Midtown Children's Center.

Her starting pay as a day-care aide was $3.75 an hour. Two and a half years later, she'd gotten a raise—10 cents more an hour. She had no health insurance for herself or her 5-month-old son. She had no car. And, she figured out, when her son turned 2, she wouldn't be able to afford to place him in the day-care center at St. Paul Street and North Avenue where she worked.

Yesterday the 21-year-old said goodbye to her class of 2- and 3-year-olds. Today she begins a new job, photographing children at a Sears portrait studio. Although she knows nothing about taking pictures, her starting pay is $5.50 an hour. She will have health insurance, life insurance, paid leave.

Much as she loves working with children, Ms. Fields has no plans to return to a profession where Play-Doh's a given but real dough's rarely found.

"I had to leave," she says, after living as a single parent on $500 a month. "I said, 'it's time to find a job with more money.' "

Like Ms. Fields, four out of 10 day-care workers abandoned the profession last year, mostly because of low salaries. The paltry pay extends up the day-care ladder: Ms. Fields' boss, director Carolyn Iwata, makes only $13,000, 17 years after she began working at the non-profit center.

Kathy Chapman, director of Red Balloon Day Care Center in Waverly, still lives at home with her parents.

"I've never felt I could live someplace nice on my own," says Ms. Chapman, 31, who has worked in day-care since graduating third in her class from Coppin State University in 1981.

Low pay leads to turnover in day-care centers and that, in turn, diminishes the quality of care and education children receive, according to a national study of such centers released last month.

Children in centers with frequent turnover are slower to develop language and social skills than those in more stable environments, the National Child Care Staffing Study found. Researcher Carollee Howes, an education professor at University of California in Los Angeles, said. "Children in America are in jeopardy because their child-care teachers are poorly paid."

Most day-care workers find it easy to improve on their pay—a national average of $5.35 an hour—when they leave, becoming public school teachers, store clerks, receptionists, real estate agents.

Ironically, the job so many leave is the only one they love.

They bristle at comparisons with baby sitters, likening their work to teaching and parenting. More than half have studied early childhood education or development and one in five has a bachelor's degree, according to the national study.

What they like best, day-care workers say, is the informality, the lack of bureaucracy, the feeling of making a difference, the readily offered affection.

"What other job do you go to where someone says every day, 'I love you,' " asks Mary Dickson, a teacher of 2-year olds at Downtown Baltimore Children's Center. "You feel very special to be here."

The center's director tries to retain staff like Ms. Dickson by paying far more than the national average, as much as $20,000 to senior teachers with bachelor's degrees.

"I can't stand to see people with four-year degrees having to go out and waitress at night to make car payments. That really burns people out very quickly," says the director, Nancy L. Kramer. "I hate to think this is a field where someone can work a few years and then she has to go out and get a 'real' job."

Yet, she adds, "I just don't know the solution to it all: You get so caught between the needs of the parents and the needs of the staff."

The only route to change, daycare operators agree, is for governments and employers to begin contributing to the day care's tuition costs, which average $317 a month in Maryland.

"I'm confronted over and over with people saying, 'Can't you do [day care] cheaper?' " says Anita Prentice, president of the DBCC board of directors. "Early childhood education hasn't been understood as a separate profession because a lot of women do it for free as mothers."

Ms. Prentice hopes the federal government may soon put more money in child care. The House of Representatives recently approved a $22.7 billion child-care package, which includes income tax credits for poor families and subsidies for those who provide day care to children of low- or moderate-income families. House and Senate members are meeting to match efforts.

"So far, the cost of day care is being paid by parents and by staff accepting low wages," agrees Barbara Willer, public affairs director for the National Association for the Education of Young Children, an advocacy group for educators. "We've got to understand that good early education benefits all society, and the cost should be shared by all aspects of society."

Day-care directors see an urgent need for government and private-sector intervention: Not only is it becoming harder to hire qualified staff, but they see children in day care suffering because of the high teacher turn-

over, which has jumped from 15 percent a year in 1977 to 41 percent in 1988.

"You can't expect a 3-year-old to adjust to three different teachers in a year," says Marilyn Carlisle, director of Faith Creative Day Care Center in Northeast Baltimore. "They start getting nervous when a teacher leaves early for a doctor's appointment is she coming back? They regress, become clingy or whiny."

When children are away from home eight hours a day, "It's important for them to have something that's almost never changing," adds Bridgette Wells, an assistant teacher at DBCC.

When staff members leave, replacements are hard to find, directors agree. Competition for day-care workers has increased as the numbers of young children and working mothers grow. In Maryland, there are almost three times as many day-care centers as in 1976. And school systems—also faced with burgeoning enrollments—are taking a larger share of people trained in early childhood education.

"You don't even try to hire people with four-year [college] degrees," says Susan Bartz, owner of the Children's Learning Experience in Baltimore. "They won't stay with you anyway. You get calls over Labor Day weekend that they got jobs in public schools, won't be coming back."

Young women who enter the work force—and most day-care workers are female—need higher paychecks and better benefits than in the past, when a woman's income often was an insignificant addition to a husband's salary.

But even as their needs grow, day-care salaries have dropped nearly 20 percent in the past decade in inflation-adjusted dollars, according to the national study, which was sponsored by the Child Care Employee Project.

Besides salaries, other reasons people give for leaving day-care jobs include the fear of being accused of sexual abuse and the poor working conditions in some centers, where teachers and aides do janitor's work or must buy supplies themselves.

And then there's the exhaustion factor. As any parent can imagine, chasing 10 2-year-olds around for 40 hours a week can wear a person out.

"When you first start in day-care, an eight-hour day is like a 15-hour day," says Ms. Wells. And Margo Shayne, DBCC program director, says she gets laughed at when she asks former day-care teachers to return.

"I ask them to come work here and they say, 'Are you crazy? I would never go back to day care. It's too stressing, to demanding, and you don't get respect from people for teaching in day-care center.' "●

HELPING RESETTLE REFUGEES

● Mr. SIMON. Mr. President, November 15 is a golden anniversary day for the Lutheran Immigration and Refugee Service.

This year marks the 50th anniversary of the Lutheran Immigration and Refugee Service, a national agency of Lutheran churches in the United States for ministry with uprooted people.

LIRS is an inter-Lutheran cooperative agency that represents 95 percent of all Lutherans in the United States. The church bodies it serves are the Evangelical Lutheran Church in America and Latvian Evangelical Lutheran Church, both based in Chicago, and the Lutheran Church—Missouri Synod, based in St. Louis.

Since 1939, LIRS has resettled more than 155,000 refugees through partnerships with Lutheran ministry organizations, congregations, and community people. More than 6,000 congregational sponsors were mobilized for this work, to foster the well-being of refugees and their integration into American life.

The total number resettled includes more than 3,000 unaccompanied refugee children placed in foster care since 1978. LIRS is one of just two national voluntary agencies that resettles unaccompanied minors.

The LIRS is not resting on its laurels. Their ministry is expected to expand significantly in the years ahead.

I commend the people who have made the Lutheran Immigration and Refugee Service such a vibrant organization for 50 years and wish them well as they meet the challenges of the nineties.●

NAMING OF NEW YORK UNIVERSITY'S ROBERT F. WAGNER GRADUATE SCHOOL OF PUBLIC SERVICE

● Mr. MOYNIHAN. Mr. President, as we approach the final decade of the 20th century, our Nation faces a daunting array of challenges. If they are to be met, we will require the best educated men and women we can produce. We will need first-class leaders with rigorous training and a keen dedication to public service if they are to meet the great challenges of governing that will be thrust upon them.

With these concerns in mind, I am pleased to inform my colleagues of an important development at one of the Nation's leading institutions of higher education, New York University. Tomorrow night, a distinguished group will gather to celebrate the naming of the Robert F. Wagner Graduate School of Public Service in honor of the former New York City Mayor Robert F. Wagner. Dr. John Brademas, himself a distinguished public servant and former colleague in Congress, announced this grand news in late September.

The naming of the Wagner School, formerly called the Graduate School of Public Administration, is part of an ongoing campaign to strengthen the school's resources. Part of the endowment income will be directed to fellowships for students, many of whom already work in the public sector, who could not otherwise afford to leave their jobs for graduate education. New funds will also be used to attract tenured and visiting professors and speakers with wide experience in both national and local politics.

Mr. President, Robert F. Wagner served as mayor of New York City for 12 years, from 1953 to 1965, and governed with imagination, compassion, and integrity. If I may, I note my own work as a volunteer for Mayor Wagner's successful campaign in 1953. I also had the great privilege of working with Mayor Wagner on New York City's poverty program while I was an assistant to Gov. Averell Harriman. Mayor Wagner also served as United States Ambassador to Spain and Presidential Envoy to the Vatican.

For much of this century, the Wagner family has been dedicated to public service. Mayor Wagner's father, Robert, served as New York State Assemblyman, Democratic leader in the New York State Senate, and State Supreme Court Justice of the Appellate Division. A U.S. Senator from 1927 to 1949, he introduced much of the legislation of the New Deal.

Mayor Wagner's son, Robert, Jr., a former deputy mayor of New York City and today president of the Board of Education of the City of New York, continues this family tradition.

Mr. President, it is an especially appropriate time to associate Mayor Wagner's name with a school of public service so uniquely situated—both geographically and intellectually—to address the problems of urban America. The name of Robert F. Wagner will symbolize the dedication and commitment needed to address those problems.

If I may, I send my warm congratulations to the entire Wagner family, to Dr. Brademas, and to all who will gather for this auspicious event.

I also ask that the statements of Dr. Brademas and Mayor Wagner upon the occasion of the naming of the Robert F. Wagner Graduate School of Public Service be printed in the RECORD.

The statements follow:

STATEMENT OF MAYOR ROBERT F. WAGNER

Over the years, I've been lucky enough to receive a number of honors. None means more than today's.

To have a school named after me at New York University, one of the great universities of the world, is very special. To have my name associated with a school dedicated to public service, has a particular meaning.

My father used to say to me that he would not be able to leave me a lot of money. What he would leave me is a name and a heritage of which I would be proud. And I am proud—for all my father did, for this country, and for my chance to serve, for my family's continued commitment, in all sorts of different ways, to the idea that the public good is the highest good.

It is the highest good, and when done honorably and well, the most rewarding.

In recent years, public service has not received the same level of attention from universities as the law, business, or medicine. But if there were a time for trained, knowledgeable, public managers, it is now.

Whether you think about the problems of AIDS, crack and homelessness in New York City, the fiscal problems of the State, or the complex choices about social policy, defense, and debt faced by the Federal Government, the importance of preparing the best and the brightest for the government service, is absolutely compelling.

My hope is that the naming of this school, through the generosity of my friends Marshall Manley, George Scharffenberger, Raymond Chambers and Ambassador Walter Annenberg—will signal a renewed sense that government can make a difference and that those who enter it represent our future.

What NYU is proposing today—and I thank Larry and Bob Tisch, John Brademas, Naomi Levine, George Heyman, the entire NYU Board, and especially the one board member to whom I'm related, Phyllis Cerf Wagner, and the "Wagner" School's Advisory Board, and Dean Howard Newman, for making it possible to say that here in New York a major university is prepared to take the lead, to make it clear that what happens in government, what happens in the nonprofit world will determine the quality of our society.

I'd like to believe that dedication to public service is what my life has been about, what my father's was about, and what my family's is about. I thank you for this extraordinary honor. I look forward to working with you and others, to make this the model public service school, not just for the city or state but for the Nation.

STATEMENT OF DR. JOHN BRADEMAS

As president of New York University, I am pleased to welcome you all to our campus for an exciting announcement. For today marks a significant moment in the 158-year history of NYU. New York University today names the Robert F. Wagner Graduate School of Public Service in honor of the distinguished former Mayor of the City of New York, United States Ambassador to Spain, and Presidential Envoy to the Vatican, Robert F. Wagner.

This naming is made possible by a series of gifts which are part of an ongoing campaign to endow the School, formerly known as the Graduate School of Public Administration. I am delighted to tell you that three generous benefactors have already pledged $9 million to recognize, in this wonderful way, Mayor Wagner for his many contributions to our city, state and nation.

I know I need not stress for an audience of New Yorkers what a great honor it is to have the name Wagner—a name synonymous with public service and dedication to the highest aims of government—asociated so intimately with New York University. The name of Wagner lends new resonance to the longstanding motto of New York University: "A private university in the public service."

THE ROBERT F. WAGNER GRADUATE SCHOOL OF PUBLIC SERVICE

The Wagner School is one of the oldest and largest public service graduate schools in the United States. Founded in 1938, it ranks among the leading schools of its kind based on the quality of its faculty, students and programs. The School offers graduate programs in three major areas: Public Administration, Urban Planning, and Health Policy and Management. It also supports a Health Research Program and houses the Urban Research Center, a focal point for the study of the problems of cities.

With the support we announce today, we are confident that the Robert F. Wagner Graduate School of Public Service will become one of the premier graduate centers in the Nation for public policy research and for preparing men and women for service in government at every level, nonprofit organizations and health services administration.

MAJOR GIFTS

The major donors to the school's endowment campaign—so far—are: Marshall Manley, president and chief executive officer of AmBase Corp., who, together with the AmBase Foundation, Inc., has pledged $5 million; Raymond Chambers, chairman of Wesray Capital Corp. who has pledged $2 million; and The Hon. Walter H. Annenberg, publisher and distinguished former Ambassador to Great Britain, who is also contributing $2 million.

On behalf of the entire NYU community, I want to express our deep gratitude to Marshall Manley, Ray Chambers and Ambassador Annenberg—all men of accomplishment whose generosity and desire to pay tribute to a leading figure in American life have made this day possible.

I must also single out for special mention one of the leading ladies of this institution and, indeed, this city. A successful businesswoman, she is also a member of the University Board of Trustees and chairs the Board's University Life Committee. Her great spirit and energy make her one of New York University's most valuable assets. I speak, of course, of Phyllis Wagner.

Let me put these gifts in the larger perspective of what we as a university are striving to achieve. They will help endow a leading school for education and research in public policy and urban affairs at a time when we must develop new and effective solutions to the problems afflicting the country's cities.

THE IMPORTANCE OF PUBLIC SERVICE

As someone who spent a quarter of a century in public life—who knows its rigors and yet cherishes its rewards—I feel strongly that we, as a Nation, must rekindle among our young people a sense of the purpose and the privilege of serving in the public arena. Through the great generosity of our donors and their strong support of public service, New York University can prepare men and women equipped to serve in government and other nonprofit arenas and to do so with intelligence and integrity.

There is one other point I want to make: As the country's major domestic problems become increasingly centered in urban areas, people look to local leaders for solutions to issues that Federal resources no longer address. And as New York City prepares to elect its next mayor, we are all aware of the daunting range of challenges facing our metropolitan centers.

The gifts we announce today will advance the work of The Wagner School in confronting such critical issues as care for AIDS patients, health services for the poor and elderly, homelessness, school dropouts, public transportation and the impact of telecommunications on urban economies.

The list of participants in today's event should also underscore one final point: public service knows no partisan boundaries. Persons of differing political backgrounds and viewpoints have united in support of The Robert F. Wagner Graduate School of Public Service. And what finer inspiration for our students and faculty than to pursue their studies and conduct their research in a graduate school named for our honored guest today.

THE WAGNER LEGACY

Mayor from 1953 to 1965, Robert Wagner gave New York City its first code of ethics, put into effect local laws to bar discrimination in housing and pressed balanced economic development with neighborhood cooperation.

The Wagner family has been a prominent force in government at all levels for much of this century. Our guest's father, Robert, served in the New York State Assembly and Senate and on the State Supreme Court. As a U.S. Senator, he helped write much of the New Deal legislation of the 1930's and 40's.

Continuing this tradition is the mayor's son, Robert, Jr., a former deputy mayor and now president of the New York City Board of Education. And as we meet today on a university campus, it is fitting to take note of this important figure in the educational life of New York City. He deserves our gratitude, in particular, for his leadership over the past several months in selecting the new chancellor of the city's public schools.

I am also pleased to note that the ties of the Wagner family to NYU are several and deep. For many years, Mayor Wagner was chairman of the Graduate School's Executive Council. Robert, Jr. is a member of the School's Board of Overseers and a senior fellow and member of the Advisory Council of its Urban Research Center. The mayor's wife, Phyllis, as I have said, is a valued member of the University's Board of Trustees.

The naming of a school is not just a matter of changing signs on a building. It is a gesture that touches the intellectual core of an institution. The Robert F. Wagner Graduate School of Public Service is meant to be an ongoing embodiment of the ideas and commitment to a wider community represented by one of the Nation's most talented public servants.

By conducting research in areas of pressing public concern and by preparing the next generation of policymakers and planners, The Wagner School seeks to live up to its splendid new name.●

TITLE V OF S. 1802

● Mr. JOHNSTON. Mr. President, I rise today to provide further explanation of the intent of title V of S. 1802, legislation to enhance nuclear safety, research, and cleanup by the Department of Energy.

Title V of this bill, entitled "Monitoring of Health and Radiological Conditions in the Northern Marshall Islands," would require that the Secretary of Energy continue to maintain a comprehensive program of radiological activities in the Northern Marshall Islands. The Department of Energy has repeatedly attempted to phase down this program despite the need to maintain our Government's capability to conduct radiological monitoring and research, and to support United States' assistance to the people and Government of the Republic of the Marshall Islands.

Two atolls in the Northern Marshall Islands, Enewetak and Bikini, were the sites of advanced weapons testing in the late 1940's and early 1950's. As a result of this testing, the atolls became contaminated with radionu-

clides. In 1954, two other atolls, Rongelap and Utrik were contaminated by fallout from the "Bravo" thermonuclear test at Bikini.

The United States has accepted full responsibility for the contamination of these atolls and a final settlement of claims arising from the testing was concluded in 1986 as a part of Public Law 99-239.

The Department of Energy has played the principal role in monitoring radiological conditions on the atolls, conducting research on mitigation/cleanup strategies, and in making dose assessments of persons affected by the testing. In addition, Congress has provided for other committees and individuals to oversee and review the work of the Department in order to assure the validity of their work.

Because there is a continued interest in these issues by Congress and the people and Government of the Marshall Islands, there is a continued need for the Department's activities. For example, the people of Bikini are currently undertaking a cleanup effort on Bikini Island which is based on research conducted by the Department of Energy. It is important that the Department continue its monitoring activities to verify the effectiveness of the cleanup effort. In addition, it is hoped that the people of Rongelap will soon be returning to their homeland now that the Rongelap reassessment project has confirmed DOE's findings regarding the habitability of Rongelap Island. The Department can assist in reassuring the people of the safety in returning to their island by continuing to monitor conditions, and by making their data and expertise available to the Rongelap community, and to the Government of the Marshall Islands. Unfortunately, the Department has been all too eager to phase down its activities in the Marshalls.

Mr. President, I want to specifically state that this title of S. 1802 is not intended to suggest any disagreement with the findings of the Department's monitoring and research activities in the Northern Marshall Islands. The Department's scientific work in the islands has been reviewed by many outside experts and it has been found to be accurate. The intent of title V of this bill is to require that the Department continue this important work.

Radioactivity is a highly controversial subject, and it is an important issue in our relations with the people of the Marshall Islands. The data and expertise provided by the Department of Energy, and reviewed by independent experts, have been important to myself and to members of congressional committees when considering these issues. In general, the Department's activities are essential to Congress in making policy decisions regarding the Northern Marshall Islands. Title V of S. 1802 underscores the importance of the Department's activities and requires their continuation.●

SECOND ANNIVERSARY OF THE BRASOV WORKERS' UPRISING

● Mr. DECONCINI. Mr. President, today, November 15, marks the second anniversary of the workers' uprising in Brasov, Romania. In comparison with the startling changes that have swept through Eastern Europe in the past few months, this quickly extinguished uprising would appear to be but a footnote to a history of repression in Romania.

But its significance goes far beyond those few hours when the workers of Romania spoke their minds, and the harsh, years-long prison and labor sentences that were meted out to some of the participants. It was the first stirring of widespread dissent in Romania in a decade, and it sparked a crescendo of protest that has been carried into this past year.

The most spectacular sign of dissent to appear in Romania this year was the open letter to President Nicolae Ceausescu written by six prominent, veteran members of the Romanian Communist Party—Silviu Brucan, Constantin Pirvulescu, Corneliu Manescu, Alexandru Birladeanu, Gheorghe Apostol, and Ion Raceanu. Their letter criticized the destruction of the country his policies have caused and called for an immediate renunciation of the systematization program, restoration of constitutional guarantees on civil rights, and an end to food exports "which are threatening the biological existence of our Nation." "You must admit, Mr. President, that a society cannot function if the authorities, starting from the top, show disrespect for the law," they wrote.

With Bulgarian President Zhivkov's exit last week, as well as GDR leader Honecker's quick fall from power, President Ceausescu is virtually the last holdout from the old guard East European Communist leaders. His regime's policies have isolated Romania, and set it on a backward course when most of the rest of Eastern Europe is moving forward. But they have also isolated him, and he stands alone.

That isolation has nowhere been more apparent than in the 35-nation Conference on Security and Cooperation in Europe. In January of this year, the regime gave its agreement to the Vienna Concluding Document, then announced that it would abide only by those commitments it did not find objectionable. These so-called unacceptable commitments include pledges to respect human rights. It has rejected outright the attempts of seven participating CSCE states to use the new human dimension mechanism to address several human rights cases. In the face of criticism at two recent meetings held under the aegis of the 35-country Conference on Security and Cooperation in Europe, in London and in Paris, Romania has returned to the time-worn and untenable defense of its abysmal record by claiming that outsiders have no right to interfere in a sovereign country's internal affairs. Most recently, alone among the 35 participating states, Romania refused to give consensus to the draft concluding document of the CSCE Environmental Forum held in Sofia, Bulgaria. That decision provoked deep disappointment and frustration from East as well as West.

Between its repressive human rights policies and provocative foreign policy stands, the Romanian state has quickly lost what friends it once had. But we must not foresake the Romanian people. Let us continue to offer our strongest moral support to the forces of democracy and reform, silenced as they are in today's Romania.●

"OPENING DOORS FOR 50 YEARS": THE 50TH ANNIVERSARY OF THE LUTHERAN IMMIGRATION AND REFUGEES SERVICE

● Mr. BOSCHWITZ. Mr. President, today is an important day for those of us who take an active role in bringing refugees and immigrants into our country. Today marks the 50th anniversary of the Lutheran Immigration and Refugee Service. Their theme for the anniversary celebration, "Opening Doors—Yesterday and Tomorrow," is certainly an appropriate one.

The Lutheran Immigration and Refugee Service [LIRS] is the national agency of Lutheran churches in the United States for ministry with uprooted people. LIRS is an inter-Lutheran cooperative agency that represents about 95 percent of all Lutherans in the United States.

LIRS is to be commended for its dedication and commitment to meeting the needs of immigrants and refugees who enter our country. Since 1939, LIRS has resettled more than 155,000 refugees and immigrants through partnerships with Lutheran social ministry organizations, congregations, and community people. Among those who've been resettled by LIRS are Europeans, Armenians, Evangelical Christians from the Soviet Union, Amerasian young people, Southeast Asians, Africans, and refugees from the Near East.

LIRS serves as an important voice for refugees at all levels—from local to international. More than 6,000 congregational sponsors have taken part in this resettlement process, welcoming thousands of newcomers to our country and helping to integrate them into American life. These local groups also deserve praise for their untiring work

in accepting newcomers with open arms and hearts.

As the only refugee serving in the U.S. Senate, the plight of refugees and immigrants is a deep concern of mine. I have worked closely with LIRS in the past, and look forward to a continued close working relationship.

With more than 14 million refugees throughout the world, those of us who are committed to resettling refugees and immigrants recognize that we still face many challenges. I am confident that LIRS will continue to be a leader in speaking out on behalf of refugees and immigrants worldwide and will continue working to meet the needs of all refugees and immigrants.

Once again, I am proud to have the opportunity today to recognize the 50th anniversary of the Lutheran Immigration and Refugee Service.●

THE IMPEACHMENT OF WALTER L. NIXON, JR.

● Mr. BIDEN. Mr. President, the House of Representatives exhibited three articles of impeachment against Judge Walter L. Nixon, Jr. Articles I and II each alleged a single, discrete false statement before a grand jury. Article III, the so-called omnibus article, alleged that Judge Nixon deliberately concealed certain conversations by knowingly making one or more false statements before the grand jury and one or more false statements in an interview with Federal investigators.

I voted to convict Judge Nixon on articles I and II, and to acquit Judge Nixon on article III. In addition, I voted in favor of granting Judge Nixon's motion to dismiss article III. I make this statement to briefly explain the reasons for my votes on article III.

First, article III cumulated 14 alleged false statements in such a way as to effectively bypass the requirement in article I, section 3, clause 6 of the Constitution that "no Person shall be convicted without the concurrence of two thirds of the Members present." In order to convict under article III, it was necessary to find only that Judge Nixon made one or more false statements to the grand jury and one or more false statements to the Federal investigators. It was possible, therefore, for Judge Nixon to be convicted under article III even though two-thirds of the Members present did not agree that he made any one of the alleged false statements. Put another way, Judge Nixon could have been convicted on article III even though he would have been acquitted were each of the 14 alleged false statements voted on separately. This, in my view, the Constitution forbids.

Second, article III unfairly repeated the alleged false statements in articles I and II. It was clear from the language of article III that Judge Nixon could have been acquitted on articles I and II but then convicted on article III—on the basis of the very same facts that were the foundation of articles I and II. Subsection II(A), (D), (E), (F), and (G) alleged essentially the same facts that were alleged in articles I and II. In my view, Judge Nixon should not have been subject to liability for the allegations in those subsections of article III were he to have been acquitted on articles I and II.

BUD STALEY: A MAN FOR ALL SEASONS

● Mr. COATS. Mr. President, America has many heroes. They have fought our country's wars, pioneered new frontiers in science, won gold medals at the Olympics and saved the lives of our citizens. We honor them for their courageous deeds, and their names become part of our country's legacy.

Most often, we recognize heroism only when such acts are spectacular or worthy or front page news. But there are many Americans who, in the normal course of daily life, make the world a better place for everyone. They dedicate their time and resources to their communities, to philanthropic organizations, and to those less fortunate than themselves. They do this not for personal gain, but because they believe that their contributions can improve the lives of others.

Bud Staley is one of those people.

A son of America's heartland, this Hammond, IN, native represents the classical American success story. From his beginnings as a telephone installer for Illinois Bell Telephone in the 1940's, Bud rose through the ranks of the Bell System to become chairman of the board of NYNEX Corp., a position from which he retired this year. During those years, he helped to guide the telecommunications industry through an era of dramatic evolution—an era marked by both rapid technological development and the breakup of the Bell System.

But it is not Bud's career achievements, numerous though they are, that tell the real story about this man. Rather, it is his devotion to his family and to civic and community causes that reveals more about his character. For instance, Bud's tireless efforts with the New York City Partnership's Task Force on Youth Employment led to the establishment of thousands of jobs for disadvantaged youth. Over the years, he has given countless hours of service as chairman of the American Red Cross of Greater New York, the United Way of Tri-State—New York—and the Greater New York Savings Bond Committee. Most recently, he has been a major force in fundraising efforts to aid the victims of Hurricane Hugo and the San Francisco earthquake.

Many of those who have benefited from Bud Staley's efforts will never know his name. What they do know, and what is most important, is that charitable organizations are there to provide them with assistance and comfort in times of need. And it is the "behind the scenes" activities of dedicated American citizens like Bud Staley that make it possible for those organizations to be there.

As President Bush stated, "Prosperity with a purpose means taking your idealism and making it concrete by certain acts of goodness." If a man's prosperity is measured by the acts of goodness he bestows on others, then Bud Staley is truly a wealthy man.●

THE 50TH ANNIVERSARY OF LUTHERAN IMMIGRATION AND REFUGEE SERVICE

● Mr. METZENBAUM. Mr. President, I rise today to congratulate the Lutheran Immigration and Refugee Service as it celebrates its 50th anniversary.

The Lutheran Immigration and Refugee Service [LIRS] represents the Evangelical Lutheran Church in America and Latvian Evangelical Lutheran Church, both based in Chicago, as well as the Lutheran Church—Missouri Synod, based in St. Louis. It is an organization dedicated to the welfare of displaced persons—the victims of war, oppression and upheaval.

Through its network of social ministries and congregations, LIRS has helped to resettle more than 155,000 refugees since 1939. Refugees from around the world have benefited from LIRS's good work. Most recently, LIRS has made its mark in the refugee crises afflicting Southeast Asia, Africa, and the Soviet Union.

LIRS performs a particularly important service as one of only two organizations that resettles unaccompanied children. LIRS has succeeded in placing more than 3,000 children in foster care over the past decade.

With the world's population of refugees swelling to more than 13 million, the services of groups like LIRS are critical. On both the local and international level, private/voluntary organizations help governments grapple with the growing refugee problem. Indeed, it is the PVO's like LIRS which are truly on the front lines of refugee policy.

LIRS works for just and humane public policies and practices regarding refugees and immigrants. LIRS helps ensure fair treatment of refugees seeking asylum in the United States, and stands behind them through the application process.

As the number of refugees seeking entry into the United States reaches overwhelming proportions, the Lutheran Immigration and Refugee Serv-

ice will face its toughest challenges ever. I know that LIRS's record of service over the past 50 years will be matched and exceeded during the next 50 years. LIRS deserves our thanks, our congratulations, and our request to keep up the good work on this milestone, 50th anniversary.●

ALBANIAN INDEPENDENCE DAY

● Mr. RIEGLE. Mr. President, today I join Albanians all over the world in celebrating the 77th anniversary of Albanian Independence Day. To mark this important event, I would like to pay tribute to all those individuals who have devoted their lives to fight for democracy and freedom for all people in the world. The Albanian National Front will be holding their annual Albanian Independence Day celebration on November 25, 1989 in my home State, Michigan.

On November 28, 1912, Ismail Qemal with the support of his countrymen, proclaimed Albania a democratic and independent nation, freeing itself from the Ottoman Empire. Unfortunately, this independence was short-lived due to the upheaval created by the First World War.

Albania was then thrust into a period of instability under warring factions of various tyrants. The onslaught of the Second World War disrupted Albanian efforts to gain independence when the country forcibly occupied, this time by the Italian Fascists.

The voice of democracy within the Albanian people was organized through the establishment of Balli Kombetar—the "National Front." The main goal of this organization was to liberate the country and form a democratic government.

The Balli Kombetar fought courageously and dauntlessly against both the occupying forces and the Communists. With the fall of Italy and Germany, and the support and aid supplied by Tito's Yugoslavian Communists, the Communists within Albania gained control. The Balli Kombetar was forced to disband and continue its battle for a free and democratic Albania abroad.

Mr. President, by repeatedly demonstrating our support for people struggling for their rights to live as free individuals, we give renewed meaning to the democratic principles on which our own Nation was founded.

Today's commemoration of the ongoing struggle for a free and democratic Albania is an important part of the effort, and I am proud to support it.●

REFERRAL OF A NOMINATION

Mr. CRANSTON. Mr. President, as in executive session, I ask unanimous consent that the nomination of Donald E. Kirkendall, of Maryland, to be Inspector General at the Department of the Treasury, reported today by the Committee on Finance, be referred to the Committee on Governmental Affairs for not to exceed 20 days.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CIVIL RIGHTS COMMISSION REAUTHORIZATION

Mr. CRANSTON. Mr. President, I understand that the Senate has received from the House H.R. 3532, the Civil Rights Commission reauthorization bill. Am I correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the bill be placed on the calendar.

Mr. LOTT. Mr. President, I object on behalf of the minority.

Mr. CRANSTON. Mr. President, I then ask the bill be read for the first time.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 3532) to extend the United States Commission on Civil Rights.

Mr. CRANSTON. Mr. President, I ask the bill be read for a second time.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. LOTT. I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. CRANSTON. The bill will now lay on the table until the next legislative day?

The ACTING PRESIDENT pro tempore. The Senator is correct.

HYDROELECTRIC FAIRNESS ACT

Mr. CRANSTON. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of Calendar Order No. 247, S. 635, a bill to prevent the unintended licensing of federally nonjurisdictional pre-1935 unlicensed hydroelectric projects.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 635) to prevent the unintended licensing of federally nonjurisdictional pre-1935 unlicensed hydroelectric projects.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SEC. 2. Part I of the Federal Power Act (16 U.S.C. 791a et seq.) is amended by adding the following new section at the end thereof:

"SEC. 32. (a) The Commission is prohibited from issuing an original license to any person, State or municipality, other than the owner of the project works, for any project works:

"(1) on which there has been no construction within the meaning of section 23(b) since August 26, 1935; or

"(2) for which a declaration of intention was filed under section 23 and the Commission did not find within one year of the filing that the project works would affect the interests of interstate or foreign commerce.

"(b) The Commission is prohibited from requiring an original license for project works on which there has been no construction within the meaning of section 23(b) since August 26, 1935 if:

"(1) the stream, or part thereof, over or in which such project works have been constructed, was not navigable before the time of such construction; or

"(2) a declaration of intention was filed under section 23 and the Commission found that the interests of interstate or foreign commerce would not be affected by the construction of such project works.".

Mr. McCLURE. Mr. President, as the sponsor of the Hydroelectric Fairness Act of 1989, S. 635, I rise in strong support of this legislation and urge my colleagues to support its passage. S. 635 was reported unanimously by the Committee on Energy and Natural Resources on September 15, and it is cosponsored by Senators JOHNSTON, GARN, NICKLES, BRADLEY, MURKOWSKI, LAUTENBERG, FORD, and D'AMATO.

The purpose of this legislation is to remedy ambiguities in the 1935 Federal Power Act which inadvertently enable nonowners to acquire by hostile means unlicensed hydroelectric projects owned by others—"claim jumping" in the vernacular. As reported by the committee, S. 635 also addresses several other associated problems which were brought to our attention.

The approximately 350 hydroelectric projects this legislation seeks to protect from "claim jumping" are vulnerable because they don't have the protection of a Federal license; and the reason they don't have a Federal license is because when Congress wrote the Federal Power Act in 1935, it intentionally exempted them from the act's requirement to obtain a license.

Generally speaking, these licensing-exempt hydroelectric projects fall into two categories. First, there are those projects which were built before 1935 on a nonnavigable waterway and which have not since been improved. The bulk of unlicensed projects fall into this category. Second, there are those projects which were built after 1935 on a nonnavigable waterway and which were found by FERC to not affect the interests of interstate and foreign commerce. Neither of these categories of projects are required to obtain a Federal license, they are in-

stead subject to State jurisdiction and regulation.

For more than 50 years, the owners of unlicensed projects did not fear that they were at risk of being "claim jumped." But that ended recently when someone spotted, and put to use ambiguities in the Federal Power Act which makes "claim jumping" possible. Let me take a moment to describe these ambiguities which appear in sections 4(e) and 23(b) of the act.

First, section 4(e) of the Federal Power Act was recently interpreted by FERC—subsequently upheld by the Federal courts—in a completely new and novel way as allowing the voluntary licensing of an unlicensed project. Reviewing and upholding FERC's interpretation, a Federal court stated that:

> Pre-1935 project owners [are] at risk because volunteer applicants need not be project owners. *Thus, the owner of a project not requiring a license may find himself the target of a license application by strangers. Cooley v. FERC,* 843 F.2d 1464, 1470 (D.C. Cir., 1988) italic added.

Because Congress did not envision this possibility when writing the Federal Power Act back in 1935, the act does not contain a provision which precludes nonowners from voluntarily applying for a license on someone else's unlicensed project. Thus, as a result of FERC's new interpretation of section 4(e), nonowners can now "claim jump" unlicensed projects simply by volunteering for a license for the other person's project. In fact, under this interpretation even you or I could do so.

Second, although section 23(b) of the Federal Power Act makes it mandatory to obtain a Federal license for a pre-1935 unlicensed project if post-1935 construction is to be undertaken, the act does not say that only the owner can undertake the new construction. Under the act, any person can file for a Federal license to do so. Although this ambiguity has been around since the Federal Power Act was created back in 1935, until recently it had not been put to use by nonowners to "claim jump" projects.

Once a license is obtained by a nonowner, be it by using section 4(e) or section 23(b), the licensee can exercise the Federal Power Act's power of eminent domain to condemn the project and force the owner to sell—whether or not he wants to.

Mr. President, I have no doubt that had Congress foreseen these possibilities back in 1935 when it wrote the Federal Power Act, it would have included safeguards to prevent them from occurring; but Congress didn't, and that is why we today need to legislate.

The problem is sizable. At risk are an estimated 350 unlicensed hydroelectric projects which are located in 38 States and Puerto Rico. These projects are owned by electric utilities, municipalities, irrigation districts and private industry. For the benefit of the Senate, included in the committee report on S. 635 is the best list available of these project, but it is by no means exhaustive. Several projects located in the States of Michigan, New Jersey, and Massachusetts are already under siege by "claim jumpers," and if those efforts are successful other projects on the list will surely be next.

For electric utilities, project loss translates directly into higher electricity prices for its customers. In just one ongoing case for example, the utility has estimated that if they lose the project their customers' electric bill will be increased by $50 million over the next 30 years through the purchase of replacement power. Add adding insult to injury, if the lost project can obtain "QF" status under PURPA, the utility would be required to purchase the power back from the "claim jumper" at full avoided cost.

For nonutility owners such as paper mills, project loss would be a direct financial blow to the firm, weakening is ability to compete domestically and internationally.

Now one might reasonably ask the question: "Why don't the owners of these unprotected projects simply apply for a Federal license; after all, wouldn't they be protected from "claim jumping" if they had a license?" the answer is yes they would be protected if they had a license, but there are a number of substantial factors which discourage them from seeking a license.

First, they might not get the license. Applying for in is a direct invitation for others to file a competing application, which is allowed by the Federal Power Act. The act does not guarantee that an owner-applicant will obtain a license for its project; the license might instead by issued to someone else. And that obviously poses a great financial risk, for these projects constructed many years ago are today worth many millions of dollars.

Moreover, there is a virtual certainty of project loss if it turns out that the competitor is a municipality, because under the Federal Power Act municipalities are given preference in original licensing when competing against a utility for an original license. With preference, the only thing the municipality needs to do win is to match the electric utility's license application; it need not be the first to file, nor does it even need to propose a better project. In fact, as a practical matter about the only thing the municipality would have to do is copy the utility's license application and turn it in.

When Congress enacted the Electric Consumers Protection Act of 1986 to remove municipal preference for existing licensed projects, it did not do so for unlicensed projects; at the time there was no expectation that these projects would ever face "claim jumping" by municipalities, which is in fact now occurring. Had we foreseen this problem developing, I have no doubt that we would have fixed it.

Second, filing for a license is expensive. It costs thousands of dollars, and often many hundreds of thousands of dollars, to prepare the necessary documents and studies. For a smaller project, that cost alone might make the facility uneconomic and result in its being shut down, thereby depriving the economy of low-cost energy and costing consumers through higher priced replacement power. Or if the project stays on line, the licensing costs—paperwork costs plus the expenses of whatever project modifications the Federal Government would require as a condition of the license—would simply be passed on to consumers through higher electricity prices. And if the project were not owned by an electric utility, these costs would either be taken out of stockholders equity or passed on to consumers through higher retail prices.

Third, if licensed, the FERC would like impose substantial new operational requirements on the project, which would also significantly increase operational costs. And that, too, could either make the project uneconomic, or result in higher electricity prices to the utility's customers.

And fourth, once licensed the project would be taken out of State jurisdiction; the Federal Government would instead dictate how the project is to be operated and maintained, which may or may not be consistent with what the State views as being appropriate or necessary. This aspect is particularly troublesome to me as a result of the ninth circuit's Rock Creek decision which upheld FERC's assertion that it had exclusive jurisdiction over water rights, not the State in which the project resides. While I disagree with that decision and the corresponding body of case law, the fact is that until it is overturned, FERC will be free to usurp State water authority for federally licensed projects, a result which I think is unacceptable to Western States. Thus, unless the Supreme Court overturns the FERC, Federal licensing of these projects will only worsen the problem by expanding the number of rivers over which FERC will assert jurisdiction over water rights.

In summary, Mr. President, the pending legislation, which would enable the owners of unlicensed projects to hold onto them without having to bear the expense and burden of obtaining a Federal license, is not only fair and equitable, it is exactly the result Congress intended when it created the Federal Power Act back in 1935. Moreover, there is no

overriding Federal interest in stripping States of their jurisdiction over unlicensed projects; State authorities have proven that they can adequately oversee these projects, both in terms of safety and operations, and they should be allowed to continue to do so. In essence that is exactly what this legislation would do.

For the benefit of the Senate and as part of the legislative history, let me now take a moment to explain some aspects of S. 635, which may warrant some further amplification or explanation.

First, the limitations on licensing established by S. 635 obviously do not apply to non-power-producing hydrofacilities. The Federal Power Act does not give the Commission jurisdiction over nonpower hydroprojects or facilities. For example, non-power-producing dams, diversion structures and irrigation facilities are not licensed by the FERC. And, parenthetically, not all hydroelectric facilities are even within Federal jurisdiction. The term "project" is defined in existing section 3(11) of the Federal Power Act and the term "project works" is defined in existing section 3(12), both of which relate to hydroelectric projects. Thus, reading new section 32 along with existing sections 3(11) and 3(12), as well as the committee report and my comments on the introduction of S. 635, makes it perfectly clear that the limitations on licensing created by section 32 does not apply to non-power-producing hydrofacilities.

Second, new section 32(a)(1) prohibits the Commission from issuing an original license to anyone other than the owner of unlicensed hydroelectric project works—on which there has been no construction since August 26, 1935, within the meaning of section 23(b). Obviously, this prohibition applies even if the owner of the project works seeks a license proposing new construction, because such construction cannot take place until after the license is issued and final. Thus, new section 32(a)(1) will not discourage unlicensed project works owners from seeking to improve or upgrade their facilities out of a fear that such application would stimulate competition for the license; until construction within the meaning of 23(b) actually occurs, and not just is proposed or authorized by license, the limitation that the license can be issued only to the owner remains in effect. Restated, the limitation imposed by section 32(a)(1) applies unitl post-1935 section 23(b) construction actually takes place; and obviously such construction cannot take place until license is issued and final.

Third, while new section 32(a) limits who can obtain a license for certain hydroelectric projects, this limitation does not relieve the owner of project works of any applicable obligation to obtain a license if it is so required pursuant to existing section 23(b) of the Federal Power Act; the only limitation of section 32(a) is on who may obtain the license.

Fourth, in some instances the committee report on S. 635, Senate Report No. 101-133, may have inadvertently used the terms "project" and "project works" interchangeably, although they are clearly defined terms in the Federal Power Act. Accordingly, in any interpretation of S. 635 these terms should be viewed in the context in which they appear in the report, and not necessarily strictly as defined in the Federal Power Act.

Fifth, new section 32(a)(2) references the filing of a declaration of intention. That is the same declaration of intention as is required by section 23(b)(1) of the Federal Power Act, whereby a declaration of intention must be filed with the Commission by anyone intending to construct project works on any nonnavigable commerce clause water. The 1920 Federal Water Power Act—1920 act—contained section 23 which permitted, at the sole discretion of the filing party, the filing of a declaration of intention to construct a dam or project works. The 1920 act required the Federal Power Commission [FPC], the predecessor to the Federal Energy Regulatory Commission, to "cause immediate investigation of such proposed construction to be made." If, as a result of such investigation, the FPC did not find the dam or project works to be within its statutory jurisdiction, the 1920 act further provided that "permission of the Congress is hereby granted to construct such dam or other project works in such stream upon compliance with State laws." Thus, the device of a declaration of intention allowed a decision as to jurisdiction of the FPC—and therefore, the need for a license—before the expense of construction was undertaken. The FPC, by order, issued its response to the person filing the declaration and, further, published that decision in its annual report.

The courts have reviewed and upheld the declaration of intention procedure; for example, in *Farmington River Power Co.* v. *Federal Power Commission*, 455 F.2d 86(1972) the court explains the history of section 23 as having its origin as a Senate amendment and its purpose as:

> This amendment seeks to prescribe how a stream of doubtful navigability may be determined as within the provisions of the law * * *. 455 F.2d 86, 89. (footnote omitted)

The court goes on to say:

> There has long been wide acceptance by the courts, the commentators and the Commission itself of the conclusion that Section 23 was designed merely to provide a discretionary method whereby a person could determine whether or not his proposed construction was on navigable waters and therefore subject to the provisions of the Rivers and Harbors Act of 1899. 455 F.2d 86, 89. (footnote omitted)

The Congress changed and expanded section 23 in 1935 when creating the Federal Power Act. The changed provision required all persons intending to construct a dam or project works to file a declaration of intention with the FPC. Thus, the 1920 act, the Federal Power Act, court cases, and the various Commission annual reports all make perfectly clear what is a declaration of intention.

Sixth, section 32(b)(1) does not change, alter, or amend in any way the definition of what is and what is not "navigable waters;" it only limits the Commission's licensing powers where "the stream, or part thereof, over or in which such project works have been constructed, was not navigable before the time of such construction * * *." Obviously, if the stream was navigable before the time of construction, the limitation of this section does not attach.

The committee report states that the provisions of section 32(b) has the effect of "excluding consideration of any events that occur after project construction or that occur away from the portion of a waterway where a project is located, for purposes of determining the navigability of pre-1935 projects." (p. 8) This part of the report does not fully explain section 32(b). Section 32(b) does not change, affect, alter, modify, or speak in any way about how navigability is determined. The phrase cited above from the committee report should be interpreted as referring to section 32(b)(1) and meaning instead that physical events subsequent to the project's construction which affect navigability are not to be considered as retroactively affecting navigability "before the time of such construction." Moreover, the word "events" is not to be construed as including any change in case law.

Seventh, this legislation is prospective only in application; new section 32 does not apply to any project works for which an order issuing license is final as of the date of enactment. It only applies to those project works on which a license is not final as of the date of enactment.

The amendment offered by Senator MATSUNAGA is also prospective only in application. It would prevent persons from volunteering for and receiving from the Commission an original hydroelectric license in instances in which licensing is not required.

Mr. President, it is clear that this legislation is needed, and it is evident that it would be in the overall public interest. Failure to enact this bill would allow serious economic damage to befall industry and consumers, and we must not allow that to happen. It is for these reasons that I support this legislation and I urge my colleagues to also support it.

AMENDMENT NO. 1137

(Purpose: To clarify the Commission's authority to issue a license)

Mr. CRANSTON. Mr. President, on behalf of Mr. MATSUNAGA I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from California [Mr. CRANSTON], for Mr. MATSUNAGA, proposes an amendment numbered 1137.

Mr. CRANSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

SEC. 3. Section 4(e) of the Federal Power Act (16 U.S.C. 791a et seq.) is amended by adding the following at the end thereof: "The Commission is prohibited from issuing an original license for proposed project works for which a license is not required by section 23(b).".

The ACTING PRESIDENT pro tempore. If there be no further debate, the question is on agreeing to the amendment of the Senator from Hawaii.

The amendment (No. 1137) was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the commitment amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and the third reading of the bill.

The bill (S. 635) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 635

Be it enacted by the Senate and House of Representatives of the United States of America in Congres assembled, That this Act may be referred to as the "Hydroelectric Fairness Act of 1989".

SEC. 2. Part I of the Federal Power Act (16 U.S.C. 791 et seq.) is amended by adding the following new section at the end thereof:

"SEC. 32. (a) The Commission is prohibited from issuing an original license to any person, State, or municipality other than the owner of the project works, for any project works:

"(1) on which there has been no construction within the meaning of section 23(b) since August 26, 1935; or

"(2) for which a declaration of intention was filed under section 23 and the Commission did not find within one year of the filing that the project works would affect the interests of interstate or foreign commerce.

"(b) The Commission is prohibited from requiring an original license for project works on which there has been no construction within the meaning of section 23(b) since August 26, 1935, if—

"(1) the stream, or part thereof, over or in which such project works have been constructed, was not navigable before the time of such construction; or

"(2) a declaration of intention as filed under section 23 and the Commission found that the interests of interstate or foreign commerce would not be affected by the construction of such project works.".

SEC. 3. Section 4(e) of the Federal Power Act (16 U.S.C. 791a et seq.) is amended by adding the following at the end thereof: "The Commission is prohibited from issuing an original license for proposed project works for which a license is not required by section 23(b).".

The title was amended so as to read "A bill to prevent the unintended licensing of federally jurisdictional, unlicensed hydroelectric projects."

Mr. CRANSTON. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BILL PLACED ON CALENDAR—H.R. 525

Mr. CRANSTON. Mr. President, I ask unanimous consent that H.R. 525, a bill to naturalize certain Filipino war veterans, received today from the House, be placed on the calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZING THE USE OF THE HART BUILDING ATRIUM FOR A HOLIDAY CONCERT BY THE CONGRESSIONAL CHORUS

Mr. CRANSTON. Mr. President, on behalf of Senator KERREY, of Nebraska, I send a resolution to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 209) to authorize the use of the Hart Building atrium for a holiday concert by the Congressional Chorus.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 209) was agreed to.

The resolution reads as follows:

S. RES. 209

Resolved, That the atrium of the Senate Hart Office Building may be used from 12:00 noon until 1:00 p.m. on December 5, 1989, for a concert of holiday music presented by the Congressional Chorus.

Mr. CRANSTON. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONSENT OF CONGRESS TO THE QUAD CITIES INTERSTATE METROPOLITAN AUTHORITY COMPACT

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 354, S. 1485, the Quad Cities interstate compact bill.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1485) to grant the consent of Congress to the Quad Cities Interstate Metropolitan Authority Compact entered into between the States of Illinois and Iowa.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The bill was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1485

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL CONSENT.

The Congress hereby consents to the Quad Cities Interstate Metropolitan Authority Compact entered into between the States of Illinois and Iowa, which compact is substantially as follows:

ARTICLE 1—SHORT TITLE

This compact may be cited as the "Quad Cities Interstate Metropolitan Authority Compact".

ARTICLE 2—AUTHORIZATION

The states of Illinois and Iowa authorize the creation of the quad cities interstate authority to include the territories of Scott county in the state of Iowa and Rock Island county in the state of Illinois.

ARTICLE 3—PURPOSES

The purposes of the authority are to provide facilities and to foster cooperative efforts, all for the development and public benefit of its territory. This compact shall be liberally interpreted to carry out these purposes.

ARTICLE 4—CREATION

The authority is created when the secretary of state of Iowa certifies to the secretary of state of Illinois that a majority of the electors of Scott county voting on the proposition voted to approve creation of the authority and the secretary of state of Illinois certifies to the secretary of state of Iowa that a majority of the electors of Rock Island county voting on the proposition voted to approve creation of the authority. A referendum approving creation of the authority must be held before January 1, 1993.

ARTICLE 5—BOARD MEMBERS

The authority shall be governed by a board of not more than sixteen members, one-half of whom are residents of Rock

Island county, Illinois, and one-half of whom are residents of Scott county, Iowa. Iowa members shall be chosen in the manner and for the terms fixed by the law of Iowa. Illinois members shall be chosen in the manner and for the terms fixed by the law of Illinois.

ARTICLE 6—BOARD OFFICERS

The board shall elect annually from its members a chairperson, a vice chairperson, a secretary, and other officers it determines necessary.

ARTICLE 7—BOARD OPERATION

The board shall adopt bylaws governing its meetings, fiscal year, election of officers, and other matters of procedure and operation.

ARTICLE 8—BOARD EXPENSES AND COMPENSATION

(a) Members shall be reimbursed for reasonable expenses incurred while carrying out official duties.

(b) Members shall be compensated as authorized by substantially identical laws of the states of Illinois and Iowa.

ARTICLE 9—EMPLOYEES

(a) The board shall hire an executive director, a treasurer, and other employees it determines necessary and shall fix their qualifications, duties, compensation, and terms of employment.

(b) The executive director, treasurer, and other employees shall have no pension benefits or rights of collective bargaining other than those authorized by substantially identical laws of the states of Iowa and Illinois.

ARTICLE 10—GENERAL POWERS

The authority has the following general powers:

(1) To sue and be sued.

(2) To own, operate, manage, or lease facilities within the territory of the authority. "Facility" means an airport, port, wharf, dock, harbor, bridge, tunnel, terminal, industrial park, waste disposal system, mass transit system, parking area, road, recreational area, conservation area, or other project beneficial to the territory of the authority as authorized by substantially identical laws of the states of Iowa and Illinois, together with related or incidental fixtures, equipment, improvements, and real or personal property.

(3) To fix and collect reasonable fees and charges for the use of its facilities.

(4) To own or lease interests in real or personal property.

(5) To accept and receive money, services, property, and other things of value.

(6) To disburse funds for its lawful activities.

(7) To enter into agreements with political subdivisions of the state of Illinois or Iowa or with the United States.

(8) To pledge or mortgage its property.

(9) To perform other functions necessary or incidental to its purposes and powers.

(10) To exercise other powers conferred by substantially identical laws of the states of Iowa and Illinois.

ARTICLE 11—EMINENT DOMAIN

(a) The authority has the power to acquire real property by eminent domain.

(b) Property in the state of Iowa shall be acquired under the laws of the state of Iowa. Property in the state of Illinois shall be acquired under the laws of the state of Illinois.

ARTICLE 12—INDEBTEDNESS

(a) The authority may incur indebtedness subject to debt limits imposed by substantially identical laws of the states of Illinois and Iowa.

(b) Indebtedness of the authority shall not be secured by the full faith and credit or the tax revenues of the state of Iowa or Illinois, or a political subdivision of the state of Iowa or Illinois other than the authority or as otherwise authorized by substantially identical laws of the states of Iowa and Illinois.

(c) Bonds shall be issued only under terms authorized by substantially identical laws of the states of Illinois and Iowa.

ARTICLE 13—TAXES

(a) The authority shall have no independent power to tax.

(b) A political subdivision of the state of Iowa or Illinois shall not impose taxes to fund the authority or any of the authority's projects except as specifically authorized by substantially identical laws of the states of Illinois and Iowa.

ARTICLE 14—REPORTS

The authority shall report annually to the governors and legislatures of the states of Iowa and Illinois concerning its facilities, activities, and finances and may make recommendations for state legislation.

ARTICLE 15—PENALTIES

The states of Illinois and Iowa may provide by substantially identical laws for the enforcement of the ordinances of the authority and for penalties for the violation of those ordinances.

ARTICLE 16—SUBSTANTIALLY IDENTICAL LAWS

Substantially identical laws of the states of Iowa and Illinois which are in effect before the authority is created shall apply unless the laws are contrary to or inconsistent with the provisions of this compact. A question of whether the laws of the states of Iowa and Illinois are substantially identical may be determined and enforced by a federal district court.

ARTICLE 17—DISSOLUTION

The authority may be dissolved by independent action of a political subdivision of the state of Iowa or the state of Iowa as authorized by law of the state of Iowa or by independent action of a political subdivision of the state of Illinois or the state of Illinois as authorized by law of the state of Illinois.

ARTICLE 18—SUBJECT TO LAWS AND CONSTITUTIONS

This compact, the enabling laws of the states of Iowa and Illinois, and the authority are subject to the laws and Constitution of the United States and the Constitutions of the states of Illinois and Iowa.

ARTICLE 19—CONSENT OF CONGRESS

The attorneys general of the states of Iowa and Illinois shall jointly seek the consent of the Congress of the United States to enter into or implement this compact if either of them believes the consent of the Congress of the United States is necessary.

ARTICLE 20—BINDING EFFECT

This compact and substantially identical enabling laws are binding on the states of Illinois and Iowa to the full extent allowed without the consent of Congress. If the consent of Congress is necessary, this compact and substantially identical enabling laws are binding on the states of Iowa and Illinois to the full extent when consent is obtained.

ARTICLE 21—SIGNING

This compact shall be signed in duplicate by the speakers of the houses of representatives of the states of Illinois and Iowa. One signed copy shall be filed with the secretary of state of Iowa and the other with the secretary of state of Illinois.

SEC. 2. RESERVATION OF RIGHTS.

The right to alter, amend, or repeal this Act is expressly reserved.

Mr. CRANSTON. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ACQUISITION OF CERTAIN LAND ADJACENT TO ROCKY MOUNTAIN NATIONAL PARK

Mr. CRANSTON. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S.737.

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the House of Representatives:

Resolved, That the House insist upon its amendments to the bill (S. 737) entitled "An Act to authorize the Secretary of the Interior to acquire certain lands adjacent to the boundary of Rocky Mountain National Park in the State of Colorado.".

Mr. CRANSTON. Mr. President, I move the Senate recede from its disagreement to the House amendment and concur in the House amendment with an amendment which I send to the desk on behalf of Senator WIRTH.

AMENDMENT NO. 1138

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mr. CRANSTON], for Mr. WIRTH proposes an amendment numbered 1138.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

At the end of the House amendment, add the following new subsection:

"(c) AGREEMENT.—The Secretary is authorized to enter into an agreement with the owner of the lands identified as Tract 1127 and 1127B4, Section 23, Township 3 North, Range 73, Boulder County, Colorado, within the boundaries of Rocky Mountain National Park, to ensure the right of use as a single family residence, unless said property is being developed or is officially proposed to be developed by the owners in a manner which would substantially change its use."

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion.

The motion was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NORTH AMERICAN WETLANDS CONSERVATION ACT

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 289, S. 804, the Wetlands Conservation bill.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

A bill (S. 804) to conserve North American wetland ecosystems and waterfowl and other migratory birds and fish and wildlife that depend upon such habitats, which had been reported from the Committee on Environment and Public Works, with amendments as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

S. 804

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "North American Wetlands Conservation Act".

SEC. 2. FINDINGS AND STATEMENT OF PURPOSE.

(a) FINDINGS.—The Congress finds and declares that—

(1) the maintenance of healthy populations of migratory birds in North America is dependent on the protection, restoration, and management of wetland ecosystems and other habitats in Canada, as well as in the United States and Mexico;

(2) wetland ecosystems provide essential and significant habitat for fish, shellfish, and other wildlife of commercial, recreational, scientific, and aesthetic values;

(3) almost 35 per centum of all rare, threatened, and endangered species of animals are dependent on wetland ecosystems;

(4) wetland ecosystems provide substantial flood and storm control values and can obviate the need for expensive manmade control measures;

(5) wetland ecosystems make a significant contribution to water availability and quality, recharging groundwater, filtering surface runoff, and providing waste treatment;

(6) wetland ecosystems provide aquatic areas important for recreational and aesthetic purposes;

(7) more than 50 per centum of the original wetlands in the United States alone have been lost;

(8) wetlands destruction, loss of nesting cover, and degradation of migration and wintering habitat have contributed to long-term downward trends in populations of migratory bird species such as pintails, American bitterns, and black ducks;

(9) the migratory bird treaty obligations of the United States with Canada, Mexico, and other countries require protection of wetlands that are used by migratory birds for breeding, wintering, or migration and are needed to achieve and to maintain optimun population levels, distributions, and patterns of migration;

(10) the 1988 amendments to the Fish and Wildlife Conservation Act of 1980 require the Secretary of the Interior to identify conservation measures to assure that nongame migratory bird species do not reach the point at which measures of the Endangered Species Act are necessary;

(11) protection of migratory birds and their habitats requires long-term planning and the close cooperation and coordination of management activities by Canada, Mexico, and the United States within the framework of the 1916 and 1936 Migratory Bird Conventions;

(12) the North American Waterfowl Management Plan, signed in 1986 by the Minister of Environment for Canada and the Secretary of the Interior for the United States, provides a framework for maintaining and restoring an adequate habitat base to ensure perpetuation of populations of North American waterfowl and other migratory bird species;

(13) a tripartite agreement signed in March 1988, by the Director General for Ecological Conservation of Natural Resources of Mexico, the Director of the Canadian Wildlife Service, and the Director of the United States Fish and Wildlife Service, provides for expanded cooperative efforts in Mexico to conserve wetlands for ducks, geese, and other migratory birds that spend the winter there; and

[(13)] *(14)* the long-term conservation of migratory birds and habitat for these species will require the coordinated action of governments, private organizations, landowners, and other citizens.

(b) PURPOSE.—The purposes of this Act are to encourage partnership among public agencies and private interests—

(1) to protect, enhance, restore, and manage an appropriate distribution and diversity of wetland ecosystems and other habitats for migratory birds and other fish and wildlife in North America;

(2) to maintain current or improved distributions of migratory bird populations; and

(3) to sustain an abundance of waterfowl and other migratory birds consistent with the goals of the North American Waterfowl Management Plan and the international obligations contained in the migratory bird treaties and conventions *and other agreements* with Canada, Mexico, and other countries.

SEC. 3. DEFINITIONS.

For the purposes of this Act:

(1) The term "Agreement" means the Tripartite Agreement signed in March 1988, by the Director General for Ecological Conservation of Natural Resources of Mexico, the Director of the Canadian Wildlife Service, and the Director of the United States Fish and Wildlife Service.

[(1)] *(2)* The term "appropriate Committees" means the Committee on Environment and Public Works of the United States Senate and the Committee on Merchant Marine and Fisheries of the United States House of Representatives.

[(2)] *(3)* The term "flyway" means the four administrative units used by the United States Fish and Wildlife Service and the States in the management of waterfowl populations.

(4) The term "Migratory Bird Conservation Commission" means that commission established by section 2 of the Migratory Bird Conservation Act (16 U.S.C. 715a).

[(3)] *(5)* The term "migratory birds" means all wild birds native to North America that are in an unconfined state and that are protected under the Migratory Bird Treaty Act, including ducks, geese, and swans of the family Anatidae, species listed as threatened or endangered under the Endangered Species Act (16 U.S.C. 1531 et seq.), and species defined as nongame under the Fish and Wildlife Conservation Act of 1980 (16 U.S.C. 2901-2912).

[(4)] *(6)* The term "Plan" means the North American Waterfowl Management Plan signed by the Minister of the Environment for Canada and the Secretary of the Interior for the United States in May 1986.

[(5)] *(7)* The term "Secretary" means the Secretary of the Interior.

[(6)] *(8)* The term "State" means the State fish and wildlife agency.

[(7)] *(9)* The term "wetlands conservation project" means—

(A) the obtaining of a real property interest in lands or waters from willing sellers or donors if the obtaining of such interest is subject to terms and conditions that will ensure that the real property will be administered for the long-term conservation of such lands and waters and the migratory birds and other fish and wildlife dependent thereon; [and that will provide for appropriate public access;] *and*

(B) the restoration, management, or enhancement of wetland ecosystems and other habitat for migratory birds and other fish and wildlife species if such restoration, management, or enhancement is conducted on lands and waters that are administered for the long-term conservation of such lands and waters and the migratory birds and other fish and wildlife dependent thereon. [and that are available for appropriate public access.]

SEC. 4. ESTABLISHMENT OF NORTH AMERICAN WETLANDS CONSERVATION COMMISSION.

(a) COMMISSIONERS.—(1) There shall be established a North American Wetlands Conservation Commission which shall consist of nine Commissioners who may not receive compensation as Commissioners. Of the Commissioners—

(A) one shall be the Director of the United States Fish and Wildlife Service;

(B) one shall be the Secretary of the Board of the National Fish and Wildlife Foundation appointed pursuant to section 3(2)(B) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702); and

(C) four shall be individuals who shall be appointed by the Secretary, who shall reside in different flyways and who shall each be a Director of the State fish and wildlife agency [directly responsible for conservation of fish, wildlife, and wetlands;] *which shall be construed to mean any department, or any division of any department of another name, of a State that is empowered under its laws to exercise the functions ordinarily exercised by a State fish and wildlife agency;*

(D) three shall be individuals who shall be appointed by the Secretary and who shall each represent a different charitable and nonprofit organization which is actively participating in [implementation of the Plan.] *carrying out wetlands conservation projects under this Act, the Plan, or the Agreement.*

(2) The Secretary shall appoint an alternate Commissioner who shall be knowledgeable and experienced in matters relating to fish, wildlife, and wetlands conservation and who shall perform the duties of a Commissioner appointed under subsection (a)(1)(C) or subsection (a)(1)(D) of this section—

(A) until a vacancy referred to in subsection (b)(4) of this section is filled; or

(B) in the event of the anticipated absence of such a Commissioner from any meeting of the Commission.

(b) APPOINTMENT AND TERMS.—(1) Except as provided in paragraphs (2) and (3), the

term of office of Commissioners appointed under subsections (a)(1)(C) and (a)(1)(D) of this section is six years.

(2) Of the Commissioners first appointed under subsection (a)(1)(C) of this section after the date of enactment of this Act, one shall be appointed for a term of three years, one shall be appointed for a term of four years, one shall be appointed for a term of five years, and one shall be appointed for a term of six years.

(3) Of the Commissioners first appointed under subsection (a)(1)(D) of this section after the date of enactment of this Act, one shall be appointed for a term of two years, one shall be appointed for a term of four years, and one shall be appointed for a term of six years.

(4) Whenever a vacancy occurs among Commissioners appointed under subsection (a)(1)(C) or subsection (a)(1)(D) of this section, the Secretary shall appoint an individual in accordance with either such subsection to fill that vacancy for the remainder of the applicable term.

(c) EX OFFICIO COMMISSION MEMBERS.—The Secretary is authorized and encouraged to include as ex officio nonvoting members of the Commission representatives of—

(1) the Federal, provincial, territorial, or State government agencies of Canada and Mexico, which are participating actively in carrying out one or more wetlands conservation projects under [this Act or the Plan;] *this Act, the Plan, or the Agreement;*

(2) the Environmental Protection Agency and other appropriate Federal agencies, in addition to the United States Fish and Wildlife Service, which are participating actively in carrying out one or more wetlands conservation projects under [this Act or the Plan;] *this Act, the Plan, or the Agreement;* and

(3) Native American interests, including tribal organizations, which are participating actively in one or more wetlands conservation projects under [this Act or the Plan.] *this Act, the Plan, or the Agreement.*

(d) CHAIRMAN.—The Chairman shall be elected by the Commission from its members for a two-year term.

(e) QUORUM.—A majority of the current membership of the Commission shall constitute a quorum for the transaction of business.

(f) MEETINGS.—The Commission shall meet at the call of the Chairman at least once a year. Nonexecutive sessions of Commission meetings shall be open to the public. If a Commission member appointed under subsection (a)(1)(C) or (a)(1)(D) of this section misses three consecutive regularly scheduled meetings, the Secretary may remove that individual from the Commission and fill that vacancy in accordance with subsection (b)(4).

(g) REIMBURSEMENT OF EXPENSES.—Members of the Commission appointed under subsection (a)(1)(C) or subsection (a)(1)(D) of this section shall serve without pay, but be reimbursed by the Secretary with the funds available under section 8(a)(1) for administering this Act for the actual and necessary traveling and subsistence expenses incurred by them in the performance of the duties of the Commission.

(h) COORDINATOR.—The Director of the United States Fish and Wildlife Service shall designate an [individual] *employee of the Service*—

(1) who shall be educated and experienced in the principles of fish, wildlife, and wetlands conservation;

(2) who shall be responsible, with assistance from the United States Fish and Wildlife Service, for administration of this Act; and

(3) who shall be compensated with the funds available under section 8(a)(1) for administering this Act.

SEC. 5. APPROVAL OF WETLANDS CONSERVATION PROJECTS.

(a) CONSIDERATION BY THE COMMISSION.—The Commission shall recommend wetlands conservation projects to the Secretary based on consideration of—

(1) the availability of sufficient non-Federal moneys to carry out any wetlands conservation project and to match Federal contributions in accordance with the requirements of sections 8(b) and 8(c) of this Act;

(2) the extent to which any wetlands conservation project represents a partnership among public agencies and private entities;

(3) the consistency of any wetlands conservation project in the United States with the National Wetlands Priority Conservation Plan developed under section 301 of the Emergency Wetlands Resources Act (16 U.S.C. 3921);

(4) the extent to which the wetlands conservation project fulfills the purposes of this Act and the goals of the Plan *and the Agreement*;

(5) the extent to which any wetlands conservation project would aid the conservation of migratory nongame birds, other fish and wildlife and species that are listed, or are candidates to be listed, as threatened and endangered under the Endangered Species Act (16 U.S.C. 1531 et seq.);

(6) the substantiality of the character and design of the wetlands conservation project; and

(7) the recommendations of any partnerships among public agencies and private entities in Canada, Mexico, or the United States which are participating actively in carrying out one or more wetlands conservation projects under [this Act or the Plan.] *this Act, the Plan, or the Agreement.*

(b) RECOMMENDATIONS TO THE SECRETARY.—The Commission shall submit to the Secretary [and the appropriate Committees] by March 30 of each year, a description, including estimated costs, of the wetlands conservation projects which the Commission has considered under subsection (a) of this section and which it recommends, in order of priority, that the Secretary approve for Federal funding under this Act and section 3(b) of the [Federal Aid in Wildlife Restoration Act (16 U.S.C. 669b(b)),] *Act of September 2, 1937 (50 Stat. 917, as amended; 16 U.S.C. 669b(b))*, as amended by this Act.

(c) COMMISSION PROCEDURES.—The Commission shall establish practices and procedures for the carrying out of its functions under subsections (a) and (b) of this section. The procedures shall include requirements that—

(1) a quorum of the Commission must be present before any business may be transacted; and

(2) no recommendations referred to in subsection (b) of this section may be adopted by the Commission except by the vote of two-thirds of all members present and voting.

[(d) APPROVAL OF COMMISSION RECOMMENDATIONS BY THE SECRETARY.—The Secretary shall approve the Federal funding available under this Act and section 3(b) of the Federal Aid in Wildlife Restoration Act (16 U.S.C. 669b(b)), as amended by this Act, for the wetlands conservation projects in the order of priority recommended by the Commission unless the Secretary finds that any such projects should not have been recommended based on consideration of the factors in subsection (a) of this section.]

(d) APPROVAL OF COMMISSION RECOMMENDATIONS BY THE SECRETARY.—The Secretary, in consultation with the Migratory Bird Conservation Commission, shall approve the Federal funding available under this Act and section 3(b) of the Act of September 2, 1937 (50 Stat. 917, as amended; 16 U.S.C. 669(b)), as amended by this Act, for the wetlands conservation projects in the order of priority recommended by the Commission unless the Secretary determines, based on review of the factors in subsection (a) of this section, that any such projects should not receive such Federal funding or that the order of priority for such Federal funding of recommended projects should be modified.

[(e) REJECTION OR MODIFICATION OF RECOMMENDATIONS.—If the Secretary makes a finding under subsection (d) of this section with respect to any wetlands conservation project recommended by the Commission, the Secretary shall provide the Commission and the appropriate Committees with a justification, in writing, for such finding.]

(e) NOTIFICATION OF APPROPRIATE COMMITTEES.—The Secretary shall submit annually to the appropriate Committees a report including a list and description of the wetlands conservation projects approved by the Secretary for Federal funding under subsection (d) of this section in order of priority; the amounts and sources of Federal and non-Federal funding for such projects; a justification for the approval of such projects and the order of priority for funding such projects; and a list and description of the wetlands conservation projects which the Commission recommended, in order of priority that the Secretary approve for Federal funding.

SEC. 6. CONDITIONS RELATING TO WETLANDS CONSERVATION PROJECTS.

(a) PROJECTS IN THE UNITED STATES.—(1) Subject to the allocation requirements of section 8(a)(2) and the limitations on Federal contributions under section 8(c) of this Act, the Secretary shall assist in carrying out wetlands conservation projects in the United States, which have been approved under section 5(d), with the Federal funds made available under this Act and section 3(b) of the [Federal Aid in Wildlife Restoration Act (16 U.S.C. 669b(b)),] *Act of September 2, 1937 (50 Stat. 917, as amended; 16 U.S.C. 669b(b))*, as amended by this Act.

(2) Except as provided in paragraph (3), any lands or waters or interests therein acquired in whole or in part by the Secretary with the Federal funds made available under this Act and section 3(b) of the [Federal Aid in Wildlife Restoration Act (16 U.S.C. 669b(b)),] *Act of September 2, 1937 (50 Stat. 917, as amended; 16 U.S.C. 669b(b))*, as amended by this Act, to carry out wetlands conservation projects shall be included in the National Wildlife Refuge System.

[(3) The Secretary may convey without cost to a State, or to another public agency or private entity approved by a State, any real property interest acquired in whole or in part with the Federal funds made available under this Act and section 3(b) of the Federal Aid in Wildlife Restoration Act (16 U.S.C. 669b(b)), as amended by this Act, except that no real property interest acquired in whole or in part, or enhanced, managed, or restored with such Federal funds shall, without the approval of the Secretary, be converted for uses other than conservation of migratory birds, other fish and wildlife and the wetland ecosystems

upon which such species depend. The Secretary shall approve such conversion only if the Secretary finds that it is in accord with the Plan and only upon such conditions as the Secretary deems necessary to assure the substitution of comparable wetland ecosystems or other habitat, of at least equal fair market value, for migratory birds and other fish and wildlife species.]

(3) The Secretary may grant or otherwise provide the Federal funds made available under this Act and section 3(b) of the Act of September 2, 1937 (50 Stat. 917, as amended; 16 U.S.C. 669b(b)), as amended by this Act or convey any real property interest acquired in whole or in part with such funds without cost to a State or to another public agency or private entity approved by a State: Provided, That any grant recipient shall have been so identified in the project description accompanying the recommendation from the Commission and approved by the Secretary. The Secretary shall not convey any such interest to a private entity unless the approving State is committed to undertake management of the property being transferred to the private entity if such entity fails to manage the property in accordance with the objectives of this Act or voluntarily abandons it, and the deed or other instrument of transfer shall contain provisions for the transfer of title to the property to such State under such circumstances. Any real property interest conveyed pursuant to this paragraph shall be subject to such terms and conditions that will ensure that the interest will be administered for the long-term conservation and management of the wetland ecosystem and the fish and wildlife dependent thereon. The Secretary shall issue regulations for the implementation of this paragraph.

[(b) PROJECTS IN CANADA OR MEXICO.—Subject to the allocation requirements of section 8(a)(1) and the limitations on Federal contributions under section 8(b) of this Act, the Secretary shall grant or otherwise provide the Federal funds made available under this Act and section 3(b) of the Federal Aid in Wildlife Restoration Act (16 U.S.C. 669b(b)), as amended by this Act, to public agencies and private entities for purposes of assisting such entities and individuals in carrying out wetlands conservation projects in Canada or Mexico that have been approved under section 5(d). The Secretary may only grant or otherwise provide Federal funds if the grant or provision is subject to terms and conditions that will ensure that any real property interest acquired in whole or in part, or enhanced, managed, or restored with such Federal funds will be administered for the long-term conservation and management of fish and wildlife and in a manner that will provide for appropriate public access and use.]

(b) PROJECTS IN CANADA OR MEXICO.—Subject to the allocation requirements of section 8(a)(1) and the limitations on Federal contributions under section 8(b) of this Act, the Secretary shall grant or otherwise provide the Federal funds made available under this Act and section 3(b) of the Act of September 2, 1937 (50 Stat. 917, as amended; 16 U.S.C. 669b(b)), as amended by this Act, to public agencies and private entities for the purpose of assisting such entities and individuals in carrying out wetlands conservation projects in Canada or Mexico that have been approved under section 5(d): Provided, That the grant recipient shall have been so identified in the project description accompanying the recommendation from the Commission and approved by the Secretary. The Secretary may only grant or otherwise provide Federal funds if the grant is subject to the terms and conditions that will ensure that any real property interest acquired in whole or in part, or enhanced, managed, or restored with such Federal funds will be administered for the long-term conservation and management of such wetland ecosystem and the fish and wildlife dependent thereon. Real property and interests in real property acquired pursuant to this subsection shall not become part of the National Wildlife Refuge System.

SEC. 7. AMOUNTS AVAILABLE TO CARRY OUT THIS ACT.

(a) AID IN WILDLIFE RESTORATION.—(1) Section 3 of the Act [commonly known as the "Federal Aid in Wildlife Restoration Act" (16 U.S.C. 669b)] of September 2, 1937 (50 Stat. 917, as amended; 16 U.S.C. 669b), is amended—

(A) by inserting "(a)" before "An amount" in the first sentence thereof; and

(B) by adding at the end thereof the following:

"(b)(1) The Secretary of the [Interior] *Treasury* shall invest in interest-bearing obligations of the United States such portion of the fund as is not, in his judgment, required for meeting a current year's withdrawals. For purposes of such investment, the Secretary of the [Interior] *Treasury* may—

"(A) acquire obligations at the issue price and purchase outstanding obligations at the market price; and

"(B) sell obligations held in the fund at the market price.

"(2) The interest on obligations held in the fund—

"(A) shall be credited to the fund;

["(B) are not available for apportionment under this Act before December 31, 2000;

["(C) constitute the sums available for allocation by the Secretary under section 8 of the North American Wetlands Conservation Act; and

["(D) shall become available for apportionment upon satisfying the goals and objectives of the Plan.".]

"(B) constitute the sums available for allocation by the Secretary under section 8 of the North American Wetlands Conservation Act; and

"(C) shall become available for apportionment under this Act at the beginning of fiscal year 2006.".

(2) Section 4(a) of the [Federal Aid in Wildlife Restoration Act (16 U.S.C. 669c(a))] *Act of September 2, 1937 (50 Stat. 917, as amended; 16 U.S.C. 669c(a))*, is amended by inserting "(excluding interest accruing under section 3(b))" after "revenues" in the first sentence thereof.

(3) The amendments made by this subsection of this Act take effect October 1, 1989.

(b) MIGRATORY BIRD FINES, PENALTIES, FORFEITURES.—The sums received under section 6 of the Migratory Bird Treaty Act (16 U.S.C. 707) as penalties or fines, or from forfeitures of property are authorized to be appropriated to the Department of the Interior for purposes of allocation under section 8 of this Act. *This subsection shall not be construed to require the sale of instrumentalities.*

(c) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amounts made available under subsections (a) and (b) of this section, there are authorized to be appropriated to the Department of the Interior for purposes of allocation under section 8 of this Act not to exceed $15,000,000 for each of fiscal years 1990, 1991, 1992, and 1993.

SEC. 8. ALLOCATION OF AMOUNTS AVAILABLE TO CARRY OUT THIS ACT.

(a) ALLOCATIONS.—Of the sums available to the Secretary for any fiscal year under this Act and section 3(b) of the Federal Aid in Wildlife Restoration Act (*50 Stat. 917, as amended;* 16 U.S.C. 669b(b)), as amended by this Act—

(1) such percentage of that sum (but at least 50 per centum and not more than 70 per centum thereof) as is considered appropriate by the Secretary, less such amount (but not more than 4 per centum of such percentage) considered necessary by the Secretary to defray the costs of administering this Act during such fiscal year, shall be allocated by the Secretary to carry out approved wetlands conservation projects in Canada and Mexico in accordance with section 6(b) of this Act; and

(2) the remainder of such sum after paragraph (1) is applied (but at least 30 per centum and not more than 50 per centum thereof) shall be allocated by the Secretary to carry out approved wetlands conservation projects in the United States in accordance with section 6(a) of this Act.

(b) FEDERAL CONTRIBUTION FOR PROJECTS IN CANADA OR MEXICO.—The Federal moneys allocated under subsection (a)(1) of this section for any fiscal year to carry out approved wetlands conservation projects in Canada and Mexico shall be used for the payment of not to exceed 75 per centum of the total United States contribution to the costs of such projects. The non-Federal share of the United States contribution to the costs of such projects may not be derived from Federal grant programs.

(c) FEDERAL CONTRIBUTION FOR PROJECTS IN THE UNITED STATES.—The Federal moneys allocated under subsection (a)(2) of this section for any fiscal year to carry out approved wetlands conservation projects in the United States shall be used for the payment of not to exceed 50 per centum of the total United States contribution to the costs of such projects, or for payment of 100 per centum of the costs of such projects located on Federal lands and waters, including the acquisition of inholdings within such lands and waters. The non-Federal share of the United States contribution to the costs of such projects may not be derived from Federal grant programs.

(d) PARTIAL PAYMENTS.—(1) The Secretary may from time to time make payments to carry out approved wetlands conservation projects as such projects progress, but such payments, including previous payments, if any, shall not be more than the Federal pro rata share of any such project in conformity with subsection (b) or (c) of this section.

(2) The Secretary may enter into agreements to make payments on an initial portion of an approved wetlands conservation project and to agree to make payments on the remaining Federal share of the costs of such project from subsequent allocations if and when they become available. The liability of the United States under such an agreement is contingent upon the continued availability of funds for the purposes of this Act.

SEC. 9. REFUGE REVENUE SHARING.

No payment of any money allocated under section 8(a)(2) may be made by the Secretary for any fiscal year to acquire lands and waters for inclusion in the National Wildlife Refuge System under this Act, except as provided under section 6(a)(3), unless there are appropriated under section 401(d) of the Act of June 15, 1935 (commonly referred to

as the "Refuge Revenue Sharing Act"; 16 U.S.C. 715s(d)), for such fiscal year an amount equal to the difference between the total amount of net receipts and the aggregate amount of payments required to be made for such fiscal year to counties.

SEC. 10. RESTORATION, MANAGEMENT, AND PROTECTION OF WETLANDS AND HABITAT FOR MIGRATORY BIRDS ON FEDERAL LANDS.

The head of each Federal agency responsible for acquiring, managing, or disposing of Federal lands and waters shall, to the extent consistent with the mission of such agency and existing statutory authorities, cooperate with the Director of the United States Fish and Wildlife Service to restore, protect, and enhance the wetland ecosystems and other habitats for migratory birds, fish, and wildlife within the lands and waters of each such agency. In the consideration of land disposal alternatives, the head of each such agency shall give priority to the transfer of real property interests for conservation purposes that would contribute to furtherance of the purposes of this Act and the goals of the Plan *and the Agreement.*

SEC. 11. REPORTS TO CONGRESS.

(a) ASSESSMENT.—The Secretary shall report to the appropriate Committees every two years with an assessment of the following:

(1) the estimated number of acres of wetlands and habitat for waterfowl and other migratory birds that were restored, protected, or enhanced during such two-year period by Federal, State, and local agencies and private entities in the United States, Canada, and Mexico; and

(2) trends in the population size and distribution of North American migratory birds.

(b) PROJECT STATUS AND COSTS.—The Secretary shall report annually to the appropriate Committees concerning the status of wetlands conservation projects, including an accounting of Federal, State, and private expenditures and expenditures by Canadian and Mexican sources to carry out these projects.

SEC. 12. REVISIONS TO THE PLAN.

The Secretary shall, in 1991 and at five-year intervals thereafter, undertake with the appropriate officials in Canada [and Mexico] to revise the goals and other elements of the Plan in accordance with the information required under section 11 and with the other provisions of this Act. *The Secretary shall invite and encourage the appropriate officials in Mexico to participate in any revisions of the Plan.*

SEC. 13. RELATIONSHIP TO OTHER AUTHORITIES.

(a) ACQUISITION OF LANDS AND WATERS.—Nothing in this Act affects, alters, or modifies the Secretary's authorities, responsibilities, obligations, or powers to acquire lands or waters or interests therein under any other statute.

(b) MITIGATION.—The Federal funds made available under this Act and section 3(b) of the Federal Aid in Wildlife Restoration Act (*50 Stat. 917, as amended;* 16 U.S.C. 669b(b)), as amended by this Act, may not be used for fish and wildlife mitigation purposes under the Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.) or the Water Resources Development Act of 1986, Public Law 99-662 (1986), 100 Stat. 4235.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MITCHELL. Mr. President, this legislation initiates a major new public and private effort to conserve North American wetlands and waterfowl and the other migratory birds and fish and wildlife that depend on these habitats.

The wetlands of this continent are libraries of nature which contain volumes of priceless genetic information. They are North America's most biologically productive areas, and roughly a third of the continent's endangered species of animals are dependent on them.

And like the tropical forests of Central and South America, they have been subjected to much destruction.

From 1955 to 1975, 9 million acres of wetlands in the 48 contiguous States were drained, filled, and cleared. Less than half of the original 200 million acres remain, and the destruction continues today at a rate of half a million acres per year—an area 12 times the size of the District of Columbia.

Total wetlands loss in the Canadian prairie provinces of Alberta, Saskatchewan, and Manitoba is estimated to be 40 percent of the original wetlands acreage.

The destruction of wetlands in North America, where many migratory bird species breed, spells disaster for these species just as surely as the destruction of forests in Central and tropical South America, where they winter.

The average number of North American ducks in recent years has been lower than any comparable period on record.

There have been fewer black ducks, a species prized by people in Maine and elsewhere in the Eastern United States and Canada, than at any time during the previous three decades.

Of the 30 species of migratory nongame birds that are currently of management concern to the U.S. Fish and Wildlife Service because of their uncertain status, nearly one half are dependent upon coastal and freshwater wetlands.

Thirteen of some of our most abundant and widespread songbirds, like the American goldfinch and the eastern meadowlark, have declined at an average rate of nearly 3 percent per year over the past 20 years.

Wetlands provide essential and significant habitat for fish, shellfish, and other wildlife of commercial, recreational, scientific, and aesthetic value.

Wetlands provide substantial flood and storm control values and can obviate the need for expensive man-made control measures. They make a significant contribution to water quality by recharging ground water, filtering surface runoff, and treating waste, and they provide natural areas important for recreational and aesthetic purposes.

In 1936, at a time of severe crisis in the Nation's natural resources, the great conservationist Ding Darling bluntly warned that "whatever we may have been doing is not wildlife conservation, since we continue to have less instead of more."

Unfortunately, the same could be said today with respect to the job we have been doing in conserving the continent's wetlands and migratory birds.

We have got to do better.

Enactment of the North American Wetlands Conservation Act will help us reverse this steady downward trend in wetlands area and migratory bird numbers.

The legislation encourages partnerships among public agencies and private interests to protect, enhance, restore, and manage wetlands ecosystems and other habitats for migratory birds and other fish and wildlife in North America and to maintain or increase migratory bird populations consistent with the goals of the North American waterfowl management plan and the international obligations of the migratory bird treaties and other agreements with Canada, Mexico, and other countries.

One of the principal goals of this legislation will be to begin a long-term commitment to work with Canada and Mexico in implementation of the North American waterfowl management plan.

According to the U.S. Secretary of the Interior and the Canadian Minister of the Environment, the plan is "the best opportunity we will ever have" to halt the decline of many species of ducks, geese, and other migratory birds.

The goal, which it is hoped will be achieved within 15 years, is to restore the continent's waterfowl not to the numbers that existed in the 1950's but only to the lower levels of a decade ago.

The extent of habitat destruction has been so great that even achieving this modest target will require an unprecedented cooperative strategy to conserve nearly 2 million acres of wetland ecosystems in the United States and almost 4 million acres of these habitats in Canada.

The key to the success of this understanding will be the participation not only of the national governments of our countries, but also the involvement of State, provincial, territorial, and local governments, and private individuals, conservation organizations, and businesses.

The North American wetlands Conservation Act will provide Federal funding to encourage these public and private partnerships for wetlands conservation projects in Canada and Mexico as well as in the United States.

To achieve this objective, the bill establishes a structure to carry out the

plan; requires the plan to be revised to broaden its focus and the membership of those involved in its implementation; and commits the United States to providing the Federal matching funds essential to encouraging public and private partnerships for wetlands conservation projects in Canada and Mexico.

As approved by the Environment and Public Works Committee, the bill establishes a nine-member North America Wetlands Conservation Commission to recommend wetlands conservation projects to the Secretary of the Interior for Federal funding based on criteria provided under the legislation.

The reported bill authorizes the Secretary to match federally appropriated funds with non-Federal funds for these projects in Canada, Mexico, and the United States. Funding is provided from the interest through short-term investment of any Federal excise tax revenues in the Pittman-Robertson fund that are not needed to meet a current year's withdrawals—from $4 million to $8 million annually; from authorization to appropriate the penalties or fines, or funds from forfeitures of property under the Migratory Bird Treaty Act—about $1 million annually; and from authorization or appropriate an additional $15 million annually.

The bill prohibits the Secretary from acquiring lands and waters for inclusion in the National Wildlife Refuge System with the funds under the legislation unless full funding is provided under the Refuge Revenue Sharing Act for payments in lieu of taxes to counties with U.S. Fish and Wildlife Service lands.

Under the committee-approved bill, Federal matching funds are made available for acquisition, restoration, management, or enhancement of wetlands. Acquisition of wetlands includes purchase of easements and must be administered for the long-term conservation of the wetlands and fish and wildlife. Restoration, management, and enhancement must be conducted on areas that are administered for the long-term conservation of wetlands and fish and wildlife.

Restoration projects are those that rehabilitate a naturally occurring but degraded wetland ecosystem. Enhancement projects are those that modify a wetland ecosystem to improve its value for migratory birds and other fish and wildlife.

It is not intended that approval of Federal funds for wetlands conservation projects under this legislation be interpreted as exempting or requiring favorable consideration of such projects under section 404 of the Clean Water Act of any other Federal or State requirements or constraints related to the alteration of wetlands. Nor is this legislation intended to encourage the modification of existing, naturally functioning wetlands to provide narrow benefits, such as waterfowl production, if such benefits are achieved at the expense of broader benefits for conservation of fisheries and wildlife and wetland ecosystems.

In the acquisition of lands authorized by this legislation, the Fish and Wildlife Service should continue its present land acquisition policy of obtaining lands or waters or interests therein from willing sellers or donors.

Where possible, wetlands conservation projects should preserve habitat in perpetuity for fish and wildlife conservation. Easements to conserve wetland ecosystems for 25 years or more, while less desirable than perpetual easements, also would be consistent with the legislation's requirement for long-term conservation. In some cases, purchase of easements to conserve habitat for less than 25 years, or even for 10 years or less, may be appropriate if the purchase is likely to result in the landowner agreeing to a longer term conservation agreement at the expiration of the initial easement.

Wetlands conservation projects should allow for public access to the extent that allowing such access does not interfere with the acquisition, restoration, management, or enhancement of the wetland ecosystems and other habitat, and to the extent that allowing such access is compatible with the long-term conservation of the wetlands ecosystem, other habitat and the fish and wildlife dcependent thereon.

In some cases, habitat conservation may preclude public access. When access is provided to land acquired in fee using Federal funds, it should not be discriminatory based on membership to a club or otherwise. However, limitations on the number of people permitted access or the time of year at which access is permitted may be appropriate.

The term "migratory birds" as used in the legislation means all wild birds native to North America that are in an unconfined state and that are protected under the Migratory Bird Treaty Act. The definition of this term in the bill states specifically that it includes species listed under the Endangered Species Act and species defined as nongame under the Fish and Wildlife Conservation Act of 1980 in order to emphasize that the term "migratory birds" as used in the legislation is not intended to be a synonym for waterfowl.

Recommendations on, and approval of, funding for wetlands conservation projects is to be based on: First, the extent to which any project fulfills the purposes of the Act, the plan, or the agreement; second, the availability of sufficient non-Federal money; third, the extent to which any project represents a public-private partnership; fourth, the consistency of any project in the United States with the national wetlands priority conservation plan developed under the Emergency Wetlands Resources Act; fifth, the extent to which any project would aid the conservation of migratory nongame birds, other fish and wildlife and species that are listed, or are candidates to be listed, as threatened and endangered under the Endangered Species Act; sixth, the recommendations of any partnerships among public agencies and private entities in Canada, Mexico, or the United States, which are participating actively in carrying out any projects under the Act or the plan; and seventh, the substantiality of the character and design of any project.

It is intended that wetlands conservation projects funded under this legislation provide the broadcast benefits to the conservation of such ecosystems and the fish and wildlife dependent thereon. Therefore, priority should be given to funding those projects that best satisfy all seven criteria. Projects that rank highly with respect to one or two of the criterion but only minimally satisfy the other criteria should receive lower priority for funding under this legislation. Projects to convert a valuable wetland ecosystem that provides broad benefits for fisheries and wildlife and the public to a type of wetland area that provides narrow benefits for relatively few species and a small segment of the public should receive lower priority for funding under this Act than projects that protect existing wetland ecosystems or projects that restore or enhance degraded wetlands ecosystems.

A principal purpose of this legislation is to ensure that the Federal Government, fulfills its commitment under the North American waterfowl management plan to assist in the conservation of wetland ecosysterms in Canada. Therefore, under section 8(a) of the bill, up to 70 percent, but not less than 50 percent, of each year's funds must be allocated by the Secretary to carry out approved wetlands conservation projects in Canada and Mexico. The range in the percentage of funds that must be allocated to projects in Canada and Mexico is intended to provide some flexibility in a given year with respect to whether projects are funded in the United States or in Canada and Mexico. However, consistent with the plan's recommendations that the United States provide 75 percent of the amount needed to improve waterfowl habitat on 3.6 million acres in prairie Canada, it is intended that amounts allocated for projects outside the United States should approach 70 percent over time.

Up to 4 percent of each fiscal year's funds may be used for administrative expenses. To the extent that these

funds are not needed for this purposes, the Secretary of the Interior should make them available to conduct, in conjunction with the States and other entities, evaluations of the efficacy of the wetlands conservation projects carried out under this legislation with respect to their effect on the production and survival of migratory birds and other fish and wildlife.

Another key purpose of this legislation is to encourge revisions to the North American waterfowl managment plan in a manner consistent with the provisons of this legislation, in particular to broaden the focus of that plan with respect to conservation of wetlands ecosystems and the other migratory birds and other fish and wildlife dependent thereon.

Section 12 of the bill, therefore, requires the Secretary, in 1991 and every 5 years thereafter, with the appropriate officials in Canada, to revise the goals and other elements of the plan in accordance with the information required under section 11 and with the other provisions of the legislation. The provisons of this legislation apply to Mexico in the same fashion as they apply to Canada even though the plan does not include Mexico.

The Secretary is required to invite and encourage the appropriate officials in Mexico to participate in any revisions to the plan. It is expected, therefore, that the Secretary will do everything possible to encourage Mexican participation in the plan when it is revised. If such efforts by the Secretary prove unsuccessful, then it is expected that the Secretary will reach a separate agreement with Mexico that will enable this legislation to be implemented fully with respect to that country.

On November 2, Interior Secretary Lujan wrote the distinguished chairman of the Environment and Public Works Committee, Senator BURDICK, to express "the administration's strong support for the concept of this bill" and to emphasize that "the President has expressed a strong desire to sign this legislation this year."

I welcome the President's interest in signing this measure.

I hope that my colleagues will join me and the bill's 17 bipartisan cosponsors in agreeing to this legislation so that the President will have that opportunity.

Mr. BURDICK. Mr. President, the majority leader has been in the forefront of efforts to protect North American waterfowl and waterfowl habitat. He has worked very hard, along with Senators BAUCUS and CHAFEE, in developing this legislation.

It is a good bill that will help rebuild waterfowl numbers. It takes a new, more flexible approach to wetlands conservation that I think will be more effective than the way we do things now.

The bill encourages cooperative efforts between the Federal Government on the one hand and State and local governments and private groups on the other. As a result, it is likely that much of the habitat purchased under this bill will end up in State, local or private ownership. Not only that, the bill gives equal emphasis to restoration and enhancement projects to conserve wetlands without further acquisition.

Finally, the bill ensures that no new Federal lands will be purchased under its provisions unless the Government provides 100 percent of the payments in lieu of taxes owed to counties with U.S. Fish and Wildlife Service lands. This will not solve the in lieu of tax payment problem, but it guarantees that we won't make it any worse.

Section 9 of the bill prohibits the Secretary from acquiring lands and waters for inclusion in the National Wildlife Refuge System with the funds under the act unless full funding is provided under the Refuge Revenue Sharing Act for payments in lieu of taxes to counties with U.S. Fish and Wildlife Service lands.

Under the Refuge Revenue Sharing Act, the U.S. Fish and Wildlife Service makes payments to counties in which Service lands are located, based on their fair market value, in order to compensate these local jurisdictions for the loss of tax revenues that results from Federal acquisition of private lands. Refuge revenue sharing funding is derived partially from net revenues on the sale of products—such as timber, oil and gas, and minerals—from refuge lands. If net revenues are insufficient to provide full payment to counties, then under the Refuge Revenue Sharing Act the balance is to be made up by direct appropriation.

Unfortunately, since 1980 the President has not requested and Congress has not appropriated sufficient funds to provide 100 percent of the entitlement under the act. The decline in the percent of entitlement paid to counties over the past decade has been dramatic because, while revenues and appropriations have remained fairly constant, the value and amount of Service lands have increased substantially.

The large and growing shortfall in the National Wildlife Refuge Fund is an increasingly serious problem. Some counties in which refuges are located are losing a substantial amount of revenue for support of schools and other services. This lost revenue has an especially negative impact in States where the amount and value of refuge lands are significant.

In addition, the deficit also harms the National Wildlife Refuge System as a whole by causing some States and counties to oppose having lands withdrawn from their tax rolls for conservation purposes. In the eyes of local governments, the Federal Government has broken the promise it made to counties in which refuge lands are located. Therefore, the bill ensures that the legislation does not aggravate the in lieu of tax payment shortfall. The provision also is intended to call attention to and increase pressure to secure full refuge revenue sharing payments so that our promise to counties is fulfilled and our National Wildlife Refuge System is protected and enhanced.

In addition, as a member of the Appropriations Committee I offered an amendment earlier this year to increase the amount paid to counties with National Wildlife Refuge lands. That amendment was supported by the distinguished chairman of the Appropriations Committee, Senator BYRD, and other members of the committee. As a result, there will be sufficient funding to provide between 75 percent and 80 percent of the full entitlement to counties for this fiscal year, rather than the 60 percent of entitlement under the President's budget.

Mr. BAUCUS. Mr. President, I am pleased today to join the majority leader, Senator MITCHELL, in supporting Senate passage of the North American Wetlands Conservation Act.

This legislation would commit the United States to the protection of migratory bird habitat—not just in this country—but throughout this continent.

It would provide—for the first time—the structure and funding needed to carry out the North American waterfowl management plan.

The plan, signed in 1986 by the Minister of Environment for Canada and the Secretary of the Interior for the United States, calls for saving and restoring 5.5 million acres of waterfowl habitat by the turn of the century.

Ducks, geese, and swans are the most prominent and economically important group of migratory birds in North America, generating a direct expenditure in excess of several billions of dollars annually.

Each year in Montana, more than 20,000 people spend tens of millions of dollars hunting waterfowl. Nearly three Montanans out of every five enjoy watching and photographing waterfowl and other wildlife species.

Unfortunately, the recreation and jobs provided by waterfowl are in serious jeopardy.

The average number of ducks in North America in recent years has been the lowest ever recorded. There are half as many breeding ducks now as there were in the 1970's.

The alarming decline in our continent's waterfowl is not a mystery. It is the inevitable result of wetlands destruction.

Montana, for instance, has lost roughly 20 percent of its wetlands in just the past 20 years.

It is clear that existing public and private wetland protection efforts have been inadequate.

Successful rebuilding of waterfowl numbers, according to the North American waterfowl management plan, will require the restoration, protection, and improvement of almost 6 million acres of habitat in the United States and Canada by the turn of the century.

The plan sets forth an unprecedented cooperative strategy to protect this habitat and restore waterfowl numbers by enlising the support of the national governments of the United States and Canada; the State, provincial, territorial, and local governments; and private individuals, conservation organizations, and businesses.

Unfortunately, the plan fails to back up its ambitious goals with any commitment for funding. Indeed, the plan fails to lay out any strategy for implementation.

The North American Wetlands Conservation Act under consideration today will correct that shortcoming and ensure that there is a long-term effort to achieve the plan's goals.

The Act provides a structure and funding to encourage partnerships among public agencies and private interests to protect, enhance, restore, and manage habitats for migratory birds and other fish and wildlife in North America.

This legislation recognizes that the long-term conservation of migratory birds and habitat for these species will require the coordinated action and support of governments at all levels, private organizations, landowners, and other citizens.

The North American Wetlands Conservation Act, under consideration here today, would use public-private partnership to protect habitat without setting up a major new Federal program to buy private lands.

Instead, the Act would allow a more flexible approach to support not only acquisition but also management and restoration of wetlands. And it would encourage these efforts to be undertaken by the States and private organizations in addition to the U.S. Fish and Wildlife Service.

I hope my colleagues will join Senator MITCHELL and I in supporting this legislation and starting us on the road to protecting the habitats needed to bring waterfowl populations back to the level we once enjoyed.

President Bush has said that the thrust of the legislation is sound and that he would like to sign a bill this year. I join the Nation's waterfowl hunters and bird watchers in looking forward to providing him with that opportunity.

Mr. CHAFEE. Mr. President, I strongly support S. 804, the wetlands legislation before the Senate.

The Environment and Public Works Committee has worked with the administration, the States, and private conservation groups to make this legislation an effective means of protecting wetland habitats in North America. The cooperative wetlands conservation projects implemented through this Act will provide long-term benefits to migratory waterfowl and other species of fish and wildlife which depend on these habitats.

I would like to make reference to my previous remarks on this legislation as they present a more in-depth description of S. 804. My statement is printed in the November 1, 1989, CONGRESSIONAL RECORD.

I am pleased to join Senators MITCHELL, BAUCUS, and others in sponsoring S. 804. I applaud the majority leader and the chairman of the Subcommittee on Environmental Protection for their hard work, and urge my colleagues to join us in supporting this important environmental bill.

Mr. GRASSLEY. Mr. President, I rise to support S. 804—The North American Wetlands Conservation Act—a bill that seeks to conserve North American wetland ecosystems as well as the waterfowl, migratory birds, fish, and wildlife that depend upon such habitat.

Mr. President, many of my fellow colleagues have spoken most eloquently on the need for legislation such as this.

The protection of migratory birds should be an ongoing concern of all Americans. This body is reflecting that concern today by acting on S. 804, and I agree wholeheartedly with this action.

I support this legislation because it addresses wetland conservation in the way that makes the most sense—through acquisition and good management by all levels of government and private organizations.

The final report of the National Wetlands Policy Forum spoke to this point when it said "The acquisition of wetlands, either by government or by private groups, is usually the most secure method of ensuring their continued protection."

I agree, Mr. President.

My State of Iowa has a marvelous network of county conservation commissions that acquire and manage wetlands, greenbelts, prairie preserves, and other ecosystems that contribute to the preservation of a wide array of aquatic, avian, and terrestrial wildlife.

These commissions work closely with the State Department of Natural Resources every step of the way.

As I understand S. 804, the State and county entities in Iowa will participate, not only with our national Government, but with those of Canada and Mexico as well as private nonprofit groups across the North American Continent.

Mr. President, this makes sense.

It makes sense because it creates a fair and open program of wetland acquisition.

I say fair and open, Mr. President, because it is important that this Nation's precious ecosystems be preserved through open negotiation and through willing and just compensation.

There is no place in wetland preservation for punitive action or forced mitigation of cropland to wetland, either by bureaucratic interpretation or overzealous executive action.

Mr. President, I have seen this latter approach to so-called wetland preservation.

I have seen it attempted under the guise of the swampbuster provisions of the Food Security Act of 1985.

This sort of wrong-headed and prejudiced environmentalism was never the intent of Congress nor of the Secretary of Agriculture when the legislation was written and the regulations promulgated.

Mr. President, farmers in my State have seen the consulting role of the Fish and Wildlife Service become a veritable veto power in determinations and actions to carry out the wetland provisions in title 12 of the 1985 Food Security Act.

This misuse of a supporting and advisory role, in an overt attempt to convert cropland to wetland, has been painful and counterproductive for many farm owners and tenants in my State of Iowa.

Mr. President, my experience with this miscarriage of congressional intent has convinced me that clear language in a law is not always enough, when a determined and dedicated bureaucracy wishes to acquire new turf and power—most especially when this dedication can be cloaked in an aura of commitment to the preservation of wetlands and wildlife.

I see this legislation we have before us as unencumbered with penalties or punitive action.

It moves to unite public and private action in a funded and innovative partnership, the goal of which is to restore disappearing wetlands and declining waterfowl populations.

Mr. President, I heartily endorse these goals and I wish to acknowledge the generous attention the majority leader and his committee staff have granted me in excising some language in this bill that was bothersome to me.

The particular section the majority leader agreed to remove from this legislation would have granted priority status to the U.S. Fish and Wildlife Service in the transfer of real property interests held by each Federal agency.

This would have included any farmland acquired by the Department of Agriculture, including those acquired

through foreclosure or defaulted loans.

Mr. President, this would have been in direct conflict with section 610 of the Agriculture Credit Act of 1987, which allows prior owners, operators, and other family-sized farm interests the opportunity to acquire those lands administered by the Secretary of Agriculture.

I also was concerned that the majority leader's original language would have unduly restricted the Secretary of Agriculture's authority under section 616 of the Agricultural Credit Act.

Section 616 deals with the transfer of property, of marginal value for agricultural production, on which the borrower rights granted under section 610 had expired.

I ask unanimous consent that the language from the Agriculture Credit Act of 1987 that pertains to the transfer of property be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SEC. 610. DISPOSITION AND LEASING OF FARMLAND.

(a) CLASSIFICATION OF PROPERTY—Section 335(c) (7 U.S.C. 1985(c)) is amended—

(1) inserting "(1)" after the subsection designation;

(2) by inserting after the first sentence the following new sentence: "The County Committee shall classify or reclassify real property (including real property administered by the Secretary on the date of the enactment of this sentence) that is farmland, as being suitable for farming operation for such disposition unless the property, including property subdivided in accordance with subsection (e)(5), cannot be used to meet any of the purposes of section 303 (including being used as a start-up or add-on parcel of farmland)."; and

(3) by adding at the end thereof the following new paragraph:

"(2) Notwithstanding any other provision of law, the Secretary shall sell suitable farmland administered under this subtitle to operators (as of the time immediately after such contract for sale or lease is entered into) of not larger than family sized farms, as determined by the county committee. In selling such land, the county committee shall—

"(A) grant a priority to persons eligible for loans under subtitle A, including individuals approved for, but who, as of the date of the enactment of this paragraph, have not yet received, such loans;

"(B) offer suitable land at a price not greater than that which reflects the appraised market value of such land;

"(C) select from among qualified applicants the applicant who has the greatest need for farm income and best meets the criteria for eligibility to receive loans under subtitle A; and

"(D) publish or caused to be published three consecutive weekly announcements at least twice annually of the availability of such farmland, in at least one newspaper that is widely circulated in the county in which the land is located until the property is sold.".

(b) DISPOSITION AND LEASING.—Section 335(e) (7 U.S.C. 1985(e)) is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following new paragraph:

"(1)(A)(i) During the 180-day period beginning on the date of acquisition, or during the applicable period under State law, the Secretary shall allow the borrower from whom the Secretary acquired real property used to secure any loan made to the borrower under this title (hereinafter referred to in this paragraph as the 'borrower-owner') to purchase or lease such property.

"(ii) The period for the purchase or lease of real property described under clause (i), by a person described in clauses (i) or (ii) of subparagraph (C), shall expire 190 days after the date of acquisition, or after the applicable period under State law.

"(iii) The rights regarding the purchase or lease of real property provided by this paragraph and accorded a person descibed in subparagraph (C) may be freely and knowingly waived by such person.

"(B) Any purchase or lease under subparagraph (A) shall be on such terms and conditions as are established in regulations promulgated by the Secretary.

"(C) The Secretary shall give preference in the sale or lease, with option to purchase, of property that has been foreclosed, purchased, redeemed, or otherwise acquired by the Secretary to persons in the following order:

"(i) The immediate previous borrower-owner of the acquired property.

"(ii) If actively engaged in farming—

"(I) the spouse or child of the previous borrower-owner; or

"(II) a stockholder in the corporation, if the borrower-owner is a corporation held exclusively by members of the same family.

"(iii) The immediate previous family size farm operator of such acquired property.

"(iv) Operators (as of the time immediately after such sale or lease is entered into) of not larger than family-size farms.

Mr. GRASSLEY. Mr. President, to correct these matters, I submitted the following amendment. I ask unanimous consent that the text of my amendment be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD as follows:

On page 25, line 19, strike the period and insert ", when such a transfer can be made without prejudice to a right of first refusal or right to occupy under section 335 or 352 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1985, 2000) or similar right under Federal or State law that a prior owner of land may have.".

Mr. GRASSLEY. Mr. President, after consultation with the majority leader regarding the merits of my amendment, we agreed on a more suitable course to correct this problem.

The majority leader has graciously agreed to withdraw the language within section 10 that places a priority on the transfer of real property interests to the Director of the Fish and Wildlife Service.

For all of his efforts, I want to thank the majority leader for his cooperation and his willingness to clarify these inconsistencies.

It will help prevent the sort of bureaucratic power grabs that have materialized in the administration of the swampbuster provisions of the 1985 Food Security Act.

S. 804 is a bill with worthy goals and I look forward to seeing it achieve the goals it promises.

AMENDMENT NO. 1139

Mr. CRANSTON. Mr. President, on behalf of Mr. MITCHELL I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from California (Mr. CRANSTON) for Mr. MITCHELL, proposes an amendment numbered 1139.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

1. On page 4, line 2, immediately after "Conventions" insert "and the Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere".

2. On page 4, line 16, strike "ducks, geese, and other".

3. On page 4, line 21, strike the period and insert in lieu thereof "; and".

4. On page 4, after line 21 insert the following new paragraph: "(15) the treaty obligations of the United States under the Convention on Wetlands of International Importance especially as Waterfowl Habitat requires promotion of conservation and wise use of wetlands.".

5. On page 4, line 23, strike "private" and insert in lieu thereof "other".

6. On page 6, line 25, strike the period and insert ", which shall be construed to mean any department, or any division of any department of another name, of a State that is empowered under its laws to exercise the functions ordinarily exercised by a State fish and wildlife agency.".

7. On page 7, line 4, strike "from willing sellers or donors" and insert in lieu thereof ", including water rights,".

8. On page 7, line 11, strike "and".

9. On page 7, line 19, strike the period and insert in lieu thereof "; and".

10. On page 7, after line 19, insert the following new subparagraph:

"(C) in the case of projects undertaken in Mexico, includes technical training and development of infrastructure necessary for the conservation and management of wetlands and studies on the sustainable use of wetland resources.".

11. On page 7, line 22, strike "COMMISSION" and insert in lieu thereof "COUNCIL".

12. On page 7, line 23, strike "COMMISSIONERS" and insert in lieu thereof "COUNCIL MEMBERSHIP".

13. On page 7, line 24, strike "Commission" and insert in lieu thereof "Council (hereinafter in this Act referred to as the "Council")".

14. On page 8, line 1, strike "Commissioners" and insert in lieu thereof "members".

15. On page 8, strike the text on line 2 and insert in lieu thereof "compensation as members of the Council. Of the Council members—".

16. On page 8, line 13, insert a semicolon after "agency" and strike all that follows through line 18.

17. On page 9, lines 1 and 2, strike "Commissioner" and insert in lieu thereof "member of the Council".

18. On page 9, line 4, strike "Commissioner" and insert in lieu thereof "Council member".

19. On page 9, strike the text on line 10 and insert in lieu thereof "a member from any meeting of the Council.".

20. On page 9, lines 12 and 13, strike "Commissioners" and insert in lieu thereof "a member of the Council".

21. On page 9, line 14, strike "six" and insert in lieu thereof "three".

22. On page 9, line 15, strike "Commissioners" and insert in lieu thereof "Council members".

23. On page 9, line 18, strike "three years" and insert in lieu thereof "one year".

24. On page 9, line 19, strike "four" and insert "two" and strike all that follows after the comma through line 21 and insert in lieu thereof "and two shall be appointed for a term of three years.".

25. On page 9, lines 22, strike "Commissioners" and insert in lieu thereof "Council members".

26. On page 9, line 25, strike "two years" and insert in lieu thereof "one year", and strike "four" and insert in lieu thereof "two".

27. On page 10, line 1, strike "six" and insert in lieu thereof "three".

28. On page 10, lines 3 and 4, strike "Commissioners" and insert in lieu thereof "members of the Council".

29. On page 10, line 9, strike "COMMISSION" and insert in lieu thereof "COUNCIL".

30. On page 10, line 23, strike "Native" and insert in lieu thereof "nonprofit charitable organizations and native".

31. On page 11, strike the text on line 4 and insert in lieu thereof "Council from its members for a three-year term, except that the first elected chairman may serve a term of less than three years".

32. On page 11, lines 6, 8, and 11, strike "Commission" each place it appears and insert in lieu thereof in each case "Council".

33. On page 11, lines 9 and 10, strike "Non-executive sessions of Commission" and insert in lieu thereof "Council".

34. On page 11, line 14, strike "from the Commission and fill that vacancy".

35. On page 11, strike subsection (g) on lines 16 through 22 and redesignate the following subsection accordingly.

36. On page 11, lines 24 and 25, strike "designate an employee of the Service" and insert in lieu thereof "appoint an individual who shall serve at the pleasure of the Director and".

37. On page 12, lines 4 and 5, strike "administration of this Act" and insert in lieu thereof "facilitating consideration of wetlands conservation projects by the Council and otherwise assisting the Council in carrying out its responsiblities under this Act".

38. On page 12, line 10, strike "COMMISSION" and insert in lieu thereof "COUNCIL" and on lines 10 and 11, strike "Commission" and insert in lieu thereof "Council".

39. On page 12, line 12, strike "Secretary" and insert in lieu thereof "Migratory Bird Conservation Commission".

40. On page 12, after line 12, insert the following paragraph: "(1) the extent to which the wetlands conservation project fulfills the purposes of this Act, the Plan or the Agreement;" and re-number the subsequent paragraphs accordingly.

41. On page 12, line 16, strike "sections 8(b) and 8(c)" and insert in lieu thereof "section 8(b)".

42. On page 13, strike paragraph (4) on lines 1 through 3 and re-number the subsequent paragraphs accordingly.

43. On page 13, line 18, strike "SECRETARY" and insert in lieu thereof "migratory bird conservation commission".

44. On page 13, line 19, strike "Commission" and insert in lieu thereof "Council", and strike "Secretary" and insert in lieu thereof "Migratory Bird Conservation Commission".

45. On page 13, line 20, strike "March 30" and insert in lieu thereof "January 1".

46. On page 13, line 22, strike "Commission" and insert in lieu thereof "Council".

47. On page 13, line 24, strike "Secretary" and insert in lieu thereof "Migratory Bird Conservation Commission".

48. On page 14, line 2, strike "50 Stat. 917, as amended;".

49. On page 44, line 4, strike "COMMISSION" and "Commission" and insert in lieu thereof "COUNCIL" and "Council", respectively.

50. On page 14, line 8, strike "Commission" and insert in lieu thereof "Council".

51. On page 14, line 11, strike "Commission" and insert in lieu thereof "Council".

52. On page 14, after line 13, insert the following new subsections:

"(d) COUNCIL REPRESENTATION ON MIGRATORY BIRD CONSERVATION COMMISSION.—The Chairman of the Council shall select one Council member of United States citizenship to serve with the Chairman as ex officio members of the Migratory Bird Conservation Commission for the purposes of considering and voting upon wetlands conservation projects recommended by the Council.

"(e) APPROVAL OF COUNCIL RECOMMENDATIONS BY THE MIGRATORY BIRD CONSERVATION COMMISSION.—The Migratory Bird Conservation Commission, along with the two members of the Council referred to in subsection (d) of this section, shall approve, reject or reorder the priority of any wetlands conservation projects recommended by the Council based on, to the greatest extent practicable, the criteria of subsection (a) of this section. If the Migratory Bird Conservation Commission approves any wetlands conservation project, Federal funding shall be made available under this Act and section 3(b) of the Act of September 2, 1937 (16 U.S.C. 669b(b)), as amended by this Act. If the Migratory Bird Conservation Commission rejects or re-orders the priority of any wetlands conservation project recommended by the Council, the Migratory Bird Conservation Commission shall provide the Council and the appropriate Committees with a written statement explaining its rationale for the rejection or the priority modification.".

53. On page 14, strike the text on lines 23 through 25 and on page 15, strike the text on lines 1 through 9.

54. On page 15, line 16, strike "(e)" and insert in lieu thereof "(f)".

55. On page 15, line 17, strike "Secretary" and insert in lieu thereof "Migratory Bird Conservation Commission".

56. On page 15, line 19, strike "Secretary" and insert in lieu thereof "Migratory Bird Conservation Commission".

57. On page 15, line 24, immediately after the semicolon, strike "and".

58. On page 15, line 25, strike "Commission" and insert in lieu thereof "Council".

59. On page 16, line 1, strike "Secretary" and insert in lieu thereof "Migratory Bird Conservation Commission".

60. On page 16, line 2, strike the period after "funding" and insert in lieu thereof "; and a justification for any rejection or re-ordering of the priority of wetlands conservation projects recommended by the Council that was based on factors other than the criteria of section 5(a) of this Act.".

61. On page 16, line 7, strike "section 3(c)" and insert in lieu thereof "section 8(b)".

62. On page 16, line 10, strike "under section 5(d) and insert in lieu thereof "by the Migratory Bird Conservation Commission".

63. On page 16, line 13 and lines 19 and 20, strike "50 Stat. 917, as amended;" each place it appears.

64. On page 17, line 15, strike "The" and insert in lieu thereof "In lieu of including in the National Wildlife Refuge System any lands or waters or interests therein acquired under this Act, the", and after "may" insert, "with the concurrence of the Migratory Bird Conservation Commission,".

65. On page 17, line 17, strike "50 Stat. 917, as amended;".

66. On page 17, line 21, strike "private entity approved by a State" and insert in lieu thereof "other entity upon a finding by the Secretary that the real property interests should not be included in the National Wildlife Refuge System".

67. On page 17, lines 23 and 24, strike "Commission" and insert in lieu thereof "Council" and strike "Secretary" and insert in lieu thereof "Migratory Bird Conservation Commission".

68. On page 17, line 24 and continuing through line 7 on page 18, strike the second sentence of paragraph (3) and insert in lieu thereof the following sentence:

"The Secretary shall not convey any such interest to a State, another public agency or other entity unless the Secretary determines that such State, agency or other entity is committed to undertake the management of the property being transferred in accordance with the objectives of this Act, and the deed or other instrument of transfer contains provisions for the reversion of title to the property to the United States if such State, agency or other entity fails to manage the property in accordance with the objectives of this Act.".

69. On page 18, lines 11, 12, and 13, strike the final sentence of paragraph (3).

70. On page 19, line 11, strike "50 Stat. 917, as amended;".

71. On page 19, line 13, strike "private" and insert in lien thereof "other".

72. On page 19, lines 15 and 16, strike "under section 5(d)" and insert in lieu thereof "by the Migratory Bird Conservation Commission".

73. On page 19, line 18, strike "Commission" and insert in lieu thereof "Council".

74. On page 19, line 19, strike "Secretary" and insert in lieu thereof "Migratory Bird Conservation Commission".

75. On page 20, line 3, after the period insert the following sentence:

"Acquisitions of real property and interests in real property carried out pursuant to this subsection shall not be subject to any provision of Federal law governing acquisitions of property for inclusion in the National Wildlife Refuge System.".

76. On page 20, lines 7 and 8, strike "50 Stat. 917, as amended;".

77. On page 21, lines 14 and 15, strike "50 Stat. 917, as amended;".

78. On page 22, line 8, strike, "1990," and "and 1993" and insert "1993, and 1994" after "1992,".

79. On page 22, lines 13 and 14, strike "50 Stat. 917, as amended;".

80. On page 22, after line 8, insert the following new subsection:

"(d) AVAILABILITY OF FUNDS.—Sums made available under this section shall be available until expended.".

81. On page 22, line 17, after "Secretary," insert "which can be matched with non-Federal moneys in accordance with the requirements of subsection (b) of this section,".

82. On page 23, line 3, after "thereof)" insert ", which can be matched with non-Federal moneys in accordance with the requirements of subsection (b) of this section,".

83. On page 23, strike the text on lines 7 through 24, insert the following and re-designate the subsequent subsection accordingly:

"(b) FEDERAL CONTRIBUTION FOR PROJECTS.—The Federal moneys allocated under subsection (a) of this section for any fiscal year to carry out approved wetlands conservation projects shall be used for the payment of not to exceed 50 per centum of the total United States contribution to the costs of such projects, or may be used for payment of 100 per centum of the costs of such projects located on Federal lands and waters, including the acquisition of inholdings within such lands and waters.".

84. On page 24, line 8, strike "or (c)".

85. On page 25, beginning on line 20 and continuing through line 12 on page 26, strike section 11 of the bill and insert in lieu thereof the following section:

"SEC. 11. REPORT TO CONGRESS.

The Secretary shall report to the appropriate Committees on the implementation of this Act. The report shall include:

"(1) a biennial assessment of—

"(A) the estimated number of acres of wetlands and habitat for waterfowl and other migratory birds that were restored, protected, or enhanced during such two-year period by Federal, State, and local agencies and other entities in the United States, Canada, and Mexico;

"(B) trends in the population size and distribution of North American migratory birds; and

"(C) the status of efforts to establish agreements with nations in the western hemisphere pursuant to section 17 of this Act.

"(2) an annual assessment of the status of wetlands conservation projects, including an accounting of expenditures by Federal, State, and other United States entities, and expenditures by Canadian and Mexican sources to carry out these projects.".

86. On page 27, lines 2 and 3, strike "Federal Aid in Wildlife Restoration Act (50 Stat. 917, as amended;" and insert in lieu thereof "Act of September 2, 1937 (".

87. On page 27, after line 8, insert the following new sections:

"SEC. 14. ADDITION OF EPA ADMINISTRATOR TO MIGRATORY BIRD CONSERVATION COMMISSION.

"Section 2 of the Migratory Bird Conservation Act (16 U.S.C. 715a) is amended by striking "the Secretary of Transportation," and inserting in lieu thereof "the Administrator of the Environmental Protection Agency,".

"SEC. 15. LIMITATION ON ASSESSMENTS AGAINST MIGRATORY BIRD CONSERVATION FUND.

"Notwithstanding any other provision of law, only those personnel and administrative costs directly related to acquisition of real property shall be levied against the Migratory Bird Conservation Account.

"SEC. 16. TECHNICAL AND CONFORMING AMENDMENTS TO THE MIGRATORY BIRD TREATY ACT.

"Section 2 of the Migratory Bird Treaty Act (16 U.S.C. 703) is amended—

"(1) by striking 'and' after '1936,'; and

"(2) by inserting after '1972' the following: 'and the convention between the United States and the Union of Soviet Socialist Republics for the conservation of migratory birds and their environments concluded November 19, 1976.'.

"SEC. 17. OTHER AGREEMENTS.

"(a) The Secretary shall undertake with the appropriate officials of nations in the western hemisphere to establish agreements, modeled after the Plan or the Agreement, for the protection of migratory birds identified in section 13(a)(5) of the Fish and Wildlife Conservation Act of 1980 (16 U.S.C. 2912(a)). When any such agreements are reached, the Secretary shall make recommendations to the appropriate Committees on legislation necessary to implement the agreements.

"(b) Section 13(a) of the Fish and Wildlife Conservation Act (16 U.S.C. 2912(a)) is amended by striking 'and' after 'U.S.C. 1531 to 1543);' and striking 'necessary.' and inserting 'necessary; and' and adding at the end the following:

"'(5) identify lands and waters in the United States and other nations in the western hemisphere whose protection, management or acquisition will foster the conservation of species, subspecies and population of migratory non-game birds, including those identified in paragraph (3).'.".

Mr. MITCHELL. Mr. President, these amendments to S. 804, the North American Wetlands Conservation Act, reconcile minor differences between this legislation and the H.R. 2587, the House-passed counterpart to S. 804, in a manner that hopefully will be acceptable to our colleagues in the other body.

The amendments rename the North American Wetlands Conservation Commission in S. 804 the "North American Wetlands Conservation Council."

The principal change made by the amendments, however, is to adopt the approach taken in the H.R. 2587 of requiring wetlands conservation projects to be approved by the Migratory Bird Conservation Commission. The Senate bill, as approved by the Environment and Public Works Committee, entrusts this responsibility solely to the Secretary of the Interior.

The Migratory Bird Conservation Commission presently consists of the Secretaries of the Interior, Transportation, and Agriculture and two members each from the House of Representatives and the Senate. The House bill and these amendments to S. 804 would replace the Secretary of Transportation with the Administrator of the Environmental Protection Agency.

Under section 5(e) of S. 804, as amended by these amendments, the Migratory Bird Conservation Commission is required to approve, reject, or reorder the priority of any wetlands conservation projects recommended by the North American Wetlands Conservation Council, based to the greatest extent practicable, on the criteria of section 5(a) of the bill. Consideration of wetlands conservation projects by the Commission is intended to be conducted in a manner that is in accordance with the provisions of the North American Wetlands Conservation Act and not simply in a manner similar to the consideration of projects for funding from the Migratory Bird Conservation Fund. Consequently, it is expected that the Commission will give great deference to the recommendations made by the North American Wetlands Conservation Council.

Section 5(f) of S. 804, as amended by these amendments, requires an annual report to Congress from the Migratory Bird Conservation Commission that includes: First, a description of the projects approved by the Commission for funding, in the order of priority approved by the Commission; second, a justification for these actions; third, a list and description of the projects which the Council recommended, in order of priority, that the Commission approve; and fourth, a justification for any rejection or reordering of the priority of wetlands conservation projects recommended by the Council that was based on factors other than the criteria in this legislation.

The intent of this provision is to allow the appropriate committees in the House and Senate to review decisions by the Council and the Commission with respect to compliance with the criteria under section 5(a) in recommending and approving funding of projects.

To minimize disagreement among the Council, the Commission and the committees with respect to compliance of projects with the criteria under section 5(a), it is recommended that the Council and the Commission, in consultation with the committees, reach an agreement on interpretation of the criteria and method of establishing the order of priority for funding consistent with the criteria.

The amendments change the term "private entities" in S. 804 to "other entities" to ensure that native American interests and tribal organizations qualify for matching funds to carry out approved wetlands conservation projects under this legislation.

Finally, the amendments incorporate provisions from the House bill to carry migratory bird conservation efforts in the Caribbean and Central and South America and to begin carrying out the habitat protection provisions of the migratory bird treaty with the Soviet Union.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment (No. 1139) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1140

Mr. CRANSTON. Mr. President, I send an amendment on behalf of Senator MITCHELL to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mr. CRANSTON], for Mr. MITCHELL, proposes an amendment numbered 1140.

Mr. CRANSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

On page 25, lines 14 through 19, strike the following sentence:

"In the consideration of land disposal alternatives, the head of each such agency shall give priority to the transfer of real property interests for conservation purposes that would contribute to furtherance of the purposes of this Act and the goals of the Plan and the Agreement.".

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment (No. 1140) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1141

(Purpose: To expand the Bogue Chitto National Wildlife Refuge)

Mr. CRANSTON. Mr. President, I send an amendment to the desk on behalf of Senator JOHNSTON and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mr. CRANSTON], for Mr. JOHNSTON, proposes an amendment numbered 1141.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill and the following new section:

SEC. —. TO EXPAND THE BOGUE CHITTO NATIONAL WILDLIFE REFUGE.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to establish the Bogue Chitto National Wildlife Refuge" (Public Law 96-288; 94 Stat. 604) is amended by—

(1) striking the period at the end of subsection 3(b) and inserting in lieu thereof: ", and within an area approximately 10,000 acres as depicted upon a map entitled "Bogue Chitto NWR Expansion", dated September, 1989 and on file with the United States Fish and Wildlife Service."; and

(2) by deleting "$10,000,000" in subsection 5(a) and inserting in lieu thereof "such sums as may be necessary".

Mr. JOHNSTON. Mr. President, today I am offering an amendment to S. 804 to expand the Bogue Chitto National Wildlife Refuge acquisition boundary by approximately 10,000 acres.

Very briefly, earlier this year the Fish and Wildlife Service was in the process of purchasing 4,845 acres of this land from the Louisiana Nature Conservancy with funds appropriated last year when it was realized that the area extended outside the authorized boundary of the refuge. I understand that a purchase agreement had been signed and the Service had already written the check for the purchase when it realized it did not have authority to purchase the land. Furthermore, since Bogue Chitto NWR was created by legislation, the Service will not administratively alter the boundaries of the refuge without explicit direction from Congress.

The expansion area, if acquired, would move the refuge boundary south along the west side of the Pearl River, and connect the refuge with the State-owned Pearl River Wildlife Management Area. This would provide contiguous public ownership for the lower 35 miles of the Pearl River Basin, an area of valuable wildlife habitat.

The area is particularly threatened by sand and gravel mining operations, which would severely degrade habitat quality. Several active sand and gravel pits are operated near the extension area, and some of the property within the area has been test drilled. Residential development and livestock grazing are also threats to habitat quality within the proposed expansion boundary.

I have been advised that this boundary extension is supported by the Fish and Wildlife Service and I ask that the amendment be agreed to by the Senate.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment (No. 1141) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1142

Mr. LOTT. Mr. President, I send an amendment to the desk on behalf of Senator STEVENS and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT], for Mr. STEVENS, proposes an amendment numbered 1142.

Mr. LOTT. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new section:

"SEC. 18. WETLANDS ASSESSMENTS.

"Section 401(a) of the Emergency Wetlands Resources Act of 1986 (16 U.S.C. 3931(a)) is amended by adding the following new paragraph:

"(5) produce, by April 30, 1990, a report that provides:

"(A) an assessment of the estimated total number of acres of wetland habitat as of the 1780's in the areas that now comprise each state; and

"(B) an assessment of the estimated total number of acres of wetlands in each state as of the 1980's, and the percentage of loss of wetlands in each state between the 1780's and the 1980's.".

Mr. STEVENS. Mr. President, I am offering an amendment to the bill before the Senate, S. 804, which will require an assessment of the extent of loss of wetlands in this Nation. The wetland issue is quite important to my State. By some estimates over 50 percent of Alaska is wetlands.

With an increasing national interest in protecting wetland habitat, I believe that we need data in hand to identify historically where wetlands have been lost in our country and the amount of wetlands habitat remaining.

My amendment requires reporting of such information by the Secretary of the Interior. The Secretary would be required to estimate the total area of wetlands originally existing approximately 200 years ago in what is now each State. It would also require an estimate of wetlands in each State as of the 1980's.

This information should be available in the future as we forge a national policy on wetlands. It will also be useful in identifying areas where waterfowl, fish, and wildlife conservation projects should be slated.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment (No. 1142) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEINZ. Mr. President, I rise to engage my colleagues in a brief colloquy. Several days ago I filed an amendment to S. 804. This amendment deals with ground water safety and is identical to legislation passed by the Senate last year, H.R. 791. The measure was introduced again this year by the distinguished chairman of the Environment and Public Works Committee, Senator BURDICK.

I filed these provisions as an amendment because I believe they are sound. I support this measure very strongly and want the Senate to take action again soon.

H.R. 791, the Ground Water Research, Management, and Education Act of 1988, passed the Senate unanimously on October 7, 1988. But, H.R. 791 was never sent to conference and died without final action. We have not been able to address ground water in the 101st Congress, and I am very concerned that matters—as far as ground water is concerned—are quickly worsening.

Mr. President, ground water is essential to our lives. We consume nearly 95 billion gallons of it per day. Ground water represents 25 percent of our fresh water and nearly all of the drinking water for rural America. Yet as the U.S. Geological Survey and the National Academy of Sciences have repeatedly pointed out, ground water is a very threatened resource. Hazardous and solid waste disposal sites, leaking underground storage tanks, pesticide contamination, and more threaten not only the purity of our ground water, but the health of those who have no alternative source of drinking water.

There is no truly effective and certain method to clean up ground water once it is contaminated; what is needed—and the hour is growing late—is a plan to prevent ground water contamination and not just cope with it later on.

State and local governments, by default, have primary responsibility for ground water management and protection. Ground water research has tended to be a Federal responsibility—but it is uncoordinated and often burdensome on State and local governments. Last year Senator SASSER and I held 2 days of hearings on this very subject. One witness told us that accessing Federal ground water assistance is at best a hit-or-miss proposition. Another witness stated that when asked how well the existing ground water management and research system works, he must reply—"What system?"

Other witnesses pointed out that the EPA and the Geological Survey use different criteria for ground water research and analysis, have data bases that cannot be cross-checked, and often require States to work at cross-purposes to satisfy the demands of the two conflicting agencies.

To develop management, protection, and research strategies, the following offices must generally be consulted: The EPA Offices of Radiation Programs, Water Programs, Water Regulation Standards, Water Enforcement Permits, Solid Waste, Drinking Water, Emergency and Remedial Response, Pesticide Programs, Toxic Substances, Ground Water Research and Development; the Department of Agriculture's Soil Conservation Service, Forest Service, FHA; the Department of the Interior's Bureau of Reclamation, Bureau of Indian Affairs, Park Service, USGS, OSM BLM, and the Fish and Wildlife Service; the Tennessee Valley Authority, the Department of Commerce, the Corps of Engineers, the U.S. Coast Guard, the National Science Foundation, the NRC, the DOE, and even the Department of Transportation.

State and local governments are further hampered by the conflicting and overlapping mandates of a host of Federal laws. These include FIFRA, the Atomic Energy Act, the Clean Water Act, Superfund, NEPA, RCRA, the Safe Drinking Water Act, the Surface Mining Control and Reclamation Act, and more.

Last year Senator SASSER and I produced legislation, S. 1992, which is similar to title I of this amendment. S. 1992 required a coordinated research policy and would improve interagency cooperation in the field of ground water protection. That legislation, S. 1992, was endorsed by the American Farm Bureau Federations, the American Mining Congress, the Chemical Manufacturers Association, the Clean Water Action Project, the Environmental Defense Fund, the Environmental Policy Institute, the National Coal Association, the Natural Resources Defense Council, the U.S. Public Interest Research Group as well as the State governments of Tennessee, Pennsylvania, Delaware, and Wisconsin and the Interstate Conference on Water Policy and also the Western States Water Resources Council.

The amendment I have filed, Mr. President, establishes an interagency ground water task force to identify research needs and priorities and to coordinate interagency and intergovernmental activity. A ground water clearninghouse will be established to assure coordination of ground water data and information. The clearninghouse would provide the public with information concerning ground water and contamination problems. The amendment authorizes new research programs and studies at the USDA, EPA, and USGS and provides a cost-shared Federal-State grant program for State ground water management programs.

Mr. President, in filing my amendment to S. 804 I in no way wish to imply any lack of support for S. 804. The conversion of wetlands has a devastating impact on the environment, and their loss also harms ground water quality.

Because I understand that my colleagues on the Environment and Public Works Committee intend to address ground water issues, and because I do not want to hold another valuable bill—S. 804—hostage, I would be willing to drop my ground water amendment provided my colleagues are able to provide some assurance that similar provisions will be acted upon in committee as early as possible in the coming session and that it is the distinguished Senator's intention to bring a measure before the Senate during the 101st Congress in time for both Senate consideration and the necessary action in the other Chamber.

Mr. LAUTENBERG. Mr. President, I understand the Senator from Pennsylvania's concerns and his interest in ground water legislation. His intent has been to assist States faced with the problem of developing protection programs on their own while the information and assistance needed from USGS and EPA could not be coordinated and necessary ground water data could not be cross-referenced because these agencies use conflicting data bases.

Legislation is needed to address this problem, among many others in the ground water area.

The chairman of the Environment and Public Works Committee and I have a strong interest in legislation to expand and strengthen programs for research and protection of the ground water resource.

As a first step in considering needed actions to protect ground water, I chaired a hearing of my Subcommittee on Superfund, Ocean and Water Protection addressing ground water issues in August of this year.

It is my present intention to introduce ground water legislation complementing the legislation introduced by Senator BURDICK and to schedule hearings and markup on ground water legislation as early as possible in the next session and have it ready for full committee action in a timely fashion.

Mr. BURDICK. Mr. President, I share the concern of the distinguished Senator from Pennsylvania concerning protection of the quality of our ground water resources.

Ground water is a natural resource of tremendous value and importance. Over half the population of the country relies on ground water for drinking water. In my home State of North Dakota, over 62 percent of the population relies on ground water for drinking water. In many rural areas, ground water is the only readily available source of safe drinking water.

As the Senator from Pennsylvania has indicated, there is growing evidence that the quality of ground water

is threatened by a wide range of pollution sources including solid and hazardous waste facilities, underground storage tanks, septic systems, and other activities and practices. A number of existing statutes, developed in the Environment and Public Works Committee, which I chair, address specific sources of ground water contamination. These statutes include the Clean Water Act, Superfund, the Resource Conservation and Recovery Act.

I have been increasingly concerned, however, that ground water research and assessment activities at the Federal and State levels need to be expanded and strengthened. Last year, I introduced the Ground Water Research Act, which was reported by the committee and passed by the full Senate. Unfortunately, there was not sufficient time to iron out differences with the House-passed bill prior to the end of the last Congress.

I have reintroduced this important legislation again in this Congress, and I am pleased that the committee has made progress in consideration of ground water research and protection issues. Senator LAUTENBERG chaired a hearing on this topic in August in his Subcommittee on Superfund, Ocean and Water Protection and I know that he is working on complementary ground water protection legislation.

I want to assure the Senator from Pennsylvania that it would be my intention to bring about committee consideration of ground water legislation as quickly as possible once action by the subcommittee is completed.

Prompt action is essential if we are to protect the quality of ground water and drinking water supplies now and for future generations.

Mr. HEINZ. Mr. President, I am very pleased by my colleagues' determination to address the issue and am very reassured by their obvious concern for water quality. I want to thank them for their statements and I look forward to working with them next year.

Mr. CONRAD. Mr. President, I would like to engage the chairman of the Subcommittee on Environmental Protection for the Committee on Environment and Public Works, Senator BAUCUS, in a colloquy about S. 1150, my bill concerning payments-in-lieu-of-taxes under the Refuge Revenue Sharing Act.

As the distinguished chairman of the subcommittee knows, I introduced this measure this year to ensure that local units of government receive all of the money that they are entitled to under the Refuge Revenue Sharing Act for lands withrawn from their tax base for wildlife refuges. The bill uses undedicated receipts collected by the Department of the Interior for this purpose, and has 13 cosponsors.

As the chairman also knows, appropriations under the Refuge Revenue Sharing Act have fallen significantly short of full funding since 1980, and this has created critical problems for local units of government with refuge lands within their boundaries. The shortfalls have also made it difficult for us to acquire additional wetlands habitat because local units of government are understandably reluctant to jeopardize their tax base in relinquishing acreage for refuges if the Federal Government is unwilling to meet its obligations.

I compliment the distinguished chairman of the Appropriations Committee, Senator BYRD, and the other members of that panel, for providing additional money under the Refuge Revenue Sharing Act for fiscal year 1990. I know that he is sensitive to this problem. S. 1150 would provide a permanent solution to the problem, however, and I believe that local units of government deserve that commitment from the Federal Government.

I considered offering S. 1150 as an amendment to S. 804, but have decided not to do so because I do not want to delay S. 804. I would, however, like to obtain the assurance of the chairman of the subcommittee that his panel will schedule a hearing on the bill in the near future.

Mr. BAUCUS. Mr. President, the Senator from North Dakota is correct; payments in lieu of taxes to counties with U.S. Fish and Wildlife Service lands under the Refuge Revenue Sharing Act have been inadequate, and the shortfall in these payments has hindered efforts to protect and restore the wetlands of this country. I understand and appreciate the problems created by the partial payments to counties under the Refuge Revenue Sharing Act. Montana's counties receive about $100,000 less each year than they are entitled to under that law.

This also is a matter of continuing interest to the chairman of the Environment and Public Works Committee, Senator BURDICK, and I know that through his position on the Appropriations Committee he was instrumental in securing a level of funding that will provide between 75 and 80 percent of the full entitlement to counties for this fiscal year. So this is a matter that is very much appreciated by the members of our committee.

The Subcommittee on Environmental Protection expects to hold hearings early next year on administration of the National Wildlife Refuge System, including funding and implementation of the Refuge Revenue Sharing Act, and I assure the Senator that there will be an opportunity to consider S. 1150 in that context.

Mr. CRANSTON. Mr. President, I believe there are no further amendments.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 804

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "North American Wetlands Conservation Act".

SEC. 2. FINDINGS AND STATEMENT OF PURPOSE.

(a) FINDINGS.—The Congress finds and declares that—

(1) the maintenance of healthy populations of migratory birds in North America is dependent on the protection, restoration, and management of wetland ecosystems and other habitats in Canada, as well as in the United States and Mexico;

(2) wetland ecosystems provide essential and significant habitat for fish, shellfish, and other wildlife of commercial, recreational, scientific, and aesthetic values;

(3) almost 35 per centum of all rare, threatened, and endangered species of animals are dependent on wetland ecosystems;

(4) wetland ecosystems provide substantial flood and storm control values and can obviate the need for expensive manmade control measures;

(5) wetland ecosystems make a significant contribution to water availability and quality, recharging ground water, filtering surface runoff, and providing waste treatment;

(6) wetland ecosystems provide aquatic areas important for recreational and aesthetic purposes:

(7) more than 50 per centum of the original wetlands in the United States alone have been lost;

(8) wetlands destruction, loss of nesting cover, and degradation of migration and wintering habitat have contributed to long-term downward trends in populations of migratory bird species such as pintails, American bitterns, and black ducks;

(9) the migratory bird treaty obligations of the United States with Canada, Mexico, and other countries require protection of wetlands that are used by migratory birds for breeding, wintering, or migration and are needed to achieve and to maintain optimun population levels, distributions, and patterns of migration;

(10) the 1988 amendments to the Fish and Wildlife Conservation Act of 1980 require the Secretary of the Interior to identify conservation measures to assure that nongame migratory bird species do not reach the point at which measures of the Endangered Species Act are necessary;

(11) protection of migratory birds and their habitats requires long-term planning and the close cooperation and coordination of management activities by Canada, Mexico, and the United States within the framework of the 1916 and 1936 Migratory Bird Conventions and the Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere;;

(12) the North American Waterfowl Management Plan, signed in 1986 by the Minister of Environment for Canada and the Sec-

retary of the Interior for the United States, provides a framework for maintaining and restoring an adequate habitat base to ensure perpetuation of populations of North American waterfowl and other migratory bird species;

(13) a tripartite agreement signed in March 1988, by the Director General for Ecological Conservation of Natural Resources of Mexico, the Director of the Canadian Wildlife Service, and the Director of the United States Fish and Wildlife Service, provides for expanded cooperative efforts in Mexico to conserve wetlands for migratory birds that spend the winter there; and

(14) the long-term conservation of migratory birds and habitat for these species will require the coordinated action of governments, private organizations, landowners, and other citizens; and

(15) the treaty obligations of the United States under the Convention on Wetlands of International Importance especially as Waterfowl Habitat requires promotion of conservation and wise use of wetlands.

(b) PURPOSE.—The purposes of this Act are to encourage partnership among public agencies and other interests—

(1) to protect, enhance, restore, and manage an appropriate distribution and diversity of wetland ecosystems and other habitats for migratory birds and other fish and wildlife in North America;

(2) to maintain current or improved distributions of migratory bird populations; and

(3) to sustain an abundance of waterfowl and other migratory birds consistent with the goals of the North American Waterfowl Management Plan and the international obligations contained in the migratory bird treaties and conventions and other agreements with Canada, Mexico, and other countries.

SEC. 3. DEFINITIONS.

For the purposes of this Act:

(1) The term "Agreement" means the Tripartite Agreement signed in March 1988, by the Director General for Ecological Conservation of Natural Resources of Mexico, the Director of the Canadian Wildlife Service, and the Director of the United States Fish and Wildife Service.

(2) The term "appropriate Committees" means the Committee on Environment and Public Works of the United States and the Committee on Merchant Marine and Fisheries of the United States House of Representatives.

(3) The term "flyway" means the four administrative units used by the United States Fish and Wildlife Service and the States in the management of waterfowl populations.

(4) The term "Migratory Bird Conservation Commission" means that commission established by section 2 of the Migratory Bird Conservation Act (16 U.S.C. 715a).

(5) The term "migratory birds" means all wild birds native to North America that are in an unconfined state and that are protected under the Migratory Bird Treaty Act, including ducks, geese, and swans of the family Anatidae, species listed as threatened or endangered under the Endangered Species Act (16 U.S.C. 1531 et seq.), and species defined as nongame under the Fish and Wildlife Conservation Act of 1980 (16 U.S.C. 2901-2912).

(6) The term "Plan" means the North American Waterfowl Management Plan signed by the Minister of the Environment for Canada and the Secretary of the Interior for the United States in May 1986.

(7) The term "Secretary" means the Secretary of the Interior.

(8) The term "State" means the State fish and wildlife agency, which shall be construed to mean any department, or any division of any department of another name, of a State that is empowered under its laws to exercise the functions ordinarily exercised by a State fish and wildlife agency.

(9) The term "wetlands conservation project" means—

(A) the obtaining of a real property interest in lands or waters, including water rights, if the obtaining of such interest is subject to terms and conditions that will ensure that the real property will be administered for the long-term conservation of such lands and waters and the migratory birds and other fish and wildlife dependent thereon;

(B) the restoration, management, or enhancement of wetland ecosystems and other habitat for migratory birds and other fish and wildlife species if such restoration, management, or enhancement is conducted on lands and waters that are administered for the long-term conservation of such lands and waters and the migratory birds and other fish and wildlife dependent thereon, and

(c) in the case of projects undertaken in Mexico, includes technical training and development of infrastructure necessary for the conservation and management of wetlands and studies on the sustainable use of wetland resources.

SEC. 4. ESTABLISHMENT OF NORTH AMERICAN WETLANDS CONSERVATION COUNCIL

(a) COUNCIL MEMBERSHIP.—(1) There shall be established a North American Wetlands Conservation Council (hereinafter in this Act referred to as the "Council") which shall consist of nine members who may not receive compensation as members of the Council. Of the Council members—

(A) one shall be the Director of the United States Fish and Wildlife Service;

(B) one shall be the Secretary of the Board of the National Fish and Wildlife Foundation appointed pursuant to section 3(2)(B) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702); and

(c) four shall be individuals who shall be appointed by the Secretary, who shall reside in different flyways and who shall each be a Director of the State fish and wildlife agency;

(D) three shall be individuals who shall be appointed by the Secretary and who shall each represent a different charitable and nonprofit organization which is actively participating in carrying out wetlands conservation projects under this Act, the Plan, or the Agreement.

(2) The Secretary shall appoint an alternate member of the Council who shall be knowledgeable and experienced in matters relating to fish, wildlife, and wetlands conservation and who shall perform the duties of a Council member appointed under subsection (a)(1)(C) or subsection (a)(1)(D) of this section—

(A) until a vacancy referred to in subsection (b)(4) of this section is filled; or

(B) in the event of the anticipated absence of such a member from any meeting of the Council.

(b) APPOINTMENT AND TERMS.—(1) Except as provided in paragraphs (2) and (3), the term of office of a member of the Council appointed under subsections (a)(1)(C) and (a)(1)(D) of this section is three years.

(2) Of the Council members first appointed under subsection (a)(1)(C) of this section after the date of enactment of this Act, one shall be appointed for a term of one year, one shall be appointed for a term of two years, and two shall be appointed for a term of three years.

(3) Of the Council members first appointed under subsection (a)(1)(D) of this section after the date of enactment of this Act, one shall be appointed for a term of one year, one shall be appointed for a term of two years, and one shall be appointed for a term of three years.

(4) Whenever a vacancy occurs among members of the Council appointed under subsection (a)(1)(C) or subsection (a)(1)(D) of this section, the Secretary shall appoint an individual in accordance with either such subsection to fill that vacancy for the remainder of the applicable term.

(c) EX OFFICIO COUNCIL MEMBERS.—The Secretary is authorized and encouraged to include as ex officio nonvoting members of the Commission representatives of—

(1) the Federal, provincial, territorial, or State government agencies of Canada and Mexico, which are participating actively in carrying out one or more wetlands conservation projects under this Act, the Plan, or the Agreement;

(2) the Environmental Protection Agency and other appropriate Federal agencies, in addition to the United States Fish and Wildlife Service, which are participating actively in carrying out one or more wetlands conservation projects under this Act, the Plan, or the Agreement; and

(3) nonprofit charitable organizations and Native American interests, including tribal organizations, which are participating actively in one or more wetlands conservation projects under this Act, the Plan, or the Agreement.

(d) CHAIRMAN.—The Chairman shall be elected by the Council from its members for a three-year term, except that the first elected chairman may serve a term of less than three years.

(e) QUORUM.—A majority of the current membership of the Council shall constitute a quorum for the transaction of business.

(f) MEETINGS.—The Council shall meet at the call of the Chairman at least once a year. Council meetings shall be open to the public. If a Commission member appointed under subsection (a)(1)(C) or (a)(1)(D) of this section misses three consecutive regularly scheduled meetings, the Secretary may remove that individual in accordance with subsection (b)(4).

(g) COORDINATOR.—The Director of the United States Fish and Wildlife Service shall appoint an individual who shall serve at the pleasure of the Director and—

(1) who shall be educated and experienced in the principles of fish, wildlife, and wetlands conservation;

(2) who shall be responsible, with assistance from the United States Fish and Wildlife Service, for facilitating consideration of wetlands conservation projects by the Council and otherwise assisting the Council in carrying out its responsibilities under this Act; and

(3) who shall be compensated with the funds available under section 8(a)(1) for administering this Act.

SEC. 5. APPROVAL OF WETLANDS CONSERVATION PROJECTS.

(a) CONSIDERATION BY THE COUNCIL.—The Council shall recommend wetlands conservation projects to the Migratory Bird Conservation Commission based on consideration of—

(1) the extent to which the wetlands conservation project fulfills the purposes of this Act, the Plan or the Agreement;

(2) the availability of sufficient non-Federal moneys to carry out any wetlands conservation project and to match Federal contributions in accordance with the requirements of section 8(b) of this Act;

(3) the extent to which any wetlands conservation project represents a partnership among public agencies and private entities;

(4) the consistency of any wetlands conservation project in the United States with the National Wetlands Priority Conservation Plan developed under section 301 of the Emergency Wetlands Resources Act (16 U.S.C. 3921);

(5) the extent to which any wetlands conservation project would aid the conservation of migratory non-game birds, other fish and wildlife and species that are listed, or are candidates to be listed, as threatened and endangered under the Endangered Species Act (16 U.S.C. 1531 et seq.);

(6) the substantiality of the character and design of the wetlands conservation project; and

(7) the recommendations of any partnerships among public agencies and private entities in Canada, Mexico, or the United States which are participating actively in carrying out one or more wetlands conservation projects under this Act, the Plan, or the Agreement.

(b) RECOMMENDATIONS TO THE MIGRATORY BIRD CONSERVATION COMMISSION.—The council shall submit to the Migratory Bird Conservation Commission by January 1, of each year, a description, including estimated costs, of the wetlands conservation projects which the council has considered under subsection (a) of this section and which it recommends, in order of priority, that the Migratory Bird Conservation Commission approve for Federal funding under this Act and section 3(b) of the Act of September 2, 1937 (16 U.S.C. 669b(b)), as amended by this Act.

(c) COUNCIL PROCEDURES.—The Council shall establish practices and procedures for the carrying out of its functions under subsections (a) and (b) of this section. The procedures shall include requirements that—

(1) a quorum of the Council must be present before any business may be transacted; and

(2) no recommendations referred to in subsection (b) of this section may be adopted by the Council except by the vote of two-thirds of all members present and voting.

(d) COUNCIL REPRESENTATION ON MIGRATORY BIRD CONSERVATION COMMISSION.—The Chairman of the Council shall select one Council member of the United States citizenship to serve with the Chairman as ex officio members of the Migratory Bird Conservation Commission for the purposes of considering and voting upon wetlands conservation projects recommended by the Council.

(e) APPROVAL OF COUNCIL RECOMMENDATIONS BY THE MIGRATORY BIRD CONSERVATION COMMISSION.—The Migratory Bird Conservation Commission, along with the two members of the Council referred to in subsection (d) of this section, shall approve, reject, or reorder the priority of any wetlands conservation projects recommended by the Council based on, to the greatest extent practicable, the criteria of subsection (a) of this section. If the migratory Bird Conservation Commission approves any wetlands conservation project, Federal funding shall be made available under this Act and section 3(b) of the Act of September 2, 1937 (16 U.S.C. 669b(b)), as amended by this Act. If the Migratory Bird Conservation Commission rejects or reorders the priority of any wetlands conservation project recommended by the Council, the Migratory Bird Conservation Commission shall provide the Council and the appropriate Committees with a written statement explaining its rationale for the rejection or the priority modification.

(b) NOTIFICATION OF APPROPRIATE COMMITTEES.—The Migratory Bird Conservation Commission shall submit annually to the appropriate Committees a report including a list and description of the wetlands conservation projects approved by the Migratory Bird Conservation Commission for Federal funding under subsection (d) of this section in order of priority; the amounts and sources of Federal and non-Federal funding for such projects; a justification for the approval of such projects and the order of priority for funding such projects; a list and description of the wetlands conservation projects which the Council recommended, in order of priority that the Migratory Bird Conservation Commission approve for Federal funding; and a justification for any rejection or reordering of the priority of wetlands conservation projects recommended by the Council that was based on factors other than the criteria of section 5(a) of this Act.

SEC. 6. CONDITIONS RELATING TO WETLANDS CONSERVATION PROJECTS.

(a) PROJECTS IN THE UNITED STATES.—(1) Subject to the allocation requirements of section 8(a)(2) and the limitations on Federal contributions under section 8(b) of this Act, the Secretary shall assist in carrying out wetlands conservation projects in the United States, which have been approved by the Migratory Bird Conservation Commission, with the Federal funds made available under this Act and section 3(b) of the Act of September 2, 1937 (16 U.S.C. 669b(b)), as amended by this Act.

(2) Except as provided in paragraph (3), any lands or waters or interests therein acquired in whole or in part by the Secretary with the Federal funds made available under this Act and section 3(b) of the Act of September 2, 1937 (16 U.S.C. 669b(b)), as amended by this Act, to carry out wetlands conservation projects shall be included in the National Wildlife Refuge System.

(3) In lieu of including in the National Wildlife Refuge System any lands or waters or interests therein acquired under this Act, the", and after "may" insert ", with the concurrence of the Migratory Bird Conservation Commission, Secretary may grant or otherwise provide the Federal funds made available under this Act and section 3(b) of the Act of September 2, 1937 (16 U.S.C. 669b(b)), as amended by this Act or convey any real property interest acquired in whole or in part with such funds without cost to a State or to another public agency or other entity upon a finding by the Secretary that the real property interests should not be included in the National Wildlife Refuge System: *Provided*, That any grant recipient shall have been so identified in the project description accompanying the recommendation from the Commission and approved by the Migratory Bird Conservation Commission. The Secretary shall not convey any such interest to a State, another public agency, or other entity unless the Secretary determines that such State, agency, or other entity is committed to undertake the management of the property being transferred in accordance with the objectives of this Act, and the deed or other instrument of transfer contains provisions of the reversion of title to the property to the United States if such State, agency, or other entity fails to manage the property in accordance with the objectives of this Act. Any real property interest conveyed pursuant to this paragraph shall be subject to such terms and conditions that will ensure that the interest will be administered for the long-term conservation and management of the wetland ecosystem and the fish and wildlife dependent thereon.

(b) PROJECTS IN CANADA OR MEXICO.—Subject to the allocation requirements of section 8(a)(1) and the limitations on Federal contributions under section 8(b) of this Act, the Secretary shall grant or otherwise provide the Federal funds made available under this Act and section 3(b) of the Act of September 2, 1937 (16 U.S.C. 669b(b)), as amended by this Act, to public agencies and other entities for the purpose of assisting such entities and individuals in carrying out wetlands conservation projects in Canada or Mexico that have been approved by the Migratory Bird Conservation Commission: *Provided*, That the grant recipient shall have been so identified in the project description accompanying the recommendation from the Council and approved by the Secretary. The Migratory Bird Conservation Commission may only grant or otherwise provide Federal funds if the grant is subject to the terms and conditions that will ensure that any real property interest acquired in whole or in part, or enhanced, managed, or restored with such Federal funds will be administered for the long-term conservation and management of such wetland ecosystem and the fish and wildlife dependent thereon. Real property and interests in real property acquired pursuant to this subsection shall not become part of the National Wildlife Refuge System. Acquisitions of real property and interests in real property carried out pursuant to this subsection shall not be subject to any provision of Federal law governing acquisitions of property for inclusion in the National Wildlife Refuge System.

SEC. 7. AMOUNTS AVAILABLE TO CARRY OUT THIS ACT.

(a) AID IN WILDLIFE RESTORATION.—(1) Section 3 of the Act of September 2, 1937 (16 U.S.C. 669b), is amended—

(A) by inserting "(a)" before "An amount in the first sentence thereof; and

(B) by adding at the end thereof the following:

"(b)(1) The Secretary of the Treasury shall invest in interest-bearing obligations of the United States such portion of the fund as is not, in his judgment, required for meeting a current year's withdrawals. For purposes of such investment, the Secretary of the Treasury may—

"(A) acquire obligations at the issue price and purchase outstanding obligations at the market price; and

"(B) sell obligations held in the fund at the market price.

"(2) The interest on obligations held in the fund—

"(A) shall be credited to the fund;

"(B) constitute the sums available for allocation by the Secretary under section 8 of the North American Wetlands Conservation Act; and

"(C) shall become available for apportionment under this Act at the beginning of fiscal year 2006.".

(2) Section 4(a) of the Act of September 2, 1937 (16 U.S.C. 669c(a)), is amended by inserting "(excluding interest accruing under section 3(b))" after "revenues" in the first sentence thereof.

(3) The amendments made by this subsection of this Act take effect October 1, 1989.

(b) MIGRATORY BIRD FINES, PENALTIES, FORFEITURES.—The sums received under section 6 of the Migratory Bird Treaty Act (16 U.S.C. 707) as penalties or fines, or from forfeitures of property are athorized to be appropriated to the Department of the Interior for purposes of allocation under section 8 of this Act. This subsection shall not be construed to require the sale of instrumentalities.

(c) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amounts made available under subsections (a) and (b) of this section, there are authorized to be appropriated to the Department of the Interior for purposes of allocation under section 8 of this Act not to exceed $15,000,000 for each of fiscal years 1991, 1992, 1993 and 1994.

(d) AVAILABILITY OF FUNDS.—Sums made available under this section shall be available until expended.

SEC. 8. ALLOCATION OF AMOUNTS AVAILABLE TO CARRY OUT THIS ACT.

(a) ALLOCATIONS.—Of the sums available to the Secretary for any fiscal year under this Act and section 3(b) of the Federal Aid in Wildlife Restoration Act (16 U.S.C. 669b(b)), as amended by this Act—

(1) such percentage of that sum (but at least 50 per centum and not more than 70 per centum thereof) as is considered appropriate by the Secretary, matched with non-Federal moneys in accordance with the requirements of subsection (b) of this section, less such amount (but not more than 4 per centum of such percentage) considered necessary by the Secretary to defray the costs of administering this Act during such fiscal year, shall be allocated by the Secretary to carry out approved wetlands conservation projects in Canada and Mexico in accordance with section 6(b) of this Act;

(2) the remainder of such sum after paragraph (1) is applied (but at least 30 per centum and not more than 50 per centum thereof), which can be matched with non-Federal moneys in accordance with the requirements of subsection (b) of this section, shall be allocated by the Secretary to carry out approved wetlands conservation projects in the United States in accordance with section 6(a) of this Act.

(b) FEDERAL CONTRIBUTION FOR PROJECTS.—The Federal moneys allocated under subsection (a) of this section for any fiscal year to carry out approved wetlands conservation projects shall be used for the payment of not to exceed 50 per centum of the total United States contribution to the costs of such projects, or may be used for payment of 100 per centum of the costs of such projects located on Federal lands and waters, including the acquisition of inholdings within such lands and waters. The non-Federal share of the United States contribution to the costs of such projects may not be derived from Federal grant programs.

(c) PARTIAL PAYMENTS.—(1) The Secretary may from time to time make payments to carry out approved wetlands conservation projects as such projects progress, but such payments, including previous payments, if any, shall not be more than the Federal pro rata share of any such project in conformity with subsection (b) of this section.

(2) The Secretary may enter into agreements to make payments on an initial portion of an approved wetlands conservation project and to agree to make payments on the remaining Federal share of the costs of such project from subsequent allocations if and when they become available. The liability of the United States under such an agreement is contingent upon the continued availability of funds for the purposes of this Act.

SEC. 9. REFUGE REVENUE SHARING.

No payment of any money allocated under section 8(a)(2) may be made by the Secretary for any fiscal year to acquire lands and waters for inclusion in the National Wildlife Refuge System under this Act, except as provided under section 6(a)(3), unless there are appropriated under section 401(d) of the Act of June 15, 1935 (commonly referred to as the "Refuge Revenue Sharing Act"; 16 U.S.C. 715s(d)), for such fiscal year an amount equal to the difference between the total amount of net receipts and the aggregate amount of payments required to be made for such fiscal year to counties.

SEC. 10. RESTORATION, MANAGEMENT, AND PROTECTION OF WETLANDS AND HABITAT FOR MIGRATORY BIRDS ON FEDERAL LANDS.

The head of each Federal agency responsible for acquiring, managing, or disposing of Federal lands and waters shall, to the extent consistent with the mission of such agency and existing statutory authorities, cooperate with the Director of the United States Fish and Wildlife Service to restore, protect, and enhance the wetland ecosystems and other habitats for migratory birds, fish, and wildlife within the lands and waters of each such agency.

SEC. 11. REPORT TO CONGRESS.

The Secretary shall report to the appropriate Committees on the implementation of this Act. The report shall include—

(1) a biennial assessment of—

(A) the estimated number of acres of wetlands and habitat for waterfowl and other migratory birds that were restored, protected, or enhanced during such two-year period by Federal, State, and local agencies and other entities in the United States, Canada, and Mexico;

(B) trends in the population size and distribution of North American migratory birds; and

(C) the status of efforts to establish agreements with nations in the Western Hemisphere pursuant to section 17 of this Act; and

(2) an annual assessment of the status of wetlands conservation projects, including an accounting of expenditures by Federal, State, and other United States entities, and expenditures by Canadian and Mexican sources to carry out these projects.

SEC. 12. REVISIONS TO THE PLAN.

The Secretary shall, in 1991 and at five-year intervals thereafter, undertake with the appropriate officials in Canada to revise the goals and other elements of the Plan in accordance with the information required under section 11 and with the other provisions of this Act. The Secretary shall invite and encourage the appropriate officials in Mexico to participate in any revisions of the Plan.

SEC. 13. RELATIONSHIP TO OTHER AUTHORITIES.

(a) ACQUISITION OF LANDS AND WATERS.—Nothing in this Act affects, alters, or modifies the Secretary's authorities, responsibilities, obligations, or powers to acquire lands or waters or interests therein under any other statute.

(b) MITIGATION.—The Federal funds made available under this Act and section 3(b) of the Act of September 2, 1937 (16 U.S.C. 669b(b)), as amended by this Act, may not be used for fish and wildlife mitigation purposes under the Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.) or the Water Resources Development Act of 1986, Public Law 99-662 (1986), 100 Stat. 4235.

SEC. 14. ADDITION OF ENVIRONMENTAL PROTECTION AGENCY ADMINISTRATOR TO MIGRATORY BIRD CONSERVATION COMMISSION.

Section 2 of the Migratory Bird Conservation Act (16 U.S.C. 715a) is amended by striking "the Secretary of Transportation," and inserting in lieu thereof "the Administrator of the Environmental Protection Agency,".

SEC. 15. LIMITATION ON ASSESSMENTS AGAINST MIGRATORY BIRD CONSERVATION FUND.

Notwithstanding any other provision of law, only those personnel and administrative costs directly related to acquisition of real property shall be levied against the Migratory Bird Conservation Account.

SEC. 16. TECHNICAL AND CONFORMING AMENDMENTS TO THE MIGRATORY BIRD TREATY ACT.

Section 2 of the Migratory Bird Treaty Act (16 U.S.C. 703) is amended—

(1) by striking "and" after "1936,"; and

(2) by inserting after "1972" the following: "and the convention between the United States and the Union of Soviet Socialist Republics for the conservation of migratory birds and their environments concluded November 19, 1976.".

SEC. 17. OTHER AGREEMENTS.

(a) The Secretary shall undertake with the appropriate officials of nations in the Western Hemisphere to establish Agreements, modeled after the Plan or the agreement, for the protection of migratory birds identified in section 13(a)(5) of the Fish and Wildlife Conservation Act of 1980 (16 U.S.C. 2912(a)). When any such agreements are reached, the Secretary shall make recommendations to the appropriate Committees on legislation necessary to implement the agreements.

(b) Section 13(a) of the Fish and Wildlife Conservation Act (16 U.S.C. 2912(a)) is amended by striking "and" after "U.S.C. 1531 to 1543);" and striking "necessary." and inserting "necessary; and" and adding at the end the following:

"(5) identify lands and waters in the United States and other nations in the Western Hemisphere whose protection, management, or acquisition will foster the conservation of species, subspecies, and populations of migratory non-game birds, including those identified in paragraph (3).".

SEC. 17. TO EXPAND THE BOGUE CHITTO NATIONAL WILDLIFE REFUGE.

The Act entitled "An Act to establish the Bogue Chitto National Wildlife Refuge" (Public Law 96-288; 94 Stat. 604) is amended by—

(1) striking the period at the end of subsection 3(b) and inserting in lieu thereof: ", and within an area approximately 10,000 acres as depicted upon a map entitled "Bogue Chitto NWR Expansion", dated September, 1989 and on file with the United States Fish and Wildlife Service."; and

(2) deleting "$10,000,000" in subsection 5(a) and inserting in lieu thereof "such sums as may be necessary".

SEC. 18. WETLANDS ASSESSMENTS.

Section 401(a) of the Emergency Wetlands Resources Act of 1986 (16 U.S.C. 3931(a)) is

amended by adding the following new paragraph:

"(5) produce, by April 30, 1990, a report that provides—

"(A) an assessment of the estimated total number of acres of wetland habitat as of the 1780's in the areas that now comprise each State; and

"(B) an assessment of the estimated total number of acres of wetlands in each State as of the 1980's, and the percentage of loss of wetlands in each State between the 1780's and the 1980's.".

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the bill as amended, was passed.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FEDERAL ENERGY REGULATORY COMMISSION MEMBER TERM ACT

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No 152, S. 388, the Federal Energy Regulatory Commission Member Act of 1989.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 388) to provide for 5-year staggered terms for members of the Federal Energy Regulatory Commission, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with amendments as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

S. 388

Be it enacted by the Senate and House Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Energy Regulatory Commission Member Term Act of 1989".

SEC. 2. FIVE-YEAR TERMS FOR MEMBERS OF THE FEDERAL ENERGY REGULATORY COMMISSION.

(a) IN GENERAL.—Section 401(b) of the Department of Energy Organization Act is amended by striking "four years" in the third sentence and inserting "five years".

(b) STAGGERED TERMS.—Section 401(b) of such Act is amended by—

(1) inserting "(1)" after "(b)";

(2) striking the [fourth, sixth, and seventh] *fourth and sixth* sentences; [and]

(3) amend the seventh sentence to read, "A Commissioner may continue to serve after the expiration of his term until his successor is appointed and has been confirmed and taken the oath of Office, except that such Commissioner shall not continue to serve beyond the end of the session of the Congress in which such term expires,"; and

[3] *(4)* Adding at the end thereof the following:

"(2) Notwithstanding the provisions of paragraph (1), the terms of members first taking office after the date of enactment of the Federal Energy Regulatory Commission Member Term Act of 1989 shall expire as follows:

"(A) In the case of the member appointed to succeed the member whose term expires in 1989, such member's term shall expire on [December 31] *June 30* of the fourth year after the expiration of the predecessor's term.

"(B) In the case of members appointed to succeed members whose terms expire in 1991, one such member's term shall expire in 1991, one such member's term shall expire on [December 31] *June 30* of the third year after the expiration of the predecessor's term, and one such member's term shall expire on [December 31] *June 30* of the fourth year after the expiration of the predecessor's term, as designated by the President at the time of appointment.

"(C) In the case of members appointed to succeed members whose terms expire in 1992, one such member's term shall expire on [December 31] *June 30* of the fourth year after the expiration of the predecessor's term and one such member's term shall expire on [December 31] *June 30* of the fifth year after the expiration of the predecessors term.

"(D) Any member appointed to fill a vacancy occurring prior to the expiration for the term for which his predecessor was appointed shall be appointed only for the remainder of such term.".

(c) APPLICABILITY—The amendments made by this section apply only to persons appointed or reappointed as members of the Federal Energy Regulatory Commission after the date of enactment of this Act.

SEC. 3. COMPENSATION OF THE CHAIRMAN AND MEMBERS.

Section 204 of the Department of Energy Organization Act is amended by striking the second and third sentences and inserting in lieu thereof the following: "The Chairman shall be compensated at the rate provided for level II of the Executive Schedule under section 5313 of title 5. The other members of the Commission shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5.".

SEC. 4. ACCESS TO STAFF AND PARTICIPATION IN POLICYMAKING AND SCHEDULING.

Section 401(c) of the Department of Energy Organization Act is amended by striking the period at the end of the first sentence of subsection (c) and inserting in lieu thereof, ": Provided, That the Commission (i) shall have full access to the Commission staff and resources and (ii) shall direct the formulation of policy and scheduling of matters including, but not limited to, generic policy initiatives and Congressional reports and testimony.".

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 1143

Mr. LOTT. Mr. President, on behalf of Senator MCCLURE, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT], for Mr. MCCLURE, proposes an amendment numbered 1143.

On page 4, strike section 4.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment (No. 1143) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MCCLURE. Mr. President, the amendment I am offering proposes to strike section 4 of S. 388, the Federal Energy Regulatory Commission Member Term Act of 1989. Section 4 would statutorily give Commissioners full access to FERC staff and resources, and it would statutorily provide for their full participation in the formulation of policy and the scheduling of Commission actions.

Section 4 was added to S. 388 by an amendment I offered in committee, which was adopted unanimously by the committee.

Mr. President, until just recently in the Commission's long history, that which my amendment requires statutorily was, in fact, the normal course of business; FERC Commissioners had full and unfettered access to all Commission staff, and they were full partners in the formulation and implementation of Commission policy.

However, at the time I offered my amendment in committee, it was clear that there were serious and worsening collegiality problems at the Commission, problems which were preventing the Commissioners from fully executing their duties and responsibilities. This was confirmed to me by several of the FERC Commissioners both at open committee hearings and in private.

Mr. President, the Federal Energy Regulatory Commission may be little known outside of Washington, but it routinely acts on matters which touch on the lives, fortunes, and well-being of citizens and businesses in every State of the Nation. It is essential that each and every Commissioner have at his or her disposal all of the information and assistance necessary for them to make decisions which are in the overall public interest. Failure to do so adversely affects the Nation's well-being. That is why I believed my amendment was important, and that is why the committee adopted it.

Subsequent to the committee's adoption of my amendment, however, changes have taken place which assure me that the problems that my amendment sought to remedy will no longer occur. We now have a new Commission Chairman who has pledged in private and in public that he will do everything in his power to restore the collegiality that had previously been the norm at the Commis-

sion. I have reviewed Mr. Allday's record as solicitor of the Department of the Interior, and I feel fully confident that that will be the case. Thus, there is no longer any reason for retaining section 4 of S. 388.

Mr. President, lest there be no mistake, let me say that there undoubtedly will still be strong disputes among the Commissioners. The Commission is made up of five individually appointed and Senate confirmed members so that all aspects of a proposed policy will be fully reviewed. And that virtually assures that there will be strong differences of opinion from time to time. That is not only predictable, it is healthy.

However, I no longer believe that the individual Commissioners will be forced to labor under the handicap which has, for too long now, crippled their ability to execute their duties and responsibilities—the situation which necessitated my amendment.

Mr. President, I feel assured and confident that section 4 is no longer necessary or warranted, and it is for these reasons that I offer my amendment today to strike section 4 of S. 388.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 388

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Energy Regulatory Commission Member Term Act of 1989".

SEC. 2. FIVE-YEAR TERMS FOR MEMBERS OF THE FEDERAL ENERGY REGULATORY COMMISSION.

(a) IN GENERAL.—Section 401(b) of the Department of Energy Organization Act is amended by striking "four years" in the third sentence and inserting "five years".

(b) STAGGERED TERMS.—Section 401(b) of such Act is amended by—

(1) inserting "(1)" after "(b)";

(2) striking the fourth and sixth sentences;

(3) amend the seventh sentence to read, "A Commissioner may continue to serve after the expiration of his term until his successor is appointed and has been confirmed and taken the oath of Office, except that such Commissioner shall not continue to serve beyond the end of the session of the Congress in which such term expires."; and

(4) adding at the end thereof the following:

"(2) Notwithstanding the provisions of paragraph (1), the terms of members first taking office after the date of enactment of the Federal Energy Regulatory Commission Member Term Act of 1989 shall expire as follows:

"(A) In the case of the member appointed to succeed the member whose term expires in 1989, such member's term shall expire on June 30 of the fourth year after the expiration of the predecessor's term.

"(B) In the case of members appointed to succeed members whose terms expire in 1991, one such member's term shall expire on June 30 of the third year after the expiration of the predecessor's term, and one such member's term shall expire on June 30 of the fourth year after the expiration of the predecessor's term, as designated by the President at the time of appointment.

"(C) In the case of members appointed to succeed members whose terms expire in 1992, one such member's term shall expire on June 30 of the fourth year after the expiration of the predecessor's term and one such member's term shall expire on June 30 of the fifth year after the expiration of the predecessor's term.

"(D) Any member appointed to fill a vacancy occurring prior to the expiration for the term for which his predecessor was appointed shall be appointed only for the remainder of such term.".

(c) *Applicability.*—The amendments made by this section apply only to persons appointed or reappointed as members of the Federal Energy Regulatory Commission after the date of enactment of this Act.

SEC. 3. COMPENSATION OF THE CHAIRMAN AND MEMBERS.

Section 204 of the Department of Energy Organization Act is amended by striking the second and third sentences and inserting in lieu thereof the following: "The Chairman shall be compensated at the rate provided for level II of the Executive Schedule under section 5313 of title 5. The other members of the Commission shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5.".

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BILL PLACED ON CALENDAR—H.R. 1

Mr. CRANSTON. Mr. President, I ask unanimous consent that H.R. 1, the Department of Housing and Urban Development Reform Act of 1989, just received from the House, be placed on the Calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration en bloc of the following just received from the House: House Joint Resolution 357 and House Joint Resolution 358; that they be read a third time and passed, and the motion to reconsider the votes by which they were agreed to be laid on the table en bloc.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REAPPOINTMENT OF SAMUEL C. JOHNSON

The joint resolution (H.J. Res. 357), providing for the reappointment of Samuel C. Johnson to the Board of Regents of the Smithsonian Institution, was considered, ordered to a third reading, read the third time, and passed.

REAPPOINTMENT OF JANNINE SMITH CLARK

The joint resolution (H.J. Res. 358), providing for the reappointment of Jannine Smith Clark to the Board of Regents of the Smithsonian Institution, was considered, ordered to a third reading, read the third time, and passed.

MEASURE PLACED ON CALENDAR—H.R. 3482

Mr. CRANSTON. Mr. President, I ask unanimous consent that H.R. 3482, the disaster forestry assistance bill just received from the House be placed on the calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Orders Nos. 370, 371, 373, and 374 en bloc; that the committee amendments where appropriate be agreed to, that the bills be deemed read a third time and passed and motion to reconsider passage of the bills be laid upon the table.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CRANSTON. I further ask unanimous consent that consideration of these items appear individually in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REFORMULATION OF CEDAR BLUFF UNIT

The Senate proceeded to consider the bill (S. 53) to authorize the reformulation of the Cedar Bluff Unit of the Pick-Sloan Missouri Basin Program, Kansas, to provide for the amendment of water service and repayment contracts, which had been reported from the Committee on Energy

and Natural Resources, with amendments as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

S. 53

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF REFORMULATION.

The Secretary of the Interior (hereafter in this act referred to as the "Secretary"), pursuant to the provisions of the Memorandum of Understanding between the Bureau of Reclamation and the Fish and Wildlife Service of the Department of the Interior, the State of Kansas, and the Cedar Bluff Irrigation District No. 6, dated December 17, 1987, is authorized to reformulate the Cedar Bluff Unit of the Pick-Sloan Missouri Basin Program, Kansas, including reallocation of the conservation capacity of the Cedar Bluff Reservoir, to create—

(1) a designated operating pool, as defined in such Memorandum of Understanding, for fish, wildlife, and recreation purposes, for groundwater recharge for environmental, domestic, municipal, industrial, and irrigation uses, and for other purposes; and

(2) a joint-use pool, as defined in such Memorandum of Understanding, for flood control, for water sales, for fish, wildlife, and recreation purposes, and for other purposes.

SEC. 2. CONTRACT WITH THE STATE OF KANSAS FOR OPERATING POOL.

The Secretary may enter into a contract with the State of Kansas for the sale, use and control of the designated operating pool, with the exception of water reserved for the city of Russell, Kansas, and to allow the state of Kansas to acquire use and control of water in the joint-use [pool.] *pool: Provided, That the State of Kansas shall not permit utilization of water from Cedar Bluff Reservoir to increase irrigation of lands in the Smoky Hill River Basin from Cedar Bluff Reservoir to its confluence with Big Creek.*

SEC. 3. CONTRACT WITH THE STATE OF KANSAS FOR CEDAR BLUFF DAM AND RESERVOIR.

(a) AUTHORIZATION.—The Secretary may enter into a contract with the State of Kansas, accepting a payment of $365,424, and the State's commitment to pay a proportionate share of the annual operation, maintenance, and replacement charges for the Cedar Bluff Dam and Reservoir, as full satisfaction of [the] *all* reimbursable costs associated with irrigation of the Cedar Bluff Unit, including the Cedar Bluff Irrigation District's obligations under Contract No. 0-07-70-W0064. [After the reformulation of the Cedar Bluff Unit authorized by this Act, any revenues in excess of operating expenses received from the sale of water from the Cedar Bluff Unit shall be allocated to pay the United States for the cost of the project.] *After the reformulation of the Cedar Bluff Unit authorized by this Act, any revenues in excess of operating and maintenance expenses received by the State of Kansas from the sale of water from the Cedar Bluff Unit shall be paid to the United States and covered into the Reclamation Fund to the extent that an operation, maintenance and replacement charge or reimbursable capital obligation exists for the Cedar Bluff Unit under Reclamation law. Once all such operation, maintenance and replacement charges or reimbursable obligations are satisfied, any additional revenues shall be retained by the State of Kansas.*

(b) TRANSFER OF FISH HATCHERY.—The Secretary may transfer ownership of the buildings, fixtures, and equipment of the United States Fish and Wildlife Service fish hatchery facility at Cedar Bluff Dam, and the related water rights, to the State of Kansas for its use and operation for fish, wildlife, and related purposes. *If any of the property transferred by this subsection to the State of Kansas is subsequently transferred from State ownership or used for any purpose other than those provided for in this subsection, title to such property shall revert to the United States.*

SEC. 4. TRANSFER OF DISTRICT HEADQUARTERS.

The Secretary may transfer title to all interests in real property, buildings, fixtures, equipment, and tools associated with the Cedar Bluff Irrigation District headquarters located near Hays, Kansas, contingent upon the District's agreement to close down the irrigation system to the satisfaction of the Secretary at no additional cost to the United States, after which all easement rights shall revert to the owners of the lands to which the easements are attached [The transferee of any interests conveyed pursuant to this section shall assume all liability with respect to such interests and shall indemnify the United States against all such liability.]

"SEC. 5. LIABILITY AND INDEMNIFICATION.

The transferee of any interest conveyed pursuant to this Act shall assume all liability with respect to such interests and shall indemnify the United States against all such liability.

SEC. [5] 6. ADDITIONAL ACTIONS.

The Secretary may take all other actions consistent with the provisions of the Memorandum of Understanding referred to in section 1 that the Secretary deems necessary to accomplish the reformulation of the Cedar Bluff Unit.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time and passed.

CONSTRUCTION AND TESTING LAKE MEREDITH SALINITY CONTROL PROJECT

The Senate proceeded to consider the bill (S. 486) to authorize the Secretary of the Interior to construct and test the Lake Meredith Salinity Control Project, New Mexico and Texas, and for other purposes, which has been reported from the Committee on Energy and Natural Resources, with amendments as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

S. 486

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION TO CONSTRUCT AND TEST.

The Secretary of the Interior (hereafter in this Act referred to as the "Secretary") is authorized to construct and test the Lake Meredith Salinity Control Project, New Mexico and Texas, in accordance with the Federal Reclamation laws (Act of June 17, 1902, 32 Stat. 788, and Acts amendatory thereof or supplementary thereto) and the provisions of this Act and the plan set out in the June 1985 Technical Report of the Bureau of Reclamation on this project with such modification of, omissions from, or additions to the works, as the Secretary may find proper and necessary for the purpose of improving the quality of water delivered to the Canadian River downstream of Ute Reservoir, New Mexico, and entering Lake Meredith, Texas. The principal features of the project shall consist of production wells, observation wells, pipelines, pumping plants, brine disposal facilities, and other appurtenant facilities.

SEC. 2. CONSTRUCTION CONTRACT WITH THE CANADIAN RIVER MUNICIPAL WATER AUTHORITY.

(a) AUTHORITY TO CONTRACT.—The Secretary is authorized to enter into a contract with the Canadian River Municipal Water Authority of Texas for the design and construction management of project facilities by the Bureau of Reclamation and for the payment of construction costs by the Canadian River Municipal Water Authority. Operation and maintenance of project facilities upon completion of construction and testing shall be the responsibility of the Canadian River Municipal Water Authority.

(b) CONSTRUCTION CONTINGENT ON CONTRACT.—Construction of the project shall not be commenced until a suitable contract has been executed by the Secretary with the Canadian River Municipal Water Authority of Texas and the State of New Mexico has granted the necessary permits for the project facilities.

SEC. 3. PROJECT COSTS.

(a) CANADIAN RIVER MUNICIPAL WATER AUTHORITY SHARE.—All costs of construction of project facilities shall be advanced by the Canadian River Municipal Water Authority as the non-Federal contribution toward implementation of this Act. Pursuant to the terms of the contract authorized by section 2, these funds shall be advanced on a schedule mutually acceptable to the Canadian River Municipal Water Authority and the Secretary, as necessary to meet the expense of carrying out construction and land acquisition activities.

(b) FEDERAL SHARE.—All project costs for verification, design preparation, and construction management (estimated to be approximately 33 percent of the total project cost) shall be nonreimbursable as the Federal contribution for environmental enhancement by water quality improvement.

SEC. 4. CONSTRUCTION AND CONTROL.

(a) PRECONSTRUCTION.—The Secretary shall, upon entering into a mutually acceptable agreement with the Canadian River Municipal Water Authority, proceed with preconstruction planning, preparation of designs and specifications, acquiring permits, acquisition of land and rights, and award of construction contracts pending availability of appropriated funds.

(b) TERMINATION OF CONSTRUCTION.—At any time following the first advance of funds by the Canadian River Municipal Water Authority, the Canadian River Municipal Water Authority may request that the Secretary terminate activities then in progress, and such request shall be binding upon the [Secretary.] *Secretary: Provided, however, That upon termination of construction pursuant to this section, the Canadian River Municipal Water Authority shall reimburse to the Secretary of the Interior a sum equal to 67 percent of all costs incurred*

by the Secretary in project verification, design and construction management, reduced by any sums previously paid by the Authority to the Secretary for such purposes. Upon such termination, the United States is under no obligation to complete the project as a nonreimbursable development.

[(b)] *(c)* TRANSFER OF CONTROL.—Upon completion of construction and testing of the project, or upon termination of activities at the request of the Canadian River Municipal Water Authority, *and reimbursement of Federal costs pursuant to subsection 4(b) of this Act,* the Secretary shall transfer the care, operation, and maintenance of the project works to the Canadian River Municipal Water Authority or to a bona fide entity mutually agreeable to the States of New Mexico and Texas. As part of such transfer, the Secretary shall return unexpended balances of the funds advanced, assign to the Canadian River Municipal Water Authority or the bona fide entity the rights to any contract in force, convey to the Canadian River Municipal Water Authority or the bona fide entity any real estate, easements, or personal property acquired by the advanced funds, and provide any data, drawings, or other items of value procured with advanced funds.

SEC. 5. AUTHORIZATION

[There are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.]

There is hereby authorized to be appropriated to carry out the provisions of this Act the sum of $3,000,000 (October 1989 price levels), plus or minus such amounts, if any, as may be required by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the types of construction involved herein.

SEC. 6. WETLANDS INVENTORY AND REPORT.

(a) The Secretary of the Interior is directed to inventory all wetlands on Federal lands or interests therein owned by or withdrawn for the use of the Bureau of Reclamation and, to the extent practicable, other Federal lands associated with reclamation projects. As part of the inventory, the Secretary shall make an initial determination of the value of such wetlands for purposes such as, but not limited to, recruitment and survival of waterfowl and other wetland dependent species, flood control, water quality, and sedimentation control.

(b) In assessing the value of wetlands for recruitment and survival of waterfowl and other wetland dependent species, the Secretary shall consider, among other things, the presence of factors supporting abundant and diverse wetland ecosystems, including, but not limited to:

(1) high primary productivity and functioning food chains;

(2) seasonal values for waterfowl breeding, nesting, staging and wintering; and

(3) protection from predation and disease.

(c) The Secretary shall indicate those wetland areas identified pursuant to subsection (a) of this section which also have been identified for protection or restoration pursuant to the North American Waterfowl Management Plan or by such entities as the Secretary deems appropriate.

(d) In fulfillment of this section, the Secretary is encouraged to consult with appropriate State and private entities.

(e) Not later than February 1, 1990, the Secretary shall report to the Senate Committee on Energy and Natural Resources, the Senate Committee on Appropriations, the House Committee on Interior and Insular Affairs and the House Committee on Appropriations a plan for implementation of this section, including identification of any reprogramming of funds required in fiscal year 1990 and such other resources as may be required.

(f) The Secretary shall report the results of the inventory authorized by this section to the Senate Committee on Energy and Natural Resources and the House Committee on Interior and Insular Affairs not later than December 31, 1991.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time and passed.

LEADVILLE MINE DRAINAGE TREATMENT ACT

The bill (S. 1275) to authorize the Secretary of the Interior to construct, operate, and maintain a water treatment plant for the purpose of treating water discharged from the Leadville Mine Drainage Tunnel near Leadville, CO, in order to meet water quality standards, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1275

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, This Act may be cited as the "Leadville Mine Drainage Treatment Act of 1989".

SEC. 101. The Secretary of the Interior is authorized to construct, operate, and maintain a water treatment plant, including the disposal of sludge produced by said treatment plant as appropriate, and to install concrete lining on the rehabilitated portion of the Leadville Mine Drainage Tunnel, in order that water flowing from the Leadville Tunnel may meet water quality standards.

SEC. 102. Construction, operation and maintenance costs of the works authorized by this Act shall be nonreimbursable.

SEC. 103. The Secretary of the Interior shall be responsible for operation and maintenance of the water treatment plant, including sludge disposal authorized by this Act. The Secretary may contract for these services.

SEC. 104. There is hereby authorized to be appropriated beginning October 1, 1989, for construction of a water treatment plant for water flowing from the Leadville Mine Drainage Tunnel, including sludge disposal, and concrete lining the rehabilitated portion of the tunnel, the sum of $10,700,000 (October 1988 price levels), plus or minus such amounts, if any, as may be required by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the types of construction involved herein and, in addition thereto, such sums as may be required for operation and maintenance of the works authorized by this Act.

SEC. 105. The treatment plant authorized by this Act shall be designed and constructed to treat the quantity and quality of effluent historically discharged from the Leadville Mine Drainage Tunnel.

CLARA BARTON PARKWAY

The Senate proceeded to consider the bill (H.R. 1310) to redesignate a certain portion of the George Washington Memorial Parkway as the "Clara Barton Parkway."

Mr. SARBANES. Mr. President, I rise in strong support of H.R. 1310, redesignating a portion of the George Washington Memorial Parkway as the "Clara Barton Parkway." I commend the chaiman of the Energy and Natural Resources Committee, Senator JOHNSTON, and the chairman of the Subcommittee on Public Lands, National Parks and Forests, Senator BUMPERS, for moving this bill to the floor so expeditiously.

This legislation accomplishes two important goals. First, it honors a great humanitarian, Clara Barton, founder of the American Red Cross. Clara Barton dedicated her life to helping people. As a teacher, she helped promote public education by establishing free schools in the East. She moved to Washington and became one of the earliest female Government workers. During the Civil War, she nursed and organized assistance for Union soldiers wounded on the battlefields at Manassas, Antietam, and Charleston. After the war, she became an avid supporter of the civil rights and women's rights movements. In 1881, Barton founded and became first president of the American Red Cross. It was her unique contribution that the misson of the Red Cross was expanded from providing aid during wartime to include providing relief after natural disasters.

Barton spent the last 15 years of her life in Glen Echo, MD, and her home, the first permanent headquarters of the American Red Cross and a national historic site, is immediately adjacent to the Maryland portion of the George Washington Parkway. It should be pointed out that Barton's work has been continued by the millions of Red Cross volunteers who have served their fellow citizens in times of need. From collecting blood, to teaching first aid, to assisting the victims of the recent San Francisco earthquake, the American Red Cross has carried on her noble tradition of providing humanitarian aid. It is therefore a fitting and appropriate tribute to Clara Barton and to the movement which she founded to rename this section of the parkway in her honor.

Second, redesignating this parkway would help to eliminate the confusion and frustration which currently exists for motorists using the George Washington Parkway. The George Washington Memorial Parkway runs on both sides of the Potomac, in two different States, with two different destinations, yet bears the same name. Renaming the Maryland side of the parkway after Clara Barton would remove the name confusion and be especially helpful to visitors and commuters in our area.

This renaming is strongly supported by the president emeritus of the American Red Cross, George M. Elsey, Maryland Gov. William Donald Schaefer, the Montgomery County delegation to the General Assembly, the Montgomery County Council, and the Chesapeake and Ohio Canal Association. It would result in a very minimal cost to the Federal Government and would certainly accomplish its two important goals.

I urge swift enactment of this measure.

The bill was ordered to a third reading, read the third time, and passed.

SUBSTITUTION OF CONFEREE

Mr. CRANSTON. I ask unanimous consent, Mr. President, that Senator WILSON be added as a conferee for H.R. 3614, H.R. 3630, H.R. 3550, and H.R. 3611 in lieu of Senator THURMOND.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CENTENNIAL OF THE BIRTH OF PANDIT JAWAHARLAL NEHRU

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of House Concurrent Resolution 217 honoring the centennial of the birth of Pandit Nehru, India's first Prime Minister, and that the Senate proceed to its immediate consideration.

The ACTING PRESIDENT pro tempore. The concurrent resolution will be stated by title.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 217) honoring the centennial of the birth of India's Pandit Jawaharlal Nehru.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. MOYNIHAN. Mr. President, 42 years ago the second most populous nation on earth, India, was teetering on the edge of chaos as it emerged from its colonial status. It could easily have followed the path of so many other poor and struggling nations and turned to totalitarianism. It did not. Today India is the world's largest democracy. Indeed. When Indians go to the polls later this year they will be participating in the largest democratic event in the history of the world.

No one deserves more credit for establishing a democratic India than its first Prime Minister, Pandit Jawaharlal Nehru. Despite daunting challenges, including dire poverty and religious and ethnic conflict, Nehru played a crucial role in molding India into a strong, independent, and democratic nation.

This is the centennial year of Nehru's birth. The concurrent resolution before the Senate today honors this man who helped to ensure that some 800 million Indians would live—as they do today—in a democratic nation. I am certain that my colleagues will join me in supporting the concurrent resolution.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 217) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MEASURE PLACED ON CALENDAR—H.R. 3629

Mr. CRANSTON. Mr. President, I ask unanimous consent that H.R. 3629, a bill to extend the authority of the Secretary of Commerce to conduct the Quarterly Financial Report Program of the Census Bureau, be placed on the calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DETENTION OF PERSONS FOUND GUILTY OF CERTAIN VIOLENT OR DRUG OFFENSES

Mr. CRANSTON. I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 360, S. 1259, a bail reform bill.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1259) to amend Section 3143 of title 18, United States Code.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The ACTING PRESIDENT pro tempore. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1259

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mandatory Detention for Offenders Convicted of Serious Crimes Act".

SEC. 2. MANDATORY DETENTION.

(a) PENDING SENTENCE.—Subsection (a) of section 3143 of title 18, United States Code, is amended by—

(1) striking "The judicial officer" and inserting "(1) Except as provided in paragraph (2), the judicial officer"; and

(2) inserting at the end thereof the following:

"(2) The judicial officer shall order that a person who has been found guilty of an offense in a case described in subparagraph (A), (B), or (C) of subsection (f)(1) of section 3142 and who is waiting for imposition of execution of sentence be detained.".

(b) PENDING APPEAL.—Subsection (b) of section 3143 of title 18, United States Code, is amended by—

(1) striking "The judicial officer" and inserting "(1) Except as provided in paragraph (2), the judicial officer";

(2) redesignating subparagraphs (A), (B), (C), and (D) of paragraph (2) as clauses (i), (ii), (iii), and (iv), respectively;

(3) redesignating paragraphs (1) and (2) as subparagraphs (A) and (B); and

(4) adding at the end thereof the following:

"(2) The judicial officer shall order that a person who has been found guilty of an offense in a case described in subparagraph (A), (B), or (C) of subsection (f)(1) of section 3142 and sentenced to a term of imprisonment, and who has filed an appeal or a petition for a writ of certiorari, be detained.".

SEC. 3. CLARIFICATION OF LENGTH OF CONTINUANCE PRIOR TO A DETENTION HEARING.

Section 3142(f) of title 18, United States Code, is amended in the matter following paragraph (2) by inserting after the second sentence the following: "The period provided for a continuance under the preceding sentence shall include Saturdays, Sundays, and holidays.".

Mr. CRANSTON. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDERS FOR TOMORROW

RECESS UNTIL 9:45 A.M.; MORNING BUSINESS; CONSIDERATION OF LABOR-HHS APPROPRIATIONS

Mr. CRANSTON. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:45 a.m. on Thursday, November 16. I further ask unanimous consent that following the time for the two leaders there be a period for morning business until 10:30 a.m., with Senators permitted to speak therein for up to 5 minutes each. I further ask unanimous consent that at 10:30 a.m. the Senate begin consideration of the Labor-HHS appropriations bill, H.R. 3566.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS UNTIL 9:45 A.M. TOMORROW

Mr. CRANSTON. Mr. President, now if the acting Republican leader has no further business——

Mr. LOTT. Mr. President, we have no further business.

Mr. CRANSTON. I therefore now ask unanimous consent that the Senate stand in recess until 9:45 a.m. on Thursday, November 16.

There being no objection, the Senate, at 9:55 p.m., recessed until Thursday, November 16, 1989, at 9:45 a.m.

NOMINATIONS

Executive nominations received by the Senate November 15, 1989:

DEPARTMENT OF STATE

HARRIET WINSAR ISOM, OF OREGON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE PEOPLE'S REPUBLIC OF BENIN.

UNITED NATIONS

THE FOLLOWING-NAMED PERSONS TO BE REPRESENTATIVES AND ALTERNATE REPRESENTATIVES OF THE UNITED STATES OF AMERICA TO THE 44TH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS:

Representatives

THOMAS R. PICKERING, OF NEW JERSEY.
ALEXANDER FLETCHER WATSON, OF MASSACHUSETTS.

Alternate representatives

JONATHAN MOORE, OF MASSACHUSETTS.
MILTON JAMES WILKINSON, OF NEW HAMPSHIRE.

DEPARTMENT OF JUSTICE

RONALD FRANK EDERER, OF TEXAS, TO BE U.S. ATTORNEY FOR THE WESTERN DISTRICT OF TEXAS FOR THE TERM OF 4 YEARS, VICE HELEN M. EVERSBERG, TERM EXPIRED.

DEPARTMENT OF EDUCATION

JOHN T. MACDONALD, OF NEW HAMPSHIRE, TO BE ASSISTANT SECRETARY FOR ELEMENTARY AND SECONDARY EDUCATION, DEPARTMENT OF EDUCATION, VICE BERYL DORSETT, RESIGNED.

CONFIRMATION

Executive nomination confirmed by the Senate November 15, 1989:

DEPARTMENT OF TRANSPORTATION

BRIAN W. CLYMER, OF PENNSYLVANIA, TO BE URBAN MASS TRANSPORTATION ADMINISTRATOR.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

THE TRUTH ABOUT WHAT THE U.N. OFFICIAL SAID TO THE CONTRAS

HON. GEO. W. CROCKETT, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. CROCKETT. Mr. Speaker, last month the Secretary of State took the unusual and unfortunate step of writing to the Secretary General of the United Nations to object to the alleged remarks of the Secretary General's representative to the Central American peace process, in which the representative encouraged the contras to abide by the Central American peace agreement.

I do not understand why the United States should have any objection to this United Nations official doing his job. Furthermore, according to a report by the Center for International Policy, the official was quoted out of context. So that my colleagues will know the truth about what he said, I include the Center's report at this point:

UN OFFICIAL'S SPEECH WAS CONCILIATORY

A Washington Post story of October 14, 1989 correctly reported the importance but inadvertently hardened the tone of a UN official's speech to the contras in Honduras last week. The visit to the contra camp was indeed a significant step forward in the regional peace process fully deserving the prompt, front-page coverage it received in the newspaper, but a transcript of the Spanish text of the official's speech shows that it lacked the hard, antagonistic tone that was conveyed by the newspaper article.

Specifically, the official, Francesc Vendrell, did not assert outright that U.S. policy was anachronistic and has been abandoned by the country that helped the contras. Rather he couched this thought in conditional, suggestive terms, reminding the contras that they were Nicaraguans, "patriots and people of Nicaragua," and advising them not to let themselves become the object of a policy that "could perhaps become an anachronistic policy" and not let themselves be abandoned by a country that at a given time were helping them. In the newspaper the official was quoted as saying bluntly, "You are Nicaraguans and not the objects of a [U.S.] policy that is anachronistic and has been abandoned by the country that helped you."

The complete text of Vendrell's remarks to the Contra troops on October 12 in Yamales, Honduras follows:

"We are here on a mission of peace and reconciliation. The Central American presidents have decided that the RN [Nicaraguan Resistance] has completed its mission and in a relatively short period of time should demobilize and return to Nicaragua. The commission is here to assure that your return is voluntary. The commission is here to ascertain your wishes, the wishes of each and every one of you because now if you want a democratic and free Nicaragua you have the possibility here of expressing your wishes freely. Therefore I would simply leave you with this thought, that the CIAV [International Commission for Support and Verification] is here to help you, to promote your return, your voluntary return, but you should simply keep two things in mind. You are in a foreign territory and can only stay here as long as the government of this country lets you. In the second place, I want you to remember that you are Nicaraguans, patriots and people of Nicaragua. Don't let yourselves be the objects of a policy that could perhaps become an anachronistic policy. Don't let yourselves be abandoned by a country that at a given time helped you. Thank you very much."

While the difference between the news story and the transcript is not a major difference in journalistic terms, it does make a difference diplomatically. It conveyed an intent different from that of the speaker. The official found himself in an unexpected situation. After conferring with the contra commanders in their tents, Vendrell and an OAS official, Hugo de Zela, reviewed contra troops who then stood with their weapons singing the national anthem. Contra leader and former National Guard colonel Enrique Bermudez addressed the three thousand troops, defiantly refusing to consider demobilization until there was true democracy in Nicaragua and the "Marxist-Leninist regime" removed. He then handed the bullhorn to Vendrell.

Vendrell, a top aide to Secretary-General Javier Perez de Cuellar, had had no time to prepare remarks and was reluctant to speak at all. Once underway, however, he had to say something that would reflect the demobilization mandate given to the UN-OAS commission by the five Central American presidents—the more so, since this might well be the only opportunity the commission would have to address the contra rank-and-file. Since the commanders had insisted on renewing their struggle, Vendrell was obligated to convey to the rank-and-file some realistic sense of their situation, namely that U.S. military aid could well become a thing of the past and that if they staked their futures on the assumption that the United States would support more war, they could be left high and dry. If he had said any less, he would have failed to address the contras' objective situation, would have failed to deliver the message of Tela, and would have allowed a UN mission sent by the five presidents of Central America to have been drowned out by a military commander.

The contras applauded his speech. In fact, they shared his views. The contras did not react hostilely, nor did their leadership.

However, an effort to be truthful to the assembled contras and faithful to the regional mandate given the UN commission emerged in the totally different environment of Washington as a blunt attack on U.S. policy.

When several Republican senators complained, Secretary Baker sent U.S. ambassador to the UN Thomas Pickering and a State Department official from Washington to see Secretary-General Perez de Cuellar. The secretary-general told the Americans that it was regrettable that his aide, Vendrell, had been quoted out of context. He then issued a statement at his daily briefing saying that Vendrell's remarks had given rise to misunderstandings about the UN's impartiality, and this he regretted. This amounted to damage control, but something less than the "repudiation" that the Washington Post reported on October 17.

Vendrell in his short remarks did take care to balance his cautioning advice to the contras with an emphasis on the voluntary nature of their demobilization, thus taking the U.S. position. Nicaragua has insisted that the demobilization is required, not voluntary.

NICARAGUAN TELEVISION INTERVIEW

Vendrell took a similar conciliatory line in an interview he gave to the main Nicaraguan television station on October 15. The full text follows:

Q. We are going to speak with Francesc Vendrell, who is the representative of the Secretary-General of the United Nations on the CIAV.

The whole world is waiting to learn exactly how your visit to Honduras and the camps went. There is much information and speculation.

Exactly what message did you take from Honduras to the Nicaraguan authorities?

A. Perhaps I could in this case convey to the general public a message of patience and flexibility, because this is truly a difficult situation. As I explained the last time I was in Nicaragua and as I also said in Honduras, it is very difficult to resolve in a few days a problem that has been created over eight years. I believe that above all the message I would bring, and I'm simply going to repeat it—the government has said it many times, President Ortega has said it—is that the members of the Resistance are Nicaraguans, they come from the people and are in a difficult, complex situation where they must be allowed to make their own decisions, through the leaders chosen by themselves. And the right that you are going to exercise at the end of February they also have the power to exercise, at least in their camps, in the sense that the members of the Resistance have the power to decide their own future.

Q. What has been the response of the government to this plea for patience?

A. This plea for patience and flexibility of positions—and I am not suggesting that the government has not been flexible—is a message that the secretaries-general at the moment of creation of CIAV, on the sixth of August, sent to the Central American presidents by noting that the deadlines were very short. This is not to say that we will not do all that is possible to meet those deadlines. For example, I mentioned the deadlines to the troops when I was in Yamales because I felt that I was obligated, as the representative of the CIAV, created by the Central American presidents, to explain to them or at least summarize in a very few words the contents of the Tela declaration and the fact that it has definite deadlines, at least for the moment, fixed by the presidents of Central America.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Q. In this case a plea of this kind can only be accepted when the other party, in this case the contras, have also decided to respect the accords of the Central American presidents. Have you seen any indication that they have done so?

A. This is a bit problematic. One would have to be quite unrealistic to assume that just because the five Central American presidents have set deadlines and have taken the decision that the Nicaraguan Resistance has to be demobilized that the Resistance is simply going to go home. This is why the CIAV was created. In part, the purpose of the CIAV is to promote the decision to demobilize, the decision to return to Nicaragua or, if absolutely necessary, to go to a third country. So I am not surprised and am not disheartened because we have not yet heard a reaction that could be called positive. What is important is that we were in Yamales and that the Nicaraguan Resistance decided to accept the presence of the CIAV in its camps. It is a signal, it is without doubt an indication of progress, because they could have refused our visit or not have provided the facilities. Although it is only a first step, it is an important one.

Q. We were discussing this with a member of the counterpart of the CIAV in Nicaragua, a Nicaraguan member, who told us that our country we have complied by launching an electoral process and that strict deadlines have been set for every aspect of the elections. Therefore, deadlines should also apply in the case of the contras.

A. Yes, but we have to take into account two points. First, the Resistance has not signed the Tela accords, so one cannot say that the Resistance has to comply because the other side is complying; they are not a party to the agreement. In the second place, there is a certain conflict between the elections, which are at the end of Feburary, and the date set for the demobolization of the Resistance which in principle is supposed to take place in December. This implies not only demobilization but actually vacating their camps by the fifth of December. This is one of the problems, for if everything were perfect, then one thing would precede the other.

Q. I wonder whether although the contras have not signed, they have issued declarations of respect for the accords and have said in principle that they are willing to demobilize if there is democratization in Nicaragua or if two steps [unintelligible section] they would be able to achieve demobilization.

A. Yes, what has happened is that there is a problem of lack of confidence. There is a lack of confidence on the part of the Nicaragaun Resistance that has been created during recent years, during which they have been the victim of a certain line of information, and they do not clearly perceive that those steps which you consider to have been taken have in fact been taken as many of us who have been able to be here have attested. There is a very, very serious lack of confidence. And this is the fundamental, basic problem that we must overcome.

Q. But in this case how can you overcome it, because in the case of the contras certainly they lack confidence but they have the support of the administration of the United States, which from a financial point of view . . . In this case to reconcile the interests of the CIAV on one hand, and the decision of the government of Nicaragua and the difficult position in which it finds itself. . . . [rest unintelligible]?

A. Most important here is the progress of the electoral process, above all an honest electoral process, verified, as is being done, by the United Nations and the OAS and by other international organizations. If this election is perceived as an honest election, then this will have a very great impact on the opinion of the Nicaraguan Resistance, above all among the members of the Resistance whom I would call the family, the people of Yamales.

TRIBUTE TO WILLIAM B. INGRAM

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to a truly special individual who has contributed significantly to education in California and across the Nation. William B. Ingram has served the past year as president of the California School Boards Association and is concluding his term in December. During his tenure as president and as a leader in education, Mr. Ingram has brought innovative ideas and thoughtful debate to the education community. His stature as a distinguished authority in education has become unquestioned through his demonstrated leadership as an educator and articulate spokesperson on behalf of children.

Mr. Ingram has demonstrated a lifelong commitment to youth. He has served in the Moreno Valley School District as a commissioner of juvenile justice and delinquency prevention and as a trustee and past president of the Perris Union High School District Board of Education. Over the past several years, Mr. Ingram has maintained an active role in education issues and has substantially increased the visibility of the California School Boards Association. Mr. Ingram has been directly responsible for the tremendous professional growth of the association in the areas of governmental relations, communications, research, board development, policy development and field services. His personal efforts to focus attention on specific education issues including at-risk children, early intervention, dropout prevention, and vocational education clearly indicate his compassion and concern for kids.

Mr. Speaker, on behalf of all my colleagues and all Americans who value a high quality of education for our Nation's children, I pay honor to the tireless efforts of Mr. William B. Ingram as he leaves the presidency of the California School Boards Association. It is with great pride and enthusiasm that we thank him for the lasting contributions he has already provided us, and those accomplishments we can expect from him in the future.

VERMONT LAW ENFORCEMENT AND NEW YORK MEDICAL GROUPS ENDORSE SEMIAUTOMATIC ASSAULT WEAPONS LEGISLATION

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. STARK. Mr. Speaker, two statewide organizations, the Vermont State Association of Chiefs of Police and the New York Academy of Medicine, have recently endorsed H.R. 1190, The Semiautomatic Assault Weapons Act of 1989. I am proud to share their statements as part of the official record:

THE NEW YORK ACADEMY OF MEDICINE,
October 16, 1989.

Hon. FORTNEY H. (PETE) STARK,
House of Representatives, 1125 Longworth House Office Building, Washington, DC.

DEAR REPRESENTATIVE STARK: The New York Academy of Medicine favors moving in the direction of more stringent regulation of semiautomatic weapons. We endorse the steps that have been recently proposed or implemented by President Bush but urge that even stronger measures be adopted. Among the Fellows of the Academy are surgeons working in emergency rooms in New York City hospitals, who daily confront the task of caring for victims of gunshot wounds. They report an alarming increase in recent months in the number of persons coming to emergency rooms with gun shot wounds as a result of the use of semiautomatic assault weapons. Not only is the number of victims of gun shot wounds increasing but they also note the growing seriousness of the injuries reflecting greater use of this type of weapon. These trends point to the urgency of adopting measures to control the manufacture and sale of semiautomatic assault weapons.

We also wish to endorse some of the positive proposals in President Bush's May 15 speech on crime. We favor making permanent, as he does, the banning of foreign guns that are found to be unsuitable for hunting and support the President's proposals that would ban gun possession by persons convicted of a violent misdemeanor or who have committed a serious drug offense. We also urge passage of H.R. 1190, the Semiautomatic Assault Weapons Act, which deals with those weapons as well as large capacity ammunition feeding devices. This bill would make permanent the President's ban on importation of semiautomatic assault weapons but would also ban the domestic manufacture and sale of this type of weapon and would add additional useful features to a stronger federal policy on gun control. H.R. 1190 would control the nongovernmental sale and use of assault weapons by treating eleven types of semiautomatic assault weapons in the same way current federal law treats fully automatic machine guns.

The bill would not interfere with hunters who wish to purchase hunting rifles or hand guns. The manufacture and sale of semiautomatic assault weapons would be banned after enactment of the legislation. Current owners of semiautomatic weapons and ammunition devices so long as they register their weapons with the Bureau of Alcohol, Tobacco and Firearms in the U.S. Treasury Department. New owners of semiautomatic

weapons, however, would have to undergo a background check and would have to pay a transfer tax of $200 as well as registering their weapons.

As the number of victims of semiautomatic weapons grows, such legislation becomes imperative. The passage of H.R. 1190 would also assist law enforcement officers in their efforts to combat heavily armed drug traffickers.

Sincerely yours,

MARTIN CHERKASKY, M.D.,
Acting President.

CHIEFS OF POLICE ASSOCIATION OF VERMONT

RESOLUTION

Title: The Chiefs of Police Association of Vermont support HR 1190, the so-called Stark bill.

Whereas, Their is a continuing problem in this country with the criminal use of semiautomatic assault weapons.

Whereas, The criminal use of these weapons created a significant threat to police officers and the general public.

Whereas, The Stark bill is aimed at curbing the increasing number of certain semiautomatic weapons being made available.

Whereas, The Stark bill is very careful in defining precisely what constitutes an assault weapon to be sure that guns designed for legitimate purposes are not affected.

Resolved, The Chiefs of Police Association of Vermont shall support and aid in the passage of HR 1190 which, in part, bans the importation and domestic manufacture of 11 semiautomatic assault weapons and bans the importation and domestic manufacture of ammunition feeding devices with a capacity of more than 10 rounds. Be it further

Resolved, That copies of this resolution and a letter stating the associations position be sent to Congressman Peter Smith and any other member of the United States House or Senate who may be hearing testimony on this bill.

NEW YORK CITY SUPPORTS PUBLIC HEALTH RESPONSE TO AIDS

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. DANNEMYER. Mr. Speaker, the attached article from today's edition of the New York Times describes the courageous decision of the New York Board of Health to ask the New York State Department of Health to add HIV infection to the list of reportable diseases in the State of New York, the State with the largest caseload of AIDS cases in the Nation.

While the decision may be controversial among political activists on the far left, the board's request has attracted widespread support among medical and public health experts. The article quotes two board members, Dr. Saul J. Farber and Dr. Kevin M. Cahill, as well as Dr. Stephen Joseph, the New York City health commissioner, in support of the resolution. Separately, the Medical Society of the State of New York and the medical societies representing New York's surgeons, orthopaedic surgeons, obstetricians and gynecologists have sued Governor Cuomo to have him declare HIV infection to be a course of action which the Governor, regretably, has studiously avoided.

Perhaps as the pressure mounts to treat HIV infection as a public health problem rather than as a civil rights concern, even Governor Cuomo will relent and allow the medical profession and public health officials to fight this terrible epidemic with a full complement of public health resources.

I encourage my colleagues to read the attached article and, if they agree with the board's action, to cosponsor H.R. 3102, the Public Health Response to AIDS Act of 1989:

HEALTH BOARD BACKS MOVE TO TRACE AIDS—JOSEPH STILL SEEKS TO LIST DRUG AND SEX PARTNERS

(By Bruce Lambert)

The New York City Board of Health reached a consensus yesterday to ask the state to require that the names of people infected with the AIDS virus be reported to the health authorities. The purpose would be to trace the people they have had sex with or shared needles with.

The proposal by the departing Health Commissioner, Dr. Stephen C. Joseph, was identical to one he has been advocating in the face of criticism from AIDS organizations, gay-rights groups and Mayor-elect David N. Dinkins.

The critics contend that recording names and tracing sex and drug partners would violate the privacy rights of AIDS patients and discourage people from being tested for AIDS. Health officials are pressing to trace partners because research shows that beginning medication even before symptoms appear may prolong patients' lives.

The Board of Health proposal would allow centers that offer anonymous testing to continue to safeguard anonymity. People who are screened through their physicians, hospitals or clinics and who test positive for the virus would be required to give the names of their sex and drug partners.

REACTION BY AXELROD

The State Health Department reserved comment until officials had seen the proposal, a spokesman, Peter Slocum, said. State Health Commissioner David Axelrod was cool to the proposal when Dr. Joseph broached it in June at an AIDS conference in Montreal. Dr. Axelrod said the rule might discourage people from being tested. But he did not rule it out forever, and evidence that early medication may help has grown stronger.

The action by the Board of Health adds weight to the move for reporting. "It's something I feel very strongly about," Dr. Joseph said.

The opposition remains strong. Timothy Sweeney, deputy director of the Gay Men's Health Crisis, the largest AIDS organization in the city, said:

"Our problem with his proposal is it's not going to bring people into the health system, but will in fact drive them away. Dr. Axelrod has been opposed to it, and Mayor-elect Dinkins has been opposed. It is inappropriate that during a transition that this issue be brought up."

The director of the AIDS project of the American Civil Liberties Union, Nan D. Hunter, said: "People go to doctors and clinics for treatment. And if you can't get treated without having your name reported, it becomes an enormous disincentive for treatment."

Dr. Joseph's proposal did not address how cooperation might be required. In tracing other sexually transmitted diseases like syphillis, patients are asked for the names of their sex partners. If they refuse, legal sanctions can be imposed. But they are rarely, if ever, used, because health workers prefer to seek cooperation.

Dr. Joseph, chairman of the Board of Health, announced on Monday that he would resign on Dec. 31. The board members have staggered terms.

SERIES OF WARM ENDORSEMENTS

The session yesterday was the last scheduled meeting for the year, and Dr. Joseph broached the proposal as the final item. He suggested that a resolution or letter be drafted to Dr. Axelrod, the State Public Health Council or both.

Although the board members did not vote, they endorsed Dr. Joseph's idea warmly. He said in an interview that they would work out the details in a private meeting.

One member, Dr. Saul J. Farber, said:

"Well done. I agree. It is our responsibility to track this important and disastrous public-health problem and to try to control the epidemic."

NO BREACHES REPORTED

"I think we all agree it's an important and needed step," another board member, Dr. Kevin M. Cahill, said. He urged, however, that the proposal be written to avoid adversarial relationships.

Dr. Joseph said there had never been a breach of confidentiality in the city's recording of its 22,000 AIDS cases.

The Centers for Disease Control require the confidential listing of people who have developed AIDS, but not of those who just test positive for infection with the virus. Some states require the recording of the names of those infected.

When Dr. Joseph called in the past for recording the names, many experts on AIDS and organizations opposed him. Mayor Edward I. Koch called opponents to a meeting at Gracie Mansion and said he would not adopt the proposal.

Dr. Joseph has continued to speak out and sent physicians letters encouraging them to trace contacts voluntarily. Mr. Koch said Dr. Joseph had told him of his intentions before the Board of Health meeting, but the Mayor did not say what he thought of the proposal, adding that he would see how the state reacted.

IN MEMORY OF SHIRLEY SOLOMON

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. LEVINE of California. Mr. Speaker, I would like to bring to the attention of my colleagues in the U.S. House of Representatives the outstanding contributions of Shirley Solomon, of blessed memory. Mrs. Solomon led the way for environmental activists with her solid commitment to the respect and preservation of the Earth. As a distinguished communicator in the field of public relations, Shirley Solomon was unique in her ability to convey the need for continued public involvement in safe guarding the environment and in rallying others to action.

I would like to include a recent column by Anne Morgenthaler that appeared in the

Santa Monica Evening Outlook on October 19, 1989.

OIL-DRILLING OPPONENT DIES IN SANTA MONICA

(By Anne Morgenthaler)

Shirley Solomon, a public-relations expert who masterminded the campaign to fight Occidental Petroleum Corp.'s oil-drilling bid on Pacific Palisades, died Tuesday in Santa Monica Hospital Medical Center of bone cancer at age 70.

While operating a public relations firm in 1970, Solomon, a Brentwood resident, became involved in the No Oil Inc. community group's battle to stop the drilling project by organizing press conferences and rallying politicians against it.

"She took an unknown local situation (the oil-drilling proposal) and made it known statewide," said her husband, James, a physician.

Nancy Markel, board member of No Oil, described Mrs. Solomon as brilliant and creative.

While she was not actively involved in the drilling battle in the past several years, Solomon spent many hours making phone calls in the successful campaign to defeat a November 1988 Los Angeles ballot proposition that would have allowed the Palisades drilling project.

Avidly interested in environmental issues, Solomon and her husband also held an annual Energy Fair during the 1970s to publicize energy conservation measures and alternative forms of energy. The events, which drew about 250 exhibitors, were held at the Los Angeles, Anaheim and Long Beach convention centers.

At the request of the National Council for Survival Research and Education, Solomon also wrote the lyrics for the theme song used at Earth Day ceremonies in 1971.

The Los Angeles City Council adjourned its Wednesday meeting in her memory. At her request, no memorial service was immediately planned, though one might be held later, her husband said.

In addition to her husband, she is survived by a daughter, Barbara, of Santa Monica.

WILDERNESS ACT SILVER ANNIVERSARY

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. LAGOMARSINO. Mr. Speaker, 25 years ago, Congress enacted the Wilderness Act of 1964, a landmark measure in every way.

This Sunday, November 19, 1989, the U.S. Forest Service will observe the silver anniversary of the Wilderness Act in ceremonies at the Santa Barbara Museum of Natural History—ceremonies which will also commemorate the creation of the San Rafael Wilderness in the Santa Barbara County as the first addition to the wilderness system under the 1964 act.

It is with great pride that I take note of the fact that my predecessor in office, Congressman Charles Teague, was the key player in making the San Rafael Wilderness the first to be added to the wilderness system under terms of the 1964 act. That occurred on March 21, 1968.

And on September 28, 1984, just 5 years ago, President Reagan signed into law legislation which I authored creating the Dick Smith Wilderness as the newest wilderness addition in Santa Barbara County.

It is my fond hope that by this time next year, we will also be celebrating the addition of another 378,000 acres of wilderness in Los Padres National Forest, under the provision of my bill, H.R. 1473, passed by this House on October 16. Included in the bill is a 51,000-acre addition to the San Rafael Wilderness, a 38,000-acre addition to the Ventana Wilderness in Ventura County, and the creation of four new wilderness areas, including the Sespe Wilderness in Ventura County—211,000 acres—the Matilija Wilderness—30,000 acres—in Ventura and Santa Barbara Counties, the San Emigdigo Wilderness—36,000 acres—in Ventura and Kern Counties, and the Garcia Wilderness—11,600 acres—in the San Luis Obispo County.

Mr. Speaker, as we look back today from the perspective of a quarter-century, we can see that the 1964 Wilderness Act was one of the most significant conservation bills this body has ever enacted. Because of that act, we have preserved some of the most primitive and spectacular areas of wilderness on Earth. I ask my colleagues to join with me, the Forest Service, the National Audubon Society, and the Sierra Club in commemorating the 25th anniversary of this magnificent achievement this Sunday.

SOVIET PRISON SYSTEM

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. RICHARDSON. Mr. Speaker, In August of this year, two of our colleagues, Representatives FRANK WOLF and CHRIS SMITH, traveled to the Soviet Union to review that nation's prison system. Their trip included a visit to the notorious Perm 35, a political prison camp.

Despite being granted unprecedented access to Perm 35's facilities and inmates, Representatives WOLF and SMITH found that the Soviet's would have to implement far-reaching and permanent reforms in order to meet their commitments as stated in the Helsinki accords.

As a member of the Commission on Security and Cooperation in Europe, on which I serve with these two gentlemen, I found their report to be most useful and interesting. I would like to take this opportunity to insert sections of the delegation's final report into the RECORD. I expect my colleagues will find the report of great value.

CONGRESSIONAL DELEGATION TO THE SOVIET UNION AND PERM LABOR CAMP 35

U.S. REPS. FRANK WOLF AND CHRIS SMITH, AUGUST 4-11, 1989

(Final Report, Delegation Findings and Follow-up, October 1989)

This report provides a brief account of the findings of the Wolf/Smith delegation to the USSR, outlines our joint follow-up initiatives, and offers recommendations for U.S. officials and non-government organizations and activists interested in the progress of legal and penal reforms, prison and labor camp conditions, and the status of alleged political prisoners.

Purpose of the trip: Inspection visit to Perm Labor Camp 35 and substantive discussions on legal and penal reforms and human rights. U.S. Reps. Frank Wolf and Chris Smith, accompanied by Richard Stephenson of the U.S. State Department, interviewed 23 of the 38 inmates reportedly still in Perm 35 at the time of the trip, and one inmate at the Perm investigation prison.

BACKGROUND AND FINDINGS

Perm 35, a Soviet correctional labor camp known for its severe conditions and mistreatment of prisoners, including prisoners of conscience, was the principal focus of our delegation. Marking the first time any U.S. or Western Official has been allowed into a Soviet "political" labor camp, the trip's findings served to confirm and amplify much of the existing documentation on camp conditions and the existence of many prisoners believed to be incarcerated for basically political activities.

Helsinki Watch, Amnesty International, and others, including former prisoners themselves, provided background information for this trip. Many well-known political prisoners have been confined in the Perm Camp complex, which now includes only Perm 35: Natan Sharansky, Professor Yuri Orlov, Alexander Ginsburg, Deacon Valdimir Rusak, Father Alfonsas Svarinskas, and many others.

Interviews with prisoners ranged from 5-40 minutes, all in the presence of camp administrators and an official of the Soviet Ministry of Internal Affairs (MVD). We viewed punishment cells and other areas of the camp and were permitted to take photographs and videotape much of the camp and our interviews with prisoners.

The broader purpose of the delegation was to discuss Soviet progress toward legal reform advancing the "rule of law" in Soviet society. That is, our discussion focused on the need to institutionalize the positive changes occurring in Soviet human rights practices, open up the Soviet prison and labor camp system to greater scrutiny, and establish due process. We held discussions with Ministry of Foreign Affairs (MFA) officials on legal reforms, including the critically important draft laws on "freedom of conscience" (whose principal impact will be upon religious communities), draft laws on emigration, and reform of the Soviet criminal code. The delegation questioned representatives of the Procurator General and Ministry of Internal Affairs (MVD) regarding the Soviet penal system.

As members of the U.S. Commission on Security and Cooperation in Europe (Helsinki Commission), we emphasized that our interests in proposed Soviet legislation is to find indications that changes are systemic and not simply arbitrary. We reminded Soviet officials of the importance which the American people place on respect for fundamental human rights like freedom of speech, peaceful assembly and the right to publish and organize independent groups. While not presuming to "teach" this to the Soviets, we spoke about the lasting impressions such changes would make on the American people. For religious believers, in particular, a well-written law on conscience will offer legal recourse should local authorities decide to be heavy-handed. With respect to the 1991 Human Rights Conference in Moscow, we stressed that the adoption and implementation of laws guarantee-

ing freedom of conscience will have a direct bearing on U.S. support and enthusiasm for the Conference.

The rights of religious believers, including those in prison, was our major concern in meetings with the MVD, Council on Religious Affairs and religious officials, including the All-Union Council of Evangelical Christians/Baptists (Baptist Union). We also spoke with activists and dissidents in the religious communities, including former prisoners, to find their perspective on the present situation for religious communities in the USSR.

Our visit to Perm Labor Camp 35 was a key element in the overall equation of assessing Soviet human rights performance. The Soviet "gulag" (Russian acronym for the Soviet labor camp system) remains a stark symbol of "old thinking" in a country where political reform and dissent are coming into the open. Glasnot, or openness, has failed thus far to penetrate into the gulag, either to change conditions in the labor camps or to impact penal procedures which have led to systematically cruel and unusual punishment. It is important to recognize that the lingering fear of incarceration in the Soviet gulag threatens to hold hostage any meaningful reforms in Soviet society. Bringing "glasnost to the gulag" is an important step the Soviets can take to deal with concerns that President Mikhail Gorbachev's reforms might be reversed or undermined.

We have urged the Soviets to begin a process of opening up prisons and labor camps to independent human rights monitors, both Westerners and Soviet citizens. We have encouraged human rights organizations to request access to prisons and labor camps. And finally, we pressed the Soviets to permit visits by clergyman and to allow religious literature into prisons and labor camps.

Our foremost concern remains the plight of the 24 prisoners whom we met in Perm 35. They have endured severe conditions and several of them are already counted by the United States among the nearly one hundred remaining suspected political prisoners in the Soviet Union. U.S. human rights policy has long embraced advocacy for individual prisoners' cases, a practice rooted in American values recognizing the inherent dignity and rights of each human being.

Our evaluation of the Perm 35 cases in question is based on the claims of several inmates that they are political prisoners, the documentation of human rights groups which support those claims, and the findings from our interviews. Our conclusion is that, regardless of any dispute over these definitions of political prisoners, most of these prisoners would not be prosecuted for similar "crimes" today, or their offenses would be treated far less severely. In view of the excessive punishment endured by these prisoners, we have called on the Soviets to reexamine their cases in the context of "new political thinking" and release them on humanitarian grounds.

PROSPECTS FOR LEGAL AND PENAL REFORMS

To the Soviets' credit, the kind of access we were granted to Perm 35 would have been unthinkable even months ago. The Soviets have closed down two political labor camps in the vicinity of Perm 35 for lack of need as a result of prisoner amnesties. Soviet authorities say that they have removed hundreds of camp guards responsible for past human rights abuses. Officials of the Soviet Procuracy, as well as the new Supreme Soviet legislature, have talked about penal reforms. The highest ranking Soviet procurator supervising Legality in Correctional Facilities, Yuri Khitrin, admitted to us that it was necessary to discuss "humanizing" the Soviet penal system.

These statements would bode well for the prospect of reform. However, the practical impact on prison and labor camp conditions has thus far been minimal, and the Soviets have publicly stated few commitments to improve or reconstitute their gulag practices. On the other hand, the Soviets have promised for more than two years to institute legal reform which will decriminalize political dissent.

We discussed legal reforms with officials of the Council on Religious Affairs. Deputy Minister Alexander Ivolgin explained to us that they were reluctant to discuss a draft of "laws on conscience" which we put before them—one of two thus far published. Ivolgin claimed that the new law on religious groups had not yet been formally drafted for consideration by the Supreme Soviet. An official from CRA's legal office, Tatyana Belokopitova, offered a very disappointing response on the question of requiring registration of religious groups. The latest proposal would establish the right of "juridical person" (legal recourse) only for religious groups who submit to registering with central religious authorities. This proposal would fail to resolve either the present lack of legal rights for all churches or the desire of many believers not to register—it would instead pit these concerns against each other.

In a meeting with First Deputy Foreign Minister Anatoly Adamishin, the question of new religious laws was side-stepped by referring us to the Council on Religious Affairs. However, Mr. Adamishin assured us that the Supreme Soviet would place a high priority on new religious laws during its fall session. He was less optimistic about action on draft emigration (exit/entry) legislation. In general, Adamishin declared that economic and constitutional reforms would take precedent over both matters. On freedom of conscience, Adamishin commented, "We used to have a problem in regards to freedom of conscience, but we never had a total absence of religious freedom. The freedom to perform religious rites was always allowed, so we are not starting from scratch."

Regarding penal reforms, there appears to be a much tougher hill to climb. We met with a panel of procurators and investigators from the All-Union Procuracy and Ministry of Internal Affairs who denied our references to the arduous conditions in prisons and labor camps. We encountered a Soviet willingness to discuss "rule of law" questions, even while some observations caused a degree of discomfort: prosecutors bring charges only with sufficient evidence for a presumption of guilt; they are held responsible for "losing" cases; and all trial attorneys are answerable to the Procurator General.

We raised the issue of establishing due process for charges brought while prisoners are serving sentences—no sooner had we left than Mikhail Kazachkov was victimized for such pitfalls in the Soviet system. We identified those issues raised by former prisoners; cruel punishments, malnourishment, inadequate medical care, severe restrictions, on family visits. We were assured that draft legislation excludes provisions which disallowed family visits in the past. In addition, we were told that the Procuracy now shares the responsibility for supervision of correctional facilities with public commissions under the Supreme Soviet which guarantee "law, legality and order."

The Soviets indicated openess to future visits to prisons and labor camps by official and non-official groups. Mr. Khitrin offered agreement in principle to a follow-up by Director of the U.S. Bureau of Prisons, Mr. Michael Quilan, and Chairman of Prison Fellowship International, Mr. Charles Colson. We mentioned that groups such as Amnesty International, Helsinki Watch and the International Red Cross should be permitted access to prisoners in prisons and labor camps to monitor and report on conditions. We advocated on behalf of Independent Soviet monitors who wish to have access to correctional facilities.

Finally, we received assurance that prisoners could have Bibles and other religious literature and that clergy would be allowed to visit. Both have been forbidden in law and practice in the past. Khitrin told us that a decision had been made that from now on "all correctional labor colonies will have Bibles in necessary quantities and permit ministers of faith to visit." We urged that Soviets to put such commitments into practice by granting requests to visit prisons and camps.

FOLLOW-UP AND RECOMMENDATIONS

Release of Perm 35 prisoners

We have an obligation to work for the immediate release of all remaining Perm prisoners on humanitarian grounds. The Soviets are obligated to release all political prisoners in compliance with their commitments under the Helsinki Final Act and Vienna Concluding Document. In addition, one criteria for agreeing to Moscow Human Rights Conference was the release of all political prisoners. While Soviet authorities have raised questions in connection with many of the cases, we as members of the Helinski Commission have argued that the burden of proof is on the Soviets to prove the individuals in question are criminals. We have initiated or recommended the following action of behalf of remaining prisoners, including those in Perm 35:

(1) We have publicly called on the Soviets to release all those in Perm 35 convicted for nonviolent acts. We believe that in view of the excessive and cruel punishment these prisoners have suffered, a positive Soviet response would signal a truly humanitarian gesture.

(2) We have written Secretary of State James Baker to urge him to continue the practice of raising individual cases at the highest levels in U.S.-Soviet dialogue.

(3) We have discussed Soviet reforms and the status of prisoners with Deputy Secretary of State Lawrence Eagleburger, urging that human rights remain a top priority in U.S.-Soviet relations. While Soviet human rights improvements have occurred, we should continue identifying problems that persist and pressing our concerns while the Soviets seem willing to discuss and respond to them.

(4) We have urged human rights groups to advocate the immediate release of political prisoners.

(5) We urge concerned Westerners to reinvigorate campaigns of behalf of these prisoners, including letter-writing to Soviet officials, camp authorities and to the prisoners themselves.

Advancing glasnost to the Gulag

The Soviets should begin a process of opening up prisons and labor camps to interested individuals and human rights groups. Only by following our inspection visit by permitting further visits will the Soviets make progress in erasing the Stalinist stigma of the gulag.

(1) We have urged Westerners and human rights organizations to request to visit prisons and labor camps and meet with prisoners in order to report on conditions.

(2) We have urged members of the media, particularly the Moscow press corps, to make visits and report on prisons and labor camps. Since our visit, a few members of the media have been granted access to camps.

(3) We have helped to secure official Soviet approval for the visit of Bureau of Prisons Director, Michael Quinlin, and Prison Fellowship International chairman, Charles Colson, to visit several prisons and labor camps in the USSR and discuss reforms and ways to reduce crime and recidivism in that country.

(4) We have urged that Western leaders and human rights groups advocate on behalf of Soviet citizens who wish to visit prisons and labor camps, including clergy to perform religious rites or offer pastoral counsel.

(5) We have raised these concerns in congressional hearings, and support Helsinki Commission hearing to focus on conditions in the Soviet gulag.

Reforms

(1) We have shared our findings on the progress of legal reforms—including "freedom of conscience," freedom of emigration, and criminal code revisions—with prominent non-government organizations and urge their continued vigilence in encouraging further institutionalization of basic freedoms and that such laws be consistent with international law and with CSCE commitments.

(2) We have raised concerns about Soviet legal reforms in recent hearings sponsored by the Congressional Human Rights Caucus and, in the past, in CSCE hearings.

(3) We have expressed our support to Soviet and American officials for programs developed in a human rights framework to promote Soviet progress on "rule of law" issues and in other areas where U.S. expertise is helpful and welcomed by the Soviets.

PRISONERS MET AT PERM 35

Following is the list of prisoners (not all of them are necessarily political prisoners) who spoke with Reps. Wolf and Smith at Perm Labor Camp 35 in August 1989. For more information on these prisoners and their cases, please contact Helsinki Commission (U.S. Commission on Security and Cooperation in Europe, House Annex 2, Room 237, Washington, D.C. 20515).

Mailing address for prisoners (Moscow post office box): SSSR, RSFSR, S. Moskva uchr. 5110/VS, Last name, First initial.

Aleksandr Goldovich, Bogdan Klimchak, Viktor Makarov, Aleksandr Rasskazov, Valery Smirnov, Igor Mogil'nikov, Aleksandr Udachin, Maksim Ivanov, Vadim Arenberg, Akhmet Kolpakbayev, Igor Fedotkin, and Viktor Olinsnevich.

Ruslan Ketenchiyev, Lenoid Lubman, Nikolay Nukradze, Mikhailov Kazachkov, Oleg Mikhaylov, Yuriy Pavlov, Arnol'd Anderson, Vyacheslav Cherepanov, Vladimir Potashov, Anatoliy Filatov, Vladimir Tishchenkov, and Unidentified Central Asian.

Aknowledgment: We wish to thank Richard Stephenson, Soviet Desk Officer at the State Department, who accompanied us on the trip to Perm 35, providing translation and other assistance.

EAST GERMANY: A COMMUNIST REGIME UNDER SIEGE

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. LENT. Mr. Speaker, for 28 years, the Berlin Wall has stood as the terrifying, impenetrable symbol of Communist oppression. But recently, the world witnessed a powerful drama when, as President Bush put it, "The wall came tumbling down." Mere stone and mortar cannot contain the human spirit that thirsts for freedom. The tens of thousands of East Germans who have marched in a protest for self-determination will not be satisfied with open borders. "Free elections" is their battle cry in this revolution for democracy. I know my colleagues here in Congress and freedom-loving people throughout the world share my hopes that the East Germans will be victorious in their struggle for democratic reforms.

Historical perspective is crucial to understanding the situation in Germany today. Therefore, I'm pleased to bring to my colleagues' attention an article on this subject written by Mr. Sean King entitled "East Germany: A Communist Regime Under Siege." Sean is a constituent of mine from Seaford, and the son of Nassau County Comptroller Peter King. Sean is a sophomore at the American University's School of International Service.

This is an excellent, well written analysis, and I hope Sean will continue his writing with a follow-up story as the drama in East Germany unfolds. I hereby submit the article for inclusion in today's CONGRESSIONAL RECORD. Thank you:

EAST GERMANY: A COMMUNIST REGIME UNDER SIEGE—DEMONSTRATIONS AND EMIGRANTS UNDERMINE THE AUTHORITY OF THE GOVERNMENT

(By Sean King)

October 7, 1949 saw the creation of the German Democratic Republic (GDR), better known as East Germany. Formed shortly after the creation of West Germany, whose capital is Bonn, the GDR has consistently served as the European antithesis of democracy and social justice. Guided by the Soviets, who occupied Germany's eastern zone, the Socialist Unity Party of Germany and its leader, Wilhelm Pieck, took over this new German communist state, East Berlin, the sector of the city the Soviets occupied following World War II, became the capital of the new country.

Today the East German government practices perhaps the most regimented form of state communism, however East Germans enjoy a far better material lifestyle than their Polish, Bulgarian, and even Soviet comrades. This is partly due to special post-war attention from Moscow and West Germany. East Berlin's historical link with Bonn has helped bring much needed Western currency into the GDR, and borderless trade with West Germany has given East Germany a back door into the European Economic Community.

However, the GDR's land frontier with West Germany is anything but borderless. Immediately following the division of Germany, Moscow administered the construction of an almost insurmountable border with the West in order to prevent disenchanted citizens from fleeing. Stalin used this border to cut off auto and rail access to Berlin's western sectors, which resulted in the Berlin Airlift of March, 1948.

Despite the formidable barrier with the West, many East Germans, frustrated with their communist government, fled west through Berlin. By 1961, one in every six or 2,800,000 East Germans, had fled west via this route. The refugee hemorrhage was brutally halted by then-East German leader Walter Ulbricht and Soviet leader Nikita Khrushchev. On August 13, 1961 barbed wire was strung down the middle of the city, separating it into East and West sections. The wire was heavily guarded, and eventually became a permanent 176 kilometer-long stone structure known as the Berlin Wall.

Today East Germans are permitted by their government to travel throughout the Warsaw Pact nations with relatively few restrictions. When reform-minded Hungary this year opened its border with Austria, thousands of East Germans travelled freely to Hungary and moved west through the open border. Czechoslovakia attempted to assist its East German ally by stopping all East German citizens without permission from East Berlin from entering Hungary. However, the halted exodus sparked a wave of protest that has continued for the past month. Thousands of East Germans still fled from their homeland, taking refuge in the West German embassies in Warsaw, Poland, and Prague, Czechoslovakia. Living conditions in the West Germans' Prague embassy very quickly became overcrowded and filthy, and more East Germans were trying to get in every day. The East German government finally authorized the refugees to leave Prague for the West in an attempt to prevent bad press coverage from overshadowing the 40th anniversary of the GDR.

On October 8, 1989, students from American University protested outside the East German embassy. The protest commemorated the fortieth anniversary of a Communist state in East Germany. At the same time, on the other side of the world, refugees were huddled under tents in the back yard of the West Germany embassy in Prague, replacing those who had just fled on freedom trains for the West. In Berlin, Erich Honecker and Mikhail Gorbachev were reviewing East German troops as they paraded not ten blocks from the Berlin Wall.

East German leader Erich Honecker, after closing the GDR's borders with Poland and Czechoslovakia, fell victim to intense social unrest. Mass demonstrations in Dresden, Leipzig, and East Berlin drew crowds which at times numbered more than 100,000. Such unrest and opposition has not been seen in East Germany since the bloodily-suppressed uprising of June 17, 1953, when 800 Germans were slaughtered by Soviet and East German troops. The tremendous rejection of Honecker after over twenty-five years as East Germany's leader, pushed the ruling Communist party to oust the 77-year old ailing chief. On October 23 Egon Krenz, East Germany's former state security chief, was elected by the Communist party to replace Honecker. He barely received enough votes for the promotion. Many top Party representatives insubordinately voted against Krenz, who is alleged to have an al-

cohol problem. Such opposition is unprecedented in East Germany's history.

Krenz is the new leader of East Germany. The coming months will reveal whether Krenz, unlike Honecker, can be swayed by the policies of Glasnost, or if he will suppress his people and turn East Berlin into a European Tianammen Square.

A TRIBUTE TO STUDENTS AT BARSTOW'S HINKLEY ELEMENTARY SCHOOL

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention today a group of fine young students in Barstow, CA, who recently made a decision that will affect their lives for many years to come.

In October, over 1,000 students at Hinkley Elementary School in grades 4 through 8 signed pledges to abstain from the use of all drugs and to live a drug-free life. The students were participating in the "Drug Use is Life Abuse" program, an effort to inform young people about the dangers of drug use. I believe their commitment sets a fine example not only for the other students attending their school, but to people of all ages.

Mr. Speaker, as we continue to fight the war on drugs, it is extremely important that we recognize the efforts of those who are making valuable contributions. I hope you will join me today, Mr. Speaker, in congratulating each and every one of these fine students at Hinkley Elementary School who have made a lifetime commitment to remain drug free.

COUNTERTERRORISM R&D

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. BROOMFIELD. Mr. Speaker, in the course of the House/Senate conference on the Foreign Relations Authorization Act the attached statement of managers language was agreed to but inadvertently left out of the conference report. In order that the Counterterrorism R&D Program is not overlooked, I would like to call the following language to the attention of my colleagues.

COUNTERTERRORISM R&D

An effective and properly funded and coordinated U.S. government counterterrorism research and development effort is needed to develop measures to thwart the increasingly sophisticated weapons used by terrorists, such as the plastic explosives used to blow up Pan Am 103. The use of difficult-to-detect plastic explosives and the dangers posed by chemical and other threats underscores the need to develop equipment capable of detecting threats and assisting counterterrorism forces. Therefore the Managers believe the Administration should assign high priority to the interagency counterterrorism research and development program coordinated by the State Department to fill the gaps identified in previously existing counterterrorism research and development. The Managers therefore support the Administration's request of $6 million dollars for the program and urge that the program be fully funded in FY 1991.

SOUR MILK

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. OBEY. Mr. Speaker, mismanagement in our Nation's dairy purchase policies have resulted in the virtual elimination of Government-held stocks of cheese and nonfat dry milk. Cheese has disappeared from commodity distribution programs, the Federal Government has been forced to bid for dairy products on the commercial market in order to meet its nutrition program commitments, and food processors are seeing severe shortages and skyrocketing prices for nonfat dry milk.

The losers are the poor, the elderly, and the homeless who rely upon distributions of commodities such as cheese to supplement their diet. They are the American taxpayers who must foot the bill for the higher cost of purchasing dairy products on the open market instead of through the Dairy Price Support Program. They are food processors who are scrambling for supplies. And they are family dairy farmers trying to run a business in a market where prices resemble a roller coaster, and who are being told to expect another dairy support price cut on January 1 because, according to the Department of Agriculture, Federal stocks of dairy products are too high.

This unjustifiable and bizarre policy is causing consternation and bewilderment in the dairying regions of our Nation. With an eye on the reauthorization of Federal agricultural programs in 1990, I commend to your attention the following editorial from the Abbotsford Tribune-Phonograph, a smalltown publication from America's dairy heartland.

SOUR MILK

We must caution any local dairy farmer who would try to explain the ins and outs of the federal government's dairy price support program to a dairy cow. She might give sour milk.

Despite the fact that the federal government's dairy shelves for non-fat dry milk and cheese are virtually bare, the government has every intention of lowering the dairy price support an additional fifty cents on Jan. 1, 1990.

The milk glut continues, the federal government argues—even though the Commodity Credit Corporation paid thirty cents over support price in July for 74,000 pounds of American cheese destined for the National School Lunch program. And even though cheese and non-fat dry milk have been discontinued in distributions to homeless and low-income people through the Temporary Emergency Food Assistance Program.

The support price cut is automatic, given the federal government's purchase of over five billion pounds of milk equivalent this past year. The Commodity Credit Corporation now measures its annual purchase of surplus milk at nine billion pounds.

According to the National Milk Producers Federation, however, the milk surplus is a myth. The nine billion pound figure is arrived at by counting CCC purchases of milk based on butter-fat only. If you count CCC purchasers of milk based on milk solids-not-fat, however, the CCC's milk purchases drops to only one billion pounds per year.

The dairy industry has done a good job of selling more low-fat dairy products to the American consumer, but hasn't increased proportionately its sales of butter. We know that consumers favor a low-fat diet. Yet, the federal government fails to note the dairy industry's great strides—concentrating only on the accumulating dairy fat.

What is even more frustrating is that the US Department of Agriculture knows full well that it is playing around with the milk surplus numbers, but refuses to recognize reality as long as the federal government can save money in the dairy price support program.

Charles Shaw, an economist who heads the dairy support group at the Agricultural Stabilization and Conservation Service of USDA, is quoted in the Milwaukee Sentinel as saying that changing the way his agency counts the surplus would not be appropriate right now. Washington is looking for "ways to save the most money for taxpayers" he is reported to have said.

Dairy farmers can only be bitter about a federal government that has punished them severely to get milk production down to supply-demand levels, but continues to whip them to save a few shekels for political purposes.

Insult is added to injury when the Bush administration Agriculture Secretary Clayton Yeutter has proposed ending import restrictions on imported dairy products—another kick in the pants to a dairy industry that is trying to live within a domestic supply-and-demand framework.

The reality here is that the Bush administration is pummelling the Midwest dairy producer. We call on the Wisconsin congressional delegation to start howling in outrage and blaze a trail for equity in the 1990 Farm Bill.

THE 75TH ANNIVERSARY OF STONE HARBOR

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. HUGHES. Mr. Speaker, today, I rise to congratulate the borough of Stone Harbor, NJ, which is celebrating its 75th anniversary.

This October, Stone Harbor capped off a year long celebration commemorating its past. I had the privilege of attending a portion of these celebrations, which brought back many happy memories of my boyhood.

In fact, I recall well the time, almost 50 years ago, when I would take the little ferry boat—the *Nellie Bly*—from Angelsea, across Grassy Sound, over to Stone Harbor. That's where I would earn extra money cleaning fish on the dock. These recollections were brought back, in particular, by a wonderful video production of the borough's history that was put together by the chairman of the anniversary event, Mr. Jack Fitzpatrick.

Indeed, an outstanding job was done in preparing for this celebration by Mayor Arden W. Hand; the Borough Council; Jane Scott, the

borough historian; and the service clubs which worked so hard in planning for the celebration—the Risley Club, the Point Club, the Beach Club, and the Bay Club.

At a time when many resorts are becoming increasingly commercialized and losing their sense of community, it is gratifying to see that places like Stone Harbor have been able to retain much of its history without sacrificing modern goals.

The beauty and achievement of this beach front resort is a tribute to the concerns and efforts of its citizens and should serve as a beacon to all communities. On behalf of the Second Congressional District of New Jersey I would like to applaud the 75th anniversary of Stone Harbor and the continued effort to maintain the past while moving toward the future.

For the benefit of my colleagues, I insert into the RECORD at this point an excellent article on Stone Harbor's anniversary which appeared in a recent edition of the Sandpaper newspaper:

A SLICE OF SMALL-TOWN LIFE—LOOKING BACK ON 75 YEARS IN STONE HARBOR

(By Ken Kirsch)

There isn't any one thing about Stone Harbor that sets it apart from the rest of the community on the Cape. It's a combination of things, as many tangible as intangible. But one thing is clear about the way of things in Stone Harbor. It's all according to plan.

This weekend, the borough plans to cap off a year-long celebration of its 75th anniversary with a nostalgic look at its past.

"In a few words, the borough is well-developed, neat and clean," said Borough Administrator Thomas Flud. "It's success lies in the consistency of planning." The plan was one carefully laid out by the borough's first inhabitants.

Jane Letzkus Scott is the borough's historian. The title is a fitting one. Her grandfather, John Larsen, helped found the borough of Stone Harbor. When the borough became incorporated in 1914, Larsen became its first clerk.

In the early 1900s, the South Jersey Realty company had set up shop at the shore and begun developing Stone Harbor. The company already had Stone Harbor's sister community of Avalon to its credit, so its expansion into the southern end of the island was a natural one. Larsen came to work for the company as its first pay clerk soon afterward, and took an active role in putting the borough together from the gritty expanse of sandy meadows it once was.

"The only way to get from 83rd Street to 96th Street in those days was by horse drawn carriage on the beach," Scott said, pointing to a historic photo from her many files. "That's how rough it was in the beginning."

From the start, the borough has been a tribute to planning. Scott's photos show off the outlined streets, tailored curbs and straight-as-an-arrow sidewalks that still mark the town. Thing is, though, in 1908, it was all done by horse and carriage. No bulldozers, no backhoes. Things started slowly.

"There might have been eight houses or so in the first group that went up," Scott said. "When I was a little girl here, there were no more than 30 kids in the first school."

The South Jersey Company sought to promote the fledgling real estate venture. Needing a connection to the mainland to prove the area was a viable homestead, developers sought to connect the island to Cape May Court House by rail line. The Stone Harbor Railroad supplied the borough with fabrics, tools and foodstuffs for years. It was one of few ventures that didn't prove a success the first time around, however.

The railroad project got off the ground in odd fashion. The Company bought some 45-foot long rails, which were cheaper than standard 30-foot rails, and prone to derailments. In addition, since the Company couldn't afford regulation ties, they cut their own in the woods using a rented sawmill. A cumbersome engine, far too heavy for the rails, was purchased at a savings, and so the rail was ready for its first test.

The railroads' maiden voyage in 1912, not surprisingly, was beset with derailments, and the project was abandoned until 1920. The second try proved more successful, and the rail line was used extensively for six years afterward.

Time passed calmly in Stone Harbor for the decades that followed, and little changed. By 1985, the borough had expanded to its present size. During that time, however, the downtown business district had begun to show signs of age. Again, the uniformity of planning which marked the borough's early days was what would save its most prized tourist attraction. And so the 96th St. Revitalization Project was born.

The project, officials believed, needed a committee all its own to oversee it. The borough created the Architectural Review Board as part of the plan. William Fox was appointed chairman, and still serves in that capacity today. Fox's group was singular in purpose.

"We wanted to make sure that things like signs and colors were done in good taste, and not gaudy," Fox said. "We were trying to keep the town a real nice place to visit, not the glitzy type of place some have fallen into." To do that, however, the group itself had to be carefully planned.

"It's hard to legislate good taste, so we made sure we had architects, engineers, interior decorators and people like that on the board who knew their stuff," he said. It was about this time that developer Gerald Katzoff came to town.

Katzoff had recently bought up a group of aging properties along 96th Street, including a movie theater, miniature golf course, and some retail shops. More importantly, however, he had already made waves next door in Avalon when he razed the beloved, but worn, Avalon Hotel. The chic hotel which now stands on the lot became a symbol of the future for the island: upscale, in good taste, and, above all, well-planned. It was the idea he took with him to Stone Harbor.

"The members of Architectural Review Board were very concerned about access, parking, and the overall look of Stone Harbor," Katzoff said. "That kind of concern only helps developers like me, it doesn't hurt. I had no difficulty conforming to the look they wanted."

All told, Katzoff spent some $25 million constructing the 17-shop Harbor Square Mall, completing renovations on the existing golf course and movie theater and purchasing the Shelter Haven Motel.

"I think we were critical, yet fair," Fox said of the project. "We realize someone's in the business to make a dollar and we can't interfere. But we think you can do that without the neon signs and flashing lights."

The Architectural Review Board remains the governing body of the commercial district, its sole concern.

Though it may seem, at times, a town apart from its neighbors, Stone Harbor is still a resort seeking the summer trade like everyone else. They have the same problems, albeit smaller, that occur everywhere else along the shore, except for one. As luck, or fate, would have it, the borough has never had a beach closing.

"It's definitely not an entity unto itself," said Police Chief James Sweitzer. "We deal with the same problems here as the rest of the shore. We have noisy parties, drunks, break-ins, parking problems and the rest of it."

The town depends heavily on a core crowd which own and rent duplexes in the town to return year after year for the summer. There is no tourism development commission. The Chamber of Commerce handles promotion of the borough with a successful, small-scale program—$8,000 a year for local newspaper and radio ads, and another $12,500 for a glossy tourism brochure. The borough's logo, "The Seashore at its Best," is recognized by few outside Stone Harbor.

In the off-season, however, the borough's 1,277 residents take care of their own. People smile here, and say hello to passing strangers. It's not uncommon to see members of the Volunteer Fire Department chatting with locals while sitting in their cars at a red light. The borough had a successful recycling program years before it became mandatory. Last year, Stone Harbor recycled 25 percent of its trash, surpassing by far the state-mandated goal of 15 percent.

"There are a great many families that have their roots here, so to speak," Scott said. "People thoroughly enjoy the community life here and they enjoy knowing everybody."

That becomes evident inside Fred's Tavern on 96th Street. The bar, owned by Mayor Arden Hand, is a comfortable repose where locals shoot pool and converse about daily life.

It's usually pretty quiet," said bartender of 15 years Bob Jaep. "Nothing much happens out of the ordinary down here."

While it may be true that the days pass quietly in Stone Harbor, residents can't claim the island all their own, even in the off-season. A six-block square patch of green between 111th and 117th streets is where the island's other residents live. On a good day, the birds may well outnumber the people of Stone Harbor.

The Stone Harbor Bird Sanctuary is the only such wildlife sanctuary within the boundaries of a municipality in the United States, and one of only two in the world. (The other is in Japan.) It's home to flocks of egrets, ibises, herons, and other indigenous shore birds.

Early in the morning, the birds can be spotted leaving the sanctuary to feed in the adjacent wetlands. Even the birds feeding grounds are protected as part of the preservation plan. The Wetlands Institute, technically in Middle Township, guards the critical habitat with a watchful eye.

Each year, the borough helps the Wetlands Institute stage events for its annual Wings 'N Water Festival. This weekend, however, the borough is honoring its own in the culmination of a year-long celebration of its 75th anniversary. The year-long celebration has seen a small-scale resurrection of the Stone Harbor Marathon, the Stone Harbor Mile. The Chamber of Commerce

put together a historic film for lectures held at different times during the year, and an official borough history was written. The Stone Harbor Garden Club held a flower show recently, in addition to other events.

This weekend's events will begin today, Oct. 6, with a special meeting of Mayor Hand and Borough Council in a tent at the 81st Street Recreation Field at 7:30 p.m. Following the meeting, the U.S. Coast Guard Band will play a musical program.

An anniversary parade with over 50 entrants from the community will begin Oct. 7 at noon at 96th Street. It will follow a northerly route on 1st Avenue and conclude at the recreation field.

The celebration will conclude Oct. 8 with a lobster/clambake at the recreation field from 1-4 p.m. Tickets are required for this event, all of which have been sold.

ENLIGHTENING SERIES ON "THE NEW EUROPE" BY McCLATCHY NEWS

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. MATSUI. Mr. Speaker, I would like to enter into the CONGRESSIONAL RECORD a second installment of articles by McClatchy News Washington Bureau Chief Leo Rennert and a group of McClatchy reporters on the emergence of "The New Europe." The series reflects countless hours of research and interviews and is quite possibly the most extensive and comprehensive look yet in any American newspaper at the new economic reality emerging from the European Community. Because of the relevant content of these stories and the useful information they will provide my colleagues, I will be submitting a third installment of the series in the CONGRESSIONAL RECORD tomorrow.

The article follows:

AMERICAN FIRMS LONG ON STUDY, SHORT ON ACTION

(By Leo Rennert)

LONDON.—The fabled Yankee trader, chasing financial rainbows to the far corners of the world, is becoming a rare species.

At least, that's the impression on this side of the Atlantic where major new business opportunities loom with the creation of a unified market by the 12 nations of the European Community.

With the EC racing to dismantle all internal barriers by the end of 1992, outsiders are pouring into Europe to establish commercial beachheads and take full advantage of a prosperous market of 324 million consumers.

Swiss and Swedish firms, whose countries are outside the EC, are expanding branch operations and buying up older companies to share in the expected bonanza. From the Pacific Rim, Japan and South Korea are rushing in with major new investments.

But U.S. business, with few exceptions, is doing a slow-motion dance—studying, monitoring, exploring the pluses and minuses of the new Europe, but seemingly reluctant to plunge ahead in a big way.

There are several reasons for this reticent attitude. Many American firms have been spooked by warnings that they view as protectionist of a "Fortress Europe" with high external trade walls. The United States also is paying a high price for devaluation of the dollar, which doesn't go as far as the yen in buying European assets.

European-based U.S. diplomats and business executives believe American companies that miss the boat will pay a high price in future years when it will have to compete not just with Japan but with formidable new European conglomerates at home and abroad.

They argue that while the EC undoubtedly will adopt trade policies that favor its own companies at the expense of foreign concerns, "Fortress Europe" fears are wildly exaggerated and, in any case, do not seem to deter more aggressive Japanese firms.

"This whole process is about strengthening European industry," says David Diebold, who recently completed a three-year stint as minister for commercial affairs at the U.S. Embassy in London. "There will be tricks and traps galore. As a government, we must do the best we can to watch and catch that. Competitive realities are always difficult. But we shouldn't sit back and whine about it.

"I do worry about American businesses that are not taking this seriously. Too many companies are still asleep at the switch. They don't grasp that 1992 already is here. Things are moving."

Diebold cautions that amid all the talk about Japan's dynamic moves into the EC, some things must be kept in perspective. Many big American firms like IBM, Ford and 3M have been in Europe for a long time and are well-positioned for 1992.

Ford began selling cars in Europe in 1903 and started manufacturing them in Britain in 1911—more than 25 years before Volkswagen was even founded. Today, Ford-Europe builds nearly 2 million cars a year and employs 100,000 workers. 3M set up shop in Europe 60 years ago and now has plants all over the continent and annual sales of $2.5 billion.

As of last year, U.S. investments in Europe totaled $152 billion; Japan's only $21 billion. Following the lead of U.S. multinationals, some West Coast electronic firms and other American concerns are beginning to establish EC operations. For the moment, the United States in still Goliath to Japan's David.

But the Japanese are moving fast to catch up. Penetration of the EC by new U.S. firms—particularly medium- and small-size concerns—is more a trickle than a flood.

"European firms are becoming larger and stronger," says Cheryl Mooney, business development manager for the U.S. Chamber of Commerce in Britain. "Now is the time for U.S. firms to go on the offense.

"I would have thought that by now, we'd be getting calls all the time. But there hasn't been a flood of inquiries."

Mooney suggests the U.S. Commerce Department should work more closely with U.S. chamber offices in Europe. "We have the contacts, but sometimes we feel we're out of the loop," she complains.

David Lomax, a top economic adviser at the National Westminister Bank, believes the Japanese are making all the right moves in penetrating the European banking world, while American banks are hobbled by Third World debts and a depreciated dollar.

"The Japanese are moving in a very thorough and steady way." he says. "They are the most thorough analysts of 1992. They're building a big commercial beachhead and they haven't made any major mistakes. They're ready to do what they did in California—get into retail banking by buying up local institutions."

In Cologne, West Germany, the Federation of German Industries also offers a bleak assessment about U.S. vs. Japanese performance in Europe.

"The Japanese are far more aggressive than the Americans," says Karin Rogge, director of European affairs for the federation, which represents 80,000 German companies.

"The Japanese have promotion offices all over Germany and fact-finding missions throughout the EC. Japan is looking for financial incentives from state and local governments and encouraging a bidding war for investments."

Federation officials periodically get requests to set up trans-Atlantic video conferences to enable German business people to exchange views with U.S. Commerce Secretary Robert Mosbacher and American corporate chieftains.

"It's very boring and it doesn't accomplish anything." Rogge remarks.

She also emphasizes that if U.S. business wakes up too late, it will have lost the best locations and the best opportunities for 1992 hookups with European partners.

In Dublin, Ireland, there's a similar message from Jim Pilkington, finance director of a large-scale computer systems plant owned by Amdahl of Sunnyvale, Calif. "Americans are standing back a little to see what unfolds, while the Japanese are moving at a phenomenally fast pace," he observes.

Ireland is beginning to attract more U.S. computer firms, but the Japanese also are pouring in. Yamanouchi is building a big pharmaceutical plant north of Dublin with an investment of $28 million.

Europe-based executives of U.S. firms reject fears that building American plants in Europe will cut down on the number of jobs in the United States. The world economy, they argue, now operates in a global village and industries must spread out accordingly.

They note that when Ford had a poor year in the United States in 1979, it managed to keep its American operations afloat with revenues from Europe. In their view, global diversification sharpens competitive skills and, by tapping talents on several continents, often leads to better product development and marketing strategies.

In Brussels, Belgium, where the EC is headquartered, a huge colony of lobbyists has sprung up as U.S. firms are scrambling to keep up with new business rules. Sometimes, they're behind the curve. The U.S. entertainment industry was slow to wake up to a new directive that restricts the number of American-made TV shows that can be shown on European stations.

Eamonn J. Bates, EC affairs manager of the American Chamber of Commerce in Belgium, estimates there are 2,000 representatives of private U.S. interests monitoring EC developments in Brussels and the number is expected to double by 1992.

Many of their concerns are focused on proposals that may require manufacturers to include a high percentage of local content in products before they are deemed "European" and allowed to be sold freely throughout the EC.

Still, Bates maintains that "Fortress Europe" fears are "born out of ignorance." Overseas and European manufacturers, he argues, will have an easier time doing business in the EC because they will need to comply with only a single set of safety, health and technical standards.

EUROPEANS SEE BETTER BUSINESS IN 1992

(By Leo Rennert)

LIEGE, BELGIUM.—Patrick De Maeyer can't wait for Europe 1992 and its unified market to become a reality. As manager of a plant that manufactures copper tubes for water and heating systems, he ships his wares to customers in half a dozen European countries.

Different product standards, time-consuming border checks, cumbersome certifications and inspections add hugely to his production and transportation costs.

Now, he can look forward to getting out of these straitjackets and operating freely in a market of 320 million consumers.

To De Maeyer, this means compliance with just one set of safety and technical standards and one set of inspectors roaming through his factory.

"Right now, we have to put up with British inspectors, German inspectors and French inspectors," he says. "We have a British inspector every three months for two days. He checks the whole production process. And he can stop the entire factory.

"As a matter of fact, two weeks after we began operating the plant, the British took away our licenses because of red tape on a change of ownership. We had to wait four months to get them back."

From this southeast corner of Belgium, De Maeyer's plant, a subsidiary of the $3 billion Swedish Trelleborg conglomerate, is within close range of markets in France, West Germany, Luxembourg and the Netherlands.

But his trucks have to wait several hours at border stations to get their papers inspected. Some borders are closed altogether on some weekends. The result: Expensive add-on costs for transportation and warehousing that Europe 1992 promises to erase. "Right now, I need a full-time employee just to fill out customs forms," De Maeyer reports.

Once the borders are thrown open, he figures he can cut transit time in half for many of his truck runs—from six to three hours to Amsterdam, from four to two hours to Cologne.

Tanguy Schmitz, another Liege businessman, is also bullish about the 12-nation European Community's push for unification. He's marketing and financial director of a new genetic engineering firm, Eurogentec, that is developing vaccines to reduce viral infections in trout and salmon produced in commercial fish farms.

Because it believes Eurogentec is at the cutting edge of promising new technology, the EC funds 40 percent of the firm's research costs. Schmitz also expects other benefits.

"There will be one regulation for our vaccines instead of 12," he points out. "And we won't have to set up 12 subsidiaries. Taxes also may come down as the EC works to bring national tax rates closer together. Belgium now is heavy with taxes."

But there also are clouds on the horizon. Europe '92 has triggered a wave of cross-border mergers and buyouts. Schmitz isn't sure that his small firm can remain independent. "Maybe we can develop a vaccine against buyouts," he says. "It's a terrible virus."

Marcel Hartenstein, unlike the other two, doesn't expect big changes. He's a contractor who has a special process for rehabilitating gas, water and sewage pipes. His customers are mainly local governments and Hartenstein doesn't anticipate an invasion of cutthroat competitors from other parts of the EC.

De Maeyer, however, tells him not to be so sure. Under new EC ground rules, public procurement contracts—15 percent of the gross national product of all member nations—will be thrown open to bidders from all sections of the EC.

"A Portuguese contractor could come to Liege and offer lower-priced competition," says De Maeyer. "He could bring with him workers who are paid 10 times less in wages."

"And where will he put them up?" asks a skeptical Hartenstein. "In tents, if he has to," says De Maeyer.

However, all three readily agree that, on balance, Europe '92 will spur economic growth and fuel expansion of their business operations. By 1992, De Maeyer expects his work force to grow from 212 to 250; Hartenstein projects an increase from 280 to 350, and Schmitz believes his 30-member staff may double in size.

"Big is good, it's the only way for Europe to compete with the United States and Japan," says Hartenstein.

All three see European unification as an inexorable process—despite British Prime Minister Margaret Thatcher's misgivings.

"The train is moving and the train is stronger than Mrs. Thatcher," says Schmitz.

DON'T JUST THROW MONEY AT THE DRUG PROBLEM

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. STARK. Mr. Speaker, I happen to have strongly agreed with President Bush's State of the Union Address, when he stated, "We will never win this war on drugs unless we stop demand for drugs." There is now a bipartisan consensus that the demand side of the equation offers the most promising, successful aspects of our drug war.

The following article written by Michael Massing recently was printed in the Christian Science Monitor. It addresses some very important aspects of our continued efforts and why drug rehab and education is so very important:

[From the Christian Science Monitor, Nov. 6, 1989]

DON'T JUST THROW MONEY AT THE DRUG PROBLEM

(By Michael Massing)

The recent seizure of 20 tons of cocaine in a suburban Los Angeles warehouse has inspired new calls for increased spending on the war on drugs. "Hey, Washington, listen to us," declared Los Angeles police chief Daryl Gates as he stood photogenically in front of 1,100 boxes of impounded cocaine. "We need help. We want you to double the number of DEA [Drug Enforcement Administration] agents out here."

Whenever a giant drug seizure is made, law-enforcement officials call a press conference, heap praise on their own brilliant detective work, then issue strenuous pleas for more money, more cops, and more guns. These officials need to admit the grim truth—that such seizures, far from justifying more police monies, prove the inability of our enforcement agencies to solve the problem.

In the Los Angeles case, the uncovered cocaine was stored in an ordinary stucco warehouse in a suburban area. The building was left unguarded, its garage-like sliding door secured by a single $6 lock. For so valuable a stock to be safeguarded in so blasé a manner can only mean that the warehouse was but one of many facilities in the Los Angeles area.

We can only conclude that the US is even more awash in cocaine than previously thought. The DEA had estimated world cocaine production at 350 to 400 tons a year, the majority of which enters the US. The L.A. bust—twice as large as the previous one on record—means that the figure should be revised radically upward. The consumption of cocaine in the US has remained constant at about 75 tons a year. The DEA would have to seize a dozen warehouses like the one in Los Angeles before it could begin to reduce the amount of cocaine on the nation's streets.

Today's drug traffickers are simply too resourceful for the nation's drug agents to provide more than minor harassment. Since 1969, when Richard Nixon first declared the war on drugs, no law-enforcement action has had any long-term effect on the availability of drugs in the nation's cities. Whenever one source of drugs is taken out, another invariably emerges.

Take the "French connection." In this most celebrated of narcotics cases, federal drug agents, working undercover for many months, managed to disrupt the chief network for smuggling heroin into the US. The US, after patient negotiation, convinced Turkey to crack down on its own opium producers, the source for most of the raw material used in making French heroin. The amount of French-Turkish heroin entering the US dropped sharply. Federal agents announced that they had turned the corner in the war on heroin.

Yet no sooner was the French network smashed than Mexican traffickers, sensing a new business opportunity, rushed to expand their pipeline into the US. Mexican heroin, which in 1972 accounted for only 38 percent of the American market, made up 77 percent in 1974. Junkies had few problems feeding their habit.

In 1977 the Carter administration persuaded the Mexican government to spray its extensive marijuana fields with paraquat, a potent herbicide. American newspapers carried stories about the dangers of smoking plants treated with the substance, and almost overnight the market for Mexican marijuana dried up.

Then Colombia's marijuana traffickers went to work. Stepping up their shipments to the US, they quickly managed to fill the gap left by the Mexican growers. By 1978, Colombian gold accounted for three-fourths of all the marijuana sold in the US, and a joint remained as readily available as it had before the spraying campaign.

Of all the "victories" in the war on drugs, none has proved more pyrrhic than the South Florida Task Force. Set up in 1982 under the leadership of Vice President George Bush, the force brought together specialists from a host of federal agencies, all with the goal of stemining the flow of cocaine into the US. At the time, most drugs entered the country through southern Florida, transported by high-speed boat or small plane. The task force, high-tech radar, expanded Coast Guard patrols, and tighened customs procedures, proved highly success-

ful, registering hundreds of arrests and seizing tons of cocaine. By the mid-'80s, cocaine entering the country through the Miami area had dwindled to a trickle.

Unfortunately, the traffickers quickly adapted. They flew their merchandise to northern Mexico, then drove it undetected across the border. The nation's southwestern border has become the primary entry point for US-bound cocaine. Most of it ends up in Los Angeles, which recently replaced Miami as the nation's cocaine capital—a distinction it owes to the success of the South Florida Task Force.

Every year, the US spends more than $1 billion on drug interdiction. Despite this huge outlay, the goverrnment admits it's able to intercept only 5 to 7 percent of all the drugs smuggled into the country. Nontheless, President Bush has proposed spending billions more on state and local law enforcement. Congress, in a militant mood, will no doubt raise the ante.

Twenty years ago, this same approach, applied by liberals to our inner cities, was called throwing money at problems. Today, it's called getting tough on drugs. How much must we waste before we realize that it's not the amount of money that's the issue, but our overall reliance on cops, detectives, and drug agents to resolve a problem that is, at root, social in nature?

CELEBRATION OF THE SANTA MONICA FIRE DEPARTMENT CENTENNIAL 1889-1989

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. LEVINE of California. Mr. Speaker, I rise today to pay tribute to the men and women of the Santa Monica Fire Department as they celebrate the centennial of the department. It was 100 years ago when 46 leading citizens and businessmen of Santa Monica gathered at a town hall meeting for purpose of organizing a fire company. The traditional virtues that have ruled the lives of American firefighters since colonial times still apply today. The firefighters' world is one that is made up of hard demanding work, personal sacrifice, compassion, loyalty, and teamwork. They are dedicated people who are committed to providing for the welfare of the citizens of our community. I ask that my colleagues in the U.S. House of Representatives join me in saluting this fire department.

The following is a brief history of the Santa Monica Fire Department:

A BRIEF HISTORY OF THE SANTA MONICA FIRE DEPARTMENT

Santa Monica's first known fire company was founded in October of 1875 when six citizens organized the Crawford Hook and Ladder Company. These men, J.C. Morgan, S.B. Adams, W. Beach, Harry DuPuy, John Mott and Johnny Doyle gathered together some buckets and axes, standing at the ready to respond to any fires that erupted in town. Harry DuPuy was chosen as Foreman of the company with the other members as his officers. Although their equipment was basic, they always made a gallant effort at fighting and fires that broke out. One of the worst was on July 19, 1876, at a place called the "Club House". On this day, thieves robbed the club and then sat it on fire getting away with about $850 during the excitment.

On the night of March 22, 1889, Mr. Robert Eckart, a founder of the Los Angeles City Fire Department and Mr. William Jackson, an Englishman who migrated to the United States in 1860, called forty-six leading citizens and businessmen of the city together in the town hall for purposes of organizing a fire company.

They equipped an old four wheel cart with some axes, ladders and 1000 feet of 2½ inch hose and placed them all in the old engine house on Oregon Avenue (Santa Monica Blvd.). With this basic equipment and a lot of dedication, these men officially formed the Santa Monica Hose, Hook and Ladder Company No. 1 with Robert Eckert, as the Foreman and President; William Jackson as First Assistant Foreman; George B. Dexter as Second Assistant Foreman; Fred C. McKinney as Secretary and A.G. Smith as Treasurer.

In 1900, a careful evaluation of other cities' equipment was accomplished by the town fathers. Seeing that Santa Monica lacked any good firefighting apparatus, they decided to purchase a LaFrance combination hose wagon and chemical engine for the department along with a team of horses. A.J. Myers was assigned as driver of the new wagon and was the only paid member of the department.

During the same year that Company No. 1 received their horse drawn wagon, a group of men from Ocean Park got together and formed a new fire company. This company was called Santa Monica Co. No. 2, was made up of eighteen members. A.N. Archer a prominent citizen in Santa Monica, was elected President of that company; William H. Menzies was Foreman; C.J. Marvin, Assistant Foreman; J.H. Hassinger, Secretary and E. Rudisill, Second Assistant Foreman. The City Trustees furnished lumber for a small firehouse which was erected on property donated by William Martin, a local businessman and owner of the area called Martin Block. All work was done by the men of Company No. 2 and this station served as their quarters for seven years.

In May of 1915, the city agreed to purchase it's first triple combination pumper. It was a Seagrave 750 gpm unit placed in service at Station 2 along with the Garford truck. William Mohr was assigned as the first Engineer of the new Seagrave which was referred to as "Nittinger's toy" around town.

On August 10, 1925, Fire Company No. 4 was founded. The station was built in the "newer" residential area of town at 1824 Montana. An REO triple combination pumper was placed in service there with two men. With addition of this new company, Santa Monica now had four engines with a pumping capacity of over 3,000 gallons a minute.

During World War II, Santa Monica formed its' own auxiliary fire department as a precaution against attacks from the enemy. Many citizens joined on a voluntary basis and were given Ford pumpers and surplus war clothing to use. These men drilled with the regular fire department and assisted them at fires when called on.

The auxiliary firefighters were an energetic group who loved being part of our department. They had their own apparatus and a chief who worked closely with our Assistant Chief Hardman. Their equipment was first stored at an old motel auto court. This soon became untenable, so the city was asked to provide separate stations for the volunteers and their equipment. The first auxiliary fire station was built at Alley 8 and Montana.

On August 1, 1946 the Bureau of Fire Prevention was formed by Ordinance 785. Captain William Bedford was assigned as the first Fire Marshal. This new division was in charge of all business and residential inspections for the city. Many new codes were written and implemented by the department and enforced by the Bureau.

Former Fire Chief Charles Carrell had appealed to the Santa Monica City Council regularly for years asking for a new station to cover the airport and the city's southeast side. The need was definitely there. Since the beginning of Santa Monica Airport, Santa Monica firefighters had responded to the airport for many crashes and fires. The Douglas Aircraft Company had provided their own fire brigade during the war but since operations began to wind down, they reduced their manpower. Civilian flight operations were steadily increasing alongside the military's flight operations.

After many meetings, the Douglas Company and Santa Monica came to an agreement. They would donate their old combination fire and police station to be used by the SMFD if we would refurbish it. They would also give us their crash truck fitted with "carrot top" overshot nozzles. Total cost to the city for this new station was about $8,500.

On March 9, 1949, the Douglas Company moved their station and the 1949 White crash truck to its present location at 2801 25th Street, officially turning it over to Santa Monica. For the next few months, the men worked hard at getting the station ready for occupancy. On September 16, 1949 after months of work, Engine Company 5 finaly became a reality.

Under the leadership of Fire Chief John Sturges, the Santa Monica Fire Department and the City of Santa Monica agreed to begin a paramedic program in 1974. The first group to attend paramedic training included Jerry Parker, John Stone, George Graham, Phil Donatelli, David Eastman and Jim Hill. After five months of training, they were assigned to Engine 4 with two men on each shift. Captain Bill Pajares was the Paramedic Coordinator assigned to the company.

Fire Protection, emergency medical services, and other emergency services in Santa Monica are currently provided by 115 uniformed and civilian personnel. There are four fire stations with 30 firefighting personnel on duty each day. There is a fully staffed Fire Prevention Division, a Training Division and Administrative Division which includes dispatchers and the administrative staff.

The present Fire Chief is Thomas C. Tolman who was appointed March 5, 1979 after the retirement of Chief Sturges. Chief Tolman began his career in fire protection with the Los Angeles City Fire Department in December, 1955. He was promoted through the ranks to the position of Assistant Fire Chief and retired from the Los Angeles Department when he became Fire Chief in Santa Monica.

After his appointment, the City of Santa Monica was one of the first cities in the State of California to adopt an ordinance which required sprinklers and smoke detectors in specified occupancies. An award-winning public education program was initiated in 1981 and an Arson Investigator's position was approved in 1982. A Fire Captain was

recently appointed as the Hazardous Material Coordinator. The Insurance Services Office's latest survey rated the fire department Class 2, an improvement of a prior Class 3 rating. The Santa Monica Fire Department is truly a "full service" emergency organization.

The traditional virtues that have ruled the lives of American firefighters since colonial times still apply today. The firefighters' world is one that is made up of hard demanding work, personal sacrifice, compassion, loyalty, great risk, and teamwork. They are dedicated people who are committed to providing for the welfare of the citizens of our community.

Members of the Santa Monica Fire Department, both past and present, have exemplified these virtues for the past 100 years. We salute everyone associated with the Santa Monica Fire Department on their birthday.

HANK BIALICK: MAN OF THE YEAR

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. LENT. Mr. Speaker, recent events abroad, from Tiananmen Square to the Berlin Wall, remind us just how precious our freedoms truly are. Americans at times forget that basic rights, such as speaking one's mind to others, or practicing the religion of his choice, are not available to the majority of the world's inhabitants. We must at all times not only recognize the possession of these rights but also express appreciation to those whose lives are dedicated to their exercise.

Such an individual deserving of our recognition and approbation is Henry M. Bialick of Long Island. Hank Bialick is the publisher of a chain of weekly newspapers, and it is his responsibility to bring to his readers the news of the community. This is not a task that he takes lightly. Under his leadership, the Oceanside-Rockville Center Beacon, the Baldwin-Freeport Citizen, and the East Rockaway-Lynbrook Observer have been recognized as outstanding journalistic publications that play an important role in the lives of the readers they serve.

Hank Bialick does not believe that a weekly newspaper should merely report the news; his motto "Your Voice in the Community" displays his desire that his readers use his publications to air their views and make positive, constructive changes in the community, and he puts his words into action each and every week. Readers are encouraged to write letters to the editor, and it make no difference whether the writer agrees or disagrees with a policy or an issue. Hank Bialick believes that each individual has a right to express himself in the pages of the Beacon, Citizen, and Observer, and encourages community participation in discussing problems and offering ways in which to resolve them. Mr. Speaker, this is a graphic demonstration of freedom of the press in action, and Hank Bialick deserves our gratitude for his tireless efforts in ensuring that the people of southwest Nassau County have the opportunity to exercise this freedom.

Hank Bialick has lent his considerable talents to a wide variety of charities and civic organizations. On December 2, 1989, the Olympia Guiding Light Masonic Lodge No. 1151 will honor Hank Bialick as its "Man of the Year" at a dinner dance to be held at Temple Avodah in Oceanside. The members of the Guiding Light Lodge are bestowing this award in recognition of Hank Bialick's service as historian and publicity director and his many years of tireless efforts on behalf of the community. I would like to take this opportunity, on behalf of my colleagues on both sides of the aisle, to express my appreciation to my good friend, Hank Bialick, for his unselfish and unflagging devotion to his neighbors, and to wish him and his lovely wife, Florence, many more years of health, happiness, and success.

A TRIBUTE TO BERTHA AND SAM FOX

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention today two outstanding community leaders, Bertha and Sam Fox. On December 3, the Arrowhead Chapter of Hadassah will honor Bertha and Sam Fox for their many years of leadership and expressions of love and concern to others in their community. In fact, Mr. Speaker, a gift of medical equipment is being purchased in their honor to be given to the Hadassah hospitals in Israel.

Over the years, Bertha and Sam have been affiliated with a number of civic and community organizations. Bertha has served with the congregation of Emanu El Sisterhood, the League of Women Voters, the Casa Ninos Chapter of the Children's Home Society, the San Bernardino-Tachikawa Sister City Commission, the Orton Dyslexia Society, the San Bernardino-Herzelia—Israel—Sister City Commission, and has been active with the PTA at the San Bernardino Public Schools. In addition, she has been president of the Arrowhead Chapter of Hadassah for 2 years and is currently South Pacific coast region vice president of Hadassah. A lifetime member of Hadassah, she has been very active in student exchange programs associated with AFS International, Sam has served as vice president of the congregation of Emanu El, chairman of the San Bernardino United Jewish Appeal and as a board member of the congregation of Emanu El. In addition, he has been active with the San Bernardino-Tachikawa Sister City Commission, the San Bernardino-Herselia Sister City Commission, and the AFS Student Exchange Program. Sam is currently an associate member of Hadassah, a board member of the Orton Dyslexia Society, and a member of Toastmasters.

Please join me, Mr. Speaker, in honoring Bertha and Sam Fox for their dedication and contributions to us all. Their work continues to enrich us all and for that we owe them many thanks and wish them good health in the years to come.

CELEBRATION OF THE 75TH ANNIVERSARY OF ST. SAVA SERBIAN ORTHODOX CHURCH

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. VISCLOSKY. Mr. Speaker, I rise today to pay tribute to St. Sava Serbian Orthodox Church on the occasion of its 75th anniversary.

Under the leadership of the Very Reverend Father Todorovich, St. Sava presently serves 750 Serbian-American families. The devine liturgy is delivered each Sunday in old Slovanik and English languages. The service is further orchestrated by the moving songs of the choir. Additionally, the children are educated in the traditions of the Serbian Orthodox Christian faith at Sunday school each week.

Like so many others in search of a better life, Serbian-Americans came to northwest Indiana at the turn of this century to work in the new steel mills along the shores of Lake Michigan. The hopes for a better life for this Serbian community included not only freedom from persecution, a chance to build a home, and to educate their children, but also the opportunity to worship in a parish of their own. In February 1910, seven diligent individuals began organizing to build both a church and a school. By 1911, with the aid of others in the community, a school was established. In February 1914, the church community of St. Sava Serbian Orthodox Church was founded and within a year had secured a place to worship on 20th and Connecticut in Gary, IN, under the leadership of Rev. Pavle Veljkov.

In 1938, a new church was consecrated on 13th and Connecticut Street and remained the stie of services for the next 40 years. During this period, St. Sava served as a magnet drawing hundreds of post-World War II immigrants to Gary. Among these immigrants were brave men who fought with Draza Mihailovich, the Serbian Chetniks leader, and families from prison camps in Europe.

In 1978, a tragic fire destroyed the parish building in Gary. Quickly mobilizing their resources, the congregation of St. Sava Serbian Orthodox Church furnished the parish hall in Hobart, IN, with the necessary alter items and continued services without interruption.

The destruction of the old parish in 1978 helped lay the foundation for a new era at St. Sava. After purchasing 140 acres of land in Merrillville, IN, the St. Sava congregation began plans for a new church and school. Official construction on the new church began on July 31, 1985. Since then numerous ceremonies have been held to bless the foundation, bells, and crosses.

The congregation of St. Sava Serbian Orthodox Church is proud of its Serbian heritage and culture. Through their unshakeable strength, devoted faith, and community commitment, each succeeding generation has made a greater contribution to both northwest Indiana and our society. Proud of their Serbian heritage and culture, the members of St. Sava firmly believe in the principles of freedom and democracy.

With the start of construction of a new parish, St. Sava Serbian Orthodox Church has much reason to celebrate its 75th anniversary. Members of St. Sava have maintained their cultural heritage, fought for political freedom for Serbians, and served their community and Nation well. Indeed, St. Sava Serbian Orthodox Church is as intent today to serve as a cultural and religious focus for its parishioners as it was 75 years ago. Further, due to its outstanding efforts, the region as a whole has benefited.

As St. Sava Serbian Orthodox Church celebrates its 75th anniversary, I wish them continued success in the future and extend my gratitude to the congregation for their hard work.

TRIBUTE TO RICHARD ALATORRE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. RICHARDSON. Mr. Speaker, any community's hopes for a better quality of life depend on committed and effective leadership. We in the Hispanic community are fortunate to have many such leaders working toward a brighter future for Hispanics across the Nation. Among the most impressive of these emerging leaders is Richard Alatorre, councilman of the city of Los Angeles. Mr. Alatorre's leadership has benefited not only Hispanics, but all Los Angelinos who seek to improve their city and quality of life.

Mr. Speaker, I would like to take this opportunity to insert a recent article on Mr. Alatorre. I think my colleagues would do well to learn of his impressive record and the growing strength of Latino leadership.

[From the Los Angeles Times, Oct. 22, 1989]

CROSSOVER DREAMS

(By Bill Boyarsky)

Lou Koransky needed help in the credit department of his busy jewelry store on Whittier Boulevard. It was 1960 and the old East Los Angeles of Russians, Armenians, Japanese, Latinos and Jews, which existed when Koransky arrived in Boyle Heights from Chicago in the '20s, had disappeared. The Koranskys and many other Jewish families, for example, had moved to West Los Angeles after World War II. Now East L.A. was almost entirely Latino, and a large number of Koransky's customers spoke no English.

The person Koransky sought had to speak Spanish. But mostly the employee had to be someone as smart and tough as Lou himself. "I was looking for someone who was aggressive," Koransky recalls, sitting in his small office at the rear of the store. "In the collection business, you have to have a certain amount of toughness. But you have to be very tactful because someday the slow customer might turn out to be a very good paying customer."

A perfect job description for a bill collector—or a politician. Koransky found a young man with those talents at Garfield High School, a few miles from the store. He was Richard Alatorre, the student body president, who was about to graduate and attend Cal State L.A.—and who would eventually become one of the most influential Latino politicians in the state.

"I was good," Alatorre says of his five years at the jewelry store. "The way I used to collect is I used to embarrass people, and that's painful. . . . I had this one guy, his bill was $15,000. I would go to his place, sit down with him, then I'd tell him, 'Well OK, man, how much you going to pay me?' He said, 'I'll give you $300.' I said, 'Hey, man, you think I sat down here and had a drink with you for $300? I need more.' So he gave me $1,000. . . . I was good because I was mean when I had to be mean. And I was a softie when I had to be a softie."

A quarter of a century later, Alatorre is still applying the lessons he learned in Lou Koransky's jewelry store. When it comes to back-room negotiations or to raising campaign funds, the Los Angeles city councilman and former state legislator can be shrewd and tough, not always playing by the accepted rules. The power he and his allies wield has led critics to dub them the "PRI of East L.A.," a cynical joke referring to the ruling party in Mexico, which is known for its win-at-all-costs politics. Yet many say he is extremely sympathetic when it comes to helping the struggling families of his old neighborhood find jobs, gain political clout and obtain city services. Over the years, he has moved back and forth between the tough, inside politics he believed were needed to bring economic development to East Los Angeles and the more accommodating kind of politics needed for acceptance in the mainstream.

Now, as he contemplates a possible run for mayor or county supervisor, Alatorre is walking a far trickier path, a path that makes it increasingly necessary for him to refine his unpolished personal style. That approach worked well with his East L.A. constituents. It clearly produced results among backroom powerbrokers in the State Assembly, who put him in charge of fashioning a legislative and congressional reapportionment that gave Latinos their most substantial political representation in history.

But to succeed in a highly visible citywide or countywide campaign, Alatorre needs different set of skills. He has to charm the media. And he needs the support of corporate executives and other major contributors whose backing is essential for a race that could cost several million dollars. Although Los Angeles has become a city where minorities are the majority, the largest single group of voters will remain middle-class and affluent whites. That's because they are the most likely to go to the polls, splitting between liberals and conservatives. Looking at it as a campaign manager would, it's clear that the winner in the next mayoral election is likely to be a minority person who appeals to white liberal and moderate voters.

On the surface, Alatorre looks like a candidate who could be packaged effectively in a high-profile campaign: A slender man of 46, he favors expensive-looking, well-cut Italian suits. His hair is black, his complexion dark. He comes across well on camera. But his combination of the crude and the pleasant, of bluntness and courtliness, casts an aura that puts off people used to more conventional, or more polite, politicians. At City Council meetings, Alatorre slumps in his chair looking bored as his colleagues drone on. He reads the newspapers, sneaks a cigarette at the side of the chambers. And smoking, swearing, always saying "Hey, man," Alatorre sometimes acts as if he never left Garfield High.

"I think a Hispanic is going to get elected mayor of Los Angeles," says Philip Montez, who was one of Alatorre's political mentors and is now the regional director for the U.S. Commission on Civil Rights in Los Angeles. "But I think it depends on the price that the Hispanic individual is willing to pay. The price is that you can't be as ethnic as where you came from." Alatorre's ascent has come at considerable personal cost. Twice he paid fines in ethics disputes. And he's gone through two divorces and a struggle with alcoholism.

Indeed, his rise from the barrio illustrates the difficulties that face an ethnic-minority politician who wants to move from such a neighborhood to the broad mainstream of politics.

Ethnic candidates began entering Los Angeles' political leadership in the 1960s, when the dual effects of the civil rights movement and a growing influx of immigrants from Asia and Latin America shaped a new urban politics. Blacks, organizing their communities with voter-registration drives, got elected to the City Council and in legislative districts; Mervyn M. Dymally, who built a power base in South-Central Los Angeles, was one of the first and most successful, becoming an assemblyman, lieutenant governor and now a congressman. Young Jewish politicians—Henry Waxman and Howard Berman (both now congressmen) and Waxman's brother, Michael—organized the large Jewish population that had settled on the Westside and in the San Fernando Valley.

In 1973, Tom Bradley became the city's first black mayor, heralding the emergence of an important variation: the crossover ethnic politician. That is somebody who can not only carry his ethnic base but also win support from other ethnic groups, as well as from voters not associated with an ethnic minority. Bradley is the supreme crossover ethnic-minority politician, well liked in his South-Central Los Angeles base, and, before his recent financial troubles, in non-black areas, particularly the Westside Jewish community. But there have been no crossover politicians from the rapidly growing Latino minority, which is projected to comprise almost 40% of the Los Angeles population by 1993, up from the current 29%. Now, leaders of that community are itching to reach the top, too.

So a serious test awaits Alatorre: Can he become a crossover campaigner in a bigger electoral arena? Can he mount a successful campaign for county supervisor or even mayor of Los Angeles? If he were to run for mayor in 1993 and succeed, he would be Los Angeles' first Latino mayor since Anglos forced Mexicans from power in the 19th Century.

Though his name may not yet be a household word in Los Angeles, Richard Alatorre long ago became a force in the state Democratic Party's mainstream. As an assemblyman from 1973 to 1985, he helped shape the state's farm labor law, which gave migrant workers collective bargaining rights. Using his influence with Assembly leaders, he got the UC Irvine School of Medicine to admit more minorities in return for an appropriation for a new teaching hospital. He was the first Latino with enough power to be a key leader in one of Sacramento's great events, the fall in 1980 of an Assembly speaker—in this case, Leo T. McCarthy—and later he became a key lieutenant to current speaker Willie Brown, whom he had supported in a pivotal vote.

His style was confrontational, clever, surgical. His friends say he is warm and intelli-

gent, but his enemies—those he has outmaneuvered—say he can play rough. When Republicans stormed into his office protesting the gutting of their districts, he replied: "It has nothing to do with you personally. Business is business." And when opponents accused him of going back on promises, he smiled and said, "What was then is then; what is now is now." When McCarthy was speaker, Alatorre was banished to the reapportionment committee in a year when there was no reapportionment bill. He and a friend got revenge by shepherding a series of good government bills out of the committee onto the Assembly floor. The legislation was so strict it was doomed to defeat, an embarrassment to McCarthy, who was cultivating an extra-clean image. Finally, McCarthy called Alatorre into his office and complained. "Leo," Alatorre replied, "I understand what you have to do to me. I hope you understand what I have to do to you."

He brought his calculatingly blunt style with him and when he decided to leave what he saw as the relative obscurity of the Assembly to run for City Council in 1985. A strong ally of the mayor, he's aligned with pro-development forces on the council and is acknowledged to be a skillful practitioner of complex, behind-the-scenes political maneuvers. He's a vocal advocate of civil rights and civil liberties. In his short tenure on the council, Alatorre has organized shelters for the homeless. He has put together government and private funds for construction of more than 250 units of low- and moderate-income housing in his district. He has obtained state "enterprise zone" tax incentives to promote development in East Los Angeles. Assuaging the fears of some of his more affluent constituents, Alatorre has also pushed through an anti-development minimall moratorium in the Eagle Rock section of his district.

Critics acknowledge that he can get things done, but many question his tactics. "He would have been a great guy in L.A. when everything was done on the inside," says Rudolfo F. Acuna, a professor of Chicano studies at Cal State Northridge, whose book, "A Community Under Siege," chronicles the political awakening of East L.A. Acuna says Alatorre spends too much time raising money from and catering to special-interest groups, to the neglect of the community.

"Richard knows how to command power, to use power," adds Council-woman Gloria Molina, whose district adjoins Alatorre's and who is considered to have a bright political future herself. "Richard's style was pretty dictatorial; he had a tendency to be a bully." But she says he has changed on the City Council. "I find him still persistent about things, but he isn't as pushy as he was before. He's changed as a person. I think he has softened up."

That change may be a reflection of his coming to terms with the strains of his political life. His second marriage ended just recently. And he revealed in answer to questioning, he is a recovering alcoholic.

"I have a drinking problem," he said during a long interview in his office. His coat was off. The door was closed. He was seated on the couch, his feet on the coffee table. The question was posed because reporters in Sacramento had talked about what they considered Alatorre's erratic behavior in committee hearings, where his moods would swing from anger to boredom to hilarity. A year ago, he sought treatment, he says, and since then he has been involved in a sobriety program.

"But, you know, I look at it from a positive. I'm happy I stopped. I never looked at myself as having a problem as it related to alcohol," he says, "but I think it got basically to a point where it just didn't work for me. And what I learned [is that] where other people have normal outlets for their rage, for their anger, for their hurt, I didn't. I suppressed it all," he says. "Not a lot of people can say they know me," he continues. "And that worked for me. But it also became very destructive. You know, this is the type of profession that just takes a lot out of you. It is very demanding. There's a lot of hurt and there's a lot of pleasure. . . . It was easier to escape your own problems by dealing with other people's problems. But that didn't do any good for Richard Alatorre," he concludes. "You know, I'm 46 years old and I'm still learning about Richard Alatorre."

To understand Richard Alatorre, it is necessary to understand where he came from. East Los Angeles, the gritty community where he was born and raised, reaches from the Los Angeles River, through Boyle Heights and City Terrace, out Brooklyn Avenue and starts just west of the river, at the plaza near Olvera Street, where Los Angeles was founded on Sept. 4, 1781.

The plaza, now as then, is an entry place for Latino immigrants. Many will eventually settle in Boyle Heights, Maravilla or Belvedere, where Latinos moved when downtown businesses displaced them from the plaza in the early 20th Century. Jews, Armenians, Japanese and blacks also lived in these East L.A. neighborhoods. A common history still links the groups that have passed through East L.A., and it is among them that Alatorre would have to forge new ties to win a citywide race.

The politics of East Los Angeles have traditionally revolved around two issues: civil rights and saving the neighborhoods from "urban renewal." Neighborhood-saving has not been especially successful. Thousands of homes have been removed for the huge county hospital, county jails and the San Bernardino, Santa Ana, Pomona and Long Beach freeways, but the battle countinues, with intense community opposition to a proposed new state prison and a county jail expansion. The battle for civil rights now involves enfranchising voters, and Alatorre is at the forefront. In addition to his efforts for reapportionment, he is a leader in the fight to force the Census Bureau to count non-citizens, which would eventually mean more political power for Latinos.

Alatorre grew up immersed in the neighborhood's conflicts. He spent his childhood with his parents and his sister, Cecelia, in a small, brown stucco house near Michigan Avenue where his mother, Mary Alatorre, a widow, still lives today. Mary was born in a small Arizona mining town and moved to Los Angeles in 1925. Dropping out of high school in the 10th grade, she learned to be a beautician and in 1931 met Joe Alatorre, who'd come to L.A. from El Paso, Tex., while working in his sister's beauty parlor on Brooklyn Avenue. He was a repairman at a stove factory.

A brief experience doing farm work taught Mary Alatorre the value of education. She remembers the growers: "They just pushed people around. They treated them just like dogs. All these things were embedded in my children. I told them there is nothing you can do but get yourself a good education. That was our whole goal, my husband and I."

They succeeded with Richard. "I figured out real early, manual labor and I had a falling out," says the councilman. "If I wasn't good with my hands, I had to use my head, and my head was pretty good. I was the oddball of the group. I was a student body officer or class officer every semester from junior high school through high school. . . . The girls thought I was God. The guys, they always respected me."

Cultivating that respect was his key to suriving in the neighborhood: He had to fit in with, if not belong to, the gangs, honing a kind of diplomatic skill that has served him well in politics. "It's a very tough area," Alatorre says during a drive along Michigan Avenue, near Eugene Oregon Park. "I always ran around with older guys. When I started junior high school, they were graduating into high school. Those were my friends. And obviously, because of that, I was well protected."

In high school he joined the debate team, and, with his father's encouragement, he took an interest in politics. A vision of his future crystalized when he heard John F. Kennedy give a campaign speech at East L.A. College on a rainy night in 1960. "He seemed to be the first presidential candidate reaching into my community and asking for our help. That represented hope to me," Alatorre says. So he handed out leaflets for Kennedy and also got involved in the campaign of Leopoldo Sanchez, who became one of the first Latinos elected to a judgeship in Los Angeles. Sanchez's victory inspired him: "I felt one day I would love to represent my community," he says.

He was one of a handful of students in his graduating class to go to a four-year college, eventually earning a graduate degree in public administration from USC. He went on to teach sociology at Cal State L.A. and at UC Irvine and night courses in government at the federal prison at Terminal Island.

From the outset, Alatorre's political career moved on two tracks. One was the liberal community politics of the growing Chicano movement, which was beginning to focus on poor education in East L.A. schools. The second was the more partisan politics centered on the Democratic Party and raising money to finance campaigns. Alatorre thrived in both worlds.

One day while in court on a collection case for the jewelry store, Alatorre befriended a young attorney who had been elected to the Assembly. Walter Karabian represented another part of the East Los Angeles world, the newer subdivisions around Monterey Park. He was good at raising money from the developers and other businesses in the area and was the majority leader of the Assembly.

Alatorre also hooked up with somebody from the more radical side of East Los Angeles politics—Montez, who was then executive director of the Foundation for Mexican American Studies. When Alatorre came to that office to get information for a college paper, Montez liked him and offered him a job. Alatorre became known as "the kind who hung around Phil Montez."

What he learned from Montez was to play his own game, not his opponent's. "We were meeting with Wilson Riles, the superintendent of public instruction, to discuss changes in the texts they were using in L.A. city schools that would be more favorable for Hispanics," Alatorre recalls. "Montez told me that this guy was a real scholar, an intellectual, and if you confront him as a gentleman, he'll dance you all over the floor. So I basically went in there and hit him in the knees, by using profanity and being outra-

geous. So I was able to bring the argument into my arena, and I won."

In 1970, Karabian hired him as a staff assistant in the Assembly. Then, in 1971, when Assemblyman David Roberti was elected to the Senate, Alatorre ran for Roberti's Assembly seat. He lost the first time in a special election. Rifle shots were fired mysteriously into the home of an underdog opponent, and the publicity helped give the opponent the victory. But Alatorre won in the regular election six months later.

Quickly finding more friends and mentors, he became a force in the Legislature and continued to best the big boys, the Anglos, at their own game. The outgoing Alatorre was accepted by the top social strata, a bipartisan group that included Democrats such as Willie Brown, Mike Roos and the late Jack Fenton and Republicans Bill Campbell, Bob Beverly and Ken Maddy. "We were all the same age, we all liked to travel, we all liked the good life," says Brown. They had dinner at Frank Fats, the Capitol hangout. They traveled together to Jamaica. And all the while, Alatorre listened and learned.

As his friends rose through the legislative ranks, Alatorre's influence grew. His work on the farm labor law and reapportionment made him a star among the state's Latino politicians. And political plums began coming his way. After the reapportinment, Brown named Alatorre chairman of the Government Operations Committee. This is a "juice" committee, so called because it has jurisdiction over the kinds of businesses—race tracks and liquor and beer interests—that can be squeezed for campaign contributions. A look at his campagin contributions reports tells the story: Quarter Racing Inc., Santa Anita, the San Francisco Bay Area's Pacific Racing Assn., the Miller Brewing Co. and the Wine and Spirts Wholesalers of California were among the donors. During this period, he led high-profile but unsuccessful efforts to legalize off-track betting as well as to weaken rent control and begin public financing of state elections.

While Alatorre relished his status in the Legislature, he wanted more visiblity. "To tell you the truth, I got tired of telling people that as an assemblyman I didn't work for GM," he says. "No one knows what an assemblyman does." Los Angeles City Hall, he thought, was full of opportunity. For one thing, television stations cover almost every meeting of the council, while no local stations cover Sacramento regularly anymore. So, in 1985 he ran for Los Angeles City Council. With a campaign financed substantially with special-interest contributions he had received as a powerful legislator, Alatorre was elected to represent the 14th Council District, which reaches from the Latino immigrant neighborhoods of Boyle Heights, through Asian and Latino Lincoln Heights and working-class Glassell Park up to the expensive homes in the hills of Eagle Rock. He is Bradley's main defender on the council in the investigations of the mayor's finances. He also played a key part in persuading the council to drop a plan to fight a federal suit and agree to a city reapportionment that made possible the election of a second Latino council member.

Alatorre may look bored at meetings, but he is a power on a City Council that is more divided than it has been in years. The council is a place of shifing alliances When two longtime Bradley allies left, Alatorre stepped into the vacuum. "Richard kind of forced things with the mayor, saying, 'Do you want help or not?'" one council aide recalls.

Even before Bradley's financial dealings got him in trouble, Alatorre was helping him fight off political challenges. Last year, he nagged Bradley's aides into supporting a Police Department expansion, which helped weaken an attack on the mayor by Council man Zev Yaroslavsky, then a mayoral hopeful.

Alatorre's alliances and his mastery of political strategy have made him an effective councilman, but another side of his street-level, back-room political style raises questions even in his Latino base. "He's probably the closest thing to Jesse Unruh we have," says Acuna, recalling the late Assembly speaker who pioneered modern legislative political fund-raising. "As a politician, he has no equal for making the deals, for putting it together." It is the nature of some of his money deals—going back to his "juice committee" relationships with special-interest groups in the Legislature—that concerns those around him.

In 1986, Alatorre agreed to pay a record $141,966 to settle a lawsuit filed against him by the City Attorney for failing to disclose the source of campaign contributions to his City Council election campaign. Much of the money had been accumulated while Alatorre was an assemblyman, and the law required him to disclose the names of the donors. Alatorre said it was an oversight, but his critics have maintained it was a deliberate attempt to illegally use contributions raised while he was a legislative power. And last year, Alatorre paid a $2,000 fine for violating state conflict-of-interest laws. He admitted that he tried to steer a $722,500 contract to The East Los Angeles Community Union after it paid him a $1,000 speaking fee.

TELACU, in fact, generates much of the controversy around Alatorre. It was founded in the 1960s to stimulate East Los Angeles businesses, build low-income housing and provide jobs as part of the federal War on Poverty. From the outset, TELACU was development-minded. Opponents accused it of questionable use of federal grants and of running businesses that seemed to have little connection with East L.A. jobs.

Alatorre is firmly allied with TELACU in a strong political operation, and TELACU now hopes to get a piece of Alatorre's biggest civic project, a proposal to redevelop a 67-acre area around Union Station into a neighborhood of commercial high rises in the next 10 to 15 years, which, opponents say, would destroy the essence of historic Olvera Street.

In answer to his critics, Alatorre says that his ties with TELACU and his work on city projects such as the Union Station-area development are evidence that he intends to shape East Los Angeles to meet community needs. "Why is it we do not open up opportunities for minorities and small-business people so they can do business with the city and with the state?" And as for his fund-raising, he says: "I believe in putting my money where my mouth is."

Today, Alatorre is a relaxed man on the turf he has occupied for many years. One Saturday, he stops for lunch at a hamburger stand he has been patronizing since he was a boy. The owners yell at him to get a street light for their Whittier Boulevard corner. "I can't even get some stuff for my mother, man," he replies. "Ask the mayor," says one man. "No, no, it ain't the mayor. If it was the mayor you'd get it," Alatorre says, pointing out that the hamburger stand is in unincorporated territory under the jurisdiction of the county. "I got to talk to this other guy [County Supervise Ed Edelman]. I'll bring him down here."

Clearly, he's at ease and in control of his own territory. But Los Angeles history is filled with warnings to ethnic politicians looking for influence outside their communities. Take, for example, the painful experience of Rep. Edward R. Roybal (D-Calif.).

In 1949, the liberal Roybal was elected to the City Council. The following year, he cast the only vote against an ordinance requiring Communists to register with the police and forbidding them from owning guns. Even more annoying to the city's business leaders, he opposed plans for massive development in East Los Angeles, of the type that later leveled poor residential neigborhoods on Bunker Hill and in Chavez Ravine. In 1958, Roybal ran for county supervisor in a district that was mostly Anglo. He lost, but many East L.A. old-timers believe Roybal was the victim of election theft. After Roybal finished 393 votes ahead on election night, the county registrar discovered a 12,000-vote counting error. Roybal went on to become one of the nation's first Latino congressman and is regarded as a father figure by many up-and-coming politicians. But the point is, even a widely respected figure like Roybal couldn't manage to go beyond his own district.

Today, however, a Latino politician such as Alatorre might face fewer obstacles. The business and union leaders who backed Bradley are looking for a new champion—and Alatorre is sympathetic to their development policies. Aware that their population is shrinking compared to Latinos, some black politicians seem willing to support a non-black who is sympathetic to their concerns. And Alatorre, because of his work with the NAACP, is the Latino with whom they've forged the strongest ties.

"He was able to establish the kind of rapport with the black community that a lot of other people can't," says Montez. "That's . . . street smarts."

But that may also be Alatorre's great handicap: He may be too much from the streets, too tough in his pursuit of power. Montez has a warning for his friend: "Richard has to be careful he doesn't get the omnipotent feeling [that his TELACU allies] can do anything they want. That's the one blind spot Richard has. And he's got to watch it. Richard has a very, very large constituency that is his if he just continues to develop it and stops playing the old boy network. That is vitally important to Richard's future."

The competition among ethnic candidates in the 1933 mayoral election may well be fierce. With the growing number of Latino voters, strong Latino contenders are expected. One of them may be Molina, a strong voice for community redevelopment. Others might be Sen. Art Torres, a longtime friend and ally of Alatorre, and Dan Garcia, an attorney and former City Planning Commission chairman. Appealing to the growing number of Asian voters might be Councilman Michael Woo, an urban planner who represents the Hollywood area.

As well as any of them, Alatorre knows the difficulties of an ethnic politician's moving up. "The increase in Hispanic voters makes it more viable," he says. "But you can't rely on the Hispanic community to be elected."

Still, he adds, "As a Hispanic, I think Los Angeles is where it's at politically, because of the change in the demography in the city." Alatorre won't say that he is considering running for mayor three years hence,

but he clearly believes that his future is here. "I may have questioned my decision [to move to Los Angeles] at first because I was adjusting, but now I think it is the best decision I have made—personally, as well as politically."

NATIONAL BOXING GOODWILL AMBASSADOR

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. DYMALLY. Mr. Speaker, it is with a great deal of pleasure that I bring to your attention the accomplishment of our friend Mr. Jim Balukevich.

Recently, Mr. Balukevich was inducted into the New Jersey Boxing Hall of Fame with the following citation:

NATIONAL BOXING GOODWILL AMBASSADOR

The one individual that unofficial title brings to many minds (and who has, incontestably, earned such honorable recognition) is Jim Balukevich . . . long time member of the Washington, D.C. Boxing Commission, and founder of the D.C. Boxing Hall of Fame.

This transplanted New Englander was born at Nashua, New Hampshire, where he eventually captained its 1933-34 H.S. basketball team; winning a college basketball scholarship as a result thereof. He turned it down to join the U.S. Army, and it was while stationed at Schofield Barracks, Oahu, Hawaii, that he went out for the boxing team . . . and wound up winning a bronze medal in the Hawaiian Division Boxing Tournament, in 1938.

An interesting sidelight of his Hawaii duty was his election to the social-political post as the wartime "Cock-Eyed Mayor" of the island town of Kaunakakai (pronounced cow-na-cock-eye), succeeding Hollywood's Warner Baxter. Ironically, Jim was subsequently made "Mayor for a Day" of his old hometown, Nashua (while on furlough from Camp Davis, N.C., in 1940), and received a replica of the key to the same city from Mayor James Donchess during a return visit last year.

Alaska duty followed, from which he was shipped to Corregidor (in the Philippines). It was Jim's outfit that liberated Saipan on June 15, 1944, which explains retired Ben Blaz (now a Congressman) referring to Balukevich as "The Liberator of the Islands" (Marianas, Guam, Saipan and Tinian), and Jim was again made a Mayor . . . this time of Garapan (Saipan's biggest city). The title "Mayor" suits this gentleman, really, as his present employment in D.C. keeps him in constant touch with politicians of all persuasions on Capitol Hill, and he attends scores of congressional affairs and parties. It is, therefore, genuinely fitting that he is also often referred to as "The National Veteran Boxers Association's Man in Washington."

Jim is a George Washington University graduate and remains active in its psychology chapter, as well as being a member of the National Honor Society in Psychology. Representative Fred Grandy (formerly of "Love Boat") recently added to Jim's academic credentials by presentation of an honorary degree from the University of Okoboji, a college of physical education in Iowa; also adding a spoof of Ph.D. in "Uplifting Behavior." At this point, it does well to point out that this goodwill ambassador—for all seasons—has been the deserving recipient of many, many awards and citations for boxing-related as well as community endeavors, and was inducted into the D.C. Boxing Hall of Fame, in 1987.

His travels throughout the country attending V.B.A. functions and promoting the welfare of the veteran boxer also compliments his memberships in the American Association for the Improvement of Boxing (A.A.I.B.) and the West Coast's Cauliflower Alley Club (Mike Mazurki, President). He is in constant demand as a "Presenter" and speaker at boxing, wrestling and other sports events, and constantly criss-crosses the U.S. voicing his welcomed opinions on legislation re boxing bills to strengthen the sport. He advocates the establishment of a National Federal Boxing Commission, and Congressman Bill Richardson has recommended that he serve as commissioner when it someday becomes a reality. He has seen many fighters come and go but still ranks Joe Lous as "the best boxing champ I ever met . . . and I doubt there will ever be gentlemen like Joe in boxing again."

This 74-year old former boxer is also a member of the "Honorable Order of Kentucky Colonels," an Honorary Lieutenant Colonel Aide-de-Camp in the Alabama State Militia, an Admiral of the Georgia Navy, a member of No. Carolina's "The Order of the Long Leaf Pine," as designated Ambassador of Good Will of the Cherokee Nation, a Deputy Marshal of Dodge City, a graduate of the U.S. Army Language School at the Presidio of Monterey, California (Russian), and a sport historian and artist on Capitol Hill. And somehow, he's also managed the time to contest and win the Senior Olympics Middleweight Boxing Championship (65-69 age group) in 1980, 1982 and 1984 (held at the Bob Hope U.S.O. Center, Hollywood, California) and the National Skip-rope Championships in 1981, 1982, and 1984 . . . proof postive that "A boxer may retire from the ring, but he never retires his love of the sport."

On November 10, 1989, Jim Balukevich's many laurels and accolades will be enhanced by his induction, it was read into the Congressional Record that "he is the kind of person that personifies the very best that the manly sport of boxing embodies." Anyone knowing this gentleman will readily re-echo those of this extra fine human being are at the helm.

The boxing world offers its congratulations.

MINORITY HEALTH ISSUES AND CONCERNS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. RANGEL. Mr. Speaker, I rise to call your attention to a speech by Mr. Bailus Walker, Ph.D., professor of public health policy and management at the Graduate School of Public Health, State University of New York at Albany, and chairman of the Minority Health Commission of the Department of Health and Human Services. The speech was delivered on Saturday, November 11, 1989, at the City College of New York during a conference on minority health issues, which I sponsored in cooperation with the City College and Harlem Hospital Center.

Dr. Walker's speech is a most eloquent presentation of the most pressing health issues facing the minority population today and a brilliant analysis of the challenges faced by policymakers in the area.

Dr. Walker's remarks were as follows:

MINORITY HEALTH ISSUES AND CONCERNS

(By Bailus Walker, Ph.D.)

In recent years, there is very little that has been left unsaid about minority health problems and needs. That is not the same as saying we know all the answers. What we do know is that a large and unacceptable gap still exists between what is and what could be with respect to morbidity and mortality among our minority citizens. The problem can be summarized in 10 simple phrases:

1. Too many deaths of normal birthweight babies.
2. Too many infants whose birthweights are low.
3. Too many infants who have developmental disability induced by parental drug dependency.
4. Too much chronic disease, cancer, cardiovascular disease, diabetes.
5. Too many pregnant women with too late or no prenatal care.
6. Too many male homicides.
7. Too many persons without health insurance.
8. Too many homeless people.
9. Too few minorities educated in the health and biomedical sciences.
10. And, finally, too much rhetoric or oratorical overkill, and not enough action to address the problem.

This longstanding gap indicates that our society has yet to deal effectively with what should be one of our greatest concerns: the lack of uniformity in the availability of current knowledge, skills and resources.

Even to the most casual observer, it is clear that health service skills, knowledge and resources are not: Uniformly accessible; uniformly acceptable; or uniformly affordable to all our citizens.

At the same time, we see much happening in the health field: Congress extended the ban on airline smoking; cholesterol levels are lower; high blood pressure is generally better controlled.

These trends should result in overall improved health.

Added to this list are significant developments in medical technology: Lasers are being applied in gynecology, neurosurgery, and oral surgery; most organs—liver, lungs, pancreas—can now be transplanted; and, more than a year ago, a surgical team separated Siamese twins joined at the back of the head.

These too have benefitted patients in various ways. But much remains to be done.

And as we add up the list of challenges, we soon become amazed by the number of items and their complexity. Some are primarily biomedical, others pedagogic; still others are social, economic and political. Virtually all are interrelated.

What strikes one most forcefully is the diversity of challenges we face as we attempt to close what appears to be an intractable gap—the gap between the current burden of health problems in minority communities and the lesser burden that is achievable with knowledge and skills already at hand.

And so it seems to me the most useful service I might provide would be to consider the challenges and opportunities to improve

the health status of racial minorities. To do so undefiled for this occasion by political, budget or status-seeking motivation. Our approach will be panoramic, blurring, an infinity of detail. It fixes on a single broad theme of challenges of service.

In regard to service, demographic change is clearly a major element in the challenge of diversity to health services and medical care. Several broad trends pose critical questions for all of us.

The first is the widely-discussed change in the dimensions of poverty in America over the past two decades. Advances in the civil rights movement—led by many in this audience—made it possible for many working-class and middle-class minorities to move away from the inner city. The decline in jobs for unskilled workers, deterioration of family stability and changes in mix of people and services in the urban centers have led to the creation of an underclass. It seems easy to dismiss this group as irresponsible or unreachable.

The group is small compared with how many poor there are in the United States but it has grown rapidly in recent years. Although the number of people in poverty grew 18 percent from 18 million in 1967 to 33 million in 1988, the number of poor living in concentrated poverty areas (census tracts with a poverty rate of 40 percent or more) has grown rapidly, by roughly 50 percent between 1970 and 1980—from 3.5 million persons to 5.6 million.

Over the same period, the underclass grew by roughly 234 percent—from 750,000 to 2.5 million.

This group is characterized by a growing separation from the rest of society—its norms—and especially its resources.

There is also the working poor. This group made up about one-third of all persons 16 and over who were in poverty. These are the more than 6 million persons whose family income was below the official poverty level even though they worked or looked for work.

This most complicated aspect of this demographic parameter is that the working poor as a group owe their poverty to two sets of circumstances:

(1) Low earnings resulting from a range of labor market problems including: Unemployment; inability to find work; and low wage rate.

(2) A family structure that is conducive to poverty such as the presence of dependent children and only one earner.

Because the poverty threshold is a function of family size, it is actually possible for a "poor" worker to have earned more than a worker who, because of different family circumstances, is classified as non-poor.

A significant element of this trend is the growth of the population's share of non-white citizens. Already, blacks and other non-whites are around 15-16 percent of the population. Over two dozen major American cities have so-called "minority majorities."

In less than a century, non-Caucasians will be more than one-fourth of all U.S. residents. Moreover, because of differential birth rates, a disproportionate fraction of the country's children, adolescents and young adults will be non-white.

Just think of the social and economic, and health care implications of an aged population heavily white combined with a youth population heavily minority.

These trends have serious ramifications for health and social policy, for health and medical practice.

For example, growth in the non-white share of the population is distressingly bound up with the persistence and even increases in certain familiar pathologies of disenfranchisement—substance abuse—teenage pregnancy—intractable poverty as well as more recent challenges to the health services system, such as devising and delivering high quality health care to those with little or no previous access to such care.

They also raise basic questions about what health services are most critical for minority families, how such services should be provided, by what practitioner, when, and in what setting, and at what cost to whom.

These demographic trends expand or lend added weight in the health care system to a group with new or greater needs or with needs that have so far been inadequately addressed.

Finally, these trends revoke certain classic debates over health sciences, research and education. These include: Reactive versus therapeutic emphasis; family practice-community practice versus specialization.

They also raise questions about the role of social and behavorial sciences in coping with epidemics such as AIDS and drug dependence and abuse—epidemics that are as much a social and behavorial phenomenon as they are biological ones.

These are classic debates because they have been endemic to the health care field for a long time and yet they are not resolved as we meet here today.

Indeed as we move into the 1990s, it is imperative that we expand and refocus our efforts and resources to address these so-called new "social diseases."

By social disease, we have in mind a mixed bag of pathologies—some physical, some psychological, some both.

They range from homelessness to child abuse and neglect. If the future of the minority community depends upon our little children, the outlook is grim.

Reports from New York City in mid-July and from California a month earlier give us a stunning picture of youngsters growing up in poverty, with inadequate health care, social services and schooling, and nervous systems heavily burdened with lead—that ubiquitous toxic metal.

To many health analysts, it is difficult to believe that during 1988 and 1989—with all of the advances in immunization technology—that measles has gained its strongest foothold among poor ethnic minorities attacking our youngest who are most vulnerable to high fever and bronchial infection associated with the disease.

Much of this has to do with the lack of access to preventive health services in general and preventive child health care in particular.

Another overt symptom of this lack of access to preventive health services shows up in the infant mortality rate, still among the highest of the industrialized world, and in the related concern for prenatal care.

Thirty percent of Hispanic women and 27 percent of black women who gave birth from 1984 through 1986 had inadequate prenatal care. We could save 10,000 to 40,000 babies who die each year just by applying what we already know about case management, outreach, home visits, and appropriate counseling.

Unquestionably, we could effectively address 89-90 percent of the risk factor for infant death by instituting comprehensive pre-conception health services.

And then there is the deeply troubling problem of homelessness—a problem so serious it must be discussed in its own right. Homelessness is a combination of health, medical, social and economic problems. It is also a political problem.

It is not merely that the problem of housing affordability and availability come together in the growing number of homeless people in urban centers or that there are higher proportions of relatively young non-white individuals.

Equally, if not more disturbing, is the failure of government to ensure through the workings of a price and profit system and through other appropriate channels the basic right of every family and individual to a decent home and a suitable living environment.

We must strike sharply at those who wasted billions of dollars meant for the poor—money that could have housed millions of needy families, stopping a deeper slide into poverty and increasing the burden of unnecessary illness on minority communities.

The social toll of this mismanagement is far deeper, more pervasive than the five-year waiting list for public housing—35,000 people vying for 18,000 units in Baltimore, and a greater ratio in Washington, D.C. and in some 37 other cities where people on the list outnumber units ten to one.

Unfortunately, those who would get rich or powerful by subverting housing and urban development programs intended to help the poor do not recognize that these numbers represent far more than statistics. They represent the destruction of minority youth and their families, they represent families not plugged into the health services system and they represent the boldest kind of human misery which increases the risk of disease, dysfunction and premature death.

But the public health and medical community must share some of the blame because housing policy and programs have had too little thoughtful and constructive consideration of a meaningful nature from within the framework of public health and medicine itself despite the clear evidence of high morbidity and mortality rates associated with bad housing and with homelessness.

This is not to suggest that the public health and medical community can solve the nation's housing problem. But we can provide the focus of human health and welfare so essential to attaining this vitally important goal.

Now I come to what might be called the institutional challenges. Very near the top of any agenda must be the problems confronting public hospitals—the providers of last resort. They have for years accepted those who have no health insurance and are not eligible for public assistance, or otherwise disenfranchised—the mentally ill, the homeless, the hard core drug abuser.

But public hospitals' role as a safety net is seriously threatened because they do not have the resources to do the job. Because of budget limitations, public hospitals cannot update their aged facilities or technology. Staff shortages have created long waits and patients are frequently turned away.

As the cost of health care continues to rise, approaching what some experts predict to be 15 percent of the GNP by the mid-1990s, concerns over controlling cost is being expressed in all quarters.

The federal government, as one of the primary third-party payors, has focused attention in the 1980s on containment of cost within hospitals. All evidence now points to the 1990s as the decade for targeting physician costs. The sum vector of these developments is the need for attention to several issues that are critical to closing the gap.

1. *Fragmented Services.*—The health care system continues to be fragmented by organization structure and reimbursement mechanisms. Continuum of care needs will require that more effort be made to reduce the complexity often associated with accessing a range of health care services.

2. *The Uninsured.*—Moreover, as the need for health services grows, the inadequacy of Medicaid and Medicare has come to be viewed as a deplorable process which needs to be changed.

As the U.S. economy continues to move from being manufacturing to service-oriented, there is no indication that the number of uninsured will decrease. Service industries typically hire parttime or low wage full-time employees without offering benefits such as health insurance; similarly, the growing number of small employers forego health insurance as a benefit because of their inability to negotiate a reasonable premium. If we continue to tie health care to the workplace, there is little doubt that the number of insured will surely grow.

3. *Human Resource Need.*—The need for nurses, physicians and other health professionals trained to provide community-based primary care that is culturally sensitive and responsive to the needs of all socio-economic groups. I need not recount here the continuing underrepresentation of racial minorities in the health care system. This underrepresentation must be addressed in a more aggressive and progressive way. Most academicians, and others, could recite by rote the reasons for this underrepresentation. They include a broad range of social, economic and political reasons far too numerous to list here. But all of these issues are matters for serious and ongoing discussion.

4. *Quality.*—Quality recently has re-emerged as one of the buzz words of health care. While quality assessment and quality assurance have been part of the health care literature for decades, the rising cost of care has caused those who pay for the care to look with greater scrutiny at what they are getting for their health care dollar.

Rarely has a single issue dominated health care as much as "quality/access" is doing now. In line with this thrust, the Bush Administration has included in its budget $52 million for new initiatives which would expand the scope and funding for outcome research. Although billed as treatment effectiveness studies, the proposal really aims at the heart of quality assessment in that it will promote the study of efficacy: Are the health outcomes directly related to treatment being provided? This will continue to be a fundamental question throughout this decade.

However, technological advances also contribute greatly to the growth in health care spending and can divert resources from basic public health programs and services. Remember the artificial heart project. During the 24-year life of this program, it drained $240 million out of the public health budget. The project was terminated.

Even if the devices had worked acceptably, they would have brought limited benefit to a few at vast cost. Research into lifestyle factors that contribute to heart disease would have been a far more beneficial investment. The artificial heart project started at the same time as the Apollo program to land a man on the moon. Unlike Apollo, it veered badly off course (as a New York Times editorial pointed out).

A strong message emerged from the artificial heart experiment. In health services, prevention is always better than heroic cure. But it is difficult to convince those who would rather develop lung transplants than invest resources in smoking cessation efforts.

In the public health community and elsewhere, there is increasing concern about the exploding cost of medical technology. Estimates are that advances in medical technology accounts for as much as 40 percent of the annual increase in hospital beds.

As we consider the introduction of new technology, the question must no longer be "Is it feasible?" but "Is it worth the cost and who will benefit—a broad segment of the population or only a small group?"

Investing $240 million (the initial investment in the artificial heart project) in an immunization program or in a WIC program will benefit the total community, not just a few persons.

The issue is not simply a quantitative one but concerns equity of access to resources as well. In general, priority should be given to technologies that benefit more rather than fewer persons.

Over and over again, we have shown that investments in public health technology benefit more rather than fewer. One need only cite: Investments in water treatment and waste water treatment projects; immunization programs; prenatal care services; and in nutrition service, to name only four examples.

We add ours to the call of many others for an equitable and affordable solution to the health care access and health care costs problems. Let's get on with a comprehensive national health program that removes financial barriers to health care and emphasizes prevention.

At the same time, we must breach institutional boundaries sufficiently so that a comprehensive approach to solving human problems becomes possible. The drop-out phenomenon, teenage pregnancy, urban gangs, substandard housing, poverty, drug dependence and abuse are related.

The schools are trying to deal with two or three of those problems, the police with several, and the public health agencies with some. Sometimes efforts overlap. Sometimes there is tension and occcasionally they cooperate, and more often than not, the individual is lost in the process.

Also, more often than not, one agency or institution doesn't know what resources and skills another system has to offer.

We must ensure that health agencies and organizations eliminate redundancies and deal with human problems in what could be called a holistic manner recognizing that there are no quick fixes, no magic silver bullets. Thus, we should not tolerate those who run hot and cold on minority health issues that need long-term policies, programs and services.

Nor should we tolerate those who seek promotion, prestige and more publication for their curriculum vitae by continually analyzing minority communities and their problems, especially when the analysts do not inspire anyone to produce better schools, more and better housing, increases in drug treatment and prevention services, and access to health care, but provoke ill-informed people to unleash a barrage of slander and venom at racial minorities. This shortsightedness does a grave disservice to society as a whole and it ignores America's social challenge.

In conclusion, these then are selected examples of the challenges we face in minority health problems as we near the end of this decade.

When challenge is diverse enough, diversity itself becomes a challenge. And that we believe describes aptly enough the situation today for policymakers, community leaders, academicians, health service providers, and many others.

It is a challenge posed to each of us. And it is a challenge posed to us all who subscribe to the view that a good nation is a caring one.

SALUTE TO DON BOSCO TECHNICAL HIGH SCHOOL OF PATERSON, NJ, ON ITS 40TH ANNIVERSARY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. ROE. Mr. Speaker, it is with the greatest pride and admiration that I rise today to salute a truly outstanding educational institution in my Eighth Congressional District of New Jersey that has helped mold the lives of young people in the greater northern New Jersey area for nearly a half century.

I am speaking of Don Bosco Technical High School of Paterson, NJ, which is currently observing the 40th anniversary of its founding. To celebrate this historic event, Don Bosco Tech will hold a dinner dance at the school on Saturday, December 2, 1989. I know this event will bring great pride to Rev. James Marra, the administrator of Don Bosco Tech and the dinner-dance moderator, and to everyone connected with this great institution.

Mr. Speaker, as a means of providing you and our colleagues with the details of this fine school's rich background, I would like to insert in the RECORD the official history of Don Bosco Technical High School:

When, forty years ago in September 1949, the doors of Don Bosco Tech were opened, a new Salesian presence was inaugurated in Paterson. Prior to this event the Salesians began a chaplaincy for thirty Italian families in the Sandy Hill section of Paterson in 1909. This activity developed into the parish of St. Anthony.

Forty years later, 1949, a new presence was established with the opening of a modern technical high school located on Union and Sherwood Avenues, in the Hillcrest section of Paterson. The first commencement took place in June 1953. Since then Don Bosco Tech graduates have found their place in the professions, in industry, medicine, teaching, and in a variety of careers. A number entered the priesthood and religious life. Success followed the alumni due to the quality education received.

The original building of today's complex housed the Harris Brothers' Silk Company, built in 1915. The empty building was purchased on July 31, 1948, by the Provincial, Very Rev. Ernest Giovannini, SDB. For many years he had dreamed of a technical school. The personnel were ready and some funds were available. The opportunity came with the purchase of land on Union Avenue.

Don Bosco Technical School is named after St. John Bosco, the founder of the Salesian Society. It traces its origin to the first technical school founded by him. A century of pioneering and experimentation forms the background of this technical high

school, as well as those in Boston and Los Angeles.

Within a few years after the opening of the school, it became necessary to expand and build new facilities. In 1952, a cafeteria was built to be followed by the construction of a well equipped gymnasium in 1953. To meet ever-expanding enrollment and the increasing demand for training in technological skills, in 1956 a new tech building was built and was named Savio Hall, after the boy Saint who grew up in Don Bosco's first school in Turin.

A few days after the purchase of the abandoned mill in 1948, a group of Salesian Brothers and students joined a contractor and his laborers in the task of creating classrooms and offices out of an old empty factory. As the interior of the building took shape, equipment for the technologies was gradually transferred from the Salesian Seminary in Newton, NJ; it was here that shops had been opened on a temporary basis when a group of Coadjutor brothers came from Europe a few years before. In the spring of 1949 an Advisory Board was set up to help in organizing the curriculum and to begin a publicity campaign to make the school known. Various organizations were formed to help in raising funds needed for completion of the renovations and for the purchase of new equipment. On Saturday, May 29, 1949, the dedication ceremonies took place, with the Bishop of Paterson, the Most Reverend Thomas A. Boland, D.D., presiding.

The educational program at Don Bosco is designed to enable the students to become "good Christians and useful citizens", following the method of education envisioned by St. John Bosco, the school's patron. A dedicated staff of religious and lay persons generously give of their time and energy to the balanced program: physical, religious, academic and technological.

A well designed program of religious education provides for those spiritual and sacramental experiences that will help the graduates of Don Bosco Tech to develop the moral character which will be necessary to cope with life and to bring a moral fiber with them into society.

The school academic department is effective in offering the pupils a solid grounding in basic scholastic skills and in preparing them for admissions to the colleges and universities of their choice. The educational facilities and service are a priority.

Don Bosco Tech offers an excellent technological experience which provides its graduates with a unique educational background that prepares students to enter industry upon graduation or to pursue further technological education in college. In this area the following are offered: Electronics, Architectural and Mechanical Drawing, Graphic Arts, Computer Programming, Automotive Repair, Drafting and Fine Woodworking. This entire component of the curriculum provides the graduate with an appreciation for and experience of skilled craftsmanship so much in demand in industry today.

In May 1984, Don Bosco Tech received accreditation by the Middle States Association of Colleges and Schools. The following comments of the Accreditation Team identify the esprit de corps that exists in the school: "All members of the student body and the staff were friendly and completely cooperative. A climate has been established which reflects a family atmosphere * * * You are fortunate to have a fine student body which loves its school and is well behaved. The veteran staff is capable and experienced."

The faculty considers this celebration of the fortieth anniversary of the school's foundation a milestone indicating, not the end of the journey, but rather an experience that will help D.B.T. charter its course into the third millennium. The loyalty and encouragement of so many alumni and friends spur the Salesians to guide youth toward a better future, following the beacon light still shining from St. John Bosco, Father and Teacher of Youth.

Mr. Speaker, I appreciate the opportunity to present a brief history of Don Bosco Technical High School of Paterson, NJ, a truly outstanding institution which, for 40 years, has continually aspired to the highest standards of educational excellence and which has most certainly made its community, its State, and our Nation a far better place to live.

INTRODUCTION OF FEDERAL EMPLOYEES RECOGNITION WEEK

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Ms. OAKAR. Mr. Speaker, today I am introducing legislation which would declare the week beginning March 5, 1990, "Federal Employees Recognition Week." It is important that we set aside a week to recognize the work of over 3 million Federal employees across our country. This recognition is certainly appropriate and well deserved.

Mr. Speaker, during the last several years, Federal employees have faced repeated attempts to cut their pay, while staffing cutbacks have increased their workload. While I and my colleagues have fought to ensure decent treatment for Federal workers, we have not always been successful. Three years ago Federal employees had their pay frozen and Federal retirees received no cost-of-living adjustments in their pension checks. On average, the salaries of Federal employees have fallen behind the private sector by 27 percent. Despite all this, Federal workers have continued to perform duties vital to our Nation's well-being.

I believe it would be extremely valuable for the public and Congress to be reminded of how much we ask of our public servants. Declaring March 5–11 as "Federal Employees Recognition Week" will focus our attention, however briefly, on the efforts and achievements of the U.S. Government work force.

H.J. RES. —

Whereas Federal employees serve the people of the United States by enabling the Federal Government to carry out its duties in an efficient manner;

Whereas more than 3,000,000 individuals are employed by the Federal Government;

Whereas many valuable services performed by Federal employees are often inadequately recognized by Federal officials and by the people of the United States; and

Whereas Federal employees should be recognized for the contributions that they make to the efficient operation of the Federal Government: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning March 5, 1990, is designated "Federal Employees Recognition Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

TRIBUTE TO THE SACRAMENTO SSI OUTREACH PROJECT

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to the Sacramento SSI Outreach Project and its outstanding volunteers. The Social Security Administration and the Legal Center for the Elderly and Disabled have cosponsored this outreach project in order to locate and assist the elderly and disabled citizens in the Sacramento area who are eligible for supplemental security income benefits. It is with great pride that I share with my colleagues the outstanding accomplishments of this successful project.

In an effort to assist the 50 percent of eligible individuals who are not enrolled in the SSI program, the American Association of Retired Persons named Sacramento as 1 of only 10 cities nationwide to conduct an SSI Outreach Project. In addition, the Social Security Administration and the Legal Center for the Elderly and Disabled in Sacramento were chosen above many applicants as cosponsors of this SSI Outreach Project. During the 4-month period, from May 1, 1989, to August 31, 1989, in which this project was in effect, these organizations have made tremendous accomplishments in their efforts to reach the citizens of the Sacramento area.

With a 130-percent increase in SSI aged applications, this has been the most successful outreach effort in the Nation. Through their diligent work and dedicated efforts, the talented participants of this project have assisted those who are unaware of their eligibility for supplemental security income benefits. Today's Public Service Award winners have succeeded in reaching over 750 potentially eligible individuals who are now being assisted in filing the proper applications for benefits.

Mr. Speaker, the Social Security Administration and the Legal Center for the Elderly and Disabled are being recognized for their outstanding accomplishments on behalf of the Sacramento community and I ask that my colleagues join me in saluting these valuable organizations. I also take great pride in commending the participants and volunteers of the project for their leadership, professionalism, and dedication to providing the citizens of my home district with the highest level of public service possible. I offer my sincere thanks to these outstanding organizations and extend best wishes for continued success in all of their future endeavors.

HOUSING FOR THE HOMELESS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. STARK. Mr. Speaker, Mitch Snyder, founder of and driving force behind the Community for Creative Non-Violence, has written a persuasive argument on behalf of greater Federal resources for affordable housing programs. He makes a most convincing case that we, as a nation, ought to work to guarantee every American a safe, decent, and affordable home.

I recommend Mitch Snyder's article as required reading for my colleagues:

THE PRICE: OUR HUMANITY

(By Mitch Snyder)

Since 1981 federal housing programs have been cut nearly 80 percent from more than $32 billion a year to less than $8 billion a year. As a result, millions of men, women and children are homeless. Tens of millions of others live in overpriced, overcrowded, or substandard housing.

Those cuts have caused a current shortfall of nearly 4 million units of low-cost housing, which, experts tell us, will nearly double in the next 15 years, swelling the ranks of America's homeless to nearly 19 million.

Congress acknowledges the gravity of the situation, but points to the deficit as an explanation for its inaction. Yet, the deficit isn't going to stop the $150 or $200 billion bailout of the savings and loan industry. And if Congress can find that much money to bail out the S&Ss, why can't it restore the $25 billion a year cut from the housing budget?

The answer is not hard to see: The financial industry has great influence and brings great pressure to bear. And Congress responds.

Congress will restore the federal housing budget only when forced to do so, and the source of that pressure will have to be we, the people.

Occasionally, a member of Congress will ask why the government should subsidize housing for low- or moderate-income people. Why shouldn't "they" have to work and pay for their own housing, like everyone else?

To begin with, most people who are in need of housing assistance and legally entitled to it do in fact work.

Last year, when I was speaking to a fairly affluent group, I asked members of the audience who lived in federally subsidized housing to raise their hands. No one did. Then I asked homeowners to identify themselves. Most of those present raised their hands. We're not inclined to think of the $46 billion the U.S. Treaury loses each year because of homeowner deductions as a subsidy. But that's what it is, and it predominately benefits people who earn more than $50,000 a year.

Those in our society whose housing depends on a subsidy get less than $8 billion a year. Four out of five Americans eligible for federal housing assistance don't get it, while those for whom federal subsidies often represent additional disposable income receive more than $46 billion a year.

If we spent as much on housing for low- and moderate-income people as we spend on upper-income people, we could guarantee every American a safe, decent, and affordable home.

In 1949 Congress committed the federal government to guaranteeing decent and affordable housing for every American. Congress did so because it realized that the private sector could not produce housing sufficient to meet our nation's needs.

If the federal government doesn't build or finance the building of affordable housing for low- and moderate-income people, it just doesn't get built. The federal government's abdication of its responsibility in 1981 has had predictable and disastrous consequences.

Some say that we cannot afford to guarantee a decent home to all our citizens. I believe that we cannot afford not to.

We cannot, with impunity, allow millions of Americans to eat out of trash bins, and live and die on the street. We cannot permit tens of millions of Americans to languish in uninhabitable housing.

And more than half of those living below the poverty line pay more than 70 percent of their income for rent. Many of them will eventually join the ranks of the homeless.

Soon, growing numbers of moderate- and even middle-income Americans will find themselves in the same situation unless Congress restores the $25 billion a year cut from the federal budget.

Regardless of how terrible it is to be homeless, the heaviest price will be paid by those who ignore the homeless. The price of our insulation and our indifference is our humanity. In this century we have seen what happens to a society when it submerges its humanity. It is far too high a price to pay.

We must have affordable housing, and we must have it now. We can make that demand in the name of common decency. We can do it in the name of justice, or we can act in the name of a just and loving God. But regardless of how we do it, we must do it, and we must do it now.

THE REMARKABLE BYRNE BROTHERS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. LEVINE of California. Mr. Speaker, I rise to call to the attention of my colleagues an excellent article in Sunday's Los Angeles Times magazine entitled "Family Law" about the remarkable Byrne family.

These distinguished gentlemen and their predecessors have made, and continue to make, a remarkable impact on California as distinguished public servants.

I am privileged to call both Matt Byrne and Skip Byrne my friends. I only regret that the CONGRESSIONAL RECORD cannot include in its pages the superb picture, especially of Matt, that accompanied this article.

The article follows:

[From the Los Angeles Times magazine, Nov. 12, 1989]

FAMILY LAW

(By Adam Dawson)

More than 100 years ago, Irish nationalist Peter Christopher Byrne left his homeland for North America. According to disputed family legend, he settled first in Canada, then moved to Alton, Ill.—one step ahead of authorities who wanted to question him about a cache of weapons in his basement, weapons they believed were bound for Ireland. If the story is true, it may have been the last time a Byrne was on the wrong side of the law. What's undisputed is Peter Christopher's quiet legacy: His grandchildren left the family's traditional railroad jobs and became judges, lawyers, court clerks, bailiffs and probation officers, forming California's first family of law.

One of Peter Christopher's grandsons, William M. (Bill) Byrne, became a California legislator, a Municipal Court judge and a Superior Court judge and, for 24 years, served as a U.S. District Court judge in Los Angeles. His stint on the federal bench earned him the family nickname "Federal Bill," because even members of the Byrne clan need a little help telling their judges apart.

Federal Bill's son, Matt Byrne, joined his father on the federal bench in 1971 and is perhaps best known for revealing government misconduct and dismissing all the charges in the Pentagon Papers case in 1973.

One of Federal Bill's nephews, William E. Byrne, retired from the El Dorado County Superior Court three years ago. Dubbed "Placerville Bill," he now is in private practice in Sacramento.

One of Federal Bill's brothers, James T. Byrne, the only Republican in the bunch, served as a Los Angeles Municipal Court commissioner from 1962 until 1974. His son, J. Michael Byrne, left the Los Angeles district attorney's office when he became a municipal judge in 1982. Last year, he won election to the Los Angeles Superior Court, where he is one of 238 judges supervised by—you guessed it—his second cousin, presiding judge Richard (Skip) Byrne.

In all, six Byrnes have been federal or state judges or commissioners, and three sit on the bench in Los Angeles. "They are throwbacks," Alan Rothenberg, president of the State Bar of California, says of the Byrnes. "They believe in old-fashioned public service."

Or as U.S. District Judge Dickran Tevrizian puts it: "It must be in the genes. Some people are born great artists, others great musicians. This must be something passed down through the generations."

Federal Bill was one of eight children of John Byrne, a railroad fireman who settled in Oakland in the late 1800s. Shortly after the turn of the century, a wildcat strike against the railroad cost John his job, but it left him with plenty of time to hang out in Oakland, where, as another family legend has it, he became a drinking partner of author Jack London. John's unemployment and the hard times left their mark on the next generation of Byrnes.

"With my father [James] and his generation, there was a lot of fear of seeing the poverty he grew up in and not wanting to go back to that," says J. Michael Byrne, 46. Thus the lure of public service: It was steady, dependable work for relatively decent pay, open to those with little formal education.

A dropout before reaching high school, Federal Bill became a promising lightweight boxer, then worked as a pool-hall owner, a railroad fireman, a union leader and a state legislator before turning to law. "For him and others like him, there really weren't any great opportunities for advancement other than by going into public service," explains his son, Matt, 59. "Public service did afford an opportunity to play a more significant role in society."

While serving in the California Assembly, Federal Bill attended night courses at Loyola Law School, graduating in 1929. He spent 12 years in private practice, then served on the Municipal and Superior courts before President Harry S. Truman tapped him for the federal bench in 1950.

"He had a reputation for being a rather stern man on the bench," says U.S. District Judge Harry L. Hupp, who tried his first federal case before Federal Bill. "Both the prosecutor and I were rookies," Hupp recalls. But instead of getting the lectures and sarcasm they expected, they found the judge a willing teacher. "He took a fatherly interest in us neophytes—calling us up to the bench to let us know if we were doing the right thing and what we were doing wrong."

Federal Bill did much the same for members of his extended family. "He was a strong figure," says J. Michael, describing his uncle as the family mentor. "At family gatherings, he would discuss with you your career, political affiliations and life as much as your own father."

But sometimes his concern could be overbearing. For instance, when J. Michael and a friend announced in 1965 their plan to spend the summer registering black voters in Alabama, his own father reluctantly agreed. But the friend's father took his objections to a higher court—Federal Bill. A fierce argument ensued as the judge forbade his nephew to go. "He was afraid I would be arrested, and it [the criminal record] would follow me around for the rest of my life," J. Michael explains. "We went anyway."

By the time Matt Byrne joined his father on the federal bench in 1971, his father had been a federal judge for 21 years. A former U.S. attorney and successful trial lawyer who had served as executive director of the President's Commission on Campus Unrest, Matt became the youngest federal judge in the country at age 40.

Now he is considered one of the smartest—and perhaps most frustrated—judges in Los Angeles federal court. With his reading glasses perched low on his nose, Matt often shrugs broadly and tells attorneys: "Well, if that's the way you want to try your case"—leaving them wondering what they are doing wrong. He also chastises prosecutors by saying: "That's not the way we did things when I was U.S. attorney."

"The camaraderie of the trial of a lawsuit is a great intellectual exercise for both the lawyers and the judge, but it may be more fun for the lawyers," says Matt, a bachelor who is a big Dodgers fan and friend of team owner Peter O'Malley and manager Tommy Lasorda. Despite Matt's occasional look of indifference, which he says is necessary to avoid showing his feelings, he acknowledges that he enjoys the give-and-take with attorneys. Those exchanges, frequently laced with humor and sarcasm, can provide an educational but painful lesson for some attorneys.

"He's the sharpest judge in federal court, but he may be the most bored,'" says one former federal prosecutor. "He'd like to be in a courtroom where Clarence Darrow and F. Lee Bailey are slugging it out. Instead, it's just us."

As a result, some lawyers say, Matt is all too ready to jump in and question witnesses. "That's the hardest thing for a judge not to do, especially someone who was a trial lawyer,';' Tevrizian says. "It's like taking a kid to a candy store and saying, 'You can't have any.'" Others, such as Assistant U.S. Attorney George Wu, say Matt questions witnesses only when a lawyer has failed to elicit key information that the judge wants. "What's wrong with that?" Wu asks.

Although he has handled hundreds of trials, Matt is perhaps best remembered for the Pentagon Papers case. During the Vietnam War, two RAND Corp. researchers, Daniel Ellsberg and Anthony J. Russo, were charged with stealing and distributing copies of a classified study of U.S. involvement in Southeast Asia—the so-called Pentagon Papers. Matt dismissed the charges in the midst of the highly publicized trial after learning of secret government wiretaps and a White House-directed and CIA-aided break-in at the office of Ellsberg's psychiatrist in Beverly Hills.

"The bizarre events had incurably infected the prosecution of the case," he said in dismissing the charges. The government's actions, he continued, "offend a sense of justice."

Five weeks before dismissing the case, Matt revealed, he had met twice with President Richard M. Nixon's domestic adviser, John D. Ehrlichman. The first meeting, at Nixon's San Clemente retreat, was to ask about Matt's interest in running the FBI. Two days later, the pair met in Santa Monica. The judge again told Ehrlichman that he could not consider the FBI post until the Pentagon Papers case was over. At the time, some people wondered if the Nixon Administration was seeking to influence the criminal case by making the job offer. If so, the ploy backfired. Matt not only revealed the meetings but also disclosed the secret wiretaps and the Ellsberg break-in, all in spite of the prosecution's objections.

"He's not afraid to come down as hard on the government as he is on the defense," says Los Angeles defense attorney Anthony P. Brooklier. "He lets the chips fall where they may."

Without the unifying influence of Federal Bill, who died at age 77 in 1974, the Byrne clan gatherings are now largely limited to weddings and funerals. Each of Peter Christopher Byrne's grandsons and great-grandsons is now the center of his own family.

J. Michael Byrne, for instance, left Los Angeles to work in the Sacramento district attorney's office. "I thought it would be fun to practice in an area where people didn't know how to spell my last name," he says. But the family tug eventually drew him back to Los Angeles. He is married to Guillermina Gutierrez Byrne, a research attorney with the California Court of Appeal. Among her brothers are Gabriel Gutierrez, a Los Angeles Superior Court judge, and Ventura Municipal Judge Art Gutierrez.

J. Michael was appointed to the Rio Hondo Municipal Court in 1982 after nine years as a deputy district attorney. Last year, he ran for and won a seat on the Los Angeles Superior Court. He credits Federal Bill with setting the example for the rest of the clan. "The respect Bill had from the rest of us—that's, I think, what made a lot of us lean toward the law," he says.

William E. Byrne, J. Michael's 60-year-old first cousin, also found Federal Bill a willing adviser. Originally dubbed "Berkeley Bill" because of his parents' hometown, William frequently turned to his uncle for guidance. After graduating from law school, Berkeley Bill came south to discuss with Federal Bill where he should set up practice.

"He told me that if he had to do it over again, he'd do it in a place where he longed to live," Berkeley Bill recalls. So Berkeley Bill, an avid trout fisherman who liked gold rush country, established his practice in El Dorado. To the younger Byrnes, the move made him known as "Placeville Bill."

In 1964, a seat on the El Dorado County Superior Court opened up, and Berkeley Bill again turned to Federal Bill. "He said, 'Go ahead an apply for it.' It would have been nice to wait five or six years, but maybe then the opportunity wouldn't be there." At 35, Berkeley Bill was the youngest person in the state to have been appointed to Superior Court.

During the 1970s, he presided over a liability suit involving the 1964 Hell Hole Dam failure on the Middle Fork of the American River. American River Constructors closed the unfinished dam one winter, causing the structure to give way after heavy rains. Flooding were so severe that, 18 miles downriver, trout was washed 16 feet up into the trees. American River Constructors was found negligent in what Berkeley Bill refers to as his "most challenging case," one in which engineering experts from all over the world testified.

Two years ago, he resigned to join a Sacramento law firm. He now spends most of his time as a private judge—sometimes known as a "rent-a-judge." He and other former judges have discovered that parties involved in lawsuits are often willing to pay for a private judge rather than wait years for a sitting judge to hear their cases. Berkeley Bill resigned from the bench because, he says, "I just decided it was long enough. I wanted a change."

His second cousin, Skip Byrne, 56 envisions a similar change in three years, when he will have been on the Los Angeles Superior Court two decades, "I don't want to be tied down to being a judge for the rest of my life." he says.

Skip's most notable case probably was the one in which he presided over the complex division of J. Paul Getty's $4-billion trust in 1985. He was praised by attorneys for the way he handled the fractious, 19-month case, but he is quick to return the compliment. "I felt that the lawyers could, and did, bring about some reconciliation of adverse family interests."

He was named presiding judge of the Superior Court last year and so far has received favorable reviews in what many observers call a thankless task. "He's a good administrator who get things done without sitting on your head." says Superior Court Judge Alexander H. Williams III. Despite opposition from the ranks, Skip implemented the so-called fast-track system in civil court. Mandated by state law, it is an experiment in eight counties requiring judges to aggressively manage their own court calendars.

Since he became presiding judge, a position whose only real power is that of assigning his fellow judges to different courts, Skip also has instituted case-management seminars for the judges and has helped increase the use of computers to track cases through the legal system. It is a system in jeopardy, he believes—largely because of a funding shortage. "The underfunding of the judiciary deprives judges of the time necessary to pay attention to matters brought before them," he says.

With Berkeley Bill retiring and Skip thinking about doing the same, it might seem as though the Byrne dynasty is drawing to an end—especially at a time when, Skip says, a crass new attitude prevails among many lawyers. "Traditionally, people went into law to help their fellow man," he says. "Now the law is much more of a busi-

ness. . . . A lot of young lawyers just go into the law for the money."

But Skip and his wife, Marguerite, have six children, ranging in age from 18 to 30, and three of them have already graduated from law school with different intentions.

Mark, a 30-year-old assistant U.S. attorney, says he is carrying on a "sense of wanting to do something for the community in general." Elizabeth, 27, was a lawyer with a downtown Los Angeles firm like her brother Matt, 26, before joining a New York-based auction house. She adds: "It is part of your greater obligation to give back to the community. In our family, you serve society through the law."

So the family tradition continues. "Have you seen Skip's children?" asks Hupp. "The next generation is safe. There will be some Byrne judges there."

A TRIBUTE TO SAN BERNARDINO COUNTY SUPERVISOR ROBERT L. HAMMOCK

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention a most outstanding man who has committed his life to the highest level of professional and community service, San Bernardino County Supervisor, Robert L. Hammock. On November 28, 1989, Bob Hammock will be honored at an anniversary celebration for his 20 years of dedicated public service.

Supervisor Hammock was born on November 20, 1940, the son of Lynn Benoit Hammock and Mary Etta Hammock, who came to California from Texas. Bob graduated from San Bernardino High School before pursuing his education at San Bernardino Valley College and California Polytechnic University, where he majored in aeronautical engineering. Bob worked for Pioneer Title Insurance Co. from 1962 to 1969, and Ludwig Engineering Co. from 1969 to 1976. Prior to being elected to the county board of supervisors in 1976, Bob served on the San Bernardino City Council representing the city's Fourth Ward. He served as chairman of the county board of supervisors in 1983 and 1984, and again in 1986.

As a member of the county board of supervisors, Bob has served and continues to serve in a variety of capacities. They include: the Agua Mansa Industrial Growth Association Executive Committee; Authority for a Greater San Bernardino; County Supervisors Association of California Board of Directors; East Valley Planning Agency Airport Land Use Commission Governing Board; East Valley Transit Service Authority Governing Board; president of the Inland Empire Mexico Reconstruction Fund, Inc., Board of Directors; Local Agency Formation Commission; as vice chairman of the National Association of Counties Community Development Steering Committee's Housing Subcommittee; as member and past president of the Omnitrans Board of Directors; member and past president of the San Bernardino Associated Governments/ County Transportation Commission Board of Directors; member of the Southern California Association of Governments Executive Committee; as a board member of the South Coast Air Quality Management District and as a member of the Southern California Regional Association of County Supervisors.

In addition, Bob serves on the San Bernardino County Disaster Council and as a member of the San Bernardino County Air Pollution Control District Board, the San Bernardino County Flood Control District Board, a member of the Governing Board of the San Bernardino Building Authority, and as a member of the governing authority of all board-governed special districts.

Bob has also contributed his time and talents to the boards of the Arrowhead United Way, California Jaycees, Uptown YMCA, Boys Club, Zoological Society, Boy Scouts, First Fund of Children's Resources, YWCA, Campaign for Kids and the March of Dimes, and numerous other civic and community projects.

Mr. Speaker, I am proud to recognize the many fine contributions of my friend, Supervisor Bob Hammock on his 20 years of public service. I join all my friends in San Bernardino County in wishing him good health and God's speed in the years ahead.

A TRIBUTE TO JOHN KRUPA

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. VISCLOSKY. Mr. Speaker, I would like to take this opportunity to share with you and my colleagues in the House of Representatives some thoughts about a truly fine man I had the pleasure to know and who regretfully passed away recently, Mr. John Krupa of East Chicago, IN.

John was a passionate man—passionate about his family, passionate about public life and passionate about commitment to community service. I had the pleasure of knowing John on a personal basis and working with him in a professional capacity. We had our political disagreements, but they were based in sincere differences of opinion. John understood that people had differing points of view and tried to work with you to accomplish a common goal.

John was a foundation and fixture in the community for over 25 years. His affiliation and political offices held were numerous and impressive. They included being one of the founders and active member of the American Legion Allied Post 369, former chairman of the Lake County Democratic Party, superintendent of the East Chicago Water Department, service on the city's sanitary district board and library board, and two terms as Lake County Clerk. John was also active in Twin City Community Services, East Chicago Exchange Club, and the Holy Name Society of St. Stanislaus Church. It was John who focused my attention on the problems and the potential of the East Chicago Salvation Army, another organization with which he was associated.

John had a love, pride, and faith in his community and country. He dedicated his life to improving East Chicago, the city in which he was born and lived his entire life. He did this not for riches nor fame, but because it was right. He will be missed, but never forgotten.

FREEDOM—MANS MOST PRECIOUS POSSESSION

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. BURTON of Indiana. Mr. Speaker, many of our colleagues have been very concerned and distressed in recent days over the plight of the last three "Plantados" in Cuba. There are of course hundreds of political prisoners under Castro's dictatorship, but these three have been incarcerated for over 20 years, in violation of Cuba's own penal code. They have bravely resisted all "political rehabilitation" throughout that time. Alfredo Mustelier Nuevo, one of the Plantados, is now on a hunger and thirst strike. His condition is serious. If he dies, Mario Chanes and Ernesto Diaz, will commence their own hunger strikes.

Along with my colleagues from Florida, Mrs. ROS-LEHTINEN, and Mr. SMITH, I and others in Congress have sent telegrams to Castro in an effort to secure the release of these brave men. Peter Jennings did a radio segment about these Plantados on ABC radio news. The continued imprisonment of these men is a serious affront to human dignity, and a sad testimony to the brutality of totalitarian communism.

I commend to my colleagues' attention this excellent editorial broadcast all over the world recently on the Voice of America.

Time is running out for Alfredo Mustelier Nuevo. On October 27th, Mustelier began a hunger strike which he said he would continue until he is either released from a Cuban prison or dies. Mustelier is one of the Plantados—long-term political prisoners who have refused to accept "reeducation," or ideological indoctrination by the Cuban government. Mustelier was imprisoned in 1969 for opposing the Communist dictatorship of Fidel Castro. Mustelier began his hunger strike to protest his imprisonment beyond twenty years, which is a violation of the Cuban penal code. Two other long-term political prisoners—Ernesto Diaz Rodericguez, a prisoner for twenty-one years, and Mario Chanes de Armas, a prisoner for twenty-eight years—have vowed to join the hunger strike when Mustelier is released or dies.

These three men represent only a small percentage of the political prisoners who remain locked away in Castro's prisons. Estimates of the number of political prisoners range from several hundred into the thousands, according to Amnesty International and the Cuban Human Rights Committee. The human-rights group Americas Watch says it believes Cuba has held more political prisoners per capita for longer periods than any other country. According to former political prisoner Eleno Oviedo, who was released in January after serving twenty-six years, prison conditions are barbarous. One prison with three-hundred inmates had only two bathrooms. Food was scarce and brutality common. Mr. Oviedo said, "I was beaten for amusement of the prison guards. If you

didn't eat fast enough or if you didn't bathe fast enough, you would be beaten."

Because of international pressure, about two-hundred fifty Cuban political prisoners have been released and allowed to emigrate in the past year. In 1988, the Cuban government permitted a team from the United Nations Human Rights Commission to meet with some of the Cubans who wanted to bring cases of human-rights violations to the commission's attention. The Cuban government tried as much as possible to discourage contact with the six-member UN delegation. Following the visit, about thirty human-rights activists in Cuba suffered harsh punishments, including beatings, detentions and imprisonment.

The fate of many Cuban political prisoners, and of human rights in general, depends on continued international pressure. As long as there is repression in Cuba, there will be a voice that cries out for freedom. It is a cry that can never be stilled, a cry that the rest of the world must heed. As Alfredo Mustelier, the prisoner now on a hunger strike, said, "I am well aware that I am risking my life for my freedom, but freedom, like life itself, is man's most precious possession. All I have left is freedom or death."

That was an editorial reflecting the views of the U.S. Government.

HONORING RABBI MACHANE CHODOSH

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. ACKERMAN. Mr. Speaker, I rise today to pay special tribute to one of the most important and thriving religious centers in the Forest Hills area, the Congregation Machane Chodosh. On November 19 the congregration will celebrate its 50th anniversary with a banquet at Terrace on the Park in Flushing Meadows.

In its half century existence the synagogue has influenced every facet of the lives of local Jews. Last year leaders of the congregation met with local police to discuss methods in improving community safety. It has also embarked on an outreach program to bring the unaffiliated into the congregation. As part of their effort to encourage new participation in their synagogue, the congregation has constructed an elevator for the elderly and handicapped.

The congregation constantly tries to remind the members of its community of its ancient tradition. Educational programs serve this purpose, especially courses in Jewish law and customs, and modern Hebrew. As a religious center founded by survivors of the Holocaust and refugees from Nazi Germany, the congregation feels a special affinity with survivors and victims of those horrendous events. Last year the congregation along with other synagogues in the area held a community wide observance of the 50th anniversary of Kristallnacht, which was attended by over 1,000 people.

The congregation's contributions have not been limited to the local sphere however. The synagogue has also been extremely active in assisting Jews worldwide. As a strong supporter of Israel, the temple has in recent years donated an ambulance and planted over 20,000 trees in Israel.

In a religious center that has been as successful and has grown as much as Rabbi Machane Chodosh, it is almost inevitable that a major reason for its success is due to the contribution of its leaders. A number of individuals have played important roles in developing Rabbi Machane Chodosh into the thriving community of 500 people it is today.One such individual is Sol Wachenheimer, president for many years and one who presided over the synagogue when it was undergoing construction. Some others who have made significant contributions to the synagogue over the years are: Mr. Herbert Jaffe, present president of the synagogue, Erick Liebenstein, present copresident, Mr. Samuel Bloom, chairman of the golden jubilee and Rabbi Manfred Gans, who has been spiritual leader of the congregation for the past 39 years.

Mr. Speaker, in a time when religion and morals seem to be increasingly ignored, it is a pleasure to witness a religious center enjoy as much success as Rabbi Machane Chodosh has enjoyed in the last 50 years. Mr. Speaker, I ask my colleagues to join me in congratulating Rabbi Machane Chodosh on its golden jubilee and to wish it as much success its second half century as it enjoyed in its first.

CELEBRATING LIRS' 50TH ANNIVERSARY

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. PETRI. Mr. Speaker, today marks the 50th anniversary of Lutheran Immigration and Refugee Service [LIRS], the national agency of Lutheran churches in the United States for ministry with uprooted people. I wish to congratulate this exemplary organization on this important occasion.

Officially, LIRS is an inter-Lutheran cooperative agency that represents 95 percent of all Lutherans in the United States. The church bodies it serves are the Evangelical Lutheran Church in America [ELCA] and Latvian Evangelical Lutheran Church [LELBA], both based in Chicago, and the Lutheran Church-Missouri Synod [LCMS], based in St. Louis.

Since 1939, LIRS has resettled more than 155,000 refugees through partnership with Lutheran social ministry organizations, congregations and community people. More than 6,000 congregational sponsors were mobilized for this work, to foster the well-being and sufficiency of refugees and their integration into American life.

The total number resettled includes more than 3,000 unaccompanied refugee children placed in foster care since 1978. LIRS is one of just two national voluntary agencies that resettles unaccompanied minors.

LIRS is structured as a three-tiered partnership of national administration, professional regional support, and private sector sponsorships. Through this unique agency and church partnership, newcomers have access to a wide range of community resources in addition to basic material and emotional support. The most recent newcomers include Europeans, Armenians, Evangelical Christians from the Soviet Union, and Amerasian young people. And LIRS continues to resettle refugees from Southeast Asia, Africa, and the Near East.

With the help of the ELCA and Lutheran World Federation World Service, LIRS ministers with undocumented people in the United States by supporting 42 social service, advocacy and legal service community-based projects that address their needs. Matching private funds offered by the Ford Foundation are distributed in like manner—$500,000 over the next 3 years. The LC–MS coordinates with LIRS with respect to the grants it makes through its own World Relief program of the Board for Social Ministry Services to these and other such projects, as well.

Recently in Guatemala, LIRS representatives took part in an international conference on effects of the peace talks and the plans to assist the 1 million refugees there or from there. LIRS also helped organize an ecumenical delegation to Washington, DC about Central Americans on the southwest Texas border. That delegation made it clear that the policy of massive detention and lack of due process for Central Americans was in need of change.

At one point this summer, as many as 5,000 refugees were being detained in camps on the Rio Grande Valley area. The ELCA responded to an emergency appeal to the churches for funds for legal services to help them. LIRS is also organizing help for refugee children who are being kept in detention centers because of their lack of legal status in this country.

In June 1989 the LIRS executive director was the LIRS' and therefore the churches' representative in an international conference in Geneva concerning Southeast Asian refugees. These talks reaffirmed commitments by governments not to push back refugees; to expand programs of direct departures from Vietnam; and to continue resettlement, especially for those 52,000 who have spent years of their lives in camps. It was tough. Most countries wanted to end asylum now.

Vietnam has just agreed with the United States to allow former political prisoners to move again. Most will want to rejoin their families and will require special help on arrival. Two government departments and the national voluntary agencies, including LIRS, are discussing the where and how of that effort.

In mid-September, LIRS cosponsored a major conference in Washington, DC on ministry to and with African and Haitian refugees. Several ELCA churchwide units were intimately involved in this one, especially the Commission on Multicultural Ministries.

LIRS is also well known for foster care ministry, helping refugee young people who come to the United States without their parents and who need support until they reach adulthood. Only LIRS is able to function as a Protestant agency with such services through Lutheran Social Service agencies matching the other functioning agency, the Roman Catholic effort through Catholic Charities in its dioceses. One Protestant agency, Bethany Children's Home of Grand Rapids, MI, receives its cases through LIRS.

LIRS maintains an office in Washington, DC, in close collaboration with the ELCA Office on Governmental Affairs, where is it housed near Capitol Hill.

As a member of the American Council for Voluntary International Action (InterAction), the LIRS staff works with 130 other private agencies in joint strategy and action efforts. The LIRS executive director is currently concluding 2 years as chair of the InterAction Committee on Migration and Refugee Affairs.

LIRS PROGRAMS

The past year has seen both growth and diversification in LIRSs national ministries to immigrants and refugees.

The importance of the First Asylum Concerns [FAC] Program was underscored in 1989 by the devastating effects of the employer sanction provisions of the Immigration Reform and Control Act of 1986. The provisions make it illegal for employers to hire undocumented workers. The result is that undocumented refugees from Central America and elsewhere who cannot return home are increasingly subjected to exploitation or are sinking deeper into extreme poverty.

One important objective of LIRS' FAC Program is to advocate for fair and humane first asylum policies, and to seek administrative and legislative relief for refugees already here who are threatened with deportation. LIRS has advocated for passage of legislation such as the DeConcini-Moakley bill to suspend deportation of Salvadorans and Nicaraguans.

LIRS has also been instrumental in forming a coalition of national voluntary agencies, legal advocacy organizations, local direct service projects, and refugee community groups. This coalition, called the Committee for U.S. Action on Asylum Concerns [CUSAAC], serves as a collaborative mechanism for sharing information and developing common perspectives on promoting and expanding protection for persons seeking safe haven in the United States. It also relates to counterpart organizations in other countries around the world.

Another important aspect of FAC's work is the provision of legal and basic social services directly to asylum seekers through its small grants program. These grants are provided to local projects that provide direct assistance to refugees in their communities.

LIRS and the people it serves are particularly indebted to the ELCA for its continued priority support of this critical program. This support amounted to $100,000 this year; and together with a grant of $40,000 from the Lutheran World Federation, it made possible the renewal and increase of a matching grant from the Ford Foundation. This grant will total $500,000 over a 3-year period, of which $425,000 is for direct grants to local projects, and $75,000 is for technical assistance to these projects in the areas of organizational management and fund raising.

In 1989, a total of $290,000 was available for project grants. Requests coming to LIRS from 55 projects totaled $877,000. A staff review panel awarded grants to 41 projects.

LIRS Children's Services Program continued its work of placing refugee children admitted to the United States into foster homes. This work is carried out under a contract with the U.S. Department of State, and is done in partnership with 23 Lutheran Social Ministry Organizations. In fiscal year 1988–89, 298 refugee children were placed.

An exciting prospect for the future is the possibility of implementing a special unaccompanied minors project for border children. This project would develop alternative living situations for refugee children from Central America who are being held in detention facilities by the INS. LIRS would use its relationships with border projects to identify and screen the eligible children, and then link them with the existing network of LIRS unaccompanied refugee minor programs.

At this point, the LIRS board has given authorization for a consultant to be retained to research the project and develop an operational plan. Funding would be sought first from foundations, and perhaps later from Federal or other private sources. This project enjoys wide support from the bishop and presidents of most of the affected synods and districts of the LC–MS and the ELCA.

June 1989 saw the launching of LIRS' new Immigration Services Program, staffed by an experienced immigration attorney. This program aims to assist Lutheran Social Ministry Organizations, individual congregations and others to develop the technical capacity for responsible immigration counseling. The goal is to establish a national network of Lutheran affiliated immigration counseling sites. Already, a needs assessment has been distributed nationally and training workshops have been conducted for the upper midwest in October. Training for the Southwest is scheduled for November.

The Refugee Resettlement Program continues to be LIRS' largest program. In fiscal year 1988–89, more than 8,000 refugees were resettled in the United States through 26 affiliated regional programs. This 33 percent increase over the same period last year is largely attributable to the increasing numbers of Evangelical Christians that have been leaving the Soviet Union. This unplanned increase has had positive effects on the financial position of that program, although they will be temporary.

Additional congregational sponsorship for added numbers of refugees are still required, although the Department of State restricts the agency as to where such refugees may be resettled. Encouragement from the bishops and other national leaders is needed for this large agency and/or congregationally centered ministry of resettlement. Other ways for congregations to assist are described in a new LIRS brochure.

LIRS' heavy involvement in resettling Americans has also led to securing $35,000 supplementary Federal grants for its seven Amerasian cluster sites. In addition, LIRS helped obtain a $50,000 grant for a special Hmong project in Wisconsin, and renewed participation with the Federal match grant program for four other affiliates.

UNO NEEDS OUR HELP

HON. DONALD E. "BUZ" LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, it would appear that Marxist tyrant Daniel Ortega has stacked the deck unjustly in favor of his military dictatorship. Consider the following:

Ortega has appointed a five-man commission to supervise the uncoming election. Four of the five members are strongly aligned to the Sandinistas.

If one wants to send donations to Violeta Chamorro and the UNO Party, that money must be funneled through the Sandinista-dominated electoral commission which extracts—steals—50 percent for itself. The United States donated $9 million to adequately support the opposition.

Despite the Sandinistas allowing just four consecutive Sundays for voter registration, an astonishing 1.7 million of a possible 1.9 eligible voters qualified for the February election.

Some 300,000 Nicaraguans have fled the country for various reasons ranging from fear of political persecution to death. Ortega has not responded to the requests of these refugees to be allowed the opportunity to vote in neighboring Costa Rica and Honduras.

Finally, Ortega has suspended the 19-month cease-fire with the Contras for security concerns. What is to keep him from suspending the elections on the grounds that the electorates safety could not be insured?

Despite the efforts of the Sandinistas and their 100,000 strong military, various polls indicate that UNO is leading. Violeta Chamorro and the UNO Party desperately need our help. We can not allow the Marxist dictatorship to steal the first genuine opportunity Nicaraguans have to choose their own destiny.

Democracy and freedom of choice are the most compelling and contagious concepts in the world political scene. The word democratic appears in numerous country's constitutions around the globe. However, true democracies are both rare and unique. The people of Nicaragua have caught the democratic bug and we have dedicated ourselves to the reality of fair and free elections in Latin America. We must insure that fair elections occur, and more importantly, the results are allowed to come to fruition.

I would like to call to the attention of Members of both parties an editorial Mrs. Chamorro wrote that appeared in yesterday's Washington Post and that was sent to us by our colleague from Virginia, FRANK WOLF.

In this editorial, Mrs. Chamorro pleads with us to ensure the Nicaraguan people fair elections. We owe this to her. I urge my colleagues to take a few minutes to read her piece:

KEEP WATCH ON OUR ELECTIONS

From Manila to Mexico, from Budapest to Berlin to Beijing, a great gale of democracy is blowing. But not on the Nicaraguans. What a cruel blast we've received from fate!

In 1979 we were all part of "the beautiful revolution": a great coalition that was to rid us of tyranny forever, of corrupt officals, of

bullying soldiers and police, of grinding poverty, of foreign tutelage, of one-party, one-family rule. Then we were the van-guard of the democratic revolution. Now we bring up the rear.

For one brief moment in July of 1979 our people rose in joy to greet our brave *muchachos* returning victorious to Managua: Davids who had vanquished Goliath. How could we imagine that soon we would behold them behind armored personnel carriers and helicopter gunships. Soon enough the heroes of the revolution were slaughtering one another. Soon enought the workers who struck against autocracy could no longer strike or organize; the political parities that had united against the dictator could not assemble; the newspaper that had spread the word of freedom could not publish; the church that had preached liberation from the pulpit was bound and gagged.

How sad that Nicaraguans, instead of enjoying the blessings of equality and prosperity for which they risked their lives, now flee their homeland in the hundreds of thousands. How sad that the government of which I ounce formed a part has become as corrupt as its predecessor, as cruel, as hated.

But we've had our fill of hatred and of opinionated warriors who promise paradise and deliver inferno. Ten years of living dangerously has brought civil war, an exodus of a fifth of our countrymen, an annual inflation of 30,000 percent, 40 percent unemployment and, for the first time in our history, mass hunger. Our industry and agriculture are paralyzed. We have gone from being the bread basket of Central America to being its basket case: an international beggar with the largest per-capita foreign debt in Latin America. Even a government-commissioned survey has found consumption to have fallen by 70 percent since the revolution. Of course the Sandinista media shout that all this is due to Mr. Reagan and now to Mr. Bush. But we Nicaraguans know full well that the shortages and the repression came before the war and the embargo.

Tired of war and warriors, of dogmas and slogans, we'd like to put our feet on the ground, our house in order. We want to be boring for a while—more like our neighbor to the south, Costa Rica—a country at peace with its neighbors where no family or party is above the law, with an army reduced to a minimum (and without any "State Security" forces at all), with no political party controlling the media, the military and the police, and with all parties allowed to compete freely at the ballot box. We do not look back: what has been positive in the revolution, we'd keep and extend. For example we would give peasants who farm nationalized lands clear title to them, and would distribute all remaining state farms to those peasants who have no land. We would like to find common ground.

We in the opposition have been able to find common ground among ourselves. Today I am proud to say that the opposition coalition includes every group that united against Somoza in 1979, except the Sandinistas, who many feel betrayed our revolution. The National Opposition Union (UNO) spans 14 parties of every political stripe: Communist, Socialist, Social Democratic, Populists, Liberal, Social Christian, Christian Democratic, Libertarian and Conservative. We are supported by all the independent labor unions, business organizations, and professional groups. Anyone who knows Nicaragua will tell you that forging unity among our diverse groups and tendencies is no small achievement, especially because our organizations have been restricted and repressed. But we have united around a common program for national reconciliation, economic reconstruction and social justice through democratic institutions.

Our common effort found fertile ground. Last month despite intimidation by Sandinista troops and myraid obstruction by government bureaucrats, a record 92 percent of eligible Nicaraguan voters formed long lines to register. As has been reported in The New York Times, the Sandinista military even went so far as to stage a sham battle in an unsuccessful attempt to stop voters from registering. To frighten the people, President Daniel Ortega has called us "traitors" and "mercenaries" and "CIA agents," and has declared that a vote for us is "a vote for the enemy of the people." Pronouncing the Sandinistas "sure winners," he has emphasized that people would "not be so foolish as to vote for a loser"—darkly intimating that after a Sandinista victory opposition voters will be treated as traitors. Our jails are filled already with "enemies of the people."

But the people remain steadfast. Despite the government's monopoly of television (we are allowed only 15 minutes per week on a feeble channel that cannot reach many areas), despite indiscriminate Sandinista use of state transport, telephones, offices, meeting places, telegraph and copiers, despite the fact that 50 percent of our desperately needed and profoundly appreciated donations are appropriated by the Sandinista-dominated electoral commission, the people are giving us their support. Just last week an independent survey showed us winning by a margin of nearly 2 to 1. Even though the Sandinistas have unleashed their mobs to disrupt our meetings, these meetings grow larger and larger. Recently even the Sandinista mayor of Managua acknowledged that his party is losing.

Accordingly the Sandinistas have resorted to a new, more desperate and dangerous diversion. Again turning their backs on their solemn commitment to their people and to the Centeral American presidents, they have broken the cease-fire with the rebels. their helicopter gunships and automatic artillery have opened fire. Their 90,000-man army sweep through our villages on the preposterous pretext that tiny groups of poorly equipped contras constitute a "threat to national security." Lacking arguments to defend their misgovernment, the Sandinistas wish to speak fear, to chill the people into submission. This stratagem must raise grave doubts about the supposed Sandinista commitment to free elections.

In view of these alarming developments I have come to this country to ask for help. With the solidarity of all those who support our cause, I believe we may secure a relatively free vote; without it we may be doomed to elections in the style of the Sandinistas' ally Gen. Noriega.

Keep watch. Send observers from Congress, from state and federal government, from political parties, from labor unions, from professional and human rights organizations. Send them now. They will be witnesses for democracy. Send journalists and cameras; let your news and polling organizations conduct independent voter surveys. Help give Nicaraguans the chance to feel again the breezes of democracy.

AFTON LEE A POSITIVE FORCE ON LIVES OF OTHERS

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. ERDREICH. Mr. Speaker, the world is full of talkers, people who come up with grand ideas, but who never seem to be able, or willing, to put them into action. On Saturday, November 4, I joined the local community in Homewood, AL, who came together to share in the loss of a man who was able, and most willing, to take action time and again as a unifying force in his community.

Afton Lee was not a talker, he was a doer. A quiet, unassuming man, his community turned to him many times to get things done, to bring about unity, to help make his city the kind of place in which we all would like to live.

He had a strong belief in citizen participation and in the commonality among a diverse people. He became the first black to be elected to the Homewood, AL, City Council, and was reelected three times. A leader in his community of Rosedale in Homewood, he worked to improve his city physically, morally, and culturally.

He was an astute and successful businessman who used his wealth to help others, donating land for a library and for affordable housing in his community.

At the age of 93, when most of us would be content just "to be," Afton Lee was still going strong, still doing good deeds, still thinking of others.

Afton Lee was many things: Entrepreneur, philanthropist, community and political leader, and loving family man. Most importantly, Afton Lee was just plain, good people.

Afton Lee was giving all of his life, and at the age of 93, he still was giving, a positive force upon the lives of others.

His tragic death is a terrible loss for his family, yes, but also, for our community. He was family to our entire community, across our State and Nation; we cannot replace Afton Lee. He will be lovingly remembered, and sorely missed.

I would like to share with my colleagues in the House the following editorial that appeared in the Birmingham News on Afton Lee and how greatly he will be missed by the community of Homewood, AL:

AFTON LEE

Afton M. Lee Sr. will be greatly missed, by his family and by the community he loved and served so long and so well. He was more than a fine family man, more than a competent businessman and more than a respected public servant.

The 92-year-old Lee was a symbol of strength for Homewood and its Rosedale community, symbol of what cooperation between black and white citizens can mean to a city's stability.

"If there ever was a problem," said Homewood's longtime Mayor Robert Waldrop, "he would handle it."

Mr. Lee's public service included two terms on the Homewood City Council. A man of great wealth, he gave freely to charity and civic organizations.

His experience and counsel were respected by both the black and white citizens of Homewood.

Mr. Lee's senseless killing at his grocery store Monday leaves a great sense of frustration.

There is some comfort in knowing his killers will face justice. But there is great emptiness in the knowledge that Homewood, and Birmingham at large, cannot replace Afton Lee.

He has become the latest victim of an age in which the unthinkable is real and the atrocious too often is commonplace.

FMLN OFFENSIVE IN EL SALVADOR

HON. ROD CHANDLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. CHANDLER. Mr. Speaker, I strongly condemn the recent offensive by the Communist guerrillas in El Salvador. The Farabundo Marti National Liberation Front, known by its Spanish initials FMLN, must cease this senseless violence and return to the negotiating table.

In the past 3 days, at least 1,500 rebels have attacked Government positions in the Capital and in other parts of the country, killing dozens of civilians and Government soldiers, and wounding hundreds of others. As one rebel said in today's New York Times, "we just want to kill as many people as possible."

Tragically, one of those killed was a resident of my State, Christopher Babcock, 25. Early reports suggest he was killed by FMLN guerrillas during an attack on the Presidential residence, which is located near the house where he was staying. My prayers are with his family and friends, as with all of the families of those killed in this terrible war, now in its 10th year.

Blame for this recent breakdown in international efforts to bring peace to Central America must be shared by the Sandinista Government in Nicaragua. In another article in today's New York Times, which I wish to have included in the CONGRESSIONAL RECORD following my remarks, five top FMLN commanders were seen in Managua during the past 2 weeks.

Just last month, Honduran authorities intercepted a truckload of arms going from Nicaragua to El Salvador. The shipment included AK–47 automatic rifles, 19,000 rounds of ammunition, over 500 rockets, detonators, and radios. Earlier this month, the Sandinistas ended the cease-fire in Nicaragua, further contributing to the breakdown in peace efforts in the region.

The Government of El Salvador deserves our strong support. This devastating war must end, and support for the guerrillas from Nicaragua and Cuba must be stopped.

REBEL DRIVE LONG PLANNED, U.S. SAYS

(By Robert Pear)

WASHINGTON, Nov. 13.—The Bush Administration asserted today that the rebel offensive in El Salvador had long been planned and that its goal was the weakening of the Salvadoran Government and a popular uprising in parts of the country.

American officials said also that they had information that demonstrated that the Nicaraguan Government was involved in supplying arms for the guerrillas and even in operational planning.

Some officials contended that the offensive was begun out of desperation because of a perception in Nicaragua and among the Salvadoran rebels that they could no longer count on much Soviet or Soviet bloc aid, given the developments in Moscow and Eastern Europe.

White House and State Department officials said the arms shipments from Nicaragua violated commitments by President Daniel Ortega Saavedra of Nicaragua. Under regional peace accords signed by Mr. Ortega, they said, Nicaragua was supposed to stop providing arms to the Salvadoran rebels.

REBELS REPORTED IN MANAGUA

Two Central Americans with access to the Salvadoran rebels of the Farabundo Marti National Liberation Front said they had seen the top five guerrilla commanders in Managua, the Nicaraguan capital, within the last two weeks. American officials say they have traced rebel radio traffic from Nicaragua to El Salvador this week.

On Oct. 18, Honduran authorities intercepted a truckload of arms going from Nicaragua to El Salvador. The shipment included AK–47 rifles, 19,000 rounds of ammunition, more than 500 rockets, detonators and radios, the officials said.

They contended that the driver of the truck said under interrogation that he worked for a Salvadoran refugee group and that he had been delivering weapons from Nicaragua monthly since August 1988.

Secretary of State James A. Baker 3d said he was distressed that the Soviet Union showed no evidence of "new thinking" in Central America or in other regional conflicts, like those in Afghanistan and Cambodia. "This is our biggest disappointment to date in the relationship, the lack of cooperation on regional conflicts," Mr. Baker said in an interview. Mr. Baker has complained offically to the Soviet Ambassador about the weapons shipments.

A SPECIAL RESPONSIBILITY

In a speech at the Organization of American States this evening, Mr. Baker said. "That Soviet Union bears a special responsibility because its arms and money, moving through Cuba and Nicaragua, continue to support the violence, destruction and war.

Despite the protest, some high-level officials in the Bush Administration maintained that the Salvadoran guerrillas staged their latest offensive because the Soviet Union was putting pressure on the Sandinista Government of Nicaragua to curtail military support for them.

"This is a desperation move" by the guerrillas, an Administration official said. "It is brought on in part because the Soviets have weighed in with the Nicaraguans, and perhaps the Cubans, about stopping support for that insurgency." The official said he believed the Soviets when they said they had "told the Nicaraguans to cool with the F.M.L.N.," as the guerrilla group is known.

The Bush Administration's response to the guerrilla offensive was low-key compared with the alarms sounded by the Reagan Administration. In 1981, Alexander M. Haig, Jr., who was then Secretary of State, described Central America as a principal arena of East-West conflicts, sought additional military aid for El Salvador and said the United States must "go to the source" of aggression in the region, meaning to Cuba or even the Soviet Union.

By contrast, President Bush's press secretary, Marlin Fitzwater, said today that the President of El Salvador, Alfredo Cristiani, and Salvadoran Government forces were "in control of the situation" and had not requested additional aid from the United States.

Asked if he would rule out an American role in fighting the guerrillas, Mr. Fitzwater said, "We can never predict the future, but at this point it's not anticipated."

A RESPONSIBLE MEASURE

Richard A. Boucher, the deputy spokesman at the State Department, said a state of siege imposed Sunday by Mr. Cristiani was "a responsible measure to protect civilians" from guerrilla attacks.

Mr. Boucher said Nicaragua was "the principal supplier" of arms to the Salvadoran rebels. Another State Department official said the truck stopped on October 18 at El Espino, Honduras was carrying "a large quantity of Soviet bloc weaponry and instruction manuals for urban commandos, inscribed on the cover with the letters F.M.L.N."

Salvadoran rebel commanders said that their offensive was a response to a series of attacks on leftist political and union leaders, including the bombing of a labor confederation on October 31.

At the Organization of American States here, the Foreign Minister of Nicaragua, Miguel d'Escoto Brockmann, offered a resolution today making an urgent appeal to the Salvadoran Government "to cease immediately the bombing of the civilian population" and other acts of violence.

Some American officials contend that the offensive has been planned for two years and that captured rebel documents, including one called Plan Fuego, outlined a number of steps actually undertaken by the rebels in the offensive that began on Saturday.

IN MEMORY OF GEORGE SLAFF, A TIRELESS ADVOCATE

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. LEVINE of California. Mr. Speaker, I rise today to ask my colleagues in the U.S. House of Representatives to join me in paying tribute to the memory of a superb human being who was a good friend, George Slaff. I salute his memory and support his ideals and hard work from which so many benefited.

I would like to include here an article that appeared in the Los Angeles Times by staff writer, Michael Ybarra.

IN MEMORY OF GEORGE SLAFF, A TIRELESS ADVOCATE

(By Michael Ybarra)

George Slaff, a tireless advocate of liberal causes who helped secure one of the triumphs of the New Deal, and later served two terms as mayor of Beverly Hills, has died of cancer. He was 83.

The prominent entertainment attorney had been at Cedars-Sinai Medical Center for a week before he died Friday night.

Longtime friend David Golding said Slaff had been somewhat frail in recent years, but still never gave up the abiding vim with which he fought "barons."

"He was always a champion of liberal causes," Golding said. "He never changed his stance."

An attorney with a love for the underdog, Slaff was president of the Southern California branch of the American Civil Liberties Union for six years beginning in 1965.

Slaff's liberalism was rooted in the experiences of his family, which fled czarist Russia in the 19th Century. Slaff had said that the family home in Passaic, N.J., was a meeting place for socialist Russian emigres. As a boy of 10, Slaff carried around a soapbox for members of the Young People's Socialist League.

Slaff, who attended Harvard and Stanford universities, began his law career representing evicted tenants. He developed an interest in the regulation of gas and electric companies, earning a reputation as a "utilities rate-buster in several states.

At age 38, he went to Washington to lend his talents to the New Deal. As chief counsel to the Federal Power Commission in the 1930s and 1940s, he helped establish the government's right to regulate utility rates.

Later, Slaff moved to Beverly Hills. He was a friend of Samuel Goldwyn and chief counsel and personal attorney for the producer for 20 years. His clients also included Raquel Welch and the Smothers brothers.

He served 12 years on the Beverly Hills City Council, and was mayor in 1968-69 and 1975-76. Three years ago, he sued the city for violating the constitutional requirement for separation of church and state by allowing the lighting of a 27-foot menorah at a city park during Hanukkah in 1986.

Slaff was not afraid of being called a "liberal." In remarks to an interviewer four years ago, he said: "Many people in the Democratic Party don't want to be known as liberals. There seems to be some intellectual stigma in today's climate about being 'too liberal.' But I don't think liberalism can be considered excessive. To me, it's simply a matter of recognizing equal rights for all."

He is survived by his wife Eve, a sister, May Miller, a daughter, Nora Ross, and a grandson.

Final arrangments are pending. Instead of flowers, the family said that donations can be sent to the George Slaff First Amendment Fund at the ACLU or to Planned Parenthood.

INTRODUCTION OF THE SECURITIES MARKETS STABILIZATION ACT OF 1989, AND THE COORDINATED CLEARANCE AND SETTLEMENT ACT OF 1989

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. MARKEY. Mr. Speaker, today I, along with Mr. RINALDO, the ranking minority member of the Subcommittee on Telecommunications and Finance, which I chair; and my subcommittee colleague from New Mexico, Mr. RICHARDSON, am introducing the Securities Markets Stabilization Act of 1989 and the Coordinated Clearance and Settlement Act of 1989, both of which were unanimously approved this morning by the subcommittee.

The Securities Markets Stabilization Act of 1989 represents the first legislative step toward reform of the stock market in the aftermath of the frightening crashes of October 1987 and October 1989, events that have shaken investor confidence to its very core. This long-awaited and much needed first step comes after nearly 2 years of extensive consideration of all the issues surrounding market reform, a process that has included 12 hearings by this subcommittee, 4 in this year alone; indepth expert analyses by the Brady Commission, the Katzenbach Commission, the Securities and Exchange Commission, and the Working Group on Financial Markets; as well as a further series of 6 SEC investigations of program trading and other related issues initiated in response to requests of this subcommittee. I first introduced comprehensive market reform legislation in the 100th Congress, with H.R. 4997. And earlier this year, at the request of the Securities and Exchange Commission, Chairman JOHN DINGELL and I introduced similar legislation, H.R. 1609, the Stock Market Reform Act of 1989.

The Stabilization Act contains four provisions necessary to market reform: First, a grant to the SEC of authority to halt all trading in a market emergency; second, a directive to the SEC to require large traders to report their transactions; third, a directive to the SEC to assess the financial health of parents and affiliates of broker/dealers; and fourth, a grant of authority to the SEC to constrain program trading. A fifth provision would direct the Commission to facilitate coordinated clearing and settlement with other Government agencies. This provision stands alone in the coordinated clearance and settlement committee print.

All these provisions have been the subject of extensive negotiation with the SEC and Treasury, who strongly support moving forward on market reform. The provisions we have negotiated with the SEC and the securities industry on large trader reporting, risk assessment and others are extremely valuable from a market surveillance standpoint. In addition, the section concerning powers to prohibit certain trading practices address the one issue at the top of every investors list—the habitual, excessive, and violent market volatility that has driven the individual investor out of the stock market. This manufactured volatility has turned Wall Street into the mean streets of investing. It's as if we turned off all the Nation's stop lights, made all speed limits voluntary, stopped filling the pot holes, or repairing the bridges—and told the American public to go it alone. Such a retreat from common sense would not be tolerated in any of our hometowns, yet we are treating Wall Street with the kind of appalling disregard that can only result in financial disrepair. For this reason, the Securities Markets Stabilization Act committee print includes a provision that would authorize the SEC to suspend or constrain manipulative, abusive, or disruptive practices that feed volatility—such as program trading—during times of excessive market volatility.

Right now, we are faced with the tyranny of our own ingenuity. Somewhere along the way our regulators and our Government forgot the fundamental notion that technology must exist to serve, not suppress, human needs. Technology must continue to serve as an instrument to nurture our financial markets, markets which were first established to serve the capital raising needs of America's corporations. And technology must serve to allow individual Americans to invest in a piece of corporate America. But since October 1987, I have received numerous calls and letters from angry investors who have withdrawn their money from the market because they find no security in a stock market that behaves more like a yo-yo than an orderly mechanism for buying and selling shares in corporate America.

I do not believe that Congress can or should legislate up markets or down markets—what we should do is legislate fair markets. Right now we have unfair markets—markets that are dominated by a few 1-minute stockholders at the expense of the many. In the words of one recent subcommittee witness, comparing a program trader to an investor is like comparing a shark to a gourmet diner. We have large institutional shareholders who have engaged in trading strategies that are based on the erroneous notion that our markets contain unlimited liquidity. And we have aggressive traders whom I believe engage in manipulative trading strategies that profit from the volatility created by the lack of liquidity in our markets.

Excessive volatility in our securities markets is a national problem that demands a national solution. The SEC must have the necessary legal authority to address the impact of all of these trading strategies, legal and illegal, that fuel harmful market volatility. By the same token, we are not banning program trading—this bill will only give the SEC authority to suspend or constrain such trading practices during periods of high volatility.

I want to add in closing that our financial markets are a national treasure and a national resource. We should treat them with respect. The actions we take here today on market reform in particular are a true measure of that respect and are the first step in restoring the integrity and stability of our securities markets.

Mr. Speaker, for the benefit of my colleagues I am enclosing section-by-section analyses of the two bills introduced today.

I urge my colleagues to join me in cosponsoring this legislation.

SECTION-BY-SECTION ANALYSIS OF SECURITIES MARKETS STABILIZATION ACT OF 1989

SECTION 1. SHORT TITLE

This section provides that the bill may be cited as the "Securities Markets Stabilization Act of 1989".

SECTION 2. EMERGENCYS AUTHORITY; TRADING HALTS

This section of the bill amends Section 12(K) of the Securities Exchange Act of 1934 by clarifying and broadening the Commission's authority to suspend trading and to take temporary actions in the event of an emergency. The Commission would be authorized to take such action in order to maintain or restore fair and orderly securities markets and to ensure prompt and accurate clearance and settlement of securities transactions. This section also specifically authorizes the SEC to suspend trading for stated periods of time, subject to some limitations. In the case of a market-wide trading

halt, in lieu of the President's approval, the new subsection (k)(1) would require the Commission to notify the President of its decision and be notified by the President that the President does not disapprove of such a halt before a market-wide halt could be put into place. And finally the section defines an emergency as a major market disturbance characterized by, or constituting a substantial threat of sudden and excessive fluctuations of securities prices that threaten fair and orderly markets, or as a substantial disruption of the safe or efficient operation of the national system for clearance and settlement of securities.

Subsection (k)(1)—Trading Suspensions.—Under existing Section 12(k) of the Exchange Act, the Commission is authorized to (i) suspend trading in any security (other than an exempted security) for a period of time not exceeding ten days, and (ii) with the approval of the President, summarily to suspend all trading on any national securities exchange or otherwise, in securities other than exempted securities, for a period not exceeding ninety days. It also prohibits a member of national securities exchange, broker, or dealer from acting in contravention of a Commission suspension order.

Subsection (k), as amended, would preserve the Commission's present authority to suspend trading in individual securites without change. However, with respect to potential market-wide trading halts, in lieu of the President's approval, the new subsection (k)(1) would require the Commission to notify the President of its decision and be notified by the President that he does not disapprove of such decision.

The existing prohibition on actions by brokers, dealers or exchange members contained in Section (k) is altered slightly and transferred to new subsection (k)(4), which is discussed below.

Paragraph (k)(2)—Emergency Actions.—This new subparagraph (A) would authorize the Commission, by order, to take temporary emergency action with respect to any matter subject to regulation under the Exchange Act. The Commission's authority to take summary action under this subsection would extend to all matters subject to regulation under the Exchange Act by the Commission, and the securities self-regulatory organizations, including, but not limited to, the ability to alter, supplement, suspend, or impose requirements of restrictions with respect to hours of trading, position limits, and clearance and settlement. Thus, the Commission's emergency authority could be used to relax or to impose more stringent requirements in an emergency.

Emergency actions ordered by the Commission under subparagraph (B) would remain in effect for the time specified by the Commission. The Commission would be authorized to extend the effectiveness of emergency actions, but in no event would any action taken in response to a particular emergency remain in effect for more than ten business days, including extensions. This limitation would not apply with respect to actions taken in response to any other emergency that might occur during the ten business day period. While many of the measures authorized under this paragraph would be necessary only for very short periods, perhaps hours or minutes, other matters, such as those relating to hours of business and clearance and settlement, might be required for longer periods, up to ten days, in order to be effective.

Prior to taking temporary emergency action, the Commission would be required to make only the findings required by this paragraph, and would not be required to make findings or observe procedures prescribed by any other provisions of the Exchange Act. To ensure that the Commission would be able to take emergency action without procedural delay, the paragraph would expressly exempt the Commission, in exercising its emergency authority, from the agency rule-making requirements prescribed by the Administrative Procedure Act, and from the requirements prescribed by the Exchange Act Section 19(c) for abrogating, adding to, or deleting from the rules of a self-regulatory organization.

Paragraph (k)(3)—Presidential Override.—This paragraph expressly limits the Commission's authority to act to halt trading on any national securities exchange as provided in subsection (k)(1)(B) and to take emergency action pursuant to subsection (k)(2). This paragraph provides that the President may terminate any suspension of trading or other summary action taken by the Commission under those subsections.

Paragraph (k)(4)—Compliance.—This paragraph provides that no member of a national securities exchange, broker, or dealer shall act in contravention of a Commission order entered under subsection (k) of Section 12, unless such order has been stayed, modified, or set aside as provided in paragraph (k)(5) of Section 12.

Paragraph (k)(5)—Judicial Review.—Emergency action taken by the Commission under subsection (k) would be subject to judicial review in the United States Courts of Appeals as provided in Section 25(a) of the Exchange Act, based on an examination of all information before the Commission at the time such action was taken, subject to the assertion of any applicable privilege by the Commission. The reviewing court would be prohibited from entering a stay, writ of mandamus or similar relief unless the courts finds, after notice and hearing before a panel of the court, that the Commission's action is arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law. Thus, a court reviewing emergency action taken by the Commission under subsection (k) would be permitted to act only after the Commission had an opportunity to explain the basis for its action.

Paragraph (k)(6)—Definition of "Emergency.".—This paragraph defines "emergency" to mean a major market disturbance characterized by, or constituting a substantial threat of sudden and excessive fluctuations of securities prices generally that threaten fair and orderly markets, or a substantial disruption of the safe or efficient operation of the national system for clearance and settlement of securities.

SECTION 3. LARGE TRADER REPORTING

Section 3 adds a new subsection (h) to Section 13 of the Securities Exchange Act of 1934 providing for the filing of reports concerning substantial securities transactions. This new subsection is designed to assist the Commission in its surveillance of the U.S. securities markets, clarifying and expanding its broad authority to adopt record-keeping and reporting rules for the purpose of monitoring the impact on the securities markets of large transactions. Generally speaking, the section would authorize the Commission to establish a two-tiered information-gathering and reporting system for monitoring large securities transactions. The first tier requires large traders to report their identity, and all the accounts which such large traders have used to effect such transactions. The second tier requires every registered broker or dealer to keep records of large trader transactions and provide such records to a self-regulatory organization of the Commission on request. The Commission could use the information required by this new subsection to reconstruct trading activities in periods of market stress, and for surveillance, enforcement and other appropriate regulatory purposes.

Paragraph (h)(1)—Large Trader Reporting.—This paragraph would authorize the Commission to adopt rules requiring any person effecting large transactions to provide information. The information provided would identify the "large trader" and also identify the accounts in and through which he effects large securities transactions. It is anticipated that each such "large trader" reporting under this paragraph will obtain a unique identifying number.

Paragrcph (h)(2)—Broker-Dealer Transaction Reporting.—This paragraph requires brokers and dealers effecting transactions for large traders to keep records of such transactions that equal or exceed a limit to be set by the Commission from time to time. Such records must be available for immediate reporting to the Commission (or any designated self-regulatory organization) at the opening of business on the business day following the day the transactions were effected. In addition, the paragraph requires that the records and reports be maintained and transmitted to the Commission in a format and in a manner to be prescribed by the Commission (including, but not limited to, machine readable form). It is anticipated that brokers and dealers will utilize the large trader's unique identifying number in order to record and report the large trader's transaction.

Paragraph (h)(3)—Aggregation.—This para- graph authorizes the Commission to prescribe rules governing the manner in which transactions shall be aggregated. Generally, aggregation of accounts among different broker-dealers will occur at the self-regulator level or at the Commission, through use of the unique large trader identifying number.

Paragraph (h)(4)—Examinations.—The paragraph reiterates authority currently contained in Section 17(b) of the Securities Exchange Act. It would require that all records made by brokers and dealers pursuant to subsection (h) be available at any time to reasonable, special, or other examinations by representatives of the Commission.

Paragraph (h)(5)—Considerations.—This paragraph provides that, in exercising its authority under this subsection, the Commission shall take into account existing reporting systems, and the costs associated maintaining information with respect to transactions effected by large traders and reporting such information to the Commission or self-regulatory organizations. The Commission understands the need for setting parameters for reporting securities transactions and making available records of such transactions. Every effort would be made to minimize the economic burdens of record-keeping and reporting whenever possible. Moreover, the costs and benefits of beneficial ownership reporting would be carefully considered, and the Commission would not impose requirements on broker-dealers to report beneficial ownership information that is not recorded in the normal course of business. For example, many broker-dealers currently maintain no beneficial ownership records of transactions of foreign persons that are carried out through

banks, particularly foreign banks, which serve as the record holder of such securities. Finally, the paragraph requires the Commission, in adopting any rules under subsection (h), to consider the relationship between the U.S. domestic markets and the international marketplace for securities.

Paragraph (h)(6)—Exemptions.—This para- graph would permit the Commission by rule, regulation, or order, to exempt any person, transactions, or classes or persons or transactions, either conditionally or upon specified terms and conditions or for stated periods of time, from the operation of subsection (h) and the rules and regulations thereunder.

Paragraph (h)(7)—Confidentiality.—This paragraph provides that the Commission (or any other Federal department or agency) could not be compelled to disclose publicly any information required to be reported under this section for which disclosure might otherwise be required pursuant to the Freedom of Information Act, 5 U.S.C. 552, or of any other law. However, the Commission is not prevented under this paragraph from complying with information requests from Congress, any other Federal department or agency requesting the information for purposes within the scope of its jurisdiction, or a court of the United States in any action commenced by the United States or the Commission.

Paragraph (h)(8)—Definitions.—This para- graph contains definitions necessary to carry out the purposes of this subsection.

(A) The term "large trader" means every person who for his own account or an account for which he exercises investment discretion, effects transactions for the purchase or sale of any publicly traded security in an aggregate amount equal to or in excess of the identifying activity level. Large traders may include, among others, individuals, banks, broker-dealers, insurance companies, investment advisors, mutual funds, pension funds, and trust companies.

(B) The term "publicly-traded security" means any equity security (including an option on individual equity securities, and an option on an index or group or equity securities) listed, or admitted to unlisted trading privileges on a national securities exchange, or quoted in an automated interdealer quotation system.

(C) The term "identifying activity level" means transactions in publicy traded securities at or above a level of volume or dollar amount, which occur over a set period of time, both items of which shall be set by the Commission from time to time.

(D) The term "reporting activity level" means largely the same as "identifying activity level."

(E) In addition to the entities described in Section 3(a)(9) of the Exchange Act, the term "person" is deemed to include two or more persons acting as partnership, limited partnership, syndicate or other group for the purpose of trading, acquiring, holding or disposing of any publicly traded security, except a foreign central bank.

SECTION 4. RISK ASSESSMENT FOR HOLDING COMPANY SYSTEMS

This section amends section 17 of the Securities Exchange Act of 1934 by adding a new subsection (h). The new subsection is intended to assist the Commission in obtaining information regarding the financial activities of affiliates of broker-dealers that are part of holding company systems that are reasonably likely to have a material impact on the financial and operational condition of broker-dealers under the Commission's jurisdiction. Over the past decade, an increasing number of broker-dealers have formed holding company systems and have moved many potentially risky activities (such as bridge loan financing, interest rate swaps, and foreign currency transactions) outside of the broker-dealer and into affiliates or holding companies that are not under direct regulatory oversight. Many of these activities may involve significant potential exposure to the broker-dealer entity. In periods of adverse market conditions, it is particularly important for the Commission to have access to information regarding the extent of such activities in order to assess the stability of broker-dealer participants in the marketplace.

The new subsection builds on the Commission's existing authority contained in the Exchange Act (i) to adopt rules concerning safeguards with respect to financial responsibility and related practices of brokers and dealers; (ii) to require record-keeping and reporting requirements for brokers, dealers, and municipal securities dealers, and (iii) to examine brokers, dealers, municipal securities dealers, and government securities brokers and dealers for which it is the appropriate regulatory agency. This new subsection, however, requires only record-keeping and reporting relating to the financial and securities activities of associated persons. It does not in itself provide the Commission with any new authority to regulate directly the activities of such associated persons.

Paragraph (h)(1)—Recordkeeping and Summary Reporting.—This paragraph would require registered brokers and dealers, and registered municipal securities dealers for which the Commission is the appropriate regulatory authority, to obtain information and make and keep records regarding the registered person's policies, procedures or systems for monitoring and controlling activities of any of its associated persons. The paragraph would not require information concerning the activities of any associated person that is a natural person. The information and records to be kept pursuant to this paragraph, to be prescribed by the Commission by rule, shall describe in the aggregate each of the financial and securities activities, conducted by, and customary sources of capital and funding of, those of its associated persons whose business activities are reasonably likely to have a material impact on the financial or operational condition of such registered person. Financial and securities activities would include, but not be limited to, activities of securities firms, futures, forwards, and spot market commodity transaction; commercial paper factoring and dealing; purchases of financial assets for sale as securities; merchant banking (including bridge financing); lending; and the exchange rate or foreign currency obligations. The record-keeping and reporting obligation would not extend to non-financial, non-securities activities, such as manufacturing. This paragraph also would enable the Commission to require, by rule, summary reports of the records kept pursuant to this paragraph to be filed with the Commission no more frequently than quarterly.

Paragraph (h)(2)—Call Reports.—This paragraph would empower the Commission to require special "call" reports, containing more detailed information than is required pursuant to paragraph (h)(1), concerning the financial and securities activities of an associated person of a broker-dealer. In addition to covering registered brokers and dealers and registered municipal securities dealers for which the Commission is the appropriate regulatory agency, paragraph (h)(2) would permit the Commission also to request "call" reports from registered government securities brokers or dealers for which the Commission is the appropriate regulatory agency.

As a result of adverse market conditions or as a result of the summary information provided to the Commission pursuant to paragraph (h)(1) or based on other available information, the Commission may require further reports concerning the financial and securities activities of a broker-dealer's associated persons if it reasonably concludes that it has concerns regarding the broker-dealer's financial or operational condition. For example, pursuant to this authority, the Commission may require registered persons to disclose the trading positions of their affiliates. Again, the paragraph would not require information to be required concerning the activities of any associated person that is a natural person. Special call reports required under this paragraph (h)(2) shall specify the information required, the period for which it is required, the time and date on which the information must be furnished, and whether the information is to be furnished, and whether the information is to be furnished directly to the Commission or to a self-regulatory organization with primary responsibility for examining the registered person's financial and operational condition.

Paragraph (h)(3)—Exclusion for Small Affiliates of International Holding Companies.—This paragraph provides for an exclusion for entities with a net worth of less than $25 million that are part of an international holding company that, on a consolidated basis, does not devote a significant amount or proportion of its assets to, or obtain significant revenue from, activities in the U.S. securities markets.

Paragraph (h)(4)—Commission exemptive Authority.—This paragraph permits the Commission to provide exemptions by rule, regulation or order from the record-keeping and reporting requirements contained in paragraphs (h)(1) and (h)(2), either conditionally or upon specified terms and conditions or for stated periods. In granting such exemptions, the paragraph requires the Commission to consider the primary business of any associated person; the nature and extent of domestic or foreign regulation of the asociated person's activities; the nature and extent of the registered persons securities activities; and, with respect to the registered person and its associated persons, on a consolidated basis, the amount and proportion of assets devoted to, and revenues derived from, activities in the United States securities markets. Moreover, with respect to regulated entities, the Commission must consider whether information of the type required by the section is available to the Commission, from a supervisory agency as defined in section 1101 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401(6)), a state insurance commission or similar state agency, the Commodity Futures Trading Commission, or a similar foreign regulator.

Paragraph (h)(5)—Confidentiality.—Paragraph (h)(5) provides that the Commission could not be compelled to disclose publicly any information required to be reported under paragraph (h) for which disclosure might otherwise be required pursuant to the Freedom of Information Act, 5 U.S.C. 552, or any other laws. However, the Commission is not prevented from providing information

to Congress, any other Federal department or agency requesting the information for purposes within the scope of its jurisdiction or a court of the United States in an action commenced by the United States or the Commission.

Subsection (b)—Conforming Amendments.—In conforming amendments to be made to the Government Securities Act contained in section 15C of the Securities Exchange Act of 1934 (15 U.S.C. 780-4), the Secretary of the Treasury would be given similar rule-making authority with respect to government securities brokers and dealers registered under section 15C(a)(1)(A) of the Exchange Act, *i.e.*, those that are not registered brokers or dealers or financial institutions. In exercising that authority the Secretary would be required to avoid unnecessary duplicative requirements concerning holding company systems that have both registered brokers and dealers and registered government securities brokers and dealers. Specifically, the section requires that the requirements applicable to associated persons of government securities brokers and dealers who are also associated persons of registered broker dealers reporting to the Commission conform, to the greatest extent practicable, to the reporting and record-keeping requirements established by the Commission under Section 17(h).

SECTION 5. LIMITATION ON PRACTICES WHICH RESULT IN HIGH LEVELS OF VOLATILITY

This section amends section 9 of the Securities Exchange Act of 1934 by adding a new subsection (h). This new subsection authorizes the SEC by rule or regulation to prohibit or constrain manipulative or abusive practices that will result or are reasonably likely to result in levels of volatility that may adversely affect the integrity or stability of the securities markets. This provision is aimed at arming the SEC with the necessary tools to control excessive volatility and thereby to restore and retain the confidence of the investing public in our nation's securities markets. The SEC's authority to control and prevent such volatility does not extend beyond its currently authorized jurisdictional domain—the securities markets.

Paragraph (2) of this subsection provides for the Commission to seek monetary penalties in judicial proceedings for violations of this section. The penalties shall be determined by the court in light of facts and circumstance, but may not exceed the greater of either $100,000 for a natural person or $500,000 for any other person or the pecuniary gain to such defendant as a result of the violation.

Paragraph (3)(A) of this subsection provides the Commission, after notice and the opportunity for hearing, to issue a cease and desist order to persons violating, to those who have violated or to those who are planning to violate regulations or rules prescribed under this subsection. Subparagraph (B) provides that if the Commission determines that that violation is likely to cause significant disruption of the securities markets or otherwise significantly harm investors prior to the completion of the proceeding, the Commission may issue a temporary order requiring the respondent to cease and desist from any such violation and to take action to prevent such disruption or harm pending completion of such proceeding. Subparagraph (C) provides the Commission to recover through a civil action a penalty on those who violate a cease and desist order. Such penalty shall not exceed $100,000 in the case of a natural person, or $500,000 in the case of any other person, for each violation.

SECTION-BY-SECTION ANALYSIS OF THE COORDINATED CLEARANCE AND SETTLEMENT ACT OF 1989

SECTION 1. SHORT TITLE

This section provides that the bill may be cited as the "Coordinated Clearance and Settlement Act of 1989."

Section 1 amends section 17A(a)(2) of the Securities Exchange Act of 1934 by directing the Commission to facilitate the establishment of linked and coordinated facilities for clearance and settlement of transactions in securities and related financial instruments. In addition, this section would give the SEC the authority to adopt rules concerning the transfer and pledge of securities other than government securities, where the SEC determines that the absence of Federal rules substantially impedes the safe and efficient operation of the national system for the clearance and settlement of securities transactions. This section also directs the Commission to consult with appropriate regulatory authorities in addressing the need for coordinated and linked systems and requires the Commission to report its progress in this area to Congress not later than two years after enactment. And finally, this section directs the SEC to establish a Federal Advisory Committee to consider and report to the Commission on matters concerning where State commercial laws and related Federal laws regarding the transfer of certificated or uncertificated securities and the perfection of security interests do not provide the necessary certainty, uniformity, and clarity for purchasers, sellers, investors, financial intermediaries, and lenders concerning their respective rights and obligations.

The huge market movements that occurred during the October 1987 market break created margin and other settlement obligations within the stock, option, and futures markets that involved extraordinary large cash payments. Because many of the participants in each of these markets also participate in other markets, often through hedging or offsetting positions, the size of these cash flows were larger than would have been required if clearance and settlement of products in these markets were coordinated. The tremendous cash flows necessitated by the lack of coordinated settlement placed great strains on our nation's payment systems, and deprived the trading markets of liquidity at a time when it was most needed.

Several of the market break studies, including the President's Task Force on Market Mechanisms (the "Brady Commission Report") and the Interim Report of the President's Working Group on Financial Markets, noted this problem and suggested that improvements in clearance and settlement, and specifically increased intermarket coordination, were among the most important reforms that should be undertaken in response to the market break.

SECTION 2. COORDINATED CLEARING

Paragraph 2(A)—SEC Authority to Facilitate Linked and Coordinated Clearance and Settlement—Section 5(a) would amend section 17(a)(2) of the Exchange Act to direct the SEC to use its authority under the Exchange Act to facilitate the establishment of linked or coordinated facilities for clearance and settlement of transactions in securities, securities options, contracts of sale for future delivery and options thereon, and commodity options. As amended, paragraph (a)(2)(A) does not mandate any particular clearance or settlement system structure or facility. Indeed, effective coordination and linkage can, to a large degree, be achieved under current structures, for example, through the ongoing cross-margining and information sharing efforts. The SEC's mandate is intended to clarify that the SEC has authority to oversee the implementation and operation of such facilities as are developed by private or self-regulatory initiatives, while retaining the maximum flexibility to respond to changed facts and circumstances. The mandate also charges the SEC with the responsibility to assure that the facilities develop and operate in accordance with Congressionally determined goals and objectives that were added to section 17A of the Exchange Act as part of the Securities Acts Amendments of 1975.

Paragraph 2(B)—SEC Consultation with Other Regulators.—Under Section 17A(a)(2)(B), as amended, the Commission is directed to use its authority under Section 17A to assure equal regulation of registered clearing agencies and registered transfer agents. Although this section applies to all cleared products, it is expected that the SEC will exercise its authority only in instances where a particular cleared products or clearing system within its jurisdiction demonstrates a significant effect on other cleared products, clearing systems, or the financial system generally. In carrying out its responsibilities under paragraph 2(A), the SEC would be directed to consult with the CFTC and the Board of Governors of the Federal Reserve System.

Paragraph 2(C)—Reporting Progress Toward Linked and Coordinated Clearance and Settlement.—Section 17A(a)(2)(C), as amended, would direct the SEC in consultation with the Board of Governors of the Federal Reserve System, and other relevant regulatory authorities to examine progress toward the establishment of linked or coordinated facilities for clearance and settlement of transactions in securities, securities options, contracts of sale for future delivery and options thereon, and commodity options, and to submit to Congress within two years from the date of enactment of this amendment a report detailing and evaluating such progress.

SECTION 3. TRANSFER AND PLEDGE OF SECURITIES

Paragraph (f)(1)—SEC Authority to Promulgate Rules.—Section 17A(f)(1) of the Exchange Act, as amended, would authorize the SEC to promulgate rules concerning the transfer and pledge of certificated and uncertificated securities (including security interests therein). Paragraph (f)(1) would authorize the SEC to preempt state commercial laws (such as those based on the Uniform Commercial Code) governing transfer and pledge of securities, but only upon making three predicate findings: (1) that the rule is necessary or appropriate for the protection of investors or in the public interest and is reasonably designed to promote the prompt, accurate, and safe clearance and settlement of securities transactions; and (2) that in the absence of a uniform rule, the safe and efficient operation of the national system for clearance and settlement of securities transactions will be, or is, substantially impeded (for example, due to the lack of scope or inconsistent standards of such state laws); and (3) that to the extent such rule will impair or diminish directly or indirectly rights of investors under

state law concerning transfers of securities (or limited interests therein), that the benefits of such rules exceed the detriment to investors. The SEC would not be authorized to promulgate rules with respect to government securities issued pursuant to chapter 31 of title 31, United States Code, or securities otherwise processed within a book-entry system operated by the Federal Reserve Bank of New York.

In making determinations under subparagraphs (f)(1) (A), (B), and (C), the Commission would be required to consult with the Secretary of the Treasury and the Board of Governors of the Federal Reserve System before adopting any rules pursuant to new section 17(f). The Department of the Treasury and the Board of Governors of the Federal Reserve System have similar expertise and authority in this area with regard to government securities and bank check processing standards. Although consultation would be required before the adoption of rules, it is expected that the SEC will consult with the Secretary of the Treasury and the Board of Governors of the Federal Reserve System throughout the rulemaking process. If the Secretary of the Treasury shall object, in writing, to the Commission's findings with respect to the factors set forth in subparagraphs (A), (B), or (C) of subparagraph (f)(1), the Commission shall consider all feasible alternatives to the proposed rule, and it shall not adopt any such rules unless the Commission shall make an explicit determination that the rule is the most practicable method for achieving safe and efficient operation of the national clearance and settlement system.

Paragraph (f)(3)—Establishment of a Federal Advisory Committee.—Recognizing that state commercial laws concerning the transfer of securities and the creation and perfection of security interests is an area of technical expertise outside the traditional expertise of the SEC, and that rulemaking in this area can affect a wide range of interests, paragraph (f)(3)(A) would direct the SEC to establish a federal advisory committee in accordance with the Federal Advisory Committee Act. The SEC would be directed to establish the Advisory Committee within ninety days after the effective date of this section, to consider and report on such matters as the SEC determines, including the laws concerning the transfer of certificated or uncertificated securities, limited interests (including security interests) in such securities, or the creation or perfection of security interests in such securities do not provide the necessary certainty, uniformity, and clarity for purchasers, sellers, investors, financial intermediaries, and lenders concerning their respective rights and obligations. The SEC would be directed to consult with the Secretary of the Treasury and the Board of Governors of the Federal Reserve System in developing the Advisory Committee's charter and composition.

Under paragraph (f)(3)(B), the Advisory Committee shall consist of 15 members. The Secretary of the Treasury and the Board of Governors of the Federal Reserve System would be authorized to designate two such members of the Advisory Committee. It is expected that any Advisory Committee established in accordance with this section include at least several individuals with substantial expertise in commercial, securities, banking or bankruptcy law, either as academicians or practitioners. Under paragraph (f)(3)(C), the Advisory Committee would be directed to report to the SEC within six months (or such longer time as the SEC may designate) and to deliver copies to the Secretary of the Treasury and the Chairman of the Board of Governors of the Federal Reserve System.

It is intended that the Advisory Committee will guide the SEC in determining those areas of state commercial law that lack uniformity, clarity and certainty. Although the section would require the SEC to give consideration to the Advisory Committee's recommendations, the SEC would not be bound by those recommendations and would be authorized to adopt rules that preempt state commercial laws if the SEC makes the necessary findings provided in section 5(b). It is also intended that the SEC will not use its rulemaking authority expansively, for example, to write a federal commercial code with the scope and depth of existing state commercial laws. Rather, it is intended that the SEC use its authority to address specific concerns that require greater clarity, uniformity, or specificity for transactions processed in the national clearance and settlement system.

Paragraph (f)(3) would authorize the SEC to establish an Advisory Committee at any time, if the SEC determines such a Committee would be useful to guide the SEC's efforts at a future time. Although it is preferable that the SEC obtain the advice of experts through the Advisory Committee process, that process is not a prerequisite to SEC rulemaking, and the SEC may determine that circumstances require immediate rulemaking. Nonetheless, the SEC would be required to consult with the Secretary of the Treasury and the Board of Governors of the Federal Reserve System and, through the rulemaking process, should obtain the views of experts in the field of commercial law.

VIEWS OF THE CONGRESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, November 15, 1989, into the CONGRESSIONAL RECORD.

VIEWS OF THE CONGRESS

The Congress continues to be held in low esteem by Hoosiers. Increasingly, I find that what occupies the Congress may rank low on the concerns of the voters. The nation's important business, Hoosiers tell me, is being neglected.

Hoosiers give the Congress low rating for integrity and for effectiveness in addressing the nation's problems. They view the Congress as absorbed with its own activities—the problems of Members, pay levels, and reelection—rather than with helping the country. Many issues, under review in the Congress—limitation of outside income for Members, honoraria, political action committees—do not seem to be particularly important to the voters. They are concerned about ethics in the Congress, but they would prefer that the Congress focus its attention more on the national agenda than on policing the ethics of Members. People seem to think that ethics problems exist in both the legislative and the executive branches, and they do not identify ethics problems any more with one party than with the other.

I am disturbed by how many people just assume that Members of Congress get rich at taxpayers' expense, accepting bribes and payoffs routinely. They take it as an article of faith that most people run for public office in order to get rich, and they have the general view that the Congress is ripping off the country. The cynicism on this point is very high, and it is very difficult for a Member of Congress to overcome it.

Yet voters still continue to make a sharp distinction between the Congress as a whole and their own representative. They will often rate their congressman high—even higher than the ratings they give President Bush and certainly much higher than they give to the Congress overall.

Still, Hoosiers oppose any pay raise for Members of Congress. Voters certainly reject the view that without a pay increase for Members, only very wealthy people will run for office. They also reject the view that Members need to maintain two homes and that they need more money than the average person. In contrast, they are quite comfortable with comparable executives in the private sector earning more money.

People are also generally unhappy with the way campaigns are conducted. Their biggest complaint is money—not its source, but the amount spent. They want to see a limit on the total amount of money that candidates can spend, but they do not approve of public financing of congressional campaigns. While they do not consider comparison ads and criticism of records to be negative, they do not like ads that are personal or distort an opponent's record. They also believe that the media often goes too far in the investigations of alleged misconduct by Members of Congress, and there is some resentment of the media hounding public figures.

In contrast to the low ratings for the Congress, Hoosiers seem to approve of the way President Bush is handling his job. They support most of his programs, even though many Hoosiers doubt whether his highly publicized plans to fight illegal drugs, to improve education, and to clean up the environment will really work. Still, the lesson for the Congress is clear: the Congress would help itself by emphasizing legislative accomplishments rather than the internal problems of Members.

It is quite clear that crime and drugs now dominate the issues in the minds of Hoosiers voters. Crime and drugs are in a class by themselves, with no other issues even coming close. Voters do not see the solution to the drug problem as primarily spending more money. Indeed, they think that the current funding can be spent much more wisely. Instead they favor better law enforcement. They certainly favor tougher punishment and want to make sure that those convicted of crimes serve their entire sentences. They see the death penalty as very effective in fighting drugs. They also think that better education and the use of armed forces for drug interdiction will be part of the solution.

The voters also want progress on deficit reduction. They view the national deficit as the greatest threat to the economy, while also worrying about the trade balance, inflation, and even recession. They are optimistic about their own personal economic well-being, but less confident about the national economy and the next generation. Most voters understand and support the President's position against raising taxes. At the same time, they do not think the President will be able to hold to his pledge, expecting

him to ask the Congress for a tax increase sometime in his four-year term. I also find that Hoosiers are increasingly receptive to using the government to help solve pressing social problems. They are willing, for example, to spend more on education, health, AIDS research, infrastructure, social security, and day care for children of working parents. They are not willing to spend more on the military, public television and radio or the arts.

While Hoosiers seem to be quite confident of America's leadership in technology and progress in medical science they do not seem to me to be optimistic about our ability to prevent pollution or to address health care and education needs. On the big issues of war and peace, I am impressed that voters are both realistic and wary—largely thinking that the 1990s will be a decade of peace, but less hopeful about reducing terrorism and keeping American troops out of regional conflicts.

Although Hoosiers are becoming more willing to use government to meet specific needs, their overall confidence in government is low. People generally just do not believe that Washington does things well. They believe the worst; for example, a large number of them believe that 50 cents out of every dollar sent to Washington is wasted. People are very concerned about defense contractor fraud and the scandal at the Department of Housing and Urban Development. They have a basic lack of confidence in the ability of government to spend money responsibly, a view which was very large political

INTRODUCTION OF THE NATIONAL RECYCLABLE COMMODITIES ACT

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. FLORIO. Mr. Speaker, today I am introducing the National Recyclable Commodities Act [NRCA], an ambitious piece of legislation to promote the recycling of our municipal wastes.

In the coming decade, our State and local governments will face an enormous challenge in finding new ways to manage their municipal wastes.

The old ways are no longer working. Municipal landfills are filling up or closing down in response to strengthened pollution controls. New, replacement landfills are often controversial and difficult to site. As garbage volumes grow each year, our remaining landfill space is being exhausted at an accelerating rate.

Incinerators are now touted as a way to reduce trash volumes and conserve precious landfill capacity. Yet these facilities are also costly and controversial, and serious questions persist about the environmental impacts of air emissions and disposal of ash generated by these combustion units.

Clearly, our next step must be a significant expansion in the recycling of municipal refuse.

Fortunately, we will not be starting from scratch. Already, large quantities of refuse materials are being recycled by American and foreign industry. In the year 1986, for example, almost 20 million tons of waste paper, 1 million tons of waste glass, 600,000 tons of aluminum scrap, 400,000 tons of steel scrap—excluding junked automobiles—and 550,000 tons of lead scrap were recycled from residential, commercial, and institutional waste sources. Without these recycling efforts, our current difficulties would be greatly compounded.

Moreover, these waste materials now represent raw materials for important segments of American industry. Used beverage cans are needed for our secondary aluminum smelters, spent automotive batteries, for our secondary lead smelters, junked automobiles, for our steel minimills, and waste paper, for our sizable recycled paper industry.

Still, it is not enough to point to what is already being done. To cope with the approaching crisis, we must do much more.

Under the National Recyclable Commodities Act, the Federal Government, acting through the Department of Commerce, will assume a leadership role in the promotion of recycling. In particular, the National Recyclable Commodities Act targets the critical need to develop new industrial capacity and markets for recyclable materials.

The National Recyclable Commodities Act is an aggressive, prorecycling bill. While most experts now agree that a sound municipal waste management policy should establish a clearcut preference for recycling over incineration and landfilling, current Federal policies are often neutral, and in some cases actually disfavor recycling. Through its strong measures to benefit recycling, this legislation will put the so-called waste management hierarchy into practice, not just on to paper.

While the National Recyclable Commodities Act represents a key piece of the overall waste management puzzle, this bill is not intended as the complete answer.

For example, other measures are needed to ensure that pollutant emissions and releases from incinerators, landfills, and even recycling facilities are properly controlled.

Also, the National Recyclable Commodities Act can complement other legislation which seeks to reestablish and reinvigorate the State planning process for municipal waste management. Sound State and local planning is necessary to provide for safe management of the entire municipal waste stream, especially those components which cannot yet be recycled. To date, in the area of recycling, the State planning process has focused more on the "production" of recyclable materials through the implementation of source separation and collection programs.

The NRCA instead emphasizes the market development portion of the recycling system. It does this in four ways.

First, the NRCA requires the Department of Commerce to assume the lead role, among Federal agencies, in promoting the recycling of municipal wastes. To ensure that the recycling programs outlined by NRCA receive the necessary degree of support within DOC, this legislation creates a separate office, the Bureau of Recyclable Commodities, to carry out the enumerated functions.

DOC is ideally suited for promoting the recycling of municipal wastes, and for carrying out the specific activities and functions mandated by the NRCA.

The NRCA calls for the extensive collection of statistics and other information on recycling, and the conduct of market analyses, studies on industrial recycling capacity, and other similar investigations. The DOC has vast capabilities in data collection and market analysis in offices such as the Census Bureau, the National Technical Information Service [NTIS], and the Bureau of Economic Analysis.

The NRCA requires the designation of recyclable commodities, and identification and standardization of specifications and test methods for these commodities. The DOC contains the National Institute of Standards and Technology, formerly known as the Bureau of National Standards, which provides a wide range of technical services for industry and government, including the development of measurement standards and test methods.

The NRCA, in its entirety, is intended to promote a major expansion in U.S. recycling capacity. Moreover, specific provisions in the act require DOC to develop programs for the promotion of export markets for recyclable materials, and oversee research relating to the development of innovative recycling processes. The DOC already has substantial industrial and commodity promotion capabilities in offices such as the Economic Development Administration, the International Trade Administration, and the Minority Business Development Agency. These Departmental responsibilities include programs for the promotion of trade and export markets.

The NRCA requires DOC to promulgate and enforce labeling requirements for certain classes of containers, packaging, and disposable products sold or distributed in interstate commerce. The DOC has extensive regulatory expertise which can be applied to this new program. For example, the Bureau of Export Administration is responsible for administering and enforcing U.S. export control laws.

While the NRCA will create a new office within DOC for administration of recycling programs, this office will be able to draw upon the considerable expertise available through the other DOC offices.

Second, this bill places great emphasis on the collection and dissemination of accurate, timely information.

To recycle successfully, local governments and private firms must master a highly complex, dynamic market environment. Without the necessary information at hand, this challenge is greatly magnified. Lacking sufficient data to make important judgments, or Government officials and industry executives cannot fully anticipate and plan for the inevitable changes in the marketplace.

While some of the needed information is already gathered by various governmental agencies and industry trade associations, there is presently no single, comprehensive recycling data base. This legislation will create a repository of recycling information at the Department of Commerce.

This bill will ensure the availability of recycling statistics in the future, improve the quality of this data, and increase the rate at which this data is distributed to those engaged in recycling. Recognizing that recycling markets are constantly in flux, this initiative does not rely on one-time studies, which can become

obsolete almost as quickly as they are published. Rather, it calls for the periodic collection of data at annual, semiannual, and quarterly intervals. This time-series data will be critical for monitoring the movement in commodity prices and markets over time, and evaluating important trends that may affect future recycling activities.

The NRCA also addresses the need to gather data at a regional, as well as national, level. Because of the significant costs associated with the transport of materials over long distances, regional markets are often vital to the success of recycling. At the same time, effective recycling at the regional level often means moving materials across State boundaries to neighboring recycling plants. As a result, states have a critical need for technical information on the availability of recycling capacity in neighboring states. This bill recognizes the regional scope of recycling, and calls for data gathering across multi-State regions to be designated by the Department of Commerce.

Also, needed recycling data will be collected more efficiently within the framework provided by this bill. It is wasteful and counterproductive to have States, localities and private parties gather the same information over and over again. Hopefully, this legislation will provide a solid informational foundation. States and localities can then focus their scarce resources on gathering supplemental information to meet their individual needs.

The NRCA will also get more information into the hands of people who can make a difference. For instance, the labelling requirements contained in this bill are in keeping with the "Right To Know" philosophy I have supported in other legislation. These labelling standards will provide important information to consumers on the recyclability and composition of containers, packaging, and non-durable goods distributed in interstate commerce.

Similarly, standardized commodity definitions, specifications, and test methods enhance the flow of important, technical information needed to improve the quality of waste materials which enter the recycling chain. Timely Federal procurement guidelines can serve as excellent models for State governments, local governments, and private firms which are often hard-pressed to develop these complex standards on their own.

Most importantly, by collecting detailed information of recycling, we can rapidly identify those recycling techniques which are already working in the marketplace. These proven technologies are likely to offer the greatest hope for dramatically expanding the volumes of wastes recycled in the near future.

Third, the NRCA will promote greater technical clarity and standardization in every phase of recycling.

Under the NRCA, the Department of Commerce must develop uniform definitions for recyclable commodities, designate appropriate commodity grades, and identify and, to the extent practicable, standardize specifications and test methods applying to these materials.

While managers of recycling plants will always have the final say in accepting or rejecting waste materials, this legislation seeks to foster and maintain a high degree of coordination among all parties which have a major stake in successful recycling. Firms that operate recycling plants want to be assured of a steady, consistent supply of clean, high-grade materials for use as feedstocks or raw materials in their remanufacturing processes. As producers of commodities, local governments need to understand the range of recycling options, and the specifications which apply to each of these options.

By creating production councils to work on technical issues relating to specific commodities and commodity classes, the NRCA will establish an important institutional mechanism for standardizing these technical terms, and rapidly adjusting these guidelines in response to changes in market conditions or composition of municipal waste.

The net result will be a more consistent set of rules for recycling to be applied across the United States. While the immediate needs of the marketplace will always prevail, the standardization of commodity definitions should enhance the flow of technical information on recycling, and facilitate the movement of these materials in interstate commerce at the regional and national levels. A clear set of technical guidelines will also assist municipalities in producing high-quality recyclable commodities, and in preparing contingencies for upgrading or downgrading these materials in response to market fluctuations.

The move toward standardization is an important theme in other provisions of the NRCA. For example, labelling provisions contained in the NRCA will require uniform labelling of containers, packaging, and disposable products sold or distributed in interstate commerce throughout the United States.

Already, many States and localities have responded to the municipal waste crisis by enacting restrictions on various forms of packaging and disposable products. Unless the Federal Government acts forcefully and rapidly to establish effective, uniform of standards governing these goods, this trend toward a patchwork of State and local regulations will continue and may even intensify.

By developing a standardized set of labeling requirements, the provisions of NRCA will promote additional recycling across the United States, while providing manufacturers and distributors of goods with clear, uniform guidelines.

Fourth, and perhaps most importantly, the NRCA takes significant, yet measured, steps to bolster markets for recyclable commodities, and promote recycling industries.

At present, as new recycling programs come on-line across the United States, we can expect to see sizable increases in quantities of materials separated and collected for recycling. New Jersey is currently recycling approximately 15 percent of its municipal waste, and striving to meet an overall recycling goal of 25 percent. Our neighboring cities and States have set their own ambitious recycling goals. EPA has set a national recycling goal of 25 percent by the year 2000.

Still, separation of recyclable materials from the municipal waste stream does not, by itself, guarantee successful recycling. Effective recycling is critically dependent on the existence of adequate national and regional markets for each type of material collected.

Where these markets cannot adequately absorb the increasing supplies of recyclable materials, recycling programs are harmed. Recently, for example, east coast markets for waste paper have not been expanding rapidly enough to offset increases in waste paper volumes resulting from new recycling programs. In some cases, municipalities and private brokers have been unable to find buyers for collected paper. Moreover, declining prices can undercut the financial plans and expectations of those operating paper collection programs.

We must be careful not to exaggerate the existing problems in the marketplace, Even while some regional paper markets are presently saturated, record volumes of waste paper are being recycled each year in the United States. And each ton of paper recycled further reduces the need for new landfills and incinerators. We must also expect and plan for a significant degree of volatility in any commodity market.

At the same time, these market difficulties, left unattended, will undermine public confidence in recycling as a solution to the municipal waste crisis.

We must also be fair to the local governments and private firms who are taking a chance with recycling. We cannot simply mandate or encourage the collection of recyclable materials, and then walk away thinking that our problems are over.

Working closely with the private sector, the Federal and State governments must accept greater responsibility for assisting municipalities and private recyclers in moving their goods to market in an orderly fashion.

We should also remember that by choosing recycling, we are asking our local governments to function as producers of commodities, a new and challenging role for these communities. To be successful at recycling, they face several challenges.

Unlike the farmer who may choose whether to plant a certain crop, or the timber company which may leave its timber standing, the local governments must manage a steady flow of refuse materials. Where near-term markets fall short, other contingencies such as stockpiling or landfilling must be readied.

Localities also have limited control over what they produce. Waste composition is highly complex and dynamic, and ultimately dependent on consumer preference. Aluminum beverage cans replace steel cans, plastic food jars replace glass jars, and vice versa—and all these changes can occur with astonishing rapidity. A municipality's best defense is to understand, as rapidly as possible, what changes in the marketplace are occurring, and how these changes will affect waste composition and prospects for recycling.

And we are asking our localities to operate in a riskier market environment. As producers of commodities, they must become experts on glass cullet markets in New Jersey, plastic markets in South Carolina, newsprint markets in Oregon, and linerboard markets in Taiwan and Korea.

If they do this job well, the benefits will be substantial. Localities can reduce their dependence on costly and often controversial landfilling and incineration techniques. By involving the private sector in recycling these

municipalities can minimize the financial burden to local taxpayers.

The benefits of recycling to our economy should be evident as well. To build fewer landfills and incinerators, we must build more secondary paper mills, plastics recycling plants, steel minimills, composting facilities, and secondary lead and aluminum smelters. Construction and operation of these recycling mills will contribute to the expansion of the Nation's manufacturing base, create new employment opportunities for the U.S. labor force, and enhance the tax bases of Federal, State, and local governments.

In displacing goods and raw materials presently imported, domestic production of received goods can reduce the Nation's dependence on foreign supplies of these materials and improve the Nation's balance of trade. In the process, imported Japanese and Brazilian steel will become American steel, and Canadian newsprint will be turned into American newsprint.

At a time of renewed concern about our dependence on foreign energy supplies, recycling of refuse materials is a sound way to promote energy conservation.

The NRCA takes several important steps to strengthen end markets for recyclable materials and increase recycling capacity.

The NRCA requires DOC to establish a program to promote the export of recyclable commodities and recycled goods. Where domestic markets lag, foreign markets may provide an important outlet for collected materials.

The NRCA strengthens Federal procurement in key areas, calling for new guidelines on procurement of recycled goods made from waste paper, rubber scrap, waste glass, compost, and other refuse materials. Through its procurement practices, the Federal Government can act directly to stimulate market demand for recycled products. Moreover, Federal guidelines are often adopted by State and local governments, and even private firms as a model for procurement practices.

The NRCA will also create recycling research centers at American colleges and universities, and sponsor basic research relating to development of innovative recycling and composting processes, development of new material specifications and test methods, identification of new end markets, and characterization of waste composition. Basic research has played a major role, over the past century, in identifying new methods and processes for producing plentiful, high quality raw materials such as metals and timber, and can play a similar role in developing new techniques for improving the quality of our recyclable materials.

Through its numerous provisions promoting the collection and dissemination of information, and standardization of technical guidelines for recycling, the NRCA will work toward improving the efficiency of existing markets for recyclable materials.

The NRCA also includes important tax provisions designed to signal a new, more favorable climate for public and private investment in recycling. NRCA provisions will ensure that recycling facilities, like other solid waste disposal facilities, can be financed by tax-exempt facility bonds.

The NRCA provides an investment tax credit for qualified remanufacturing equipment used to produce secondary fiber and finished paper goods from waste paper, and recycled rubber goods from rubber scrap. These tax incentives are carefully targeted to minimize overall tax expenditures while spurring needed industrial investment in the recycling of waste paper and rubber scrap.

Finally, under NRCA, the DOC is required to prepare and submit to Congress reports evaluating the potential for expanded recycling of specific types of refuse materials. Where DOC finds that future markets will not be adequate to absorb increased supplies of recyclable commodities, the Department must identify policy options for influencing the timing and extent of additional needed investment in facilities for remanufacture, transport, or stockpiling of these materials. The findings of the two required studies may provide a basis for further congressional action to stimulate markets for recyclable commodities.

Mr. Speaker, if we are serious about recycling, then we must work to strengthen every part of the recycling system. We cannot simply encourage and even require the collection of these refuse materials without at the same time working to provide adequate industrial recycling capacity and markets.

I urge my colleagues who share the belief that recycling efforts must receive strong Federal backing to join us in moving this important legislation.

I insert a section-by-section analysis of the bill in the RECORD:

SECTION-BY-SECTION ANALYSIS OF THE NATIONAL RECYCLABLE COMMODITIES ACT

TITLE I—DEPARTMENT OF COMMERCE RECYCLING REQUIREMENTS

Section 101. Bureau of Recyclable Commodities

Establishes a Bureau of Recyclable Commodities in DOC to handle the requirements of the Act.

Section 102. Annual Statistics

Requires DOC to collect statistics on municipal refuse, pre-consumer refuse materials, and other materials contained in municipal refuse, statistics on the generation, sources, quantities, disposal, and recycling of these materials, and statistics on the recycling techniques, available markets, and industrial capacity for recycling.

Requires DOC to establish multi-state regions for collecting regional statistics, and revise the SIC code system as necessary to facilitate data collection.

Section 103. Designation of Types and Grades of Recyclable Commodities

Requires DOC to identify municipal refuse materials that qualify as recyclable commodities, and identify and, to the extent practicable, standardize commodity types and grades.

Requires DOC to identify, and to the extent practicable, standardize the technical specifications and test methods applying to the use of recyclable commodities as raw materials or feedstocks for recycling. Provides for the creation of advisory panels to assist DOC in identifying specifications and test methods.

Allows for the revision of specifications and test methods upon petition, and requires the issuance of recycling advisories upon a finding that a physical or chemical property, or contaminant, of a recyclable commodity is interfering with recycling.

Section 104. Periodic Market Analyses

Requires DOC to prepare periodic market reports, including price information, recycling rates, and market analyses. Authorizes the development of market indices as appropriate.

Section 105. Study on Recycling Capacity

Requires DOC to prepare, within 9 months of enactment, a report to Congress evaluating the potential for expanding recyclying of waste paper and paperboard, rubber scrap, plastic scrap, ferrous scrap, and lead scrap. Within 18 months of enactment, a similar report on aluminum scrap, other non-ferrous scrap, waste glass, and yard and food waste must be submitted.

Section 106. Labeling of Packaging, Containers, and Non-durable Goods

Requires DOC to promulgate regulations prescribing labeling on recyclability and composition of packaging, containers, and non-durable goods. Items covered and deadlines for promulgation are:

Containers and packaging used to hold food, beverages, soaps, detergents, cleaning preparations, personal care products, liquor stores, drug stores—2 years.

Paper and paperboard products—3 years.

Other containers, packaging, and non-durable goods as determined by the Secretary—4 years.

Requires that goods be labeled alternatively as "RECYCLABLE ", with the blank space filled in with the principal constituent material used in manufacturing the item, or "NONRECYCLABLE BY FEDERAL STANDARDS".

Requires DOC to design a standardized, national recycling seal or symbol for voluntary use by manufacturers on items determined to be recyclable. DOC must promulgate regulations defining minimum content standards for goods labeled "RECYCLED".

Authorizes DOC to issue recall orders or seek injunctive relief requiring the removal from commerce of any items sold or distributed in violation of labeling requirements. Where terms of a recall order are violated, DOC may assess civil penalties of $25,000 per day for continued noncompliance.

Section 107. Federal Procurement

Requires DOC to establish guidelines for procurement, including designating items made of recycyled materials that can be procured by agencies, setting forth practices and procedures for procurement, providing information about availability, relative price, and performance, and establishing minimum content standards where appropriate.

The guidelines must include, at a minimum, guidelines for the procurement of recycled paper and paperboard goods, the procurement and use of waste glass in highway construction, the procurement and use of discarded tires and other rubber scrap for highway construction, procurement and use of compost and soil amendments from yard and food waste, procurement of recycled packaging and containers, procurement of recycled automotive batteries, and at least three other categories. By 1990, 30 percent of paper and paperboard goods must have a recycled material content of at least 25 percent; by 1991, 40 percent must have a recycled material content of at least 35 percent, and, by 1992, 50 percent must have a recycled material content of at least 50 percent.

Requires agencies procuring items designated in procurement guidelines developed

by DOC to procure items composed of the highest percentage of recyclable materials practicable. Requires each agency to develop an affirmative procurement program that will assure that items composed of recycled materials will be purchased to the maximum extent practicable.

Repeals section 6002 of the Solid Waste Disposal Act and authorizes the review and revision of guidelines issued under this section.

Section 108. Promotion of Export Markets

Requires DOC, in cooperation with the Department of State, to develop a program to promote the export of recyclable commodities for recycling by foreign industries, and requires the compilation of statistics and information on foreign recycling techniques, markets, commodity specifications, prices, and other information. Requires DOC to develop a program to promote the export of recycled goods produced in the United States.

Section 109. National Recycling Campaign

Requires DOC to establish a national recycling clearinghouse for the dissemination of statistics and other information to the public. Requires DOC to develop and conduct a national advertising campaign that promotes recycling and the purchasing of recycled goods.

Section 110. University Recycling Research Centers

Creates a grant program, to be administered by DOC, for accredited institutions of higher education to establish and operate up to a total of six recycling research centers for, among other things, research relating to innovative recycling processes to be employed in the manufacture of recycled goods and innovative processes to facilitate recycling. The Federal share for these grants is limited to 80 percent of the operating costs of the centers.

Section 111. Federal Office Source Separation Program

Requires DOC to establish a program for the source separation and collection of materials contained in refuse from office facilities of Federal departments, agencies, and instrumentalities. Any savings from this program are to be retained by the organization carrying out the program.

Section 112. Review of Product Specifications

Provides DOC with the authority to conduct an independent technical assessment of any product specification or standard set by a Federal, State, or local governmental agency, industry trade association, or other standard-setting group that may disfavor recycled materials or otherwise adversely impact markets for recycled materials and publish the results of this review. DOC may not review specifications or standards established by individual private firms or persons.

Section 113. Interagency Working Group

Requires DOC to establish an interagency working group, consisting of respresentatives of DOC, the Environmental Protection Agency and other appropriate Federal departments and agencies, to ensure the fullest possible coordination of actions taken by these departments and agencies.

Section 114. Citizen Suits

Authorizes citizens suits against the Secretary if the Secretary fails to perform any act or duty under the Act that is not discretionary with the Secretary, or against any person alleged to be in violation of any regulation, guideline, standard, requirement, or order effective pursuant to the Act.

Section 115. Judicial Review

Provides for judicial review of final regulations promulgated pursuant to the Act.

Section 116. Definitions

Defines various terms used in the Act.

TITLE II—TAX INCENTIVES FOR CERTAIN RECYCLING AND REMANUFACTURING FACILITIES

Section 201. Recycling Facilities Treated Like Solid Waste Disposal Facilitates Under Tax-exempt Bond Rules

Amends section 142 of the Internal Revenue Code of 1986 to include qualified recycling facilities as facilities that may be financed by a tax-exempt facility bond. Qualified recycling facilities do not include equipment to refine marketable material or equipment used in the conversion of municipal waste into fuel or energy (i.e., incinerators).

Section 202. Investment Tax Credit for Certain Remanufacturing Equipment

Amends section 46 of the Internal Revenue Code of 1986 to provide for a 15 percent investment tax credit for qualified remanufacturing equipment. Qualified remanufacturing equipment includes any equipment used to produce secondary paper fiber from waste paper or paperboard, and crumb rubber, reclaimed rubber, or other recycled rubber materials from rubber scrap. Also included is equipment used to manufacture paper or paperboard products from secondary paper fiber and rubber products from crumb rubber, reclaimed rubber, or other recycled rubber materials if these finished products, contain at least 60 percent of the recycled materials and the recycled materials are produced on the same or adjacent site. Excludes any equipment used to sort waste, equipment used to mix recycled rubber material with asphalt or other building materials, equipment related to tire retreading, and equipment related to the production of any fuel or other energy.

DEATH PENALTY FOR TERRORISTS WHO MURDER U.S. CITIZENS ABROAD

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. SCHUETTE. Mr. Speaker, on October 26, 1989, I introduced H.R. 3539, a bill which would reinstate the death penalty for terrorists who murder U.S. citizens abroad. This legislation sends a clear and distinct message that we as a nation cannot and will not tolerate heinous acts of terrorism against our citizenry anywhere in the world.

In 1988, acts of terrorism escalated to record numbers—856 incidents of international terrorism were recorded which resulted in the death of 658 persons and the wounding of 1,131 more. Who can forget the tragedy of the senseless murder of 189 Americans returning home for Christmas last year who were killed by a terrorist's bomb planted on Pan Am flight 103 over Lockerbie, Scotland. Such atrocities must be stopped. However, we cannot effectively begin to combat the war against terrorism without the reinstatement of the death penalty.

The death penalty was reinstated last year in response to the great national concern and frustration of the senseless murder of innocent people caught in the drug war. The murder of U.S. citizens abroad warrants similar outrage, and therefore should be regarded with the same intolerance. My bill will reassert that principle.

It should be noted that my legislation does not mandate the death penalty for all cases, but rather allows the maximum flexibility of imposing punishment on those terrorists convicted of murdering U.S. citizens. By reinstating the death penalty we not only add teeth to our justice system, we also put terrorists on notice that they will not be dealt with lightly.

I have heard arguments that a mandatory life sentence for these heinous crimes is a much tougher approach. But tougher on whom? Certainly not the murderer. Perhaps tougher on the American taxpayer who would be responsible for the financial burden of incarcerating the criminal for the rest of his or her life. There is no doubt that a justice system which incorporates the death penalty is a much stronger and harsher system than one which does not include this option.

Opponents of the death penalty may be fearful of the inadvertent death of a person wrongfully accused of a crime which may be punishable by death. To negate these concerns, this legislation imposes the exact comprehensive safeguards regarding the implementation of the death penalty that were incorporated into the Anti-Drug Abuse Act of 1988.

The additional option of the death penalty in cases involving the ruthless murder of innocent American citizens abroad further strengthens our commitment to stopping terrorism around the world. In addition, it is important to show the families of the victims of terrorism that the perpetrators of these crimes will be brought to justice.

REV. DR. JOAN SALMONCAMPBELL,

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. GRAY. Mr. Speaker, I rise today to pay tribute to the Reverend Dr. Joan Salmoncampbell, who will be guest preacher at Berean United Presbyterian Church in Philadelphia on Sunday, November 26. This visit will be her first in Philadelphia since her election in June 1989 as Moderator of the General Assembly Presbyterian Church, U.S.A. She is the first black female minister ever to hold this distinguished office, which is the highest ranking office in the Presbyterian Church, U.S.A. We pay tribute to the Reverend Joan Salmoncampbell for many reasons—as a wife and parent she and her husband, James Campbell are together the parents of seven sons and three daughters. As a musician and educator, she has taught voice and piano privately, fine arts and music from elementary school through high school, has been a choir director and arranger, performed throughout the East Coast and Eastern Europe and was a contral-

to soloist with the world-renowned Wings Over Jordan Choir. As an administrator, Reverend Salmoncampbell was Associate Executive for Mission Program in the Philadelphia Presbytery and as pastor and church leader has been involved in numerous activities, reaching thousands of people.

I wish at this time to recognize the Reverend Dr. Joan Salmoncampbell for her achievement and her good works during her first official visit to Philadelphia as Moderator of the General Assembly.

THE EMERGENCY PROTECTIVE CHILD SERVICES RELIEF ACT OF 1989

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. OWENS of New York. Mr. Speaker, I am rising today in support of H.R. 3614 and to draw particular attention to an amendment now included within that bill, H.R. 3576, Emergency Protective Child Services Relief Act of 1989.

I Introduced this bipartisan bill, cosponsored by Mr. BARTLETT and Mr. MILLER, based largely upon language in S. 1735 developed by Senators DODD, KENNEDY, and KOHL. It is legislation that addresses the increasingly tragic connection between child abuse and parental drug use.

More than 2.3 million reports of child abuse were filed during 1988, up 3 percent from the year before. Of those 1,225 resulted in deaths, an increase of 5 percent from 1987, when 1,163 children died. According to a nationwide survey conducted by the National Committee for the Prevention of Child Abuse, substance abuse was the dominant characteristic in the child abuse and neglect caseloads of more than two-thirds of the States reporting information. Almost 90 percent of the caretakers reported for child abuse in the District of Columbia are active substance abusers. In 1987 almost three-fourths of New York's neglect related fatalities resulted from parental drug use.

Child welfare agencies around the country are overwhelmed by drug related abuse and need help.

The bill would amend the Child Abuse Prevention and Treatment Act to establish a $40 million grant program for which State and local agencies, community and mental health agencies, and nonprofit youth serving agencies with experience in child abuse interventions, would be eligible to apply.

The funds may be used for:

Hiring of additional child protective service workers;

Recruitment of additional foster and adoptive care families; and

The provision of additional training for personnel to improve their ability to provide emergency child protective services related to substance abuse by parents of such children.

I urge my colleagues to support this vitally important expansion of our efforts to stem this epidemic in the incidence of child abuse and neglect. The war on drugs needs to be total and comprehensive when it comes to protecting the most defenseless individuals in our society.

PROCTER & GAMBLE NOMINATED FOR THE WORLD ENVIRONMENT CENTER'S GOLD MEDAL AWARD

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. RAY. Mr. Speaker, I would like to bring the attention of my colleagues the fact that the Procter & Gamble Cellulose Co. has been nominated for the world environment center's very prestigious 1990 Gold Medal Award.

Procter & Gamble, on a parochial note, has a bleached kraft pulp plant at Flint River in the Third Congressional District of Georgia. In addition, Procter & Gamble's record of being a good employer and a good citizen in all areas of the Nation and the world in which they are located is commendable. I have had the pleasure of working with the company on numerous occasions and was honored to recommend it for the award. I believe Procter & Gamble has been environmentally conscience and is quite deserving of such recognition.

Mr. Speaker, I would like to insert my recommendation letter into the RECORD at this point. Thank you.

U.S. CONGRESS,
HOUSE OF REPRESENTATIVES,
Washington, DC, November 7, 1989.

Dr. JOEL I. ABRAMS,
Chairman, 1990 Gold Medal Awards Jury World Environment Center, New York, N.Y.

DEAR DR. ABRAMS: I would like to recommend the Procter & Gamble Cellulose Company for the World Environment Center's 1990 Gold Medal Award.

The Procter & Gamble Company has been an environmental leader in the Third District of Georgia, the District I have had the pleasure of representing in the United States House of Representatives since 1983. Their Flint River Plant is a showcase among bleached kraft pulp plants for overall environmental performance.

The 200,000 acres of land connected with the plant are managed by P&G's Land and Timber Group in accordance with management practices recommended by the State of Georgia Forestry Commission. These forests provide much needed wildlife refuge and recreational areas.

The plant is comprised of state-of-the-art equipment which allows for product efficiency while maintaining environmental protection. The capital investment on environmental systems at the plant is roughly 10 percent of the total installed capital for the manufacturing site and is scheduled to be increased substantially. Annual operating expenses for plant environmental control average about 3 million dollars.

The Flint River Plant compares very favorably when compared to a typical pulp mill. Flint River water usage averages only one-third, color discharge averages only one-fourth, and BOD discharges average only one-fifth of a typical North American mill. Additionally, Flint River Plant has not exceeded any of its wastewater permit limitations since its startup.

Procter & Gamble has done much to ensure that environmental concerns are addressed and regulations are followed. They constructed a 650 million gallon holding pond at a cost of 3 million dollars to minimize water discoloration. The company sponsored river and lake studies at a cost of over a million dollars which were conducted by the Science Advisory Committee, a group of independent scientists led by Dr. Ruth Patrick of the Philadelphia Academy of Natural Sciences, to determine the effect of the treated effluent on the area. These studies, some of the most intense ever conducted over a one year period on any river in the United States, showed no harmful effects on the aquatic life of the river or lake. In fact, the plant has contracted to have the Philadelphia Academy of Natural Sciences to continue to monitor for treated effluent discharge to ensure that no significant changes occur in the health of the river and lake.

As a member of the community, Procter & Gamble has been active and accessible. The Flint River Plant has been involved in the formation of the Lake Blackshear Watershed Association, the local Community Awareness and Emergency Response Coordinating Group, and a course on environmental protection for the local grade schools.

Additionally, Procter & Gamble has received numerous awards in the area of environmental protection. The Flint River Plant has been recognized by the National Council for Air and Stream Improvement for having the lowest effluent BOD and color per ton of production in the industry. Environmental awards have been presented to the plant, including honors from the American Paper Institute and National Forest Products Association, the Georgia Business and Industry Association, the Georgia Lung Association, the Georgia Water and Pollution Control Association, the Georgia Wildlife Federation, and the Izaak Walton League.

Procter & Gamble has shown me through its work at the Flint River Plant that it is very deserving of the 1990 Gold Medal Award. I am sure that you will give Procter & Gamble every consideration in the selection process.

Sincerely,

RICHARD RAY,
Member of Congress.

AMERICA'S COMMITMENT TO THE NAVY MUST REMAIN UNSHAKEN

HON. OWEN B. PICKETT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. PICKETT. Mr. Speaker, yesterday's fire aboard the U.S.S. *Inchon* in Norfolk is the latest in a series of almost a dozen unrelated tragic accidents that have plagued the Navy this fall.

The Chief of Naval Operations, Admiral Trost, has very prudently called for an immediate fleetwide safety standdown to closely examine established safety procedures and practices.

What these accidents don't call for, Mr. Speaker, are knee jerk reactions or a weakening of our commitment to a strong Navy.

The total number of operating and training fatalities annually in the Navy has been declining throughout most of the 1980's. Fiscal year 1989 marked the best year on record for safety in Navy aviation. The men and women serving our Navy today are the same outstanding men and women who served before this series of accidents began.

Last April, after I returned with President Bush from Norfolk, where we attended a memorial service for those who died aboard the *Iowa*, I stood here in the well and spoke of a quiet determination among the Navy families to carry on, to do their duty, and to serve America well.

I can assure you that this same sense of duty and purpose is alive and well among our Navy people today.

A TRIBUTE TO ALFRED G. FRISCH

HON. BILL PAXON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. PAXON. Mr. Speaker, I rise today to pay tribute to my constituent and friend, the late Alfred G. Frisch.

Mr. Frisch died on October 14, at age 75, and surely his community and country will miss him greatly. He was an example of character and service such as is rarely seen.

A native of Buffalo, Mr. Frisch moved to Marilla in 1938, and became involved in local politics. After serving in the Army from 1943 to 1946, he was elected to the town board, and subsequently became supervisor.

Mr. Frisch made some of his most notable contributions while serving on the Erie County Board of Supervisors, where he was instrumental in developing the delivery system for mental health services throughout Erie County. In 1972, he became president of the county mental health association.

Included among the many organizations that Mr. Frisch devoted his time to were the Marilla Library Board, the Grace Lutheran Church, the Marilla and Erie County Historical Societies, the Marilla Fire Department, and Marilla Grange. He was also a member of the Marilla Town Republican Committee for more than 30 years.

I worked with Al Frisch during my first years in office as a member of the Erie County Legislature. He was an early supporter and counsel and I will miss him.

It is a great honor for me to be able to express today my admiration and respect for Alfred G. Frisch, and to express my hope that his memory will inspire others to emulate his devotion to community service.

ALAMOGORDO, NM, LOSES CIVIC PIONEER

HON. JOE SKEEN

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. SKEEN. Mr. Speaker, today I rise to reflect on the recent loss of one of New Mexico's—and one of my district's—finest citizens, John C. Rolland. John, 81, proudly and honorably served as mayor of the city of Alamogordo from 1955 through 1959. John served our country during World War II with the Navy. He also proudly served the citizens of New Mexico and Otero County as president of the chamber of commerce and as a member of the New Mexico Military Institute Board of Regents. As a community and civic leader, John was one of the founders of Alamogordo Federal Savings & Loan, one of the largest mortgage lenders in Otero County.

Mr. Speaker, I ask unanimous consent that an article published in yesterday's Alamogordo Daily News, written by Don McKinney, be reprinted in the RECORD. Mr. McKinney's article includes a detailed notation of the many highlights in John Rolland's life as well as reflections on his life by many of his fellow community citizens.

[From the Alamogordo Daily News, Nov. 14, 1989]

CIVIC PIONEER ROLLAND, DIES

(By Don McKinney)

Alamogordo today lost another of its civic pioneers.

John C. Rolland, 81, who was the city's mayor from January 1955 through February 1959, died this morning.

The Alamogordo native was born December 10, 1907, and the lifelong city resident had an active role in the shaping of the city.

Services were pending with Hamilton Funeral Home this morning.

Rolland operated the family pharmacy business located near New York Avenue and 10th Street for 50 years.

Besides being mayor, he also was a member of the City Commission for several years. He was one of the formative forces in the establishment of Alamogordo Federal Savings and Loan, one of the largest mortgage lenders in Otero County.

He was elected to the board of directors of Alamo Fed in 1939 and stepped down in 1944 to join the Navy. After World War II, he was again elected to the board in 1946 and has served as chairman of the board continuously since 1967.

His civic work included a stint as president of the Alamogordo Chamber of Commerce in 1947 and president of the Alamogordo Rotary Club from 1952-53.

He was a member of the board of regents of New Mexico Military Institute; the administrative board of Grace United Methodist Church and a member of the board of directors of First National Bank at Alamogordo during 1960-75.

Rolland was an active contributor, campaign worker, division chairman and former board member of Otero County United Way. He also served on the advisory board of the Betty Dare Good Samaritan Center.

He was voted the Alamogordo Citizen of the Year in 1972.

Although he was ill, he recently served as a member of the Otero County Economic Development Council.

Alamogordo pioneer Maude Suton and her husband Charles were close friends with the Rolland family.

"Ever since I've been out here, there was a Rolland Drugs," she said this morning.

"Johnny was a wonderful person, always kind. He never got riled up about anything. He did a real good job as mayor.

"We all ran around together. He was the same age as my husband."

Rolla Buck, city manager during Rolland's tenure as city commissioner and mayor, remembered him as a lifelong friend.

"They had a drug store here and Johnny was the main man in it. We played together growing up.

"He was just a good person. His attitude towards life was one of kindness and giving.

"He was a person that liked to do what was right in every way. He was about the most honest person I have ever known.

"Lots of times he would come in to me when Alamogordo was growing real fast to help him go over the plats and plans for subdivisions."

"He wanted to see good development in the city."

"Eber McKinley, also a former mayor, grew up with Rolland.

"We were born less than a block apart. He was about two and one-half years older than me. I guess we really got close in school," McKinley said.

"He was one of the most honorable people I have ever known in my life."

"He was an excellent city commissioner. Johnny was a very progressive influence on the community."

McKinley served for a number of years with Rolland on the Alamogordo Federal Savings and Loan board.

Earl Wallen, president of the savings and loan, remembers the 48-year veteran of the board as an even-tempered man.

"As a director and a person he was great. He was a very kind man always trying to help other people."

Wallen said during Rolland's tenure on the board, Alamo Fed had grown from $1 million in size in 1939 to $102 million this year.

"He was a quiet leader, not boisterous, but very efficient."

He was preceded in death by his wife Ruth in 1981.

Survivors include his daughter, Helen (Mrs. Dennis) Howe of East Point, Fla.; a granddaughter, Cindy (Mrs. Carl) Munz of Carlsbad.

He is also survived by six grandchildren, Scott Cameron, Cammie and Cory Munz, and Jacob, Joshua, and Jeremy Cameron, all of Carlsbad.

H.R. 3265, FCC REAUTHORIZATION

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. RINALDO. Mr. Speaker, I was unavoidably detained on Monday, October 30, and could not speak on the floor in support of the FCC reauthorization bill, which I cosponsored with the Telecommunications Subcommittee chairman, the gentleman from Massachusetts [Mr. MARKEY]. I am pleased that the House passed this legislation by voice vote on the suspension calendar.

This bill, as approved by the Energy and Commerce Committee and the Telecommunications Subcommittee, authorizes the full $109.8 million requested in the President's fiscal year 1990 budget. This is only $800,000 more than the amount that the House appropriated for the FCC in fiscal year 1990.

The bill as amended sets the FCC's fiscal year 1991 authorization at $121.5 million. This increase is appropriate for two reasons. First, this figure reflects the FCC's revised estimate of the additional money it will need in 1991 and 1993 to move and consolidate its offices.

Second, this funding increase recognizes that the FCC's workload and responsibility have greatly increased in recent years. The industries regulated by the FCC have become much larger and more important to our overall economic health and our ability to remain competitive. New technical and regulatory challenges for the agency spring up every day, as they have from HDTV to information services in the 1980's. Keeping the FCC well-equipped and able to deal with these new challenges has to be a central part of our communications strategy as we move to the 21st century.

The legislation extends the FCC's Older Americans Program, which was originally authored by my colleague from Texas, Mr. FIELDS. As the ranking Republican on the House Aging Committee, I share Mr. FIELDS' hopes that the Older Americans Program will be an important tool that will be used by the FCC to its fullest potential.

The Energy and Commerce Committee adopted an amendment to this legislation relating to the Commission's authority to take into account trade practices of foreign countries. The administration has raised concerns about this amendment, fearing it may create policymaking authority at the FCC.

I want to assure the House, and especially my Republican colleagues, that the opposite is true. The commitee clearly did not create any new authority for the FCC through this amendment. I worked closely on the language of the provision with the chairman of the full committee and the subcommittee. I can assure the House that the committee's action makes explicit the limits of existing FCC authority. The committee report makes clear that the President is the policymaker with respect to trade policy, not the FCC. That will not change after this amendment becomes law.

The only thing this amendment does is remind the FCC that it may take into account the Nation's trade policies when the agency makes rules governing telecommunications industries—no more, no less.

I also note that while the administration is concerned about this trade provision, it does not object to passage of the underlying bill.

Finally, I want to mention my concerns on one issue that has been a source of controversy betwen the Telecommunications Subcommittee and the FCC. The Telecommunications Subcommittee members are in agreement that the Commission should not impose access charges on information service providers.

Twice, the subcommittee chairman and I have fought the FCC on this issue. The subcommittee believes strongly that access charges are inappropriate and would drive up the public's cost in getting information services. We didn't make these views explicit in the committee report only because FCC Chairman Sikes pledged during our authorization hearing not to impose these fees. We expect the Commission to live up to that pledge and work to make information services widely available for all our citizens.

Once again, I am pleased that the House has approved this needed authorization legislation. I hope it will be quickly approved by the Senate and sent to the President for approval.

IN HONOR OF POLLY B. BACA

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. TORRES. Mr. Speaker, I rise today to honor the achievements of Ms. Polly B. Baca, and the contributions she has made to the Hispanic community.

Ms. Baca began her professional career as an editorial assistant for a trade union newspaper in Washington. During President Lyndon Johnson's administration she served as a public information officer for a White House agency. She then joined the national campaign staff of the late Senator Robert F. Kennedy in his bid for President of the United States in 1968. Later she served as the director of information for the National Council of La Raza and then as a special assistant to the chairman of the Democratic National Committee.

Ms. Baca's political career continued to excel as a member of the Colorado State Legislature for 12 years, where she was first elected to the Colorado House of Representatives then to the Colorado Senate. During her tenure in the Colorado Legislature she set precedent as the first woman to chair the Senate Democratic Caucus and the first and only minority woman elected to the Senate. To this day she is the only Hispanic woman who has ever served in a leadership position in any State senate in the United States.

She expanded her political career to the national arena by serving in many positions in the National Democratic Party. She served as chair of the Colorado Delegation to the 1978 National Democratic Mid-Term Conference, cochair in 1980 and 1984 to the National Democratic Presidential Nominating Conventions, cochair of the 1985 National Democratic Fairness Commission, vice president of the 1988 National Democratic Presidential Nominating Convention, and served as a vice chair of the Democratic National Committee [DNC] from 1981 to 1989.

Ms. Baca has been recognized by "World Who's Who of Women"; "Who's Who in American Politics"; "Who's Who in the West"; and the Mexican American History Calendar". She is one of 14 individuals originally named to be inducted into the National Hispanic Hall of Fame. Due to her extensive experience and outstanding service she has appeared on numerous television and radio programs, and has been interviewed by many major magazines and newspapers.

Ms. Baca has enhanced her career by her participation in foreign affairs programs. She has lectured in Japan and the Philippines, led a delegation to Bulgaria, participated in a fact-finding delegation in Central America, participated in a conference in Moscow, and has also attended leadership programs in Europe.

Ms. Baca is now back home in Colorado as the executive director of the Colorado Institute for Hispanic Education and Economic Development. She is doing what she does best and that is to serve the public. I have no doubt that the Hispanic community will continue to benefit from Ms. Baca's exceptional talents, motivation and knowledge, in her now role. She is an inspiration not only to young hispanic women but to all young people.

Mr. Speaker, I ask my colleagues to rise and join with me to congratulate Ms. Polly Baca on her past achievements, and the challenges that lie ahead for her.

TRIBUTE TO HOWARD PAULSEY

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. LAGOMARSINO. Mr. Speaker, I ask my colleagues to join me in recognizing Special Agent Howard A. Paulsey on his retirement after many years of service with the Federal Bureau of Investigation.

Mr. Paulsey entered duty with the FBI in October 1964. During the first 5 years of his 25-year career with the FBI, he served here in Washington, DC, as well as in Denver and Los Angeles. Since then he has served in my district at Santa Maria, CA, where he became Supervisory Senior Resident Agent in December 1979.

While in Santa Maria, Mr. Paulsey headed many important investigations, including the PSA Airline crash near Santa Maria in 1987, and investigations into several major escapes from the U.S. penitentiary at Lompoc.

Mr. Paulsey and his colleagues became good friends with my staff when my Santa Maria District Office was next door to the FBI office in the Old Post Office Building. I would personally like to thank him for the many occasions when he went out of his way to assist my staff with our constituent services.

On the evening of December 8, Mr. Paulsey will be honored at his retirement dinner. I want to wish him a very happy and productive retirement.

FIFTIETH ANNIVERSARY OF THE CHURCH OF ST. ALBERT THE GREAT

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. HALL of Ohio. Mr. Speaker, today the celebration of the Feast of St. Albert the Great has a special meaning for the members of the Church of St. Albert the Great in Kettering, OH, within my district. This is the close of the church's golden jubilee year, marking 50 years since it was founded by Father Joseph Rolfes.

As chairman of the House Select Committee on Hunger, I am expecially happy to join in celebration with the parish's members, who have a deep commitment to alleviating

hunger, and who regularly assist with anti-hunger efforts at home and around the world.

The parish held its first Mass on August 27, 1938, with fewer than 50 people. Since that time, it has grown to nearly 2,000 families. The parish has been guided by the leadership of four pastors in its history: The founding pastor, Father Joseph H. Rolfes, who served from 1939 to 1965; Father Joseph U. Urbain, who served from 1965 to 1967, Father James O. Byrne, who served from 1967 to 1980, and the current pastor, Father David C. Robisch, who has served since 1980.

In keeping with the spirit of the great educator St. Albert, this parish has a tradition of providing quality education for its youth. St. Albert the Great Elementary School opened in 1949, the first Catholic school in what is now the city of Kettering. Since then, the school has graduated more then 3,500 students, giving them the strong educational foundation to serve in leadership and professional positions in the Dayton area and the Nation.

The parish focus through the years has not only been its own needs, but also those of the community. Beginning in the 1960's, its tithing set aside 10 percent of the weekly collection to aid the missions and to assist those in need, such as the recent victims of Hurricane Hugo. The parish maintains a monthly food drive contributing more than 100 bags of groceries each month to a local food pantry.

The parish today continues its tradition of forming its members in Gospel values and reaching out in service to others. It is my pleasure to extend my congratulations to the people of the Church of St. Albert the Great on the first half century, and best wishes for continued service in the next 50 years.

THE EMERALD SOCIETY HONORS EDWARD A. SHEERAN

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. MANTON. Mr. Speaker, I rise today to congratulate Edward A. Sheeran as he is honored by the Grand Council of United Emerald Societies of New York for his many accomplishments.

Eddie Sheeran Emigrated to New York City in 1961 from Roscommon, Ireland. Shortly after he arrived in the United States, he began his career at Chase Manhattan Bank as a teller. Through his dedication to hard work and personal service, Eddie Sheeran rose to great heights within the bank. From his humble beginnings, Eddie became an assistant manager and later was promoted to vice president. Today he serves as Queens division executive and is one of the most visible bankers in Queens.

Mr. Speaker, Eddie Sheeran's banking career is just one aspect of his success. Eddie Sheeran has distinguished himself as a community leader without peer. For example, Eddie served as the first chairman of the United Way in Queens. Under his leadership, the United Way raised $300,000 within Queens County. Eddie also has been an important force in establishing a strong Junior Achievement Program in Queens. As chairman of the Queens chapter, Eddie established a board of volunteers to teach economics classes in Queens high schools. He volunteered to teach one class each week and within 2 years had raised $70,000 for Junior Achievement.

Eddie Sheeran is an extraordinary fundraiser for worthy causes. As chairman of the Queens chapter of the American Cancer Society, Eddie raised $52,000 last year. As chairman of development for the Greater Jamaica Development Corp., Eddie organized a parade for the opening of the new Jamaica Center subway station. The day resulted in $56,000 net profit for the development company.

Eddie serves on the boards of many other philanthropic organizations, including the Queens Council on the Arts, the Queens Symphony Orchestra, Queens Chamber of Commerce, and the American Lung Association. He is also treasurer of the Scarborough School for the Mentally Retarded. In the Irish Community, Eddie Sheeran has been a driving force in a variety of groups, including the Ancient Order of Hibernians, Knights of St. Patrick, and the Bedford Park Shamrock Club. He is also active in his parish, St. Bartholomew's Church where he serves as chairman of the education committee.

Mr. Speaker, I ask my colleagues to join me today in honoring Edward Sheeran for his lifelong dedication to helping those in need. His generous spirit which has touched and improved the lives of many people in New York City should be an inspiration to us all.

THE 59TH ANNIVERSARY OF THE LUTHERAN IMMIGRATION AND REFUGEE SERVICE

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. ATKINS. Mr. Speaker, today marks the 50th anniversary of the Lutheran Immigration and Refugee Service [LIRS]. I would like to join my colleagues in recognizing this very important date for one of the world's finest refugee resettlement agencies and one of two U.S. resettlement agencies authorized to place unaccompanied refugee children with foster families. The tireless advocacy of LIRS for world's refugees is to be commended.

LIRS has resettled more than 155,000 refugees through partnership with Lutheran social ministry organizations, congregations and communities since 1939. The number of unaccompanied minors, the most vulnerable of the refugee population, placed in foster homes since 1978 is more than 3,000. Families from Vietnam, Cambodia, Hungary, the Soviet Union, and many other countries have been resettled and involved in a network of thousands of dedicated sponsors in local churches and communities across the country. LIRS has been a consistent resource in enabling those with a well founded fear of persecution to seek legal protection in the United States as well as providing assistance to those persons taking steps to become lawful immigrants.

In my home State of Massachusetts, the work of LIRS is well known and has added to the very fabric of our life as a Commonwealth. If Bogdan Baudis could tell you his story today, you would hear of a Polish worker, a member of Solidarity, who fled persecution in his homeland and now lives and works in Massachusetts as a computer programmer. Or if Mrs. Keang of Lowell, MA, could speak to you today, she would tell you of genocide in Cambodia, of the Khmer Rouge, of life alone—as a widow—in a war zone on the Thai-Cambodian border. And today, thanks to LIRS, she has joined her surviving children and begun a new life.

LIRS is an inter-Lutheran agency of the Evangelical Lutheran Church in America, Lutheran Church-Missouri Synod and Latvian Lutherans in the United States. The LIRS network includes 25 regional offices and a staff of 39, each of whom deserve our thanks: Jamie Alden, Farida Alli, Ross Anderson, Horace Beasley, Marta Brenden, Steve Burton, Ben Chong, Janice Drayton, Sandra Edwards, Wilson Fernandez, John Finck, Marion Foseum, John Fredriksson, Moniera Green, John Griswold, Joan Hall, Ann Henry, Lenore Hosa, Anh Huynh, Thoai Huynh, Donald Larsen, Julie MacDonald, Jacquelyn Mize-Baker, Jennifer Monroe, Ruth Motayne, Duyen Nguyen, Faith Olson, Ky Phan, Laurie Rodriguez, Kathryn Sincell, Edward Snyder, Edmarine Stubbs, Arthur Thompsen, Milton Tucker, Josephine Verardo, John Whitfield, John Winter, Lily Wu, and Wajid Yusufazai.

Mr. Speaker, I come before you today to congratulate the Lutheran Immigration and Refugee Service and to say "thank you" for 50 years of global assistance. Without the commitment of LIRS, thousands of immigrants and refugees who dream of coming to the United States would have little hope of making a new life on their own in dignity and free of fear and persecution.

PORTUGUESE BENEFICIAL ASSOCIATION D. LUIZ FILIPE

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. MACHTLEY. Mr. Speaker, I rise today to pay tribute to the Portuguese Beneficial Association D. Luiz Filipe which was funded in 1892.

As the third oldest beneficial association in the United States, its original and principle goal was to provide assistance and support to Portuguese immigrants who arrived in Bristol, RI. The association provided services which were crucial to survival of the new arrivals and they picked the Prince D. Luiz Filipe as protector of the association.

Through the years, the association has been host to many distinguished members of the Portuguese community including Cesar Brito, Luiz D. Martins, Roswell Bosworth, and Luiz Raposo.

I would like to commend the beneficial association for the work they have done on behalf of Portuguese immigrants over the years. They have made our Nation a home for

many families while allowing our new citizens to assimilate their own culture and beliefs with their new land. I wish the association the best in the following years and I hope it strives to uphold the strong ideals and values it has established in its 97-year history.

HONORING LT. COL. GARY P. PULLIAM, OFFICE OF LEGISLATIVE LIAISON, U.S. AIR FORCE

HON. EARL HUTTO

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. HUTTO. Mr. Speaker, I rise today to honor Lt. Col. Gary P. Pulliam, Office of Legislative Liaison, U.S. Air Force, who will be retiring on November 22, 1989, after 20 years of exemplary service to the Air Force and to our Nation. A consummate professional, he has amassed an absolutely outstanding military record. Graduating from pilot training in 1971, Lieutenant Colonel Pulliam served as an air training command instructor pilot for 3 years before transitioning to the C–130 weapon system. Flying C–130's out of the Philippines, he participated in missions throughout Southeast Asia, including Vietnam. Lieutenant Colonel Pulliam returned to flight training status in 1977 when he was assigned to Little Rock AFB, AR, as a C–130 flight instructor. In 1980, Lieutenant Colonel Pulliam's career took a new turn when he was assigned to Wright Patterson AFB to work the acquisition of airlift and training programs. After graduating from Armed Forces Staff College in 1984, he was assigned to the Pentagon. There he put his acquisition experience to further use working airlift, training, and special operations projects. Capping his distinguished career, Lieutenant Colonel Pulliam has spent the last 2 years at the Pentagon as an action officer and a deputy division chief in Air Force Legislative Liaison.

In this capacity, he is credited with developing and then articulating key Air Force initiatives on Capitol Hill. As a result, Lieutenant Colonel Pulliam has ensured congressional support for important training, airlift, and special operations programs which will enhance force readiness and capabilities Air Force wide. I worked personally with Lieutenant Colonel Pulliam on special operations programs and can say that, due to his efforts, we have seen the revitalization of our special operations capabilities. In addition, Lieutenant Colonel Pulliam has organized and attended numerous meetings between senior DOD leaders and Members of Congress. These meetings have always been very productive, benefitting myself, many of my colleagues, and thousands of our constituents. In fact, Lieutenant Colonel Pulliam has so impressed me with his abilities that I have asked him to work for me as my administrative assistant. To my good fortune, he has accepted.

A gentleman of Lieutenant Colonel Pulliam's talent and integrity is rare indeed. While his honorable service will be genuinely missed, it gives me great pleasure today to recognize him before my colleagues and to wish him clear skies and favorable winds as he brings to a close a long and distinguished career in the service of the U.S. Air Force and his country. His wife Darlene has been there by his side the whole way, supporting him, through the good times and the bad times that characterize military life. His son Andrew, now a student at William and Mary, is a fine young man who calls Virginia his home. His daughter Amy, a student at Lake Braddock School in Burke, VA, is understandably excited about staying here in the Washington area. This family has served our Nation well. I salute them, and wish them God speed in the years ahead.

THE ADOPTION OF THE AMERICANS WITH DISABILITIES ACT

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. GINGRICH. Mr. Speaker, I wish to recognize and compliment my colleagues on the Committee on Education and Labor for adopting H.R. 2273, the Americans With Disabilities Act of 1989. This is important legislation that will extend to individuals with disabilities full civil rights—in the public and private sector. For too long such individuals have only been protected against discrimination based on disability in the public sector. The final vote in the committee was 35 to 0, a reflection of true bipartisan spirit for the legislation. H.R. 2273 now contains the provisions adopted by the other body in S. 933, and clarifications developed through bipartisan efforts—coordinated by our colleagues, Mr. HOYER and Mr. BARTLETT.

Three additional committees have jurisdictional over this critical civil rights bill—the Committee on Judiciary, the Committee on Public Works and Transportation, and the Committee on Energy and Commerce. It is my understanding that they too are giving thoughtful consideration to this measure and are working in a bipartisan manner.

MALCOLM BALDRIGE NATIONAL QUALITY AWARD

HON. GREG LAUGHLIN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. LAUGHLIN. Mr. Speaker, it is a great pleasure to point out that the cover story of the November 13 issue of Businessweek magazine features an American company, that has a plant in my district, that is gaining market share and profits around the world in high-technology products.

The company is Motorola, Inc., which earlier this year won the Malcolm Baldrige National Quality Award for its excellent quality standards.

The Businessweek story cites Motorola's success in the highly competitive international semiconductor market, and points out that Japanese companies like Canon have chosen Motorola's microprocessing chips over competing Japanese chips because of Motorola's quality and service.

Motorola is seeking lower trade barriers in Japan, but in 1988 alone, they had sales in Japan of $750 million.

The Businessweek cover story cites Motorola's excellent commitment to long-term research, especially in comparison with American corporations who are fixated on the next quarter's bottom line instead of a longer range view.

As for quality, Motorola's in-house quality enhancement program has cut defects from nearly 3,000 per million products in 1983 to under 200 per million products today.

The lesson of the Motorola success story, Mr. Speaker, is that American companies can compete when they demonstrate long-term vision, quality products, and a dedication to service.

A TRIBUTE TO JOHN BURTON

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. CLAY. Mr. Speaker, I rise today to pay tribute to John Burton, a native of St. Louis, MO, who has dedicated his life to serving his community. Mr. Burton was born on July 18, 1910, in St. Louis. After attending the public schools there, he received his college degree and settled in Ypsilanti, MI.

John Burton's organizing and leadership skills were first demonstrated as an activist for the United Auto Workers Union. As he gained the respect of many Ypsilanti citizens, he used his abilities to gain a place in local politics, serving 18 years on the Ypsilanti City Council.

Possibly his most memorable achievements came in 1967 when he was elected mayor of the city of Ypsilanti. In doing so, he became the first peson of color to serve as mayor in any city in Michigan. The fact that this came at a time of great racial tension made Mr. Burton an inspiration to all blacks struggling to gain the respect they deserved. John Burton was able, with his experience as labor, church, and community leader, to deal with the racial conflicts of the time with a unique understanding, strength, and perseverance.

John Burton did not stop there. After his tenure as mayor of Ypsilanti was over he remained active in the community, continuing to fight the causes in which he believes. Because of his political astuteness he has served as adviser to mayors, Governors, Senators, and Representatives. He currently serves on the Eastern Michigan Board of Regents, where he has helped greatly in promoting and advancing higher education in the State.

Mr. Burton has received numerous honors from various institutions in Michigan. He was most recently honored by the Ypsilanti-Willow Run Chapter of the NAACP on November 10, 1989.

Mr. Speaker, I am proud to rise today to salute a man such as John Burton. From his humble beginnings in St. Louis he has risen to be an influential and highly respected member

of his community and beyond. I hope that at 78 years of age we all can have the same determination and energy with which to serve our people.

LUTHERAN IMMIGRATION AND REFUGEE SERVICE CELEBRATES ITS 50TH ANNIVERSARY

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1989

Mr. MORRISON of Connecticut. Mr. Speaker, I am pleased to offer my congratulations to the Lutheran Immigration and Refugee Service [LIRS], the national agency of Lutheran churches in the United States, on its 50th anniversary.

As chairman of the House Subcommittee on Immigration, Refugees and International Law, it gives me particular pleasure to note that LIRS has resettled more than 155,000 refugees since 1939 through partnership with Lutheran social ministry organizations, congregations, and community people. More than 6,000 congregational sponsors were mobilized to foster the well-being and sufficiency of refugees and their integration into American life.

As one of just two national voluntary agencies that resettles unaccompanied minors, LIRS placed more than 3,000 unaccompanied refugee children in foster care since 1978.

Along with the Evangelical Lutheran Church in America [ELCA] and the Lutheran World Federation World Service, LIRS works with undocumented people in the United States by supporting 42 social service, advocacy and legal service community-based projects. LIRS also helped organize an ecumenical delegation to Washington to make clear that the administration policy of massive detention and lack of due process for Central Americans was in need of change. LIRS is especially to be commended for its efforts in organizing assistance for children who are being kept in detention centers because of their lack of legal status in this country.

Finally I wish to commend LIRS for its cosponsorship of the conference held this September in Washington on the subject of Haitian and African refugees. It was my pleasure to address that conference and to know, firsthand, of the fine work it accomplished.

I salute the LIRS on its 50th anniversary, and look forward to continuing to work with Don Larsen, LIRS' outstanding executive director, John Fredriksson, LIRS Washington representative, and all of the excellent staff that have made LIRS the fine organization that it is today.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, November 16, 1989, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

NOVEMBER 17

8:30 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue oversight hearings on the implementation of the Cable Telecommunications Act (P.L. 98-549).
SR-253

9:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 1379, to reauthorize various provisions of the Defense Production Act.
SD-538

Governmental Affairs
Federal Services, Post Office, and Civil Service Subcommittee
To hold hearings on S. 166, to establish procedures for Federal agency contracting of advisory and assistance services.
SD-342

10:00 a.m.
Foreign Relations
To hold hearings on the proposed sale of M1A2 tanks and other equipment to Saudi Arabia.
SD-419

11:00 a.m.
Foreign Relations
Business meeting, to consider pending nominations and legislation.
SD-419

2:00 p.m.
Foreign Relations
Western Hemisphere and Peace Corps Affairs Subcommittee
To hold hearings to examine the current political situation in El Salvador.
SD-419

NOVEMBER 20

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings on H.R. 3000, to provide standards for the manufacture and sale in interstate commerce of certain fasteners.
SR-253

Finance
Social Security and Family Policy Subcommittee
To hold hearings on mass mailings that deceive or mislead senior citizens about matters relating to Social Security.
SD-215

NOVEMBER 21

10:00 a.m.
Judiciary
Constitution Subcommittee
To hold hearings on S. 1236, to provide for a waiting period before the sale, delivery, or transfer of a handgun.
SD-226

DECEMBER 5

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings on the Department of Energy's implementation of the civilian nuclear waste program.
SD-366

POSTPONEMENTS

NOVEMBER 17

10:00 a.m.
Environment and Public Works
Toxic Substances, Environmental Oversight, Research and Development Subcommittee
To hold oversight hearings on regulation of lawn chemicals.
SD-406